



Earnings Presentation

February 2024



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Key Highlights

- ▶ On a consolidated basis, SADAFCO's sales for the quarter was SAR 688 Mln an increase of 5.2% on YoY basis
- ▶ Gross Margin for SADAFCO (excl. Mlekoma) was 37.5% (vs 32.4% in Q3'2022/23). On a consolidated basis, Gross Margin stood at 33.9% (vs 30.0% in Q3'2022/23) reflecting a YoY increase of 18.9% in Gross Profit
- ▶ Net Margin for SADAFCO (excl. Mlekoma) was 17.3% (vs 12.3% in Q3'2022/23). On a consolidated basis, Net Margin stood at 15.2% (vs 12.0% in Q3'2022/23) reflecting a YoY increase of 33.4% in Net Profit
- ▶ Dairy¹, Ice Cream and Tomato based products² saw a YoY growth in sales of 2.5%, 11.4% and 12.7% respectively
- ▶ Market Share (MAT[^]) in Nov'23 witnessed growth across key categories, with Plain UHT Milk, Tomato Paste, and Ice Cream reaching 64.4%, 56.3%, and 31.4%, respectively

New Product Launches



Recent Developments

- ▶ SADAFCO launched innovative products under **SAUDIA by Mezete**, expanding its culinary division
- ▶ The **new Makkah Depot** became operational during the quarter and the construction for the new Yanbu Depot has commenced

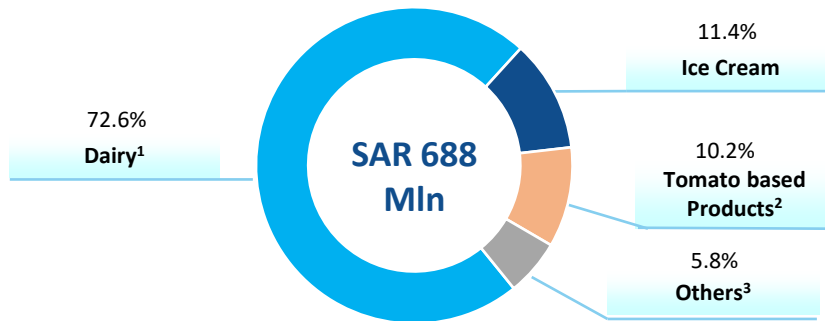


New Makkah Depot

¹ Dairy includes Plain Milk, Flavoured Milk, GUM, Milk Powder, EVAP, Cream and Mlekoma sales; ²Tomato based Products include Tomato Paste and Ketchup
[^]MAT as of Nov' 23 (Source: Nielsen Retail Audit)

Q3 Sales

Q3'23/24 Sales By Key Product

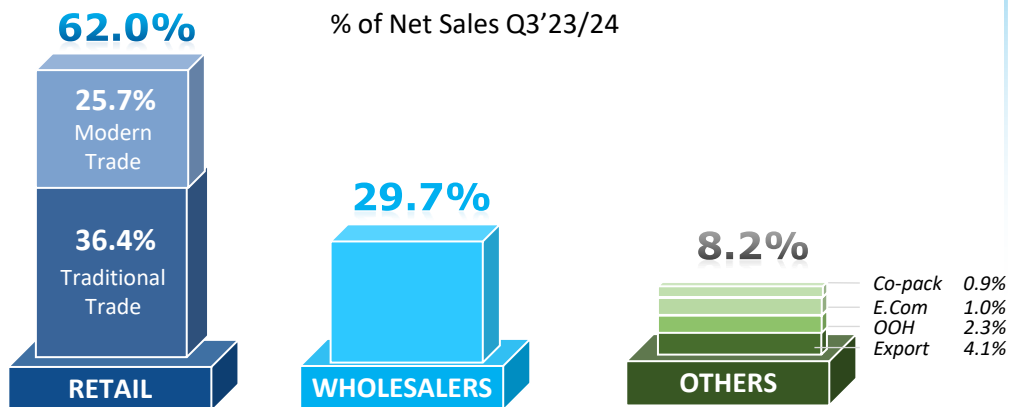


¹ Dairy includes Plain Milk, Flavoured Milk, GUM, Milk Powder, EVAP, Cream and Mlekoma sales

² Tomato based Products include Tomato Paste and Ketchup




³ Others include Snacks, Cheese, French Fries, Mayonnaise, Drinks, Saudia Mezete etc.

