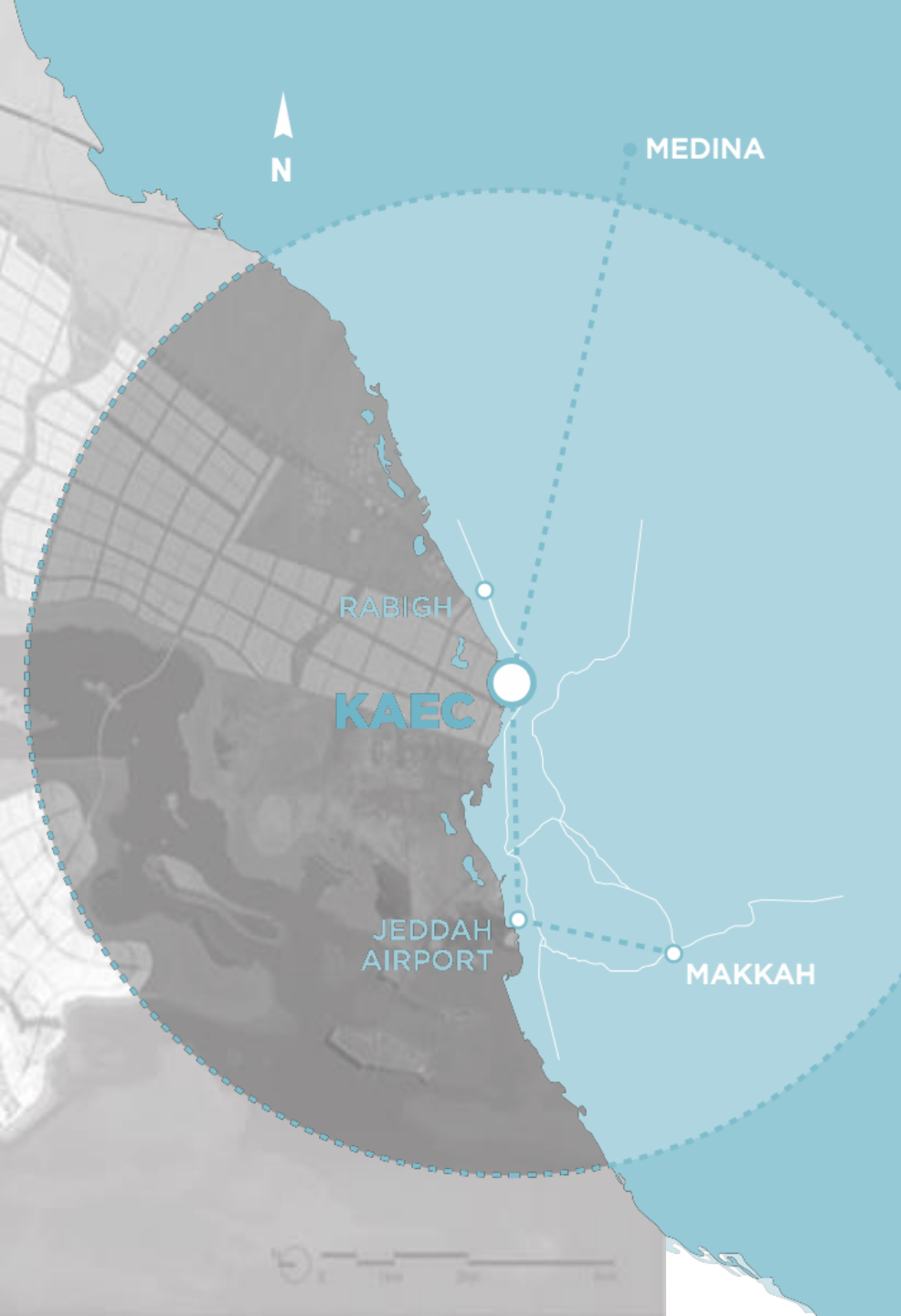


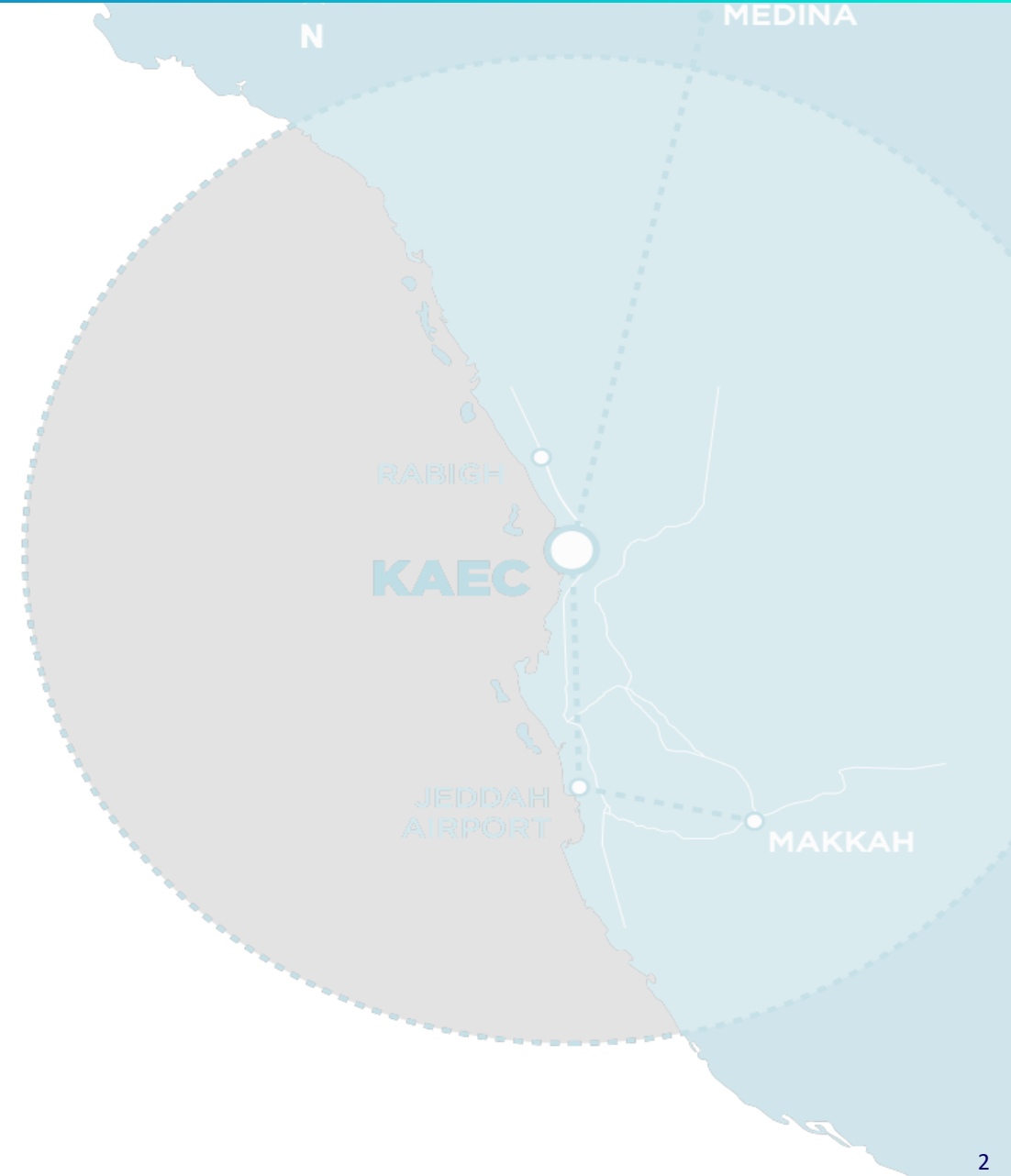
EEC BUSINESS UPDATE

Emaar, the Economic City

As of 31 Mar 2021



1. Introduction
2. Financial Update
3. Port Update
4. IV Update
5. Residential Update
6. FAQs



As of Q1-2021



Total area:

185 million m²

Emaar, The Economic City (EEC) land

Developed area: **37,287,068 m²**
 Built roads: **252 km**
 Industrial: **112 tenants**
 Residential: **+9,000 tenants**

Education: **5 establishments**
 Healthcare: **2 facilities**
 Religion: **9 mosques**
 Hospitality: **487 rooms/units**



Emaar, the Economic City (EEC) is the master developer of one of the first megaprojects established in late 2000s situated in close proximity to Jeddah. **King Abdullah Economic City (KAEC)** is a privately funded city and has achieved various milestones over the last 10 years



KAEC is about 185M Sqms with a big coastline. The city was planned to have an economic hub around which the development would take place. Establishment of **King Abdullah Port** and laying of a huge **Industrial zone** was hallmark of its initial success



KAEC offers a number of residential, leisure and hospitality facilities. It has become one of the sought after tourism destination in KSA, served by turquoise coastline, clean and safe environs and a host of entertainment facilities



KAEC has become a **fast-growing destination** with modern, vibrant and classy urban setup that offers a variety of residential, commercial and industrial opportunities for the society and is well aligned to the Government's Vision 2030

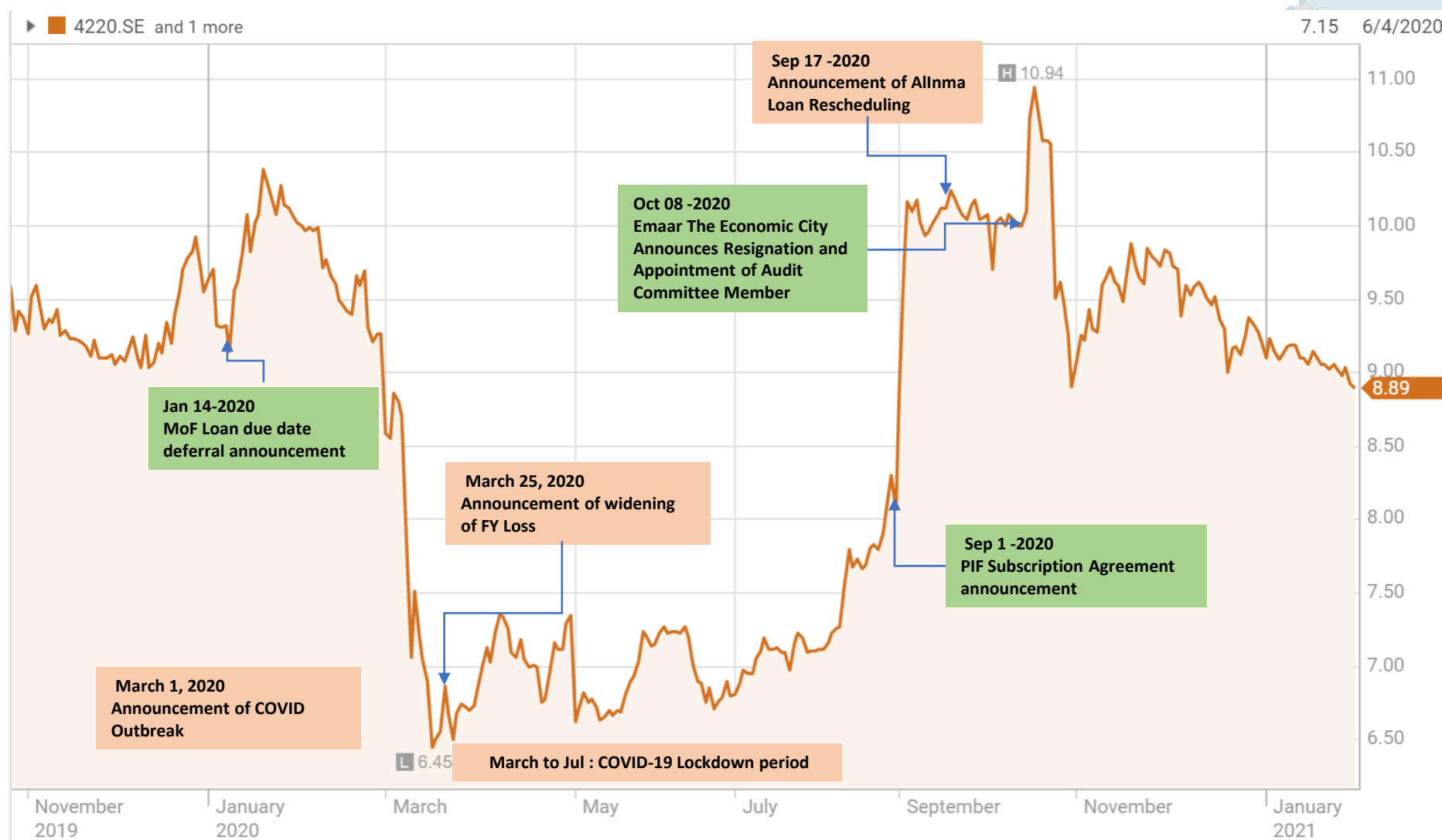
KAEC is connected to Jeddah, Makkah and Madinah cities through the Haramain High Speed Railway



