The National Agricultural Development Company

Investors Presentation

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Presenting Team

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Agenda

- Outlook
- Financial Performance
- Appendix

Outlook

NADEC was established in 1981 and has a rich history

1981 - 1987
NADEC Establishment and Projects Launch

- **NADEC establishment** with a **SAR 400 Mn capital**
- Launch of **agriculture projects** and **1st dairy factory**

1995 - 2007


Dairy Business Growth

- Production of **1+ Mn liters daily**
- Launch of **2nd factory** for dairy products
- First expansion of **cheese production**

2006 - 2009


Portfolio Expansion

- Start of **intensive olives production**
- **First fresh juice production** to diversify portfolio

2014 - 2017
Investment in Agriculture

- **Investment in 3.2K hectare of farms in Sudan** for feed farming and production

2019
Agreement with ENGIE

- **Power Purchase Agreement (PPA) with ENGIE,** a solar energy production company, **saving 124,000 barrels of fuel annually**

2022


Expansion in Tomato

- Partnership with CEA player to produce **high quality tomatoes**

2022+
Digitization

- **Digitization of processes**
- **Implementation of new ERP system**

2023 - 2027


Today, NADEC is a leading dairy, juice and agri player

Core Products

- 84%

Dairy

- 9%

Juice

- 7%

Agri

Recognition

- **#2 Most Chosen Food Brand in KSA** (Kantar, 2022)
- **#6 Most Influential Local Brand in KSA** (IPSOS, 2022)
- **Recognized by SFDA, amongst top 5 companies in KSA, for providing healthier food solutions in the region (e.g., reduction of sugar and salt)**

Coverage

KSA

- **40,000** Retail Outlets
- **>85%** Households
- **1,000+** Fleet
- **3,000+** Frontline Force

EXPORTS

Overall, NADEC aims to more than double its revenues and become a SAR 6.0 Bn company

