

شريكك في مجالات الكهرباء والمياه والغاز
Your Partner in Power, Water and Gas

مرفاق
MARAFIQ



MARAFIQ

EARNINGS CALL PRESENTATION 2023

Speakers



Mohammed Berki Al-Zuabi
President and Chief Executive Officer



Mohammed Abdulhamid Al-Mulhim
Vice President, Finance & IT



Mohammed Berki Al-Zuabi
President and Chief Executive Officer

Marafiq Achievements 2023

Achieving more than 12 million safe man-hours with zero incident rate in all sectors of the company.

Early repayment, part of existing loans amounted 500 million Saudi Riyals, which contributed to reducing financing costs.

Marafiq Laboratories have succeeded in obtaining IEC/ISO 2017:17025 accreditation, which confirms our commitment to maintaining high levels of quality, efficiency and excellence in laboratory processes and procedures.

Marafiq received the Best Water Quality Improvement Project Award at the Asian Water Awards 2023 in the Kingdom of Saudi Arabia.



Marafiq Achievements 2023

Completion of the connection project for a two-way pumpable water transmission line with the Saline Water Conversion Corporation to supply Yanbu Industrial City.

Marafiq ranked among the best in their category in the Smart Industry Readiness Index (SIRI) evaluation program launched by the Ministry of Industry and Mineral Resources.

Completion of the expansion project of the new Wastewater Treatment Plant in Jubail, with a capacity of 120,000 cubic meters per day.

Completion of the second phase of installing smart electricity meters in Yanbu Industrial City.



