

Markets in Transition

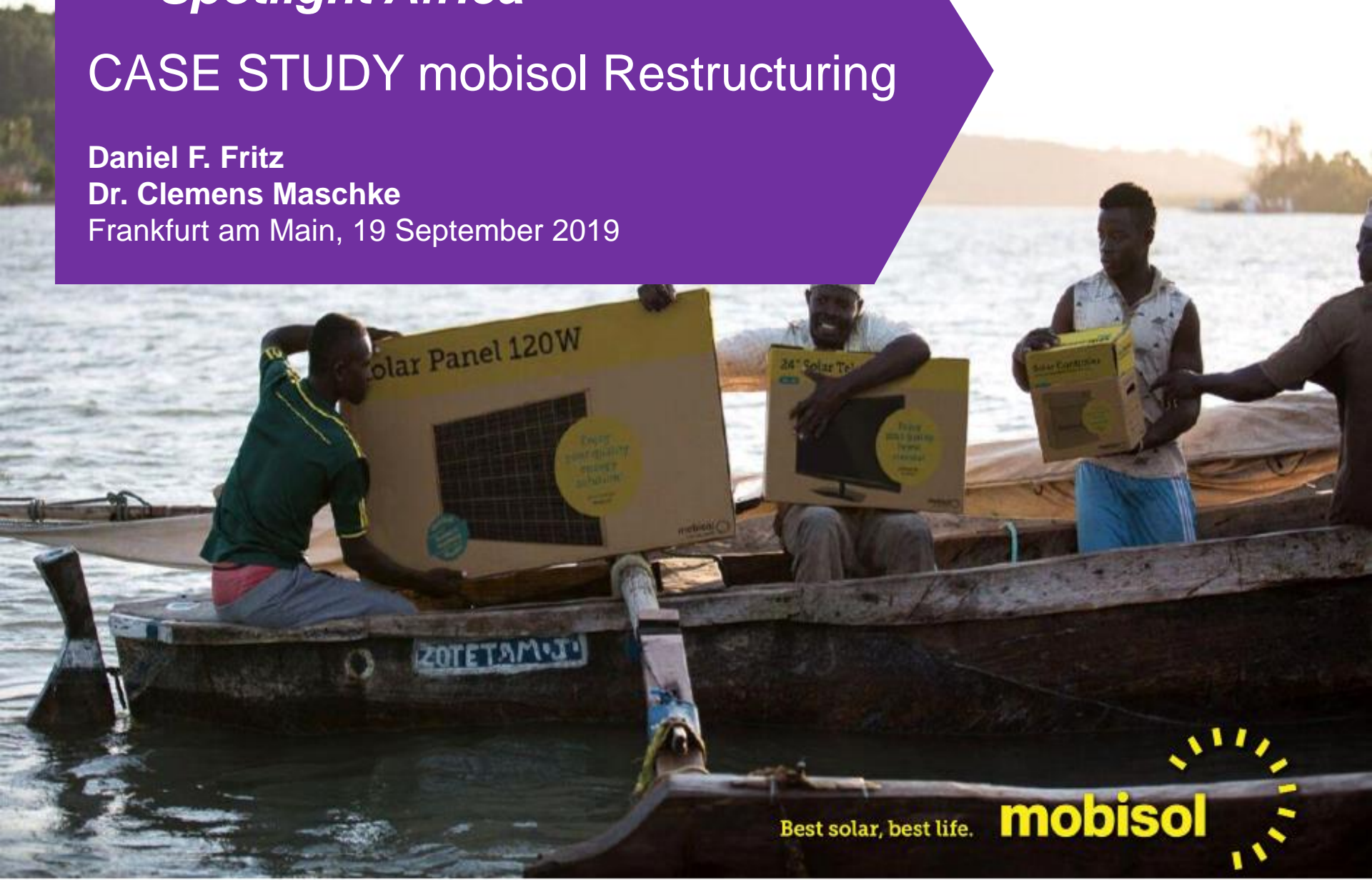
- *Spotlight Africa*

CASE STUDY mobisol Restructuring

