



# Q1 2024 Earnings Presentation

May 13, 2024



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# Agenda

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- Tailwinds & Headwinds
- Q1 2024 Highlights
- Results
- Financial Review
- Q&A





## Mezzan Today: Tailwinds

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- Accelerated portfolio & channel mix changes to mitigate input cost volatility and protect margins.
- Materializing efficiencies behind changes in own manufacturing landscape.
- Effective CAPEX management through prioritization of production and generating demand-focused investments.
- Rejuvenating our IS/IT landscape to support speed in decision making.





## Mezzan Today: Headwinds

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- Potential disruptions in the volatile supply environment, we are actively optimizing inventory management to accommodate these potential disruptions.
- Financing cost, though in line with investment plan associated with our healthcare division, we will continue to proactively seek opportunities to lower these commitments.





# Mezzan Today: Earnings Highlights

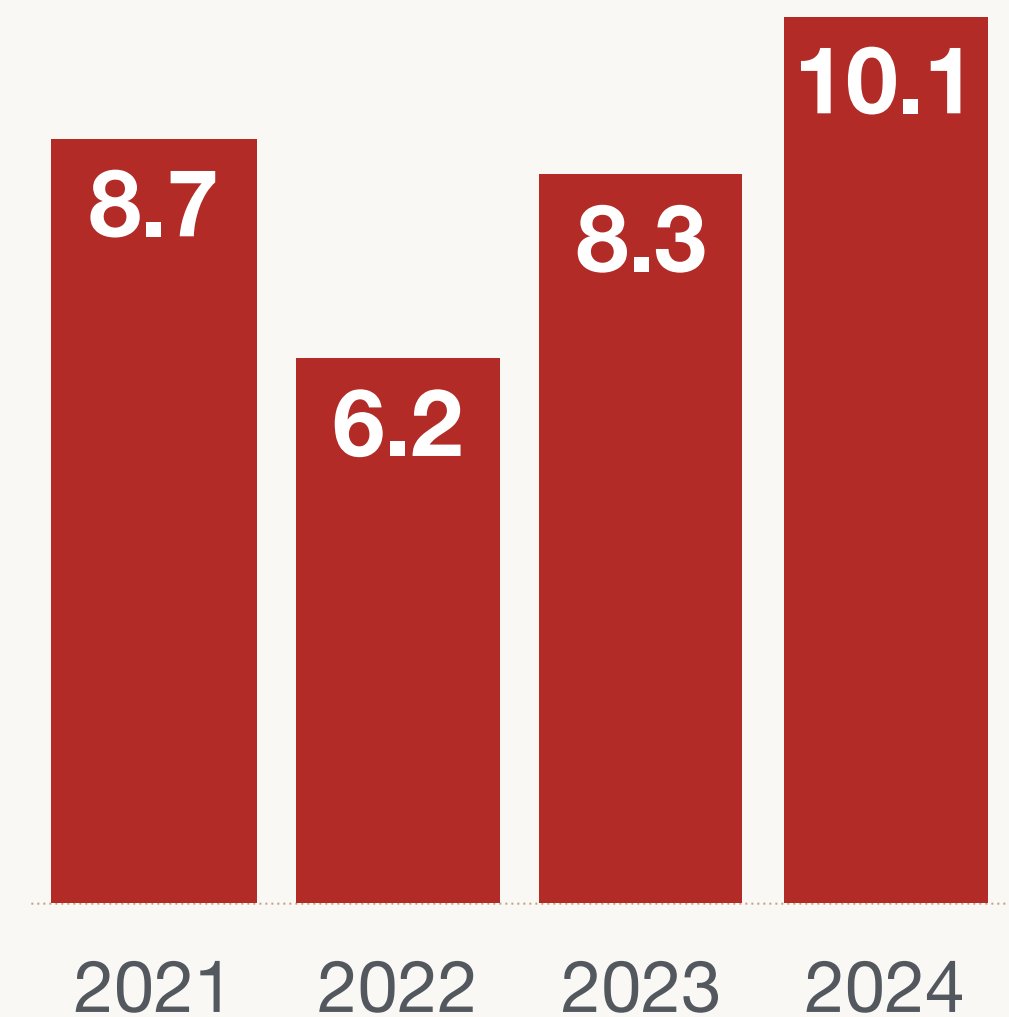
KD Millions

	Q1'24	Q1'23	% Diff
<b>Revenue</b>	<b>85.5</b>	<b>79.0</b>	<b>+8.2%</b>
<b>EBITDA</b>	<b>10.1</b>	<b>8.3</b>	<b>+21.7%</b>
<b>Net Income</b>	<b>6.1</b>	<b>4.6</b>	<b>+32.1%</b>
<b>Net Profit</b>	<b>5.7</b>	<b>4.3</b>	<b>+33.9%</b>

