FISCAL YEAR 2015

RESULTS CALL PRESENTATION

ABU DHABI, 29 FEBRUARY 2016

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Contents

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1

- 2015 Performance Highlights
- 2015 Financial Performance
- Future Outlook
- Q&A

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2015 Performance Highlights

Financial Performance

- AED 1.9B revenues, AED 231M profit – 13% and 20% higher versus year ago
- Water & Beverages and Flour driving revenue growth
- Higher shipments, better product mix, lower commodity prices and manufacturing efficiencies drive profit growth
- Market cap at AED 4.6B, 24% higher versus 2015 opening
- Strong balance sheet and key financial ratios
- Clear strategy for sustaining profitable growth in 2016 and beyond

Commercial Performance

- Market leadership in Bottled PET Water, Flour, Feed maintained
- Al Bayan Water company acquired; Agthia became #2 player in 5-Gallon
- Significant distribution gains, customer acquisitions across the UAE
- Continuous brand investment, variety of new products
- Growing exports and commodity trading business
- Started distributing Date Crown as exclusive retail distributor of Al Foah

2015 Operational Performance

- First high-speed (water bottling) line reached almost 100% capacity utilization – completing the second one in March 2016
- Poultry/large animal capacity increased by 11% to 608K tons
- Turkey capacity increase completed, doubling PET bottling capacity to 7M cases
- A new distribution center purchased in Dubai; renovation work in progress
- Expansion of Al Ain warehouse finished – 32K pallets storage capacity
- Food Management System of Grand Mills facilities upgraded to FSSC 22000 from ISO: 22000:2005 – first Agri company in the UAE to reach this status

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All capacity figures are annual.

2015 Organization Highlights

- Organization review completed and execution started
- Key changes:
  - Dedicated business units for core categories
  - Separate business unit for non-core businesses
  - Centralized manufacturing, procurement, supply chain
  - Centralized sales
  - Shared finance, human resources, IT services
  - Dedicated strategy and M&A function
- Ilias Assimakopoulos left his seat on the board; HE Salem Obaid Aldhaheri appointed as new board member
- 2nd year in a row Best Corporate Governance Company in the UAE by Capital Finance International, UK

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2015 Financial Performance

P&L Highlights

	OND'15	OND'14	Ch	Fiscal'15	Fiscal'14	Ch
Net Sales (AEDm)	490	423	+16%	1,866	1,655	+13%
Gross Profit Margin %	*34.1%*	*28.5%*	*+560bps*	*32.0%*	*28.0%*	*+400bps*
SG&A % of NS	*24.1%*	*18.3%*	*+579bps*	*19.7%*	*17.3%*	*+244bps*
OOI % of NS	*-0.6%*	*0.1%*	*-76bps*	*-0.1%*	*-1.0%*	*-85bps*
NP Margin %	*10.7%*	*10.1%*	*+58bps*	*12.4%*	*11.7%*	*+71bps*
Net Profit (AEDm)	52	43	+23%	231	193	+20%
EBITDA Margin %	*15.6%*	*14.9%*	*+66bps*	*17.1%*	*15.6%*	*+147bps*
EPS	0.087	0.071	+23%	0.386	0.322	+20%

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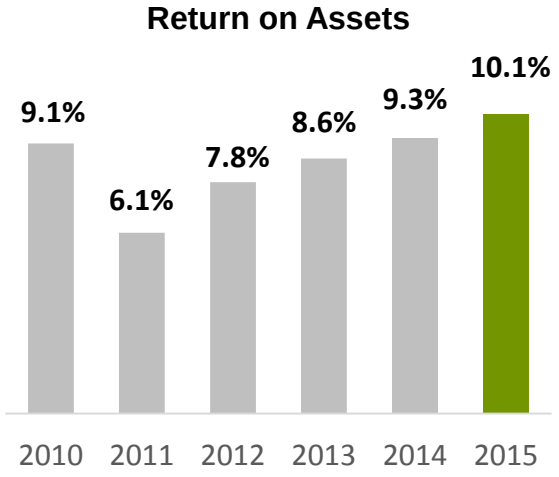
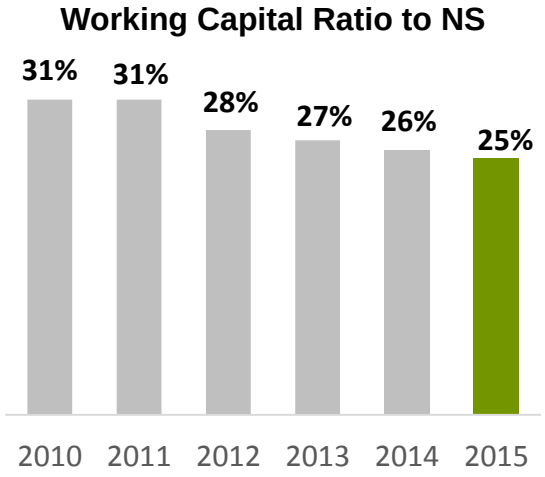
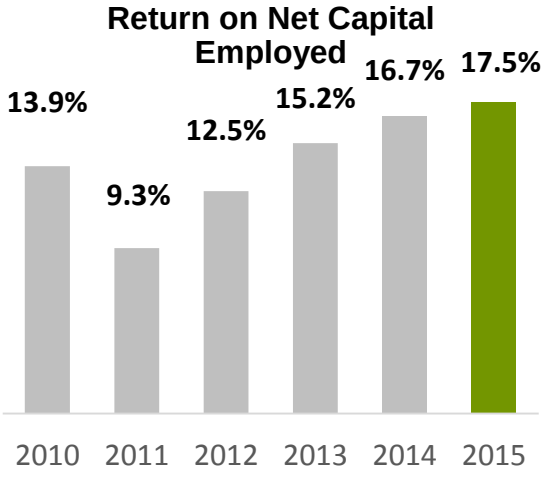
Key Financial Indicators

