

Investor Presentation

Q1 2025



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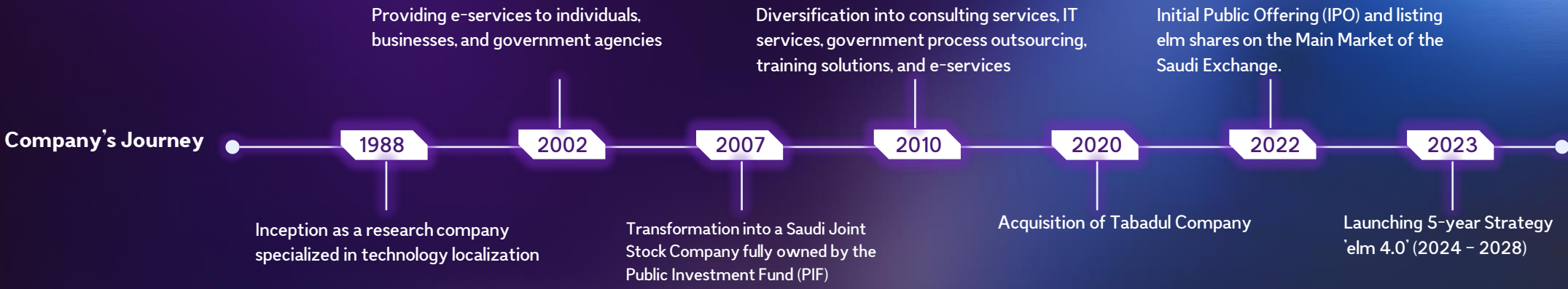
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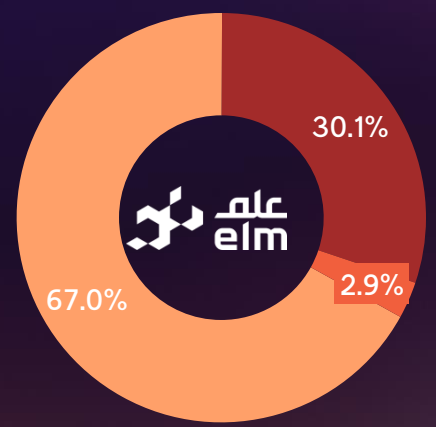
elm will disclose any information or material developments in due course in accordance with the applicable rules and regulations in the Kingdom of Saudi Arabia.

- Introduction
- elm 4.0 Strategy
- Q1 2025 Highlights
- M&A Update
- Financial Performance
- 2025 Guidance



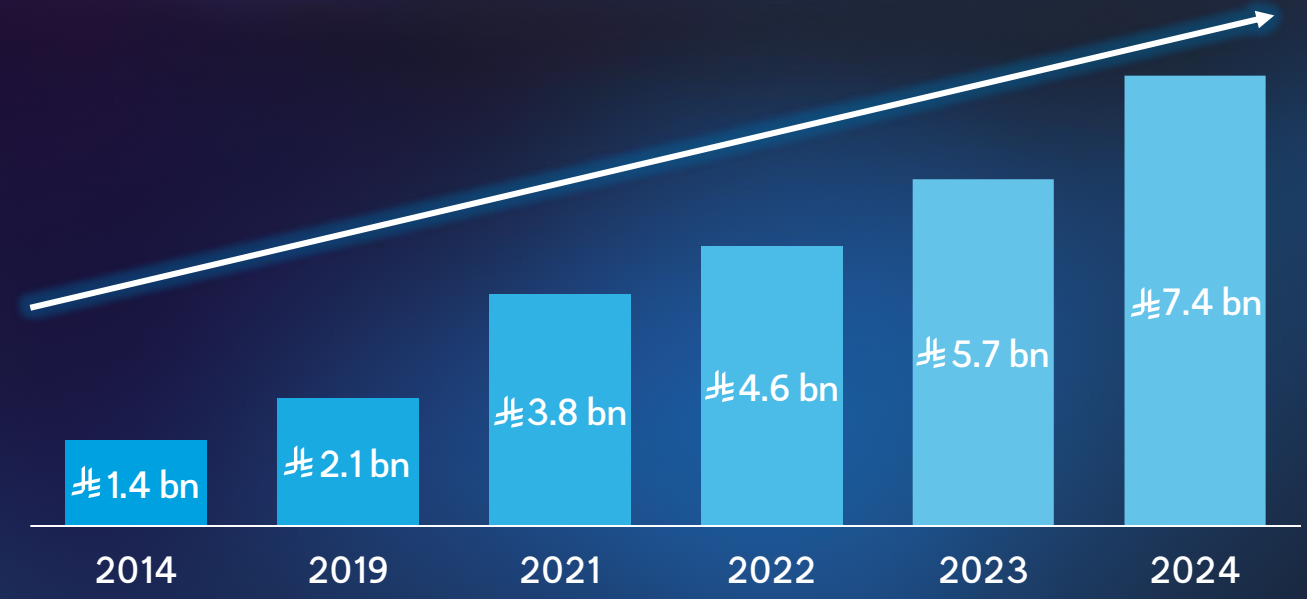


Shareholding Structure



- Public Investment Fund
- Institutional and Retail Investors
- Elm for employee share schemes

