

الكثيري القابضة

AI KATHIRI HOLDING COMPANY

Al Kathiri Holding company Earnings Presentation FY 2022

Disclaimer



Al Kathiri Holding Company has prepared this presentation to the best of its abilities. The information contained in this document may contain certain forward-looking statements and should be regarded as good faith estimates. Actual results may differ materially from those in the forward-looking statements due to future events, uncertainties, and other risks. To the extent permitted by applicable laws and regulations in the Kingdom of Saudi Arabia, neither Al Kathiri nor any of its affiliates, their directors, officers, and employees will be liable or have any responsibility of any kind for any loss or damage that may be incurred as a result of using the information contained in this document.

About Us



From the vision of the homeland, we have made great strides towards a future that emulates the Kingdom's Vision 2030

Al Kathiri Holding is a joint-stock company that works in the raw material sector and is specialized in managing its subsidiaries and investing its funds to provide the necessary support for these companies, owning industrial property rights such as patents, trademarks, industrial rights, franchises, and other intangible rights, and exploiting and leasing them to companies. affiliate or other, Its subsidiaries operate in the basic materials sector through cement transportation and supply, ready-mix concrete industry, modern construction solutions, real estate development, and general construction.

Our Vision

To become the leading company in the Kingdom of Saudi Arabia in the field of supplying building materials with innovative solutions, and to contribute to supplying the Saudi market with high-quality products for a sustainable future.



Our Mission

Building mutual trust between the company and its customers to achieve a sustainable society.
Developing the workforce to provide innovative products and solutions.
Paying attention to global standards, quality and satisfaction of producers and consumers.
Striving to leave make a difference on the success and development of society, and to reflect this on the company's clients.
To be the leader in providing future construction solutions and technologies in all aspects and to grow the company by providing what is required to serve customers.



Our Strategy

Constant pursuit of a position that places it among the leading companies in the Kingdom of Saudi Arabia.
strengthen the relationship with current customers by meeting their requests and maintaining the highest quality standards through the constant endeavor to develop products.
Increasing the production capacities of the company's products as well as adding new products.



Our objectives

The building is our future, growth is our motto, and achieving the 2030 vision is our goal.
We look beyond the year 2030 with an ambitious plan that covers not only our country but our neighboring countries as well.
Gaining appropriate investment returns that allow the company to grow and expand its current activities and add new activities.

Overview on Al Kathiri Holding Company



About Al Kathiri Holding Co.

Al Kathiri Holding is a company based in Riyadh city specialized in managing its subsidiaries and investing its funds to provide the necessary support for these companies.

Al Kathiri Holding Company started its activity in 2008 in the sale and transportation of cement and white pebble. Later, the Company expanded its activity to include the production of ready-mix concrete and Emmedue panels

The company currently owns and operates the following subsidiaries:



Msandh Alemdad Company

(LLC), is involved in the trading and transportation activities of cement and building materials in addition to construction and real estate development;



Alian Industry Company

(CJSC) is specialized in the fields of manufacturing and production of ready-mix concrete in addition to modular panels of treated polystyrene combined with a steel mesh used for all types of buildings and projects.

A Well Position Organization

The Company's Offering of Modular Building solutions and other Building Materials Solutions, positions it to be a reliable partner for all types of real estate projects.



Operational Resources



+300 Employees

Workforce of over 300 employees that includes managers, engineers, factory workers, etc.



**+700,000 sqm
Ready-mix Concrete**

Production facility in Malham province that designs and produces innovative types of concrete mixtures and other concrete products



**+1,100,000 sqm
Emmedue Panels**

Production facility in Sudair city that produces various shapes of self-supporting panels used to assemble various parts of building structures.

Deep Operational Capabilities

With its manufacturing facilities, operations and logistical support, Al Kathiri Holding serves a wide range of customers in their various real estate projects.



Certifications and Licenses



بلدي
balady



Solid mix of Certifications and License

The Company was able to secure requisite certifications and licenses to enable it to play a bigger role in the real estate construction and development activities.



Market Analysis



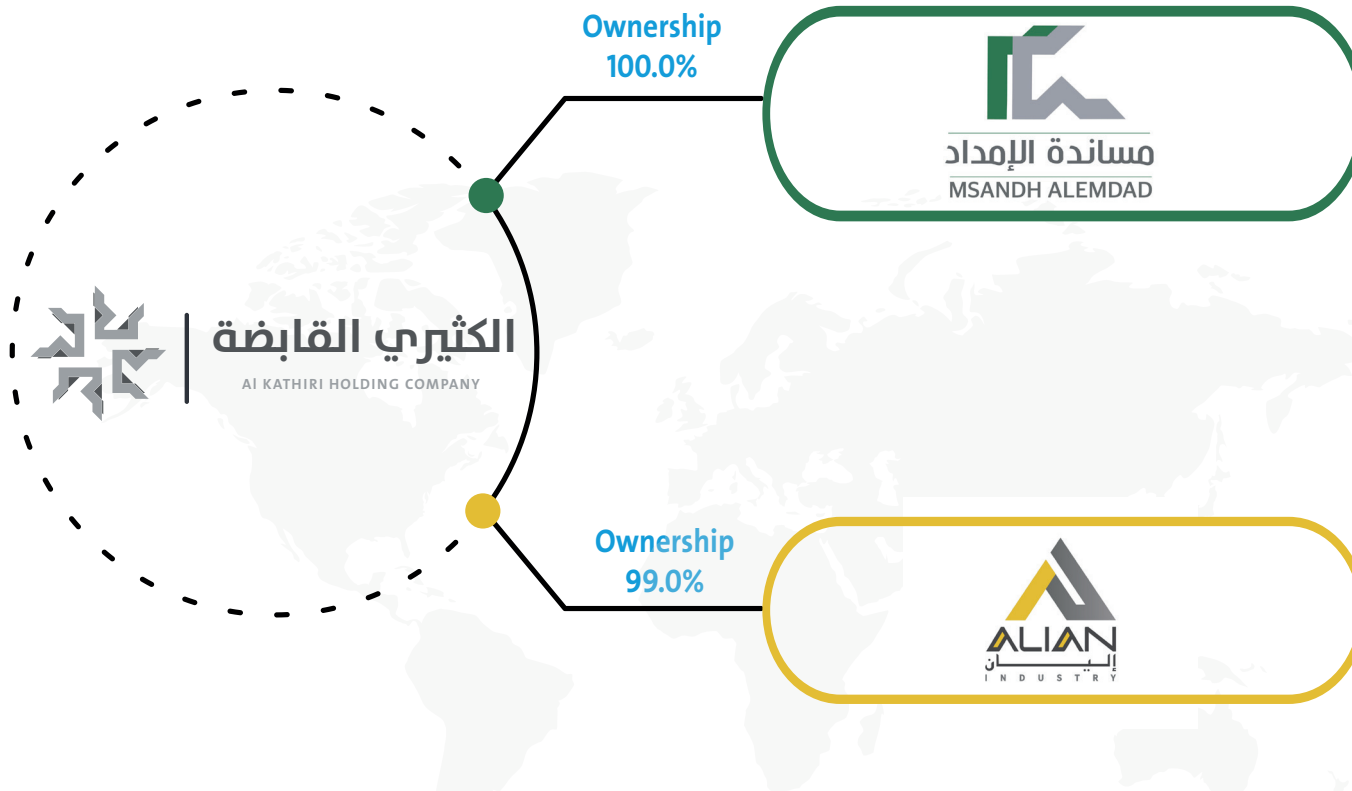
Market Conditions:

