



# Earnings Presentation

May 2021



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# Key Highlights

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- ▶ SADAFCO's sales were SAR 522Mln for Q4'2020-21, a decline of 7.0% vs same quarter last year
- ▶ Sales were affected by decline in Milk Sales due to increased irrational pricing behavior in intensity and activity
- ▶ Tomato products sales grew by 13.1% vs same quarter last year
- ▶ Ice Cream sales continue to grow and are up by 21.8% vs same quarter last year driven by growth in Cone, Milk Stick and Sandwich
- ▶ SADAFCO continued to take COVID-19 precautionary measures in all its facilities, including and going beyond the Government instructions

### New Product Launches



Saudia Chocolate  
Milk | 125 ml



Saudia Laban  
with Fruits | 200 ml



### Recent Developments

- Work on the New Ice Cream Facility continues at pace with target of trial production run in July. Frozen warehouse storage of 6,000 pallets is already operational thereby providing key storage facility during peak season.
- SADAFCO received awards from Saudi Food & Drug Authority (SFDA) that rated our sites A and A+ for implementing all requirements of 2020 assessment program.

# Business Highlights

## Financial Highlights- SADAFCO

### Sales

**2.4%**  
YoY

FY'2020/21 :  
**SAR2,105Mln**  
FY'2019/20 :  
**SAR2,056Mln**

### Net Profit

**1.6%**  
YoY

FY'2020/21 :  
**SAR261Mln**  
FY'2019/20 :  
**SAR265Mln**

### Cash and Cash Equivalents

**10.4%**  
YoY

FY'2020/21 :  
**SAR713Mln**  
FY'2019/20 :  
**SAR646Mln**

## SADAFCO's Market Share\*



UHT Milk  
**61.9%**



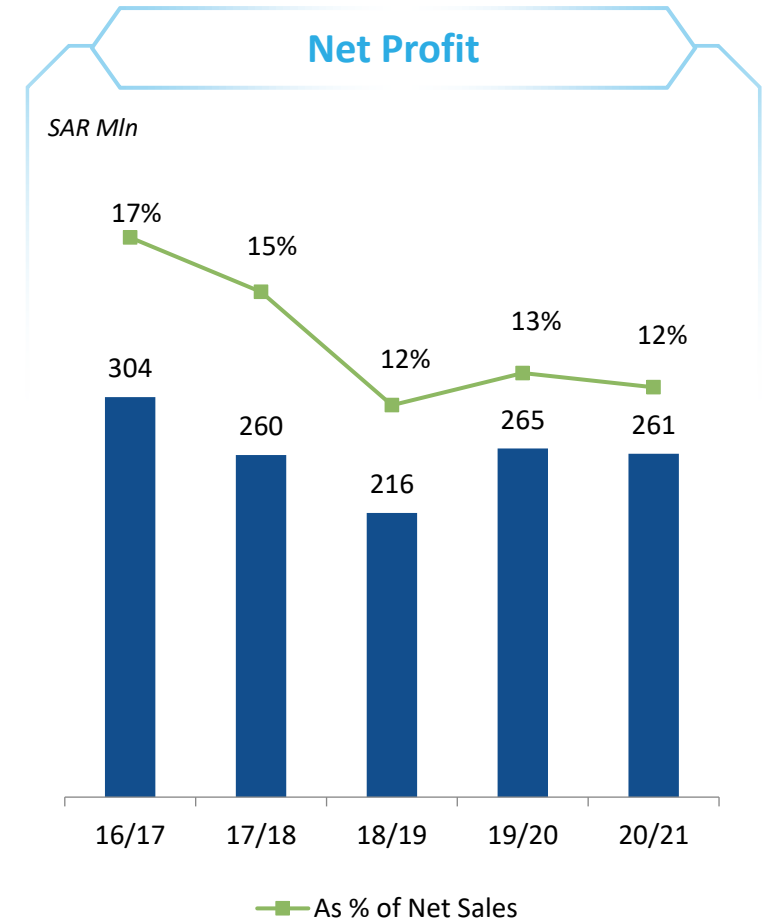
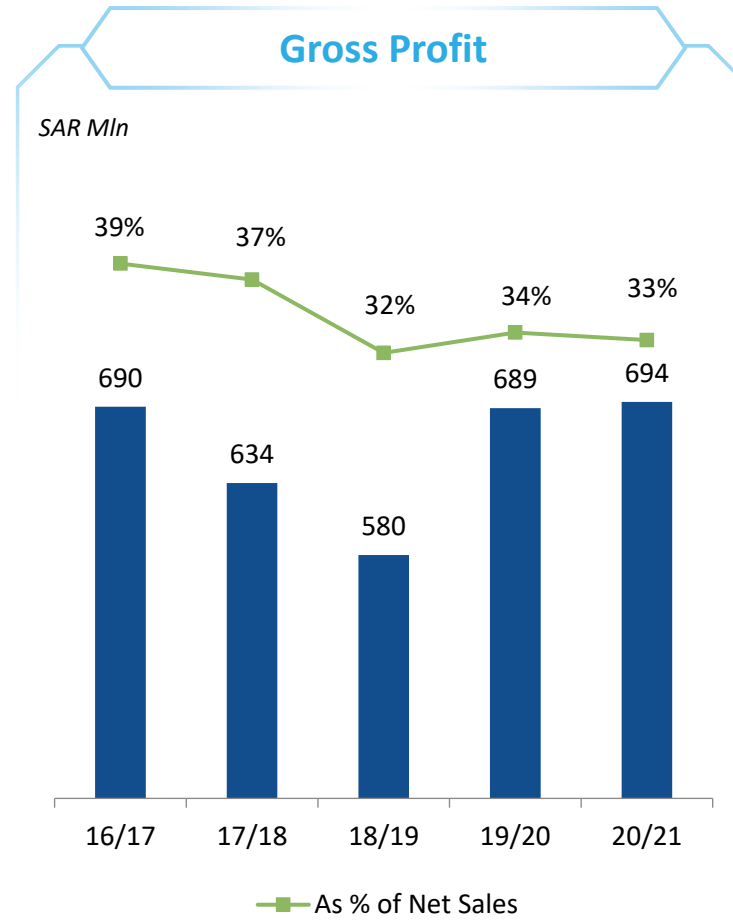
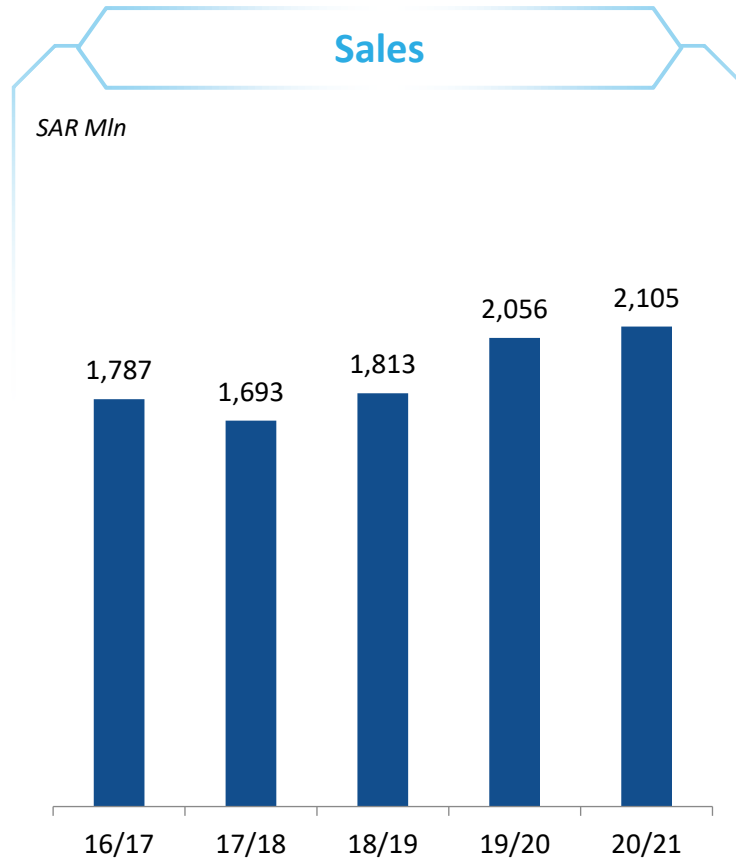
Tomato Paste  
**49.6%**



