

Cenomi Centers Earnings Presentation

For the period ending 30 June 2024

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H1 2024 Highlights

Strong H1-24 results driven by growth and operational excellence



92.5%

LFL¹ Occupancy
92.5% (Q2-24)

▲ 1.1pp YOY H1-23



SAR 1,172.3 m

Revenues
SAR 586.5 m (Q2-24)

▲ 2.6% YOY H1-23
▲ 3.8% YOY Q2-23



SAR 718.1 m

EBITDA
SAR 395.1 m (Q2-24)

▼ 20.5% YOY H1-23
▲ 10.9% YOY H1-23 (Post one-offs)
▲ 9.8% YOY Q2-23



SAR 539.5 m

Net Profit
SAR 353.8 m (Q2-24)

▼ 25.6% YOY H1-23
▲ 25.6% YOY H1-23 (Post one-offs)
▲ 5.0% YOY Q2-23



66.0 m

Footfall
34.4m (Q2-24)

▲ 4.6% YOY H1-23
▲ 1.8% YOY Q2-23



SAR 176.0 m

Net fair value gain on
investment properties

▲ SAR 154.9m YOY H1-23
▲ SAR 52.4m YOY Q2-23



SAR 350.0 m

**Accordion utilized to support
expansion**

- Part of SAR 5.25 bn Shariah Compliant facilities
- Sustainability-linked pricing
- 3.5-year grace period
- 12-y term on term loan



SAR 200.0 m

Sahara Plaza Sale

- Transaction agreed
- Pending title transfer

**SAR 1.1 bn non-core assets sold
as of Jun-24**



5 Strategic Pillars Driving Growth & Business Excellence



Ambition to become the largest and most admired developer and operator of lifestyle destinations in KSA and the lead interface with the Saudi consumers

5 STRATEGIC PILLARS

ACHIEVEMENTS



Portfolio Growth

- ✓ U Walk Jeddah grand opening in February 2024 with over 80% pre-let and high level of interest from potential tenants
- ✓ Executing on delivery pipeline with Jawharat Jeddah and Jawharat Riyadh on track for opening in 2025 with significant progress on construction with over 90% structural completion on both assets



Product Excellence

- ✓ 1,306 leases renewed in H1-24
- ✓ 235 brands onboarded including new brands Vox Cinemas, ASICS, Five Guys, Charlotte Tilbury



Operational Excellence

- ✓ Reduced retail GLA share from 68% in Mar-20 to 62% in Jun-24 as part of tenant mix optimization
- ✓ Delivered record-level footfall with 66 million visits in the first half of 2024
- ✓ Proactive tenant management with occupancy remaining steady at 92.5%



Organization Enhancement

- ✓ Prudent management of G&A and Advertising Costs
- ✓ Streamlined senior management for better efficiencies (CEO direct reports from 15 to 8)
- ✓ Introduced Strategy and Performance Management department



Sustainability Leadership

- ✓ On track for first GOLD LEED mall developments with Jawharat Riyadh and Jawharat Jeddah
- ✓ Progress on PPA with FAS Energy and Marubeni to install Solar PV system



Value Proposition

Value Proposition

1



Undisputed #1 mall developer, owner and operator in KSA

2



First mover in KSA with deep roots in a country on a historic transformation journey

3



Building for the future with top lifestyle destinations in top cities

4



Robust balance sheet with a prudent capital structure and diversified sources of funding

Undisputed #1 mall developer, owner and operator in KSA

10
Cities

~1.4m
GLA¹ (sqm)

66.0m
Footfall

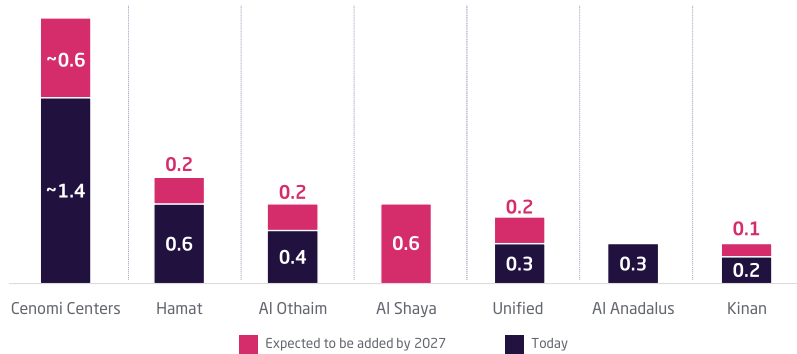
Market Share (as of 2023)



of Assets (as of Dec-23)



GLA² (m sqm, current and expected to be added)



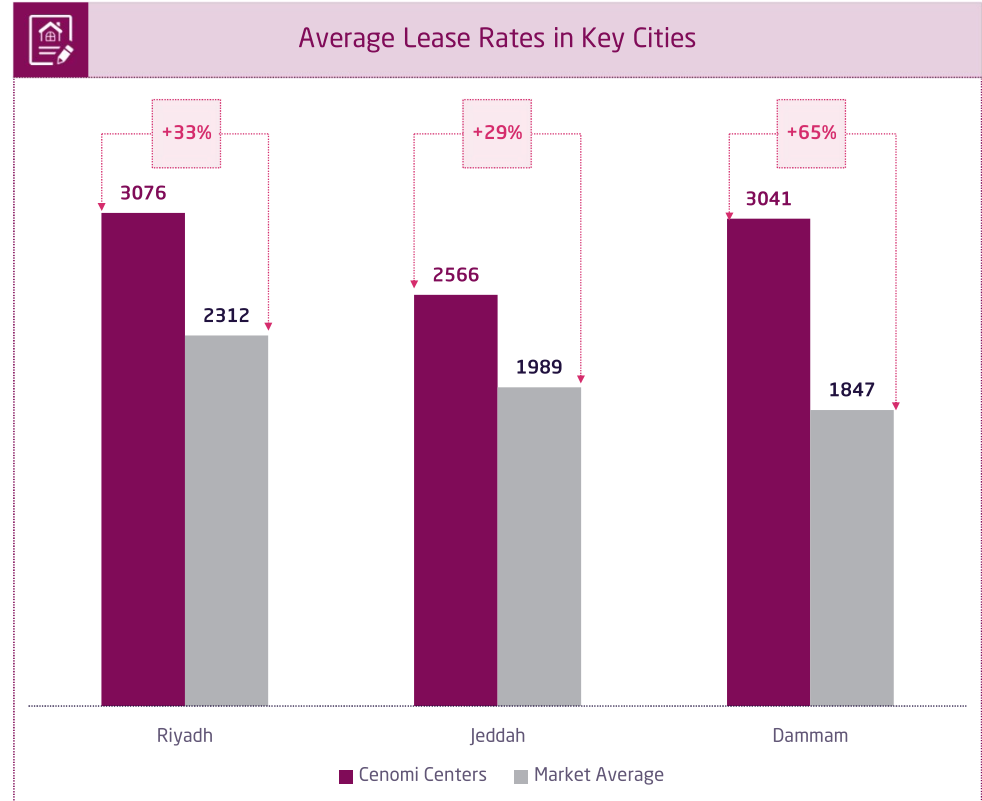
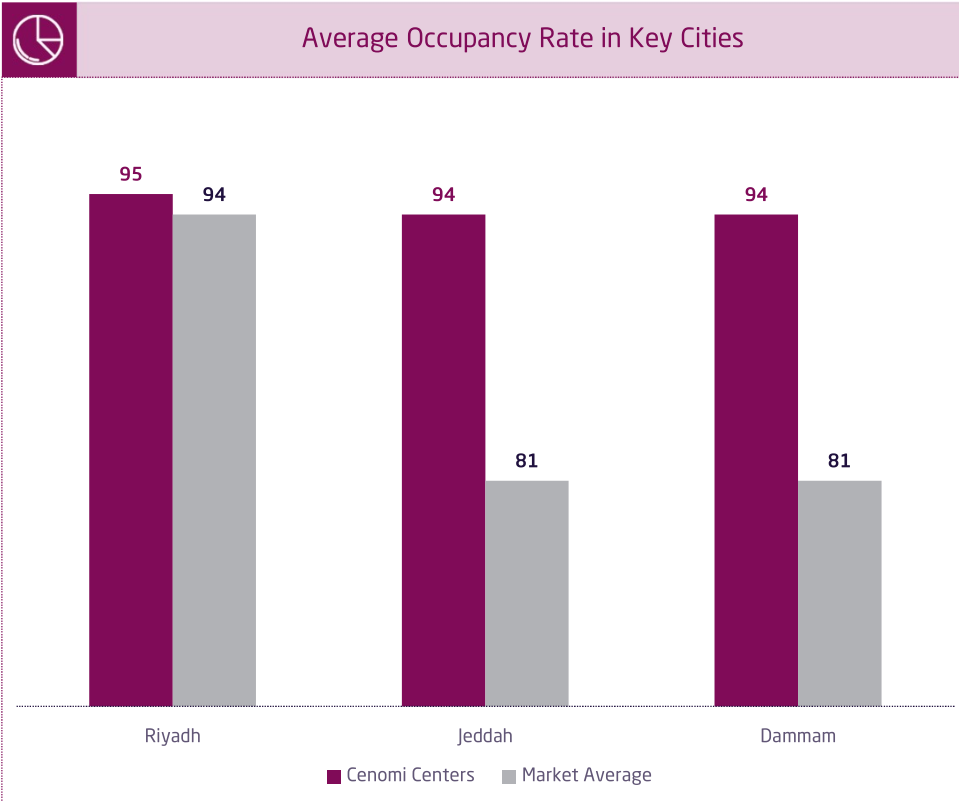
Strategically Located Assets Covering ~80% of Population

- Jeddah**
 - Aziz Mall
 - Mall of Arabia
 - Haifa Mall
 - Salaam Mall
 - Yasmin Mall
 - Jeddah Park
 - U Walk Jeddah
 - Jawharat Jeddah
- Riyadh**
 - Sahara Plaza³
 - Salaam Mall
 - Tala Mall
 - The View
 - Nakheel Mall
 - Hamra Mall
 - U Walk Riyadh
 - Murcia Mall
 - Jawharat Riyadh
- Makkah**
 - Makkah Mall
- Taif**
 - Jouri Mall
- Madinah**
 - Noor Mall
- Qassim**
 - Nakheel Plaza
 - Qassim Walk
- Hofuf**
 - Ahsa Mall
- Jubail**
 - Jubail Mall
 - Jubail Marina Mall
- Al Khobar**
 - Jawharat Al Khobar
- DMA**
 - Mall of Dhahran
 - Nakheel DMA

Source: Company information, Third Party Market Report.

