



**Annual Report
2022**



Local investment is an important factor in diversifying a nation`s economy. After launching several national programs and creating the necessary environment, we encourage individuals to invest their capital locally as there are many lucrative opportunities available across all sectors. We aspire for our country to become a leading investment destination, particularly in areas that align with our strategy for growing the national economy and diversifying our sources of income. Our country possesses several competitive advantages, great potential, and promising opportunities that should be exploited.

His Majesty Sultan Haitham bin Tariq

- May Allah protect and bless him-

The board of directors and employees of Khazaen Economic City would like to express their thanks and appreciation to His Majesty.

Sultan Haitham bin Tariq

- May Allah protect and bless him -

We pledge to His Majesty and Oman to continue our unwavering support as a development partner in the journey of renewed renaissance, acknowledging the generous patronage of Khazaen Economic City as a promising economic tributary to our national economy.

May Allah safeguard Oman, its leader, and its people, and may the country experience more growth and advancement under His Majesty`s wise leadership.

Main Milestones



520

million USD
total investments value



300

million USD
total value of FDIs



92

total signed
investment agreements



3.2

million sqm total
area of developed
infrastructure



+20

undergoing industrial
logistical and pharmaceutical
projects



85%

percentage of leased
areas in phase 1



+300

created job
opportunities for Omanis



+7

attracted Saudi
logistical and industrial
investments



+7

signed investment
agreements in Foody
City



100%

Khazaen team is
composed of Omani with
experience in managing
and delivering projects.



+11

total number
of investors nationalities



100%

Operation in
Khazaen Dry Port and
Logistics Centre



Main Milestones



Khazaen Central Fruits and Vegetables Market and Food Industrial Cluster



Pharmaceutical City vaccines factories and medical sector supplies



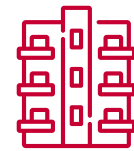
Logistics Centre with an area of 25,000 sqm



Environment-friendly factories and health supplies



Start of phase two development for the Logistics Industrial Cluster



First Labour Village with an area of 55,000 sqm



Business Centre and One Stop Shop



Awarded the tender for infrastructure works of phase two



Content

An aerial photograph of a city, likely Dubai, featuring a prominent bridge with a yellow railing in the upper right. The city's road network is visible, with a mix of green spaces and urban development. The overall scene is captured from a high angle, showing the layout of the city and its infrastructure.

Introduction

Main Milestones

Anchor Projects





Khazaen Economic City Is An Integrated National Project

Khazaen Economic City is a fully integrated national project that offers abundant opportunities for both local and foreign investors in key sectors. The city adheres to modern and sustainable standards, boasting advanced infrastructure that seamlessly integrates logistics, industry, technology, and business communities.

Public-private partnerships are crucial for economic growth, and Khazaen Economic City was established on this principle. The government facilitates investment while Khazaen acts as the primary developer, increasing the potential for attracting investment to the Sultanate.



Strategic Objectives



Contribute to economic diversification and increase of GDP.



Maximizing domestic spending on goods and services.



Maximizing the private sector's contribution to economic development.



Creating business opportunities for SMEs.

