



Earnings Presentation

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Key Highlights

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- ▶ SADAFECO's sales were SAR 566Mln for Q1'2020-21, which was 16.6% above those achieved in the same quarter last year
- ▶ Higher sales were driven by initial stockpiling as well as shift in consumer preference towards UHT milk due to its long life nature
- ▶ Tomato products sales witnessed significant growth to the tune of 30.6% vis-a-vis the same quarter last year
- ▶ Ice Cream market share improved against same quarter last year on growing offtake of Cones and Sandwich
- ▶ SADAFECO continued to take all COVID-19 precautionary measures in all its facilities, including and going beyond the Government instructions

New Product Launches



Plain Water 330ml & 600ml (Low Sodium)



Organic Tomato Paste 70g

Recent Developments

- **New Ice Cream Factory:** During this quarter we have started construction of a brand new Ice Cream plant catering to growing Ice cream business with a long term horizon fulfilling the ambition of a higher market share and wider distribution through own freezers. It is scheduled to be finished during the next year
- **Solar Project, Jeddah Central Warehouse:** SADAFECO is one of the first Saudi Companies to install solar panels to lower its energy consumption and is currently working towards installing a full roof of solar panels to its Jeddah Central Warehouse (JCW)

Business Highlights

Financial Highlights-SADAFCO

Sales

16.6%
YoY

Q1'2020/21 :
SAR566Mln
Q1'2019/20 :
SAR485Mln

Net Profit

21.8%
YoY

Q1'2020/21 :
SAR71Mln
Q1'2019/20 :
SAR58Mln

Operating Cash Flow

61.9%
YoY

Q1'2020/21 :
SAR107Mln
Q1'2019/20 :
SAR66Mln

SADAFCO's Market Share*



UHT Milk
61.8%



Tomato Paste
51.5%



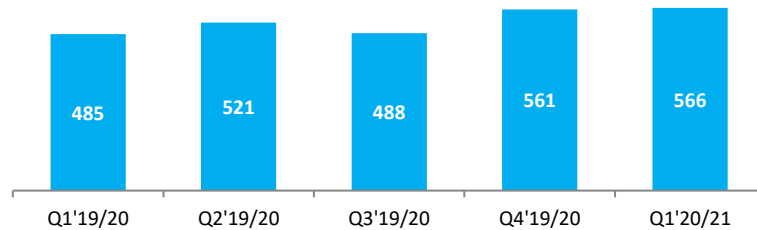
Ice Cream
25.8%

*MAT as of May' 20 (Source: Nielsen Retail Audit)

