

# RAK

## CERAMICS

EARNINGS PRESENTATION – Q2 2022 RESULTS

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AUGUST 2022

# Agenda



- 01 | Executive Summary**
- 02 | Business Strategy Update**
- 03 | Q2 2022 Financial Results Update**
- 04 | Trading Update**
- 05 | Closing Remarks**
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# Speakers



**Abdallah Massaad**  
Group Chief Executive Officer

Abdallah Massaad is Group CEO of RAK Ceramics and has more than 24 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.

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# EXECUTIVE SUMMARY



**Speaker: Abdallah Massaad**  
Group CEO

# Q2 2022 Highlights

*Remarkably strong performance with positive impact on operational and financial KPIs*

**Unprecedented environment** further increasing global uncertainty

- Rise in inflation as a result of increasing cost of living and challenging supply conditions
- High energy costs as oil producers maintain a cautious approach toward production growth and Russia-Ukraine war weigh in on gas prices
- Currency devaluation following growing worry about a global recession and rise in interest rates by central banks in attempt to halt increase in inflation
- Softened, yet still high, freight costs as demand for shipping drops triggered by dampening consumer demand

**Q2 2022 operational initiatives** aiming for sustainable and continued growth in scale and profitability

- Reinforced brand perception and customer experience by inaugurating first Design Hub in London, participating in Salone del Mobile in Milan and accelerating digital adoption
- Strengthened retail footprint and visibility by opening new showrooms and refurbishing existing spaces
- Adjusted product mix and selling price to offset incurred increase in costs while preserving market share
- Increased production efficiency across all plants
- Expanded production and enhanced capacity utilization
- Optimized logistics operations with better supply chain management and inventory control
- Maintained an adequate liquidity position, in spite of consolidation activity and economic challenges, enabling Company to comfortably meet payout commitments

**Q2 2022 strategic initiatives** supporting growth momentum and unlocking further long-term value

- Concluded the 100% acquisition of KLUDI Group on the 31<sup>st</sup> of May 2022
- Launched the process of buying out RAK Porcelain's minority positions; 37% stake so far completed as such increasing RAK Ceramics holding to 87% as of the 30<sup>th</sup> of June 2022
- Approved RAK Ceramics Bangladesh expansion project investment for Tiles and Faucets plants

# Q2 2022 Performance Snapshot

**Total revenue** increased by +32.3% YoY to AED 927.0m driven by growth in tiles (+25.9%), SW (+7.5%) and TW (+60.0%). KLUDI Group revenue for June 22 is AED 50.4m

AED 927.0M

**Total gross profit margin** increased by +0.3% YoY at 38.4% even after charging for 12.0% customs duty in KSA

38.4%

**Total EBITDA** increased to AED 164.3m compared to AED 129.9m in last year. Margin decreased by -0.8% YoY to 17.7% due to increased freight costs

AED 164.3M

**Reported net profit** increased to AED 102.2m in Q2 2022 versus AED 94.9m in Q2 2021, mainly due to higher revenue & GP margins. NP Margin is 11.0% compared to 13.5% in last year

AED 102.2M

**Net profit after minority** increased to AED 91.2m compared to 87.8m in last year. Margin is 9.8% compared to 12.5% in last year

AED 91.2M

**Like for Like Net profit\*** increased to AED 102.6m compared to AED 72.8m in last year, after the exclusion of one-offs (gain of AED 1.9m in Q2 2022 and of AED 22.1m in Q2 2021). Margin remained stable YoY at 11.1%

AED 102.6M

\*Like for Like net profit working is given in Slide # 32

# 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

\*Like for Like net profit working is given in Slide # 32



# BUSINESS STRATEGY UPDATE



**Speaker: Abdallah Massaad**  
Group CEO

# Q2 2022 Key Market Updates

## United Arab Emirates

Robust performance driven by wholesale and retail business supported by growing construction demand and a resilient real estate market.

Sales through Company's E-commerce platform picked up in Q2 2022 and is anticipated to further increase with the introduction of KLUDI products in H2 2022.

## Saudi Arabia

Significant rebound in top-line recorded as supply chain disruption – felt in Q1 2022 due to delays in border clearance – ease out.

Company continues to focus on growing its presence in KSA by securing projects and expanding its retail footprint – 3 showrooms to open in 2022.

## European market

Rigid growth in top-line following a strengthened brand positioning across Europe; high shipping costs weighed in on bottom-line performance.

Company inaugurated its first Design Hub in London; it is also looking to further increase its presence in the UK by tapping into the e-commerce market and increasing its retail footprint.

## India

Strong performance recorded in Q2 2022 on the back of increase in dealers network footprint to additional 9 districts, expansion in retail presence with the opening of a showroom in Samalkot and another 4 showrooms to be added in 2022.

## Bangladesh

In spite of registered growth in revenues, higher energy costs and currency devaluation weighed in on Q2 2022 bottom-line.

## Tableware

Tableware performance across core markets significantly improved following 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.