*Attributable to Equity Holders of Parent Company*

## Q1 EBITDA (2020-2023)

KD Millions



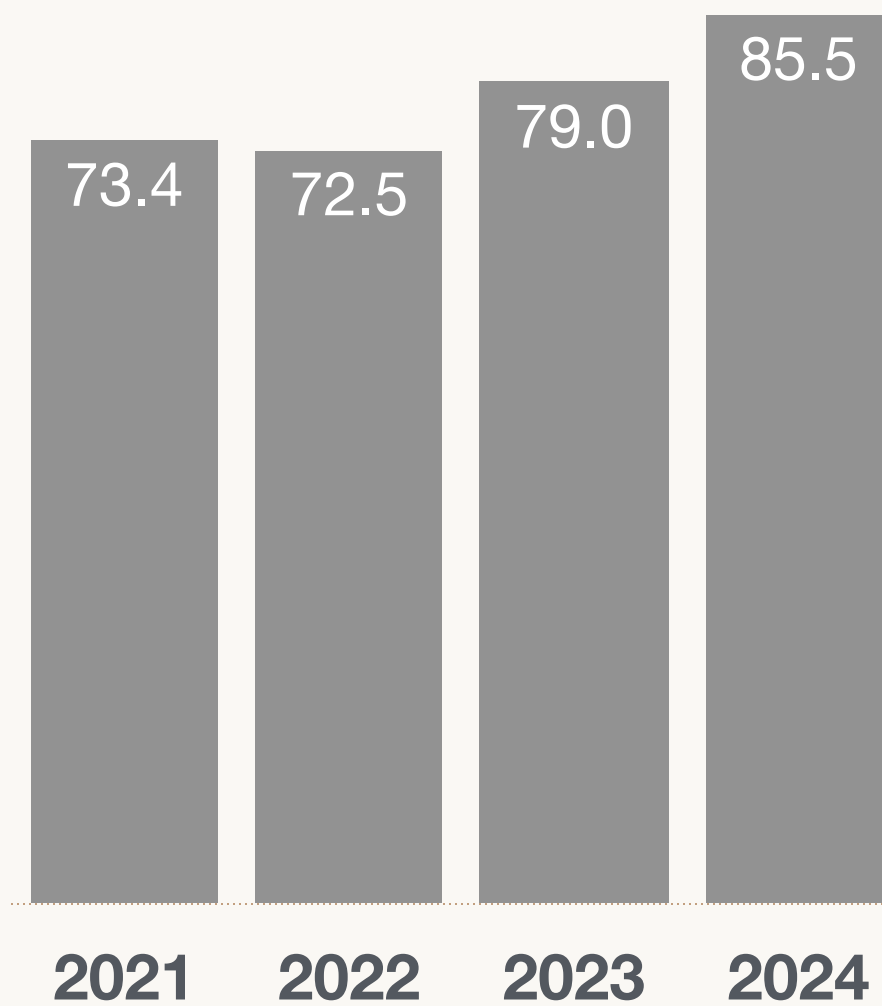
Note: All figures are rounded. Manual calculations for the variances and percentage difference may not align with the presented figures.



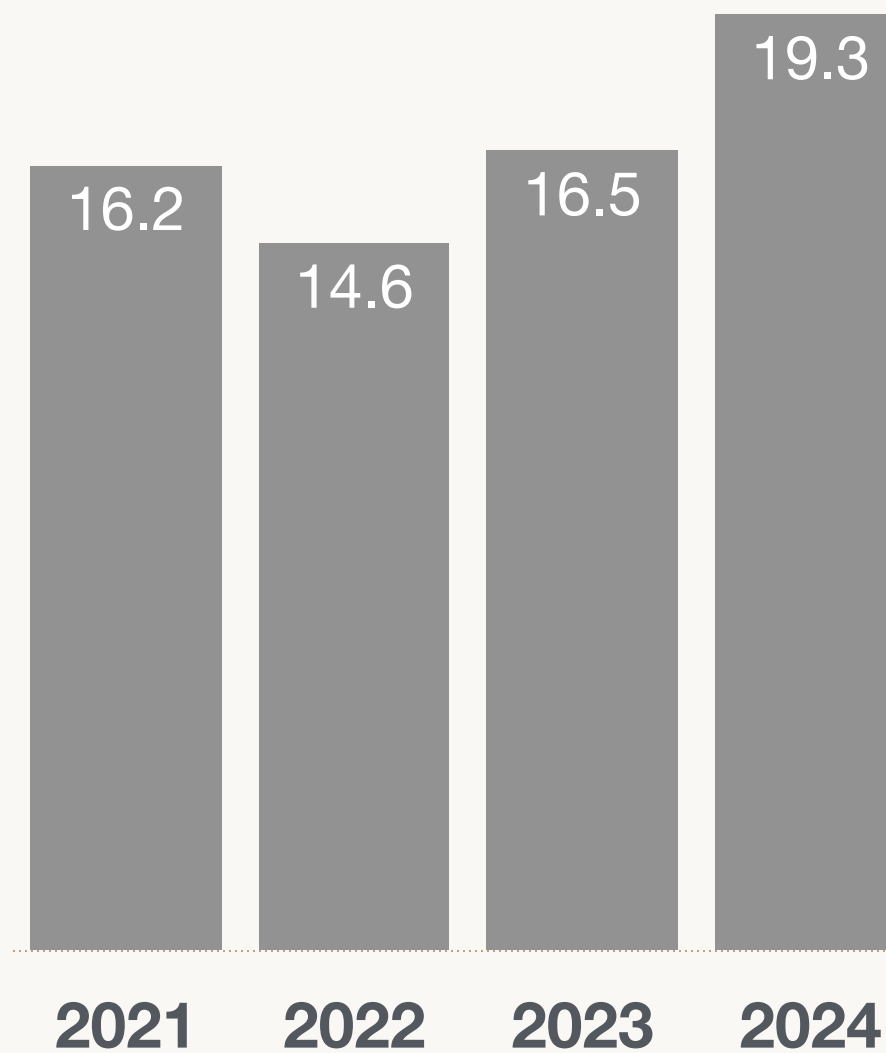
# Mezzan Today: Q1 Comparative Performance

