



GUIDE

RIYADH EXPO 2030: IMPACT ON INVESTING

TANMEYA
CAPITAL



It only took one round of voting For Saudi Arabia's city of Riyadh to be crowned the host of the much coveted 2030 World Expo. It took work as the City on the Sun had to overcome objections from right activists and worthy competition from Italy and South Korea to come on top. The win is important not only for the Saudis but also for Crown Prince Mohammed Salman, who has been pushing for the world's top events to showcase the Kingdom's potential on the global scene.

[Riyadh Expo 2030](#) is important as the global masterpiece is aligned with the [Vision 2030 program](#) spearheaded by the crown prince. Therefore, the Expo will significantly impact the economy and contribute to the government's commitment to boost the non-oil economy by enhancing spending and investment in infrastructure, local industry, and services.

Since the first World Expo held in 1851, the event has attracted millions of people who have contributed to breathtaking innovations and transformational legacies. At the same time, the Riyadh 2030 Expo will take place at a 600-hectare campus and house more than 3.3 million square meters of experimental space, encompassing 2.6 million square meters of various amenities and facilities.

The 2030 World Expo will be conducted between October 2030 and March 2031 and shall bring a countless number of strategic advantages to the Kingdom in sectors like building and construction, real estate, transport, banking, and insurance.

In addition, the entertainment and tourism sectors will also receive a great boost, considering that divergent cultures are anticipated to travel to the city. Indeed, millions of jobs will be created in preparation for the masterpiece on the global front, and more jobs will be created as visitors flock to the Kingdom in various sectors.

In preparation for the global masterpiece, government, and foreign investments are expected to flood into the sectors that benefit the economy while generating investment opportunities. The government has already committed to spending [billions of dollars](#) to ensure the 2030 Expo has a long-lasting impact.

Likewise, there should be an influx in foreign investments as investors look to take advantage of global competition among countries. The event already generates strong interest, and online chatter underscores its expected impact.

Riyadh Expo 2030 generated around 2.5M interactions worldwide, with a total of 8.3B impressions

Total Interactions



Potential Impressions



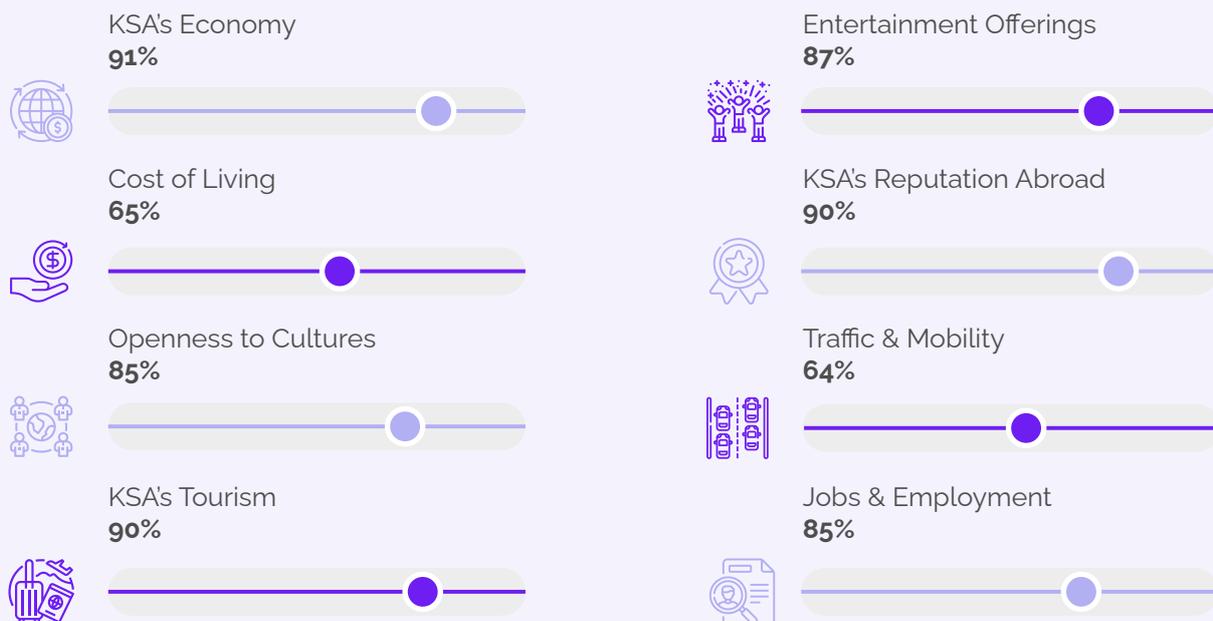
Source: Ipsos

In the run-up to Riyadh's confirmation as the host of the 2030 expo, there were more than 1.5 million interactions, contributing to [more than 2.5 billion in potential impressions](#). The official Riyadh Expo 2030 Twitter page has already garnered more than 23 million views online, with 4 in 5 showing interest in news related to the six-month event.

