

CONTAINER GLASS

INVESTMENT OPPORTUNITY SCORECARD

MINING & METALS

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Opportunity Description: Opportunity to develop a 60 ktpa Container glass plant to supply the global market

INVESTMENT OVERVIEW

INVESTMENT HIGHLIGHTS

- Expected investment size of USD 60 Mn
- Plant capacity: 60 ktpa
- Container Glass is used for packaging of food, beverages, cosmetics (perfumes/colored cosmetics), and Pharmaceuticals (syrups).

FUTURE OPPORTUNITIES

- Integrate with a Float glass plant, at an additional investment of USD 220 Mn for a 180 ktpa plant, with a wider market and application base

VALUE PROPOSITION

- Pharmaceuticals market is crucial to the Kingdom's Vision 2030 with an aim to increase local manufacturing to 40% from the current level of ~20%
- Additionally, Saudi Vision 2030 also emphasizes on increasing self sufficiency thus driving the localization of the food and beverage ecosystem
- Presence of locally available raw material including silica and limestone; ongoing plans for soda ash production
- An investment profile can target food and beverage, and pharmaceutical application segments in export markets of MENA and Europe

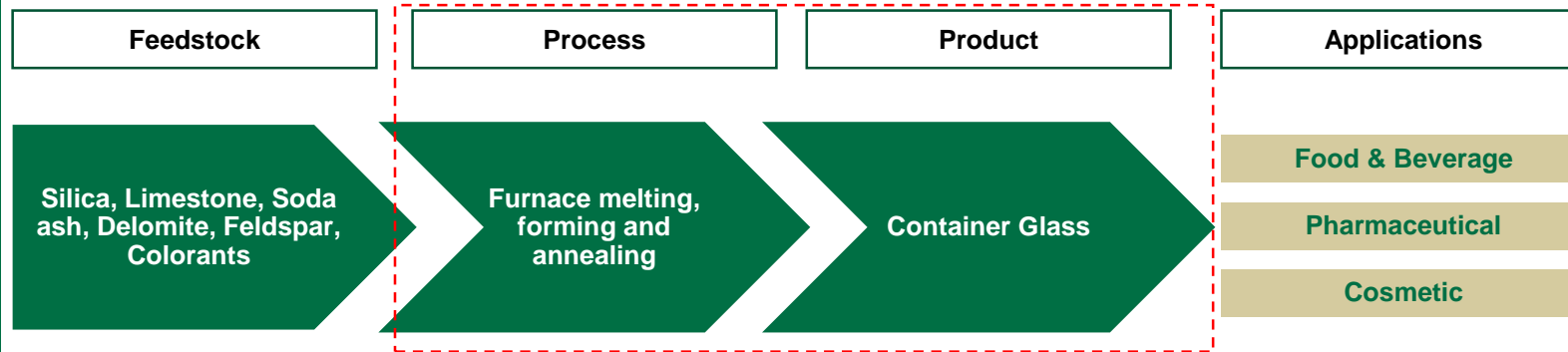
MARKET OVERVIEW

GLOBAL TREND

- The global glass containers market reached 18 mmtpa in 2020 and is expected to grow at a CAGR of 4.0% between 2020 and 2027
- 100% recyclability of glass packaging has increased its penetration across end sectors, especially in premium products
- Advancements with regards to lightweight glass containers, increased customization, new recycling colored ecology containers and "R" marked (Reuse) containers are driving demand

VALUE CHAIN ANALYSIS

Opportunity Focus



KEY DEMAND DRIVERS

- Market: Container glass demand in the KSA is about 450-500 ktpa, growing at 4% YoY until 2027 - F&B segment to hold dominant share and drive demand
- Flint and green bottles are preferred by the F&B industry. While flint bottles are consumed for both food and beverage packaging, green bottles are mainly used for beverages
- Pharmaceutical demand to grow as the country increasingly drives investment towards local manufacturing.
- GCC market to cross 900-950 ktpa by 2027

DEFINITIONS

#	SCORECARD SECTION	DEFINITIONS
1	Market size	Size of market in value/volume in KSA and/or Region (MENA/GCC) covering future projections based on available estimates from published /government sources
2	Business drivers	A select number of factors that will influence future demand for the related product/service
3	Investment highlights	An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size
4	Value proposition	Summary of key differentiators that position KSA as a strategic choice over other regional/global peers
5	Market readiness	An overview of KSA market structure, market maturity and level of participation by local and global players
6	Competitor analysis	List of the local & international players manufacturing the underlying product in Saudi Arabia and their market share
7	Global trends	Latest business developments within the sector/product category
8	Scalability and localization	Ease of scaling the business across the value chain or into new adjacent products or geographies that would maximize the opportunity's investment returns and the ability and potential to locally manufacture the product and its components
9	Import dependency	An overview of the countries from which Saudi Arabia is importing the product and their value/volume and share in total imports
10	Value chain analysis	The process or activities that would potentially need to be carried out to deliver the underlying product or service
11	Key stakeholders	Government institutions, organizations, and/or authorities that participate or influence the market for the underlying product/service
12	Enablers	Factors that enable investment in the underlying opportunity
13	Cost of doing business in KSA	Key factors that position KSA as a competitive destination for investment in the region. Productivity adjusted wages do not include cost of \$1.23/hour towards annual recurring charges including work permit, resident identity (iqama) and health insurance

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