

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 103 million US\$ 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 0.1 US\$/KWh) and has a strong value of saleability and is projected for 20 years (Dividends Guarantee 4.6%).

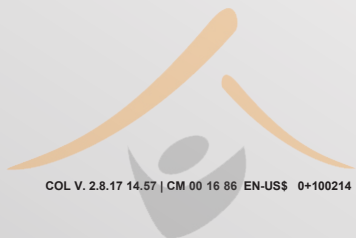
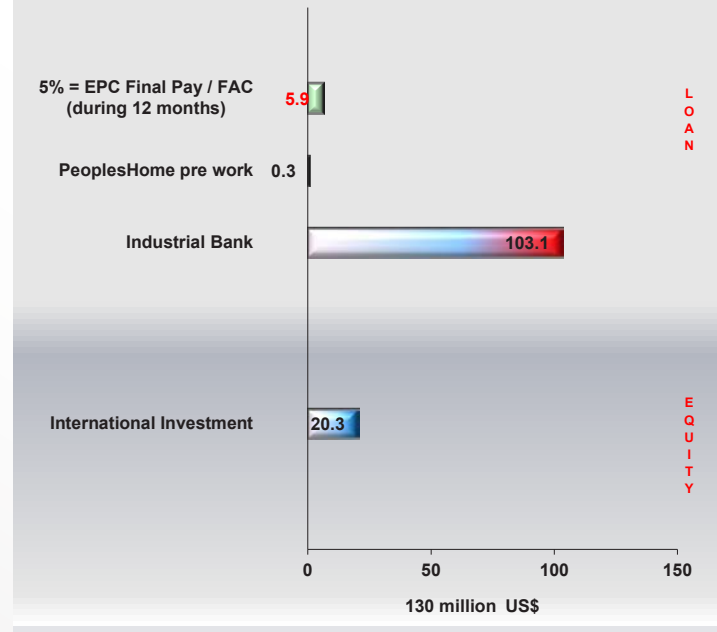
Programmatic carbon income is no part of the financial projections. It is estimated up to 3.5% of the investment cost throughout the entire operating period.



Contents

PROJECT PARTICIPANTS	4
ESG IMPACT	5
CRC RISKS	6
FINANCIAL PROJECTION	7
IMPACT PROJECTION (option)	11

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

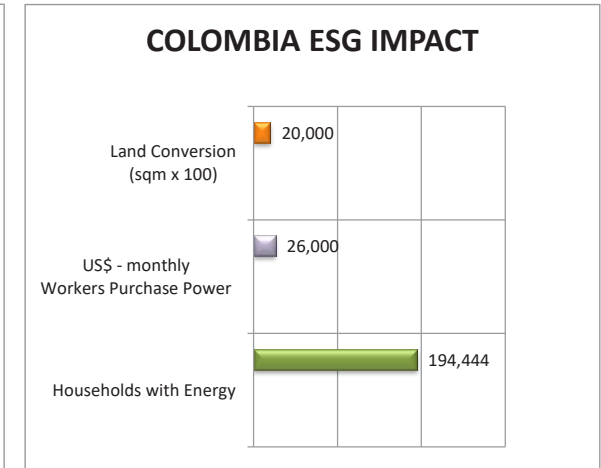
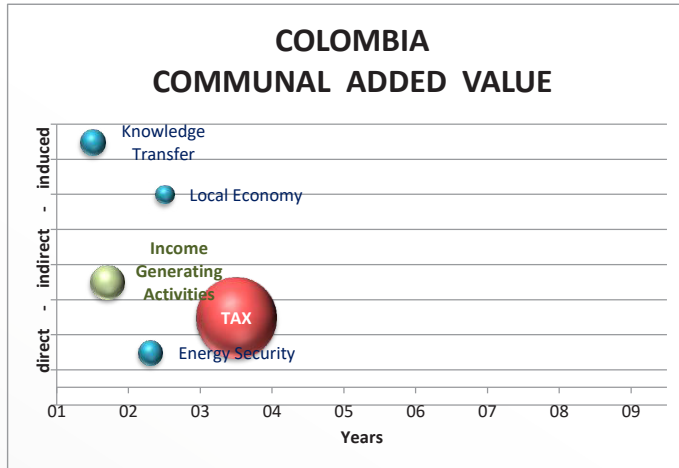
Knowledge Transfer
International University Collaboration