KD Millions

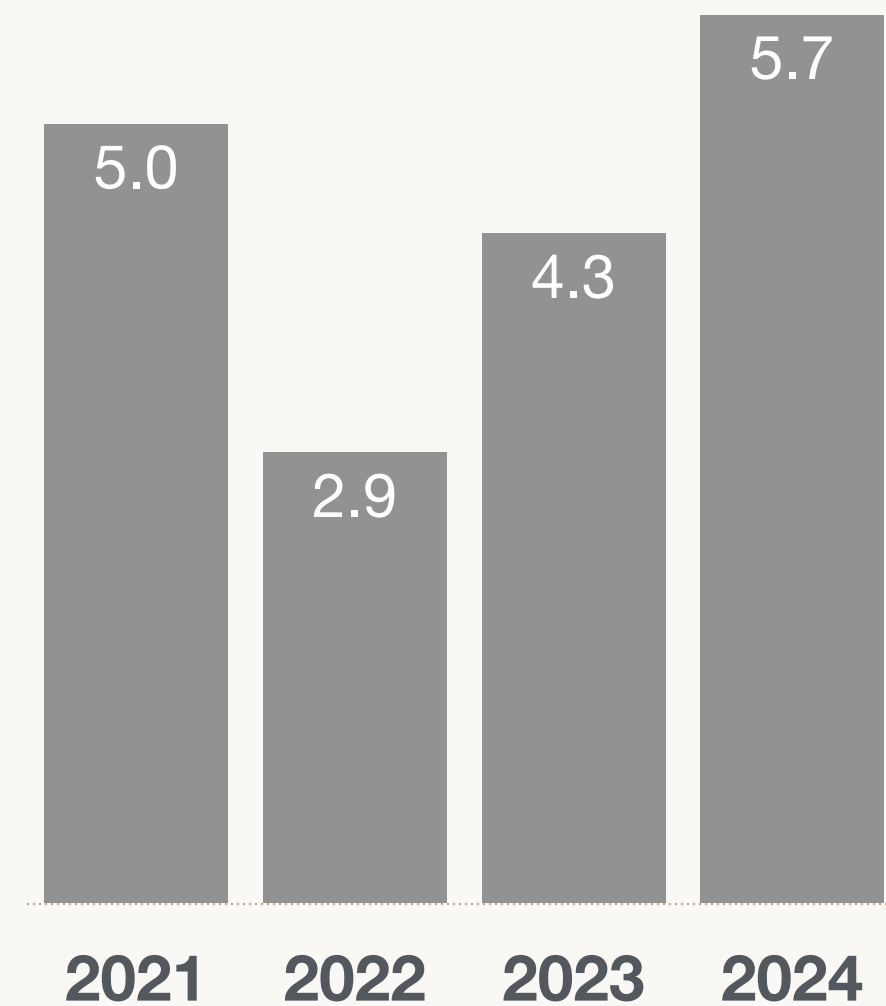
## Q1 Revenue



## Q1 Gross Profit



## Q1 Net Profit (to shareholders)



Note: All figures are rounded. Manual calculations for the variances and percentage difference may not align with the presented figures.





