

Towards Building a Strong Partnership

December 4, 2017



Agenda



- **Saudi Arabia at a Glance**
- **Vision 2030**
- **Sectors Overview & Investment Opportunities**

Saudi Arabia at a Glance



20th

Largest
Economy

5th

Highest
Growth (G20)

17th

Largest
Exporter

29th

Largest
Importer

A Vision that changes Everything

رؤية
VISION
2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

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VISION
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المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

INVEST
SAUDI



Vision 2030

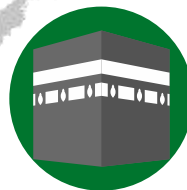


MY FIRST OBJECTIVE IS FOR
OUR COUNTRY TO BE
SUCCESSFUL GLOBAL
MODEL OF EXCELLENCE, ON
ALL FRONTS, AND I WILL
WORK WITH YOU TO
ACHIEVE THAT...

هدفي الأول أن تكون بلادنا نموذجاً ناجحاً ورائداً
في العالم على كافة الأصعدة، وسأعمل معكم
على تحقيق ذلك

Custodian of the Two Holy Mosques
King Salman Bin Abdulaziz Al-Saud

Vision 2030 is based on 3 main pillars



SAUDI ARABIA The heart of
the Arab and Muslim World

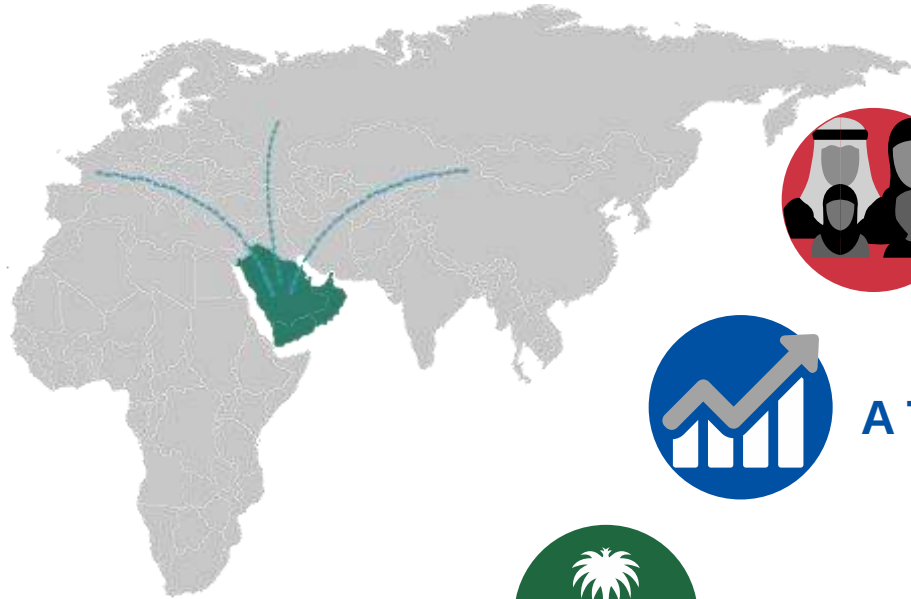


AN INVESTMENT
Powerhouse



A HUB Connecting
Three Continents

Vision 2030 covers 3 major themes



A Vibrant Society



A Thriving Economy



An Ambitious Nation



Vision Theme: A Vibrant Society

80 years

↑
74

Life Expectancy

6%

↑
3%

Disposable
Income on
Entertainment &
Leisure

10

↑
26

OECD Social
Capital Index



Vision Theme: A Thriving Economy

5.7%



3.8%

FDI's
Contribution
to GDP

65%



40%

Private Sector
Contribution to
GDP

35%



20%

SME
Contribution to
GDP



Vision Theme: Ambitious Nation

5



36

Improving our
E-Government
Survey Index
ranking

20

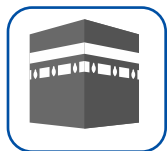


80

Improving our
E-Government
Effectiveness
Index ranking



Vision 2030 Realization Programs



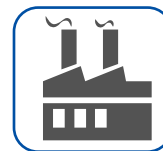
Enriching the Hajj
and Umrah
Experience



National
Transformation
Program



PIF Program



National Industrial
Development and
Logistics Program



Financial Sector
Development
Program



Lifestyle
improvement
Program



National
Companies
Promotion
Program



Strategic
Partnership
Program



The Housing
Program



Privatization
Program



Saudi Character
Enrichment
Program



Fiscal Balance
Program



Investment Opportunities



Retail



E-Commerce



ICT



Renewable
Energy



Tourism



Entertainment
& Leisure



Financial
Services



Healthcare



Transport



Industrial
Equipment



Engineering
Services



Downstream
Chemicals



Mining



Priority to Localization

Defense & Military

50%



2%

Localizing
Military
Spending

Oil & Gas

75%



40%

Local Content
Oil & Gas



Downstream Industries





Downstream Industries



Investment Categories

Chemicals & Downstream

- Paints & Coating Manufacturers
- Adhesives & Sealants
- Advanced Ceramic Materials
