



Earnings Release

Full Year 2024



Tanmiah Delivers its Strongest Financial Year to Date in 2024, Underpinned by Operational Excellence and Strategic Execution Across its Business Units

- **Capacity expansion supports strongest topline performance to date with increase in operating margins, on the back of operational excellence initiatives**
- **Expansion of food franchise operations remains on track, with Popeyes outlets reaching 81 by the end of 2024**
- **Strategic joint venture with MHP commences operations in 2024, boosting feed and hatching eggs production**
- **Focus on ESG remains a key priority, with the publication of Tanmiah's 2nd Sustainability Report - the first assured report of its kind in the poultry sector**

Riyadh, Saudi Arabia, 16 February 2025 - Tanmiah Food Company ("Tanmiah" or the "Company", 2281 on the Saudi Exchange), established in 1962, one of the Middle East's leading providers of fresh poultry, processed proteins, animal feed, health products and restaurants operator, today announced its results for FY2024, reporting a solid 22.5% year-on-year (YoY) growth in revenues, driven mainly by a 14.2% YoY increase in fresh poultry sales, with a 26.2% YoY growth in net profit attributable to shareholders. For 4Q24, Tanmiah reported an 18.9% YoY growth in revenues, with a marginal 1.5% YoY growth in net profit attributable to shareholders

Zulfiqar Hamadani CEO of Tanmiah Group, commented:

"We are proud to be concluding another remarkable year in Tanmiah's journey which has spanned more than 60 years, and reflecting on the past year, we are happy to announce a robust performance across all facets of our business. The solid growth in both revenue and profit demonstrates our focus on delivering high-quality products and services with a strong focus on operational excellence, which continues to resonate well with our customers, translating into tangible results and enabling us to reinforce our position as a leader in the food industry.

During 2024, we have marked yet another significant milestone in our ESG journey through the successful publication of our 2nd Sustainability Report, showcasing our unwavering commitment to making a positive difference, by placing ESG principles at the heart of everything we do and taking meaningful steps to ensure a better future for generations to come.

Our business model has continued to be agile, as we cater to the rising demand for our products while ensuring to maintain the highest standards that our valued customers expect from us.

Looking ahead, our focus will remain on accelerating our innovation drive and expanding our operations in an efficient and sustainable manner, by balancing our growth ambitions with our responsibility towards the environment and our communities."

Summary Financial Highlights

SAR million	4Q-24	4Q-23	% Change	FY-24	FY-23	% Change
Revenue	684.9	576.2	18.9%	2,563.5	2,093.1	22.5%
Gross Profit (Loss)	178.4	151.5	17.7%	654.4	494.8	32.2%
EBITDA	104.2	76.9	35.5%	360.5	261.1	38.1%
Net Profit attributable to owners of the Company	26.8	26.4	1.5%	95.8	75.9	26.2%



Revenue Analysis

Tanmiah reported revenues of SAR 2,563.5 million in FY24, up 22.5% YoY. Increased sales volumes of fresh poultry, focused marketing, product and channel mix optimization, and Popeyes store expansions supported the improved topline performance.

Fresh Poultry sales, the key contributor to Tanmiah's revenues (77%), increased 14.2% YoY in FY24 to SAR 1,971.9 million. The growth was mainly driven by volumes increase supported by a sequential distribution growth, as Tanmiah's products continued to grow in popularity with consumers, as well as the expansion of the company's production capacity to 550,000 birds per day, from 500,000 birds per day as of 31 December 2023. In 2024, product innovations and cost optimization across the supply chain also contributed to the overall performance.

Animal Feed and Health products revenues grew significantly by 61.9% YoY to SAR 450.2 million, due to the continued strong demand for animal health products and equipment, increased market penetration, and better customer and product mix. The strategic joint venture with MHP commenced operations during the year, which also boosted feed and hatching egg production, thus contributing to the overall performance in 2024.

