

Maharah Human Resources Company

Earnings Presentation – Q1 2021

March 2021

Resilience and excellence to grow

شركة مهارة للموارد البشرية
Maharah Human Resources Company

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Company Overview



Main activities of the company

To act as intermediary in recruiting manpower and providing the public and private sectors with household services and manpower that meet the needs of Saudi human resources market in the Corporate and Household sectors.

Maharah Human Resources Company is a Saudi joint stock company. The company capital is 375,000,000 Saudi Riyals paid in full and divided into 37,500,000 ordinary shares with a value of 10 Saudi Riyals per share.



Vision

Leading the human resources sector by providing comprehensive and integrated solutions that ensure our clients success, protect employees' rights and support the national development



Mission

We are working on providing innovative human resources solutions and services to our customers through institutionalized system, superior IT and strategic partnerships that serve our employees, customers and community

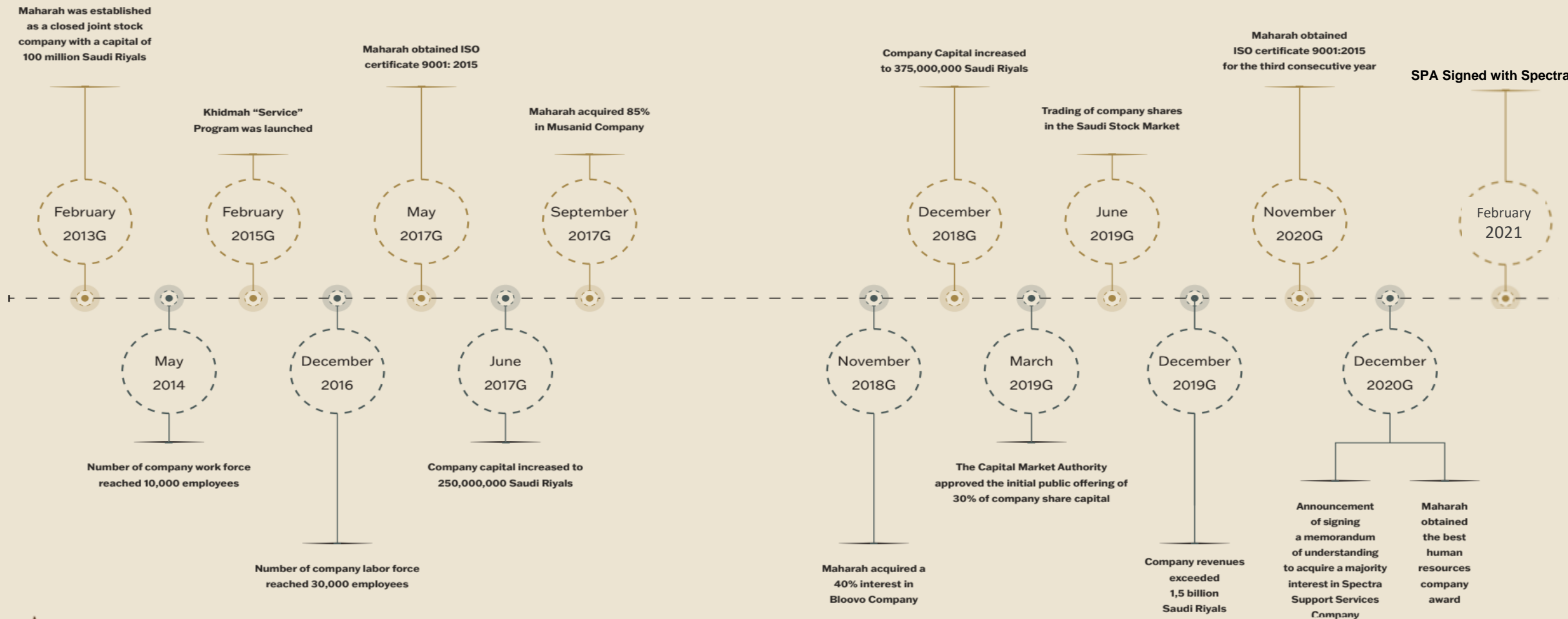


Values

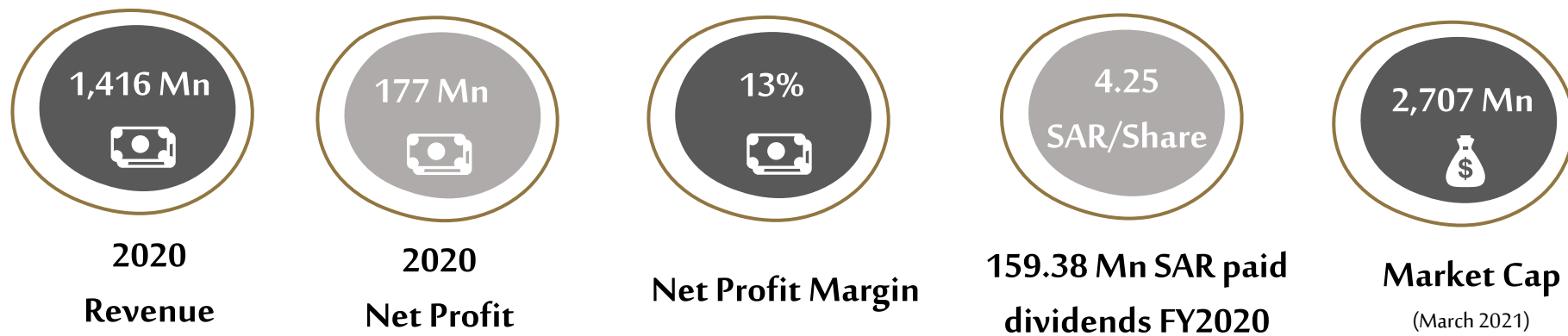
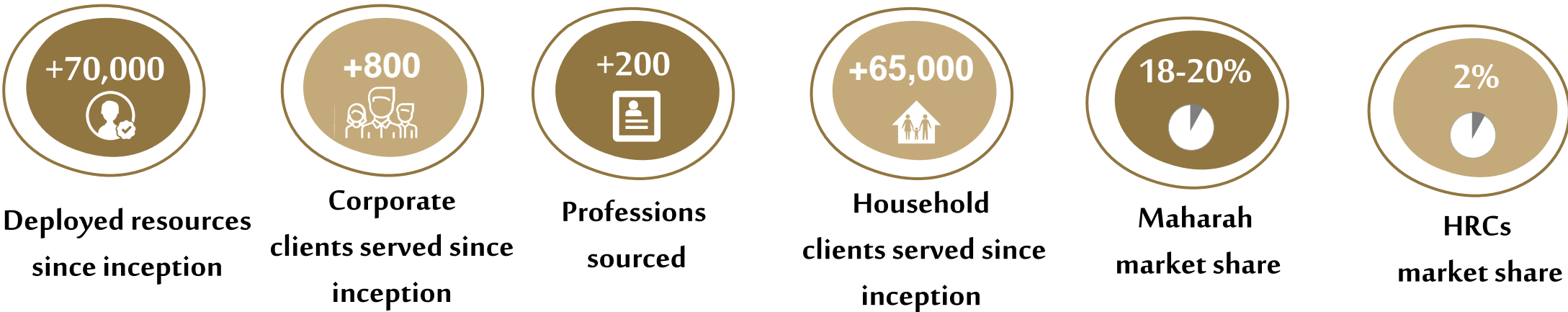
- Innovation and Excellence
- Integrity and Transparency
- Quality and Perfection
- Teamwork Spirit
- Customer Centricity