- Catalyst
- Oil Field Chemicals
- Surfactants

Industrial Equipment & Spare Parts

- Pumps
- Valves
- Compressors
- Casting
- Gaskets
- Seals
- Shafts

Aerospace & Defense

- Civil Aircraft Components
- Military Consumables
- Military Aircraft Assembly
- R&D



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Paint and Coating Market Overview



Statistics

KSA can access to

55%

KSA Coatings Growth

1.5-2X

Raw Materials Availability

75%

EBITDA,

12% - 20%

Objectives at Glance

KSA demand by 2015

\$ 1.8 Billion

KSA demand by 2020

\$ 2.3 Billion

Market Size

Global Market

\$ 140 Billion

Protective & Industrial market in KSA

31%

Emerging Growth

5.5%

By 2025, the hyper-region demand will increase

\$ 65 Billion



Paint and Coating Value Chain Opportunities



Investment Categories

Monomers & Solvents	Intermediate Building-Blocks Chemicals	P&C Manufacturers	Distribution
<ul style="list-style-type: none">• MEK• O - xylene• Aromatic 100 / 150• Phthalic Anhydride• Adipic Acid• MIBK• Hexamethylene Diamine• Acrylic Polymers (solvent borne)	<ul style="list-style-type: none">• Pigments• Additives• Polymers• Resins• Elastomers• Application Equipment	<ul style="list-style-type: none">• Industrial paints• Decorative Paints• Special purposes	<ul style="list-style-type: none">• Distribution Centers

COMMUNICATION STATUS WITH INVESTORS



- **18** investors are signed off the statement of intent for collaboration, they are interested to invest on Paint and Coatings supply chain in Saudi Arabia.
- **Five** CEOs of the top 10 leaders of global paint and coatings are interested to explore the investments in KSA.
- Open direct communication with **30** global companies.
- Other potential entities will follow subjected to see initiation progress on the initiative.
- Well known international companies are interested to establish P&C academy, R&D, testing labs, organize P&C show in KSA and publish Coating Journal in ARABIC.



Renewable Energy





Renewable Energy Sector Overview



Targeted Capacity

3.4 GW

By 2020

9.5 GW

By 2023

Project Rounds

700 MW

By 2017
Wind & PV

1 GW

By 2018
Wind, CSP & PV

1.7 GW

By 2019
Wind, CSP & PV

Projected Investment by 2023

\$ 50+Billion

- Wind: Wind Turbine Power
- CSP: Concentrated Solar Power
- PV: Photovoltaic (Solar)



Transport & Logistics





Transport & Logistics



Growth Objectives to 2030

12%

Compound Annual
Growth Rate*

Projected Investment

SAR 100+Bn

To 2030

Rail & Metro Infrastructure

SAR ~48 Bn

Rail Components

SAR ~8 Bn

Engineering, Procurement & Construction in Aviation Sector

SAR ~26 Bn



Transportation & Logistics Opportunities



Investment Categories

School & Hajj Bus

- School Bus
- Hajj (pilgrimage) Bus
- Bus Operations & Maintenance
- Bus Components and Spare Parts
- Alternative Financing Models

