



MALAYSIA – ISLAMIC DEVELOPMENT BANK (IDB) GROUP INVESTMENT FORUM

“BRIDGING THE GAP - FROM SILK ROAD
PERSPECTIVE (DEVELOPING LINKAGES WITH THE
FAR EAST COUNTRIES)”

10th May 2012



BY: DR. MASHHOUR F. MOURAD
CEO ANFAAL CAPITAL

Draft



ANFAAL CAPITAL

A **Closed Joint Stock** Investment Company
founded in May 2010

Authorised Person licensed by the Capital Market
Authority of Saudi Arabia (**CMA**)

Licensed by the the Saudi Arabian General
Investment Authority (**SAGIA**)

Our core business activities include **managing,
custody, advising and arranging of securities**

Key shareholders include **ICD & Maybank – IB**
among others



Our range of products and services include Asset Management, Arranging and Corporate Finance Advisory Services, Investment Advisory Services and Custodian Services

- Sukuk Structuring, Capital Raising, Fund Structuring, M&A, Valuation, Strategic Financial Advisory, Structured Products, IPO & Equities and Corporate Restructurings



Arranging &
Corporate
Finance

- Management of Real Estate Funds and Private Equity/SME Funds based on Shariah Principles



Asset
Management



- Advising clients on the merits of specific securities investments



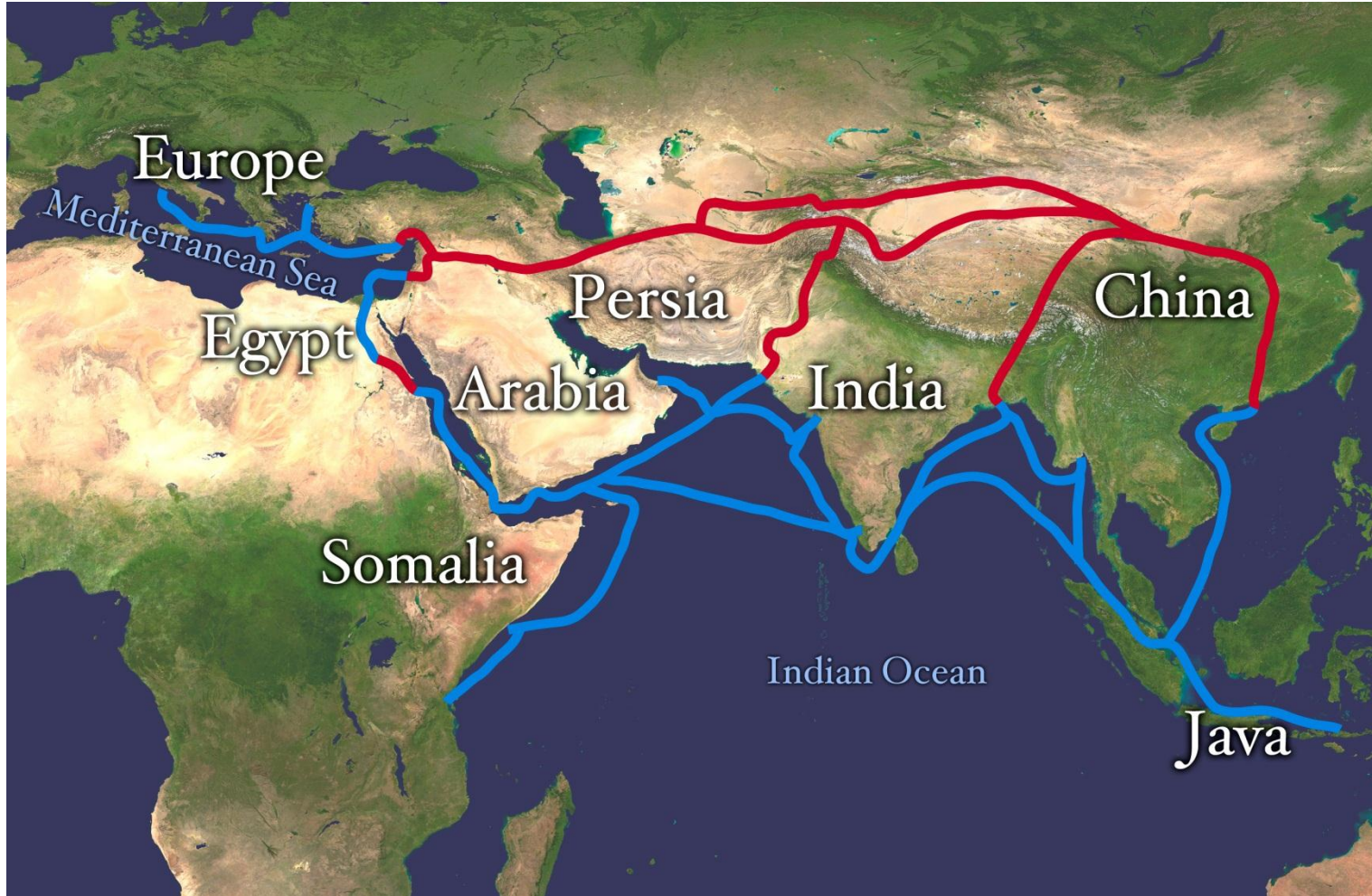
Investment
Advisory

- Complementing our Asset Management services, safeguarding the assets of clients and providing the necessary administration



Custody

ANCIENT SILK ROUTE – LINKS BETWEEN ARABIA AND SE ASIA ARE CIVILIZATIONAL

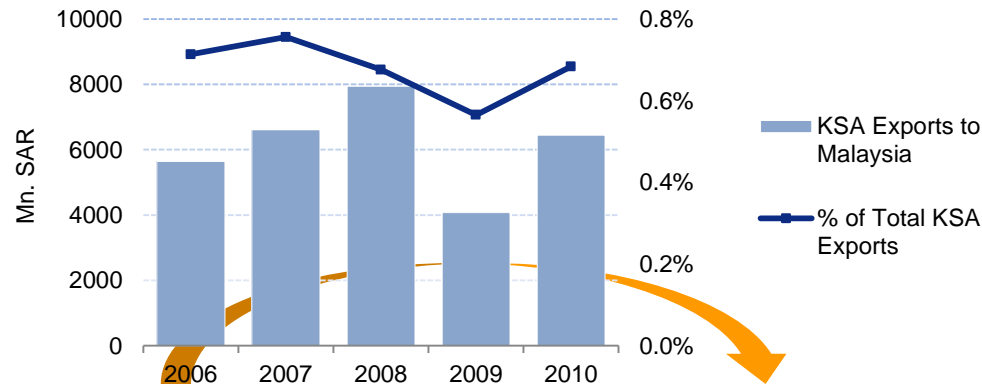


- Land route
- Water route

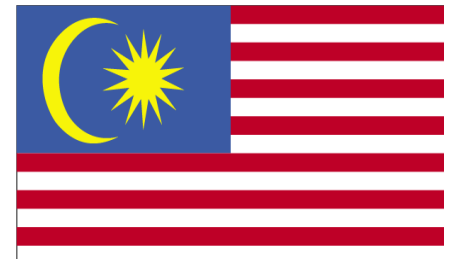
HOWEVER, MODERN DAY TRADE BETWEEN KSA AND MALAYSIA IS LESS THAN 1% OF THEIR TOTAL TRADE WITH THE ROW