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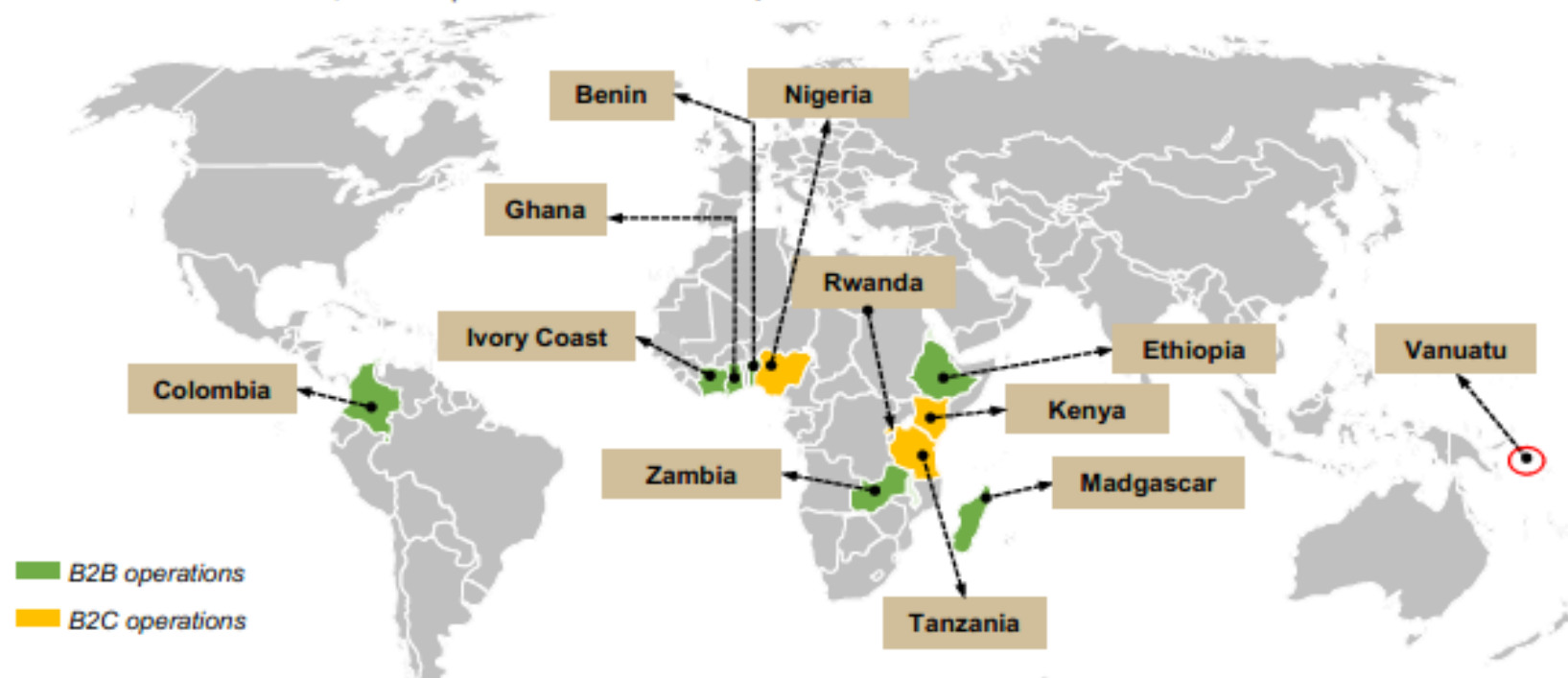
Best solar, best life.