SAR 2.6 Bn

2022

Dairy & Juice, Agriculture

2027

Total Food Company

SAR 6.0 Bn

Moving forward, NADEC will transform into a total food company

TARGET

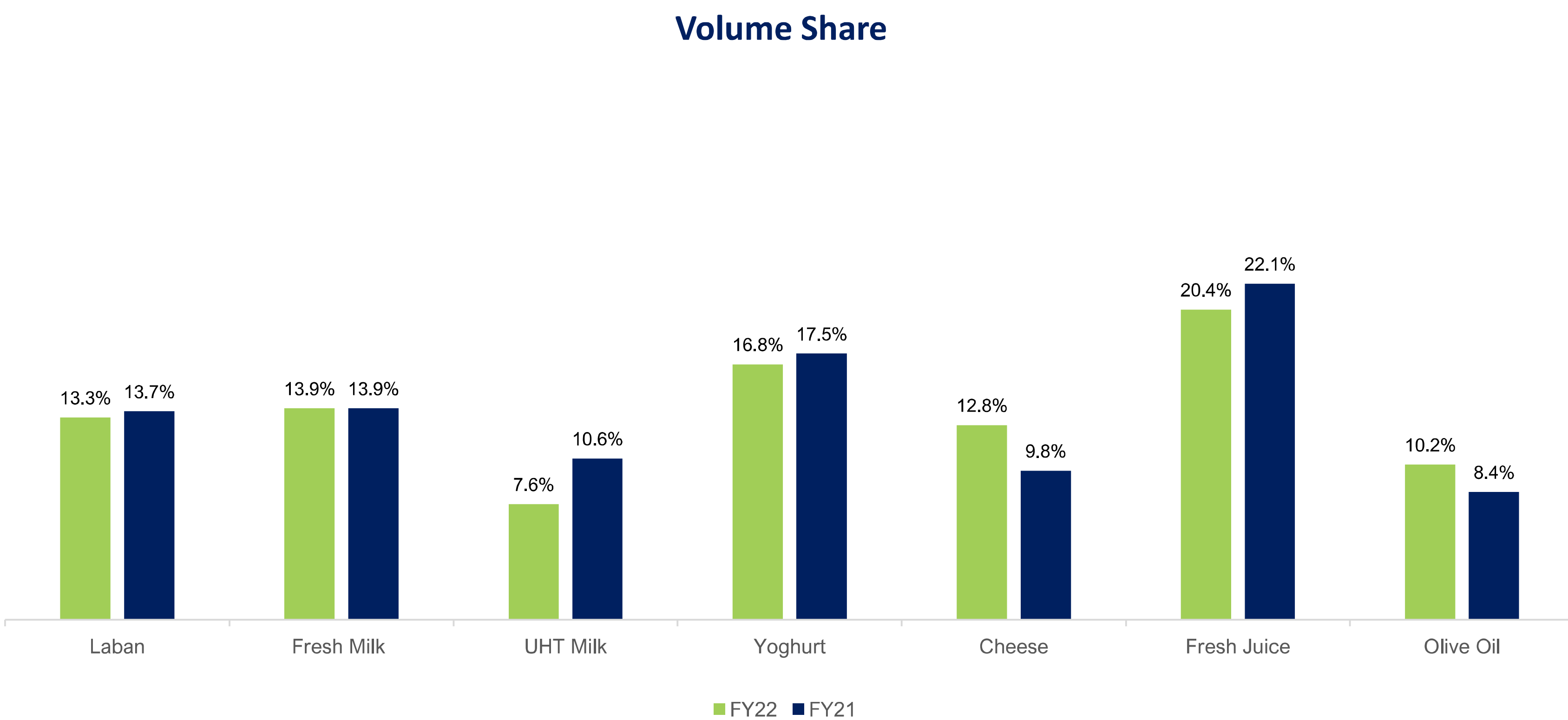
Total Food Company

01 Expand production, distribution and portfolio to solidify NADEC's position in **Dairy and