

Earnings Presentation | Q1 2025

Date: 12 May 2025



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Savola Group's Adjusted Net Income Analysis

Adjusted Net Income (SAR mn)

Details	<u>Q1 2025</u>	<u>Q1 2024</u>	<u>Variance</u>
Net Income	189.2	348.7	(159.5)
Less: Profit of CA	-	(30.0)	-
Less: Profit of Sudan	-	(1.2)	-
Less: Almarai share of profit	-	(236.7)	-
Add back: Financial costs savings realized from debt settlement	-	89.6	-
Adjusted Net Income	189.2	170.3	18.8

Savola Group – Q1 2025 Performance Highlights

Resilient Core
Performance Despite
External Pressures

On an adjusted basis, the Group's Net Profit of SAR 189 mn witnessed a healthy YoY growth of 11% in Q1 2025

- **Reported Revenues of SAR 7.6 bn for Q1 2025 compared to SR 7.1 bn during Q1 2024.** The increase is primarily driven by growth in Panda and Al Kabeer
- **The Group reported a Net Profit of SAR 189 mn in Q1 2025, compared to SAR 349 mn in the same quarter** of last year primarily reflecting the absence of share of profit from Almarai which was partially offset by lower financial charges related to debt settled in 2024 and disposal of Central Asia business
- In our non-managed businesses, **Herfy continued to face headwinds** which negatively impacted Group's profitability during Q1 2025



- **Reported Revenues of SAR 3.9bn compared to SAR 3.7bn in prior year.** The growth is primarily driven by increased volumes in the edible oil category, despite lower commodity prices; and consolidation of United Sugar Company Egypt, which was treated as an associate in the comparable period last year
- Profitability continued to be resilient despite influx of lower tier brands and introduction of Private Label, pressure on purchasing power in some markets and other macro factors. **Reported Net Profit of SAR 155 mn for Q1 2025 compared to adjusted SAR 165mn in Q1 2024 (adjusted for discontinued operations in Central Asia & Sudan)**



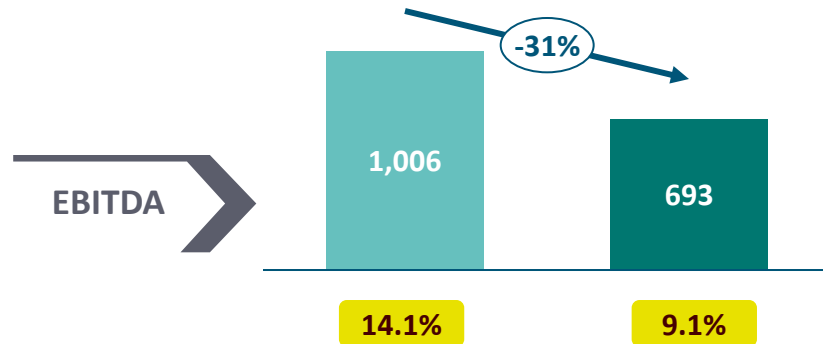
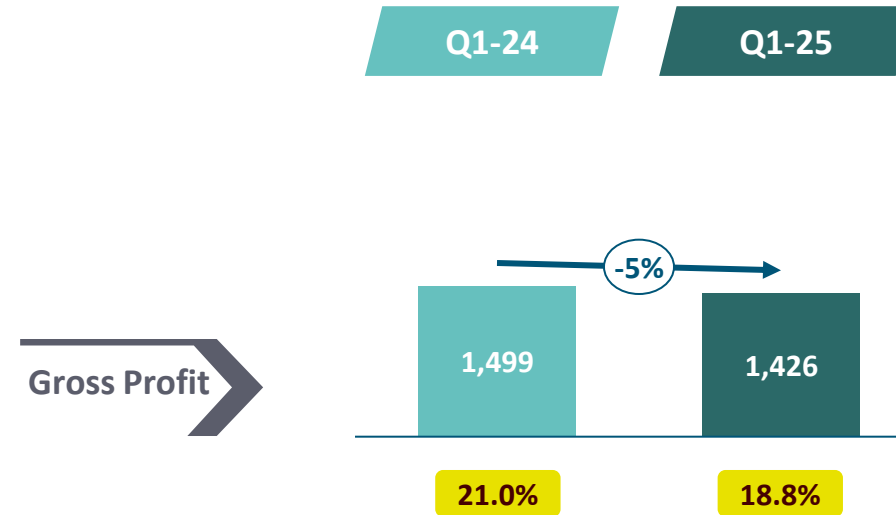
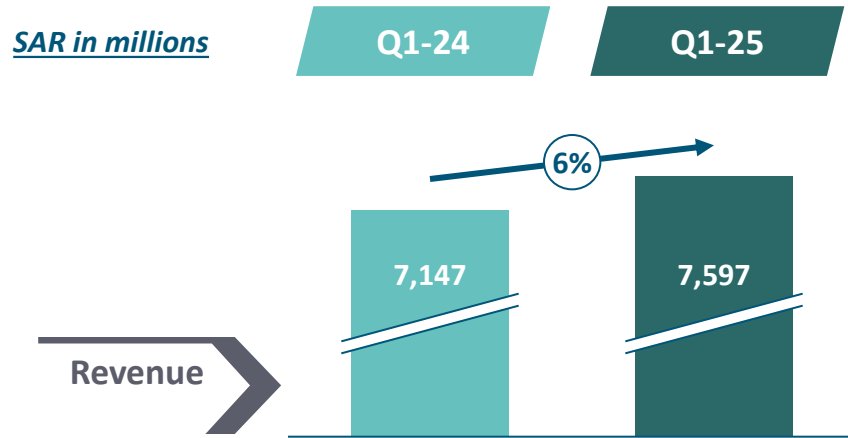
- Panda continued to witness **Revenue growth of 3.6% in Q1 2025 supported by an expanded store footprint and the positive impact of the Customer Experience Revival (CXR) program** despite a competitive market landscape
- The growth in Revenues coupled with an increase in gross margin led to a **11% growth in EBITDA and a 18% increase in Net Profit to SAR 39 mn** during Q1 2025
- As part of its CXR program, Panda has planned to **roll out 25+ stores** in 2025



- For Q1 2025, Al Kabeer reported **topline growth of 2% YoY**. The company's growth in Q1 2025 was supported by strategic focus on diversifying sales channels, introducing new products, and driving innovation
- **Net Income grew 9% YoY** on the back of improved sales, higher gross margin (**36.3% in Q1 2025 vs. 33.8% in Q1 2024**) and lower operating costs

