

# Results Presentation

## H1 2023 Earnings Call

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Riyadh, 14<sup>th</sup> August 2023





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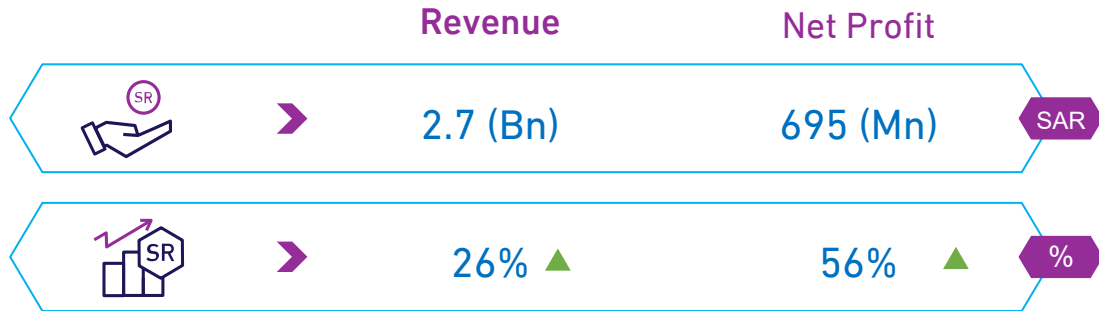
1. Key Highlights

2. Financial Performance

3. 2023 Guidance



# H1 2023 Key Highlights



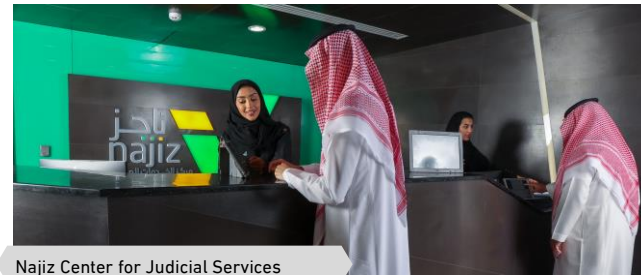
➤ Strong growth across all Digital Business products



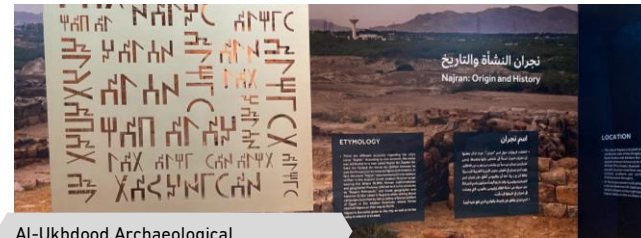
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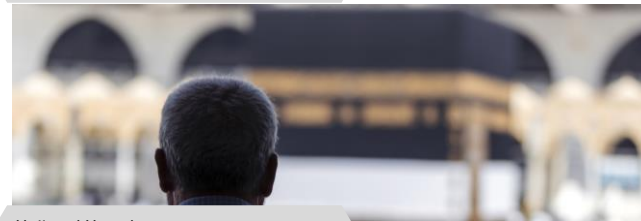
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Najiz Center for Judicial Services



Al-Ukhhood Archaeological



Hajj and Umrah



Thee Ain Heritage Village

# Key Growth Areas

> Product Growth through added value services and new products

> Growth in new sectors

Hajj & Umrah

Entertainment Sports

Tourism

Culture

> Inorganic growth

- > Leading local players
- > A new technology/products locally and globally
- > International footprint



A leading company in KSA specializing in government digital transformation

Synergies:

- > Access to new sectors and customers
- > Strong team
- > Complementing products
- > Revenue share model

