

Savola Group

Earnings Presentation | YTD Q3 2022

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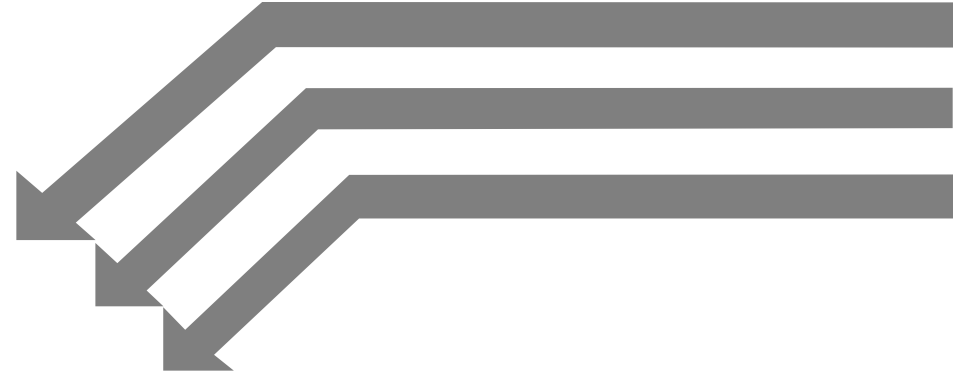
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1. Group Key Financial Highlights

2. Performance by Segment



GROUP - HIGHLIGHTS

Business Highlights

- For YTD Sep 2022, Savola Group reported robust financial performance overall:
 - Foods segment continued to show robust growth YoY despite volatile commodity prices and macro challenges
 - Retail segment reported a slight decline, as expected, on the back of the CXR program in addition to the closure of some stores
 - CXR program is yielding positive outcomes so far in terms of higher sales intensity in most of the stores completed so far

Revenues

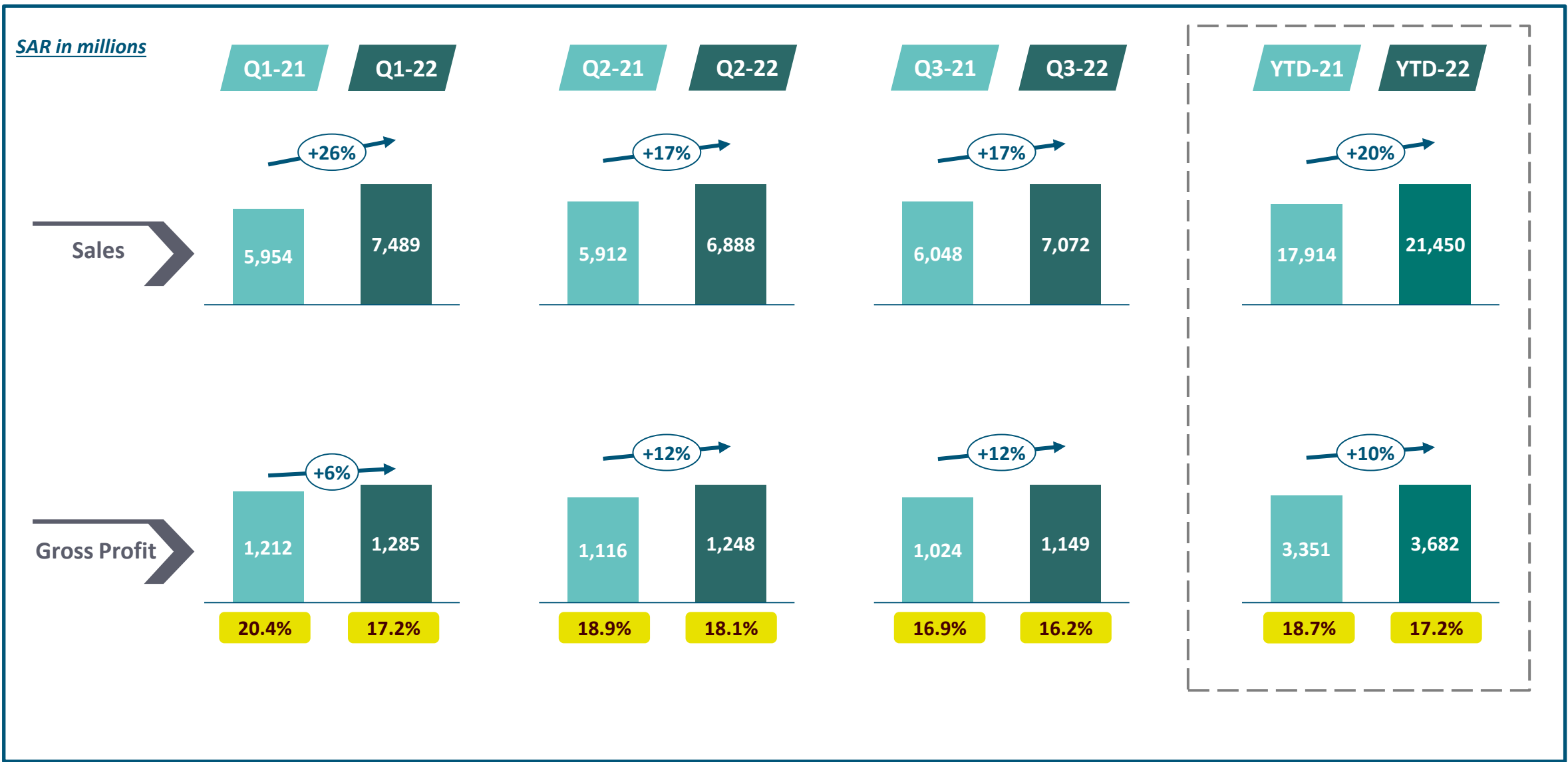
- Savola Group reported topline growth of 20 % during the YTD Sep 2022 period
- Foods processing segment grew by about 47% in revenues, led mainly by volumes growth in oil segment and higher pricing in all segments
- Retail segment reported about 6% decline, mainly due to store closures and revamp works in some of the CXR stores

Profitability

- Gross profit reached SAR 3.7 billion, which is higher by 10% YoY, primarily driven by better pricing in the foods processing segment. The margin declined from 18.7% to 17.2% primarily due to higher commodity costs in the food segment
- The Group recorded EBTIDA of SAR 2.2 billion with a margin of 10.4%
- Net Income reached SAR 648 million compared to SAR 476 million last year; the improvement is primarily attributable to the performance of the foods segment and share of profit from associates