Metro & Rail

- Rolling Stock Components
- Rail Infrastructure Components
- Operations & Maintenance
- Railway Stations
- Rolling Stock Manufacturing

Airports & Aviation

- Airport Infrastructure
- Airport Land Development
- Operations & Maintenance
- MRO
- Cargo Projects

Maritime & Logistics

- Ports Operations
- Training & Education Provision
- Logistics Facilities & Operations
- Logistics Development zones



Transportation & Logistics Opportunities



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Railway Value Chain Opportunities



Several major rail & metro projects are expected to be completed in the Kingdom in by 2030

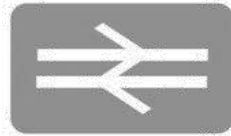


2030



2000+

kilometers of new rail track



120+

new stations



SAR 48 bn+

spent on projects' civil works and equipment (rolling stock, components and operations)



Civil Works

Companies include CRCC, Isolux, Yapi Merkezi, BACS, FAST etc.



Supply of components

Components and rolling stock from Alstom, Siemens, Talgo, Faiveley and others



Technical Services

Design and technical services (e.g. systems, infrastructure, stations)



Operations & Maintenance

Long term O&M contacts to foreign



Healthcare & Life Sciences



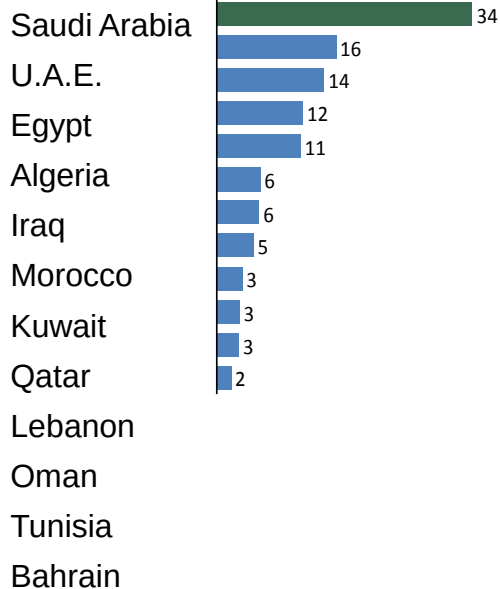


The Saudi health sector is the largest in MENA and has significant infrastructure



Health sector expenditure in MENA¹

\$Bn



CAGR

2010-2016

11%

6%

6%

6%

17%

2%

10%

11%

4%

11%

0%

13%

Key health sector infrastructure metrics

Healthcare facilities

470+



Hospitals

71K



Hospital beds

5K



Clinics

Healthcare professionals

90K



Physicians

106K



Allied health personnel

180K



Nurses

1 Middle east and North Africa
Source: BMI, Ministry of Health

Note: All data as of 2016

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\$180Bn of expenditure in the health sector over the next 5 years



Medical devices



Pharmaceuticals



Service provision

Cumulative
spend over
2017-2021

\$11 Bn

\$42 Bn

\$130 Bn

Spend on capital equipment in 2016

\$1.1 Bn

Spend on patented drugs in 2016

\$4.1 Bn

MoH² hospitals beds in 2016

42 K

Spend on consumables in 2016

\$0.6 Bn

Spend on generic drugs in 2016

\$2.3 Bn

Private hospital beds in 2016

17 K

Spend on patient aids in 2016

\$0.2 Bn

Spend on OTC in 2016

\$1.0 Bn

MoH² primary healthcare centers in 2016

2.3 K

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Healthcare & Life Sciences



Investment Categories

Investment Categories

Hospital Services

PSP Opportunities such as:

- Radiology
- Primary Healthcare-
Hospitals & Medical
Cities
- Labs
- Long-term care
- Rehabilitation
- Home care

