

Q3 / YTD Sep'24 Earnings Presentation

18 November 2024

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Today's Agenda

About AMF

Financial Highlights

Financial Performance

Operations Update

Question and Answer



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Foods

ALMUNAJEM FOODS AT A GLANCE:

Almunajem Foods is among the largest Saudi food companies involved in manufacturing, importing, marketing and distribution of a wide range of frozen, chilled and dry food items through its top-notch logistics network all over the Kingdom.



Key Investment highlight:



Diversified
Portfolio



Flexible and asset light
operating model



Experienced
Management



Wide
Coverage

Distributor of Key Brands:

International Brands



Owned Brands



Financial Highlights YTD Sep' 2024



SOLID FINANCIAL RESULTS

Revenue
2,528 M

Gross Profit 445 M
Margin 17.6%

Net Profit 218 M
Margin 8.6%

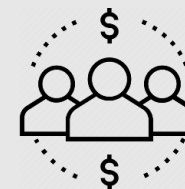


STRONG CASH FLOW GENERATION

Free Cash Flow
128 M

WC to Sales
16%

Debt / Equity
10%



SHAREHOLDER VALUE CREATION

ROA
16.5%

ROE
27.2%

EPS
3.64

OUR RANKINGS IN TERMS OF MARKET SHARE (RETAIL)

Main Categories	Sub-Categories	Brands	Ranking	Market Share*
Red & White Meat	Frozen Whole Chicken	Doux	2	28.8%
	Chicken Franks		2	21.5%
	Frozen Minced	Al Anam	1	23.3%
	Frozen Breasts	Dari Doux	2 3	16.6% 9.7%
	Chicken Strips	Doux	2	15.9%
Frozen Fruits & Vegetables	Fruits	Dari	1	47.0%
		Montana	2	34.8%
	Vegetables	Montana	1	25.8%
		Dari	2	20.5%
	Potato	Lamb Weston Dari	1 4	25.1% 7.5%
Olive & oils	Olives	Coopoliva	1	57.6%
Dairy	Mozzarella	President	1	23.8%
	Labneh		2	11.4%
Ready Meals	Frozen Dinners	Dari	1	63.6%

Financial Performance

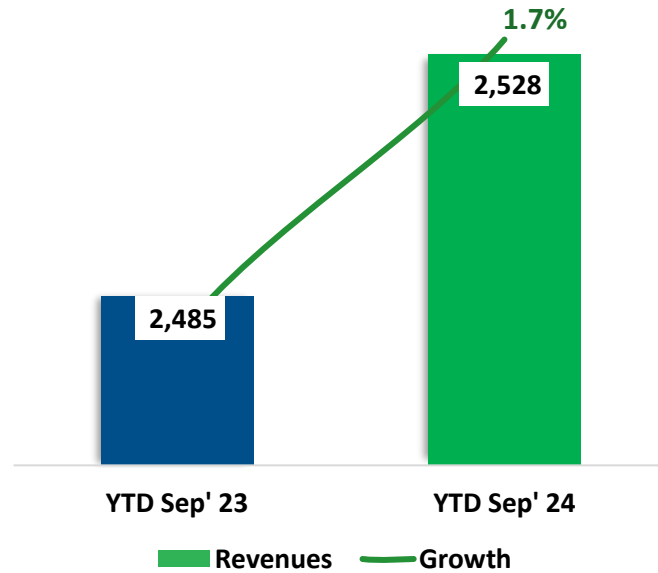
Q3 / YTD Sep' 24



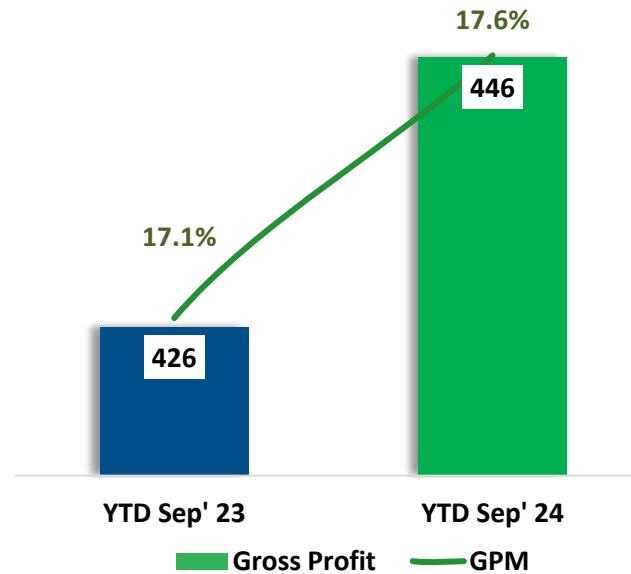
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Financial Performance YTD Sep' 2024 – Key Highlights

