



FY 2021 Earnings Presentation

March 24, 2022



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Agenda

- Tailwinds & Headwinds
- Q4 2021 & FY 2021 Highlights
- Results
- Financial Review
- Q&A





Mezzan Today: Tailwinds

- Acquisition of new distribution rights for brands within Saudi and UAE.
- Stable revenue base despite challenging and complex conditions.
- Tight working capital management.





Mezzan Today: Headwinds

- Rising global inflation is impacting the region as prices of commodities and transportation surge.
- Upsets faced in Qatar's Arab Cup event, such as staff visas delay, low attendance rate vs. forecast, and menu prices discounts.
- Lower profit margin pressured by discounts and promotions.





Mezzan Today: Earnings Highlights

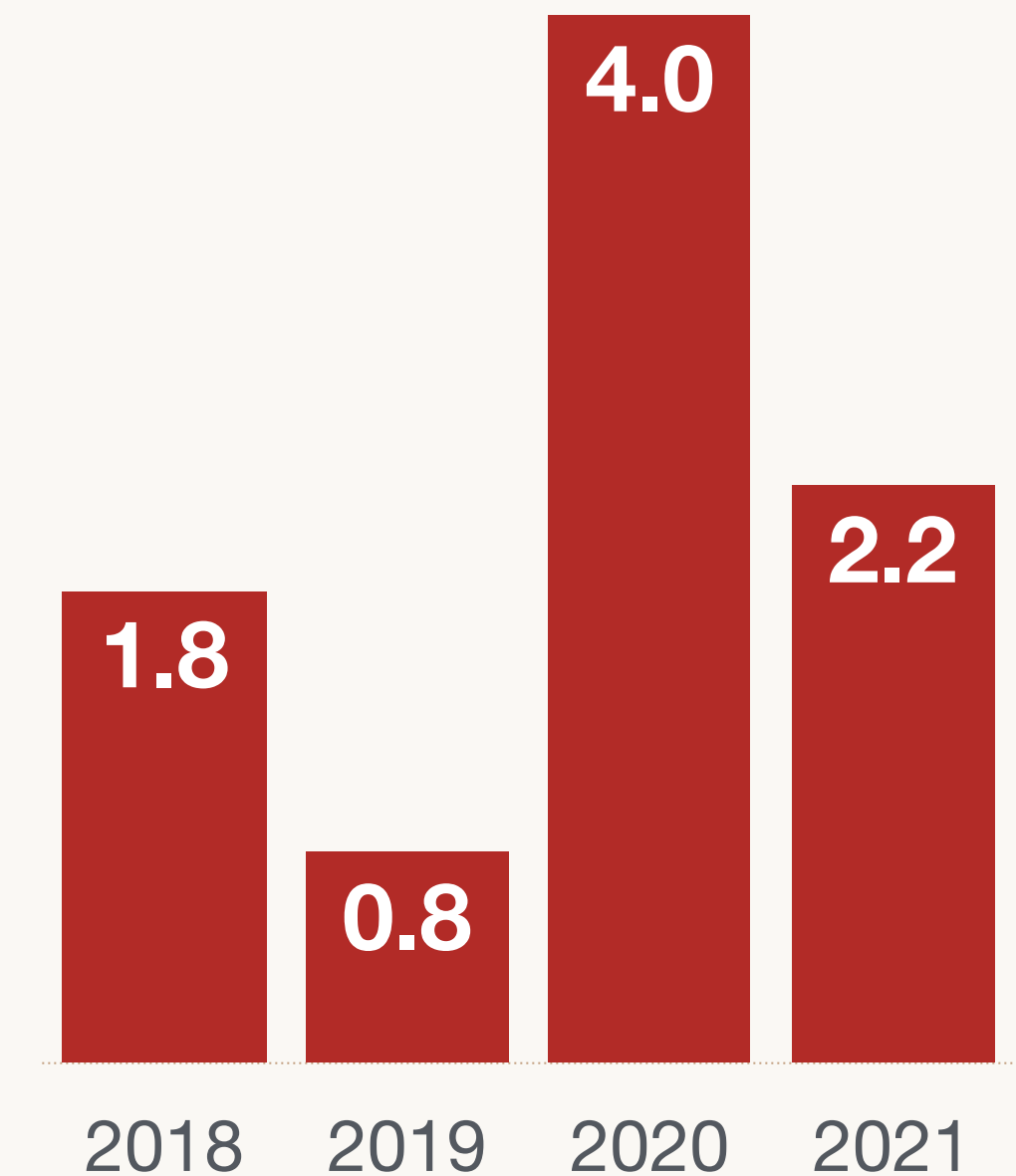
KD Millions

	<u>Q4'21</u>	<u>Q4'20</u>	<i>% Diff</i>	<u>FY'21</u>	<u>FY'20</u>	<i>% Diff</i>
Revenue	53.9	52.0	+3.60%	245.1	246.4	-0.5%
EBITDA	2.2	4.0	-44.3%	21.8	25.4	-14.1%
Net Income	-1.1	1.0	-212.6%	9.6	12.6	-23.7%
Net Profit	-1.1	0.7	-266.7%	8.4	10.9	-22.8%