Operational Performance Highlights

72,940 Residential Customer
+1.54% year on year

320 Non- Residential Customer
+4.23% year on year

Power Production

9,923
GWH

-8.77%
year on year

Water Production

Drinking water
and operation

225,347
TM3

-2.62%
year on year

Seawater
Cooling

10,805
MM3

-0.24%
year on year

Industrial and Sanitary
Treated Wastewater

150,936
TM3

-0.84%
year on year

Power Sales

9,531
GWH

-10%
year on year

Water Sales

Drinking water
and operation

214,910
TM3

+0.6%
year on year

Seawater
Cooling

10,376
MM3

+1.6%
year on year

Industrial and Sanitary
Treated Wastewater

150,535
TM3

-5.3%
year on year

Gas Sales

16,008
MMBTU

+29.6%
year on year

Independent Water and Power Sales

Power
19,655
GWH

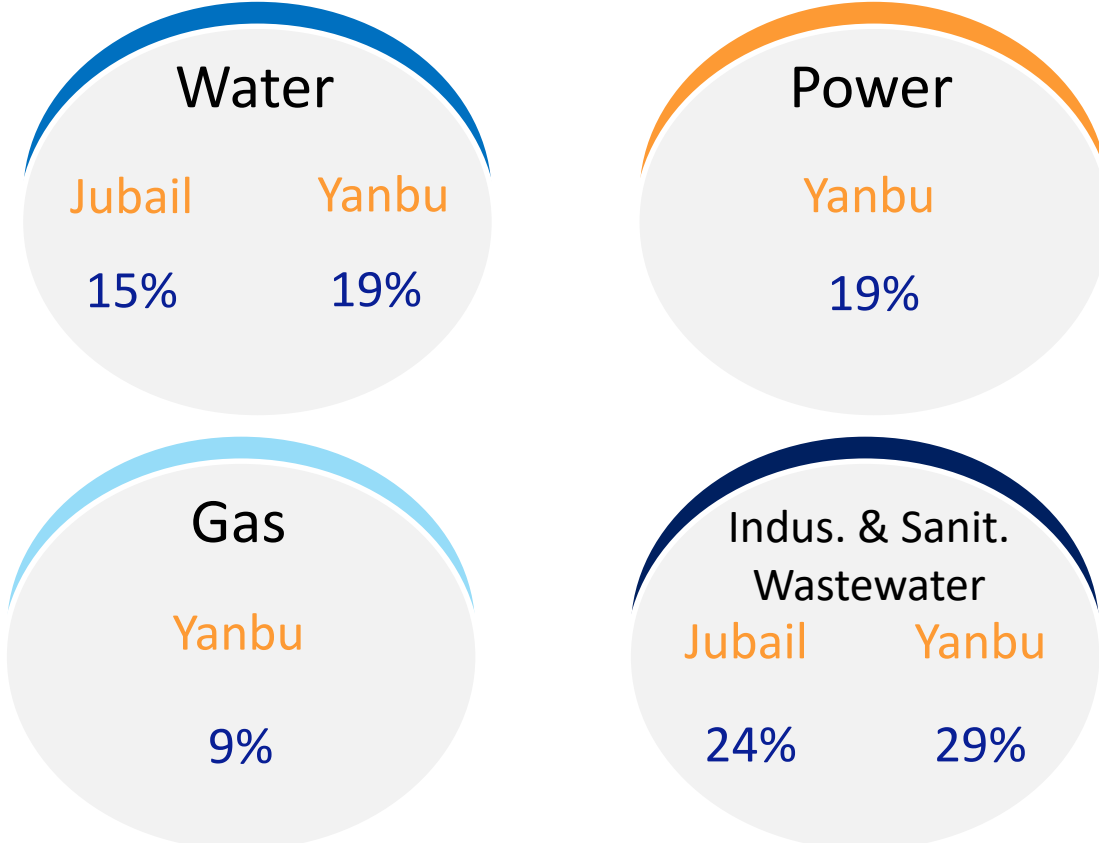
-12.9%
year on year

Water
181,366
TM3

+0.39%
year on year

Marafiq Growth

Marafiq demand growth in utility sector
within the coming 3 to 5 years



The company made new investments to meet the demand growth in utility market and to strength supply capability.

Two new projects for wastewater treatment in Jubail, with a total capacity 245,000 cubic meters per day.

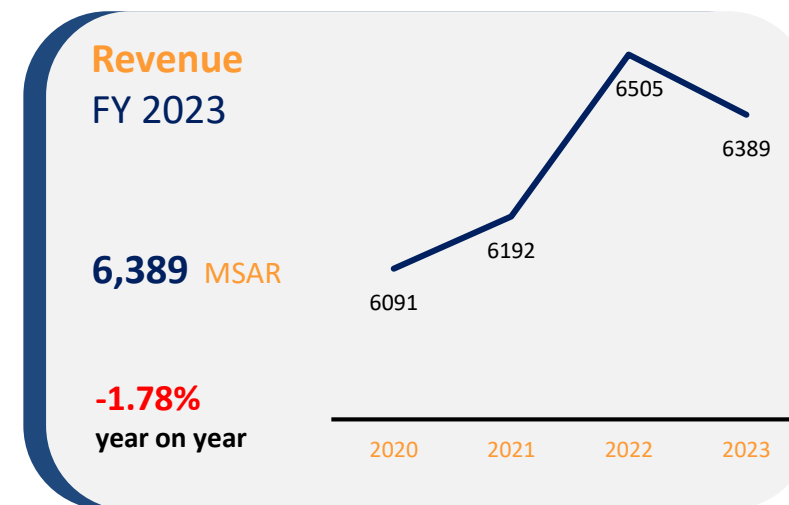
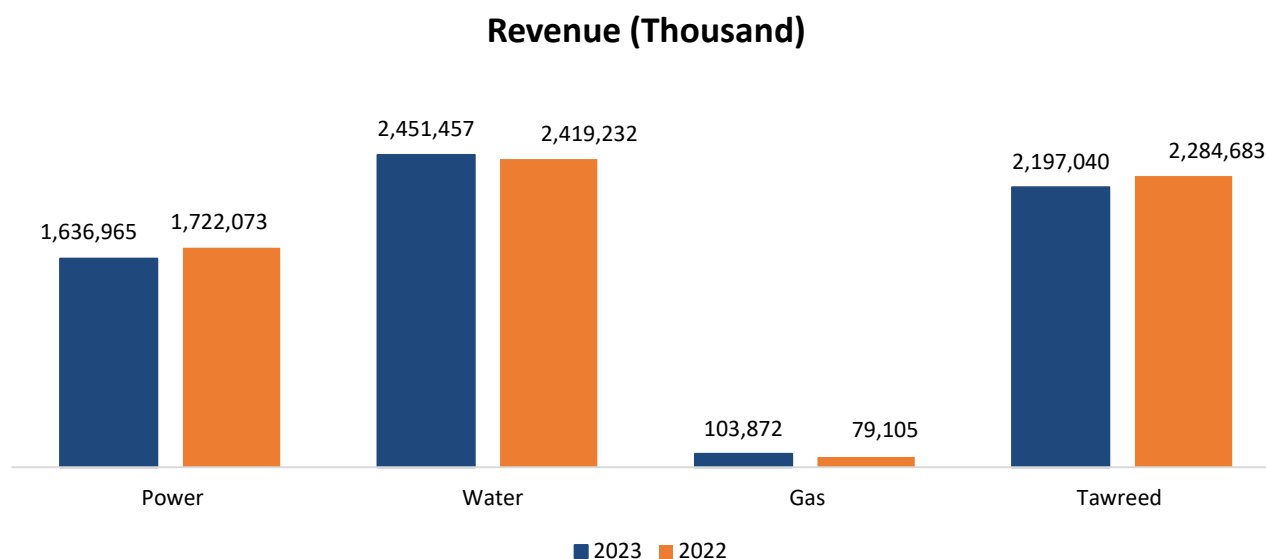
The company is planning to participate in several upcoming projects in private sector bids for power, water and wastewater which will be launched by SWPC, SPPC, etc.