Juice** and deliver sustainable profitable growth

02 Work with local farmers to provide a **large basket of high-quality produce** to consumers

03 Enter the **Red Meat** sector to provide high-quality, ready-to-cook products to consumers

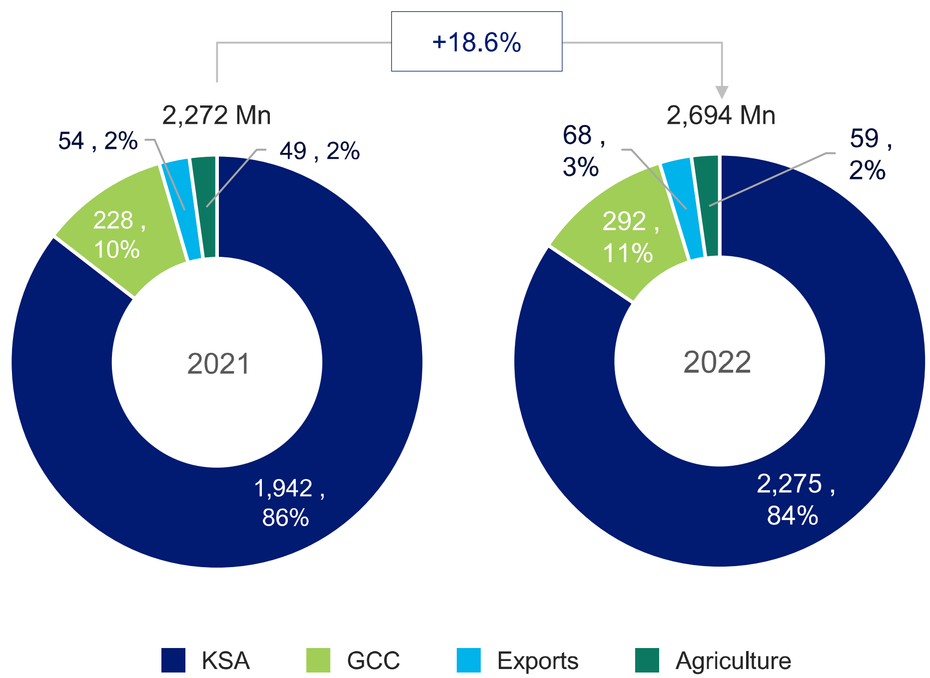
Nadec Market Share (in %)

