

تعلن شركة سال السعودية للخدمات اللوجستية عن تنظيمها لقاءً هاتفياً لعرض النتائج المالية الأولية للفترة المنتهية في ٢٠٢٤-٠٩-٣٠ (تسعة أشهر) مع المستثمرين والمحللين الماليين

SAL Saudi Logistics Services Co. announces that it has conducted an earnings call to present the interim financial results for the period ending on 30/09/2024 (Nine Months) with investors and financial analysts.

Item	Explanation	توضيح	بند
Announcement Details	<p>SAL Saudi Logistics announces that it has conducted an earnings call to present the interim financial results for the period ending on 30/09/2024 (Nine Months), with investors and financial analysts on 14 November 2024, where the executive management illustrated the latest efforts and achievements during the period.</p> <p>Inquiries of all analysts and investors inside and outside the kingdom of Saudi Arabia were addressed during the call.</p> <p>The earnings call presentation is attached.</p>	<p>تعلن شركة سال السعودية للخدمات اللوجستية عن قيامها بتنظيم لقاء هاتفي مع المستثمرين والمحللين الماليين لعرض النتائج المالية الأولية للفترة المنتهية في ٢٠٢٤-٠٩-٣٠ (تسعة أشهر)، وذلك بتاريخ ١٤ نوفمبر ٢٠٢٤م، الموافق ١٢ جمادى الأولى ١٤٤٦هـ، حيث استعرضت الإدارة التنفيذية أبرز الجهود والإنجازات التي تمت خلال الفترة.</p> <p>تم خلال الاتصال مناقشة جميع استفسارات المحللين والمستثمرين داخل وخارج المملكة العربية السعودية.</p> <p>مرفق العرض المقدم في اللقاء الهاتفي.</p>	تفاصيل الإعلان

SAL Earnings Call

For Q3 (Nine Months) 2024



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Information in this document was presented on **14 November 2024**.

TODAY'S AGENDA

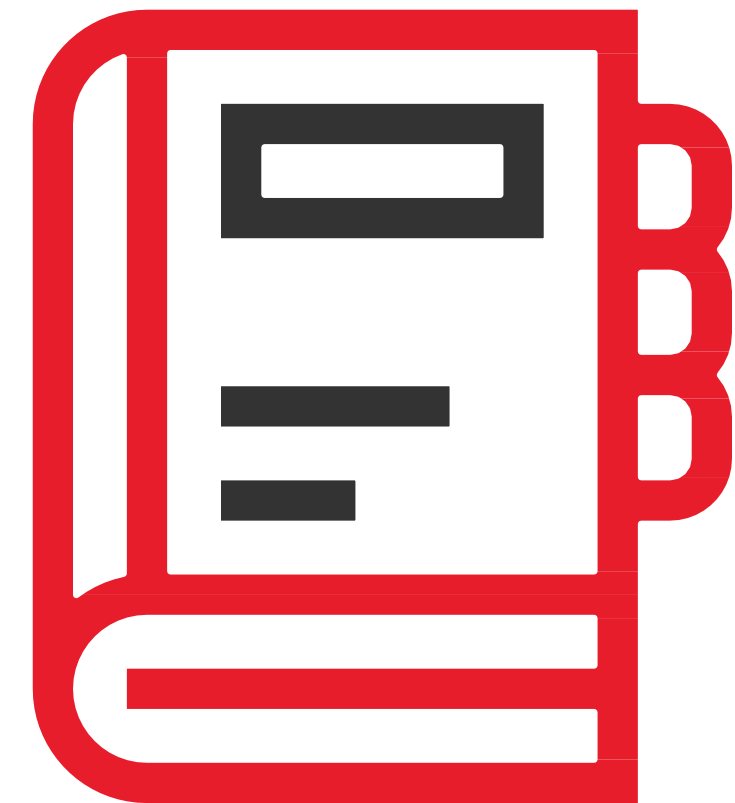
 **Business Overview**

 **Financial Overview**

 **Closing Remarks and Q&A**

Section **1**

Section **2**



Speakers



Omar Hariri
Chief Executive Officer

- CEO at SAL since November 2024
- Former President of the Saudi Ports Authority (Mawani)
- Former CEO of SAL
- Former CEO of Saudia Cargo Company and played a main role in establishing SAL



