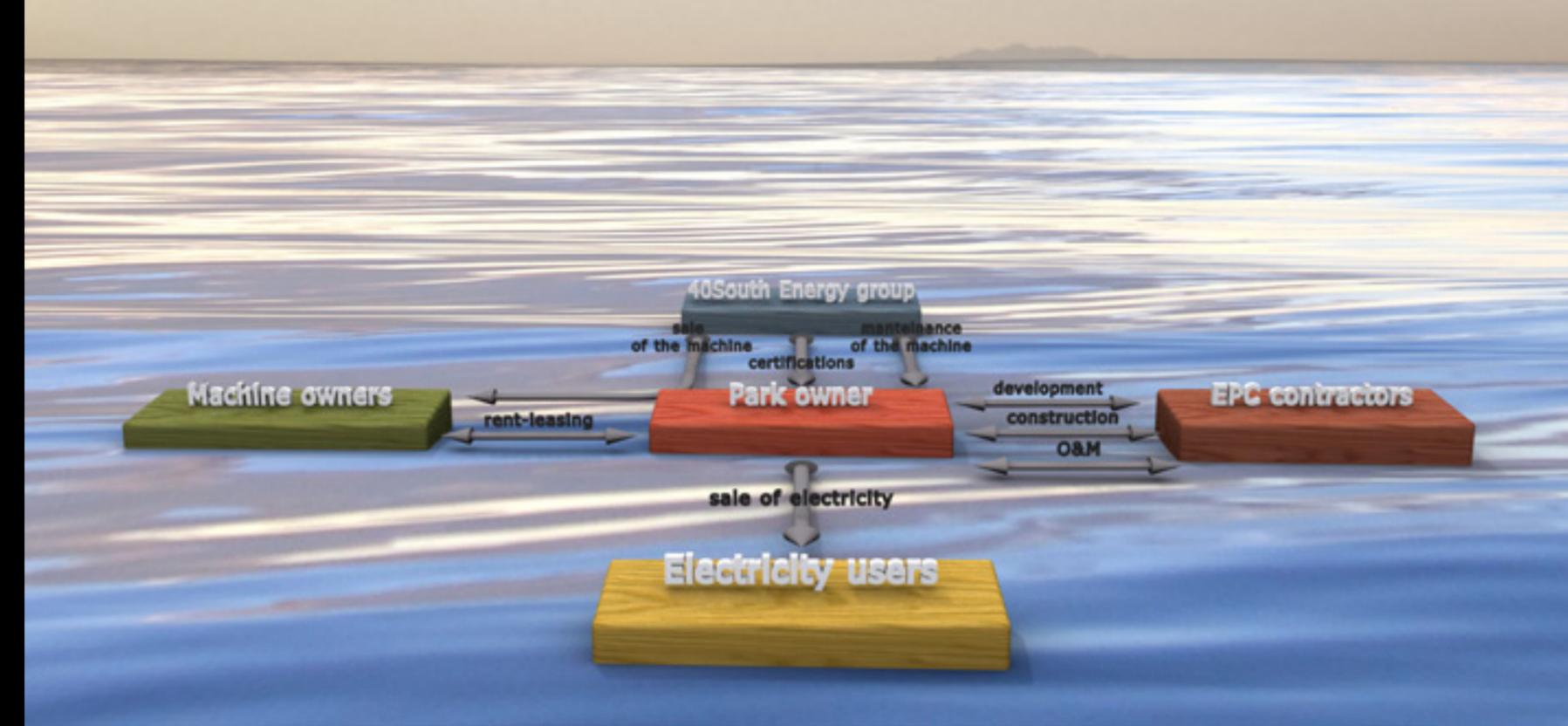


# 40 SOUTH ENERGY

WAVE ENERGY, RELOADED

SERIES 25 - WAVE ENERGY CONVERTERS



**What is the business proposition for Wave Energy park owners?**

They set up the Wave Park, through site selection, consenting, down to cable laying and commissioning. They obtain the use of wave machines in the Wave Park through leasing agreements or by paying a rent to the machine owners, and they can act as distributors for the machines installed in their Wave Parks. They then retain part of the proceeds from the sale of the electricity. They can obtain returns on investment in excess of 15% annually, depending on the site.

**How does the technology work?**

The Series 25 machines convert wave energy using the relative movement between their upper members and their lower member. Each module can produce up to 25KW with a capacity factor of between 25% and 75%.

