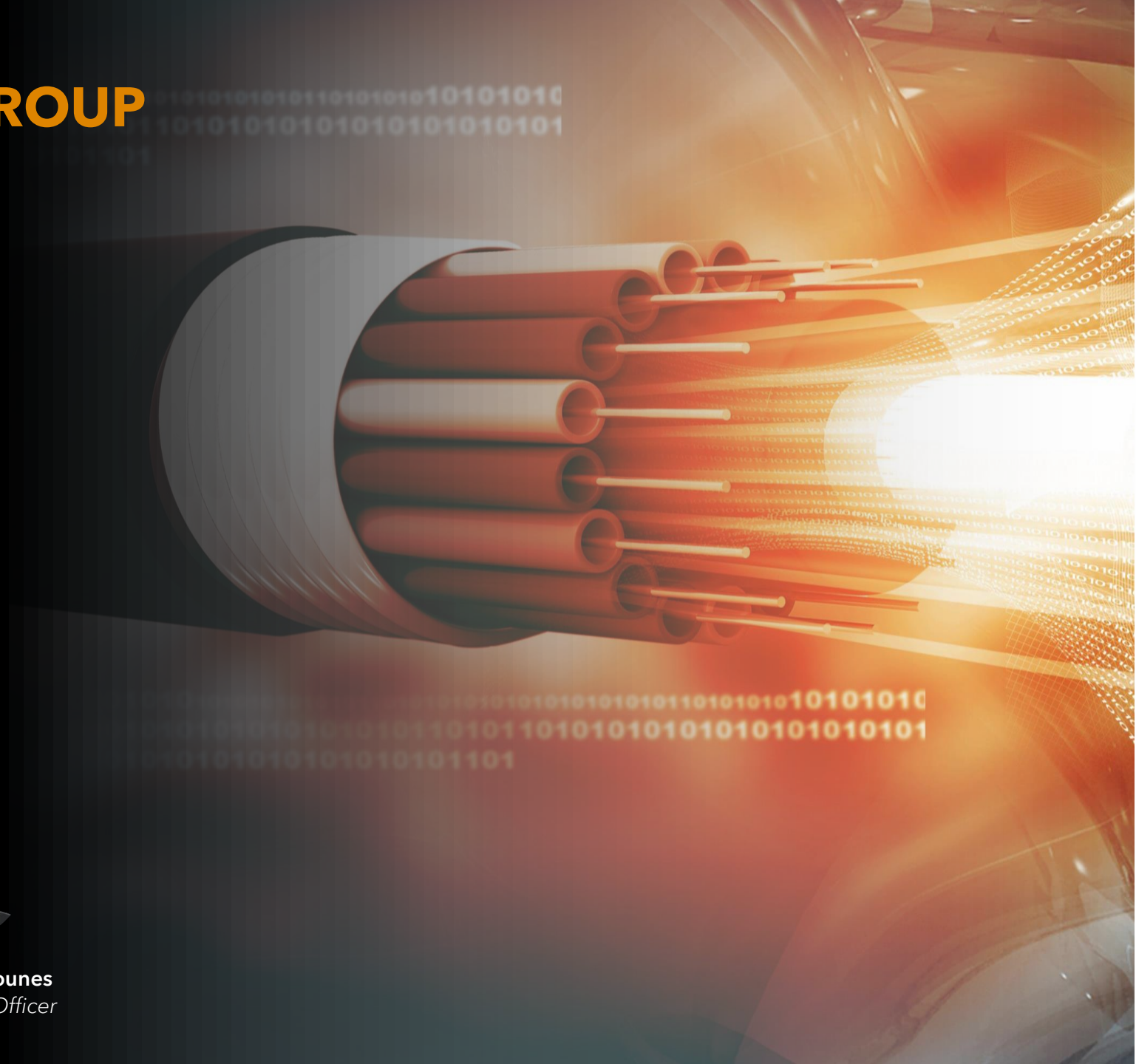




RIYADH CABLES GROUP

Earnings Presentation FY-24



Borjan Sehovac
Chief Executive Officer



Baha Essa
Chief Financial Officer



Mouaaz Alyounes
Chief Strategy Officer

Disclaimer

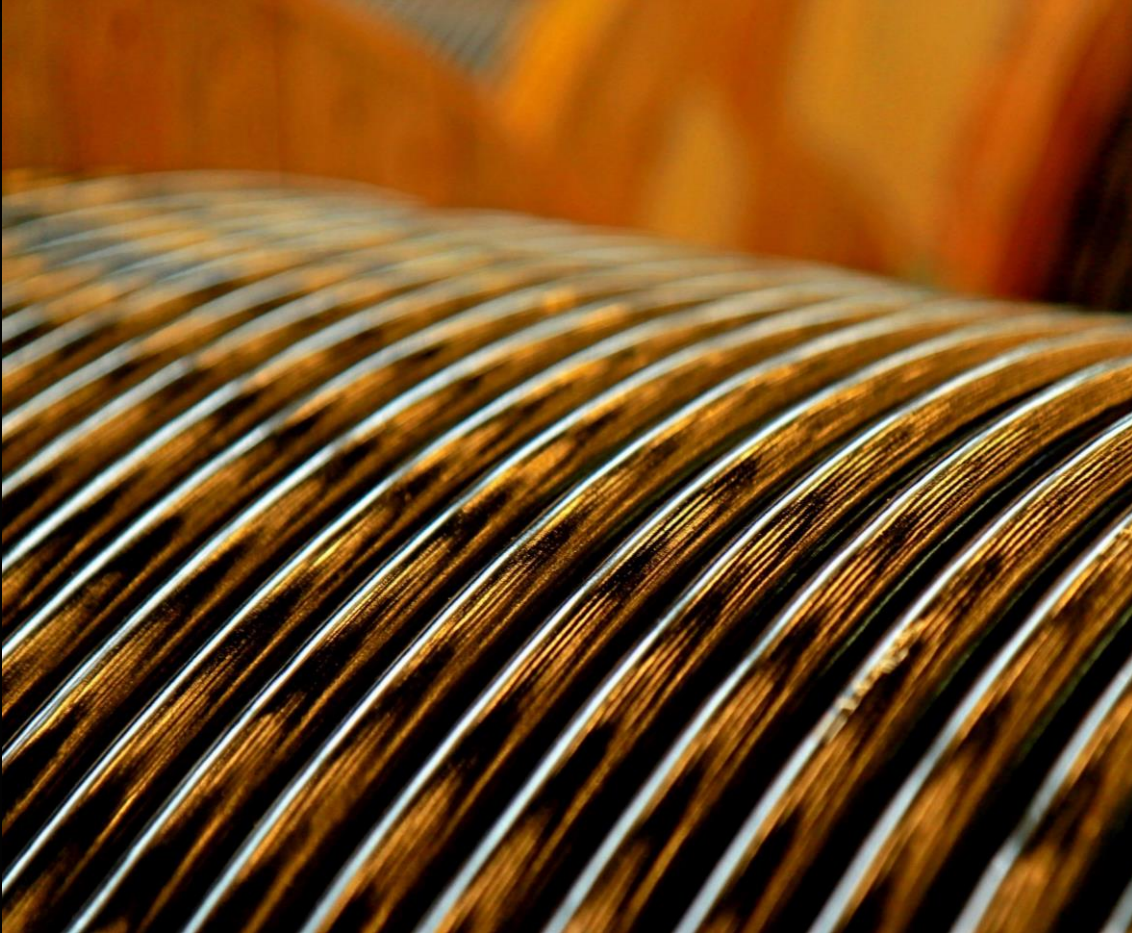


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In Today's Meeting