EEC Stock Analysis – Key Events highlighted

EEC Stock – March 31, 2021 : **10.70**

EEC Stock - Key Metrics - 52 week Range 6.36 - 11.40



EEC Market Cap Analysis – Since inception to date

EEC Market Cap – Range 23 Bn (31 Oct 2006) – 5.4 Bn (31 Oct 2011) | Median : SAR 9.0 Bn

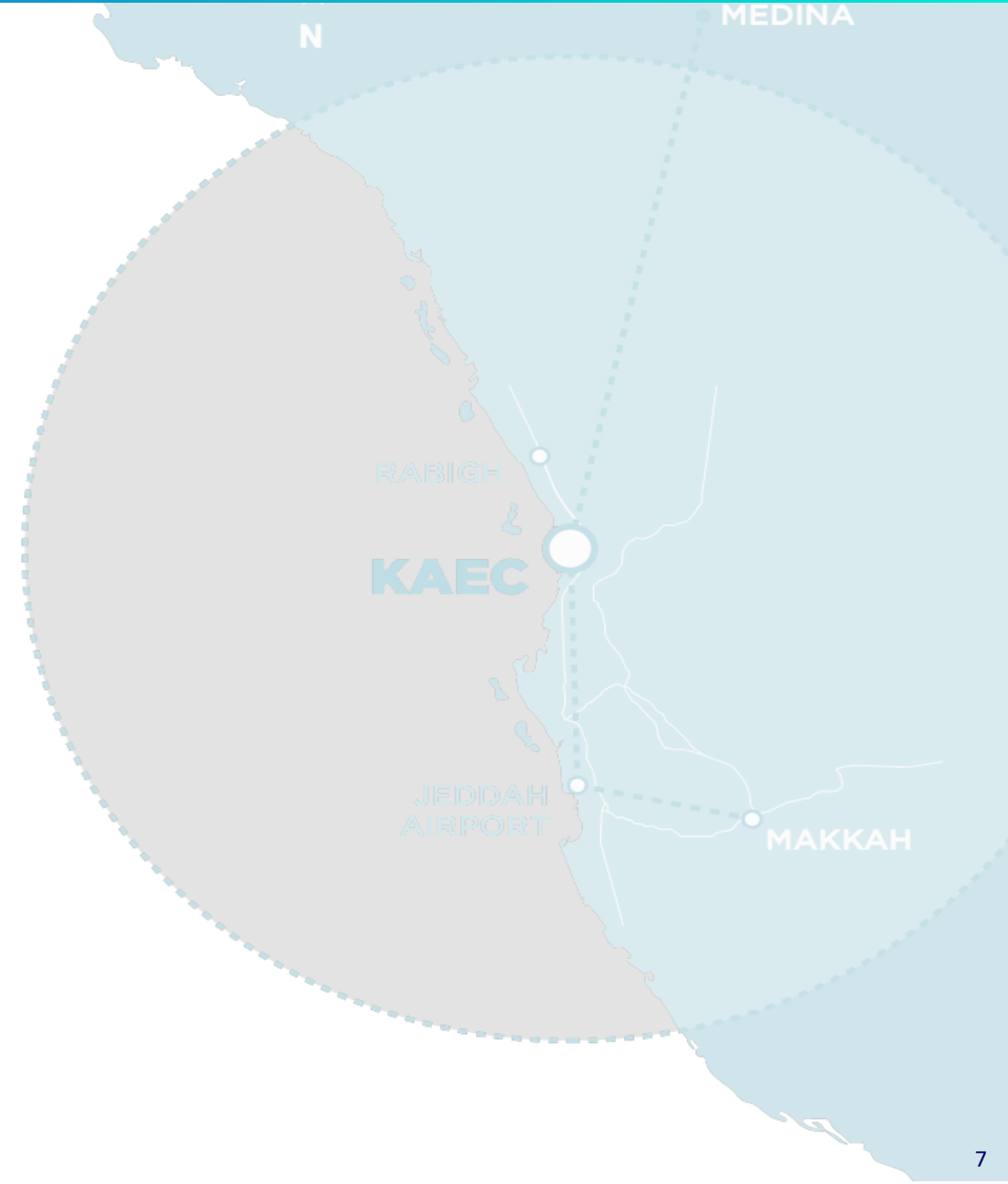
Market Cap (SAR Bn)

Date	Market Cap SAR	Date	Market Cap SAR	Date	Market Cap SAR	Date	Market Cap SAR	Date	Market Cap SAR
31-Oct-06	22,950,000,640	31-May-10	7,352,500,224	31-Dec-13	11,304,999,936	31-Jul-17	12,512,000,000	28-Feb-21	7,735,000,000
30-Nov-06	15,299,999,744	30-Jun-10	7,267,500,032	30-Jan-14	11,857,500,160	31-Aug-17	12,307,999,744	31-Mar-21	9,095,000,000
31-Dec-06	14,237,500,416	29-Jul-10	7,352,500,224	27-Feb-14	13,345,000,448	28-Sep-17	12,240,000,000		
31-Jan-07	12,537,499,648	31-Aug-10	6,630,000,128	31-Mar-14	14,620,000,256	31-Oct-17	11,084,000,256		
28-Feb-07	13,600,000,000	30-Sep-10	6,672,500,224	30-Apr-14	13,991,000,064	30-Nov-17	11,134,999,552		
29-Mar-07	15,299,999,744	31-Oct-10	6,034,999,808	29-May-14	14,977,000,448	31-Dec-17	11,466,500,096		
30-Apr-07	14,662,500,352	30-Nov-10	5,907,500,032	30-Jun-14	12,860,499,968	31-Jan-18	11,559,999,488		
31-May-07	14,237,500,416	30-Dec-10	6,034,999,808	31-Jul-14	14,705,000,448	28-Feb-18	10,659,000,320		
28-Jun-07	12,750,000,128	31-Jan-11	5,609,999,872	31-Aug-14	15,818,500,096	29-Mar-18	11,628,000,256		
31-Jul-07	13,175,000,064	28-Feb-11	5,482,500,096	30-Sep-14	14,807,000,064	30-Apr-18	11,900,000,256		
30-Aug-07	13,387,499,520	31-Mar-11	5,864,999,936	30-Oct-14	14,908,999,680	31-May-18	11,610,999,808		
30-Sep-07	14,024,999,936	28-Apr-11	5,907,500,032	30-Nov-14	11,449,499,648	28-Jun-18	10,200,000,512		
31-Oct-07	15,512,500,224	31-May-11	6,544,999,936	31-Dec-14	10,106,500,096	31-Jul-18	9,333,000,192		
29-Nov-07	17,637,500,928	30-Jun-11	6,672,500,224	29-Jan-15	12,631,000,064	30-Aug-18	8,049,500,160		
31-Dec-07	19,337,500,672	31-Jul-11	6,077,499,904	26-Feb-15	12,273,999,872	30-Sep-18	8,074,999,808		
31-Jan-08	19,762,499,584	31-Aug-11	5,440,000,000	31-Mar-15	11,211,499,520	31-Oct-18	7,718,000,128		
28-Feb-08	19,762,499,584	29-Sep-11	5,482,500,096	30-Apr-15	13,914,500,096	29-Nov-18	7,012,499,968		
31-Mar-08	15,299,999,744	31-Oct-11	5,440,000,000	31-May-15	13,319,499,776	31-Dec-18	6,723,500,032		
30-Apr-08	18,912,499,712	30-Nov-11	5,695,000,064	30-Jun-15	12,656,499,712	31-Jan-19	7,947,500,032		
29-May-08	18,912,499,712	29-Dec-11	6,289,999,872	30-Jul-15	11,390,000,128	28-Feb-19	8,236,499,968		
30-Jun-08	19,125,000,192	31-Jan-12	7,182,499,840	31-Aug-15	9,188,500,480	31-Mar-19	8,499,999,744		
31-Jul-08	17,212,499,968	29-Feb-12	8,032,500,224	30-Sep-15	9,205,499,904	30-Apr-19	7,819,999,744		
31-Aug-08	16,362,500,096	29-Mar-12	11,177,499,648	29-Oct-15	8,160,000,000	30-May-19	7,692,499,968		
30-Sep-08	12,410,000,384	30-Apr-12	11,390,000,128	30-Nov-15	8,908,000,256	30-Jun-19	8,499,999,744		
30-Oct-08	9,817,499,648	31-May-12	9,009,999,872	31-Dec-15	10,999,000,064	31-Jul-19	8,823,000,064		
30-Nov-08	7,437,499,904	28-Jun-12	7,394,999,808	31-Jan-16	10,828,999,680	29-Aug-19	8,499,999,744		
31-Dec-08	7,607,499,776	31-Jul-12	7,862,499,840	29-Feb-16	11,304,999,936	30-Sep-19	8,432,000,000		
29-Jan-09	7,480,000,000	30-Aug-12	8,584,999,936	31-Mar-16	11,857,500,160	31-Oct-19	7,964,499,968		
26-Feb-09	7,310,000,128	30-Sep-12	7,649,999,872	28-Apr-16	12,673,500,160	28-Nov-19	7,735,000,064		
31-Mar-09	7,012,499,968	31-Oct-12	7,480,000,000	31-May-16	11,602,499,584	31-Dec-19	8,117,499,904		
30-Apr-09	7,735,000,064	29-Nov-12	6,544,999,936	30-Jun-16	12,282,500,096	31-Jan-20	8,517,000,192		
31-May-09	8,627,500,032	31-Dec-12	7,055,000,064	31-Jul-16	11,866,000,384	27-Feb-20	7,871,000,064		
30-Jun-09	8,882,499,584	31-Jan-13	8,372,499,968	31-Aug-16	11,203,000,320	31-Mar-20	5,814,000,128		
30-Jul-09	8,670,000,128	28-Feb-13	8,032,500,224	29-Sep-16	10,191,500,288	30-Apr-20	6,247,499,776		
31-Aug-09	8,202,500,096	31-Mar-13	8,074,999,808	31-Oct-16	11,491,999,744	31-May-20	5,975,499,776		
30-Sep-09	8,882,499,584	30-Apr-13	8,074,999,808	30-Nov-16	14,840,999,936	30-Jun-20	5,779,999,744		
29-Oct-09	9,095,000,064	30-May-13	8,117,499,904	29-Dec-16	14,586,000,384	30-Jul-20	6,034,999,808		
30-Nov-09	8,924,999,680	30-Jun-13	8,457,500,160	31-Jan-17	14,807,000,064	31-Aug-20	6,859,500,032		
31-Dec-09	8,160,000,000	31-Jul-13	9,902,499,840	28-Feb-17	16,728,000,512	30-Sep-20	8,551,000,064		
31-Jan-10	8,457,500,160	29-Aug-13	8,755,000,320	30-Mar-17	14,475,499,520	29-Oct-20	7,565,000,192		
28-Feb-10	8,457,500,160	30-Sep-13	9,859,999,744	30-Apr-17	13,982,499,840	30-Nov-20	8,364,000,256		
31-Mar-10	8,372,499,968	31-Oct-13	10,369,999,872	31-May-17	12,019,000,320	31-Dec-20	7,828,499,968		
29-Apr-10	7,819,999,744	28-Nov-13	10,497,500,160	29-Jun-17	13,361,999,872	31-Jan-21	7,582,000,000		





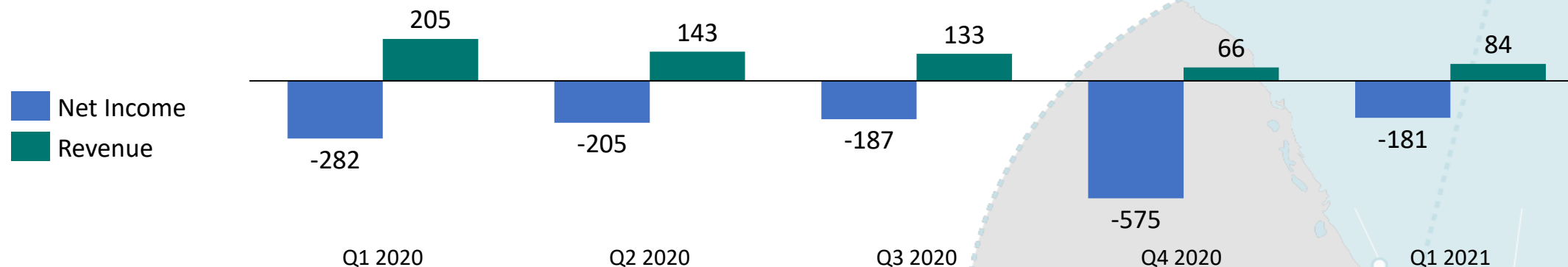
Financial Update (EEC Group)



Quarterly Revenue and Net Income 2020-2021

MEDINA

Revenue and Net Income (SAR Mn)



The reason of the increase (decrease) in the net profit during the current quarter compared to the same quarter of the last year