Significant Growth in Revenues over Years





Businesses and Segments

elm business includes 3 main offerings targeting the public and private sectors through various service models



Digital Business



Business Process Outsourcing



Professional Services

| Offering Type | Digital Products | Digital Solutions | Business Outsourcing | Consulting | Data & AI |
|-----------------|---|---|---|--|---|
| | Developing digital product (e.g., (Portals, Platforms, etc.) that serve customers through various packages & channels | Customized digital solutions based on customer requirements in areas such as system integration, managed services, etc. | Service delivery in specialized areas (field forces, crowd mgt. solutions, etc.) through the management, full/partial operation, and the gradual shift to digital visualization | Includes consulting services and data analytics & AI offerings, to understand the institution's problems and develops a comprehensive business solutions | Data analytics and artificial intelligence services to understand organizational problems and develop comprehensive business solutions. |
| Key Focus Areas | <ul style="list-style-type: none"> Gov. products B2B Products | <ul style="list-style-type: none"> System integrator Managed services Cloud migration IoT & Smart cities solutions | <ul style="list-style-type: none"> Traditional BPO (field forces, customer facing, back-office processing) Govt. BPO 4.0 (digital enabled) | <ul style="list-style-type: none"> IT / Digital consulting Business consulting (BPM, Strategies) | <ul style="list-style-type: none"> Analytics and AI |
| Customer Type | <ul style="list-style-type: none"> B2G B2B B2C | <ul style="list-style-type: none"> B2G B2B | <ul style="list-style-type: none"> B2G | <ul style="list-style-type: none"> B2G B2B | <ul style="list-style-type: none"> B2G B2B |
| Service Model |   |   |   |  |  |

Brief About Top 6 Products



Absher

Provide Ministry of Interior services (Passports, Traffic, Civil Affairs, etc.) digitally in an integrated platform to citizens, residents and visitors.

Partner: Ministry of Interior

Beneficiaries: Individuals and Businesses



Muqeem

Allows organizations to review its resident workers data and complete their transactions online

Partner: Ministry of Interior

Beneficiaries: Businesses



Fasah

Facilitate international trade services by automating the import and export procedures

Partner: Zakat, Tax, Customs Authority

Beneficiaries: Individuals and Businesses



Tamm

Provide services that help vehicles' owners in Saudi Arabia get all the updated information about their respective vehicles

Partner: Ministry of Interior

Beneficiaries: Car Dealership and Car Rental



Nusuk

Organize pilgrims entire visit from applying e-Visa to booking hotels and flights

Partner: Ministry of Hajj and Umrah

Beneficiaries: Individuals



Yaqeen

Verification of the beneficiary's data (such as customers, visitors, employees and applicants)

Partner: Ministry of Interior

Beneficiaries: Businesses



Advancing Environmental Responsibility

- Emissions and Energy Use
- Waste and Resource Use
- Water Use



Fostering Our People and Community

- Talent Acquisition and Retention
- Employee Health and Well-being
- Building Diversity and Inclusion
- Digital Access for Community Development



Enabling a Digital Culture

- Digital Transformation and Innovation
- Customer Centricity



Ensuring Effective Governance

- Corporate Governance and Ethical Practices
- Information Security and Privacy
- Shareholder Return



- ▮ Introduction
- ▮ elm 4.0 Strategy
- ▮ Q1 2025 Highlights
- ▮ M&A Update
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Horizons of Strategy



Organically and inorganically:

- Expand into **new gov. verticals**
- Develop **new products & services** in current verticals
- **New accounts** penetration
- **BPO digitalization**
- More on **IT consulting**
- Expanding in **digital emerging offering**

Build / Acquire / Partner new B2B products in adjacent markets

R&D Contribution



Continuous R&D in use cases development to provide scalability and competitive advantage



elm 4.0 strategy focuses on diversification and modernize offerings, and require capital deployment in both GovTech and B2B offerings

Digital Business



Public Sector: To penetrate new markets, increase presence and market share through providing new innovative and integrated solutions

Private Sector: To focus efforts on the coming years to target B2B products within specific verticals, that are adjacent with elm current markets

