

IMPACT INVESTMENT

CLIMATE POLICY PROJECT

»PEOPLESHOME«

ENERGY INVESTMENT

COLOMBIA



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

Colombia 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 311 million x 1,000 COP for 100 Megawatt in total.



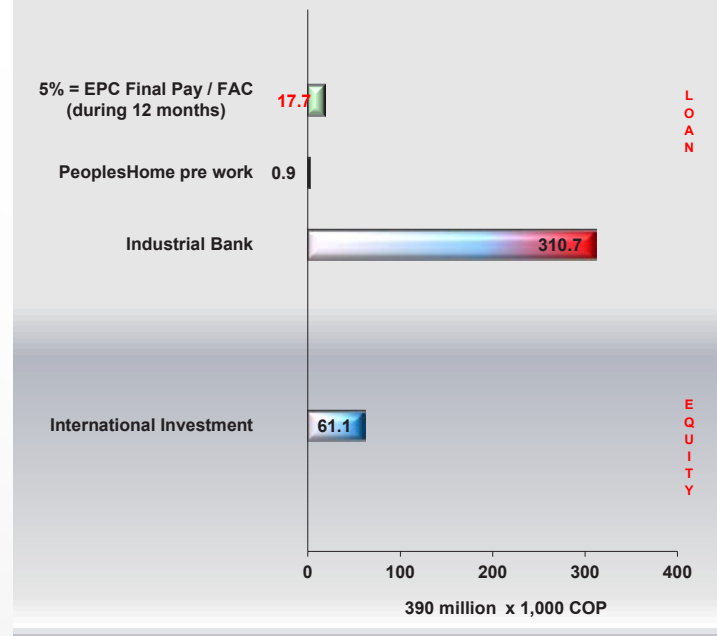
Assuming this loan financing the equity/loan ratio would be at 1 : 5.4
 The project has a stable cash flow which is guaranteed by the national government (FiT/PPA calculation is at 301.3 COP/KWh) and has a strong value of saleability and is projected for 20 years (Dividends Guarantee 4.6%).

Programmatic carbon income is no part of the financial projections. It is estimated up to 3.5% of the investment cost throughout the entire operating period.

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Colombia - Capital Sources



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

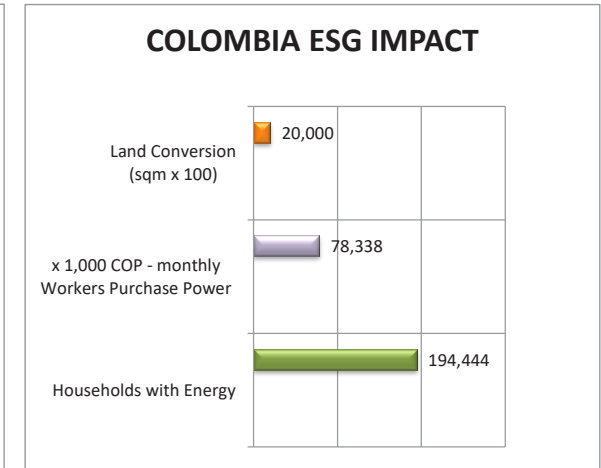
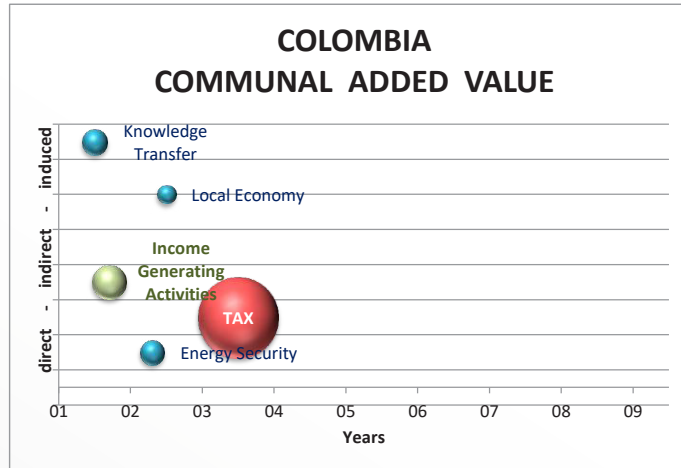
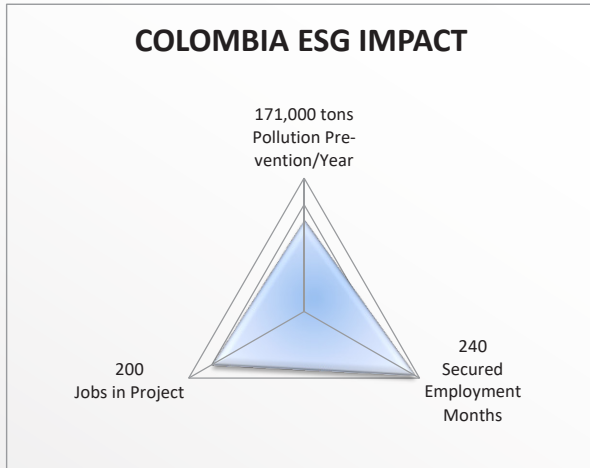
Knowledge Transfer
International University Collaboration

