



Results Presentation

FY 2022 Earnings Call

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1. Key Highlights

2. Financial Performance

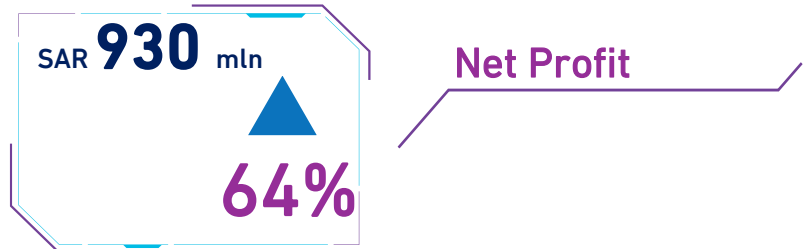
3. 2023 Guidance

4. Appendix

2022 Key Highlights and 2023 Outlook



2022



2023

Key growth drivers for 2023 and beyond in ...

- ▶ **Enhancing** the existing products as well as adding a new **value-added services**.
- ▶ Broaden the **M&A** portfolio to **expand** in current markets and **access** new ones.
- ▶ Expand in **new sectors** such as **tourism, culture, entertainment and sports**.

1. Key Highlights

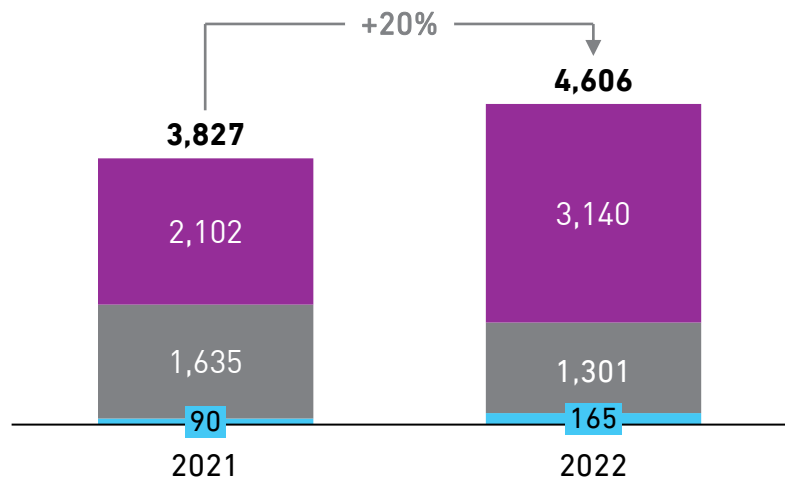
2. Financial Performance

3. 2023 Guidance

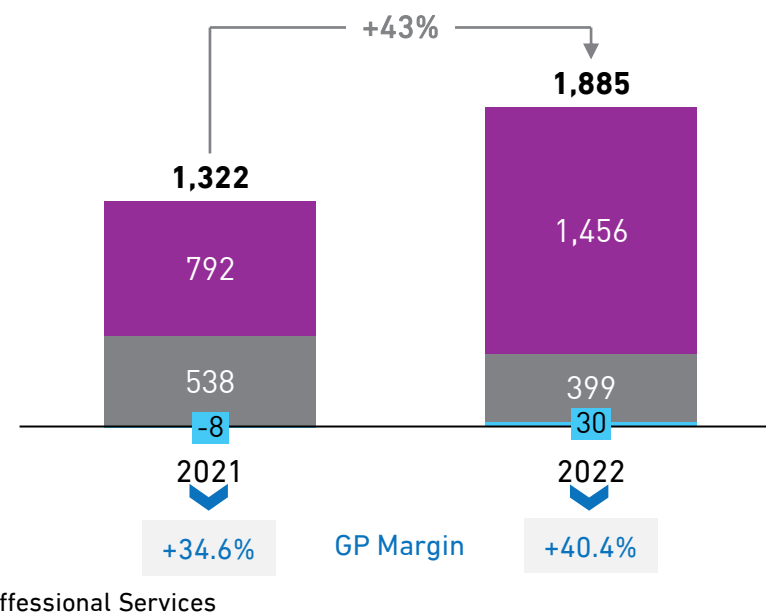
4. Appendix

P&L Highlights

Revenue by Business Segment
SAR Millions



Gross Profit by Business Segment
