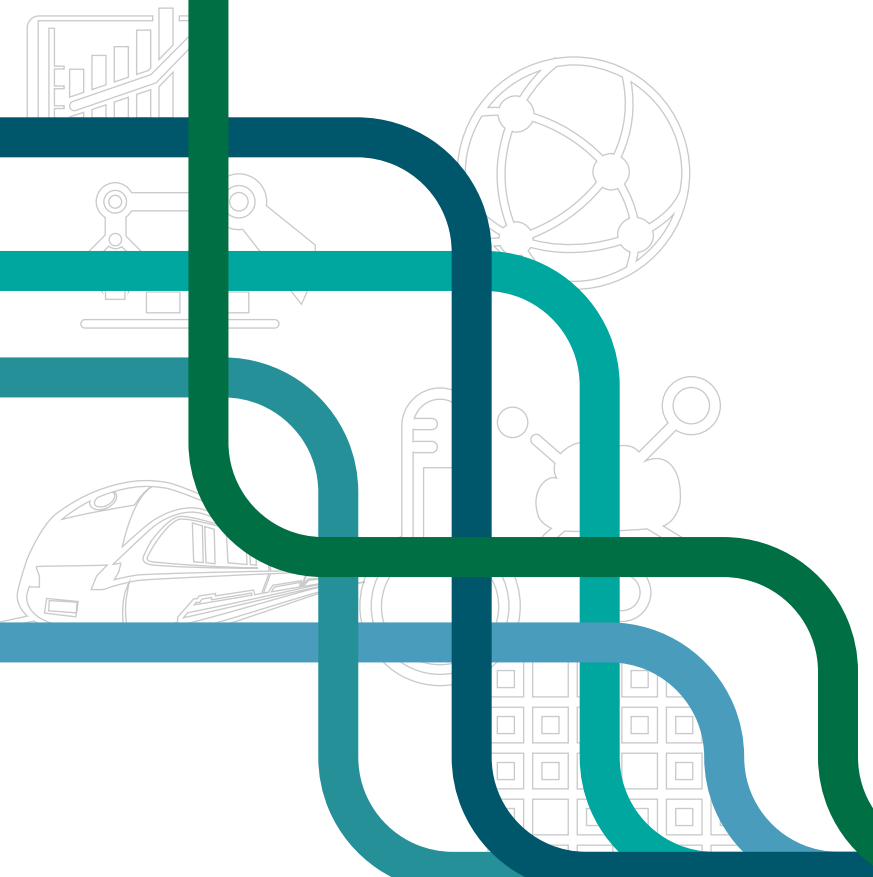


الصندوق
الصناعي



صندوق التنمية الصناعية السعودي
Saudi Industrial Development Fund



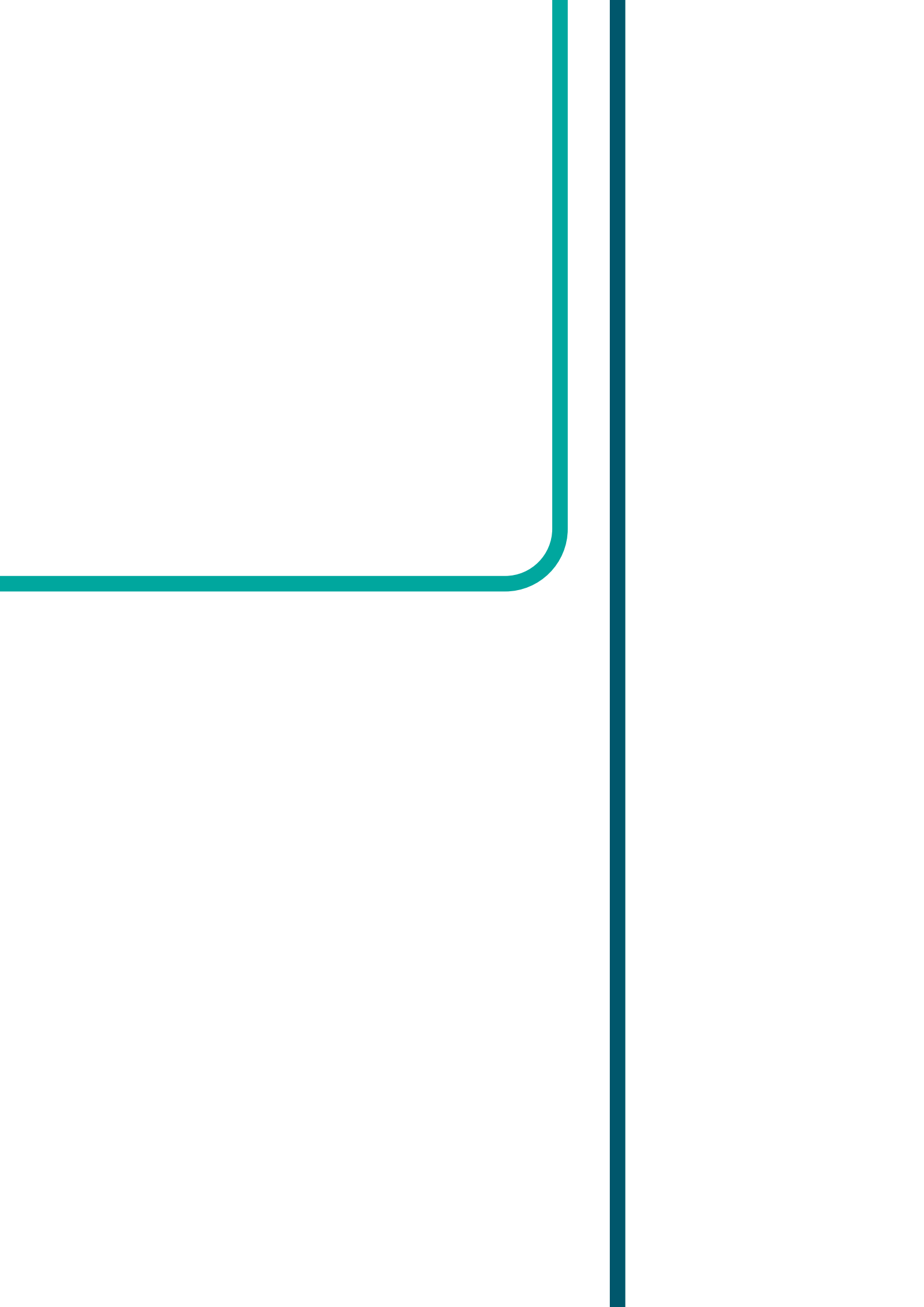
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VISION
2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

Manufacturing by Enabling

ANNUAL
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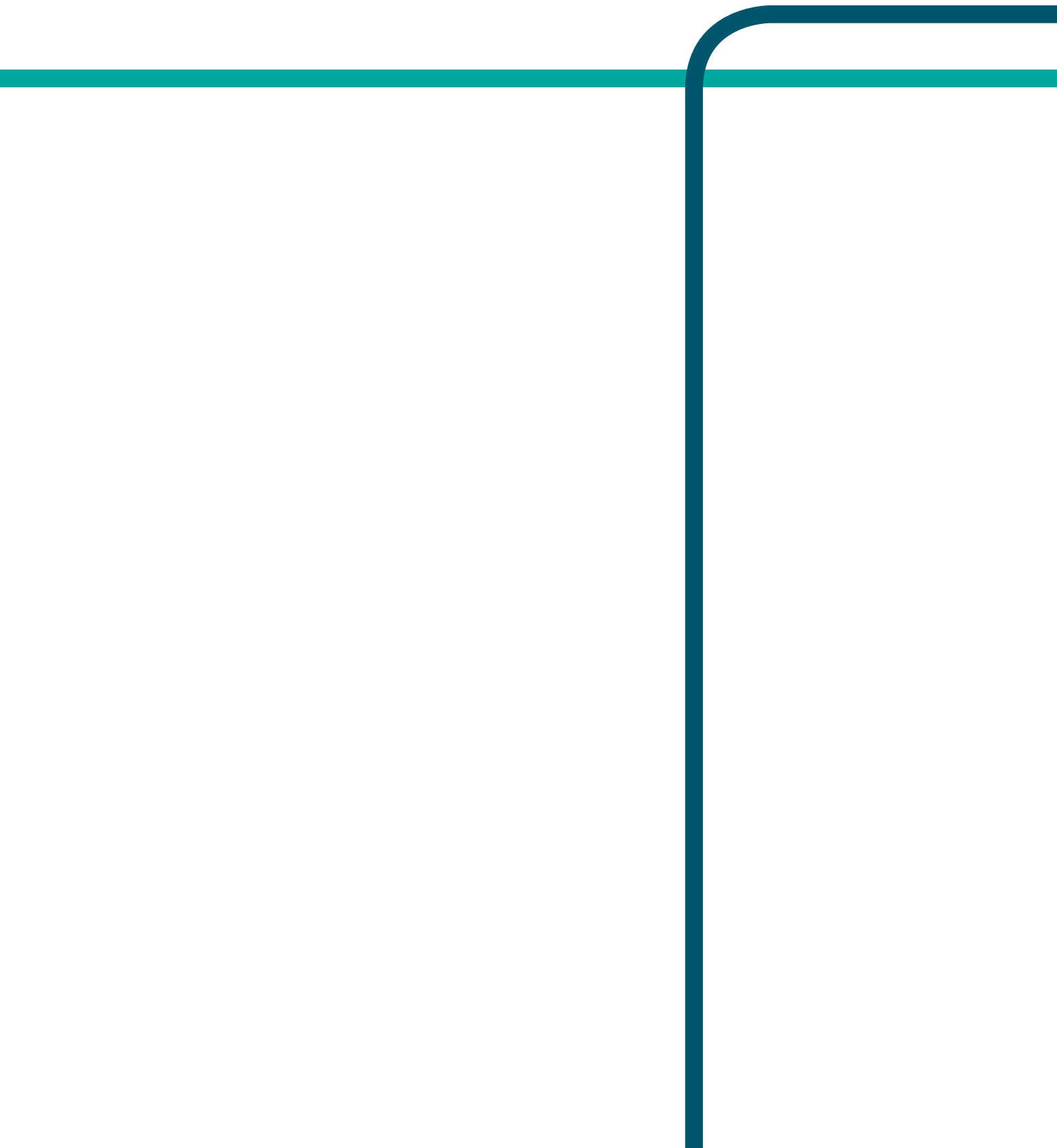




Custodian of the Two Holy Mosques
King Salman bin Abdulaziz Al Saud



HRH Prince Mohammed bin Salman bin Abdulaziz Al Saud
Crown Prince, Deputy Prime Minister and Minister of Defense





Vision

To make Saudi Arabia an industrialized country through financial and advisory solutions.

