



CTI PFAN Asia Forum for Clean Energy
Financing
Business Plan Guideline

Team Name: _____

Project Title: _____

	Name	Company	Email	Contact Number
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CTI PFAN Asia Forum for Clean Energy

Financing

Business Plan Guideline

These notes are provided as a guide only for business plan submission (Stage 2 of the competition). Participants may choose to provide additional information that they consider not being covered in this template. The emphasis should however be on the presentation of a concise and credible plan that can be easily interpreted by investors who may not be fully familiar with the market / technology / risks. Plans should not exceed the suggested length as outlined below.

1. Introduction (1 Page)

This business plan should be structured as an investment proposal. Hence, the introduction should include significant portions of the business plan such as market opportunity, business objectives and benefits, the investment required and the returns possible.

2. Business Strategy (7 Pages)

a. Detailed Business Plan

The Business plan should include the phase of 1) Development Phase - financial closure till the start of business proper, 2) Phase 2: Start of business onward, 3) Phase 3: Exit Strategy

b. Operations Planning

Running of the day to day business including more micro- level operations management details.

c. Expansion Strategy

This depends on the management's discretion to either run this business as a cash cow or a growth centre. If the latter is chosen, the expansion plan should be included in this section of the business plan. The Scenario analysis and the financial analysis should reflect these details.

CTI PFAN Asia Forum for Clean Energy

Financing

Business Plan Guideline

d. Marketing Strategy

If the business strategy involves a selling of a product/service, the team must elaborate on how the marketing function will be structured and its operations carried out. This might include efforts to convince potential buyers, off takers, authorities, investors or the general public of your business offering.

3. Management and Manpower Structure (3 Pages)

a. Company Structure

The proposed Company Management Structure should be clearly defined in the business plan including, where possible, the names of personnel selected and the allocation of company positions.

b. Management Expertise and Credentials

The purpose of adding the expertise and credentials of the company management is to convince investors of the management's capability and potential. Therefore detailed attention should be paid to emphasis relevant work experience, contributions and skill sets critical to the business.

c. Manpower Distribution

Businesses with complex operations or large manpower requirements should be well thought through and presented in a concise manner. It is important to ensure that assumptions for this section are realistic and achievable.

d. Partnerships

Partners could include joint venture firms, suppliers, off-takers of finished goods, development partners, technology suppliers, contractors or others aiding in outsourced functions of the business. Agreements, ongoing discussions, contracts or MOUs with any of these parties should be highlighted in the business plan. Business plans that require critical arrangements with potential partners should seek to secure these arrangements before submitting the

CTI PFAN Asia Forum for Clean Energy

Financing

Business Plan Guideline

business plan. These factors contribute to the overall business implementation readiness.

4. Industry Analysis (5 Pages)

Expanding on Industry Analysis presented in the executive summary, judges will be looking out for accurate market information, analysis and where it is possible quantitative forecast.

a. External market analysis

The business plan should cover all grounds in looking at factors that might impact the future business. A suggested framework to use is the porter's five forces or the SWOT analysis.

b. Competition Analysis

This section should provide an analysis of companies with similar or competitive offerings as the proposed business plan. Conversely, other companies that complement the business plan can be elaborated upon.

c. Competitive Advantage Analysis

Teams should highlight the competitive advantage of their business as compared to existing or future market competition. This could also include competitive strategies the company might adopt to create barriers of entry.

5. Technology (4 Pages)

Relevant technologies that constitute heavily to the revenue/cost of the business should be discussed in this section.

a. Technology Suppliers Considered

Technology developed, procured or leased should be described in an understandable manner in relation to the value chain of the



CTI PFAN Asia Forum for Clean Energy

Financing

Business Plan Guideline

business. Available choices of these technologies should be discussed and compared.

b. Technology Provider chosen

The decision on the choice of technology should reflect the technology comparisons made in the previous section.

6. Financial Analysis (6 Pages)

The purpose of this section is to highlight the profitability of the business. Relevant lines of profit include sales/revenue of goods and services and possible carbon emissions revenues. The evaluation should be credible with conservative estimates being used throughout this section.

a. Financial Assumptions

As a guide, financial assumptions should entail but are no limited to the following categories: 1) Revenue Assumptions, 2) Expense Assumptions, 3) CAPEX assumptions, 4) Project operating assumptions.

b. Business Cashflows

The Cashflows from the project will be built on the assumptions defined in the previous section. In turn, the projected cashflows will form the basis for the financial results in the next section. The cashflows can be augmented by other statements such as the income statement, the balance sheet and other relevant financial statements.

c. Business Returns

This section should include the possible economic returns and the relevant ratios that will be important in evaluating the economic feasibility of the business.

7. Investment (3 Pages)

Closely tied to the financial analysis, potential debt and equity investors will be interested in the risk and returns possible to them specifically. These returns for equity



CTI PFAN Asia Forum for Clean Energy

Financing

Business Plan Guideline

and debt holders depend will on the investment structure and in the case of the equity holder, dividend payment structure.

a. Investment Structure

Therefore, the proposed investment structure details should be clearly spelt out in this section, with reference to the debt/equity holder's obligation and stake hold and duties. In this section, estimates and assumptions should also be made conservatively.

b. Equity Cashflows

Equity Cashflows reflect the cashflows attributable to equity investors. This section will form the basis of the investor stake hold as well as the investor returns from the business.

c. Exit Strategy

The proposed timeline of the business investment is an important piece of information for investors. Similarly, the exit strategy for the investor should be clearly construction around this timeline. To increase the flexibility of the business plan, possible multiple exit points can be suggested.

8. Risk Analysis (5 Pages)

The risk involved in running the business should entail but is not limited to 1) Business specific risk, 2) Cost/Price risk, 3) Technology risk, 4) Country Specific risk, 5) Industry wide risk and 6) Financial risk.

9. Scenario and Upside Analysis (3 Pages)

The impacts of downside risk and upside potentials that could affect the returns of the business in the future should be presented and financially modeled if possible.

CTI PFAN Asia Forum for Clean Energy

Financing

Business Plan Guideline

10. Conclusion (1 Page)

Important:

1. The guideline provides listed sections that the judges will look out for. Nonetheless, deviations and additions are allowed.
2. Keep the business plan under 40 Pages including the cover page, charts, financials and all necessary Annexes.
3. Page setup, spacing, word sizes should be reasonable for yourself and for the appreciation of the Judges.
4. Convert your file into PDF before sending.
5. Sources of information should be cited and a reference should be provided for judging purposes.