



العيد للأغذية  
ALEID FOODS

# H1 2023 EARNINGS PRESENTATION

September 4, 2023

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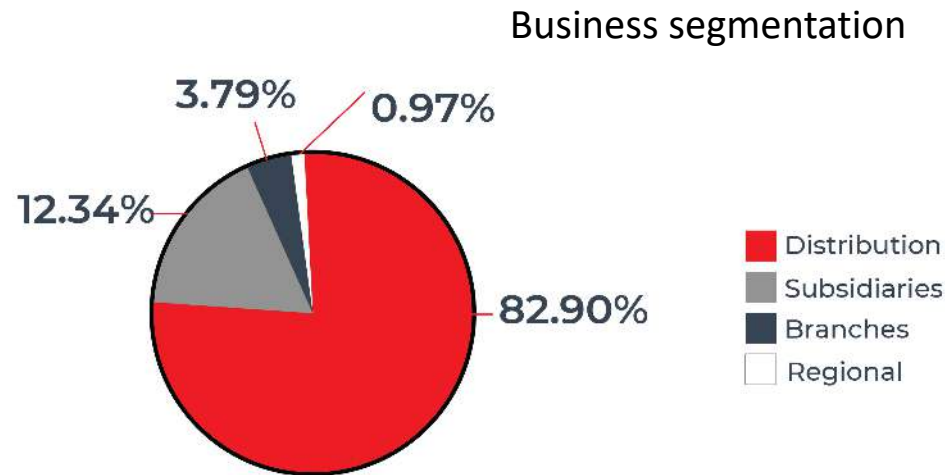
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# Agenda

- Aleid Foods operations dynamics
- Tailwinds H1 2023
- Headwinds H1 2023
- Business performance – H1 2023
- Financial performance
- Aleid Foods share performance
- Geographical footprint and growth drivers

# Aleid Foods Operations Dynamics

- 2023 is our year for initiation and acceleration of the company strategic plans
  - Solidifying our market presence in the frozen foods segment with existing international partners
  - Setting the OKRS and KPIS for the regional growth plans in KSA and new regional expansions
  - Accelerating the operations of the new businesses in food retail sector and cloud kitchen



## Diversification of income generating business segmentation

The newly founded subsidiaries and branches are now contributing 17.1% of the total revenue vs. LY 11.9% with contribution growth of 44%

Distribution segment contribution to business declined -5.2%, however it witnessed growth by 7.3%

# Headwinds H1 2023

## INFLATION

H1 ended with a slight rise in the inflation rate in Kuwait to 3.7%, which is considered the normal average for the market.

