

RAK CERAMICS

EARNINGS PRESENTATION – Q3 & 9M 2025
RESULTS

NOVEMBER 2025



Agenda

- 01 | Executive Summary
- 02 | Business Highlights
- 03 | Q3/9M 2025 Financial Results Update
- 04 | Trading Update
- 05 | Closing Remarks
- 06 | Appendix

Speakers



Abdallah Massaad
Group Chief Executive Officer

Abdallah Massaad is Group CEO of RAK Ceramics and has more than 27 years experience in ceramics manufacturing, sales management, product marketing and business leadership. Prior to RAK Ceramics, Mr. Massaad was General Manager of ICC SARL, Lebanon.

Mr. Massaad holds post graduate qualifications in Management (DEA in Business Administration) and an undergraduate degree (Maitrise in Business Administration - Marketing) from Université Saint-Esprit de Kaslik, Lebanon.



PK Chand
Group Chief Financial Officer

Pramod Kumar Chand is Group CFO of RAK Ceramics. Mr. Chand has wide experience in dealing with corporate finance matters including treasury and working capital financing, project finance, venture capital, debt and equity capital market instruments, fund raising processes and general management.

Mr. Chand is a Member of the Institute of Chartered Accountants of India (CA) and has been a rank holder and winner of the A F Ferguson award.

Disclaimer

This information contained in the enclosed presentation summarizes preliminary and introductory information on RAK Ceramics PJSC (the Company). This presentation has been prepared for information purposes only and is not and does not form part of or constitute any prospectus, offering memorandum or offering circular or offer for sale or solicitation of any offer to subscribe for or purchase or sell any securities nor shall it or any part of it form the basis of or be relied on in connection with any credit evaluation or third party evaluation of any securities or any offerings or contract or commitment whatsoever.

The information contained herein has been prepared by the Company. Some of the information relied on by the Company is obtained from sources believed to be reliable but does not guarantee its accuracy or completeness. All potential recipients of the enclosed presentation are expected to be aware that the information contained herein is preliminary as of the date hereof, supersedes any previous such information delivered and will be superseded by any such information subsequently delivered. The information contained herein is subject to change without notice. The Company is under no obligation to update or keep current the information contained herein. No person shall have any right of action (except in case of fraud) against the Company or any other person in relation to the accuracy or completeness of the information contained herein.

Some of the information in this presentation may contain projections or other forward-looking statements regarding future events or the future financial performance of The Company. These forward-looking statements include all matters that are not historical facts. The inclusion of such forward-looking information shall not be regarded as a representation by the Company or any other person that the objectives or plans of the Company will be achieved. Future events are subject to various risks which cannot be accurately predicted, forecasted or

assessed. No assurance can be given that future events will occur or that the company's assumptions are correct. Actual results may differ materially from those projected and past performance is not indicative of future results. The Company undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. Accordingly all potential recipients are expected to conduct their own due diligence on the information provided.

These materials are confidential and are being submitted to selected recipients only for the purpose described above. They may not be taken away, reproduced (in whole or in part), distributed or transmitted to any other person without the prior written consent of the Company. These materials are not intended for distribution to, or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation and must not be acted on or relied on by persons who are not relevant persons. If this presentation has been received in error it must be returned immediately to the Company.