¹ As of Jun-2024 (including U-Walk Jeddah which was soft-opened in Mid-Dec-2023 and Sahara Plaza which was sold in Feb-2024). ² As of Jan-2023 per Third Party Market Report in the major cities of Saudi Arabia (i.e. Jeddah, Dammam and Riyadh). ³ Sold in Feb-2024 as part of the Company's strategic non-core asset sale program. ⁴ Based on publicly announced projects; Cenomi Centers with full pipeline (announced)

Undisputed #1 mall developer, owner and operator in KSA



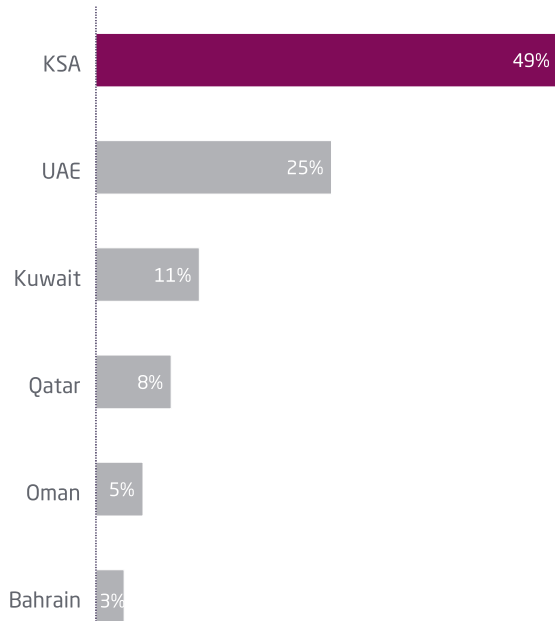


First mover in KSA with deep roots in a country on a historic transformation journey

Consumers Transitioning to Convenience and Experience and Vision 2030 Retail Opportunities

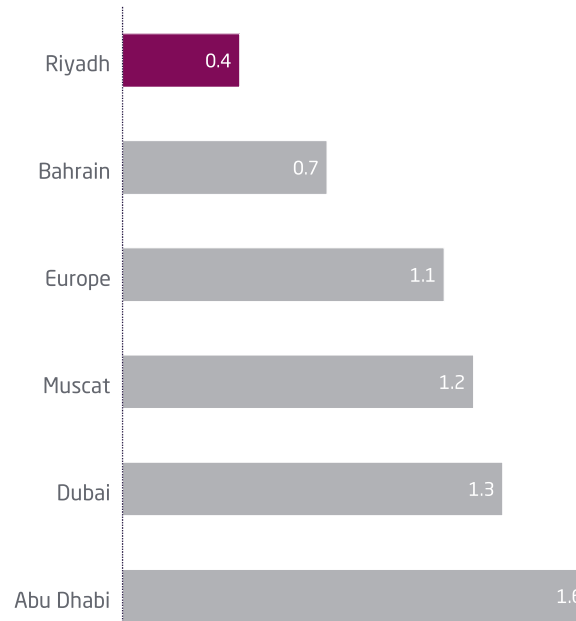
KSA Accounts for ~50% of GCC Retail Market

2022 Retail Market Size, % of total GCC



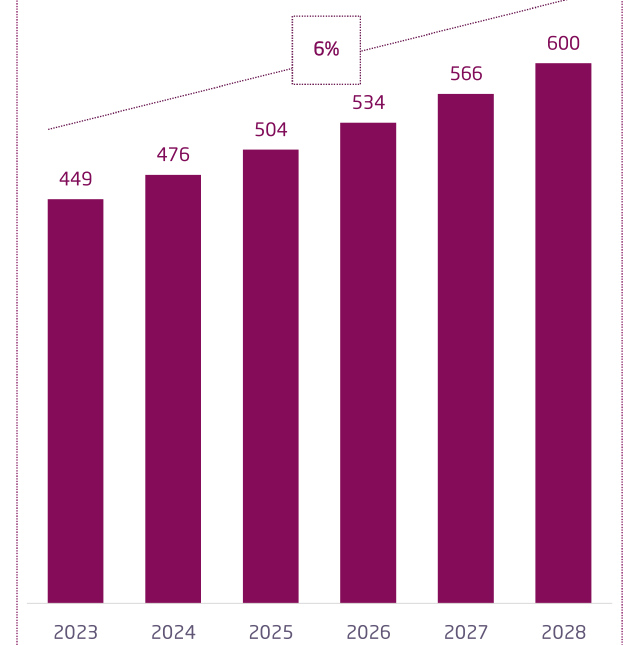
KSA Undersupplied in Mall Space

2021 Mall GLA per capita, sqm



KSA Poised to Exhibit Strong Retail Market Growth

Retail Market Size, SAR bn



Building for the future with top lifestyle destinations in top cities



6
Projects in Development Pipeline



600k
Additional GLA by 2027



44%
GLA increase by 2027

Jawharat Riyadh

Jawharat Jeddah

Jawharat Al Khobar

3 Flagship Destinations



GLA 185K sqm
Outlets 300+
Expected Opening 2025

GLA 108K sqm
Outlets 300+
Expected Opening 2025

GLA 160K sqm
Outlets 380+
Expected Opening 2027

Jubail Marina Mall

U Walk Qassim

Murcia Mall

3 Lifestyle Destinations



GLA 30K sqm
Outlets 70+
Expected Opening H2 2024

GLA 70K sqm
Outlets 135+
Expected Opening 2026

GLA 45K sqm
Outlets 150+
Expected Opening 2027

Development of flagship Jawharats' on track for completion in H2 2025

Over 650 million EBITDA (40% of current EBITDA) to be contributed by Jawharat Riyadh and Jawharat Jeddah on stabilization

Jawharat Riyadh



185,000 sqm

300+ stores, four F&B zones, and 50,000 sqm of office space and entertainment

10+ first-to-KSA brands and 150+ flagship stores

First and largest dedicated luxury wing

Over 20 million visitors a year

70% of unique brands are secured

Number one center for footfall and spend in Riyadh

First Gold LEED Mall - a first for KSA malls.

65% of High-Income Households and 75% Mid-Income Households within a 30-min drive.

STRUCTURAL COMPLETION STATUS: ~90%

Jawharat Jeddah



108,000 sqm GLA

Over 300 stores, three F&B zones, and entertainment

Over 10 new brands to Jeddah and over 100 flagship stores

Dedicated luxury wing inside a shopping mall,

Over 15 million visitors

70% pre-leasing¹ is complete

Number one center for footfall and spend in Jeddah

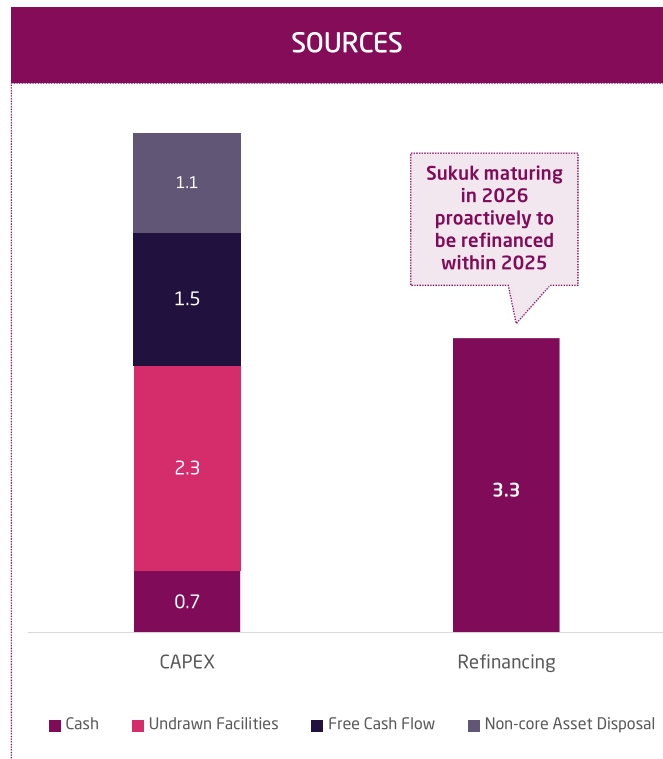
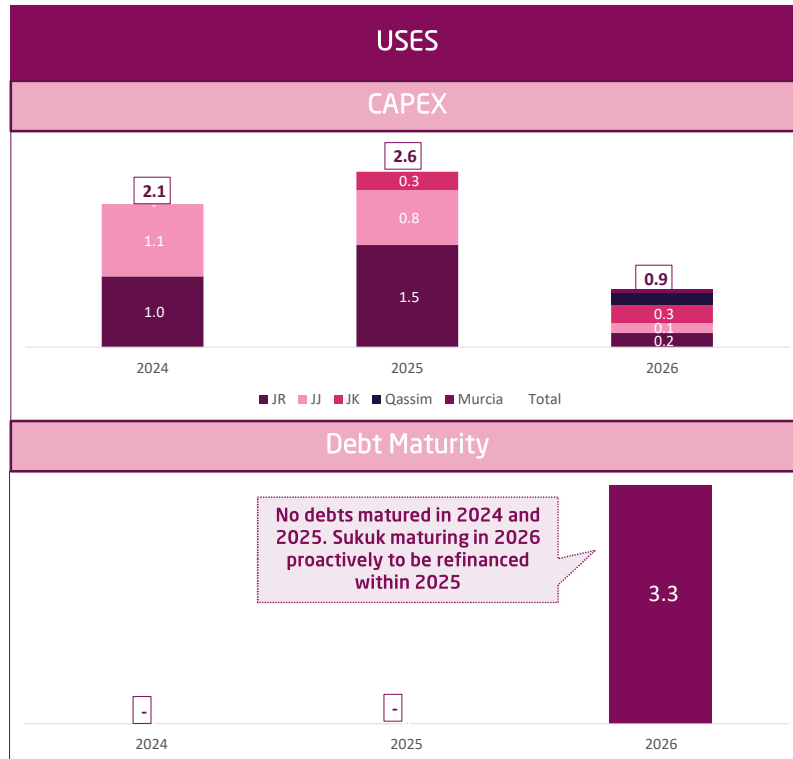
Catchment captures all High-Income Households within a 30-min drive

Gold LEED a first for KSA malls.

