

# RELIEF VALVES

## INVESTMENT OPPORTUNITY SCORECARD

### INDUSTRIAL EQUIPMENT

AUGUST 2021

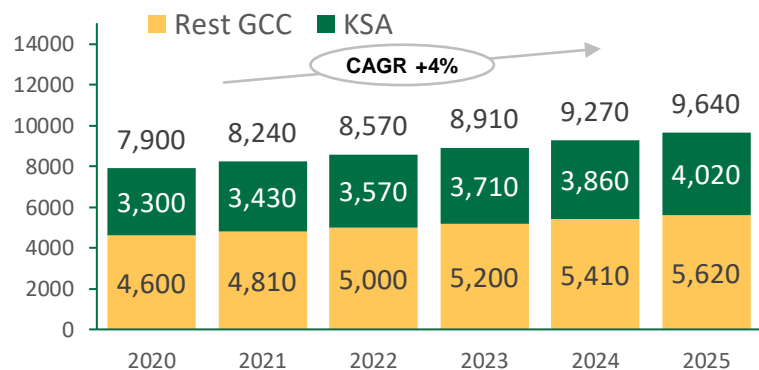


# INDUSTRIAL EQUIPMENT RELIEF VALVES

**OPPORTUNITY'S DESCRIPTION:** Establish a manufacturing facility of Pressure Relief Valves components.

## DEMAND

### MARKET SIZE, QUANTITY



### INVESTMENT HIGHLIGHTS

- Establish a production facility to manufacture Relief Valves.
- Establish technical support service center for field maintenance, equipment modification and repair.
- Establish a Relief Valve design and R&D center to develop designs for KSA requirements.

## INVESTMENT OVERVIEW

### VALUE PROPOSITION

- There are multiple opportunities for SMEs to manufacture components for Pressure Relief valves and related services.
- Relief Valves represents an attractive localization opportunity given the current supply gap and expected demand growth.
- Currently, all of KSA demand of Relief Valves is imported.
- Relief Valves demand is driven by Oil and Gas Industry.
- Relief Valves demand for GCC will support demand growth.
- Attractive cost base including low logistics, land, utilities, and labor costs.

### KEY DEMAND DRIVERS

- The Total 5 year spend on relief valves exceeded \$60MM.
- The Aramco demand on Relief Valves is expected to grow at 4% from 1 320 Units in 2020 and will reach 1 610 Units year 2025
- More than +19,000 Units installed in Aramco Facilities.
- Historical Aramco Spend on Relief Valves grew from 761 Units in year 2015 and reached 1270 Units in Year 2019.
- The KSA demand on Relief Valves is expected to grow at 4% from 3 300 Units in 2020 to reach 4020 Units in year 2025 Total GCC demand is expected to reach 5 620 units by year 2025

## MARKET OVERVIEW

### COMPETITOR ANALYSIS

- None

### GLOBAL TRENDS

- Oil & gas sector is one of the dominant end use for the global pressure relief valves market
- Other applications for food, water, power generation and others
- Moving trend toward smart and automated 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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