Savola Group – Reported Consolidated Financial Highlights

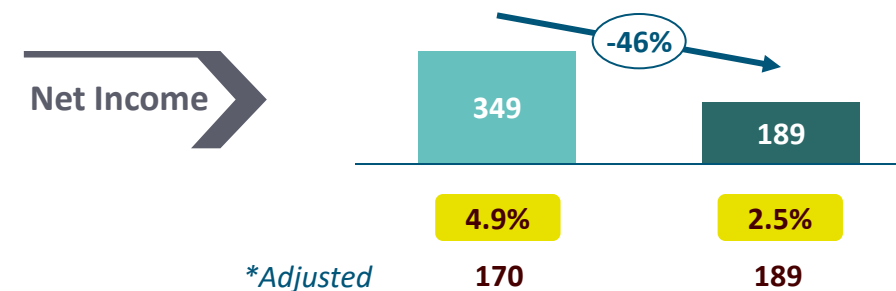
Margin



Excluding Share of Profit
from Almarai

770

693



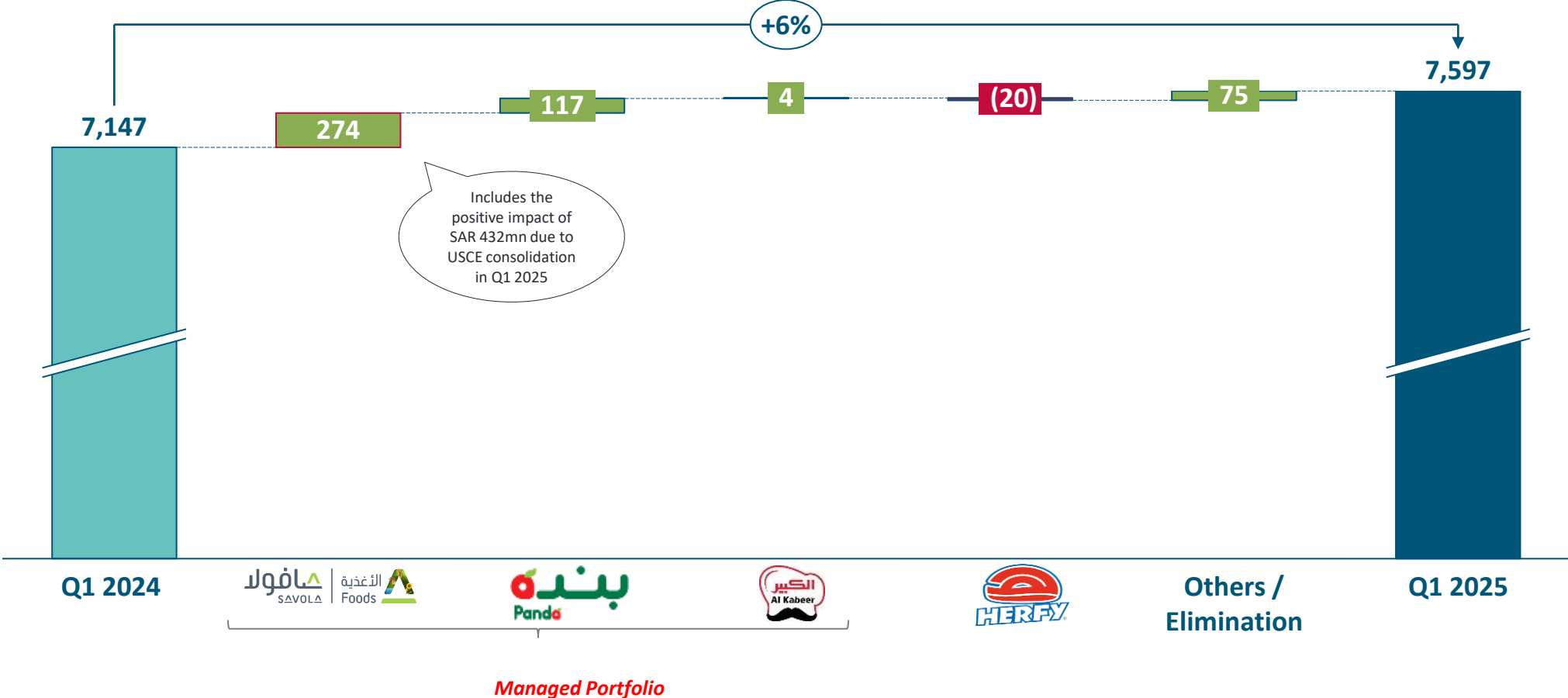
*Adjusted

170

189

Savola Group – Q1 2025 Revenue Bridge By Business

SAR in millions



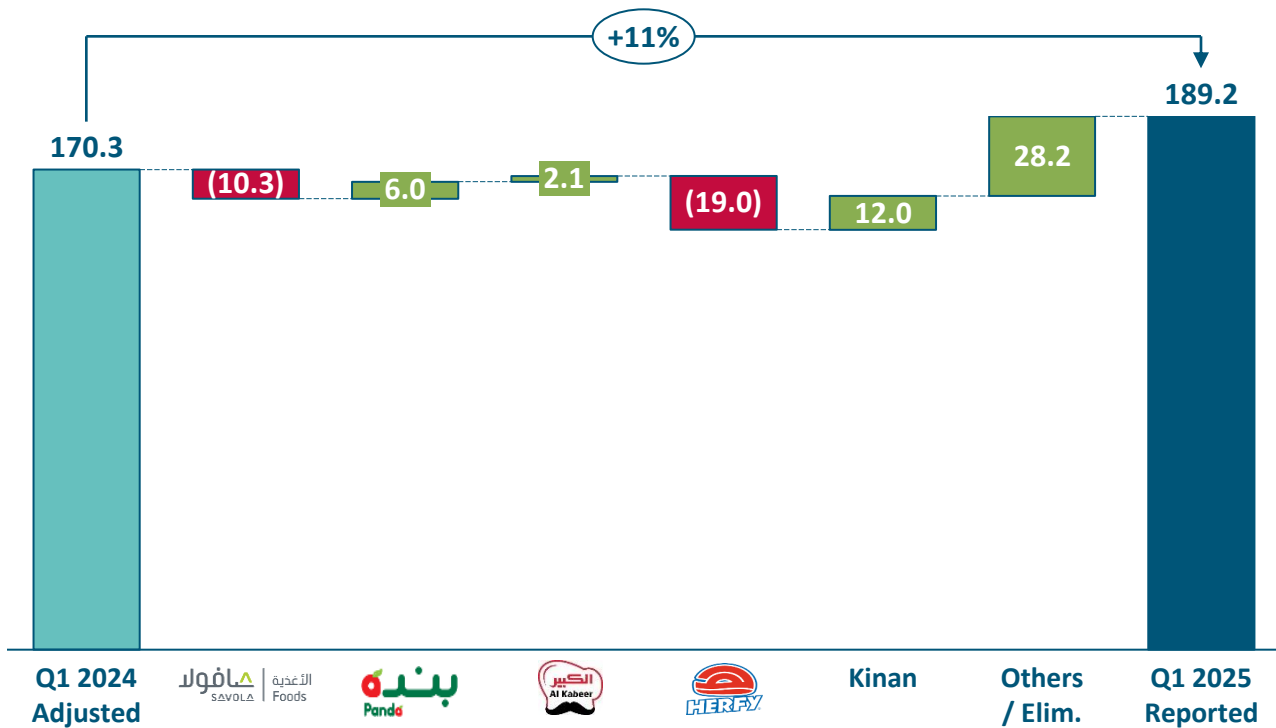
Savola Group – Net Income Analysis

SAR in mn

Q1 2024 Net Income Adjustments

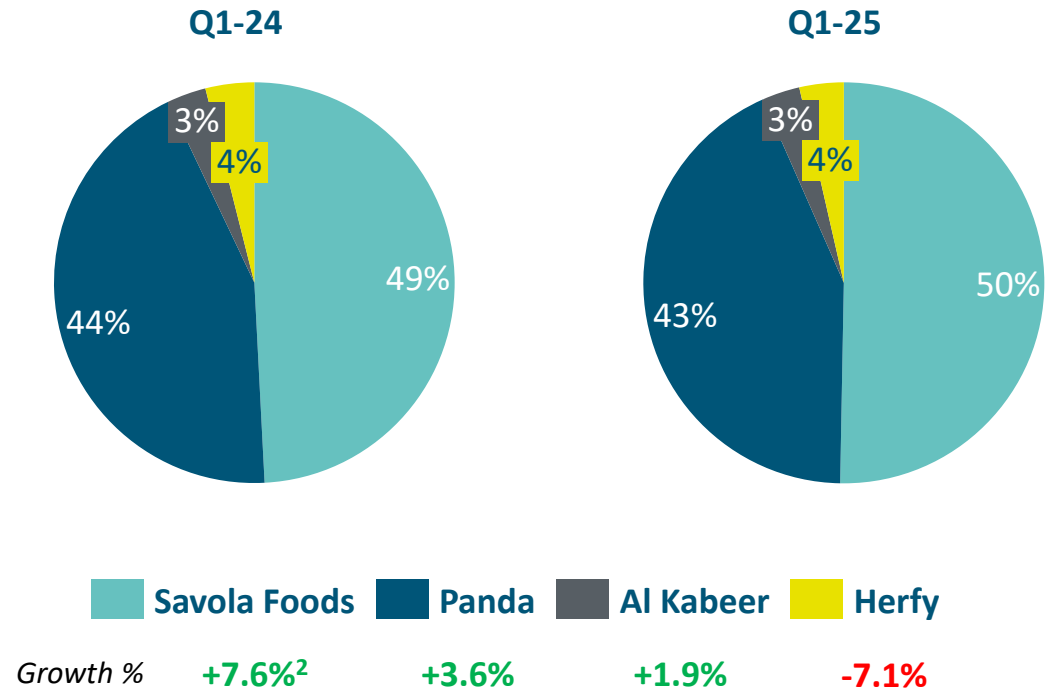
Description	Amount
Reported net income for Q1 2024	348.7
Less: Net profit from discontinued operations in Central Asia	(30.0)
Less: Net profit from discontinued operations in Sudan	(1.2)
Less: Share of profit from Almarai	(236.7)
Add back: Financial costs savings realized from Rights Issue Proceeds	89.6
Adjusted Net income for Q1 2024	170.3

