



# SASCO Investor Presentation

Q4 2022



#فلاها. مع - كترول  
920000581



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# Q4 2022

## Key Highlights

Q4 2022





SAR 636,973,481  
Cash flow 2022



SAR 1,005,976,840  
Net debt



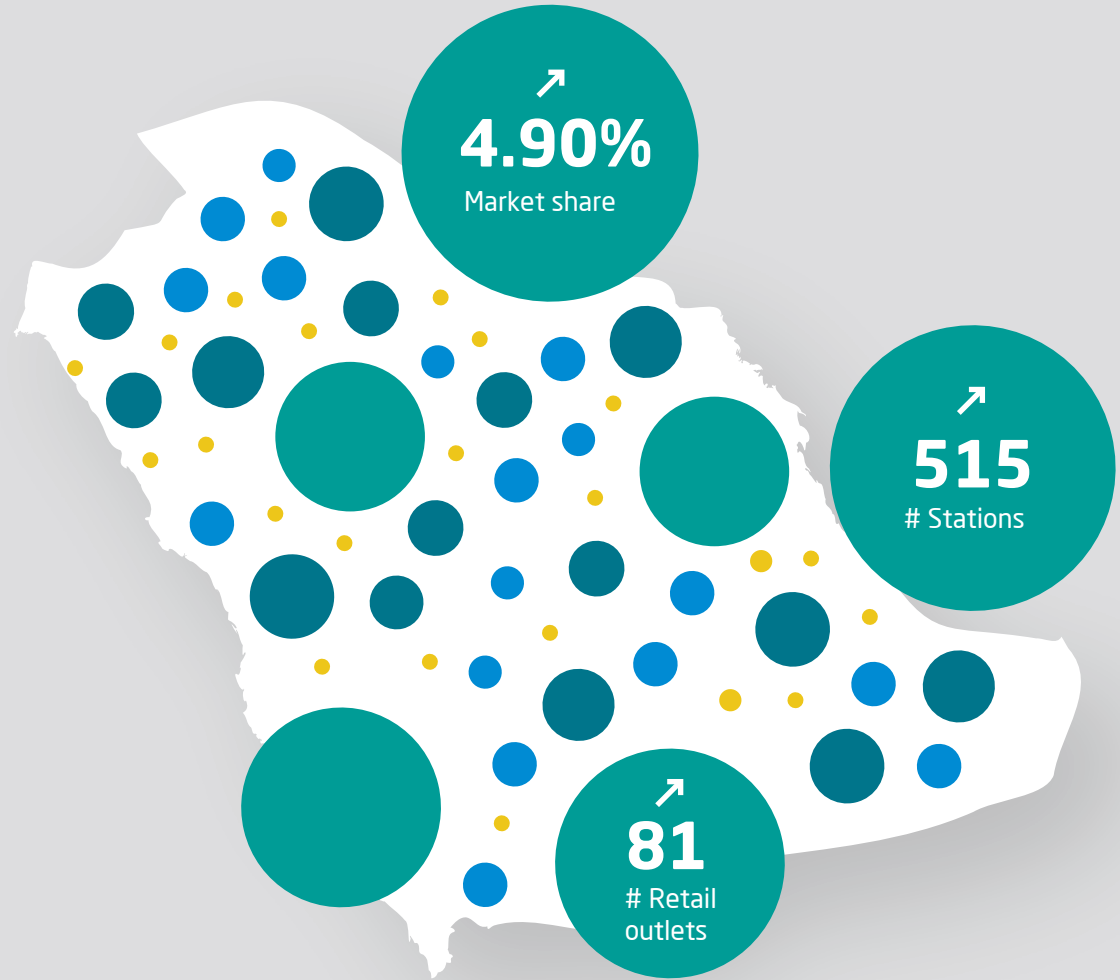
SAR 6,111,851,776  
Total assets 2022



SAR 87,706,421  
Net income



SAR 7,852,211,128  
Revenue 2022





# Macro Overview

Q4 2022





## Saudi Arabia Outlook (IMF)

Favorable outlook supported by higher oil prices and increasing economic activity.

- 1 The economy saw growth of 8.7% in 2022, up from 3.2% in 2021. 2023 economic growth will slow down amid a weaker global environment as a result of expected lower oil prices and stagnating oil output. However, GDP growth in 2023 will be around the average for the previous decade, at around 3.1%.
- 2 Fiscal Balance as a percentage of GDP is expected to see a surplus of 5.5% in 2022 and 4.7% in 2023 due to higher oil revenues.
- 3 Public debt as a percentage of GDP to stabilize at ~24.0% from 2022 and beyond.
- 4 Consumer spending was up by 9.36% YoY in Q4-22 and 9.48% YoY in FY2022, where POS transactions rose by 18.2 YoY, e-commerce was up by 65.1 YoY and cash withdrawals declined by 4.7% YoY in FY 2022.
- 5 Investment accounted for 26.3% of its Nominal GDP in Dec 2022, compared with a ratio of 27.1% in the previous quarter.

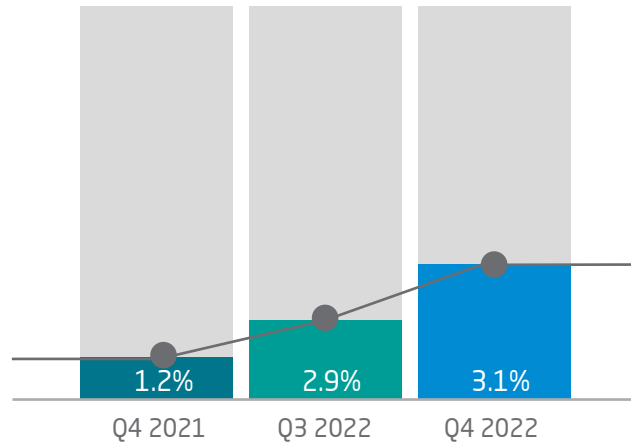


## Saudi Arabia Outlook (IMF)

Economic Indicators	2021	2022	2023f
<b>Current GDP</b> (SAR BN)	3,126	3.9	3,869
<b>GDP per Capita, Current Prices</b> (SAR 000's)	88.2	47,423	103.90
<b>Real GDP</b> (%)	3.24	8.50	3.10
<b>Inflation</b> (%)	3.06	2.50	1.96
<b>Investments</b> (as % of GDP)	25.54	22.25	22.74
<b>Public Debt</b> (as % of GDP)	30.02	24.90	24.60
<b>Fiscal Balance</b> (SAR BN)	-76	1.02	16
<b>Fiscal Balance</b> (as % of GDP)	-2.45	2.58	0.41
<b>Population</b> (M)	35.46	36.2	36.89
<b>Consumer Spending</b> (%)	10.9	9.48	3.20



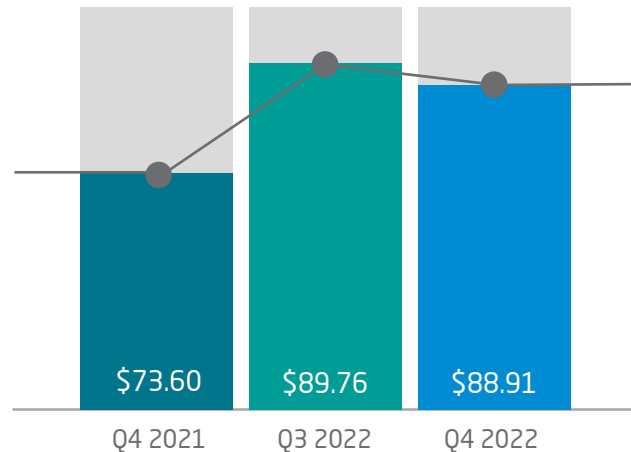
**Inflation**  
KSA



**Inflation**

Inflation was contained at 3.3% in Dec-22 with a quarter average of 3.1%. The annual average for 2022 was 2.5% one of the lowest rates among the G20 nations.

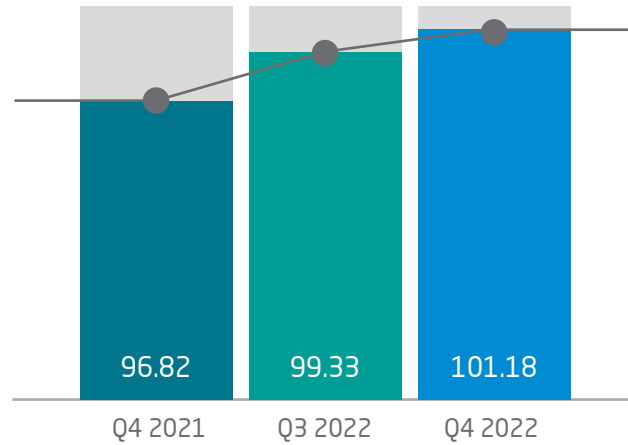
**Brent Oil Price**



**Brent Oil Price**

Brent oil benchmarks declined by 10 percent on a monthly basis in December. As a result, Brent averaged \$103.7 per barrel (pb) in full year 2022.

