

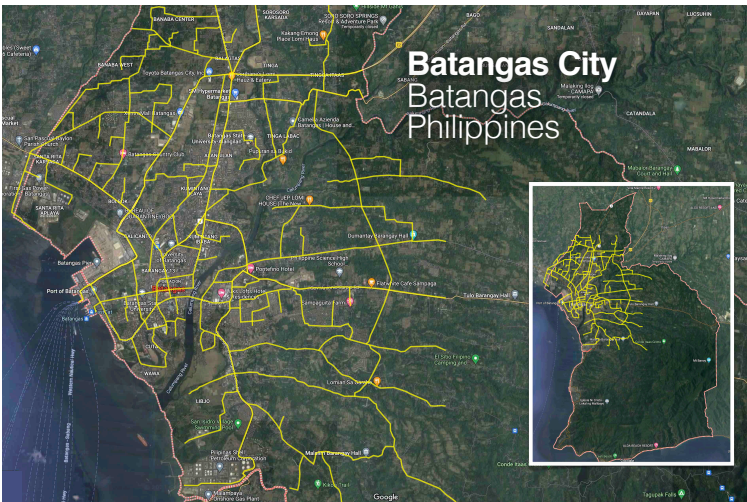
Executive summary of podway project for

# Batangas City, Batangas, Philippines

## New sustainable infrastructure Tollway with solar & storage

Fully automated transport for moving people and goods. Guaranteed revenue from PPA and other sources. Built alongside roadways and highways within existing right-of-way. Similar PRT/ATN systems operating for over 10 years with perfect safety. Engineering partner is Capgemini.

**FDBOOC** (Finance,Design,Build,Own,Operate,Cooperative)



## Financial Summary - details on page 3-6

**Project Cost (CAPEX) \$987.0M**

\$2.8M per route-km

\$2,808 per resident cost

**Annual Revenue \$660.9M**

Breakeven is at 32% of projected revenue and  
69% of breakeven is from guaranteed contracts.

**Operating Expenses (OPEX) \$251.9M**

Rev share, monitor, security, clean, maintain

**Net Operating Income \$301.2M**

Multiple scenarios and metrics on page 4



## Project Details

**Length: 351 km**

Guideway with stainless steel exterior, aluminum rails, galvanized steel supports at 24 m (79 ft) spacing. Expected 100 year lifespan.

**Number of Vehicles: 2,708**

Automated, on-demand, battery-electric pods can carry 4 seated passengers or 1400 kg (1.5 ton) pallet-sized payload.

**Number of Access Points: 3,509**

Access points (pod stops) are electric lifts that lower pods to ground-level for boarding off the main line.

Serves all major destinations including: Airport(s), Train station(s), Bus terminal(s), Hospitals, Schools, Places of worship, Tourist sites, Grocery stores, Retail, Residential, Freight hubs, Industrial, Distribution centers, and Seaports.

**Population served: 316.3K**

Convenient (a 2.0 min. walk) to a population of 316,293 over 283 sq km (served population is 90% of total population of 351,437).

**Renewables: 81.7 MW**

82 MW capacity for clean and renewable energy.  
GHG reduction of 92.6K tCO2e per year.

## Status and Milestones

Expect to sign a non-binding agreement with government that includes right-of-way alongside all roadways that leads to signing a Public-Private Partnership agreement upon financing.

Strong financials do not require government guarantees for funding or subsidies.

Demonstration pilot near Boston has proved the costs, manufacturability, and installation speed. A feasibility study that includes patronage study has been prepared by Transit X.

Ready to start pre-implementation phase. Expected to start operations within 24 months.

## Exit

Best financial return is to exit soon after start of operations at 3.3 times equity investment.

## Additional Info

[Public webpage for Philippines](#)

[Request feasibility study](#)

