REASONS TO INVEST
THREE REASONS TO INVEST IN HAJJ AND UMRAH SECTOR IN KSA

1. THE DESTINATION FOR MUSLIM WORLD

2. COMMITMENT TO DEVELOP AND UNLOCK THE SECTOR

3. NEW ERA FOR PRIVATE SECTOR
THE DESTINATION FOR MUSLIM WORLD

HAJJ AND UMRAH ARE DUTIES FOR THE +1.6B MUSLIMS AROUND THE WORLD

~4M MUSLIMS IN NORTH AMERICA

~1M MUSLIMS IN SOUTH AMERICA

Source: Desk research
~40M
MUSLIMS IN
EUROPE

~1B
MUSLIMS IN
ASIA

~315B
MUSLIMS IN MIDDLE EAST
AND NORTH AFRICA

~245M
MUSLIMS IN
SUB-SAHARAN AFRICA

~245M
MUSLIMS IN SUB-SAHARAN AFRICA

~40M
MUSLIMS IN
EUROPE

~1B
MUSLIMS IN
ASIA

~315B
MUSLIMS IN MIDDLE EAST
AND NORTH AFRICA

~245M
MUSLIMS IN
SUB-SAHARAN AFRICA
KSA HAS ASSUMED A PROMINENT PLACE IN THE WORLD AMONGST MUSLIMS FOR HAJJ AND UMRAH

WHAT ARE HAJJ AND UMRAH?

What is Hajj

- A mandatory religious duty for adult Muslims that must be carried out at least once in their lifetime
- Performed between 8th and 12th of Dhu Al-Hijjah
- One of the five pillars of Islam, alongside Shahadah, Salat, Zakat, and Sawm

What is Umrah

- Islamic pilgrimage to Makkah performed at any time of the year
- One of the key duties for Muslims (to be done at least once, but encouraged multiple times during a lifetime)
- Includes performing Tawaf around the Ka’bah and Sai between Safa and Marwah

Source: Desktop search; Team analysis
TWO PROMINENT CITIES FOR HAJJ AND UMRAH DUTIES, MAKKAH AND MADINAH ARE ICONIC CITIES OFFERING RICH HISTORIC EXPERIENCES

**MAKKAH**
- Birthplace of prophet Mohammed and Islam
- Home of the Holy mosque “Masjid al-Haram”
- Location for Hajj and Umrah journey

**MADINAH**
- First capital city of the Islamic caliphate
- Home for the Holy mosque “Masjid Al Nabawi”
- Host of the prophet’s grave
- Visited by most pilgrims

Source: Desk research, team analysis
THE DESTINATION FOR MUSLIM WORLD

MAKKAH IS THE HOLIEST CITY IN ISLAM

- Center of the three Abrahamic faiths - first House built for the worship of Allah
- Home to “Masjid Alharam” which has the Kaabah, the direction of Muslim prayer
- Home of the Zamzam Well; a thousands year-old well that was discovered by Hajar (Abraham’s wife)
- Site of prophet Mohammed’s first revelation of the Quran
- Makkah is known for being at the center of the ancient trade routes at the crossroads of global trade

Source: Desk research, team analysis
MADINAH IS THE FIRST CAPITAL OF THE MUSLIM WORLD

- Destination of the prophet’s Hijrah (migration) from Makkah. It became the capital of the Muslim world.

- Home to the Holy mosque “Masjid Al Nabawi”, which has the graves of the prophet, Abu Baker Alsadiq (first caliphate), and Omar Bin Khattab (second caliphate).

- Madinah hosted key historical events in the Islamic history, e.g.: Battle of Bader and Uhud.

- One of the three mosques that prophet Mohammed recommended to visit: “do not undertake a religious journey except to three mosques: this mosque of mine in Madinah, the sacred mosque in Makkah, and the farthest mosque in Jerusalem.”