# Financial Review





# Q1'24 Revenue: Contribution by Business Line

**FOOD REVENUE +7%**

Vs.Q1'23



61.4%

Share of of total Group Revenue

**NON-FOOD REVENUE +10.2%**

Vs.Q1'23



38.6%

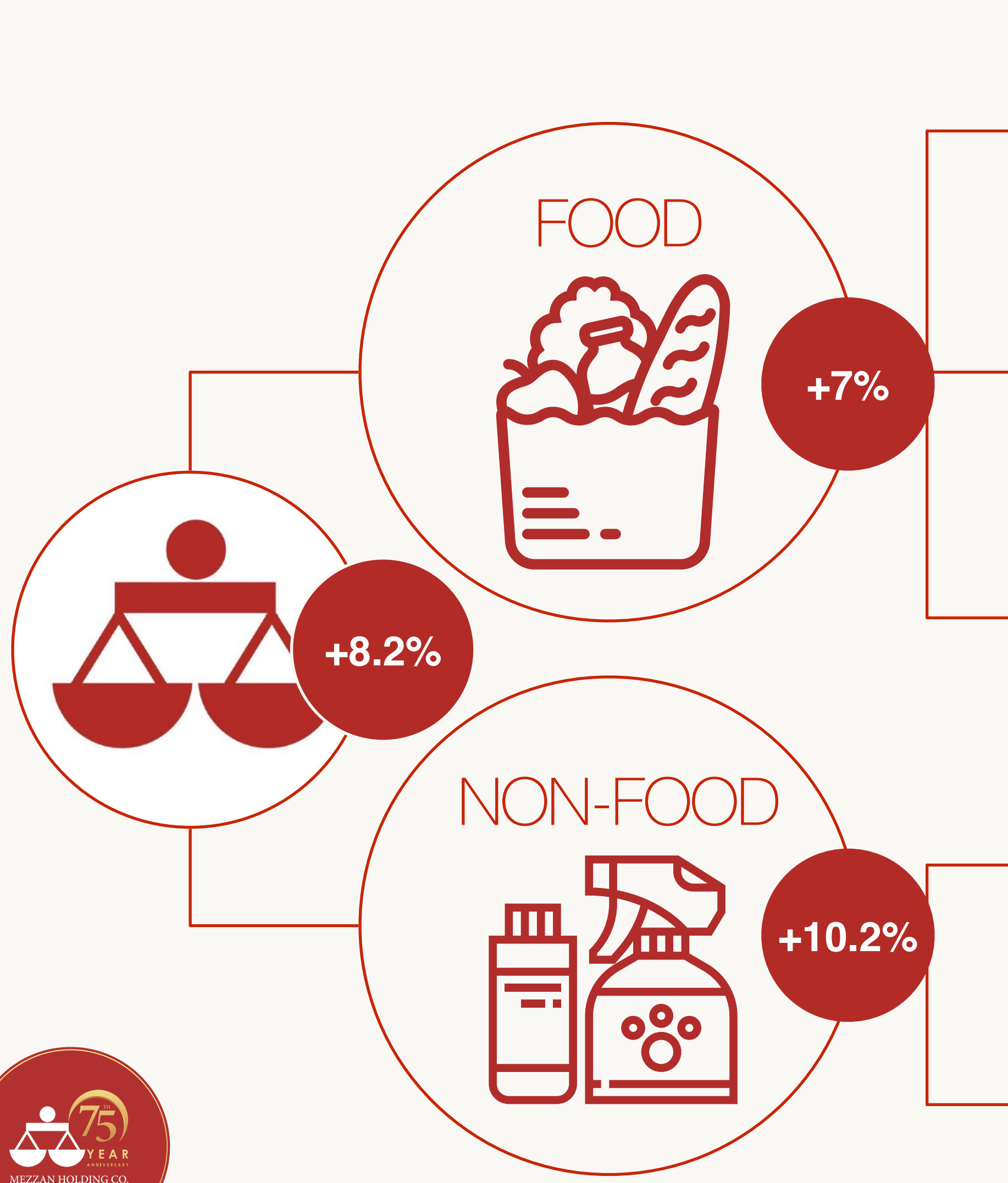
Share of of total Group Revenue





# Q1'24 Revenue: Growth by Business Division

Vs.Q1'23



Manufacturing & Distribution

51.0%  
of Group revenue

+8.4%

Catering

5.6%  
of Group revenue

-12.1%

Services

4.8%  
of Group revenue

+22.5%

FMCG & Healthcare

36.6%  
of Group revenue

+11.5%

Industrials

2.0%  
of Group revenue

-8.7%

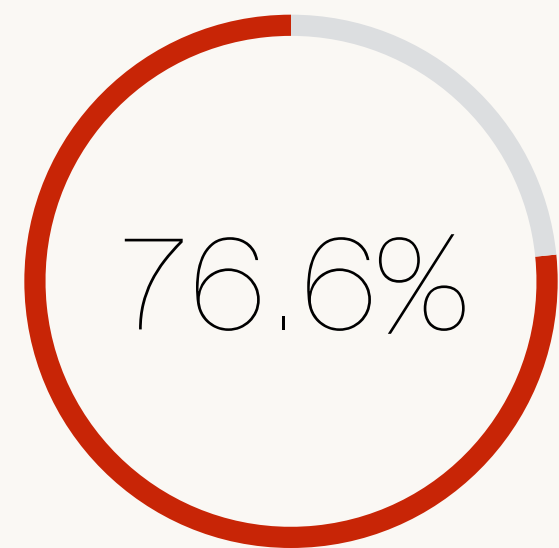


# Q1'24 Revenue: Contribution and Growth by Country

○ Top-line Contribution

Vs.Q1'23

**Kuwait**



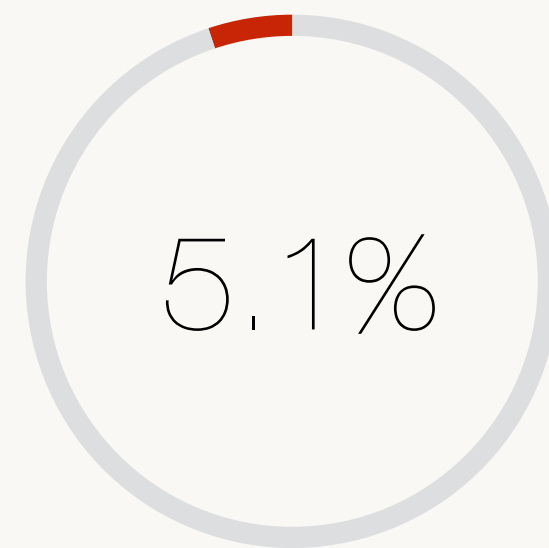
**+9.9%**

**UAE**



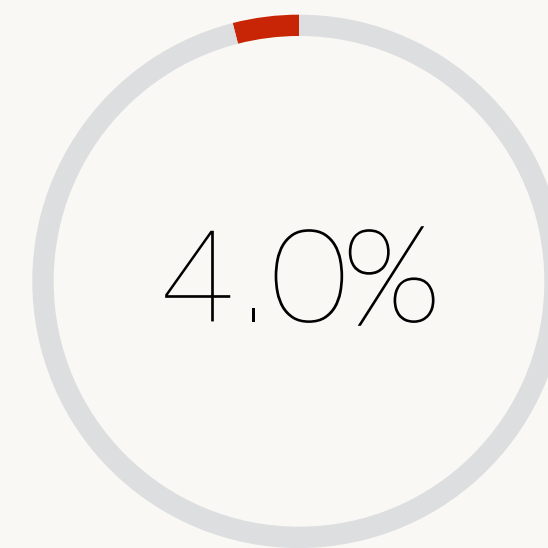
**+5.8%**

**Qatar**



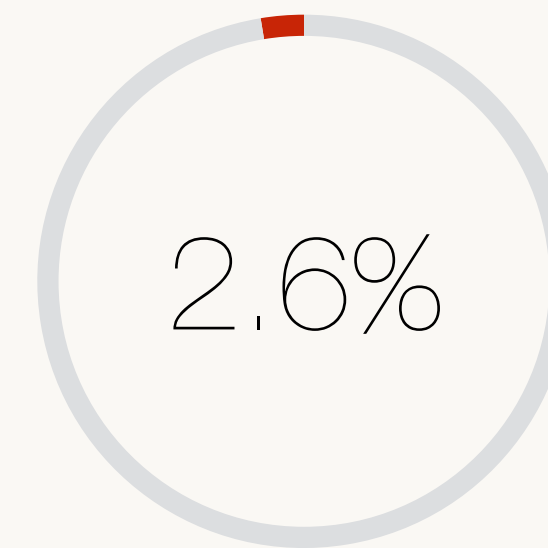
