

Cenomi Centers

Earnings Presentation

For the period ended 30 September 2024

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Table of Contents

	TOPICS	Slide No.
	9M 2024 Highlights	4
	Value Proposition	7
	Operating Update	19
	Financial Update	23
	Summary	31
	Appendix	33



9M 2024 Highlights

Strong 9M-24 results driven by growth and operational excellence



92.6%

LFL¹ Occupancy

▲ 2.3pp YOY 9M-23



SAR 1,759.4 m

Revenues
SAR 587.1 m (Q3-24)

▲ 2.9% YOY 9M-23
▲ 3.4% YOY Q3-23



SAR 1,014.3 m

EBITDA
SAR 296.2 m Q3-24

▼ 18.5% YOY 9M-23
▲ 11.4% YOY 9M-23 (excl. one-offs)
▲ 12.4% YOY Q3-23 (excl. one-offs)



SAR 867.6 m

Net Profit
SAR 328.1 m Q3-24

▼ 14.8% YOY 9M-23
▲ 18.0% YOY 9M-23 (excl. one-offs)
▲ 5.7% YOY Q3-23 (excl. one-offs)



99.9 m

Footfall
33.9m (Q3-24)

▲ 5.0% YOY 9M-23
▲ 5.8% YOY Q3-23



SAR 429.9 m

Net fair value gain on
investment properties
(including Salaam R land)

▲ SAR 348.5m YOY 9M-23
▲ SAR 193.6m YOY Q3-23



SAR 500.0 m

Accordion secured in Q3-24

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



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

- ✓ Established Fund with GIB Capital to bring forward the U Walk Qassim development and associated land sale (completed Oct 24)
- ✓ Executing on delivery pipeline with Jawharat Jeddah and Jawharat Riyadh on track for completion in 2025 with significant progress including over 90% structural completion on both assets



Product Excellence

- ✓ 2,228 leases renewed in 9M-24
- ✓ 396 brands onboarded including new brands Vox Cinemas, ASICS, Five Guys, Charlotte Tilbury, Lululemon, Cerruti 1881, Xiaomi
- ✓ Significant enhancements to mix at U Walk Riyadh with 10+ new brands Nike, Under Armour, Adidas, Al Nassr, Nespresso and new parking



Operational Excellence

- ✓ Reduced retail GLA share from 68% in Mar-20 to 62% in Sep-24 as part of tenant mix optimization
- ✓ Delivered record-level footfall with 100 million visits in the first 9 months of 2024
- ✓ Proactive tenant management with occupancy improving to 92.6%



Organization Enhancement

- ✓ Prudent management of G&A and Advertising Costs
- ✓ Establishment of new Business Development department to drive non-GLA revenue



Sustainability Leadership

- ✓ On track for first KSA Gold LEED certified mall developments with Jawharat Riyadh and Jawharat Jeddah
- ✓ Progress on PPA with FAS Energy and Marubeni to install Solar PV system with 3 malls set to complete in April 2025



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)

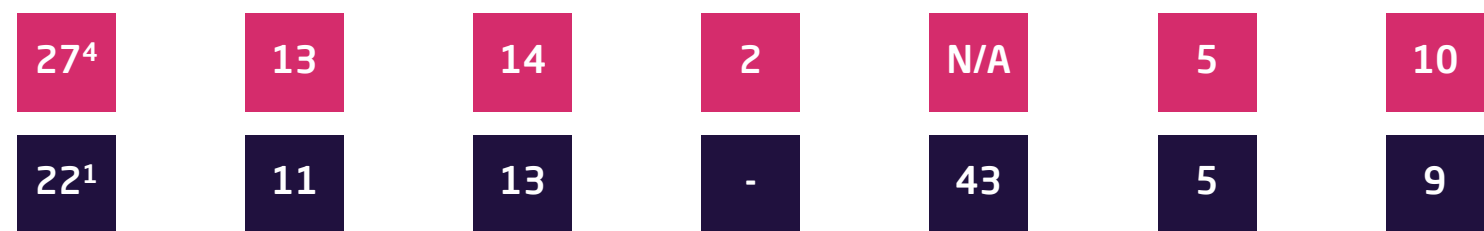


99.9m
Footfall

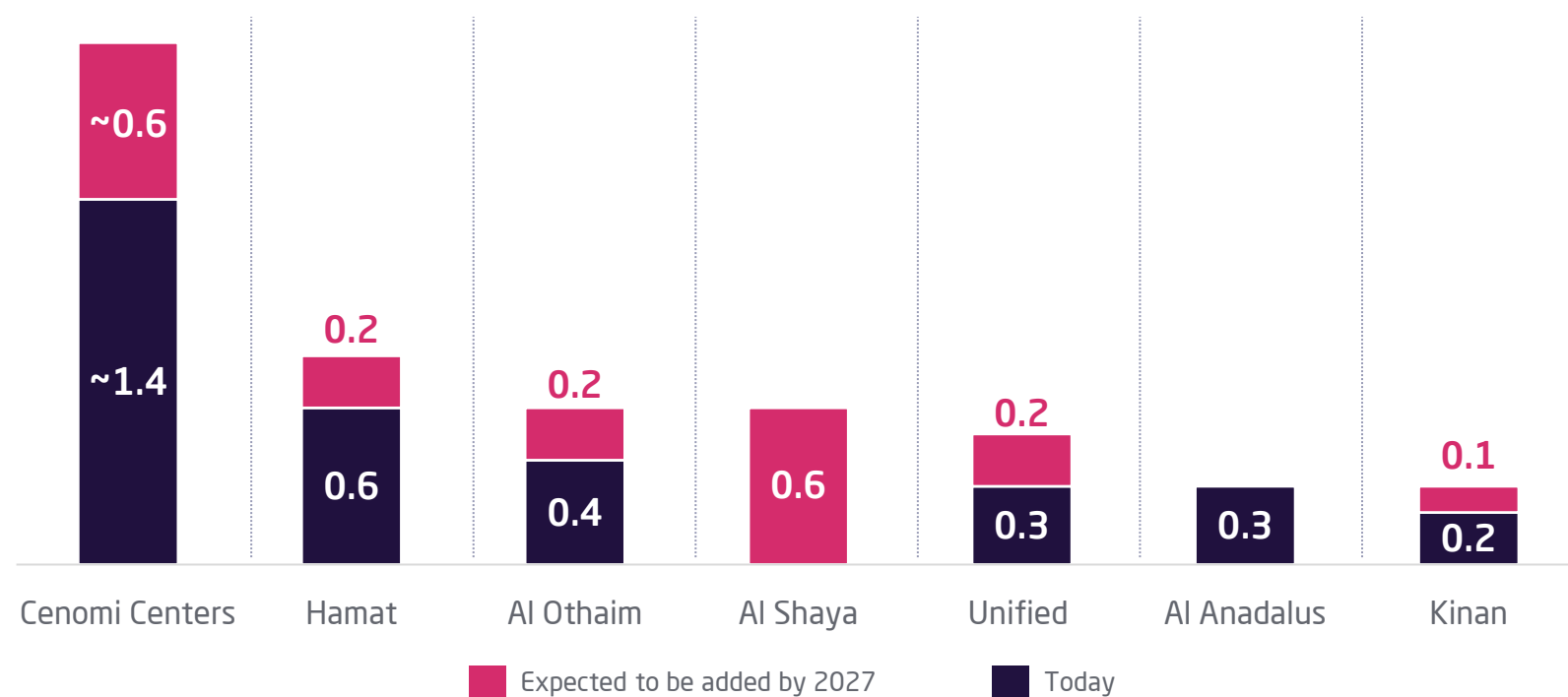
Market Share (as of 2023)



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

DMA

- Mall of Dhahran
- Nakheel DMA

Riyadh

- Sahara Plaza³
- Salaam Mall
- Tala Mall
- The View
- Nakheel Mall
- Hamra Mall
- U Walk Riyadh
- Murcia Mall
- Jawharat Riyadh

Jubail

- Jubail Mall
- Jubail Marina Mall

Al Khobar

- Jawharat Al Khobar

Makkah

- Makkah Mall

Taif

- Jouri Mall

Madinah

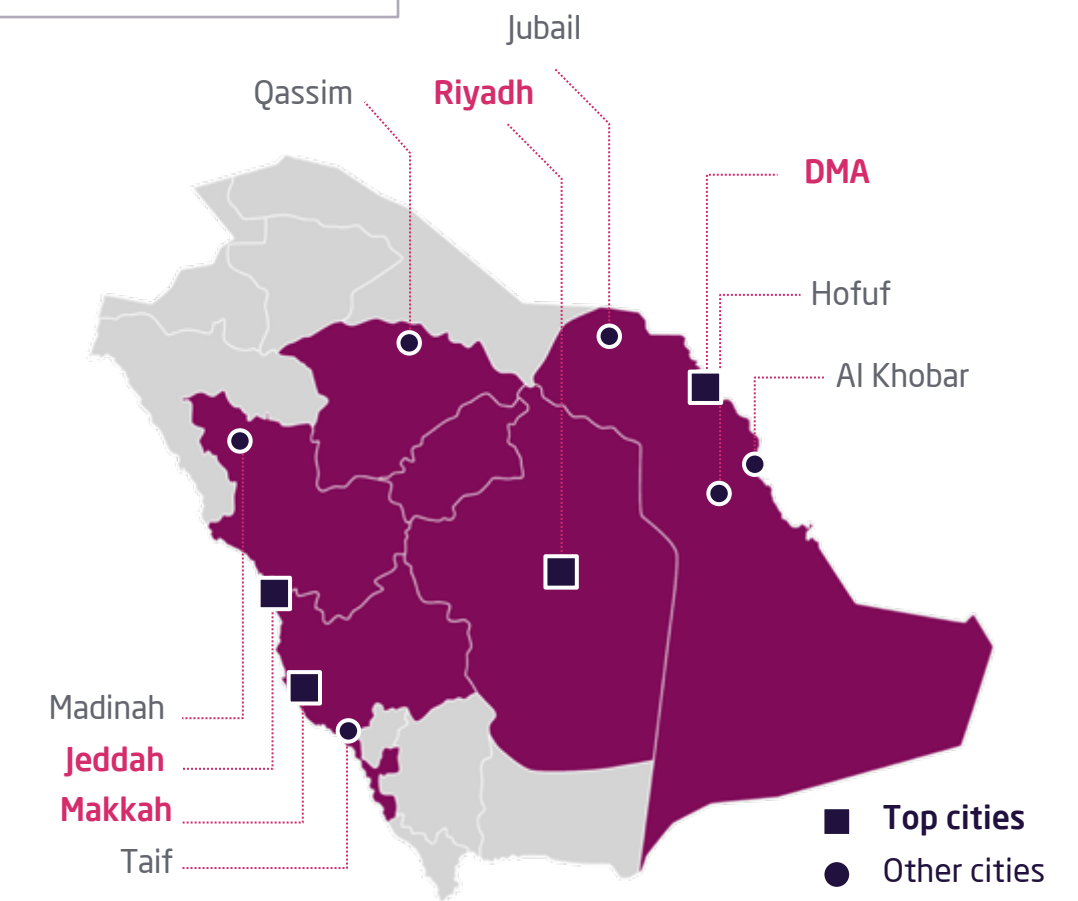
- Noor Mall

Qassim

- Nakheel Plaza
- U Walk Qassim

Hofuf

- Ahsa Mall





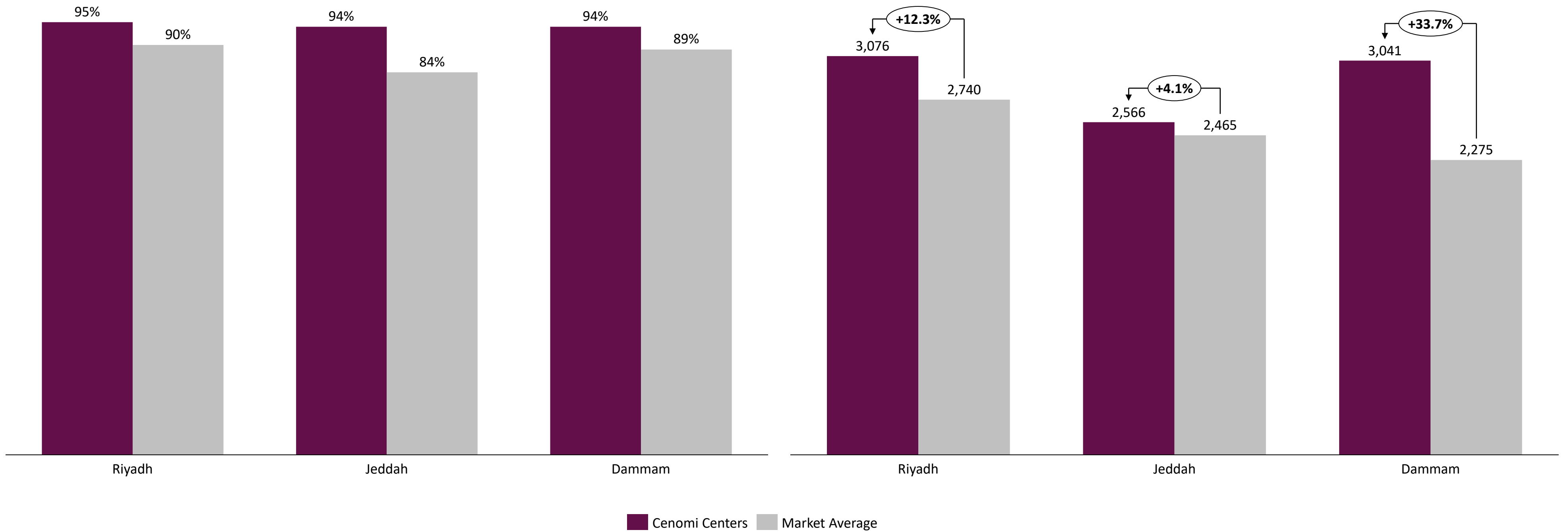
Undisputed #1 mall developer, owner and operator in KSA



Average Occupancy Rate in Key Cities



Average Lease Rates in Key Cities



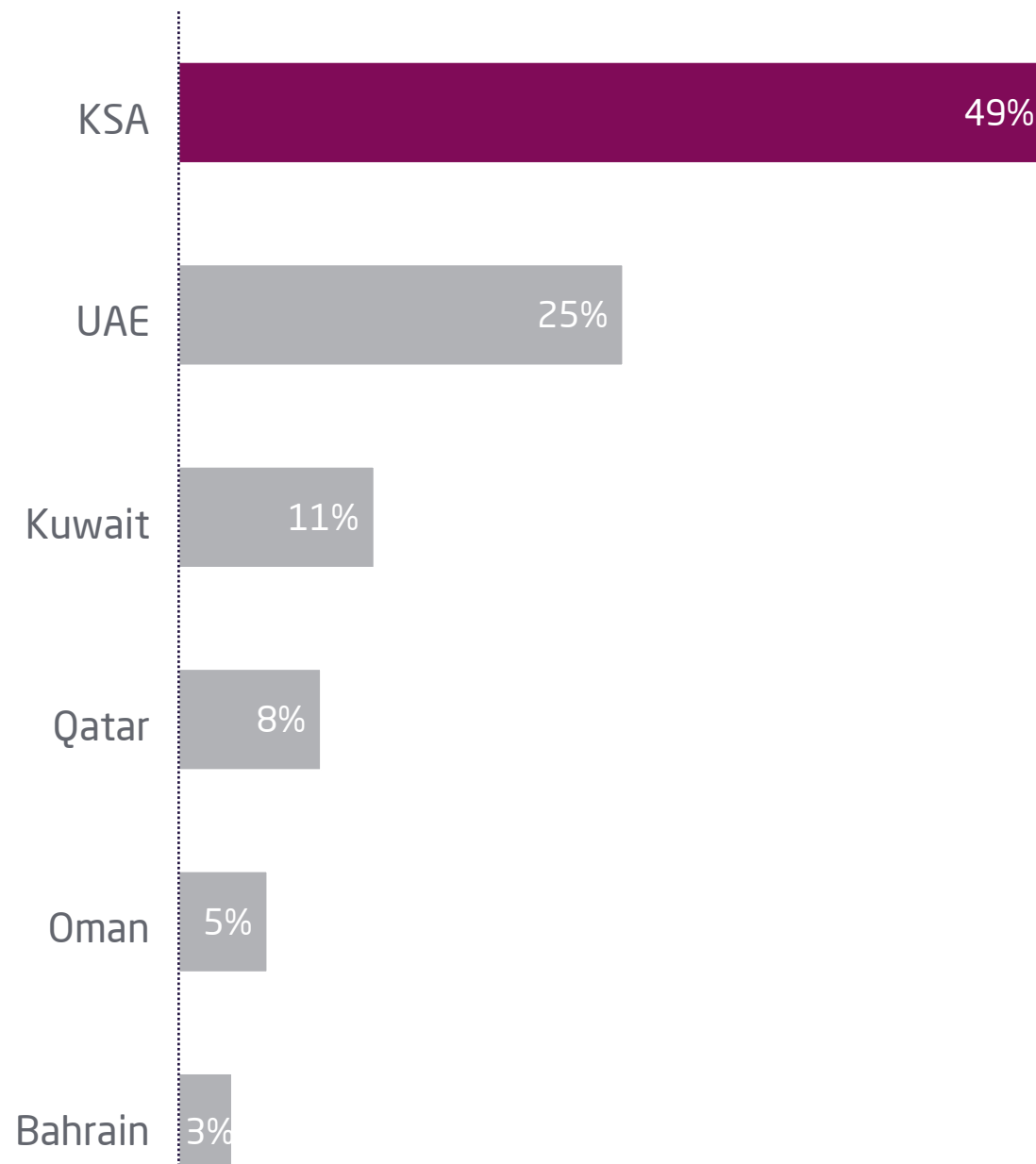


First mover in KSA with deep roots in a country on a historic transformation journey