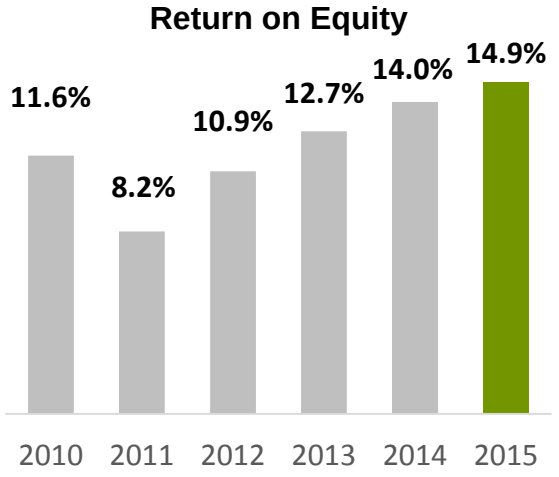
AED in Billions

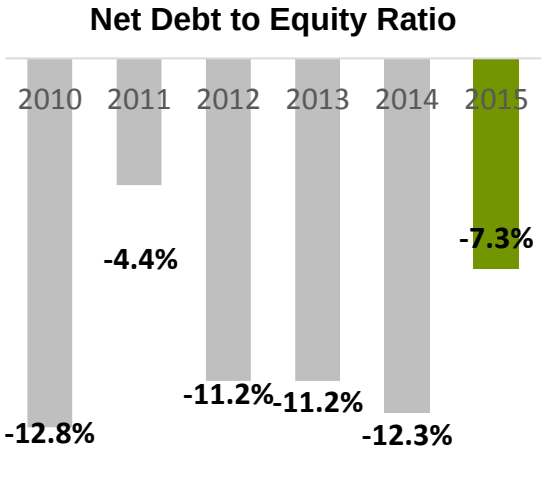
Total Assets	2.37
Total Equity	1.55
Cash & Bank	0.56
Borrowings	0.45
Net Cash	0.11
Avg. Working Capital	0.47
Ratio to NS	25%