Pharmaceuticals

Manufacturing of:

- Vaccines
- Biologics &
biosimilars
- Sterile injectables
- APIs
- Solid oral dosages

Medical Devices

Manufacturing of:

- Glucometers
- Implants
- 21 products
segments such as:
 - IVD
 - Orthopedics
 - Anesthesia
 - Nephrology
/Urology
 - Dental
 - Hospital supplies

L

ICT





ICT Market Overview



Market Size

ICT 2016 Spending

\$35 Billion

Saudi Market Share in GCC

70% of GCC Spending

CAGR growth for the last 6 years

8% CAGR

Packaged software growth rate

12.5% s/w growth

Telecoms

Mobile Subscriptions

158%

Smart Phone Penetration

72%

Mobile Broadband Penetration

88%

Internet Penetration

70%

Games & e-commerce

E-commerce Market Size

\$6.8 Billion

E-commerce penetration

51%

Games average spending – Highest / Capita

\$6.8 /Person/Mon

YouTube average time – Highest / Capita

3 Hrs/Peron/Day



ICT



Investment Categories

Investment
Categories

Cloud Services

- IaaS
- PaaS
- SaaS
- MBaaS
- BPaaS
- SoC Cloud Service

Arabic Digital Content

- Audiovisual Production
- Digital Marketing
- E-Books
- E-Learning
- Contents Recognition

E-Commerce

- E-commerce as a platform
- E-commerce as a service
- E-Commerce for Hajj and Umrah

Artificial Intelligence & Autonomous System

- Industrial Internet & IoT
- Smart Cities, Airport, & Seaport
- Intelligent Tourism Management
- Arabic Cognitive

Mobility

- Mobile App's Development
- Gaming & Entertainment
- Innovation lab for Mobility
- Cloud Development Platform

Support Centers, Competency Centers, and ICT Academy

Metals and Mining

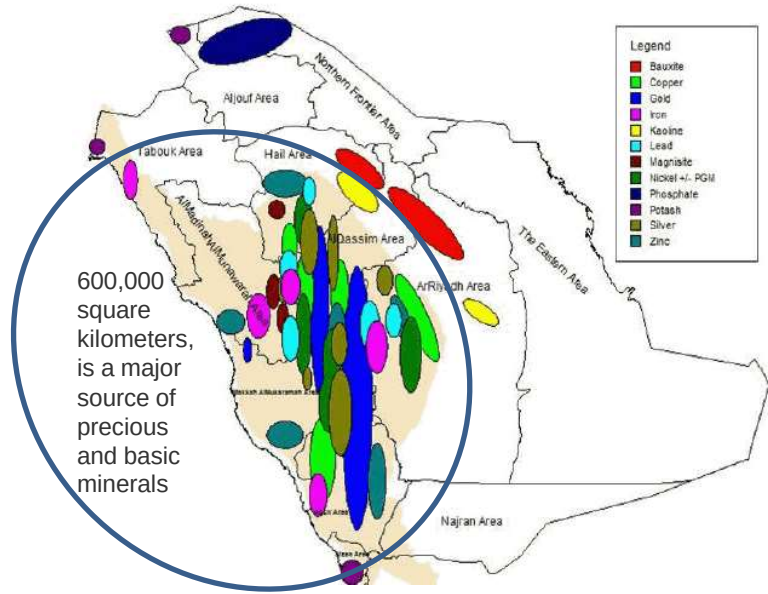


Mining Sector Overview



The **LARGEST** country in the Middle East
The **13th** largest in the world

To date, over **48 minerals** have been identified in the Kingdom, with at least 15 minerals that are commercially viable.



2 million km²

Mining Sector Overview



450 M

Tons of minerals
Exploited



330

Mining Site



70,000

km2



~250,000

Working in Mining and
Metals industry



2000 Licenses

have been issued for
reconnaissance, exploration and
exploitation



4 M Oz

of gold sold
Since 1988



Rank no. 8

the world's largest
producer



9 Million tones

Domestic steel
production



\$7 Billion

Mineral value chains
deliver in gross
exports.



