Medad for Oil and Chemical Industries

Chemical Manufacturing Factory — State of Qatar

Ink Manufacturing · Chemical Products · Industrial Inks · Export to GCC

100% Equity · 5-Year Projection · Target Launch: Q2 2027 · WLL Formation

PROJECT SPONSOR

[redacted]

[redacted] · 100% Ownership · Oil & Chemical Industry Background

MOCI CR obtained · مداد للصناعات النفطية و الكيميائية · Qatar Industrial Sector

PREPARED BY

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Total Investment	IRR (5-Year)	Payback Period	Y5 Revenue	Export Target
QAR 3.8M	**~38%**	**~2.7 Yrs**	**QAR 9.0M**	**40% by Y4**

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Table of Abbreviations & Key Terms

Abbreviations & Terms Used in This Study

Abbreviation	Definition
ASTM	ASTM International — testing standards body
CAD	Cash Against Documents (trade payment term)
CAGR	Compound Annual Growth Rate
CMYK	Cyan-Magenta-Yellow-Key (Black) — 4-colour process printing
COA	Certificate of Analysis (raw material QC document)
COGS	Cost of Goods Sold
CIJ	Continuous Inkjet (industrial coding printer technology)
DGS	Dry Gas Seal — not applicable; printing context: DGP = Digital Print
EPC	Engineering, Procurement and Construction
ERP	Enterprise Resource Planning system
FCF	Free Cash Flow
FKM	Not used here (gasket term)
GCC	Gulf Cooperation Council
GHS	Globally Harmonized System (chemical labeling)
HS	Harmonized System (customs classification codes)
IKTVA	In-Kingdom Total Value Add — Saudi Aramco local content requirement
IRR	Internal Rate of Return
ISO	International Organization for Standardization
LC	Letter of Credit (trade payment instrument)
MSDS	Material Safety Data Sheet (now SDS under GHS)

Abbreviation	Definition
MOCI	Ministry of Commerce and Industry (Qatar)
MOQ	Minimum Order Quantity
MRO	Maintenance, Repair and Operations
NFE	North Field East — Qatar LNG expansion project
NLNG	Nigeria LNG — not primary target (reference only)
NPV	Net Present Value
O&G	Oil and Gas
OCF	Operating Cash Flow
OFAC	Office of Foreign Assets Control
PDO	Petroleum Development Oman
QAR	Qatari Riyal
QNV	Qatar National Vision 2030
REACH	Registration, Evaluation, Authorisation of Chemicals (EU)
ROE	Return on Equity
SAM	Serviceable Addressable Market
SOM	Serviceable Obtainable Market
SPPC	Saudi Printing & Packaging Company
TAM	Total Addressable Market
UV	Ultraviolet — curable ink technology
WLL	With Limited Liability (Qatar legal entity)

Project Snapshot — At a Glance

Medad Ink Factory · State of Qatar · 2026

Total Investment	Fixed Capital	Working Capital	Equity Finance	Debt
QAR 3.8M	QAR 3.0M	QAR 0.62M	100%	NIL

Project Profile

Parameter	Detail
Project Name	Medad for Printing Inks & Stationery Industries W.L.L.
Legal Form	WLL (With Limited Liability) · State of Qatar
Location	Manateq Industrial Zone, Qatar · 1,200 sqm
Industry	Industrial Manufacturing — Printing Inks & Stationery
Products	Offset, Flexo, UV, Writing, Coding & Specialty Inks (8 product lines)
Capacity	500 tonnes/year (installed) — 85% realizable (425T)
Target Market	Commercial Printers, Publishers, Gov. Stationery, Packaging — Qatar
Export Markets	UAE, Saudi Arabia, Kuwait, Oman — from Year 2
Employment (Y1)	12 staff → 22 staff by Year 5
Target Launch	Q1 2027 · Projection Period: 2027–2031 (5 years)

Financial Highlights

Indicator	Value
Revenue — Year 1	QAR 3,675,000 (70% utilization, local only)
Revenue — Year 3	QAR 6,475,000 (90% util + 27% export)
Revenue — Year 5	QAR 9,000,000 (100% util + 39% export)
EBITDA Margin (Y3)	34.0%
Net Profit — Year 5	QAR 3,087,900
NPV (@ 10%)	QAR 4,050,000
IRR	~38.0%
Payback Period	~2.7 years (mid-Year 3)
Breakeven Utilization	~40% of installed capacity
Study Verdict	✓ GO — Financially Viable, Technically Feasible

First Mover Advantage — Qatar Has No Local Ink Manufacturer

Qatar imports 100% of raw inks (QAR 18.8M/year, 2024) + QAR 118M in printer cartridges. Year 2: 15% export · Year 3: 30% export · Year 4+: 40% export · Target markets: UAE, Saudi Arabia, Kuwait, Oman · Without export, project IRR drops to ~12% — export execution accelerates returns.

