

RAK

CERAMICS

EFG HERMES 16TH ONE ON ONE INVESTOR CONFERENCE 2022



SEPTEMBER 2022

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Contents

- 01 | Company in Brief**
- 02 | Business Strategy Update**
- 03 | Stock Profile**
- 04 | Supplementary Financial Slides**
- 05 | Appendix**

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Attendees



Abdallah Massaad

Group Chief Executive Officer

Abdallah Massaad is Group CEO of RAK Ceramics and has more than 25 years experience in ceramics manufacturing, sales management, product marketing and business leadership. Prior to RAK Ceramics, Mr. Massaad was General Manager of ICC SARL, Lebanon.

Mr. Massaad holds post graduate qualifications in Management (DEA in Business Administration) and an undergraduate degree (Maitrise in Business Administration - Marketing) from Université Saint-Esprit de Kaslik, Lebanon.



PK Chand

Group Chief Financial Officer

Pramod Kumar Chand is Group CFO of RAK Ceramics. Mr. Chand has wide experience in dealing with corporate finance matters including treasury and working capital financing, project finance, venture capital, debt and equity capital market instruments, fund raising processes and general management.

Mr. Chand is a Member of the Institute of Chartered Accountants of India (CA) and has been a rank holder and winner of the A F Ferguson award.

Company in Brief

RAK Ceramics at a glance

Leading lifestyle brand
offering
premium ceramic solutions

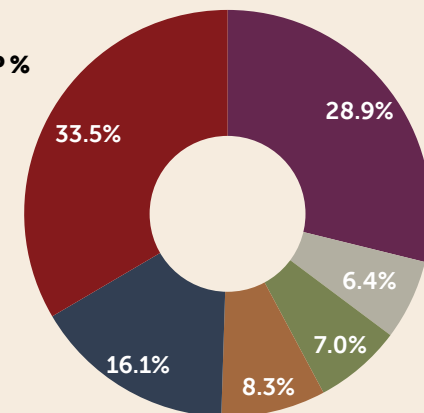
+30 YEARS
Ceramic expertise

~13,000
Global workforce

~US\$800
Market cap.

~US\$900M
Annual group LTM
turnover

OWNERSHIP %



■ H.H. Sheikh Saud Bin Saqr Al Qasimi
■ RAK Government
■ Institutional Investments

■ RAK Royal Family Members
■ Al Rajhi United Holdings Group, KSA
■ Retail Investors

Eras of RAK Ceramics



1990-2000

FOUNDATION



1989
Founded by H.H. Sheikh Saud Bin Saqr Al Qasimi

1991
First tile plant began in the UAE



1993
First sanitaryware plant began in the UAE

2000
Opening of first overseas tile plant in Bangladesh




2000-2010

EXPANSION



2004
RAK Porcelain was established

2006
Indian operations began



KLUDI
RAK
"We Stand for Water Saving"

2007
Joint Venture with KLUDI Group was established



2010
Became the world's largest ceramics manufacturer



2010-PRESENT


ENHANCEMENT

2013
Samena Capital acquired 31% stake in RAK Ceramics



2014
Value Creation Plan was introduced and implemented

2016
Launch of new brand identity



2021
Samena Capital exited

2022
Acquisition of 100% KLUDI Group

Product offering

TILES

We offer **one of the largest collection** of ceramic wall and floor tiles, gres porcelain and super-sized slabs in the industry. Our tiles are **luxury design and quality** available at a **lower price point** than industry standard.



SANITARYWARE



Complete solutions provider offering products designed to suit all budgets and tastes with **accessories and bathroom furniture**.

TABLEWARE

Products supplied to over **40,000 hotels** in more than **165 countries** with clients including JW Marriott, Hilton, Hyatt, and Sheraton amongst others.



FAUCETS



Eco-friendly faucets and bathroom fittings with a strong focus on **water-saving technology**, offering up to **60% saving** on water consumption.

Manufacturing footprint

GLOBAL PRODUCTION

24 plants worldwide

- ▣ **15 Tiles Plants** in UAE (10), India (3), Bangladesh (1) and Iran (1).
- ▣ **4 Sanitaryware Plants** in UAE (2), India (1), and Bangladesh (1)
- ▣ **Tableware** - UAE (1),
- ▣ **Faucets** – Germany (1), Austria (1), Hungary (1) and UAE (1)

118_{MN}

Square metres of tiles

5_{MN}

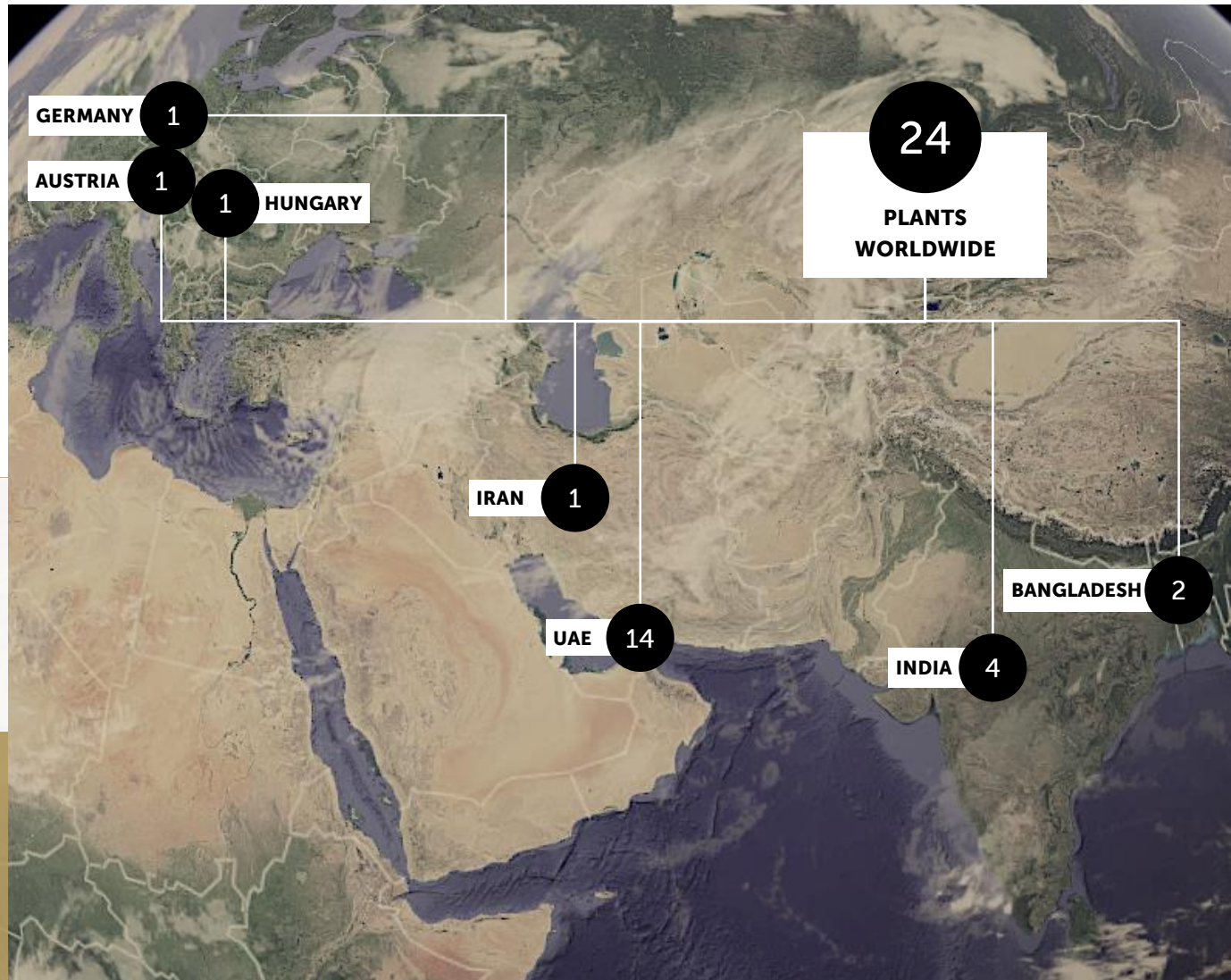
Pieces of sanitaryware

28_{MN}

Pieces of tableware

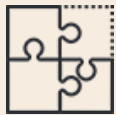
2_{MN}

Pieces of faucets and taps



Vision and key strengths

To become the world's leading ceramic lifestyle solution provider



LIFESTYLE BRAND

We are a globally recognized ceramics lifestyle solutions provider.



