



المراكز العربية
Arabian Centres

Earnings Presentation

Q1-FY2022

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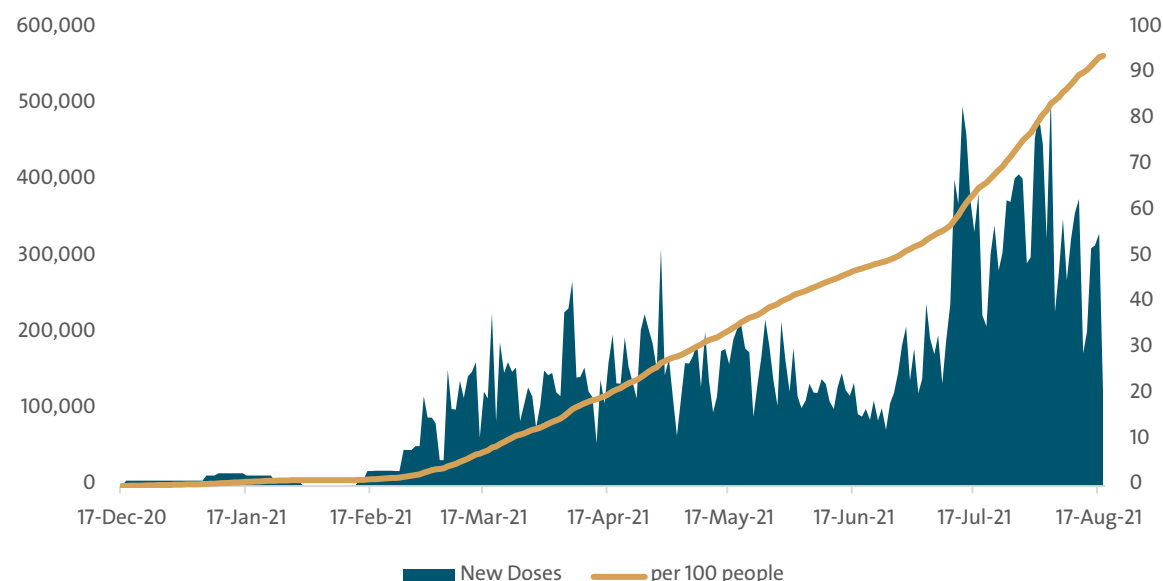
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Key Updates

COVID-19: Momentum on Vaccination as Recovery Accelerates

Vaccination Trend – Kingdom of Saudi Arabia



Operational Impact

6-Week Waiver	Additional Support
On all contractual base rent and service charges beginning 16 March 2021	For tenants whose stores were mandatorily closed by government order
Escalations Suspended	Case-by-Case
Lease escalations suspended for 2020 and 2021	Support and further rent-relief to tenants subject to severity of impact on a case-by-case basis

Arabian Centres had **fully recognized the cash impact from all COVID-19-related discounts** by the close of FY2021.

Key Developments During the Period

>**32.5 million** doses administered at a rate of **93.3 doses per 100 people...**

>**60.2%** of Saudi Arabia's population has received **at least one dose**

Stringent vaccine mandate imposed, driving registrations

Saudi Arabia's **economy grew for first time since the pandemic** in Q2-2021, fueled by **10.1% growth in non-oil sector**.

GDP growth expected to reach **2.4%** in 2021. Medium term rate projected at 3% average

Brent crude up c.35% in YTD 2021, supporting economic recovery

Non-oil sector expected to expand by **5.8%** in 2021, leading economic recovery.

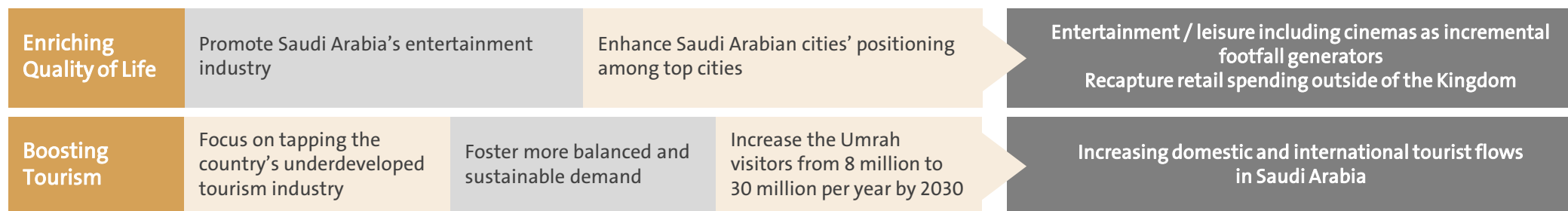
Sovereign debt rated at **A-minus, A1, and A** by S&P, Moody's, and Fitch

FDI inflows into Saudi Arabia at highest level since 2016

Attractive Competitive Landscape With Strong Retail Market

Key Vision 2030 Reforms

Expected Impacts for Retail / ACC



Government efforts to increase female mobility

Increase participation of women in workforce from 22% to 30% → 7% increase p/a in discretionary spend



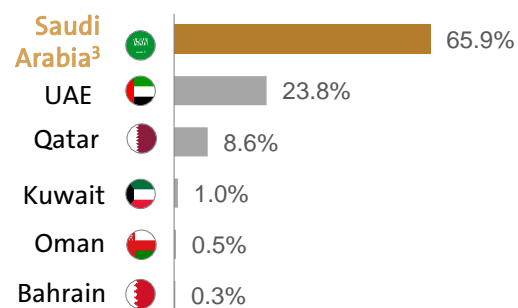
Female Empowerment

Females constitute **80%** of ACC's target catchment.

Boost in total purchasing power

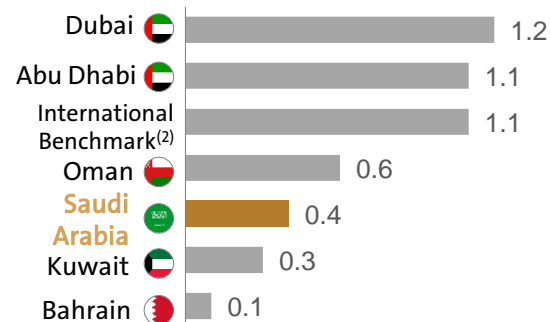
Saudi Arabia's modern retail market retains large room for continued growth compared to peer countries in the GCC

2017A Market Share of GCC Retail Sales



Saudi Arabia is the largest retail market in the GCC, almost double the size of the retail market in the UAE and is expected to grow by CAGR of 5% between 2019 and 2021

2020A Retail Mall GLA per capita (sqm) ⁽¹⁾



Low organized retail supply relative to the GCC and international markets creates significant untapped potential for quality modern retail spaces

Source: Oxford Economics, JLL Market Study, Middle East Council of Shopping Centres (2018), International Council of Shopping Centres

1) Retail mall GLA includes shopping centres / malls and quality strip malls but excludes independent standalone stores. (2) As identified by the International Council of Shopping Centres. (3) For only the four major cities i.e. Riyadh, Makkah, Jeddah and DMA

Key Developments During the Period

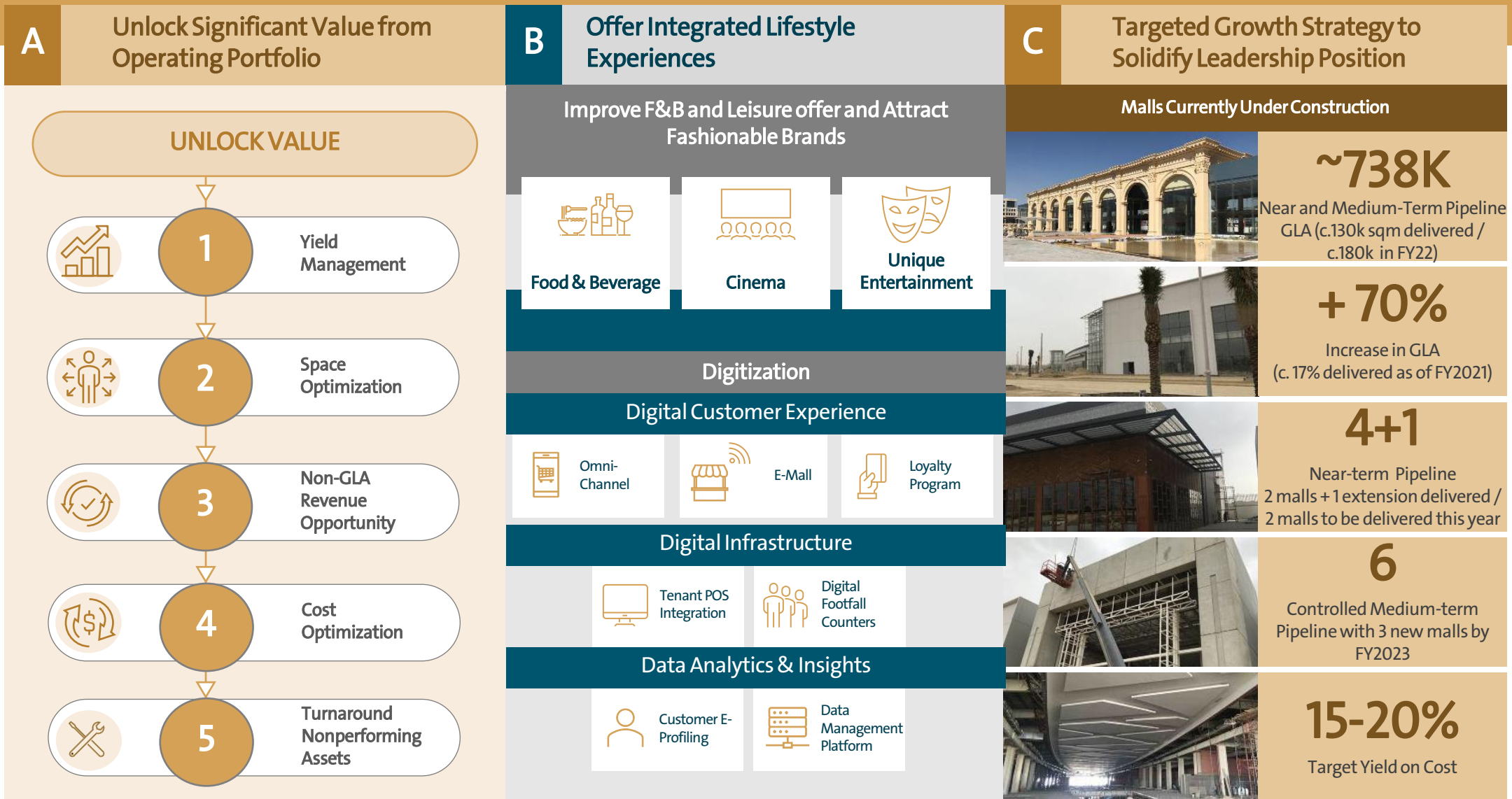
Key Developments	Revenues	Total revenues rose by 7.3% y-o-y in Q1-FY22, recording SAR 510.7 million for Q1-FY22. Top-line growth for the period was driven primarily by an increase in net rental revenues, reflecting a decline in average rental discounts, an increase in occupancy rates, and growth in footfall during the period.	SAR 510.7 mn Revenues in Q1-FY22
	Tenant Relief	ACC recognized SAR 49.6 million in nonrecurring, COVID-related discounts during Q1-FY22 out of c.SAR 178 million to be recognized in FY22. Since Q4-FY20, ACC has recognized a cumulative SAR 311.2 million in such discounts. Quarterly disbursements are on a continuous decline and the cash impact has been fully recognized as of FY2021.	SAR 49.6 million Nonrecurring discounts recognized in Q1-FY22
	Footfall	Visitor footfall recorded 18.7 million during Q1-FY22, up by 164.1% from 7.1 million visitors recorded for Q1-FY21. it should be noted that Q1-FY21 saw the closure of ACC's centres in compliance with public efforts to contain COVID-19. Footfall was up by 12.0% quarter-on-quarter.	164.1% Y-o-Y Footfall Increase
	Occupancy	LFL occupancy (19 malls) registered 92.3% for Q1-FY22, up from an average of 91.4% for Q1-FY21. The growth in occupancy rates reflects the ongoing recovery in commercial activity and is in line with ACC's strategic objective of achieving LFL occupancy rates of 94-95% by FY2023.	92.3% LFL Occupancy Ratio
	Lease Renewals	ACC renewed 177 leases during Q1-FY22 or 90% of leases expiring during Q1-FY22. Renewal rates for A- and B-category malls remain flat, however, there is some -slight pressure on C-category malls. Overall rental rates applied to contracts renewed during the period remain flat on average.	90% Of leases expiring in Q1-FY22 renewed
	Alshaya Brands	The Company has finalized an agreement with Alshaya Group, one of the world's leading brand franchise operators, to onboard several of the Group's brands at ACC centres. A three-phase rollout will see ACC introduce brands including Starbucks, H&M, and American Eagle starting from Q2-FY22.	>8 Global brands added to ACC portfolio
	Cinema	Cinema rollout completed at 11 of 21 portfolio centres as of Q1-FY22, including at Mall of Dhahran, the Kingdom's largest cinema theater complex. ACC aims to introduce cinemas at a further eight centres by June 2022, with Salam Mall and Tala Mall set to open in Sept 2021 and The View by Oct 2021. Cinemas are now operating at full capacity.	11 Cinemas launched as of Q1-FY22
	VogaCloset Integration	By the close of Q1-FY22, VogaCloset had integrated 29 of the brands represented in ACC's existing portfolio. ACC will leverage VogaCloset's footprint to offer end-consumers a host of value-added services.	29 Brands integrated on VogaCloset platform
	Project Pipeline	ACC booked total CAPEX outlays of SAR 239.5 million during Q1-FY22, including investments in shopping centres in its project pipeline and maintenance and refurbishment outlays on existing shopping centres. Total CAPEX of SAR 750 million planned for the year with Jeddah Park and The View in Riyadh on schedule for launch during FY2022.	SAR 239.5 million CAPEX in Q1-FY22
	Sukuk Issuance	ACC issued USD 650 million in international Sukuk during Q1-FY22. A further USD 225 million was issued in a re-tap issuance in Q2-FY22. With maturity of 5.5 years, Sukuk proceeds were used to settle portion of ACC's existing loans. Q1 issuance 2X oversubscribed. Cash balances up by 79.2% in the YTD.	USD 1.38 billion Outstanding Sukuk