**Attributable to Equity
Holders of Parent
Company**

Q4 EBITDA (2018-2021)

KD Millions



FY 2021 EBITDA lower by 14.1% (KWD -3.6mn) Driven by a decrease in the Gross Profit.

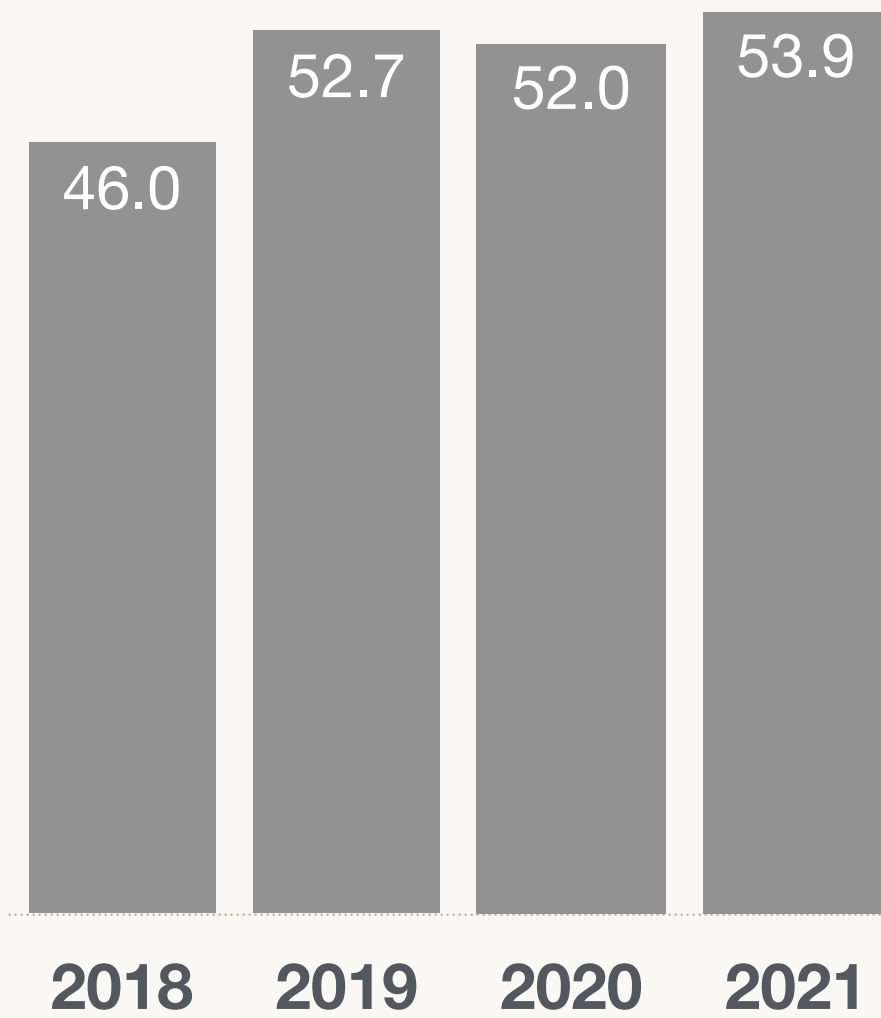




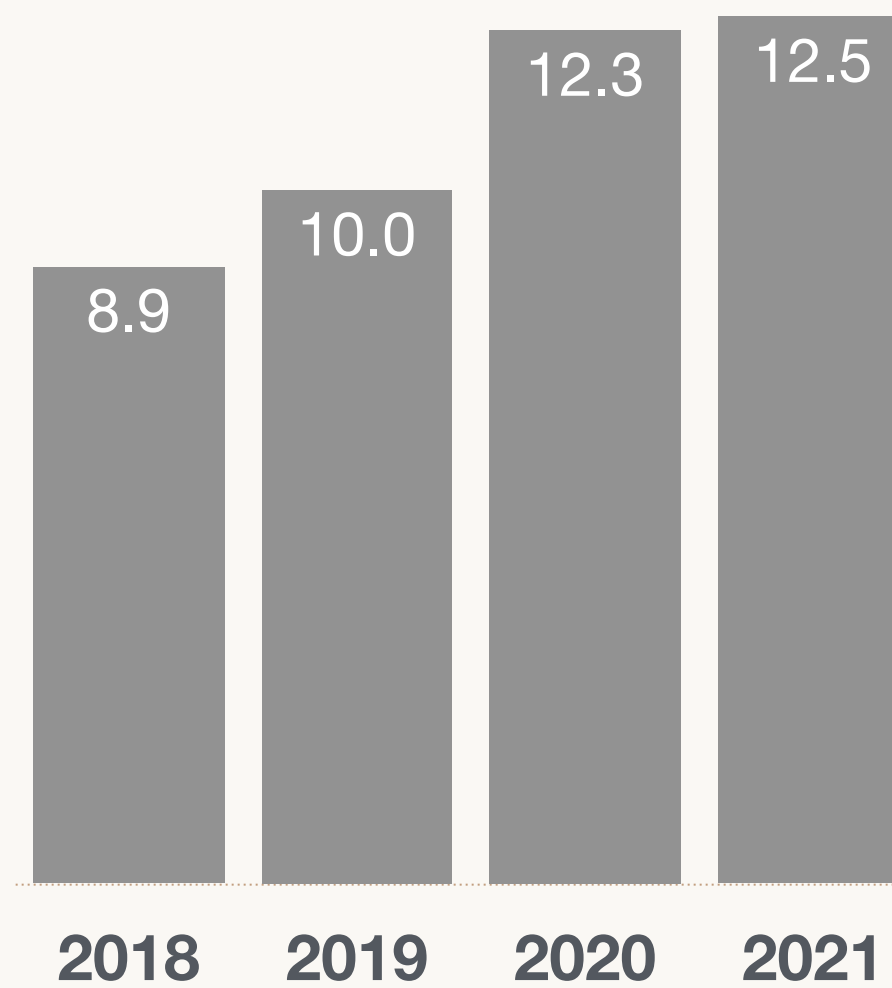
Mezzan Today: Q4 Historical Performance

KD Millions

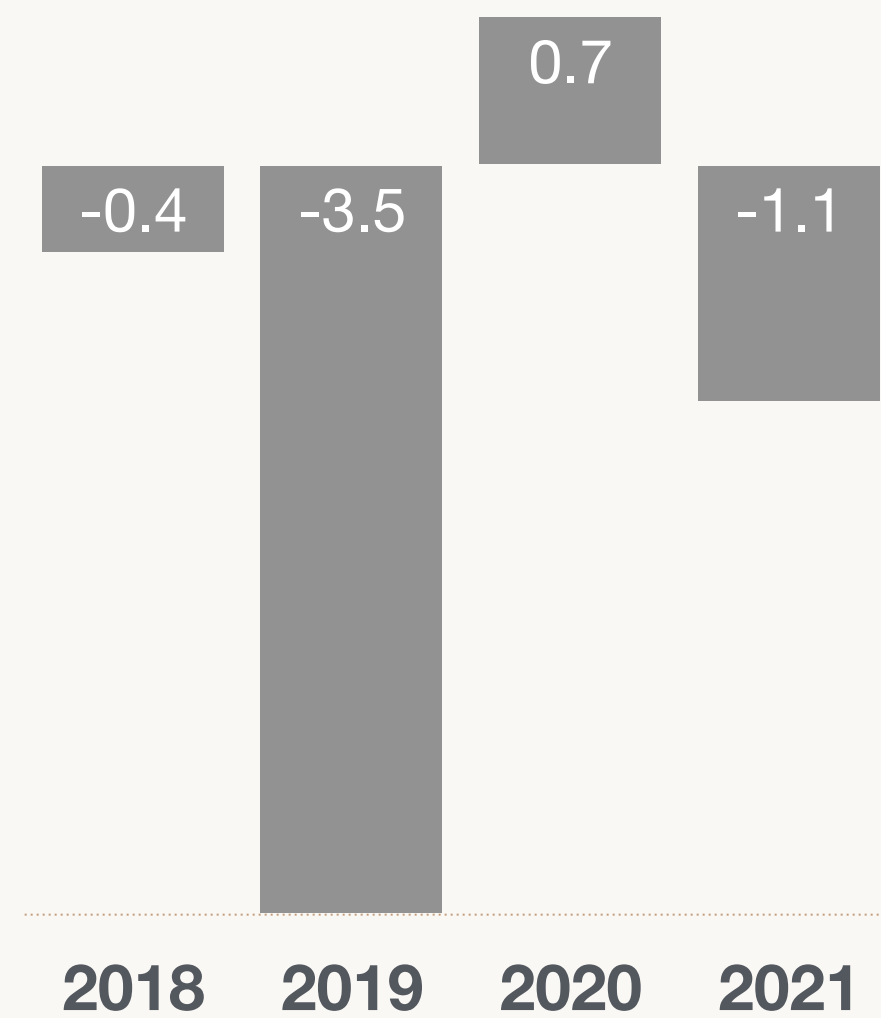
Q4 Revenue



Q4 Gross Profit



Q4 Net Profit



Financial Review



FY'21 Revenue: Contribution by Business Line

FOOD REVENUE -0.7%

Vs.FY'20



67.0%

Share of of total Group Revenue

NON-FOOD REVENUE -0.2%

Vs.FY'20



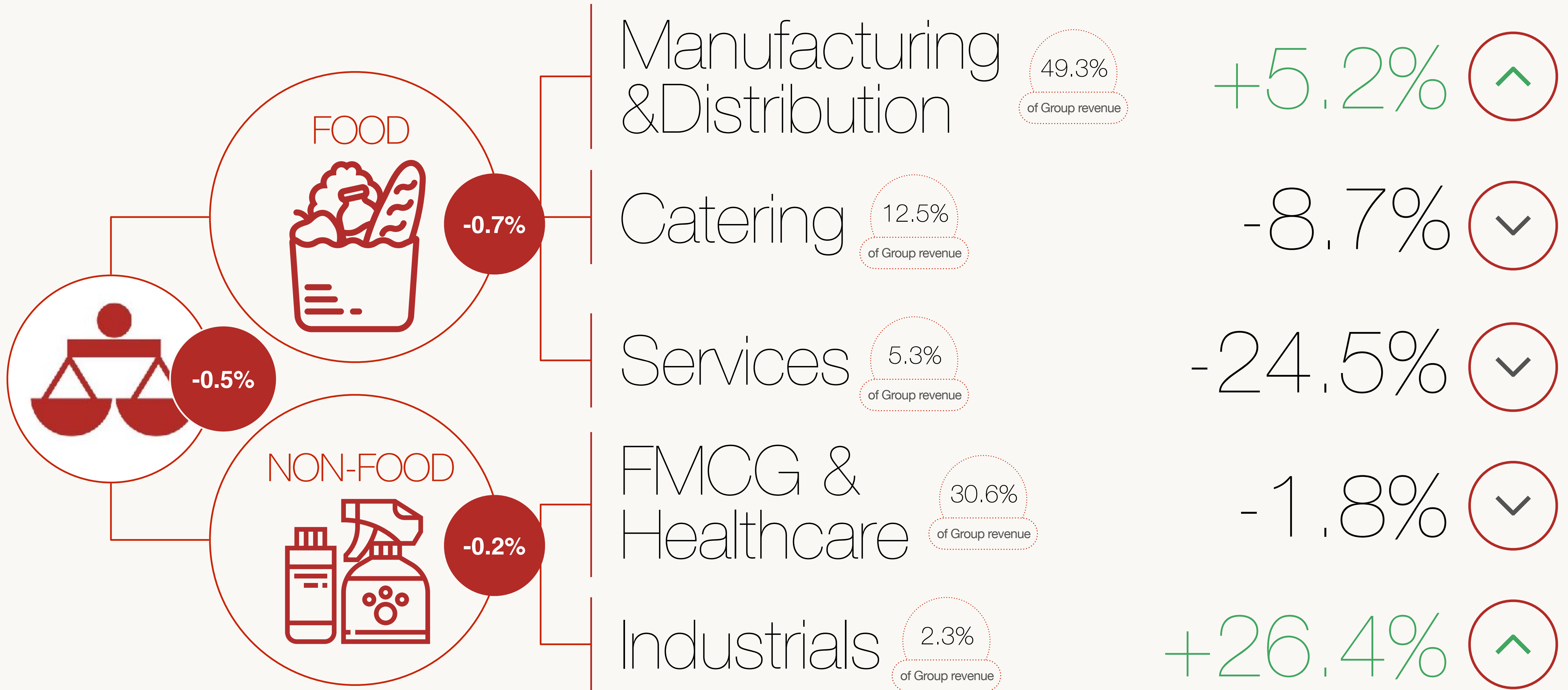
33.0%

