

Arabian Cement company

1H2024 Investor Presentation



1H2024 Highlights



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Financial Highlights

Financial KPI	Unit	2Q2024	2Q2023	Y-o-Y Variance	1H2024	1H2023	Y-o-Y Variance
Local Revenues	MM EGP	801	830	-4%	1,802	1,792	1%
Export Revenues	MM EGP	1,173	621	89%	2,080	1,346	55%
Total Revenues	MM EGP	1,973	1,451	36%	3,882	3,138	24%
Rev/Ton	EGP	1,600	1,310	22%	1,479	1,315	12%
Cash Cost	MM EGP	1,570	1,187	32%	2,889	2,353	23%
Cash Cost/Ton	EGP	1,273	1,072	19%	1,101	986	12%
Cash Gross Profit	MM EGP	403	264	53%	993	785	26%
Cash Gross Profit Margin	PCT	20%	18%	2%	26%	25%	1%
Other Income	MM EGP	5	3	99%	7	7	0%
EBITDA	MM EGP	324	208	55%	845	845	0%
EBITDA/Ton	EGP	263	188	40%	322	354	-9%
EBITDA Margin	PCT	16%	14%	2%	22%	27%	-5%
COGS/Sales	PCT	80%	82%	-2%	74%	75%	-1%
SG&A	MM EGP	85	58	47%	155	108	44%
SG&A/Sales	PCT	4.3%	4.0%	0%	4.0%	3.4%	1%
FX Loss	MM EGP	-23	-1	2539%	-267	-105	154%
Depreciation & Amortization	MM EGP	61	59	3%	121	118	3%
Net Profit	MM EGP	189	98	94%	340	341	0%
Net Profit Margin	PCT	10%	7%	3%	9%	11%	-2%

Performance Highlights

ACC Sales volumes	Unit	2Q2024	2Q2023	Variance %	1H2024	1H2023	Variance %
Local Sales Volume	K Tons	536.1	596.6	-10%	1,187.6	1,266.0	-6%
Cement Exports Volume	K Tons	106.1	26.0	308%	126.6	99.7	27%
Clinker Export volume	K Tons	591.2	485.0	22%	1,310.5	1,020.9	28%
ACC Total Volumes	K Tons	1,233.4	1,107.6	11%	2,624.7	2,386.5	10%
Total Export	K Tons	697.3	511.0	36%	1,437.1	1,120.6	28%

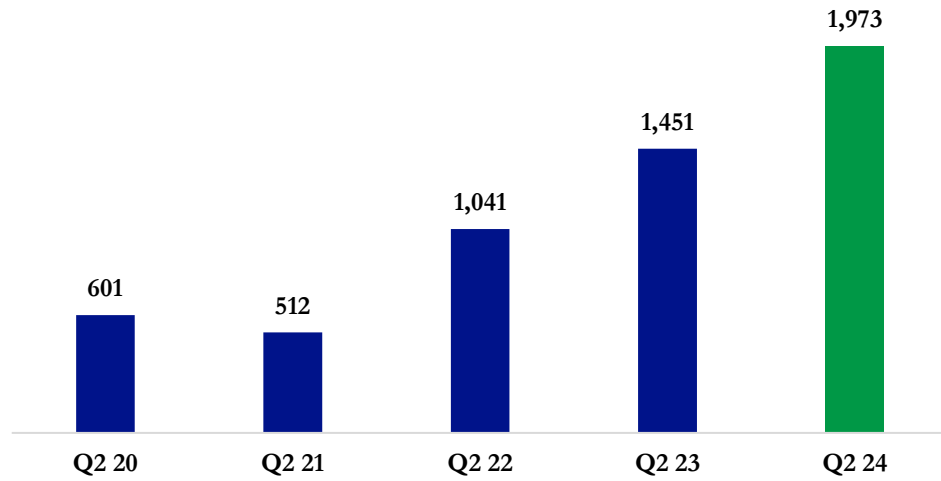
ACC Production Indicators	Unit	2Q2024	2Q2023	Variance %	1H2024	1H2023	Variance %
Clinker Production	K Tons	953.7	983.0	-3%	1,840.9	1,845.3	0%
Clinker Utilization Rate	PCT	91%	94%	-3%	88%	88%	0%

Market Overview	Unit	2Q2024	2Q2023	Variance %	1H2024	1H2023	Variance %
Cement Domestic Sales	K Tons	10,520.3	10,337.4	2%	22,168.4	22,403.0	-1%
Clinker Export Sales	K Tons	3,691.2	3,228.2	14%	6,383.3	6,211.2	3%
Cement Export Sales	K Tons	1,524.0	743.5	105%	2,449.3	1,534.6	60%
Total Export Sales	K Tons	5,215.2	3,971.6	31%	8,832.6	7,745.8	14%

