

IMPACT INVESTMENT

CLIMATE POLICY PROJECT

»PEOPLESHOME«

WIND ENERGY INVESTMENT IRAN



10 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
PEOPLESHOME & ASSOCIATES
Initiating of Impact Investments

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THE BUSINESS

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

The investment scheme is based on the provision of international equity (15.8%).

The Industrial and Commercial Bank of China could be provide a loan of up to 501 million x 1,000 IRR for 10 Megawatt in total.

Assuming this loan financing the equity/loan ratio would be at 1 : 5.5

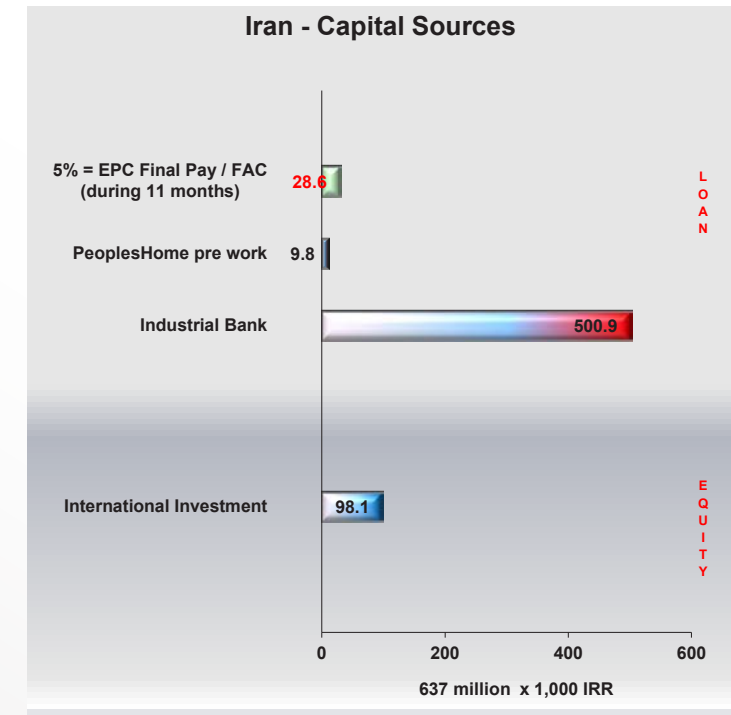
The project has a stable cash flow which is guaranteed by the national government (FiT/PPA calculation is at 4229.49 IRR/KWh) and has a strong value of salebilty and is projected for 20 years (Dividends Guarantee 14.7%).

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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Project Driver
NAZURA & PARTNER