Haydar Ucar
Chief Financial Officer

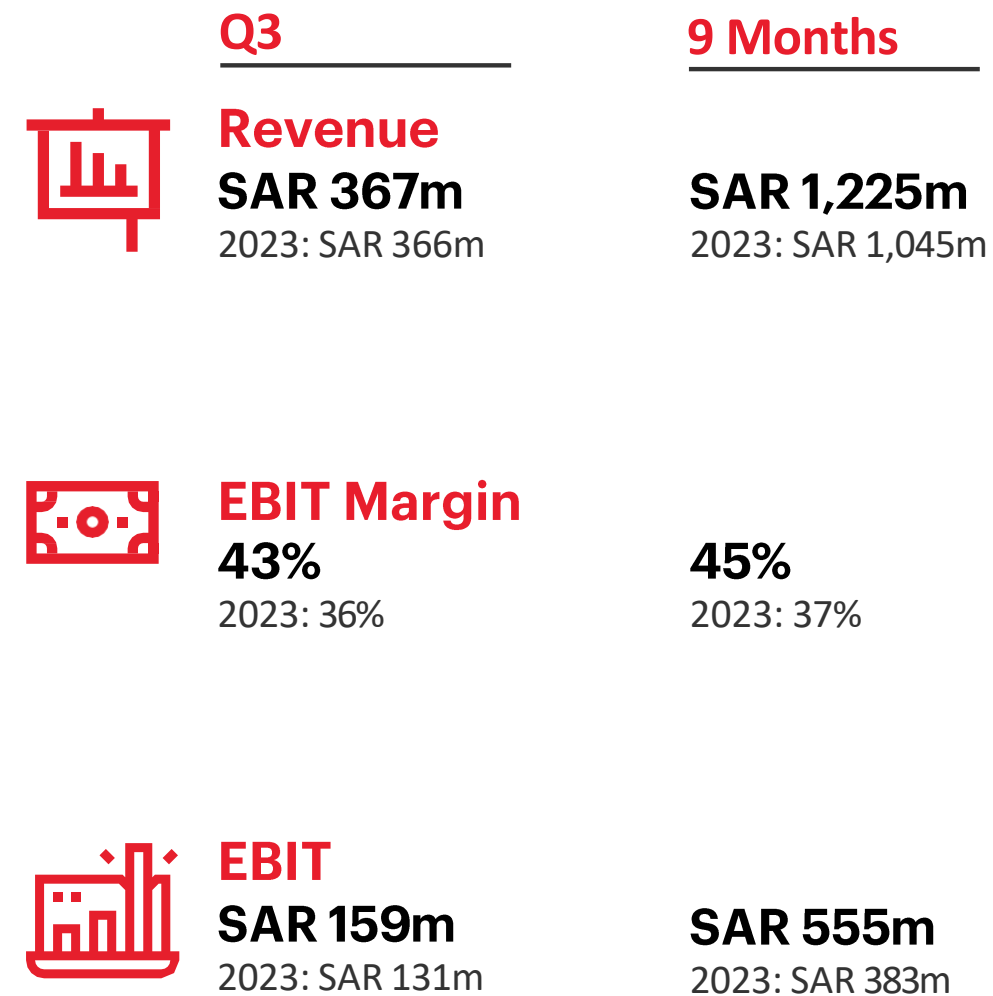
- CFO at SAL since May 2024
- Previously served as CFO in DSV Turkey and Head of Corporate Accounting at DSV head office along a long tenure from DHL
- Originally Danish/Turkish and worked many years in international settings
- Holds an MBA from IE Business School in Spain

