

# Earnings Presentation

Q2 2024

MEZAH SKYLINE  
by al arabia



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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.



### 2006

Closed Joint-Stock Co.

## GROWTH

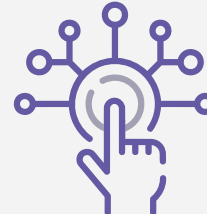
Converted into a (closed) joint stock company on **30 May 2006**. Capital increased to **SAR 60,000,000**

## TRANSFORMATION

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

### 2018

Digitalization Strategy



### 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  
DUMAN PROJECTS



## Key Highlights

Arabian Contracting Services Company



# Key Highlights Q2 2024

## Building Facades

Awarding 1 contracts through Faden

## Public Transportation

Awarding 2 contracts through Faden

## Masar Makkah

Signing a contract

## Dubai

Signing a new contract through Al Arabia OOH Digital.

## 90% Digitalization

Rate

## 5,954 Billboards

KSA - Based on Contracts

## 42,212 Faces

KSA - Based on Contracts

## +700 Commercial

Campaigns

# Pipeline Projects



Damam Airports  
Project



Riyadh Metro  
Stations Project



All Kingdom  
Airports Project



Roads Between Kingdom  
Cities Project



Diriyah Parking  
Project

# Billboards and Faces (As Contracts)

Billboards and Faces Updated Until 30 June 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
<b>Total</b>	<b>5,954</b>	<b>444</b>	<b>735</b>	<b>42,212</b>	<b>2,093</b>	<b>2,574</b>

**90%**  
DIGITALIZATION





# Current Projects

Arabian Contracting Services Company

# 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.

# King Khaled International Airport Contract

CONTRACT  
**10**  
YEARS

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 project 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.

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.

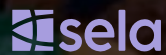
شركة ريمات  
الرياض للتنمية  
Remat Al-Riyadh



# 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 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 minimum guarantee amount is SAR 252,612,655 distributed progressively over 11 years.





# RTA CONTRACT IN DUBAI



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**.

