

Energy Financing

Reduced Cost = Increased Competitiveness



1. Introduction

2. Benefits of Financing

Energy Saving Via Two Channels





Investment

Your money



Financing

Third-party money

Energy Savings vs Generation



	Energy Savings	Energy Generation
Complexity	Hundreds of options	Challenging regulations
Financial benefit	2-5yr payback	7-10yr payback
Risk	Low-Medium	Low
Cost	Low-Medium	Medium

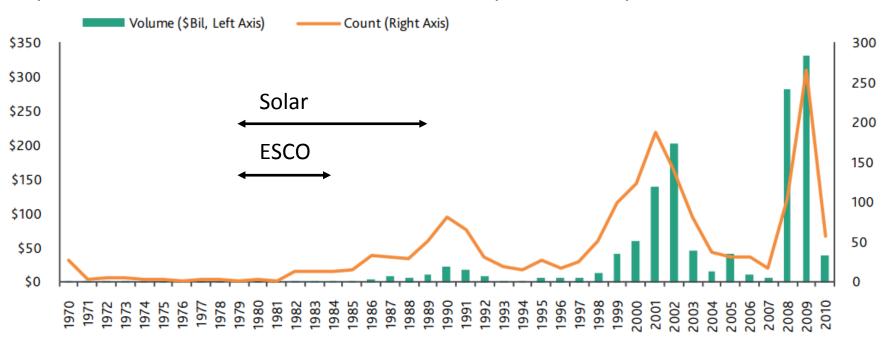


Both Reduce costs = Increase Competitiveness

Long-Term Payback

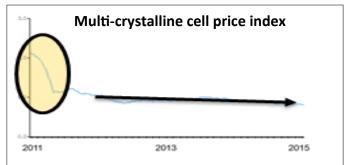


Corporate Default Volume and Count – USA Moody's rated companies



Global market driven by cost and availability of financing





62% 65% 67% 70% 72% 74% 74% 62% 65% 67%

2015 2016E 2017E 2018E 2019E 2020E

Customer Owned



60%

50%

30% 20%

10%

Technology Maturity

- 80% decrease in cost of solar technology over the last 8 years
- Flattening prices of solar cells reflects maturity of the technology

Solar leasing vs self-funded for C&I in the US

Solar Trends for Commercial & Industrial Companies

- **Global solar market growth** driven by Commercial and industrial customer
- Buy or lease options are available to customers
- 74% of US market of solar through leasing due to the securities it provided to customers at every level

Source: Bloomberg, Greentech Media

Third-Party Owned

Third-Party Ownership Share

2,000

1.000



1. Introduction

2. How to Save Money Today

Risks in direct procurement:



Steps to Get Solar System

Financing

Engineering, Procurement & Construction



Operations & Maintenance

Provider

Risks to mitigate

Bank Financing or Internal Funds EPC Contractor and Consultants

O&M Contractors and Spare Parts providers



Financial risk

- Guarantee returns
- Internal compliance
- Non-core investment
- No tax benefits



Construction risks

- Component quality
- Durability
- Cost creep Variations



Operational & Facility risks

- Hidden costs:
 - Maintenance
 - Insurance
 - Spare parts
- Long-term performance

Solar leasing aligns Yellow Door Energy's interests with the customers from beginning to end



Benefits of Solar Leasing

Steps to Get Solar System

Financing



Engineering, Procurement & Construction



Operations & Maintenance

Provider



Solar Leasing Benefits

1st day payback

- Quick internal approval
- Focus investments on core business



Leasing Company

Quality Delivery

- Top-tier components
- Stakeholder management
- Stringent standards
- Authorities approvals



Performance Guarantee

- Aligned Incentives
- Energy Output commitment
- No additional cost

Solar leasing requires zero capital investment, provides immediate savings & reduces eco footprint



Comparison of Self-Funded vs Solar Leasing



Self-Funded





- High upfront investment with full risks: you pay regardless of the system performance
- × Management of many stakeholders:
 - Consultants
 - Engineering, Procurement and Construction contractors
 - Operations & Maintenance contractors



Solar Leasing

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No upfront cost



Savings from Day 1 on Operational Expenditure



No financial risk - you pay for what the system generates



Outsource construction, maintenance and operations to a third-party



Focus on core activities



Short investment approval time



Long-term partner

Energy saving is a hedge again future electricity costs



