

ALUJAIN CORPORATION

(a Saudi Joint Stock Company)

Earnings Call
Explanation for
Q1, 2025 Financial Statements

Statement of financial position major variance analysis

Financial Statement Caption	31 March 2025 (SR 000)	31 December 2024 (SR 000)	Variance (SR 000)	Variance %age	Reasoning
Property, Plant and equipment	1,681,151	1,720,356	(39,205)	-2%	Mainly due to: - Depreciation amounting to SR 44 million. - Additions amounting to SR 5 million.
Right of use assets	13,389	12,543	846	7%	Major reasons for variation are : - Addition to right of use assets amounting to SR 1.2 million. - Depreciation amounting to SR 0.4 million.
Project under construction (PUC)	841,734	676,830	164,904	24%	The movement in the project under construction: <div style="text-align: right;"> (SR 000) Balance as at January 1 676,830 Additions 167,774 Transfer to PPE <u>(2,870)</u> Balance as at March 31 <u>841,734</u> </div> Below mentioned is the further break down of additions during the year: <div style="text-align: right;"> (SR 000) -NATPET 60,300 -LNIC 106,956 -ISIC 419. </div>

Statement of financial position major variance analysis

Financial Statement Caption	31 March 2025 (SR 000)	31 December 2024 (SR 000)	Variance (SR 000)	Variance %age	Reasoning												
Investment in a joint venture	85,787	80,492	5,295	7%	<p>The Group has a joint control over Natpet Schulman. Below mentioned is the movement during the year :</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: right;">(SR 000)</td> </tr> <tr> <td>At 1 Jan</td> <td style="text-align: right;">80,492</td> </tr> <tr> <td>Share of profit for the period</td> <td style="text-align: right;">5,295</td> </tr> <tr> <td></td> <td style="text-align: right;">-----</td> </tr> <tr> <td>At 31 Mar</td> <td style="text-align: right;">85,787</td> </tr> <tr> <td></td> <td style="text-align: right;">=====</td> </tr> </table> <p>The Investment in a joint venture has increased due to the fact that during the period Natpet Schulman's generated income of SR 9.5 million.</p>		(SR 000)	At 1 Jan	80,492	Share of profit for the period	5,295		-----	At 31 Mar	85,787		=====
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Investment in financial assets	404,384	330,049	74,335	23%	<p>Major reasons for variation are:</p> <ul style="list-style-type: none"> -During the period ended March 31, 2025, the Group invested an amount of SR 120 million in sukuks. -The Group disposed of SR 50 million of its investment in the liquidity fund. -Gain on fair value re-measurement of investment in liquidity funds during the period amounts to SR 4.3 million. 												

Statement of financial position major variance analysis

Financial Statement Caption	31 March 2025 (SR 000)	31 December 2024 (SR 000)	Variance (SR 000)	Variance %	Reasoning
Trade and other receivables	418,523	488,770	(70,247)	-14%	The major reason for variation is as follows: The decrease in trade receivable is on account of decrease in quantity sold during the Q1 2025 as compared to Q4 2024, which decreased from 88K MT sold in Q4 2024 to 68K MT sold in Q1 2025. The decrease in QTY sold majorly relates to decrease in production due to planned plant turnaround and maintenance for 25 days in Q1 2025.
Inventories	300,257	306,118	(5,861)	-2%	The major reason for decrease is as follows: Natpet's finished goods inventory has decreased by SR 11 million as at Q1 2025 as compared to Q4 2024. The decrease is on account of decrease in Quantity from 40K MT as at December 31, 2024 to 35K MT at March 31, 2025. The decrease in finished goods inventory is on account of decrease in production due to planned plant turnaround and maintenance for 25 days. However sales during the Q1 2025 has also decreased as compared to previous quarter resulting in only minor decrease in overall inventory levels of finished goods.

Statement of financial position major variance analysis

Financial Statement Caption 6	31 March 2025 (SR 000)	31 December 2024 (SR 000)	Variance (SR 000)	Variance %	Reasoning												
Cash and cash equivalents	340,256	589,250	(248,994)	-42%	<p>There is a net decrease amounting to SR 249 million. The breakup of activities in cash flow is stated below:</p> <table border="1"> <thead> <tr> <th></th> <th>SR '000'</th> </tr> </thead> <tbody> <tr> <td>Cash at start</td> <td>589,240</td> </tr> <tr> <td>Changes in operating activities</td> <td>(11,895)</td> </tr> <tr> <td>Changes in investing activities</td> <td>(235,965)</td> </tr> <tr> <td>Utilization in financing activities</td> <td>(1,134)</td> </tr> <tr> <td>Cash at end</td> <td>340,256</td> </tr> </tbody> </table> <p>Major decrease is due to:</p> <ul style="list-style-type: none"> - An outflow of SR 120 million related to investments made in sukuks. - An outflow of SR 168 million related to additions to projects under construction. 		SR '000'	Cash at start	589,240	Changes in operating activities	(11,895)	Changes in investing activities	(235,965)	Utilization in financing activities	(1,134)	Cash at end	340,256
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Cash at end	340,256																
Trade and other payables	71,294	133,478	(62,184)	-47%	Major decrease in trade payables is on account of payments made by NATPET during Q1 2025. Apart from that, purchases has decreased due to plant shutdown for planned turnaround as fewer inputs/ purchases were required compared to prior period as depicted in corresponding decrease in cost of revenue by 30%.												
Accrued and other liabilities	171,914	201,310	(29,396)	-15%	The major decline is on account of payment made to Ex-shareholders during Q1 2025 amounting to SR 28 million.												