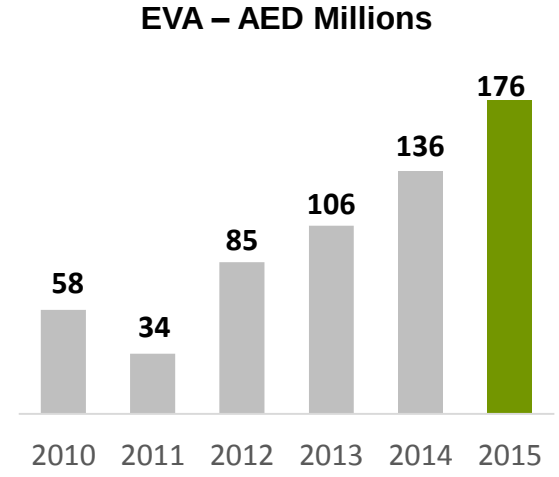




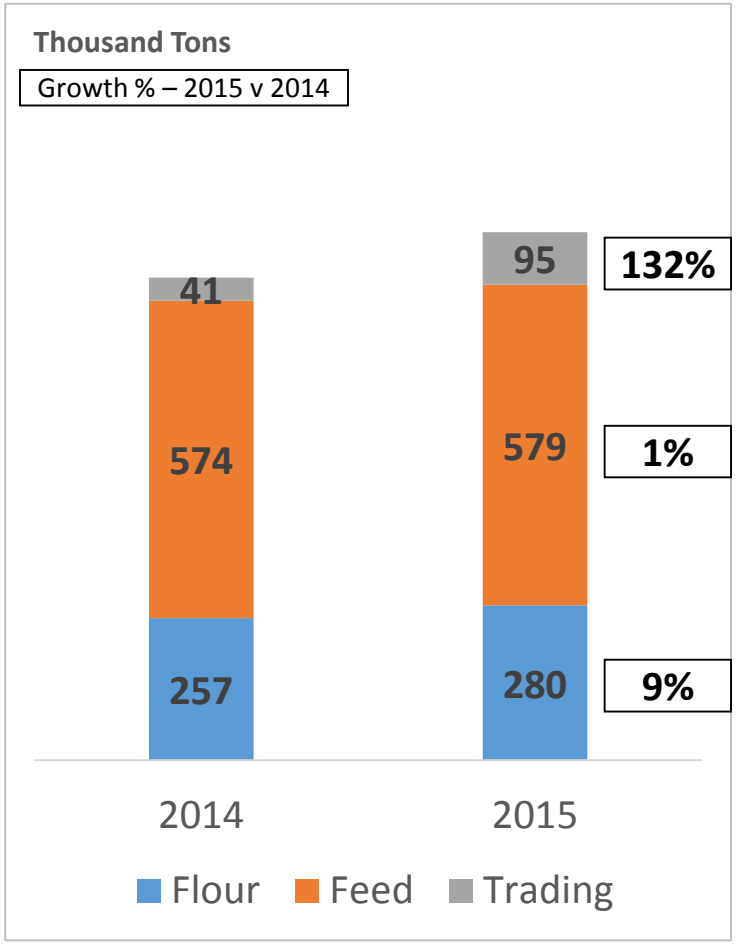


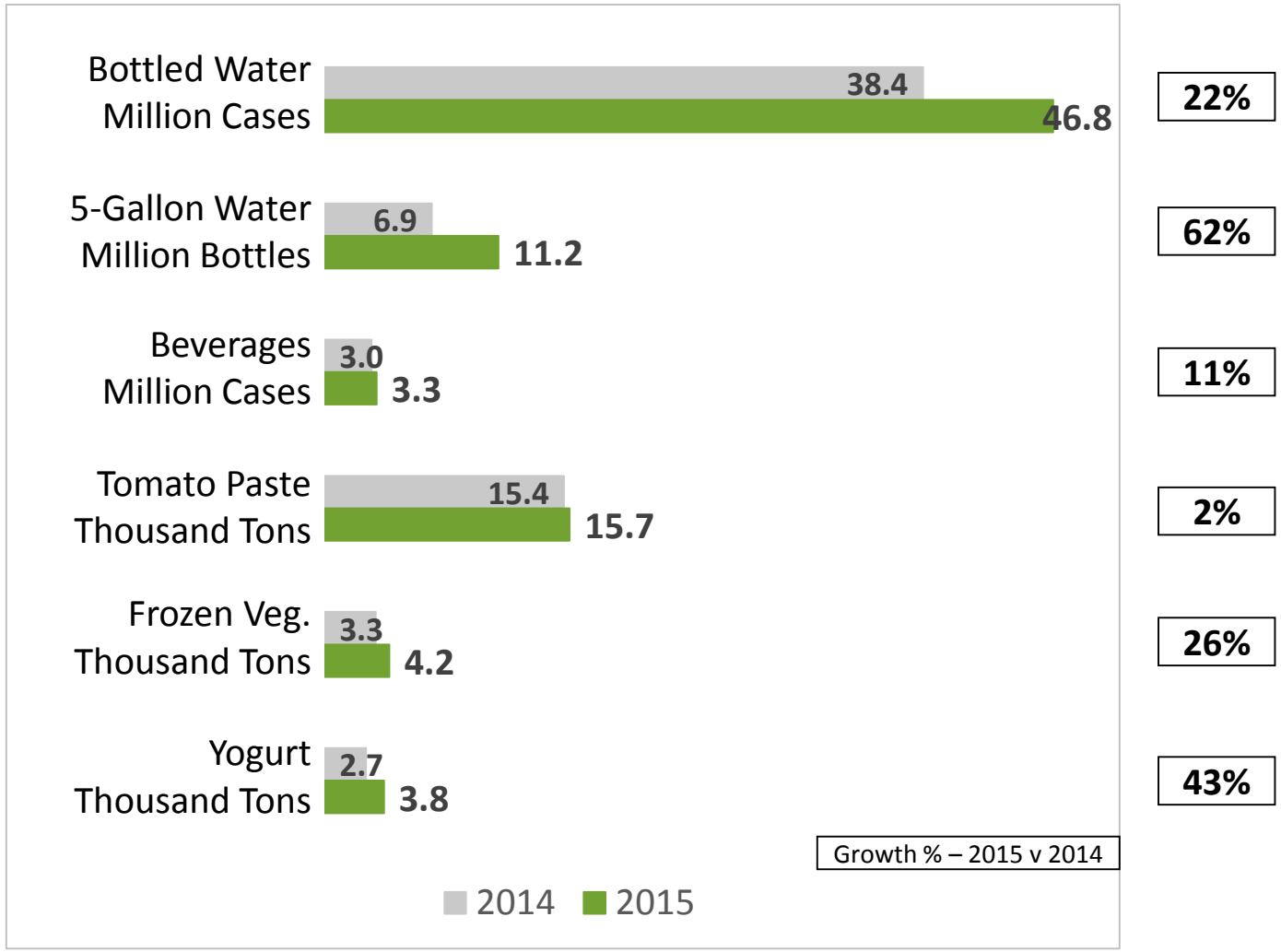




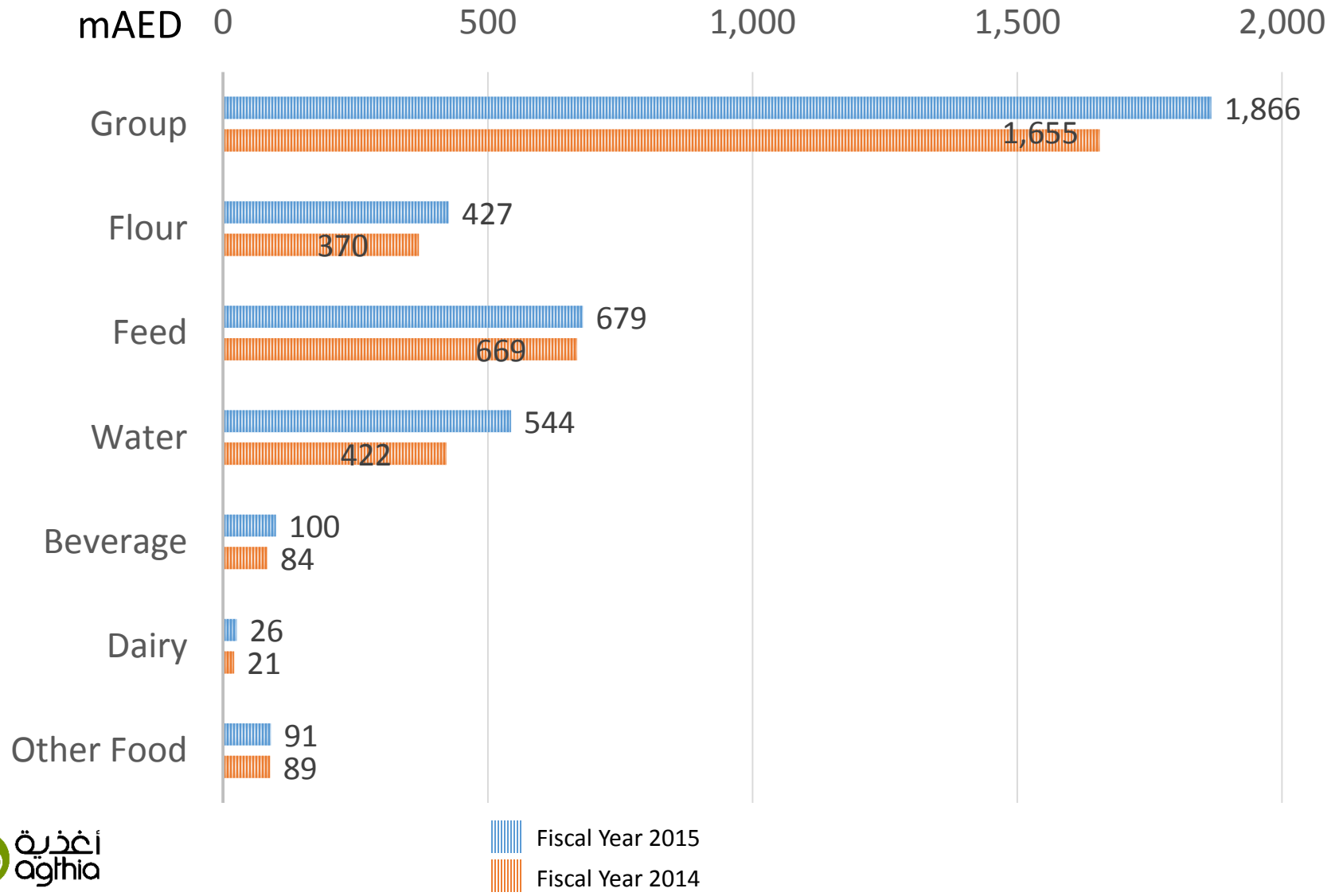


Segments Reporting – Volume





Segments Reporting – Revenue



	Change vs. Year Ago	
	mAED	%
Group	211	+13%
Flour	57	+15%
Feed	11	+2%
Water	122	+29%
Beverage	16	+19%
Dairy	5	+23%
Other Food	2	+2%

