

Industrial Investment Opportunities







Switchgears

Switchgears are an integrated assembly of circuit breaker, fuses and switches that protect, control and isolate electrical equipment

Investment case

- Develop 3 medium size facilities to manufacture LV/ MV switchgears
- Investment size = AED 24 Mn
- Plant capacity = 2,450 units per year
- Expected IRR = 16%
- Expected NPV = AED 16 Mn





Global trends & demand drivers

- Rapidly growing electrification need in remote areas coupled with increasing power generation will positively affect growth of switchgears market globally
- Increased deployment of smart grids globally will increase demand for switchgears
- Upgrading aging power infrastructure will drive growth globally
- Positive outlook for generating renewable power will fuel growth for switchgears
- The launch of new UAE renewable energy projects will require switchgears to go from generation, distribution, to transmission







Value chain analysis

R&D	Design & Component manufacturing	Product assembly	Testing & QA Installation & After sale & commissioning maintenance
Develop new Switchgear configurations with gas insulation to reduce physical footprint of the machine	Design of technical specifications (voltage, amperage, frequency etc.) and electrical circuit engineering Manufacture of components (e.g., surge arresters, fuses, automatic circuit breaker, etc.)	 Assembly of metal cabinet and components into Switchgear with the specifications requested by the customer 	 Test small wiring connections, ensuring that joints are insulated, earthing Switchgear, and final inspection Visual inspection check, mechanical check, first operational check, first operational check by slowly closing and opening the mechanism Performance monitoring Predictive maintenance operational check by slowly closing and opening the mechanism
	High localization in UAE	Mid localization in UAE	Limited localization in UAE

Value proposition

- Concentrated demand and potential offtake from ICV participating entities (e.g., TAQA, ADNOC, EGA, etc.)
- Backward integration into busbars and enclosures is possible given available raw material
- UAE ranked 16th globally in Ease of Doing Business (WB)
- UAE ranked #10 globally for world class infrastructure in (LPI)
- Strong logistics infrastructure UAE has busiest port in MENA
- High quality of life attractive for skilled talent
- 100% foreign business ownership and low VAT (5%)

Enablers

- Up to 80% project financing by Emirates Development Bank
- 2-year grace periods and low interest-rate loans for CAPEX, working capital, and supply chain financing
- Export credit and insurance via Etihad Credit Insurance and Abu Dhabi Exports
- Access to Free Trade Agreements with high-growth markets such as GCC, Arab countries, India, Israel, Indonesia, and others
- Customs exemptions for raw materials