SAR Millions



■ Digital Business
 ■ Business Process Outsourcing
 ■ Professional Services

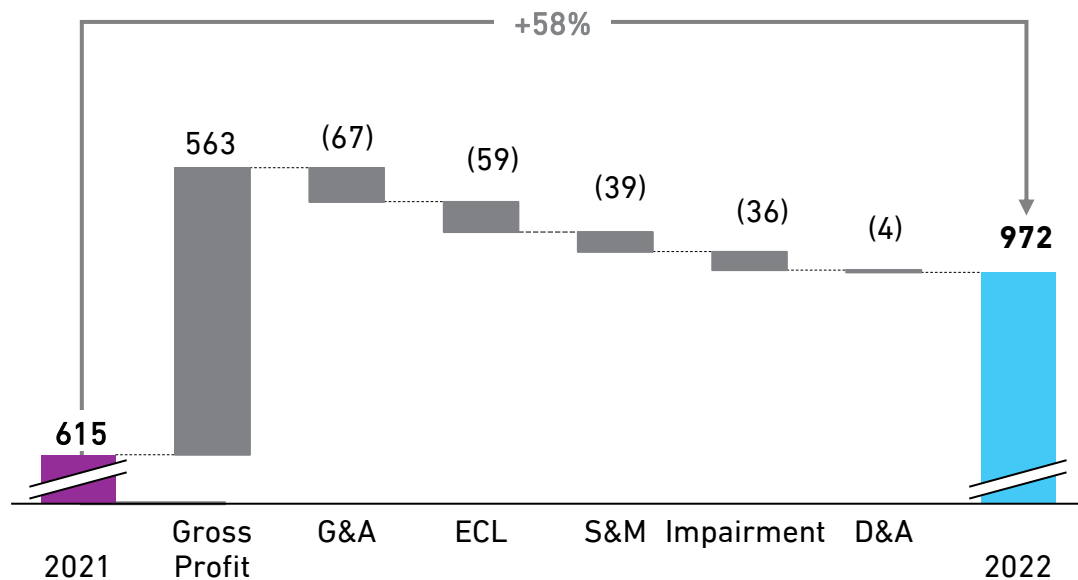
Key Highlights

- › Strong Revenue growth across digital business and professional services segments, resulted in Growth in gross profit.
- › Growth in Gross profit margin due to the increase in Digital Business Segment contribution to total revenue 68% (2021: 55%).
- › Growth in Private sector revenue to reach 58% (2021: 42%)
- › Reclassification from Direct cost to S,G&A expenses was made to present the appropriate function of transactions resulted to an increase in gross profit by SAR 136 million (2021: SAR 128 million) *

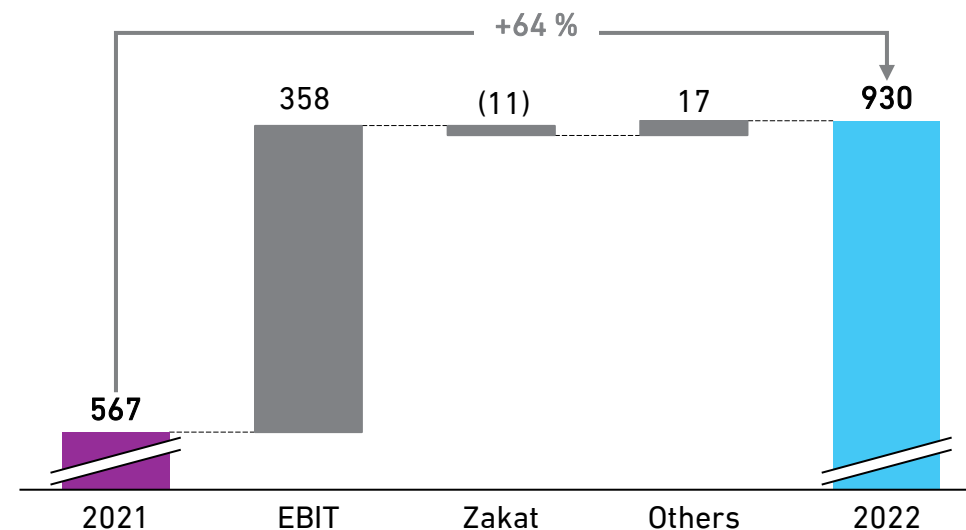
* A detailed disclosure of the Re-classification quarterly effect for FY22 and FY21 can be found in the appendix.