Consumers Transitioning to Convenience and Experience and Vision 2030 Retail Opportunities

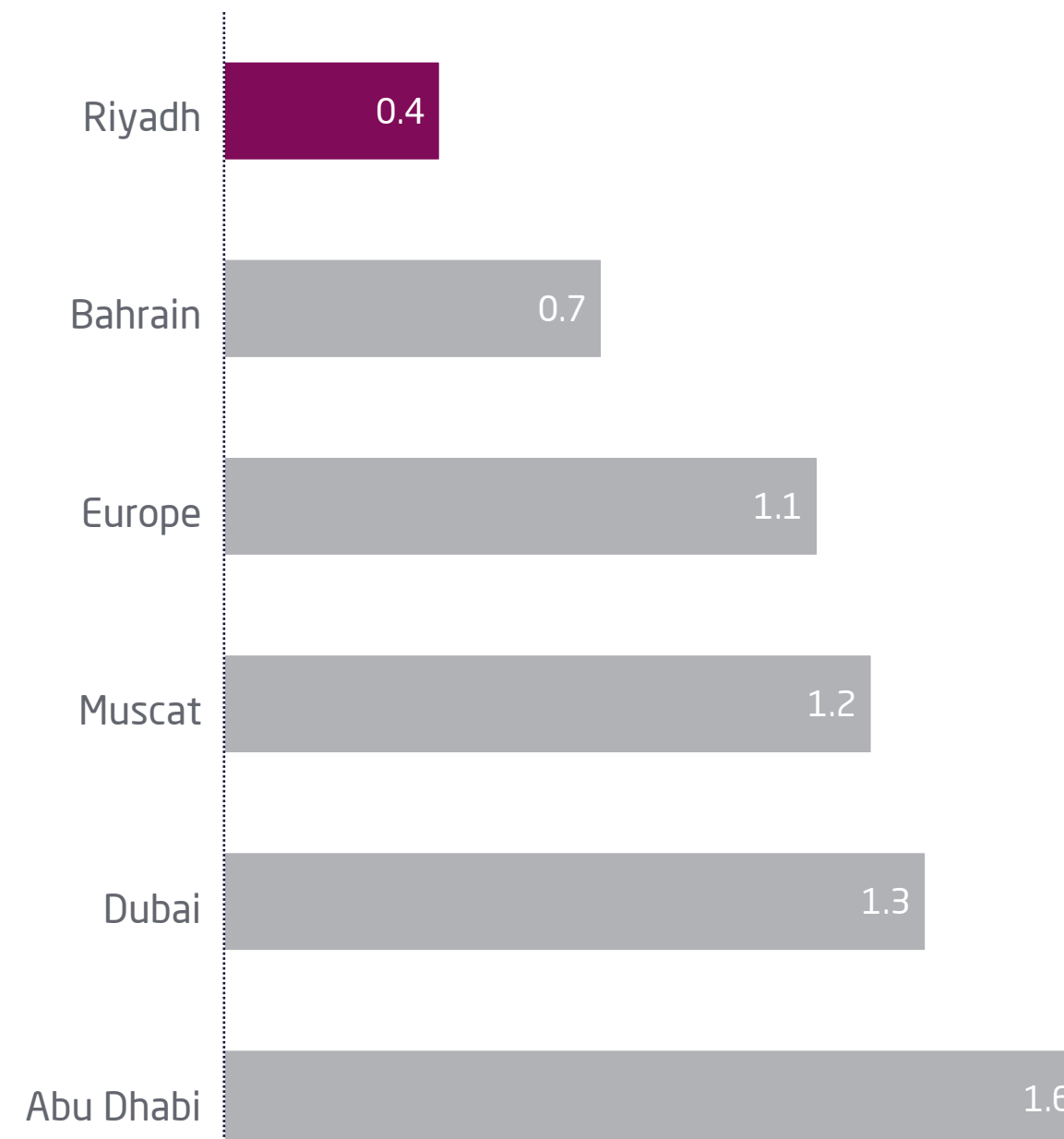
KSA Accounts for ~50% of GCC Retail Market

2022 Retail Market Size, % of total GCC



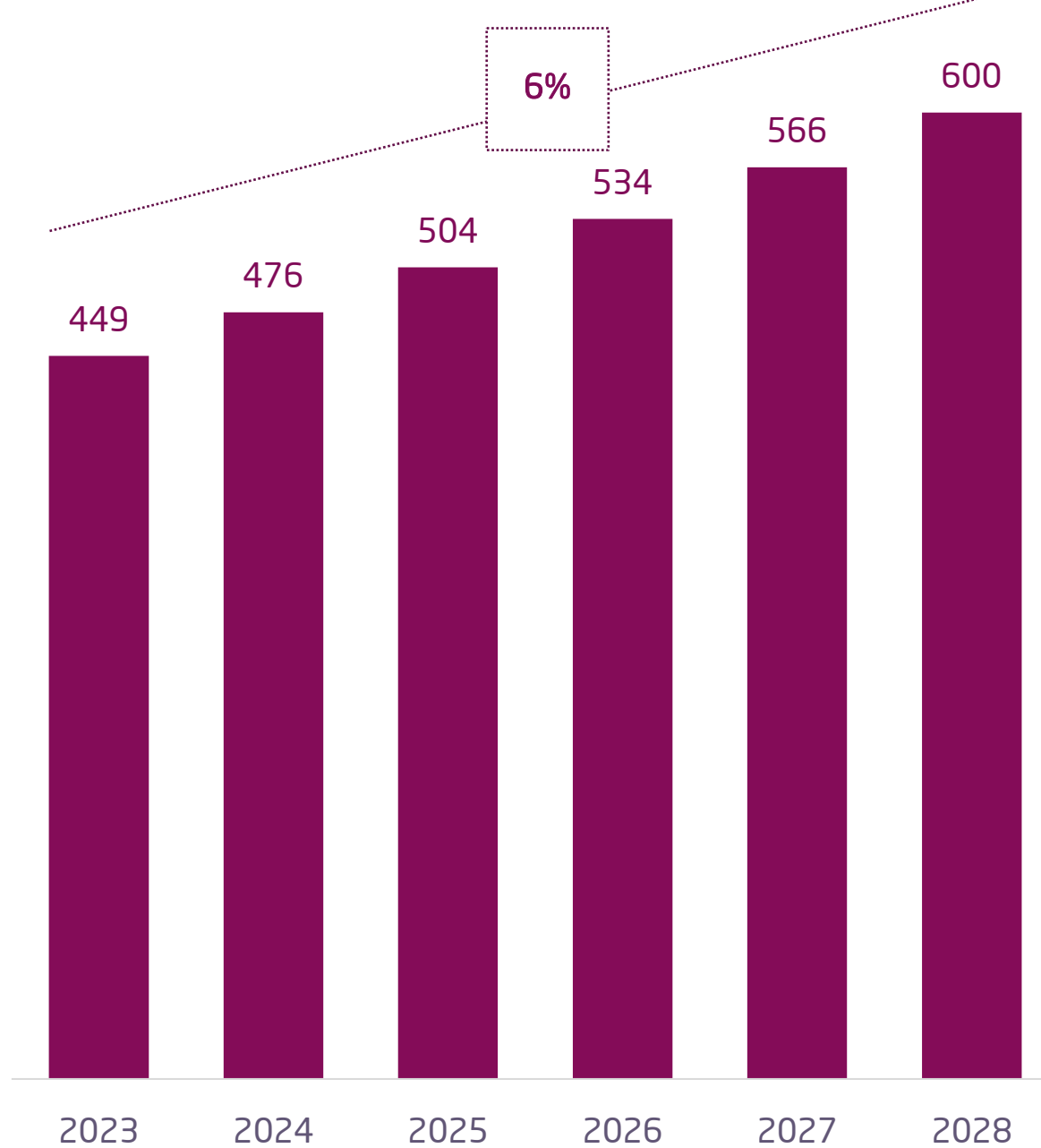
KSA Undersupplied in Mall Space

2021 Mall GLA per capita, sqm



KSA Poised to Exhibit Strong Retail Market Growth

Retail Market Size, SAR bn

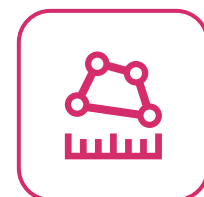




Building for the future with top lifestyle destinations in top cities



6
Projects in
Development Pipeline



600k
Additional GLA
by 2027



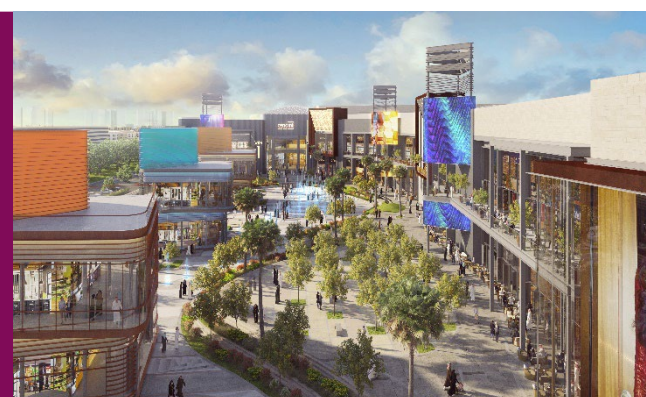
44%
GLA increase by 2027

Jawharat Riyadh

Jawharat Jeddah

Jawharat Al Khobar

**3 Flagship
Destinations**



GLA 220K sqm
Outlets 300+
Expected opening end of 2025

GLA 104K sqm
Outlets 300+
Expected opening end of 2025

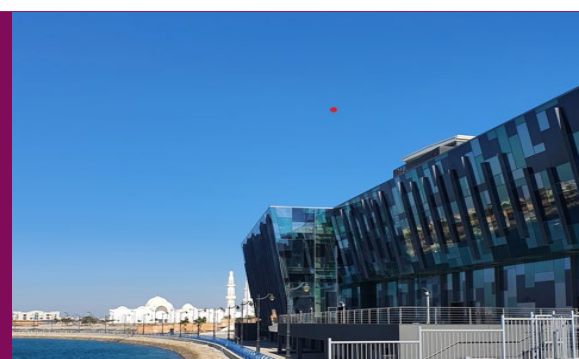
GLA 160K sqm
Outlets 380+
Expected Opening 2027

Jubail Marina Mall

U Walk Qassim

Murcia Mall

**3 Lifestyle
Destinations**



GLA 30K sqm
Outlets 70+
Expected Opening H2 2024

GLA 60K sqm
Outlets 135+
Expected Opening 2026

GLA 45K sqm
Outlets 150+
Expected Opening 2027

Development of Flagship Jawharat Riyadh and Jeddah 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



220,000 sqm GLA

300+ stores, four F&B zones, and 65,000 sqm of office space and entertainment

10+ first-to-KSA brands and 75+ flagship stores

Dedicated luxury wing inside a shopping destination

Over 20 million visitors a year

70% of unique brands are secured

Number one center for footfall and spend in Riyadh

First Gold LEED Malls- a first for KSA malls.

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

STRUCTURAL COMPLETION STATUS: ~90%

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

Jawharat Jeddah



104,000 sqm GLA

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

Over 10 new brands to Jeddah and over 50+ flagship stores

Dedicated luxury wing inside a shopping destination

Over 15 million visitors

70% pre-leasing¹ is complete

Number one center for footfall and spend in Jeddah

Catchment captures 90% High-Income Households within a 30-min drive

First Gold LEED Malls a-first for KSA malls.

STRUCTURAL COMPLETION STATUS: ~93%

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

Jawharat Jeddah - The number one mall in Jeddah



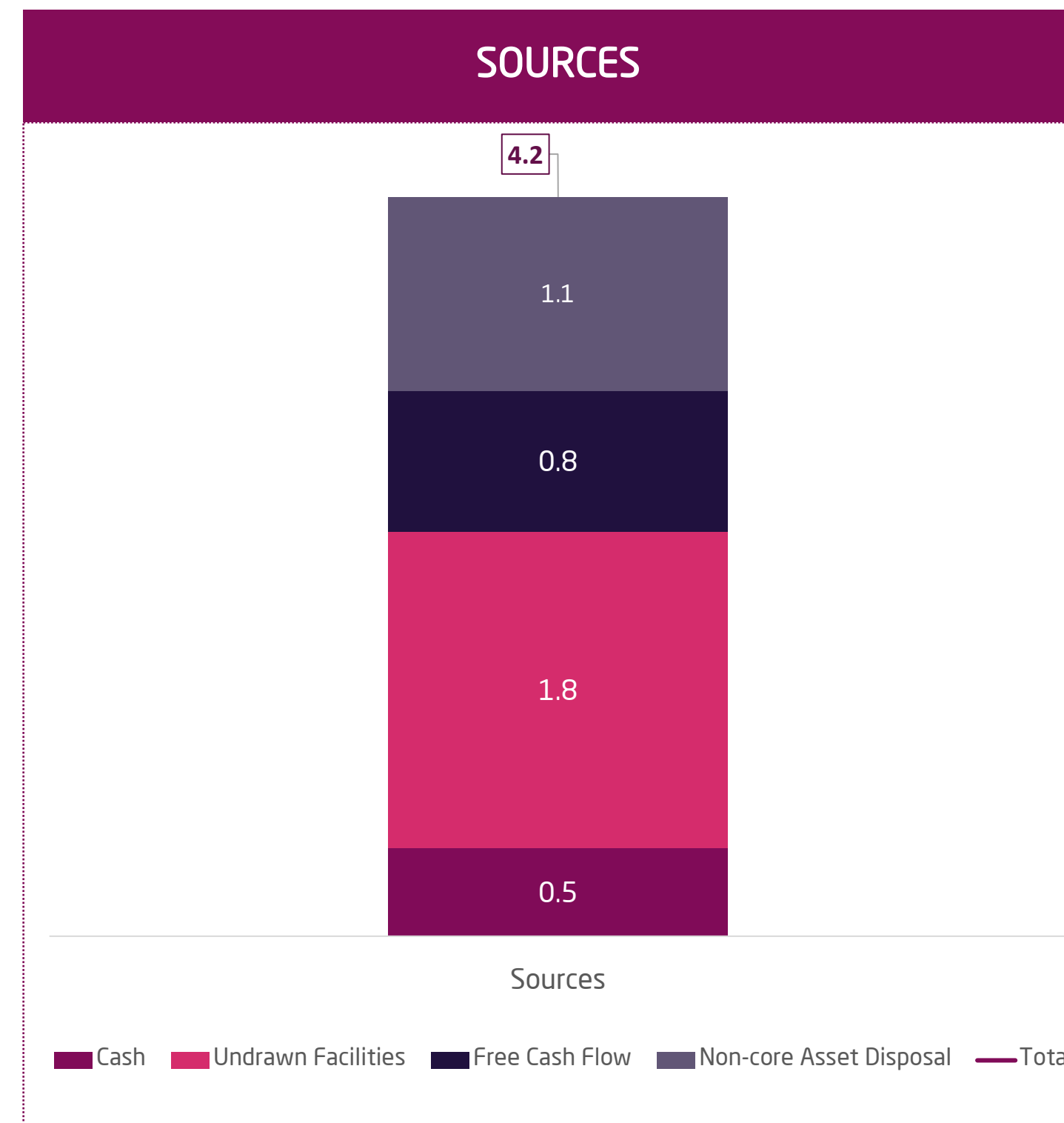
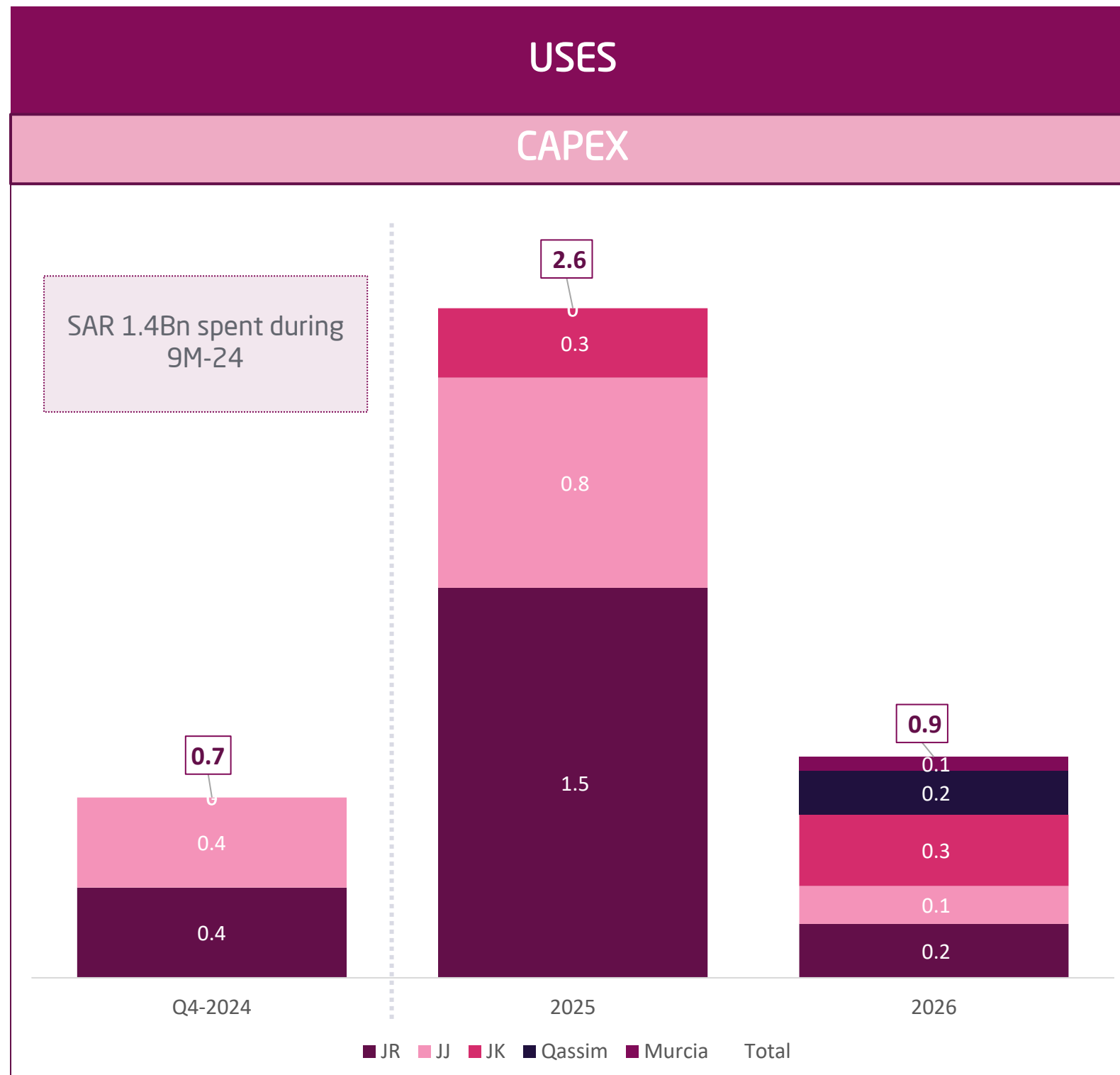
Jawharat Jeddah - The number one mall in Jeddah



