

IMPACT INVESTMENT

CLIMATE POLICY PROJECT

»PEOPLESHOME«

WIND ENERGY INVESTMENT IRAN



50 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 (15.7%).

The Industrial and Commercial Bank of China could provide a loan of up to 76 million US\$ for 50 Megawatt in total.

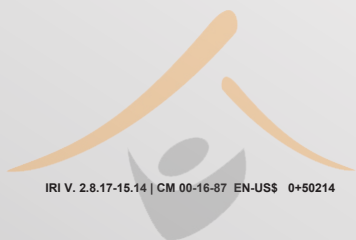
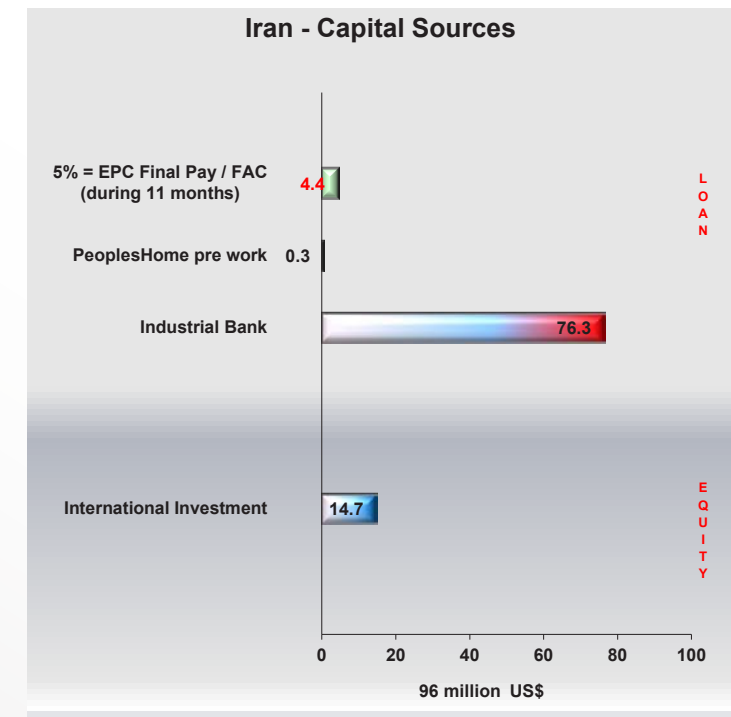
Assuming this loan financing the equity/loan ratio would be at 1 : 5.5
 The project has a stable cash flow which is guaranteed by the national government (FiT/PPA calculation is at 0.13 US\$/KWh) and has a strong value of saleability and is projected for 20 years (Dividends Guarantee 15.8%).

Programmatic carbon income is no part of the financial projections. It is estimated up to 3.6% 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