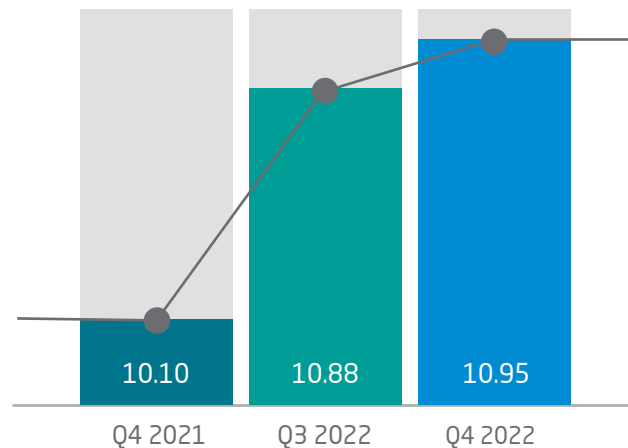
**Oil Demand**  
(mbpd Worldwide)



**Oil Demand**

World oil demand rose in 2022 an estimated average of 99.6 mb/d YoY which is still below pre-Covid (2019 = 100.3 mb/d) and is set to rise by 1.9 mb/d, to a record 101.8 mb/d with nearly half the gain from China following the lifting of its Covid restrictions.

**Oil Production**  
(mbpd KSA)

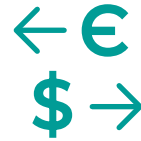
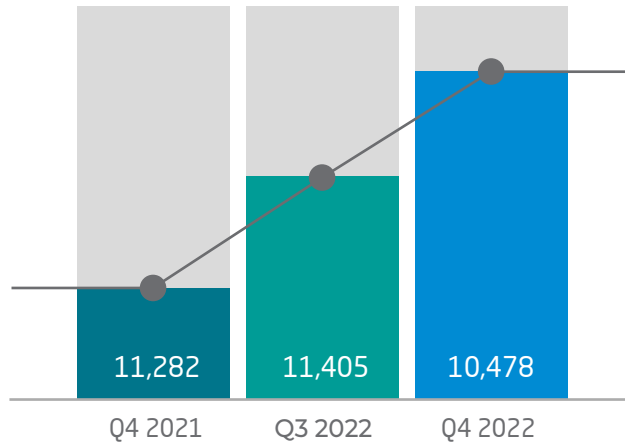


**Oil Production**

Saudi Arabia’s daily oil average production in Q4-22 decreased by 2.6% QoQ this is due to weaker domestic demand. However, production in 2022 rebounded by 16.1% YoY to 10.6 M bpd boosted by higher exports. On the other hand, crude oil average monthly exports rose 15.1% YoY to 7.119 M bpd in 2022.



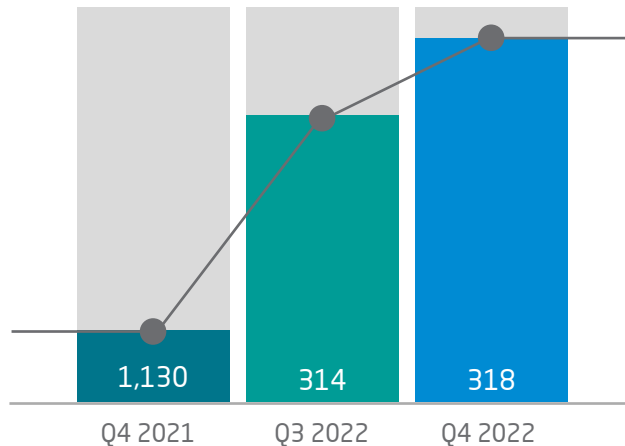
Tadawul Index



Tadawul Index

TASI ended the year at 10,478 with a retreat of 7.1% YoY recording the lowest performance YoY since Dec-15 (-17.1%). TASI performance in 2022 was below average across 87 stock exchange markets. In GCC, TASI was fifth just above Qatar.

Consumer Spending (SAR BN)



Consumer Spending

Consumer spending was up by 9.36% YoY in Q4-22 and 9.48% YoY in FY2022, where POS transactions rose by 18.2 YoY, e-commerce was up by 65.1% YoY and cash withdrawals declined by 4.7% YoY in FY2022.

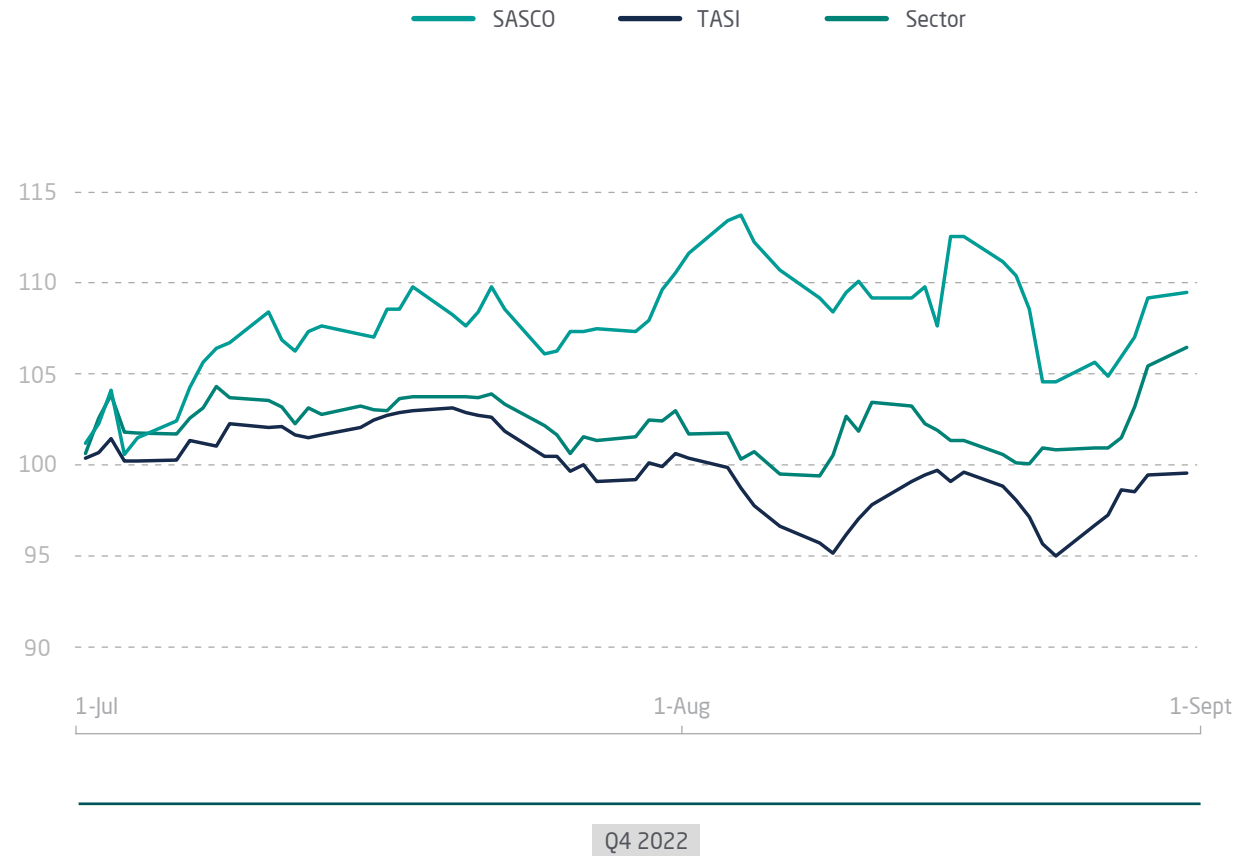


# Value Proposition

Q4 2022

# SASCO Market Performance

(Daily; Rebased to 100)



2022

## Key Metrics

Opening Price (SAR)	31.7
Closing Price (SAR)	32.5
Market Cap (SAR bn)	1,95
Market Cap / % Tadawul	0,02%
Market Cap / % Tadawul Retailing	5.8%
Shares Outstanding (M)	60
90D Volatility	27,9%
Price/ Earnings	21.7
Price/ Book	2.33
Dividend Yield	3.8%
QFI	8.9%

