

TO PUT THINGS IN PERSPECTIVE





Demand Trends Impacting the Aviation Lubricants Industry in Middle East and Africa

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This presentation contains forward-looking statements of Aviation Industry. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on Aviation Operators , expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential acquisition of aircrafts and other investments made by Operators of the region that are subjected to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections and assumptions.



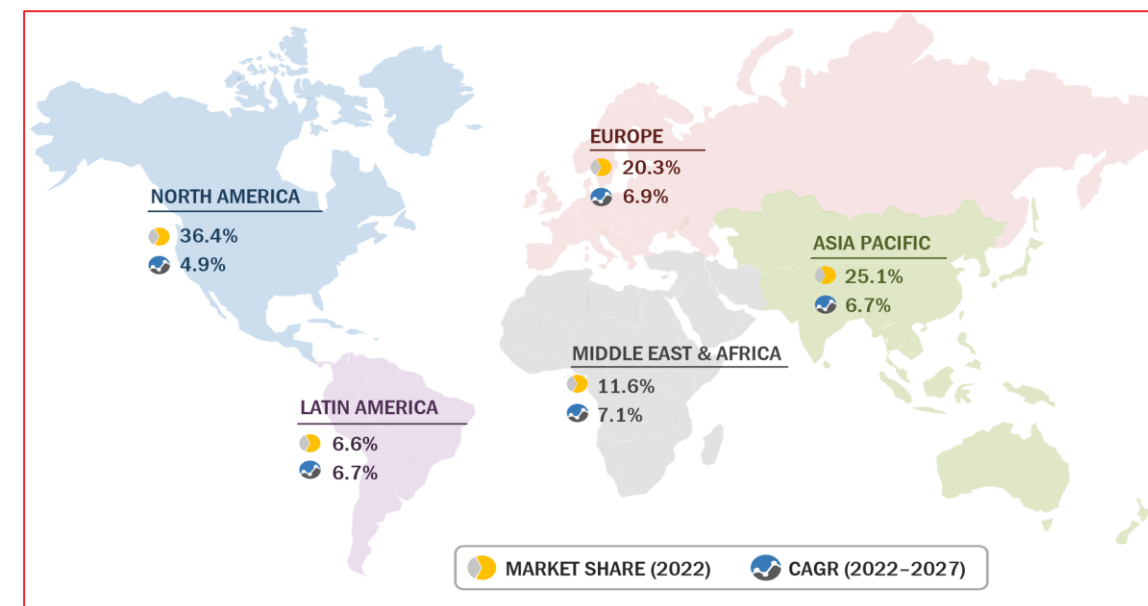
EXECUTIVE SUMMARY

- The aviation lubricants market was valued at USD 804 million in 2022 and is projected to reach USD 1,082 million by 2027, at a CAGR of 6.1%.
- The growth of the market can be attributed to the increase in aircraft orders and rising demand for air transportation.
- Aviation Industry has completely overcome the aftermaths of Covid-19 and growing faster than any other Industry.
- Middle East and Africa will register the highest growth of CAGR 7.1% in the next 5 years.
- Operators in Middle East will grow their fleet by 115% in next 5 years with large orders already in progress.



MARKET DYNAMICS/TRENDS

- MEA will have highest CAGR of 7.1%
- UAE 750+ | KSA 450+ Aircrafts by 2030
- Exponential Increase in Air Traffic leading to large orders from operators



MARKET DYNAMICS/TRENDS

Market share by type and
application

AVIATION LUBRICANTS MARKET, BY TYPE, 2022-2027 (USD MILLION)

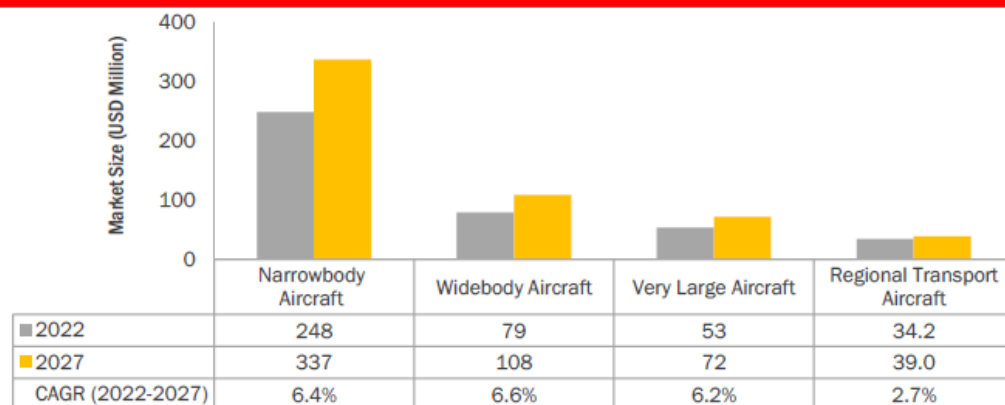
Type	2022	2023	2024	2025	2026	2027	CAGR (2022-2027)
Engine Oil	359	386	409	435	458	483	6.12%
Hydraulic Fluid	171	184	195	207	218	230	6.12%
Special Lubricants & Additives	205	220	234	248	261	275	6.12%
Grease	70	75	79	85	89	94	6.15%
Total	804	865	917	975	1,025	1,082	6.12%

