

Strategy and Key Performance Indicators “KPIs”

First Milling Company maintains a flexible strategic vision, adapting to the continuous developments in the food and feed sectors in local and global markets. The Company's strategy and objectives are centered on providing high quality premium products. This focus supports its aspirations in becoming the first partner of choice across the Kingdom and the credible source of vital products

for both the market and community.

The Company's strategy has set a number of targets which First Milling Company is attempting to achieve by continuing its leading role in the market and by its active contribution to the provision of sustainable sources of food. This is done through four main pillars:

First Milling Company's Key Strategic Pillars

Enhancing

Market Leadership

1

Creating

Outstanding Products and Providing Exceptional Services

3

Building

an Efficient and Distinguished Operational Framework

2

Building

Necessary Capabilities and an Efficient Framework to Achieve the Company's Strategy

4

First Pillar

Enhancing Market Leadership

Target

Aiming to be the first choice for our customers & industry leaders in terms of sales volume, revenue, and market share in flour products.

Success Metrics and KPIs

1

Maximizing Company Value

2

Increasing Revenues and Profits Sustainably

3

Expanding into New Products and Sectors

4

Improve Distribution and Sales Channels

Highlights of 2024

- Revenue growth by 9% to reach SAR 1,048.85 Mln
- Achieving a net profit margin of 24% for the year
- Achieving free cash flows (FCF) of SAR 320 million with an annual cash conversion ratio (CCR) of 85.5%
- Regulating and managing operating expenses (OpEx) to maintain the same levels as the previous year
- E-commerce & New Market Expansion

Second Pillar

Creating Outstanding Products and Providing Exceptional Services

Target

Aiming to have the most powerful brand, the best-in-class customer service, and well-known for its products innovation.

Success Metrics and KPIs

1

Increasing Revenue Contribution from the Flour New Products Developed (NPDs)

2

Strengthening Brand Equity

3

Improving Customer Service

4

Developing Innovation Practices

Highlights of 2024

- Retail sector sales grew to reach a market share of 21% due to the expansion of "Aloula" and "First Milling" brands
- Maintaining the Company's market share at 30%
- The Customer Satisfaction Score on Net Promoter Score (NPS) reached 90% in 2024G
- Adding new products that enhance the portfolio diversity, including: Pizza Mix, Pastries, Family Cake, Semolina, Jareesh, Harees, and various poultry and lamb feeds

Third Pillar

Building an Efficient and Distinguished Operational Framework

Target

Aiming to produce premium quality products, in the most efficient manner utilizing world class technology at the right competitive cost.

Success Metrics and KPIs

1	2	3	4
Cost Optimization across the Value Chain	Developing Strategic Sourcing	Developing Integrated Business Planning (IBP)	Increasing Production Efficiency and Capacity, and Improving Product Quality

Highlights of 2024

- The Company's production capacity utilization rates reached 94%
- 817,000 Quality tests conducted, compliant with the highest international standards and ISO
- 365 days of safe man-hours with incidents reduced to 9 in 2024G, compared to 12 in the previous year
- Full compliance with regulatory standards, and obtaining ISO certifications.
- Updating the production capacity of Mill (A) in Jeddah Plant to increase wheat milling capacity by 250 tons per day, starting in Q4 of 2024G

Fourth Pillar

Building Necessary Capabilities and an Efficient Framework to Achieve the Company's Strategy

Target

Aiming to be the employer of choice, known for its high safety standards and high capable team working together within the right culture & systems in place.

Success Metrics and KPIs

1	2	3	4
Improving the HSE Practices	Strengthening Organizational Structure and Governance	Enhancing Work Culture and Environment, and Developing Skills and Capabilities	Improving Digitization and Automation

