



Earnings Presentation

January 2022



Disclaimer

Information contained in this presentation is subject to change without prior notice. Its accuracy is not guaranteed and it may not contain all material information related to the company. Neither SADAFCO nor its associates make any representation regarding, and assume no responsibility or liability for, the accuracy or completeness of, or any errors or omissions in, any information contained herein.

Nothing in this presentation shall form the basis of any contract or commitment whatsoever. This presentation is furnished to you solely for your information. You may not redistribute it to any other person.

This presentation contains forward-looking statements that are made on the basis of current knowledge and assumptions. Various factors could cause future results, performance or events to differ materially from those mentioned in the presentation.

Key Highlights

Key Highlights

- ▶ SADAFCO's sales were SAR 520Mln for Q3' 2021/22, an increase of 7.9% vs same quarter last year. Increase was mainly driven by higher sales of Others³ and Tomato Products². Milk¹ and Ice Cream also saw marginal increase in sales
- ▶ Others³ and Tomato Products² saw a healthy growth in sales of 14.2% and 6.3% respectively vs same quarter last year
- ▶ Strengthened market leading position for Saudia Ice Cream with further market share gains
- ▶ Favorable product and channel mix resulted in a healthy Gross Margin of 31% for the quarter despite a sustained increase in global commodity prices and logistics costs

New Products Launches



**Saudia Banana
Milk | 125 ml**



**Saudia Strawberry
Milk | 125 ml**

Recent Developments

- **Mr. Patrick Stillhart** joined as the CEO of SADAFCO effective 1st November 2021. He brings more than 23 years of experience in the branded food FMCG industry, holding many senior positions within Nestle, Cereal Partners Worldwide (a joint venture between Nestle and General Mills), and DKSH, covering various businesses across the Asia Pacific, Middle East, African and European markets
- SADAFCO is recognized by the Corporate Governance Center at Alfaisal University as amongst the **top 30 rated companies** in the Corporate Governance Index (CGI) in all Non-Financial sector companies traded on the Saudi Stock Exchange Tadawul

¹ Milk includes Plain Milk, Flavored Milk, Junior, Milk Powder, EVAP, Cream and Laban Fruit Drink