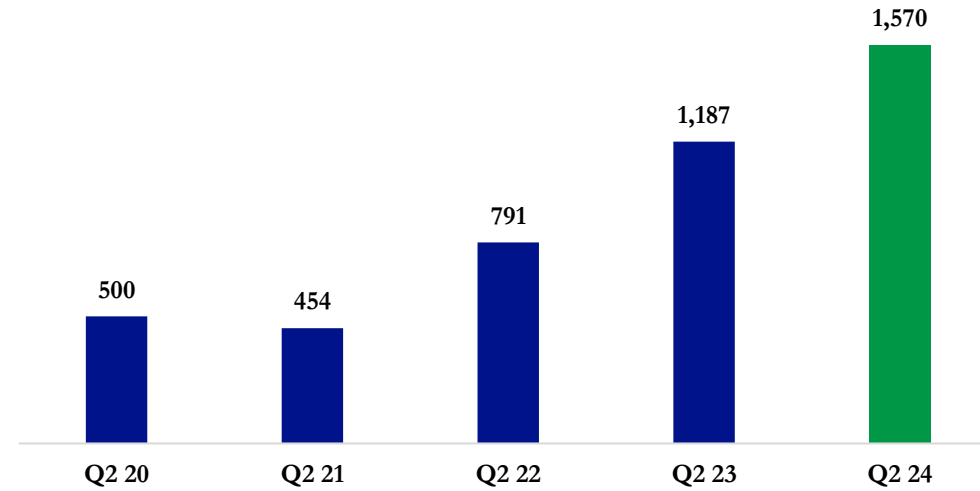
2Q2024 Highlights

Main KPIs

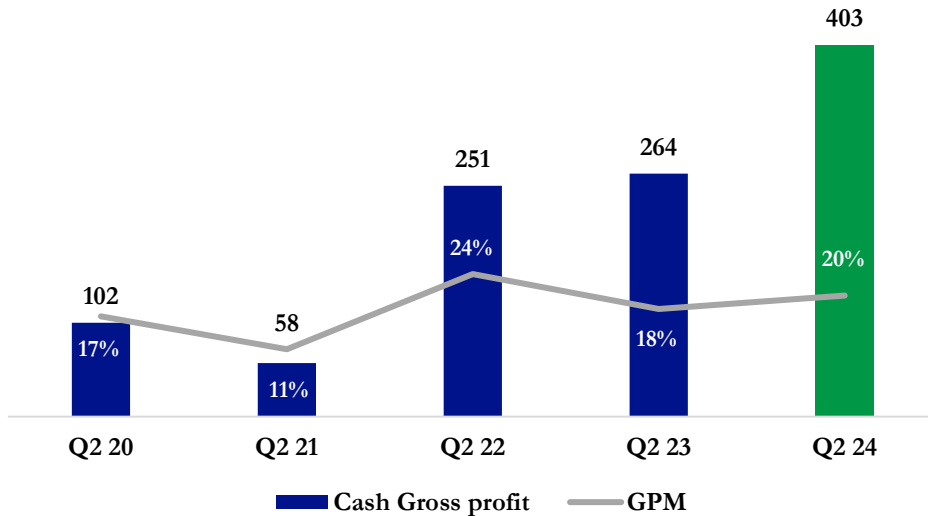
Revenue (MM EGP)



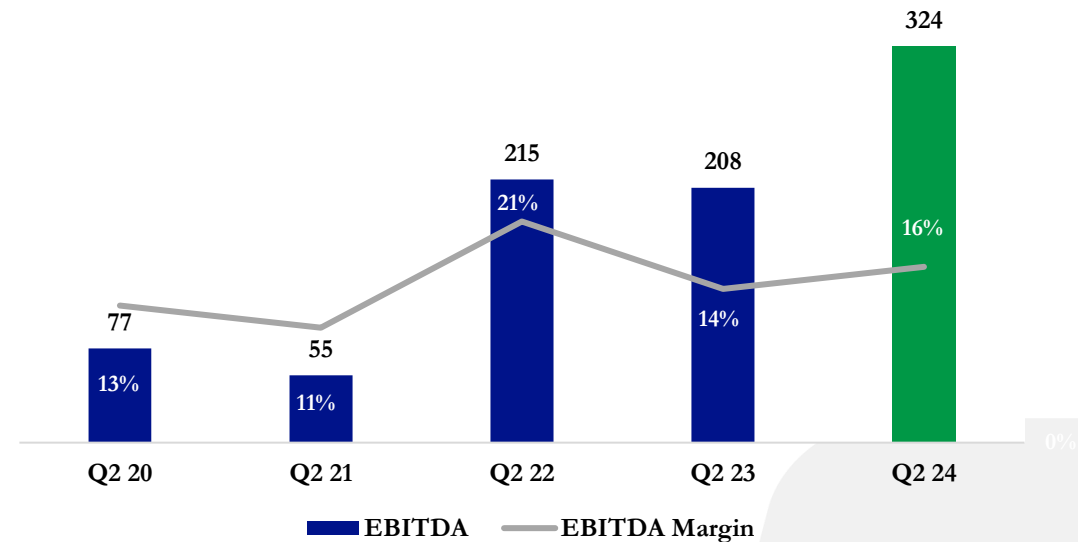
Cash Cost (MM EGP)



Cash Gross Profit (MM EGP)



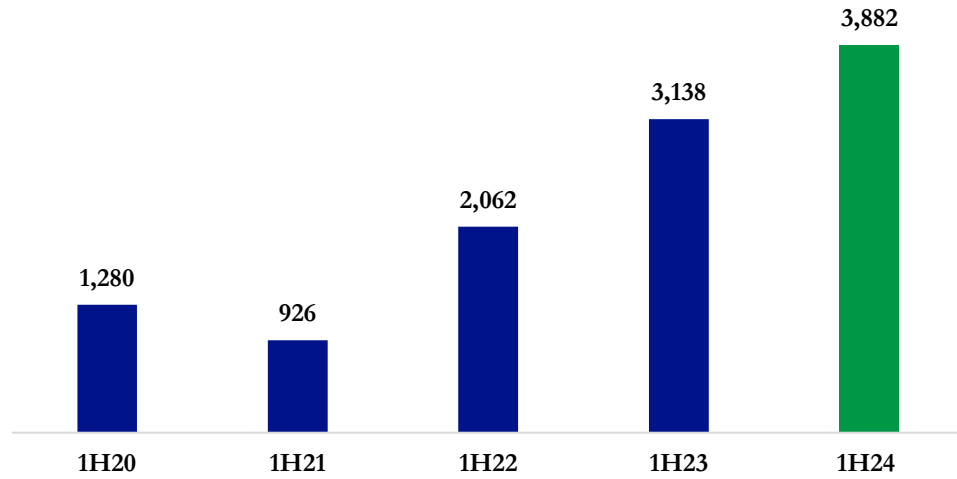
EBITDA (MM EGP)