The company is planning to grow its business through the investment opportunities available within new cities, such as Ras Al-Khair, Jazan and special economic zones which will include some of the world's largest petrochemical and mining companies.



Mohammed Abdulhamid Al-Mulhim
Vice President, Finance & IT

Financial Performance Highlights



Highlights

Revenue decreased by 1.78% from SR 6,505 million in 2022 to SR 6,389 million in 2023, this was mainly driven by less sales quantities in Power (decrease in demand for power from some major customers in Yanbu Industrial City), despite the increase in Water and Gas.

Financial Performance Highlights

Revenues by geographic regions

Jubail Industrial City	Yanbu Industrial City	Ras Al-Khair City	Jazan City
4,070 MSR	2,143 MSR	91 MSR	85 MSR
63.71%	33.55%	1.42%	1.32%

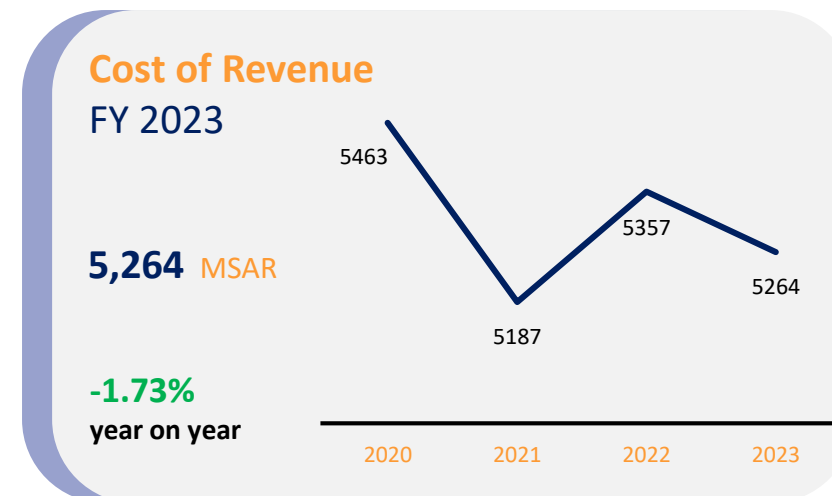
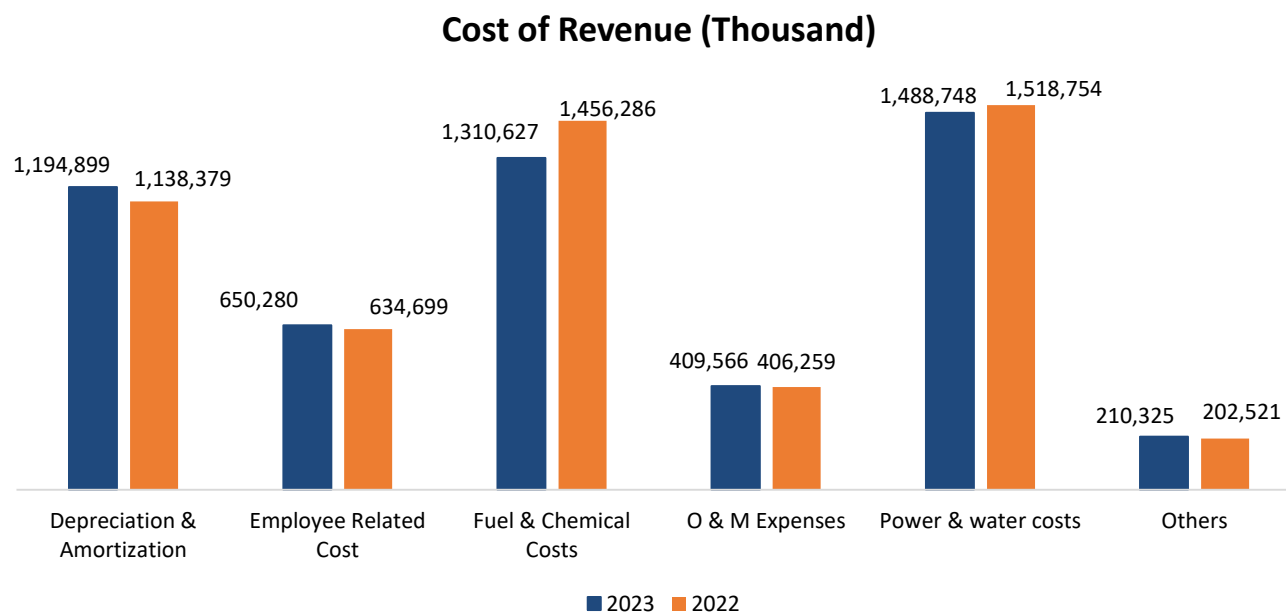


Revenues from the main sectors

Power Sector	Water Sector	Gas Sector	Independent Water and Power Production Sector
1,637 MSR	2,451 MSR	104 MSR	2,197 MSR
25.62%	38.37%	1.62%	34.39%