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

# Q2 2022 Key Strategic Updates

## KLUDI Group 100% Acquisition

On the 31<sup>st</sup> 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 1<sup>st</sup> of June 2022, at the level of RAK Ceramics.



## RAK Porcelain Minority Buy-out

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

As of the 30<sup>th</sup> 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 3% stake was added in July 2022 and additional stake acquisitions are currently in process and under negotiations.



## RAK Ceramics Bangladesh Expansion

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.



# Q2 2022 Key Challenges

Critical Parameters	Key Challenges	Our Action
Rising Inflation	<b>Inflation surge</b> 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"> <li>• Translate increase in costs onto selling prices while remaining in line with the market</li> <li>• Enhance operational capabilities by increasing production efficiency, capacity utilization and manpower productivity</li> </ul>
Rising Energy Costs	Vulnerable supply coupled with an unexpected war between Russia-Ukraine resulted in an <b>increase in energy costs</b>	<ul style="list-style-type: none"> <li>• Negotiate better contract agreements with local suppliers, allowing for further discounts and rebates on previously negotiated terms</li> <li>• Install energy-saving equipment to decrease energy consumption and costs</li> </ul>
Currency Devaluation	<b>Devaluation of major currencies</b> , given increased uncertainty and raised worry of a global recession	<ul style="list-style-type: none"> <li>• Limited impact at the moment given natural hedge in company's operation and translated price increases; case monitored closely across all businesses</li> </ul>
Supply Chain Challenges	Global supply chain shortages, shipments slowdown and increase in energy costs caused worldwide supply disruption and <b>rise in freight costs</b>	<ul style="list-style-type: none"> <li>• Selling price adjustment to reflect incurred freight costs</li> <li>• Optimize supply chain operations with the use of advanced technology systems</li> <li>• Build inventories to avoid operation disruption</li> </ul>
Trade Challenges	<b>Custom Duty in Saud Arabia</b> on imports from the UAE	<ul style="list-style-type: none"> <li>• Continued effort to comply with local laws to avail custom duty exemptions</li> </ul>



# Q2 2022 FINANCIAL RESULTS UPDATE



**Speaker: PK Chand**  
Group CFO

# Financial Highlights

Amount in AED M	QUARTERLY COMPARISON					YEARLY COMPARISON		
	Q2 21	Q1 22	Q2 22		H1 21	H1 22		
	Amount	Amount	Amount	YoY Growth	QoQ Growth	Amount	Amount	YoY Growth
<b>Revenue</b>	700.8	783.1	<b>927.0</b>	<b>32.3%</b>	<b>18.4%</b>	1,423.5	<b>1,710.1</b>	<b>20.1%</b>
<b>Gross margin (%)</b>	38.1%	37.0%	<b>38.4%</b>	<b>0.3%</b>	<b>1.5%</b>	36.5%	<b>37.8%</b>	<b>1.2%</b>
<b>EBITDA</b>	129.9	129.7	<b>164.3</b>	<b>26.5%</b>	<b>26.6%</b>	256.0	<b>294.0</b>	<b>14.8%</b>
<b>Reported net profit/(loss)</b>	94.9	69.7	<b>102.2</b>	<b>7.7%</b>	<b>46.6%</b>	157.6	<b>171.9</b>	<b>9.1%</b>
<b>Like for like net profit*</b>	72.8	70.8	<b>102.6</b>	<b>40.9%</b>	<b>44.8%</b>	136.3	<b>173.4</b>	<b>27.2%</b>
<b>Capital expenditure</b>	17.7	23.9	<b>35.5</b>	<b>NM</b>	<b>NM</b>	33.9	<b>59.5</b>	<b>NM</b>
<b>Net debt**</b>	1,016.6	975.2	<b>1,325.8</b>	<b>30.4%</b>	<b>35.9%</b>	1,016.6	<b>1,325.8</b>	<b>30.4%</b>
<b>Net debt / EBITDA</b>	2.04x	1.93x	<b>2.37x</b>	<b>15.9%</b>	<b>22.5%</b>	2.04x	<b>2.37x</b>	<b>15.9%</b>

\*Like for Like net profit & EBITDA working is given in Slides # 31 & 32

\*\*Net debt increased QoQ by AED 351m to AED 1.3bn in June 22 following i) payment and net debt of AED 149.2m following KLUDI Group acquisition and ii) payment of AED 203.5m for RAK Porcelain minority stake acquisition.



# Revenue Highlights Q2 2022

## MANAGEMENT COMMENTS

Total revenue increased by +32.3% YoY to reach AED 927.0m driven by all core markets. QoQ revenue is also higher by +18.4% driven by all segments except sanitaryware.

Tiles revenue is higher by +25.9% YoY at AED 595.1m driven by increase in volumes and in selling price – to partially offset increase in production costs.

