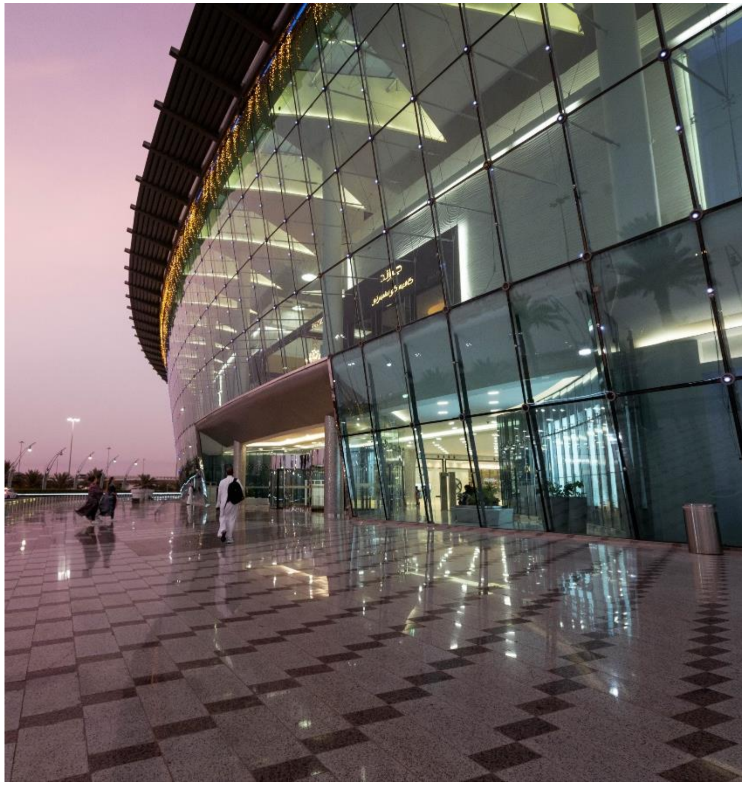
المراكز العربية
Arabian Centres



The Leading Lifestyle Centre Platform in Saudi Arabia

Investor Presentation

1Q-FY2020

August 2019

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Contents

Leading Developer, Owner and Operator of Shopping Malls Across Saudi Arabia

1Q-FY20 Headline Figures*

19 Malls

Arabian Centres Company (ACC) is the **leading developer, owner and operator of shopping malls across Saudi Arabia, with a portfolio of 19 malls.**

14% Market Share

ACC's malls are spread across key urban areas throughout the Kingdom, including the top 10 cities **covering 60% of the population and with a 14%(1) market** share by year-end FY2018.

1.1 mn sqm GLA

ACC operates some of the most iconic malls in the Kingdom, including **Mall of Arabia** (Jeddah)and **Mall of Dhahran**, two of the Company's landmark Super-Regional Malls, and **Nakheel Mall** (Riyadh).

93.2% Occupancy2

Its malls are home to more than **1,000 international, regional and local retail brands,** including Zara, Debenhams, Coach, H&M, Virgin Megastores, Panda and IKEA.

31 mn Footfall

ACC seeks to continuously enhance its overall tenant mix, which includes **dining, entertainment, lifestyle and leisure offerings,** in order to attract footfall and maximize returns on its mall portfolio.

Successful IPO

Successfully completed IPO on the Saudi Stock Exchange (Tadawul) in May 2019 at a price of SAR 26 per share, implying a **market capitalization on admission of SAR 12.4 billion.**

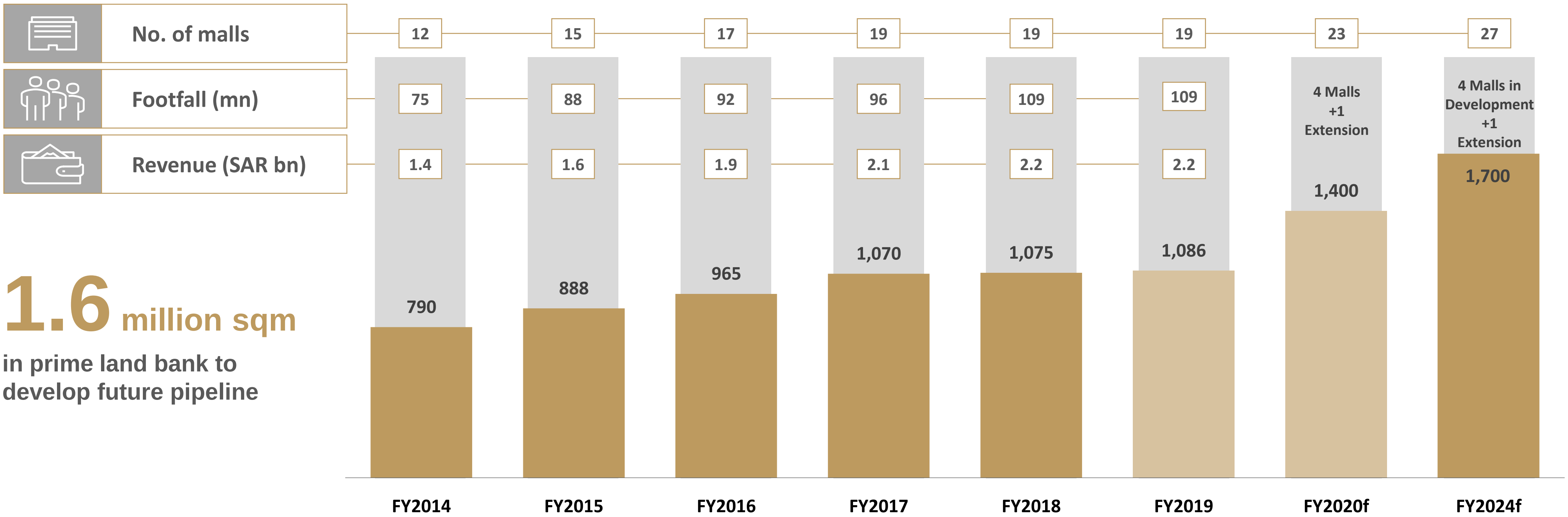
Revenue	EBITDA	FFO3	Net Profit	NAV
SAR **572.5** mn ▲ 2.5% y-o-y LFL ▲ 2.5% y-o-y	SAR **445.5** mn ▲ 21.8% y-o-y	SAR **300.1** mn ▲ 101.1% y-o-y	SAR **227.0** mn ▲ 180.4% y-o-y	SAR **18,454.3** mn ▲ 5.1% vs. FY2019

** Three-month period ended 30 June 2019; ACC's fiscal year for 2020 (FY2020) ends on 31 March 2020*

(1) Source: JLL Market Study (2018)
(2) Represents the period-end occupancy
(3) Fund from operations: net profit for the year plus depreciation of investment properties and PP&E and write-off of investment properties, if applicable.

15+ Years Track Record Achieving Leadership Position Through Sustained Growth

GLA Growth FY2014 – FY2024f (000s sqm)



1.6 million sqm

in prime land bank to develop future pipeline

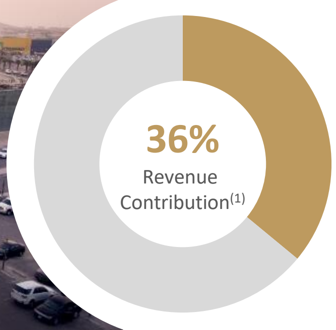
- **2002** – BUA of 28,364 sqm: Sahara Plaza
- **2004** – BUA of 109,215 sqm: Nakheel Plaza, Khurais Mall
- **2005** – BUA of 381,281 sqm: Mall Of Dhahran, Aziz Mall, Salaam Mall
- **2008** – BUA of 341,765 sqm: Mall of Arabia, Al Noor Mall
- **2010** – BUA of 65,800 sqm: Al Ahsa Mall
- **2011** – BUA of 106,881 sqm: Makkah Mall, Haifa Mall
- **2012** – BUA of 212,825 sqm: Salaam Mall
- **2014** – BUA of 166,670 sqm: Al Nakheel Mall, Salma Mall, Tala Mall
- **2015** – BUA of 130,029 sqm: Jubail Mall, Jouri Mall
- **2016** – BUA of 179,641 sqm: Yasmeen Mall, Hamra Mall

Our Assets are Diversified and Strategically Located across Saudi Arabia

Our Malls

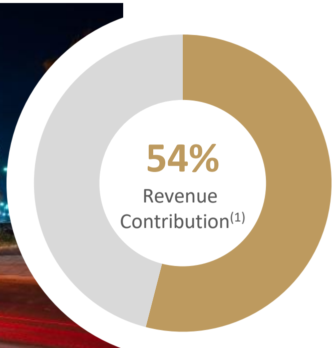
3 Super Regional Malls

GLA
≥ 74,000 sqm



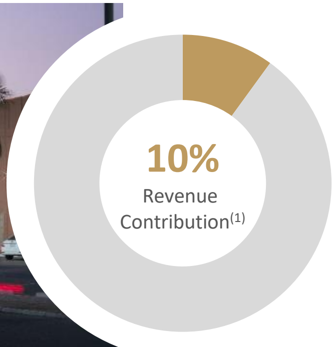
10 Regional Malls

37,000 sqm
≤ GLA
< 74,000 sqm



6 Community Malls

GLA
< 37, 000 sqm

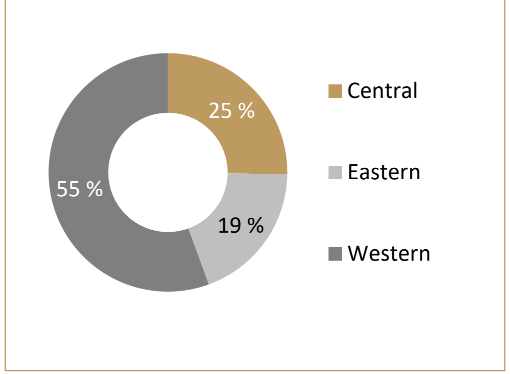


(1) As of 1Q-FY2020, or the 3-month period ended 30 June 2019

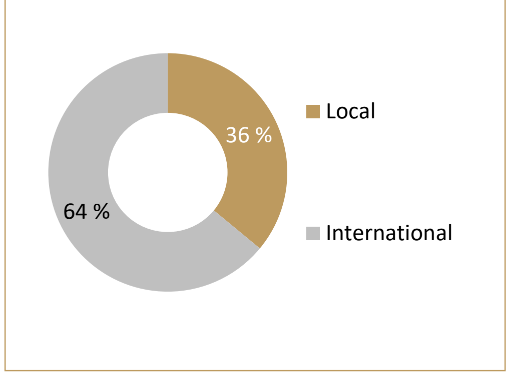
ACC's malls are located in major cities across Saudi Arabia and are anchored by the company's strategic partnerships with major retailers and other tenants.