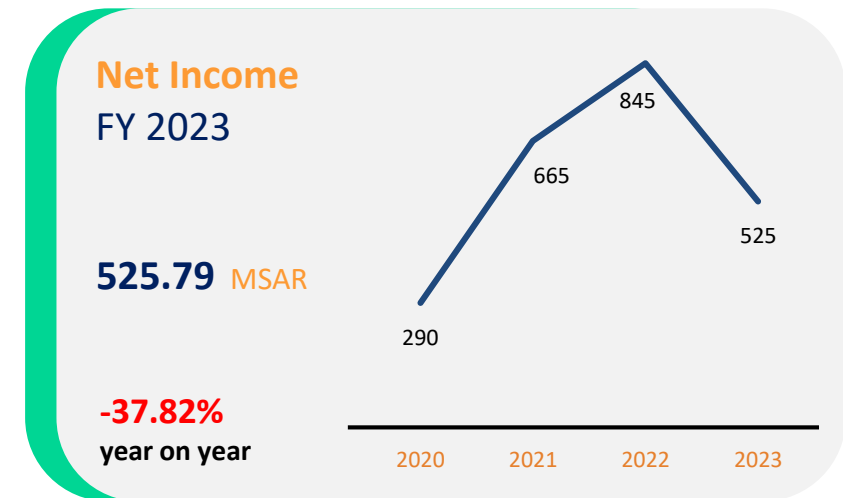
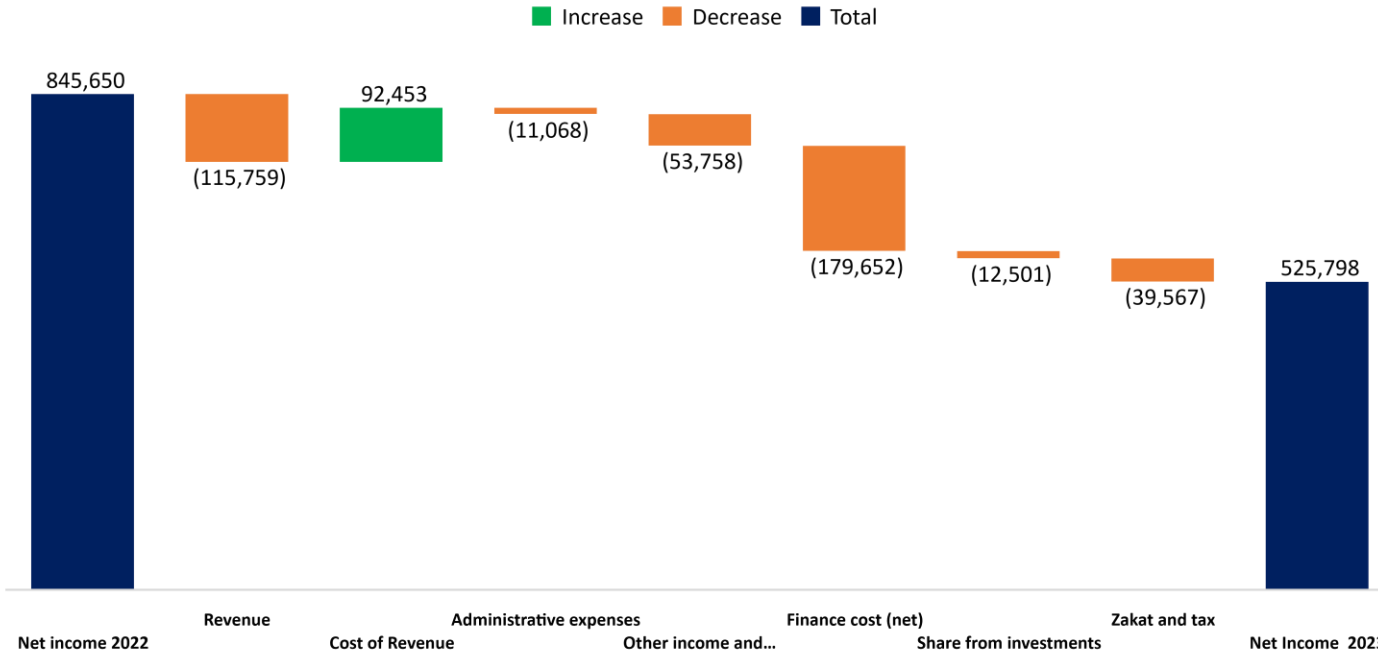
Financial Performance Highlights



Highlights

- Cost of Revenue improved by 1.73% or by 92.45 million in 2023 resulting mainly from lower variable costs (power, water purchase and fuel costs).
- Fuel costs decreased due to lower power sales as well as increased availability of cheaper HFO fuel.
- Power and water costs, as a result of lower billing from JWAP for power purchase.
- Employee related cost, was higher in 2023 due to annual increments and as a result of the salary adjustments.