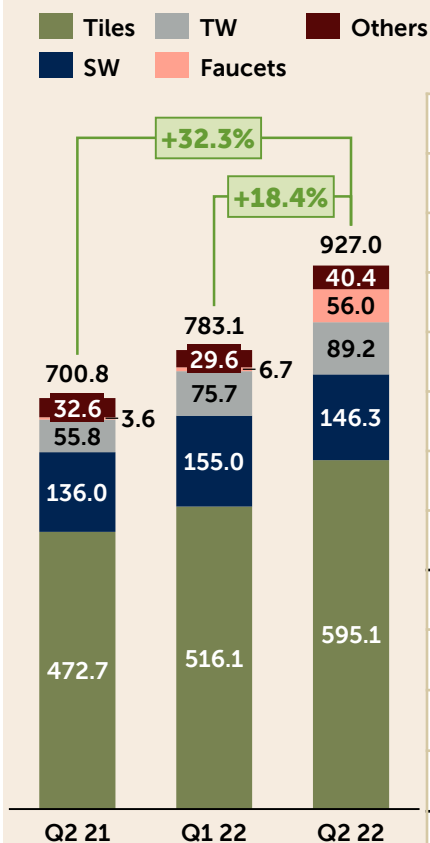
Sanitaryware revenue is higher by +7.5% YoY at AED 146.3m driven mainly by increase in selling price.

Tableware revenue increased by +60.0% YoY at AED 89.2m following market recovery post pandemic.

Faucets revenue is AED 56.0m in Q2 2022, out of which KLUDI Group revenue following consolidation for June 2022 is AED 50.4m.

Revenue from other units increased by +24.0% YoY to AED 40.4m.

## TOTAL REVENUE (AEDM)



## QUARTERLY COMPARISON

	Q2 21	Q1 22	Q2 22	
	Amount	Amount	Amount	YoY Growth
<b>United Arab Emirates</b>	141.5	164.0	<b>176.1</b>	<b>7.4%</b>
<b>Kingdom of Saudi Arabia</b>	146.6	123.0	<b>184.2</b>	<b>49.8%</b>
<b>Middle East (Ex. UAE &amp; KSA)</b>	30.7	36.5	<b>39.0</b>	<b>6.7%</b>
<b>India</b>	70.5	117.6	<b>109.6</b>	<b>(6.9%)</b>
<b>Europe</b>	114.7	82.0	<b>116.7</b>	<b>42.4%</b>
<b>Bangladesh</b>	66.5	86.0	<b>74.0</b>	<b>(13.9%)</b>
<b>Africa</b>	22.2	18.4	<b>21.9</b>	<b>19.2%</b>
<b>Rest of the world</b>	16.2	18.2	<b>20.0</b>	<b>10.0%</b>
<b>Tiles and SW revenue</b>	<b>608.8</b>	<b>645.6</b>	<b>741.4</b>	<b>14.8%</b>
<b>Tableware revenue</b>	<b>55.8</b>	<b>75.7</b>	<b>89.2</b>	<b>17.9%</b>
<b>Faucets</b>	<b>3.7</b>	<b>6.7</b>	<b>56.0</b>	<b>NM</b>
<b>Others revenue</b>	<b>32.6</b>	<b>29.6</b>	<b>40.4</b>	<b>36.5%</b>
<b>Total Revenue</b>	<b>700.8</b>	<b>783.1</b>	<b>927.0</b>	<b>18.4%</b>

# Revenue Highlights H1 2022

## 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.

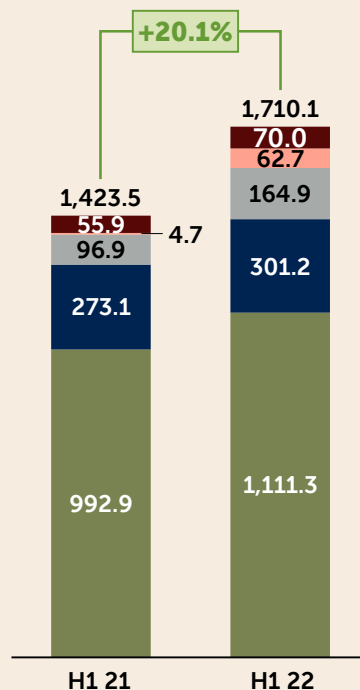
Tableware revenue increased by +70.3% YoY to AED 164.9m as the sector recovers from the pandemic.

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

# Gross Profit Margins

## MANAGEMENT COMMENTS

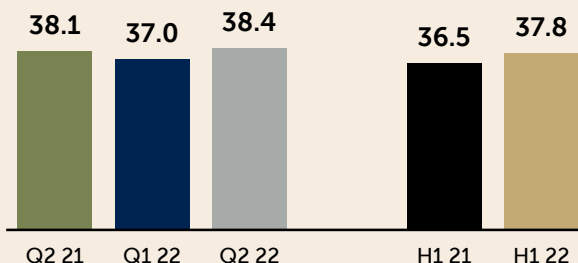
Total gross profit margin increased in Q2 2022 by +30bps YoY to 38.4% and by +150bps QoQ despite higher production costs and the imposition of the 12% customs duty in Saudi Arabia (introduced in Q3 2021).

