



MPOWER VENTURES AG

Building the leading platform to supercharge the energy transition in emerging markets

A platform supplying small-scale clean energy infrastructure and facilitating consumer financing plans to consumers in emerging markets through financing institutions

2024

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Zusammenfassung (Deutsch)

MPower hat seit 2018 über 40.000 Solarlösungen verkauft und in sieben afrikanischen Ländern ein Vertriebsnetz mit über 20 Partnern aufgebaut.

Geschäftsmodell

MPower bietet über ein B2B2C-Modell kleine, saubere Energieinfrastrukturen an, die Endkunden Zugang zu Finanzmitteln erleichtern.

- Nach dem Start 2018 in Sambia ist MPower in sechs weitere afrikanische Länder expandiert.
- Zusammen mit Vertriebs- und Finanzierungspartnern stellen wir Produkte und Finanzierungen für Endkunden bereit und minimieren zugleich das Kreditrisiko.
- Wir bieten mit unserem technologieunabhängigen Beschaffungsmodell eine Vielfalt an hochwertigen Produkten an
- Unsere Software erlaubt es uns, Effizienzsteigerungen zu realisieren und trotz einer schlanken Struktur kontrolliert und schnell zu wachsen.

Markt

Afrika ist am stärksten von globalen Herausforderungen wie ein-geschränktem Energiezugang und hoher finanzieller Ausgrenzung betroffen.

- Weltweit fehlt ca. einer Milliarde Menschen Zugang zu Strom
- Über 50% davon befinden sich in Afrika, wo zudem ~20% der Netznutzer unzuverlässigen Strom haben.^{1,2}
- Über ~1,7 Milliarden Menschen fehlt Zugang zu Finanzierung, was wiederum den Erwerb unserer Produkte erschwert
- Wir lösen diese Herausforderungen durch die Kombination hochwertiger Solarprodukte und Finanzierungslösungen für unsere Endkunden.

Bisherige Erfolge

Bis heute haben wir über 10 Millionen Euro eingesammelt, um unser B2B-Modell auf- und auszubauen und eine starke Marke zu schaffen.

7



Präsenz in 7 Ländern Afrikas, mit Plänen zur Erkenntnis-Konsolidierung und Vergrößerung der Präsenz

>20



Vertriebspartnerschaften mit > 20 lokalen KMUs und Unternehmen

>40K



Verkauf von mehr als 40.000 Einheiten in sieben verschiedenen Märkten

>10M



Mehr als 10 Millionen Euro an Darlehen, Eigenkapital und Zuschüssen für unser Wachstum eingesammelt.

Wir freuen uns, unsere dritte Crowd4Climate Kampagne zu starten, um in bestehende und neuen Märkten zu investieren sowie unser Produktportfolio auszubauen

Wachstumsstrategie

Unsere Geschäftstätigkeit wird wie folgt ausgebaut:



Ausbau des Distributionsnetz + andere Partnerschaften

- Wir erwarten bis 2026 > 108 B2B-Partner in den 7 bestehenden und 4+ neuen Märkten. Das ergibt einen prognostizierten Gesamtumsatz von ~15 Mio. EUR im Basisszenario.¹



Ausweitung des Produktportfolios

- Einführung grösserer Solarsysteme (z.B. Systeme von 3kWp und Systeme im mini "Commercial & Industrial" Bereich) und von über PV hinausgehende Produkte, wie z. B. E-Mobilität.



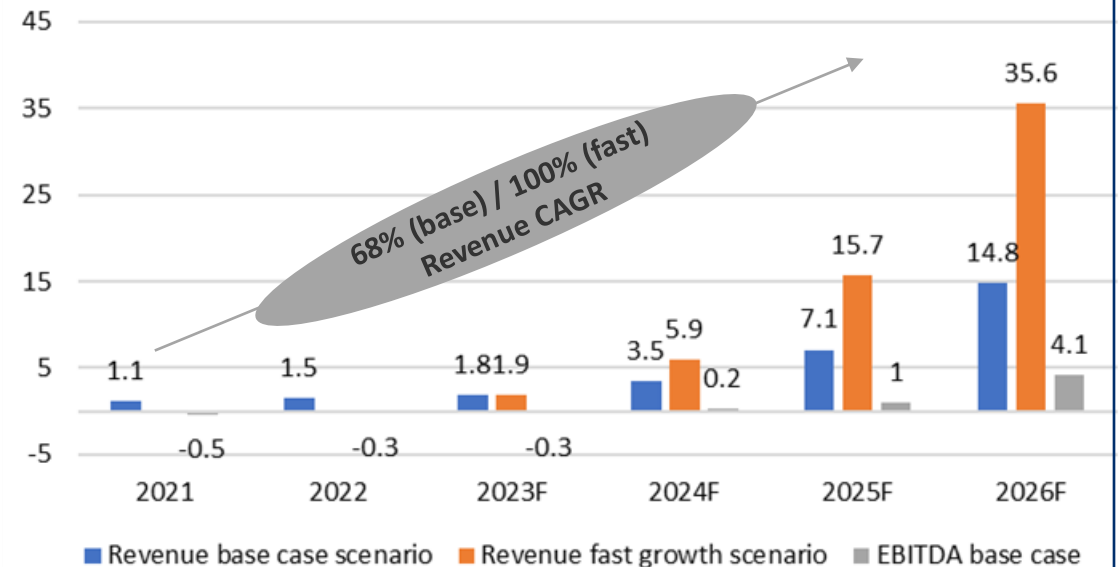
Weiterer Ausbau unseres Finanzierungsangebots

- Weiterentwicklung unserer Finanzierungs-partnerschaften mit Finanzinstituten sowie Unternehmen; Ausweitung der Direktkredite an Endverbraucher.

Investitions-Highlights

Die neue Finanzierung wird 2021-2026 zu starkem Umsatzwachstum mit jährlicher Wachstumsrate (CAGR) von 68% über sechs Jahre führen.

Summary of financial performance (In Euro, million)



In unserem ersten Markt Sambia haben wir bereits ein positives EBITDA erzielt, Kamerun ist für dieses Jahr geplant, und Togo und Ghana sollen in zwei Jahren folgen.

Unsere Solarlösungen bieten wir an Haushalte, KMUs und Landwirtschaftsbetriebe.

Wir kontrollieren die Qualität und Einkaufspreise unserer Produkte über ein Beschaffungszentrum in China und arbeiten mit Händlern und Solarinstallateuren vor Ort zusammen mit den lokalen Teams in Afrika zusammen.

Unsere Produkte sind einheitlich verpackt und tragen die Marke „MPower“. Damit schaffen wir Visibilität und bauen eine Starke Marke auf.

SOLAR SOLUTIONS

Home systems



CHEETAH KIT



FLAMINGO KIT

Generators



SOLAR BATTERY IN-BUILT INVERTER



SOLAR GENERATOR

Large systems



ELEPHANT KIT MINI C&I

APPLIANCES

Household & SMEs



SOLAR FLOODLIGHT



HAIR CLIPPER



SOLAR TV



SOLAR WATER PUMP

Agriculture



SOLAR FRIDGE



SOLAR SPRAYER

E-MOBILITY



MPower's Business to Business (B2B) Model sowie unsere Software- und Datenlösung erlaubt eine Skalierung des Geschäftsmodells sowie den Einstieg in weitere Länder



Unsere einzigartige Software und unser Geschäftsmodell ermöglichen eine Skalierung bei gleichzeitiger Verbesserung der Erschwinglichkeit für den Endkunden.

MPower digitalisiert den Betrieb und erhöht die Kontrolle über und den Einblick in die Abläufe unserer Partner, wodurch wir die Produktfinanzierung ausweiten und den Absatz durchgängig steigern können.

Warum investieren?

WARUM INVESTIEREN?

Erfahrenes und diverses Team
in 7 afrikanischen Ländern

557 Mio. Euro adressierbarer Markt
mit hoher Zugkraft vor Ort

Produktfinanzierung in der Höhe von
USD 4 Millionen abgeschlossen

MANAGEMENT TEAM



Manuel Seiffe
Mitbegründer & CEO



Michael Eschmann
Mitbegründer & COO



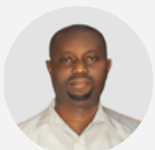
Greg Nau
Mitbegründer & CFO



Alejandro Jimenez
CTO



Paul Nemga
Kamerun



Samuel Kwakye
Ghana



Paulus Fillepus
Namibia



Fiona Vohryzka
Togo



Johannes Hertlein
Sambia



Dieter Schulze
Vorsitzender
Verwaltungsrat



Ladé A. Araba
Mitglied
Verwaltungsrat



Patty Karuaihe-Martin
Mitglied
Verwaltungsrat



Renat Heuberger
Mitglied
Verwaltungsrat

GROSSKUNDEN



STRATEGISCHE PARTNER



FINANZIERUNGSPARTNER



Die Mittel werden für die Ausweitung des Absatzes auf bestehenden und neuen Märkten, die Erweiterung unseres Produktportfolios und in Technologieentwicklung investiert

70% der Nettoeinnahmen



Produktfinanzierung für
unsere B2B Partner

*Refinanzierung bereits
erworbener Vertriebsgüter*

Kauf neuer Vertriebsgüter

25% der Nettoeinnahmen



Wachstumsinvestitionen

*Weiterentwicklung der eigenen Inventar- und
Steuerungssoftware*

Finanzierung von Personalmaßnahmen

5% der Nettoeinnahmen



Liquiditätsreserve

*Reduktion der Anzahl Transaktionen
zwischen den verschiedenen Märkten*

Das finanzierte Vorhaben besteht vor allem in der Finanzierung von Produkten, der Weiterentwicklung unserer Softwarelösung sowie dem Aufbau des Teams

Produktfinanzierung und Ausweitung des Absatzes auf bestehenden und neuen Märkten

Refinanzierung bereits erworbener Vertriebsgüter

Klein-Solarkomponenten (1.000 Stück), Klein-Solargeneratoren (1.300 Stück), Solarbeleuchtungen (1.600 Stück), Solar-Rückensprühmaschinen (200 Stück), Solar-Nähmaschinen (200 Stück), Ventilatoren (200 Stück), aufladbare Haarschneidemaschinen (500 Stück), Powerbanks (200 Stück) und Solar TV-Geräte (300 Stück)

Kauf neuer Vertriebsgüter

Klein-Wechselrichter (70 Stück pro Jahr), Klein-Solarbatterien (70 Stück pro Jahr) und Klein-Solarpaneele (1.500 Stück pro Jahr).

Wachstumsinvestitionen

Weiterentwicklung der eigenen Softwarelösung: insb. der Inventar- und Steuerungslösung

Die Weiterentwicklung der eigen entwickelten Software und Datenlösung betrifft vor allem die Funktionen der Inventarverwaltung sowie die Optimierung der Fernsteuerungsfunktionen zur Überwachung und Steuerung der Solaranlagen

Unsere Software Lösung ermöglicht eine Skalierung des Geschäftsmodells. Es digitalisiert den Betrieb und erhöht die Kontrolle über und den Einblick in die Abläufe unserer Partner, wodurch wir die Produktfinanzierung ausweiten und den Absatz durchgängig steigern können.