Business Highlights

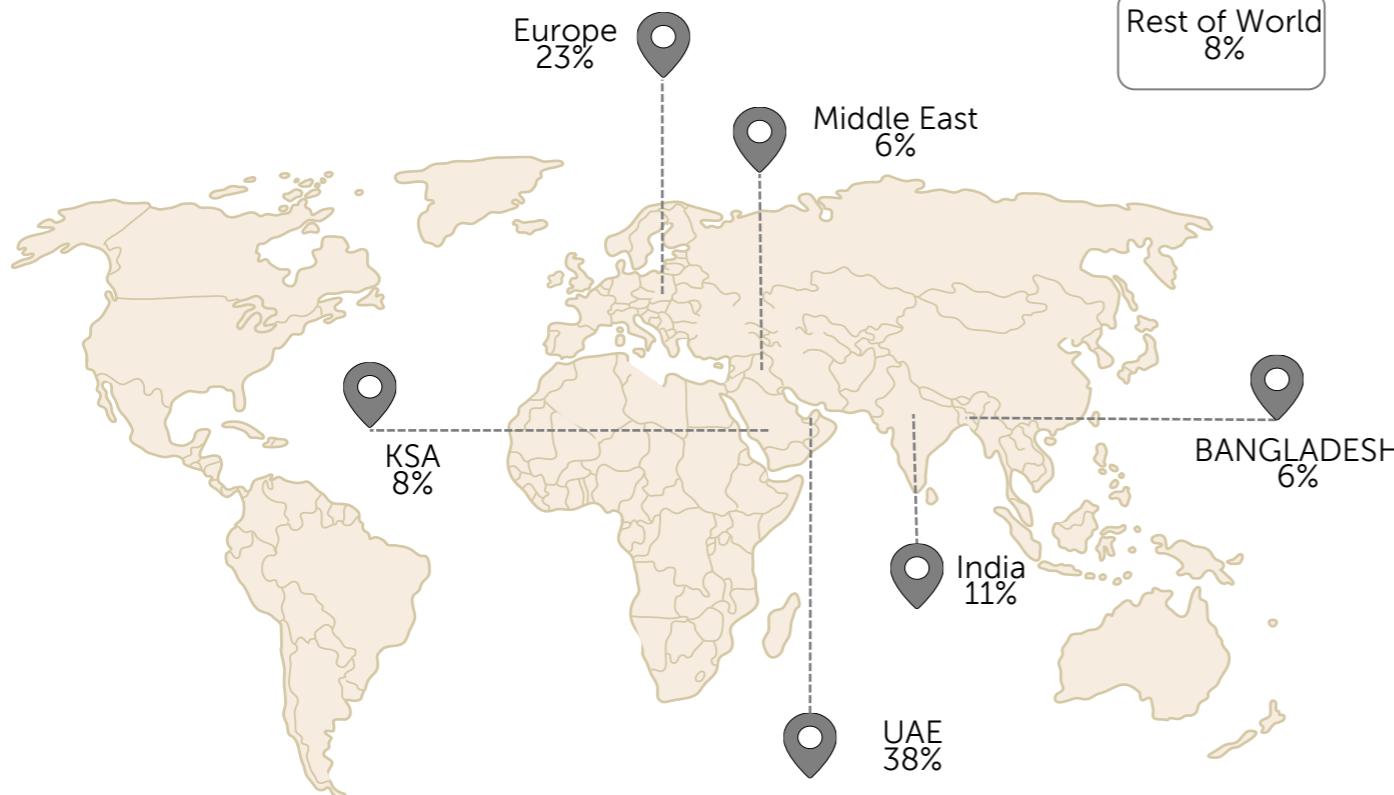
Speaker: Abdallah Massaad
Group CEO

Global Business Presence

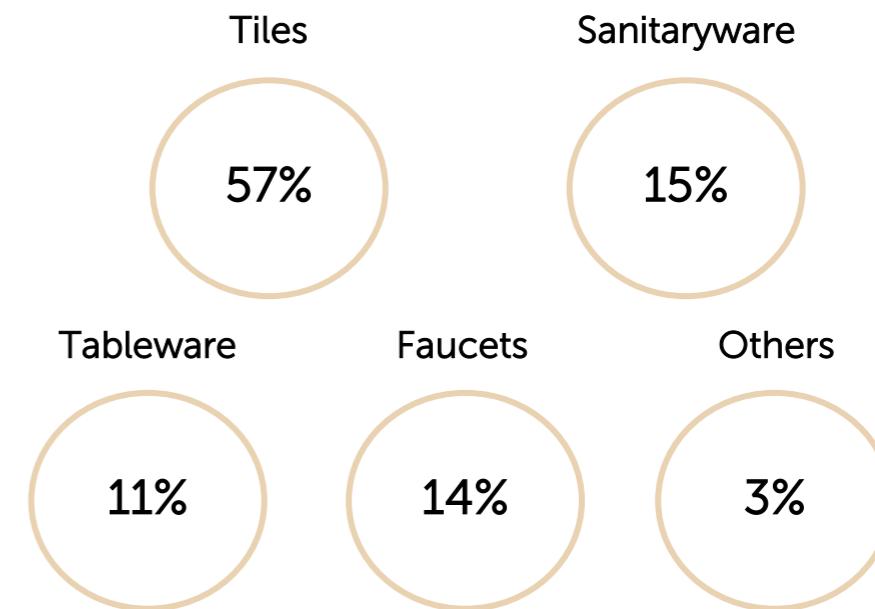
EARNINGS PRESENTATION Q3/9M 2025

RAK
CERAMICS

Where we sell



What we sell (Revenue Mix)



Capacity

118 MN

Square metres of tiles

5 MN

Pieces of sanitaryware

36 MN

Pieces of tableware

2.6 MN

Pieces of faucets and taps

Segment Highlights

- Tiles revenue recorded growth in both volumes (+7.4%) and value (+2.5%) at AED 479.7 million, led by robust performance in the UAE, India, Bangladesh, and Europe (Germany) and Africa markets.
- Sanitaryware revenue recorded growth of 5.3% YoY to AED 123.8 million, supported by strong demand in the UAE.
- Tableware revenue declined by 0.6% YoY to AED 84.8 million, impacted by slower demand in UAE & Middle East. However, USA, Europe and African markets have performed well driven by expansion of distributors.
- Faucets revenue grew by 8.8%, mainly driven by performance in UAE, Europe and Asia, reaching AED 118.3 million. We are progressing towards our plan for cost optimisation by shifting major EU Faucets production facilities to UAE.

Tiles & Sanitaryware Market Highlights

- **UAE:** Registered a strong 6.7% YoY revenue growth, supported by sustained momentum in the real estate sector and favorable market dynamics.
- **KSA:** Revenue continues to face challenges due to liquidity crunch, intensified competition, and oversupply from local tile manufacturers leading to a 24.7% decline in Q3 2025. We are actively focusing on refining our strategy around project and retail segments, emphasizing premium and differentiated products to support both revenue and margin recovery.
- **Europe:** Revenue declined by 4.9% YoY on account of challenges faced in UK & Italy. Revenue remains under pressure due to stagnant growth, persistent inflation, and continued recessionary concerns. In contrast, Germany posted a revenue increase of 14.9% (LCY), driven by stronger market traction.
- **India:** Revenue decreased by 1.4% YoY in local currency. Reduced exports have led to oversupply in the price-sensitive domestic market, intensifying competition. We continue to implement turnaround strategies to achieve sustained profitability.
- **Bangladesh:** Revenue grew by 54.6% YoY in local currency, indicating signs of market recovery.

