Overview

PFAN has been actively operating in Asia since 2009, with the first two phases of the program being funded by USAID and hence administered through USAID’s implementation partners.

2009-2011 : IRG Resources
2013-2018 : Deloitte Consulting LLC

During this period, Asia has contributed to nearly US $ 900 m, in nearly 60 projects across 10 countries in the region and continues to be promising.

There are 57 mentors in the current PFAN network in Asia and intends to grow this further.

PFAN has held 8 successful editions of the Asian Forum for Clean Energy and Climate Finance, its flagship event in the region.

Additionally PFAN also works closely with partners such Commercial banks and several categories of equity investors, debt and grant providers.
Contents

▪ Global Clean Energy Investment
▪ Understanding the Funding Cycle
Global Cleantech Investment

Annual Trends, New Investment

Global New Investment in Clean Energy

2005 – 2017

$bn

Source: Bloomberg New Energy Finance

Bloomberg
New Energy Finance

Version WH10.04
All values nominal

42 April 11, 2018
Global Clean Energy Investment – By Region

Global New Investment in Clean Energy by Region
2005 – 2017

$bn

Annual Trends, New Investment

Source: Bloomberg New Energy Finance
Global Clean Energy Investment – By Sector

Annual Trends, New Investment

Global New Investment in Clean Energy by Sector
2005 – 2017

$bn
Global Clean Energy Investment – Types of fund flows

This chart shows the full range of investment in clean energy by asset class. It runs from the early ‘tech’ stage fund raisings and R&D on the left, through to the roll-out phase of new build asset finance (AF) in the middle finishing with total secondary market, non-new investment including corporate M&A, private equity buy-outs, investor exits and asset refinancing and acquisitions.
Contents

- Global Clean Energy Investment
- Understanding the Funding Cycle
Understanding the Funding Cycle – Start Up Stages

Problem/Solution Fit (Customer/Product development)
- Finding a problem worth solving
- Discover a viable solution
- Customer Interviews
- Prototype Demo

Product/Market Fit (Customer Validation)
- Most important stage
- Pass this stage to validate your product/business

Scale-Up (customer Creation)
- Growth focus
- Usually only after product/solution validation
Understanding the Funding Cycle – Exploring Funding Fit
Understanding the Funding Cycle – Understanding the Give & Take

STAGES OF FUNDING

Note: The figures below are used for illustration purposes only.

IDEA STAGE
Conceptualization, idea development (no paperwork)

- Company Valuation: $0
- Founder Equity: $0

CO-FOUNDER
Individual partner(s) invest(s) in idea (no formal agreement), a.k.a. napkin stage

- Company Valuation: $2,000
- Founder Equity: $1,200

SEED FUNDING
Family & friends, angel investors, govt. incubators, employees (sweat equity), HNWIs, Micro VCs, etc.

- Company Valuation: $50,000
- Founder Equity: $15,000

SERIES A,B,C,D
VCs, Employees (ESOPs), professional managers, crowdfunding, mezzanine financing

- Company Valuation: $500,000
- Founder Equity: $75,000

IPO STAGE
Institutional & retail investors, investment bankers, alternatively, management buyout (MBO) or trade sale

- Company Valuation: $50,000,000
- Founder Equity: $4,000,000
Understanding the Funding Cycle – Incubator or Accelerator

<table>
<thead>
<tr>
<th>Type of Organization</th>
<th>INCUBATOR</th>
<th>ACCELERATOR</th>
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<tr>
<td></td>
<td>Normally non-profits</td>
<td>For Profit</td>
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<tr>
<td>Who can apply</td>
<td>SMEs/Individuals</td>
<td>Companies with potential for rapid and scalable growth</td>
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<td>Requirement</td>
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<td>Leadership</td>
<td>Technologists</td>
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<td>Support</td>
<td>Traditional model of consultants</td>
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<td>Investment</td>
<td>Philanthropic/public funds</td>
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<tr>
<td>Support time</td>
<td>Long</td>
<td>Short</td>
</tr>
</tbody>
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Understanding the Funding Cycle – Positioning Your Company

1. Your Stage
2. What are the key returns (Financial/Social etc)
3. Selecting the funding source
4. Tailoring your pitch
5. Prepare your give-take
6. Seek professional help
Contact

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Thank You!