Jawharat Riyadh - The number one mall in Riyadh



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
- 

Investments funded by a mix of asset disposals, equity and debt

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 2 flagship malls



Credit Rating

- Maintain current rating levels or higher



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%
- 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

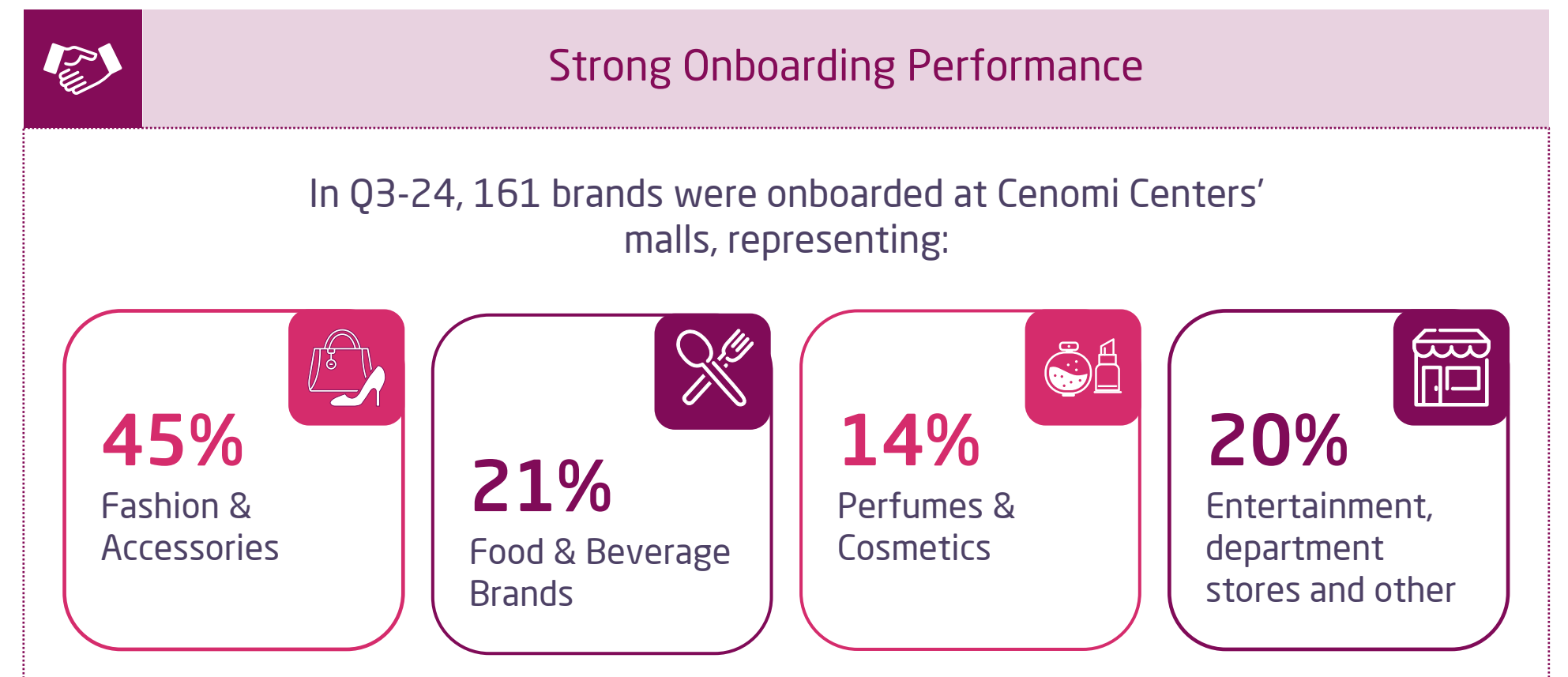
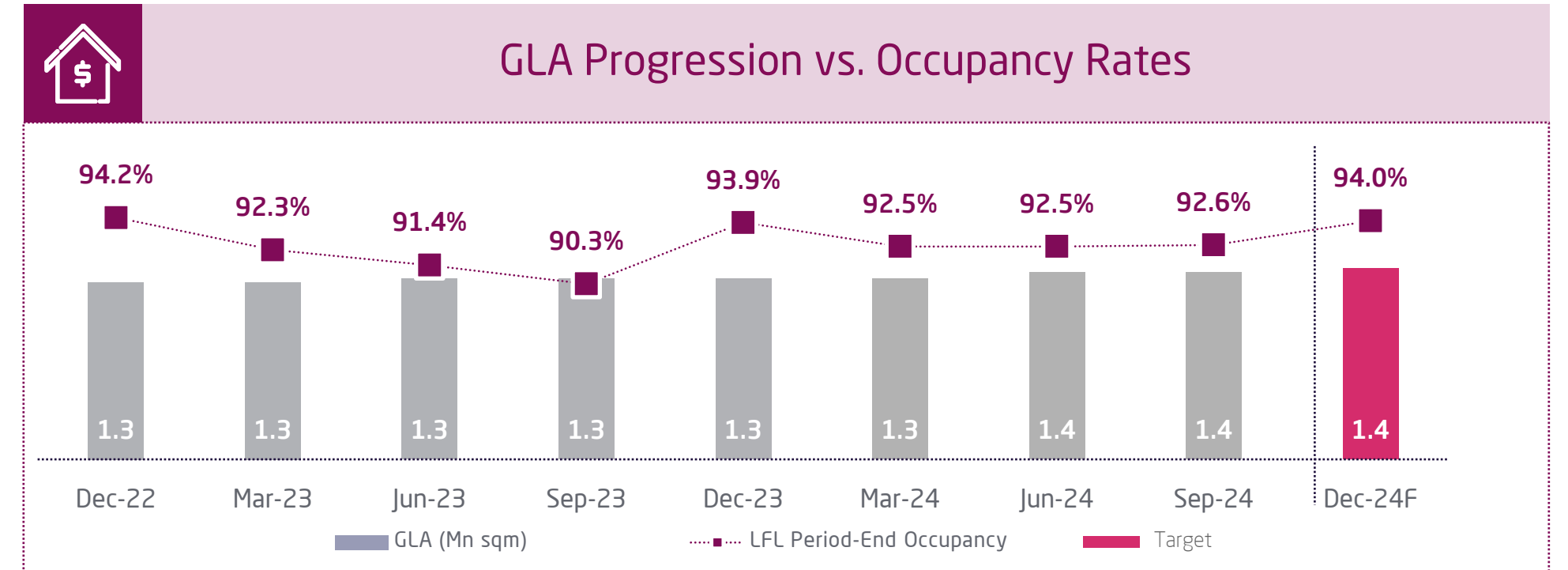
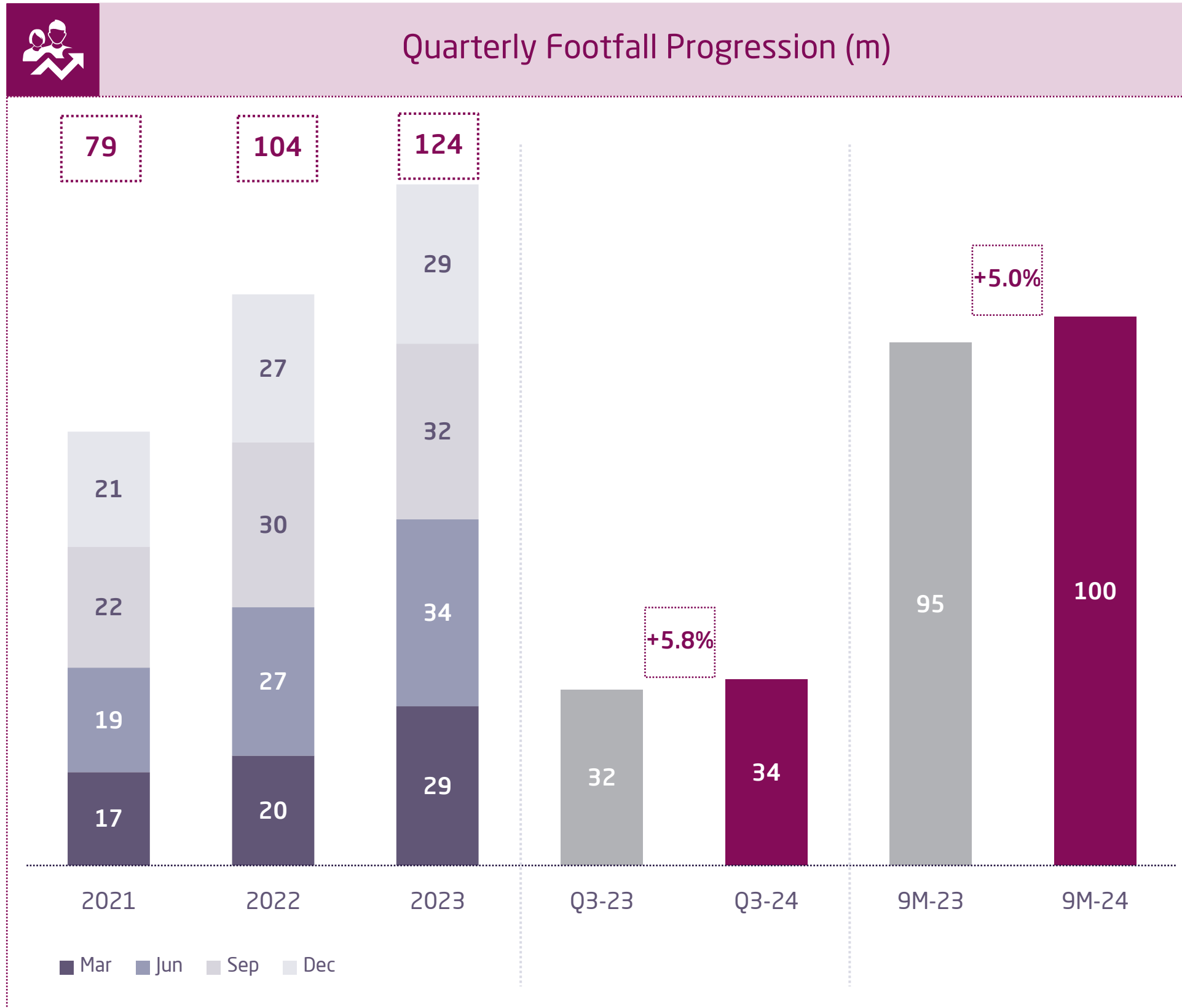