Mission

Support and diversify the national economy by developing industrial sectors, competitive enterprises and strategic initiatives.

Values

Proactivity in development
Partnership in growth
Responsibility in investment
Expertise in advice
Success in Industrialization



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Board of Directors



H.E. Eng. Khalid Bin Abdulaziz Al Falih

Chairman, Minister of Energy, Industry
and Mineral Resources



H.E. Mr. Yasser Othman Al-Rumayan

Member, Supervisor of Public Investment Fund



H.E. Dr. Abid bin Abdullah Al Saadoun

Member, Deputy Minister for Corporate Affairs,
Ministry of Energy, Industry and Mineral Resources



H.E. Mr. Abdullah Bin Saleh Al Arifi

Member, Acting Asst.
Deputy Minister of Budget Affairs, Ministry of Finance



Forward by H.E. Minister of Energy, Industry and Mineral Resources Chairman of Saudi Industrial Development Fund

I am pleased to present the annual report of the Saudi Industrial Development Fund for the fiscal year 1438 / 1439H (2017), and I commend the Fund on its achievements during the year.

In 2017, the local economy underwent significant structural reforms that were appreciated by many global economic and financial institutions despite the economic challenges facing the world. These reforms aim to build a strong and diversified economy in line with the Kingdom's Vision 2030 and its related programs to create a sustainable and competitive manufacturing ecosystem while promoting national content, renewable energy, exports and mining.

Within this context, the local industrial sector, which accounts for 12% of GDP, has continued its positive performance as reflected in the increased growth rate of some economic sectors such as the non-oil manufacturing sector.

Similarly, the Saudi Industrial Development Fund achieved a great performance in 2017 in terms of the number and value of approved loans. 137 loans were approved to establish 120 new industrial projects and expand 17 existing ones. These projects will have a significant impact on the growth of the local economy as they are expected to add SR 28 billion to GDP, create about 8,000 direct jobs, satisfy local demand by around SR 10 billion and increase exports by approximately SR 50 billion.

The total value of these loans during 2017 increased to SR 10.6 billion (33% over the previous year). This is the second highest approved loan value in one year since the Fund's inception. New projects accounted for 88% of the value of approved loans with total investments exceeding SR 45 billion.

The loans approved by the Fund in 2017 for industrial projects in less developed regions accounted for 45% and 26% of total number and value of loans respectively. The total number of loans approved by the Fund since its inception in 1974 to the end of 2017 reached 4,216 loans with a

total value of SR 147.9 billion. They helped to establish 3,108 new projects and expand 1108 existing ones across the Kingdom. The disbursed amounts totaled SR 102.2 billion of which SR 63.6 billion were repaid. This confirms the success of the projects financed by the Fund and its advisory support in the technical, administrative, financial and marketing fields.

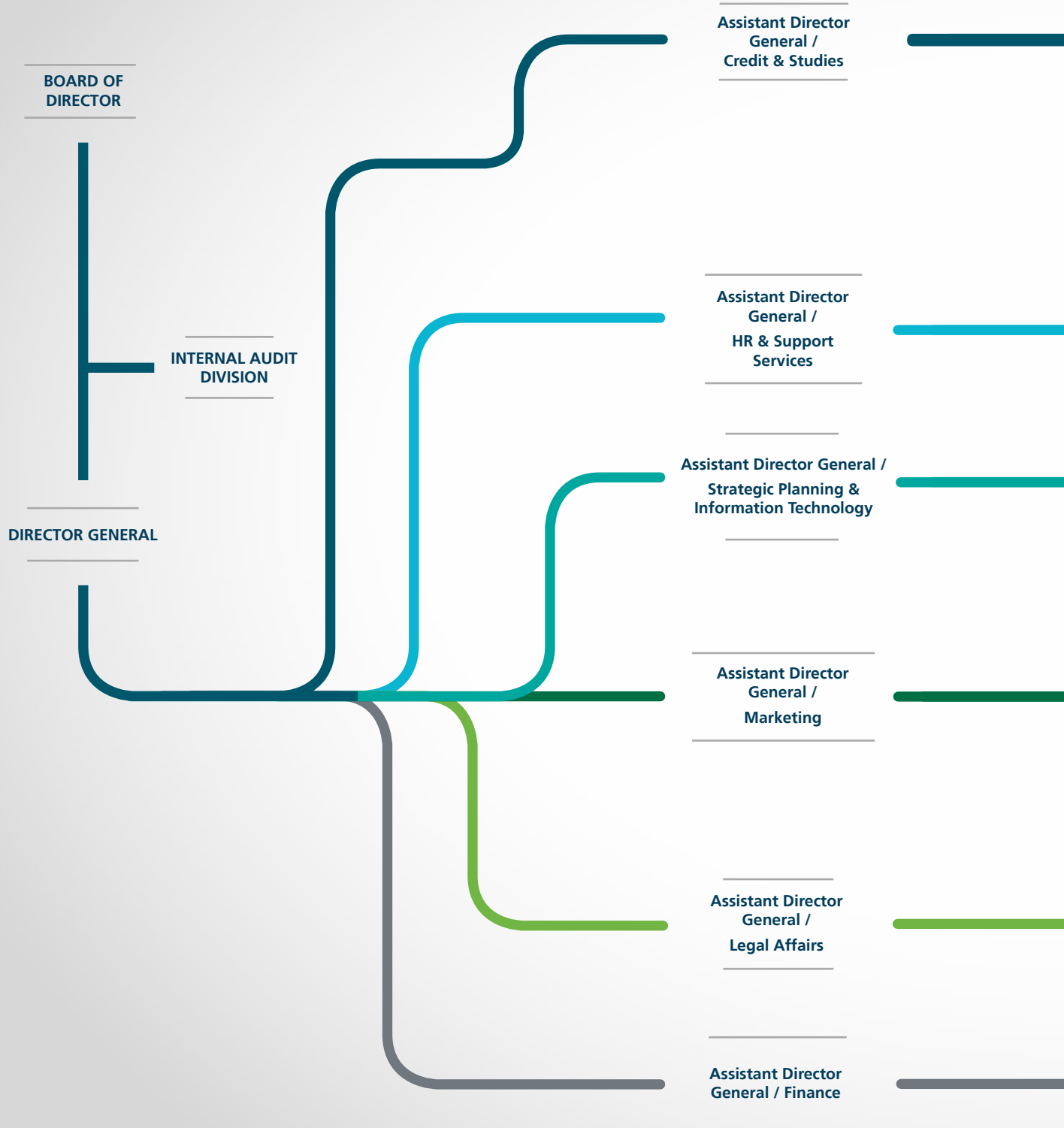
The ambitious goals incorporated in the Kingdom's vision 2030 to raise the industry's contribution to GDP growth have inspired the Fund to create the Business Strategy Development Project in line with the outputs of the National Industrial Development Program and the National Industrial Strategy Program which focus on the industries of machinery and equipment, renewable energy, pharmaceutical products, medical equipment, automobiles, oil, gas and food. This will help the Fund become the main financial enabler for industrial transformation in the Kingdom by satisfying the financial requirements of target sectors to achieve the Vision's industrial aspirations.

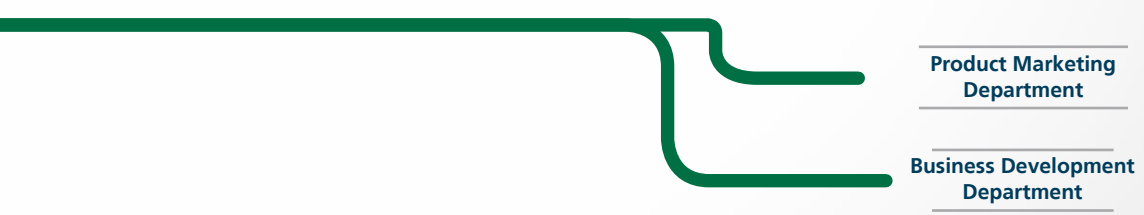
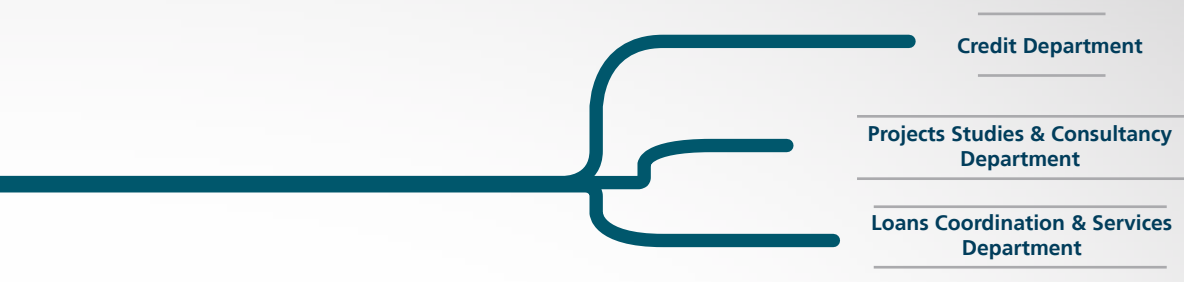
The strategy development team's vision is based on four strategic pillars: providing a comprehensive range of financial products and advisory services for all sectors, focusing on sustainable development, proactively shaping the project-based financing ecosystem, and building a strong corporate foundation with highly effective support functions. SIDF's strategy development is expected to be completed by the end of 2018.

Finally, I would like to extend my sincere thanks and appreciation to the Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud and to His Crown Prince, May ALLAH protect them, for their continued support for industrial development in general and the activities of the Fund in particular. Also, I would like to thank the Fund's Board members, management and staff for their efforts and quantum leap in performance which will have a positive impact on industrial achievements in the Kingdom, God willing.

Khalid Abdulaziz Al-Falih
Minister of Energy, Industry and Mineral Resources
Chairman of the SIDF Board

Board of Directors





لَا إِلَهَ إِلَّا اللَّهُ مُحَمَّدٌ رَسُوْلُهُ



Preface:
**Trends and Indicators
of The Local Economy**

KSA Economic Review for The Year 2017:

The Kingdom of Saudi Arabia has been going through a fundamental transition stage in all social, economic and other fields. The local economy has been improving recently and it is expected to flourish in the future despite the global economic challenges. In 2017, the local economy underwent several structural reforms to make it solid and diversified in line with the Saudi Arabia's Vision for 2030. The rise of average OPEC basket oil price by 29% compared to the preceding year also contributed to the stability of the local economy. The Kingdom will continue its economic reforms in the coming years, as envisaged by Vision 2030 and its programs.

