



zuwa

IMPACT

R e p o r t

2020



Table Of Contents

1. Introduction - CEO.....	4
2. An Overview of Our Impact.....	5
3. Benefits of Solar adoption.....	8
4. Expanding Customer Reach.....	16
5. Customer Feedback.....	22
6. Staff Spotlight.....	23
7. Repair and E-Waste.....	25



TIME
TO
SHINE
A COMMUNITY SERVICE PROJECT
OF THE
UNITED STATES OF AMERICA
DEPARTMENT OF HEALTH AND HUMAN SERVICES
NATIONAL INSTITUTES OF HEALTH
NATIONAL CENTER FOR CHILDREN, ADOLESCENTS AND FAMILY SERVICES
NATIONAL CENTER FOR EARLY CHILDHOOD DEVELOPMENT

Introduction

It gives me great pleasure and honor to be introducing Zuwa Energy's 2020 Impact Report; our first since it was founded in 2016.

As we think about 2020, we cannot help but reflect on the unprecedented impact of the Covid 19 pandemic. Zuwa has been resilient in the face of not on these global health and economic challenges. I give credit to our staff, customers and partners who have continued to support us and my leadership team who have been steadfast and dedicated. 2020 was our best year by far in terms of sales, doubling our revenue despite various challenges most of them as a result of Covid 19. Thank you very much.

The future is exciting. Although we still anticipate Covid-19 related challenges across 2021, I am very optimistic about our growth prospects, even if a bit slower than originally anticipated. As we start the new decade of the twenties, Zuwa will adopt an ambitious plan to grow and expand through horizontal diversification.

I am also pleased to communicate that as a truly social and environmental conscious Malawian company, Zuwa is taking a serious step towards e-waste management. Realizing that our operations are contributing to the accumulation of waste, and although this is not a big problem right now, we are already thinking ahead. We see this as an opportunity and such in the next 2 years, Zuwa will actively commit to investment and research into facilitating repair and managing our e-waste responsibly.

I remain confident in our ability to continue to grow in our existing markets by focusing on the core of the Zuwa values of excellent customer service, innovation, and sustainability.