Operating Update



Operational Excellence

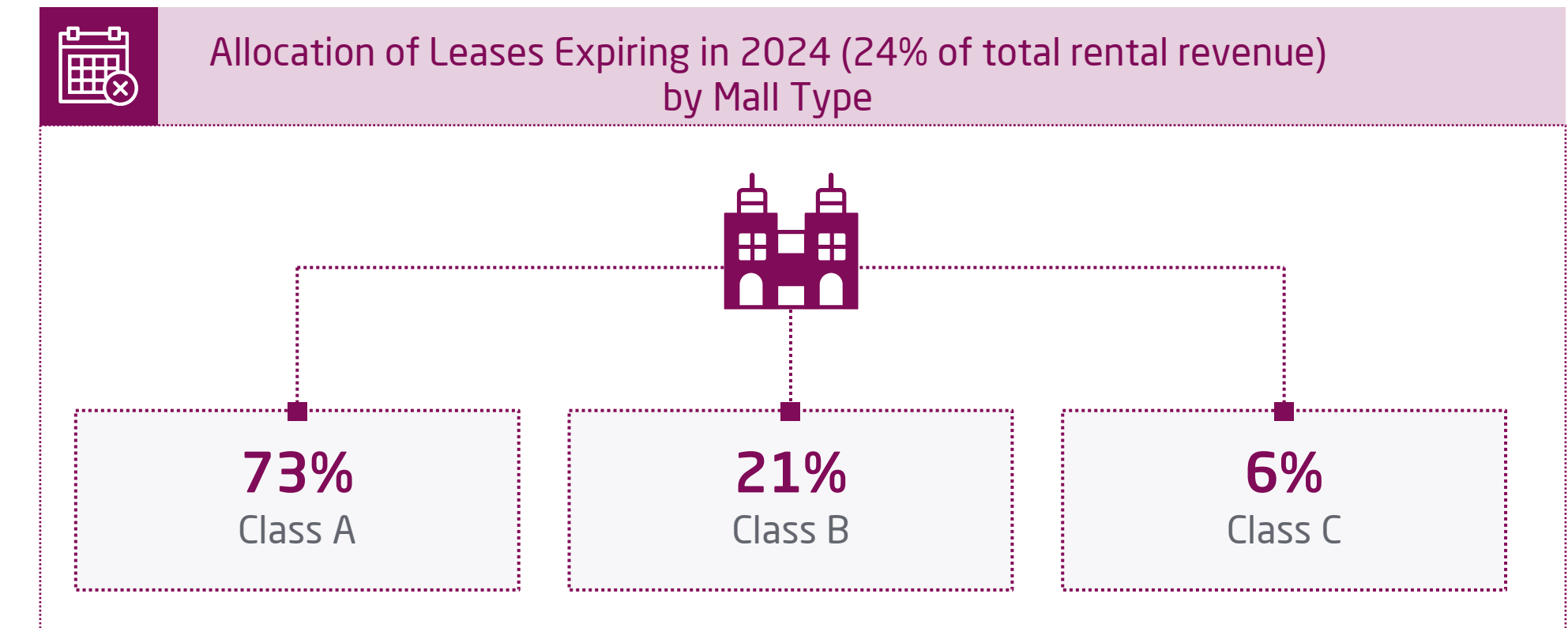
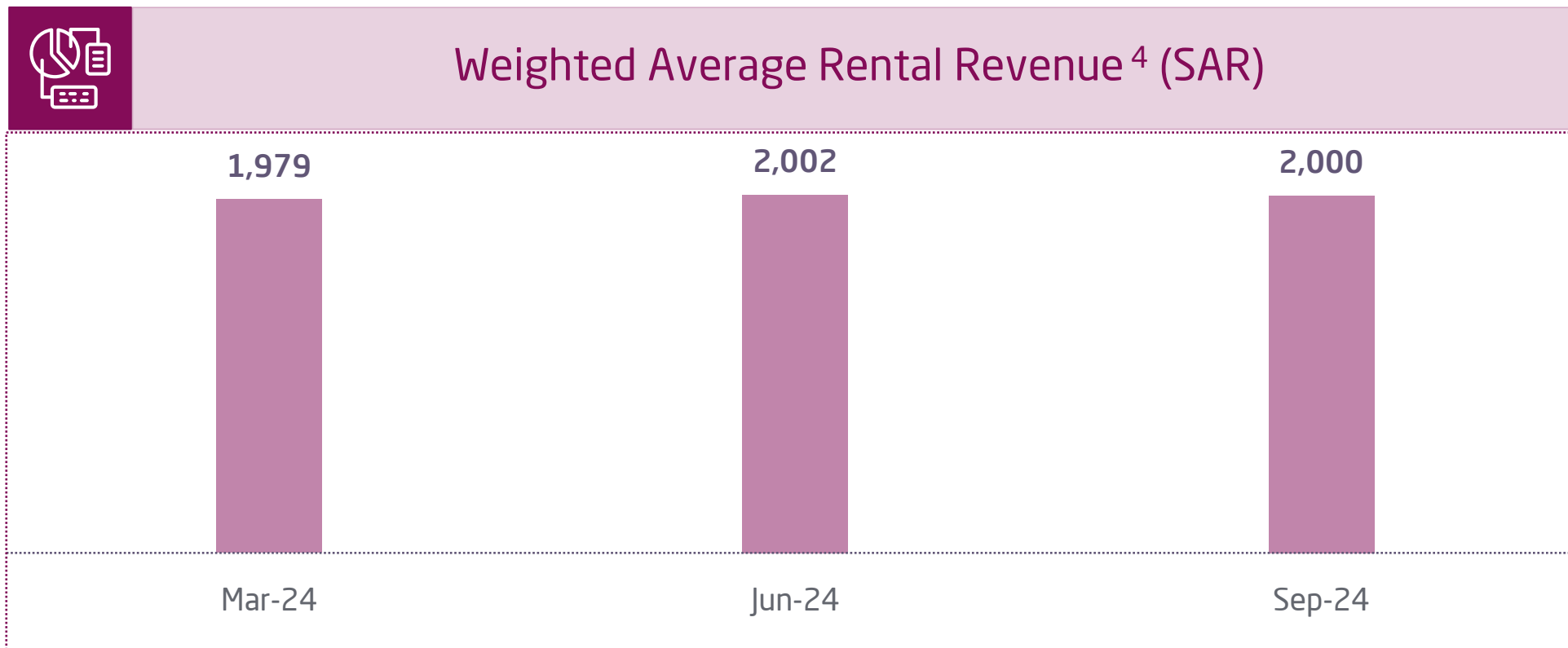
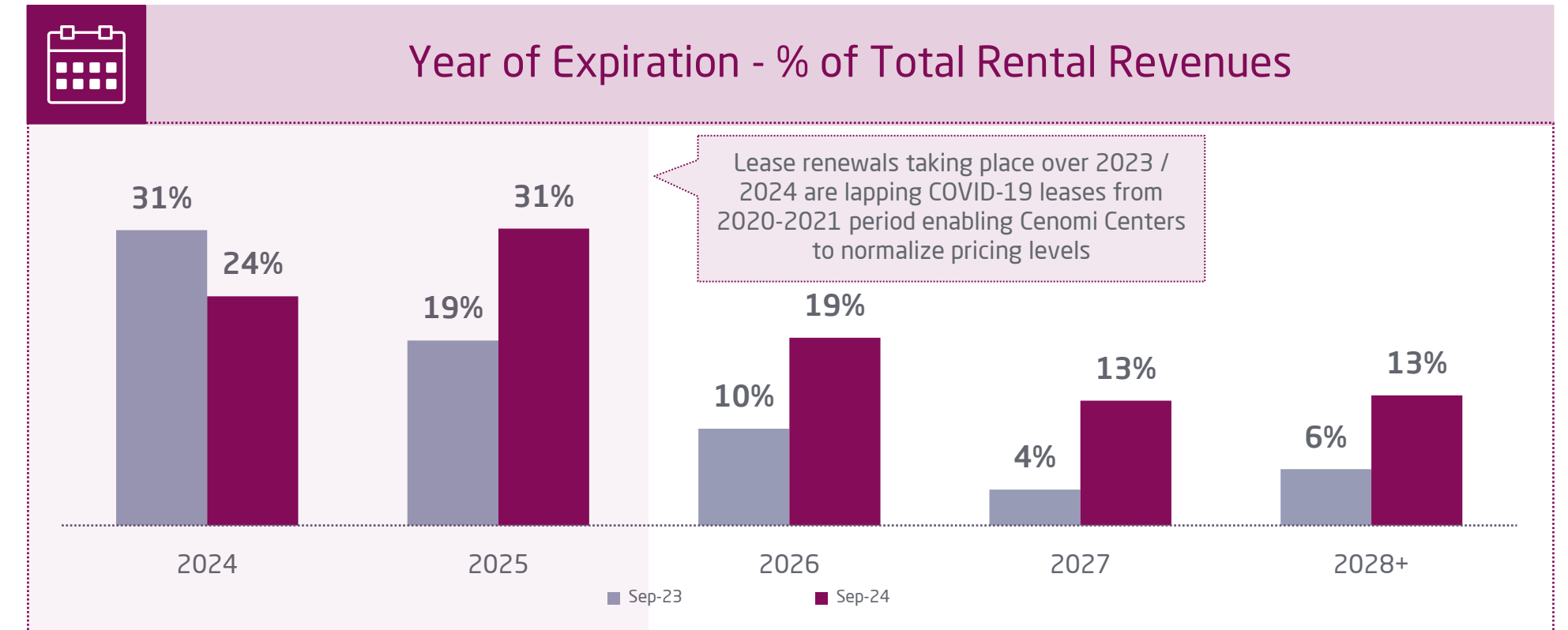
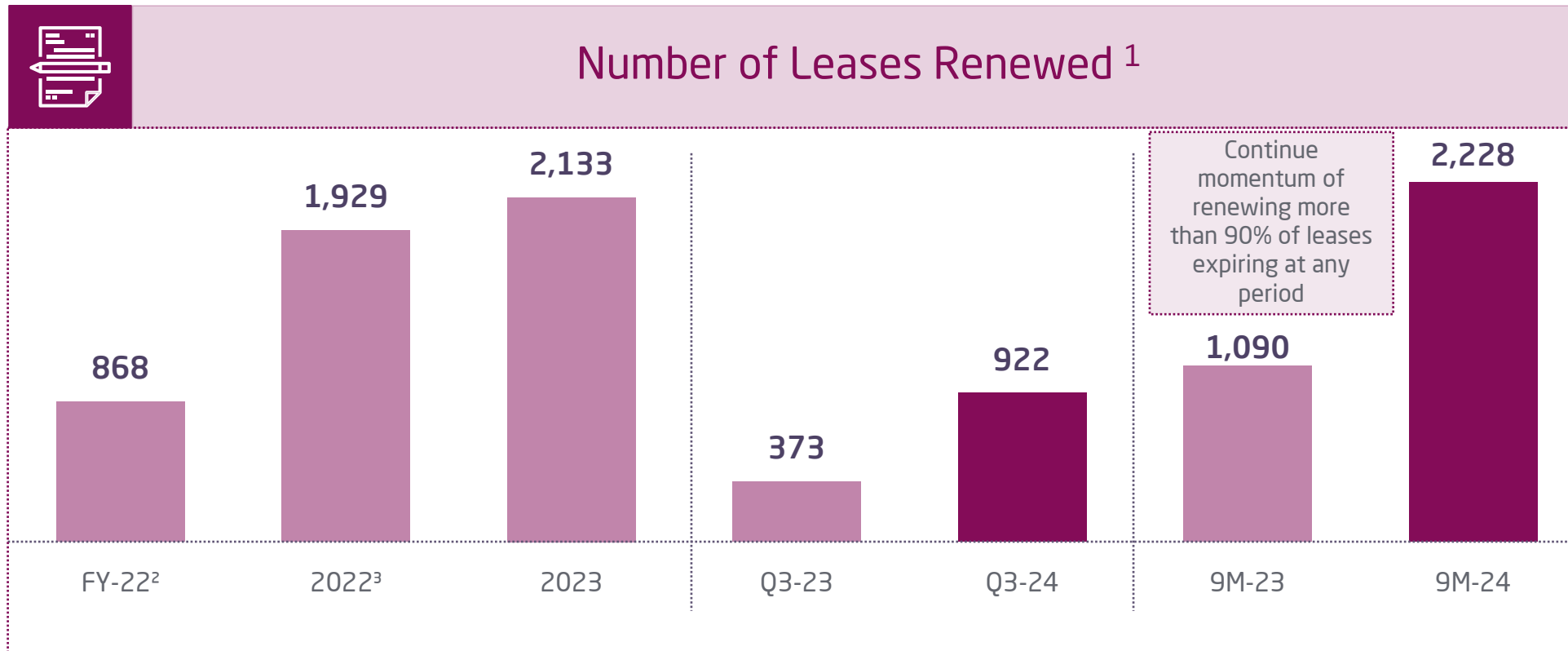
Footfall progression, occupancy rates, and onboarding performance remain strong...





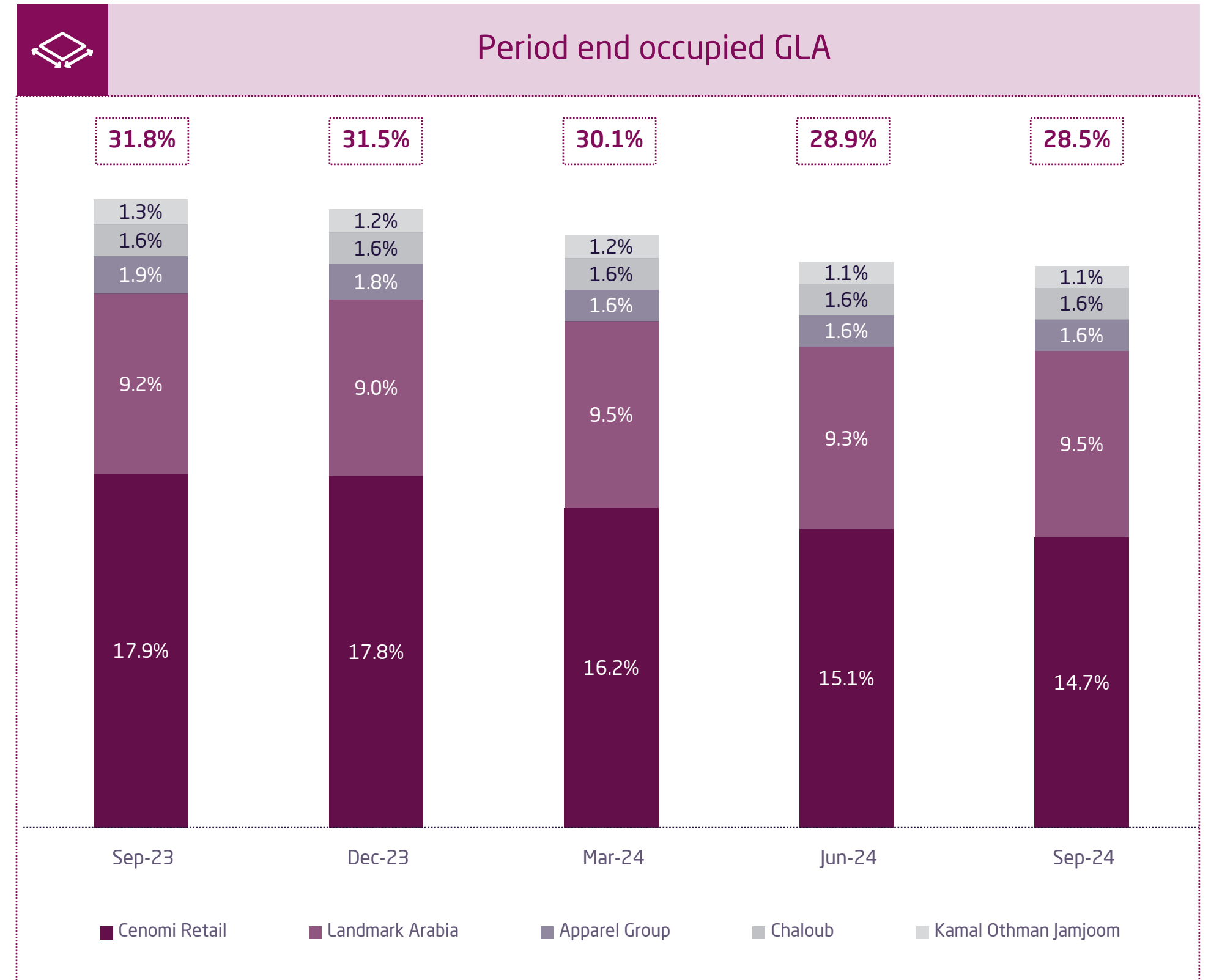
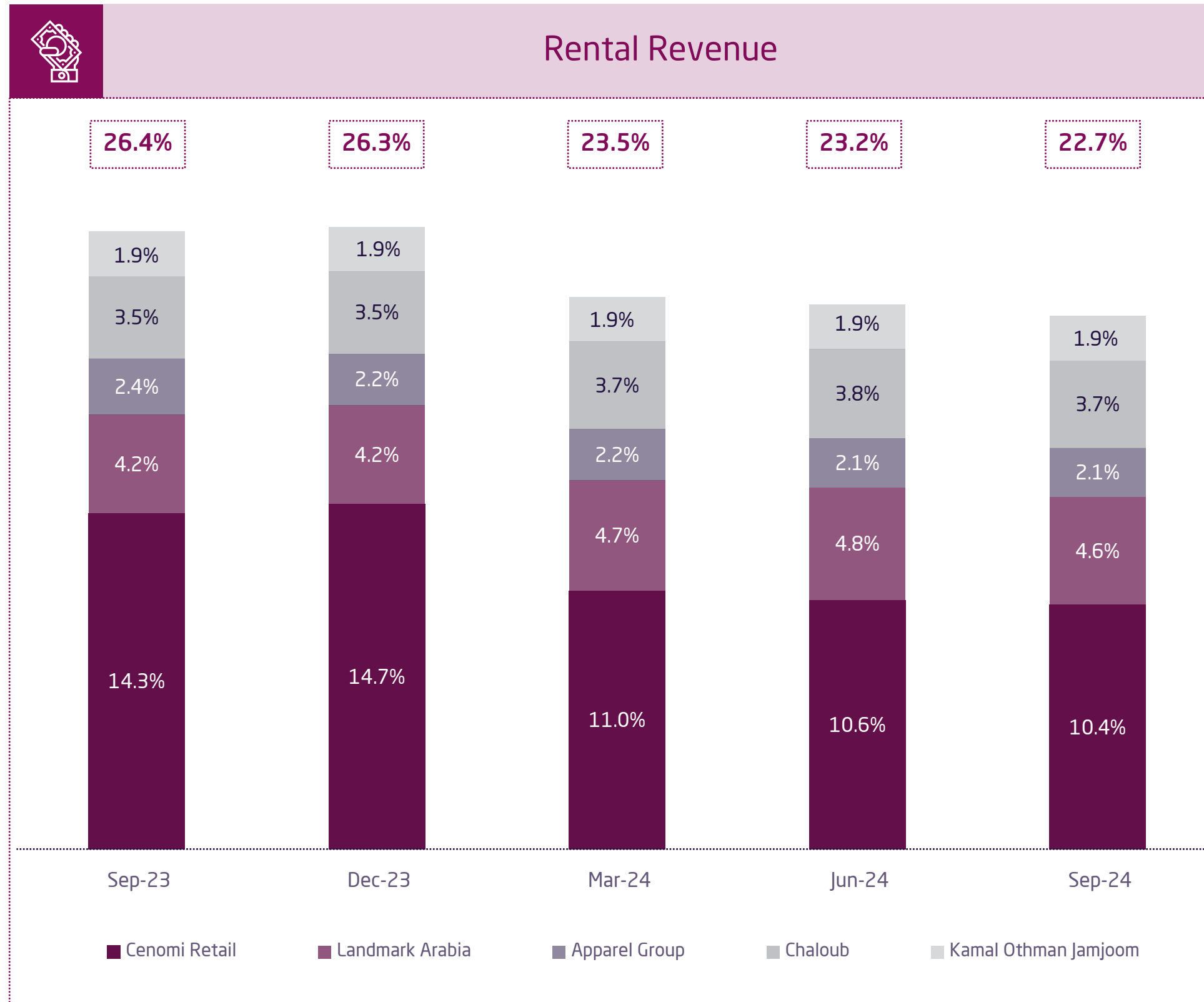
Operational Excellence