ACC Strategy

***To be the leading provider of
lifestyle experiences in the KSA***

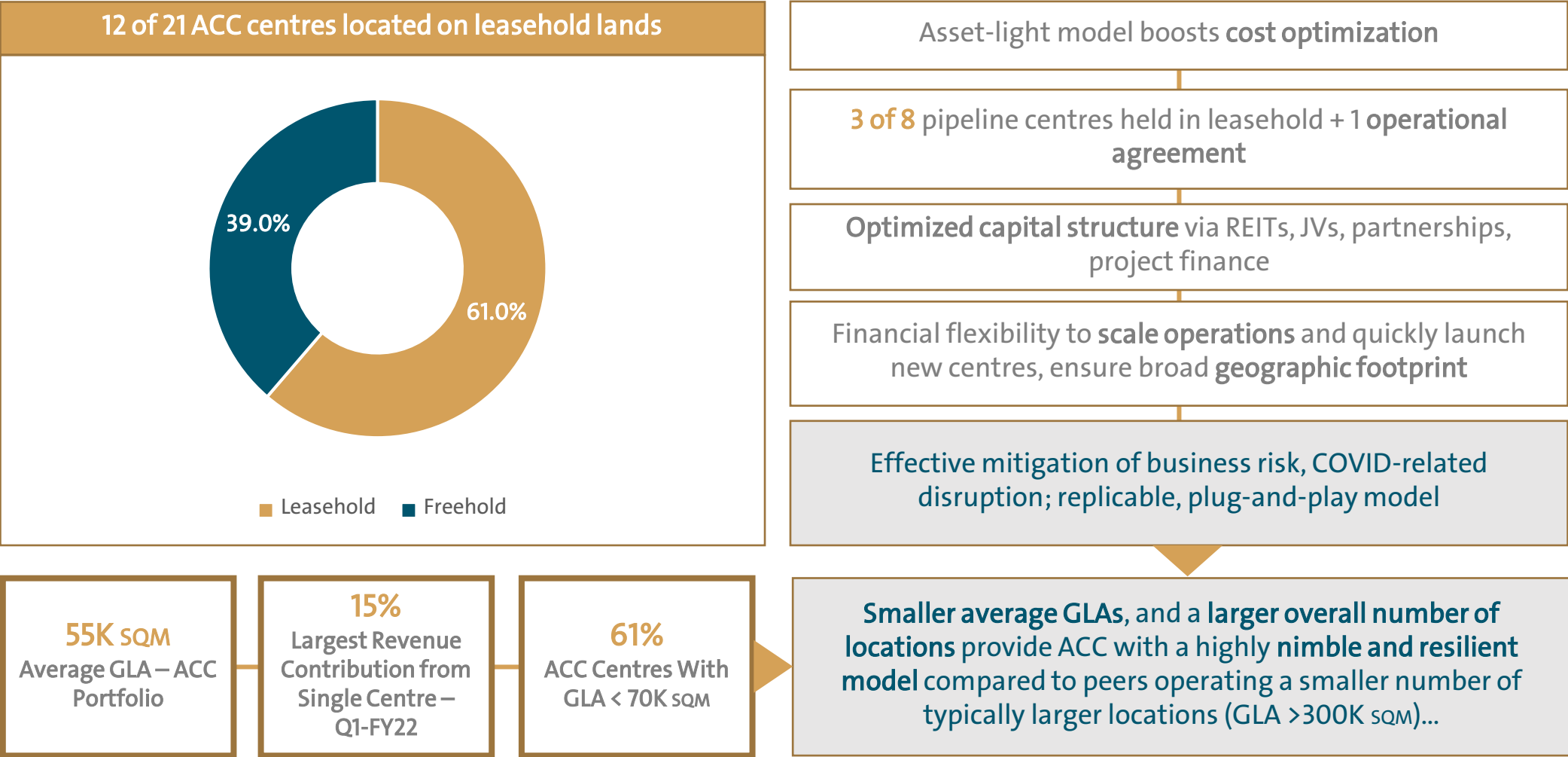
ACC's Strategic Initiatives

Key Pillars of ACC's Growth Strategy



Asset-Light Model Enabled by Leaseholds, JVs and Operational Agreements

Arabian Centres has leveraged leasehold structures, operational agreements, and JVs to pioneer an asset-light model to maximize shareholder value...



Integrated Digital Strategy In Place

Arabian Centres is pioneering an omnichannel model that combines digital shopping with the in-store experience

ACC is pursuing **three digital initiatives** under its integrated strategy

e-Commerce	Loyalty	Consumer Finance
Key Initiatives: <ul style="list-style-type: none">Acquisition of VogaClosetLaunch of cosmetic initiative	Key Initiatives: <ul style="list-style-type: none">Preparing for launch of loyalty program	Key Initiatives: <ul style="list-style-type: none">Launching financial services platform to target ACC visitors
Status: <ul style="list-style-type: none">VogaCloset awaiting closure of GACExpansion strategy being finalized	Status: <ul style="list-style-type: none">Implementation ongoingLaunch expected by Q4-2021G	Status: <ul style="list-style-type: none">Startup process ongoingLicensing application filed with SAMALaunch expected by Q1-2022G

Full activation of **Click-and-Collect** feature expected by FY2023

Interactive Screens

WiFi Beacons

IoT

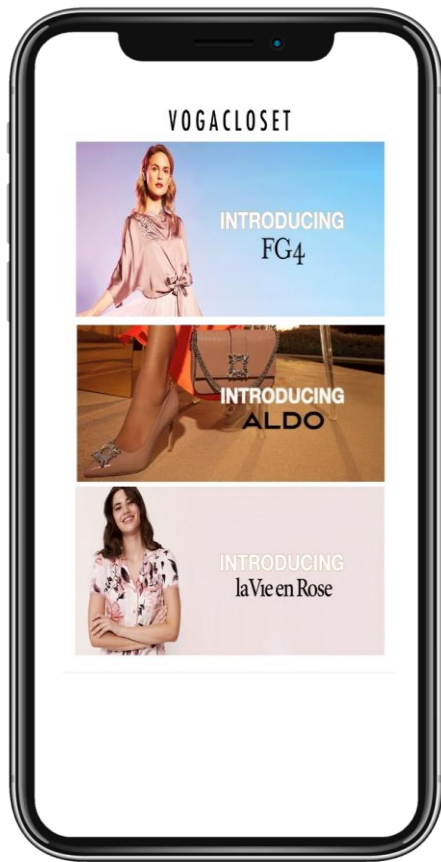
Footfall Counters

5G

ACC is also rolling out **smart mall** infrastructure

Rapid Progress Since VogaCloset Acquisition

ACC is integrating tenant brands' online offerings with the VogaCloset e-Commerce platform



VOGACLOSET

Operational Readiness and Integration

- Content generation defined and loaded.
- Integration with Vogacloset and fulfilment shipping partner.
- Physical movement complete to fulfilment shipping partner



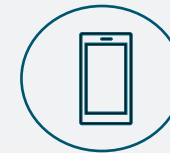
Brands Going Live

- Total of 29 brands live as of Jul '21.
- Total stocks on hand of 32.2K units.
- 1.97 avg units per order vs. 1.5 for other marketplaces



Successful Outreach

- Awareness driven on social media, through push notifications, and on-site.