**What about their environmental impact?**

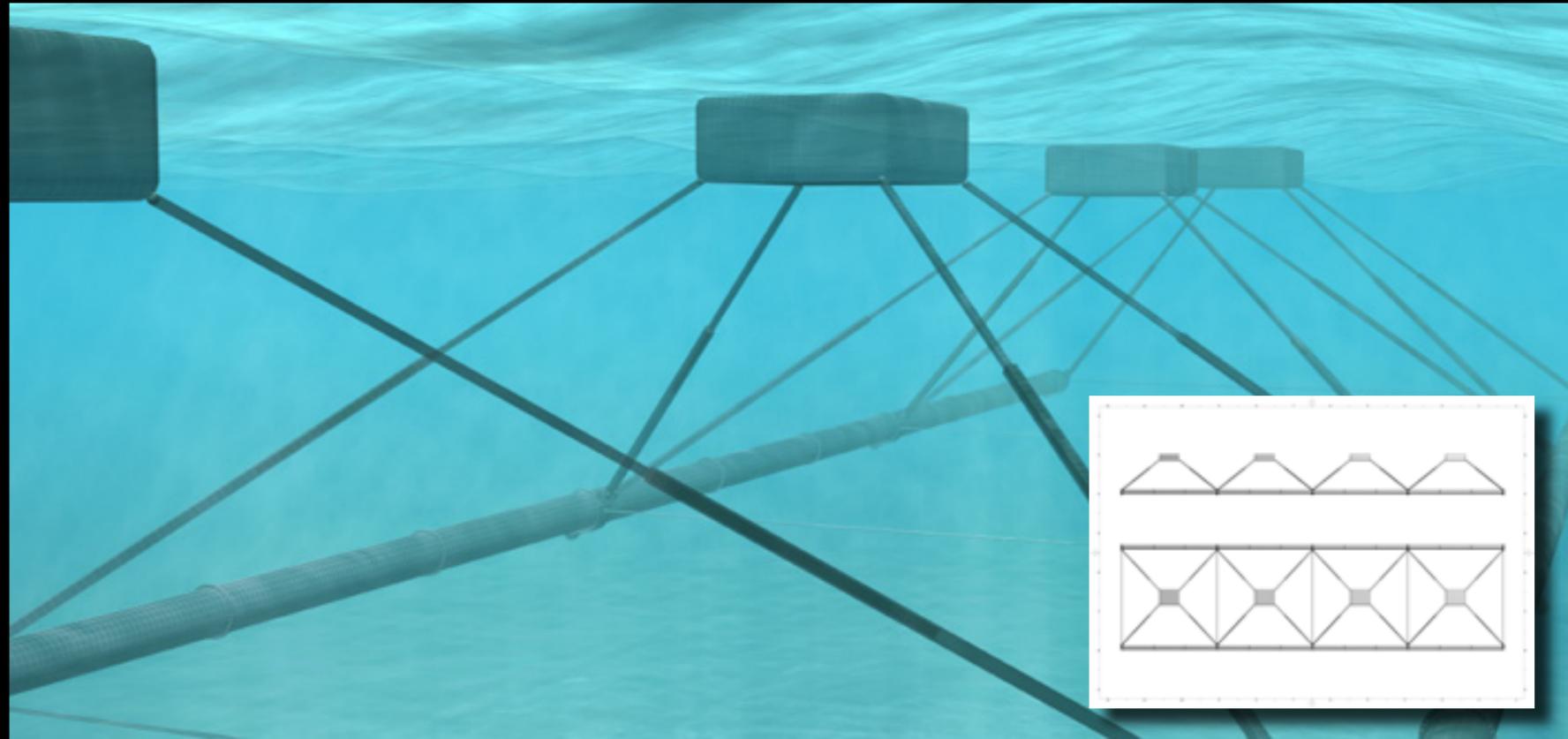
It is negligible: They are completely underwater, not visible from above the surface; they pose no threat to navigation and they attract marine life, acting as any artificial reef.

**How can they withstand the even the harshest conditions on the planet?**

They're below the sea surface and regulate autonomously their depth, so they are always exposed to nominal loads, never to exceptional ones.

**Are they easy to install and maintain?**

Yes. They can be installed and maintained by local personnel using no special purpose equipment. There is no need for scuba divers or ROVs. First level maintenance consists in swapping the TEP modules with refurbished ones shipped in by 40South Energy, and sending the replaced ones back to 40South Energy.



**Which is the business proposition for the buyers of Series 25 wave machines?**

They buy the machines from 40South Energy (or through a distributor, which is usually a Wave Park owner), then rent them to a Wave Park for a guaranteed return on investment. They are not involved in any site specific activities, as they only interact with the Wave Park owners.

**Are the sales contracts and conditions site specific?**

No, the contracts are the same across different Wave Parks and even across different jurisdictions. This allows for a much easier implementation of Project Finance.

**How much do the Series 25 machines cost?**

5€/watt.

**Who fabricates the Series 25 wave machines?**

40South Energy builds them and supplies spares and second level maintenance (refurbishment of the TEP modules). 40South Energy provides the guarantees on the machines.

**Who buys the electricity?**

It can be a private user as a resort, or an enterprise like a fish farming plant or a desalination plant. The electricity can also be sold on the grid, when available.

## CONTACTS

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