

GUIDE FOR INVESTMENT OPPORTUNITIES IN THE STATE OF KUWAIT

EXECUTIVE SUMMARY

APRIL 2022



INTRODUCTION

This Executive Summary is a brief on the booklet titled “Investing in Kuwait - A Guide for Investment Opportunities” for the year 2021, which is a formal guide for foreign and local investors to highlight the investment environment of Kuwait.

Through this Executive Summary, we have addressed the economic fundamentals of Kuwait as well as the sectoral opportunities that are available within the country for foreign and local investors.

As of 2020, Kuwait has the world’s 6th largest oil reserve and 3rd largest sovereign fund. Kuwait Vision 2035 Development Plan envisions the country as a diversified economy and the Middle East’s Financial and Trading hub. The wide development initiatives taken by the Government are its assurance to international investors about the attractive opportunities Kuwait has to offer.

KDIPA, as the Government Direct Investment arm, is actively involved in several projects that will ensure the realization of Kuwait’s development. It clearly realizes the urgency of involving private investors to participate in the country’s infrastructural development that will ensure effectiveness and efficiency in the timely delivery of projects.

The intention behind the executive summary of the investment guide is to convey information on the most attractive sectors and sub sectors within Kuwait.

Kuwait has a very young population with 50% of the population below the age of 35. Kuwait was ranked first in the Arab world and 27th globally on the Global Youth Development Index for the year 2020 by the Commonwealth of Nations.

The young population is a lifeline that will drive the economy in the coming years. The government of Kuwait understands the potential of its youth and intends to do everything in its power to create an enabling environment that will empower its youth who will sustain the country in the years to come.

Thus, the Government of Kuwait actively seeks the participation of the Private Sector in the development of the country according to the 2035 vision. The Government initiatives in each sector as well as the opportunities that these initiatives have created for investors are emphasized in the guide. It is self-evident that the opportunities are manifold and attractive, providing potential for reaping healthy returns from investments.

THE KEY MACROECONOMIC FACTORS OF STATE OF KUWAIT



Economic Size

It represents 7.67% of the GDP of the GCC countries since 2020.



Gross Domestic Product (GDP)

The GDP at constant was USD 117,979.1 Mn in 2020.



Dependence on Oil

It represents 90% of government revenues and more than 90% of the total export revenues in 2020.



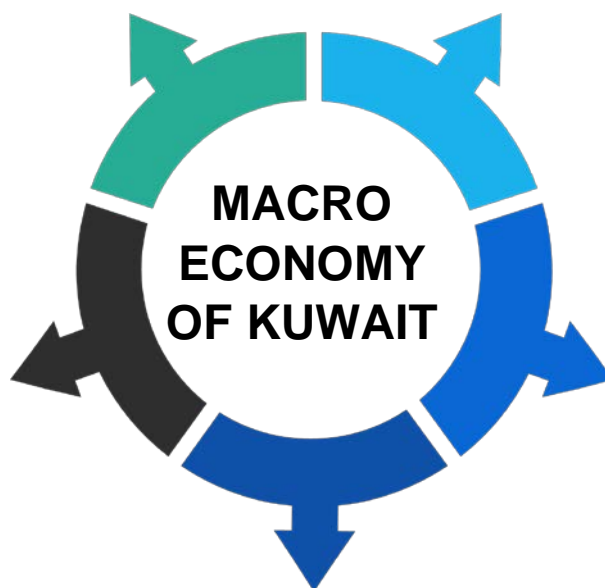
Public Expenditure

It is USD 70,233.6 Mn driven primarily by current expenditure that reached 88% in the 2019/2020 budget.



Current Account Balances

It witnessed a surplus of USD 22,757.1 Mn for the first three quarters of 2020.



Inflation

It is based on the general consumer price index and was 2.1% in 2020.



Interest Rates

The discount rate was 1.50% in 2020.



Exchange Rates

By the end of 2020, the USD exchange rate against the Kuwaiti Dinar increased slightly by 0.45 Fils.



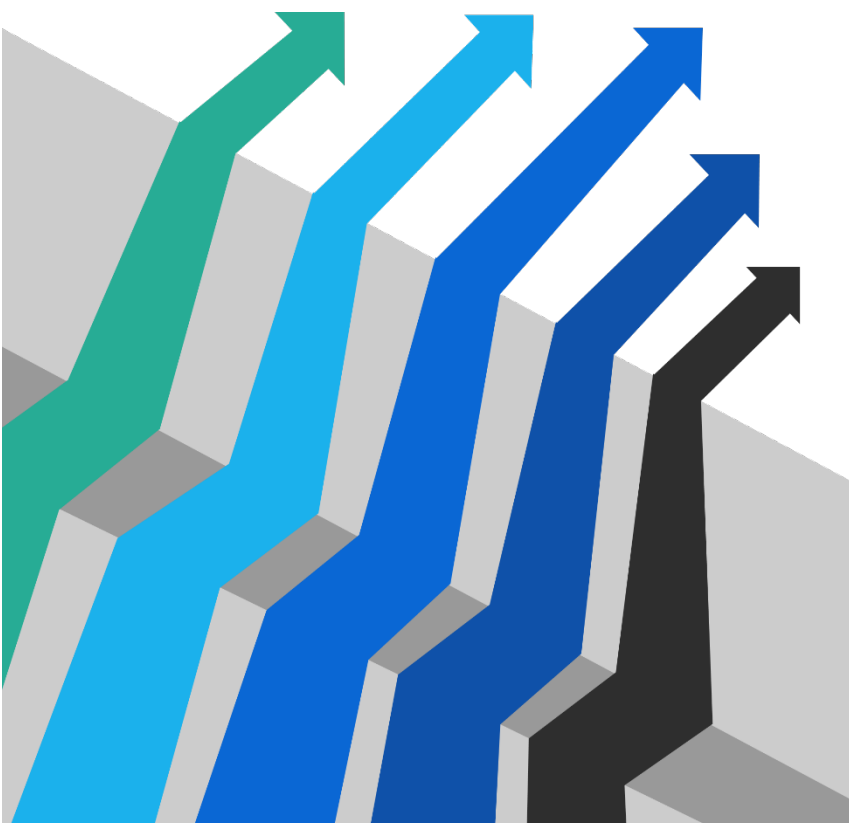
Population

The population of the State of Kuwait in 2020 was 4.671 Mn.



Employment

The total labor force (15+) as of June 2021 was approximately 2.8 Mn.