GROUP – CONSOLIDATED FINANCIAL HIGHLIGHTS

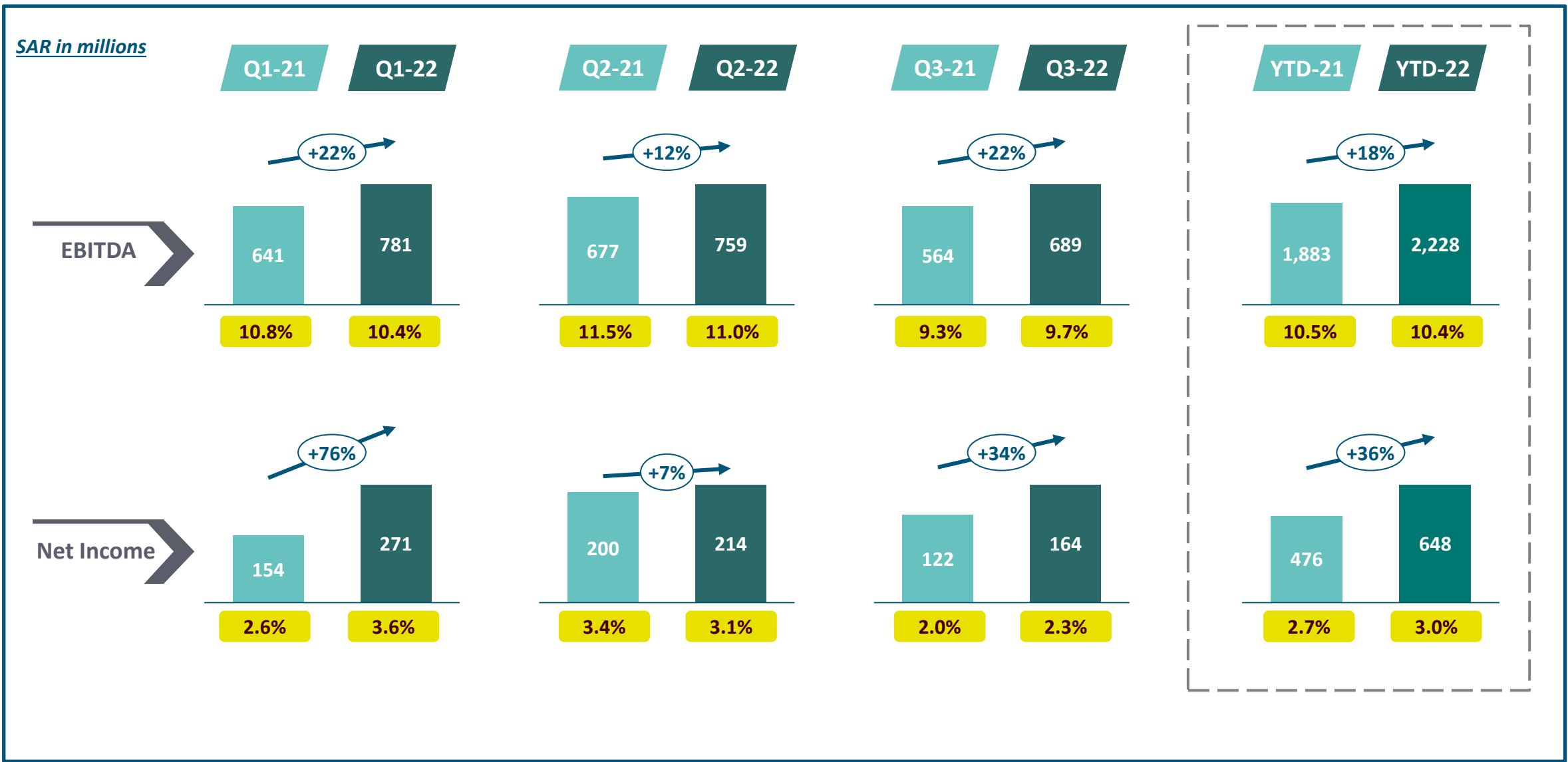
Margin



Note: numbers are rounded

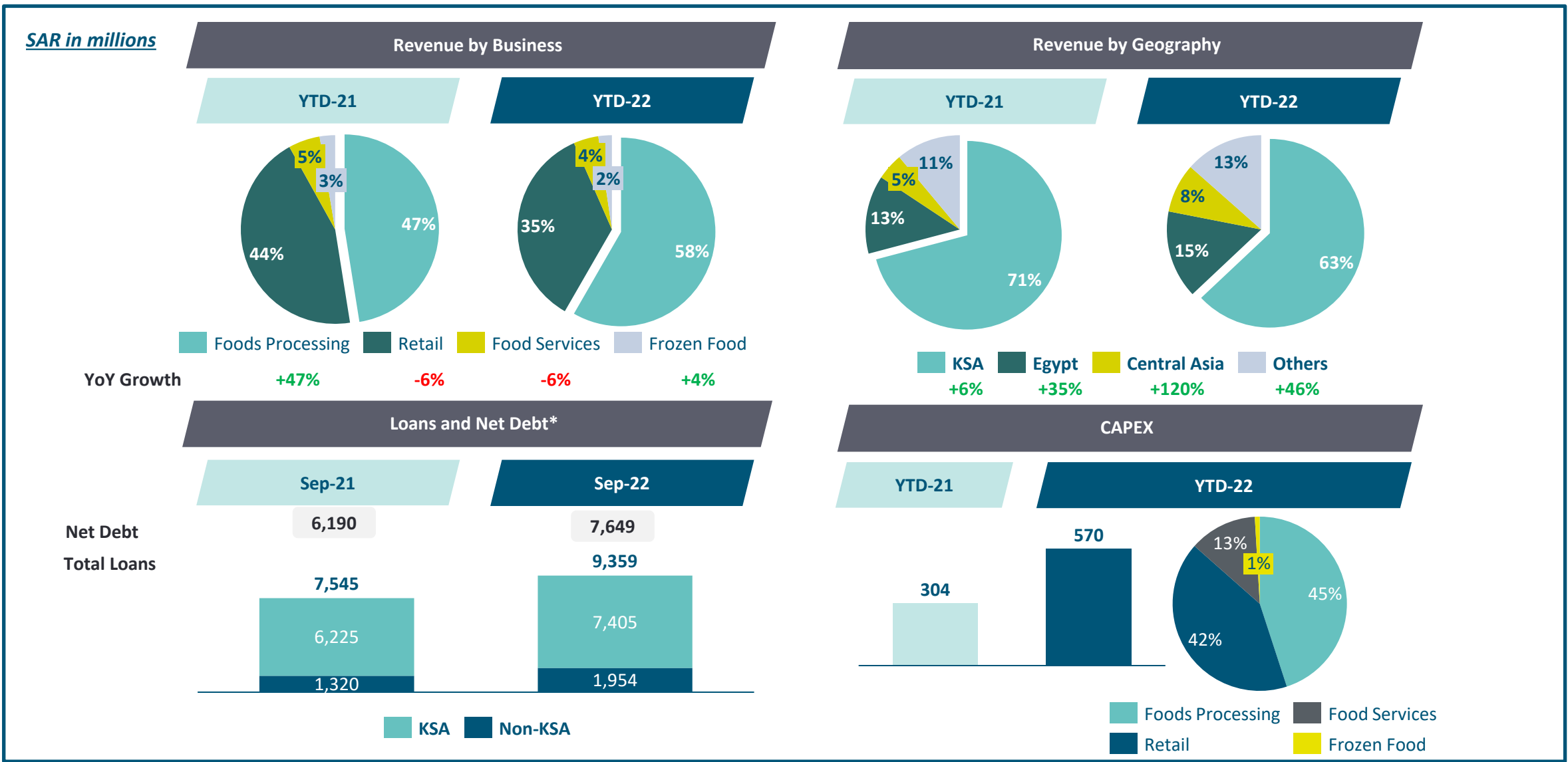
GROUP – CONSOLIDATED FINANCIAL HIGHLIGHTS

