

IMPACT INVESTMENT

CLIMATE POLICY PROJECT

»PEOPLESHOME«

ENERGY INVESTMENT

JAPAN



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

Office Berlin:
PEOPLESHOME Association
Nassauische Strasse 6
D-10717 Berlin

Phone: D +49 / 30-509.249.02
Mail: info@peoples-home.org
www.peoples-home.org

THE BUSINESS

Japan 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 (15.9%).

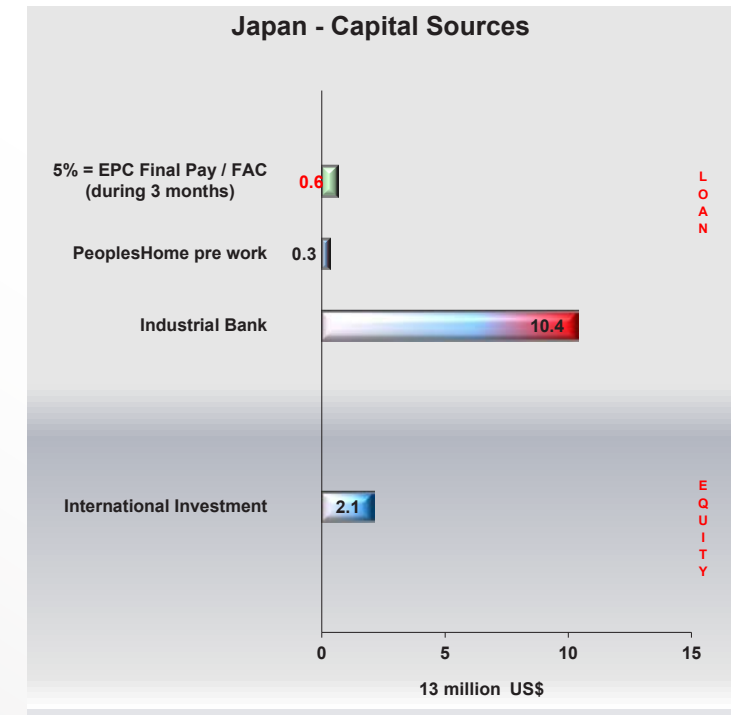
The Industrial and Commercial Bank of China could provide a loan of up to 10 million US\$ for 10 Megawatt in total.

