



EARNINGS PRESENTATION

Q4/FY 2021

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KEY HIGHLIGHTS

FINANCIAL, PRODUCT AND OPERATIONAL PERFORMANCE

KEY FINANCIAL & INVESTMENT HIGHLIGHTS 2021

280,000+ MT
Annual Imports

SAR 2.57bn
Annual Sales

#1 Saudi food company for the import, market, distribution and production of leading brands of frozen, chilled and dry foodstuff

55,000 MT
Storage Capacity

SAR 220m
EBITDA

Integrated operating and logistics model, network of 12 warehouses, with 1,000+ vehicles

21,700
Customer Outlets

8.6%
EBITDA margin

Operations underpinned by best in class technology platforms

800+
SKUs

SAR 166m
Net profit

Strong and experienced management team to execute on well-defined growth strategy

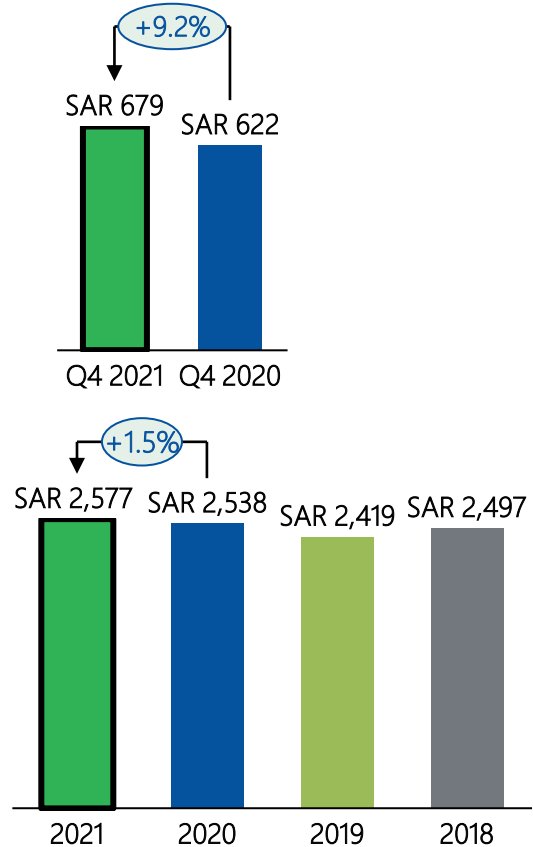
60+
Global suppliers

SAR 203m
FCF

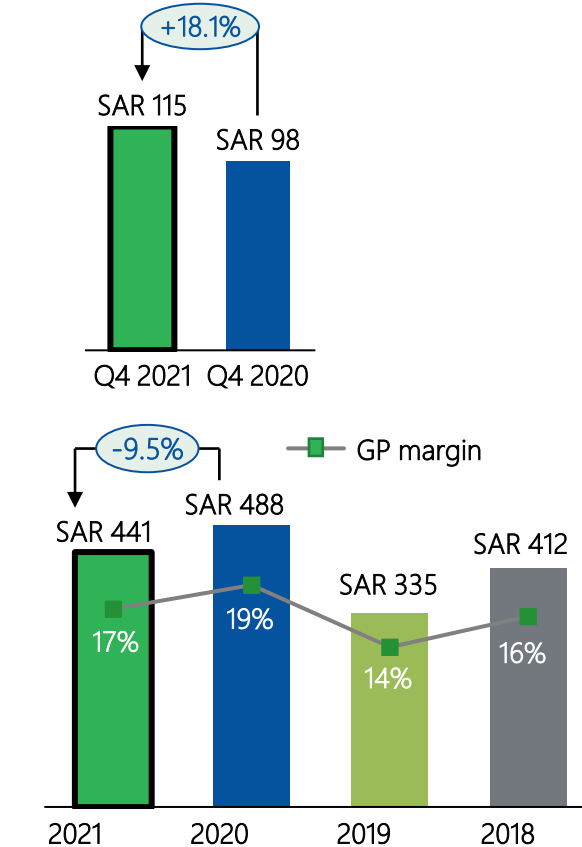
Significant underlying growth drivers in the steadily growing KSA F&B sector (retail, wholesale, food service)