## Commodity

Fluctuating prices of the agro products

## Interest rates

Increase in the interest rates

\* <https://tradingeconomics.com/kuwait/inflation-cpi>

# Business performance – H1 2023

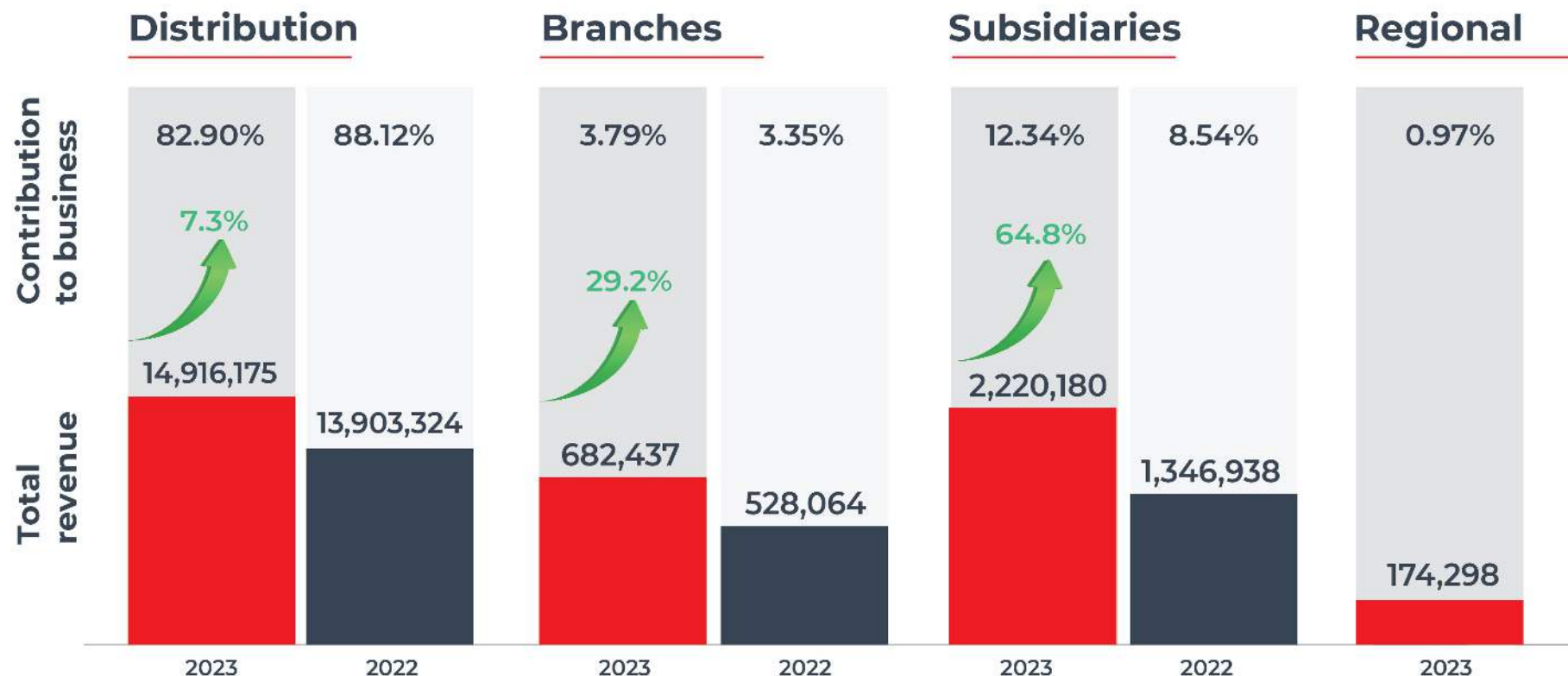
	6M - 2023	6M - 2022	Growth 6M-2023 VS 6M-2022
Total Revenue	17,993,090	15,778,326	14%
Net Profit	1,858,002	1,564,070	18.8%
Net Profit Margin	10.3%	9.9%	4.2%
EBTIDA	2,427,412	2,062,104	17.7%
EBTIDA Margin	13.5%	13.1%	3.2%

## Highlights

- Total revenue growth 14% as per forecast
- Expenses stabilized and profit margins are back to the positive growth



# Business performance – H1 2023 (Cont'd)



## Highlights

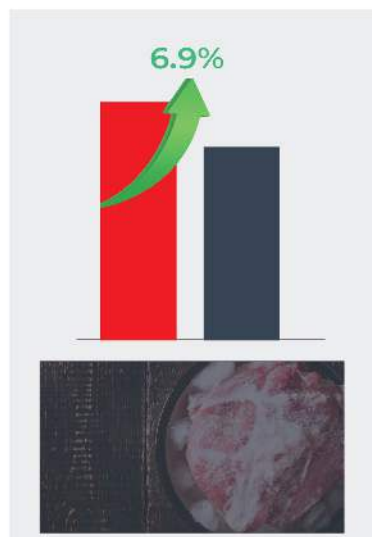
- Distribution segment growth coupled with reduction in its contribution to business is happening as planned
- Branches performance is slower than planned, but starting to pick up
- Subsidiaries established mid 2021, steadily becoming a key player in their segments



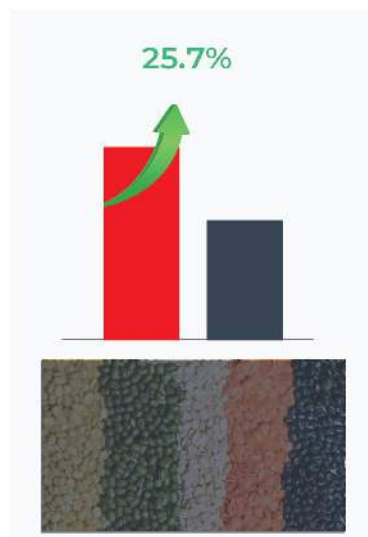
# Business performance – Ye 2022 (Cont'd)

## Distribution segment performance breakdown H1 2023

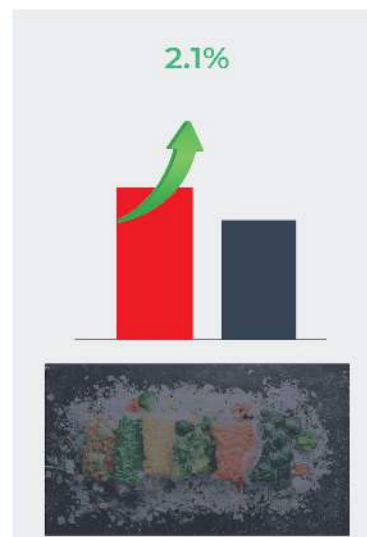
### Frozen meat and poultry



### Rice, pulses, spices and nuts



### Frozen fries and vegetables



### Other



## Highlights

- The frozen fries decline in supply of the same period last year has been solved by the beginning of 2023 reflecting in the segment increase to its healthy levels.