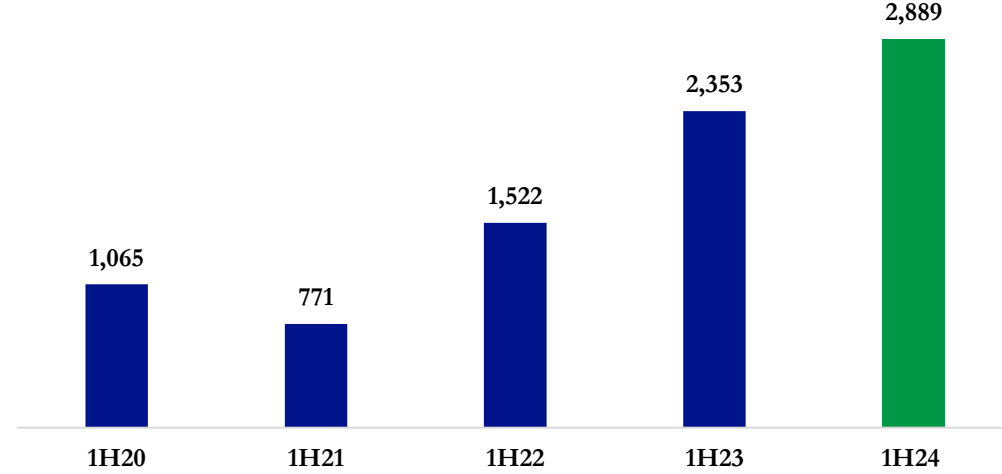
1H2024 Highlights

Main KPIs

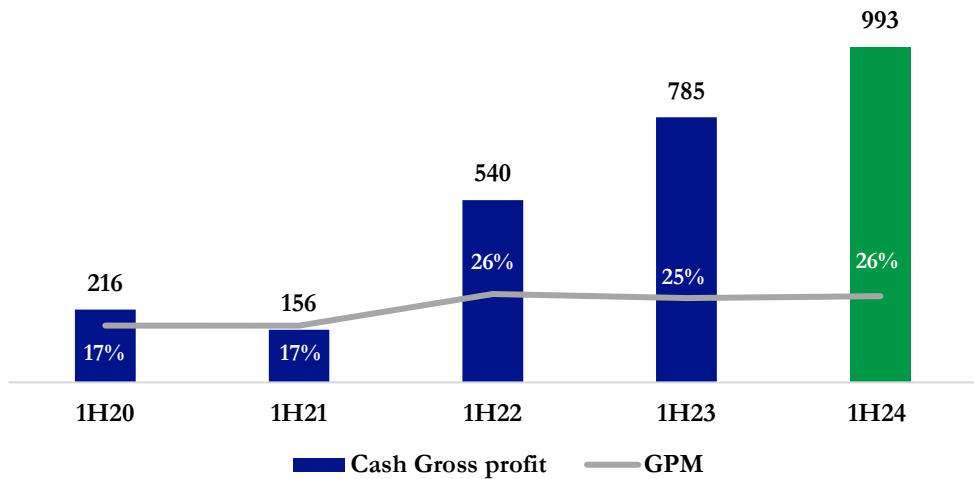
Revenue (MM EGP)



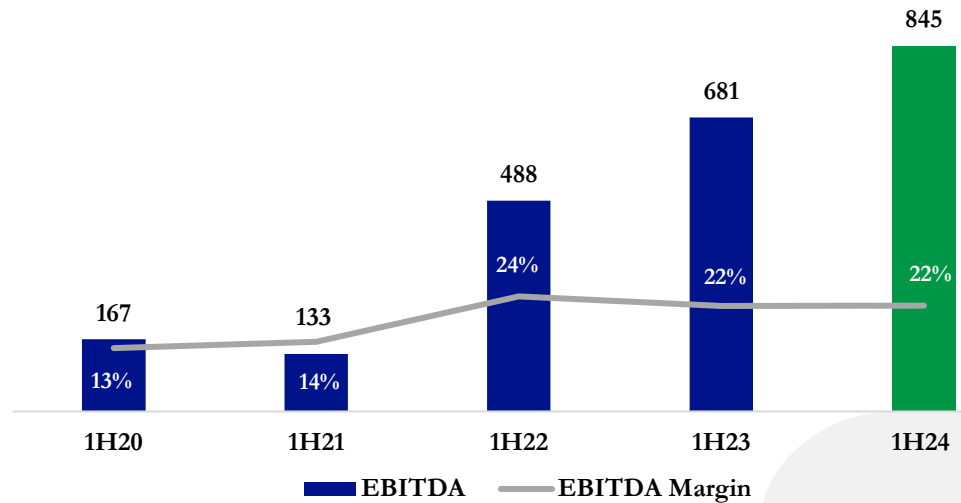
Cash Cost (MM EGP)



Cash Gross Profit (MM EGP)



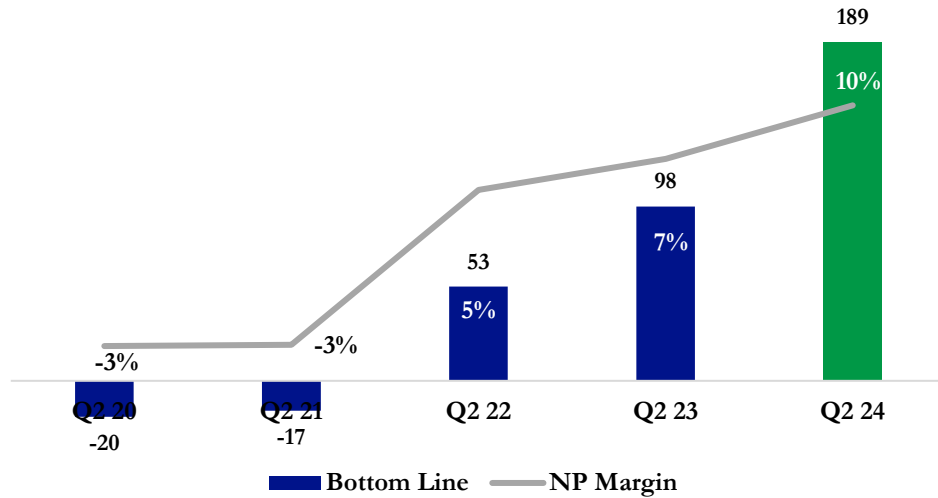
EBITDA (MM EGP)