Key Challenges – Q3 2025

EARNINGS PRESENTATION Q3/9M 2025

RAK
CERAMICS

Core Markets	Key Challenges	Our Actions
UAE	Import of cheaper products has increased on account of free trade agreements signed between UAE and other countries	<ul style="list-style-type: none">Our focus is on differentiating through premium products and introducing high-tech innovations that represent breakthroughs in the industry
Saudi Arabia	Intensified competition, oversupply of tiles by local manufacturers has triggered price war in the market which is impacting our gross margins, particularly in the housing and commercial segments that are highly price-sensitive.	<ul style="list-style-type: none">Our focus on premium products, to strengthen our retail and projects business, is helping us to enhance our margins.We are focusing on new product development with competitive pricing, to strengthen our competitive position
Europe	Demand in Europe, particularly in the UK, remains under pressure due to stagnant growth, persistent inflation and recessionary fears. Delay in transformation of Kludi Europe business	<ul style="list-style-type: none">Planned initiatives include strengthening brand awareness and presence through events and engagements at the Design Hub with architects and designer communityContinue implementing KLUDI turnaround plan including shift in production capabilities from EU to UAE to improve performance
India	Reduced exports have led to oversupply in the price-sensitive domestic market, intensifying competition	<ul style="list-style-type: none">Plans to strengthen our Retail presence and experienceWe are working on a plan to introduce product offering from the UAE
Bangladesh	Intense local competition is putting pressure on ASPs	<ul style="list-style-type: none">Implementing competitive pricing strategies tailored to local purchasing power and market dynamics.Differentiating through high-quality products and innovative offerings, supported by customer loyalty programs, feedback mechanisms, and responsive service

Key Strategic Updates - 2025

EARNINGS PRESENTATION Q3/9M 2025

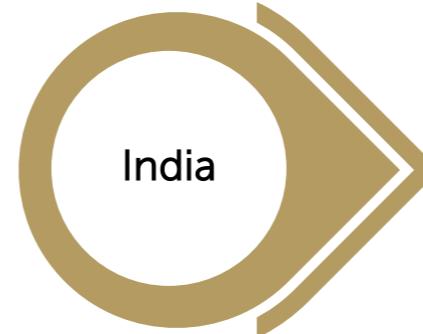
RAK
CERAMICS



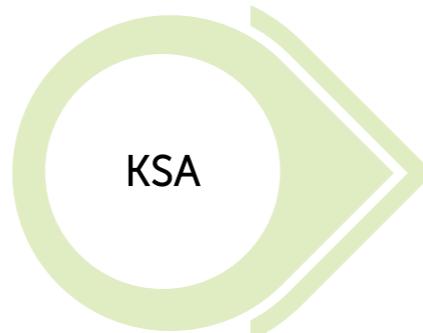
- Our Tiles Division is undergoing an upgrade with cutting-edge technology to manufacture differentiated, large-format tiles catering to high-end markets.
- Our Sanitaryware facility is being modernized with energy-efficient technology, reducing carbon emission and aligning with our sustainability objectives.



- We are focusing on establishing a robust distribution network to ensure reliable delivery of high-quality products, leveraging innovation to differentiate ourselves from competitors
- Implementing competitive pricing strategies tailored to local purchasing power and market dynamics.
- We are focusing on differentiating through high-quality products and innovative offerings, supported by customer loyalty programs, feedback mechanisms, and responsive service



- We are enhancing our retail presence and elevating the in-store experience to better engage customers
- We are working on a plan to introduce product offering from UAE to improve revenue.



- We are making steady progress on the greenfield production facility in KSA.
- New product development with competitive pricing, will support us in competing with local regional players in housing and commercial projects.



- Additionally, we are focusing on premium and differentiated product offerings to strengthen our retail and project channels, thereby enhancing margins
- We remain committed to improving Kludi's operational performance and are progressing with our cost-optimization strategy, including relocating key EU production facilities to the UAE.