Lead Investor
Family Office

Country Investor
National Institution or Entity

Prime Contractor
World Technology Leader

Project Initiator
PEOPLESHOME & Associates

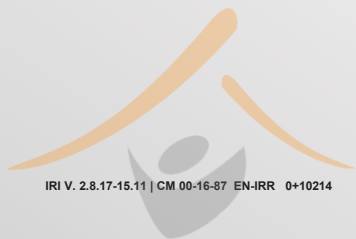
Operator
National Company

Power Purchaser
National Electricity Provider

Rent to Land Owner
Local Municipality

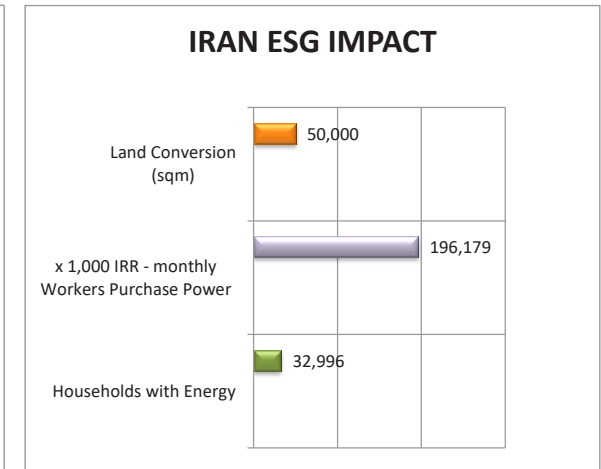
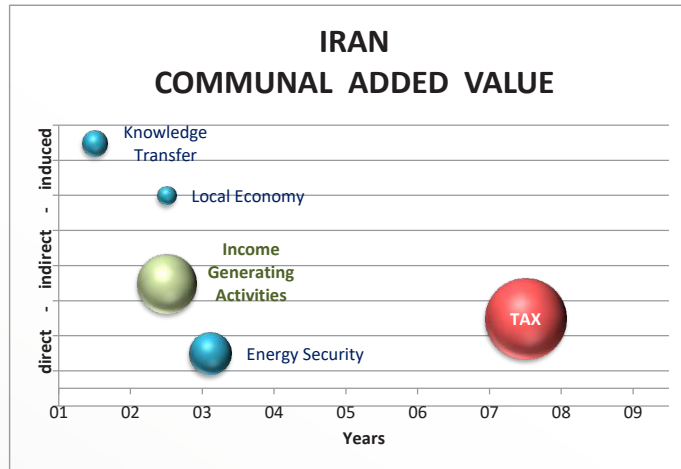
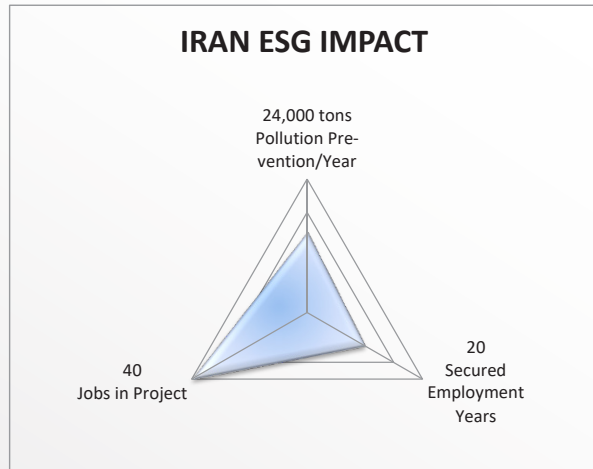
Knowledge Transfer
International University Collaboration

let the Sun/Wind work with you

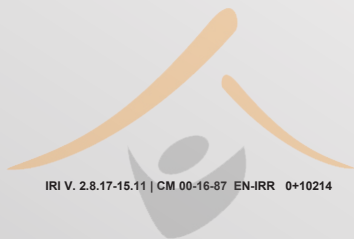
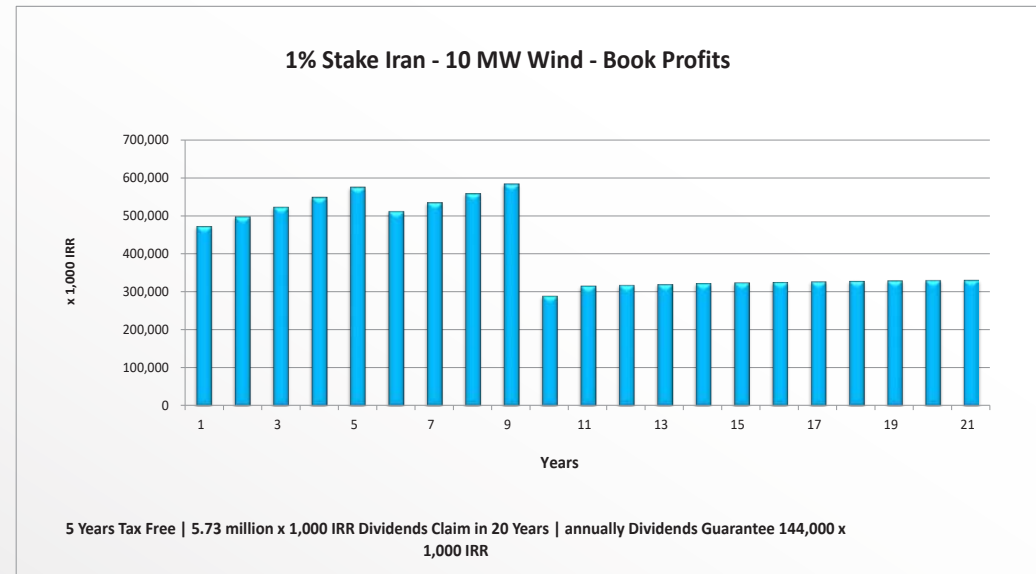


