

## **Almarai Company announces the approval by its Board of Directors of its five-year business plan for the period 2020 – 2024**

Almarai Company is pleased to announce to its shareholders that the Board of Directors of the Company has, during its meeting held on Wednesday May 15<sup>th</sup> 2019, completed its second milestone review of Almarai 2025 initiated in 2017. This review confirmed that the company is on track with this long-term vision to reinforce its position as the consumers' preferred choice for superior, nutritious Food and Beverage products in the Arab world.

The Board of Directors has approved the five-year business plan for the period 2020 – 2024 which confirms the ongoing investment in its infrastructure, in terms of processes, people and systems, is in place to enable the company to face the future challenges and meet its long-term ambition. Each of its business units will drive the company forward through growth and innovation across the traditional trade, modern trade and foodservice channels, with its operating model transformed by implementation of automation, cyber physical systems, cognitive computing and the growing digitalization of the Food & Beverage industry.

Given the persistent challenging economic conditions across the region, the focus on efficiency and cost optimization measures will continue throughout the plan period to ensure continuous competitive advantage.

The capital investment level during the period 2020 – 2024 is planned to reach SAR 7.1 billion, in line with the long-term investment cycle of the company calling for less expansionary investments and a focus towards more efficiency and sustainability. The components of the investments will be the replacement of existing assets; adoption of green and cleaner energy footprint, improvement of production capacities and capabilities in farms and manufacturing facilities; distribution and transportation facilities; extension of geographical footprint and the enhancement of innovation and product development capabilities. This investment program is planned to be financed mainly via company operating cash flow.

The board of Directors would like to thank the Almarai employees and its management for the performance delivered to date in a difficult economic and competitive environment.