

IMPACT INVESTMENT

CLIMATE POLICY PROJECT

»PEOPLESHOME«

SOLAR POWER PLANT

PANAMA



75 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

Panama 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 (15.7%).

The Industrial and Commercial Bank of China could provide a loan of up to 77 million US\$ for 75 Megawatt in total.

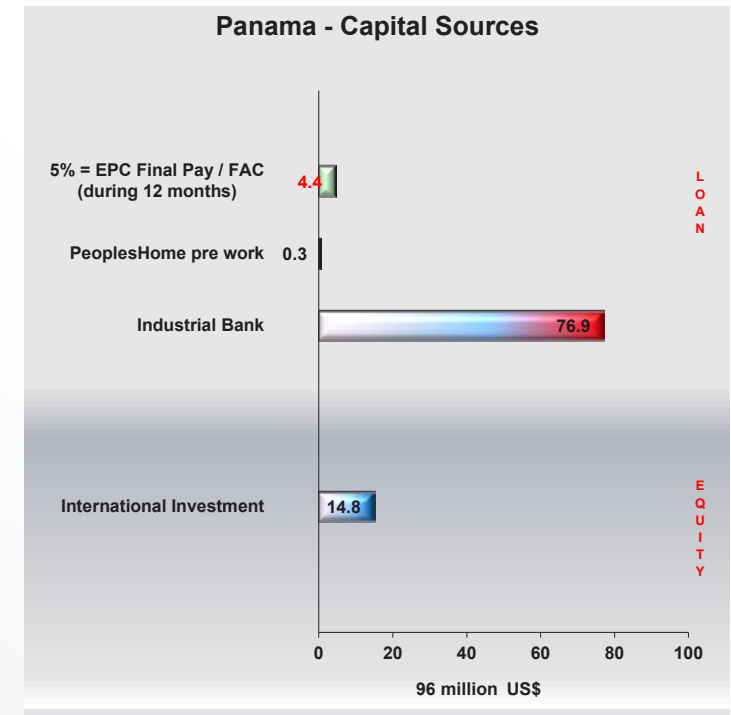
Assuming this loan financing the equity/loan ratio would be at 1 : 5.5
 The project has a stable cash flow which is guaranteed by the national government (FiT/PPA calculation is at 0.1 US\$/KWh) and has a strong value of saleability and is projected for 20 years (Dividends Guarantee 5.2%).

Programmatic carbon income is no part of the financial projections. It is estimated up to 2.9% 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

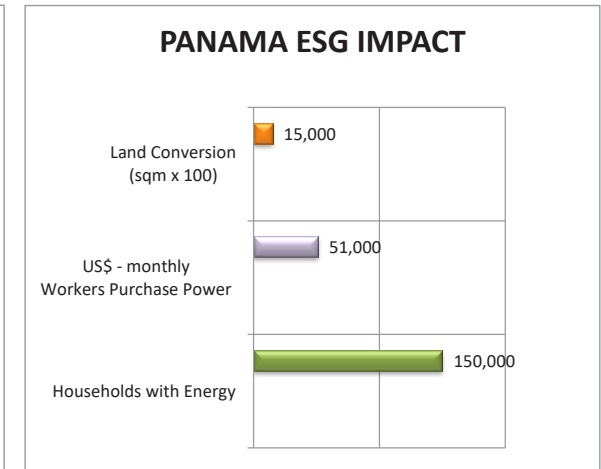
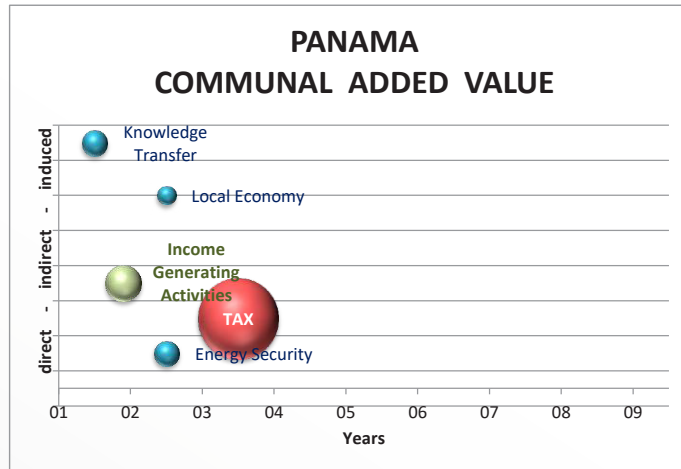
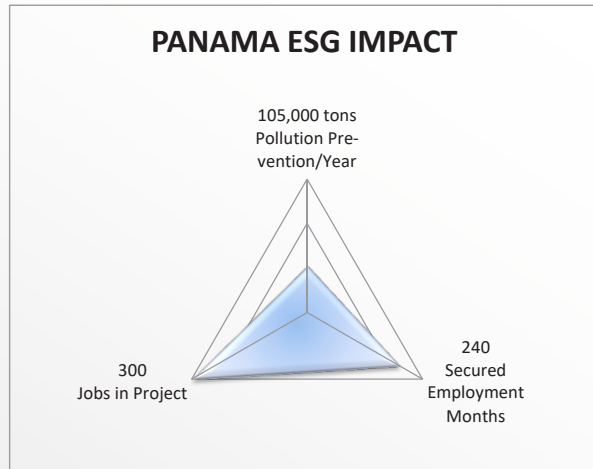
Knowledge Transfer
International University Collaboration