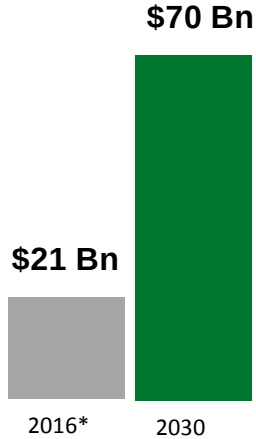
7 Billion tones

The world's largest phosphate
resources

2030 Target



Ministry has identified over **1,200** sites of precious metals and **1,200** sites of non-precious metals.



GDP Contribution



+\$120 Billion
CAPEX



Create over
265,000 new jobs



Towards achieving targets



Between 2004 and 2014, the sector has grown by ~11% annually

Two new mining cities were built for sector investments

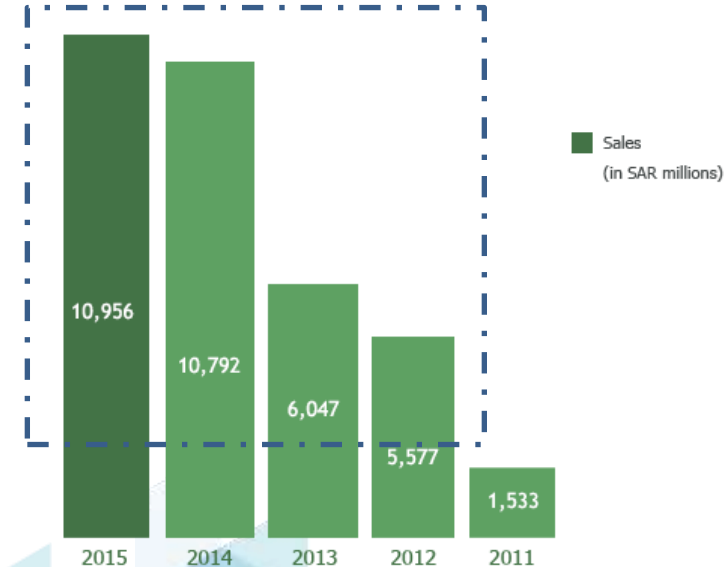
1. Ras Al-Khair industrial mining city at the Arab Gulf coast in the east of the Kingdom.
2. Wa'ad Al-Shamal mining City is located in the northern region.

The 1,500 km long north- south railway line was built to link the phosphate mine at Al Jalamid and the bauxite mine site at Al Ba'itha to the mineral industries complex at Ras Al Khair.



Ma'aden has adopted an aggressive exploration and mineral exploitation programs

\$34 Bn Investments



Maaden Co.



Mining VC investment opportunities



Upstream

Exploration* and Mining

- Geosciences studies (geophysical, geochemical) and 3D Geological Modelling
- Mineral exploration services / laboratories / Mining Software's/ Exploration Sampling and Analysis
- Resource modelling and estimation
- Prefeasibility/feasibility studies
- Mining processing / equipment / Safety ..
- Mining Consultations, education and training services
- Mining research and university collaboration
- Exploration drilling
- Mine construction
- Mining operations and on-site beneficiation
- **Production of Chemicals used in mining and metals processing**

Midstream

- Primary metal production (e.g., aluminum melting, Zinc Smelting, metals recovery, purification, leaching, refineries, iron direct reduction,...)
- Development of semi-finished and finished products for downstream industries, e.g., blooms, slabs, billets, ingots, flat rolled, plate mills, etc

Downstream

- Mini mills capable of producing high-quality steel sheets for the automotive, marine, household appliance and other sectors;
- Plants to produce specialty steels, e.g. for tools, rod, wire and bearings;
- Iron/steel foundry to produce pumps, valves and other castings;
- Flat-rolled aluminium mill to produce automotive, construction and other sheet panels;
- Multi-purpose aluminium rolling mill for products such as wire, rod, foil and packaging;
- Aluminium foundry to produce power train, wheel and other castings;
- copper processing facilities to produce copper and alloy rod, cable, tubing, plate, pipe and sheet;
- metal processing facilities for forging, machining, stamping, heat treating and plating;
- Brass alloy production; and magnesium and zinc powder production.