let the Sun/Wind work with you

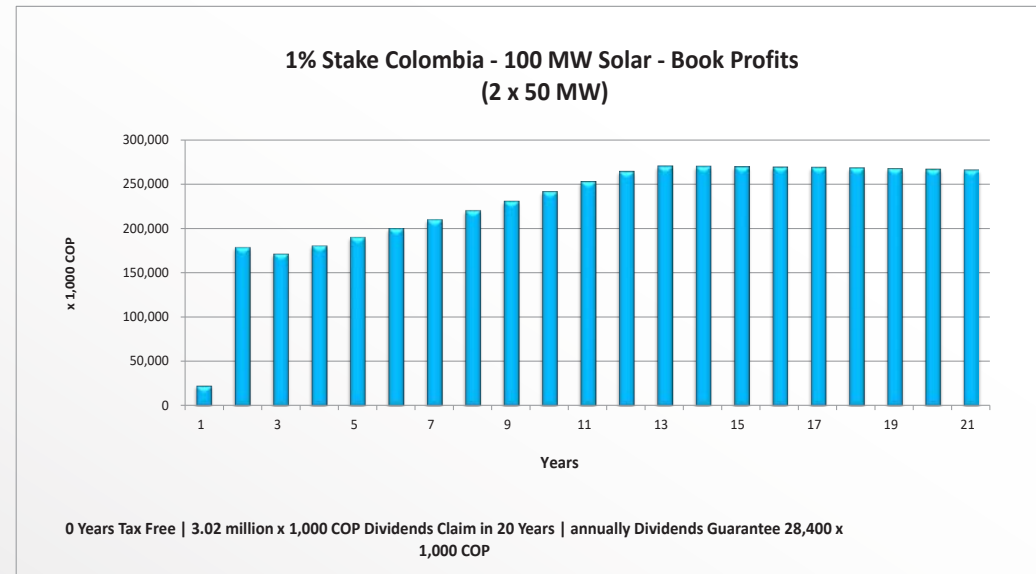


ESG IMPACT & DIVIDENDS

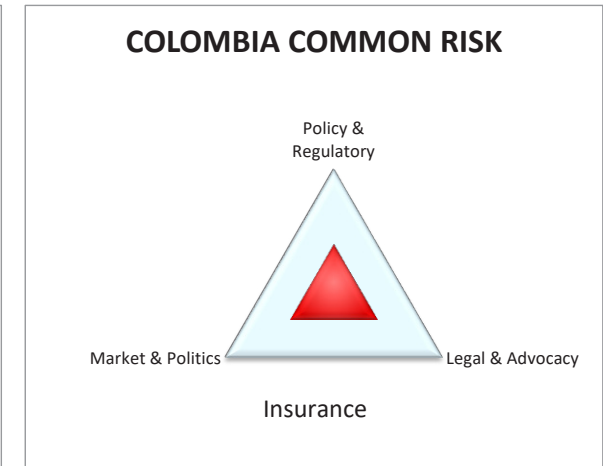
ENVIRONMENT - SOCIAL - GOVERNANCE



Colombia Invest	389,533,135 x 1,000 COP
PeoplesHome (pre-work)	903,900 x 1,000 COP ✓
External Capital	310,665,021 x 1,000 COP ✓
Private Equity	61,124,146 x 1,000 COP ✓
Final Pay out of Revenues	17,743,968 x 1,000 COP ✓
ROI (20 years)	5.4 %
Net Present Value	174,412,194 x 1,000 COP
Profitability Index	2.9
Price per installed Kilowatt	3,549 x 1,000 COP
Operating & Maintenance 1% / year	2,765,357 x 1,000 COP
IRR (20 years)	17.91 %
DSCR	1.32