let the Sun/Wind work with you

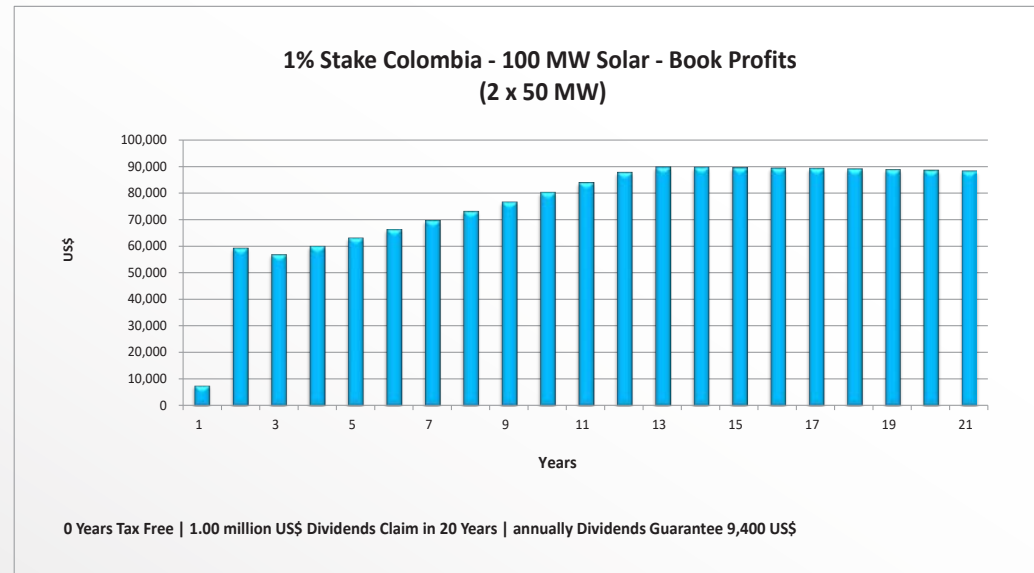


ESG IMPACT & DIVIDENDS

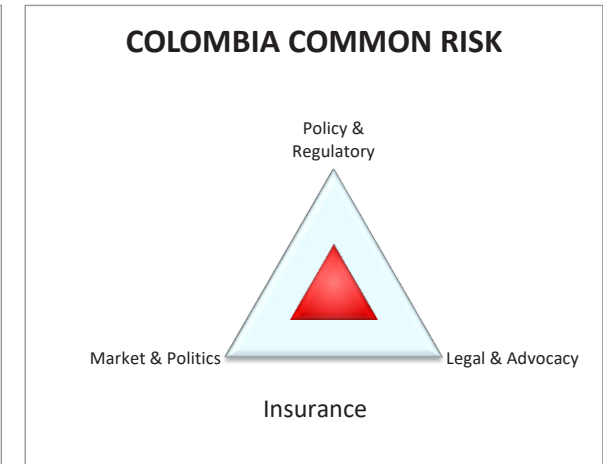
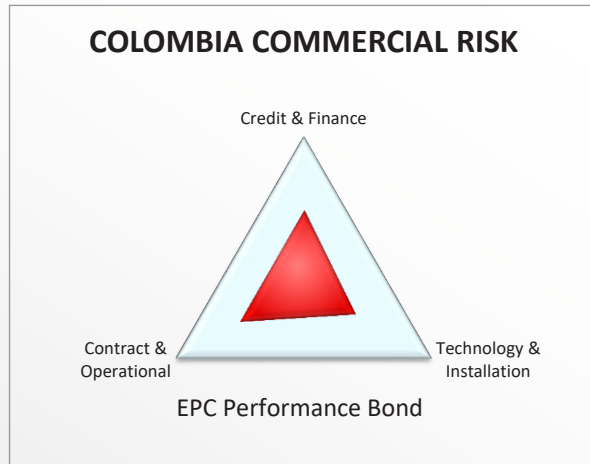
ENVIRONMENT - SOCIAL - GOVERNANCE