P&L Highlights

EBIT
SAR Millions



Net Profit
SAR Millions

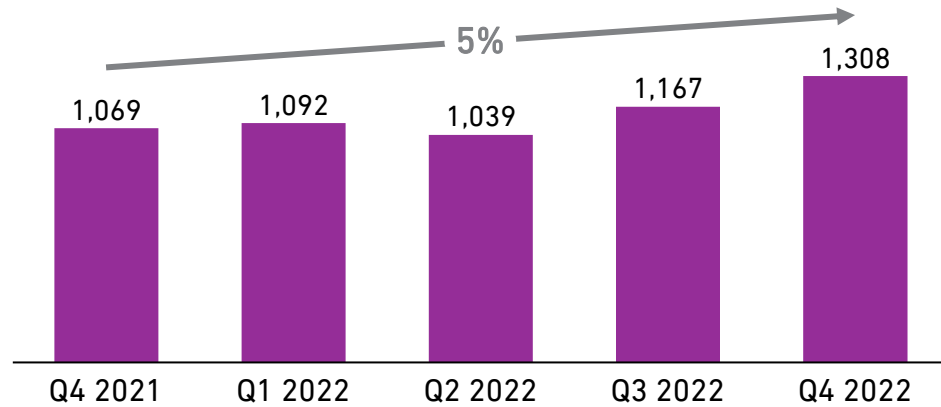


Key Highlights

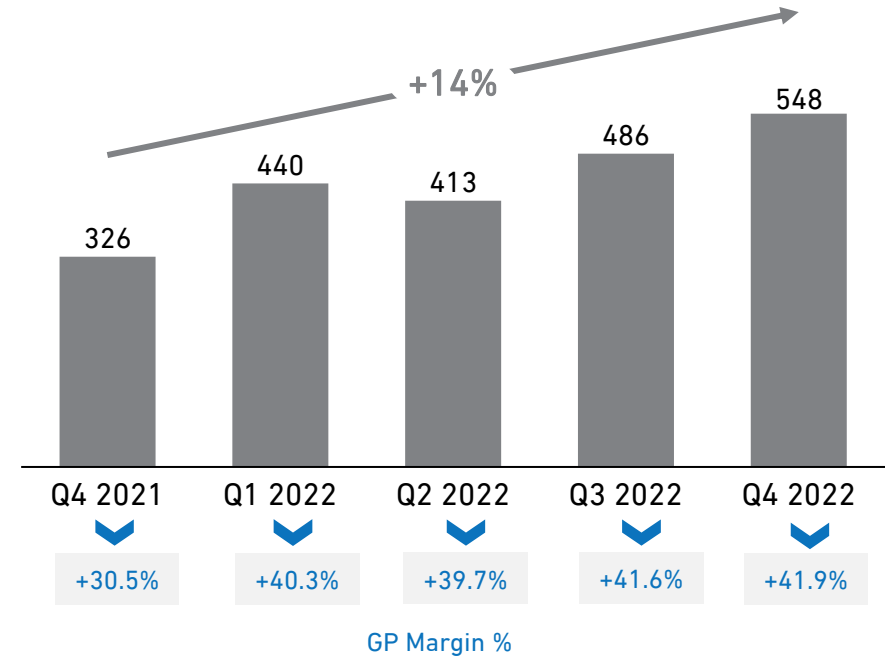
- › Increase in EBIT and Net profit due to strong revenue growth.
- › Increase in G&A and S&M driven by expansion in employees, and S&M activities.
- › Increase in ECL as part of conservative approach in estimating risk associated with old aged balances in Account receivables and Contract assets.
- › Impairment related to Intangible assets.
- › Increase in Others due to increase in Interest Income.