- 1- The global modular construction market size is projected to grow from USD 85.4 billion in 2020 to USD 107.9 billion by 2025, at a Compound Annual Growth Rate (CAGR) of 5.7%.
- 2- Rising construction activities in the Kingdom of Saudi Arabia and increasing inclination towards sustainable construction methods are increasing the reliance on modern construction techniques, subsequently creating growth opportunities for modular construction

Favourable Market Conditions

The Company offers high quality modular panels and other building solution which will enable it to penetrate the market through different projects across different segments of real estate projects

Al Kathiri Holding Company manages two subsidiaries



Company name	Alian Industry Company	MSANDH Alemdad Company
Establishment date	2018	2018
Legal form	Closed Joint Stock Company	Limited Liability Company
Location	Riyadh, Saudi Arabia	Riyadh, Saudi Arabia
Main activity	Production and Manufacturing Concrete and New Building Technology Solutions	Trading and logistical services related to Building Materials in addition to real estate development and construction

Al Kathiri Holding caters to the real estate market through its subsidiaries



مساندة الإمداد
MSANDH ALEMDAD

Building Materials

1

Trading of Building Materials

Long history and solid track record in the Trading of basic Building Materials, with specialization in:

- Cement
- Sand
- White Pebble

2

Transportation services of basic building materials across the Kingdom of Saudi Arabia, with specialization in the transportation of cement, sand and pebble
The Company owns and operates a fleet of **26 Trucks** to provide it logistics services

3

Real Estate Development and Construction

- * Providing highly efficient and competitive quality through the implementation of **modern construction techniques**.
- * The company has **WAFI** license and is ranked **second degree classification** for the construction classification of residential buildings

4

Ready-mix Concrete

- * Production and sale of high-quality and innovative types of **Concrete Mixtures** that contain the most recent and high-efficient cement materials such as silica fume, slag and fine sprayed sand
- * Production and sale of **Reinforced Concrete**

Total Production Capacity
936,000 m³

5

Modular Building Panels

Manufacturing and production of producing **3D Modular Concrete Panels** that are based on expanded polystyrene that are modular, not prefabricated and enclosed by a double-galvanized steel mesh joined by connectors used for a **Standardized Building Process**.

Total Production Capacity
1,150,000 Sqm



Building Technologies

Corporate Credit Rating



SIMAH RATING وكالة سمة

BBB-

Outlook Stable

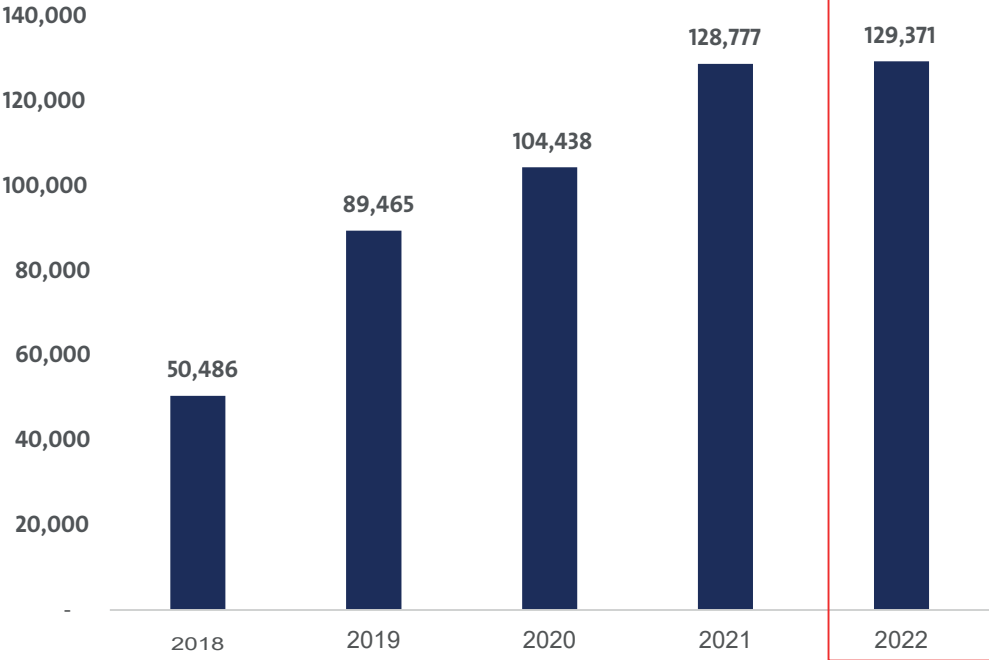
Tassnief has assigned a long-term entity rating of “BBB-” and short-term entity rating of “T-4” to Al Kathiri Holding. The outlook on the rating is “Stable”. Long term rating of ‘BBB-’ denotes adequate creditworthiness and average credit risk relative to other issuers or obligations in the Kingdom of Saudi Arabia. The short-term rating of T-4 indicates the moderate capacity for timely payment of financial commitments relative to other issuers or obligations.