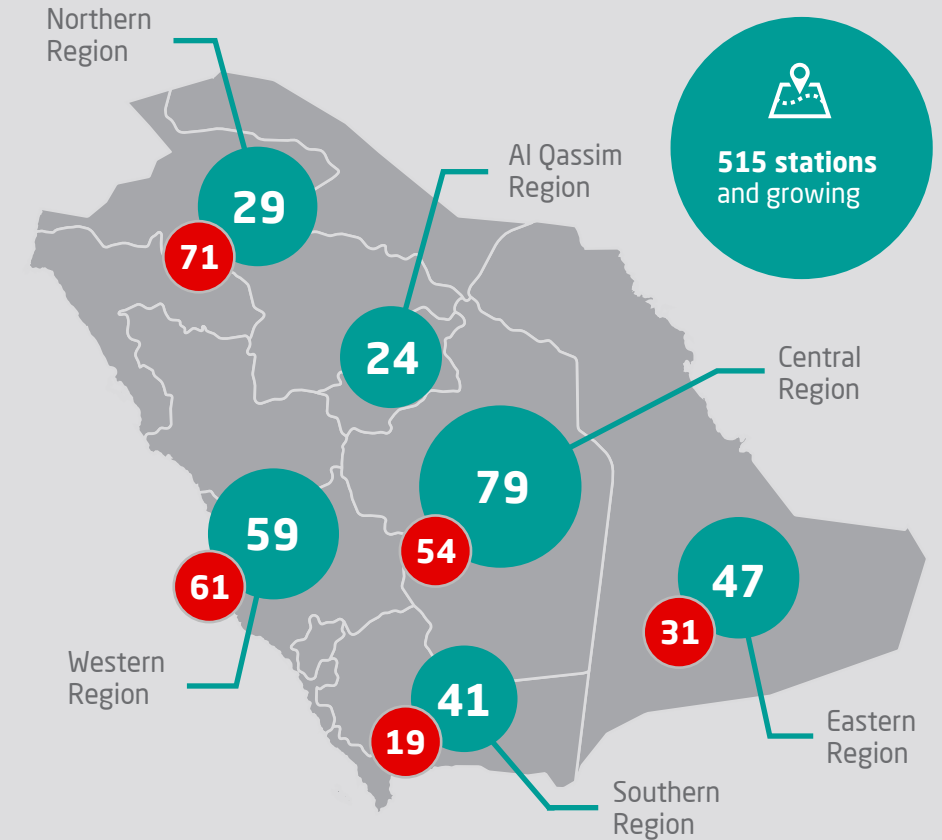
Sources: Tadawul; Company data




# Value Proposition

- 1 Dividends - The Company is committed to consistently paying in line with Company performance and policies.
- 2 Market share - Following the acquisition of Naft, the company holds a 5% market share across the Kingdom.
- 3 Diversified business model - A unique mix of subsidiary companies to compliment the overall service offering, including fuel stations, retail outlets, hospitality services, logistics and supply chain, investments, contracting and real estate.
- 4 Franchises - SASCO Stations and Retail outlets are franchised to third parties to operate under the SASCO brand.
- 5 Strong ratios - The company operates with strong financials to highlight the strength in depth of the business.
- 6 High cash flow - Following the acquisition of Naft, the Company has become extremely liquid with very high daily cash flow.

## Number of Stations



 Total of 236 acquired Naft stations

# Value Proposition

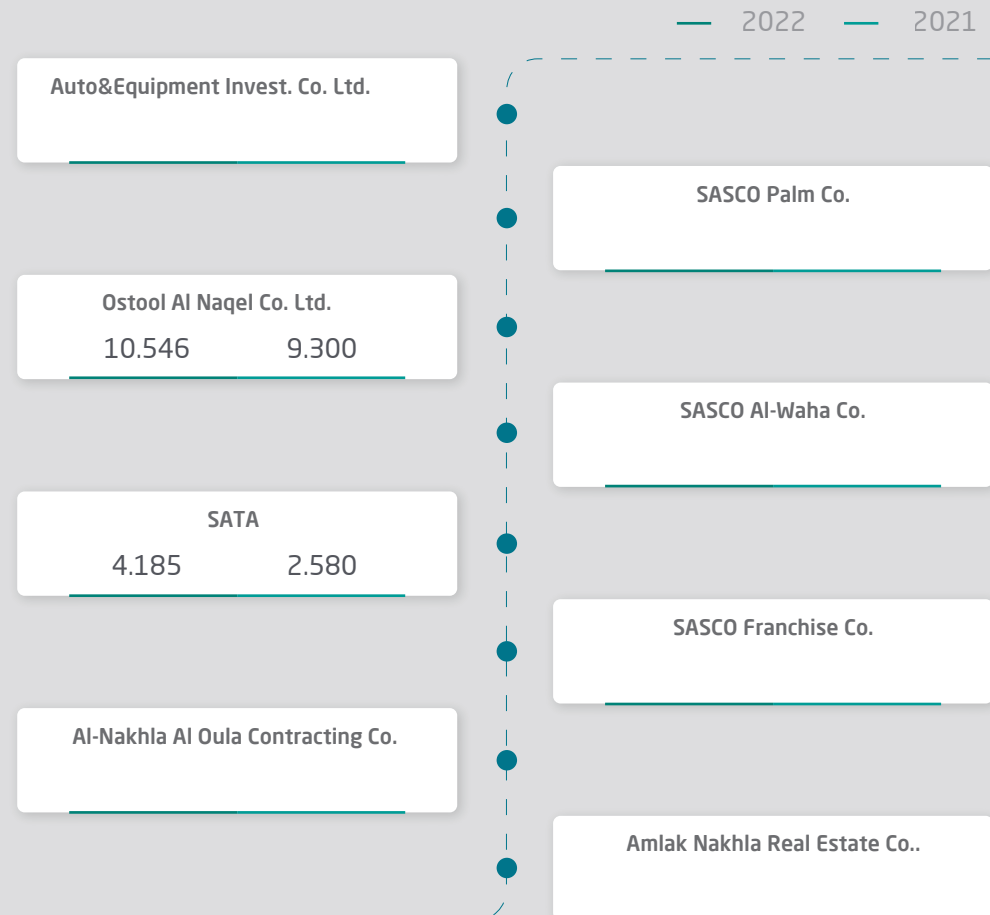
Saudi Automotive Services Company (SASCO) is a Saudi public joint stock company founded in 10/12/1982. As part of SASCO's business activities is a diversified network of 6 operating segments\* as follows:

- 1 Construction and operation of gas stations.
- 2 Rental of real estate accommodation services.
- 3 Issuance of custom documents and international driving license.
- 4 Management and operation of stores & coffee shops.
- 5 Vehicle maintenance and transportation of material & goods.
- 6 Organizing motor sports activities.

\*The information provided is for the purposes of evaluating performance in 2022 and 2021 in the identified operating segments.

## Subsidiary's Reportable Segments' Detailed Outlook

(in Millions SAR)





**1 Operations Sector**

Operation of gas stations in service of automobiles within cities and on main inter-city roads, in the Kingdom providing fuel, oils, and maintenance of automobiles and heavy equipment, establishment of motels, stores and restaurants for travelers.

**2 SASCO Palm Co.**

Imports and sells groceries, food supplies, drinks, refreshments, toys, travel supplies, utensils and tools, electronics, mobile phones & accessories, cosmetics, and car accessories.

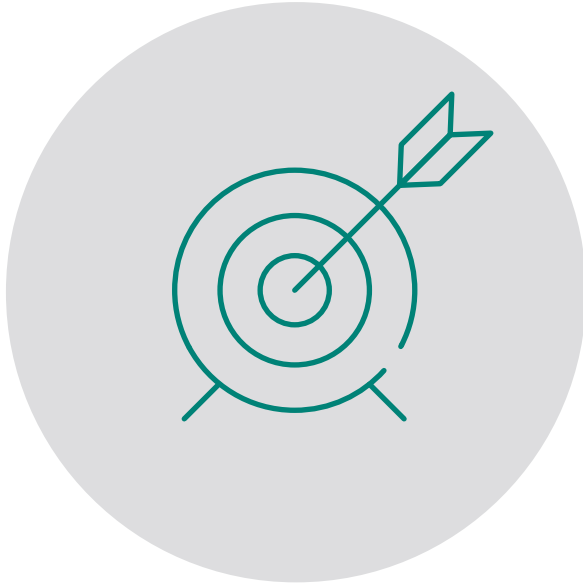
**3 Ostool Al Naqel Co. Ltd.**

Provides transportation services (fuel, water, and wastewater) to SASCO Operations' sector sites, as well as transportation services (fuel and cargo) several major retail and distribution companies.

**4 SATA**

Operates through several sales outlets across the Kingdom and provides services in compliance with internationally recognized standards and specifications.





**5 Al Nakhla Al Oula Contracting Co.**

Provides contracting services (construction, building, operation and maintenance services for residential & commercial properties), provision of road works, maintenance and installation of fuel pumps for stations.

**6 SASCO Al-Waha Co.**

Provides accommodation services and motels on the highways and in other locations as Al-Waha Motels, Super 8 Hotels and Airport Hotel (4 stars).