let the Sun/Wind work with you

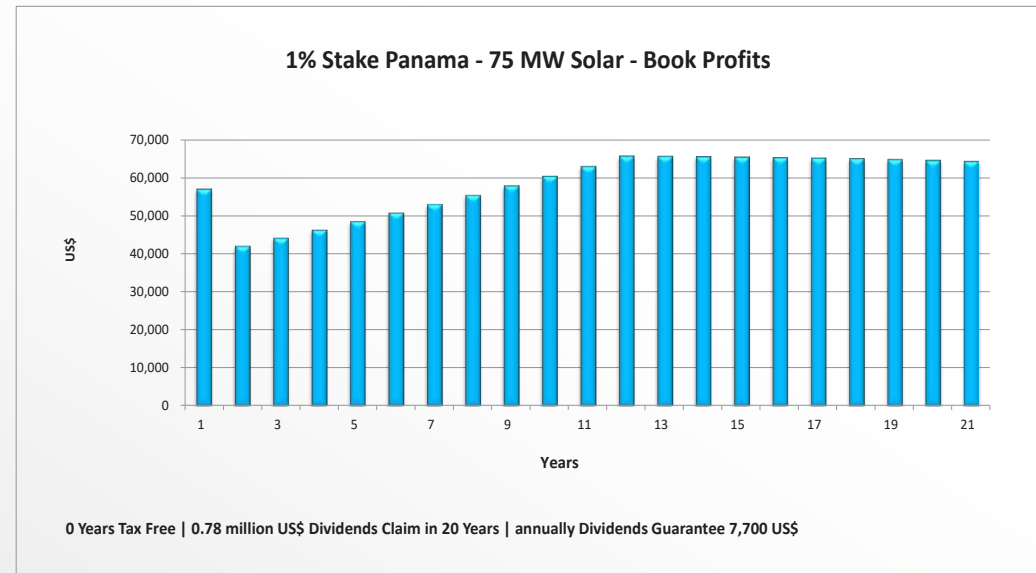


ESG IMPACT & DIVIDENDS

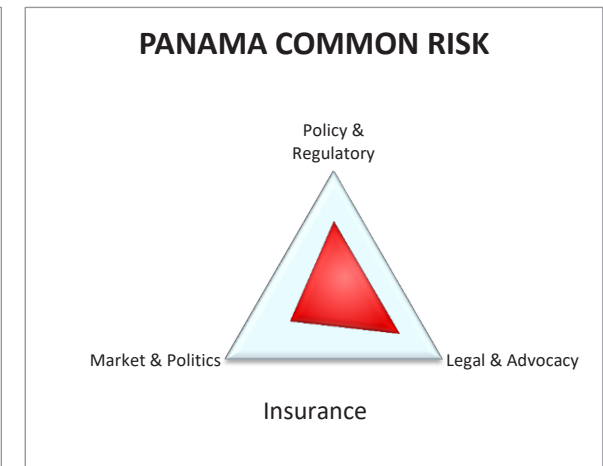
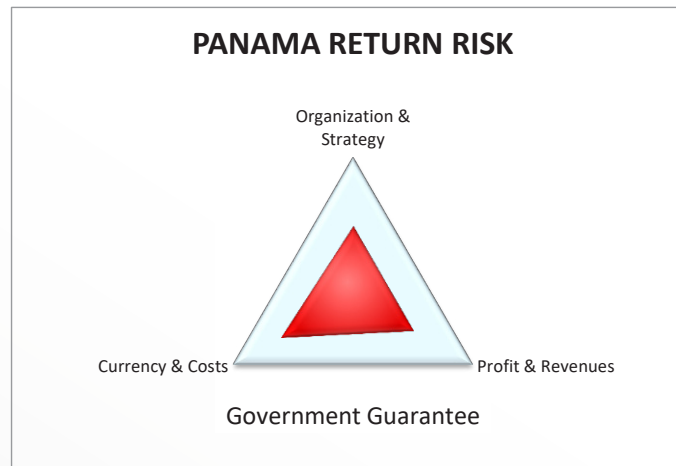
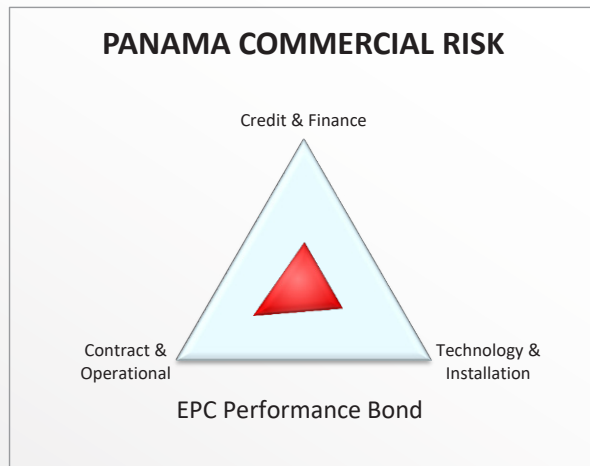
ENVIRONMENT - SOCIAL - GOVERNANCE



Panama Invest	96,158,991 US\$
PeoplesHome (pre-work)	300,000 US\$ ✓
External Capital	76,945,905 US\$ ✓
Private Equity	14,818,279 US\$ ✓
Final Pay out of Revenues	4,394,806 US\$ ✓
ROI (20 years)	5.7 %
Net Present Value	51,117,925 US\$
Profitability Index	3.4
Price per installed Kilowatt	1,172 US\$
Operating & Maintenance 1% / year	707,777 US\$
IRR (20 years)	9.79 %
DSCR	1.40