Colombia Invest	129,284,147 US\$
PeoplesHome (pre-work)	300,000 US\$ ✓
External Capital	103,108,205 US\$ ✓
Private Equity	20,286,806 US\$ ✓
Final Pay out of Revenues	5,889,136 US\$ ✓
ROI (20 years)	5.4 %
Net Present Value	57,886,556 US\$
Profitability Index	2.9
Price per installed Kilowatt	1,178 US\$
Operating & Maintenance 1% / year	917,809 US\$
IRR (20 years)	17.91 %
DSCR	1.32



CRC RISKS & INVESTORS RELATION



ROE

33.9%

NPV

58M US\$

IRR

17.9%

FINANCIAL PROJECTION

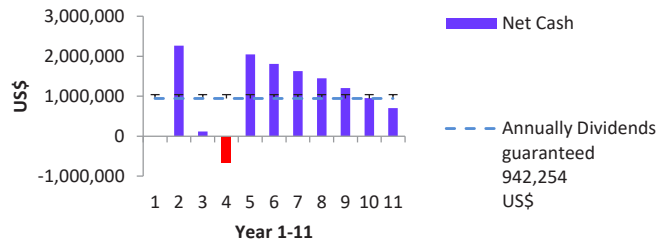
SUMMARY

Colombia Solar Power Park Total Power 100 MW
S--1178:200

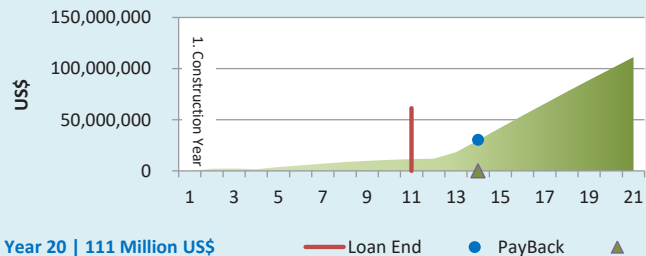
I	Volumes	US\$	1 USD = 3,013.00 COP		08.17
	Houses (re-investment proposal)	0			F 0
	Renewable Energy	100 MW Solar Power			
	Served Households	194,444 (à 75 Kwh/m)	(175 GWh/Year - Gain 1,750)		
	Village Land	0 ha	1.00 US\$/sqm		
	Land Surface - Solar Power Park	200 ha	0.00 US\$/sqm		
II	Use of Capital	129,284,147 US\$			
	Technology & Production Machinery	117,782,726 US\$	Price per KW Std. - Premium - IDC 1178 1278 1293		
	Land	0 US\$			
	* Construction Material Houses	0 US\$			
	* Labour Cost	0 US\$			
	Infrastructure + Labour Cost	0 US\$			
	Management + Fees & IDC	11,501,421 US\$			
	Qualification Budget	0 US\$			
	Social Village Package	0 US\$			
III	Capital Part 2017	61,997,505 US\$	16.0% Projected Equity 10%		
	PeoplesHome pre-costs	300,000 US\$	shares		actual
	National Loans	0 US\$	15.0%	600,000 5 Years	0.5%
	International Loans (IR ~4.5%) x 2	51,554,102 US\$		103,108,205 12 Years	85.9%
	National Grants	0 US\$			0.0%
	International Grants	0 US\$			0.0%
	National Investments x 2	0 US\$	20.0%	0	0.0%
	International Investments x 2	10,143,403 US\$	65.0%	20,286,806	16.0%
	Co-/Interims Investment x 2	0 US\$		0	0.0%
			100.0%		102.4%
IV	Social Impact				
	Jobs	200			
	Purchase Power	26,000 US\$	per Month		
V	Common Numbers				
	Houses per Year (construction)	0			
	House Sale Price	0 US\$			
	Tax to pay per Year	2,386,001 US\$	Average (25% tax rate)		
	Project Locations	2	spread in the Country		
	Total Projected Carbon Credits	1,711,824 US\$	extra Income (not in the Finance Scheme)		
	Power Purchase Agreement	0.10 US\$	per Kwh (break even 0.09/ 0.09 US\$)		
	- Colombia	301.30 COP	(1 USD : 3,013.00 COP)		
	Yearly FIT Progression	0.00 %			
	Electricity Market Price KWh	0.07 US\$	2017		
	Electricity Price Inflation	8.00 %	per Year		
	Colombia Surplus	256,896,076 US\$	(20 Years)		
	- Net Income Operator	917,809 US\$	per Year		
VI	R-O-E + Pre Costs				
	Feasibility Study	275,000 US\$			
	Working Capital	345,000 US\$		150,243,505 US\$ Stuttgarter Model	
	R-O-E (NPM 27.6%), ROI 5.4%	33.9 %		57,886,556 US\$ NPV	C 0.1

