



INTRODUCING RECHARGE

- ⌘ We are a solar rental company, financed and supported by Investec Bank.
- ⌘ We rent and maintain solar solutions to inter alia businesses, warehouses, manufacturers, offices, schools, hotels, restaurants, fuel stations and residential complexes.
- ⌘ Our solar solutions include on and off grid hybrid systems and battery energy storage systems (BESS).
- ⌘ We manage a national network of accredited Installers and Engineering Procurement Consultants (EPC's) who will assess, design, and install a solar solution to suit your business and budget.

THE PROBLEM

- ⌘ Establish the right sized solar solution for your business.
- ⌘ Manage rapid changes in inverter and battery technology.
- ⌘ Find a reputable, knowledgeable and experienced Installer/EPC.
- ⌘ Outright purchased solar solutions are expensive, requiring significant capital outlay.

THE SOLUTION

- ⌘ A bespoke solar rental solution designed with you to deliver sufficient power and ongoing financial benefits to your business.
- ⌘ Installed by a trusted, accredited and experienced Installer/ EPC.
- ⌘ Flexible rental solution offering the following benefits:
 - ⌘ No initial capital outlay, deposits or upfront fees
 - ⌘ Balance sheet friendly
 - ⌘ Option to own or re-rentalise the residual value at the end of the term
 - ⌘ Fixed or escalating monthly rental payments depending on business needs
 - ⌘ Fully tax-deductible rental payments over the rental period
 - ⌘ Ability to replace and/or upgrade ageing technology.
 - ⌘ External monitoring of system to ensure energy efficiency



RECHARGE OFFERING

- ⌘ Rent to own - 5 year term with bullet payment at the end
- ⌘ 5 year initial term with a further 5 year term at a 50% reduced monthly rental



FOR ILLUSTRATIVE PURPOSES

An example of our rental solutions based on a R1,000,000 installed solar system:

Non- Escalating	Rent-to-Own (Incl. Bullet Payment)	Rental (Incl. Discounted Extension)
Rental Period	5 years	5 + 5 years
Escalation	0%	0%
Monthly Rental (Excl. VAT) Month 1 - 60	R22 120	R20 120
Monthly Rental (Excl. VAT) Month 61 - 120		R10 060
Bullet Payment	R225 000	

Escalating	Rent-to-Own (Incl. Bullet Payment)	Rental (Incl. Discounted Extension)
Rental Period	5 years	5 + 5 years
Escalation	6%	6%
Monthly Rental (Excl. VAT) Month 1 - 12	R20 000	R17 360
Monthly Rental (Excl. VAT) Month 61 - 72		R10 960
Bullet Payment	R225 000	

Potential tax benefits based on the different finance options available:

Rental tax benefit

Non-escalating Rental	Tax benefit
Rent-to-Own (5yrs)	R358 344
Rental (Incl. Discounted Extension) (10yrs)	R488 916

- ☼ The monthly rental payment is fully deductible under S11a as an expense incurred in the production of income.
- ☼ The rent-to-own option is over 5 years and the rental with the discounted extension option is over 10 years.

Outright purchase tax benefit

Outright Purchase	Tax benefit
S12B deduction	R337 500

- ☼ The solar capital cost is deductible for tax purposes under S12B.
- ☼ Currently you can claim 125% of the total cost of the solar system as a deduction against taxable income.

Finance purchase tax benefit

Financed Purchase	Tax benefit
S12B deduction	R337 500
Interest expense deduction (5yrs)	R96 059
Total effective tax benefit	R433 559

- ☼ When financing a solar system from a financial institution, only the interest expense can be claimed as a deduction and not the full monthly instalment.
- ☼ The illustrative example assumes you finance the solar system at the prime lending rate (11.75%) and fully repay the capital over 5 years.

Please consult your accountant or tax specialist for confirmation of the tax treatment for your business.

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