

INVESTOR'S BRIEFING

Farhan Rizvi

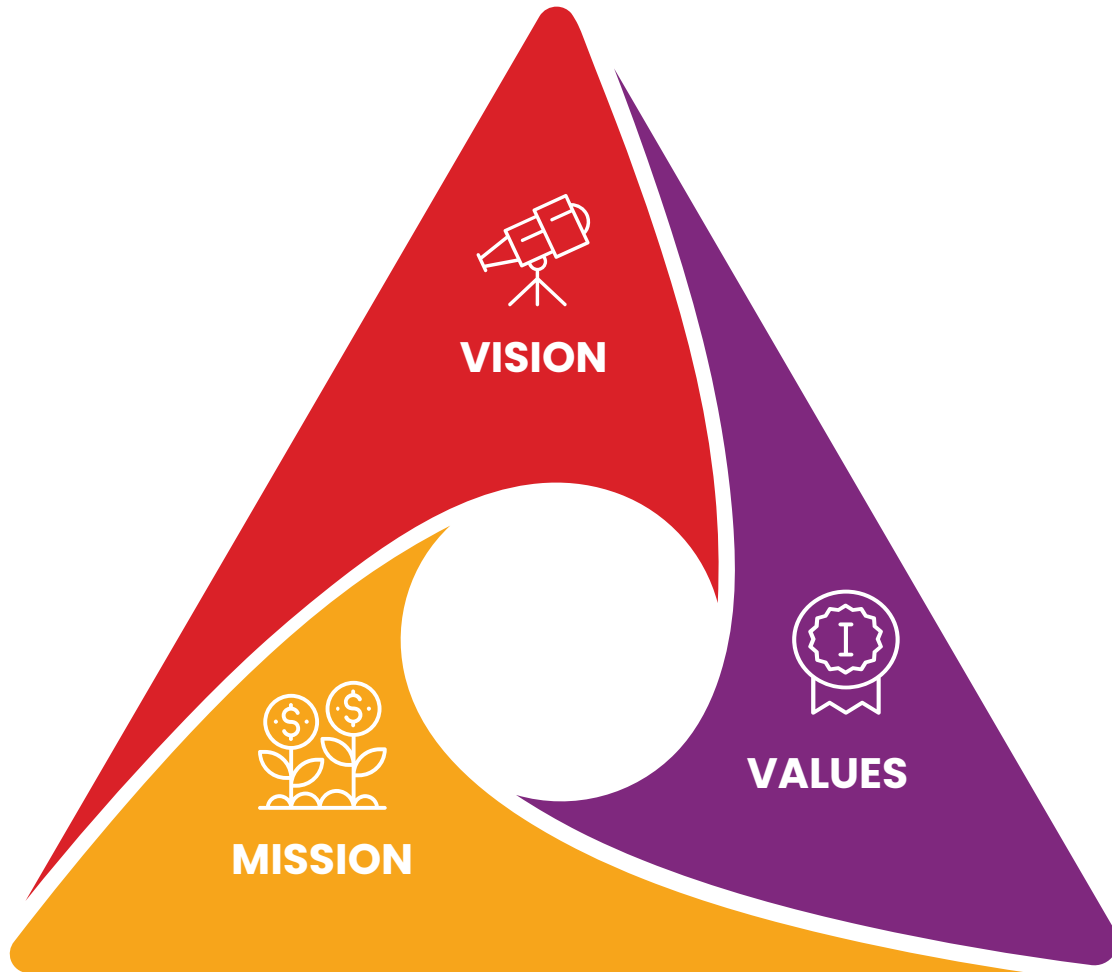
20th October 2023



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Vision | Mission | Values



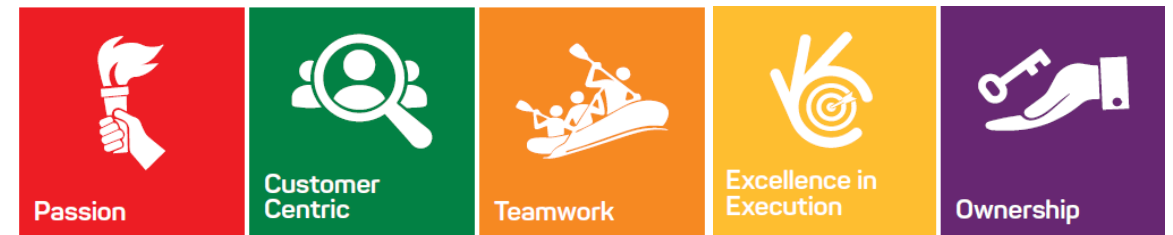
VISION

Creating food that enriches the lives of people everywhere.

