



Earnings Presentation

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Key Highlights

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- ▶ Encouraging trend of sales and profit growth continued in Q1
- ▶ Both milk and tomato paste shares improved against last year and last quarter
- ▶ Ice cream sales season delayed due to prolonged cold weather but sales have since increased
- ▶ Cash balance increased further due to low levels of capex spend and good working capital management

New Product Launches



SANDWICH
Strawberry



Baboo Stick
Vanilla



BABOO Cup
Strawberry

Recent Developments

- SADAFCO Obtained “**Saudi Dates Mark**” Certification from the National Center of Palms & Dates (NCPD). This mark will be used in Saudia Dates Milk packs which will ensure high quality
- The Dammam factory has been successfully recertified as an ISO 22000 factory. The factory also renovated it’s Halal certification during the same time

Business Highlights

Financial Highlights-SADAFCO*

Sales



Net Profit



Operating Cash Flow



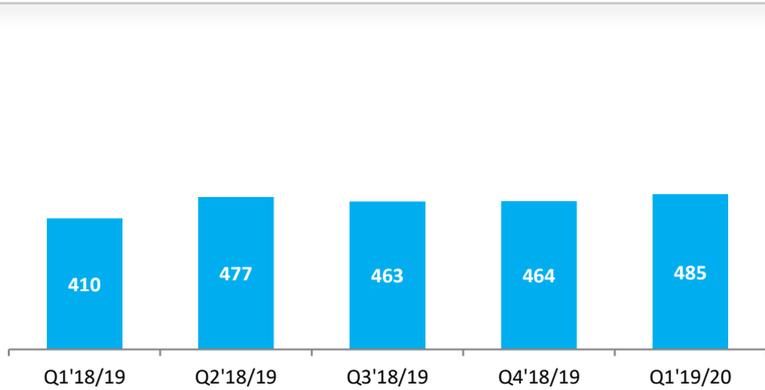
SADAFCO's Market Share



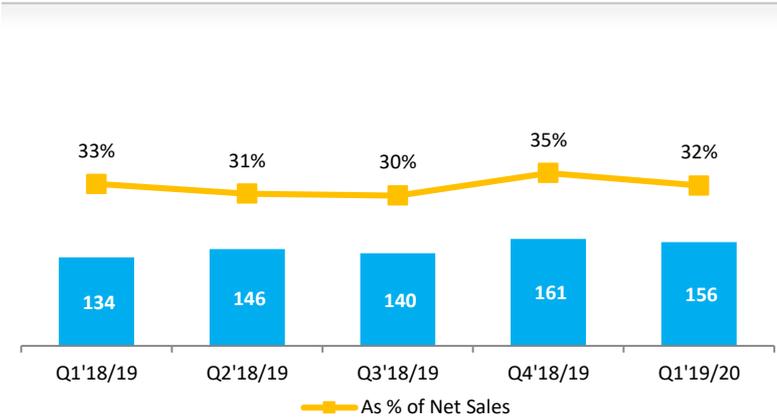
Source: Neilson Retail Audit May'19
*Includes SADAFCO Poland financials

