

RAK

CERAMICS

ARQAAM CAPITAL INVESTOR CONFERENCE

MAY 2025



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COMPANY OVERVIEW

Leading lifestyle brand offering
premium home, bath & kitchen solutions



+30 YEARS
Ceramic expertise



~12,000
Global workforce

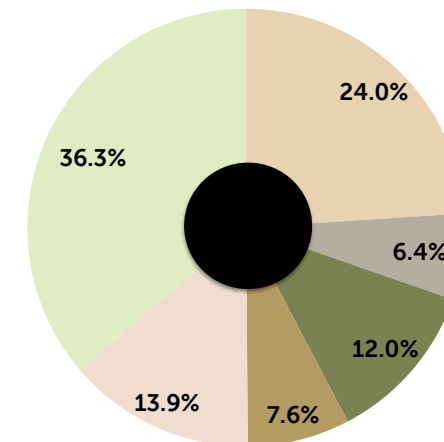


~US\$700MN
Market cap.



~US\$1BN
Annual group turnover

Shareholding Structure



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

INVESTOR PRESENTATION – Q1 2025

RAK
CERAMICS

1990-2000 | FOUNDATION



1989

Founded by H.H. Sheikh Saud Bin Saqr Al Qasimi, Ruler of Ras Al Khaimah.



1991

First tile plant operational with annual output of 1,825,000 square meters.



1993

First sanitaryware plant operational with annual output of 350,000 pieces.



2000

Tile plant set-up in Bangladesh with annual output of 3,650,000 sqm.

2000-2010 | EXPANSION



2004

Launched RAK Luminous, ability to glow in dark & RAK Slim, a thickness of just 4.5mm. RAK Porcelain Established.



2006

10th UAE tile plant with annual output of 16,425,000 square meters. RAK India commence operations.



2007

Kludi RAK established, producing exquisite designer and water saving faucets.



2010

Producing 115 million sqm. of tiles per year, we became the world's largest ceramics brand. RAK Bangladesh IPO

2010-PRESENT | ENHANCEMENT



2012

1 Bn square meters of tiles supplied to projects around the world



2013

Launched Maximus Mega Slab, a super-sized slab. Samena capital, private equity player, acquired 31% in RAK Ceramics



2021

RAK Ceramics collaborates with international fashion brand to launch bathroom & surface collection. Samena capital exits



2022

RAK Ceramics inks 100% KLUDI acquisition deal. RAK Porcelain minority buyout. First design hub in London. Launch of e-comm platform.

Manufacturing Process



118MN

Square metres of tiles



5MN

Pieces of sanitaryware



36MN

Pieces of tableware



2.6MN

Pieces of faucets and taps

GLOBAL PRODUCTION LAYOUT 24 plants worldwide

15 Tiles Plant

UAE (10), India (3),
Bangladesh (1), Iran (leased) (1)

4 Sanitaryware Plant

UAE (2), India (1),
Bangladesh (1)

1 Tableware Plant

UAE (1)

4 Faucets Plant

Germany (1), Austria (1),
Hungary (1) and UAE (1)



GERMANY	AUSTRIA	HUNGARY	IRAN	UAE	INDIA	BANGLADESH
1	1	1	1 (Leased)	14	4	2

To become the world's leading lifestyle solution provider for home, bath & kitchen solutions



LIFESTYLE BRAND

We are 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.

A modern bathroom interior with a minimalist design. In the foreground, a white freestanding bathtub sits on a light-colored tiled floor. To the left of the tub is a tall, slender shower fixture. A dark, rectangular mat with a grid pattern lies on the floor in front of the tub. In the background, a large window offers a view of a desert landscape with cacti and a wooden deck. To the right of the window is a tall, dark metal shelving unit with multiple shelves holding various decorative items, including bottles, a plant, and a vase. On the far right, a white vanity with a wooden cabinet and a white sink is visible. A round mirror is mounted on the wall above the sink. The overall aesthetic is clean and contemporary.

SEGMENTAL OVERVIEW

Product offering

INVESTOR PRESENTATION – Q1 2025

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TILES

We offer **one of the largest collection** of Ceramic and Gres Porcelain wall and floor tiles, super-sized slabs in the industry. Our tiles are known for its **premium design** and **quality**.



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



TILES

RAK Ceramics offers one of the largest collections of high quality Ceramic and Gres Porcelain Wall and Floor Tiles and Super-Sized Slabs in the industry.



SANITARYWARE



TABLEWARE



FAUCETS

10x10
Our Smallest tile.

5,000
The current number of production models.

135x305
Our largest tile.

Tiles Revenue (AED Mn)	Q1 2024	Q1 2025	YoY%	FY 2023	FY 2024	YoY%
UAE	159.2	169.8	6.7%	624.0	686.8	10.1%
Saudi Arabia	64.5	63.8	-1.1%	338.6	266.6	-21.3%
Middle East	21.8	26.7	22.4%	132.2	102.7	-22.4%
India	79.8	81.5	2.0%	331.8	335.5	1.1%
Europe	43.6	43.4	-0.3%	190.6	173.5	-9.0%
Bangladesh	45.0	33.9	-24.8%	200.9	161.0	-19.8%
Africa	19.2	18.0	-6.3%	97.3	84.6	-13.0%
Asia Pacific	3.9	6.1	59.0%	37.8	30.1	-20.5%
Americas	6.5	5.5	-15.5%	31.6	19.0	-39.9%
Central Asia	0.2	0.2	-4.6%	3.2	0.8	-74.7%
Total	443.6	448.9	1.2%	1,988.0	1,860.6	-6.4%

Installed capacity Mn sqm

UAE - 81.9

Bangladesh - 11.6

India - 18.0

Iran (Leased)– 6.0



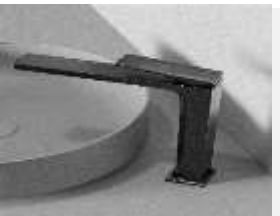
TILES



SANITARYWARE



TABLEWARE



FAUCETS

RAK Ceramics is internationally recognized for the high quality of its sanitaryware. This quality comes from carefully selected premium raw materials that ensure a perfect finish of the products.

15,616

Sanitaryware pieces produced every day globally.

100 DAYS

The time it takes from initial design to a finished model.

100%

Every water closet is individually leak tested on site.

Sanitaryware Revenue (AED Mn)	Q1 2024	Q1 2025	YoY%	FY 2023	FY 2024	YoY%
UAE	42.4	40.7	-4.0%	162.8	155.7	-4.3%
Saudi Arabia	1.7	5.3	213.4%	11.7	15.4	31.5%
Middle East	4.4	5.4	21.7%	21.3	18.2	-14.5%
India	8.0	5.3	-33.4%	30.2	29.2	-3.1%
Europe	34.6	33.6	-2.8%	193.6	167.4	-13.5%
Bangladesh	13.8	9.8	-28.9%	63.6	48.9	-23.1%
Africa	5.8	3.5	-40.3%	16.3	18.2	11.9%
Asia Pacific	1.2	1.3	11.5%	5.2	6.8	28.9%
Americas	0.9	0.5	-38.9%	4.0	4.9	23.2%
Central Asia	0.0	0.0	-nm	3.2	3.0	-nm
Total	112.9	105.5	-6.5%	511.8	467.8	-8.6%

Installed capacity Mn pcs

UAE - 2.7

Bangladesh - 1.6

India - 0.7



TILES



SANITARYWARE



TABLEWARE



FAUCETS

Ceramic tableware Industry added a new chapter with launch of RAK Porcelain LLC in United Arab Emirates. This company quickly went on to become the World's leading supplier of professional grade Porcelain tableware in HORECA Industry

2005

Launch of RAK
Porcelain LLC

100,000 sqm

Manufacturing
Space

36 million

Production
Capacity

Tableware Revenue (AED Mn)	Q1 2024	Q1 2025	YoY %	FY 2023	FY 2024	YoY%
UAE	26.3	27.1	2.8%	124.0	115.1	-7.2%
Middle East	5.7	11.7	103.3%	31.3	34.1	8.8%
Europe	30.9	30.1	-2.5%	124.4	121.4	-2.4%
America	15.8	8.8	-44.4%	73.2	61.2	-16.5%
Africa	2.8	2.5	-9.0%	15.7	11.5	-27.0%
Rest of world	8.5	5.8	-31.6%	23.4	26.1	11.3%
Total Tableware revenue	90.0	85.9	-4.5%	392.1	369.3	-5.8%

Installed capacity Mn pcs

UAE – 36.0



TILES



SANITARYWARE



TABLEWARE



FAUCETS

Kludi GmbH & Co. KG – founded in 1926 in the Sauerland region of Germany – manufacturing high-quality faucets & fittings for bathrooms and kitchens

100
Years of
Experience

170
Inventions

100
Patents

Top 100
Innovators
In German
SME sector

Faucets Revenue (AED Mn)	Q1 2024	Q1 2025	YoY%	FY 2023	FY 2024	YoY%
UAE	45.6	46.6	2.3%	177.7	206.9	16.4%
Saudi Arabia	1.3	4.0	212.4%	11.3	11.7	126.7%
Middle East	4.2	3.4	-17.5%	19.9	24.4	-6.4%
Europe	81.4	77.7	-4.4%	279.4	272.6	7.4%
Asia	1.7	2.0	17.6%	14.2	8.7	-46.6%
Africa	2.1	1.4	-31.6%	6.3	7.1	-75.9%
Rest of world	2.6	1.0	-59.6%	15.2	11.6	-24.0%
<i>Less Intercompany sales</i>	<i>(21.9)</i>	<i>(24.5)</i>	<i>12.1%</i>	<i>-67.8</i>	<i>(98.4)</i>	<i>45.2%</i>
Total Faucets revenue	116.8	111.7	-4.4%	456.2	444.6	-2.5%

Installed capacity Mn pcs

UAE – 1.5

Europe –1.1



BUSINESS UPDATE

Business Highlight – Q1 2025

INVESTOR PRESENTATION – Q1 2025

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UAE: Registered a strong 4.5% YoY revenue growth, driven by continued boom in real estate sector and favourable market dynamics.

