



From Demo to Commercial Reducing Risk Through Capital Assistance & Insurance

Scaling Up Bio-Circular Economy
November 5th, 2019

PASSMORE GROUP Inc.

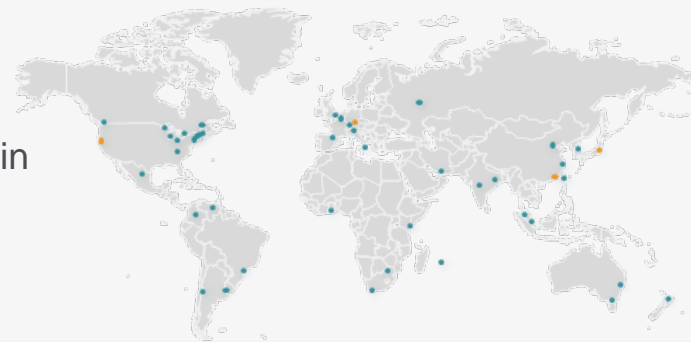
Munich RE 

World's largest reinsurer,
also working with
large-scale businesses

Founded in **1880**

Globally active with offices in

100 countries



Balance sheet

€ **265.7** bn (2017)



Group result

€ **2.3** bn (2018)



Employees

~**42,000**



Rated as:

A+, AA, Aa3 and AA-

A.M Best, Fitch, Moody's, S&P

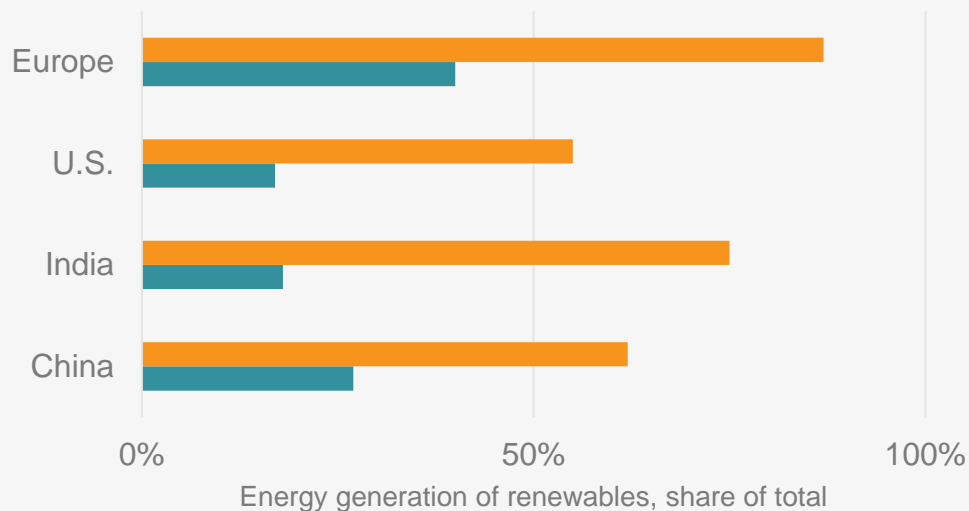


Munich Re & Green Tech Solutions

Enabling the Energy Transition

Key economies are expected to be running on at least 50% clean energy by 2050

■ 2050 ■ 2017



Source: Bloomberg New Energy Finance

Munich Re

Traditional
Reinsurance

Renewable
Energy
Primary
Insurance

**Green Tech
Solutions**

Green Tech Solutions

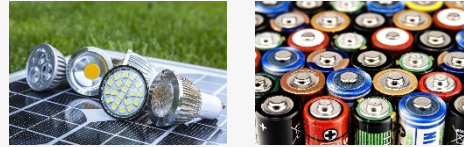
GTS Renewables Portfolio

Established Renewables



- Solar Energy
- Wind Energy
- Inverter

Energy Efficiency Technologies



- Electric Energy Storage / Batteries
- E-mobility
- Energy Savings
- Air Conditioning / Heating
- Sustainability Improvements