STRUCTURAL COMPLETION STATUS: ~91%

1. Based on agreed Head of Terms, signed Letter of Intent and signed Contracts

Prudent capital structure and diversified sources of funding



KEY TAKEAWAYS

- 2024-25 peak capex spend and nearly fully funded. Reduced capex in 2026**
- Strategy to pre-fund capex 12-18 months in advance**
- No debt maturities until 2026, will be proactively refinanced and extended in 2025**

Prudent Financial and Capital Allocation Policy



Leverage

- Leverage targets upon stabilization of the 2 flagship malls current under development (currently non-recourse debt)
 - Net LTV¹: < 45%
 - Net Leverage (Net Financial Debt (excl. Leases) / EBITDAR): < 5.0x
 - Gearing Ratio²: < 0.65x
 - Target to deleverage post stabilization of the two flagship assets



Credit Rating

- Maintain current rating levels or higher
 - Moody's: Ba3 (Stable)
 - Fitch: BB+ (Negative)



Funding & Liquidity

- Balanced secured to unsecured debt profile in the medium-term; continued transition toward majority unsecured debt
- Proactively address the refinancing of upcoming maturities at least 18 months in advance
- Availability of adequate cash and standby lines to meet business requirements up to 10% of total debt



Hedging

- Funding at fixed rate > 50%. Seeking for refinancing once interest rates become more favourable
- Exposure to non-USD FX limited, unless hedged



Dividends

- Total annual ordinary dividend up to SAR 1.5 per share for the foreseeable future



Investments

- Committed to a prudent investment policy in the best interests of all stakeholders, with material new investments funded by a mix of asset disposals, equity and debt
- Material (freehold) projects preferably funded with non-recourse debt

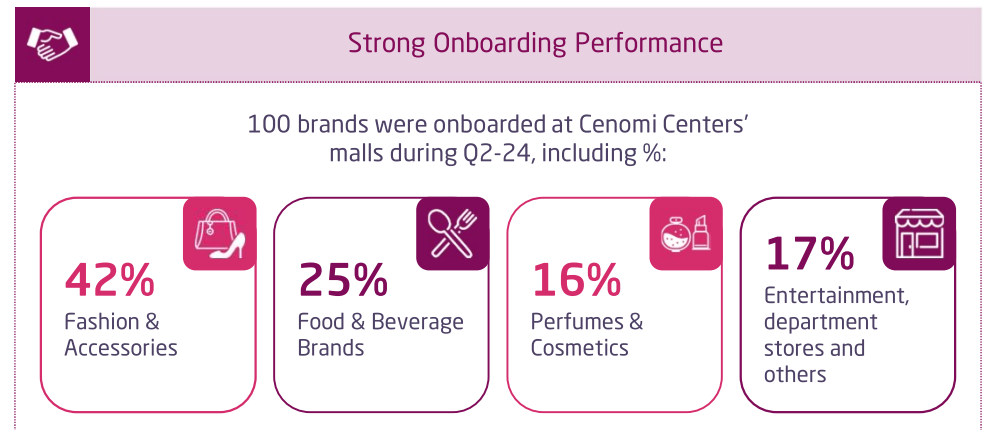
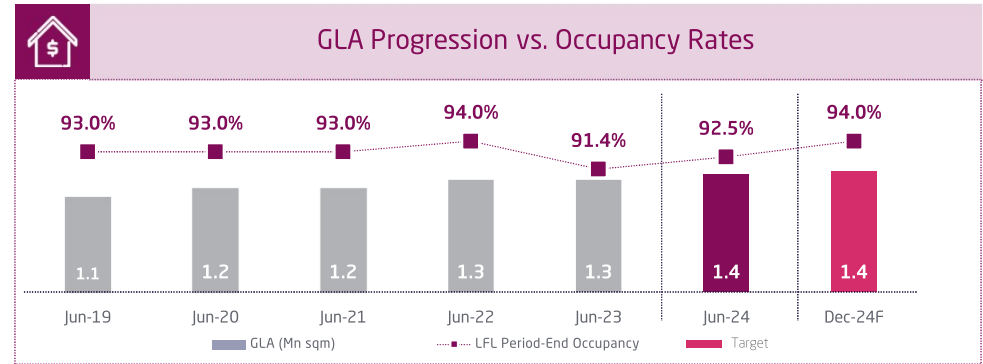
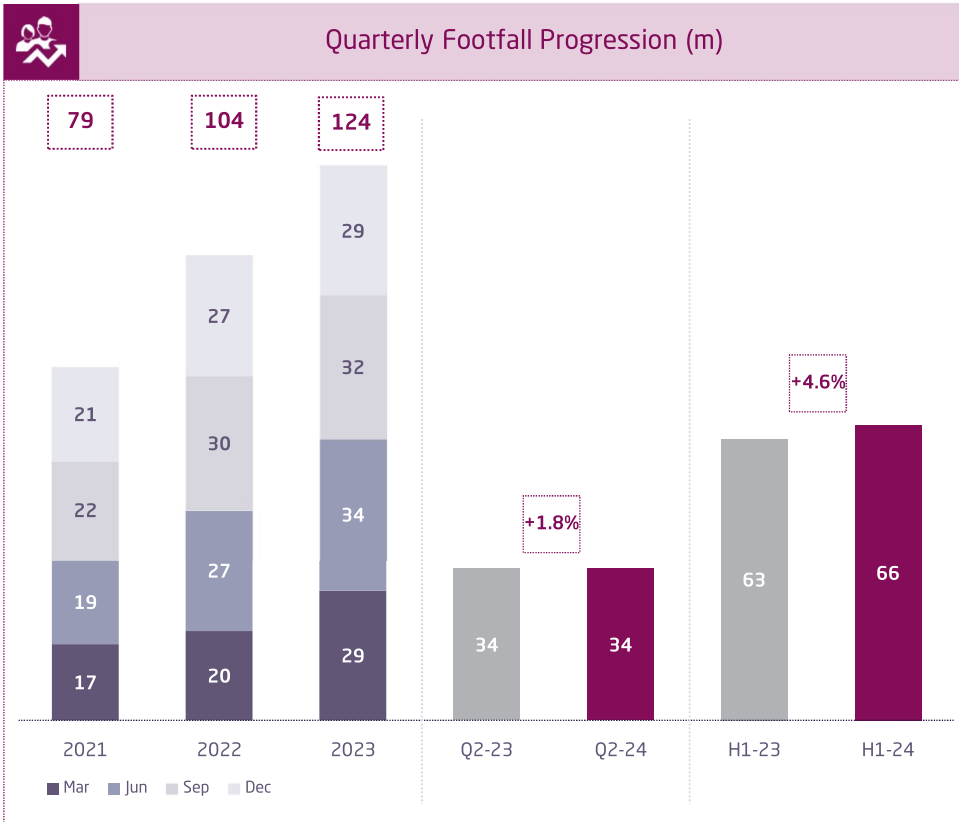