Even as people and the government express excitement and support for Riyadh hosting the Expo, the long-lasting impact that the event will have on the Kingdom should be the center of attention. For starters, the six-month event is expected to have a [91% impact](#) on the economy by attracting millions of people and investors. Investment opportunities are also cropping up as the Kingdom puts its house in order in anticipation of millions of people ahead and during the event.

People anticipate positive impacts mostly on KSA's economy, reputation, and tourism

% Positive Impact



Source: Ipsos

RIYADH EXPO 2030 ECONOMIC BOOST

Given the sheer importance of the World Expo 2030 over the years, the Riyadh 2030 Expo is expected to spur robust economic growth by attracting significant government and private sector investments.

Saudi Arabia expects the 2030 expo to attract close to 246 participants and over [40 million visitors](#) to the city, much higher than the [Ar Rajah's 37.5 million visitors](#). This will be the second-largest attendance in history and should significantly impact an economy seeking to reduce its reliance on the oil business.

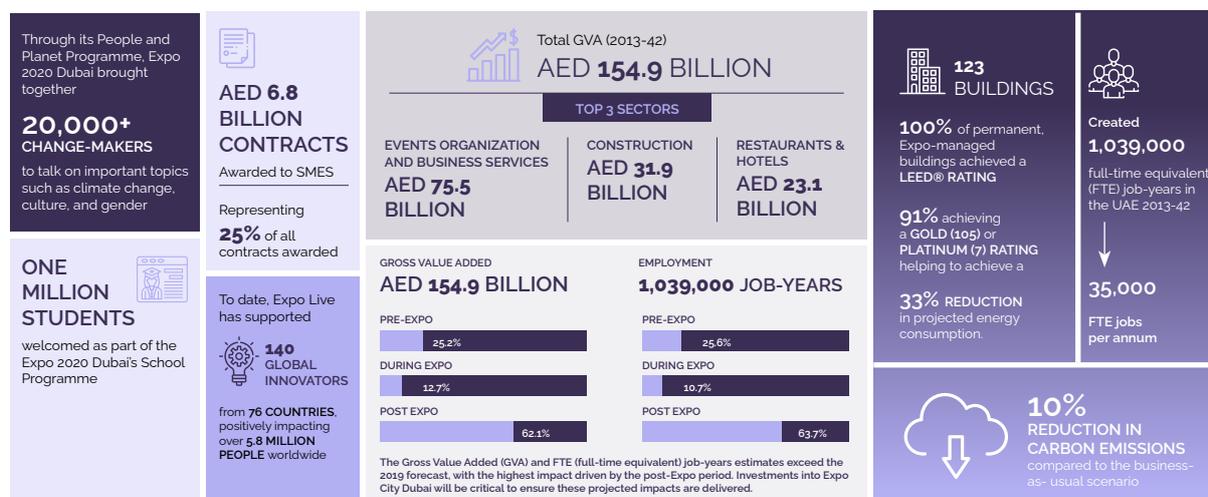
Given the millions of people expected to flock to the city, the economic impact must be understated, with the investment opportunities up for grabs. For instance, the six-month event is expected to generate close to \$94.5 billion for the economy, impacting various sectors, from tourism to real estate to retail.

The projected [\\$94.5 billion](#) injected into the economy would come from the government spending close to \$7.8 billion on preparation as part of its Vision 2030 master plan. In return, the 2030 expo should deliver a [0.75% annualized impact](#) on the Saudi economy for over 25 years, given the investments and capital injection from other nations and investors.

Given that the Dubai 2020 Expo is expected to generate a cumulative gross value addition of \$42.2 billion from 2013 to 2042, implying a multiplier of 6x in spending, there is much expected from the Riyadh 2030 Expo going by the investments being made.



Given that the Dubai 2020 Expo is expected to generate a cumulative gross value addition of \$42.2 billion from 2013 to 2042, implying a multiplier of 6x in spending, there is much expected from the Riyadh 2030 Expo going by the investments being made.



Source: [argaamplus](#)

Assuming a similar multiplier, the [Saudi Economy could](#) experience a gross value added of between \$46 and \$50 billion on increased government spending and foreign investments. Non-oil sectors are expected to experience the biggest growth patterns ahead of the 2030 expo and after. Likewise, they are expected to be the main drivers of economic growth as Saudi Arabia continues to reduce its reliance on oil and focus on other sectors for development.