INNOVATION

Innovation is at the heart of our philosophy and we have continuously led the way in terms of product development.



HIGH-END QUALITY

We are known for our wide product range and our ability to produce premium quality products at a value price point.



SUSTAINABILITY

We operate in harmony with our local communities embracing safe and ethical work and aiming for a positive contribution to our environment.

Business Strategy Update

2022 Priorities

Protect market share

Protect market share across all core markets and segments albeit increased challenges

Production expansion

Build, acquire and enhance production plants to increase capacity across all manufacturing footprint

Explore untapped market potential

Increase market share in nascent markets with untapped value potential

Embracing digitization

Develop E-commerce platform and grow online presence as such increasing brand accessibility and serving the end market

Launch new products and projects

Introduce new segments, range of products and collaborations to capture further growth and unlock value

Solidify retail presence

Enhance retail footprint by building retail concepts, opening outlet stores and refurbishing existing showrooms

Boost productivity & efficiency

Ongoing improvement in operational efficiency to sustain current margins in light of current market dynamics

Operation optimization

Optimize logistics and warehousing in addition to enhancing inventory control and management

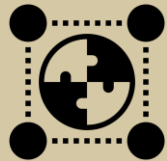
Sustainably Responsible Brand

Improve internal practices in compliance with ESG initiatives in order to achieve sustainability on a business level

Short-term initiatives prioritized

Protecting core businesses

Assuring seamless integration of KLUDI Group realizing immediate synergies by consolidating core businesses and finalizing acquisition of RAK Porcelain driving company's growth strategy



Increasing digital adoption

Tapping further into the e-commerce world by incorporating further business lines and launching into new markets



Advancing on expansionary fronts

Commissioning for UAE production expansion projects in addition to ensuring relevant requirements are satisfied for greenfield project take-off in Bangladesh and KSA



Building up business resilience

Riding out uncertainty and instability with a defensive approach to current market dynamics



Enhancing and solidifying brand image

Strengthening our brand positioning with a fully integrated product offering and international footprint, including collaborative projects with reputable and international brands



Improving sustainability status

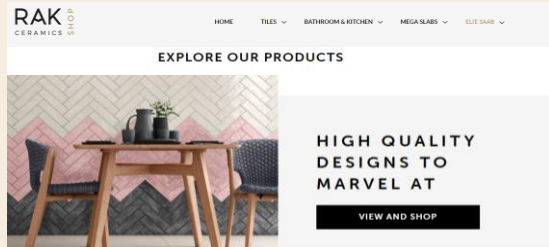
Revisiting current ESG practices and building necessary foundation in line with international standards



2022 Key marketing updates

Presence and Footprint

- **E-commerce platform** for the UAE market in **January 2022**; roll-out to gradually include further business lines and focus markets
- **RAK Ceramics Design Hub** in **May 2022**, the first global design hub in London's design quarter for architects, project designers and developers
- **New Showroom at Samalkot** opened in **May 2022**; Further showrooms to be opened during 2022 India (3), Bangladesh (1) and KSA (3)



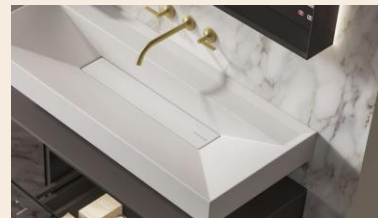
Events and Exhibitions

- **Salone del Mobile Milano** in **June 2022**, exhibition for international furniture and design industries
- **Thessaloniki International Fair** in **September 2022**, exhibition highlighting potential areas of cooperation with Greek enterprises and the UAE
- *Upcoming:* **CERSAIE** in **September 2022**, international exhibition of ceramic tile and bathroom furnishings



Collaborations

- **Elie Saab Bathroom & Surface Collections** launched across 5 showrooms in 2022; further locations and TW collection to be added



2022 Key strategic updates

KLUDI Group 100% Acquisition

On the 31st of May 2022, RAK Ceramics completed the transaction of acquiring 100% stake in KLUDI Group, upon the satisfaction of all closing conditions included in the Share Purchase Agreement.

Consolidation of KLUDI Group's financial statements were effective immediately, starting the 1st of June 2022, at the level of RAK Ceramics PJSC.



Greenfield Expansion in Bangladesh

RAK Ceramics Bangladesh is expanding its production capabilities through greenfield projects, increasing Tiles capacity and setting-up of a Faucets plant.

The greenfield project is estimated to add capacity of 4.8m sqm in Tiles annually starting Q1 2025 and 400k pcs in Faucets annually starting Q2 2024.

Project costs are projected to be c.AED 400m in total.



RAK Porcelain Minority Buy-out

RAK Ceramics is currently in the process of increasing its stake in RAK Porcelain.

As of the 30th of June 2022, the transaction brings RAK Ceramics ownership position to 87% (acquisition of 37% stake), following an all-cash proposal shared to all minority shareholders.

Further 4% stake was added until August 2022 and additional stake acquisitions are currently in process and under negotiations.



Land Allocation in Saudi Arabia

RAK Ceramics signed a Conditional Investment Agreement with the Royal Commission of Jubail & Yanbu, which stipulates the allocation of Yanbu land to RAK Ceramics, subject to meeting requirements and obtaining authority approvals.

RAK Ceramics' technical team has initiated process of shortlisting consultants to support with the preparation of construction blue prints and to assist in securing project construction permits.



Closer look... KLUDI Group acquisition

MANAGEMENT COMMENTS

The strategic acquisition of KLUDI Group represents an opportunity for RAK Ceramics to spearhead expansion and strengthen its core businesses across European markets. The brand is anticipated to complement RAK Ceramics suite of products and grow its sanitaryware offering, enhancing as such RAK Ceramics positioning in projects across the sanitaryware and faucets business and strengthening its position internationally as a leading ceramic lifestyle solution provider.

RAK Ceramics aims to support KLUDI with its international growth strategy by leveraging on its geographical presence, expanding the brand from a European-focused player to a global innovative fittings manufacturer while preserving its identity.

In order to unlock synergies, and upon transaction closing, management has launched integration process, aiming for a seamless and smooth transition while following a critical path to best mitigate integration risks.

Strategic initiatives outlining the integration process



Strengthen sales by cross-selling and leveraging on existing channels

Optimize brand portfolio and maximize value

Rationalize footprint to improve operational efficiencies

Upgrade existing facilities and invest in modern technologies

Launch new products complementary to existing offering

Align team and culture with group strategy while preserving brand identity

Incorporate smart engineering solutions driving further sustainability

Closer look... RAK Porcelain acquisition

MANAGEMENT COMMENTS

RAK Ceramics has completed the acquisition of 41% minority shareholders in RAK Porcelain and thus increased its holdings to 91% till the 31st of August, 2022, for a consideration of AED 225.5m.