Share of of total Group Revenue



FY'21 Revenue: Growth by Business Division

Vs. YTD'20

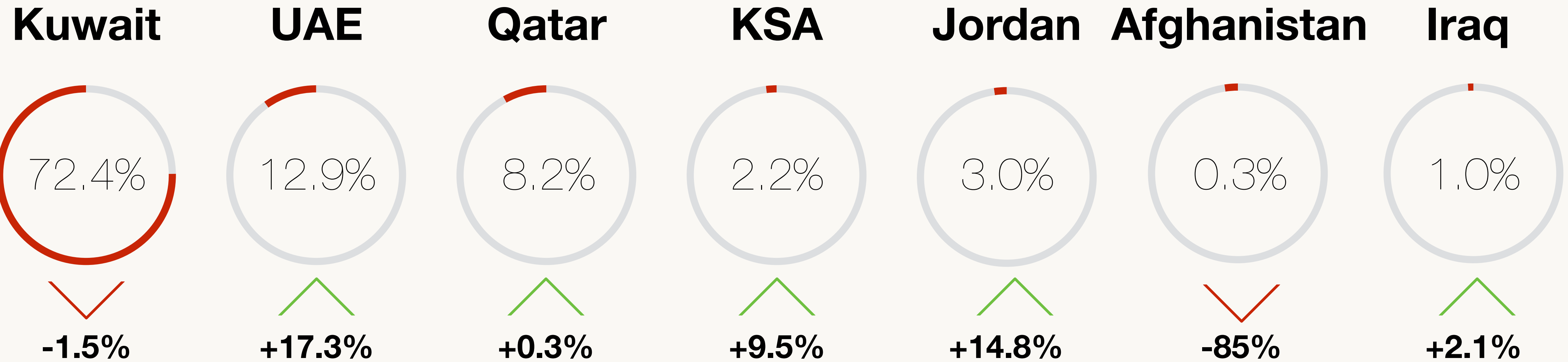




FY'21 Revenue: Contribution and Growth by Country

○ Top-line Contribution

Vs. YTD'20





FY'21: P&L

KD Millions

	Q4'21	Q4'20	% Diff	FY'21	FY'20	% Diff
Revenue	53.9	52.0	3.6%	245.1	246.4	-0.5%
Gross Margin	12.5	12.3	1.8%	53.0	59.3	-10.7%
	<i>GM %</i>	<i>23.1%</i>	<i>23.5%</i>	<i>21.6%</i>	<i>24.1%</i>	
SG&A / Other	-14.4	-9.8	46.2%	-41.8	-42.2	1.0%
Operating Profit	-1.9	2.4	-178.0%	11.2	17.1	-34.7%
Other	0.6	-1.3	-147.4%	-1.1	-3.9	+71.5%
Underlying Profit before Tax	-1.3	1.1	-216.1%	10.0	13.2	-23.9%