² Tomato Products include Tomato Paste and Ketchup

³ Others include Snacks, Cheese, French Fries, Butter, Drinks etc

Business Highlights

Financial Highlights- SADAFCO

Sales

7.9%

YoY

Q3'2021/22:
SAR520Mln

Q3'2020/21:
SAR482Mln

Net Profit

15.0%

YoY

Q3'2021/22:
SAR55Mln

Q3'2020/21:
SAR64Mln

Non-Current Assets

8.1%

YoY

Q3'2021/22:
SAR1,004Mln

Q3'2020/21:
SAR929Mln

SADAFCO's Market Share*



UHT Milk
58.2%



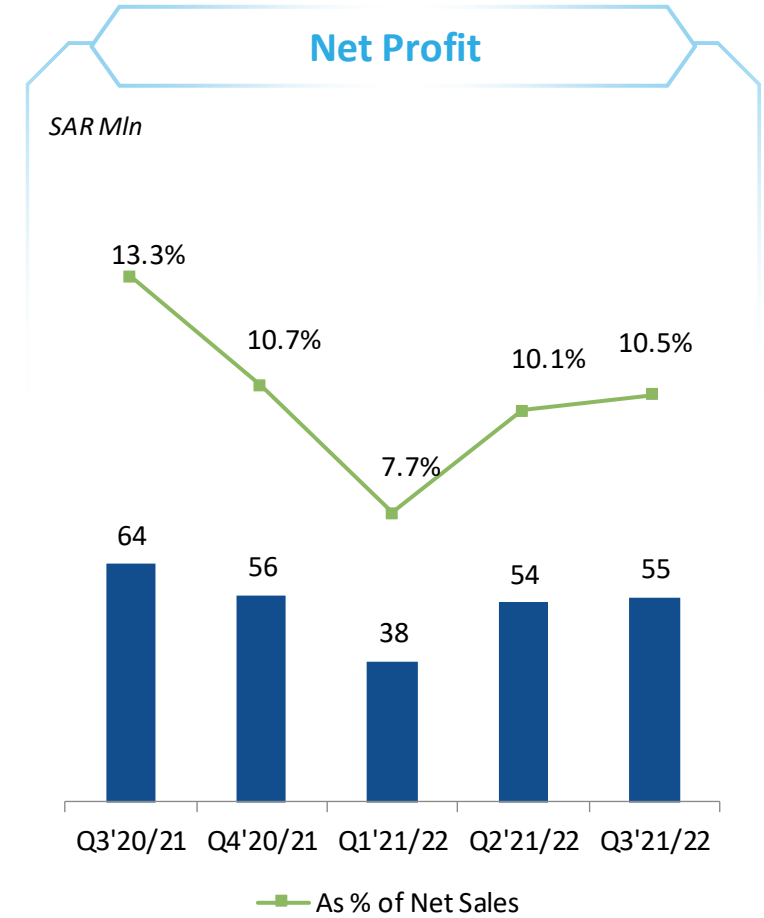
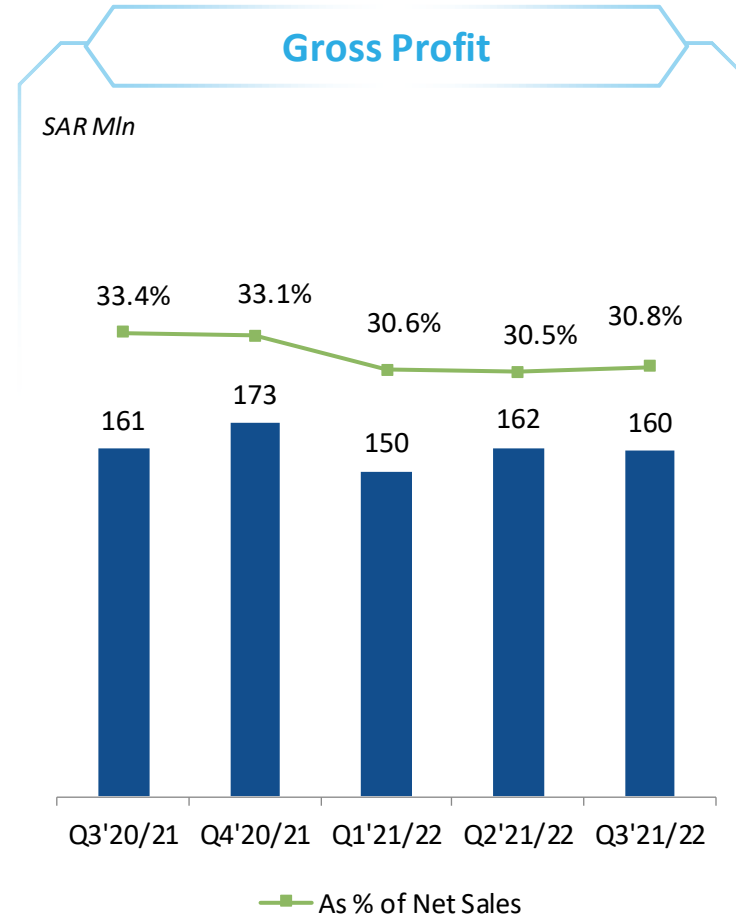
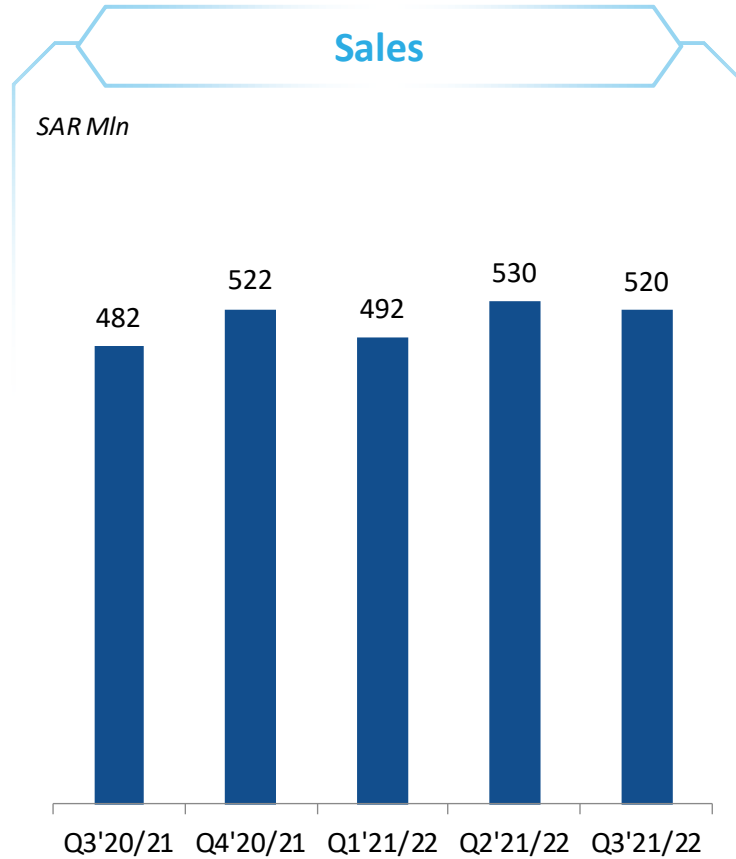
Tomato Paste
50.9%



