

NOUR
ADVISORS

Strategy &
Technology
Management

Real Estate Optimization



SENSE
STRATEGY

Agenda

Executive Summary

Sense Strategy and Nour Advisors

Methodology

The Team

Executive Summary

- Sense Strategy and Nour Advisors is pleased to offer its services to improve short and long term prospects for Aqalat, via reviewing stakeholder relations and providing a fresh outlook on the optimization of Smart Square, and Jeddah property portfolio
- Our teams previously devised and deployed growth strategies for Emaar, Dubai Holding, Dubai Investments, the UAE Government, and some other leading companies in the Middle Eastern Region
- Some of our other optimization work in the real estate portfolios was carried out for leading telecom operators and vendors like TeliaSonera, Tele2, Millicom, Etisalat, Mobily, Atheeb-Go
- The team even spearheaded the financial rescue of Mobily, and was actively involved in the digital transformation initiatives for Saudi Telecomm Company (STC), and has an in-depth knowledge of KSA's relevant dynamics.

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About Sense Strategy



Mission

'Tracing its roots to 1999, when Sense Strategy first opened its doors on Grosvenor Street in Mayfair, London, UK, and now headquartered in Dubai, UAE, Sense Strategy is a management consulting boutique focusing on Strategy and Growth; Merger and Acquisition; and Transformation.

Vision

At Sense Strategy, we firmly believe that *"We are what we repeatedly do. Excellence then, is not an act, but a habit"* _ Aristotle.
Based on our clients' vision, we design their path and help them realize the results.

Network

Sense Strategy's portfolio includes successful delivery of more than 150 projects on five continents for well-known clients in the telecom, private equity/financial services, IT and government sectors.

About Nour Advisors

**NOUR
ADVISORS**

**Strategy &
Technology
Management**

Mission

'Nour Advisors', is a Saudi owned firm providing high-quality research and consulting services. Founded in Saudi Arabia, and based in Jeddah, with the aim to deliver expert solutions in a range of strategic, functional and operational areas. We complement our assets with well-defined processes and respected Subject Matter Experts, who support us in expanding our scope of services, and extending our reach across a number of areas, to enable sustainable success, and ultimately converting decisions to actions.

Vision

Our Team of skilled and pragmatic consultants, are fully committed to our vision: *"Continually empower our clients and partners to utilize and profit from the greatest asset of this age – the ability to interpret and harness information"*.

Network

Our strength lies in the extensive network of professionals with competent and problem solving attitude to contribute positively while ensuring rapid mobility and agility.

Team Experience – Geographical Distribution

Successfully delivered projects on five continents – marked in red



Growth Strategy and Stakeholders' Reviews for Emaar, Dubai Holding, Mubadala and other leading firms in the UAE regarding their overseas holdings, property portfolios and best demonstrated practices



وزارة الخارجية
والاعمال الدولية
MINISTRY OF FOREIGN AFFAIRS
INTERNATIONAL COOPERATION



الإمارات العربية المتحدة
وزارة المالية
UNITED ARAB EMIRATES
MINISTRY OF FINANCE



وزارة الاقتصاد
MINISTRY OF ECONOMY



THANI INVESTMENT GROUP

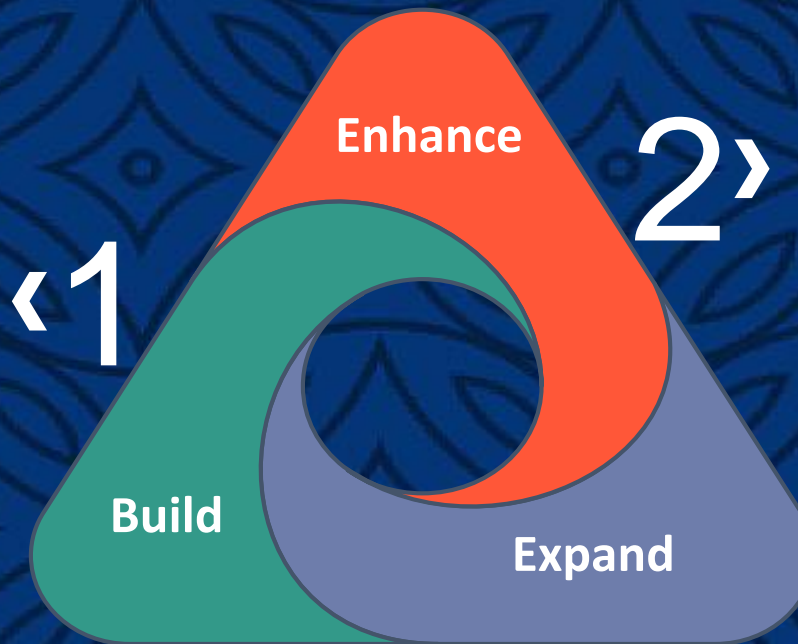


Service Portfolio

We offer comprehensive service portfolio to support companies in their efforts to attain growth, efficiency and sustainability

Strategy & Growth

Ensuring organic growth through **building, expanding, and enhancing** the competitive and customer positioning, the geographical reach and services offering



Transformation

Enhancing internal efficiency in the areas of **technology, digitalization, cost, processes, customer experience and culture**

3

Mergers & Acquisitions

Supporting **inorganic growth** by scanning and assessing opportunities and synergies as well as identification and mitigation of risks and vendor due diligences for disposals