Q1 2025 Net Income

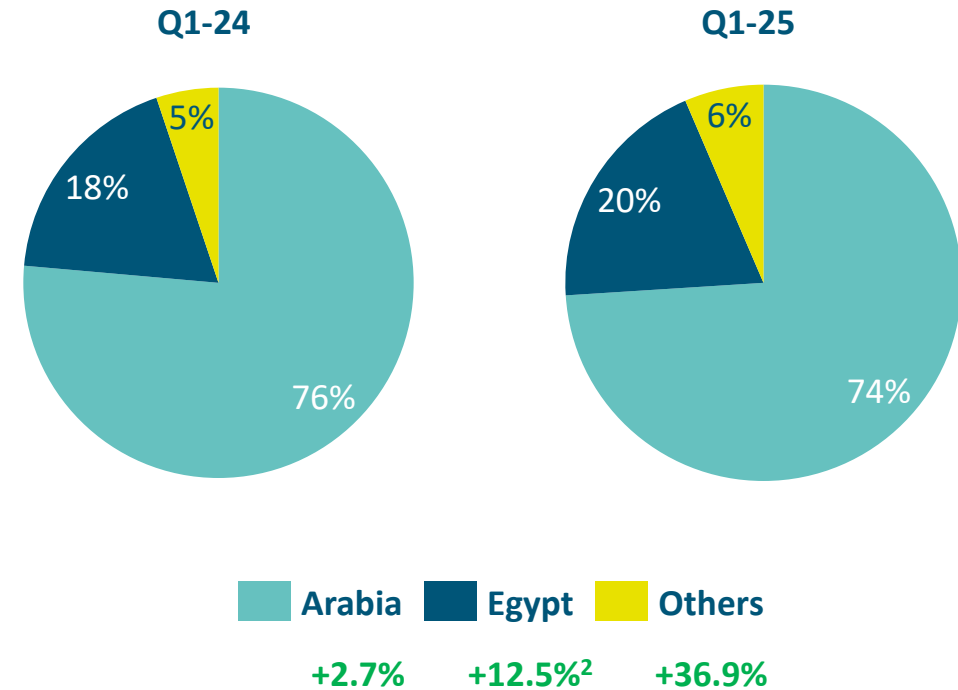


Savola Group – Revenue Mix

Revenue by Business¹



Revenue by Geography



Note 1) Revenue by business % is based on net revenue before eliminations
 2) Includes the positive impact of USCE consolidation of SAR 432mn in Q1 2025

Savola Group – Net Debt & Capex

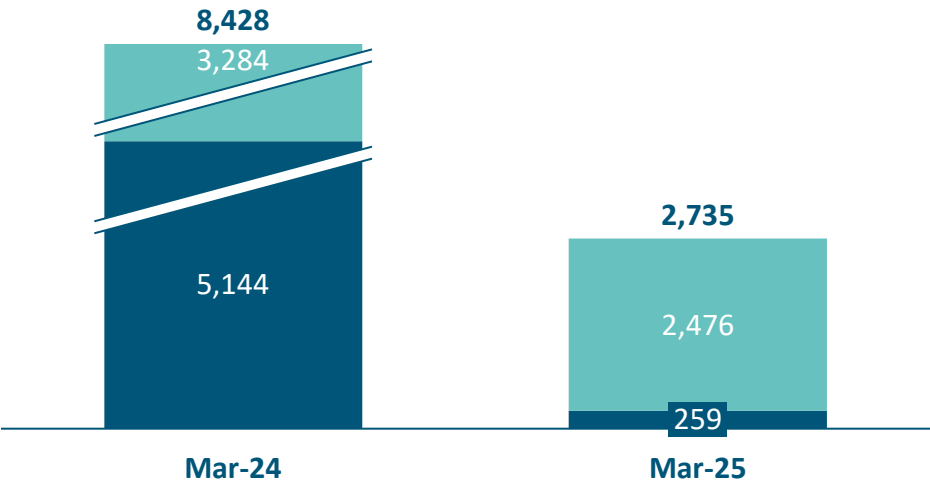
SAR in millions

Loans and Net Debt¹

Net Debt

6,597

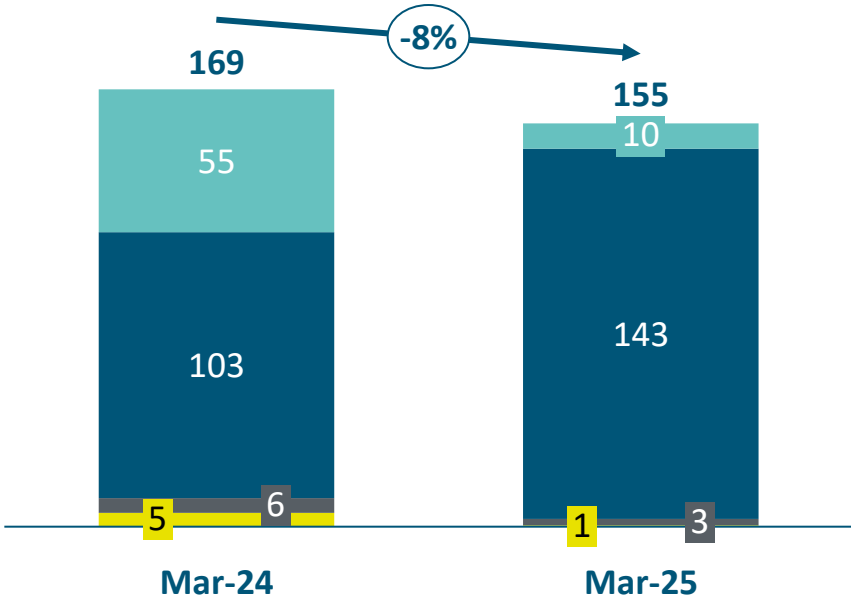
253⁴



ST Loans LT Loans

Details	Mar 2024	Mar 2025
KSA	7,357	1,402
Non KSA	1,072	1,334
Total	8,428	2,735

CAPEX



Savola Foods Panda Al Kabeer Herfy

Note 1) Net debt & Loans excludes accrued financial charges & lease liabilities (detailed below in #5)
 2) Certain comparative amounts have been reclassified to conform with current year presentation
 3) LT loans includes current portion of LT loan
 4) Includes Savola Foods net debt of SAR 834mn; Panda net cash of SAR 383mn; Herfy net cash of SAR 25mn and Al Kabeer net cash SAR 17mn
 5) Lease liabilities of Savola Foods: SAR 262mn; Panda: SAR 2.7bn; Herfy: SAR 498mn and Al Kabeer: SAR 64mn

Financials Summary – Q1 2025

All figures in SAR millions

	Segment Wise Financials ¹									
	Q1 2025					Q1 2024				
	Revenue	Gross Profit	EBIT	Net Income	EBITDA	Revenue	Gross Profit	EBIT	Net Income	EBITDA
Savola Foods										
Oil										
Arabia ²	995	150	71	55	84	906	201	124	106	138
Other Markets ³	1,324	223	155	48	165	1,402	322	269	34	280
Total	2,319	373	226	103	249	2,309	522	393	140	417
Sugar										
KSA	731	56	28	25	42	913	57	36	28	53
Egypt	476	36	27	3	36	18	10	(28)	(29)	(25)
Total	1,208	93	55	29	79	931	67	7	(1)	28
Pasta	162	41	28	20	30	210	38	25	19	26
Nuts, spices and pulses										
UAE	158	47	16	13	21	139	48	20	18	24
KSA	44	9	(9)	(10)	(7)	29	9	(10)	(10)	(8)
Total	202	56	8	3	14	168	57	10	7	16
Total Continued Food Operations	3,891	563	318	155	371	3,617	685	436	165	488
Discontinued Operation (CA+Sudan)									31	
Total Foods	3,891	563	318	155	371	3,617	685	436	196	488
Panda										
KSA	3,286	706	71	38	254	3,166	661	65	31	225
Egypt	48	9	2	2	3	52	10	4	2	6
Total Retail	3,335	715	73	39	257	3,218	671	68	33	231
Herfy	269	61	(10)	(19)	33	289	72	9	0	51
Al Kabeer	235	85	30	25	34	230	78	26	23	30
Share of profit from associates	0	0	10	10	10	0	0	235	235	235
HQ/Elimination/Impairments	(131)	2	(21)	(22)	(14)	(206)	(6)	(37)	(140)	(29)
Total	7,597	1,426	400	189	693	7,147	1,499	738	349	1,006
Adjustments										
A. Net profit from discontinued operations in Central Asia & Sudan				-					(31)	
B. Share of profit from distributed investment in Almarai				-					(237)	
C. Financial charges on settled debt				-					90	
Adjusted Profit				189					170	