Section 1

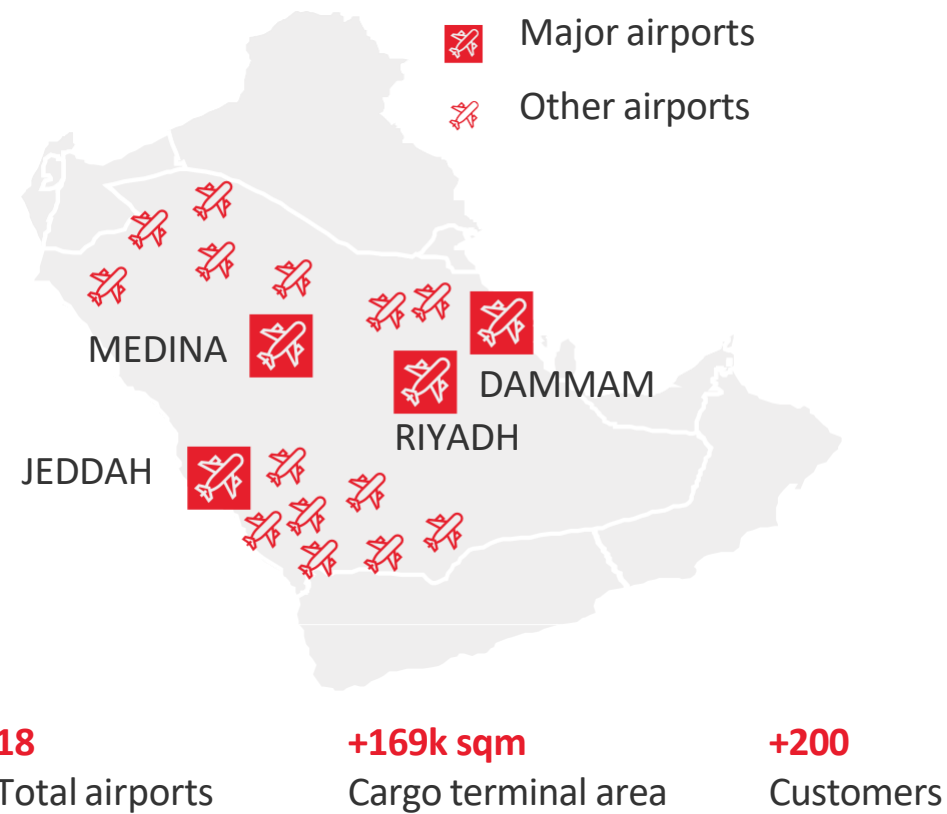
Business
Overview

SAL: A leading cargo handling player with a global logistics solutions network

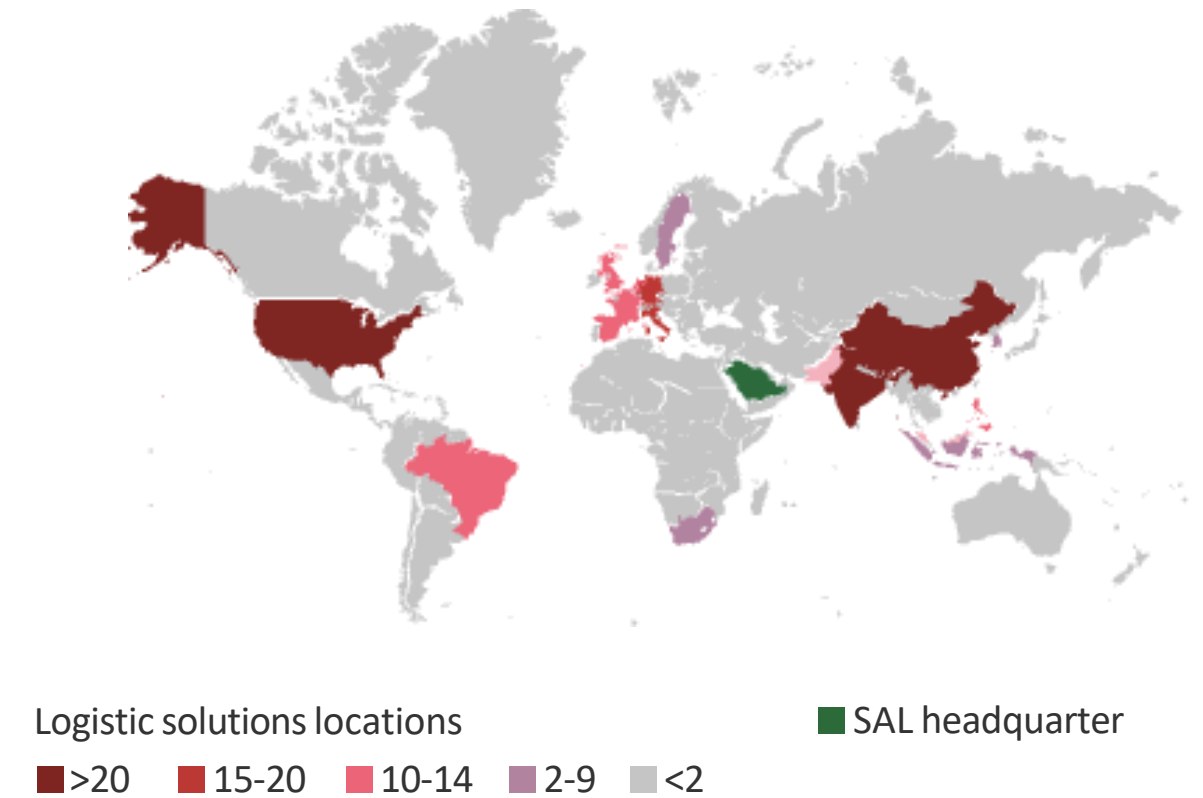
Key performance metrics 2024



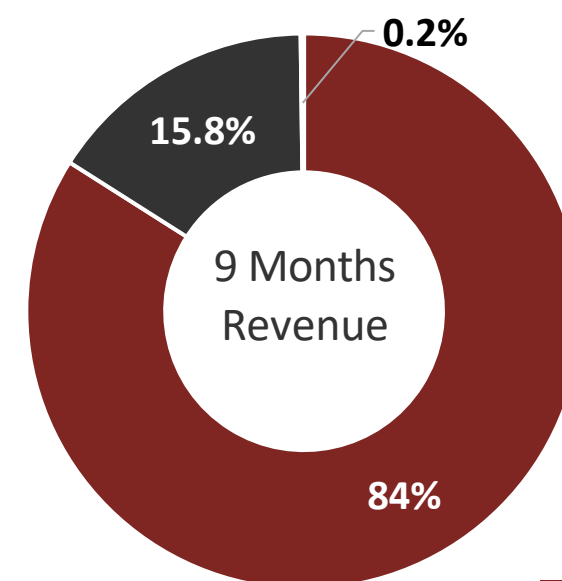
Presence at KSA airports



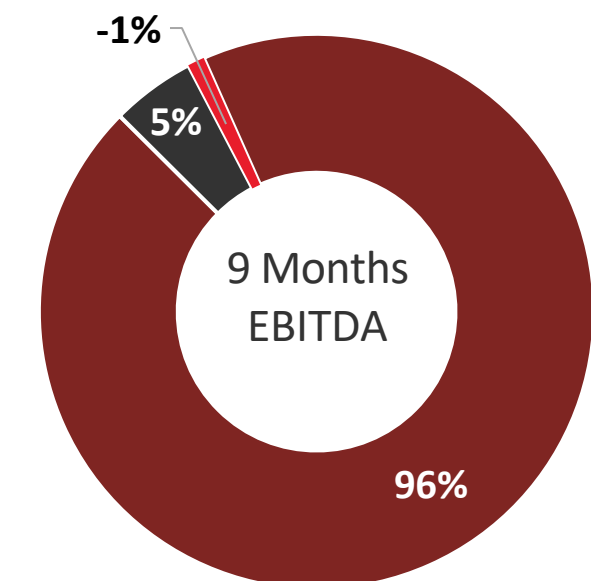
Global logistics solutions presence



YTD Revenue mix



YTD EBIT mix



Section 2