SARbn	2022a	2023e	2024e	2025e	2026e
Total Revenue	1,268	1,193	1,172	1,227	1,259
Total Expenditure	1,164	1,275	1,251	1,300	1,368
Budget Surplus\Deficit	104	-82	-79	-73	-109
% of GDP	2.5%	-2.0%	-1.9%	-1.6%	-2.3%
Public debt	990	1,024	1,103	1,176	1,285
% of GDP	23.8%	24.8%	25.9%	26.2%	26.9%
Real GDP growth	8.7%	0.03%	4.4%	5.7%	5.1%
Nominal GDP	4,157	4,136	4,261	4,494	4,774
Inflation	2.5%	2.6%	2.2%	2.1%	1.9%

Source: [argaamplus](#)

The revenue generated from the building and construction, banks, and insurance sectors is expected to increase owing to the impact of the Riyadh Expo 2030. Hospitality and Tourism, Aviation car rental, and insurance are the other sectors that should significantly impact the economy due to the Expo. Similarly, these are the sectors that foreign and local investors should pay close attention to as the Kingdom gears up to become a global masterpiece.

Investments in the tourism and construction sectors should provide the most significant returns owing to the millions of visitors the Kingdom will have to cater to. Likewise, investment opportunities are cropping up in the financial and insurance sectors as the need for loans to finance mega projects and insurance coverage for various projects soars.

BUILDING AND CONSTRUCTION INVESTMENT OPPORTUNITY

Saudi Arabia is undergoing significant transformations as it reshapes its urban landscape as part of the Vision 2030 plan. Likewise, billions of dollars are being pumped into various projects and infrastructure as the country seeks growth in other sectors to wean its dependence on the oil business. Consequently, investment opportunities are increasingly cropping up on the government launching several mega projects valued at [over \\$1 trillion](#).

Given that Saudi Arabia is not a top tourist destination, a good chunk of the government spending will go towards preparing amenities to support the millions of people in attendance. For instance, the government intends to have over 100,000 hotel rooms ready for guests in Riyadh by the decade's end. There are plans to increase hotel capacity nationwide with an additional [315,000 hotel rooms](#). The demand for lodgings should create significant investment opportunities in the real estate sector.

Additionally, there is a growing need for commercial, residential, leisure, and entertainment spots designed to meet the demands of population growth, and the

millions of Expo 2030 participants present once-in-a-lifetime investment opportunities. Local and foreign investors are increasingly engaging the services of investment partners and asset managers as they look to tap into the multibillion-dollar opportunities cropping up as the Kingdom reshapes its infrastructure.

Riyadh is central to real estate development in the Kingdom as it prepares for the 2030 Expo. Currently, the city accounts for about 18% of the \$229 billion total value of real estate projects announced, affirming why it is one of the top investment destinations for investors eyeing opportunities in the real estate sector.

The construction of hundreds of thousands of homes and millions of square meters of office meters are some opportunities for investors focused on the construction sector. For instance, the Expo will require the construction of a 6 million square meter main venue and substantial infrastructure upgrades, including transportation systems to support the inflow of business participants and visitors. There are also plans to revamp roads and airports, which are key to helping the massive traffic.



Projects	Total project value (US\$bn)	Office Space (sqm/units)	Residential Units	Retail Space (sqm/units)	Hotel Keys	Completion Date
King Salman Park	9.8	600k+ sqm	12k+	500k+ sqm	2,300+	2027
King Abdullah Financial District	10.5	900k+ sqm	1k+	100k+ sqm	500+	2027
Diriyah Gate	63	1mn+ sqm	20k+	250k+ sqm	2k-4k+	2027
Dahiyat Al Fursan	20	50k+ units	NA	Mega mall	3 Hotel Buildings	2027
ROSHN-Riyadh	30.3	300k+ sqm	32k+	NA	NA	2027
Seven	1.5	275k+ sqm	NA	275k+ sqm	NA	2027
New Murabba	50	1.4mn+ sqm	104k+	980k+ sqm	9,000+	2030
Qiddiya	9.8	80k-100k+ sqm	11k+	150k+ units	3,000+	2030
Sports Boulevard	6.5	40k+ sqm	8k+	120k+ sqm	1,000+	2030
Riyadh Expo	7.8	6mn sqm	NA	430k+ sqm	NA	2030
North Pole (World's Tallest Tower)	20	NA	Residential areas	Retail malls	Hotel Buildings	2030