Distribution Format*



*Note: SADAFCO (excl. Mlekoma)

Key Product – Sales

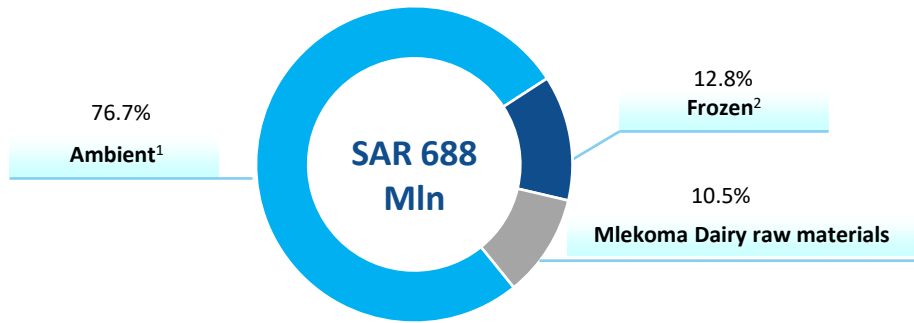
	Net Sales – Q3'23/24 (SAR Mln)	% y-o-y growth
 Dairy ¹	499	2.5%
 Ice Cream	79	11.4%
 Tomato based Products ²	70	12.7%

SADAFCO is strong in all channels. Going forward, there will be special focus on Out of Home and e-commerce channels

	Net Sales – Q3'23/24 (SAR Mln)	% y-o-y growth
Out of Home	14.2	9.9%
E-Commerce	6.0	65.2%

Q3 Sales




Q3'23/24 Sales By Category



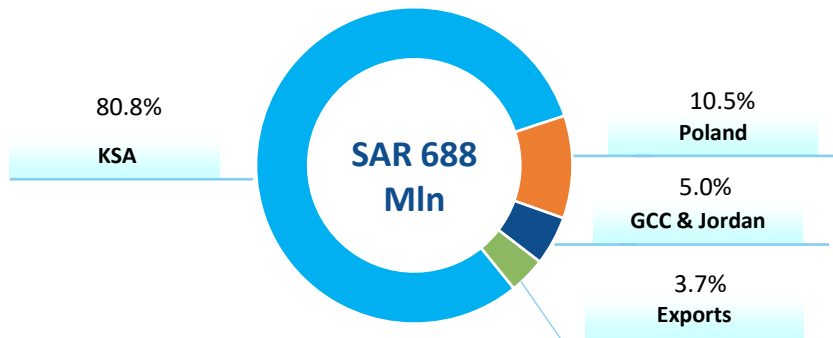
¹ Frozen includes Ice Cream and French Fries

² Ambient includes all SADAFCO's products except Frozen





Key Category – Sales

	Net Sales – Q3'23/24 (SAR Mln)	% y-o-y growth
 Ambient	528	2.8%
 Frozen	88	14.9%
 Mlekoma Dairy raw materials	72	12.8%

Q3'23/24 Sales By Geography



Key Geography – Sales

	Net Sales – Q3'23/24 (SAR Mln)	% y-o-y growth
 KSA	555	2.2%
 Poland	72	12.8%
 GCC & Jordan	34	21.8%
 Exports	26	40.8%

