

Earnings Presentation

Q1 2024



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al arabia Chairman & CEO



ABDULELAH AL-KHEREIJI
CHAIRMAN

"al arabia outdoor advertising has always strived to be a leader in the outdoor advertising sector."



MOHAMMED AL-KHEREIJI
CHIEF EXECUTIVE OFFICER

"We are keen to maintain the development of international technology in field of advertisement."

al arabia Historical Structure

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**

1983

Arabian Contracting Services Co.

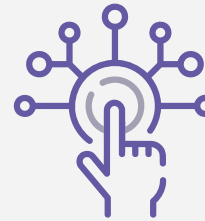


TRANSFORMATION

al arabia Initiated the digital transformation strategy and started to install and operate digital billboards with special designs

2018

Digitalization Strategy



2006

Closed Joint-Stock Co.

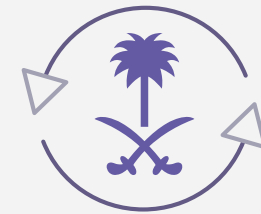


GROWTH

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

2021

Listed in the Saudi Exchange



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



al arabia
Strategy



Key
Highlights



Financial
Performance



al arabia Strategy

Arabian Contracting Services Company

al arabia Strategy



Continue to adopt latest technology
and data driven solutions



Maintain market
leadership



Expand to new markets
through strategic partnerships



سنة 40 YEARS

ضمان
DAMAN PROJECTS



Key Highlights

Arabian Contracting Services Company

Key Highlights Q1 2024

Building Facades

Awarding 2 contracts through Faden

Public Transportation

Awarding 2 contracts through Faden

Masar Makkah

Signing a contract

Dubai

Signing a new contract through Al Arabia OOH

90% Digitalization

Rate

5,954 Billboards

KSA - Based on Contracts

42,212 Faces

KSA - Based on Contracts

+700 Commercial

Campaigns

Key Highlights



The number of new contracts during

Q1 2024

Kingdom of Saudi Arabia

Region (Outdoor)	Number of Contracts	Number of Billboards	Contracts Value *
Western Region	1	315	252,613
Northern Region	2	18	5,000
Total	3	333	257,613

* Figures are in (Thousands) SAR

Distribution of billboards to the place of advertisement

Place of Advertisement	Number of Billboards
Outdoor	333
Indoor	0

Distribution of billboards according to the method of operation

Method of Operation	Number of Billboards
Digital	333
Static	0

Key Highlights



Q1,24 The number of new contracts during
Q1 2024

United Arab Emirates

Region (Outdoor)	Number of Contracts	Number of Billboards	Contracts Value *
Dubai	1	294	522,839
Total	1	294	522,839

* Figures are in (Thousands) UAE

Distribution of billboards to the place of advertisement

Place of Advertisement	Number of Billboards
Outdoor	294
Indoor	0

Distribution of billboards according to the method of operation

Method of Operation	Number of Billboards *
Digital	85
Static	209

Billboards and Faces (As Contracts)

Billboards and Faces Updated Until 31 March 2024

TYPE	Number of Billboards			Number of Faces		
	Saudi Arabia	UAE	Egypt	Saudi Arabia	UAE	Egypt
Digital	3,788	160	138	37,880	1,600	1,380
Static	2,166	284	597	4,332	493	1,194
Total	5,954	444	735	42,212	2,093	2,574

90%
DIGITALIZATION



Current Projects

Arabian Contracting Services Company

Signing Al-Riyadh Project Contract



The largest investment contract globally within the outdoor advertising industry.



The contract duration is **10** years.



The number of billboards is up to **3,000** fully digital billboards.



4 Revenue Streams.



The project methodology constants net revenue sharing or the annual minimum guarantee - whichever is higher.



Deducting **5%** of the project's income to finance the initiatives that focused on improving the urban landscape, developing infrastructure, and enhancing municipal real estate in Riyadh City.

Signing King Khaled International Airport Contract



The contract duration is **10** years.



The number of billboards is **525** fully digital billboards.



The project methodology constants net revenue sharing or the annual minimum guarantee - whichever is higher.



In the initial year, the project methodology involves net revenue sharing only, in subsequent years, it will be either net revenue sharing or the annual minimum guarantee - whichever is higher.

Faden Media Acquisition



The acquisition value is SAR **1,050,000,000**.



Increasing and enhancement the market share.



Expanding the advertising network in the western region.



The completion of the full acquisition of Faden Media.