Tiles margin in Q2 2022 increased by +40bps YoY and QoQ +480bps to 40.1%.

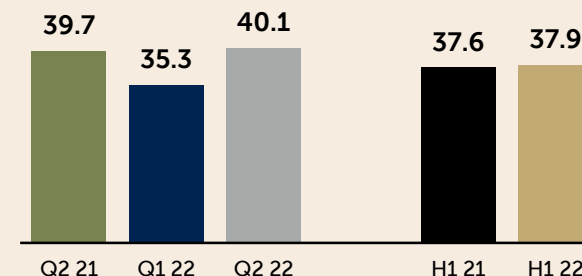
Sanitaryware margin decreased by -150bps YoY to 35.0% due to higher input costs on imported raw materials.

Tableware margins increased by +13.2% YoY at 50.8% in Q2 22 following top-line rebound and increased productivity thereafter.

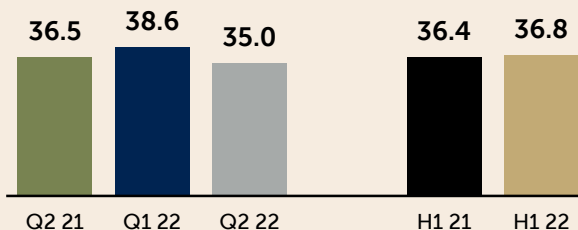
## TOTAL GROSS MARGINS (%)



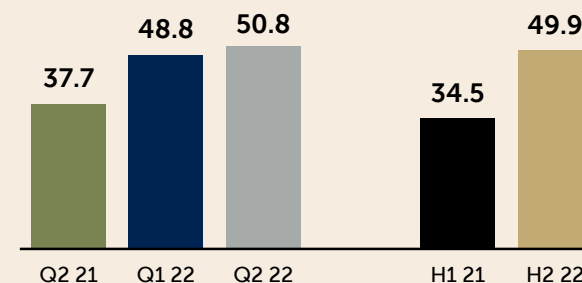
## TILES GROSS MARGINS (%)



## SANITARYWARE GROSS MARGINS (%)

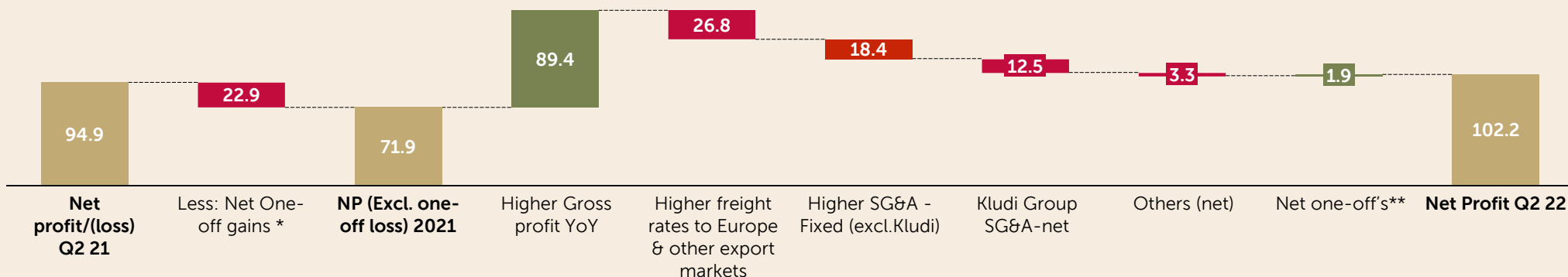


## TABLEWARE GROSS MARGINS (%)

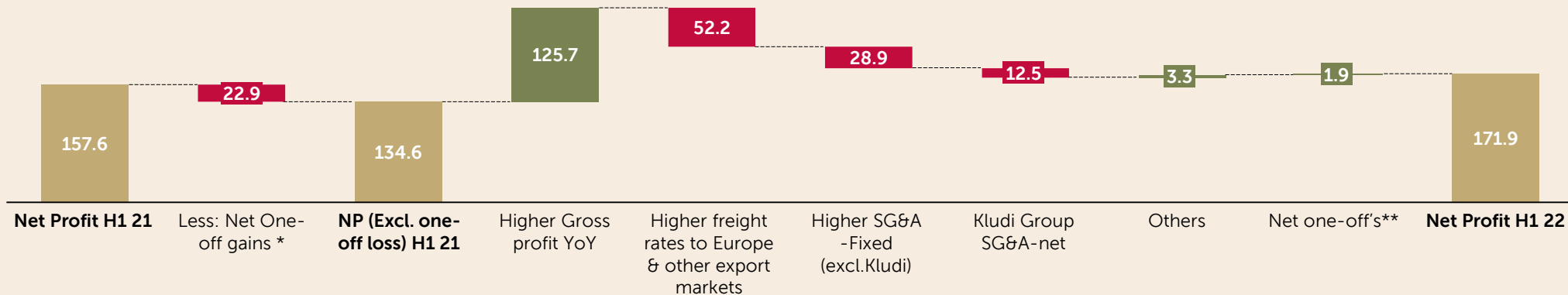


# Profitability Bridge

Q2 2022 vs Q2 2021 Profit Bridge (AEDM)