Business Process Outsourcing

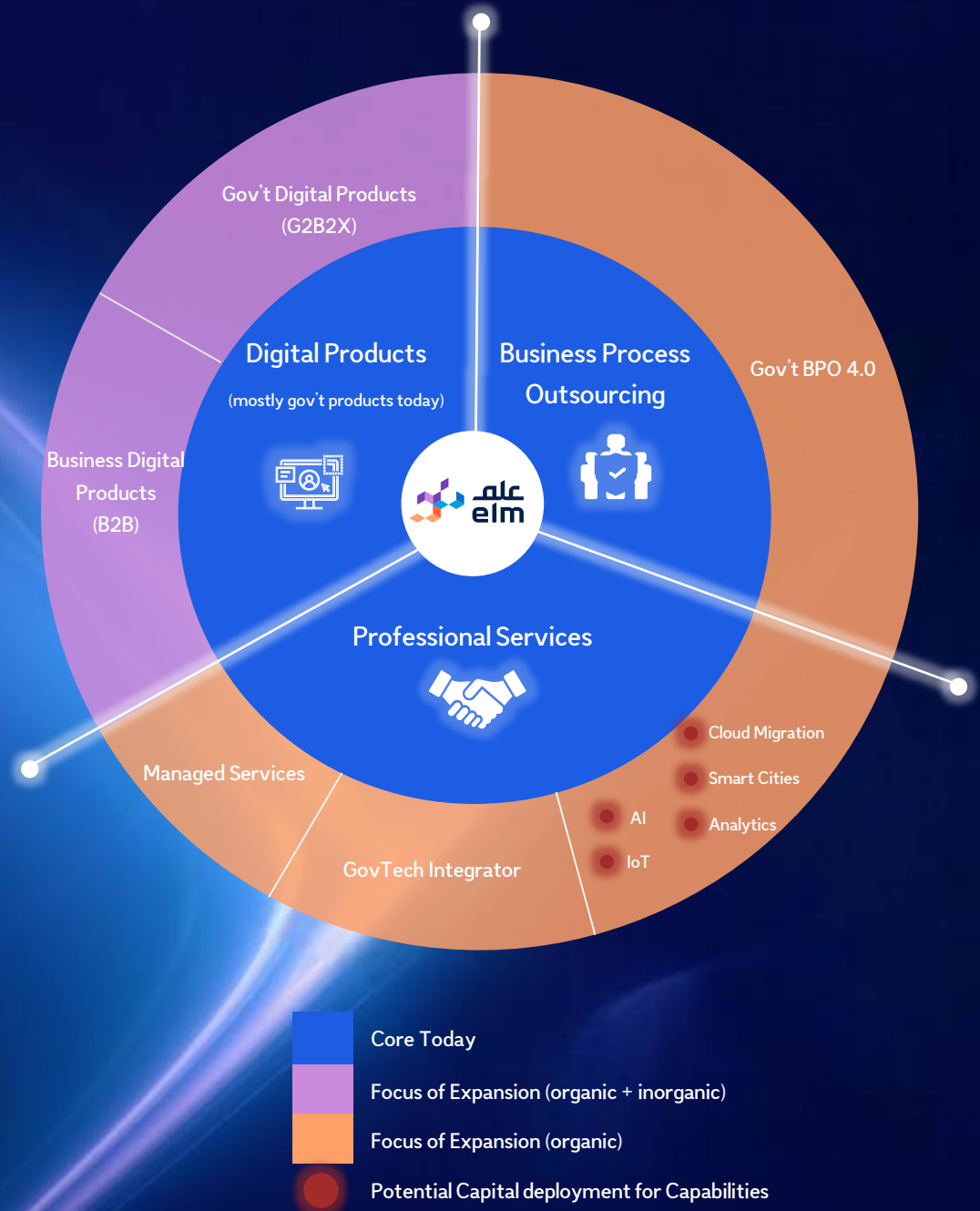


To embed technologies and solutions to elm current BPO offerings, and expand into new accounts while focusing on repeatable businesses

Professional Services



Emerging Technologies: To expand Digital Projects into new high-value offerings and enable R&D to develop use cases in collaboration with elm business units



- ▮ Introduction
- ▮ elm 4.0 Strategy
- ▮ Q1 2025 Highlights
- ▮ M&A Update
- ▮ Financial Performance
- ▮ 2025 Guidance



- Continues growth in Digital Business by market growth and added value services
- Continues growth in Business Process Outsourcing in key projects
- Research & AI to be introduced/implemented in existing and potential businesses
- elm entered into a share purchase agreement to acquire 100% of Thiqah from the Public Investment Fund



| | Revenue | Gross Profit | Operational Profit | Net Profit |
|--|--------------------|------------------|--------------------|------------------|
| Q1 2025 | ₪ 1,877 million | ₪ 773 million | ₪ 471 million | ₪ 495 million |
| % Change from the Same Period Last Year | ▲ 14.52% | ▲ 23.88% | ▲ 41.02% | ▲ 43.48% |

- ▣ Introduction
- ▣ elm 4.0 Strategy
- ▣ Q1 2025 Highlights
- ▣ **M&A Update**
- ▣ Financial Performance
- ▣ 2025 Guidance



Transaction Background








- On 22nd of January 2025, Elm entered into a share purchase agreement to acquire 100% of Thiqah from the Public Investment Fund for a total of SAR 3.4bn (less an amount equal to certain costs related to the transaction, fees and payments as agreed in the SPA)
- The Transaction consideration will be paid in cash