¹ All the numbers are rounded for the purpose of presentation and have been represented under different categories after inter-segment elimination and reclassification

² Arabia includes GCC and Levant

³ Other markets includes Egypt, Turkey, Algeria and Emerging Categories

⁴ Savola Foods includes the full impact of USCE ownership via Savola Group and Savola Foods

⁵ Certain comparative amount have been reclassified to conform with current year presentation

Savola Group – Our journey of value creation shall continue



Intensify focus on high growth food businesses in MENA

- Strong operational expertise, with solid brands and quality businesses under its umbrella
- Benefits from an operating model underpinned by a robust end-to-end infrastructure network enabling seamless entry into adjacent offerings



Prioritize resources to focus on core operating business

- Leverage best-in-class consumer and market understanding coupled with innovation capabilities and balanced geographical footprint for goods manufacturing and distribution to scale the core business



Strive for a well-defined capital structure and set priorities for capital allocation

- Invest in the sustained growth of core food and retail businesses, whilst continuing to review strategic options to realize value from portfolio companies that demonstrate attractive distribution and monetization potential



Focused M&A to acquire high value food categories and increase market share / solidify market position

- Robust cash flow generating businesses to support future M&A strategy



Portfolio Management and Shareholder value optimization

- Continuous portfolio management and assessment & execution of value realization initiatives



Savola Foods – Q1 2025 Business Highlights

- 1 **Arabia edible oil business continued its resilient performance**, with stabilized volumes amid influx of private labels and value-for-money brands. Continues to be driven by dominant market share in KSA along with B2B growth led by industrial & QSR segments
- 2 **Strengthening B2B and building on strategic collaboration** with new partnerships aiming to strengthen penetration in the food service segment
- 3 **Delivering strong performance in Egypt** both in edible oil & pasta segment supported by stable volume and growth in exports
- 4 Savola Food's **specialty fats business recorded highest-ever quarterly volume** focusing on new product development for industrial and QSR channels. The segment boast of some strong food service brands as its key customer
- 5 **Successful new product launches** such as Canned Tuna in Algeria, Afia Consumer Margarine, new products launches in the nuts, spices range etc. This follows steps taken in portfolio expansion and differentiation
- 6 Nuts, Spices and Pulses segment **performance under Bayara in UAE continues to be encouraging** with increase in revenue and strong market share. The segment continues its **strong top line growth in KSA** as well growing 33% YoY led by food services as well as B2C under “Afia” brand
- 7 Initiating new strategic pathways developed under the new “Triple AAA” strategy with **exploration of opportunities to strengthen the core operations** through organic and inorganic routes

Savola Foods Company – Refreshed Strategy as business needs and strategic intent evolved

“ABCD” Strategy

2019 - 2024

**ANCHOR**
HOW WE GROW
Example: Transforming “Afia”


**BET**
HOW WE DIVERSIFY
Example: Investment / acquisition of “Munchbox”



**CONQUER**
HOW WE INGRESS
Example: Acquired “Bayara”



**DISRUPT**
HOW WE TRANSFORM
Example: Launch of “Savola Professional”





“AAA” Strategy

2025 & ONWARDS

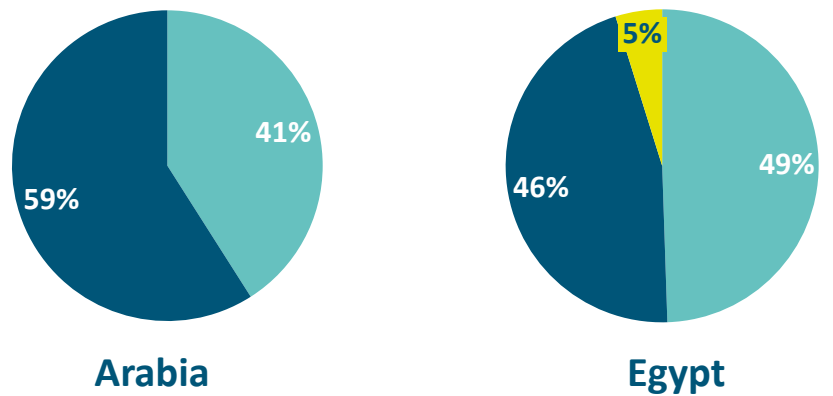
**Accelerate**
Accelerate profitable and sustainable growth in core business. Expand B2B and B2C

**Acquire**
Acquire new businesses and capabilities. Enter strategic alliances to strengthen its core business

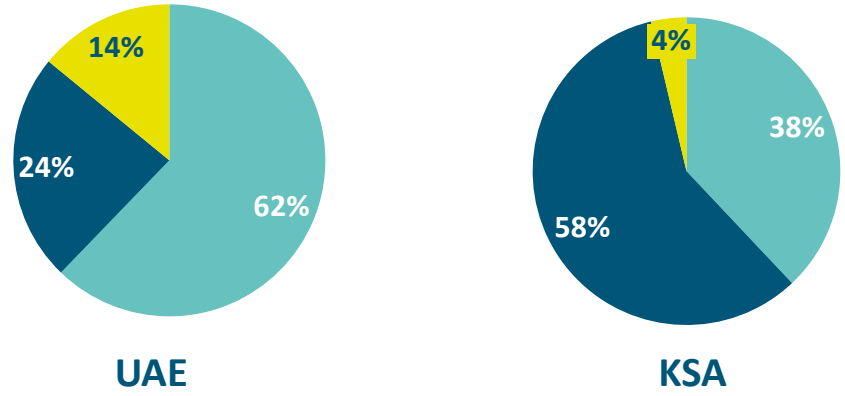
**Advance**
Advance the business model. Accelerate digital transformation

