

CENOMI CENTERS REPORTS STRONG Q3-22 RESULTS WITH ACCELERATING TOP-LINE GROWTH OF 8% YEAR-ON-YEAR AND AN IMPRESSIVE 22% NET PROFIT INCREASE

- *Cenomi Centers revenues grew by 8% year-on-year (y-o-y) to record SAR 550.8 million in Q3-22¹*
- *Net profit grew by 22% y-o-y reflecting an improved trading environment and effective cost optimization*
- *Investment properties Fair Value adoption, drives 175% increase in Book Value per share to SAR 33.57 implying over 50% trading discount for the stock*
- *Cenomi Centers completed the second transaction under its non-core asset land sale program in December 2022 for SAR 644.5 million*

Riyadh, Saudi Arabia. 09 February 2023: Cenomi Centers, the largest owner, operator and developer of shopping malls and complexes in the Kingdom of Saudi Arabia, reported stellar performance with total revenues booking SAR 550.8 million for the three-month period ended 31 December 2022 (Q3-22), a 7.9% y-o-y increase from the SAR 510.6 million reported in Q3-21². Strong top-line expansion translated into significant growth in the Company's gross profit, which reached SAR 462.5 million on a quarterly basis, a 9.2% y-o-y increase over Q3-21. Successful cost optimization measures led to a further expansion of Cenomi Centers' gross profit margin (GPM) which increased to 84.0% for the period. Despite increasing financial charges for the quarter, Cenomi Centers successfully expanded its bottom line by an exceptional 22.2% y-o-y in Q3-22, booking SAR 455.7 million. On a year-to-date basis, total revenues increased by 11.1% y-o-y to book SAR 1,687.5 million for 9M-22³. Gross profit for the nine-month period also expanded to a record SAR 1,417.1 million, a 13.9% year-on-year increase. Net profit for the nine-month period (9M-22) grew 2.4% y-o-y to record SAR 804.7 million.

Strong financial performance was driven by robust and consistent improvements in the company's operations across its portfolio. Cenomi Centers saw a return to strong visitor footfall, which increased 32.3% y-o-y, with 27.1 million visitors in Q3-22. On a nine-month basis, visitor footfall increased by an exceptional 38.5% y-o-y to book 84.2 million for 9M-22. Like-for-like tenant occupancy rates reached a record 94.2% at the close of the period, against a 92.8% rate recorded at the close of the previous period (Q3-21) and marked Cenomi Centers' successful post-Covid recovery.

The company also continued its non-core asset land sale program, completing its second transaction for SAR 644.5 million with the sale of its land in Riyadh's Al Raed District in December 2022, slated to

¹ Q3-22 now refers to the 3-month period ended 31-Dec-22

² Q3-21 now refers to the 3-month period ended 31-Dec-21

³ 9M-22 now refers to the 9-month period ended 31-Dec-22

be reflected in Cenomi's financials once the registration process is complete and is currently classified as "Assets held for sale" in the financial statements for Q3-22. This transaction now brings the total amount generated from land sales to date to approximately SAR 875 million, with an estimated SAR 1.15 billion still remaining to be sold over the coming period as part of the disposal of non-core assets program.

With the CMA allowing recently the Saudi listed companies to adopt the Fair Value Model, and after careful consideration and benchmarking against best practices and global peers, Cenomi Centers' board of directors resolved on 29 June 2022 to adopt the Fair Value Model to measure its properties and investment properties in accordance with the IAS 40 accounting standard, which came into effect for the current 3Q-22 reporting period (ended 31-Dec-2022), and in turn has improved the Company's financial position as well as the statement of profit or loss. The statement of financial position was enhanced by an increase in total assets and total equity. Book Value increases to SAR 33.75 per share a 175% increase from the SAR 12.22 reported on September 30th 2022. The statement of profit and loss is positively impacted by the removal of investment properties and right-of-use assets related depreciations and the inclusion of the gain from fair valuation. For more details, please refer to note *"Effect of change in accounting policy"* to the condensed interim financial statements.

Alison Rehill-Erguven, CEO, Cenomi Centers, said: "Cenomi Centers has maintained a solid growth trajectory. We continue to surpass the pre-pandemic operational metrics as we see strong increases in visitor footfall, up by 32% year-on-year during Q3-2022 and 39% y-o-y on a year-to-date basis, and growing occupancy levels to reach 94.2% for the quarter. These milestones further underline our resilience and the growth momentum of our business.

