

# Earnings Presentation

Q1, 2023



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Abdulelah AlKhereiji

CHAIRMAN

“**AlArabia** Outdoor Advertising has always strived to be a leader in the outdoor advertising sector.”



Mohammed AlKhereiji

CHIEF EXECUTIVE OFFICER

“We are keen to maintain the development of international technology in field of Advertisement.”



**1983**

Arabian Contracting Services Co.



**2006**

Closed Joint-Stock Co.



**2018**

Digitalization Strategy



**2021**

Listed in the Saudi Exchange

## ESTABLISHMENT

Started as a Saudi limited liability company in Riyadh on **3 March 1983**, with a share capital of one million Saudi Riyals **SAR 1,000,000**

## GROWTH

Converted into a (closed) joint stock company on **30 May 2006**. Capital increased to **SAR 60,000,000**

## TRANSFORMATION

AlArabia Initiated the digital transformation strategy and started to install and operate digital billboards with special designs.

## PUBLIC LISTED COMPANY

Public listing in the Saudi Exchange (Tadawul) on 15 November 2021, with a share capital of five hundred million Saudi Riyals (SAR 500,000,000) divided into fifty million (50,000,000) ordinary shares.  
**IPO Price SAR 100.**

# Content



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الريادة  
أن تكون  
الأكثر انتشاراً  
أكثر من 5000 لوحة  
و19 ألف وجه

# ALARABIA STRATEGY

Arabian Contracting Services Company

DAVID  
GURTTA  
S. partner

SCC

فندق  
HOTEL



Continue to adopt latest technology  
and data driven solutions



Maintain Market  
Leadership



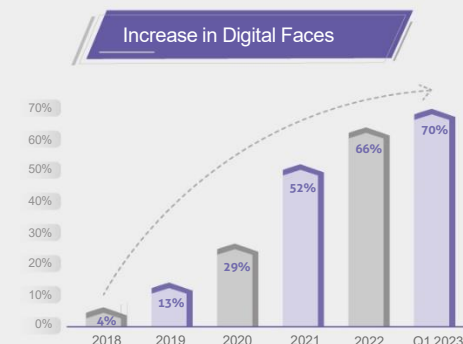
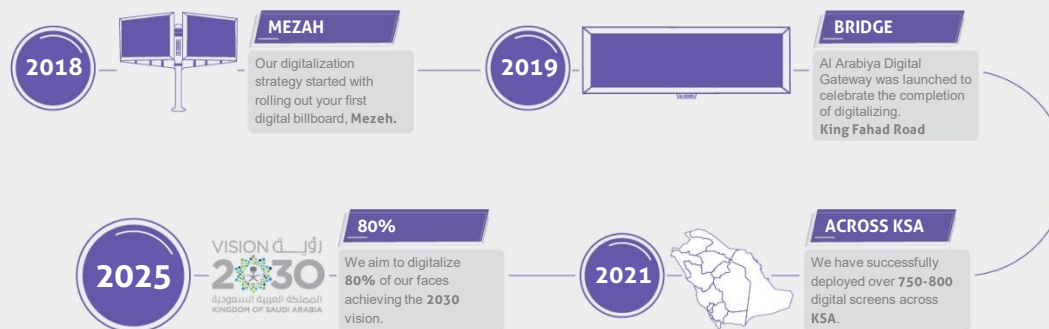
Expand to new markets  
through strategic partnerships



## 1 Kingdom of Saudi Arabia

- ❖ Continue the digital transformation
- ❖ Increase revenue from indoor and private sector
- ❖ Increase billboards utilization rates
- ❖ Increase revenue from direct sales to clients
- ❖ Excellent Operational Efficiency