Key Financial Highlights

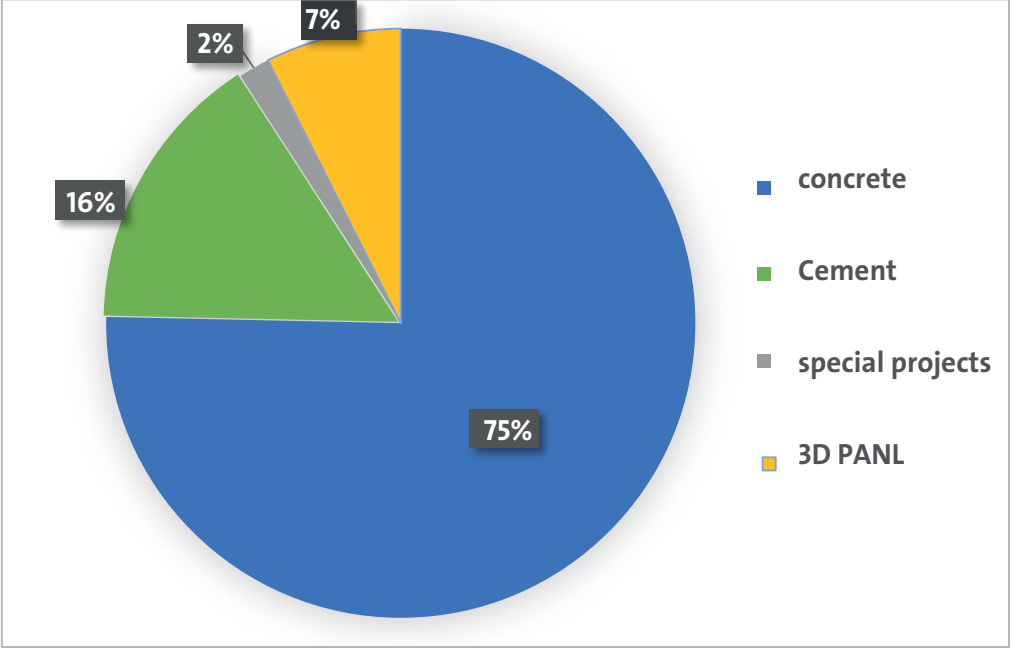
In SAR '000 unless otherwise indicated	2018 A	2019 A	2020 A	2021 A	2022 A
Total Sales Growth %	50,376 n.a	89,466 77.6%	104,439 16.7%	128,777 23.3%	129,371 0.5%
EBITDA EBITDA Margin %	14,625 29.0%	23,075 25.8%	15,864 15.2%	19,691 15.3%	17,902 13.8%
Net Income Net Profit Margin %	9,304 9,304	16,016 17.9%	9,546 9.1%	8,587 6.7%	1,515 1.2%
Total Assets ROA%	92,539 10.1%	110,284 14.5%	166,479 5.7%	181,216 4.7%	201,890 0.8%
Total Liabilities Total Liabilities / Total Assets%	37,358 40.4%	39,087 35.4%	40,979 24.6%	47,281 26.1%	66,440 32.9%
Total Debt Total Debt / Total Equity	24,691 n.a	14,612 20.5%	29,683 23.7%	31,695 23.7%	37,306 27.5%
Net Debt Net Debt/EBITDA	23,817 1.63	9,789 0.42	6,832 0.43	22,011 1.12	34,586 1.93
Total Equity ROE %	55,181 16.9%	71,197 22.5%	125,500 7.6%	133,935 6.4%	135,450 1.1%

Concrete Sales and building materials are the Company's main revenue drivers contributing 91% of Total Revenue in 2022.

