

Investment Opportunity Teaser

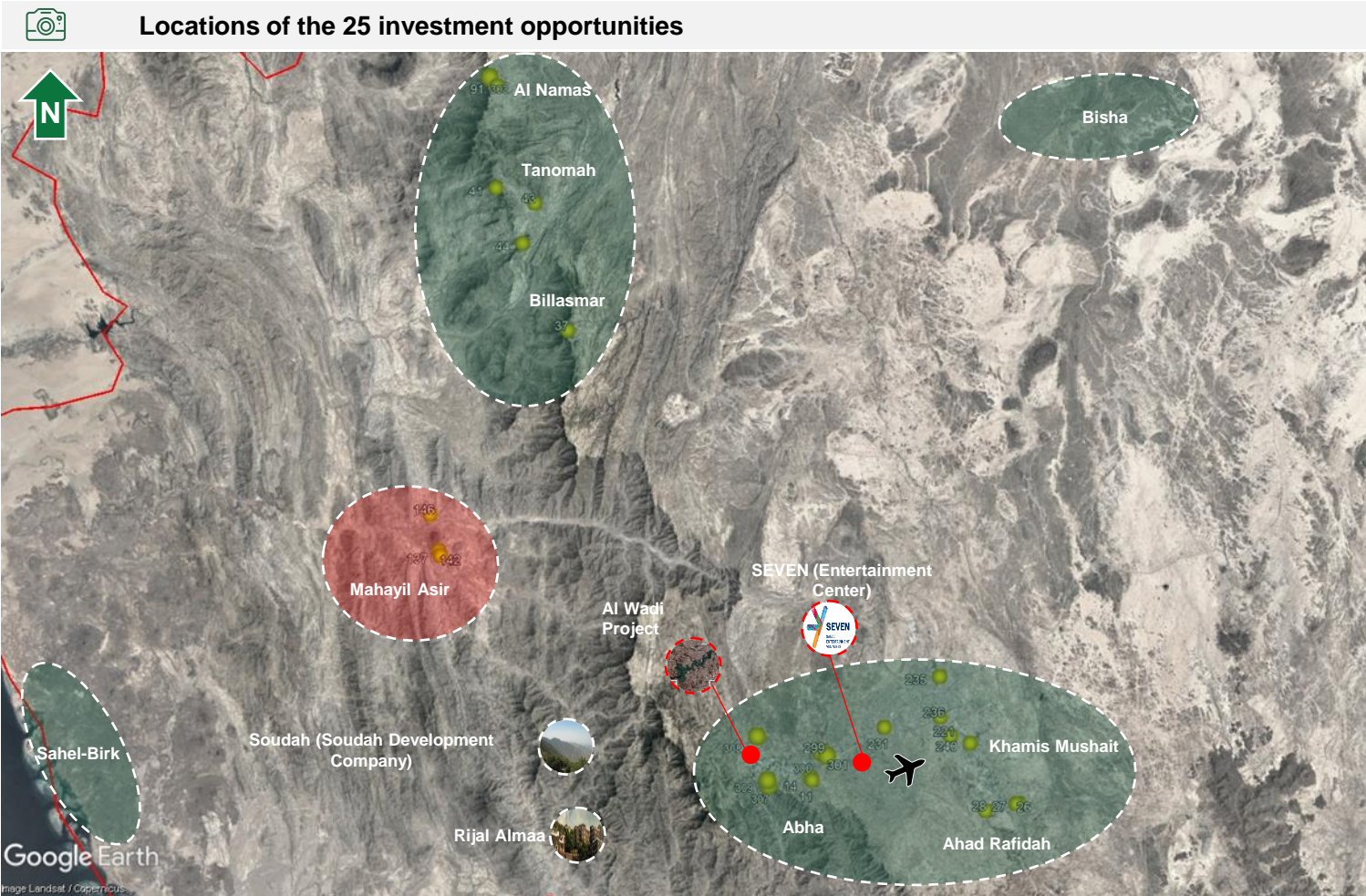
Retail (F&B Cluster) and L&E
(Outdoor Park)

Abha - Land Parcel S. No. 308

Kingdom of Saudi Arabia

Private and confidential

Various government entities are currently collaborating to enable investments in Asir and realize its provincial vision



Targeted investment sectors in line with Asir's Development Strategy

Based on Asir's Development Strategy, various government and private entities will contribute to approximately SAR 50 billion worth of investments; mainly distributed across the targeted investment sectors themed under tourism ¹. Below are the targeted investment sectors:



Hospitality



Health & Wellness



Retail



Agri-tourism



Leisure & Entertainment (L&E)



Culture & Heritage

Legend Asir Region Locations of the 25 investment opportunities Abha International Airport Public Investment Fund Projects Tourism Development Areas Other target municipalities

Note: The borders of the Tourism Development Areas (TDA's) are for indicative purposes only

¹Notes: Target investment sectors include: Health & Wellness, Edutainment, Second Homes, Residential Villages, etc.