P&L Highlights

Revenue Trend
SAR Millions



Gross Profit Trend
SAR Millions

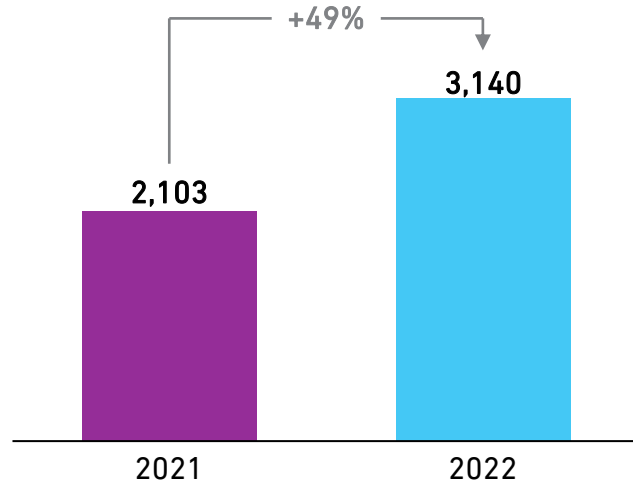


Key Highlights

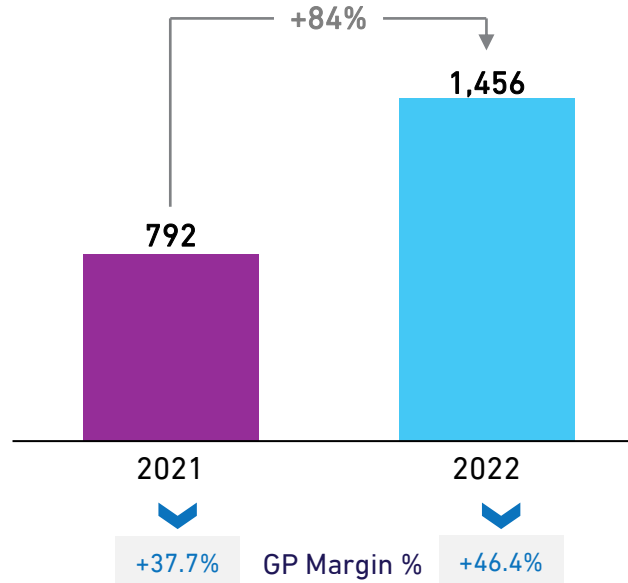
- › Continuous revenue growth historically.
- › Constant growth in gross profit coupled with healthy gross profit margins.

