



Intermodal Africa 2019

Djibouti, Mar 20, 2019

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Director – Global Investments
RED SEA GATEWAY TERMINAL

Red Sea Gateway Terminal – A snapshot



First privately funded BOT terminal in Saudi making us the only Saudi National operator

Owned by Xenel Industries, one of the Gulf's largest and most diversified conglomerates

Consistently ranked amongst the 5 most productive terminals globally

13mn TEUs since start in 2009. Single largest terminal in Saudi Arabia

\$700mn Investment in 1,340 meter quay line, 14 of the world's largest cranes and 2.5mn capacity

Trending Observations: As Operator



Survival of the fittest



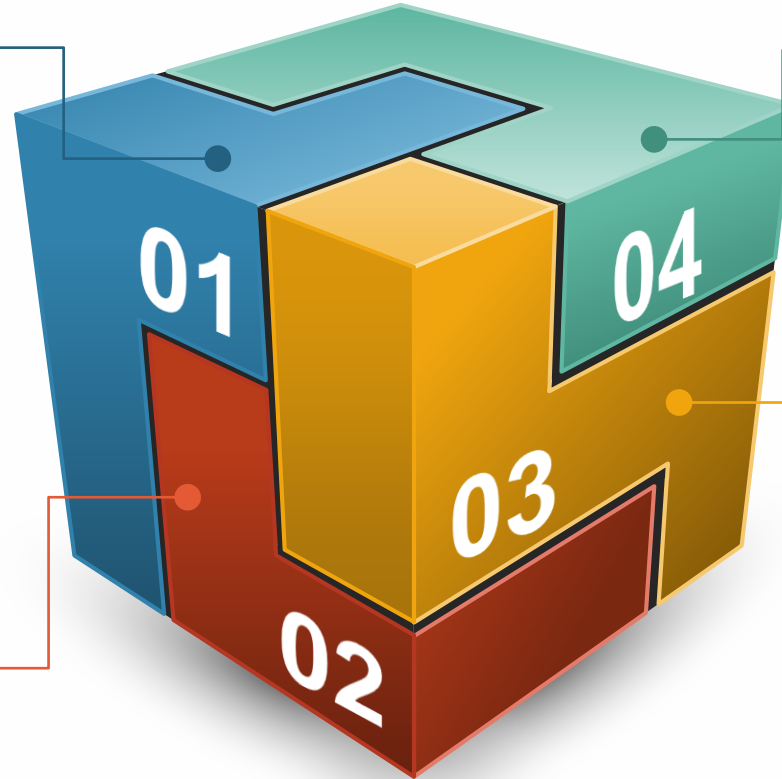
Customer partnerships and sharper contracts



Revenue
Profit
Assets
Productivity



Gradually increasing utilisation



Trending Observations: As Investor



The over-capitalisation model



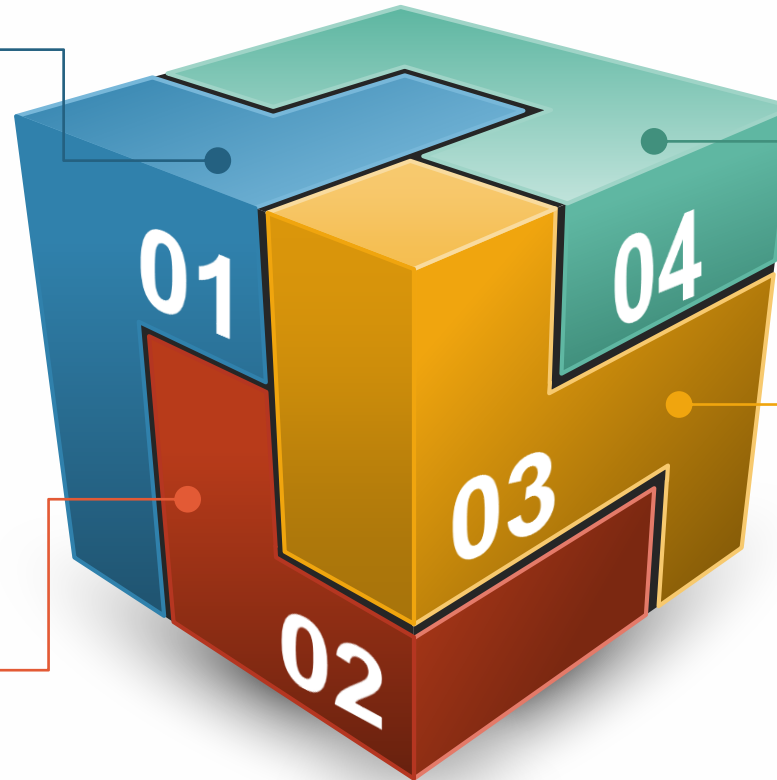
Deal Structures & Bankability



Win it. Then Fix it



First concessions expiring





**OVERALL
LOGISTICS
COST
V/S
PORT TARIFF**



**ASSET
CREATION
V/S
ASSET
SWEATING**

In the Saudi context, RSGT's success and delivery has positioned it as an ideal 'KSA National Champion'