## 2 Continue Adopting Latest Technology And Data Driven Solutions



## 3 Expand To New Markets Through Strategic Partnerships



Red Sea



Qiddiya



Ad Diriyah



Riyadh City



King Salman Park



Private Malls



AlUla



Airports



Neom



Amaala



Riyadh Metro



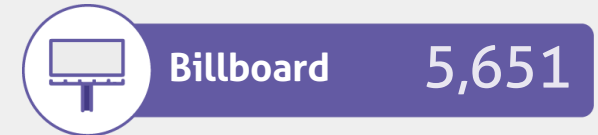
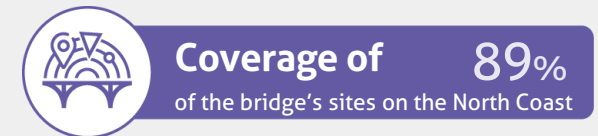
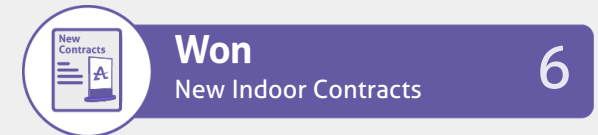
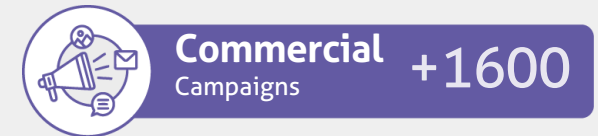
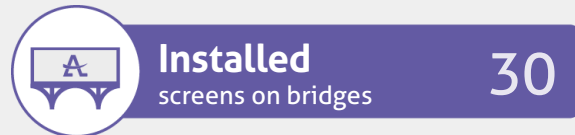
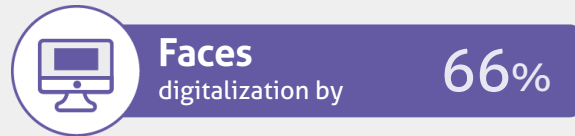
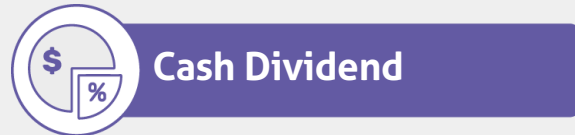
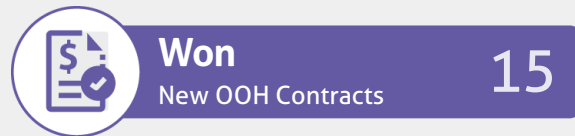
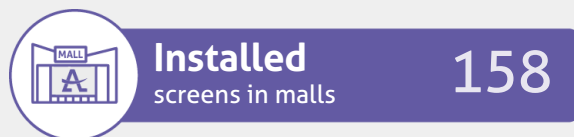
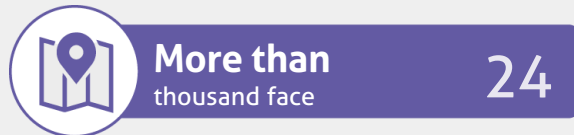
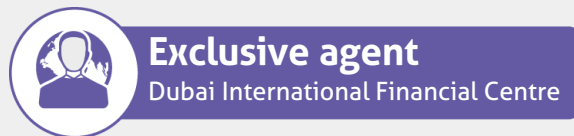
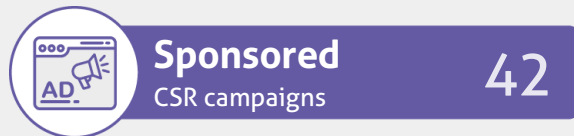
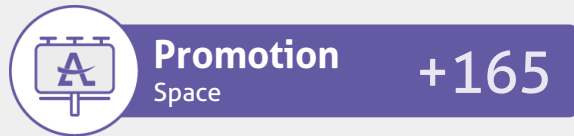
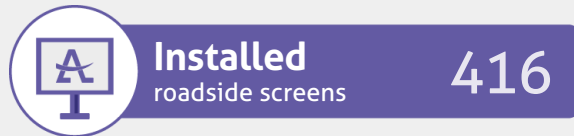
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## KEY HIGHLIGHTS

Arabian Contracting Services Company

# 2022 Key Highlights





The number of contracts during  
**Q1 2023**

1

Kingdom of Saudi Arabia

A

Outdoor Advertising

Region	Number of Contracts	Number of Billboards	* Contracts Value
Eastern Region	1	2	49,000
<b>Total</b>	<b>1</b>	<b>2</b>	<b>49,000</b>

B

Indoor Advertising

Region	Number of Contracts	Number of Billboards	* Contracts Value
Western Region	4	123	22,250
<b>Total</b>	<b>4</b>	<b>123</b>	<b>22,250</b>

\* figures are in (Thousands) SAR

Distribution of billboards to the place of advertisement

Place of Advertisement	Number of Billboards
Outdoor	2
Indoor	123

Distribution of billboards according to the method of operation

Method of Operation	Number of Billboards
Digital	116
Static	9



The number of contracts during  
**Q1 2023**  
(as of 31 Dec 2022)