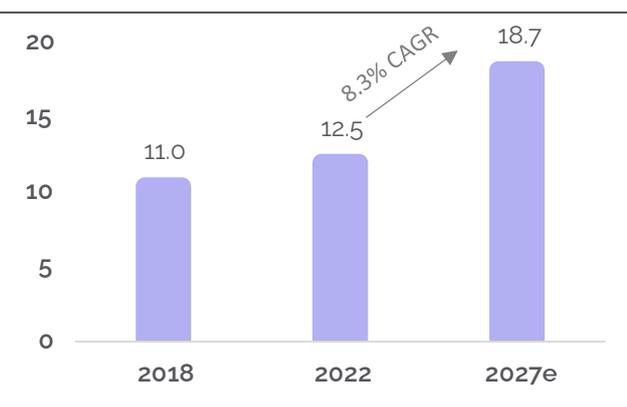
Source: [argaamplus](#)

The construction industry is expected to grow at a compound annual growth rate of 5.7% and reach record highs of [\\$79 billion by 2030](#). The robust growth ahead of the 2030 event presents a unique investment opportunity for investors who have always explored ways of gaining exposure to the country's construction sector.

As the building and construction sector emerges as a key beneficiary, it should provide significant opportunities for various investors. For instance, local contractors and suppliers should experience booming businesses as developers look to develop new housing projects and hotels to increase the lodging capacity.

Increased activities in the construction industry should lead to a higher demand for construction materials such as cement, steel, glass, tiles, and ceramics. Electrical wires, cables, plumbing pipes, paints, and coatings will also be in high demand. The expected surge in demand should benefit companies with a strong presence in the country.

Figure 6: KSA's wires and power cables market size (SARtrn)



Source: Arthur D. Little analysis, GIB Capital

Source: [argaamplus](#)

Now may be the best time to engage the services of investment partners to find ways to benefit from the boom in the Kingdom's construction industry. With the help of an experienced and reputable investment partner, one can uncover unique ways to invest in the construction sector.

Value can be unlocked by participating directly in the construction of hotels, restaurants, and other infrastructure or by providing the needed materials.

TOURISM INDUSTRY INVESTMENT OPPORTUNITY

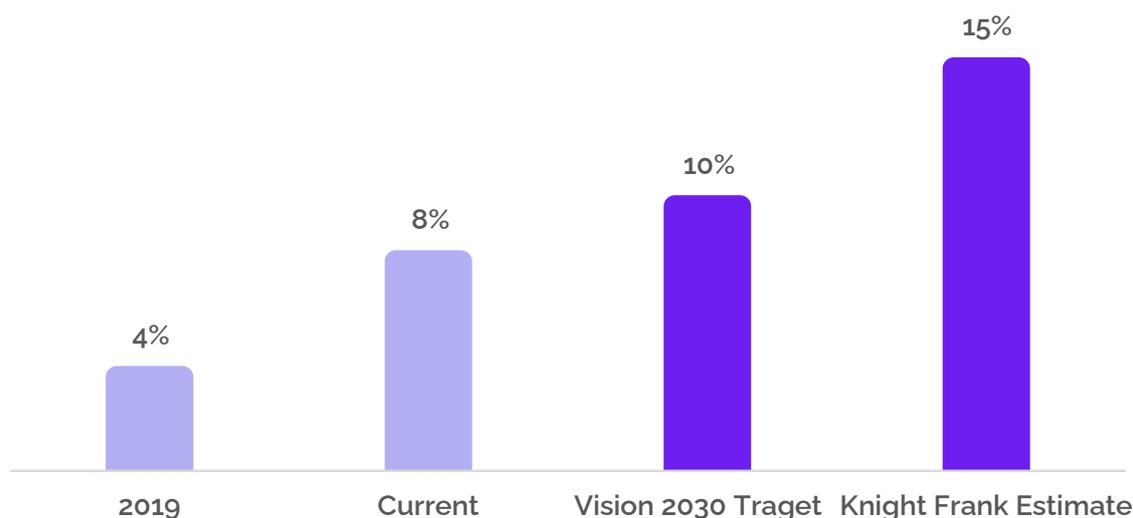
The tourism sector is already experiencing substantial growth ahead of the 2030 expo as the Kingdom targets millions of visitors. The hastening of strategic projects within the capital, such as King Salman Park and the Diriyah Gate Project, continues to have a significant impact on the economy. The multibillion-dollar projects present investment opportunities for investors that can offer support services.

Besides, it is overseeing mega and giga projects under the aegis of the Vision 2030 program. For example, in Qiddiya City, a world-class entertainment, sports, and cultural hub is in the offing. Actually, in Downtown Riyadh, the government is developing the cube-shaped skyscraper called Mukaab, at the center of the Murabba district. At 400 meters in height, width, and length, the Mukaab is said to be the world's largest artificial structure, becoming a prime point of attraction for tourists.