Q3 & 9M 2025 Financial Performance Update



Speaker: PK Chand
Group CFO

Financial Snapshot – Q3 2025

EARNINGS PRESENTATION Q3/9M 2025

RAK
CERAMICS



REVENUE

AED 824.9M

↑ 2.8% YoY



GROSS MARGIN

40.5%

↓ 70bps YoY



PROFIT BEFORE TAX

AED 86.6M

↑ 42.4% YoY



NET PROFIT AFTER TAX

AED 67.5M

↑ 20.7% YoY*

* UAE Corporate tax impact 17.3m vs 9.0m in last year



NET PROFIT
After Minority

AED 66.9M

↑ 22.8% YoY



EBITDA

AED 167.7M

↑ 14.7% YoY



NET DEBT

AED 1.64BN

↑ 83M QoQ

Due to higher capex & working capital



Net Debt to EBITDA

2.63x

2.59x in June 25

Financial Snapshot – 9M 2025

EARNINGS PRESENTATION Q3/9M 2025

RAK
CERAMICS



REVENUE
AED 2.43BN
↑ 2.8% YoY



GROSS MARGIN
40.3%
↑ 20 bps YoY



PROFIT BEFORE TAX
AED 237.8M
↑ 22.2% YoY



NET PROFIT AFTER TAX
AED 182.8M
↑ 7.6% YoY*

* UAE Corporate tax impact 46.9m vs 23.0m in last year



NET PROFIT
After Minority
AED 178.8M

↑ 10.1% YoY



EBITDA
AED 464.1M
↑ 6.9% YoY



NET DEBT
AED 1.64BN
↑ 244M vs Dec 24
Due to higher capex & working capital



Net Debt to EBITDA
2.63x
2.35x in Dec 24

Revenue Highlights – Q3 2025

EARNINGS PRESENTATION Q3/9M 2025

RAK
CERAMICS

MANAGEMENT COMMENTS

- Q3 2025 revenue is at AED 824.9m, higher by 2.8% year-on year.
- Tiles revenue grew by 2.5% at AED 479.7 million, led by robust performance in the UAE, India, Bangladesh, and Europe (Germany) markets.
- Sanitaryware revenue recorded growth of 5.3% YoY to AED 123.8 million, supported by strong demand in the UAE.
- Tableware revenue declined by 0.6% YoY to AED 84.8 million, impacted by slower demand in UAE & Middle East. However, USA, Europe and African market have performed well driven by expansion of distributors.
- Faucets revenue grew by 8.8%, mainly driven by performance in UAE & Europe, reaching AED 118.3 million. We are progressing towards our plan for cost optimisation by shifting major EU Faucets production facilities to UAE.
- Other revenue decreased by 19.6% to AED 18.3m impacted by decrease in our Ceramic trading business.

TOTAL REVENUE (AED MN)

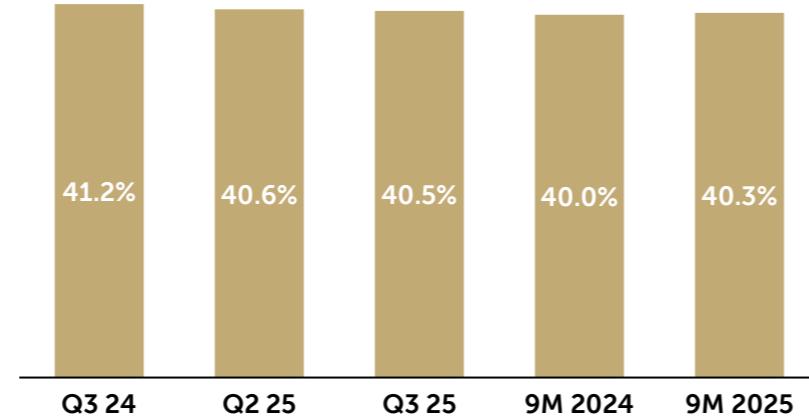
	Quarterly Comparison					9M 2024	Yearly Comparison		
	Q3 24		Q2 25		Q3 25		9M 2025		
	Amount	Amount	Amount	YoY Growth	QoQ Growth		Amount	Amount	
United Arab Emirates	222.0	242.9	236.9	6.7%	-2.5%	615.7	690.3	12.1%	
Kingdom of Saudi Arabia	69.0	54.5	51.9	-24.7%	-4.7%	196.7	175.6	-10.8%	
Middle East (Ex. UAE & KSA)	32.9	37.6	30.1	-8.5%	-19.9%	87.4	99.9	14.3%	
India	87.1	87.6	82.8	-4.9%	-5.4%	260.9	257.2	-1.4%	
Europe	89.6	90.0	85.2	-4.9%	-5.3%	260.8	252.2	-3.3%	
Bangladesh	40.7	48.9	61.9	52.2%	26.8%	144.2	154.5	7.1%	
Africa	26.7	23.6	33.9	26.9%	43.8%	78.2	79.0	0.9%	
Rest of the world	17.7	10.6	20.7	17.1%	94.3%	46.0	44.9	-2.4%	
Total Tiles & Sanitaryware Revenue	585.7	595.7	603.5	3.0%	1.3%	1,690.0	1,753.6	3.8%	
Tableware revenue	85.3	84.9	84.8	-0.6%	-0.1%	267.3	255.6	-4.4%	
Faucets revenue	108.8	122.3	118.3	8.8%	-3.2%	335.2	352.3	5.1%	
Others revenue	22.7	23.9	18.3	-19.6%	-23.4%	68.8	66.7	-3.1%	
Total Revenue	802.5	826.8	824.9	2.8%	-0.2%	2,361.3	2,428.2	2.8%	

Gross Profit Margin

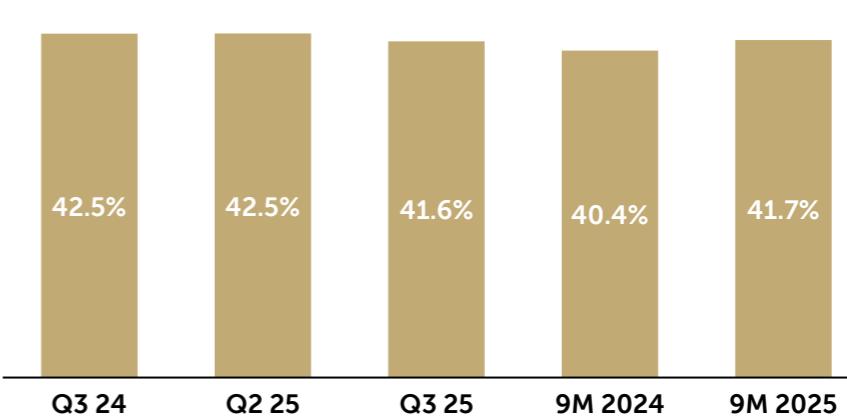
MANAGEMENT COMMENTS

- Q3 2025 Gross Profit Margin declined by 70bps year-on-year to 40.5%, primarily due to pricing pressure in the India and Bangladesh markets amid rising competition. However, for 9M 2025, the Gross Profit Margin improved by 20 bps year-on-year to 40.3%
- Tiles margin in Q3 2025 decreased by 100bps compared to Q3 2024 at 41.6% due to pricing pressure in the India and Bangladesh markets amid rising competition.
- Sanitaryware margin in Q3 2025, improved by 280 bps year-on-year, reaching 36.6%, primarily due to better operational efficiencies, favourable product mix and increased sales in the UAE market.
- Tableware margin in Q3 2025 improved by 120 bps year-on-year at 54.0%, supported by higher sales to the airline industry.
- Faucets GP margin decreased by 660bps year on year at 22.3% in Q3 2025 due to lower margins in European market on account of transformation activities in Europe. `

