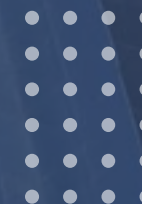




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للموارد البشرية  
Maharah Human  
Resources Company

# Maharah Human Resources Company

Leading Provider of Human Resource  
Services in Saudi Arabia  
Earning Call for Q3/ 2023 financial results.





## Disclaimer

This document is prepared for information purposes only. It should not be construed as an offer to sell or a solicitation of an offer to purchase. The information contained in this document may contain certain forward-looking statements and should be considered as good faith estimates. Information in this presentation is subject to change at any time without further notice. Actual results may differ materially from those in the forward-looking statements due to future events, uncertainties and other risks. To the extent permitted by applicable laws and regulations in the Kingdom of Saudi Arabia, neither Maharah nor any of its affiliates, their directors, officers and employees will be liable or have any responsibility of any kind for any loss or damage that may be incurred as a result of using the information contained in this document.

# 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.

## Vision

Be on top of mind for premium multi-sector workforce provision in KSA to help achieve the country's long-term socio-economic objectives

## Mission

Serving our clients' evolving needs across KSA by providing premium manpower solutions and growing sustainably via new ventures and strategic alliances

## Our Values

- Innovation and creativity
- Quality and Excellence
- Focus on the client
- Integrity and transparency
- Teamwork spirit



# Success Highlights



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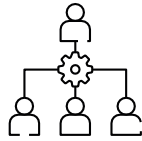
March 2019G

The Capital Market Authority approved the initial public offering of (30%) of Maharah shares.



January 2022G

- GAC , acquire (85%) of Shifaa.  
Finalizing and completing all the acquisitions that were signed by Maharah during the year.



May 2014G

The number of the company manpower reached (10,000) individuals.



December 2016G

The number of the company manpower reached (30,000) individuals.

June 2019G

Trading of Maharah shares started in the Saudi Stock Exchange



December 2019G

Maharah won the best human resources company award

December 2019G

Maharah won the best human resources company award

2013

2014

2015

2016

2017

2018

2019

2020

2021

2022

2023

February 2013G

Maharah was established as a closed joint stock company with a capital of SAR (100,000,000).

February 2015G

Khidmah (service) program was launched."

May 2017G

Maharah obtained the ISO certificate 9001-2015

September 2017G  
Maharah acquired (85%) of Musanid Company in the United Arab Emirates

December 2019G

Maharah won the best human resources company award

August 2021G

We acquired (90%) of Spectra Company Support Services

September 2021G

We inaugurated of the first phase of Maharah new services application

November 2021G

GAC Co. 100% owned by Maharah, signed a memorandum of understanding to acquire (40%) of SLS Company for Trade and Marketing, owner of (Soror) application.

June 2021G

Growth Path Investment Company was established as the investment arm to diversify Maharah activities

June 2023G

New capital 475 Mn

August 2023G

Approval of the new strategy

September 2023G

Government Contract signing by SMS company ( SAR 3b )



## Revenue

**SR 1396 Bn**

revenue increased by 16% compared with the same period last year.



## Net profit

**SR 100MM**

7% Gross Profit Margin.



## Gross Profit

**179 MM**

Increase of 9%



## Return from Investment

**43.6 MM (24% Increase)**

Maharah share in profit (SMS and Care Shield)



## Dividends

**SR 45MM (H1 / 2023)**

SR 1 / share  
Payout ratio 59%.

SR 160MM  
(2022 ) Payout ratio 103%



## Work Force

**36,000**

Increase by 15%



## Market CAP

**SR 3 Bn**

As of end Q3 2023.

## EPS

EPS for Q3 2023 SR 2.23



## Maharah Market Share

Reached to the highest number of number of workforce s among PRCs.



## HRCs Market Share

HRCs  
market 2.5%.



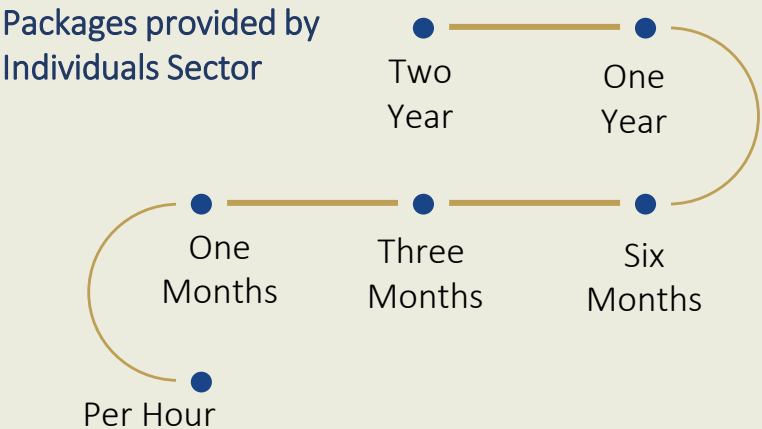
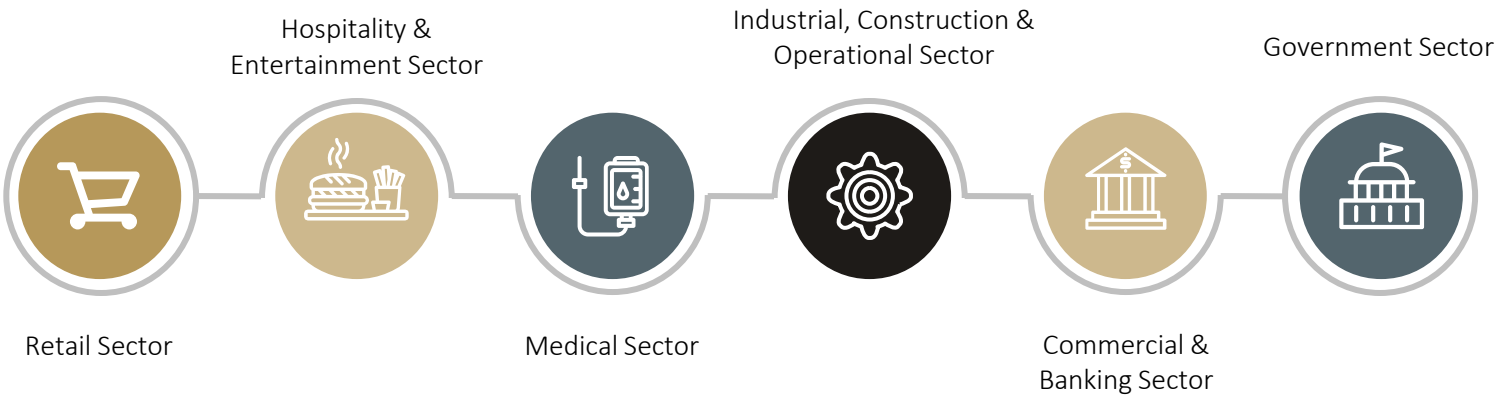
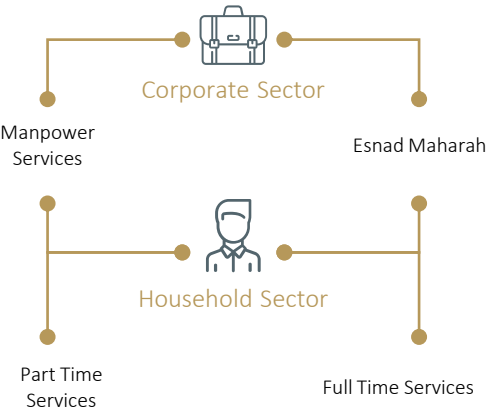
## Capital