Our most significant transformation has been the evolution of our brand to Cenomi, in line with the full rebrand under the Cenomi Group and its subsidiaries. This alignment is consistent with our growth as a consumer-centric company, delivering next generation retail and lifestyle experiences to the consumers of Saudi Arabia."

Summary Income Statement (SAR Mn)	Q3-22	Q3-21	% Change	9M-22	9M-21	% Change
Total Revenue	550.8	510.6	7.9%	1,687.5	1,518.3	11.1%
Gross Profit	462.5	423.4	9.2%	1,417.1	1,244.5	13.9%
<i>Gross Profit Margin</i>	<i>84.0%</i>	<i>82.9%</i>	<i>1.0 pts</i>	<i>84.0%</i>	<i>82.0%</i>	<i>2.0 pts</i>
Operating Profit	542.7	452.6	19.9	1,090.8	1,046.4	4.2%
<i>Net Valuation Gain on Investment Properties</i>	<i>220.5</i>	<i>129.7</i>	<i>70.1%</i>	<i>4.6</i>	<i>57.3</i>	<i>-92.0%</i>
<i>Financial Charges</i>	<i>(51.4)</i>	<i>(35.4)</i>	<i>45.4%</i>	<i>(146.8)</i>	<i>(126.1)</i>	<i>16.5%</i>
<i>Interest Expense on Lease Liabilities</i>	<i>(27.0)</i>	<i>(37.1)</i>	<i>-27.2%</i>	<i>(102.3)</i>	<i>(121.8)</i>	<i>-16.1%</i>
Profit Before Zakat	461.2	376.1	22.6%	834.5	794.5	5.0%
<i>Zakat</i>	<i>(5.4)</i>	<i>(3.3)</i>	<i>64.3%</i>	<i>(29.8)</i>	<i>(8.4)</i>	<i>256.5%</i>
Net Profit	455.7	372.8	22.2%	804.7	786.1	2.4%
<i>Net Profit Margin</i>	<i>82.7%</i>	<i>73.0%</i>	<i>9.7 pts</i>	<i>47.7%</i>	<i>51.8%</i>	<i>-4.1 pts</i>

Summary Balance Sheet (SAR Mn)	Q3-22	FY-21
<i>Current Assets</i>	<i>2,451.5</i>	<i>1,713.8</i>
<i>Investment Properties</i>	<i>24,950.2</i>	<i>25,880.7</i>
<i>Right-of-Use Assets</i>	<i>-</i>	<i>-</i>
<i>Other Non-Current Assets</i>	<i>335.5</i>	<i>400.3</i>
Total Assets	27,737.1	27,994.8
<i>Current Liabilities</i>	<i>1,893.4</i>	<i>1,510.2</i>
<i>Non-Current Liabilities</i>	<i>9,898.5</i>	<i>10,990.4</i>
<i>Total Equity</i>	<i>15,945.2</i>	<i>15,494.2</i>
Total Liabilities and Shareholders' Equity	27,737.1	27,994.8

Key Operational Metrics	Q3-22	Q3-21	% Change	9M-22	9M-21	% Change
Total GLA (Mn SQM)	1.337	1.371	-2.5%	1.337	1.371	-2.5%
Period-end Occupancy Rate (LFL)	94.2%	92.8%	1.4 pts	94.2%	92.8%	1.4 pts
Footfall	27,126,557	20,499,885	32.3%	84,248,935	60,826,681	38.5%

Complete financial statements are available for download on ir.cenomicenters.com

About Cenomi Centers

Cenomi Centers is the leading owner, operator and developer of contemporary lifestyle centers in Saudi Arabia. For over a decade, 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 21 assets, with more than 4,300 stores strategically located in 10 major Saudi cities. The Company's developments include several iconic lifestyle centers, such as Mall of Arabia Jeddah, Mall of Dhahran, and Nakheel Mall Riyadh – which was recognized at the Arab Luxury World Forum in 2017 as being consumers' favorite shopping mall in Riyadh. With a total GLA of nearly 1.34 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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Analyst Call and Earnings Presentation

Cenomi Centers will be hosting an analyst call on the Company's Q3-22 results on 13 February 2023 at 17:00 KSA time. For conference call details, please email ir.centers@cenomi.com. The Company's full Earnings Presentation is available for download at ir.cenomicenters.com

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