2

Egypt

Region	Number of Contracts	Number of Billboards	* Contracts Value
Cairo	9	34	59,157
Giza	1	1	1,013
The North Coast (City of EL Alamein)	1	12	4,092
<b>Total</b>	<b>11</b>	<b>47</b>	<b>64,262</b>

\* figures are in (Thousands) SAR

#### Distribution of billboards to the place of advertisement

Place of Advertisement	Number of Billboards
Outdoor	47
Indoor	0

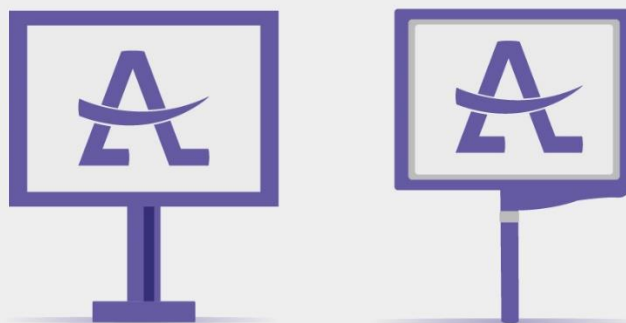
#### Distribution of billboards according to the method of operation

Method of Operation	Number of Billboards
Digital	38
Static	9

## Billboards and Faces Updated Until 31 March 2023

Type	Number of Billboards		Number of Faces	
	Saudi Arabia	Egypt	Saudi Arabia	Egypt
Digital	1,738	38	16,885	380
Static	3,630	9	7,380	18
<b>Total</b>	<b>5,368</b>	<b>47</b>	<b>24,265</b>	<b>398</b>