...with elevated performance across core KPIs



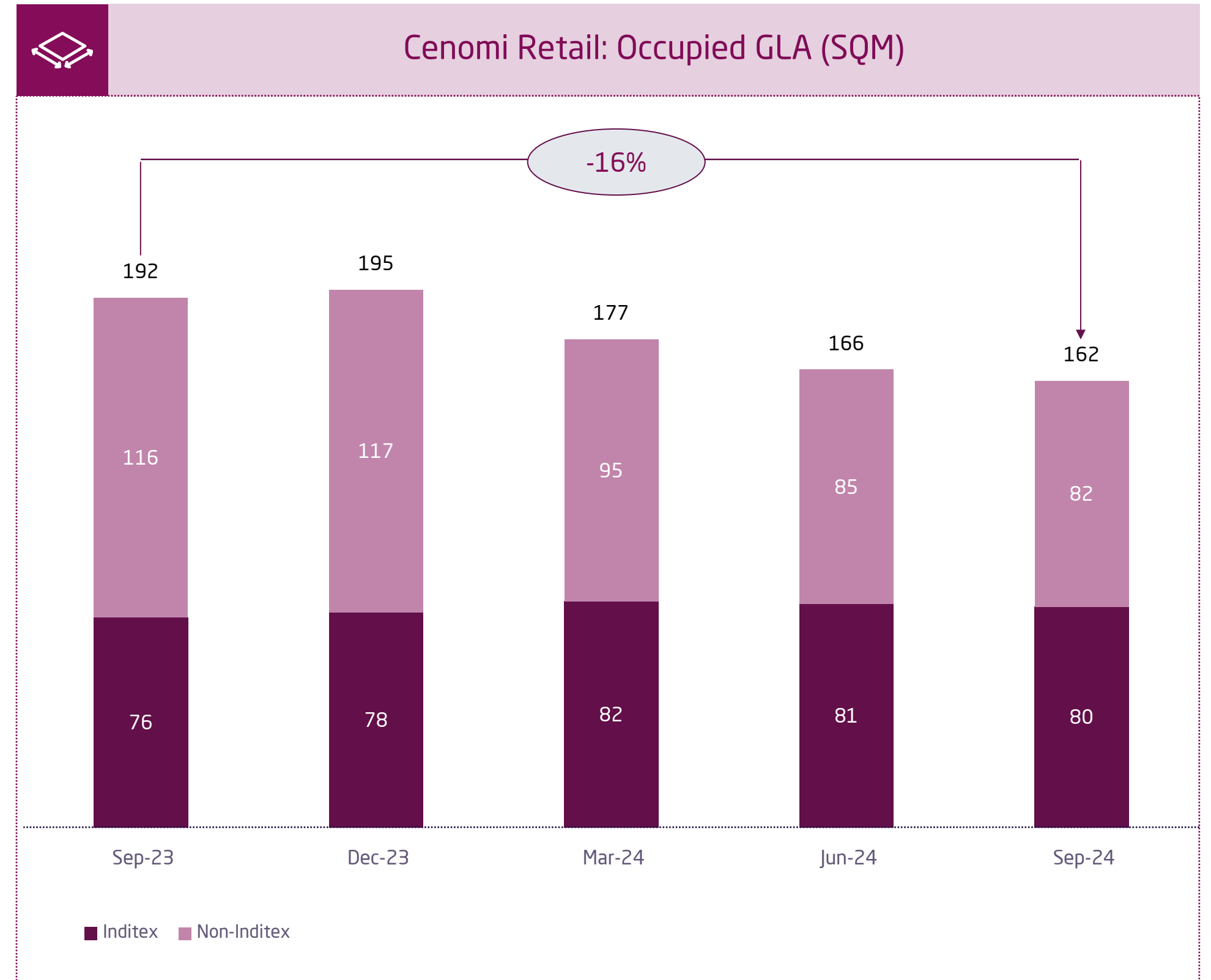
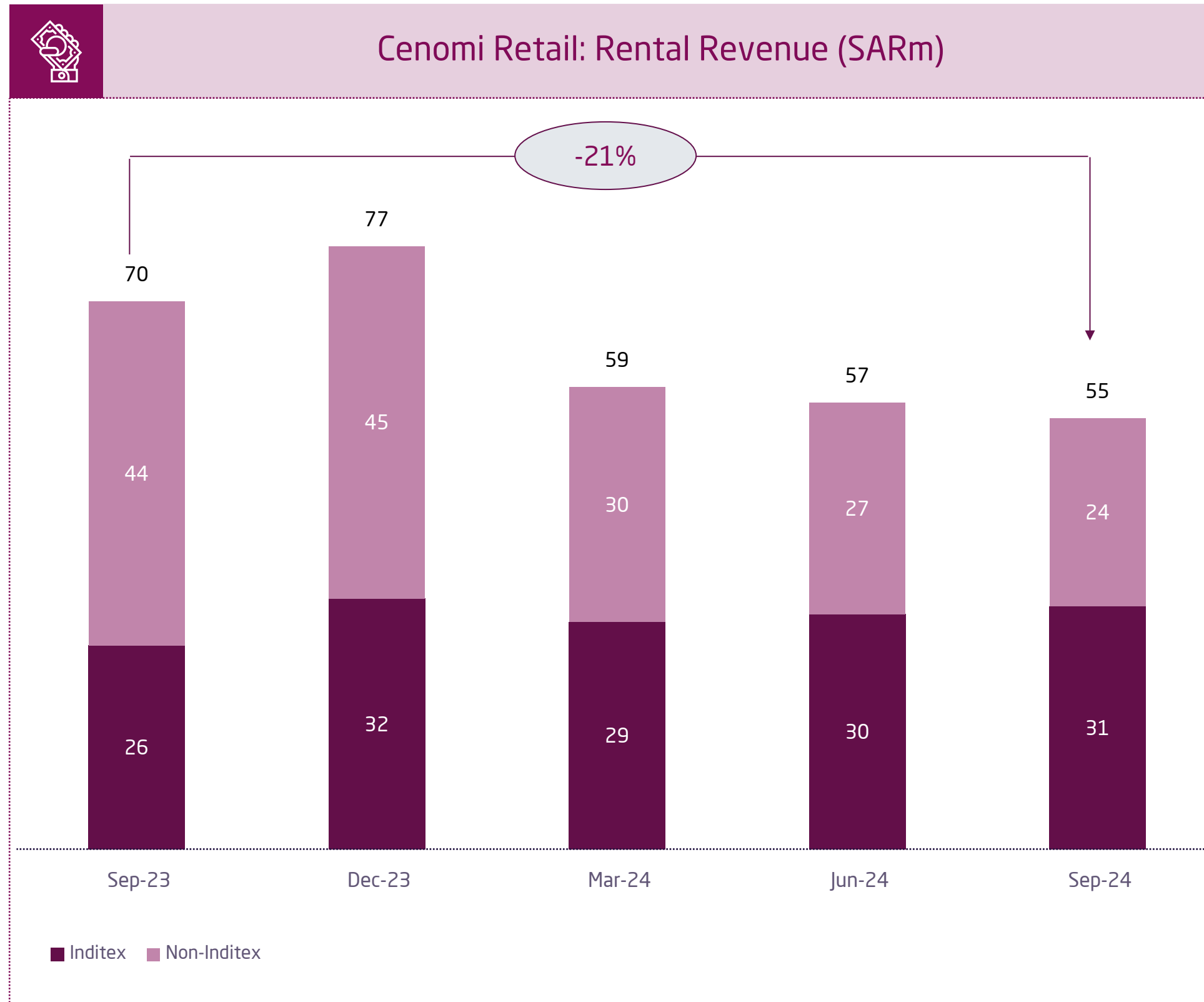


Low Tenant Concentration and Top Line Derisking





CR footprint: CR's non-Inditex brands disposals drive significant reduction in Revenue & GLA exposure while Inditex with anchor brands remains stable

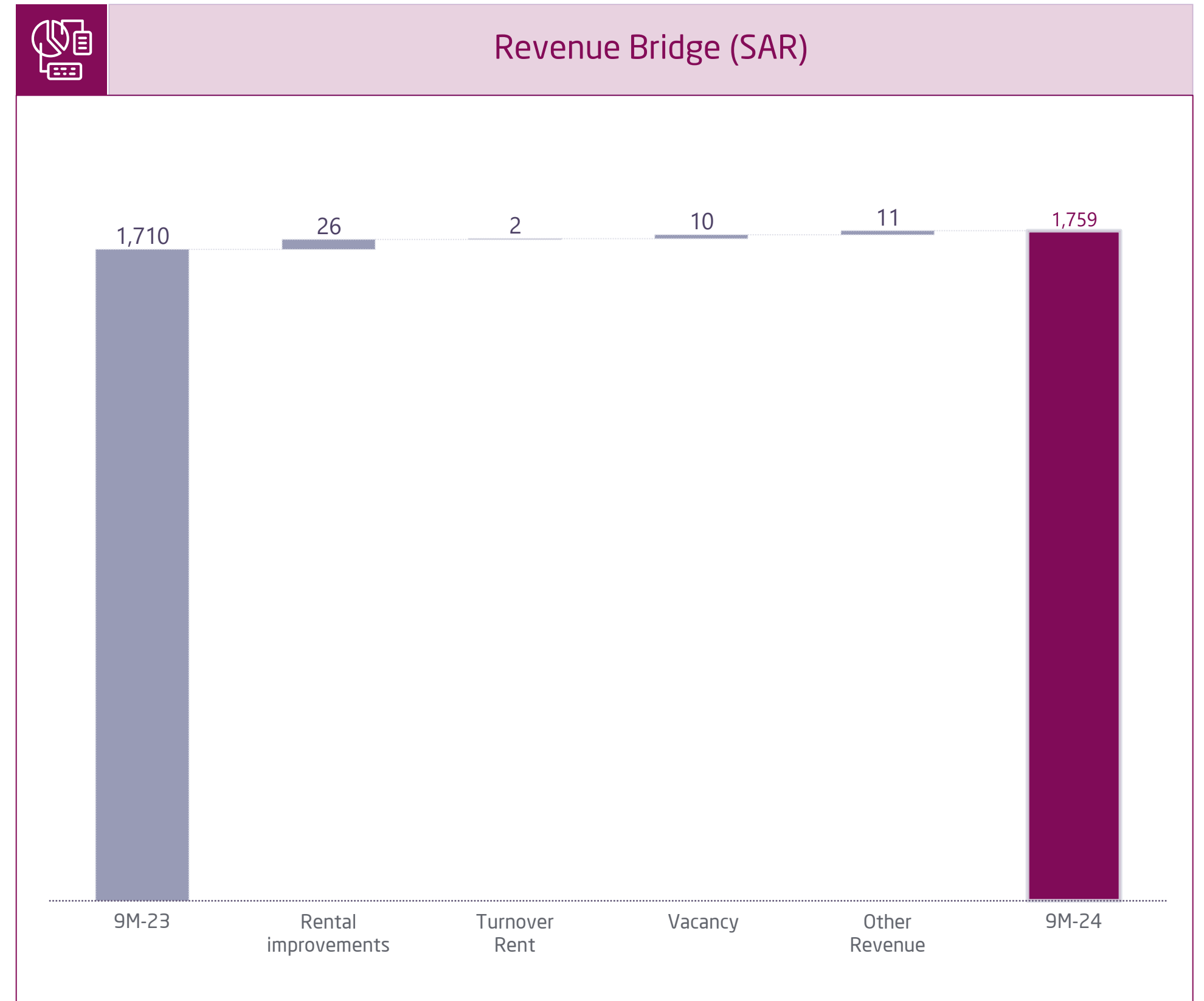
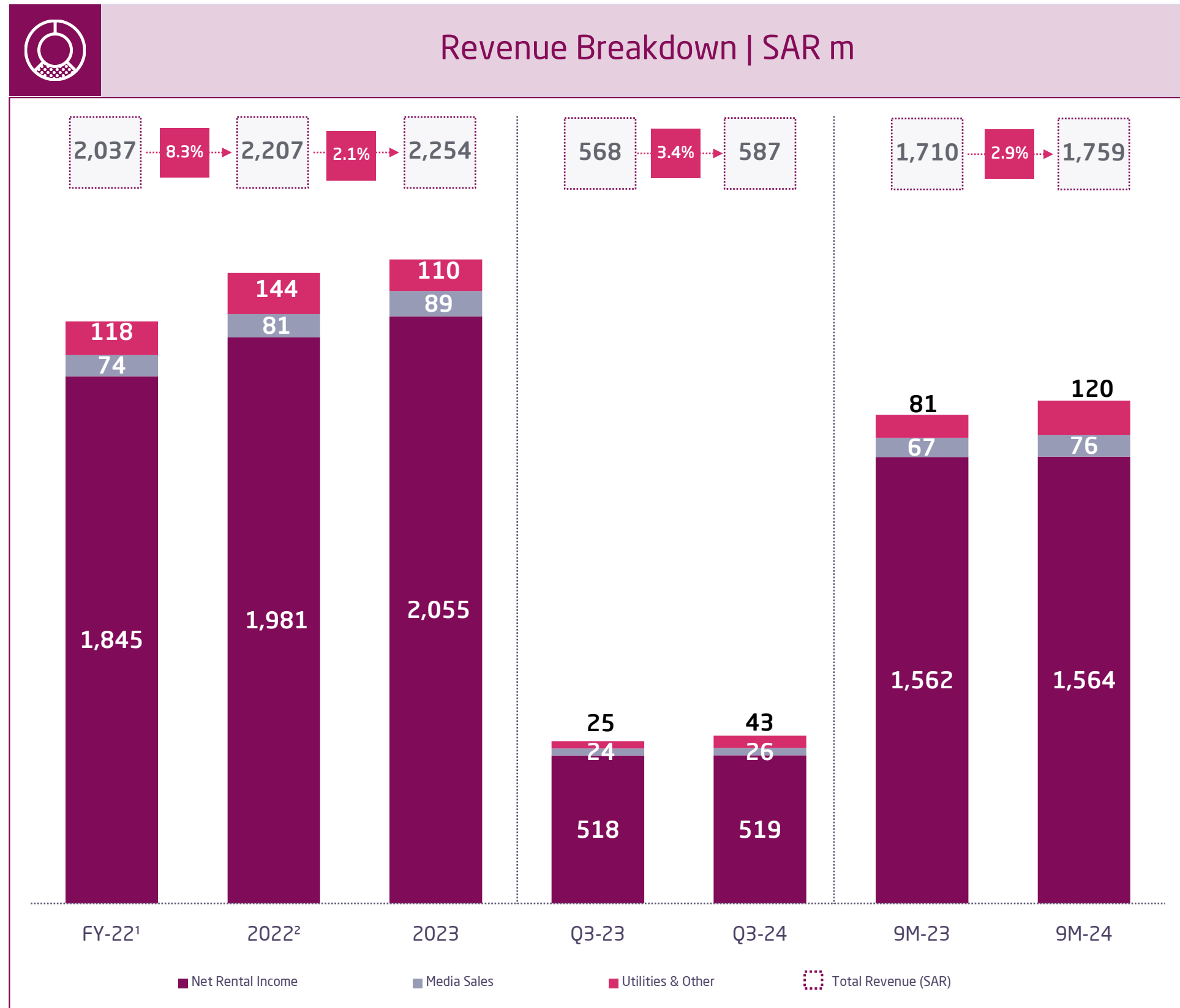