1. Sahih Muslim, Book 7, Number 3218
THE DESTINATION FOR MUSLIM WORLD

PILGRIMS FROM 80+ NATIONALITIES VISIT MAKKAH AND MADINAH

TOP COUNTRIES WHERE PILGRIMS COME FROM (THOUSAND TRIPS)

<table>
<thead>
<tr>
<th>Country</th>
<th>Trips</th>
</tr>
</thead>
<tbody>
<tr>
<td>UAE</td>
<td>1,216</td>
</tr>
<tr>
<td>Egypt</td>
<td>875</td>
</tr>
<tr>
<td>Saudi</td>
<td>868</td>
</tr>
<tr>
<td>Iran</td>
<td>632</td>
</tr>
<tr>
<td>Turkey</td>
<td>590</td>
</tr>
<tr>
<td>Malaysia</td>
<td>565</td>
</tr>
<tr>
<td>Syria</td>
<td>433</td>
</tr>
<tr>
<td>Jordan</td>
<td>420</td>
</tr>
<tr>
<td>India</td>
<td>330</td>
</tr>
<tr>
<td>South Korea</td>
<td>310</td>
</tr>
<tr>
<td>Indonesia</td>
<td>269</td>
</tr>
<tr>
<td>Qatar</td>
<td>240</td>
</tr>
<tr>
<td>Others</td>
<td>1,617</td>
</tr>
<tr>
<td>Total</td>
<td>8,365</td>
</tr>
</tbody>
</table>

Source: MAS Data
THE DESTINATION FOR MUSLIM WORLD

HISTORICALLY, MAKKAH & MADINAH RECEIVED ~2 MN VISITS FOR HAJJ - EXPECTED TO GROW BY TWOFOLD BY 2030

HISTORIC # OF VISITS (IN MN)

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic visits</th>
<th>Inbound visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>2.2</td>
<td>1.5</td>
</tr>
<tr>
<td>2006</td>
<td>2.3</td>
<td>1.6</td>
</tr>
<tr>
<td>2007</td>
<td>2.4</td>
<td>1.7</td>
</tr>
<tr>
<td>2008</td>
<td>2.4</td>
<td>1.6</td>
</tr>
<tr>
<td>2009</td>
<td>2.9</td>
<td>1.6</td>
</tr>
<tr>
<td>2010</td>
<td>2.9</td>
<td>1.6</td>
</tr>
<tr>
<td>2011</td>
<td>3.0</td>
<td>1.6</td>
</tr>
<tr>
<td>2012</td>
<td>2.0</td>
<td>1.4</td>
</tr>
<tr>
<td>2013</td>
<td>2.1</td>
<td>1.4</td>
</tr>
<tr>
<td>2014</td>
<td>1.9</td>
<td>1.4</td>
</tr>
<tr>
<td>2015</td>
<td>1.9</td>
<td>1.4</td>
</tr>
<tr>
<td>2016</td>
<td>2.5</td>
<td>1.3</td>
</tr>
<tr>
<td>2017</td>
<td>2.3</td>
<td>1.8</td>
</tr>
<tr>
<td>2018</td>
<td>2.3</td>
<td>1.7</td>
</tr>
</tbody>
</table>

FORECASTED # OF VISITS (IN MN)

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic visits</th>
<th>Inbound visits</th>
</tr>
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<tbody>
<tr>
<td>2018F</td>
<td>2.6</td>
<td>1.9</td>
</tr>
<tr>
<td>2019F</td>
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<td>1.9</td>
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<tr>
<td>2020F</td>
<td>3.0</td>
<td>2.2</td>
</tr>
<tr>
<td>2030F</td>
<td>5.4</td>
<td>4.5</td>
</tr>
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</table>

Source: Hajj & Umrah VRP, team analysis
HISTORICALLY, MAKKAH & MADINAH RECEIVED ~6 MN VISITS FOR UMRAH-EXPECTED TO GROW BY TWO FOLD BY 2030

HISTORIC # OF VISITS (IN MN)

