

# Vessels MRO Services

INVESTMENT OPPORTUNITY SCORECARD

TRANSPORT & LOGISTICS

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# TRANSPORT & LOGISTICS

## Vessels MRO Services

Public / متاح

High Potential

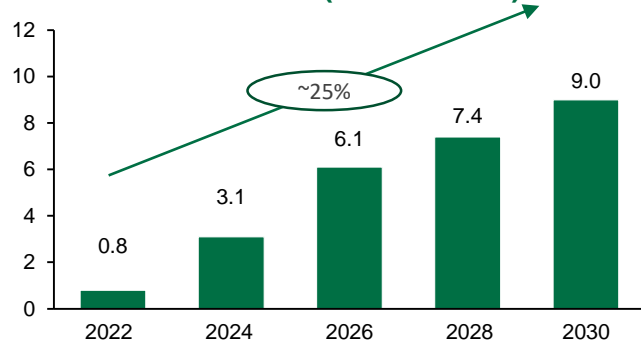
Moderate Potential

Low Potential

**OPPORTUNITY'S DESCRIPTION:** Set up vessels MRO facility in Yanbu

### DEMAND

#### ADDRESSABLE MRO DEMAND AT YANBU PORT (Million USD)



#### INVESTMENT HIGHLIGHTS

- Types of MRO services targeted at Yanbu includes: dry docking, afloat repairs, underwater repairs and provision for spare parts.
- All the 9 shipyards in the GCC region offer all ship repair services including dry dock. In the Red Sea, only Jeddah port offers Commercial Ship MRO services.
- Expected IRR ~ 12 - 14%

### INVESTMENT OVERVIEW

#### VALUE PROPOSITION

- Saudi Arabia is strategically located on the middle of the Mainline East West trade route linking the 3 continents (Asia, Africa and Europe) together through its access to the Red Sea.
- Yanbu port, a major Saudi gateway to the Red Sea, strategically situated at the heart of the Belt and Road Initiative where 62% of the world's population and 31% of global GDP exists.
- Mainline East West trade route handles ~40% of global containerized trade.

#### KEY DEMAND DRIVERS

- Saudi Arabia has embarked on a journey to establish an integrated hub, as part of a bigger ambition to become a main logistics center on the Red Sea. Yanbu was selected to establish the hub given that multiple enablers are already in place. Bunkering, vessel MRO services, duty free, shipping agencies among other facilities will be provided as part of an integrated Bunkering Hub project in Yanbu.
- King Fahad Industrial Port is a main gateway to some of the leading exporting giants in Saudi such as SABIC and its affiliates, Aramco and its JVs and others which participated in the increase of traffic volume that led to vessel fuel demands in the Red Sea.

### MARKET OVERVIEW

#### MARKET READINESS AND COMPETITOR ANALYSIS

- Key Players in KSA currently:



#### COMPETITOR ANALYSIS

- Leading global players offering vessel MRO services



#### GLOBAL TRENDS

- Major MRO hubs are mostly located near global cargo origination / termination centers along the east-west trade lane to reduce route deviation.
- Bunkering hubs typically have 15 - 45 service providers and majority of global ship MRO centers offer the entire range of services including dry docking, afloat repairs, underwater repairs and provision for spare parts.
- Globally, ship Maintenance, Repair and Overhaul (MRO) facilities cater to either one or more of the four broad vessel categories i.e. commercial vessels, small vessels, naval vessels and yacht vessels.

# 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

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