**70%**  
Digitalization



# Financial Performance

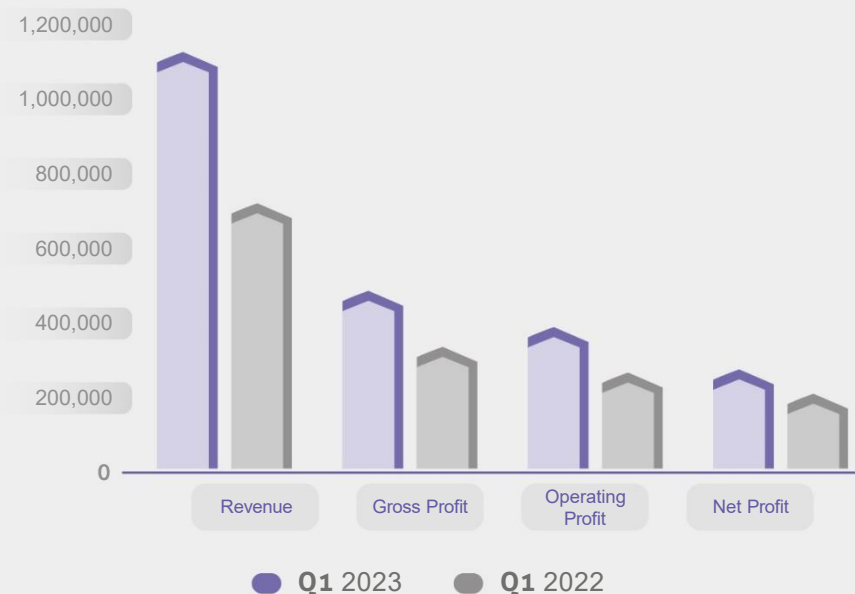
Arabian Contracting Services Company

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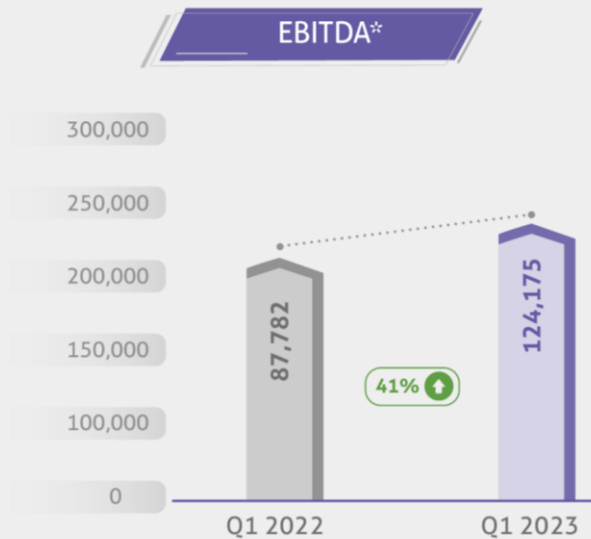
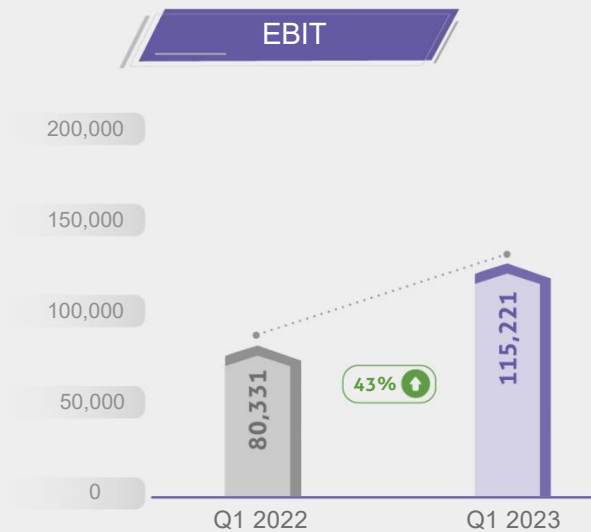
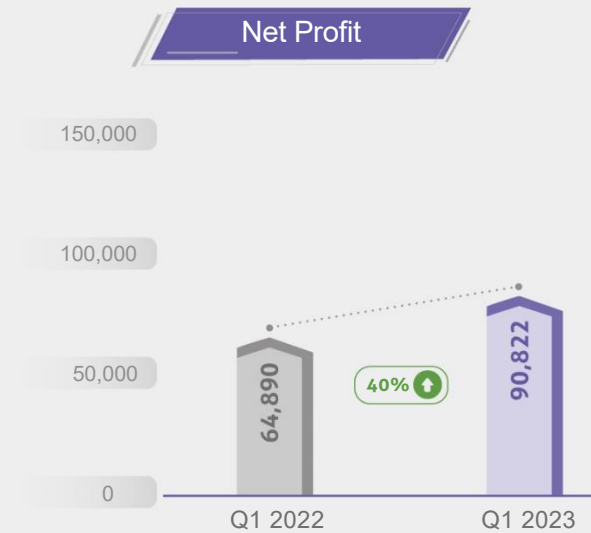
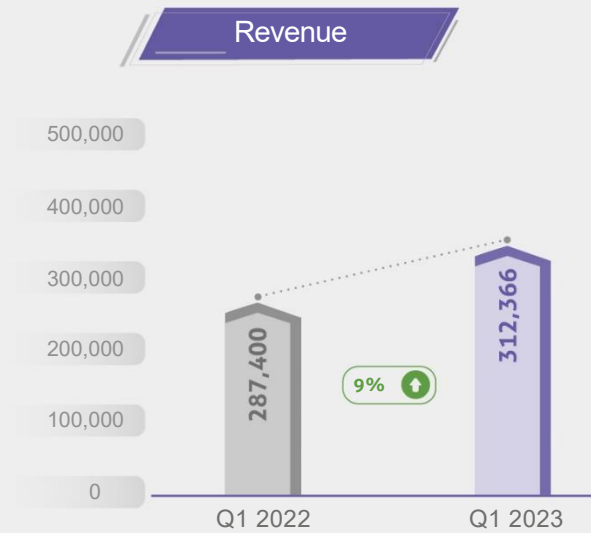
# Income Statement Highlights

Key Figures (SAR Thousand)	Q1 2023	Q1 2022	Change (%)
Revenue	312,366	287,400	9% ↑
Gross Profit	143,560	129,110	11% ↑
Operating Profit	114,723	106,007	8% ↑
Net Profit	90,822	64,890	40% ↑
*Adjusted Net Profit	91,852	90,182	2% ↑

\* Profit after adding the one-offs during the period.