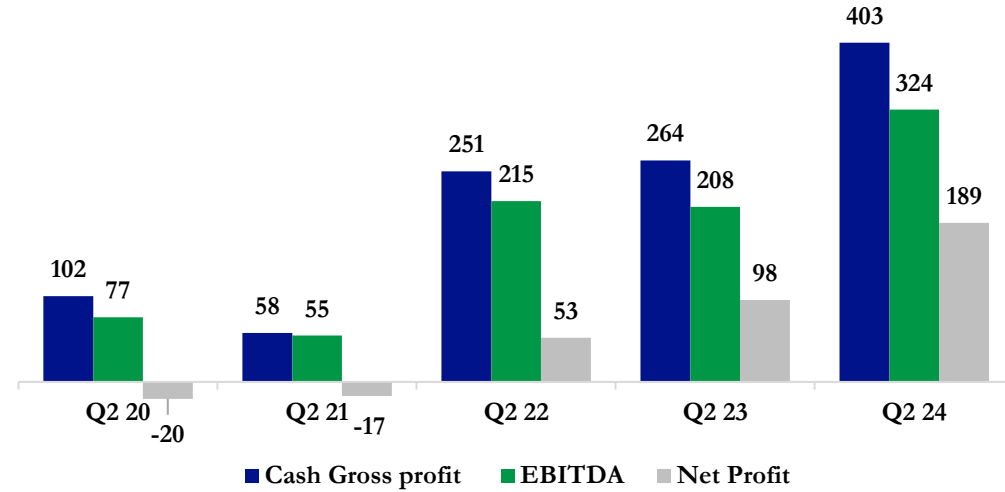
2Q2024 Highlights

Main KPIs

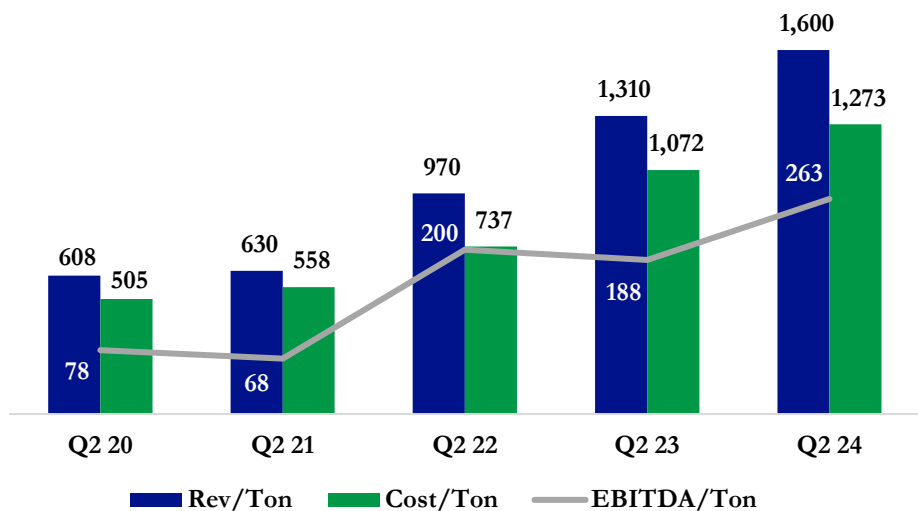
Bottom Line (MM EGP)



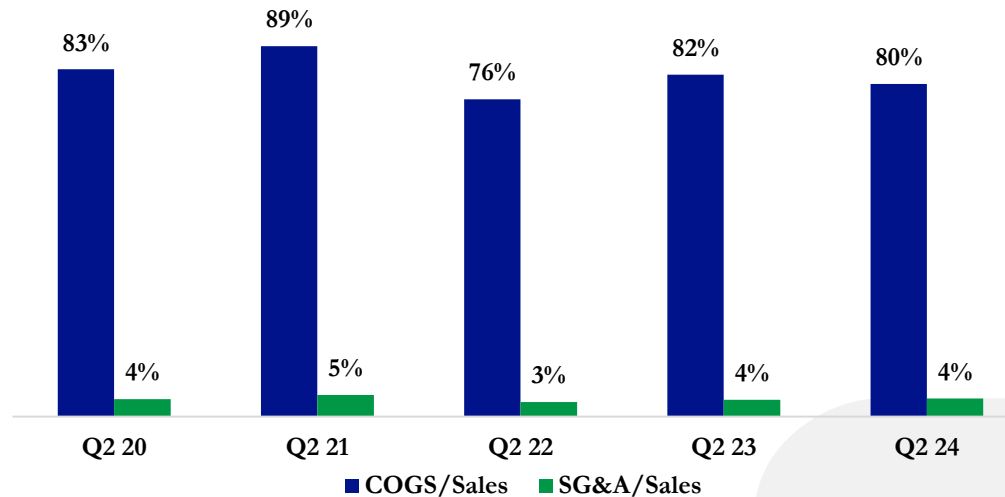
GP, EBITDA & Net Profit (MM EGP)



Revenues, COGS, and EBITDA (EGP/Ton)