Operating Update



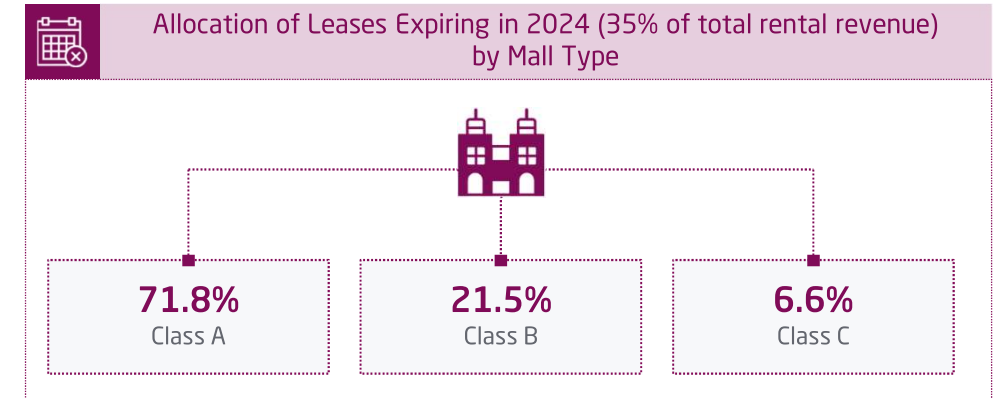
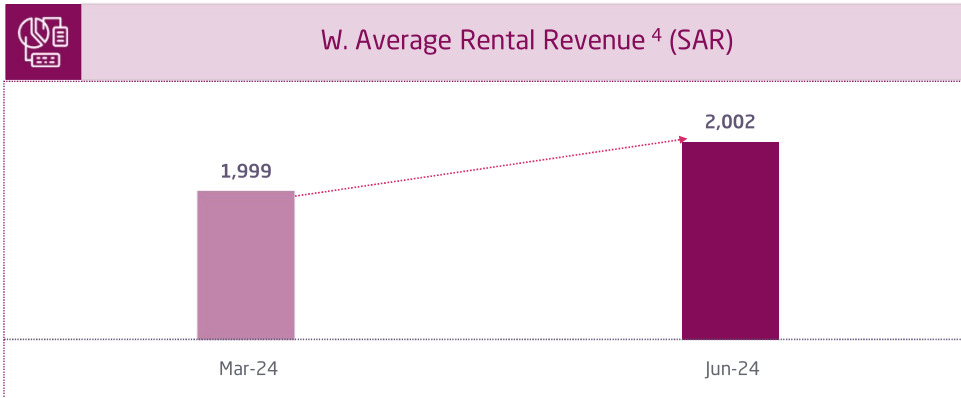
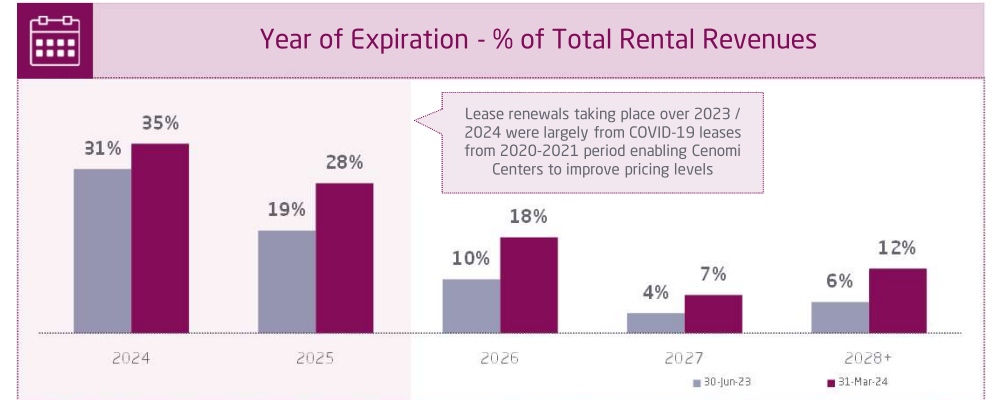
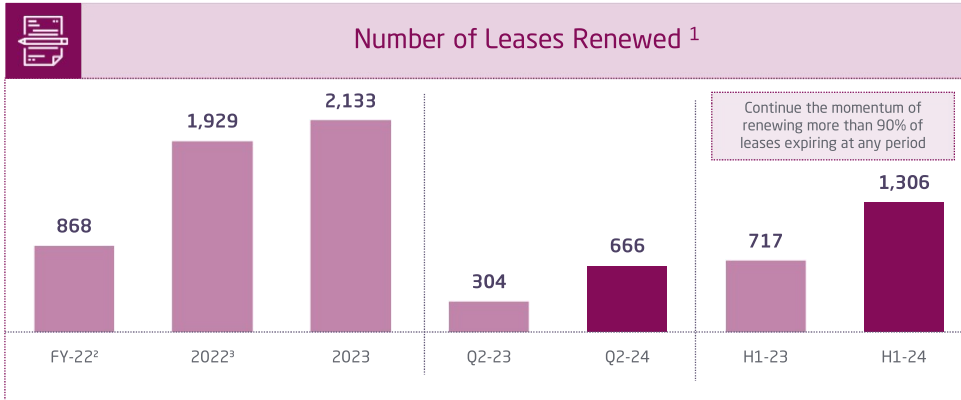
Operational Excellence

Footfall progression, occupancy rates, and onboarding performance remain strong...

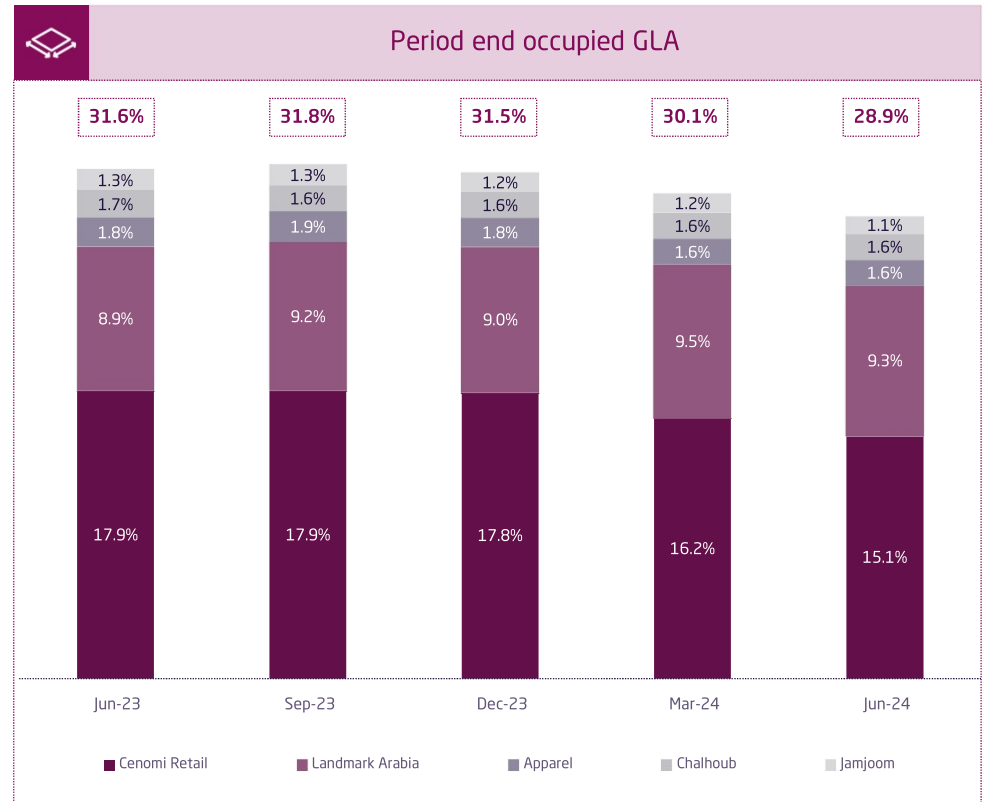
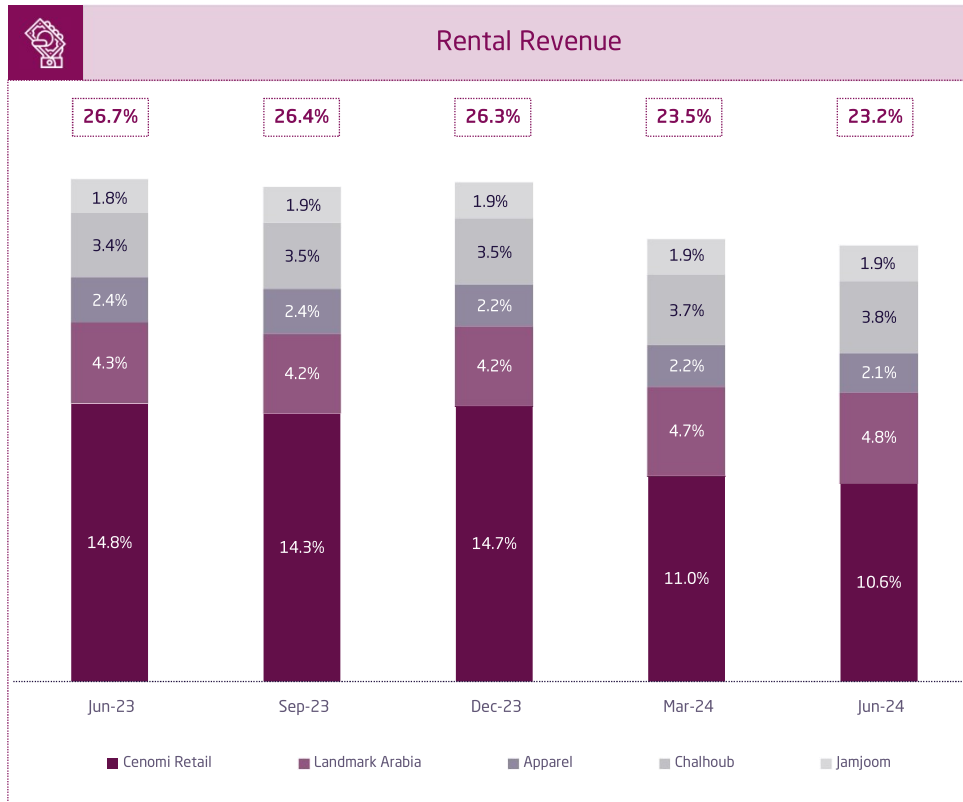