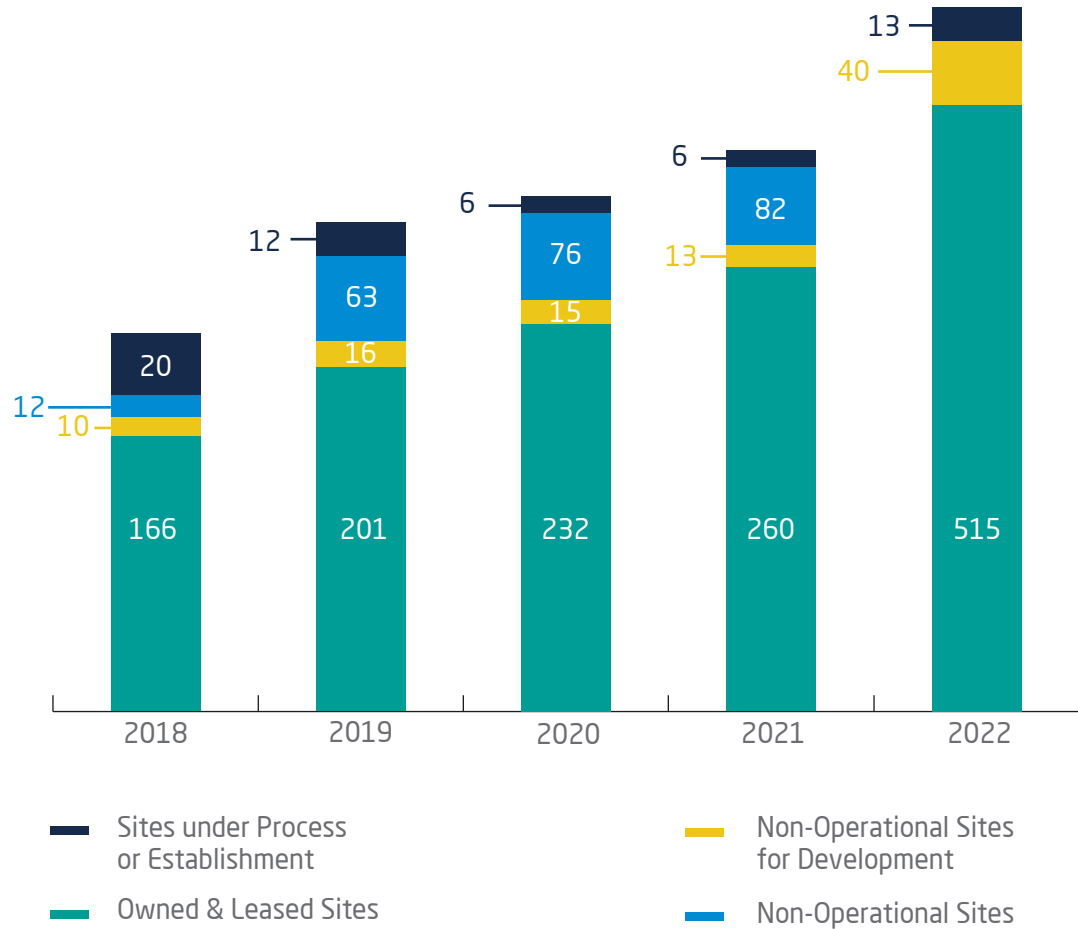
**7 SASCO Franchise Co.**

Acts as a franchisee to third parties for the operation of "SASCO fuel stations" and "SASCO Palm Convenience Stores" under the SASCO name and brand.

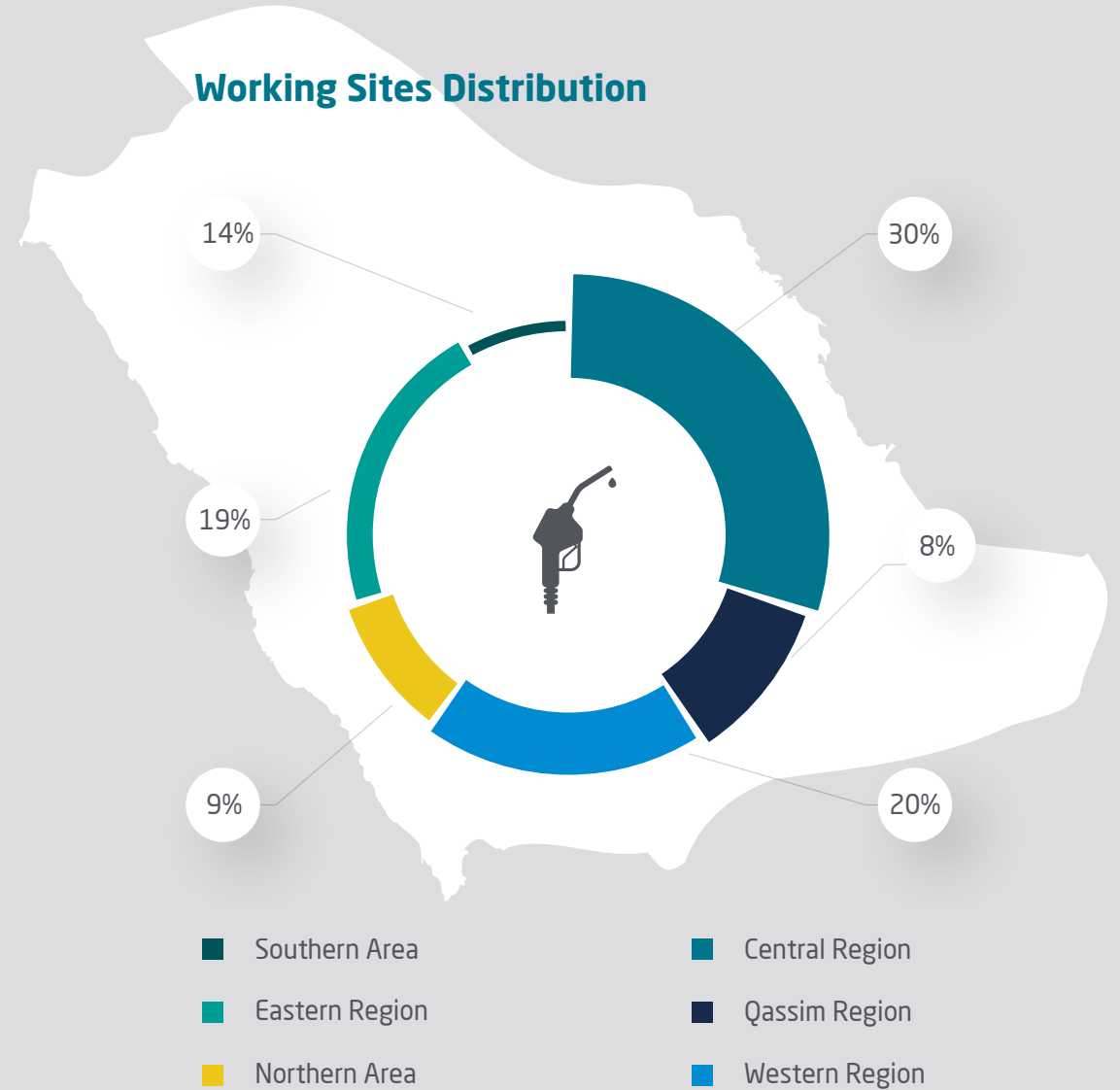
**8 Amlak Nakhla Real Estate Company**

Carries out a wide range of real estate activities, including buying, selling, along with engaging in exchange for commission, and providing property registration services.

