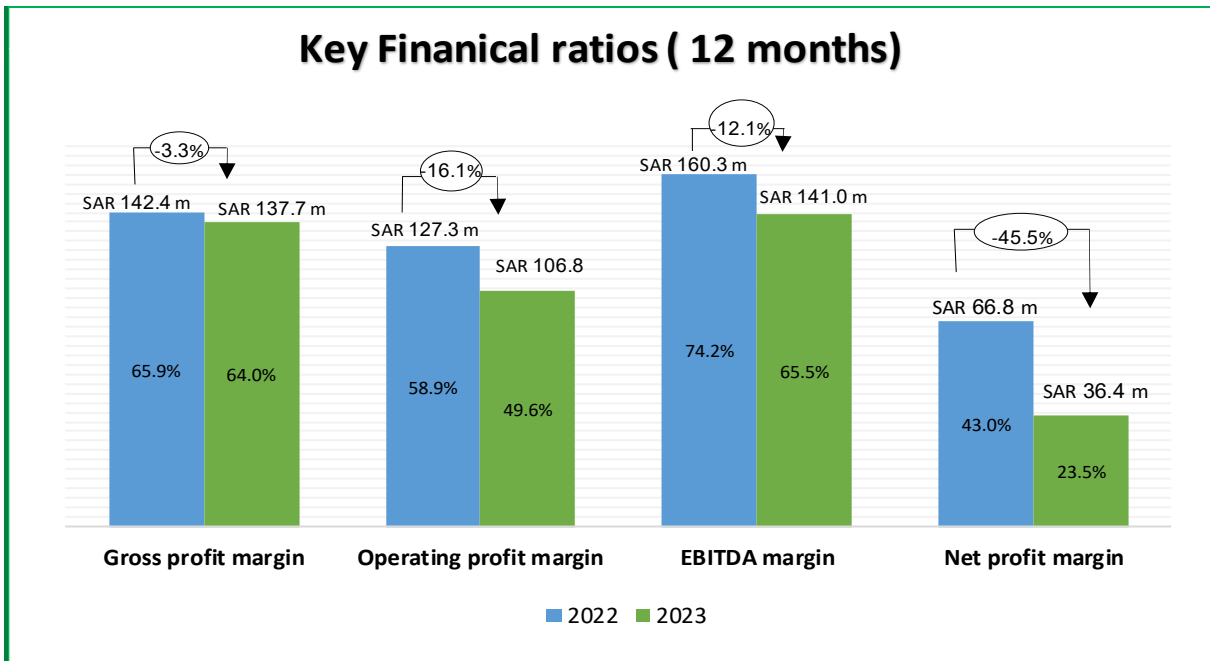


Alandalus Property announces its financial results for Year End 2023

Riyadh, Saudi Arabia March 07, 2024: 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, 2023.



The financial results of the company showed a decrease in net profits attributable to shareholders in 2023 by approximately 45.5%, reaching 36.4 million Saudi riyals, compared to 66.8 million riyals in 2022.

The main reason for this decrease is the increase in financing costs during 2023 by 59% compared to the previous year because of obtaining additional financing for acquiring an office tower in Riyadh, in addition to financing the expansion works at the Al-Andalus Mall. Moreover, the decrease in the company's operating profit contributed to the decrease in net profits due to the increase in both general and admin expenses and marketing expenses, in addition to the decrease in the profits of sister companies. This is despite the increase in the other revenues and the decrease in the zakat expense during 2023.

The company's consolidated revenues reached 215.2 million Saudi riyals in 2023, compared to 216.1 million Saudi riyals in 2022, with a slight decrease of 0.4%. The reason for this decrease is the decline in retail sector revenues which totaled 153.75 million riyals in 2023 compared to 155.91 million Saudi riyals in 2022, due to the decrease in occupancy rates in Al-Andalus Mall. This is despite 8% increase in revenues from the hospitality sector, represented by the Al-Andalus Mall Hotel, and despite stable revenues in office sector.

Gross profit decreased by approximately 3.3% to reach 137.7 million Saudi riyals in 2023 compared to 142.4 million riyals in 2022, due to an increase in the cost of revenues in the

retail sector (due to increased Services and maintenance expenses), hospitality sector (high occupancy rates) and office sector (increased depreciation).

Operating profit decreased by approximately 16.1%, reaching 106.8 million Saudi riyals in 2023, compared to 127.3 million Saudi riyals in 2022. The reason for this decrease is an increase in both general and admin expenses, as well as marketing expenses, in addition to a decrease in profits from sister companies. This is despite an increase in other revenues.

Commenting on the financial results, Eng. Faisal bin Abdulrahman Alnasser, CEO of Alandalus Property, said: “Despite the effect of the interest rates increase, and the increase in operating expenses on the company financial results in 2023, the company maintained the average occupancy rates in the sectors in which it operates, which contributed to maintaining the level of revenues and cash flows during this year, as the company continued to distribute interim profits in accordance with the approved dividend distribution policy.

In this context, the "The Village Mall" project in Jeddah, which Al-Andalus Property Company owns (25%) through the project company (Al-Jawhara Al-Kubra Company), represents a significant and fundamental addition to the Kingdom's commercial center sector. On the other hand, the company purchased an office tower in Riyadh to strengthen its investment diversification policy across sectors and geographies.

These investments are expected to positively impact the company's results in 2024. We would also like to emphasize that the company will continue, God willing, to implement its strategy, announce future projects, and maximize shareholders wealth, relying on its human, professional, and financial resources”.

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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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