4,100 stores	**1,100** brands	**720** customers

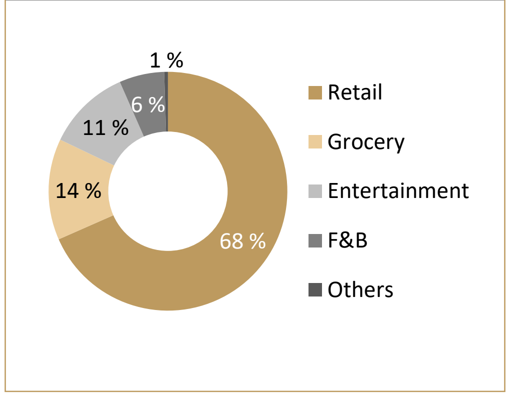
1Q-FY20 Geographical Distribution | GLA



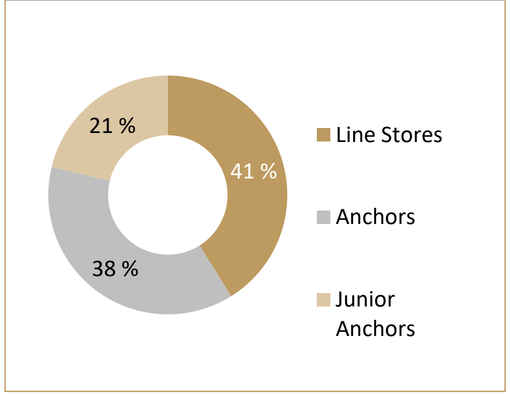
1Q-FY20 Brand Split by Origin | No. of brands



1Q-FY20 Distribution by Category |GLA



1Q-FY20 Distribution by Store (GLA)



The Leading Lifestyle Centre Platform in Saudi Arabia

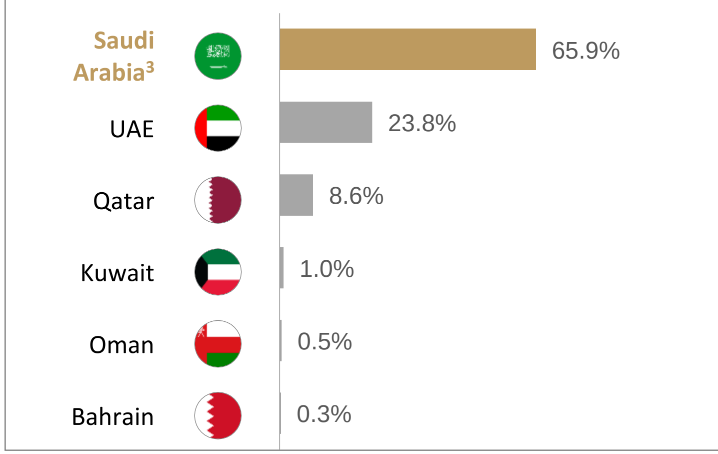
1	Attractive industry backdrop driven by favorable local demographic and lifestyle trends
2	Largest retail platform in Saudi Arabia with leading positions across key metropolitan areas
3	Strong mall development business with superior returns
4	Fully integrated retail ecosystem
5	Experienced management team with clear roadmap to growth
6	Best-in-Class Corporate Governance Framework

Attractive Industry Backdrop Driven by Favorable Local Demographic and Lifestyle Trends (I/II)

Favorable Macro-economic Drivers			Favorable Demographic & Lifestyle Trends		
					
Strong Population Growth	A Young Population	Steadily Increasing Workforce	Cultural predisposition towards shopping as a key leisure activity as well as for family outings	Strong gift-giving culture	Hot climate supports a high level of demand for indoor, air-conditioned mall environments as a leisure destination
▲ c.1.8% in 2017	52% < 30 yrs in 2018	▲ c.3% in 2019 (f)			

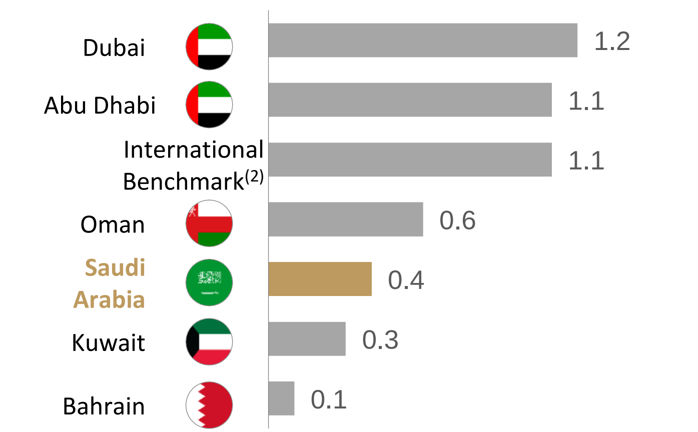
Saudi Arabia's modern retail market remains largely underpenetrated with long-term growth prospects

2017A Market Share of GCC Retail Sales



Saudi Arabia is the largest retail market in the GCC, almost double the size of the retail market in the UAE and is expected to grow by CAGR of 5% between 2019 and 2021

2018A Retail Mall GLA per capita (sqm) [(1)]



Low organized retail supply relative to the GCC and international markets creates significant untapped potential for quality modern retail spaces

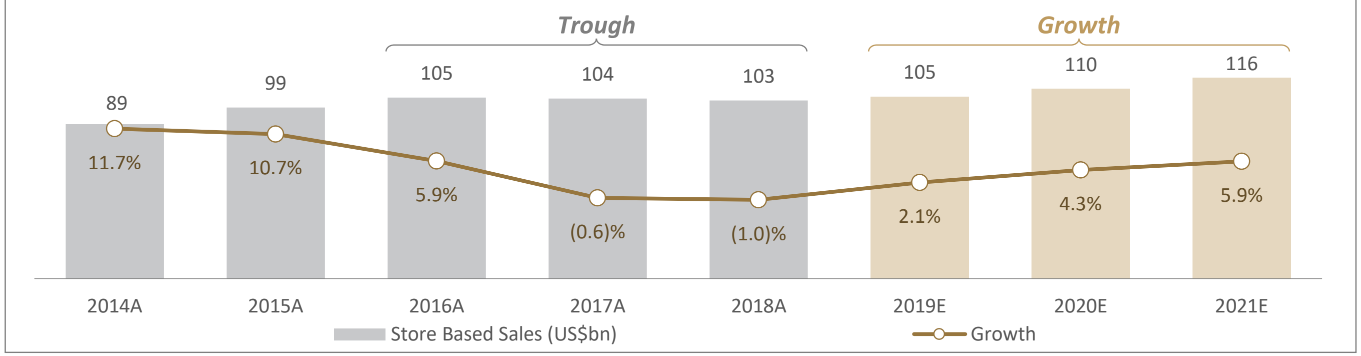
Source: Oxford Economics, JLL Market Study, Middle East Council of Shopping Centres (2018), International Council of Shopping Centres

1) Retail mall GLA includes shopping centres / malls and quality strip malls but excludes independent standalone stores. (2) As identified by the International Council of Shopping Centres. (3) For only the four major cities i.e. Riyadh, Makkah, Jeddah and DMA

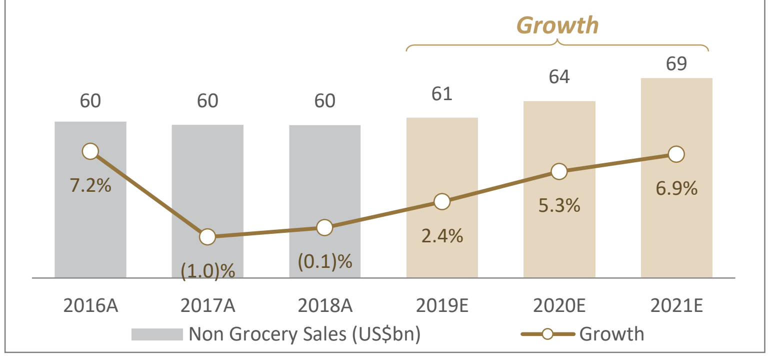
Attractive Industry Backdrop Driven by Favorable Local Demographic and Lifestyle Trends (II/II)

Retail market is recovering following two years of slowdown, with significant upside driven by the Vision 2030 reforms

Store-based Sales [2]