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)

# Balance Sheet Highlights

## MANAGEMENT COMMENTS

Overall working capital cycle decreased from 166 days in Q1 2022 to 155 days in Q2 2022. In absolute terms, working capital increased by AED 192m QoQ to AED 1.5bn in Q2 2022, mainly due to addition of AED 106.5 from KLUDI Group consolidation. On a like-for-like basis, working capital cycle is at 160 days.

Inventory days reduced from 215 days to 205 days QoQ.

Trade receivable days increased from 88 days to 91 days QoQ following increase in top-line, mostly related to UAE and KSA markets.

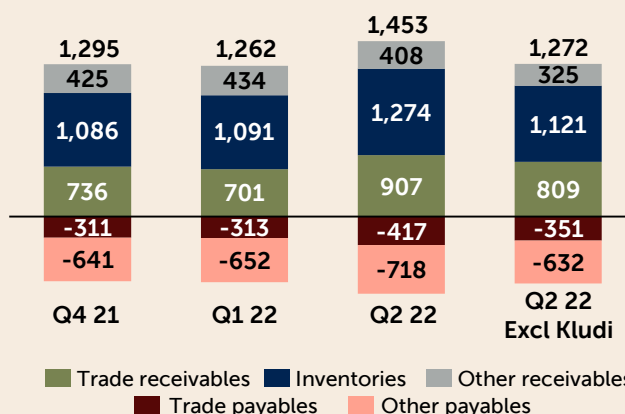
Trade payable increased from 62 days in Q1 2022 to 67 days in Q2 2022.

Net debt increased QoQ by AED 351m to AED 1.3bn in June 22 following AED 149.0m for KLUDI Group acquisition and investment of AED 203.5m for acquisition of minority stake in RAK Porcelain.

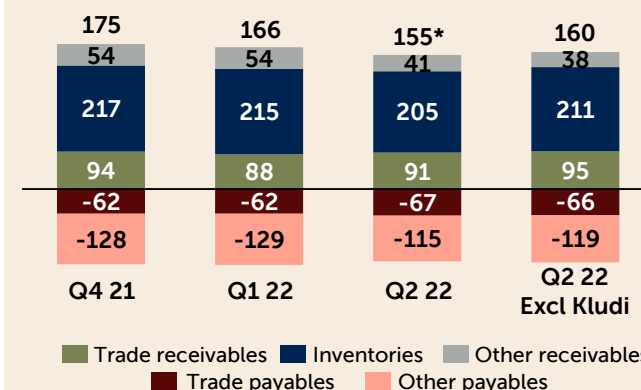
Net Debt to EBITDA increased from 1.93x to 2.37x QoQ.

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.

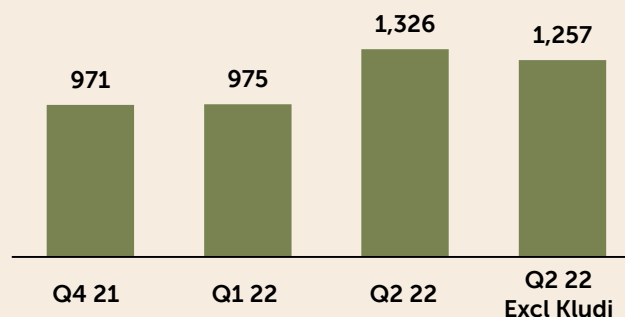
## WORKING CAPITAL (AEDM)



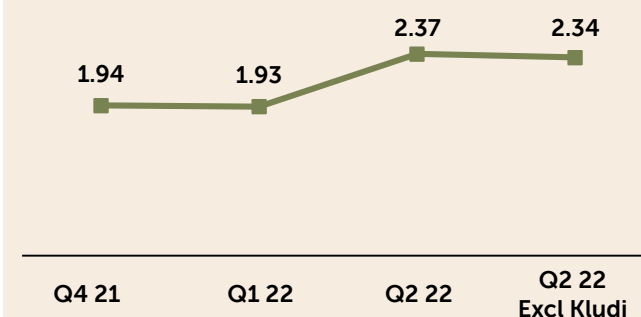
## WORKING CAPITAL CYCLE (LTM DAYS)



## NET DEBT (AEDM)



## NET DEBT TO EBITDA (X)





# SHARE PRICE UPDATE



**Speaker: PK Chand**  
Group CFO



# RAK Ceramics Share Price Movement

## RAK CERAMICS (RAKCEC) SHARE PRICE PERFORMANCE (AED)

	AED
WAP	2.87
52 week high	3.27
52 week low	2.31

As of 1<sup>st</sup> August 2022



## CURRENT VALUATION (AED M)

	09/05/2022	31/12/2021
	Amount	Amount
Share price	2.87	2.85
Number of shares (in Mn)	994	994
<b>Market Cap</b>	<b>2,852</b>	2,832
Net debt	1,326*	971
Minorities	157	227
<b>Enterprise Value</b>	<b>4,335</b>	4,030