Additional stake acquisitions are currently in process and under negotiations.

In-line with the company's priorities, RAK Ceramics aims to strengthen its tableware business and fund its growth strategy. RAK Porcelain is determined to surpass pre-pandemic levels by expanding in sales outreach, increasing manufacturing capacity, and growing its product offering in addition to potentially exploring inorganic growth alleyways.

Given the nature of the acquisition – transaction with partners of an existing consolidating subsidiary – and given that RAK Ceramics, parent company, recognizes investment in RAK Porcelain in its equity, no impact has been reflected on consolidated income statement.



Strategic direction behind minority stake buy-out

Unlock brand value and support fast-growing core business with untapped potential

Sustain and drive top-line growth by funding production expansionary projects

Enhance governance given now-consolidated shareholder base

Leverage on current market conditions and macroeconomics

Expand product portfolio and sales channels building on RAK Ceramics existing foundations

Align and unify shareholder aspiration on growth potential

2022 Key sustainability updates

Introducing Online Mosaic Process

Online mosaic production system enabling the efficient production of mosaic tiles using less energy and less manpower

Recycling Rejected Tiles

Recycling equipment, allowing for the 100% reuse of fine powder generated by broken or wasted-fired porcelain tiles as input, with a capacity of up to 50,000 metric tons of powder per year

Upgrading Design Scanning Solutions

Design development scanner, allowing for optimized production and elevated design capabilities with its enhanced scanner format and higher optical resolution

Enhancing glazing system

Digital glazing system that fully automates glaze levels, allowing for 30-45% reduction in glaze waste by eliminating shade variation caused by glaze weight variation

Introducing E-bikes

70 e-bikes across UAE manufacturing facilities, allowing for a reduced emission, noise pollution and environmental impact



Online Mosaic Tile Project



Fired Tile Crusher Plant



Electronic Vehicle Initiative

2022 Key challenges

Critical Parameters	Key Challenges	Our Action
Rising Inflation	Inflation surge across the globe fueled by increase in cost of living and challenging supply conditions, weighing in on input prices	<ul style="list-style-type: none"> • Translate increase in costs onto selling prices while remaining in line with the market • Enhance operational capabilities by increasing production efficiency, capacity utilization and manpower productivity
Rising Energy Costs	Vulnerable supply coupled with an unexpected war between Russia-Ukraine resulted in an increase in energy costs	<ul style="list-style-type: none"> • Negotiate better contract agreements with local suppliers, allowing for further discounts and rebates on previously negotiated terms • Install energy-saving equipment to decrease energy consumption and costs
Currency Devaluation	Devaluation of major currencies , given increased uncertainty and raised worry of a global recession	<ul style="list-style-type: none"> • Adjust selling price and focus on diversified revenue streams geographically to minimize bottom-line effect • Opt for natural currency hedging techniques to limit working capital exposure
Supply Chain Challenges	Global supply chain shortages, shipments slowdown and increase in energy costs caused worldwide supply disruption and rise in freight costs	<ul style="list-style-type: none"> • Selling price adjustment to reflect incurred freight costs • Optimize supply chain operations with the use of advanced technology systems • Build inventories to avoid operation disruption
Trade Challenges	Custom Duty in Saud Arabia on imports from the UAE	<ul style="list-style-type: none"> • Continued effort to comply with local laws to avail custom duty exemptions



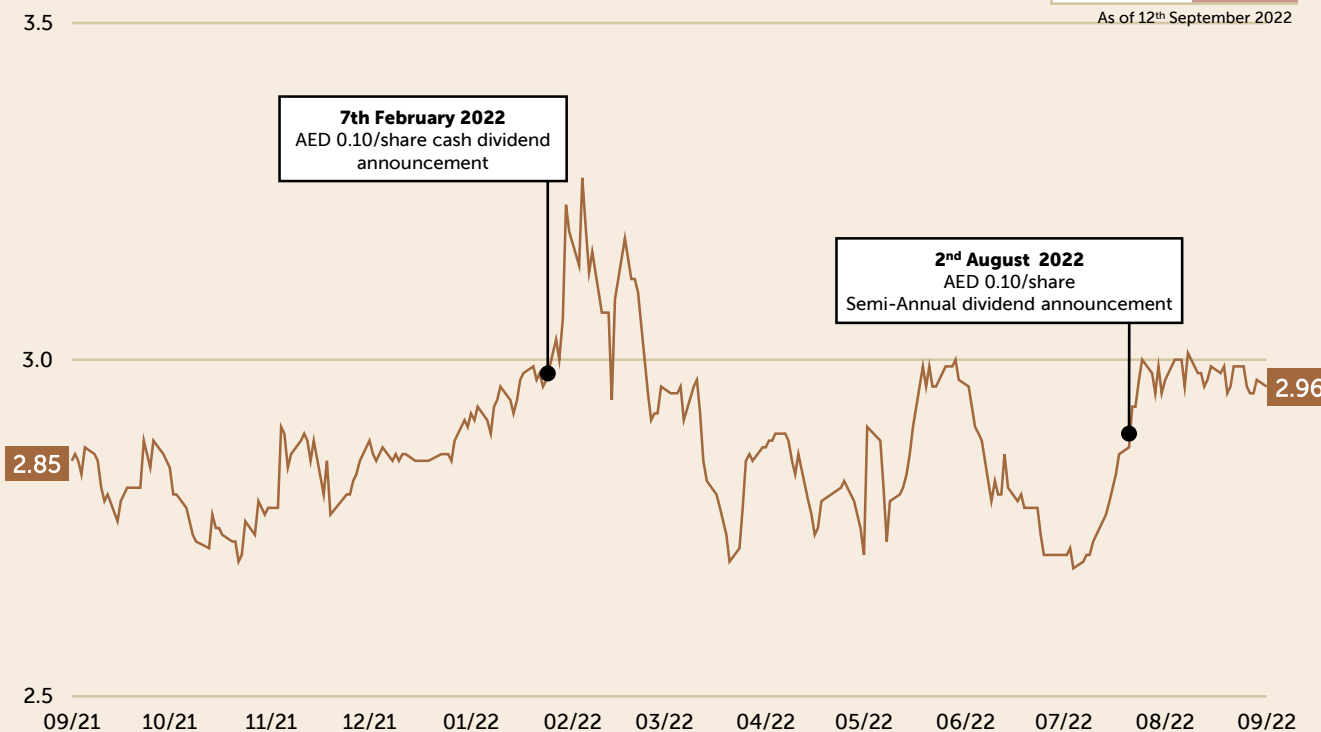
Stock Profile

RAK Ceramics stock profile

RAK CERAMICS (RAKCEC) SHARE PRICE PERFORMANCE (AED)

	AED
WAP	2.88
52 week high	3.27
52 week low	2.69

As of 12th September 2022



CURRENT VALUATION (AED M)

	12/09/2022	31/12/2021
	Amount	Amount
Share price	2.95	2.85
Number of shares (in Mn)	994	994
Market Cap	2,931	2,832
Net debt	1,326*	971
Minorities	157*	227
Enterprise Value	4,414	4,030

*Net debt and minorities as of 30th June 2022

LTM TRADING MULTIPLES

As of 12 September 2022

	Multiple
EV / Sales	1.2x
EV / EBITDA	7.9x
P / E	11.9x
P / B	1.4x

INVESTOR RELATIONS ACTIVITIES

Conferences

- ✓ EFG Hermes 4th Virtual Investor Conference – Sep 2021
- ✓ EFG Hermes 5th Virtual Investor Conference – Mar 2022
- ✓ Arqam Capital Virtual MENA Investor Conference – May 2022