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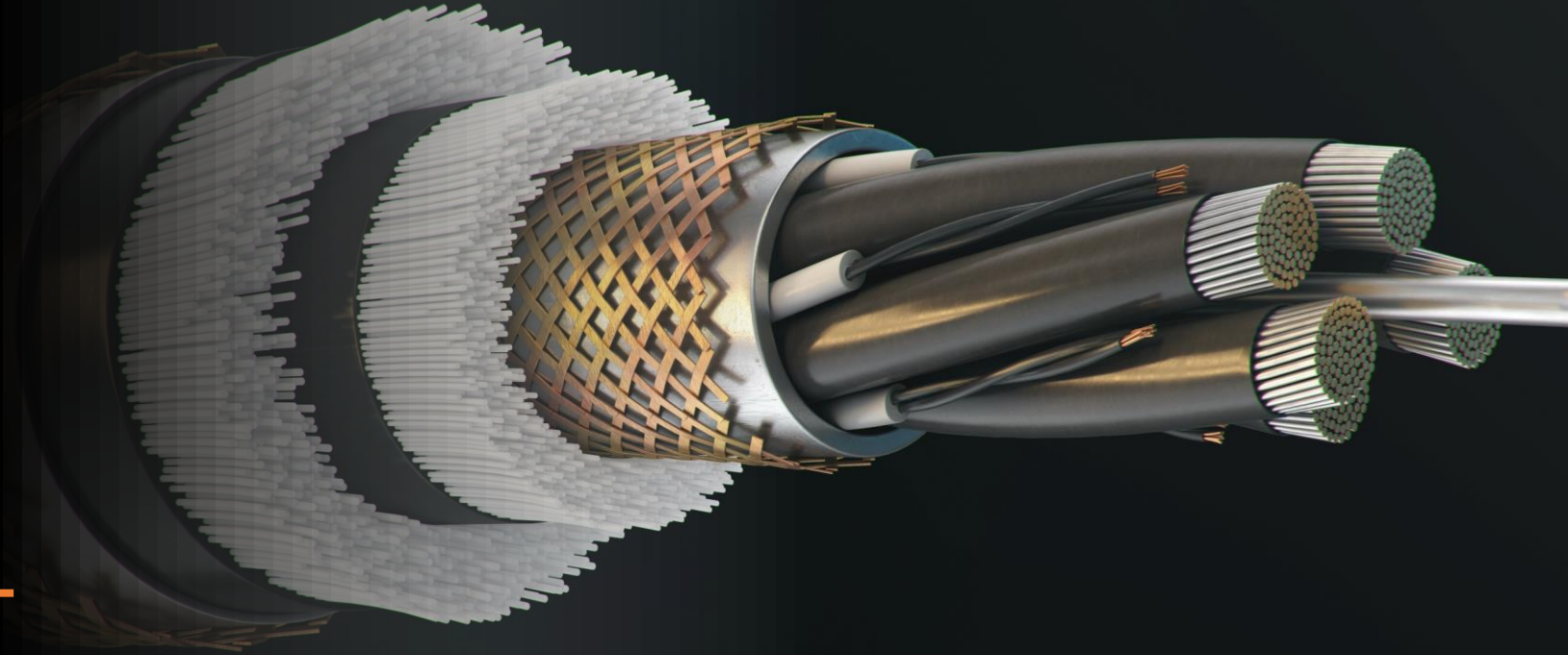
Business Strategy Refresh & Market Update

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2025 Outlook



Company Overview



Cables are the backbone of the economy, touching every segment

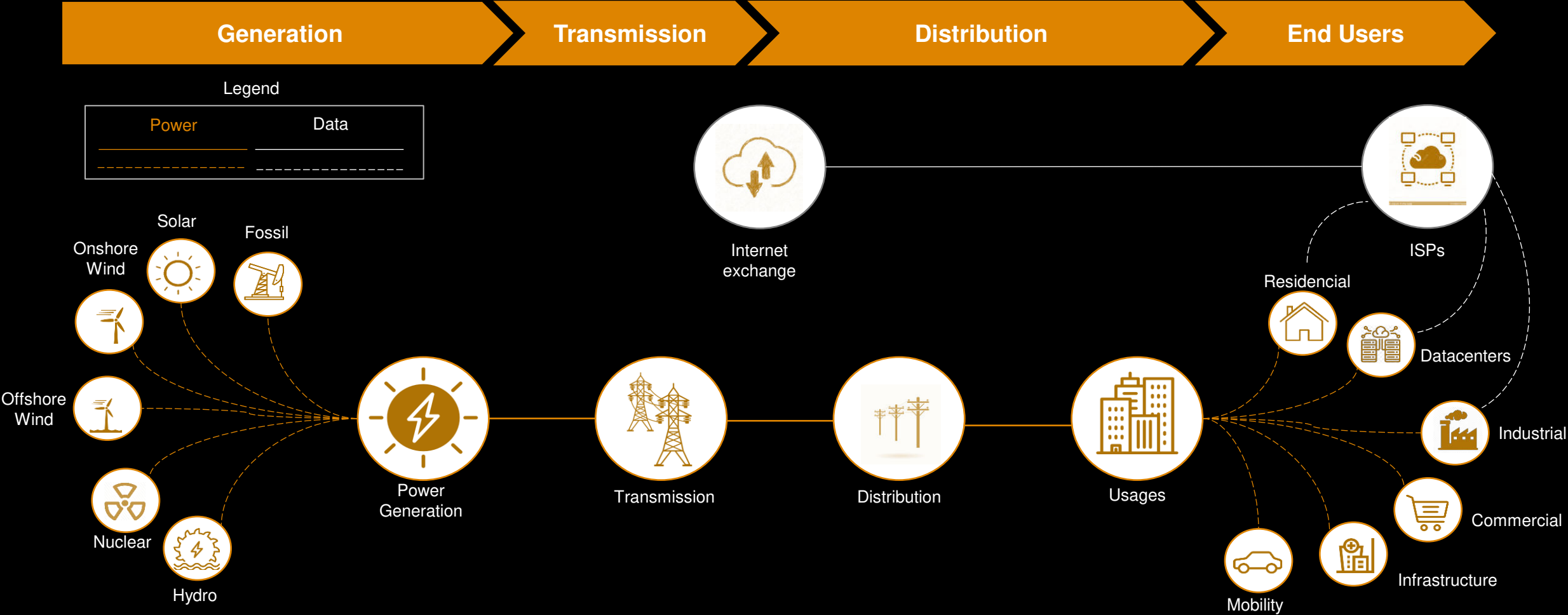
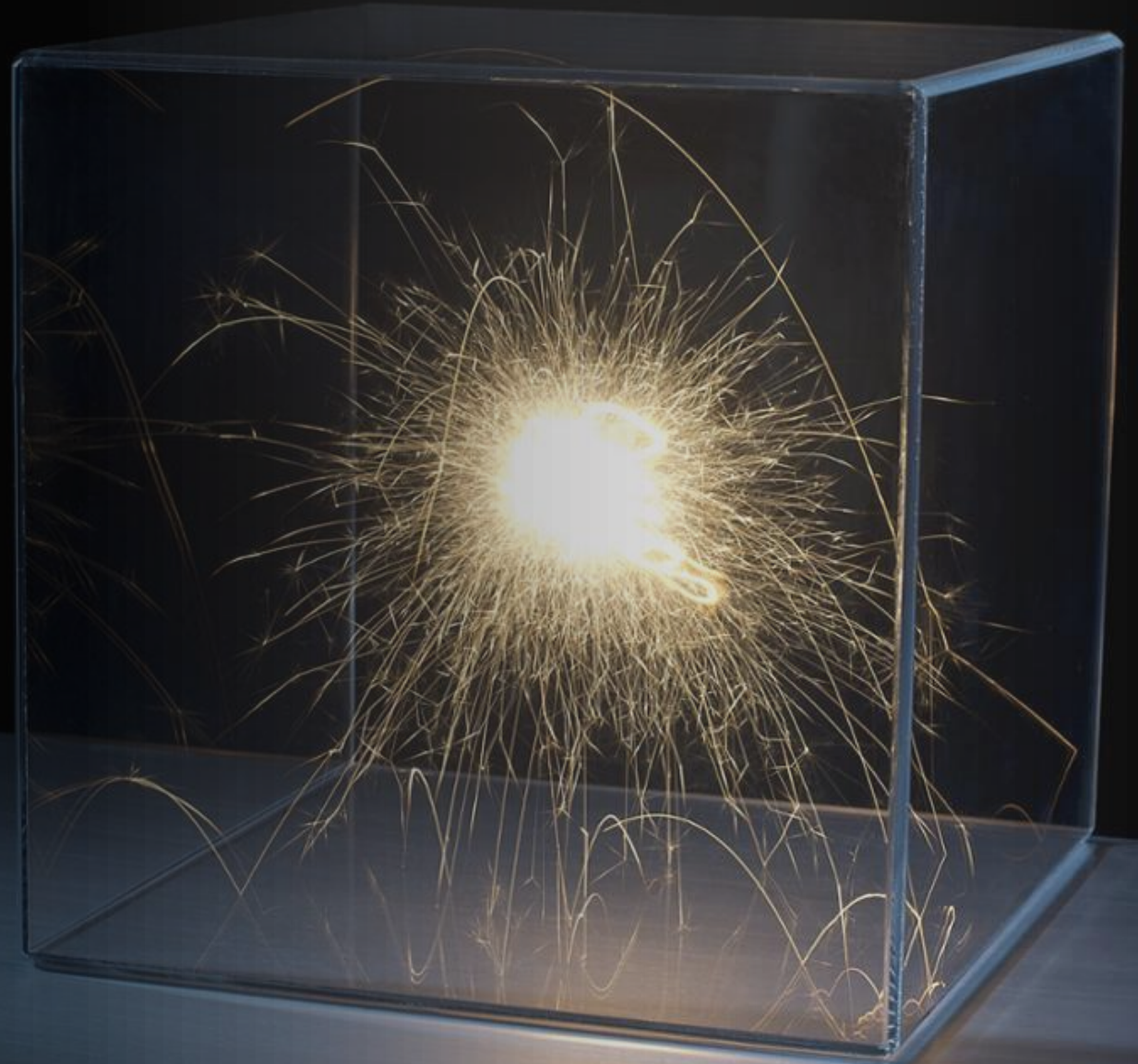