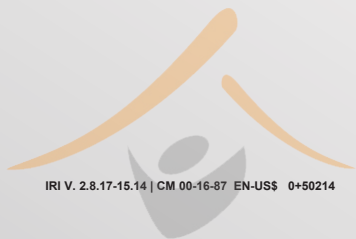
Operator
National Company

Power Purchaser
National Electricity Provider

Rent to Land Owner
Local Municipality

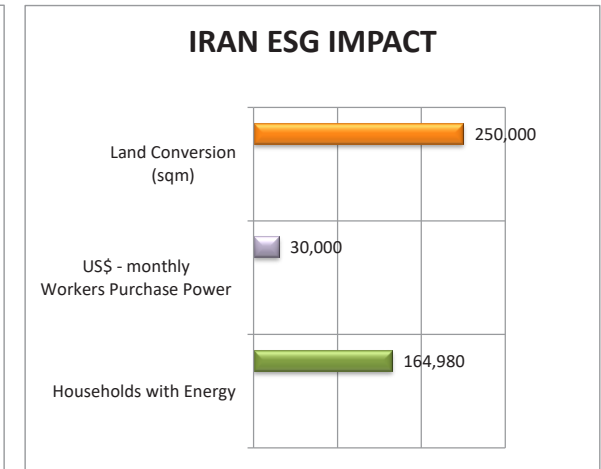
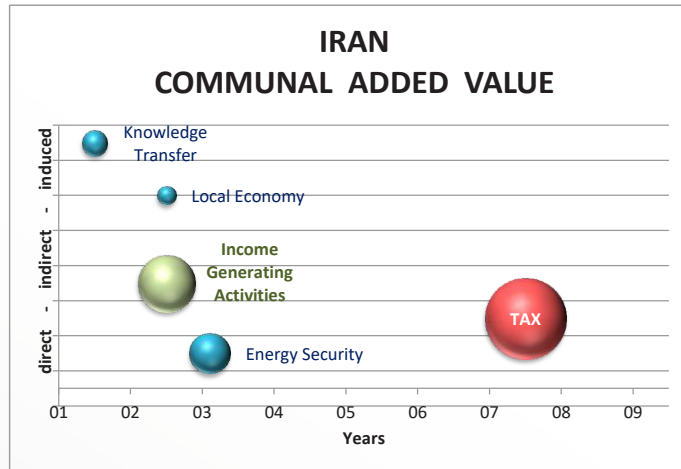
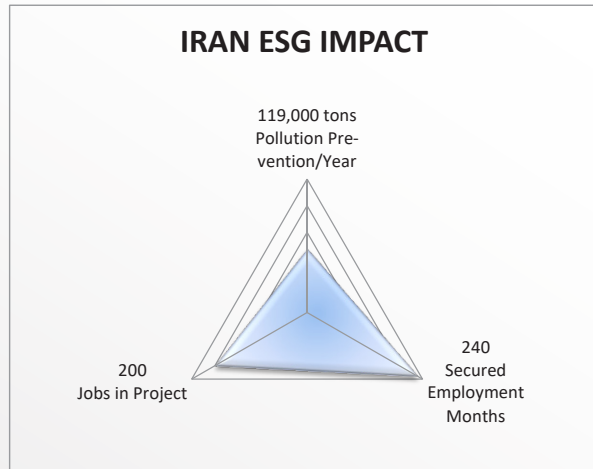
Knowledge Transfer
International University Collaboration

let the Sun/Wind work with you

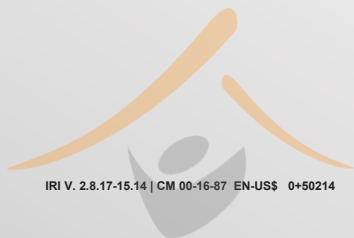
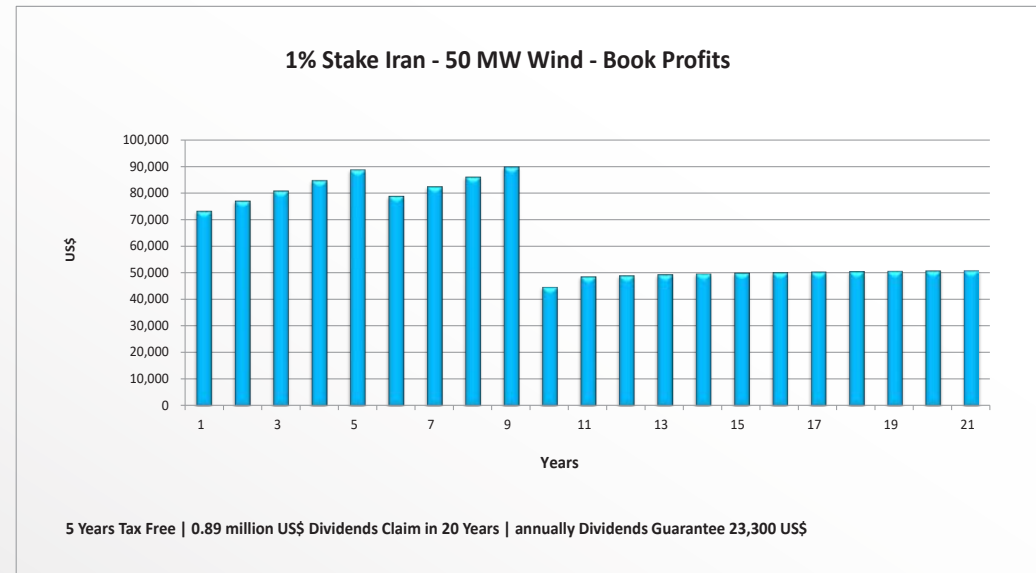