Awarded two projects offered by Ramat Al-Riyadh Company for establishing, operating, and maintaining advertising billboards on the facades of 3 buildings in various sites of Riyadh City for a duration of 10 years each, the first project is valued at SAR 430,000,000, while the second project is valued at SAR 501,500,000.

Awarded two projects offered by Ramat Al-Riyadh Company for establishing, operating, and maintaining advertising posters on a combined total of 500 public taxis or buses for a duration of 2 years each, the first project is valued at SAR 6,840,000, while the second project is valued at SAR 5,795,000.

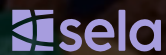
شركة ريمات
الرياض للتنمية
Ramat Al-Riyadh



Signing Boulevard World Project Contract



Boulevard World is one of the entertainment areas in Riyadh City that includes various experiences from 10 countries around the world, also includes the largest artificial lake, and it is one of the areas affiliated with the Riyadh Season activities with a capacity of up to 3,000 visitors each hour.



Offered by Sela Company.



The project's duration is **3 years**.



The number of billboards is 99 fully digital billboards.



The project methodology is sharing a percentage of the value of the financial returns (net revenue and marketing).

Signing Jabal Omar Project Contract



Jabal Omar project is considered one of the most significant integrated real estate development projects and investments in Makkah which aims to develop and manage areas overlooking the sacred precinct and contribute to their revitalization.

Offered by Jabal Omar Development Company.



The project's duration is **5 years**.



The number of billboards is 45 fully digital billboards, in addition to 5 promotional spaces.



The project methodology is sharing a percentage of the income generated from billboards and promotional spaces.

Signing Masar Masterplan Agreement



Masar Makkah is one of the major development projects in Makkah Al-Mukarrama and it aims to create destinations with a civilized and exemplary design, considering the culture and authenticity of the Holy City of Makkah to become a main gateway route leading to the Holy Mosque in Makkah.

Offered by Umm Al Qura Development and Construction Company.



The contract duration is 15 years.



The number of billboards is 315 fully digital billboards.



In the initial 4 years, the project methodology involves sharing a percentage of the generated revenue; in subsequent years, it will be either sharing a percentage of the generated revenue or the annual minimum guarantee -whichever is higher.

The total annual minimum guarantee amount is SAR 252,612,655 distributed progressively over 11 years.

Establishing of Al Arabia OOH Digital Company in UAE



Al Arabia OOH Digital Company is jointly owned by Al-Arabia Out of Home Advertising Company (a subsidiary owned 100% by Arabian Contracting Services Co.) with 60% ownership, Mawaqie Company (a Saudi Company) with 10% ownership and an Emirati partner with 30% ownership.



Signing a contract to grant the rights to install, operate, and maintain advertising billboards in Dubai City.



Offered by the Roads and Transport Authority (RTA) in Dubai City.



The contract's duration is **10 years and 5 months**.



The number of billboards is **294 billboards**.

Pipeline Projects



Dammam Airports
Project



Jeddah Transport

Jeddah Buses & Public
Transportation Project



Riyadh Metro
Stations Project



All Kingdom
Airports Project



Roads Between Kingdom
Cities Project

A person is walking away from the camera down a long, dimly lit hallway. The walls are covered in a dense, grid-like pattern of small, glowing squares, resembling a digital or data visualization. The floor is dark and reflective. The overall atmosphere is futuristic and technological.

Financial Performance

Income Statement Highlights

Key Figures (SAR Thousand)	Q1 2024	Q1 2023	Change (%)
Revenue	439,073	312,366	41% ↑
Gross Profit	203,538	143,560	42% ↑
Operating Profit	158,958	114,723	39% ↑
Net Profit	100,823	90,822	11% ↑
*Adjusted Net Profit	101,060	91,852	10% ↑

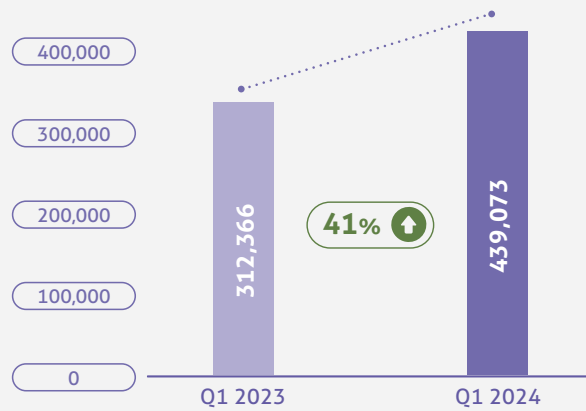
* Profit after adding the one-offs during the period.



