

IMPACT INVESTMENT

CLIMATE POLICY PROJECT

»PEOPLESHOME«

ENERGY INVESTMENT

ARGENTINA



100 MEGAWATT RENEWABLE GRID POWER

ULRICH KRETZSCHMAR



The issue of environment has never been more important than today.

PEOPLESHOME Impact Investments link the renewable energy generation with the enhancement of infrastructure in emerging markets.



Ulrich Kretzschmar, 2017

Ulrich Kretzschmar, Founder
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THE BUSINESS

Argentina has a large scale of Solar yields with a moderate location characteristics and perform secure energy generation.

The investment scheme is based on the provision of international equity (16%).

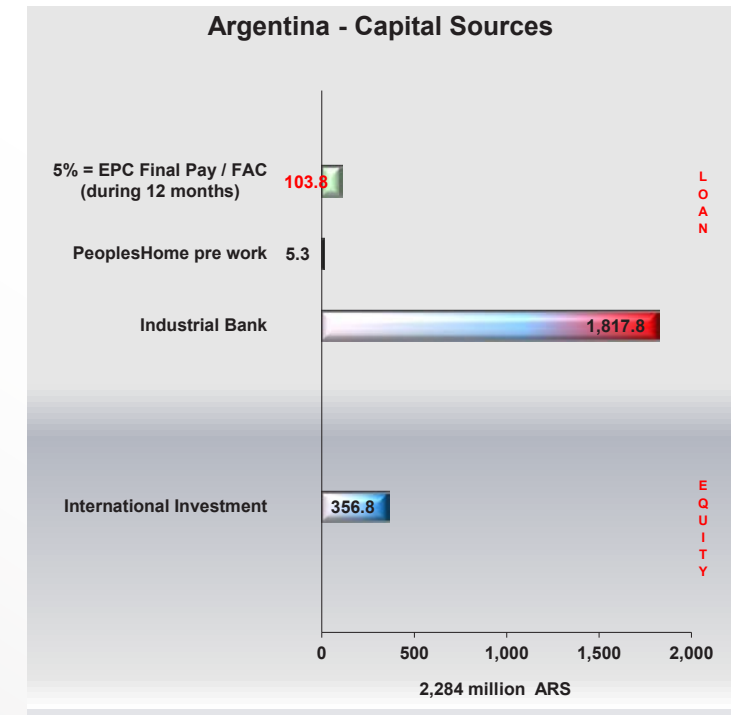
The Industrial and Commercial Bank of China could provide a loan of up to 1,818 million ARS for 100 Megawatt in total.

Assuming this loan financing the equity/loan ratio would be at 1 : 5.4
 The project has a stable cash flow which is guaranteed by the national government (FiT/PPA calculation is at 1.76 ARS/KWh) and has a strong value of saleability and is projected for 20 years (Dividends Guarantee 6.8%).

Programmatic carbon income is no part of the financial projections. It is estimated up to 2.7% of the investment cost throughout the entire operating period.



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Project Driver
NAZURA & PARTNER