\*Net debt and minorities as of 30<sup>th</sup> June 2022

## LTM TRADING MULTIPLES

As of 1 <sup>st</sup> August 2022	Multiple
EV / Sales	1.2x
EV / EBITDA	7.7x
P / E	11.6x
P / B	1.3x

## COMPARATIVE – RAK CERAMICS VS FTSE ADX



# Dividend Update

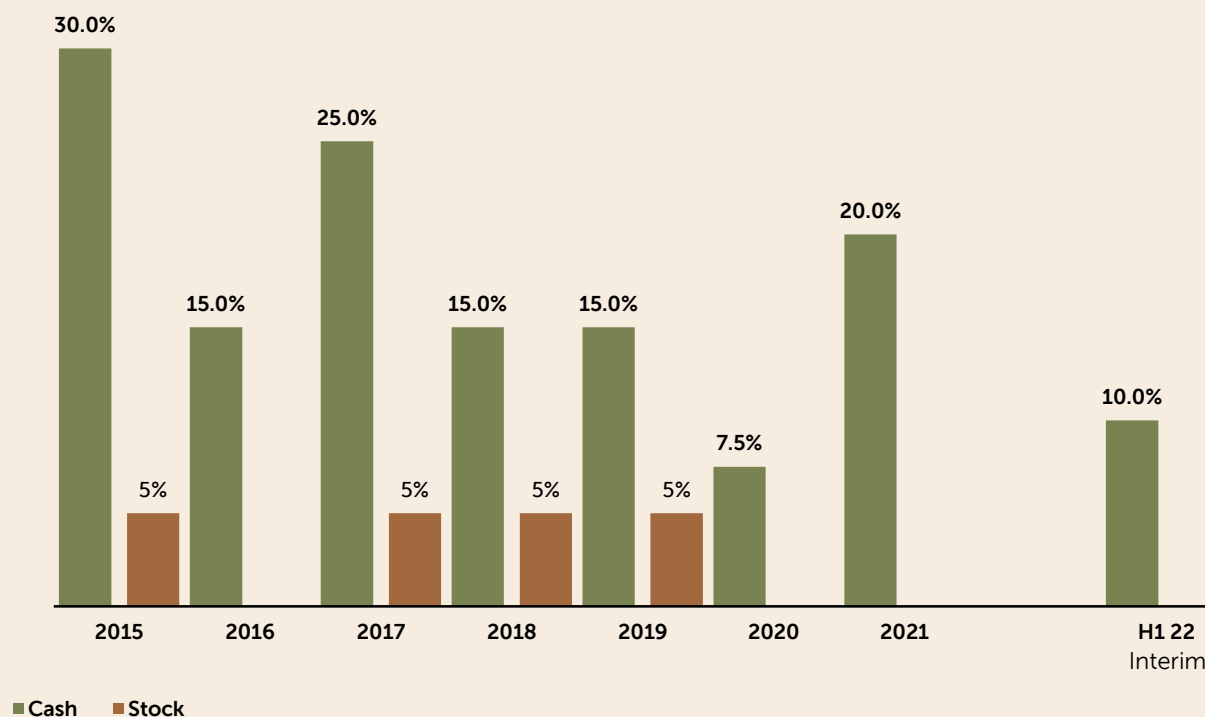
## MANAGEMENT COMMENTS

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 March 2022, AED 99.3m annual dividend were paid for 2021.

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 to be paid to the shareholders registered as at the closing of business day of the 12<sup>th</sup> of August 2022.