# Feasibility Study and Industry Comparables

## Feasibility Study Summary

- ✓ **Financial:** Multiple sources of revenue, long-term contracts and network effects deliver durable cash flows and high margin operations.
- ✓ **Regulatory:** International Automated People Mover standards would certify system safety.
- ✓ **Land acquisition:** None. Installed within public rights-of-way (RoW) alongside roadways within utility-like aerial easements.
- ✓ **Government:** Provides aerial RoW easements through Public-Private Partnership (P3) agreement. Strong government support from revenue stream and no government funding. Provides public transport that is convenient, inclusive, accessible, sustainable, and equitable. No land use or negative impact on other modes of travel. Lowers gov't cost for road & bridge maintenance.
- ✓ **Construction:** 90% of work is competitively bid on fixed-price contracts with qualified and reputable firms. Infrastructure is built in factory which makes for fast installation and low disruption.
- ✓ **Environmental:** No significant environmental impact. Carbon negative. Pollution free. Powered by clean and renewable energy
- ✓ **Societal:** Fast to build and not disruptive. Improved safety, reduced crime. Creates jobs and economic growth. Eliminates congestion & parking issues. Integrates with existing transport.
- ✓ **Technical:** Exclusive, elevated, fully-automated system avoids complexities of multi-modal trips. Similar to systems that have been safely operating for 45+ years. See box to right →

## Operational ATN/PRT Systems

Location	Name and Vendor	Route (km)	Vehicles	Service Year
Morgantown, West Virginia	Morgantown PRT	5.8	70	1975
London Heathrow Airport	ULTra	3.8	21	2011
Masdar City, UAE	2getthere	1.8	10	2010
Suncheon, South Korea	Vectus	4.6	40	2014
Raytheon, Massachusetts (tested)	PRT 2000	1.5	3	1995-1997

## Has this technology been deployed?

Yes, the first PRT system has been operating since 1976 at WVA University ([video](#)). The project's engineering partner is [Capgemini](#). Capgemini is the largest and one of the most respected product engineering companies in the world. For decades, they have delivered similar systems including automated transit, high-speed rail, autonomous vehicles, and elevators.

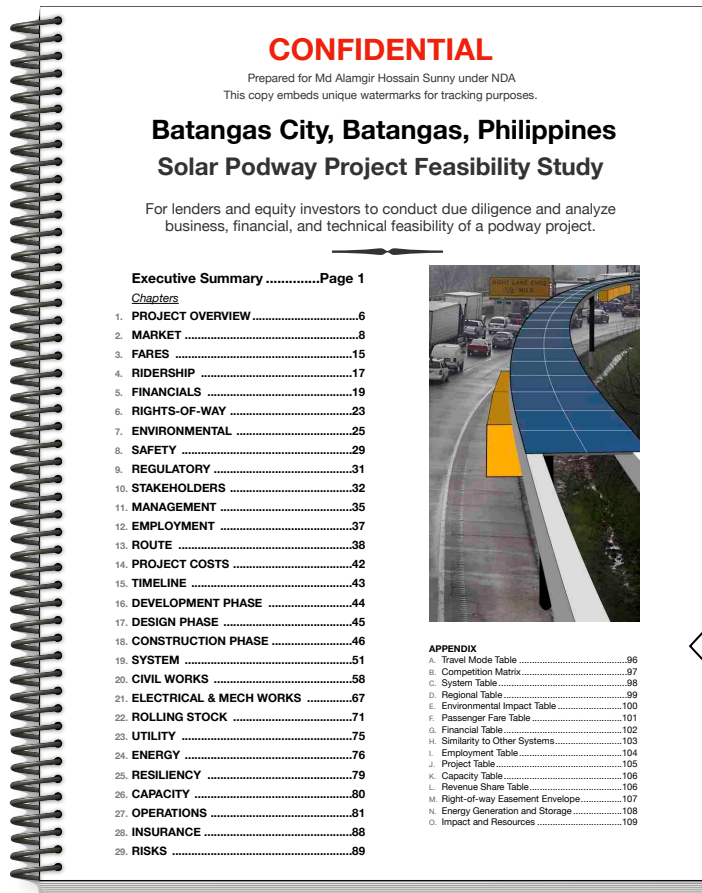
A podway was installed in 2021 near Boston for testing. That pilot proved the manufacturability, low cost, fast installation, and quiet operation. **Every podway project starts with a small pilot followed by a phased rollout.**

Podway projects are designed to mitigate risk because they are: 1. privately funded, 2. manufactured, 3. use existing easements, 4. exclusive and grade separated tracks, 5. automated controls, 6. positive environmental impact and 7. fast implementation.

While there is currently no Transit X podway system in operation, podway projects are likely lower risk than most roadway or railway projects.

A book that researched and analyzed the top risks of large projects is titled: "How Big Things Get Done. The surprising factors that determine the fate of every project"

Feasibility Study and Industry Report available upon request.