Lead Investor
Family Office

Country Investor
National Institution or Entity

Prime Contractor
World Technology Leader

Project Initiator
PEOPLESHOME & Associates

Operator
National Company

Power Purchaser
National Electricity Provider

Rent to Land Owner
Local Municipality

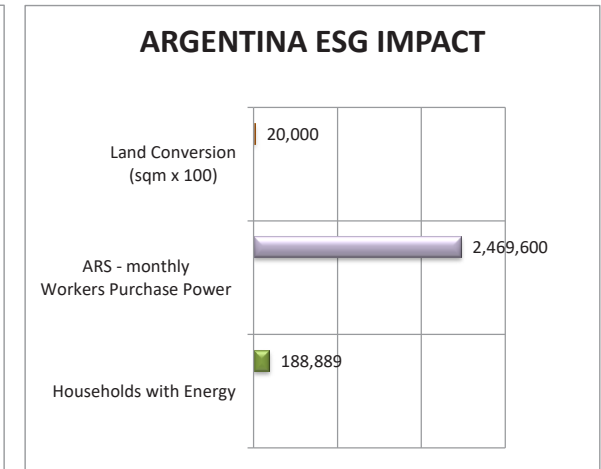
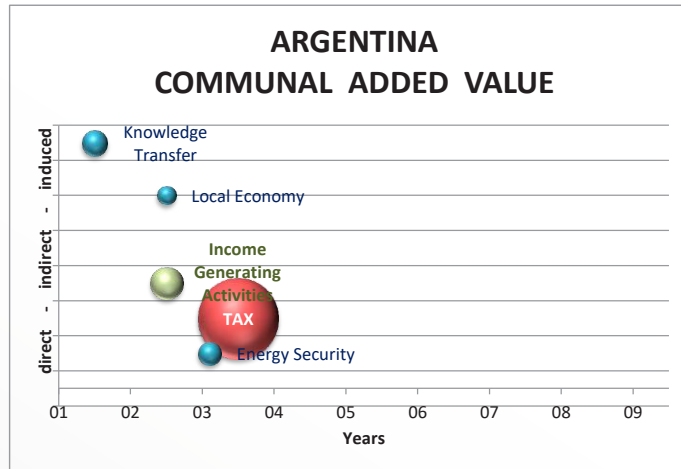
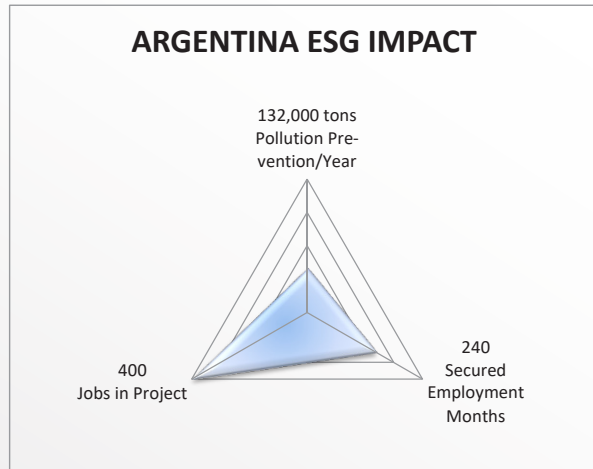
Knowledge Transfer
International University Collaboration