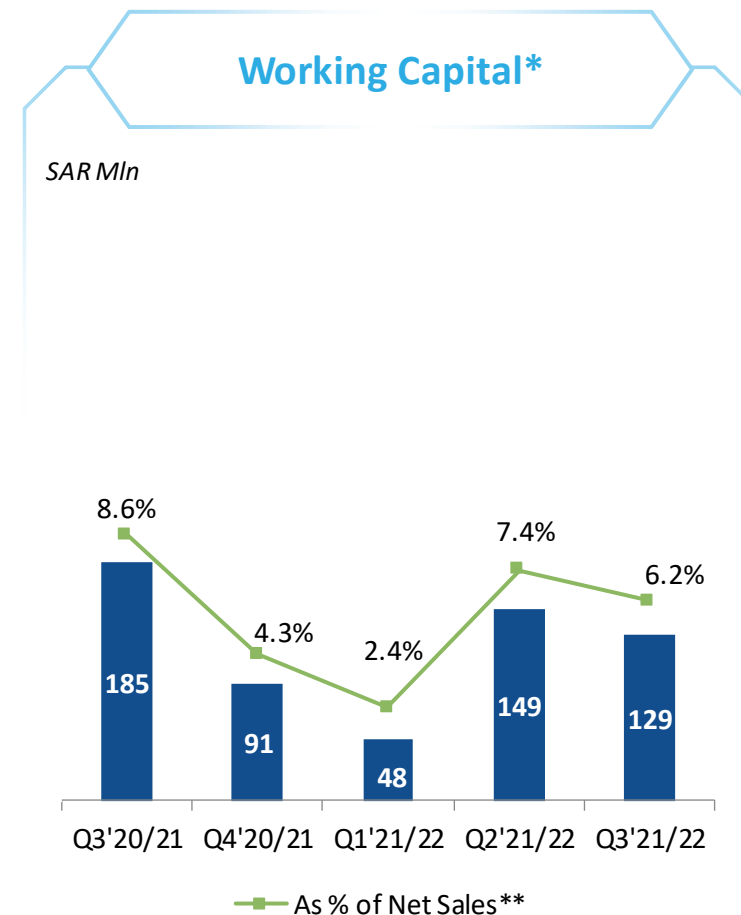
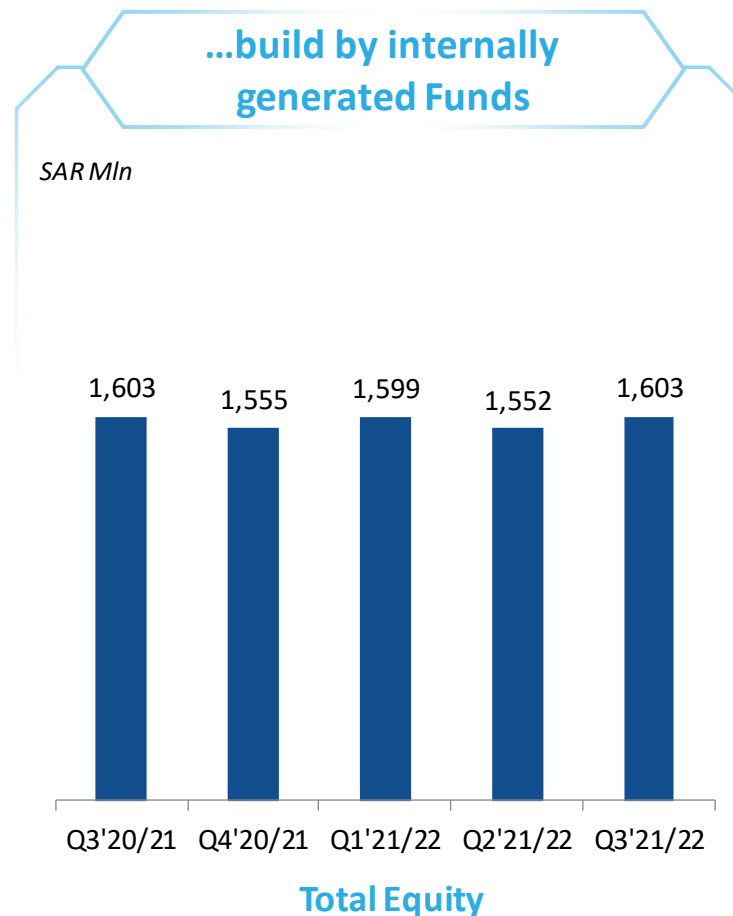
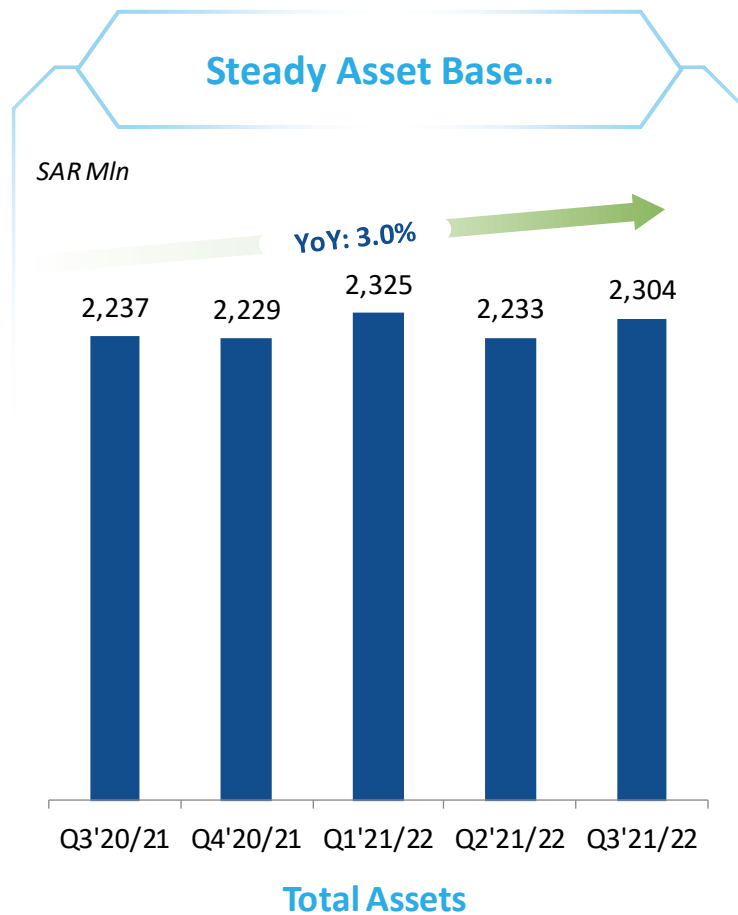
Ice Cream
28.1%