The tourism industry also offers several investment opportunities prior to the event, which could explode once people start flowing to the country in 2030. With the millions of tourists and visitors expected to grace the event, Riyadh is poised to be in the limelight for many years, affirming the sustainability of investment opportunities in the sector.

In 2019, the government of Saudi Arabia detailed a plan to up the contribution of the tourism sector to the GDP from 3.8% to over 8% by the year 2023. The government is on track, hitting its 10% GDP target, with mega-events and projects continuing to spur an inflow of visitors into the country.

Figure 8: Trend in the contribution of the tourism sector to KSA's GDP



Source: GASTAT, Argaam, Knight Frank, GIB Capital

Source: [argaamplus](https://www.argaamplus.com)

With the country targeting at least 150 million tourists a year by 2030, this becomes one of the best times for you to engage an investment partner so you can invest in the sector as well. The Saudi tourism industry is expected to reach an 18.1% compound annual growth rate in front of the Expo and attract over 35 million visitors by 2030.

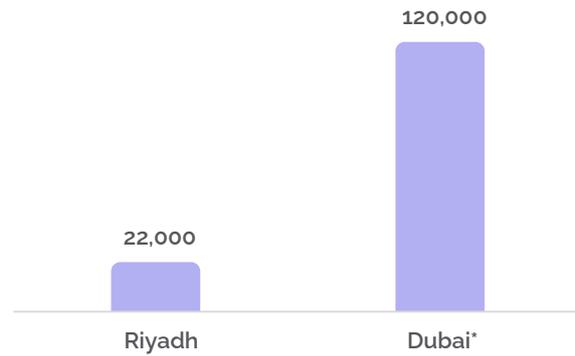
Accommodation facilities investment is rated as one of the very high-risk high-reward investments opportunities that investors may look at in the burgeoning sector.

As in the previous expos, hotel occupancy rates and other accommodation facilities are expected to shoot with investments in hotel chains around Riyadh, some of the biggest beneficiaries.

The average daily room prices are expected to swell due to strong demand as millions of participants look for areas to spend their time in the country. While Riyadh had about 22,000 rooms as of 2022, the number is relatively small, considering Dubai had more than 120,000 rooms for its 2020 Expo. Given that Riyadh is expected to attract more visitors, there is a tremendous investment opportunity for people looking to invest in the hospitality sector.

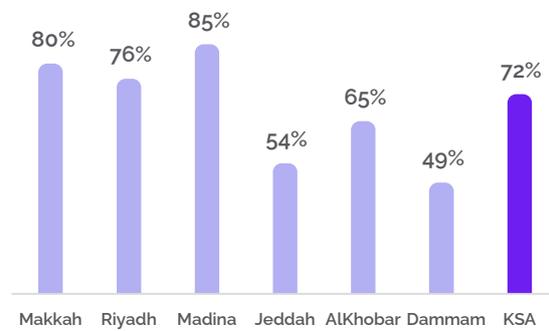


Figure 13: Rooms statistics



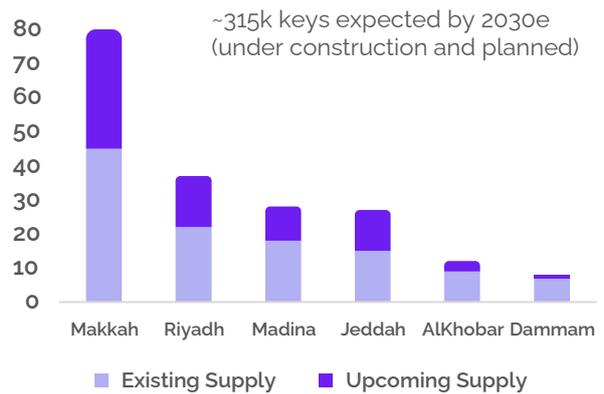
Source: Knight Frank, GIB Capital. *at the time of Expo 2020