Growing Commercial Presence

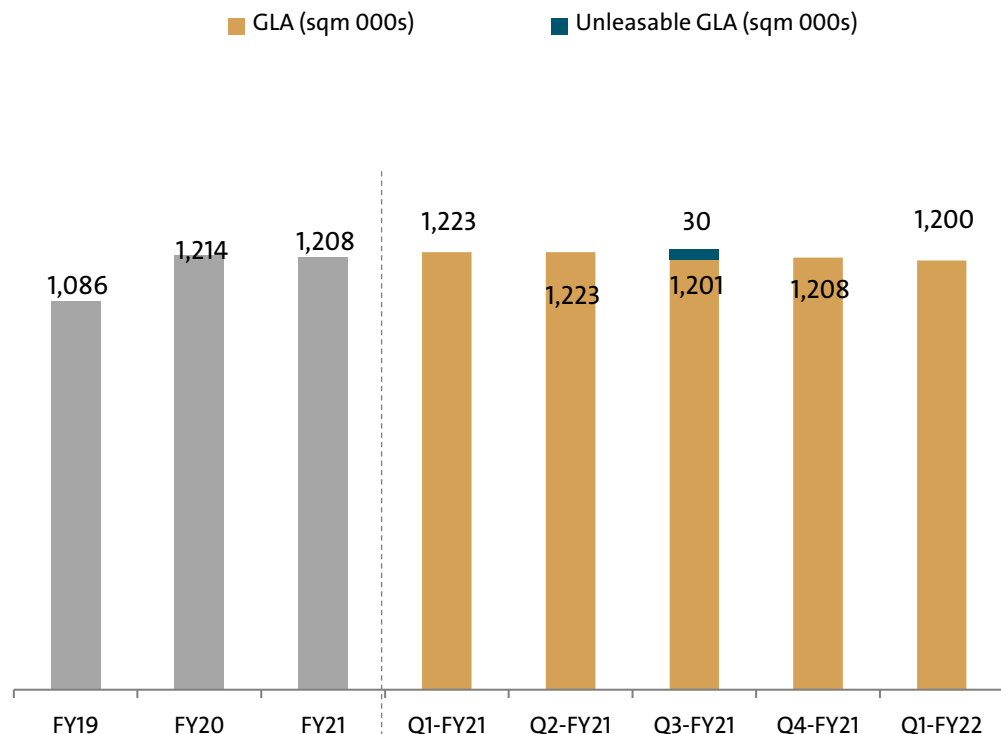
- In-mall and localized KSA marketing campaign live
- Influencer gifting
- Paid marketing
- SEO optimization



Operational and Financial Performance

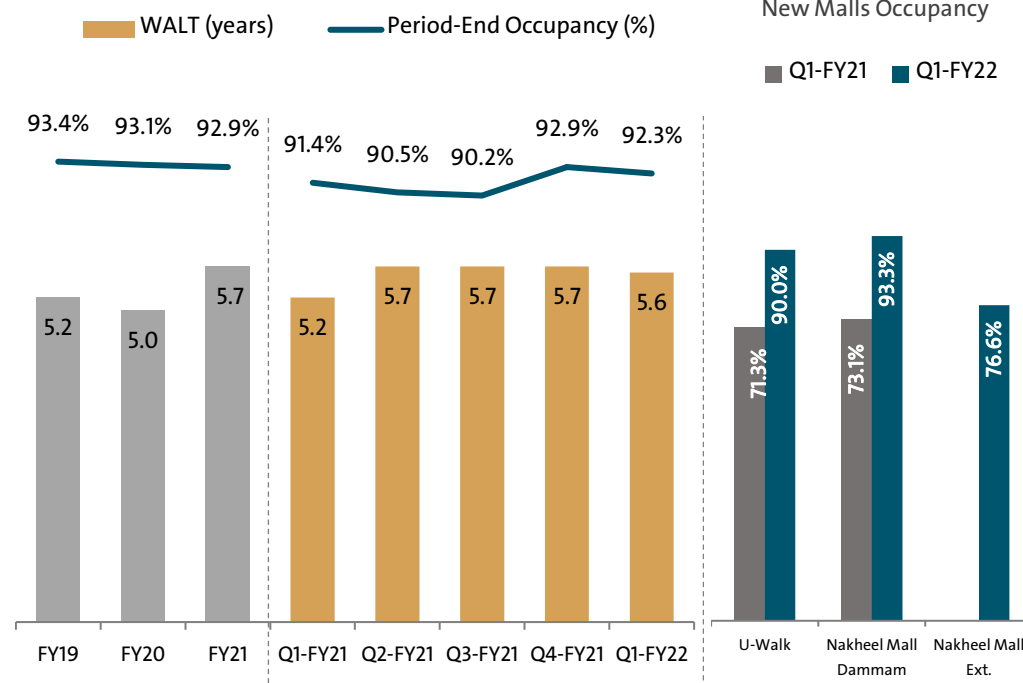
Footfall Recovery Stable, Occupancy Grows Despite Pressures

GLA Progression



ACC's portfolio held 21 shopping centres at the close of Q1-FY22, unchanged from the number operated one year previously. ACC's portfolio-wide gross leasable area (GLA) stood at 1.200 million square meters as at Q1-FY22, down by 1.8% y-o-y as the Company replenished its stock of presently unleasable areas. These areas are undergoing renovations with an eye to allocating them for the construction of cineplex or entertainment facilities.

Occupancy Rates vs. Weighted Average Lease Terms (WALT)



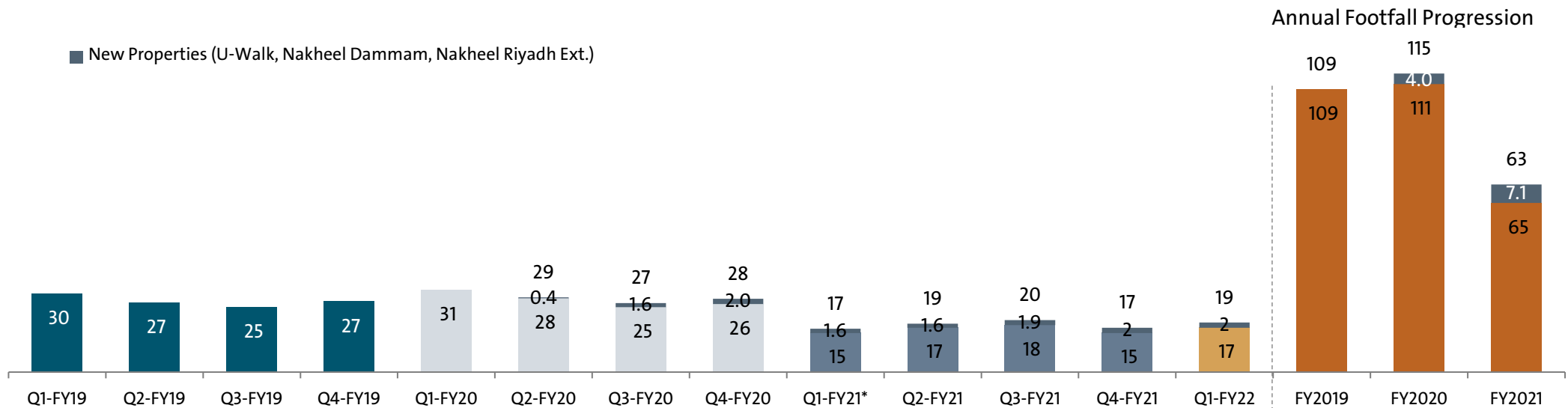
WALT increased by 7% y-o-y to record 5.6 years for Q1-FY22. Like-for-like period-end occupancy (across 19 malls only) was 92.3% as at 30 June 2021, up from the rate of 91.4% recorded one year previously, reflecting the ongoing recovery in commercial activity.

*Footfall figures include U-Walk, Nakheel Mall Dammam, and Nakheel Mall Extension (Riyadh)

Ongoing Recovery in Footfall and Tenant Sales

Quarterly & Annual Footfall Progression (mn)

■ New Properties (U-Walk, Nakheel Dammam, Nakheel Riyadh Ext.)



Visitor footfall recorded 18.7 million during Q1-FY22, up by 164.1% from the 7.1 million visitors recorded for Q1-FY21. It should be noted that Q1-FY21 saw the closure of ACC's shopping centres, in compliance with efforts to arrest the spread of COVID-19. Footfall was up by 12.0% quarter-on-quarter (q-o-q), reflecting the continuous normalization of commercial activity and the lapsing of a 30-day limitation on social gatherings and indoor entertainment imposed during Q4-FY21. The q-o-q increase in footfall was further driven by seasonal effects, with peak annual footfall typically coinciding with the months from April to June (Q1).

Footfall By Region – Q1-FY22

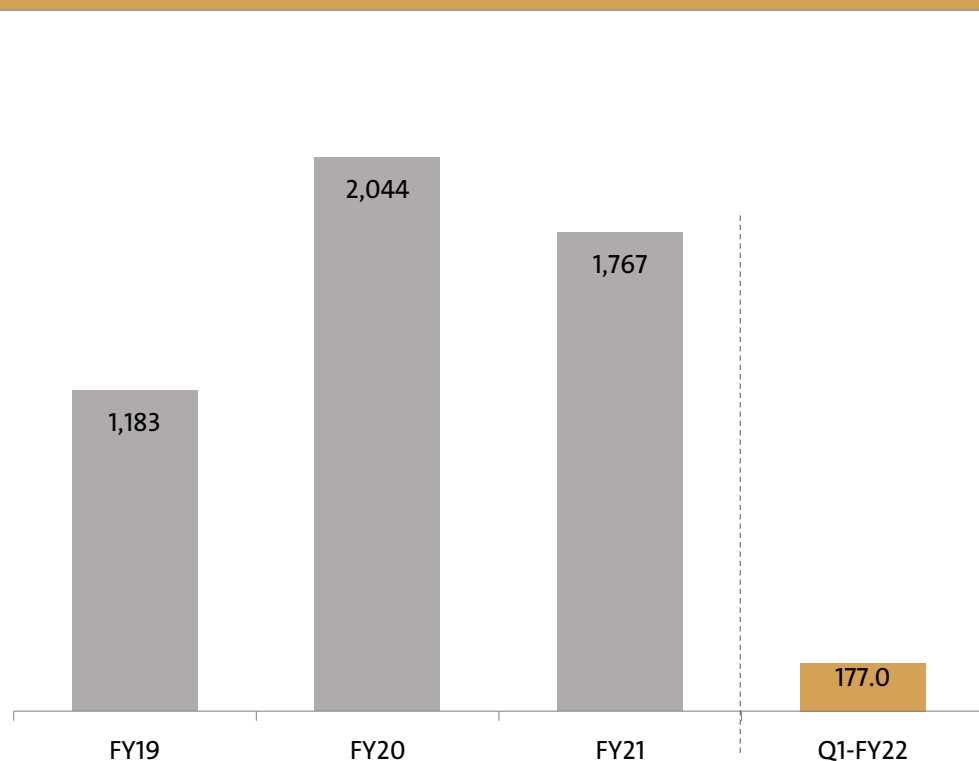


The Kingdom's Western Region, home to the Jeddah Metropolitan Area and the holy cities of Makkah and Madinah, accounted for 48.0% of visitor footfall at ACC's centres during Q1-FY22. The Central Region, including the capital city of Riyadh, contributed 35.5% of footfall during the quarter. Meanwhile, the Eastern Region, home to the Dammam and Dhahran areas, provided 16.5% of footfall during the quarter.

* Footfall figures for Q1-FY21 are annualized. To normalize the impact of the lockdown and for fair comparison for Q1-FY22, the figures for Q1-FY21 are calculated based on average monthly footfall for Q4-FY20.

