

Operating Review

Bakery

Almarai Bakery consolidated its position as the leading bakery entity in the Kingdom of Saudi Arabia and the GCC, earning the trust and loyalty of millions of consumers.

Our unwavering commitment to providing high-quality, nutritious baked goods to everyone, everywhere, has been the driving force behind our success. We have consistently delivered on this promise, offering a diverse range of products that cater to the needs and preferences of our customers.

Almarai Bakery: A year of baked success

Almarai Bakery’s unwavering commitment to quality and customer satisfaction has paid off, resulting in remarkable growth and market leadership. We expanded our reach to serve a growing consumer base, maintained consistent production of 9.4 million bakery items daily, and secured a dominant 55% value share in Saudi Arabia. As we look ahead, we remain dedicated to innovation, operational excellence and delivering exceptional value to our customers, ensuring Almarai Bakery remains a trusted household name.

Sustainable growth in 2024

This approach has enabled us to accelerate growth, surpassing the ₪ 2.7 billion revenue mark and reaching the significant milestone of exceeding ₪ 554 million in EBIT for the first time. Key drivers

behind this achievement included market share expansion, effective marketing and promotions, operational efficiencies, our commitment to minimizing our environmental impact and Almarai’s uncompromising quality assurance.

We have continued to introduce new and exciting products that cater to evolving consumer preferences. Our commitment to innovation has not only helped us stay ahead of the competition but has also strengthened our connection with consumers.

Consolidate and expanding our reach

The bakery market in Saudi Arabia is growing due to changing dietary habits, urbanization and demand for convenience foods. Almarai Bakery consolidated its market presence, enhancing volume and value share, while across all other

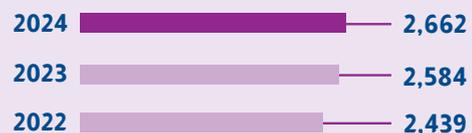


Value Share of Saudi Market

Category	Market share	Position
Sliced bread	66.3%	1
Burger Buns	56.6%	1
Puffs	74.5%	1
Croissants	82.4%	1
Sandwich	79.9%	1
Cakes	26.2%	1

Total Bakery Revenue

(₪ million)



New Products in 2024

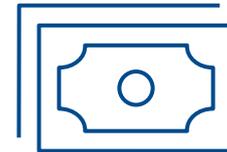
L'usine Premium Puff "Cherry"

L'usine Pizza on The Go
"Margarita"

L'usine Bread Sour Dough Style

L'usine Tortilla Wraps

7DAYS Chocolate Enrobed Milk
Premium Cake Bar



₪ 2,662
million
Total Revenue
in 2024

Gulf countries, Bakery increased its presence and footprint.

In the UAE, robust growth was driven by a preference for premium and artisanal products, an expanding retail landscape, and the rise of cafes. Almarai Bakery successfully expanded its market share, positioning itself for further growth by catering to diverse consumer preferences with innovative baked products.

Customers at the heart

In 2024, Almarai Bakery received multiple regional communications awards for its innovative consumer campaigns, including "L'usine Brownie Leaves You Speechless" and "GAME ON:

L'usine." These accolades highlight our excellence in audio branding, personalization and customer experience design. Additionally, L'usine brand was recognized as one of the top food brands in the UAE.

Baking a brighter future

In 2025, Almarai Bakery will align with consumer trends in Saudi Arabia and the UAE by reaching consumers where they are, ensuring the right product assortment and staying relevant through innovation. We aim to grow the packaged bakery market, drive growth with innovative products, expand our retail footprint and strengthen our regional leadership.

Additionally, we will explore new opportunities as bakery products and technologies, sales channels and markets, optimizing costs and making shopper-centric decisions to generate exceptional value for our stakeholders.