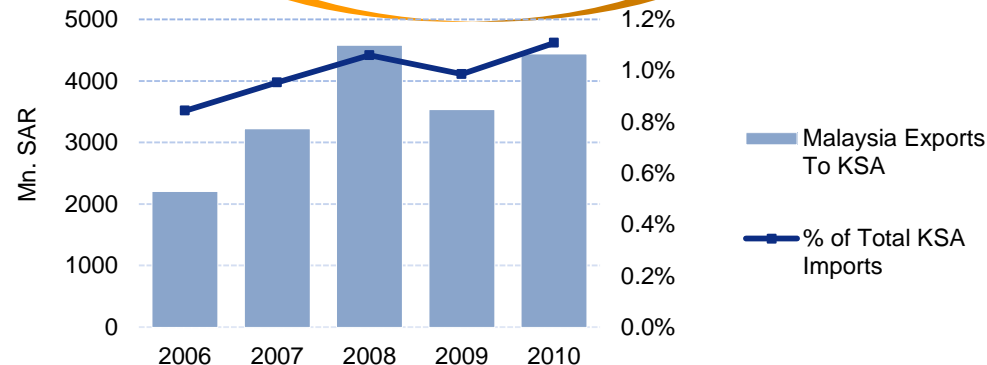
KSA Exports to Malaysia



89% of KSA exports to Malaysia comprises of Petroleum related products

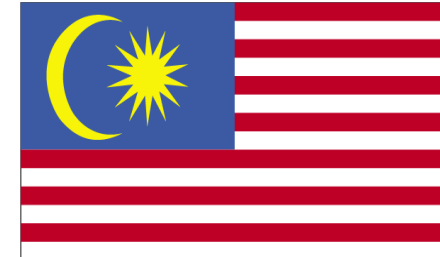


Malaysia Exports to KSA

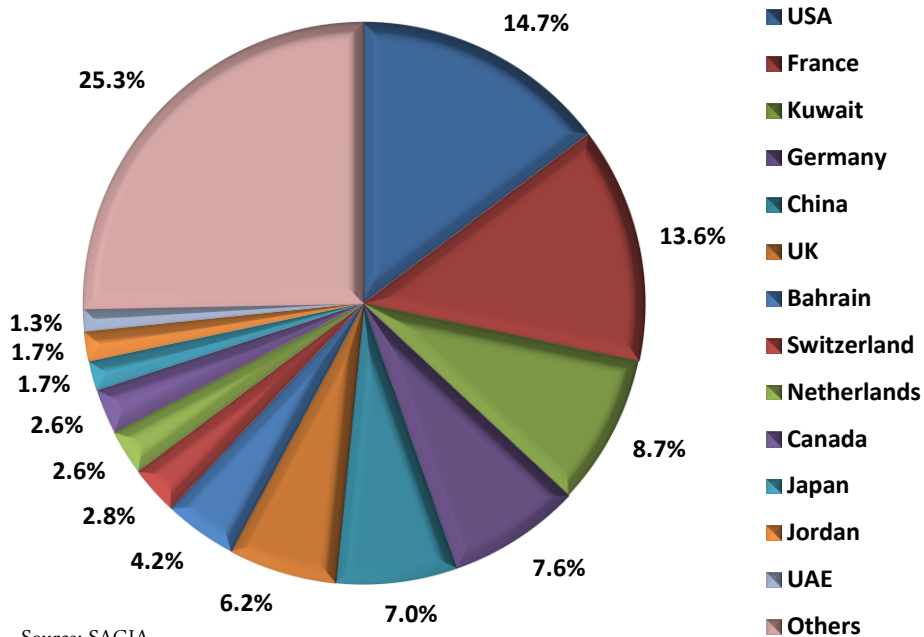


86% of Malaysia's exports to KSA comprises of diversified manufactured goods

NEITHER COUNTRY FIGURES IN THE TOP 10 INVESTOR LIST IN THE OTHER

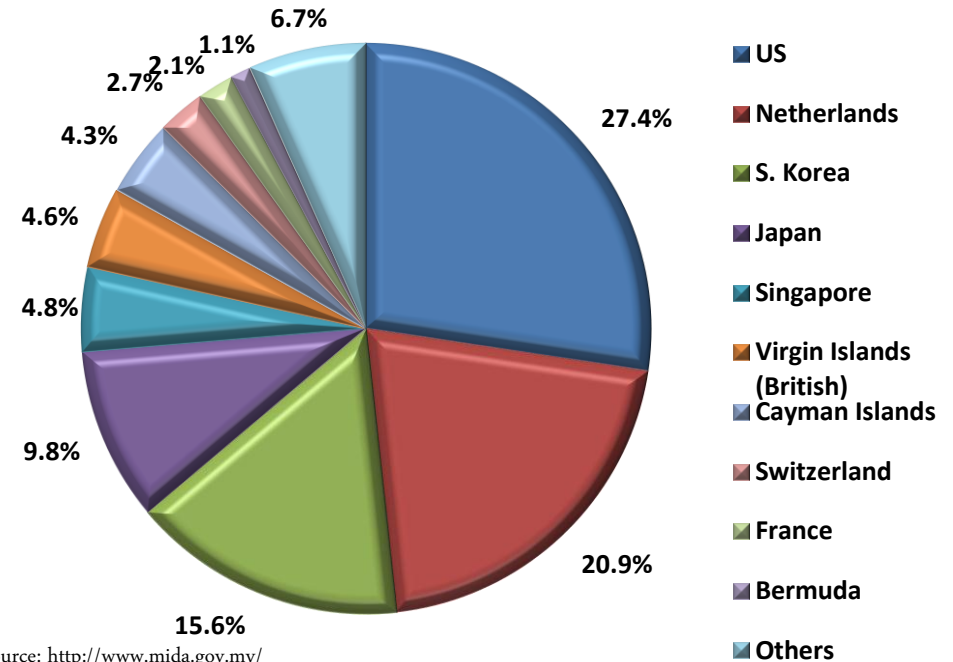


FDI Inflow by Source in 2010 (Total USD 28 Bn.)



Source: SAGIA

FDI Inflow by Source in 2010 (Total USD 9.1 Bn.)



Source: <http://www.mida.gov.my/>

KSA OFFERS IMMENSE OPPORTUNITIES FOR TRADE & INVESTMENTS

– IT HAS A STRONG AND STABLE ECONOMY



(% Growth)	2011a	2012f	2013f	2014f	2015f
Real GDP	7.0	5.0	4.7	5.0	4.8
Private consumption	7.5	6.2	5.7	5.8	5.2
Gross fixed investment	6.2	6.3	6.4	6.6	5.8
Industry	8.4	4.1	3.7	5.6	5.3
Services	6.1	6.0	5.8	5.0	4.9
Oil exports (USD bn)	283.5	301.3	261.9	241.7	228.5
Current-account balance (US\$ bn)	144.2	148.5	95.5	85.6	56.3
Inflation (%)	5.0	4.7	3.5	4.0	4.8

- KSA not only managed to remain unscathed from the financial crisis but also managed to post impressive growth numbers
- High oil prices have brought windfall foreign exchange reserves, which have been used to provide stimulus for infrastructure spending
- Macroeconomic indicators reflect strong growth in the coming years

Source: Economic Intelligence Unit (EIU)

HAS WELL DEVELOPED INFRASTRUCTURE



- Saudi Arabia has one of the best supporting physical infrastructure in the world
- Past stimulus package also focused on promoting infrastructure specially social infrastructure like schools, hospitals, roads and bridges
 - **Roads:** spent USD 5.8 bn between 2005 -11 on expanding road network. 28,100km of roads already under construction and plan to add another 4,200km roads for which government will spend USD 29.6bn between 2010-14
 - **Ports:** has six major ports, two specialized industrial ports and 14 minor ports. In 2011, KSA's ports handled 165 million tons of cargo, with Saudi Ports Authority planning to expand national container capacity to more than 15 million TEUs¹ by 2015
 - **Airports:** country has three major international airports and 18 major and minor domestic airports throughout the country, which handled 45.4 million passengers and 571.1 tons of cargo in 2010