**-19.3%**

**Jordan**



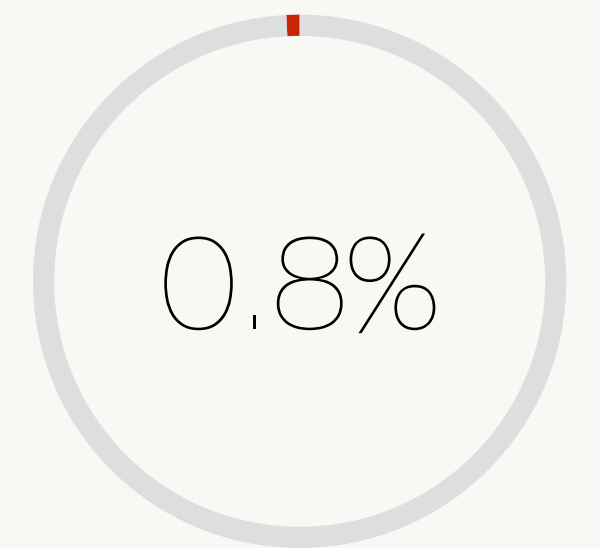
**+39.3%**

**KSA**



**+5.3%**

**Iraq**



**+13.6%**





# Q1'24: P&L

KD Millions

	<b>Q1'24</b>	<b>Q1'23</b>	<b>% Diff</b>
<b>Revenue</b>	<b>85.5</b>	<b>79.0</b>	8.2%
<b>Gross Margin</b>	<b>19.3</b>	<b>16.5</b>	17.1%
	<i>GM %</i>	<i>20.9%</i>	1.7%
<b>SG&amp;A / Other</b>	<b>-11.4</b>	<b>-10.3</b>	-10.3%
<b>Operating Profit</b>	<b>7.9</b>	<b>6.1</b>	28.6%
<b>Other</b>	<b>-1.5</b>	<b>-1.4</b>	-13.3%
<b>Underlying Profit before Tax</b>	<b>6.4</b>	<b>4.8</b>	33.0%
<b>Tax</b>	<b>-0.3</b>	<b>-0.2</b>	-54.7%
	<i>UNP %</i>	<i>5.8%</i>	22.7%
<b>Net Profit Attributable to Shareholders</b>	<b>5.7</b>	<b>4.3</b>	33.9%

Note: All figures are rounded. Manual calculations for the variances and percentage difference may not align with the presented figures.





