

October 2019

# Caribbean Basin

## Renewable Energy Investment Index



## INTRODUCTION TO OUR FIRM

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*Pan American Finance was established in 2003 to provide high quality, independent strategic and financial advisory and capital raising services to businesses and their owners across the Americas*

### Experience

- Pan American Finance was founded in 2003 to advise our clients on achieving their objectives for growth and value creation – through acquisition, investment and capital raising transactions
- Our affiliate, PAF Securities LLC, has been a member of FINRA/SIPC since November 2006
- Team of 10 investment banking professionals with diversified backgrounds and extensive transaction experience in investment banking, capital raising, private equity, and corporate finance & operations
- Complemented by a prestigious group of highly experienced Senior Advisors
  - Directorial and executive leadership positions in the private and public sectors across the Americas, including with development banks and leading financial institutions
  - Deep operating and industry experience, including in consumer products, infrastructure & renewable energy, payments and financial services, and in Latin American and the Caribbean

### Focus

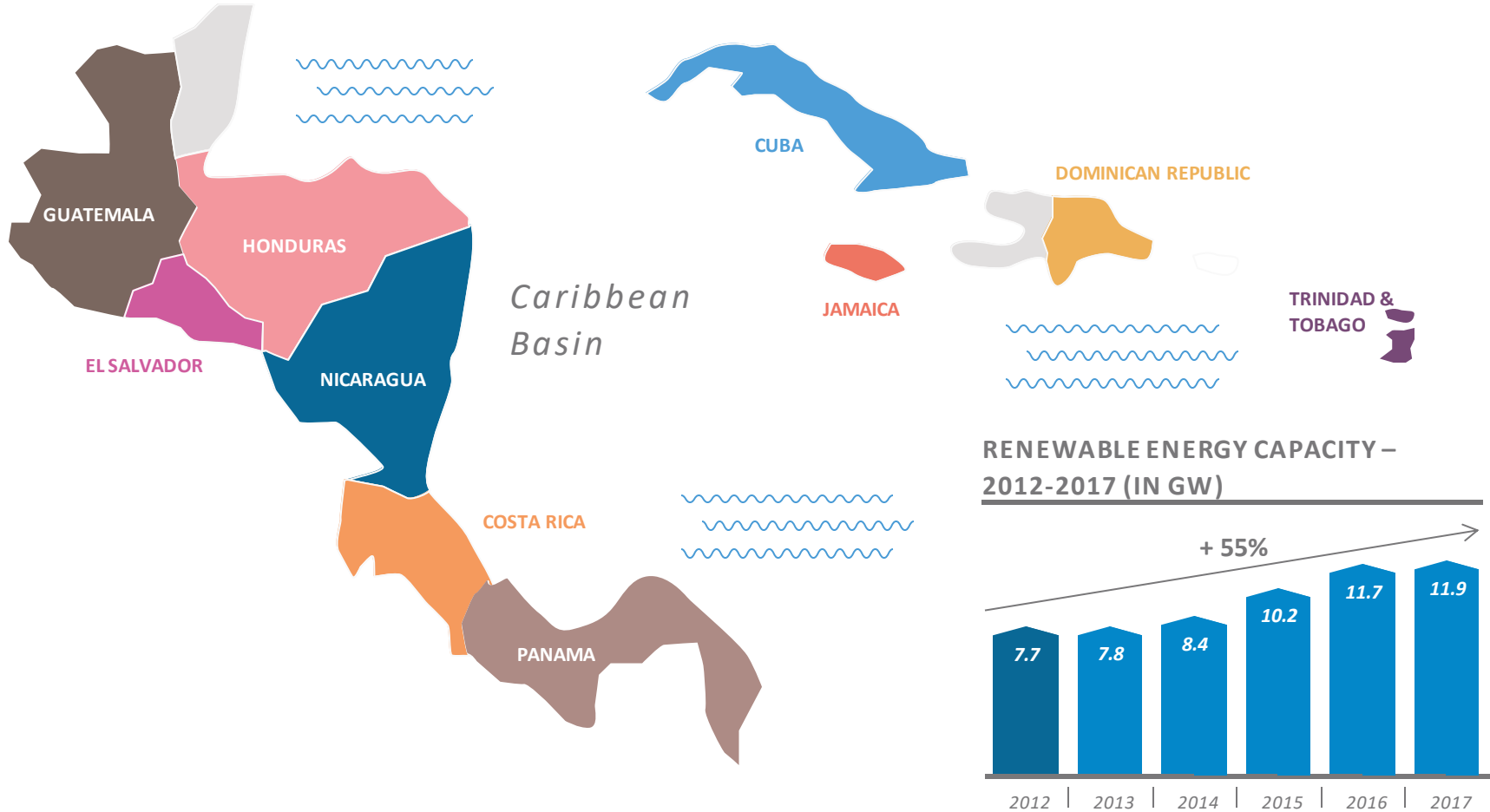
- M&A and strategic advisory transactions, often private, complex or cross-border, across the Americas, with a focus on Latin America and the Caribbean
- Equity capital raising for highly differentiated companies and fund managers
- Sector expertise in power and renewable energy – focused on the Caribbean Basin