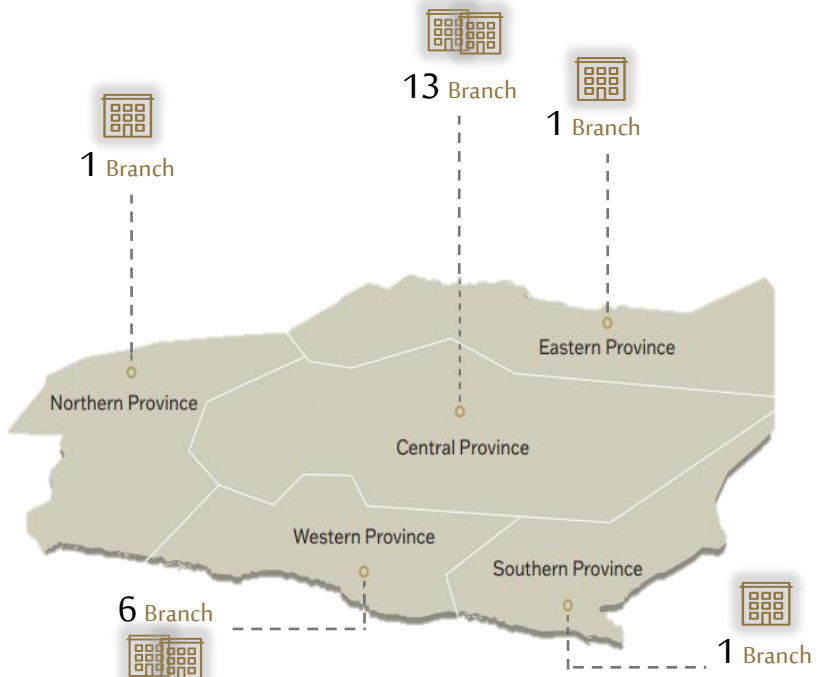
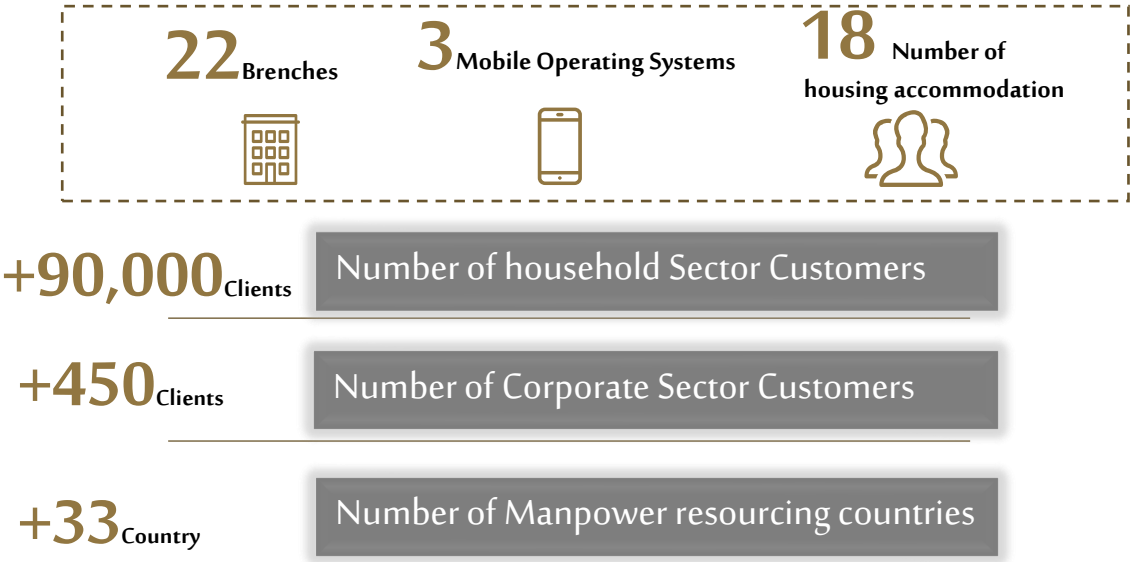
Sustainable Success Journey