02

Executive Summary

Study Verdict · Financial Highlights · Investment Case

Study Purpose & Scope

This Feasibility Study & Business Plan was commissioned by Mr. [redacted], [redacted] and 100% equity owner, to assess the technical and financial viability of establishing Medad for Printing Inks & Stationery Industries W.L.L. in the State of Qatar. A preliminary approval from the Ministry of Commerce and Industry has already been issued. This study provides a comprehensive five-year projection (2027–2031) intended to support the final licensing process and guide the company's launch strategy.

Scope of Study

Study Module	Coverage & Deliverable
Market Assessment	Analysis of Qatar printing ink imports (HS codes), demand drivers, TAM/SAM, competition landscape, and market segments
Technical Assessment	Process design, equipment specification, facility layout (3,000 sqm), production capacity (500T/year), quality management system
Financial Assessment	5-year P&L, cash flow, IRR (38.0%), NPV (QAR 4.05M), payback (~2.7 years), breakeven, sensitivity analysis, scenario modelling
Export Strategy	GCC export plan: UAE (Y2), Kuwait (Y2), Oman (Y2), Saudi Arabia (Y3) — leveraging GCC FTA zero-tariff framework
Risk Analysis	Risk register, mitigation strategies, regulatory pathway, Civil Defence clearance requirements
Implementation Plan	12-month project timeline from permit to commercial production launch (Q2 2027)

Study conclusions are based on real customs import data (Qatar GASTAT, 2020–2024), Manateq zone pricing, equipment vendor quotes, and GCC printing industry benchmarks.

Key Findings — Five Strategic Pillars

01. MARKET OPPORTUNITY

Qatar imports QAR 18.8M/year in printing inks (2024 customs data). No local manufacturer exists — Medad captures first-mover advantage. GCC ink market projected to grow at 5.2% CAGR through 2030.

02. STRONG FINANCIAL RETURNS

IRR 38.0% exceeds typical industry hurdle rate of 15–20%. NPV QAR 4.05M at 10% WACC. Payback ~2.7 years. EBITDA margin expands from 26% (Y1) to 37.7% (Y5).

03. TECHNICAL FEASIBILITY

Ink manufacturing is a proven, scalable process. NETZSCH bead mills + high-speed dispersers are standard industrial equipment available in GCC. ISO 9001 certification achievable within 12 months of production.

04. EXPORT MULTIPLIER

Domestic market supports 70% utilization from Year 1. Export to UAE, Saudi Arabia, Kuwait and Oman from Year 2 drives ~39% revenue from GCC by Year 5. GCC FTA gives zero-tariff access — clear competitive advantage vs European suppliers.