Sales & Profitability

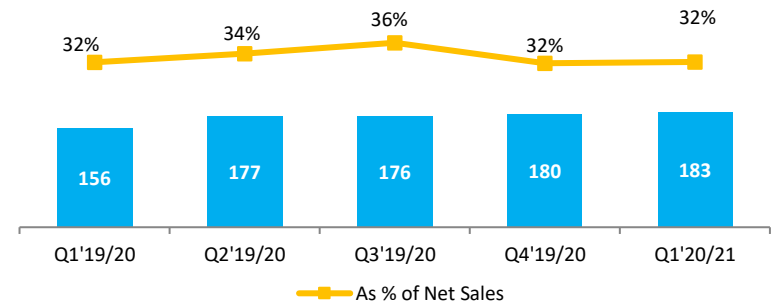
Sales

SAR Mln



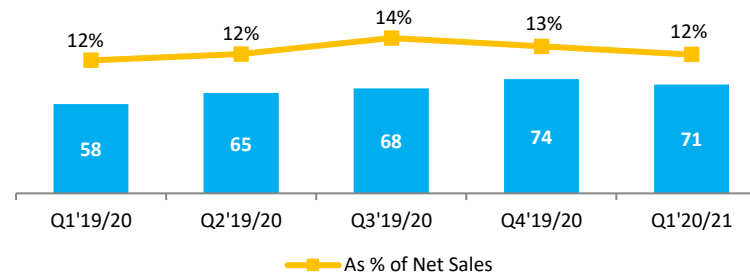
Gross Profit

SAR Mln



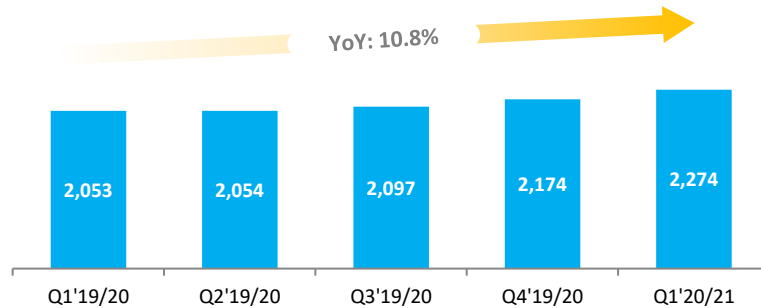
Net Profit

SAR Mln



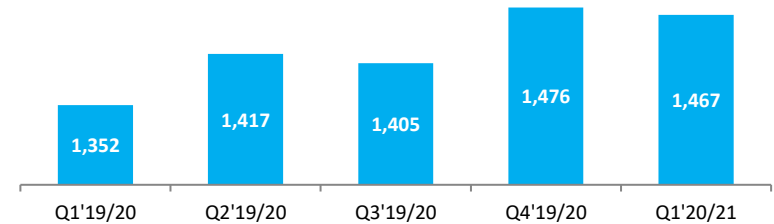
Steady Asset Base...

SAR Mln



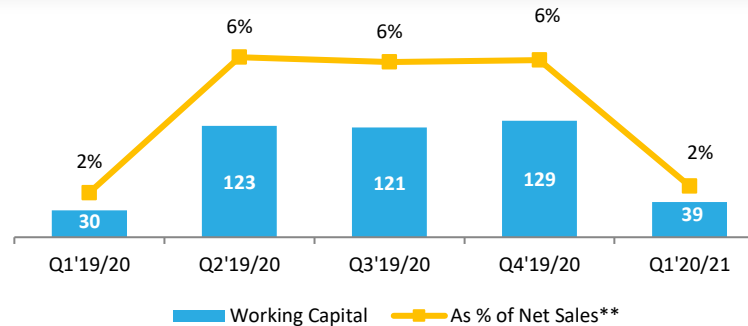
...build by Internally generated funds

SAR Mln



Working Capital*

SAR Mln



Note: *Working Capital calculated as Current Assets net of Current Liabilities.

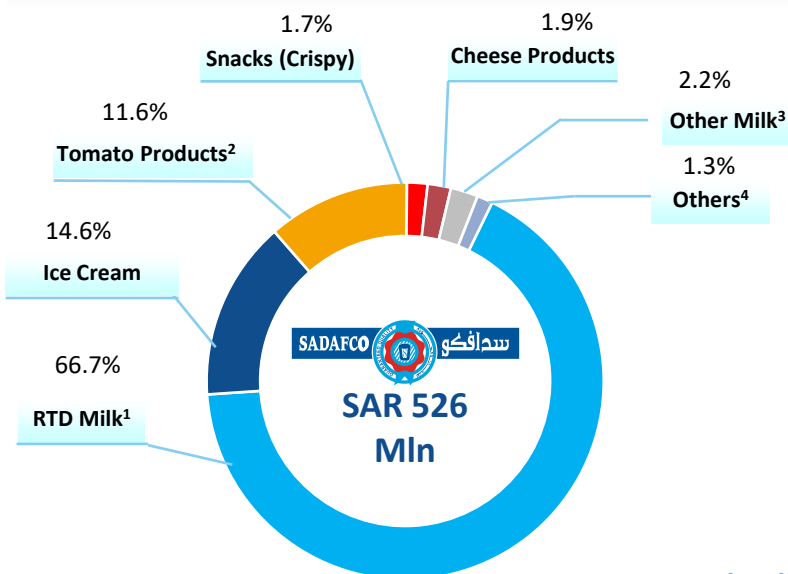
Current Assets: Accounts receivable + Inventories + Deposits, prepayments & other current assets