Valuation Approach

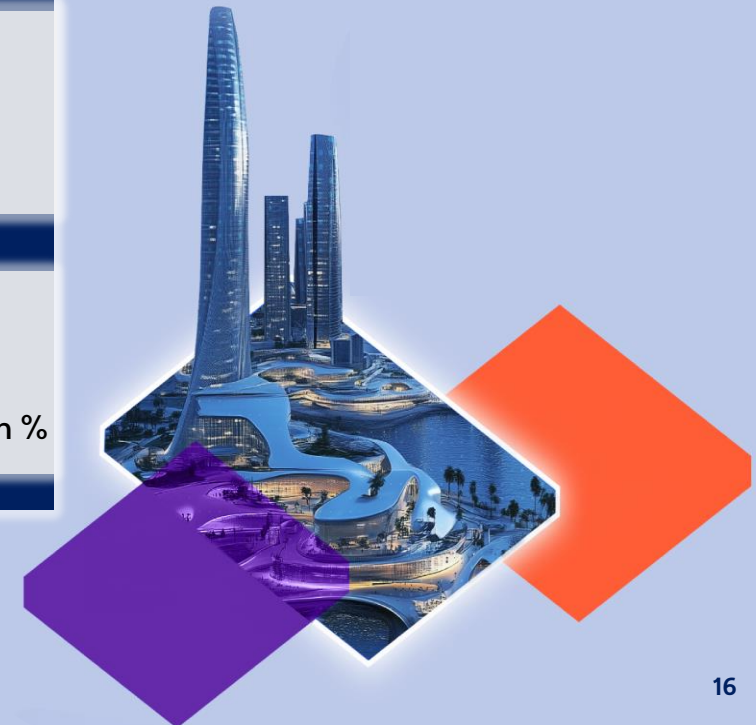
- Conducted a full-fledged due diligence exercise covering legal, financial, tax, commercial and technical with several advisors
- Conducted a detailed valuation exercise including but not limited to Discounted Cash Flow analysis and trading comparables analysis

Strategic Rationale

- Cementing Elm's position as the leading player and national champion in the ICT sector
- Complementary client base and product offering further expanding Elm's network and capabilities
- Unlocking synergies post integration with potential for value creation to Elm and its shareholders
- Propel the Kingdom's national agenda by strengthening the ICT ecosystem, enabling Vision 2030

| |  | + |  | »» |   |
|--|---|---|---|----|---|
| Revenue (2023)  | ﷼5.9 billion | | ﷼1.6 billion | | ﷼7.5 billion |
| | >70% Digital Solutions | | >65% Digital Solutions | | >70% Digital Solutions |
| Net Income (2023)  | ﷼1.4 billion | | ﷼180 million | | ﷼1.6 billion |
| | c.23% Margin | | c.11% Margin | | c.21% Margin |
| No. of Employees  | +2000 Employees | | +800 Employees | | +2,800 Employees |
| | 81% Saudization % | | >75%² Saudization % | | c.80% Saudization % |

The leading player and national champion in the ICT sector

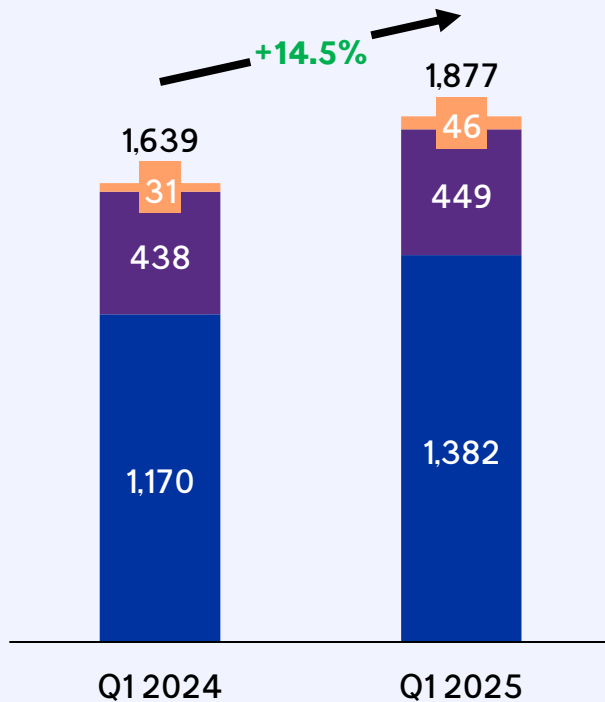


- ▮ Introduction
- ▮ elm 4.0 Strategy
- ▮ Q1 2025 Highlights
- ▮ M&A Update
- ▮ **Financial Performance**
- ▮ 2025 Guidance

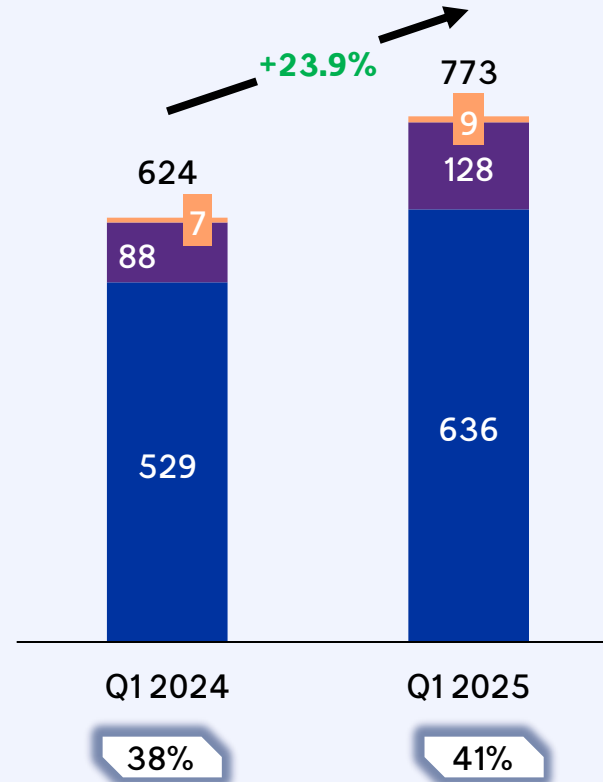


P&L Highlights (₪ million)