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 0.25 US\$/KWh) and has a strong value of saleability and is projected for 20 years (Dividends Guarantee 50.7%).

Programmatic carbon income is no part of the financial projections. It is estimated up to 2.5% 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

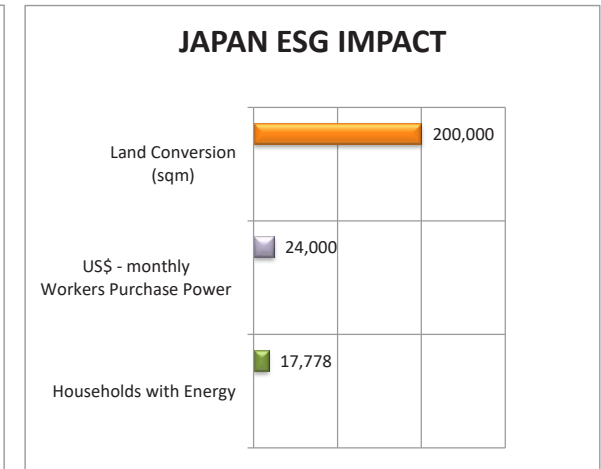
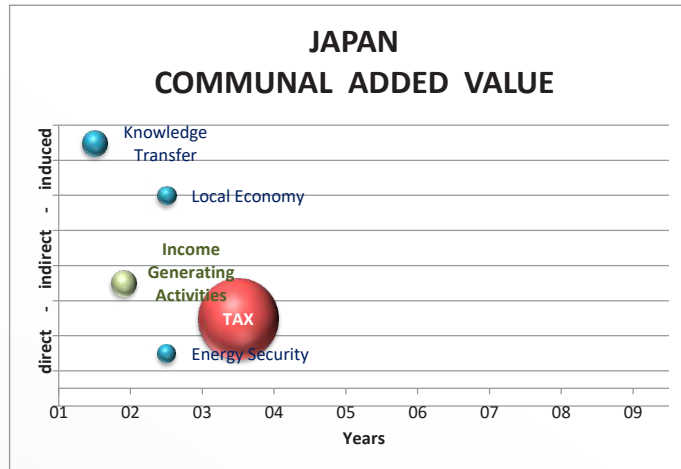
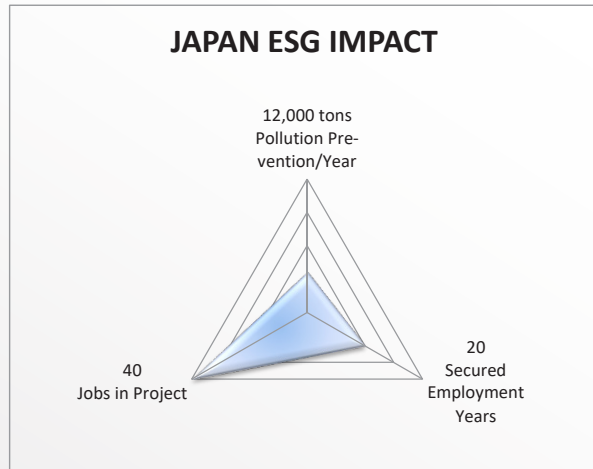
Knowledge Transfer
International University Collaboration