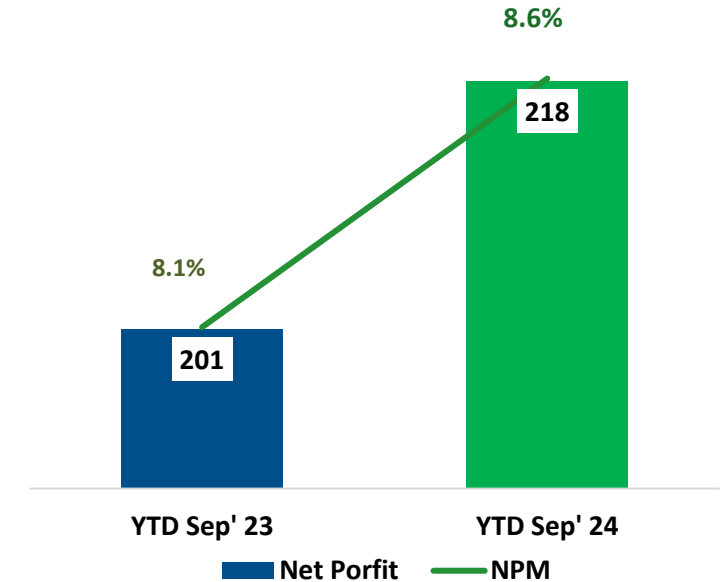
Revenue (SAR' M)



Gross Profit (SAR' M)



Net Profit (SAR' M)



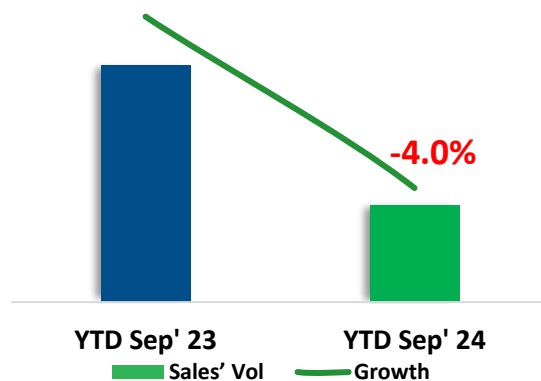
Commentary for
YTD Sep 2024:

- ❖ Slight increase in revenue compared to same period of last year despite of volumes impacted by red sea crisis earlier this year.
- ❖ Noticeable increase in profitability mainly due to increase in gross margins of red & white meat, dairy and fruits & vegetables categories.
- ❖ Operating expenses well under control. Slight increase operating expenses is mainly related to increase in S&D expenses.

