SPARC.

THE DIFFERENT COAL TRANSITION

Staying in the power market.

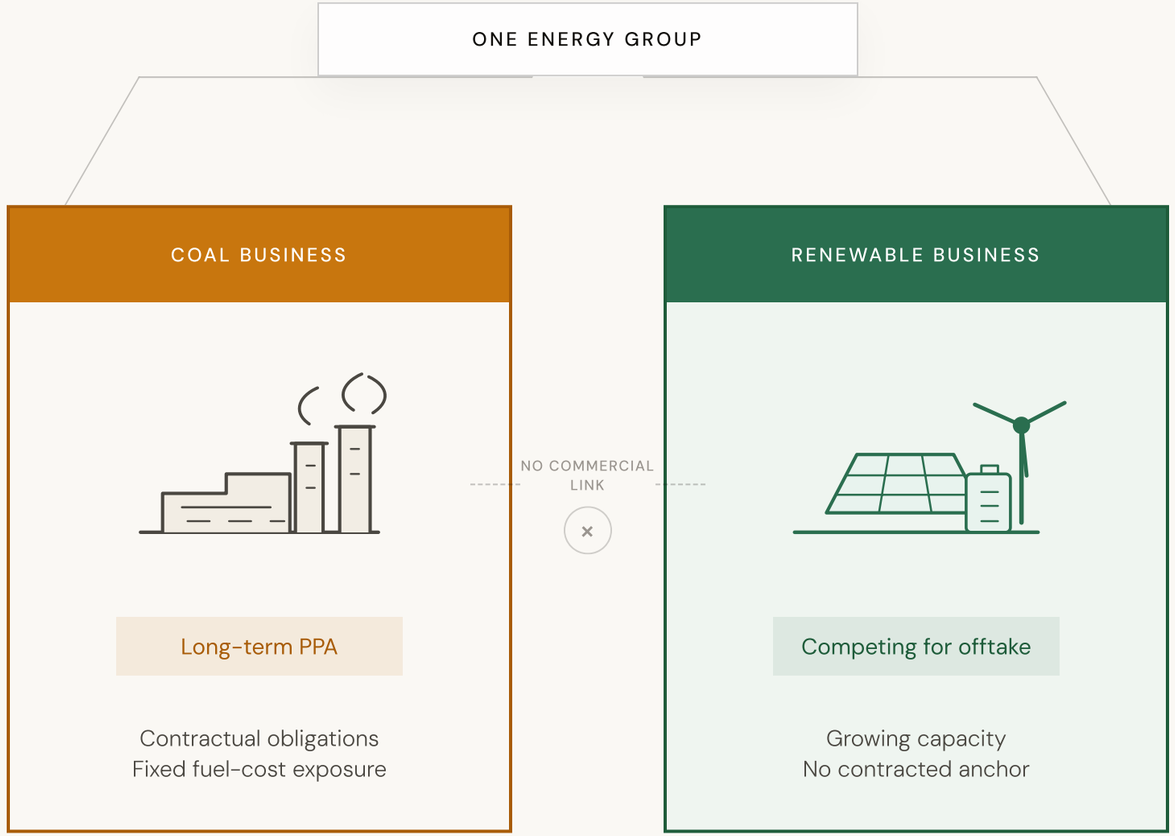
The fuel mix changes. Nothing else has to.

GROUP LOGIC

Two businesses that share a parent, not a commercial logic

Most large power groups in Southeast Asia are no longer pure-play coal businesses. They have been building renewable capacity for years. Coal assets run on contractual obligations from years ago. The renewable pipeline competes for new offtake in a market that is becoming more crowded. Both sit inside the same group. The demand the renewable arm is looking for already exists within it.