Revenue by Business Segment



Gross Profit by Business Segment



Key Highlights

Revenue Growth

Growth in revenue is resulted from the increase across all segments, mainly from Digital business, that is contributing 74% compared to 71% in the same quarter of the previous year.

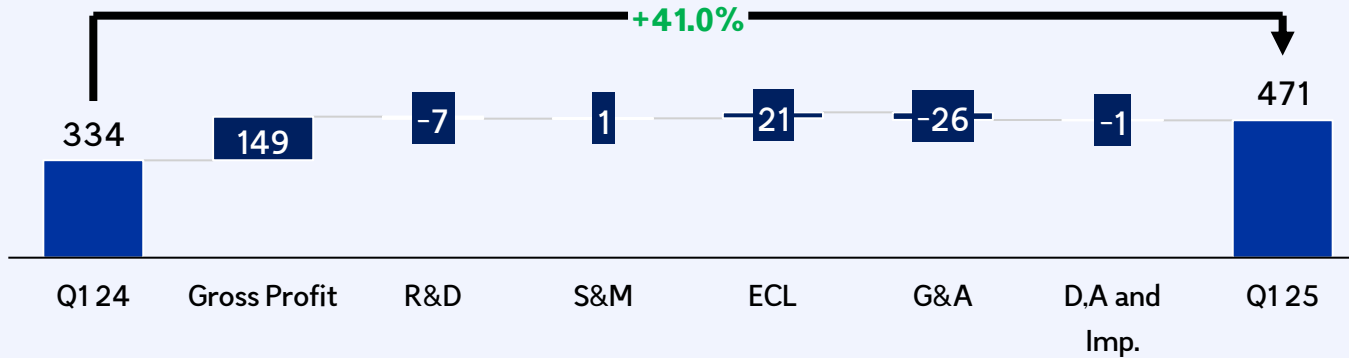
Gross Profit Margin Expansion

Digital Business and Business process outsourcing increased profitability, positively impacted the overall Margin expansion.

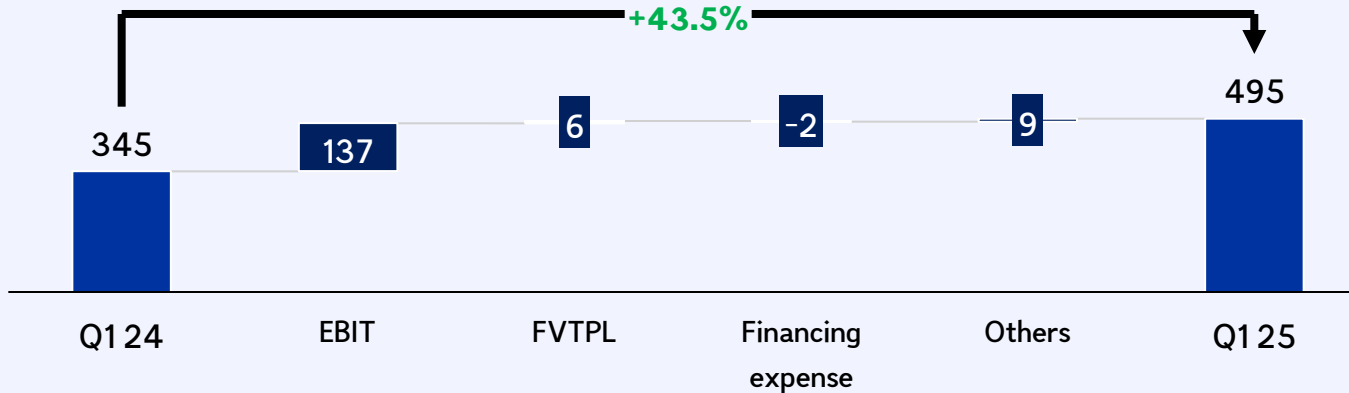
**GP of Comparative period have been adjusted due to reclassification.*

P&L Highlights (million)

Operational Profit (EBIT)