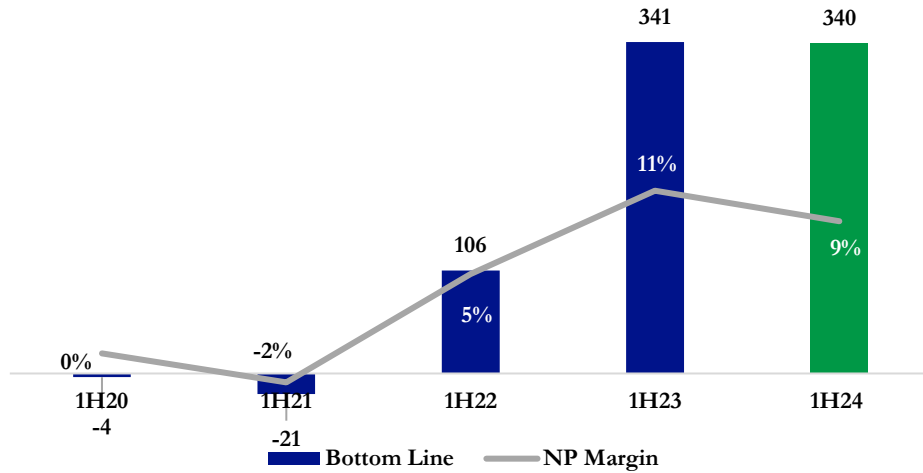
Efficiency



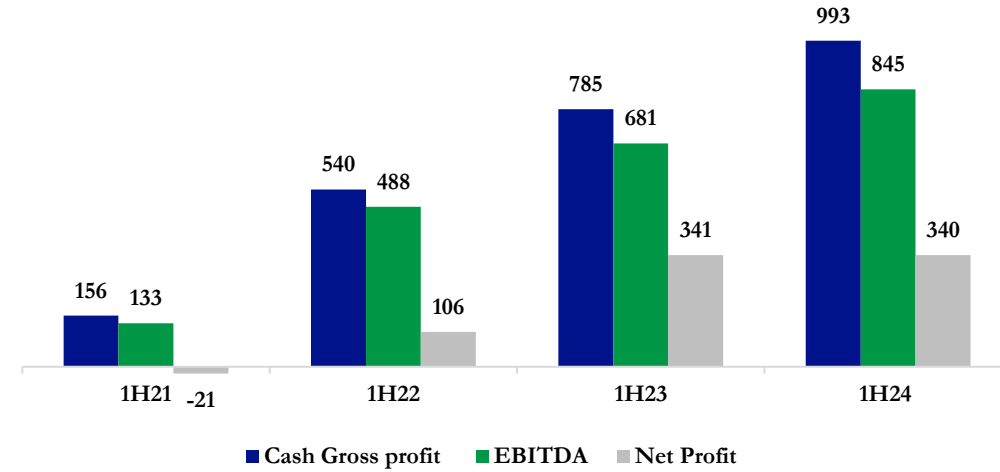
1H2024 Highlights

Main KPIs

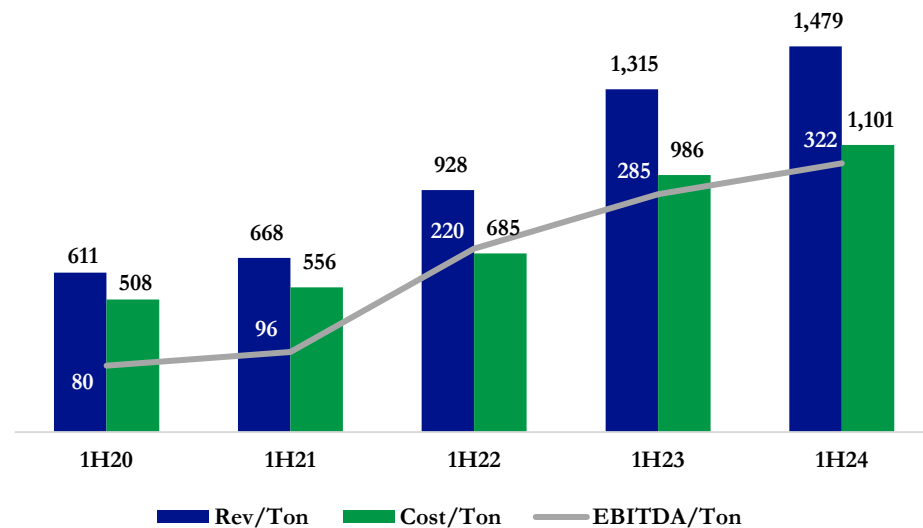
Bottom Line (MM EGP)



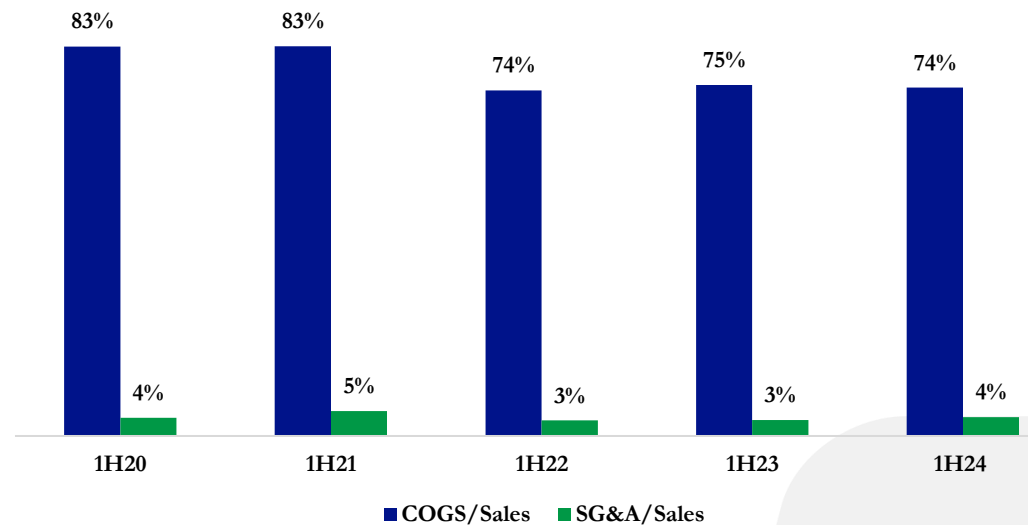
GP, EBITDA & Net Profit (MM EGP)



Revenues, COGS, and EBITDA (EGP/Ton)