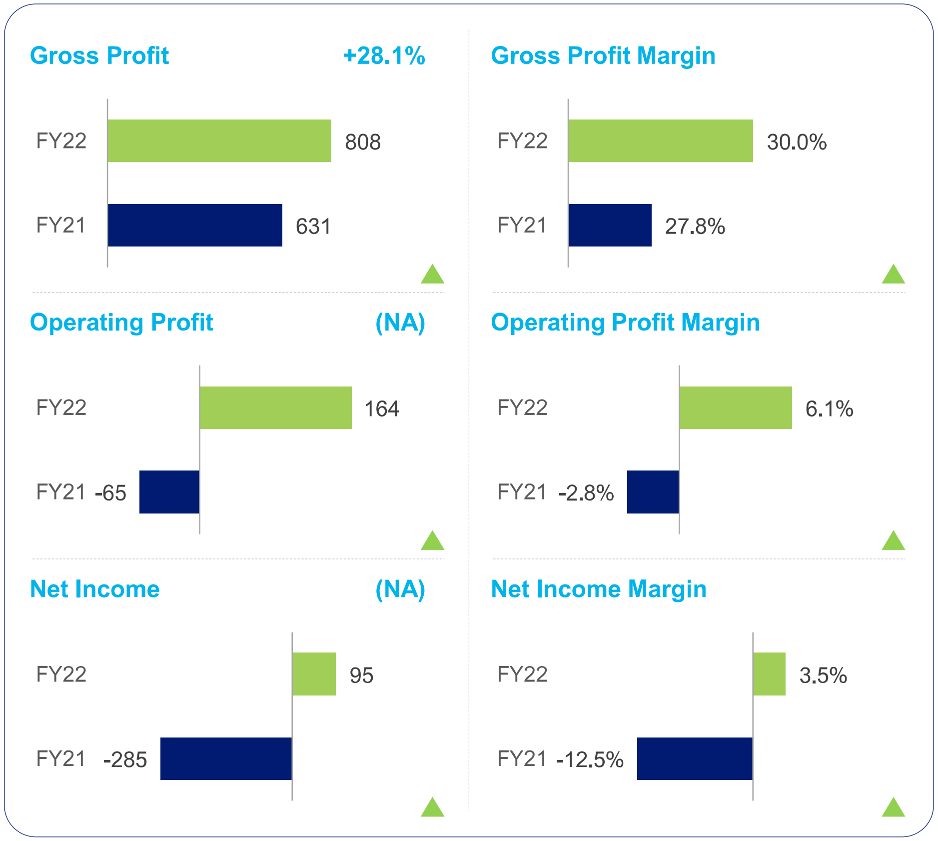


Financial Performance

Financial Highlights

Revenue by Segments

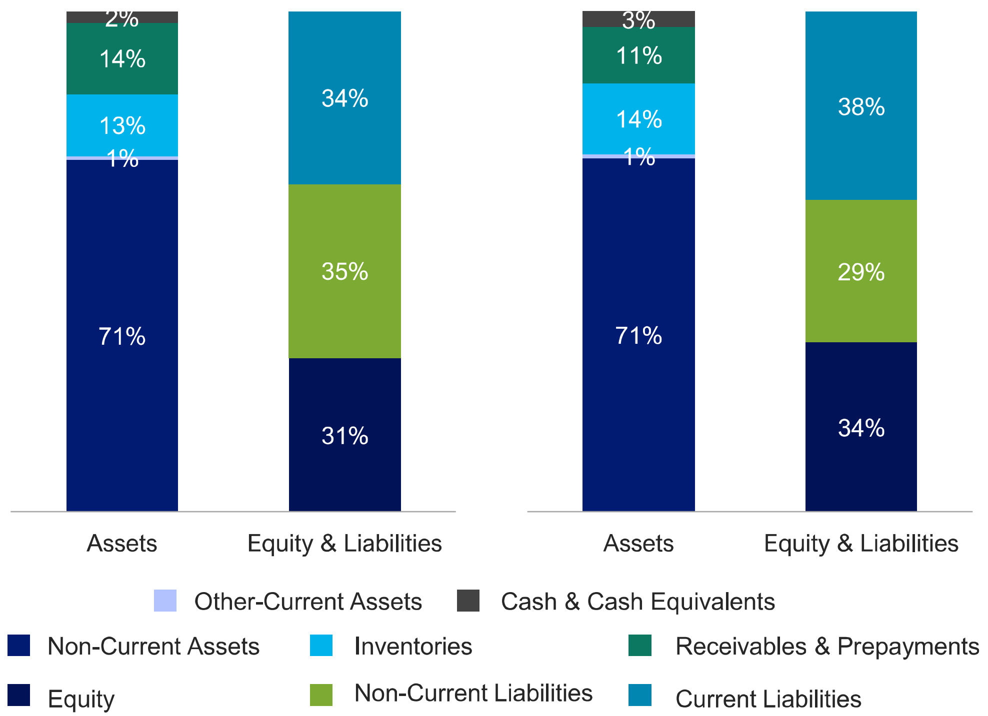


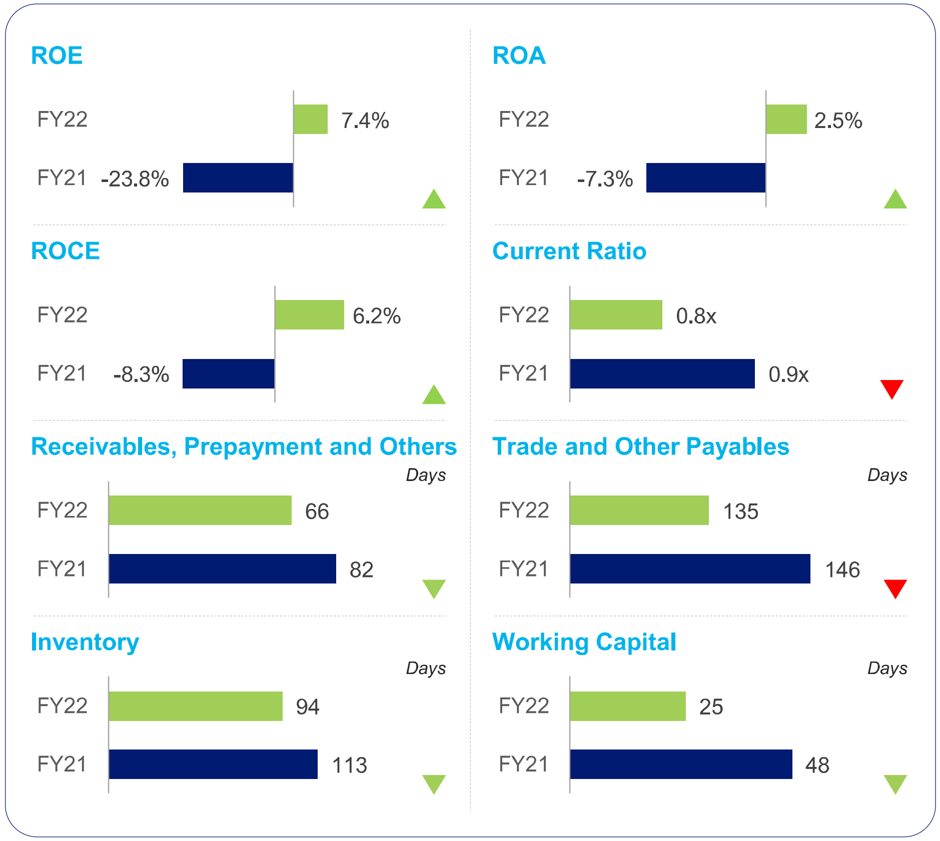