## HISTORICAL ANNUAL DIVIDEND PAID 2022 (%)



# CLOSING REMARKS

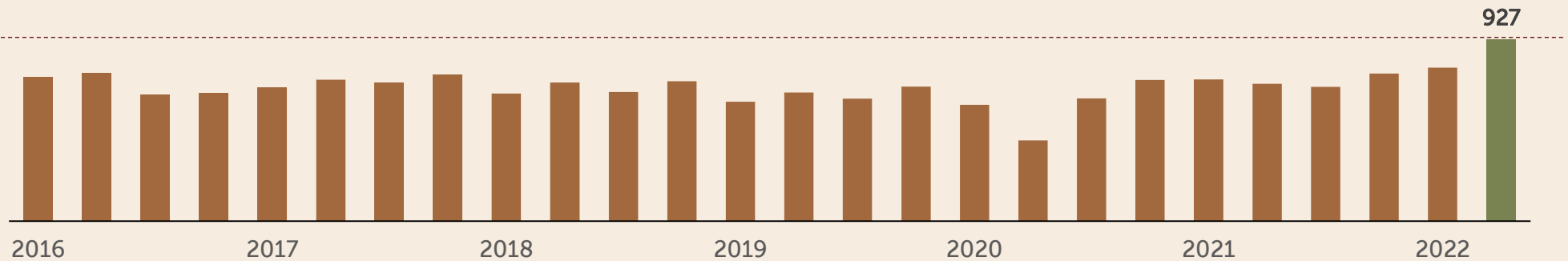


**Speaker: Abdallah Massaad**  
Group CEO

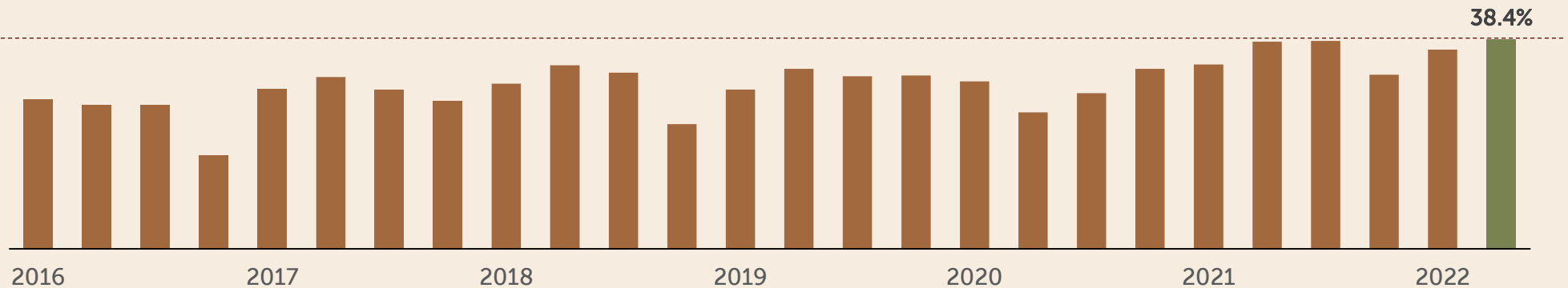
# Q2 2022 Recap

*Sustainable growth supported by solid operational fundamentals*

## QUARTERLY REVENUE (AEDM)



## QUARTERLY GROSS PROFIT MARGIN



# 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**

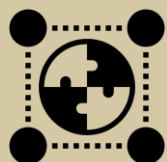
Improve internal practices in compliance with ESG initiatives in order to achieve sustainability on a business level



# Short-term Initiatives Prioritized

## Consolidating core businesses

Assuring seamless integration of KLUDI Group and finalizing consolidation of RAK Porcelain, realizing immediate synergies by consolidating core businesses



## 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 as a ceramic lifestyle solution provider with a fully integrated product offering and international footprint



## Improving sustainability status

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





# Q&A



**Abdallah Massaad**  
Group CEO



**PK Chand**  
Group CFO



# APPENDIX



# Tiles Revenues by End Market

	QUARTERLY COMPARISON					YEARLY COMPARISON		
	Q2 21	Q1 22	Q2 22		H1 21	H1 22		
Amount in AED M	Amount	Amount	Amount	Growth YoY	Growth QoQ	Amount	Amount	Growth YoY
<b>United Arab Emirates</b>	110.7	119.9	<b>137.0</b>	<b>23.8%</b>	<b>14.3%</b>	238.1	<b>256.9</b>	<b>7.9%</b>
<b>Kingdom of Saudi Arabia</b>	143.6	119.8	<b>181.4</b>	<b>26.4%</b>	<b>51.5%</b>	301.9	<b>301.2</b>	<b>(0.2%)</b>
<b>Middle East</b> (Ex. UAE and KSA)	26.8	32.2	<b>34.9</b>	<b>30.4%</b>	<b>8.5%</b>	46.5	<b>67.1</b>	<b>44.4%</b>
<b>India</b>	64.3	91.7	<b>101.2</b>	<b>57.3%</b>	<b>10.4%</b>	152.8	<b>192.9</b>	<b>26.2%</b>
<b>Europe</b>	47.9	44.0	<b>54.1</b>	<b>13.1%</b>	<b>22.9%</b>	89.4	<b>98.2</b>	<b>9.8%</b>
<b>Bangladesh</b>	47.3	63.2	<b>52.6</b>	<b>11.2%</b>	<b>(16.8%)</b>	100.9	<b>115.9</b>	<b>14.8%</b>
<b>Africa</b>	19.1	26.0	<b>18.5</b>	<b>(3.2%)</b>	<b>(29.1%)</b>	35.5	<b>44.5</b>	<b>25.5%</b>
<b>Rest of the world</b>	13.2	19.3	<b>15.4</b>	<b>16.7%</b>	<b>-20.6%</b>	27.8	<b>34.7</b>	<b>24.7%</b>
<b>Total</b>	<b>472.8</b>	<b>516.1</b>	<b>595.1</b>	<b>25.9%</b>	<b>15.3%</b>	<b>992.9</b>	<b>1,111.3</b>	<b>11.9%</b>