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic visits</th>
<th>Inbound visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>4.0</td>
<td>6.7</td>
</tr>
<tr>
<td>2010</td>
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<td>6.7</td>
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<tr>
<td>2011</td>
<td>5.8</td>
<td>5.3</td>
</tr>
<tr>
<td>2012</td>
<td>5.3</td>
<td>6.3</td>
</tr>
<tr>
<td>2013</td>
<td>6.3</td>
<td>5.9</td>
</tr>
<tr>
<td>2014</td>
<td>6.4</td>
<td>6.7</td>
</tr>
<tr>
<td>2015</td>
<td>6.5</td>
<td>6.7</td>
</tr>
<tr>
<td>2016</td>
<td>6.7</td>
<td>6.7</td>
</tr>
<tr>
<td>2017</td>
<td>6.5</td>
<td>6.7</td>
</tr>
<tr>
<td>2018</td>
<td>6.7</td>
<td>6.7</td>
</tr>
<tr>
<td>2019</td>
<td>18.6</td>
<td>7.3</td>
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<tr>
<td>2020</td>
<td>19.8</td>
<td>8.3</td>
</tr>
<tr>
<td>2021</td>
<td>21.1</td>
<td>9.3</td>
</tr>
<tr>
<td>2022</td>
<td>30.0</td>
<td>7.6</td>
</tr>
</tbody>
</table>

FORECASTED # OF VISITS (IN MN)

Source: Hajj & Umrah VRP, team analysis
BEYOND BEING THE PLACE FOR HAJJ AND UMRAH DUTIES, MAKKAH AND MADINAH ARE ICONIC CITIES OFFERING RICH HISTORIC EXPERIENCES

QUBA MOSQUE
First mosque built in Islam and the first mosque in Madinah. The first stones were positioned by the Prophet

MOUNT UHUD
The site of the 2nd battle between Muslims and Meccan forces. The area includes the graveyard of Uhud martyrs and the split in which the Prophet safeguarded himself in during the battle

AL-BAQI’ CEMETERY
The main cemetery of people of Madinah since the era of the Prophet. It contains the bodies of many of the prophet’s companions and relatives.

MOUNT ARAFAT
The place where the prophet Mohammed delivered the Farewell Sermon towards the end of his life. Pilgrims go to Arafat from Mina during Hajj

JABAL THAWR
The mountain is notable for housing Thawr cave in which the Prophet Muhammad took refuge from Quraisy, the Meccan forces, during his migration to Madinah

JABAL AL-NOUR
The mountain houses the famed Hira cave, where the prophet Mohammed used to spend a great deal of his time meditating. It is where he received his first revelation and verses of Qur’an from the archangel Gabriel

Source: Desk research
COMMITMENT TO DEVELOP AND UNLOCK THE SECTOR

KSA IS COMMITTED TO GROWING AND UNLOCKING THE HAJJ AND UMRAH SECTOR

SPECIFIC PROGRAM TO UNLOCK THE SECTOR AS PART OF VISION 2030

SEVERAL INFRASTRUCTURE PROJECTS LAUNCHED TO INCREASE CAPACITY
COMMITMENT TO DEVELOP AND UNLOCK THE SECTOR

HAJJ AND UMRAH IS ONE OF THE KEY PILLARS OF VISION 2030

QUOTES FROM VISION 2030

“Saudi Arabia has assumed a prominent place in the world and has become synonymous with hospitality and a warm welcome to all Muslims. As such, it has carved a special place in the hearts of pilgrims and the faithful everywhere.”

“We will establish more museums, prepare new tourist and historical sites and cultural venues, and improve the pilgrimage experience within the Kingdom.

“To increase our capacity to welcome Umrah visitors from 8 millions to 30 millions every year.”
DEDICATED VISION REALIZATION PROGRAM (VRP) TO BE LAUNCHED TO DEVELOP THE SECTOR

PROGRAM DESCRIPTION

Provide an opportunity for the largest possible number of Muslims to perform Hajj and Umrah and to enrich and deepen their experience through the development of the two Holy Mosques. Touristic and cultural destinations will be developed, and outstanding services will be provided to visitors before, during, and after their visits to Makkah, Madinah and the holy sites. KSA reaffirms its role as a religious and cultured nation in the service of the two Holy Mosques. This program will also present a foundation to ensure the relationship with the private sector and its active role in developing the economics of the sector.

