



SGS

الشركة السعودية للخدمات الأرضية
Saudi Ground Services Company

Earnings Call – Q1 2024

May 21st , 2024



عام
التميز
YEAR OF EXCELLENCE

Financial Performance



Operational Updates



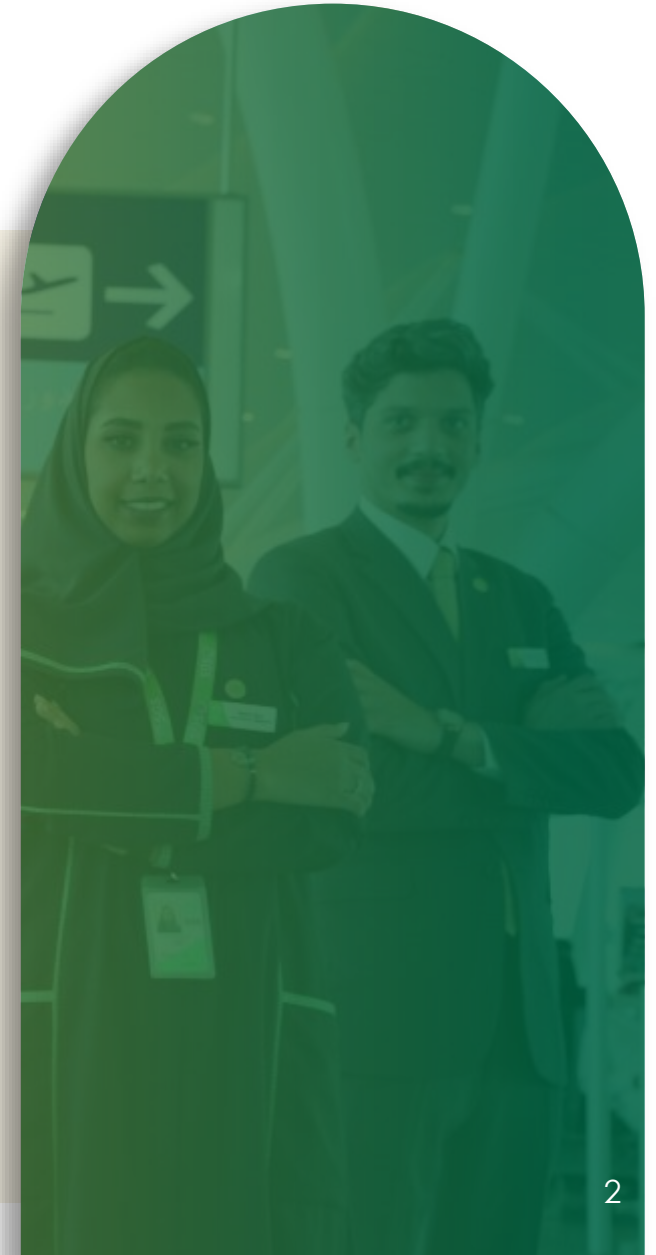
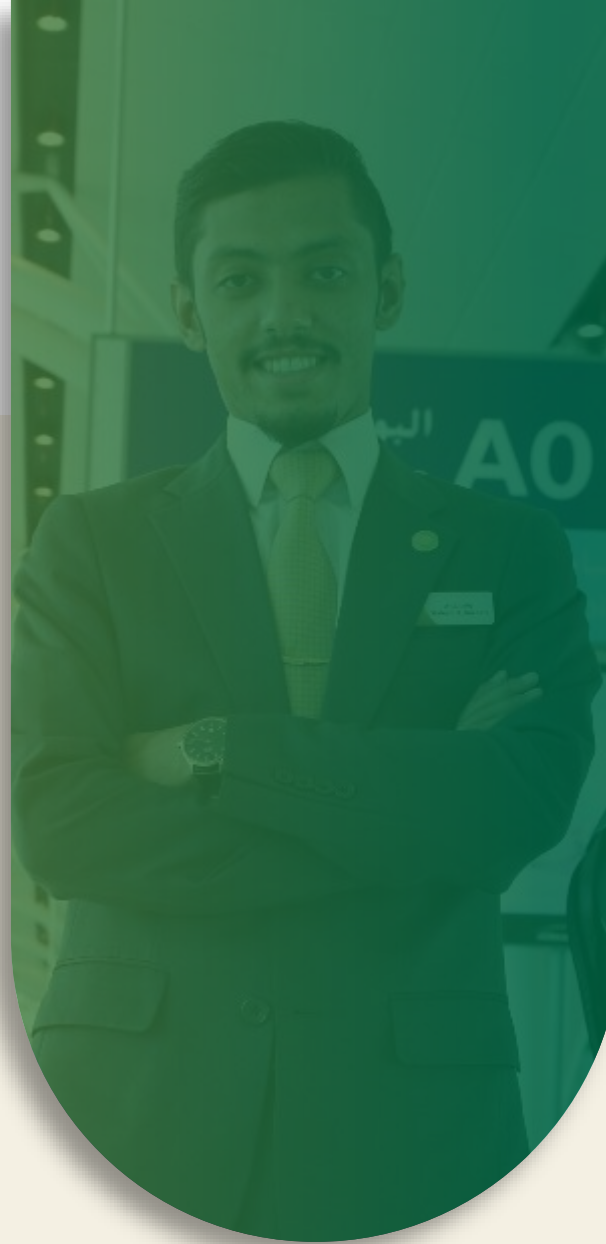
Q1 2024 Financial Performance



