

## Spearhead L.P. – Preparing for the World’s 3rd Infrastructure Cycle, Today

### A multi-generational-themed discipline to investing

Planning for the industry’s requirement for 2045~2050 as relates to economic infrastructure opportunities for **Spearhead L.P.** – when half of the world population will be urbanized.

- ▶ Infrastructure & Infrastructure-like assets to be more services-oriented compared to classic core assets, adopting the “as-a-service” pay-as-you-go business model.
- ▶ The pressure of urbanization on cities, specifically major cities, will deplete government resources away from focusing on rural infrastructure development. Rural areas will have their own growing demands in quantity & quality of the full suite of infrastructure products. Emphasis on subterranean connectivity throughout major cities.
- ▶ Commercial relationships shift closer to end users, rather than the traditional off-taking.
- ▶ Robots will play a bigger role in construction activities, automation in managing assets.
- ▶ SMART end-to-end synchronization with Industrial Internet of Things (IoT) — strict emphasis on integrated experiences tailored to match end-user expectations.
- ▶ Increased awareness and emphasis on Water quality, more so than quantity; which will require end-to-end sustainable infrastructure development, to be complemented with decentralized ‘Water Resource Recovery’ solutions across all streams – for cities & towns.
- ▶ District-wide climate control infrastructure. Atmospheric water generation.
- ▶ City-wide pollution purification, air quality management and carbon capture.
- ▶ Optimal renewable energy technologies to mature, e.g. hydrogen, tidal & storage – powered by the twin engine of denuclearization & decarbonization globally.
- ▶ Recycling, greywater separation, and waste management to become prevalent across emerging economies, necessitating the need for Managed Aquifer Recharge.
- ▶ Heli cities; Automated car parks; including E-charging stations, services, amenities, and other secondary merchant income opportunities.
- ▶ A natural trend of central government facilities relocating out of major cities, including; federal complexes, airports and seaports – triggering new infrastructure developments that will predominantly be financed, managed, and on lease by the private sector.

- ▷ Emphasis on rapid logistics support; outer city multimodal infrastructure nodes thru dynamic industrial real estate & shared space. Industrial property demand to increase, becoming an off-balance-sheet & outsourced component for businesses across all sectors; industrial estates to be pushed outwards into new rural clusters & developments.
- ▷ New sustainable smart cities will be developed from near scratch. Unceasingly.

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### Spearhead L.P. – Focus & Action that Reap the Potential Opportunities

- ▷ Strategic Infrastructure PFIs with last mile B2C connections provide stable cashflows; Private Equity facilities access to proprietary soft-tech, hard-tech and materials; Industrial Property assets hold strong across all market conditions & advancements.
- ▷ We remain conservative, and remain half-a-step behind the curve; holding an assertively 'defensive' position on holdings, acquisitions and deployments as we grow.
- ▷ The nature of our diverse distributed utilities, energy storage & real estate investment opportunities (to name a few), shall facilitate a natural transition into the **Spearhead 2<sup>nd</sup>** infrastructure cycle, i.e. the World's 3<sup>rd</sup> infrastructure cycle – with a solid footing.
- ▷ Coupled with a crafted mix of urban-rural, developed-&-developing market investments across all infrastructure sectors. The strategy is built into our DNA from the get-go.

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### Other realities directly & indirectly related to Spearhead activities

- ▷ Transport: autonomous automobiles, V2X, inner city tolls & zones, supersonic aircraft, fully robotic seaports from hinterland to ship, high-speed passenger & freight rail.
- ▷ Communications: huge increase in user dependence on telecom will overload networks, including newly introduced 5G capacities; whereby the customer's priority will be skewed towards information security and safeguarding – vs. – speed or price. Next Gen preferred communication medium still UNKNOWN; currently it is either satellite, microwave, or cable – with fiberoptic transmission presently reigning supreme.
- ▷ Financial Services: advanced cross-market/sector debt consolidation, decreasing hedge costs, tighter bilateral trade, crypto, P2P banking.
- ▷ **Spearhead** will never tap directly into a natural (finite) resource in any market. Our policy will not change in that regard. We will always stay committed to fulfilling our ESG goals.
- ▷ Geographic market analyses are covered separately. We will always eye new opportunities across 'progressive' Pacific Rim markets.