Maharah at Glance



Robust Business Channels



Nationalities Targeted by the Household Sector



Services Provided by the Household



Bundles of Services Provided by Household Sector



Outlook Beyond the Pandemic



Labor Reform initiative (LRI)



New Safety and Wellbeing Standards



New Regulations for the Labours Compounds



Higher Recruitment Fees



Economy Recovery and Demands Fulfilment



Company Business Strategy



7 Initiatives

To strengthening the engine



4 Initiatives

To grow the core



3 Initiatives

To explore growth avenues

Strategic Objectives



Increase market share



Achieve growth in revenue and profits



Enhance internal and customer experience



Develop work environment



Diversified Services portfolio

Strategic Enablers



Competent and qualified senior management



Large customer database



Strong financial adequacy









Distinct technological systems



Wide geographical outreach



Key Highlights

- 
 Improvement of achieved net profits of 39% over last quarter despite revenue drop of 3%
- 
 Improvement in Collection Process and liquidity position(12%)
- 
 Management & controlling cost of revenues, compared to some labor cost being amortized in the last quarter
- 
 Revenues generated from Maharah app improved to 33% of the individual sector in Q1 2021 compared to 30% in 2020
- 
 Declaration of dividends Distribution for H2 2020 with 90% Pay-out ratio
- 
 Signing SPA with Spectra

Other Key Matters for future expectations

- 
 New BOD
- 
 Improvement in demand as a result of the customer business enhancement and Improved Utilization rate Individual sector
- 
 Opening-up of international flights and utilizing other sourcing countries
- 
 Attracting of key management, to support the growth objectives and excellence.
- 
 Automation & Digitization projects
- 
 Strong financial position and clear strategy plan through non-organic growth (M&A)





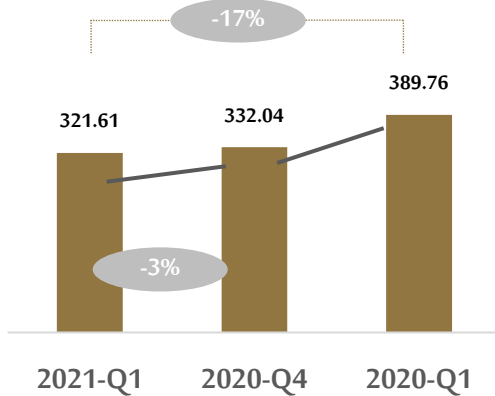
Q1-2021 Financial Performance



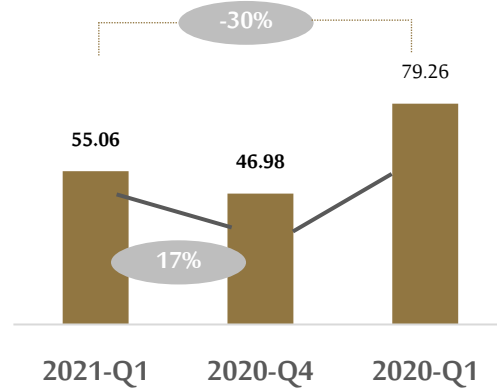
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للموارد البشرية
Maharah Human
Resources Company

