

With a legacy spanning nearly half a century, SEDCO has empowered local businesses and communities, propelling them toward prosperity by actively seeking investment opportunities that fuel economic growth and social development within the Kingdom.

While prioritizing sectors such as healthcare, logistics, education, and hospitality, we embrace new sectors where strategic opportunities beckon, entering new asset classes and defining clear performance metrics for our portfolio. Growing our expertise and collaborating with key partners further allows us to navigate the evolving investment landscape with agility and consolidate our engagement with the Kingdom's economic growth trajectory.

GUIDED BY OUR CORE VALUES

We prioritize long-term, responsible investments that serve the best interests of the Kingdom and our stakeholders. SEDCO's Investment Policy Statement (IPS) serves as the cornerstone of our investment decisions: defining our investment criteria, including preferred sectors and themes, asset classes, ticket sizes, expected returns, equity interests, and desired levels of engagement.

Before entering any new investments, exhaustive due diligence, encompassing rigorous background checks, and financial, legal, and commercial assessments are conducted. The process ensures all potential investments meet our financial objectives and align with our steadfast commitment to sustainability, transparency, accountability, and ethical business practices.

Regular performance reviews of investments provide ongoing monitoring and scrutiny, ensuring continued compliance with regulations and adherence to our established goals and values.



Healthcare



Education



Hospitality
and tourism



Asset
management



Other



Logistics

FINANCING INVESTMENT SUCCESS

As an active financial investor, SEDCO relies on a robust finance function to effectively support our two investment pillars. This function ensures liquidity and facilitates timely capital deployment, critical for our investment success.

To enhance financing capabilities, we are developing a strategic financing plan that includes dedicated bank facilities for each portfolio and leverages current assets as collateral to optimize borrowing costs. Our dynamic liquidity management strategy optimizes cash flow, leverages liquid assets, and generates returns through Murabaha deposits and sovereign Sukuk.

During 2024, we expanded our investment portfolio across various asset classes to enhance diversification and improve liquidity.

PORTFOLIO OF INVESTMENT

In 2024, SEDCO's Corporate Investment portfolio encompassed a diverse range of sectors, company sizes, and asset classes. This included direct investments in both public and private companies, as well as indirect investments through Discretionary Portfolio Management of public equities, Shariah-compliant bonds (Sukuk), and Private Equity/Venture Capital funds.

To guide Corporate Investments, we have identified six key investment themes:

Boosting private sector engagement in national development.

Unlocking KSA's potential for leisure and tourism.

Driving growth within the real estate sector in line with KSA's expansion.

Aligning with the Kingdom's global shift towards sustainability.

Developing infrastructure that supports KSA's development goals.

Localizing supply chains to promote national production.

Direct Investments

We focus on supporting a strategic mix of private and public homegrown businesses to become successful companies, contributing to the Kingdom's economic progress. We actively pursue strategic partnerships that benefit both our portfolio and the wider community.

Indirect Investments

Indirect investments encompass allocations to local fund and asset managers specializing in domestic Discretionary Portfolio Management (DPM), venture capital, and private equity funds targeting sectors like IT, logistics and infrastructure. This range of Shariah-compliant instruments and asset-classes generates long-term capital growth and periodic income; while contributing to meaningful financial and social impact in the Kingdom.

PRIVATE INDIRECT INVESTMENTS

Malaz Capital Saudi Healthcare Opportunities Fund

(RAM Medical Clinics)

Nuwa Venture Fund I

TVM Capital Afiah Fund

CORPORATE INVESTMENT HIGHLIGHTS 2024



Our Corporate investment portfolio experienced significant growth, driven by both new investments and steady appreciation from existing holdings. Fund deployments, aligned with our strategy, enhanced portfolio diversification throughout the year.

Joining Forces with Budget Saudi

- Established in 1981, AutoWorld was one of SEDCO's earliest businesses and a marker of our early growth. Over four decades, it evolved into a leading auto-leasing company in the Kingdom. In July 2024, we successfully concluded the sale of AutoWorld, our fully owned subsidiary, to Budget Saudi (United International Transportation Company), a leading player in the regional market. This strategic transaction, which saw SEDCO acquire an 8.96% stake in Budget Saudi, makes us a major shareholder in the largest auto rental and leasing company in the region.

PORTFOLIO HIGHLIGHTS 2024



Driving Value Through Active Partnership

- SEDCO engages with portfolio companies at multiple levels, providing strategic guidance, financial oversight, and M&A support; while gradually reducing operational assistance. Our primary engagement will focus on communication with leadership teams and active participation on boards and key committees, such as audit and risk, compensation and nomination, and executive committees. Board representation aligns with our ownership stake in each company.
- All SEDCO investments adhere to Shariah principles. We prioritize the ESG initiatives of portfolio companies: supporting CSR activities, fostering robust governance, developing growth strategies, managing key risks, and ensuring the long-term sustainability of our investments.

- ✓ In 2024, we continued expansion into new asset classes in line with the approved strategy, further diversifying our DI portfolio. We invested in our first corporate Sukuk and expanded our investments in government Sukuk to diversify our portfolio and capitalize on attractive yields.
- ✓ Joudyan King Road Hotel on King Abdul Aziz Road in Jeddah, opened its doors with the grand ceremony held in October 2024.
- ✓ SEDCO Capital signed a MoU with Advanced RASM for Property Management to explore collaborative opportunities that enhance real estate asset management efficiency. This aligns with our commitment to leveraging specialized expertise and delivering long-term client value.
- ✓ SEDCO Capital launched a Shariah-compliant open-ended public investment fund that invests in IPOs on the Main and Parallel Markets of the Saudi Exchange, aiming for medium-to-long-term capital growth. The fund adheres to Shariah Guidelines and Controls approved by its Shariah Supervisory Committee.
- ✓ SEDCO Capital also launched their Multi Asset Traded Fund is a Shari'ah compliant closed-ended traded investment fund established in accordance with the applicable laws and regulations of the Kingdom of Saudi Arabia and regulated by the Capital Market Authority (CMA).

OUTLOOK FOR 2025

In 2025, we will undertake a comprehensive strategic review, reflecting on our achievements over the past three years. The review will align our strategy more closely with the timeline and goals of Saudi Vision 2030, considering recent milestones such as Saudi Arabia's confirmation as host for Expo Riyadh 2030 and the FIFA World Cup in 2034. The revised strategy will guide our future direction, including continued deployments into diverse asset classes and the exploration of strategic options for the corporate investment portfolio.