Alle Angaben in CHF (1.00 CHF ca. 1.06 EUR)	2024	2025	2026	2027	2028	2029
Stückzahlen	6'906	14'636	32'513	66'965	81'052	108'899
Sambia	3'043	5'470	9'006	17'772	20'026	22'566
Kamerun	3'070	5'864	11'194	22'093	24'894	28'052
Togo	1'923	2'702	3'821	7'541	8'497	9'575
Ghana	1'056	3'703	7'885	15'559	17'533	19'756
Nigeria	0	0	0	2'843	8'924	28'007
Namibia	253	703	1'846	3'642	4'104	4'625
Rest	605	1'664	7'767	15'286	17'100	18'885
Revenues	3'469'339	7'086'112	14'829'419	30'318'782	36'268'478	47'476'769
Sambia	1'416'145	2'529'270	4'125'073	8'140'315	9'172'710	10'336'040
Kamerun	852'733	1'625'722	3'105'203	6'128'426	6'905'664	7'781'475
Togo	514'702	735'363	1'030'079	2'032'973	2'290'804	2'581'336
Ghana	405'135	1'406'508	2'965'026	5'850'818	6'592'848	7'428'986
Nigeria	0	0	0	1'069'214	3'355'652	10'531'474
Namibia	101'572	281'988	734'554	1'449'478	1'633'308	1'840'452
Rest	179'053	507'261	2'869'484	5'647'558	6'317'491	6'977'006
Expenses	-3'278'117	-6'088'813	-10'709'525	-18'346'740	-21'946'534	-28'727'981
Materialaufwand	-1'573'825	-3'302'308	-6'961'066	-14'095'246	-16'860'736	-22'070'484
Personalaufwand	-1'042'804	-1'603'644	-1'908'854	-2'180'456	-2'608'344	-3'414'418
Betrieblicher Aufwand	-661'488	-1'182'861	-1'839'604	-2'071'038	-2'477'454	-3'243'078
EBITDA	191'222	997'300	4'119'894	11'972'042	14'321'943	18'748'788
Abschreibung & Finanzierung	-437'440	-507'172	-539'728	-604'390	-677'161	-814'250
davon Zinsen für C4C	-12,382	-49,528	-40,916	-31,700	-21,840	-11,289
Steuern	0	0	-399'325	-1'265'168	-1'513'500	-1'981'318
Net Profit	-246'218	490'128	3'180'841	10'102'483	12'131'282	15'953'220
Opening Balance	711'258	2'884'239	1'872'070	1'584'497	2'296'886	3'429'153
Operating Cashflow	-992'082	-649'144	424'780	3'695'315	4'597'126	5'579'649
Investing Cashflow	-160'000	-33'000	-39'000	-126'825	-142'910	-161'034
Financing Cashflow	3'325'064	-330'025	-673'353	-2'678'050	-3'321'950	-237'800
davon C4C	707,547	-123,036	-131,648	-140,864	-150,724	-161,275
Closing Balance	2'884'239	1'872'070	1'584'497	2'296'886	3'429'153	8'609'968

Finanzübersicht:

- Werte für jedes Kalenderjahr nach Land
- In Übereinstimmung mit dem Geschäftsjahr

Kern des Geschäftsmodells:

- Vorfinanzierung von Solarsystemen und zugehörigen Produkten
- Einheiten, die von Kunden über bis zu 36 Monate bezahlt werden
- Hoher Finanzierungsbedarf

Bonitätssicherung:

- Sorgfältige Bewertung der Kreditprofile von Kunden
- Finanzierung beschränkt auf Kunden mit hoher Rückzahlungswahrscheinlichkeit
- Historische Ausfallrate: ungefähr 1,6%
- Fokus auf die Aufrechterhaltung niedriger Ausfallraten für finanzielle Gesundheit

Prognosehinweis:

- Finanzprognosen und Annahmen basieren auf aktuellen Erwartungen
- Vergangene Daten sind nicht indikativ für zukünftige Ergebnisse
- Überlegungen beinhalten Prognosen über zukünftige Marktbedingungen
- Prognosen sind unsere besten Schätzungen und naturgemäß unsicher

* Unter der Annahme eines Annuitätenkredits i.H.v. EUR 750.000, vollständig am 01.01.2024 durch die Crowd investiert. Rückzahlungen am 31.03 eines jeden Jahres, beginnend in 2025.
** Unter der Annahme eines Zinssatzes von 7% p.a. (early bird bonus). Die Zahlung erfolgt am 31.03. eines jeden Jahres.



Executive Summary (English)

MPower has established its geographical footprint in 7 African countries, worked with >20 distribution partners, and sold over 40,000 solar units to enhance energy access

Business overview

MPower provides small-scale clean energy infrastructure through a B2B2C model, facilitating access to finance for our end customers

- We began operations in 2018 in Zambia, and have since expanded into 6 additional countries across Africa
- We work with distribution and financing partners to provide products and financing to end users, also minimizing credit risk
- We use a technology-agnostic sourcing model and provide customers with a wide range of high-quality product options
- Core to our operations is our software, which increases operational efficiency and allows for quick scale-up at lean costs

Market overview

Lack of energy access and high levels of financial exclusion are key global challenges, and Africa is most affected

- ~1B people globally lack electricity access, and Africa bears the brunt, with > 50% of those affected living in SSA; further, ~20% of on-grid Africans suffer from unreliable power supply^{1,2}
- ~1.7B people are financially excluded, limiting their ability to purchase life-improving products; >50% are in our target markets³
- We solve these challenges by providing quality solar products and facilitating access to much-needed financing for end customers to access our products from our B2B partners

Traction to date

To date, we’ve raised > EUR 10M which has enabled us to grow our B2B model and establish a presence in various markets

7



Presence in 7 countries across Africa, with plans to consolidate learnings and increase footprint

>20



Formed partnerships with >20 local SMEs and corporates to distribute our products

>40K



Sold over 40,000 units across our markets of operation

>10M



Raised >EUR 10M in debt, equity, and grants to support our growth so far

We are excited to launch our third raise on Crowd4Climate to achieve growth in existing and new markets and expand our product portfolio

Growth strategy

We plan to scale our operations by:



Increasing our distributor and other key partnerships

- We estimate a pipeline of 108+ B2B partners across our 7 existing markets and 4+ new markets by 2026, leading to total projected sales of ~EUR 15M in our base scenario¹



Expanding our product portfolio

- Introduce larger solar systems and “beyond PV” products such as e-mobility among others; we also plan to track our small-scale solar systems and sell carbon credits to companies like South Pole



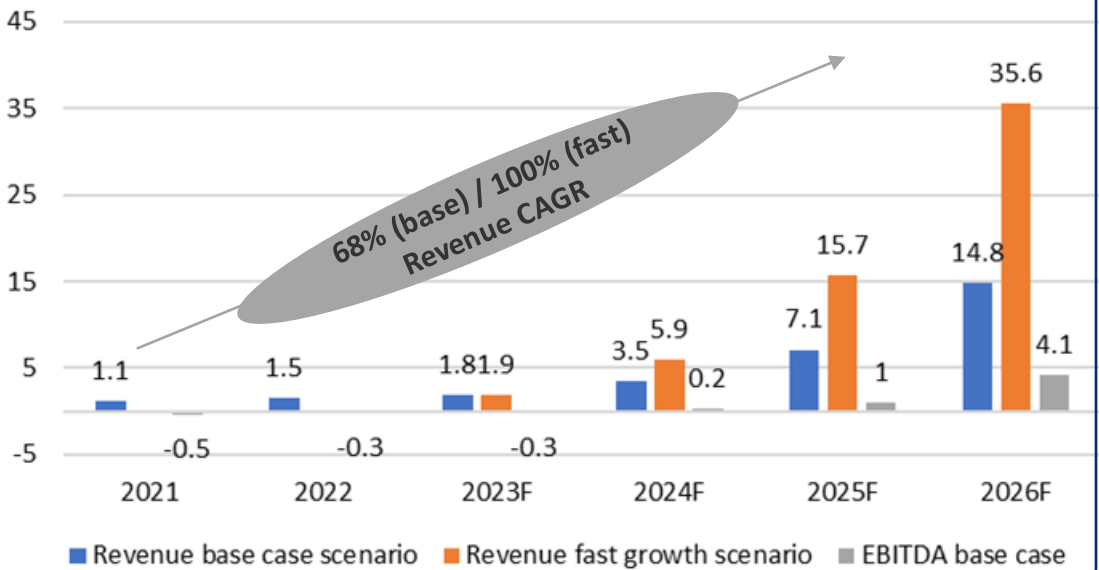
Further developing our financing offer

- Further develop our payroll deduction schemes and financing partnerships with financial institutions and corporates; and further offering direct lending to end users.

Investment highlights

New financing will lead to strong revenue growth at 68% 6-year CAGR over the period 2021-2026

Summary of financial performance (In Euro, million)



We are already EBITDA +ve in our first market Zambia, with Cameroon on track for this year, and Togo and Ghana targeted for two years down the line

The proceeds will be invested in expanding sales in existing and new markets, product portfolio extension and in technology development

70 % of proceeds



Inventory financing for our B2B partners

Refinancing of products in stock

Purchasing of additional products

25% of proceeds



Growth investments

Development of our internal software for inventory and controlling purposes

Financing of additional staff

5 % of proceeds



Liquidity buffer

Reduction of transaction between different entities.



Market Overview

Our Purpose

Vision

Zero emission growth in emerging markets

Mission

Building the leading platform to supercharge the energy transition in emerging markets

Values

Generating positive social and environmental impact while creating a profitable and sustainable business

Over 500M people in Sub-Saharan Africa lack access to electricity; a triple win is possible by providing clean energy and enabling access to finance



Lack of and unreliable energy access

>500M people in Sub-Saharan Africa (SSA) lack access to electricity; ~20% of Africans connected to the grid also suffer from unreliable power supply^{1,2}



Lack of financing

~1.7B people globally are financially excluded, limiting the ability to purchase life-improving products, with > 50% coming from developing economies³



Poor product quality

Underserved households and SMEs in SSA rely on expensive, dangerous and unreliable fossil fuel-based products to meet their energy needs, and many of the renewable energy products they access in local markets are poor quality^{4,5}

Drivers for Growth



Market potential

Large market potential

- There are +643M people in Africa living off the grid.
- Further, there are +475.9M people in Africa living with unstable grid connection.