1. Key Highlights

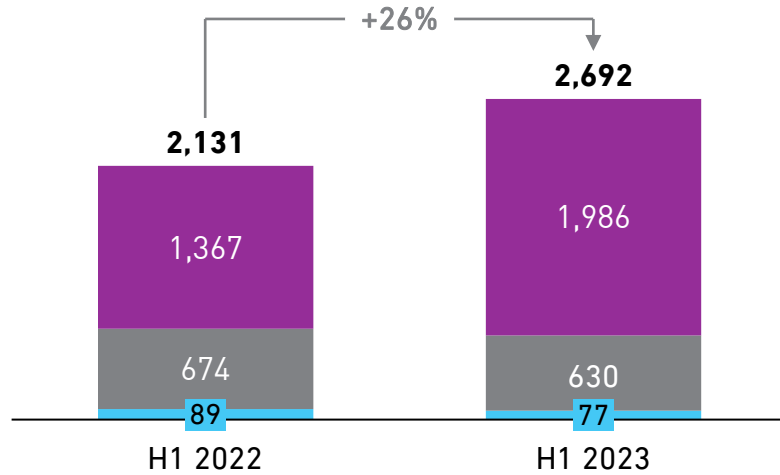
2. Financial Performance

3. 2023 Guidance

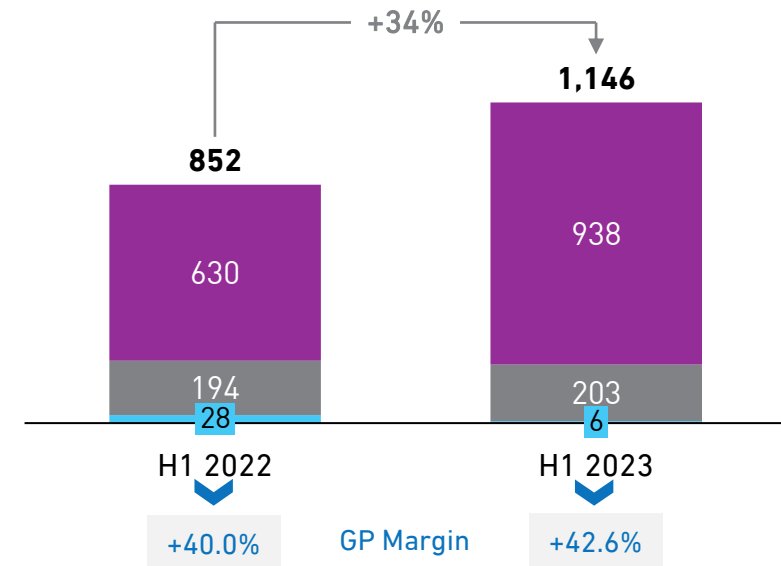


# P&L Highlights

Revenue by Business Segment  
SAR Millions



Gross Profit by Business Segment  
SAR Millions



■ Digital Business 
 ■ Business Process Outsourcing 
 ■ Professional Services

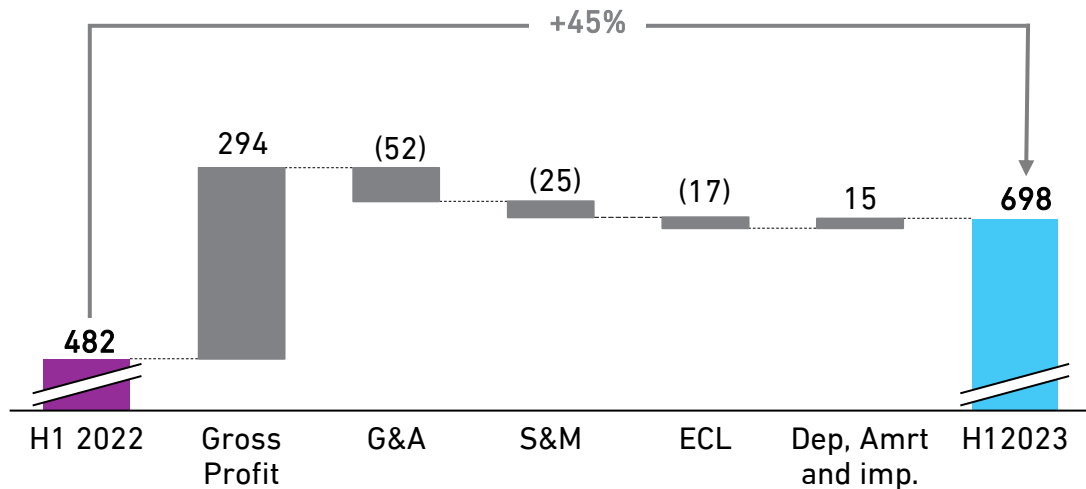
## Key Highlights

- › Increase in Revenue led by Digital Business Segment.
- › Expansion in Gross profit margin due to increased contribution from Digital Business Segment to Revenue, and improvement in BPO margin.