Financial
Overview

Financial Snapshot of SAL – Statement of Comprehensive Income

(SAR '000)	YTD 2024	YTD 2023	Variance
Revenue	1,225,267	1,045,089	17%
EBITDA	638,124	484,299	32%
Operating Profit (EBIT)	554,628	382,766	45%
Net Income	519,402	329,134	58%

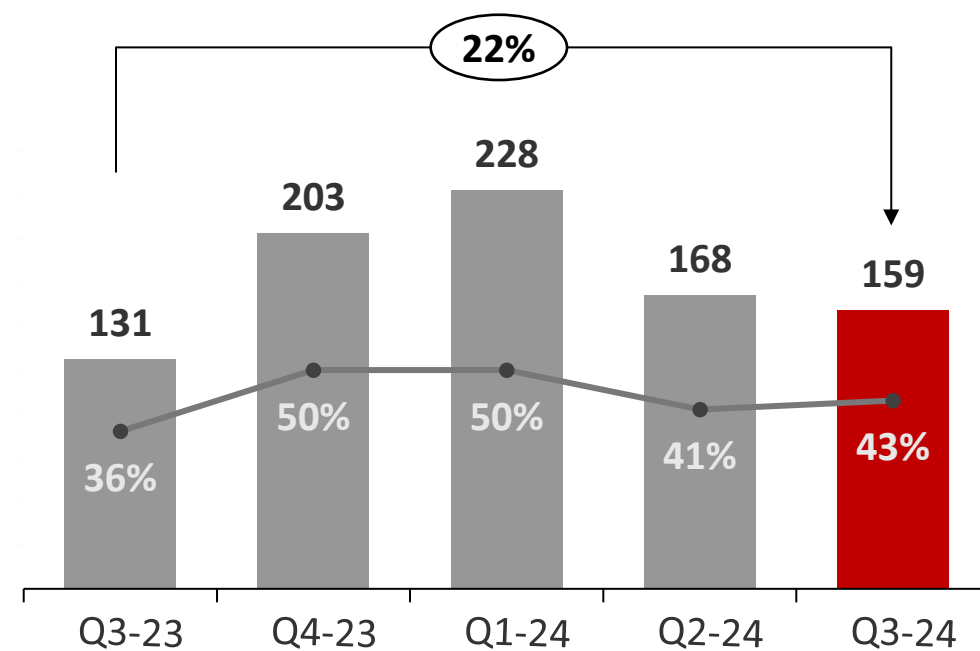
KPIs

EBITDA margin (%)	52%	46%
EBIT Margin (%)	45%	37%
Net Income Margin (%)	42%	31%
Earnings per share (EPS)	6.49	4.11