Figure 15: KSA hotel occupancy rates



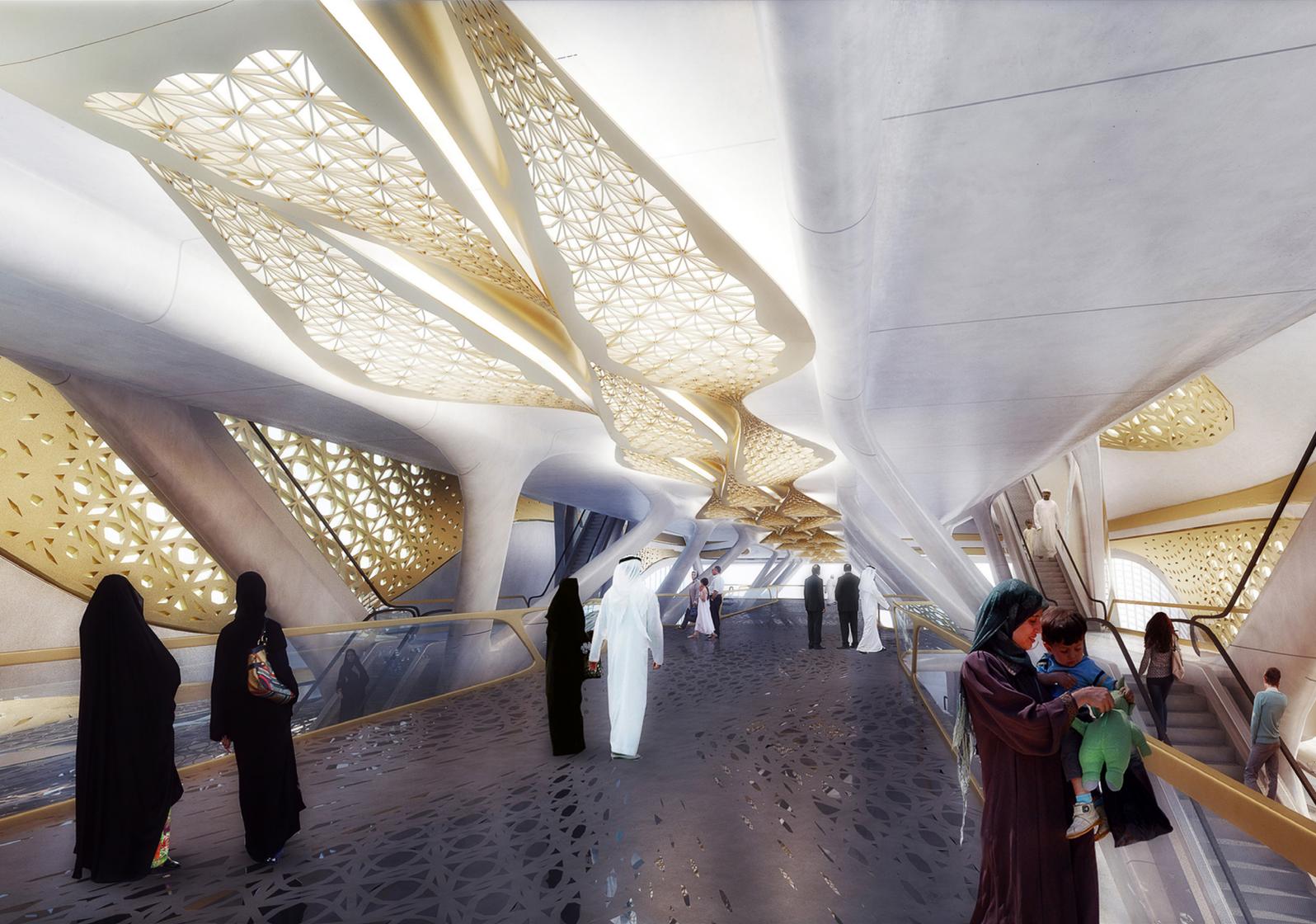
Source: Knight Frank, GIB Capital

Figure 16: Hotel keys distribution ('000)



Source: Knight Frank, GIB Capital

Source: [argaamplus](https://argaamplus.com)



The Expo is also expected to create opportunities in support industries like restaurants and shopping outlets. As the government works on the mega projects, there are opportunities to invest in the supply of the relevant materials, let alone provide eatery and accommodation services for people participating in the construction process. There is also an opportunity to invest in equipment needed to support the development of the mega projects.

The surge in foot traffic and tourism activities should also result in a booming retail sector, with retail stores and eatery outlets benefiting greatly.

The visitors are expected to spend a significant amount of money in restaurants to service their needs and visit retail stores to shop. Therefore, there is a unique opportunity to invest in such stores and outlets to exploit the huge traffic.

Consequently, investors looking to take advantage of the 2030 Expo should engage the services of asset management firms or investment firms to explore ways of investing in the food and restaurant sectors, as the visitors will have to eat and stay refreshed. Businesses offering cuisines catering to various cultures stand to reap big.