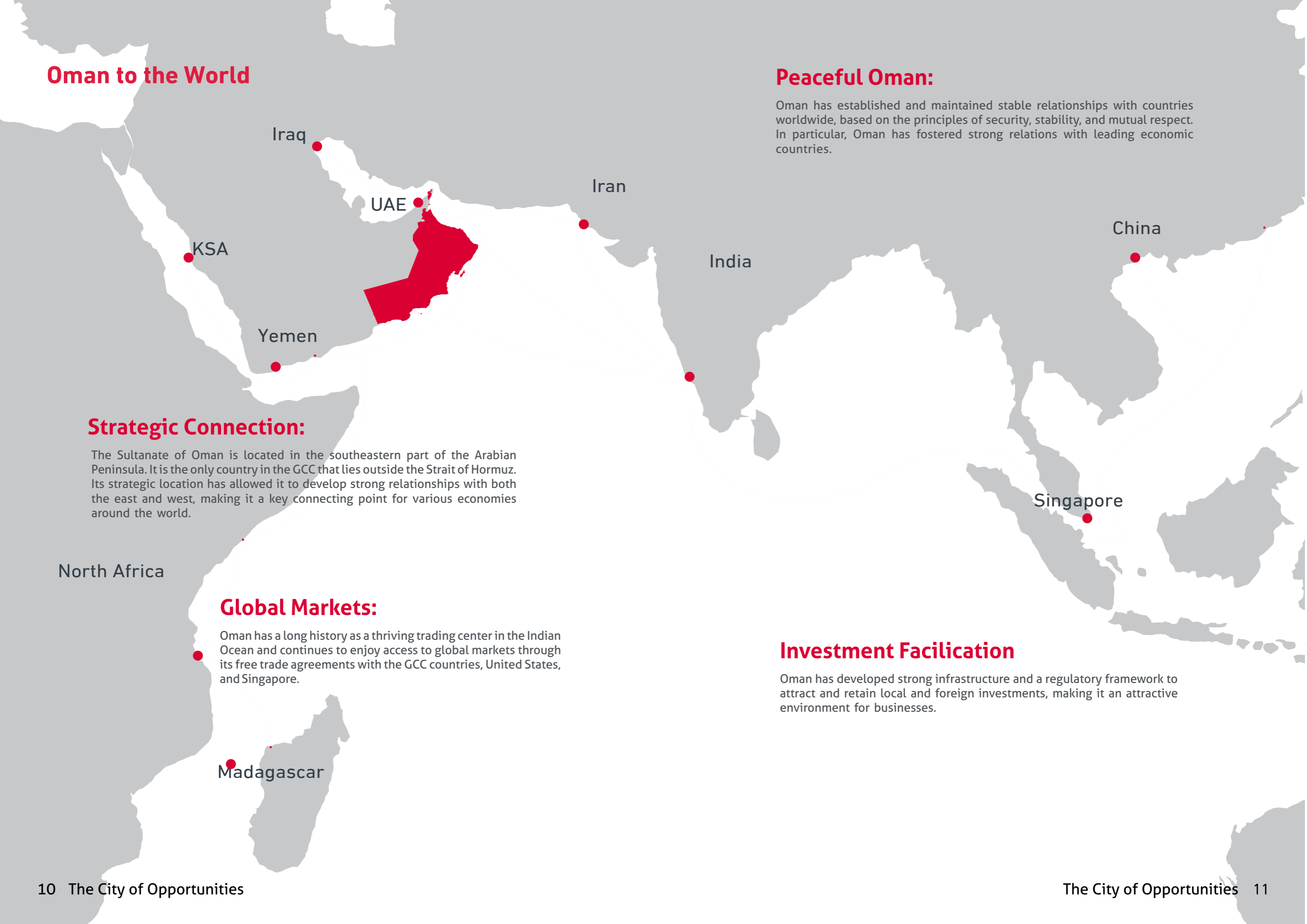


Attracting qualitative domestic and foreign investments with added value.



Creating job opportunities for Omanis in various sectors.

Oman to the World



Peaceful Oman:

Oman has established and maintained stable relationships with countries worldwide, based on the principles of security, stability, and mutual respect. In particular, Oman has fostered strong relations with leading economic countries.

Strategic Connection:

The Sultanate of Oman is located in the southeastern part of the Arabian Peninsula. It is the only country in the GCC that lies outside the Strait of Hormuz. Its strategic location has allowed it to develop strong relationships with both the east and west, making it a key connecting point for various economies around the world.

Global Markets:

Oman has a long history as a thriving trading center in the Indian Ocean and continues to enjoy access to global markets through its free trade agreements with the GCC countries, United States, and Singapore.

Investment Facilitation

Oman has developed strong infrastructure and a regulatory framework to attract and retain local and foreign investments, making it an attractive environment for businesses.

Khazaen Strategic Location:

Khazaen is located in Barka City in the Governorate of South Al Batinah and is geographically considered to be within Greater Muscat according to the urban development strategy. It is in the middle of the highest population density area and is growing rapidly in terms of population, expansion, and development in economic activities. Khazaen is linked to a solid logistical structure such as main roads and highways that connect the city with the most important borders, trade hubs, ports and airports in the Sultanate of Oman, and the city provides all the services and infrastructure necessary for major economic development.



Near Muscat Development Hub:

The city's close proximity to the Muscat and North Al Batinah governorates makes it an ideal location for investors, as 80% of the Sultanate's population can be reached within two hours by land. This provides a significant competitive advantage for any projects undertaken in the city and makes it a key driver of economic growth for the surrounding area.

