

EARNINGS PRESENTATION

Q1 2022



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COVID 19 UPDATE

- The Group is continuing its operations without any significant disruption after implementing the necessary business continuity procedures and ensuring required precautionary measures. As the COVID-19 situation is still fluid and evolving, currently it is difficult to measure the complete extent and duration of the economic impact. However, management believes, based on its assessment of the situation and available information, that there is no significant impact on the Group's financial performance and that the Group has sufficient liquidity and access to financing facilities to continue to meet its financial obligations for the foreseeable future as and when they become due.

Who We Are

We operate in 5 sectors:



PLASTIC



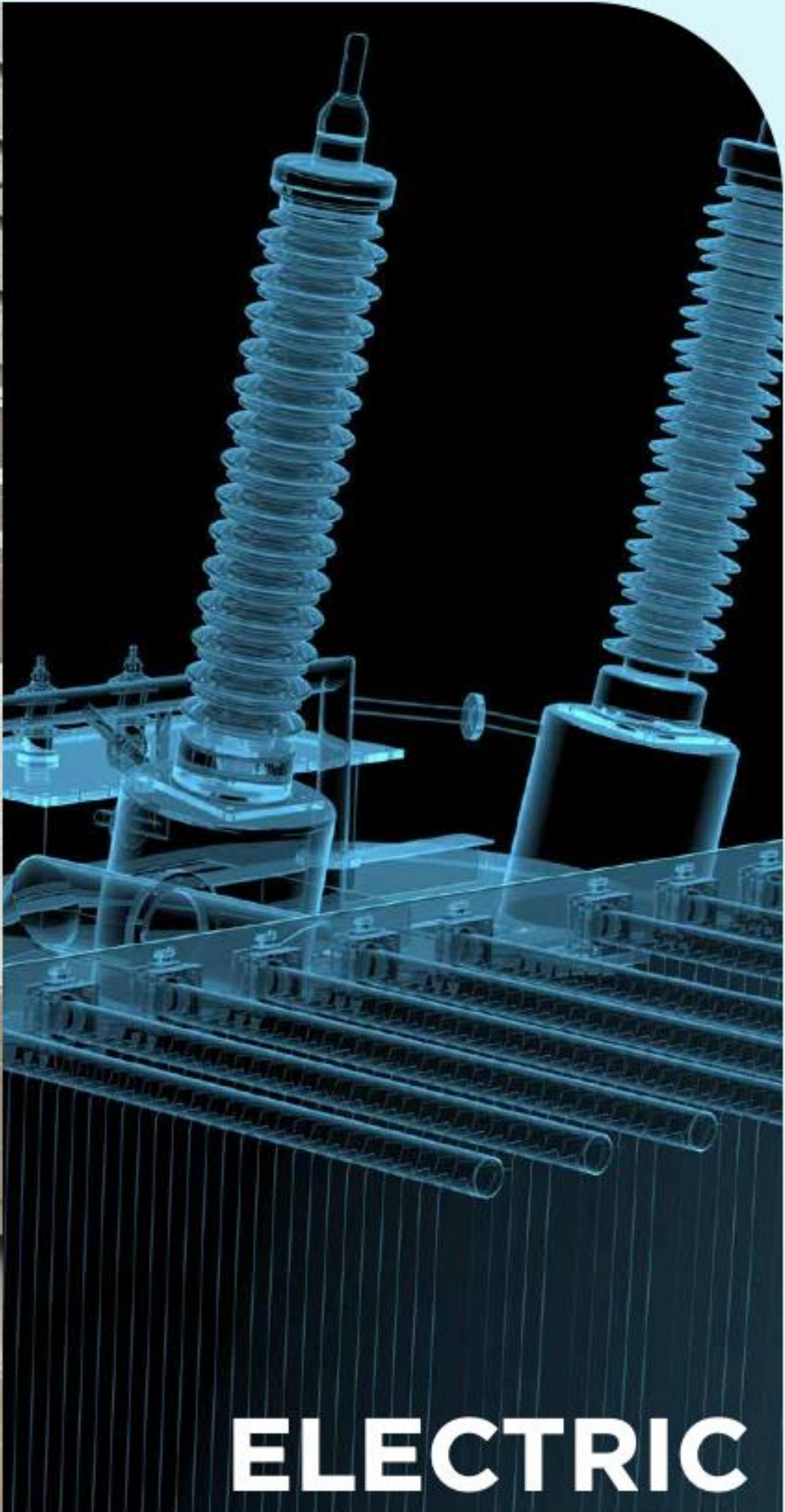
WOOD



CONCRETE



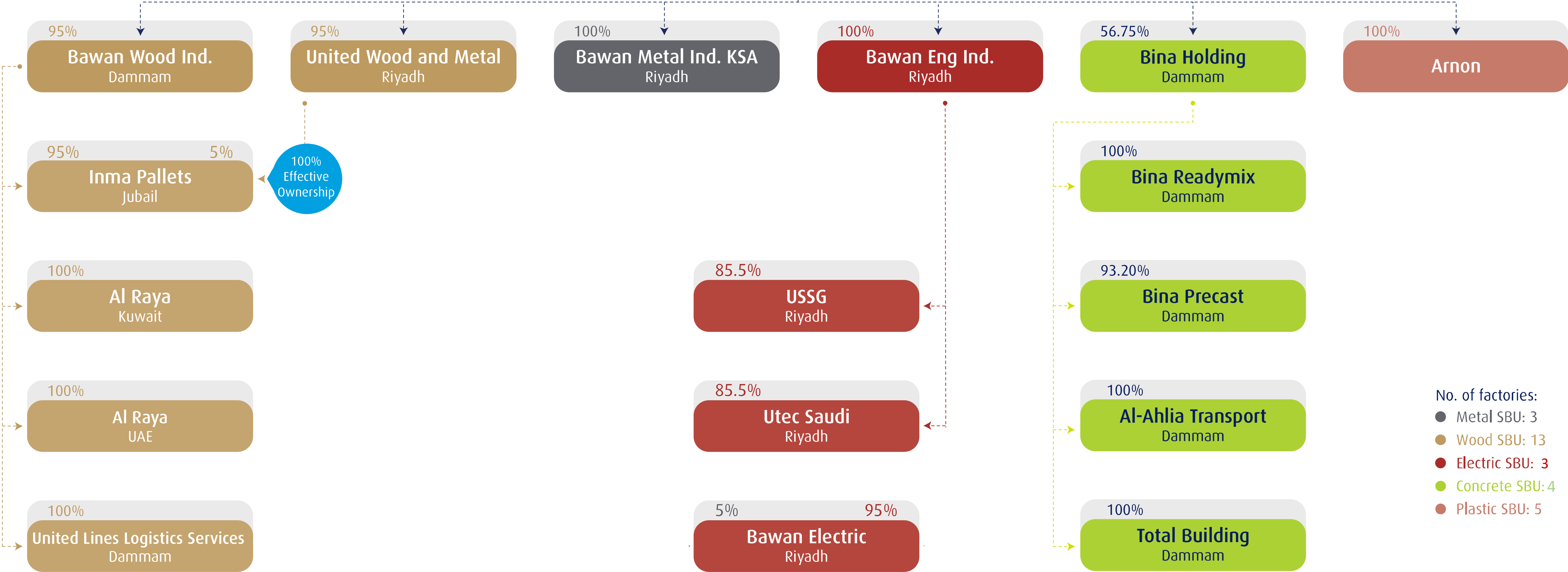
ELECTRIC



METAL



Group Structure



No. of factories:

- Metal SBU: 3
- Wood SBU: 13
- Electric SBU: 3
- Concrete SBU: 4
- Plastic SBU: 5

Our Factory Locations



Our Major Clients Expect High Standards



VISION



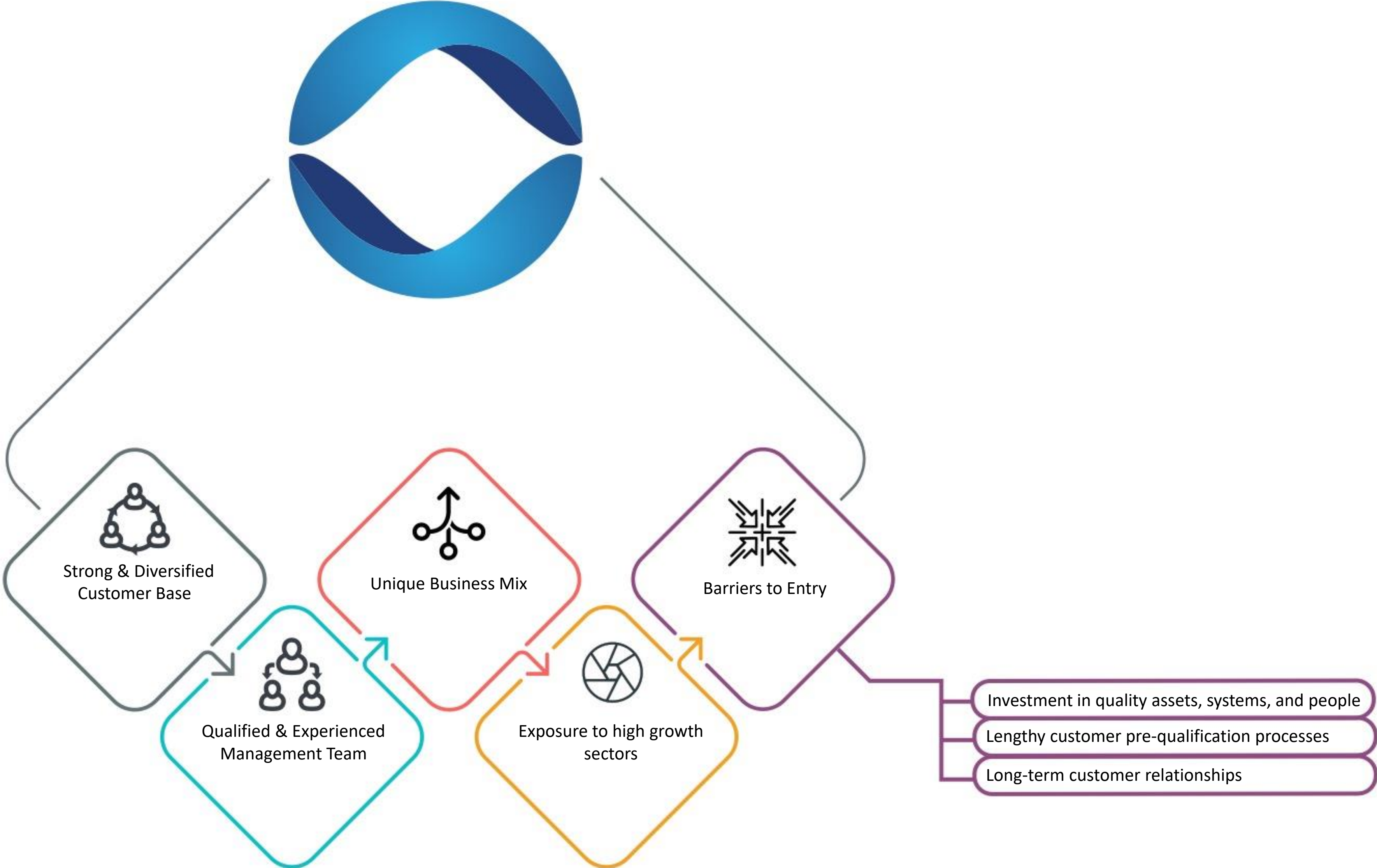
Bawan strives to become the leading group in the Kingdom of Saudi Arabia and the Middle East in the building materials sector.