Decline in solar and battery prices

Continuous reduction of manufacturing costs for solar components

- +90% reduction in lithium-ion battery prices in the last 3 decades
- +89% decrease in solar photovoltaic module prices since 2010
- +63% decrease expected by 2050 in solar photovoltaic module prices

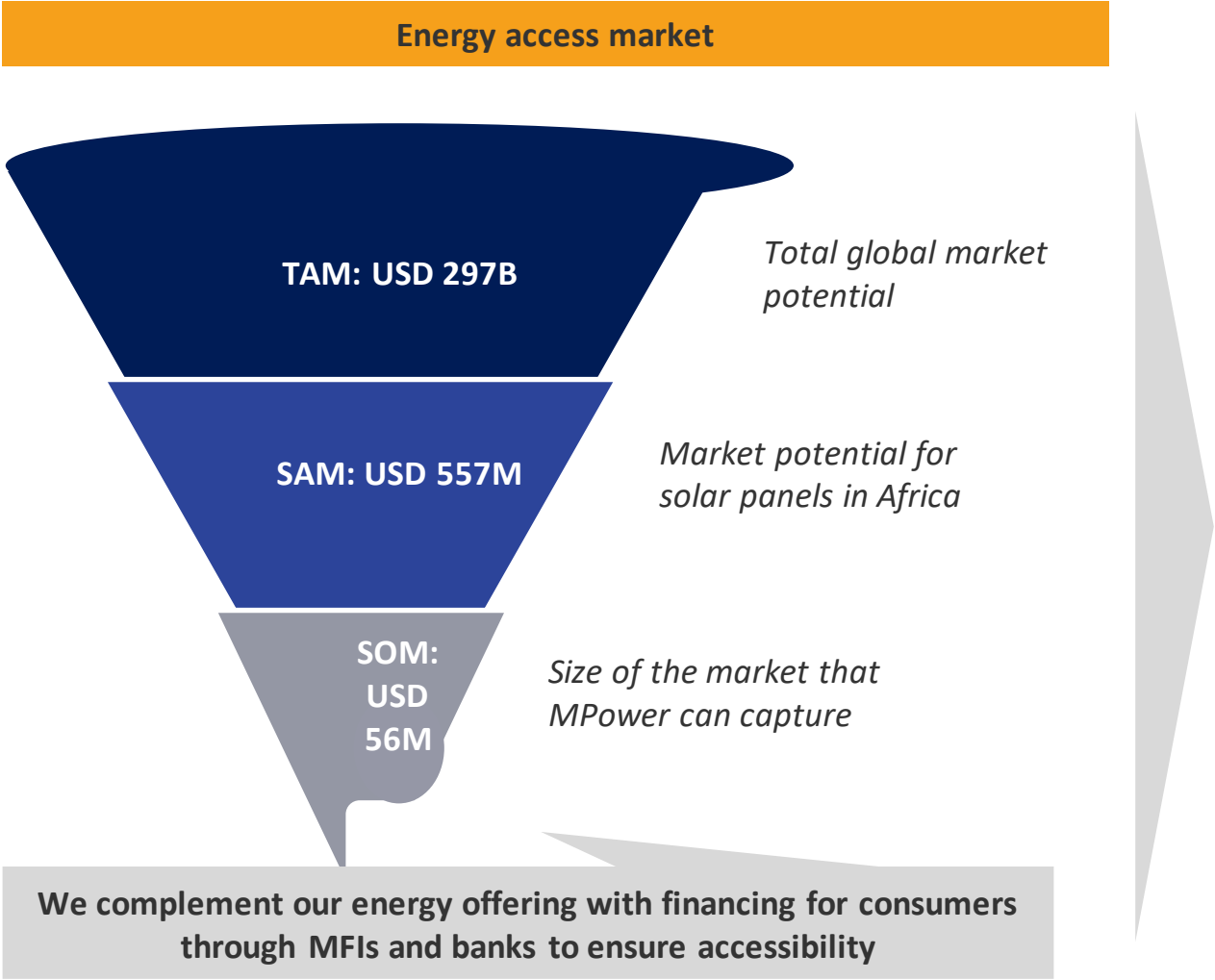


Emerging Growth

Steady economic growth

- +3.8% forecasted growth of Africa's economy in 2022 (according to the IMF)
- Demographic expansion and world's youngest population
- +500M people under 25 years in sub-Saharan Africa by 2050
- Opportunity for digitization

Only a fraction of the energy access market in SSA is currently addressed, presenting an attractive market opportunity



- Annual Total Available Market (TAM):

 - The estimated value of global solar bundle shipments is ~USD 99B (ex-works)
 - Based on industry standards, a 3x multiplier is applied on the ex-works price, to arrive at a total retail value of ~USD 297B
- Annual Serviceable Available Market (SAM):

 - SAM is obtained by focusing on solar panel sales in Africa alone, for non-utility scale projects
 - China export data to Africa is used to arrive at a total of USD 186M (ex-works), for all shipments with values of < USD 500K per shipment to exclude utility-scale projects
 - A 3X multiplier is then applied to the ex-works value to arrive at a value of ~ USD 557M for retailed solar products
- Annual Serviceable Obtainable Market (SOM):

 - We estimate a market share of 10%, which is applied to the SAM to arrive at SOM of ~USD 56M
 - We are well positioned to capture the SOM due to our strong pipeline of local partnerships, our platform approach, and technological advancements

MPower has developed a platform to supply small-scale clean energy infrastructure, and facilitates consumer financing through banks and MFIs

Improving energy access...



MPower supplies Plug & Play solar devices as well as energy efficient household and income-generating appliances for lower- and middle-income households, SMEs, and farmers in peri-urban and rural areas



We do this by leveraging a Business-to-Business-to-Customer (B2B2C) model, where we partner with co-invested distributors in SSA to deploy MPower branded products from our dedicated sourcing hub in Shenzhen, China

...by facilitating access to finance for end users



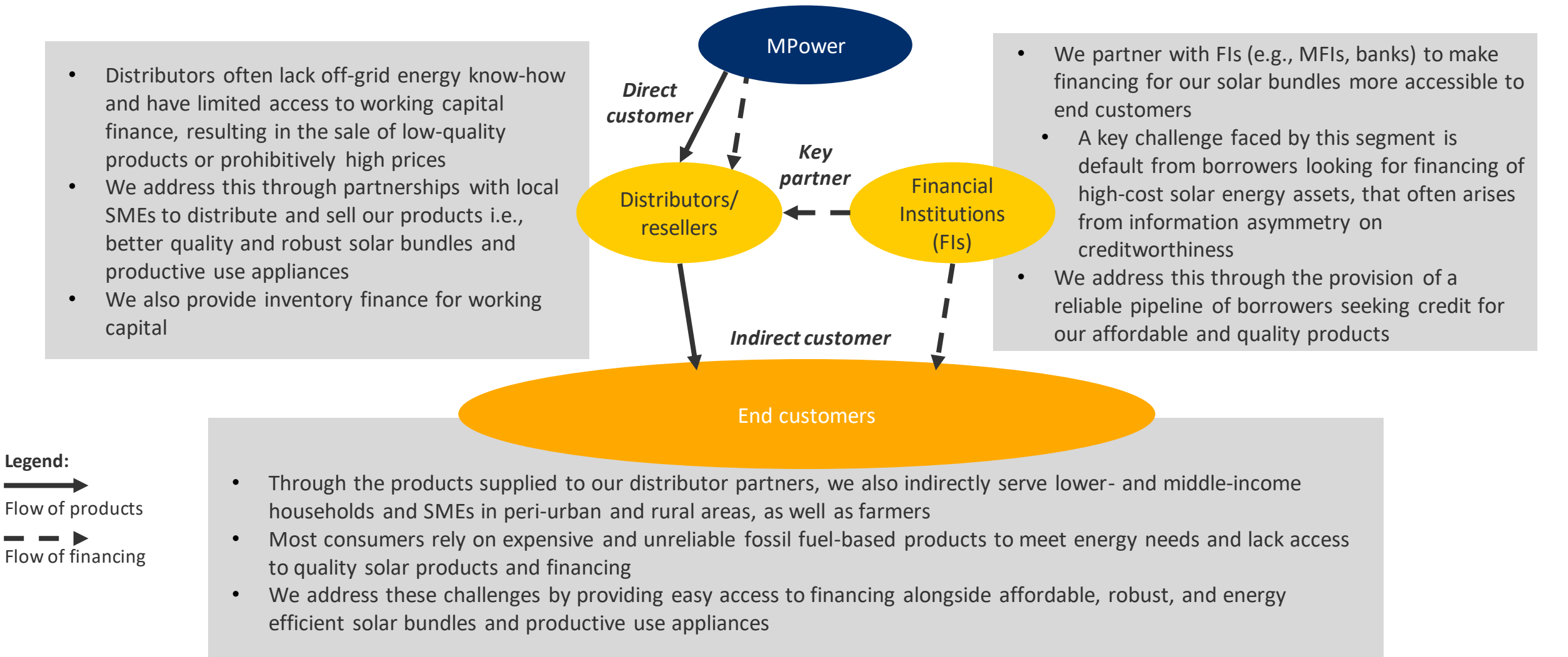
MPower also facilitates access to finance, including inventory finance for our distributors, and consumer financing for end users; inventory financing is mainly financed by MPower while ~80% of the consumer financing is from bank and MFI partners



We are currently developing a “big data” database of end users that our software can leverage to analyze spending behavior, support tracking of payment behavior, analyze creditworthiness, and identify user-specific marketing and cross-selling opportunities

Facilitating consumer financing is important as it enables the end consumers to pay for their systems in instalments, making them more affordable to purchase from our B2B partners on the ground

Through its B2B2C model, MPower solves several key blocks for our distribution partners, while benefiting end customers and financial partners

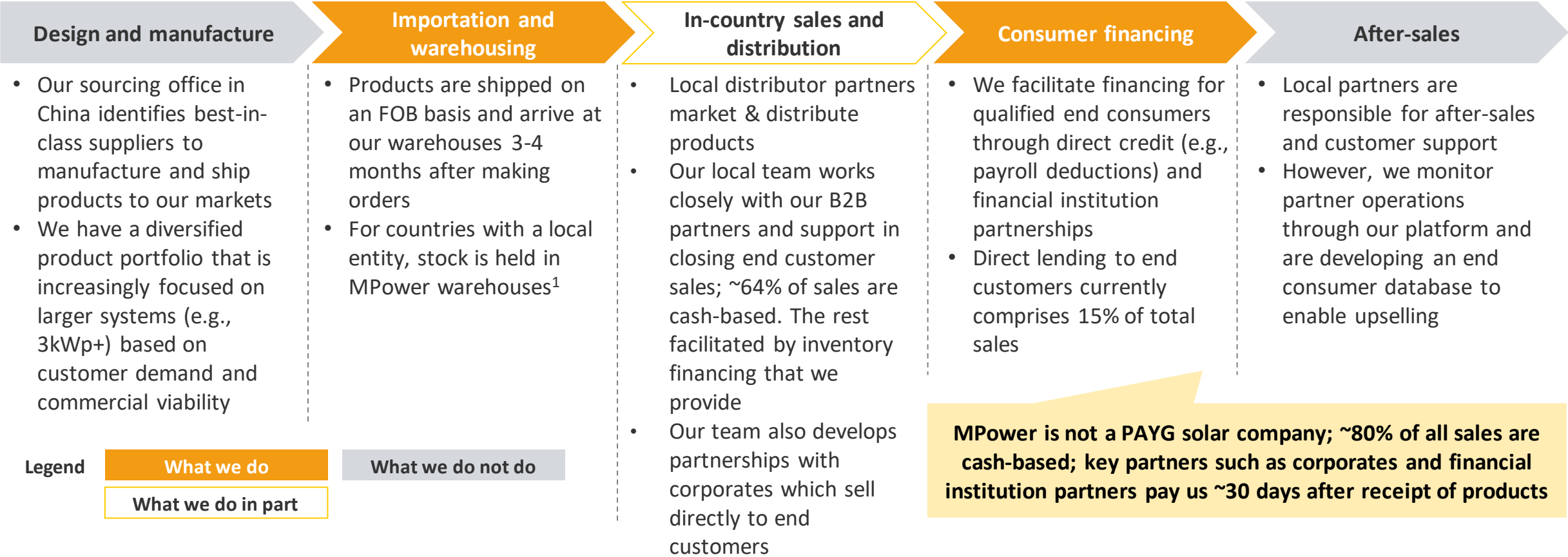




Business Overview

Based on industry learnings, we have diversified our product portfolio and outsourced several value chain components to maintain operational efficiency and reduce credit risk