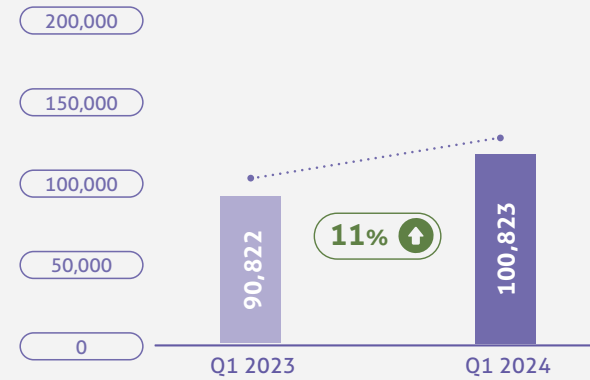
All figures are in (Thousands) SAR

Income Statement Highlights

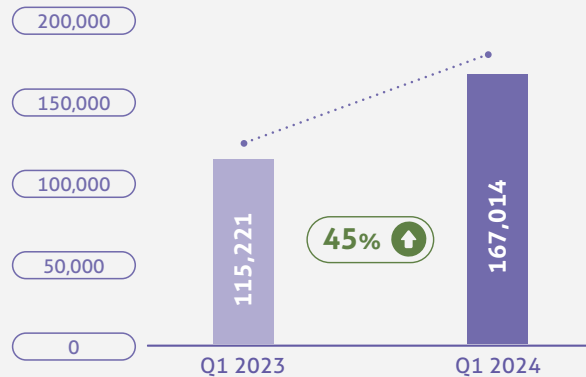
Revenue



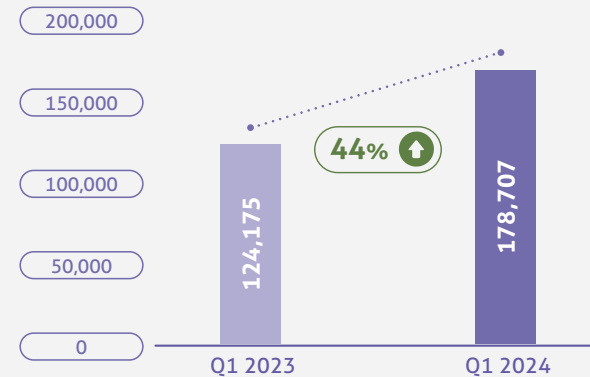
Net Profit



EBIT



EBITDA*



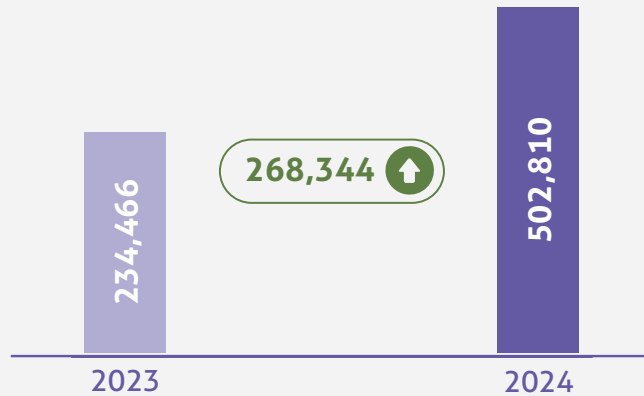
All figures are in (Thousands) SAR

*Not included right-of-use assets Depreciation

Working Capital & Loans From Banks

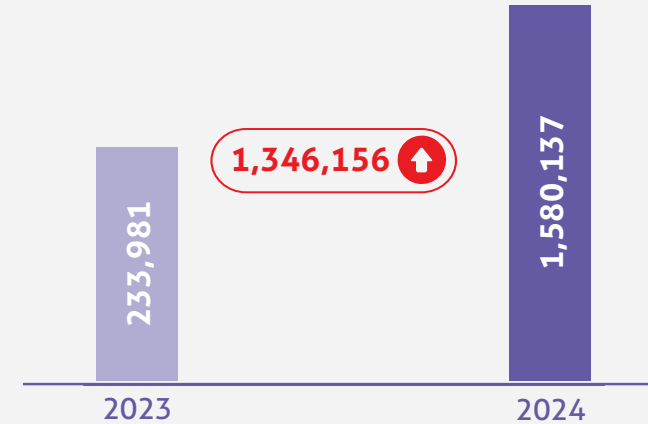
Working Capital

as of 31 March



Loans From Banks

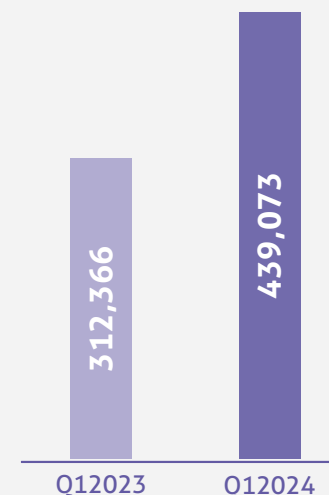
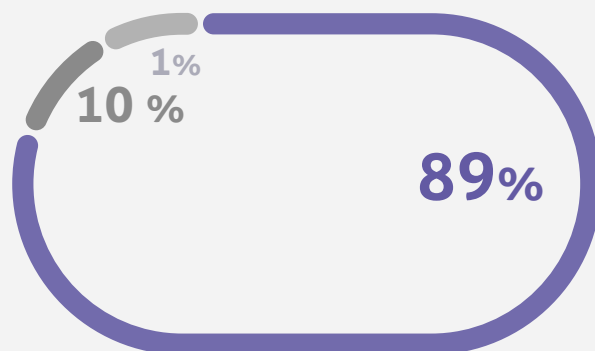
as of 31 March



The working capital increased as of **March 31, 2024**, to SAR **502.8** Million compared to the same period of the previous year, this is due to the increase in trade receivables by **35%**, prepaid expenses & other current assets by **434%**, and cash and cash equivalents by **57%**.

All figures are in (Thousands) SAR

Revenue By Segment



The outdoor advertising revenues for **Q12024** amounted to SAR **390.8** Million compared to SAR **282.1** Million for the same period of the previous year, with an increase of **39%**.

The indoor advertising revenues for **Q12024** amounted to SAR **44.6** Million compared to SAR **23.3** Million for the same period of the previous year, with an increase of **92%**.

The printing revenues for **Q12024** amounted to SAR **3.6** Million compared to SAR **7.0** Million for the same period of the previous year, with a decrease of **48%**.

All figures are in (Thousands) SAR

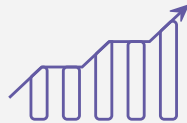
Other Financial Highlights

Financial Indicators as of 31 March 2024



EBIT %

38%