Current Liabilities: Accounts payable + Due to related parties + Accrued zakat + Dividend payable + Accruals & other current liabilities




**Rolling 12-months net sales

Sales Reporting

Q1'20/21 Sales By Category*

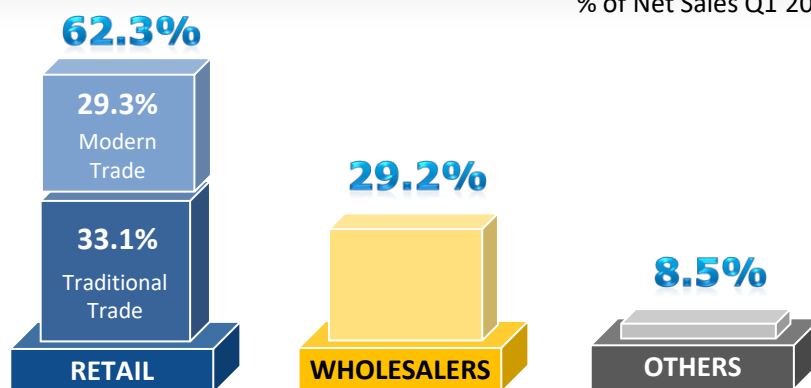


Key Category – Sales*

Categories	Net Sales – Q1'20/21 (SAR Mln)	% y-o-y growth
 RTD Milk	351	26.6%
 Ice Cream	77	2.2%
 Tomato Products	61	30.6%

Distribution Format*

% of Net Sales Q1'20/21



Traditional Trade & Modern Trade are the leading channels...with Wholesale also contributing significantly

¹ RTD milk includes Plain, Flavored, and Junior; ² Tomato Products include Tomato Paste and Ketchup;

³ Other Milk include Milk Powder, EVAP and Laban ;