FINANCIAL PERFORMANCE – INCOME STATEMENT HIGHLIGHTS

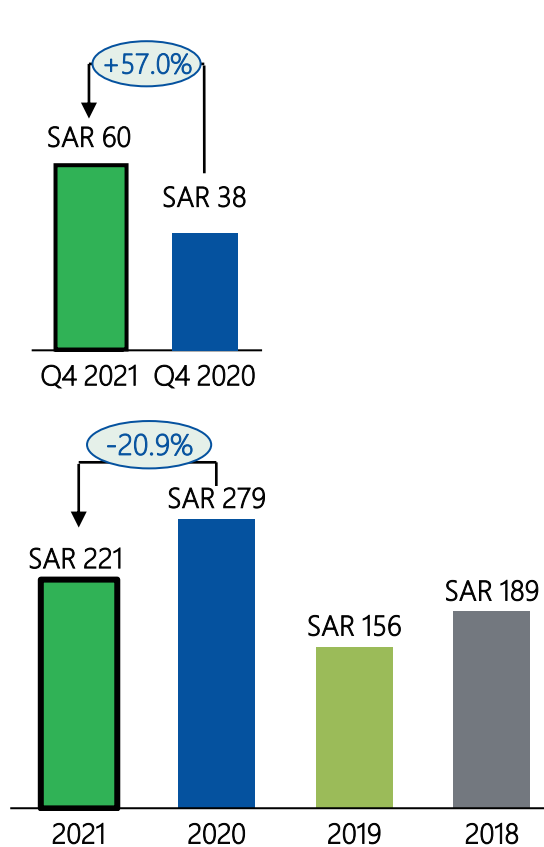
Sales (SAR millions)



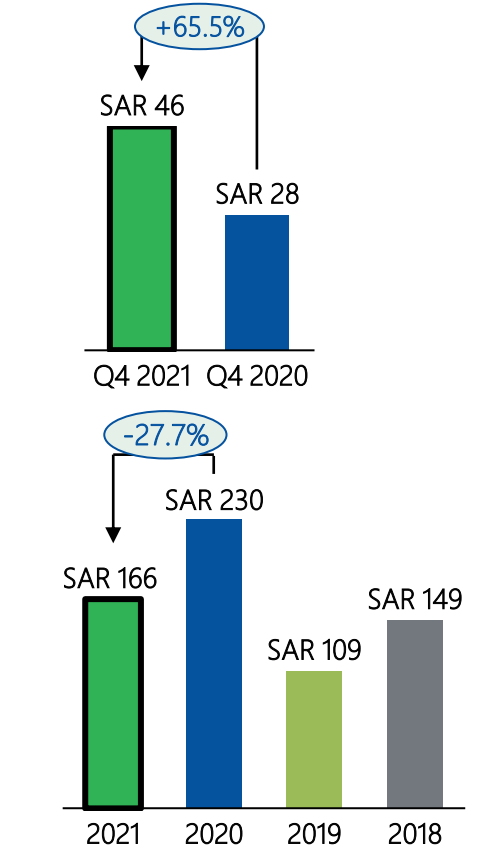
Gross Profit (SAR millions)



EBITDA (SAR millions)



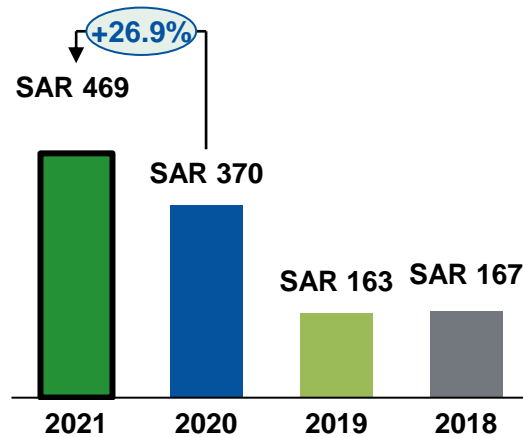
Net Profit (SAR millions)