Sales & Profitability

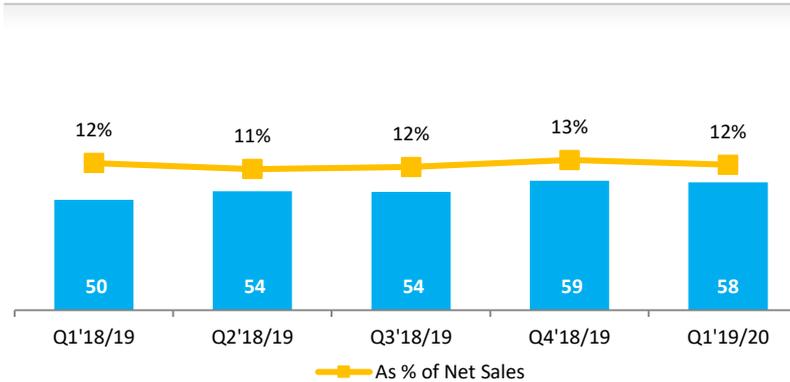
Sales SAR mn



Gross Profit SAR mn

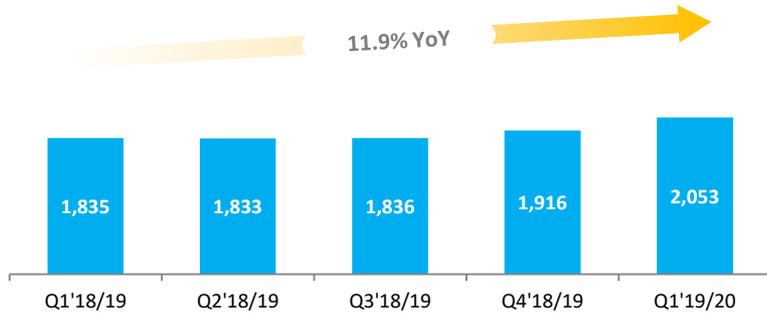


Net Profit SAR mn

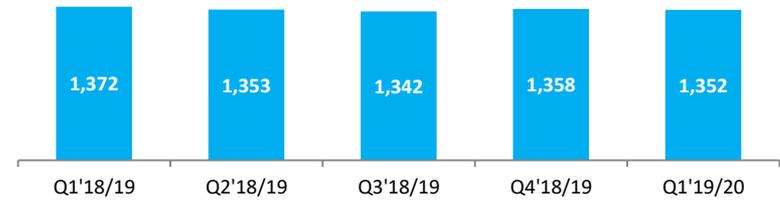


Balance Sheet

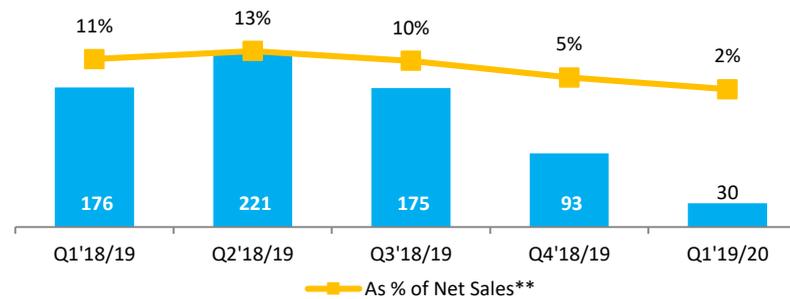
Steady Asset Base... SAR mn



...build by Internally generated funds SAR mn



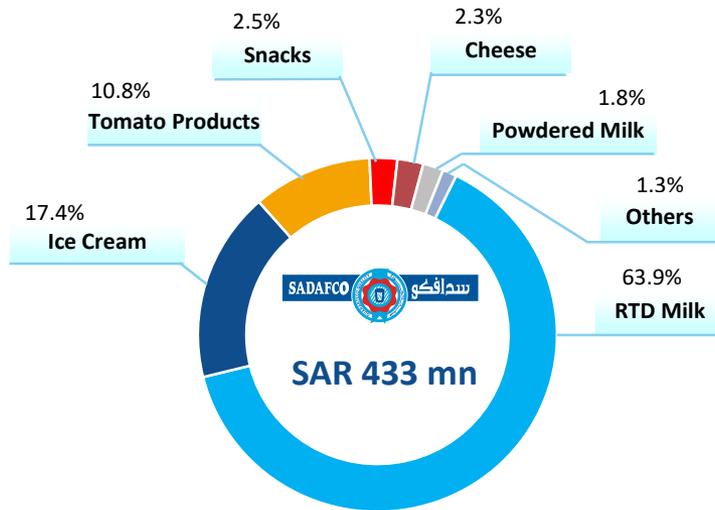
Working Capital* SAR mn



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 + Accruals & other current liabilities + Current portion of lease liabilities
 **Rolling 12-months net sales