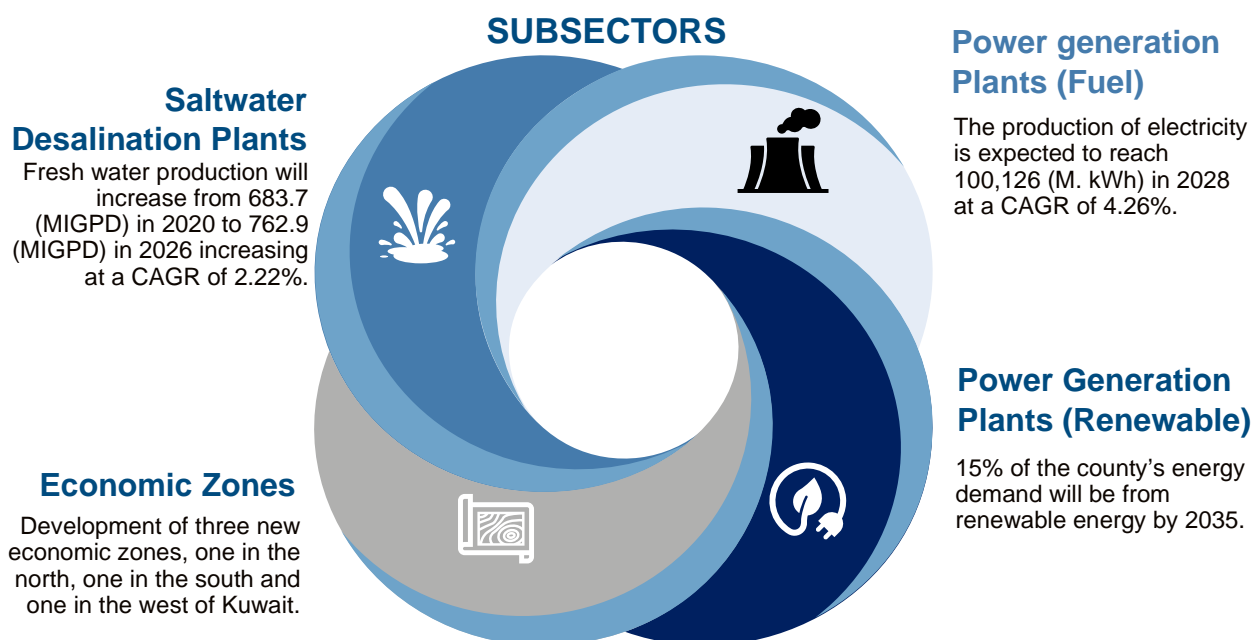
OVERVIEW OF KEY SECTORS FOR OPPORTUNITIES

1. Infrastructure & Construction Sector

Sector Overview

Kuwait is investing substantially in infrastructural projects related to electricity and water to meet the demand of the rising population. A majority of the projects are being developed by the government through Public Private Participation (PPP) or by inviting foreign companies to provide engineering, design, and construction capabilities. Further, infrastructure is also prioritized by the development of a number of economic zones in the country that are expected to cater to different industries and businesses.

Subsector overview



OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

Power Generation Plants (Fuel): Electricity expectations by 2028 will soar to levels which cannot be sustained by the current power generating infrastructure alone. Hence, the government has been launching new power plants through the PPP models seeking private sector participation. This provides lucrative opportunities for foreign investors to participate in power projects.

Power Generation Plants (Renewable): Kuwaitis' energy demands are expected to keep increasing and barely any requirements are met through renewable energy. Foreign investors, who specialize in providing renewable energy solutions, have an excellent opportunity to penetrate the sector with their advanced expertise.

Saltwater Desalination Plants: The economic diversification of the country and its growing demand for water in different sectors will add a lot of pressure on the existing infrastructure that will certainly not be able to sustain the demand. Hence, the government is encouraging the participation of private players in the sector who can bring in the most cost-effective technology with the least environmental consequences.

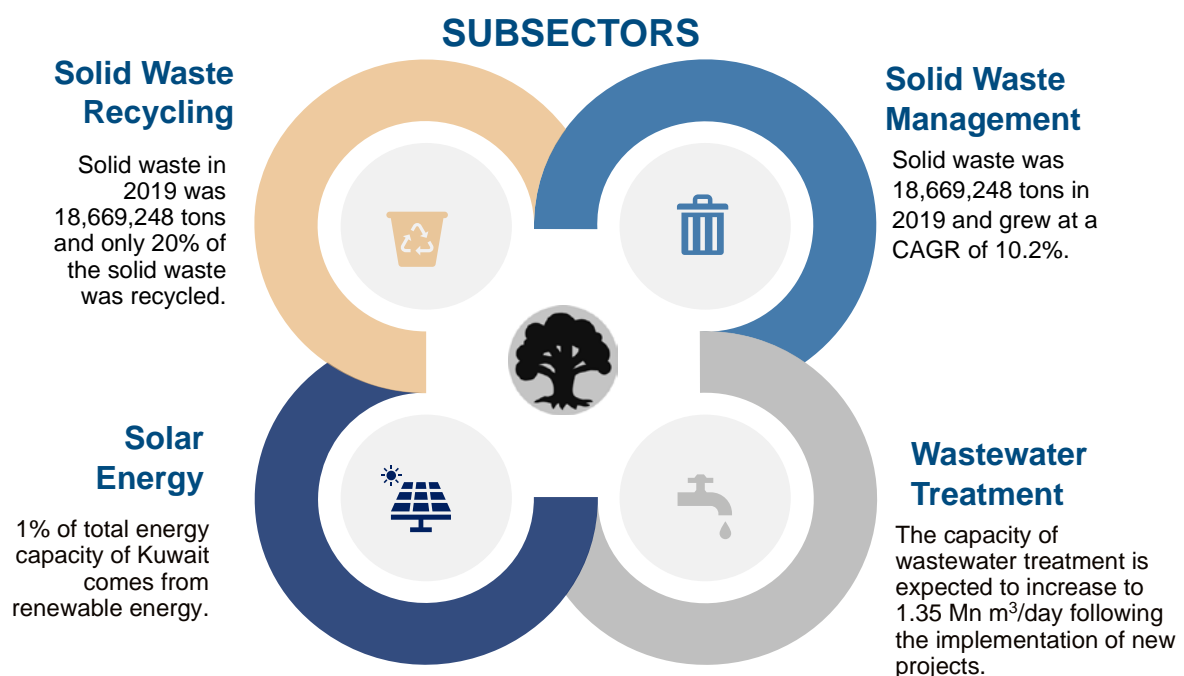
Economic Zones: Kuwait has launched a number of mega projects in line with Kuwait Vision 2035 Development Plan initiative, which is intended to diversify Kuwait's economy away from oil into other economic sectors. Foreign investors can cater to the local markets by setting up their business in the economic zones and at the same time take advantage of the various concessions and benefits provided in these zones.