Financial Update



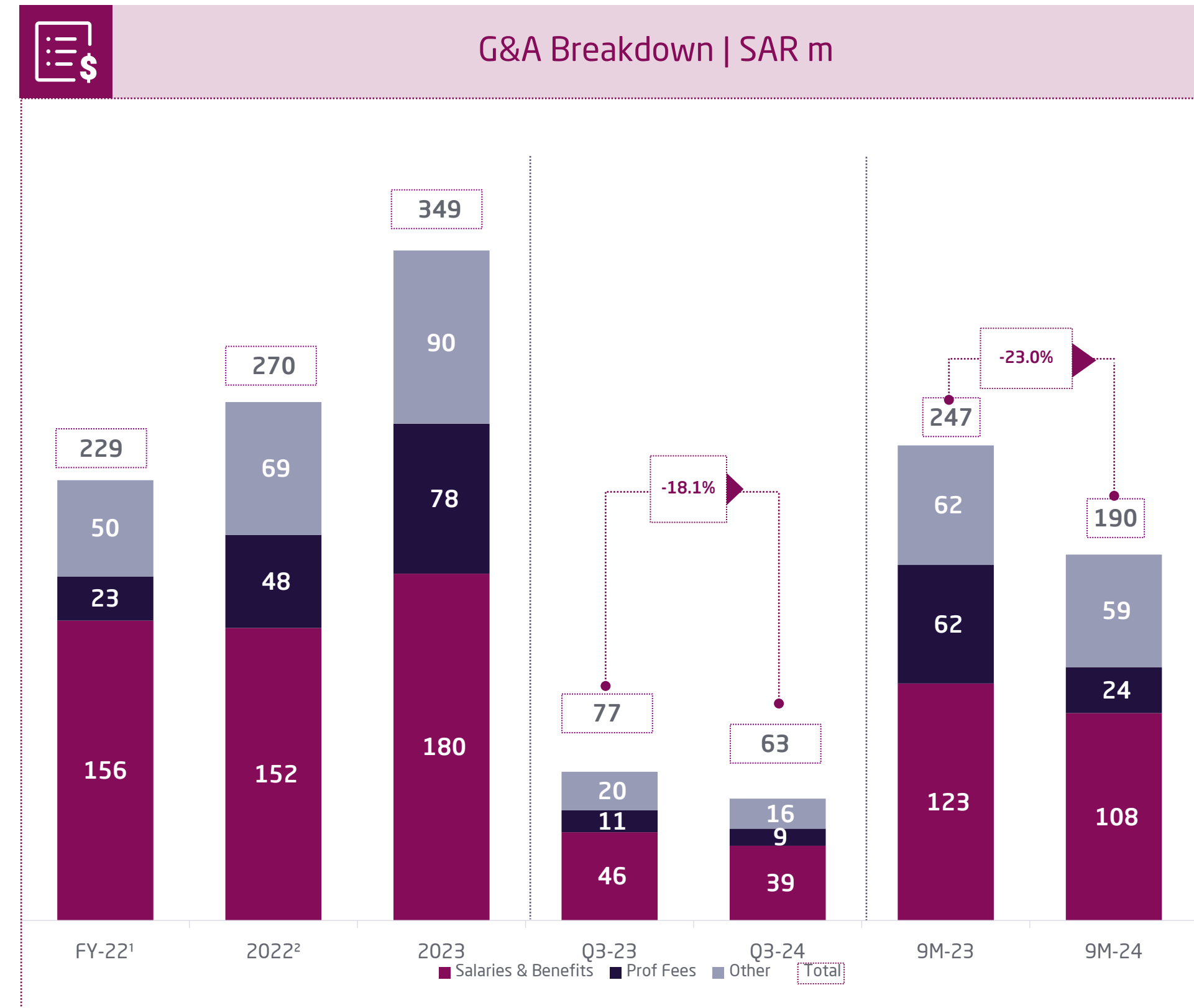
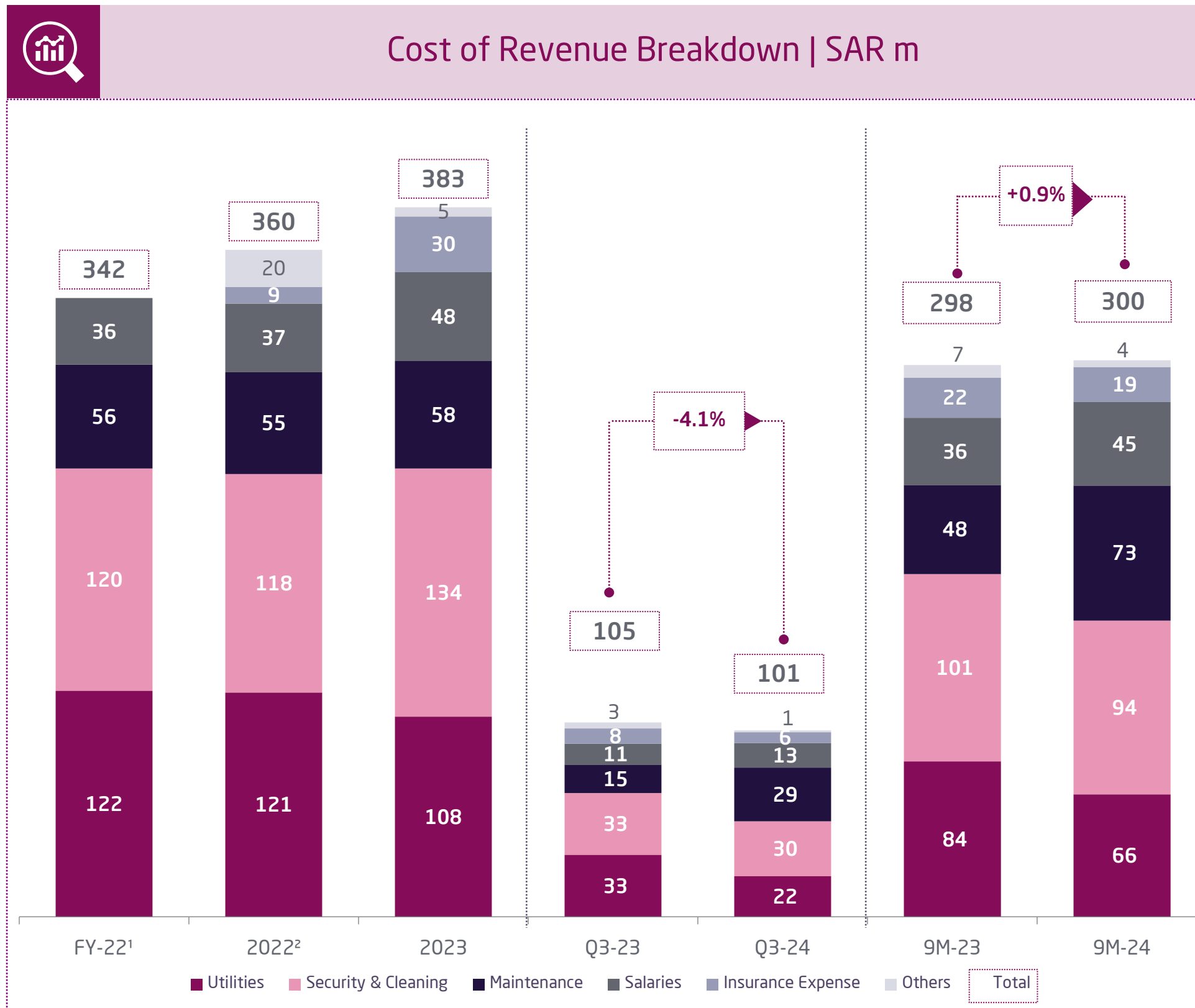
Stable top-line growth across the portfolio



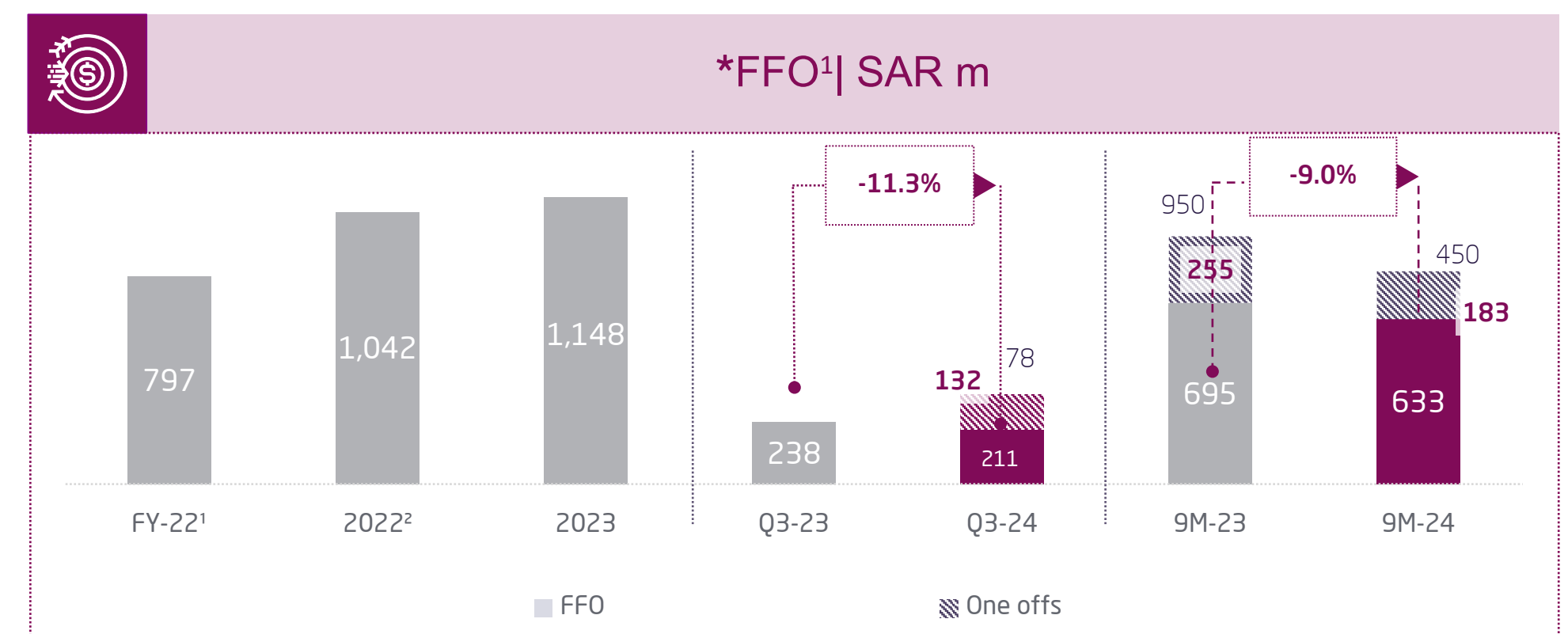
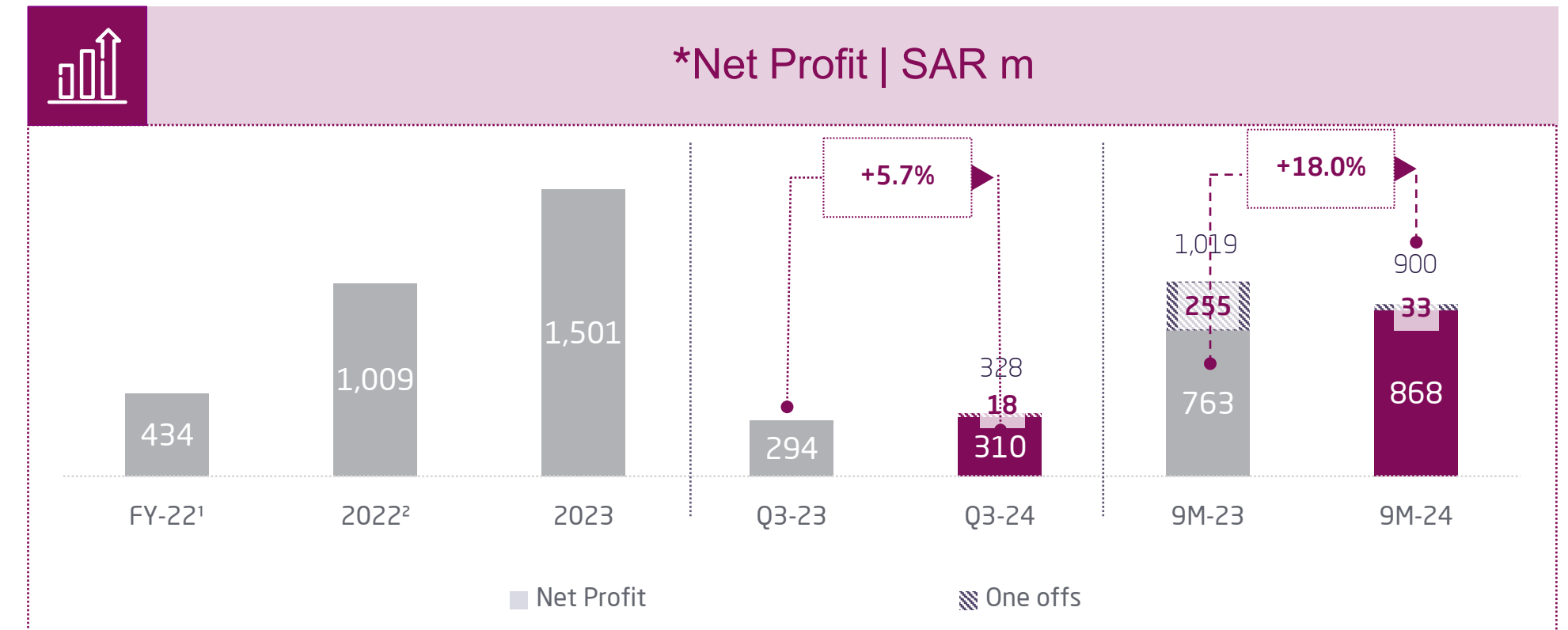
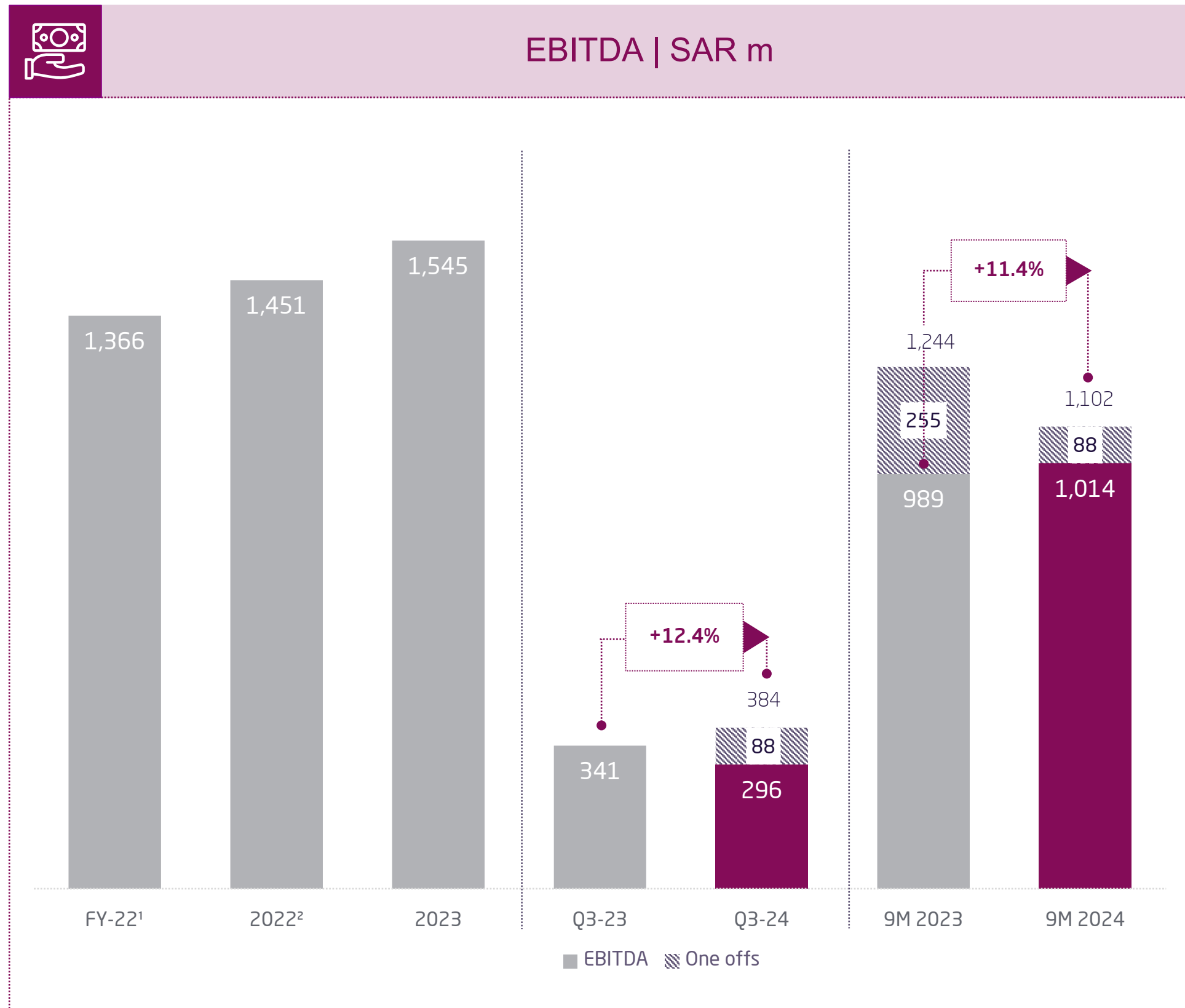


