



SolarCapital **CONNECTIONS**

Connecting Investors with Developers Worldwide

SCC PV Module OEM Offering 9-30-21



Agenda

- Introductions
- State of the PV Module Market
- SCC Module Offering
- Benefits of using our OEM
- Q&A



Presenters



Bob Fryer-CEO SCC



Joseph Seymen-CEO Lucid

Bob Fryer

- Been in the industry for 12 years.
- Various levels of development, financing and consulting.
- Founded SCC in 2013 to help bridge the gap between the development side and the investment community.
- Over time our team has filled a void where others have failed and we see another void in the current Module Market, the lack of inventory, deliverables and shipping.





Joseph Seymen

- Joseph has over 15 years in the solar industry and currently he is co-founder of Lucid Solar Inc. which is owned by Seul Holdings. Joseph is also a board member at Seul Holdings.
- Between 2008-2013, he lived in China and became COO for a Nasdaq listed Tier-1 Solar company. At 2013 he founded his own solar module factory and produce OEM for Tier-1 brands reaching \$100M+ yearly revenue. Joseph has vast experience in solar cell and solar module manufacturing.



About Lucid Solar Inc

LUCIDSOLAR

Lucid Solar is a global solar wholesaler with offices in USA, the Netherlands, India, Singapore and Turkey. Lucid Solar has license agreements with Tier-1 brands and experts in solar production with manufacturing locations in Cambodia, Vietnam, Thailand, Ukraine and Turkey. Lucid sold more than 2GW of solar modules worldwide.



State of the Module Market

- Market Trends
- Duties
- Logistics and Shipping
- Raw Materials
- Available Capacity for Projects



Market Trends

- Pre-Covid, demand was for 72 cells 370W or 144 cells 400W modules
- Post-Covid, 500W+ and 600W+ solar modules are preferred to decrease cost for BOS and labor
- 500W+ modules need 182mm solar cells
- 600W+ modules need 210mm solar cells
- Not all cell suppliers can produce those types
- Not easy (or fast) to upgrade existing production equipment



Customs Duties

- Section 201 will end in February 2022.
- According to rumors, it may be extended.
- If it won't be extended, demand from the U.S. market will be much higher.
- Everyone is now rushing to make procurement.
- Lucid has signed contracts for 2023 deliveries.

Logistics Crisis

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Markets

Container Rates to U.S. Top \$10,000 as Shipping Crunch Tightens

By **Brendan Murray**
July 15, 2021, 9:00 AM PDT

- ▶ 'I don't see it really getting better this year,' CEO says
- ▶ The queue of anchored ships off L.A.-Long Beach persists

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▶ 2:58

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Supply Lines is a daily newsletter that tracks trade and supply chains disrupted by the pandemic. [Sign up here.](#)

Container shipping rates from Asia to the U.S. and Europe increased to new record levels over the past week, ensuring transportation costs will stay elevated for companies heading into a peak season for rebuilding inventories.

The spot rate for a 40-foot container from Shanghai to Los Angeles increased to a record \$9,733, up 1% from the previous week and 236% higher than a year ago, according to the Drewry World Container Index published Thursday. The Shanghai-to-Rotterdam rate rose to \$12,954. The composite index, reflecting eight major trade routes, hit \$8,883, a 339% surge from a year ago.

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The shipping container shortage is getting worse

Paul Taylor / Getty Images



Container shipments of U.S. agricultural exports could slow even more in the coming months as maritime shipping companies favor the higher charges collected by shipping consumer goods from Asia to the U.S. Since the world economy began to reopen from the pandemic, maritime shipping companies have chosen to return empty shipping containers to Asia for quicker turn-around and higher paying loads of consumer goods back to the U.S.

On the eve of major West Coast specialty-crop harvests, sending products overseas is getting more expensive and taking twice as long.

Todd Fitchette | Jul 19, 2021

FREIGHTOS

Shipping & Freight Cost Increases, Freight Capacity, and Shipping Container Shortage [2021]

Last updated: July 15, 2021

Freight & Shipping Delays

With ongoing pandemic-related delays and closures, non-stop demand for ocean freight from Asia to the US, and a lack of capacity, ocean rates are still very elevated and transit times volatile.

While some major carriers are adding badly needed capacity, including on [Asia-Europe](#) lanes, some of these services will cater to premium shipments only. With virtually no spare ships to be found, these additions could come at the expense of capacity on other lanes.

Air cargo rates are stable as importers and exporters [seek alternatives to sea freight](#) – despite the expense and possible financial loss – as a way to guarantee inventory and build customer loyalty while their competitors may be sold out due to logistics delays.

Freight Market Explainer

With everything that's going on in freight today, Freightos.com **CMO Ethan Buchman** and **Head of Research Judah Levine** got together to summarize what's happening, why it's happening, and what importers and exporters can expect in the coming months.



Raw Materials

- Over the last several quarters, critical components for solar equipment – polysilicon, steel, aluminum, semiconductor chips, glass copper and other metals – have become increasingly supply-constrained.
- Increasing demand for solar, combined with pandemic-related macroeconomic realities (such as increased shipping costs, microchip availability, and a residential home renovation boom) have led to increased commodity prices and delivery delays.



U.S. Solar Figures

- In Q1 2021, the U.S. solar market installed just over 5 GWdc of solar capacity, a 46% increase over the first quarter of 2020 and the largest Q1 on record.
- With Q1 additions, cumulative solar capacity in the U.S. has officially surpassed 100 GWdc and is expected to pass 100 GWac next year.
- Commercial solar and community solar volumes declined from Q4 2020, as is typical for these market segments. Commercial solar increased 19% over Q1 2020 and community solar declined 15% from Q1 2020.



U.S. Solar Figures

- Utility-scale solar set a record for first-quarter installations at 3.6 GWdc.
- Texas made up the largest share of this capacity, with more than 1.4 GWdc of installations.
- A total of 6.2 GWdc of new utility-scale solar power purchase agreements were announced in Q1 2021, on par with Q1 2020. The total utility-scale contracted pipeline has grown to nearly 77 GWdc.

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SCC Module Offering





Global Manufacturing of Tier-1 Solar Panels

- Total production capacity is more than 3GW/year
- Tariff free solar panels from Ukraine and Cambodia
- Ukraine and Turkey factories are best for east coast projects. Less logistic costs, quick delivery to east coast (25 days) and higher production capacities
- 5 warehouses across USA for immediate delivery
 - Downey, CA
 - Norfolk, VA
 - Edison, NJ
 - Houston, TX
 - Streamwood, IL



Available Capacities

- 2022 : 1,845 MW
 - Q1 : 220MW
 - Q2 : 355 MW
 - Q3 : 510 MW
 - Q4 : 760 MW
- MOQ : 1 Container for monthly recurrent orders
- Net 30 or Net 60 available for orders less than \$500K, subject to customer's credibility





Benefits of the SCC Module Offering

- Concierge level of customer service.
 - Via SCC you will work directly with the manufacturer
 - SCC provides status reports on the manufacturing and shipping of your order.
- Customized product offerings built to meet your engineering requirements
 - E.g. custom bolt patterns for racking
- Multiple Factory Locations
 - High level of capacity
 - Redundant lines of production to account for closures, outbreaks, delays etc
 - Avoidance of Tariffs



Benefits of the SCC Module Offering

- Flexible Pricing Plans and Options to account for market fluctuations
 - Logistics costs
 - Raw materials costs
- Flexible shipping and delivery timelines (order now save later).
- Priority access to excess inventory.



Q&A



Thanks for Attending!

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