¹ TEUs=20-foot equivalent units

GOVERNMENT IS PROACTIVELY PROMOTING INVESTMENTS

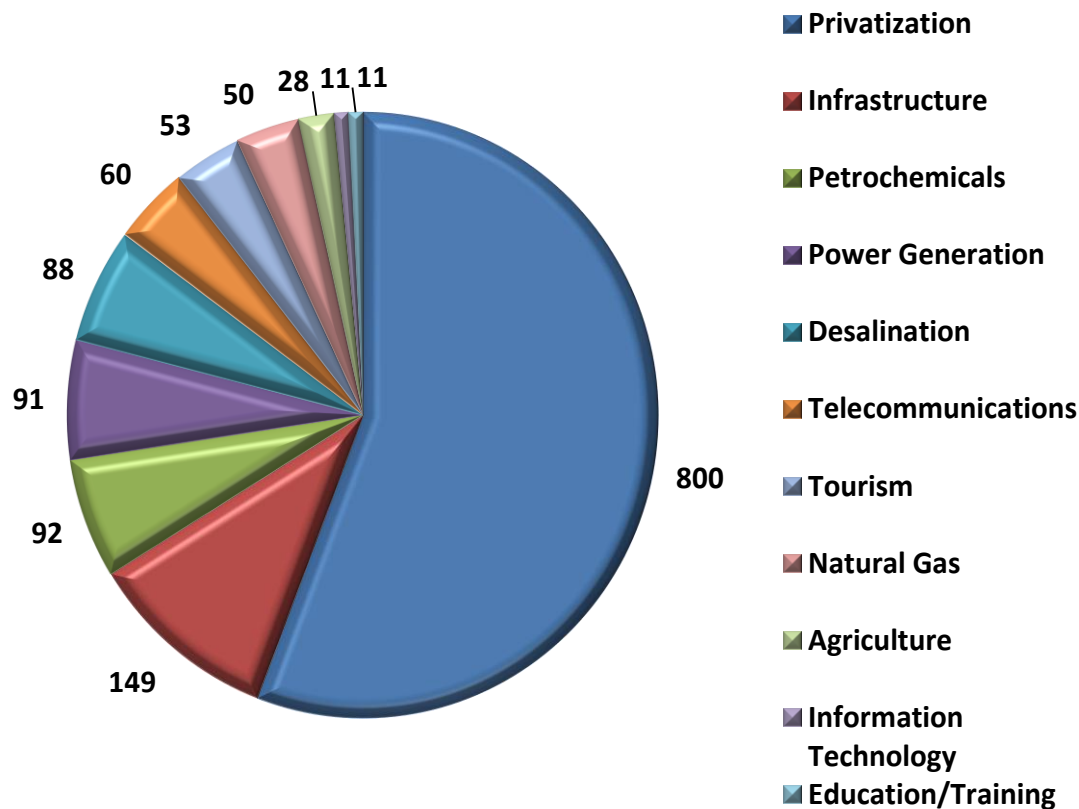


- The Ninth Saudi Development Plan announced in 2010 sets out investment spending of USD 385 bn in 2010-2014
- Saudi budget of 2012 has proposed capital expenditure of USD 70.7bn out of which the main beneficiary would be:
 - **Education and training:** USD 45bn, to build 742 new schools and 40 new colleges
 - **Health and social affairs:** USD 23bn, to build 17 new hospitals in addition to 130 currently under construction
 - **Water, agriculture and related infrastructure:** USD15.2 bn. to provide for population which is expected to touch 36.5mn by 2020
 - **Municipality services:** USD 7.7bn. to cater to increasing population
 - **Transport and communication:** USD 9.3bn for airport, road and railway expansion

IDENTIFIED INVESTMENT OPPORTUNITIES AMOUNTS TO USD 1.4 TN.



\$1.4 Trillion in Investment Opportunities



Promising investment sectors in KSA

- Construction; All types, but mostly roads,
- Public services, and middle income housing
- Infrastructure for Power and Water.
- Education and training services.
- Consumer durables & food
- Manufacturing, especially petrochemicals
- Consumer finance

YET CHALLENGES EXIST TO DO BUSINESS IN KSA



- New labor reforms introducing the Nitaqat program aimed at improving Saudization – the employment of local nationals - in the private sector
- Difficulty in getting timely visas for expatriates sometimes leading to loss of business and resources
- Differences in business culture of the two countries, especially concerning the interpretation of legal contracts. There have been instances of Malaysian companies coming to KSA under certain terms and conditions, but once here, there were differences with the local partner over these terms
- Getting the 'right' local partner – although not required by SAGIA as foreigners may own 100% of the company - may speed things up. At the end of the day, it's not just about the know-how but also who you know that can get you under way much quicker.
- No clarity on companies with majority foreign shareholding wishing to participate directly in the primary and secondary securities capital market

ABOUT ANFAAL CAPITAL



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ANFAAL CAPITAL'S VISION

- To be the leading Islamic investment banking service provider in Saudi Arabia



ANFAAL CAPITAL'S MISSION

- To create innovative real estate and investment products and customized financial solutions in order to deliver superior value to our stakeholders

SHAREHOLDING STRUCTURE



- ICD is a multilateral organization, affiliated with the Islamic Development Bank (“IDB”) Group. Its shareholders are IDB (50%), public financial institutions (20%) and the member countries (30%).
- The mandate of ICD is to support economic development of its member countries through provision of finance to private sector projects in accordance with principles of the Shariah through promoting private sector development.
- ICD also provides advice to governments and private organizations to encourage the establishment, expansion and modernization of private enterprises.