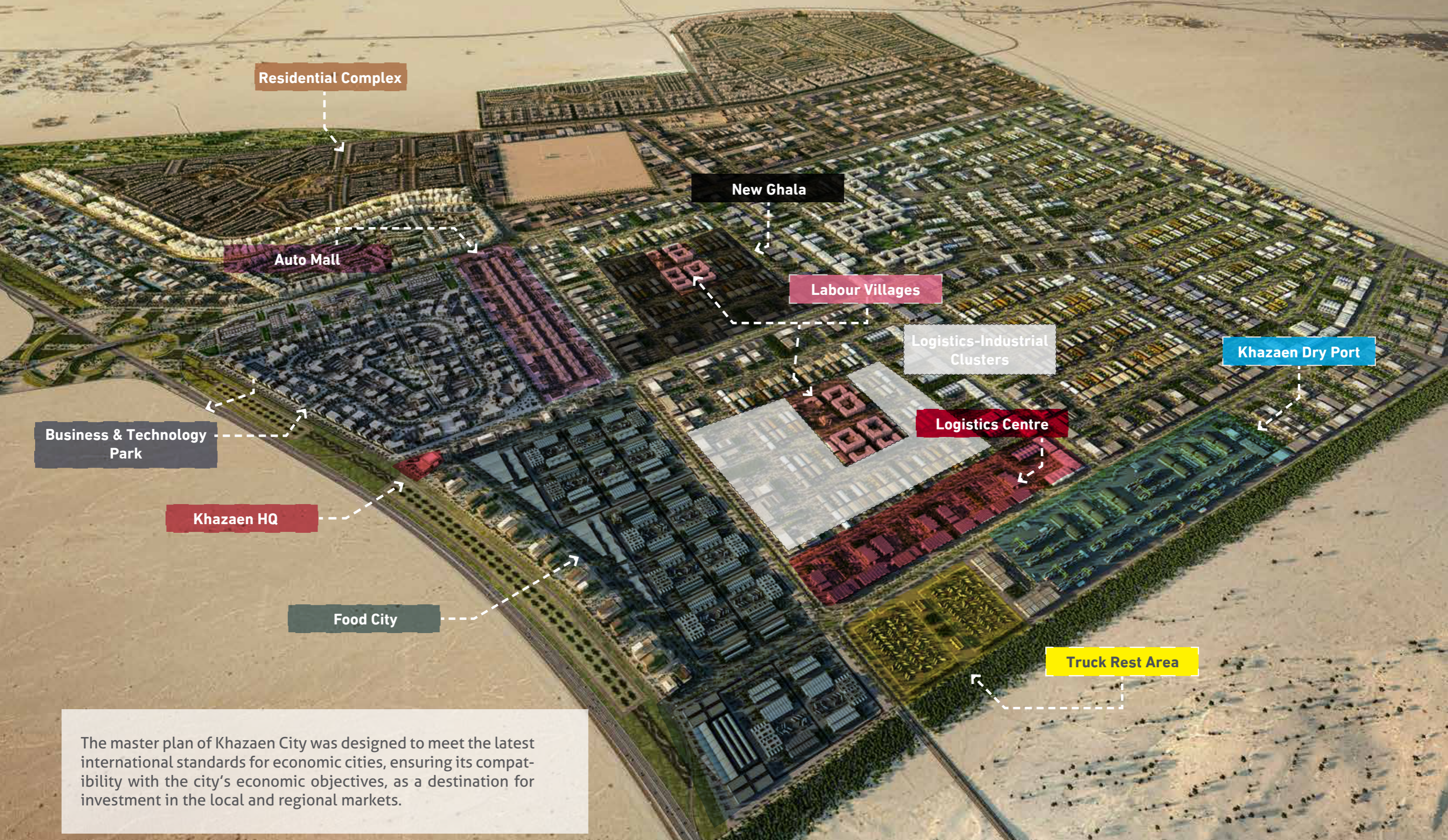
Direct Land Connection:

Khazaen's strategic location in relation to the Muscat-Al Batinah Expressway makes it easier to connect to roads leading to international land ports and the internal road network.

