



CFO's Message

First Milling Company has once again demonstrated its leadership in the food production sector, delivering exceptional financial and operational results in 2024. This year marked a historic milestone for the Company, reflecting the successful execution of our strategic initiatives and the unwavering dedication of our management and employees.

Record-Breaking Financial Performance

Revenue Growth: The Company achieved a record-breaking revenue of SAR 1.05 billion, a 9% increase compared to 2023, driven by strong demand across our diversified product portfolio and expanded market reach.

Net Profit: Net profit surged to SAR 251 million, a 14% year-on-year increase, underscoring our ability to optimize operations and capitalize on market opportunities.

Gross Profit Margin: Gross profit margins reached 43.6%, supported by stable direct costs and improved operational efficiency, which contributed to an 11% increase in operating profit to SAR 318.5 million.

Market Leadership and Strategic Expansion

Market Dominance: The Company maintained its position as the number one milling company in Saudi Arabia, with a 30% market share, driven by our ability to meet growing demand and expand into new market segments.

Product Diversification: Flour remained the cornerstone of our revenue, contributing 57% of total sales, while feed and bran accounted for 30% and 13%, respectively. This diversification ensures resilience and growth across multiple product lines.

Capacity Expansion: The

completion of upgrades at Mill C and Mill A in Jeddah added 500 tons/day to our milling capacity, with further expansions in Qassim expected to add 600 tons/day by Q2 2026. These investments reinforce our commitment to meeting domestic and regional demand.

Operational Excellence and Efficiency

Cost Management: The Company's ability to maintain stable direct costs, coupled with improved operational efficiency, has been a key driver of our profitability. This is evidenced by the 14% growth in net profit and the 11% increase in operating profit.

Regional Production Hubs: The Jeddah Plant led production and sales, contributing 45% of total revenue, followed by Al-Qassim (31%), Al-Hasa (12%), and Tabuk (11%). This geographic diversification ensures a robust supply chain and market penetration across the Kingdom.

Commitment to Shareholder Value

Dividend Distribution: In line with our commitment to delivering shareholder value, the Board has approved a cash dividend distribution of SAR 2.84 per share, representing 70% of net profit and totaling SAR 157.6 million for FY 2024.

Strong Cash Position: The Company generated an additional SAR 98 million in free cash flow, supporting our CAPEX plans and ensuring sustainable growth while maintaining a solid balance sheet.

Strategic Outlook for 2025 and Beyond

Domestic and Regional Growth: The Company is well-positioned to capitalize on the growing demand for food products in Saudi Arabia and beyond. With the General Food Security Authority's (GFSA) approval to export surplus products, we are exploring new opportunities in regional and global markets.

Sustainability and Innovation: Our focus remains on enhancing operational efficiency, expanding our product portfolio, and investing in sustainable practices to ensure long-term growth and resilience.

Vision 2030 Alignment: The Company continues to align with Saudi Vision 2030 by supporting food security initiatives, empowering local talent, and contributing to the Kingdom's economic diversification goals.

Conclusion

First Milling Company's 2024 performance is a testament to our strategic vision, operational excellence, and commitment to delivering value to all stakeholders. As we look ahead, we remain focused on driving sustainable growth, expanding our market presence, and maintaining our leadership in the food production sector. With a strong foundation and a clear strategy, The Company is poised for continued success in the years to come.

Alaaeldin Mohamed Shousha

CFO