Disciplined Investments for Continued Excellence

Supporting product excellence coupled with cost control initiatives



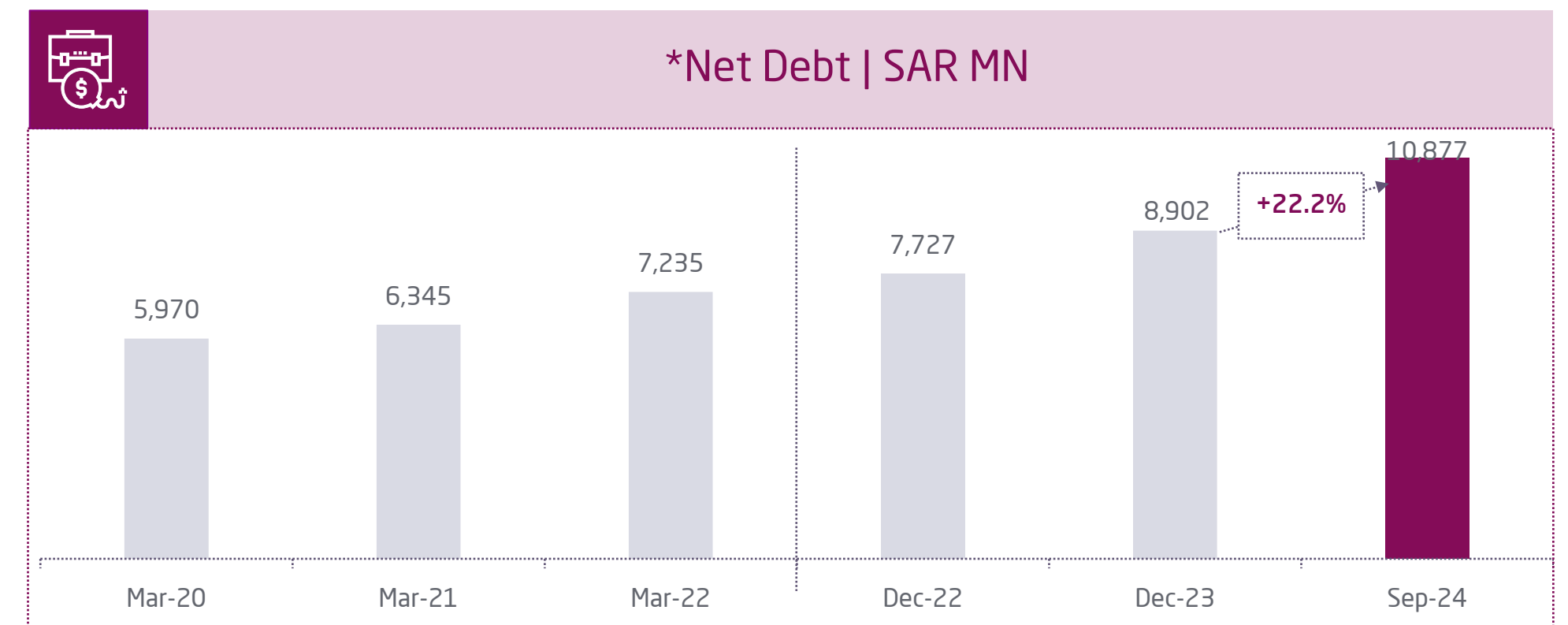
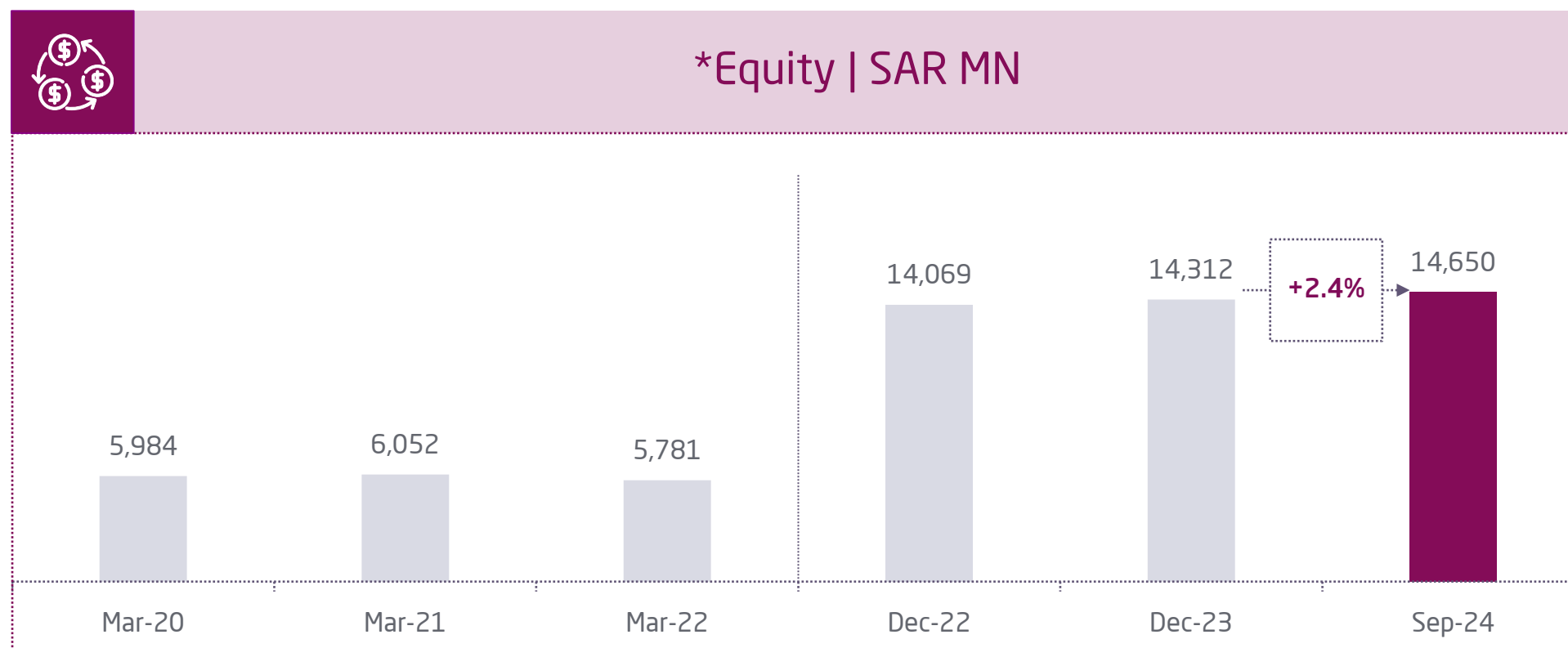
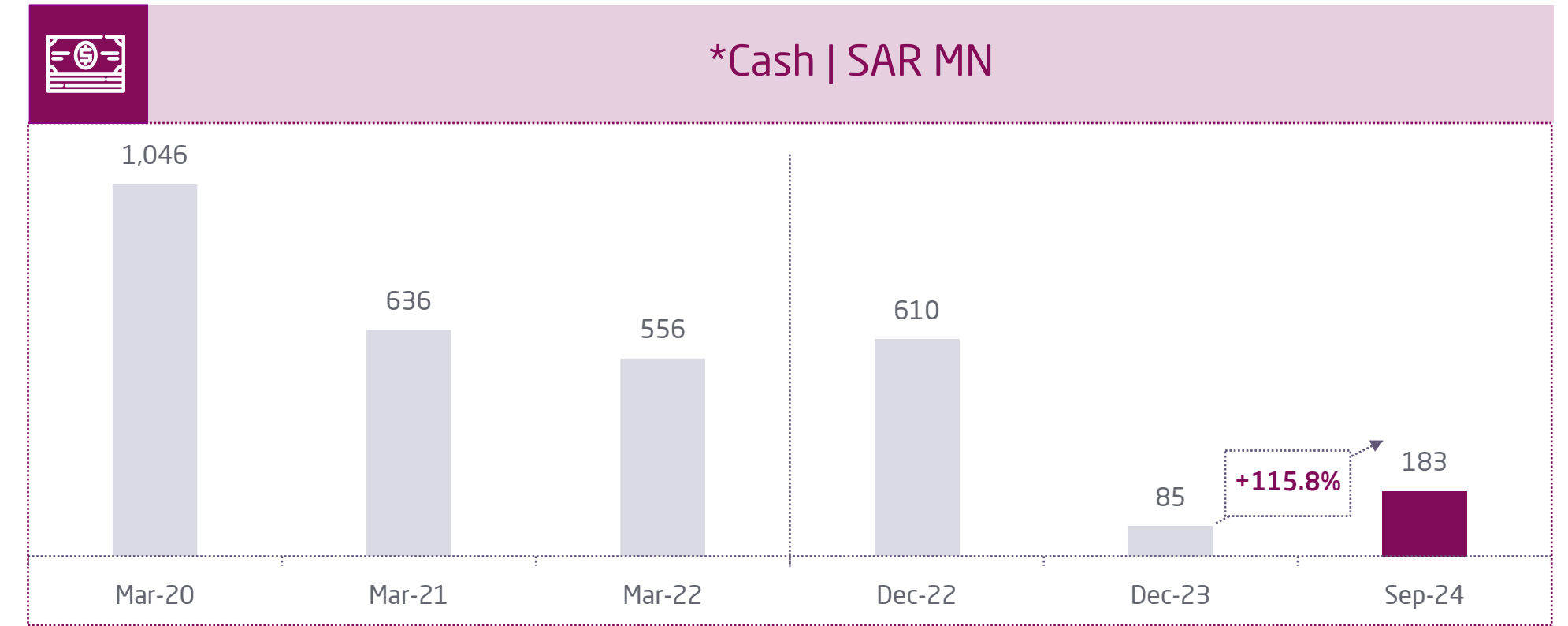
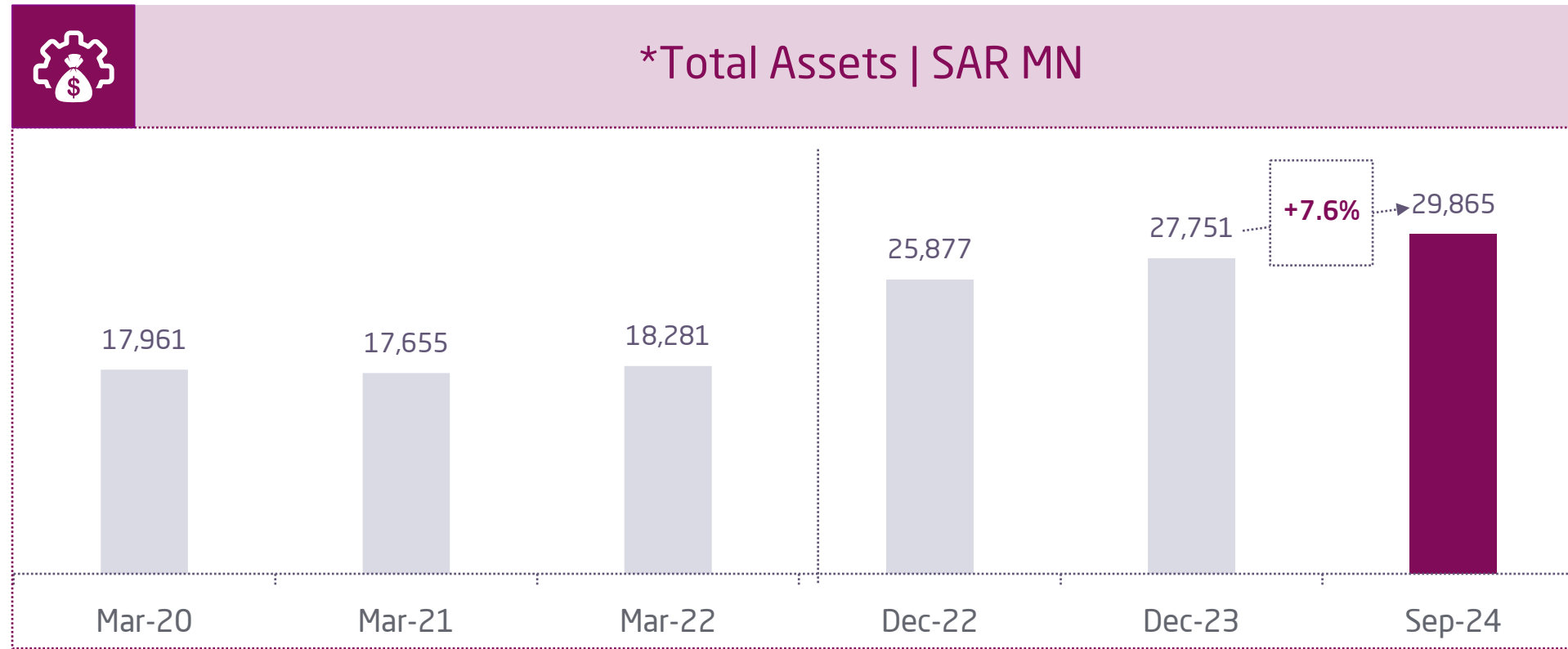
Profitability margins supporting growth



(1) Fund from operations (FFO) is calculated as the sum of net profit for the year/period, depreciation of PP&E and plus or minus the fair value impact of investment properties.
 (2) ² Fiscal year from April 2021 to March 2022. ³ 12-month fiscal year January 2022-December 2022.

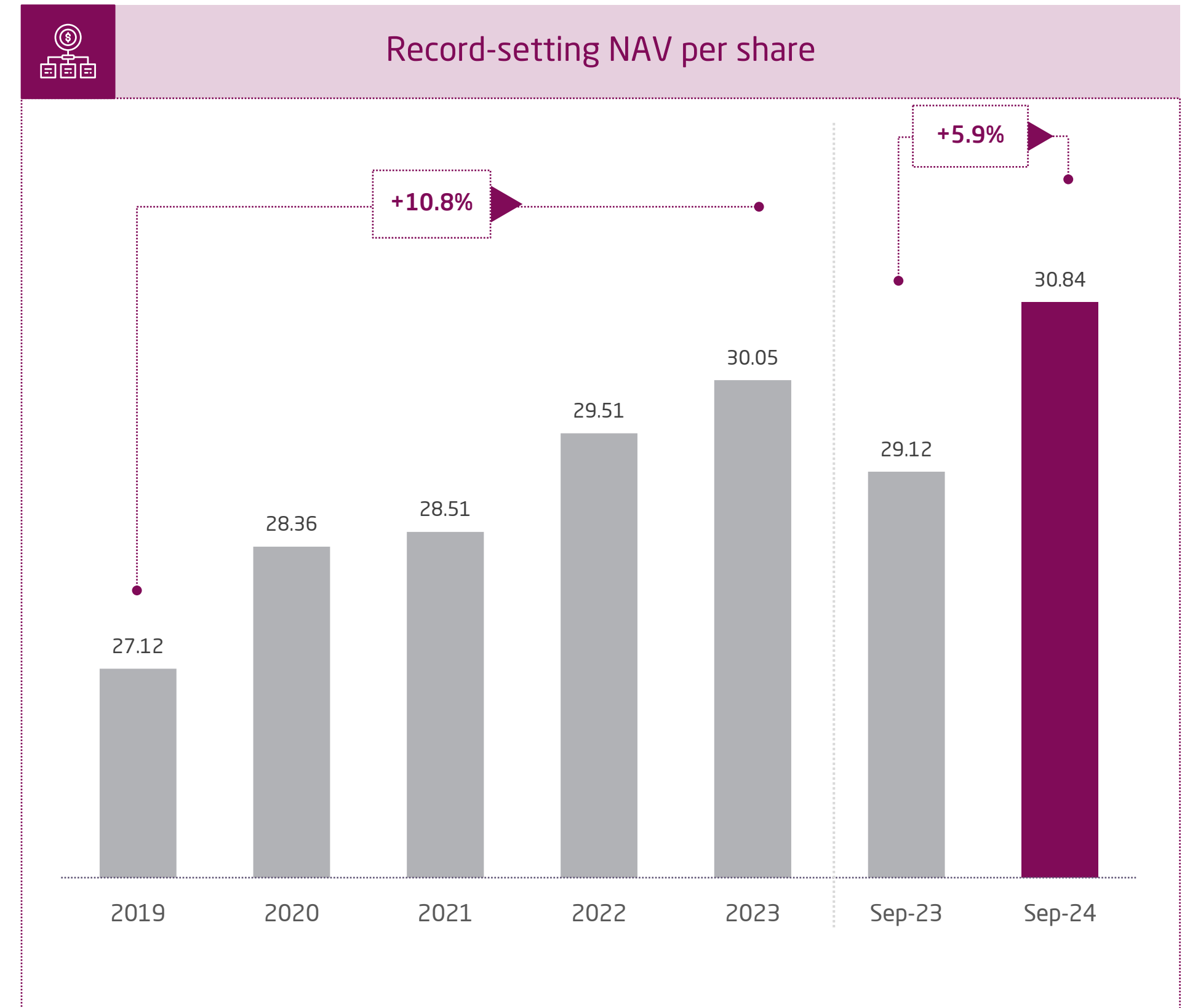
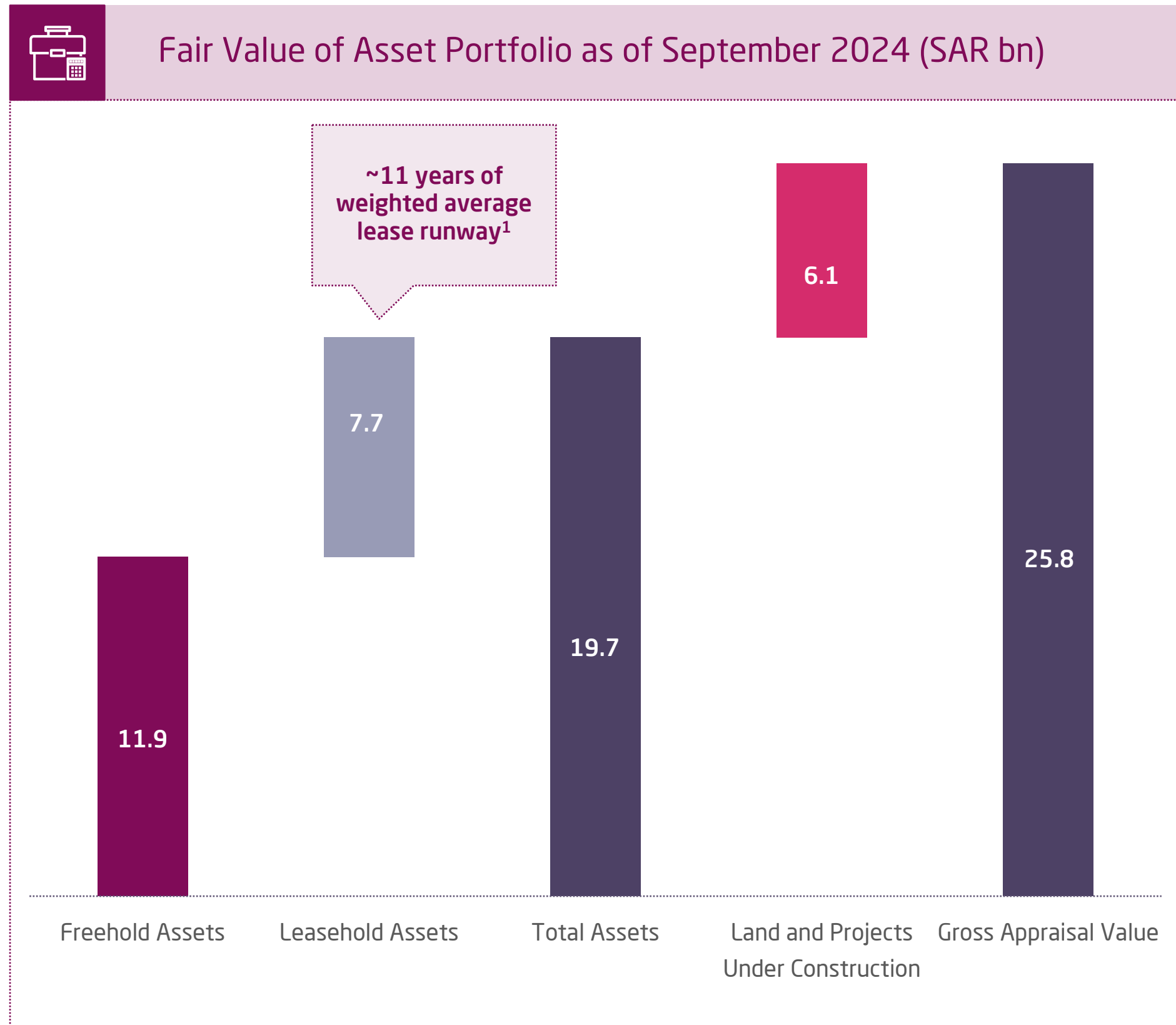