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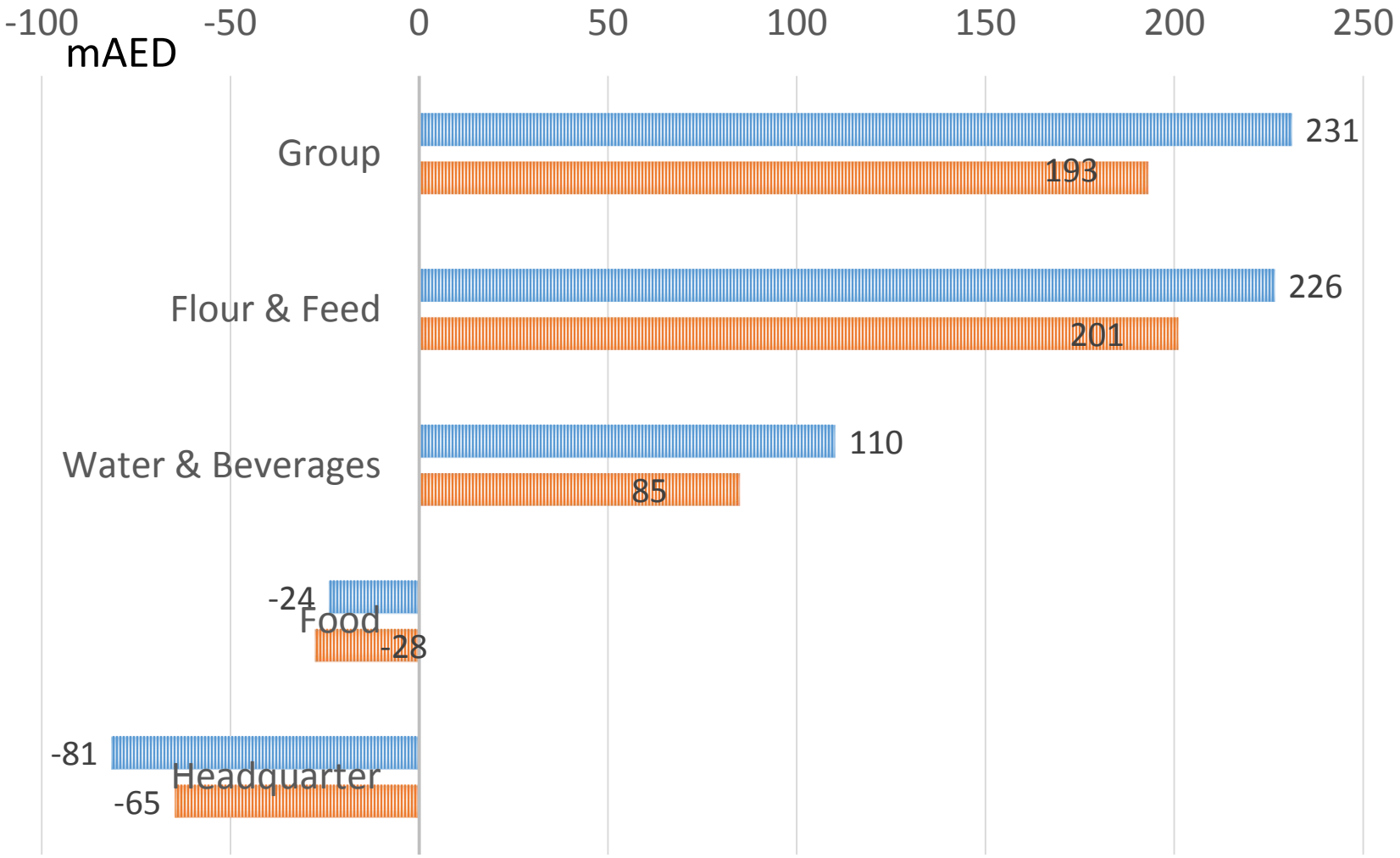