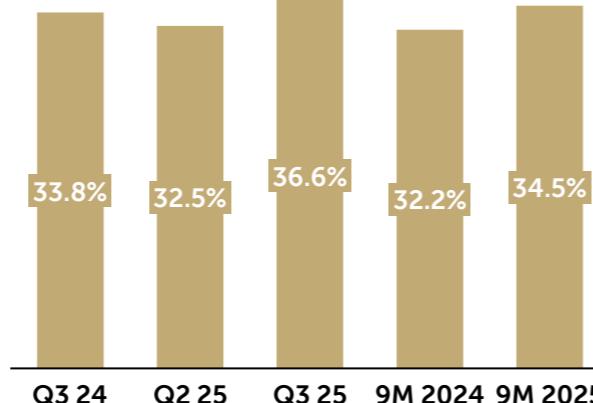
Total Gross Margin (%)



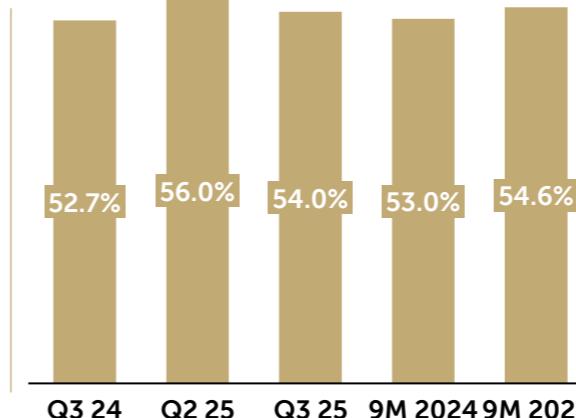
Tiles Gross Margin (%)



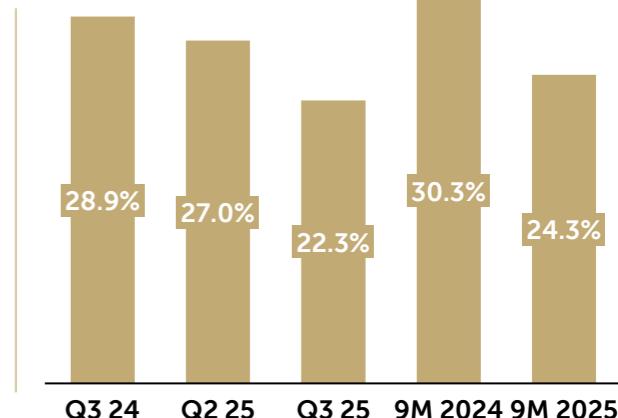
Sanitaryware Gross Margin (%)



Tableware Gross Margin (%)



Faucets Gross Margin (%)