# NEW PRODUCTS

مَعَالِفُ | مِيزَةٌ  
MA'ALEM | MEZAH





MEZAH SKYLINE  
by al arabia

بنك الرياض  
Riyad Bank

أنت  
مثل الإمارات

إبدأ قصة منشأتك معنا  
بنك الرياض خاصو لرقابة وإشراف البنك المركزي السعودي

بنك الرياض  
Riyad Bank





Butterflies  
by nōs

Butterflies' gates  
by nōs

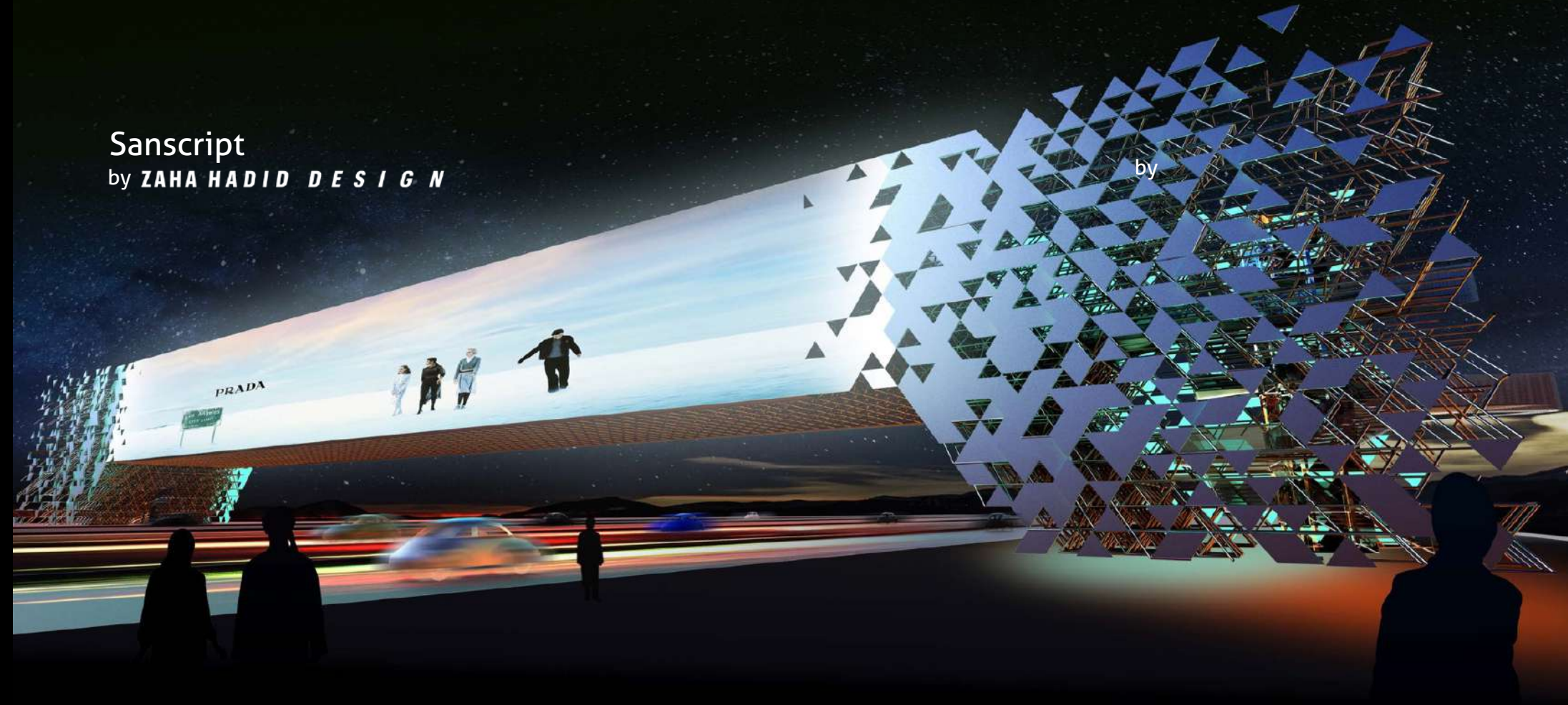
PRADA



Sanscript  
by ZAHA HADID DESIGN

by

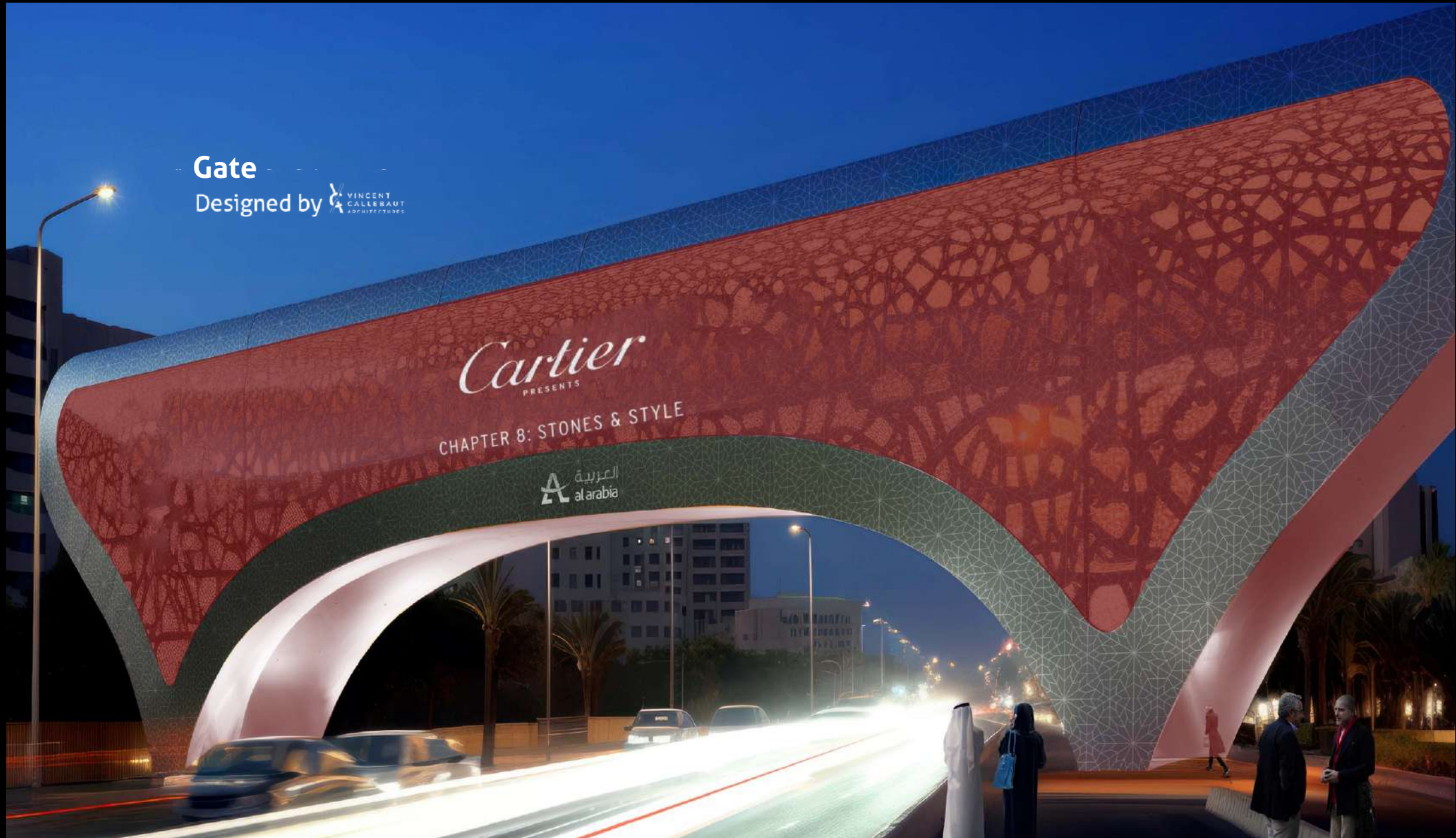
PRADA





Gate

Designed by  VINCENT CALLEBAUT ARCHITECTURES



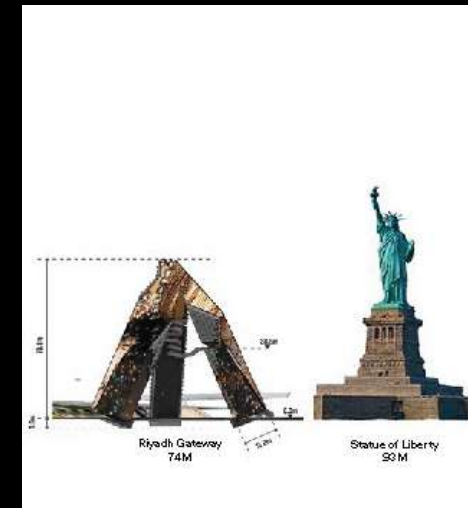
*Cartier*  
PRESENTS  
CHAPTER 8: STONES & STYLE

العربية  
al arabia





**Stargate**  
by TOM WISCOMBE  
ARCHITECTURE



## White Ghaf

by  VINCENT CALLEBAUT ARCHITECTURES





A person is walking away from the camera in a long, dimly lit hallway. The walls are covered in a grid of small, glowing data points and charts, creating a sense of depth and complexity. The overall color palette is dark blue and purple.