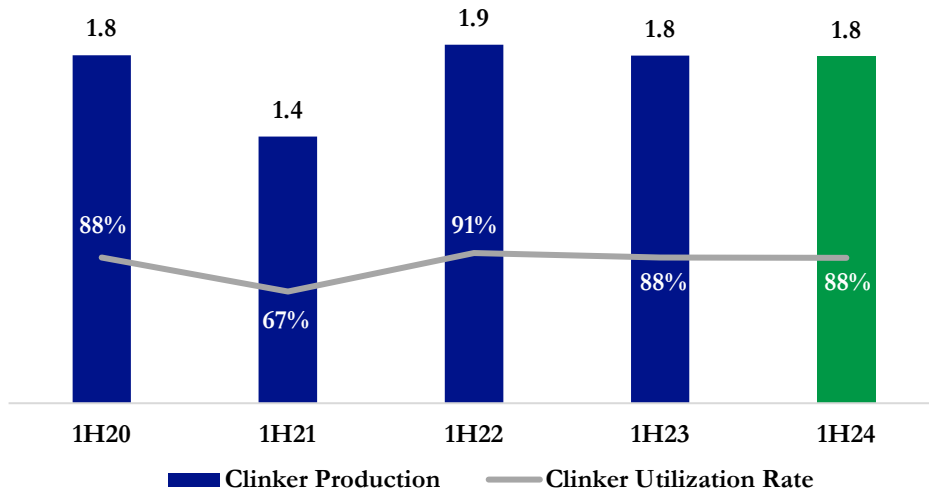
Efficiency



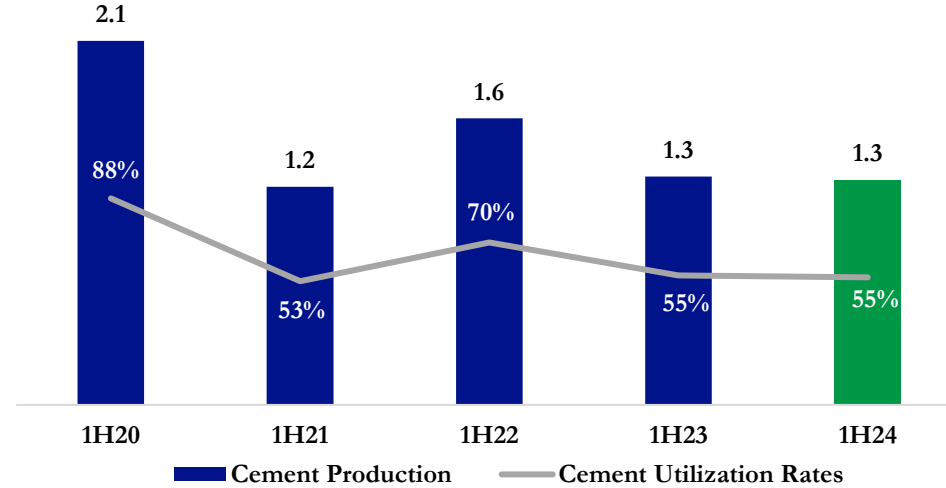
ACC Performance

Main KPIs

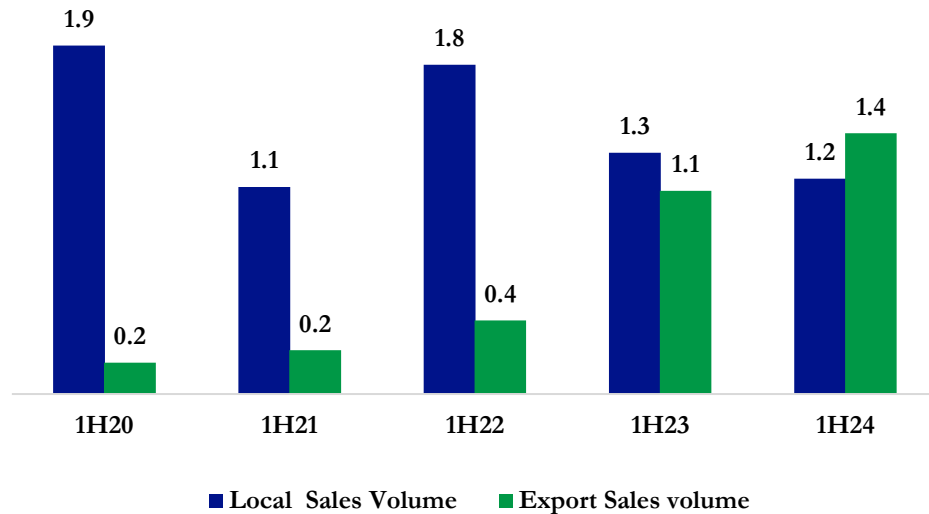
Clinker Production (MM Tons) and Utilization Rates



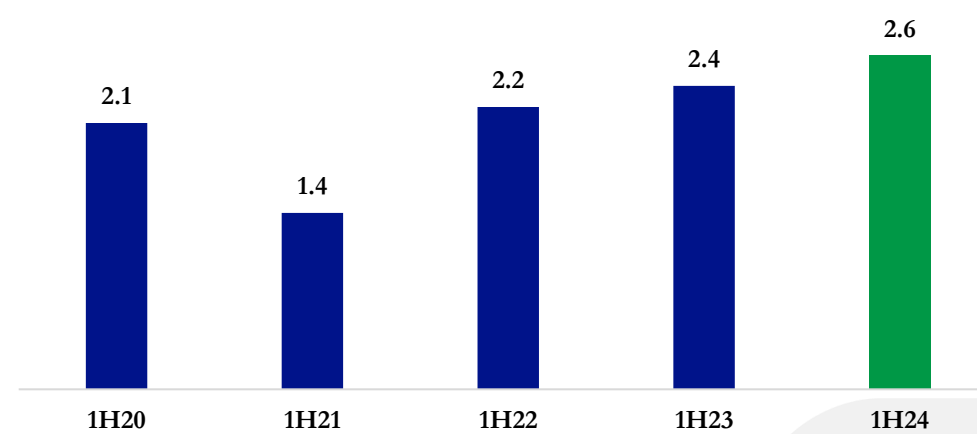
Cement Production (MM Tons) and Utilization Rates



Local and Export Sales Volumes (MM Tons)