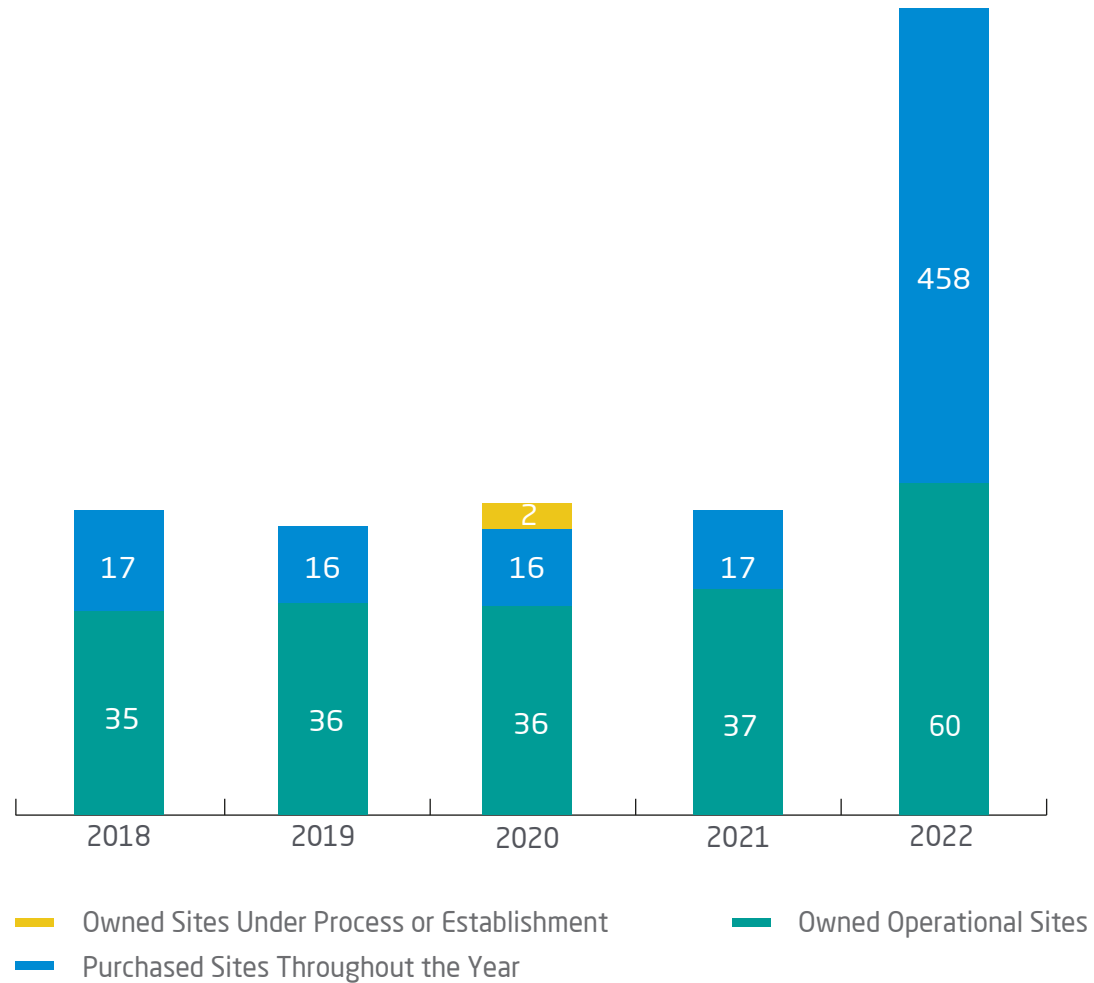
## Stations Distribution



## Working Sites Distribution



## Owned Sites







# Corporate Social Responsibility

Q4 2022





World Blood Donor Day  
2022



Collaborating with DCA\*



Cooperating with  
Ministry of Health



SASCO is committed to social responsibility and environmentally sustainable growth. The Company recognizes the importance of positively impacting the environment. SASCO integrates corporate responsibility concerns by applying company-wide corporate rules and CSR instruments across all its activities.



SASCO



# Company Strategy

Q4 2022





# SASCO Strategy



## Achieving the Objectives

The Company's Board continues with the five year strategic development plans, adopted in 2019, for all sectors of the Company and its subsidiaries, including the financial, administrative, and operational position, taking into account its priorities of achieving the objectives set in the plan, whether they were qualitative, quantitative, or organizational objectives.



## Strategic Development

The strategic development plans include a list of those objectives with control mechanism and periodic performance measurements.



## Financial

- Enhancing Company financial efficiency and its subsidiaries.
- Reducing costs and increasing operational efficiency.
- Conducting market study for all Company sectors and its subsidiaries.
- Continuing to distribute dividends to shareholders.

## Operational

- Developing existing locations and service delivery quality by expanding alliances with international/leading companies.
- Embracing digitalization & continuing service automation.
- Increasing the market share by adding services to maintain competitiveness.
- Supervising projects carried out by station owners dealing with SASCO.

## Administrative

- Establishing a workshop for maintenance, activating the TIR system, and expanding customs clearance activities.
- Focusing on customer satisfaction.
- Attracting distinguished administrative expertise and increasing the percentage of Saudization.
- Focusing on social responsibility.



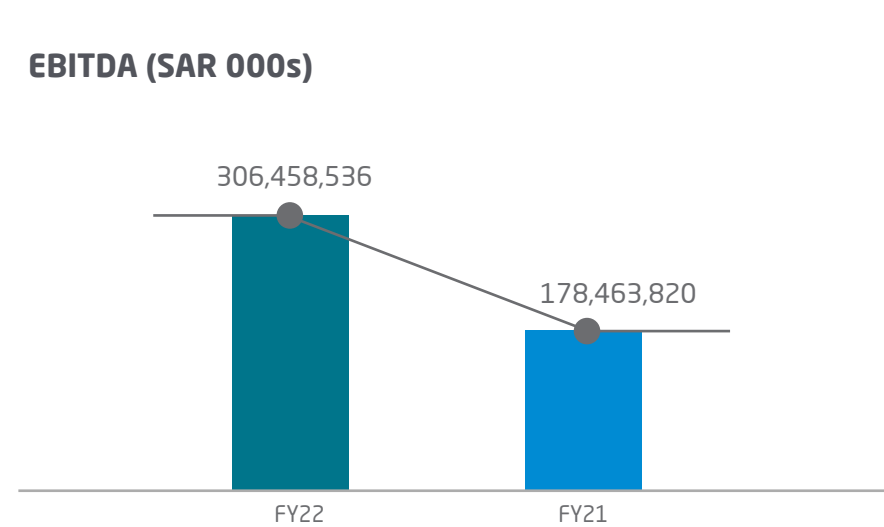
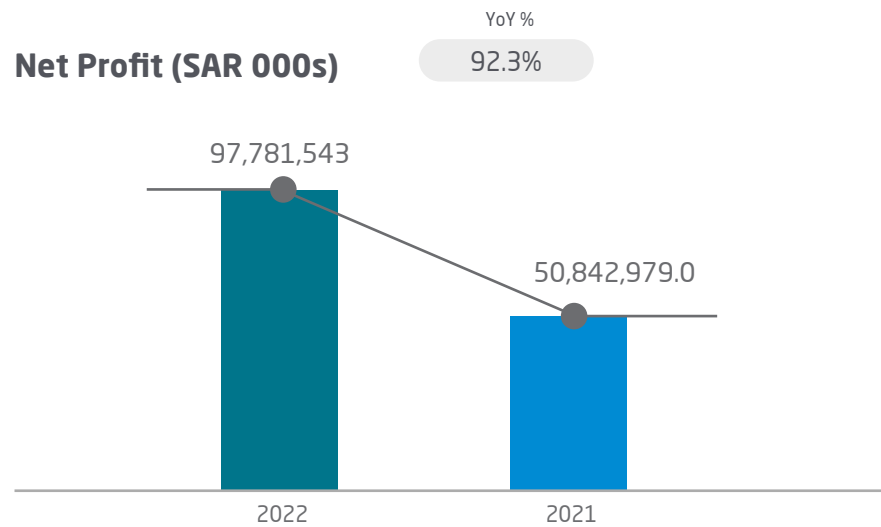
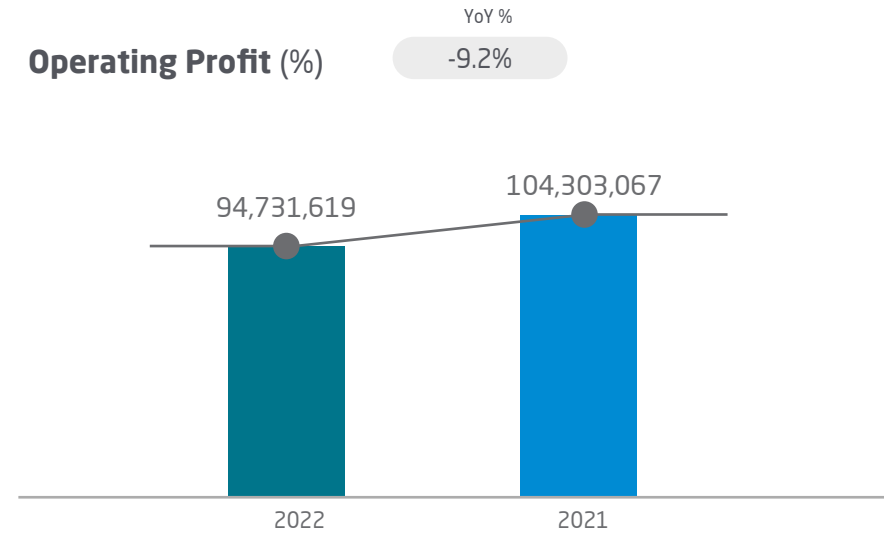
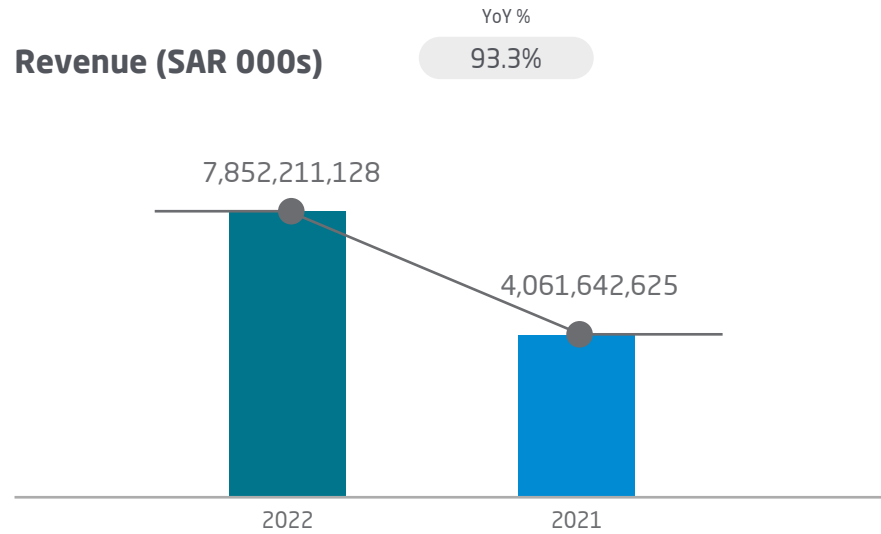