2. Environmental Services (Renewable Energy and Clean Technology) Sector

Sector Overview

Environmental projects undertaken by Kuwait are a step taken in the right direction for reducing carbon emissions of the country and ensure the protection of the natural environment. This also signifies Kuwait's commitment globally to utilize green forms of energy and reduce dependence on fuel-based sources of energy. Most of the projects undertaken in this sector require international expertise as the segment is in a very early stage in Kuwait.

Subsector overview



OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

Solid Waste Management: Kuwait's solid waste is expected to increase at a much more rapid pace in the coming period, far outpacing the past growth of 10.2%. This is driven by the growing population and fast-paced construction projects. Thus, opportunities exist not just in waste management solutions but also soil remediation solutions for existing landfills.

Wastewater Treatment: The utilization of water is expected to rise in Kuwait with the growing population and the rise in infrastructural activities. A direct consequence of this will be a massive increase in wastewater in the country. The government's proposition to increase the capacity of wastewater treatment in the country through private sector participation provides immense potential for foreign investors to participate in the sector.

Solid Waste Recycling: Kuwait's infrastructure is undergoing drastic change in order to realize its vision as a diversified economy away from the dependence on oil. This infrastructural development is bound to create a lot of construction related waste that needs to be dealt with considerably. Hence, there is major opportunity for private participants to enter the sector and undertake activities related to recycling.

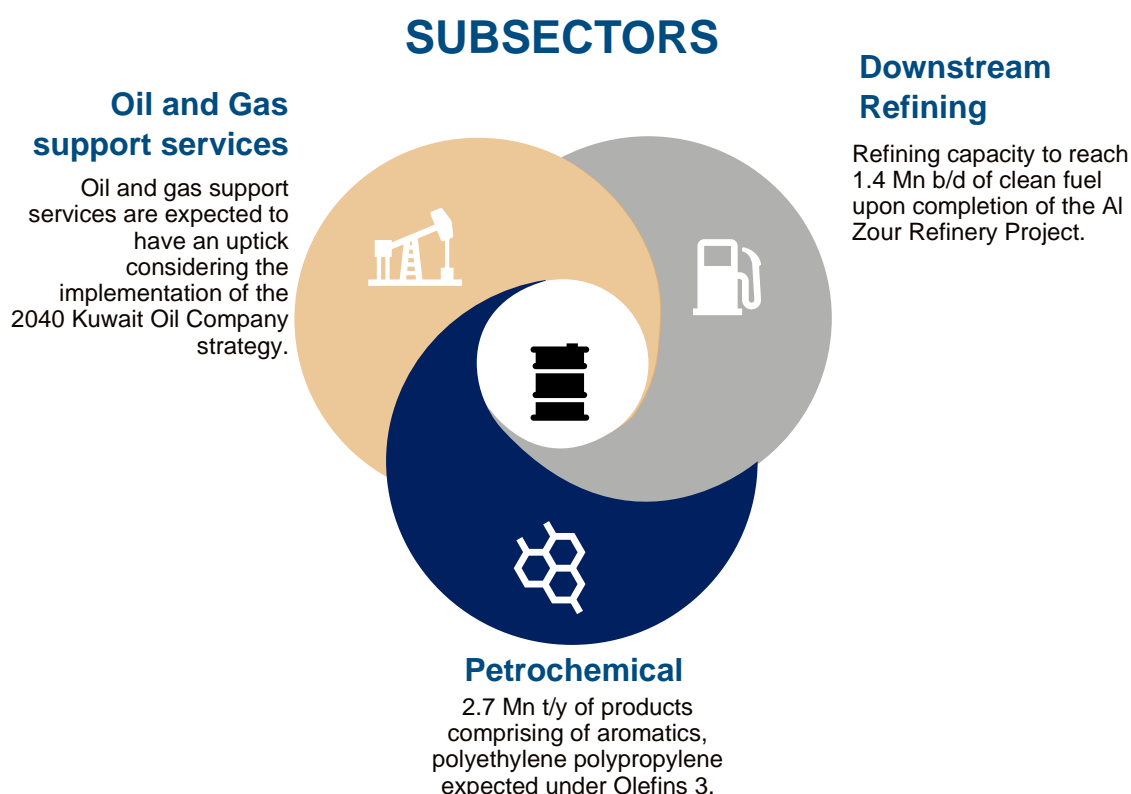
Solar Energy: Kuwait's fossil fuel reserves are depleting at a rapid pace. A substantial part of Kuwait's budget is dedicated to providing subsidies on water and electricity. This may no longer be sustainable in the future and the government may start lifting subsidies to transfer costs directly to residents. Hence, it is in the country's best interest to adopt an alternative source of energy that is sustainable and not fuel dependent. Sustainability solutions in an upcoming field that will invite interest from international investors.

3. Industrial Oil & Gas and Downstream Chemical Production Sector

Sector Overview

Kuwait Vision 2035 Development Plan envisions a diversified economy away from the dependence on oil. However, the implementation of the vision and its materialization are expected to take time. Until then, the dependence on oil and discovery of new reserves of oil is vital for the State of Kuwait. Hence, Kuwait continues to explore for new oil and gas reserves as part of the 2040 KOC strategy. Further, a lot of importance is placed on the clean fuel projects in the country and the processing of oil is expected to be environmentally friendly.

Subsector overview



OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

Downstream Refining: Kuwait had announced plans for two new oil refineries with a capacity of 300,000 b/d to be completed in 2025 and 2035. The petrochemical refining sector provides an excellent opportunity for international investors experienced in the petrochemical industry to participate in the sector specifically in engineering, procurement, and construction.

Petrochemicals: The Asian market is growing and there is a huge demand from that region for petrochemicals to meet their developmental requirements. This provides an excellent opportunity for Kuwait to cater to the said region. Local demand for petrochemicals is also expected to rise with the growing number of infrastructural projects and the diversification of the economy, specifically the industrial sector and the number of vehicles in Kuwait.