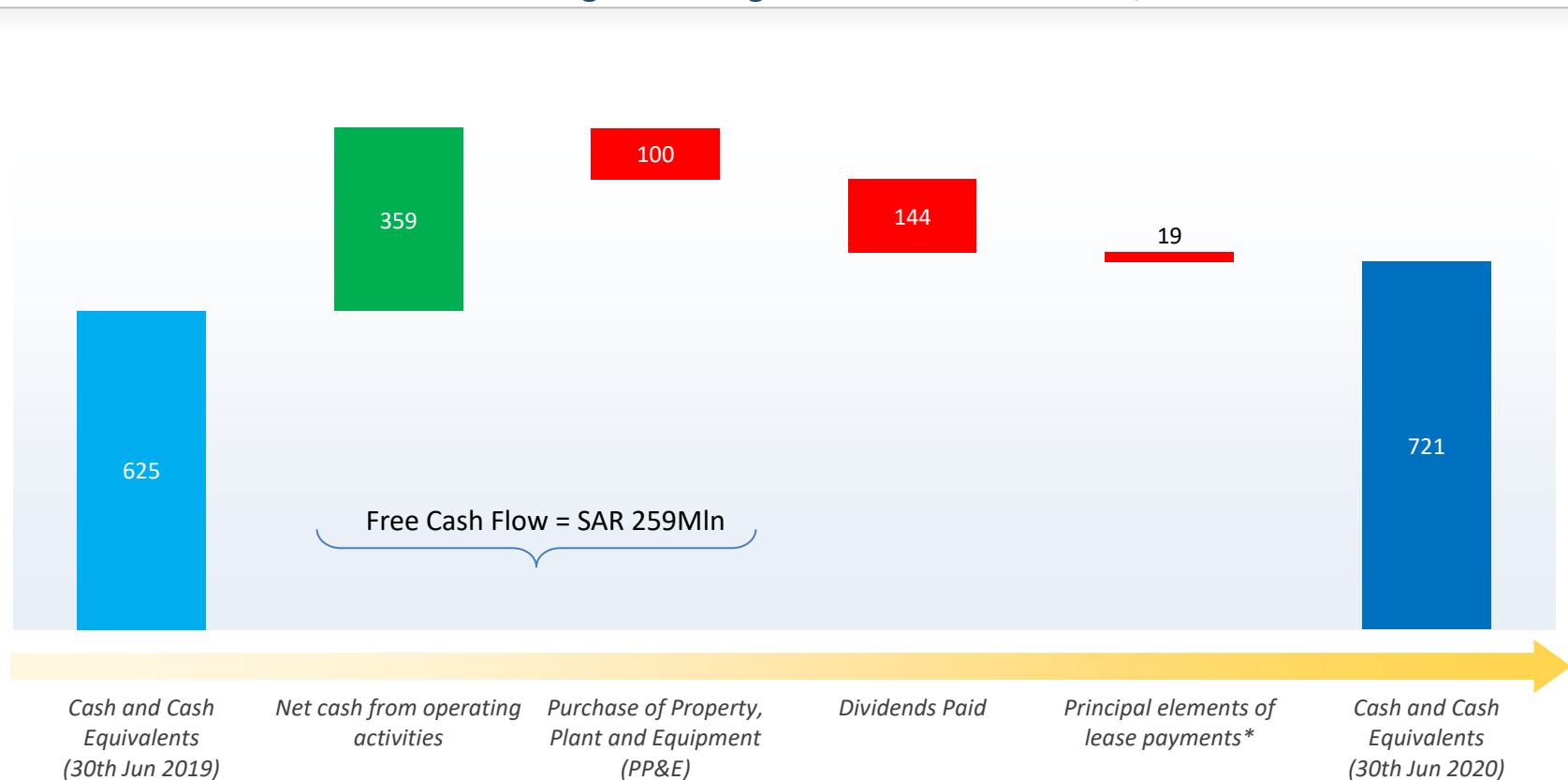
⁴ Others include Cream, French fries, Butter, Drinks Junior, etc

*Note: SADAFCO Standalone figures

Cash Flow Summary

SADAFCO Consolidated Cash Flow Bridge for rolling 12-months as of 30th Jun, 2020

SAR MIn



*Note: Includes Effect of exchange rate fluctuations on cash and cash equivalents



Ice Cream



UHT Milk

- UHT Milk - Whole, Low Fat, Skimmed, Gold Milk, Functional Milk
- Flavored Milk
- Date Milk
- Milk Powder
- EVAP



Tomato Products

- Tomato Paste
- Organic Tomato paste
- Tomato Paste Sachet
- Ketchup
- Fiery Ketchup



Cheese Products

- Feta Cheese
- Processed Cheese – Triangles



Snacks (Crispy)