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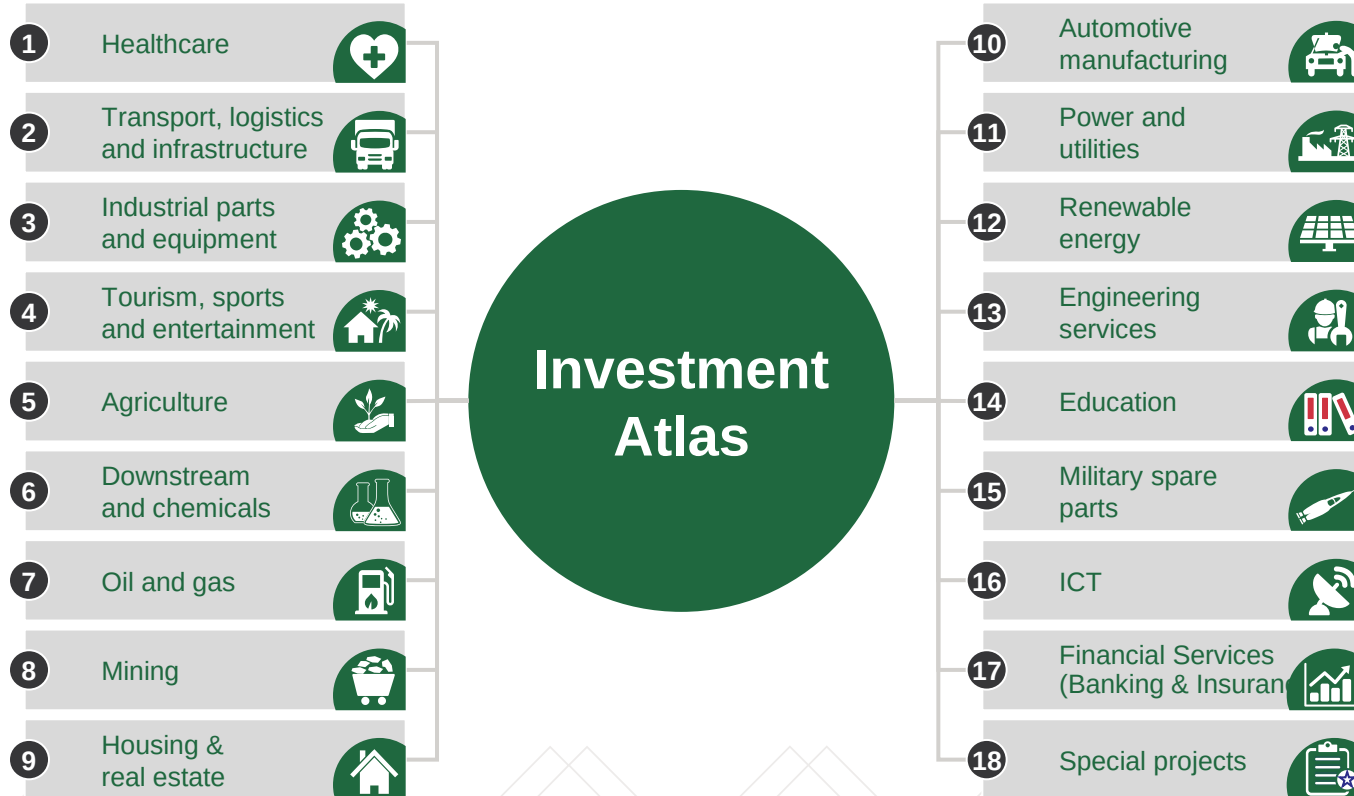
Investment opportunities
across multiple sectors