Financial highlights for Q1 2021 – Income Statement

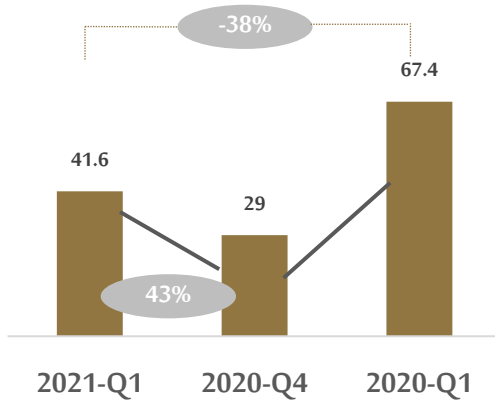
Revenue



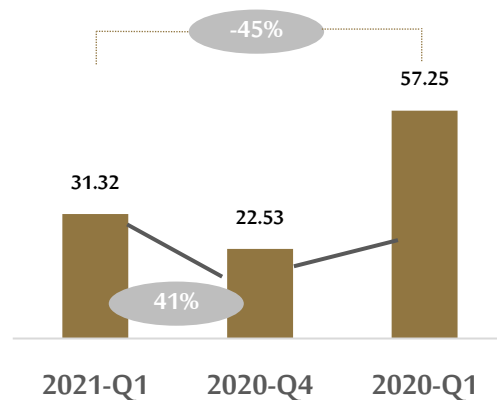
Gross Profit



EBITDA



Net Income



Million SAR	2021-Q1	2020-Q4	%	2020-Q1	%
Revenue	321.6	332	(3%)	389.7	(17%)
Cost of Revenue	(266.5)	(285)	(6%)	(310.4)	(14%)
Gross Profit	55	46.97	17%	79.2	(30%)

G&A Expenses	(16.9)	(14.6)	16%	(15.2)	11%
Marketing Expenses	(2.6)	(2.95)	(9%)	(2.1)	24%
Provision for Doubtful debt	(2.1)	(8.033)	(74%)	(1.8)	16%
Income From Main Operations	33.3	21.349	56%	59.7	(44%)

Other Income	1.8	2.45	(22%)	1.5	14%
Share in net loss of an associate	0.101	(0.491)	121%	(0.29)	135%
Net gain on equity investments at FVTPL	0.079			0.185	

Income before Zakat	35.3	23.31	52%	61.15	(42%)
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Zakat	(4.27)	(1)	283%	(4.65)	(8%)
Net Income (for the period)	31.067	22.31	41%	56.5	(45%)

Non-Controlling Interests	(0.249)	(0.216)	15%	(0.744)	67%
Net Income to Parent Company	31.31	22.53	41%	57.25	(45%)
Gross Margin %	17%	14%		20%	
Operating Margin %	10%	6%		15%	
Net Margin %	10%	7%		14%	

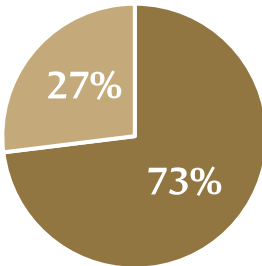
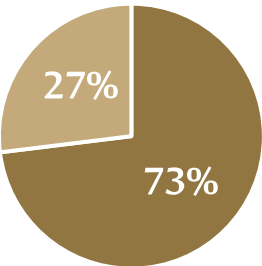


Revenue Breakdown

Revenue By Business

2020-Q4

2021-Q1



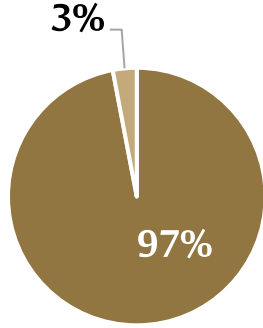
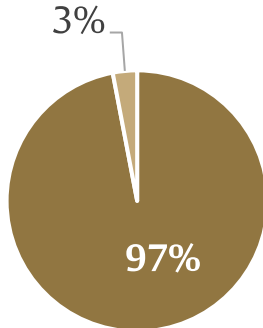
■ Corporate ■ Individual

