

# GOLD REFINERY

## INVESTMENT OPPORTUNITY SCORECARD

### MINING & METALS

**Opportunity Description:** Opportunity to develop a 30 TPA refinery to supply the regional and global market

### INVESTMENT OVERVIEW

#### INVESTMENT HIGHLIGHTS

- Expected investment size of USD 800 Mn
- Plant capacity: 30 tpa
- Gold is a valuable yellow metallic element that occurs naturally in pure form and is used especially in coins, jewelry, and electronics.

#### VALUE PROPOSITION

- Saudi Arabia imports Gold primarily from the United Arab Emirates (\$2.02B), South Africa (\$243M), Switzerland (\$122M), Egypt (\$36.2M), and Singapore (\$5M), a domestic supply would be optimal for the local market.
- The KSA possess abundant resources of precious and base metals, this includes 15 Mn ounces of gold.
- Gold prices are based on the interaction of different drivers including wealth and economic expansion, market risk and uncertainty, opportunity cost, and momentum and positioning.

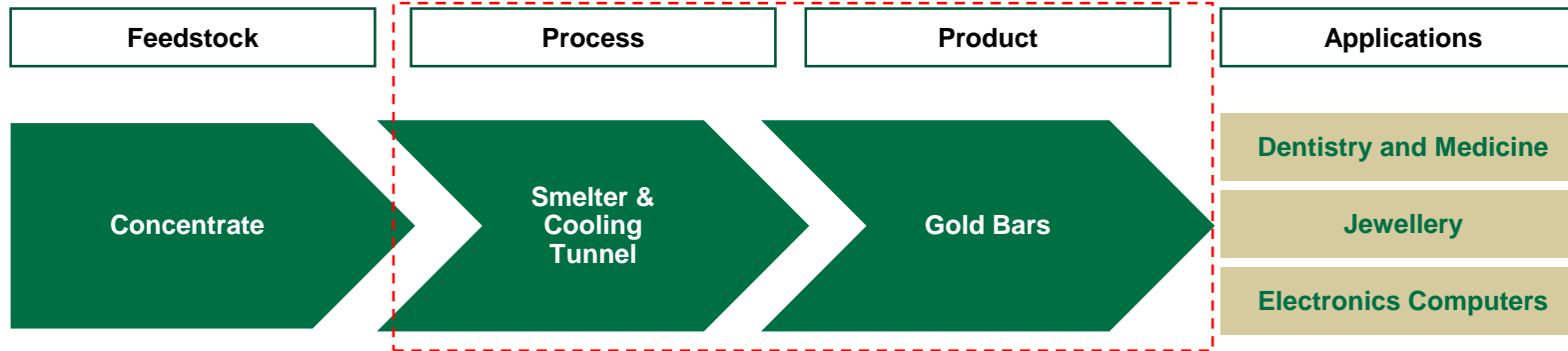
### MARKET OVERVIEW

#### GLOBAL TREND

- The global gold market is estimated at 3,200 MT in the year 2020 and is expected to witness a CAGR of 3.5% between 2020 and 2027.
- Gold is a mainstream asset driven by jewellery, investment, technology & central banks.
- The world's gold reserves are estimated at 50 KT of metal content. Over 78.5 KT of gold is estimated to be held by investors in vaults around the world.

#### VALUE CHAIN ANALYSIS

**Opportunity Focus**



#### KEY DEMAND DRIVERS

- In 2020, Gold demand in the KSA was 45 TPA, growing at 4.6% YoY
- From a long term perspective, the price of the yellow metal is expected to increase significantly with the current changes in the global reserve currencies and the usage of the product in advanced manufacturing, boosting its strategic demand and hedge against inflation than crypto currencies.
- Saudi Arabia gold & diamond jewelry market stood is projected to surpass USD 6 Bn by 2022, mainly driven by rising young population, consumer spending power, and jewelry demand

# 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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