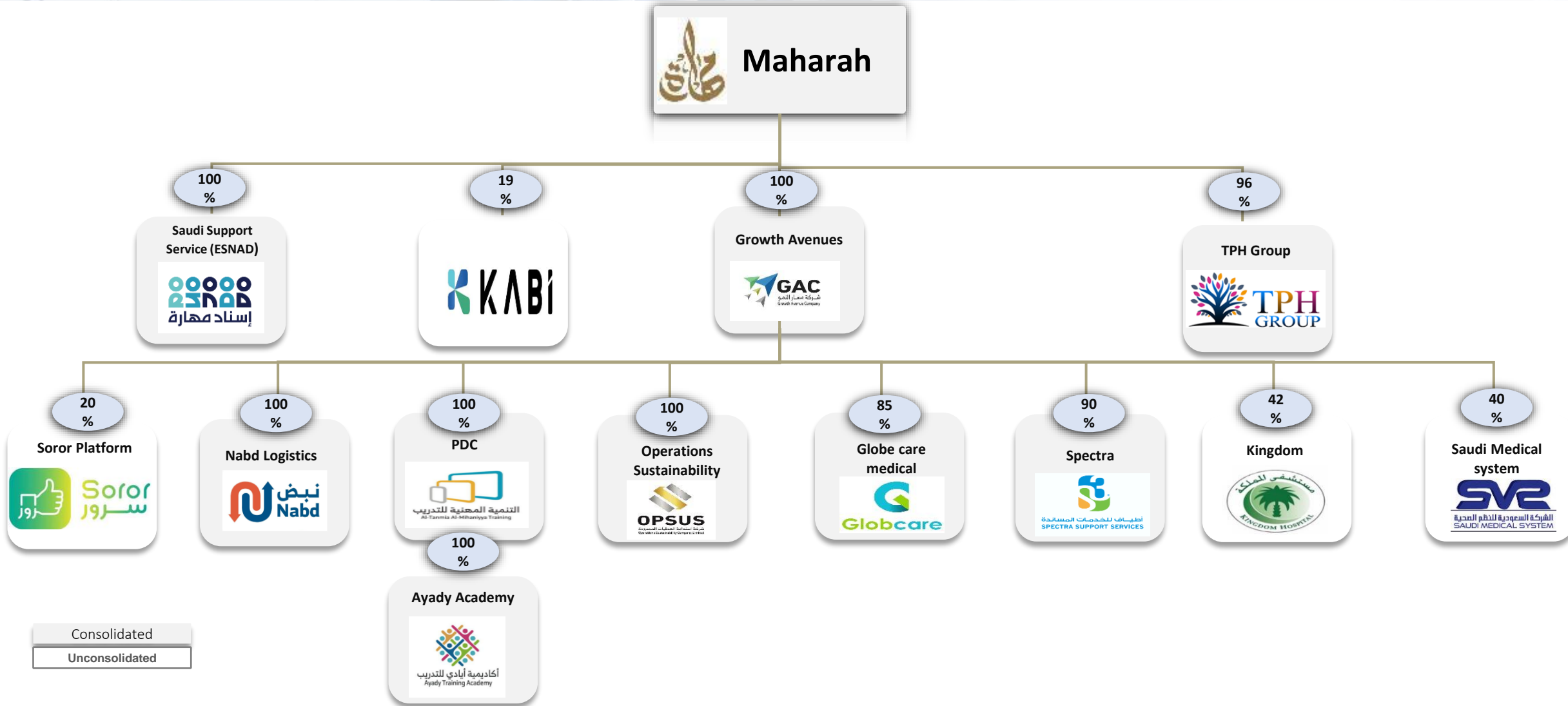
**475 MM (100M increase)**

Number of shares after increase  
47.5M

**Total Assets**  
**1.8 Bn**

Our Integrated Solutions ... Sustainability and Innovation







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# Strategy

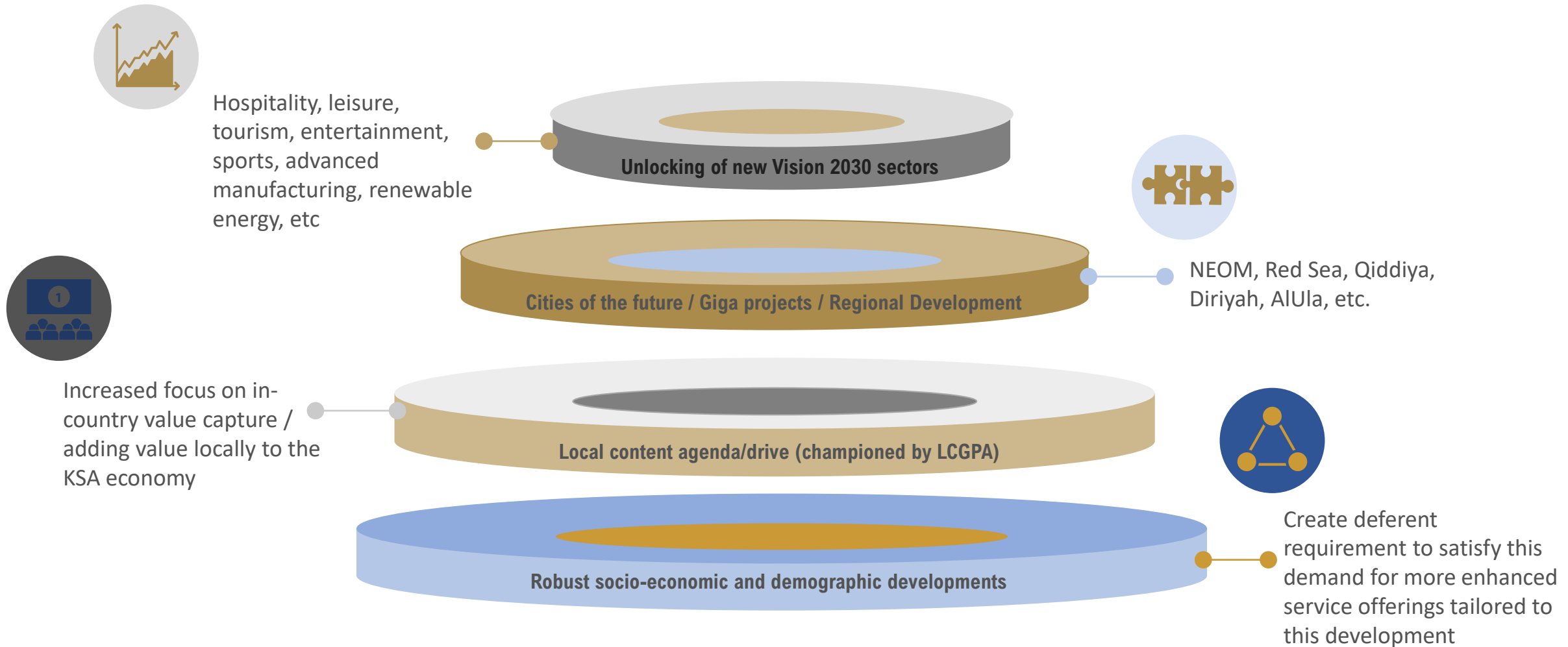


# Overview of key opportunities



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There is an overall positive sentiment in the market with major changes taking place across new sectors



Market outlook present a positive growth as well as a sizeable potential in workforce demand in the coming years