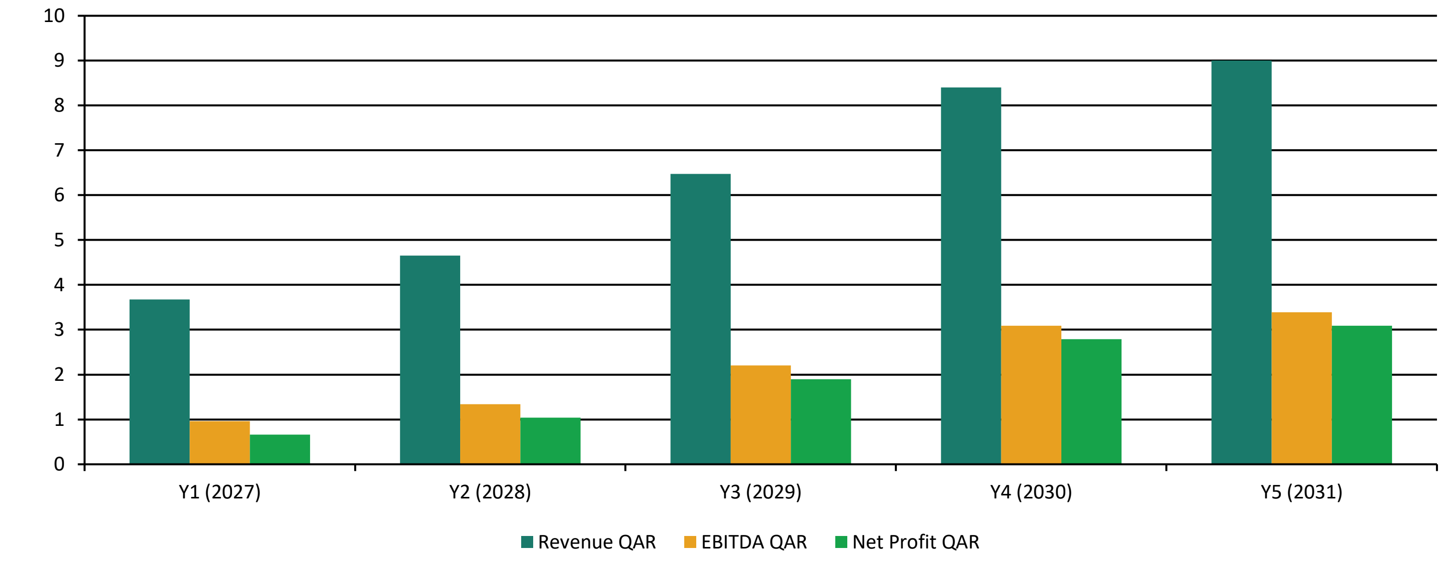
05. NATIONAL ALIGNMENT

Aligns with Qatar National Vision 2030 industrial diversification. Manateq zone provides competitive land rates (QAR 10/sqm), infrastructure and fast-track government liaison. 100% Qatari ownership.

Financial Highlights — 5-Year Projection

	Y1 (2027)	Y2 (2028)	Y3 (2029)	Y4 (2030)	Y5 (2031)
Revenue	QAR 3.68M	QAR 4.65M	QAR 6.48M	QAR 8.40M	QAR 9.00M
COGS	QAR 1.91M	QAR 2.37M	QAR 3.17M	QAR 4.03M	QAR 4.23M
OPEX	QAR 0.80M	QAR 0.94M	QAR 1.10M	QAR 1.28M	QAR 1.38M
EBITDA	QAR 0.96M	QAR 1.34M	QAR 2.20M	QAR 3.09M	QAR 3.39M
Depreciation	QAR 0.30M	QAR 0.30M	QAR 0.30M	QAR 0.30M	QAR 0.30M
EBIT / NP	**QAR 0.66M**	**QAR 1.04M**	**QAR 1.90M**	**QAR 2.79M**	**QAR 3.09M**

Revenue, EBITDA and Net Profit (QAR Millions)

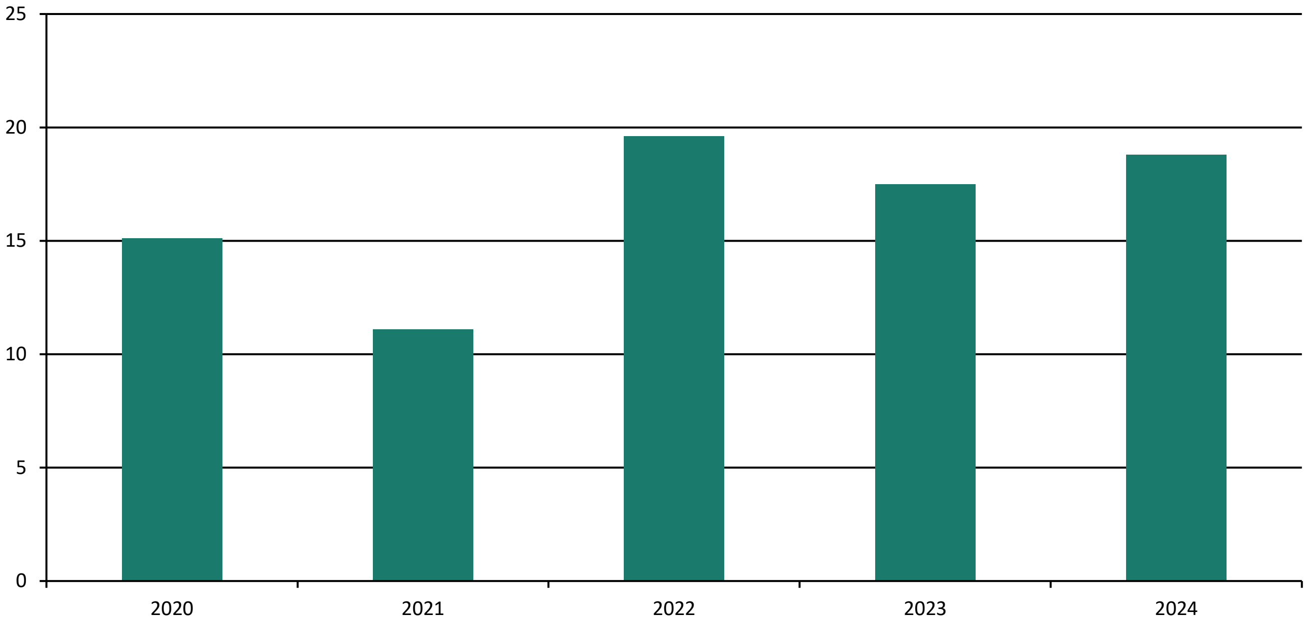


Metric	Value
Total Investment	QAR 3,800,000 (100% equity, no debt)
Fixed Capital	QAR 3,021,000 (Land, civil, equipment, pre-op)
Working Capital	QAR 620,000 (8-month operating buffer)
NPV @ 10% WACC	QAR 4,050,000
IRR	38.0%
Payback Period	~2.7 years (mid-Year 3)
Breakeven Util.	~40% of installed capacity