Analyst Coverage Initiated

- 03 Aug 2022 Arqam Capital – AED 3.5/share
- 23 Aug 2022 EFG Hermes – AED 4.0/share
- 30 Aug 2022 U Capital – AED 3.7/share

Dividend update

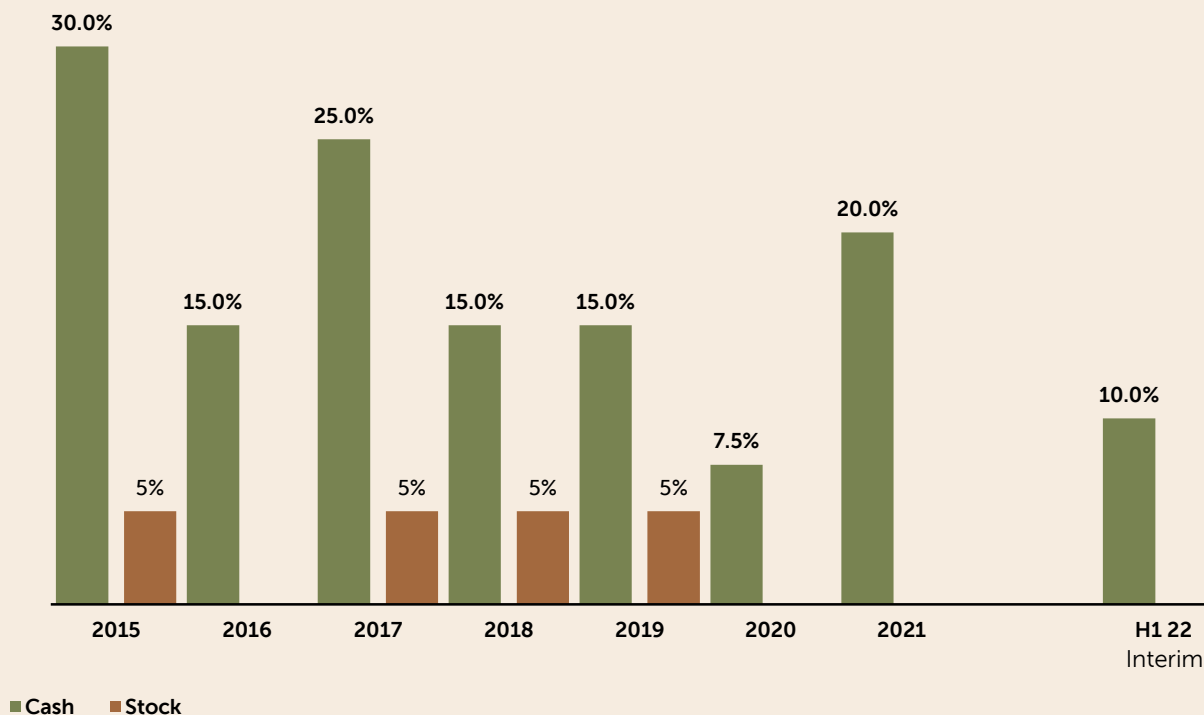
MANAGEMENT COMMENTS

RAK Ceramics is committed to returning capital to shareholders via a sustainable dividend policy, aiming at a minimum payout of 20 fils on a semi-annual basis for FY 2022 subject to consideration of factors such as business outlook, capital requirement for growth opportunities, expansion plans, optimal leverage levels and healthy cash reserves in addition to regulatory approvals. To further enhance the visibility to the shareholders, RAK Ceramics commits to pay a minimum dividend of 60 fils over the next 3 years (i.e. 2022-2024)

Earlier in 21st March 2022, AED 99.3m annual dividend for 2021 was paid.

For the first half of FY 2022, the Board approved to distribute semi-annual cash dividends of 10 fils per share, representing AED 99.4m which was paid to the shareholders in August 2022.

HISTORICAL ANNUAL DIVIDEND PAID 2022 (%)

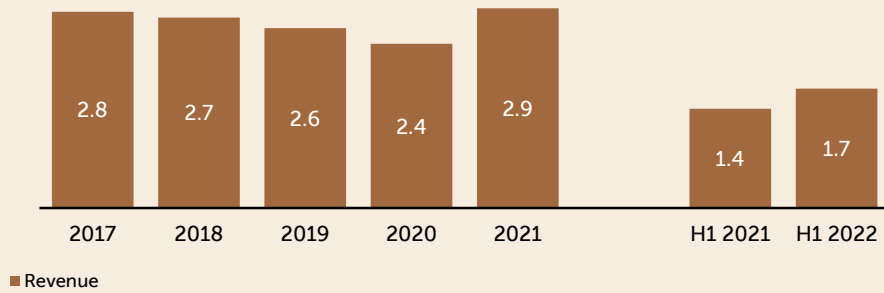




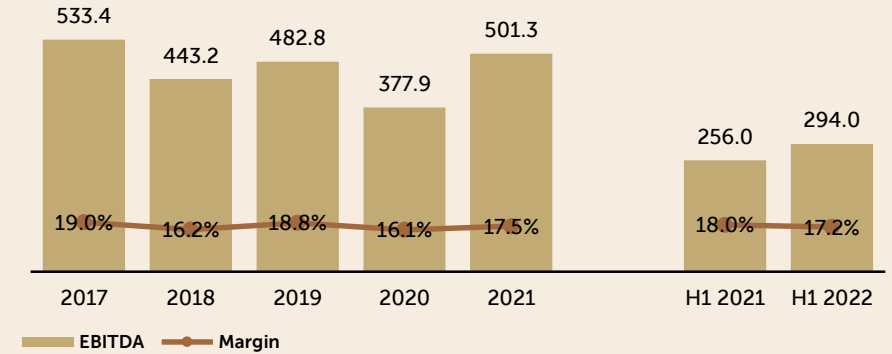
Supplementary Financial Slides

Financial performance trend

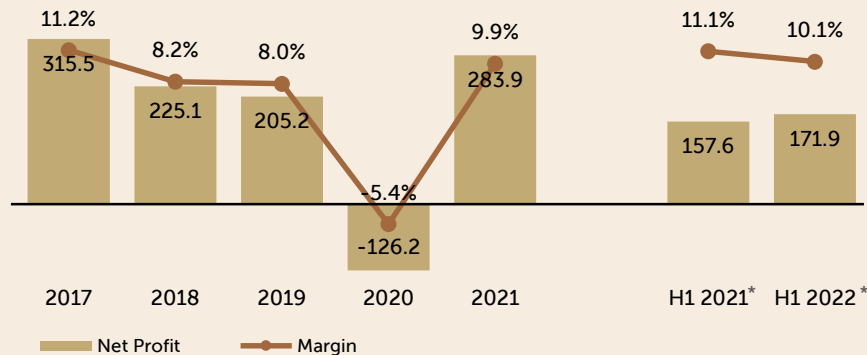
REVENUE (AED BN)



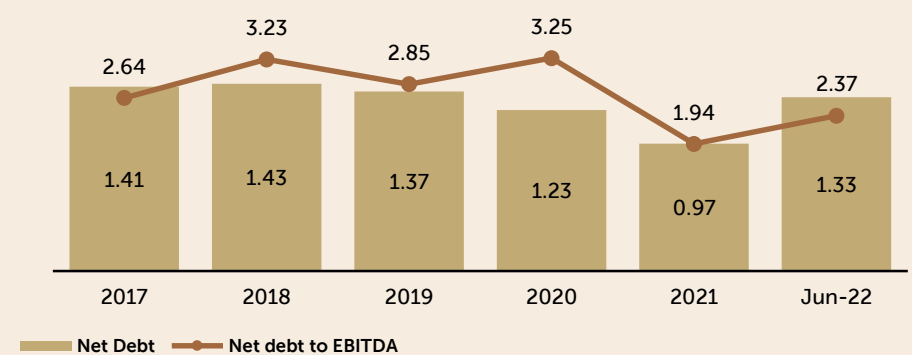
EBITDA (AED MN) AND MARGIN (%)



NET PROFIT (AED MN) AND MARGIN (%)



NET DEBT (AED BN) AND NET DEBT TO EBITDA (X)



*Profit includes one-off gains of AED 1.9m for H1 2022 and AED 22.9m in H1 2021, as such Like-for-Like Profit margin shows an increase from 9.6% in H1 2021 to 10.1% in H1 2022 after adjusting for one-offs. Please refer to slide 36 for Like-for-Like Profit workings.