MISSION

We will achieve our vision by designing and manufacturing food and related products, conforming to international standards and guidelines for nutrition, health, wellness and quality, bringing joy and happiness to people everywhere.

VALUES





Founders & Board of Directors



MR. ZAHID MAJEED
Chairman



MR. ABRAR HASAN
Chief Executive Officer



MRS. NOREEN HASAN
Non-Executive Director



MR. ADAM FAHY MAJEED
Non-Executive Director



MR. EHSAN ALI MALIK
Independent Director



MRS. SAADIA NAVEED
Non-Executive Director



MR. ALI H. SHIRAZI
Independent Director



Pakistan's Leading Multi Category Food Company



PKR 64Bn

Net Sales

7x

In last decade

PKR 5.5 Bn
Operating Profit

5x

In last decade

AA-/A1

Credit Rating
issued by PACRA

05 Offices

05 Continents

40 Countries

Geographical presence
of the group across the
world

Annual CSR Award

11th Annual
Corporate Social
Responsibility Award

10 Categories

200+ SKUs

**BRC | SEDEX |
HALAL Certified**

Quality remains
cornerstone of our
entity

SAP S/4 HANA

Integrating our systems with SAP S/4 HANA,
the latest ERP business suite for large
conglomerates.

In House Company Day-Care

Company joined hands with Ubuntu Care,
experts in daycare services for children



Portfolio



Culinary Division



Recipe Mixes

Seasonings

Spices & Ingredients

Salt

Condiments Division



Ketchup

Chinese

Desserts

Jam & Jellies

Pickles

Mayo



Innovation at the Core



1970

Branded Salt

National Foods
Limited
Branded
Spices

1981



1994

Branded Pickle

Ketchup, Jam & Jellies
+1 Billion Sales

1997-98



2001

National
Desserts

Mayo
+30 Billion Sales,
+1 Billion Profit

2018



2022

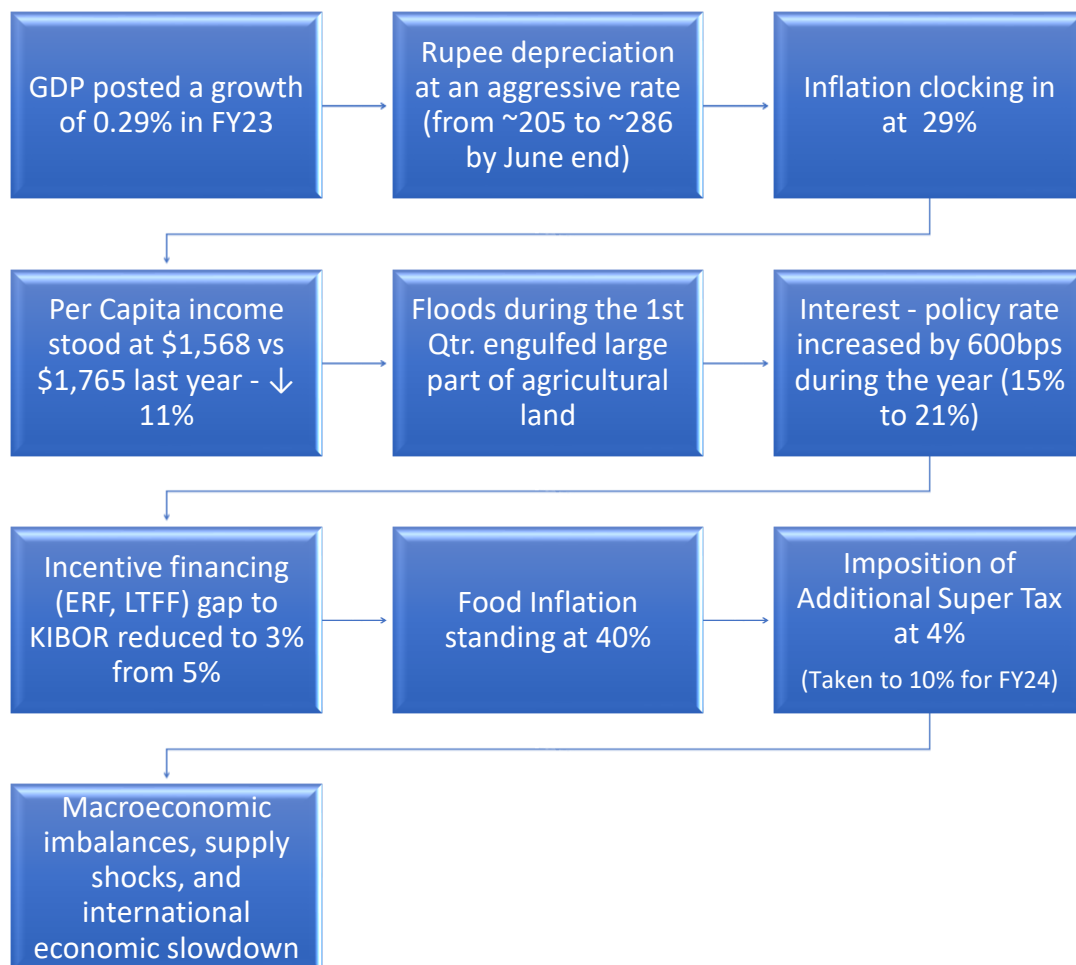