Key features of prioritized sectors

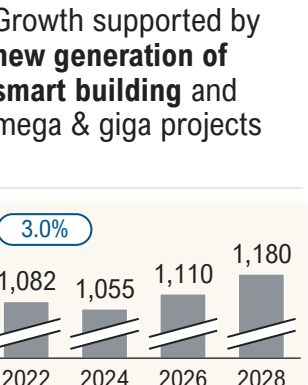
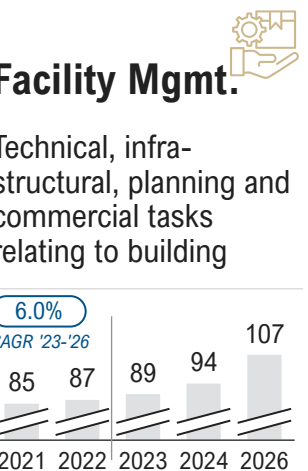
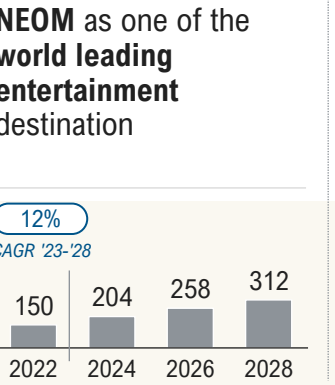
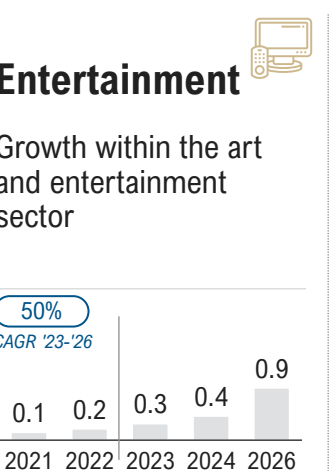
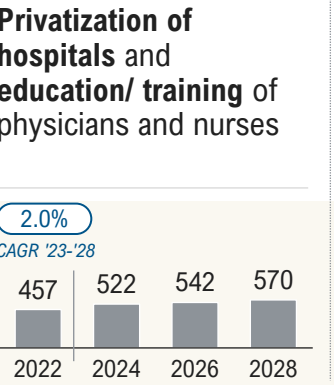
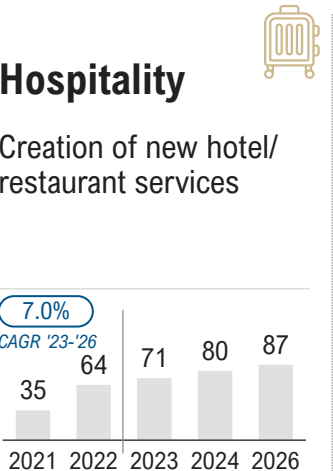
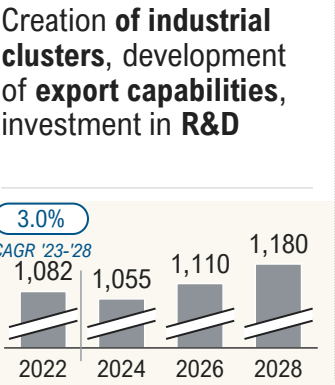
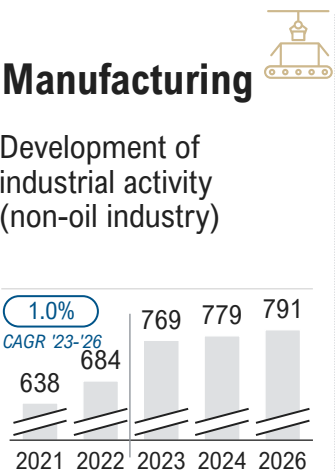
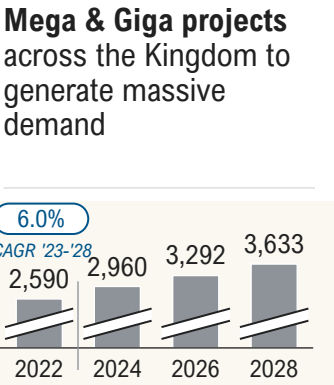
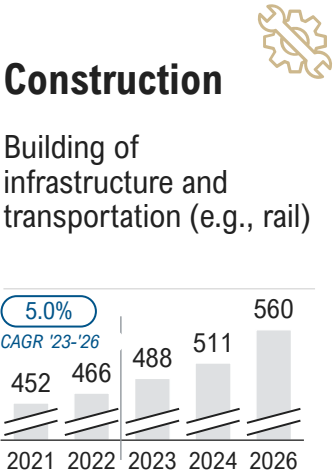
Prioritized sectors based on GDP growth & adressable workforce

Overview of activities

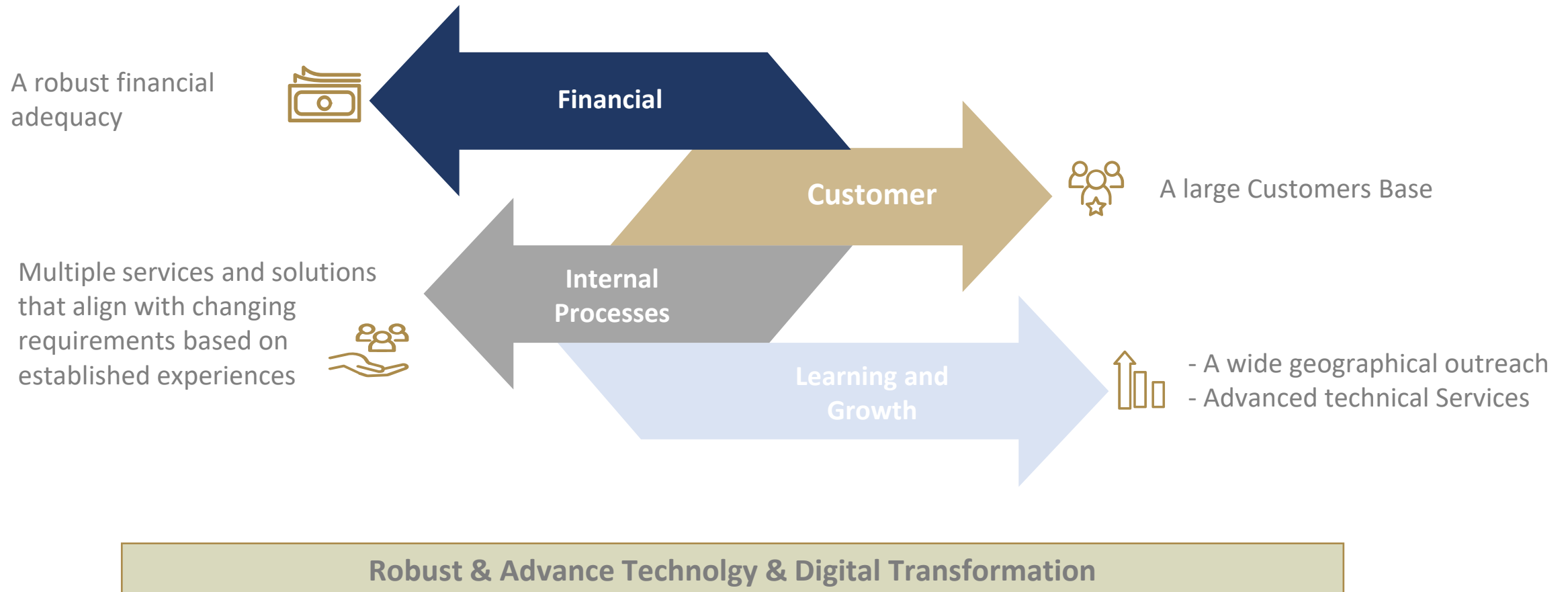
Sector market size<sup>1)</sup>  
['21-'26, SAR bn]

Vision 2030 for the sector

Sector workforce<sup>2)</sup>  
['22-'28, k workers]