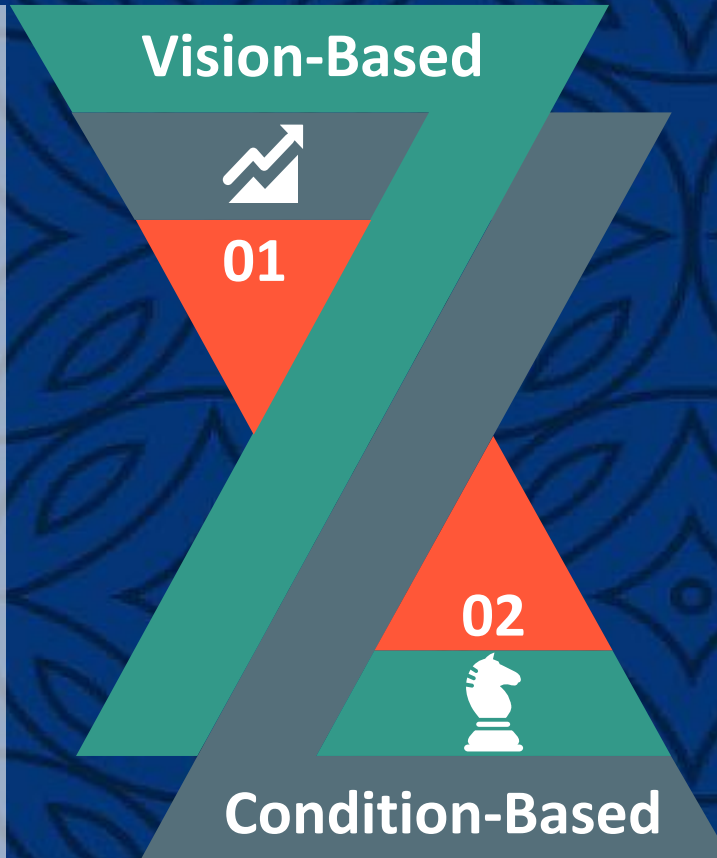
Strategy & Growth



We support companies in their journey for sustainable growth, by combining vision and condition-based perspectives

Vision-based strategies start with the future and finds the path

- The design starts from a **future vision that is challenging and attractive** (“where would we like to be?” “what would true greatness look like?” or “what would a radically improved situation look like”)
- Requires a **fresh look** and a non-conventional approach to identify **new opportunities** at the horizon of a changing market environment to find an innovative, forceful and viable route to the desired position
- **Non-sentimental** about current strengths and present assets, focuses on opportunities and threats not current position
- **Advisable when a break from the past is required, to go from good to great or for troubled assets**

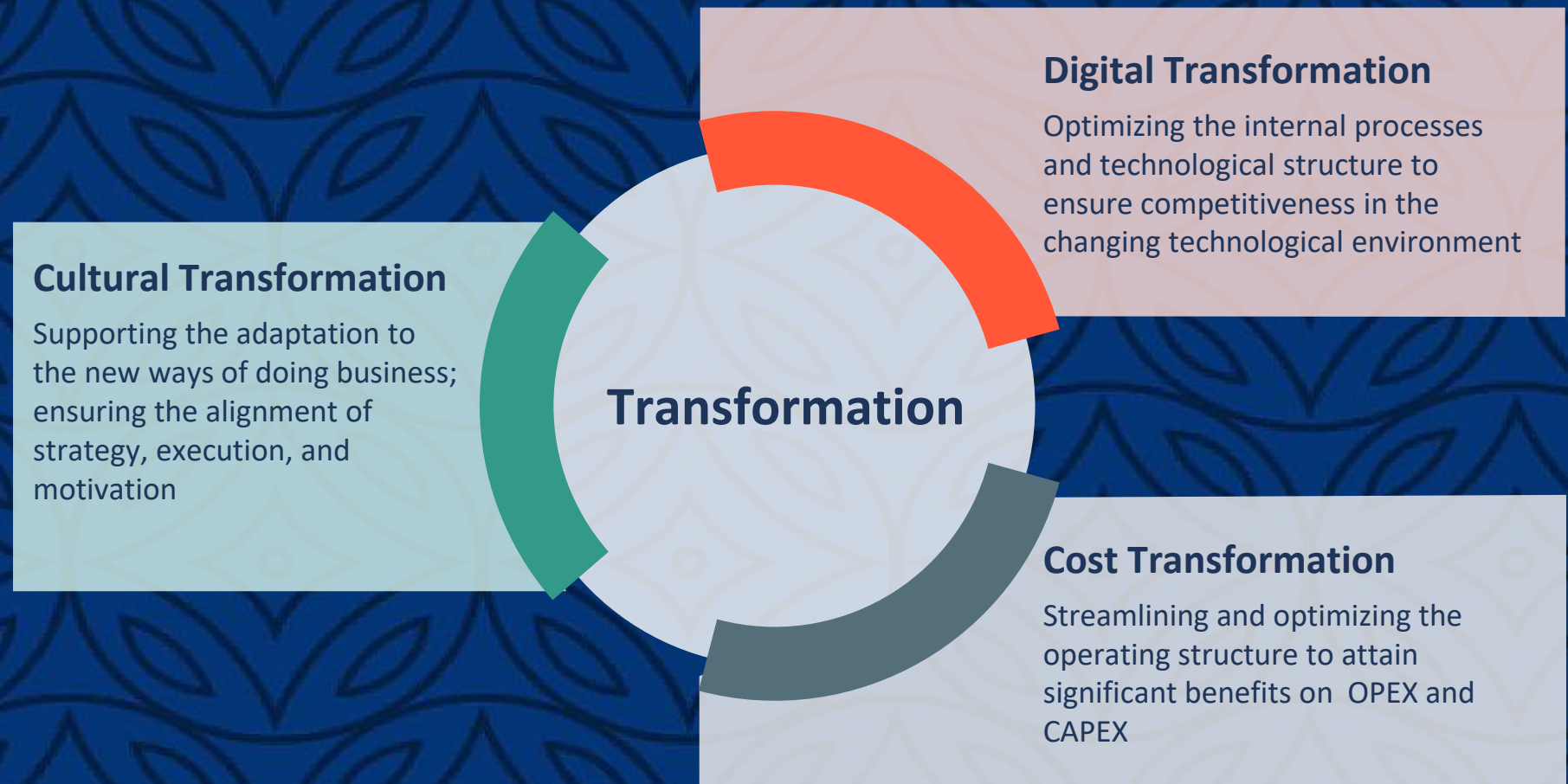


Condition-based strategies start with the present and builds on it step by step

- The design starts from a **prudent and sober examination of the current situation**, then asks what is the next logical step building on strengths whilst repairing/improving weaknesses
- Requires a strong understanding of the current **market drivers** and **operational constraints**
- **Low short term risk, steady progress**
- **Advisable when the general position of the firm is sound but incremental improvements are required**