Various Transportation:

Khazaen Economic City is located in the heart of a logistical network, connecting it to various airports and ports in Oman. Its infrastructure includes the Muscat-Al Batinah Expressway, which provides access to international land ports and the internal road network. The city's connectivity is further enhanced by the inclusion of a railway in its infrastructure, making it an integrated economic city.

Modern Masterplan



Residential Complex

Auto Mall

Business & Technology Park

Khazaen HQ

Food City

New Ghala

Labour Villages

Logistics-Industrial Clusters

Logistics Centre

Khazaen Dry Port

Truck Rest Area

The master plan of Khazaen City was designed to meet the latest international standards for economic cities, ensuring its compatibility with the city's economic objectives, as a destination for investment in the local and regional markets.

Attractive Investment Incentives





Governmental facilitation



Competitive lease rates with no hidden cost



Lease & Ownership Flexibility



Investment agreements for a period up to 43 years



Various transportation



Reasonable construction costs



Strategic location near Muscat



%100 foreign ownership of projects



Clean energy solutions



Rental and administrative fees exemption for the first year



Full control in projects management, development, and execution



Wide areas ready for development



Strategic location of Dry Port near international borders and trade routes



Direct link between shipping lines for various freezones in the region



Trade agreements with:



GCC Countries

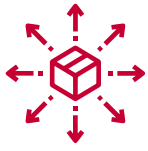


Singapore Republic



United States

Targeted Industries in Phase One



Logistics



Industrial



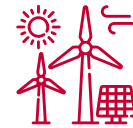
Food



Pharmaceutical



Technology



Clean Energy

Integrated Economic Sectors

Khazaen is intended to be an integrated economic city, with various sectors that work together to attract investors and residents from both inside and outside the Sultanate. The city is designed to be a balanced business environment that offers opportunities for all.



Industrial and Free Zones

The industrial zone in Khazaen provides a conducive environment for free trade, light and medium industries, maintenance and repair workshops, packaging factories, and labor villages.



Logistics Services

Khazaen includes facilities such as the Khazaen Dry Port, food storages, retail stores, cold stores, construction material stores, handling and distribution centers, and other infrastructure to support trade and commerce.



Commercial Business

The location offers headquarters and office spaces for local, regional, and international companies, as well as banks, commercial and financial institutions, and technology parks.



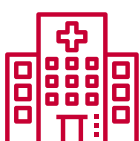
Residential Complexes

The city also includes integrated residential projects, commercial centers, and multi-use projects.



Food City

Khazaen Central Fruits and Vegetables Market and Food Industrial Cluster.



Social Infrastructure

Hotels, restaurants, schools and universities, clinics, and hospitals.

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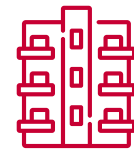
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Khazaen Journey

2018

- Signing the development agreement with ASYAD.
- Appointment of an international consultant to design the master plan of the city.
- Signing with Marafi to establish the first dry port in the Sultanate.

2019

- Appointment of the main contractor to start phase one of infrastructure.
- Leasing a total area of 265,000 sqm of industrial and logistical lands.
- Signing a total of 6 investment agreements.
- Main investors: Khazaen Dry Port and Galfar.

2020

- Readiness of the first phase of infrastructure.
- Leasing a total area of 89,790 sqm of industrial and logistical lands.
- Signing a total of 16 investment agreements.
- Main investors: Wakud, United Vision and Al Maha Food Industries.

2021

- Start of construction works for Khazaen Dry Port.
- Leasing a total area of 798,740 sqm of industrial and logistical lands.
- Signing a total of 43 investment agreements. Main investors: Salalah Mills, Al Hilal Industrial Group, KV Group and Khazaen Central Fruits and Vegetables Market.

2022

- Start of construction in Khazaen Central Fruits and Vegetables Market and the first Labour Village.
- Leasing a total area of 419,433 sqm of industrial and logistical lands.
- Signing a total of 27 investment agreements.
- Main investors: Al Adrak, GWC and Jasmine Oriental.
- Official opening of Naqel Express Logistics Centre.

Khazaen Anchor Projects

Food City

Khazaen's investment opportunities in the food sector are intended to support the food security strategy by meeting the growing demand for food in local, regional, and international markets. In addition to developing value-added food industries and support supply chains.