Savola Foods – Revenue Analysis for Q1 2025

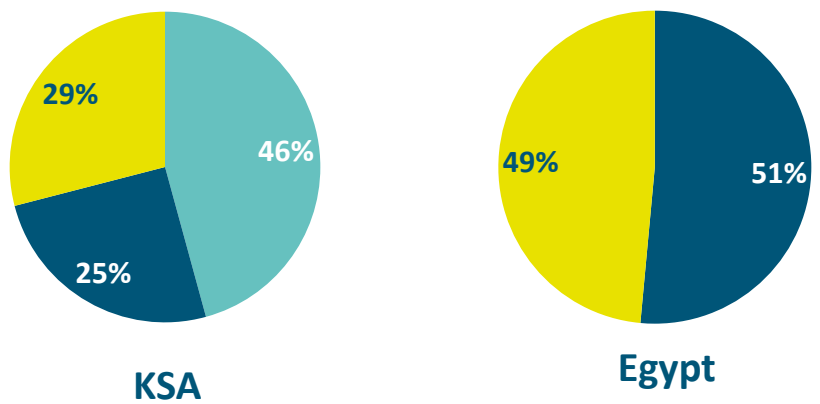
Oil & Fats



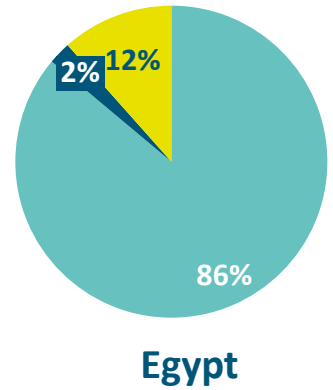
Nuts, Spices & Pulses



Sugar



Pasta



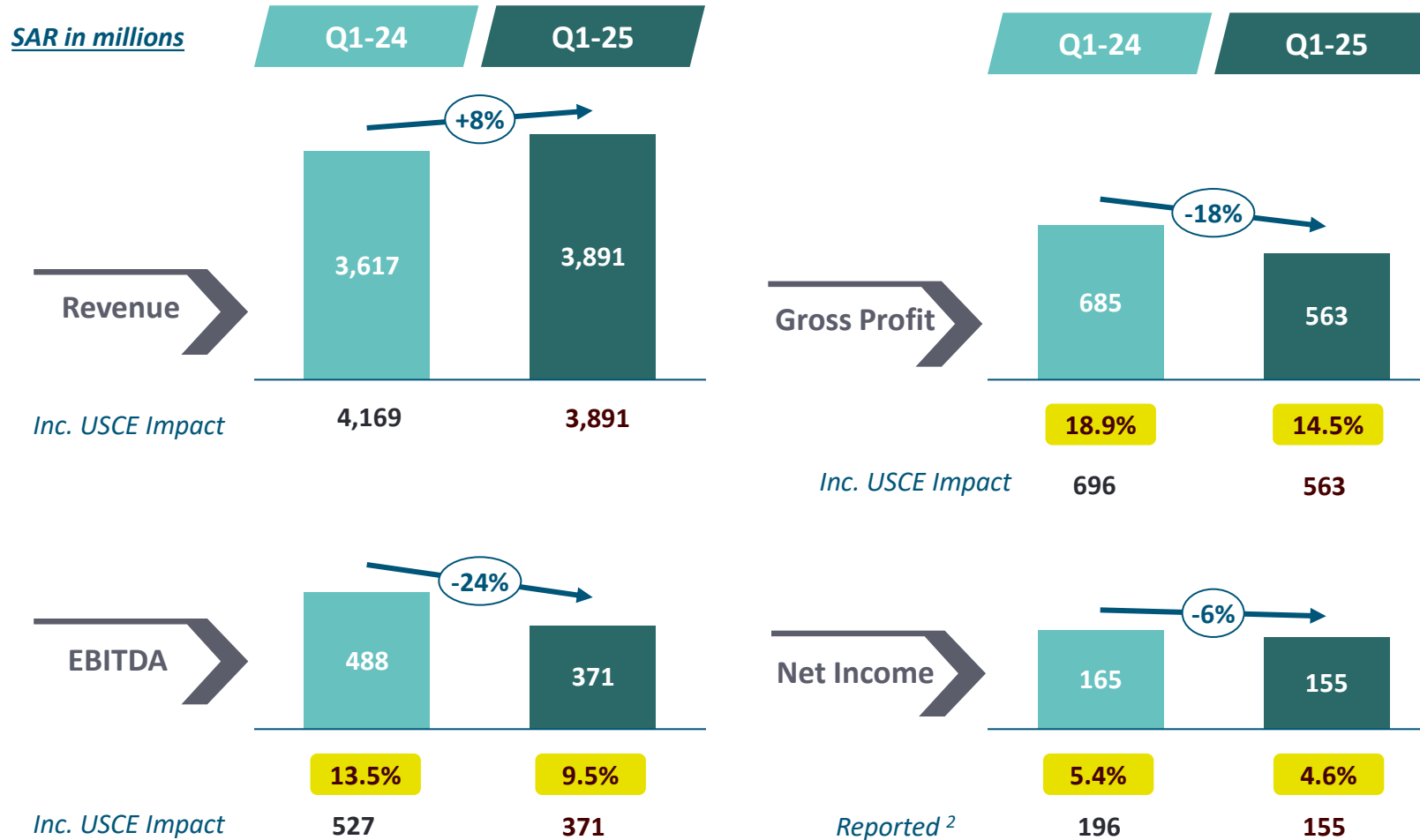
B2B B2C Exports

Note:
1) Percentages derived from revenue before inter-co eliminations

Note: numbers are rounded

Savola Foods – Reported Consolidated Financial Highlights

Margin

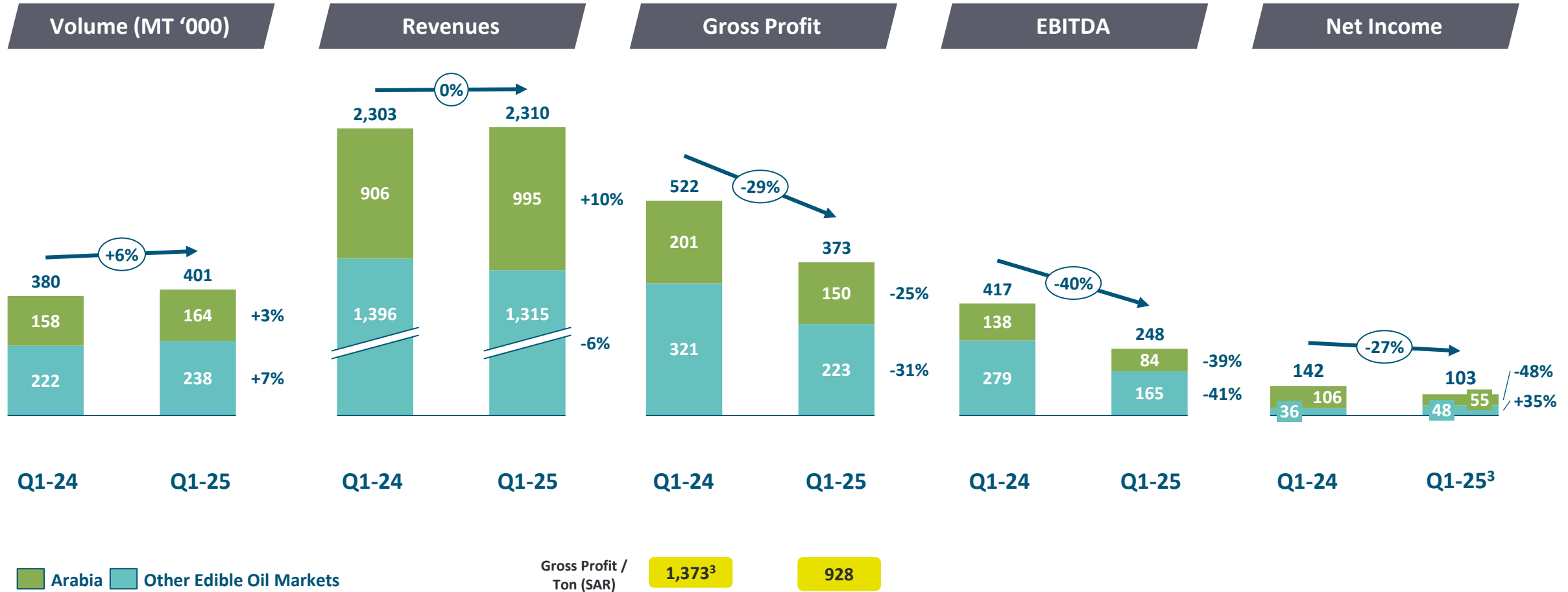


- Savola Foods demonstrated stable performance in Q1'25 despite business challenges such as increased competition from Value for money products/Private label in its core markets of Afia and Egypt
- Adjusting for USCE consolidation impact, Revenues in Q1'25 declined by c.7% compared to last year
- Gross profit and EBITDA were impacted by
 - USCE consolidation impact and,
 - normalized margin in the oil segment
- Adjusted for discontinued operations, Net Income dropped by 6.3% YoY

Note 1: Net Income include full impact of USCE ownership via Savola Group and Savola Foods
 2: Q1'24 reported net income includes the impact of discontinued operations of Central Asia and Sudan

Savola Foods – Oil Segment Analysis

SAR in millions



Note:

1) Certain comparative amounts have been reclassified to conform with current year presentation

2) Arabia represents GCC and Levant

3) Impact of Egypt currency volatility & devaluation resulted in higher revenues and overall GP/ton from Egypt, which was offset by the higher FX charges

4) All % above refer to growth numbers

Note: numbers are rounded

SAR in millions

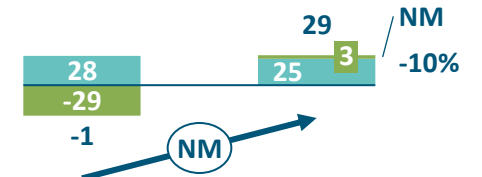
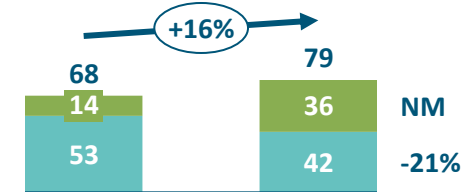
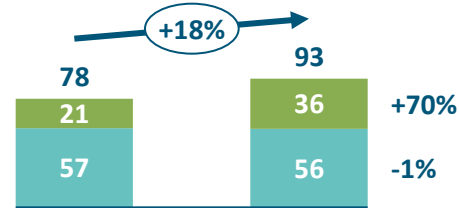
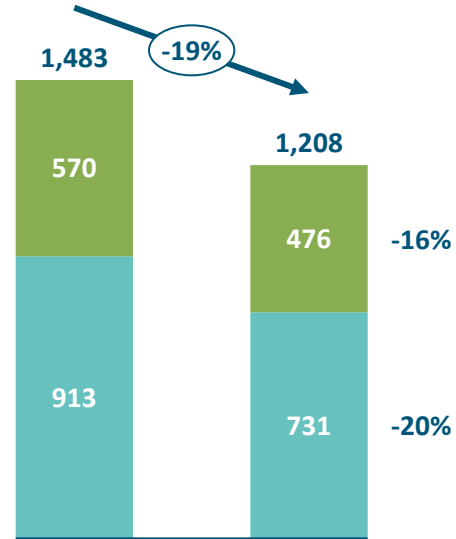
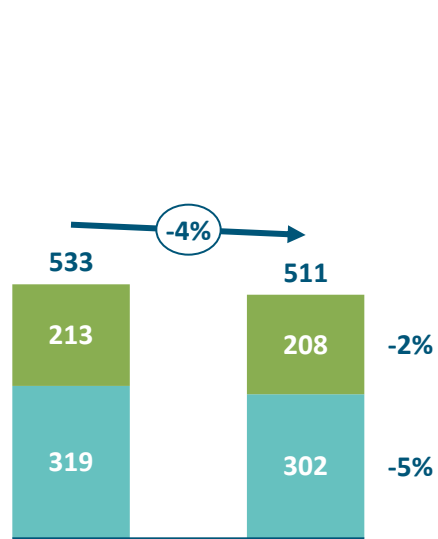
Volume (MT '000)