CRC RISKS & INVESTORS RELATION



ROE

36.1%

NPV

51M US\$

IRR

9.8%

FINANCIAL PROJECTION

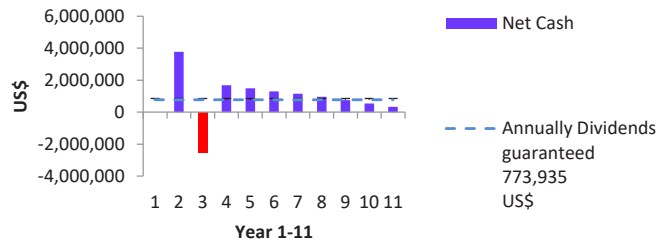
SUMMARY

Panama Solar Power Park Total Power 75 MW
S--1172:200

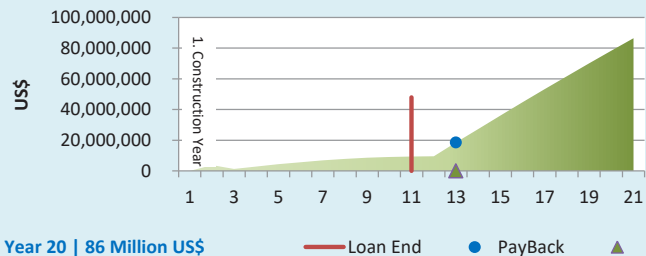
I	Volumes	US\$	1 USD = 1.00 PAB	08.17
	Houses (re-investment proposal)	0		F 0.25
	Renewable Energy	75 / MW Solar Power plus Roof Energy		
	Served Households	150,000 (à 75 Kwh/m) (135 GWh/Year - Gain 1,800)		
	Village Land	0 ha	1.00 US\$/sqm	
	Land Surface - Solar Power Park	150 ha	0.00 US\$/sqm	
II	Use of Capital	96,158,991 US\$		
	Technology & Production Machinery	87,896,127 US\$	Price per KW Std. - Premium - IDC	
	Land	0 US\$	1172 1252 1282	
	* Construction Material Houses	0 US\$		
	* Labour Cost	0 US\$		
	Infrastructure + Labour Cost	0 US\$		
	Management + Fees & IDC	8,262,863 US\$		
	Qualification Budget	0 US\$		
	Social Village Package	0 US\$		
III	Capital Part 2017	92,064,184 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%)	76,945,905 US\$		12 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	14,818,279 US\$	65.0%	15.7%
	Co-/Interims Investment	0 US\$		0.0%
			100.0%	102.4%
IV	Social Impact			
	Jobs	300		