H1 2022 Performance snapshot

Total revenue increased by +20.1% YoY to AED 1.71bn due to increase in tiles (+11.9%), SW (+10.3%) and TW (+70.3%) YoY

AED1.71BN

Total gross profit margin increased by +1.2% YoY at 37.8% even after charging for 12.0% customs duty in KSA

37.8%

Total EBITDA increased to AED 294.0m compared to AED 256.0m in last year. Margin decreased by -0.8% YoY to 17.2%

AED294.0M

Reported net profit increased to AED 171.9m in H1 2022 compared to 157.6m in H1 2021; profit includes one-off gain of AED 1.9m for H1 2022 and AED 22.9m in H1 2021. NP Margin is 10.1% compared to 11.1% in last year

AED171.9M

Net profit after minority decreased to AED 147.8m compared to 148.5m in last year. Margin is 8.6% versus 10.4% for last year

AED147.8M

Like for Like Net profit* increased to AED 173.4m compared to 136.3m in last year. Margin improved to 10.1% compared to 9.6% in last year

AED173.4M

H1 2022 Revenue highlights

MANAGEMENT COMMENTS

Total revenue in H1 2022 increased by +20.1% YoY at AED 1.7bn driven by tiles (+11.9%), SW (+10.3%) and TW (+70.3%) YoY.

Tiles revenue is higher by +11.9% YoY at AED 1.1bn driven by increase in all markets except for Saudi Arabia, which experienced a slight drop following the imposition of customs duty in addition to disruption of logistics during Q1 2022.

Sanitaryware revenue is higher by +10.3% YoY at AED 301.2m driven by increase in all markets except Saudi Arabia.

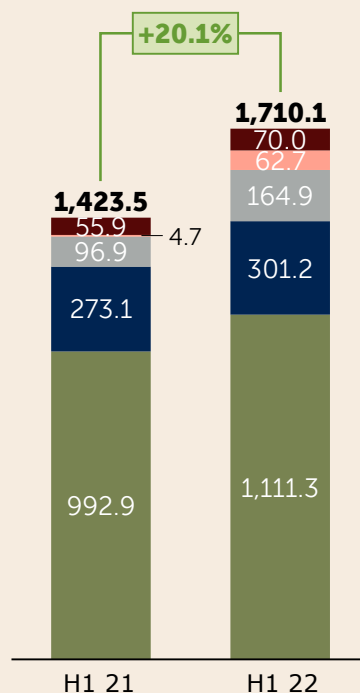
Tableware revenue increased by +70.3% YoY to AED 164.9m as the sector recovers from the pandemic.

Faucets revenue is AED 62.7m out of which KLUDI Group revenue following consolidation for June 2022 amounted to AED 50.4m (transaction closed on the 31st of May 2022).

Revenue from other units increased by +25.1% YoY to AED 70.0m driven by mainly increase in our Ceramic raw material trading business.

TOTAL REVENUE (AEDM)

■ Tiles ■ TW ■ Others
■ SW ■ Faucets



YEARLY COMPARISON

	YEARLY COMPARISON		
	H1 21	H1 22	
	Amount	Amount	YoY Growth
United Arab Emirates	304.3	340.0	11.7%
Kingdom of Saudi Arabia	308.8	307.1	(0.5%)
Middle East (Ex. UAE & KSA)	54.0	75.6	39.9%
India	166.8	209.1	25.3%
Europe	214.9	225.7	5.0%
Bangladesh	141.5	159.5	12.7%
Africa	41.5	50.8	22.6%
Rest of the world	34.1	44.7	30.8%
Tiles and SW revenue	1,266.0	1,412.5	11.6%
Tableware revenue	96.9	164.9	70.3%
Faucets	4.7	62.7	NM
Others revenue	55.9	70.0	25.1%
Total Revenue	1,423.5	1,710.1	20.1%

Gross Profit margins trend

MANAGEMENT COMMENTS

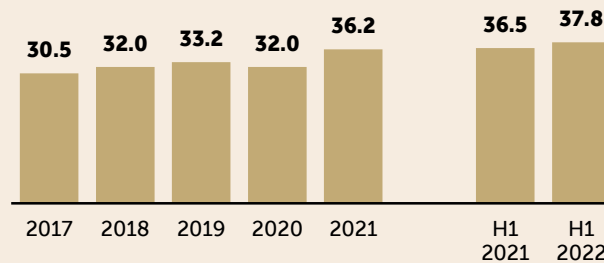
Total gross profit margin increased in H1 2022 by +120bps YoY to 37.8% despite higher production costs and the imposition of the 12% customs duty in Saudi Arabia (introduced in Q3 2021).

Tiles margin in H1 2022 increased by +30bps YoY to 37.9%.

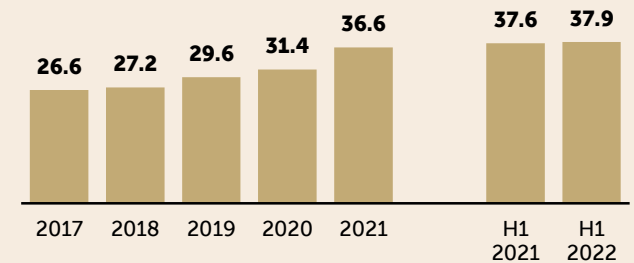
Sanitaryware margin increased by +40bps YoY to 36.8% in H1 2022 despite higher input costs on imported raw materials.

Tableware margins increased by +15.4% YoY at 49.9% in H1 2022 following top-line rebound and increased productivity thereafter.

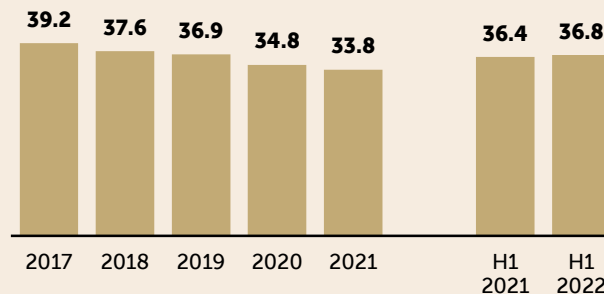
TOTAL GROSS MARGINS (%)



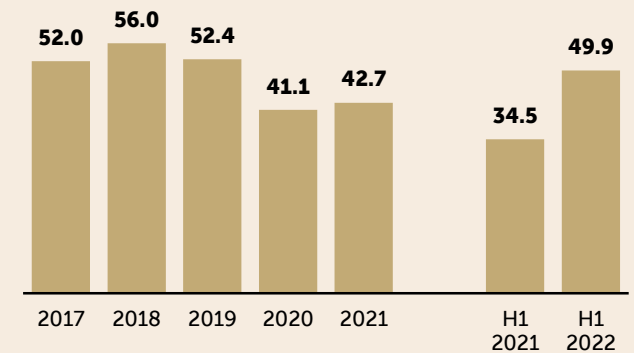
TILES GROSS MARGINS (%)