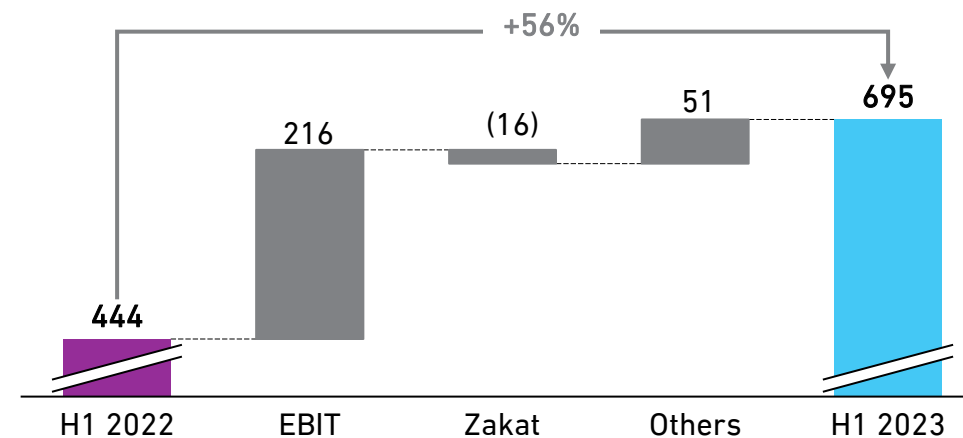


# P&L Highlights

**EBIT**  
SAR Millions



**Net Profit**  
SAR Millions



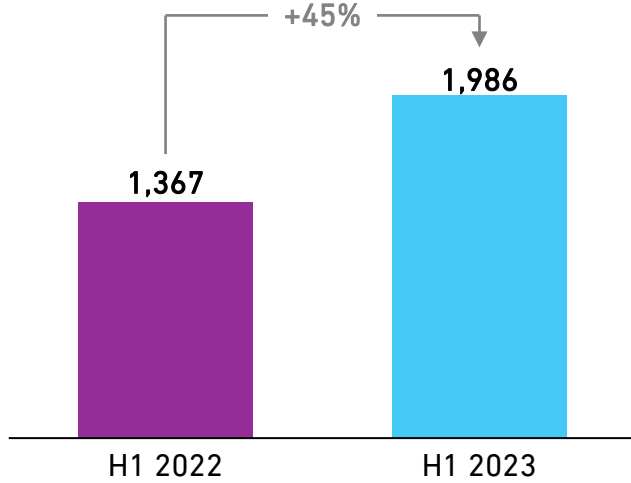
## Key Highlights

- › Increase in EBIT and Net profit due to strong revenue growth.
- › Increase in G&A and S&M driven by increase in employee cost and expansion in S&M activities.
- › Increase in Others due to increase in Interest Income.

