

INVESTMENT OPPORTUNITY	
PROJECT NAME	OPPORTUNITY SECTOR
Airport Retailing	T&L
<p>Opportunity Background:</p> <p>This investment opportunity develops retailing at KSA airports to generate an annual rental income in excess of USD 80 Million</p> <ul style="list-style-type: none"> ○ This opportunity consists of setting up a company which develops and rents out approximately 9,000 sqm of shopping facilities/floor space at major KSA airports ○ The future company rents all the available shopping/retail space from the airports/GACA and markets this to retailers. Both the airports and the company are paid through turnover-based concession fees 	
<p>Value Proposition:</p> <ul style="list-style-type: none"> ○ Total Investment Volume: USD 31 Million to start making significant changes to terminals 	
<p>Project/Investment Characteristics:</p> <ul style="list-style-type: none"> ○ Air transport services grow in KSA at 4% annually and in the MENA region at 5.6% annually ○ Airport shopping in KSA is underserved (i.e. spend p.p.: KSA ~ USD 5 vs. GCC ~ USD 10) ○ Initial focus is on JED airport due to its high number of passengers, RUH & DMM to follow ○ Competition results mainly from incumbent shopping centers 	
<p>Investment location:</p> <p>Selected Airports of Saudi Arabia</p>	<p>Project Timeline:</p> <p>2-3 Years</p>
	<p>Potential Job Creation:</p> <p>N/A</p>
<p>Investment Size:</p> <p>US \$ 31 million</p>	<p>Estimated Turnover:</p> <ul style="list-style-type: none"> ○ Expected Return: NPV of USD 54 Million with a Payback Period of 4 years ○ Target Margins (end state): EBIT 22% and EBITDA up to 26%
COST OF DOING BUSINESS	
<ul style="list-style-type: none"> ○ approximately 9,000 sqm of shopping facilities/floor space at major KSA airports 	
Target Investors criteria	

INVESTMENT OPPORTUNITY

- New attractive value proposition with high natural demand (affluent passengers, waiting times)
- Required are long-term contracts with airports and concessionaires, high security standards, constant upgrades and innovative ideas about the best use of the existing terminal facilities
- Experience with retail space rentals (i.e. shopping centre management)

Project Leader:

Dr. Osama Abdouh

Status:

Vacant