Europe: Revenue remained resilient YoY in local currency. Logistics costs have begun to stabilize following regional normalization.

Bangladesh: Revenue declined by 17.6% YoY in local currency driven by severe gas crisis which has significantly disrupted overall market dynamics and economic conditions.

Q1 2025 Market & Business Highlights

KSA: Revenue grew by 4.5% YoY driven by strong growth in wholesale channel supported by customs duty relief, and strong growth in Sanitaryware segment.

India: Saw resilience growth of 2.8% YoY in LCY, supported by strong infrastructure development and growing disposable income.

Business in the **Middle East** has shown a rebound following regional stabilization.

- Tiles revenue recorded growth in both volumes (+5.7%) and value (+1.2%) at AED 449 million, led by robust performance in the UAE, Rest of GCC, India, and Asia Pacific
- Sanitaryware revenue witnessed a decline of 6.5% YoY to AED 105.5 million, mainly due to strong USD and weaker demand in Bangladesh, India, and other markets.
- Tableware revenue declined by 4.5% YoY to AED 85.9 million, impacted by weaker Euro and slower demand in US. However, UAE and Middle East market have performed well driven by new agreement with Saudi Airlines and expansion of distributors.
- Faucets revenue declined by 4.4% YoY, reaching AED 111.7 million, due to a weaker Euro, recessionary fears in Europe, and a struggling real estate sector in China. We are progressing towards our plan for cost optimisation by shifting major EU Faucets production facilities to UAE.

Financial Performance Snapshot- Q1 2025

AED 776.5M
Revenue

↓ 0.7% YoY

39.7%
Gross Profit Margin

↑ 33bps YoY

AED 64.5M
Profit before tax

↓ 12.7% YoY

AED 48.9M
Profit after tax

↓ -22.3% YoY**

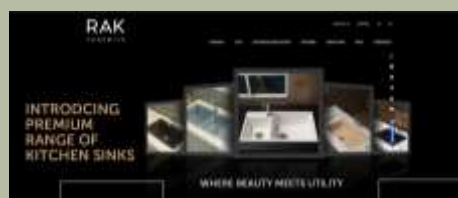
AED 135.6M
EBITDA

↓ 10.3% YoY

AED 1.43BN
Net Debt

↑ 41M QoQ

Presence and Footprint



Launch of the new rakceramics.com website. Website metrics: 8% increase in total users, 52% increase in organic traffic, 29% increase in goal conversions.



Strong relations with the majority of the specialized media group like ITP, Design ME, Forbes and others.



13 New Showrooms opened in 2024 adding to total of 45 showrooms (UAE 10), KSA (6), India (17), Bangladesh (7), UK (2), Italy (1) and Germany (2)

Events and Exhibitions



Strong and specific initiatives in the occasion of Cop28 together with Rak EPDA, SAP, EEG, CSR Arabia Forum



CEOs interview during Cop28 with Khaleji Times, The National and other main media



RAK Ceramics inaugurated the fourth international **Design Hub in Milan, Italy** in March 2025 the following Dubai, London, and Frankfurt, which plays a key role in the strategy implemented by the group which, with a keen sense of awareness, intends to make a name for itself in the design world, and become a high-ranking partner for designers and contractors.

Awards



2024 MENA Green Award for Sustainable Building products of the year- Indoor Air Quality



International ICT Awards –Intelligent Manufacturing



ACIMAC Tech Award- Innovation & Sustainability



Gulf Industrial Excellence –Award – for commitment to quality, innovation & Industry Leadership



Red Dot Best of the Best Product design for CookingRAK, Invisible induction cooktop

Key Challenges – Q1 2025

INVESTOR PRESENTATION – Q1 2025

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Core Markets	Key Challenges	Our Actions
UAE	Import of cheaper products has increased on account of free trade agreements signed between UAE and other countries	<ul style="list-style-type: none"> Partnership with reputed developers in the UAE to provide Tiles and Sanitaryware products for their projects.
Saudi Arabia	<p>Oversupply of tiles by local manufacturers, liquidity crunch.</p> <p>Price war in the market has impacted our gross margins, particularly in housing and commercial segments that are highly price - sensitive</p>	<ul style="list-style-type: none"> Recent relief by the government by way of exemption from payment of custom duty on imports has allowed us to regain the market share lost in wholesale segment Our focus on premium products to strengthen our retail and projects business is helping us to enhance our margins.
Europe	<p>Demand in Europe, particularly in the UK, remains under pressure due to stagnant growth, persistent inflation, and recessionary fears</p> <p>Delay in transformation of Kludi Europe business</p>	<ul style="list-style-type: none"> Planned initiatives include strengthening brand awareness and presence through events and engagements at the Design Hub with architects and designer community Continue implementing KLUDI turnaround plan including shift in production capabilities from EU to UAE to improve performance
India	<p>The imposition of U.S. import tariffs has led to a decline in exports resulting in downward pressure on prices</p> <p>Intense competition</p>	<ul style="list-style-type: none"> Plans to strengthen our Retail presence and experience We are working on a plan to introduce product offering from UAE
Bangladesh	Political instability, severe gas crisis, intense local competition and currency devaluation	<ul style="list-style-type: none"> We are working on offering competitive pricing strategies that consider local purchasing power and competitor pricing. We are working to expand retail presence with 5 new showrooms - by Q2/Q3 2025

Key Strategic Updates -2025

INVESTOR PRESENTATION – Q1 2025

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UAE

- Our Tiles Division is undergoing an upgrade with cutting-edge technology to manufacture differentiated, large-format tiles catering to high-end markets which is currently in the commissioning stage. The facility will be commercially operational by the end of 2025.
- Our Sanitaryware facility is being modernized with energy-efficient technologies, reducing carbon emissions and aligning with our sustainability objectives.
- We are running a full-scale program that leads to a radical improvement of product supply flows (both make-to-order and make-to-stock), on-time-delivery performance, and rotation of the finished goods inventory

Bangladesh

- To mitigate the gas shortfall, we have partially substituted natural gas with CNG, allowing for continued production.
- We are focusing on establishing a robust distribution network to ensure reliable delivery of high-quality products, leveraging innovation to differentiate ourselves from competitors
- We are working to expand retail presence with 5 new showrooms which are under construction, estimated to complete by Q2/Q3 2025.

India

- We are working to introduce new products from Morbi plant, across all RAK Premium showrooms & Official Partners franchise stores.
- We are enhancing our retail presence and elevating the in-store experience to better engage customers
- We are working on a plan to introduce product offering from UAE to improve revenue.

KSA

- We continue to work towards setting up a production facility in KSA.
- New product development with competitive pricing, which will support us in competing with local regional players in housing and commercial projects.
- Additionally, we are focusing on premium and differentiated product offerings to strengthen our retail and project channels, thereby enhancing margins



Market share growth and preservation

Maintain healthy competition across all core markets and segments albeit increased challenges



KLUDI Transformation

Transform KLUDI into a global high-end faucet brand, complementing RAK Ceramics sanitaryware offering, and build-on identified synergies and integration plan to improve performance



Retail Expansion & Brand awareness

Focus on strengthening retail presence & create Brand awareness in focus markets by opening new showroom, refurbishing existing outlets, and rolling out e-commerce into additional markets



Business, Operations & Risk management

Optimize operations enhancing efficiencies and mitigate actively rising risks improving bottom-line performance across all subsidiaries



Digital Acceleration

Improve operating model practicing agility and digitization to enable enhanced analytics and data-driven decision-making capabilities



Production Capabilities Growth

Rationalize footprint and increase capacity across all core businesses via plant additions, enhancements in addition to greenfield



Operational Diversification

Explore and diversify into new markets in terms of sales, sourcing and potentially manufacturing



Sustainability stimulation

Define and implement a sustainability strategy incorporating ESG initiatives into RAK Ceramics identity and across all operations

A modern house with a large glass wall overlooking a swimming pool and lush greenery. The house has a minimalist design with white walls and large windows. The pool is rectangular and filled with clear blue water. The surrounding landscape is filled with various tropical plants and trees, creating a serene and natural environment. The text "SUSTAINABILITY OVERVIEW" is centered over the image in a white, bold, sans-serif font.

SUSTAINABILITY OVERVIEW

Sustainability updates - 2024

Introducing Energy efficient Kilns

enabling 70% lower than shuttle kilns, marking a major breakthrough in sustainable manufacturing.

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



Sustainability Highlights - 2024

INVESTOR PRESENTATION – Q1 2025

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↓ 1.86%

Reduction in energy intensity of tiles production compared to 2023 (per GJ/m²)

↑ 10.06%

Savings in overall energy consumption in Tableware production compared to 2023

47,753 m³

Freshwater savings in Tableware production during 2024

↓ 23.38%

Reduction in volume of hazardous waste generated compared to 2023

77%

of all suppliers are locals

93,152

hours of training completed by employees in UAE

↓ 99%

Reduction in purchased electricity compared to 2022

↑ 82%

Savings in CO₂ emissions by transporting goods by rail instead of road

80%

of all our packaging is recycled and/or recyclable

↓ -23.38%


Reduction in volume of hazardous waste generated compared to 2023

10.8%

Emiratization Rate in 2024

30%

Females in administrative roles

A modern rooftop terrace with a grey tiled floor, featuring a long grey sofa, a large potted plant, and a round coffee table. In the background, a dense city skyline with various skyscrapers is visible under a clear sky. A semi-transparent dark grey banner is overlaid across the middle of the image.