ESG IMPACT & DIVIDENDS

ENVIRONMENT - SOCIAL - GOVERNANCE



Iran Invest	95,358,628 US\$
PeoplesHome (pre-work)	300,000 US\$ ✓
External Capital	76,302,087 US\$ ✓
Private Equity	14,698,500 US\$ ✓
Final Pay out of Revenues	4,358,042 US\$ ✓
ROI (20 years)	6.4 %
Net Present Value	47,734,305 US\$
Profitability Index	3.2
Price per installed Kilowatt	1,743 US\$
Operating & Maintenance 7.5% / year	5,263,601 US\$
IRR (20 years)	9.81 %
DSCR	1.70



CRC RISKS & INVESTORS RELATION



ROE

40.4%

NPV

48M US\$

IRR

9.8%

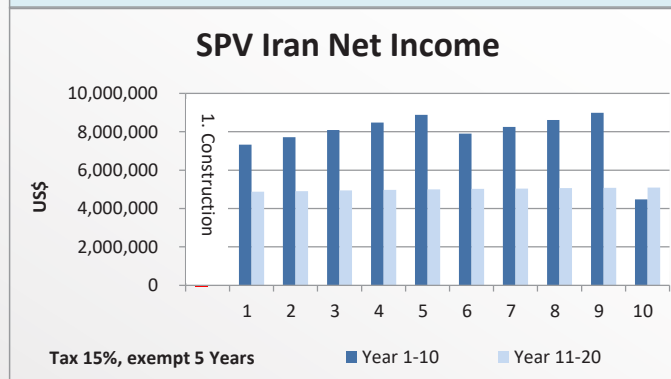
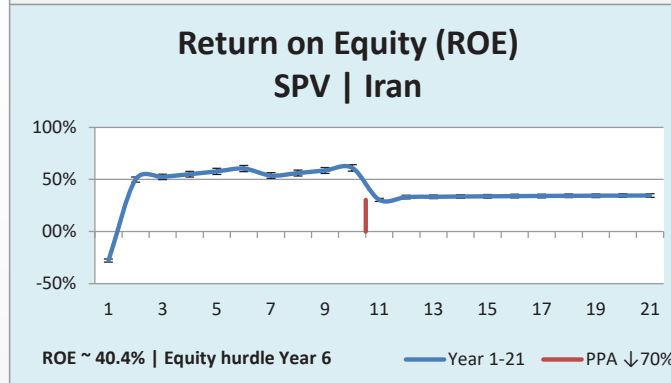
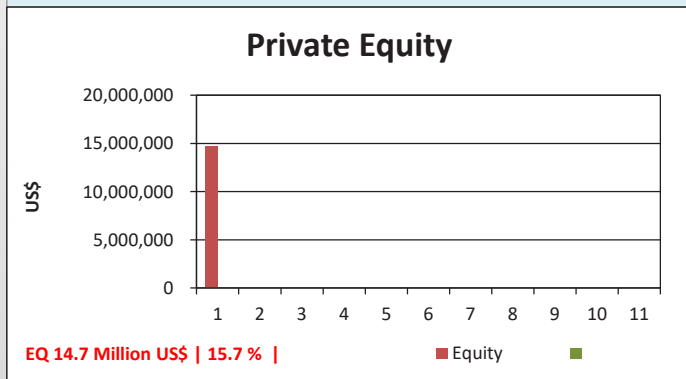
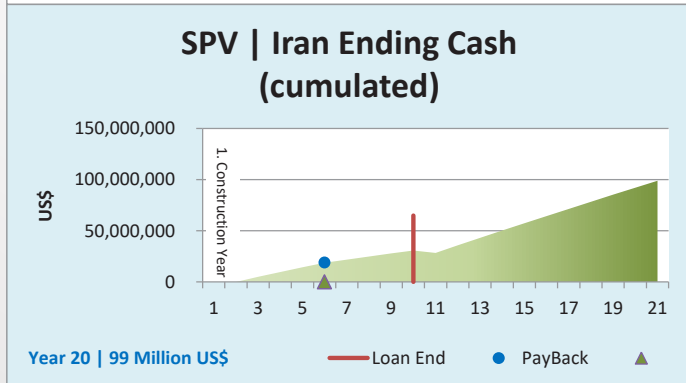
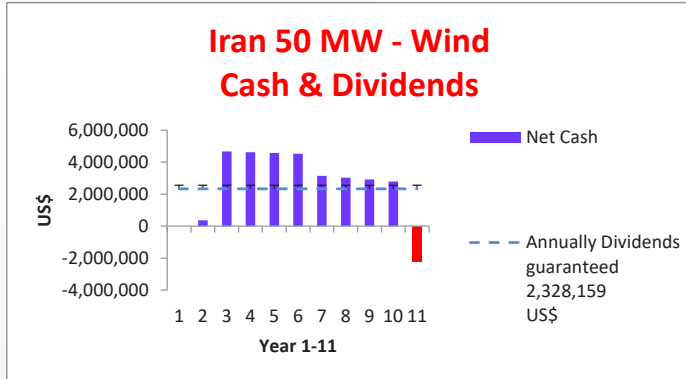
FINANCIAL PROJECTION