According to the General Authority for Statistics (GASTAT), the Kingdom's gross domestic product (GDP) is expected to reach SR 2,569 billion at constant prices in 2017, decreasing slightly from the previous fiscal year by 0.74%. The non-oil sector is expected to grow relatively by 1% thanks to the improvement of some sectors such as Transformative Industries which is expected to grow by 1.30%, and finance, insurance, real estate and business sector which is expected to grow by 2.20%.

Inflation stabilized in 2017 as the cost of living index went down by 0.29%, compared to its increasing by 3.5% in 2016 according to (GASTAT). Non-oil GDP deflator, a key economic indicator for calculating inflation of the whole economy, is expected to increase slightly in 2017 by 0.03% compared to the preceding year.

The preliminary estimates of Saudi Arabian Monetary Agency (SAMA) shows that the

current account of the balance of payments is expected to achieve a surplus of SR 57.1 billion, compared to a deficit of SR 89.4 billion in 2016. Commodity exports are expected to reach 827 billion in 2017, and non-oil commodity exports are expected to grow by 7.8% to SR 188.5 billion compared to the preceding year. On the other hand, commodity imports are expected to decline by 7% to SR 439 billion.

As for financial and monetary developments and considering the national and global economic changes, the Kingdom continued its stable monetary and financial policy with the aim of achieving a suitable level of liquidity to satisfy the requirements of the national economy. The state revenues increased in 2017 by 34% to SR 696 billion, compared to SR 519 billion in 2016. The expenditure also increased by 11.5% to SR 926 billion causing a deficit of SR 230 billion (8.9% of GDP), compared to the deficit in 2016 of 12.8%. This indicates that the financial policy has been moving in the right direction and towards the desired goals. The public debt is estimated to reach SR 438 billion at the end of 2017 (17% of GDP). The money supply, in its broad definition, has grown by SR 3.8 billion (0.2%) compared to 2016 due to the higher government spending and cash flows generated by the improved oil prices.

As for the banking sector, commercial banks continued to strengthen their financial position in 2017 as capital and reserves rose by SR 317.6 billion (0.2%). Their total claims on public and private sectors and deposits also increased by 3.8% and 0.1% respectively

Commodity Exports in 2017

SR 827 Billion

Non-oil Commodity Exports in 2017

SR 188.5 Billion

Growth 7.8%

compared with the preceding year. Moreover, commercial banks continued to play their vital role in supporting and expanding the private sector's activities. Credit provided by commercial banks to support such activities decreased by 1% to approximately SR 1.386 billion in 2017. Commercial loans, on the other hand, increased for certain subsectors such as water, electricity, gas and health services by 23.6%, transport and telecommunication (17.8%) and financing (11.4%), whereas they declined for other subsectors such as mining and quarrying (23.6%), construction (14.9%) and industry and production (8.8%). This has slowed down the growth of bank credit.

Likewise, the performance of the Saudi Industrial Development Fund in 2017 was outstanding as 137 loans were extended to set up 120 new projects and expand 17

ones with a total loan amount of SR 10,571 million. This is an increase of 33% compared with the preceding year and the second highest amount approved in one year since SIDF inception.

These projects will have a significant impact on the growth of the local economy as they are expected to add SR 28 billion to GDP, create about 8,000 direct jobs with a nationalization level not less than 26%, satisfy local demand by around SR 10 billion and increase exports by approximately SR 50 billion.

Tadawul All Share Index (TASI) increased slightly by 0.22% at the end of 2017 registering 7,226 points, compared to 7,210 points at the end of 2016. The value of traded stocks decreased by 27.7% to SR 836 billion in 2017, compared to SR 1.156 billion

in 2016. Capital Market Authority (CMA) has been expanding the market base by enhancing credit and growth opportunities for companies while opening new investment channels. An additional 10 companies were partially put up for public offering out of which 7 companies have been listed with a total market value of SR 3.96 billion (0.23%), increasing the number of listed companies to 179 by the end of 2017. The Global Industry Classification Standard (GICS) has been adopted in Tadawul since January 2017 to restructure sectors, enhance transparency and provide accurate information on their performance. In addition, the parallel market (Nomu) has launched in 2017 and closed at 3140 points with a total market value of SR 1,805 billion. Nomu is an alternative platform for companies wishing to be listed with lighter requirements than the main market in line with the Vision 2030 which aims to facilitate expansion, growth and sustainability for SMEs by diversifying financing sources and expanding

support activities.

To achieve the Vision 2030, several programs were launched in 2017 including the National Industrial Development and Logistics Program. Structural reforms have been put in place to strengthen the national economy including creation of several government institutions such as General Property Authority, General Authority for Military Industries, Industrial Energy City in the Eastern Region and National Atomic Energy Project. In addition, the Zakat and Income Authority has been reorganized. The GCC unified VAT and selective tax agreements have been approved and became effective as of 2017. Moreover, the National Development Fund and the Anti-Corruption High Commission have been created while an Anti-Money Laundering Law has been brought in.



Vision 2030 Program

1	Enriching The Hajj And Umrah Experience	7	National Companies Promotion Program
2	National Transformation Program	8	Strategic Partnerships Program
3	Public Investment Program	9	The Housing Program
4	National Industrial Development And Logistic Program	10	Privatization Program
5	Financial Sector Development Program	11	National Character Enrichment Program
6	Lifestyle Improvement Program	12	Fiscal Balance Program



Many reputable international economic institutions and agencies have commended the strength of the Saudi economy. International Monetary Fund (IMF), in its Article IV Consultation, praised the strong performance of the Saudi economy and emphasized that it is one of the best growing economies among the G20 countries. IMF also praised the Vision-based reforms particularly economic, financial control and other reforms aimed at enhancing business environment and transparency. Privatization and partnership between the public and private sectors were also praised by IMF. Despite economic challenges and structural reforms, Standard & Poor's has rated the Kingdom in November 2017 at a good credit rating of (A-/A-

2) with a stable outlook and expected improved finance in the coming two years. Similarly, Fitch has rated the Kingdom for the same period at (A+) with a stable outlook due to the strong economy, effective reforms, high foreign reserves and robust assets and budget.

In conclusion, the performance of the Saudi economy in 2017 was still positive despite the global economic challenges. This highlights the strength of the local economy and success of the economic and structural reforms aimed to accelerate economic growth, diversify income sources and actualize Saudi Arabia's Vision for 2030.

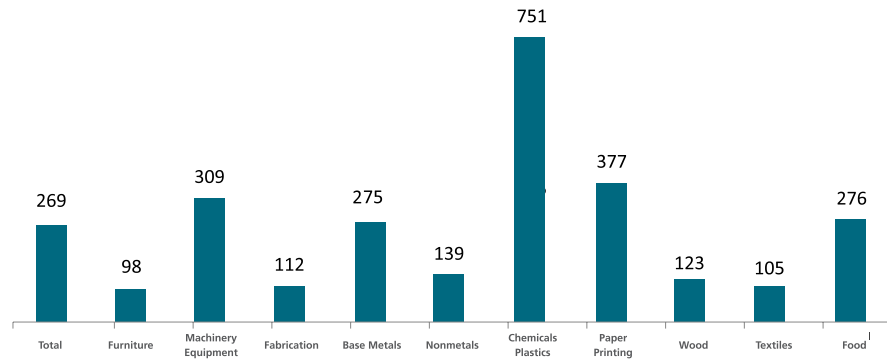
Performance Indicators of The Industrial Sector:

In parallel with the recovering global economy and improving oil prices in 2017, the non-oil manufacturing sector in the Kingdom grew by 0.86% (at constant prices for 2010) according to "GASTAT".

The non-oil manufacturing sector indicators are detailed below in figures 1,2 and 3. (N.B. These indicators are for 2016 as 2017 data are still unavailable by "GASTAT").

In terms of industrial productivity indicators, Figure (1) shows the average value added per worker in the main industrial activities in 2016. It is noted that chemicals and plastics activity is ranked first in terms of average value added per worker (SR 751,000), followed by paper and printing (SR 377,000), machinery and equipment (SR 309,000), food products (SR 276,000) and base metals (SR 275,000). The average value added per worker in non-oil industries approximates SR 269,000.

Figure (1)
Average value added per worker by industrial activity in 2016 (SAR thousand)

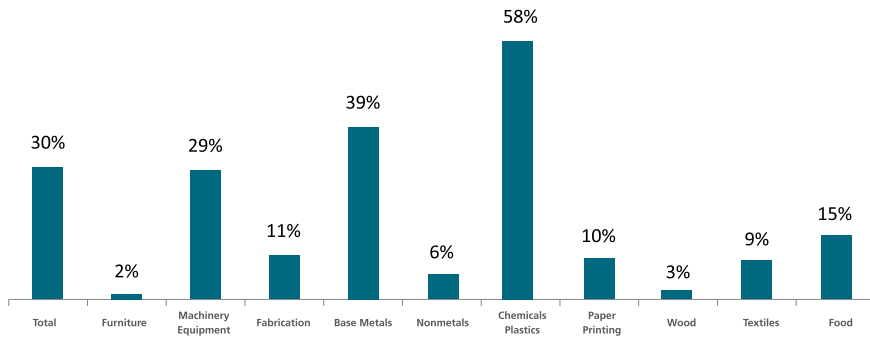


Source: GASTAT

Among the indicators that have gained increasing significance in the past few years is the industrial exports index. Vision 2030 attaches great importance to non-oil exports, especially industrial exports, as a strategic objective to reduce dependence on oil exports. Figure (2) shows industrial Exports ratio to total sales where chemicals and plastics ranked first (58%), followed by base metals (39%), machinery and equipment (29%), food products (15%), fabrication (11%), paper and printing (10%) and textile products (9%). The average exports ratio to total sales in non-oil manufacturing sector is estimated at 30%.