FINANCIAL HIGHLIGHTS

Financial Snapshot – Q1 2025

INVESTOR PRESENTATION – Q1 2025

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REVENUE

AED 776.5M

↓ 0.7% YoY

↑ 0.7% YoY on
currency of last year



GROSS MARGIN

39.7%

↑ 33 bps YoY



PROFIT BEFORE TAX

AED 64.5M

↓ 12.7% YoY*

** Profitability was impacted mainly due to Kludi Group's ongoing transformation initiatives. Excluding this impact, profit before tax was AED 74.4 million, marginally down by 1.4% YoY*



NET PROFIT AFTER TAX

AED 48.9M

↓ 22.3% YoY*

** UAE Corporate tax impact 13.1m vs 8.0m in last year*



NET PROFIT
After Minority

AED 46.3M

↓ 19.6% YoY



EBITDA

AED 135.6M

↓ 10.3% YoY



NET DEBT

AED 1.43BN

↑ 40.8M QoQ
Due to higher capex



Net Debt to EBITDA

2.49x

2.35x in Dec 24

Financial Snapshot - FY2024

INVESTOR PRESENTATION – Q1 2025

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REVENUE
AED 3.23 BN
↓ 6.5% YoY



GROSS MARGIN
39.3%
↑ 143 bps YoY



LIKE FOR LIKE PROFIT
BEFORE TAX
AED 299.9M
↓ 5.4% YoY*

** Adjusted for one-off income/impairments*



PROFIT BEFORE TAX
AED276.6M
↓ 19.9% YoY



NET PROFIT AFTER TAX
AED 234.1 M
↓ 27.0% YoY*

** UAE Corporate tax impact 33.9m*



NET PROFIT After Minority
AED 221.1 M
↓ 24.0% YoY



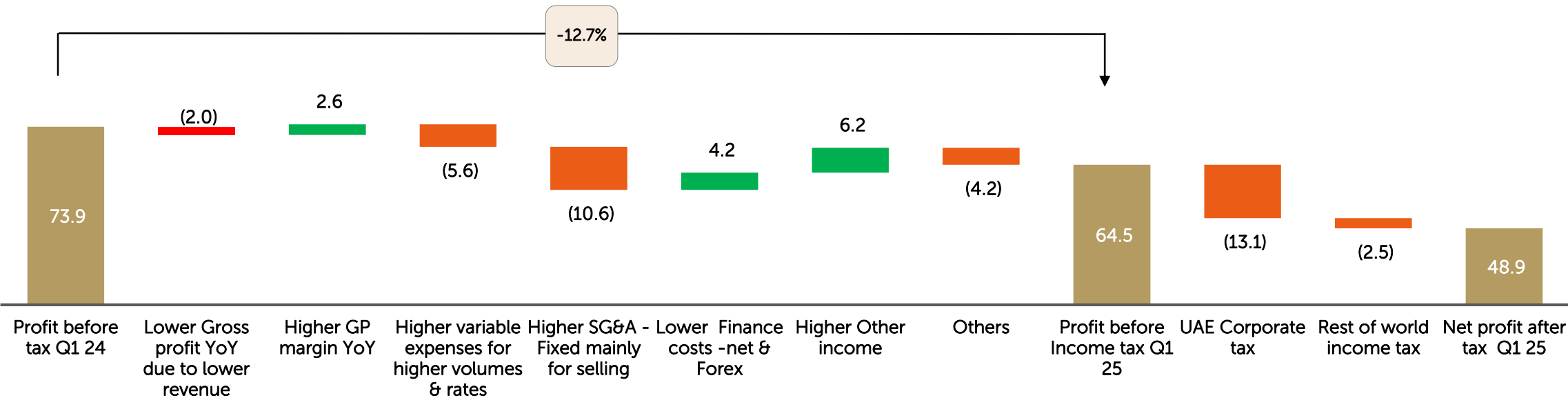
EBITDA
AED 592.2 M
↓ 8.5% YoY



NET DEBT
AED 1.39 BN
↑ 26.2 M
Net Debt to EBITDA
2.35x vs 2.20x

Profitability Bridge

Q1 2025 vs Q1 2024 Profit Bridge (AEDM)



Revenue Highlights – Q1 2025

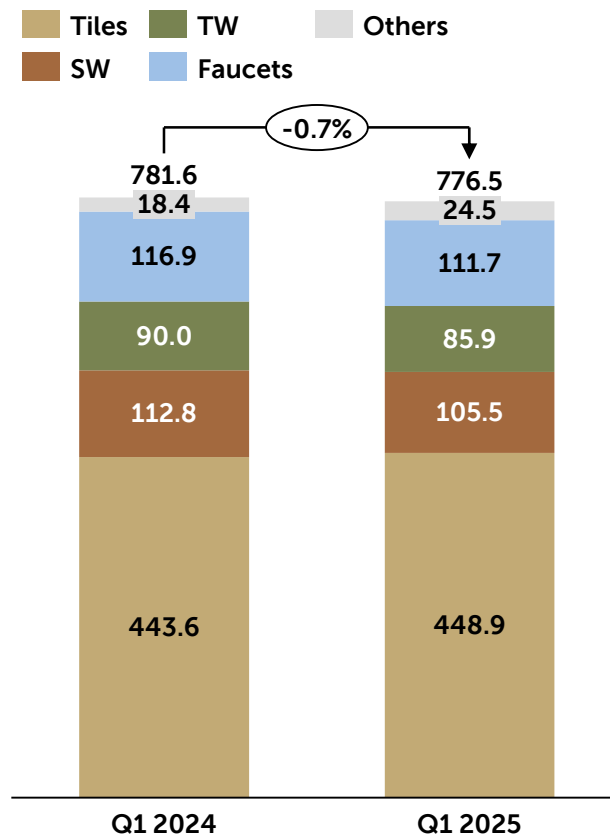
INVESTOR PRESENTATION – Q1 2025

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MANAGEMENT COMMENTS

- Q1 2025 revenue at AED 776.5m, down by 0.7% YoY, witnessed strong USD against other currencies.
- Tiles revenue grew by 1.2% at AED 449 million, led by robust performance in the UAE, Rest of GCC, India, and Asia Pacific
- Sanitaryware revenue witness a decline of 6.5% YoY to AED 105.5 million, mainly due to strong USD and weaker demand in Bangladesh, India, and other markets.
- Tableware revenue declined by 4.5% YoY to AED 85.9 million, impacted by lower demand particularly in USA market. Currency depreciation further impacted performance, especially in Egypt, Asia, and Africa.
- Faucets revenue declined by 4.4% YoY, reaching AED 111.7 million, impacted by, challenges in transformation of Kludi Europe. The slowdown in China's real estate sector and continued sanctions on Russia also contributed to the decline.
- Other revenue increased by 33.5% to AED 24.5m driven by Ceramic trading business.

TOTAL REVENUE (AED MN)



+150

Countries Exported

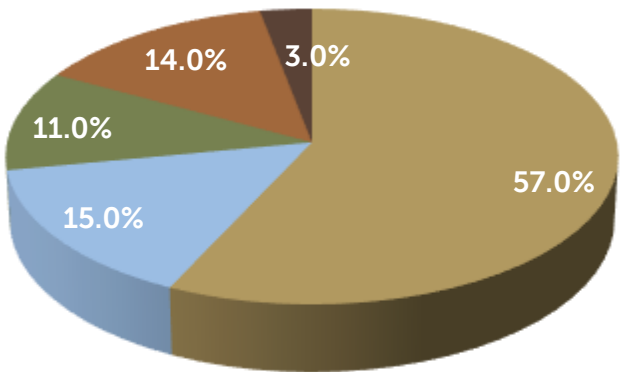
	Quarterly Comparison				
	Q1 24	Q4 24	Q1 25		
	Amount	Amount	Amount	YoY Growth	QoQ Growth
United Arab Emirates	201.5	226.8	210.5	4.5%	-7.2%
Kingdom of Saudi Arabia	66.2	85.3	69.1	4.4%	-19.0%
Middle East (Ex. UAE & KSA)	26.3	33.5	32.1	22.3%	-4.1%
India	87.8	103.9	86.8	-1.2%	-16.4%
Europe	78.2	80.2	77.0	-1.4%	-4.0%
Bangladesh	58.8	65.7	43.7	-25.7%	-33.5%
Africa	25.1	24.6	21.5	-14.2%	-12.7%
Rest of the world	12.6	18.5	13.6	8.3%	-26.4%
Total Tiles & Sanitaryware Revenue	556.5	638.5	554.4	-0.4%	-13.2%
Tableware revenue	90.0	101.8	85.9	-4.5%	-15.6%
Faucets revenue	116.8	109.5	111.7	-4.4%	2.0%
Others revenue	18.4	21.0	24.5	33.5%	16.5%
Total Revenue	781.6	870.9	776.5	-0.7%	-10.8%

Revenue Contribution - FY2024

INVESTOR PRESENTATION – Q1 2025

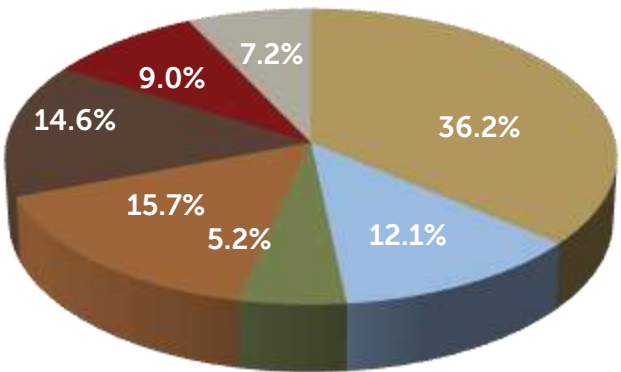
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REVENUE CONTRIBUTION BY
SEGMENT 2024%



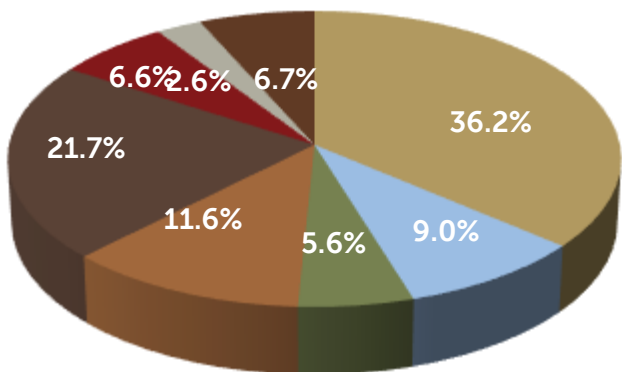
■ Tiles
■ Sanitaryware
■ Tableware
■ Faucets
■ Other

