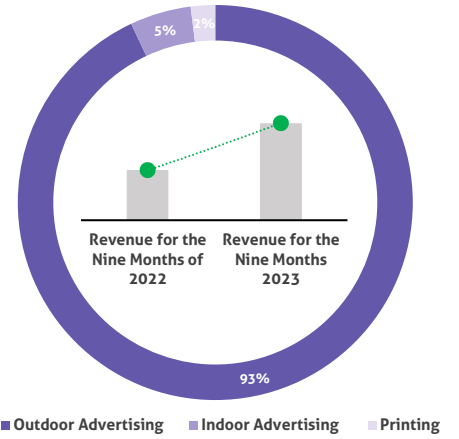


## KEY HIGHLIGHTS

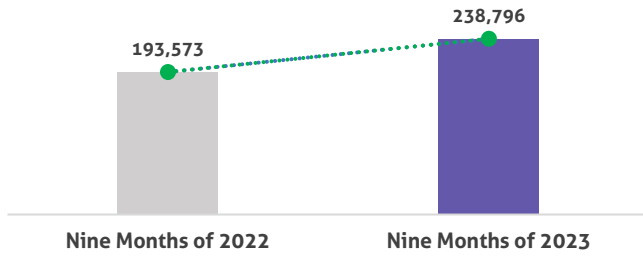
- Obtaining a conditional approval from the General Authority for Competition regarding the completion of the economic concentration transaction involving full acquisition of Faden Media.
- Signing a contract through Arabiya United for Advertising Service (an associate company) for the installation billboards in Egypt.
- The digital faces increased to 70% as of 30 September of the year 2023, by 10% compared to the similar period of the previous year.



## Financial Indicators

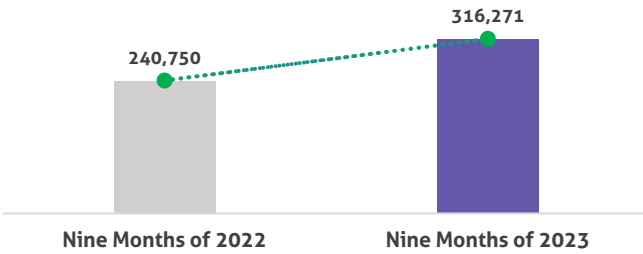
### Net Profit +23%

All Figures are in Thousand SAR



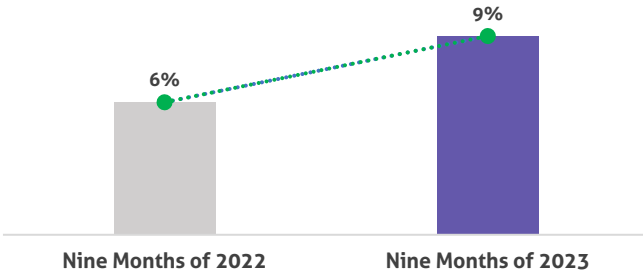
### EBIT +31%

All Figures are in Thousand SAR



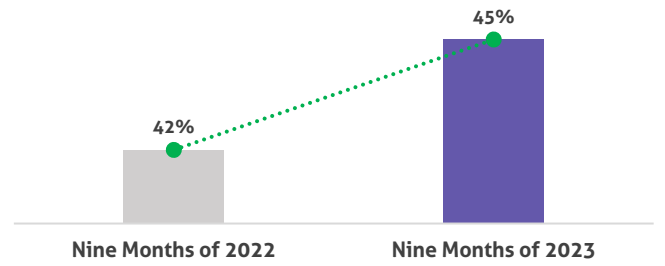
### ROAA<sup>2</sup> +3%

%



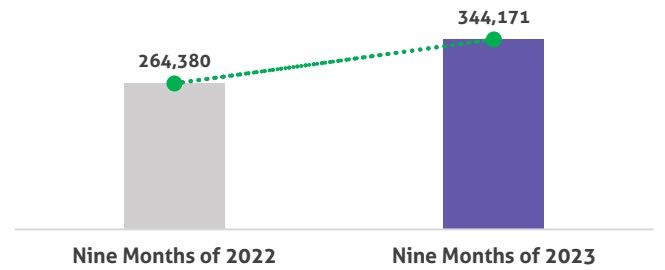
### Gross Profit Margin +3%

%



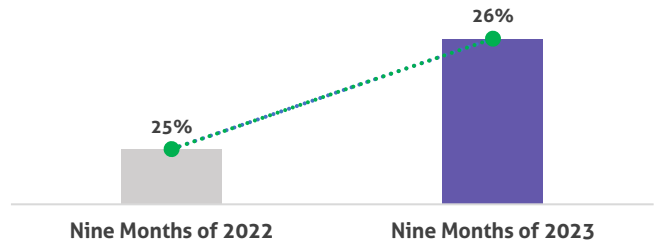
### EBITDA<sup>1</sup> +30%

All Figures are in Thousand SAR



### ROAE +1%

%



<sup>1</sup> EBITDA not included Right of Use Assets Depreciation.