let the Sun/Wind work with you

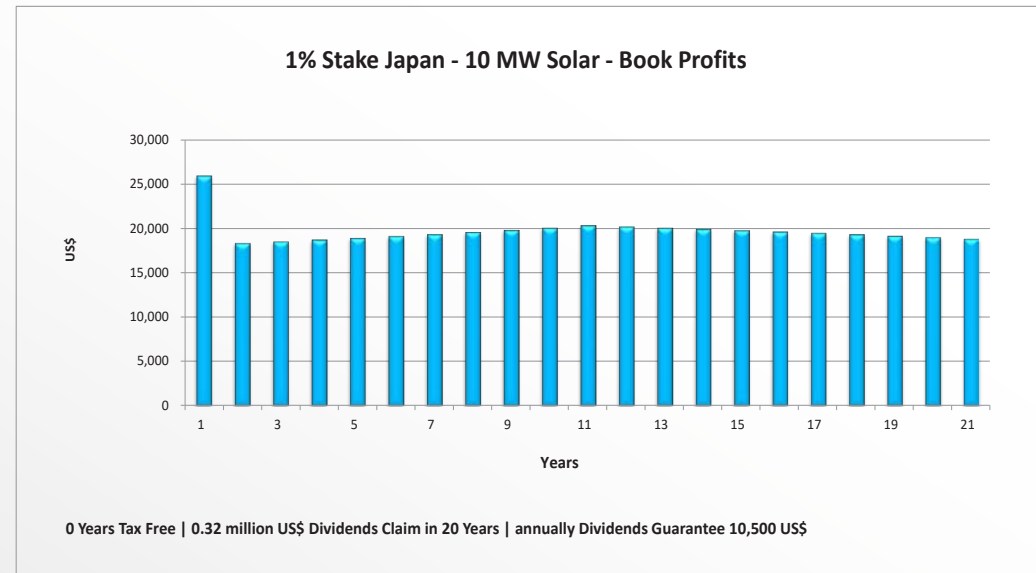


ESG IMPACT & DIVIDENDS

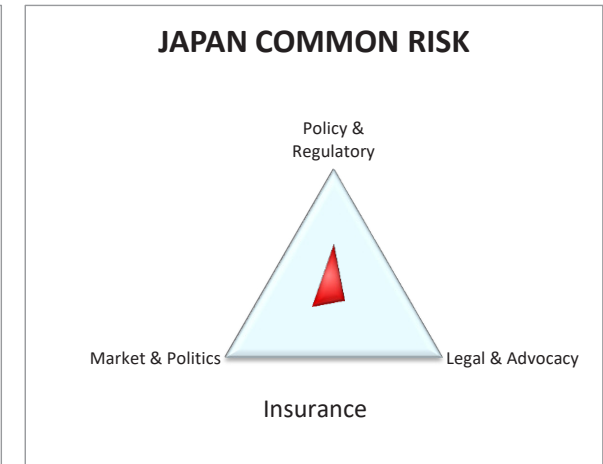
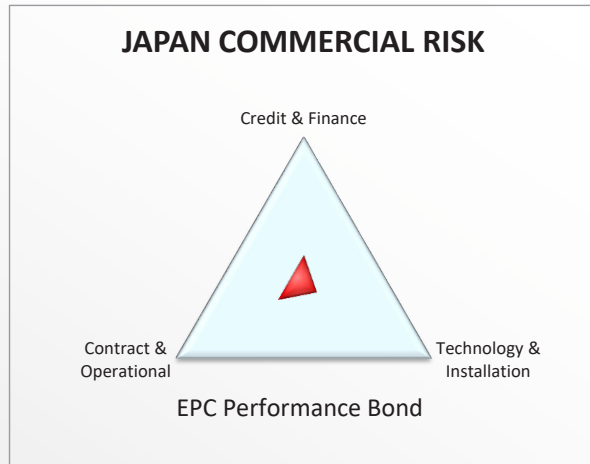
ENVIRONMENT - SOCIAL - GOVERNANCE



Japan Invest	13,026,261 US\$
PeoplesHome (pre-work)	300,000 US\$ ✓
External Capital	10,357,113 US\$ ✓
Private Equity	2,077,521 US\$ ✓
Final Pay out of Revenues	591,627 US\$ ✓
ROI (20 years)	14.3 %
Net Present Value	29,853,144 US\$
Profitability Index	14.4
Price per installed Kilowatt	1,183 US\$
Operating & Maintenance 5% / year	471,849 US\$
IRR (20 years)	23.38 %
DSCR	2.55



