

KSA STEEL MARKET SUPPLY AND DEMAND OVERVIEW

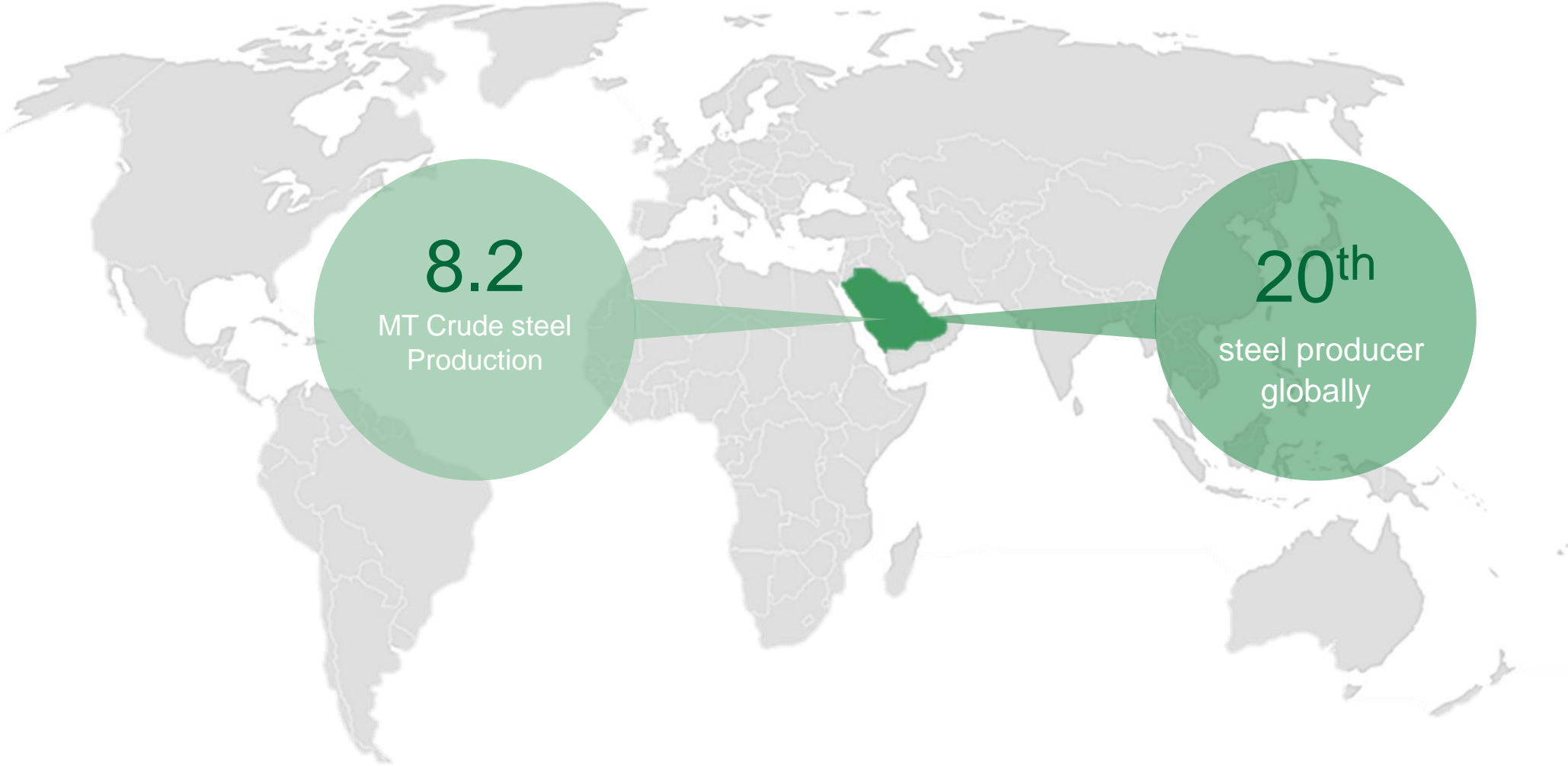
22 Sep 2020



التجمعات الصناعية
Industrial Clusters

رؤية VISION
2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

