
ANNOUNCEMENT

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Spectainer secures partnership with Climate Fund Managers for USD75m in forecasted funding to construct and deploy COLLAPSECON Fleet 1

SUMMARY

- **Forecasted funding of USD 75m by Climate Fund Managers (CFM) Climate Investor Two (CI2) Facility.**
- **Funds to be used to construct the first COLLAPSECON collapsible container fleet.**
- **Will represent the single largest investment in collapsible containers.**
- **Contributing to global and industry Sustainability targets.**

DISCUSSION

Australian intermodal innovation and industrial technology company Spectainer is pleased to announce a partnership with CFM's Climate Investor Two (CI2) Development Fund (DF2). The partnership represents USD 2m in development funding and forecasted construction funding of USD 75m.

The global problem of empty container inefficiencies currently costs the industry over USD 30.1b each year and this cost is rising. In many regions, empty container parks are at capacity with carriers chartering vessels to support empty repositioning.

Spectainer is driving an evolution in global trade by developing and producing technologies that generate *better* operational efficiencies, *better* economic savings and *better* environmental benefits. Centred on its patented collapsible shipping containers, COLLAPSECON, and supported through an integrated Internet-of-Things (IoT) security and location devices, SEACON, Spectainer's next generation shipping container ecosystem is specifically designed to reduce the impact of empty container across the global supply chain.

Climate Fund Managers (CFM)

Backed by the FMO Entrepreneurial Development Bank (Holland) and Sanlam Infracore, as part of the Sanlam group of South Africa, Climate Fund Managers is an investment manager proudly contributing towards mitigating and building resilience to climate change in areas most affected. CFM uses a blended finance structuring to attract public and private capital to invest in high-impact sectors in emerging economies. CFM provides financing solutions for infrastructure developers in the renewable energy, water sanitation and ocean sectors, with fund structures providing investments across the entire project lifecycle (development, construction and operational stages).

Climate Investor Two (CI2) is a financing facility mandated to invest in water, sanitation and ocean infrastructure projects in emerging economies. CI2 makes use of public sector capital deployed alongside commercial funding, enjoying cornerstone support from the Dutch Fund for Climate and Development (DFCD). The consortium that manages the EUR 160 million DFCD includes CFM, World Wide Fund for Nature Netherlands (WWF-NL), Netherlands Development Organisation (SNV) and Entrepreneurial Development Bank, FMO.

Funding

Divided into two components, this funding will directly support Spectainer's goal of establishing COLLAPSECON® as the world's first mass-produced collapsible container solution. The funding consists of:

- USD 2m – Development Funding to support preliminary and pre-production activities.
- USD 75m – Forecasted Construction Funding to produce the first COLLAPSECON fleet.

Spectainer's Managing Director Nicholas Press said:

"Over the past 12 months, global supply chain disruptions throughout the COVID-19 pandemic and the Suez Canal blockage have resulted in unprecedented levels of container fleet pooling in certain regions like Australia, the United States and Europe. The shipping sector is growing, but this growth also amplifies the issue of empty containers".

"A significant barrier to widespread adoption of collapsible containers has been that to demonstrate the efficiency and savings of the solution, Carriers need have a sizable fleet of containers; however, scaling a fleet requires significant capital. CFM are focused on creating and supporting real and measurable environmental benefits through new and scalable technologies and we are thrilled to have a partner whose mission and principles align with our own.

Estimated at 20,000 COLLAPSECON containers, the first fleet will be the largest collapsible container fleet ever introduced into the market. Added to this, the forecasted funding of USD 75m will represent the single largest investment in collapsible container technology.

CFM Regional Head – Asia, Nathan Schmidt stated: *"The investment in Spectainer represents an opportunity for CI2 to meet the growing demand for innovative sustainable solutions in global green ports and shipping. The patented COLLAPSECON technology proves that sustainability and efficiency can come hand in hand".*

Environmental, Social, and Corporate Governance (ESG)

While a container as an asset does not generate a direct environmental impact, they do generate significant in-direct impacts throughout the supply chain. Additional distribution, handling and storage all add unnecessary CO2 emissions. The introduction of collapsible container technology will improve operational efficiencies, thereby saving excess annual transport, handling and storage requirements as well as significantly contributing to long-term sustainability across the industry.

Generating Social and Climate Impact

In addition to enabling Spectainer's establishment of the first collapsible container fleet, it is estimated that through the CFM funding, Spectainer will generate:

- Up to 200 Jobs at Manufacturing Sites in emerging markets;
- Up to 90 Jobs at local ports; and
- Approximately 84,890 TCO2-e per year.

Legal Advisors

Legal advisors for the transaction:

- Spectainer – Mr Nick Dingemans, Partner at Penningtons Manches Cooper, Singapore
 - CFM – Mr Nicholas Grambas, Partner at Johnson Winter & Slattery, Australia
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Additional Resources

Information on COLLAPSECON and SEACON can be found at:

<https://spectainer.com/products/collapsecon/>

<https://spectainer.com/products/spectainer-ensure-seacon/>

Information on the Climate Fund Managers and investment in Spectainer can be found at:

<https://climatefundmanagers.com/>

<https://climatefundmanagers.com/portfolio/spectainer-intra-asia-pacific/>

About Spectainer

Spectainer Pty Ltd (www.spectainer.com) is accelerating an evolution to *better* trade by developing and producing specialised and integrated solutions that enable *better* operational efficiency, *better* economic savings, and *better* environmental benefits.

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