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

Sales & Profitability



Balance Sheet



Note:

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

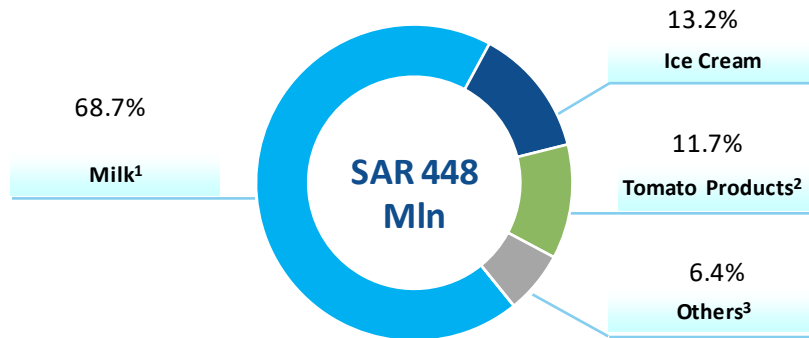
Current Assets: Account receivables + Inventories + Deposits, prepayments & other current assets

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

**Rolling 12-months net sales

Sales Reporting

Q3'21/22 Sales By Category*






¹ Milk includes Plain Milk, Flavored Milk, Junior, Milk Powder, EVAP, Cream and Laban Fruit Drink

² Tomato Products include Tomato Paste and Ketchup

³ Others include Snacks, Cheese, French Fries, Butter, Drinks etc

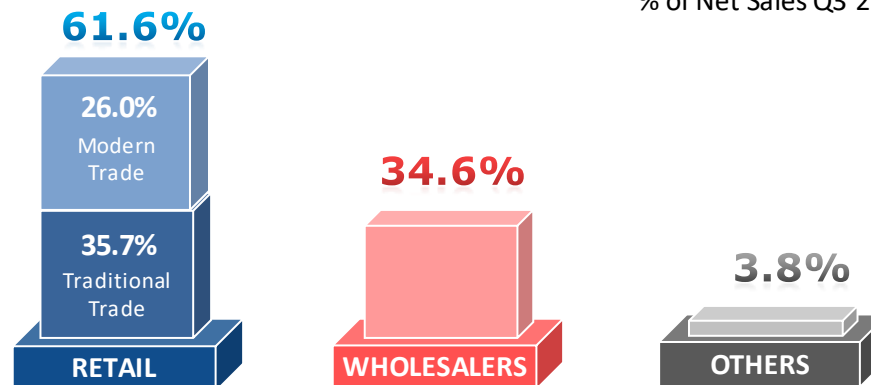
*Note: SADAFCO Standalone figures

Key Category – Sales*

	Net Sales – Q3'21/22 (SAR Mln)	% y-o-y growth
 Milk ¹	308	0.5%
 Ice Cream	59	0.2%
 Tomato Products ²	52	6.3%