### Transactions

- Since inception, our firm has completed over US\$4.0 billion in total aggregate transaction value
  - 17 M&A Advisory – US\$ 1.3 billion
  - 24 Debt Financing – US\$ 1.3 billion
  - 8 Mezzanine & Equity Capital - US\$ 0.8 billion
  - 6 Fund Placement – US\$ 0.5 billion
  - 12 transactions for over US\$ 1.6 billion in renewable energy

## PAF CREI INDEX OVERVIEW

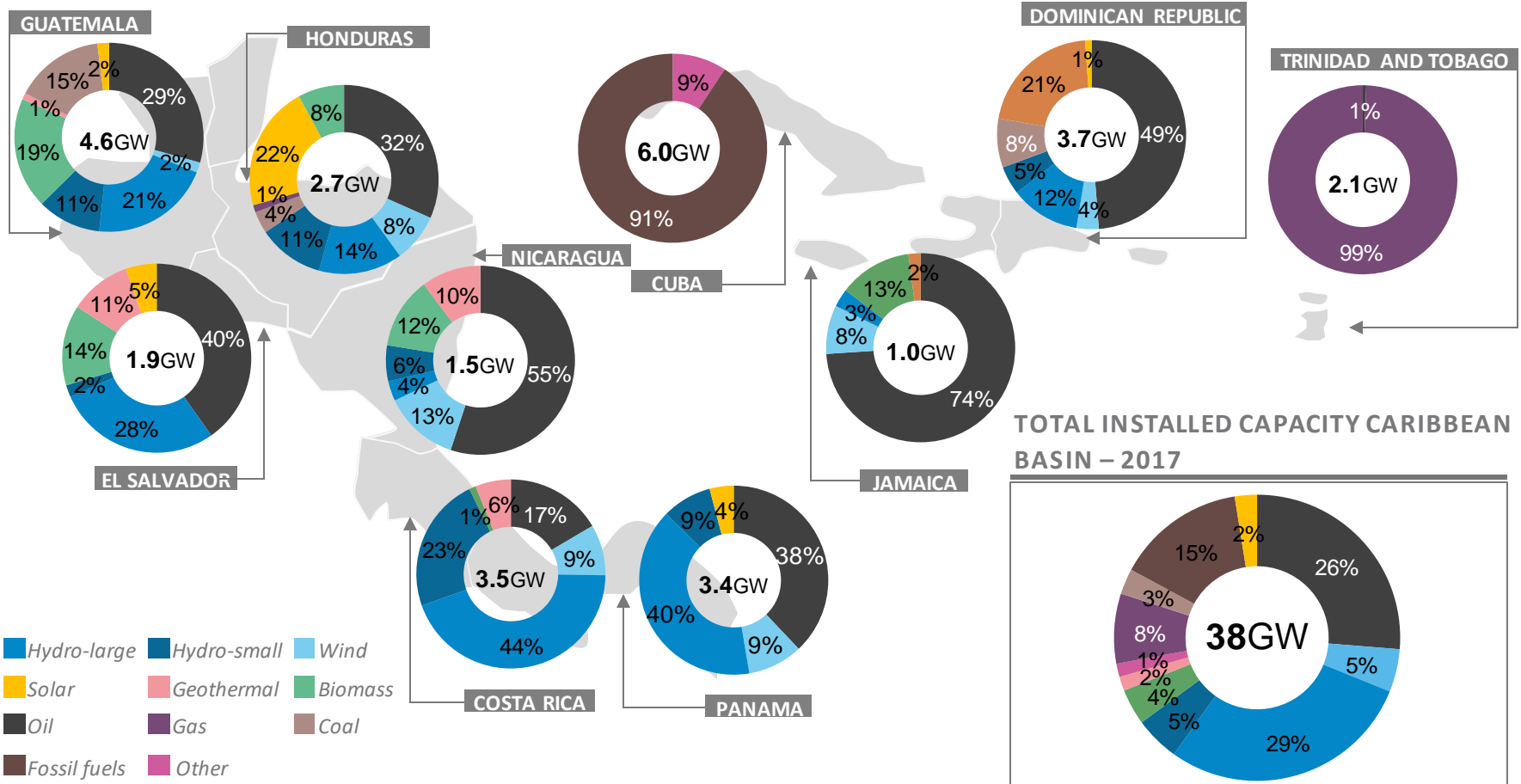
In this 2nd Edition of Pan American Finance's Caribbean Basin Renewable Energy Investment Index (the "CREI Index"), we set out to rank the top 10 markets in the Caribbean Basin region in terms of their relative attractiveness and investment potential for renewable energy projects