**Total Revenue (In SAR' 000)
2018A – 2022A**

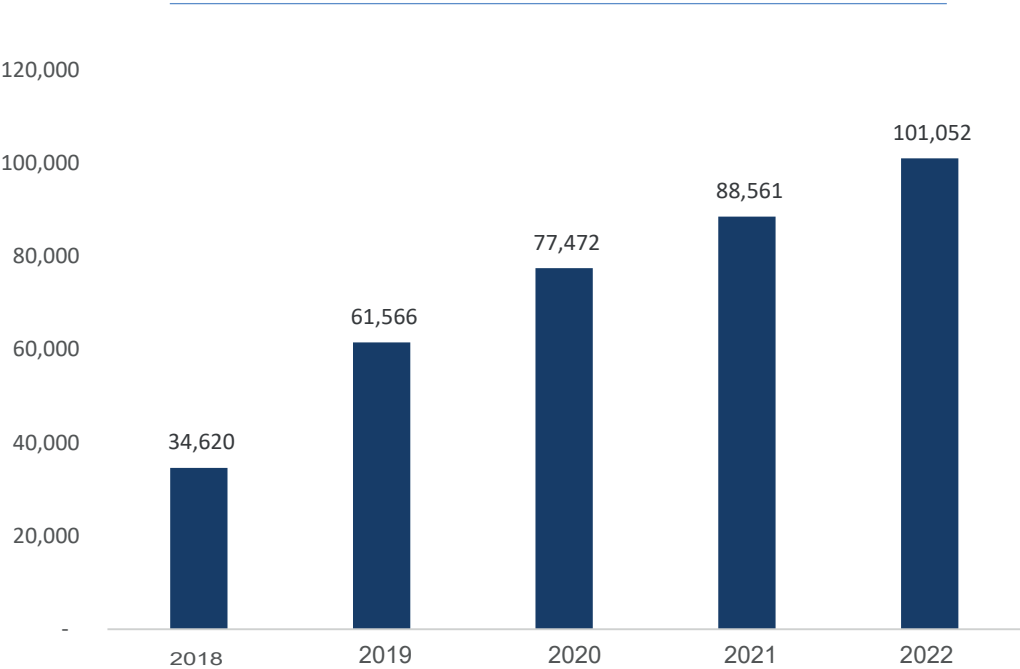


**Breakdown of Revenue
2022 A**

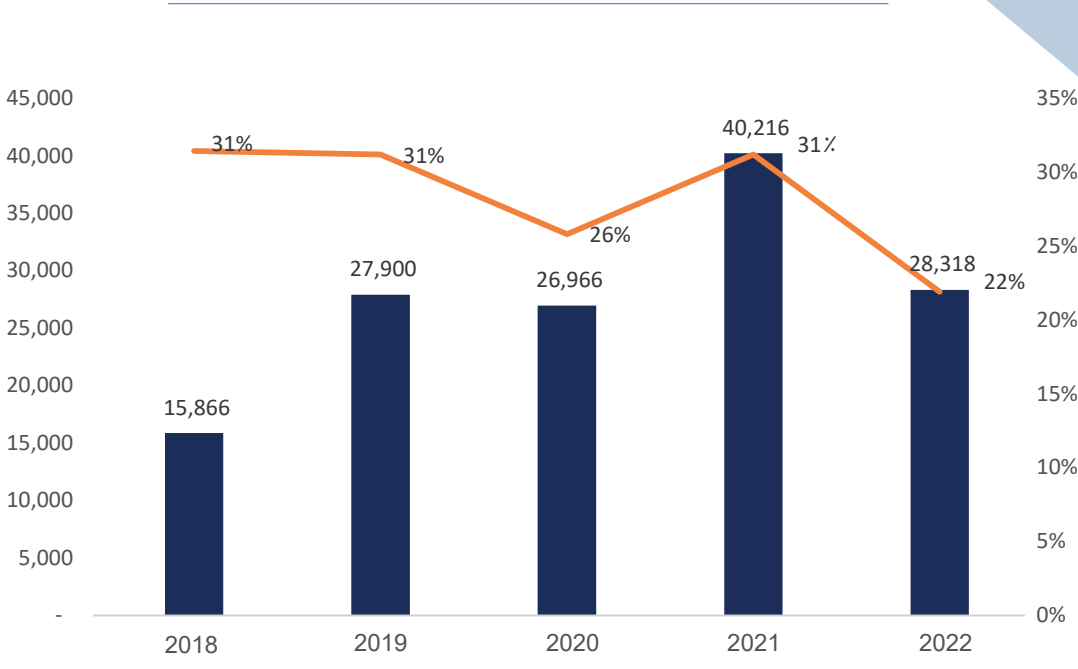


The Company has been successful in sustaining healthy levels of Profit Margins between 2019 – 2022