Investment
Atlas

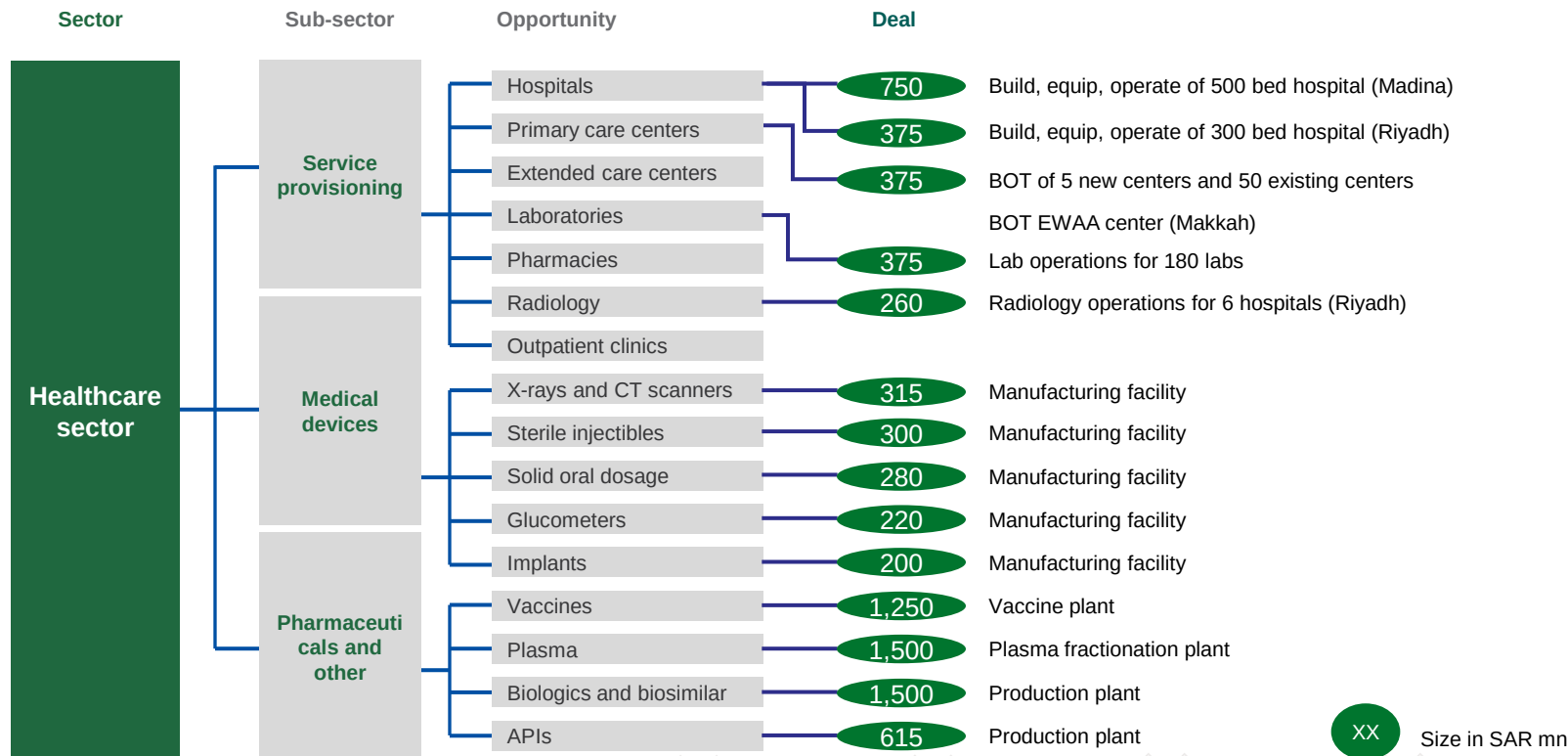


The Investment Atlas identifies investment opportunities across 18 prioritized sectors





Healthcare opportunities within the privatization agenda will include hospital provisioning, medical device manufacturing & more