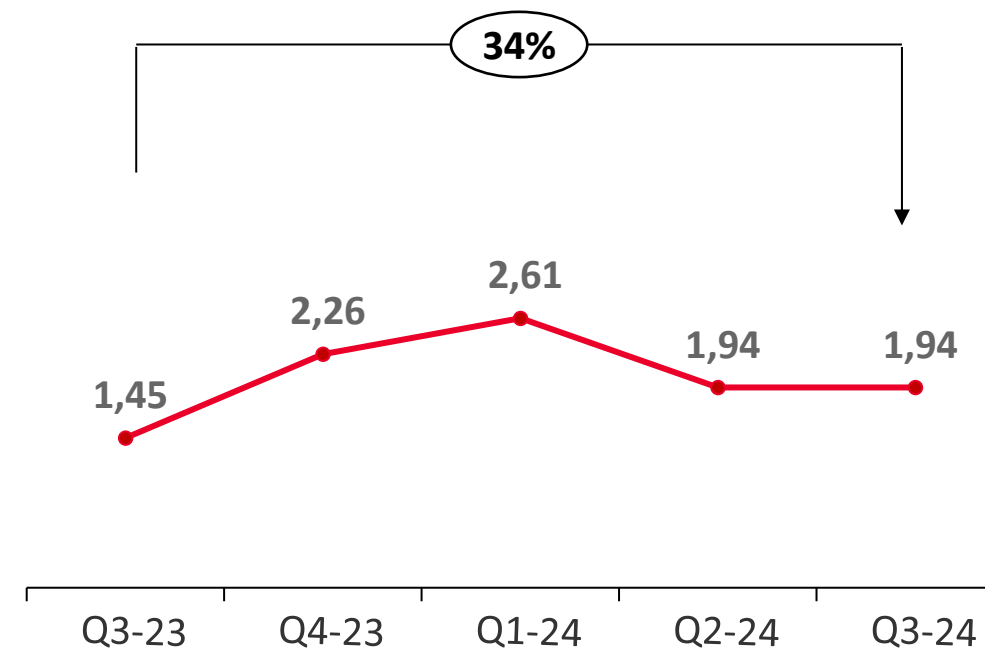
Management Commentary

- Strong YTD revenue performance with very good EBIT throughput – mainly stemmed from Q1 demand increased imports in Cargo Handling division as well as growing Logistics division.