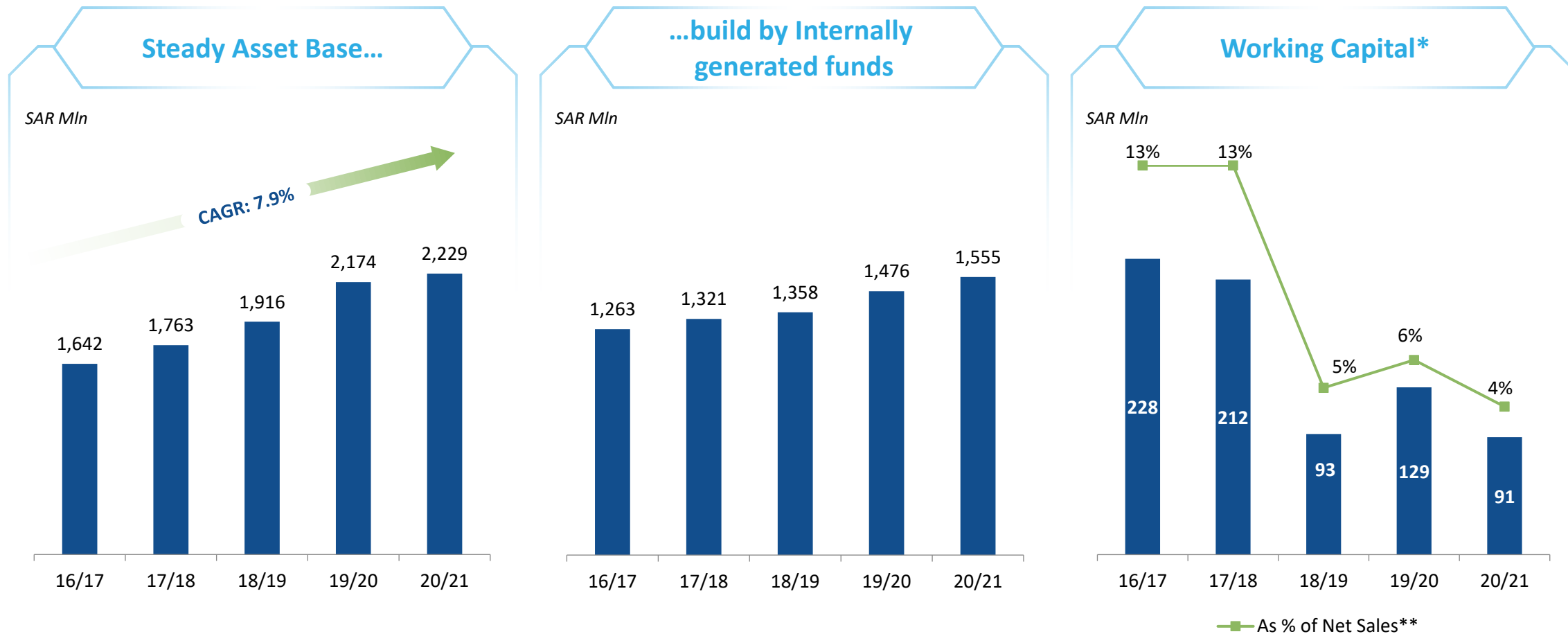
Ice Cream  
**26.5%**

\*MAT as of Mar' 21 (Source: Nielsen Retail Audit)