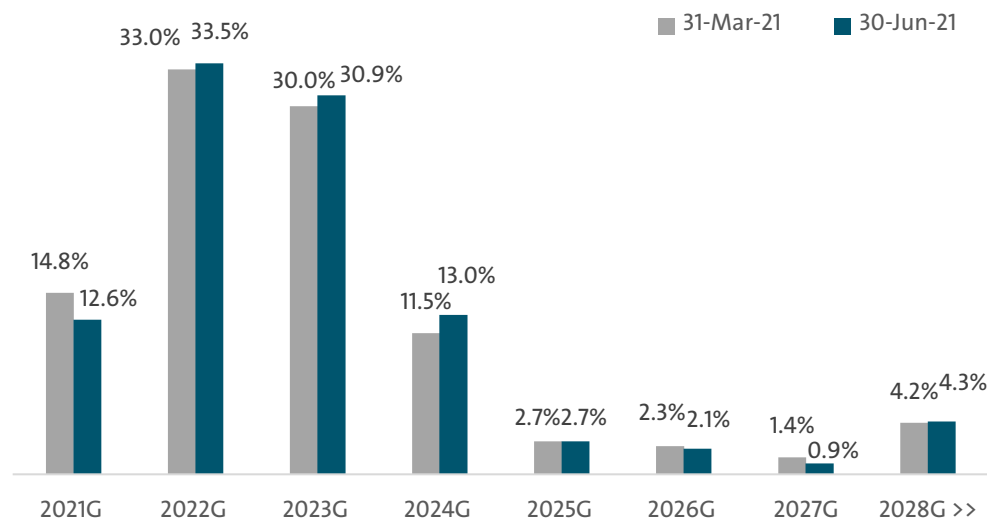
Continued Lease Renewals with a Drop in Renewal Rates Against Current Backdrop

Number of Leases Renewed



ACC renewed 177 leases during Q1-FY22, or 90% of leases expiring in Q1-FY22. Renewal rates for A- and B-category malls remain flat, however, there is some slight pressure on C-category malls. Overall rental rates applied to contracts renewed during the period remain flat on average.

Year of Expiration - % of Total Rental Revenues



Lease Expiry by Mall Type – 2021G as of 30-Jun-21

7.7%
Class A

2.4%
Class B

2.6%
Class C

Despite current market conditions, ACC continues to successfully renew leases set to expire during the current fiscal year, locking in revenue streams for a prolonged period.

Continued Ability to Attract Premium International Tenants While Diversifying GLA Mix / updates to be provided by ACC

Strong Onboarding Performance

51 brands were onboarded at ACC's centres during Q1-FY22

ACC continues to optimize GLA with **new lifestyle categories**, including F&B, gyms, spa, clinics and other service providers.



11

Health & Personal Care
leases signed during Q1-FY22

3

Food & Beverage
leases signed during Q1-FY22

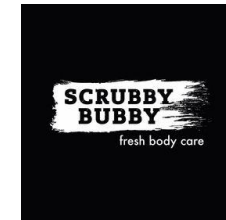
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Service Provider
leases signed during Q1-FY22

Preferred International Partner

25% of brands onboarded in Q1-FY22 classified as **international**

Notable International Brands Onboarded – Q1-FY22



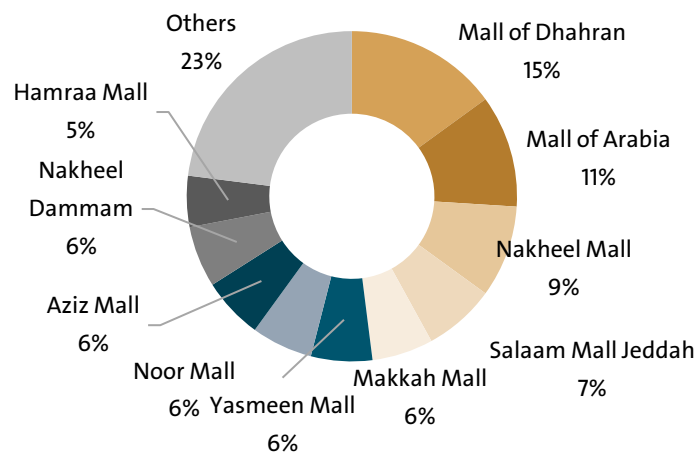
USUVU

BOSS
HUGO BOSS



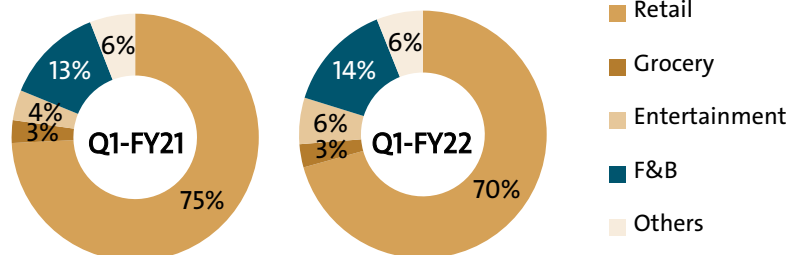
Improving Revenue Mix

Total Revenue by Mall



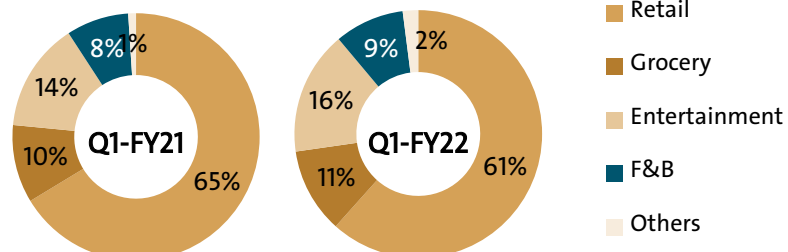
At 15%, Mall of Dhahran remained the largest contributor to total revenues in Q1-FY22, followed by Mall of Arabia (11%), Nakheel Mall (9%) and Salaam Mall Jeddah (7%).

Net Rental Revenue by Category



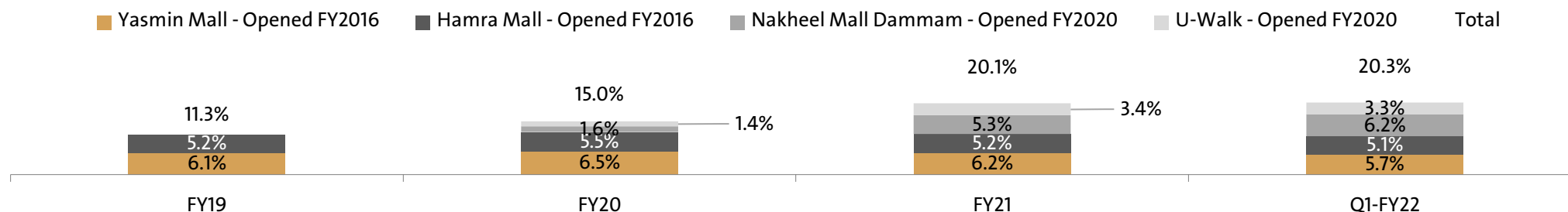
The revenue contributions from entertainment and F&B tenants grew year-on-year in Q1-FY22.

GLA Distribution by Category



GLA allocated to retail tenants declined y-o-y as a share of total GLA in Q1-FY22 with target of reaching 50% as space allocated to entertainment and F&B facilities expanded.

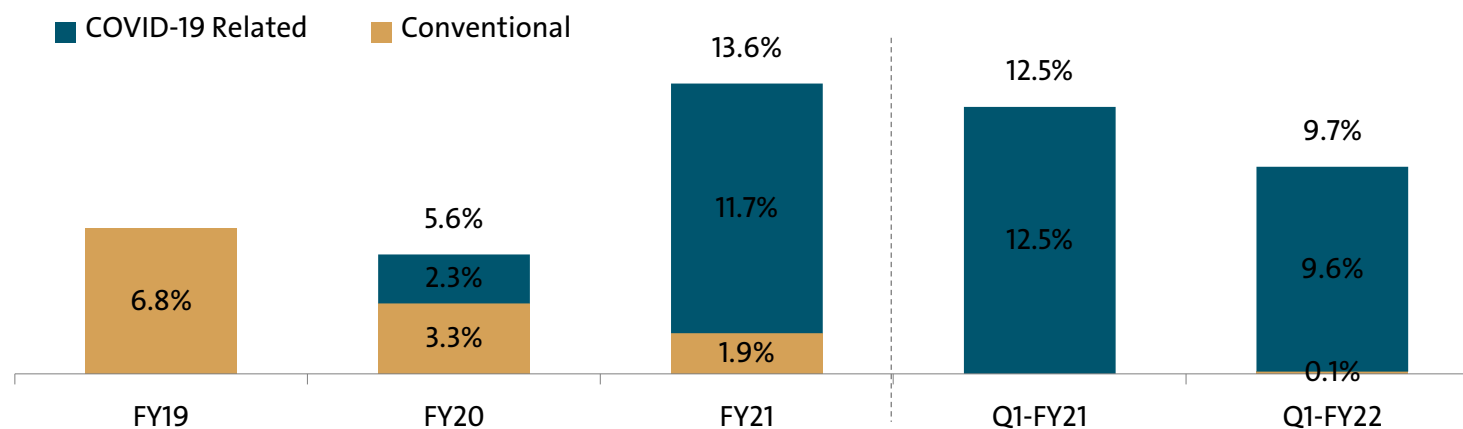
New Malls Revenue Contribution



ACC's new malls, inaugurated between FY2016 and FY2020, are delivering a steadily increasing revenue contribution, with a continued ramp up at U-Walk and Nakheel Mall Dammam, where occupancy rates have reached 90.0% and 93.3%, respectively.

Increasingly Rationalized Discounts

Weighted Average Discount Rates



ACC recorded a weighted average discount rate of 9.7% (SAR 50.8 million) for Q1-FY22, down from the 12.5% (SAR 63.0 million) booked one year previously. The Company amortized SAR 49.6 million in nonrecurring, COVID-19-related discounts Q1-FY22, down from SAR 63.0 million for the same quarter of the previous year. The y-o-y decrease in weighted average non-COVID-19-related discount rates maintains the downward trend observed since the Company's rationalization of discount policies in FY2018.

