



MetSolar

Solar Power

In order to realise the many benefits of renewable energy in the form of solar power, businesses should partner with financial specialists who offer bespoke renewable energy and solar equipment financing solutions. Solar financing in South Africa is tailored to assist businesses in becoming energy smart with solutions that are both beneficial and budget-savvy.

BUSINESS & CORPORATE FINANCE

Achieve Your Energy Efficiency Goals with Smart Finance Solutions.

By reducing energy consumption and cost, businesses are positioning themselves to become energy resilient by relying on alternative sources of power. More and more businesses are seeking onsite renewable energy solutions, such as rooftop solar photovoltaic energy (solar PV), but they require solar energy financing companies or asset finance experts to guide them along the way. By becoming energy smart through solar power system finance, businesses can realise the benefits from their energy solution.

SMART SOLAR EQUIPMENT FINANCE SOLUTIONS

Tailor-Made Solar Power Finance from the Asset Finance Experts

We understand that businesses need to move forward with more sustainable power solutions in order to become future-proof and build resiliency for continued success. Our renewable energy and solar financing packages offered through our reputable financiers are tailor-made for each individual business in order to provide smart solutions for financing assets, without the associated depreciation risk.

Additional benefits include:

- Realise all the benefits of asset finance.
- Keep up to date with the latest energy efficiency equipment.
- Have a variety of smart asset finance options to choose from.
- Access to financial advisory services from experts.
- Enjoy tax benefits with our finance options.
- Deal with dedicated experts who understand your industry and its energy needs.
- Feel safe and secure with the fixed and structured payments of your asset finance agreement.
- Get customised solar power system finance solutions tailored to your needs and your business' cash flow.

Our partners Asset Finance division consists of dedicated experts who have the knowledge and experience to assist in structuring deals to suit the needs of customers wishing to invest in solar and renewable energy solutions.

Please see the below benefits that we can offer our clients when financing:

- Rental can be structured with escalations, lowering initial monthly payments, and increasing on a yearly basis
- Renting conserves cash, which allows cash flow to be redirected into core activities and expenses
- Claim VAT on a monthly basis, rather than upfront. You can also expense your VAT monthly as opposed to paying the full VAT portion up front
- Helps with better budgeting, with better forecast of future monthly cash requirements
- Stay ahead of the technology curve, by upgrading more frequently and eliminate the risk of obsolescence
- Preserve your credit facilities with your bank with access to a private funder
- Downtime is significantly reduced as equipment is within warranty

In addition to the above, if a you would like to finance your upcoming purchase on an installment sale basis, you will get the additional following benefits:

- Claim the full VAT back within the first 6 months
- Will be able to take advantage of the SARS accelerated depreciation benefit

Example based on system priced R1,000,000 ex VAT:

Below figures on a straight basis:

- R32 787,47 /month x3 yrs
- R25 971,00 /month x4 yrs
- R21 918,27 /month x5 yrs
- R19 247,03 /month x6 yrs
- R17 364,83 /month x7 yrs

Some key points to take note of:

- The above can be arranged on a rent to own, or an installment sale basis.
- On an installment sale basis, the client will be able to claim the VAT back up front, and take advantage of the SARS accelerated depreciation bonus, meaning that they will enjoy 2 cash injections into the business within the 1st year. This can help significantly with cash flows during this period.
- On a rent to own basis, the client will be able to take advantage of an off balance sheet form of finance and claim VAT on a month basis
- Either option allow for easier budgeting, as monthly cost are known in advance
- By financing, cash is saved and can be used for critical parts of the business and its operations

Also on offer is a sale and leaseback arrangement where the seller of an asset leases that same asset back from the buyer. This involves you selling your fixed asset back to the bank, and it is then rented back over the remaining lifespan. In this way you enable your company to still make use of the asset while freeing up cash for other company operations.

Please contact MetSolar today for your customized solar system finance options.
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