+50 Billion
Sales



Hard-fought FY 2023



MACRO SOCIO-ECONOMIC FACTORS



KEY STRATEGIES DEPLOYED

- Revenue transformation in Condiments division – enabling complete turn around in operating profitability.
- Volumes struggled on back of inflationary impacts causing reduction in disposable income of the consumers.
- Transformations activated in distribution locally to optimize costs while not compromising on the quality and depth of distribution – these include margin structure revision & change in credit policies.
- Pro-active buying of commodities enabling cost advantage during the year.
- Cost transformation Project activated yielding **0.6b** to the PL
- Inroads successfully done in Food Service Division - KFC & Cheezious major achievements.
- Successful acquisition and integration of Torbram store for **A-1 Cash & Carry** during the year – A-1 now has a total of 6 stores.



Core Highlights of FY 2023



- 2 Business Divisions: **Culinary & Condiments**
- **SAP S4 HANA** Implementation in progress
- **Faisalabad Expansion (Phase 1)**
- **Dignity at NFL** – To report concerns



- **64Bn** Net Sales posted **↑ 41%**
- PAT of **3.2Bn** (32% growth)



- Venturing into more than **40 Countries**
- **Condiments** turnaround, Operating profit **↑ 319%** (Margin rationalization)



- A-1 now has a contribution of **53%** in **Group Net Sales**
- **E-Commerce** posted Revenue of **417M**
- **E-Commerce** channel grew by **254%**



- Distribution Hub setup in Canada
- CHRO, COO International & Director IT onboarded



- Exports remained a challenge in **FY23**
- International Division revamped with business expansion plans in the pipeline
- Foreign loan paid off