Margin



Note: numbers are rounded

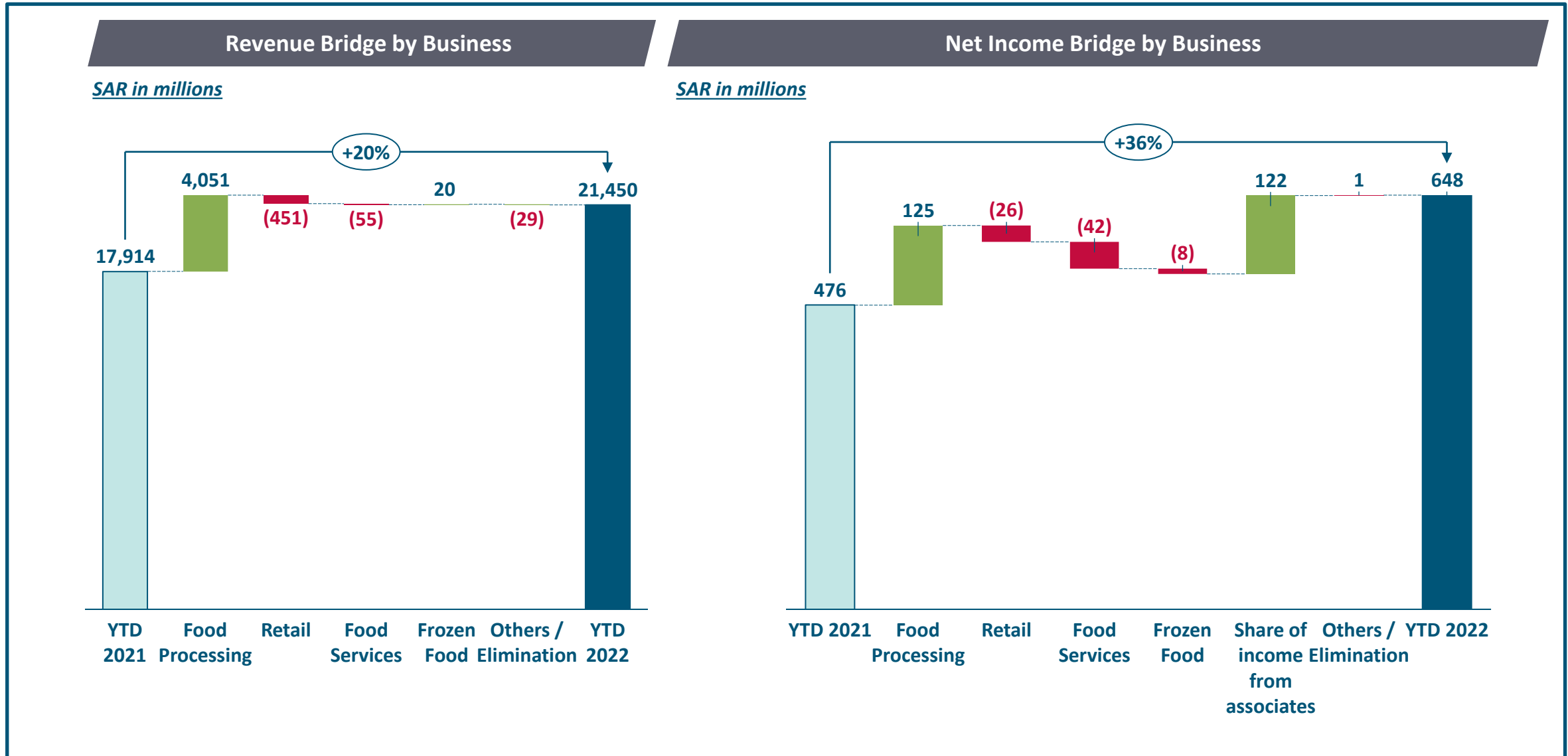
GROUP – REVENUE MIX, NET DEBT & CAPEX



*Net debt excludes lease liabilities

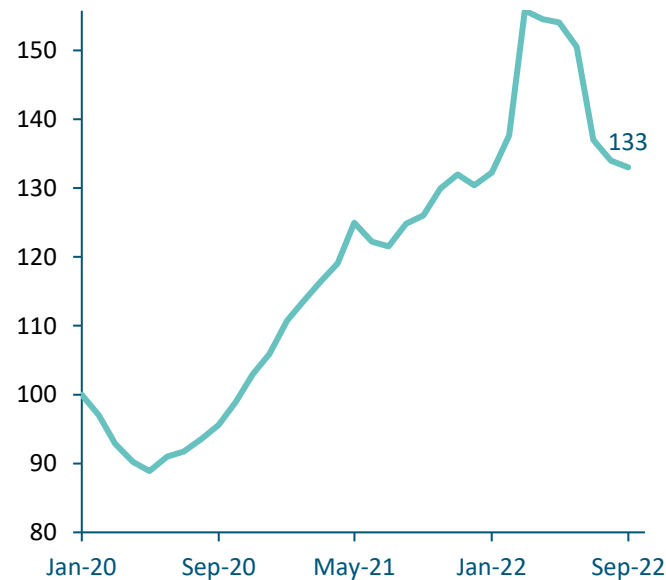
Note: numbers are rounded 7

GROUP – REVENUE & NET INCOME BRIDGE BY BUSINESS



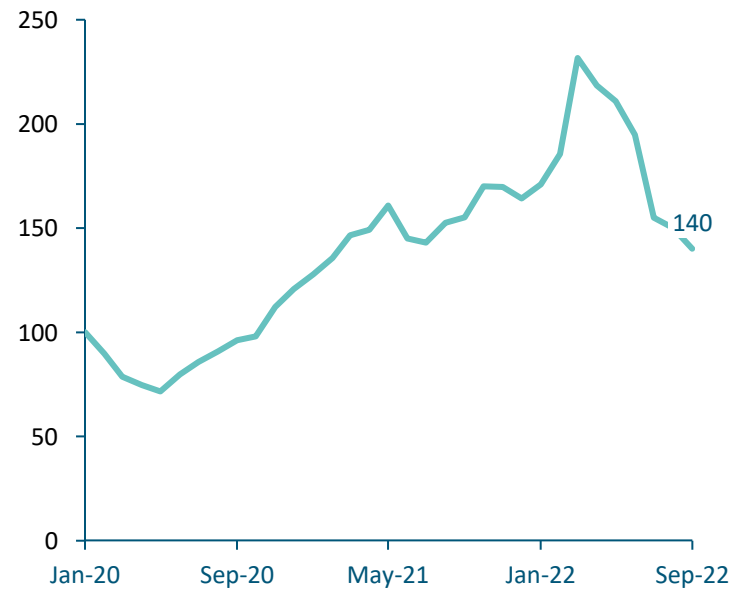
SELECTED COMMODITY SNAPSHOTS (FAO)

FAO Food Price Index (rebased)⁽¹⁾



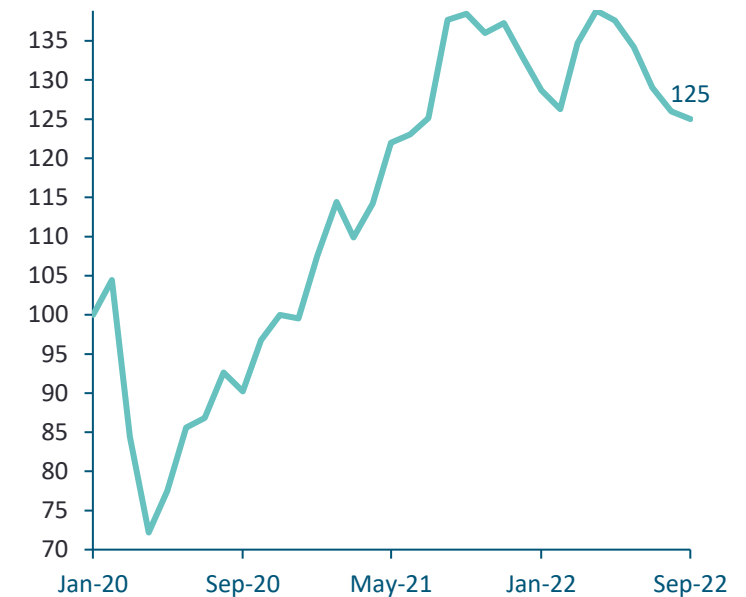
- FAO Food Price Index reached highest level in March since its inception in 1990 last quarter
- Food price index continues to ease led by significant drop in vegetable oils and moderate decreases in those of sugar, meat and dairy products, more than offsetting a rebound in the cereal price sub-index