Digital Business

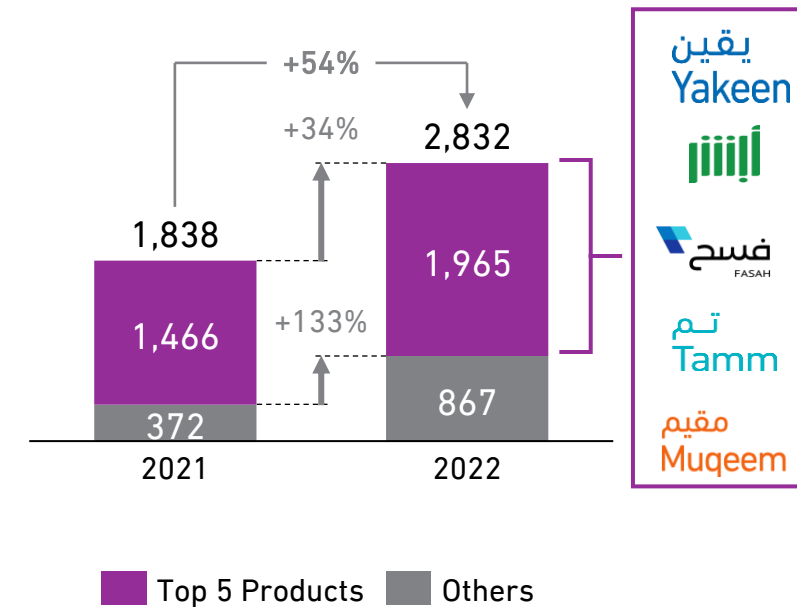
Revenue
SAR Millions



Gross Profit
SAR Millions



Products Revenue
SAR Millions

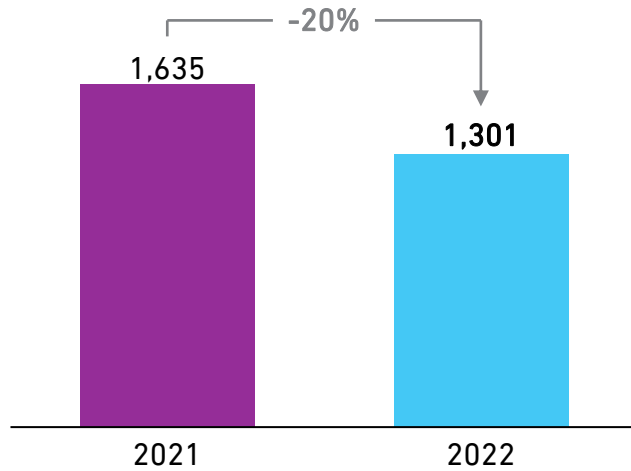


Key Highlights

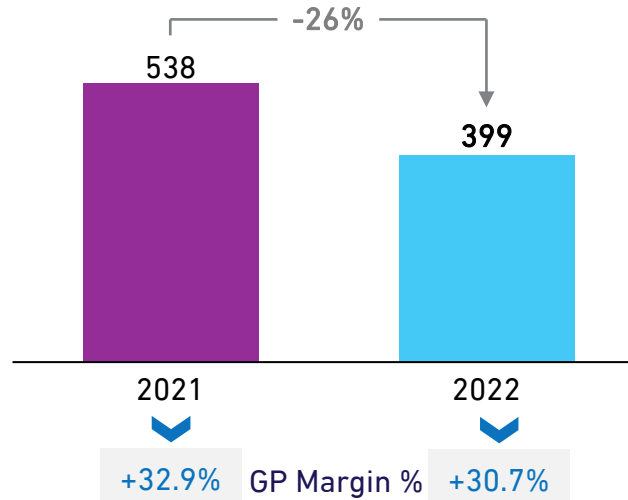
- › Strong revenue growth across current and new products, supported by revenue growth in projects
- › Increase in Gross Profit and Gross profit margin led by products revenue growth and projects margin improvement.
- › As a result of growth in the products revenue mix, the top 5 products contribution decreased to 69% (2021: 80%)
- › Top 5 products witnessed continuous growth due to several factors, including the introduction of new services, increase in customer base.
- › Others also witnessed impressive growth, driven by the launch of new products and strong performance from existing products. (Hajj and Umrah, Dhameen and Tawseel)