# CARIBBEAN BASIN ENERGY MARKET OVERVIEW – INSTALLED CAPACITY

- 48% Renewable energy in the selected countries now represents ~48% of their total installed capacity after additions of approximately ~4.2GW of new capacity from renewable energy projects between 2012 and 2017
- 41% Renewable energies generated in the selected countries (incl. hydro) represent ~41% of a total of ~100TWh

## INSTALLED CAPACITY BY SELECTED COUNTRY – 2017



## PAF CREI INDEX METHODOLOGY

We created our Caribbean Basin Renewable Energy Investment Index to rank our 10 chosen countries using 4 broad parameters separated by 16 underlying key metrics:

**1**

**MACRO PARAMETERS** † **20%**  
*Weighting*

- GDP 2017
- GDP growth 2018E-2021E
- GDP/capita 2017
- Foreign direct investment

**2**

**ENERGY PARAMETERS** † **30%**  
*Weighting*

- Access to electricity
- Cost of energy
- Renewable energy share vs. target
- Installed capacity running on oil and coal

**3**

**INVESTMENT PARAMETERS** † **30%**  
*Weighting*

- Political Stability Index
- Ease of Doing Business Index
- Estimated cost of equity/ return potential
- Payment risk
- Country risk premium

**4**

**POLICY AND REGULATION PARAMETERS** † **20%**  
*Weighting*

- Five-year cumulative renewable energy asset finance
- Openness to IPPs
- Regulatory framework for renewable energies in place

## PAF CREI INDEX RANKING

2019 RANKING	COUNTRY	MOVEMENT IN RANKING	2017 RANKING
1	PANAMA	↔	1
2	GUATEMALA	↔	2
3	DOMINICAN REPUBLIC	↑	5
4	COSTA RICA	↔	4
5	JAMAICA	↓	3
6	HONDURAS	↔	6
7	EL SALVADOR	↑	8
8	TRINIDAD & TOBAGO	↑	9
9	NICARAGUA	↓	7
10	CUBA	↔	10

# Pan American Finance has completed 23 transactions for over US\$2.4 billion in the energy and infrastructure sectors, including over US\$1.6 billion in renewable energy

## Track record

- 23 transactions completed in the energy and infrastructure sectors
- Transactions:
  - M&A
  - Restructuring
  - Project Financing
  - Senior Debt
  - Subordinated Debt
  - Mezzanine & Equity
- Infrastructure:
  - Renewables
  - Energy
  - Ports & transportation
  - Real Estate
- Renewable energy:
  - Solar
  - Wind
  - Geothermal
- Geographies:
  - Caribbean & Central America
  - Andean & Latin America
  - USA & Canada
  - Europe