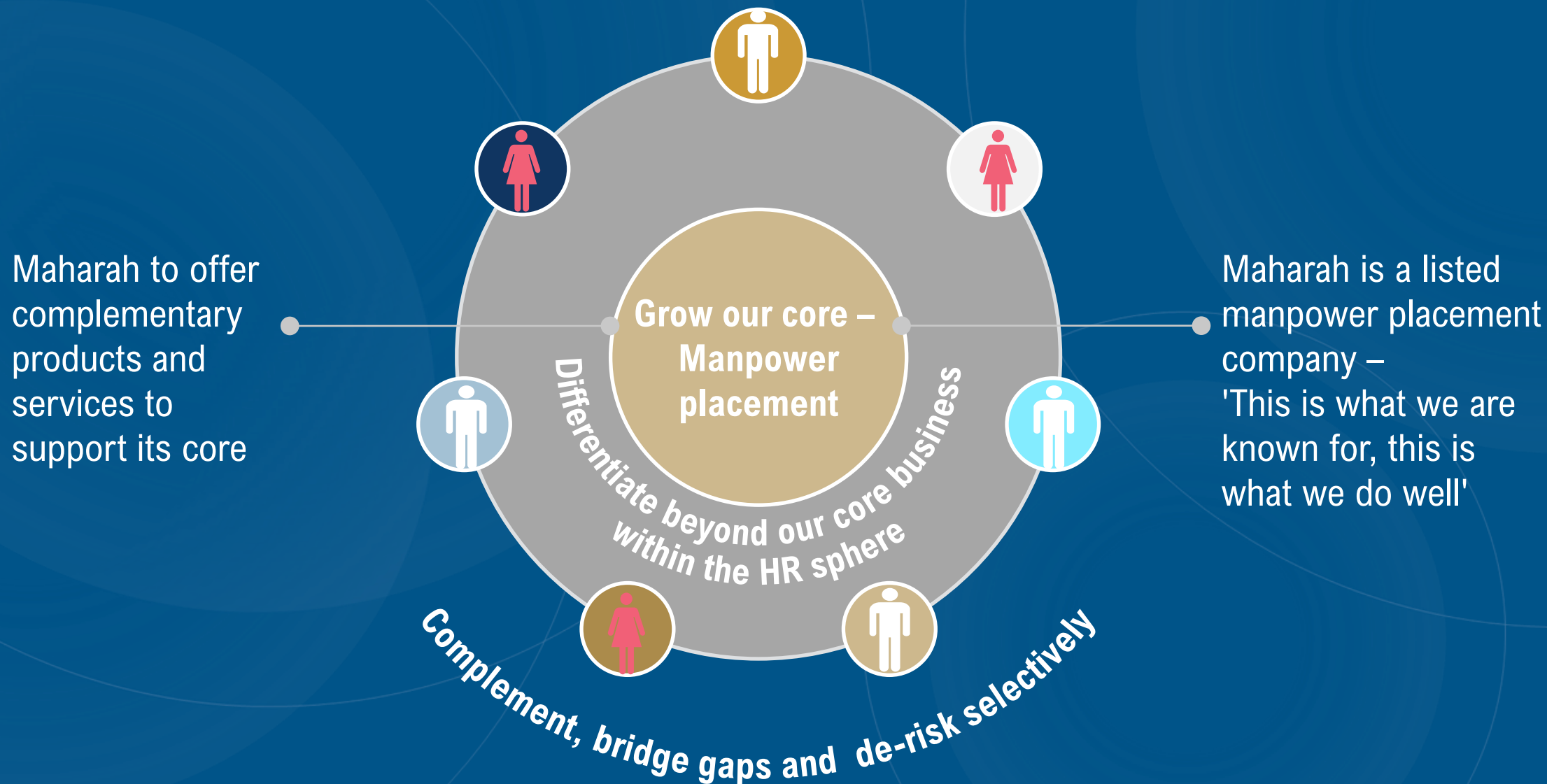


### ➤ Drivers of achieving the strategic priorities



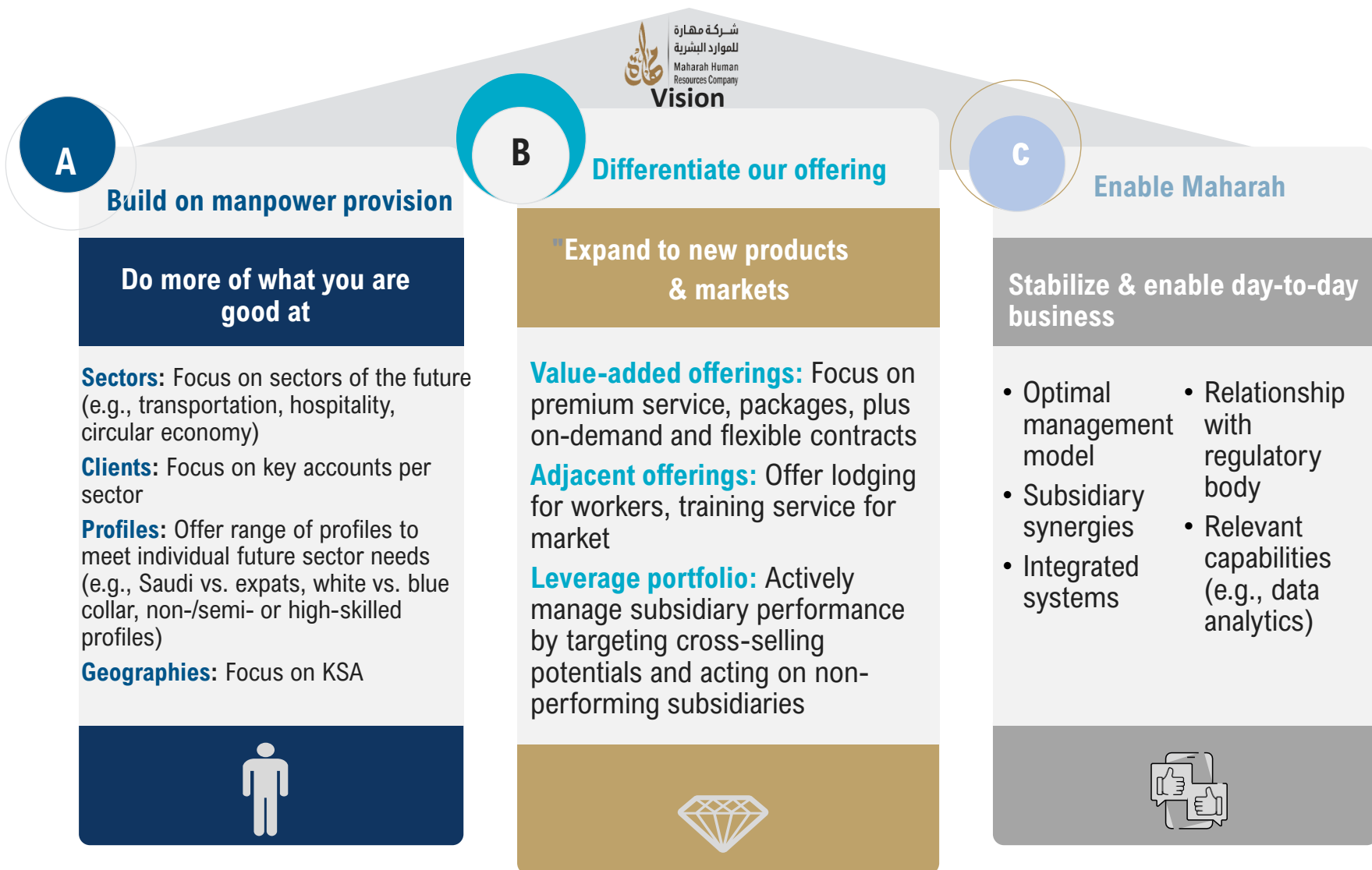


# Philosophy of the strategy



# Strategy and Direction

The company's Board of Directors announces the completion of the approval of the new strategic plan under the Name of “MAHARAH NOMU STRATEGY, summarized as below:



- Define detailed initiatives.
  - Execution & implementation plan
  - Building a financial model
- ➔
- **Start Execution**  
(some initiatives already is in progress/  
New strategical Alliances)



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# Accomplishments & Key Achievements



# Corporate Key Drivers & Achievements



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## Investments

- Saudi Medical Systems Co, (SMS)
- Care Shield Holding. (Kingdom Hospital).
- KABI
- Salis Trading and Marketing. (SUROR app)

## Business Development

- Spectra Co. Shifaa Co.
- the perfect help Co.TPH,
- NABD logistic Co.
- Ayadi Academy.