Net Profit



Key Highlights

EBIT Remains Strong

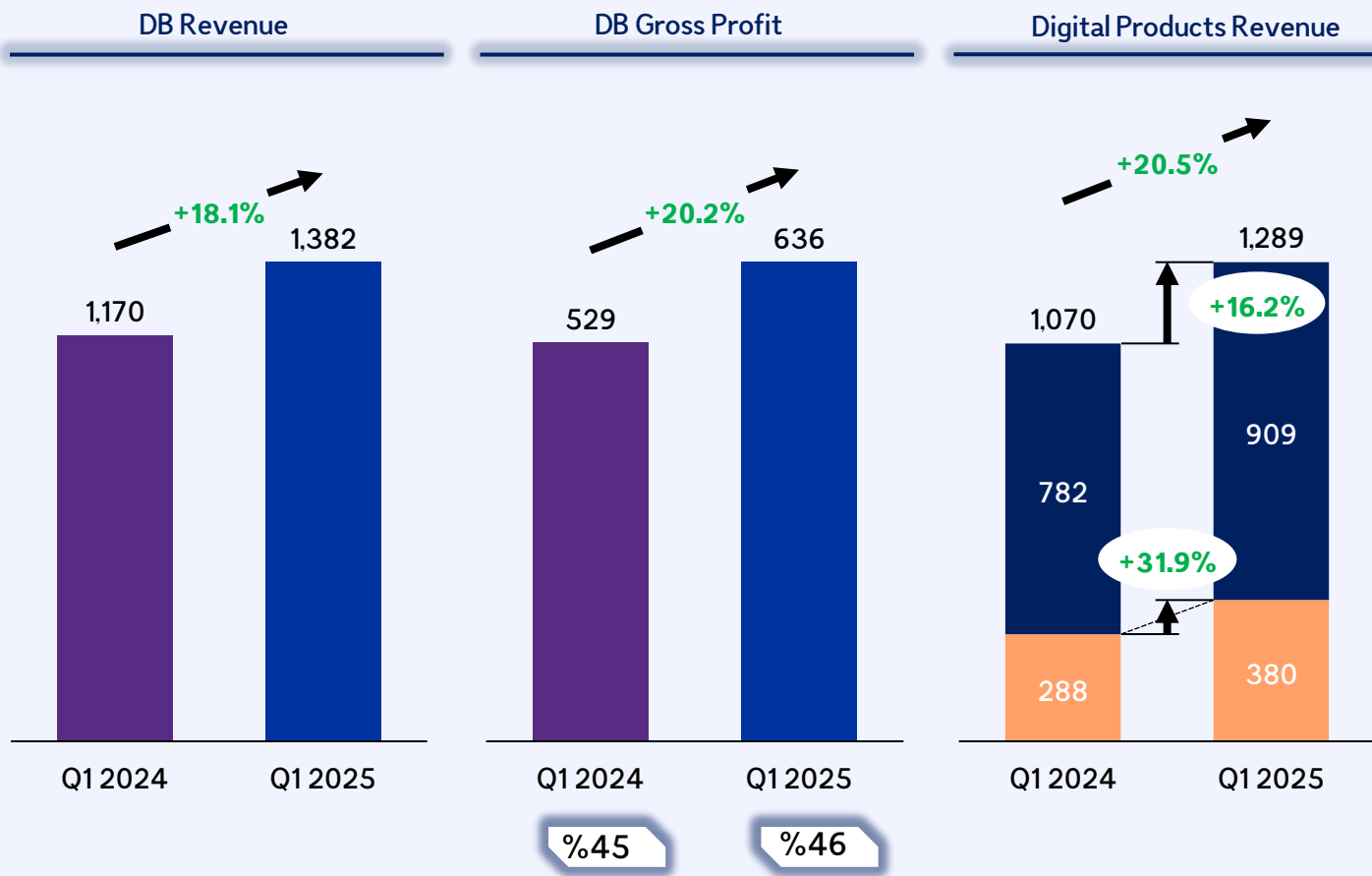
EBIT demonstrated a significant increase to reach a margin of 25%, that is contributed by the increase in gross profit. Furthermore, there was a reduction in ECL and depreciation and amortization expenses.

Strong Net Profit Growth

Net profit increased reaching a margin of 26%. was primarily driven by higher EBIT.

**Operating Expenses of Comparative period have been adjusted due to reclassification & Introduction of R&D.*

Digital Business (ﷲ million)