Illustration not exhaustive



FY-24 Performance Highlights



FY-24 Financial and Operational Performance Snapshot

Percentage changes refer to YoY change

SARm 9,007

Revenue
+ 15.1%

Kt 229

Sales Volume
+ 4.8%

% 93%

Utilization Rate

SAR 5,550

Gross Profit Per Ton
+ 26.3%

SARm 1,037

EBITDA
+ 42.4%

SARm 817

Net Profit
+ 58%

SARm 195

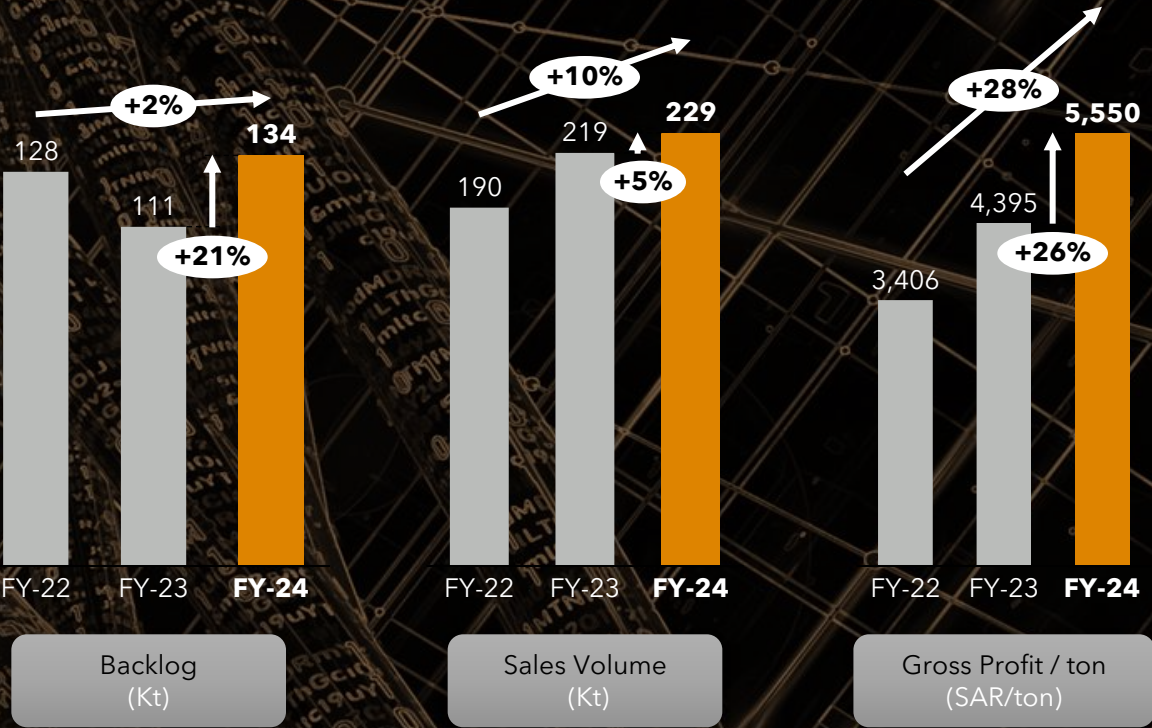
CAPEX (spent)
+ 26%

SARm 680

FCF
- 43%

X 0.13

Net D/E
- 49%



Ton = 1,000 KG



FY-24 Key Performance Drivers

Percentage changes refer to YoY change



Sales Volume

5% increase in sales volume, excellent growth in Export, together with Energy Transition products



Revenue

Good demand-driven revenue increased by 15%. Excellent performance in Domestic market, Export and Turn-Key projects



Gross Profit per tonne

Excellent growth, with an increase of 26% due to better mix, expedited deliveries and operational efficiencies



Net Profit

Increased sharply by 58% backed by stronger operating income driven by good efficiencies and firm control on SG&A



Free Cash Flow

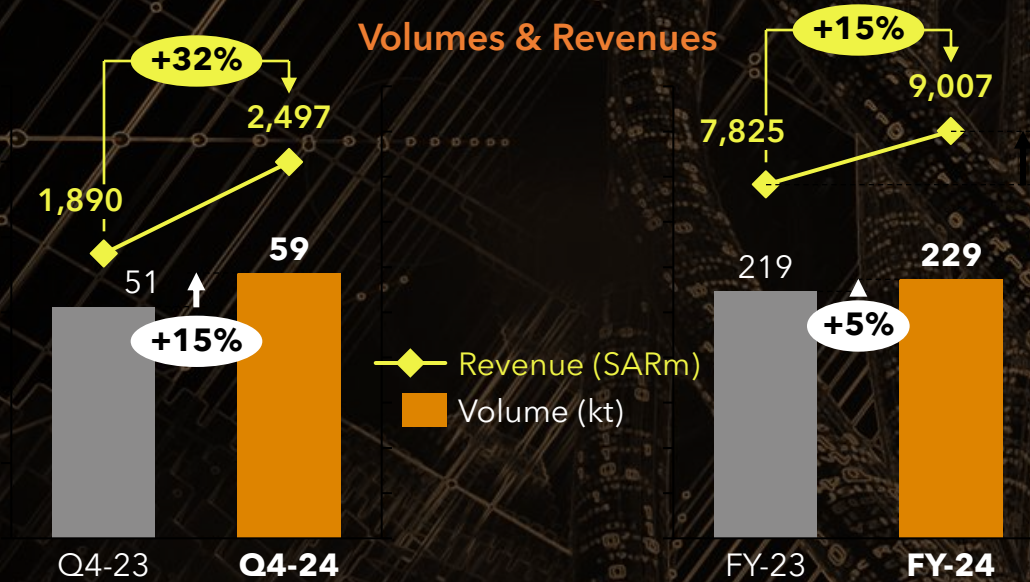
Free Cash Flow SAR 680 million, good control on working capital



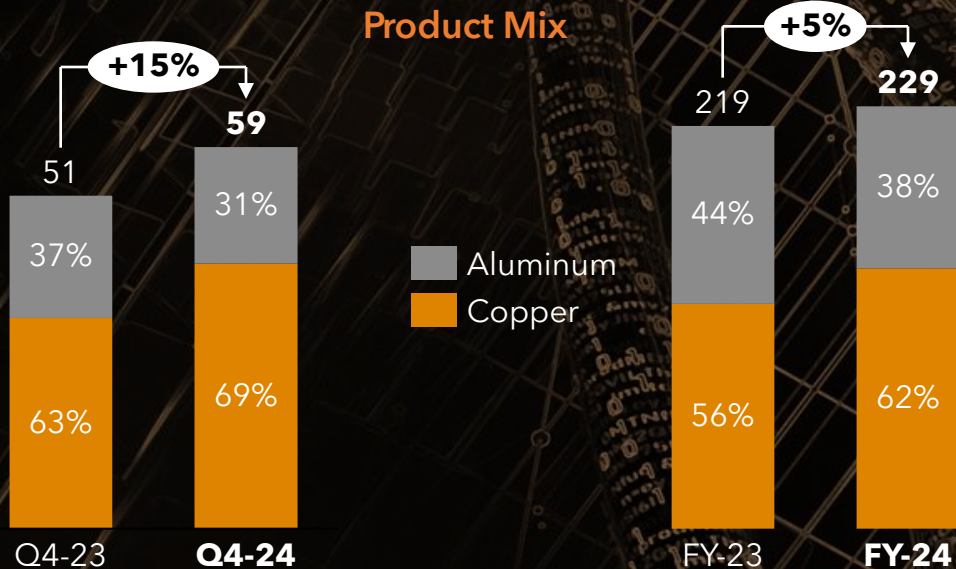
Financial Review



FY-24 Financial and Operational Performance



- Q4-24 Record high revenues above 2.4bnSAR, strong volume increase compared to Q4-23.
- FY-24 Record high revenues characterized by strong Domestic and Export demand, lower volume from local Utilities.
- Overall market continues to be strong, witnessed with excellent backlog of confirmed orders (SAR4.9bn).