Strategy

Establish Jeddah as a Red Sea hub for trade and services

Expand and consolidate operations in KSA

Create a global port portfolio

Deliver and enable value-added supply chain solutions

.. and putting us squarely in alignment with Saudi visions



LEVERAGING ITS UNIQUE POSITION

SAUDI ARABIA IS RIGHT AT THE CROSSROADS OF IMPORTANT INTERNATIONAL TRADE ROUTES, BETWEEN THREE CONTINENTS: ASIA, EUROPE AND AFRICA. WE WILL THEREFORE MAXIMIZE THE BENEFITS FROM OUR EXCEPTIONAL AND STRATEGIC GEOGRAPHIC POSITION, AGREE NEW STRATEGIC PARTNERSHIPS TO GROW OUR

BUILDING A UNIQUE REGIONAL LOGISTICAL HUB

We have already invested heavily in the construction of ports, railways, roads and airports. To take full advantage of these investments, we plan to work with the private sector and enter into a new series of international partnerships to complete, improve and link our infrastructure internally and across borders. We will also unlock our "hard" infrastructure with systems that can drive higher performance, including more rigorous governance, leaner processes and a more efficient customs system. We will improve and implement existing laws and regulations. Air, maritime, and other transport operators will be encouraged to make the most of their capacity, achieving durable links between

INTEGRATING REGIONALLY AND INTERNATIONALLY

With a GDP of SAR 2.4 trillion, our economy is already the largest in the Middle East. We enjoy close economic ties with the Gulf Cooperation Council and other Arab countries, as well as constructive relations with Islamic and foreign countries. We will seek to establish new business partnerships and facilitate a smoother flow of goods, people and capital. Among our top priorities is to fortify and extend our interconnectivity and economic integration with other Gulf Cooperation Council countries. We will strive to complete the process of implementing the GCC common market, unifying customs, economic



The Public Investment Fund Program (2018-2020)

Transport and Logistics Sector*

The PIF Program's objectives in this sector by 2020

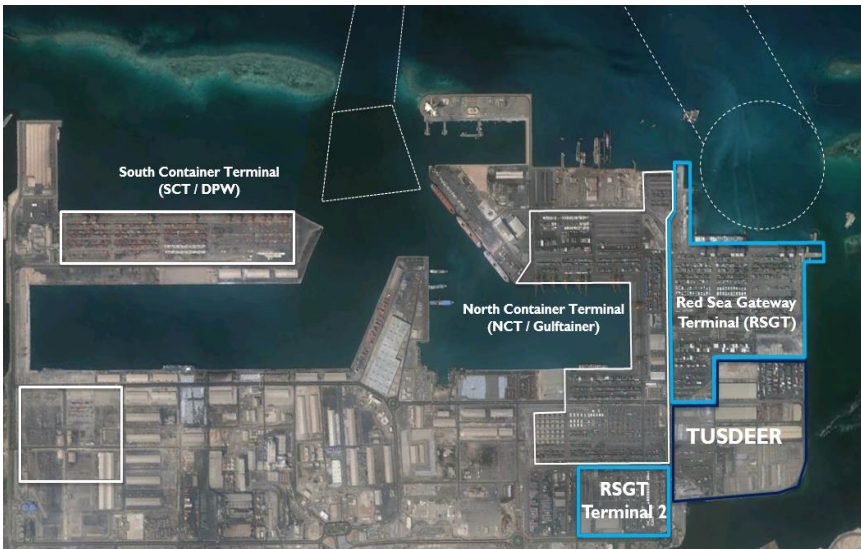
Vision 2030 aspires to transform the Kingdom into a global logistics hub for sectors of national interest and for industrial and consumer goods. Saudi Arabia will provide favorable working conditions for manufacturers and logistics providers, easy access to the Arabian Peninsula countries and Northeast Africa, and a distinctive distribution network for local markets.

The PIF Program will look into the following opportunities in this sector during the next three years (2018–2020):

- Develop a Saudi regional leader in seaport operations, to enable Saudi Arabia to leverage its Red Sea and Gulf locations and play a pivotal role globally in providing services necessary to support imports to and exports from the Kingdom.
- Facilitate cooperation between PIF's portfolio companies, including cooperation between ports and the Saudi Railway Company.
- Expand investments across the logistics value chain (such as storage and shipping), to realize synergies.
- Explore global acquisitions opportunities to achieve economies of scale and enhance Saudi Arabia's global presence.
- Contribute to building and securing the necessary infrastructure for national industries, by supporting, for example, the Waad al-Shamal phosphate project.

