Cenomi Centers reaches new heights with record footfall of 132 million visitors and 94.4% in occupancy for fiscal year-ended 2024

- *Total Revenue up 4.0% in FY-24 and 7.5% in Q4 y-o-y*
- *Adj EBITDA up 16.0% in FY-24, compared to same period last year*
- *Adj Net Profits up 12.3% in FY-24, compared to same period last year*
- *Record footfall levels continue, reaching 131.9 million visitors FY-24*
- *Like-for-like occupancy rates at 94.4%, up 1.5 pp y-o-y*
- *Jawharat Jeddah on track for delivery in December 2025 and Jawharat Riyadh in April 2026*

Riyadh, Saudi Arabia, 9 March 2025: Cenomi Centers, Saudi Arabia's largest owner, operator and developer of shopping malls, published its financial results for the last three-month period and full year ended 31 December 2024 (FY-24).

Cenomi Centers demonstrated steady top line performance in FY-24 compared to FY-23, with total revenue reaching SAR 2,344.0 million up 4.0% y-o-y, driven by an increase in revenue across all streams. Net profit amounted to SAR 1,224.2 million in FY-24, reflecting a 18.4% decline primarily affected due to one-time factors. These include the write-off of non-amortized financing cost associated with an historical Islamic facility and 2024 Sukuk, totaling SAR 50.6 million, one-time increase of SAR 87.5 million in impairment loss, and a one-time increase in finance cost of SAR 36.5 million from the assessment of the time value of money in relation to payment plan arrangements agreed with some tenants to expedite rental collections. In contrast, FY-23 net profit was increased by a SAR 238.7 million gain on the sale of land. Adjusting for these items, net profit in FY-24 increased 12.3% to SAR 1,398.8 million compared to SAR 1,245.6 million in the same period last year.

Footfall has reached a historic 131.9 million visitors in FY-24, reflecting a 6.3% year-on-year increase—among the highest levels recorded by the company. This remarkable growth underscores the continued strength and excellence of the portfolio, solidifying the company's position as the leading shopping destination and the foremost gateway for local and international retailers to engage with Saudi consumers.

Cenomi Centers' unwavering focus on optimizing its retail mix through an active tenant rotation program led to a record like-for-like occupancy rate of 94.4% at year-end, the highest level in the company's history. This marks a notable year-on-year increase of 1.5 percentage points, exceeding the original guidance of 94%.

The progress of the portfolio continues with flagship developments Jawharat Riyadh and Jawharat Jeddah making remarkable strides. As of December 2024, overall structural completion levels stand at 94.0% for Jawharat Jeddah and 92.0% for Jawharat Riyadh and they will be the first gold-LEED certified malls in the Kingdom. These two assets are expected to generate yearly EBITDA in excess of SAR 650 million upon stabilization representing an incremental 40% of Cenomi Centers current EBITDA.

Jawharat Jeddah is set to attract more than 15 million visitors annually while Jawharat Riyadh will draw more than 20 million customers every year. Both assets will become the leading malls in terms of footfall and retail spend in their respective cities. These malls will redefine the future of retail in the Kingdom, emerging as Cenomi Centers' top performers in footfall, revenue and EBITDA. The current pipeline of three flagship centers and three lifestyle centers will grow Cenomi Centers' GLA by 44%, taking total GLA to 2 million sqm by 2027.

Demonstrating its continued commitment to returning shareholder value, the Board of Directors announced in March 2024 a dividends distribution policy which was subsequently approved at the Annual General Meeting in June 2024. Starting from Q2-2024, the Company has paid SAR 0.375 per share per quarter for one year. That implies an annualized dividend yield of 6.9%. based on the share price of SAR 21.70 as of 31 December 2024.

