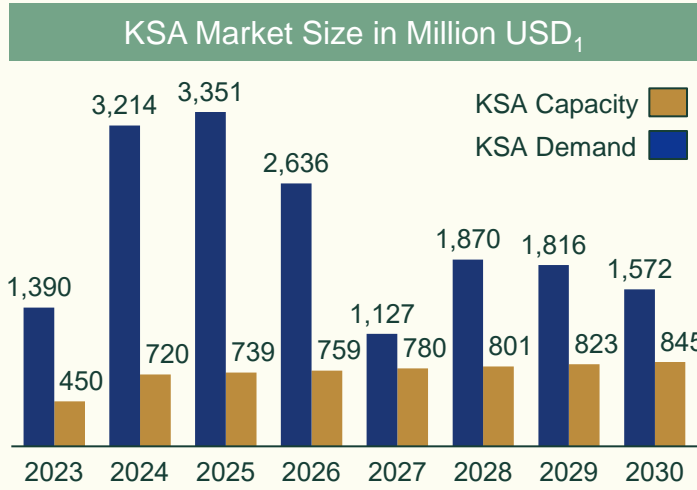


Mounting Structures and Trackers

Opportunity Description: To set up a mounting structures and trackers manufacturing facility to serve local & regional demand

Mounting Structure and Trackers – Opportunity Card (1/2)

Opportunity Description: To set up a mounting structures and trackers manufacturing facility to serve local & regional demand



Investment Highlights₂

- Typical expected Investment: **~\$10 Mn**
- Typical plant capacity: **~ 8 GW / year**
- Expected Project IRR: **~7.18%**
- Expected Equity IRR: **~7.01%**
- Payback period: **~18 years**
- Expected GDP Impact till 2030: **~\$404 Mn**

Major Assumption

Mounting Structure & Tracker Price	~ \$0.09/ Watt
Debt	70%
Interest rate	7%

Raw Materials and Components

- Steel structures
- Module rails
- Support columns
- Power Supply
- Torque tube
- Drive motor

Energy Sector Demand Drivers

- Upcoming renewable energy giga projects are the major energy sector demand driver for solar mounting structures and trackers like:
 - Al Henakiyah Solar Project
 - Jeddah Solar Project
 - NEOM Solar Project
 - Madinah Solar Project

Other Sectors Demand Drivers

- The demand drivers for solar mounting structures and tracker systems are solely influenced by the energy sector

Value Proposition

- The government in Saudi Arabia has implemented several policies and initiatives supporting the manufacturing sector, including tax incentives, grants, and financing programs
- The Kingdom has the capabilities and relevant industries that support the localization of mounting structure and tracker systems

Mounting Structure and Trackers – Opportunity Card (2/2)

Import Dependency

- In **2021, Saudi Arabia** imported **\$341M** in Structures and parts of structures, iron or steel, becoming the **33rd** largest importer of Structures and parts of structures, iron or steel, ne in the world₁
- Saudi Arabia imports Structures and parts of structures, iron or steel primarily from: **China (\$151M), United Arab Emirates (\$79.6M), India (\$19.3M), Germany (\$14.9M), and Spain (\$10.6M)**₁

Localization Potential

Baseline	Target	Contribution*
32%	75%	52%

Scalability

- The business can expand its geographic reach by targeting new markets in the middle east region
- The business can expand its offering and offer software solutions that enable efficient monitoring and management of solar trackers

Enablers and Incentives₂

No enablers are taken into consideration in the financial estimation for this opportunity, but the opportunity is subject to off the shelf's incentives like:

- **SIDF financing up to 75% of CAPEX**
- **HRDF covers monthly salaries of up to 3,000 SAR / employee for Saudi employees**
- **Tax credits for R&D for manufacturers**
- **Custom duty exemption for import of capital goods/machinery required for setup of facility**

Major Local and International Manufacturers

- Local Manufacturers: PV Hardware
- International Manufacturers: Array Technologies, STI Nordland, Soltec, Arctech Solar

Key Stakeholders



Value Chain

