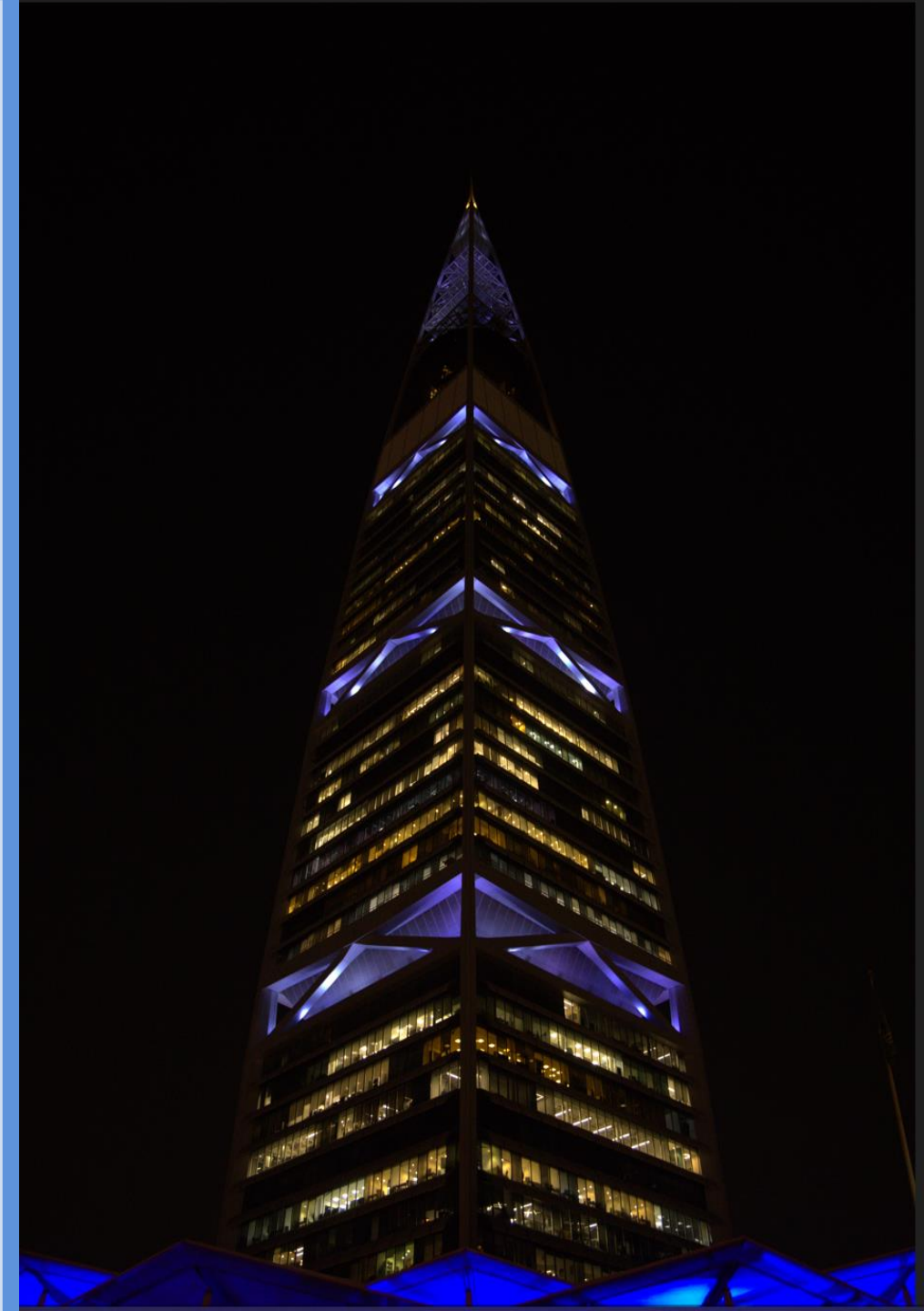


# INVESTORS PRESENTATION

---

Q1 2024





# CONTENTS



## Overview

- About CATRION
- 40<sup>th</sup> year anniversary & achievements



## Business Structure

- Board and executive leadership
- Shareholding structure



## Business Model & Segments

- Business model
- In-flight catering
- Catering & services
- Retail



## Strategy & outlook

- Business strategy
- Strategic objectives and execution milestones
- Positive Impact Initiatives
- Growth drivers
- Outlook and priorities



