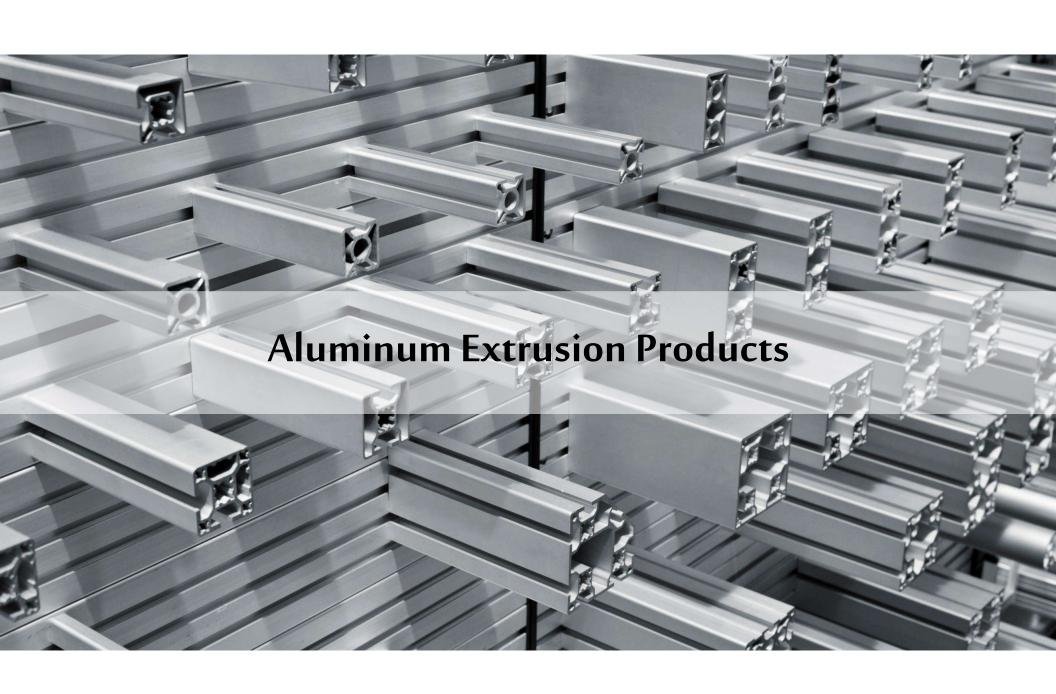


Industrial Investment Opportunities







Aluminum Extrusion Products

Definitive cross-sectional profiles and shapes made from aluminium, such as channels, tubing, angles, and profiles

Investment case

- Setup a new production facility for the production of Aluminum extrusion products
- Investment size = AED 135 Mn
- Plant capacity = 12 KT per year
- Expected IRR = 19%
- NPV = AED 100 Mn





Global trends & demand drivers

- Demand for aluminium extrusion products is driven by the increased applications in the building and construction, transportation, and logistics sectors
- Increasing aluminum content in vehicles owing to the focus on improvement of fuel efficiency by original equipment manufacturers (OEMs)
- Growing demand in electrical, electronics, and medical sector applications, due to the high corrosion resistance of extruded aluminium
- UAE's property development and consturction market is a major consumer of aluminium extrusion products, as they are ideal for large consutrctuons and buildings





Aluminum Extrusion Products

Value chain analysis

Mining	Primary Aluminum Production	Preheating	Extrusion	Controlled Cooling	Stretching	Cutting and Packaging
• Extraction of key raw material (Bauxite) from underground`	Bauxite is crushed, dried and ground in special mills to produce Alumina. Afterwards, smelters use Alumina to produce primary aluminum through a reduction process	Primary aluminum billets are heated in specialized furnaces in preparation for the extrusion process	 Heated aluminum billets are fed into the extrusion press and modified to create different shapes and sizes 	• When exiting the press, fully formed tubes/profiles are pushed through a water bath which guarantees uniform quenching of the heated aluminum	Extruded tubes /profiles are cut into the prescribed interphase length. Afterwards, they are stretched to remove any internal stress	The quenched and streched tubes / profile are cut based on application length requirements and packaged
	High localization	ı in UAE	Mid localization in UAE	Limited loo	calization in UAE	

Value proposition

- Aluminium is the largest UAE export after oil and gas, with 4% of global Aluminium production supplied by the UAE
- UAE ranked 16th 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
- High quality of life attractive for skilled talent
- 100% foreign business ownership and low VAT (5%)
- • Strong logistics infrastructure — UAE has busiest port in MENA

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