Balance Sheet

FY21
Total Assets: SAR 3,890 Mn

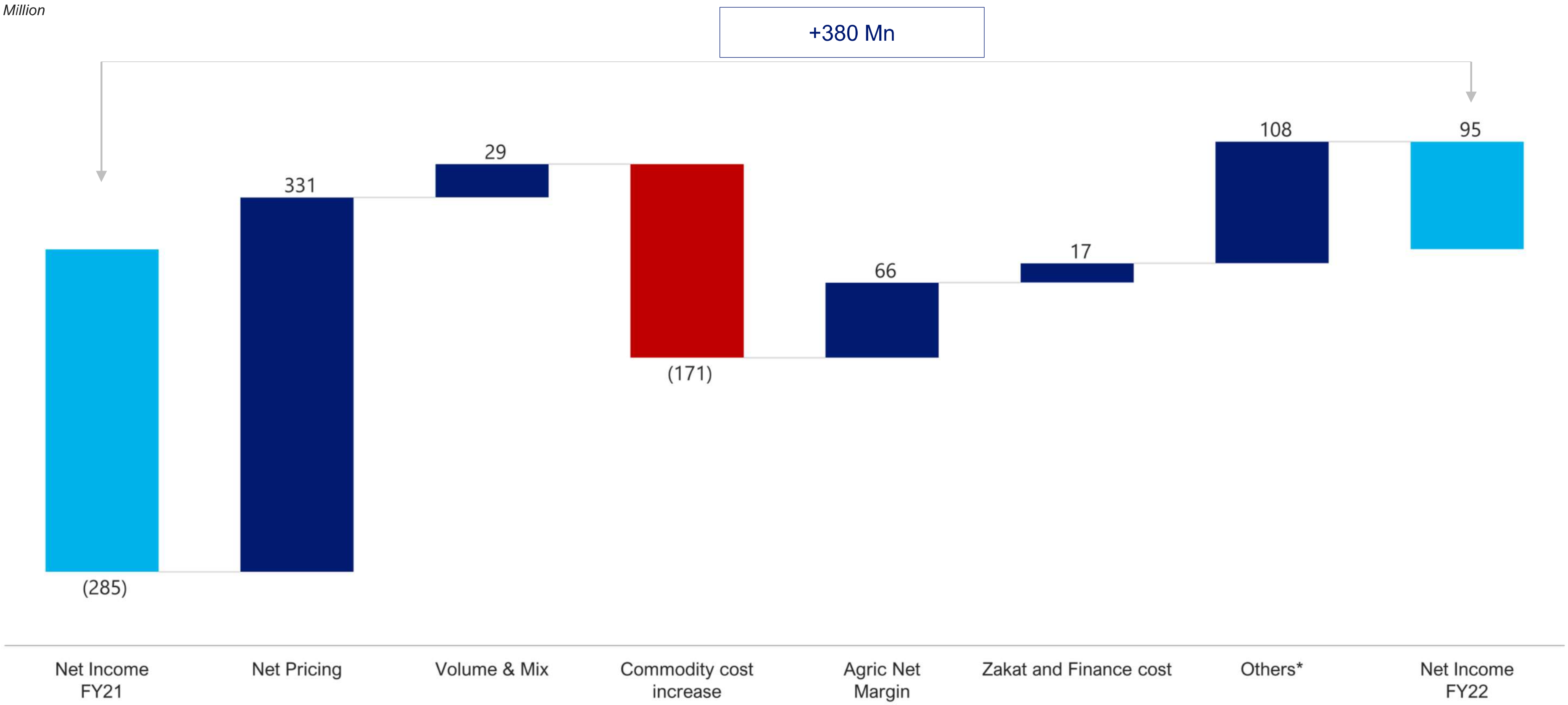
FY22
Total Assets: SAR 3,822 Mn





Net Income Bridge