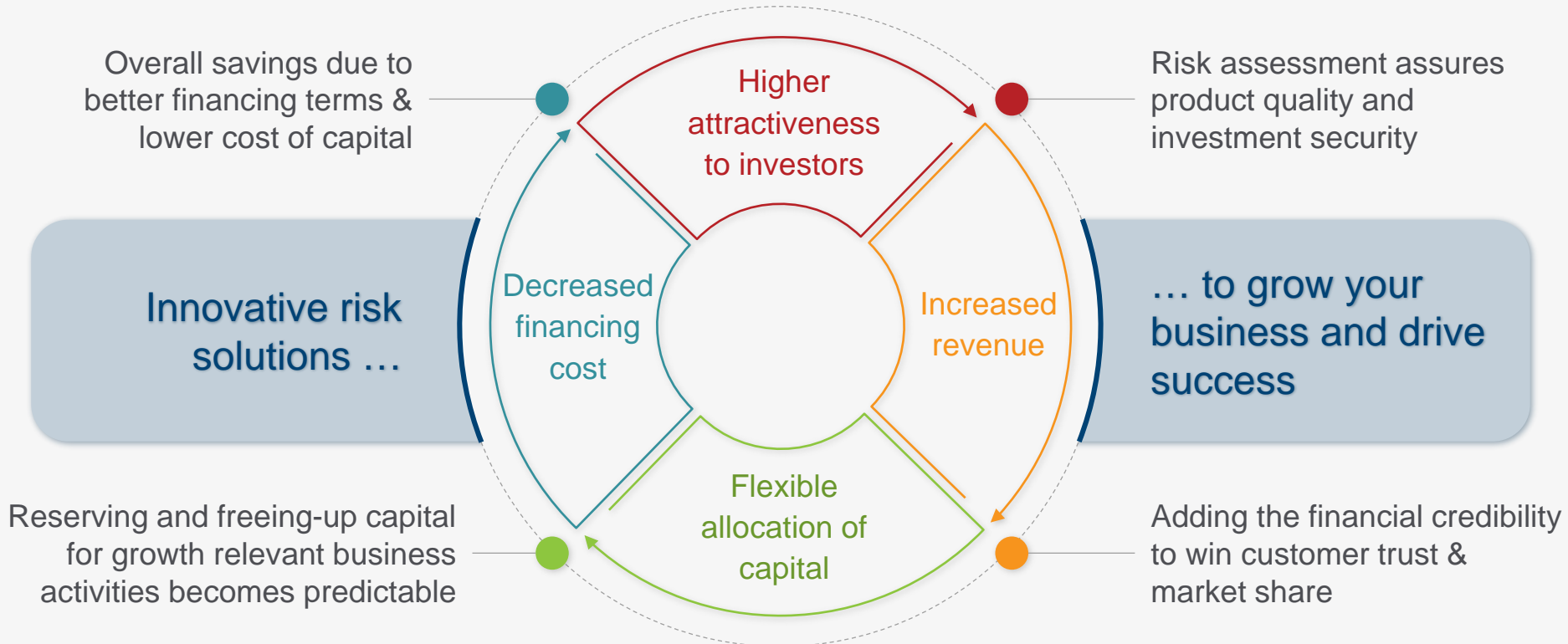
Circular Economy Renewable Technologies



- Bio Energy / Waste to Energy
- MSW, plastics, tires, rubber, fats/oils/grease, e-waste, biogas, RNG, renewable diesel
- Carbon Capture
- Fuel Cells
- Water Treatment
- Efficient Resource Extraction

Munich Re Value Proposition

Increasing Profits and Enabling Business





Description

Long-term performance cover for

- Transferring technology risk from lender / investor to insurance company



Risk Transfer Solution

- Indemnification if the projected output cannot be achieved
- Coverage of the Insured's Debt & OPEX obligations for the life of the loan up to 10-15 years
- Option for covering equity investment
- Non-cancellable for the insurer



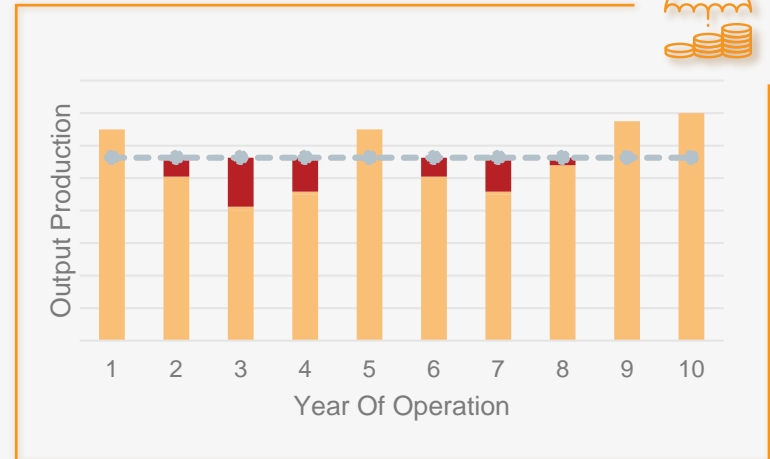
Achievements

- Increased predictability for financiers
- Sizeable reduction of interest spread due to technological risk transfer