# Sales & Profitability



# Balance Sheet



Note:

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

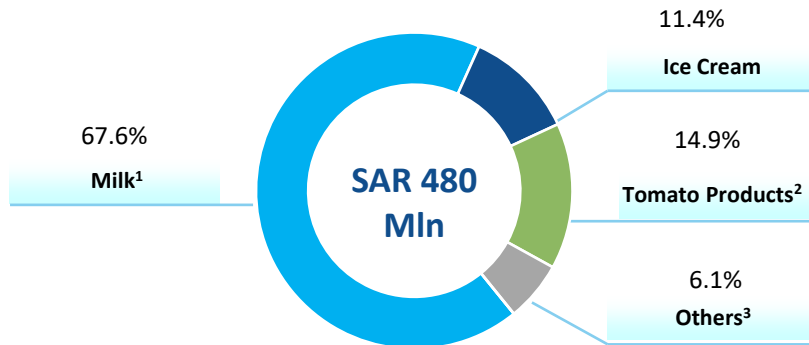
Current Assets: Account receivables + Inventories + Deposits, prepayments & other current assets

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

\*\*Rolling 12-months net sales

# Sales Reporting

## Q4'20/21 Sales By Category\*






<sup>1</sup> Milk includes Plain Milk, Flavored Milk, Junior, Milk Powder, EVAP, Cream and Laban Fruit Drink

<sup>2</sup> Tomato Products include Tomato Paste and Ketchup

<sup>3</sup> Others include Snacks, Cheese, French Fries, Butter, Drinks etc

\*Note: SADAFCO Standalone figures

## Key Category – Sales\*

	Net Sales – Q4'20/21 (SAR Mln)	% y-o-y growth
 Milk	<b>324</b>	<b>-6.3%</b>
 Ice Cream	<b>55</b>	<b>21.8%</b>
 Tomato Paste	<b>72</b>	<b>13.1%</b>