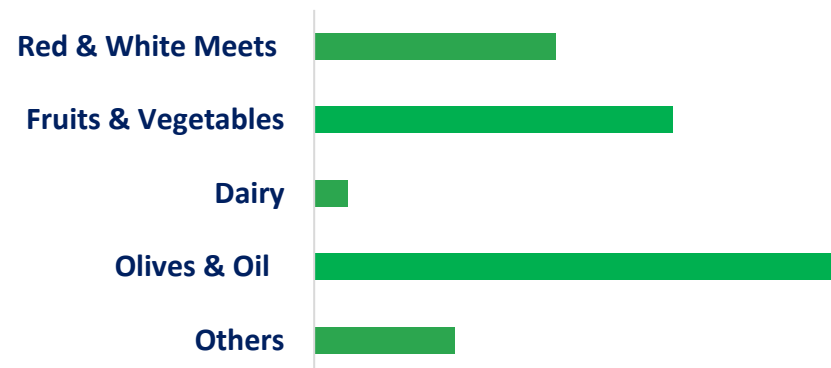
Revenue (YTD Sep' 2024) – Analysis

Figures are compared to 9M' 23

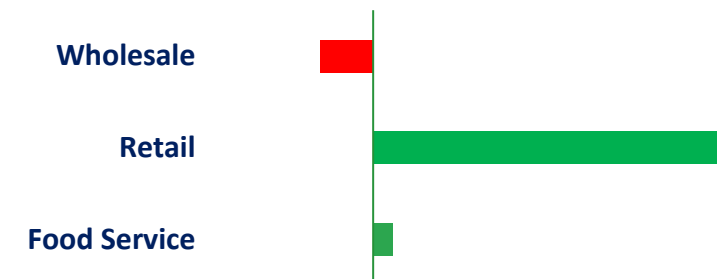
Sales Volume - Growth



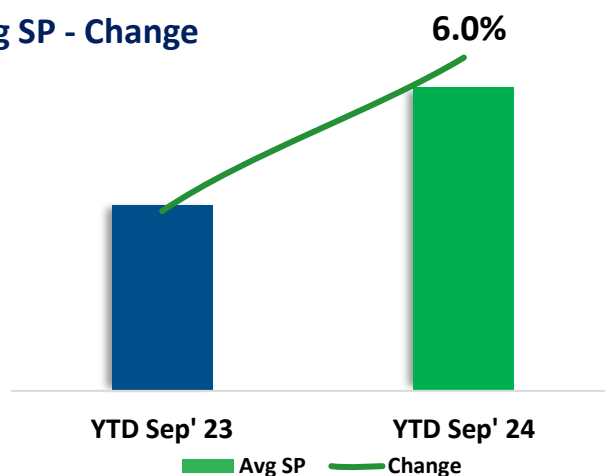
Sales' Value – Growth by Major Categories



Sales' Value – Growth by Channels

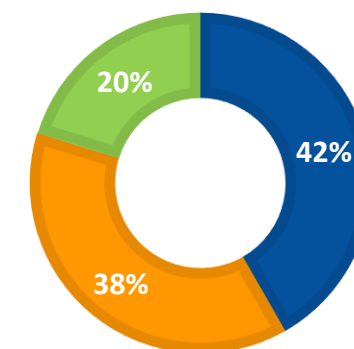


Avg SP - Change



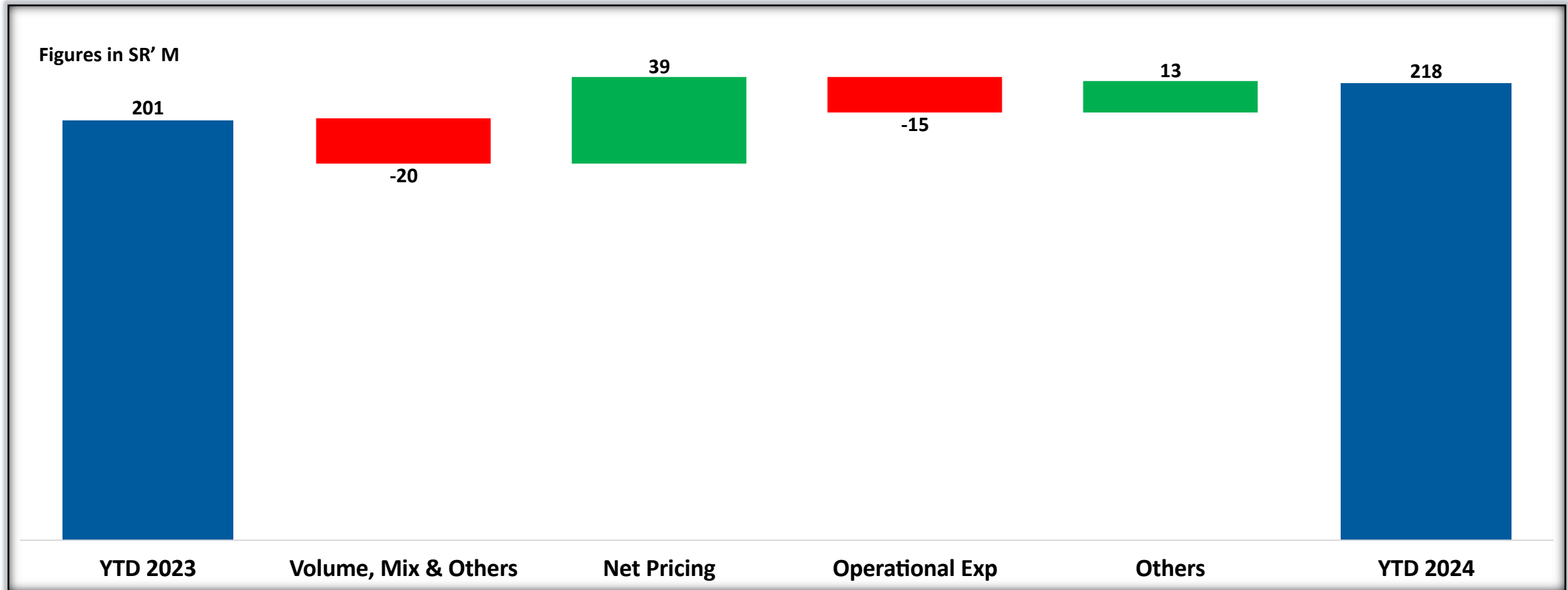
Region	Growth
Central	1.79%
Eastern & Northern	1.65%
Western & Southern	1.68%