■ Corporate ■ Individual

Revenue By Geography

2020-Q4

2021-Q1



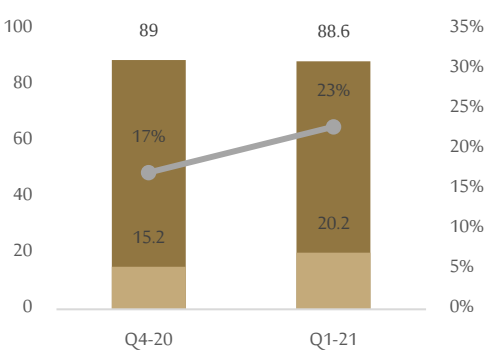
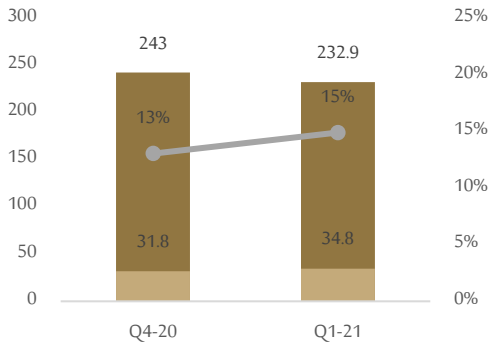
■ KSA ■ UAE

■ KSA ■ UAE

Revenue Vs Gross Profit

Corporate

Individual



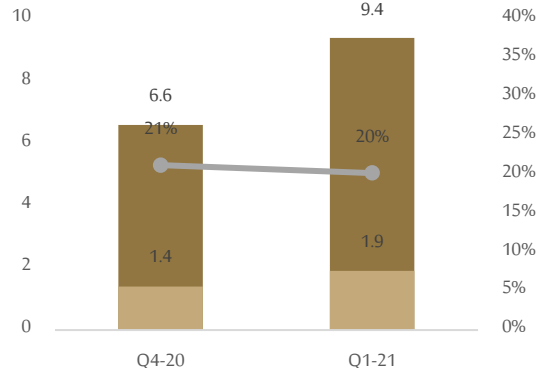
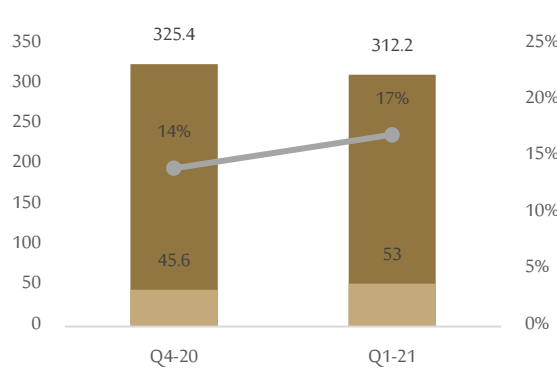
■ Revenue ■ Gross Profit — GM %

■ Revenue ■ Gross Profit — GM %

Revenue Vs Gross Profit

KSA

UAE



■ Revenue Gross Profit ■ Gross Profit — GM %

■ Revenue Gross Profit



Revenue by Segment

Individual



Q1 2021



Q1 2020

Khidmah

SAR 10.5

SAR 14.3

Full-Time

SAR 68.7

SAR 85.1

TPH (UAE)

