

Agritourism Resort

INVESTMENT OPPORTUNITY SCORECARD TOURISM & QUALITY OF LIFE

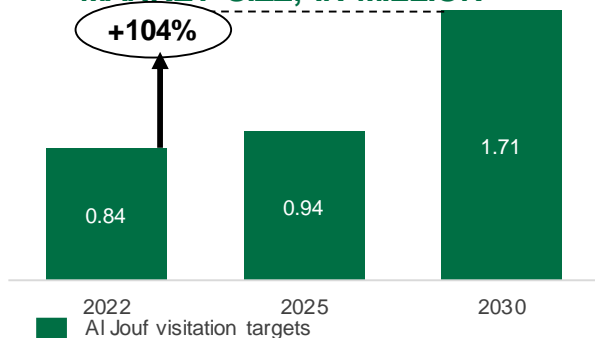
September 2021



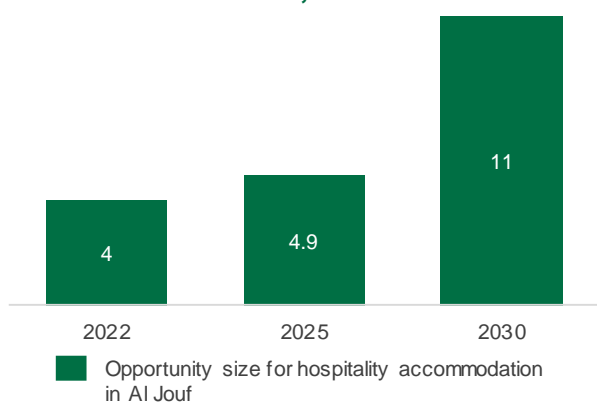
OPPORTUNITY'S DESCRIPTION: : Opportunity to develop a comprehensive luxury experience centred around nature and agritourism, anchored by a high-end resort

DEMAND

MARKET SIZE, IN MILLION



NUMBER OF KEYS, IN THOUSANDS



INVESTMENT OVERVIEW

INVESTMENT HIGHLIGHTS

- To develop luxury resort 35 keys
- Construction cost 17,934 SAR / sqm
- IRR: 7.4%
- Cap Rate: 7.0%
- Payback period: >10 years
- Location: Al Jouf

VALUE PROPOSITION

- The area boasts unique natural features to attract both domestic and international tourists but also faces four main considerations
- World's largest olive farm at ~60,000 hectares and a total of ~20 million trees
- Produces around ~15,000 tons of olive oil a year, approx. 50% of KSA's total demand
- Annual two-week Olive Festival held in January featuring events, art contests and seminars about olive cultivation
- Situated amongst 3 large nature reserves / wildlife sanctuaries

MARKET OVERVIEW

KEY DEMAND DRIVERS

- KSA is the largest economy in MENA, contributing 20%+ to the total regional GDP and is expected to grow at 2.9% post Covid-19 pandemic crisis which will result in booming tourism sector
- Investments made in infrastructure projects, ease and affordability of tourist visas and overall progress made in tourism sector are set to have a major impact on the growth of Al Jouf's city hospitality sector

MARKET READINESS

- In line with Saudi vision 2030, KSA aims to become an international tourist destination, with aspirations to attract 100 million visitors annually by 2030
- Well established tourism ecosystem led by the Ministry of tourism supporting investors across their journey which includes the tourism development fund, the Saudi tourism authority and Ministry of investment



DEVELOPMENT ASSUMPTIONS

- **Description:** Luxury resort based on a farmhouse concept within an authentic Arabic feel. Extensive landscaped gardens and olive groves, providing opportunities to experience the cycle of olive production and tasting as well as indulging in farm-to-table gastronomy.
- **Components:**
 - Suites and exclusive 1- and 2-bedroom villas
 - Specialty organic food restaurant
 - Destination spa and wellness
 - Gym and fitness facilities with swimming pools
 - Curated farm tours and activities in the surrounding area



HOTEL INFORMATION	
No. keys	35
Suites	28 (80%)
1-BR Villas	5 (15%)
2-BR Villas	2 (5%)
Total GFA*	~ 4,700 sqm
Category	Luxury
Years Construction	3

CAPEX requirements



Total development cost



**Development cost per
GFA sqm**



TOURISM & QUALITY OF LIFE

Agritourism Resort

Restricted / مقيد

LOCATION AND CONNECTIVITY FEATURES

- The Al Jouf Olive Farms are located within a 2.5-hour drive from Sakaka



Population



~300,000
living in Sakaka

~2 million
people within
3-hours driving distance

Location



Distance from Key Cities

2.5
hours from Sakaka

3
hours from Tabuk

5
hours from Hail

Connectivity



Air

1-1.5h flight time
from Riyadh/Jeddah
to Sakaka and
Hail



Road

served by multiple
major highways
connecting to Hail,
Tabuk, Northern
Borders and Jordan



Rail

Benefit from
new rail/metro
links to cities

DEFINITIONS

#	SCORECARD SECTION	DEFINITIONS
1	Market size	Size of market in value/volume in KSA and/or Region (MENA/GCC) covering future projections based on available estimates from published /government sources
2	Demand drivers	A select number of factors that will influence future demand for the related product/service
3	Investment highlights	An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size
4	Value proposition	Summary of key differentiators that position KSA as a strategic choice over other regional/global peers
5	Market readiness	An overview of KSA market structure, market maturity and level of participation by local and global players
6	Competitor analysis	List of the local & international players manufacturing the underlying product in Saudi Arabia and their market share
7	Global trends	Latest business developments within the sector/product category
8	Scalability and localization	Ease of scaling the business across the value chain or into new adjacent products or geographies that would maximize the opportunity's investment returns and the ability and potential to locally manufacture the product and its components
9	Import dependency	An overview of the countries from which Saudi Arabia is importing the product and their value/volume and share in total imports
10	Value chain analysis	The process or activities that would potentially need to be carried out to deliver the underlying product or service
11	Key stakeholders	Government institutions, organizations, and/or authorities that participate or influence the market for the underlying product/service
12	Enablers	Factors that enable investment in the underlying opportunity
13	Cost of doing business in KSA	Key factors that position KSA as a competitive destination for investment in the region. Productivity adjusted wages do not include cost of \$1.23/hour towards annual recurring charges including work permit, resident identity (iqama) and health insurance

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