37%



- Maybank-IB is the investment banking arm of and wholly-owned by Malayan Banking Berhad (“ Maybank”); Malaysia’s largest financial services group with total assets exceeding US\$100 billion.
- The Maybank Group has an extensive global network of 1,750 offices in 14 countries namely Malaysia, Singapore, Indonesia, Philippines, Brunei Darussalam, Vietnam, Cambodia, China, United Kingdom, U.S.A., Bahrain, Papua New Guinea, Pakistan and Uzbekistan. Its Islamic banking arm, Maybank Islamic is the industry leader in the Asia Pacific region and among the world’s top 15 Islamic banks.

18%



- Held via Alnmo Real Estate Company (“Alnmo”)
- Alnmo is a real estate investment and management company affiliated to the Saudi Economic and Development Company (“SEDCO”), a leading Saudi private wealth management organization that conducts its business according to Islamic principles.

18%



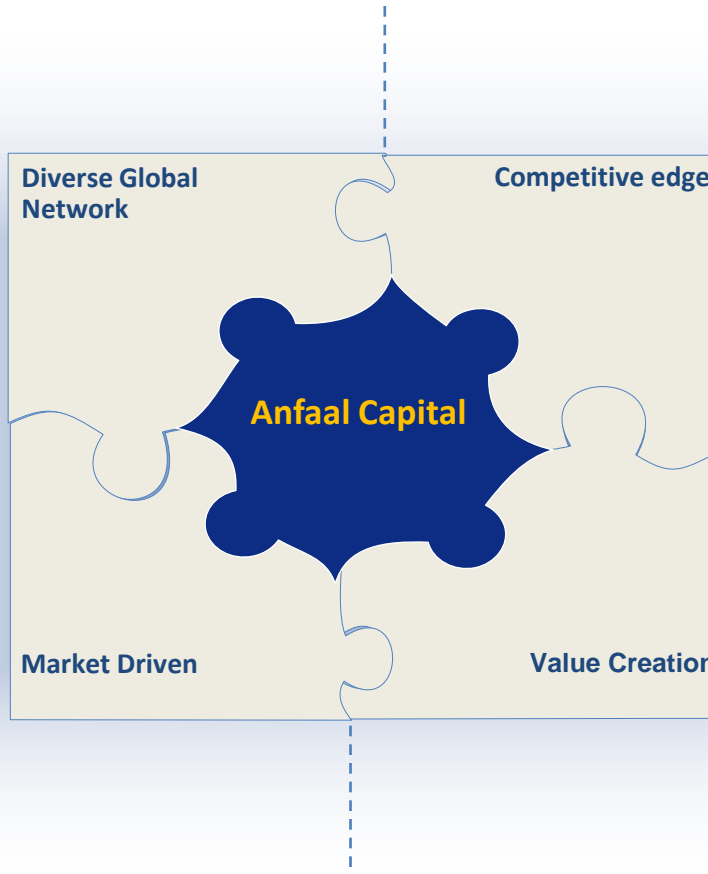
- Abed Abdulrasool Abdulnabi Al Zeera – 18%
- Khalid Mohamed Nasser Al Aboodi – 9%

27%





- Leveraging on our shareholders' diverse global network, we are able to offer unrivalled distribution reach and valuable operational insights into government and businesses from around the globe particularly the Islamic nations.



- We are uniquely poised with our asset management services and comprehensive Shariah-compliant investment banking services to deliver distinctive and tangible values to our clients.

- With a focus in niche real estate investment opportunities, we pride ourselves with being flexible and responsive to the market's ever changing needs driven by our determination to provide the optimum solutions products and services level to meet our client's needs and expectations.