Cost of Sales (In SAR '000)
2018A – 2022A

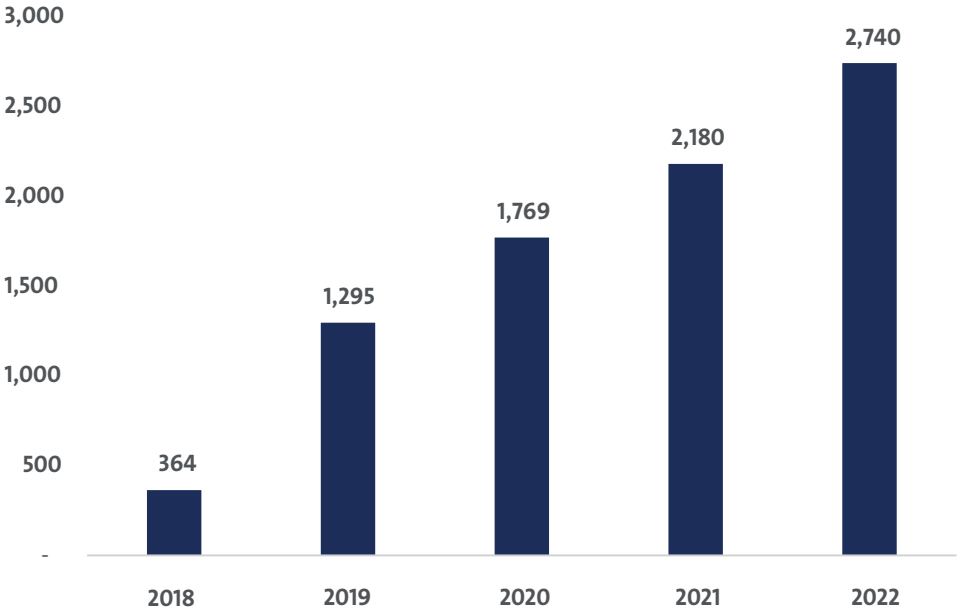


Gross Profit (In SAR '000)
2019A – 2022A

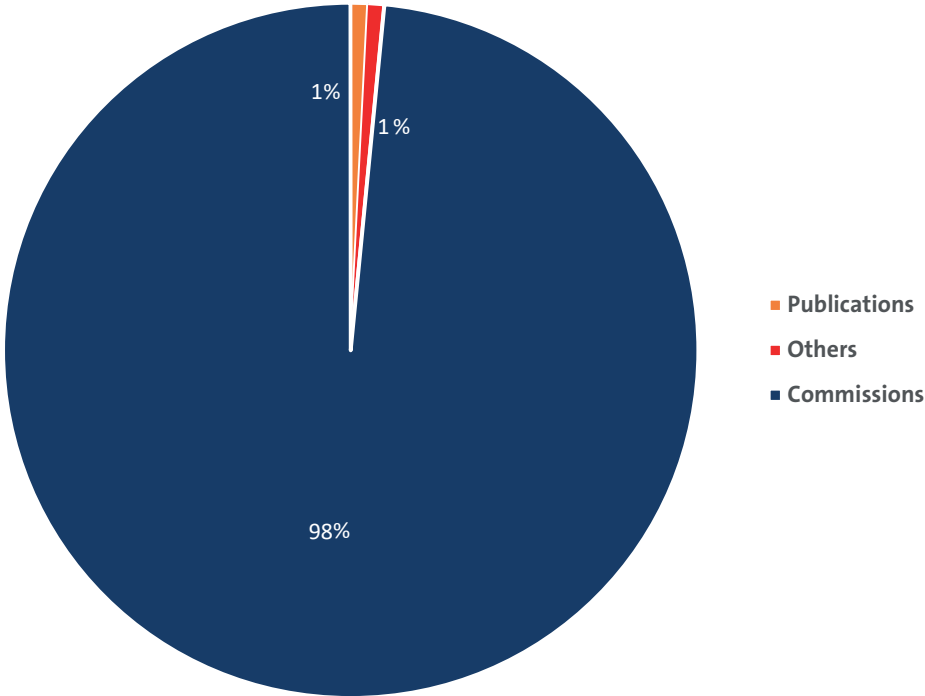


Commissions expenses contributed 98% of the Company's Selling and Marketing Expenses during 2022

S&M Expenses (In SAR '000)
2018A – 2022A

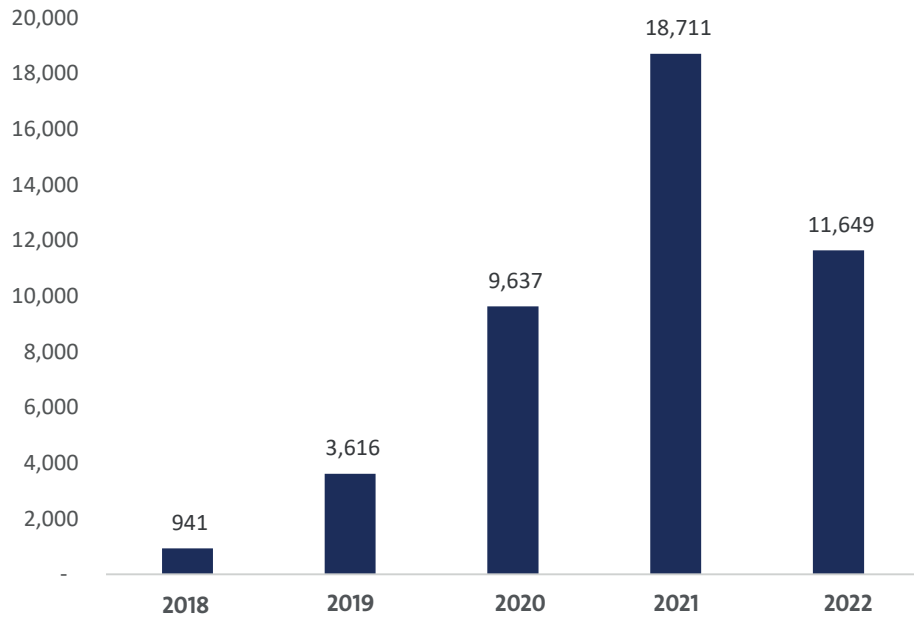


S&M Expenses %
2022A

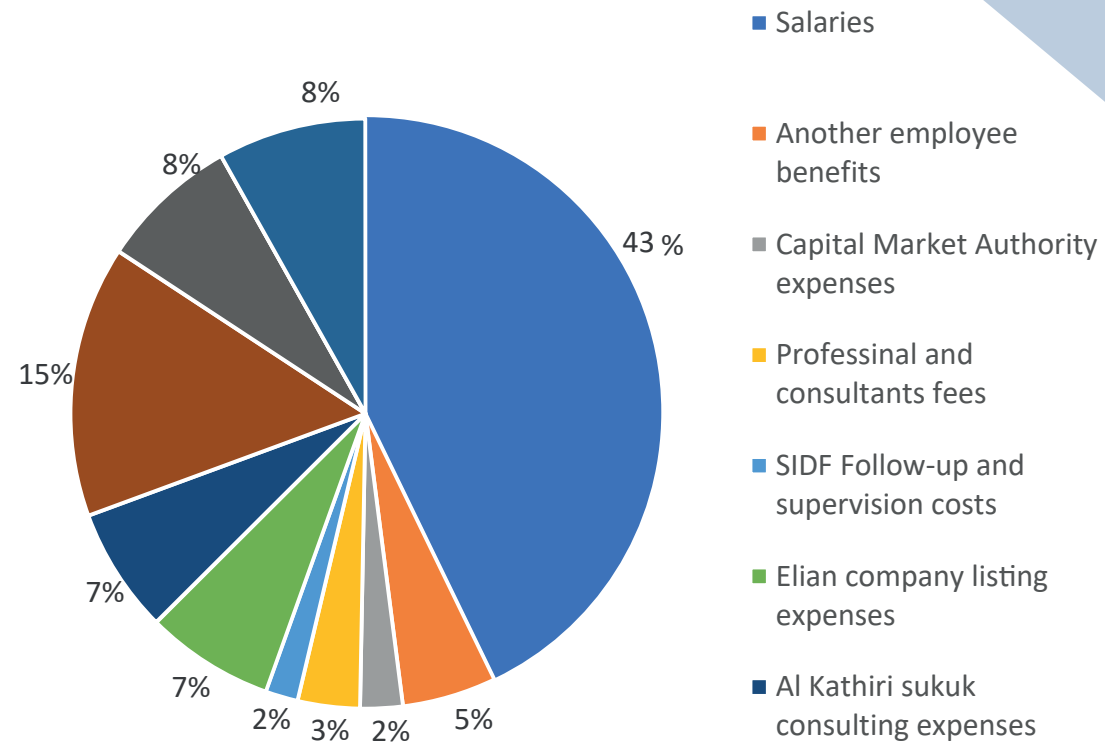


Salaries constitute 43% of the total administrative expenses during the year 2022 AD.