EBITDA %

41%



ROAA

2%



ROAE

9%



EPS

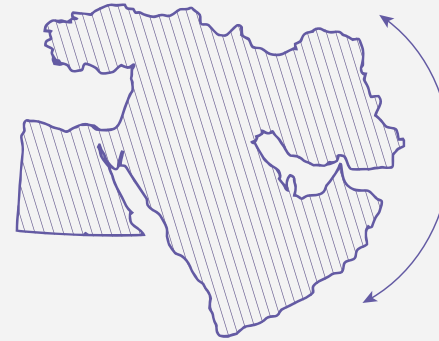
2.02 SAR



D/E

130%

Market Share



More than

62.3%

Foreign investor's ownership percentage

During 2 years of listing, the company's performance were attractive to local and foreign investors. al arabia, has one of the highest percentages in QFI among the 9 other companies that were listed in 2021.

ALARABIA RANKED

11th

PLACE by Revenue

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

Other Financial Highlights

al arabia is committed to transparency and wishes to address any inquiries relating to the effects of recently executed contracts on the company's performance and investor outlook. It is crucial to understand that these are forward-looking statements, which by their nature are uncertain and outside of the company's control. Although these forward-looking statements are based on management's current expectations and beliefs, actual results may vary in a material way.

To ensure shareholders are well-informed, regular updates will be well-appointed, providing the most precise information available. al arabia maintains its dedication to disclosure and transparency to foster a fair market environment.

Guidance

ITEM	FY2024
CAPEX	SAR 300 Million
Gross Profit Margin	28 - 34 %
Net Income Margin	14 - 17%
Revenue Growth	30 - 40%
EBITDA	22 - 25 %
Number of additional billboards	250 - 300

ITEM	FY2025	FY2026
CAPEX	SAR 300 - 500 Million	SAR 200 - 300 Million
Gross Profit Margin	30 - 35 %	30 - 35 %
Net Income Margin	15 - 20 %	15 - 20 %
Revenue Growth	15 - 20 %	10%
Number of additional billboards	100-150	100-150

THANK YOU