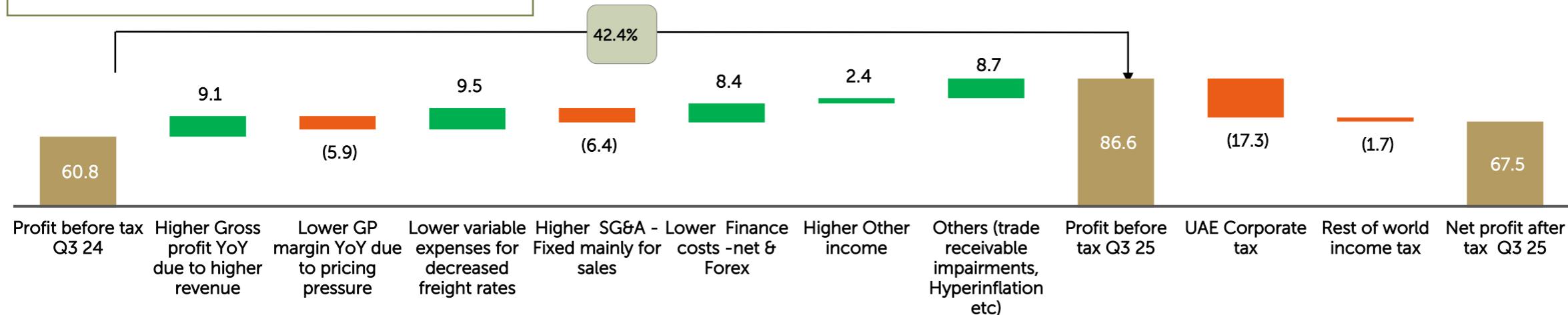


Profitability Bridge

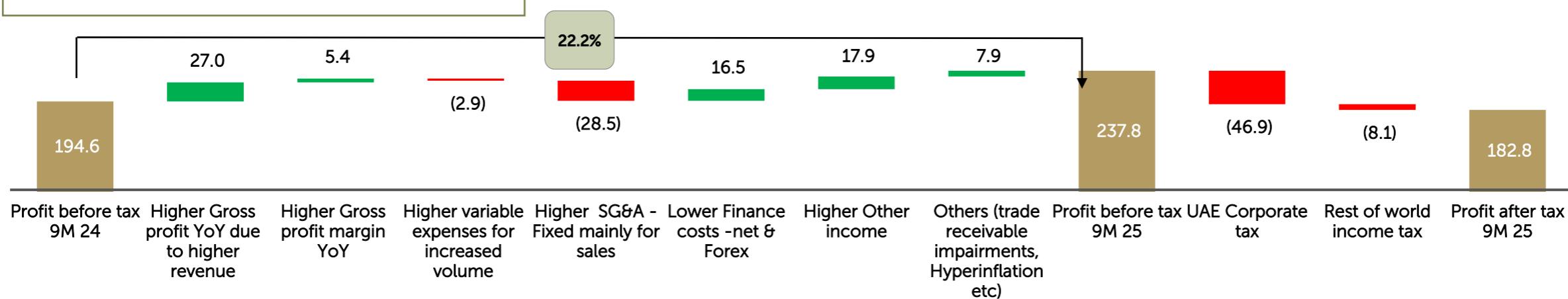
EARNINGS PRESENTATION Q3/9M 2025

RAK
CERAMICS

Q3 2025 vs Q3 2024 Profit Bridge (AEDM)



9M2025 vs 9M 2024 Profit Bridge (AEDM)

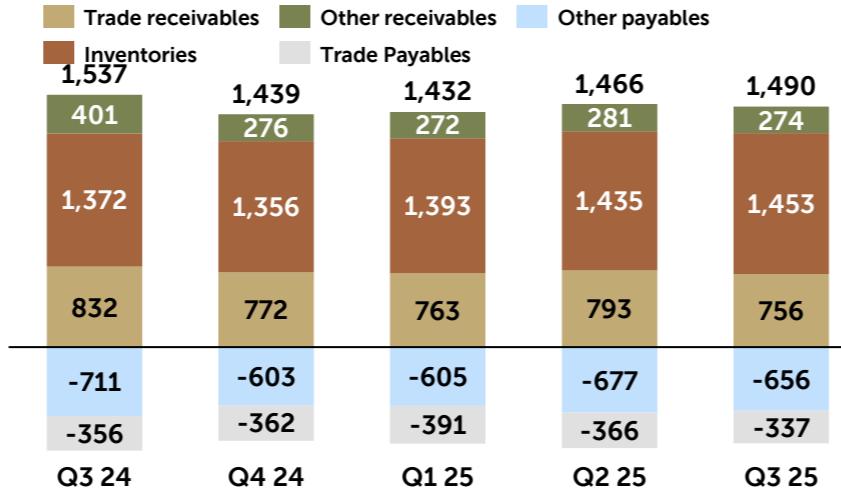


Balance Sheet Highlights

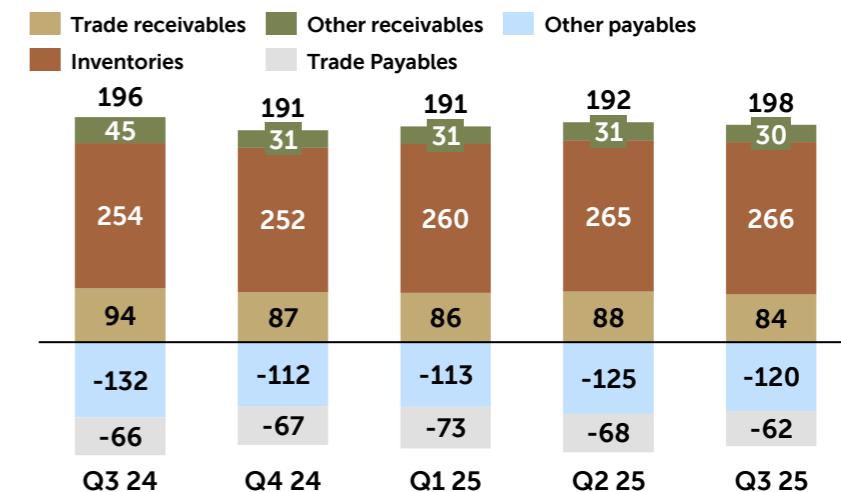
MANAGEMENT COMMENTS

- Overall working capital increased by AED 23.0 at AED 1.49 billion in Q3 2025 compared to June 2025.
- Trade receivables decreased from 88 days in Q2 2025 to 84 days in Q3 2025 due to strict credit control.
- Inventory days increased from 265 days to 266 days QoQ due to increase in Finished goods stock.
- Trade payable decreased from 68 days in Q2 2025 to 62 days in Q3 2025 mainly due to Capex payments.
- Net debt increased by AED 82.7m at 1.64 billion compared to June 2025 due to UAE corporate tax payment (AED 31.4m for 2024), higher capex and working capital. Net debt to EBITDA also increased from 2.59x June 2025 to 2.63x in September 2025.
- Capex Spending was AED 215.6 million in 9M 2025 out of which ~ 134 million relates to upgradation of large-format tiles manufacturing plants. Capex guidance for 2025 is revised at AED 300 million.

