

Creative Power Solutions signs framework agreement with Absolicon to set up Production line in Egypt

Creative Power Solutions has signed a framework agreement with Absolicon for the installation of a production line for the T160 Solar collector in Egypt. Creative Power Solutions is a Swiss-based power generation technology company, serving the power generation segment. The total sales value covered by the agreement is estimated at € 4-5 million plus a monthly license fee of approximately € 30/sold collector and sales of components. The framework agreement prescribes the general principles for the separate agreements to be drawn up, and the steps to be taken before a binding agreement for the acquisition of the production line can be signed.

Absolicon has 2022-01-28 published a press release on the framework with Creative Power Solutions in Egypt. The following is an English summary of that press release.

Absolicon and Creative Power Solutions (CPS) have signed a framework agreement for the establishment of a production line in Egypt to provide the region with advanced solar collectors. Egypt has many areas with high solar radiation, concentrating around the coastal areas, making it advantageous location for the supply of solar energy technology.

CPS is a Swiss-based power generation technology company, serving the power generation segment. The company holds extensive experience in power plants designs and their key systems. Over the years, CPS developed multiple innovative products that increase fuel efficiency in these plants.

CPS via its sister company Advanced Technology Company, ATD, signed a long-term agreement with the Egyptian Ministry of Electricity and Renewables to improve the efficiency of a 600 MWe thermal power station in the Asyut province. The ATD/CPS team identified that if the Absolicon technology is applied in the 600 MWe power station, major improvements in fuel efficiency can be achieved.

Following this initial implementation, it is forecasted that a major market opportunity will develop to serve the 53,000 MWe power generation base in Egypt.

Expansion to include industrial segment

In addition to the energy efficiency in power generation, the companies will also work towards serving key industrial segments in Egypt.

The potential market in Egypt, for a production line producing Absolicon T160 Solar collectors supplying 10 % of the total potential solar thermal market for industries, amounts to 4,5 million sqm, equivalent to 800 000 solar collectors, reducing CO₂ emissions in the industrial sector in Egypt when replacing the use of fossil fuel as energy source in the industry.

The largest segments of Absolicon's solar collector technology in the region are:

- Water desalination
- Food processing
- Textiles
- Chemicals

Content of the framework agreement

The framework agreement describes the separate agreements to be drawn up in the process. Absolicon's proceeds from the sale can be grouped into three groups: acquisition of the line, license revenue and revenue from material sales.

The cooperation is still at an early stage proceeding with online training and business development strategy. Following this, a more detailed contract will be drawn up and future payment will be made step by step in the same way as in the previous sale of the production line to the province of Sichuan.

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Absolicon is a listed Swedish solar energy company, specializing in concentrated solar heating. The solar collector T160 operates up to 160°C and has the highest optical efficiency ever measured for a commercially available small parabolic trough. After achieving groundbreaking performance, Absolicon has built two robotized production lines, one in Sweden and one in China that can produce 50 MWp(th) annually, one 5.5 m² solar collector every six minutes. The company combines solar energy research with sales of solar collector fields to industries that need heat and steam and complete robotic production lines for T160.