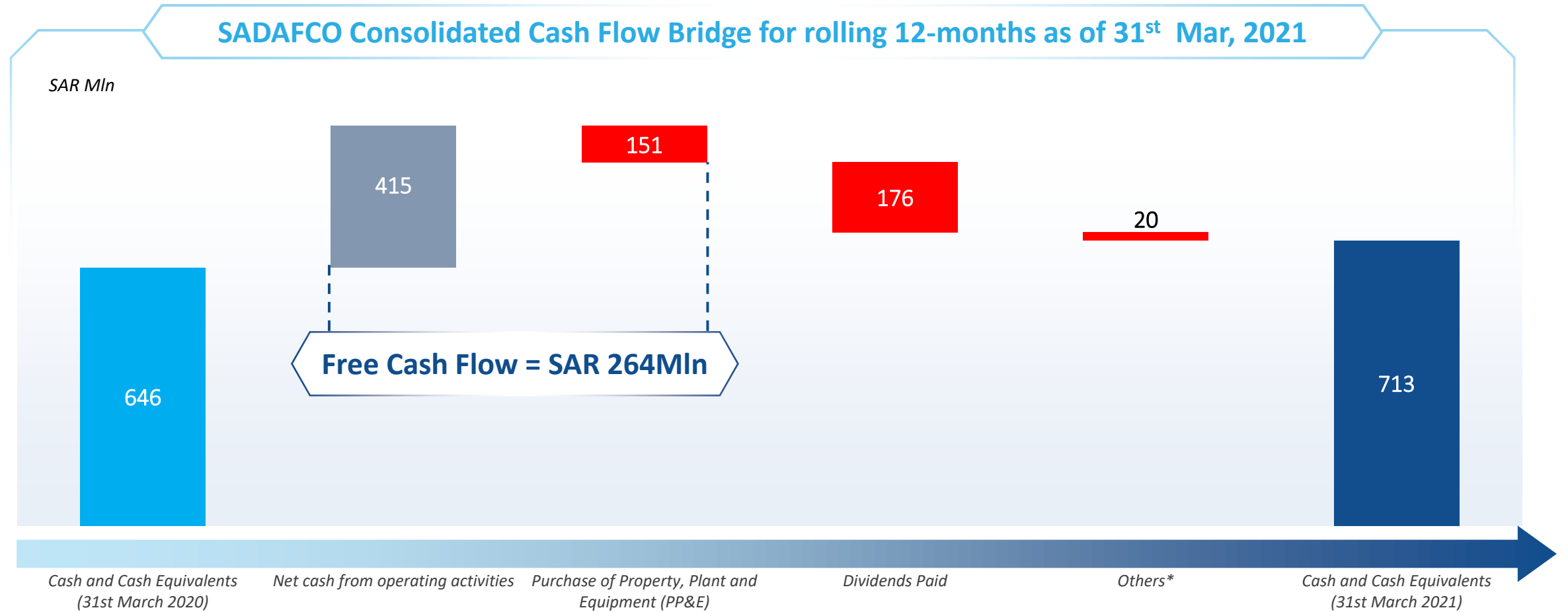
## Distribution Format\*

% of Net Sales Q4'20/21



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

# Cash Flow Summary



\*Note: Includes Principal elements of lease payments, Effect of exchange rate fluctuations on cash and cash equivalents etc.