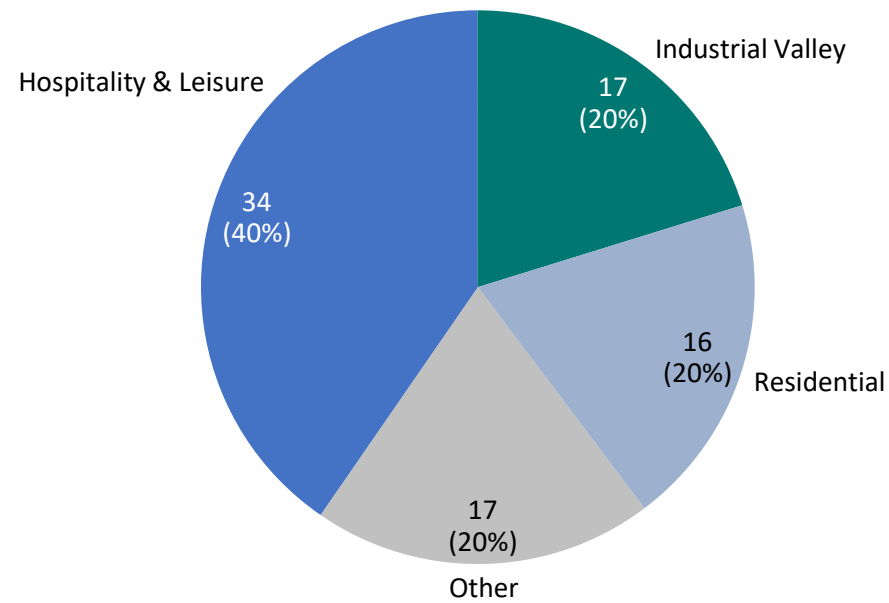
- Total comprehensive loss reduced by SAR 116M during current quarter compared to corresponding quarter mainly due to the following:
 - Though, there is a decrease in the revenue during the current quarter as compared to the corresponding quarter mainly due to a general slowdown of economic activities in the real estate sector as the COVID-19 pandemic continues in 2021, however, the Group gross loss has decreased by SAR 22M as compared to corresponding quarter mainly due to inventory impairment of SAR 73M recorded in corresponding quarter
 - This improvement was partially offset by the decrease in overall Order intake due to slow down in economic activities as mentioned above. - Financial charges reduced by SAR 36M during current quarter mainly due to decrease in overall SAIBOR rates . - Decrease in general and administration cost by SAR 11.2M mainly due to various cost optimization measures including reduction in employee cost. - Increase in the Group's share of results of investee, Port Development Company (PDC), by SR 36M mainly due to to improvement in port operations as well as positive changes in revaluation of interest rate swap arrangements made by PDC

The reason of the increase (decrease) in the net profit during the current quarter compared to the previous period

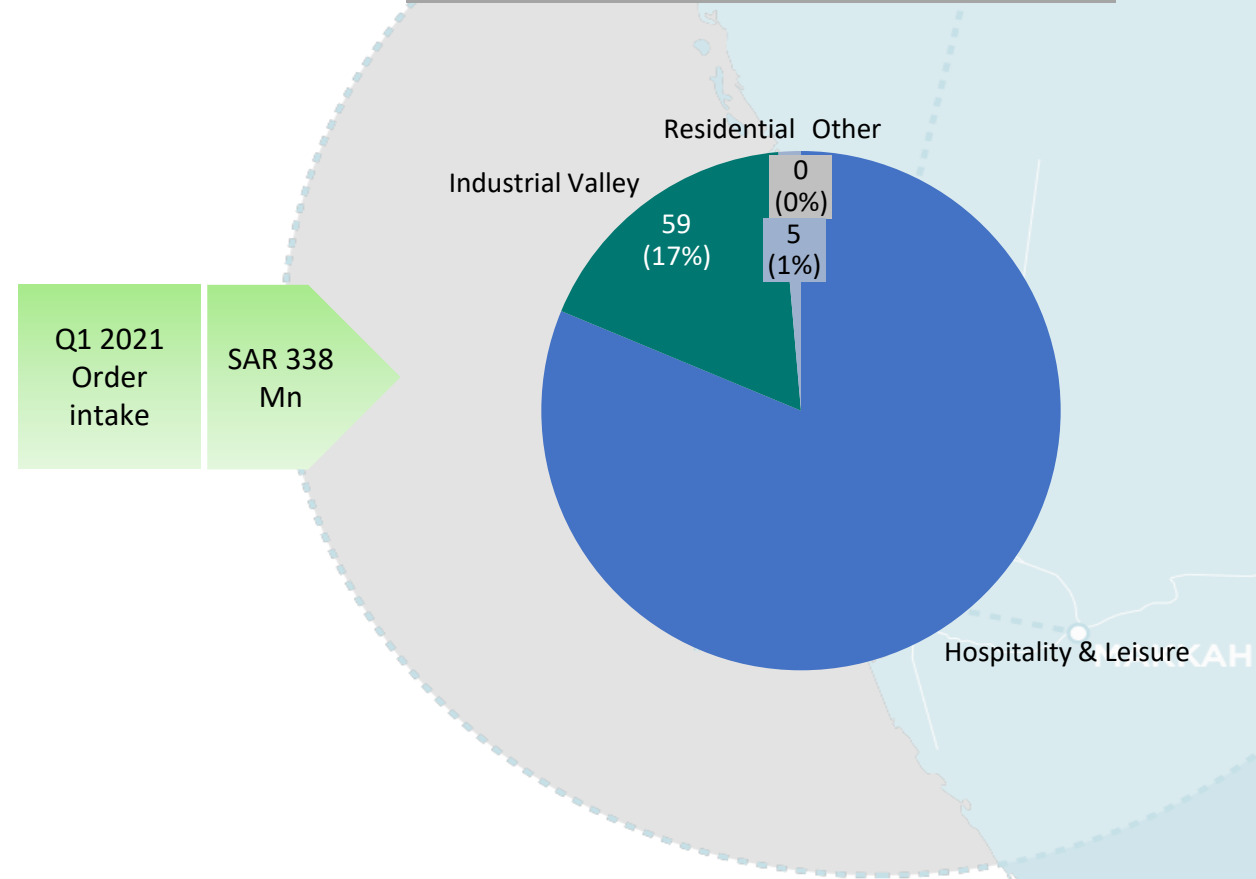
- Total comprehensive loss reduced by SAR 392 M during the current quarter as compared to the preceding quarter mainly due to the following: -
 - In response to COVID -19 outbreak, the Group has recorded an impairment of SAR 286 M on properties available for sales, leases and certain operating assets, during the last quarter as compared to nil impairment provision during current quarter. -In preceding quarter, due to prevailing economic environment and delays in completion of projects, the management reassessed life cycle cost estimates of residential and industrial projects and accordingly, the cost estimates were revised, resulting in increase in gross loss by SAR 124M, whereas no such cost revision was made during the current quarter
 - Decrease in general and administration cost by SAR 15.5M mainly due various cost optimization measures including reduction in employee cost

Revenue & Order Intake Breakdown 2019-2020

Q1-2021 Revenue breakdown
(%)



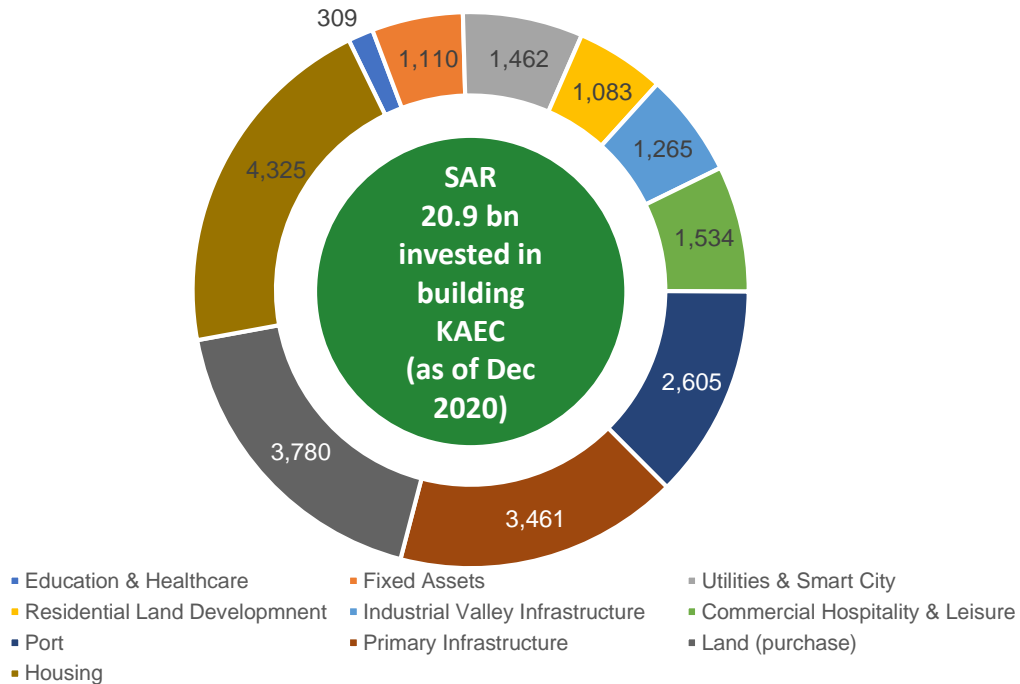
Q1-2021 Order intake breakdown
(%)



Invested capital and debt & equity profile

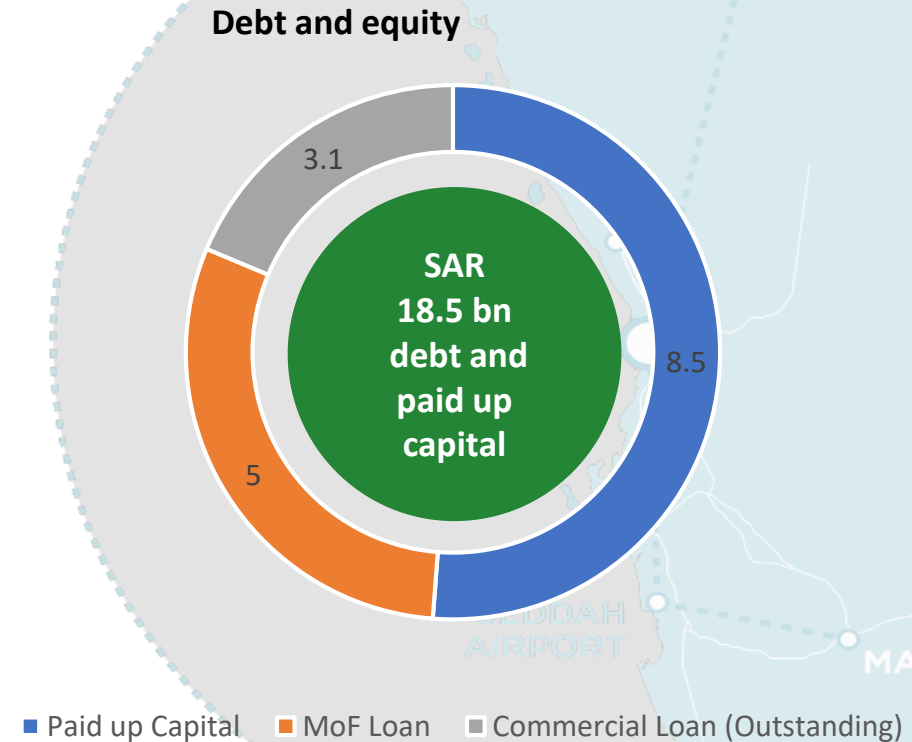
Invested capital, healthy financial leverage has enabled us to build KAEC, and will continue to support our growth

Breakdown of EEC's invested capital (SAR Mn)