The land parcel is located to the north of Abha city (Sama Abha)

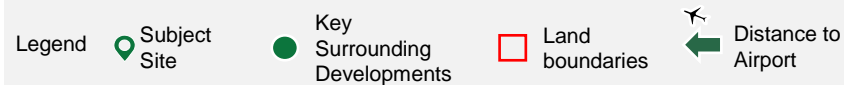
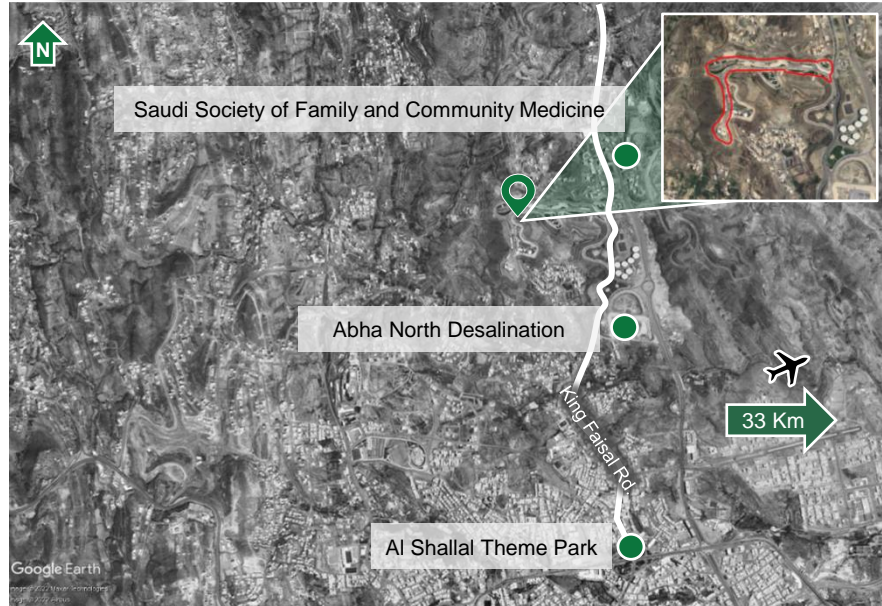


Municipality Description: Abha is the main city within Asir, hosting a number of vibrant and diverse developments which add value to the region in view of their integrated and diversified services. Abha ranks first in the region in terms of its population.

Site Overview in Abha Municipality



Site Location & Surrounding Area



Site Analysis



Site Characteristics

Land size		147,350 sqm
Accessibility		High
Visibility		High
Surrounding land use		The surrounding area is well serviced with a variety of uses across various sectors
Land shape		Irregular
Ground coverage (%)		60%
Allowable height (floors)		2

Notes:

(1) The allowable height (# of floors) and the ground coverage stated above are high-level and for indicative purposes. Those figures were concluded based on various discussions with the Asir Development Authority (ASDA), as well as the existing local practices in Asir. ASDA is currently working on developing the building codes and the region's Contextual Architecture Guidelines. Therefore, investors/developers must adhere to the updated building regulated once updated and issued.

The development comprises F&B Cluster and Outdoor Park areas in Sama Abha

Opportunity Description: This development includes high quality real-estate components with the aim of elevating the quality of life and the urban landscape in the city through providing outstanding services that would improve the journey of individuals, households, and visitors.

Development Brief



Optimal Development Option

Proposed project components

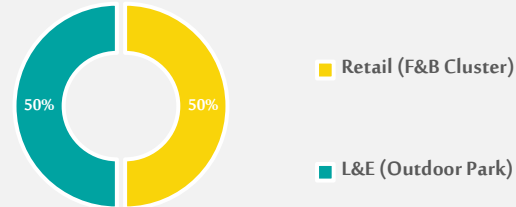
Retail

L&E



Note: Illustrative example for the height, shape, and size of the proposed development

Land size distribution for each component



Component	Built-up Area (BUA)	Gross Leasable Area (GLA) / number of rooms
Retail (F&B Cluster)	19,592 sqm	17,633 sqm
L&E (Outdoor Park)	N/A	19,592 sqm

Market Drivers & Trends

- Abha is home to vibrant and diverse developments that offer integrated services to residents and visitors. This plays a key role in the elevated demand rates.
- This is expected to be accompanied by an increase in the number of local and foreign tourists as a result of government initiatives to diversify the economy and make Asir a major tourist attraction, which will support the entertainment and retail sectors.