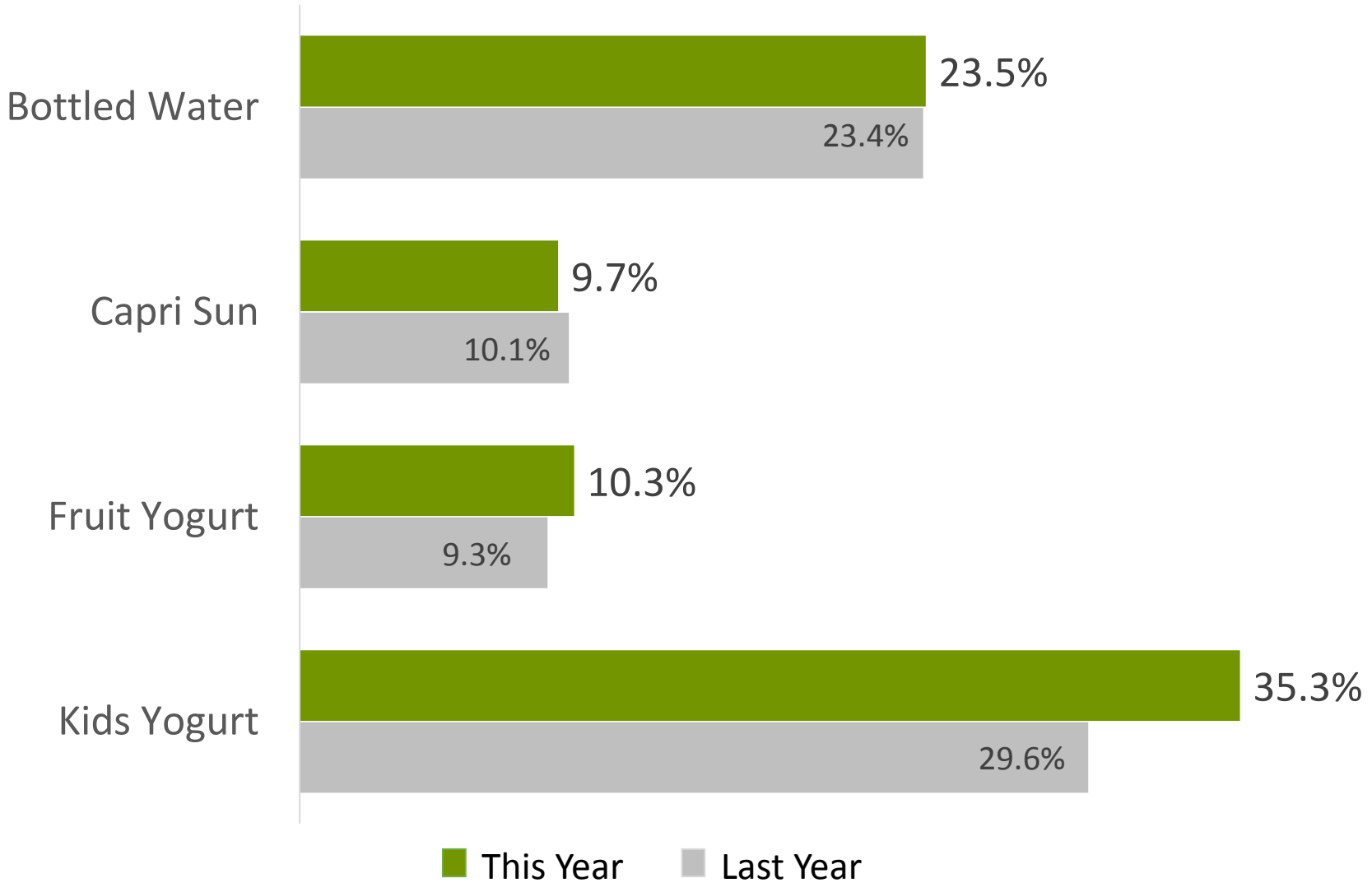
Segments Reporting – Profit