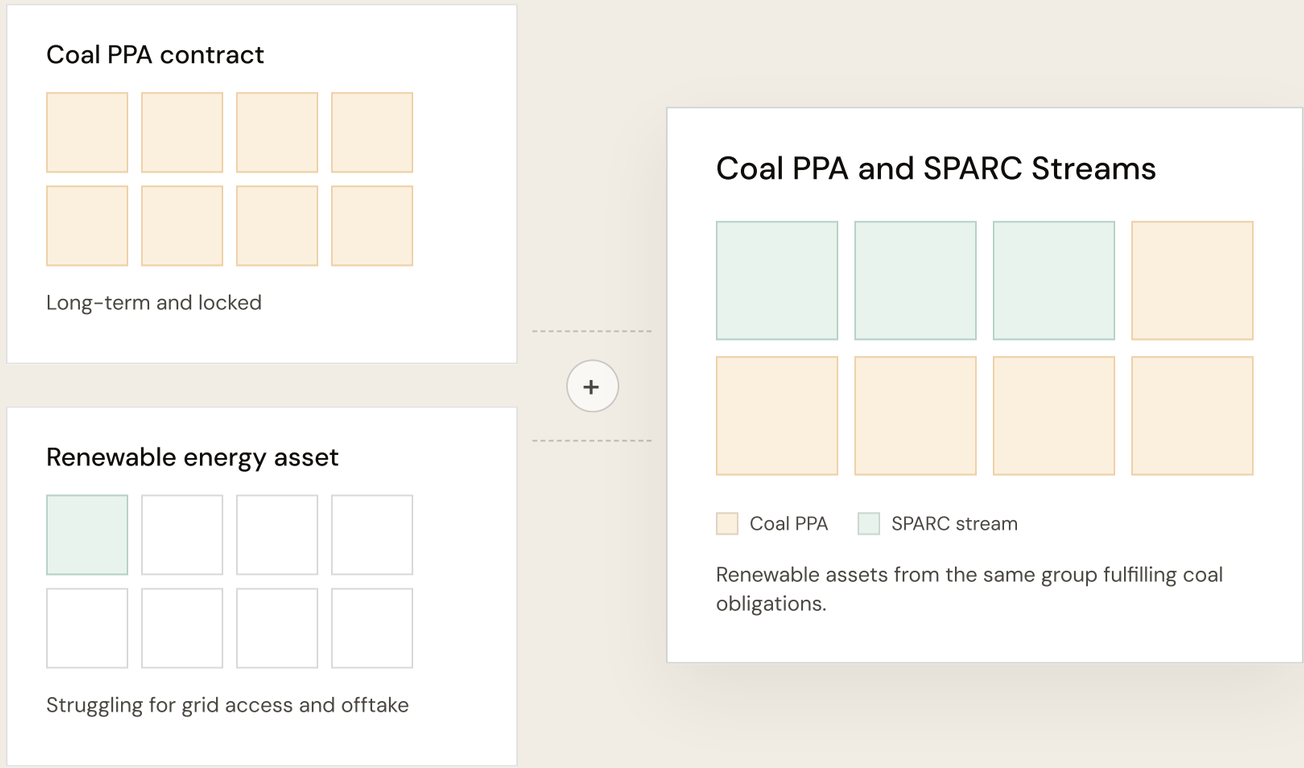
> The question worth raising: what would it look like if the renewable capacity within the same group could fulfill part of the coal plant's contract?