CRC RISKS & INVESTORS RELATION



ROE

33.9%

NPV

174M COP

IRR

17.9%

FINANCIAL PROJECTION

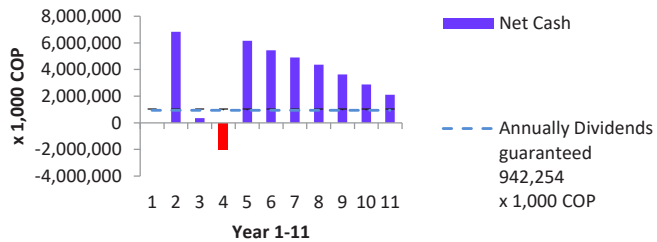
SUMMARY

Colombia Solar Power Park Total Power 100 MW
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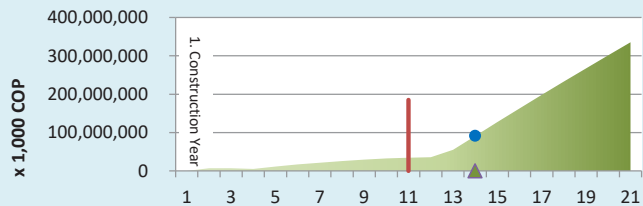
I	Volumes	x 1,000 COP	1 USD = 3,013.00 COP	08.17
	Houses (re-investment proposal)	0		F 0
	Renewable Energy	100 MW Solar Power		
	Served Households	194,444 (à 75 Kwh/m) (175 GWh/Year - Gain 1,750)		
	Village Land	0 ha	3.01 x 1,000 COP/sqm	
	Land Surface - Solar Power Park	200 ha	0.00 x 1,000 COP/sqm	
II	Use of Capital	389,533,135 COP	Price per KW Std. - Premium - IDC	
	Technology & Production Machinery	354,879,352 COP	3549 3850 3895	
	Land	0 COP		
	* Construction Material Houses	0 COP		
	* Labour Cost	0 COP		
	Infrastructure + Labour Cost	0 COP		
	Management + Fees & IDC	34,653,783 COP		
	Qualification Budget	0 COP		
	Social Village Package	0 COP		
III	Capital Part 2017	186,798,484 COP	16.0% Projected Equity 10%	
	PeoplesHome pre-costs	903,900 COP	15.0% shares	actual
	National Loans	0 COP		1,807,800 5 Years 0.5%
	International Loans (IR ~4.5%) x 2	155,332,511 COP		0 0.0%
	National Grants	0 COP		310,665,021 12 Years 85.9%
	International Grants	0 COP		0.0%
	National Investments x 2	0 COP	20.0%	0 0.0%
	International Investments x 2	30,562,073 COP	65.0%	61,124,146 16.0%
	Co-/Interims Investment x 2	0 COP		0 0.0%
			100.0%	102.4%
IV	Social Impact	x 1,000 COP		
	Jobs	200		
	Purchase Power	78,338 COP	per Month	
V	Common Numbers	x 1,000 COP		
	Houses per Year (construction)	0		
	House Sale Price	0 COP		
	Tax to pay per Year	7,189,020 COP	Average (25% tax rate)	
	Project Locations	2	spread in the Country	
	Total Projected Carbon Credits	5,152,589 COP	extra Income (not in the Finance Scheme)	
	Power Purchase Agreement	0.30 COP	per Kwh (break even 0.29/ 0.26 x 1,000 COP)	
	- Colombia			
	Yearly FIT Progression	0.00 %		
	Electricity Market Price KWh	210.91 COP	2017	
	Electricity Price Inflation	8.00 %	per Year	
	Colombia Surplus	774,027,877 COP	(20 Years)	
	- Net Income Operator	2,765,357 COP	per Year	
VI	R-O-E + Pre Costs	x 1,000 COP		
	Feasibility Study	828,575 COP		
	Working Capital	1,039,485 COP		452,683,681 x 1,000 COP Stuttgarter Mo
	R-O-E (NPM 27.6%), ROI 5.4%	33.9 %		174,412,194 x 1,000 COP NPV C 0.2

FINANCIAL PROJECTION

Colombia 100 MW - Solar Cash & Dividends

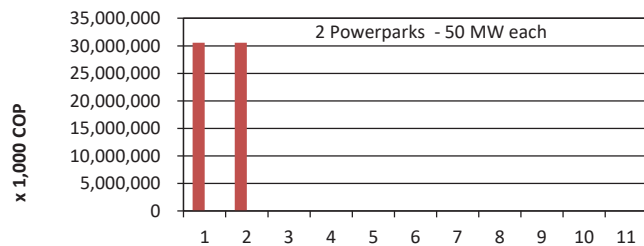


SPV | Colombia Ending Cash (cumulated)