**Balance Sheet and Cashflow
Analysis**



VAT and Zakat Update



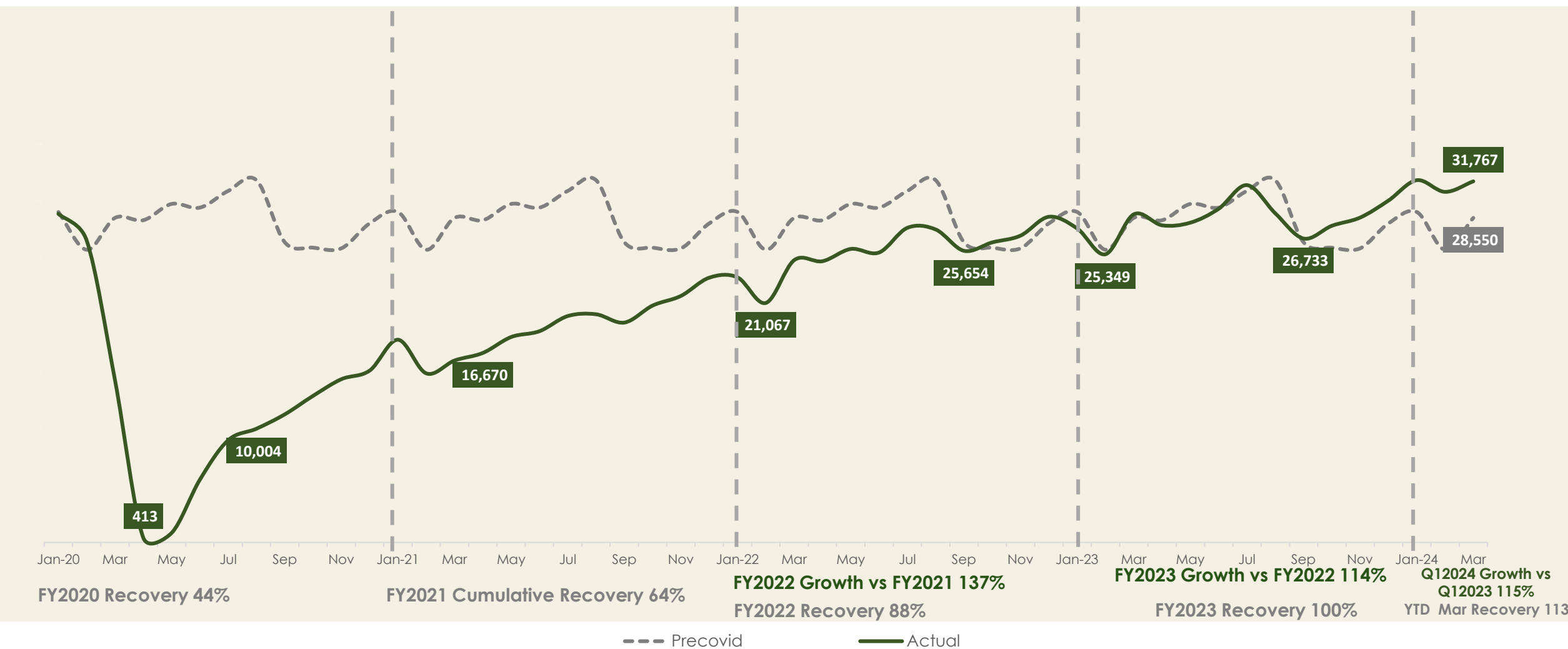


Operational Updates



Historical Recovery – Flight Recovery Trend Over The Years

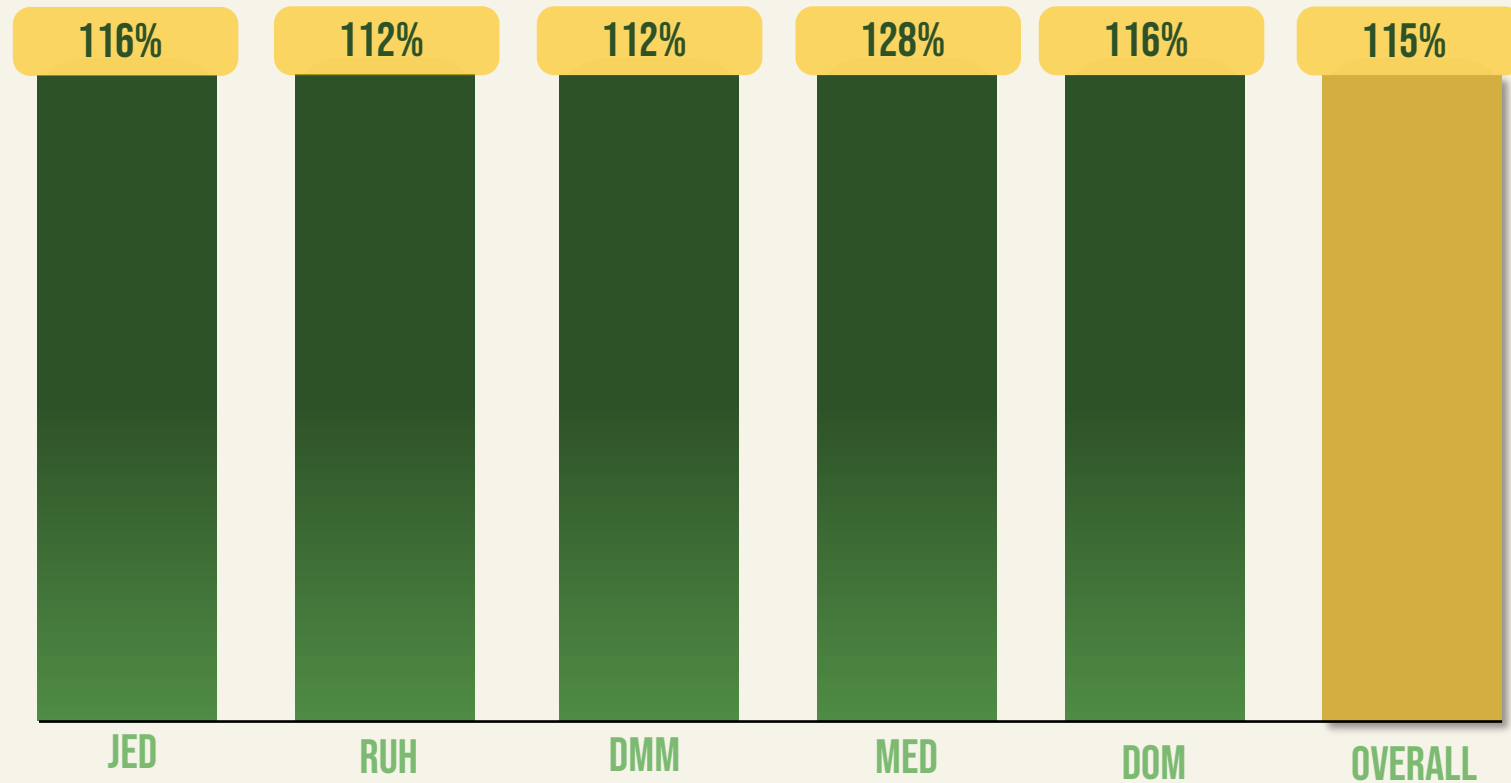
SGS Flight Recovery over the Years



Q1 2024 Overall Flights

Flight Level vs Last Year Same Quarter (Q1 2023)