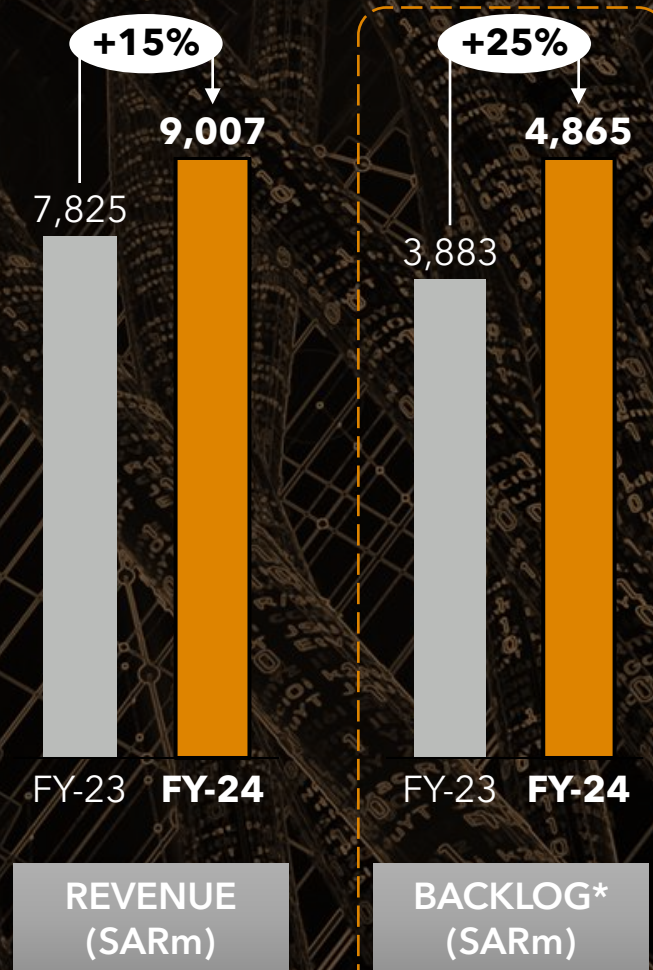


- The share of Aluminum products decreased due to Utilities slowdown.
- We are expecting similar mix in 2025.

Backlog, Revenue, and Capacity utilization

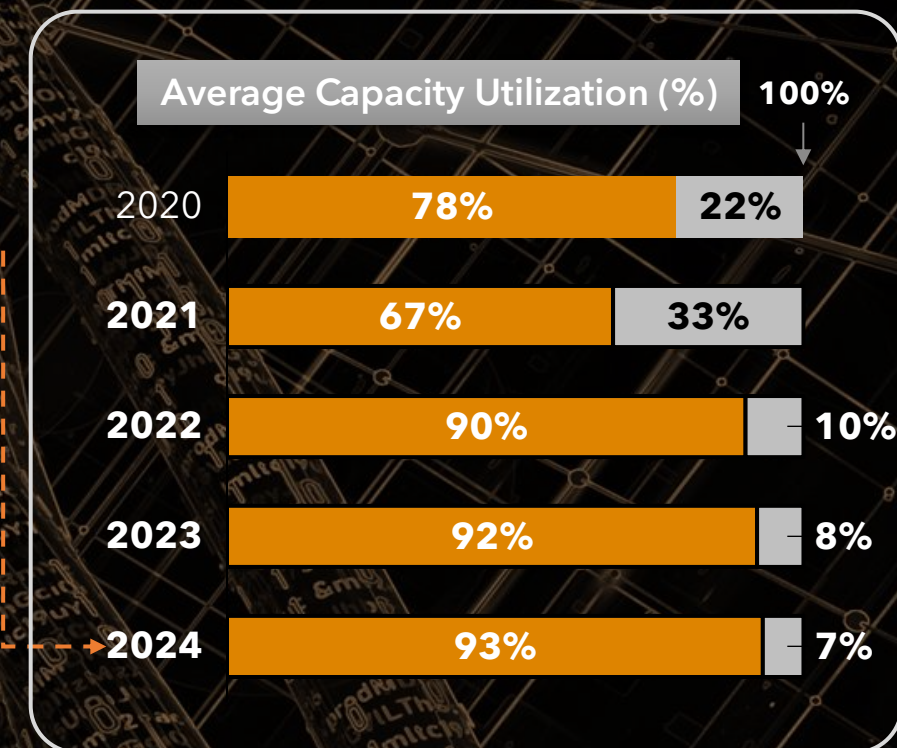
SAR 4.9 billion
Confirmed orders
backlog

- Solid Backlog on the **4.9bn SAR** level.
- Strong Tendering pipeline.
- Customers reserving future capacity, especially Transmission/Export.



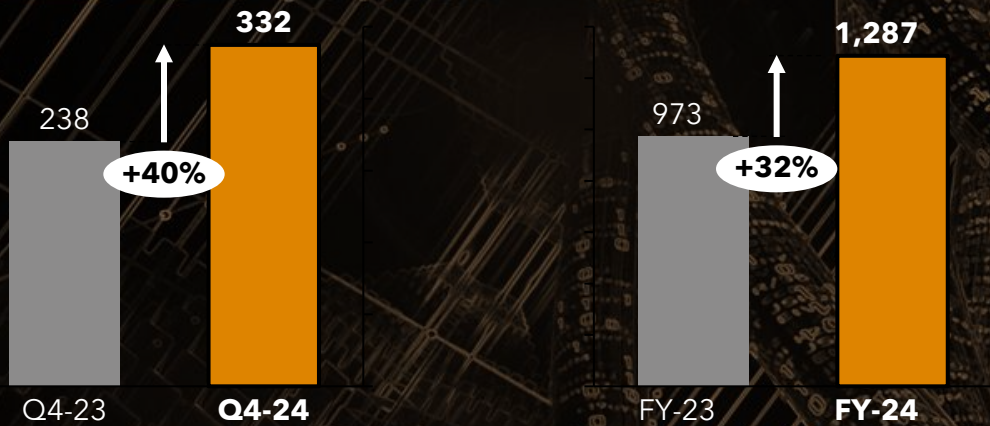
*Confirmed orders

*Strong backlog in FY-24,
utilization rate to 93%*



Gross profit and EBITDA show healthy improvement on better mix and successful variable / fixed cost optimization

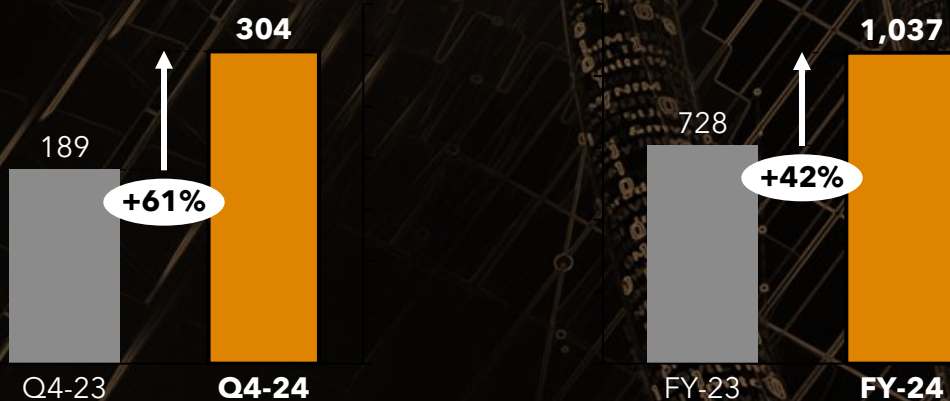
Gross Profit (SARm)



Gross Profit

- Full year gross profit increased by 32% compared to 2023 as a result of improved mix and efficiencies.
- On Quarterly comparison we witnessed strong increase in Gross Profit compared to the same quarter last year.