CRC RISKS & INVESTORS RELATION



ROI

14.3%

NPV

30M US\$

IRR

23.4%

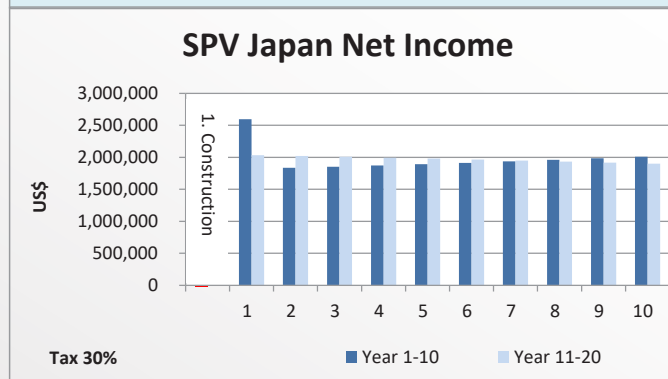
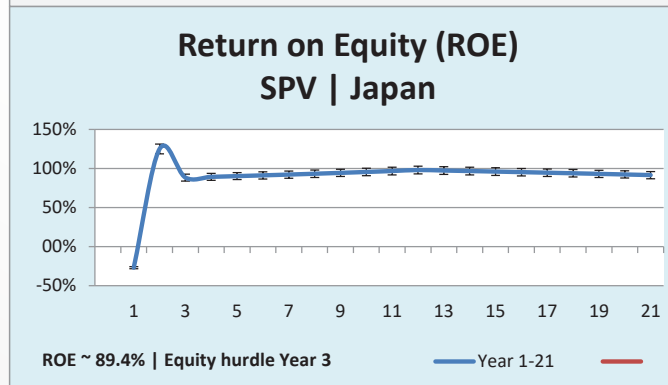
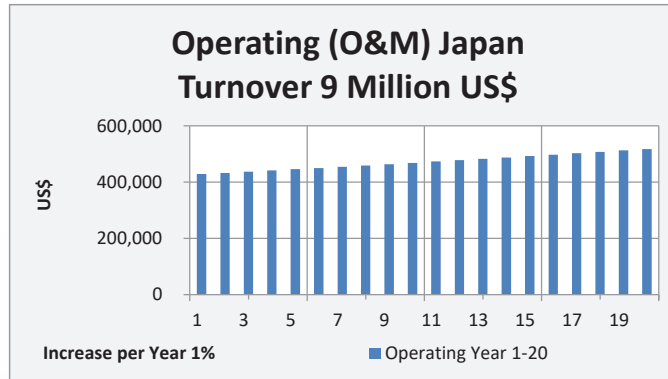
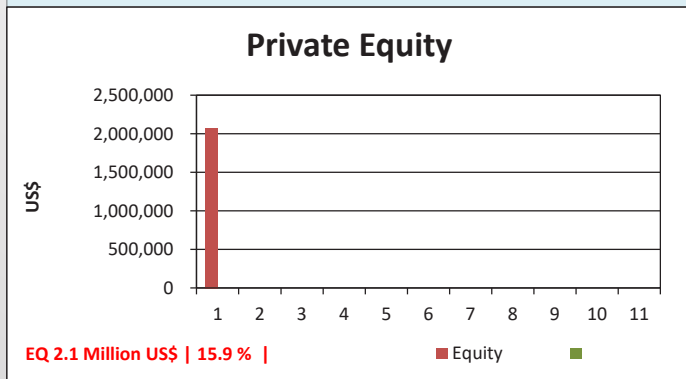
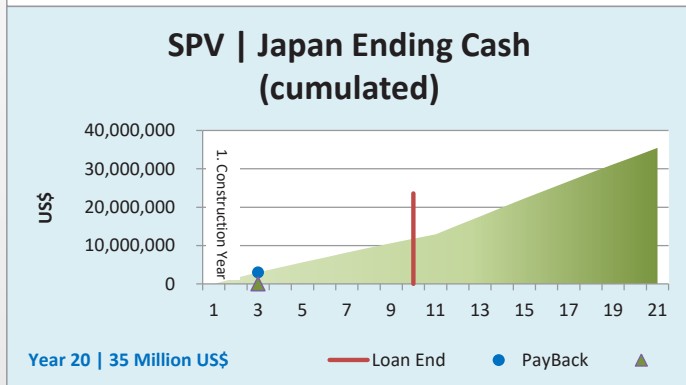
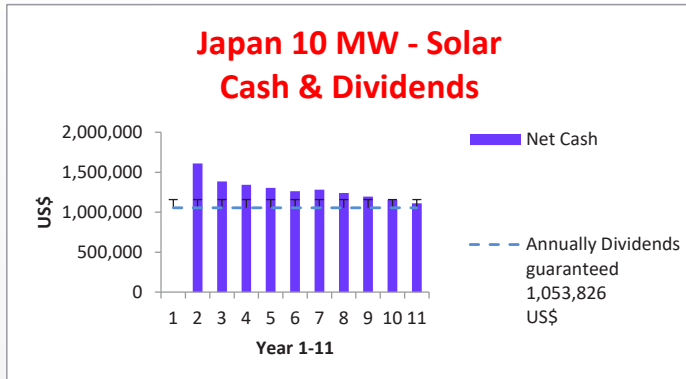
FINANCIAL PROJECTION