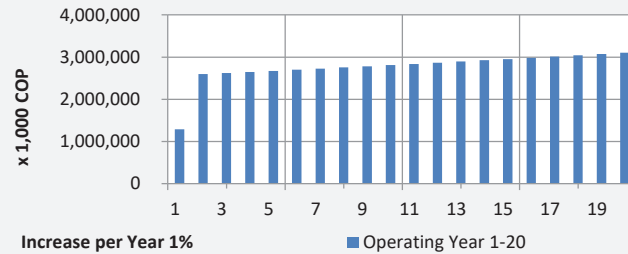
Year 20 | 335 Million x 1,000 COP

Private Equity



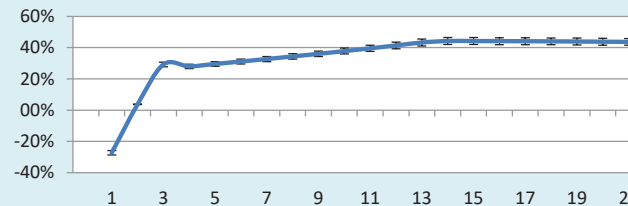
EQ 61.2 Million x 1,000 COP | 16% |

Operating (O&M) Colombia Turnover 55 Million x 1,000 COP



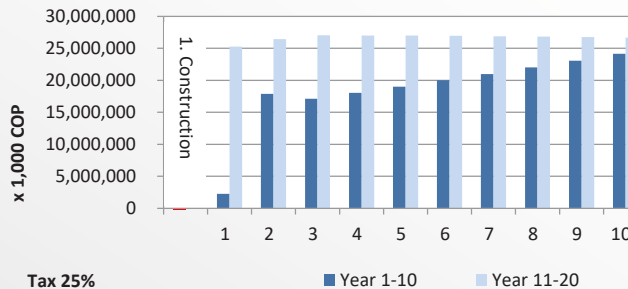
Increase per Year 1%

Return on Equity (ROE) SPV | Colombia



ROE ~ 33.9% | Equity hurdle Year 14

SPV Colombia Net Income



Tax 25%

KEY NUMBERS - 2.8.2017|14:59

100 MW Solar	1,750	2 x 50
Investment	389,533,135 x 1,000 COP	
Equity	61,124,146 x 1,000 COP	
Loan	312,472,821 x 1,000 COP	
Supplier Final Payment	17,743,968 x 1,000 COP	
Sub-payment	0 x 1,000 COP	
Global Interest Rate	4.5 %	
Grants	0 x 1,000 COP	
R-O-E 20 years after tax	33.9 %	
R-O-I 20 years after tax	5.4 %	
NPV 20 years before tax (IR 4%)	174,412,194 x 1,000 COP	
Company Value (Stuttgar Model)	452,683,681 x 1,000 COP	
Guaranteed Pay-out Dividends	4.64 %	
Pay Back Period	14 Years	
PPA /KWh	0.30 x 1,000 COP	
FiT/PPA Rise Anually	0.00 %	
1% Profit Ø per Year	210,974 x 1,000 COP	
1 \$-cent Income PPA/FiT (20 Years)	95,824,322 x 1,000 COP	
Off-taker Power Break Even	Year 6 2023	
Tax Exemption	0 Years	
Country Surplus in 20 Years	774,027,877 x 1,000 COP	
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 Colombia Solar Power Park Total Power 100 MW

FIRST CALENDAR YEAR OF DATA 2017

x 1,000 COP

NUMBER OF YEARS OF DATA 5

Equity 30,562,073

Private Off-taker

INCOME STATEMENT

	Start Year	Year 1	Year 2	Year 3	Year 4
Sales Revenue	0	26,363,750	52,542,954	51,989,315	51,620,223
Less: Cost of Goods Sold	0	0	0	0	0
Gross Profits	0	26,363,750	52,542,954	51,989,315	51,620,223
Less: Operating Expenses:					
Operating Expense	0	1,291,336	2,595,582	2,621,533	2,647,746
General / Admin. Exp.	0	0	0	0	0
Lease Expense	0	0	0	0	0
Depreciation Expense	3,823,234	11,313,759	14,681,429	14,094,172	13,530,405
Total Operating Expenses	3,823,234	12,605,094	17,277,011	16,715,705	16,178,151
Operating Profits	(3,823,234)	13,758,656	35,265,943	35,273,610	35,442,072
Less: Interest Expense	4,508,786	11,498,749	13,474,914	12,442,164	11,362,941
Net Profits Before Taxes	(8,332,019)	2,259,907	21,791,029	22,831,446	24,079,131
Less: Taxes	0	0	3,929,729	5,707,862	6,019,783
Net Profit After Taxes	(8,332,019)	2,259,907	17,861,300	17,123,585	18,059,348
Less: Pref. Stock Divds.	0	0	0	0	0
Earnings available for Common Stockholders		2,259,907	17,861,300	17,123,585	18,059,348