Jones Ntaukira
Chief Executive Officer



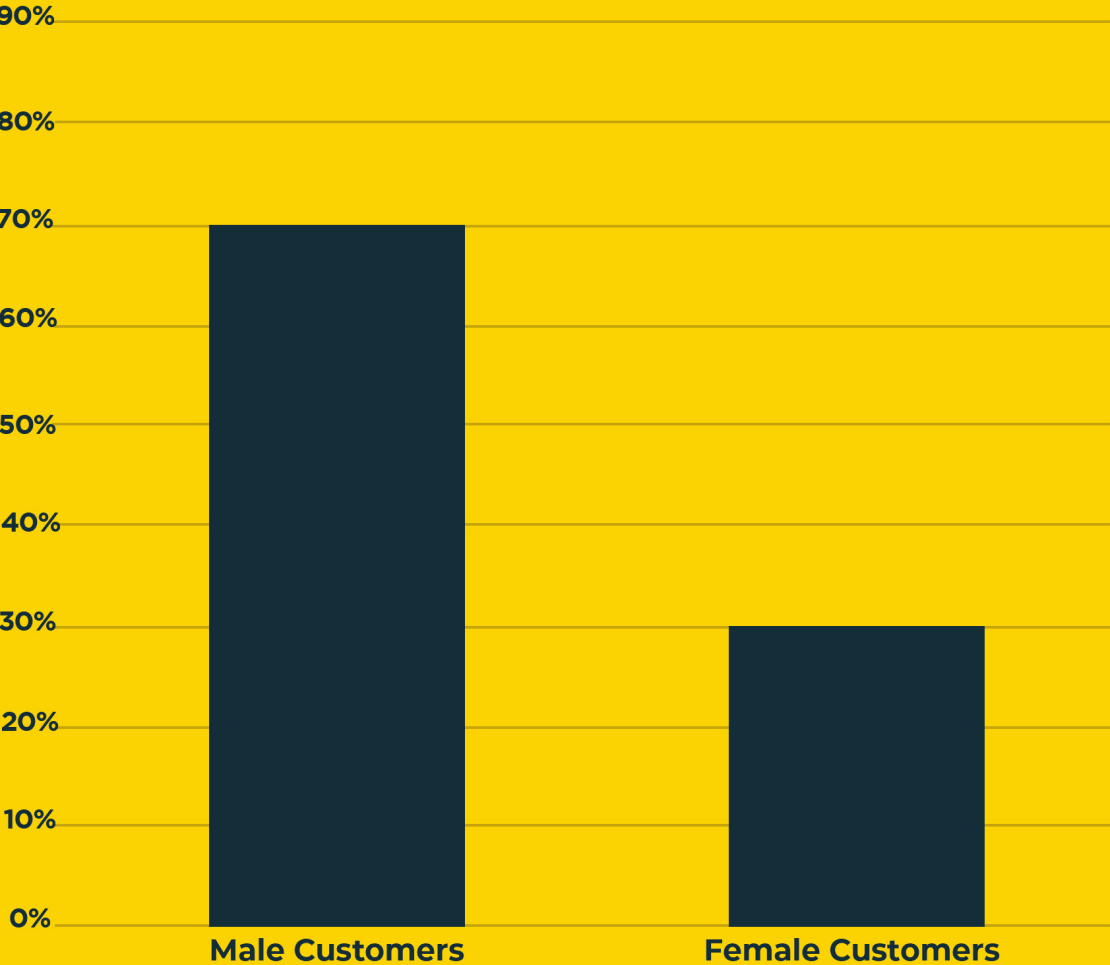
An Overview of Our Impact

Zuwa Energy has focused its attention on the last-mile distribution of pay-as-you-go solar household systems (SHS) to provide affordable, clean and reliable solar home systems to meet people's everyday energy needs. This includes the use of our systems for both household and business purposes

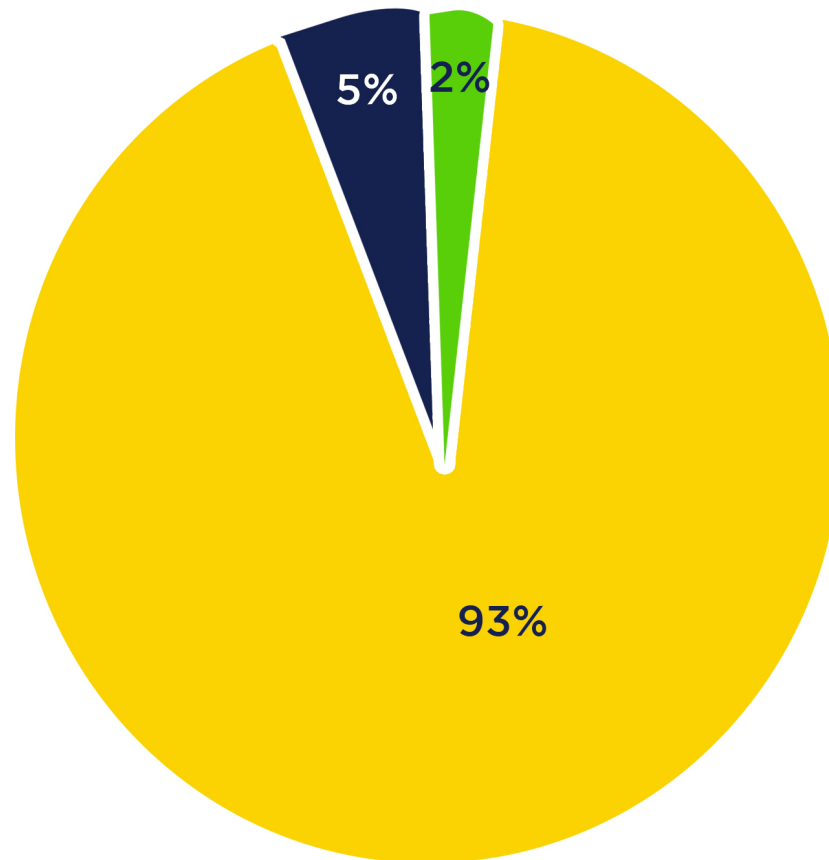


In 2020, Zuwa Energy managed to provide solar home systems to a number of houses and majority being in the rural areas. Out of the household served, 70% of the customers are male and 30% are female.