let the Sun/Wind work with you

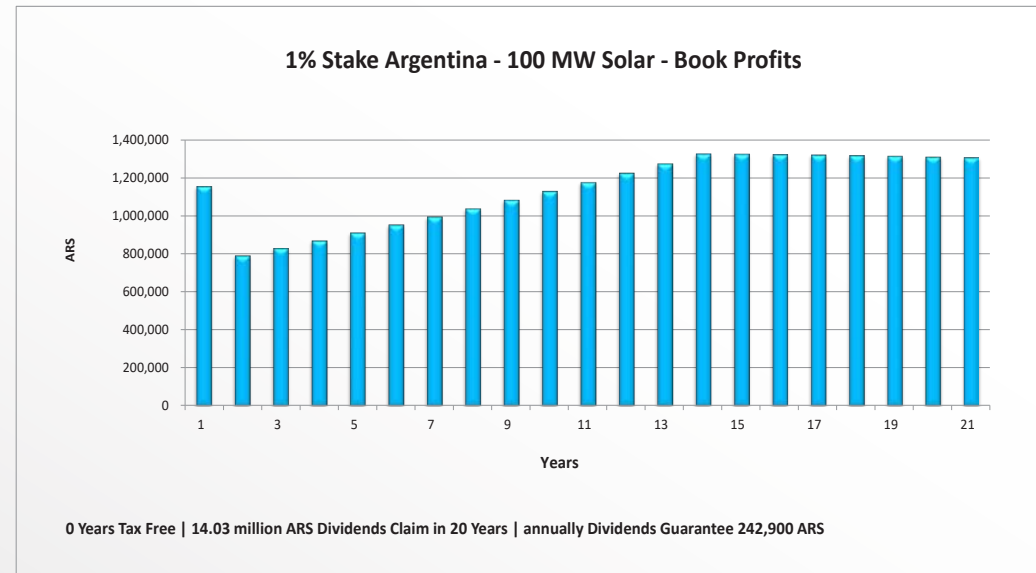


ESG IMPACT & DIVIDENDS

ENVIRONMENT - SOCIAL - GOVERNANCE



Argentina Invest	2,278,414,821 ARS
PeoplesHome (pre-work)	5,292,000 ARS ✓
External Capital	1,817,807,952 ARS ✓
Private Equity	356,782,335 ARS ✓
Final Pay out of Revenues	103,824,535 ARS ✓
ROI (20 years)	4.6 %
Net Present Value	901,346,410 ARS
Profitability Index	2.5
Price per installed Kilowatt	20,765 ARS
Operating & Maintenance 1% / year	16,646,916 ARS
IRR (20 years)	8.62 %
DSCR	1.48



CRC RISKS & INVESTORS RELATION



ROE

28.9%

NPV

901M ARS

IRR

8.6%

FINANCIAL PROJECTION

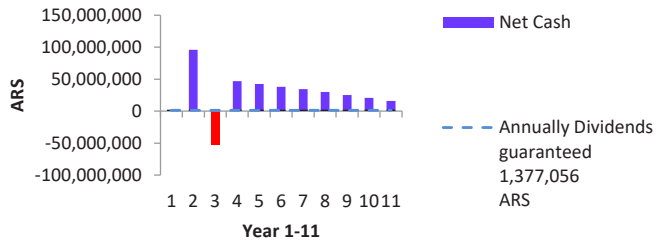
SUMMARY

Argentina Solar Power Park Total Power 100 MW
S--20765:3530

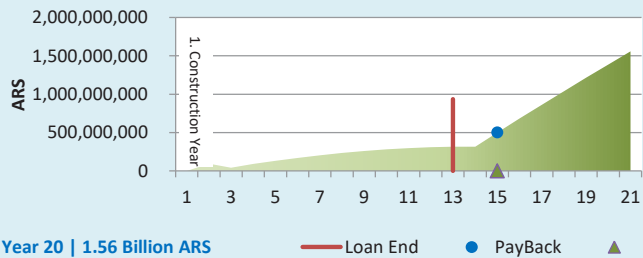
I	Volumes	ARS	1 USD = 17.64 ARS	08.17
	Houses (re-investment proposal)	0		F 0
	Renewable Energy	100 MW Solar Power		
	Served Households	188,889 (à 75 Kwh/m)	(170 GWh/Year - Gain 1,700)	
	Village Land	0 ha	17.64 ARS/sqm	
	Land Surface - Solar Power Park	200 ha	0.00 ARS/sqm	
II	Use of Capital	2,278,414,821	ARS	
	Technology & Production Machinery	2,076,490,699	ARS	Price per KW Std. - Premium - IDC 20765 22256 22784
	Land	0	ARS	
	* Construction Material Houses	0	ARS	
	* Labour Cost	0	ARS	
	Infrastructure + Labour Cost	0	ARS	
	Management + Fees & IDC	201,924,123	ARS	
	Qualification Budget	0	ARS	
	Social Village Package	0	ARS	
III	Capital Part 2017	2,179,882,286	ARS	16.0% Projected Equity 10%
	PeoplesHome pre-costs	5,292,000	ARS	shares 15.0%
	National Loans	0	ARS	5 Years 0.2%
	International Loans (IR ~4.5%)	1,817,807,952	ARS	14 Years 86.1%
	National Grants	0	ARS	0.0%
	International Grants	0	ARS	0.0%
	National Investments	0	ARS	20.0% 0.0%
	International Investments	356,782,335	ARS	65.0% 16.0%
	Co-/Interims Investment	0	ARS	0.0%
				100.0% 102.4%
IV	Social Impact			
	Jobs	400		
	Purchase Power	2,469,600	ARS per Month	
V	Common Numbers			
	Houses per Year (construction)	0		
	House Sale Price	0	ARS	
	Tax to pay per Year	95,966,258	ARS	Average (35% tax rate)
	Project Locations	1		
	Total Projected Carbon Credits	23,234,702	ARS	extra Income (not in the Finance Scheme)
	Power Purchase Agreement	1.76	ARS	per Kwh (break even 1.6/ 1.33 ARS)
	- Argentina			
	Yearly FIT Progression	0.00	%	
	Electricity Market Price KWh	1.23	ARS	2017
	Electricity Price Inflation	10.00	%	per Year
	Argentina Surplus	6,863,457,830	ARS	(20 Years)
	- Net Income Operator	16,646,916	ARS	per Year
VI	R-O-E + Pre Costs			
	Feasibility Study	4,851,000	ARS	
	Working Capital	6,085,800	ARS	2,536,150,142 ARS Stuttgarter Model
	R-O-E (NPM 30.7%), ROI 4.6%	28.9	%	901,346,410 ARS NPV C 0.9