Flight Level Q1 2024 Actual vs. LY Same Quarter



Dom

118%

118%

121%

136%

114%

118%

Int'l

114%

105%

101%

125%

127%

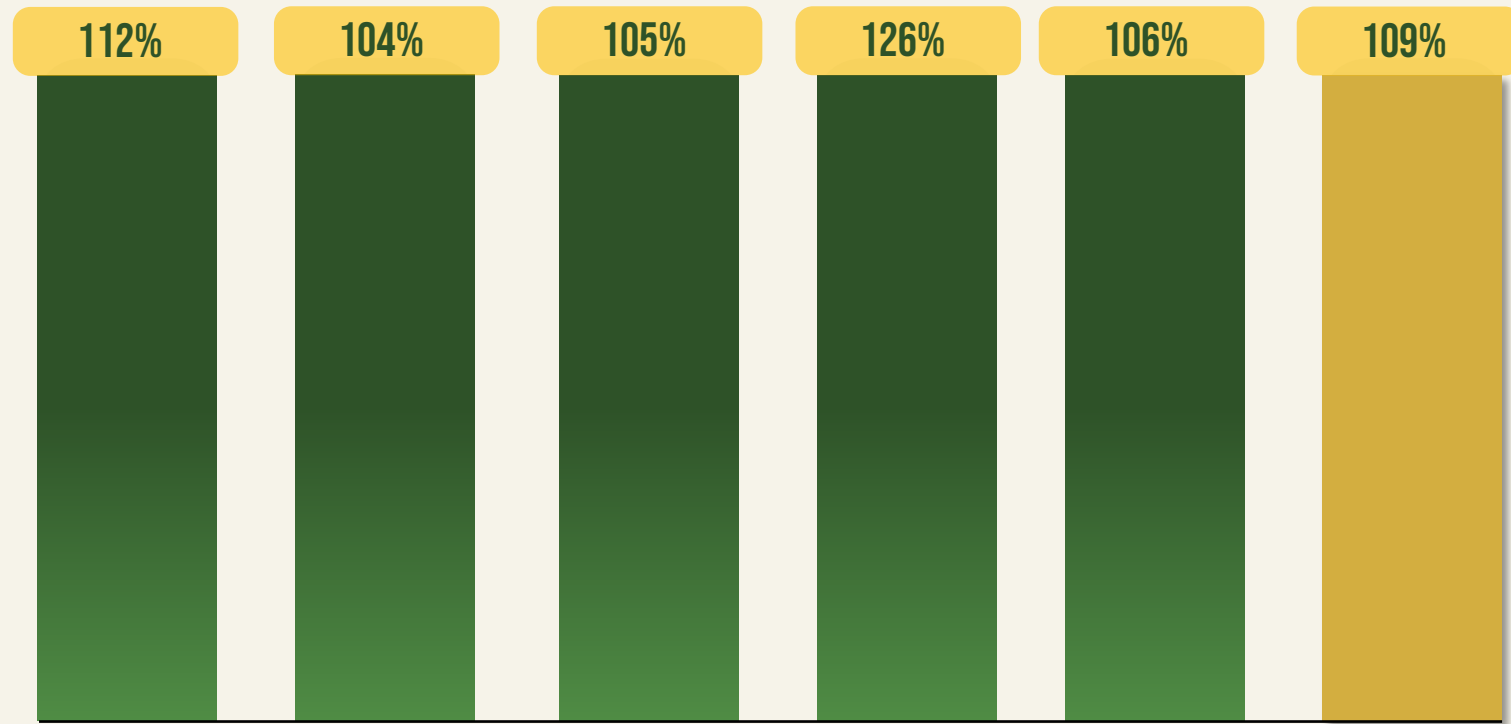
113%



Q1 2024 Overall Flights

Flight Level vs Last Quarter (Q4 2023)

Flight Level Q1 2024 Actual vs. Last Quarter



JED

RUH

DMM

MED

DOM

OVERALL

Dom

111%

108%

110%

116%

105%

108%

Int'l

113%

99%

99%

129%

114%

110%





Q1 2024 Financial Performance



Q1 2024 – Performance at Glance

Revenue

SR 653 M

YOY: ↑ 16%

Gross Margin

19%

YOY: ↑ 4% PP

EBITDA%

19.5%

YOY: ↑ 21% PP

Current Ratio

2.27

YOY: ↑ 3%

Debtor Turnover
Days

208 DAYS

YOY: ↓ 17%

Liquidity/Current
Liabilities

0.66

YOY: ↑ 12%

Liquidity
(Cash & Investments
at FVTPL)

SR 768M

YOY: ↑ 9%

Debt

0 M

YOY: ↓ 100%

Gearing Ratio
(Total Debt/ tangible
net-worth)