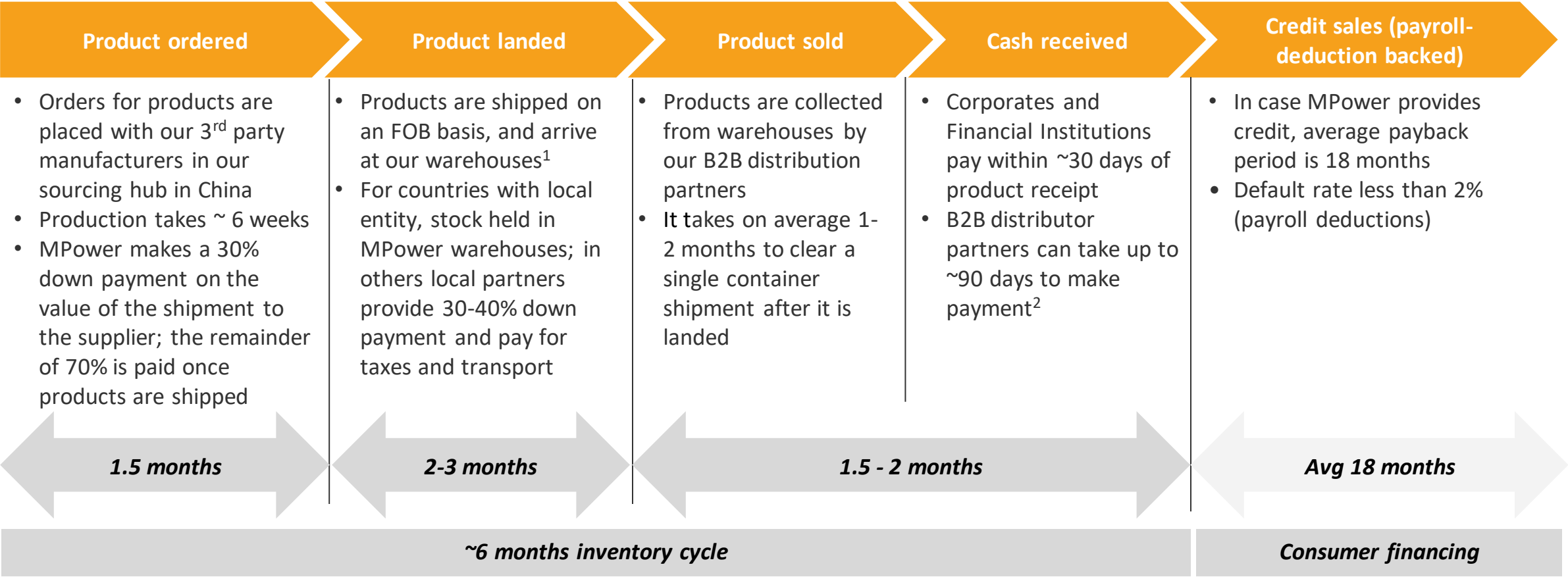
- We work with distribution and financing partners to provide quality products and financing to end users, while alleviating distributor financing needs
- MPower leverages a B2B strategy to unlock the potential for small scale decentralized solar in emerging markets by partnering with local businesses and providing them with tailored technical expertise, business support (hardware & software), and access to capital
 - We leverage local distributors’ existing customer base and distribution networks to rapidly grow end-customer sales while minimizing operational costs



Note: ¹ FOB – Free-On-Board, in other countries where we do not have a local entity (e.g., Ghana), local partners provide 30-40% down payment and pay for taxes and transport

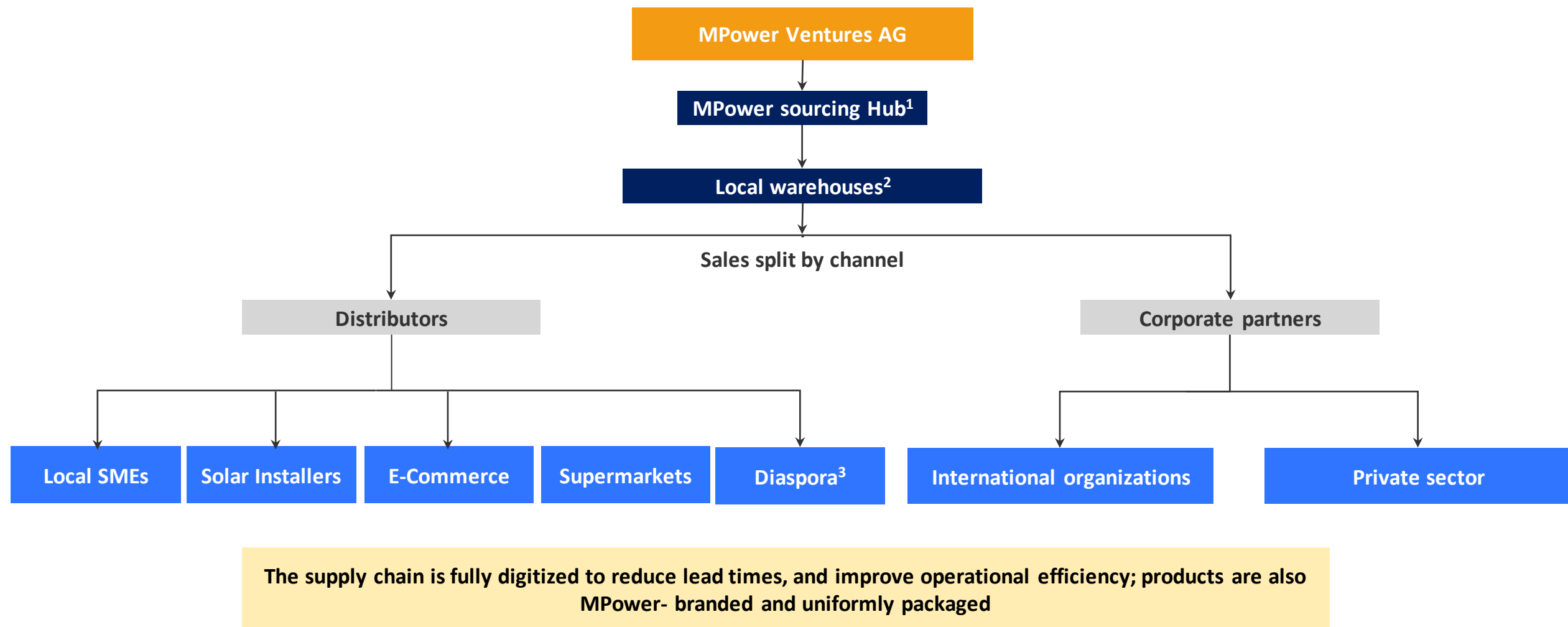
We have proven our inventory cycle over the last five years; current finance will enable us to scale to reach demand

Through our B2B model, we form partnerships with local SMEs to distribute and sell our products; we often pre-finance stock for our partners, which requires working capital over 6 months

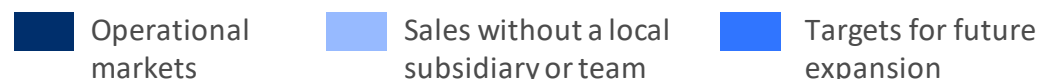
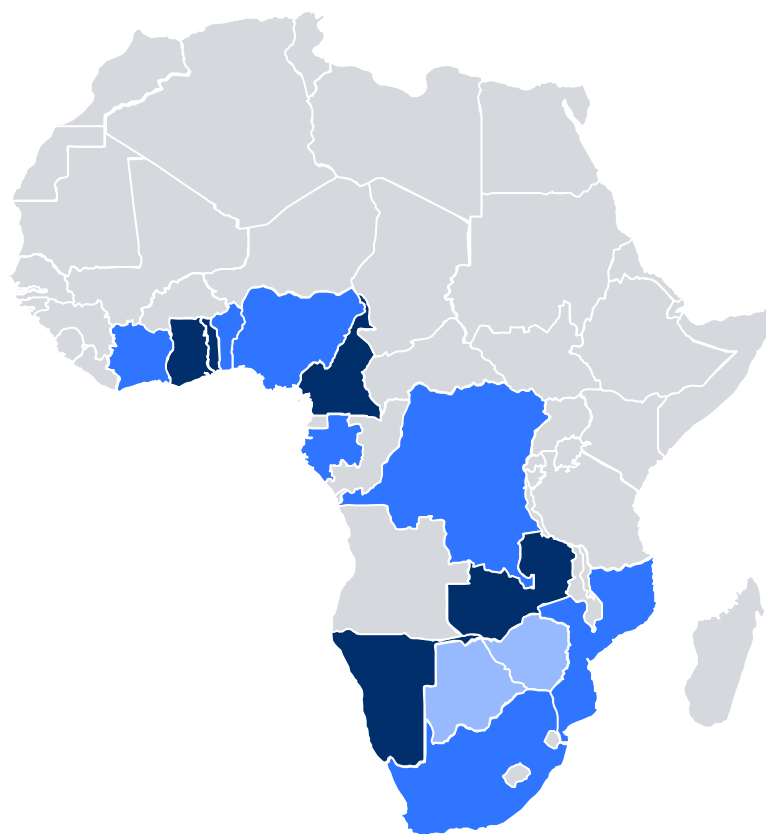


Note: ¹ FOB – Free-On-Board ²For countries like Zambia, we have in the past had consignment deals with some B2B partners where we are paid once the distributor gets paid

Our technology-agnostic sourcing model allows us to nimbly meet market needs, with current sales diversified across various distributors and corporate partners



We have a presence in 7 countries across Africa, with plans to consolidate learnings and increase footprint in existing and new markets



Current markets

- MPower currently has local subsidiaries and teams in Zambia, Cameroon, Togo, Ghana and Namibia
- In Botswana and Zimbabwe MPower neither has a local subsidiary nor local team presence, but we have made opportunistic sales in each country, with some repeat purchases

New markets

- Based on market analysis, proximity to existing regional hubs, and likelihood of closing B2B partnerships, we are looking to enter a number of new markets including Nigeria, Benin, Ivory Coast, Mozambique and DRC
- Early-stage discussions have begun in countries like Nigeria and the Ivory Coast.