Ease of Doing Business & Competitiveness



Tayseer Goals

تيسير

- ✓ Improving Investment Regulation & Policy for Ease of Doing Business
- ✓ Streamline government processes and procedures
- ✓ Increase private sector participation on reforms

Sample Completed Actions

- Established arbitration center
- Reduced the steps (4) and requirements to start a business
- Eliminated 60% of import /export documents
- Established 6 one stop shops
- Issue investor and business visas in 24 hours
- Draft Finalized the following laws: Insolvency, Corporate Governance, and Mortgage

Actions in Progress

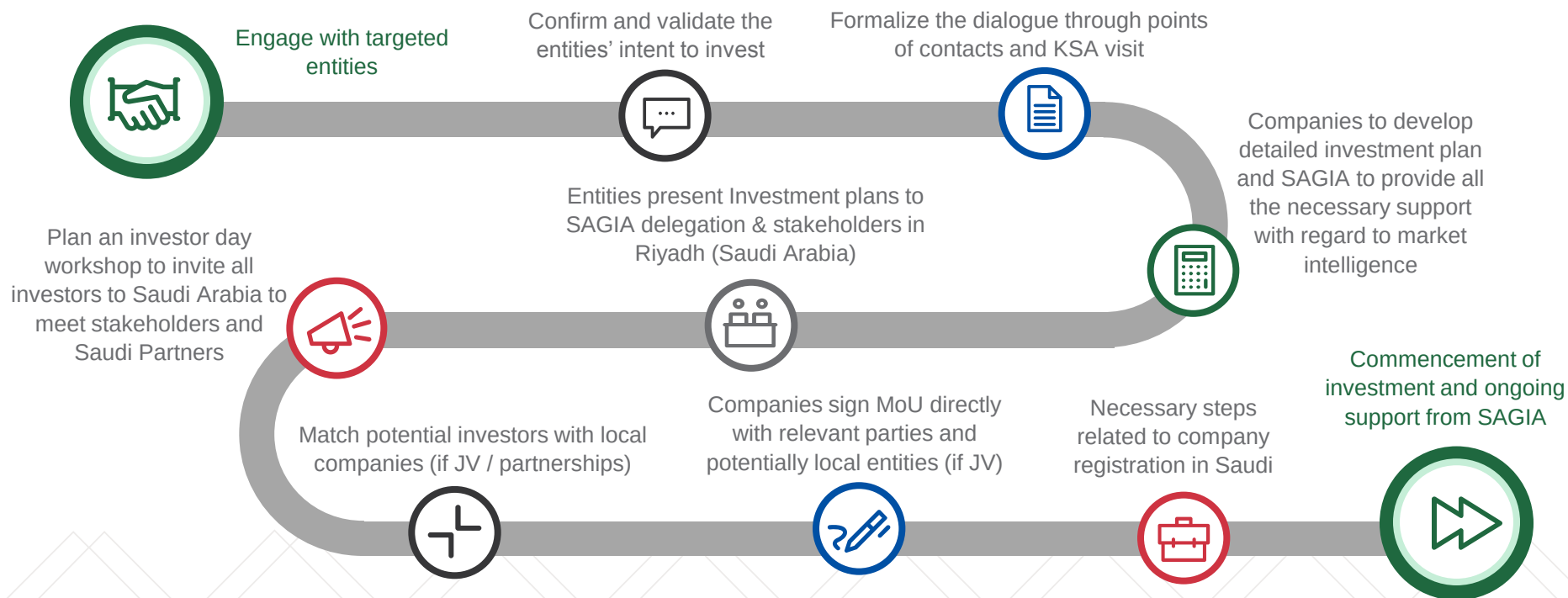
- Launch the National Labor Observatory
- Reduce the time to Import / Export containers in 24 hours
- Enhance the Procurement law
- Enhance the Contractors Classification mechanism
- Launch online platform for business services



Our journey starts today...



Converting investment opportunities into success stories



Thank You