FAO Vegetable Oils Index (rebased)⁽²⁾



- The sharp rise of the index in Q1 2022 was driven by higher sunflower, palm, soy and rapeseed oil prices due to geopolitical reasons
- After touching all time high in March, oil prices continues to decline driven mainly by palm oil and moderate decline across other categories

FAO Sugar Index (rebased)⁽³⁾



- September decline in international sugar price index, marking the fifth consecutive monthly decline and reaching its lowest level since July 2021
- Q3 decline was mostly related to the good production prospects in Brazil coupled with the weakening of the Brazilian real against US Dollar

Unprecedented price levels were witnessed in Q1 2022 primarily due to the Russia-Ukraine conflict. The market has seen some correction since Q2 2022. However, the sustainability of such trend cannot be ascertained.

Source: The Food and Agriculture Organization of the United Nations (FAO)

(1) Food Price Index consist of average of 5 commodity group price indices (Meat, Dairy, Cereals, Vegetables oils and Sugar) weighted with average export shares of the groups

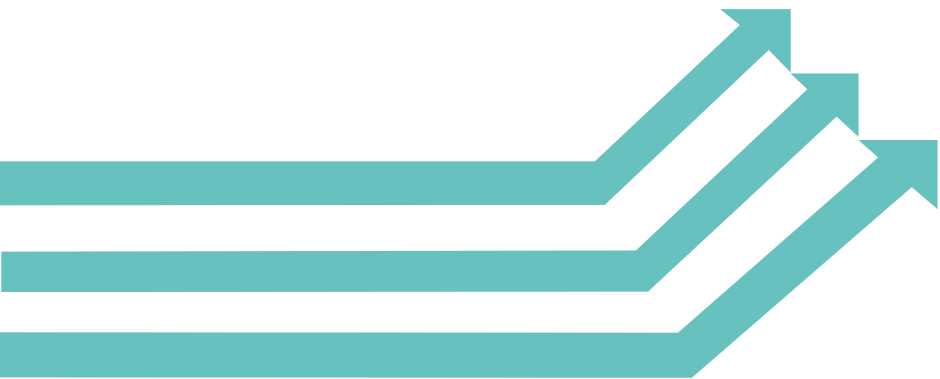
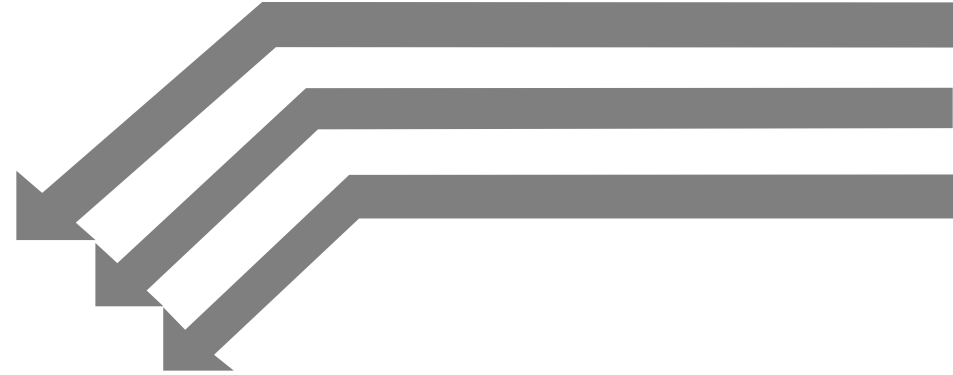
(2) Vegetable Oil Price Index consists of an average of 10 different oils weighted with average export trade shares of each oil product

(3) Sugar Price Index is an index form of the International Sugar Agreement prices

Note: FAO data rebased as of January 2020, numbers are rounded

1. Group Key Financial Highlights

2. Performance by Segment



Panda Retail Company



RETAIL - HIGHLIGHTS

Key Highlights

- Retail segment witnessed slight decline as expected on the back of the continued CXR program and closure of 15 stores as compared to the same period last year

Store Count

- Store count declined to 190 stores in total which includes 4 stores in Egypt

Revenues

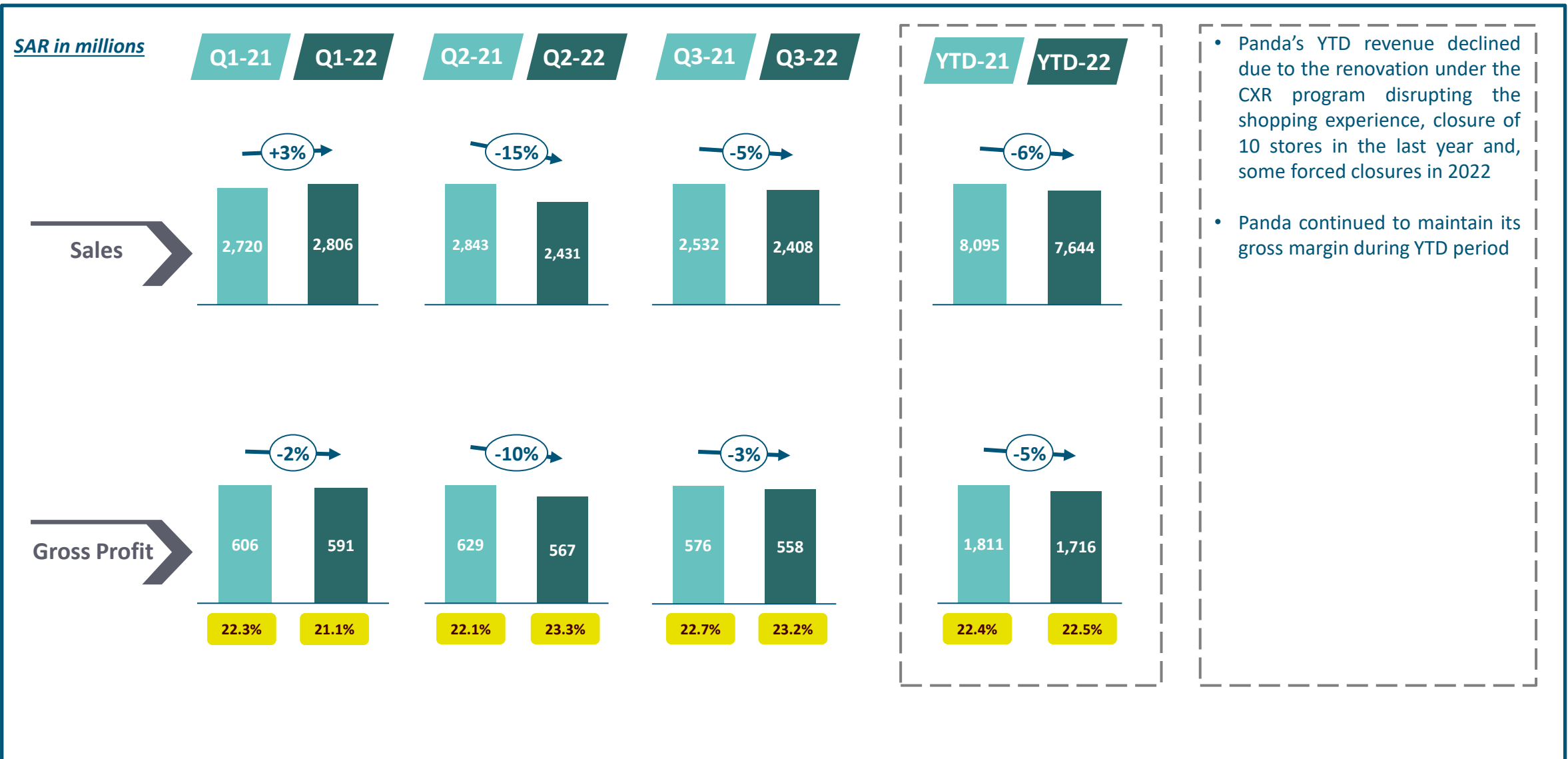
- Panda recorded revenues of SAR 7.6 billion in the YTD period, 6% lower than last year
- The decrease was primary driven by basket size and customer count compared to last year, resulting from the renovation process under the CXR program