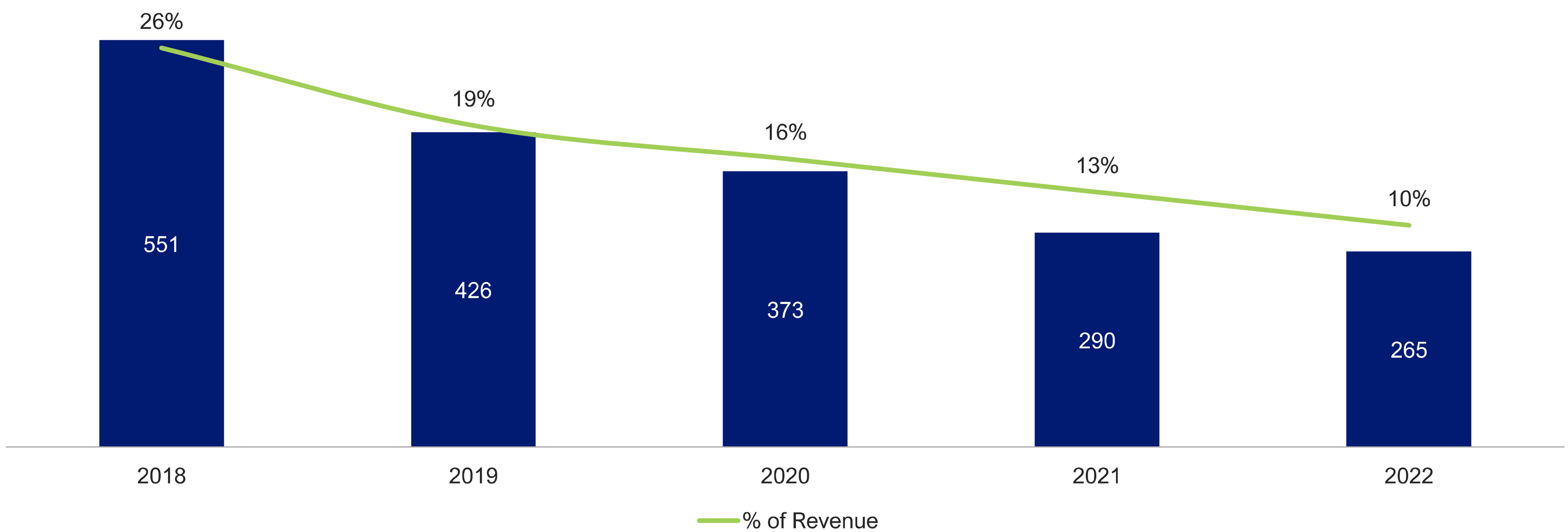
SAR Million



*Others includes the one-off items i.e. Write off/ Impairment losses on Property, Plant and Equipment and Capital work in progress.

