

RAK

CERAMICS

ANNUAL GENERAL MEETING 2023

10TH MARCH 2023

FY 2022 Highlights

2022 in Brief

- **Record-high full year performance for 2022 in core business** despite challenging economic environment and translating into an **all-time high net profit**.

2022 initiatives aiming to strengthen our position in face of market turbulence

- We **recorded growth in revenue** of tiles & Sanitaryware business in all our core markets except Bangladesh where productivity was impacted due to disruption in Gas supply during Q4. **Tableware** business had a robust performance supported by increase in demand. **Kludi Europe** performance suffered due to Russia/Ukraine conflict and increase in metal & energy prices.
- **Production efficiency** remained stable across all tiles plants despite higher input cost, increase in energy cost, lower productivity in Bangladesh and currency devaluation.
- **Improved selling price** to partially offset the increase in freight cost. Change in product mix focusing on more profitable products and **sustained gross profit margin**.
- We continued strengthening our **brand positioning** with differentiated products and by rolling-out **E-commerce** online platform in UAE and work is in progress to launch in other markets.
- **Solidified retail presence** with further showroom openings in UAE, UK, Bangladesh and India
- Rolled out execution of **UAE expansion projects** – Tiles renovation project (commercial production in Q1 2023) and sanitaryware capacity enhancements (production ramped up, full utilization estimated for 2023)
- Advanced on **greenfield expansionary fronts** seeking environmental clearances and approvals in Bangladesh and transfer of gas allocation approval in Saudi Arabia
- Launched **value creation plan of KLUDI** focusing on a turn-around strategy and leveraging on synergies; implementation progress is being closely monitored
- Completed further **RAK Porcelain minority stake buyout**, reaching 92% stake as of the 31st of Dec 2022; separately, RAK Porcelain has acquired 9% in its subsidiary, RAK Porcelain Europe S.A. reaching 100% stake
- In-line with its dividend policy commitment, **the Board proposed** to distribute semi-annual **cash dividend of 10 fils per share** for second half of 2022.