FINANCIAL PROJECTION

Colombia 100 MW - Solar Cash & Dividends

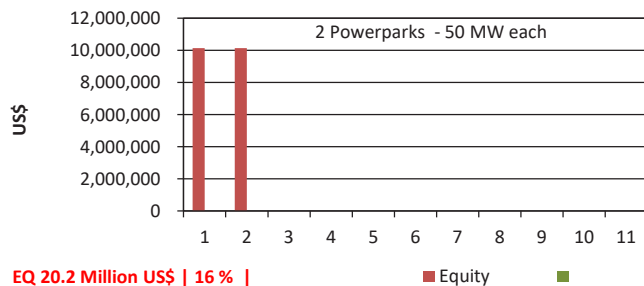


SPV | Colombia Ending Cash (cumulated)



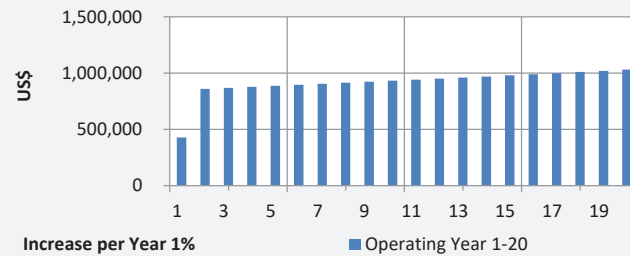
Year 20 | 111 Million US\$

Private Equity



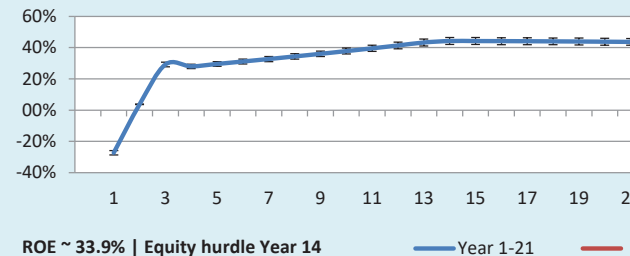
EQ 20.2 Million US\$ | 16% |

Operating (O&M) Colombia Turnover 18 Million US\$



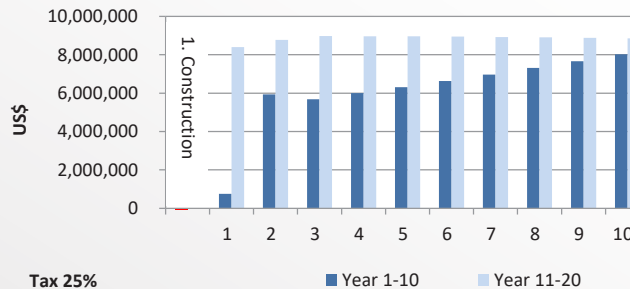
Increase per Year 1%

Return on Equity (ROE) SPV | Colombia



ROE ~ 33.9% | Equity hurdle Year 14

SPV Colombia Net Income



Tax 25%

KEY NUMBERS - 2.8.2017|14:57

100 MW Solar 1,750 2 x 50

Investment

129,284,147 US\$

Equity

20,286,806 US\$

Loan

103,708,205 US\$

Supplier Final Payment

5,889,136 US\$

Sub-payment

0 US\$

Global Interest Rate

4.5 %

Grants

0 US\$

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%)

57,886,556 US\$

Company Value (Stuttgarter Model)

150,243,505 US\$

Guaranteed Pay-out Dividends

4.64 %

Pay Back Period

14 Years

PPA /KWh

0.10 US\$

FiT/PPA Rise Anually

0.00 %

1% Profit Ø per Year

70,021 US\$

1 \$-cent Income PPA/FiT (20 Years)