## Q1 2024 Financial Performance

- Financial highlights
- Financial Ratios



# OVERVIEW

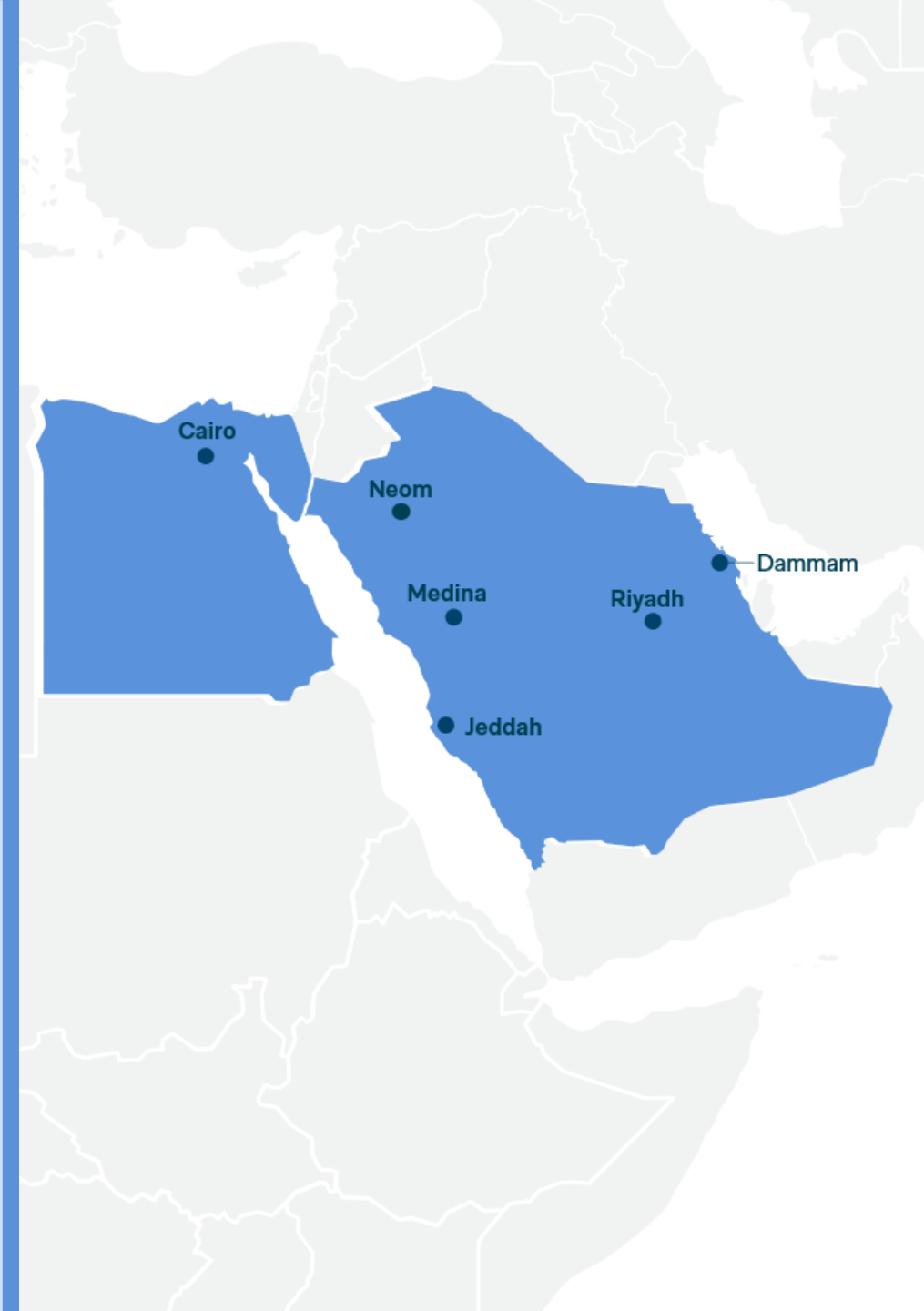
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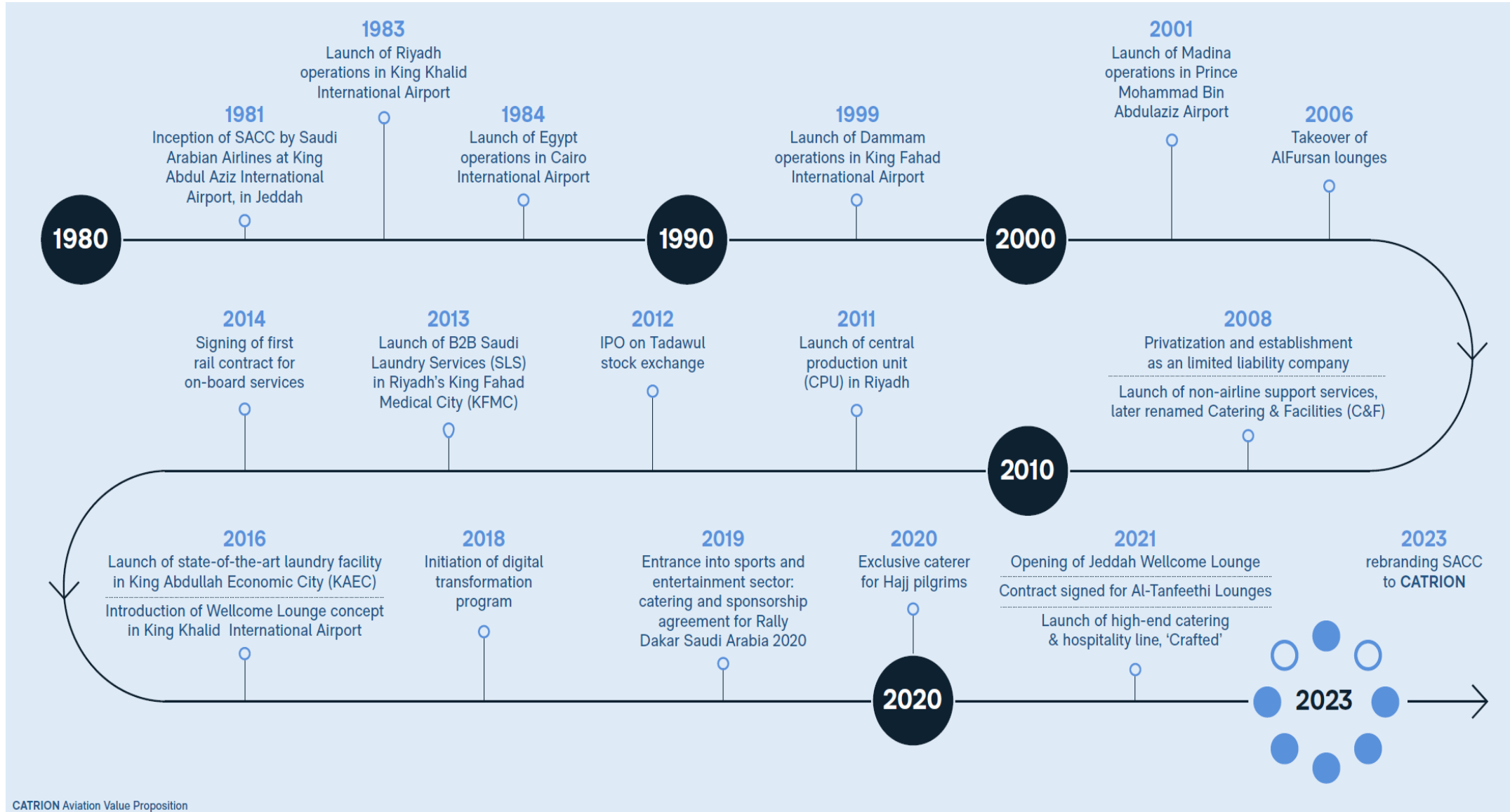


# FOUR DECADES OF CATERING EXCELLENCE

- ✓ Since being founded in 1981 as the catering arm of Saudi Arabian Airlines, CATRION has been on an amazing journey to establish an organization and reputation that is recognized as a CATRION innovator and leader for the Kingdom.
- ✓ Always seeking new ways to support and satisfy our clients and consumers and support the goals of Saudi Vision 2030, CATRION has continuously grown and diversified over the years, transforming into a more efficient organization, and expanding into complementary business areas.
- ✓ Over the last 40 years, CATRION has served millions of customers on Saudia and airline partners, as well as through our lounges, trains, events, restaurants, hotels, camps and more!