MISSION



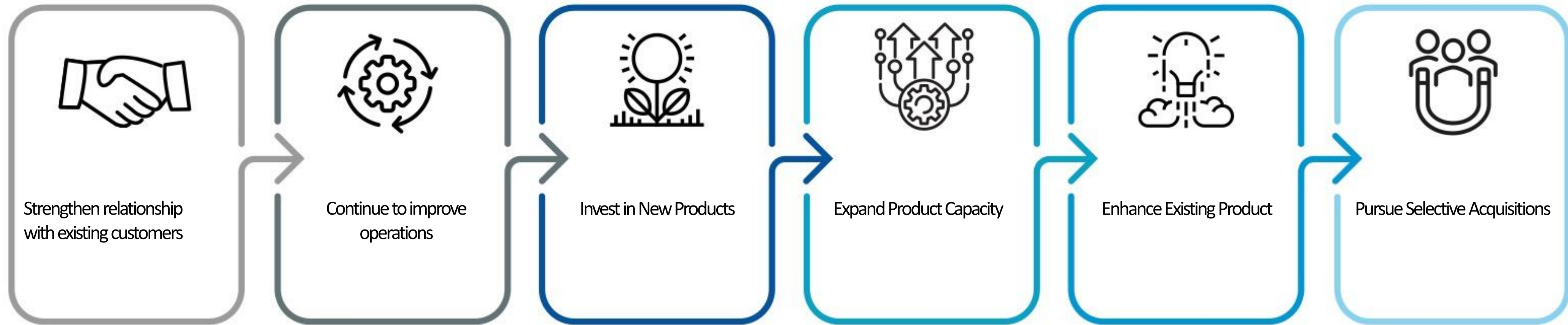
To enhance Bawan's customers loyalty by providing market-leading and innovative products and services, through its existing sectors and new sectors in the future.

Business Case