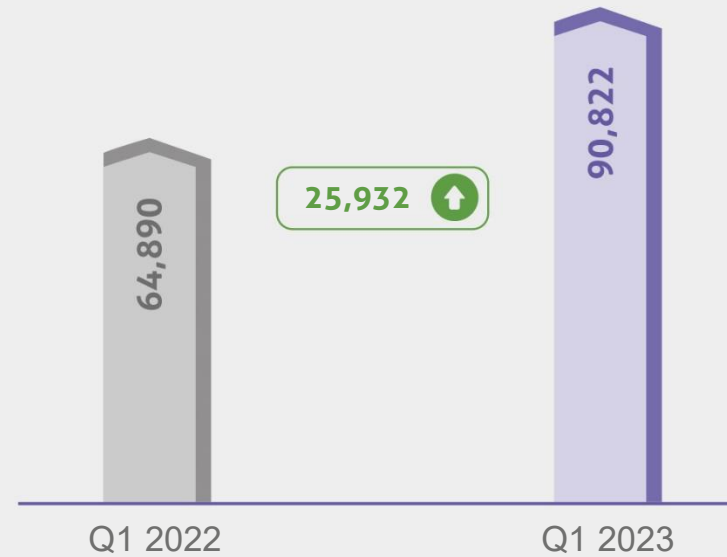
All figures are in (Thousands) SAR



\*Not include right-of-use Depreciation

All figures are in (Thousands) SAR



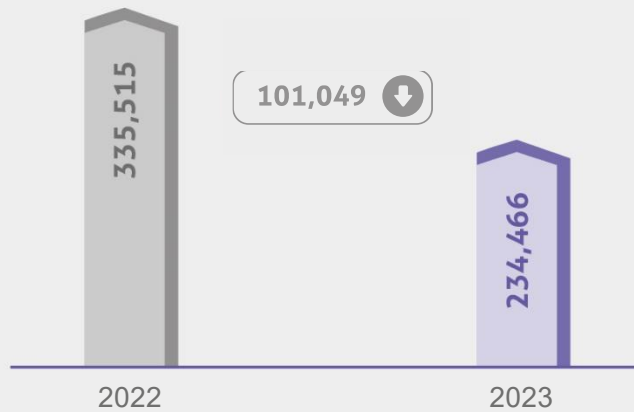


The company achieved an increase in net profit during the current quarter by **40%**, mainly due to the growth in revenues by **9%**, as this growth was driven by many reasons, including the start of Ramadan month, in addition the unique advertising campaigns for the Saudi Foundation Day, and completing the activities of Riyadh calendar.

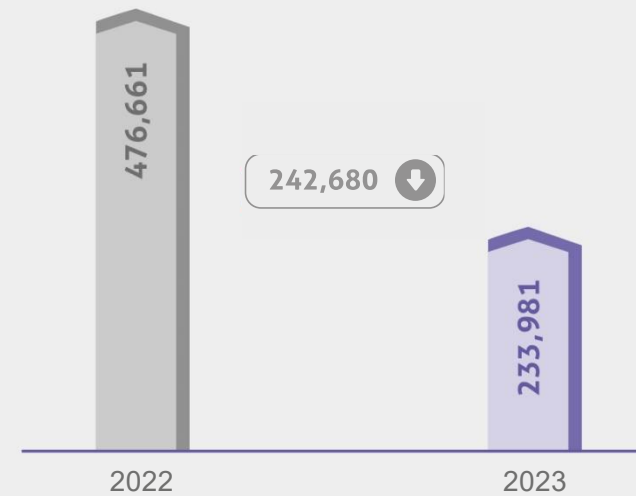
Also, continuing the digital transformation and adopting smart solutions in outdoor advertising media, by the end of **Q1 2023** ALArabia succeeded in converting **70%** of advertising faces into smart digital faces based on the latest technological solutions in collecting and analyzing data, compared to **59%** for the same quarter of the last year, with an increased by **11%**, resulting in an increase in advertising spaces and an increase in the capacity for a larger number of advertising campaigns.