As we enter new core markets, our strategy is to begin by working through distributors then eventually set up offices as we gain more in-depth on-the-ground market knowledge

We are evolving our product portfolio towards non-power market segments and larger micro Commercial & Industrial (C&I) systems

Sales split by products

While our product portfolio is currently driven by smaller systems, **we are transitioning towards micro-C&I* offerings** such as our modular 3kWp system, with **larger systems expected to contribute to 44% of sales by 2026**



Product type	% of 2022 sales	% of 2026 sales
Large systems/on-grid (e.g., large generators, 3kWp SHS)	34%	44%
Small systems/off-grid (e.g., small generators, 20Wp SHS)	35%	24%
Solar appliances (e.g., solar TVs, haircutters)	29%	17%
Mobility	2%	15%

Product portfolio of “Plug & Play” solutions with long lifetimes

SOLAR SOLUTIONS



APPLIANCES



E-MOBILITY



* Commercial and Industrial

We have outsourced manufacturing and last-mile distribution by having a sourcing hub with local presence in Shenzhen, China and local teams in Africa; products are MPower-branded and uniformly packaged to ensure product portfolio consistency

Core to MPower's offer is a software & data solution that increases operational efficiency and reduces key costs for MPower and its B2B partners

Our in-house software solution comprises an Android app and a Cloud solution that automate operations and workflow



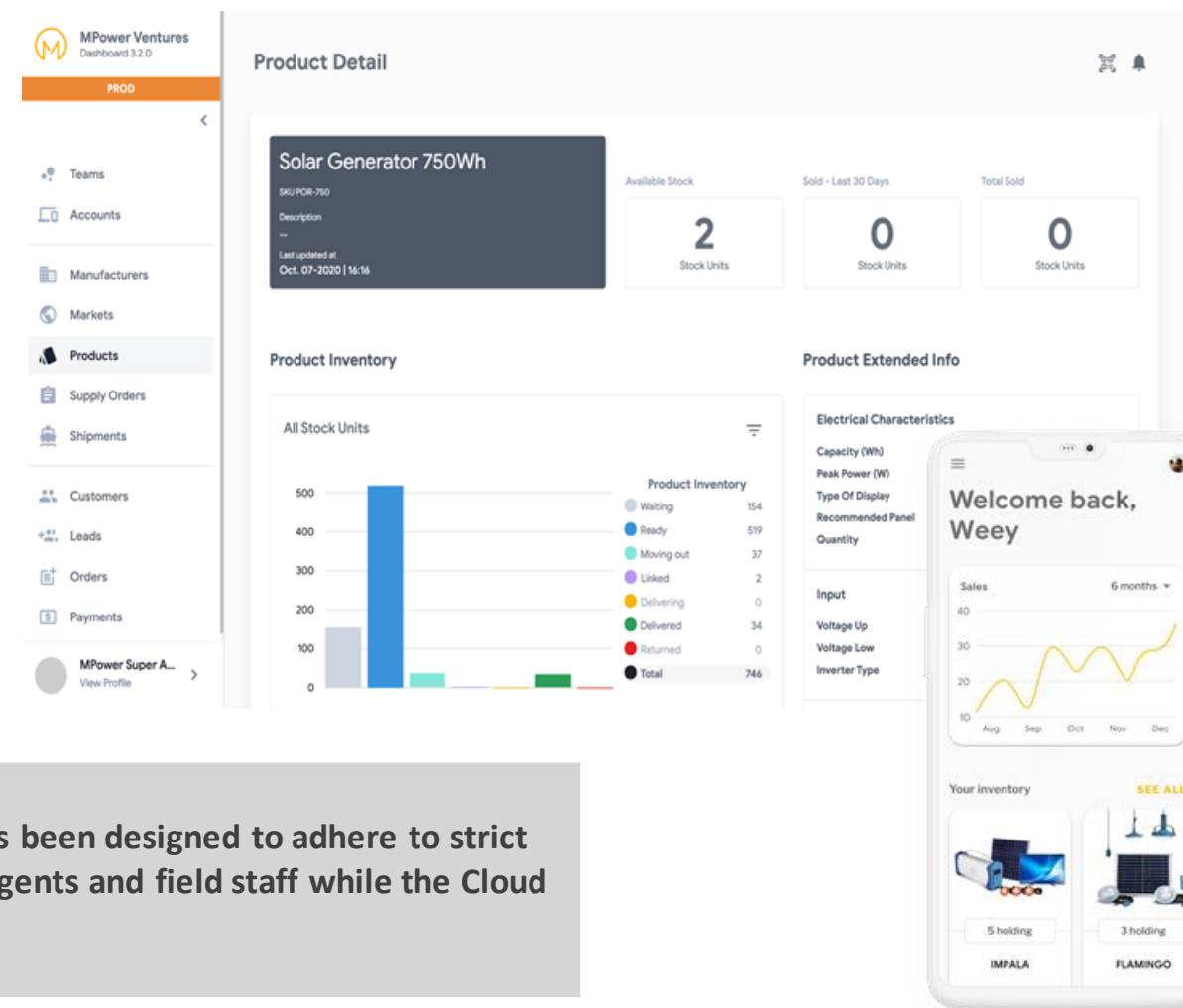
Software gives MPower increased control over and insight into our partners' operations, which is beneficial when extending inventory finance



We automate Customer Relationship Management (CRM) and reduce inventory costs by digitizing logistics management, increasing efficiency of partner operations



We are currently developing a database of end customers and a credit scoring mechanism that will facilitate user-specific marketing and cross-selling opportunities



The Android application has full offline functionality, and the platform has been designed to adhere to strict privacy and data protection principles. The Android app is used by sales agents and field staff while the Cloud solution is used by Country Managers and MPower staff

We also provide financing solutions that enable qualified end consumers to access products affordably on credit

We facilitate end user financing in 3 ways; financed sales are made through partnerships with financial institutions, companies, and governments, allowing MPower to transfer credit risk to third parties

	1 Financial Institution partnerships	2 Payroll deductions	3 Companies / Non-Profit Organizations
Overview	<ul style="list-style-type: none">• Typical partners: retail banks, leasing companies and MFIs• Payments: instalments paid to the financial institution for the loan tenor• Source of financing: Financing partner	<ul style="list-style-type: none">• Typical partners: established companies and governments• Payments: payroll deductions made for up to 36 months• Source of financing: MPower	<ul style="list-style-type: none">• Typical partners: companies and non profit organizations• Payments: instalments paid to the company or subsidies consumer loans.• Source of financing: Financing partner
Example Partners	<ul style="list-style-type: none">• Key partners: SCE (Cameroon), RICS (Cameroon), Xtenda Zambia), Zanaco & Stanbic (Zambia), Kongalend (Namibia)	<ul style="list-style-type: none">• Key partners: Civil servants in Zambia, Dairy Association (Zambia), Socapalm (Cameroon), Soy Cain (Togo)*, Label d’Or (Togo)*	<ul style="list-style-type: none">• Key partners: Barry Callebaut (Cameroon), UNESCO (Cameroon), MTN (Zambia), EDC (Zambia), Togocell (Togo)

Note: * Finalizing discussions, ¹Financing split is as of 2021

Unlike B2C models used by most PAYG companies, our B2B model reduces distribution costs and increases cash flow-to-revenue ratio through emphasis on cash-based payments

Sales split by payment method

Payment method	% split			Revenue (CHF)		
	2021	2022	2023F	2021	2022	2023F
Corporates/ projects						
of that cash distribution	42%	41%	31%	507,600	659,000	568,557
of that payroll	5%	5%	8%	60,000	80,000	146,725
Distribution						
of that cash distribution	23%	19%	16%	272,400	301,400	293,449
of that Financed Distribution						
Financed through MPower						
of that payroll deduction	18%	20%	25%	216,000	320,000	458,514
of that other lending	1%	2%	3%	12,000	32,000	55,022
Financed through 3 rd Party						
of that payroll deduction	10%	10%	12%	120,000	160,000	220,087
of that other lending	1%	3%	5%	12,000	48,000	91,702

In 2022, 78% of our sales were cash-based, largely driven by our corporate customers, with 95% of our direct lending being through payroll deductions from government institutions and cooperative employees; this greatly reduces credit risk, with the current default rate being 2%

To support our mission, MPower has secured financial, strategic, and technological partnerships with a wide range of stakeholders in the sector

Financial



- MPower has raised capital from Technology Fund, Zurcher Kantonalbank, KIC InnoEnergy SE, SIMA, among other institutional investors
- Financing raised has been used to support the business' growth including for working capital and research & development

Strategic



- South Pole is working within the D-REC Initiative to certify D-RECs from activities like those of MPower¹
- We have support from responsAbility and Austrian Dev't Agency to research our credit risk mechanism; also received investment readiness and transaction advisory support from Power Africa

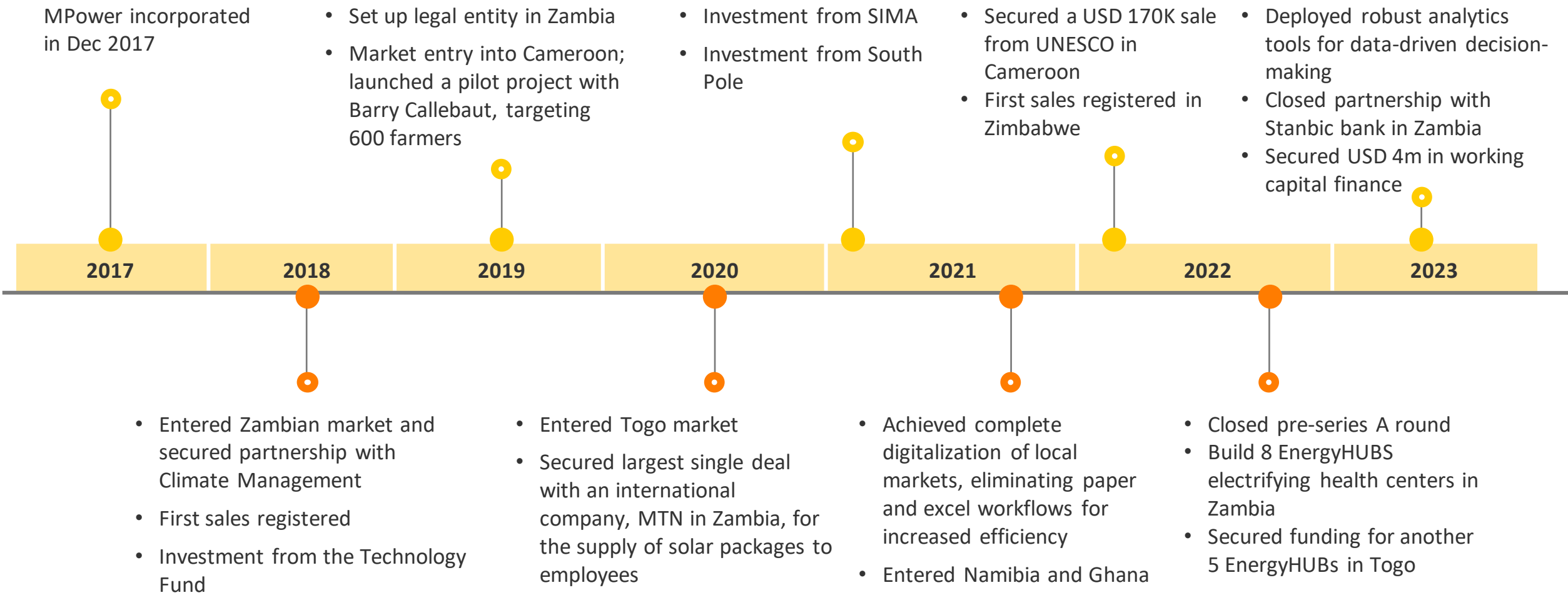
Technological



- MPower has partnered with SUPSI and ZHAW through funding from Innosuisse, for the development of a connectivity solution to remote monitor deployed batteries
- We have been awarded with the Efficient Solution label from the Solar Impulse Foundation

Note: ¹D-RECs - Decentralized Renewable Energy Certificates – these offer a proof of origin for power generated by small-scale renewable energy systems distributed by MPower

MPower has established a strong presence across the markets we serve



Beyond the impact on energy access, our model also promotes economic growth, environmental sustainability, and improved livelihoods