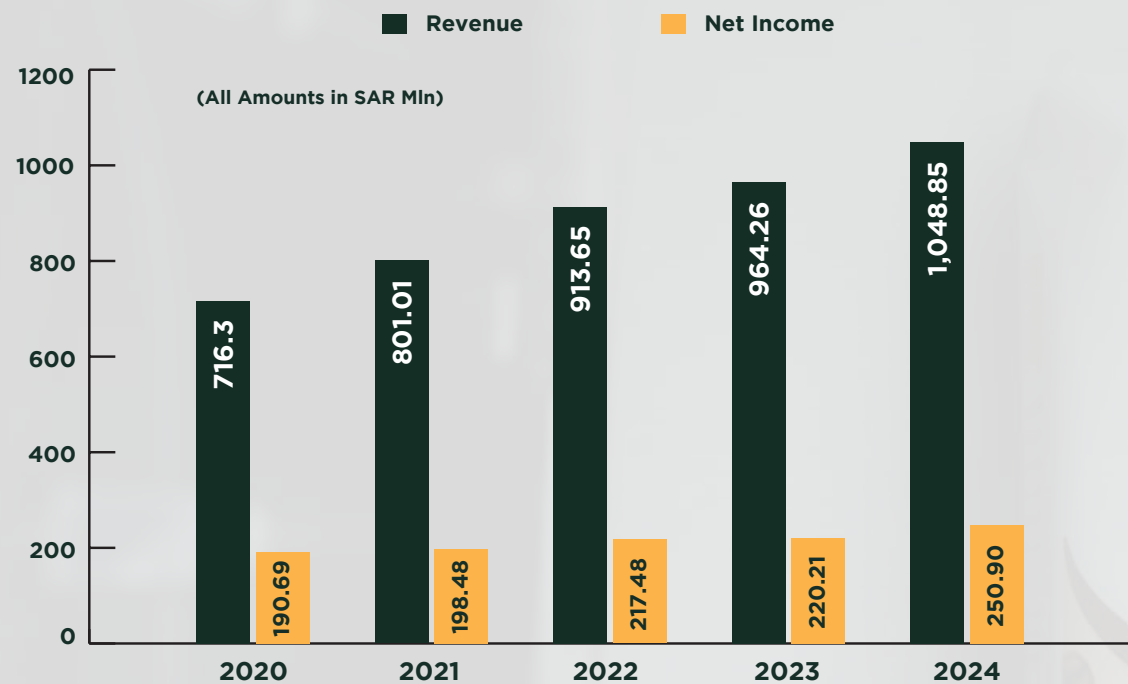
Highlights of 2024

- Obtaining ISO45001 for occupational health and safety (OHS), in addition to organizing more than 20 internal training programs for more than 1,837 employees
- Enhance human resources while improving employee loyalty and satisfaction based on company survey results
- Certifications and Awards: "Best Places to Work" award, Halal Certification, ISO Certifications, Corporate Social Responsibility Award, Best Annual Report Award
- Introducing numerous incentive programs and initiatives to motivate employees and build an attractive work environment
- Providing training, more than 386 employees have been trained, and over 4,690 training hours have been conducted, in cooperation with 6 local and regional universities to train 26 students
- Supporting digital transformation and developing sector performance efficiency by utilizing the latest systems
- Distribution of cash dividends for H1 of 2024G, and approving the distribution of cash dividends for H2 of the year, scheduled to be distributed during 2025G
- Four quarterly earnings calls were held during the year, along with two General Assembly meetings to enhance transparency with shareholders

Key Performance Indicators (KPIs)

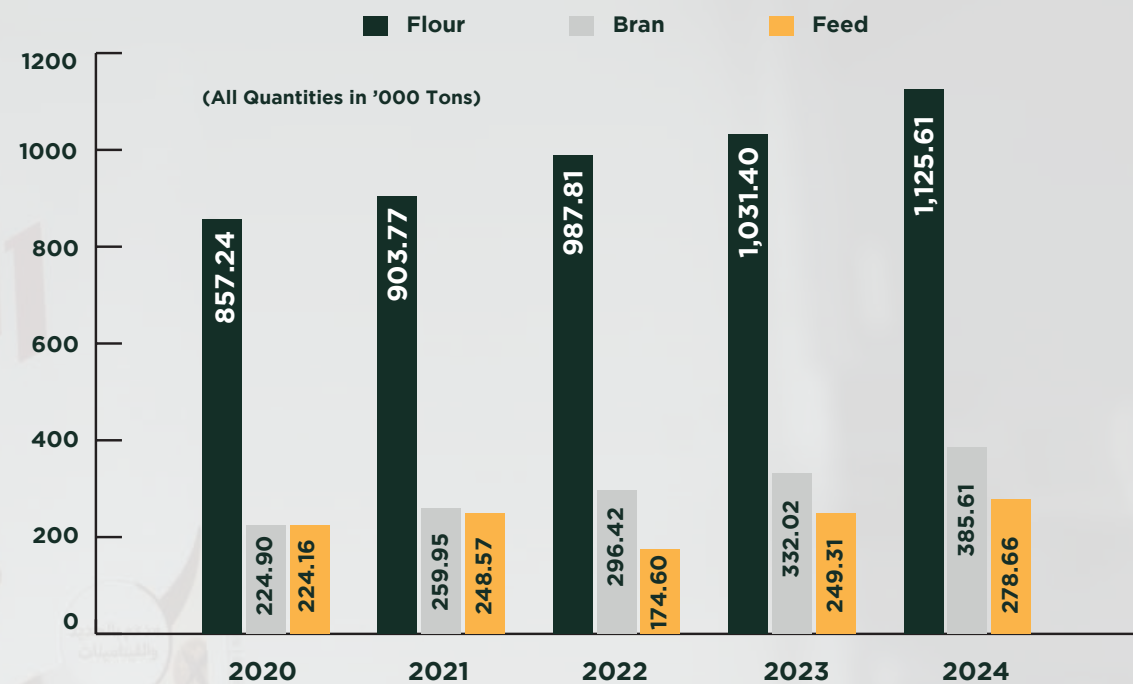
Continued Growth and Record Results

Revenue and Net Profit



Revenue increased by 8.8%, reaching SAR 1,048.9 million during the current period, compared to SAR 964.3 million in the same period last year. Net profit also rose by 13.9%, amounting to SAR 250.9 million, compared to SAR 220.2 million.

Production Growth



This production growth is mainly attributed to several key factors:

- A strong increase in feed and flour sales driven by higher demand and improved sales management
- The improvement in the Company's product mix and pricing management.
- The increased production volumes due to enhanced production capacities at the mills and improved operational efficiency.