1.11

YOY: ↓ 7%

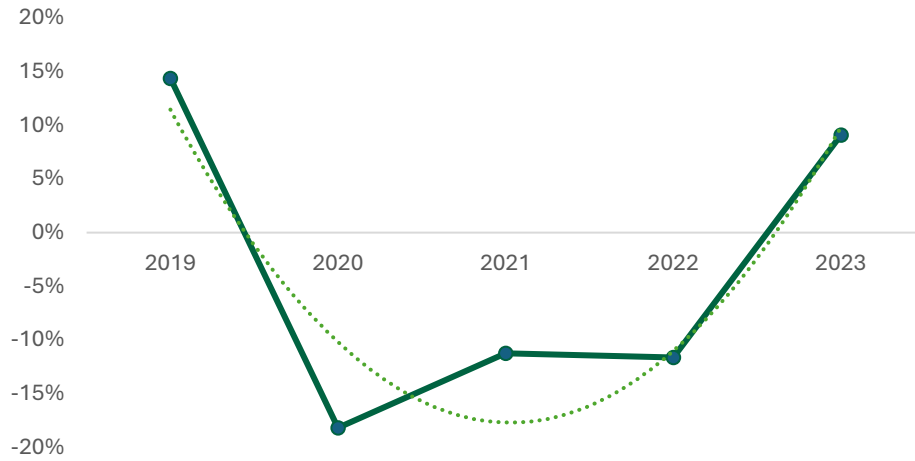
Market Cap

SR 9.7 B
(SP 51.8)

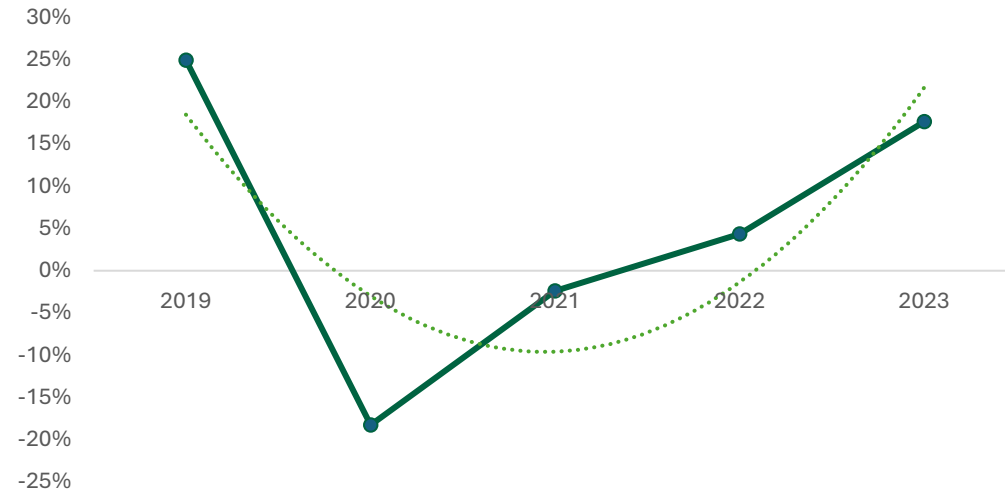
YOY: ↑ 43%

Q1 2024 – Rebound

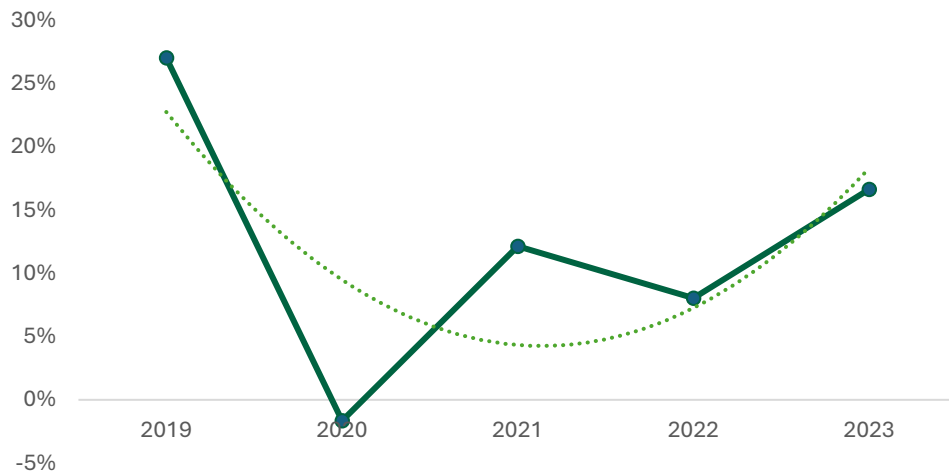
Return on equity



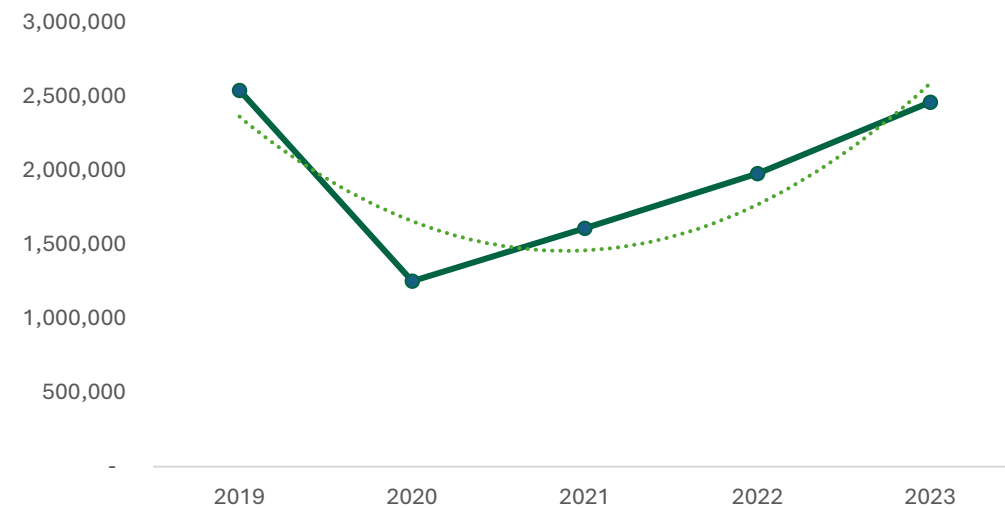
EBITDA Margin



Gross Profit Margin



Revenue



Q1 2024 – Income statement (In “SAR ‘000”)