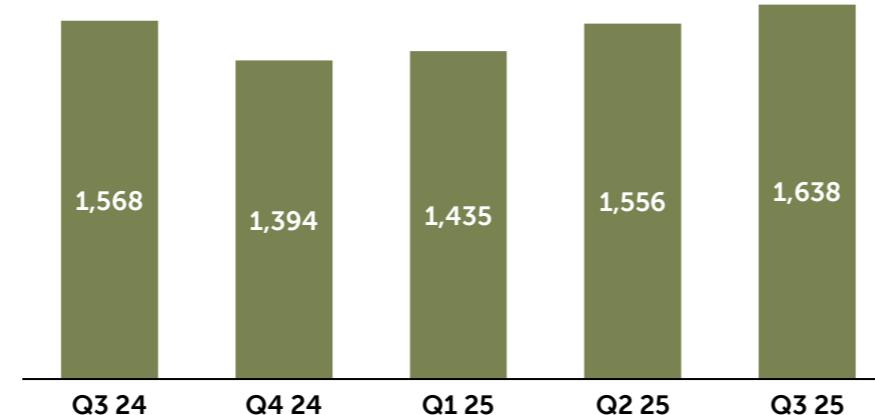
WORKING CAPITAL CYCLE (AED MN)



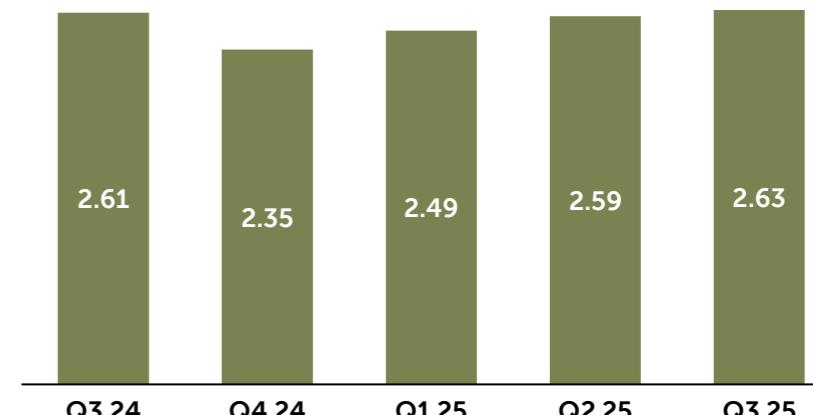
WORKING CAPITAL (DAYS)



NET DEBT (AED MN)



NET DEBT TO EBITDA (X)





Share Price Update

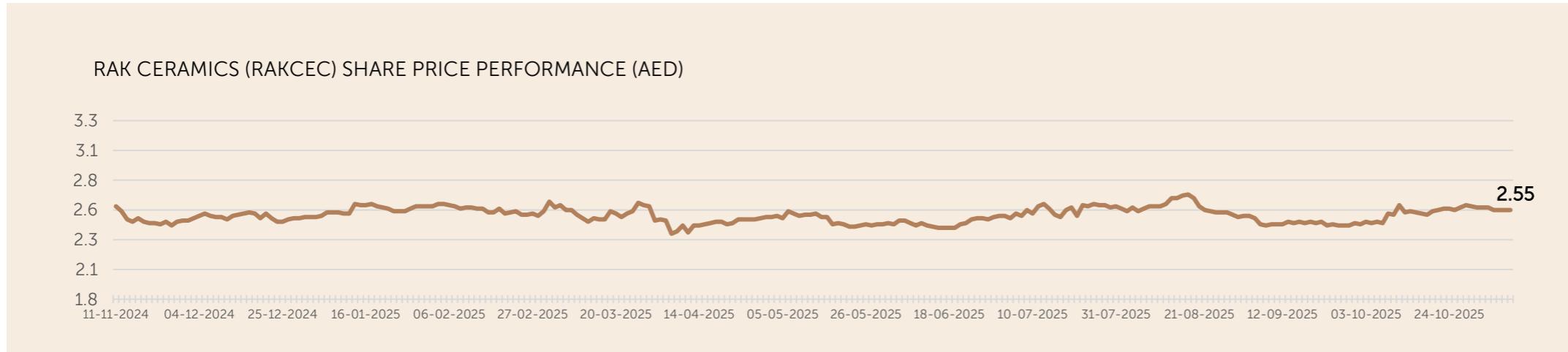
Speaker: PK Chand
Group CFO

RAK Ceramics Share Price Movement

EARNINGS PRESENTATION Q3/9M 2025

RAK
CERAMICS

RAK Ceramics (RAKCEC) Share Price Performance (AED- LTM)



CURRENT VALUATION (AED M)

	10/11/2025	31/12/2024
	Amount	Amount
Share price	2.55	2.49
Number of shares (in Mn)	994	994
Market Cap	2,534	2,475
Net debt	1,638	1,394
Minorities	85	95
Enterprise Value	4,257	3,965

LTM TRADING MULTIPLES

	Multiple	
	10/11/2025	31/12/2024
EV / Sales	1.31	1.23
EV / EBITDA	6.94	6.69
P / E	10.92	11.51
P / B	1.18	1.14