Updated portfolio

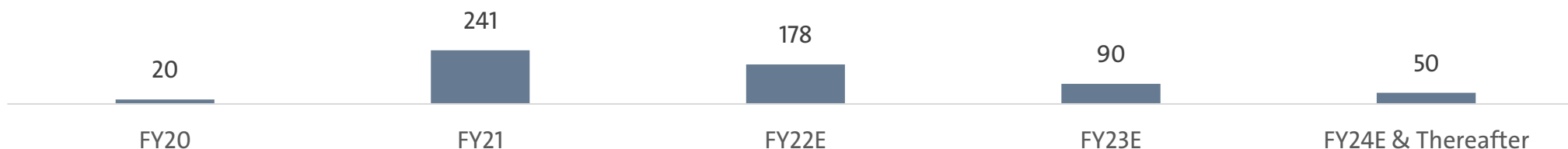
Improved tenant mix

Replacing underperforming tenants

Discounts based on need only

Rationalized Discount Policy

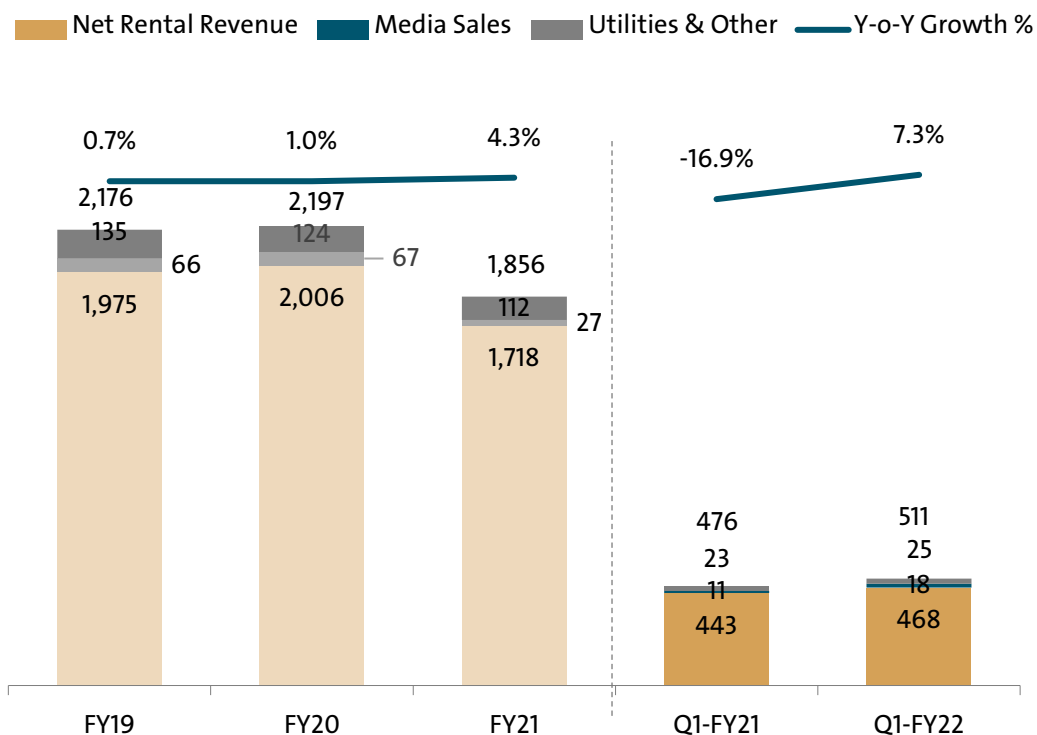
COVID-Related Discount Amortization Schedule (SAR 579 mn)



ACC estimates total COVID-related exposure of SAR 579 million on net rental revenue, to be recognized over the term of outstanding lease contracts. Since Q4-FY20, ACC has recognized SAR 311.2 million in COVID-related discounts to tenants, with the cash impact fully recognized as of FY2021.

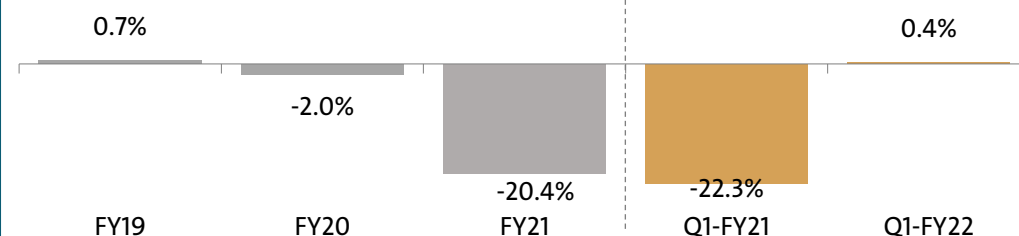
Higher Occupancy and Declining Discounts Supporting Revenue Growth

Revenue | SAR MN ⁽¹⁾



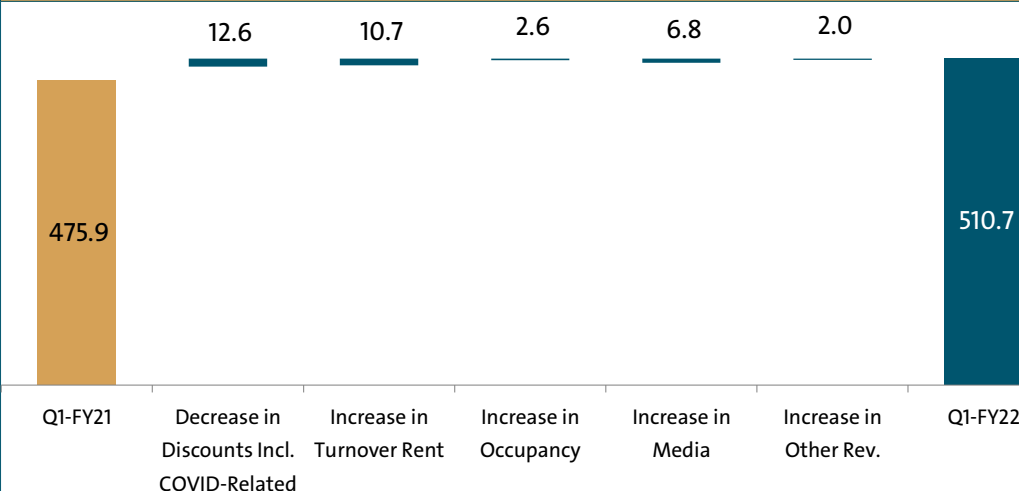
Total revenues rose by 7.3% y-o-y in Q1-FY22, recording SAR 510.7 million for the quarter. Growth was driven primarily by an increase in net rental revenues, which rose by 5.8% y-o-y, reflecting a decline in average rental discounts, an increase in occupancy rates, and an increase of 164.1% y-o-y in footfall across the Company's portfolio. Total revenue growth for Q1-FY22 was further supported by increases of 67.0% y-o-y in media sales and 9.0% y-o-y in utility and other revenue.

Like-for-Like Net Rental Revenue Growth



On a like-for-like basis (across 19 malls), net rental revenue was up 0.4% y-o-y in Q1-FY22, driven by higher occupancy.

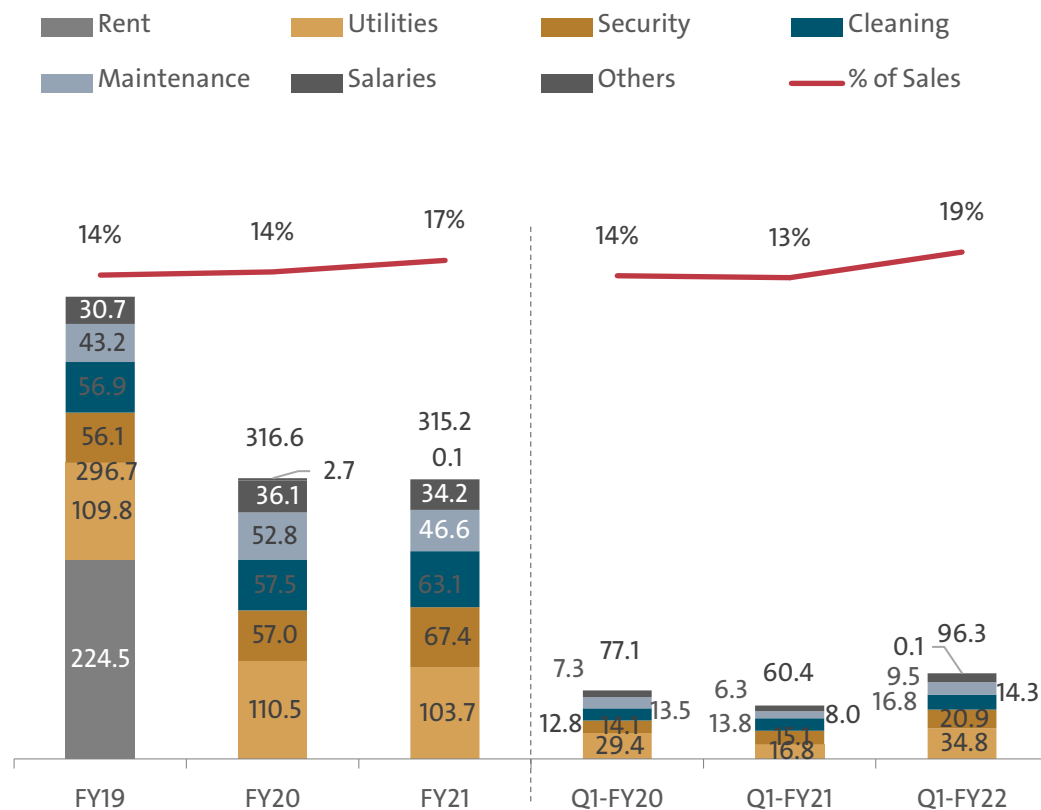
Revenue Bridge (SAR MN)



1) This revenue figure for Q1-FY21 includes two recently opened malls, U-Walk and Nakheel Mall Dammam, which were launched during 2QFY20 and remain in a ramp-up phase as regards leasing.

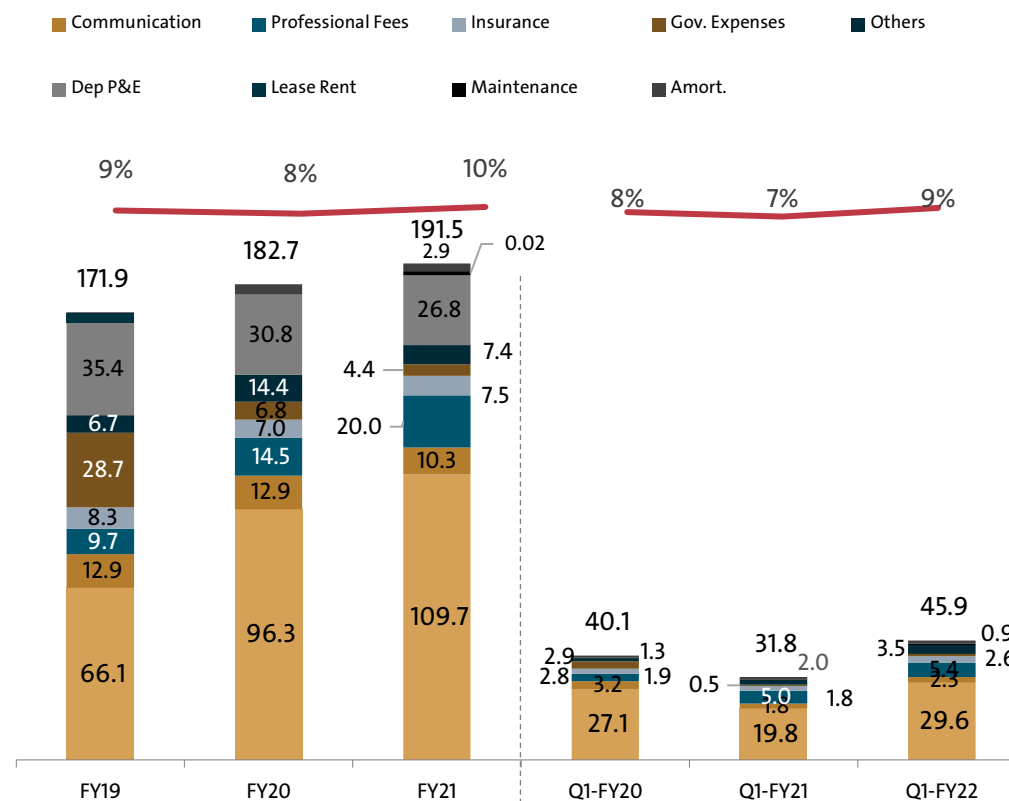
Normalized Cost Base with Ramp up in Activity

Cost of Revenue Breakdown¹



As business activity normalized with the easing of COVID-19 restrictions, ACC booked an increase of 59.4% y-o-y in cost of revenue, which recorded SAR 96.3 million for Q1-FY22. The normalization of activity at ACC's properties was reflected in the y-o-y increase of utility expenses in Q1-FY22, as well as increases to security, cleaning, and maintenance expenses during the period

G&A Breakdown² (excl. Provisions)



General & Administrative outlays rose by 31% y-o-y to SAR 51.1 million in Q1-FY22, driven by an increase in employee salaries and benefits. It is worth noting that the comparable period last year included government support for employee salaries under the SANED program.