One of its main components is Khazaen Central Fruits and Vegetables Market that is designed as a platform for exporting, importing, packaging, marketing, and distributing vegetables and fruits. The market is also intended to attract foreign and local companies to invest in the food sector, and provide a marketing platform for local products. The second component of the Food City is the Food Industrial Cluster, which is dedicated to packaging, food processing, and exporting food products, in addition to integrated marketing and value-added industries in the food sector.



1 million sqm

Total area of Food City



412,000 sqm

Total area of Khazaen Central Fruits and Vegetables Market

Features: Logistics solutions and highly specialized services.



300,000 sqm

Total area of Food Industrial Cluster

Features: Advanced facilities, strategic location, attraction of global companies specialized in food supply chains which makes Oman a center for manufacturing and distributing foodstuffs in the region.

Main signed agreements in the food sector:

1. Khazaen Central Fruits & Vegetables Market.
2. Salalah Flour Mills (frozen bakery factory).
3. Integrated Barka Crystal (production of carbonated water).
4. The Sparkling Spring (production of carbonated water).
5. Oman Bioproducts (animal feed).
6. Al-Safwa (catering and packaging services).
7. Jasmine Oriental (food Industries Centre).
8. Basateen (a center for collecting and distributing agricultural crops).

Industrial Food Cluster

An integrated food processing complex that includes manufacturing, canning, packaging, and preserving operations.

Advantages:

- Targets international companies specialized in food supply chains and cold chains.
- Attracts specialized companies in packaging, storage, and transportation in addition to local agricultural production companies and Omani farmers.
- Utilizes the strategic location of the Sultanate, its logistical structure and Khazaen economic advantages.
- Become regional center for importing, collecting, distributing, and exporting food products.

Khazaen Central Fruits & Vegetables Market

The Khazaen Central Market project is one of the most important qualitative projects in the Sultanate. With an area of 4-5 times the current central market, it will be able to serve all the governorates of the Sultanate and will be built according to international standards.



23rd May 2021
Construction Agreement



412,000 sqm
Total Project Area



40 million OR
Total Investment value

It includes an integrated facilities for the logistical food sector such as:

- Central refrigerators.
- Allocated areas for selling onions and potatoes.
- Wholesale Market.
- Dedicated area for selling local products.
- Workshops for sorting fruits and vegetables.
- Customs inspection and agricultural quarantine.
- Food safety and quality center.
- Administrative offices.
- Local products reception areas.
- Dry stores.

This significant change is the cornerstone for establishing an integrated city geared towards food industries, with the goal of:

- Support the objectives of the national strategy for Food Security.
- Attracting investments in the food sector.
- Improve the quality of the vegetable and fruits sector.
- Find marketing outlets for local agricultural products.



Khazaen Dry Port

The first integrated international dry port in the Sultanate will connect various seaports, commercial areas, and industrial zones, serving as a key pillar in the city to enhance logistics services and support investors and business owners.



14th December 2021
Official opening



250,000 sqm
Total Project Area



100,000 sqm
Phase one developed area



Achieves Oman 2040 objectives of logistical strategy



Percentage of dry port operation



In November 2022, an agreement was signed between Khazaen Dry Port and Muller-Maersk, to announce the dry port as an official destination for import and export. This announcement confirms Khazaen Dry Port's global competitiveness and reinforces the Sultanate's position as a global logistics gateway.



Logistics Centre

Khazaen offers investors in the warehousing sector the opportunity to construct logistic centers for light and medium commercial and industrial uses based on high technical standards.

Features:

- Ready Pre-Built Warehouses.
- Competitive prices.
- Flexibility to build according to investor needs.
- Built with the latest protection systems.



Industrial-Logistics Clusters

An industrial zone dedicated to light and medium industries, maintenance and repair workshops, packaging factories, as well as labor villages located within each industrial and logistical square.

Features:

1. Enhance Khazaen competitiveness on the global trade map.
2. Support national strategies by localizing industries.
3. Strengthen the internal supply network in the Sultanate.
4. Provide storage, handling and distribution solutions.

Main Investments:

Wakud Factory

First bio-fuel manufacturer in the world operating by solar energy.

Al Zayzafon Factory

Iraqi investment specializes in manufacturing health supplies.

404.01

Environment-friendly factory specializes in decarbonization.

Al Awael Smart Building

Factory specializes in ready-made cement panels.

