

# EARNINGS RELEASE

## Miahona delivers strong performance in H1 2024 with continued growth and higher profitability

Riyadh, Saudi Arabia | 07 August 2024 – Miahona, a leading water and wastewater treatment entity in the Kingdom of Saudi Arabia, today published its H1 2024 financial results for the period ending June 30<sup>th</sup>, 2024.

- Net profit increased by 11.96% to SAR 28.08 million, driven by business growth, expansion and improved efficiency.
- Recorded a strong EBITDA growth of 11.8% YoY, reaching SAR 78.1 million, and an expanded EBITDA margin of 47.64%, compared to 43.2% in the corresponding period last year.

“Miahona has demonstrated remarkable and continued growth in the first half of 2024. Our operational capabilities and strategic execution have driven our success, reflecting our robust performance and profitability. These achievements underscore our commitment to delivering exceptional value to our stakeholders and our unwavering focus on operational excellence and innovative solutions. Our strong nationwide presence and diverse project portfolio continue to position us as a leader in the water and wastewater sector in Saudi Arabia.



**AWAADH AL OTAIBI**  
Chief Executive Officer

### Key figures – Group

SAR Millions	H1 2024	H1 2023	% Δ
Revenues	151.84	149.61	+1.5%
EBITDA	72.33	64.69	+11.8%
Margin	47.64%	43.24%	+10.2%
Net Profit	28.08	25.08	+12.0%
Margin	18.49%	16.76%	+10.3%

## Revenue Performance

The revenue increase of SAR 2.23 million (1.5%) is largely driven by starting one new project bringing in additional revenue of SAR 7.6 million, the continuation and enhancement of existing O&M projects, contributing SAR 3.7 million. However, this growth was partially offset due to the prior period witnessed increase in construction revenue from completion of one project.

Water and Wastewater revenue increased mainly due to conversion of one of the short-term Operation and Maintenance (O&M) contract to a Long-term O&M (concession agreement). This shift resulted in a corresponding decrease in O&M revenue.

Other revenue increases due to the financial close achieved for one project during the period.

SAR Millions	H1 2024	H1 2023
Water & Wastewater Services	120.98	111.83
Construction	16.07	21.27
O&M	7.10	14.42
Others	7.69	2.09
<b>Total Revenues</b>	<b>151.84</b>	<b>149.61</b>

## Cost Evolution and Profitability

Cost of sales increased by 5.1% mainly due to the amortization of the newly capitalized plant in one of the projects. The revenue is expected to further improve as the newly acquired plant will reach to its full capacity.

General and administrative expenses experienced a rise, to SAR 23.66 million in the first half of 2024 from SAR 19.56 million in H1 2023. This increase primarily is due to reinforcement of leadership, governance and strategic investments in branding, reflecting the company's ongoing commitment to invest in growth.

EBITDA increased by SAR 7.64M, reflecting a robust growth of 11.8%. Consequently, the EBITDA margin improved to 47.6%, up from 43.2% in H1 2023.

The rise in finance costs was due to the acquisition of new loans, offset by finance income generated from the progress of various projects. Income from term deposits was maximized through improved financial planning and efficient management of working capital.

In that context, the company witnessed a strong increase of 12.0% in net profit, to SAR 28.08 million in H1 2024 from SAR 25.1 million in the first half of 2023.

## FINANCIAL STATEMENTS – GROUP

### Statement of Income

SAR Millions	H1 2024	H1 2023	% Δ
<b>Revenues</b>	<b>151.84</b>	<b>149.61</b>	<b>+1.5%</b>
Cost of revenues	(104.03)	(98.97)	+5.1%
<b>Gross Profit</b>	<b>47.81</b>	<b>50.64</b>	<b>-5.6%</b>
General and administrative expenses	(23.66)	(19.56)	+21.0%
Other income	9.35	0.19	n.m
Allowance for expected credit losses ("ECL")	(1.36)	(0.67)	+103.0%
<b>Operating profit</b>	<b>32.14</b>	<b>30.60</b>	<b>+5.0%</b>
Financing costs	(17.77)	(15.23)	+16.7%
Financial income on concession contract receivables	9.52	7.69	+23.8%
Income on term deposits	3.09	1.33	+132.3%
Share of profit from equity accounted investments	3.19	3.80	-16.1%
<b>Profit before Zakat</b>	<b>30.17</b>	<b>28.19</b>	<b>+7.0%</b>
Zakat expense	(2.09)	(3.11)	-32.8%
<b>Net Profit (loss)</b>	<b>28.08</b>	<b>25.08</b>	<b>+12.0%</b>

### Statement of Cash Flows

SAR Millions	H1 2024	H1 2023	% Δ
Net cash from operating activities	54.62	56.33	-3.0%
Net cash from investing activities	(75.04)	(49.64)	+51.2%
Net cash from financing activities	53.11	(2.76)	n.m
Cash and cash equivalents at the beginning of the period	136.17	67.82	+100.8%
<b>Cash and cash equivalents at the end of period</b>	<b>168.86</b>	<b>71.75</b>	<b>304.5%</b>

### Statement of Financial Position

SAR Millions	H1 2024	FY 2023
Total current assets	351.93	325.91
Total non-current assets	744.04	663.43
<b>Total assets</b>	<b>1,095.97</b>	<b>989.34</b>
Total current liabilities	141.73	149.95
Total non-current liabilities	528.68	446.15
<b>Total liabilities</b>	<b>670.41</b>	<b>596.10</b>
<b>Total equity</b>	<b>425.56</b>	<b>393.24</b>
<b>Total equity and liabilities</b>	<b>1,095.97</b>	<b>989.34</b>



# H1 2024 RESULTS DOCUMENTS

The H1 2024 results documents can be found on Miahona's Investor Relations website.

## CALL FOR INVESTORS & ANALYSTS

A call for investors and analysts with Eng. Awaadh Al Otaibi, CEO and Rehan Masood, CFO is scheduled to be on 07 August 2024 at 04:30 PM (KSA time). For details contact: [IR@miahona.com](mailto:IR@miahona.com).

## CONTACT

IR Department: [IR@miahona.com](mailto:IR@miahona.com)

## ABOUT MIAHONA

Miahona is a leading water and wastewater treatment entity in the Kingdom, with a proven track record of performance and commitment to innovation. Miahona's competitive strengths lie in its project development and operations and maintenance capability, high quality contracted portfolio with diversified cash flows, business model configured to extract returns across the project lifecycle, seasoned management with strong in-house multi-disciplinary team of experts, visible growth pipeline and long term buy-in from shareholders. Miahona is also well positioned to capitalize on the growing demand for water and wastewater services in the Kingdom, driven by factors such as population growth, urbanization and the Kingdom's sector strategies under Vision 2030, including privatization projects, public-private partnership (PPP) and regulatory changes.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This document and any materials distributed in connection with this document may constitute or include forward-looking statements.

The forward-looking statements in this document are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in the Company's records (and those of its affiliates) and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control.

Actual results may differ materially from those expressed or implied due to various factors, including changes in market conditions, regulatory developments, competitive pressures, and the availability of funding.

No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecast result will be achieved and you are cautioned not to place any undue influence on any forward-looking statement. Statements contained in this document regarding past events or performance should not be taken as a guarantee of future events or performance.