CUSTOMER GENDER



Where our customers are using their Solar Home Systems



■ Home ■ Business ■ Home and Business

Benefits of Solar Adoption



Powerful and efficient lighting that enables businesses to operate for longer hours.



Cheaper than the cost of buying battery torches and kerosene lamps for the same period.

Children are able to study at night, and women are able to extend their productive day and focus on other activities e.g. income generation.



Mr. Mulinganiza, a happy Zuwa cutsomer.



Zuwa agent explaining a Zuwa solar home system to a customer.

Mr Kamadyola's Success Story

Mr Kamadyola lived in South Africa for years searching for a greener pasture. He came back to Malawi 2019 because of xenophobia he experienced there. With the savings that he had accumulated, he thought of investing in a business that would bring him daily cash.

One day, Village Headman Nsokoneza, who is also a Zuwa Energy agent called for a community meeting to sensitize his community about the Zuwa solar home systems. Seeing that the area he lives in (Zankutu) does not have electricity and a lot of men walk long distances to find a place where they can watch live local and international football matches, Mr Kamadyola decided to invest in a 'Video Show Room' business. He purchased a Macheza Plus solar home system which comes with a 24" LED TV and a Bluetooth speaker.



“I have never regretted the decision of investing in a Zuwa solar home system for business. I am now able to take care of my family and earning enough profits to invest in more businesses.”

- Mr Kamadyola.

Mr Kamadyola has never regretted the decision of using the Zuwa solar home system for business. He easily pays his monthly instalments and at the same time generates more income to take care of his family. From the profits, he has been able to improve his place of business by buying more chairs to accommodate more people and other necessary equipment to support the system. He is also building a bigger house for his family. He is even thinking of purchasing more solar systems for his other relatives.





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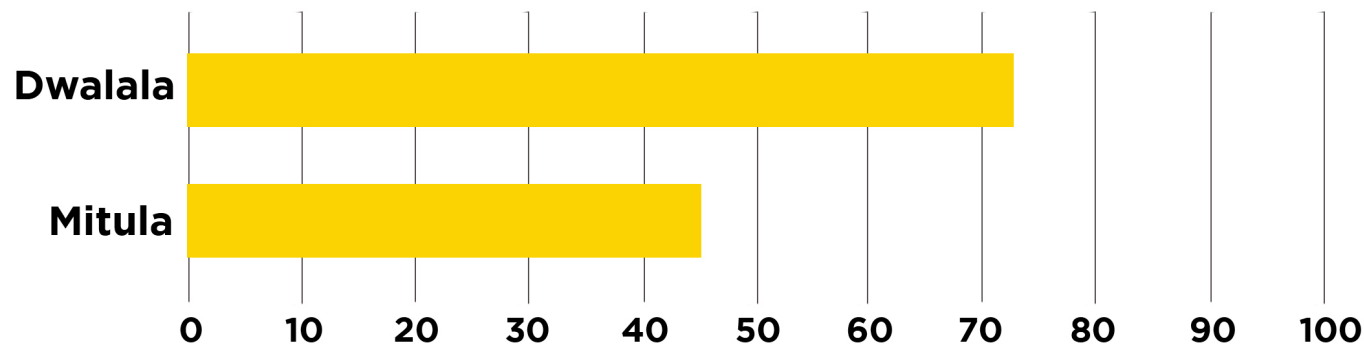
A
TASTE
OF COMMUNITY
CELEBRATION

Lighting Dwalala and Mitula Primary Schools

Dwalala and Mitula are primary schools in Kasungu which are not connected to the electricity grid. At night, students had difficulty studying and therefore resorted to using kerosene lanterns and open-flame candles which are expensive and the smoke from these light sources is hazardous to their health.

In partnership with our sister organisation Empower Malawi (a registered charity), we installed solar systems at these two primary schools. This was financed by a U.S. based charity, In-A-Perfect World. Teachers, students and the community were delighted to see electricity at their schools and immediately both schools introduced night classes to allow students sitting for national examinations to prepare well.