	Change vs. Year Ago mAED	Change vs. Year Ago %
Group	38	+20%
Flour & Feed	25	+13%
Water & Beverages	25	+30%
Food	4	+14%
Headquarter	-16	-25%

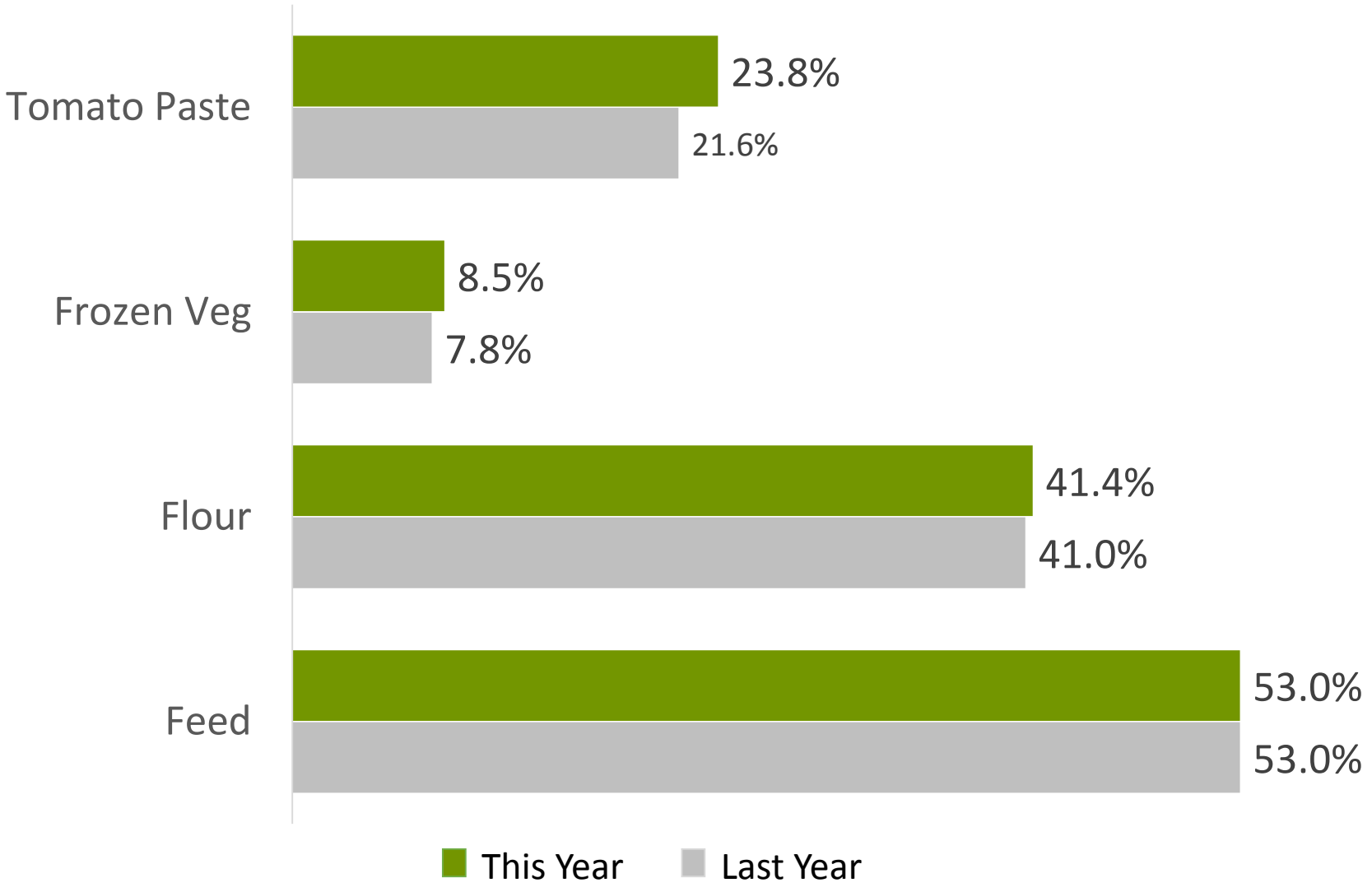
Fiscal Year 2015
Fiscal Year 2014

Brand Health – Market Shares[1]



[1] AC Nielsen MAT 15 vs 14 Volume shares except Yogurt, which is value shares.

Brand Health – Market Shares[1]



[1] AC Nielsen MAT 15 vs 14 Volume shares except Yogurt, which is value shares, and Flour and Feed, which are internal management data.