Figure (2)

Ratio of industrial exports to total sales by industrial activity in 2016

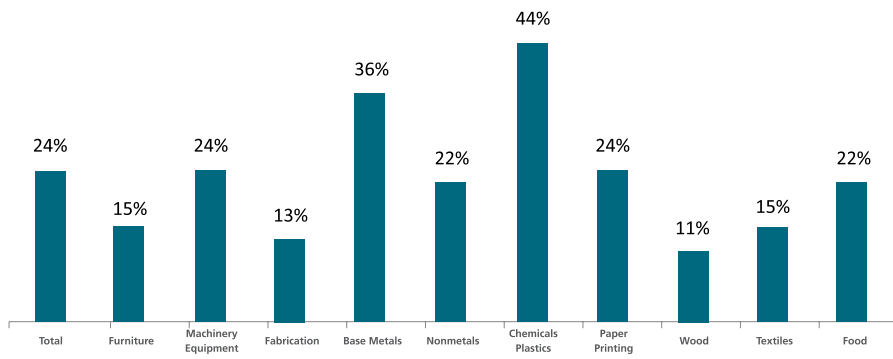


Source: GASTAT

Figure (3) shows the key ratio of Saudi labor to total labor force in the non-oil manufacturing sector in 2016. Chemicals and plastics ranked first (44%), followed by base metals (36%), paper and printing and machinery and equipment (24% each), non-metals and food products (22% each), furniture and textile products (15% each) and fabrication (13%). The percentage of Saudi labor falls short of ambitions as it does not exceed 24% of total employment in the non-oil manufacturing sector. This emphasizes the importance of enhancing employment of the national labor force in the industrial sector by developing the industrial structure to create more rewarding employment opportunities for citizens.

Figure (3)

Ratio of Saudi labor to total labor force by industrial activity in 2016



Source: GASTAT





SIDF Performance Review



Dr. Ibrahim Saad Al-Mojel
Director General

SIDF Performance Review

Lending Activity during The Fiscal Year 1438 / 1439H (2017):

SIDF has continued its outstanding performance in developing the local industrial sector. The number of loans approved by the Fund during the year amounted to 137 worth SR 10.571 billion. The loans helped to set up 120 new industrial projects and expand 17 existing ones with total investments of SR 45,361 million. The amounts disbursed during the year stood at SR 7,419 million, increasing by 11% of the total amounts disbursed in the preceding year. On the other hand, the loans repaid by borrowers during the year totaled SR 4,296 million.

SIDF approvals during 1438 / 1439H (2017) indicate that the new industrial projects' share of SIDF total approved loans was greater than the expansion projects' share. During the year, 120 loans were extended to finance new projects with a total value of SR 9.234 billion, accounting for 88% and 87% of the total number and value of SIDF approved loans respectively.

SIDF lending activity during the fiscal year 1438 / 1439H (2017) featured the increase of loans provided to projects located in the promising regions and cities in terms of number (45%) and value (26%) of the total of SIDF approved loans. This is in comparison to 14% and 15% of the total number and value of loans respectively which had been approved for such projects before the new lending policy has come into effect as financing has increased from 50% to 75% of the project cost and repayment period has been extended from 15 to 20 years.

SIDF Loan Approvals in 2017

SR **10.5** Billion

137 Loans

120 New Projects
17 Expansion Projects

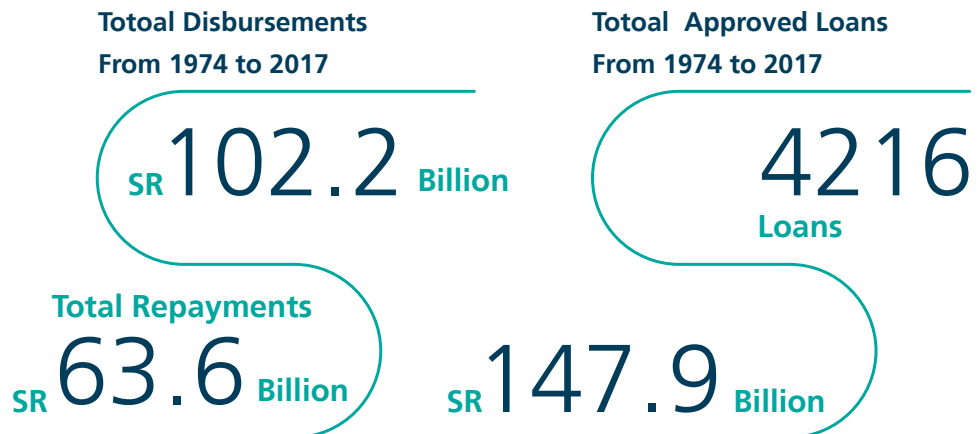
SR **45.3** Billion Total Investment



A Loan Committee meeting

A further feature of SIDF achievements during 14381439/H (2017) is the high percentage of loans approved to small industrial projects (loan up to SR 15 million) as they constituted 56% of the total number of loans approved by the Fund during the year.

Overall, the Fund approved 4216 loans since its inception in 1394H until FY-end of 14381439/H (2017), with a value of SR 147,939 million. The loans helped to set up 3,108 new projects and expand 1,108 existing ones all over the Kingdom. Furthermore, the loans disbursed under these approved commitments totaled SR 102,240 million of which SR 63,629 million were repaid. This highlights the success of SIDF-financed projects and its professional expertise and advisory services provided to them in the technical, administrative, financial, and marketing fields.



SIDF Performance Review

Chemical Industries:

Cumulative Loan Amount:

This sector has been leading all other sectors with a total loan amount of SR 59,588 million representing 40.3% of the total value of loans approved by the Fund since its inception until the end of the fiscal year 1438 / 1439H (2017).

Approved Loans During 1438 / 1439H (2017):

During 1438 / 1439H (2017), SIDF approved 48 loans for this sector valued at SR 6,770 million. They represent 35% and 64% of the total number and value of loans approved during the year respectively and ranking this sector first in terms of the number and value of approved loans. The loans helped the setting up of 42 new projects and expansion of 6 existing ones.

Among the loans committed to this sector were 4 loans valued at SR 3,200 million to set up two benzene projects in Yanbu, one loan of SR 900 million for a soda ash project in Ras Alkhair, two loans of SR 800 million for two linear alkyl benzene and solvent projects in Yanbu, two loans of SR 95 million for two medical waste management projects in Jubail and Sudair and a loan of SR 300 million for a petroleum coke project in Jubail.

The Fund's approved loans to expansion projects included two loans of SR 479 million for ethylene and monoethylene glycol plants in Jubail, and a loan of SR 29 million for a plastic container project in Jeddah.

Approved Loans Chemical Industries Until The End of 2017

SAR 59.5 Billion

%40.3 of the Total Amount



Engineering Industries:

Cumulative Loan Amount:

This sector comes second with a total loans amount of SR 30,770 million representing 20.8% of the total value of loans approved by the Fund since its inception until the end of the fiscal year 1438 / 1439H (2017).

Approved Loans During 1438 / 1439H (2017):

During 1438 / 1439H (2017), SIDF approved 36 loans for this sector valued at SR 2,222 million, representing 26% and 21% of the total number and value of loans approved during the year respectively and ranking this sector third and second in terms of the number and value of approved loans respectively. The loans helped setting up of 33 new projects and expansion of 3 existing ones.

The loans committed to this sector included two loans of SR 1,289 million for gold alloy projects in Taif and Abha, two loans of SR 471 million for gas turbine projects in Dammam and Sudair, two loans of SR 63 million for metal structure projects in Dammam and Makkah Mukarramah, one loan of SR 37 million for a sand filter project in Dammam and one loan for a pump project in Sudair.

SIDF loans extended to expansion projects in this sector included two loans of SR 32 million for steel pipe and alloy projects in Dammam and a loan of SR 21 million for a wire factory in Jubail.

Approved Loans Engineering Industries Until The End of 2017

SAR 30.7 Billion

%20.8 of the Total Amount



Consumer Industries:

Cumulative Loan Amount:

This sector comes third with a total loans amount of SR 24,057 million representing 16.2% of the total value of loans approved by the Fund since its inception until the end of the fiscal year 1438 / 1439H (2017).

Approved Loans During 1438 / 1439H (2017):

During 1438 / 1439H (2017), SIDF approved 39 loans for this sector valued at SR 1,233 million, representing 28% and 12% of the total number and value of loans approved during the year respectively and ranking this sector second and third in terms of the number and value of approved loans respectively. The loans helped setting up of 34 new projects and expansion of 5 existing ones.

The loans committed to this sector included a loan of SR 224 million for a water distillation plant in Khafji, a loan of SR 74 million for a fish processing factory in Rabigh, 3 loans of SR 57 million for feedstock projects in Nairyah (two) and Tabuk (one), and a loan of SR 35 million for a textile factory in Riyadh.

The loans extended to expansion projects included a loan of SR 442 million for a milk processing project in Kharj, two loans of SR 42 million for water bottling projects in Tabuk and Wadi Aldwaser and a loan of SR 27 million for poultry feed in Yanbu.

Approved Loans Consumer Industries Until The End of 2017



Cement Industry:

Cumulative Loan Amount:

This sector comes fifth with a total loans amount of SR 12,503 million representing 8.5% of the total value of loans approved by the Fund since its inception until the end of the fiscal year 1438 / 1439H (2017).

Approved Loans for Cement Until The End of 2017



Other Building Materials Industries:

Cumulative Loan Amount:

This sector comes fourth with a total loans amount of SR 13,965 million representing 9.4% of the total value of loans approved by the Fund since its inception until the end of the fiscal year 1438 / 1439H (2017).

Approved Loans During 1438 / 1439H (2017):

During 1438 / 1439H (2017), SIDF approved 8 loans for this sector valued at SR 153 million, representing 6% and 1.5% of the total number and value of loans approved during the year respectively and ranking this sector fourth and fifth in terms of the number and value of approved loans respectively. The loans helped setting up of 7 new projects and expansion of one existing project.

The loans committed to this sector included a loan of SR 28 million for a marble tile project in Turaif, two loans of SR 24 million for glass sheet projects in Jeddah and Hail. One red brick project in Nisah was supported with an expansion loan of SR 77 million.

Approved Loans Other Building Materials Until The End of 2017



Other Industries:

Cumulative Loan Amount:

This sector comes sixth with a total loans amount of SR 7,056 million representing 4.8% of the total value of loans approved by the Fund since its inception until the end of the fiscal year 1438 / 1439H (2017).

Approved Loans During 1438 / 1439H (2017):

During 1438 / 1439H (2017), SIDF approved 6 loans for this sector valued at SR 193 million, representing 4% and 2% of the total number and value of loans approved during the year respectively and ranking this sector fifth and fourth in terms of the number and value of approved loans respectively. The loans helped setting up of 4 new projects and expansion of two existing ones.

The loans committed to this sector included a loan of SR 12 million for a warehousing project in Riyadh, and the expansion loans included a loan of SR 155 million for water distribution in the industrial cities of Jubail.