CONTRIBUTION BY REGIONS



■ Central
 ■ Western & Southern
 ■ Eastern & Northern

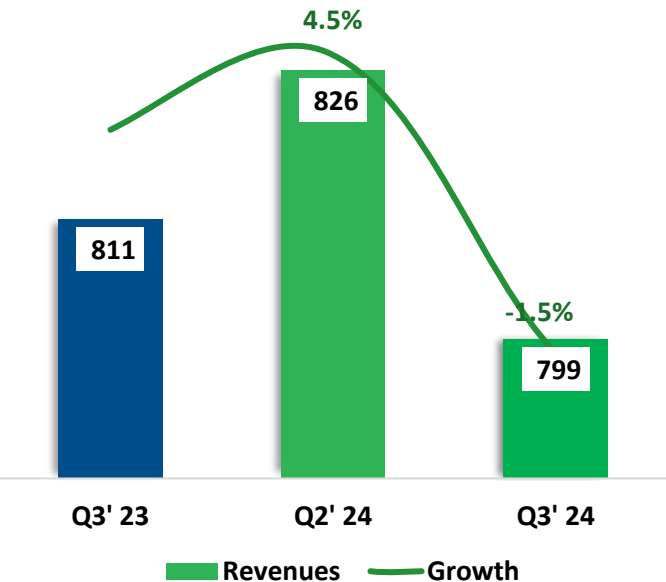
Net Income Bridge – YTD Sep' 2024



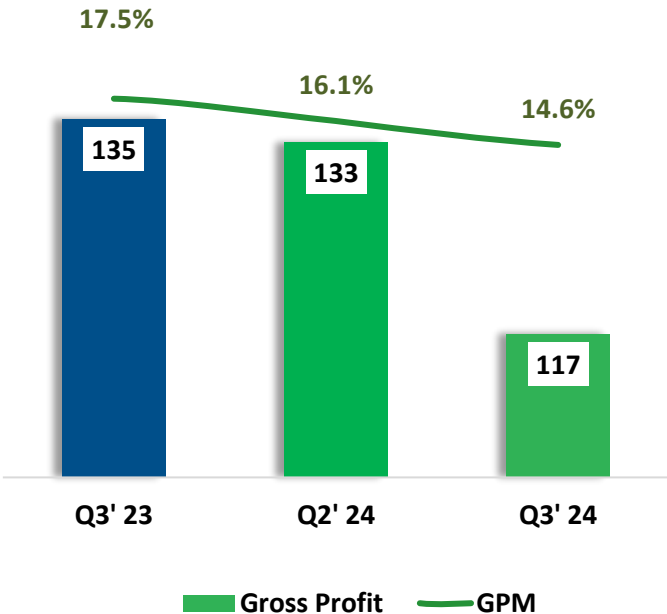
❖ **YTD Sep' 2024** net income higher by almost SR 17M Vs. same period last year due to favorable trade conditions especially during H1 of the year, despite of dip in sales volumes caused by red sea crisis.

Financial Performance Q3' 2024 – Key Highlights

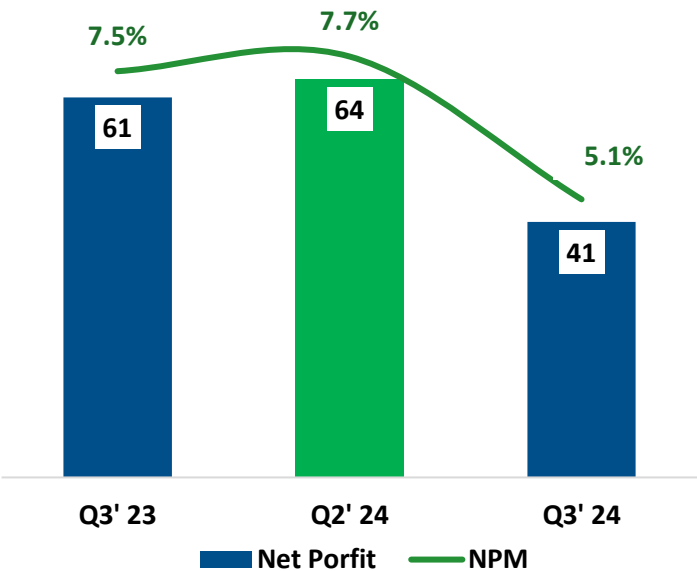
Revenue (SAR' M)



Gross Profit (SAR' M)