Steady Financial Achievements FY 2023



Revenue

FY23 Growth

35%

80bn

Revenue

Operations

Operating Profit

5.5 bn

9% of NSV

+49%

Growth vs LY

Profit

Profit After Tax

Rs. 3.2 bn

5% of NSV

+32%

Growth vs LY

Earnings

Earning per Share

Rs. 13.8

+32%

Earning Per Share vs
FY22



Steady Financial Achievements FY 2023



Cash

Operating Cash Flow

2.9 bn

+1.5 bn

Operating Cash Flow
vs FY22

Net debt

Gearing ratio

42%

9.7 bn

Total debt

Investing CF

Spend % NSV

5.7%

3.7 bn

Capital spend



Financials FY 2023



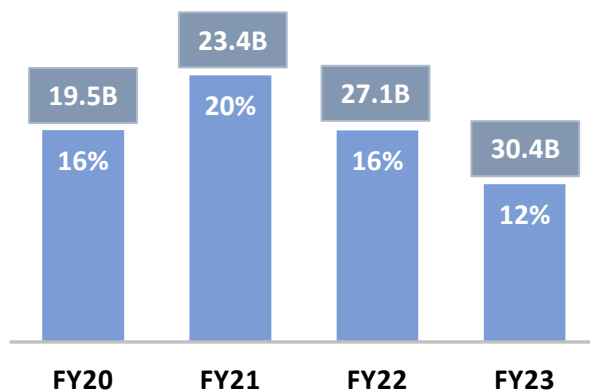
Core Business FY23

Net Sales 30.4Bn

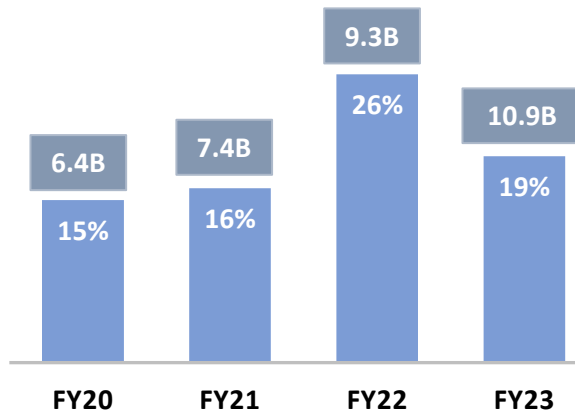
G.P 10.9Bn

O.P 2.8Bn