SUMMARY

Iran Wind Power Plant 50 MW
PP50-W--1743:200

I	Volumes	US\$	1 USD = 32,696.50 IRR	08.17
	Houses (re-investment proposal)	0		F 0
	Renewable Energy	50 MW Wind Power		
	Served Households	164,980 (à 75 Kwh/m) (148 GWh/Year - Gain 2,970)		
	Village Land	0 ha	1.00 US\$/sqm	
	Land Surface - Wind Power Park	25 ha	0.00 US\$/sqm	
II	Use of Capital	95,358,628 US\$		
	Technology & Production Machinery	87,160,833 US\$	Price per KW Std. - Premium - IDC	
	Land	0 US\$	1743 1863 1907	
	* Construction Material Houses	0 US\$		
	* Labour Cost	0 US\$		
	Infrastructure + Labour Cost	0 US\$		
	Management + Fees & IDC	8,197,795 US\$		
	Qualification Budget	0 US\$		
	Social Village Package	0 US\$		
III	Capital Part 2017	91,300,587 US\$	15.7% Projected Equity 10%	
	PeoplesHome pre-costs	300,000 US\$	shares	actual
	National Loans	0 US\$	15.0%	5 Years 0.3%
	International Loans (IR ~4.5%)	76,302,087 US\$		11 Years 86.3%
	National Grants	0 US\$		0.0%
	International Grants	0 US\$		0.0%
	National Investments	0 US\$	20.0%	0.0%
	International Investments	14,698,500 US\$	65.0%	15.7%
	Co-/Interims Investment	0 US\$		0.0%
			100.0%	102.4%
IV	Social Impact			
	Jobs	200		
	Purchase Power	30,000 US\$	per Month	
V	Common Numbers			
	Houses per Year (construction)	0		
	House Sale Price	0 US\$		
	Tax to pay per Year	9,667,423 US\$	Average (15% tax rate) (5 Years no)	
	Project Locations	1		
	Total Projected Carbon Credits	1,187,856 US\$	extra Income (not in the Finance Scheme)	
	Power Purchase Agreement	0.13 US\$	per Kwh (break even 0.13/ 0.11 US\$)	
	- Iran	4229.49 IRR	(1 USD : 32,696.50 IRR)	
	Yearly FIT Progression	0.00 %		
	Electricity Market Price KWh	0.04 US\$	2017	
	Electricity Price Inflation	9.00 %	per Year	
	Iran Surplus	103,933,120 US\$	(20 Years)	
	- Net Income Operator	5,263,601 US\$	per Year	
VI	R-O-E + Pre Costs			
	Feasibility Study	275,000 US\$		
	Working Capital	345,000 US\$		134,719,149 US\$ Stuttgarter Model
	R-O-E (NPM 41.1%), ROI 6.4%	40.4 %		47,734,305 US\$ NPV