Approved Loans Consumer Until The End of 2017



Projects Which Commenced Production During 1438 / 1439H (2017):

SIDF-financed industrial projects which started commercial production during 1438 / 1439H (2017) totaled 47 projects, out of which 34 are new and 13 are expanded as shown below:

Sector	Number of Projects that Commenced Production in 2017	Estimated Labor
Consumer	16	826
Chemicals	16	637
Engineering	6	715
Building Materials	6	229
Other Industries	3	216
Total	47	2623

Distribution of Loans by Region:

A review of the geographical distribution of the total number and value of approved loans by region Kingdom-wide reveals a pattern of distribution as follows:

Riyadh Province:

Cumulative Loan Amount:

SIDF's cumulative number of loans committed to set up industrial projects in Riyadh Province stood at 1,543 loans provided to finance 1,116 projects, accounting for nearly 37% of the total loans approved by SIDF since its inception until the end of 1438 / 1439H (2017). This places Riyadh Province in the first and second ranks in terms of number and value of approved loans respectively. SIDF loans to projects located in Riyadh Province totaled SR 27,632 million, representing about 19% of the total loans amount.

Approved Loans During 1438 / 1439H (2017):

During 1438 / 1439H (2017), SIDF approved 46 loans worth SR 1,168 million to set up 42 new projects and expand 4 existing ones in Riyadh Province, representing approximately 34% and 11% of the total number and value of approved loans respectively. This ranks Riyadh Province first and fourth in terms of number and value of approved loans respectively during the reporting year.

Makkah Province:

Cumulative Loan Amount:

SIDF's cumulative number of loans committed to set up industrial projects in Makkah Province stood at 1,029 loans totaling SR 24,791 million to finance 731 projects. This ranks Makkah Province third in terms of number (24%) and value (17%) of loans approved by the Fund since its inception until the end of 1438 / 1439H (2017).

Approved Loans During 1438 / 1439H (2017):

During 1438 / 1439H (2017), SIDF approved 30 loans worth SR 1,713 million to set up 28 new projects and expand 2 existing ones in Makkah Province, representing 22% and 16% of the total number and value of approved loans respectively. This ranks Makkah Province second (repeat) and third in terms of number and value of approved loans respectively during the reporting year.



Cumulative Loan Amount

1543 Loans

1116 New Projects

27.6 Billion Riyals



Cumulative Loan Amount

1029 Loans

731 New Projects

24.7 Billion Riyals

Eastern Province:

Cumulative Loan Amount:

SIDF's cumulative number of loans committed to set up industrial projects in the Eastern Province stood at 1,106 loans totaling SR 60,544 million to finance 790 projects. This ranks the Eastern Province first and second in terms of number and value of loans approved by the Fund since its inception until the end of 1438 / 1439H (2017) as they account for 26% and 41% respectively. The high value of total loan amount in comparison to their number is attributed to the huge investments in Jubail.

Approved Loans During 1438 / 1439H (2017):

During 1438 / 1439H (2017), SIDF approved 30 loans worth SR 2,943 million to set up 22 new projects and expand 8 existing ones in the Eastern Province, representing 28% and 22% of the total number and value of approved loans respectively. This ranks the Eastern Province second and second (repeat) in terms of number and value of approved loans respectively during the reporting year.

Madinah Province:

Cumulative Loan Amount:

SIDF's cumulative number of loans committed to industrial projects in Madinah Province stood at 198 loans totaling SR 20,059 million to finance 160 projects. This ranks Madinah Province fourth in terms of number and value of loans approved by the Fund since its inception until the end of 1438 / 1439H (2017) as they account for 5% and 14% respectively. The high value of total loan amount in comparison to their number is attributed to the huge investments in Yanbu.

Approved Loans During 1438 / 1439H (2017):

During 1438 / 1439H (2017), SIDF approved 17 loans worth SR 4,519 million to set up 16 new projects and expand an existing one in Madinah Province, representing 12% and 43% of the total number and value of approved loans respectively. This ranks Madinah Province first and fourth in terms of number and value of approved loans respectively during the reporting year.



Cumulative Loan Amount

1106 Loans

790 New Projects

60.5 Billion Riyals



Cumulative Loan Amount

198 Loans

160 New Projects

20 Billion Riyals

Jazan Province:

Cumulative Loan Amount:

SIDF's cumulative number of loans committed to industrial projects in Jazan Province stood at 48 loans totaling SR 4,160 million to finance 41 projects (1% and 3% of the total number and value of loans respectively). This ranks Jazan Province sixth in terms of value of loans approved by the Fund since its inception until the end of 1438 / 1439H (2017).

Approved Loans During 1438 / 1439H (2017):

During 1438 / 1439H (2017), SIDF approved 2 loans worth SR 13 million to set up 2 new projects in Jazan Province, ranking it sixth (repeat) and seventh in terms of number (1%) and value of approved loans respectively during the reporting year. The Province benefited from the new policy for less developed regions as financing increased from 50% to 75% and repayment period extended from 15 to 20 years.

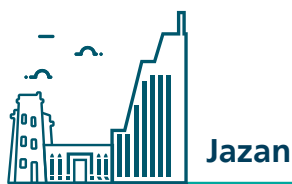
Hail Province:

Cumulative Loan Amount:

SIDF's cumulative number of loans committed to industrial projects in Hail Province stood at 40 loans totaling SR 2,306 million to finance 39 projects. This ranks Hail Province eighth and seventh in terms of value and number of loans approved by the Fund since its inception until the end of 1438 / 1439H (2017) as they account for 1% and 2% respectively.

Approved Loans During 1438 / 1439H (2017):

During 1438 / 1439H (2017), SIDF approved 2 loans worth SR 16 million to set up 2 new projects in Hail Province, ranking it sixth and sixth (repeat) in terms of number and value of approved loans respectively during the reporting year. The Province also benefited from the new policy for less developed regions.



Cumulative Loan Amount

48 Loans

41 New Projects

4.1 Billion Riyals



Cumulative Loan Amount

40 Loans

39 New Projects

2.3 Billion Riyals

Qassim Province:

Cumulative Loan Amount:

SIDF's cumulative number of loans committed to set up industrial projects in Qassim Province stood at 92 loans totaling SR 1,647 million to finance 79 projects. This ranks Qassim Province sixth and eighth in terms of number and value of loans approved by the Fund since its inception until the end of 1438 / 1439H (2017) as they account for 2% and 1% respectively.

Approved Loans During 1438 / 1439H (2017):

During 1438 / 1439H (2017), SIDF approved 2 loans worth SR 7 million to set up one new project and expand an existing one in Qassim Province. This ranks it sixth (repeat) and eighth in terms of number and value of approved loans respectively during the reporting year.



Cumulative Loan Amount

92 Loans

79 New Projects

1.6 Billion Riyals

Other Provinces of The Kingdom:

Cumulative Loan Amount:

SIDF's cumulative number of loans committed to set up industrial projects in the other Provinces stood at 160 loans totaling SR 6,799 million to finance 152 projects, accounting for 4% and 5% respectively of the number and value of loans approved by the Fund since its inception until the end of 1438 / 1439H (2017).

Approved Loans During 1438 / 1439H (2017):

During the year 1438 / 1439H (2017), the Fund approved 8 loans totaling SR 191 million to set up 7 new projects and expand one project located in the other provinces of the Kingdom. The projects are distributed as four projects in Asir, and one project in Jouf, Tabuk and Northern Frontier provinces.

Other Provinces

Cumulative Loan Amount

160 Loans

152 New Projects

6.7 Billion Riyals

Table (2)

Geographical Distribution of Loans by The End of 1438/1439-H (2017)

Province	Approved Loans Number	Approved Loans Value (SAR million)
Riyadh	1543	27,632
Makkah	1029	24,791
Eastern Province	1106	60,544
Madinah	198	20,059
Jazan	48	4,160
Hail	40	2,306
Qassim	92	1,647
Other Provinces	160	6,799
Total	4,216	147,939

Financing of Joint Ventures

Since its inception, SIDF has spared no efforts in promoting the implementation of industrial joint venture projects given that foreign direct investment (FDI) is a cornerstone for modern technology transfer to the Kingdom, new job creation for Saudi citizens and GCC market access for local products. The Fund has been particularly keen on attracting leading foreign investors. It treats wholly or partly foreign-owned projects on an equal footing with projects wholly or partly owned by Saudi investors.

Since its inception to the end of the FY 1438 /1439H (2017), The Fund financed 730 joint ventures accounting for 23% of total approved projects with loans totaling SR 58,085 million representing 39% of the total value of approved loans. The foreign partners' capital shares in these projects represent 33% of the total capital invested.

It is worth mentioning that in 137 JV projects, for which SIDF provided loans amounting to SR 7,586 million, have been wholly transferred to Saudi investors after successful operation

and full repayment of their debts.

The chemical sector surpassed all industrial sectors in terms of value of loans approved for JVs since SIDF inception to the end of 1438 /1439H (2017) with a share of 55% due to the huge capital invested in such projects, followed by the engineering sector (29%) and the consumer sector (7%).

During the reporting year 1438 / 1439H (2017), the Fund approved 15 loans to set up 14 new joint ventures and expand an existing one with a total value of SR 4,756 million, representing about 45% of the total Fund's approved loans during the year. 8 loans were provided to finance projects in the chemicals sector, 5 loans to the engineering sector and two loans for the consumer sector.

The SIDF-financed joint ventures created 794 new jobs, representing 10% of the total number of jobs created by SIDF-financed projects during the year 1438/1439H (7676 opportunities).

Financial of Joint Ventures

730
Projects

SAR 58 Billion Riyals



Strategy Development Project:

As directed by its Board of Directors, the Fund is currently developing its business strategy in line with the outputs of the National Industrial Development and Logistics Program and National Industrial Strategy. The development project commenced in December 2017 and the implementation plan is expected to start in February 2018.

The project aims to transform the Fund into the main financial enabler for industrial transformation in the Kingdom by aligning its strategy with the objectives of the National Industrial Development and Logistics Program to satisfy the financial requirements of targeted sectors.

Implementation Components:

- Identify and review the Fund's current internal procedures, products and governance.
- Identify the Fund's strategy (i.e. objectives and priorities) in line with the Vision 2030, the National Industrial Strategy and National Industrial Development and Logistics Program.

- Identify and develop SIDF services and products in line with the National Industrial Development and Logistics Program, while streamlining loan application procedures.
- Streamline loan application procedures for SMEs and review their guarantee requirements.
- Design the new operational and governance models in conformity with the Fund's new strategy and updated charter.
- Draw up the operational plan and start the Fund's transformation initiatives.