Non-Grocery Sales



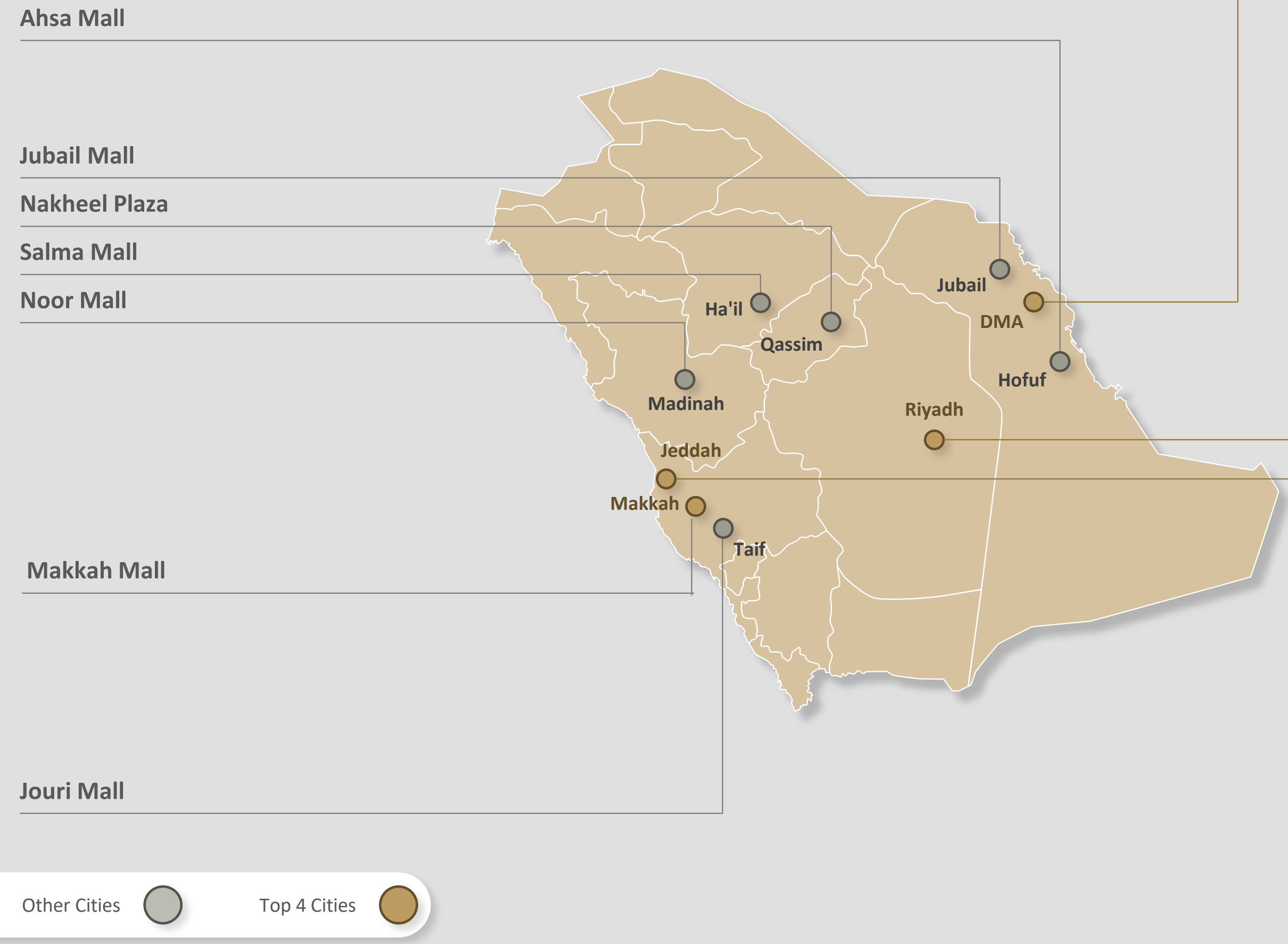
Key Focus Areas of Vision 2030 Reforms				Expected Impacts for Retail / ACC
Enriching Quality of Life	Promote Saudi Arabia's entertainment industry	Enhance Saudi Arabian cities' positioning among top cities		**Entertainment / leisure including cinemas as incremental footfall generators** **Recapture retail spending outside of the Kingdom**
Women Enablement	Government drive to increase women mobility	Increase the participation of women in the workforce from 22% to 30% by 2030 → 7% increase per year in discretionary spend [(1)]		**Enablement of large part of target catchment** **Boost in total purchasing power**
Boosting Tourism	Focus on tapping the country's underdeveloped tourism industry	Foster more balanced and sustainable demand	Increase the Umrah visitors from 8 million to 30 million per year by 2030	**Increasing domestic and international tourist flows in Saudi Arabia**
Infrastructure	Improve public transportation infrastructure / connectivity	Upcoming ~US$426 billion infrastructure plan		**Improved accessibility / mobility leading to higher footfall**

Source: Vison 2030, Jadwa Investment, Centre for International Communication, Euromonitor 2018, Saudi Railways Organization, Bloomberg, JLL Market Study, IMF
Notes: 1. Additional 770k working women calculated as 8% (30% minus 22%) of current women population in Saudi Arabia between 15-64 years of age. US$2.6bn discretionary spend calculated as 38% of the total disposable income of additional working women
Notes: 2 Store-based Sales / Source: JLL Market Study, Euromonitor 2018, IMF

Largest Retail Platform in Saudi Arabia with Leading Positions Across Key Metropolitan Areas

Diversified portfolio strategically positioned in large catchment areas

Key Saudi Arabian Cities Retail Mall Market Share by GLA as of 2018[(1)]



DMA
17% Market share
- Mall of Dhahran

Riyadh
11% Market share
- Sahara Plaza
- Salaam Mall
- Tala Mall
- Khurais Mall
- Nakheel Mall
- Hamra Mall

Jeddah
28% Market share
- Aziz Mall
- Mall of Arabia
- Haifa Mall
- Salaam Mall
- Yasmin Mall

(1) Source: JLL Market Study (2018), Company information - Based on 4 key cities (Riyadh, Jeddah, DMA and Makkah) and only including organized retail space (>3,000 sqm)

Strong Mall Development Business with Superior Returns

High Mall Development Capabilities and Expertise

Through its partnership with FARE (member of Fawaz Alhokair & Partners Co.), ACC has successfully developed 16 Malls (with the exception of Tala Mall in Riyadh, Salaam Mall in Jeddah and Salma Mall in Hail).

ACC has demonstrated its ability to accurately assess changing market requirements which are important for identifying and securing attractive sites for its Malls.

1-3 Years

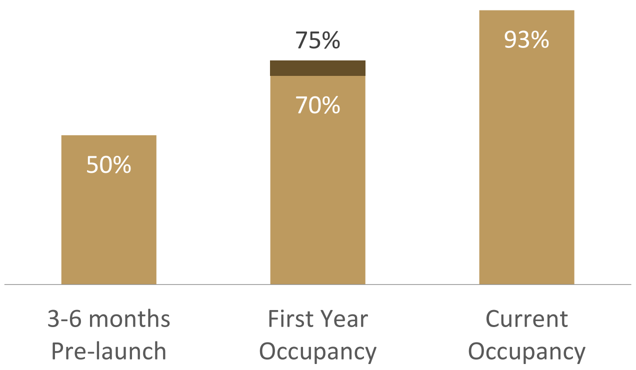
Average total delivery time

< 5%
Av. deviation

From scheduled budget

Strong Pre-leasing Model

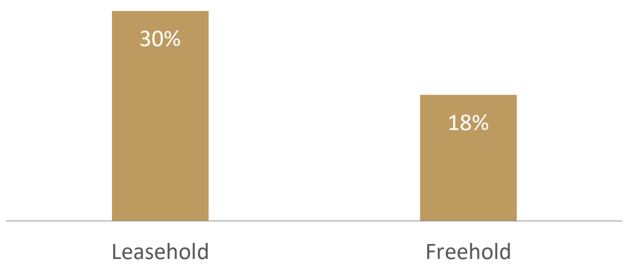
ACC has been able to pre-lease approximately 50% of its recent new malls 3-6 months ahead of their launch



Superior Returns (YTC)

3-4 Yrs
Av. Implied payback

5-6 Yrs
Av. Implied payback



YTC - FY2018 Actual EBITDA (Net of lease expense for leasehold) divided by Total Development Cost (including land for freehold) where Total Development Cost defined as the capital expenditure incurred and the land cost

Favorable Lease Terms

~5%	Escalation Clause for Line Stores
~90%+	With Variable Rent Clause
3-5 Years	Typical Tenure for KSA Line Stores

Fully Integrated Retail Ecosystem

Fashion	Food & Beverage	Leisure & Entertainment

Alhokair Fashion Retail	Food & Entertainment Company(1)	FAS Entertainment(2)
ALHOKAIR الحكير Fashion Retail أزياء التجزئة	Food & Entertainment Member of Fawaz Alhokair Group	KIDZ SPACE
75+ BRANDS	**20+ BRANDS**	**3 BRANDS**

75+ BRANDS

GAP	ZARA	Bershka
Stradivarius	Massimo Dutti	ESTĒE LAUDER
ALDO	lefties	MANGO

20+ BRANDS

CINNABON	KAHVE DÜNYASI	Molten Chocolate Cafe
rōla wala	SEATTLE'S BEST COFFEE	ماما بنز كافيه Mamma Buns Cafe
Life with CACAO	SKINNYPIZZA	Caffè Concerto

3 BRANDS

KidZania	Octo!	BILLY BEEZ

Large and Attractive Retail Portfolio

95+ BRANDS

(1) *Includes Food & Entertainment Co., Food Gate Company Commercial, and Coffee Centres*
(2) *Trading Includes Billy Games Company Co, Kids Space Company and Next Generation Company Limited*

Experienced Management Team with Clear Roadmap to Growth

Salman Abdulaziz Fahad Alhokair
Vice Chairman Managing Director

Responsible for overseeing the day-to-day activities of the Company and directing its management team on its shareholders' behalf. He is also a founding member of Alhokair Fashion Retail.

Olivier Nougarou
Chief Executive Officer

Over 15 years of senior executive experience in retail property (as CEO for Germany at Unibail-Rodamco-Westfield) and Morgan Stanley Real Estate.

Dr. Lionel Ponsard
VP of Finance

20+ years of experience in financial management and operations including Faisaliah Group and Boston Consulting Group.

Ghassan Abu Mutair
Chief Development & Project Management Officer

Previously held position of Manager of the Supply Chain Group at Fawaz Abdulaziz Alhokair Real Estate Company. He also served in other operations positions at General Electric and the Saudi Binladin Group.

Khalid Al Dubaihi
VP of Leasing

Previously served as Director of ACC Media Sales and prior to that was Chief of the Heavy Household Department at Geant Saudi Limited, an LLC established in Saudi Arabia operating in the Trade sector.

Majed Al Juaid
VP of Operations

Held several positions across ACC and its sister company, Alhokair Fashion Retail mall, for 16 years, and now serves as the Company's VP of Operations since September 2013.

Rayan Al-Karawi
Group Head of Investor Relations

Over 20 years of experience in investor relations and finance at companies including Zain KSA and Dar Al Arkan. He is a founding member and Chairman of the Saudi Chapter of the Middle East Investor Relations Association.

Bruno Wehbe
Chief Strategy & Portfolio Management Officer

Over 12 years of experience in consulting, most recently at Strategy & managing the real estate practice in the region.

Jabri Maali
Chief Financial Officer

25+ years of experience in finance - held several executive roles including Finance Manager of Planet Group and External Audit Supervisor at BDO .

Naji Fayad
Director of Internal Audit Department

He has over 20 years of experience in audit related functions and holds several academic degrees and professional qualifications including a Chartered Accountant (CA) degree and a Certified Internal Auditor.

Turki Al Zahrani
Chief Support Services Officer

Serving as Chief Support Services Officer since 2015 after joining company in 2009 as Director of Human Resources. He previously held management positions at Geant Saudi Limited and Al Othaim Holding Company.

Francois Kanaan
Chief Digital and Marketing Officer

25 years of experience in corporate marketing. His background includes corporate communications, digital transformation, brand development and destinations marketing.