# Financial Results Q4 2022

Q4 2022

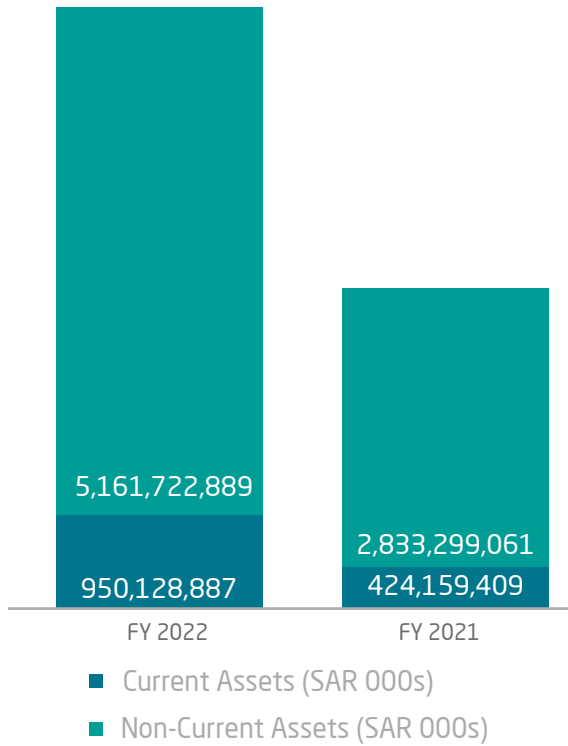






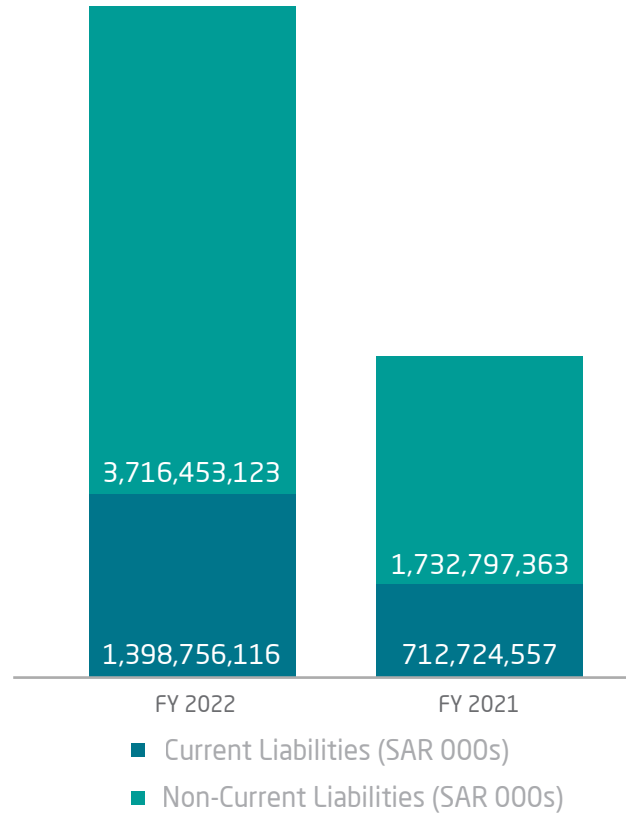
### Assets

YoY % 124.0% | 82.2% YoY %



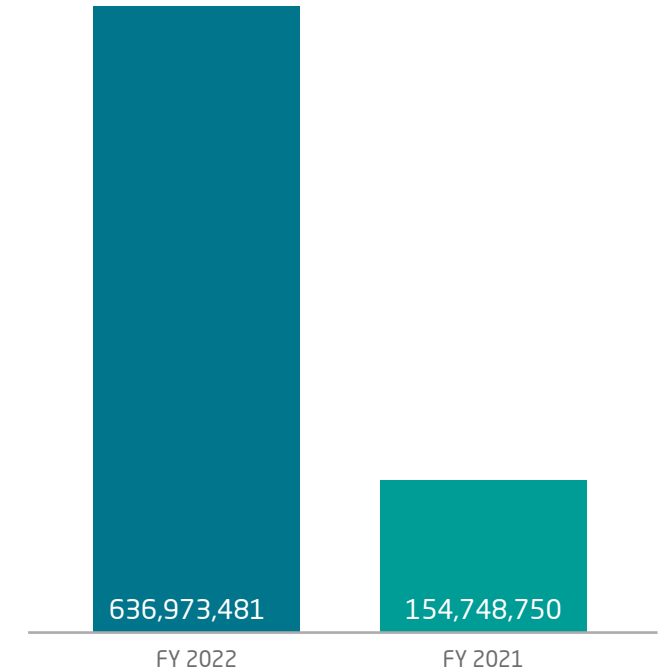
### Liabilities

YoY % 96.3% | 114.5% YoY %

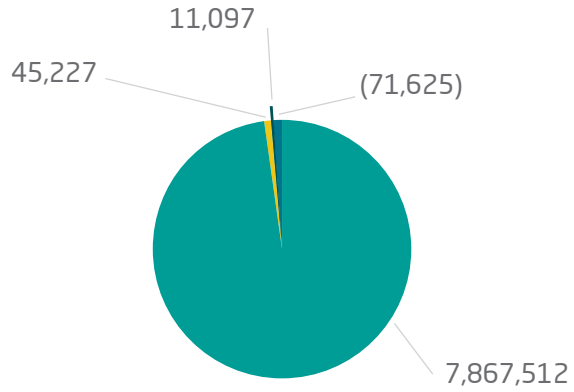


### Cash Flow (SAR 000s)

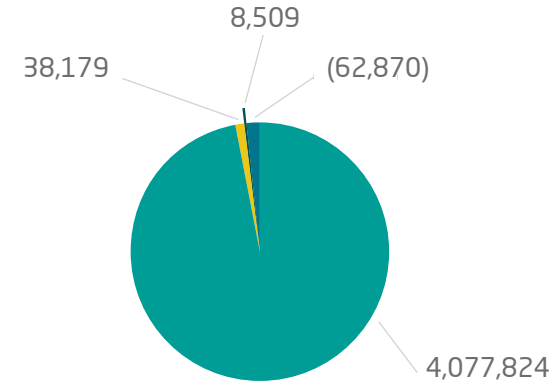
YoY % 311.6%



Segment Revenue 4Q 22 (SAR 000s)



Segment Revenue 4Q 21 (SAR 000s)



Retail and operation sector

Ostool

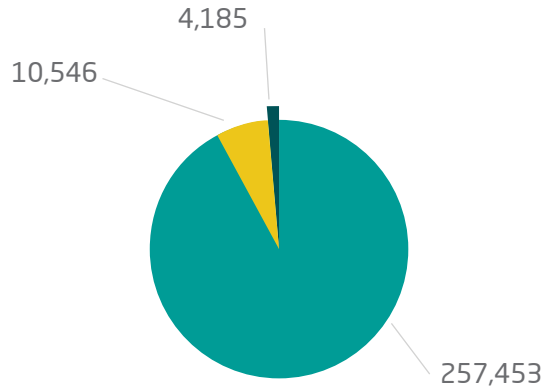
SATA

Elemenation

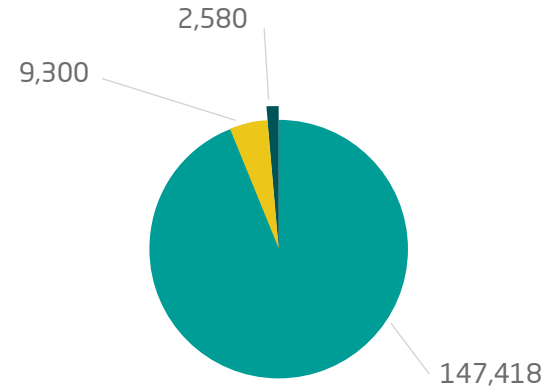
	Q4 2022	Q4 2021	YoY %
<b>Retail and operation sector</b>	7,867,512	4,077,824	92.9%
<b>Ostool</b>	45,227	38,179	18.5%
<b>SATA</b>	11,097	8,509	30.4%
<b>Elemenation</b>	(71,625)	(62,870)	13.9%



Segment Total Profit 2022 (SAR 000s)



Segment Total Profit 2021 (SAR 000s)



Retail and operation sector

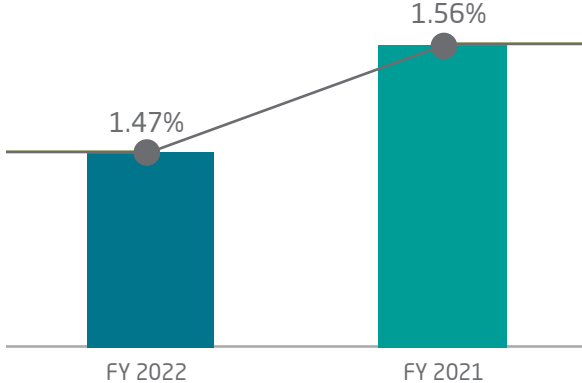
Ostool

SATA

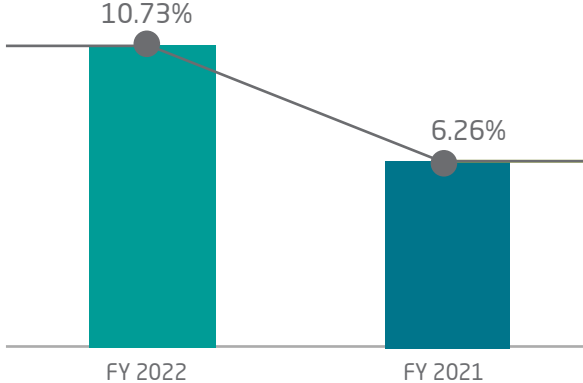
Investment

	2022	2021	YoY %
<b>Retail and operation sector</b>	257,453	147,418	74.6%
<b>Ostool</b>	10,546	9,300	13.4%
<b>SATA</b>	4,185	2,580	62.2%
<b>Investment</b>	-	-	