Strategy

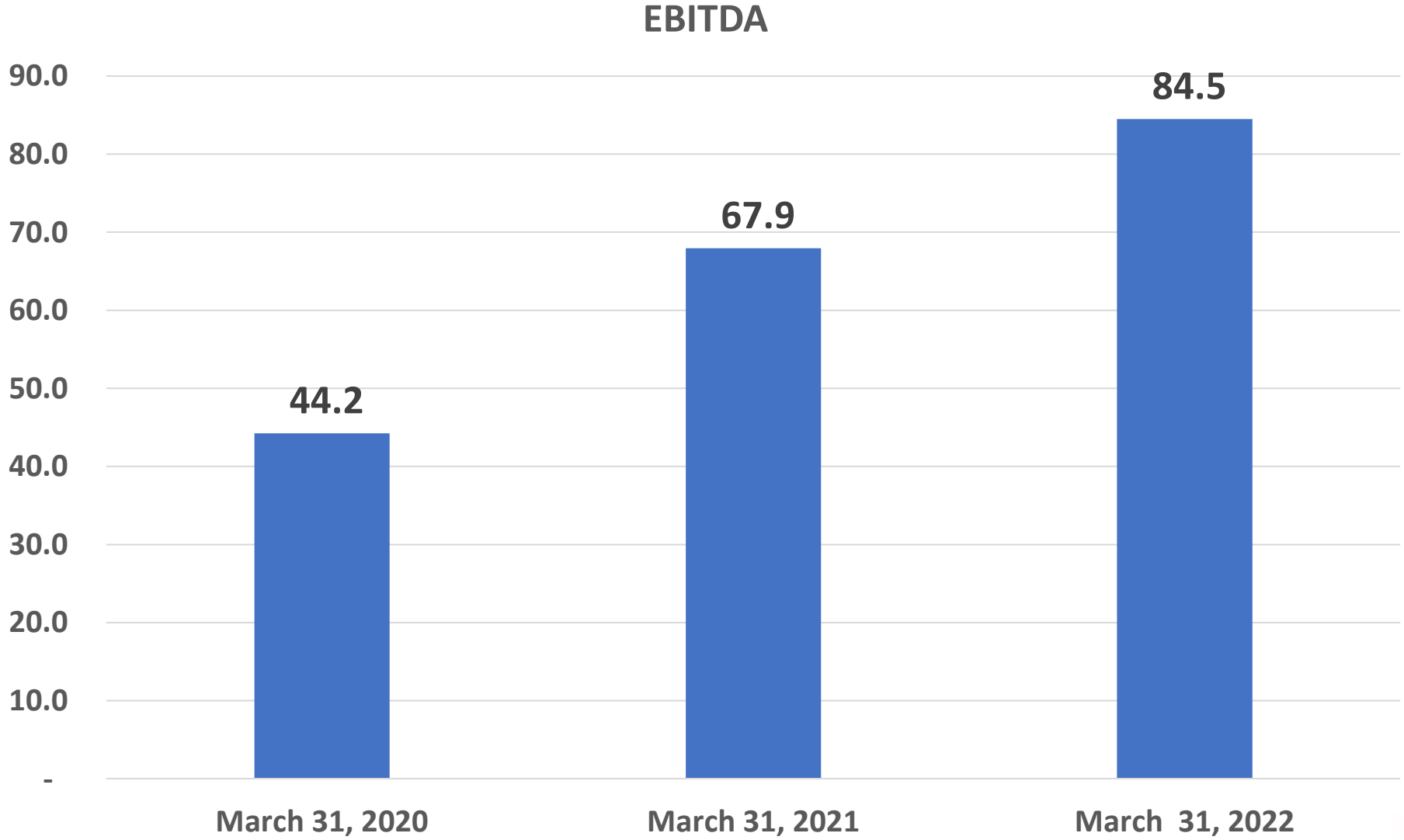
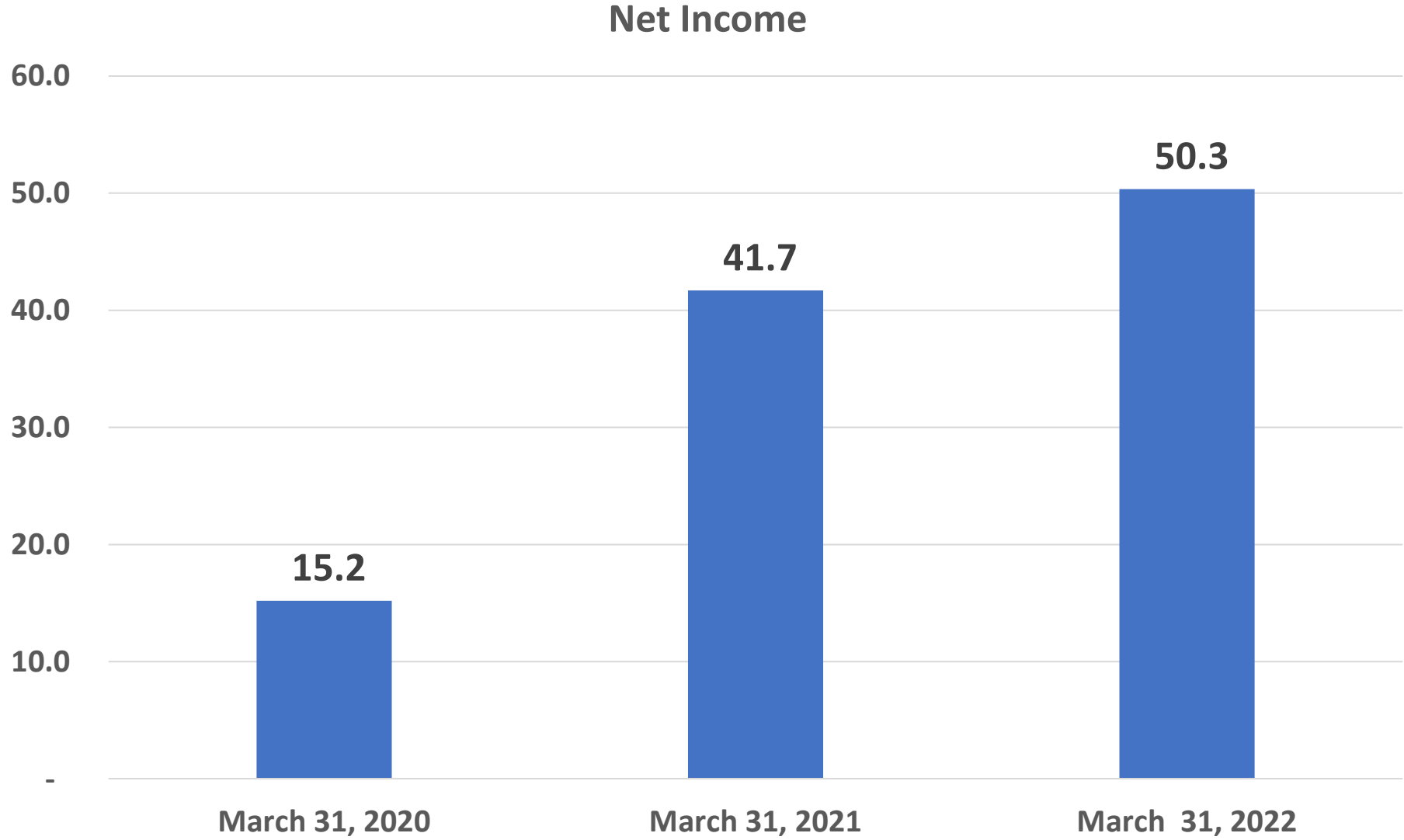
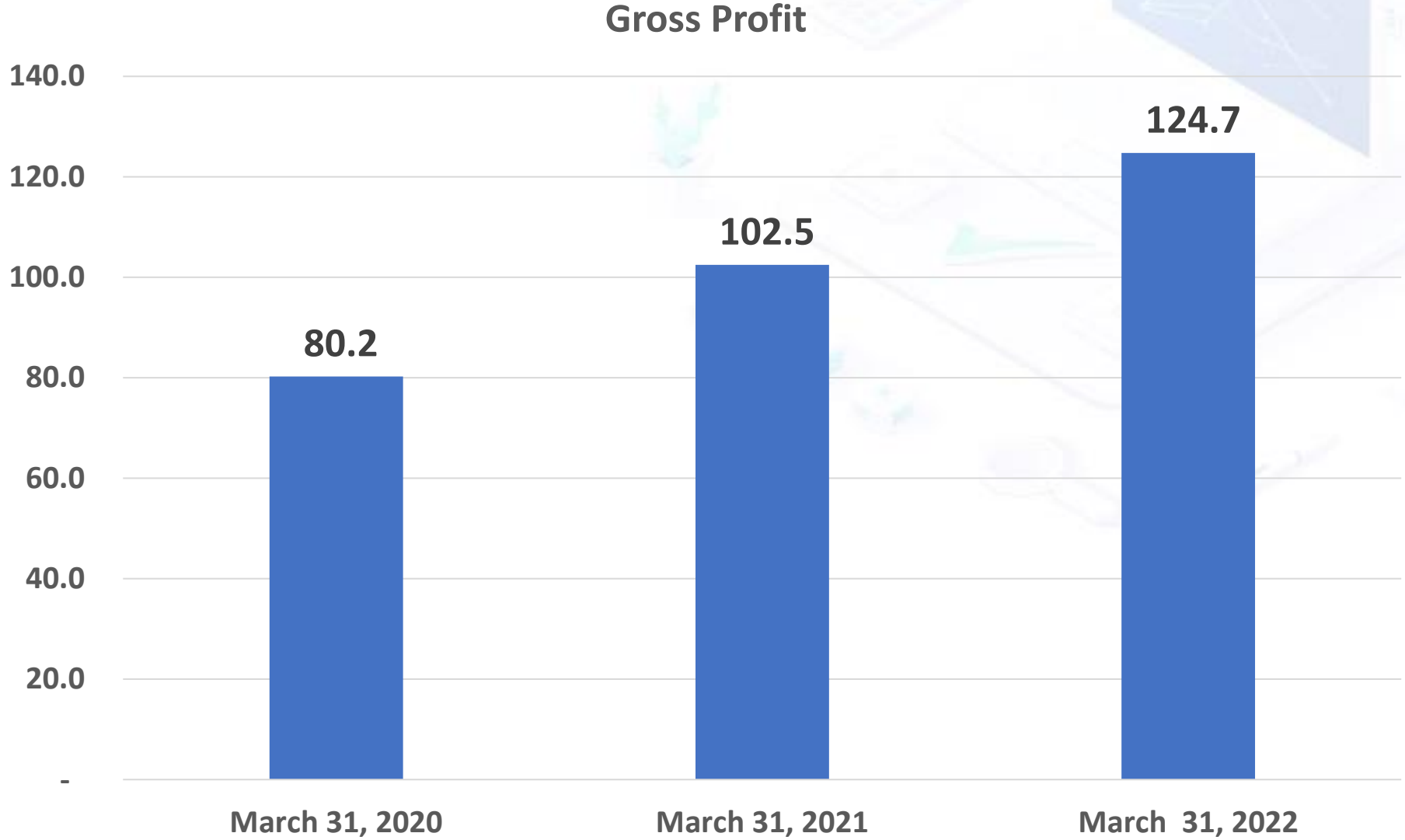
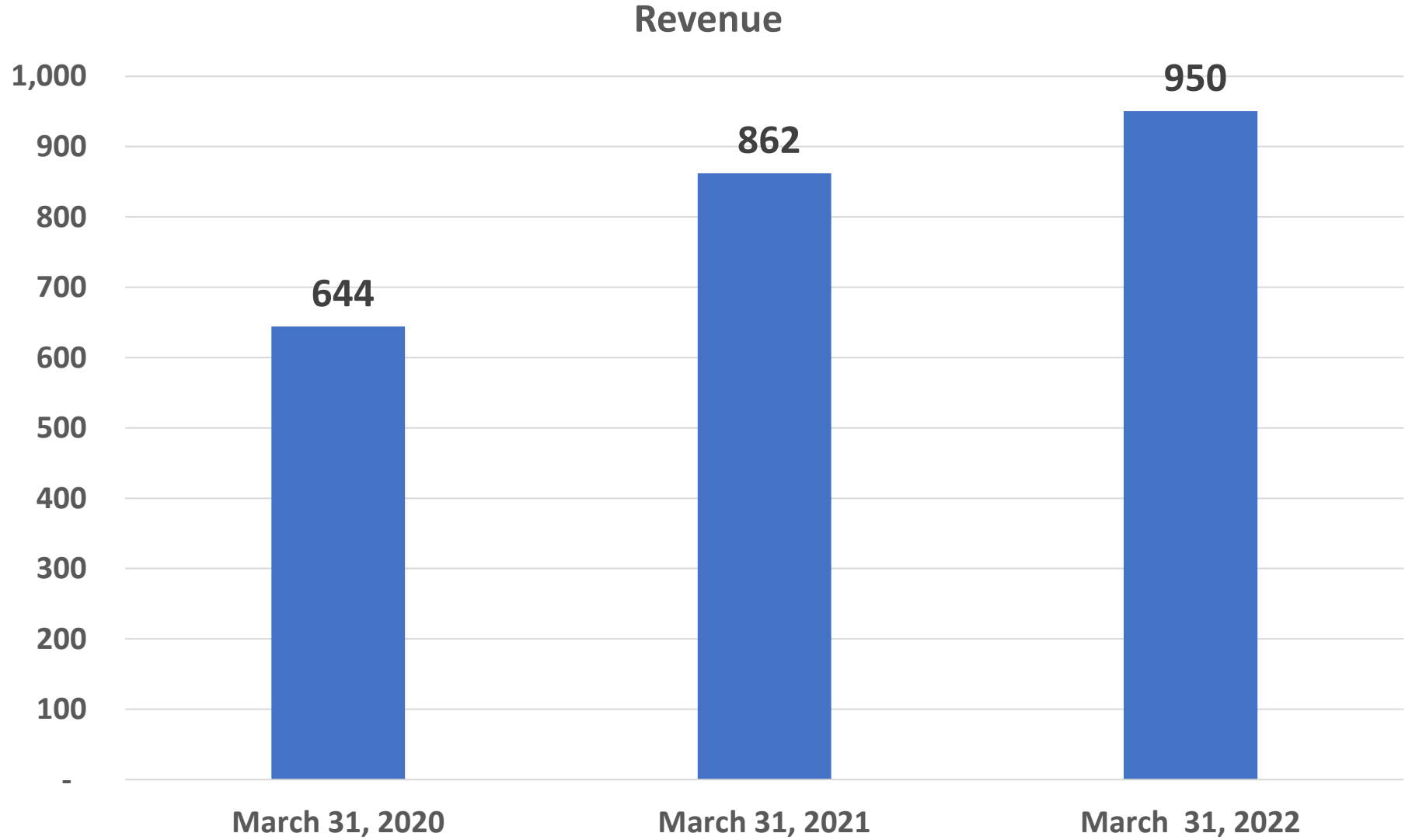
A well defined strategy enhanced by our core value