Q3 Business Highlights



Financial Highlights

Sales

5.2%
YoY

Q3'2023/24:
SAR 688 Mln

Q3'2022/23:
SAR 654 Mln

Net Profit

33.4%
YoY

Q3'2023/24:
SAR 105 Mln

Q3'2022/23:
SAR 78 Mln

Total Assets

13.9%
YoY

Q3'2023/24:
SAR 2,791 Mln

Q3'2022/23:
SAR 2,451 Mln

SADAFICO's Market Share*



UHT Milk
64.4%



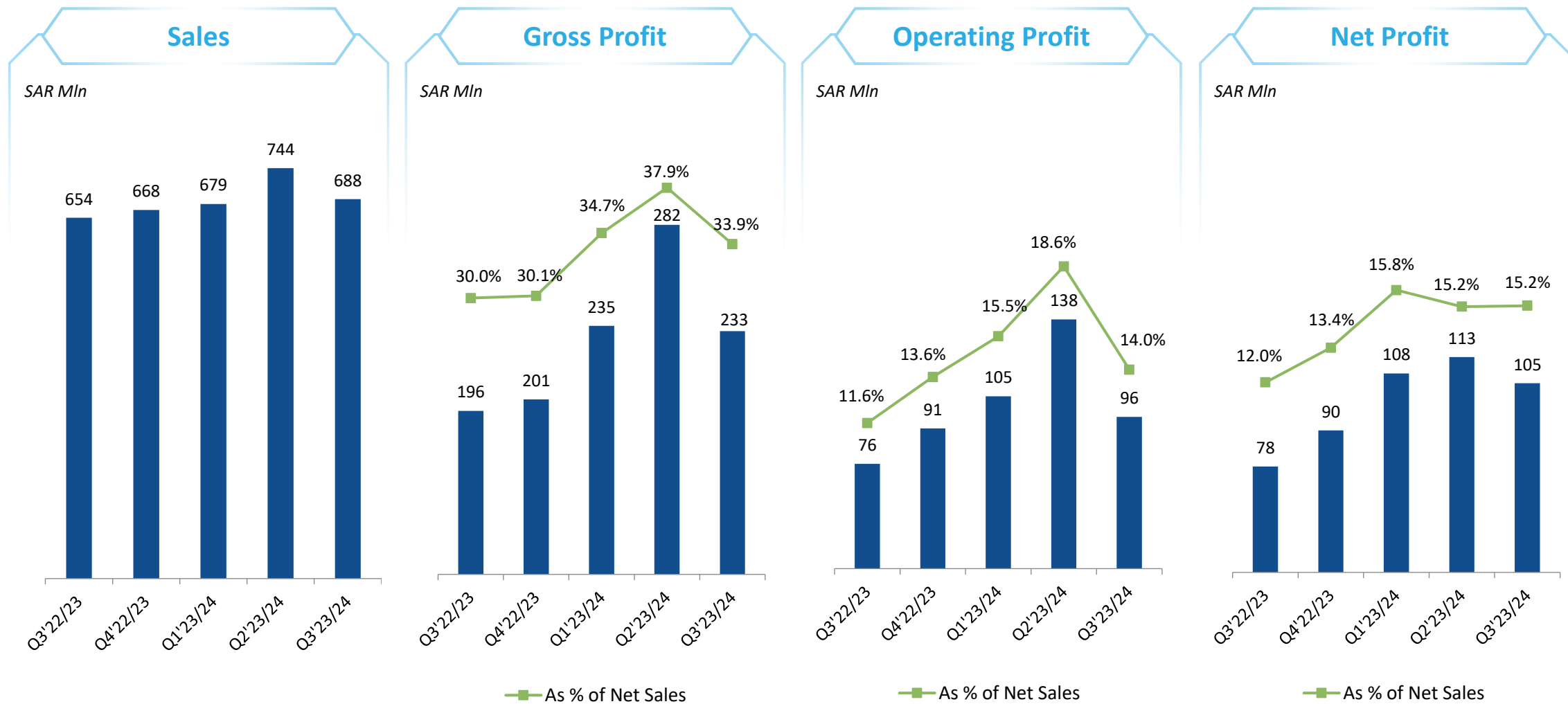
Tomato Paste
56.3%



Ice Cream
31.4%

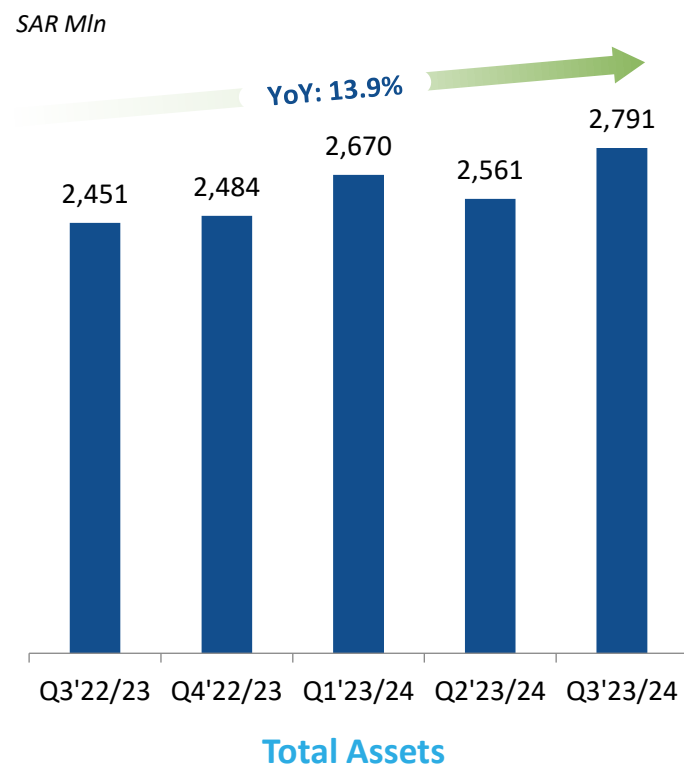
*MAT as of Nov' 23 (Source: Nielsen Retail Audit)

Sales & Profitability

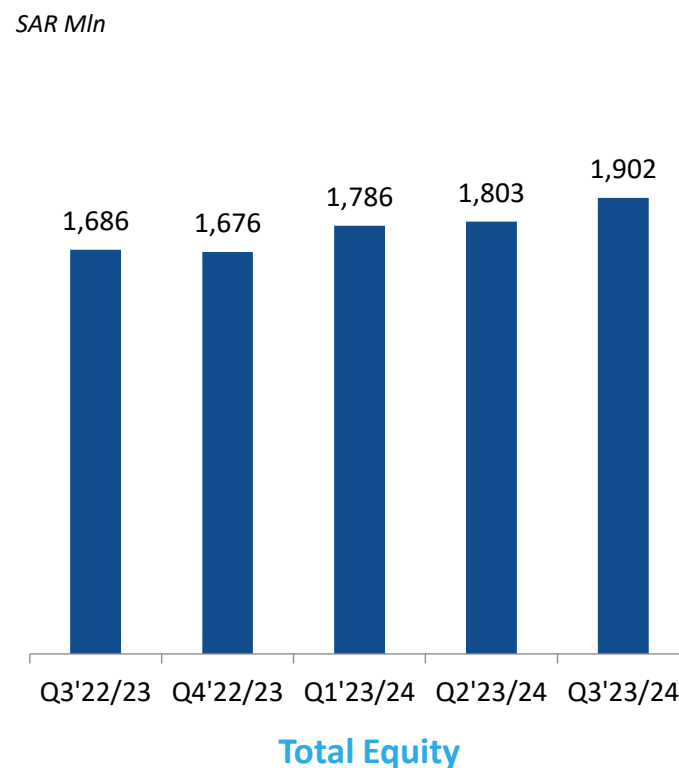


Balance Sheet

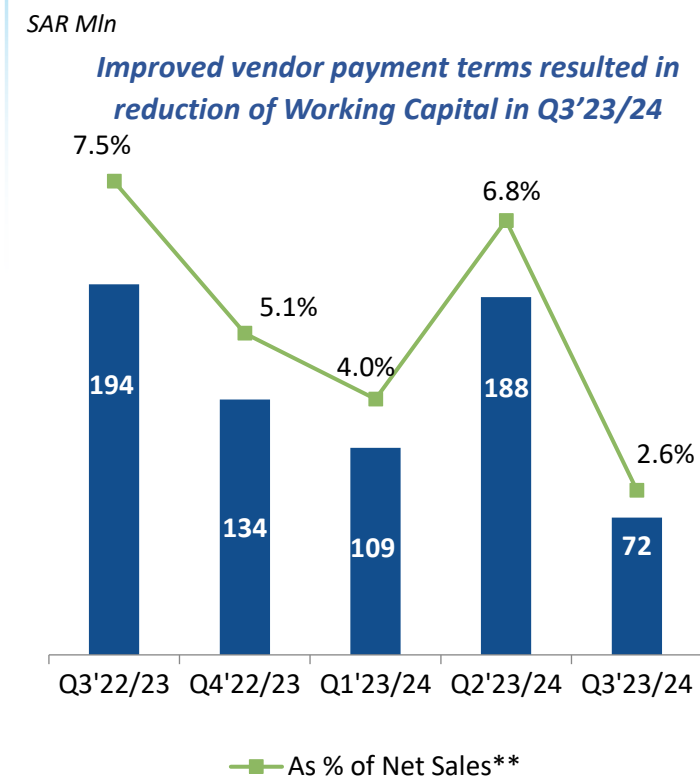
Steady Asset Base...