- KAEC is the largest privately funded city in the world

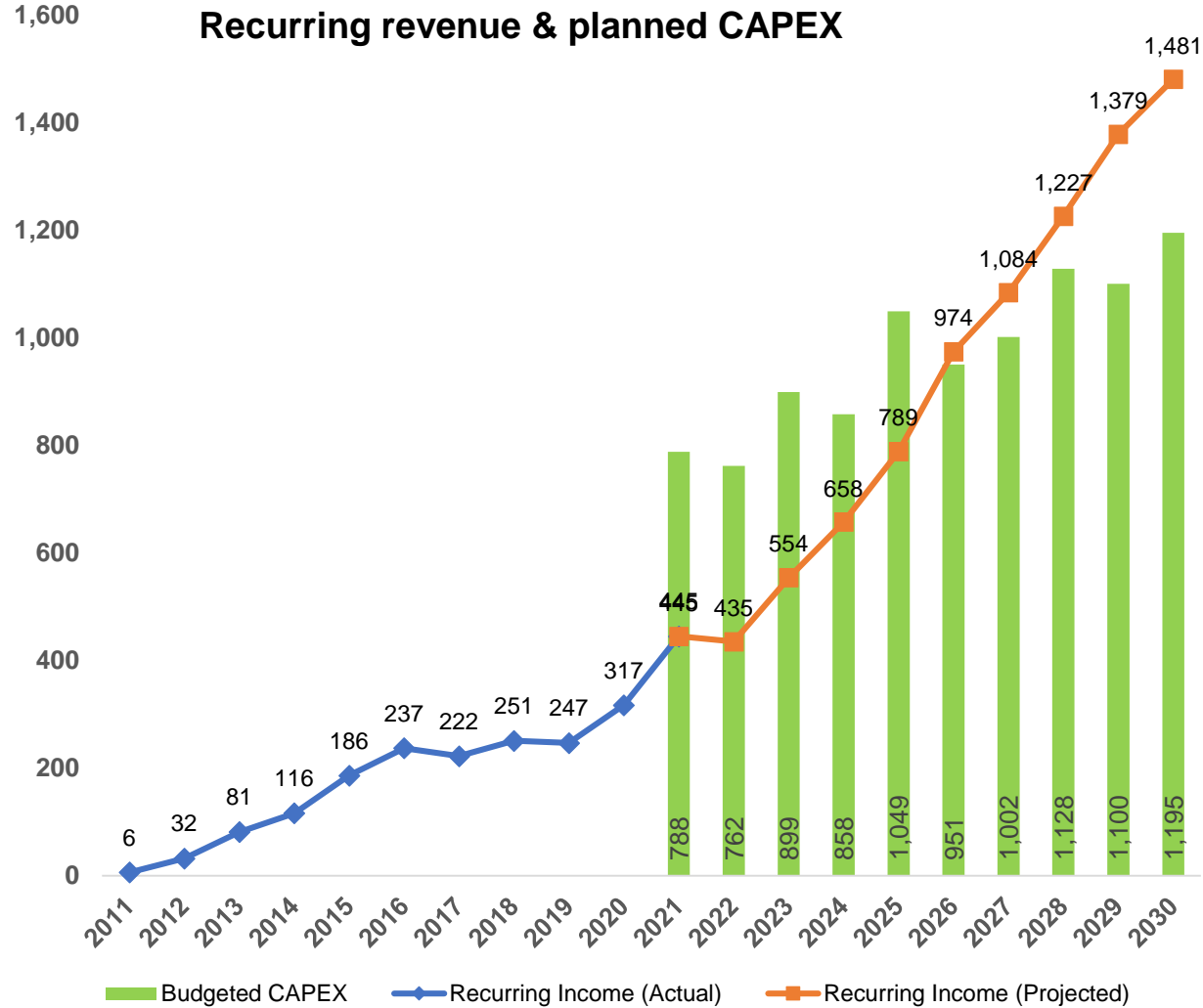
Download IR App | <https://apps.apple.com/us/app/kaec-investorrelations/id1020553959#?platform=iphone>



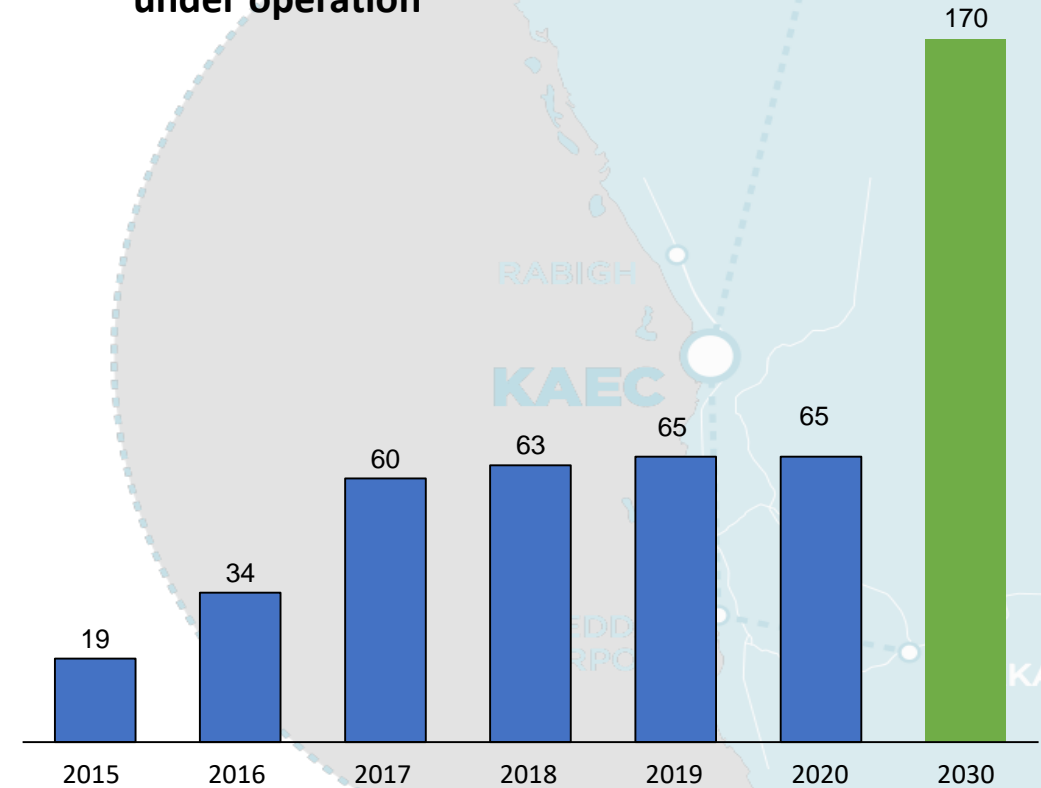
- Financial leverage is significantly lower than regional and international property developers
- PIF signed subscription agreement to acquire 25% stake as additional equity which will be reflected once formalized, changing the debt and equity structure

Recurring income from operational assets

Recurring revenue is contributing to a greater portion of our operational income, and as more operating assets come online we expect that contribution to escalate

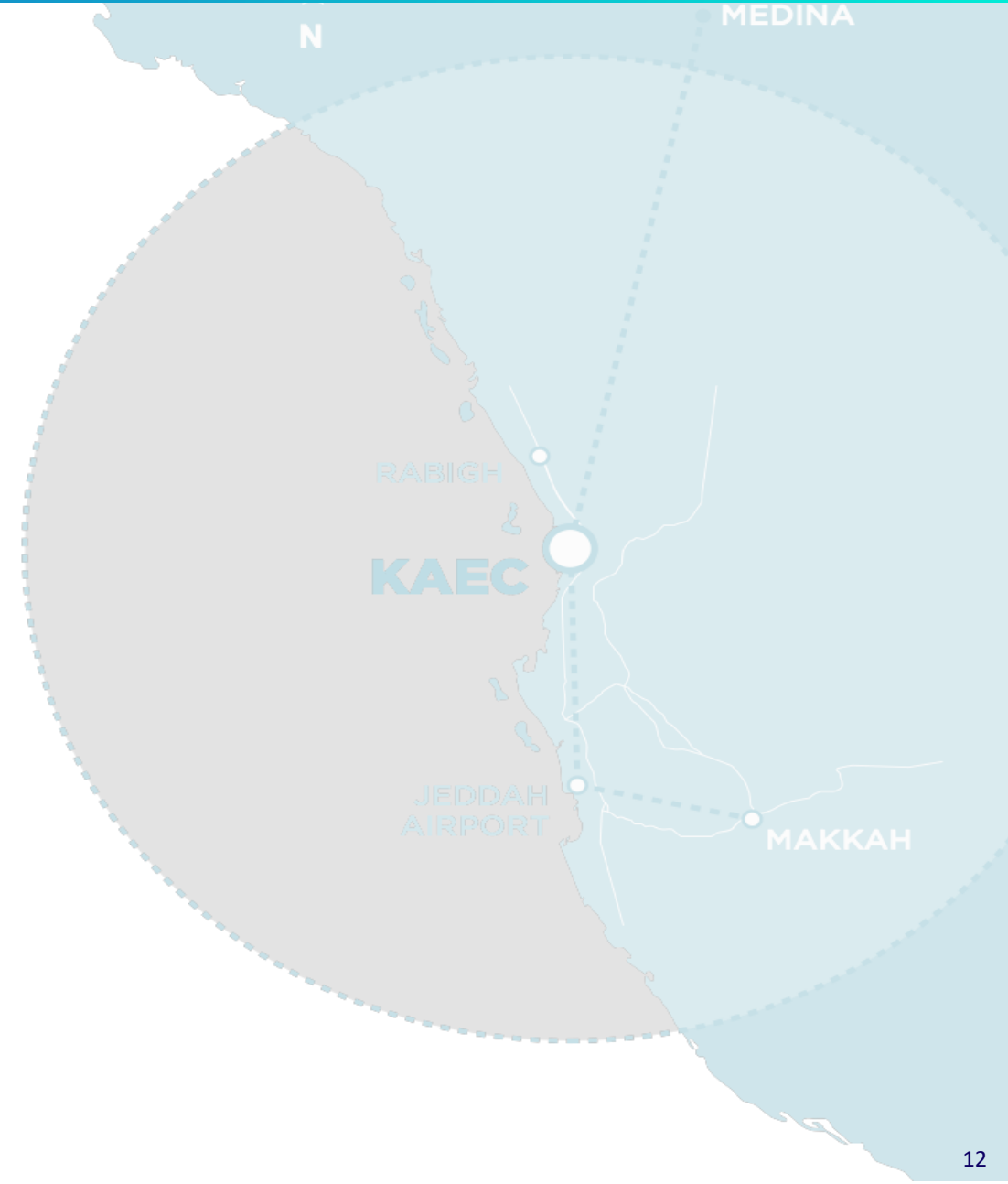


Number of key projects & services under operation



- 32 projects earmarked for hospitality, leisure and tourism segment
- Smart budgeting and liquidity management to cover SAR 10 bn CAPEX over next 11 years

King Abdullah Port Update





Complementing the Industrial valley with unmatched progress



44% growth in total
Container volume
over YTD Mar 2020

45% growth in
Export Full
Container volume
over YTD March
2020

Increase in T/S volume
by 67% over YTD
March 2020

64% growth in Bulk
volume over YTD
March 2020

Expansion of
Petrochemical Hub
operations at KAP.
Land area leased
increased to 50k m2

Total container
handling capacity is
6.5 Mn TEU based
on current efficiency
levels

Competitive advantage
of higher productivity-
41 moves per crane
hour and 32,500 MT of
bulk/day

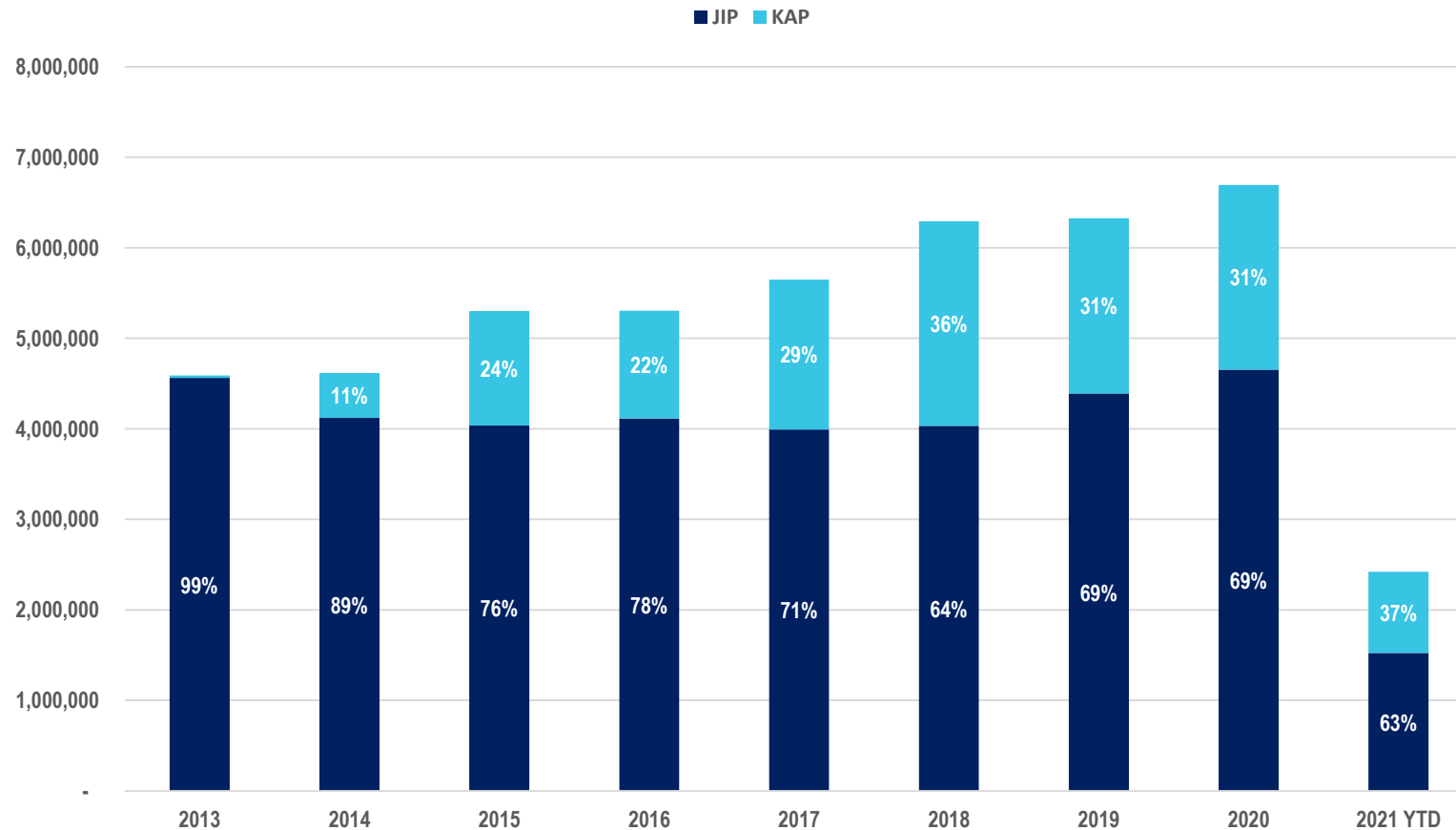
Main hub for MSC and
the MSC/ Maersk 2M
alliance.