Revenues

Gross Profit

EBITDA

Net Income



Q1-24

Q1-25

Q1-24

Q1-25

Q1-24

Q1-25

Q1-24

Q1-25

Q1-24

Q1-25

**Reported
Total**

329

511

931

1,208

67

93

29

79

-1

29

 Egypt  KSA

**Gross Profit /
Ton (SAR)**

147

181

Note:

1) Q1 2024 Volume, Revenue, Gross Profit and EBITDA has been adjusted to include USCE numbers

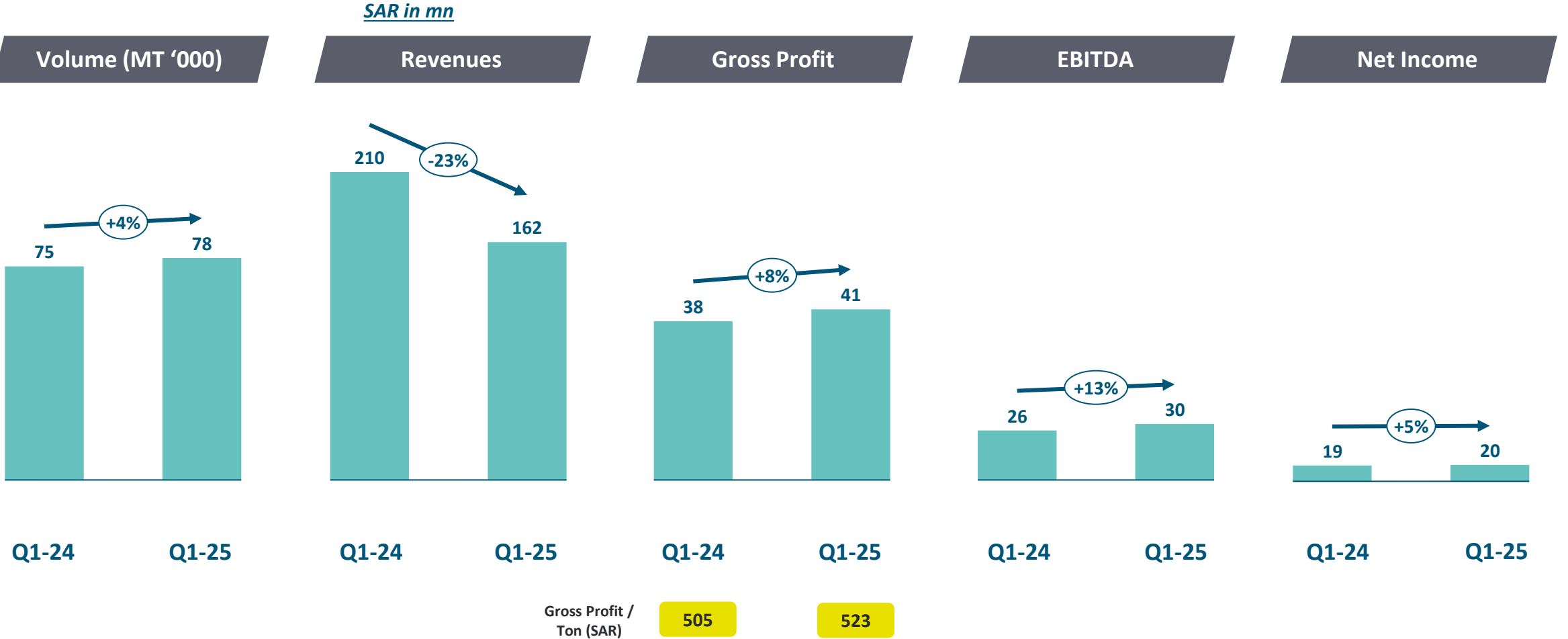
2) Certain comparative amounts have been reclassified to conform with current year presentation

3) Net Income include full impact of USCE ownership via Savola Group and Savola Foods

4) All % above refer to growth numbers

Note: numbers are rounded

Savola Foods – Pasta Segment Analysis



Savola Foods – Nuts, Spices And Pulses Segment Analysis

SAR in millions

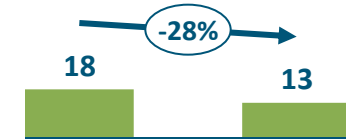
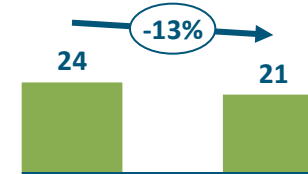
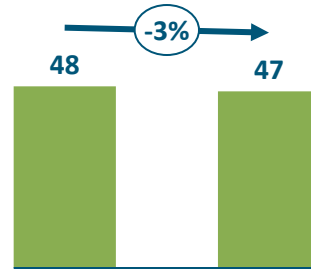
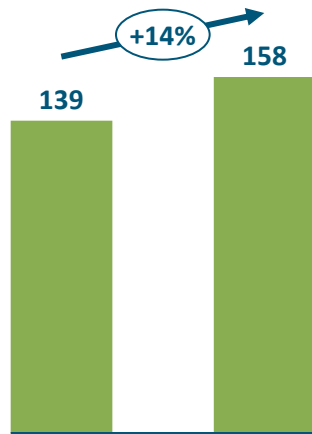
Revenues

Gross Profit

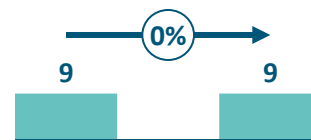
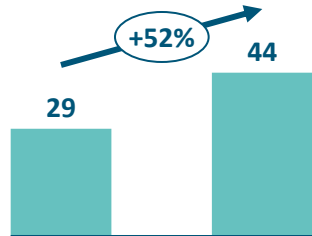
EBITDA

Net Income

UAE



KSA



Q1-24

Q1-25

Q1-24

Q1-25

Q1-24

Q1-25

Q1-24

Q1-25

Note:

1) All % above refer to growth numbers

Note: numbers are rounded



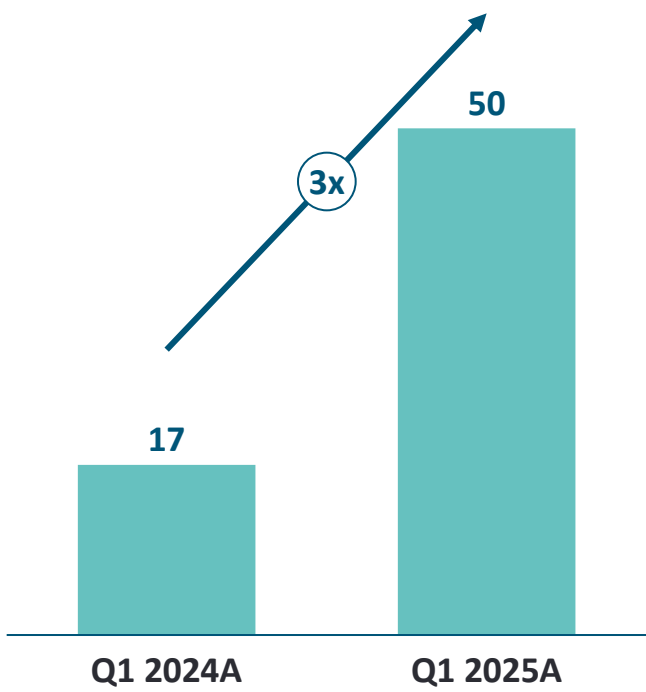
Panda – Q1 2025 Business Highlights

- 1 **Panda recorded strong growth of 4% in Q1**, despite an increasingly competitive environment. This performance was underpinned by the **successful rollout of new stores and continued execution of CXR program**
- 2 **Network Expansion:** Panda further **strengthened its retail footprint** in Saudi Arabia, **expanding its total store count to 202 as of March 2025, up from 188 in March 2024**
- 3 **Market Share:** Supported by robust sales growth during Q1 2025, **Panda increased its market share** reinforcing its position as the largest Modern Trade retailer in the Kingdom
- 4 **Customer loyalty program:** Based on independent studies, **Panda's loyalty program** continues to show strong traction, **with a notable conversion rate from brand awareness to active loyalty members**. This is driven by targeted engagement campaigns, improved personalization, and an enhanced digital interface that encourages repeat purchases and customer stickiness
- 5 **Clix: Delivered solid standalone growth** and began contributing positively to the business
- 6 **E-Commerce:** **Panda's online platform recorded a threefold increase in Q1 2025**, as it continued to rollout its E-commerce with Ocado allowing a broader SKU offering and significant operational enhancements

