PIPES AND FITTINGS

**MAADEN LOCALIZATION
OPPURTUNITY CARD**

PIPES AND FITTINGS

OPPORTUNITY SUMMARY

Case Summary

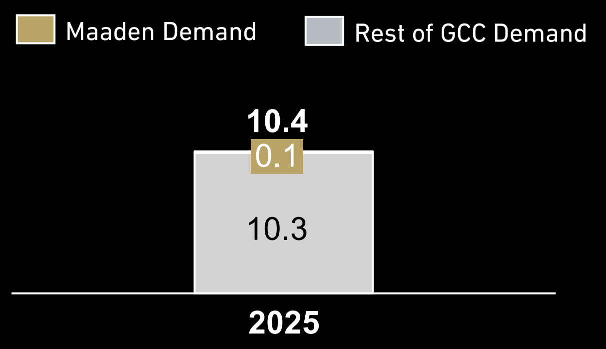
Recurring Industrial Usage
Pipes and fittings are commonly used across mining, processing, and infrastructure operations.

Reliance on Imported Specialty Products
Certain high-specification pipes are currently sourced internationally.

Localization Considerations
Value addition is primarily associated with fabrication, treatment, and assembly activities rather than primary pipe making.

Maaden & Market Demand

MEA demand, Bn SAR (2025)



PIPES AND FITTINGS

Localization Opportunity Overview

1 Broad Spend Across Applications

Industrial mining and process operations Industrial operations involve recurring spend on pipes and fittings across projects and maintenance activities of SAR annually on pipes and fittings, with frequent orders in the SAR 0.2–2.5m range

2 Specialized Requirements in Mining Applications

A meaningful share of demand sits in abrasion-resistant carbon steel pipes and large fabricated items used in slurry, tailings, and cyclone services

3 Presence of Imports in Certain Segments

Specialty pipes, including abrasion-treated and high-alloy grades, are largely imported due to limited local fabrication and treatment capability

4 Potential Role of Fabrication Activities

Most value is created in cutting, welding, heat treatment, flanging, and finishing rather than primary pipe rolling, These activities may be undertaken locally depending on capability development

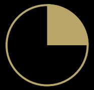
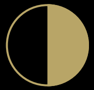
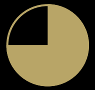
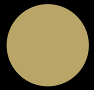
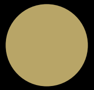
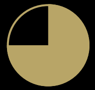
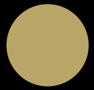
5 Scope for Capability Development Over Time

A local pipes platform may support on abrasion-resistant and fabricated pipes, then selectively add high-alloy fabrication and fittings over time

- Disclaimer: All figures are estimates compiled using historical consumption trends, the most recently publicly available information, industry benchmarks, and expert interviews. They are indicative only and remain subject to ongoing updates and change. **Source: Maaden, UN Comtrade, IMAC, Expert interviews**
- This material is for informational purposes only and does not constitute an offer or solicitation to invest.

PIPES AND FITTINGS

VALUE CHAIN

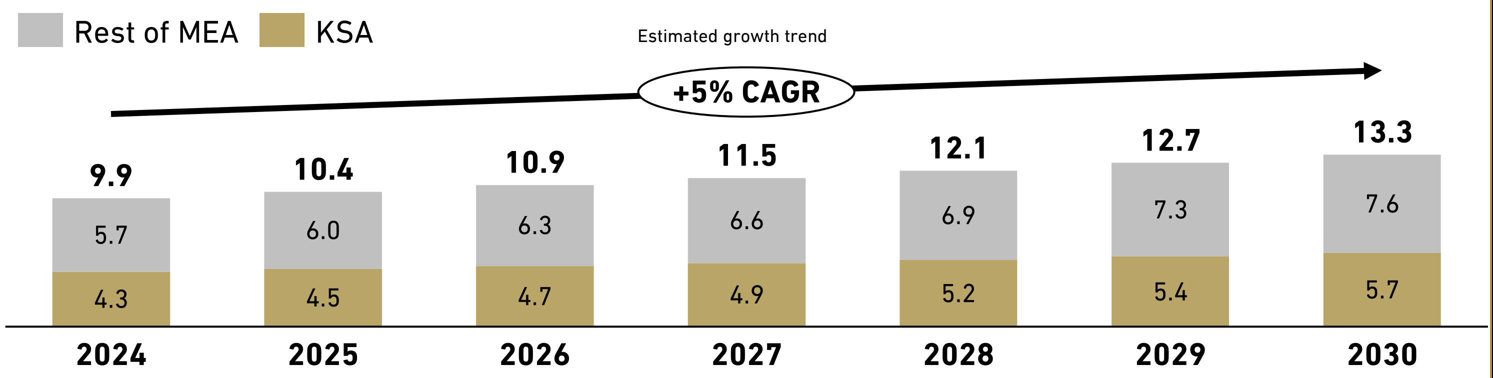
	Steel and Alloy Input Supply	Pipe Forming (ERW / EFW / Seamless)	Heat Treatment and Mechanical Enhancement	Fabrication and Welding	Specialty Processing and Lining	Testing and Certification	Assembly into OEM or Project Systems
							
	Carbon steel plates/coils and high-alloy materials (904L, Alloy 31, Duplex) sourced from global mills	Primary pipe making through rolling, welding, or piercing to achieve diameter and wall thickness	Induction hardening, solution annealing, or stress relieving to achieve abrasion or corrosion performance	Cutting, welding, flanging, mitering, and fabrication of straight pipes, bends, and assemblies	Abrasion-resistant treatments, internal coatings, rubber or polymer lining where required	NDT, radiography, hydrotesting, and material test certification to meet project and OEM specs	Integration into pump discharge lines, cyclone systems, or custom plant layouts
Localization potential							

- Disclaimer: All figures are estimates compiled using historical consumption trends, the most recently publicly available information, industry benchmarks, and expert interviews. They are indicative only and remain subject to ongoing updates and change. **Source: Maaden, UN Comtrade, IMAC, Expert interviews**
- This material is for informational purposes only and does not constitute an offer or solicitation to invest.

