



Elm Co (ELM AB)

COMPANY DESCRIPTION

Established in 1988, Elm Co (previously known as Al-Elm Research and Development Company/Al-Elm Information Security Company) is a digital solution provider headquartered in Riyadh, Saudi Arabia. The company offers a wide range of integrated digital security solutions to convert traditional procedures into electronic transactions. Elm, through its **seven** subsidiaries also provides professional services including consultation services and data analysis, business process outsourcing, and human resources services. 🌱

BUSINESS MODEL

Elm generates revenues primarily through digital services provided. Elm also generates income through outsourcing, customized IT solutions, and professional services. 🌱

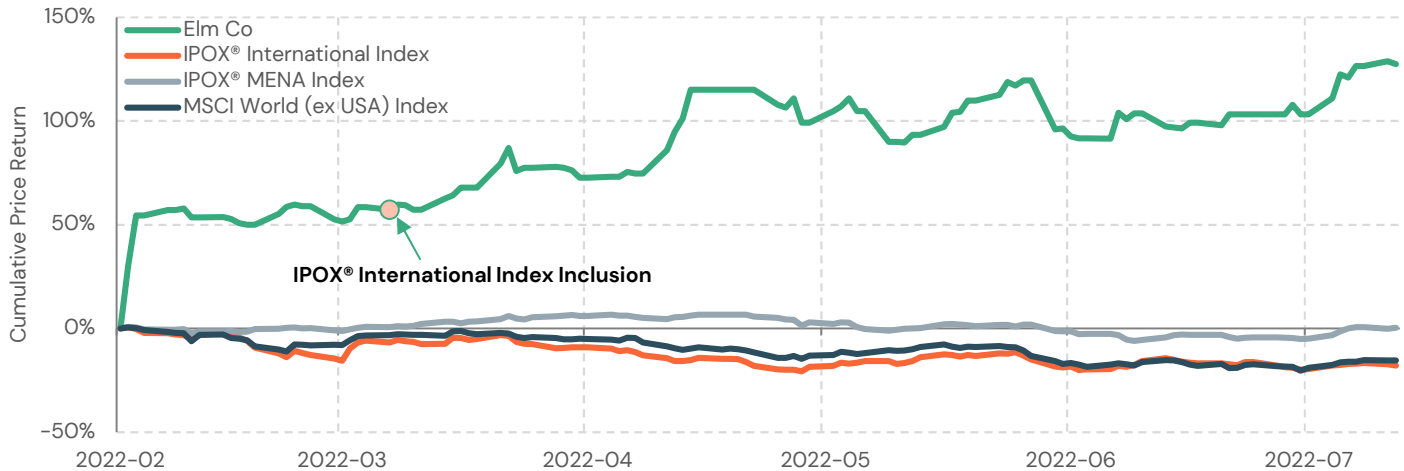
IPO HISTORY

On **02/16/2022**, Elm Co began trading on the Saudi Stock Exchange (Tadawul) led by Riyadh Capital. The Saudi Arabia's sovereign wealth fund wholly-owned digital security firm offered 24 million shares (all from the selling shareholder, the Public Investment Fund) at **SAR 128.00 per share**, high-end of its expected price range (SAR 113 – 128). Elm Co was valued at ca. SAR 10.24 billion at offer. The shares opened at 140.80 riyals and closed the first day higher at SAR 166.40 (▲30.00%). 🌱

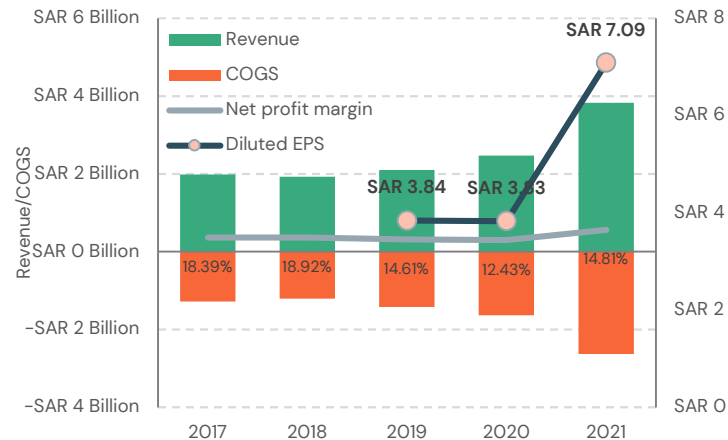
The sovereign wealth fund of Saudi Arabia, the Public Investment Fund (PIF) continues to own 70% of the Company following the initial public offering.

Elm Co was included in the IPOX® International Index (ETF: FPXI US) on 03/21/2022, and currently weighs ca. 0.24% of the portfolio. 🌱

HISTORICAL PERFORMANCE



GROWTH OUTLOOK



1986	2002	2011	2018
Technology Researches Elm for Research and Development A research company specialized in importing and localizing technology from all over the world.	E-Products Elm for Information Security Provided e-services and everything related to information security, and expanded the scope of services to public sector.	Customized Solutions Elm Company We expanded our business into consulting, IT services, government outsourcing, and training solutions.	Digital Platforms From Automation to Digitization We set off to move from automation to digitization through a strategy based on innovation as a main pillar to be the first digital platform to deliver an integrated client experience.
Security Solutions Elm for Security Solutions Provided e-services and everything related to information security, and expanded the scope of services to public sector.	Transportation Solutions Elm for Transportation Solutions Provided e-services and everything related to information security, and expanded the scope of services to public sector.	Administrative Solutions Elm for Administrative Solutions Provided e-services and everything related to information security, and expanded the scope of services to public sector.	

INDUSTRY COMPARISON

COMPANY	STOCK SYMBOL	IPO/SPIN-OFF DATE	INITIAL RETURN	OFFER TO DATE (TR)	2022 YTD (PR)	BETA TO BENCHMARK	REVENUE (MILLIONS)	DILUTED EARNINGS (LOSSES)/SHARE	PE Ratio
ELM AB	ELM AB	02/16/2022	30.00%	129.93%	127.34%	1.02	3,827.65	SAR 7.09	41.04x
SOLUTION AB	SOLUTION AB	09/30/2021	29.93%	56.35%	23.17%	0.79	7,815.80	SAR 6.94	30.49x
MIS AB	MIS AB	04/24/2019	4.89%	315.37%	-27.32%	0.81	638.82	SAR 1.883	61.19x

Elm's Digital Delivery Suites and Professional Services business units compete with a large set of local and multinational players. In the Nationalization and Upskilling area, Business Process Outsourcing and Manpower services, Elm competes with fewer but more specialized players with a local/regional footprint.