Participation in The National Industrial Strategy Team:

The project aims to regulate the industrial sector in the Kingdom by identifying priority sectors, and to provide and develop the enablers that support the initiatives and objectives of the Vision 2030 and the National Transformation Program 2020.



Management and Implementation of The Transformation Program Projects:

Manage, implement and report on the initiatives and projects of the Fund's strategy and related technical projects, and activate change processes to ensure successful transformation.

Creation of Performance Indicators for Departments and Individuals:

Key performance indicators help the Fund's senior management assess the performance of the organization, as well as individual departments and staff. This data will ultimately feed the evaluation process and give a better reflection of individual performance and encourage departments and staff to improve their performance. Performance indicators, scorecards and targets for all SIDF departments and individuals for the coming year have been completed.

Reconsideration of Targeted Business Procedures:

SIDF business procedures (TO-BE) were completed and reflected in ARIS system and they will be automated in the SAP-based loan and customer service management system. Moreover, the procedures of K2 lending system have been documented to give employees a clear vision of their role through such procedures. The system performs a test that simulates a specific work procedure and suggests best practices in the field. The main goal is to accelerate the lending process and other support operations.

Launch of Creativity Initiative "Ibda":

Ibda was designed to get the most innovative ideas from SIDF staff to help reduce costs, increase revenues, improve procedures, add value gained, develop business products, and improve the working environment. It is a communication channel between the Fund and its staff to bring new and creative ideas.

Human Resources and Training



SIDF has managed to attract and employ qualified Saudi professionals to occupy various positions in the Fund. Employment procedures are closely linked to career development and progression programs which cover financial analysis, auditing, information technology, marketing, accounting/financial sciences, management, technical consultancy/studies, legal studies...etc.

During the fiscal year 1438 / 1439H (2017), 609 in-house and overseas training programs were provided for 1321 Saudi employees, including specialized basic courses, master's degrees, short courses, workshops, seminars and professional conferences, out of which 19 employees attended specialized basic courses abroad, including master's degrees and financial analysis. 394 and 553 Saudi employees attended short courses outside and inside the Kingdom respectively, and 118 Saudis

attended conferences inside and outside the Kingdom. 222 employees attended short courses in the Fund out of which 27 attendants came from governmental and private sectors. 15 Saudis from different universities have been provided with on-the-job professional and practical cooperative training in many SIDF departments.

SIDF has invariably capitalized on its good relations with similar financial institutions and professional events inside and outside the Kingdom to harness the skills of its Saudi staff through effective participation in specialized and professional conferences, seminars, and workshops organized by such institutions. This collaboration ensures a valuable exchange of professional expertise which instrumentally improves the competencies of Saudi professionals and consequently contributes to the impressive performance of the Fund. In addition, the



Fund's good relationship with the Saudi universities has been utilized by participating in annual profession days and attracting university students for cooperative training in many departments of the Fund.

Due to its advanced financial and administrative systems, SIDF has successfully implemented the Saudization programs planned for the fiscal year 1438 / 1439H as 52 Saudis have been hired to fill various vacancies in SIDF departments as budgeted.

Major Achievements of Human Resources Department in 2017:

- Review and update all human resources policies and make them available to SIDF employees through open meetings and via the intranet.
- Update job descriptions of all functions in the Fund.
- Approve replacement and succession plans for leading and supervisory positions.
- Sign the housing loan agreement with Bank Albilad and organize introductory meetings for all employees, contract the Company for Cooperative Insurance (Tawuniya) and join LinkedIn for recruitment.
- Automate HR procedures and launch SAP Mawared (Sprint 2).
- Archive staff profiles within the Content Management System.



Digitalization

Business Procedure Automation

The Fund is currently automating all procedures to render services to clients efficiently and effectively. For this goal, many projects are being implemented including business procedure automation system, SAP Mawared and KPI dashboard. The Fund's main data center has been expanded to increase efficiency and satisfy future requirements, and several systems are planned to launch in the future such as the lending management system, customer relationship management, and new applications for smart devices.

Digitalization Plan Projects:

In response to royal decisions, government initiatives and the National Transformation Plan 2020, the Fund has been paying great attention to the use of modern technology and is currently implementing a strategic plan to shift to electronic transactions. It participated in the seventh measurement of e-government transformation for the year 1438 / 1439H (2017)

and achieved a distinguished achievement of 87% in the excellence and improvement phase, while ranking second among the government institutions classified in the sector of planning, development and investment. This highlights the compatibility of the electronic services provided by the Fund with the requirements of the measurement model and its ability to provide relevant data and information. In the same context, the Fund launched several systems, applications and initiatives to facilitate procedures and enhance internal capabilities.

The projects are classified into three categories:

1. E-Services projects: external and internal electronic services for SIDF clients and employees.
2. Infrastructure projects: data security projects, networking, audio and video communication and the data center.
3. IT internal processes development projects: projects focusing on the best global practices.



Main Projects of Information Technology Department:

1. ISO certification renewal (ISO9001, ISO27001, ISO20000).
2. Creative Solution Award for Business Processes Automation in the Middle East from K2 company.
3. Electronic connectivity with 29 government entities.
4. Automation of final loan application evaluation.
5. Automation of loan approval procedure.
6. Launch of loan inquiry service for government entities.
7. Launch of SAP (Sprint 2)
8. Launch of digital authentication service
9. Launch of Content Management System (for PCs and smart devices)
10. Launch of Muralat (for PCs and smart devices)
11. Electronic archiving of more than 500,000 documents
12. Development of non-borrowing certification system
13. Development of client complaint system
14. New policies, procedures and applications in the data security field
15. Expansion of the main data center





In Focus

In Focus

Role of Industry in Economic Growth

Overview

Since the first Industrial Revolution, industry has contributed significantly to the tremendous development of the global economy as it is the center of structural transformation in economy and the main cause of development in production, employment and technology. This has contributed to an unprecedented increase in the economic growth and wealth of nations.

Industrial production currently constitutes about 71% of goods international trade volume. The volume of international industrial exports has more than tripled since the beginning of the last decade, rising from \$4.7 trillion in 2000 to \$11.3 trillion in 2016.

Saudi Arabia has shifted its focus to sectors other than oil because of fluctuations in oil prices that have led to disparities in revenues and, consequently, inability to achieve sustainable development. The Kingdom needs sustainable energy and exploration of new sectors for future growth by focusing on demand for industrial and defense equipment, renewable energy and mining infrastructure. In addition, the Kingdom needs to provide many job opportunities for unemployed youth and those who are about to enter the market. Therefore, development activities such as industry are a prerequisite for economic prosperity. The industry currently accounts for approximately 12% of GDP, and the Vision 2030 aims to raise its contribution to higher levels with a focus on the shift to high-tech industries towards the 4th Industrial Revolution. To accomplish this goal, existing and new projects will have to use modern machinery and technologies, which in turn will lead to the development of the industrial base in the Kingdom and help industry to play its pivotal role in economic growth and job creation.

Industry and Growth: A Global Guide

The report of the World Bank's High-Level Committee on sustainable growth strategies and inclusive development suggests common features among countries that have achieved a long period of sustained growth since the end of World War II. It is known as one of the continuous growth periods in GDP per capita with more than 7% annually for at least 25 years. Development in ten of the 13 countries like Japan, Korea, and China that have achieved such long sustainable growth period is industry-based.

These countries have not achieved such rapid industrial growth by chance but through the policies they have adopted to guide the private sector to hastily upgrade and diversify manufactured products. The policies have supported the sector by protecting it from foreign competition in the local market, providing export incentives and various forms of concessional financing, in addition to decisions related to interest and exchange rates, capital allocation, infrastructure and individual skills development. These policies aim to promote rapid growth of the industrial sector.

The industrial sector has the unique advantage of generating ever-growing dynamic returns. In other words, manufacturing has not only the ability to increase production to levels higher than inputs (i.e. the increase in returns to scale), but the faster the rate of industrial production, the faster productivity growth in the industry and across the economy in general and, consequently, growing dynamic returns are achieved.

Several studies applied to a group of developing countries have confirmed a positive relationship between industrial growth and GDP growth, as opposed to primary and service sectors. This means that industry is the main driver of GDP growth and job creation while the growth of other sectors, particularly many service sectors, depends on the growing

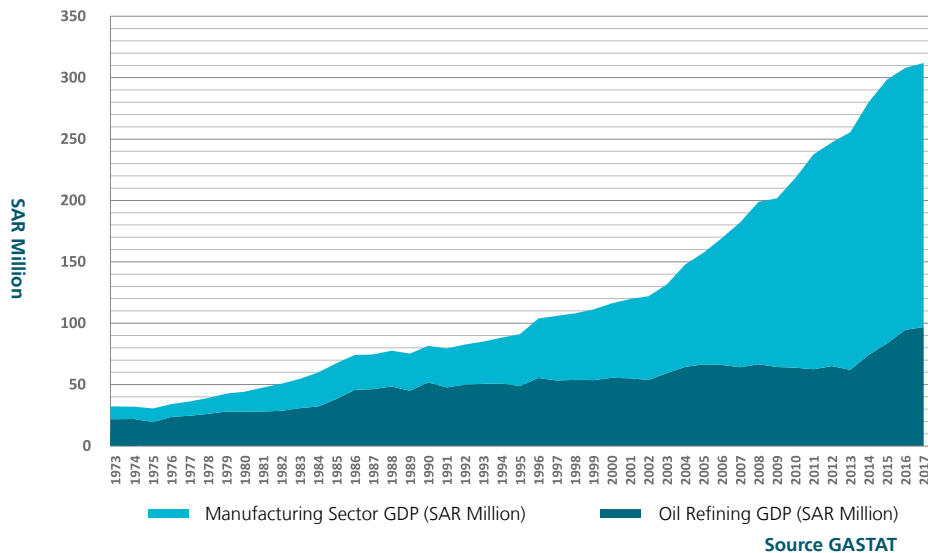
demand derived from GDP growth. Hence, growth and employment opportunities in most primary and service sector sectors are not the cause but the effect of GDP growth.

Industry in The Kingdom:

The Saudi economy relies heavily on oil as it accounts for 72% of government revenues. Oil exports constitutes 75% of total exports and its contribution to GDP is up to 43%. Heavy dependence on oil, large fluctuations in its prices and the new global transformation in available energy resources have pushed the Kingdom to promote the role of other income-generating sectors, especially the industrial sector, which has great potential to dramatically improve overall economic growth.

The size of the industrial sector in the Kingdom increased from SR 32 billion in 1974 to SR 312 billion in 2017. The sector clearly has come through a structural transformation during this period as the contribution of manufacturing (non-refining) industries to industrial output increased from 32% in 1974 to 69% in 2017 with one of the highest annual growth rates among all economic activities (8.4%).

