

Luxury Wellness Resort

INVESTMENT OPPORTUNITY SCORECARD

TOURISM & QUALITY OF LIFE

September 2021



TOURISM & QUALITY OF LIFE

Luxury Wellness Resort

Restricted / مقيد

High Potential

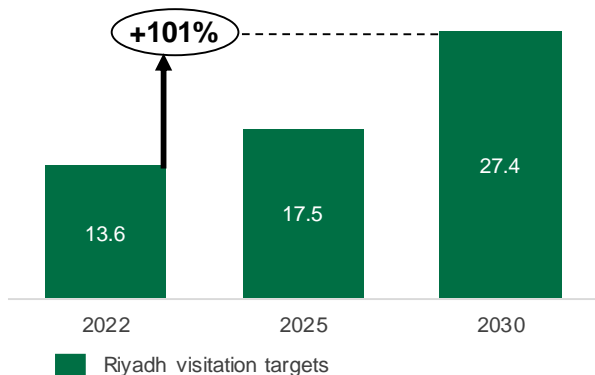
Moderate Potential

Low Potential

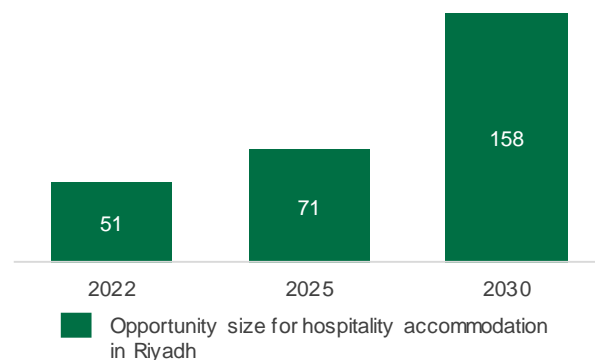
OPPORTUNITY'S DESCRIPTION: Opportunity to develop a signature luxury resort for global travelers and domestic tourists centered around nature, Arabic culture, and wellness

DEMAND

MARKET SIZE, IN MILLION



NUMBER OF KEYS, IN THOUSANDS



INVESTMENT OVERVIEW

INVESTMENT HIGHLIGHTS

- To develop luxury resort 40 keys
- Construction cost 22,743 SAR / sqm
- IRR: 8.0%
- Cap rate: 7.0%
- Payback period: >10 years
- Location: Riyadh city

VALUE PROPOSITION

- The reserve boasts unique natural features to attract both domestic and international tourists but also faces four main considerations
- Large, rugged plateau, ~2,000 sq. km. in size, perfect for hiking and sightseeing
- Home to >250 species of fauna, including the rare Nubian Ibex
- Interspersed with many canyons and gorges with stunning views
- Bounded by steep, rocky walls with numerous cliff faces

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 Riyadh's 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:** Ultra-luxury resort promoting authenticity, exclusivity and remoteness, offering guests an immersive connection with nature, through a robust and varied menu of guided activities.
- **Components:**
 - 1- and 2-bedroom ultra-luxury tents in addition to a VVIP cluster.
 - Tents with open-air showers, pool decks, fire pits as well as optional star beds.
 - Signature restaurant as well as alfresco dining
 - Destination holistic wellness spa facilities with pavilions and platforms in the nature.
 - Activity centre for planning personal guest experience programmes



HOTEL INFORMATION	
No. keys	40
1-BR Tent	28 (70%)
2-BR Tent	11 (28%)
VVIP Tent	1 (2%)
Total GFA*	~ 7,600 sqm
Category	Hyper-Luxury
Years Construction	4

CAPEX requirements



Total development cost



**Development cost per
GFA sqm**



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LOCATION AND CONNECTIVITY FEATURES

- Ibex Reserve is located within a 2-hour drive of Riyadh city and is conveniently accessible, being connected by multiple major highways



Population



~40,000

living in Hotat Bani Tamim

~8 million

people within
3-hours driving distance

Location



Distance from Key Cities

2

hours from Riyadh

5.5

hours from Hofuf

5.5

hours from Dammam

Connectivity



Air

via Riyadh, Al-Ahsa and Dammam airports



Road

served by multiple major highways connecting to Riyadh and EP



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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