FINANCIAL PROJECTION

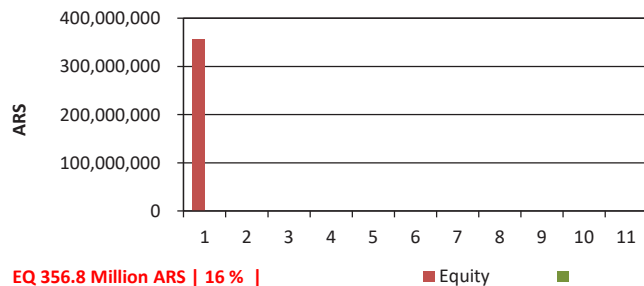
Argentina 100 MW - Solar Cash & Dividends



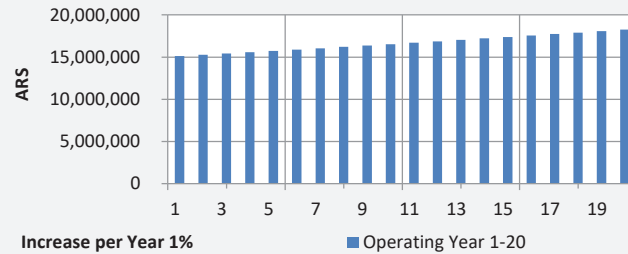
SPV | Argentina Ending Cash (cumulated)



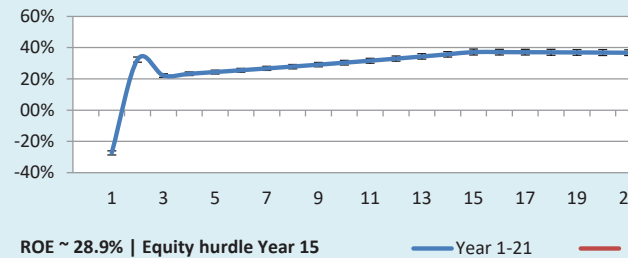
Private Equity



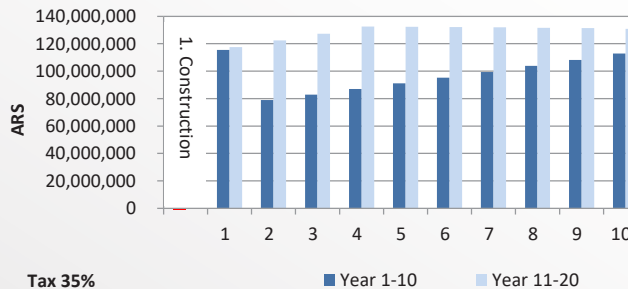
Operating (O&M) Argentina Turnover 333 Million ARS



Return on Equity (ROE) SPV | Argentina



SPV Argentina Net Income



KEY NUMBERS - 2.8.2017|14:35

100 MW Solar 1,700
Investment
2,278,414,821 ARS
Equity
356,782,335 ARS
Loan
1,823,099,952 ARS
Supplier Final Payment
103,824,535 ARS
Sub-payment
0 ARS
Global Interest Rate
4.5 %
Grants
0 ARS
R-O-E 20 years after tax
28.9 %
R-O-I 20 years after tax
4.6 %
NPV 20 years before tax (IR 4%)
901,346,410 ARS
Company Value (Stuttgarter Model)
2,536,150,142 ARS
Guaranteed Pay-out Dividends
6.81 %
Pay Back Period
15 Years
PPA /KWh
1.76 ARS
Fit/PPA Rise Anually
0.00 %
1% Profit Ø per Year
1,032,406 ARS
1 \$-cent Income PPA/FIT (20 Years)
559,875,960 ARS
Off-taker Power Break Even
Year 5 2022
Tax Exemption
0 Years
Country Surplus in 20 Years
6,863,457,830 ARS
Nat-Capital : Int'l.-Capital Quote
0 : 1
Equity : Loan Quote
1 : 5.4

