

SISCO Holding Records Another Strong Year with Revenue of SAR 1.25bn and Adjusted Gross Profit Growth of 13.7% to SAR 641.4 million

- Revenues increased by 19.2% to SAR 1.25 bn, a very positive Q4 2024 contributing strongly to the rise
- Adjusted EBITDA for the full year up 15.6% to SAR 735.8 million
- Ports Segment alone delivered over SAR 1bn in revenue in 2024 for the first time
- Expansion in Kindasa's gross profit margins up to 49.7% from 48.3% in the previous year

Jeddah, Saudi Arabia, February 2025: The Sustained Infrastructure Holding Company ("SISCO Holding," "TADAWUL: 2190"), Saudi Arabia's strategic investor in Infrastructure, Ports and Logistics, and Water Solutions, has announced its financial results for the fourth quarter and the year ended 31 December 2024.

Full-year revenue, excluding accounting construction revenue, increased by 19.2% year-on-year to SAR 1.25 billion, compared to SAR 1.05 billion in FY2023, on the back of strong performance in ports segment. Revenue for Q4 FY2024 increased by 27.7% compared to Q4 FY2023, driven by strong performance in the ports segment. On a sequential basis, Q4 FY2024 revenues improved by 3.20% from Q3 FY2024.

The adjusted gross profit for FY2024 stood at SAR 641.4 million, up 13.7% year on year, driven by strong revenue growth and mix particularly in the ports segment.

However, gross margins in 2024 declined to 51.1%, a decline of 2.5% from prior year primarily due to an increase in depreciation and amortization, direct employee costs.

Operating expenses increased as a result of an increase in employee expenses and professional fees, primarily in the ports segment.

Adjusted EBITDA increased to SAR 735.8 million, an increase of 15.6% over last year driven by strong revenue growth and mix primarily in the ports segment. However, adjusted EBITDA margins declined by 1.8% from last year to 58.7% due to an increase in operating expenses mentioned above.

Due to the impact of the one-off items, the company reported a loss of SAR 0.74 million for YE 2024. These one-off items included: an exceptional net loss of SAR 68 million (SISCO Holding share of loss is SAR 34 million) in Tawzea; an increase in operating costs in international ports business, one-off Zakat charge and provision of SAR 26.4 million for FY 2021 to 2023, and one-off total non-recurring loss in Green Dome Holding for, an equity accounted associate, of SAR 12 million. Adjusted net income (which excludes the impact of one-off provisions and exceptional items) for the full-year period stands at SAR 72.1 million, bolstered by a particularly strong H2 2024 in our ports segment compared to the previous year, but restrained by higher depreciation, operating expenses and an increase in finance charges resulting from additional debt drawdown and an increase in SAIBOR rates compared to the previous year.

Q4FY24 Quarterly Performance Highlights

- **Total Revenue** increased by 27.7% year-on-year, mainly driven by ports activities
- **Adjusted Gross profit** was up by 13.5% y-o-y, due to both ports and water solutions segments
- **Adjusted EBITDA** showcasing a healthy margin of 48.7%
- **Reported Net income** of SAR 19.32 million, a 183.9% improvement compared to the same quarter last year

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

“I am pleased to report that SISCO Holding delivered a strong performance for the full year of 2024, with revenue rising by 19.2% year-on-year, building on our record SAR 1.05bn of revenue in 2023.

The ports segment revenue showed strong growth of 23.0% to exceed SAR 1bn despite the Red Sea disruption, with Q4 2024 revenue up 36.2% compared to the same period last year, underpinned by an exceptional year in the ports segment which led to an exceptional increase in gateway volumes and market share by RSGT.

Our logistics segment achieved steady growth, with significant contributions from enhanced warehouse operations in LogiPoint and a robust performance from our portfolio company SA Talke, which saw strong growth in both revenue and net income.

This year was particularly notable for our water solutions segment, Kindasa, where we formed a number of important partnerships and secured a key contract extension with the Saudi Ports Authority for the desalination plant at Jeddah Islamic Port until November 2041, which will help underpin the future profitability of the business.

Over the year we made considerable progress in implementing our five-year strategy. Our ports and logistics segments capitalized on market opportunities with strategic capacity expansions—highlighted by securing a preliminary agreement for a SAR 1bn joint venture with Gulf Islamic Investments for Grade A warehousing solutions together with continued expansion of warehousing capacity. We continue to expand our presence in the international ports sector through ongoing investment in the Patenga container terminal in Bangladesh, which is performing better than expected.

Similarly, Tawzea’s SAR 33 million contract with WEBUILD S.P.A. Saudi Arabia for Trojena Dam marked a significant milestone in our distribution strategy aimed at delivering diversified services and products.