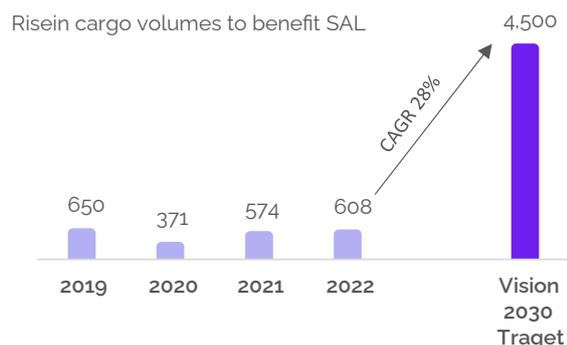
LOGISTICS INVESTMENT OPPORTUNITY

A booming tourism industry should offer much-needed support to the logistics industry. Therefore, there should be investment opportunities amid the expected spike in demand for logistics solutions and transportation to cater to the influx of people into the Kingdom.

Some of the key investment areas in the logistics sector should be providing freight shipping and warehousing services that investors can tap into. With Saudi Arabia planning to grow cargo volumes in its entry points to 4.5 million tonnes, the sectors should experience a [28% compound annual growth rate](#).



Figure 21: KSA air cargo quantities forecast ('000 tons)



Source: GASTAT, GIB Capital

Figure 22: KSA passenger growth forecast (mn)



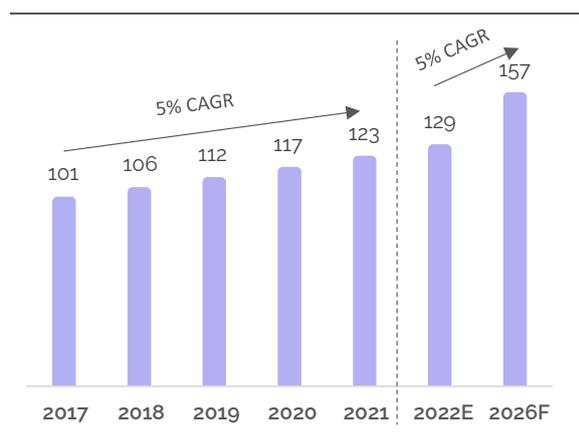
Source: GASTAT, GIB Capital

Source: argaamplus

Passenger levels are also expected to grow at a CAGR of 18% to highs of 330 million, presenting solid investment opportunities in the transport sector. The Riyadh Expo is expected to be a key enabler of investment opportunities in the logistics sector.

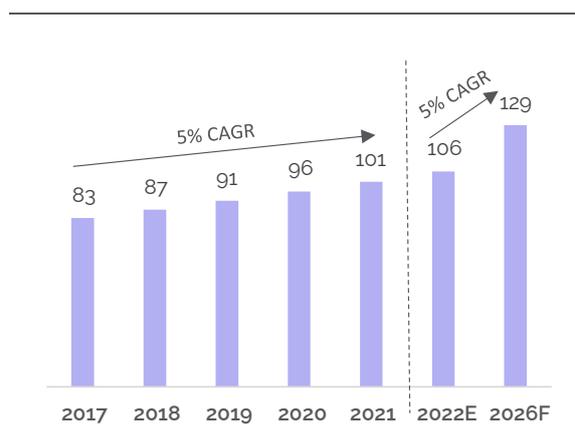
Consequently, there should be an investment opportunity around car rental services, synonymous with significant world events. The millions of people attending the Expo must be shipped from one place to another, creating solid opportunities for car rental companies and other transportation services.

Figure 26: KSA's car rental market active fleet size ('000s)



Source: LUMI IPO Prospectus, GIB Capital

Figure 27: KSA's vehicle lease market active fleet size ('000s)



Source: LUMI IPO Prospectus, GIB Capital

Source: [argaamplus](https://www.argaamplus.com)

With the car rental market expected to grow by a 5% compound annual growth rate, there is a tremendous investment opportunity to unlock. Likewise, there is an emerging investment opportunity in the vehicle leasing market, as thousands of cars will be needed to chauffeur Riyadh 2030 visitors.

The expansion of the aviation and ancillary sector presents yet another exciting investment opportunity that people can tap into with the help of a reputable investment partner. There are opportunities to tap into as the government looks to expand the airports and bolster cargo handling capacity to transform Riyadh into a prominent aviation hub.

In preparation for the influx of tourists into the Kingdom, Riyadh Air has already been established, an airline that will commence

operation next year. The airline should bolster the connectivity and tourism infrastructure. The airline has already placed an order for 39 aircraft as it looks to offer services in more than 100 destinations by 2030. The expansion of the aviation sector is expected to significantly impact the economy, which is expected to grow threefold by 2030.