Income Statement	Q1 2024	Q1 2023	Variance	%
Revenue	653,197	563,866	89,331	16%
<u>Costs of Revenue</u>				
Personnel Cost	-319,808	-273,583	-46,225	17%
Outsource Cost	-83,445	-73,230	-10,216	14%
Material Consumption	-9,928	-8,832	-1,096	12%
Maintenance Cost	-37,709	-33,514	-4,194	13%
Other Operating cost	-42,788	-40,960	-1,828	4%
Gross Profit	159,519	133,748	25,772	19%
Other Income	20,138	4,385	15,753	359%
General & Administration cost	-45,081	-52,014	6,932	-13%
Impairment loss	-12,212	-458	-11,753	2565%
Operating income	122,365	85,661	36,704	43%
Income from Equity investment	5,598	6,076	-478	-8%
EBITDA	127,962	91,736	36,226	39%
Depreciation & Amortization	-46,695	-44,551	-2,144	5%
Finance cost	-4,365	-8,564	4,199	-49%
Finance income	11,299	13,296	-1,997	-15%
Income Before Zakat	88,201	51,917	36,284	70%
Zakat	-17,040	-11,875	-5,165	43%
Net Income after Zakat	71,162	40,042	31,120	78%

Ratio	Q1 2024	Q1 2023
Gross margin ratio*	24%	24%
EBITDA Ratio	20%	16%
Net Profit Ratio	11%	7%
Operating cost as a % of revenue	76%	76%
G&A as a % of revenue	7%	9%

*Gross Margin in based on Managerial P&L

Q1 2024 – Income statement (In “SAR ‘000”)

Income Statement	Q1 2024	Q4 2023	Variance	%
Revenue	653,197	621,833	31,364	5%
<u>Costs of Revenue</u>				
Personnel Cost	-319,808	-295,437	-24,371	8%
Outsource Cost	-83,445	-79,277	-4,168	5%
Material Consumption	-9,928	-12,887	2,959	-23%
Maintenance Cost	-37,709	-51,006	13,297	-26%
Other Operating cost	-42,788	-56,518	13,730	-24%
Gross Profit	159,519	126,709	32,810	26%
Other Income	20,138	25,645	-5,507	-21%
General & Administration cost	-45,081	-23,466	-21,615	84%
Impairment loss	-12,212	-11,363	-849	7%
Operating income	122,365	115,524	6,840	5%
Income from Equity investment	5,598	2,802	2,796	100%
EBITDA	127,962	118,327	9,635	7%
Depreciation & Amortization	-46,695	-47,938	1,243	-1%
Finance cost	-4,365	-6,043	1,678	-28%
Finance income	11,299	11,477	-178	-2%
Income Before Zakat	88,201	77,823	10,378	13%
Zakat	-17,040	-16,197	-843	5%
Net Income after Zakat	71,162	61,625	9,536	15%

Ratio	Q1 2024	Q4 2023
Gross margin ratio*	24%	20%
EBITDA Ratio	20%	19%
Net Profit Ratio	11%	10%
Operating cost as a % of revenue	76%	80%
G&A as a % of revenue	7%	4%

*Gross Margin in based on Managerial P&L



Balance Sheet and Cashflow Analysis



FY 2023 – Statement of Financial Position

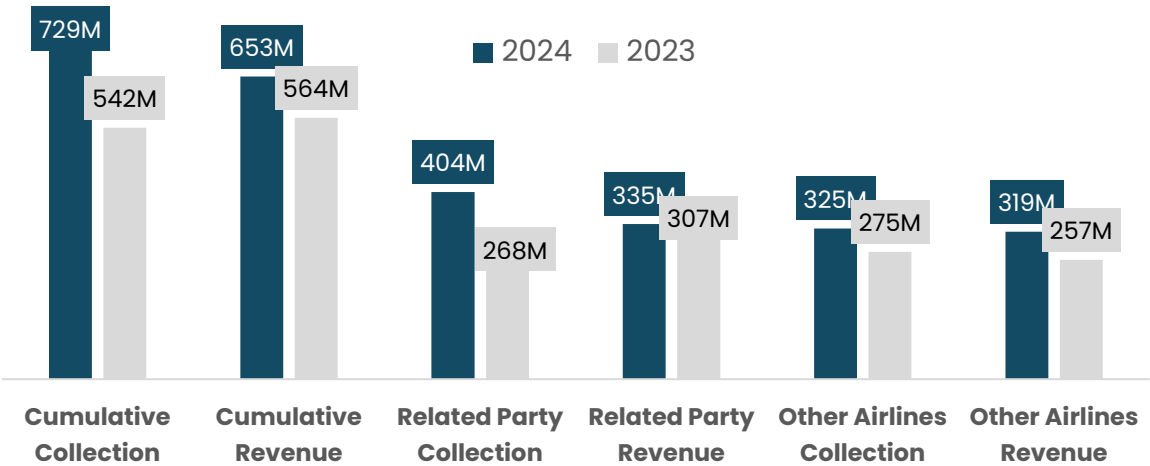
	Mar 2024 (SAR “000”)	Dec 2023 (SAR “000”)	Variance	%
ASSETS				
Property and Equipment	483,856	486,568	(2,712)	-1%
Right of Use Assets	208,695	224,553	(15,858)	-7%
Goodwill and Intangible Assets	740,957	746,780	(5,823)	-1%
Investment in Joint ventures	101,303	95,705	5,598	6%
Other non-current assets	87,562	42,124	45,438	108%
Total Non-current Assets	1,622,373	1,595,730	26,643	2%
Inventories	5,561	4,870	691	14%
Trade Receivables	1,185,165	1,248,376	(63,211)	-5%
Prepayments and other current assets	673,770	678,960	(5,190)	-1%
Investments at FVTPL	291,047	124,439	166,608	134%
Short term bank deposits	409,000	500,000	(91,000)	100%
Cash and cash equivalents	68,111	79,090	(10,979)	-14%
Total Currents Assets	2,632,654	2,635,735	(3,081)	0%
Total Assets	4,255,027	4,231,465	23,562	1%
EQUITY & LIABILITIES				
Equity	2,403,654	2,331,492	71,162	3%
Non- Current Liabilities	693,556	709,522	(15,966)	-2%
Current Liabilities	1,158,817	1,190,451	(31,634)	-3%
Total Share holder Equity and Liabilities	4,255,057	4,231,465	23,562	1%