Best-in-Class Corporate Governance Framework (I/II)

BOARD COMPOSITION

4	4	1
Non-Independent	Independent	Vacancy

Fawaz Abdulaziz Alhokair
Chairman

- Co-founder of Al Hokair Group
- Chairman of the board of FAS Saudi Holding Company

Salman Abdulaziz Alhokair
Vice Chairman and MD

- Co-founder of Al Hokair Group
- Director on the board of FAS Saudi Holding Company

Kamel Al Qalam

- Consultant to Fawaz Abdulaziz Al Hokair Real Estate Company

Omar Almohammady[1]

- Group CEO at Fawaz Alhokair Group

Mohamed Al Khorayef

- CEO of Al Khorayef Group

Independent

Omar Al Farisi[1]

- Managing member at Diyala Advisors LLC
- Member of the board of the Savola Group

Independent

Bernard Higgins

- Honorary professor at Edinburgh Business School
- Previously CEO of retail banking at Royal Bank of Scotland

Independent

Abdulrahman Al Tuwaijri

- Previously chairman of Capital Market Authority (CMA) in KSA

Independent

Image placeholder

VACANT

(1) Appointed on 26 May 2019

Best-in-Class Corporate Governance Framework (II/II)

ACC is Committed to Maintaining the Highest Standard of Corporate Governance

	Key Documents	Company Management	Audit Committee	Board of Directors	General Assembly (GA)
Regulatory Requirements	Corporate Governance Manual	None	Required to supervise and review related party dealings	Independent members must comprise more than a third of the Board or 3 directors	GA to approve related party transactions; conflicted shareholders to abstain from voting
Additional Protective Measures	✓ Related Party Transaction Policy (RPTP)	✓ **RPTP** requires management to conduct review of related party relationships on a quarterly basis and present report to Audit Committee	✓ Determines need for new Framework Agreements ✓ Reviews management report on related party dealings	✓ 4 of the 8 currently appointed directors are independent ✓ Review Audit Committee report on related party transactions and provide recommendations to GA	✓ Scope of RPTs which require GA approval
	✓ Framework Agreements	✓ **Framework Agreements** lay down key parameters to assist management in its dealings with key related parties	✓ Provides recommendations to the board, including on compliance with Framework Agreements		

Financial & Operational Performance

ACC Continues to Deliver on its Growth Strategies

Unlocking new value from existing portfolio

ACC's ***recent re-measurements resulted in an increase in GLA*** of approximately 28k sqm, which will be reflected in lease renewals over the next 2-3 years.

Year-to-date, ACC has ***inaugurated its first cinema theater in August 2019 at Mall of Arabia,*** a key growth avenue for the business and an incremental footfall generator.

Developing a new digital platform which will allow customers to reserve/purchase items online for store pick up. The platform is currently in its trial stage, with brands already signed on.

Robust LFL Revenue Growth

ACC achieved ***like-for-like net rental revenue growth of 3.7%*** in 1Q-FY2020, marking the business' return to strong LFL growth.

Growth was driven by Implementation of a yield and space optimization strategy, with new value unlocked from the portfolio offsetting temporary setbacks from the termination of weak performers. ACC ***recorded a 93.2% LFL occupancy rate as of June 2019*** with c.53% of leases expiring at the end of the 2019 calendar year already renewed.

Optimized Capital Structure & Completed IPO

Completed IPO will allow the company to deliver on its growth strategy, specifically its ambitious expansion plans to develop 8 assets and 2 extensions within the next five years.

IPO primary proceeds of *SAR* 780 million to be used in debt repayment, with ***SAR 500 million already repaid in 1Q-FY2020 that accelerated maturity by one year.***

ACC had secured a SAR 7.2 billion Islamic facility with favorable terms in the beginning of 1Q2019 (April 2018).

Continued expansion of mall portfolio to solidify market position

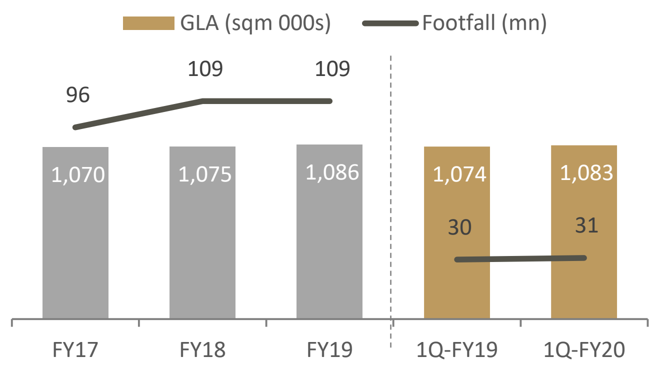
Three new malls are currently under construction, which will bring the total number of malls to 22 by the end of 2019.

Ongoing extension of Nakheel Mall (Riyadh), with phase 1 expected to be completed year-end 2019.

Acquisition of the 30-year lease for Jeddah Park, a key milestone in the delivery of ACC's near-term growth strategy and poised to add c.128k sqm of GLA upon completion in FY2020.

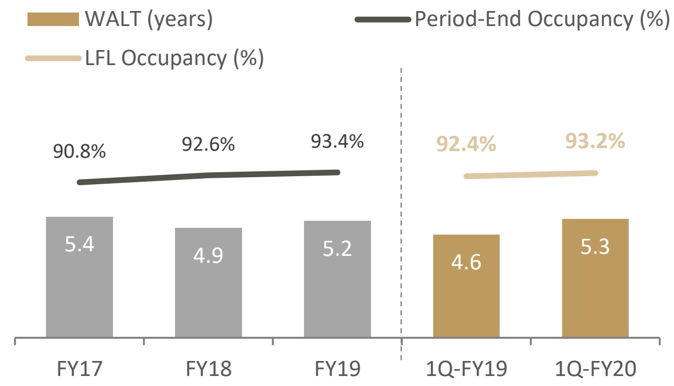
Strong Leasing Activity with Positive Spreads and High Occupancy Rates

GLA Progression vs. Average Footfall



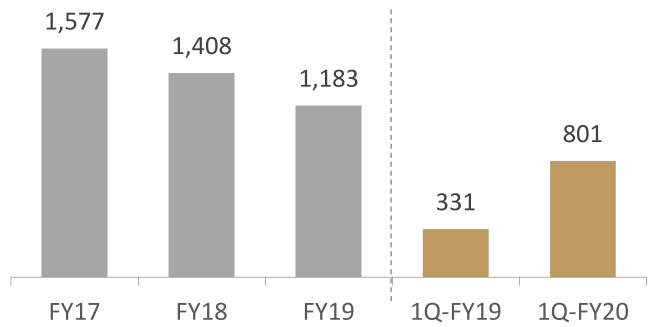
Total GLA increased 1% y-o-y to 1.083 million sqm, while average footfall rose slightly to 31 million visitors.

Occupancy Rates vs. WALT



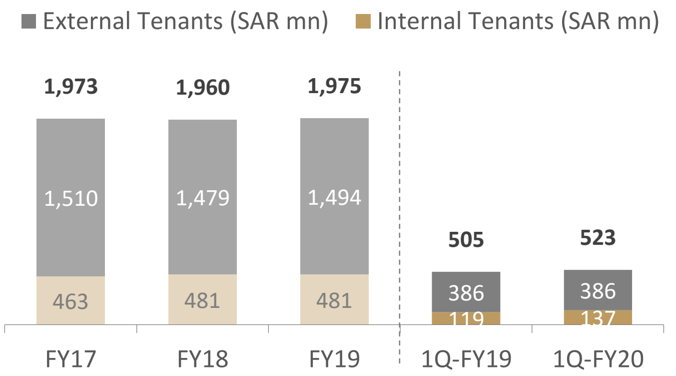
WALT rose 14.4% y-o-y to 5.3 years in 1Q-FY20, with LFL occupancy at the end of the quarter rising to 93.2%.

Number of Leases Renewed



The Company renewed a total of of 801 leases during Q1-FY2020 with a positive releasing spread and c.53% of leases expiring in the calendar year 2019 already renewed as of 30 June 2019

Revenue by Tenant Type [1]

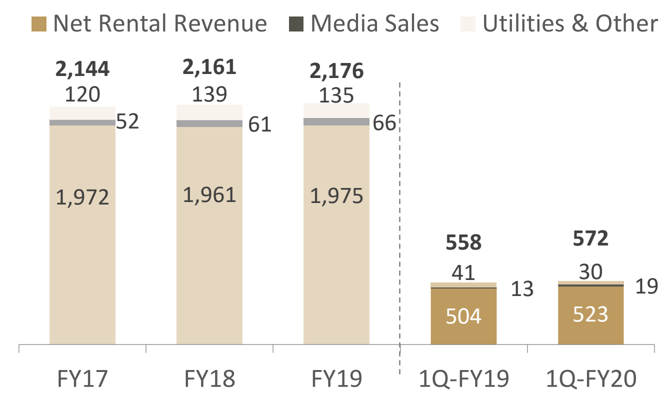


ACC maintained a good tenant mix, with internal tenants constituting c.26% of net rental revenue in 1Q-FY20.

1) *A previous version of this chart displayed total revenues by tenant type for the historical years FY17, FY18 and FY19. The chart has been modified to display net rental revenues by tenant type for these historical years.*

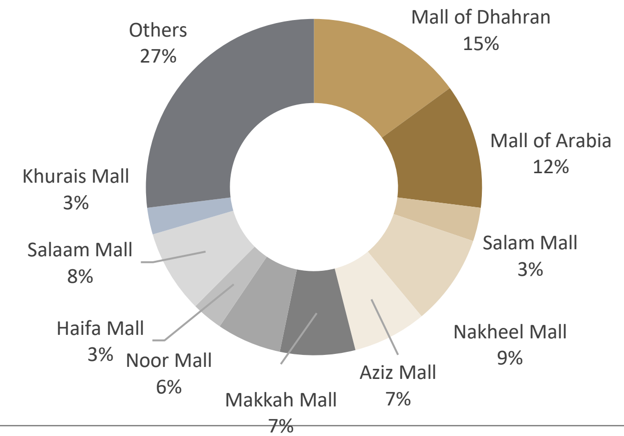
Return to LFL Total Revenue Growth

Revenue | SAR MN (1)



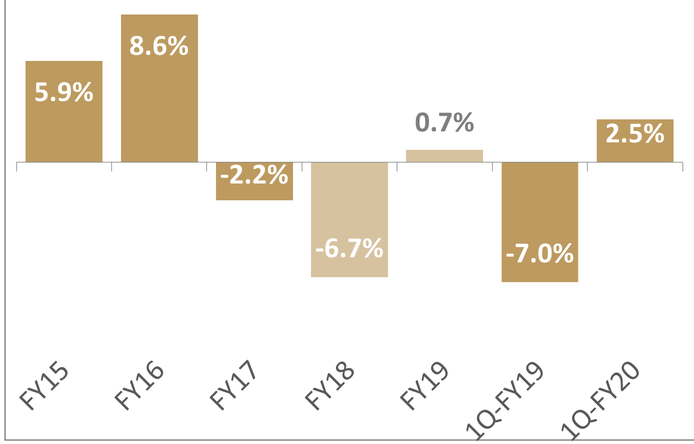
Total revenue rose 2.5% y-o-y to book SAR 572.5 million in 1Q-FY20. The increase was driven by growing net rental revenue, with management implementing improved discount policies, particularly for internal tenants.