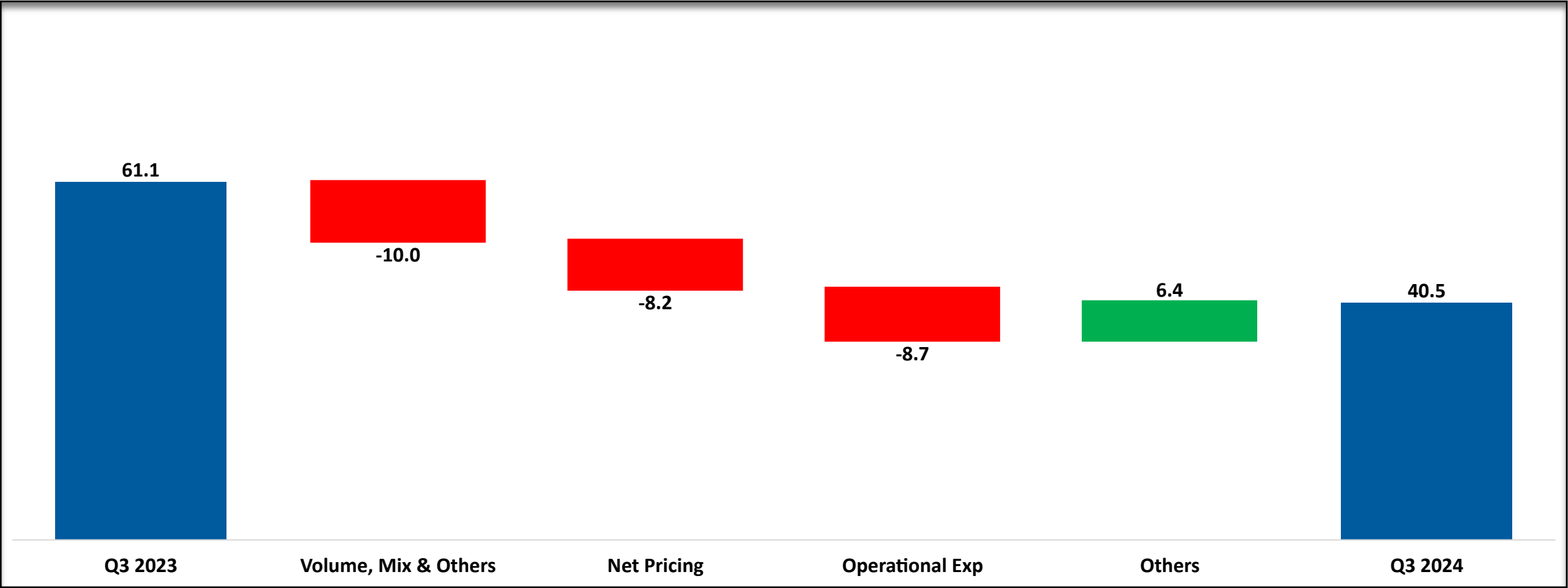
Net Profit (SAR' M)



Commentary for
Q3 2024:

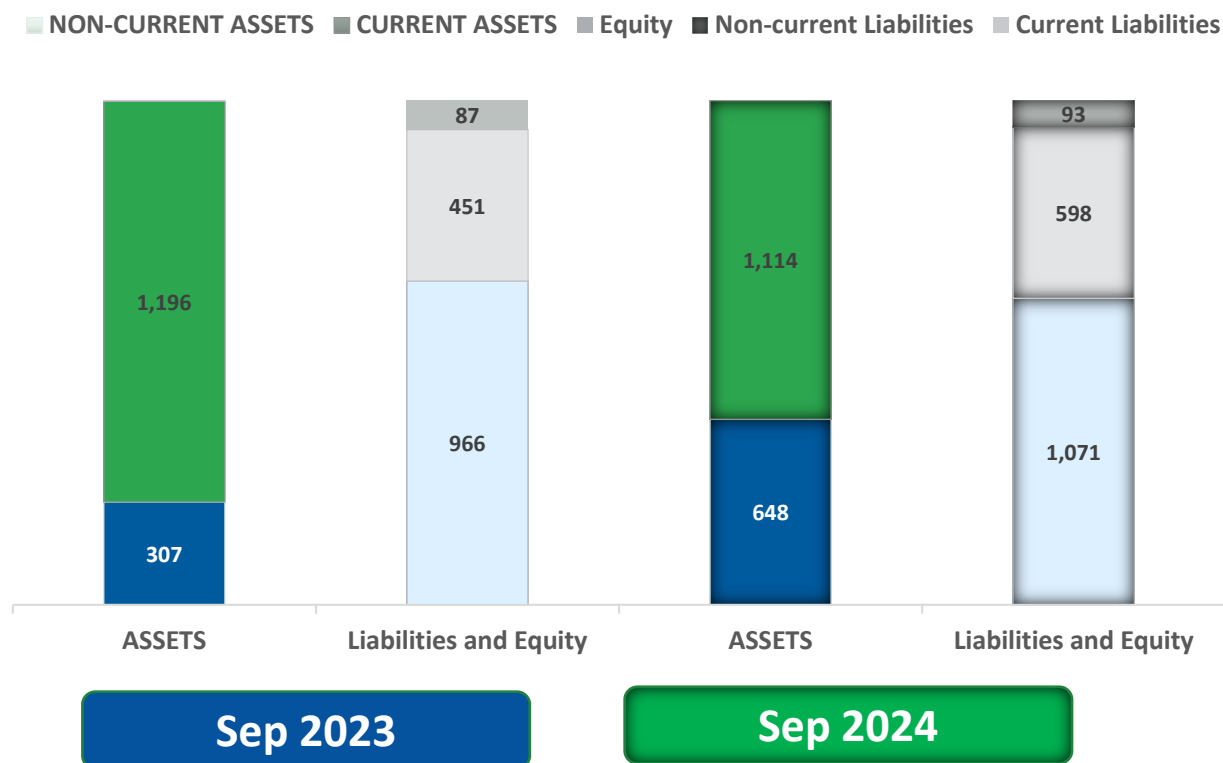
- ❖ Revenue dropped slightly by around 1.5% compared to same period of last year due to pricing pressures in market related to Poultry category.
- ❖ Gross profits dropped in Q3 due to lower gross margins in Poultry category impacted by high cost and pricing pressures.