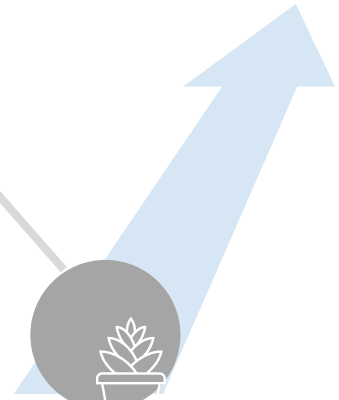
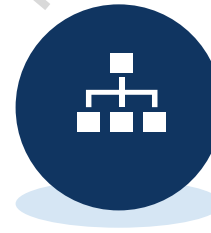
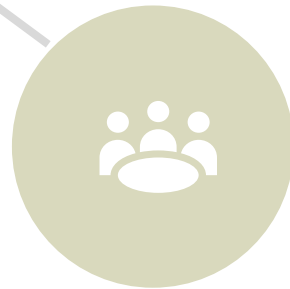
## Strategic Inactivates

### Services & Initiatives

- Customer Market Approach
- New Service Offerings In Individual Segment

## Core Operation

- Corporate sector
- Saudi Support services (ESNAD)
- Individual Sector (Resident Service)
- Individual Sector (Hourly Rate)



# Accomplishments & Key Achievements

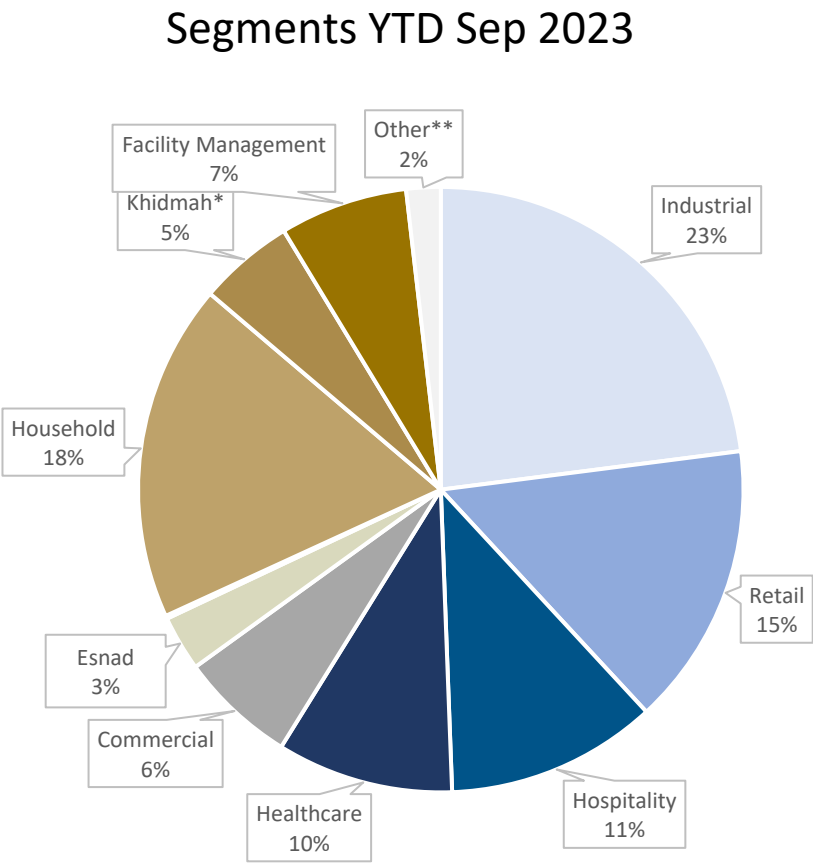
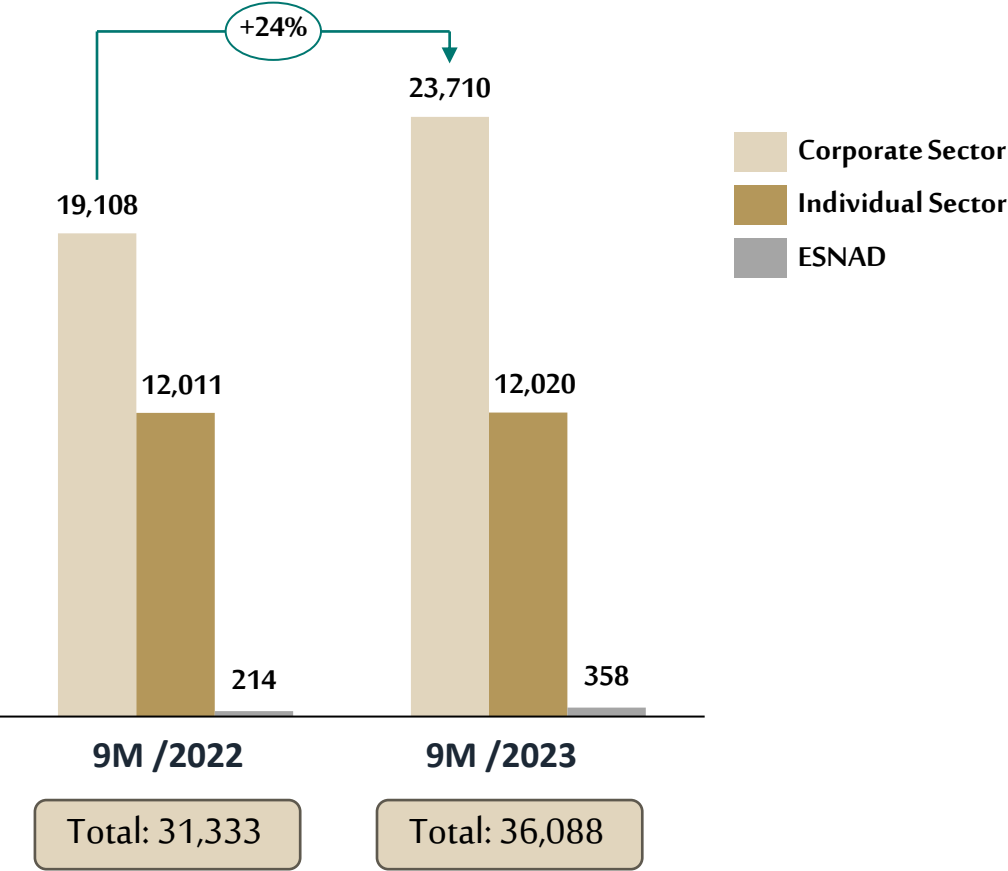
## Strategic Partnership and Memoranda of Understanding



# Accomplishments & Key Achievements

## Core Operations - (Over All number of Work Force)

Average number of work force during the 9-month period of 2023 compared to the same period in year 2022 ( Growth by 15%)



# Accomplishments & Key Achievements

## Core Operations – Corporate Segment



### Open a new corporate center

Continue penetrating the petrochemical sector by opening a new Corporate center/ branch



### New contracts

Major contracts has been signed with difference industries in the Q3 with a demand reach 5K+

### Average Manpower

16 % Growth in Average Number of Workforce

### Corporate sector

Reached to the highest number of number of workforce s among PRCs



Signing a contract to provide specialized professions in new sector (white collars).

Exposure with Giga-projects.

New contracts for the Corporate sector includes mega contractor, leading hospital operation provider.

3 new added services / 2024

# Accomplishments & Key Achievements

## Core Operations – ESNAD

➤ Esnad is a service provided from Maharah Human Resources Company specialized in recruiting national personnel. Maharah launched this service under the name of “Esnad Maharah” in conjunction with the launch of Ajeer program to support Saudis.