Revenue by Mall



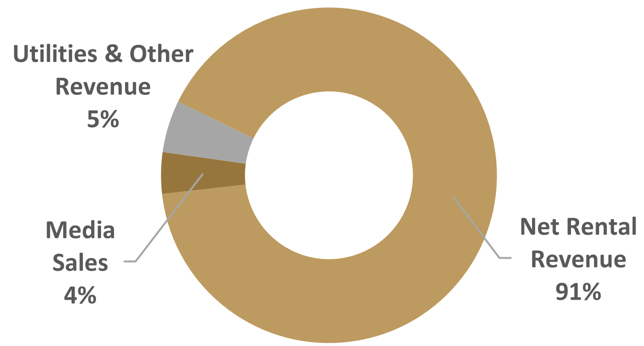
The Mall of Dhahran was the largest contributor to revenues in 1Q-FY20 at 15%, followed by Mall of Arabia (12%), Nakheel Mall (9%) and Salaam Mall (8%).

Like-for-Like Total Revenue Growth



On a like-for-like basis, total revenue was up 2.5%% y-o-y in 1Q-FY20 driven by management's yield and space optimization strategies as well as an improvement in like-for-like occupancy rates, which recorded 93.2% compared to 92.4% in 1Q-FY19.

Revenue by Type

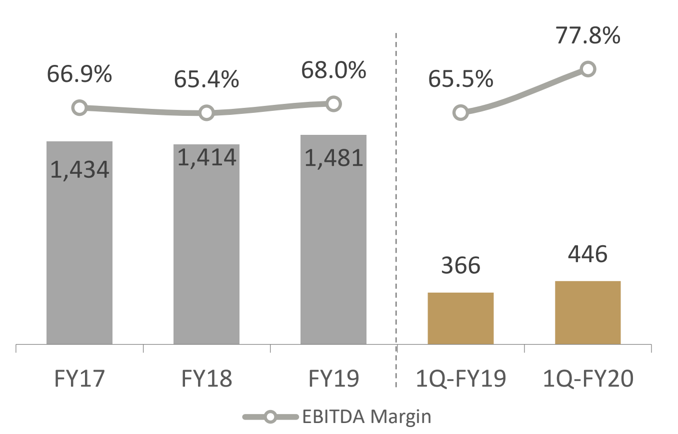


ACC derives the lion's share of its revenues from net rental revenue, which constituted 91% in 1Q-FY20. ACC is working toward yield optimization on the GLA as well as increasing contributions from non-GLA activities as one of its key growth avenues.

1) *A previous version of this chart displayed total revenues for historical year FY17 using the SOCPA formulation. The chart has been modified to include FY17 revenues post-IFRS treatment, in line with the rest of the historical years and the quarterly revenues displayed on the chart.*

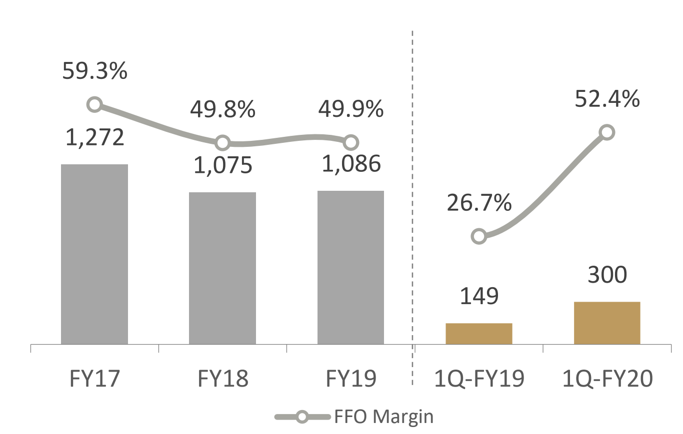
Robust Profitability with Improving Margins

EBITDA | SAR MN



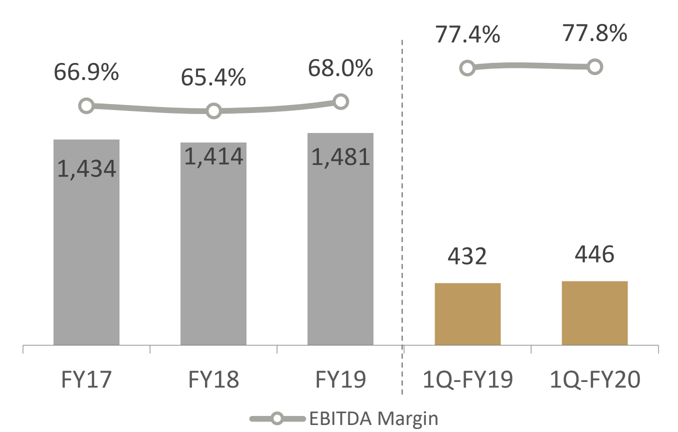
EBITDA growth was driven by cost-control initiatives and the consequent improvement in gross profitability. Additionally, the adoption of IFRS 16 led to a SAR 65.1 million decrease in rental expense in Q1-FY20.

FFO | SAR MN[1]



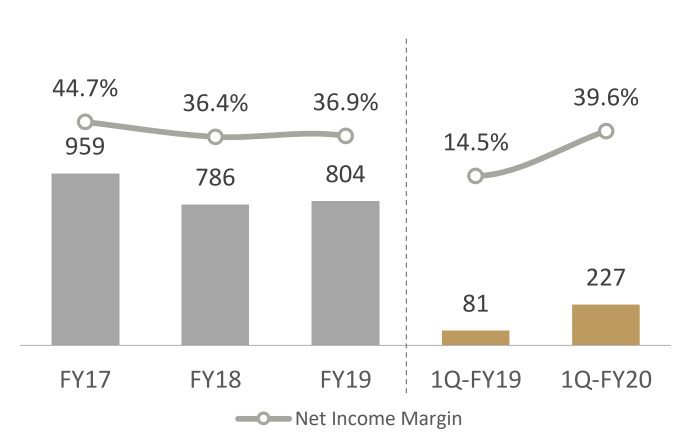
FFO was up more than twofold to SAR 300.1 million in 1Q-FY20, with an FFO margin expansion of 25.7 percentage points to 52.4%.

EBITDAR | SAR MN



Normalizing for the IFRS 16 effect, ACC's EBITDAR would record a 3.2% y-o-y growth and with an expanded margin of 77.8% reflecting purely operational efficiencies and higher-value extraction.

Net Income | SAR MN



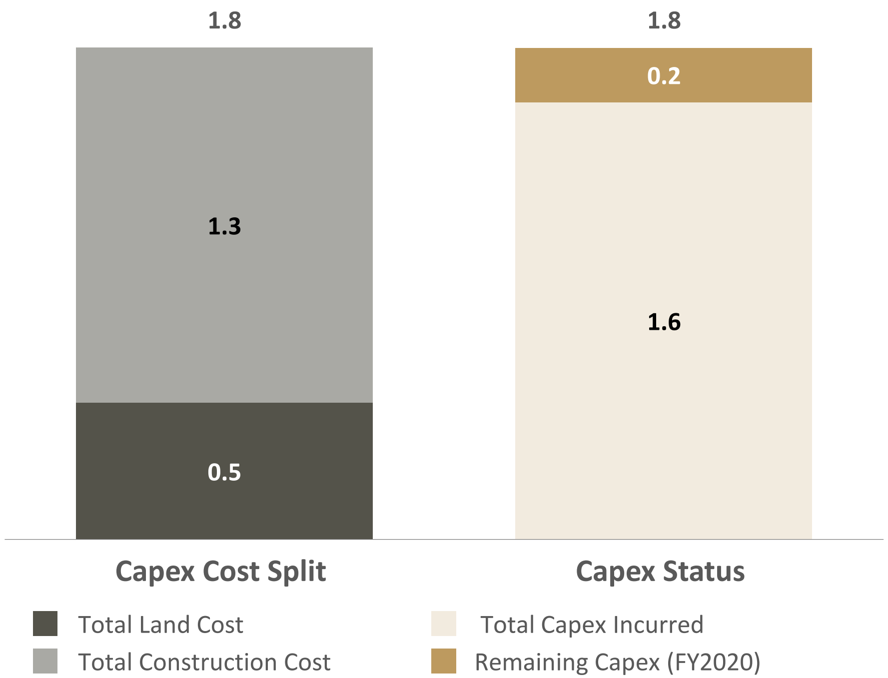
The strong rise in bottom-line profitability was attributable to higher revenue for the quarter, improved gross profitability and a significant decline in finance charges. The net profit margin expanded 25.1 percentage points to 52.4% in Q1-FY20.