The healthcare industry is also undergoing restructuring in preparation for the event. The fact that more than 40 million visitors will be present for six months could stretch the sector. Therefore, there is a need to invest in various infrastructure and resources to strengthen the healthcare sector further. With the investment, investors can tap into multiple opportunities, from supplying medical equipment to medicines and various vaccines needed to ensure the sector's smooth running.

FINANCIAL AND INSURANCE SECTORS



The planned expansion of Riyadh's infrastructure and other amenities will create numerous lending opportunities. The substantial infrastructure upgrades and developments leading to the Riyadh 2030 expo will require significant financing. The considerable impact of the Riyadh Expo on the financial services and insurance sectors cannot be understated. It is expected to drive substantial growth and demand for corporate loans. Spending in the industry is expected to surge at a compound annual growth rate of 11% to record highs of \$824 million by 2030.

Investors have a significant opportunity to acquire exposure in the financial sector. The expected demand for financing to finance the various projects provides an avenue for investors to invest in companies that offer much-needed funding and, in the process, generate some returns in the form of interest from loans.

The inflow of participants into the Kingdom for six months to participate in the expos should fuel demand for banking services such as payments, foreign exchange facilities, and remittances, presenting yet another opportunity to invest in the country's burgeoning financing landscape. By partnering with an asset management firm or investment partner, one can identify some of the best ways of investing in the sector ahead of the event.

Saudi Arabia Healthcare Insurance Market (in \$ Bn)

Market is forecast to grow at a CAGR of 9.1%



The data presented is tentative & subject to change in the final report.

Source: [Insights10](#)



The Kingdom's insurance and consulting sectors are already experiencing a surge in demand for risk assessment services. For instance, there is a growing demand for insurance coverage for newly constructed properties, which is mandatory under Saudi laws.

There is also an opportunity to unlock the expected rise in tourism activities. Demand for travel insurance is expected to increase significantly towards and during the Expo, presenting another avenue for investors to generate returns. Likewise, there is an opportunity to unlock event-related insurance, which covers something that anyone can unlock by partnering with a reputable asset management firm or investment partner.

Insurance coverage for hospitality and hotels is expected to see the biggest amount of activities

and transactions as millions flock to the country. In addition, there should be a significant uptick in demand for financial services and insurance coverage for car rentals and aviation to address the transportation needs of the participants.

Similarly, the property and casualty insurance sector is expected to add nearly \$180 million to the Kingdom's economy. While the Kingdom boasts the largest insurance sector, valued at \$14.2 billion as of 2022, it is expected to receive a significant boost heading into 2030.

In addition, many partners and countries poised to participate in the event seek strategic advisory support. Likewise, the demand is expected to increase significantly during the event, offering another avenue to make money by providing consultancy services on various aspects of the Expo.

ADVERTISING AND MEDIA

A multimillion-dollar opportunity is also brewing in the advertising and media industries, given that the Riyadh Expo is a major international exhibition. There is an opportunity for advertisers to showcase their creativity, innovation, and services in promoting the Saudi Culture while also marketing and advertising what various participants have to offer.

Advertising firms focusing on innovation and technology stand to be some of the biggest beneficiaries, likely to attract vast chunks of advertising budgets from some of the biggest brands looking to advertise their products and solutions during the six-month event. In addition, the government is also expected to allocate a significant portion of the budget to popularize the event as one way of attracting more participants.



LABOR MARKET GROWTH

Saudi Arabia's labor market should be buzzing with activity amid the growing demand for expertise in various sectors in preparation for the mega event. Given the size of investments by the government and foreign investors, job creation should remain in order. While the Dubai event resulted in the creation of 4 million jobs in 2020, the number is expected to be much higher ahead of Riyadh 2030.

The real estate sector should attract the most significant foreign investments, expected to create about 250,000 jobs. Given that Saudi Arabia is also working on its Vision 2030 project, the labor market should experience booming business, with the unemployment rate expected to shrink below the 7% rate. The impact of the expos on the jobs market should be clear as the government works on mega projects ahead of the event, and private developers prepare themselves for the development of hospitals, hotels, and restaurants, among other amenities.



BOTTOM LINE

It is arguably one of the biggest events, sure to propel and affirm Saudi Arabia's status on the international scene as it continues to weaken its reliance on the oil business. With the government planning to spend \$7.8 billion in preparation for the Riyadh Expo 2030, stakes are higher than ever.

The event's expected contribution of about \$92 billion to the economy is a testament to the tremendous investment opportunities worth pursuing. That said, now is the best time to engage the services of an investment partner to unlock value as the Gulf nation gears up for the global event poised to attract more than 40 million visitors.