ESG IMPACT & DIVIDENDS

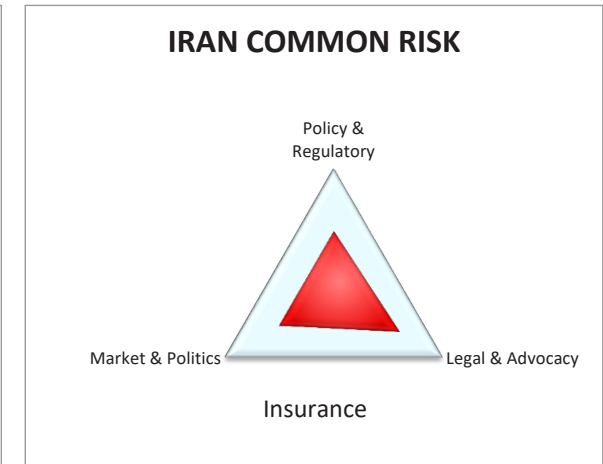
ENVIRONMENT - SOCIAL - GOVERNANCE



Iran Invest	627,636,848 x 1,000 IRR
PeoplesHome (pre-work)	9,808,950 x 1,000 IRR ✓
External Capital	500,913,388 x 1,000 IRR ✓
Private Equity	98,114,022 x 1,000 IRR ✓
Final Pay out of Revenues	28,609,438 x 1,000 IRR ✓
ROI (20 years)	6.2 %
Net Present Value	299,871,232 x 1,000 IRR
Profitability Index	3.1
Price per installed Kilowatt	57,219 x 1,000 IRR
Operating & Maintenance 7.5% / year	34,420,137 x 1,000 IRR
IRR (20 years)	9.54 %
DSCR	1.67



CRC RISKS & INVESTORS RELATION



ROE

39.2%

NPV

300M IRR

IRR

9.5%

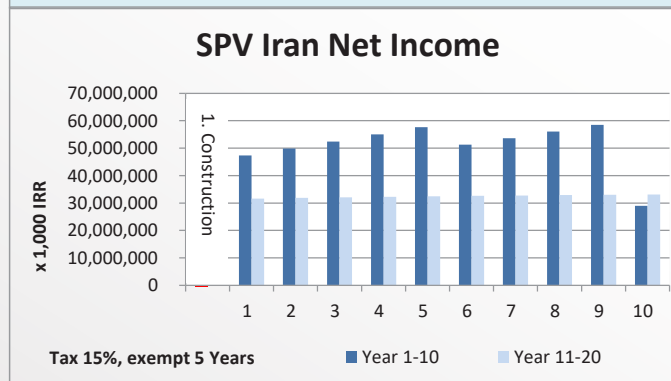
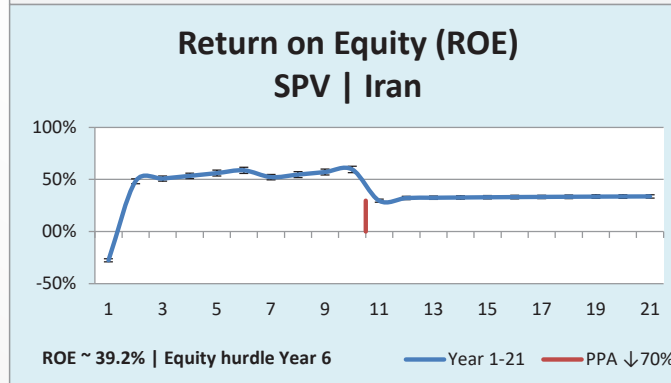
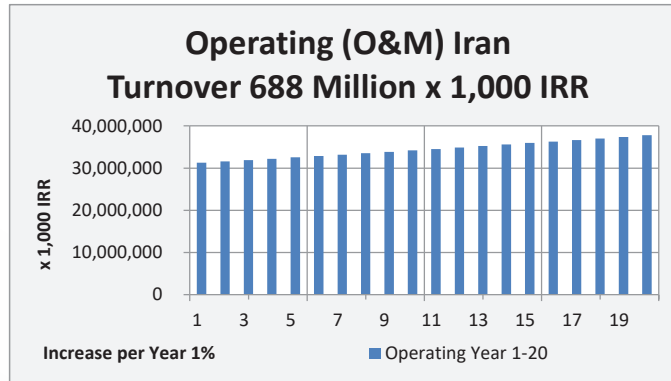
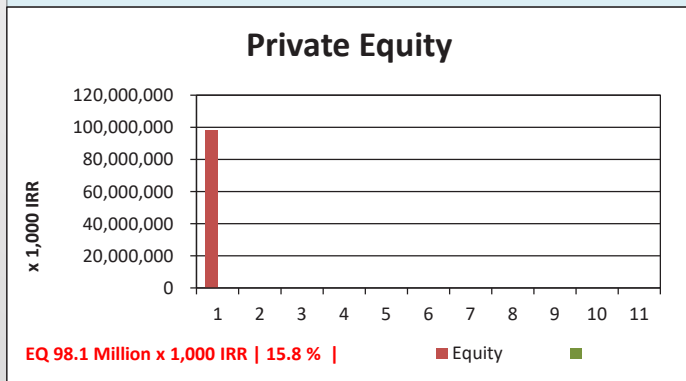
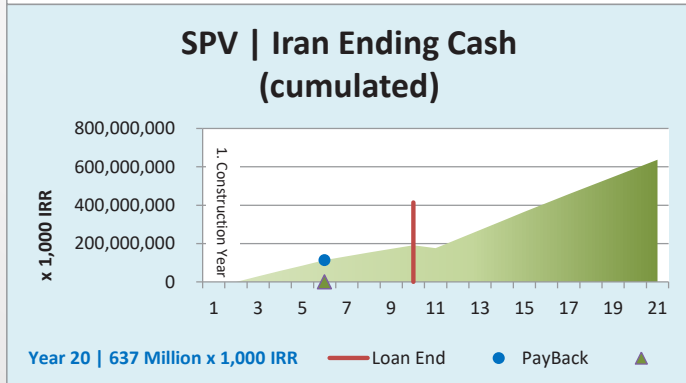
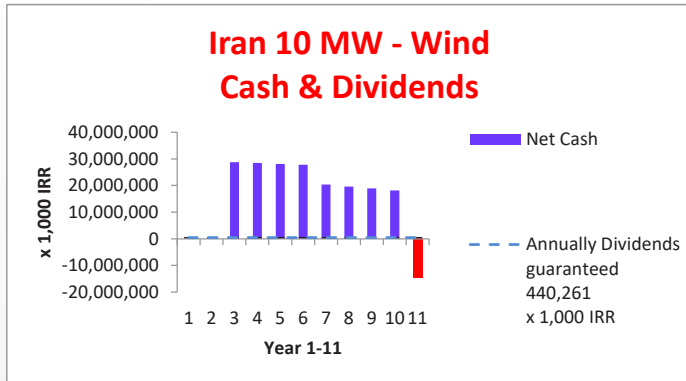
FINANCIAL PROJECTION