	Purchase Power	51,000 US\$	per Month	
V	Common Numbers			
	Houses per Year (construction)	0		
	House Sale Price	0 US\$		
	Tax to pay per Year	3,775,351 US\$	Average (30% tax rate)	
	Project Locations	1		
	Total Projected Carbon Credits	1,045,980 US\$	extra Income (not in the Finance Scheme)	
	Power Purchase Agreement	0.10 US\$	per Kwh (break even 0.09/ 0.08 US\$)	
	- Panama	0.10 PAB	(1 USD : 1.00 PAB)	
	Yearly FIT Progression	0.00 %		
	Electricity Market Price KWh	0.07 US\$	2017	
	Electricity Price Inflation	10.40 %	per Year	
	Panama Surplus	326,147,451 US\$	(20 Years)	
	- Net Income - E C Group - Panama	707,777 US\$	per Year	
VI	R-O-E + Pre Costs			
	Feasibility Study	275,000 US\$		
	Working Capital	345,000 US\$		116,028,876 US\$ Stuttgarter Model
	R-O-E (NPM 35.4%), ROI 5.7%	36.1 %		51,117,925 US\$ NPV

FINANCIAL PROJECTION

Panama 75 MW - Solar Cash & Dividends



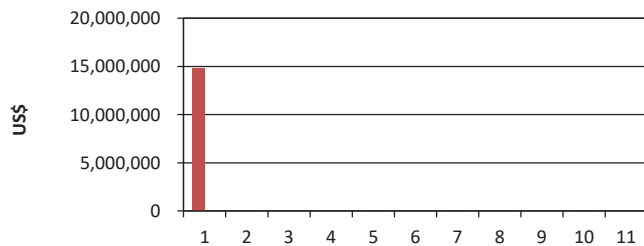
SPV | Panama Ending Cash (cumulated)



Year 20 | 86 Million US\$

— Loan End ● PayBack ▲

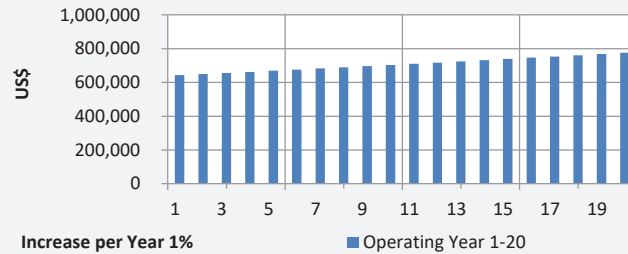
Private Equity



EQ 14.8 Million US\$ | 15.7% |

■ Equity ■

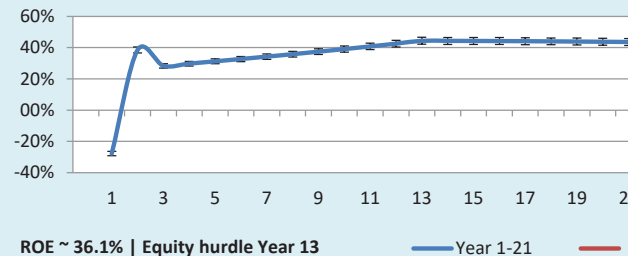
Operating (O&M) Panama Turnover 14 Million US\$