SUMMARY

Japan Solar Power Park Total Power 10 MW
S--1183:200

I	Volumes	US\$	1 USD = 111.20 JPY		08.17
	Houses (re-investment proposal)	0			F 0
	Renewable Energy	10 MW Solar Power			
	Served Households	17,778 (à 75 Kwh/m)	(16 GWh/Year - Gain 1,600)		
	Village Land	0 ha	1.00 US\$/sqm		
	Land Surface - Solar Power Park	20 ha	0.00 US\$/sqm		
II	Use of Capital	13,026,261 US\$			
	Technology & Production Machinery	11,832,539 US\$	Price per KW Std. - Premium - IDC 1183 1273 1303		
	Land	0 US\$			
	* Construction Material Houses	0 US\$			
	* Labour Cost	0 US\$			
	Infrastructure + Labour Cost	0 US\$			
	Management + Fees & IDC	1,193,722 US\$			
	Qualification Budget	0 US\$			
	Social Village Package	0 US\$			
III	Capital Part 2017	12,734,634 US\$	15.9% Projected Equity 10%		
	PeoplesHome pre-costs	300,000 US\$	shares		actual
	National Loans	0 US\$	15.0%	5 Years	2.3%
	International Loans (IR ~4.5%)	10,357,113 US\$		11 Years	84.0%
	National Grants	0 US\$			0.0%
	International Grants	0 US\$			0.0%
	National Investments	0 US\$	20.0%		0.0%
	International Investments	2,077,521 US\$	65.0%		15.9%
	Co-/Interims Investment	0 US\$			0.0%
			100.0%		102.3%
IV	Social Impact				
	Jobs	40			
	Purchase Power	24,000 US\$	per Month		
V	Common Numbers				
	Houses per Year (construction)	0			
	House Sale Price	0 US\$			
	Tax to pay per Year	4,338,421 US\$	Average (30% tax rate)		
	Project Locations	1			
	Total Projected Carbon Credits	123,968 US\$	extra Income (not in the Finance Scheme)		
	Power Purchase Agreement	0.25 US\$	per Kwh (break even 0.15/ 0.13 US\$)		
	- Japan	27.80 JPY	(1 USD : 111.20 JPY)		
	Yearly FIT Progression	0.00 %			
	Electricity Market Price KWh	0.20 US\$	2017		
	Electricity Price Inflation	4.00 %	per Year		
	Japan Surplus	38,686,808 US\$	(20 Years)		
	- Net Income Operator	471,849 US\$	per Year		
VI	R-O-E + Pre Costs				
	Feasibility Study	275,000 US\$			
	Working Capital	345,000 US\$			26,077,020 US\$ Stuttgarter Model
	R-O-E (NPM 51.5%), ROI 14.3%	89.4 %			29,853,144 US\$ NPV

FINANCIAL PROJECTION



KEY NUMBERS - 2.8.2017|14:22

10 MW Solar 1,600 Investment	13,026,261 US\$
Equity	2,077,521 US\$
Loan	10,657,113 US\$
Supplier Final Payment	591,627 US\$
Sub-payment	0 US\$
Global Interest Rate	4.5 %
Grants	0 US\$
R-O-E 20 years after tax	89.4 %
R-O-I 20 years after tax	14.3 %
NPV 20 years before tax (IR 4%)	29,853,144 US\$
Company Value (Stuttgarter Model)	26,077,020 US\$
Guaranteed Pay-out Dividends	50.73 %
Pay Back Period	3 Years
PPA /KWh	0.25 US\$
FiT/PPA Rise Anually	0.00 %
1% Profit Ø per Year	18,566 US\$
1 \$-cent Income PPA/FiT (20 Years)	2,987,200 US\$
Off-taker Power Break Even	Year 7 2024
Tax Exemption	0 Years
Country Surplus in 20 Years	38,686,808 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 Japan Solar Power Park Total Power 10 MW

FIRST CALENDAR YEAR OF DATA 2017

US\$

NUMBER OF YEARS OF DATA 5

Equity 2,077,521

CUHBU

INCOME STATEMENT

	Start Year	Year 1	Year 2	Year 3	Year 4
Sales Revenue	0	4,000,000	3,972,000	3,944,000	3,916,000
Less: Cost of Goods Sold	0	0	0	0	0
Gross Profits	0	4,000,000	3,972,000	3,944,000	3,916,000
Less: Operating Expenses:					
Operating Expense	0	428,588	432,873	437,201	441,573
General / Admin. Exp.	0	0	0	0	0
Lease Expense	0	0	0	0	0
Depreciation Expense	260,536	510,651	490,225	470,616	451,791
Total Operating Expenses	260,536	939,239	923,098	907,817	893,364
Operating Profits	(260,536)	3,060,761	3,048,902	3,036,183	3,022,636
Less: Interest Expense	299,455	466,070	428,142	388,507	347,088
Net Profits Before Taxes	(559,991)	2,594,691	2,620,760	2,647,676	2,675,548
Less: Taxes	0	0	786,228	794,303	802,664
Net Profit After Taxes	(559,991)	2,594,691	1,834,532	1,853,373	1,872,883
Less: Pref. Stock Divds.	0	0	0	0	0
Earnings available for Common Stockholders		2,594,691	1,834,532	1,853,373	1,872,883