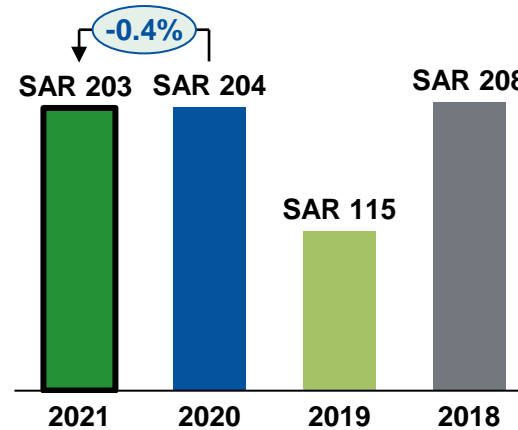
- Commentary for FY 2021:
- Steady increase in top line, despite challenging market and operating conditions
 - Solid gross margins, owed to evolving product portfolio across all categories
 - Stable overheads, driven by prudent control on expenses and on-going cost reduction initiatives

FINANCIAL PERFORMANCE – LIQUIDITY & LEVERAGE POSITION

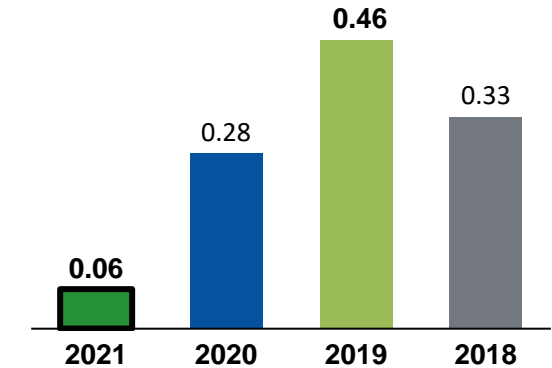
Net Working Capital (SAR millions)



Free Cash Flow (SAR millions)