Operational Excellence

...with elevated performance across core KPIs



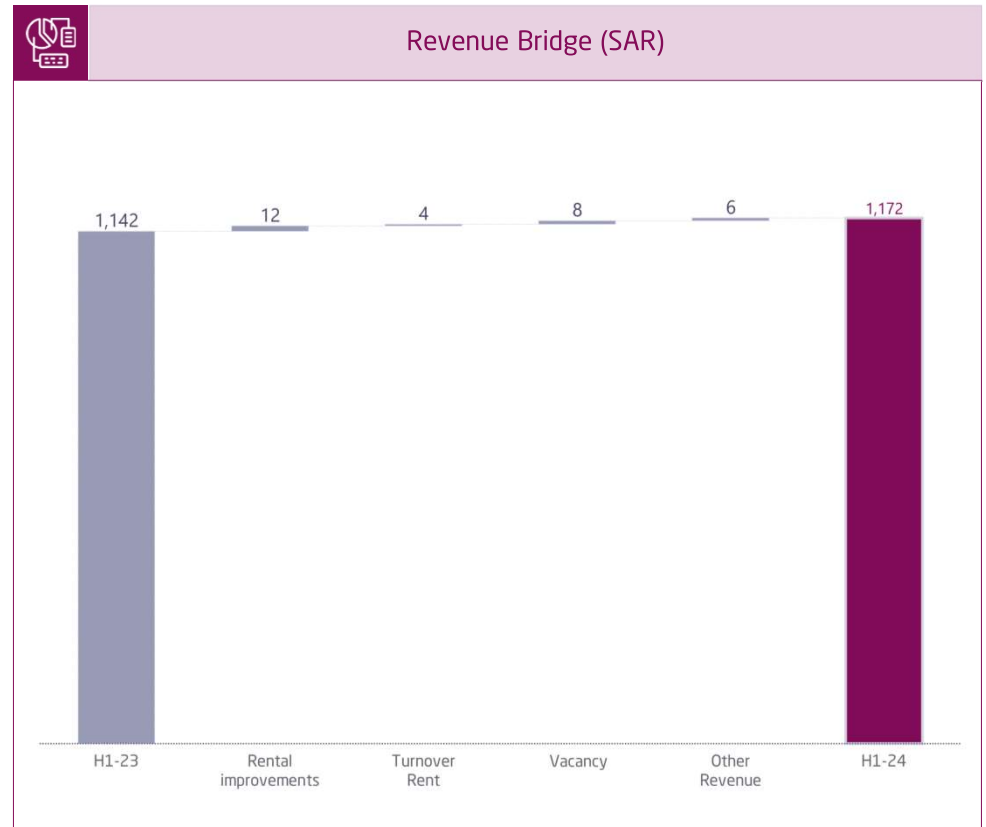
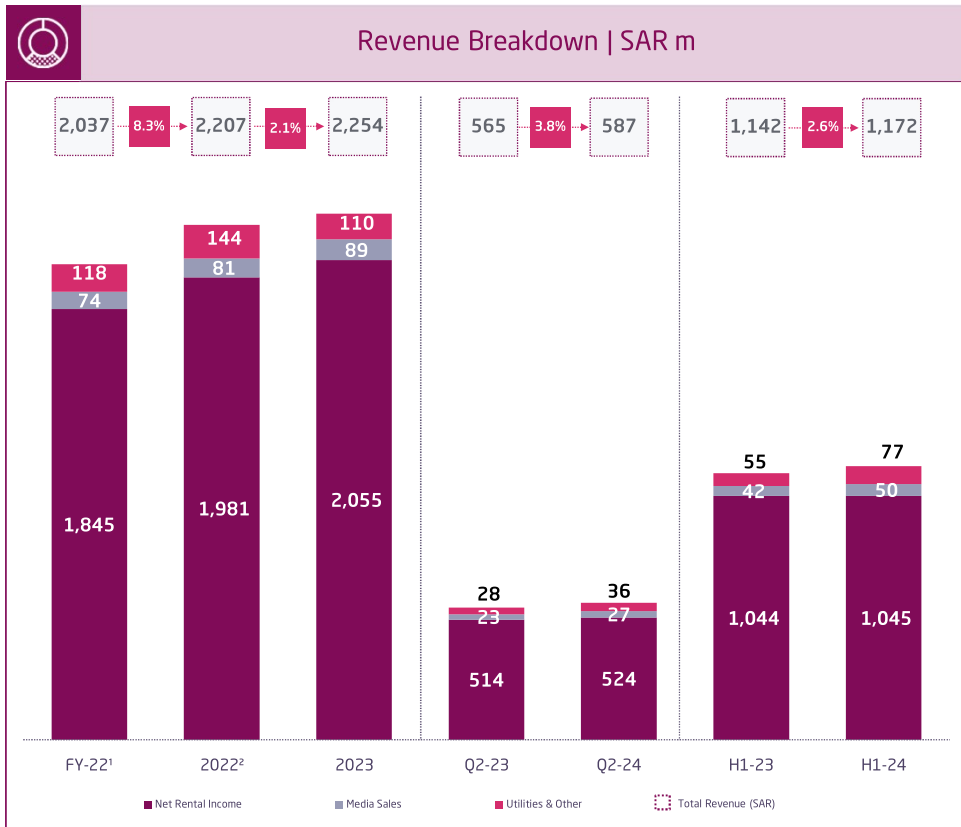
Low Tenant Concentration and Top Line Derisking





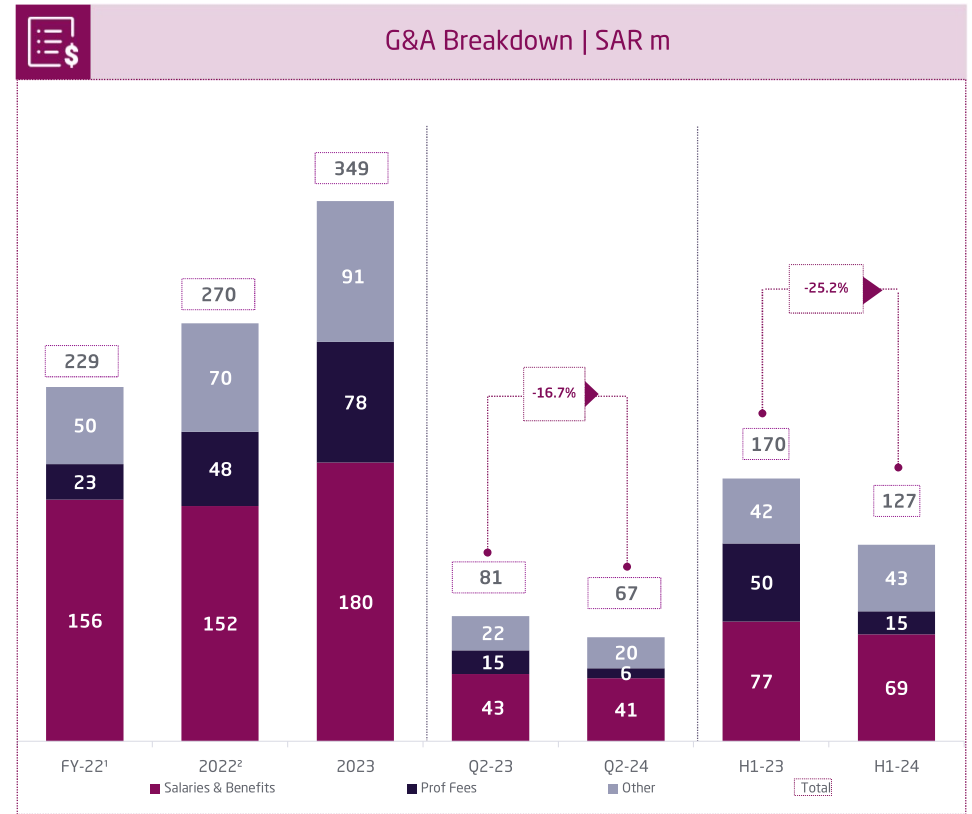
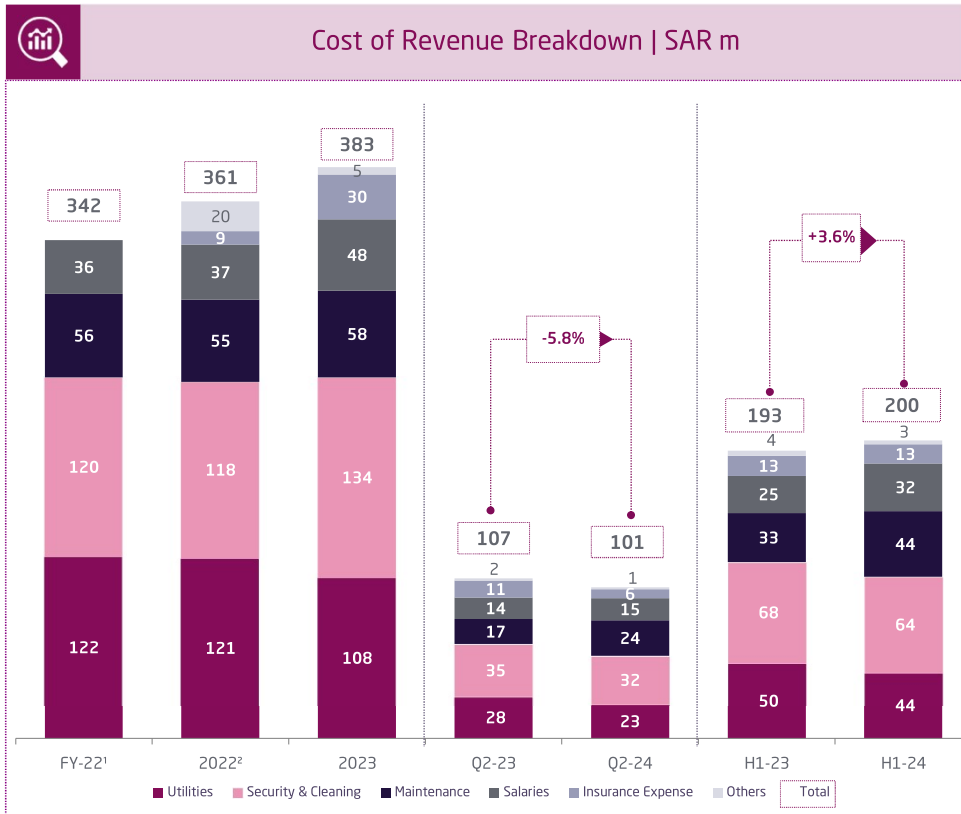
Financial Update