# Sanitaryware Revenues by End Market

Amount in AED M	QUARTERLY COMPARISON					YEARLY COMPARISON		
	Q2 21	Q1 22	Q2 22		H1 21	H1 22		
	Amount	Amount	Amount	Growth YoY	Growth QoQ	Amount	Amount	Growth YoY
<b>United Arab Emirates</b>	30.7	44.1	<b>39.0</b>	<b>27.0%</b>	<b>(11.5%)</b>	66.2	<b>83.1</b>	<b>25.6%</b>
<b>Kingdom of Saudi Arabia</b>	3.1	3.2	<b>2.8</b>	<b>(9.5%)</b>	<b>(13.2%)</b>	6.9	<b>5.9</b>	<b>(14.2%)</b>
<b>Middle East</b> (Ex. UAE and KSA)	3.9	4.4	<b>4.0</b>	<b>3.4%</b>	<b>(8.9%)</b>	7.6	<b>8.5</b>	<b>12.3%</b>
<b>India</b>	6.2	7.9	<b>8.3</b>	<b>34.8%</b>	<b>6.3%</b>	14.0	<b>16.2</b>	<b>16.1%</b>
<b>Europe</b>	66.8	64.9	<b>62.6</b>	<b>(6.3%)</b>	<b>(3.6%)</b>	125.5	<b>127.5</b>	<b>1.6%</b>
<b>Bangladesh</b>	19.2	22.3	<b>21.4</b>	<b>11.5%</b>	<b>(3.9%)</b>	40.7	<b>43.7</b>	<b>7.39%</b>
<b>Africa</b>	3.1	2.9	<b>3.4</b>	<b>10.2%</b>	<b>18.3%</b>	6.0	<b>6.3</b>	<b>5.9%</b>
<b>Rest of the world</b>	3.0	5.3	<b>4.6</b>	<b>53.9%</b>	<b>(12.6%)</b>	6.3	<b>9.9</b>	<b>57.8%</b>
<b>Total</b>	<b>136.0</b>	<b>155.0</b>	<b>146.3</b>	<b>7.5%</b>	<b>(5.6%)</b>	<b>273.1</b>	<b>301.2</b>	<b>10.3%</b>

# EBITDA Workings

	QUARTERLY COMPARISON			YEARLY COMPARISON	
	Q2 21	Q1 22	Q2 22	H1 21	H1 22
Amount in AED M	Amount	Amount	Amount	Amount	Amount
<b>Net profit/(loss) after tax</b>	<b>94.9</b>	<b>69.7</b>	<b>102.2</b>	<b>157.6</b>	<b>171.9</b>
Tax	2.2	6.9	5.4	7.8	12.3
Interest- net	14.0	12.2	15.5	29.2	27.7
Depreciation & amortizations	42.0	40.9	43.0	84.5	83.9
Gain on KLUDI Group acquisition accounting	-	-	(32.4)	-	(32.4)
Extra-ordinary Impairment provisions on receivables	-	-	27.6	-	27.6
Impairment on Assets	-	-	2.9	-	2.9
Gain on sale of assets/CWIP write-off	(0.3)	(0.4)	-	(0.2)	-
Net gain on sale of China assets and Acacia Hotel provisions	(22.9)	-	-	(22.9)	-
<b>EBITDA</b>	<b>129.9</b>	<b>129.7</b>	<b>164.3</b>	<b>256.0</b>	<b>294.0</b>



# Like-for-Like Profit Workings

	QUARTERLY COMPARISON			YEARLY COMPARISON	
	Q2 21	Q1 22	Q2 22	H1 21	H1 22
Amount in AED M	Amount	Amount	Amount		
<b>Net profit /(loss) after tax</b>	<b>94.9</b>	<b>69.7</b>	<b>102.2</b>	<b>157.6</b>	<b>171.9</b>
Add: Extra-ordinary impairment on trade receivables	27.2	-	27.6	27.2	27.6
Add: Impairment on Assets	-	-	2.9	-	2.9
Add: Hyper-inflation impact	0.9	1.1	2.3	1.7	3.4
Less: Gain on KLUDI Group acquisition accounting	-	-	(32.4)	-	(32.4)
Less: Gain on sale of China Assets	(50.1)	-	-	(50.1)	-
<b>Like for Like Net profit</b>	<b>72.8</b>	<b>70.8</b>	<b>102.6</b>	<b>136.3</b>	<b>173.4</b>

# Thank You

## **CONTACT US**

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

### **Investor Relations**

Nadine Nasr  
Investor Relations Manager

RAK Ceramics PJSC  
P.O. Box: 4714, Ras Al Khaimah, United Arab Emirates  
T. +971 7 246 7298 | M. +971 52 545 3348 | E. [nadine.nasr@rakceramics.com](mailto:nadine.nasr@rakceramics.com)  
[ir@rakceramics.com](mailto:ir@rakceramics.com)  
[rakceramics.com](http://rakceramics.com)