World's largest vessels
with a capacity
exceeding 23.5k TEU's
are being regularly
handled at the port

KAP – Market Share Evolution

KAP has grown consistently over the years handling over a third of the Kingdoms Western Regions container volumes

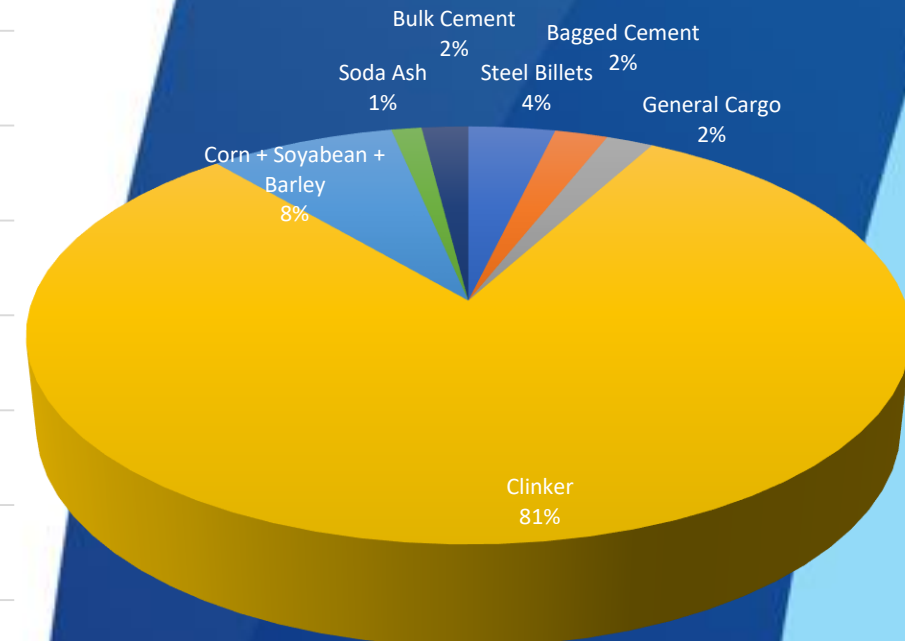
Western Region Market Share (in TEUs)



Non-Containerized Cargo

Total Volume handled in KAP in YTD March 2021 was 1.47 million MT

Volume as of YTD Mar 2021



Alignment with Vision 2030 & NIDLP: KAP aspires to be a vital contributor to fulfilling Vision 2030's objective of having the Kingdom be a trading hub for Asia, Africa and Europe.

Land availability: KAP has ample empty land, available for use by leading industrial and logistics companies.

Capacity restrictions at JIP vs. KAP expansion potential: KAP has adequate surplus capacity to meet any market demands as against other ports that have almost reached saturation levels.

MSC/TIL Vision: MSC, the world's second largest shipping line and the majority owner of TIL Group (which in turn is the majority owner of NCT), has informed PDC that it aspires to make its terminals at KAP a major MSC global hub, with throughput of 10-12 million TEU's.

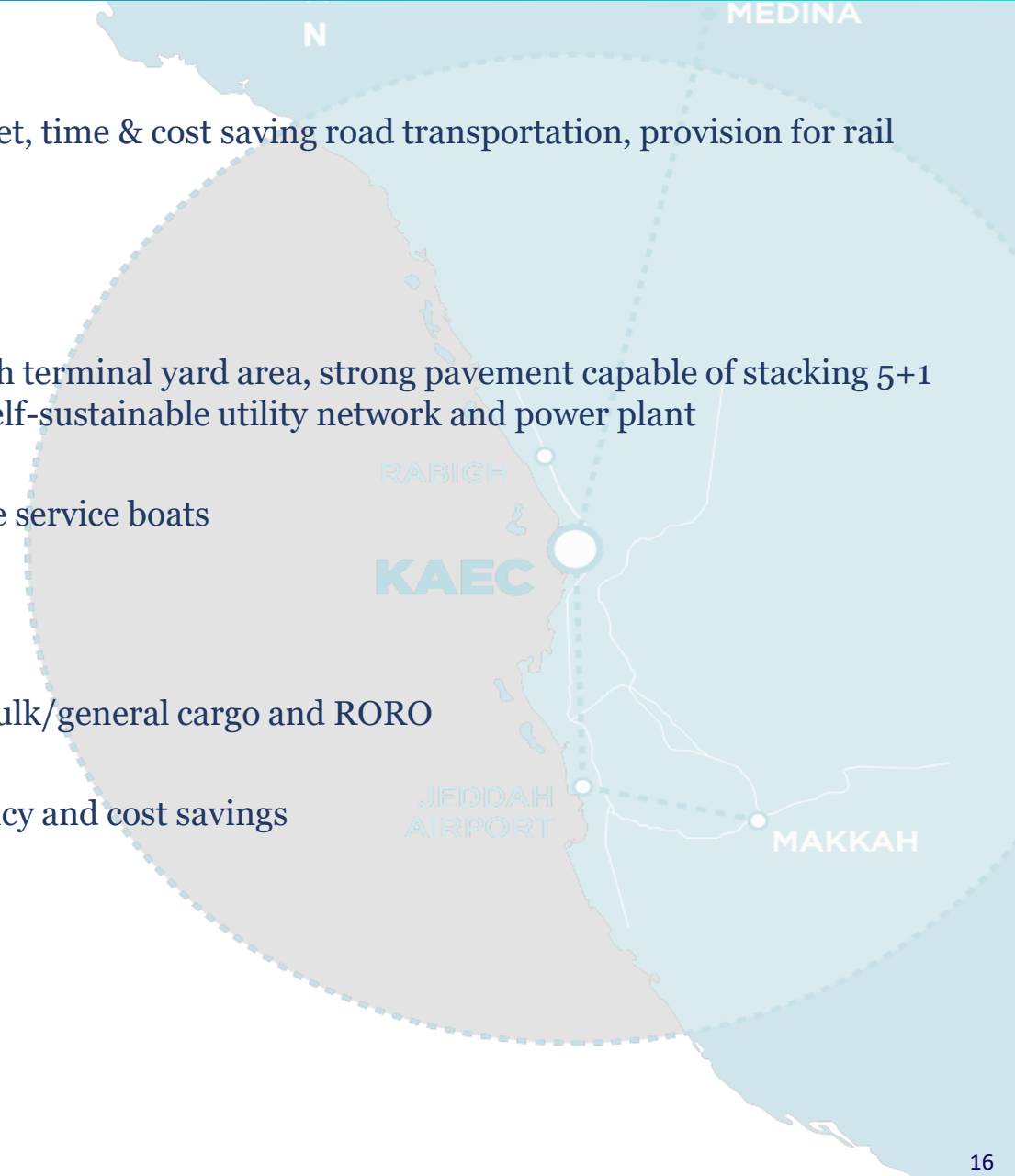
Logistics business: Developing a logistics business including a bonded zone, provides a unique growth opportunity for KAP (see next slide).

Land Bridge: KAP is expecting to be connected with the Saudi Land Bridge (via rail), which would secure fast and cost-effective connectivity with Yanbu, Petro Rabigh and Riyadh.

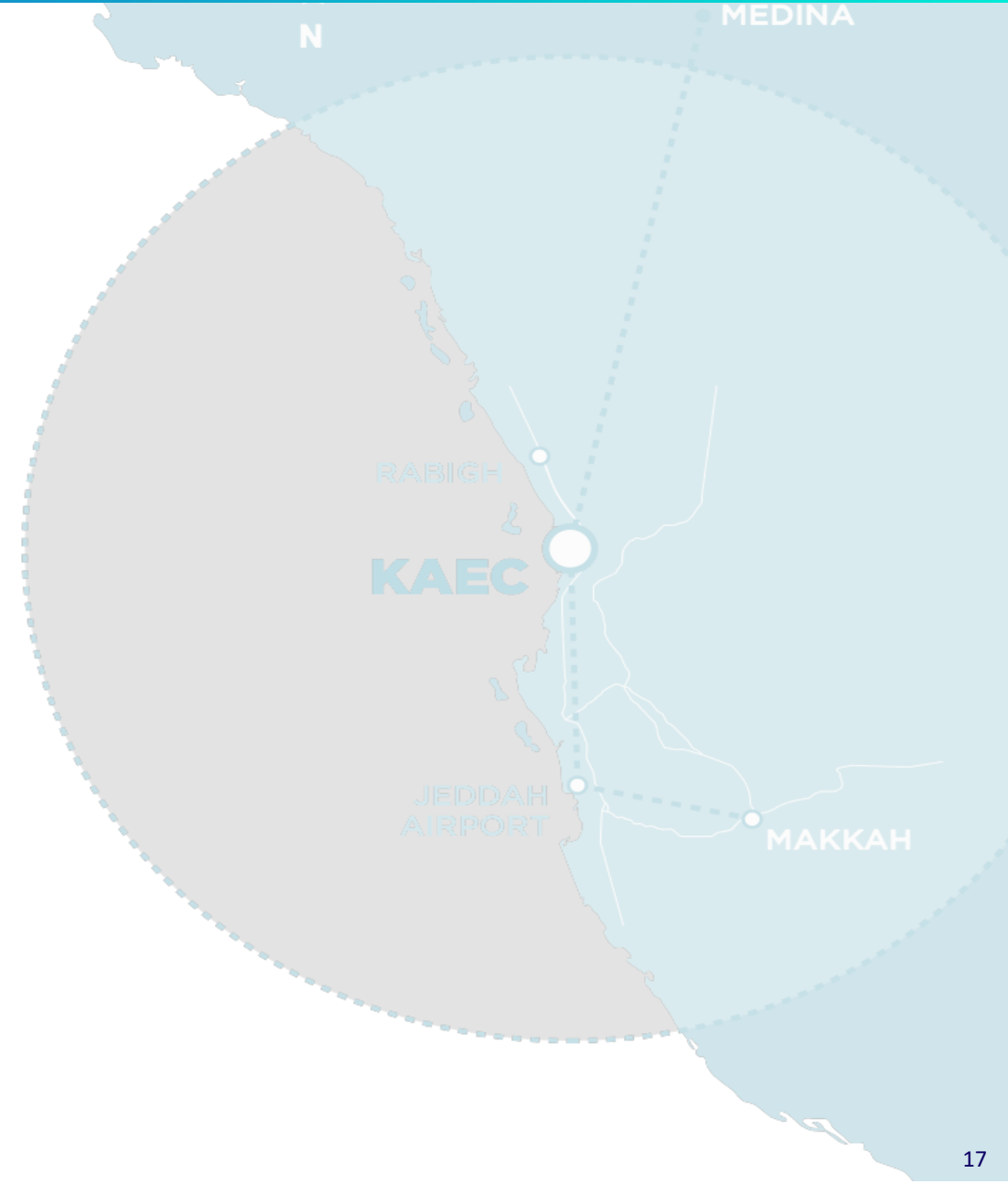
Port Community System: PCS-as-a-service adds to operational efficiency and cost saving for customers and it acts as a single platform to capture all activities of the port and act as the central system for integrating all operators in KAP.

Almarai Facility: Almarai have made significant investment in building their own facility for cargo handling and storage and the project is almost ready. It demonstrates that from a Supply Chain perspective, serving KSA hinterland from KAP is efficient and cost-saving.