Stable top-line growth across the portfolio

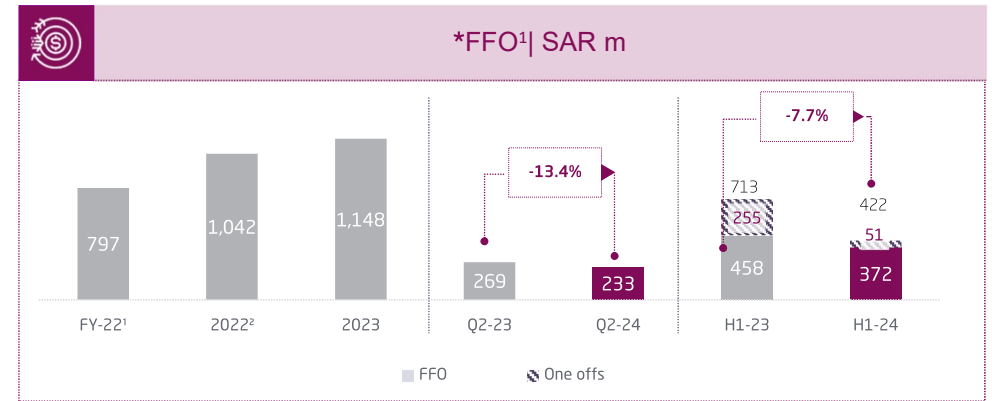
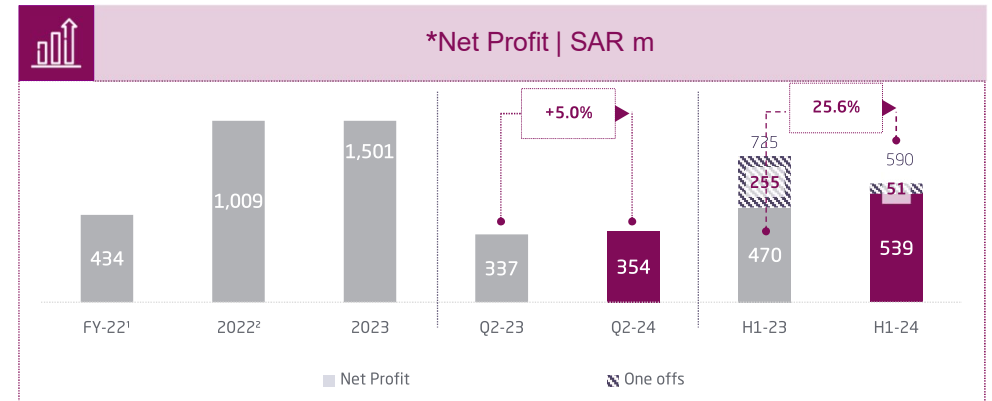
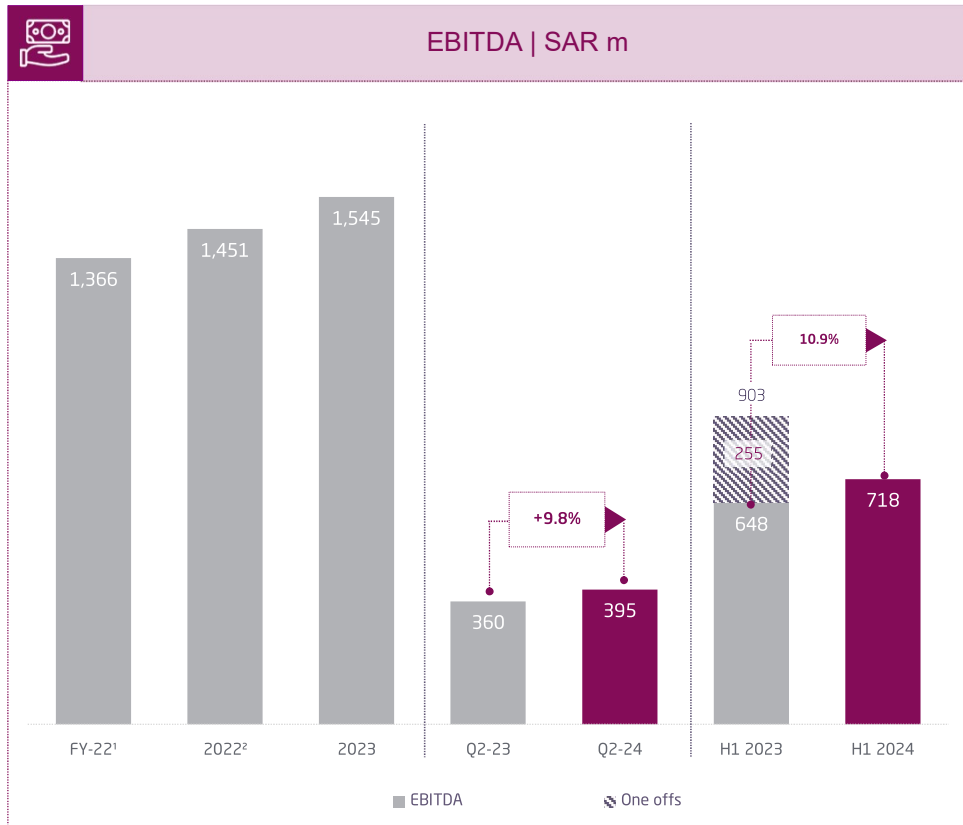


Disciplined Investments for Continued Excellence

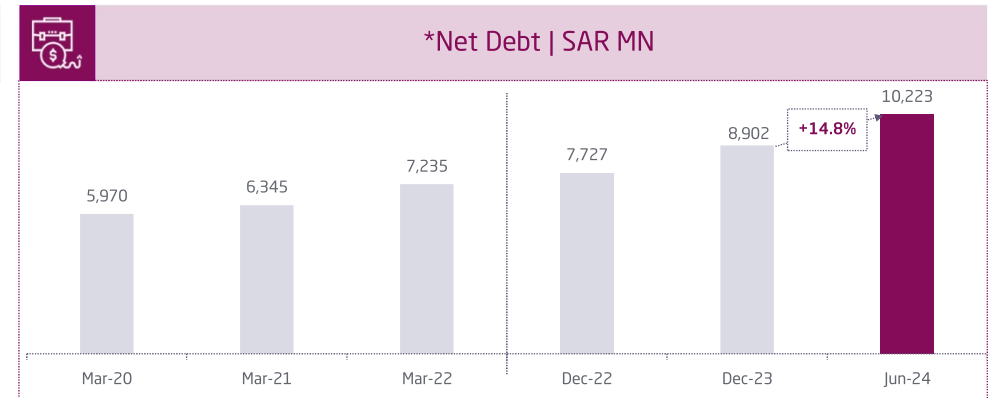
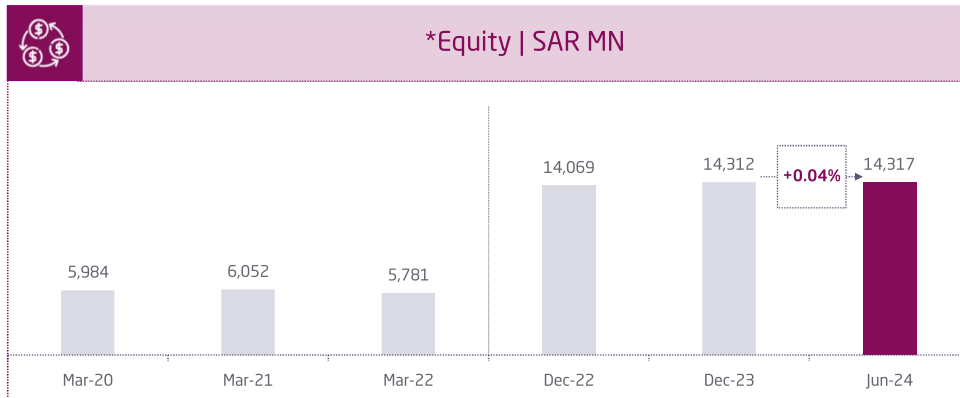
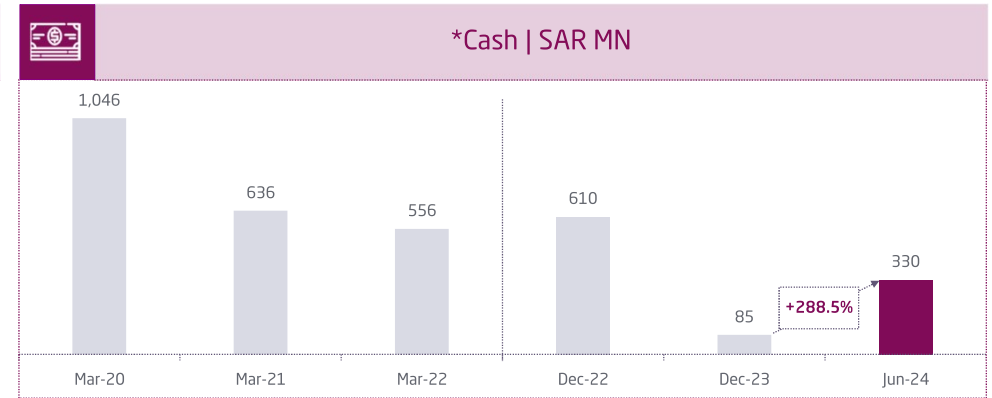
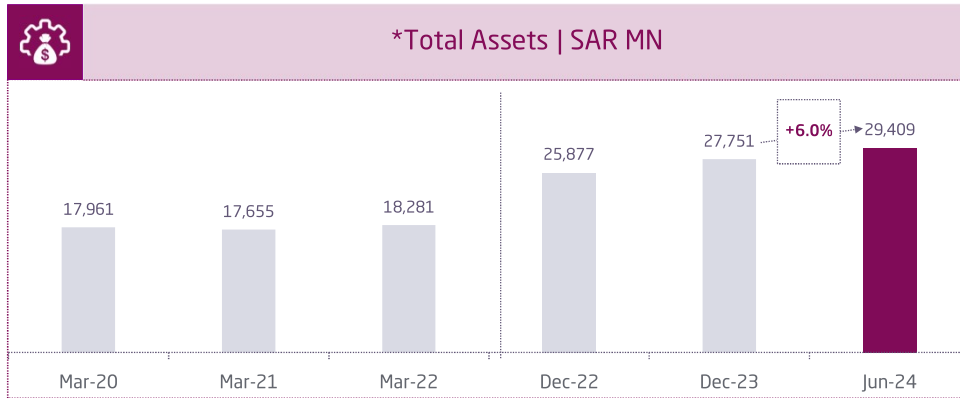
Supporting product excellence coupled with cost control initiatives