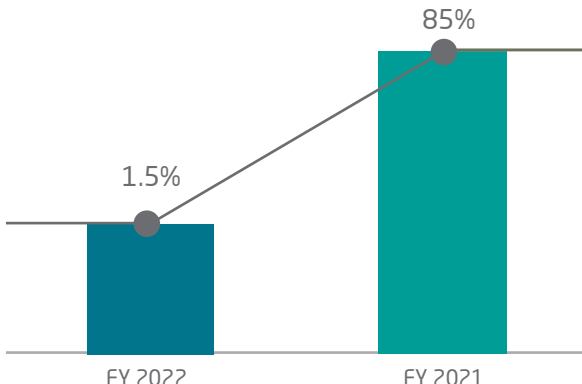
ROA



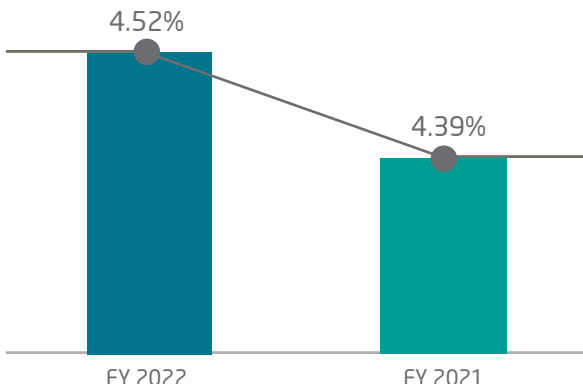
ROE



EPS

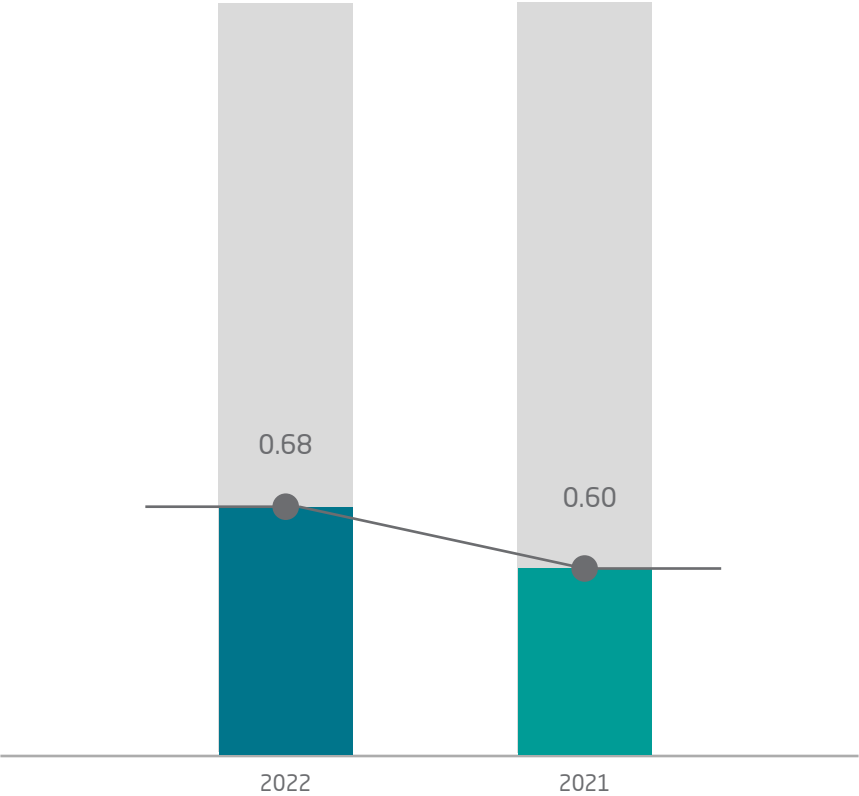


ROCE

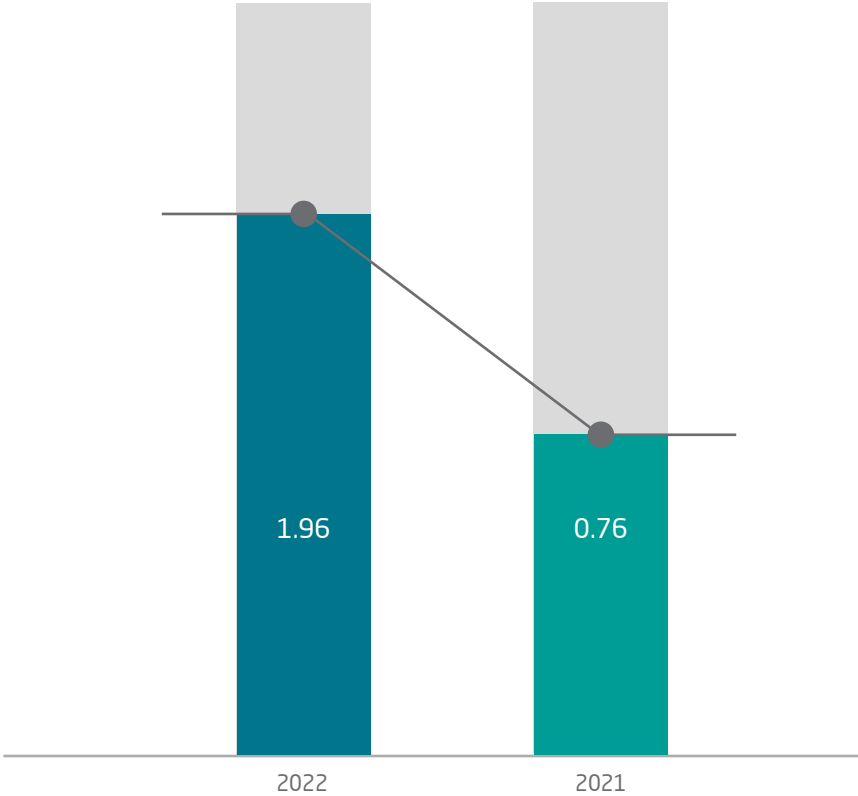




Current Ratio (%)



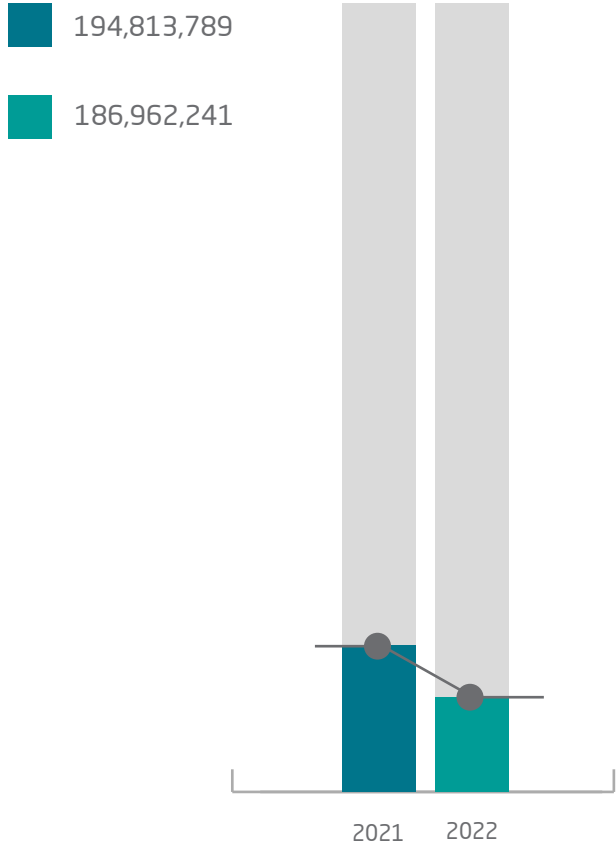
Leverage Ratio (%)