# Q1'24: CASHFLOW

KD Millions

	<b>2024</b>	<b>2023</b>	<b>Diff</b>
<b>Operating Cashflow before WC changes</b>	<b>10.3</b>	8.7	1.7
Working Capital / Other	<b>-5.4</b>	2.5	-7.9
<b>Operating Cashflow</b>	<b>5.0</b>	11.2	-6.2
Capital / Other	<b>-1.7</b>	-0.8	-0.9
<b>Cash flow before Financing</b>	<b>3.3</b>	10.4	-7.1
Dividends & Purchase of treasury shares	<b>0.0</b>	-0.3	0.3
Financing Costs / Other	<b>-1.9</b>	-1.8	-0.1
<b>Cash flow after Financing</b>	<b>1.3</b>	8.2	-6.9
<b>FX translation</b>	<b>0.0</b>	0.0	0.0
<b>YTD Change in Net Debt</b>	<b>1.3</b>	8.2	6.9



Cash on hand, as of 31 March 2024, have increased by KWD 5.1mn.

YOY Working Capital increased by KWD 8.9mn and working capital days increased by 2.8 days.

Note: All figures are rounded. Manual calculations for the variances and percentage difference may not align with the presented figures.



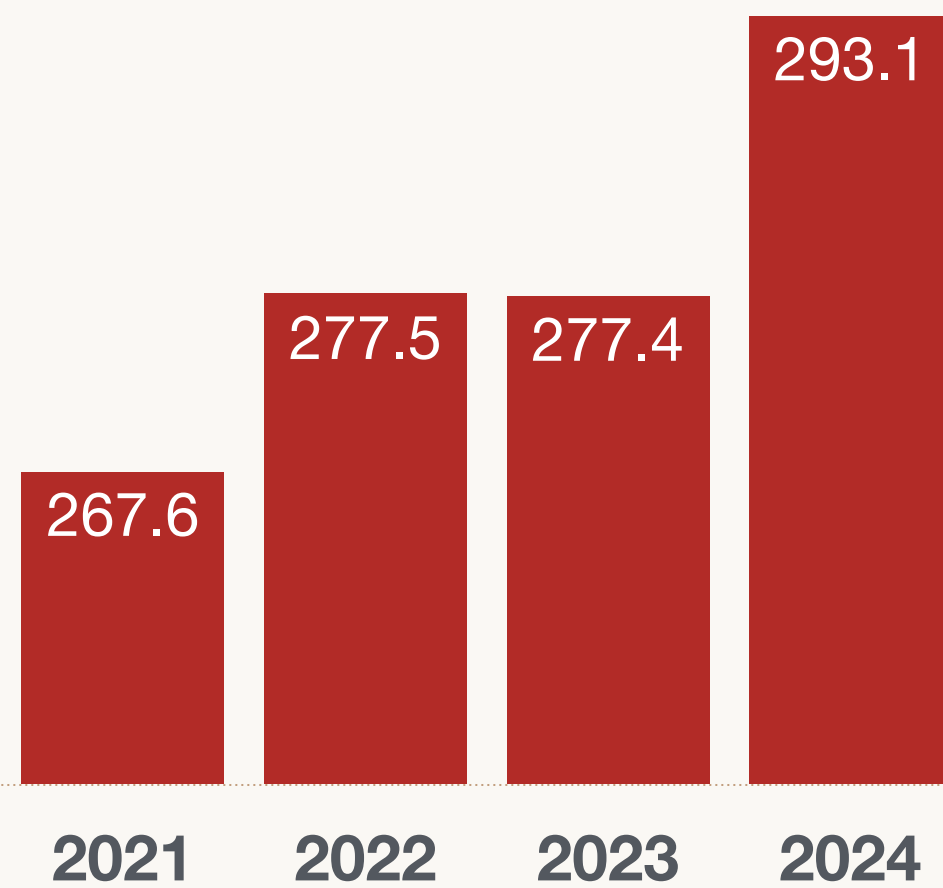


# Balance Sheet as of March 31, 2024

KD Millions

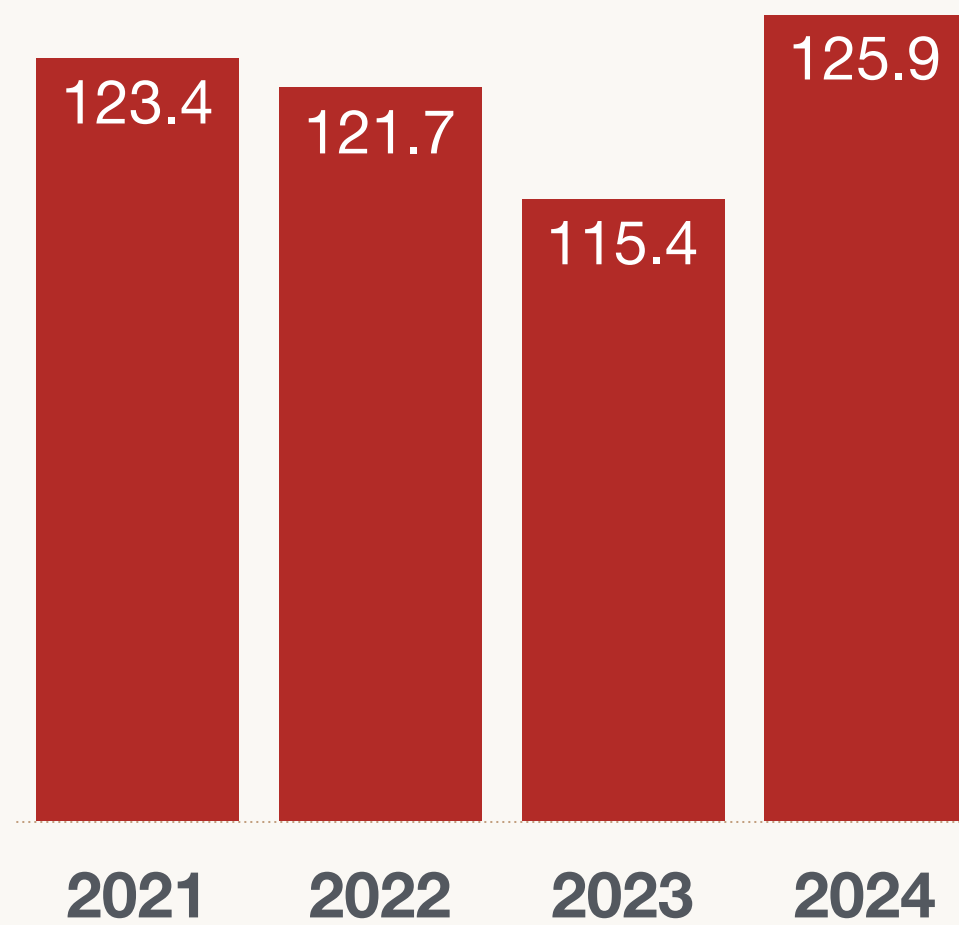
## Total Assets

KD Millions



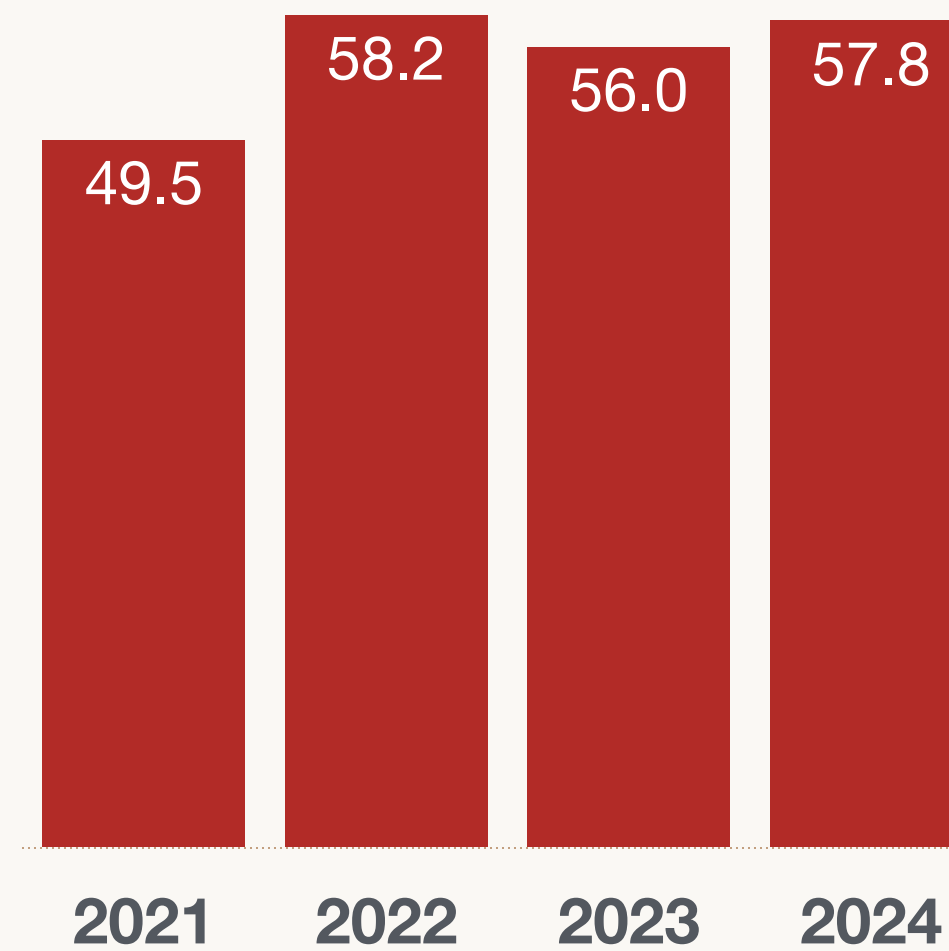
## Equity

KD Millions