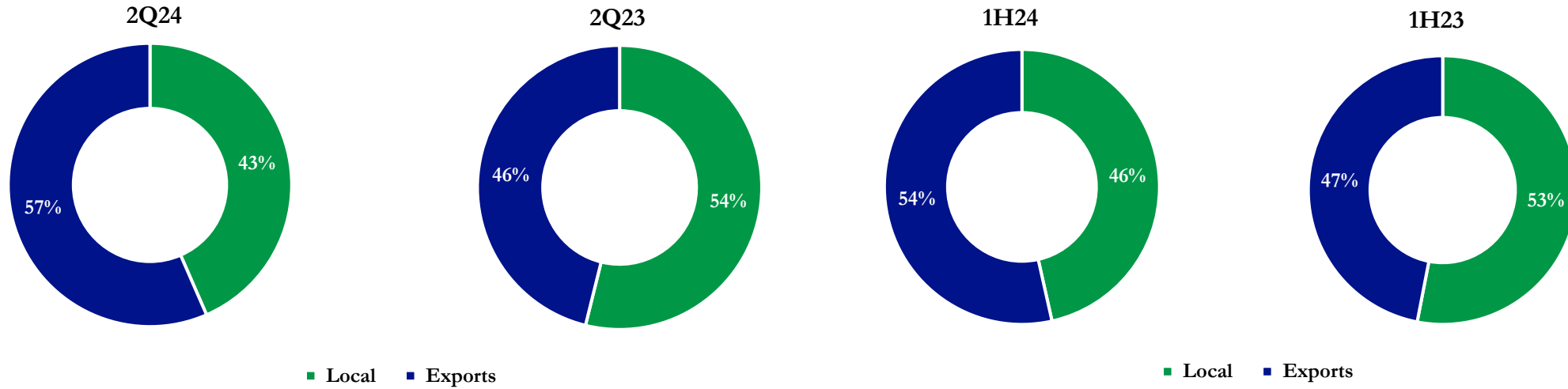
Total Sales Volumes (MM Tons)



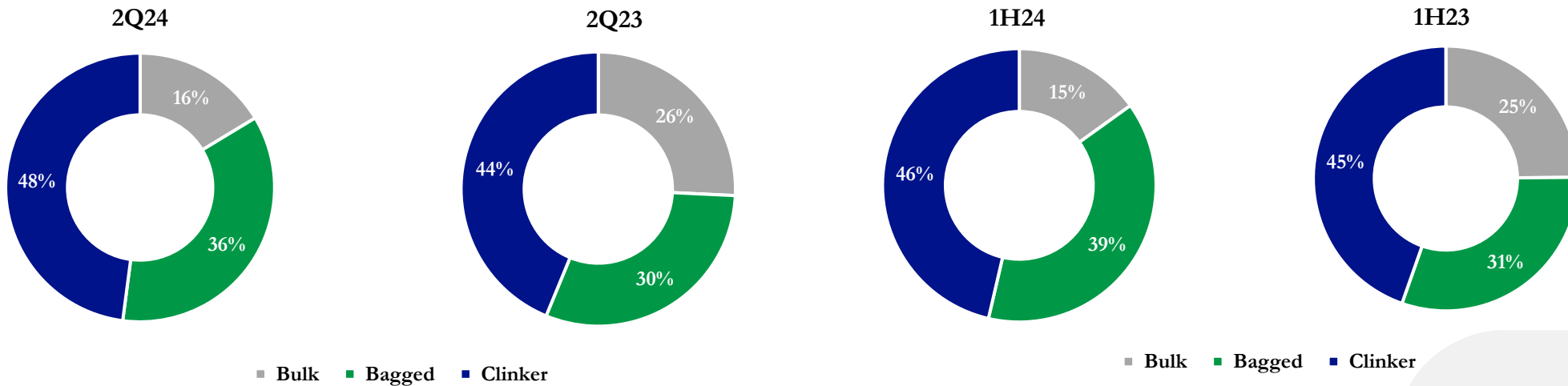
Sales overview

Quantities Breakdown

Breakdown by Market

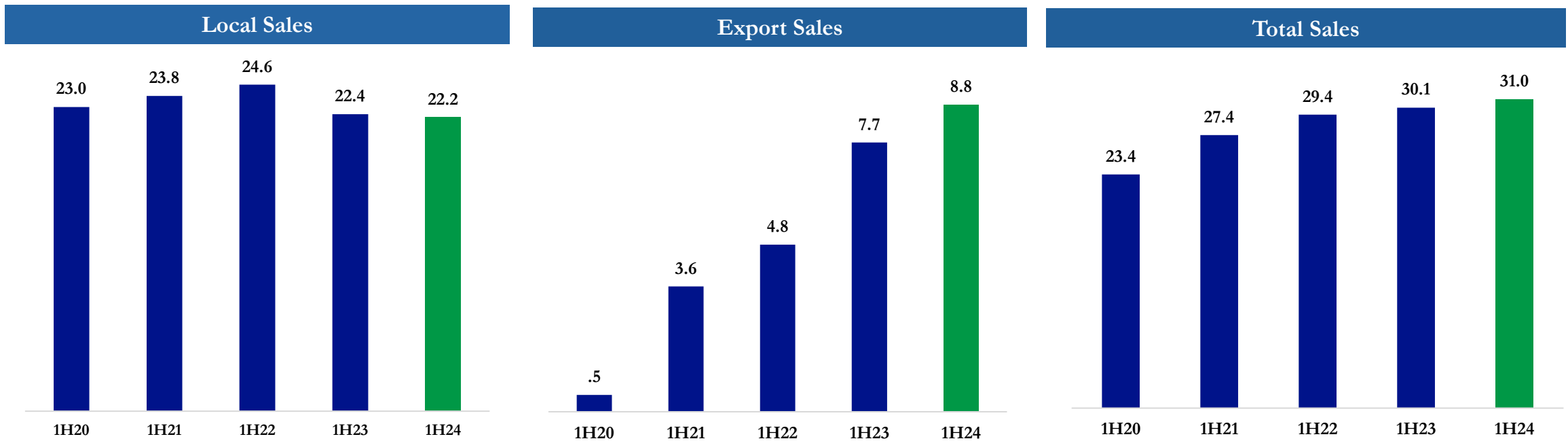


Breakdown by Type



Egyptian Cement Market Overview

Quantities Breakdown



Egyptian cement market witnessed a drop of 1% in cement sales volumes y-o-y. while the export sales volumes increased by 14% y-o-y.