Industrial Production Growth in The Kingdom (1974 - 2017)



The annual growth rate of non-oil industrial exports was 15% between 1984 and 2016, and its contribution to total exports increased from 1.4% to 21% during the same period despite the significant growth in oil exports. Today, the Kingdom ranks 37th in the industrial competitiveness index of the United Nations Industrial Development Organization (UNIDO), and 8th in the emerging industrial economies.

Despite their importance, these developments remain below the ambitions and potential for industrial sector growth in the Kingdom. This is the fundamental reason that the industrial sector has been specifically targeted in Vision 2030 with the objective of pushing it to higher levels.

Acceleration of Industrialization

Industrialization in countries is influenced by their production factors (labor quality, natural resources, energy cost, transportation, capital available). It depends on understanding demand trends and production capacity, as well as the realistic assessment of the country's strengths and weaknesses. Income levels have continued to rise in Saudi Arabia over the past decade, but low-cost national labor is not readily available. Consequently, the industrial base within in the Kingdom needs to shift from a low-cost, expatriate labor-based model to a more capital and technology-dependent model



(i.e. research and development industries) that will provide superior job opportunities for Saudi Nationals.

The continuity of industrial competitiveness relies on innovation; the key factor of productivity growth in any economy. Effective government innovation promotion policies usually focus on results and performance.

There are many ways to support innovation including financing of research and innovation in the robotics and advanced materials field where such innovations will create new markets. The government can also ensure that the results of such research and innovation are linked to companies that can transform them into products.

On the other hand, the government should work with the industrial sector and educational institutions to ensure that the skills acquired in educational institutions are commensurate with the labor market needs to help the youth take on manufacturing jobs. This includes development of specific training programs backed by commensurate certification that meet the needs of industry in the Kingdom at various levels. Supporting wages is not essential to avoid confrontation with the market forces. Instead, focus must be shifted to the development of advanced infrastructure and technology for training to sharpen the skills of young people which in turn will pave the way for them to succeed in jobs with higher income

and skills. In addition, networks must be built to connect job seekers with employers.

In another context, knowing the economics of industries with high energy consumption is critical to determining the right industrial policy options. At the same time, energy-intensive industries must reduce energy consumption per unit of output and reduce the share of energy costs to total costs. Energy conservation encouragement is an effective policy at the macro-economic level, even if it challenges some producers. In California, although stringent energy consumption regulations and rising electricity prices have raised manufacturing costs, they have been a boon to the state's economy in general due to the increase in jobs and income.

Achieving industrial development requires a strong commitment by the state to accomplish its carefully crafted objectives. It is important that such objectives are adopted by the private sector to facilitate the acceptance of policies aiming to achieve them. This integration between government and private sectors will help the industry grow and increase its contribution to value added, export growth and job creation. At the same time, this very important collaboration will continue to be an important source of innovative business development that will promote significant levels of inclusive and sustainable economic growth.



Technology and Manufacturing

Change is the new normal, and since the global economy is constantly evolving, the Kingdom must keep abreast of new developments. The differences in the level of technology are responsible for the difference in comparative advantages among countries, and this explains the orientation of manufacturing activities in developed countries to attract skilled labor. While less technologically advanced developing countries tend to produce less skill-intensive goods and, therefore, introducing modern technology to these countries will create more jobs for the more skilled workforce.

Soon, it will be increasingly important for the Kingdom to attract highly skilled labor and to rely on automation to reduce dependency on less skilled labor. In this way, it will be able to transform its industrial base into an advanced technology-based sector managed by highly skilled and paid labor. This will attract young Saudis as has been the case in the oil and petrochemical industries where Saudization levels are very high.

Technology has made the manufacturing process more capital-dependent and less labor-intensive, especially in developed countries where the cost of labor is high. Industrial companies need fewer workers in production but more workers in research and development for production, product

improvement, market research, sales and marketing... etc. In such an environment, traditional measures to maintain production functions, such as direct support, do not address the way jobs are created by the manufacturing sector. Today, the services sector creates eight out of ten new jobs, while each job in the industrial sector creates three to four jobs in other sectors. For that reason, the development of the industrial sector requires an upgrade to the supporting service sectors before, during and after the production process. This integration will provide the right platform for economic growth while creating more rewarding and sustainable jobs.

Historically, innovation in manufacturing has been the largest contributor to the productivity growth of national economies, and it is expected to continue improving productivity and growth in the coming decades. Our manufacturing sector players should begin developing automation of production processes and turning to high-tech industries to help them create higher value-added product. This is confirmed by the directions of the Vision 2030 and the industrial strategy.



SIDF Lending Statistics during 1438 / 1439H (2017)

SIDF Lending Statistics for The Fiscal Year 1438 / 1439H (2017)

Table (1)
Approved cumulative loans, Disbursements and Repayments (SAR Million)

Year	Repayments	Disbursements	Approved Loans
1428/1429H	30,283	47,458	75,617
1430/1431H	32,010	52,899	80,803
1431/1432H	34,641	59,401	87,391
1432/1433H	37,216	64,604	95,476
1433/1434H	41,526	70,662	105,415
1434/1435H	45,886	75,592	112,095
1435/1436H	50,346	81,276	117,987
1436/1437H	54,999	88,444	129,425
1437/1438H	59,333	94,821	137,368
1438/1439H	63,629	102,240	147,939

Figure (1)
Approved cumulative loans, Disbursements and Repayments (SAR Million)

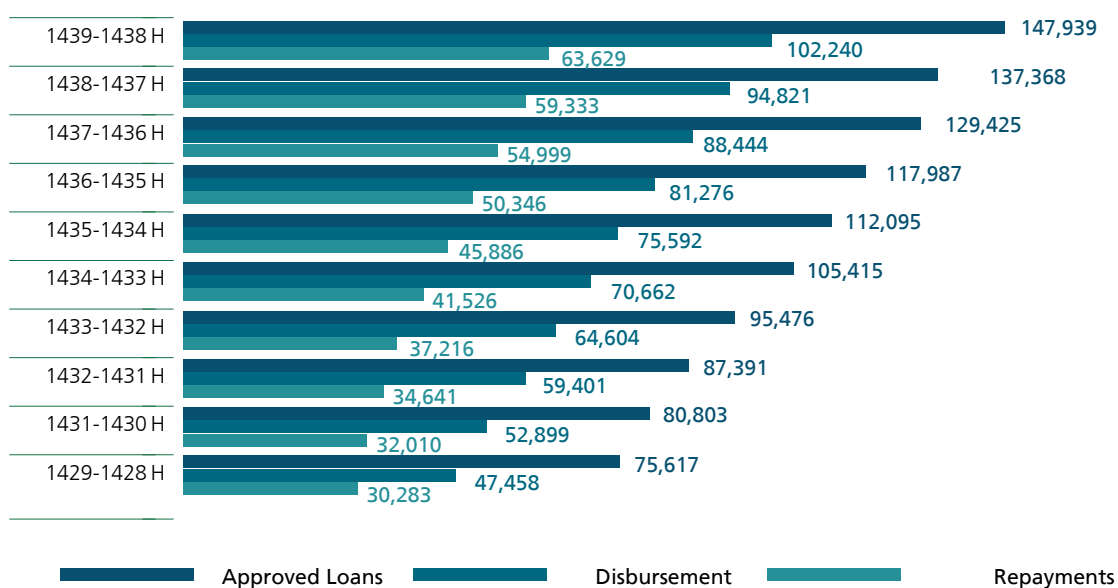
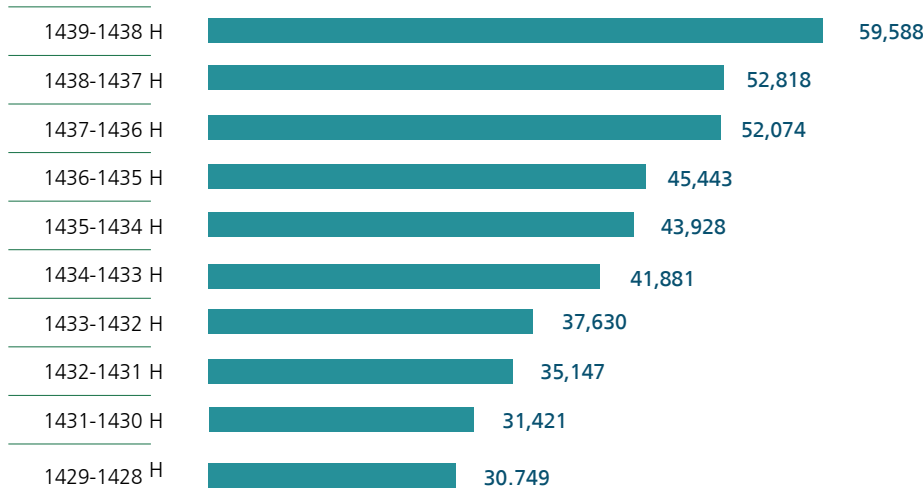


Table (2)
Cumulative amount of industrial loans approved by the Fund for the chemical sector (SAR Million)

Loan Amount	Year
30,749	1428/1429 H
31,421	1430/1431 H
35,147	1431/1432 H
37,630	1432/1433 H
41,881	1433/1434 H
43,928	1434/1435 H
45,443	1435/1436 H
52,074	1436/1437 H
52,818	1437/1438 H
59,588	1438/1439 H

Figure (2)
Cumulative amount of industrial loans approved by the Fund for the chemical sector (SAR Million)



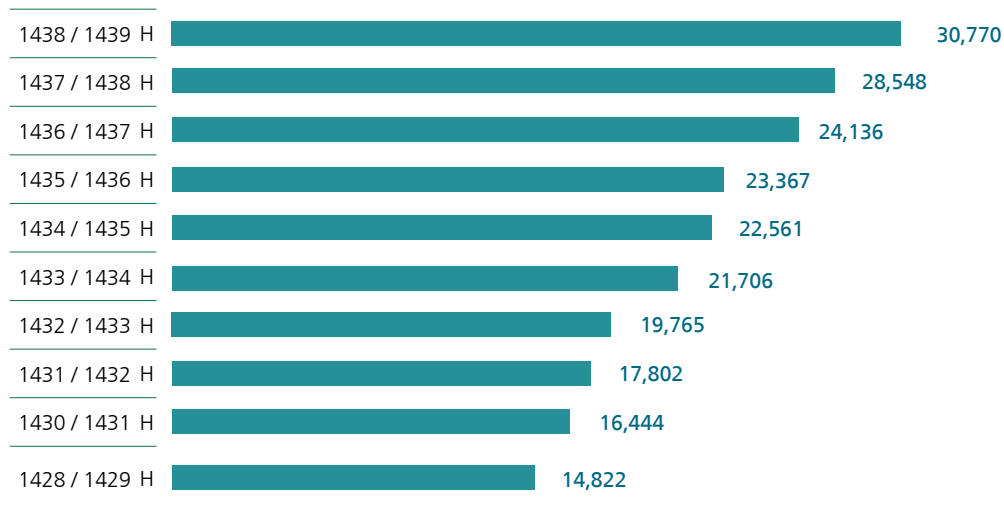
Chemical Industries



Table (3)
Cumulative amount of industrial loans approved by the Fund for the engineering sector
(SAR Million)