# Project Details

## Partners and Major Contracts

**Project Developer** Transit X

**Engineering** Capgemini

**Financial advisor** EACP

**Accounting / CPA** one of Big 4

**P3 Agreement** Gov't (or private)

**Program Management** AECOM

**Bankable Study** KPMG/PwC/EY

**Insurance** Lloyds of London

**Civil Works** Competitive bid

**Energy Systems** Competitive bid

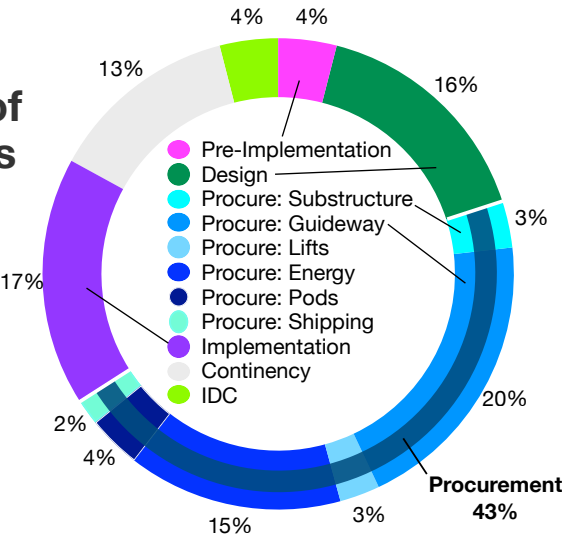
**Manufacturing** Multiple contracts



## Use of Funds

Task item	Cost (US\$)
1 <b>DEVELOPMENT: 3 to 9 months</b>	<b>\$39.5M</b>
2 Feasibility Study with Ridership-Rev Study	2,763,000
3 Environmental Impact Study	8,290,000
4 Pilot	6,316,000
5 Civil planning & assessment	10,264,000
6 Contracts, Documentation & Legal	3,553,000
7 Project Management	3,158,000
8 Travel & Meetings	1,184,000
9 Contingency for Development Phase	3,948,000
10 <b>IMPLEMENTATION / EPC</b>	<b>\$932.1M</b>
11 <b>DESIGN: 3 to 6 months duration</b>	<b>157,913,000</b>
12 Financing fees	28,424,000
13 Contracts & Legal	9,475,000
14 Commission fee	28,746,350
15 Civil Design	28,424,000
16 Transport Design	20,529,000
17 Utility Design	18,950,000
18 Permitting & Approvals	11,054,000
19 Owner's Engineer and Rep	14,212,000
20 Project Management (through construction)	15,791,000
21 Independent Engineering Consultant	6,317,000
22 <b>PROCUREMENT</b>	<b>454,000,684</b>
23 Substructure (vertical supports)	31,780,000
24 Superstructure (guideway)	195,220,000
25 Pods (vehicles)	36,320,000
26 Lifts	27,240,000
27 Solar & Wind generation	95,340,000
28 Battery packs (energy storage)	49,940,000
29 Shipping & Tariffs	18,160,000
30 <b>INSTALLATION: 12 to 18 month duration</b>	<b>\$167.8M</b>
31 Insurance & Bonding	3,355,657
32 <b>Civil Structures (Podway)</b>	<b>77,180,000</b>
33 Site work	7,718,000
34 Utility diversions	24,698,000
35 Foundations	19,295,000
36 Erection (labor + equipment)	23,154,000
37 Inspections and Certifications	2,315,000
38 <b>Rolling Stock (Pods &amp; Lifts)</b>	<b>55,368,000</b>
39 Installation & Commissioning	22,147,000
40 Testing & Safety Certification	24,362,000
41 Documentation & Training	8,859,000
42 <b>Facilities</b>	<b>16,778,000</b>
43 Pod cleaning facilities	3,356,000
44 Repair & maintenance facilities	3,523,000
45 Pod parking garage	4,027,000
46 Control room	5,872,000
47 <b>Energy Systems</b>	<b>15,100,000</b>
48 Installation	12,080,000
49 Utility Interconnects	3,020,000
50 <b>Other</b>	<b>152,420,646</b>
51 15% Contingency	128,733,653
52 Interest During Construction	23,686,992
53 <b>TOTAL PROJECT COSTS</b>	<b>\$987.0M</b>