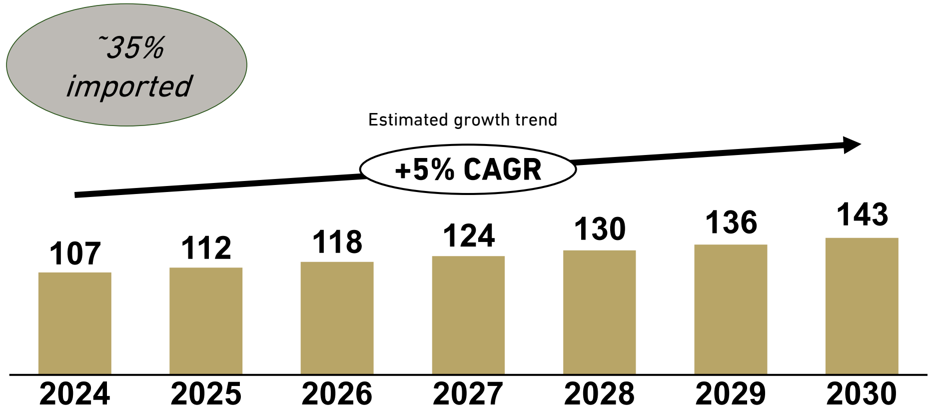
PIPES AND FITTINGS

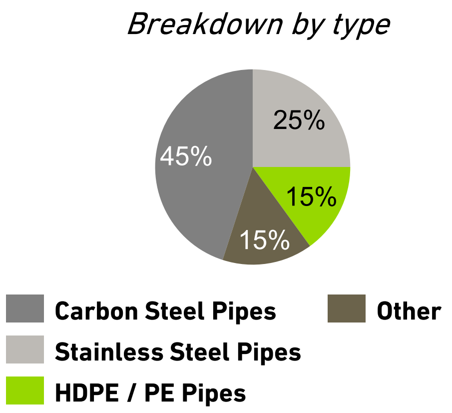
MARKET DEMAND & SUPPLY

Market Demand, Bn SAR (Seamless pipes, Industrial ERW pipes, fittings & connectors)



Maaden Demand, mn SAR





Market Trends & Demand Drivers

1. Mining and process industries spend ~2–4% of total plant capex and opex on piping systems, driven by slurry transport, corrosive services, and maintenance
2. Abrasion-resistant and high-alloy pipes represent 30–40% of total pipe spend by value due to metallurgy, and fabrication complexity
3. Primary pipe forming is highly consolidated globally, while 40–60% of final pipe value is added downstream through heat treatment, fabrication, lining, and testing
4. Lead times for specialty pipes can reach 8–16 weeks, making proximity and local finishing capacity a key factor during shutdowns and brownfield modifications

- Disclaimer: All figures are estimates compiled using historical consumption trends, the most recently publicly available information, industry benchmarks, and expert interviews. They are indicative only and remain subject to ongoing updates and change. **Source: Maaden, UN Comtrade, IMAC, Expert interviews**
- This material is for informational purposes only and does not constitute an offer or solicitation to invest.

MAADEN

PIPES AND FITTINGS

The KSA ecosystem comprises six main categories, supported by key enablers

1. Infra & Supply Chain

- The Saudi Authority for Industrial Cities and Technology Zones (MODON)
- Royal Commission for Jubail and Yanbu (RCJY)

2. Financing

- Saudi Industrial Development Fund (SIDF)
- Saudi EXIM Bank
- SME Bank / Kafalah
- Ministry of Industries and Mineral Resources (MIM)

3. Licensing & Taxation

- Economic Cities & Special Zones Authority (ECZA)
- Zakat, Tax and Customs Authority (ZATCA)
- Ministry of Investment (MISA)

4. Market Access

- Local Content & Government Procurement Authority (LCGPA)
- Saudi Export Development Authority (SEDA)
- PIF / Accelerated Manufacturing Program

5. Workforce

- Human Resources Development Fund (HRDF)

6. Technology

- National Technology Development Program

7. Enablers

الهيئة السعودية للمواصفات والمقاييس والجودة Saudi Standards, Metrology and Quality Org.

monsha'at منشآت

المؤسسة العامة للتدريب التقني والمهني Technical and Vocational Training Corporation

المركز السعودي لكفاءة الطاقة Saudi Energy Efficiency Center

IsDB

المركز الوطني للتنمية الصناعية

- Disclaimer: All figures are estimates compiled using historical consumption trends, the most recently publicly available information, industry benchmarks, and expert interviews. They are indicative only and remain subject to ongoing updates and change. **Source: Maaden, UN Comtrade, IMAC, Expert interviews**
- This material is for informational purposes only and does not constitute an offer or solicitation to invest.