Esnad



Signing an exclusive contract with Bank sector to become the sole company providing support services for the business sector

Signing a contract with federation of Saudi Chambers

Singing a contract with Ministry of Industry and Mineral Resources



### Revenues

Esnad has reached more than 50 million year-to-date

### Number of hires

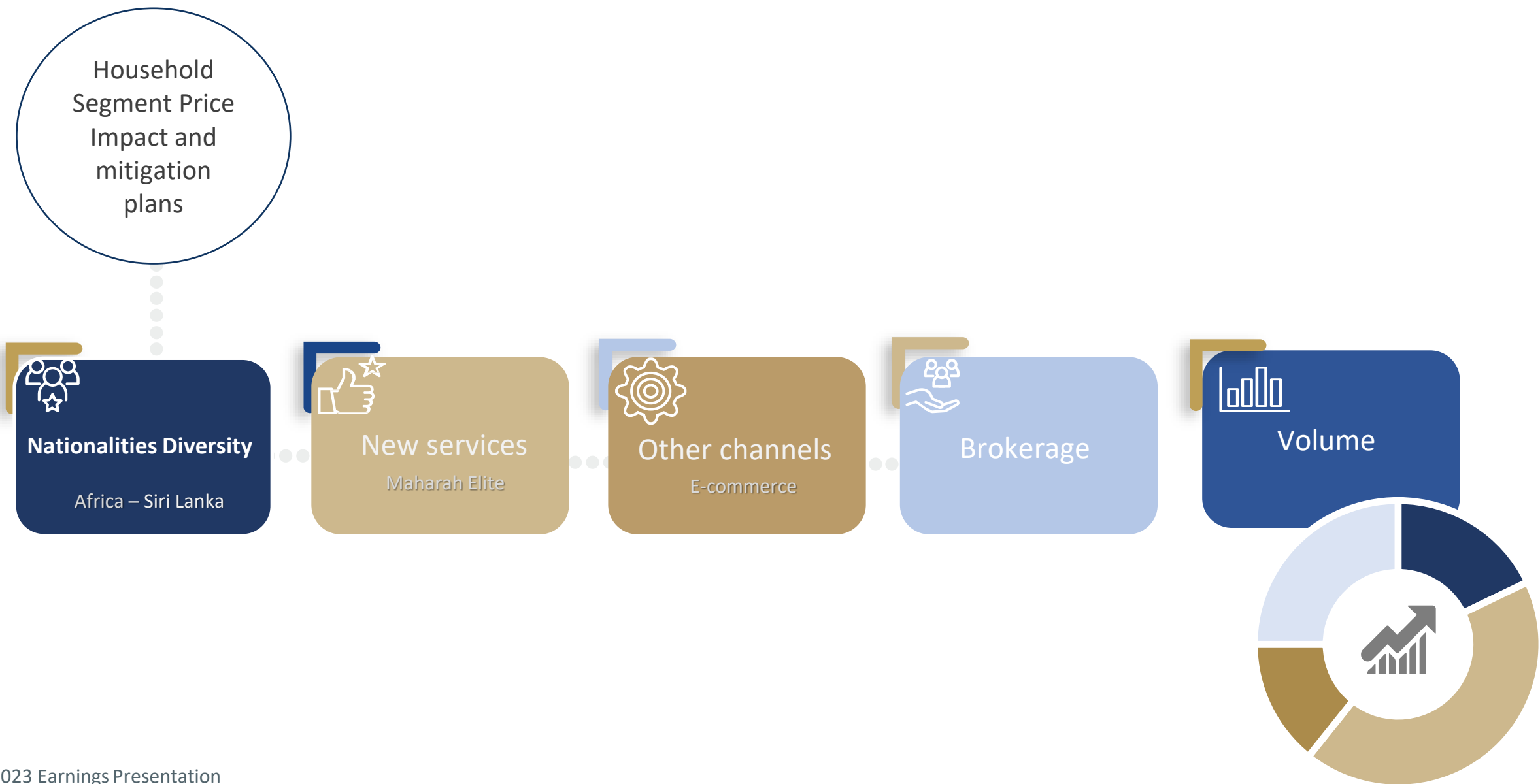
number of hires since the beginning of 2023 reached 3 digits FTEs employed.

### Expansion

Wide Pipeline in the Process

### Contracts

Signed with more than 18 governmental, semi- governmental and private sector

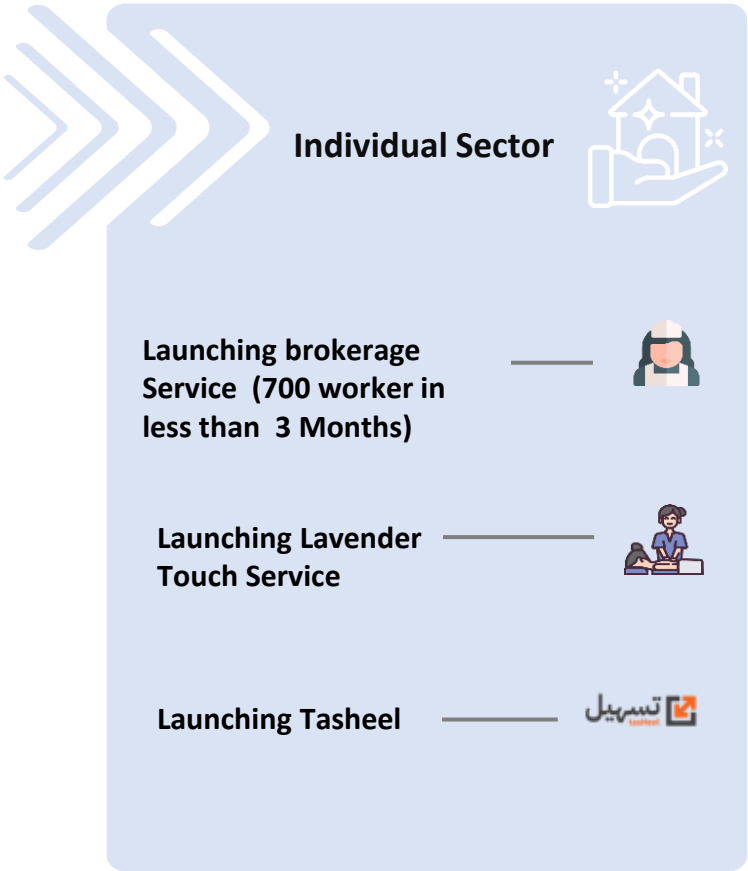


# Accomplishments & Key Achievements

## Core Operations – Individual Segment

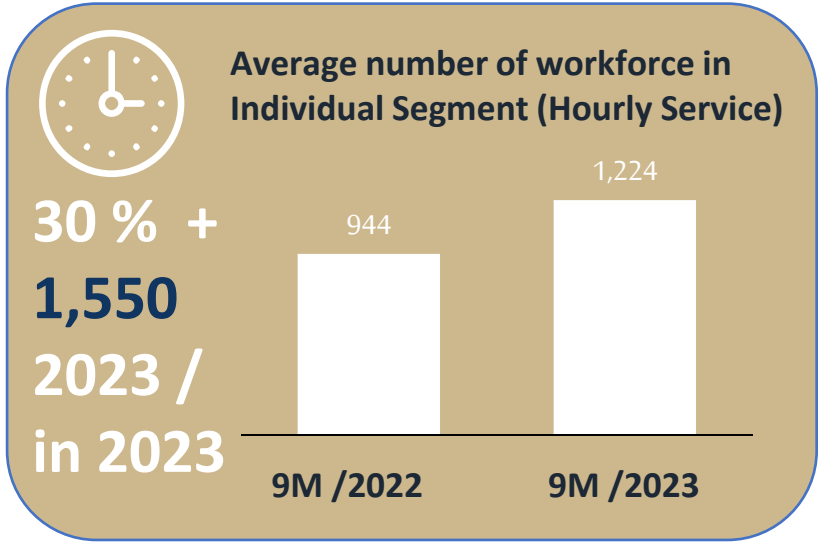


Diversify the Service Offerings (almost 11 new services) - 2024: :