1) *Fund from operations: net profit for the year plus depreciation of investment properties and PP&E and write-off of investment properties, if applicable.*

Continued Investment in Near- and Medium-Term Pipeline

Capex Overview - Near-Term Pipeline

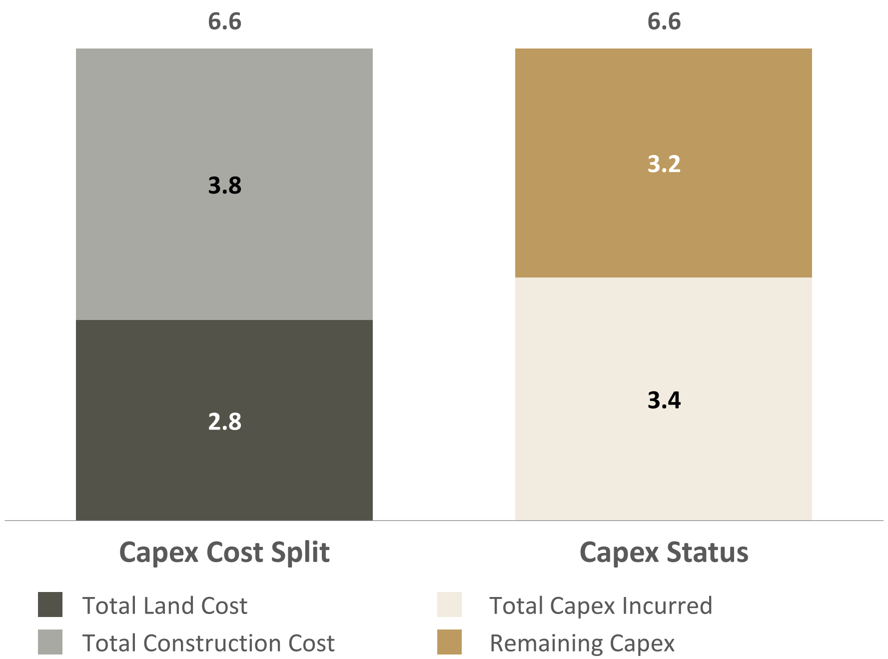
SARbn



- Total Capex for Near-Term pipeline including land cost for Nakheel Mall-Dammam and Khaleej Mall is c.SAR1.8bn
- Of the total capex, c.SAR 0.2 bn is remaining and budgeted for FY2020

Capex Overview - Medium-Term Pipeline

SARbn

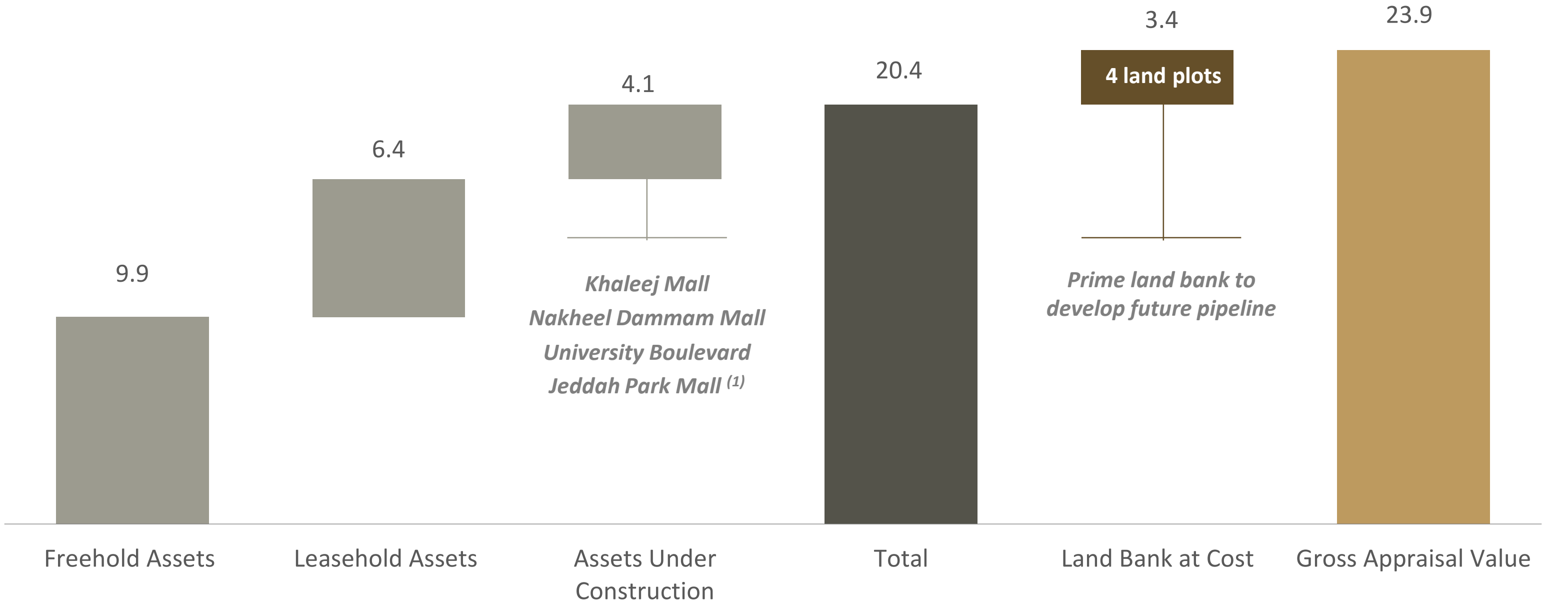


- Total Capex for Medium-Term pipeline including land cost for Mall of Arabia, Riyadh and Jawharat Jeddah is c.SAR 6.6bn (land cost of SAR2.8bn already incurred)
- Of the total capex, c.SAR 3.2bn is targeted to be spent from FY2020 onwards

Property Portfolio & Land Bank Values

Property Portfolio independently valued by Jones Lang LaSalle at SAR20.4Bn and Land Bank of SAR3.4Bn

Value of Assets as of Mar'2019 (SAR bn)[1]



EV / GAV

0.45

Implied Cap Rate[2]

0.03

Source: Investment properties valuation from JLL as of 31st March 2019

1) *Jeddah Park Mall valuation as of 11-Mar-2019 and expected to be delivered in 1st half FY2021*
2) *Implied Cap Rate is calculated as (Income from Main Operations / (Market Capitalization + Outstanding Debt)*

Optimized Capital Structure

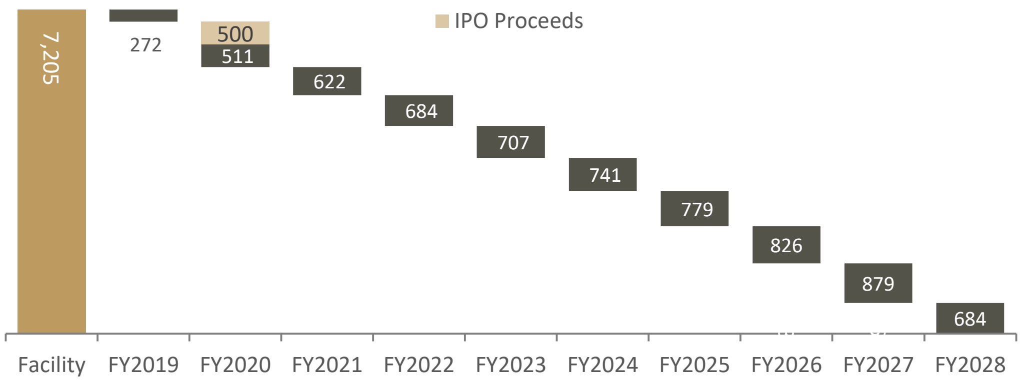
New SAR 7.2 billion Islamic facility secured in April 2018

Long maturity profile
10-year term

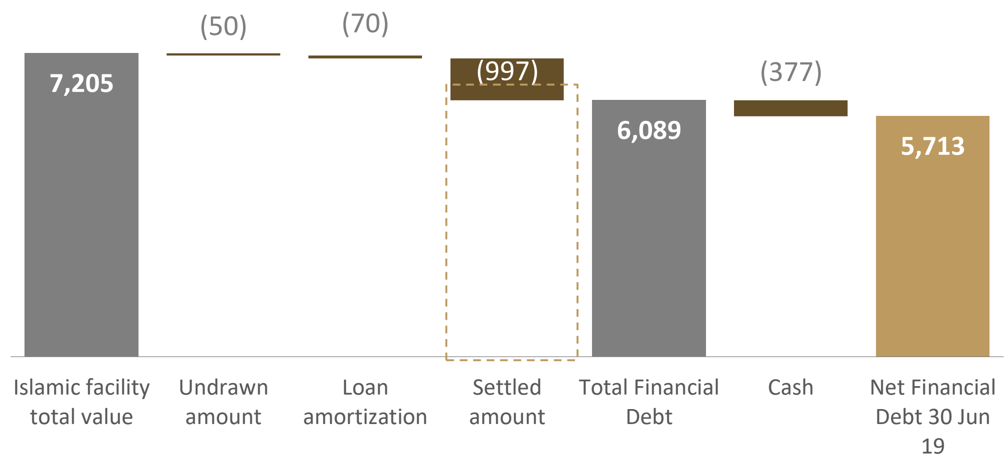
Low cost of funding
6-month SIBOR+2.5%

Sufficient Liquidity
SAR 305 mn undrawn

10-Year Amortization Schedule



Net Debt as of 30 June 19 | SAR mn



LTV(1)	Net Debt EBITDA	Debt to Equity
27%	**3.2x**	**1.0x**

Ample covenant headroom

Improved leverage position following early repayment using IPO primary proceeds in 1Q FY2020[2]

1) *LTV calculated as net financial debt divided by the sum of the value of investment properties per JLL and land bank book value as of 31-Mar-2019 including Jeddah Park.*
2) *SAR 780 million in IPO proceeds utilized through a SAR 500 million early debt repayment that accelerated maturity by one year. Remaining SAR 280 million from proceeds to be utilized in accordance with the repayment schedule.*

Financing Strategy Allowing for Pipeline Funding and Attractive Dividend Policy

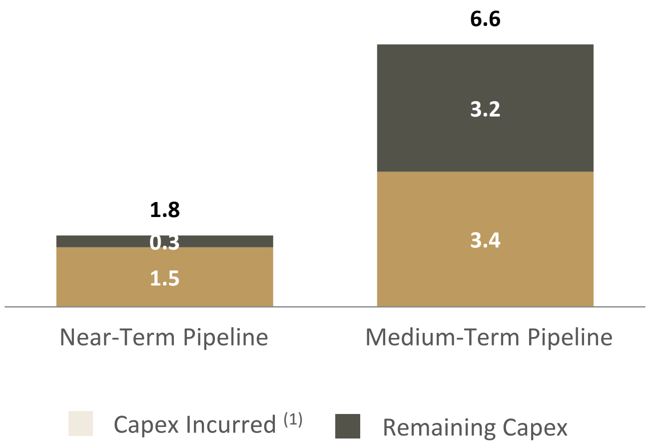
Funding for Growth

Management expects to raise debt financing over the next 5 years as the company repays its existing facility

Land for the near and medium term pipeline already paid

Remaining capex to be funded with debt (focusing on non-amortising debt and/or project finance)

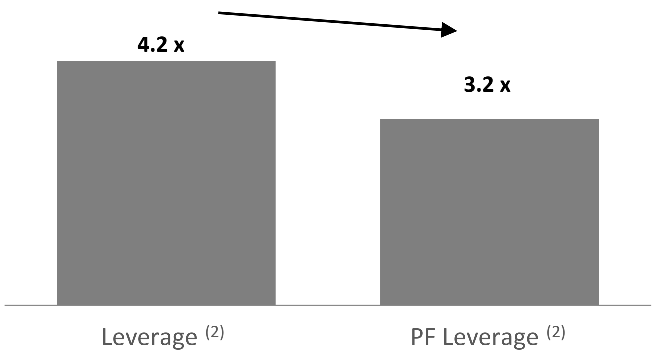
Near-Term and Medium-Term Capex Funding (SARbn)