E-commerce continue to gain traction with 3x growth in Q1 2025

SAR in millions

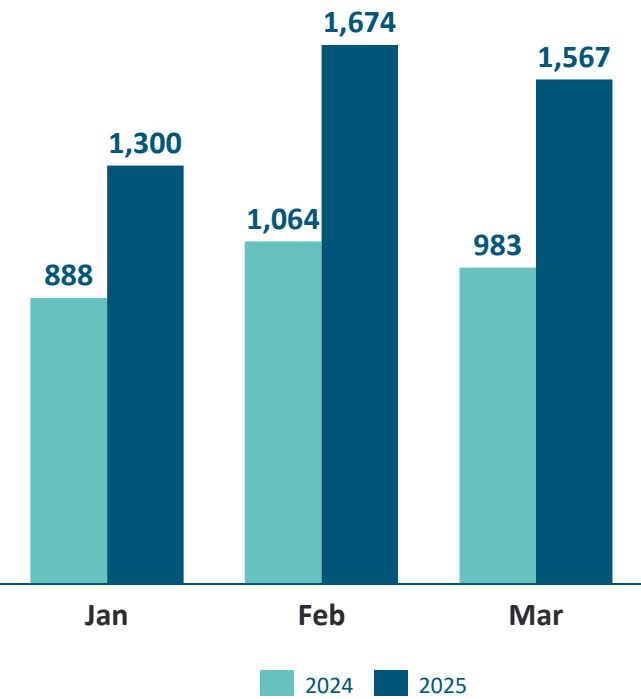
Sales Growth Q1- 2025



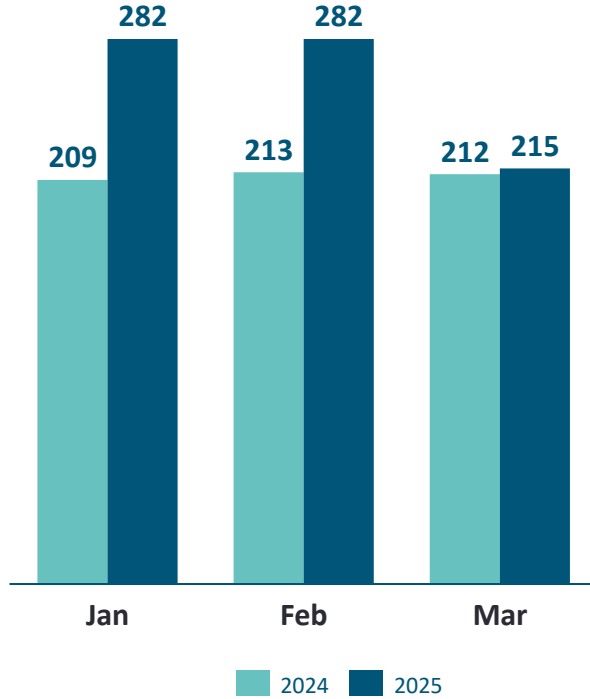
In SAR

Operational Metrics

Average Daily orders



Average Basket Size



*Excluding e-vouchers



Strengthen market leadership in targeted segments by delivering unmatched value for money and outstanding customer experience

Omnichannel Leadership

Successfully expand our presence and reach through online and offline channels to create a seamless shopping experience and sustain profitable growth, continuing to be the nation's leading grocery modern trade market in KSA.

Footprint Optimization & Network Development

Expand CXR across the footprint to ensure consistent service quality and store presentation. Hyper remodel stores to maximize space efficiency and create a modern, engaging shopping experience. Enhance space management through strategic allocation to optimize product placement, inventory, and store flow.

Commercial and Operational Excellence

Emphasizes optimizing our commercial offerings and assortment strategy tailored to each catchment area, and enhance store operations, supply chain efficiency, and cost management.

Unlocking Value leveraging Data and Innovation

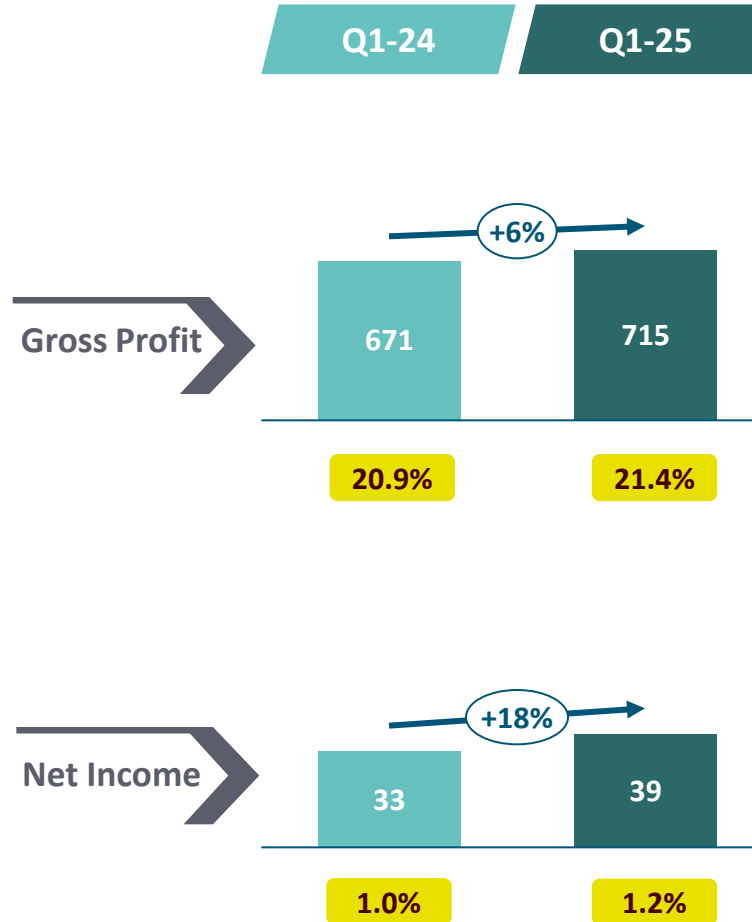
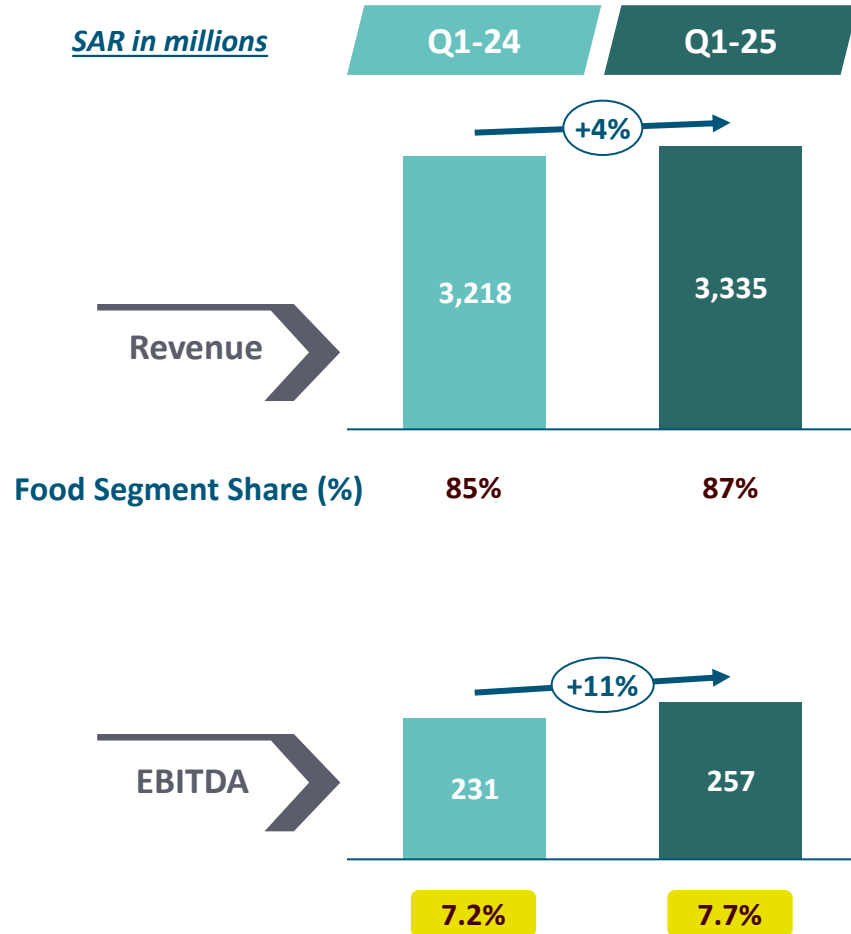
Centers on utilizing data analytics through CRM & Loyalty, and innovative solutions to drive better decision-making, enhance customer insights, and create new business opportunities, ultimately boosting growth and efficiency.