SAR 9.4

SAR 7.2

Corporate



Q1 2021



Q1 2020

Industrial & Operations

SAR 71

SAR 98.9

Retail

SAR 57.4

SAR 65.4

Hospitality

SAR 42.4

SAR 54.3

Commercial

SAR 18.8

SAR 22.2

Health Care

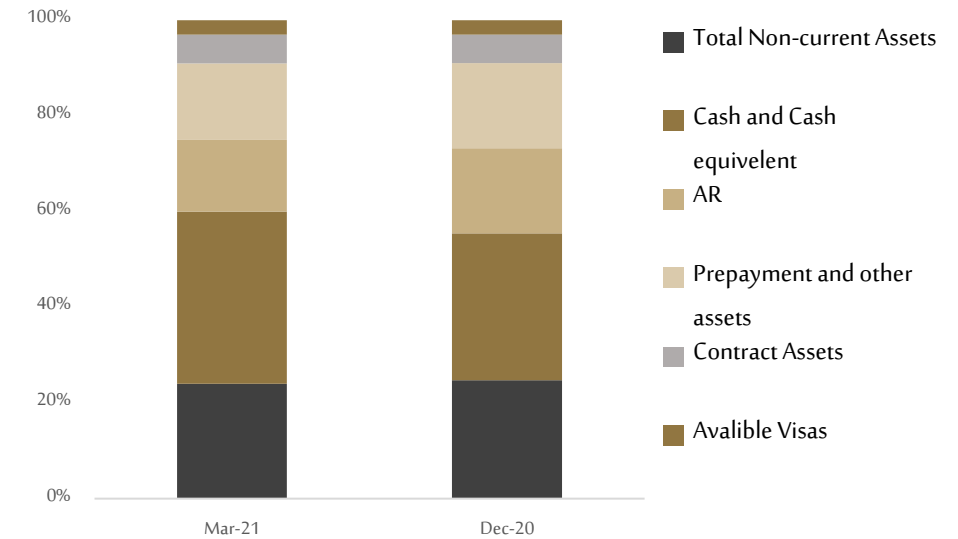
SAR 43.1

SAR 41.8



Statement of Financial Position – Balance Sheet

Million SAR	Mar-2021	Dec 2020
Current Assets	823	769
Non-Current Assets	259.6	256.9
Total Assets	1,082	1,026
Current Liabilities	488.5	389.4
Non-Current Liabilities	82.8	81
Total liabilities	571.3	470.4
Equity	515	555.5
Total liabilities & Equity	1,082	1,026



Cash Ratio		
△	Dec-20	Mar-21
1.3%	75%	76%

Current Ratio		
▽	Dec-20	Mar-21
(15%)	1.97	1.68

Working Capital (MM SAR)		
▽	Dec-20	Mar-21
(12%)	379.5	334.5

Days Payable Outstanding		
△	Dec-20	Mar-21
14%	63	72

ROE		
▽	Dec-20	Mar-21
22%	30.8%	24%

Operating Cash Flow (MM SAR)		
△	Dec-20	Mar-21
63%	44	72

Retained Earnings

Beginning Balance – Dec 20	125.98
Net Income Q1 2021	31.31
Dividends H2-2020	(75)
Retained Earnings – Mar-21	82.3