Mar 2024 – Cash & Cash Equivalent

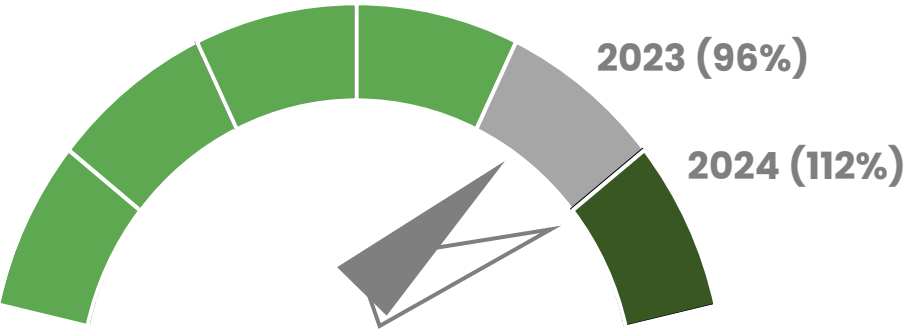
Cashflow analysis	2024 (SAR “000”)	2023 (SAR “000”)
Opening cash and cash equivalent	79,090	864,417
Cashflows from operating activities	207,507	148,351
Cashflows from investing activities	(93,394)	(791,258)
Cashflows from financing activities	(124,639)	(74,912)
Closing cash and cash equivalent	68,111	146,598

March 2024 – Revenue & Collection

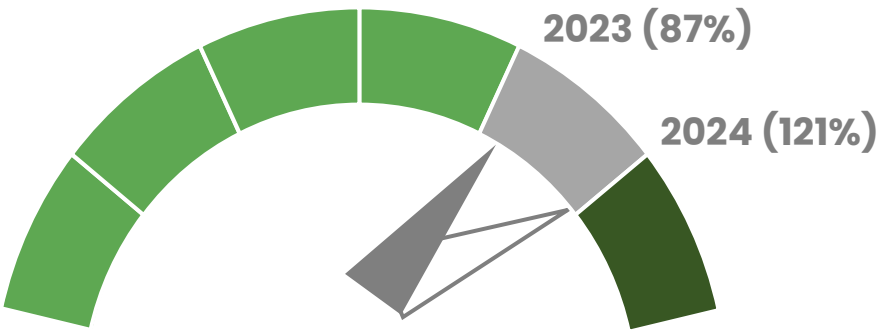
Collection vs Revenue



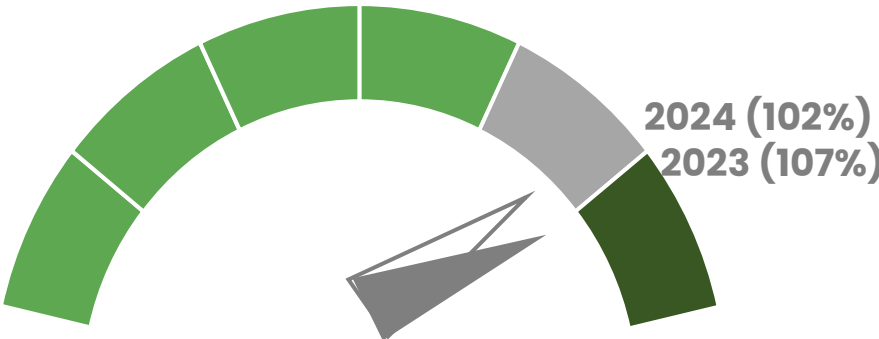
Consolidated Collection as % of Revenue



Related Party Collection as % of revenue



Other Airlines Collection as a % of revenue

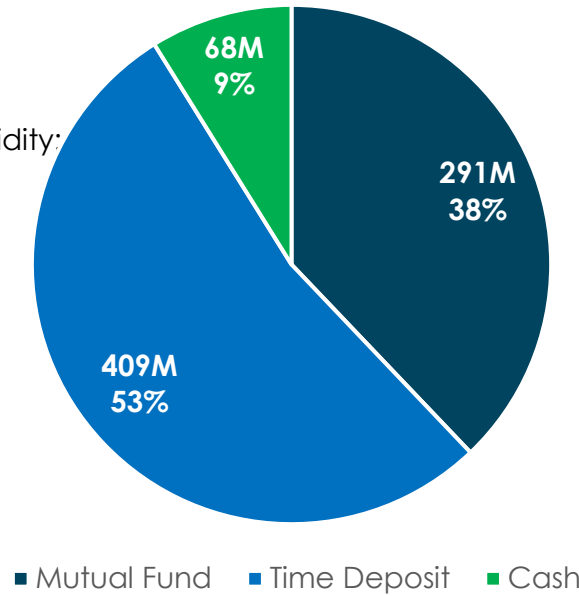


31 March 2024 – Liquidity & Investments

2024

Total Investments & Liquidity:

SAR 768M



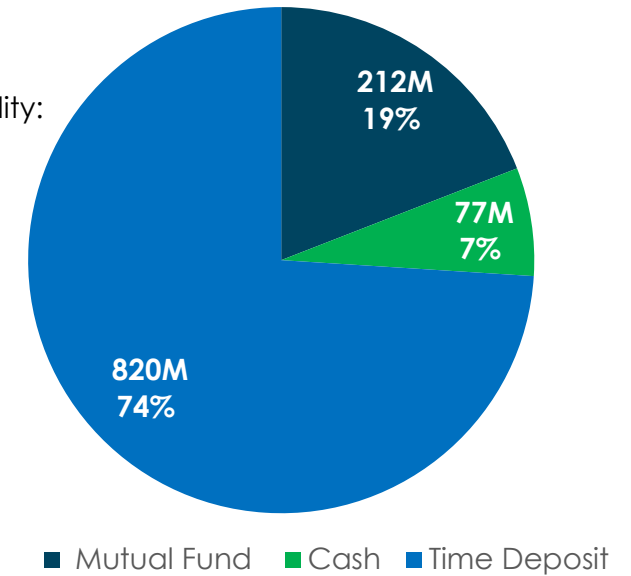
2023

Total Investments & Liquidity:

SAR 1,108M

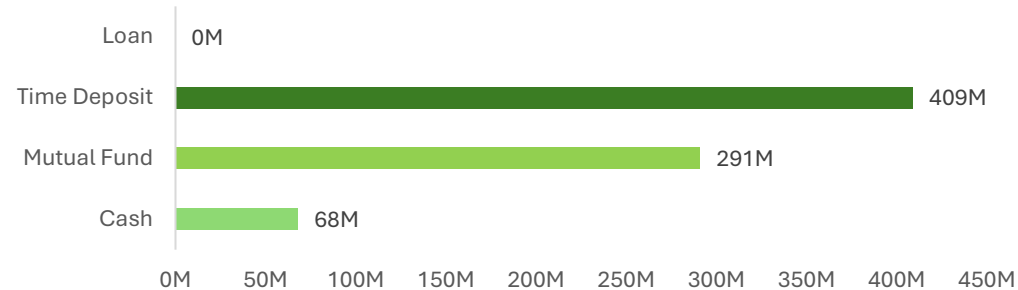
Without loan:

SAR 532M



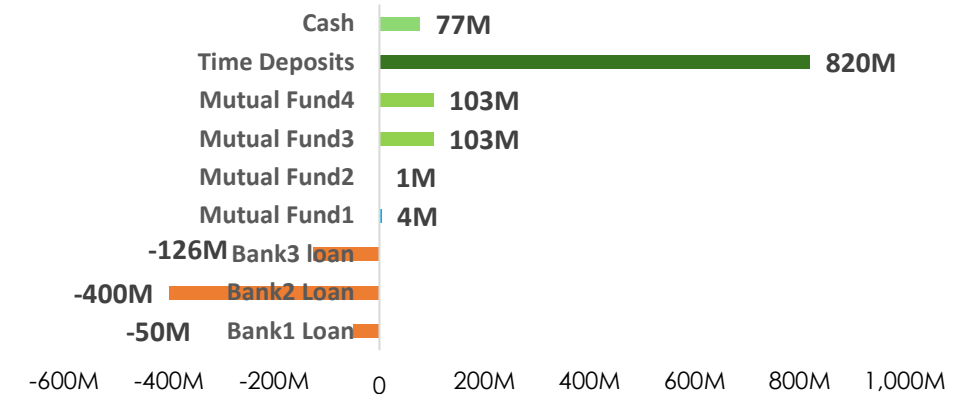
2024

Concentration of Investments

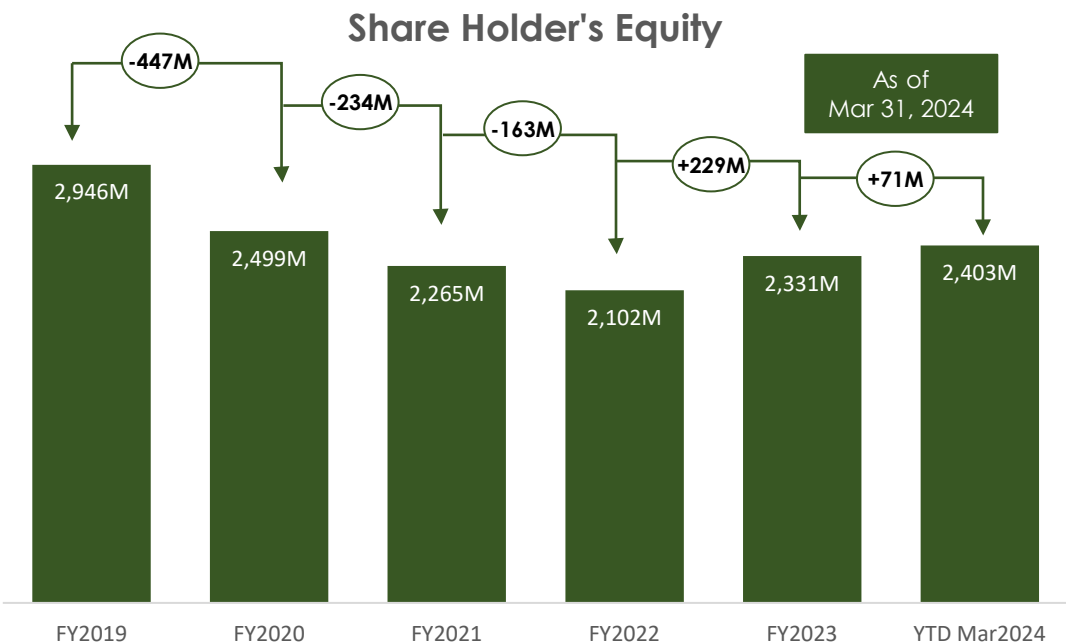
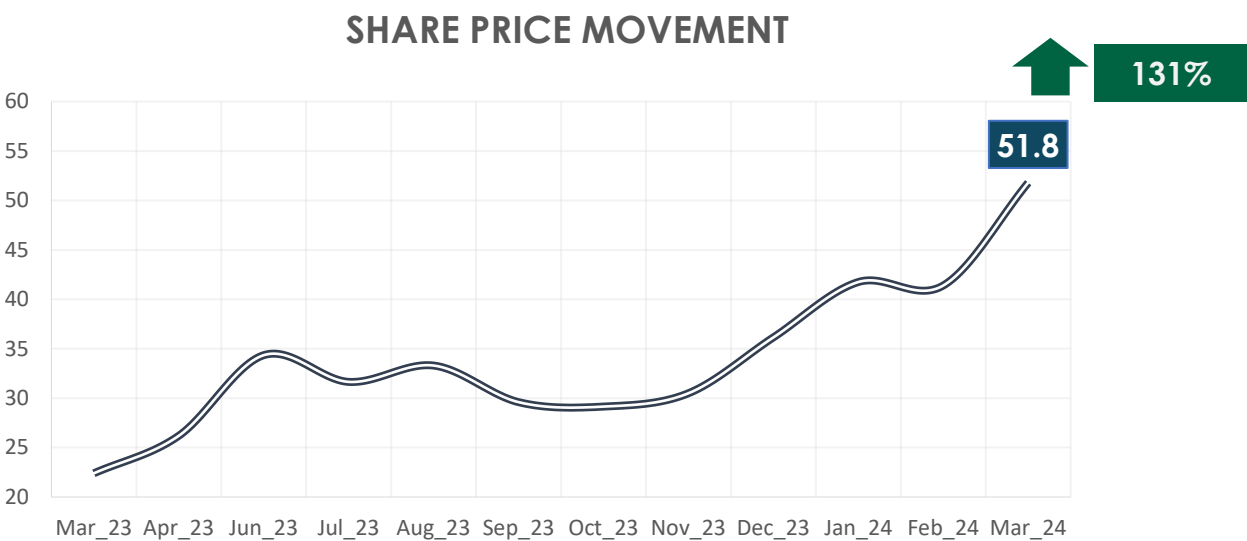
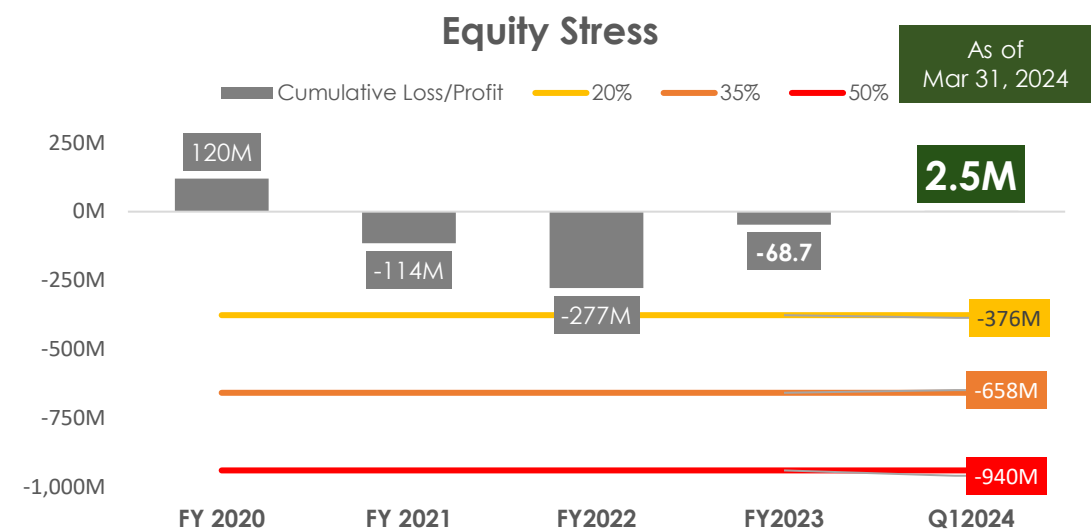