<p>April 2019</p> <p><b>Locus Bio-Energy SOLUTIONS</b></p> <p>Locus Bio Energy Solutions</p> <p>US\$ 10,000,000 Convertible Note</p> <p><b>GEC</b> GLOBAL ENERGY CAPITAL</p> <p>USA</p>	<p>December 2018</p> <p><b>sonnedix</b> SOLAR POWER PRODUCER</p> <p>Sonneditx Power Holdings, Ltd.</p> <p>US\$ 99,000,000 Senior Long-Term Debt Financing</p> <p><b>CNF</b> BICE BANCO security</p> <p>Chile</p>	<p>2018</p> <p><b>INTERENERGY</b></p> <p>InterEnergy Holdings</p> <p>Strategic Advisory &amp; Valuation</p> <p>Caribbean Basin</p>	<p>November 2017</p> <p><b>solarcentury</b></p> <p>Solarcentury Holdings Limited</p> <p>£250,000,000 Equity Capital Raise</p> <p><b>ENCAVIS</b> Encavis Asset management</p> <p>Europe &amp; Mexico</p>	<p>October 2017</p> <p><b>Jetstream</b> AVIATION CAPITAL</p> <p>Jetstream Aviation Capital (Fund III)</p> <p>US\$ 32,500,000 Limited Partnership Interests Raised</p> <p>USA</p>	<p>August 2016</p> <p><b>sonnedix</b> SOLAR POWER PRODUCER</p> <p>Sonneditx Power Holdings, Ltd.</p> <p>Sale to</p> <p><b>J.P.Morgan</b> Asset Management</p> <p>Infrastructure Investments Fund</p> <p>Global</p>
<p>June 2015</p> <p><b>Jetstream</b> AVIATION CAPITAL</p> <p>Jetstream Aviation Capital (Fund II)</p> <p>US\$ 68,000,000 Limited Partnership Interests Raised</p> <p>USA</p>	<p>July 2015</p> <p><b>Rapimex S.A.</b></p> <p>Repimex, SA</p> <p>US\$ 21,000,000 Senior Long-Term Debt Financing</p> <p><b>BAM</b></p> <p>Guatemala</p>	<p>December 2014</p> <p><b>sonnedix</b> SOLAR POWER PRODUCER</p> <p>Sonneditx Power Holdings, Ltd.</p> <p>€300,000,000 Equity Private Placement</p> <p><b>J.P.Morgan</b> Asset Management</p> <p>Infrastructure Investments Fund</p> <p>Global</p>	<p>December 2014</p> <p><b>INTERENERGY</b></p> <p>InterEnergy Holdings</p> <p>US\$ 300,000,000 Senior Long-Term Debt Financing</p> <p><b>IFC</b></p> <p>Panama</p>	<p>November 2014</p> <p><b>UNITY TRUST</b> UNIT TRUST CORP.</p> <p>The National Insurance Board of T&amp;T, National Enterprises Ltd. &amp; The T&amp;T Unit Trust Corp.</p> <p>US\$ 168,000,000 Acquisition of 10% Interest in</p> <p><b>Trinidad &amp; Tobago</b></p>	<p>August 2014</p> <p><b>PENINSULA</b></p> <p>Peninsula Investments Group, L.P. (Fund III)</p> <p>US\$ 30,000,000 Limited Partnership Interests Raised</p> <p>Latin America</p>
<p>April 2014</p> <p><b>INTERENERGY</b></p> <p>InterEnergy Holdings</p> <p>US\$ 100,000,000 Bridge Financing</p> <p><b>BESI</b></p> <p>Panama</p>	<p>April 2014</p> <p><b>INTERENERGY</b></p> <p>InterEnergy Holdings</p> <p>Acquisition of 215 MW Wind Project in Panama</p> <p><b>UEP</b> Unión Electrica Panameña</p> <p>Panama</p>	<p>September 2013</p> <p><b>Kawa</b> CAPITAL MANAGEMENT</p> <p>Kawa Capital Management</p> <p>Acquisition of</p> <p><b>CORERGY</b></p> <p>Global</p>	<p>September 2013</p> <p><b>DENHAM CAPITAL</b></p> <p>Denham Capital</p> <p>Sale of</p> <p><b>CRAISAL</b></p> <p>Trinidad &amp; Tobago</p>	<p>November 2010</p> <p><b>POLARIS</b></p> <p>Polaris Energy Nicaragua, SA.</p> <p>US\$ 160,000,000 Senior and Subordinated Long-term Debt Financing</p> <p><b>IFC</b> <b>IDB</b></p> <p>Nicaragua</p>	<p>November 2010</p> <p><b>POLARIS</b></p> <p>Polaris Energy Nicaragua, SA. (Fund III)</p> <p>US\$ 85,000,000 Refinancing of Existing Senior and Subordinated Debt Financing</p> <p><b>FMO</b> CABE</p> <p>Nicaragua</p>

# Pan American Finance

Investment banking for the Americas