mobisol

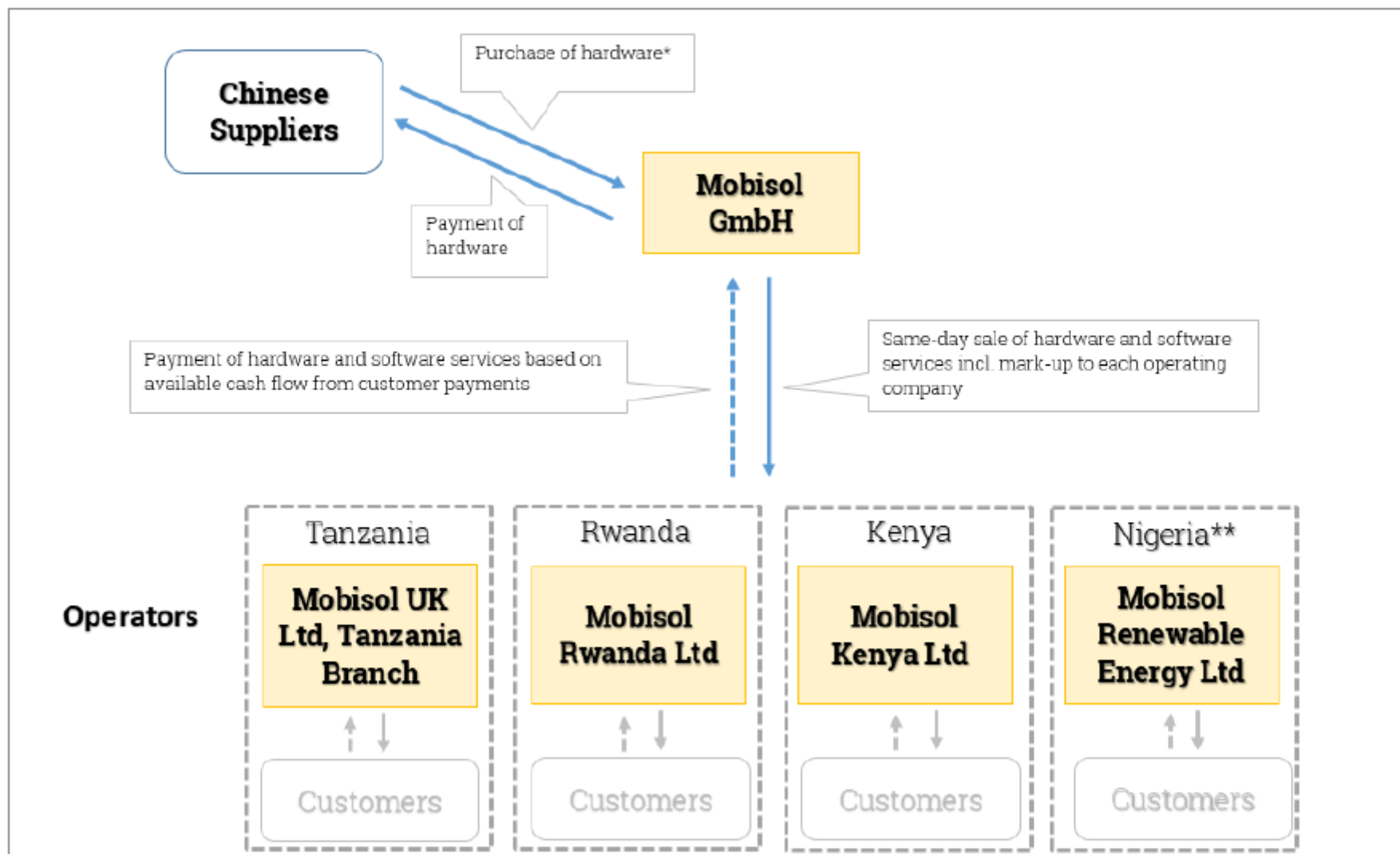


3. Company Profile

- ✓ Mobisol, a leading provider of decentralized solar electrification, offers a clean and affordable alternative to fossil fuels for lower-income households and small businesses in Africa. Combining solar energy with mobile payment technology, Mobisol designs, procures, distributes and services large solar home systems
- ✓ Until March 2019, total impact of more than **500,000 total beneficiaries reached**