G&A Expenses (In SAR '000)
2018A – 2022A

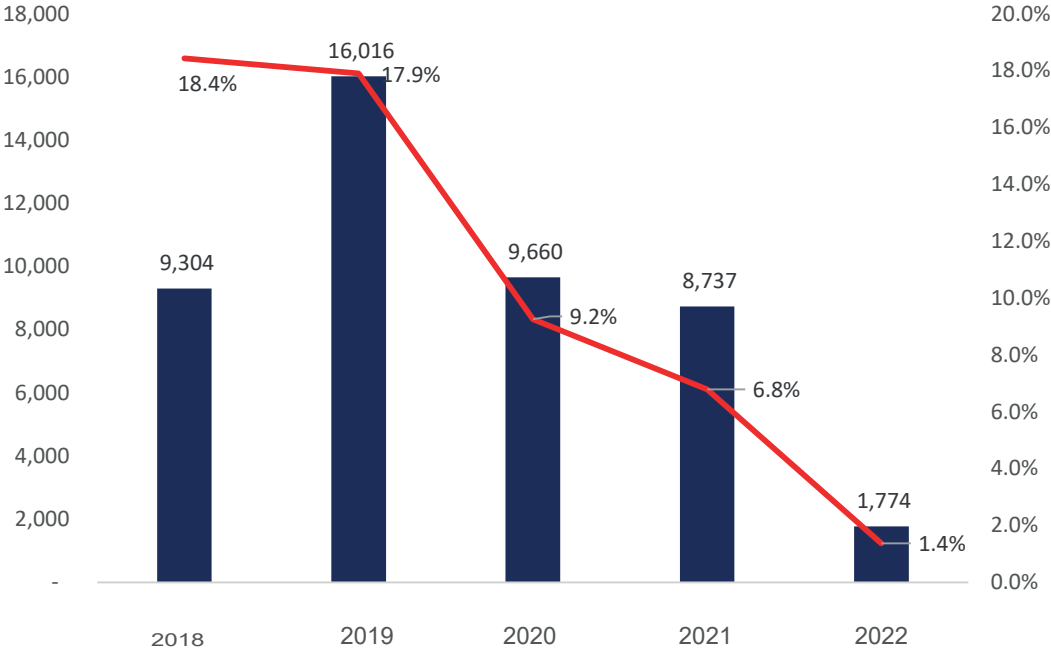


G&A Expenses %
2022A

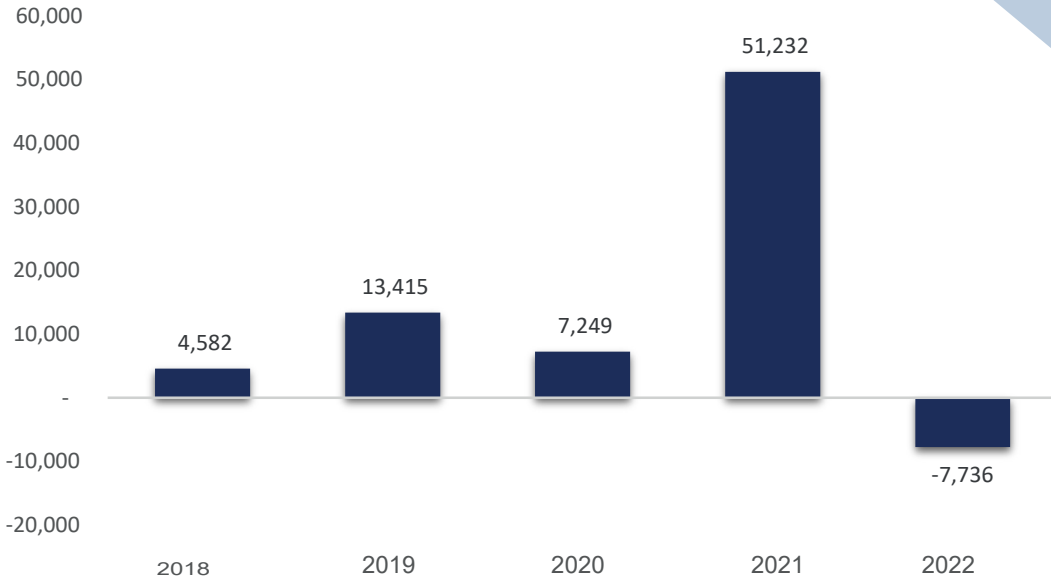


The Company's profitability was pressured as a result of the increased expenses during the period between 2019 and 2022 .