~ AED 2.5 Bn

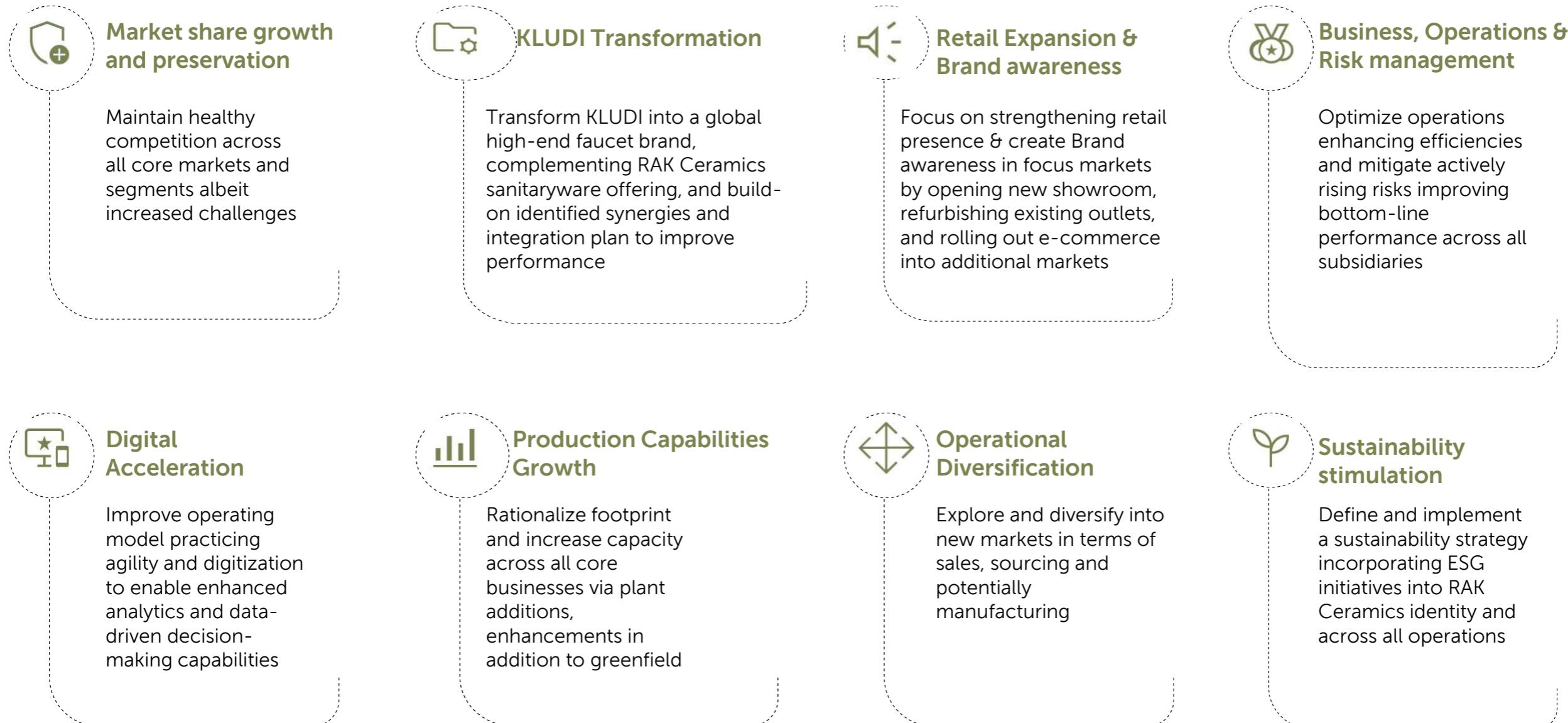
Market Cap (~)

*Net debt and minorities as of 30th September 2025



Closing Remarks

Speaker: Abdallah Massaad
Group CEO







APPENDIX

Financial Highlights

Amount in AED M	Quarterly comparison			Yearly Comparison				
	Q3 24	Q2 25	Q3 25	9M 2024	9M 2025			
	Amount	Amount	Amount	YoY Growth	QoQ Growth	Amount	Amount	YoY Growth
Revenue	802.5	826.8	824.9	2.8%	-0.2%	2,361.2	2,428.2	2.8%
Gross margin (%)	41.2%	40.6%	40.5%	-0.7%	-0.1%	40.0%	40.3%	0.2%
EBITDA	146.2	160.8	167.7	14.7%	4.2%	434.2	464.1	6.9%
Profit before tax	60.8	86.7	86.6	42.4%	-0.1%	194.6	237.8	22.2%
Profit after tax	55.9	66.4	67.5 *	20.7%	1.7%	169.9	182.8 *	7.6%
Capital expenditure	35.2	59.6	59.4	68.7%	-0.4%	132.5	215.6	62.7%
Net debt	1568.4	1,555.6	1,638.3	4.5%	5.3%	1,568.4	1,638.3	4.5%
Net debt / EBITDA	2.61x	2.59x	2.63x			2.61x	2.63x	-

*UAE Corporate tax impact is AED 17.3m vs 9.0m in Q3 2025 vs LY and in 9M it is AED 46.9m vs 23.0 m in last year

Amount in AED M	Quarterly comparison			Yearly comparison	
	Q3 24	Q2 25	Q3 25	9M 2024	9M 2025
Net profit/(loss) after tax	55.9	66.4	67.5	169.9	182.8
Tax	4.9	20.3	19.1	24.7	55.1
Interest- net	29.7	23.7	24.7	84.7	71.4
Depreciation & amortization	53.2	53.8	58.2	153.6	163.9
(Gain) on sale of assets/CWIP write-off	2.4	(3.4)	(1.8)	1.3	(9.1)
EBITDA	146.2	160.8	167.7	434.2	464.1



Thank You

RAK
CERAMICS

CONTACT US

If you have any questions or require further information, please visit corporate.rakceramics.com or contact investor relations team at ir@rakceramics.com