IPO Primary Proceeds

SAR 500 million from IPO primary component of SAR 780 were used for debt repayment. Remaining SAR 280 to be utilized in accordance with debt amortization schedule

Deleveraging post IPO



Dividend Policy

SAR 850-900m	FY2020 dividend closer to 70% of Recurring FFO
SAR 925-975m	FY2021 anticipated dividend
c.22-26% CAGR until FY2024	Dividends to grow in line with FFO growth
Min 60% of FFO	Dividend Policy
Semi-annual	First dividend targeted for H1 FY2020, payment in cash

Notes:

1. *For near term pipeline refers to cost incurred till 31-March 2019 including land is c.SAR1.1bn.*
2. *Leverage calculated as Net Debt / EBITDA (pre-IFRS16). PF Leverage based on debt outstanding balances as of 30 June 2019 divided by annualized EBITDA (1Q-FY20 EBITDA x 4).*

Growth Strategy

ACC's Growth Initiatives

Key Pillars of ACC's Growth Strategy

A — Unlock Significant Value from Operating Portfolio

UNLOCK VALUE

1. Yield Management
2. Space Optimisation
3. Non-GLA Revenue Opportunity
4. Cost Optimization

B — Offer Integrated Lifestyle Experiences

Improve F&B and Leisure offer and Attract Fashionable Brands

- Food & Beverage
- Cinema
- Unique Entertainment

4 Already in Construction (to be operational in 2019) with 4 openings expected per year

Digitization

Launch 1st Digital Retail Platform in Saudi Arabia

Digitization

- Smartphone App
- Social Media
- Loyalty Program
- Tenant Portal
- Digital Footfall Counters

C — Targeted Growth Strategy to Solidify Leadership Position

Malls Currently Under Construction

~659K
New GLA Potential from Pipeline Projects

+ ~60%
of Existing Portfolio

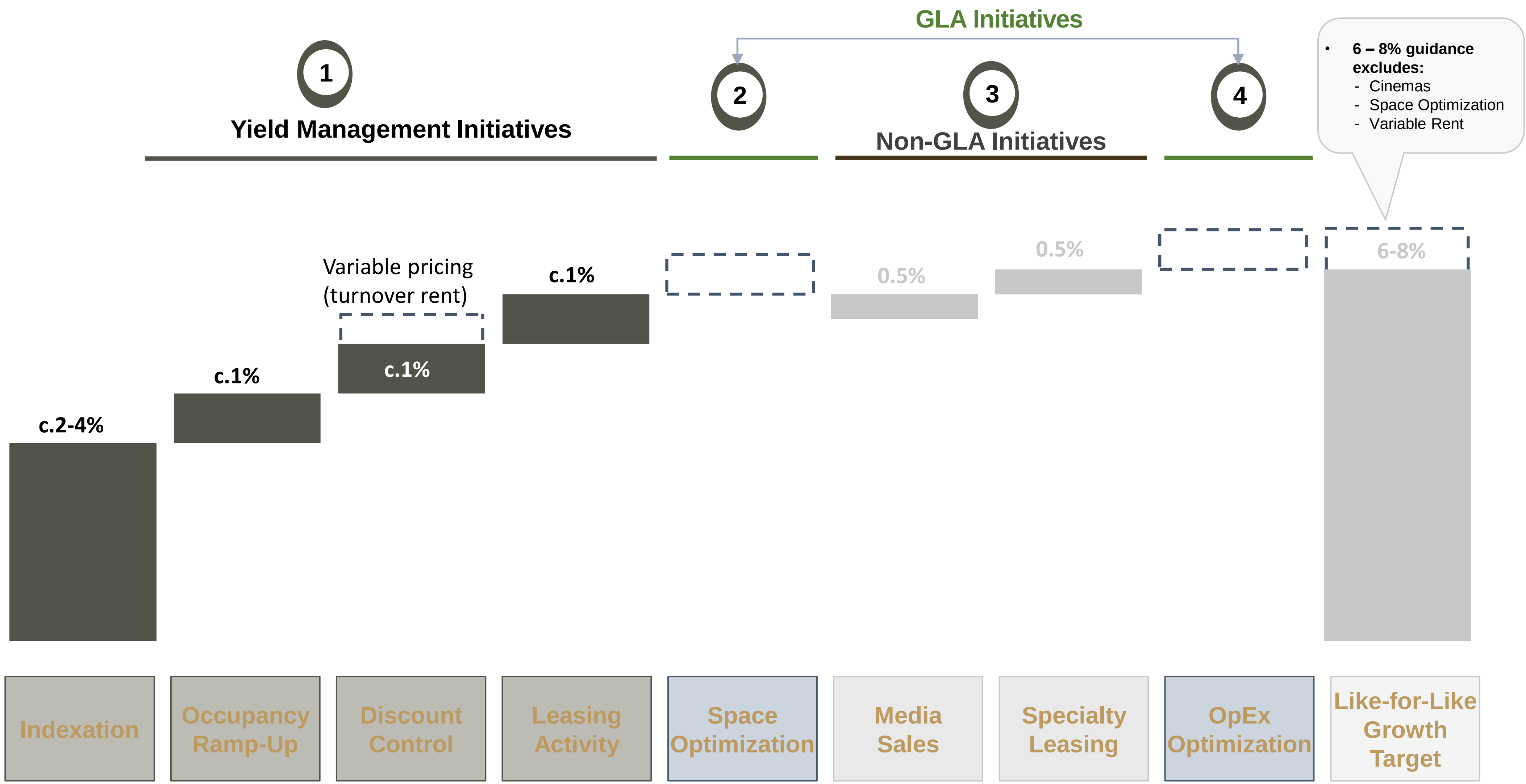
4+1
Near-term Pipeline (includes Jeddah Park)

4+1
Controlled Medium-term Pipeline

15-20%
Target Yield on Cost

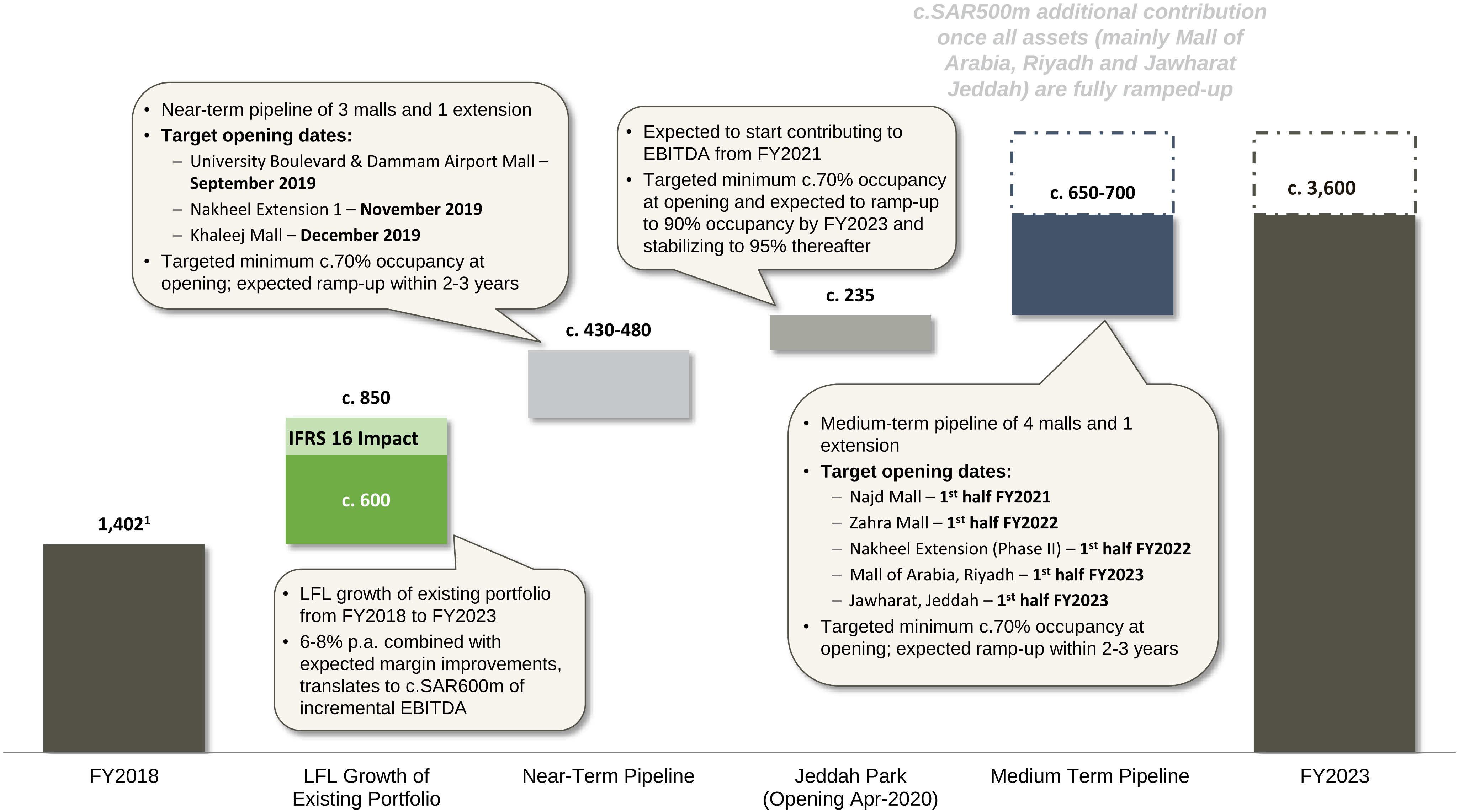
Target High Single Digit Like-for-Like Growth from Existing Assets Through Systematic Data-Driven Asset Management

Active Asset Management Initiatives to Deliver Attractive LfL Growth on Existing Perimeter
Average Annual Growth Over FY2020-2022E



ACC Growth Trajectory: Illustrative FY2023 EBITDA Build-Up

SAR MM



All financial years are ending 31 March – All data are post IFRS 16 (i.e. Pre-land lease cost) except FY2018