# Diversified contributions during 40+ years





# BUSINESS STRUCTURE

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# BOARD OF DIRECTORS



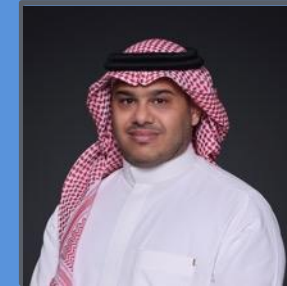
**Mohammed Abdulaziz Al Sarhan**  
Chairman



**Raed Ibrahim Al Mudaiheem**  
Vice Chairman



**Fahad Abdullah Mousa**  
Board Member



**Abdulwahab  
Abdulkarim Albetairi**  
Board Member



**Fadi Majdalan**  
Board Member



**Yousef  
Hamad Al Yousefi**  
Board Member



**Joza AlRasheed**  
Board Member



**Olivier Harnisch**  
Board Member



**Dilip Nijhawan**  
Board Member



# EXECUTIVE TEAM



**Wajdy M. Al-Ghabban**  
Chief Executive Officer



**Mahmoud Masoud**  
Chief Financial Officer



**Rashed Alarfaj**  
EVP - In Flight Catering



**Paul Summers**  
EVP - BD and M&A



**Saeed Al-Mufadali**  
VP - Human Resources



**Tarek Tharwat**  
Chief Audit Executive



**Mohammed Al Awi**  
VP - Health, Security  
& Standards Control



**Thomas Gugler**  
VP - Culinary



**Ashraf Nadeem**  
VP - Information  
Technology



**Frederic Huet**  
VP, C&F Operations



**Mossa AlFifi**  
VP, Central and Eastern  
Regions - IFC



**Nikola Metodijevic**  
VP, JED Region - IFC



**Obaidah Al-saggar**  
VP - Procurement &  
Strategic Sourcing



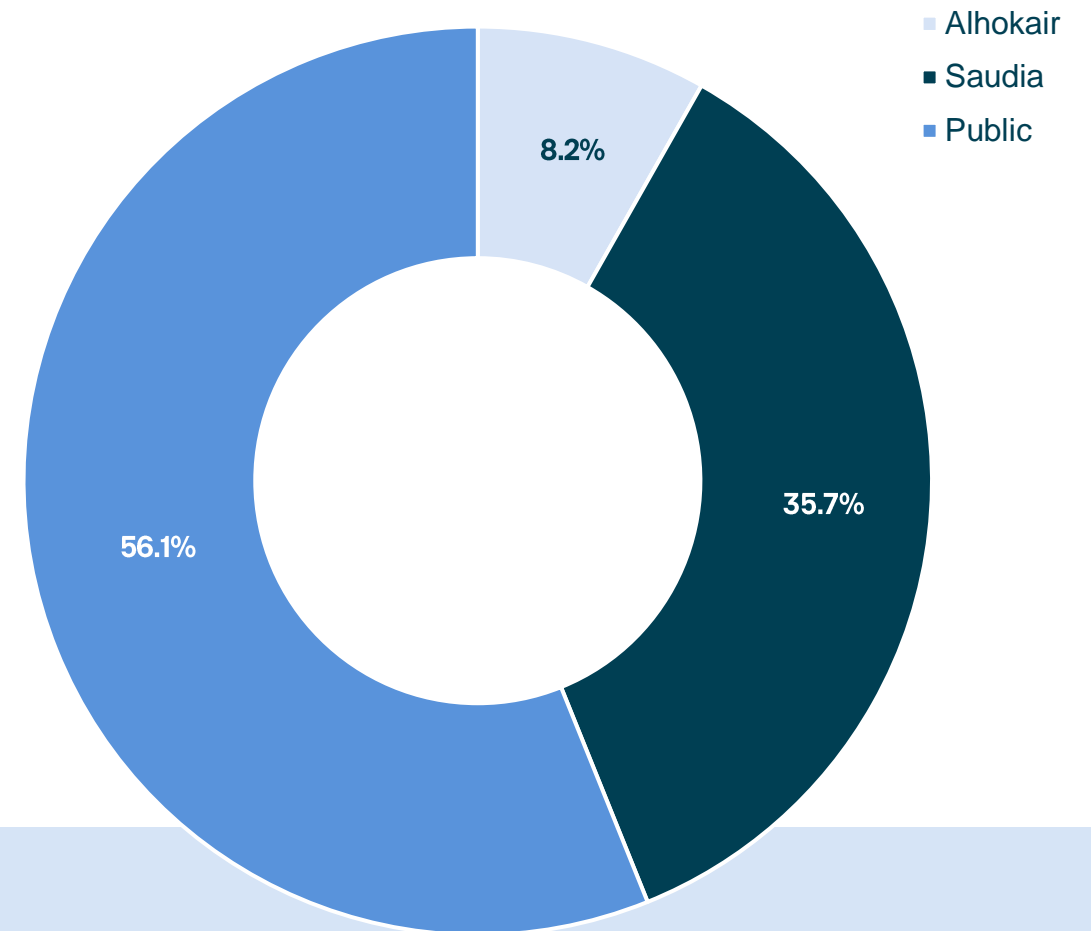


# SHAREHOLDING STRUCTURE

Market	Tadawul, Saudi Arabia
Currency	SAR
Listing date	2012
Financial year	31 March 2024
Market capitalization (SAR bn)	10.4
Issued shares	82,000,000
Paid Capital (SAR)	820,000,000
Closing price (SAR)	126.6
52-week Low / High (SAR)	84.1 / 147.4

\* As per 31<sup>st</sup> March 2024

We continue to maintain a strong and strategic relationship with our major shareholder (Saudia), which continues to be the major contributor to our total revenue base, at 60.8% in Q1 2024