FY 22 Total Revenue

AED 3.52BN
↑ 22.9% YoY

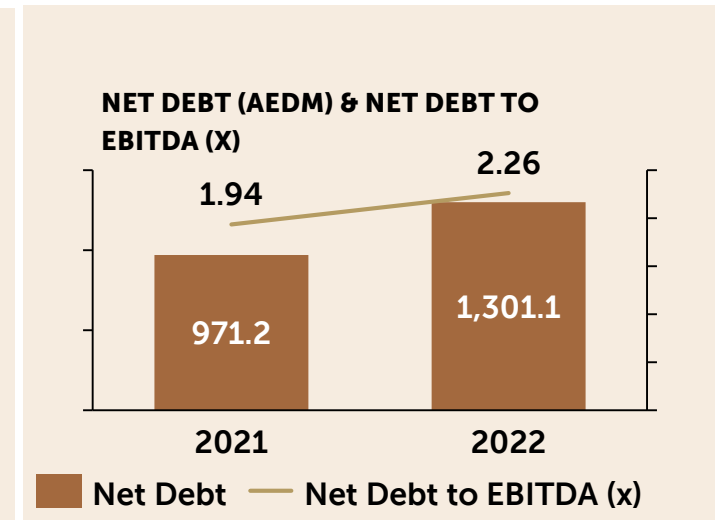
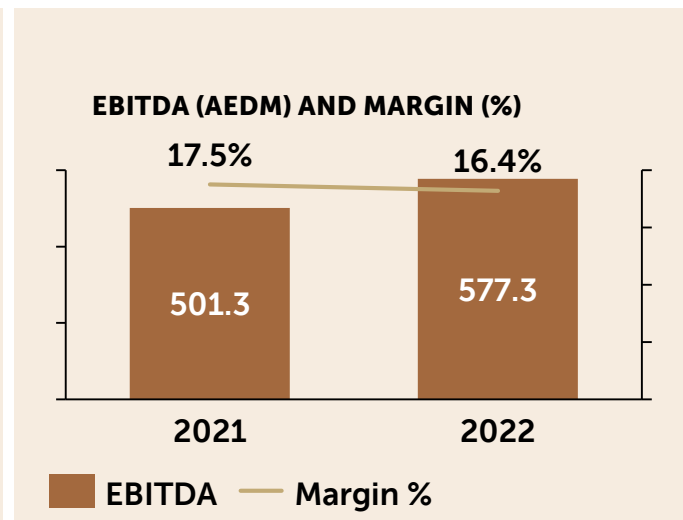
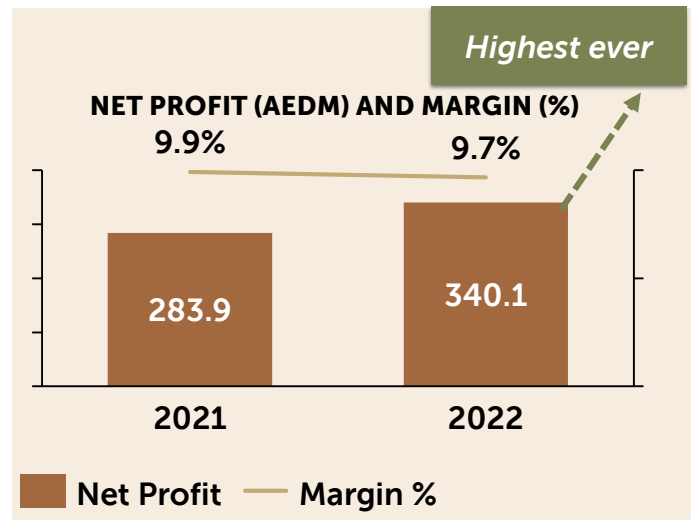
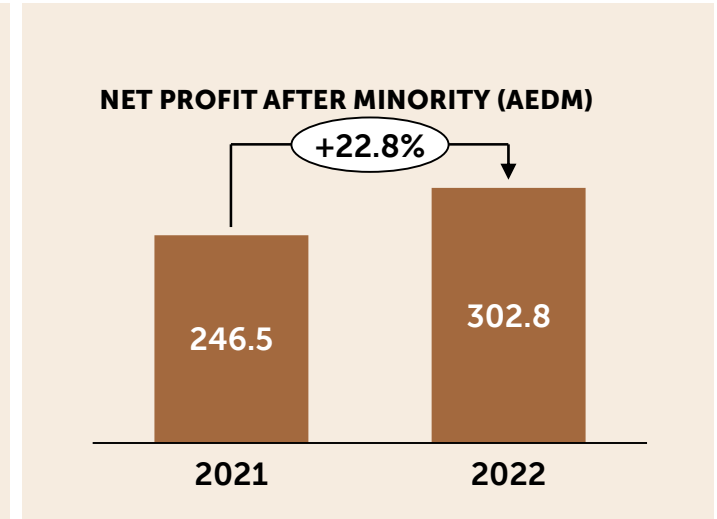
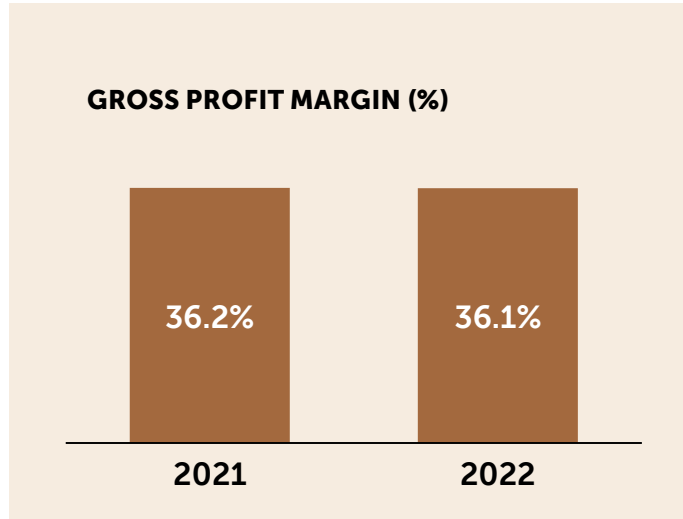
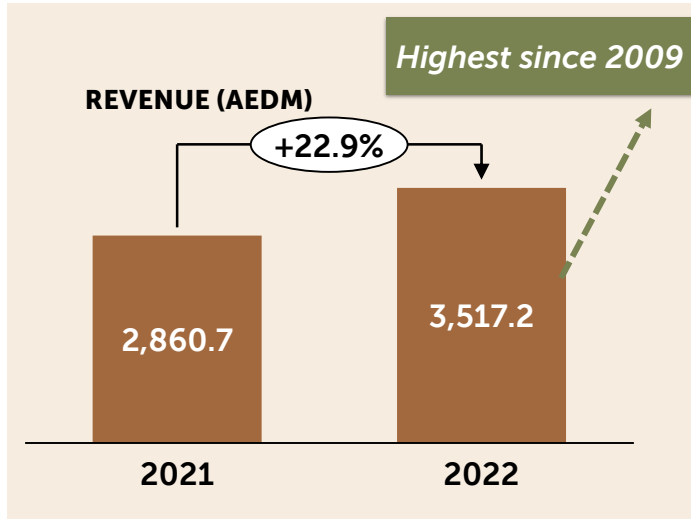
FY 22 Gross Profit %