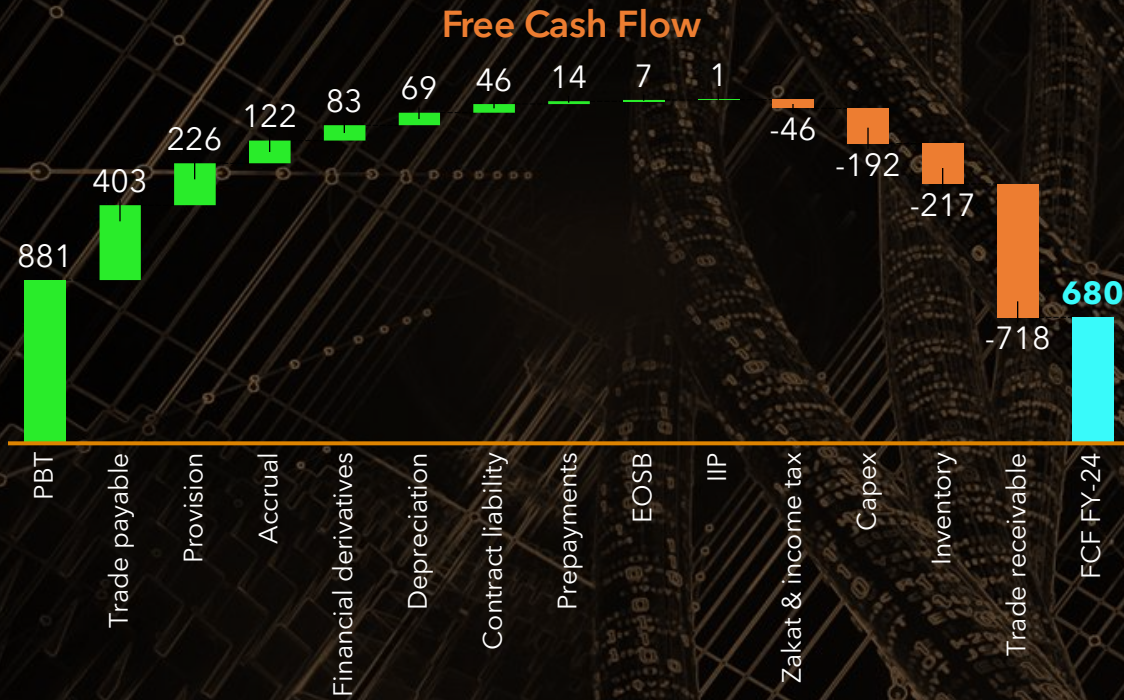
EBITDA (SARm)



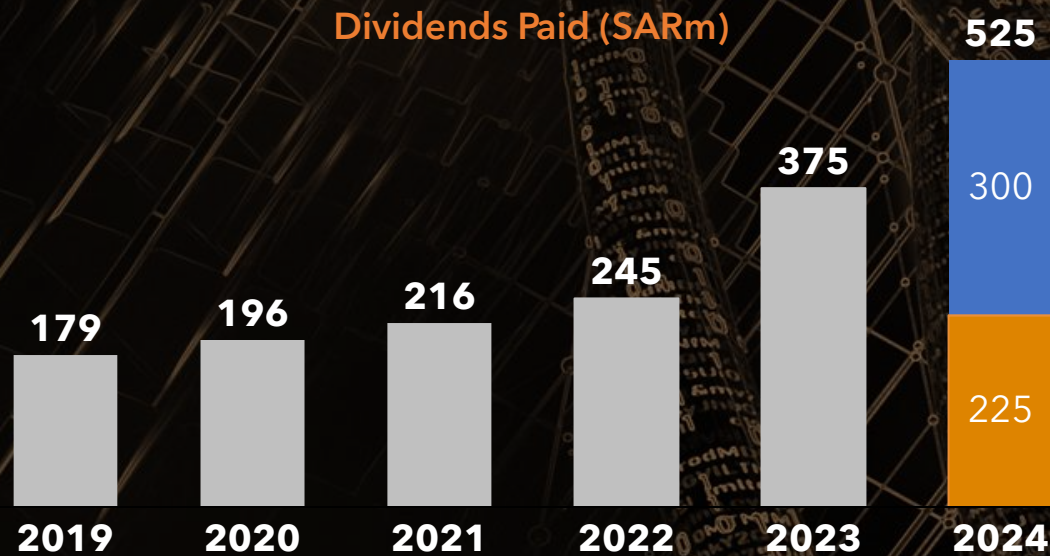
EBITDA

- On YoY basis excellent EBITDA improvement was attributed to strong revenue which grow by 15% over last year, product mix and efficient cost control.

Positive free cash flow generation and consistent dividend payment

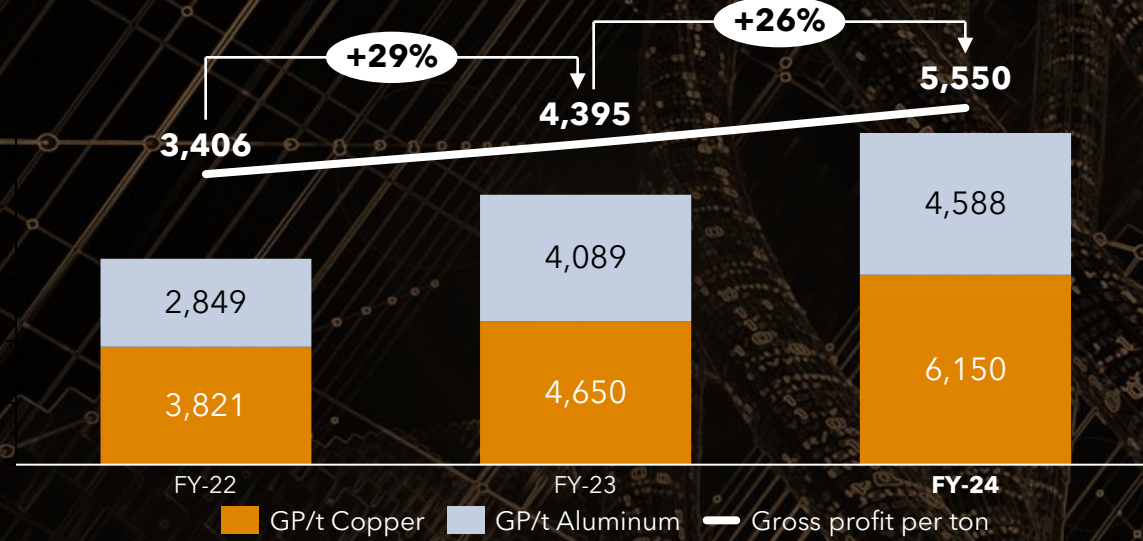


- Despite the increase in Inventory and Receivables the group was able to generate a strong Free Cash Flow of SAR680m mainly through strong profit and supplier credit.
- Overall good Working Capital management.



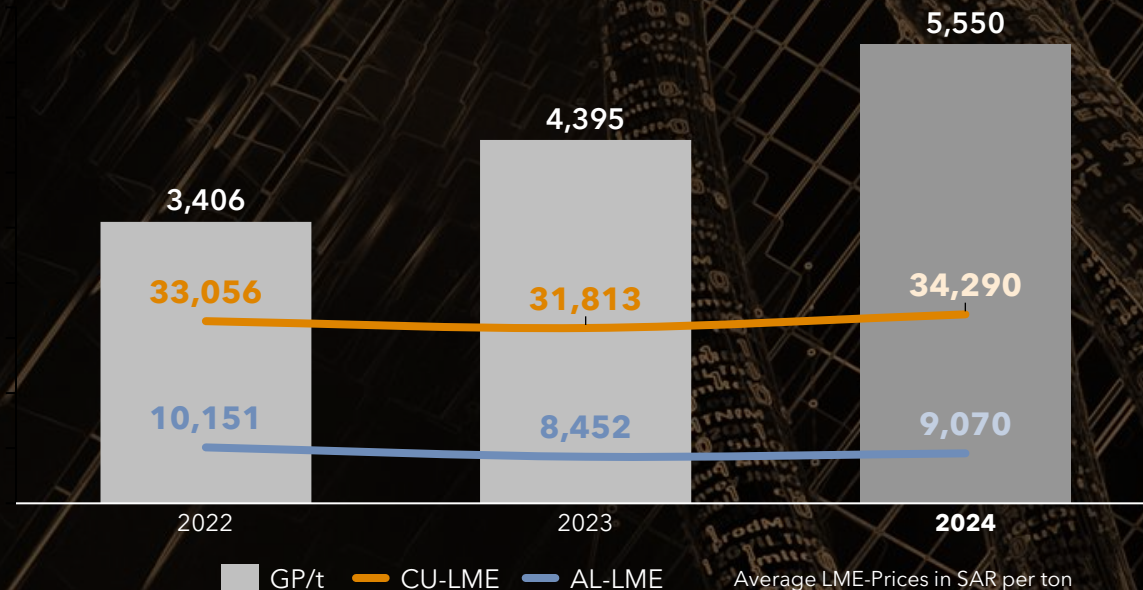
- Consistent dividend payout throughout previous years, with 2024 dividend up by 40% or SR525 over 2023 dividend.
- SR225m interim dividends paid for H1-24.
- Board recommendation to distribute SR300m for H2-24.