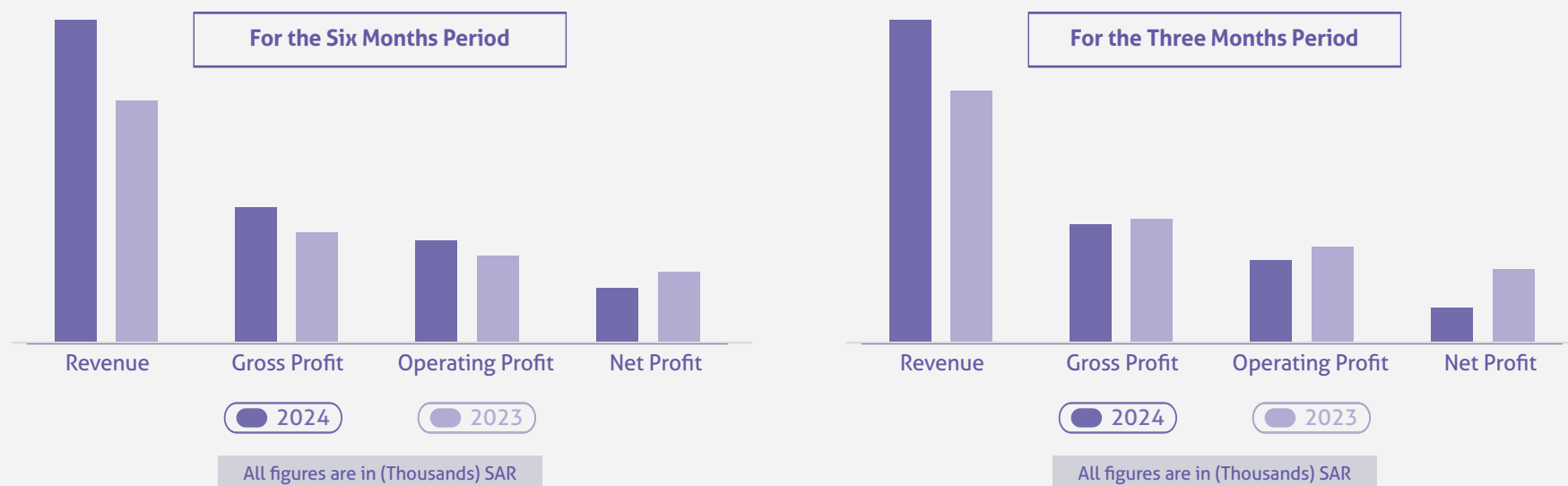
# Financial Performance



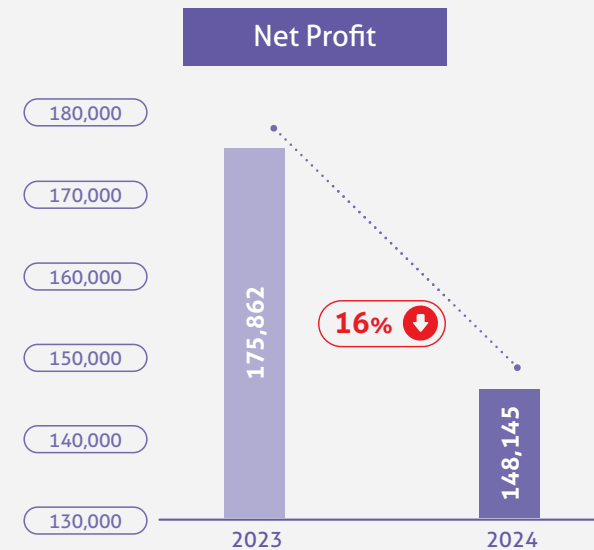
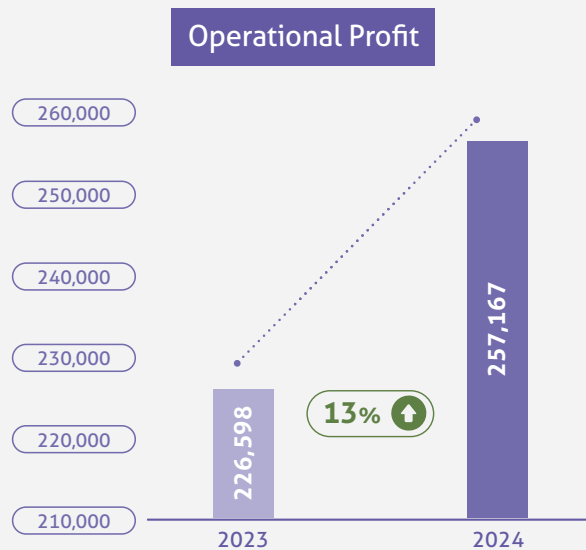