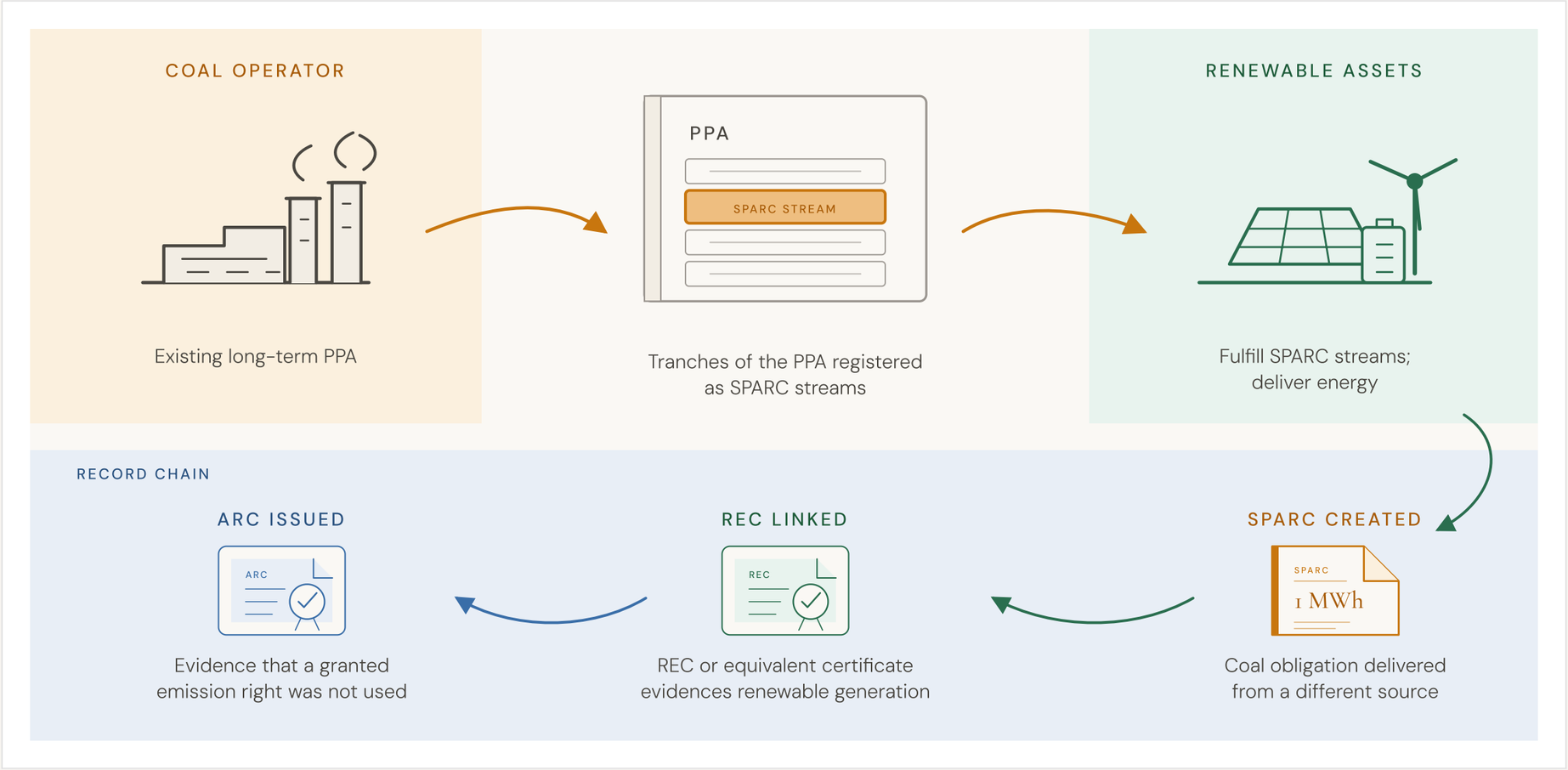
The coal plant holds the slot. The renewable arm needs offtake.

Current market reality keeps the two portfolios apart. The coal side has the locked-in contract. The other side often needs bankable demand or new projects. Without a mechanism between them, the PPA keeps being performed by coal while renewable capacity competes elsewhere.

> The group owns both pieces, but the market logic does not connect. SPARC offers a way.