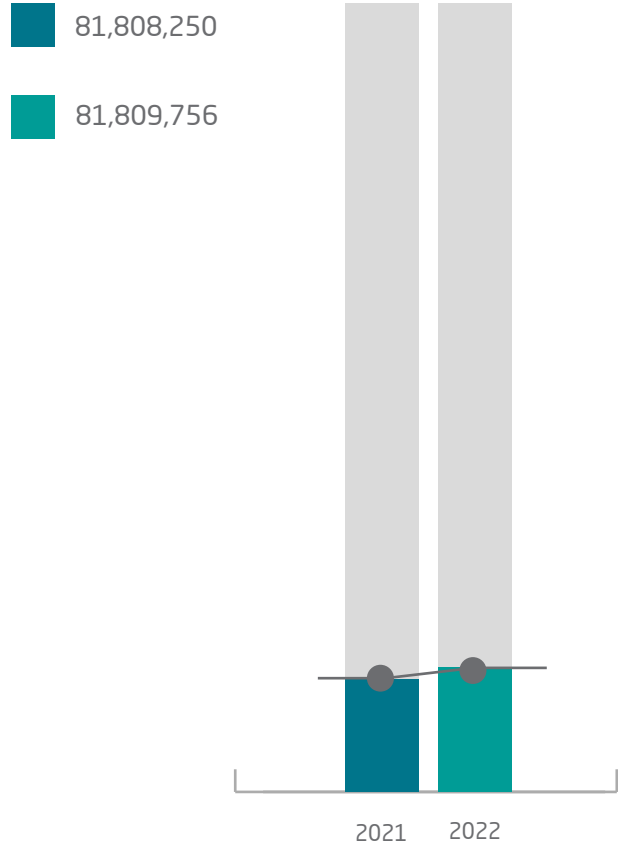


**Debt Position**

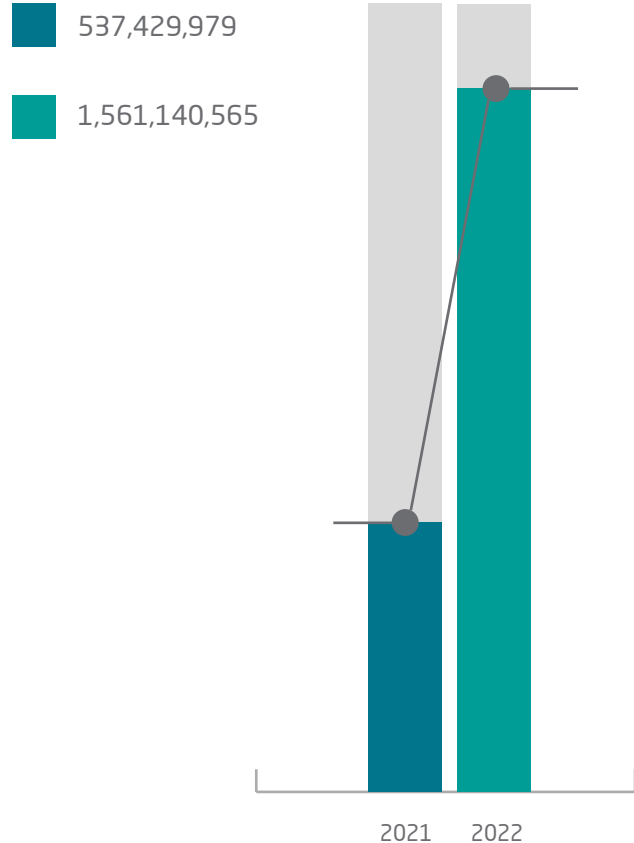
Capital Expenditure (SAR 000s)



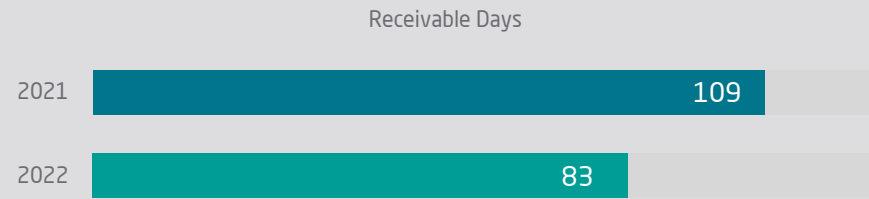
Short Debt & Current Portion of Long Loans (SAR 000s)



Long Debt (SAR 000s)



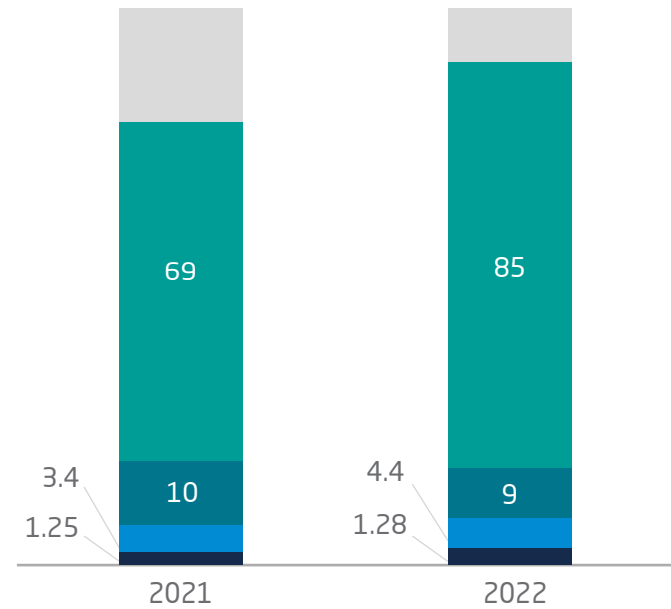
### Cash Conversion Cycle



Payables Days



### Turnover Ratios



- Assets Turnover Ratio
- Accounts Receivables Turnover Ratio
- Accounts Payable Turnover Ratio
- Inventory Turnover Ratio



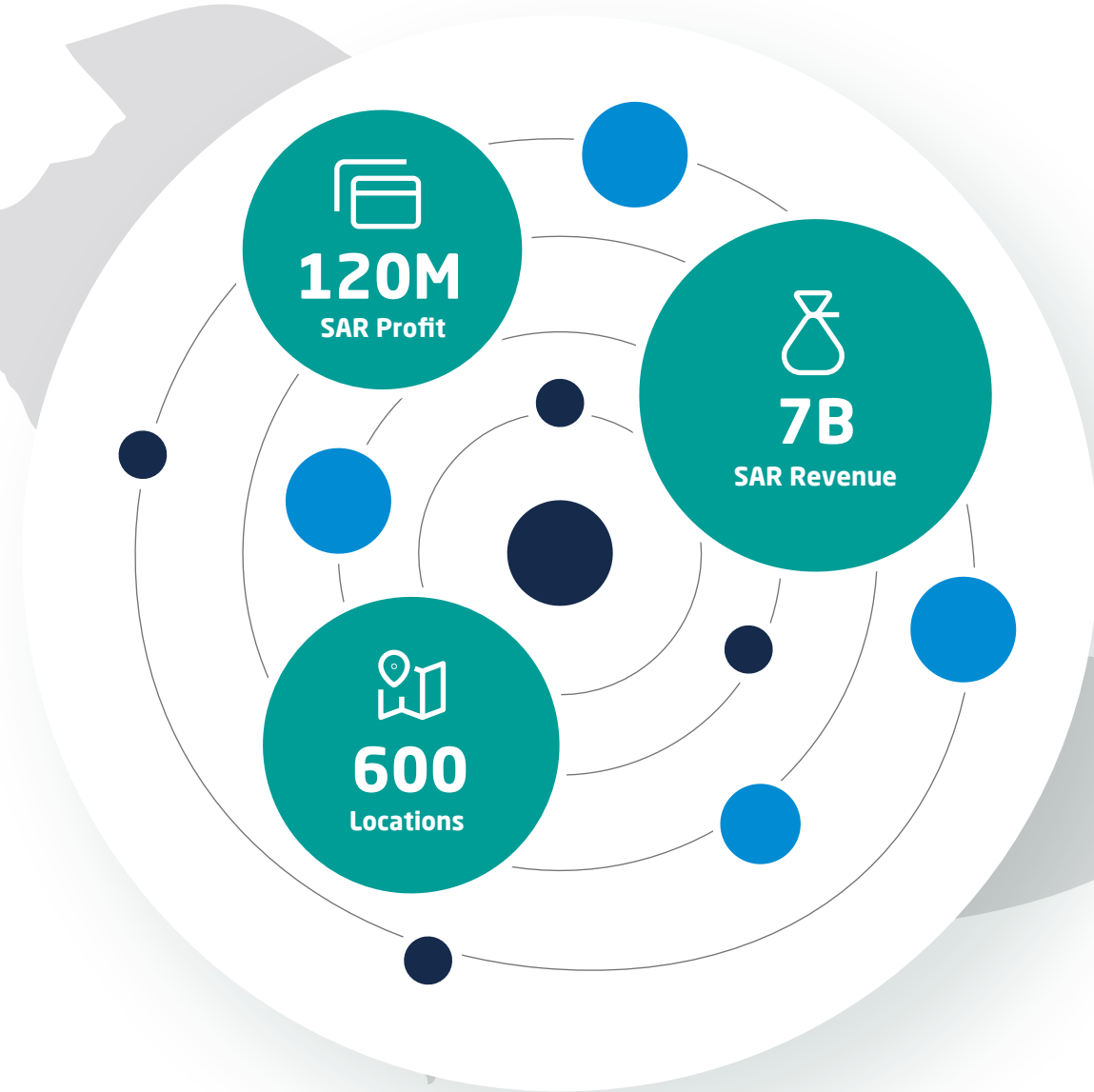
# SASCO Acceleration

Q4 2022





# Short Term to Medium Term Goals



# Thank You!

## IR Contacts



### **IR Department**

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