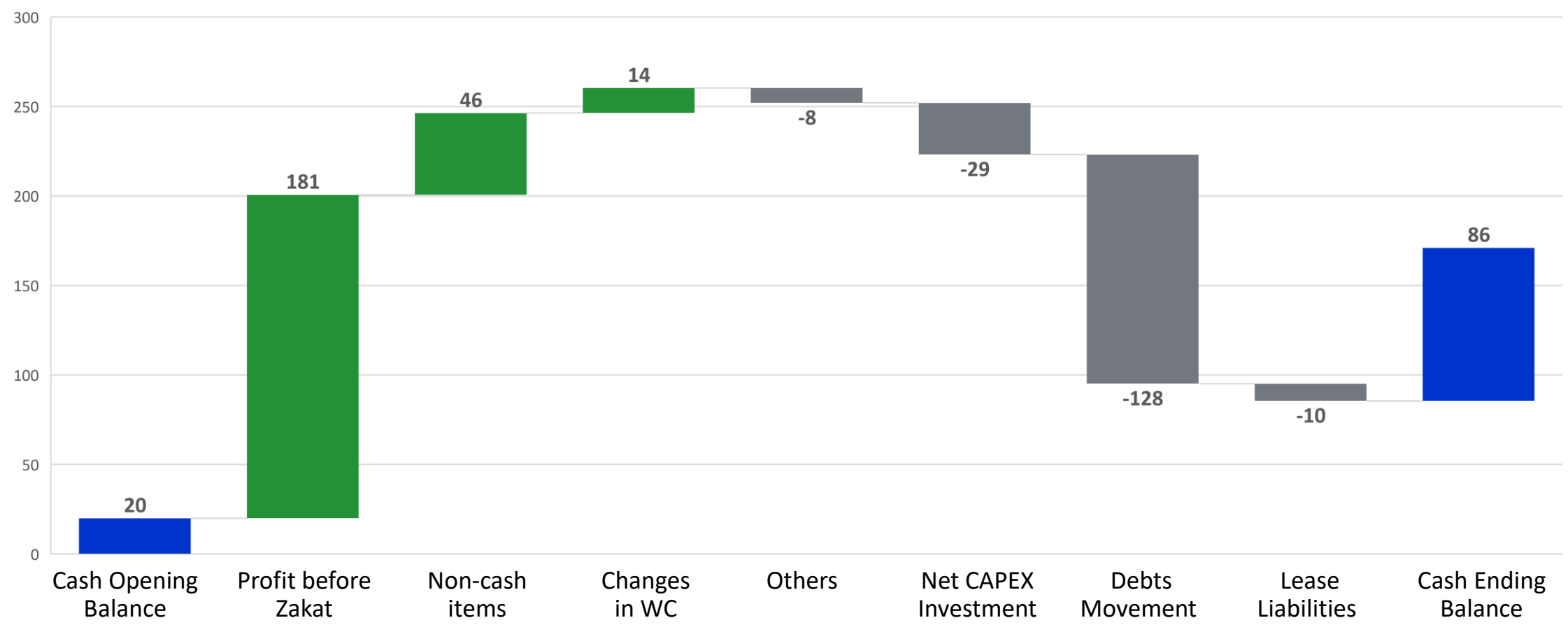
Debt/Equity Ratio



Commentary :

- **Efficient working capital management.** Significant improvement and efficient levels of working capital to support business needs and day to day operations
- **Prudent management of finances.** Company has maintained stable levels of FCF (Mean over 4-year period = SAR 183 million)
- **Low leverage position.** Company enjoys a low leverage position, ending the year 2021 with zero loans

FY 2021 CASH FLOW



2021 KEY OPERATIONAL HIGHLIGHTS

- 1 As the pandemic related lockdown measures eased, we increased our sales reach to **21,700 customer outlets** by end of 2021
- 2 In response to emerging demand trends, we introduced **18 new products** in red & white meat, frozen fruits and vegetables, and ready meals
- 3 **Sustainability** drive by installing 3,500+ solar panels on Riyadh warehouse, saving 1,300 MT per annum in Co₂ emissions. It will generate c. 30% of onsite energy requirements.
- 4 Completed expansion of meat factory in Jeddah. **Expansion** increases total production by over 60% to 11,000 metric tons and doubles poultry production.

MARKET OUTLOOK AND STRATEGY

CURRENT GLOBAL MARKET ENVIRONMENT - 2022

Operating Environment

- Environment is rapidly changing as global geopolitics and macro-economic challenges prevail.
- We continue to navigate this environment exercising prudence and leveraging our well-balanced business model and efficient operations to maintain and grow our strong position in the marketplace.

Cost Inflation

- 2022 inflationary environment is anticipated to accelerate with the ongoing situation in Ukraine creating greater cost inflationary pressures.
- We are carefully monitoring the impact inflationary pressures will have on our business, and in line with the rest of the F&B players, have already started to gradually pass through most of the cost increases to customers.
- However, we are focused on driving sustainable growth by capitalizing on favorable growth drivers underpinning the KSA F&B.

KSA CONSUMER CONSUMPTION TRENDS

Category

Consumption Trends

Red & White Meats

- Anticipated sales growth as poultry and seafood are perceived as a healthy food choice
- Increase number of fine dining restaurants in KSA drives greater demand for premium products

Frozen Fruit & Vegetables

- Increased health consciousness, especially amongst the youth population
- Increase in number Food Service outlets
- Increase in demand for ready-to-eat/easy-to-cook meals

Dairy

- Increase in demand for more premium and healthier dairy products
- Perceived as easy to cook, ready to eat food choice

Olive & oils

- Seen as a healthy choice, part of the widely popular “Mediterranean Diet”

STRATEGIC PRIORITIES

Portfolio diversification

Further product portfolio diversification within its five food categories with specific focus on shifting to higher growth and higher margin categories and sub-categories.

Channel enhancement

Defending leadership position within the Retail channel in terms of market share across all categories and sub-categories, and further strengthen presence in Food Service channel.

Expansion in manufacturing

Backward integration and increase local content. Expanding along the industry value chain through in-Kingdom manufacturing and partnering with local producers to distribute and co-pack their products.

Third party logistics (3PL)

Grow 3PL business to generate additional revenue.



THANK YOU