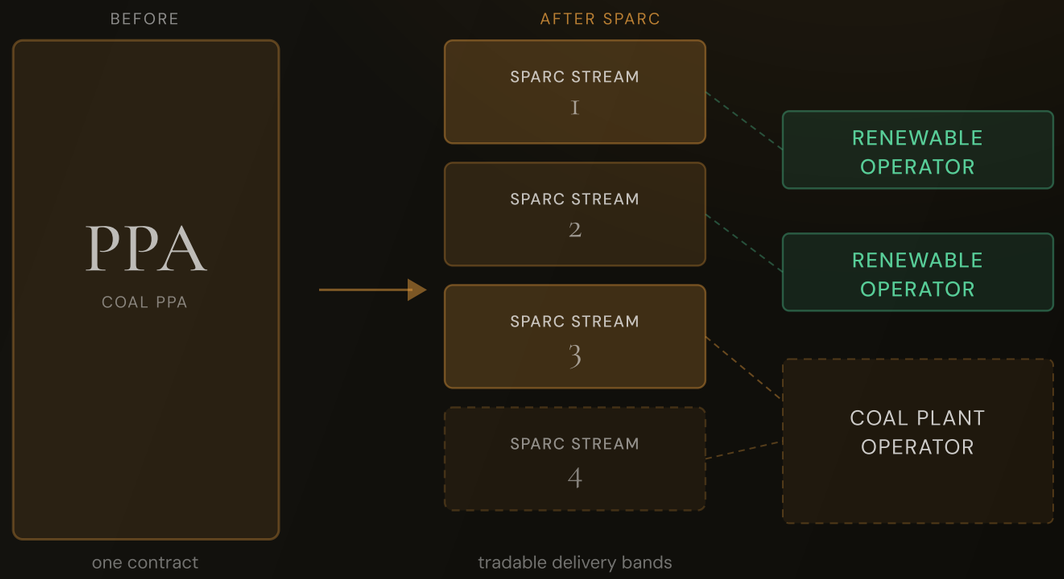
How SPARC works



WHAT SPARC IS

Production rights inside existing coal contracts, made transferable

SPARC doesn't buy out a coal plant or terminate an existing PPA. Behind the scenes it disaggregates the contract into defined delivery bands. A renewable generator acquires a band, delivers the MWh, and the coal plant produces less. The contract remains intact. Production shifts one MWh at a time.



SPARC ENABLED VALUE TRANSFER

The coal arm's avoided fuel cost funds the renewable asset

Both sides of the portfolio gain. The coal arm keeps the PPA in place while shifting fuel cost, delivery risk, and emissions via SPARC streams.

The renewable arm turns existing PPA revenue into long-term clean-power income. The group keeps the contract, earns from the renewable delivery, and gets a visible emissions-reduction story it can actually evidence.

COAL ARM TRANSFERS	RENEWABLE ARM RECEIVES
Fuel cost Variable operating costs for the SPARC stream move to the third party.	**PPA revenue** A defined PPA revenue share for energy and capacity delivered under the SPARC stream.
Delivery risk The production obligation shifts to the renewable operator for the SPARC stream.	**Contractually secured long-term offtake** The renewable capacity is now allocated within a long-term contract.
	ARC residual upside Verified displacement below the embedded emission right yields ARC.

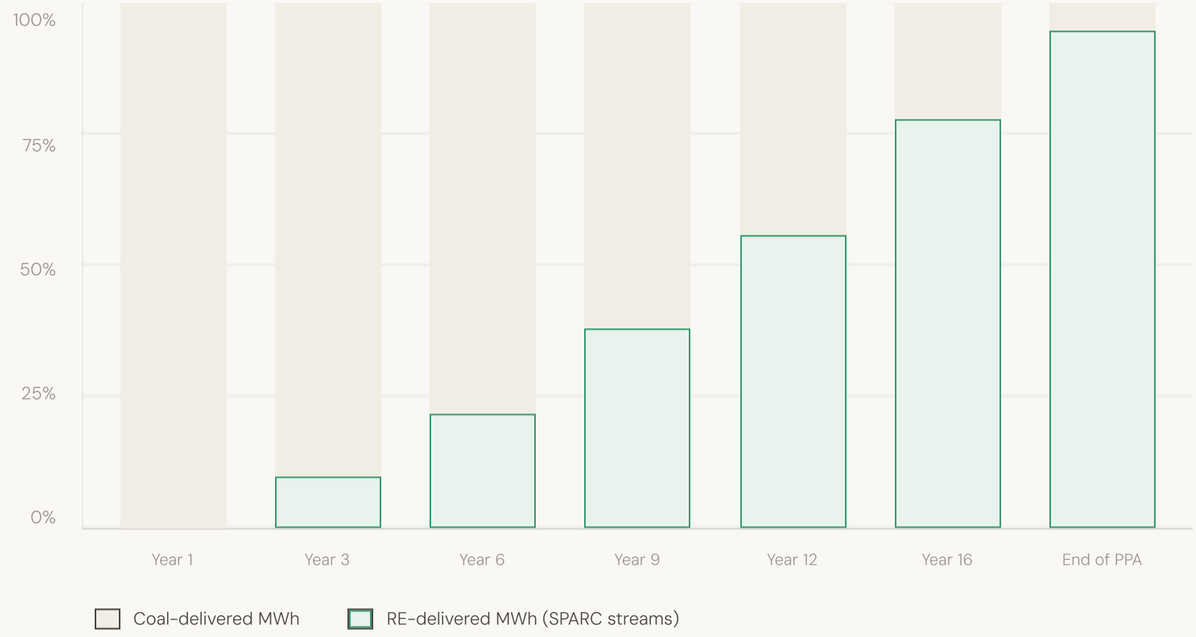
Retained contractual position · The coal operator keeps their contractual position according to the PPA. The PPA is now fulfilled with green energy instead of coal.