- Increased EBIT margins, although lower Q2 and Q3 seasonality through focused cost control.
- EPS remains at a high quarter on quarter on account of exceptional YTD 2024 performance

EBIT Margin Trend
(Million SAR)

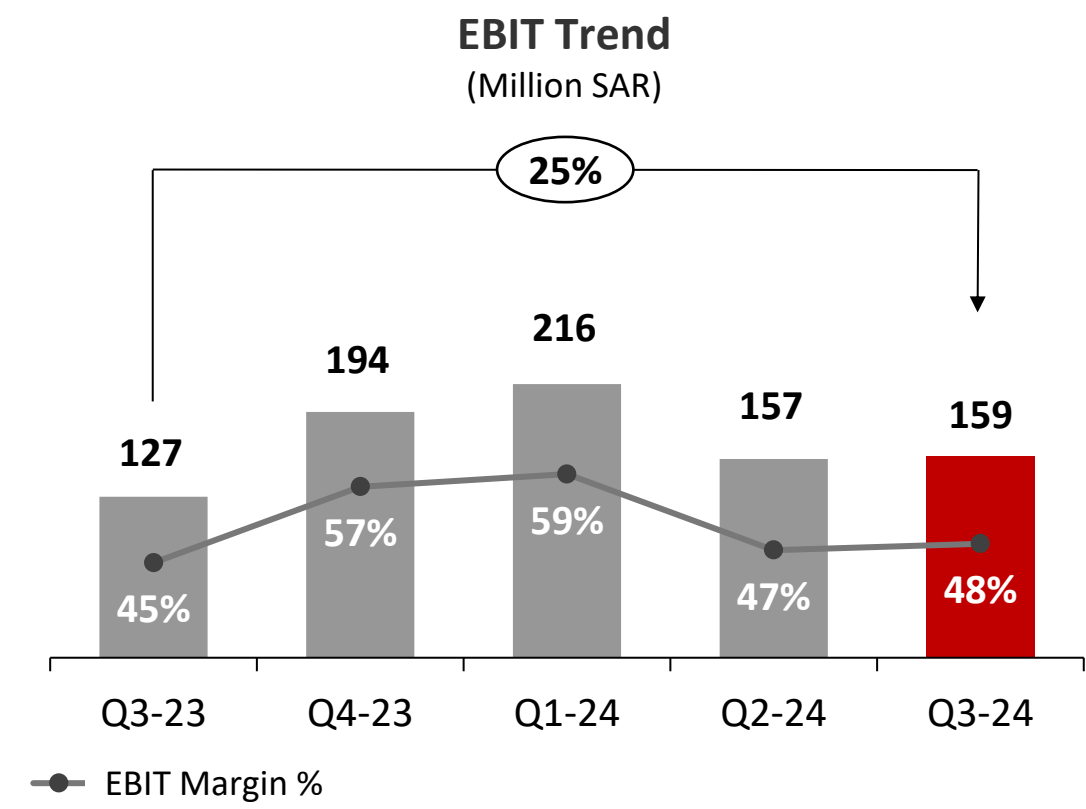
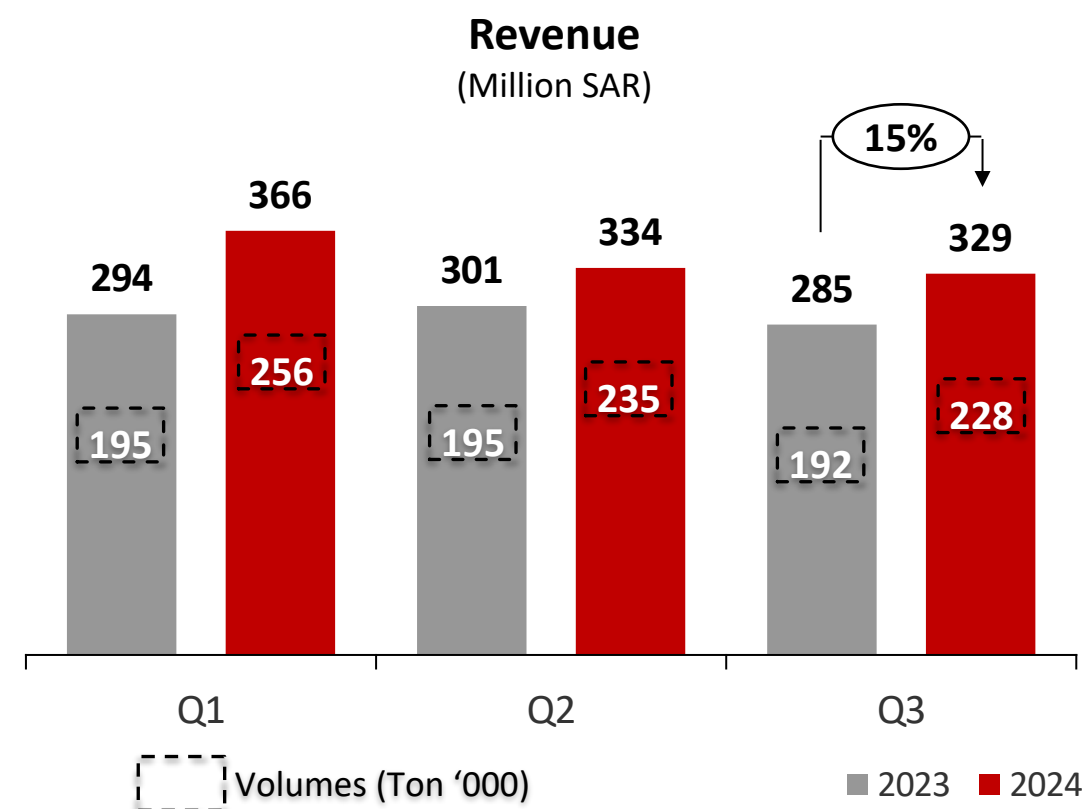