## Use of Funds





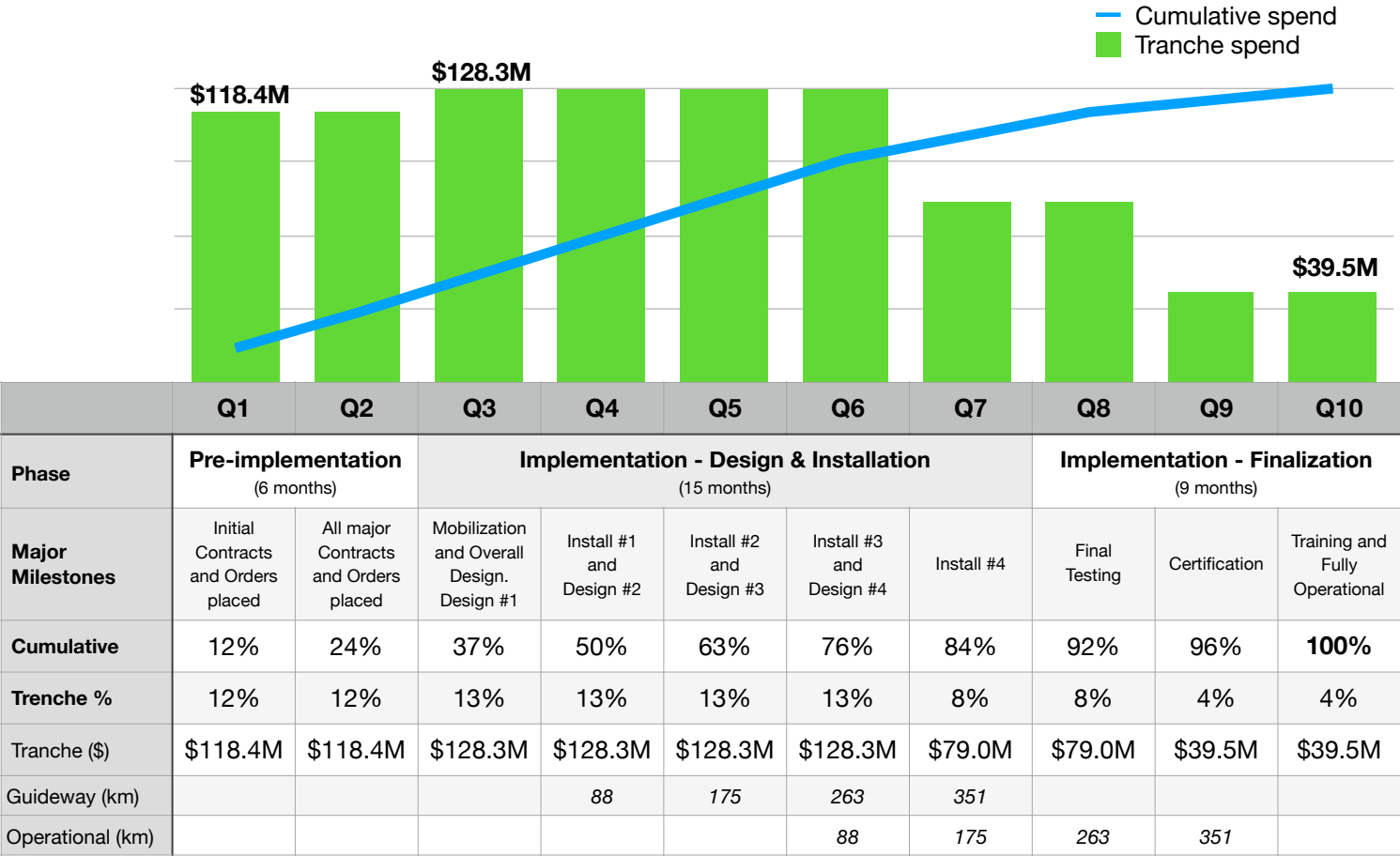


# 10-year Pro Forma

Dollar values in thousands USD ('000)