SANITARYWARE GROSS MARGINS (%)



TABLEWARE GROSS MARGINS (%)



Closer look... Bangladesh operations

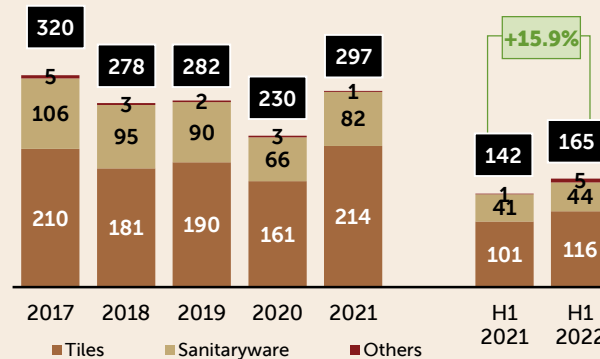
MANAGEMENT COMMENTS

Company demonstrated resilience and reported strong year on year growth supported by differentiated products for premium segment despite. Revenue increased by 15.9% year on year to AED 165 million.

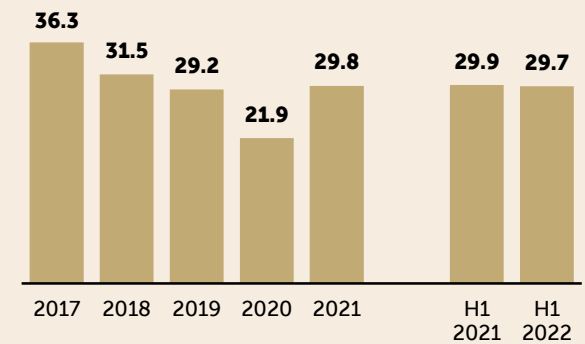
In spite of registered growth in revenues, higher energy costs and currency devaluation weighed in on bottom-line.

Share price is stable in last one year at BDT 46.5 with high BDT 61.2 per share in Feb 2022 and trading with a P/E multiple of 22.1x.

REVENUE (AED MN)



GROSS PROFIT MARGIN (%)



BANGLADESH

68%

Ownership

~\$229M

Market Cap
(Listed in DSE).
As at 12Sep22

~28.7%

of RAKC Market Cap
while revenue
contribution is 9%

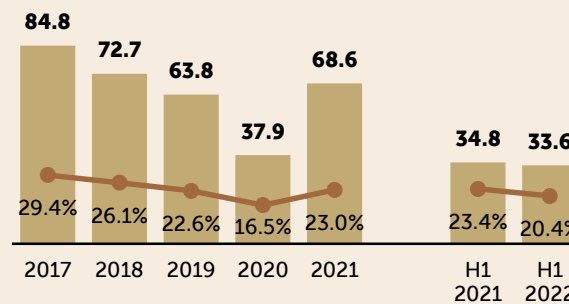
Strengthening
the dealers
network and
improve B2B
sales through
corporates

Improve Brand
position with
introduction of
new products

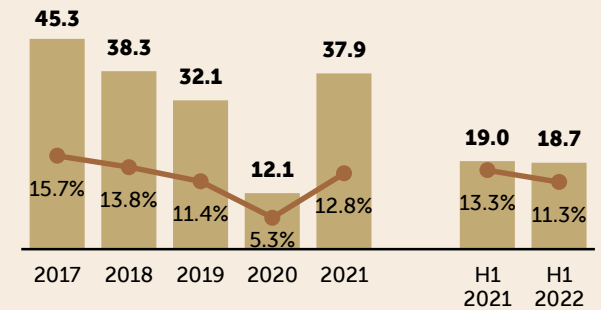
22.1x

P/E Multiple

EBITDA (AED MN) AND MARGIN (%)



NET PROFIT (AED MN) AND MARGIN (%)



Closer look... Indian operations

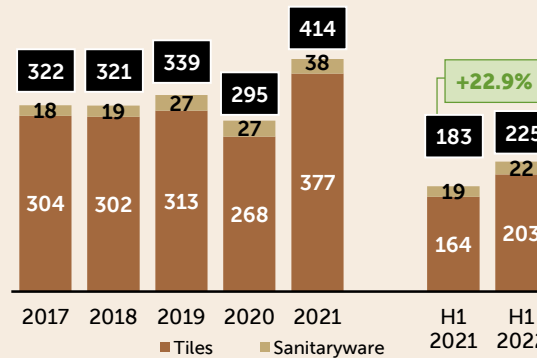
MANAGEMENT COMMENTS

Robust performance on the back of improved margins. Production efficiency have improved and energy consumption was reduced following installation of energy-saving instruments.

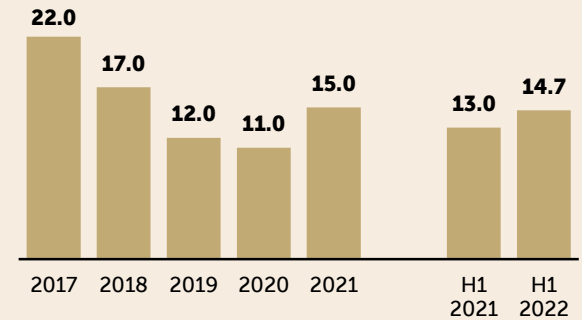
Revenue in H1 2022 increased by 22.9% year on year, to AED 225m, supported by expanding dealer's network presence in additional 21 districts and retail footprint with the opening of a showroom in Samalkot and another 3 showrooms to be added in 2022..

Despite increase in energy prices, minor price adjustments were applied across the local ceramics industry; we remain in-line with peers and focused on preserving market share.

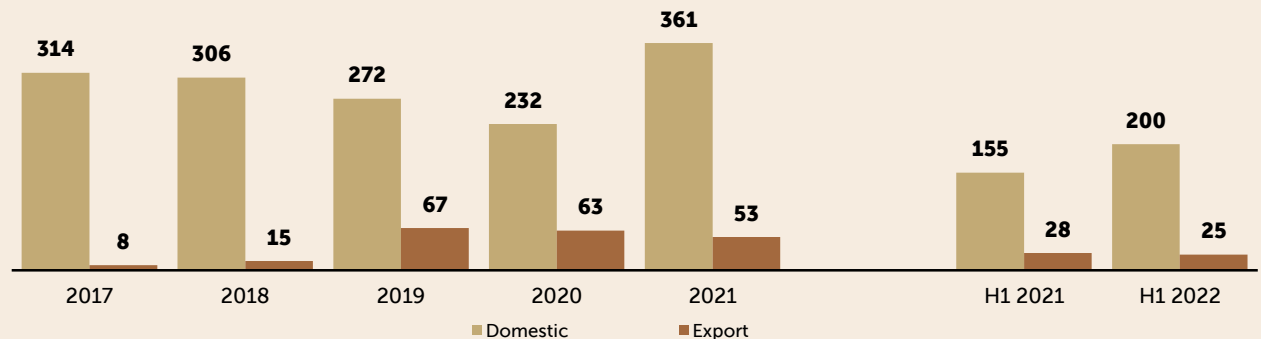
REVENUE (AED MN)*



GROSS PROFIT MARGIN (%)



DOMESTIC VS. EXPORT REVENUES (AED MN)



*Including sales to group companies

Closer look... Tableware operations

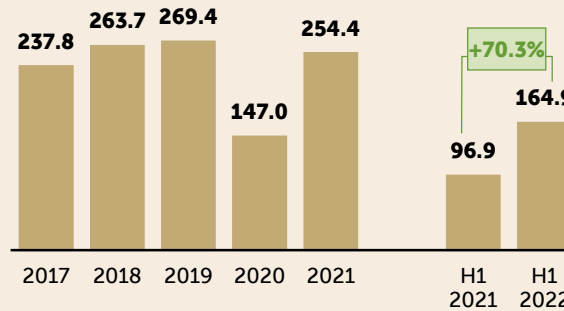
MANAGEMENT COMMENTS

Tableware performance across core markets significantly improved supported by recovery in the hospitality and tourism, the introduction of new range of products and the increase in selling price –reflected to pass on the impact of inflation, high shipping rates and devaluation.