# Financial performance

	2022 Ye	2023 Till June
Working Capital	22,576,897	25,177,646
as % of Revenue	80.1%	139.9%
CapEx	127,642	3,329
To Revenue %	0.5%	0.02%
Free Cash Flow	4,316,919	2,910,954
as % of Revenue	18.8%	12.7%
Net Debt	7,968,584	7,684,589
Net Debt/ Equity	35.5%	32.9%
EBITDA	3,515,383	2,427,412
Net Debt/EBITDA	177.9%	250.6%

# Aleid Foods share performance

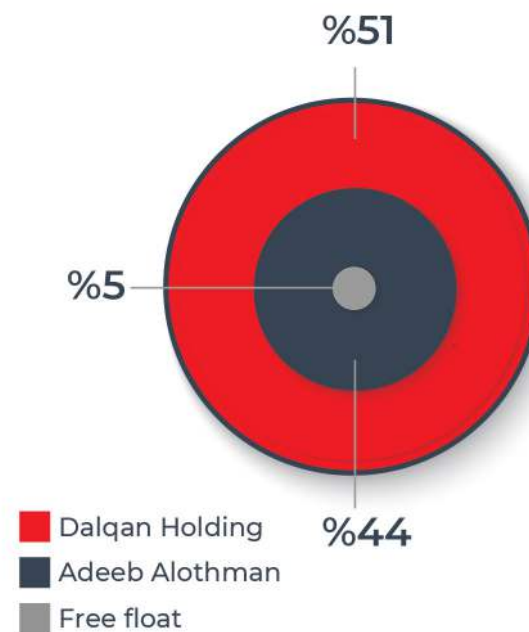
## SHARE PROFIT



## DIVIDENDS



## OWNERSHIP STRUCTURE





March 2022

Announcement

December 2025

Deadlined

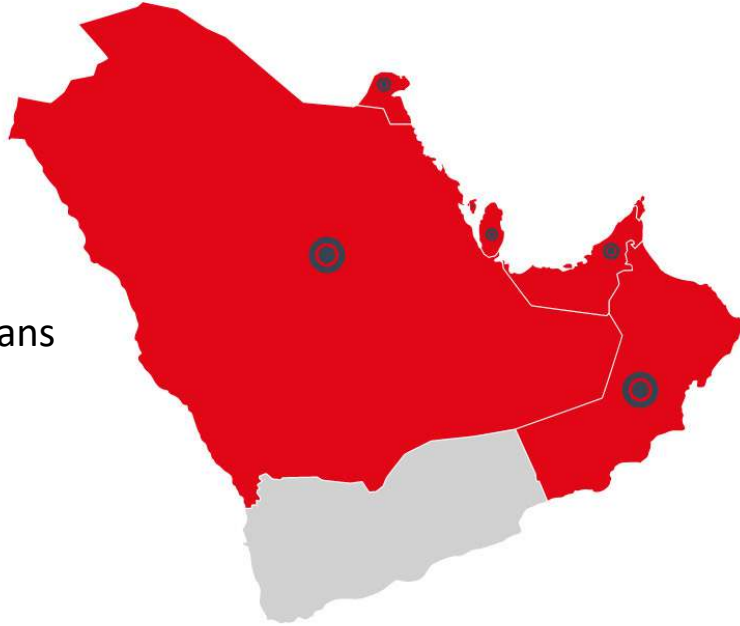
A New Milestone

March 2022, Aleid Foods Regional Expansion Journey Takes Off

Click here for to watch the announcement video <https://bit.ly/3tV9L7t>

# Geographical footprint and growth drivers

Geograph growth plans



Growth in sales  
**109%**   
Y 2025

Contribution per segment

■ Distribution	54%
■ Subsidiaries	16%
■ Branches	8%
■ Regional	25%

**Regional expansion provides the next leg for growth.** Aleid Foods has put emphasis on its regional expansion strategy Goals\_25, which aims for Gulf market expansion and the presence in dynamic and influential cities. The plans kicked off with Aleid Foods Dubai office launch May 2022 mainly to import and re-export foods with specifications matching the Gulf markets. Followed with the establishment of a Riyadh-based company in July 2022, Aqtar Al Khaleej, to be the outset of the company's operational expansion within KSA.



# Q&A



# Thank you

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