

ThinkBiz Africa

A Project of Think Renewables Group, Inc.

Snap Sheet

Solar-Powered Small Business Centres Expanding Education and Jobs

Contact Information

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Industry

[Retail
Infrastructure]
[Products and
Services]

Development stage

[Startup]

Year founded

TRG in Can. -[2014]
TR in US: -[2010]

Number of

Employees [4]

Funding Opportunity

[\$500,000]

Use of Fund

20% Product
Development
45% Bus.
Development/

Marketing/Sales

25%

Operation/Inventory

0% Existing Debt

10% Legal/Other ...

Current Monthly

Burn Rate [\$4,000]

Current Monthly

Revenue [\$0]

Existing Debt [\$0]

Existing Investors

[100%/\$24,000]

THE GRAB

ThinkBiz Africa (ThinkBiz) provides solar-powered Small Business (SBiz) Centres for rural communities that generate sustainable revenues while simultaneously delivering resources for job creation and education, especially for girls.

PROBLEM/OPPORTUNITY

In most of rural Africa, there is a lack of infrastructure to facilitate education and job creation. For example, most villages there lack affordable electricity and internet services. As well, most schools in rural villages do not have entrepreneurship training or mentorship programs to facilitate job creation. ThinkBiz Africa intends to deploy revenue-generating infrastructure and related micro-commercial services, which will generate profits and support local e-school initiatives including unlimited free access to offline education eLibraries and the latest digital resources for entrepreneurs.

SOLUTION/PRODUCT

The SBiz Centre consists of four core components: 1) SOLARKIOSK; 2) Solar micro-grid; 3) Conferencing eStation; and 4) eLibrary. Optional add-on services can include clean water, video conferencing, movie theatre, WiFi, restaurant, and Kaymu Village (African FedEx Office). TRG's Conferencing eStation is designed to enable more reliable communications even when power and internet are intermittent.

POTENTIAL RETURN/REVENUE MODEL

ThinkBiz Africa estimates a market potential of roughly 100,000 SBiz Centres [1 center for about every 7,000 people in rural Africa).

The revenues generated will come from sales of products and services, including electrical power service, and typical convenience store products, including scratch cards for cell phone service. Each SBiz Centre generates profits and provides sustainable support for a local educational institution. ThinkBiz is targeting a 5% market share in 5 years, or 5,000 SBiz Centres, which is about a third of the expected Serviceable Obtainable Market (SOM). Gross profit margin is expected to be in the range of 20% and net profit margin is in the range of 5%.

Capital needed for expansion is planned through blended finance, which includes funding from impact investors, bank financing, and grants from sources such as the following:

- Africa Development Bank to "Light up and power Africa" Program (Approx. \$62 Billion)
- World Bank for education projects for adolescent girls (Approx. \$2.5 Billion)
- Green Climate Fund (Approx. \$100+ Billion by 2020)
- Impact investors and related funds (Approx. \$500+ Billion)

COMPETITION

No direct competition: Currently, we know of no one else combining solar micro-grid, retail store, communication system, and an education eLibrary in one centre. We expect to be "first to market" in the villages where we install our SBiz Centres, and we will work to build customer loyalty by providing quality products and services to the local community along with free educational resources for nearby schools.

The prices for our products and services provided by each SBiz Centre are normally lower than equivalent alternatives. This Centre leverages solar power to provide these products and services:

- Educational programs
- Banking services
- Consumer products including health care related
- Water & hydro (utilities)

- Community services
- Revenue growth through shopping centre model
- Facilitates local entrepreneurial eco-system

The leading micro-grid suppliers include: PowerHive, SteamaCo, and i4SD. This industry is growing quickly due to declining costs and increased funding available.

EXECUTION PLAN/GO TO MARKET STRATEGY

Initially, ThinkBiz plans to demonstrate its SBiz Centres in selected countries. In addition to exploring demonstration sites in the countries where SOLARKIOSK is currently active (Tanzania, Rwanda, Ghana, Ethiopia, Botswana, and Kenya), ThinkBiz is also in discussions with potential partners in Nigeria and Somalia about building demonstration SBiz Centres.

To implement as quickly as possible, ThinkBiz plans to enhance two existing SOLARKIOSK E-Hubb facilities so they each become full SBiz Centres within six months of ThinkBiz's initial round of financing. If additional funding is available, ThinkBiz will also install demonstration centers in Nigeria and Somalia.

Once the demonstration SBiz Centres are operational, ThinkBiz will seek blended finance to scale up its operations. This will include funding from impact investors, bank loans, and grants.

Business Partners and Suppliers:

- SOLARKIOSK – Solar-powered kiosk (E-Hubb)
- i4SD – Micro-grid partner provide electricity to local community
- RACHEL Offline – Education content provider

Planned Business Partners:

- Jumia – e-Commerce supplier (Kaymu Village)
- Country Specific Agents for Rwanda, Ghana, Tanzania, Ethiopia, Botswana & Kenya

FINANCIALS

Given below is a summary of key financial information:

- Available cash is US \$25,000
- Current burn rate is US \$4,000 per month
- Required investment: US \$500,000
- Expected burn rate after investment: US \$33,000 per month
- Funds to be used over the next 15 months as follows:
 - Refine planned operational scenarios and complete agreements with partners
 - Hire key staff and build team including excited volunteers and core suppliers
 - Build two demonstration projects
 - Develop partnerships with at least 3 governmental partners
 - Develop relationships with at least 3 granting agencies
 - Prepare proposals to investors and granting agencies
 - Complete detailed business plan for next financing round
 - For working capital and salaries over the next 15 months (~\$280K)
- Limited Revenues in 1st year; Revenues in 2nd year: US \$140K; Revenues in 3rd year: US \$1.1m

THE TEAM/RELEVANT EXPERIENCE

- Paul Stevers, President and Chief Technology Officer. Over 30 years' experience in developing technology and was awarded several patents. Part of a team that raised over USD 10M with over 5 years of experience operating in developing countries.
- Roger Eshleman, President of Think Renewables, Inc. Began his career by working for five years in Africa where he led the implementation of a series of Appropriate Technology projects. Now has over 30 years of experience in management and equipment design.
- Dr. Leif Rosenberger, Director of Education, Economics & Security Strategy. Was Professor of Economics and held Gen. MacArthur Academic Chair of Research at U.S. Army War College. Worked as Chief Economist at U.S. Central Command (CENTCOM) & U.S. Pacific Command (PACOM) for 2 decades.
- Michelle Moore, Director of Finance, Think Renewables Group. Has over fifteen years of operational, accounting, and administrative experience.
- Required Staff: Director of Business Development