Working Capital

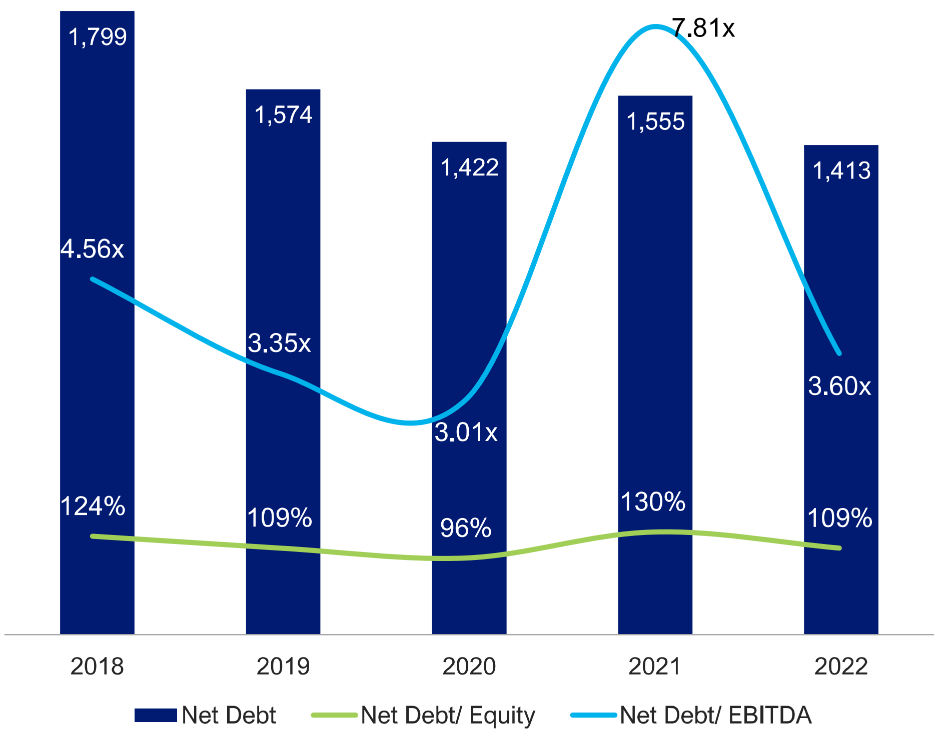
SAR Million

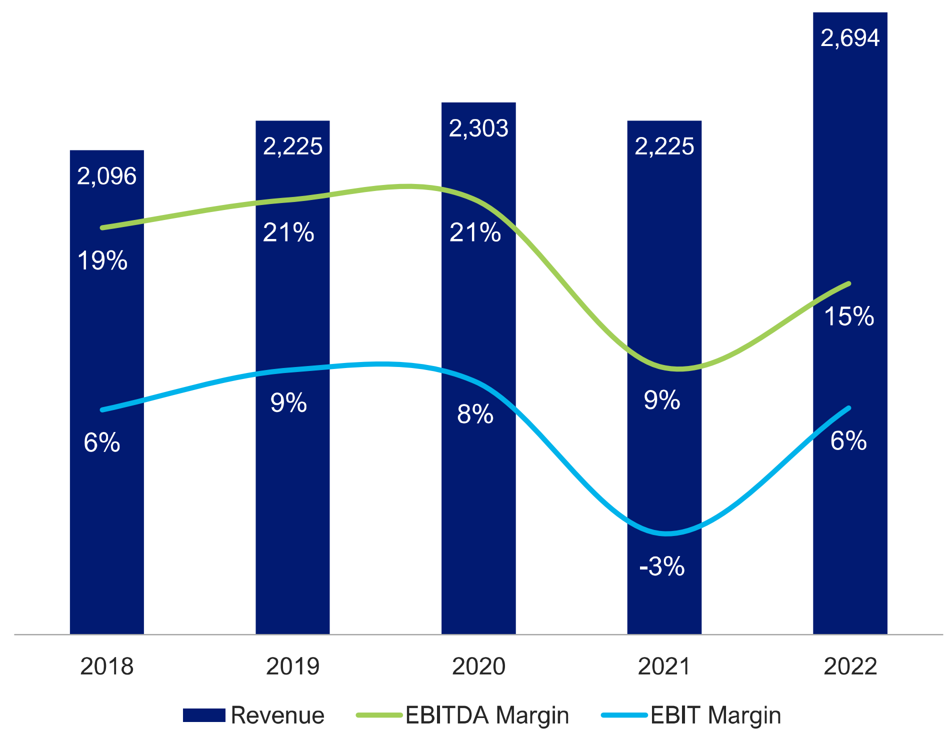


	2018	2019	2020	2021	2022
Days of Inventory outstanding (DIO)	154	145	124	103	100
Days of Sales outstanding (DSO)	76	71	70	91	58
Days of Payable outstanding (DPO)	(122)	(147)	(140)	(163)	(131)
Working Capital (Days)	**108**	**69**	**54**	**31**	**26**