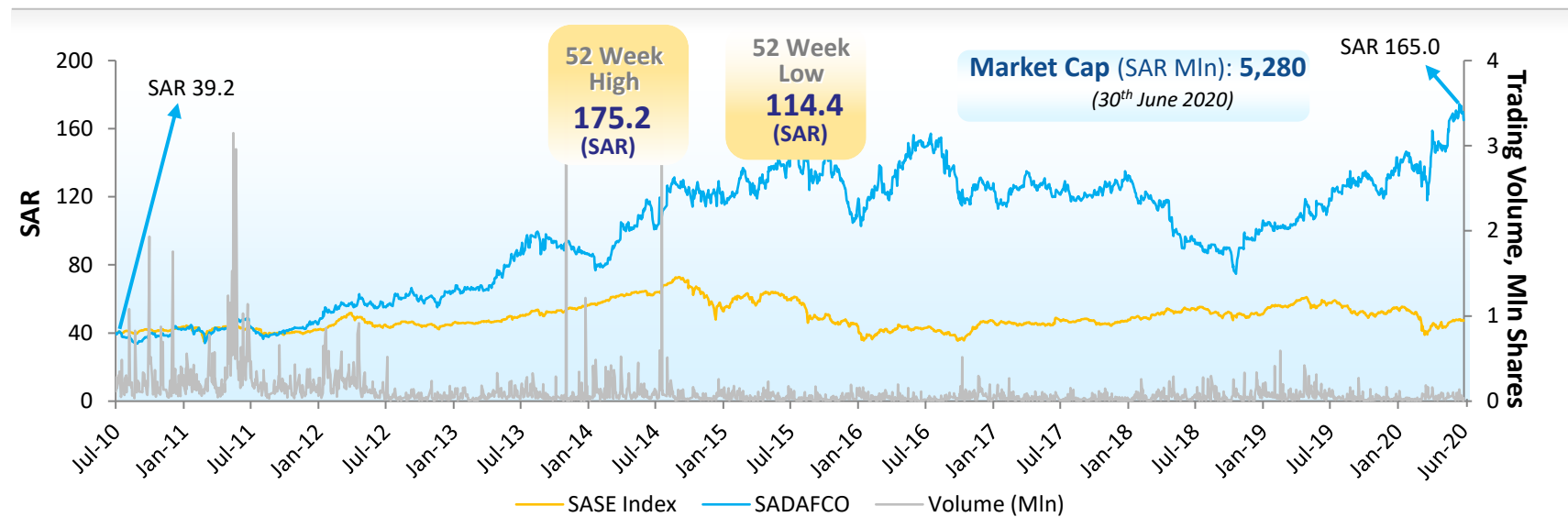


Other Products

- Butter
- French Fries
- Jump
- Cream (Thick & Sterilized)
- Soy Drink
- Water (Still & Flavored)



Share Price Performance



Source: Bloomberg; SAR Saudi Riyal; SASE Index (Rebased to SAR 39.2 on 4th July 2010); Total shares outstanding (in thousands): 32,000

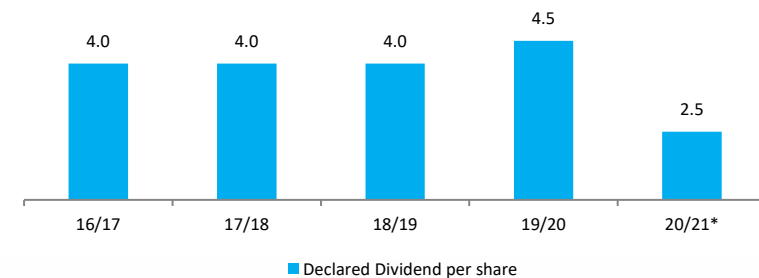
Consistent Dividends

SAR per share

Compounded Annual Return[#] of

~17.8%

over the last 10 years



Note: [#]Annualized Return calculated as sum of share price appreciation/depreciation and dividends paid during the period ending 30th June 2020, assuming no reinvestment of dividends

*Dividend of SAR2.5 per share has been declared in Jun' 20

Our performance in this quarter is a continuation of the past year quarterly trend of higher sales and profit with tailwinds of COVID-19 related higher purchase (stocking up by shopper) of milk and tomato paste.

Going forward, VAT increase (from 5% to 15%) has transpired. We have adjusted our prices based on consumer price elasticity, SADAFECO's brands strength and consumer need segment. The effect of VAT remains to be seen, however, we are well poised with our deeper and wider direct distribution.

During the quarter SADAFECO contributed SAR 10Mln as donation to Ministry of Health COVID-19 related Endowment Fund and total of SAR 2.5Mln in Bahrain, Jordan and Kuwait.