Hedging and pricing mechanisms neutralize commodity price fluctuations, granting stability to gross profit per ton



Main drivers:

- Operational Efficiencies due to high Utilization
- Good demand on Transmission products
- Cost efficiencies continuous improvement
- Vertical integration of production processes



Steady profitability despite volatile commodity prices

Commodity price fluctuations have no impact on profitability due to:

- Unique hedging mechanism
- Vigilant order selection
- Pricing strategy



Business Strategy Refresh & Market Update



RCG Strategy: Drive Growth and Performance



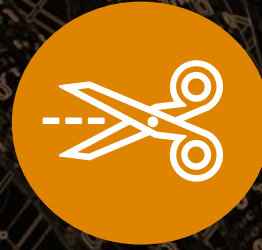
**Deepen And Expand
Geographical Footprint**

Leadership in
each target
market



**Products And
Services Innovation**

Complete cables
solutions



Cost Leadership

Focus on cost
and efficiency



Organisation

People and
processes

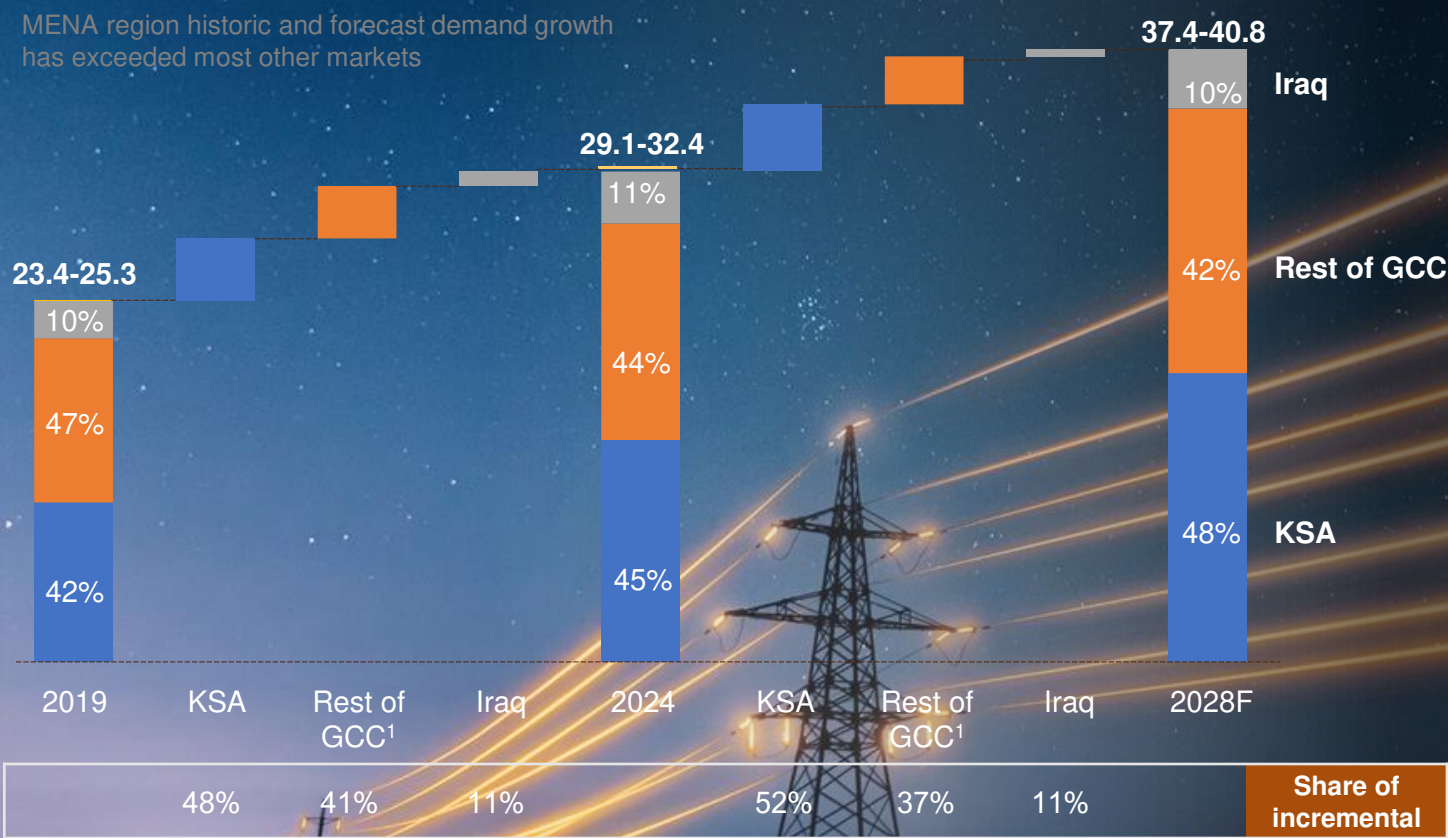


**Environment, Social And
Governance Focus**

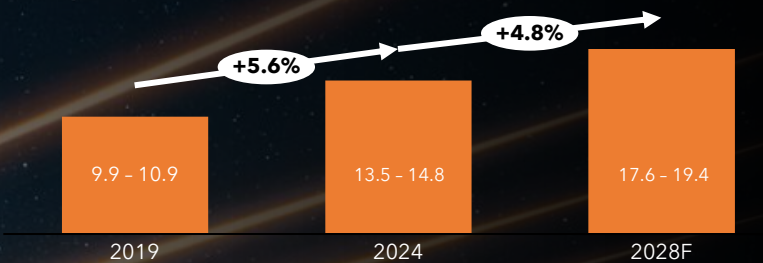
Responsible
corporate culture

Overall Demand in Target Markets Displays Attractive Growth Lead by KSA

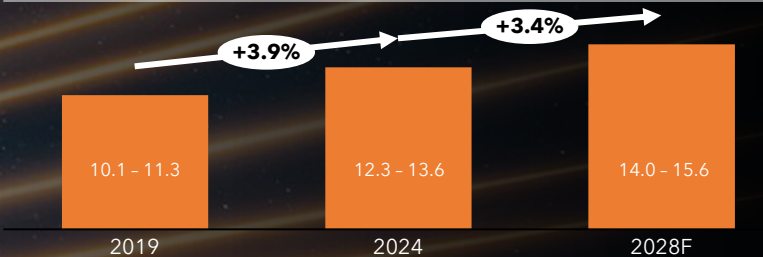
Wires and power cables market size in KSA, rest of GCC¹ and Iraq
2019 - 2028F (in SAR Billion)



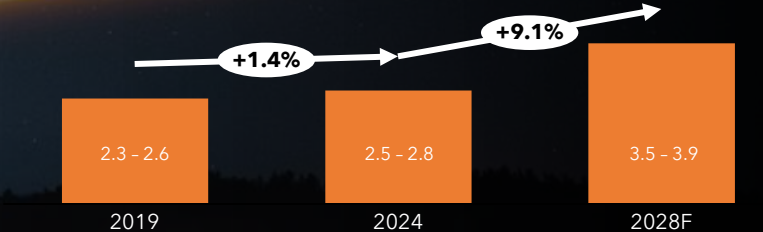
KSA Demand – SAR billion



Rest Of GCC – Demand SAR billion



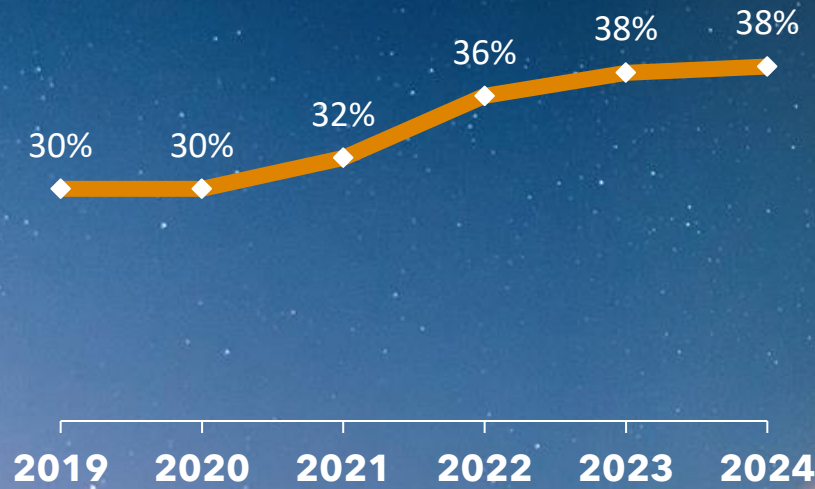
Iraq – Demand SAR billion



1) GCC countries excluding KSA
Source: Arthur D. Little analysis, Frost & Sullivan Analysis, AdaptaCorp, Company Analysis