2023

Concentration of Investments

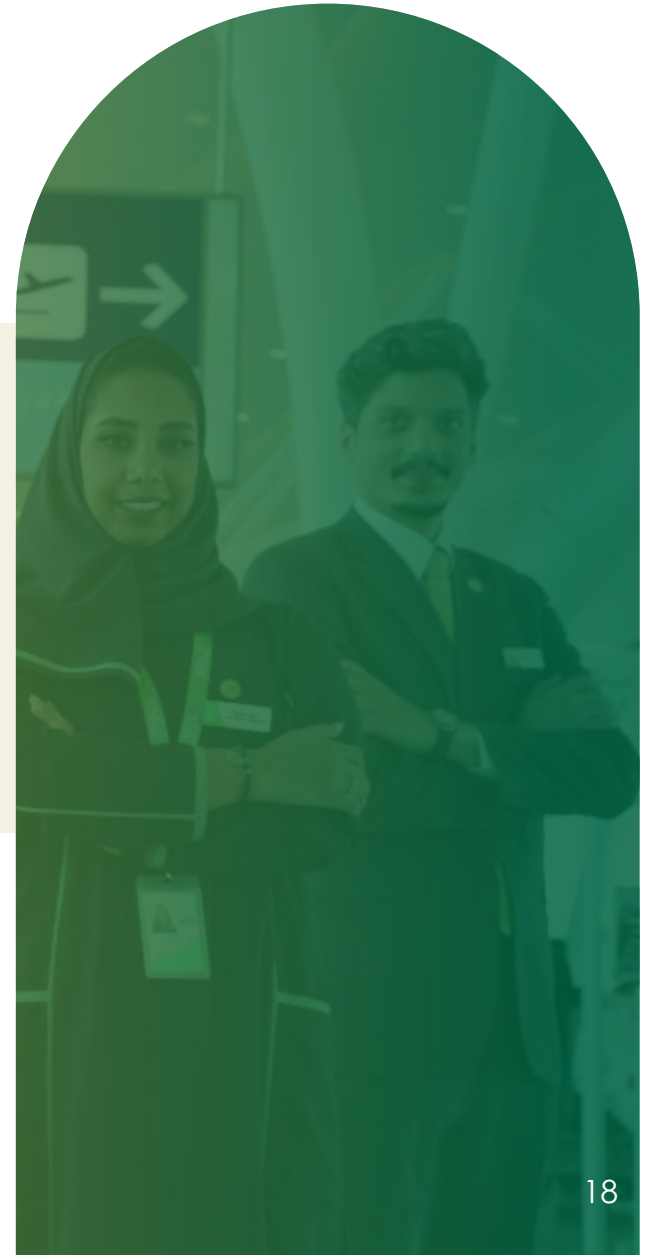


Q1 2024 – Equity Stress & Share Price



- ✓ The share price has Increase by 131% compared to share price as of 31 March 2023.
- ✓ The company has reported a cumulative net profit of SAR 71 million as at Q1 2024.

Q&A



Thank you