...build by internally generated Funds



Working Capital*



Note:

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

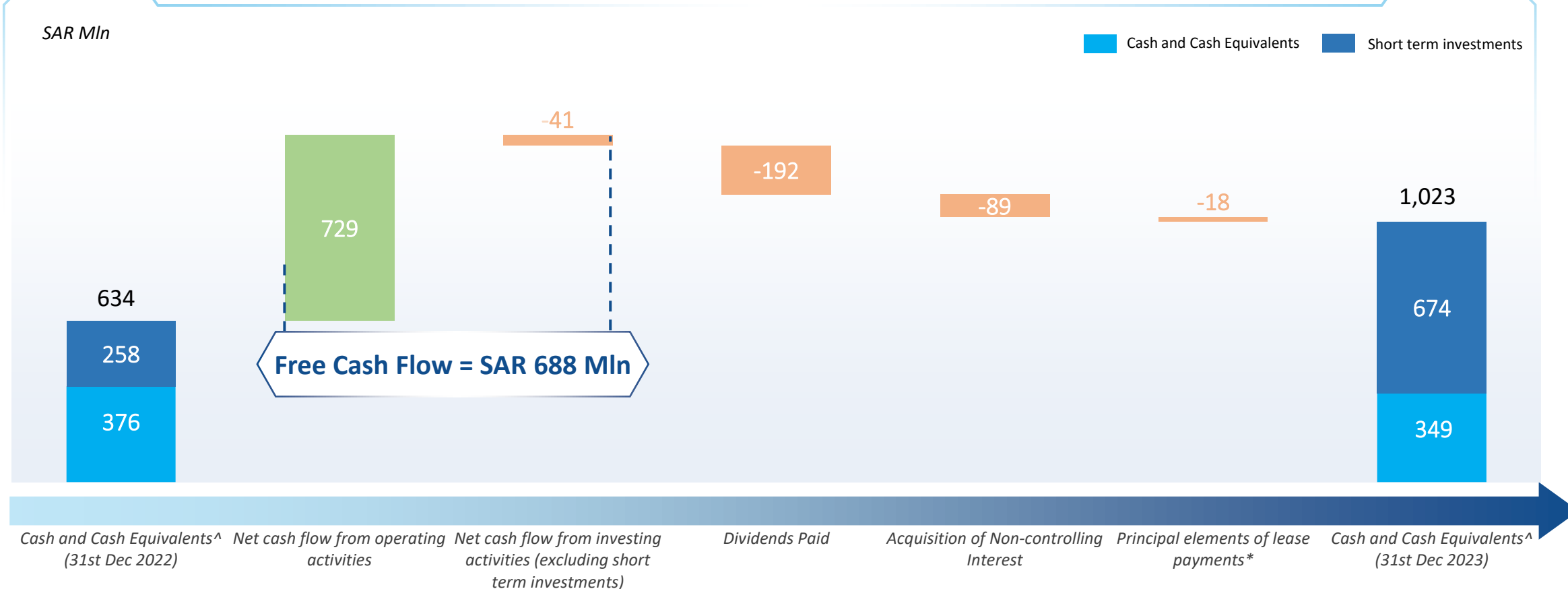
Current Assets: Account receivables + Inventories + Deposits, prepayments and other assets

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

**Rolling 12-months net sales

Cash Flow Summary

SADAFCO Consolidated Cash Flow Bridge for rolling 12-months as of 31st Dec 2023



^ Cash and Cash Equivalents also includes short term investments; *Includes Principal elements of lease payments, Effect of exchange rate fluctuations on Cash and Cash Equivalents etc.