Business process Outsourcing

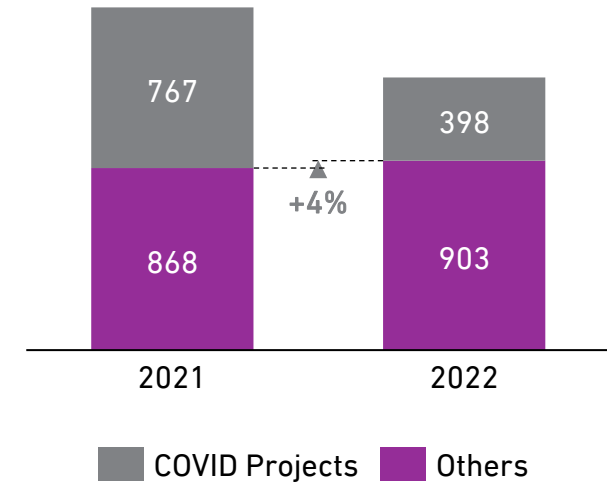
Revenue
SAR Millions



Gross Profit
SAR Millions



Breakdown of BPO Revenue
SAR Millions

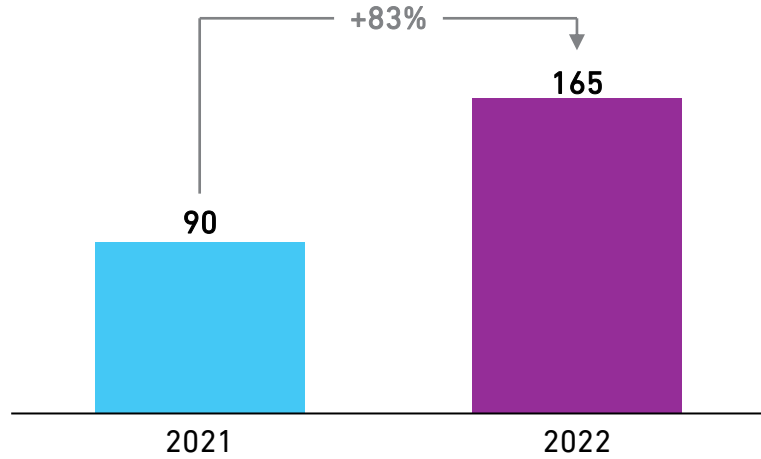


Key Highlights

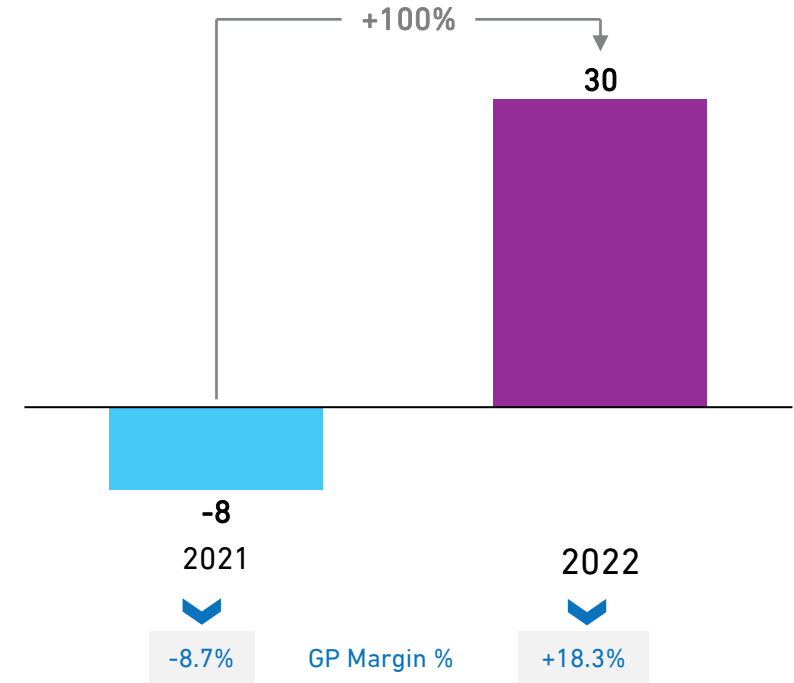
- › The decrease in revenue was due to the completion of major projects.
- › BPO achieved 4% revenue growth, excluding one time COVID-related projects.
- › A slight decrease in gross profit margin as a result of the completion of major projects with higher profitability.

Professional Services

Revenue
SAR Millions



Gross Profit
SAR Millions

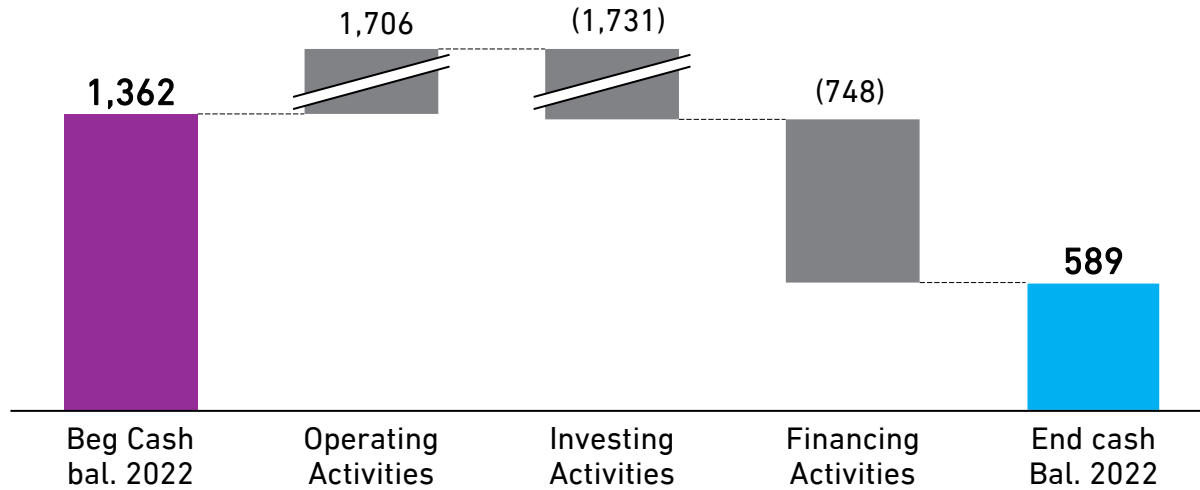


Key Highlights

- › Growth in revenue due to increase in number of projects.
- › Positive Gross profit and Gross profit margin led by growth in revenue and enhanced cost efficiency.