SUMMARY

Iran Wind Power Plant 10 MW
PP10-W--57219:6540

I	Volumes	x 1,000 IRR	1 USD = 32,696.50 IRR	08.17
	Houses (re-investment proposal)	0		F 0
	Renewable Energy	10 MW Wind Power		
	Served Households	32,996 (à 75 Kwh/m) (30 GWh/Year - Gain 2,970)		
	Village Land	0 ha	32.70 x 1,000 IRR/sqm	
	Land Surface - Wind Power Park	5 ha	0.00 x 1,000 IRR/sqm	
II	Use of Capital	627,636,848 IRR		
	Technology & Production Machinery	572,188,750 IRR	Price per KW Std. - Premium - IDC	
	Land	0 IRR	57219 61308 62764	
	* Construction Material Houses	0 IRR		
	* Labour Cost	0 IRR		
	Infrastructure + Labour Cost	0 IRR		
	Management + Fees & IDC	55,448,098 IRR		
	Qualification Budget	0 IRR		
	Social Village Package	0 IRR		
III	Capital Part 2017	608,836,360 IRR	15.8% Projected Equity 10%	
	PeoplesHome pre-costs	9,808,950 IRR	shares	actual
	National Loans	0 IRR	15.0%	5 Years 1.6%
	International Loans (IR ~4.5%)	500,913,388 IRR		11 Years 85.0%
	National Grants	0 IRR		0.0%
	International Grants	0 IRR		0.0%
	National Investments	0 IRR	20.0%	0.0%
	International Investments	98,114,022 IRR	65.0%	15.8%
	Co-/Interims Investment	0 IRR		0.0%
			100.0%	102.3%
IV	Social Impact	x 1,000 IRR		
	Jobs	40		
	Purchase Power	196,179 IRR	per Month	
V	Common Numbers	x 1,000 IRR		
	Houses per Year (construction)	0		
	House Sale Price	0 IRR		
	Tax to pay per Year	57,659,361 IRR	Average (15% tax rate) (5 Years no)	
	Project Locations	1		
	Total Projected Carbon Credits	7,768,578 IRR	extra Income (not in the Finance Scheme)	
	Power Purchase Agreement	4.23 IRR	per Kwh (break even 4.21/ 3.42 x 1,000 IRR)	
	- Iran			
	Yearly FIT Progression	0.00 %		
	Electricity Market Price KWh	1,307.86 IRR	2017	
	Electricity Price Inflation	9.00 %	per Year	
	Iran Surplus	678,975,225 IRR	(20 Years)	
	- Net Income Operator	34,420,137 IRR	per Year	
VI	R-O-E + Pre Costs	x 1,000 IRR		
	Feasibility Study	8,991,538 IRR		
	Working Capital	11,280,293 IRR		
	R-O-E (NPM 40.7%), ROI 6.2%	39.2 %		
			879,668,771 x 1,000 IRR Stuttgarter Mod	
			299,871,232 x 1,000 IRR NPV	