Product Universe



Ice Cream

63
SKUs



Milk

47
SKUs

- UHT Milk - Whole, Low Fat, Skimmed, Gold Milk, Functional Milk
- Date Milk
- Double Chocolate Milk
- Milk Powder
- Flavoured Milk
- Growing Up Milk (GUM)
- Barista Milk
- EVAP
- Cream



Tomato Based Products

8
SKUs

- Tomato Paste
- Ketchup
- Organic Tomato Paste



Cheese

5
SKUs

- Feta Cheese
- Processed Cheese – Triangles



Snacks (Crispy)

9
SKUs



Other Products

- Mezete Range of products
- Drinks (Oat, Soy, Almond, Coconut)
- Mayonnaise
- Spicy Wedges
- Croquettes
- French Fries



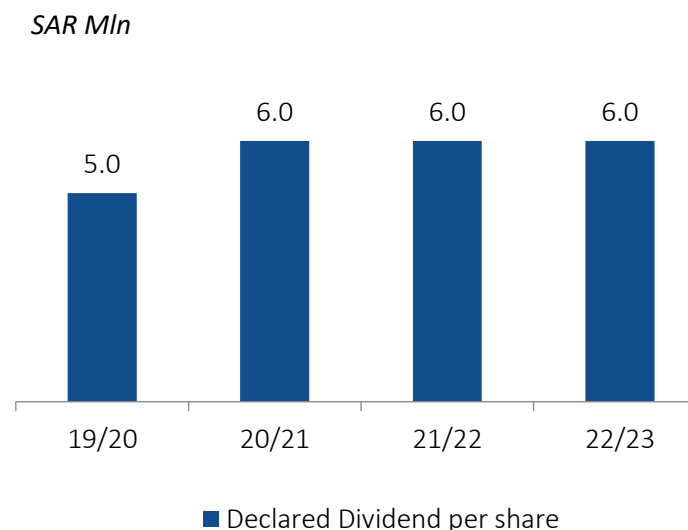
Shareholders' Returns

Share Price Performance



Source: Tadawul, Bloomberg; SAR Saudi Riyal; SASE Index (Rebased to SAR 86.5 on 1st Jan 2014); Total shares outstanding (in thousands): 32,000

Consistent Dividends



**Compounded
Annual Return[#]
of **~16.0%**
over the last 10 years**

Note: [#]Annualized Return calculated as sum of share price appreciation/depreciation and dividends paid during the period ending 31st Dec 2023, assuming no reinvestment of dividends

Q3 Sustainability – Key Highlights



SADAFCO earns recognition as a Great Place To Work, affirming its commitment to a positive workplace environment.



Great Place to Work



SADAFCO launched the first Electric Ice Cream truck in KSA and the Middle East in cooperation with NTSC, aiming to advance sustainability in the foodstuff transportation sector



Decarbonization



SADAFCO achieves an impressive 186th rank in the inaugural 2023 Fortune 500 Arabia, recognizing its significant impact on the region's economy and society among influential Arabian companies



Employee Health & Happiness

Other Recent Developments

Health and Nutrition

Launch of **SAUDIA by Mezete's** culinary portfolio, featuring a 100% natural and preservative-free selection

Environmental Policy

SADAFCO developed an Environmental Policy which is available on SADAFCO's website

SADAFCO's strong results reflect commitment to our purpose - SUSTAINABLY NURTURE and CONNECT GENERATIONS with GOODNESS and HAPPINESS. Our mission to delight consumers, accelerate profitable growth and create value for all shareholders has facilitated the robust financial numbers

Our investments in sales & distribution (S&D) have powered our growth, ensuring sustained market share dominance amid positive trend vs (last year) at: Milk 64.4% (61.5%), Tomato Paste 56.3% (53.9%) & Ice cream 31.4% (29.5%)

We delight consumers with new offerings, with innovations contributing 7% to total sales. This quarter saw launches in non-dairy options like Coconut & Almond, and in the culinary range with Hummus, Tahini, and Koshna

SADAFCO aims to realize efficiencies across the value chain to achieve faster growth in operational profit, thereby enhancing the net profit margins. Simultaneously, the focus would be on investing in S&D channels to drive growth and expand market presence