Average number of night class attendees



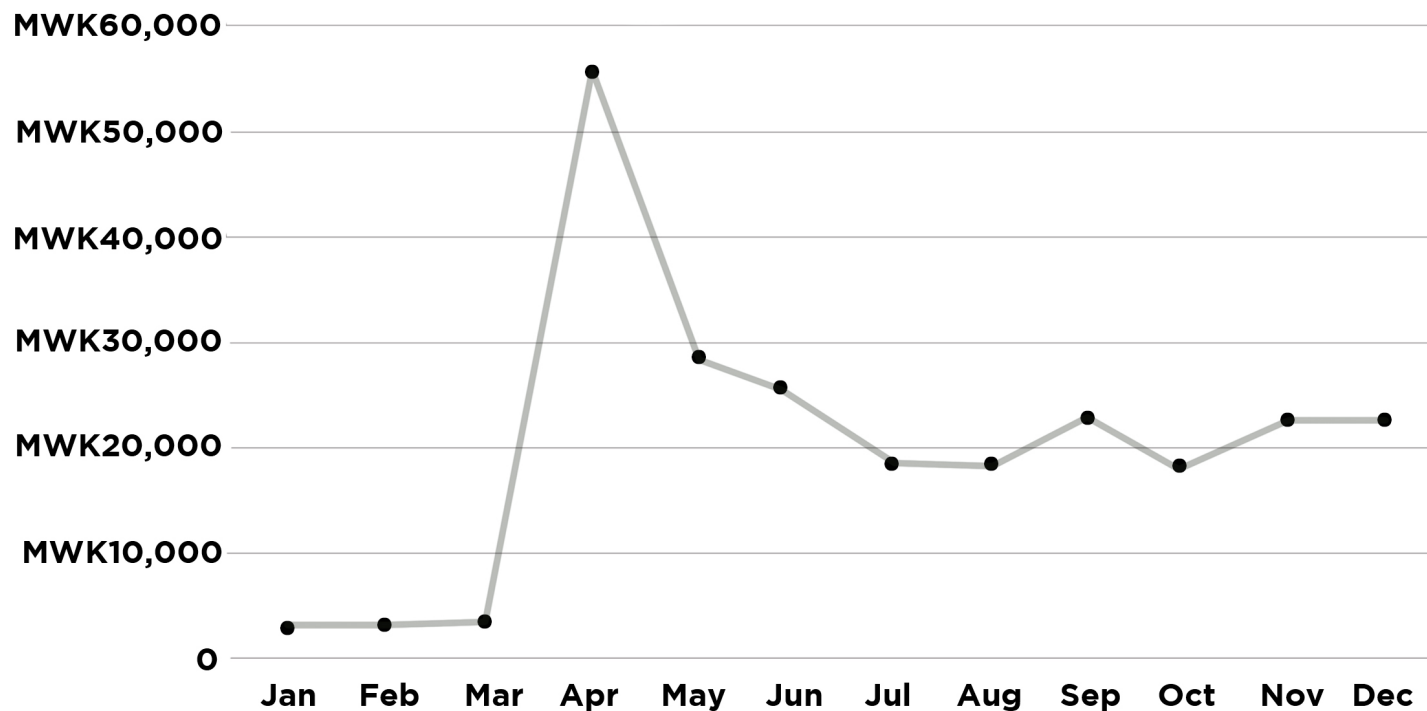


Empower Malawi's Project Manager, Bright Msuku, handing over a Zuwa solar home system to the head teacher of Dwalala primary school.