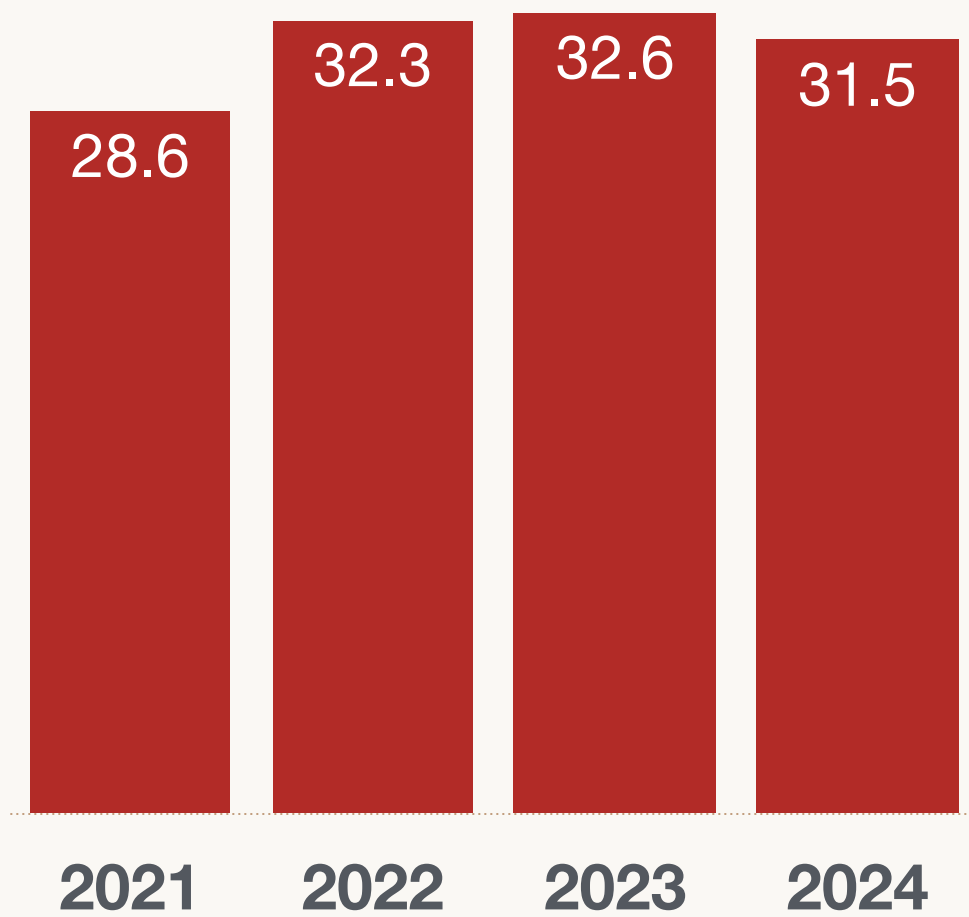
## Net Debt

KD Millions



## Net Debt to Capitalization

%



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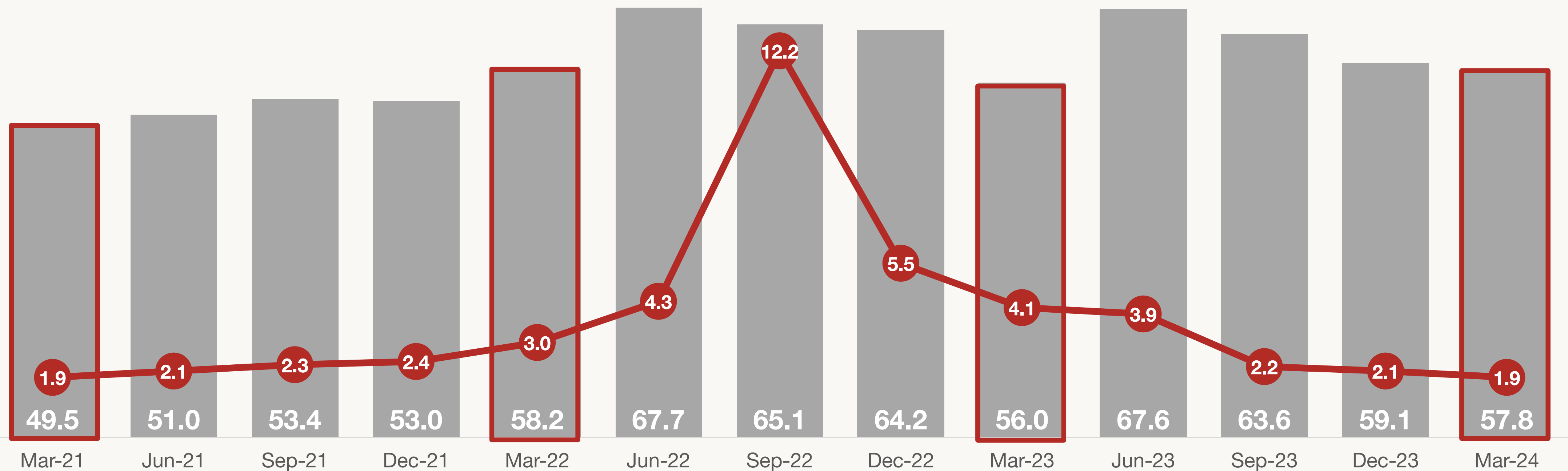
# A note on debt levels

KD Millions



**As of 31 March 2024: Net Debt stood at KWD 57.8mn, down by KWD 1.3mn from December 2023 levels.**

- LTM Net Debt / EBITDA of 1.9x down by 2.2x vs Q1 2023



■ Net debt    ● Net Debt/EBITDA (LTM)





Q&A





## Investor Relations Contact

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