Years ►	0	1	2	3	4	5	6	7	8	9	10
<b>1 INCOME STATEMENT</b>											
2 <b>Net Revenues</b>	\$ 0	198,269	277,576	388,606	544,049	660,895	660,895	660,895	660,895	660,895	660,895
3 <i>% of steady-state revenue</i>	0%	30%	42%	59%	82%	100%	100%	100%	100%	100%	100%
4 <b>Operating Costs</b>	\$ 0	94,950	113,190	138,727	174,479	251,886	251,886	251,886	251,886	251,886	251,886
5 <b>Revenue Share Payments</b>	\$ 0.00	9,913	13,879	19,430	27,202	33,045	33,045	33,045	33,045	33,045	33,045
6 <b>SG&amp;A</b>	\$ 0.00	9,913	13,879	19,430	27,202	33,045	33,045	33,045	33,045	33,045	33,045
7 <b>Operations</b>	\$ 0	25,775	36,085	50,519	70,726	85,916	85,916	85,916	85,916	85,916	85,916
8 <b>Maintenance</b>	\$ 0.00	49,348	49,348	49,348	49,348	49,348	49,348	49,348	49,348	49,348	49,348
9 <b>Depreciation / Reserve</b>	\$ 0	0	0	0	0	50,532	50,532	50,532	50,532	50,532	50,532
10 <b>EBIT</b>	\$ 0	103,319	164,386	249,879	369,570	409,009	409,009	409,009	409,009	409,009	409,009
11 <b>Interest Payment</b>	\$ 54,663	54,663	54,663	54,663	54,663	54,663	54,663	54,663	54,663	54,663	54,663
12 <b>Income Taxes</b>	\$ 0	7,298	16,458	29,282	47,236	53,152	53,152	53,152	53,152	53,152	53,152
13 <b>Leveraged Free Cash Flow (LFCF)</b>	\$ (54,663)	41,357	93,264	165,933	267,670	301,194	301,194	301,194	301,194	301,194	301,194
<b>14 BALANCE SHEET</b>											
15 <b>Total Assets</b>	\$ 1,001,134	1,002,765	1,005,047	1,008,243	1,010,645	1,010,645	1,010,645	1,010,645	1,010,645	1,010,645	1,010,645
16 <b>Cash &amp; Marketable Secur. (BOP)</b>											
17 <b>Fixed Assets (acquisition cost)</b>	\$ 1,001,134	1,002,765	1,005,047	1,008,243	1,010,645	1,010,645	1,010,645	1,010,645	1,010,645	1,010,645	1,010,645
18 <b>Depreciation</b>	\$ 50,057	50,138	50,252	50,412	50,532	50,532	50,532	50,532	50,532	50,532	50,532
19 <b>Accumulated Depreciation</b>	\$ 50,057	100,195	150,447	200,859	251,392	301,924	352,456	402,988	453,520	504,052	554,585
20 <b>Total Liabilities</b>	\$ 813,253	813,253	813,253	813,253	813,253	813,253	813,253	813,253	813,253	813,253	813,253
21 <b>Debt</b>	\$ 813,253	813,253	813,253	813,253	813,253	813,253	813,253	813,253	813,253	813,253	813,253
22 <b>Equity</b>	\$ 197,392	238,749	332,013	497,946	765,616	1,066,810	1,368,004	1,669,198	1,970,392	2,271,586	2,572,779
23 <b>Capital</b>	\$ 197,392	197,392	197,392	197,392	197,392	197,392	197,392	197,392	197,392	197,392	197,392
24 <b>Retained Earnings</b>	\$ 0	41,357	134,621	300,554	568,225	869,419	1,170,612	1,471,806	1,772,999	2,074,193	2,375,388
<b>25 CASH FLOW</b>											
26 <b>Free Cash Flow</b>	\$ (1,001,134)	101,688	162,103	246,683	367,168	459,541	459,541	459,541	459,541	459,541	459,541
27 <b>Cash From Operations</b>	\$ 0	103,319	164,386	249,879	369,570	459,541	459,541	459,541	459,541	459,541	459,541
28 <b>Increases in Working Capital</b>	\$ 0	0	0	0	0	0	0	0	0	0	0
29 <b>CAPEX</b>	\$ 1,001,134	1,630	2,283	3,196	2,402	0	0	0	0	0	0
30 <b>Fixed Infrastructure</b>	\$ 859,613	0	0	0	0	0	0	0	0	0	0
31 <b>Energy</b>	\$ 113,759	0	0	0	0	0	0	0	0	0	0
32 <b>Pods</b>	\$ 4,076	1,630	2,283	3,196	2,402	0	0	0	0	0	0
33 <b>Interest during construction</b>	\$ 23,687	0	0	0	0	0	0	0	0	0	0
34 <b>Cash Flow From/To Finance</b>	\$ 955,982	(54,663)	(54,663)	(54,663)	(54,663)	(54,663)	(54,663)	(54,663)	(54,663)	(54,663)	(54,663)
35 <b>Cash From/To Equity Investors</b>	\$ 197,392	0	0	0	0	0	0	0	0	0	0
36 <b>Cash From/To Debt (Principal)</b>	\$ 813,253	0	0	0	0	0	0	0	0	0	0
37 <b>Dividends</b>	\$ 0	0	0	0	0	0	0	0	0	0	0
38 <b>IRR to date</b>	loss	loss	(54%)	(25%)	(4%)	8%	15%	16%	17%	18%	25%