<sup>2</sup> Comparative figures for the period ended 30 September 2022, have been reclassified to conform to the current period's presentation and classification.

## Earnings Per Share

▲ **4.78** SAR/Share

3.87 SAR/Share for the same period of last year

## P/E Ratio

▲ **32.32** Times

206.8 SAR, Market share price as of 28 Sep 2023

## Working Capital

▲ **530.8** Million SAR

172.1 Million for the same period of last year<sup>3</sup>

## Net Operating Cash Flow

▲ **439.4** Million SAR

319.2 Million for the same period of last year

## About al arabia

Arabian Contracting Services Co. has succeeded during the past forty years in leading the outdoor advertising segment in the Kingdom of Saudi Arabia, as it introduced the latest technologies and advertising methods to the local market, and in order to achieve one of its strategic pillars, al arabia continues to adopt smart digital solutions as a starting point to transforming outdoor advertising assets into fully digital assets supported with artificial intelligence techniques.

al arabia is also considered the leader company in the outdoor advertising segment, as it controls 62.3% of the market size in outdoor advertising segment and more than 23% of the market share in the advertising segment as a whole. Arabian Contracting Services Co. is a Saudi joint stock company registered in the city of Riyadh on Jumada Al-Ula 18, 1403H (corresponding to March 3, 1983) under Commercial Registration No. 1010048419 and it is listed on the Saudi Stock Exchange (Tadawul) under the symbol 4071, the company's capital is SAR 500 Million divided into 50 Million shares, and the value of each share is SAR 10.

## CEO Message



During the 3<sup>rd</sup> quarter of 2023, we witnessed positive financial results aligned with the strategic direction set by the company's management and Board of Directors. Specifically, our revenues experienced an increase of 18% compared to the same quarter of the previous year. This growth is attributed to various factors, including the start of the back-to-school and universities season, National Day campaigns, and the Gamers 2023 season. Each of these factors played a role in positively impacting the company's revenues and overall business performance throughout the quarter. This success reflects our ability to capitalize on market opportunities and effectively meet the clients' needs.

At al arabia Company, our goal is to extend our advertising network across local, regional, and international markets, to continue our endeavors to providing ongoing support in establishing a comprehensive and groundbreaking digital framework for outdoor advertising. This framework aims to enhance the digital economy within the Kingdom and contribute to the growth of local content within the national economy.

**Mr. Mohamed Abdelelah Alkhereiji**  
Chief Executive Officer for Arabian Contracting Services Co.

<sup>3</sup> Comparative figures for the period ended 30 September 2022, have been reclassified to conform to the current period's presentation and classification.

## Signing Al-Riyadh Project Contract:

- ❖ One of the largest investment contracts globally within the outdoor advertising industry, spanning a duration of 10 years.
- ❖ Up to 3,000 fully digital billboards.
- ❖ 4 Revenue Streams: Smart Services, Smart Solutions, Luxury Collection and Digital Zones.
- ❖ The project's business model based on either sharing a percentage of the net revenue earned or the annual minimum guarantee of SAR 1,522,000,000 - whichever is higher.-
- ❖ During the first year, the annual minimum guarantee will be discounted by 50%, split into two installments, and in the second and third years, there will be a 25% discount.
- ❖ On an annual basis, Remat will deduct 5% from the project's income that due to them from al arabia. This deduction aims to fund projects aimed at enhancing the urban landscape, infrastructure development, and municipal real estate in Riyadh City.
- ❖ From 6<sup>th</sup> to 10<sup>th</sup> year of the contract, there will be a 10% increase applied to both the net revenue sharing percentage and the annual minimum guarantee.

## Signing King Khaled International Airport Contract:

- ❖ A Contract of Construction and Operation of Advertising Billboards at King Khalid International Airport in Riyadh City, spanning a duration of 10 years.
- ❖ A comprehensive collection of 525 fully digital billboards present a state-of-the-art model built on smart digital solutions. This innovative concept includes 90 billboards located along the highway leading to King Khalid International Airport, and 435 billboards distributed within inside the airport.
- ❖ The contract's business model based on either sharing of the net revenue earned or the annual minimum guarantee - whichever is higher.-
- ❖ In the initial year of the contract, the business model will only involve sharing of the net revenue earned, without the annual minimum guarantee. However, in the following years, the business model will shift to either sharing of the net revenue earned or the annual minimum guarantee - whichever is higher.-
- ❖ The minimum guarantee amounts starting from the 2<sup>nd</sup> year until the 10<sup>th</sup> year are total of SAR 1,822,462,500, which will be distributed progressively over the 9 years of the contract.

## Finalizing the Full Acquisition of Faden Media:

- ❖ The acquisition value is SAR 1,050,000,000.
- ❖ Completion of all procedures related to the acquisition of Faden Media in 31 October 2023.
- ❖ This acquisition constitutes a step for the company to maintain and increase its market share with the aim of enhancing growth in revenues and profits.
- ❖ Expanding the advertising network in the western region.
- ❖ Financing the value of the acquisition through long-term facilities with 3 different banks.

## Contact

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