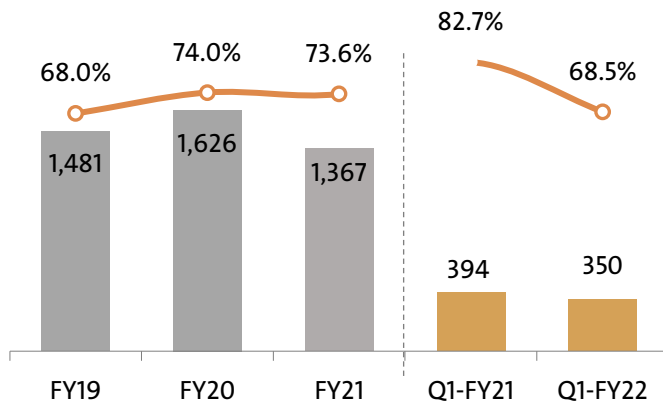
1) FY19 figures include rent expense of SAR 224.5 million. Excluding rent, FY19 Cost of Revenue would equal SAR 296.7 million.

2) FY19 figures include depreciation & amortization expenses of SAR 48.3 million, respectively. Excluding depreciation & amortization, FY19 would equal SAR 123.5 million.

Improved Recurring Profitability

EBITDA | SAR MN

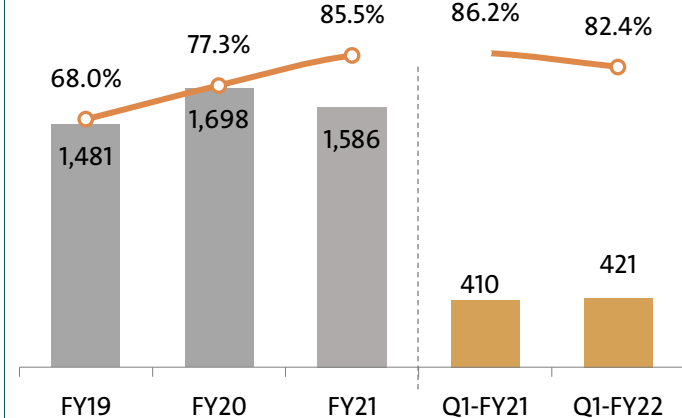
EBITDA Margin



The y-o-y reduction in EBITDA reflects a 31% y-o-y increase in G&A outlays, noting that the comparable period last year included government support for employee salaries under the SANED program. EBITDA was further impacted by a high base effect in other income: Arabian Centres booked SAR 2.1 million in other income for Q1-FY22, down by 94.4% y-o-y from the SAR 36.7 million booked for Q1-FY21, mostly discounts from landlords.

Recurring EBITDA | SAR MN

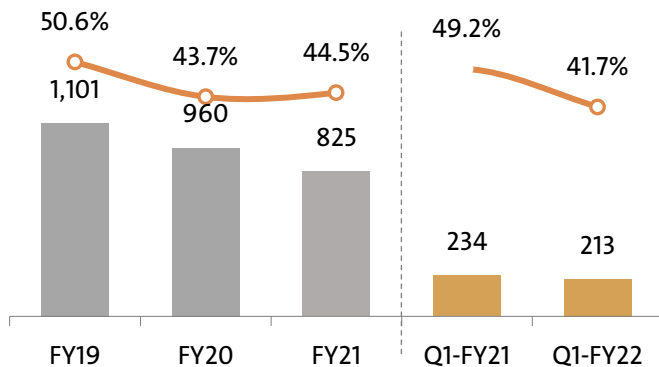
Recurring EBITDA Margin



ACC's recurring EBITDA margin fell by 3.8 percentage points in Q1-FY22, reflecting pressure on operating margins as the Company continued to ramp up operations across its properties amidst the normalization of commercial conditions, leading to the normalization of ACC's cost profile compared to the same period of the previous year.

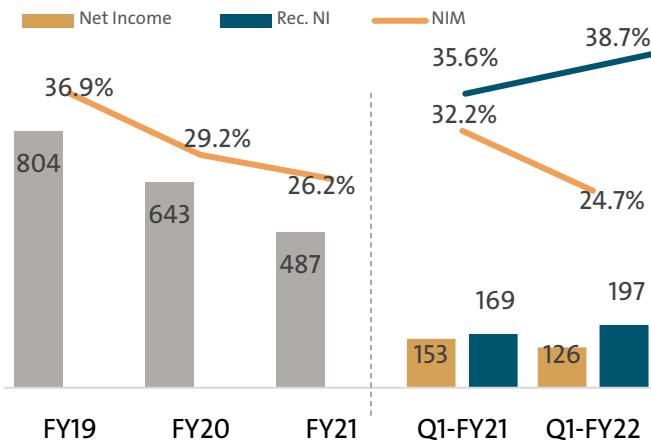
FFO | SAR MN¹

FFO Margin



Funds from operations (FFO) declined by 9.1% y-o-y to SAR 212.9 million in Q1-FY22. ACC's FFO margin fell by 7.5 percentage points to record 41.7% for Q1-FY22.

Net Income vs Recurring Net Income | SAR MN

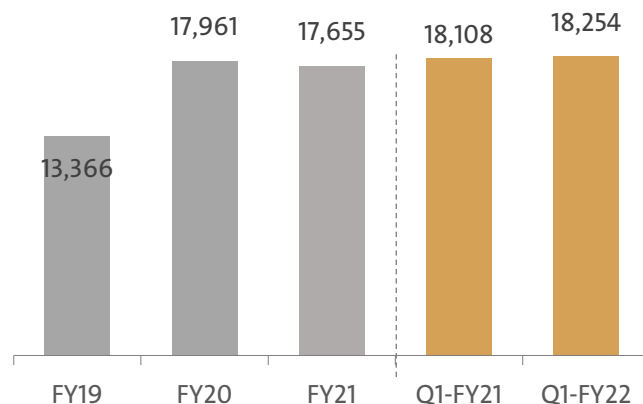


The y-o-y decrease in ACC's bottom line reflects the normalization of the Company's cost of revenue and G&A expenses during the current period, in addition to base effects stemming from the recognition of landlord discounts during the comparable period of FY2021. Strength in ACC's recurring bottom line indicates the health of the Company's core operations and its ability to leverage the ongoing market recovery in driving financial performance.

¹⁾ Fund from operations: net profit for the year plus depreciation of investment properties and PP&E and write-off of investment properties, if applicable.

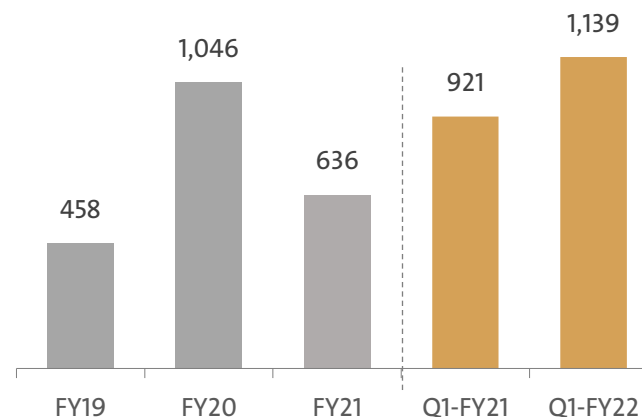
ACC Enjoys a Strong and Liquid Balance Sheet

Total Assets | SAR MN



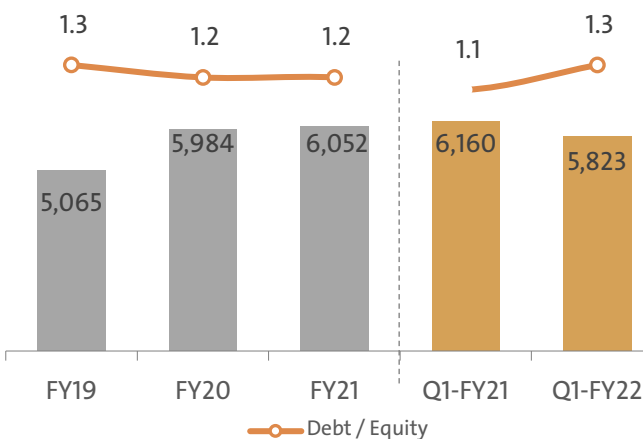
ACC's book value of total investment properties, representing its investment in 21 operating mall developments, malls under construction and raw lands for future developments, was SAR 18,254.0 million at the close of Q1-FY22.

Cash | SAR MN



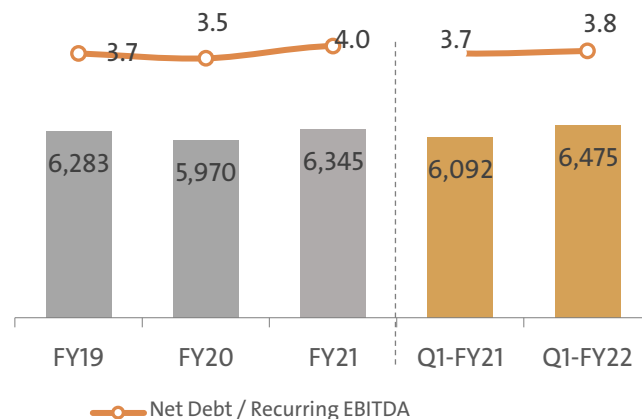
ACC held SAR 1,139.1 million in cash and cash equivalents as at 30 June 2021, including SAR 150 million in short-term bank deposits. Cash balances were up from the SAR 635.7 million booked at the close of FY2021. The increase in cash balances reflects ACC's issuance of USD 650 million in international Sukuk during Q1-FY22.

Equity | SAR MN



Shareholder equity booked SAR 5,822.7 million for Q1-FY22, down from SAR 6,052.4 million at the close of FY2021.