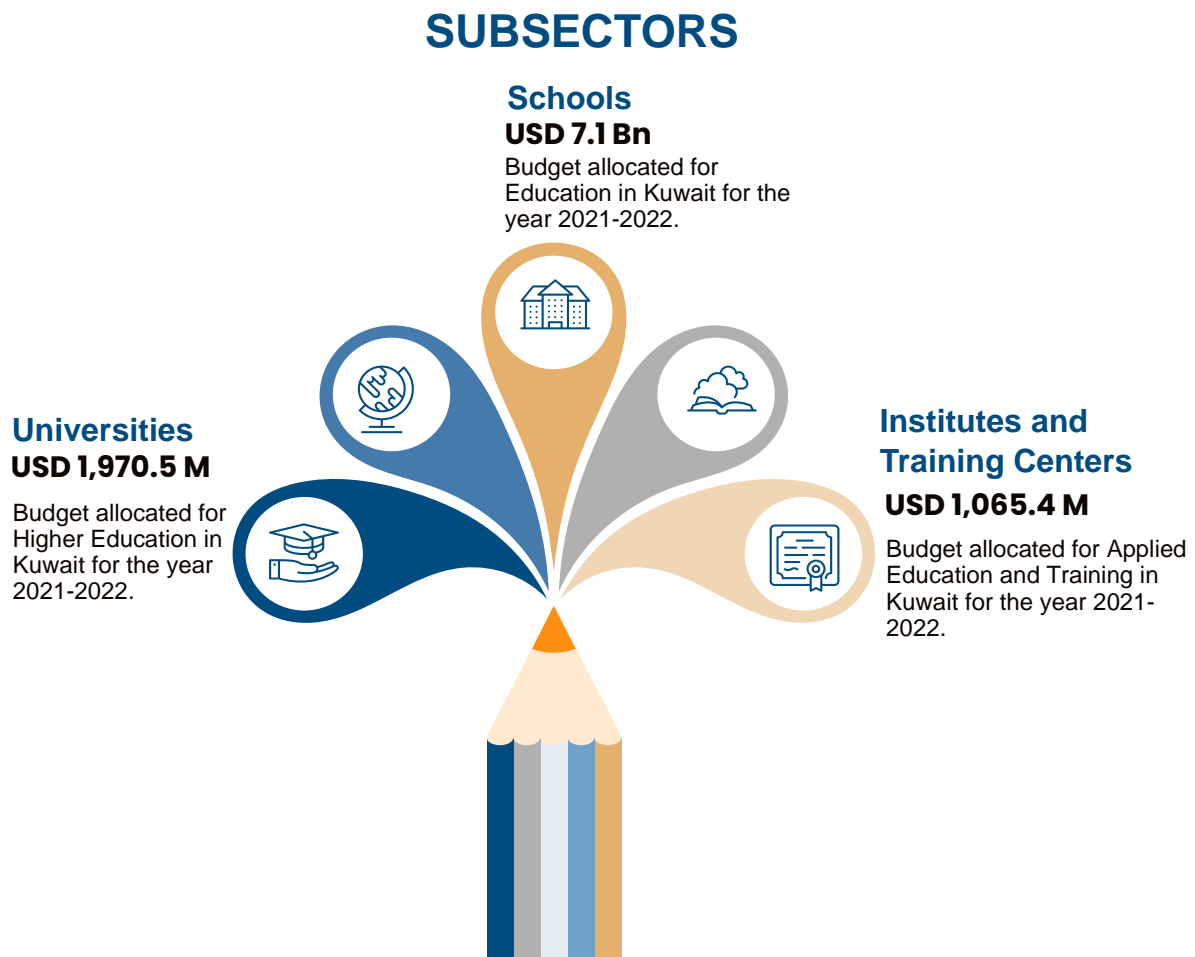
Oil and Gas Support Services: Oil and gas exploration is essential in the short run to support Kuwait Vision 2035 Development Plan and transform the country into a diversified economy. Oil and gas exploration will require expertise from companies in drilling, maintenance and other support services. The rising oil infrastructure of the country will create opportunities for companies to provide maintenance services as most of these services are outsourced by the government to specialists.

4. Education and Training Service Sector

Sector Overview

The demand for quality education services has been increasing in Kuwait. Realizing this, the government of Kuwait intends to operate schools and universities in Kuwait that have partnerships with leading international brands. A number of educational projects have been launched by the government on a PPP basis, especially in upcoming cities. The government mandates the requirements of investors with international experience in building and operating the schools.

Subsector overview



OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

Schools: The population of the country is growing at a steady pace with a demography that is very young, i.e., 50% of the population is less than 35 years of age. This young population places a huge demand on qualitative educational infrastructure in the country. The government is keenly interested in having international investors to participate in this sector so that they may enrich the quality of education based on their international expertise.

Universities: The development of new cities in the country is driving the need for new educational facilities within those cities to cater to its inhabitants. Universities and related projects are being established in Kuwait on a PPP basis with the support of the private sector, which provides excellent avenues for foreign investors to invest in the sector.

Institutes and Training Centers: Recruitment in the country for large companies is driven by the technical skills and professional qualifications candidates possess. International training companies can thus cater to the rising need of such professionals in Kuwait.

5. Healthcare and Pharmaceutical Production Sector

Sector Overview

Kuwait has one of the largest healthcare expenditures in the GCC. The healthcare sector is characterized by a huge public sector and a small but rapidly rising private sector. The rising population of the country, the fast lifestyle and increasing health issues are placing huge demands on the healthcare infrastructure of the country. Kuwait is a welfare state and medical treatments are provided at extremely subsidized rates in the public sector. Kuwait's healthcare expenditure budgeted for the year 2021-2022 amounted to a massive USD 8.9 Bn.

Subsector overview

SUBSECTORS

Pharmaceutical Manufacturing

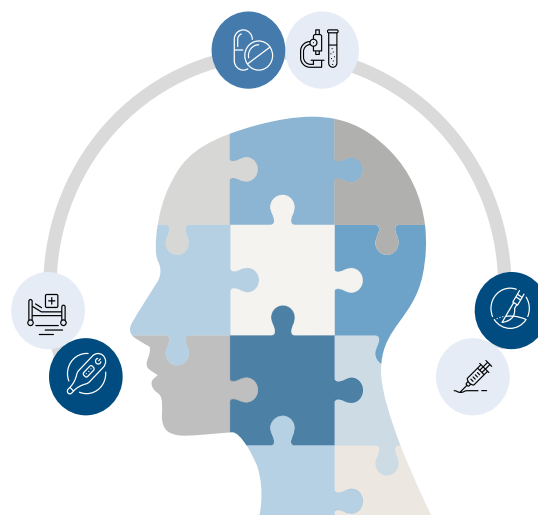
Presence of only 1 pharmaceutical manufacturer in the country. Increased opportunity for investors to produce generic drugs.

General Hospitals

As part of Kuwait Vision 2035 Development Plan, USD 5.04 Bn has been allocated for the development and expansion of general hospitals in Kuwait.

Specialty Hospitals

USD 538.2 Mn was allocated towards the development and expansion of specialty hospitals as per the Kuwait Development Plan.



OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

General Hospitals: Kuwait has faced substantial deficits in its budget over the past few years. The budget is burdened by extensive expenses related to the healthcare sector. Such expenses will no longer be sustainable in the near future as the government is constrained for funds. Hence, there is a strong possibility that a number of the health benefits provided by the government could gradually be withdrawn. Thus, it is expected that the private sector will have a more active role to play in providing healthcare services in the future.

Specialty Hospitals: There is growing awareness among Kuwaitis on Non Communicable Disease's, and the lifestyle changes required to have a healthy lifespan. Hence, specialty hospitals are in demand that can cater to disease including cardiology, gynecology, and nutrition. The government is actively involved in setting up specialty hospitals on a PPP basis by actively seeking private participation.

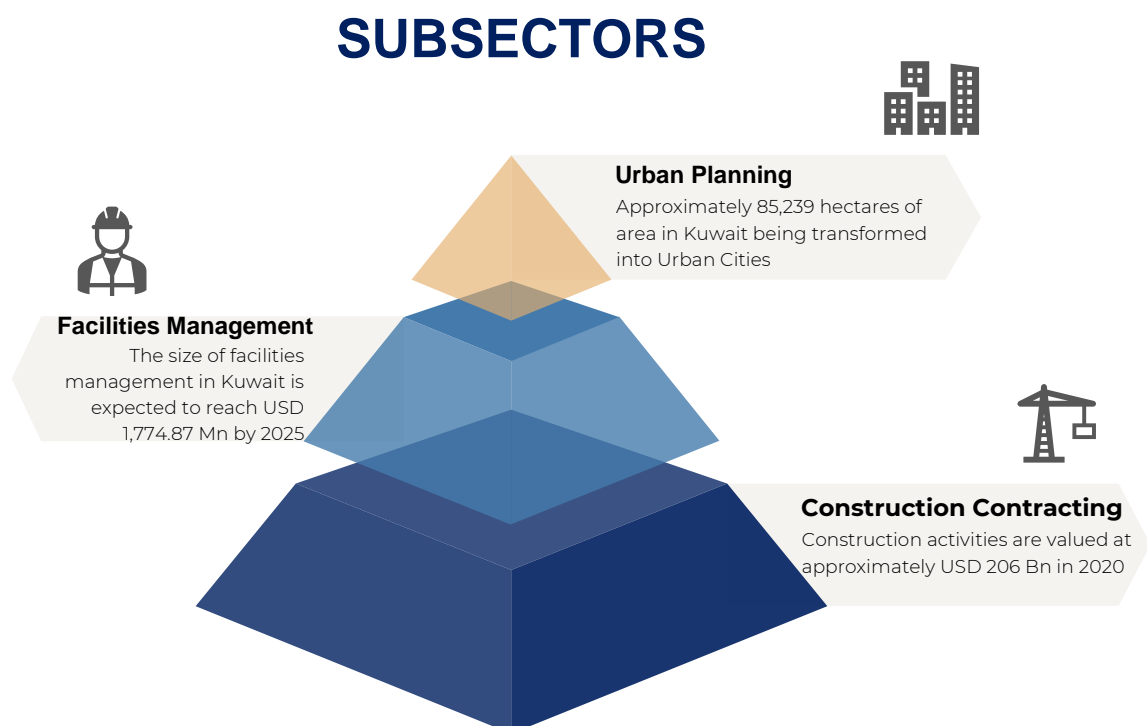
Pharmaceutical Manufacturing: The government is encouraging a number of private investors to invest in healthcare projects through PPP structures. Such PPP structures provide opportunities to foreign investors specialized in pharmaceutical and other medical supplies manufacturing to invest and set up manufacturing facilities in the country and supply generic drugs and medical supplies to the local and regional market.

6. Housing Projects and Urban Development Sector

Sector Overview

Housing Projects and Urban Development are a highly prioritized sector under Kuwait Vision 2035 Development Plan and includes a number of mega infrastructural projects undertaken by the government. These projects revolve around the development of massive residential cities in Kuwait with the intention of providing housing facilities for the Kuwaiti population. The projects undertaken are of such massive scale that the government chooses to utilize the private sector in the development of several components related to the projects.

Subsector overview



OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

Urban Planning: Upcoming housing and infrastructure projects will create great opportunities for foreign investors to participate in their urban design and planning and would encourage them to have a direct presence within the country through their representative offices. Foreign investors will have a higher reach in sourcing business from local authorities as well as higher chance of winning new opportunities.

Construction Contracting: The construction sector of the Kuwaiti market has the potential for witnessing enormous growth since 54% of the government projects are yet to reach the execution stage. The Kuwaiti market has a lack of local construction companies who can take on the massive pipeline of construction projects yet to be launched. Hence, there is ample opportunity for foreign investors to participate within this sector. Many governmental projects are tendered on a PPP basis, whereby the government calls on companies/firms with international experience to bid for the projects.

Facilities Management: A number of infrastructure projects are currently being executed in the country. There are several other projects in the pipeline and expected to be executed in the coming period. These projects range over many sectors including Real Estate, Healthcare and Education. This creates a huge opportunity for foreign investors to participate in the segment with their international expertise in Facilities Management.

7. Storage and Logistics Sector

Sector Overview

The development and expansion of seaports as well as the expansion of the airport have resulted in the development of a number of logistics and warehousing projects in the country. The current seaport and airport infrastructure will not be sufficient to meet the increasing import requirements of the country. The existing infrastructure will further be constrained by the development projects undertaken by the country that requires the import of materials and other components.

Subsector overview

SUBSECTORS

Warehousing

Public warehousing development projects undertaken under the development plan will exceed a Billion Kuwaiti Dinars.

Express Delivery

The changing preferences of consumers and their acceptance to shop electronically will place challenges on the express delivery services of the country



Logistics

Marine cargo freight into the country is expected to be more than 43.2 Mn tons in the coming period.

OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

Warehousing: The rising population of the country is going to result in additional pressure on imports into the country and the need for warehousing facilities. The development of the country's infrastructure projects is also expected to increase the demand for warehousing in the country and the existing warehousing capacities are projected to be stretched to the maximum. Hence, the sector is full of opportunities related to warehousing and provides an attractive opportunity to foreign investors to participate in this sector.

Logistics: The development of new ports and the expansion of existing ports as well as the construction of the GCC railway system are expected to enhance the amount of regional trade. Thus, logistical support will be required to meet the heightened momentum of trade anticipated during this time. The government has launched a number of projects in the country foreseeing the important role that Kuwait will play in international trade. Hence, foreign investors with expertise in logistics can take the opportunity to meet the requirements of the sector by providing various services required during the construction of the needed infrastructure.