Clear market leader in the region and amongst the largest global players

KSA Market Share



RCGC Sector Leadership

1

Almost 2X capacity as closest regional competitor

2

Comprehensive product range

3

Technical leadership

4

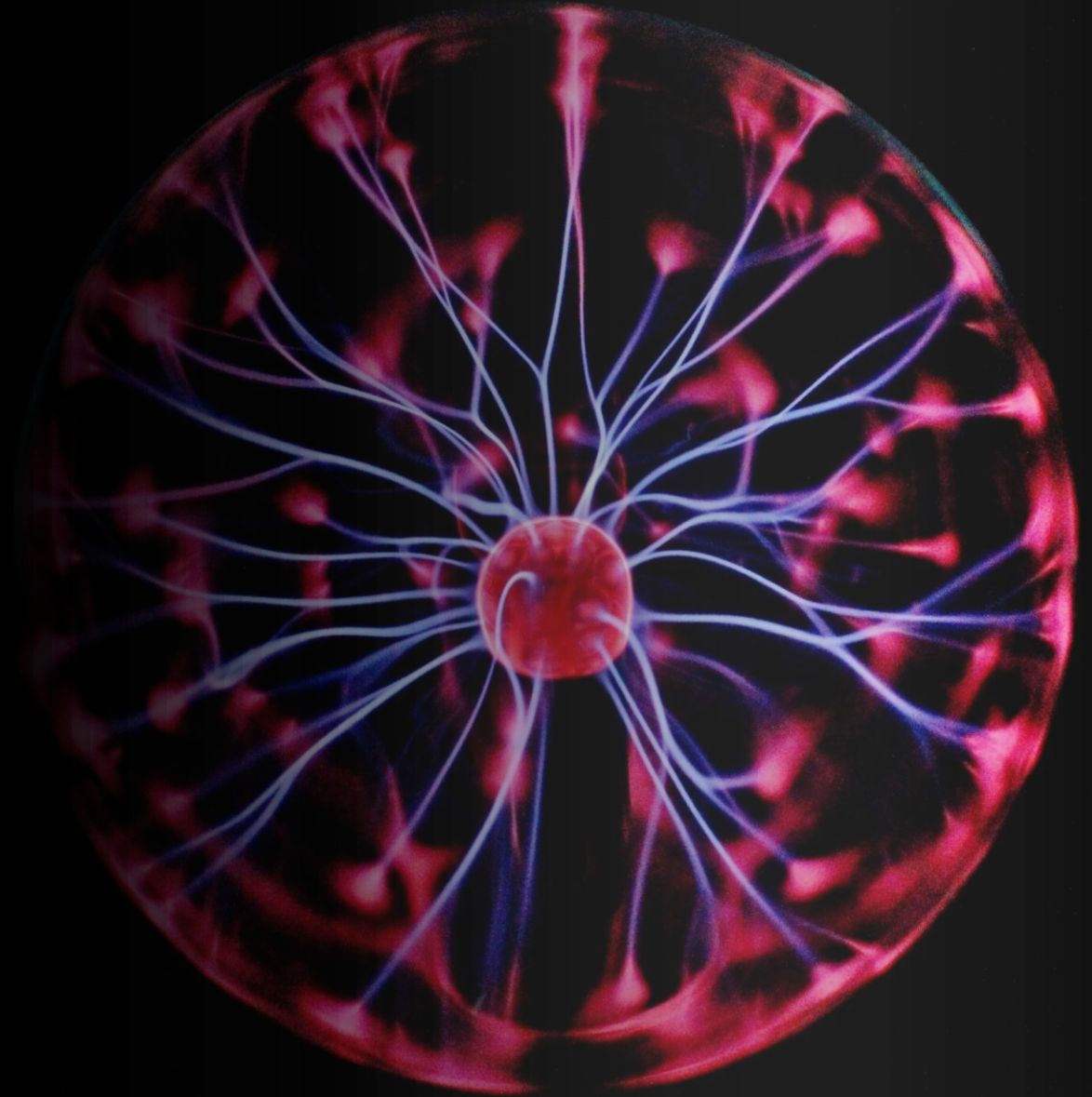
Localisation advantage (high score from local content)