Net Debt and EBITDA/ EBIT Margins Trend

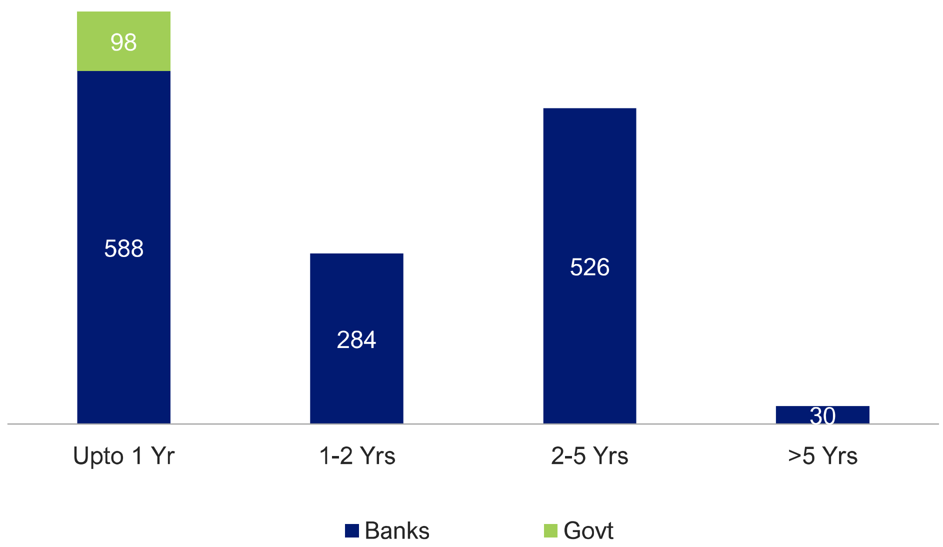
SAR Million

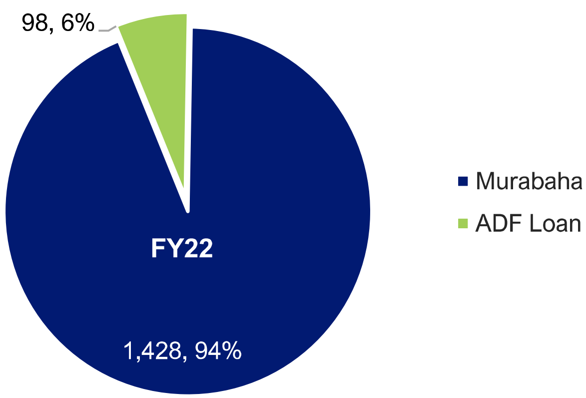


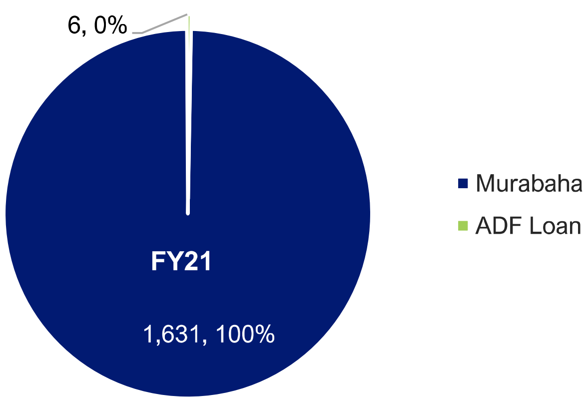


Debt Maturity Profile – Average debt tenure at 2.5 Years

SAR Million







Appendix

Income Statement

SAR million

Income Statement	FY22	FY21
Revenue from Operations	2,694	2,272
Cost of Good Sold	1,886	1,641
Gross Profit	**808**	**631**
Selling General & Admin Exp.	632	637
Other Operating Expenses*	30	207
EBITDA	**375**	**50**
Depreciation	228	264
Operating Profit	**147**	**(213)**
Finance Cost	49	32
Share of Profit in JV	3	0
PBT	**101**	**(245)**
Zakat	6	40
Net Income	**95**	**(285)**

*Other operating expenses includes Provision for Bad Debts; R&D Expenses; Other Operating expenses; Provision and Write-offs

Summarized Balance Sheet

SAR million

Balance Sheet	Dec 31, 2022	Dec 31, 2021
Non-Current Assets	2,707	2,745
Current Assets	1,115	1,145
Total Assets	**3,822**	**3,890**
Non-Current Liabilities	1,090	1,364
Current Liabilities	1,437	1,330
Total Liabilities	**2,527**	**2,694**
Shareholders’ Equity	**1,295**	**1,196**
Total Shareholders’ Equity and Liabilities	**3,822**	**3,890**

Cash Flow Statement

SAR million

Cash Flow Statement	Dec 31, 2022	Dec 31, 2021
Net Profit/ (Loss)	95	-285
Adjustment for Non-Cash and Non-operating Items	382	610
Cash Operating Profit	**477**	**325**
Changes in working capital	(1)	(41)
Zakat Paid	(1)	(1)
Employee Benefits Paid	-23	(28)
Cash Flow from Operating Activities	**452**	**256**
Acquisition of PPE, Intangible and Biological Assets	(304)	(362)
Proceeds from sale of PPE and Biological Assets	61	88
Investment in Equity	0	(51)
Cash Flow from Investing Activities	**(243)**	**(325)**
Proceeds from Loans and Borrowings	146	370
Repayment of Loans and Borrowings	(264)	(223)
Other Cashflow from financiang activities	(59)	(65)
Cash Flow from Financing Activities	**(178)**	**82**
Net Change in Cash and Cash Equivalents	**31**	**13**

Thank you