- Most importantly, we aim to contribute towards creating the maximum value (opportunity) for our clients through a mutually beneficial working relationship by tapping on our experience as well as the special experience of our clients.



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SHAREHOLDER CREDENTIALS: MAYBANK-IB

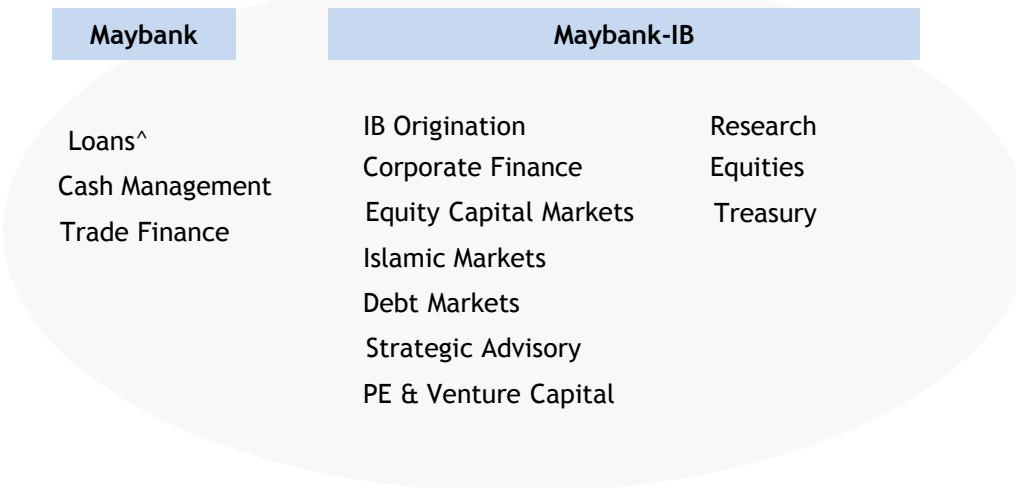
Maybank Fact Sheet

- The largest banking group in Malaysia; has led the banking industry for over three and a half decades.
- The largest balance sheet domestically.
- Largest Islamic Bank in Asia Pacific region.
- Ratings:-
 - Fitch : A - ; RAM : AAA
 - S&P : A - ; Moody's : A3
- Similar rating as Malaysia's sovereign rating

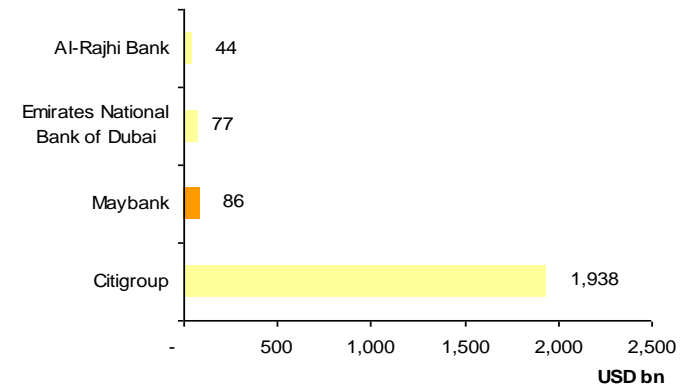
Notable Deals

- Joint Lead Manager and Joint Managing Underwriter – Maxis RM11.2 billion IPO - 2009
- Principal Adviser and Joint Bookrunners – Malaysian Marine & Heavy Engineering RM2.0 billion IPO – 2010
- Advised in approximately RM28 billion worth of M&A transactions in Malaysia for FY2011, representing a market share of 25.9%
- Joint Principal Adviser and Joint Lead Arranger – Celcom Transmission RM4.2 billion Sukuk Ijarah - 2011
- Joint Lead-Arranger in syndicated facilities of SAR6 bn comprising of LC's, performance bonds, advance payment bonds and murabaha facilities to Saudi Binladen Group - 2011

Product Offering to Clients



Maybank Balance Sheet Strength



Note:

^ Islamic financing via Maybank Islamic

THANK YOU

If you require any further information please feel free to contact us:

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