Transformation

We help companies digitalize, manage cost, and support cultural shifts



Mergers and Acquisitions | Buy Side



We support the 'buy side' by developing the selection and elimination criteria by lead generation and introduction, potential assessment, as well as through commercial due diligence activities

1

Lead Generation & Introductions

Identification of the potential investments and M&A candidates, arrangement of the initial communication

2

Selection Criteria - Long & Short Lists

Assessment of the identified opportunities in based on the investor requirements, financial factors, and sector dynamics

3

Commercial Due Diligence

Detailed assessment of the commercial and strategic capabilities as well as financial forecasts of target investments



Mergers and Acquisitions | Sell Side

We support the 'sell side' by internal assessment assistance, material development support, potential partner identification, and deal negotiation

1

Internal Due Diligence

Preliminary assessment of the operative and financial capabilities of the company to develop a coherent and convincing investment thesis and drive operational improvements

2

Investment Memorandum Support

Development of the investment teasers and memorandum alongside any supporting material to support investor communications

3

Investor Identification and Targeting

Analysis of the investment landscape to identify potential investors, identifying potential investors and developing optimal approach strategies

4

Deal Negotiation and Closure

Support for the discussions with the potential investors, final pricing, and closing assistance

Industrial Verticals

We have significant experience and outreach in various sectors....

Government

01

We supported a number of government institutes and semi-government entities in their strategic and operational challenges, supporting the enablement of a happier and more efficient society

TMT

02

We assisted some of the world's biggest telecom operators, equipment vendors, and international institutions on their strategic, financial, operational, and technical needs

Real estate

03

We have done strategy and stakeholder reviews, cost optimization, development plans and real estate troubleshooting for leading property owners such as Emaar, Dubai Holdings, Dubai Investments and other leading telcos

Banking & Fin. Services

04

We supported several companies in the financial space, including but not limited to banks and insurance providers, supporting them in their journey of operational excellence and digitalization

Energy

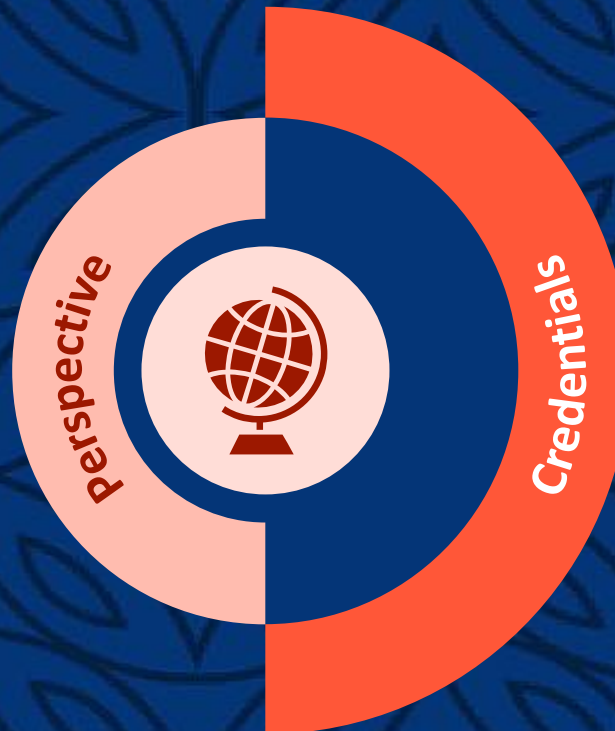
05

We collaborated with utilities and energy companies, industries and large corporations, both public and private, assisting them in their journey of operational and strategic transformation and enhancement

Government and Intergovernmental Agencies

Perspective and selected credentials

- ▶ Companies are not the only one affected by the drive towards digitalization and the demand for a more frictionless, value creating and efficient society
- ▶ However, this is not just a demand. The opportunities provided by the new technologies and digitalization offer, for the first time in history, the possibility to create a truly responsive government that could serve citizen needs in a rapid, fair and affordable manner
- ▶ We take part in this transformation on a wide range of dimensions, including strategy, organization, investments, operations, technology, transformation, digitalization, advanced analytics and sustainability



- ▶ UAE Ministry of Economy
- ▶ UAE Ministry of Foreign Affairs
- ▶ UAE Ministry of Finance
- ▶ UAE Ministry of Interior
- ▶ UAE International Investor Council
- ▶ HRDF (KSA)
- ▶ IDA Singapore
- ▶ Pakistan Telecommunication Authority
- ▶ USAID, DFID, IFC
- ▶ UNDP
- ▶ Worldbank
- ▶ World Economic Forum (WEF)

Telecom

Perspective and selected credentials

- ▶ Challenged by the ever-evolving technological environment, changing consumer habits, and sometimes rigid regulatory structure, telecom companies are under pressure from all angles
- ▶ However, the companies that can maintain strategic and operational excellence with a creative and innovative services portfolio will not only survive but thrive
- ▶ We offer our expertise to assist telecom companies in a wide range of topics on strategic, regulatory lobbying, operational, M&A and technical dimensions
- ▶ Additionally, we support digital transformation journeys, supporting telecoms through their change journey



- ▶ Saudi Telecom Company/Intigral
- ▶ Etisalat
- ▶ Ericsson
- ▶ Ciena
- ▶ Huawei
- ▶ Sudatel Espresso
- ▶ CCP
- ▶ GSMA
- ▶ Helios Towers
- ▶ Huawei
- ▶ Millicom
- ▶ MTN
- ▶ Nextel
- ▶ Omantel
- ▶ PTCL
- ▶ Tele2
- ▶ Telenor
- ▶ Teliasonera
- ▶ Towershare
- ▶ Warid Telecom-Abu Dhabi Group

Real Estate

Perspective and selected credentials

- ▶ Real estate portfolios are exposed to a range of threats and opportunities which includes shifting demands, interest rates, and optimization of tenant structure
- ▶ Our assistance can range from portfolio strategy reviews to real estate development plans, best demonstrated practice studies to cost optimization and stakeholder trouble shooting