FINANCIAL PROJECTION



KEY NUMBERS - 2.8.2017|15:11

10 MW Wind 2,970
Investment
627,636,848 x 1,000 IRR
Equity
98,114,022 x 1,000 IRR
Loan
510,722,338 x 1,000 IRR
Supplier Final Payment
28,609,438 x 1,000 IRR
Sub-payment
0 x 1,000 IRR
Global Interest Rate
4.5 %
Grants
0 x 1,000 IRR
R-O-E 20 years after tax
39.2 %
R-O-I 20 years after tax
6.2 %
NPV 20 years before tax (IR 4%)
299,871,232 x 1,000 IRR
Company Value (Stuttgar Model)
879,668,771 x 1,000 IRR
Guaranteed Pay-out Dividends
14.67 %
Pay Back Period
6 Years
PPA /KWh
4.23 x 1,000 IRR
Fit/PPA Rise Anually
0.00 %
1% Profit Ø per Year
384,882 x 1,000 IRR
1 \$-cent Income PPA/FIT (20 Years)
194,193,669 x 1,000 IRR
Off-taker Power Break Even
Year 11 2028
Tax Exemption
5 Years
Country Surplus in 20 Years
678,975,225 x 1,000 IRR
Nat-Capital : Int'l.-Capital Quote
0 : 1
Equity : Loan Quote
1 : 5.5

FINANCIAL PROJECTION

FINANCIAL ANALYSIS MODEL

ANALYST'S NAME Dr. Glenn L. Stevens - <http://staging-cms.fandm.edu/glenn-stevens>
 NAME OF COMPANY Iran Wind Power Plant 10 MW

FIRST CALENDAR YEAR OF DATA 2017

x 1,000 IRR

NUMBER OF YEARS OF DATA 5

Equity 98,114,022

SUNA

INCOME STATEMENT

	Start Year	Year 1	Year 2	Year 3	Year 4
Sales Revenue	0	125,600,722	125,600,722	125,600,722	125,600,722
Less: Cost of Goods Sold	0	0	0	0	0
Gross Profits	0	125,600,722	125,600,722	125,600,722	125,600,722
Less: Operating Expenses:					
Operating Expense	0	31,264,164	31,576,776	31,892,526	32,211,447
General / Admin. Exp.	0	0	0	0	0
Lease Expense	0	0	0	0	0
Depreciation Expense	12,457,857	24,417,400	23,440,704	22,503,075	21,602,952
Total Operating Expenses	12,457,857	55,681,564	55,017,479	54,395,601	53,814,400
Operating Profits	(12,457,857)	69,919,158	70,583,243	71,205,121	71,786,322
Less: Interest Expense	14,552,951	22,541,102	20,706,734	18,789,819	16,786,643
Net Profits Before Taxes	(27,010,808)	47,378,055	49,876,508	52,415,301	54,999,679
Less: Taxes	0	0	0	0	0
Net Profit After Taxes	(27,010,808)	47,378,055	49,876,508	52,415,301	54,999,679
Less: Pref. Stock Divds.	0	0	0	0	0
Earnings available for Common Stockholders		47,378,055	49,876,508	52,415,301	54,999,679