AVIATION LUBRICANTS MARKET, BY APPLICATION, 2022-2027 (USD MILLION)

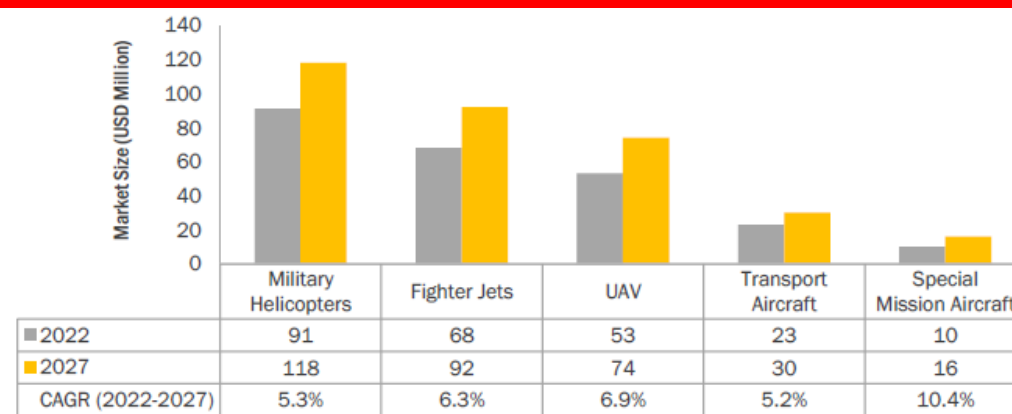
Application	2022	2023	2024	2025	2026	2027	CAGR (2022-2027)
Engine	540	582	617	657	691	729	6.2%
Hydraulic Systems	104	112	119	126	133	140	6.0%
Landing Gear	84	90	96	102	107	113	6.0%
Airframe	45	49	51	54	57	59	5.7%
Others	30	33	34	36	38	40	5.9%
Total	804	865	917	975	1,025	1,082	6.1%