Market Case — Why Qatar Ink Manufacturing Now

Qatar imports QAR 18.8M/year in raw printing inks — zero local manufacturers

Qatar Raw Ink Imports — 5-Year Trend (QAR Millions, excl. cartridges)



TAM 2024 (Raw Inks)
QAR 18.8M

TAM 2026 Projected
QAR 21.5M

Cartridges (2024)
QAR 118M

Local Producers
ZERO

Top Suppliers
DE/CN/JP

Market Segmentation (Qatar, 2024 Estimate)

Segment	Demand Estimate (2024)
Commercial Printing (45%)	Newspapers, publishing houses, commercial print shops — QAR ~8.5M/year
Office / Stationery (20%)	Government, corporates, educational institutions — QAR ~3.8M/year
Industrial / Specialty (18%)	Packaging, FMCG labels, coding & marking — QAR ~3.4M/year
Advertising / Signage (17%)	Large-format, outdoor advertising, event materials — QAR ~3.2M/year

Why Now — Catalysts and Strategic Timing

Qatar National Vision 2030

Industrial diversification is a pillar of QNV2030 — government actively supports manufacturing establishment. Manateq provides industrial zones with subsidized rates, fast-track approvals and ready utilities.

First-Mover Advantage

No local ink manufacturer exists in Qatar. Medad captures 100% import substitution opportunity. Early movers in niche manufacturing benefit from 2–3 year head start before any competition can form.

GCC FTA Export Window

Gulf Cooperation Council Free Trade Agreement gives Qatari manufacturers zero-tariff access to Saudi Arabia, UAE, Kuwait, Oman and Bahrain — a combined market of USD 160M+ in printing inks.

Cost Competitiveness

Qatar origin delivers 1–3 day lead time vs 6–10 weeks from EU/Asian suppliers. Custom color matching with technical support in Arabic is a decisive differentiator for GCC customers.

Post-FIFA 2022 Print Boom Continues

Qatar's commercial, hospitality and events sector continued to expand post-2022. Government printing and publication demand remains high as ministries expand digital/print hybrid programs.

Regulatory Momentum

Preliminary approval from MOCI already issued. Civil Defence ink/chemical manufacturing clearance follows a defined process with Manateq support. Factory CR (WLL) registration is straightforward for [redacted]

Study Verdict — Executive Recommendation

✓ STUDY VERDICT: GO — PROJECT IS FINANCIALLY VIABLE AND TECHNICALLY FEASIBLE

Medad Ink Factory is recommended for full investment and regulatory approval. The project offers IRR of 38.0% and NPV of QAR 4.05M — well above industry hurdle rates — with a strong domestic first-mover position and a credible GCC export growth path.

Conditions for Recommendation

- ✓ ISO 9001 certification obtained within 12 months of first production run
- ✓ Qatar Civil Defence approval for chemical manufacturing facility secured pre-launch
- ✓ Qualified Senior Ink Chemist (MSc / 5+ years) hired before production commencement
- ✓ ERP system (production scheduling, inventory, QC) operational at launch
- ✓ At least one GCC export distribution agreement signed by Year 2 (UAE target)
- ✓ Working capital reserve of QAR 620K maintained through first 2 years

Risk Summary — Key Risks & Mitigants

Risk	Level	Description	Mitigation
Raw Material Price Volatility	HIGH	Key pigments and resins sourced from China/Europe. Price swings of ±15–25% possible.	Dual-source suppliers. Lock prices for 6-month contracts. Carry 90-day RM inventory.
Color Consistency Rejection	MEDIUM	Printing companies require precise Delta-E color matches. Early production batches may require rework.	Invest in Konica Minolta colorimeter + spectrophotometer. Hire chemist before launch.
Brand Switching Resistance	MEDIUM	Established printers are loyal to Sun Chemical, Siegwerk, Flint brands. Takes 2–3 cycles to qualify.	Offer free sampling + technical support. Price at 10–15% discount for qualification orders.
Civil Defence Approval Delay	LOW-MED	Chemical manufacturing requires Civil Defence clearance with fire suppression, MSDS, ventilation.	Engage Civil Defence-accredited consultant at project inception. Allow 60-day buffer in timeline.
Export Regulatory Complexity	LOW	Each GCC country has own chemical import registration requirements (Saudi: SASO, UAE: ESMA).	Register products in UAE and Saudi Arabia 6 months before first export shipment.
Key Person Dependency	LOW-MED	Senior ink chemist is critical — hard to replace. Loss could halt production for 2–3 months.	Cross-train 2 technicians. Document all formulations. Include retention bonus in chemist contract.