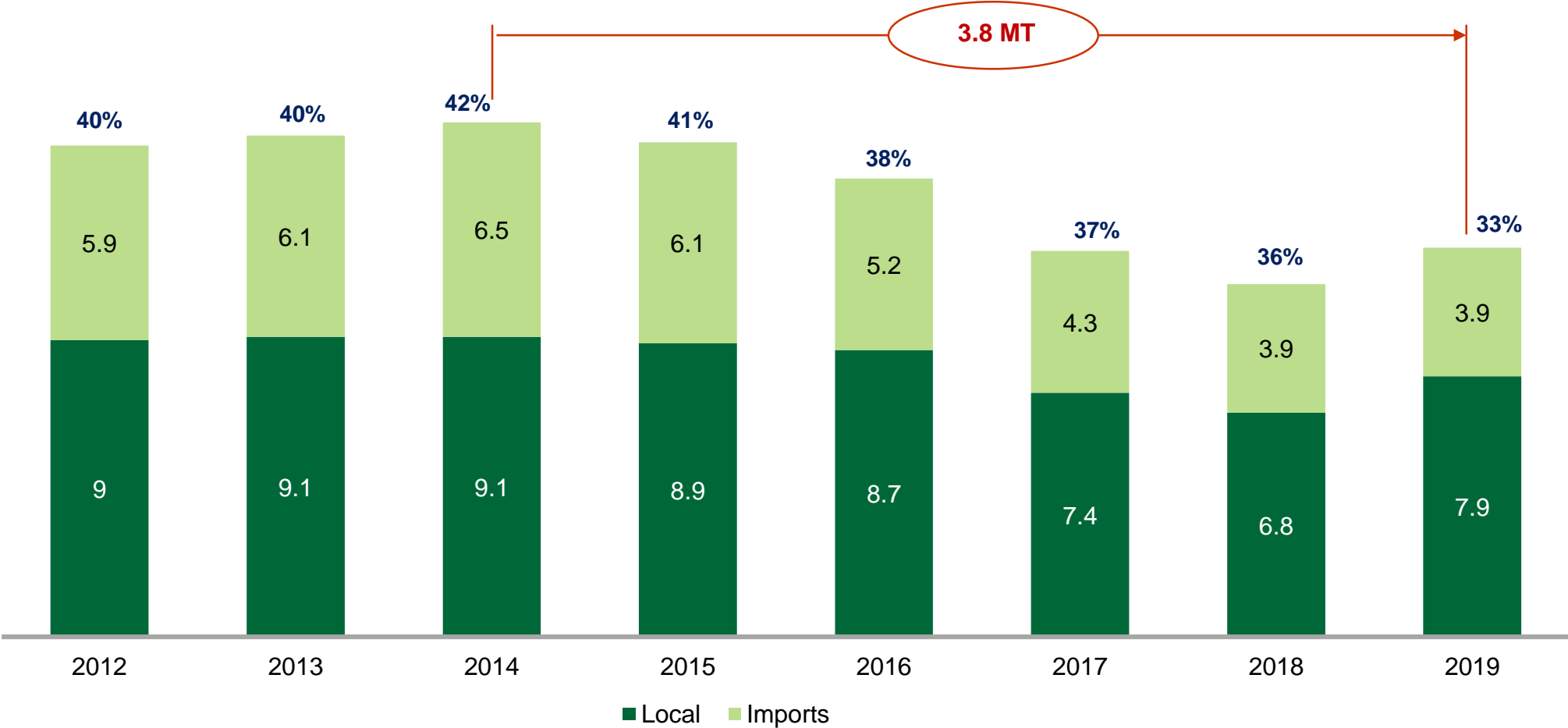
20TH Steel Producer, Globally



KSA demand for finished steel products has decreased by 25% since 2014, driven by slower demand from the construction sector