PROGRAM OBJECTIVES

- Facilitate hosting more Umrah visitors and provide easier access to the holy mosques
- Improve quality of services provided to Hajj and Umrah visitors
- Enrich the spiritual and cultural experience of Hajj and Umrah visitors
VISION AND VRP SET AMBITIOUS YET ACHIEVABLE TARGETS FOR HAJJ AND UMRAH

HAJJ & UMRAH TOTAL NUMBER OF VISITS (IN MN)

Current: 214
Target for 2030: 49.5

HAJJ TOTAL NUMBER OF VISITS (IN MN)

Current: 2.5
Target for 2030: 5.4

UMRAH TOTAL NUMBER OF VISITS (IN MN)

Current: 0.7
Target for 2030: 4.5

Source: Vision 2030
To achieve the Vision’s targets, the government plans to invest SAR ~110B over the next 10 years.

Breakdown of government investments from 2018 until 2025.

Source: Hajj & Umrah VRP
THESE INVESTMENTS WILL LAY THE FOUNDATIONS FOR UNLOCKING THE SECTOR

**KING ABDULAZIZ AIRPORT**
- Three-phase project
- Capacity for 35 millions by 2030
- Expected to operate in Q2 2018 (first phase)

**RAILWAYS**

**HARAMAIN HIGH SPEED RAIL PROJECT**
- 450-km-long, designed to serve 60 million passengers annually
- Links Jeddah, Makkah, Madinah and KAEC

**MAKKAH METRO PROJECT**
- Launched in phases, first is 11 km and includes 7 stations

**THE GRAND MOSQUE EXPANSION**
- The third phase of the expansion of Makkah’s Grand Mosque; aims to accommodate more than 2 million worshippers at the same time
- Expansion includes:
  - Key roads linking to the mosque
  - Infrastructure (e.g.: electricity, water management)
NEW ERA FOR PRIVATE SECTOR

HAJJ AND UMRAH SECTOR TO OPEN UP FOR THE PRIVATE SECTOR

GOVERNMENT USED TO FULLY LEAD THE DEVELOPMENT OF THE HAJJ AND UMRAH SECTOR THROUGH:

- Pure government initiatives
  - Historic sites restorations
  - Museums
- Government owned companies, e.g.:
  - Digital Solutions through Hajj & Umrah Data Center
  - Transportation Initiatives (Bus Transit System Solutions)

NOW, THE GOVERNMENT IS FULLY OPENING THE SECTOR FOR THE PRIVATE SECTOR

- Government is reviewing and refining the regulations and laws to unlock the sector:
  - Asset ownership
  - Lease duration

FURTHERMORE, THE GOVERNMENT IS WILLING TO SUPPORT / PARTNER WITH PRIVATE SECTOR IN PROVIDING SERVICES THROUGHOUT THE VISITORS’ JOURNEYS
NEW ERA FOR PRIVATE SECTOR

THE PRIVATE SECTOR CAN CONTRIBUTE THROUGHOUT THE FULL VISITORS’ JOURNEYS

PRE-VISIT
- Booking platforms (flights, accom., visa)
- Training & education
- Health insurance

TRANSPORTATION
- Port to/from accommodation
- To/from holy sites / attractions
- Makkah to/from Madinah
- Support services (e.g.: parking, smart solutions)

ARRIVAL TO KSA
- Port services
  - Waiting areas / lounges
  - Luggage’s handling
- Gov’t services (pre-clearance)
- Mawaqeet

ACCOMMODATION & CATERING
- P2P Accom.
- Food options (quality, diet/healthy, variety, packaged food)
PILGRIMAGE SITES
- Makkah
  - PIF Roa’a Makkah
  - PIF Holy Sites Company
- Madinah
  - PIF Roa’a Madinah
  - Emergency Services
  - Crowd Mngt solutions & Smart City

CULTURAL EXPERIENCE
- Historical sites & Mosques (develop./operation)
- Global Islam Village
- Museums
- Cultural events (e.g.: heritage)

SHOPPING
- Local products (e.g.: souvenirs, handicrafts, Zamzam)
- Markets and malls
- Last mile delivery (Logistics)
- Payment solutions

ENTERTAINMENT AND TOURISM ACTIVITIES
- Parks
- Tourism attractions (e.g.: outdoor, recreational)
- Entertainment (e.g.: shows, events, cinema)

OTHERS (THROUGHOUT THE JOURNEY)
- HCs facilities setup / operation/services
- City environment
- Business Visits (Exhibitions)
- Water recycle
- Inspections
- Customer Services Training
- Innovation hub
### New Era for Private Sector