Financial Perspective



Operations Evolution

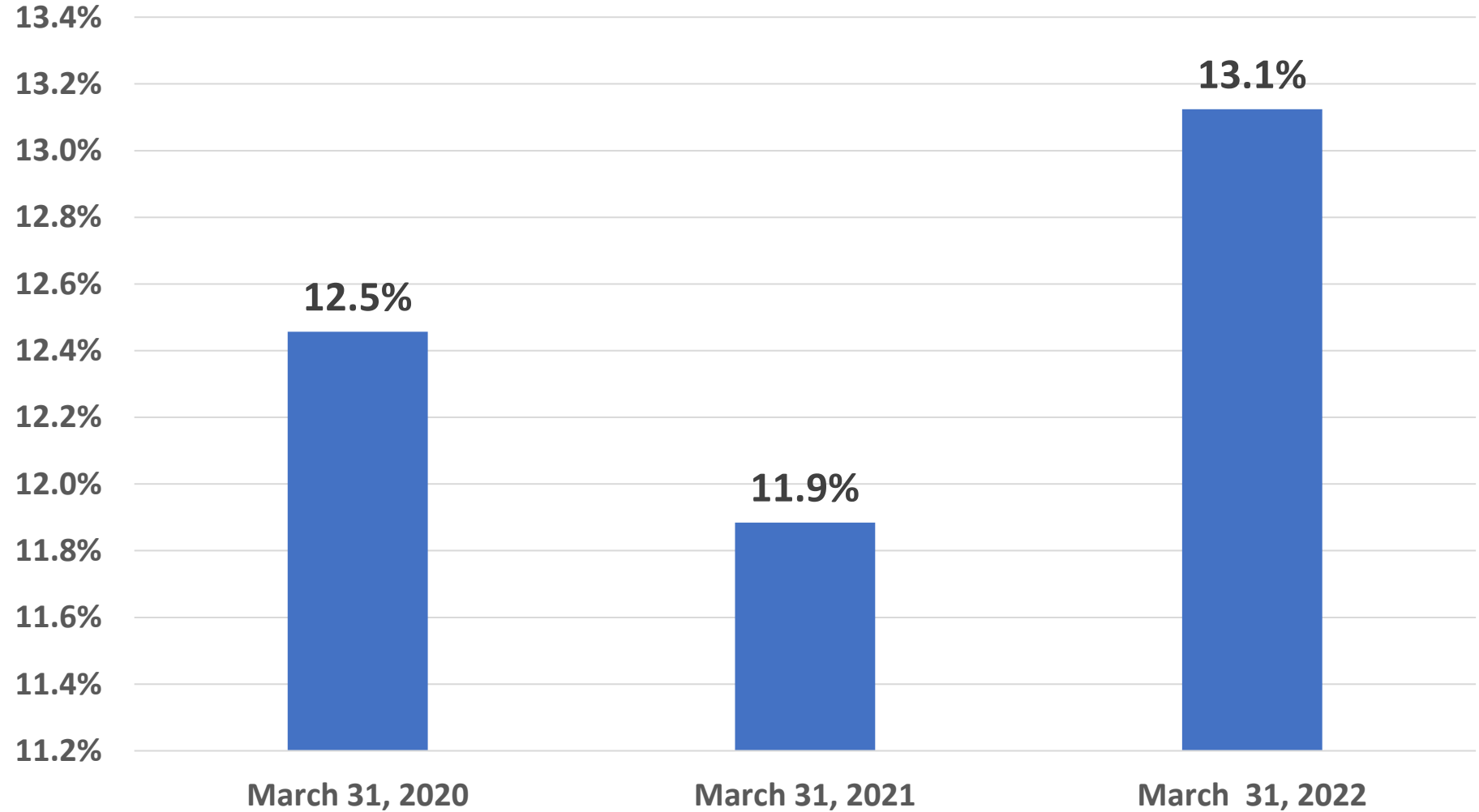


Numbers are in Saudi Riyal Million & are YTD Mar

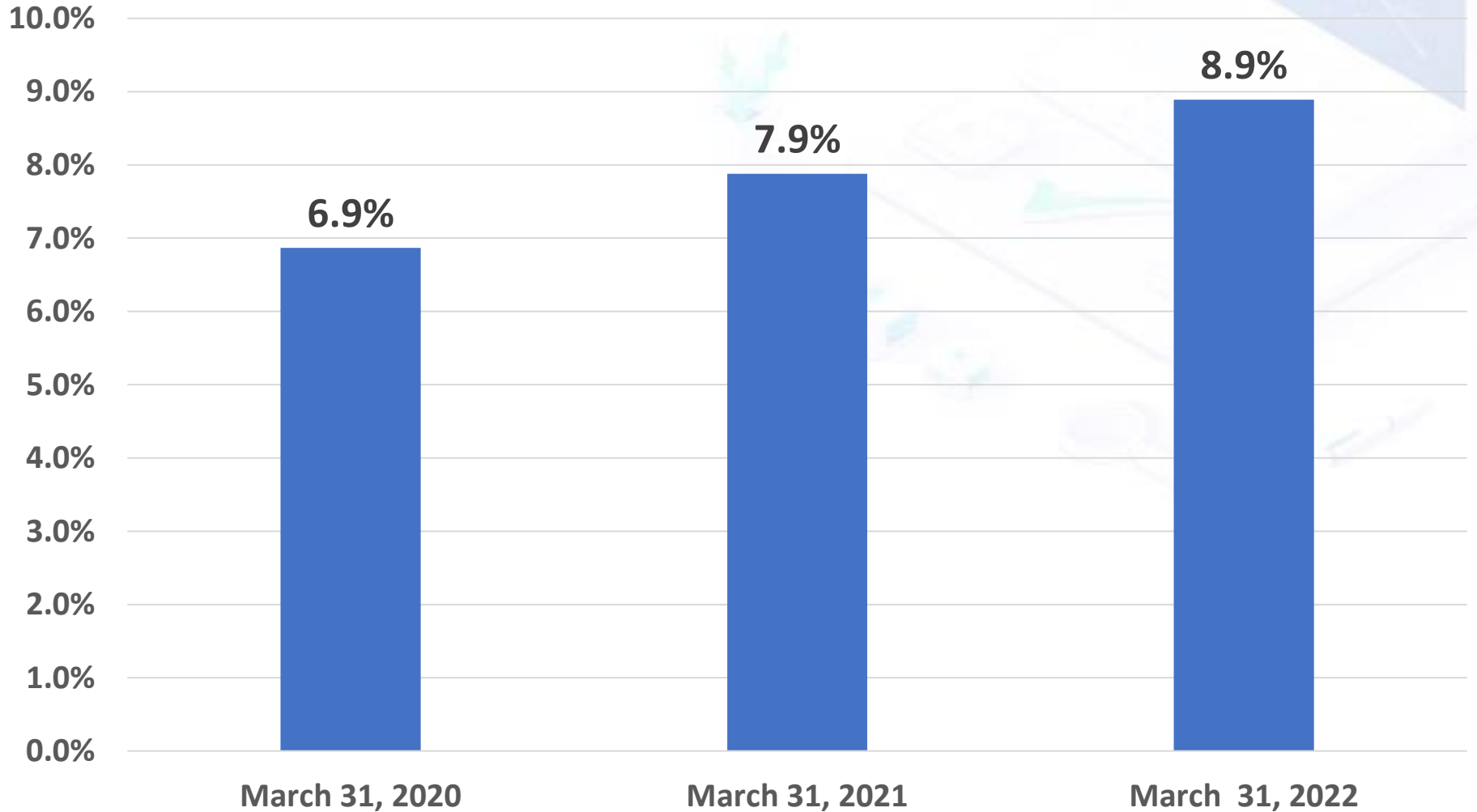


Margins Evolution

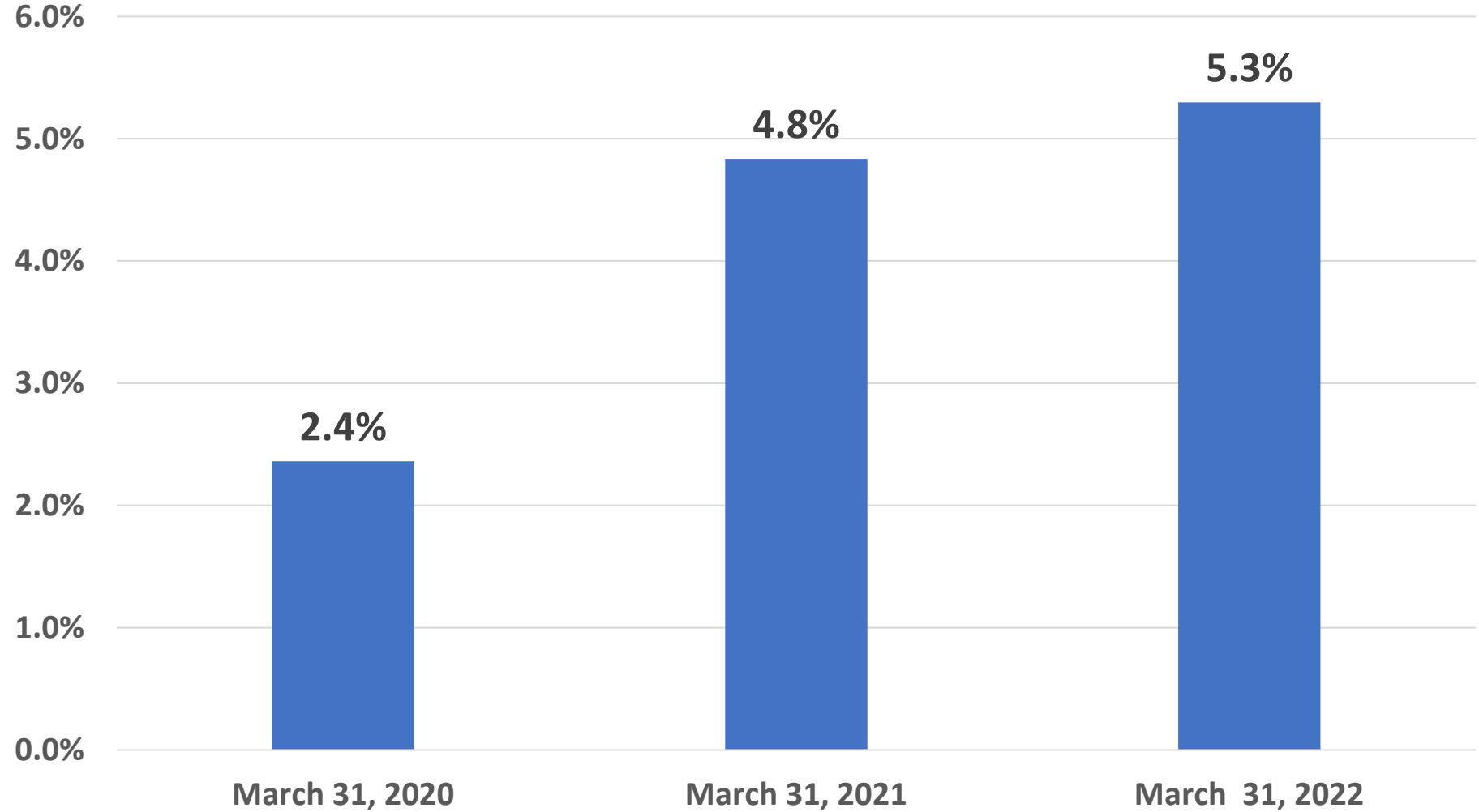