Profitability margins supporting growth

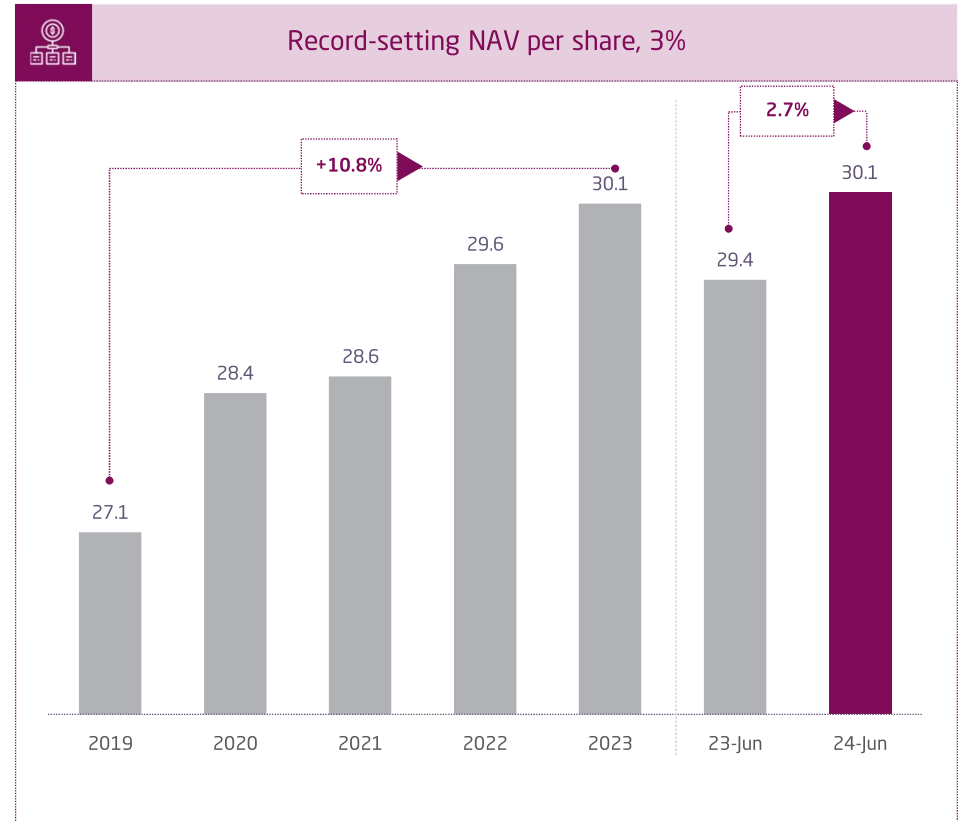
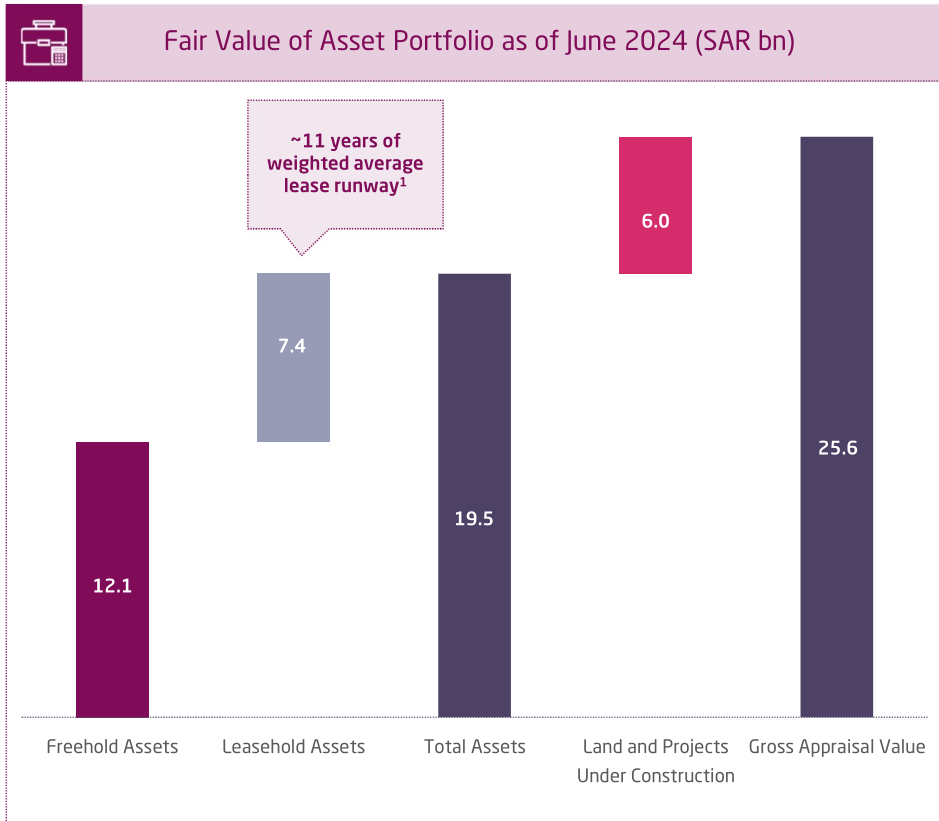


Strong and Liquid Balance Sheet

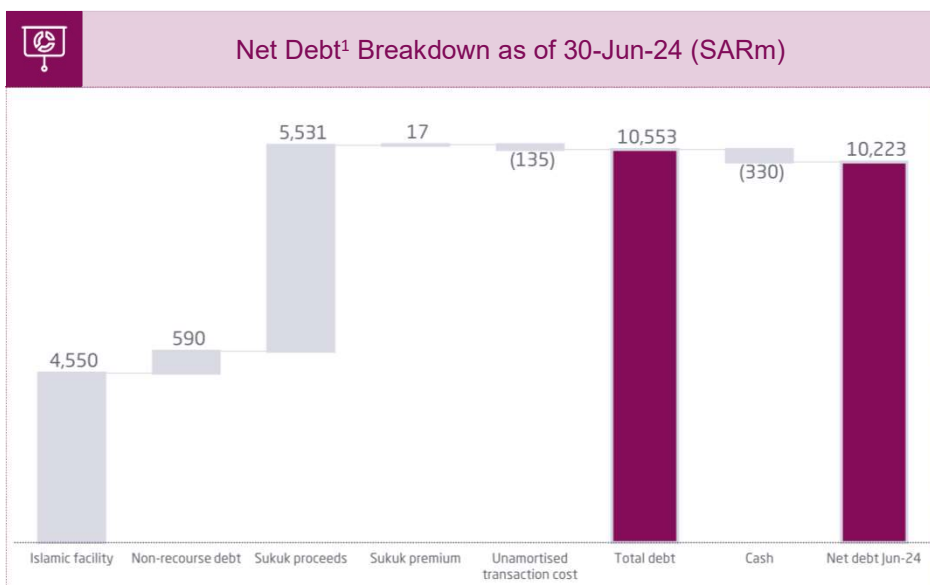


Product Excellence

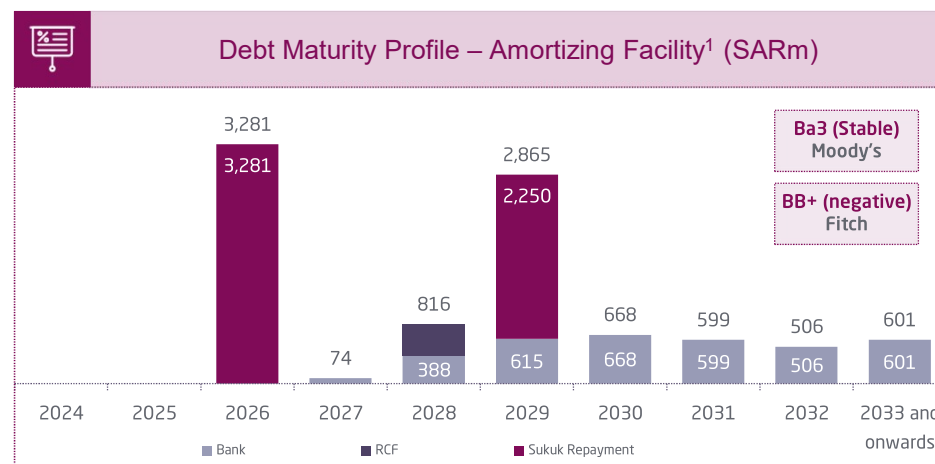
Key new projects in freehold and favourable lease expiry profile on leasehold assets



Stable Debt Profile and Smooth Debt Maturity

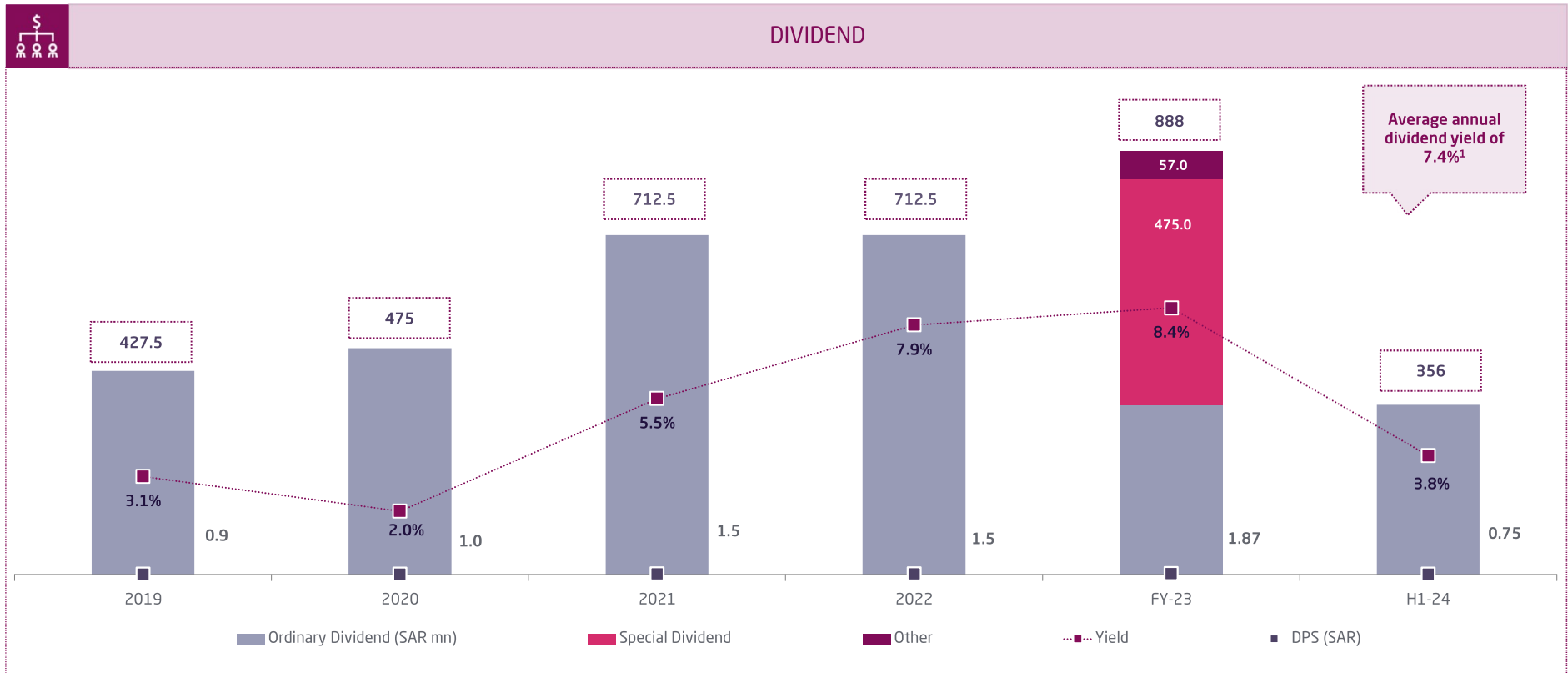


	2019	2020	2021	2022	Jun-23	Jun-24
Secured Debt	100%	74.0%	74.0%	39%	41%	48%
Unsecured Debt	0%	26%	26%	61%	59%	52%
W. Avg. Cost of Debt	5.4%	4.7%	3.6%	6.4%	6.4%	7.5%