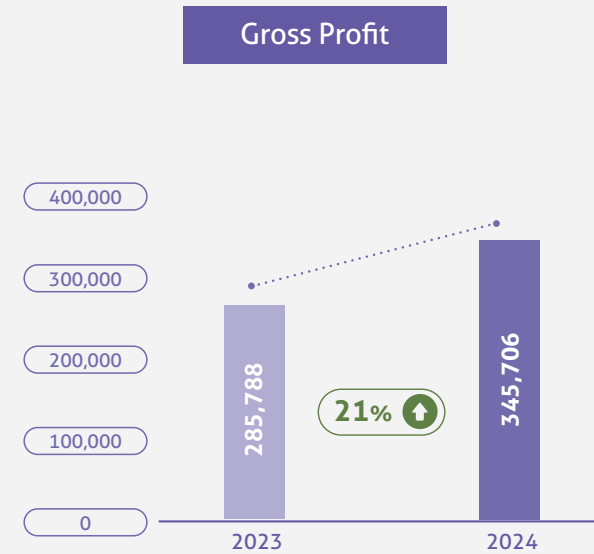
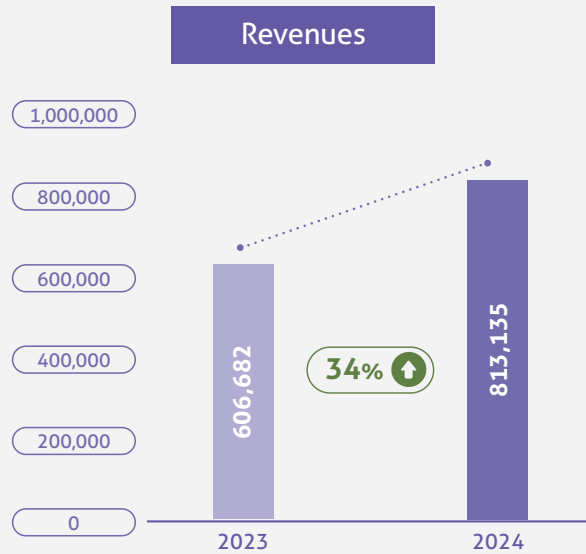
# Income Statement Highlights