Gross Profit Margin



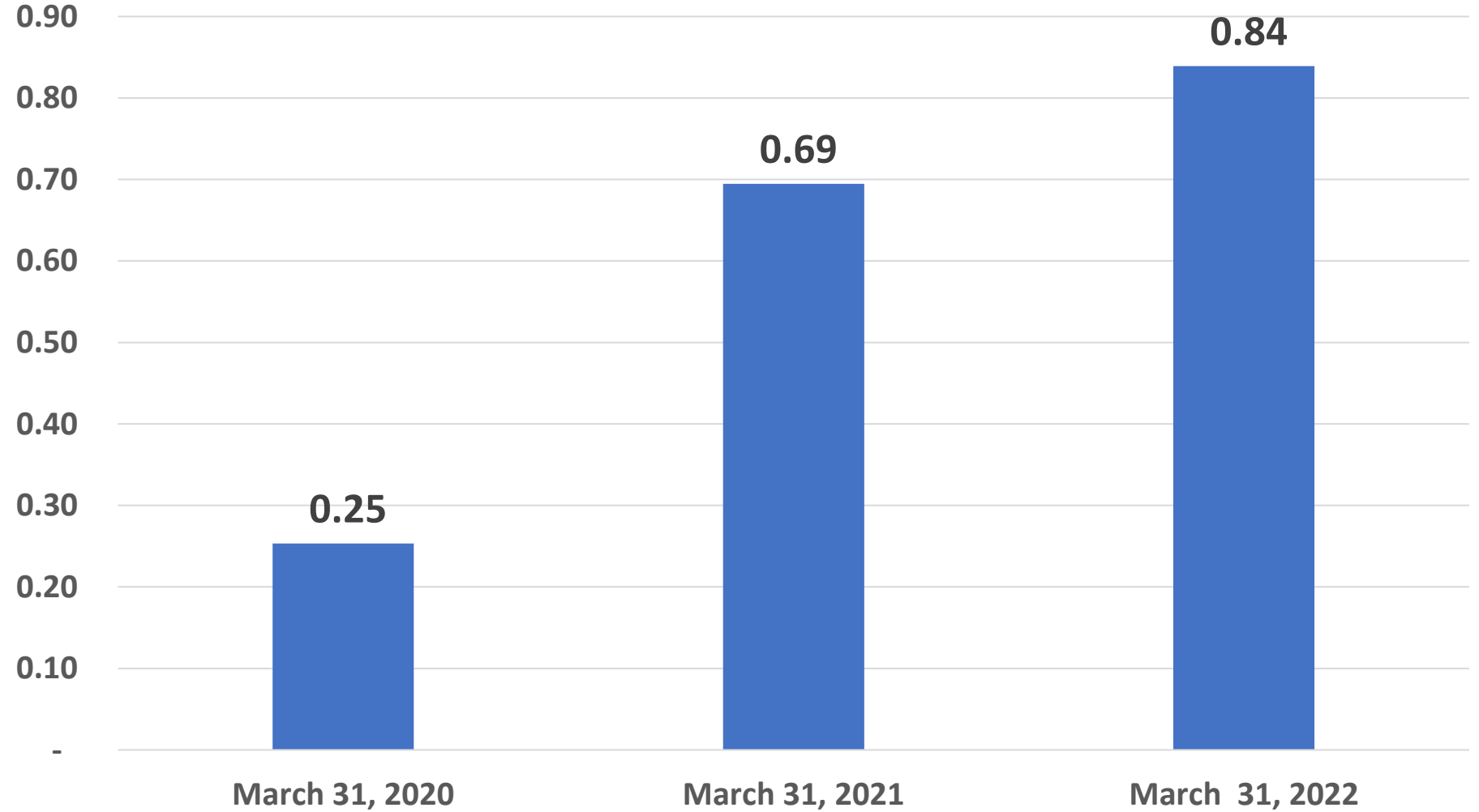
EBITDA Margin



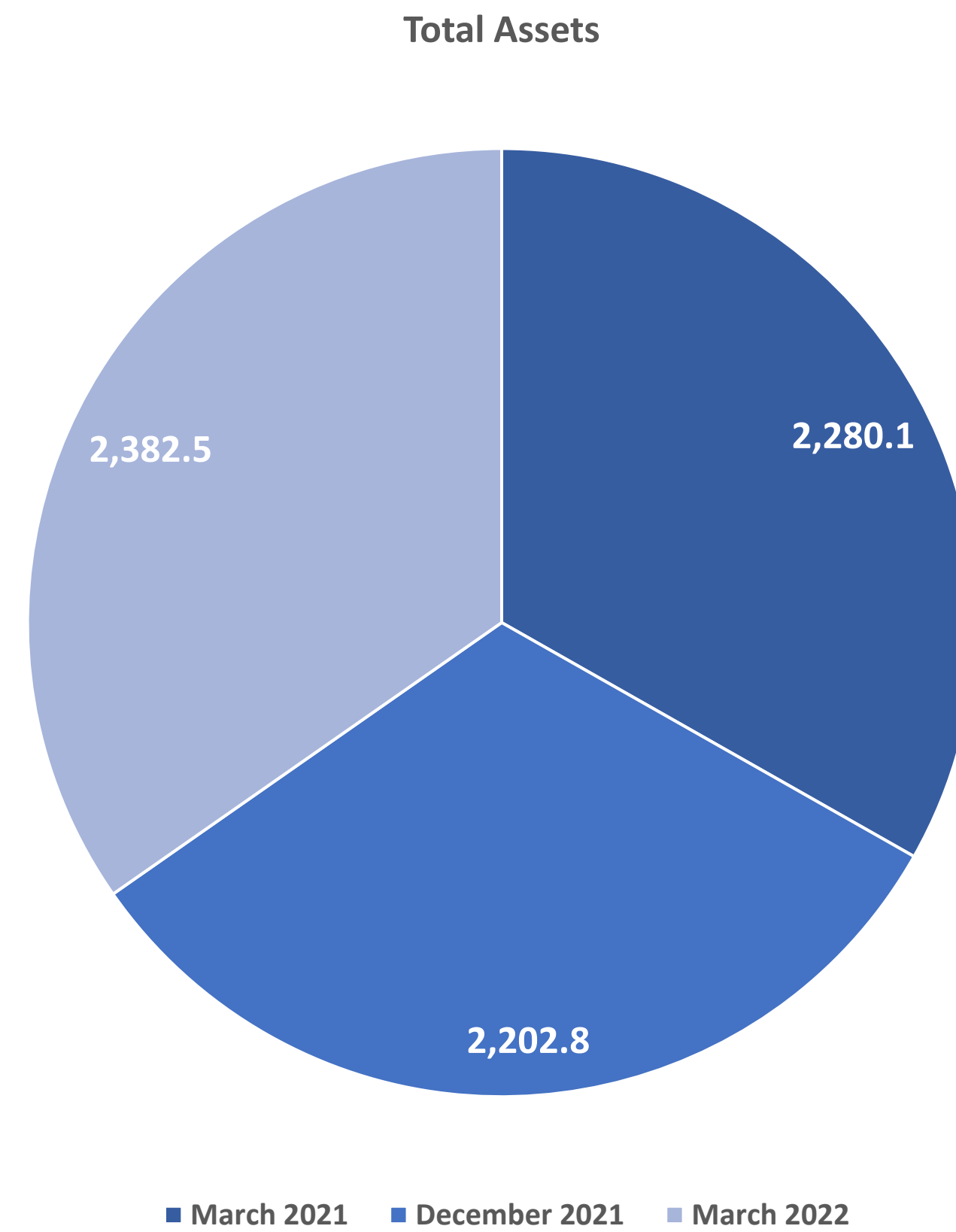
Net Income Margin



EPS



Assets

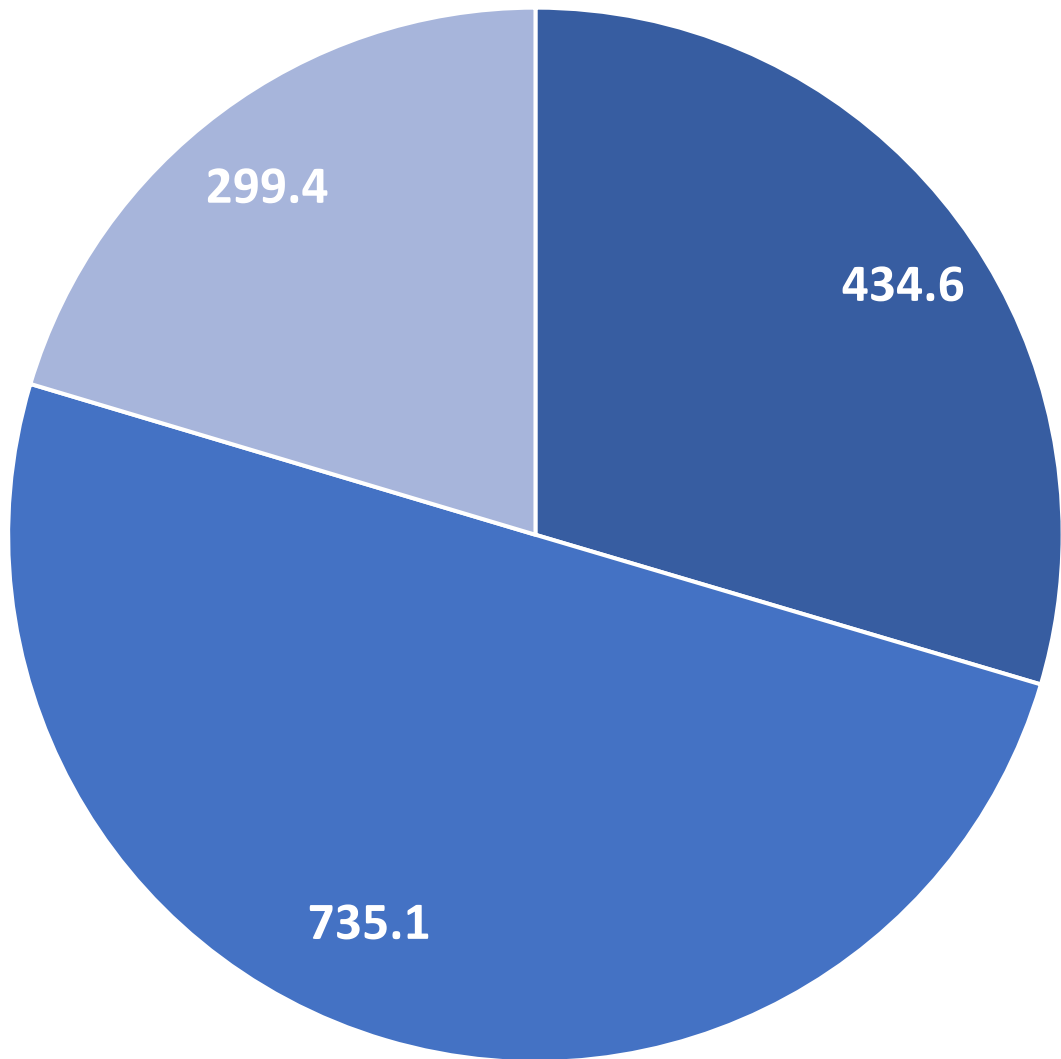


Numbers are in Saudi Riyal Million