Sales Reporting

Q1'19/20 Sales By Category*

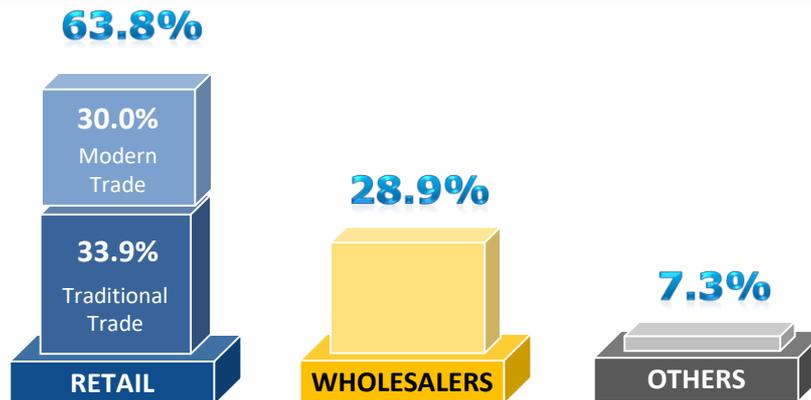


Key Category – Sales*

Categories	Net Sales – Q1'19/20 (SAR mn)	% y-o-y growth
 RTD Milk	277.1	12.4%
 Ice Cream	75.3	9.0%
 Tomato Products	46.7	-12.3%

Distribution Format*

% of Net Sales Q1'19/20



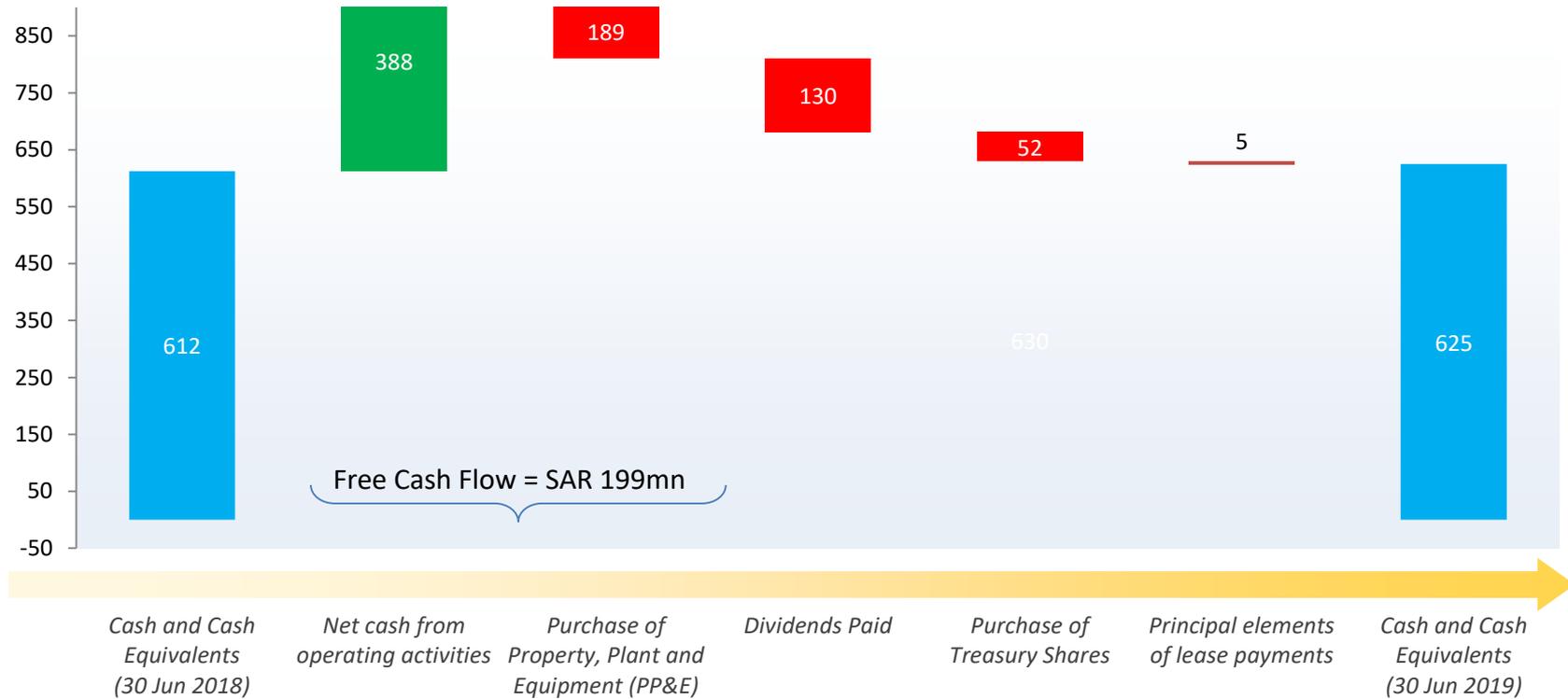
Traditional Trade & Modern Trade are the leading channels...with Wholesale also contributing significantly