36.1%
Stable YoY

FY 22 Reported Net Profit

AED 340.1M
↑ 19.8% YoY

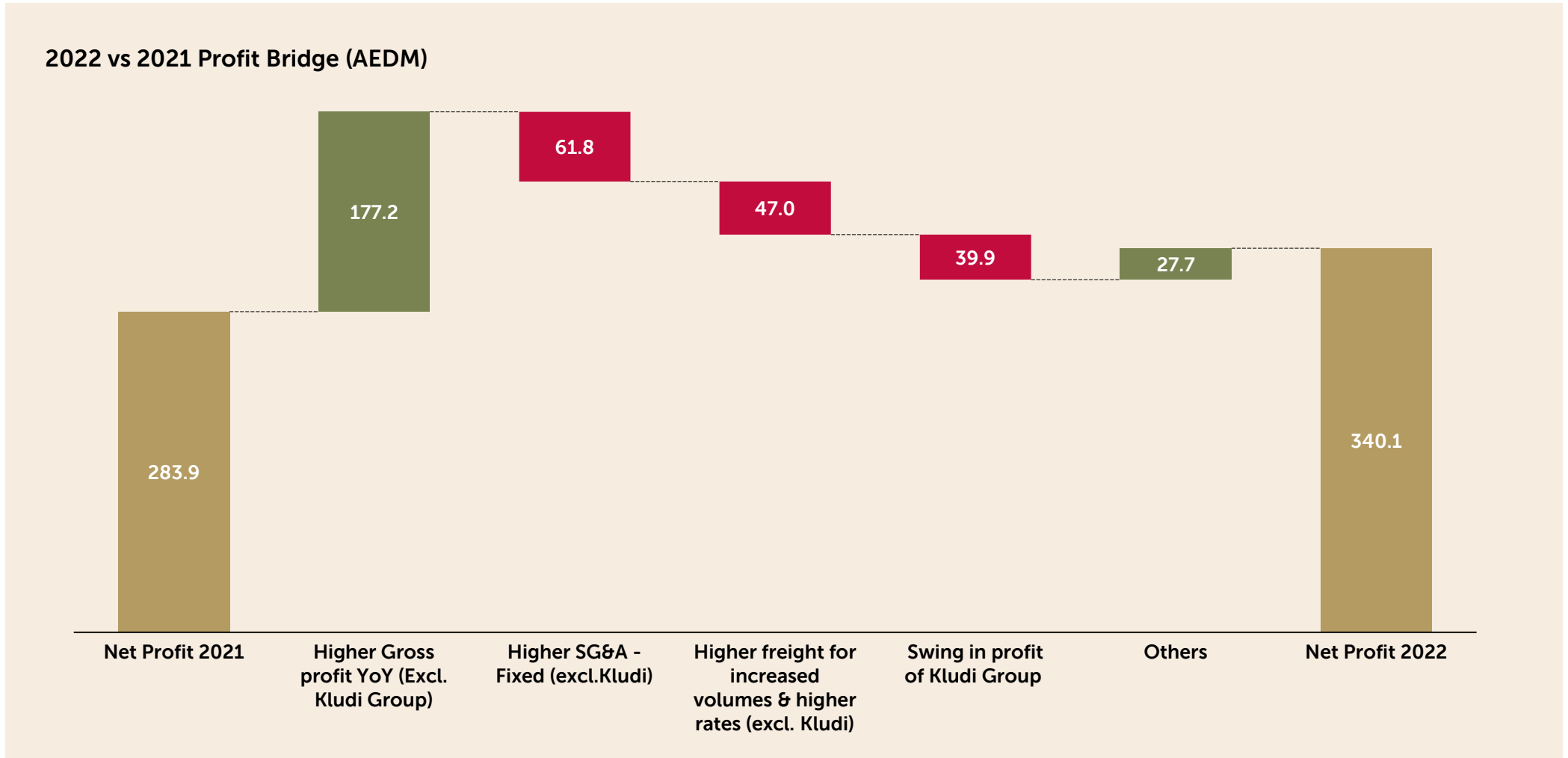
FY 2022 Key financial highlights



Revenue highlights by End Market 2022

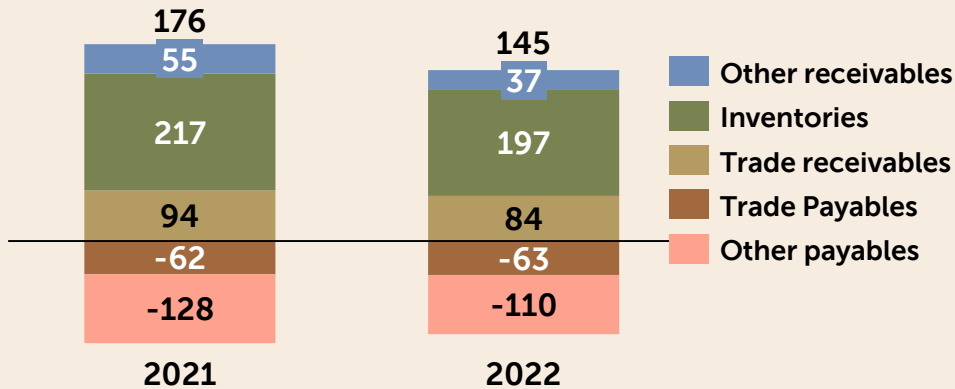
TOTAL REVENUE (AEDM)	YEARLY COMPARISON		
	2021	2022	
	Amount	Amount	YoY Growth
United Arab Emirates	558.1	668.1	19.7%
Kingdom of Saudi Arabia	537.5	586.1	9.0%
Middle East (Ex. UAE & KSA)	125.5	153.3	22.2%
India	389.0	400.4	2.9%
Europe	395.0	408.7	3.5%