SOURCES	SIZE	STATUS
Asset disposals	SAR 800m+	<ul style="list-style-type: none"> Disposal program on track SAR 800m expected over 12-18 months Additional assets under consideration
Accordion	SAR 1,050m	<ul style="list-style-type: none"> SAR 350m utilized
SAR Sukuk Program	SAR 4,500m	<ul style="list-style-type: none"> Inaugural issuance target in 2024
USD Sukuk Program	SAR 5,600m	<ul style="list-style-type: none"> Program approval target in 2024

Reflecting commitment to shareholders with retentions applied against related party dues



¹ Dividend yield calculated based on 30th June 2024 share price of SAR 20.4.



Summary

Value Proposition



Undisputed #1 mall developer, owner and operator in KSA

- 20+ years of proven track record
- 22 Malls Covering 80%+ of KSA Population
- Larger Than #2, #3 and #4 Players Combined
- Above Market Occupancy and Lease Rates



First mover in KSA with deep roots in a country on a historic transformation journey

- Significant Headroom for Growth
- Consumers Shifting from Shopping to Convenience and Experience
- Competition and Vision 2030 entities building new retail destinations.



Building for the future with top lifestyle destinations in top cities

- 6 Projects in Development Pipeline
- 44% GLA increase by 2027
- 1,300 new stores
- Operate top malls in top 5 KSA cities
- Partner-up with Vision 2030 Entities



Robust balance sheet with a prudent capital structure and diversified sources of funding



- Prudent Financial and Capital Allocation Policy
- Secured funding: 2024-2025 CAPEX
- No debt maturities until 2026
- Stable debt profile with smooth debt maturity
- Committed to Improving Credit Ratings
- Committed to shareholders | Dividend paying



Appendix

Supported by Highest Standard of Corporate Governance

Cenomi Centers is Committed to Maintaining the Highest Standard of Corporate Governance

	Key Documents	Company Management	Nomination and Remuneration Committee	Audit Committee	Board of Directors	General Assembly (GA)
 Regulatory Requirements	Corporate Governance Manual	✓ None	✓ Assisting the Board in establishing a proper governance system and drafting the necessary policies and procedures	✓ Required to supervise and review related party dealings	✓ The number of Independent members must not be less than 2 members or one third of board size whichever is greater	✓ GA to approve related party transactions; conflicted shareholders to abstain from voting
 Additional Protective Measures	Related Party Transaction (RPTP)	✓ RPTP requires management to conduct review of related party relationships on a regular basis under company management pillar and present report to Audit Committee	✓ Oversees the process of board and committees' evaluations	✓ Determines need for new Framework Agreements ✓ Reviews management report on related party dealings	✓ 4 of the 9 currently appointed directors are independent ✓ Review Audit Committee report on related party transactions and provide recommendations to GA	✓ Scope of RPTs which require GA approval

Key Related Party Transaction Policy Elements

- Follows Saudi Corporate Governance Regulations and Companies' Law
- Conducted on an arms' length basis on normal commercial terms
- In line with best practice standards of corporate governance and transparency
- Requirements
 - Management conducts reviews of its related party relationships on a periodic basis
 - All transactions are subject to internal review involving Management, Internal Audit, Audit Committee and the Board
 - Only non-interested Directors are entitled to vote before the transaction is recommended for approval by a majority of the non-interested Shareholders at a GA

Significant progress on non-core asset sale program with ~SAR 1.1bn unlocked to date

~SAR 200m sale of Sahara Plaza is the most recent milestone in Cenomi Centers' non-core asset sale program ¹

City	Location	Land Size (sqm)	Market Value (SAR)
Riyadh	King Fahad Road - Olaya	18,000	Sold at 230m
Riyadh	Adjacent to Jawharat Riyadh	118,000	Sold at 645m
Al Ahsa	Granada District	29,384.90	Sold at 62.5m
Riyadh	Sahara Plaza	13,000	Sold at 200m
Qassim	Adjacent to U-Walk Qassim	1,216,000	~800m
Others	-	603,000	



Our Malls



	Mall	City	Performance Category	Lease Expiry	Year Opened	GLA	Occupancy	Contribution	Cineplex Presence
1.	Mall of Dhahran	Dhahran	A	'26	'05	132,280	98.2%	10.5%	✓
2.	Salaam Mall	Jeddah	B	'32	'12	122,399	83.4%	5.4%	-
3.	Mall of Arabia	Jeddah	A	Freehold	'08	110,089	98.4%	11.9%	✓
4.	Nakheel Mall	Riyadh	A	'34	'14	74,444	98.2%	12.7%	✓
5.	Aziz	Jeddah	B	'46	'05	66,308	92.1%	4.6%	✓
6.	Noor	Madinah	A	Freehold	'08	68,868	95.6%	5.4%	✓
7.	Yasmeen Mall	Jeddah	B	'34	'16	59,725	92.3%	5.2%	✓
8.	Hamra	Riyadh	A	Freehold	'16	55,353	97.3%	4.7%	✓
9.	Ahsa	Ahsa	C	Freehold	'10	46,044	85.2%	1.7%	✓
10.	Salaam Mall	Riyadh	B	Freehold	'05	47,361	94.0%	3.1%	✓
11.	Jouri	Taif	B	'35	'15	48,045	96.1%	4.9%	-
12.	Makkah Mall	Makkah	A	Freehold	'11	37,417	97.1%	6.7%	-
13.	Nakheel	Dammam	A	Freehold	'19	58,034	97.4%	7.2%	✓
14.	U-Walk	Riyadh	A	'46	'19	48,988	88.9%	3.2%	✓
15.	Nakheel Plaza	Qassim	C	'29	'04	42,612	96.0%	2.0%	✓
16.	Haifa	Jeddah	C	'32	'11	33,499	80.5%	1.4%	✓
17.	The View	Riyadh	A	Freehold	'21	54,459	93.1%	4.3%	✓
18.	Tala	Riyadh	C	'29	'14	20,870	88.4%	1.2%	✓
19.	Jubail	Jubail	C	Freehold	'15	20,790	58.2%	0.7%	✓
20.	Sahara Plaza	Riyadh	C	Freehold	'02	14,722	96.6%	0.2%	-
					LFL	1,162,307	92.5%	96.9%	
21.	U-Walk Jeddah	Jeddah	A	2052	'23	55,320	57.3%	2.5%	-
22.	Jeddah Park	Jeddah	A	Operational Agreement	'21	120,623	80.7%	0.6%	✓
					Total	1,338,250	89.7%	100%	

Income Statement



*Income statement (SAR Million)	Q2'24	Q2'23	% Change y-o-y	H1'24	H1'23	% Change y-o-y
Revenue	586.5	565.3	3.8%	1,172.3	1,142.0	2.6%
Gross Profit	485.5	458.0	6.0%	972.5	949.2	2.5%
Gross Profit Margin	82.8%	81.0%	1.7pp	83.0%	83.1%	-0.2pp
Operating Profit	518.6	432.1	20.0%	889.3	922.1	-3.6%
Finance Income	0.0	7.1	-100.0%	0.0	7.1	-100.0%
Financial Charges	-117.3	-59.6	96.8%	-256.4	-120.0	113.8%
Interest Expense On Lease Liabilities	-33.8	-26.0	30.1%	-68.1	-52.4	30.0%
Net Finance Costs	-151.1	-78.5	92.6%	-324.5	-165.2	96.4%
Share Of Profit (Loss) From Equity-accounted Investee	-2.7	-4.2	-35.8%	-3.3	-7.1	-53.5%
Profit Before Zakat	364.8	349.4	4.4%	561.5	749.8	-25.1%
Zakat Charge	-11.0	-12.4	-11.1%	-22.0	-24.7	-11.1%
Profit For The Period	353.8	337.1	5.0%	539.5	725.1	-25.6%
Net Profit Margin	60.3%	59.6%	0.7pp	46.0%	63.5%	-17.5pp
EBITDA	395.1	359.8	9.8%	718.1	902.8	-20.5%
EBITDA Margin	67.4%	63.6%	-3.7pp	61.3%	79.1%	-17.8pp
FFO	233.0	268.9	-13.4%	371.6	712.9	-47.9%
FFO Margin	39.7%	47.6%	7.9pp	31.7%	62.4%	30.7pp

Balance Sheet

Balance Sheet (SAR Million)	31-Jun-24	31-Dec-23	% Change
ASSETS			
Current Assets	2,758.5	2,106.3	31.0%
Investment properties	26,325.3	25,333.8	3.9%
Other non-current assets	325.2	311.1	4.5%
TOTAL ASSETS	29,408.9	27,751.2	6.0%
LIABILITIES			
Current Liabilities	2,440.0	4,639.2	-47.4%
Non-Current Liabilities	12,651.8	8,800.1	43.8%
Total Equity	14,317.2	14,312.0	0.0%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	29,408.9	27,751.2	6.0%

Cenomi Centers



Thank you

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