BALANCE SHEET

Current Assets:

Cash	0	1,610,865	2,994,844	4,338,421	5,641,264
Marketable Securities	0	0	0	0	0
Accounts Receivable	0	0	0	0	0
Inventories	0	0	0	0	0
Total Current Assets	0	1,610,865	2,994,844	4,338,421	5,641,264
Gross Fixed Assets (at cost):					
Land & Buildings	0	0	0	0	0
Machinery and Equipment	12,766,270	12,255,619	11,765,394	11,294,779	10,842,987
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	12,766,270	12,255,619	11,765,394	11,294,779	10,842,987
Less: Accumulated Depreciation	0	0	0	0	0
Net Fixed Assets	12,766,270	12,255,619	11,765,394	11,294,779	10,842,987
Other Assets	0	0	0	0	0
Total Assets	12,766,270	13,866,484	14,760,239	15,633,199	16,484,251

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)	11,248,740	9,754,264	8,813,486	7,833,073	6,811,241
Total Liabilities	11,248,740	9,754,264	8,813,486	7,833,073	6,811,241
Preferred Stock	0	0	0	0	0
Common Stock !!	1,517,530	4,112,221	5,946,753	7,800,126	9,673,010
Paid-In Capital In Excess of Par	0	0	0	0	0
Retained Earnings	0	0	0	0	0
Total Stockholders' Equity	1,517,530	4,112,221	5,946,753	7,800,126	9,673,010
Total Liab. & Stockholders' Equity	12,766,270	13,866,484	14,760,239	15,633,199	16,484,251

FINANCIAL PROJECTION

	Start Year	Year 1	Year 2	Year 3	Year 4
10 MW Japan					
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	0.33	0.34	0.35	0.36
Total Asset Turnover	0.00	0.29	0.27	0.25	0.24
Debt Ratio	0.88	0.70	0.60	0.50	0.41
Debt-to-Equity	7.41	2.37	1.48	1.00	0.70
Times Interest Earned		6.57	7.12	7.82	8.71
Gross Profit Margin		100.00%	100.00%	100.00%	100.00%
Operating Profit Margin		76.52%	76.76%	76.98%	77.19%
Net Profit Margin		64.87%	46.19%	46.99%	47.83%
Return on Total Assets (ROA)		18.71%	12.43%	11.86%	11.36%
Return on Equity (ROE)		124.89%	88.30%	89.21%	90.15%
Earnings Per Share		25,947	18,345	18,534	18,729
IPJ Japan - 20%		518,938	366,906	370,675	374,577
Price/Earnings Ratio					
DUPONT ANALYSIS					
Net Profit AT/Sales		64.87%	46.19%	46.99%	47.83%
Sales/Total Assets	0.00%	28.85%	26.91%	25.23%	23.76%
ROA		18.71%	12.43%	11.86%	11.36%
Net Profit AT/Total Assets	0.00%	18.71%	12.43%	11.86%	11.36%
Total Assets/Stockholders' Equity	841.25%	337.20%	248.21%	200.42%	170.41%
ROE	0.00%	63.10%	30.85%	23.76%	19.36%

STATEMENT OF CASH FLOWS

CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit after Taxes		2,594,691	1,834,532	1,853,373	1,872,883
Depreciation		510,651	490,225	470,616	451,791
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.		3,105,342	2,324,757	2,323,989	2,324,674
CASH FLOW FROM INVESTMENT ACTIVITIES					
Increase in Gross Fixed Assets		510,651	490,225	470,616	451,791
Cash Flow from Investments		510,651	490,225	470,616	451,791
CASH FLOW FROM FINANCING ACTIVITIES					
Increase in Notes Payable		0	0	0	0
Increase in Long-Term Debt		(1,494,477)	(940,778)	(980,413)	(1,021,832)
Changes in Stockholders' Equity		2,594,691	1,834,532	1,853,373	1,872,883
Preferred Dividends Paid		0	0	0	0
Common Dividends Paid					
Cash Flow from Financing Activities		1,100,214	893,754	872,961	851,052
Net Incr. in Cash / Mark. Securities		4,716,207	3,708,736	3,667,566	3,627,517