Statement of financial position major variance analysis

Financial Statement Caption	31 March 2025 (SR 000)	31 December 2024 (SR 000)	Variance (SR 000)	Variance %e	Reasoning								
Zakat payable	39,091	34,621	4,470	13%	<p>There is an increase in zakat payable by SR 4.5 million. Mentioned below is the movement of zakat during the period:</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td style="text-align: right;">SR 000</td> </tr> <tr> <td>At Jan 1,</td> <td style="text-align: right;">34,621</td> </tr> <tr> <td>Provision during the year</td> <td style="text-align: right;"><u>4,470</u></td> </tr> <tr> <td>At Mar 31</td> <td style="text-align: right;"><u>39,091</u></td> </tr> </table>		SR 000	At Jan 1,	34,621	Provision during the year	<u>4,470</u>	At Mar 31	<u>39,091</u>
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Provision during the year	<u>4,470</u>												
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Equity	3,475,906	3,493,132	(17,226)	0%	Net loss for the period (SR -17 Million)								

Statement of profit or loss major variance analysis

Financial Statement Caption	31 March 2025 (SR 000)	31 March 2024 (SR 000)	Variance (SR 000)	Variance %	Reasoning															
Revenues	267,655	478,208	(210,553)	-44%	<p>Revenue has decreased by SR 210 million (-44%), the decrease in revenue majorly comprise of decrease in selling quantity of Natpet by 39.39% and average selling price decreased by 11.7%.</p> <p>The variance analysis of major subsidiary-NATPET is as follow:</p> <table border="1"> <thead> <tr> <th></th> <th>Q1 2025</th> <th>Q1 2024</th> <th>Variance</th> <th>Variance %</th> </tr> </thead> <tbody> <tr> <td>Quaintly sold during the period - MT</td> <td>68,635</td> <td>113,241</td> <td>(44,606)</td> <td>39.39%</td> </tr> <tr> <td>Average price during the period - MT</td> <td>3,550</td> <td>4,020</td> <td>(470)</td> <td>11.7%</td> </tr> </tbody> </table>		Q1 2025	Q1 2024	Variance	Variance %	Quaintly sold during the period - MT	68,635	113,241	(44,606)	39.39%	Average price during the period - MT	3,550	4,020	(470)	11.7%
	Q1 2025	Q1 2024	Variance	Variance %																
Quaintly sold during the period - MT	68,635	113,241	(44,606)	39.39%																
Average price during the period - MT	3,550	4,020	(470)	11.7%																
Cost of revenue	(280,703)	(398,961)	118,258	-30%	<p>The cost of goods sold has decreased by SR 118 million (-30%) as compared to prior period. The reason for major variation are as under:</p> <ol style="list-style-type: none"> 1) Decrease in quantity sold by 39.39% as compared to prior period 2) Decrease in packaging cost by 21% due to decrease in quantity produced by 26% although prices of wooden pallets has increased by 29% as compared to prior period. 3) Increase in salaries and wages by 5.2%. 4) Increase in propane cost by 6% as compared to prior period. 5) Decrease in utilities expenses by 15% due to capitalization of cost on TA 6) Increase in other manufacturing overheads by 6.7% 7) Decrease in insurance expense by 26%. 															

Statement of profit or loss major variance analysis

Financial Statement Caption	31 March 2025 (SR 000)	31 March 2024 (SR 000)	Variance (SR 000)	Variance %	Reasoning
Selling and marketing expenses	(9,217)	(24,597)	15,380	-63%	Selling and marketing expenses reduced by 63% due to the following reasons; 1) Natpet's Freight cost has reduced by 93% (SR 12.5 million) due to the majority of sales being FOB and Ex-works. 2) Salaries and wages have reduced by 44% due to the transfer of employees to LYB. 3) Warehouse management expenses have been reduced by 55% due to decreased quantities sold compared to the prior period.
General and administrative expenses	(19,214)	(20,253)	1,039	-5%	No major variation
Finance cost	(851)	(16,904)	(16,053)	-95%	The major reason for decrease in finance cost is the repayment of long term loan amounting to SR 1,057 million during the year ended December 31, 2024. Repayment of loan resulted in decrease in finance cost by SR 15,774.
Other income	6,158	2,286	3,872	169%	Major reasons for increase are: - Increase in income on Murhaba deposits by SR 2.4 million comparing to prior period. - Income on Sukuks by SR 1.4 million.
Share in profit (loss) of Joint Venture	5,295	5,277	18	0%	Increase due to better results of JV

New Project Status



**Early civil work
started**



**Long Lead Items
Ordered**



**Financial Advisor
selected**



**Main EPCs
contracts floated**



Questions?
Thank you!