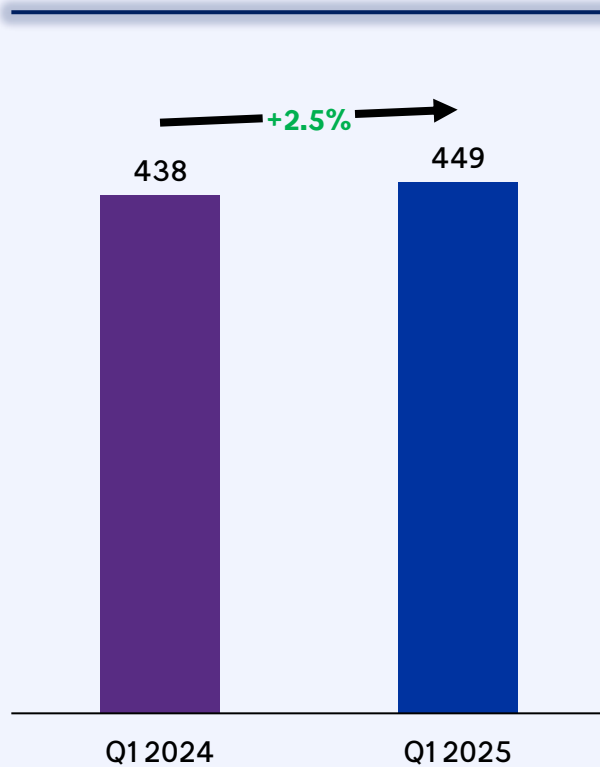


Key Highlights

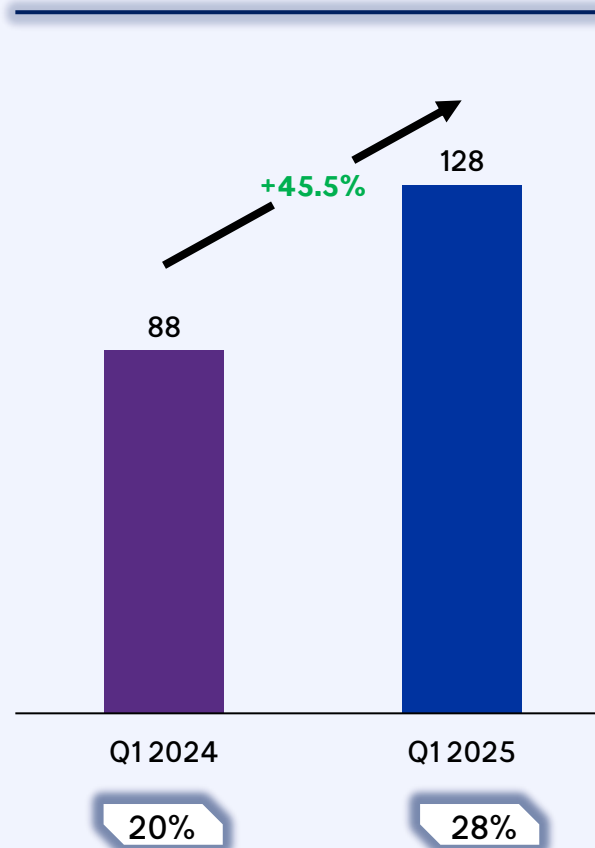
- Continuous Revenue growth**
 Due to growth in digital products revenue.
- Margin Expansion**
 The increase in customer base & introduction of new services contributed to an expansion in profit margin.
- Top 6 Products**
 Continued growing mainly from increased transactions and introduction of new services.
- Other Products**
 The increase is attributed to the nature of the products outputs.

Business Process Outsourcing (million)

BPO Revenue



BPO Gross Profit



Key Highlights

Revenue Growth

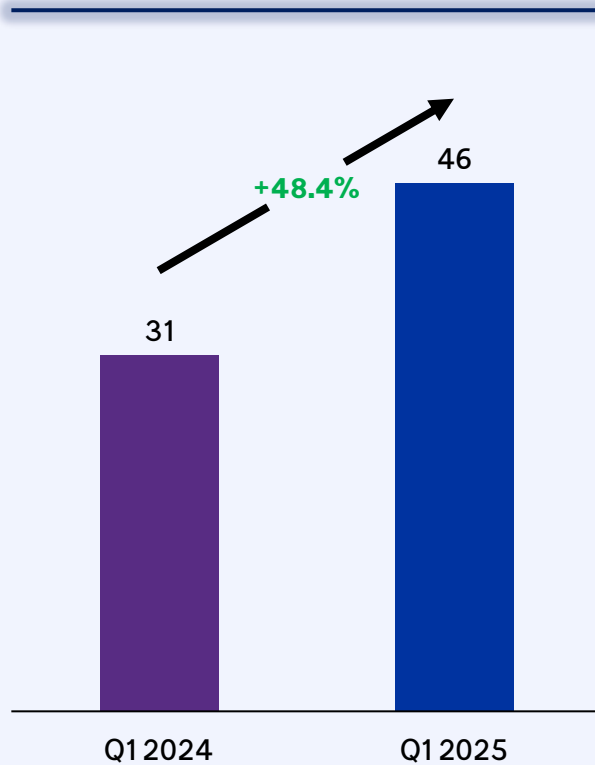
BPO revenue slight increase is driven by new projects expansion and increased deliverables.