Restaurant Operations revenues increased 60.4% YoY to SAR 141.4 million in FY24, as Tanmiah continues to focus on expanding the footprint of POPEYES®. Tanmiah opened 30 new stores in FY24, bringing the total to 81 operational outlets, as of 31 December 2024. During the year, Popeyes embarked on its regional expansion, with the opening of two stores in Bahrain and the launch of store development in Kuwait, with the first store in Kuwait scheduled for opening 1Q2025.

Income Statement Analysis

Cost of Sales increased 19.4% YoY to SAR 1,909.1 million in FY24, in line with the rise in sales volumes, fuel cost increases and store expansions at Popeyes®. Meanwhile, gross profit increased 32.2% YoY to SAR 654.4 million, with a focus on operational efficiencies and cost optimization.

EBITDA increased 38.1% to SAR 360.5 million in FY24, supported by the continued improvement in the topline performance and enhanced margins.

Net Profit attributable to the shareholders of the Company improved by 26.2%, reaching SAR 95.8

Fixed Asset Expansion

Capital expenditure including right of use assets increased by SAR 186 million in 2024. Looking ahead, planned capital expenditure over the next few years is focused on ramping up primary processing, feed milling, and hatching capacities and expanding food franchise operations, thus enabling the company to continue on its growth path.



ESG Commitments

Tanmiah implements a strategic and integrated approach to achieving environmental, economic, and social sustainability, underpinned by its Omnipreneurship philosophy of giving, earning, and sustaining.

The Company has a Board ESG Committee, providing high-level guidance and directions on sustainability matters. Tanmiah also has a cross-functional ESG Committee at the management level to translate these strategic directions into actions. Tanmiah has finalized its ESG roadmap and strategy, with core focus areas aligned to the economic and social goals of the Kingdom's Vision 2030 and the United Nations' Sustainable Development Goals. Tanmiah Food Company has published its Sustainability Report 2023, highlighting our success and unrelenting commitment to sustainability. The complete details are available [here](#).

Tanmiah has undertaken a materiality approach to define its sustainability strategy and focus on relevant risk areas where it could create value for the company and its stakeholders. Tanmiah is further strengthening its sustainability governance, progressing our people agenda, advancing animal welfare, gaining efficiencies in resources and water use, working towards carbon neutrality, and expanding sustainable packaging.

About Tanmiah Food Company

Tanmiah Food Company, established in 1962, is one of the Middle East's leading providers of fresh poultry, processed proteins, animal feed and health products, and a restaurants operator. It is a publicly listed Company on the Saudi stock market. It is worth noting that Al-Dabbagh Holding Group Company is a partner and founding shareholder of Tanmiah Food Company. Tanmiah's fully integrated and highly efficient business model includes production, further processing, and distribution with products sold in Saudi Arabia, the UAE, Bahrain, Oman, Jordan, and Kuwait. As of 31 December 2024, Tanmiah operates 147 farms, seven hatcheries, four feed mills, and four primary processing plants, and, through its joint venture operations, it operates four further processing plants. Tanmiah distributes its products through a network of wholesalers, retailers, and food service outlets, as well as online directly to consumers. Sustainability is a core principle at Tanmiah, with initiatives including planting a million trees, using wastewater from its facilities, and turning waste products into fertilizer. For more information, visit www.tanmiah.com

Forward-Looking Statements

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as "according to estimates", "anticipates", "assumes", "believes", "could", "estimates", "expects", "intends", "is of the opinion", "may", "plans", "potential", "predicts", "projects", "should", "to the knowledge of", "will", "would" or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding our business and management, our future growth or profitability and general economic and regulatory conditions and other matters affecting us.

Forward-looking statements reflect our management's ("Management") current views of future events, are based on Management's assumptions, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause our actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements. Our business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to become inaccurate. These risks include fluctuations prices, costs, ability to retain the services of certain key employees, ability to compete successfully, changes in political, social, legal, or economic conditions in Saudi Arabia, worldwide economic trends, the impact of war and terrorist activity, inflation, interest rate and exchange rate fluctuations and Management's ability to timely and accurately identify future risks to our business and manage the risks mentioned above.





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