Years	Loan Amount
1428/1429 H	14,822
1430/1431 H	16,444
1431/1432 H	17,802
1432/1433 H	19,765
1433/1434 H	21,706
1434/1435 H	22,561
1435/1436 H	23,367
1436/1437 H	24,136
1437/1438 H	28,548
1438/1439 H	30,770

Figure (3)
Cumulative amount of industrial loans approved by the Fund for the engineering sector
(SAR Million)



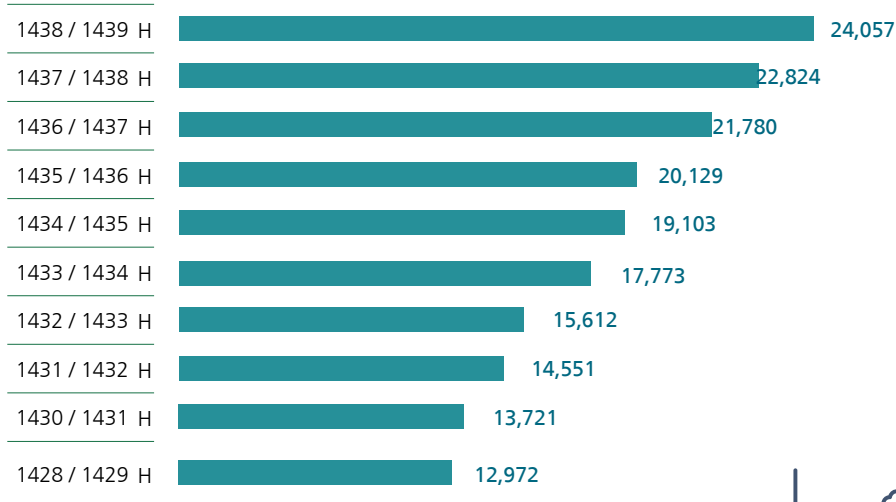
Engineering Sector



Table (4)
Cumulative amount of industrial loans approved by the Fund for the consumer sector
(SAR Million)

Years	Loan Amount
12,972	1428/1429 H
13,721	1430/1431 H
14,551	1431/1432 H
15,612	1432/1433 H
17,773	1433/1434 H
19,103	1434/1435 H
20,129	1435/1436 H
21,780	1436/1437 H
22,824	1437/1438 H
24,057	1438/1439 H

Figure (4)
Cumulative amount of industrial loans approved by the Fund for the consumer sector
(SAR Million)



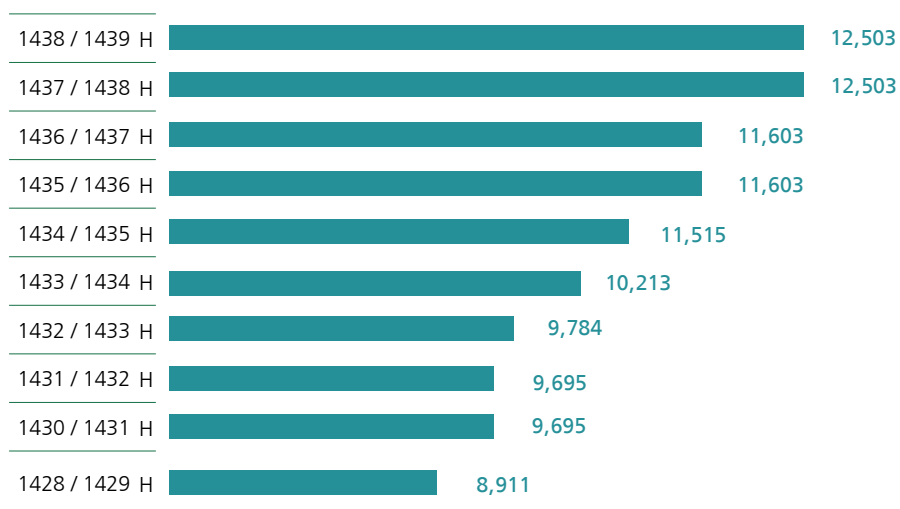
Consumer Sector



Table (5)
Cumulative amount of industrial loans approved by the Fund for the cement sector
(SAR Million)

Years	Loans Amount
8,911	1428/1429 H
9,695	1430/1431 H
9,695	1431/1432 H
9,784	1432/1433 H
10,213	1433/1434 H
11,515	1434/1435 H
11,603	1435/1436 H
11,603	1436/1437 H
12,503	1437/1438 H
12,503	1438/1439 H

Figure (5)
Cumulative amount of industrial loans approved by the Fund for the cement sector
(SAR Million)



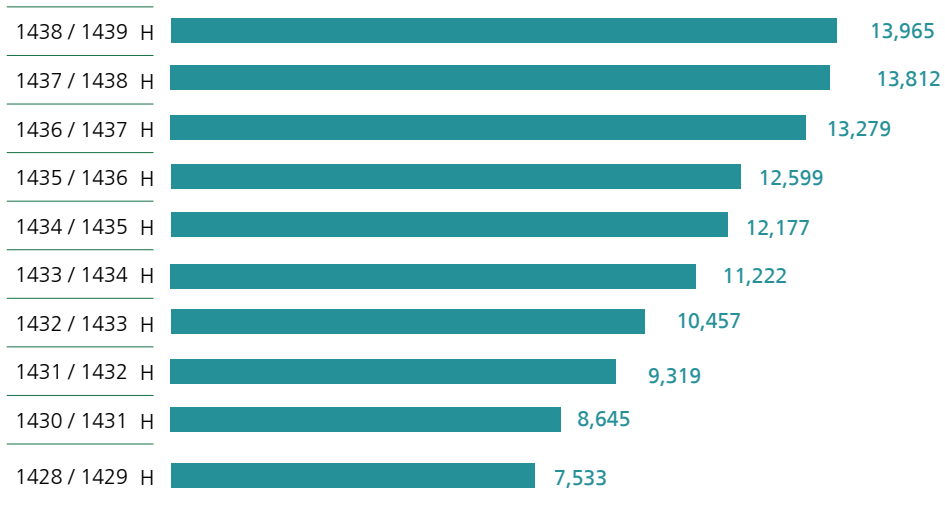
Cement Industries



Table (6)
Cumulative amount of industrial loans approved by the Fund for other construction materials sector
(SAR Million)

Years	Loans Amount
7,533	1428/1429 H
8,645	1430/1431 H
9,319	1431/1432 H
10,457	1432/1433 H
11,222	1433/1434 H
12,177	1434/1435 H
12,599	1435/1436 H
13,279	1436/1437 H
13,812	1437/1438 H
13,965	1438/1439 H

Figure (6)
Cumulative amount of industrial loans approved by the Fund for other construction materials sector
(SAR Million)



Consumer Sector



Table (7)
Number of new projects funded by the Fund (by sub-sector)

Sector	(2017) 1438/1439	Cumulative Total
Consumer	34	844
Food	18	398
Drinks and beverages	3	93
Textiles	4	86
Leather and alternatives	0	25
Wood products	2	26
Wood furniture	4	65
Paper products	3	114
Printing	0	37
Chemicals	42	801
Chemicals	22	377
Oil and gas products	8	50
Rubber products	0	24
Plastics	12	350
Construction materials	7	485
Ceramics	3	18
Glass products	3	78
Other materials	1	389
Cement	0	33
Engineering	33	852
Metals	23	525
Machinery and equipment	8	104
Electrical Equipment	1	152
Transport equipment	1	71
Other Sectors	4	93
Total	120	*3108

*Loan commitment for 648 projects has been terminated.

Table (8)**Amount of loans approved by the Fund (by sub-sector) (SAR million)**

Sector	(2017) 1438/1439	Cumulative Total
Consumer	1,233	24,057
Food	753	13,775
Drinks and beverages	280	2,666
Textiles	65	2,521
Leather and alternatives	0	141
Wood products	11	303
Wood furniture	35	521
Paper products	89	3,903
Printing	0	227
Chemicals	6,770	59,588
Chemicals	5,719	47,653
Oil and gas products	831	4,298
Rubber products	0	847
Plastics	220	6,790
Construction materials	153	13,965
Ceramics	19	1,965
Glass products	29	3,822
Other materials	105	8,178
Cement	0	12,503
Engineering	2,222	30,770
Metals	1,645	20,513
Machinery and equipment	536	1,513
Electrical Equipment	4	3,621
Transport equipment	37	5,123
Other Sectors	193	7,056
Total	*10,571	**147,939

* Approved to finance 120 new projects and expand 17 existing ones.

**Loan commitment of SR 15,147 million has been terminated or reduced.

Table (9)
Number of new projects funded by the Fund (by region)

Region	(2017) 1438/1439	Cumulative Total
Riadh	42	1116
Makkah	28	731
Madinah	16	160
Qassim	1	79
Eastern	22	790
Asir	4	59
Tabouk	1	14
Hail	2	39
Jazan	2	41
Najran	0	27
Baha	0	14
Jouf	1	25
Northern Frontier	1	13
Total	120	*3108

*Loan commitment for 648 projects has been terminated.

Table (10)
Amount of loans approved by the Fund (by region) (SAR million)

Region	(2017) 1438/1439	Cumulative Total
Riadh	1,168	27,632
Makkah	1,713	24,791
Madinah	4,519	20,059
Qassim	7	1,647
Eastern	2,943	60,544
Asir	111	1,265
Tabouk	46	620
Hail	16	2,306
Jazan	13	4,160
Najran	0	1,256
Baha	0	60
Jouf	7	349
Northern Frontier	28	3,250
Total	*10,571	**147,939

* Approved to finance 120 new projects and expand 17 existing ones.

**Loan commitment of SR 15,147 million has been terminated or reduced.



Manufacturing by Enabling