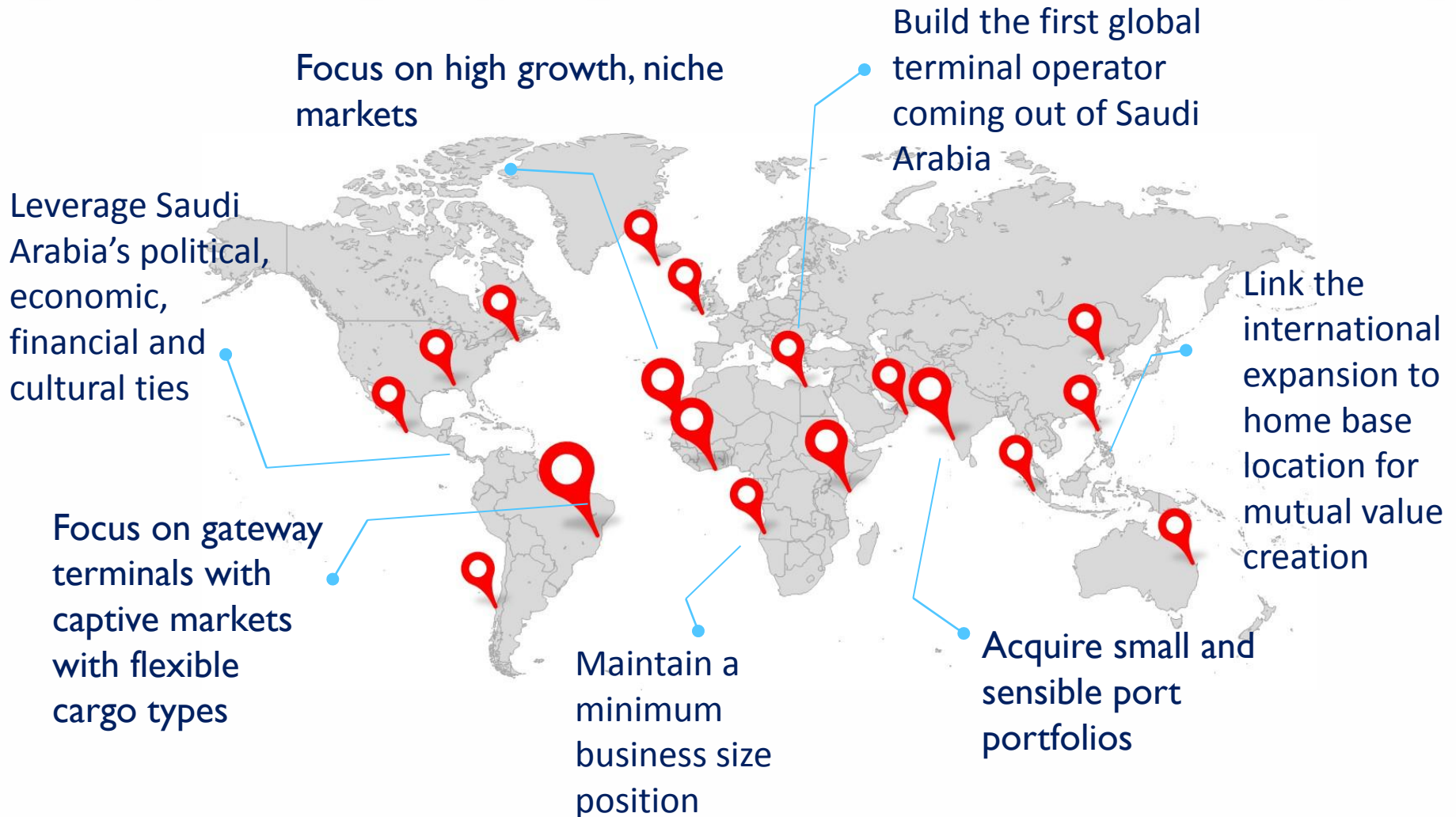
Source: Public Investment Fund Program 2018-20, pif.gov.sa

.. starting with consolidation at home



- ✔ On Jan 28, 2019, RSGT signed an MOU with the Saudi authorities for merging operations with North Container Terminal in Jeddah Port
- ✔ Effectively creating the largest terminal on the Red Sea with a total quay line of over 3000m and an annual capacity of 5.5mn TEUs
- ✔ Leading to a world-class facility capable of serving the important local market while also catering for the growing regional transshipment trade
- ✔ Creating opportunities for significant consolidation and scale driven efficiencies and customer service

.. and enabling a clear and deliverable international expansion plan



So come partner with us..

Thank you

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