FINANCIAL PROJECTION

FINANCIAL ANALYSIS MODEL

ANALYST'S NAME Dr. Glenn L. Stevens - <http://staging-cms.fandm.edu/glenn-stevens>
 NAME OF COMPANY Argentina Solar Power Park Total Power 100 MW

FIRST CALENDAR YEAR OF DATA 2017 ARS

NUMBER OF YEARS OF DATA 5

Equity 356,782,335

CAMMESA

INCOME STATEMENT

	Start Year	Year 1	Year 2	Year 3	Year 4
Sales Revenue	0	299,880,000	297,780,840	295,681,680	293,582,520
Less: Cost of Goods Sold	0	0	0	0	0
Gross Profits	0	299,880,000	297,780,840	295,681,680	293,582,520
Less: Operating Expenses:					
Operating Expense	0	15,120,585	15,271,777	15,424,487	15,578,731
General / Admin. Exp.	0	0	0	0	0
Lease Expense	0	0	0	0	0
Depreciation Expense	44,618,319	87,451,906	83,953,830	80,595,676	77,371,849
Total Operating Expenses	44,618,319	102,572,490	99,225,607	96,020,163	92,950,580
Operating Profits	(44,618,319)	197,307,510	198,555,233	199,661,517	200,631,940
Less: Interest Expense	52,790,858	81,801,358	77,034,355	72,052,837	66,847,150
Net Profits Before Taxes	(97,409,177)	115,506,152	121,520,879	127,608,680	133,784,790
Less: Taxes	0	0	42,532,307	44,663,038	46,824,676
Net Profit After Taxes	(97,409,177)	115,506,152	78,988,571	82,945,642	86,960,113
Less: Pref. Stock Divds.	0	0	0	0	0
Earnings available for Common Stockholders		115,506,152	78,988,571	82,945,642	86,960,113

BALANCE SHEET

Current Assets:

Cash	0	95,966,258	43,325,321	90,126,319	132,512,274
Marketable Securities	0	0	0	0	0
Accounts Receivable	0	0	0	0	0
Inventories	0	0	0	0	0
Total Current Assets	0	95,966,258	43,325,321	90,126,319	132,512,274
Gross Fixed Assets (at cost):					
Land & Buildings	0	0	0	0	0
Machinery and Equipment	2,186,297,645	2,098,845,739	2,014,891,909	1,934,296,233	1,856,924,384
Furniture & Fixtures	0	0	0	0	0
Vehicles	0	0	0	0	0
Other (Inc. Fin. Leases)	0	0	0	0	0
Total Gross Fixed Assets	2,186,297,645	2,098,845,739	2,014,891,909	1,934,296,233	1,856,924,384
Less: Accumulated Depreciation	0	0	0	0	0
Net Fixed Assets	2,186,297,645	2,098,845,739	2,014,891,909	1,934,296,233	1,856,924,384
Other Assets	0	0	0	0	0
Total Assets	2,186,297,645	2,194,811,997	2,058,217,230	2,024,422,551	1,989,436,657

Current Liabilities:

Accounts Payable	0	0	0	0	0
Notes Payable	0	0	0	0	0
Accruals	0	0	0	0	0
Taxes Payable	0	0	0	0	0
Other Current Liabilities	0	0	0	0	0
Total Current Liabilities	0	0	0	0	0
L / T Debt (Inc. Financial Leases)	1,926,924,487	1,819,932,687	1,604,349,349	1,487,609,028	1,365,663,021
Total Liabilities	1,926,924,487	1,819,932,687	1,604,349,349	1,487,609,028	1,365,663,021
Preferred Stock	0	0	0	0	0
Common Stock !!	259,373,158	374,879,310	453,867,881	536,813,523	623,773,636
Paid-In Capital In Excess of Par	0	0	0	0	0
Retained Earnings	0	0	0	0	0
Total Stockholders' Equity	259,373,158	374,879,310	453,867,881	536,813,523	623,773,636
Total Liab. & Stockholders' Equity	2,186,297,645	2,194,811,997	2,058,217,230	2,024,422,551	1,989,436,657