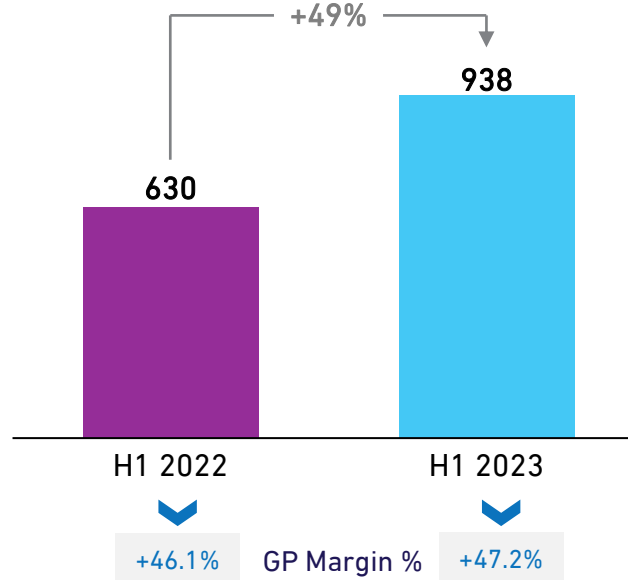


# Digital Business

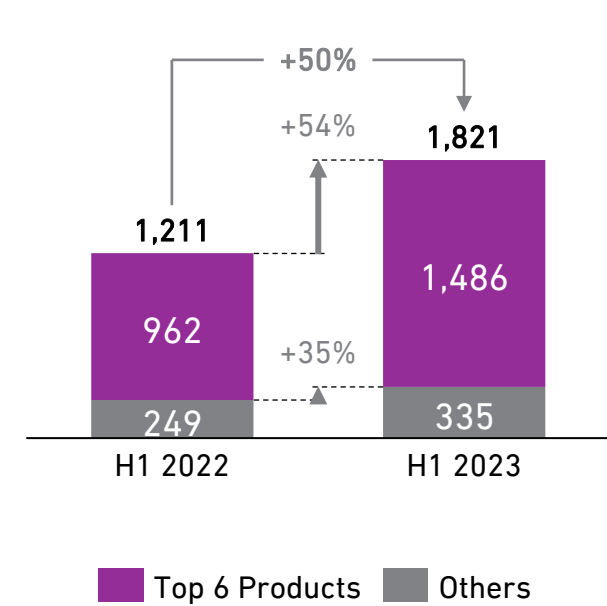
Revenue  
SAR Millions



Gross Profit  
SAR Millions



Products Revenue  
SAR Millions

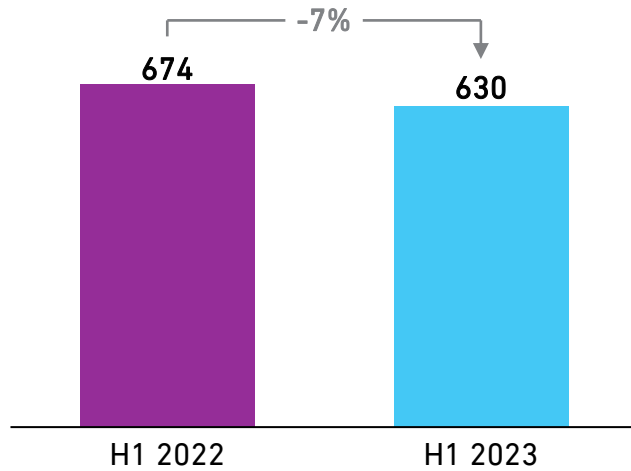


## Key Highlights

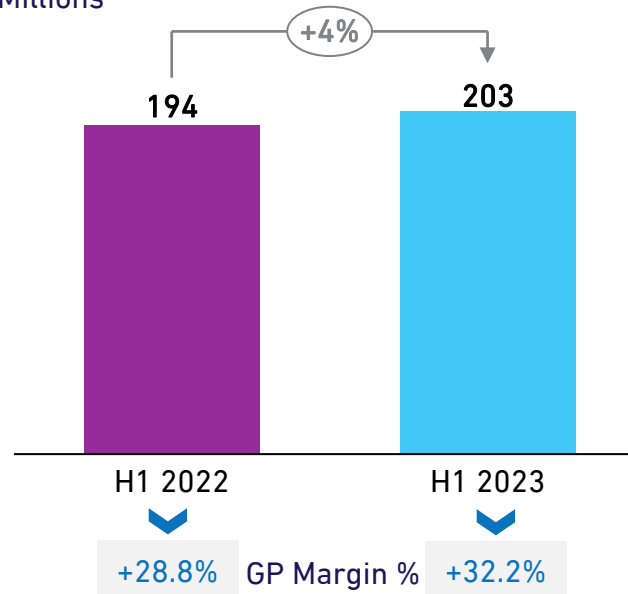
- › Strong revenue and gross profit growth led by products.
- › Digital Projects Revenue grew by 6%.
- › Nusuk has joined the top products, in addition to the previous disclosed products.
- › Growth in Top 6 Products Driven by New Services, Increased Transactions, and Hajj Season.
- › Others growth driven by the increased transactions in Dhamen, Tawseel and Naql.

