

INFORMATION MANUAL SOLAR



What is Impact Farming?

Impact Farming is an alternative income generator. Instead of investing in companies or bonds, you, as an Impact Farmer, own the physical asset that produces your income. In this instance you own the solar panels that you purchase on our platform.

We then install your panels on the roofs of commercial, retail and industrial properties. Also included in the purchase price is the insurance, maintenance and collection of your income from the landlord. You then earn a monthly income based on the energy generated by the panels.



Own solar panels on an urban solar farm.

Earn an income every month based on the energy your panel produces on the roof of a commercial building.

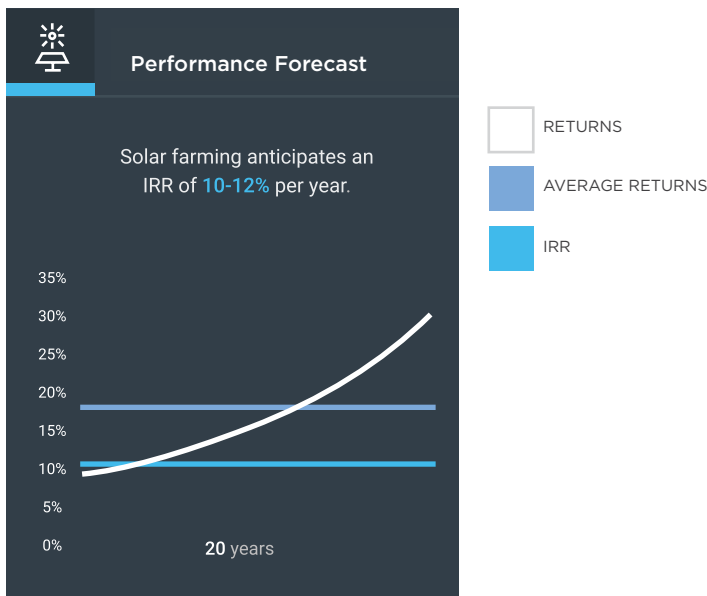
10% p.a.	R5 000 per panel	20 yrs
Return	Price	Lifespan
Payment of residual value	80 sites completed, including: <ul style="list-style-type: none"> - Cresta Junction Office Park, Block A and B - PEC - Cape Town - Cummins - Longmeadow Park, Edenvale - MES Port Elizabeth - Towers Shopping Mall, Boksburg 	
Exit	Location	

Generation forecast:

1 500 to 1 800 kWh/kWp per annum per site, dependent on weather conditions

Annual income: An internal rate of return of **10% to 12%**.

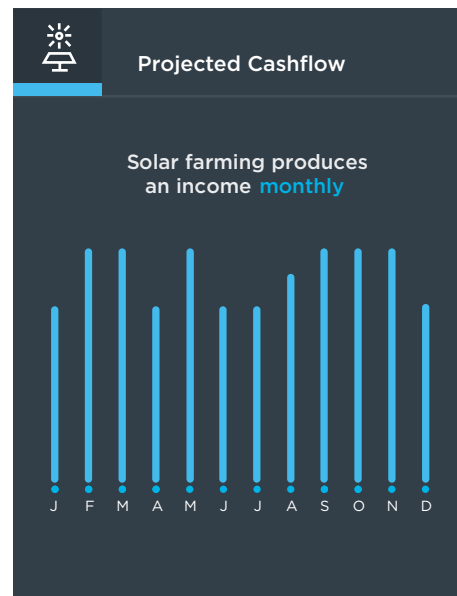
Your internal rate of return (IRR) is the rate you earn after your asset has paid for itself. This is determined by subtracting your initial purchase price from your projected returns.



Expected returns over the lifespan of the asset.

Projected returns:

You earn a monthly income based on the energy that your panel generates.