Tax	0.01	-0.06	-273.7%	-0.4	-0.6	-27.6%
Underlying Net Profit	-1.1	1.0	-212.6%	9.6	12.6	-23.7%
	<i>UNP %</i>	<i>-2.1%</i>	<i>2.0%</i>	<i>3.9%</i>	<i>5.1%</i>	<i>-1.2%</i>
Net Profit Attributable to Shareholders	-1.1	-0.7	-266.7%	8.4	10.9	-22.8%



Gross Margin lower by 10.7% (KWD -6.4mn) Driven by an increase in raw materials prices post pandemic, and higher discounts/promotions vs LY



FY'21: CASHFLOW

KD Millions

	Q4'21	Q4'20	Diff	FY'21	FY'20	Diff
Operating Cashflow before WC changes	1.8	5.9	-4.1	23.0	30.7	-7.7
Working Capital / Other	3.0	0.5	2.6	-0.4	6.6	-7.0
Operating Cashflow	4.9	6.4	-1.6	22.6	37.3	-14.7
Capital / Other	-2.6	-1.5	-1.1	-10.8	-6.0	-4.8
Cash flow before Financing	2.3	5.0	-2.7	11.8	31.4	-19.6
Dividends & Purchase of treasury shares	-0.4	-1.2	0.7	-7.4	-6.0	-1.3
Financing Costs / Other	-1.4	-0.8	-0.6	-4.0	-4.3	0.3
Cash flow after Financing	0.4	3.0	-2.5	0.4	21.0	-20.6
FX translation	0.1	-0.1	0.2	-0.0	-0.1	0.1
YTD Change in Net Debt	0.5	2.9	-2.3	0.4	20.9	-20.5



Lower operating cash flow driven by lower net profit, less debt and increase in working capital.

Net Capital Spent (Capex): KD 11.5mn for FY 2021.

Loans repaid KD 8.9 mn in FY 2021.

Cash in hand as of Dec 2021: Decreased by KWD-0.9mn v LY.