- ▶ Dubai Holdings
- ▶ Dubai Investments
- ▶ Emaar
- ▶ Leading telcos property portfolio reviews (TeliaSonera, Tele2, Millicom, Etisalat, Mobily, Atheeb Go)

Banking & Financial Services

Perspective and selected credentials

- ▶ Since the turn of the millennium, banking and other financial institutions are dealing with their own opportunities and challenges created by technology
- ▶ Increased customer demands for rapid transactions, fintech companies encroaching critical parts of the core offerings, compliance, hacking and security concerns are just some of the challenges financial institutions need to face daily
- ▶ Our services are ready to support financial institutions on a wide range of topics, from strategy and growth to operational, from design to technological infrastructure



- ▶ National Commercial Bank (KSA)
- ▶ BNP Paribas
- ▶ HSBC
- ▶ Bankas Snoras
- ▶ European Acquisition Capital
- ▶ International Finance Corporation – Worldbank
- ▶ Konversbank
- ▶ M1 Group
- ▶ Shore Bank
- ▶ Skandia
- ▶ KASHF Bank

Energy

Perspective and selected credentials

- ▶ Energy production, distribution, and consumption is a complex topic that links governments, corporations, citizens, and non-profit organization together
- ▶ However, it is challenged by new technologies, concerns for climate change, as well as geopolitical challenges for the extraction and distribution of energy sources
- ▶ We offer a chance of cooperation for the utilities, energy companies, corporations, governments, and NGOs to help them thrive in the rapidly changing energy environment
- ▶ Our assistance can range from supporting adaptation to renewable energy solutions and resource efficiency to strategic and operational excellence



- ▶ ADNOC
- ▶ GIS Mapping Feasibility Study of Hydropower Sites
- ▶ GiZ
- ▶ International Finance Corporation – Worldbank
- ▶ Statkraft
- ▶ USAID/MSI
- ▶ Engility/MSI

Other

Perspective and selected credentials

- ▶ The challenges from the changing regulatory landscape, customer expectations, and operational challenges of an ever-expanding communication system are effecting all sectors
- ▶ Massive open online courses for education, distributed supply chain for factories, omnichannel for retailers... Each vertical is dealing with their unique challenges
- ▶ We have worked with a significant number of companies, serving their needs in strategy, operation, and transformation, and M&A activities



- ▶ ALCIS
- ▶ AIR
- ▶ AssiDoman
- ▶ Chemonics
- ▶ Coffey
- ▶ DAI
- ▶ IMC Worldwide
- ▶ Jannarely (Cars)
- ▶ Mott McDonalds
- ▶ MSI
- ▶ Stockholm School of Economics
- ▶ Social Impact
- ▶ Adam Smith International
- ▶ Integrity
- ▶ Co-Water
- ▶ Booz & Co
- ▶ BearingPoint
- ▶ Abt International
- ▶ CARE International
- ▶ Plan International

Agenda

Executive Summary

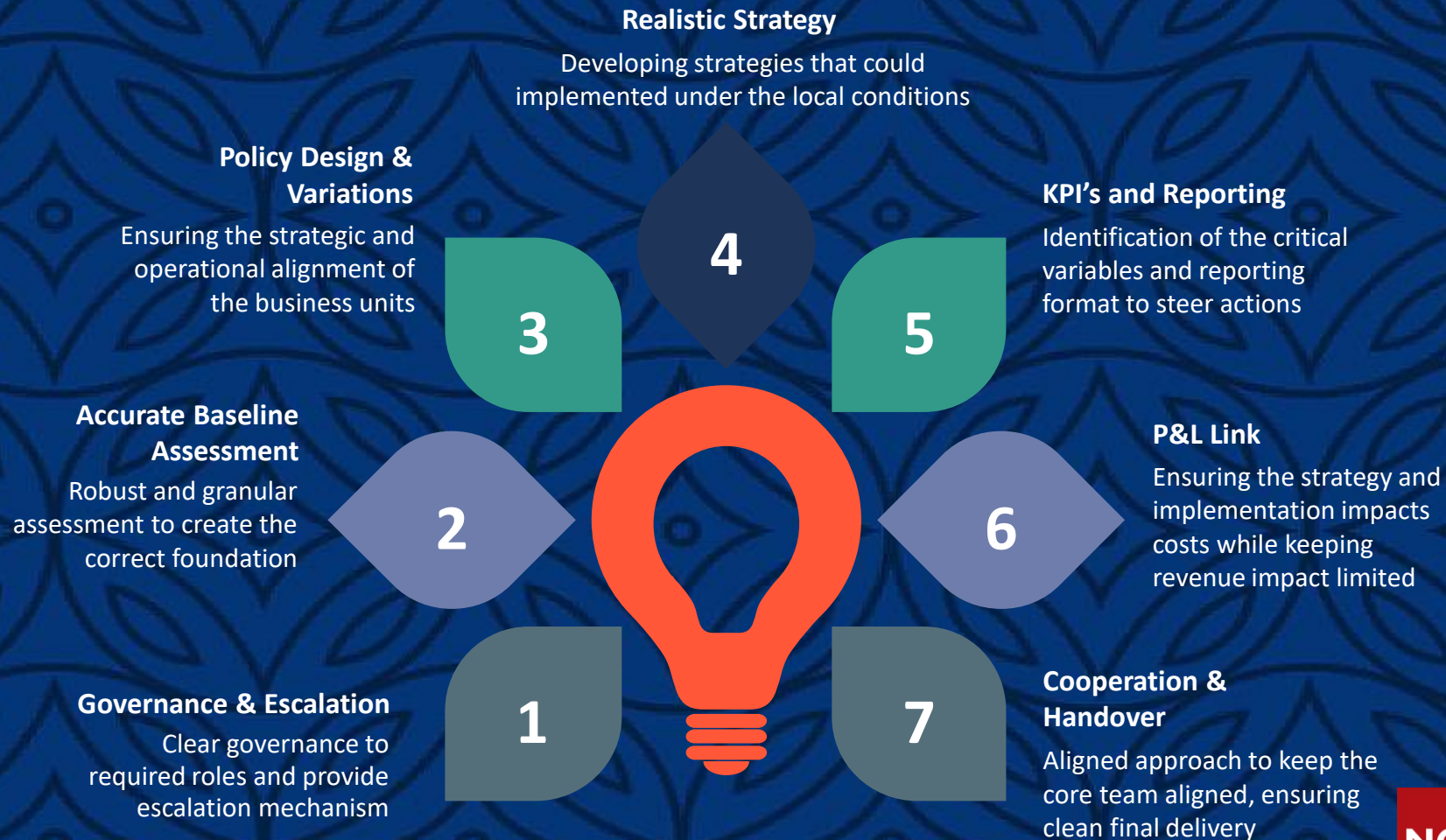
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Principles of Real Estate Optimization