Key Figures (SAR Thousand)	For the Six Months Period			For the Three Months Period		
	2024	2023	Change (%)	2024	2023	Change (%)
Revenue	813,135	606,682	34% ↑	374,062	294,316	27% ↑
Gross Profit	345,706	285,788	21% ↑	142,168	142,228	0% ↑
Operating Profit	257,167	226,598	13% ↑	98,209	111,875	12% ↓
Net Profit	148,145	175,862	16% ↓	47,322	85,040	44% ↓
*Adjusted Net Profit	148,382	177,329	16% ↓	47,322	85,478	45% ↓

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



# Income Statement Highlights

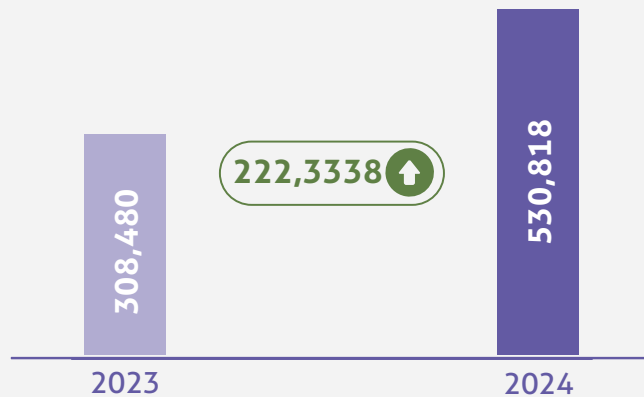


All figures are in (Thousands) SAR

# Working Capital & Loans From Banks

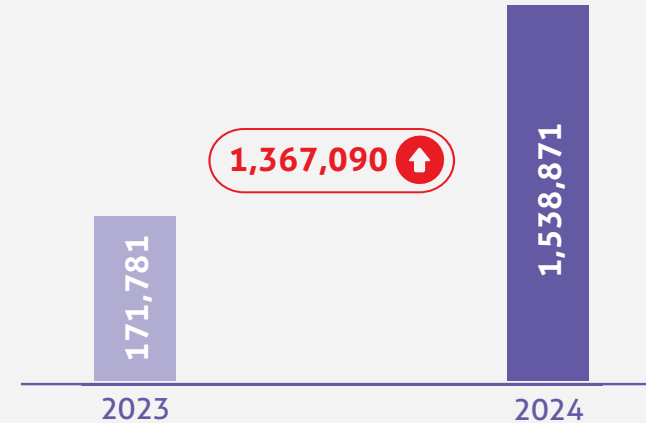
## Working Capital

as of 30 June



## Loans From Banks

as of 30 June

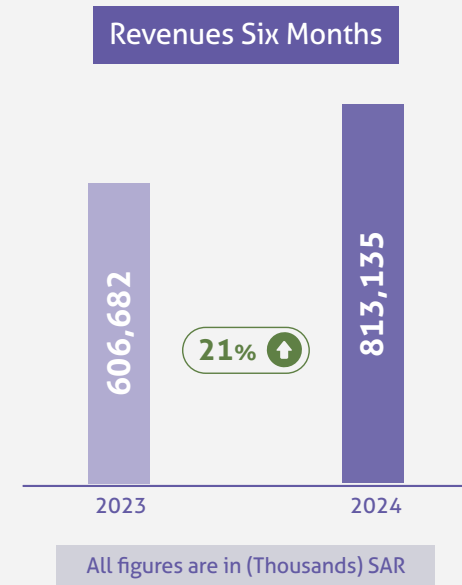
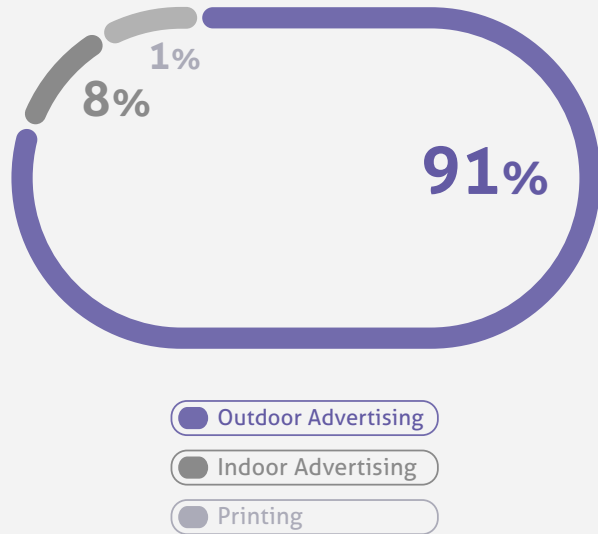


The working capital increased as of **June 30, 2024**, to SAR **530,818** Million compared to the same period of the previous year, this is due to the increase in trade receivables by **27%**, increase in cash and cash equivalents by **40%** and the increases in prepaid and other debit balances by **39%**. Also, the decrease in Lease Liabilities by **9%** and Decreases in Zakat and tax by **52%**. had an impact on this increase in working capital at the end of the period.

All figures are in (Thousands) SAR



# Revenue By Segment



Outdoor advertising revenue increased by **32%** in comparison with the same period of previous year with total revenue amounted to **MSAR 737**.

Indoor advertising revenue increased by **93%** in comparison with the same period of the previous year with total revenue amounted to **MSAR 68**.

Printing revenue decreased by **43%** in comparison with the same period of the previous year with total revenue amounted to **MSAR 8**.

All figures are in (Million) SAR

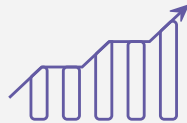
# Other Financial Highlights

## Financial Indicators as of 30 June 2024



**EBIT %**

33%



**EBITDA %**

36%



**ROAA**

2%



**ROAE**

9%



**EPS**

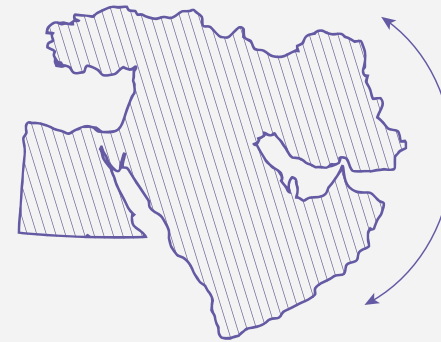
2.96 SAR



**D/E**

123%

## Market Share



Over  
**72%**

## Foreign investor's ownership percentage

During 2 years of listing, the company's performance was 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

**9<sup>th</sup>**

PLACE by Revenue

\* Largest Outdoor Advertising companies Worldwide and by revenue in million USD  
Hardman & Co research company

# 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

مطار الملك خالد الدولي  
king khalid int'l airport

رحلة سعيدة  
PLEASANT FLIGHT

العربية  
al arabia

al arabia

Rate Card



AlArabia