Profitability

- Panda reported gross margin of about 22.5% in YTD period in-line with same period last year
- Reported EBITDA of YTD period is SAR 398 million, compared to SAR 481 million last year; the decrease is mainly driven by tickle down effect of lower revenue

RETAIL – CONSOLIDATED FINANCIAL HIGHLIGHTS

Margin



RETAIL – CONSOLIDATED FINANCIAL HIGHLIGHTS

Margin



RETAIL – NUMBER OF STORES

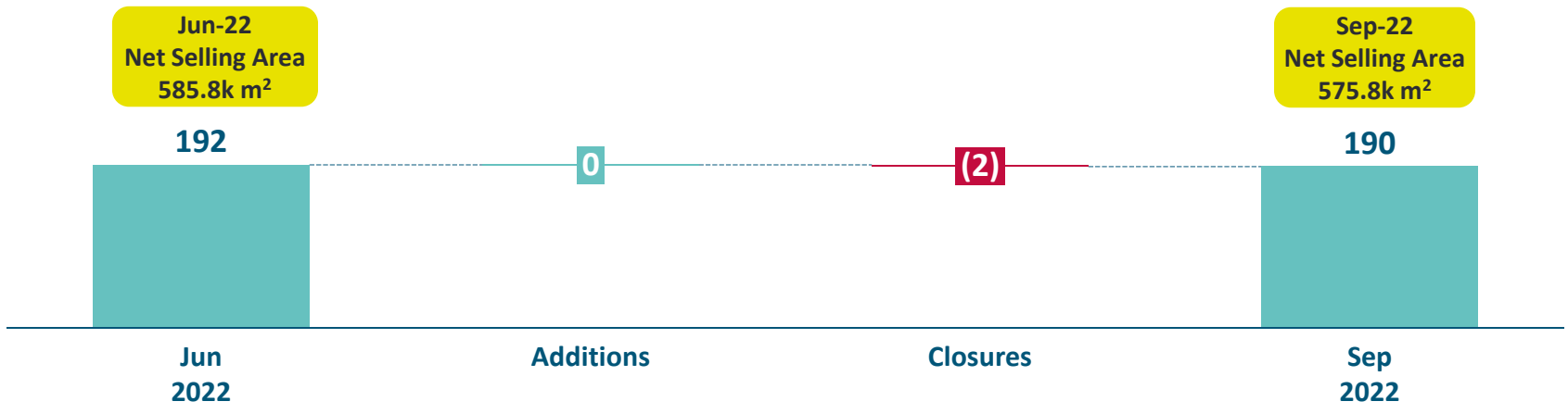
Super



Hyper



Total



Note: By 30th September 2022, total of 15 stores have been closed compared to same period last year. Total stores include 4 stores in Egypt. Selling area in thousands SQM

Savola Foods Company

Key Highlights

- The performance of foods segment continued to show robust growth YoY despite volatile commodity prices and macro challenges. The growth was a function of higher selling prices and thus higher contribution margin per ton
- Sales from new categories of nuts, spices and pulses (NSP) contributed SAR 349 million in the YTD 2022.

Volume

- Foods Processing segment overall volumes remain same in YTD Sep 2022 compared to last year
- Edible oils volumes increased by 8%; Sugar volume declined by 5%. Pasta volumes however declined by 22% due to lower B2C and exports

Revenues

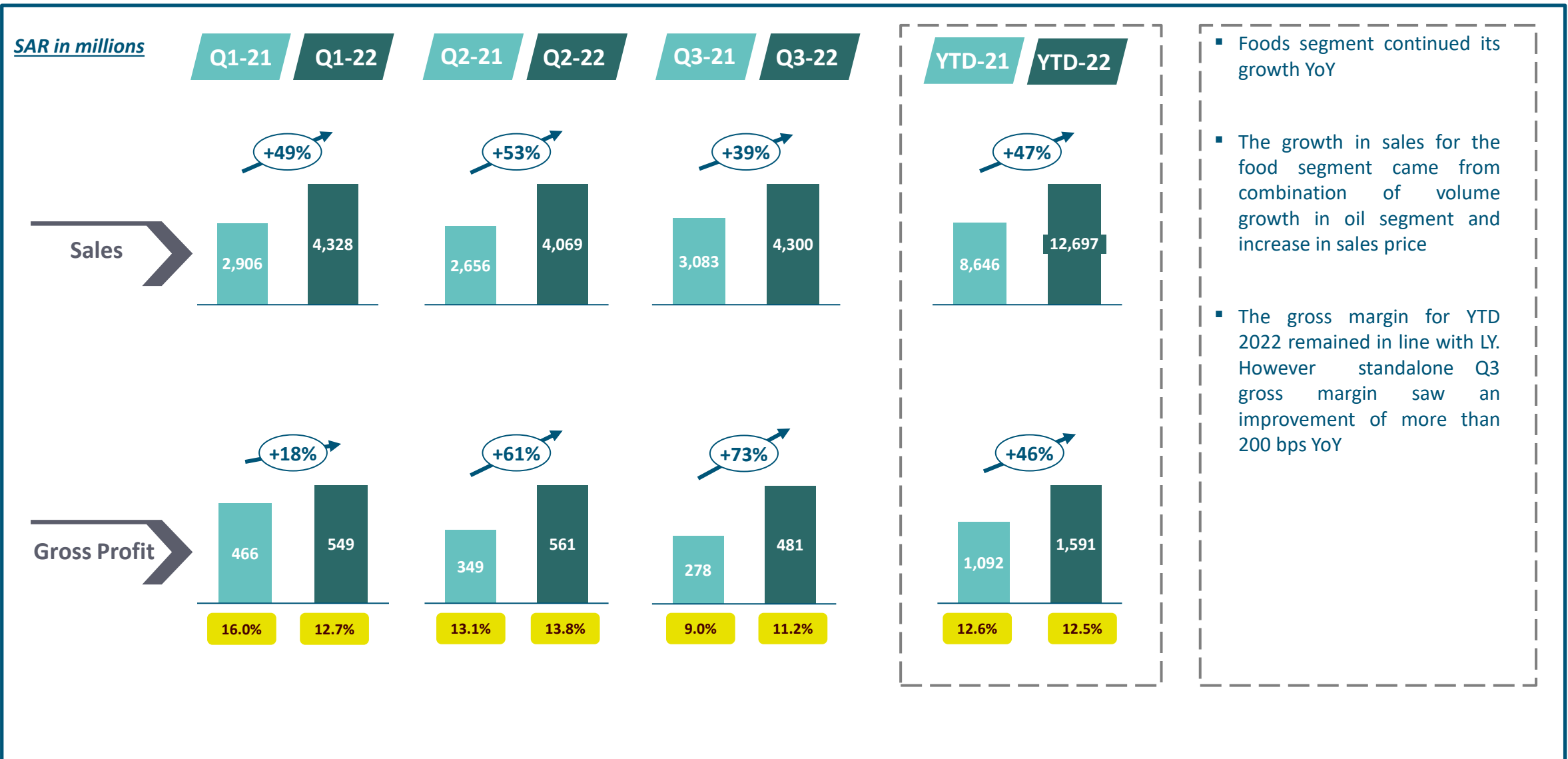
- Revenues increased by 47% in YTD Sep 2022 compared to last year
- The increase was driven by better selling prices and higher volumes in oil segment