Net Income Bridge – Q3' 2024



❖ Q3' 2024 net income is lower Vs. same period last year as a result of lower gross profit impacted by lower volumes and pricing pressures in red & white meat category.

Prudent Financial Management



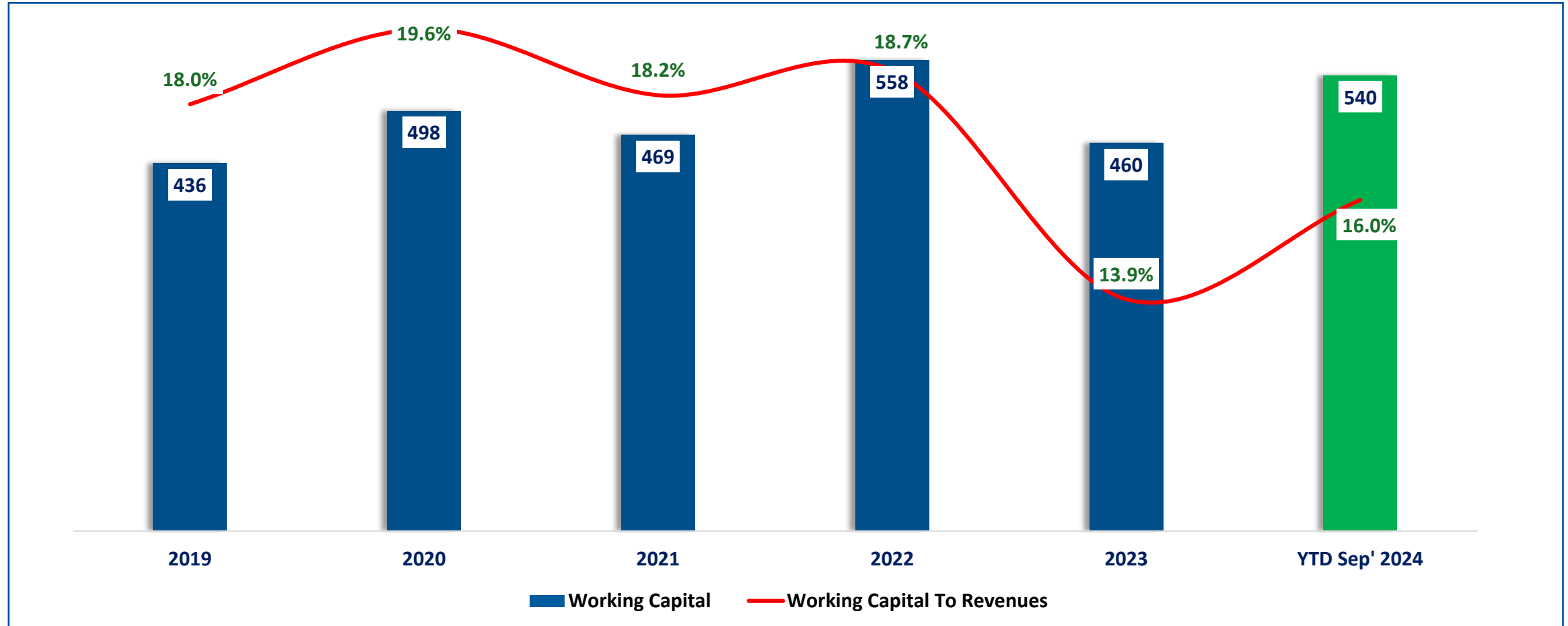
Ratio			Sep 2024	Sep 2023
Profitability	Return on Equity	%	27.2%	27.7%
	Return on Assets	%	16.5%	17.8%
Activity	Trade receivables	Days of Sales	32.3	33.9
	Inventory	Days of COS	80.1	62.4
	Trade payables	Days of COS	71.1	74.9
Solvency	Debt to Equity*		0.10	0.04
	Debt Ratio**		0.39	0.36
Liquidity	NWC-to-Sales	%	16.0%	19.0%
	Current Ratio		1.9	2.7