### Target Specific Nationalities:

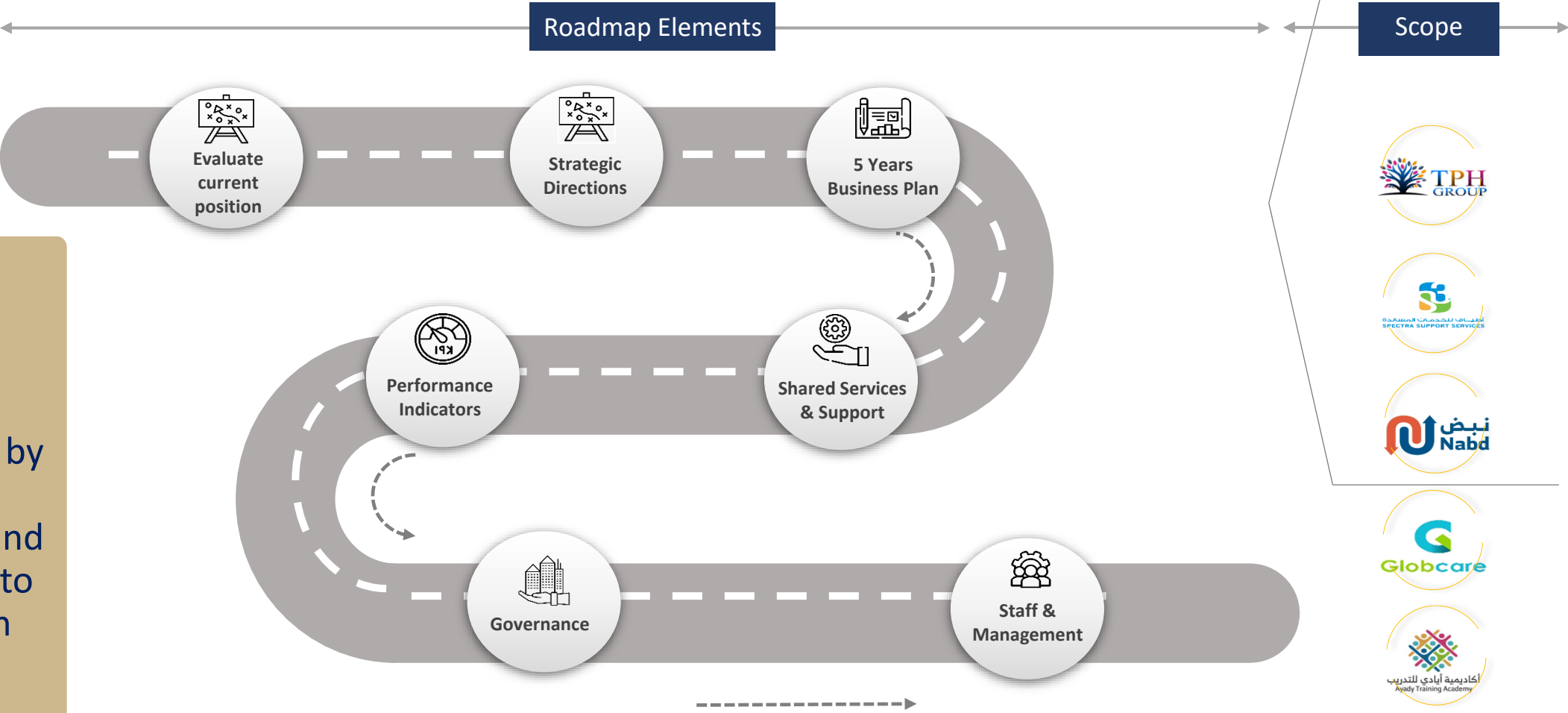
- Onboarding from Sri Lanka
- Other Possible Countries



# Accomplishments & Key Achievements

## Core Operations – Acquired Subsidiaries & Start-up Companies

The Subsidiary Management Roadmap aims to provide clear direction to the growth of the company, and a strategic guide connecting all subsidiaries with Maharah’s goals, to achieve financial performance and operational excellence



Create value: by bringing all subsidiaries and new start-up to profitability in 2024

»» The company continues its efforts and work to improve profit margins through:



**Revenues**

New sectors, government, construction and petrochemical through strategical contracts

**Number of Hires**

Continue growing average number of workforce and meeting arising demand

**Expansion**

Expanding service offerings including white collars

**Synergies**

Create value through restructuring and achieved synergies in created or acquired companies



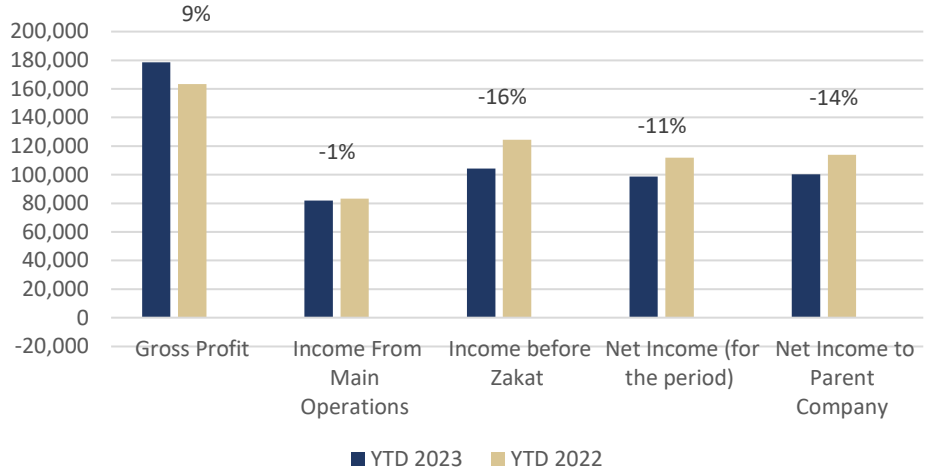
# Financial Performance >>>



# Financial Highlights for 9-Months Performance

'000 SAR	Sep-23	Sep-22	%
Revenue	1,396,111	1,200,813	16%
Cost of Revenue	-1,217,612	-1,037,370	17%
<b>Gross Profit</b>	<b>178,499</b>	<b>163,443</b>	<b>9%</b>
G&A Expenses	-71,720	-69,708	3%
Marketing Expenses	-12,538	-10,506	19%
Provision for Doubtful debt	-12,270	-81	15048%
<b>Income From Main Operations</b>	<b>81,971</b>	<b>83,149</b>	<b>-1%</b>
Other Income	10,722	5,419	98%
Finance cost	-30,973	-3,077	907%
Goodwill impairment Loss	-1,140	-	NA
Share in net loss of an associate	43,638	35,116	24%
Net gain on equity investments at FVTPL	633	3,708	-83%
<b>Income before Zakat</b>	<b>104,851</b>	<b>124,314</b>	<b>-16%</b>
Zakat	-5,528	-12,324	-55%
<b>Net Income (for the period)</b>	<b>99,323</b>	<b>111,990</b>	<b>-11%</b>
Non-Controlling Interests	-1,047	-1,948	-46%
<b>Net Income to Parent Company</b>	<b>100,369</b>	<b>113,937</b>	<b>-14%</b>
Gross Margin %	13%	14%	
Operating Margin %	6%	7%	
Net Margin %	7%	9%	