	Cumulative to date	Projections by 2026	
<div><div>7</div><div>AFFORDABLE AND CLEAN ENERGY</div><div></div></div>	<div>101,609</div> <div>People with energy access</div>	<div>>1M</div> <div>People with energy access</div>	<div>Energy access:</div> <div><ul style="list-style-type: none">Cumulative number of people who have benefitted from MPower solutions for their households/ businesses and from reliable and affordable access to clean energy</div>
<div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div><div></div></div>	<div>1,286</div> <div>SMEs supported</div>	<div>>15,000</div> <div>SMEs supported</div>	<div>Economic activity:</div> <div><ul style="list-style-type: none">Number of people acquiring MPower solar systems to support their productive activities or businesses</div>
<div><div>13</div><div>CLIMATE ACTION</div><div></div></div>	<div>1.3M T</div> <div>of CO2 emissions</div>	<div>> 140M T</div> <div>of CO2 emissions</div>	<div>CO2 emissions avoided:</div> <div><ul style="list-style-type: none">Estimated metric tons of carbon dioxide emissions equivalent averted in a year from MPower systems sold to date</div>
<div><div>10</div><div>REDUCED INEQUALITIES</div><div></div></div>	<div>1,222</div> <div>People financially included</div>	<div>>18,000</div> <div>People financially included</div>	<div>Financial inclusion:</div> <div><ul style="list-style-type: none">Cumulative number of people with current access to MPower consumer financing solutions</div>
<div><div>1</div><div>NO POVERTY</div><div></div></div>	<div>~USD 7M</div> <div>Avg. expenditure savings¹</div>	<div>~USD 91M</div> <div>Avg. expenditure savings</div>	<div>Savings on energy expenditure:</div> <div><ul style="list-style-type: none">Estimated average USD savings on energy-related expenditure resulting from the use of off-grid energy sources</div>

Source: MPower analysis. Note: ¹Applies for the reporting period of between January 2019 and December 2021



Competitive Differentiation

MPower unlocks the potential for small scale decentralized solar through B2B partnerships and focuses on relatively underserved markets in SSA



B2B partnerships

- Our exclusive focus on a B2B partnership model enhances the scalability of our business without incurring high internal OPEX
- Existing partnerships with key distributors in local markets gives us strong potential to increase sales volumes; we also partner with corporates to distribute our packages to their employees
- At the same time, this helps mitigate risks associated with market penetration and supply chain, which have proven difficult to navigate for decentralized solar system solution competitors in Africa



Underserved markets

- Our B2B2C model and software back-end allows us to enter more challenging, smaller markets in a more streamlined way. This increases our impact and also differentiates us versus other players that focus on Africa's few largest, but very crowded markets
- Expansion around MPower's regional logistic HUBs also increases efficiency and ensures reduced inventory levels and related costs

Our wide product portfolio allows us to address a wider market; outsourcing a large portion of consumer financing also reduces MPower's credit exposure



Wide product portfolio

- We offer a broad range of solar bundles and productive use appliances by outsourcing manufacturing; through our sourcing hub in Shenzhen, China which is managed by MPower staff, we quickly convert target market needs into new products
- Our 2.4 kWh systems allow us to tap middle- and upper-income households and SMEs (stronger repayment profiles), unlike first generation PAYGO companies that tend to focus on lower income segments



De-risked credit portfolio

- With majority of financed sales being made by financial and corporate partners (outsourced consumer financing) we are able to mitigate against default risk exposure associated with the typical PAYGO model
- In the case of our own financing portfolio, we have set up measures to ensure efficient payment collections (e.g., through payroll and harvest deductions)
- We are also currently developing a credit risk profiling solution to bolster our customer creditworthiness profiling capabilities

Our model also positions us as a platform for the energy and digital transition that goes beyond power, increasing our growth potential

Adding new building blocks to our platform...



Expanding to other “non-power” market segments and larger systems such as e-mobility (in process), the larger 3kWp system mentioned in previous sections (which puts us in the micro-C&I space), cooling solutions, smartphones & power bank combination (in process), and air conditioning cooling systems



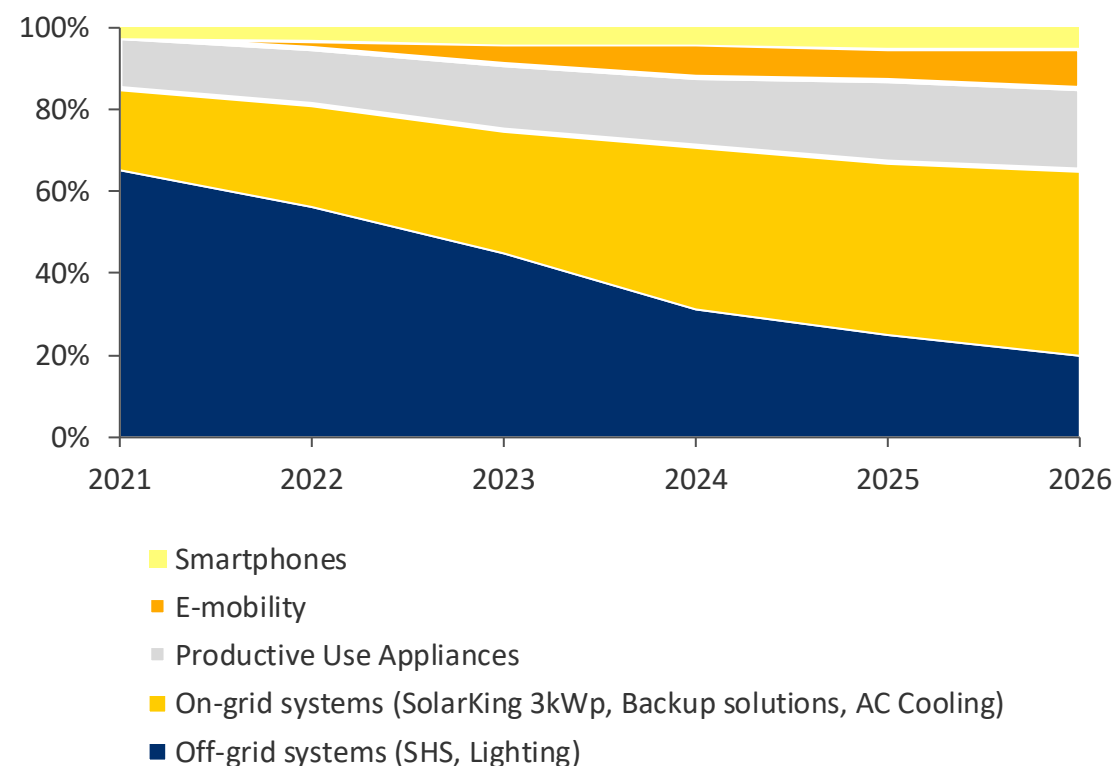
Enhance 3rd-party financing and MPower microlending through digital consumer finance lending activities, in partnership with our financial institution partners



Accelerating internal efforts in carbon offsetting to create new revenue streams; we are already running our first project in partnership with South Pole

...allows us to grow and diversify revenues

Projected revenue diversification



New uses cases will allow MPower to increase customer reach, sales, and economies of scale, thereby increasing upside potential for investors

We are uniquely positioned in the market

By cooperating with local B2B partners, offering a broad product portfolio and outsourcing most part of consumer financing to MFIs, retail banks and corporate partners, MPower is a true bridge-head and market enabler in Africa and uniquely positioned in the value chain with low risks.





Team

MPower is led by a team that has proven experience globally and locally in Africa...

Management Team



JOHNS HOPKINS
SAS
SCHOOL of ADVANCED
INTERNATIONAL STUDIES

MANUEL SEIFFE
Co-Founder & CEO



JOHNS HOPKINS
SAS
SCHOOL of ADVANCED
INTERNATIONAL STUDIES

MICHAEL ESCHMANN
Co-Founder & COO



ie BUSINESS SCHOOL

GREG NAU
Co-Founder & CFO



Y Combinator

ALEJANDRO JIMENEZ
CTO

Expertise

Solar, Strategy, Business
Development, Africa

Sustainable Finance, Business
Development, Africa

Finance, Accounting and Tax,
Latin America

IT, Software Development

Career

Yingli Solar, Q-Cells, Deutsche
Bank, Management Consultancy

FS-UNEP Centre, CAF,
Castalia, Perspectives

Partner at boutique auditing
and international tax advisory

Fútbol Fit Club, Red
Mapache, Vernevil

Country Managers



**Johannes
Hertlein**
Zambia



**Samuel
Boateng**
Ghana



**Fiona
Vohryzka**
Togo



**Paulus
Fillepus**
Namibia



**Paul
Nemga**
Cameroon



**Zofe
Chow**
Sourcing



**Luiza
Novita**
Marketing



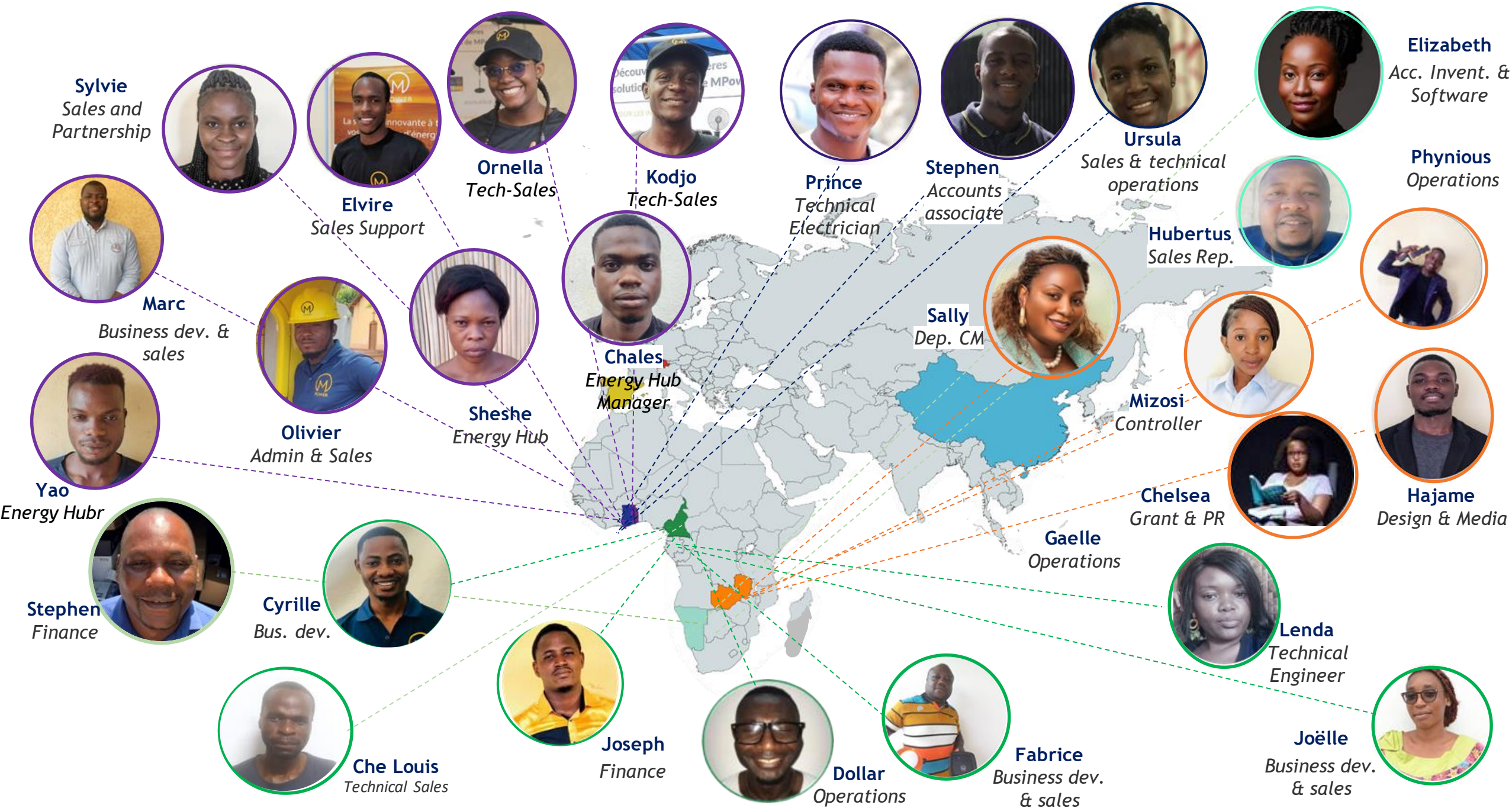
**Carolin
Ndum**
Finance



**Flora C.
Keugne**
HR

Heads of Departments

...and has 52 staff members with a truly global footprint



MPower's Board of Directors and advisors bring experience from a wide array of disciplines including engineering, law, risk, and sustainable finance (1/2)