Increase Gross Profit and Margin

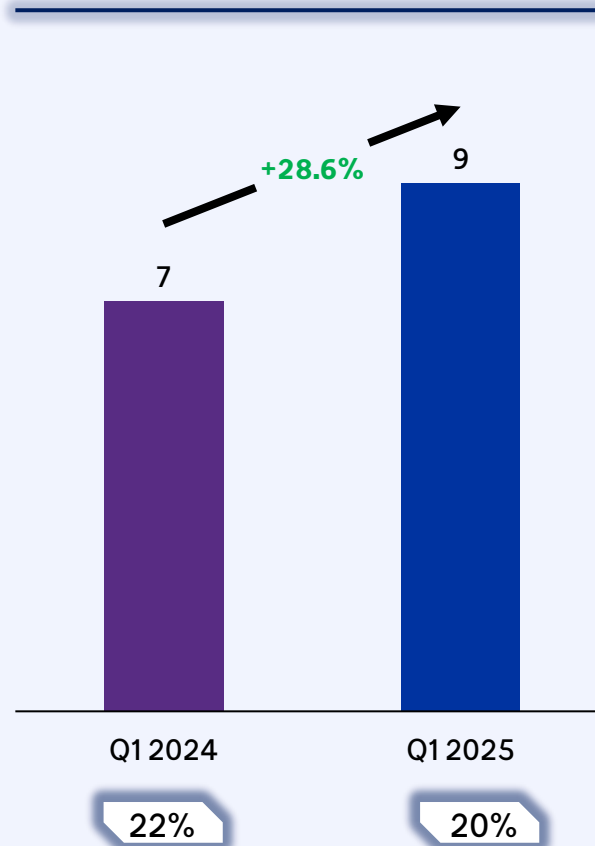
The strong growth in gross profit & gross profit margin is a result of inclusion of new projects with high margins.

Professional Services (ﷲmillion)

PS Revenue



PS Gross Profit



Key Highlights

- Revenue Increased 48%

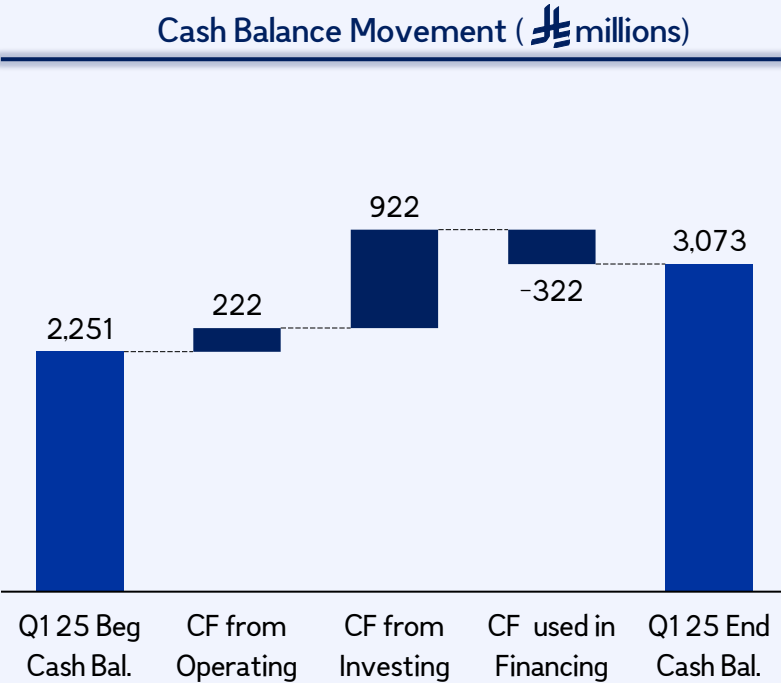
The spike in revenue is primarily due to new projects.

- Increase in Gross profit with a decline in profitability

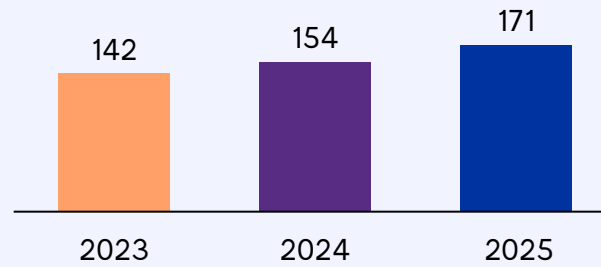
Mainly due to the completion of high-margin projects.

Balance Sheet and Cash Flow Highlights (ﷲ million)

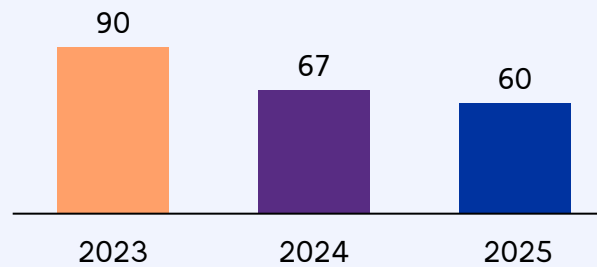
Cash Balance Movement (ﷲ millions)



Receivable (Number of Days)



Payable (Number of Days)






Key Highlights

- CFO as a percentage of Net profit was 45%. This was due to settlement for Income share balances and payment of employee's bonus.
- Total Cash and short-term investment decreased by 5% to 3.9 Billion compared to YE 24.

- ▮ Introduction
- ▮ elm 4.0 Strategy
- ▮ Q1 2025 Highlights
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2025 Guidance

| | 2025 Guidance* | Q1 2025 Actual | Updated 2025 Guidance |
|---|----------------|----------------|-----------------------|
|  Revenue Growth | 14% - 16% | 15% | No change |
|  Operational Profit Margin (EBIT %) | 21% - 23% | 25% | No change |
|  Cash Flow from Operating Activities as % of Net Income | 80% - 90% | 45% | No change |

**2025 Guidance does not include the impact of Thiqaq Acquisition*



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Investor Relations Webpage



Investor Relations Application



Thank you