- **Location:** on the Red Sea, access to the highways, proximity to the export market, time & cost saving road transportation, provision for rail network
- **Land:** availability of adequate land area inside and outside port
- **Infrastructure:** deepest draft at the basin and entry channel, more than enough terminal yard area, strong pavement capable of stacking 5+1 containers, fully equipped customs inspection facility, over 3,000 reefer plugs, self-sustainable utility network and power plant
- **Equipment:** terminals equipped with most modern cranes and top class marine service boats
- **Offering of logistics facilities:** bonded / non-bonded logistics facilities
- **Multi facility port:** dedicated independent facilities for handling containers, bulk/general cargo and RORO
- **Sophisticated system:** port community system / smart gates to add to efficiency and cost savings
- **Ease of doing business:** faster response to customer needs



Industrial Valley (IV) Update



Vision

To be among the top preferred regional hubs for manufacturing industries and value-added logistics.

Mission

To become the hub for job creation in King Abdullah Economic City and provide holistic solutions to industrial and logistics tenants; while establishing an integrated customer- centric industrial and logistics community focused on efficiency and excellence in operation.

Strategic objectives



- Create **integrated operational platforms** to enhance customer experience and drive efficiency

Offer **value-added value products and services** that will:

- Ensure the long term sustainability of IV business model
- Differentiate IV from other local, regional and international competitors

- Bonded Zone, Technology Park, and Renewable Energy Cluster

- **Creation of jobs into the city** and developing human capital to support IV tenants through training and development programs

- Drive land sales to secure both EEC and IV **funding requirements**

- **Grow** leasing and other sources of profitable recurring revenue

Industrial Valley Facts and Products



INDUSTRIAL VALLEY FACTS



Master plan covers
50 million m2



Situated next to
King Abdullah Port

Development Status (Area in Sqm)

Developed /Under Development & Design: ~35 SQM

Current Progress

112 Tenants
5,115 Jobs created
Total investment of
SR 11.7 Billion

Full Utilization & Development



Targeting ~700 Tenants



Targeting ~56,000 Jobs



**Targeting investment of
~30 Billion SAR**



Pre Built Light Manufacturing
and Warehousing Units



Offices & Retail
Spaces for Lease



Serviced Lands for Sale

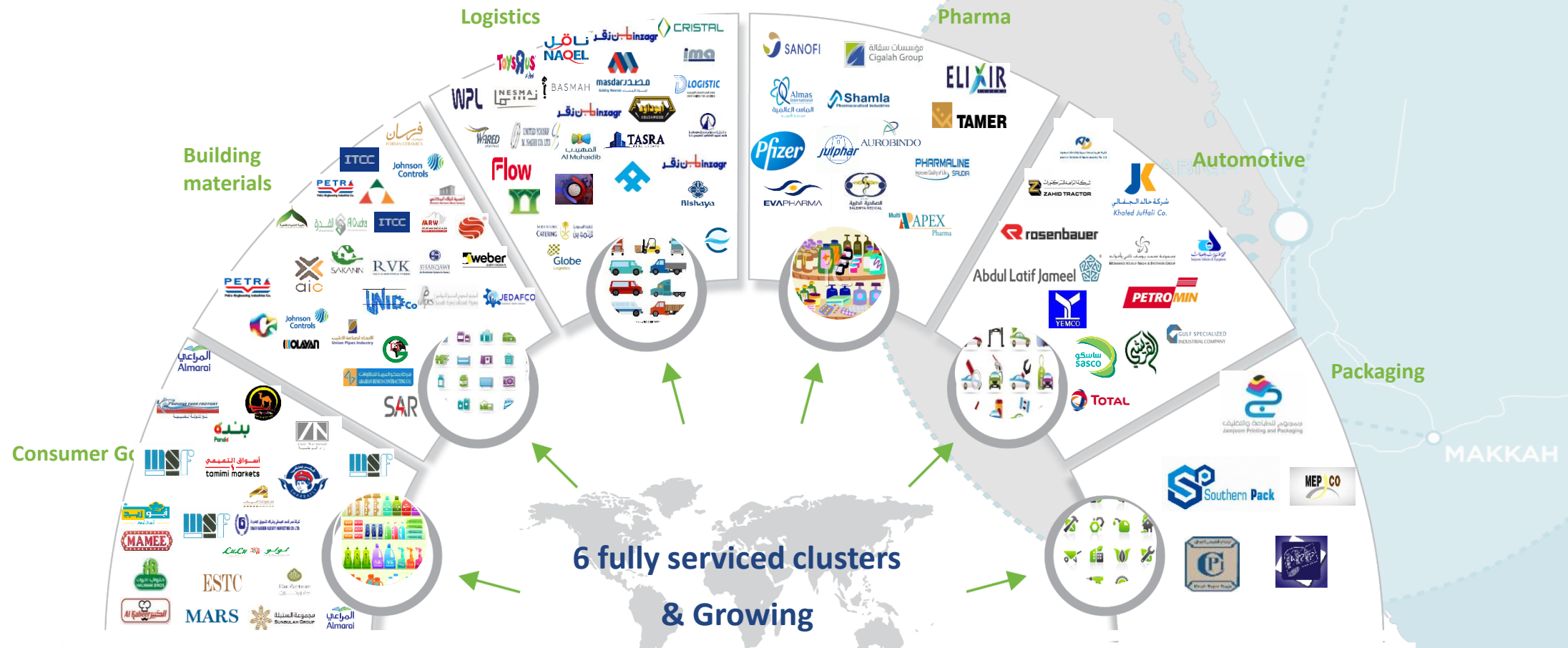


Serviced Lands for Lease



Cold Storage Warehouses (Under Assessment)

Home to approx. 112 leading global and local non-oil businesses



IV Bonded & Re-Export Zone Overview

Description

“A designated securely controlled area, within customs territory in KSA, offering diverse products & solutions for storage, value added services, and assembly of imported and local goods with custom duty deferred.”

Gross Land Area

3,238,670 SQM

Net Land Area

2,476,964 SQM

Product Mix



1) Land allocated for Value Added Logistics & Supply chain management

The area will be allocated for the construction of High Quality buildings for use as complex logistics operations.



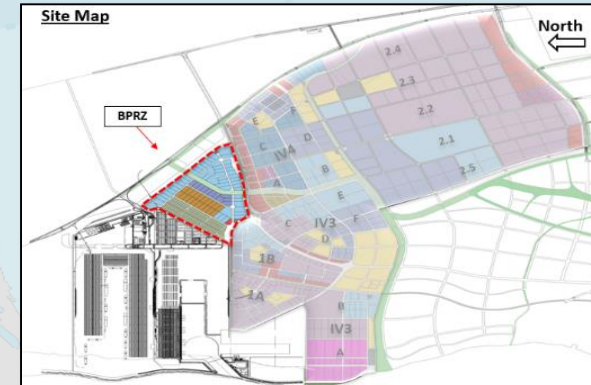
2) Land allocated for Light Industrial units

The area will be allocated for the construction of High Quality buildings for use as light manufacturing operations.



3) Commercial and retail Space, offices & Showrooms

The area is dedicated for commercial services including retail, food outlets / court, showrooms, and limited office space for lease.



Prime Site Location

- Adjacent to King Abdullah Port container terminal designed with a total capacity of 20m TEU's
- On the Red Seas with direct access to global shipping routes
- Next to North South KSA highway with direct links to Jeddah & Madinah (major markets in KSA)
- Direct Road and passenger rail links to Jeddah, Mecca & Madinah
- Terminal for proposed **KSA Land bridge Project** providing East West cargo rail transport

Streamlined Customs Procedures

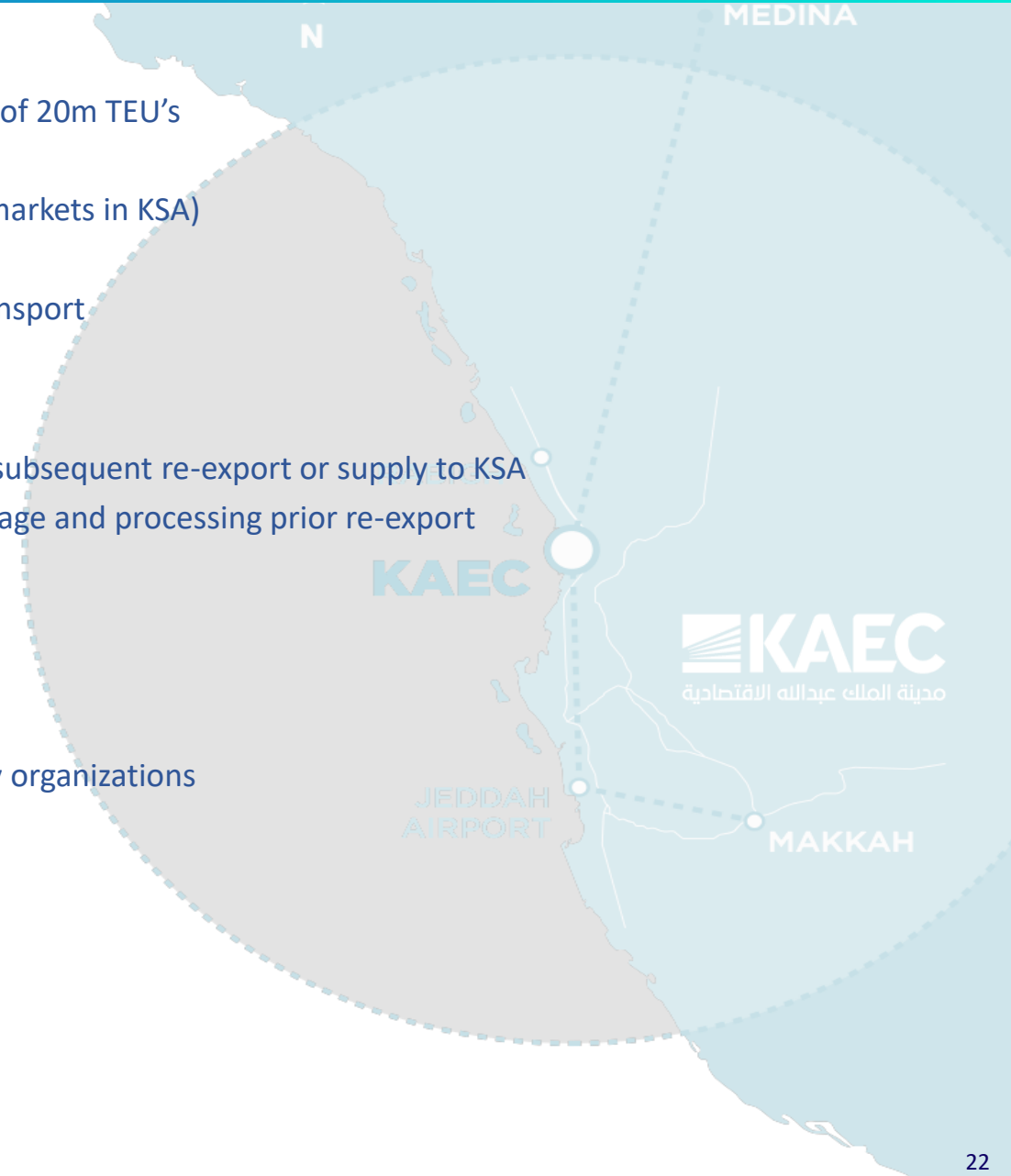
- Duty free importation of intermediate goods for storage and processing prior to subsequent re-export or supply to KSA
- Ability to import otherwise restricted products (non-compliant products) for storage and processing prior re-export

Advanced Buildings & Services

- General Warehousing & Light Industrial unites in a range of sizes
- Specialized logistics solutions
- Commercial space for offices and supply chain providers in addition to regulatory organizations