Increase per Year 1%

■ Operating Year 1-20

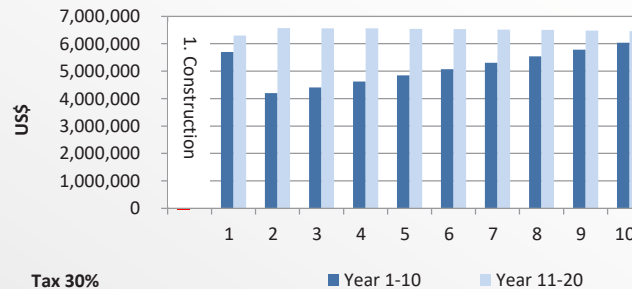
Return on Equity (ROE) SPV | Panama



ROE ~ 36.1% | Equity hurdle Year 13

— Year 1-21 —

SPV Panama Net Income



Tax 30%

■ Year 1-10 ■ Year 11-20

KEY NUMBERS - 2.8.2017|14:28

75 MW Solar 1,800	
Investment	96,158,991 US\$
Equity	14,818,279 US\$
Loan	77,245,905 US\$
Supplier Final Payment	4,394,806 US\$
Sub-payment	0 US\$
Global Interest Rate	4.5 %
Grants	0 US\$
R-O-E 20 years after tax	36.1 %
R-O-I 20 years after tax	5.7 %
NPV 20 years before tax (IR 4%)	51,117,925 US\$
Company Value (Stuttgarter Model)	116,028,876 US\$
Guaranteed Pay-out Dividends	5.22 %
Pay Back Period	13 Years
PPA /KWh	0.10 US\$
FiT/PPA Rise Anually	0.00 %
1% Profit Ø per Year	53,543 US\$
1 \$-cent Income PPA/FiT (20 Years)	25,204,500 US\$
Off-taker Power Break Even	Year 5 2022
Tax Exemption	0 Years
Country Surplus in 20 Years	326,147,451 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 Panama Solar Power Park Total Power 75 MW

FIRST CALENDAR YEAR OF DATA 2017

US\$

NUMBER OF YEARS OF DATA 5

Equity 14,818,279

Gas Natural Fenosa

INCOME STATEMENT

	Start Year	Year 1	Year 2	Year 3	Year 4
Sales Revenue	0	13,500,000	13,405,500	13,311,000	13,216,500
Less: Cost of Goods Sold	0	0	0	0	0
Gross Profits	0	13,500,000	13,405,500	13,311,000	13,216,500
Less: Operating Expenses:					
Operating Expense	0	642,882	649,310	655,803	662,361
General / Admin. Exp.	0	0	0	0	0
Lease Expense	0	0	0	0	0
Depreciation Expense	1,884,496	3,693,612	3,545,867	3,404,033	3,267,871
Total Operating Expenses	1,884,496	4,336,494	4,195,177	4,059,836	3,930,232
Operating Profits	(1,884,496)	9,163,506	9,210,323	9,251,164	9,286,268
Less: Interest Expense	2,234,197	3,462,566	3,212,402	2,950,980	2,677,795
Net Profits Before Taxes	(4,118,693)	5,700,940	5,997,921	6,300,184	6,608,473
Less: Taxes	0	0	1,799,376	1,890,055	1,982,542
Net Profit After Taxes	(4,118,693)	5,700,940	4,198,545	4,410,129	4,625,931
Less: Pref. Stock Divds.	0	0	0	0	0
Earnings available for Common Stockholders		5,700,940	4,198,545	4,410,129	4,625,931

BALANCE SHEET

Current Assets:

Cash	0	3,775,351	1,255,590	2,938,965	4,428,794
Marketable Securities	0	0	0	0	0
Accounts Receivable	0	0	0	0	0
Inventories	0	0	0	0	0
Total Current Assets	0	3,775,351	1,255,590	2,938,965	4,428,794
Gross Fixed Assets (at cost):					
Land & Buildings	0	0	0	0	0
Machinery and Equipment	92,340,298	88,646,686	85,100,818	81,696,786	78,428,914
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	92,340,298	88,646,686	85,100,818	81,696,786	78,428,914
Less: Accumulated Depreciation	0	0	0	0	0
Net Fixed Assets	92,340,298	88,646,686	85,100,818	81,696,786	78,428,914
Other Assets	0	0	0	0	0
Total Assets	92,340,298	92,422,036	86,356,409	84,635,750	82,857,709

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)	81,640,711	76,021,510	65,757,338	59,626,550	53,222,578
Total Liabilities	81,640,711	76,021,510	65,757,338	59,626,550	53,222,578
Preferred Stock	0	0	0	0	0
Common Stock !!	10,699,586	16,400,527	20,599,071	25,009,200	29,635,131
Paid-In Capital In Excess of Par	0	0	0	0	0
Retained Earnings	0	0	0	0	0
Total Stockholders' Equity	10,699,586	16,400,527	20,599,071	25,009,200	29,635,131
Total Liab. & Stockholders' Equity	92,340,298	92,422,036	86,356,409	84,635,750	82,857,709

FINANCIAL PROJECTION

75 MW Panama	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	0.15	0.16	0.16	0.17
Total Asset Turnover	0.00	0.15	0.16	0.16	0.16
Debt Ratio	0.88	0.82	0.76	0.70	0.64
Debt-to-Equity	7.63	4.64	3.19	2.38	1.80
Times Interest Earned		2.65	2.87	3.13	3.47
Gross Profit Margin		100.00%	100.00%	100.00%	100.00%
Operating Profit Margin		67.88%	68.71%	69.50%	70.26%
Net Profit Margin		42.23%	31.32%	33.13%	35.00%
Return on Total Assets (ROA)		6.17%	4.86%	5.21%	5.58%
Return on Equity (ROE)		38.47%	28.33%	29.76%	31.22%
Earnings Per Share		57,009	41,985	44,101	46,259
IPP Panama - 20%		1,140,188	839,709	882,026	925,186
Price/Earnings Ratio					
DUPONT ANALYSIS					
Net Profit AT/Sales		42.23%	31.32%	33.13%	35.00%
Sales/Total Assets	0.00%	14.61%	15.52%	15.73%	15.95%
ROA		6.17%	4.86%	5.21%	5.58%
Net Profit AT/Total Assets	0.00%	6.17%	4.86%	5.21%	5.58%
Total Assets/Stockholders' Equity	863.03%	563.53%	419.22%	338.42%	279.59%
ROE	0.00%	34.76%	20.38%	17.63%	15.61%

STATEMENT OF CASH FLOWS

CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit after Taxes		5,700,940	4,198,545	4,410,129	4,625,931
Depreciation		3,693,612	3,545,867	3,404,033	3,267,871
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.		9,394,552	7,744,412	7,814,162	7,893,802
CASH FLOW FROM INVESTMENT ACTIVITIES					
Increase in Gross Fixed Assets		3,693,612	3,545,867	3,404,033	3,267,871
Cash Flow from Investments		3,693,612	3,545,867	3,404,033	3,267,871
CASH FLOW FROM FINANCING ACTIVITIES					
Increase in Notes Payable		0	0	0	0
Increase in Long-Term Debt		(5,619,202)	(10,264,172)	(6,130,787)	(6,403,973)
Changes in Stockholders' Equity		5,700,940	4,198,545	4,410,129	4,625,931
Preferred Dividends Paid		0	0	0	0
Common Dividends Paid		0	0	0	0
Cash Flow from Financing Activities		81,739	(6,065,628)	(1,720,658)	(1,778,042)
Net Incr. in Cash / Mark. Securities		13,169,903	5,224,652	9,497,536	9,383,632