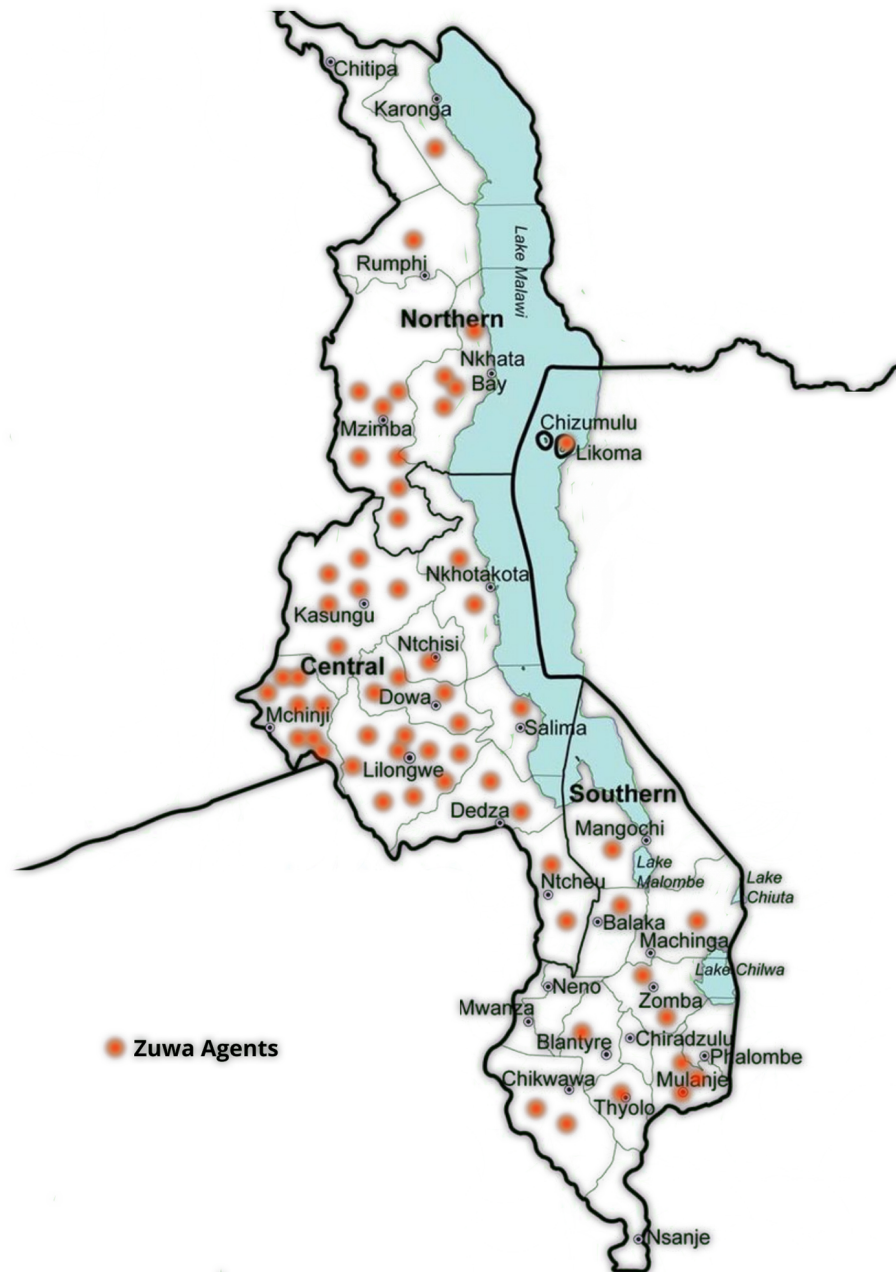
Expanding Customer Reach

Due to significant demand for Zuwa Solar Home Systems, Zuwa embarked on an agent recruitment drive. Zuwa has 70+ active Sales Agents spread all over Malawi. 67 of the agents are male while 13 are female.

Agent Median Commission



Map showing distribution of Zuwa agents in Malawi





Mchinji agents with their territory officer.



Southern region agents posing after training.



Central region agents after training.

Meet Everlister Chiwoko, a woman who does not shy away from doing installations.

“Being a woman, I decided not to limit myself from anything that is needed of me to complete a sale. I thought, by not providing installation service to my hard-earned customers, someone else will earn money while I watch. Being an Agent and an Installer has helped me to gain self-confidence. I am now able to contribute to my family by buying groceries and paying school fees for my child”.

Everlister Chiwoko
Zuwa Sales Agent and Solar Installer



Meet July Chitsulo, a man who saw an opportunity after purchasing a Zuwa SHS for his shop

“After installing a Zuwa SHS on my shop, a lot of people were asking and showing interest to buy one. I saw an opportunity to gain more from the system by becoming an agent and getting more profit”.