A careful approach that merges strategy, implementation, tracking, and handover is required for a successful optimization of a real estate portfolio



Strategy reviews for real estate companies



We provide strategy reviews for real estate companies that combine evolutionary and white paper, fresh start perspectives

Vision-based strategies start with the future and finds the path. Examples follow below:

- What are the key trends in KSA and regionally, and what would a future vision of Aqalat look like?
- How can long term value to the owners be built and realized?
- What is the full potential of Aqalat?
- Regardless of shape of current portfolio – what would an optimal shape of Aqalat's portfolio look like? Which acquisitions and divestitures should be executed?
- **Given the vision on Aqalat's future, we would design a roadmap that realizes that vision ranging from the short to long term perspective and action steps**

Vision-Based



01

02



Condition-Based

Condition-based strategies start with the present and builds on it step by step

- How can the current portfolio and organization of Aqalat be improved in terms of revenues, cost structure, governance structure and more?
- Which short term issues need to be trouble-shooted?
- Design of short to mid term roadmap
- Execution support as required

Perspective

Successful optimization of the real-estate requires a comprehensive approach starting from data collection to tracking

Footprint Inspection

A detailed assessment to develop an accurate dataset of existing real estate space and usage

Footprint Optimization

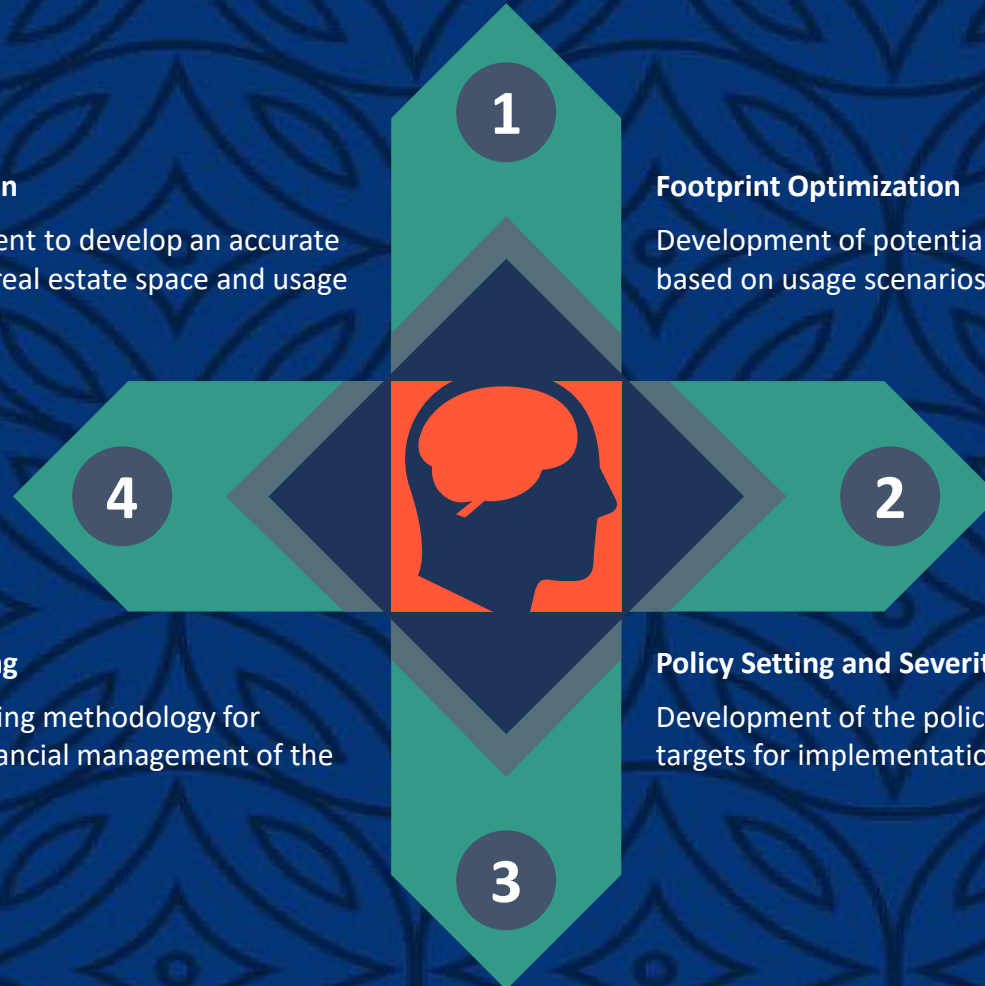
Development of potential consolidation scenarios based on usage scenarios

Progress Monitoring

Designing the tracking methodology for operational and financial management of the implementation

Policy Setting and Severity

Development of the policies and operational targets for implementation and maintenance