5

Strong financial position



2025 Outlook



2025 Management Outlook

2025 TARGETS & GUIDANCE

Expected CAPEX
SAR ~300 million

Net Profit
8% - 12% increase

DIVIDENDS



Backlog



Macro trends



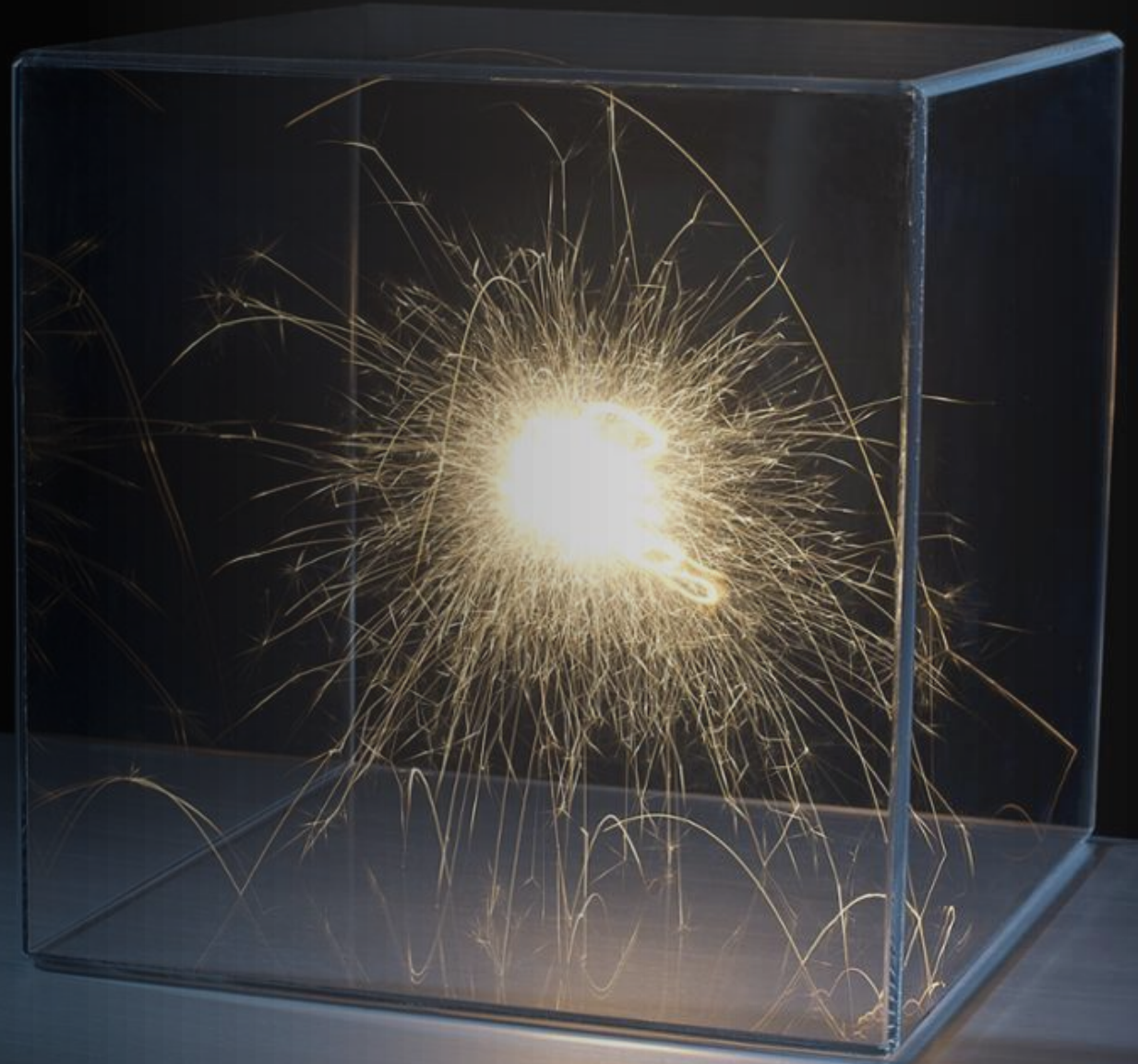
Product portfolio



Capacity

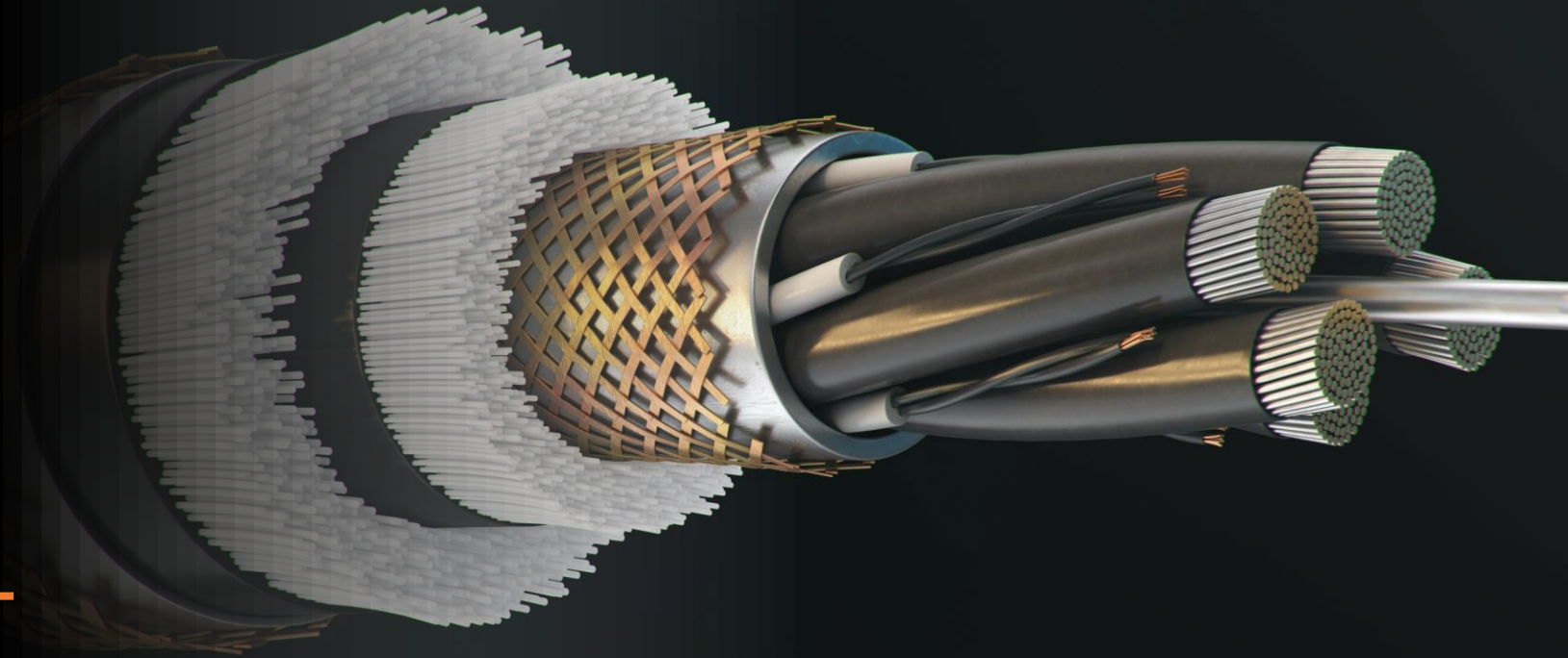
Management outlook reflects expectations that may happen in the future. These expectations are subject to risks, uncertainties and other factors, many of which are not under RCG's control. Actual results may differ materially from the what is expressed or implied in this section. RCG undertakes no obligation to revise any forward-looking statement to reflect changes to its expectations or any change in circumstances, events, strategy or plans.

Q & A



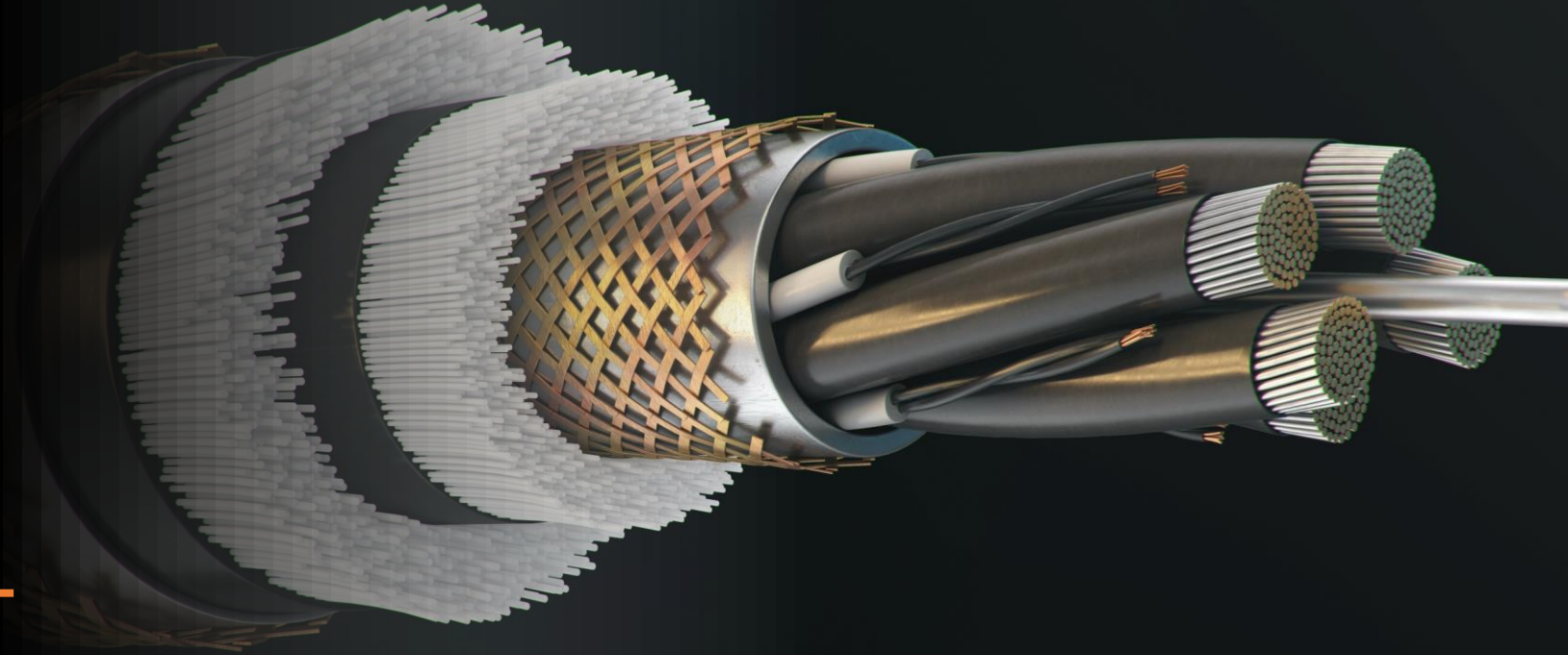


Thank you





Appendix



Summarized income statement (SARm)



	FY-23	FY-24	Var.	Var. %
Revenue*	7.825	9.007	1.182,0	15,1%
Direct costs*	-6.853	-7.721	-868,2	12,7%
Gross profit	973	1.287	313,8	32,3%
Operating expenses	-325	-318	7,1	-2,2%
Operating profit	648	968	320,8	49,5%
Finance charges	-89	-88	1,3	-1,5%
Other income / expenses & Zakat	-40	-64	-23,8	59,3%
Group net income	518	817	298,4	57,5%
Minority interest	-0,28	0,19	0,5	-169,1%
Net income - reported	519	817	297,9	57,4%

Condensed balance sheet (SARm)



	FY-23	FY-24
Fixed Assets	1,281	1,403
Investments	48	58
Other Long Term Assets	13	17
Current Assets	3,489	4,334
Total Assets	4,831	5,812
Borrowings	722	433
Long Term Liabilities	135	139
Current Liabilities (excl. borrowings)	1,728	2,616
Total Liabilities	2,585	3,188
Equity	2,246	2,624
Total Equity & Liabilities	4,831	5,812

Condensed cash flow statement (SARm)



	FY-23	FY-24	Var.	Var. %
Operating cash flow before working capital	850	1,360	511	60.1%
Net working capital movement	513	-450	-963	-187.6%
Cash generated from operating activities	1,363	911	-452	-33.2%
Finance charges, Zakat & income tax, EOSB	-21	-39	-18	84.1%
Net cash flow from operating activities	1,342	872	-470	-35.0%
Investment in short term deposits	-156	-192	-36	23.2%
Net cash used in financing activities	-1,143	-739	404	-35.3%
Net decrease in cash and bank balances	43	-59	-102	-238.3%
Cash at the beginning of the period	107	150	43	40.1%
Cash at the end of the period	150	91	-59	-39.6%



Riyadh Cables Group