Balance Sheet Highlights

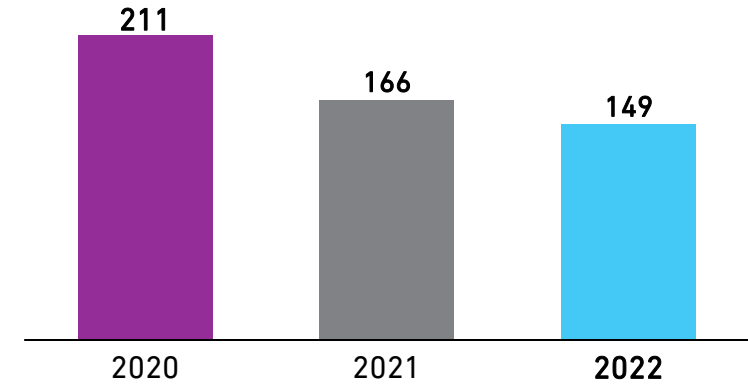
Cash Balance Movement
SAR Millions



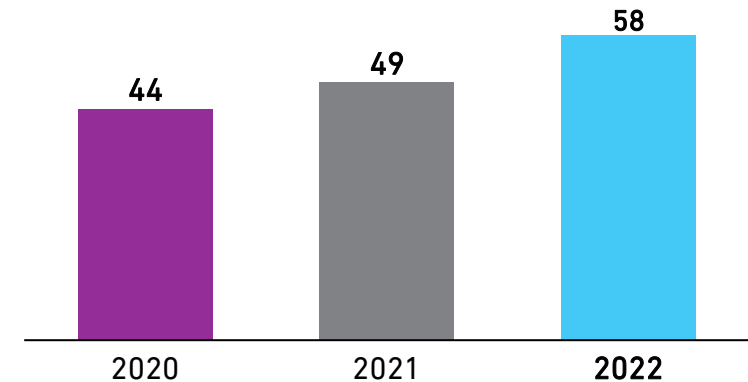
Key Highlights

- › Positive Cash-Flow from Operating activities that represents 181% of Net profit.
- › Cash, Cash equivalent and short-term investment position of SAR2.7bn (Dec-21: 1.9Bn).
- › Continuous decrease in Receivable days, as a result of increase in collection from Government customers and increase in Revenue generated from Private Sector.

Receivable
Number of Days



Payable
Number of Days



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2023 Guidance

	2022	2023	
	Guidance	Actual	Guidance
Revenue Growth	10% - 12%	20%	14%-16%
EBIT Margin	18% -21%	21%	19%-21%
CFO as % of Net Income	≈100%	181%	80%-90%

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Appendix - Reclassification

Year End 2022 Re-class effect (*)

SAR Millions

Item	Before Reclass.	After Reclass.	Diff
Gross profit	1,750	1,886	Up 136 Mil.
Gross Margin	38.0%	40.9%	Up 2.9 PP
Impairment	-	(36)	(36)
EBIT	1,045	1,009	(36)

Year End 2021 Re-class effect (*)

SAR Millions

Item	Before Reclass.	After Reclass.	Diff
Gross profit	1,195	1,323	Up 128 Mil.
Gross Margin	31.2%	34.6%	Up 3.3 PP
Impairment	-	-	-
EBIT	615	615	-

Key Highlights

- › In order to better reflect the appropriate function of transactions and to comply with IFRS presentation requirements, certain reclassifications took place on P&L that includes:
 - 1- Cost elements related to business development, sales partnerships, research and innovation, Internal IT support activities were reclassified from Direct cost to S,G&A.
 - 2- Impairment expense was reclassified from Non-Operating Expenses to Operating expenses.