Forecasted Economic Benefits

Non-oil GDP Contribution



SAR 126mn

Total Employment



221 jobs

Saudization



24 jobs

Notes:

- The above KPIs are only related to development period
- The above mentioned KPIs are related to specific CSR objectives; which are often adopted by investors for their real-estate and tourism development strategies
- Since it depends on various factors under tenant activities and revenues (etc.), non-oil GDP contribution does not apply to the operation phase. In addition, total employment figures are estimated during the operation phase through the number of job opportunities per leased area, as well as the number of developments and operational contracts; which have been excluded here in view of the indicative nature of this analysis.

Forecasted Investment Highlights

Total CAPEX



SAR 76.5 million

Average Annual revenue



SAR 24.2 million/year

Average Annual OPEX



SAR 4.9 million/year

Notes:

- It is assumed that duration of a municipal land lease contract is 28 years (3 years for development + 25 years for operation)
- Investors may qualify and assign the required operator based on the nature of opportunities
- Indicators presented in this Teaser are based on scientific assumptions, yet deemed indicative forecasts

The development comprises F&B Cluster and Outdoor Park areas in Sama Abha



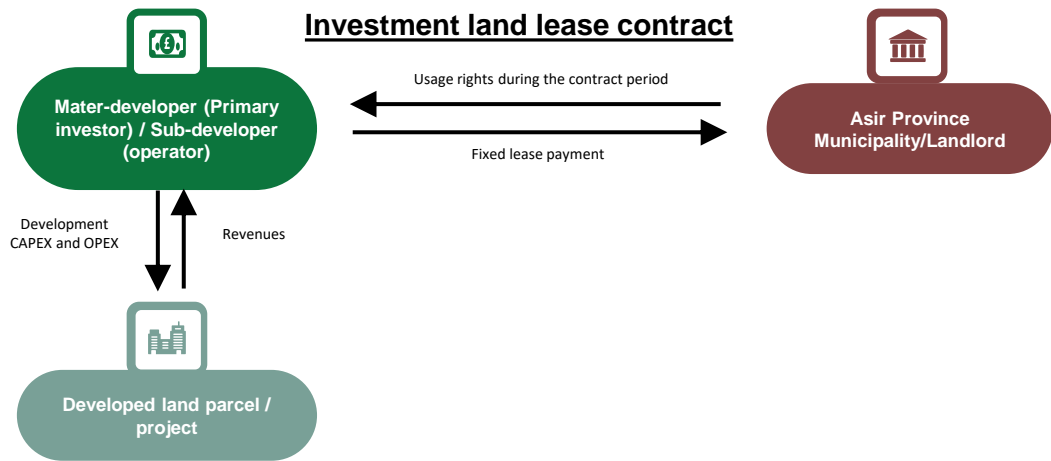
Value Proposition

- This development reflects significant value proposition through its recreational elements, alongside its F&B Cluster. Such offerings play a vital role in reviving the region and attract more visitors and residents.
- The development builds on the current state of the target land parcel, which hosts a well-serviced park and walkway; something that acts as a stimulus for attracting more residents and tourists.

Indicative Pre-concept



Deal structure



Notes:
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 (2) Investors may qualify and assign the required operator based on the nature of opportunities
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Summary of key stakeholders' roles across the Kingdom and in Asir specifically



- Enables financial sustainability in the region, by listing and offering investment opportunities through FORAS platform and aligning with the Municipal Property Transfer Practices Act
- Improves urban landscape, public facilities and amenities, licensing, protects environmental public health, and other municipal services in the region

- The official municipal investment platform for the municipalities to tender investment opportunities nationwide



- Achieves balanced regional development and ensures effective coordination between different stakeholders to successfully implement key real estate and infrastructure projects in the region along with stimulating and supporting investments

- Sponsor of Asir Investment Forum
- Provides studies on local market outlook across various sectors based on government plans catered mainly to companies desiring to enter for the first time or considering expanding their current business footprint. MISA works with government entities to create, develop and promote business opportunities

- "Invest Saudi" is the official national marketing platform adopted by MISA to attract foreign investors to the Kingdom



- Regulates and governs the tourism ecosystem in Saudi Arabia along with providing the necessary enablers, being the cradle of and catalyst for sustainable opportunities.



- Enables the tourism sector in the Kingdom through offering financing products and promoting investments in order to facilitate local and international investors' access to high-potential tourism investments across key destinations in the Kingdom.