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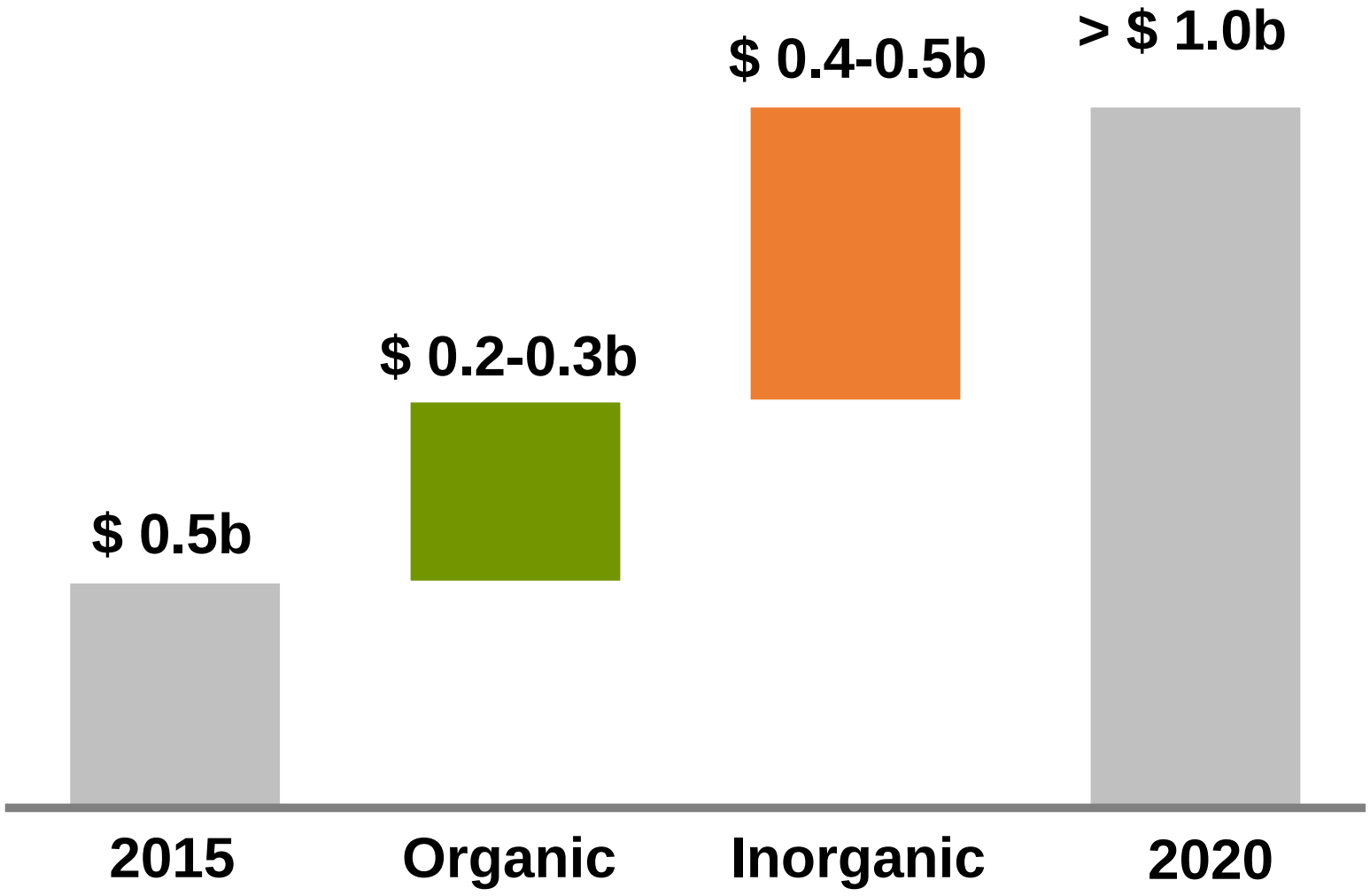
Future Outlook

First step towards 2020



- Continue growing organically (ahead of category growth)
- Acquire meaningful businesses (Dairy, Juice, Water)
- Expand internationally – organic and inorganic (KSA, Oman, Turkey, Pakistan)

Strategic Priorities for 2016

1. Grow core categories ahead of market growth
2. Drive profit ahead of sales growth
3. Improve performance of non-core categories
4. Identify acquisition target(s) in Dairy and Juice
5. Expand geographical footprint via exports and M&A
6. Implement new organization structure
7. Further improve the infrastructure including ERP

2016 Guideline Indicators (Excluding M&A)

• Double-digit revenue growth	• 10-12%
• Profit growth faster than revenue	• 12-15%
• Positive WC and EVA trend; improving ROE, ROC	• WC to Net Sales: 25-27% • Capex: AED 200-250M

Business Challenges

1. Volatile global/regional economic and political landscape
   - Public spending cuts
   - Lower tourism income
2. Liquidity crunch in the region
   - Impact on SMEs
   - Higher interest rates
3. Escalating competitive activity
   - Category value erosion
   - Increased trade spending
4. Likelihood of fiscal policy adjustments across the GCC
   - Taxes – corporate and other
   - Subsidy removal/reduction

Wrap Up

- 2015 has been a year of "change"
  - Strong performance
  - Strategy realignment
  - Organization review
  - Al Bayan acquisition

- 2016 will be a year of "execution"

  Barring economic/political challenges:
  - Another year of growth
  - Execution of new strategy begins
  - Implementation of new organization
  - Implementation of new ERP
  - Completion of (capex) investment projects

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Q&A