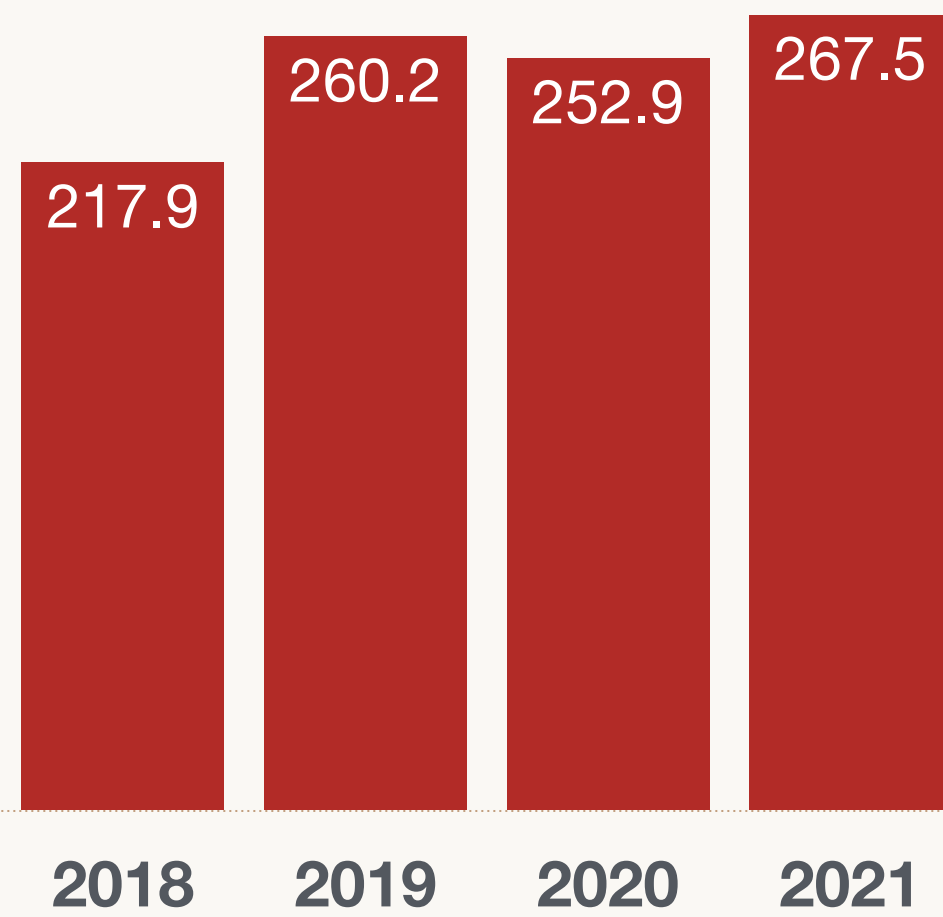


Balance Sheet as of Dec 31, 2021

KD Millions

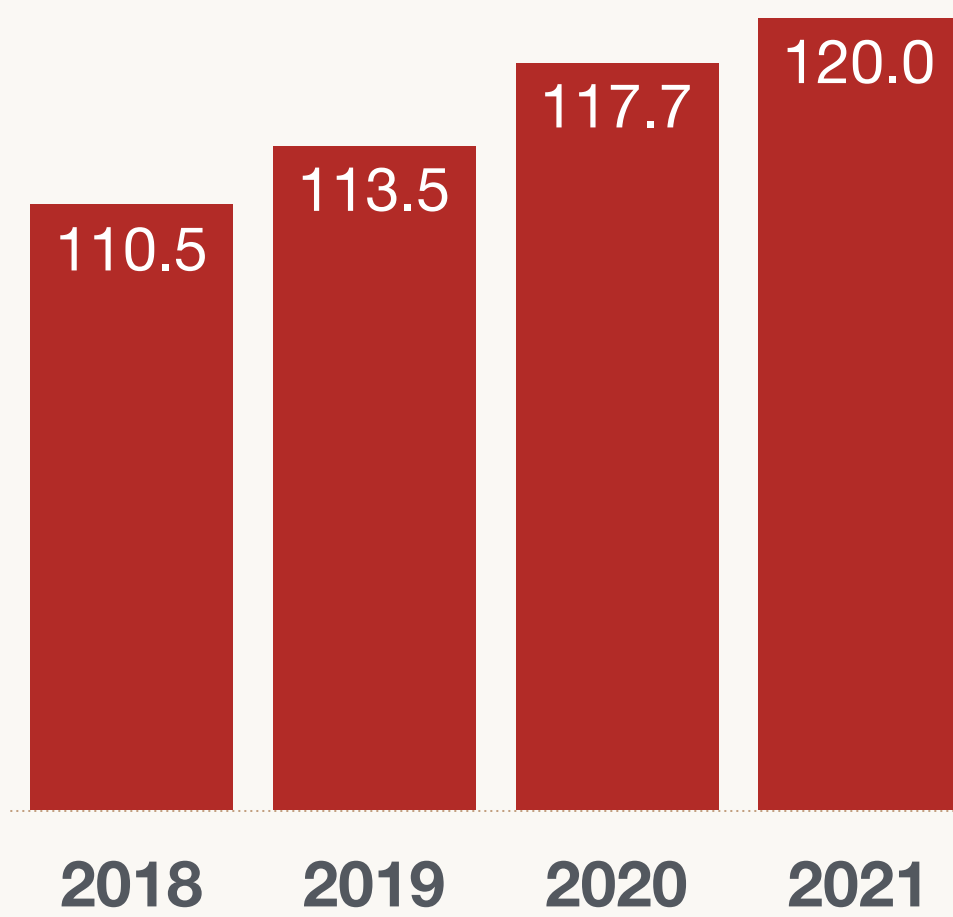
Total Assets

KD Millions



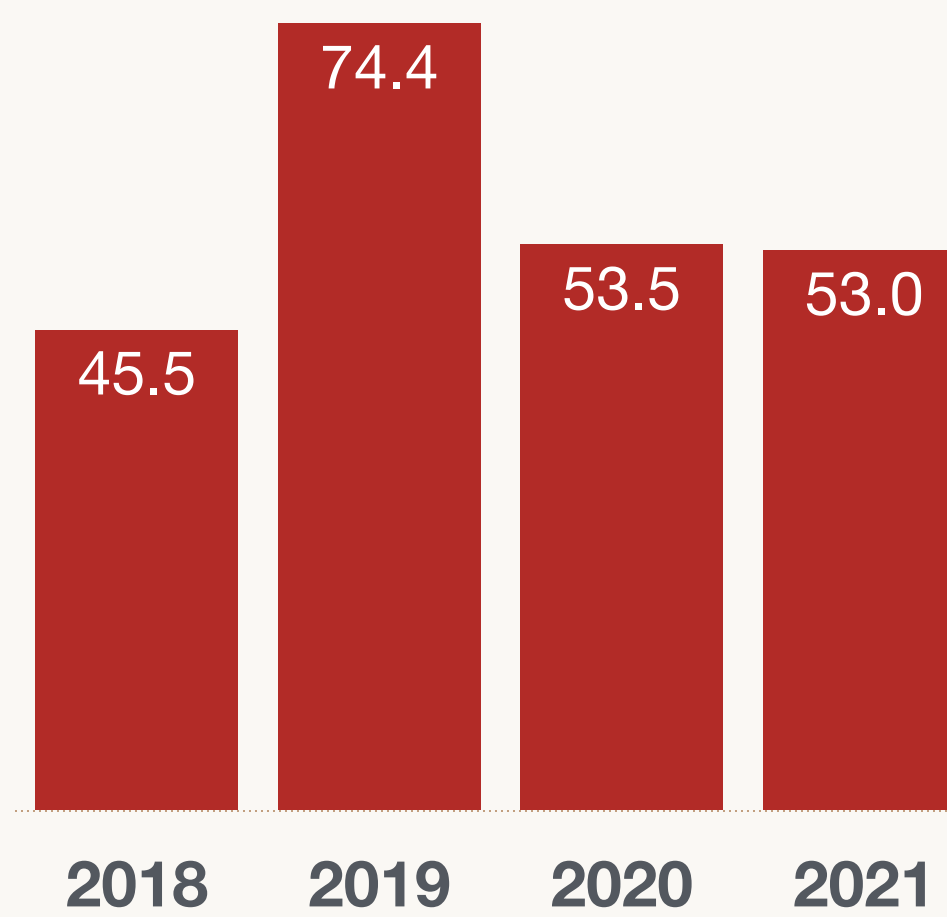
Equity