All figures are in (Thousands) SAR

## Working Capital as of 31 March

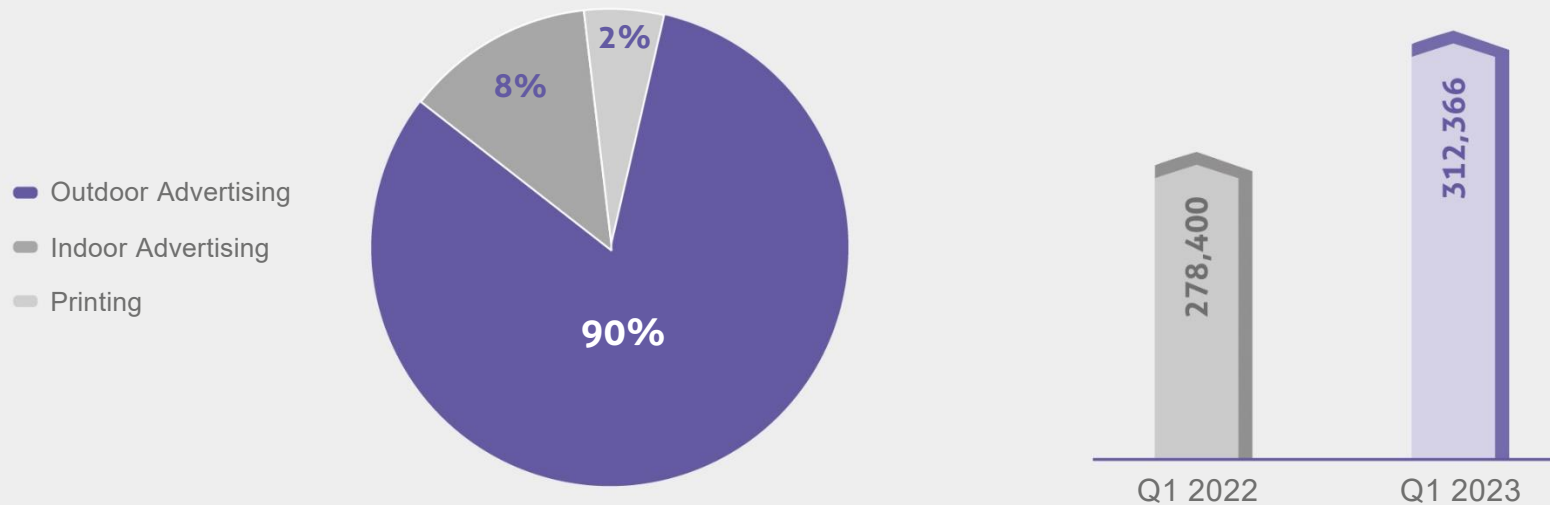


## Loans From Banks as of 31 March



The working capital decreased as of **March 31, 2023**, to **SAR 234.5 million** compared to the same period of the previous year, with a decrease rate of **30%**, this is due to the increase in lease liabilities - the current portion and the increase in accrued expenses and other current liabilities. Also, the decrease in prepaid expenses and cash and cash equivalents had an impact on this decrease in working capital at the end of the period.

All figures are in (Thousands) SAR



The outdoor advertising revenues for the Year **Q1 2023** amounted to **SAR 282.1 million** compared to **SAR 266.8 million** for the similar period of the previous year, with an increase of **6%**.



The Indoor advertising revenues for the Year **Q1 2023** amounted to **SAR 23.3 million** compared to **SAR 16.7 million** for the similar period of the previous year, with an increase of **39%**.



The printing revenues for the Year **Q1 2023** amounted to **SAR 7 million** compared to **SAR 4 million** for the similar period of the previous year, with an increase of **79%**.

All figures are in (Thousands) SAR

## Financial Indicators as of 31 March 2023



CAGR - For 2 Years

54.4%



ROAA

3%



ROAE

11%



ROR

29%



EPS

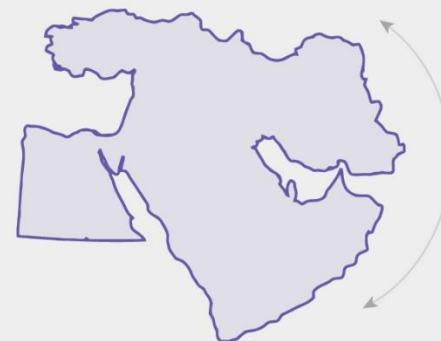
1.82 SAR



D/E

26%

## Market Share



More than

62.3%

## Foreign investor's ownership percentage

In less than 2 years of listing, the company's performance were attractive to local and foreign investors. Alarabia, has one of the highest percentages in QFI among the **9** other companies that were listed in **2021**.

ALARABIA RANKED

11<sup>th</sup>

PLACE by Revenue

Largest Outdoor Advertising companies Worldwide in **2017** by revenue in million USD 'Statista.com'



THANK YOU



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