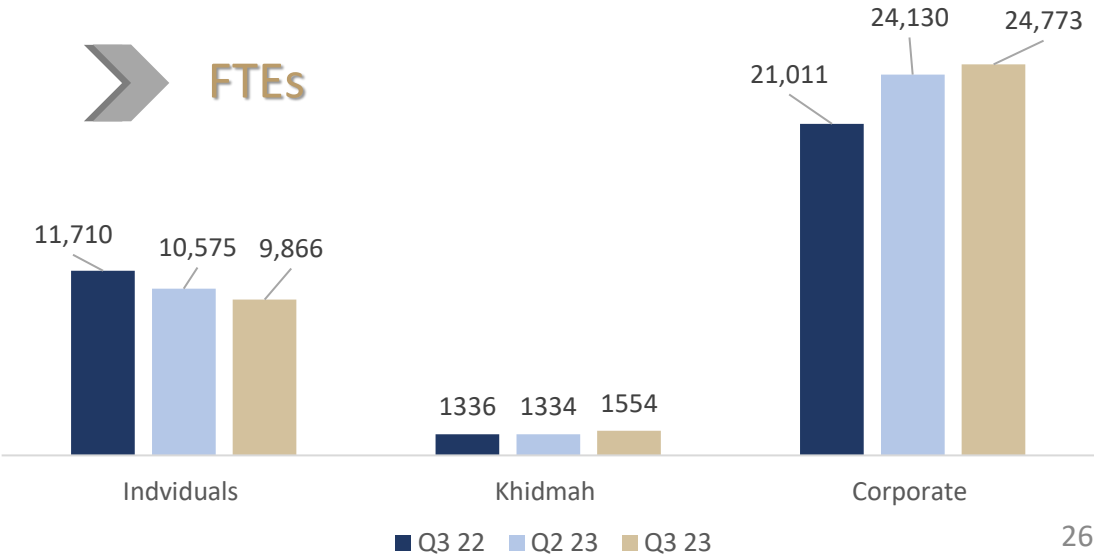
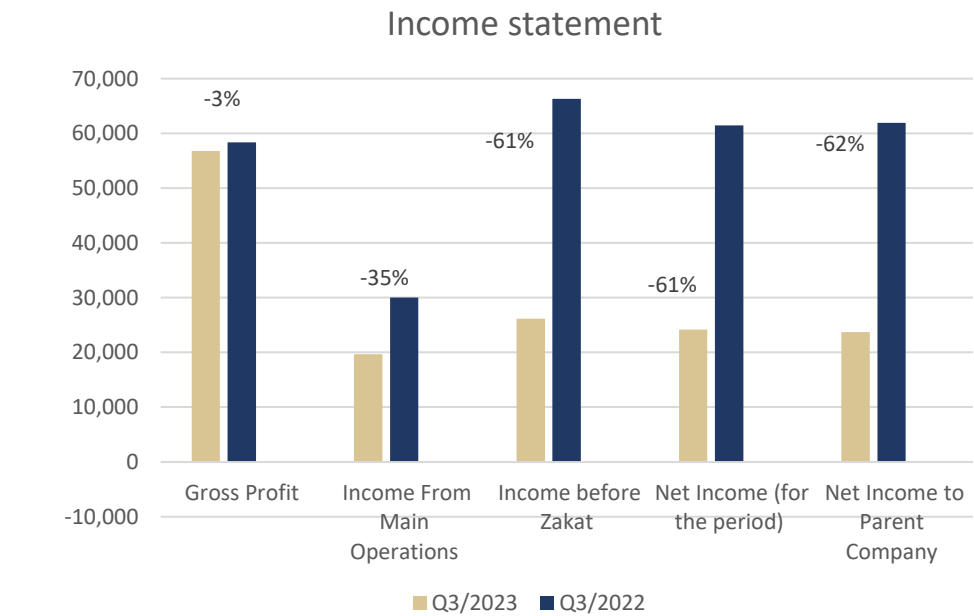
Income statement YTD 2023



Segment	Sep-23	Sep-22	Growth
Industrial	331,959	228,603	45%
Retail	219,043	163,946	34%
Hospitality	163,196	155,536	5%
Healthcare	136,427	134,108	2%
Commercial	89,689	67,167	34%
Esnad	42,660	18,536	130%
Petrochemical	2,307	-	NA
Household	261,009	304,832	-14%
Khidmah*	73,942	64,526	15%
Facility Management	98,905	118,241	-16%
Other**	26,537	2,862	827%
Elimination	(49,563)	(57,543)	-14%
<b>Total</b>	<b>1,396,111</b>	<b>1,200,813</b>	<b>16%</b>

# Financial Highlights for Quarterly Performance

'000 SAR	2023 Q3	2022 Q3	%
Revenue	471,489	416,278	13%
Cost of Revenue	-414,676	-357,907	16%
Gross Profit	56,813	58,370	-3%
G&A Expenses	-23,841	-24,979	-5%
Marketing Expenses	-4,874	-3,998	22%
Provision for Doubtful debt	-8,435	628	-1443%
Income From Main Operations	19,663	30,021	-35%
Other Income	3,738	2,553	46%
Finance cost	-10,318	-2,355	338%
Goodwill Impairment Loss	-1,140	-	NA
Share in net loss of an associate	14,242	35,196	-60%
Net gain on equity investments at FVTPL	-3	908	-100%
Income before Zakat	26,183	66,324	-61%
Zakat	-2,028	-4,856	-58%
Net Income (for the period)	24,155	61,468	-61%
Non-Controlling Interests	-441	463	-5%
Net Income to Parent Company	24,596	61,931	-62%
Gross Margin %	12%	14%	
Operating Margin %	4%	7%	
Net Margin %	5%	15%	

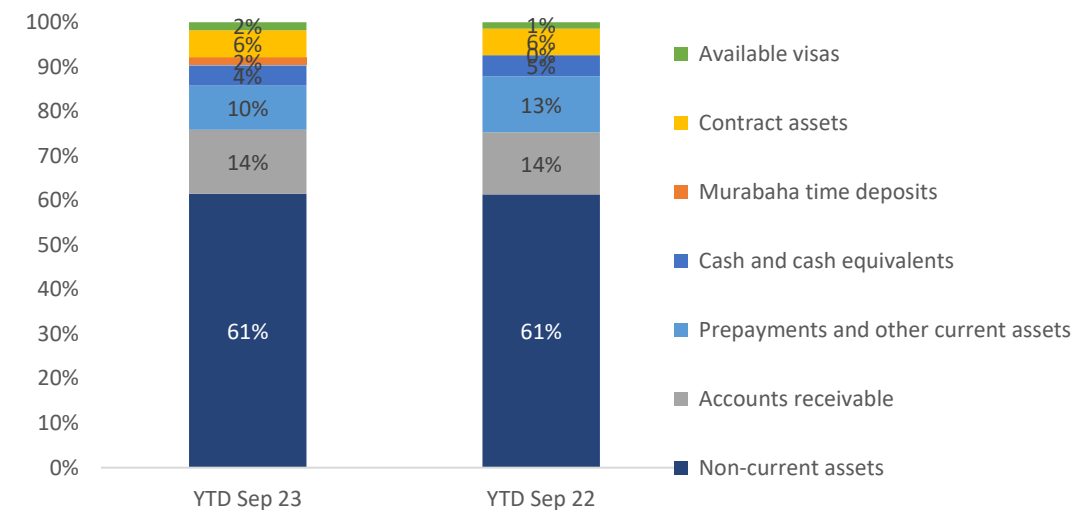


# Financial highlights Q3/2023



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	Sept 2023	Dec 2022
Current Assets	676,967	676,149
Non-Current Assets	1,080,038	1,072,721
<b>Total Assets</b>	<b>1,757,005</b>	<b>1,748,870</b>
Current Liabilities	450,658	472,801
Non-Current Liabilities	687,555	677,704
<b>Total liabilities</b>	<b>1,138,214</b>	<b>1,150,505</b>
Equity	620,584	599,111
Minority interests	-1,793	-746
<b>Total liabilities &amp; Equity</b>	<b>1,757,005</b>	<b>1,748,870</b>



Quick Ratio		
△	Sept-23	Dec -22
40%	25%	18%

Current Ratio		
△	Sept-23	Dec-22
7%	1.5	1.4

Working Capital (MM SAR)		
△	Sept-23	Dec-22
14%	226,309	203,348

ROA		
▽	*Sept-23	Dec-22
8%	8.0%	8.8%

ROE		
▽	Sept-23	Dec-22
(12%)	22.6%	25.7%

Retained Earnings	
Beginning Balance – Dec 22	<b>143,619</b>
Dividends Distribution	<b>(82,500)</b>
Capital Increase	<b>(100,000)</b>
Treasury Stock	25,000
Net Income H1-23	100,369
<b>REs– Sep 23</b>	<b>86,488</b>

\* TTM

The background image shows a modern building interior. On the left, a large window displays a sculpture of a stylized figure in a dynamic pose. To the right of the window, a flag is visible. The scene is brightly lit, suggesting a sunny day. The entire image is overlaid with a semi-transparent blue filter.

# Q / A

## IR Contacts



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Earnings Release



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