31,803,625 US\$

Off-taker Power Break Even

Year 6 | 2023

Tax Exemption

0 Years

Country Surplus in 20 Years

256,896,076 US\$

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

US\$

NUMBER OF YEARS OF DATA 5

Equity 10,143,403

Private Off-taker

INCOME STATEMENT

	Start Year	Year 1	Year 2	Year 3	Year 4
Sales Revenue	0	8,750,000	17,438,750	17,255,000	17,132,500
Less: Cost of Goods Sold	0	0	0	0	0
Gross Profits	0	8,750,000	17,438,750	17,255,000	17,132,500
Less: Operating Expenses:					
Operating Expense	0	428,588	861,461	870,074	878,774
General / Admin. Exp.	0	0	0	0	0
Lease Expense	0	0	0	0	0
Depreciation Expense	1,268,913	3,754,981	4,872,695	4,677,787	4,490,675
Total Operating Expenses	1,268,913	4,183,569	5,734,156	5,547,861	5,369,449
Operating Profits	(1,268,913)	4,566,431	11,704,594	11,707,139	11,763,051
Less: Interest Expense	1,496,444	3,816,379	4,472,258	4,129,494	3,771,305
Net Profits Before Taxes	(2,765,357)	750,052	7,232,336	7,577,646	7,991,746
Less: Taxes	0	0	1,304,258	1,894,411	1,997,937
Net Profit After Taxes	(2,765,357)	750,052	5,928,078	5,683,234	5,993,810
Less: Pref. Stock Divds.	0	0	0	0	0
Earnings available for Common Stockholders		750,052	5,928,078	5,683,234	5,993,810

BALANCE SHEET

Current Assets:

Cash	0	2,266,787	2,386,001	1,722,698	3,769,237
Marketable Securities	0	0	0	0	0
Accounts Receivable	0	0	0	0	0
Inventories	0	0	0	0	0
Total Current Assets	0	2,266,787	2,386,001	1,722,698	3,769,237
Gross Fixed Assets (at cost):					
Land & Buildings	0	0	0	0	0
Machinery and Equipment	62,176,717	121,817,365	116,944,671	112,266,884	107,776,208
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	62,176,717	121,817,365	116,944,671	112,266,884	107,776,208
Less: Accumulated Depreciation	0	0	0	0	0
Net Fixed Assets	62,176,717	121,817,365	116,944,671	112,266,884	107,776,208
Other Assets	0	0	0	0	0
Total Assets	62,176,717	124,084,152	119,330,671	113,989,581	111,545,446

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)	54,798,671	105,812,651	95,131,091	84,106,767	75,668,822
Total Liabilities	54,798,671	105,812,651	95,131,091	84,106,767	75,668,822
Preferred Stock	0	0	0	0	0
Common Stock !!	7,378,046	18,271,502	24,199,580	29,882,814	35,876,624
Paid-In Capital In Excess of Par	0	0	0	0	0
Retained Earnings	0	0	0	0	0
Total Stockholders' Equity	7,378,046	18,271,502	24,199,580	29,882,814	35,876,624
Total Liab. & Stockholders' Equity	62,176,717	124,084,152	119,330,671	113,989,581	111,545,446

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		7,501	59,281	56,832	59,938
IPC Colombia - 20%		150,010	1,185,616	1,136,647	1,198,762
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		750,052	5,928,078	5,683,234	5,993,810
Depreciation		3,754,981	4,872,695	4,677,787	4,490,675
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.		4,505,033	10,800,773	10,361,021	10,484,485
CASH FLOW FROM INVESTMENT ACTIVITIES					
Increase in Gross Fixed Assets		(59,640,648)	4,872,695	4,677,787	4,490,675
Cash Flow from Investments		(59,640,648)	4,872,695	4,677,787	4,490,675
CASH FLOW FROM FINANCING ACTIVITIES					
Increase in Notes Payable		0	0	0	0
Increase in Long-Term Debt		51,013,980	(10,681,560)	(11,024,324)	(8,437,945)
Changes in Stockholders' Equity		10,893,455	5,928,078	5,683,234	5,993,810
Preferred Dividends Paid		0	0	0	0
Common Dividends Paid					
Cash Flow from Financing Activities		61,907,436	(4,753,481)	(5,341,090)	(2,444,135)
Net Incr. in Cash / Mark. Securities		6,771,821	10,919,986	9,697,718	12,531,025