TILES & SANITARYWARE REVENUE
CONTRIBUTION BY REGION 2024%



■ UAE
■ KSA
■ ME
■ India
■ Europe
■ Bangladesh
■ Rest of the world

TOTAL REVENUE CONTRIBUTION BY
REGION 2024 %

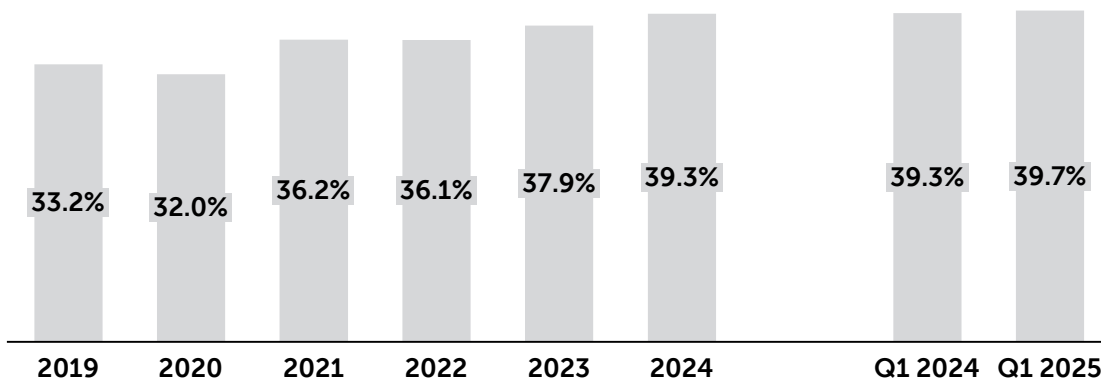


■ UAE
■ KSA
■ ME
■ India
■ Europe
■ Bangladesh
■ Rest of the world

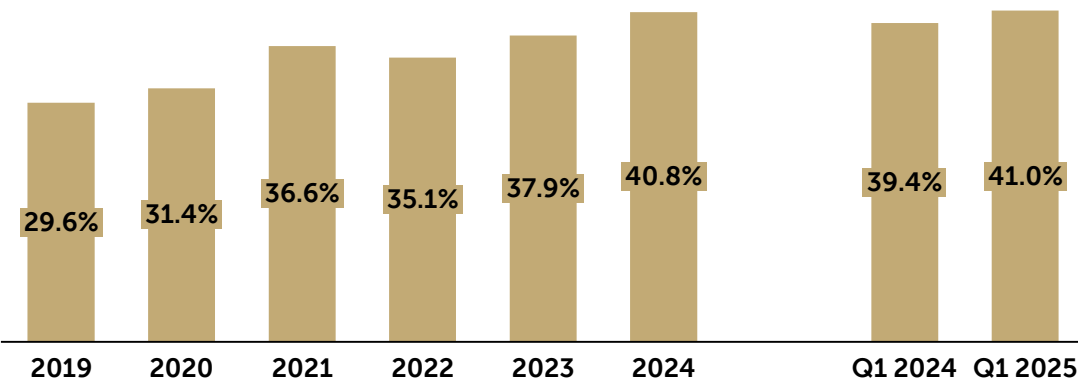
Gross Profit Margin Trend – Q1 2025

INVESTOR PRESENTATION – Q1 2025

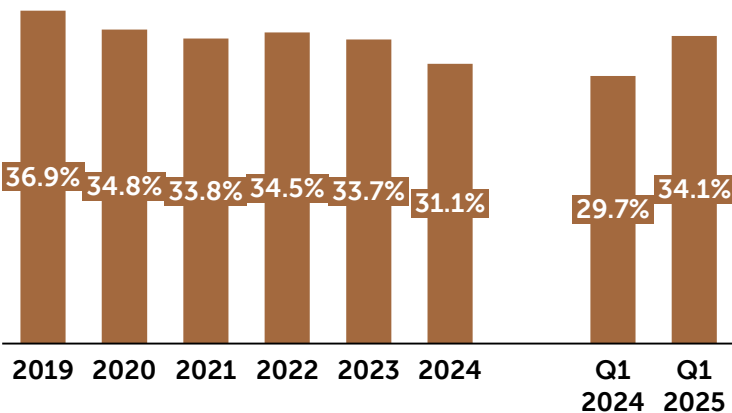
TOTAL GROSS MARGINS (%)



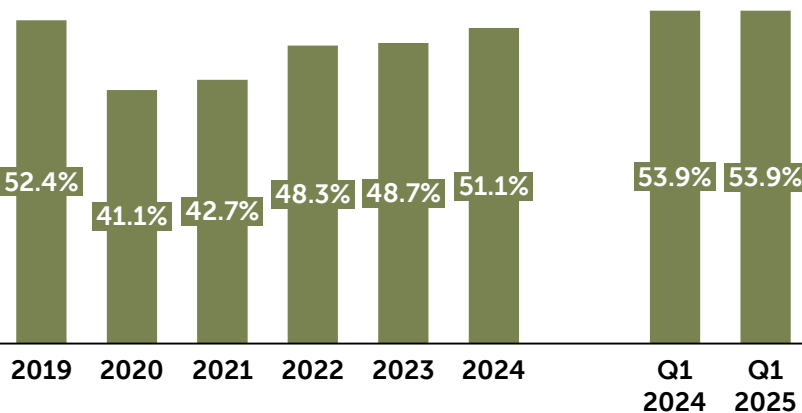
TILES GROSS MARGINS (%)



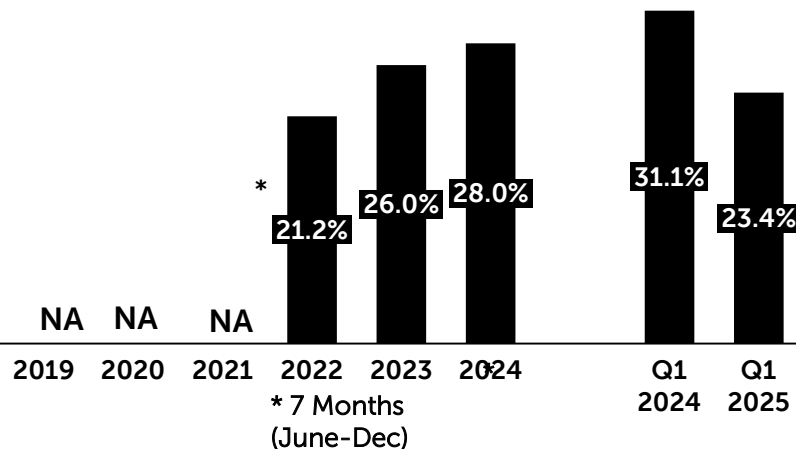
SANITARYWARE GROSS MARGINS (%)



TABLEWARE GROSS MARGINS (%)



FAUCETS GROSS MARGINS (%)



UAE Operations- Q1 2025

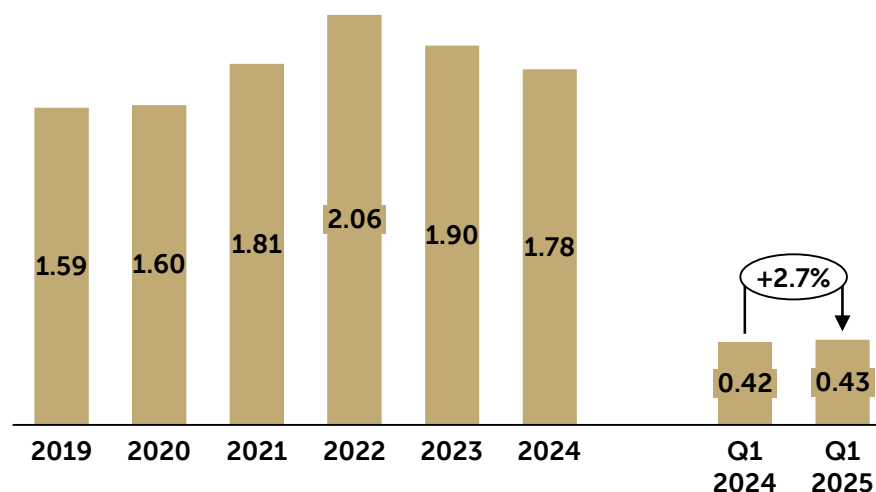
INVESTOR PRESENTATION – Q1 2025

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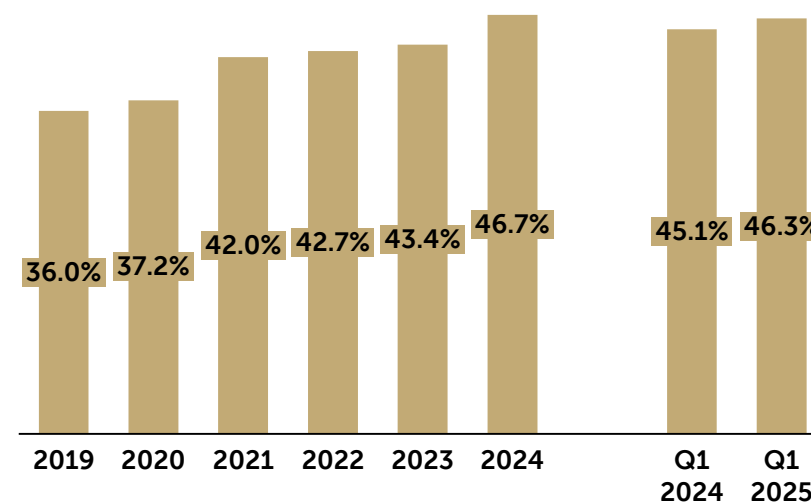
MANAGEMENT COMMENTS