BALANCE SHEET

Current Assets:

Cash	0	460,486	29,217,799	57,659,361	85,782,002
Marketable Securities	0	0	0	0	0
Accounts Receivable	0	0	0	0	0
Inventories	0	0	0	0	0
Total Current Assets	0	460,486	29,217,799	57,659,361	85,782,002
Gross Fixed Assets (at cost):					
Land & Buildings	0	0	0	0	0
Machinery and Equipment	610,434,990	586,017,591	562,576,887	540,073,812	518,470,859
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	610,434,990	586,017,591	562,576,887	540,073,812	518,470,859
Less: Accumulated Depreciation	0	0	0	0	0
Net Fixed Assets	610,434,990	586,017,591	562,576,887	540,073,812	518,470,859
Other Assets	0	0	0	0	0
Total Assets	610,434,990	586,478,077	591,794,686	597,733,173	604,252,861

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)	539,331,776	467,996,807	423,436,907	376,960,092	328,480,102
Total Liabilities	539,331,776	467,996,807	423,436,907	376,960,092	328,480,102
Preferred Stock	0	0	0	0	0
Common Stock !!	71,103,215	118,481,270	168,357,779	220,773,080	275,772,759
Paid-In Capital In Excess of Par	0	0	0	0	0
Retained Earnings	0	0	0	0	0
Total Stockholders' Equity	71,103,215	118,481,270	168,357,779	220,773,080	275,772,759
Total Liab. & Stockholders' Equity	610,434,990	586,478,077	591,794,686	597,733,173	604,252,861

FINANCIAL PROJECTION

10 MW Iran	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	0.21	0.22	0.23	0.24
Total Asset Turnover	0.00	0.21	0.21	0.21	0.21
Debt Ratio	0.88	0.80	0.72	0.63	0.54
Debt-to-Equity	7.59	3.95	2.52	1.71	1.19
Times Interest Earned		3.10	3.41	3.79	4.28
Gross Profit Margin		100.00%	100.00%	100.00%	100.00%
Operating Profit Margin		55.67%	56.20%	56.69%	57.15%
Net Profit Margin		37.72%	39.71%	41.73%	43.79%
Return on Total Assets (ROA)		8.08%	8.43%	8.77%	9.10%
Return on Equity (ROE)		48.29%	50.84%	53.42%	56.06%
Earnings Per Share (first 5 years tax exemption)		473,781	498,765	524,153	549,997
IPI Iran - 20%		9,475,611	9,975,302	10,483,060	10,999,936
Price/Earnings Ratio					
DUPONT ANALYSIS					
Net Profit AT/Sales		37.72%	39.71%	41.73%	43.79%
Sales/Total Assets	0.00%	21.42%	21.22%	21.01%	20.79%
ROA		8.08%	8.43%	8.77%	9.10%
Net Profit AT/Total Assets	0.00%	8.08%	8.43%	8.77%	9.10%
Total Assets/Stockholders. Equity	858.52%	495.00%	351.51%	270.75%	219.11%
ROE	0.00%	39.99%	29.63%	23.74%	19.94%

STATEMENT OF CASH FLOWS

CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit after Taxes		47,378,055	49,876,508	52,415,301	54,999,679
Depreciation		24,417,400	23,440,704	22,503,075	21,602,952
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.		71,795,455	73,317,212	74,918,377	76,602,631
CASH FLOW FROM INVESTMENT ACTIVITIES					
Increase in Gross Fixed Assets		24,417,400	23,440,704	22,503,075	21,602,952
Cash Flow from Investments		24,417,400	23,440,704	22,503,075	21,602,952
CASH FLOW FROM FINANCING ACTIVITIES					
Increase in Notes Payable		0	0	0	0
Increase in Long-Term Debt		(71,334,969)	(44,559,900)	(46,476,815)	(48,479,991)
Changes in Stockholders' Equity		47,378,055	49,876,508	52,415,301	54,999,679
Preferred Dividends Paid		0	0	0	0
Common Dividends Paid		0	0	0	0
Cash Flow from Financing Activities		(23,956,913)	5,316,609	5,938,487	6,519,688
Net Incr. in Cash / Mark. Securities		72,255,941	102,074,525	103,359,939	104,725,272