Net Income (In SAR '000)
2018A – 2022A

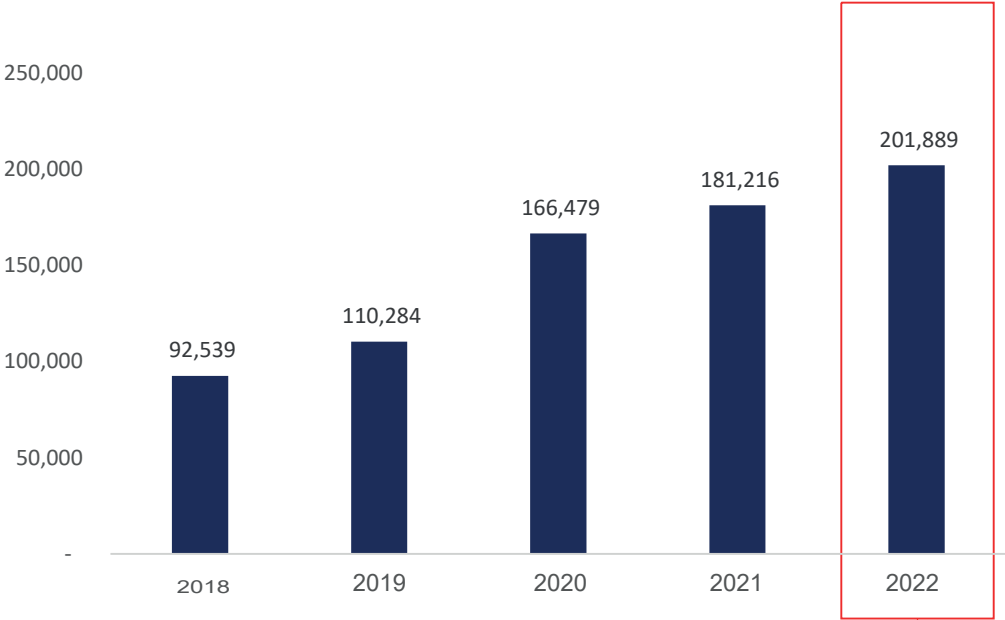


CFO (In SAR '000)
2018A – 2022A

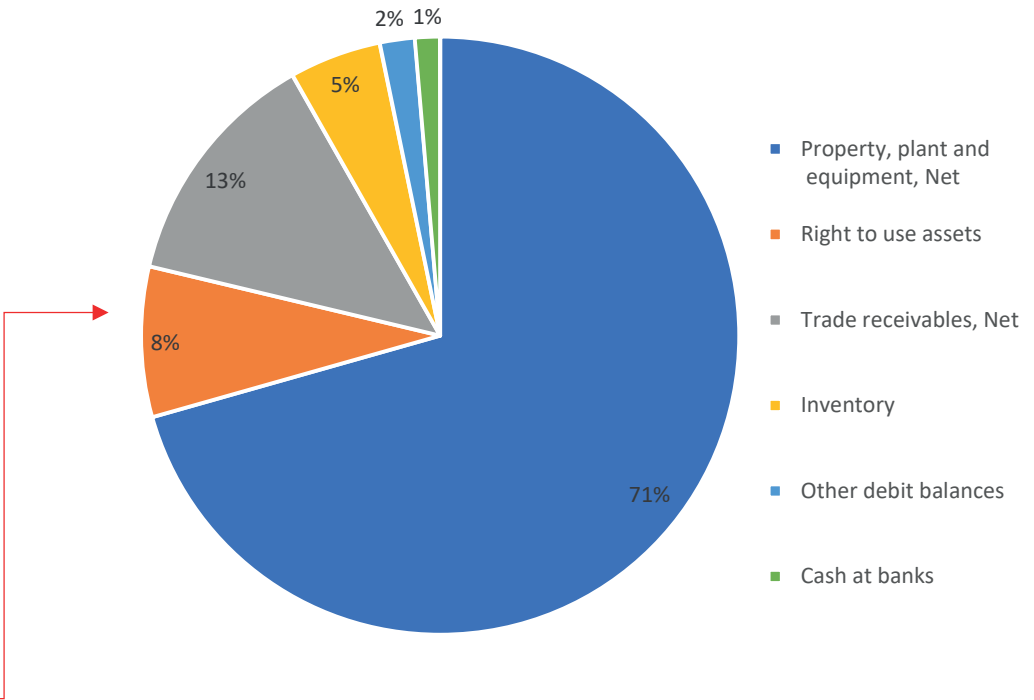


Total Assets

Total Assets (In SAR '000)
2018A – 2022A

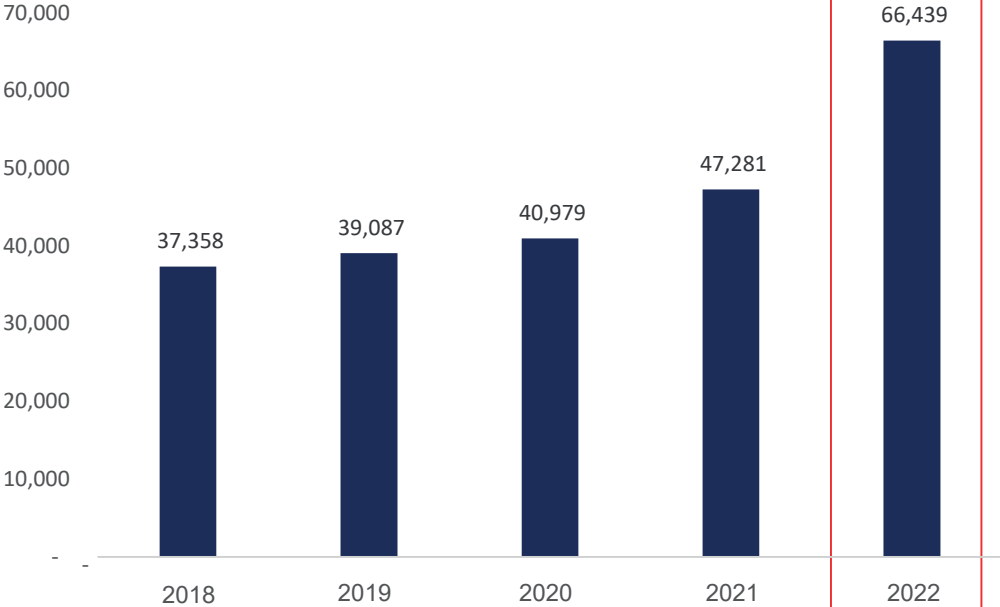


Total Assets %
2022A

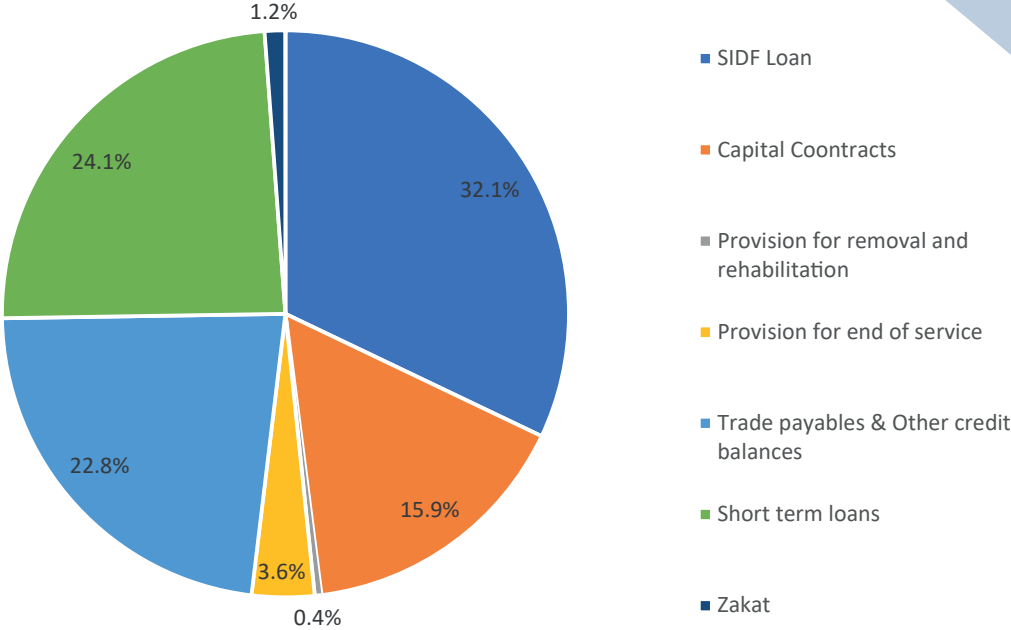


Total Liabilities

Total Liabilities (In SAR '000)
2018A – 2022A

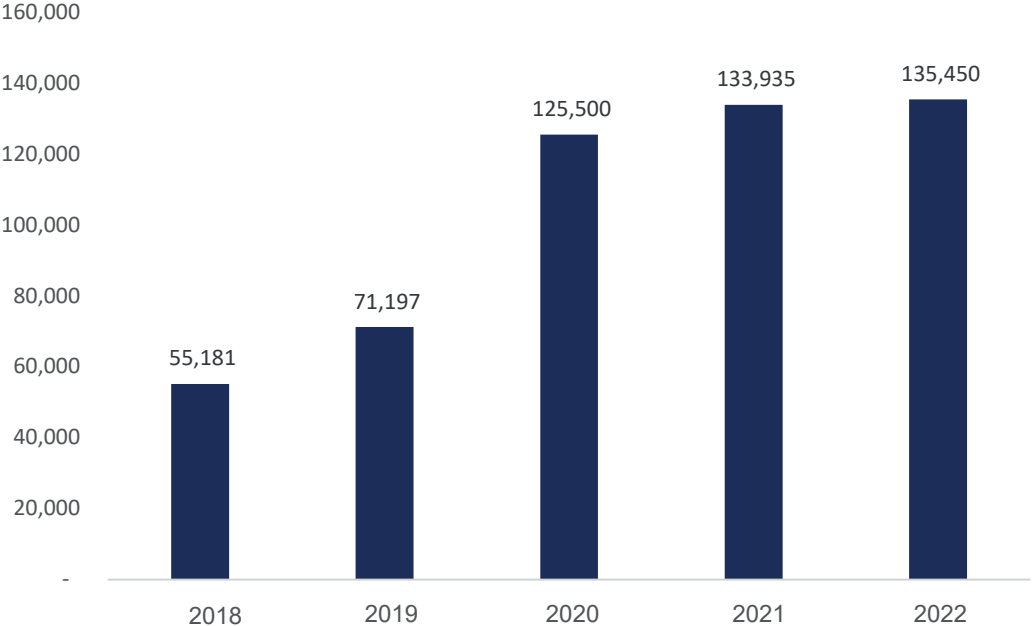