Express Delivery Services: There was a huge increase in B2C (Business to Consumer) delivery services following the COVID-19 pandemic. There is an expectation that changes brought out by the pandemic, especially in e-shopping preferences of customers are not temporary but rather here to stay as an upcoming business model. Innovative delivery solutions can also be provided digitally through business models that ensure speed and accuracy in delivery services. Considering the above, foreign players can establish an express delivery business in the country and benefit from the huge potential that lies within this segment.

8. Financial Services and Banking Sector

Sector Overview

Technology is rapidly gaining acceptance among the population of Kuwait, even more so in banking services. The Central Bank of Kuwait is driven to move Kuwait into the new era of 101 and a number of banks in Kuwait have taken several initiatives to move in this strategic direction. While the year 2020 may have marginally dented financial services as a result of the COVID-19 pandemic, services including insurance, consumer finance and brokerage are expected to have an upward trajectory in the near future.

Subsector overview

SUBSECTORS

Insurance

Gross Written Premiums in 2020 reached USD 1.13 Bn.



Digital Banking

ATM transactions in the year 2020 were 75.8 Bn totaling to a value of USD 33.6 Bn

Consumer Finance and Financial Brokerage Services

Consumer finance reached USD 51.2 Bn in 2021 and the number of transactions on the Boursa Kuwait reached 2.3 Mn in 2020.

OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

Digital Banking: Kuwait's digital banking system continues to be bogged down by challenges such as non-availability of tailored services, accessibility issues to platforms, slow transaction processing speeds and unsatisfactory customer service experiences. Banks thus need to significantly ramp up their digitization activities if they want to increase/improve the online experience of their customers. Banks continuously seek international expertise with regard to digitization of services on par to global banking systems. Hence, foreign investors with expertise in digital banking and FinTech services can pursue active opportunities in this sector.

Insurance: The insurance sector is expected to continue growing as a result of the growing population, fast-paced lifestyle and increasing health problems. Life insurance continues to occupy a very small piece of the premium pie in Kuwait, estimated at approximately 10%. The construction of massive projects associated with Kuwait Vision 2035 Development Plan will further benefit the insurance sector and help it add capacity for insurable assets in all industries.

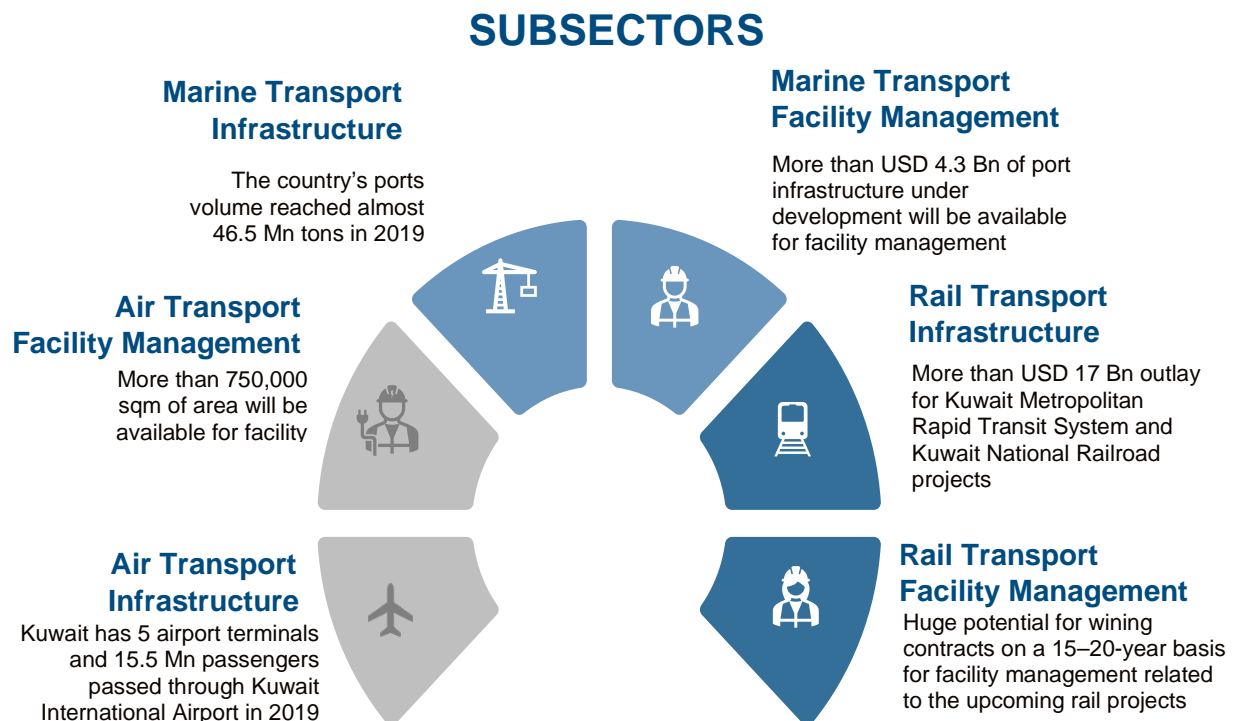
Consumer Finance and Financial Brokerage Services: Both consumer finance and brokerage services are sectors that have been growing steadily but are expected to pick up pace in the coming period. The growing population of the country, especially the youth, will increase the demand for financing. Such financing facilities will be required to cater to multiple requirements including education financing, vehicle financing and housing.

9. Air, Maritime and Rail Transport Sector

Sector Overview

Transport infrastructure projects in Kuwait has a very prominent position in Kuwait Vision 2035 Development Plan. The plan envisions massive outlays in billions of Kuwaiti Dinars towards the expansion and development of transport infrastructure in the country. These projects will greatly benefit the population of the country but shall also improve international trade thereby being a catalyst for economic development of Kuwait.

Subsector overview



OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

Air Transport Infrastructure: Considering the increasing number of passengers that are expected to travel through Kuwait International Airport, there are opportunities to participate in other ancillary facilities launched by the government to support the functioning of the airport such as but not limited to lounges, car hires, refreshment centers, cafes, and luxury/local retail shops.

Air Transport Facility Management: Terminal 2 of KIA is expected to be ready by 2024. It was recently announced that the DGCA in Kuwait would launch a limited tender for procuring an international operator for Terminal 2. The tender encompasses a two-year training period for employees for operating the airport. It also includes reviewing all service providers and contracts at the airport, ground services, passenger terminals and aviation operators for ensuring that all terminals operate as one system and one airport with connected facilities.