# Project Milestones and Spending Plan



## Project Timeline

### PRE-IMPLEMENTATION

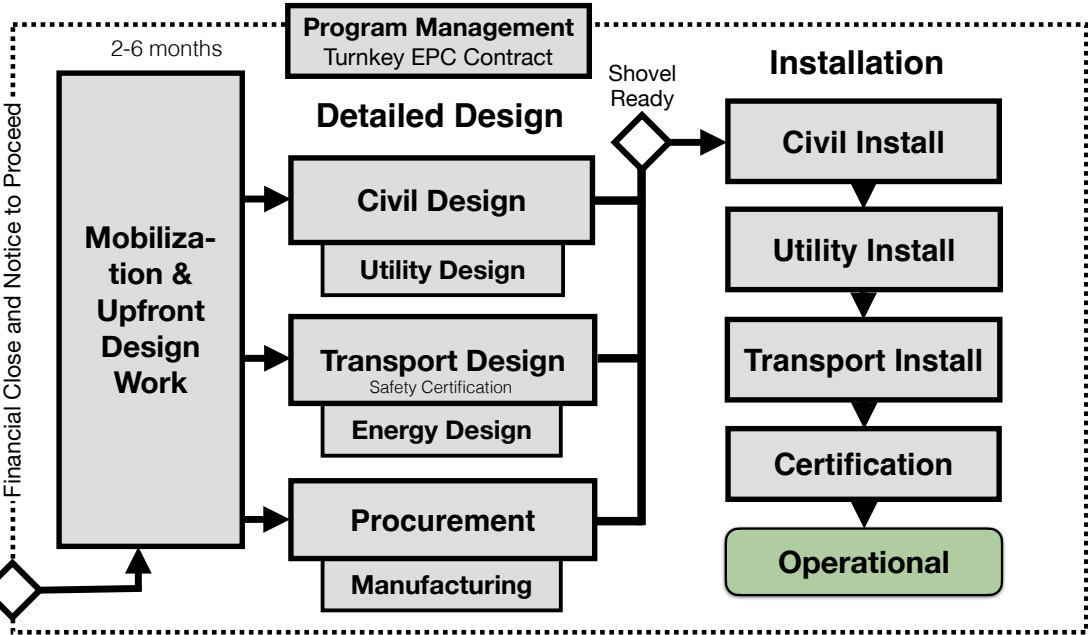
3-9 months



### IMPLEMENTATION / Development

First phase ready in 12 months. Fully operational in 18 months,

**Phased rollout:** Design → Install → Test



# Offering

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Developer is open to flexible equity and debt financing terms. Once the system is operational, investors can exit with high multiples within 3-4 years. See page 4 for financial projections.

Developer (Transit X) will offer joint board control and preferred shares with fixed dividend to guarantee investor returns. Also allocate additional shares if milestones are not met during project's implementation. Release of funds is over 10 quarterly tranches.

Phase ➡	Capital (greenfield) Investment				IPO or Brownfield Investors
	Initial Development	Development Equity	Implementation Equity	Debt	
Amount to be Raised	\$3.9M	\$39.5M	\$154.0M	\$813.3M	
Status	To be raised	To be raised	Have commitment(s)		12-18 months from start of operations
Collateral/Asset	MOU and/or PPA		Installed equipment, Tax Credits, PPA		
Terms	Common + Preferred Shares			5-20 year term Limited Recourse	Dividends and share of profits
Exit	Exit at start of implementation (12-18 months)		Exit @ 18 months after start of operations	n/a	Dividends and profit distribution
Investment goals	Risk-adjusted returns or Bank Guarantee (BG)		>20% IRR	Low risk of default	Long-term, dependable cash flow
Target Return on Capital	72% (or 15% with BG)	54% (or 15% with BG)	36%	n/a	15%
Use of Funds & Milestones	Contract for Bankable Feasibility Study. Environmental impact Route Survey. Pilot ordered. Create project company in country.	Permits & Planning. Major contracts signed. Pilot installed. Full investment docs. P3 signed.	Overall Design and Docs. First phase procurement and implementation. Insurance & bonding.	Remaining Procurement, installation, and commissioning.	