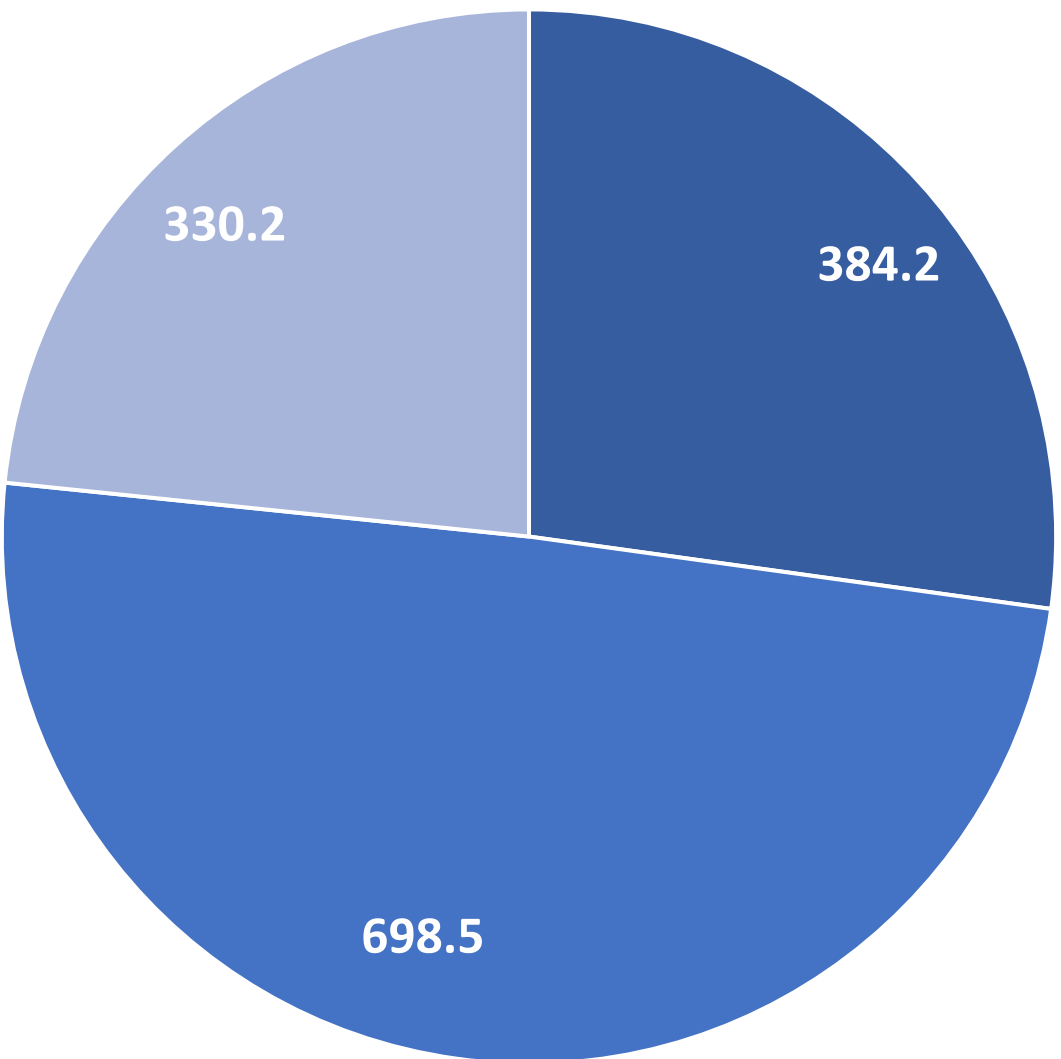
Liabilities

March 31, 2021



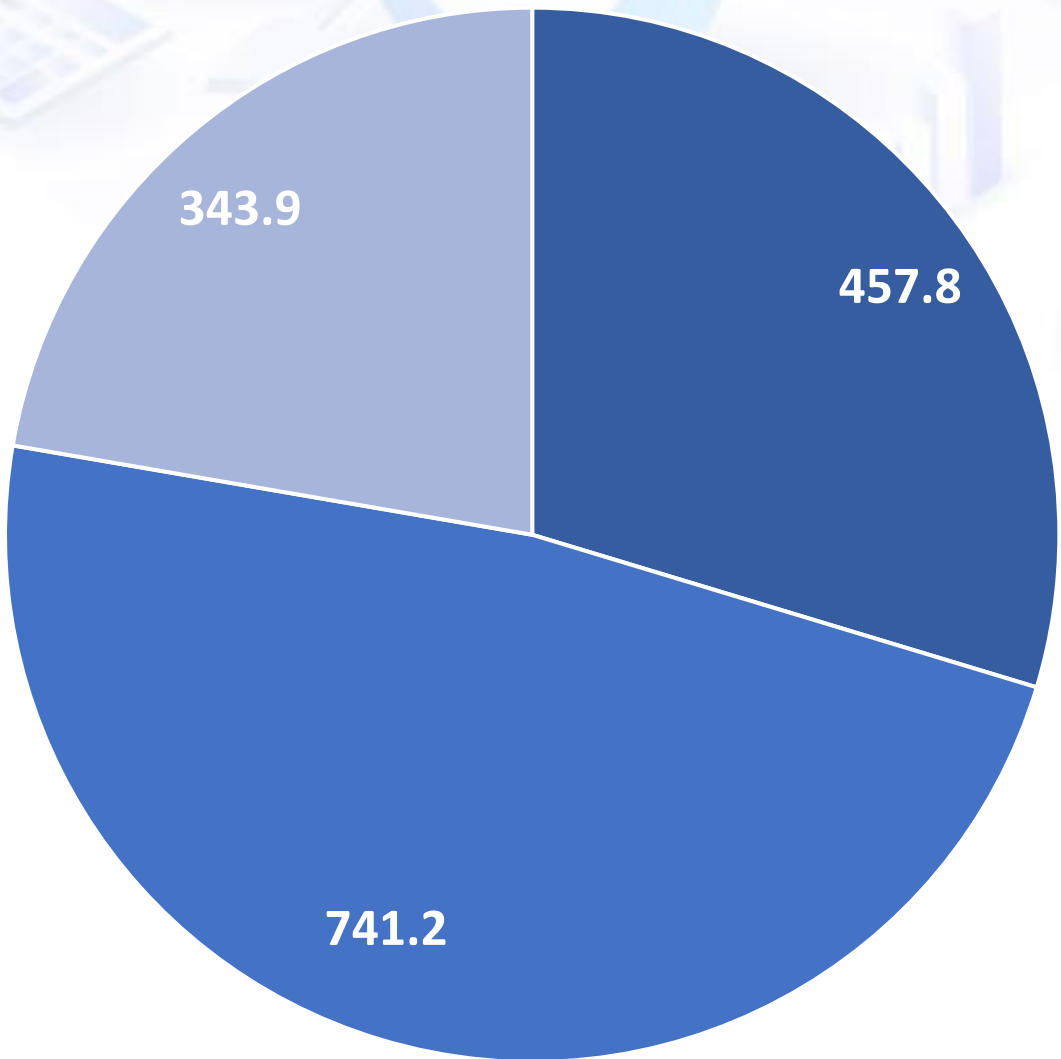
■ Accounts payable ■ Loans ■ Other

December 31, 2021



■ Accounts payable ■ Loans ■ Other

March 31, 2022



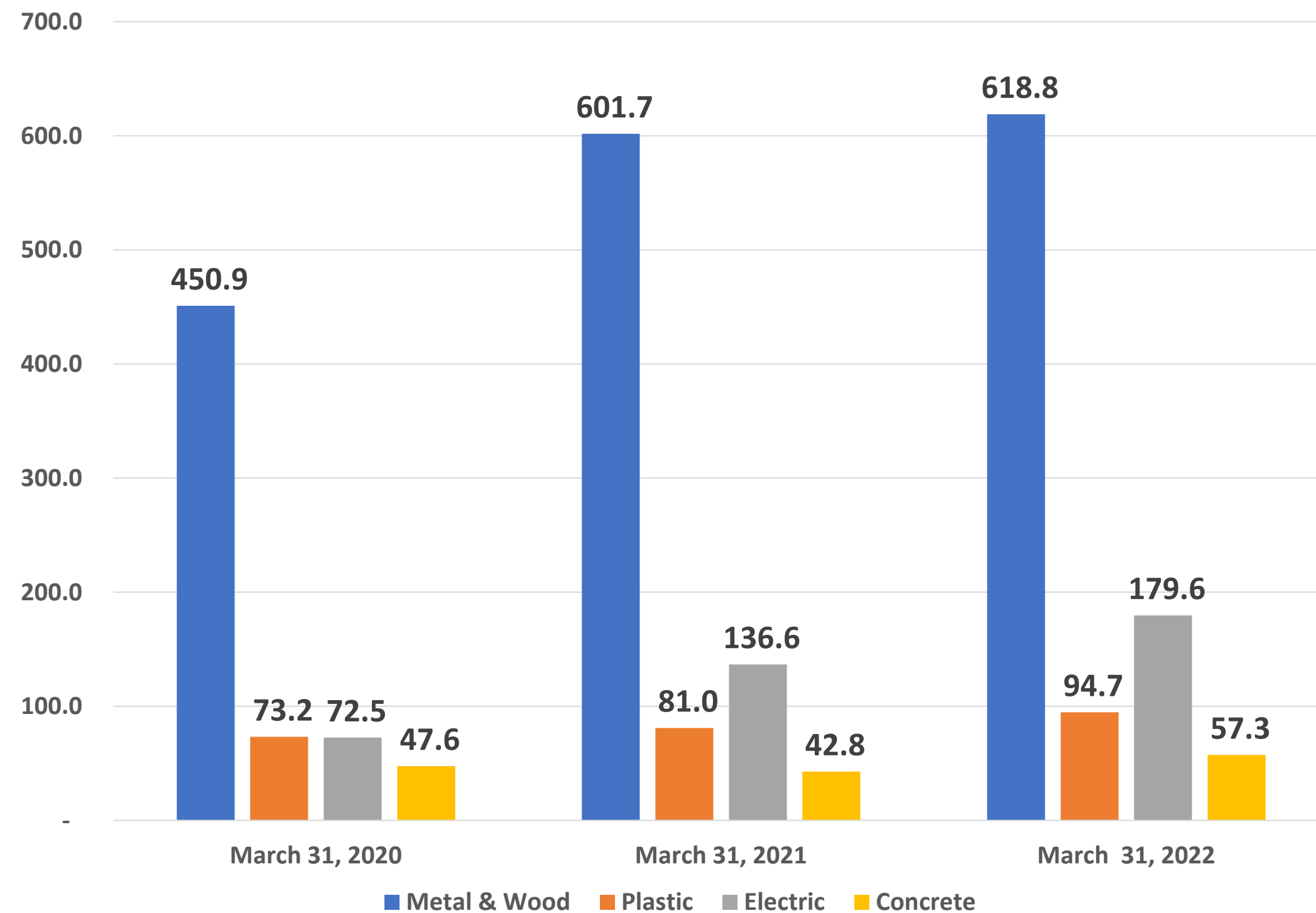