Marine Transport Infrastructure: The government of Kuwait is actively pursuing the development of the marine infrastructure through launching a number of mega projects. The new licensing of marine cafes is also expected to boost tourism in the country. The development of the Mubarak Al Kabeer Port along with the Dry Port and the Smart Port Project will create opportunities for international investors who specialize in designing, engineering, and constructing ports to participate in such projects.

Marine Transport Facility Management: The mega projects associated with Marine Transport Infrastructure in Kuwait provide an attractive opportunity for foreign investors to provide Marine Transport Facility Management. Maintenance of complex marine infrastructure will require specialized expertise for planning and execution, something that foreign investors possess and that can be used to fill gaps in the local market.

Rail Transport Infrastructure: KMRT and KNRR projects are among the most strategic and important projects of Kuwait Vision 2035 Development Plan. The projects represent a USD 30 Bn outlay and involve development over several phases that may require multiple levels of tendering. The projects present opportunities to foreign investors who specialize in engineering services, construction contracting, rolling stock manufacturing, signaling & communication specialists, and equipment manufacturers. Further, this also provides opportunities for investors who specialize in green architectural solutions to participate in the projects

Rail Transport Facility Management: The completion of KMRT project and the GCC railway project will create major opportunities for Railway Facility Management in the country. This opportunity will be especially attractive to foreign investors as there are no local expertise in the country related to Railway Facility Management. Further, considering the government's emphasis on environment friendly solutions, foreign investors that can provide green facility management solutions will especially be in demand for these projects.

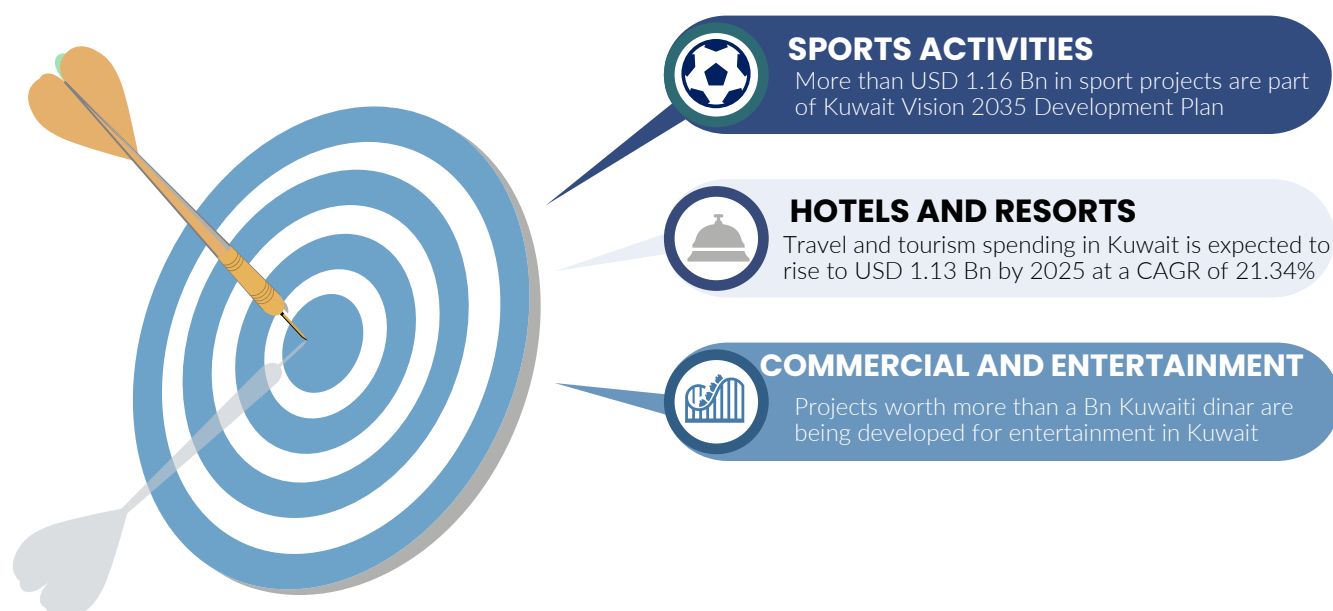
10. Tourism, Hotel and Entertainment Sector

Sector Overview

The government of Kuwait is positioning the country to become a regional touristic hub. Hence, several projects have been launched in Kuwait on a grand scale to provide sports, entertainment, and leisure activities. While the projects are expected to cater to the existing population, they also provide an excellent opportunity for increasing tourism into the country especially from the GCC region. The hospitality segment is expected to gradually return to Pre-COVID levels following the decrease in the number of infections following a stringent immunization program.

Subsector overview

SUBSECTORS



OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

Sports Activities: The rising population of the country and the awareness of the youth about health and fitness are increasing the demand for sporting facilities in the country. The government of Kuwait is actively involved in promoting sporting activities through the implementation of mega projects as part of Kuwait Vision 2035 Development Plan. Such facilities can be owned 100% by foreign investors under the Foreign Direct Investment Law and investments in these facilities can reap good returns to investors.

Hotels and Resorts: Revenues from travel and tourism in Kuwait are expected to rise to USD 1.13 Bn by 2025 increasing at a CAGR of 21.34% from 2021. This will further create demand for Hotels and Resorts in Kuwait. The expansion of Kuwait International Airport is expected to boost travel and tourism in the country and the largescale infrastructure projects undertaken by the government will further increase the influx of foreigners into the country intending to participate in such projects.