FINANCIAL PROJECTION



KEY NUMBERS - 2.8.2017|15:14

50 MW Wind 2,970
Investment
95,358,628 US\$
Equity
14,698,500 US\$
Loan
76,602,087 US\$
Supplier Final Payment
4,358,042 US\$
Sub-payment
0 US\$
Global Interest Rate
4.5 %
Grants
0 US\$
R-O-E 20 years after tax
40.4 %
R-O-I 20 years after tax
6.4 %
NPV 20 years before tax (IR 4%)
47,734,305 US\$
Company Value (Stuttgarter Model)
134,719,149 US\$
Guaranteed Pay-out Dividends
15.84 %
Pay Back Period
6 Years
PPA /KWh
0.13 US\$
Fit/PPA Rise Anually
0.00 %
1% Profit Ø per Year
59,339 US\$
1 \$-cent Income PPA/FIT (20 Years)
29,696,400 US\$
Off-taker Power Break Even
Year 11 2028
Tax Exemption
5 Years
Country Surplus in 20 Years
103,933,120 US\$
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 50 MW

FIRST CALENDAR YEAR OF DATA 2017

US\$

NUMBER OF YEARS OF DATA 5

Equity 14,698,500

SUNA

INCOME STATEMENT

	Start Year	Year 1	Year 2	Year 3	Year 4
Sales Revenue	0	19,207,059	19,207,059	19,207,059	19,207,059
Less: Cost of Goods Sold	0	0	0	0	0
Gross Profits	0	19,207,059	19,207,059	19,207,059	19,207,059
Less: Operating Expenses:					
Operating Expense	0	4,780,968	4,828,777	4,877,064	4,925,834
General / Admin. Exp.	0	0	0	0	0
Lease Expense	0	0	0	0	0
Depreciation Expense	1,868,865	3,662,975	3,516,456	3,375,798	3,240,766
Total Operating Expenses	1,868,865	8,443,943	8,345,233	8,252,862	8,166,600
Operating Profits	(1,868,865)	10,763,116	10,861,826	10,954,197	11,040,459
Less: Interest Expense	2,215,379	3,433,594	3,154,172	2,862,176	2,557,041
Net Profits Before Taxes	(4,084,244)	7,329,522	7,707,654	8,092,021	8,483,418
Less: Taxes	0	0	0	0	0
Net Profit After Taxes	(4,084,244)	7,329,522	7,707,654	8,092,021	8,483,418
Less: Pref. Stock Divds.	0	0	0	0	0
Earnings available for Common Stockholders		7,329,522	7,707,654	8,092,021	8,483,418

BALANCE SHEET

Current Assets:

Cash	0	365,082	5,040,396	9,667,423	14,245,681
Marketable Securities	0	0	0	0	0
Accounts Receivable	0	0	0	0	0
Inventories	0	0	0	0	0
Total Current Assets	0	365,082	5,040,396	9,667,423	14,245,681
Gross Fixed Assets (at cost):					
Land & Buildings	0	0	0	0	0
Machinery and Equipment	91,574,384	87,911,409	84,394,953	81,019,155	77,778,388
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	91,574,384	87,911,409	84,394,953	81,019,155	77,778,388
Less: Accumulated Depreciation	0	0	0	0	0
Net Fixed Assets	91,574,384	87,911,409	84,394,953	81,019,155	77,778,388
Other Assets	0	0	0	0	0
Total Assets	91,574,384	88,276,491	89,435,349	90,686,578	92,024,069

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)	80,960,129	70,332,713	63,783,917	56,943,126	49,797,199
Total Liabilities	80,960,129	70,332,713	63,783,917	56,943,126	49,797,199
Preferred Stock	0	0	0	0	0
Common Stock !!	10,614,256	17,943,778	25,651,431	33,743,452	42,226,870
Paid-In Capital In Excess of Par	0	0	0	0	0
Retained Earnings	0	0	0	0	0
Total Stockholders' Equity	10,614,256	17,943,778	25,651,431	33,743,452	42,226,870
Total Liab. & Stockholders' Equity	91,574,384	88,276,491	89,435,349	90,686,578	92,024,069

FINANCIAL PROJECTION

50 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	0.22	0.23	0.24	0.25
Total Asset Turnover	0.00	0.22	0.21	0.21	0.21
Debt Ratio	0.88	0.80	0.71	0.63	0.54
Debt-to-Equity	7.63	3.92	2.49	1.69	1.18
Times Interest Earned		3.13	3.44	3.83	4.32
Gross Profit Margin		100.00%	100.00%	100.00%	100.00%
Operating Profit Margin		56.04%	56.55%	57.03%	57.48%
Net Profit Margin		38.16%	40.13%	42.13%	44.17%
Return on Total Assets (ROA)		8.30%	8.62%	8.92%	9.22%
Return on Equity (ROE)		49.87%	52.44%	55.05%	57.72%
Earnings Per Share (first 5 years tax exemption)		73,295	77,077	80,920	84,834
IPI Iran - 20%		1,465,904	1,541,531	1,618,404	1,696,684
Price/Earnings Ratio					
DUPONT ANALYSIS					
Net Profit AT/Sales		38.16%	40.13%	42.13%	44.17%
Sales/Total Assets	0.00%	21.76%	21.48%	21.18%	20.87%
ROA		8.30%	8.62%	8.92%	9.22%
Net Profit AT/Total Assets	0.00%	8.30%	8.62%	8.92%	9.22%
Total Assets/Stockholders. Equity	862.75%	491.96%	348.66%	268.75%	217.93%
ROE	0.00%	40.85%	30.05%	23.98%	20.09%

STATEMENT OF CASH FLOWS

CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit after Taxes		7,329,522	7,707,654	8,092,021	8,483,418
Depreciation		3,662,975	3,516,456	3,375,798	3,240,766
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.		10,992,497	11,224,110	11,467,819	11,724,184
CASH FLOW FROM INVESTMENT ACTIVITIES					
Increase in Gross Fixed Assets		3,662,975	3,516,456	3,375,798	3,240,766
Cash Flow from Investments		3,662,975	3,516,456	3,375,798	3,240,766
CASH FLOW FROM FINANCING ACTIVITIES					
Increase in Notes Payable		0	0	0	0
Increase in Long-Term Debt		(10,627,416)	(6,548,796)	(6,840,792)	(7,145,927)
Changes in Stockholders' Equity		7,329,522	7,707,654	8,092,021	8,483,418
Preferred Dividends Paid		0	0	0	0
Common Dividends Paid		0	0	0	0
Cash Flow from Financing Activities		(3,297,894)	1,158,858	1,251,229	1,337,491
Net Incr. in Cash / Mark. Securities		11,357,579	15,899,424	16,094,846	16,302,442