Business Model (1/2)



Business Model (2/2)

INSTALLATION

- Solar Home System is installed by locally trained technician in less than one hour
- Transportation of system generally organized by customer (alternatively by Mobisol)
- Mobisol technician installs system, reports on system location
- Customer informed on correct use of system



PAYMENT

- Mobisol controller tracks usage and payment remotely
- Monthly payment via mobile money payments
- Frequent reminders of current payment status
- Systems shuts off in case of payment default
- When repossessed, system is refurbished for resale

MAINTENANCE

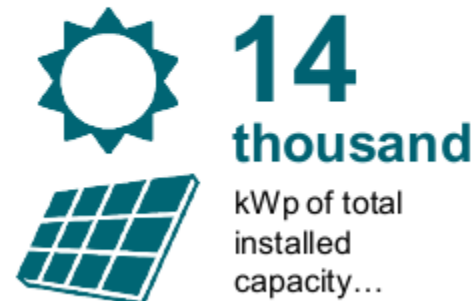
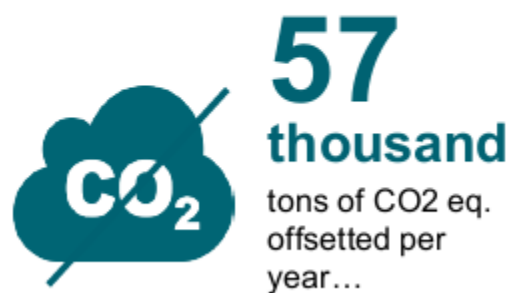
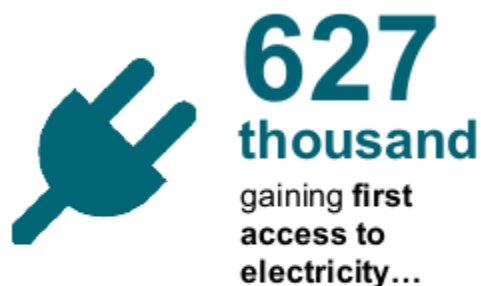
- Delivered within 48 hours
- Technical issues create alerts in central database
- Maintenance case first handled remotely, if insufficient, in-house trained technician is sent out

AFTER-SALES SERVICE

- Up to 48 months credit period, warranty over whole contract duration
- Cross-selling of appliances
- Free customer service hotline, free maintenance



Total Impact until end of March 2019



Doing Business in Africa

Being Prepared

Preparing for doing business in Africa

- Future risk mitigation
- Legal operations management in immature / unstable legal and economic environments
- Legal function effectiveness for immediate crisis situations
- Geographic / industry specifics
- Double benchmark studies, taxes, repatriation of profits etc.
- Deep pocket pitfall: often regards plant/land acquisition
- Anticipating an exit (and return) option from day one
- Easy and comfortable local law options: opportunities or traps?
- Market entry structures: local presence vs. agent/distributor mode

Key Take Aways

- ✓ Captured between growth opportunity and high risk investments
- ✓ Future risk mitigation
- ✓ Cultural fit

Doing Business in Africa

Typical Pitfalls

Need to Knows in Africa

- Local vs. international workforce
- Protectionism and domestic competition
- Localization (lack of local presence / local knowledge) / local production
- IP, counterfeits and consumer perspectives on international brands
- Owning land, share ownership
- FDI protection / local tender processes / local distribution structures
- Adapting international standards to specifics of new markets vs. resisting local standards
- Protecting foreign managers and board members of civil / criminal law liabilities
- Lack of legislation, Change of law / interpretation / standards / unpublished items of legislation and other norms: how to mitigate these risks?

Key Take Aways

- ✓ Being prepared for local nuances
- ✓ Finding the right structure
- ✓ Local partner's contributions as a key success factor for Africa strategies
- ✓ Local partner as accelerator for African business

Thank you!