# Business process Outsourcing

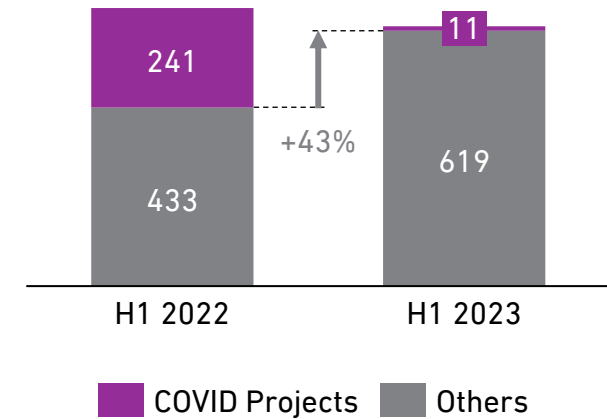
Revenue  
SAR Millions



Gross Profit  
SAR Millions



Breakdown of BPO Revenue  
SAR Millions

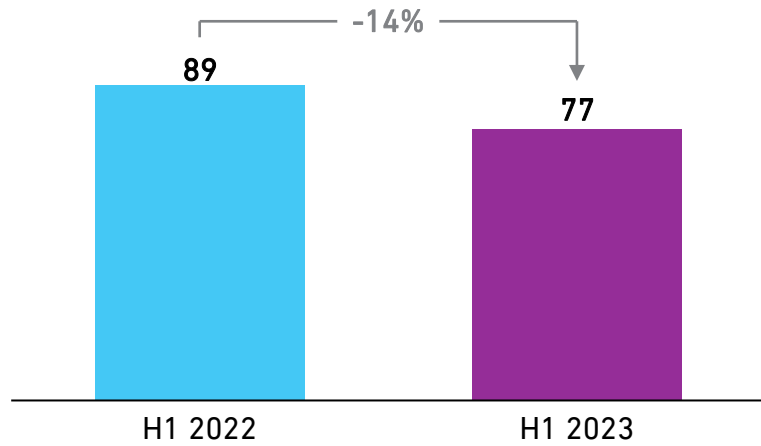


## Key Highlights

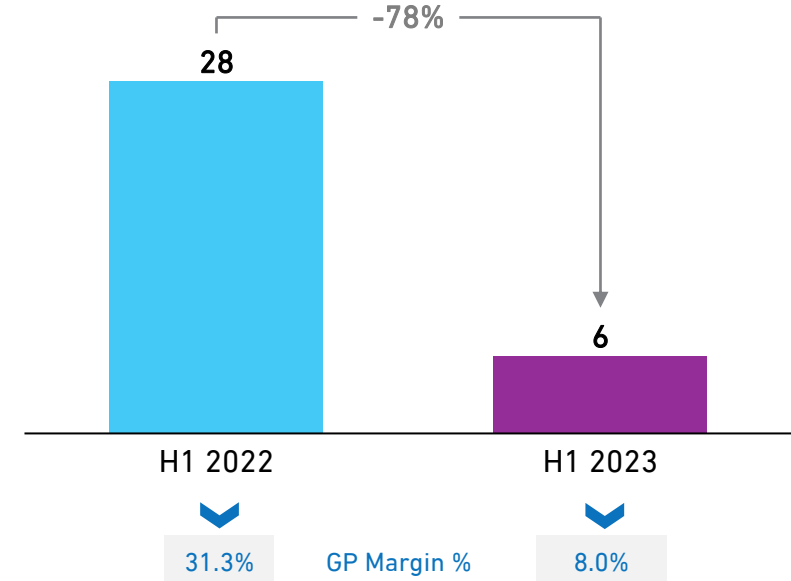
- › Revenue decreased due to COVID projects winding down, off set by PPP projects, Makkah Route and New projects.
- › Gross profit and Gross profit margin improved due to contribution of PPP's and new projects.
- › Excluding COVID-related projects, BPO revenue grew 43%.