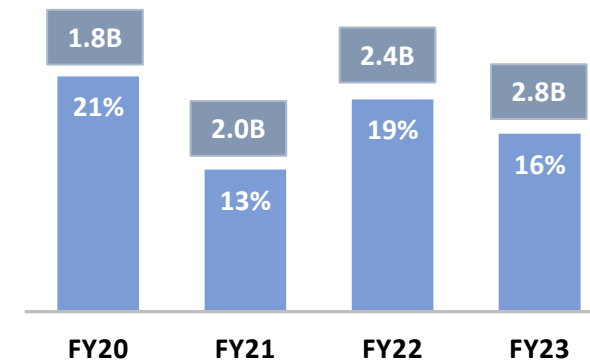
Net Sales - Growth



Gross Profit - Growth



O. Profit - Growth



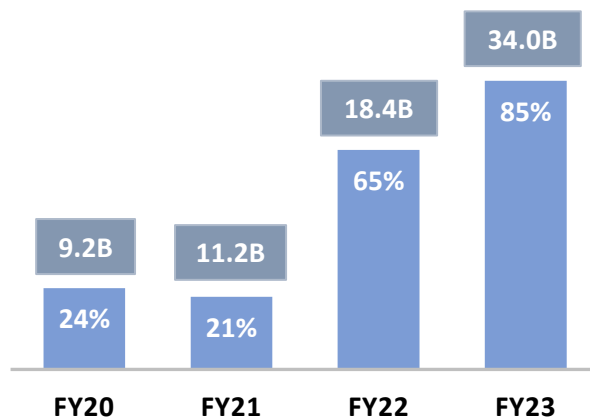
A-1 Cash & Carry FY23

Net Sales 34.0Bn

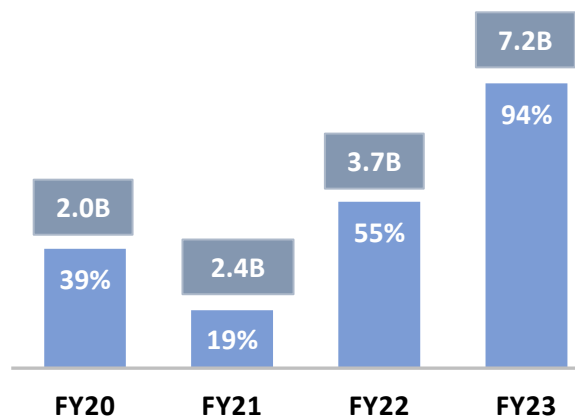
G.P 7.2Bn

O.P 2.7Bn

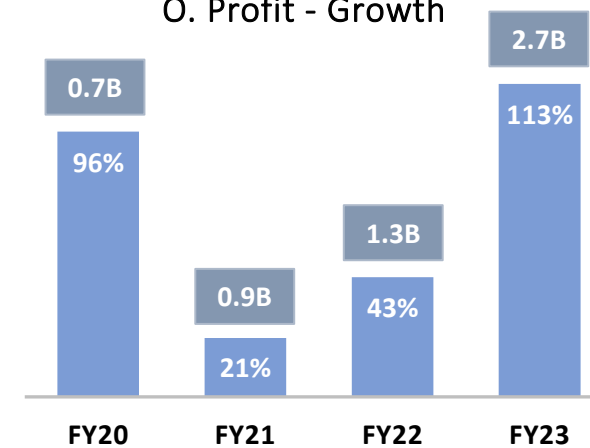
Net Sales - Growth



Gross Profit - Growth



O. Profit - Growth





YoY Trends & Key Ratios

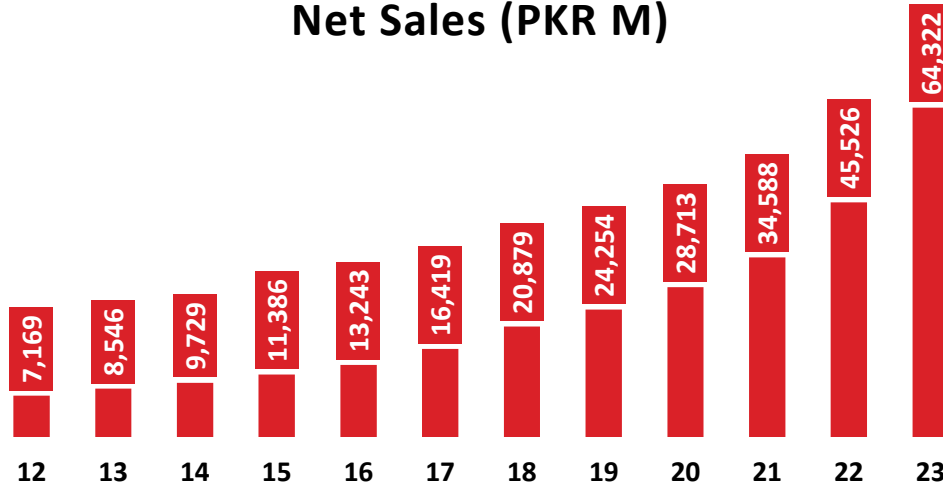




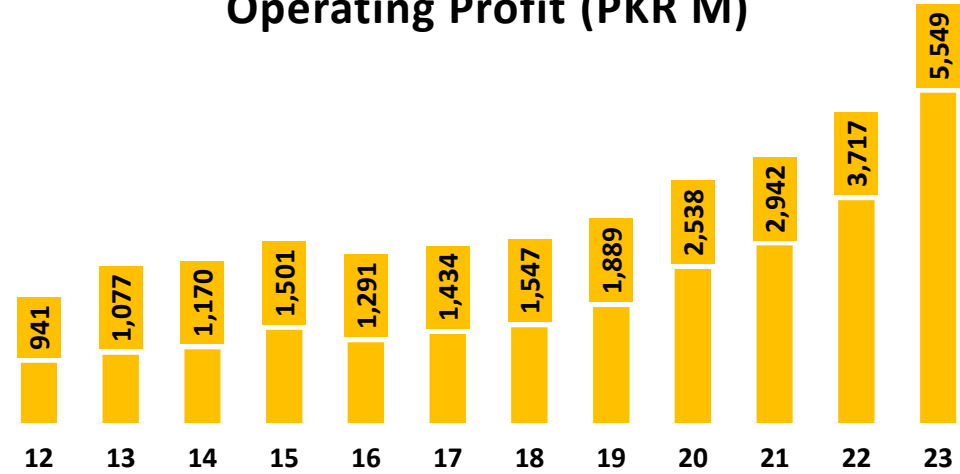
Trend – P&L Numbers



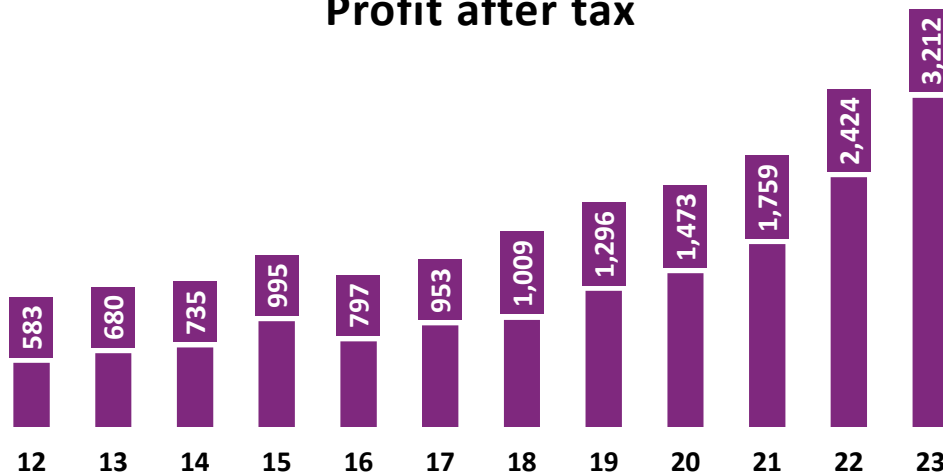
Net Sales (PKR M)



Operating Profit (PKR M)



Profit after tax



Consistent growth trajectory on topline and bottom line sustained by the group.