- In Q1 2025 revenue increased by 2.7% to AED 427.3m driven by growth in UAE, KSA & Middle East market
- Gross margin has consistently improved over the years which is driven in improved in plant efficiency and change in product mix and market mix
- The UAE market remains strong, supported by robust real estate and construction activity. Enhanced Operational efficiencies in UAE tile plants have driven higher gross margins, strengthening our market leadership.
- In KSA, the market was affected by a liquidity crunch, heightened regional competition, and an oversupply of tiles from local manufacturers. However, with relief in payment of customs duties, we remain optimistic about the region's growth prospects in the near term

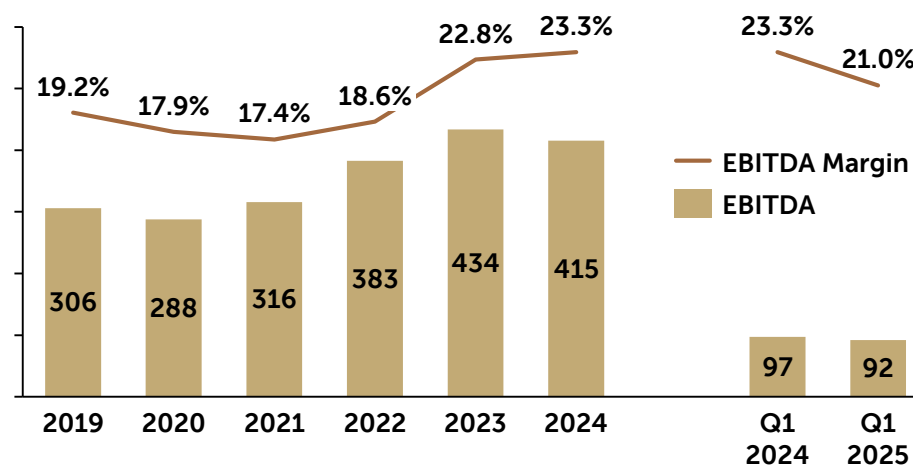
TOTAL REVENUE (AED BN)



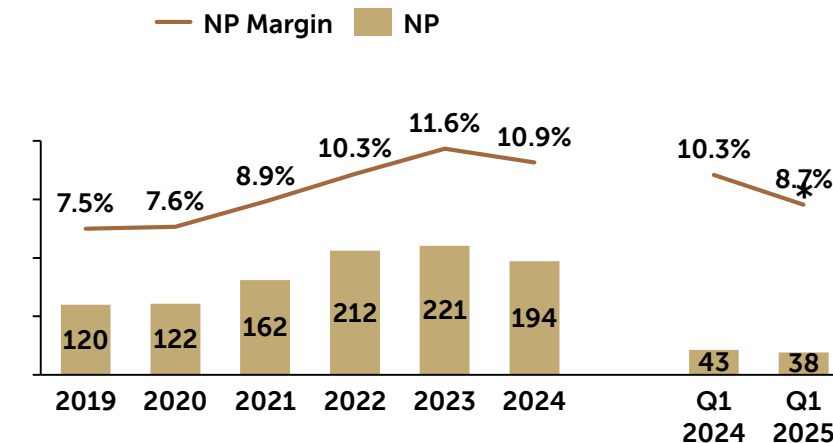
GROSS PROFIT MARGIN (%)



EBITDA (AED MN) AND MARGIN (%)



NET PROFIT (AED MN) AND MARGIN (%)



*After UAE Corporate tax AED 13.1m

Bangladesh Operations – Q1 2025

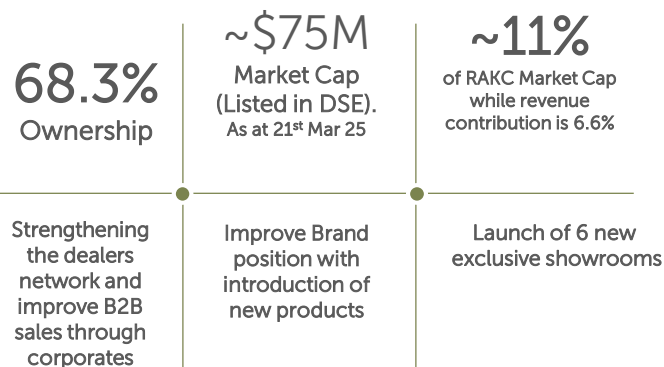
INVESTOR PRESENTATION – Q1 2025

RAK
CERAMICS

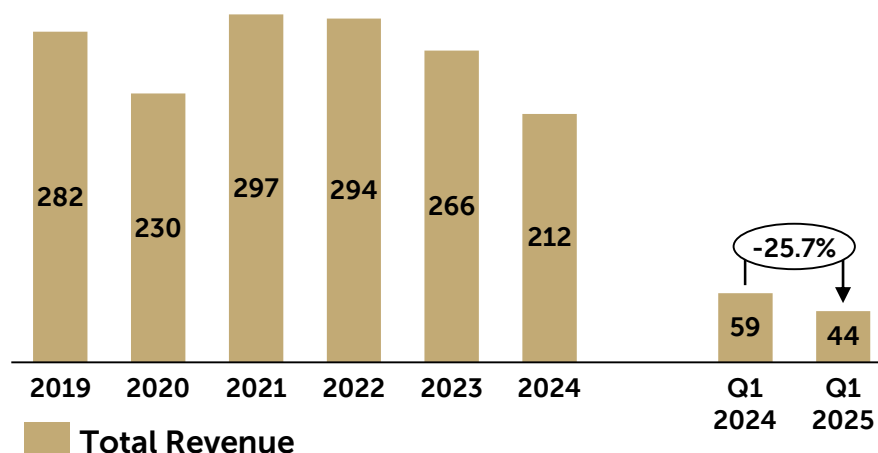
MANAGEMENT COMMENTS

- In Q1 2025 revenue decreased by 25.7% YoY to AED 44m due to political instability, gas shortages, and currency devaluation have severely impacted our operations. These factors have affected production efficiency, increased costs, and contributed to revenue and margin declines, leading to losses..
- We continue to establish strong distribution network, including partnership with local retailers, and direct-to-consumer channels.

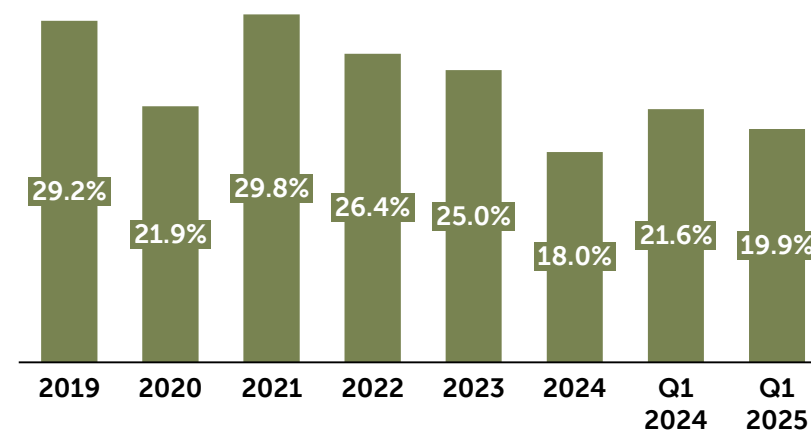
BANGLADESH



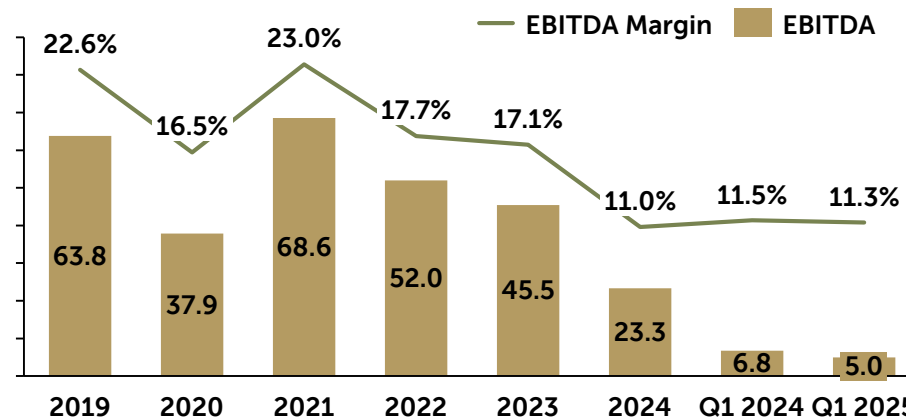
REVENUE (AED MN)



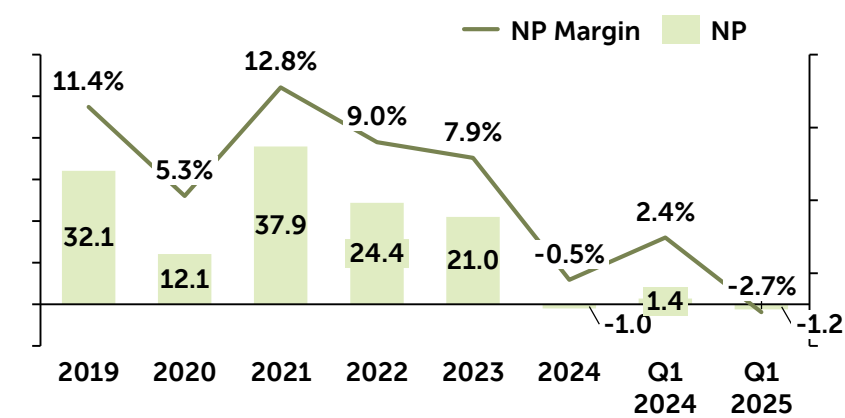
GROSS PROFIT MARGIN (%)



EBITDA (AED MN) AND MARGIN (%)



NET PROFIT (AED MN) AND MARGIN (%)