KD Millions



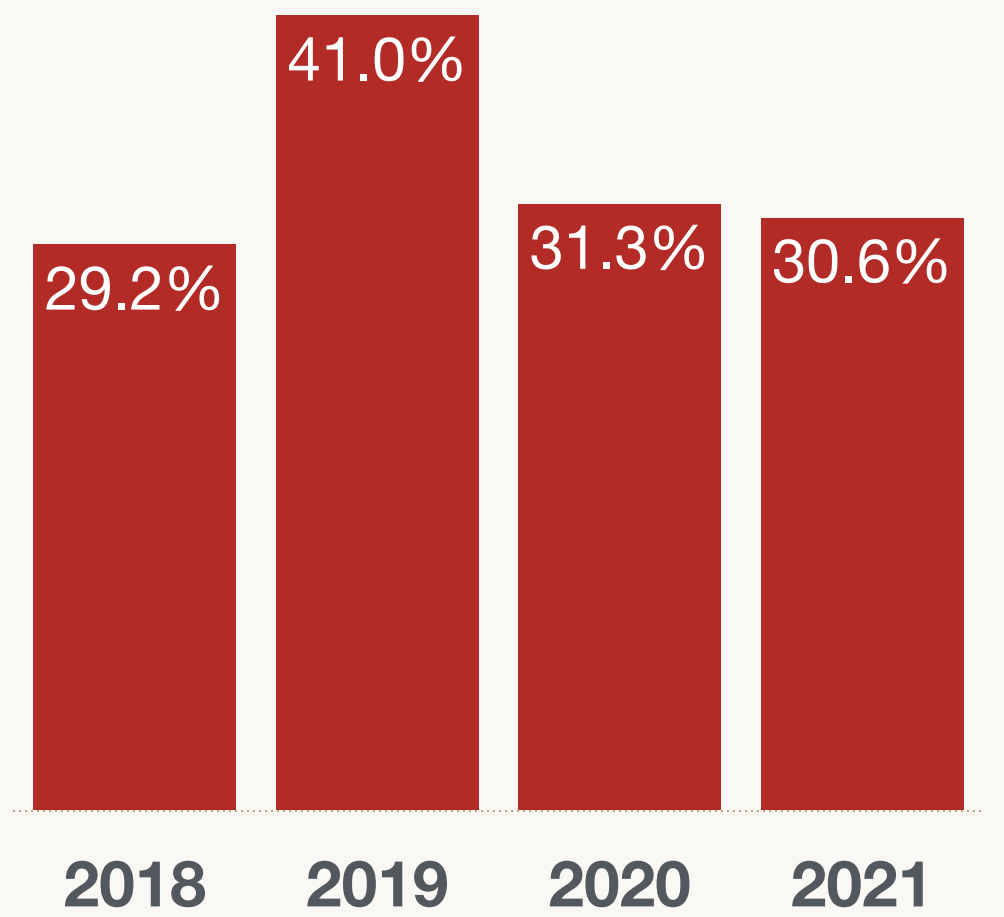
Net Debt

KD Millions



Net Debt to Capitalization

%



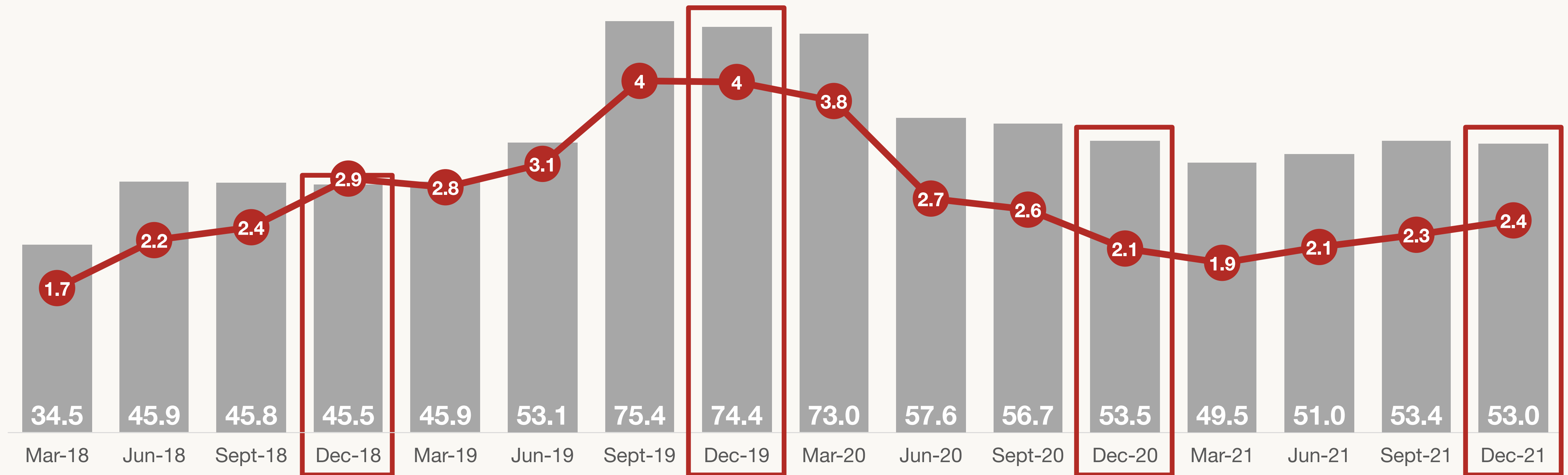


A note on debt levels

KD Millions



Net Debt stood at c. KWD 53 mn : Down by c. KWD 0.5 mn from Dec 2020 levels.
Net Debt / EBITDA of 2.43x (Yearly) down by 0.32x vs Dec 2020.



■ Net debt ● Net Debt/EBITDA(LTM)





Q & A



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