Dieter Schulze
Chairman of the Board

- **Expertise:** Management, Sustainable Finance, Africa
- **Jobs:** DMCM Advisors, former CFO of SABMiller



UNIVERSITY OF THE
WITWATERSRAND,
JOHANNESBURG



Petronella Amalia Karuaihe-Martin
Member of the Board

- **Expertise:** Commerce, Finance, Auditing & Executive Dvpt
- **Jobs:** MD NamibRe, AIO Board Committee, Co-Chair UNEP FI GSC, former OESAI Board Chair



Stellenbosch
Business
School
STELLENBOSCH UNIVERSITY



Renat Heuberger
Member of the Board

- **Expertise:** Sustainability and renewable energy
- **Jobs:** CEO South Pole & The Swiss Social Entrepreneur 2011 by WEF

ETH zürich



Manuel Seiffe
Member of the Board

- **Expertise:** Solar Energy, Finance, Strategy, Business Development, Africa
- **Jobs:** Yingli Solar, Q-Cells, Deutsche Bank, Apricum Cleantech Advisory



JOHNS HOPKINS
SCHOOL of ADVANCED
INTERNATIONAL STUDIES



Ladé A. Araba
Member of the Board

- **Expertise:** Blended Finance, Infrastructure/Energy Project Finance, Public-Private Partnerships (PPP)
- **Jobs:** UNDP in Namibia, Equality Fund, African Risk Capacity, AlphaMundi Foundation, Green Outcomes Fund



MPower's Board of Directors and advisors bring experience from a wide array of disciplines including engineering, law, risk, and sustainable finance (2/2)



Prof. Marcel MELI, Advisor

- **Expertise:** IoT, Low Power Wireless Embedded Systems
- **Jobs:** Head of Research, Zurich University of Applied Sciences, ZHAW



Dr. Dominik NEUMAYR, Advisor

- **Expertise:** Engineering and Power Electronics
- **Jobs:** Control System Engineer at ABB, PhD at ETH Zurich



Fritz HOPP, Advisor

- **Expertise:** Renewables, Low-voltage Systems, Solar
- **Jobs:** Senior Consultant, Consenec AG and OpEx Manager, ABB



Pol BUDMIGER, Advisor

- **Expertise:** Digitalization, Innovation & Cleantech
- **Jobs:** Co-Founder & Chairman of various SMEs



Peter FANCONI, Advisor

- **Expertise:** Impact Investing
- **Jobs:** Chair BlueOrchard Finance, former CEO Vontobel Private Bank, & Harcourt Alternative Investments



Raymond ATUGUBA, Advisor

- **Expertise:** Law & Governance, Ghana, Consultancy
- **Jobs:** Lawyer, ex-Chief of Staff to Ghana President

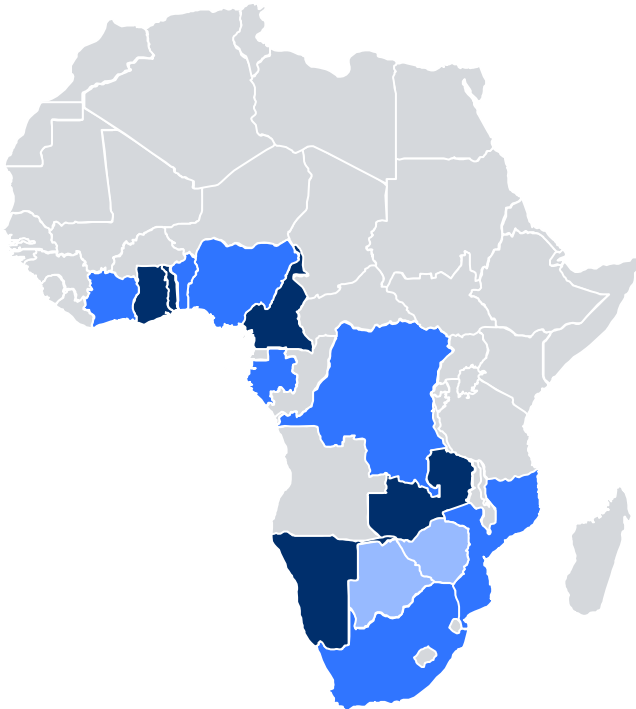




Growth plans

Our growth is underpinned by reaching more customers through scaling distributor partnerships in current markets as well as new geographies

Recall: We are present in 7 countries and plan to consolidate learnings and increase footprint in existing and new markets



- Operational markets
- Sales without a local subsidiary or team
- Targets for future expansion

Country	Priority	Entry/expansion timeline
Botswana	High	2024
Zimbabwe	High	2023/2024
Nigeria	High	2024/2025
Benin	High	2024
Ivory Coast	Moderate	2024
Mozambique, Gabon	Low	2025
South Africa, DRC	Low	Beyond 2025

Legend

High

Moderate

Low

These markets are a priority for expansion due to proximity to MPower’s regional HUBS and the market potential given one of the following: high electricity prices, large target market, and/or an unstable power supply

Note: Tactical expansion shall be conducted in countries where MPower has sales without a local subsidiary or team i.e., Botswana and Zimbabwe

Key to our growth are a focus on B2B partnerships, expansion of our product offering, CO₂ offsetting, and further development of our financing offer

B2B partnerships

- MPower's core customers are its local distribution and strategic partnerships; we plan to reach more end users through both new and existing distributors
- We plan to obtain 1-3 partners per region to increase turnover without incurring high internal OPEX, by making ~EUR 10,000 in investments per partner on a semi-annual frequency
- Because of low set-up costs and low OPEX, we estimate to break even in less than 12 months at a country level

We estimate a pipeline of 108+ B2B partners across our existing markets and new markets by 2026, leading to projected sales of ~EUR 19M³

Expanded product portfolio and CO₂ offsetting

- Our manufacturing outsourcing model and B2B partnership model allow us to build on our existing product range without significantly increasing risk; we will continue to introduce "beyond PV" products in 2023²
- MPower plans to track its small-scale solar systems to generate additional revenue by 2023; carbon credits will be sold to companies like South Pole to then on-sell to other companies

Future products to finance with our platform include smartphones, e-mobility, cookstoves, and larger solar systems

Consumer financing

- 30% of financed sales are made through partnerships with FIs, payroll deductions financed by MPower, and direct lending through MPower
- We will further develop payroll deductions, MFI partnerships, and corporate partnerships to ensure diversified financing types and reduce credit risk exposure
- We are in the process of developing our internal credit risk algorithm and plan to accelerate our direct lending offer to end users

We plan to enhance partnerships with FIs and corporates and direct lending to increase financing opportunities for end consumers

We plan to move beyond just solar PV systems: storage, productive use appliances, smartphones, e-mobility, cookstoves, and more

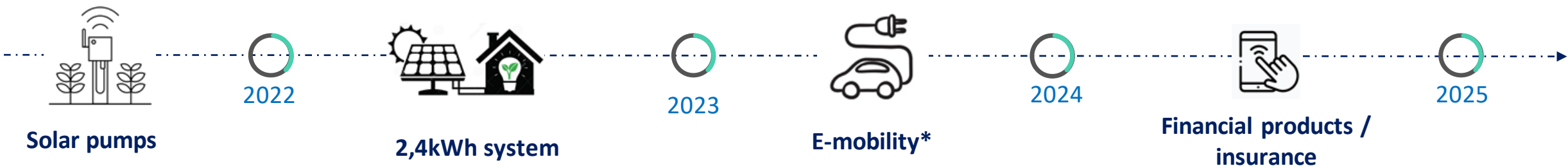
Product development process:



SELECTED SHORT-TERM PRODUCT RELEASES TO EXPAND EXISTING PORTFOLIO

Additions to Existing Product Lines	New Products and Appliances for our Solar Systems
<ul style="list-style-type: none">• 600Wh AC Solar Generator• 1500Wh AC Solar Generator• 2,4kWh system (launched)• Productive use for agriculture (launched)• Smartphones (launched)	<ul style="list-style-type: none">• Cookstoves• E-Mobility (pilot project launched)• Further energy efficient solutions• Air Condition solar run system• Cross-selling of financial products or insurance services

Our product outsourcing model and B2B partnerships have positioned us well to quickly expand our product portfolio, while at the same time maintaining high quality



*pilot project already ongoing



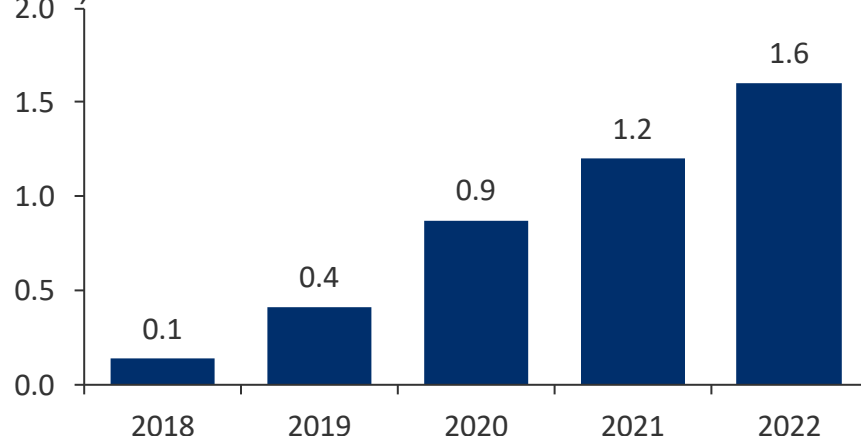
Financial overview

MPOWER's pipeline of B2B partners positions us to scale revenue rapidly and enter new markets faster than the competition