■ Accounts payable ■ Loans ■ Other

Numbers are in Saudi Riyal Million

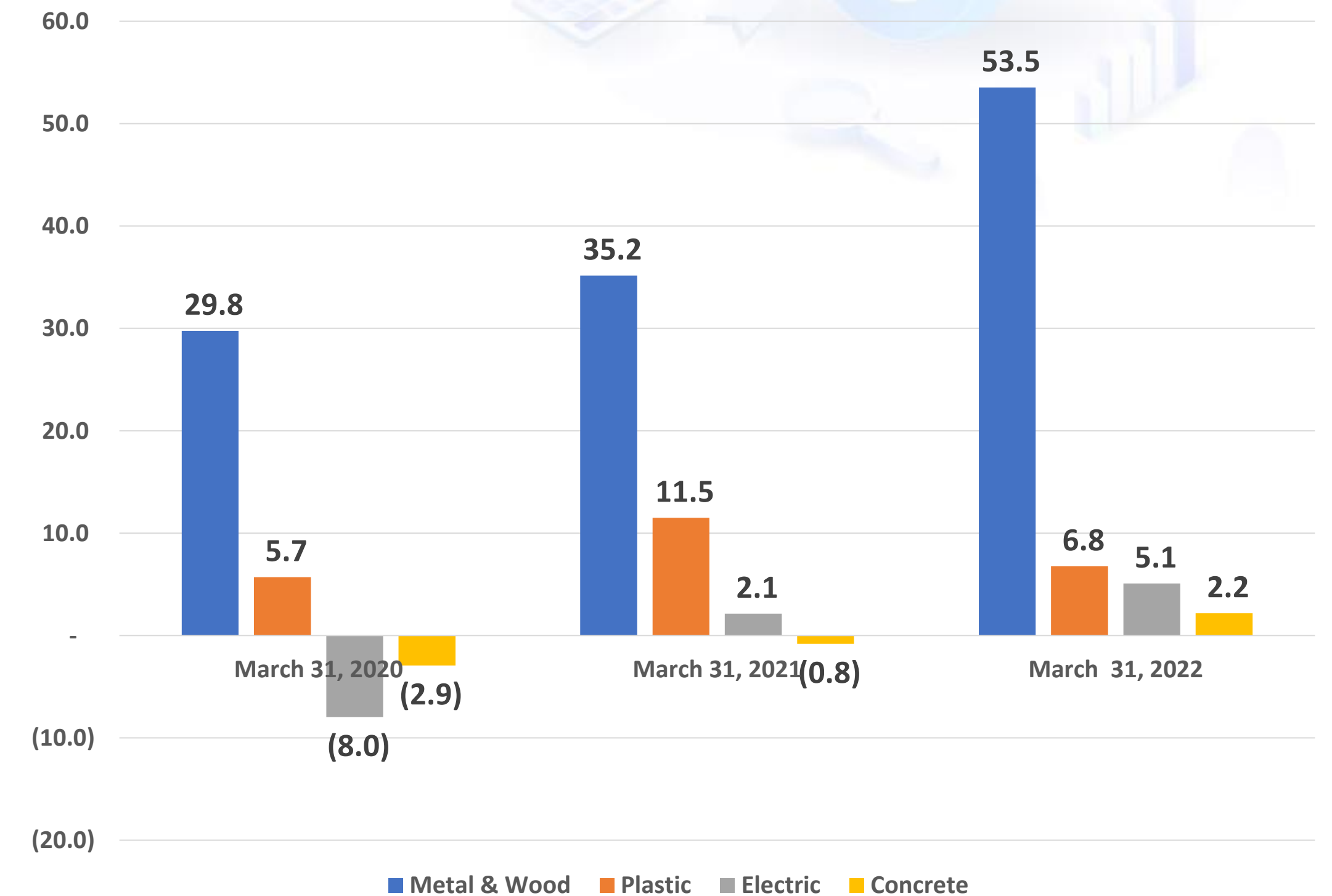
Group Operating Segments



Segment Revenue

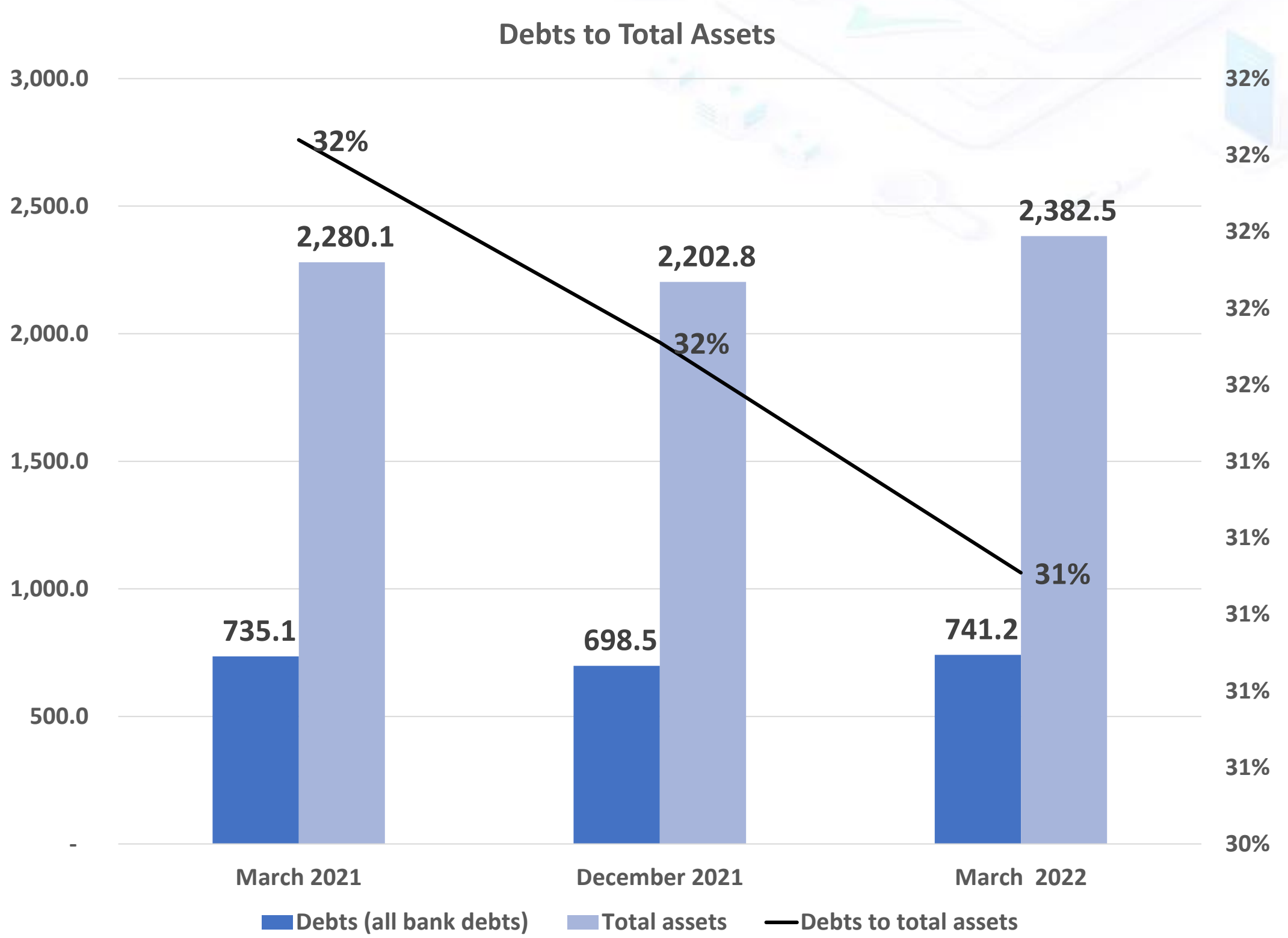
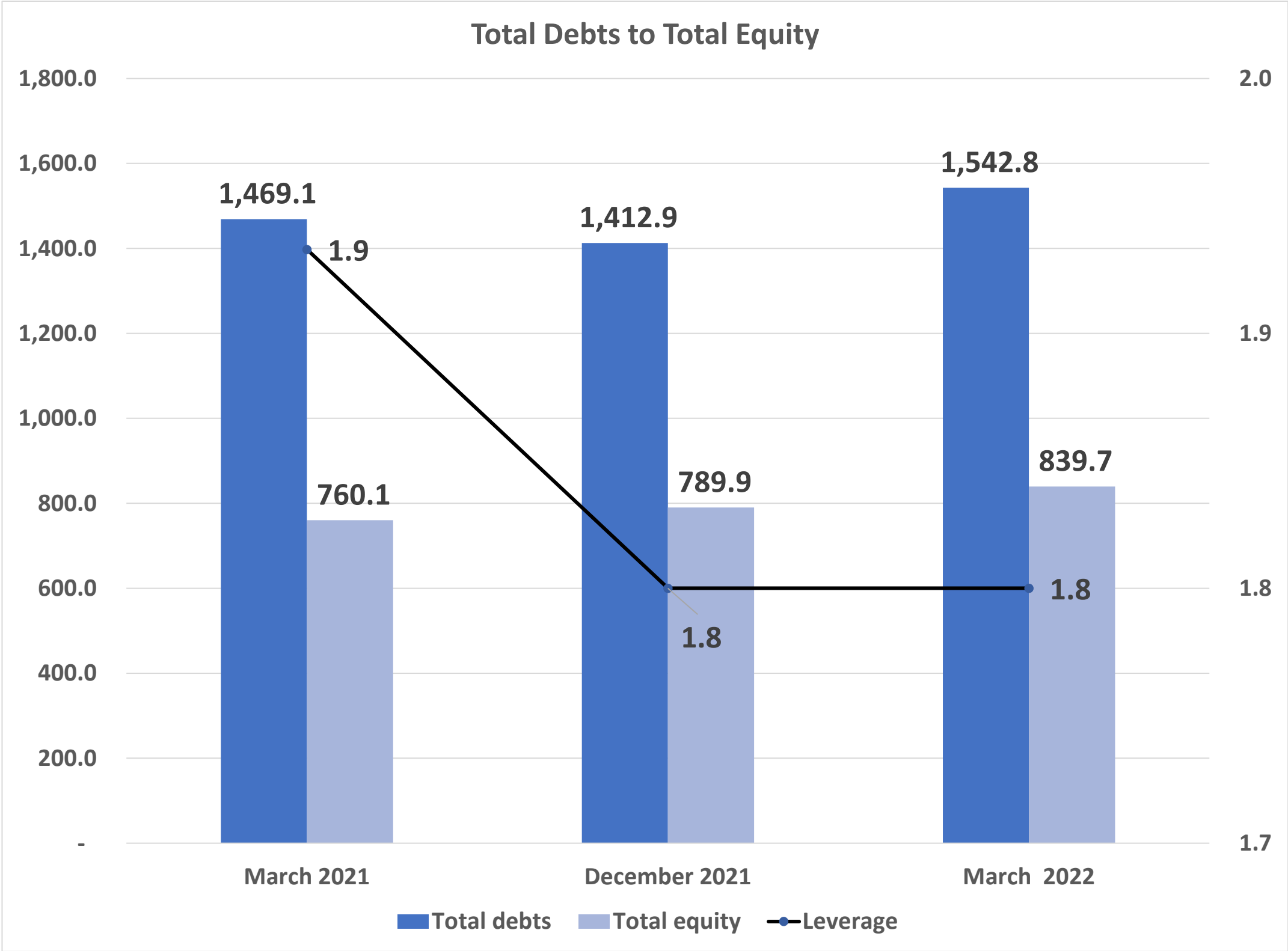