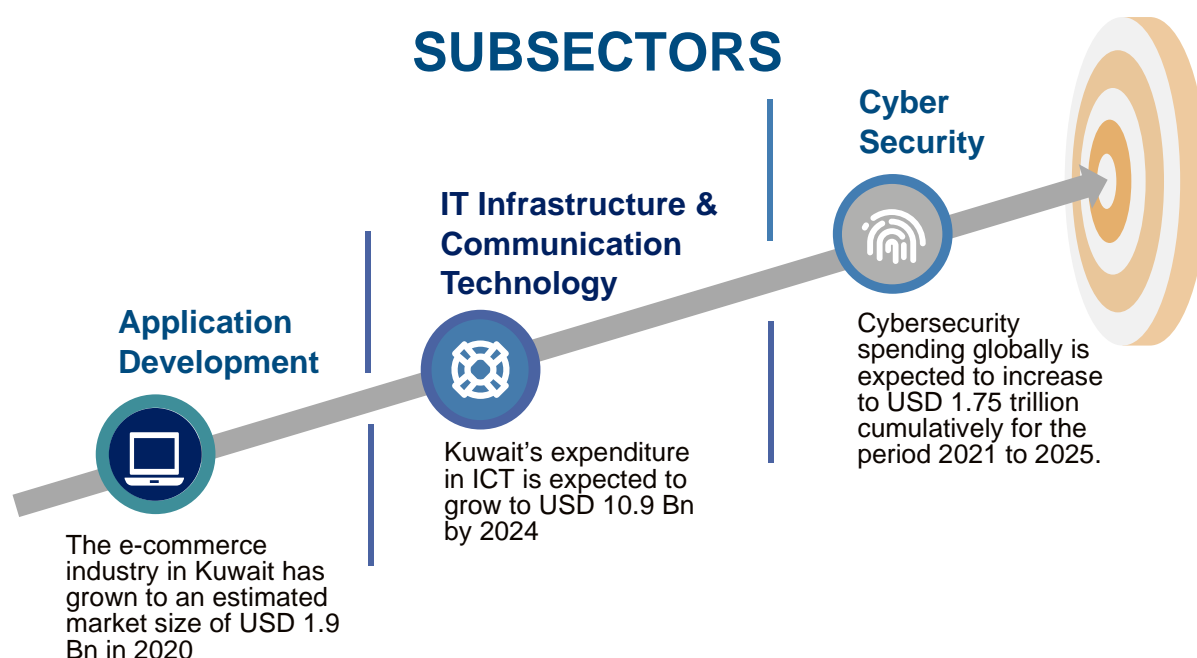
Commercial and Entertainment: Revenues from travel and tourism in Kuwait are expected to grow from USD 522 Mn in 2021 to USD 1.13 Bn by 2025 increasing at a CAGR of 21.34% from 2021. The growing population of the country and the youth will continue to drive the growth for entertainment facilities in the country. In addition, the rising number of tourists from other GCC countries is expected to increase demand for entertainment options in the country.

11. IT and Software Development and Technology Sector

Sector Overview

Technology has seen a major uptake in the Kuwaiti market. While Cybersecurity and ICT have been readily adopted by organizations, it is Application Development that has gained the maximum interest presently. Locally founded FinTech and FoodTech companies have been successfully launched in Kuwait and in the region. Their success has been a catalyst for the launch of several other companies in Kuwait in many domains. The government support to the public in funding new technology companies through its SME Fund is an added incentive for young Kuwaiti entrepreneurs.

Subsector overview



OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

Application Development: The e-commerce market in the MENA region is expected to reach USD 28.5 Bn by 2022 from a base of USD 8.3 Bn in 2017 a growth of nearly 3.3. times. Venture capital funding for the MENA region in the first half of 2021 stood at USD 1.2 Bn, higher than the entire amount of USD 1.09 Bn raised in the year 2020. The most attractive sectors in the region for venture capital were FoodTech and FinTech.

IT Infrastructure & Communication Technology: Other opportunities for international businesses/investors include:

- A growing need for mobile content management and mobile device management among enterprises.
- Small and Medium Enterprises need for data and analytical tools, which will assist them to take precise decisions and enhance their operations and revenues.
- Digitalization of enterprises, particularly in the government and banking sector that is expected to create a strong demand for cloud based computing solutions.
- The availability of high-end IT infrastructure in the country coupled with 5G internet speeds provides additional opportunities for expanding the countries ICT needs.
- The availability of Kuwaiti satellites used for different purposes including R&D, Education and Scientific Research.

Cybersecurity: Several companies have taken cybersecurity seriously and hence conduct Vulnerability Assessment and Penetration Testing periodically. In addition, the Central Bank of Kuwait has mandated Cybersecurity Independent Audits for all banks in Kuwait. This helps detect inherent limitations within the respective ICT systems so that corrective measures can be taken. Foreign investors can seize opportunities within the Cybersecurity solutions domain and provide optimal solutions locally that meet international standards.

12. Media and Marketing Sector

Sector Overview

The Kuwaiti market has one of the largest phone and internet penetration rates in the region. The population is young, educated and technology savvy. Most of them have access to social media and other channels and thereby receive and consume a lot of information digitally. Considering the above and the potential for e-commerce and technology in Kuwait, companies/corporations have started migrating towards digital promotion of their products and services.

Subsector overview

SUBSECTORS



Digital Media Marketing

Market to reach USD 250 Mn in 2021.



Digital Content Creation

Global Digital Content Creation market size is expected to reach about USD 38.2 Bn by 2030.



Online Portals and Application Stores

USD 900 Mn dedicated for nationwide initiatives to develop the country's digital ecosystem

OPPORTUNITIES AND INVESTMENT CONSIDERATIONS

Digital Media Marketing: Linear advertising sales are expected to increase marginally in 2021 by 4%; however, digital advertising sales are expected to accelerate by more than 10% in 2021 to reach USD 250 Mn. Digital advertising sales are expected to have double digit growth in 2021. The digital advertising space is in its growth phase and has immense potential considering the fact that 97.7% of the individuals utilize the internet on a daily basis. 95.1% of the individuals have social media accounts and the high penetration of social media platforms such as Facebook, Twitter, Snapchat and Instagram coupled with the adoption of multimedia platforms like WhatsApp also provide opportunities within the digital marketing sector.

Digital Content Creation: While Digital Content Creation was introduced among companies trying to promote their products and services pre-pandemic, following the pandemic, it has now gathered pace. In fact, the Global Digital Content Creation market size is expected to reach about USD 38.2 Bn by 2030 and is forecasted to grow at an annual growth rate of about 12%. Digital Content Creation in Kuwait is at an emerging stage with few players prevalent in an expanding market. The market offers opportunities for investors to launch digital content creation software applications that could help them tap into the market.

Online Portals and Application Stores: Kuwait has a young population that is educated, well informed and decisive in adopting new technology. They will ensure sustained demand for products and services launched in the digital domain. Investors have opportunities to participate as venture capitalists with entrepreneurs in Kuwait, funding the initial stage of the business during the growth phase and exiting at high valuations when the business becomes viable in the future. Investors also have the opportunity to self-finance their own ventures and launch products and services digitally in most promising sectors in Kuwait as well as acquiring successful ventures.

CONCLUSION

This Executive Summary of the Investment Guide has been prepared by Baker Tilly Consulting Company W.L.L., Kuwait ("Baker Tilly") on behalf of Kuwait Direct Investment Promotion Authority ("KDIPA") for the sole purpose of giving investors an overview of the investment opportunities in Kuwait.

The Executive Summary is intended for general guidance on matters of interest only and does not imply to be all-inclusive nor to contain all the information that a prospective investor may require in deciding whether or not to invest in Kuwait.

The purpose of the Executive Summary is to convey information about the most attractive sectors and subsectors in each sector and conclude with the opportunities for investment.