

# METALLURGICAL POWDER

## INVESTMENT OPPORTUNITY SCORECARD

### MINING & METALS



## METALLURGICAL POWDER

**Opportunity Description:** Opportunity to develop a 30 ktpa Metal Powder plant to supply the regional and global market

### INVESTMENT OVERVIEW

#### INVESTMENT HIGHLIGHTS

- Expected investment size of USD 50 Mn
- Plant capacity: 30 ktpa
- Metal powder is a metal that is broken down into a powder form with various processes such as Gas Atomization, Liquid Atomization & Centrifugal Atomization, major fast moving powders are from Iron, Aluminum, Copper, Nickel etc

#### VALUE PROPOSITION

- Metal powder will be a critical raw material to select diversified local industries present in the KSA
- The KSA aims to maximise local production of primary raw materials i.e. ingots & cathode to supply primary feedstock to the local value-added downstream industries.
- The planned new cluster developments in the KSA (e.g. specialty chemicals, pigments for auto, among others) will also drive the demand for metal powder.

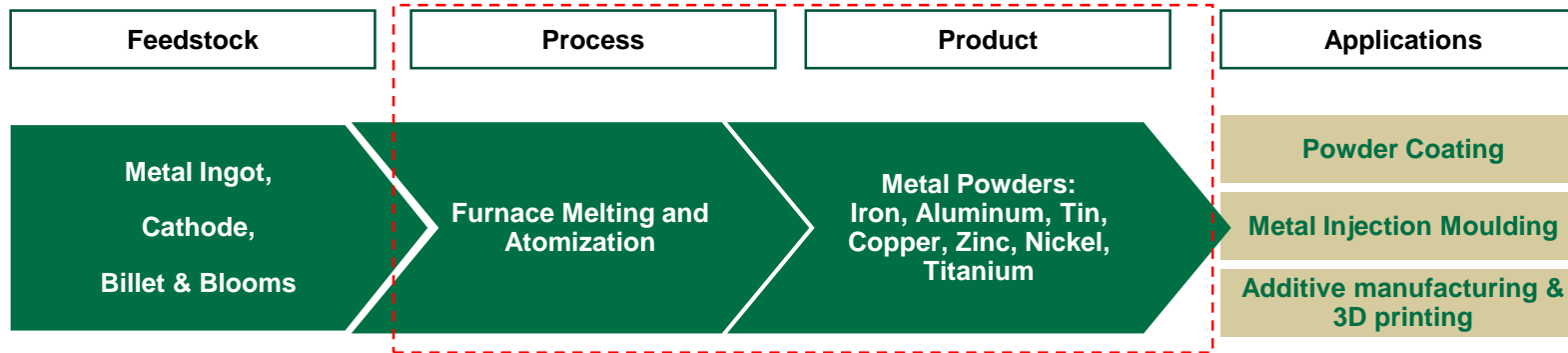
### MARKET OVERVIEW

#### GLOBAL TREND

- The global metal powder market size is estimated at USD 5.95 Bn in 2020 and expected to reach USD 9.5 Bn by 2027, registering a CAGR of 6.5%
- Metal powder offers better versatility while resulting in reduced waste in the manufacturing of parts and coatings of metals.
- Ferrous metal powder (75% share) finds applications in filter parts, magnetic materials & friction wear & parts.
- Non-ferrous metal powder (25% share) includes Aluminum, Copper, Zinc, Nickel used in Powder coating, Solar energy, Pyrotechnics, Paints, Die casting & Metal plating.

#### VALUE CHAIN ANALYSIS

#### Opportunity Focus



#### KEY DEMAND DRIVERS

- Metal Powder demand in the MENA region is estimated at USD 500-600 Mn with a growth rate of 6-7%
- Demand would be mainly driven by rising industrialization, growing urbanization, growing renewable energy sector and increasing demand from the automotive sector.
- The Kingdom has announced multiple “giga-projects” that illustrate the potential growth of the construction industry, Powder coating shall be a primary process of choice.

# DEFINITIONS

#	SCORECARD SECTION	DEFINITIONS
1	<b>Market size</b>	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	<b>Business drivers</b>	A select number of factors that will influence future demand for the related product/service
3	<b>Investment highlights</b>	An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size
4	<b>Value proposition</b>	Summary of key differentiators that position KSA as a strategic choice over other regional/global peers
5	<b>Market readiness</b>	An overview of KSA market structure, market maturity and level of participation by local and global players
6	<b>Competitor analysis</b>	List of the local & international players manufacturing the underlying product in Saudi Arabia and their market share
7	<b>Global trends</b>	Latest business developments within the sector/product category
8	<b>Scalability and localization</b>	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	<b>Import dependency</b>	An overview of the countries from which Saudi Arabia is importing the product and their value/volume and share in total imports
10	<b>Value chain analysis</b>	The process or activities that would potentially need to be carried out to deliver the underlying product or service
11	<b>Key stakeholders</b>	Government institutions, organizations, and/or authorities that participate or influence the market for the underlying product/service
12	<b>Enablers</b>	Factors that enable investment in the underlying opportunity
13	<b>Cost of doing business in KSA</b>	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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