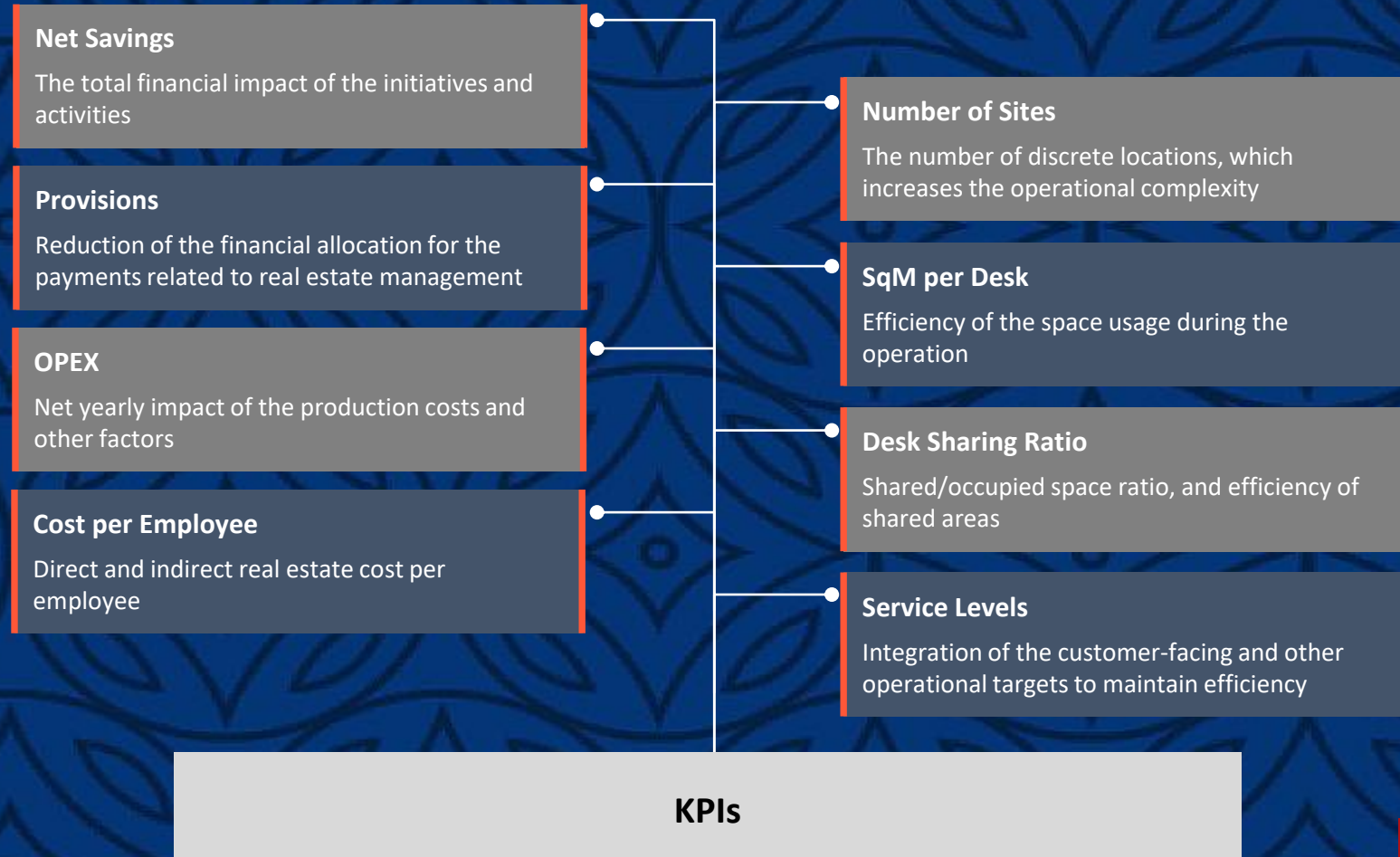


Sample Approach



KPIs

Identifying correct KPIs is the first step to guide strategic decision making, driving the organizational priorities



Impact of Comprehensive Approach – cost side examples

Significant benefits by approaching real estate optimization as holistically rather than just focusing on the physical space



10% savings

by re-negotiating rents, introducing new technologies, bundling suppliers, etc.



20-30% savings

by consolidating the footprint, adjusting the way of working and introducing new operating models

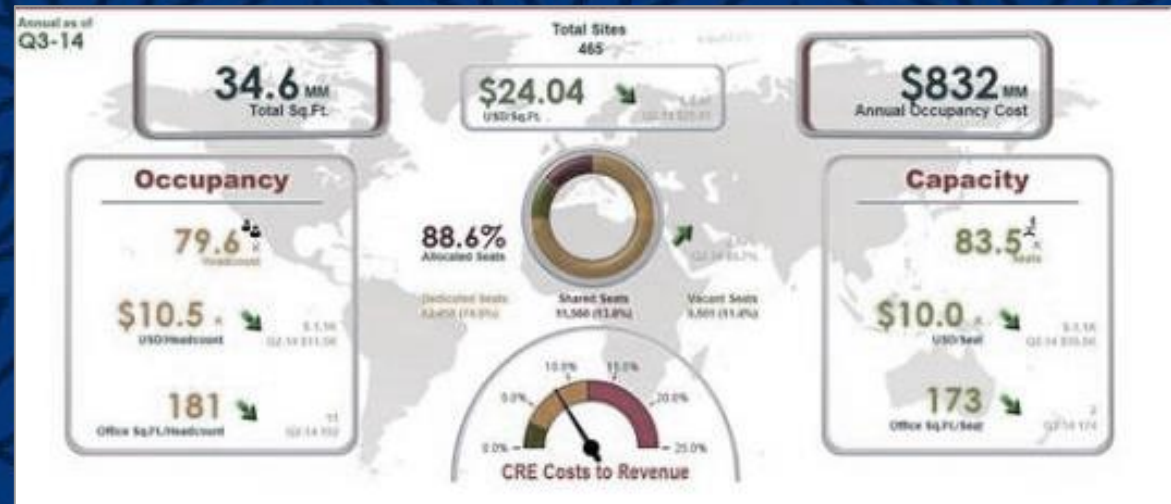
Data Collection

Creating a comprehensive visibility of the underlying data is critical in developing business strategy

Data Collection

- Contract-by-contract information (extract)
 - Address
 - Primary use
 - Sqm split by type (e.g. office, warehouse, retail)
 - # of desks
 - Headcount by type
 - Utilization (based on census)
 - OPEX by cost category (e.g. rent, utilities, FM)
 - Market rent (based on research by real estate agents)
 - Lease end/ break dates
 - Contract terms (rent increase mechanisms, currency)
- Updated monthly or quarterly ('freeze dates')