Net Debt | SAR MN¹



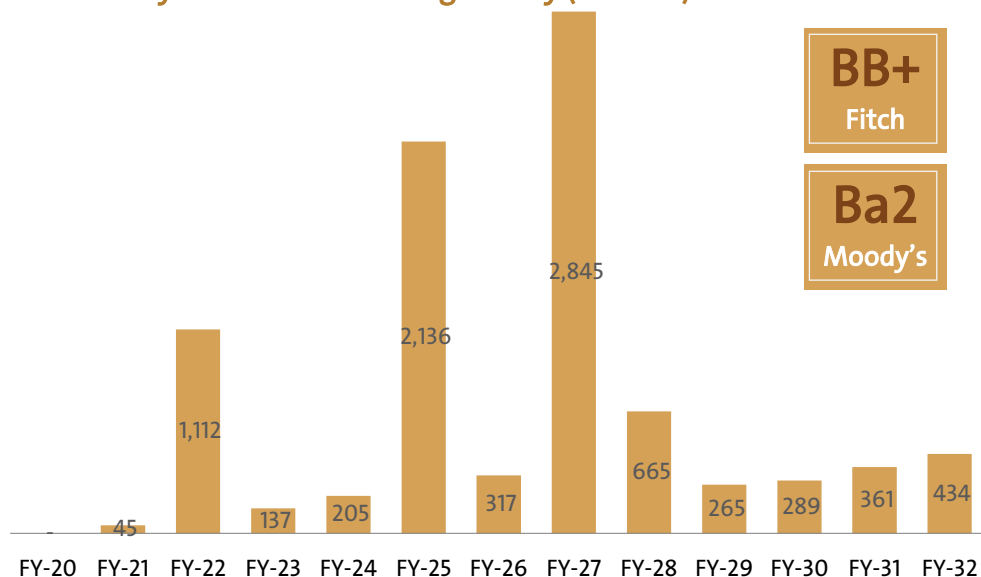
Net debt recorded SAR 6,475.3 million at the close of Q1-FY22, up from SAR 6,345.0 million at year-end FY2021.

¹⁾ This chart displays net debt in absolute terms as well as net debt as a percentage of recurring EBITDA, which normalizes for one-off nonrecurring expenses.

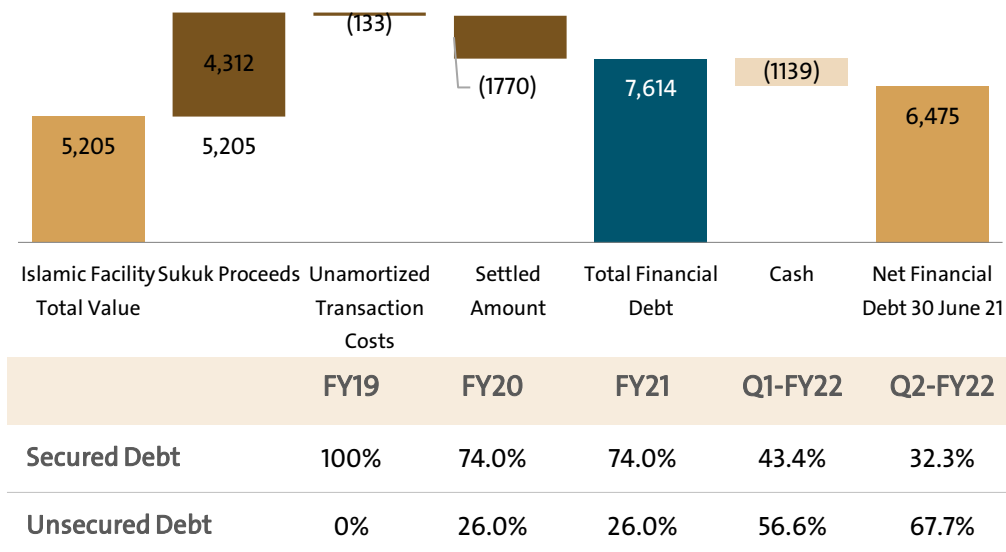
...Backed by Stable Debt Profile and Calibrated Financing Policy

ACC's Sukuk Issuance Affords the Company a Smooth Debt Maturity Profile

Debt Maturity Profile – Amortizing Facility (SAR Mn)





Net Debt Breakdown as of 30 June '21 | SAR mn



Financial Policy


Leverage:	Funding:	Hedging:	Liquidity:	Dividend Policy:
<p>Target LTV <30%</p> <p>Target Net leverage <4.0X</p> <p>Target Minimum Interest Coverage Ratio c. 4.0x</p>	<p>Transition towards unsecured debt instruments</p> <p>Long term debt average life c. 5 years</p> <p>Low level of secured debt to total assets</p> <p>Tap multiple liquidity pools.</p> <p>Asset-light, project finance funding structure</p>	<p>Maintain 50% of funding at fixed rate through financial hedges</p> <p>Maintain FX exposure through financial hedges within risk policy scope</p>	<p>Ensure funding for Capex commitments.</p> <p>Minimum SAR 300 mn cash balance</p> <p>Cash/standby lines at c.20% of debt</p>	<p>Min. 60% of FFO paid semi-annually</p> <p>Dividend payments considered in context of adherence to leverage targets</p>


Ambitious SAR 3.8 Billion CAPEX Program, With 8 Market-Leading Projects in Pipeline


Jeddah Park – 96% Complete – 71% Pre-Leased				The View* – 97% Complete – 75% Pre-Leased			
	Jeddah Location	Operational Agmt Self-Managed	91.1K sqm Land Area	Self-Managed Land Cost		Riyadh Location	Freehold Self-Managed
126.5K sqm GLA	350 Shops	None Remaining CAPEX	Sept 2021 Opening		107.1K sqm Land Area	SAR 290m Land Cost	
				52.2K sqm GLA	160 Shops	SAR 106m Remaining CAPEX	Oct 2021 Opening

Jawharat Riyadh			
	Riyadh Location	Freehold Ownership	524.5K sqm Land Area
130K sqm GLA	370+ Shops	SAR 1.48 bn Budget	H2-FY24 Opening

U-Walk Madinah			
	Madinah Location	Leasehold Ownership	221.9K sqm Land Area
57.2K sqm GLA	95+ Shops	SAR 320m Budget	H1-FY23 Opening

City Walk Qassim			
	Qassim Location	Freehold Ownership	399K sqm Land Area
65.1K sqm GLA	135+ Shops	SAR 415m Budget	H1-FY23 Opening

City Walk Jeddah			
	Jeddah Location	Leasehold Ownership	161.5 sqm Land Area
60K sqm GLA	180+ Shops	SAR 340m Budget	H1-FY23 Opening

Najd Mall**			
	Riyadh Location	Leasehold Ownership	103.1 sqm Land Area
35.3K sqm GLA	80+ Shops	SAR 170m Budget	H2-FY23 Opening

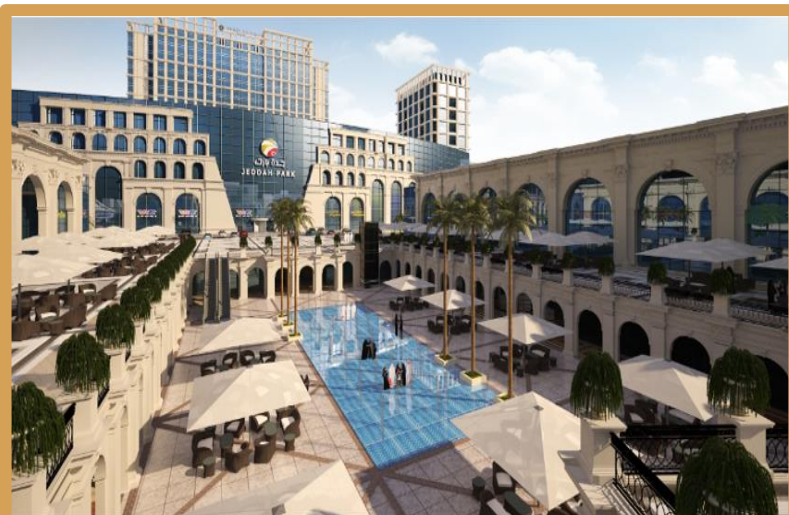
Jawharat Jeddah			
	Jeddah Location	Freehold Ownership	170.8 sqm Land Area
83.6K sqm GLA	190+ Shops	SAR 1.08 bn Budget	H2-FY24 Opening

Strengthening ACC Malls as Go-To Family Destination Via Cinema Offering



Appendices

Projects Update: Opening Soon



Jeddah Park – 96% Complete – 71% Pre-Leased



Jeddah
Location



Operational Agreement
Self Managed



91.1K sqm
Land Area



Self-Managed
Land Cost



126.5K sqm
GLA



350
Shops



None
Remaining
CAPEX



September 2021
Opening



The View* – 97% Complete – 80% Pre-Leased



Riyadh
Location



Freehold
Ownership



107.1K sqm
Land Area



SAR 290 mn
Land Cost



52.2K sqm
GLA



160
Shops



SAR 106 mn
Remaining
CAPEX



October 2021
Opening

** Khaleej Mall has been renamed The View as it overlooks King Salman Park in the city of Riyadh.*

Projects Update: Near-Term Pipeline



City Walk Qassim



Qassim
Location



Freehold
Ownership



399K sqm*
Land Area



SAR 91.8 mn
Land Cost



65.1K sqm
GLA



135+
Shops



SAR 415 mn
Budget



H1-FY2023
Opening



Najd Mall



Riyadh
Location



Leasehold
Ownership



103.1K sqm
Land Area



Leasehold
Land Cost



35.3K sqm
GLA



80+
Shops



SAR 170 mn
Budget



H2-FY2023
Opening



City Walk Jeddah



Jeddah
Location



Leasehold
Ownership



161.5K sqm
Land Area



Leasehold
Land Cost



60K sqm
GLA



180+
Shops



SAR 340 mn
Budget



H1-FY2023
Opening

1) * Includes areas allocated for future expansion

Projects Update: Medium-Term Pipeline



Jawharat Jeddah



Jeddah
Location



Freehold
Ownership



170.8K sqm
Land Area



SAR 1.1 bn
Land Cost



83.6K sqm
GLA



190+
Shops



SAR 1.08 bn
Budget
(Project Finance)



H2-FY2024
Opening



Jawharat Riyadh



Riyadh
Location



Freehold
Ownership



524.5K sqm
Land Area



SAR 1.5 bn
Land Cost



130K sqm
GLA



370+
Shops



SAR 1.48 bn
Budget
(Project Finance)