Value proposition

- Cash Flows of project and debt payment to investors directly protected
- Enablement of business that may otherwise not be financially viable





What is Offered

- Start-up & Long-Term Operational Coverage
- Production Output Guarantee
- Extended Warranty & Repair Cover
- Policy Period matching loan / debt financing period



Major Cover Elements

- **Output Cover:** Insures Minimum Output of facility to provide liquidity for production shortfalls to protect the investment
- **Repair Cover:** Insures unscheduled major repairs needed to restore operational performance that would result in a significant drop in output

Policy Trigger

Shortfall in
Production

- Coverage of worst case scenario
- Liquidity cover

+

Cause of Trigger

- Faulty Chemical Process
- Faulty Materials
- Faulty Instructions
- Faulty Workmanship

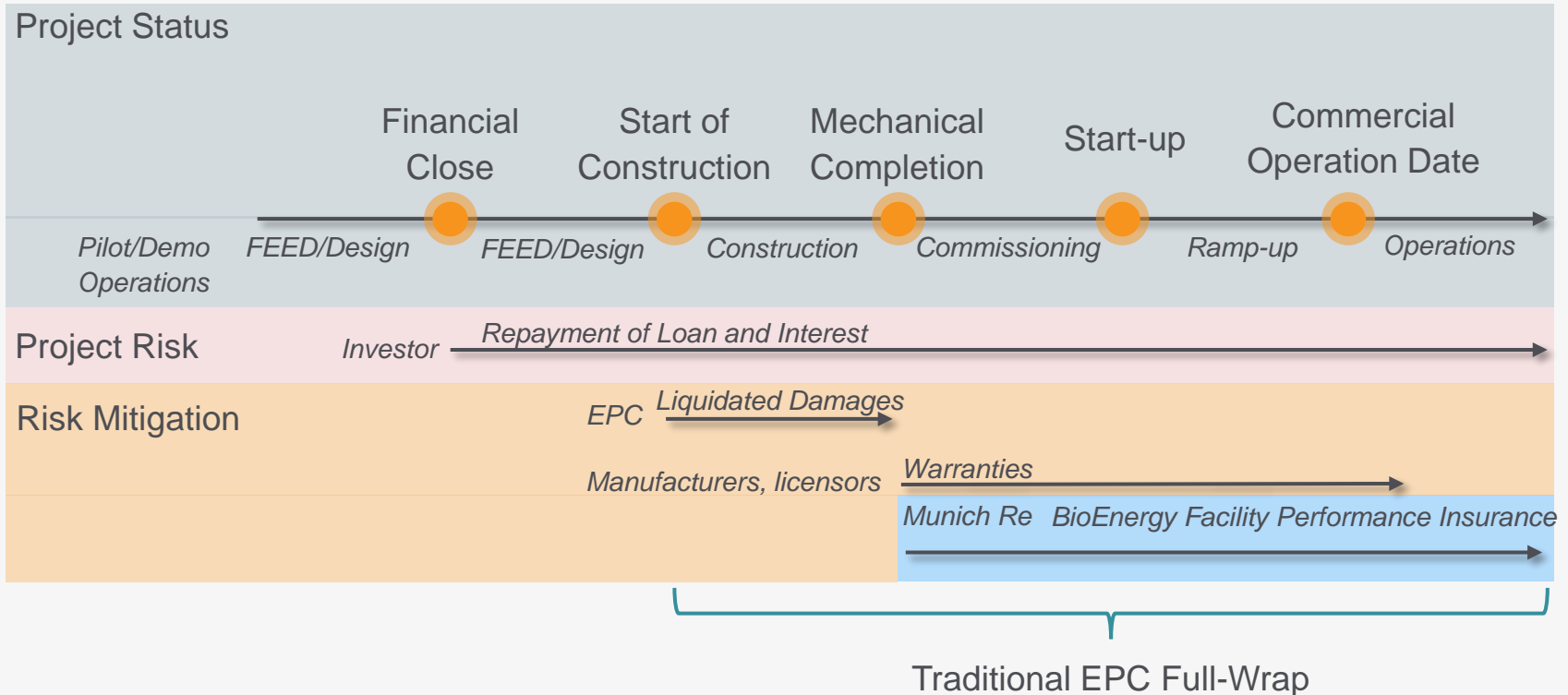
- Technical risks only
- No contractual risk
- No market risk

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Insured Event

Project Timeline and Related Risks

Transferring technology risk to enable investment





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