Indian Operations – Q1 2025

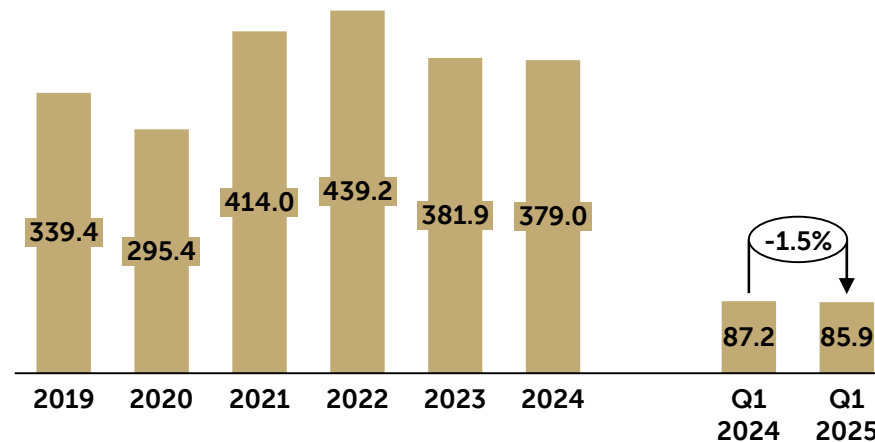
INVESTOR PRESENTATION – Q1 2025

RAK
CERAMICS

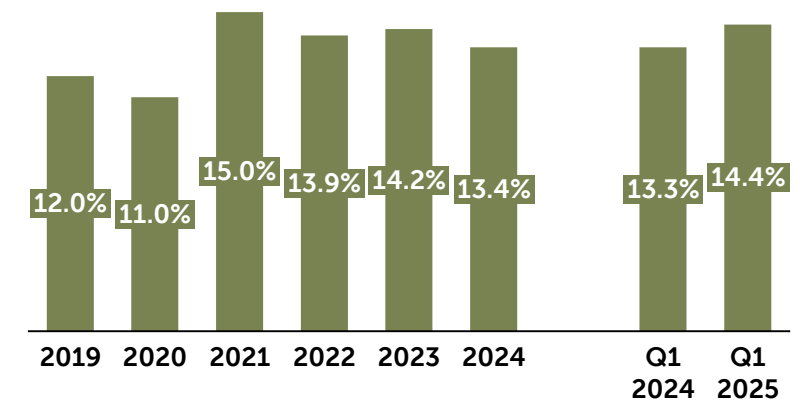
MANAGEMENT COMMENTS

- Revenue increased by 2.8% YoY in LCY in Q1 2025, supported by strong infrastructure development, reduced interest rates and growing disposable income. India's growth momentum highlights its potential as a key driver of future expansion in our portfolio.
- GP Margins grew by 110 basis point YoY at 14.4% in Q1 2025 driven by growth in Sanitaryware segment.
- The Indian market has demonstrated resilience despite macroeconomic headwinds. However, reduced exports from India have intensified domestic competition, making the market highly price-sensitive
- We are working to establish a chain of showrooms under franchisee model to increase our Brand presence and retail foot print in South India.

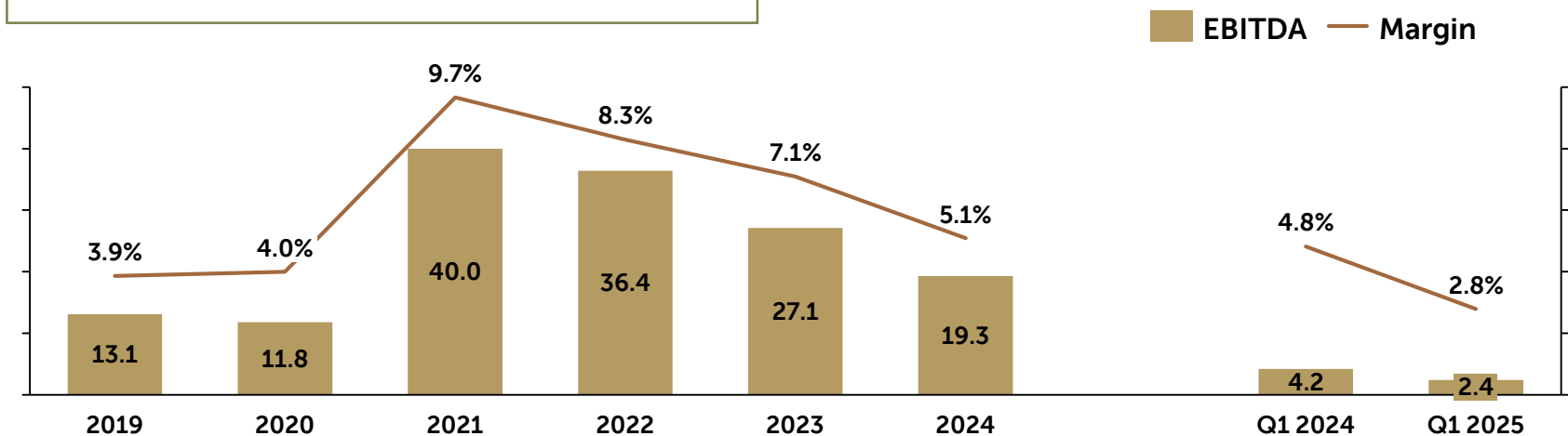
REVENUE (AED MN)



GROSS PROFIT MARGIN (%)



EBITDA (AED MN) AND MARGIN (%)



Tableware performance trend – Q1 2025

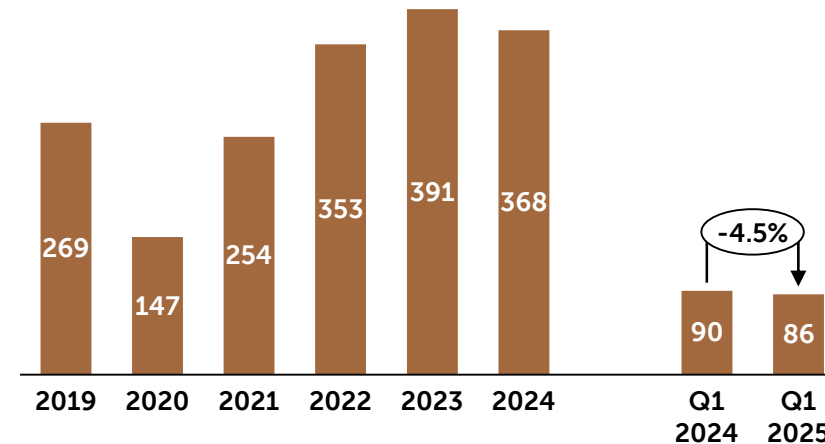
INVESTOR PRESENTATION – Q1 2025

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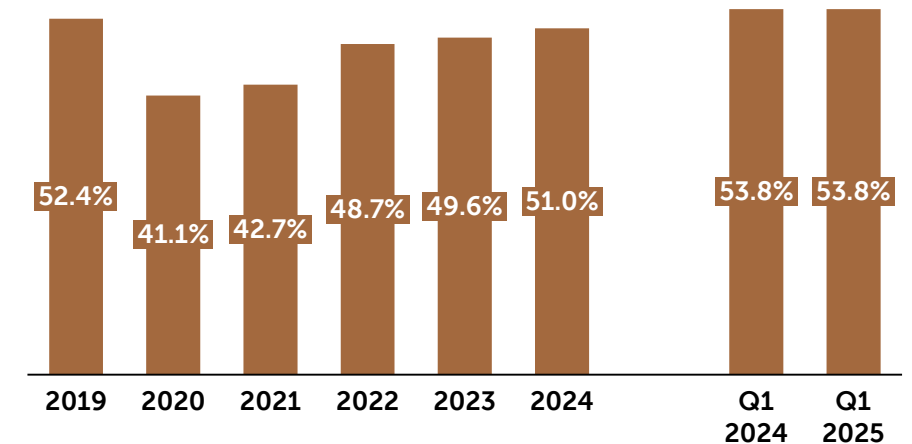
MANAGEMENT COMMENTS

- Tableware revenue declined by 4.5% YoY to AED 85.9 million, impacted by weaker Euro and imposition of import tariffs & trade restrictions by US resulted decline in sales in US markets. However UAE and Middle East market has performed well driven by supply to Airline and expansion of distributors.

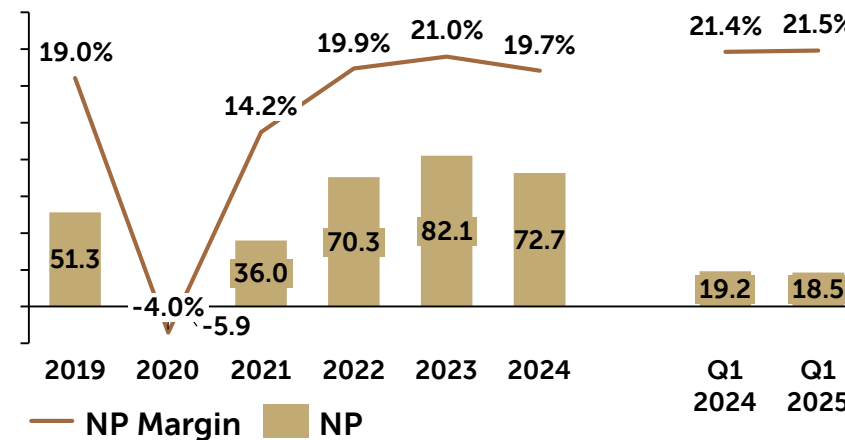
REVENUE (AED MN)