Imports averaged 38% of Saudi Arabia's demand

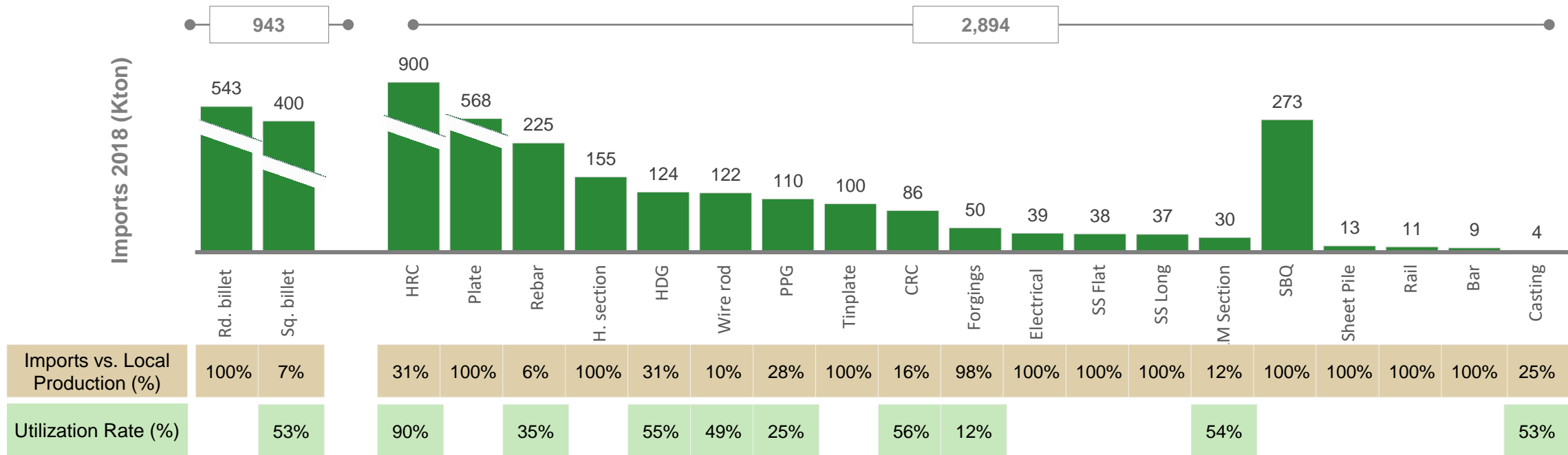


XX% percent of imports in local consumption

The drop in demand, mixed with the influx of imports, has impacted the sector utilization rate



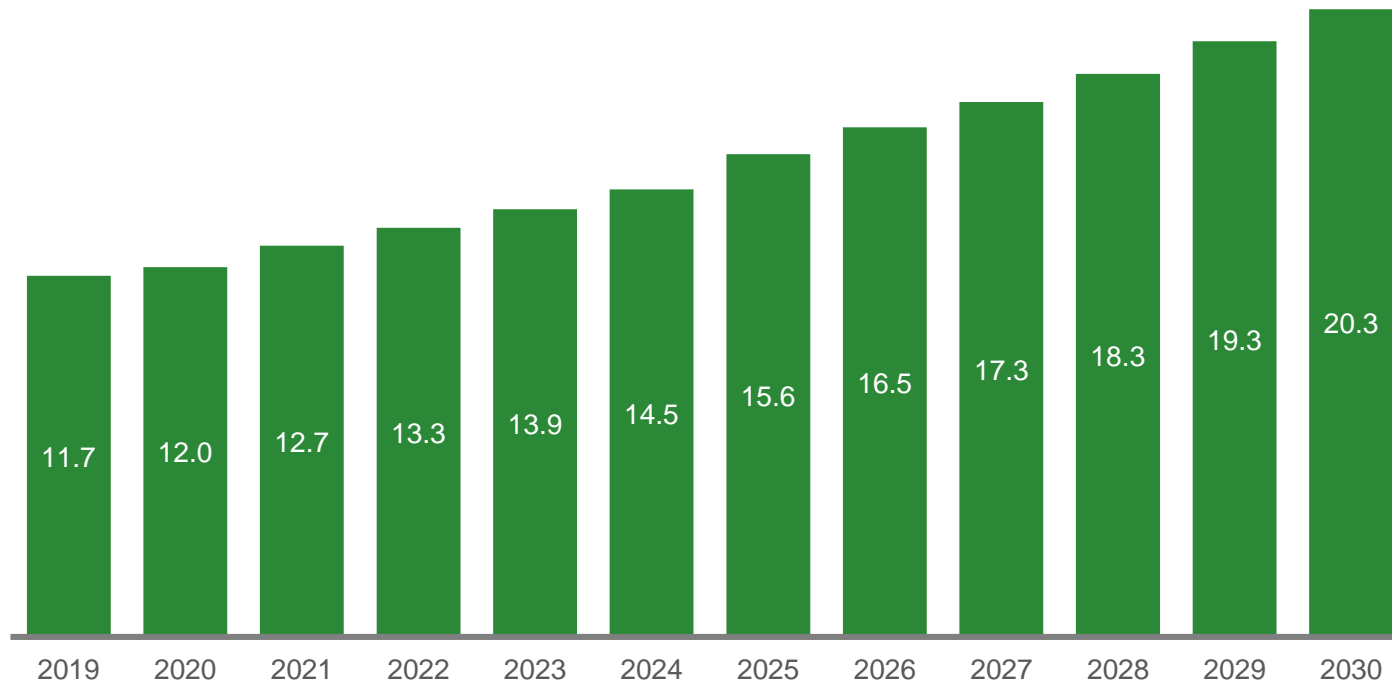
Less than 50% local steel sector utilization rate in 2018



Demand for steel products, driven by Vision 2030, will help improve sector performance



Local Demand for Finished Steel Products
In Million ton



Growth Drivers



- Establishment of automotive production by 2035



- Setting up large scale shipbuilding



- Development of local railways



- Strong growth of oil and gas activity



- Pull for industrial machinery supply from domestic manufacturing



- Growth in construction (Neom, Red sea, ...)

