

## Sustainable Infrastructure Holding Company ("SISCO") Q3FY24 revenue (excluding accounting construction revenue) increases by 23.8% to 341.8 million

- Revenue grew by 23.8% compared to previous year, driven by Ports segment
- Gross profit of SAR 179.8 million, a 21.7% increase compared to Q3FY23
- Adjusted EBITDA rose 29.5% to SAR 210.2 million, recovering from the Red Sea crisis

**Jeddah, Saudi Arabia**, November 3<sup>rd</sup>, 2024: Sustainable Infrastructure Holding Company ("SISCO", "TADAWUL: 2190"), Saudi Arabia's leading strategic investor in Ports & Logistics and Water Solutions has announced its financial results for the quarter ended 30 September 2024.

**Revenues for the third quarter of 2024**, excluding accounting construction revenue, grew by 23.8% compared to Q3FY23 to reach SAR 341.8 million, after another strong performance from the Ports segment. On a quarter-to-quarter basis, revenues grew by 13.0% compared to Q2FY24, primarily driven by the Ports and Logistics segments. Year-to-date revenues increased by 16.2% to SAR 901.9 million, driven by a strong performance across all segments.

The third quarter gross profit of SAR 179.8 million represents a growth of 14.7% on a quarter-to-quarter basis, and 21.7% compared to Q3FY23. The gross profit margin for Q3FY24 was marginally down 0.9% year-on-year, due to increased depreciation and direct costs, but was up 0.8% quarter-on-quarter, which is broadly in line with expectations. Year-to-date saw gross profits increase by 13.8% to SAR 469.5 million with healthy gross profit margin of 52.1%.

Adjusted EBITDA growth is also strong, rising by 29.5% to SAR 210.2 million compared to Q3FY23, placing SISCO in line to reach strategic goals. Adjusted EBITDA growth quarter-on-quarter was 21.4%, with a year-to-date increase of 17.7% to SAR 543.8 million.

The adjusted net profit for the third quarter was SAR 23.6 million which broadly in line with prior year despite an increase in depreciation and finance charges in the local and international ports business. Year-to-date adjusted net profit also decreased by 19.6%, from SAR 65.6 million to SAR 52.7 million, again due to rising finance charges and operating expenses. However, adjusted net profit, quarter-on-quarter rose by 62.1% to SAR 23.6 million, largely due to increased revenues from ports and terminals.

Due to the impact of the one-off items, the company reported a year-to-date net loss of SAR 20.1 million for the nine months ended 30 September 2024. These one-off items included: an exceptional net loss of SAR 59.2 million (SISCO Holding share of loss is SAR 29.6 million) in Tawzea; an increase in operating costs in international ports business, one off Zakat charge and provision of SAR 25.4 million for FY 2021 to 2023. And one off total non-recurring loss in Green Dome Holding for the 9 months ended 30 September 2024, an equity accounted associate, of SAR 12 million.

### Q3FY24 Quarterly Performance Highlights:

- **Revenues** improved by 13.0% on a quarterly basis and 23.8% compared for Q3FY23. This growth was mainly driven by improvements in the ports & terminals segment.
- **Gross profit** rose by 14.7% compared to Q2FY24, and 21.7% compared to the same quarter last year, primarily driven by an increase in revenue and margins in ports and terminals segment.
- **Adjusted EBITDA** rose to SAR 210.2 million marking a 29.5% increase from the same quarter in 2023, with an improved

margin of 61.5%.

- **Adjusted net profit** of SAR 23.6 million compared to SAR 14.5 million in Q2FY24.

**Commenting on the results: Eng. Khalid Suleimani, Group CEO, SISCO said:**

“I am pleased to report that SISCO has continued to demonstrate strong growth and operational performance in Q3FY24, with revenues improving by 23.8% compared to Q3FY23. Our Ports segment, which remains a key driver of growth, saw a significant increase in gateway volumes and profitability, leading to robust results despite the current Red Sea situation challenges. Net Profit remains strong, despite the one-off provision of SAR 25 million to Zakat.

Looking ahead, we remain committed to executing our five-year strategy to double revenues by 2026 and continue delivering long-term value to our shareholders.”

**Outlook and (26X6) Strategy**

During the quarter, we have continued to focus on SISCO’s five-year-strategy (6x26), aiming to drive long-term value creation for its shareholders and double revenues to SAR 2 billion by 2026.

Our Ports and Logistics segment is well positioned to take advantage of the positive trend in local imports, driven by our strategic capacity expansion initiatives. In addition, our portfolio companies have also reported strong performances and demonstrated their growth potential, evidenced by notable contracts within the Kingdom.

In addition, Kindasa extended the lease for the desalination station site in Jeddah Islamic Port until 2041 which will have a positive impact on SISCO and Kindasa’s financial statements in Q4 2024.

**Income Statement Summary**

	Adjusted Revenue	Gross Profit	EBITDA-Adjusted	Net Profit – Adjusted
Q3-2024	SAR 341.8 m ↑ 23.8%	SAR 179.8 m ↑ 21.7%	SAR 210.2m ↑ 29.5%	SAR 23.6 m ↓ 0.6%

## Operational Highlights

### *Ports & Logistics*

The revenues for Ports in Q3FY24 showcased a strong performance, reporting an increase of 27.5% from the same quarter last year. Most notably, operating profit saw a substantial rise of 37.1%, hitting SAR 119.3 million, driven by improved margins due to strong gateway volumes, which rose by 26% compared to Q3FY23. Year to date revenues increased by 18.1% from SAR 624.8 million to SAR 737.7 million.

RSGTI also commenced operations in Bangladesh on 5 June 2024. The terminal is fully operational and is performing in line with the business plan.

### *Logistics Parks & Services*

The logistics segment revenues for Q3FY24 increased by 1.4% compared to the same quarter in 2023, reported at SAR 32.6 million. Gross profit was reported at SAR 9.5 million, a 39.5% decrease compared to 2023.

Investment in warehouse expansion, which was completed in 2023, has paid off, resulting in a notable 23.5% increase in warehouse revenue to SAR 11.9 million in the current quarter compared to Q3FY23. Additionally, land revenue was reported at SAR 5.2 million, a 33.4% decrease compared to last year. Service revenue has also seen an increase of 5.2% year-on-year, reaching SAR 15.5 million in Q3FY24.

SA Talke's year to date revenues remained flat at SAR 233.5 million, whereas SISCO's share of SA Talke's year-to-date net profit was SAR 17.2 million.

### *Water Solutions*

Revenues in the consolidated water entity, Kindasa, increased by 11.9% compared to the same quarter in 2023, reported at SAR 26.1 million. Gross profit for the quarter was SAR 12.8 million, an increase of 16.5%, with an improved margin of 49.1% due largely to higher transportation revenue and increased sales volumes.

Tawzea, an equity accounted associate, revenues (excluding accounting construction revenue) increased by 36.9% to SAR 416.6 million and SISCO Holding's share of Tawzea's year to date adjusted net profit was SAR 15.9 million, an increase of 55.9%.

## Investor Relations

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## About SISCO

SISCO Holding is an investment company with a diversified portfolio of unique assets spanning infrastructure, ports and logistics and water solutions, building on the success of establishing unique companies that hold market leading positions. SISCO Holding was established in 1984, supported by a team of more than 4,000 employees and provides strategic support to portfolio companies with a clear and long-term investment philosophy to unlock available growth opportunities. The company has assets under management of over SAR four (4) billion through its eight (8) strategic portfolio companies.

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