Fuel growth by focusing on Grocery retail omnichannel and sustain its growth momentum

Optimize core profit drivers to enhance efficiency and long-term upside potential

Panda – Financial Highlights

Margin



- Growth in topline is driven by contribution from CXR completed stores and new stores openings
- KSA LFL Revenue grew in the range of 2%-3% in Q1'25, mainly driven by basket size growth
- Growth in Gross Profit is primarily attributed to higher sales and improved margins
- Panda posted Net Income of SAR 39mn in Q1'25 compared to SAR 33mn LY on the back of higher revenues and better margins

Panda – Number Of Stores



Note: Certain stores rightsized during Q1 2025

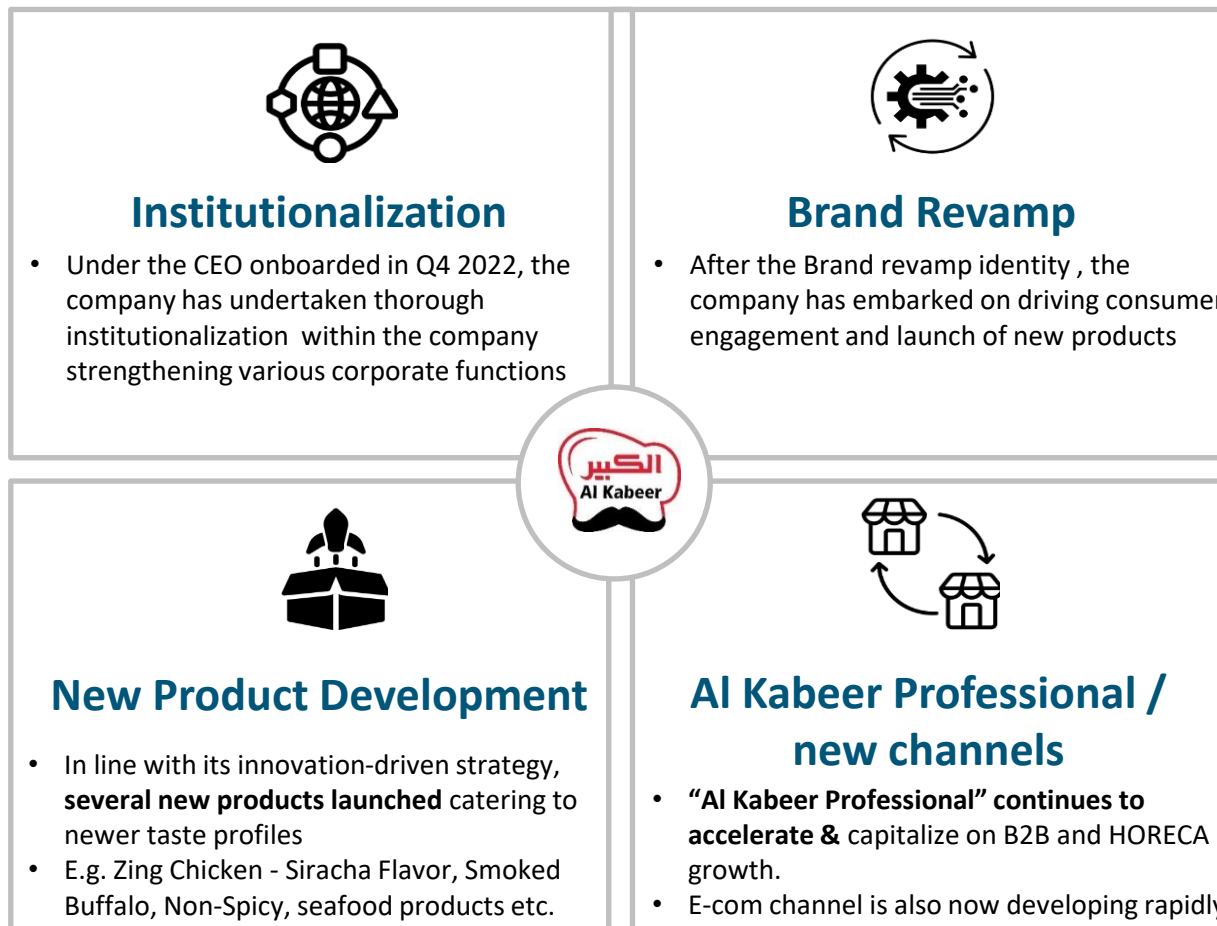


Al Kabeer– Q1 2025 Business Highlights



- 1 ***Al Kabeer is focusing on channel diversification by leveraging opportunities in the discounter segment, achieving more than 50% growth in Q1 2025***
 - This performance was underpinned by key strategic actions, including the activation of a refreshed product portfolio and enhancements in supply chain and logistics efficiency
- 2 ***HoReCa continues to serve as a key growth pillar***, supported by rising institutional demand and a strengthened product portfolio tailored to foodservice customers. Key strategic initiatives include the
 - Implementation of dynamic channel pricing to enhance profitability
 - Improve supply chain and logistics
- 3 ***Multifold growth in E-commerce channel*** with strengthening partnerships with leading online platforms in UAE and KSA
- 4 In line with its innovation driven strategy, ***Al Kabeer continues to develop new products*** such as Zing Chicken – Butter Chicken flavour, Siracha Flavor, Smoked Buffalo, Non-Spicy, seafood products etc. to meet consumer taste profiles

Al Kabeer continues to implement strategic measures for a sustained future growth



Brand Revamp, New Logo and Packaging

New Logo



New Packaging



New Product Innovations & Launches



Zing Chicken Strips
Non-Spicy



Zing Chicken Strips
Siracha Flavor



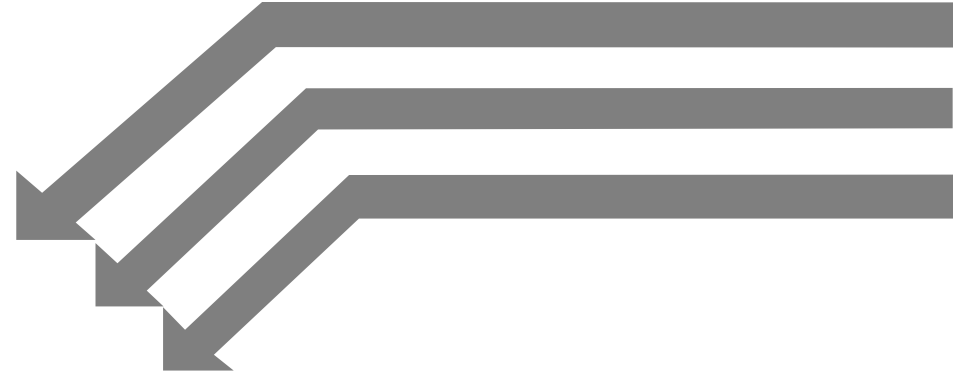
New Seafood Products

Al Kabeer – Financial Highlights



- During Q1'25, Al Kabeer reported a sales growth primarily driven by growth in HORECA and discounters' channels
- Despite lower volumes and sales, profitability increased due to better gross margins and lower operating costs
- Profitability improved primarily due to better margins

Q&A





Thank you