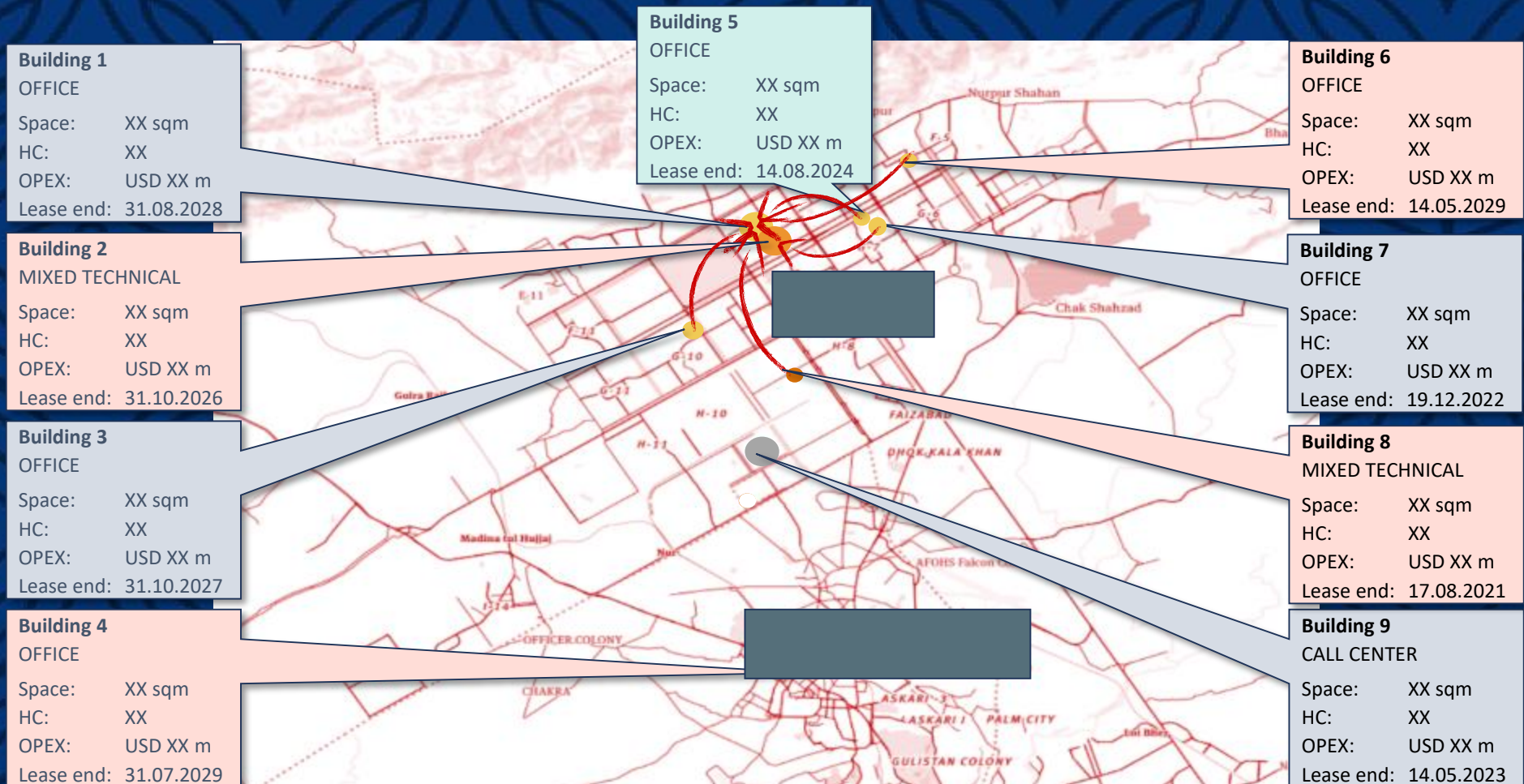
Analytics and Dashboard



Creation of the dashboards would enable integration of the tools without an additional impact