MARKET DYNAMICS/TRENDS

NARROW-BODY AIRCRAFT TO DOMINATE MARKET SHARE



MILITARY HELICOPTERS TO ACCOUNT FOR LARGEST MARKET SHARE



OPERATING SECTORS



MAJOR OEMs - AIRFRAME



Bombardier



MAJOR OEMs - ENGINES



GE Aviation

Honeywell

Aerospace



SAFRAN



PRODUCT APPLICATIONS

Other Hydraulic Fluids

- Aeroshell Fluid 41/31/3
- Hydronycoil FH51

Greases

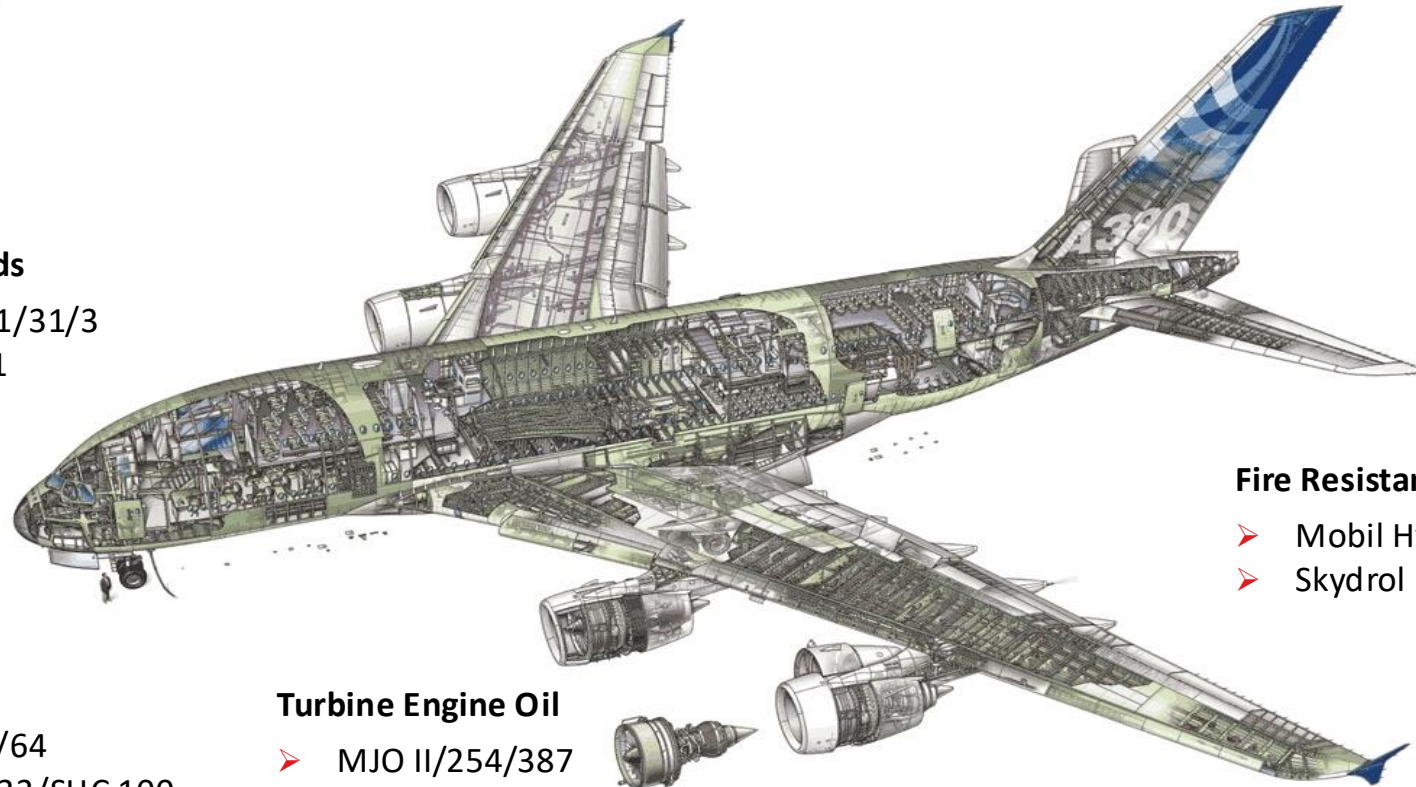
- Aeroshell Grease 6/7/14/22/33/58/64
- Mobil Grease 28/33/SHC 100
- Nycogrease GN 22

Turbine Engine Oil

- MJO II/254/387
- ETO 2380/2197/2389
- ASTO 500/560/390/308
- TN 500/600

Fire Resistant Hydraulic Fluids

- Mobil Hyjet IV A + /Hyjet V
- Skydrol LD4/500 B4/PE5



MAJOR LUBRICANTS MANUFACTURERS

ExxonMobil

- Mobil Jet Oil II
- Mobil Jet Oil 254
- Mobil Jet Oil 387
- Mobil Hyjet IV A +
- Mobil Hyjet V
- Mobil Grease 28
- Mobil grease 33
- Mobil Aviation Grease SHC 100
- Mobil Avjet

EASTMAN

- Eastman Turbo Oil 2380
- Eastman Turbo oil 2197
- Eastman Turbo Oil 2389
- Eastman Turbo Oil 25
- Skydrol LD4
- Skydrol 500B4
- Skydrol PE5
- Sky Kleen 1000

AeroShell

- Aeroshell Turbine Oil 500/560/Ascender
- Aeroshell Fluid 41/31/3
- Aeroshell Piston Engine oil W 100/w120/15W50
- Aeroshell Grease 7, 14, 22, 33, 58, 64
- Aeroshell Turbine Oil 390 /308

NYCO

- Turbo Nyco Oil 600
- Turbo Nyco oil 500
- Nyco grease GN 22
- Nycogrease GN 148
- HydroNyco Oil FH51

REGIONAL MARKETS ANALYSIS

Snapshot of lubricants market share across countries and product types in the **Middle East and Africa**.