# Professional Services

Revenue  
SAR Millions



Gross Profit  
SAR Millions

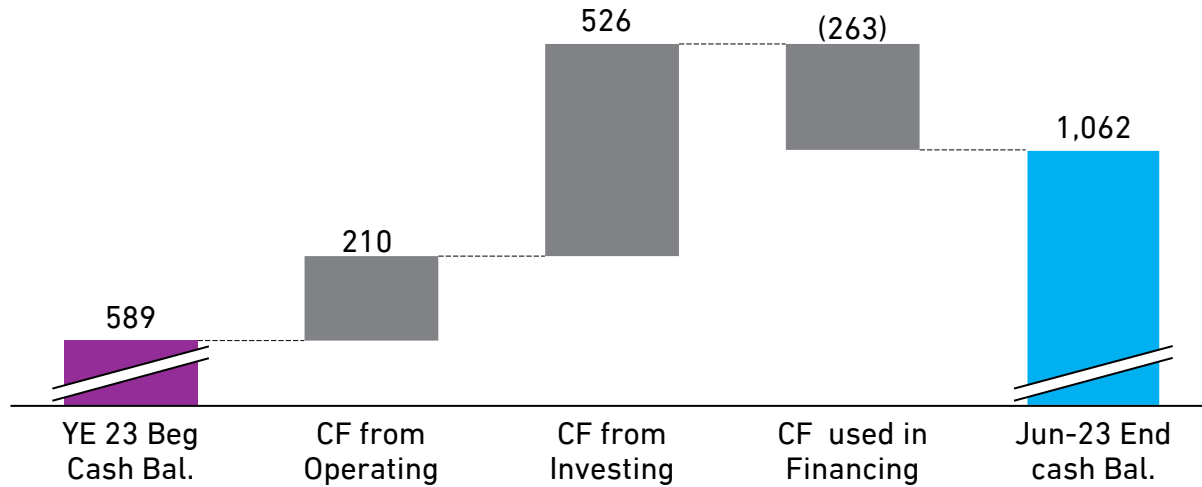


## Key Highlights

- › Revenue and Gross profit decreased due to the completion of major projects with higher margins.

# Balance Sheet and Cash Flow Highlights

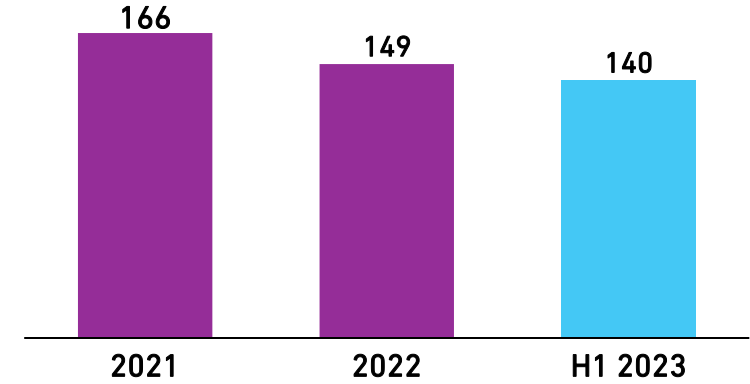
## Cash Balance Movement SAR Millions



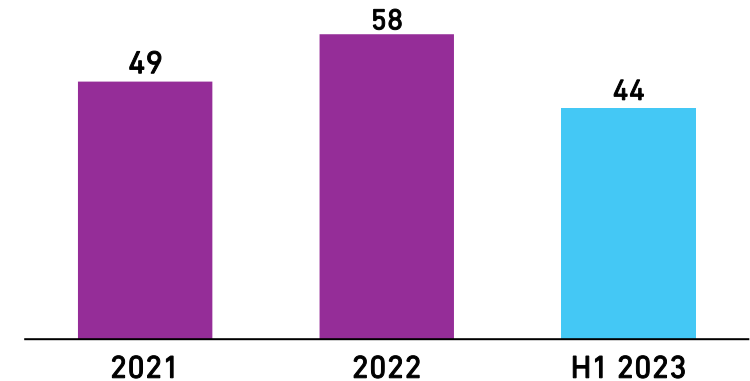
## Key Highlights

- › Cash, Cash equivalent and short-term investment position of SAR2.5bn (Dec-22: 2.7Bn).
- › Continuous decrease in Receivable days, due to improved collection from Government customers and increase in Revenue from Private Sector.

## Receivable Number of Days






## Payable Number of Days



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- 



## 2023 Guidance

	YE 2023 Guidance	H1 2023 Actual	YE 2023 Guidance Update
 Revenue Growth	14%-16%	26%	21%-23%
 EBIT Margin	19%-21%	26%	22%-24%
 CFO as % of Net Income	80%-90%	30%	Unchanged

## Elm Contact

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