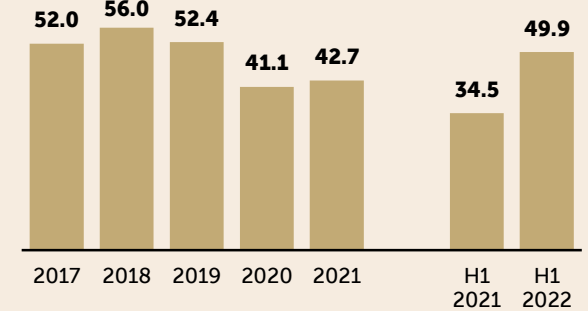
Revenue increased by 70.3% year on year to AED 165 million in H1 2022.

Production has been increased to meet demand; further capacity expansion is understudy.

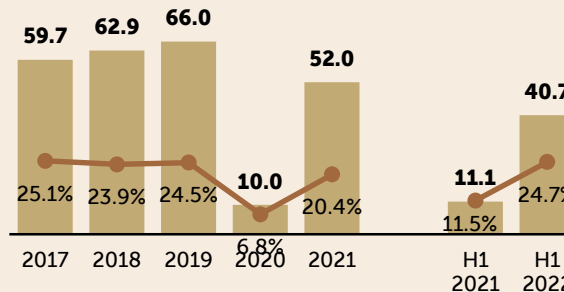
REVENUE (AED MN)



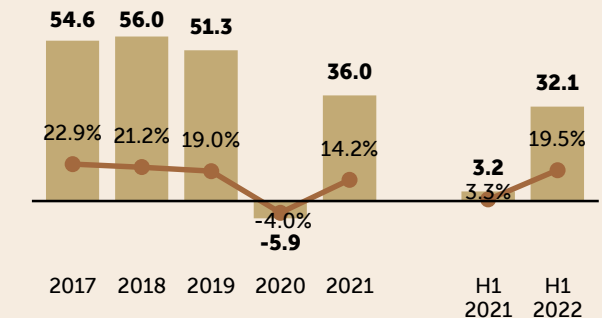
GROSS PROFIT MARGIN (%)



EBITDA (AED MN) AND MARGIN (%)



NET PROFIT (AED MN) AND MARGIN (%)



Balance Sheet evolution

MANAGEMENT COMMENTS

Return on Equity in June 2022 is at 11.3% (annualized)

Inventory days decreased by 12 days in June 2022 to 205 days compared to 2021

Trade receivable days decreased from 94 days in 2021 to 91 days in June 2022 supported by tightened collection policy.

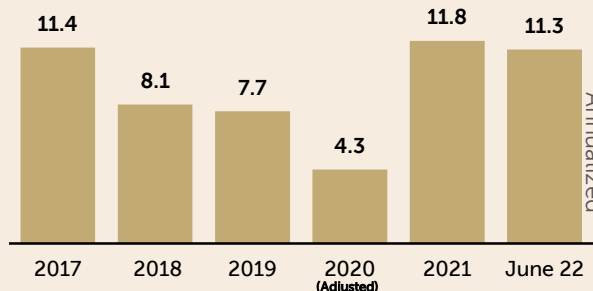
Overall working capital days are decreased from 175 days to 155 days at an all-time low.

Net debt increased to AED 1.3bn in June 2022 following additions of AED 149.0m for KLUDI Group acquisition and investment of AED 203.5m for acquisition of minority stake in RAK Porcelain.

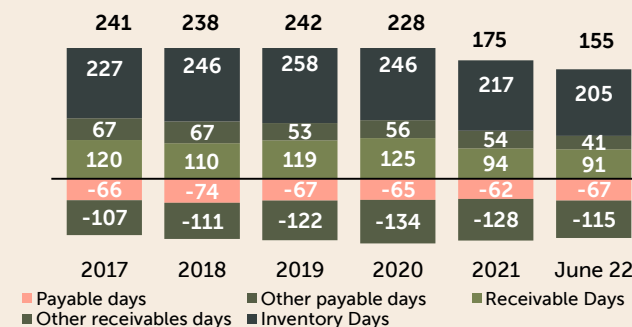
Net Debt to EBITDA increased from 1.9x to 2.4x in June 2022.

We continue to take necessary measures to manage our liquidity position. We revised our estimated capital expenditures for 2022 to c.AED 250m, previously AED 300-350m.

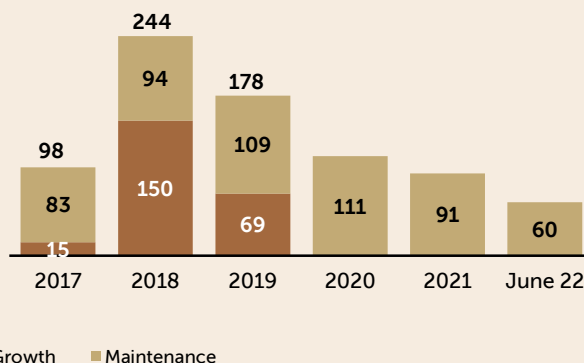
RETURN ON EQUITY (%)



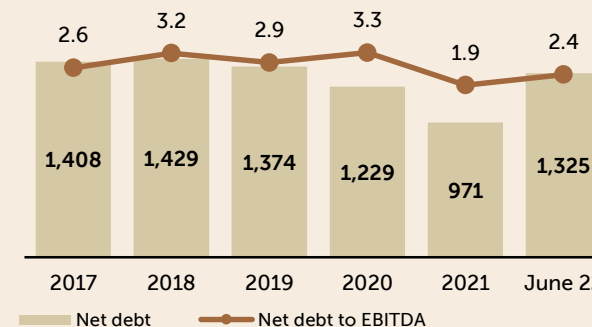
WORKING CAPITAL CYCLE (DAYS)



CAPEX SPENDING (AED MN)



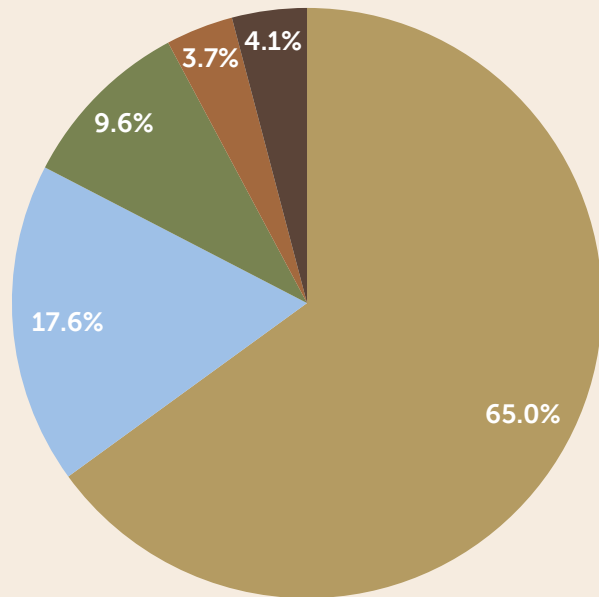
NET DEBT (AED MN)