*Note: SADAFCO Standalone figures.

Cash Flow Summary

SADAFCO Cash Flow Bridge for rolling 12-months as of 30 Jun, 2019

SAR mn



Note: Does not depict other cash outflow of ~SAR0.128mn which includes effect of exchange rate fluctuations

Product Portfolio



Ice Cream



UHT Milk

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



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
- Majestique
- Soy Drink
- Still Water
- Juices
- Growing-up



Shareholders' Returns

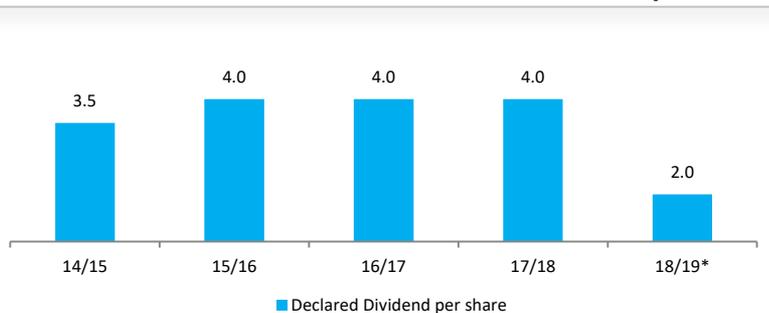
Share Price Performance



Source: Bloomberg; SAR Saudi Riyal; SASE Index (Rebased to SAR 86.5 on 01 January 2014)

Consistent Dividends

SAR per share



Compounded Annual Return[#] of

5.1%

over the last 5 years

Note: [#]Annualized Return calculated as sum of share price appreciation/depreciation and dividends paid during the period ending 29 July 2019, assuming no reinvestment of dividends

* Interim dividend of SAR 2/ share had been declared in Dec'18.

Going Forward...

The positive trend of SADAFCO achieving **sales and profit growth continued in Q1**, with underlying LFL sales growth of +5.7% vs. the last year, and +3.7% vs. the previous quarter.

Milk **market share was up** in this quarter vs. both last year and also the previous quarter.

The start of the ice cream sales season was late this year because of prolonged colder weather than usual, however sales have since increased. We **continue strengthening our #1 market share position** by increasing the number of dedicated branded ice cream freezers across our selling geographies.

The current **share buyback program remains in place**. The company did not re-purchase any of its shares during the quarter. The **share-price has increased by nearly 30%** since we first announced the program.

Our **cash balance increased by SAR 43Mln (7%)** since the last quarter to 624Mln at June end due to lower levels of capex expenditure and effective working capital management.