Financial Performance Highlights

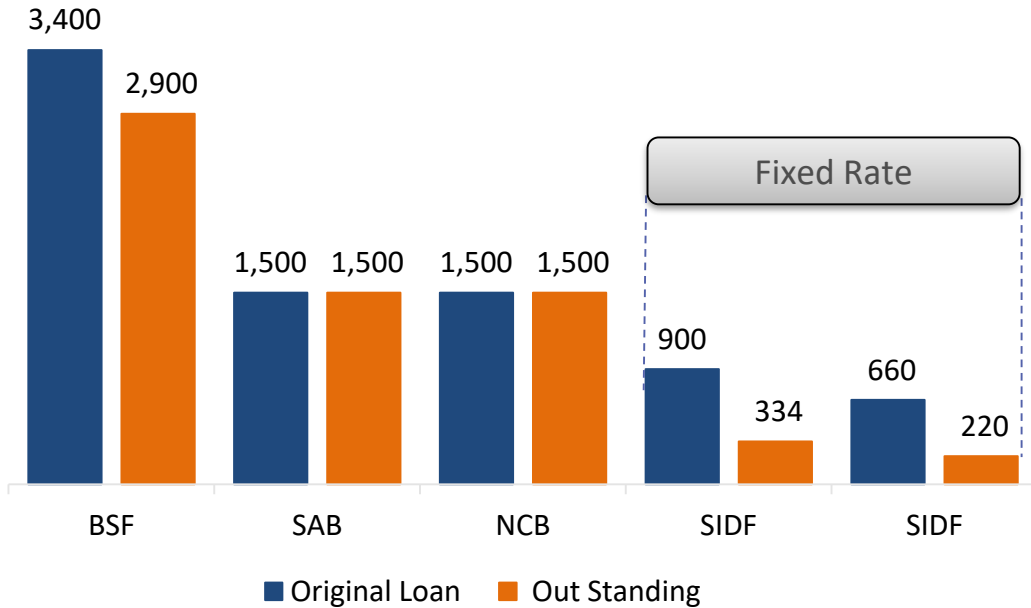


Highlights

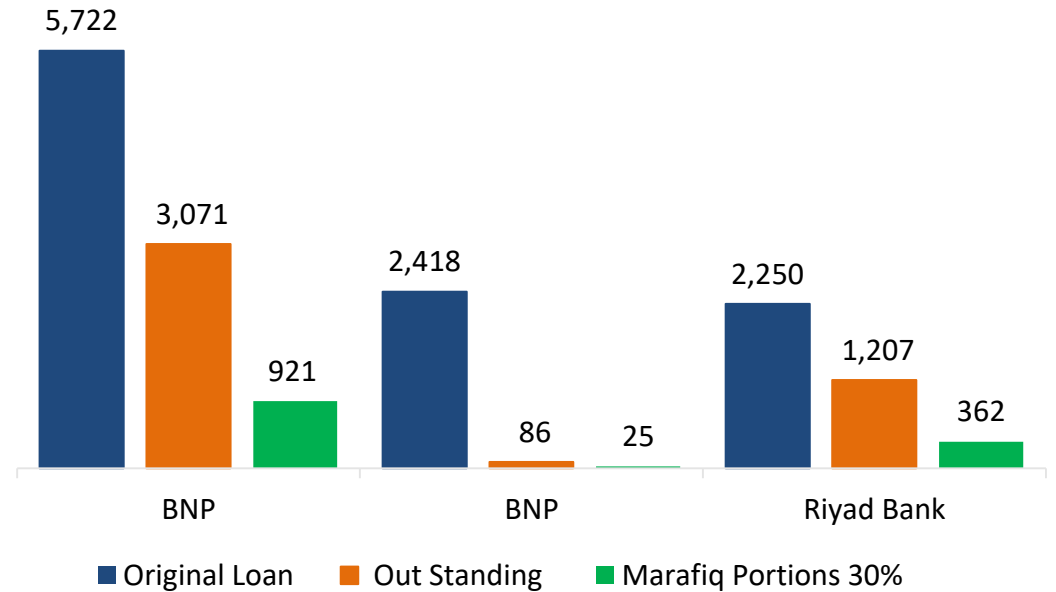
- Net Income has declined from SR 845.7 million in 2022 to SR 525.8 million in 2023 or by 37.8%, this is mainly due to lower revenues and higher financial costs.
- Administrative expenses has increased while other income has decreased.
- The increase in Zakat and tax over the period is due to reversal of deferred tax balances for Marafiq in 2022 after listing.

Financial Performance Highlights

Marafiq Loans (Million)



Jwap Loans (Million)



Original Loans Balance

MSAR 7,960

Outstanding Loans Balance

MSAR 6,454

Original Loans Balance

MSAR 10,390

Outstanding Loans Balance

MSAR 4,364

Marafiq Portions 30%

MSAR 1,308

Thank You