

Alandalus Property Announces an Increase in its Net Profit by 374% during the Fiscal Year 2021

Highlights

- Increasing the revenues of the offices, hospitality, and retail sectors for the fiscal year 2021 by 46%, 34% and 23%, respectively, compared to the preceding year.
- Increasing the operating profits by 159% to reach 125.14 million Saudi Riyals.

Riyadh, Saudi Arabia; March 10, 2022: Alandalus Property (“the Company”) (listed on the Saudi Stock Exchange “Tadawul” with code number 4320), the leading Saudi company in income-generating real estate investment, development, and operation, today announced its results for the fiscal year ending December 31, 2021.



Operational activities update

The company’s operating results improved during the year 2021 after life gradually returned to normal, especially in the hospitality and retail sectors, taking advantage of the increase of the number of visitors in the malls, as these malls maintained relatively high occupancy rates to an average of 97% in major regional shopping malls and 95% in strip malls. By acquiring the Qbic Plaza commercial building in Riyadh at the beginning of the third quarter of the previous year, Alandalus Property expanded its offices business sector, generating revenues which exceeded 45.82 million Saudi Riyals for this year.

The high occupancy rate at Alandalus Mall Hotel in Jeddah also contributed to a 34% increase in hospitality sector revenues, which assisted improving the company’s operations during the current year 2021.

Commenting on the financial results, **Mr. Hathal bin Saad Al-Otaibi, CEO of Alandalus Property Company, said:** “The year 2021, thanks to God, witnessed the gradual return of life to the marketplace, as the company achieved distinguished operation revenues by following work policies in line with and based on the instructions of the company’s board of directors and the efforts of its executive management and work teams, in light of the changes that the local and international markets have witnessed. The company increased its capital during the year 2021 by 33.33% to 933.3 million Saudi Riyals after the increase. The company announced the dividend policy for 2021, 2022, 2023.

Aiming to further implementation of the adopted development strategy, the company entered into a deal to purchase a land in Makkah Al-Mukarramah, for the purpose of developing it in the next stage -God willing- in addition to establishing a project to expand and develop Alandalus Mall Center in Jeddah, aiming to increase the rental space in the mall as well as the number of parking spaces, which will have a positive impact on the mall financial results in the future. The company will continue implementing its strategy, executing its announced future projects and maximizing its shareholders’ equity, based on its human, professional and financial capabilities”.

Financial developments

The shareholders’ net profit for the fiscal year 2021 increased by approximately 374% to reach 67.9 million Saudi Riyals, compared to 14.34 million Saudi Riyals in the fiscal year 2020. This increase is due to the increase of the gross profit and operating profit by approximately 52% and 159%, respectively, and the impairment loss on assets by 31.8 million Saudi Riyals in the previous year 2020, in addition to an increase in the profits of associate companies and other revenues.

During the current year 2021, Alandalus Group’s revenues increased by approximately 28% to reach 214.3 million Saudi Riyals, compared to 167.82 million Saudi riyals in the previous year. This increase was mainly caused by the increase in the revenues of the retail sector by 23%, due to discount allocations for tenants of commercial centers in 2020, and the office sector, which increased by 46% due to the acquisition of the office building in Riyadh in the middle of the year 2020. The Revenues from the hospitality sector increased by 34% as a result of the improvement in the occupancy rate at Alandalus Mall Hotel.

As a result, the gross profit increased by nearly 52% to reach 145 million Saudi Riyals, compared to 95.65 million Saudi riyals in the fiscal year 2020, mainly due to the growth in the Company's total revenues supported by all its operation sectors (retail, hospitality, and offices).

The Company's operating profit also increased by approximately 159% to reach 125.14 million Saudi Riyals, compared to 48.33 million Saudi Riyals in the fiscal year 2020. This is due, in addition to the previous reasons, to impairment loss on assets, amounting to 31.83 million Saudi Riyals in the year 2020, as well as the increase in the profits of associate companies.

- Ends -

About Alandalus Property:

Established in 2006, Alandalus Property (TADAWUL: 4320), is a Saudi Arabian real estate company involved in the investment, development and operation of income-generating commercial properties across the Kingdom of Saudi Arabia.

In late 2015, Alandalus became the first mall investor, developer, and operator in Saudi Arabia to be listed on Tadawul and today the Company's business portfolio spans shopping malls, property management, hospitality, healthcare and other complementary mixed-use developments. The company's property portfolio extends across major Saudi Arabian cities, covering a significant amount of commercial space generating high occupancy rates.

Alandalus looks to develop diversified, high-quality properties that foster loyalty, visit frequency and long-term economic value, whilst establishing the company as the preferred third place destination, after home and work.

For more details on Alandalus Property, please visit <http://www.alandalus.com.sa>

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