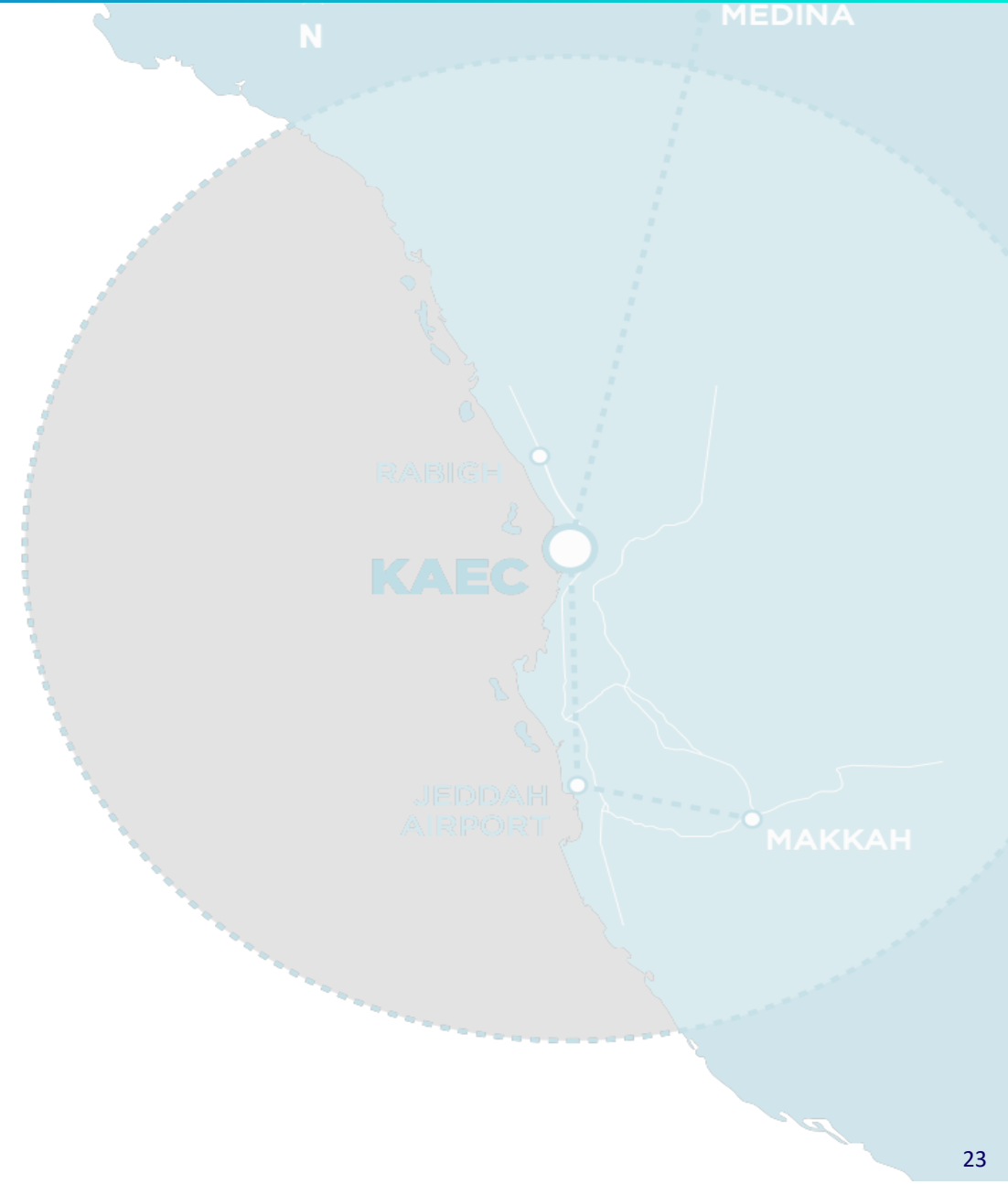
Proximity to Large & Growing Geographical Markets

- Direct Access to KSA – largest market in the GCC
- Proximity to the MEA Region and ability to serve the emerging markets in Africa





Residential Overview





Real estate and lifestyle

End-to-end development of residential and mixed-use real estate communities and lifestyle amenities

- **Affordable housing communities**
Al Shurooq and Hejaz South
- **Middle-income communities**
Al Talah Gardens, Al Waha, Hejaz Miram
- **High-income communities**
Golf and Beach communities
- **Mixed-use and leisure communities** Bay La Sun (Marina, Beach, and Canal Residences), Waterside Community

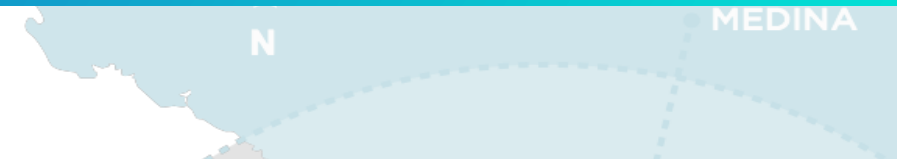
Asset management and operations for recurring revenues

- **Asset and facility management of all KAEC communities**
- **Village staff accommodation**
- **Leasing operations**
Bay La Sun, Al Waha, Al Shurooq
- **Royal Greens Golf & Country Club**
- **Esmeralda Sports & Leisure Club**





Real estate and lifestyle



Strategic drivers that contribute to the success of the residential business



Proximity to IV,
KAP, KAUST,
Petro Rabigh etc



Sea view locations and
proximity to beach



Haramain Railway
connects KAEC to the
Holy Cities and Jeddah



Value
proposition



World-class
residential
communities



Foreign ownership
(non-GCC) of property
will accelerate success



Control over
masterplan to
ensure the
experience



Mortgage availability
for all income levels



Properties with
world-class golf
course and sports
center



Quality
infrastructure

Learn more about KAEC
and its projects and
services



About EEC & KAEC



Vision & Direction



Developments



King Abdullah Port



Industrial Zone



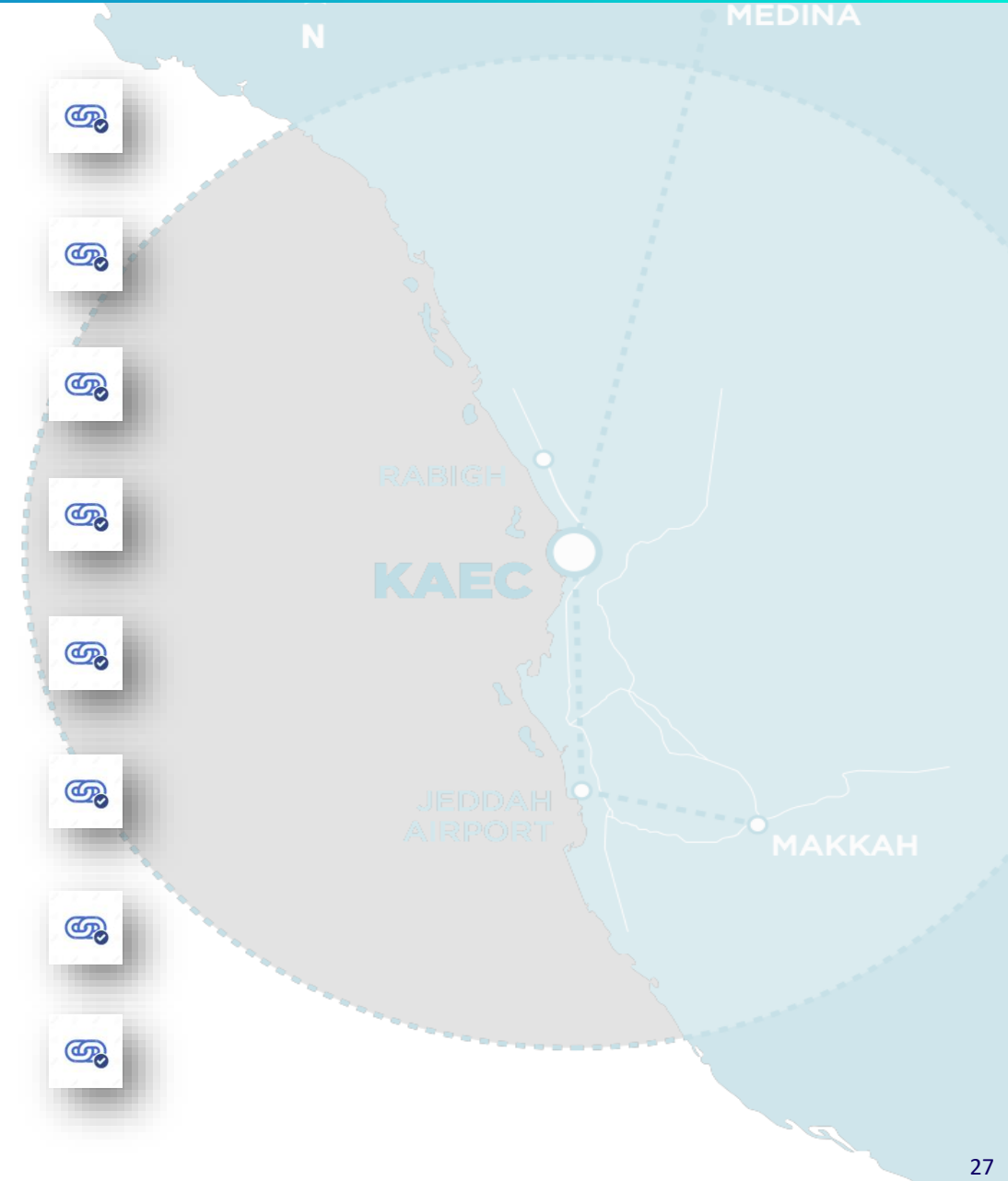
Govt. Engagement



Partnerships



Strategy





About EEC & KAEC

- The general trend of the real estate market during preceding years remained subdued which affected the pricing and payment terms trends and hence the revenue recognition and profitability of this sector. While we consider that this current situation coupled with COVID 19 impact would prevail in the short term, the management remains optimistic for the longer term due to the various government initiatives aimed at stimulating the economic cities development, specifically the Royal approval for Special Economic Zones within the economic cities which will accelerate the attraction of new business sectors
- Apart from this, EEC has recently engaged with multiple mortgage and financing companies to enhance the affordability of housing units in King Abdullah Economic City and boost its cash flow generation. It is also worth mentioning that declining Saudi Arabian Interbank Offered Rate (SAIBOR) would contribute in reducing the financial charges of the Company. In addition to the on- going real estate market challenges being faced by the Company, KAEC is an economic city development whereby the Company has to invest a substantial amount on the development of city infrastructure such as city roads, bridges, sub- stations, water & sewage plants, telecom infrastructure etc.
- Furthermore, the Company also invests in the city essentials such as education, healthcare, hospitality, leisure to serve the growing needs of the city population. This naturally results in considerable amount of depreciation along with the initial operating losses related to these assets which affect the Company's profitability in shorter term, but these investments have helped achieve the strategic objectives of KAEC as a great enabler for socio economic transformation in Saudi Arabia
- From a value standpoint, the Company has invested in the development of King Abdullah Economic City approximately SR 18 billion in equity and funding since inception which has created approx. 9.5x value to the investment properties as disclosed in the audited financial statements for the year ended 31 December 2020. This value will be unlocked by additional investment on strategic projects both by the Company and the third party developers, to create jobs and footfall, up to a certain point beyond which KAEC will have organic growth and hence yield long awaiting great returns for its shareholders.
- From liquidity management perspective, company is actively pursuing debt rescheduling with its lenders. In this connection, company has already signed revised facility agreement with one of the major commercial banks. As per the revised terms, the principal repayment of approximately SR 1.7 billion is now payable over a period of 7 years (2023-2030) after a grace period of 3 years. The similar arrangements are being negotiated with other commercial banks. In addition to this, the Company has entered into a Subscription Agreement with Public Investment Fund to convert part of MOF loan, amounting to approximately SR 2.83 billion, into equity, the completion and conditions of which are under way



Vision & Direction

1. What is the Vision and Mission of KAEC

Emaar, the Economic City (EEC) is the master developer of one of the first megaprojects established in late 2000s situated in close proximity to Jeddah. The project was named King Abdullah Economic City (KAEC) with the vision to be a socio-economic enabler for Saudi society.....

KAEC is a privately funded city and has achieved various milestones over the last 10 years without any aid to support its infrastructure development comprising of extensive road, water, sewage, electricity and fiber optic networks....

2. What is expected population growth in the city?

KAEC has a distinct advantage of having a port and Industrial valley that supports businesses to setup facility in KAEC taking advantage of the facilities. The developments would promote population growth in the city. Once, the expected announcement of SEZ comes through, we may see sudden shift in growth percentages.

Furthermore, there are several programs to support B2B business which would lead to increased operational tenants in IV that in turn would have a positive impact on population in the city. Once the 'two' important decisions (PIF and SEZ) are formalized, we would expect a more robust population going forward

3. What are the drivers for profit and turnover in your feasibilities? When do we expect profitability

KAEC has a different real estate model and business concept. We look at the value positioning and creating value gradually. As KAEC is a multi-dimensional development, which includes Port, IV, Residential, Commercial, Healthcare, Education Leisure & Entertainment making it a very unique model. Focus would be to consider both P&L and Cashflow impact and prioritize the development that provides the right mix between profitability and value creation. We are taking into account what are the key triggers of GDP generator and how it is compared to KSA GDP. Furthermore, as KAEC has become one of the key tourist destinations, we expect a strong visitor growth going forward, where visitors populace would create more awareness about the city's offering and thereby will generate value and business demand.

While EEC works with all its stakeholders, it is also lobbying with the relevant Government entities to garner various forms of participation in order to reignite growth allowing KAEC to forge ahead with full momentum



City Development

1. What is the current development status of the KAEC project and % of completion?

KAEC is a privately funded city and has achieved various milestones over the last 10 years without any aid to support its huge infrastructure development that comprises of extensive road, water, sewage, electricity and fiber optic networks. KAEC boasts of self-sustaining water plant (RO), Motor sports park and state of the art Golf Course amongst several others. As a part of its social responsibility and focus on development of Saudi youth, it offers educational opportunity through TWA, MBSC, TVET Centers, Aviation and Culinary academies.