Revenue has grown at 74% 5-year CAGR between 2018 - 2022

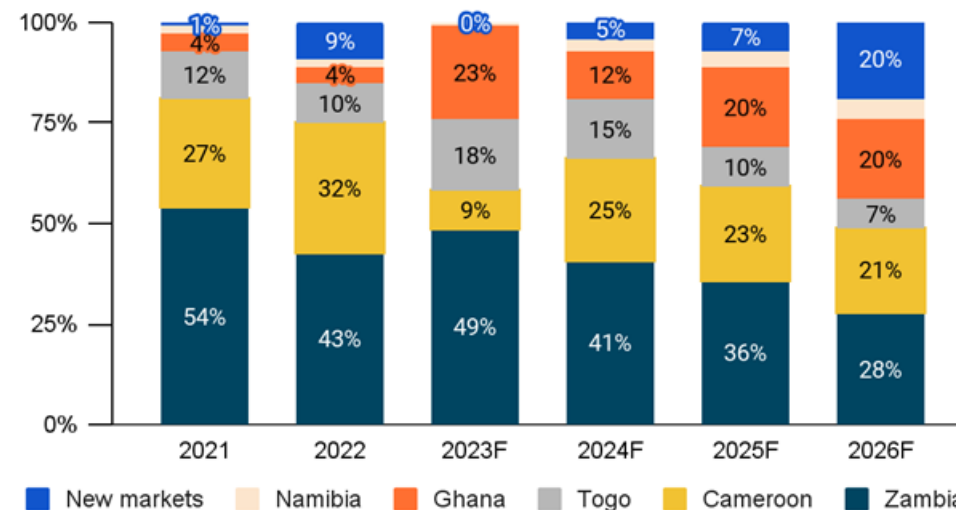
Historical revenue¹

EUR, Millions



- We have demonstrated fast growth in revenue to date and are on track to grow revenues to ~EUR 1.85M in 2023
- Revenue growth is possible now that our model has been proven and we have established a pipeline of 20+ B2B partners, with capacity to reach 3.6M end users. These partners, in addition to new B2B partners, will enable us to grow the pipeline and reach ~EUR 14.8M in sales by 2026
- Similar growth trajectories have been proven by companies such as Sunking, d.light, M-KOPA, and others – our model differs and is just as well positioned for growth given our B2B2C approach

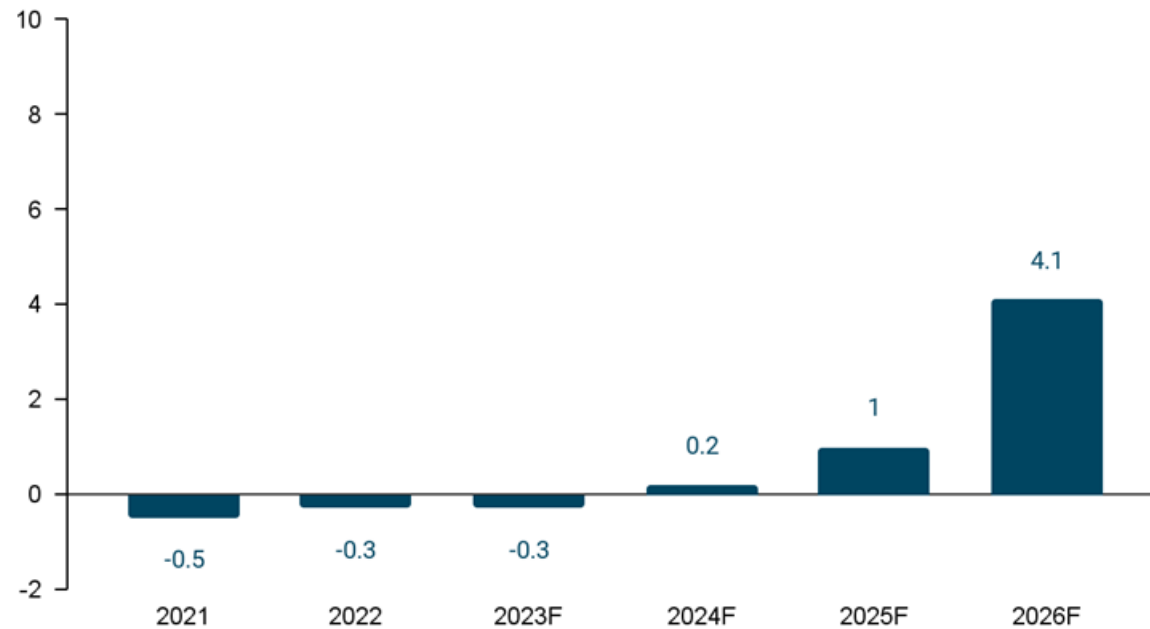
Sales split by country by year



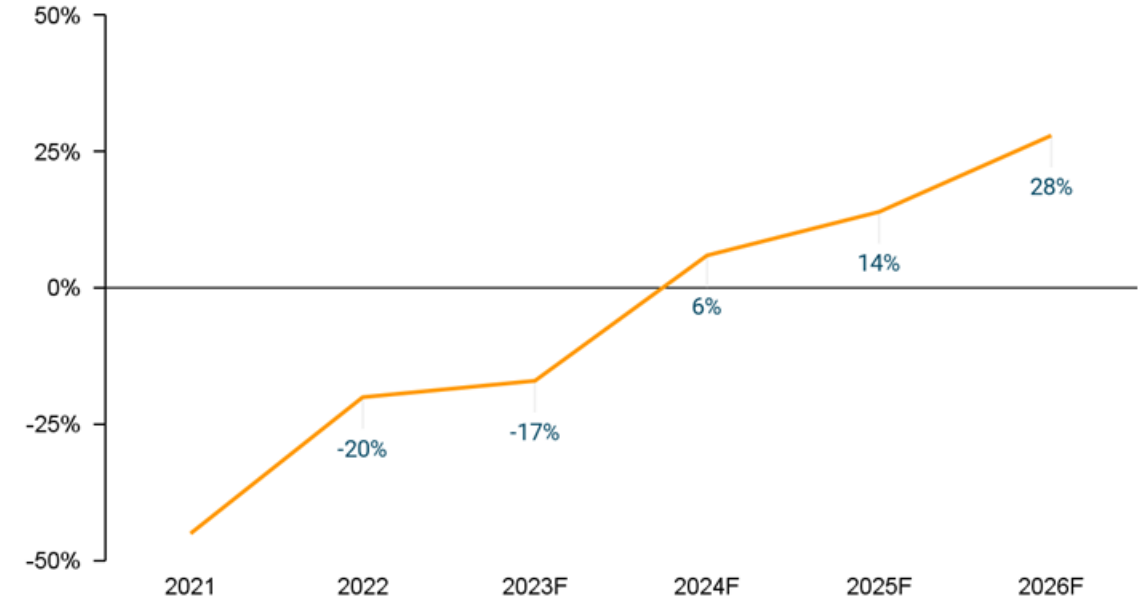
- Zambia contributed to the majority of sales until today
- As MPOWER expands its geographical footprint, contribution from new markets (Ghana, Ivory Coast, Nigeria or Benin) reach more and more significance
- Growth from new market entry is expected due to 1) market potential given target markets are relatively underserved, and 2) ability to leverage learnings from existing and similar markets to quickly adapt to customer needs

We expect to attain EBITDA breakeven by early 2024, with strong margin expansion thereafter as we achieve economies of scale

EBITDA EUR, millions



EBITDA Margins



- We have raised > EUR 9 M in debt, equity, and grants to date, which has enabled us to build our robust software, supply chain, and on-the-ground presence across multiple markets. This foundation now allows us to focus on path to profit
- We expect to become EBITDA positive in Q2 2024, when total revenues reach ~EUR 3.5M, driven by sales increases in existing markets and entry into new markets as supported by a strong B2B pipeline
- Increased country sales, in addition to growth in new and higher margin services and products from 2023, is expected to increase our EBITDA margin to 28% by 2026

All Figures in CHF (1.00 CHF ca. 1.06 EUR)	2024	2025	2026	2027	2028	2029
Units	6'906	14'636	32'513	66'965	81'052	108'899
Zambia	3'043	5'470	9'006	17'772	20'026	22'566
Cameroon	3'070	5'864	11'194	22'093	24'894	28'052
Togo	1'923	2'702	3'821	7'541	8'497	9'575
Ghana	1'056	3'703	7'885	15'559	17'533	19'756
Nigeria	0	0	0	2'843	8'924	28'007
Namibia	253	703	1'846	3'642	4'104	4'625
All else	605	1'664	7'767	15'286	17'100	18'885
Revenues	3'469'339	7'086'112	14'829'419	30'318'782	36'268'478	47'476'769
Zambia	1'416'145	2'529'270	4'125'073	8'140'315	9'172'710	10'336'040
Cameroon	852'733	1'625'722	3'105'203	6'128'426	6'905'664	7'781'475
Togo	514'702	735'363	1'030'079	2'032'973	2'290'804	2'581'336
Ghana	405'135	1'406'508	2'965'026	5'850'818	6'592'848	7'428'986
Nigeria	0	0	0	1'069'214	3'355'652	10'531'474
Namibia	101'572	281'988	734'554	1'449'478	1'633'308	1'840'452
All else	179'053	507'261	2'869'484	5'647'558	6'317'491	6'977'006
Expenses	-3'278'117	-6'088'813	-10'709'525	-18'346'740	-21'946'534	-28'727'981
Costs of Sales	-1'573'825	-3'302'308	-6'961'066	-14'095'246	-16'860'736	-22'070'484
Personnel Expenses	-1'042'804	-1'603'644	-1'908'854	-2'180'456	-2'608'344	-3'414'418
General Expenses	-661'488	-1'182'861	-1'839'604	-2'071'038	-2'477'454	-3'243'078
EBITDA	191'222	997'300	4'119'894	11'972'042	14'321'943	18'748'788
Depreciation & Financing	-437'440	-507'172	-539'728	-604'390	-677'161	-814'250
thereof Interest for C4C **	-12,382	-49,528	-40,916	-31,700	-21,840	-11,289
Taxes	0	0	-399'325	-1'265'168	-1'513'500	-1'981'318
Net Profit	-246'218	490'128	3'180'841	10'102'483	12'131'282	15'953'220
Opening Balance	711'258	2'884'239	1'872'070	1'584'497	2'296'886	3'429'153
Operating Cashflow	-992'082	-649'144	424'780	3'695'315	4'597'126	5'579'649
Investing Cashflow	-160'000	-33'000	-39'000	-126'825	-142'910	-161'034
Financing Cashflow	3'325'064	-330'025	-673'353	-2'678'050	-3'321'950	-237'800
thereof C4C *	707,547	-123,036	-131,648	-140,864	-150,724	-161,275
Closing Balance	2'884'239	1'872'070	1'584'497	2'296'886	3'429'153	8'609'968

Financial Overview:

- Represents values for each calendar year by country
- Aligning with the fiscal year

Business Model Core:

- Pre-financing of solar systems and related products
- Units paid by customers over up to 36 months
- High financing requirement inherent to the model

Creditworthiness Assurance:

- Rigorous evaluation of customer credit profiles
- Financing limited to customers with a high likelihood of repayment
- Historical default rate: approximately 1.6%.
- Commitment to maintaining low default rates for financial health

Forecasting Note:

- Financial forecasts and assumptions based on current expectations
- Past data is not indicative of future outcomes
- Considerations include projections of future market conditions
- Forecasts are our best estimates and inherently uncertain

* Assuming an instalment loan of EUR 750,000, fully invested on the 01/01/2024 by the crowd, converted to CHF 707,547. Repayments on 31/03, starting in 2025.
** Assuming an interest of 7% p.a. (early bird bonus). Payments on 31/03 of each year.



Testimonials

Over 100,000 people already feel the impact that our solar solutions bring



Mpower's off-grid systems allow clients to overcome the load shedding challenges and problems that come with on grid connections. Mr Mbock and his family from a small village in Pouma now have a cost effective alternative to their energy and lighting needs due to Mpower's installations.

Over 100,000 people already feel the impact that our solar solutions bring

Health care powered by MPower. 9 health care center in Kara had 13 750Wh generators installed which helped to power various amenities including lighting and cooling. These have greatly benefited the community as street lights were also electrified due to the installation.



Over 100,000 people already feel the impact that our solar solutions bring



Bringing sustainable choices closer to the community members of Apam, Busua and Kotoso. The project established a communal hub, offering phone charging and solar powered TV entertainment for the community's benefit.

CONTACT US



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