EPS Trend
(SAR)



Cargo Handling Division – The Legacy Business

(SAR '000)	Q3 2024	Q3 2023	Growth	YTD 2024	YTD 2023	Growth
Revenue	328,702	285,180	15%	1,028,183	880,505	17%
EBIT	159,376	127,392	25%	532,303	375,896	42%
KPIs						
EBIT Margin %	48%	45%		52%	43%	
Volumes (Kg '000)						
Export	9,931	9,494	5%	33,923	33,725	1%
Import	130,091	112,469	16%	411,140	336,081	22%
Transfer	88,419	70,173	26%	274,579	212,461	29%
Total	228,441	192,136	19%	719,642	582,267	24%

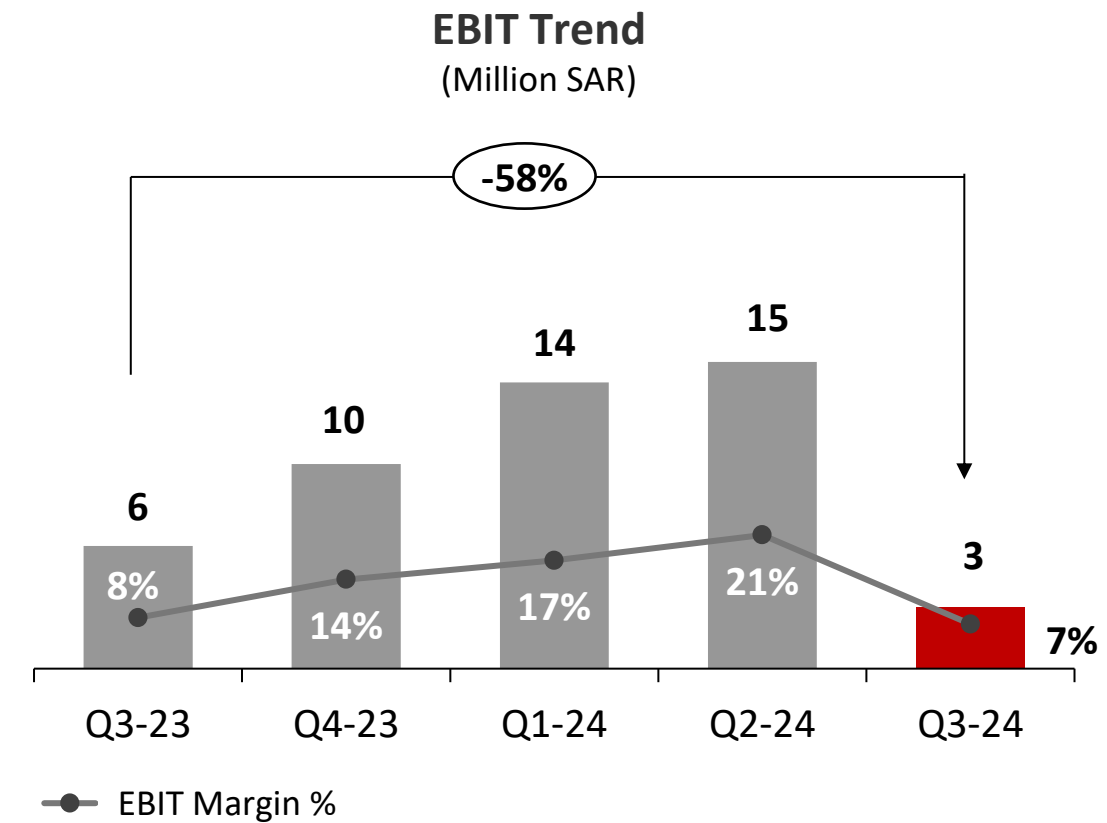
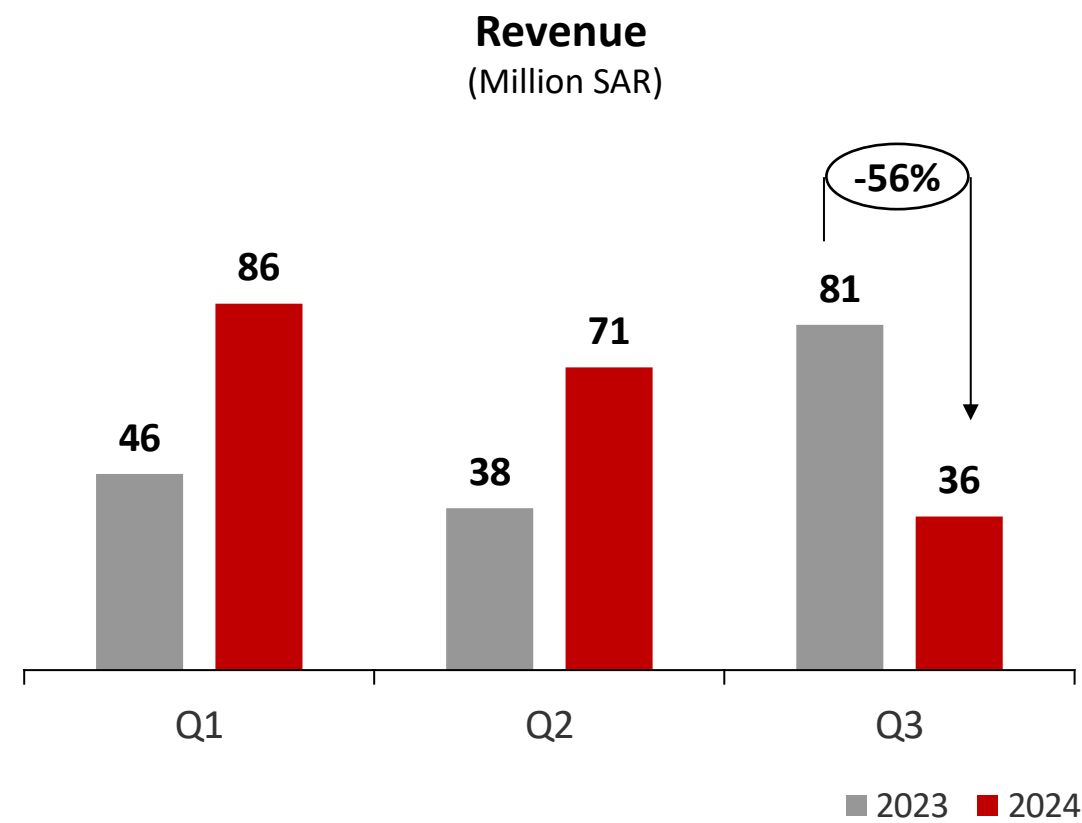


Management Commentary

- 15% revenue growth in Q3 providing an EBIT increase of 25%.
- Good Q1 revenues due to very high demand driven by e-commerce, general cargo and shift in Ramadan to Q1, resulting in lower seasonality in Q2 and a normalized Q3.
- EBIT margins has increased in response, also supported by leasing cost reductions in key stations.

Logistics Division – The Evolving Business

(SAR '000)	Q3 2024	Q3 2023	Growth	YTD 2024	YTD 2023	Growth
Revenue	36,195	80,582	-55%	194,426	164,584	18%
EBIT	2,684	6,352	-58%	32,034	9,554	235%
KPIs						
EBIT Margin %	7%	8%		16%	6%	



Management Commentary

- Business line continues to grow and improves margins and profitability each quarter.
- In Q2 aged receivables recovery supported the business line and the timing of key project transports in Q3 was timed in Q4 of this year.