Roadmap for investment opportunity

Announcement of the Investment Opportunities during the Asir Investment Forum

Asir Municipality (Amana), ASDA, and MISA to hold the Asir Investment Forum and subsequently receive Expressions of Interest (EOIs) from potential investors



Municipal Investment Portal ("Foras")

Investors to review Request for Proposal (RFP's) and investment opportunity teasers uploaded on Foras portal by Asir Municipality (Amana) and purchase the desired tender



Submission of bids

Asir Municipality (Amana) to receive technical and financial bids (proposals) submitted by interested investors within (30) days from the announcement of the investment opportunities



Bids opening and evaluation

Asir Municipality (Amana) to open bids and carry out technical (70%) and financial evaluations (30%) of submitted proposals based on approved bid assessment criteria



Request for Building permits

Investors to navigate "Balady" Portal and request permits related to building, civil defense, etc. as part of the launching requirements of the development phase



Negotiation and closure

Asir Municipality (Amana) to conduct negotiations with shortlisted investors and award opportunities to selected investors in order to sign respective lease agreements with them



Request for Operational permits

Investors to request the necessary operation permits via Balady and the relevant entities



Indicative commercial specifications that we expect investor(s) and/or developer(s) to follow

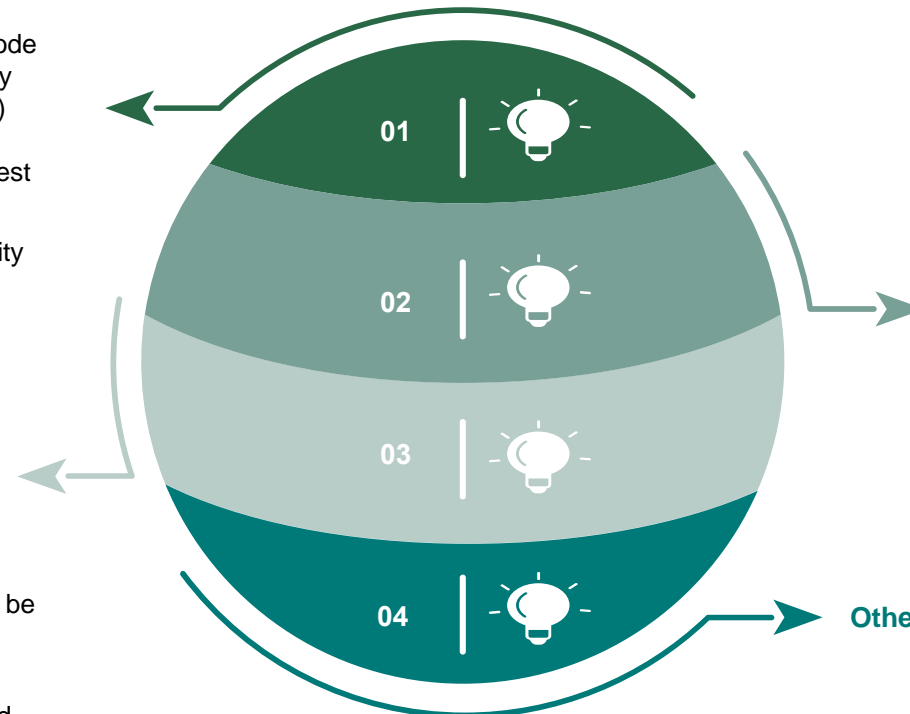
- Below is a wide range of indicative commercial specifications that are imperative for potential investor(s) and/or developer(s) who wish to be eligible to partner with the government in successfully developing the investment opportunities on municipal lands, and hence uplifting the landscape of Asir province. This is in addition to improving the urban landscape and quality of life in Asir.
- The below is applicable to the various development offerings falling under the respective proposed relevant real estate asset classes, such as Hospitality, Retail, Leisure & Entertainment (L&E), Health & Wellness, etc.

Building Code

- Investors must comply with the Saudi Building Code and other codes approved by the Asir Municipality (Amana) and Asir Development Authority (ASDA) including but not limited to Asir Contextual Architecture Guidelines, local and international best practices etc.
- Investors must fulfill local and international security and safety features and requirements

Track Record

- Interested investor(s) and/or developer(s) should be able to show evidence of relevant experience in executing project(s) of a similar nature
- Experiences can be shown for local, regional, and international ventures



- Hospitality and Health & Wellness developments should attract internationally branded operators and/or reputable local operators
- Franchises under the Retail and L&E sectors should attract internationally renowned branded operators (which must be aligned with the local context and culture) and/or reputable local operators

Branding

Other Specifications

- Prospective investor(s) and/or developer(s) should be ready to comply with the detailed technical, commercial, and financial specifications that will be laid out in the RFP(s) at a later stage

For inquiries:

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