Appendix

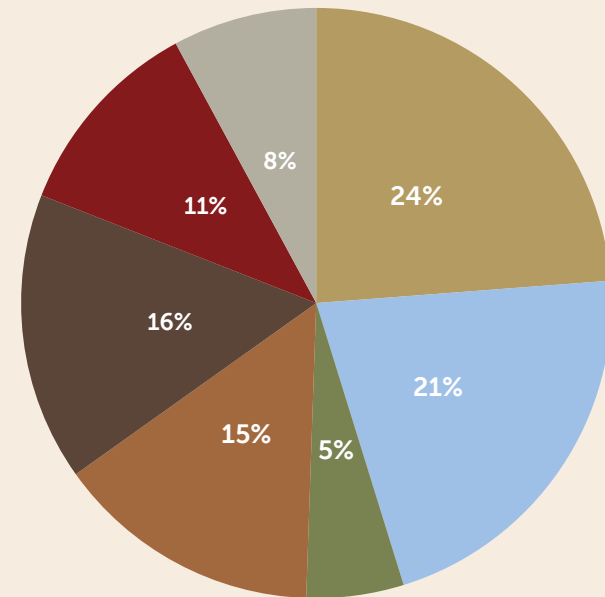
Revenue performance contribution

REVENUE CONTRIBUTION BY SEGMENT H1 2022 %



- Tiles
- Sanitaryware
- Tableware
- Faucets
- Other

TILES & SANITARYWARE REVENUE CONTRIBUTION BY REGION H1 2022 %



- UAE
- KSA
- ME
- India
- Europe
- Bangladesh
- Others

Tiles & SW Revenues by end market

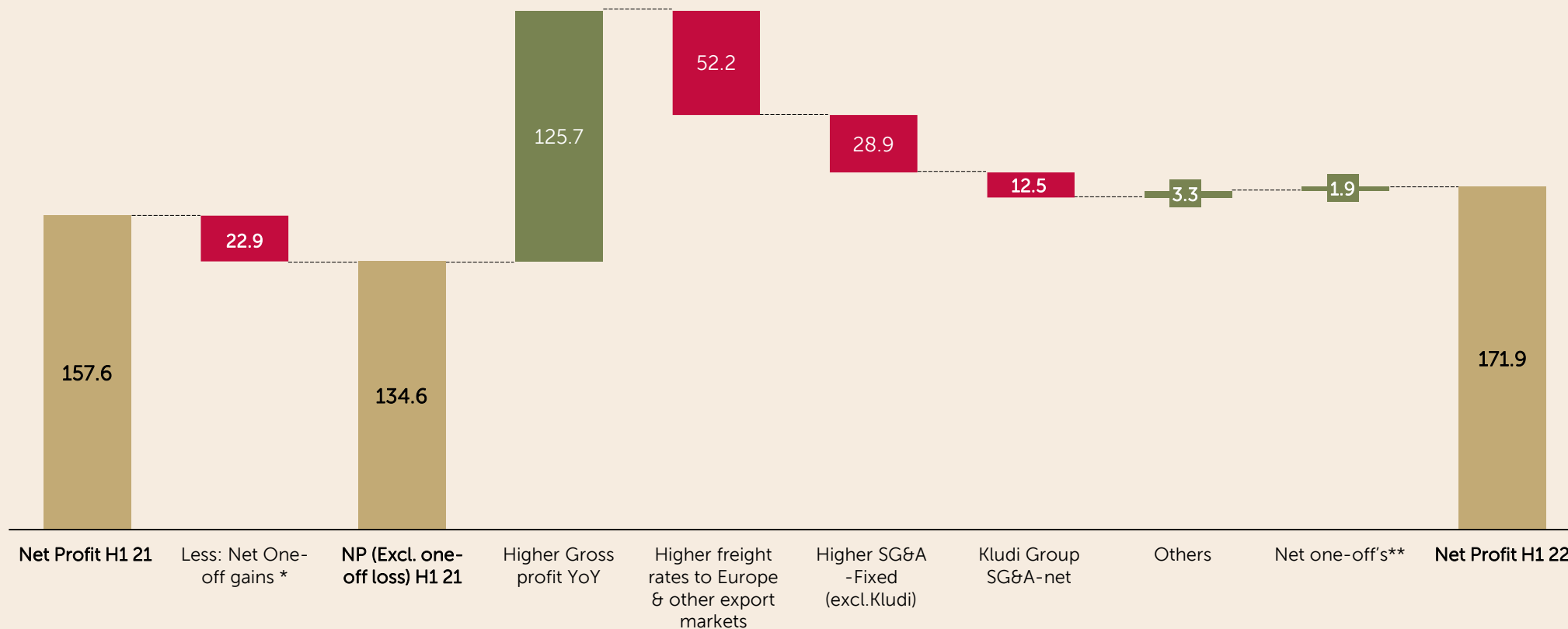
Amount in AED M	TILES			SANITARYWARE (SW)		
	H1 21	H1 22		H1 21	H1 22	
	Amount	Amount	Growth YoY	Amount	Amount	Growth YoY
United Arab Emirates	238.1	256.9	7.9%	66.2	83.1	25.6%
Kingdom of Saudi Arabia	301.9	301.2	(0.2%)	6.9	5.9	(14.2%)
Middle East (Ex. UAE and KSA)	46.5	67.1	44.4%	7.6	8.5	12.3%
India	152.8	192.9	26.2%	14.0	16.2	16.1%
Europe	89.4	98.2	9.8%	125.5	127.5	1.6%
Bangladesh	100.9	115.9	14.8%	40.7	43.7	7.39%
Africa	35.5	44.5	25.5%	6.0	6.3	5.9%
Rest of the world	27.8	34.7	24.7%	6.3	9.9	57.8%
Total	992.9	1,111.3	11.9%	273.1	301.2	10.3%

EBITDA workings

	YEARLY COMPARISON	
	H1 21	H1 22
Amount in AED M	Amount	Amount
Net profit/(loss) after tax	157.6	171.9
Tax	7.8	12.3
Interest- net	29.2	27.7
Depreciation & amortizations	84.5	83.9
Gain on KLUDI Group acquisition accounting	-	(32.4)
Extra-ordinary Impairment provisions on receivables	-	27.6
Impairment on Assets	-	2.9
Gain on sale of assets/CWIP write-off	(0.2)	-
Net gain on sale of China assets and Acacia Hotel provisions	(22.9)	-
EBITDA	256.0	294.0

Profitability bridge

H1 2022 vs H1 2021 Profit Bridge (AEDM)



*Gain on sale of China assets (50.1m) & Acacia hotel provisions (27.2m)

**Gain on KLUDI acquisition accounting (32.4m), Extra-ordinary Impairment provision on receivables (27.6m) and impairment on assets (2.9m)

Like-for-Like Profit workings

	YEARLY COMPARISON	
	H1 21	H1 22
Amount in AED M		
Net profit /(loss) after tax	157.6	171.9
Add: Extra-ordinary impairment on trade receivables	27.2	27.6
Add: Impairment on Assets	-	2.9
Add: Hyper-inflation impact	1.7	3.4
Less: Gain on KLUDI Group acquisition accounting	-	(32.4)
Less: Gain on sale of China Assets	(50.1)	-
Like for Like Net profit	136.3	173.4

Thank you

RAK CERAMICS

CONTACT US

If you have any questions or require further information, please do not hesitate to contact our investor relations department.

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