Total Liabilities %
2022A

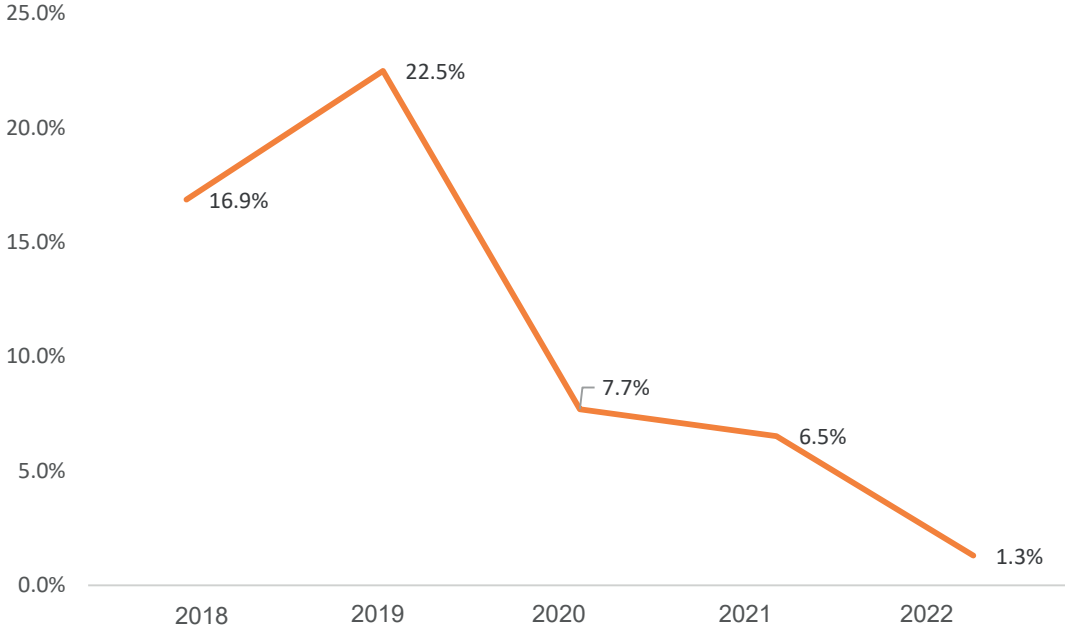


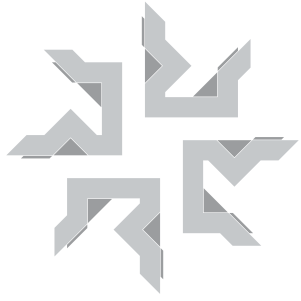
The Increase in the Company's Shareholders Equity was mainly driven by (i) Capital Increases, and (ii) Retained Earnings

Shareholders' Equity (In SAR '000)
2018A – 2022A



Return on Equity: ROE (%)
2018A – 2022A





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Q&A

Thank You

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