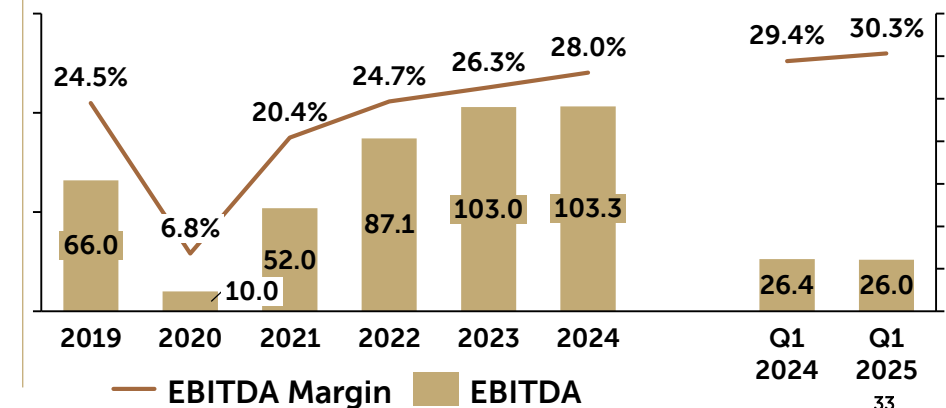
GROSS PROFIT MARGIN (%)



NET PROFIT (AED MN) AND MARGIN (%)



EBITDA (AED MN) AND MARGIN (%)



Kludi Group performance trend – Q1 2025

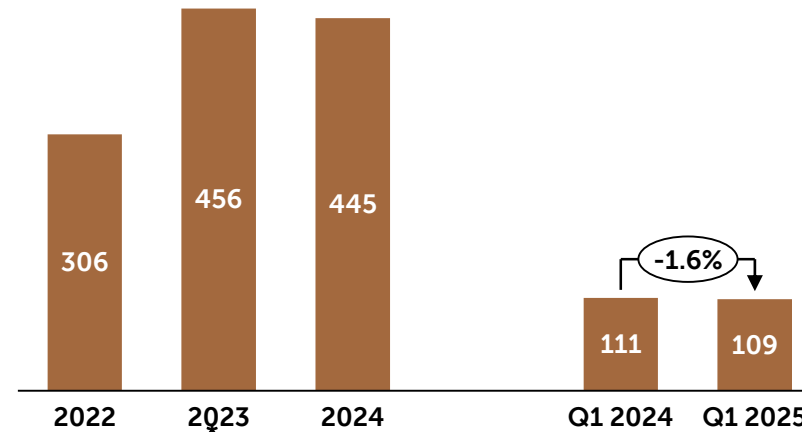
INVESTOR PRESENTATION – Q1 2025

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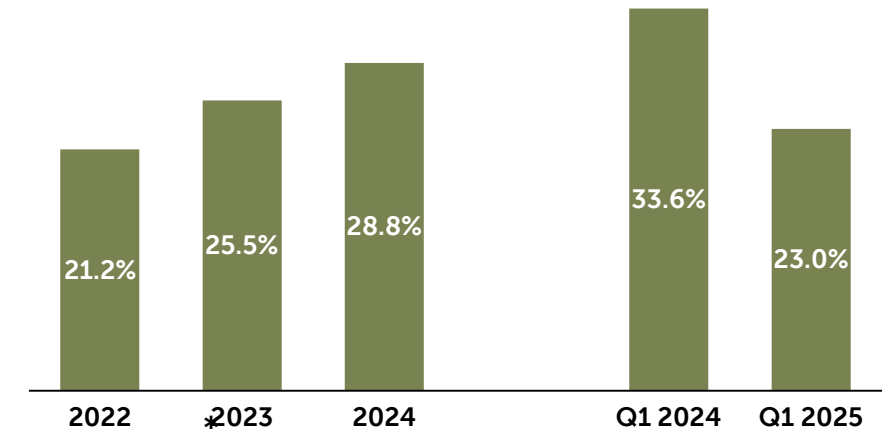
MANAGEMENT COMMENTS

- Faucets revenue declined by 4.4% YoY, reaching AED 111.7 million, due to a weaker Euro, recessionary fears in Europe, and a struggling real estate sector in China. We are progressing towards our plan for cost optimisation by shifting major EU Faucets production facilities to UAE.

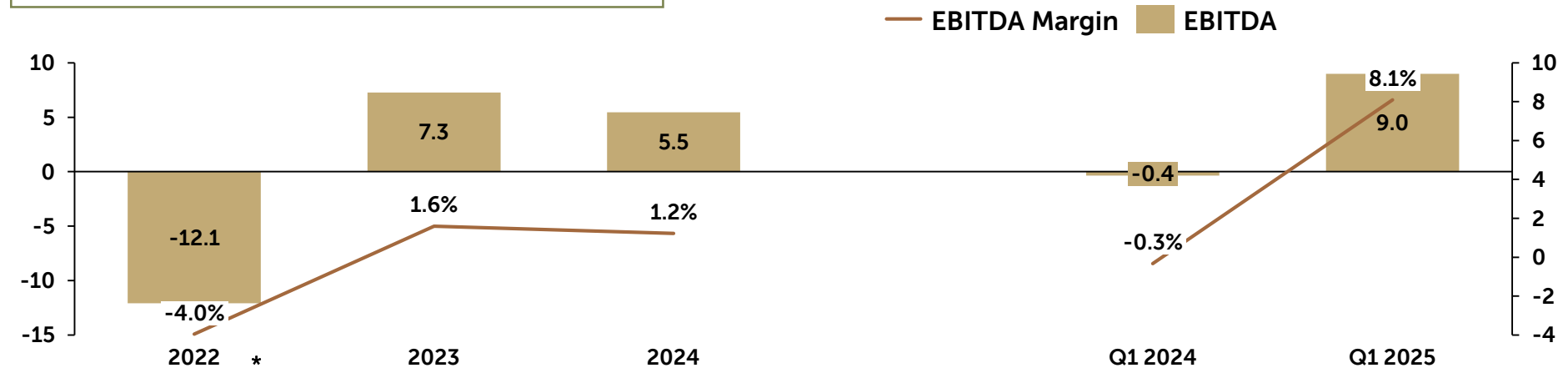
REVENUE (AED MN)



GROSS PROFIT MARGIN (%)



EBITDA (AED MN) AND MARGIN (%)



*7 Months (June-Dec)

Balance Sheet Evolution – Q1 2025

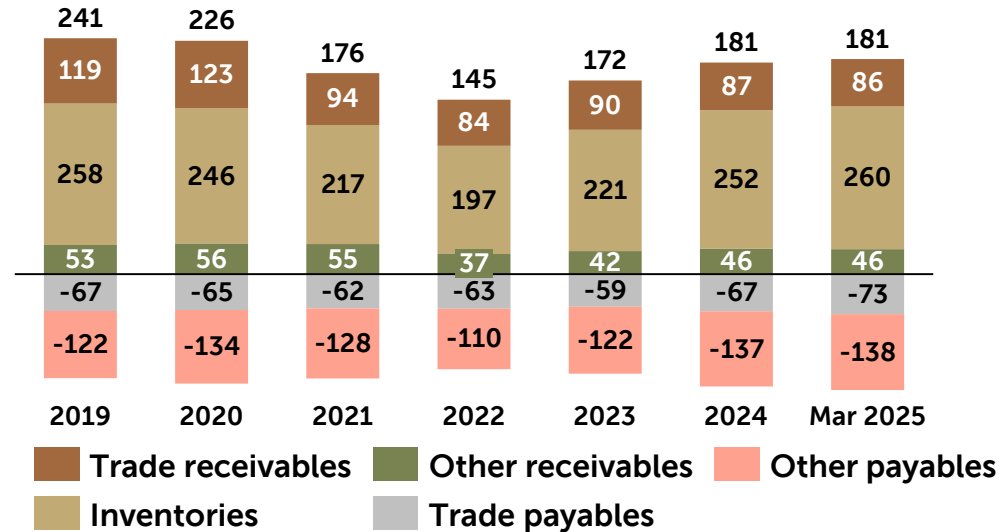
INVESTOR PRESENTATION – Q1 2025

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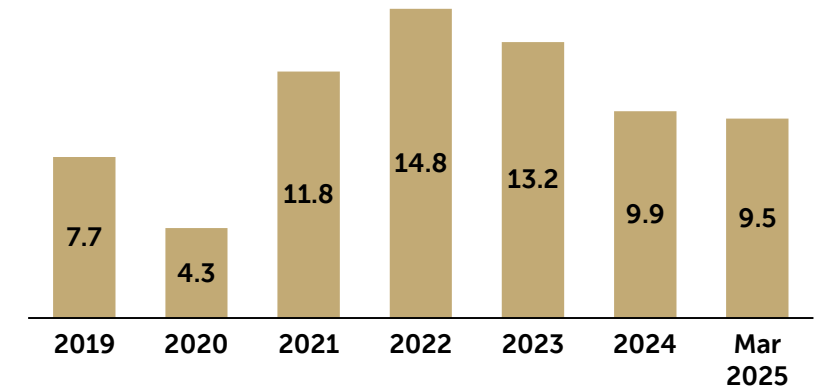
MANAGEMENT COMMENTS

- LTM Return on Equity in Q1 2025 is at 9.5%.
- Overall working capital remained stable at AED 1.43 billion in Q1 2025 compared to December 2024.
- Trade receivables decreased from 87 days in Q4 2024 to 86 days in Q1 2025.
- Inventory days increased from 252 days to 260 days QoQ due to increase in Finished goods stock in Bangladesh and Kludi Europe
- Trade payable increased from 67 days in Q4 2024 to 73 days in Q1 2025 mainly due to Capex procurement.
- Net debt increased by AED 41m at 1.43bn compared to December 2024 due to higher capex. Net debt to EBITDA also increased from 2.35x in December 24 to 2.49x in March 2025.
- Capex Spending was AED 97m in Q1 2025 out of which ~68m relates to upgradation of large-format tiles manufacturing plant. Capex guidance for 2025 is at AED 350-400M.