Alison Rehill-Erguven, CEO, Cenomi Centers, commented: *"Cenomi Centers continues to experience solid growth, both financially and operationally. FY-24 has been a record-breaking year for us. We've reached a new milestone with an occupancy rate of 94.4%, the highest in the company's history, while footfall has surged to 131.9 million visitors—demonstrating the strong value proposition our malls offer across the Kingdom, meeting or exceeding international standards.*

Financially, we've seen a steady 4.0% year-over-year increase in total revenue, driven by growth across all revenue streams. Additionally, our adjusted EBITDA and net profit have risen by 16.0% and 12.3%, respectively.

Our flagship projects, Jawharat Jeddah and Jawharat Riyadh, are progressing as planned with both construction and leasing efforts on track to be delivered in December 2025 and April 2026, respectively.

As we close out FY-24, we are proud of the significant progress we've made and the strong foundation we've built for the future. The achievements of this year reinforce our commitment to delivering exceptional value to our stakeholders and positioning Cenomi Centers for continued success in the years ahead. We remain focused on driving operational excellence, expanding our footprint, and enhancing the experience we offer to our customers across the Kingdom."

Business and operating review

Footfall reached a record-breaking 131.9 million visitors for the year (Q4-24: 32.0 million visitors, +10.7% q-o-q) marking a 6.3% y-o-y increase and setting a record for the highest ever footfall for Cenomi Centers. This continual growth underscores the attractiveness of Cenomi Centers' holistic retail and lifestyle offerings as well as reflecting strong consumer demand.

As of December 2024, flagship developments Jawharat Jeddah and Jawharat Riyadh projects are 94.0% and 92.0% structurally complete respectively and starting in December 2025 and April 2026, respectively.

Jawharat Riyadh, will feature 400+ of the world's most sought-after brands across over 100+ flagship stores. This includes more than 15 retailers new to Riyadh.Pre-leasing is over 70% complete (based on agreed Head of Terms, signed Letters of Intent and signed Contracts). The asset will include a luxury wing, four unique F&B zones, world-class entertainment offerings, a state-of-the-art immersive digital experience surrounded by dining and 65,000 sqm of premium office space.

Jawharat Jeddah's pre-leasing is over70% complete (based on agreed Head of Terms, signed Letter of Intent and signed Contracts), offering over 300 stores including 50+ flagships and more than 10 new brands to Jeddah. The asset will include Jeddah's first international luxury wing, a pioneering events hub, three unique F&B zones as well as a state-of-the-art immersive digital experience surrounded by dining. Alongside Jawharat Riyadh, Jawharat Jeddah will feature one of the largest skylights in KSA, standing at 27 meters high, illuminating the space with natural light and providing a seamless indoor and outdoor experience.

Cenomi Centers' relentless focus on optimizing its retail mix through an active tenant rotation strategy resulted in a record like-for-like occupancy rate of 94.4% at year-end. This represents a significant year-on-year increase of 1.5 percentage points, surpassing the original guidance of 94%.

As of year-end FY-24, leasing activity continues to underscore the strong demand for prime retail space. Cenomi Centers successfully renewed 2,422 leases and onboarded 583 brands. Notable additions span across various categories such as fashion, entertainment, and food & beverages, with prominent names like Charlotte Tilbury, Lululemon, Xiaomi and Five Guys, Saffori Land, Funtura, Spinneys, Salah, Ittihad Club, Alraed Club and Al Ahli Club joining the portfolio. This year also saw significant milestones, with major retail brands making substantial moves, including Zara and Nike, which have expanded within Nakheel Mall, David Clulow opening its first store in Riyadh at the same location, and FNAC also making its debut in Riyadh. The overall portfolio GLA mix stands at 62% retail and 38% non-retail (encompassing entertainment and F&B), with ongoing negotiations for additional brand partnerships.

Financial review

Looking at the full year results, total revenue increased at a steady rate of 4.0% to SAR 2,344.0 million during FY-24 compared to SAR 2,253.7 million in FY-23. Main driver of revenue growth came from media sales with 22.2% increase over 2023 and a surge in utilities and other revenue by 51.7% due to the increase in occupancy, penalties, and new additional charges which were implemented recently related to engineering work services.

