



UNITED ARAB EMIRATES  
MINISTRY OF INDUSTRY  
& ADVANCED TECHNOLOGY

# Industrial Investment Opportunities



# Cold Roll Coil Steel

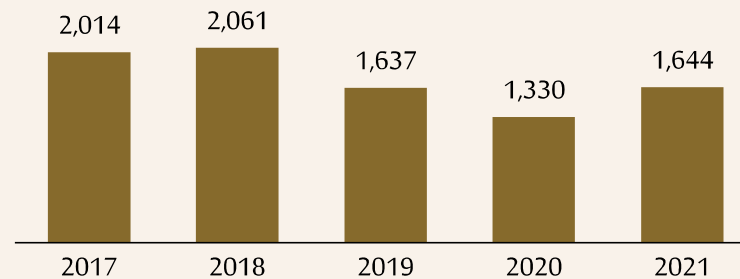
## Cold Roll Coil Steel

Cold-rolled steel is low-carbon hot-rolled steel that has been rolled at room temperature, below its recrystallization temperature

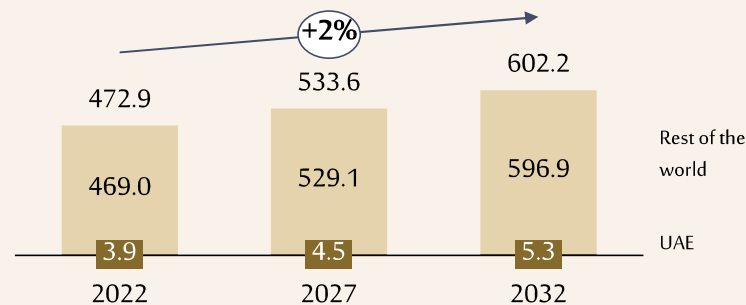
### Investment case

- Setup large scale manufacturing plant to manufacture CRCA, PPGI, GI
- Investment size = AED 327 Mn
- Plant capacity = 250 KT per year
- Expected IRR = 17%
- Expected NPV = AED 210 Mn

### Imports to UAE 2017 – 2021 (Mn AED)



### Global and UAE market size 2022 – 2032 (Bn AED)



### Global trends & demand drivers

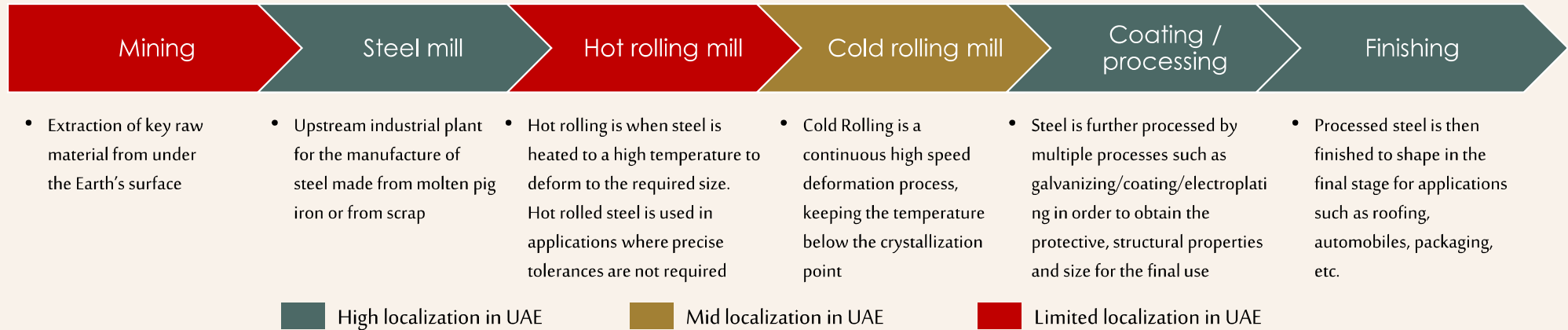
- Technological innovation and advancement will further optimize the performance of the product, making it more widely used in downstream applications
- Global shift towards consumption of green steel will further enable growth in demand for CRC. UAE has a competitive advantage in green products manufacturing given low-cost solar energy
- Increase in infrastructure and developmental projects due to urbanization
- Increase in manufacturing of machinery and equipment with UAE's industrial strategy will grow demand for CRC





# Cold Roll Coil Steel

## Value chain analysis



## Value proposition

- Emirates Steel will introduce HRC by 2025 which will make locally manufactured CRC products more cost competitive and ease supply chain issues
- Opportunity to manufacture green CRC with clean nuclear or solar energy supply
- UAE ranked 16<sup>th</sup> globally in Ease of Doing Business (WB)
- UAE ranked #10 globally for world class infrastructure in (LPI)
- Strong logistics infrastructure – UAE has busiest port in MENA
- 100% foreign business ownership and low VAT (5%)

## Enablers

- Up to 80% project financing by Emirates Development Bank
- 2-year grace periods and low interest-rate loans for CAPEX, working capital, and supply chain financing
- Export credit and insurance via Etihad Credit Insurance and AD Exports
- Access to Free Trade Agreements with high-growth markets such as GCC, Arab countries, India, Israel, Indonesia, and others
- Customs exemptions for raw materials