Segment Profit



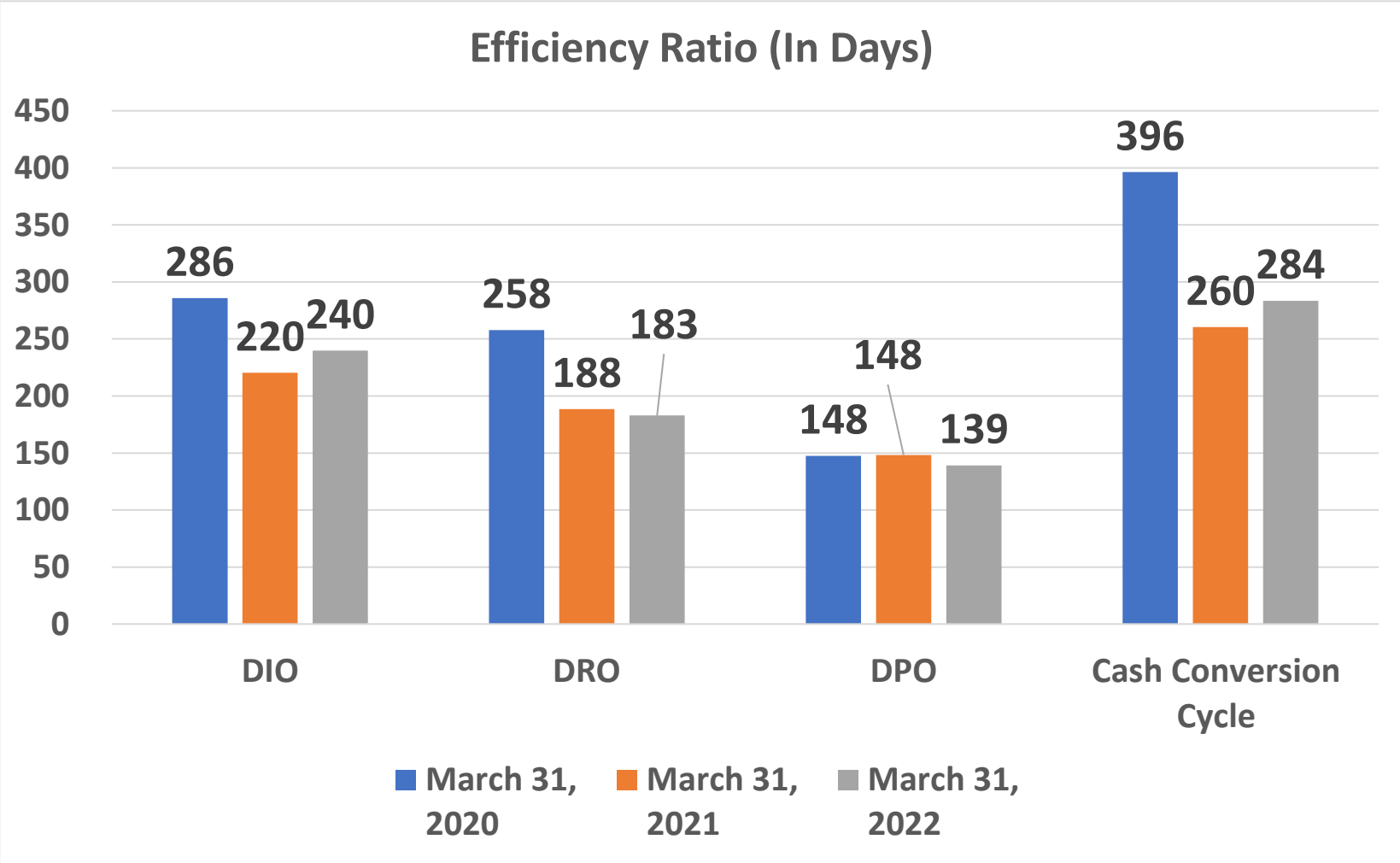
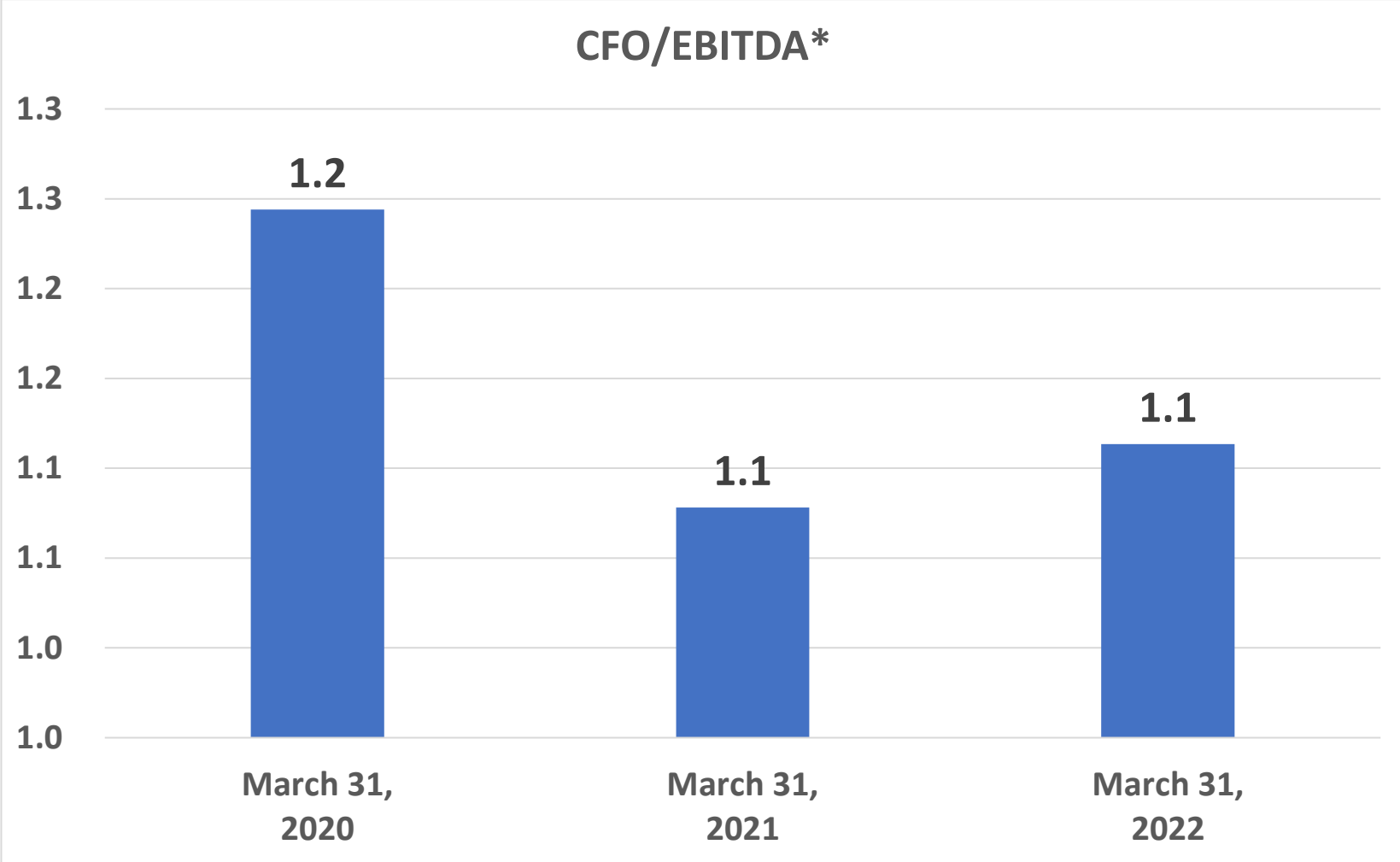
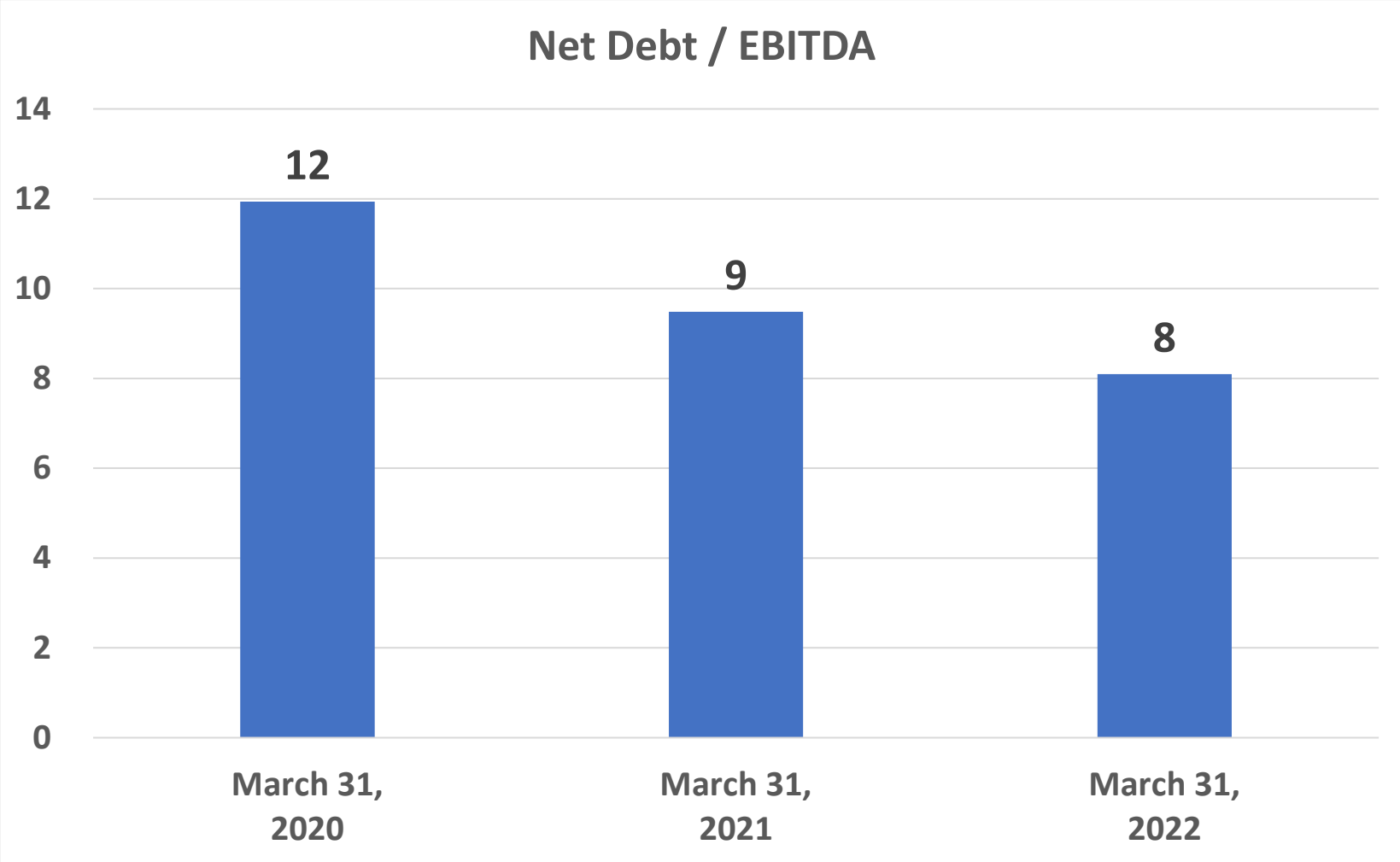
Numbers are in Saudi Riyal Million

Leverage Level



Numbers are in Saudi Riyal Million
 Debts comprise all bank debts and SIDF Loans
 Total debts comprise total liabilities

Efficiency Ratios & Profit Evaluation



DIO: Days inventory outstanding
 DRO: Days receivables outstanding
 DPO: Days payable outstanding
 CCC: Cash conversion cycle

* CFO Before Working Capital Changes



Dividends



Historical Dividends

Year	Net income/Losses (SAR Million)	Total amount distributed (SAR Million)	Ratio to Distributable Profit (*)
2015	88.1	65.0	82%
2016	119.1	69.0	64.4%
2017	71.0	48.0	75%
2020	90.2	60.0	74%
2021	170.3	90	59%

No profits were distributed for the year 2018 and 2019, as the company had losses of SR 218.4 million in 2018, and there was no distributable profit according to the policy for the year 2019.

Distributable profit represents the net income after transferring 10% to statutory reserve.

Appendix



Statement of Income

	March 31, 2020	March 31, 2021	March 31, 2022
	SR'000	SR'000	SR'000
Revenue	644,143	862,120	950,425
Cost of sales	(563,903)	(759,660)	(825,693)
Gross profit	80,240	102,460	124,732
Selling and distribution expenses	(19,539)	(20,976)	(23,023)
Administrative expenses	(25,892)	(27,874)	(29,022)
ECL allowance on financial assets	(3,150)	(4,000)	(6,077)
Operating profit	31,659	49,610	66,610
Gain or loss on disposal of investments at FVTPL	-	1,027	2,409
Fair value gain (loss) on investments at FVTPL	(7,057)	382	(137)
Other income (expense), net	869	(195)	(442)
Finance charges	(8,890)	(3,756)	(5,011)
Profit before zakat and income tax	16,581	47,068	63,429
Zakat and income tax	(2,541)	(4,608)	(9,854)
Loss from discontinued operations	(1,019)	-	-
Profit for the period	13,021	42,460	53,575
Non-controlling interests	2,184	(779)	(3,226)
Profit attributable to owners of the Company	15,205	41,681	50,349
Added back:			
Finance charges	8,890	3,756	5,011
Zakat	2,541	4,608	9,854
EBIT	26,636	50,045	65,214
Added back:			
Depreciation and Amortization	17,590	17,887	19,275
EBITDA	44,226	67,932	84,489
Weighted average number of shares (in thousand)	60,000	60,000	60,000

* Plastic segment was acquired effective January 1, 2019



Statement of Financial Position

	March 31, 2020	December 31, 2021	March 31, 2022
	SR'000	SR'000	SR'000
Property, plant and equipment	723,972	709,840	720,526
Right-of-use assets	19,649	18,485	22,241
Goodwill and other intangible assets	12,133	4,397	4,397
Other non-current assets	3,234	8,635	7,822
Total non-current assets	758,988	741,357	754,986
Inventories	587,837	689,372	760,509
Trade accounts receivable-external & related parties	634,532	601,220	673,137
Investment in financial assets	13,766	-	1,165
Other current assets	200,976	170,803	192,694
Assets relating to disposal group classified as held for sale	84,009.00	-	-
Total current assets	1,521,120	1,461,395	1,627,505
TOTAL ASSETS	2,280,108	2,202,752	2,382,491
Equity attributable to owners of the Company	698,200	739,513	789,862
Non-controlling interests	61,864	50,389	49,815
Total equity	760,064	789,902	839,677
Loans	119,646	80,541	69,604
Lease liabilities	19,608	17,322	21,204
Employee defined benefit liabilities	85,236	85,562	86,349
Total non-current liabilities	224,490	183,425	177,157
Trade accounts payable	434,595	384,202	457,797
Due to banks	499,720	552,963	619,546
Loans-current portion	115,732	64,994	52,007
Other current liabilities	194,563	227,266	236,307
Total current liabilities	1,244,610	1,229,425	1,365,657
Liabilities relating to disposal group classified as held for sale	50,944.00	-	-
TOTAL LIABILITIES	1,520,044	1,412,850	1,542,814
TOTAL EQUITY AND LIABILITIES	2,280,108	2,202,752	2,382,491



Summarized Cash Flows

Cash Flow from Operations *

Investing cash flows

Financing cash flows

Cash and cash equivalents

March 31, 2020	March 31, 2021	March 31, 2022
SR'000	SR'000	SR'000
55,015	73,242	94,073
(7,931)	3,979	(27,569)
(38,558)	(41,667)	(4,997)
90,894	90,819	57,077

** Before working capital changes*



Q&A

