

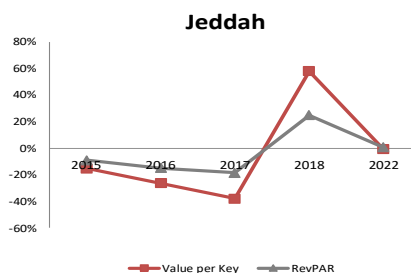


## IN FOCUS – Saudi Arabia

### Jeddah – Saudi Arabia

Jeddah is positioned as a gateway for Muslim pilgrims traveling to the holy cities, as well as a leisure destination for domestic tourists. Benefitting from its strategic location, Jeddah airport’s passengers traffic recorded a 20% growth in 2018 and reached 41.2 million passengers.

In 2018, hotel values in Jeddah grew by 58% on account of the recovery in average rates and gross operating profit, unlike other cities in the Middle East. Despite the planned 10,000 new rooms to enter into the market by 2022, the new tourist visa regulation and the planned developments in Jeddah and its neighboring cities will induce additional demand into the city.



### Riyadh – Saudi Arabia

Riyadh, the capital of Saudi Arabia, registered a RevPAR growth of 7% in 2018, primarily due to an increase in average rates. Following a 21% drop in hotel value in 2017, improved market performance resulted in a 26% growth in hotel values in 2018.

Riyadh, traditionally reputed as a destination for Corporate and MICE business, is also diversifying its tourism offering to attract leisure demand with new recreational and entertainment projects. Major development such as Entertainment City and Mall of Saudi are anticipated to attract Saudi families and high-paying leisure tourists and likely to support supply growth which is anticipated to reach 15,000 rooms in 2022, a 40% increase on 2018.