Bangladesh	295.6	292.0	-1.2%
Africa	107.8	122.5	13.6%
Rest of the world	73.1	87.5	19.6%
Tiles and SW revenue	2,481.5	2,718.6	9.6%
Tableware revenue	254.4	353.2	38.9%
Faucets	13.7	306.0	NM
Others revenue	111.1	139.2	25.4%
Total Revenue	2,860.7	3,517.2	22.9%

Profitability Bridge

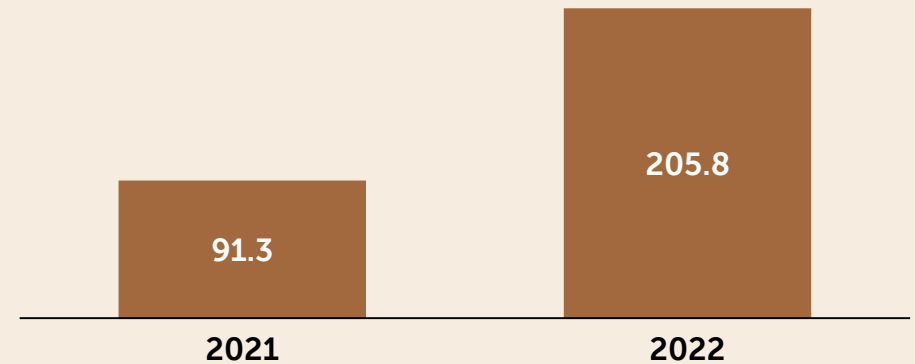


Balance Sheet Highlights

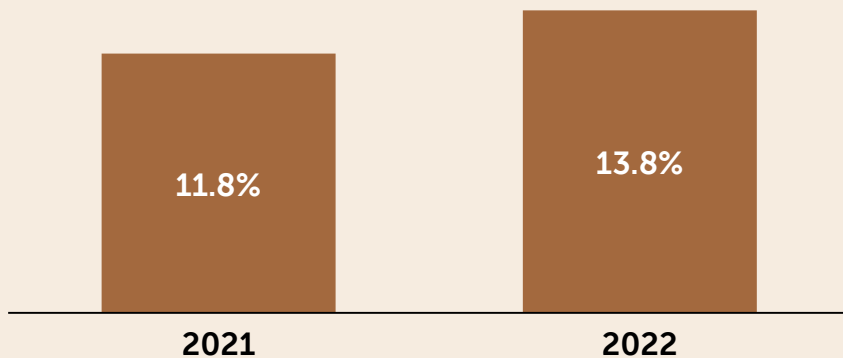
WORKING CAPITAL CYCLE (DAYS)



CAPEX (AEDM)



RETURN ON EQUITY (%)



HISTORICAL ANNUAL DIVIDEND (%)