Profitability

- Gross profit reached SAR 1,591 million in YTD Sep 2022; YoY growth of 46%
- YTD Sep 2022 EBITDA improved to SAR 1,033 million, 58% higher than last year
- Reported Net Income of SAR 366 million in YTD Sep 2022, 52% higher than last year

FOODS – FINANCIAL HIGHLIGHTS

Margin



FOODS – FINANCIAL HIGHLIGHTS

Margin



Note: numbers are rounded

FOODS – OIL SEGMENT ANALYSIS

SAR in millions

Volume (MT '000)

Revenues

YTD-21

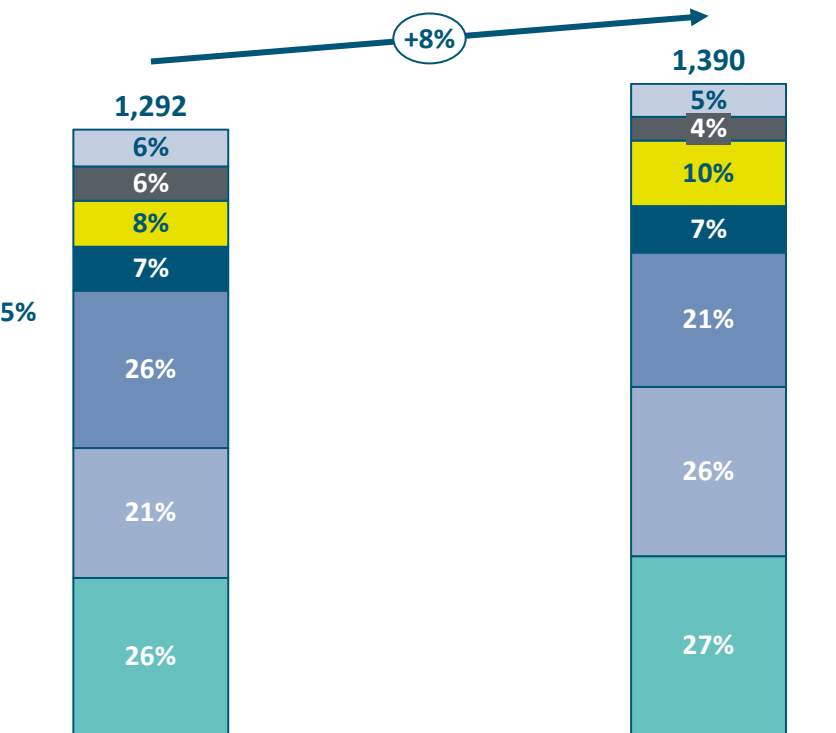
YTD-22

YTD-21

YTD-22

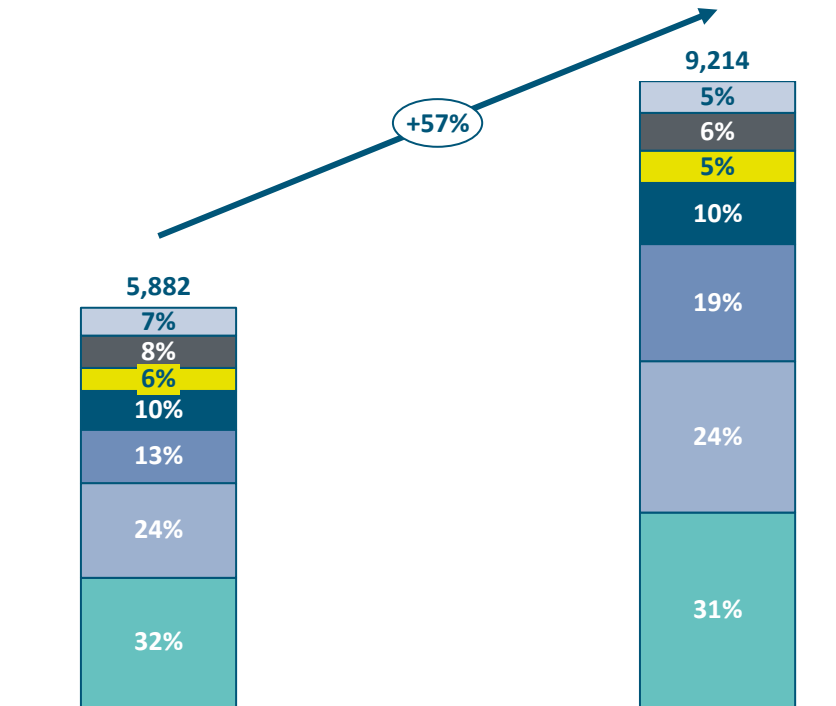
YoY Growth

- Morocco -10%
- Sudan -31%
- Algeria +43%
- Turkey +6%
- Central Asia -15%
- Egypt +31%
- KSA +14%



YoY Growth

- Morocco +12%
- Sudan +17%
- Algeria +41%
- Turkey +58%
- Central Asia +118%
- Egypt +60%
- KSA +50%



Gross Profit / Ton (SAR)

632

820

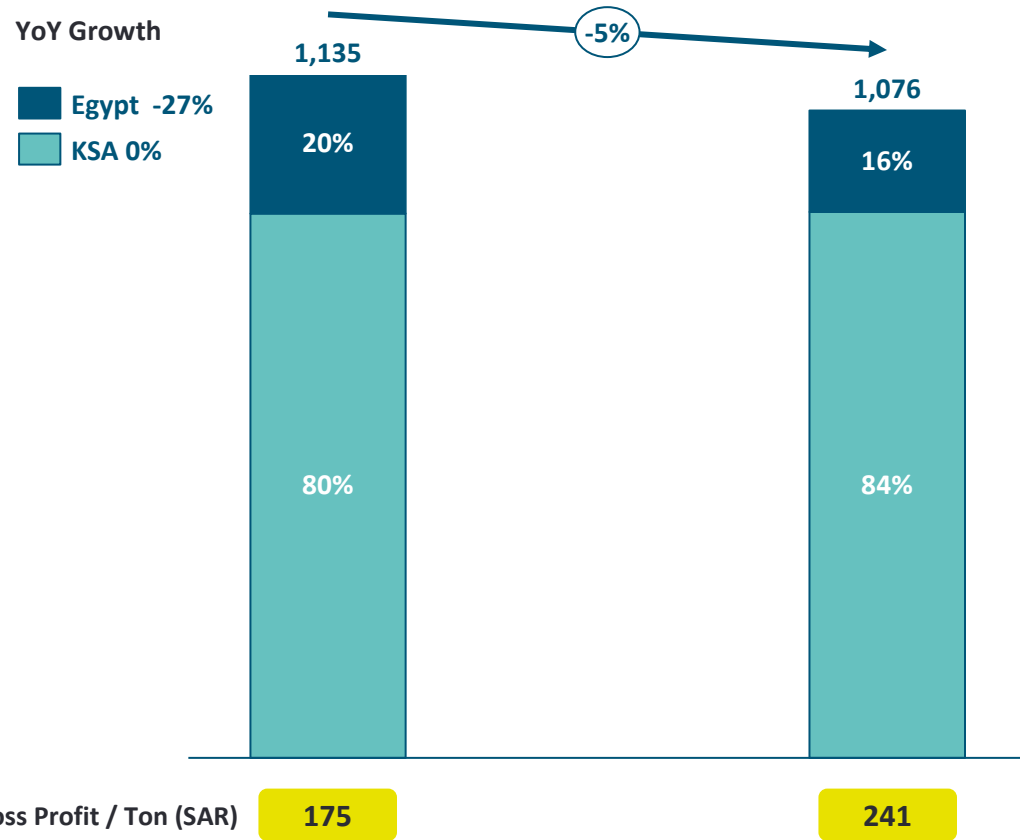
Note:

- 1) Certain comparative amounts have been reclassified to conform with current year presentation
- 2) Oil Segment numbers also include specialty fat numbers – YTD Sep 2021 of c.36 in YTD Sep 22 of c. 40 (in units same as shown in the chart above)
- 3) numbers might not add up to 100% due to rounding

FOODS – SUGAR SEGMENT ANALYSIS

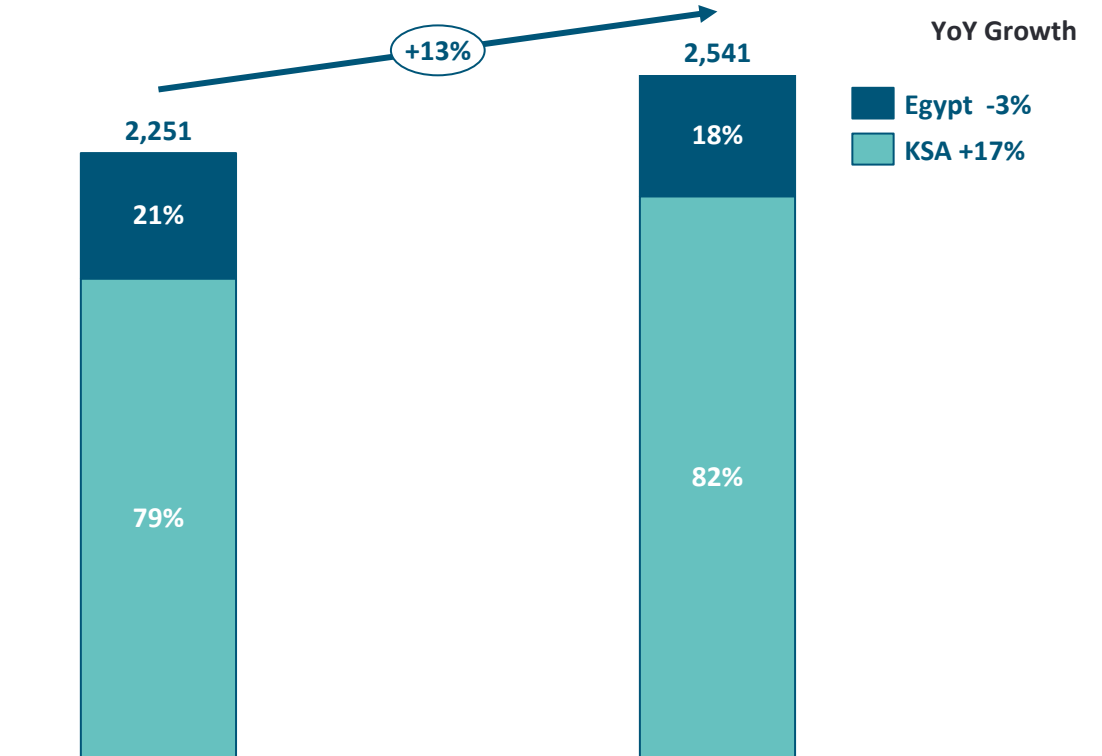
SAR in millions **Volume (MT '000)**

YTD-21 YTD-22



Revenues

YTD-21 YTD-22



Note: Sugar volumes and revenues include only the contribution from our consolidated sugar operations (USC and ASC) and include the net volume and revenue from our KSA sugar distribution operations. Certain comparative amounts have been reclassified to conform with current year presentation

Note: numbers might not add up to 100% due to rounding

Al Kabeer Group of Companies



FROZEN FOOD - HIGHLIGHTS



Key Highlights

- The frozen food segment continued to have a stable performance this year despite high raw material costs, sourcing, and regulatory challenges

Revenues

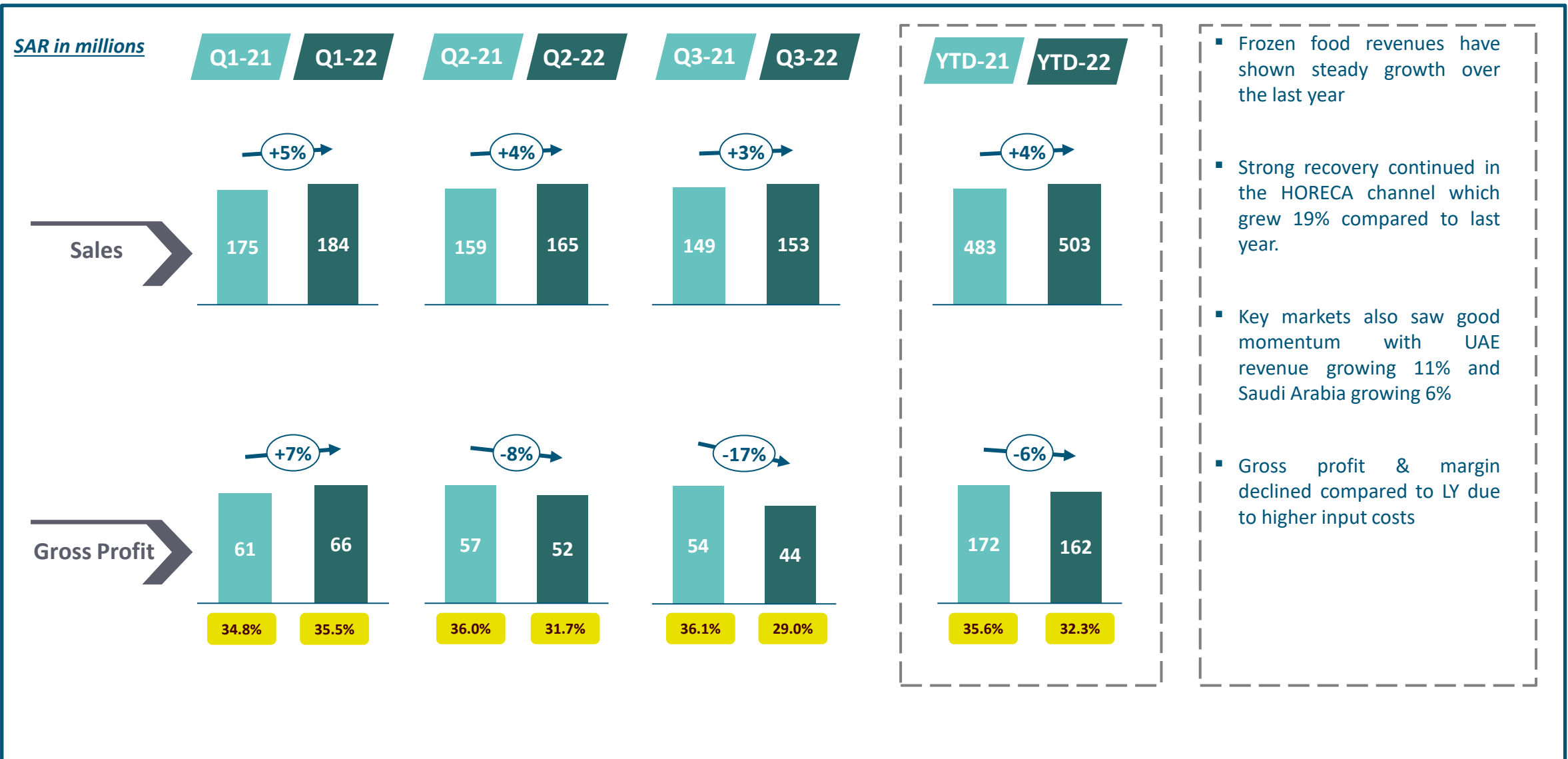
- Revenues registered 4% growth YoY in YTD Sep 2022
- Al Kabeer reported revenue growth across channels and major geographies driven by growth in the HORECA channel as well as the key markets