- ❖ **Efficient working capital management:** CCC increased Vs. last year mainly due to increase in DIO
- ❖ **Low leverage position.** Company enjoys a low leverage position with debt-to-equity ratio of 10%.

*Debt to Equity: (total loans + Lease) / Equity

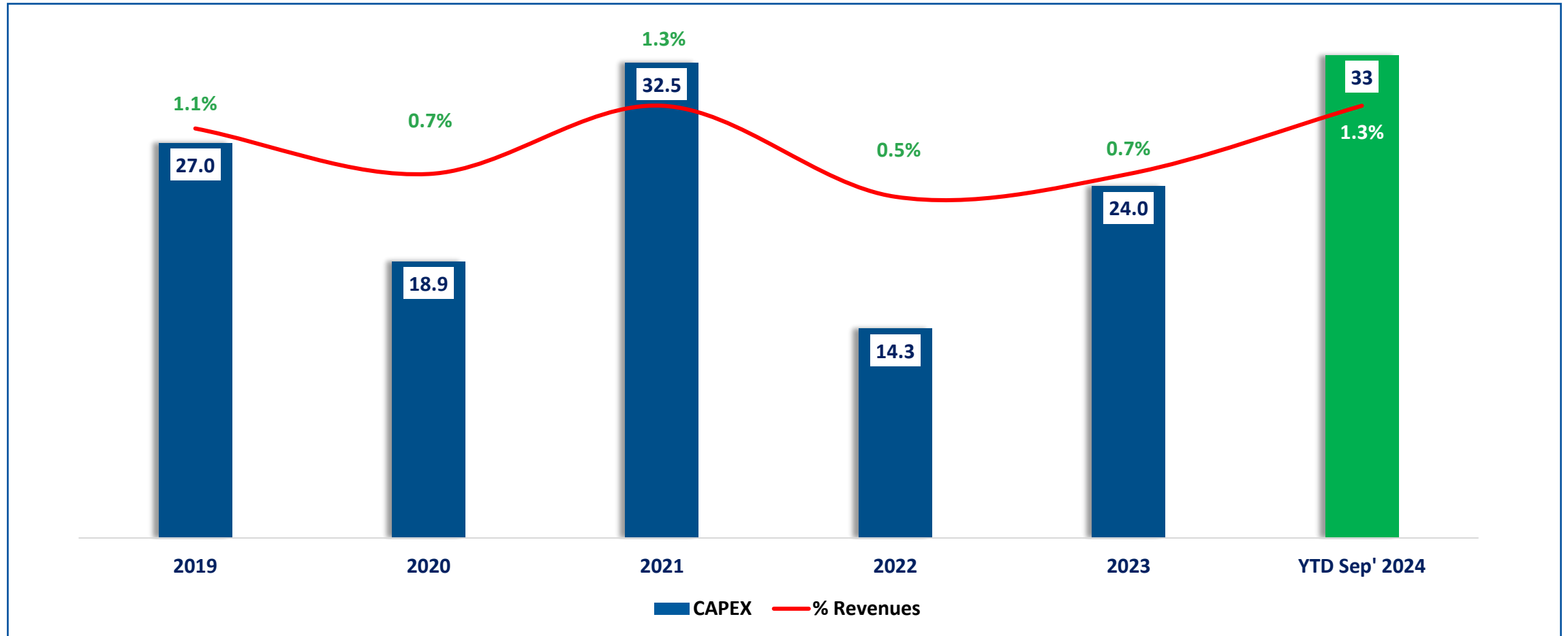
**Debt Ratio: Total Liabilities / Total Assets

Net Working Capital (2019 – YTD Sep' 2024)



❖ Efficiently managed Working Capital. The working capital to sales ratio moved to 16% **mainly due to higher DIO.**