Al Watania Paper Products

Saudi Investment specialize in paper recycling products.

Marksmen International

Factory specializes in animal feed production.

White Rocks Factory

Investment specializes in manufacturing safety supplies.

Muscat Concrete Manufacturing

Factory specializes in manufacturing concrete products.



Pharma City

The specialized area that has been allocated with the consultation of experts aims to provide an optimal environment to achieve integration between specialized and general services in the medical and pharmaceutical sectors.



Total Area
500,000 sqm



Total Investment Value
65 million USD since establishment

Features:

Contribute to achieve the Sultanate's strategy for medical security.

Establish an integrated cluster for medical industries.

Achieve integration between educational qualifications and market needs in medical fields.

Components:



Medical laboratories and advanced research centers.



Pharmaceutical and medical supplies factories.



A center to store, distribute, and import medicines and medical equipment.



Main Investments:



Opal Bio-Pharma
Human vaccines factory



Gulf Agrofert
Veterinary vaccine factory



Meran Pharmaceutical
Medical supplies factory



Kunz For Business
Dental implants factory



Labour Villages

One of the solutions proposed by smart cities to reduce the use of vehicles. It mediates every logistical and industrial square.



730,000 sqm

Total Project Area



92,000 Worker

Total Capacity

The Components:



Mosques



Clinics



Restaurants



Shops



Parks



Service
Centers



Playgrounds



Under Construction:



Phase one of
the first Labour Village



55,000 sqm
total project area



5,000 capacity of
the first labour village



12 million OR
Total Investment value



Khazaen Headquarter

A modern urban design that aims to achieve aspects of efficiency, sustainability, and quality. This type of design comprises the business center and the one-stop shop for providing licensing, technical and administrative approval services.



65%
Construction progress



Environment-friendly

Components:



One Stop Shop



Business Center



**Integrated Commercial
Facilities**



Banks





Main Investment Agreements 2022



Bio Products Oman SAOC

factory specializes in animal feed and aquatic production

📏 45,000 sqm

📅 January



Al Taei International Windows

Aluminum and UPVC factory

📏 4,895 sqm

📅 March



Jana International Trading

factory for consumer plastic packaging materials and logistic stores

📏 50,000 sqm

📅 March



Al Zayzafon Investment

Two factories specialize in health supplies production

📏 7395 sqm

📅 March

Main Investment Agreements 2022



Opal Bio Pharma

Human vital vaccines factory

37,290 sqm

April



Al Janabi International Investment

Cement products factory

5,000 sqm

April



AL Massar AL Fedi For Business

Aluminum extrusion factory

10,000 sqm

April



Said Saud Al Ameri & Sons Trading

A factory for filling and distributing cooking gas

5,000 sqm

May

Main Investment Agreements 2022



Al-Adrak Builders

Developing and operating Labour Village 1

📏 55,000 sqm

📅 June



Al Attas Al Arabia for Trade and Industry

Factory for manufacturing and filling automotive oils

📏 2,500 sqm

📅 June



Gulf Warehousing Company

Integrated logistics complex

📏 50,000 sqm

📅 July



Muscat Concrete Products

A specialized factory for the manufacture of ready-mixed concrete products

📏 22,563 sqm

📅 July

Main Investment Agreements 2022



Marksman International

Animal feed production factory

5000 sqm

July



Jasmine Oriental for Food and Business

Food Industrial complex

60,000 sqm

Oct



Basateen

A center for collecting, storing, and distributing agricultural crops

1,200 sqm

Nov



Business Treasure Trading

Dental implants factory

2,500 sqm

Dec

Khazaen Team

We are proud to have an ambitious team who are the main driving force behind the city's progress. We believe in Khazaen as a global city, based on the extensive experience of our team in all technical, commercial, investment and strategic fields. Our Omani youth are ready and able to work for the advancement of this country and its economy.



The board of directors and employees of Khazaen Economic City would like to extend their sincere thanks and gratitude to our strategic partners who have supported the city's development journey since its inception. We are grateful for their belief in our capabilities and their trust in us. Led by Oman Investment Authority, Asyad Group, government restitutions, companies and investors. As we commit to working together to build an integrated economic city that offers successful investment journey for all businesses. Khazaen will be a place to work, live and play.

Khazaen..
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in   **Khazaenec**