Operating profit step changed on the back of

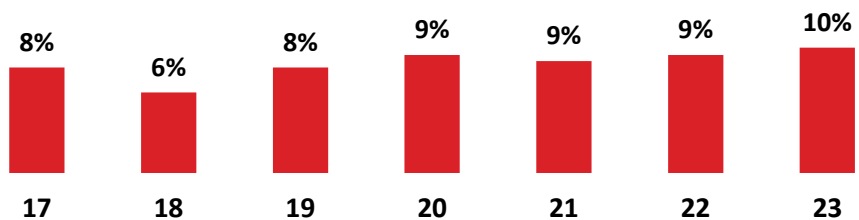
- Cost optimization & Revenue transformation measures activation
- Exceptional growth in A1 Cash & Carry business



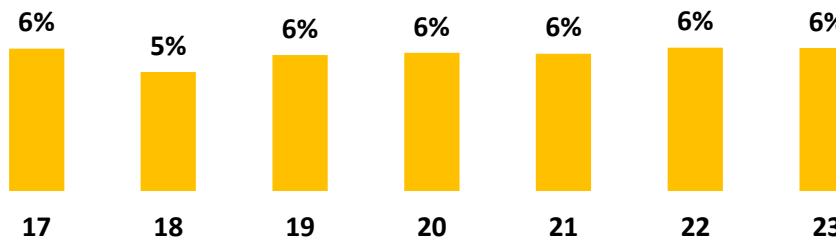
Trend – Profitability Ratios



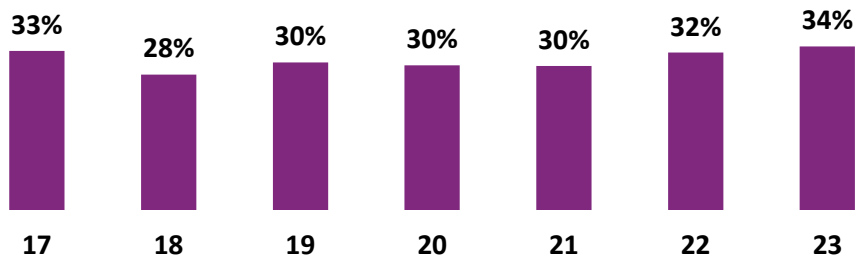
OP % Net Sales



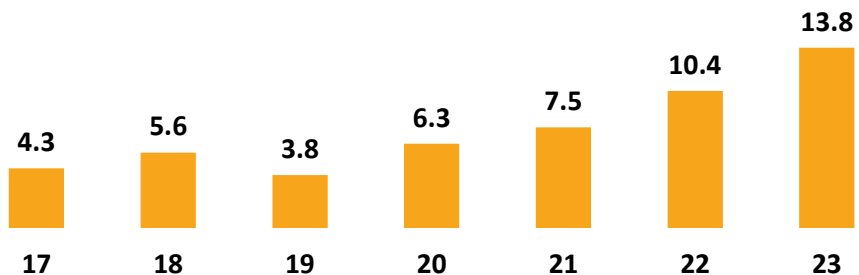
PAT % Net Sales



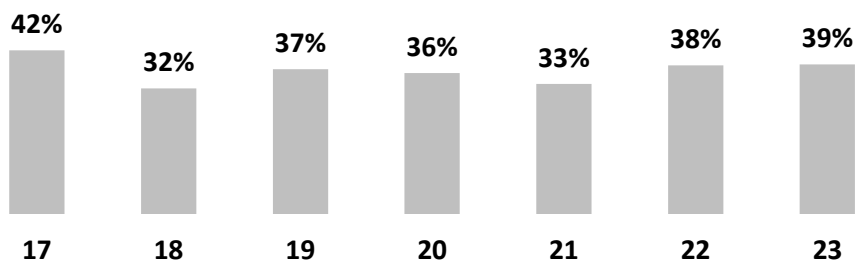
Return on Equity



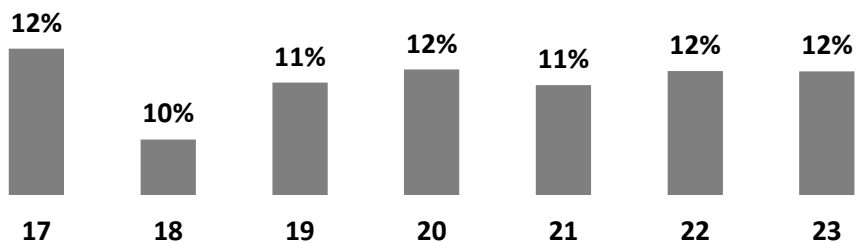