Of the total 168MM Sqms, approximately 22% has been developed. This is mainly contributed by Industrial (46%), Residential (21%), Port (14%), Infrastructure(16%) and Commercial/Mix-use(3%). About 21% of the remaining is under development/design-Planning stage. As we believe, that change is exponential and pace of development to the next 25% would be much sooner than later.

2. Land speculation and how did it impact KAEC pricing?

We have undertaken valuations and we will revisit the pricing. Poignant to note here is that we have achieved 12X value increase since inception based on current valuations done by independent entities. Our mark-to-market reflects on our ability to create value and supports development of areas around already developed projects.

Noting that, several investors have invested in land and verticals speculating income generation with hike in value. As city needs time to develop and populate as it has to have all amenities in order to create the right value perception, we always find different sets of realism, optimism and pessimism which is common across the investor world. Our city, though remote, has moved forward.

3. KAEC land evaluation at SR47B in 2020, please shed light on land monetization and profitability?

Revisiting our pricing and understand through value creation how much is the customer willing to pay to move in the city. We are also relying on third party valuations. We had aggressive CAPEX expenditure controls back in 2020 during Covid- 19 to ensure sustainability and accommodating commitments for hand over projects. The low value figures is due to placing a hold on development.

4. Profitability timeline?

We expect immediate benefits once these announcements happen which would reflect in Government support and formal recognition of KAEC as a hub for logistics and push from related Govt entities to have more direct investments



King Abdullah Port

1. What is the current capacity of KAP and what is the % of transshipment?

Approx. 6.5 MM TEU of which roughly 80-85% is transshipment. Total planned capacity of KAP is approx. 20MM TEUs

2. How does KAP play a strategic role in overall development of KAEC and contribution to the country's GDP. What are the plans of expansion for KAP?

KAP is strategically located on the red sea corridor with the deepest berthing capacity. This allows KAP to have large vessels with high container volumes to dock at its bay. Moreover the state of the art infrastructure of KAP allows quick scanning and clearance of shipments which makes it a very attractive proposition for importers and shipping liners. There is a proposed land-bridge planned from KAP to connect with the Central region which is expected to make KAP a very strategic point in terms of logistics handling and also providing better economies of scale.

At the moment focus is to assess the import and export, attract customers in IV who are engaged in production and exports. This would support increased capacity utilization. Impact of SEZ status to KAEC will catalyze growth in the IV that will percolate to all other strategic development areas including KAP.

3. What is KAP status and updates and is its ability to compete with JIP?

KAP has distinct advantage in terms KPIs better than any other port. It is one of the fastest growing ports in the world, and has captured almost 35% of WR market share within a span of 10 years of operation. JIP capacity is approx. 6MM vs KAP capacity at 6.5 MM

4. How does the recent agreement of DP world and RSGT to develop JIP impact traffic at KAP. Would it positively impact the transshipment volume in KAP?

These alliances would not impact KAP volume directly as it is not party to this arrangement. These would impact JIP as Mawani is expected to increase JIP capacity. However, KAP currently has higher capacity utilization at KAP compared to existing JIP. Our transshipment would increase as a result of container activity and of the future impact of the announcement of SEZ for KAEC. KAP has two shipping liners (MSC- and MSC/Maersk Alliance called 2M). There is an ongoing discussion with another large ship liner to join KAP as its hub.

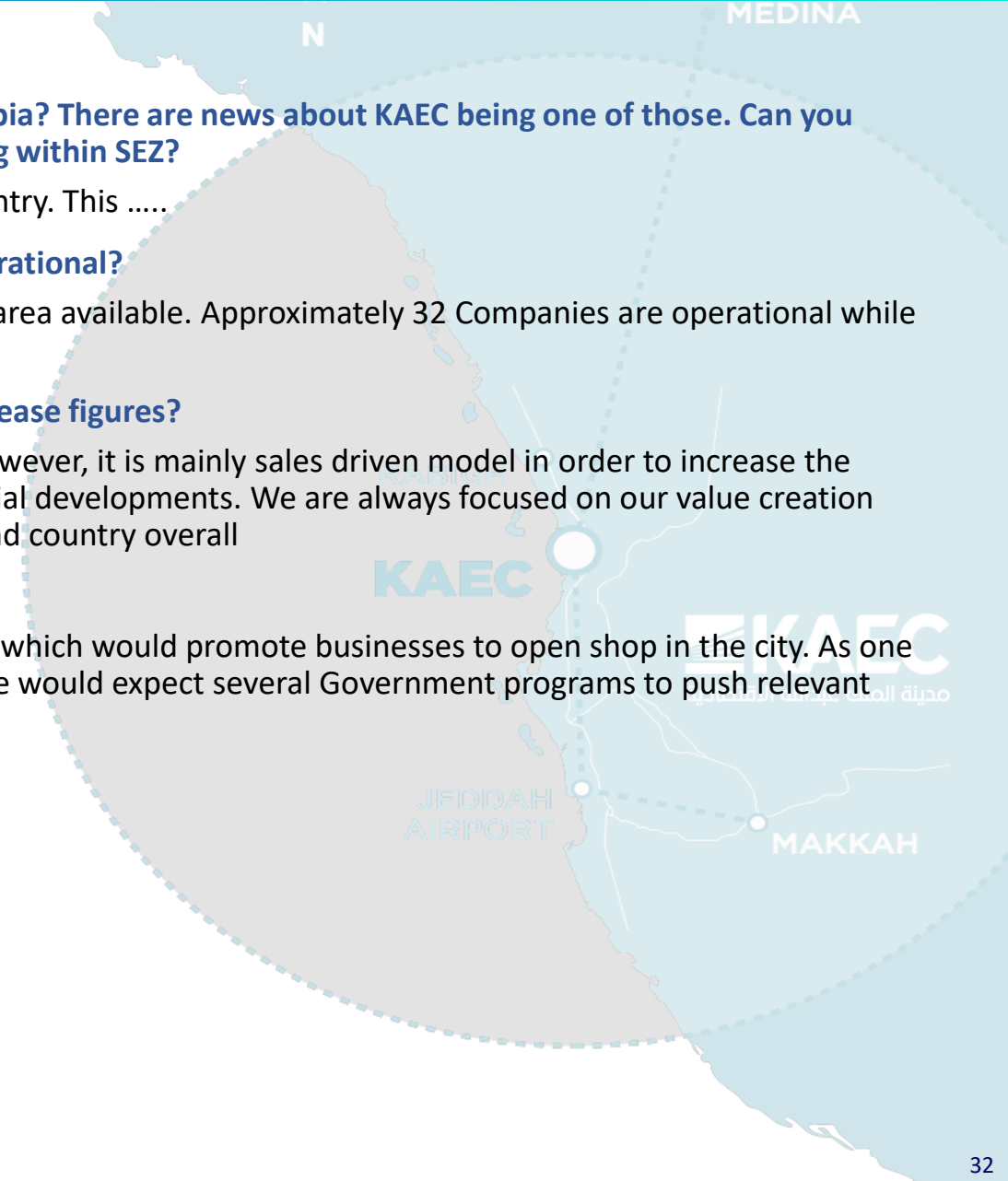
5. Does Mawani get any gross amount from KAP?

Mawani is Saudi Ports Authority managing KSA ports. KAP Port being privately owned, does not have any arrangements with Mawani in terms of sharing revenue.



Industrial Zone

- 1. We have been hearing about Special Economic Zone to be announced in Saudi Arabia? There are news about KAEC being one of those. Can you please give some more info on this? What are the benefits for companies operating within SEZ?**
Special Economic Zone or SEZ is a strategic direction to promote growth in the country. This
- 2. Out total IV land in IV how much area is leased? And how many IV tenants are operational?**
Roughly 21% are leased and remaining are sold of the total Leasable and Saleable area available. Approximately 32 Companies are operational while 51 are either under construction or under licensing.
- 3. Do you look into companies as to what they are producing or just look into Sales/Lease figures?**
We are not set for heavy manufacturing so there are certain filters put in place. However, it is mainly sales driven model in order to increase the operational tenants in the city which in turn would boost residential and commercial developments. We are always focused on our value creation model that helps generate not only revenue but contributes to the GDP of KAEC and country overall
- 4. How many of the IV tenants are coming through the GOV support programs?**
We do not have numbers yet but with current programs being run by Government which would promote businesses to open shop in the city. As one of the chosen sites of SEZ, and once the announcement is made and formalized, we would expect several Government programs to push relevant companies to setup facility in KAEC





Government Engagement

1. What is the update on PIF conversion status? Is PIF going to appoint its representatives in EEC Board

This is underway. We have signed the framework agreement. Formalization with CMA and Tadawul is under process. Once concluded there are expected changes in the board and we believe there would be reconstitution going forward

2. How do you see the Gov vision ? What is KAEC positioning against other PIF companies?

KAEC was envisioned as a socio-economic enabler for the Saudi society. Owing to demands of a developed and modern lifestyle, KAEC was brought to existence under that vision where KAP and IV were envisioned to be the fulcrum of economic development, supported by residential and commercial facilities. Government's vision is similar in the sense of providing economic development. modern lifestyle and plethora of leisure & entertainment facilities. KAEC in essence is very much aligned to the Government's direction.

As far as other government projects are concerned, we definitely are not competing as each one targets a certain segment and is guided by their own unique selling proposition. Geography, offering and constitution of each of these developments vary. We all are aligned and not competing. Each of these projects support national growth and are set to contribute to the national GDP

KAEC has the advantage of ready infrastructure and developed facilities. We look at the value creation overall and how we can monetize this going forward. We would be participating with the Gov in terms of its vision and various new mega projects that have been announced. Our effort is to contribute to the GDP growth. We believe we are better positioned in terms of our already developed infrastructure, IV facility and strategic location of KAP. Our readiness makes us a preferred location for businesses to succeed and also offers healthy, clean modern lifestyle.



Partnerships

1. SEZ status updates? And whether ownership in SEZ will be practiced rather than lease?

KAEC being a chosen site for SEZ, which sits in a very advanced stage has all the ingredients to support business and lifestyle living. Our efforts are to work very closely with ECZA to have more Government supported development, bring in FDI and support investors. The discussions are ongoing with ECZA on strategic alignment to support businesses

Looking at bench marks in the markets, lease in SEZ rather than sales taking in consideration the benefit and growth to the city and ultimately KSA. We are going through a repricing exercise and revisiting prices of products all over the city and utilizing third party evaluation to get fair valuation

2. What kind of benefit is expected and when will SEZ commence?

Catalyst to drive foreign investment in KSA. We are awaiting final approval on Gov announcement to have foreign representation in GCC located in KSA and KAEC is positively positioned to be chosen given its development stage

3. Once PIF becomes the major shareholder, what are the benefits for KAEC?

PIF is recognized world wide amongst investors and is a major stakeholder to the Vision2030 which includes mega projects development and redesigning of some of the existing cities and engaging in strategic . Its part of EEC strategy to align with Government's vision, and automatically PIF being the major shareholder in KAEC, we would have full alignment to the vision and transformation programs. Working together with PIF , EEC will benefit directly where EEC will offer its services given its expertise and city development that would come handy for some of the projects announced. In turn, Gov support will bring in significant value to the city

4. What are other key partnerships?

KAEC has struck alliances with several Government entities including TDF, Military, GEA, Ministry of Tourism, Ministry of Housing, and many others. Economic Cities and Special Economic Zones Authority is based in KAEC and both work in close alliance to bring about greater changes in the city.



KAECs Strategic Vision

1. What is the current direction of the company in terms of its strategic goals and future developments?

Value creation, alignment with the Government's direction, alignment with objectives and vision of KAEC. Assessment on the current status of the company and business to take strategic decisions in a more focused manner

2. 2021 guidance and management views?

We are working to conduct a full look-through in our history and benchmark our future strategy against successes and not so rewarding initiatives. We will be revisiting our pricing and understand through value creation how much is the customer willing to pay to move in the city. We are also relying on third party valuations to understand the Highest and Best use of assets and identify zones and activities that need to be prioritized.

We had aggressive CAPEX expenditure controls back in 2020 during Covid- 19 to ensure sustainability and accommodating commitments for hand over projects. The low value figures is due to placing a hold on development.

3. What would be the impact on KAEC with the new announcement of companies setting up regional headquarters to do business in KSA?

This is a positive step by the Govt. We strive to be part of the ecosystem and would facilitate setting up such businesses in KAEC aligned to Government's directive and not compete with the mega projects by the Government or the direction in which it is heading to

4. what changes to be done on both Residential and IV

Industrial Valley is pretty much in auto mode as KAEC IV is being seen not only as a very strategic location but also believed to be one of the important hubs particularly in light manufacturing and logistics. From the location standpoint, it is connected with Water and Road at the moment and there is plan to have a land bridge connecting KAP and IV to Riyadh.

On the residential front, we are benchmarking unit pricing and aligning our offerings to current demands from both design and value perspectives. Our partnership in the Sakani program also supports the development. We have engaged with several financial institutions to offer mortgages which has been successfully implemented

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