BALANCE SHEET

Current Assets:

Cash	0	6,829,830	7,189,020	5,190,488	11,356,713
Marketable Securities	0	0	0	0	0
Accounts Receivable	0	0	0	0	0
Inventories	0	0	0	0	0
Total Current Assets	0	6,829,830	7,189,020	5,190,488	11,356,713
Gross Fixed Assets (at cost):					
Land & Buildings	0	0	0	0	0
Machinery and Equipment	187,338,448	367,035,721	352,354,293	338,260,121	324,729,716
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	187,338,448	367,035,721	352,354,293	338,260,121	324,729,716
Less: Accumulated Depreciation	0	0	0	0	0
Net Fixed Assets	187,338,448	367,035,721	352,354,293	338,260,121	324,729,716
Other Assets	0	0	0	0	0
Total Assets	187,338,448	373,865,551	359,543,312	343,450,609	336,086,429

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)	165,108,394	318,813,517	286,629,978	253,413,690	227,990,162
Total Liabilities	165,108,394	318,813,517	286,629,978	253,413,690	227,990,162
Preferred Stock	0	0	0	0	0
Common Stock !!	22,230,054	55,052,034	72,913,334	90,036,919	108,096,267
Paid-In Capital In Excess of Par	0	0	0	0	0
Retained Earnings	0	0	0	0	0
Total Stockholders' Equity	22,230,054	55,052,034	72,913,334	90,036,919	108,096,267
Total Liab. & Stockholders' Equity	187,338,448	373,865,551	359,543,312	343,450,609	336,086,429

FINANCIAL PROJECTION

50 MW Colombia	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	0.07	0.15	0.15	0.16
Total Asset Turnover	0.00	0.07	0.15	0.15	0.15
Debt Ratio	0.88	0.85	0.80	0.74	0.68
Debt-to-Equity	7.43	5.79	3.93	2.81	2.11
Times Interest Earned		1.20	2.62	2.84	3.12
Gross Profit Margin		100.00%	100.00%	100.00%	100.00%
Operating Profit Margin		52.19%	67.12%	67.85%	68.66%
Net Profit Margin		8.57%	33.99%	32.94%	34.99%
Return on Total Assets (ROA)		0.60%	4.97%	4.99%	5.37%
Return on Equity (ROE)		7.39%	58.44%	56.03%	59.09%
Earnings Per Share		22,599	178,613	171,236	180,593
IPC Colombia - 20%		451,981	3,572,260	3,424,717	3,611,870
Price/Earnings Ratio					
DUPONT ANALYSIS					
Net Profit AT/Sales		8.57%	33.99%	32.94%	34.99%
Sales/Total Assets	0.00%	7.05%	14.61%	15.14%	15.36%
ROA		0.60%	4.97%	4.99%	5.37%
Net Profit AT/Total Assets	0.00%	0.60%	4.97%	4.99%	5.37%
Total Assets/Stockholders. Equity	842.73%	679.11%	493.11%	381.46%	310.91%
ROE	0.00%	4.11%	24.50%	19.02%	16.71%

STATEMENT OF CASH FLOWS

CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit after Taxes	2,259,907	17,861,300	17,123,585	18,059,348
Depreciation	11,313,759	14,681,429	14,094,172	13,530,405
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.	13,573,666	32,542,729	31,217,756	31,589,753
CASH FLOW FROM INVESTMENT ACTIVITIES				
Increase in Gross Fixed Assets	(179,697,273)	14,681,429	14,094,172	13,530,405
Cash Flow from Investments	(179,697,273)	14,681,429	14,094,172	13,530,405
CASH FLOW FROM FINANCING ACTIVITIES				
Increase in Notes Payable	0	0	0	0
Increase in Long-Term Debt	153,705,123	(32,183,539)	(33,216,289)	(25,423,528)
Changes in Stockholders' Equity	32,821,980	17,861,300	17,123,585	18,059,348
Preferred Dividends Paid	0	0	0	0
Common Dividends Paid				
Cash Flow from Financing Activities	186,527,103	(14,322,239)	(16,092,704)	(7,364,180)
Net Incr. in Cash / Mark. Securities	20,403,496	32,901,919	29,219,224	37,755,978