Earning Per Share



Return on Capital Employed



Return on Assets

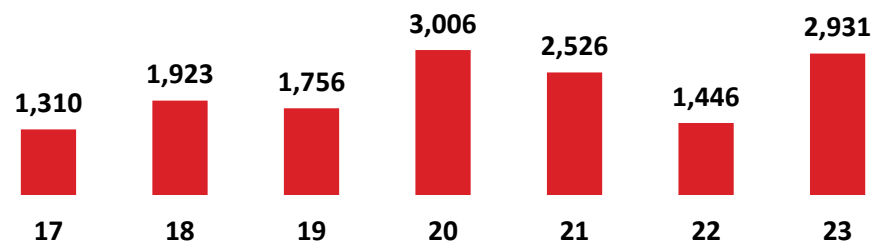




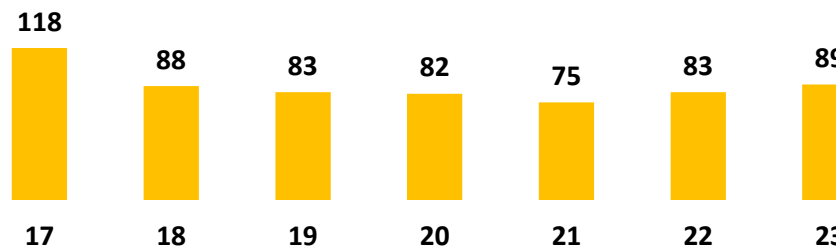
Trend – Liquidity Ratios



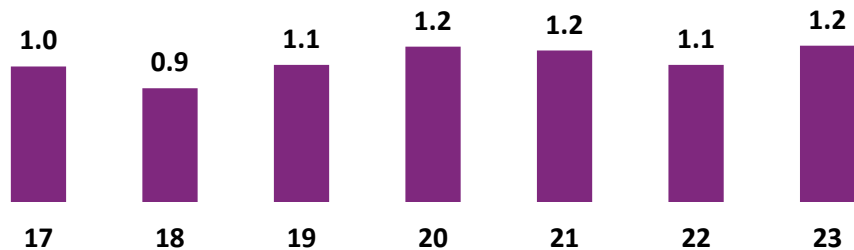
Cashflow from Operations



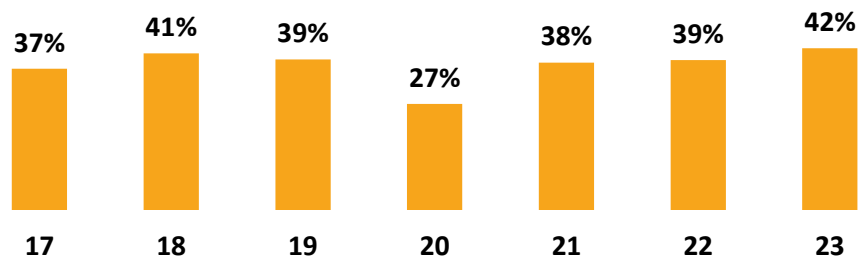
Operating Cycle



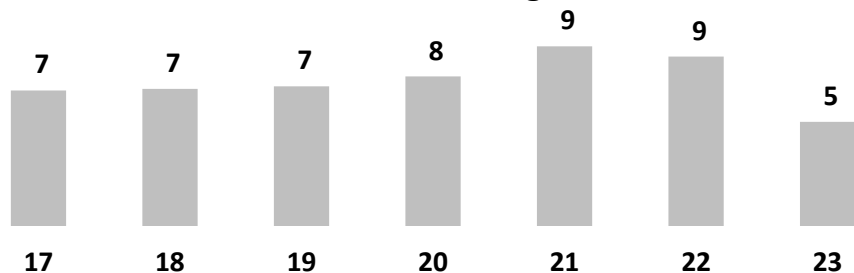
Current Ratio



Gearing (Debt : Debt + Equity)



Interest Coverage X



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