Given our steadfast commitment to diversification, growth, and operational excellence, and our strong market-leading position in the Red Sea region, we are well-equipped to navigate evolving market dynamics and achieve our ambitious goals.

Outlook and Strategy (6X26)

In 2024, made considerable progress in the delivery of SISCO's five-year-strategy (6x26), which aims to double revenues to SAR 2bn and increase AUM to SAR 6bn by 2026.

Our ports and logistics segments continued to capitalise on positive trend in local imports, supported by strategic capacity expansions. Key milestones in 2024 have been the establishment of LogiPoint's SAR 1bn joint venture with Gulf Islamic Investments to develop Grade A warehousing across the Kingdom.

Our water segment formed important strategic partnerships, including a deal with MODON for drinking water services, a SAR 316 million agreement with Neom for a project to enhance and develop the Al-Badaa Water Recycling Plant and the Jeddah Islamic port contract extension.

We continue to pursue M&A opportunities and have a healthy pipeline of opportunities as we seek to strengthen our portfolio of companies and our overall proposition to help us drive forward and achieve our strategic goals in the year ahead.

Ports

In 2024, RSGT delivered another robust performance with revenue increasing by 22.4%, to more than SAR 1 bn at SAR 1.03bn, compared to the previous year. Q4 2024 was particularly strong seeing a revenue increase of 36.2% to SAR 79.6 million compared to Q4 2023, largely due to the strong rise in volume during the year.

With regard to the Red Sea crisis, 2024 was an exceptional year for RSGT with significant market share gains and is not representative of the situation moving forward, which is stabilizing with trade routes normalizing. While transshipment revenues and volumes were still restrained, gateway volume increased significantly, by 24.3% year-on-year to 1.7 million, with growth even stronger in Q4 2024, with gateway volumes up close to 41.9% and revenues increasing by 50.6% to SAR 138.1 million compared to Q4 2023.

This solid performance was driven by improved margins and strong gateway volume growth, with the ports segment leveraging its strong fundamentals, operational efficiencies, and strategic positioning in the sector, which leaves it well-positioned for sustainable growth and continued successes.

Bangladesh port started operations in current year and closed 2024 with revenue of SAR 5.3 million.

As we move into 2025, market conditions are expected to normalize, particularly with the stabilization of the Red Sea situation, which is expected to lead to a normalization of gateway volumes and market share in JIP.

Despite this, RSGT remains confident in its market-leading position, leveraging its state-of-the-art infrastructure, operational efficiencies, and strategic partnerships to drive sustainable growth. The company remains cautiously

optimistic about the outlook for 2025 and beyond, as it continues to invest in capacity expansion and service enhancements to meet the evolving demands of global trade.

Logistics

In 2024, the LogiPoint achieved a total revenue of SAR 119.1 million, reflecting steady growth. Key drivers included a 17.2% increase in Q2 2024 revenue to SAR 30.7 million, and a further 6.2% increase in Q3 2024 to SAR 32.6 million. Warehouse expansion, completed in 2023, contributed to a robust increase in warehouse revenue of 20% in Q3 2024 to SAR 11.9 million compared to Q2 2024 and a 21.0% year-on-year increase. During the year LogiPoint, as part of our ongoing strategy to expand capacity, signed a SAR 1bn joint venture with Gulf Islamic Investments to develop Grade A warehousing across the Kingdom.

SA Talke total revenue was up year-on-year from SAR 309 million to SAR 327.3 million, and the company had a particularly successful Q4 2024, with a 17.4% increase in net income compared to the same period in the previous year. SISCO Holding's share of SA Talke's 2024 net income was SAR 23.1 million.

Water Solutions

Kinsada's full-year revenue improved by 3.7% to SAR 96.2 million compared to FY2023. This trend of consistent growth is also reflected in the gross profit margin, which rose from 48.3% to 49.7% in FY2024.

The full-year gross profit of SAR 47.8 million was up 6.7% year-on-year, with momentum building towards the end of the year, as gross profit in Q4 2024 was up 8.6% compared to Q4 2023. During the year a key contract extension was secured with the Saudi Ports Authority for the desalination plant at Jeddah Islamic Port until November 2041.

Tawzea delivered a very positive FY2024 with revenue (excluding construction revenue) increasing by 33.6% to SAR 565.9 million, with a particularly strong Q4 2024 of SAR 149.3 million, which was up 25.3% compared to Q4 2023. With regard to the year, Tawzea delivered its strongest performance in Q4 2024, contributing SAR 18.4 million in net income to SISCO Holding.

For the year Tawzea delivered a strong performance through additional projects to minimize the impact of the one-off EPC losses of SAR 68 million, which resulted in Tawzea reporting a net income of SAR 0.8 million. Excluding the impact of the one-off losses, Tawzea's adjusted net income in 2024 was SAR 68.8 million, which represents an increase of 298% over 2023 net income.

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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