Appendix – Reclassification 2021

Year End 2021 Re-class effect SAR Millions

	Full Year 2021			Quarte 4			Quarter 3			Quarte 2			Quarte 1		
	Before Reclass.	Change	After Reclass.	Before Reclass.	Change	After Reclass.	Before Reclass.	Change	After Reclass.	Before Reclass.	Change	After Reclass.	Before Reclass.	Change	After Reclass.
Revenue	3,828	-	3,828	1,069	-	1,069	967	-	967	1,018	-	1,018	774	-	774
Cost of Revenue	(2,632)	128	(2,505)	(783)	39	(744)	(639)	30	(610)	(712)	28	(683)	(498)	30	(468)
Gross Profit	1,195	128	1,323	287	39	326	327	30	357	306	28	334	275	30	306
GP Margin	31.2%	3.3	34.6%	27%	3.7	30%	34%	3.1	37%	30%	2.8	33%	36%	3.9	40%
Operating Expenses															
Selling & Marketing	(106)	(91)	(197)	(37)	(28)	(65)	(26)	(21)	(47)	(25)	(19)	(45)	(17)	(22)	(39)
Expected Credit loss	(90)	-	(90)	(27)	-	(27)	(5)	-	(5)	(48)	-	(48)	(9)	-	(9)
General & Admin.	(269)	(37)	(306)	(75)	(11)	(86)	(69)	(9)	(78)	(71)	(9)	(80)	(55)	(8)	(63)
Depreciation & Amortization	(116)	-	(116)	(32)	-	(32)	(30)	-	(30)	(27)	-	(27)	(26)	-	(26)
Impairment of Non-current assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Expenses	(581)	(128)	(708)	(171)	(39)	(210)	(131)	(30)	(161)	(172)	(28)	(200)	(107)	(30)	(137)
Operating Profit "EBIT"	615	-	615	115	-	115	196	-	196	134	-	134	169	-	169
Operating profit Margin "EBIT Margin"	16%	-	16%	11%	-	11%	20%	-	20%	13%	-	13%	22%	-	22%
Non- Operating Income / (Expense)	34	-	34	13	-	13	2	-	2	(3)	-	(3)	23	-	23
Net Profit	649	-	649	128	-	128	198	-	198	131	-	131	191	-	191
NP before Zakat %	17%	-	17%	12%	-	12%	21%	-	21%	13%	-	13%	25%	-	25%
Zakat	(82)	-	(82)	(18)	-	(18)	(21)	-	(21)	(21)	-	(21)	(22)	-	(22)
Net profit After Zakat	567	-	567	110	-	110	178	-	178	110	-	110	169	-	169
NP %	15%	-	15%	10%	-	10%	18%	-	18%	11%	-	11%	22%	-	22%

Appendix – Reclassification 2022

Year End 2022 Re-class effect SAR Millions

	Full Year 2022			Quarte 4			Quarter 3			Quarte 2			Quarte 1		
	Before Reclass.	Change	After Reclass.	Before Reclass.	Change	After Reclass.	Before Reclass.	Change	After Reclass.	Before Reclass.	Change	After Reclass.	Before Reclass.	Change	After Reclass.
Revenue	4,606	-	4,606	1,308	-	1,308	1,167	-	1,167	1,039	-	1,039	1,092	-	1,092
Cost of Revenue	(2,856)	136	(2,720)	(798)	38	(760)	(717)	35	(682)	(655)	29	(626)	(685)	33	(652)
Gross Profit	1,750	136	1,886	510	38	548	451	35	486	383	29	413	407	33	440
GP Margin	38.0%	2.9	40.9%	39%	2.9	42%	39%	3.0	42%	37%	2.8	40%	37%	3.0	40%
Operating Expenses															
Selling & Marketing	(142)	(93)	(235)	(47)	(26)	(73)	(35)	(25)	(60)	(31)	(19)	(49)	(29)	(24)	(52)
Expected Credit loss	(149)	-	(149)	(100)	-	(100)	(27)	-	(27)	(8)	-	(8)	(14)	-	(14)
General & Admin.	(331)	(42)	(373)	(100)	(12)	(112)	(85)	(10)	(95)	(78)	(11)	(89)	(67)	(9)	(77)
Depreciation & Amortization	(120)	-	(120)	(35)	-	(35)	(31)	-	(31)	(28)	-	(28)	(27)	-	(27)
Impairment of Non-current assets	-	(36)	(36)	-	(8)	(8)	-	(1)	(1)	-	(27)	(27)	-	-	-
Operating Expenses	(741)	(172)	(913)	(282)	(46)	(329)	(178)	(36)	(214)	(145)	(57)	(201)	(137)	(33)	(170)
Operating Profit "EBIT"	1,009	-	972	227	(8)	219	273	(1)	272	239	(27)	212	270	-	270
Operating profit Margin "EBIT Margin"	22%	-	21%	17%	(0.64)	17%	23%	(0.09)	23%	23%	(2.61)	20%	25%	-	25%
Non- Operating Income / (Expense)	14	36	51	5	8	13	22	1	23	(18)	27	9	6	-	6
Net Profit	1,023	-	1,023	232	-	232	295	-	295	221	-	221	276	-	276
NP before Zakat %	22%	-	22%	18%	-	18%	25%	-	25%	21%	-	21%	25%	-	25%
Zakat	(93)	-	(93)	(20)	-	(20)	(21)	-	(21)	(26)	-	(26)	(26)	-	(26)
Net profit After Zakat	930	-	930	212	-	212	273	-	273	195	-	195	250	-	250
NP %	20%	-	20%	16%	-	16%	23%	-	23%	19%	-	19%	23%	-	23%

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