FINANCIAL PROJECTION

100 MW Argentina	Start Year	Year 1	Year 2	Year 3	Year 4
Number of Common Shares	100	100	100	100	100
End-of-Year Stock Price					
RATIO ANALYSIS					
Current Ratio	no curr. Liabi.	no curr. Liabi.	no curr. Liabi.	no curr. Liabi.	no curr. Liabi.
Quick Ratio	no curr. Liabi.	no curr. Liabi.	no curr. Liabi.	no curr. Liabi.	no curr. Liabi.
Inventory Turnover	no Inventories	no Inventories	no Inventories	no Inventories	no Inventories
Average Collection Period		0.00	0.00	0.00	0.00
Fixed Asset Turnover	0.00	0.14	0.15	0.15	0.16
Total Asset Turnover	0.00	0.14	0.14	0.15	0.15
Debt Ratio	0.88	0.83	0.78	0.73	0.69
Debt-to-Equity	7.43	4.85	3.53	2.77	2.19
Times Interest Earned		2.41	2.58	2.77	3.00
Gross Profit Margin		100.00%	100.00%	100.00%	100.00%
Operating Profit Margin		65.80%	66.68%	67.53%	68.34%
Net Profit Margin		38.52%	26.53%	28.05%	29.62%
Return on Total Assets (ROA)		5.26%	3.84%	4.10%	4.37%
Return on Equity (ROE)		32.37%	22.14%	23.25%	24.37%
Earnings Per Share		1,155,062	789,886	829,456	869,601
IPA Argentina - 20%		23,101,230	15,797,714	16,589,128	17,392,023
Price/Earnings Ratio					
DUPONT ANALYSIS					
Net Profit AT/Sales		38.52%	26.53%	28.05%	29.62%
Sales/Total Assets	0.00%	13.66%	14.47%	14.61%	14.76%
ROA		5.26%	3.84%	4.10%	4.37%
Net Profit AT/Total Assets	0.00%	5.26%	3.84%	4.10%	4.37%
Total Assets/Stockholders' Equity	842.92%	585.47%	453.48%	377.12%	318.94%
ROE	0.00%	30.81%	17.40%	15.45%	13.94%

STATEMENT OF CASH FLOWS

CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit after Taxes		115,506,152	78,988,571	82,945,642	86,960,113
Depreciation		87,451,906	83,953,830	80,595,676	77,371,849
Decrease in Accts. Receiv.		0	0	0	0
Decrease in Inventories		0	0	0	0
Decrease in Other Assets		0	0	0	0
Increase in Accounts Pay.		0	0	0	0
Increase in Accruals		0	0	0	0
Increase in Taxes Payable		0	0	0	0
Increase in Other Cur. Lia.		0	0	0	0
Cash Flow from Oper. Act.		202,958,058	162,942,401	163,541,319	164,331,963
CASH FLOW FROM INVESTMENT ACTIVITIES					
Increase in Gross Fixed Assets		87,451,906	83,953,830	80,595,676	77,371,849
Cash Flow from Investments		87,451,906	83,953,830	80,595,676	77,371,849
CASH FLOW FROM FINANCING ACTIVITIES					
Increase in Notes Payable		0	0	0	0
Increase in Long-Term Debt		(106,991,800)	(215,583,338)	(116,740,321)	(121,946,007)
Changes in Stockholders' Equity		115,506,152	78,988,571	82,945,642	86,960,113
Preferred Dividends Paid		0	0	0	0
Common Dividends Paid					
Cash Flow from Financing Activities		8,514,352	(136,594,767)	(33,794,679)	(34,985,894)
Net Incr. in Cash / Mark. Securities		298,924,315	110,301,464	210,342,316	206,717,918