

CONTROL VALVES

INVESTMENT OPPORTUNITY SCORECARD

INDUSTRIAL EQUIPMENT

AUGUST 2021

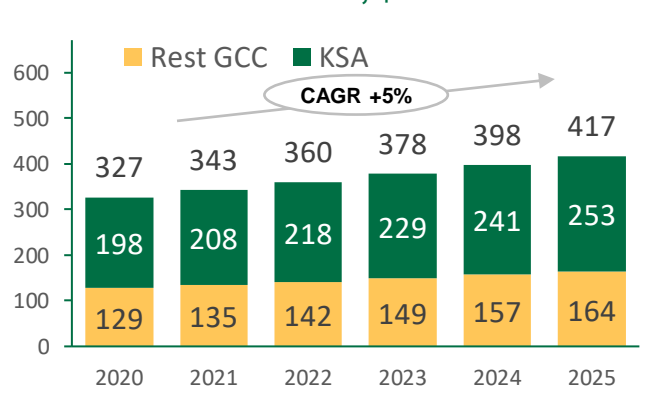


INDUSTRIAL EQUIPMENT CONTROL VALVES

OPPORTUNITY'S DESCRIPTION: Establish a manufacturing unit of Control Valves.

DEMAND

MARKET SIZE, \$ MM



INVESTMENT HIGHLIGHTS

- Establish a factory to manufacture: a. Control valves with focus on casting & forging activities. b. Positioners Types. c. Pneumatic. d. Hydraulic. b. Solenoid Valve.
- Small and Medium Enterprises can provide the following a. Filter Regulator. b. Volume tank (c. Volume booster.
- Establish technical support service center to serve requirements for Testing, Maintenance and Troubleshooting of Control Valves
- Establish a Control Valves design and R&D center to develop designs for KSA requirements.

INVESTMENT OVERVIEW

VALUE PROPOSITION

- Control Valves represents an attractive localization opportunity given the current supply gap and expected demand growth.
- Attractive cost base including low logistics, land, utilities, and labor costs.
- Currently, most of KSA demand of components for Control Valves is imported.
- Control Valves demand is driven by Oil and Gas Industry.
- Control Valves demand for GCC will support demand growth.

KEY DEMAND DRIVERS

- Control Valves demand in KSA has been growing and was estimated at 189 Millions in 2019.
- The demand for Control Valves in KSA is expected to reach around 253 Millions USD by 2025.
- Forecasted at 5% annual growth and estimated to reach 417 Millions USD for GCC by 2025.

MARKET OVERVIEW

COMPETITOR ANALYSIS



العالمية - INTERNATIONAL
للصناعات - MARITIME
البحرية - INDUSTRIES



*Non exhaustive list

GLOBAL TRENDS

- Major industries, such as oil and gas, and pharmaceuticals, are moving toward valve technology with embedded processors and networking capability to work alongside sophisticated monitoring technology coordinated through a central control station.
- The increase of renewable energy projects due to the rapidly growing number of solar thermal energy plants have increased the application areas of control valves.

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	Demand 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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