MIDDLE EAST & AFRICA: AVIATION LUBRICANTS MARKET, BY COUNTRY, 2022-2027 (USD MILLION)

Country	2022	2023	2024	2025	2026	2027	CAGR (2022-2027)
Saudi Arabia	11	12	14	15	16	17	9.1%
UAE	14	17	19	21	23	24	11.7%
Israel	4.7	5.0	5.4	5.9	6.4	6.9	7.9%
South Africa	6.5	7.5	8.0	8.8	9.3	9.9	8.7%
Nigeria	8.1	8.3	8.7	9.2	9.7	10.2	4.7%
Rest of Middle East & Africa	49	50	53	57	60	63	5.2%
Total	93	101	108	116	123	131	7.1%

MIDDLE EAST & AFRICA: AVIATION LUBRICANTS MARKET, BY TYPE, 2022-2027 (USD MILLION)

Type	2022	2023	2024	2025	2026	2027	CAGR (2022-2027)
Hydraulic Fluid	23	24.9	27	29	31	33	7.14%
Engine Oil	47	51.1	55	59	63	67	7.1%
Grease	18	19.6	20	22	23	25	6.91%
Special Lubricants & Additives	4.9	5.4	5.7	6.1	6.5	6.9	7.11%
Total	93	101	108	116	123	131	7.1%

PESTLE ANALYSIS

POLITICAL	ECONOMIC	SOCIAL	TECHNOLOGICAL	LEGAL	ENVIRONMENTAL
➤ The region being on the crossroads of East and West has a huge geographic advantage. ➤ The region having the largest Hydrocarbon reserves triggering Economic growth consistently. ➤ Increased Defense Spending by most of the Middle eastern markets enable growth in Aviation Lubricants market. ➤ Geopolitical issues occurring in Middle East is an area of concern for the industry. ➤ Geographic spread with divided consensus needs political will and investments to expand in the Aviation Industry.	➤ The Order book of almost all Airlines shows strong economic growth in Aviation Sector (115% Growth in Number of Aircrafts by 2030). ➤ Massive Expansions of the Airports in UAE, KSA, Qatar , Oman, Bahrain, Ethiopia and South Africa increasing Passenger. ➤ Fluctuating oil Prices significantly impact the regions economies and aviation fuel costs. ➤ As per ICAO statistics, air transport supports 2.4 million jobs and contributes USD 130 billion to the GDP in the Middle East. ➤ Airlines such as Emirates, Etihad Airways, and Qatar Airways connect the region with the rest of the world. ➤ Since the Middle East is an emerging market, meetings and conferences are high on the agendas of governments as compared to other matured markets. ➤ The region is economical and cost-efficient in providing various goods and services in comparison to its more developed Western counterparts.	➤ The population explosion will place potentially overwhelming demands on infrastructure and basic resources. ➤ Middle East region has been at the forefront of aviation growth and is reshaping the global long-haul markets by elevating its position in connecting Europe and Asia Pacific. ➤ Several leading cities in the region, such as Dubai, Muscat, Riyadh ,Abu Dhabi, Doha and Kuwait City, are very cosmopolitan, with more than 50% of the population comprising expatriates. ➤ The mineral rich region of Africa has seen the growing interest of overseas companies focusing their attention on the resources of Africa is giving rise to the aviation industry in the region.	➤ Middle Eastern countries such as the UAE, KSA, and Qatar are rapidly becoming technologically advanced with breakthrough inventions and exceptional architectural creations. ➤ Advancements in the sector range from improvements in air navigation systems and increased cabin data connectivity to developments of private electric jets . ➤ Dubai is expected to be the first city in the world to witness an operational air taxi system using eVTOLs. ➤ Investment in AI by major airports and operators to enhance customer experience is on cards .	➤ Regulations around aviation safety, security and labor differ across the region . ➤ The projected expansion of the aviation sector in the region will also bring the need for effective regulatory changes and recruitment and training of the necessary manpower.	➤ Growing focus on sustainability and reducing carbon footprint leads to investment in more eco friendly aircraft and fuels ➤ Emirates, Qatar and Etihad has conducted demonstration flights on commercial routes using SAF blends . ➤ Have seen increased focus on Sustainable lubricants for aviation by initiatives being taken to develop and use bio based lubricants made of renewable energy sources like vegetable oil and synthetic esters .

CONCLUSION

- Overall positive Outlook for Aviation Lubricants in MEA
- Healthy Profits booked by Airlines in ME.
- Order books show a growth of 115% in MEA
- Geopolitical Issues could slower the travel market thereby impacting Aviation lubes for short term.
- Over the Long term Aviation Lubricants market is on a growth trajectory



Join us as we build the future of aviation lubrication.