1 Based on SOCPA

Near-Term Pipeline

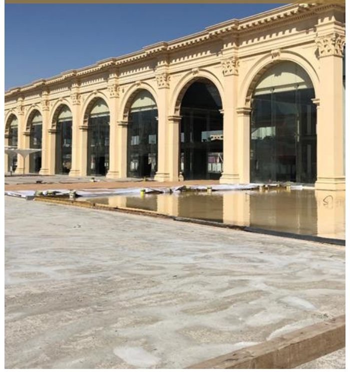
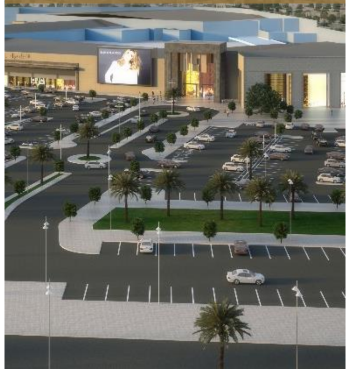
Total

c.301k sqm

GLA Addition

c.50%

Pre-let as of January 2019

	Jeddah Park	University Boulevard	Nakheel Dammam Mall	Nakheel Extension 1	Khaleej Mall
					
Location	Jeddah	Riyadh	Dammam	Riyadh	Riyadh
Ownership	Leasehold	Leasehold	Freehold	Leasehold	Freehold
GLA (sqm)	128,740	c. 52,000	c. 53,000	c. 52,000 + 16,000 extension	c. 51,000
Pre-lease Status	20%	82%+ (1)	72% (1)	20% Starting 2Q-FY20	25% Starting 2Q-FY20
% Completion(2)	68%	98%	86%	25%	63%
Target Opening Date	April 2020	September 2019	September 2019	November 2019	December 2019
Expected Yield on Cost(3)	+500% (cash payback < 1 year)	15%-20%			

1) Based on heads of terms agreed with tenants
2) Based on billing as of 10-Apr-2019
3) Expected Yield on Cost is derived on the basis of stabilized expected EBITDA (Net of lease expense for leasehold) divided by Total Development Cost (including land for freehold) where Total Development Cost defined as the capital expenditure incurred and the land cost

Thank You

Contacts

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Our Malls

				GLA (sqm)			Company Revenue Contribution (%)		
Mall	City	Ownership Type	Year Opened	31 Mar 19	30 Jun 19	BUA (sqm)	FY18	FY19	1Q-FY20
Super-Regional									
Mall of Dhahran	Dammam	Leasehold	2005	160,695	158,009	220,550	15.90%	15.80%	15.30%
Salam Mall	Jeddah	Leasehold	2012	121,333	121,377	212,825	8.80%	8.60%	8.30%
Mall of Arabia	Jeddah	Freehold	2008	111,268	112,227	247,848	12.80%	12.70%	12.30%
Regional									
Aziz Mal	Jeddah	Leasehold	2005	72,279	72,142	93,310	7.20%	7.10%	6.80%
Noor Mall	Madinah	Freehold	2008	67,047	66,957	93,917	6.10%	6.20%	6.40%
Nakheel Mall	Riyadh	Leasehold	2014	56,166	56,642	98,000	7.80%	8.7%	9.00%
Yasmin Mall	Jeddah	Leasehold	2016	54,510	55,266	101,672	5.90%	6.1%	6.60%
Hamra Mall	Riyadh	Freehold	2016	56,516	55,952	77,969	5.00%	5.20%	5.60%
Ahsa Mall	Hofuf	Freehold	2010	53,117	52,714	65,800	2.50%	2.40%	2.10%
Salaam Mall	Riyadh	Freehold	2005	50,043	48,895	67,421	3.00%	3.20%	3.50%
Jouri Mall	Taif	Leasehold	2015	48,290	48,290	92,663	4.70%	4.70%	5.00%
Khurais Mall	Riyadh	Leasehold	2004	41,618	41,623	60,230	2.90%	2.60%	2.50%
Makkah Mall	Makkah	Freehold	2011	37,623	37,623	56,720	7.10%	7.20%	7.00%
Community									
Nakheel Plaza	Qassim	Leasehold	2004	49,317	49,278	48,985	1.90%	2.3%	2.10%
Haifa Mall	Jeddah	Leasehold	2011	32,881	32,881	50,161	3.30%	3.00%	2.80%
Tala Mall	Riyadh	Leasehold	2014	22,835	22,886	46,292	1.90%	1.80%	1.80%
Jubail Mall	Jubail	Freehold	2015	21,196	21,196	37,366	1.80%	1.40%	1.60%
Salma Mall	Hail	Leasehold	2014	16,959	16,959	22,378	0.90%	0.80%	0.80%
Sahara Plaza	Riyadh	Freehold	2002	12,217	12,217	28,364	0.20%	0.00%	0.00%

Income Statement

(SAR)	1Q-FY19 IFRS	1Q-FY20 IFRS	Y-o-Y Growth
Net Rental Revenue	504,512,072	523,291,482	3.72%
Media Sales	13,336,449	19,326,296	44.91%
Utilities Revenue	40,460,609	29,885,941	-26.14%
Total Revenue	**558,309,130**	**572,503,719**	2.54%
Cost of revenue	-142,199,371	-77,157,615	-45.74%
Depreciation of investment properties	-60,264,361	-64,769,328	7.48%
Depreciation of write-off use of assets	-	-38,843,343	**n/a**
GROSS PROFIT	**355,845,398**	**391,733,434**	**10.09%**
Gross Profit Margin	*63.7%*	*68.4%*	*0.05*
Other income	6,439,205	232,568	-96.39%
Other expense	-4,642,710	0	-100.00%
Impairment loss on accounts receivable	-26,347,693	-16,195,691	-38.53%
Advertisement and promotion	-1,393,206	-1,090,028	-21.76%
General and administration	-37,849,494	-47,334,789	25.06%
INCOME FROM MAIN OPERATIONS	**292,051,500**	**327,345,493**	**12.08%**
Share in net income of an associate	5,551,010	6,256,114	12.70%
Financial charges	-210,791,794	-73,885,902	-64.95%
Interest expense on lease liabilities	-	-25,032,751	**n/a**
INCOME BEFORE ZAKAT	**86,810,716**	**234,682,954**	**170.34%**
Zakat	**-5,859,017**	**-7,719,496**	**31.75%**
NET INCOME FOR THE YEAR	**80,951,698**	**226,963,458**	**180.37%**
Profit for the year attributable to:			
Owners of the Company	77,403,194	223,009,197	
Non-controlling interests	3,548,504	3,954,261	
	80,951,698	**226,963,458**	
Earnings per share:			
Basic and diluted earnings per share	**0.16**	**0.49**	
EBITDA	**365,823,610**	**445,534,131**	**21.8%**
EBITDA Margin	*65.5%*	*77.8%*	*12.3 pts*
EBITDAR	**431,874,798**	**445,534,131**	**3.2%**
EBITDAR Margin	*77.4%*	*77.8%*	*0.5%*
FFO	**149,172,799**	**300,052,639**	**101.1%**
FFO Margin	*26.7%*	*52.4%*	*25.7 pts*

Source: Company Audited Financials, Company Information

Cost Breakdown

(SAR)	1Q-FY19 IFRS	1Q-FY20 IFRS	Y-o-Y Growth
Rental expense	65,068,046	0	-100.00%
Utilities expense	25,126,616	29,456,321	17.23%
Security expense	17,910,385	14,088,834	-21.34%
Cleaning expense	15,578,323	13,496,228	-13.37%
Repairs and maintenance	10,688,861	12,784,642	19.61%
Employees' salaries and other benefits	7,826,219	7,328,578	-6.36%
Other expenses	922	3,011	
Cost of Revenue	**142,199,371**	**77,157,615**	**-45.74%**
As % of Revenue	*25.47%*	*13.48%*	
Depreciation of Inv. Properties	**60,264,361**	**64,769,328**	**7.48%**
Employee salaries and benefits	15,126,059	27,097,527	79.14%
Communication	500,669	330,608	-33.97%
Professional fees	5,336,473	6,257,493	17.26%
Insurance	1,894,765	1,883,509	-0.59%
Government expenses	5,350,635	2,517,034	-52.96%
Lease rent	983,142	0	-100.00%
Maintenance	186,874	167,582	-10.32%
Others	514,138	761,184	48.05%
G&A(1)	**29,892,755**	**39,014,937**	30.52%
Depreciation – P&E	7,956,739	8,319,852	4.56%
Write-off of receivables	26,347,693	16,195,691	-38.53%
Opex			
Total Cost (ex. Depreciation)			
As % of Revenue	*35.5%*	*23.1%*	*-12.4 pts*
Depreciation (IP and PP&E)			
As % of Revenue	*12.2%*	*12.8%*	*-0.5pts*

Source: Company Audited Financials, Company Information

Balance Sheet

(SAR)	FY19 IFRS	1Q-FY20 IFRS
Assets		
Cash and cash equivalents	457,670,983	376,738,004
Accounts receivable	299,245,146	306,179,891
Amounts due from related parties	567,558,035	736,012,044
Advances to a contractor, related party	499,595,478	541,749,386
Prepayments and other current assets	96,244,969	83,651,569
Accrued revenue (rentals)	30,191,211	28,553,175
Total Current Assets	**1,950,505,822**	**2,072,884,069**
Amounts due from related parties	--	--
Advances to a contractor, related party – non-current portion	105,318,598	105,318,598
Prepaid rent – non-current portion	--	--
Accrued revenue (rentals) – non-current portion	60,382,421	57,106,351
Investment in an equity-accounted investee	42,238,721	48,494,835
Other investments	108,708,763	107,111,763
Right-of-use assets	-	3,635,730,035
Investment properties	10,983,848,465	11,018,746,765
Property and equipment	114,773,889	110,728,231
Total Non-current Assets	**11,415,270,857**	**15,083,236,578**
Total Assets	**13,365,776,679**	**17,156,120,647**
Liabilities		
Current portion of long-term loans	501,875,532	449,479,636
Lease liability on right-of-use assets – current portion	-	443,059,357
Accounts payable	217,760,402	214,329,912
Amounts due to related parties	22,499,022	17,106,387
Unearned revenue	305,506,061	315,073,878
Accrued lease rentals	11,480,894	-
Accruals and other current liabilities	326,082,270	215,465,086
Zakat payable	82,457,716	89,466,366
Total Current Liabilities	**1,467,661,897**	**1,743,980,622**
Long-term loans	6,239,159,152	5,639,425,954
Liabilities under finance lease	-	3,693,056,731
Accrued lease rentals – non-current portion	515,366,044	-
Employees’ end-of-service benefits	31,744,170	32,761,751
Other non-current liabilities	47,085,296	45,043,307
Total Non-current Liabilities	**6,833,354,662**	**9,410,287,743**
Total Liabilities	**8,301,016,559**	**11,154,268,365**
Total Equity	**5,064,760,120**	**6,001,852,282**
Total Liabilities and Equity	**13,365,776,679**	**17,156,120,647**

Source: Company Audited Financials, Company Information