Financial Statement

2Q2024 Income Statement

Amounts MN EGP	2Q20	2Q21	2Q22	2Q23	2Q24
Revenue	601	512	1,041	1,451	1,973
COGS	500	454	791	1,187	1,570
Cash Gross profit	102	58	251	264	403
<i>GPM</i>	<i>17%</i>	<i>11%</i>	<i>24%</i>	<i>18%</i>	<i>20%</i>
SG&A Expenses	25	26	36	58	85
Other income		23		3	5
EBITDA	77	55	215	208	324
<i>EBITDA Margin</i>	<i>13%</i>	<i>11%</i>	<i>21%</i>	<i>14%</i>	<i>16%</i>
Provisions			45	3	2
Depreciation & Amortization	60	60	58	59	61
EBIT	17	-6	112	146	261
<i>EBIT Margin</i>	<i>3%</i>	<i>-1%</i>	<i>11%</i>	<i>10%</i>	<i>13%</i>
Capital Gain					2
Foreign exchange	-16		-13	-1	-23
Interest Income			1	9	9
Finance cost	20	18	11	30	13
Net Profit Before Tax	-20	-23	88	124	237
NPBT Margin	-3%	-5%	8%	9%	12%
Deferred tax	-4	-4	-6	1	-55
Income tax expense	4	-2	42	26	7
Net Profit	-20	-17	53	98	189
<i>Net Profit Margin</i>	<i>-3.3%</i>	<i>-3.3%</i>	<i>5.1%</i>	<i>6.7%</i>	<i>9.6%</i>

Financial Statement

1H2024 Income Statement

Amounts MN EGP	1H20	1H21	1H22	1H23	1H24
Revenue	1,280	926	2,062	3,138	3,882
COGS	1,065	771	1,522	2,353	2,889
Cash Gross profit	216	156	540	785	993
<i>GPM</i>	<i>17%</i>	<i>17%</i>	<i>26%</i>	<i>25%</i>	<i>26%</i>
SG&A Expenses	49	49	68	108	155
Other income	1	27	16	3	7
EBITDA	167	133	488	681	845
<i>EBITDA Margin</i>	<i>13%</i>	<i>14%</i>	<i>24%</i>	<i>22%</i>	<i>22%</i>
Provisions	1	1	91	6	5
Depreciation & Amortization	122	120	116	118	121
EBIT	44	12	280	557	719
<i>EBIT Margin</i>	<i>3%</i>	<i>1%</i>	<i>14%</i>	<i>18%</i>	<i>19%</i>
Capital Gain					2
Foreign exchange	-2	1	-64	-105	-267
Interest Income	1		1	17	22
Finance cost, net	43	36	26	55	38
Net Profit Before Tax	1	-22	191	415	438
NPBT Margin	0%	-2%	9%	13%	11%
Deferred tax	-7	-8	-12	-23	-7
Income tax expense	12	7	97	97	105
Net Profit	-4	-21	106	341	340
<i>Net Profit Margin</i>	<i>-0.3%</i>	<i>-2.3%</i>	<i>5.1%</i>	<i>10.9%</i>	<i>8.8%</i>

Financial Statement

Balance Sheet Statement

Amounts in MN EGP	1H20	1H21	1H22	1H23	1H24
Property plant and equipment, net	2,278	2,075	1,896	1,722	1,608
Projects under construction	7	7	3	4	11
Intangible assets	274	235	205	177	149
Right of use			15	15	9
Investment in subsidiaries	48	48	48	48	30
Total Non-current Assets	2,606	2,363	2,168	1,966	1,808
Inventory	227	256	740	652	854
Trade Receivables	36	31	94	331	558
Debtors and other debit balances	111	157	229	238	251
Due from related parties	21	19	17	13	15
Cash and bank balances	94	91	258	523	586
Total Current Assets	488	554	1,338	1,758	2,265
Total Assets	3,095	2,917	3,505	3,724	4,073
Provisions	12	18	95	65	55
Current tax liabilities	12	7	97	97	79
Trade and notes payables	544	591	1,038	1,063	1,038
Creditors and other credit balances	180	173	312	249	249
Due to related parties	7	27	2	2	8
Credit Facilities	300	311	117	199	276
Borrowings - short term portions	96	109	133	196	
Lease Liability			11	8	10
Total Current Liabilities	1,152	1,236	1,804	1,879	1,715
Paid up capital	757	757	757	757	757
Legal reserve	258	258	260	295	364
Net profit for the period	1	-21	106	341	340
Retained earnings	150	31	48	99	609
Total Equity	1,165	1,025	1,172	1,492	2,070
Borrowings - long term portions	448	332	230	100	
Deferred income tax liability	330	314	288	242	287
Lease Liability			6	8	1
Notes Payable		10	6	3	1
Total Non-Current Liabilities	777	656	530	352	288
Total Equity and Liabilities	3,095	2,917	3,505	3,724	4,073

Financial Statement

Cash Flow Statement

Amounts in MN EGP	1H20	1H21	1H22	1H23	1H24
Net profit before tax	1	-22	191	415	438
Interest income	-1		-1	-17	-22
Finance Cost	43	36	26	55	38
Depreciation expense	102	102	101	102	105
Amortization of intangible assets	21	19	14	14	14
Amortization of right of use assets			3	3	4
Foreign exchange (gain)/losses differences	1	-1	30	34	2
Capital Gain					-2
Provision	1	1	91	6	5
Changes in working capital	168	134	455	611	582
Debtors and other debit balances	-20	-32	-113	-32	-30
Change in Inventory	-71	-86	-377	-37	122
Trade payables and other credit balances	-152	144	518	199	-29
Due from related parties	-4	4	1	-1	-7
Increase/ Decrease in trade receivables	-36	-31	-103	-283	-373
Due to related parties	-1	24	-9		3
Cash generated from Operating activities	-116	157	372	457	268
Income Tax Paid			-19	-188	-229
Interest Paid	-53	-36	-25	-54	-38
Net cash from operating activities	-169	121	329	215	1
Interest income	1		1	17	22
Purchase of property, plant and equipment	-1		-3	-14	-56
Additions in projects under construction	-3				-10
Net cash flows used in investing activities	-3		-2	3	-44
Payments of borrowings	-45	-44	-55	-79	
Dividends paid	-7	-7	-7	-250	-99
Payment of finance lease liability	-7		-1	-3	-2
Proceeds from credit facility	238	-29	-124	-161	186
Net cash flows from financing activities	179	-81	-186	-493	84
Net increase (decrease) in cash and cash equivalents	8	39	141	-275	42
Cash and cash equivalents at beginning of the year	86	52	117	798	545
Cash and cash equivalents at end of the period	94	91	258	523	586

For more Information Please Contact:

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THANK YOU!