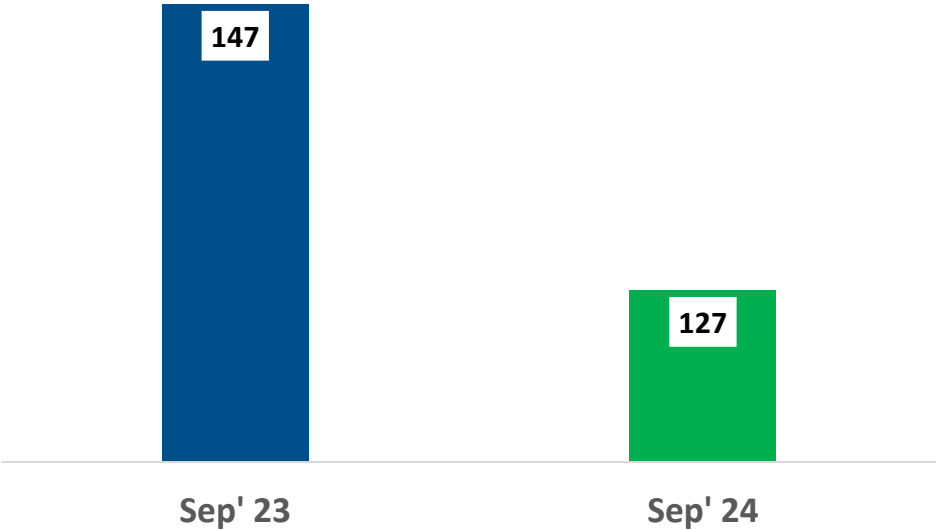
CAPEX (2019 – YTD SEP' 2024)



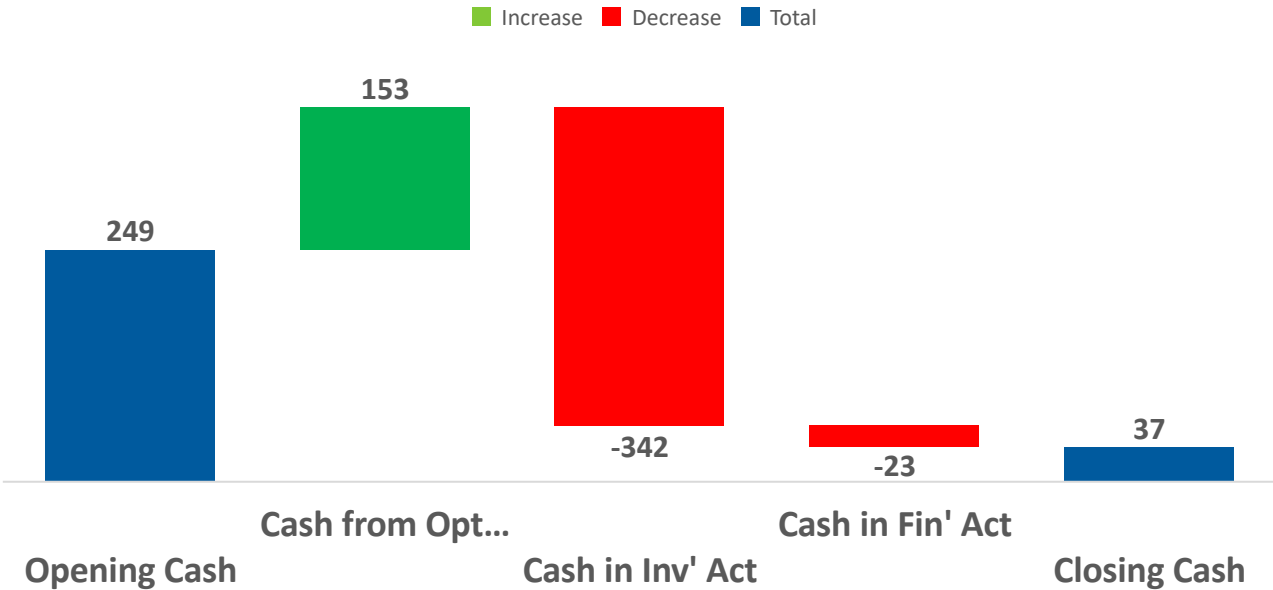
❖ 5Y average CAPEX – SAR 23M and ranges between 0.5% to 1.3% of revenue

CASH FLOW YTD ' 2024

Free Cash Flow
SR' M



Cash Flow Bridge - YTD Sep' 24
SR' M



Note: FCF calculation excludes investment in associate.

UPDATE ON:

- OPERATIONS



Operations Update:

Meat Factory & Local Content

- Construction of new Meat Factory is on track. Operations are expected to kick-off in Q1 of 2026.

Third Party Logistics (3PL)

- As per approval from BOD, a new wholly owned subsidiary “The Optimal Solution Company **“Loadly”** for Logistics services” has been incorporated with 42K Pallets. The Operations of the new Company are expected to kick-off by end of 2024.



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QUESTION & ANSWERS

THANK YOU

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