FY-24 net profit totaled SAR 1,224.2 million compared to SAR 1,501.0 million representing a 18.4% decrease. This decrease is mainly attributed to certain one-time factors. These include the write-off of non-amortized financing cost associated with an historical Islamic facility and 2024 Sukuk, totaling SAR 50.6 million, one-time increase of SAR 87.5 million in impairment loss, and a one-time increase in finance cost of SAR 36.5 million from the assessment of the time value of money in relation to payment plan arrangements agreed with some tenants to expedite rental collections. In contrast, FY-23 net profit was increased by SAR 238.7 million gain on the sale of land. Adjusting for these items, net profit in FY-24 increased 12.3% to SAR 1,398.8 million compared to SAR 1,245.6 million in the same period last year.

Net finance costs reached SAR 690.1 million in FY-24 compared to SAR 357.1 million driven by the write-off of non-amortized financing cost and the assessment of the time value of money discussed above, and by the rise in average cost of debt and the increase in total debts reflecting a company in a near-peak investment stage with respect to its two flagship development projects, Jawharat Riyadh and Jawharat Jeddah.

An increase in impairment loss on accounts receivable reached SAR 321.8 million in FY-24, compared to SAR 189.7 million in FY-23, due to adoption of a more cautious approach to managing credit loss estimates associated with receivable balances which resulted in a one-time increase of SAR 87.5 million in impairment loss.

The decrease in net profit for FY-24 compared to FY-23 was partially offset by revenue growth, net fair value gain on investment properties of SAR 565.3 million in FY-24 compared to SAR 369.9 million in FY-23 and a reduction in expenses including advertisement and promotional expenses by 65.0% to SAR 22.9 million in FY-24 compared to SAR 65.5 million in FY-23 , while general and administrative costs were down 26.5% to SAR 256.1 million in FY-24 compared to SAR 348.5 million in FY-23 due to substantial decrease in government expenses and professional fees.

EBITDA in FY-24 amounted to SAR 1,409.1 million, a 8.8% reduction compared to SAR 1,545.4 million in FY-23. Adjusted for the gain from sale of land amounting to SAR 238.7 million in FY-23 and a one-time increase of SAR 87.5 million in impairment loss following the adoption of a more cautious approach for managing credit loss estimates associated with receivable balances in FY-24, EBITDA was up by 16.0% y-o-y in FY-24.

Cenomi Centers is currently in the midst of its peak investment phase, mainly driven by the active construction phase of the Jawharat flagship developments. This has resulted in an increase in net debt to SAR 11.5 billion as of FY-24, from SAR 8.9 billion in FY-23.

The Board announced in March 2024, and subsequently approved at the Annual General Meeting on 30 June 2024, its dividends distribution policy. Starting from Q2-2024, the company has paid SAR 0.375 per share per quarter for one year. That implies an annualized dividend yield of 6.9% based on the share price of SAR 21.70 as of 31 December 2024.

Income Statement

Income Statement (SAR million)	FY-24	FY-23	y-o-y % change
REVENUE	**2,344.0**	**2,253.7**	**4.0%**
Cost of Revenue - Direct costs	(358.4)	(383.5)	-6.5%
GROSS PROFIT	**1,985.6**	**1,870.2**	**6.2%**
Gross Profit Margin	84.7%	83.0%	1.7pp
Other operating income	15.4	291.5	-94.7%
Net fair value gain on investment properties	565.3	369.9	52.8%
Advertisement and promotion expenses	(22.9)	(65.5)	-65.0%
General and administration expenses	(256.1)	(348.5)	-26.5%
Impairment loss on accounts receivable, related parties and accrued revenue rentals	(321.8)	(189.7)	69.7%
Other operating expenses	(0.1)	(18.4)	-99.4%
OPERATING PROFIT	**1,965.4**	**1,909.5**	**2.9%**
Modification loss on related parties' receivables	(53.6)	-	-
Finance income on due from related parties	17.1	-	-
Finance Income	-	7.1	-100.0%
Finance Costs Over Loans and Borrowings	(520.1)	(253.8)	104.9%
Finance Costs Over Lease Liabilities	(133.5)	(110.4)	20.9%
NET FINANCE COSTS	**(690.1)**	**(357.1)**	**93.2%**
Share from loss of equity-accounted investee	(7.1)	(10.9)	-34.8%
PROFIT BEFORE ZAKAT	**1,268.2**	**1,541.5**	**-17.7%**
Zakat charge	(44.0)	(40.5)	8.7%
PROFIT FOR THE YEAR	**1,224.2**	**1,501.0**	**-18.4%**
Net Profit Margin	52.2%	66.6%	-14.4pp