PORTFOLIO TRANSITION

The portfolio changes shape from the inside

A SPARC stream can cover a small portion of contracted output. Additional streams can be added as confidence builds and renewable capacity grows.

A company that begins this process several years into a long-term PPA and adds SPARC streams progressively arrives at the end of the contract holding something different from what it started with.

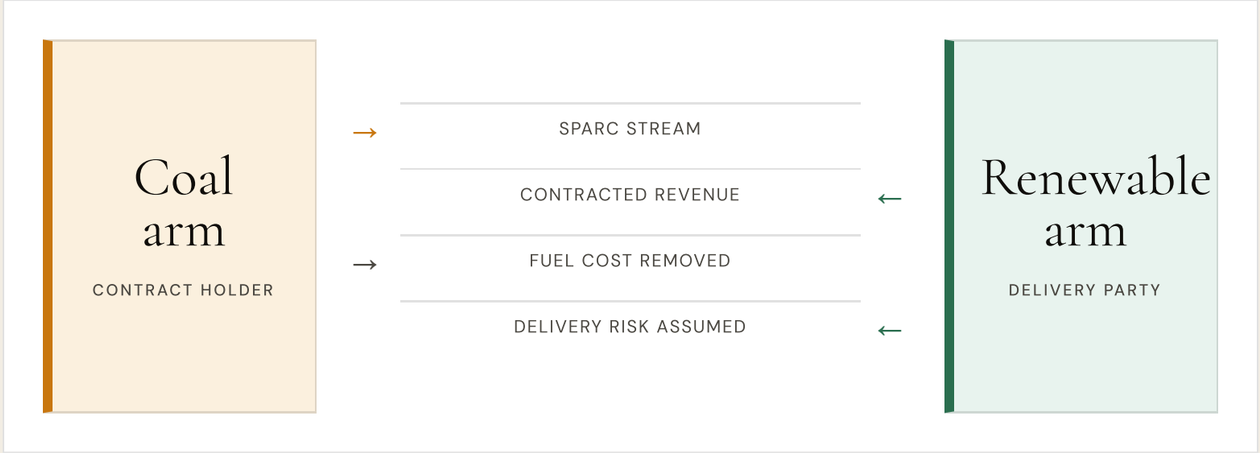


The transition happened incrementally, inside existing agreements, without requiring a single dramatic decision. A company that can show a decade of managed renewable substitution, with metered delivery records and a verified registry trail, enters contract renewal in a different position.

No exit required

SPARC lets the group decarbonize from inside its existing portfolio. The coal arm keeps the offtaker, regulator, and grid relationship; the renewable arm steps into part of the delivery.

A coal PPA that reaches renewal with a decade of metered renewable substitution on record is not the same asset as one that ran at full coal capacity until the final day. The operator enters negotiations with verified delivery data no transition narrative can fake.



The exchange stays inside the group while the PPA remains intact.

At renewal, the operator is not selling a promise. It is holding a decade of verified substitution data.

60-70% Of operating cost is fuel. SPARC transfers it.	**One** SPARC stream is all it takes to begin.	**10-15 years** Of PPA runway. Use it to stay in the market.

The transition starts on the inside.