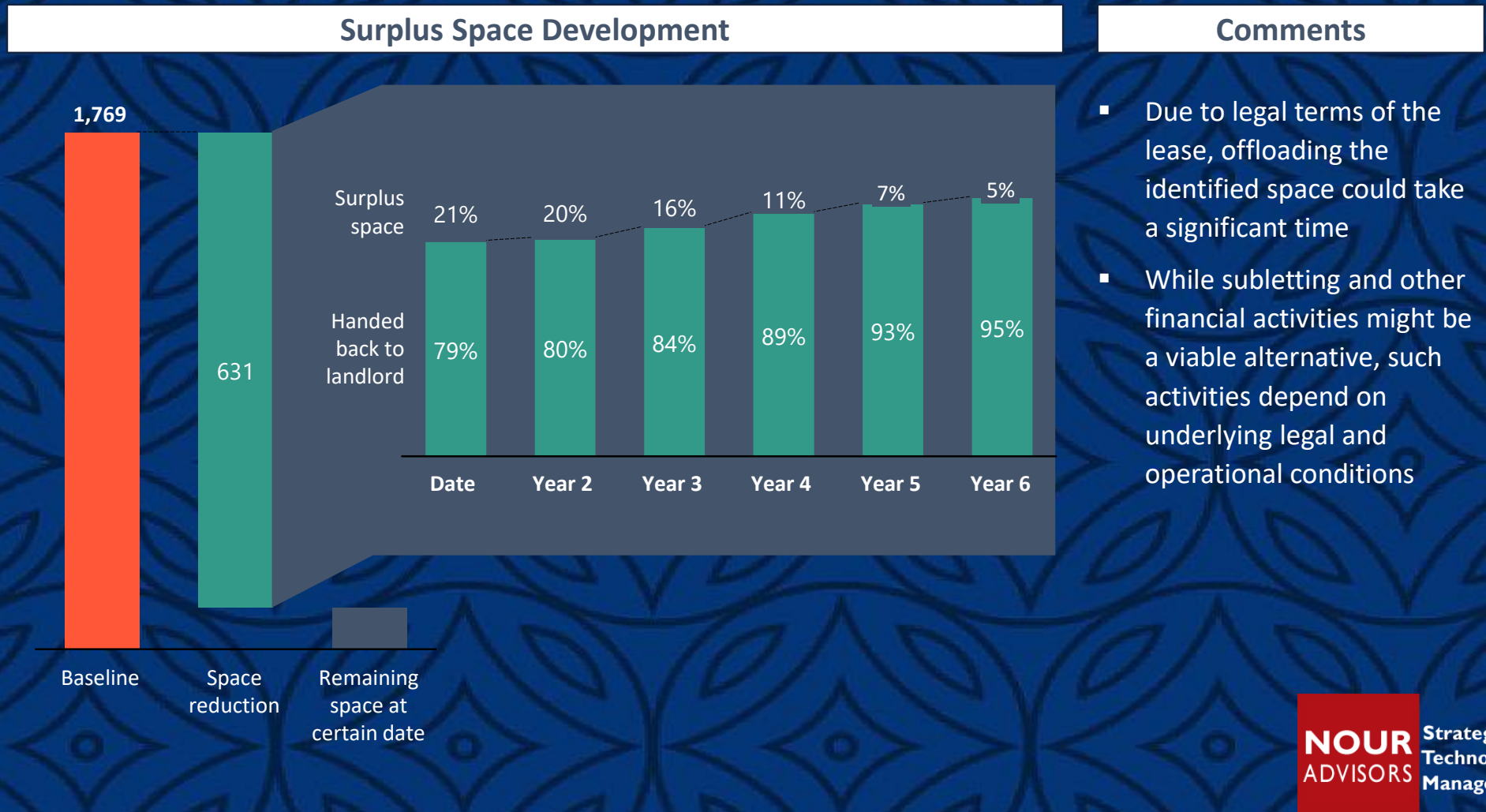
Location Consolidation

A detailed assessment would reveal potential consolidation opportunities based on the locations, factoring



Offloading Excess Space

A delay between the identification and the realization of the cost savings are expected due to legal restrictions of the lease agreements



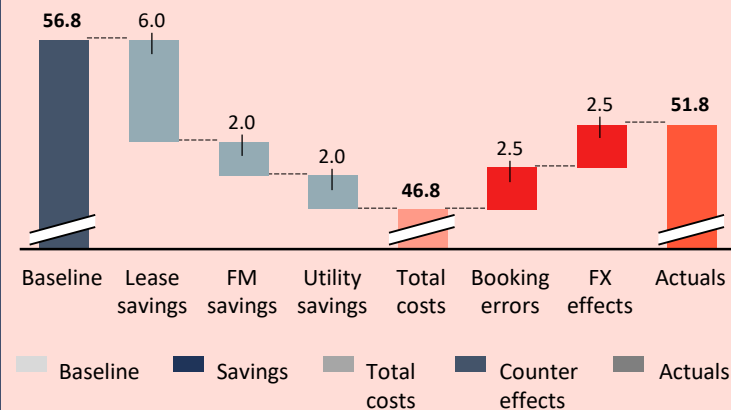
Tracking Financial Impact

An official tracking framework will allow maintaining the benefits of the optimization the long term

Analytical Tracking



Managerial Tracking



Financial Accounts



Real estate view

- Projected effects resulting from implementation of strategies (e.g. closure of buildings)

Joint view

- Confirmation of savings
- Identification and quantification of counter effects (e.g. booking errors, FX effects)

Finance view

- Balance sheet items such as assets and liabilities
- Cost items according to P&L accounts

Sample Team Structure

A sample team for a medium-large scale project



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Senior Team | Sense Strategy



Erik Almqvist

CEO and Founder

- Telecom expert with 30+ years of experience
- Previous Head of Global Business Segment and EVP & President of Eurasia, President International Carrier, SVP Head of Mobility Sweden, Head of Baltic region at TeliaSonera
- Chairman Fidesmo and Zynapp, board member HiQ



Tõnu Grünberg

Senior Advisor

- Expert on world class government-owned, profit and non-profit organizations, with a particular emphasis on branding, pricing, funding, revenue generation and sales transformation
- Previous President and CEO Mercuri International Group



Emrullah Koyunlu

Manager

- Founder of Sense Strategy
- 27 years of consulting experience, projects performed in 40+ countries on five continents
- MSc (Finance and Economics), The Stockholm School of Economics
- Ex Partner/MD Arthur D Little, goetzpartners and Analysys Mason



Erik Hallberg
Senior Advisor

- Telecom expert with 20+ years of experience
- Previous CEO of Ucell Uzbekistan, CTO and VP of Telia Company Eurasia, VP of Telia Company Nordic Mobility



Dr Håkan Hederstierna
Senior Advisor

- B.S. in Industrial Engineering
- Ex McKinsey
- Over 5 years of management consulting experience
- Significant project experience in government and TMT

Senior Team | Nour Consult

- Over 25 years of experience
- Notable projects include marketing campaign for Quickpay and NBC and organizational restructuring for Saudi Marble Company
- In depth experience in branch optimization, corporate rebranding, and change management



Rizwan Shoukat
Chief Operating Officer

- Over 15 years of professional experience in private and international development sector
- Notable clients include STC, Intigral, Etisalat, GIZ, KPMG, DFID, USAID, Chemonics, American Institutes of Research, Readhowyouwant, MSI, BHC and ICT



Asher Osman Khan
Director of Strategy & Research

- Over 20 years of experience with significant strategy, planning, and development, predominantly in TMT sector
- Clients include Huawei and Telenor Group



Ziyad Kassem Nour
Founder/President

- Over 30 years of professional experience across 20 countries
- Notable clients include STC, Intigral, Etisalat Afghanistan, USAID, DFID, World Bank, Fauji Foundation, and directly with Pakistani heads of state



Adeel Iqbal
Director Operations

- Over 18 years of experience in business consulting and program management
- Critical projects include Integrated Defense Systems for a C3&A group, deployment of SPAWAR capabilities, and clients such as FEMA, and VEOLIA Group



Hassan Zaheer
Director of TMT



MAKING SENSE OF STRATEGY – SINCE 1999

STRATEGY - TRANSFORMATION - DUE DILIGENCE

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