Profitability

- Gross profit reached SAR 162 million in YTD 2022 (6% lower than YTD 2021) with 32.3% margin
- YTD 2022 EBITDA is SAR 68 million with a 13.5% margin; while net income of SAR 46 million with a 9.2% margin

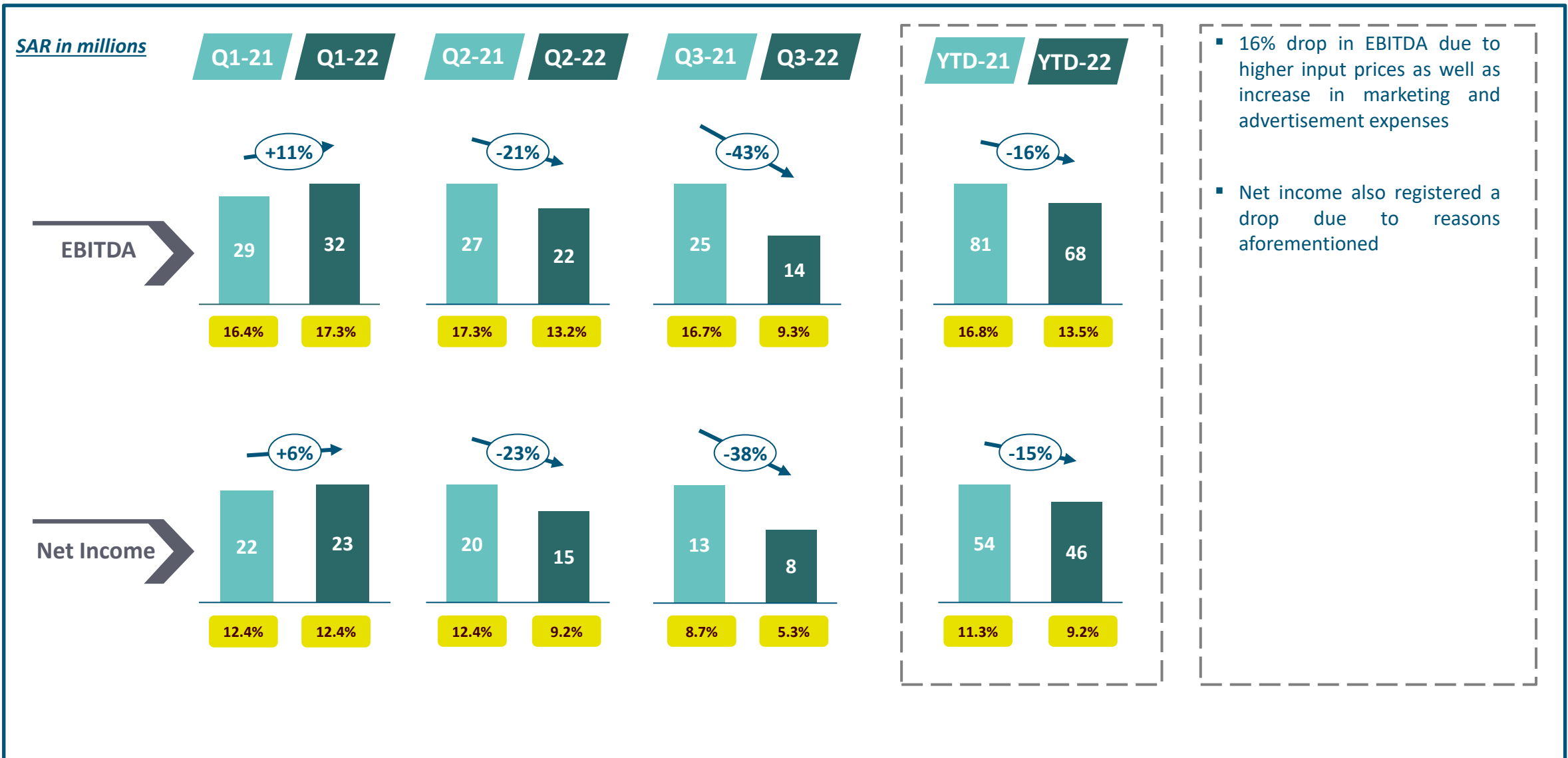
FROZEN FOOD – AL KABEER FINANCIAL HIGHLIGHTS

Margin



FROZEN FOOD – AL KABEER FINANCIAL HIGHLIGHTS

Margin



Financial Summary



FINANCIALS SUMMARY – YTD Sep 2022

(All figures are in SAR millions)

Segment Wise Financials										
	YTD 2022					YTD 2021				
	Revenue	Gross Profit	EBIT	Net Income	EBITDA	Revenue	Gross Profit	EBIT	Net Income	EBITDA
Food Processing*										
Oil-Mature Markets	7,410	1,019	584	265	674	4,486	724	329	167	405
Oil-Other Markets**	1,494	120	49	18	65	1,224	93	32	16	43
Total Oil	8,904	1,140	633	283	739	5,710	817	361	183	448
Sugar	2,545	259	165	68	222	2,251	198	109	60	168
Pasta	431	71	27	19	35	445	63	21	12	32
Nuts, spices and pulses	349	80	(1)	(4)	12	-	-	-	-	-
Emerging Categories***	468	42	12	0	25	240	14	(5)	(14)	7
Total Foods	12,697	1,591	836	366	1,033	8,646	1,092	486	242	655
Retail										
KSA	7,523	1,693	(25)	(176)	386	7,991	1,788	18	(148)	471
Egypt	121	24	5	3	11	104	22	2	1	10
Total Retail	7,644	1,716	(21)	(173)	398	8,095	1,811	20	(147)	481
Food Services (Herfy)	929	216	90	70	209	985	279	136	111	259
Frozen Food (Al Kabeer)	503	162	53	46	68	483	172	66	54	81
Share of profit from associates	-	-	578	578	578	-	-	456	456	456
HQ/Elimination/Impairments	(323)	(3)	(84)	(239)	(58)	(294)	(3)	(75)	(240)	(49)
Total	21,450	3,682	1,453	648	2,228	17,914	3,351	1,089	476	1,883

* All the numbers are rounded for the purpose of presentation and have been represented under different categories

** Other markets include Algeria, Morocco and Sudan

*** Includes IFI KSA specialty fats, Egypt seafood, Central Asia croissant



Thank you