Trading situation, out of an import perspective, of renewable energy on emerging markets

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Agenda

• Flexenclosure company presentation

• Renewable sources, overall development status.
• Advantages with the eSite/renewable energy solutions.

• Flexenclosure, were we started, out of an trading and import perspective, in to the African market.
• Overall, generic import/inspection process.
• Flexenclosure, were we stand today, out of an trading and import perspective, in to the African market.

• Summary.

• Q/A.
Flexenclosure company presentation.
Flexenclosure Background

- 20 years in the rural telecom industry, with 9,000 installations in more than 50 countries worldwide
- Peace of mind in extreme environments
- Recipient of multiple industry awards including Sustainia 100 and the GSMA Green Mobile Award 2012.
Flexenclosure Today

• Vision is to be world leader in energy economy off the grid

• Specialist developer of intelligent power management solutions and modular data centres

• We provide telecoms companies with the means to easily and cost effectively expand their networks and to improve operational efficiency and profitability.

• Our systems are fully integrated, flexible, prefabricated, factory tested for reliability, adaptable to local conditions and quick to install, with short payback period and the lowest long-term total cost of ownership

• Over 500 eSites and 6,000m² of eCentre data centre facilities deployed
# Quick Corporate Facts

## Products
- **eSite**: Power management systems for off-grid and unreliable grid base stations
- **eCentre**: Prefabricated, turn-key, modular data centres
- Over 500 eSites and 6,000m² of eCentre data centre facilities deployed

## Target Markets
- Energy efficiency applications for Mobile Network Operators and Energy Service Companies in developing economies

## Customers
- Currently Network Operators, Energy Service Companies, Swedish Defence
- Target segments can also include Tower Companies and other passive infrastructure providers
- High-growth telecom markets in Africa, South-East Asia, and India
Sample of eSite®

eSite power solutions for offgrid and bad grid cell sites that cut the diesel cost by up to 90%.
Sample of Data Centre

Modular data centres that are energy efficient, fast to deploy and easy to expand.
Renewable sources, development status and environmental advantages
Renewable sources, overall development status, Flexenclosure, general environmental advantages.

Sun:
Well proven on the market, roll out ongoing.

Wind:
Test sites available on a number of sites in Africa.

Biogas:
Development in test phase, 1:st test plant in Africa are on the way to be installed.

• All off above three sources reduce the CO2 emission, our solution reduce the diesel consumption up to 90%
• The environmental in the villages are improving, less disturbance sound from generators for example.
Renewable sources, overall development status, Flexenclosure, general environmental advantages, cont.

• Possibilities to install system in emerging areas due to low requirements of service interval, equal to low operation cost.

• Normally 0 or very low import duty on environmental solutions.

Film from a real site in Northern Nigeria.

www.flexenclosure.com/press-media#media-library

www.youtube.com/watch?v=moE8hMX6W4E
Import and Supply Chain challenges.
Flexenclosure, were we started, out of an trading and import perspective, in to the African market.

- Treated the emerging markets in the same way as importing gods to any western market.
- Resulted in inspection penalties.
- Long lead time for goods clearance.
- High administration at goods clearance.
- Bad business cases for the costumers.
- Challenge with payment schedules/securing payment.
Overall, generic import/inspection process

- Goods, in general, need to be verified and inspected prior to delivery. (There are some exceptions to this procedure on the African continent).
- The purpose of the inspection is to secure that the imported goods complies with the specifications of the products itself.
- The inspection method varies from market to market, the methods used is:
  - Inspection done by a third party company.
  - Self assessment (inspection done by Flexenclosure).
  - Approved inspection certificate is issued.
- Transport is initiated after approved inspection.
- Transport to import destination.
- Gods clearance, Duty and VAT paid, Inspection certificate verified against delivered gods. (Gods clearance are normally done by the end costumer)
- Gods delivered to final site.
Flexenclosure, were we stand today, out of an trading and import perspective, in to the African market.

- Well educated in the processes to import renewable energy in to the emerging markets.

- No surprises with penalty fees during goods clearance.

- Significant reduced administration at the gods clearance point.

- Significantly shorter lead time at goods clearance.

- Improved lead-time and business cases by the costumers.

- Still the same challenges regarding the payments.
Summary.
**Flexenclosure Summary.**

- The possibilities to improve the environmental status in the emerging markets are very good.

- The possibilities to extend the network into non-developed off-grid areas are there.

- Upgrade existing off-grid systems with a 24/7 generator usage will reduce the diesel consumption up to 90% and also significantly reduce the CO2.

- Flexenclosure does not see any major roadblocks in export and supply chains today when all affected processes are in place.

- There are still some administration in the various processes which different markets use.

- 0 or very low import duty on environmental products.

- Challenges regarding payment terms and securing payment.
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