Strong and Stable Balance Sheet



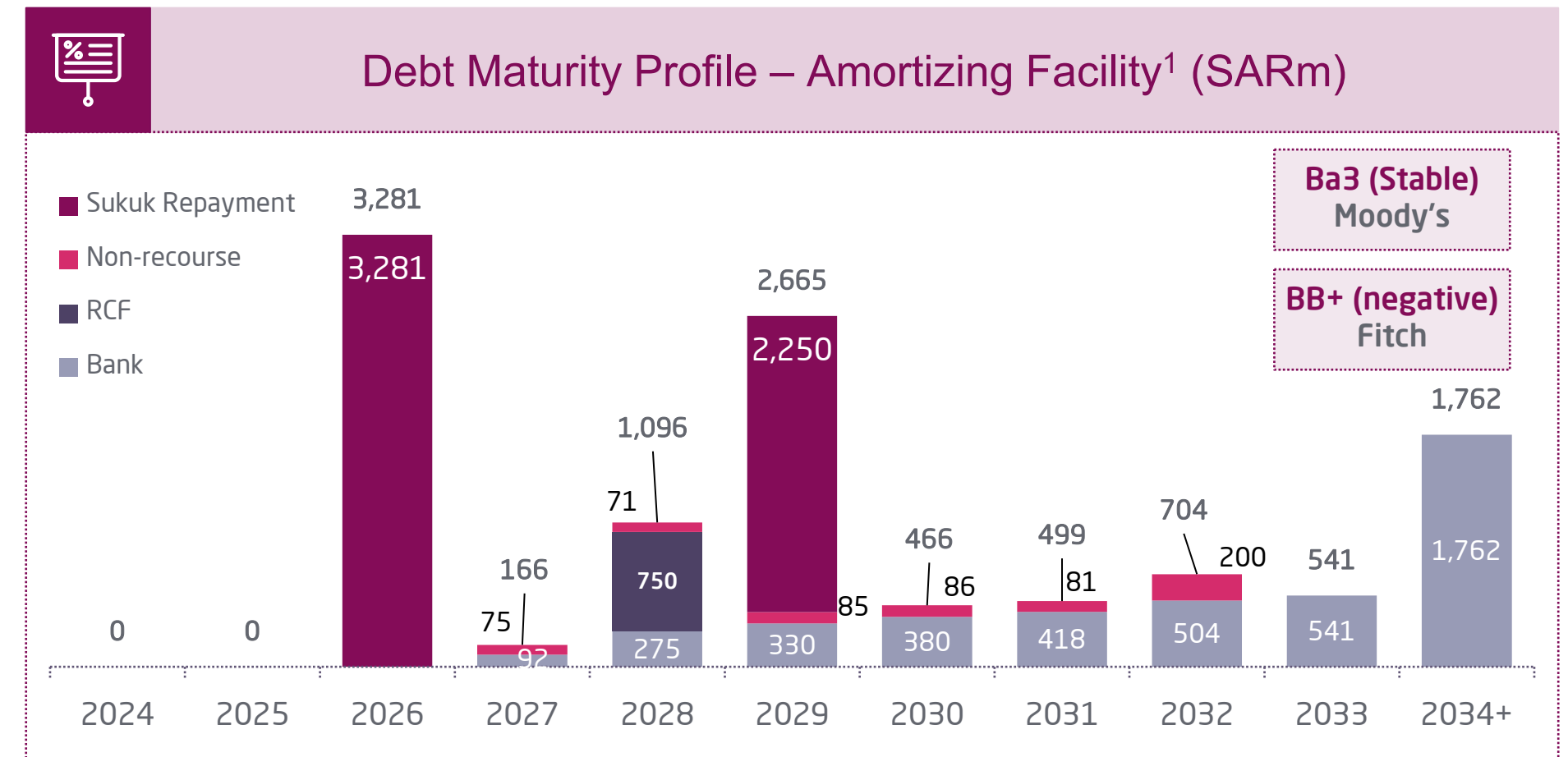
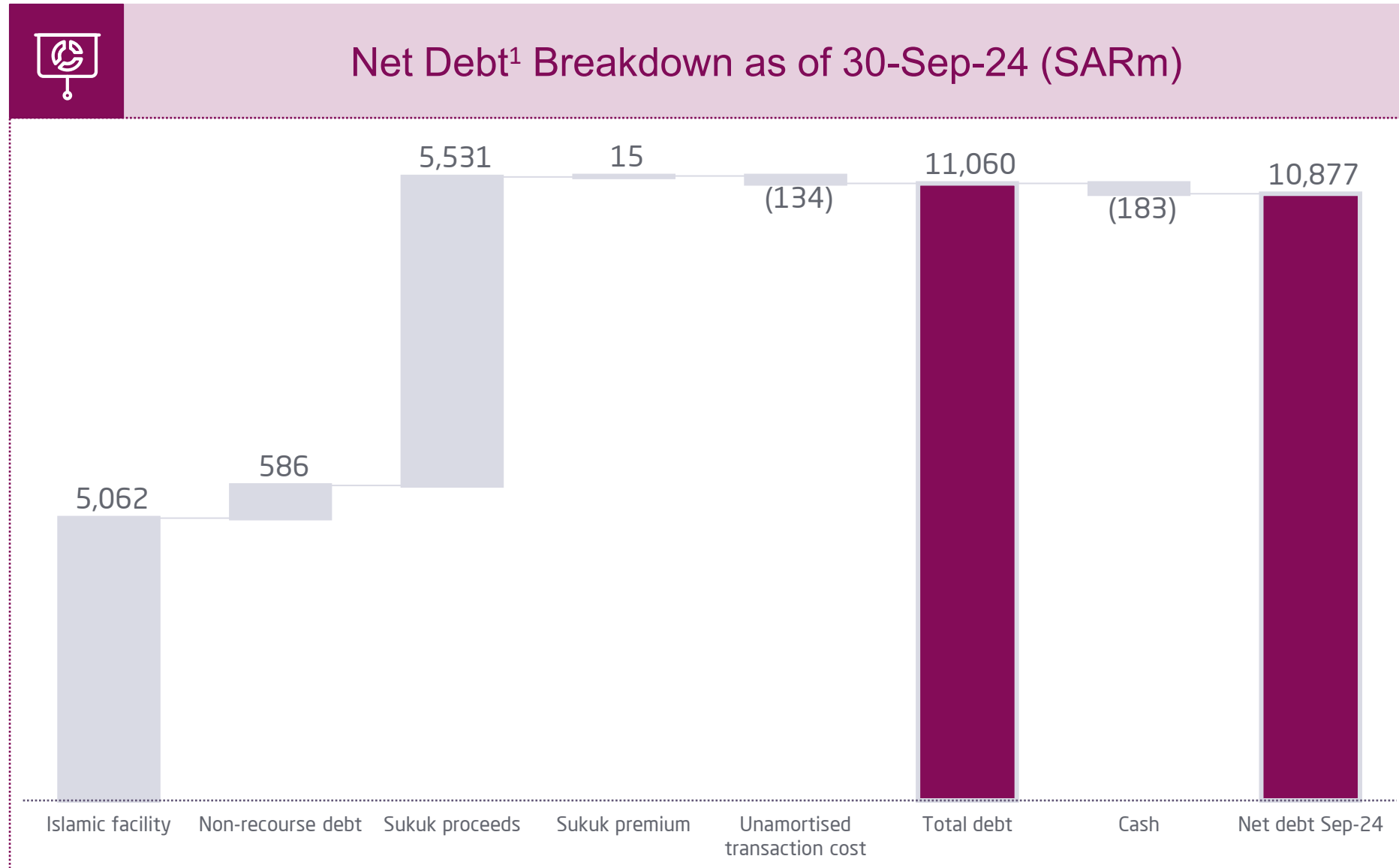
Product Excellence

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





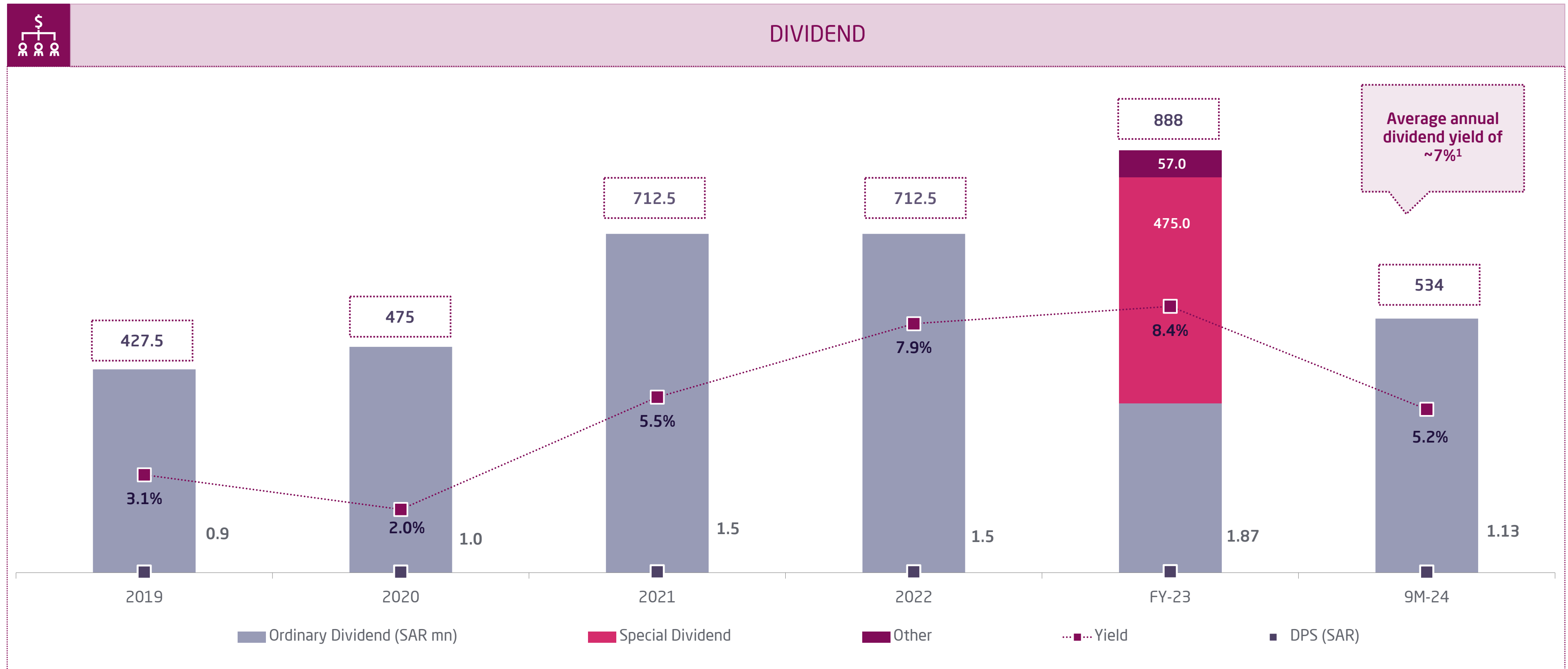
Stable Debt Profile and Smooth Debt Maturity



	2019	2020	2021	2022	2023	Sep-24
Secured Debt	100%	74.0%	74.0%	39%	43%	50%
Unsecured Debt	0%	26%	26%	61%	57%	50%
W. Avg. Cost of Debt	5.4%	4.7%	3.6%	6.4%	6.5%	7.5%

SOURCES	SIZE	STATUS
Asset disposals	SAR 2,000m	<ul style="list-style-type: none"> Disposal program on track SAR 900m realized up to Q3-24 SAR 800m expected over 12-18 months Additional assets under consideration
Accordion	SAR 1,050m	<ul style="list-style-type: none"> SAR 850m utilized
SAR Sukuk Program	SAR 4,500m	<ul style="list-style-type: none"> Inaugural issuance target in 2025
USD Sukuk Program	USD 1,000m	<ul style="list-style-type: none"> USD 400m remaining limit - Tap up to USD 200m to repay Sukuk 2026 Seeking AGM/BoD approval to upsize by USD 600m

Reflecting commitment to shareholders with consistent dividends distribution



¹ Dividend yield calculated based on 30 September 2024 share price of SAR 21.84.



Summary

Value Proposition



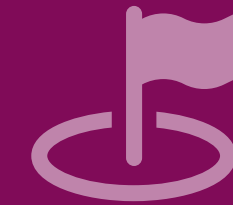
Undisputed #1 mall developer, owner and operator in KSA

- 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



A white icon representing a document or appendix, consisting of a stack of three pages with horizontal lines and a small bar chart on the top page. The icon is enclosed within a large, white, stylized bracket shape that is open on the right side.

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 for 230m
Riyadh	Adjacent to Jawharat Riyadh	118,000	Sold for 645m
Al Ahsa ²	Granada District	29,384.90	Sold for 62.5m
Riyadh ²	Sahara Plaza	13,000	Sold for 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	132,254	98.0%	10.4%	✓
2.	Salaam Mall	Jeddah	B	32	12	122,025	86.4%	5.4%	2024
3.	Mall of Arabia	Jeddah	A	Freehold	08	110,108	98.2%	11.8%	✓
4.	Nakheel Mall	Riyadh	A	34	14	76,218	93.2%	12.7%	✓
5.	Aziz	Riyadh	B	46	05	66,368	90.8%	4.5%	2024
6.	Noor	Madinah	A	Freehold	08	68,844	93.2%	5.3%	✓
7.	Yasmeen Mall	Jeddah	B	34	16	59,702	93.7%	5.3%	✓
8.	Hamra	Riyadh	A	Freehold	16	55,352	98.1%	4.8%	✓
9.	Al Ehsa	Ahsa	C	Freehold	10	45,986	83.1%	1.7%	✓
10.	Salaam Mall	Riyadh	B	Freehold	05	47,437	94.8%	3.1%	✓
11.	Jouri	Taif	B	35	15	48,171	94.1%	4.8%	-
12.	Makkah Mall	Makkah	A	Freehold	11	37,470	96.8%	6.6%	-
13.	Nakheel Mall	Dammam	A	Freehold	19	58,004	97.2%	7.2%	✓
14.	U-Walk	Riyadh	A	46	19	48,090	88.6%	3.1%	✓
15.	Nakheel Plaza	Qassim	C	29	04	42,211	96.4%	2.1%	✓
16.	Haifa	Jeddah	C	32	11	33,499	80.4%	1.3%	✓
17.	The View	Riyadh	A	Freehold	21	54,459	93.6%	4.3%	✓
18.	Tala Mall	Riyadh	C	29	14	20,870	88.4%	1.2%	✓
19.	Jubail Mall	Jubail	C	Freehold	15	20,948	75.6%	0.7%	✓
20.	Sahara Plaza	Riyadh	C	Freehold	02	14,722	96.6%	0.2%	-
					LFL	1,162,738	92.6%	96.5%	
21.	U-Walk Jeddah	Jeddah	A	2052	23	54,845	67.1%	2.6%	
22.	Jeddah Park	Jeddah	A	Operational Agreement	21	120,476	79.8%	1.0%	✓
					Total	1,338,059	89.2%	100%	

Thank you

Contacts

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