Balance Sheet

Balance Sheet (SAR million)	December 2024	December 2023	% Change
Investment properties	28,019.4	25,333.8	10.6%
Property and equipment	49.0	56.6	-13.5%
Accrued revenue – non-current portion	137.3	157.1	-12.6%
Amounts due from related parties– non-current portion	235.0	0.0	100%
Investment in equity-accounted investee	87.7	78.6	11.6%
Investment at FVTPL	0.1	0.1	-28.6%
Other non-current assets	12.5	18.7	-32.8%
Non-current assets	**28,541.0**	**25,644.9**	**11.3%**
Development properties	353.8	353.5	0.1%
Accrued revenue	68.7	78.5	-12.6%
Accounts receivable and others	482.9	474.2	1.8%
Amounts due from related parties	408.4	483.8	-15.6%
Prepayments and other assets	431.0	118.4	263.9%
Investment at FVTPL	255.9	303.0	-15.5%
Cash and cash equivalents	670.3	85.0	688.7%
Asset held for sale	240.5	209.9	14.6%
Current Assets	**2,911.5**	**2,106.3**	**38.2%**
Total Assets	**31,452.5**	**27,751.2**	**13.3%**
Loans and borrowings	12,137.6	5,881.7	106.4%
Lease liabilities	2,790.7	2,839.9	-1.7%
Employee benefits	34.6	35.8	-3.3%
Other non-current liabilities	22.5	42.7	-47.4%
Non-current liabilities	**14,985.4**	**8,800.1**	**70.3%**
Loans and borrowings – current portion	34.7	3,105.0	-98.9%
Lease liabilities – current portion	339.6	328.4	3.4%
Accounts payable and other liabilities	670.9	703.1	-4.6%
Provision	0.0	30.0	-100.0%
Amount due to related parties	234.7	102.1	129.9%
Unearned revenue	282.7	302.2	-6.4%
Zakat liabilities	76.4	68.4	11.7%
Current liabilities	**1,639.1**	**4,639.2**	**-64.7%**
Total Liabilities	**16,624.5**	**13,439.3**	**23.7%**
Total Equity	14,828.0	14,312.0	3.6%
Total Liabilities and Equity	**31,452.5**	**27,751.2**	**13.3%**

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About Cenomi Centers:

Cenomi Centers is the leading owner, operator and developer of contemporary lifestyle centers in Saudi Arabia. For over two decades, the company has provided customers with a complete range of high-quality lifestyle centers up to international standards, located in the most attractive areas of the country to satisfy all shopping needs and market requirements.

Today, Cenomi Centers has a portfolio of 22 assets, with circa 4,500 stores strategically located in 10 major Saudi cities. The Company's assets include several iconic lifestyle centers, such as Mall of Arabia Jeddah, Mall of Dhahran, and Nakheel Mall Riyadh, a consumers' favorite in the capital city. With a total GLA of nearly 1.4 million square meters, the company's malls provide Saudi shoppers with their preferred point of access to the full range of international, regional and local retail brands. For more information about Cenomi Centers, please visit www.cenomicenters.com.

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