H2-FY2024
Opening



U-Walk Madinah



Madinah
Location



Leasehold
Ownership



221.9K sqm
Land Area



Leasehold
Land Cost



57.2K sqm
GLA



95+
Shops



SAR 320 mn
Budget



H1-FY2023
Opening

Our Malls

				GLA (sqm)		Company Revenue Contribution (%)					
Mall		City	Lease Expiry	Year Opened	FY2020	Q1-FY22	BUA (sqm)	Occupancy	FY20	FY21	Q1-FY22
Super-Regional											
1)	Mall of Dhahran	Dammam	Feb 2025	2005	162,177	162,219	220,550	96.2%	15.00%	14.63%	14.63%
2)	Salam Mall	Jeddah	July 2032	2012	114,879	115,182	212,825	88.2%	8.50%	7.05%	7.12%
3)	Mall of Arabia	Jeddah	Freehold	2008	112,080	112,065	247,848	95.7%	12.60%	11.45%	11.09%
Regional											
4)	Aziz Mall	Jeddah	Nov 2046	2005	72,842	72,930	93,310	95.8%	6.20%	5.81%	5.64%
5)	Noor Mall	Madinah	Freehold	2008	66,374	66,514	93,917	94.3%	6.20%	6.11%	5.55%
6)	Nakheel Mall	Riyadh	July 2034	2014	53,904	54,640	98,000	97.1%	9.00%	9.89%	9.45%
-	Nakheel Mall Extension	Riyadh	Jan 2038	2020	21,449	21,513	28,249	76.6%	-	0.89%	1.71%
7)	Yasmin Mall	Jeddah	Nov 2034	2016	54,523	54,559	101,672	92.6%	6.50%	6.12%	5.68%
8)	Hamra Mall	Riyadh	Freehold	2016	56,122	56,120	77,969	94.7%	5.50%	5.22%	5.13%
9)	Ahsa Mall	Hofuf	Freehold	2010	47,050	46,950	65,800	79.3%	1.70%	1.62%	1.75%
10)	Salaam Mall	Riyadh	Freehold	2005	51,634	51,662	67,421	98.6%	3.20%	3.12%	3.41%
11)	Jouri Mall	Taif	Mar 2035	2015	48,194	48,271	92,663	97.6%	4.90%	4.99%	4.57%
12)	Khurais Mall	Riyadh	Jan 2022	2004	41,803	41,809	60,230	87.1%	2.20%	1.70%	1.79%
13)	Makkah Mall	Makkah	Freehold	2011	37,486	37,486	56,720	98.2%	6.90%	6.35%	6.10%
14)	Nakheel Mall Dammam	Dammam	Freehold	2019	60,881	61,258	92,229	93.3%	1.60%	5.31%	6.25%
15)	U-Walk	Riyadh	July 2046	2019	59,410	54,086	68,254	90.0%	1.40%	3.42%	3.25%
Community											
16)	Nakheel Plaza	Qassim	Dec 2029	2004	40,152	41,984	48,985	88.6%	1.90%	1.98%	1.95%
17)	Haifa Mall	Jeddah	Apr 2032	2011	33,384	33,395	50,161	76.6%	2.70%	1.36%	1.90%
18)	Tala Mall	Riyadh	Apr 2029	2014	22,814	22,820	46,292	82.8%	1.70%	1.51%	1.40%
19)	Jubail Mall	Jubail	Freehold	2015	21,186	21,186	37,366	86.4%	1.4%	0.70%	0.87%
20)	Salma Mall	Hail	Mar 2022	2014	15,292	8,857	22,378	41.3%	0.70%	0.49%	0.41%
21)	Sahara Plaza	Riyadh	Freehold	2002	14,722	14,722	28,364	100.0%	0.30%	0.27%	0.34%
Total**					1,208,358	1,200,228	1,911,203	92.3%*	100.0%	100.0%	100.0%

*Total occupancy rate reflects like-for-like figures.

Income Statement

(SAR 000)	Q1-FY21	Q1-FY22	Y-o-Y Growth
Net Rental Revenue	442,553	468,143	5.8%
Media Sales	10,781	18,001	67.0%
Utilities Revenue	22,518	24,536	9.0%
Total Revenue	475,853	510,679	7.3%
Cost of revenue	-60,432	-96,348	59.4%
Depreciation of investment properties	-74,197	-81,353	9.6%
Depreciation of right-of-use of assets	-42,573	-47,300	11.1%
GROSS PROFIT	298,652	285,678	-4.3%
<i>Gross Profit Margin</i>	62.8%	55.9%	-6.8%
Other income	36,701	2,051	-94.4%
Other expense	-24	-	-
Advertisement and promotion	-3,691	-6,879	86.4%
Impairment loss on accounts receivable	-25,242	-15,251	-39.6%
General and administration	-38,953	-51,076	31.1%
INCOME FROM MAIN OPERATIONS	267,442	214,523	-19.8%
Share of profit of equity-accounted investee	1,652	-	-
Financial charges	-75,153	-48,820	-35.0%
Interest expense on lease liabilities	-35,929	-36,895	2.7%
INCOME BEFORE ZAKAT	158,012	128,808	-18.5%
Zakat	-4,916	-2,537	-48.4%
NET INCOME FOR THE YEAR	153,096	126,271	-17.5%
Profit for the year attributable to:			
Owners of the Company	152,758	126,607	
Non-controlling interests	338	-336	
	153,096	126,271	
Earnings per share:			
Basic and diluted earnings per share	0.32	0.27	
Recurring Net Income	169,383	197,447	16.6%
<i>Recurring Net Income Margin</i>	35.6%	38.7%	3.1%
EBITDA	393,732	349,685	-11.2%
<i>EBITDA Margin</i>	82.7%	68.5%	-14.3%
Recurring EBITDA	410,018	420,861	2.6%
<i>Recurring EBITDA Margin</i>	86.2%	82.4%	-3.8%
FFO	234,219	212,875	-9.1%
<i>FFO Margin</i>	49.2%	41.7%	-7.5%

Source: Company Audited Financials, Company Information

Cost Breakdown

(SAR 000)	Q1-FY21	Q1-FY22	Y-o-Y Growth
Utilities expense	16,833	34,756	106.5%
Security expense	15,071	20,890	38.6%
Cleaning expense	13,792	16,783	21.7%
Repairs and maintenance	8,036	14,251	77.3%
Employees' salaries and other benefits	6,271	9,541	52.1%
Other expenses	428	127	-70.4%
Cost of Revenue	60,432	96,348	59.4%
<i>As % of Revenue</i>	<i>12.7%</i>	<i>18.9%</i>	
Depreciation of Inv. Properties	74,197	81,353	9.6%
Employee salaries and benefits	19,762	29,588	49.7%
Communication	1,814	2,279	25.6%
Professional fees	5,035	5,367	6.6%
Insurance	1,781	2,617	46.9%
Government expenses	471	858	82.0%
Lease rent	-	-	-
Maintenance	25	390	1461.7%
Amortization of right-of-use asset	942	1,259	33.7%
Board expenses	963	1,771	83.9%
Others	1,012	1,697	67.7%
G&A(1)	31,805	45,825	44.1%
Depreciation – P&E	6,926	5,251	-24.2%
Impairment loss on accounts receivable	25,242	15,251	-39.6%
Opex			
Total Cost (ex. Depreciation)	117,479	157,425	
<i>As % of Revenue</i>	<i>24.7%</i>	<i>30.8%</i>	<i>6.1%</i>
Depreciation (IP and PP&E)	81,123	86,604	
<i>As % of Revenue</i>	<i>17.0%</i>	<i>17.0%</i>	<i>0.0%</i>

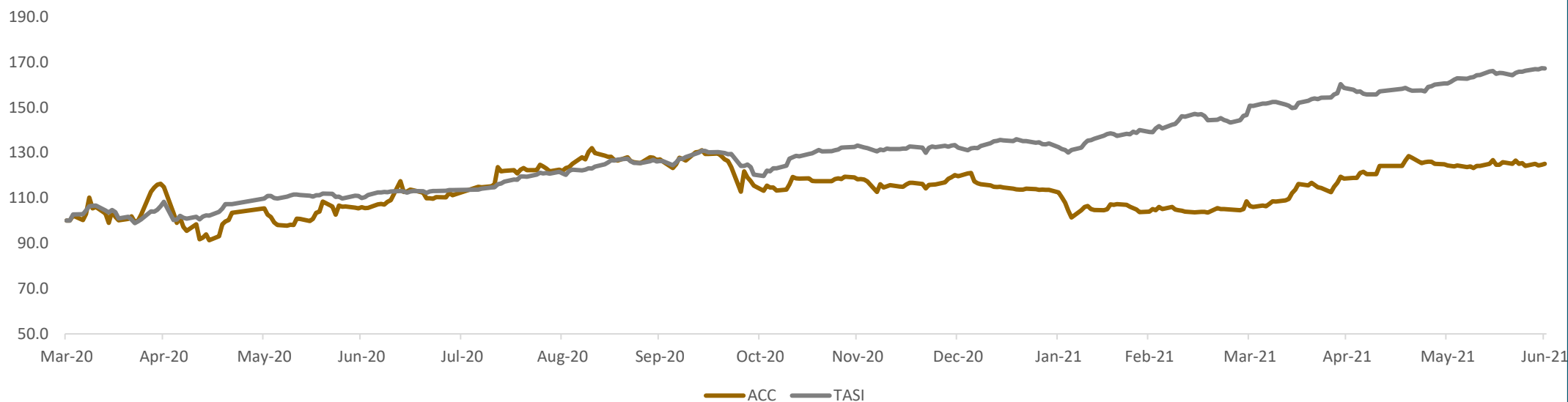
Source: Company Audited Financials, Company Information

Balance Sheet

(SAR 000)	FY2021	Q1-FY22
Assets		
Cash and cash equivalents	635,670	989,057
Short-term bank deposits	-	150,000
Accounts receivable	247,871	270,893
Amounts due from related parties	379,446	368,643
Assets held for sale	4,675	-
Advances to a contractor, related party	-	-
Prepayments and other current assets	99,459	105,769
Accrued revenue (rentals)	170,698	155,193
Total Current Assets	1,537,818	2,039,555
Amounts due from related parties	-	-
Advances to a contractor, related party – non-current portion	582,469	638,824
Prepaid rent – non-current portion	-	--
Accrued revenue (rentals) – non-current portion	341,395	305,167
Investment in an equity-accounted investee	-	-
Other investments	5,976	5,976
Right-of-use assets	3,121,597	3,065,034
Investment properties	11,967,477	12,098,198
Other financial receivables	22,500	22,500
Property and equipment	75,546	78,752
Total Non-current Assets	16,116,690	16,214,450
Total Assets	17,654,778	18,254,005
Liabilities		
Current portion of long-term loans	119,375	148,750
Lease liability on right-of-use assets – current portion	337,122	313,980
Accounts payable	405,102	677,911
Amounts due to related parties	162	-
Unearned revenue	240,502	245,355
Accrued lease rentals	-	-
Accruals and other current liabilities	-	-
Zakat payable	24,279	26,815
Total Current Liabilities	1,126,542	1,412,812
Long-term loans	6,861,285	7,465,588
Liabilities under finance lease	3,523,411	3,465,191
Accrued lease rentals – non-current portion	-	-
Employees' end-of-service benefits	21,673	22,861
Derivative liability	-	-
Other non-current liabilities	69,449	64,878
Total Non-current Liabilities	10,475,818	11,018,518
Total Liabilities	11,602,360	12,431,329
Total Equity	6,052,419	5,822,676
Total Liabilities and Equity	17,654,778	18,254,005

Share Performance

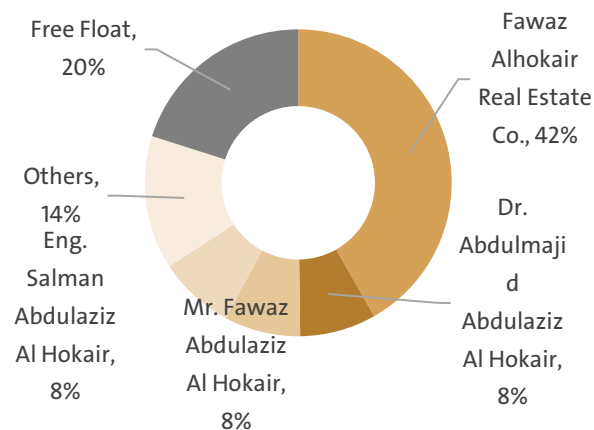
52-Week Share Price Performance – Rebased 100



Trading Summary

	SAR, %
Closing Price	26.20
Market Cap	12.45 BN
30-Day Av. Volume	1,399,616
YTD Change (%)	+4.6%
52 Wk Range	21.22 – 27.65

Shareholder Structure





Thank You

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