

Group CFO's Review

Delivering Value.  
Maximizing Possibilities.

2024 marked the culmination of a transformative journey for Savola Group, as we executed a strategic realignment to enhance capital efficiency, focus on core growth markets, and unlock long-term value. The successful distribution of our entire 34.52% stake in Almarai to shareholders, coupled with a ₪ 6 billion rights issue, has optimized our balance sheet and created financial agility for future investments. Additionally, the divestment of our Iran operations reflects our commitment to portfolio discipline and market focus.

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Wajid Usman Khan  
Group Chief Financial Officer



Net Income  
₪ 9,974m



Net Debt  
₪ 621m

This year, we also took one-off non-cash impairment charges, reorganization costs and recycling of Currency Translation Losses related to portfolio streamlining and business optimization, ensuring a leaner, more focused organization. These measures, while impacting short-term results, are necessary to reposition Savola for sustained profitability and long-term shareholder value.

Despite macroeconomic challenges, Savola achieved a robust financial performance, maintaining stable profitability, and demonstrating ongoing margin expansion within our core businesses. The Retail segment embarked on its journey towards growth and profitability driven by CXR and expansion of store network, while our Food business maintained its leadership despite external pressures. We remain disciplined in cost management, capital allocation, and risk mitigation to sustain performance.

Our core markets, Arabia and Egypt, remained the foundation of our business, contributing over 94% of total revenue in 2024. The Group's Sugar segment saw renewed momentum, with volumes expanding by 6% and revenue increasing by 1%. Panda demonstrated a successful turnaround in 2023 and 2024, highlighting momentum shifts towards growth. This achievement was marked by robust EBITDA growth of 23%, building on the solid performance

of the previous year. The expansion of the store footprint, with 22 openings in Saudi Arabia during 2024 and 2023, played a crucial role. Additionally, the ongoing benefits of the multi-year Customer Experience Revival (CXR) program have bolstered operations and customer engagement, leading to a rise in net income to ₪ 154 million from last year's ₪ 47 million.

The new value-added food categories and verticals – Frozen, Nuts, Spices and Pulses – sustained their growth trajectory, with revenue growing by 12% to ₪ 1.4 billion and gross profit expanding by 14% to ₪ 463 million. This steady progress reflects the impact of ongoing investments in brand positioning, targeted marketing, and product innovation across these food verticals.

Looking ahead, we are strategically positioned to capture new growth opportunities, drive operational efficiencies, and enhance shareholder returns. Our financial and operational resilience will support our vision of creating sustainable value in an evolving market landscape.