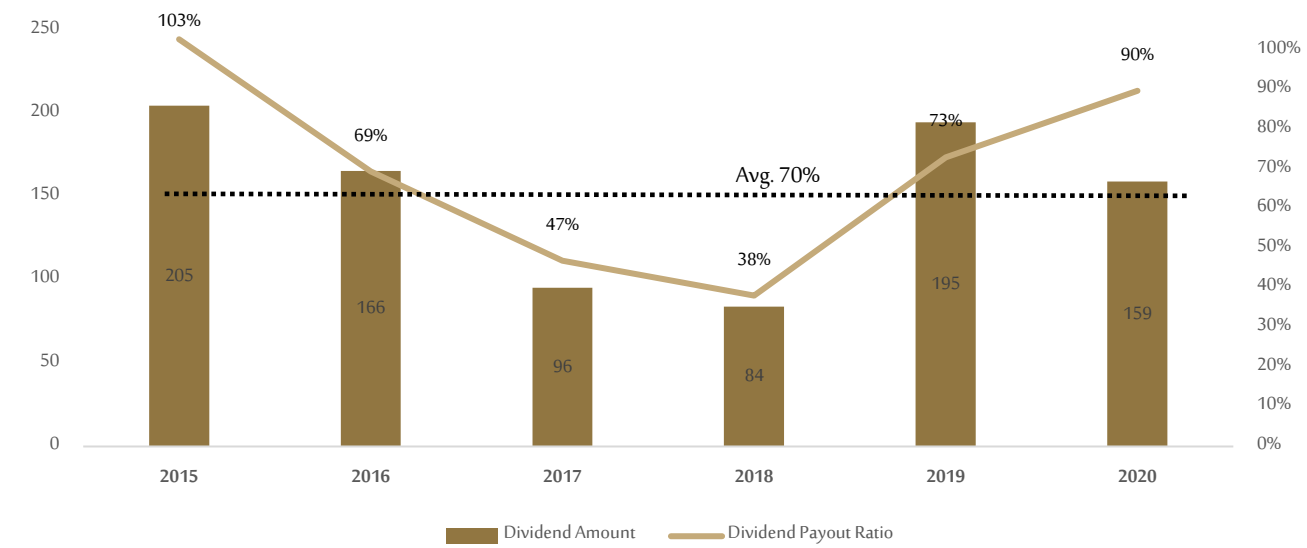


Key share data

Market Data			
Price	73.50	Volume	379,119
Change	0.20	Turnover	27,894,502.00
Change (%)	0.27	Transactions	1,215
Open	73.20	Market Value	2,756.25
Low	73.10	Avg. Volume (3M)	367,152.29
High	74.20	Avg. Turnover (3M)	27,310,704.21
Previous Close	73.30	Avg. Transaction (3M)	1,168.32
Change (3M)	(0.14 %)	Change(12M)	24.24 %
Change (6M)	(3.55 %)	YTD	(2.91 %)

Financial Ratios	
Financial Ratio	Current
Market Cap (M Riyal)	2,756.25
Shares Outstanding ((M))	37.50
EPS (Riyal) (TTM)	4.04
Book Value (BV) (Latest announcement)	13.74
Adjusted P/E (Last12)	18.21
Price/book	5.35
Dividend Yield (%) (Last Year)	5.78
Return on Average Assets (%) (TTM)	13.83
Return on Average Equity (%) (TTM)	29.05
Enterprise Value (EV) (M Riyal)	2,386.06

Dividend Distribution



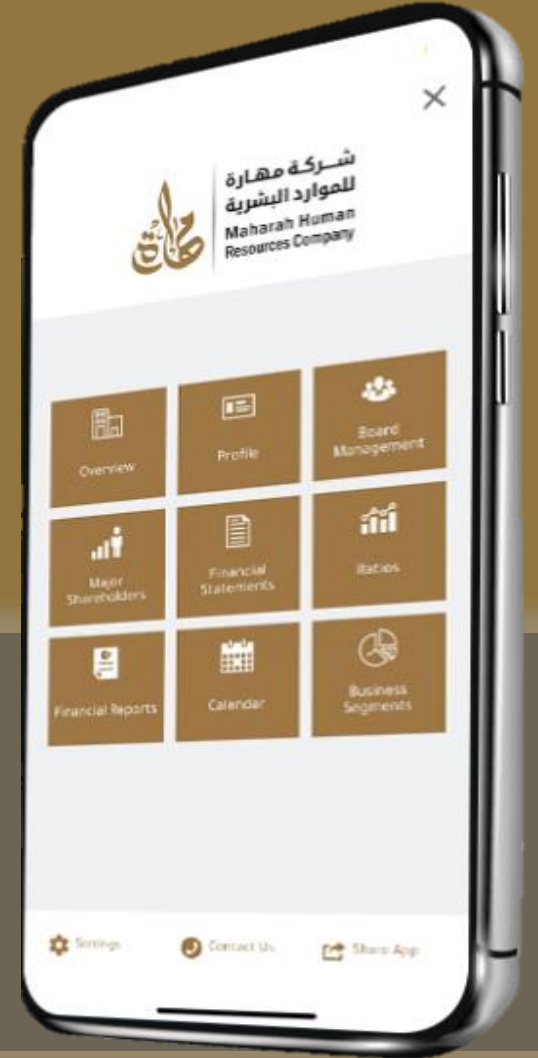
1831 Stock Chart



Maharah Investors Relation App is Available Now!

Available on the
App Store

ANDROID APP ON
Google play





Q&A



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Thank You

