

PRESS RELEASE

Sales and profit resilience demonstrated despite an adverse landscape

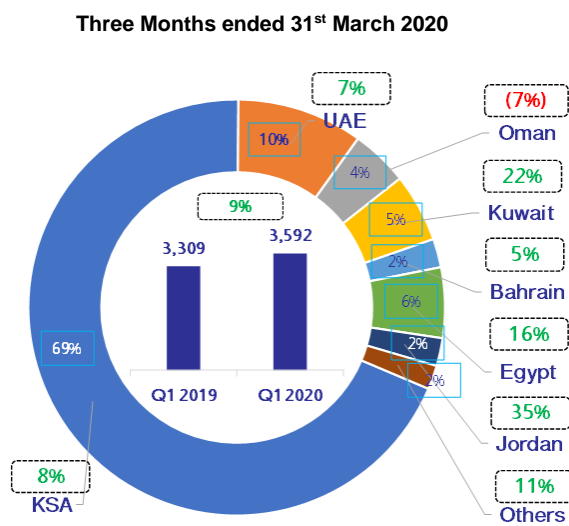
- Almarai's operating model adapted to sustain the challenges of the COVID-19 pandemic, to secure the health and safety of its employees and maintain availability of quality products to the consumers
- Strong dairy food and long-life dairy sales, driven by higher sales in modern trade channel, improved year on year performance by 8%
- Bakery business profit grew by 21% due to fixed cost leverage and higher sales growth of 3%
- Poultry sales grew by 12% due to strong demand in retail channel and better sales performance in food services channel

Riyadh, Saudi Arabia, 5th April 2020: At the outset of the COVID-19 pandemic, Almarai has revisited its operating model to maintain its "Quality you can trust" commitment to its consumers whilst being an integral part of the National food security and understanding that "Our responsibility is bigger". During this uncertain and challenging period, Almarai remains committed to proactively implementing all government guidance and protect our consumers and employees from any possible harm.

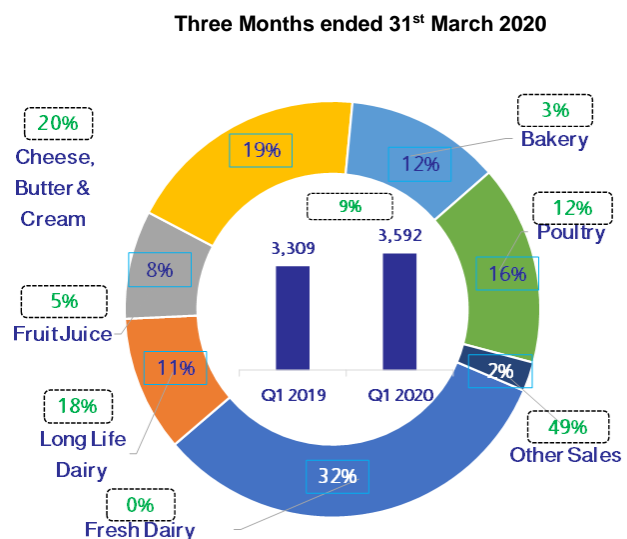
Almarai Company ("Almarai" or the "Company") has announced for the first quarter revenues of SAR 3,592 M a 9% growth year-on-year. Gross profit growth of 8% was driven by top line growth dented by higher feed mix and ingredient costs, mainly for the fresh dairy and juice categories. Operating costs were largely in line with volume growth with at this stage limited effect from the developing situation. Lower finance costs resulting from a deleveraging effort and improved sales efficiencies assisted to a net income growth of 14% over Q1 2019. Free cash flow generation was hampered by deteriorating credit conditions.

Almarai sales results for the first three months ended 31st March 2020 compared with the same period last year highlights the improved performance across all categories and geographies, except Oman.

Revenue by product category (SAR million)



Revenue by geography (SAR million)



YoY%/(YoY%)