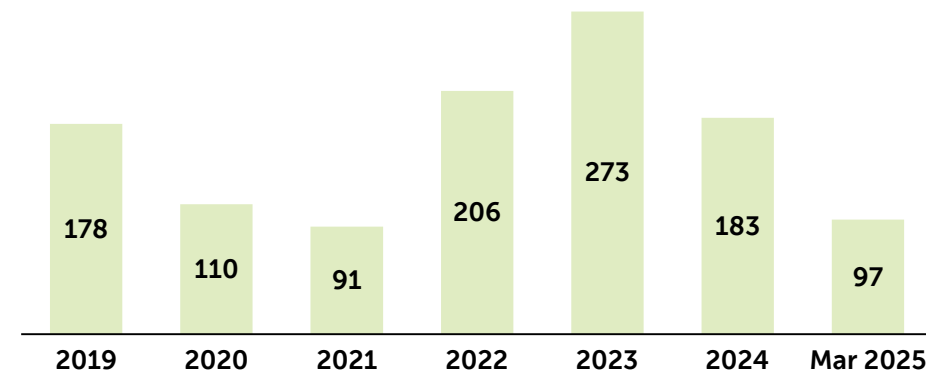
WORKING CAPITAL CYCLE (DAYS)



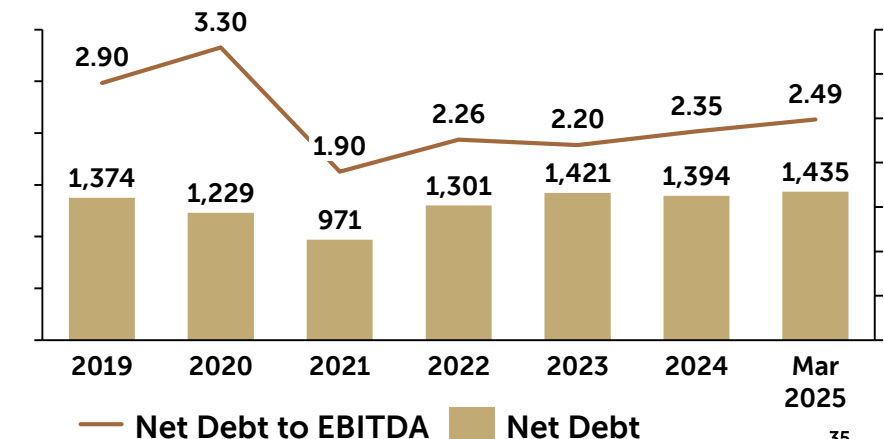
RETURN ON EQUITY (%)



CAPEX SPENDING (AED MN)



NET DEBT (AED MN) & NET DEBT TO EBITDA (X)



EBITDA Working

INVESTOR PRESENTATION – Q1 2025

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	Quarterly comparison		
	Q1 24	Q4 24	Q1 25
Amount in AED M	Amount	Amount	Amount
Net profit/(loss) after tax	62.9	64.2	48.9
Tax	11.0	17.8	15.7
Interest- net	27.1	26.1	23.0
Depreciation & amortization	50.6	54.2	51.9
(Gain) on sale of assets/CWIP write-off	(0.6)	(4.3)	(3.9)
EBITDA	151.1	158.0	135.6



STOCK PROFILE

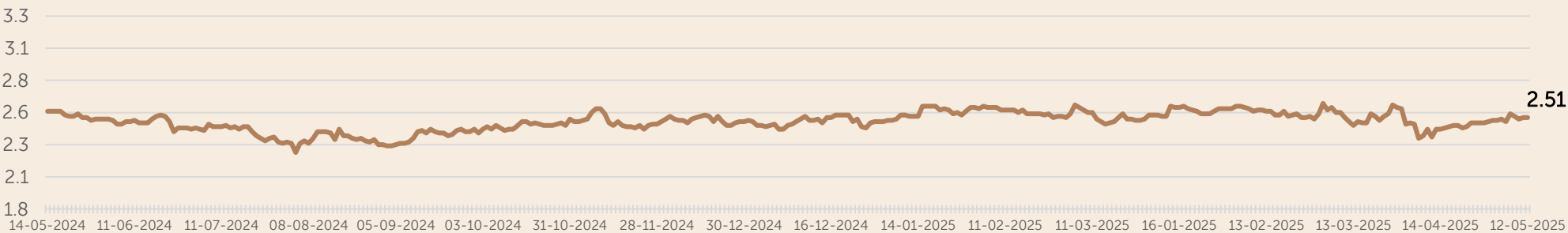
RAK Ceramics Share Price Movement

INVESTOR PRESENTATION – Q1 2025

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RAK Ceramics (RAKCEC) Share Price Performance (AED- LTM)

RAK CERAMICS (RAKCEC) SHARE PRICE PERFORMANCE (AED)



	AED
WAP	2.47
52 week high	2.62
52 week low	2.24

As of 13th May 2025

CURRENT VALUATION (AED M)

	13/05/2025	31/12/2024
	Amount	Amount
Share price	2.51	2.49
Number of shares (in Mn)	994	994
Market Cap	2,494	2,475
Net debt	1,435	1,394
Minorities	84	95
Enterprise Value	4,014	3,965

LTM TRADING MULTIPLES

	Multiple	
	13/05/2025	31/12/2024
EV / Sales	1.24	1.23
EV / EBITDA	6.96	6.69
P / E	11.89	11.51
P / B	1.18	1.14

~ AED 2.5 Bn

Market Cap (~)

*Net debt and minorities as of 31st March 2025

Dividend Update

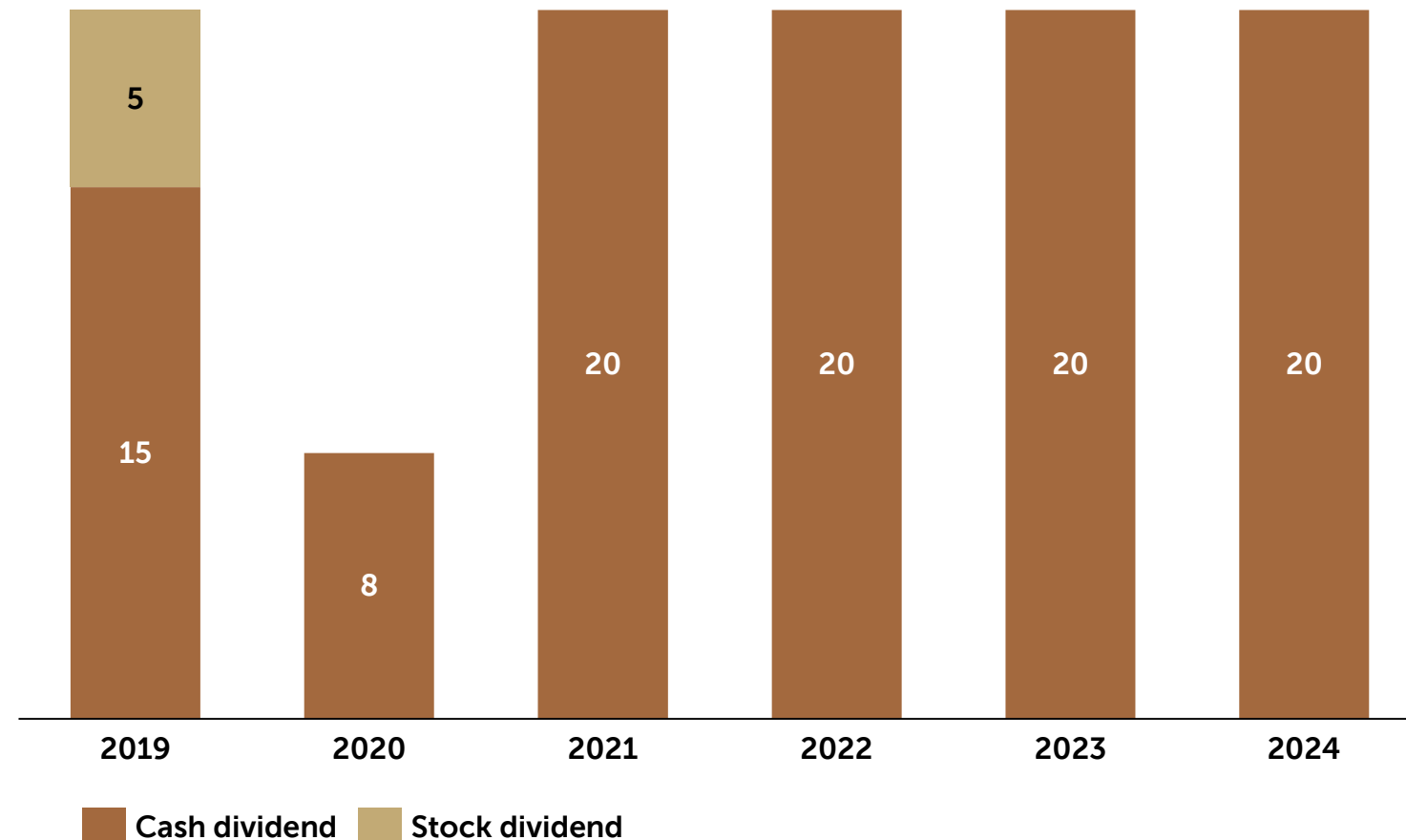
INVESTOR PRESENTATION – Q1 2025

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MANAGEMENT COMMENTS

- In-line with its dividend policy commitment, the General assembly has approved to distribute semi-annual cash dividend of 10 fils per share for second half of 2024 (AED 99.4million) and paid in April 2025..
- This follows a previously approved and distributed semi-annual cash dividend of 10 fils per share, representing AED 99.4m, for H1 2024.
- For 2025-2027, the following Dividend policy has been approved by the Share Holders in the Annual General Meeting.
- "RAK Ceramics is committed to returning capital to shareholders via a sustainable dividend policy, aiming at a minimum payout of 20 fils per share on a semi-annual basis for FY 2025 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. 2025 – 2027".

Historical annual Dividend paid (%)



Thank You

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CONTACT US

If you have any questions or require further information, please visit corporate.rakceramics.com or contact investor relations team at ir@rakceramics.com