July Chitsulo
Zuwa Sales Agent and Solar Installer



What Our Customers Are Saying

Every quarter Zuwa Energy conducts a lean data survey to get feedback from our customers on what led to the customers buying the system, the functionality of the product and how they are benefiting from the product. Every quarter, several customers are selected for the survey.

In 2020, 144 customers were given the survey and below are the results:

- 80% of the customers are using the Zuwa solar home systems as the main source of lighting. 29 % use the SHS to light up their businesses e.g. grocery shops.
- 30% are using SHS to work an extra hour on chores and other related activities.
- 12% use the SHS for income-generating activities e.g. video showrooms, phone charging etc.



Staff Spotlight

Zuwa Energy is contributing to the job creation agenda. As at 31st December, Zuwa had 22 full time staff, 4 female and 14 male. Zuwa Energy believes in providing a positive working environment that promotes employee safety, growth and goal attainment.

“Zuwa has been a workplace and more. I get inspired through various words of encouragement, training programs and experiences from my environment. Given multiple tasks, I have learnt how to work better under pressure and have also significantly improved in teamwork and communication skills. I have received invaluable training in exceptional customer service which came in handy as I was kick-starting my career. Presently, a simple greeting with some clients makes their day and mine as we grow the customer relationship”

**- Rebekah Sauti-Phiri -
(Payments and Collections lead)**

In 2021, Zuwa Energy hopes to establish an Employee Share Ownership Program in order to create more opportunities for employees to inform the company’s direction, and share in its success.



Repair and E-waste

Zuwa Energy adopts the principles of permaculture one of which is **EARTH CARE**. We believe that while doing our business, we must respect our environment and nurture natural systems.

Zuwa Energy offers a 2-year warranty for the solar home system. Since January 2020, we have successfully repaired 115 faulty systems (100% of all faults reported).



A photograph of a man from behind, wearing a blue long-sleeved shirt. The shirt features a yellow graphic of a lightbulb with rays emanating from it, and the words 'ZUWA ENERGY' printed in large, light-colored letters below the graphic. The background is slightly blurred, showing what appears to be a window with a grid pattern.

Zuwa Energy is aware that our business creates e-waste from old and broken components of our products. To make sure that our solar e-waste is being managed, Zuwa Energy introduced a buy back policy in 2020.

What is Zuwa's Buy-Back Policy



1. Through our buyback policy, Zuwa Energy offers to buy back all used, damaged and expired products sold by us to our customers. Customers are informed when buying a new product of the 'buy-back policy'. Under the buyback policy, a customer is required to bring back the damaged, expired or used product to qualify for a discount of purchasing a replacement.

2. A sticker label with the words 'Return the product when its damaged or when its past its lifespan to qualify for the discounted purchase of the replacement' is pasted on the battery hub as a reminder to the customer.

3. Zuwa Energy will accumulate all returned e-waste for reusing, recycling and proper disposal

4. Automated SMS reminders about the buy-back program as customer's complete payment for their system

**DZIWANI ZA NDONDOMEKO YOGULITSA
KATUNDU WANU WA SOLA OWONONGEKA**



zuwa

LEARN ABOUT OUR BUY-BACK POLICY

Pofuna kusamala ndi kuteteza za chilengedwe mukudziwitsidwa kuti kampani yanu ya Zuwa Energy imagula zipangizo zanu za sola zikasiya kugwira ntchito posinthitsa ndi zina zanyuwani pamtengo wotsika.

Mukuyenera kusunga bwino katundu monga Battery, Panel, Bulbs, Radio, Television zomwe zaonongeka kuti muthe kugulitsa kapena kusinthitsa

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Zuwa Energy (Pty) Limited, P.O. Box 328, Lilongwe, Malawi www.zuwaenergymw.com



zuwa

Better and reliable
solar electricity

We would like to express our deep gratitude towards our valued stakeholders. We acknowledge that overcoming the challenges of the past year past has involved considerable courage, ingenuity, and sacrifice. The combined efforts of our investors, suppliers, staff and agents have been so vital to navigating the challenges of the COVID-19 pandemic.

We anticipate the challenges asociated with the pandemic to continue across the years to come. However, we are confident that we have a strong team that can strategize and deliver our mission.

Team Zuwa.