Financial Snapshot of SAL – Free Cash Flow

(SAR '000)	YTD 2024	YTD 2023	Variance
Profit before Zakat	541,587	355,384	52%
Adjustments for non-cash items	131,291	190,085	-31%
Changes in:			
Working Capital	(112,598)	(95,006)	-19%
Cash flow from Operating activities	560,280	450,463	24%
Cash flow used in Investing activities	(266,546)	(55,556)	-380%
Cash flow used in Financing activities	(393,692)	(336,015)	-17%
Net change in cash and cash equivalents	(99,958)	58,892	-270%
Cash and cash equivalent at the beginning of the period	710,426	940,069	-24%
Cash and cash equivalents at the end of the period	610,468	998,961	-39%
Free Cash flow	293,734	394,907	-26%
Adjustments to Free Cash Flow:			
Term Murabaha Deposit	210,000	-	
Adjusted Free Cash Flow	503,734	394,907	28%

Management Commentary

- Positive cash from operating activity and good recovery of working capital constraints from start of the year.
- Fewer CAPEX spendings in investing activities with similar levels of Murabaha deposits as 2023.
- Robust Free cash flow maintained.

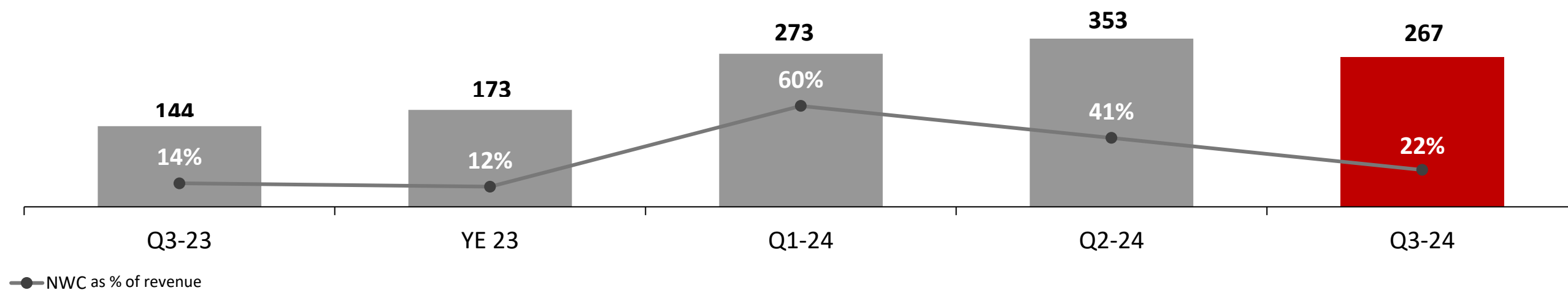
Financial Snapshot of SAL – Balance Sheet

(SAR '000)	YTD 2024	YE 2023	Variance
Non-Current Assets	1,281,171	1,621,149	-21%
Current Assets	1,896,067	1,663,824	14%
Total Assets	3,177,238	3,284,973	-3%
Non-Current Liabilities	1,374,360	1,665,426	-17%
Current Liabilities	426,949	385,420	11%
Total Liabilities	1,801,309	2,050,846	-12%
Total Shareholder's Equity	1,375,929	1,234,127	11%
Total Liabilities and Shareholders Equity	3,177,238	3,284,973	-3%

KPIs

Return On Invested Capital (ROIC)	28%	29%
Net Interest-Bearing Debt (NIBD)	(695,369)	(607,070)
Net Working Capital (NWC)	267,172	173,179
Net Working Capital (NWC) as a % of Revenue	22%	12%
Leverage Ratio (NIBD/EBITDA)	-0.3x	-0.2x
Cash Ratio	3.09	2.41

Net Working Capital (NWC) (Million SAR)



● NWC as % of revenue

ROIC = EBIT/Debt + Equity .
NIBD = LT loan – Cash & Cash equiv

NWC = Cur. Assets, less Cash – Cur. Liabl., less Cur. Lease Liabl.
Cash Ratio = Cash + Cash equiv./Total Current Liabilities

Management Commentary

Balance Sheet Highlights

- Decrease in assets mainly pertains to Right of Use Asset reduction for Dammam and Riyadh stations.
- Decrease in liabilities on a similar basis i.e. reduction in Right of Use Liability partially offset by an increase in current liabilities which is in line with business activity.
- Total shareholder's equity has increased due to increase in profitability offset by dividend payments .

KPIs

- Maintaining strong ROIC performance due to increase in profitability levels.
- Negative NIBD signifies SAL's exceptional cash health and its ability to fund future growth
- Controlled Net Working Capital due to enhancement in especially receivables management.
- The company effectively has no leverage.

Closing remarks and Q&A