# Product Portfolio



## 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
- Ketchup
- Fiery Ketchup



## Cheese Products

- Feta Cheese
- Processed Cheese – Triangles



## Snacks (Crispy)



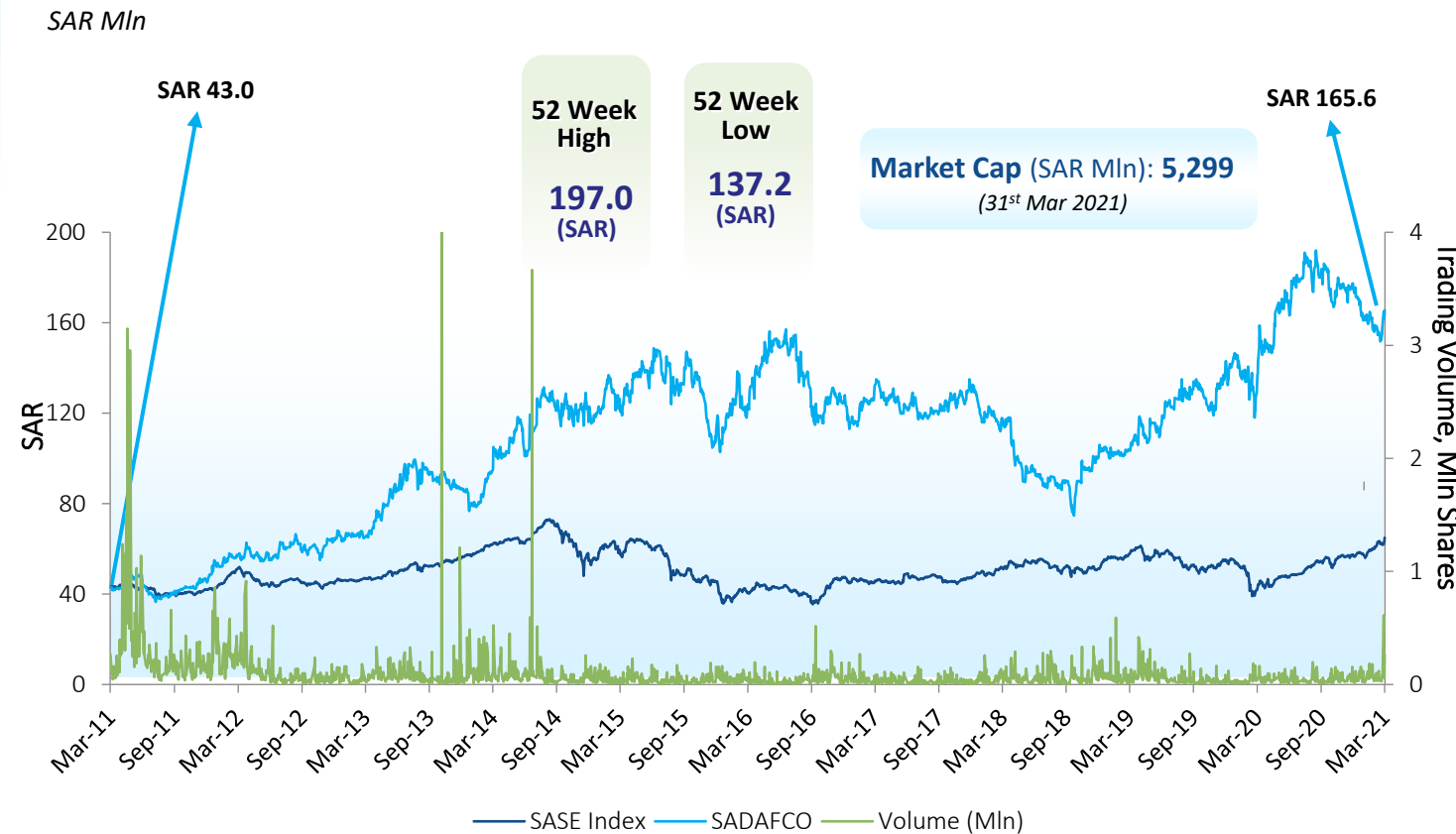
## Other Products

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

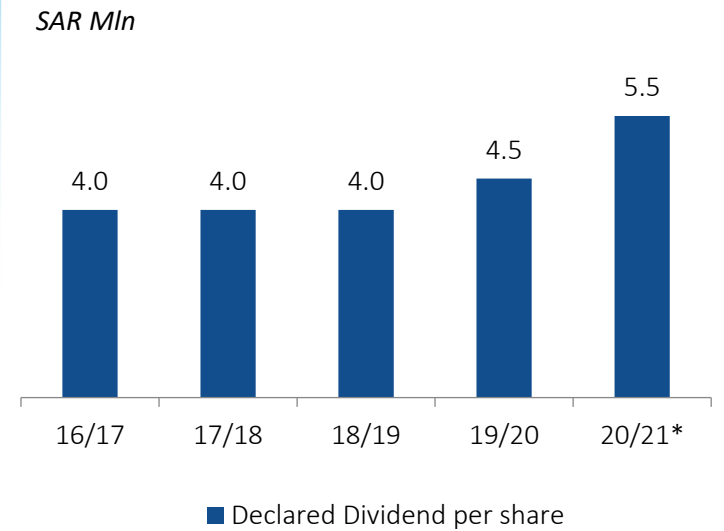


# Shareholders' Returns

## Share Price Performance



## Consistent Dividends



**Compounded  
Annual Return<sup>#</sup>  
of **~16.9%**  
over the last 10 years**

Source: Bloomberg; SAR Saudi Riyal; SASE Index (Rebased to SAR 43.0 on 31<sup>st</sup> March 2011); Total shares outstanding (in thousands): 32,000

Note: <sup>#</sup>Annualized Return calculated as sum of share price appreciation/depreciation and dividends paid during the period ending 31<sup>st</sup> March 2021, assuming no reinvestment of dividends

# Going Forward...

*20/21 results were strengthened in early part of Covid-19 due to SADAFCO's beneficial shelf stable value proposition, coupled with direct distribution capabilities and production capacity. The tailwinds were offset though by the additional costs due to preventive measures and loss of productivity.*

*During this time SADAFCO was one of the early adopters of good safety practices and continued to implement it throughout the pandemic. We do benefit from these practices even today.*

*During Q4, the board approved an increase in the interim dividend that was paid in January from SAR 2.5 / share to SAR 3.00 / share. The Cash and Cash Equivalents at the end of March stood at SAR 713Mln.*



Trusted by **Generations**