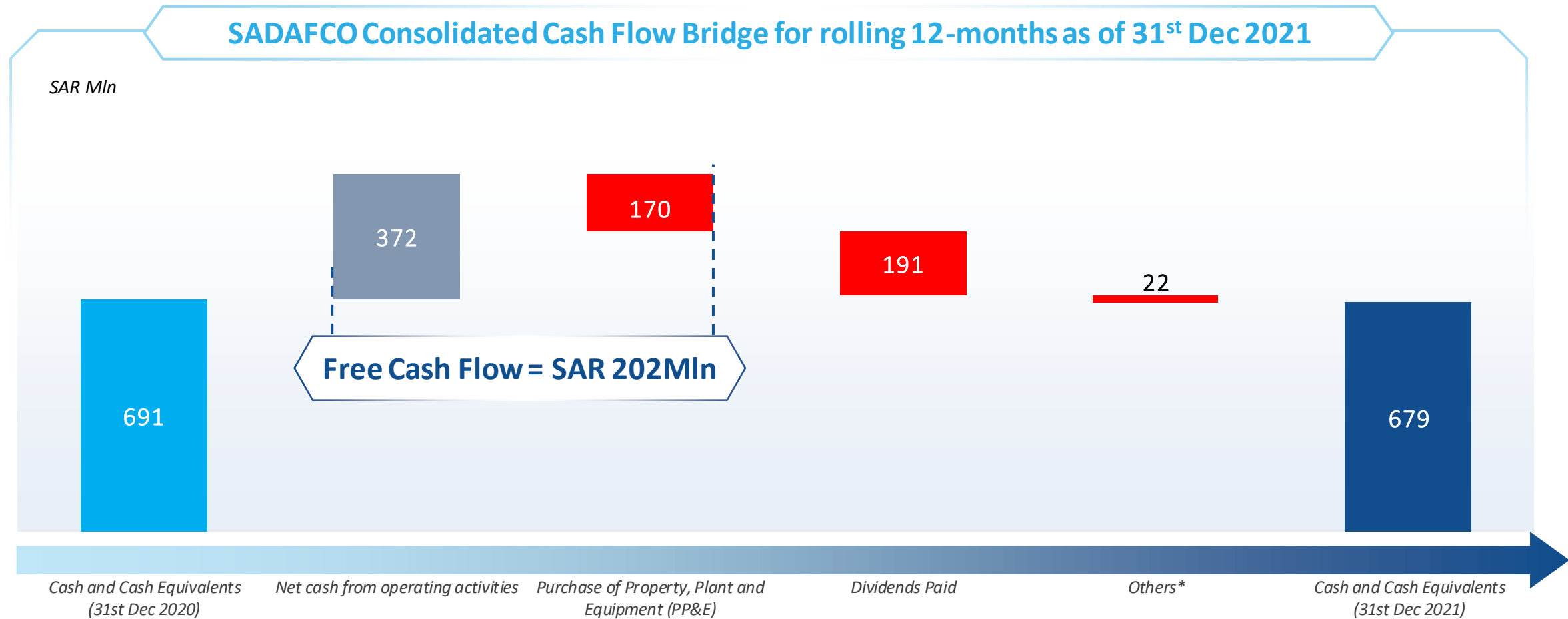
Distribution Format*

% of Net Sales Q3'21/22



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)
- Treato (Drinkable Snacks)



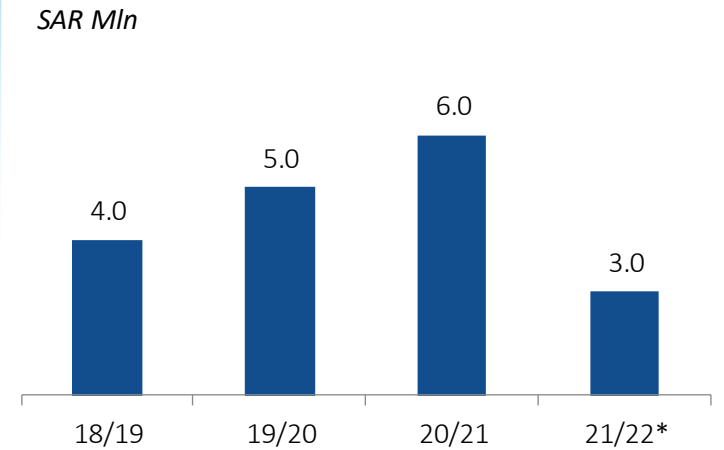
Shareholders' Returns

Share Price Performance



Source: Tadawul, Bloomberg; SAR Saudi Riyal; SASE Index (Rebased to SAR 46.5 on 28th Dec 2011); Total shares outstanding (in thousands): 32,000

Consistent Dividends



■ Declared Dividend per share

Note: *Dividend for the first half of the fiscal year ended on 31-03-2022

Compounded
Annual Return[#]
of ~16.2%
over the last 10 years

Note: [#]Annualized Return calculated as sum of share price appreciation/depreciation and dividends paid during the period ending 30th Dec 2021, assuming no reinvestment of dividends

Going Forward...

We continue to generate healthy cashflow leading to a strong cash position of SAR 679 Mln contributing to a robust financial position. The Board has approved an interim dividend of SAR 3/ share for distribution in January 2022

New Ice Cream Factory has started trial production, and is on track for commercial production soon. The factory is fully geared up to cater to the higher production and storage demands

In line with Saudi Arabia's Vision 2030, SADAFCO has aligned its Vision and Mission statement:

Vision - The Company of Possibilities

Mission - Accelerate Profitable Growth by:

- *Delighting Consumers with Delicious, Nutritious & Sustainable Products*
- *Creating Value for the Society (Environment), Stakeholders and Shareholders*





Trusted by **Generations**