**Analyzing the Visitors’ Journeys Reveals Great Investment Opportunities for Private Sector**

<table>
<thead>
<tr>
<th>Visitor Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel preparation</td>
<td>Includes all the travel preparations when the visitor plans to apply for the visa, identify appropriate travel package, and booking, etc.</td>
</tr>
<tr>
<td>Transportation</td>
<td>Offering more low-cost, safe, accessible and quality transportation within KSA, across cities and within a city.</td>
</tr>
<tr>
<td>Accommodation</td>
<td>Providing high-quality accommodation (e.g.: hotel, apartments, room sharing) and catering services to visitors at reasonable prices.</td>
</tr>
<tr>
<td>Cultural enrichment</td>
<td>Development and restoration of the many historical sites that Makkah and Madinah have, which will allow visitors to experience the history of the city</td>
</tr>
<tr>
<td>Entertainment</td>
<td>Open up more entertainment options for the Hajj and Umrah visitors to complement their visit.</td>
</tr>
<tr>
<td>Other services</td>
<td>Side support services throughout visitors’ journeys which could involve digitization, healthcare, safety.</td>
</tr>
</tbody>
</table>
GOVERNMENT LAUNCHED SEVERAL PROJECTS TO PARTNER WITH PRIVATE SECTOR

ROU’A AL-HARAM PROJECT
IN MAKKAH

DAR AL-HIJRAH PROJECT
IN MADINAH

ROU’A ALMADINAH PROJECT
IN MADINAH
**ROU’A AL-HARAM PROJECT IN MAKKAH – OVERVIEW**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>8B SAR</strong></td>
<td>Annual GDP contribution</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>877K m²</strong></td>
<td>Project area</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>30M</strong></td>
<td>Visitors by 2030</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2250K</strong></td>
<td>Number of units</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>450K</strong></td>
<td>Population</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>160K</strong></td>
<td>New job opportunities</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>400K SQM</strong></td>
<td>Retail space</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>400K</strong></td>
<td>Prayer areas for worshipers</td>
</tr>
</tbody>
</table>
**DAR AL-HIJRAH PROJECT IN MADINAH – OVERVIEW**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project budget</td>
<td>55B SAR</td>
</tr>
<tr>
<td>Project area</td>
<td>1.6M m²</td>
</tr>
<tr>
<td>Towers</td>
<td>100</td>
</tr>
<tr>
<td>Hospital beds</td>
<td>400</td>
</tr>
<tr>
<td>New job opportunities</td>
<td>31K</td>
</tr>
<tr>
<td>Hotel rooms</td>
<td>40K</td>
</tr>
<tr>
<td>Residential towers</td>
<td>80</td>
</tr>
<tr>
<td>4-5 star hotels</td>
<td>-80</td>
</tr>
</tbody>
</table>
## ROU’A ALMADINAH PROJECT IN MADINAH – OVERVIEW

<table>
<thead>
<tr>
<th>Category</th>
<th>Quantity</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual GDP contribution</td>
<td>7B SAR</td>
<td></td>
</tr>
<tr>
<td>Hotel capacity for visitors</td>
<td>240K</td>
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</tr>
<tr>
<td>Visitors by 2030</td>
<td>23M</td>
<td></td>
</tr>
<tr>
<td>New job opportunities</td>
<td>200K</td>
<td></td>
</tr>
<tr>
<td>Prayer areas for worshipers</td>
<td>200K</td>
<td></td>
</tr>
<tr>
<td>Hotel rooms</td>
<td>80K</td>
<td></td>
</tr>
<tr>
<td>Residential units</td>
<td>500</td>
<td></td>
</tr>
<tr>
<td>Project area</td>
<td>1.3M m²</td>
<td></td>
</tr>
</tbody>
</table>
ABOUT SAUDI GENERAL INVESTMENT AUTHORITY
Saudi General Investment Authority is the Kingdom’s investment promotion agency. Our priorities are to attract and develop foreign investment, enhance the nation’s investment climate, increase the ease of doing business, and eliminate obstacles from investors’ journey.

To discover the countless opportunities, across major economic sectors, that Saudi Arabia has to offer:

**CONTACT US NOW**

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