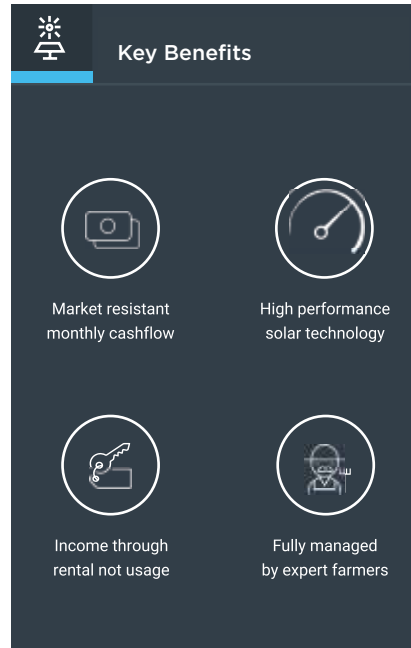
Your projected returns are linked to the energy price. As the price of electricity increases every year, so do your returns.

How we measure impact

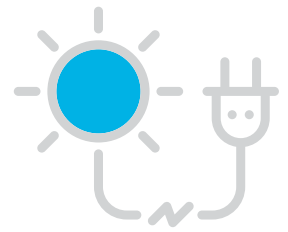


Fedgroup carefully selects our Impact Farming ventures for both the financial impact on your wealth creation and the positive economic, social and environmental impact on the world.

Key Benefits



Above are only some of the key benefits from Impact Farming in solar panels. For further benefits, log onto: www.impactfarming.co.za

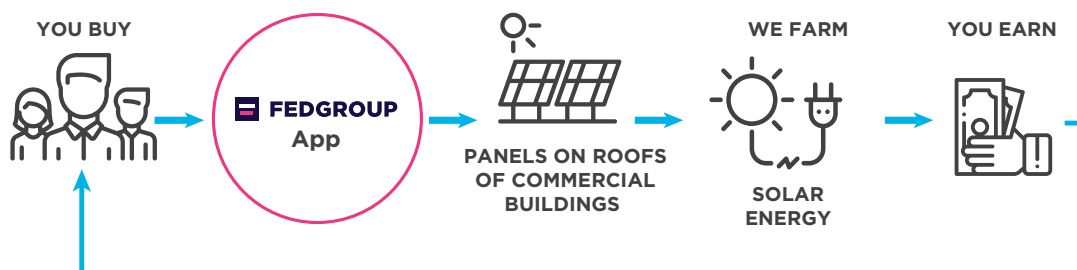


Potential tax rebates

Section 12B of the Income Tax Act covers assets used in the generation of electricity from renewable energy and was introduced to encourage investment in renewable energy. It allows a deduction equal to 100% of the cost of your solar panel in the year of assessment in which the panel was first brought into use. In terms of section 11(a) of the Income Tax Act, expenditure incurred in the production of income may be allowed as a deduction from a taxpayer's income. This means that investors can claim the platform fee as a deduction as well. Fedgroup does not offer tax advice. Please consult your tax practitioner for advice on your potential benefits.

Our business model

The Fedgroup Impact Farming model features a combination of strong relationships with industry experts, service providers, wholesalers and other role players, connected to you, the individual asset owner, courtesy of our technology.



Our partners and service providers



Emergent Energy

The Emergent Energy team has extensive local and international experience in the renewable energy and broader energy sectors, offering expertise in grid-tied and off-grid renewable energy systems, sustainable building design, industrial and commercial energy efficiency, and international and local renewable energy policy.

energy.co.za

Identified risk and mitigation strategies

Risk Description	Mitigating Action
What if my panel is damaged/stolen?	Panels are fully insured.
What happens if the landlord/tenant does not pay for electricity?	Landlords are credit-vetted before entering into the lease agreements to reduce credit risk. This is all part of the due diligence process that we undertake on your behalf to assess the potential viability of a site for a solar installation. In the event of non-payment, we will assist you in the recovery process. Research and due diligence done in order to choose the best service providers.
Returns less than quoted	Performance guarantee as part of O&M agreement entered into with service providers ensures that 90% of the projected output is guaranteed.
Liquidity, what happens if I want out?	Secondary market to be launched on subsequent versions of the app (expected 2019) and an undertaking by Fedgroup to buy back the asset at 70% of its market value.
Where can I find the terms and conditions?	Go to your profile on the Fedgroup App and tap on About.

How do I get started?

Download the App today to start your Impact Farming journey.



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