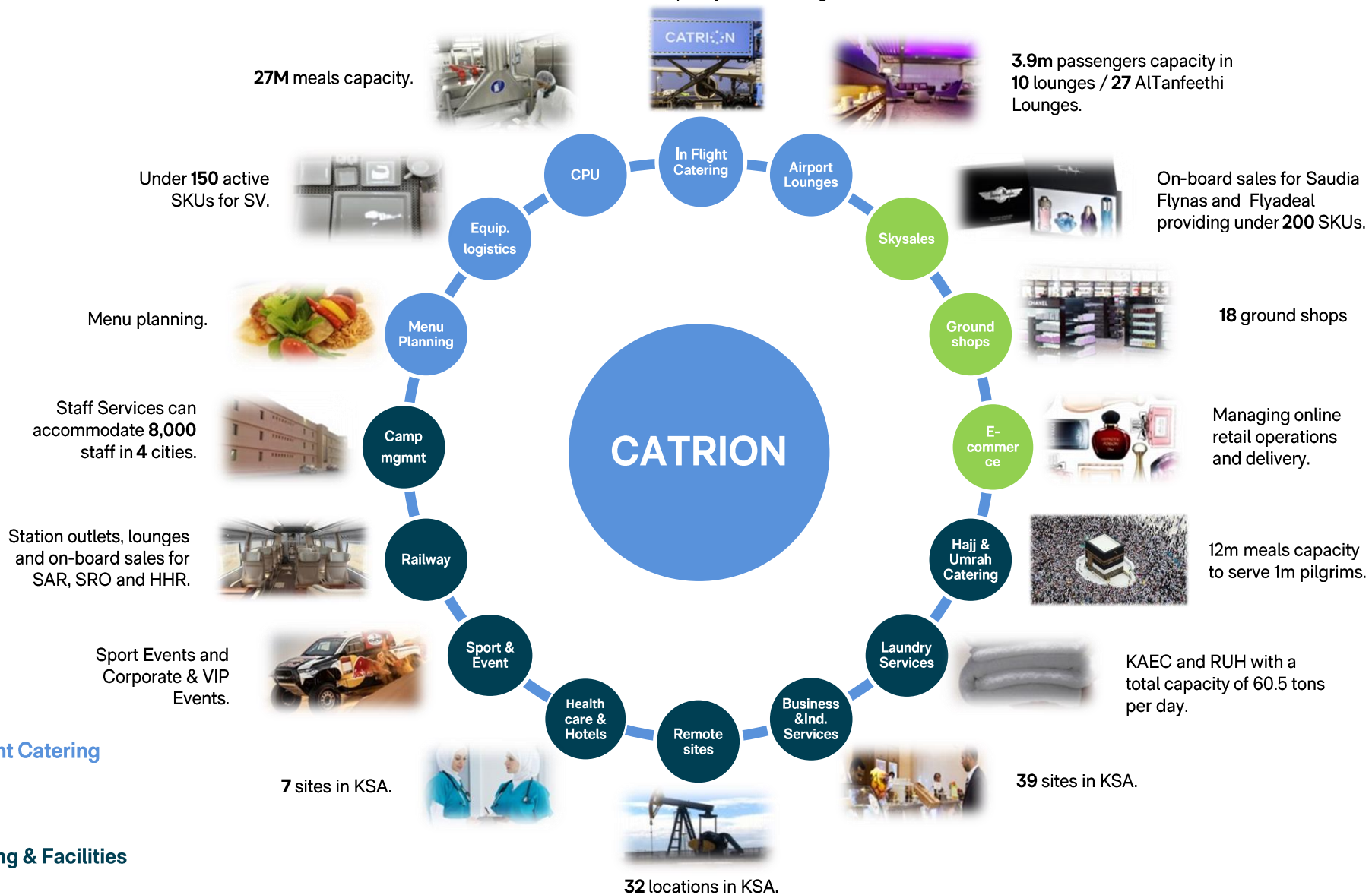
# BUSINESS MODEL & SEGMENT

---



# BUSINESS UNITS

72m meals Capacity and 320k flights.



- In Flight Catering
- Retail
- Catering & Facilities



# IN-FLIGHT CATERING

---



# IN-FLIGHT CATERING

## Our Airlines Catering Services Cover:



On-board Meals



Chefs On-board



Menu Planning



Equipment Management

- Our core business is based on **scale, quality and consistency** – working to world-class standards of health and safety in food production.
- Our **internationally-trained chefs** lead the way in innovation, both in the air and on the ground.
- They **design menus with the quality, detail and authenticity** that meet the standards of the most selective palates, while being sensitive to local trends, ingredients and flavors.
- We ensure **quality matches the traditional customs of each route and occasion**, in order to satisfy the guests' experience.

## Operating Six Food Production Units Located In:

Saudi Arabia



(At the international airports)

- ✓ Jeddah
- ✓ Medina
- ✓ Dammam
- ✓ Riyadh (CPU)
- ✓ Neom

Egypt



(At Cairo international airport)

- ✓ Cairo





# CENTRAL PRODUCTION UNIT

Utilizing the latest technology of using air-liquid nitrogen to freeze meals hard up to (-18 degrees Celsius) in compliance with the International Standard of Food & Safety Manual and HACCP.

Frozen Meals & Goods Supply

Offering the production of:



Frozen Meals  
75k Meals/Day



Pre-cut Vegetables  
200 Kg/Hour



Smoked Products  
13.3 Tons/Month





# HOSPITALITY

---

- ✓ AlFursan
- ✓ Wellcome Lounge
- ✓ AlTanfeethi
- ✓ Operation Building
- ✓ Saudi Royal Aviation
- ✓ Delayed Flight Services



# INFLIGHT CATERING - Airport Lounges

Our Hospitality Services are vertically integrated in providing unique hospitality services and BOM (built/operate /manage) operations. They cover Airline Lounges.



5

صالة الفرسان  
ALFURSAN LOUNGE

First & Business Class in Riyadh, Jeddah, Dammam and Cairo.

4

Wellcome®  
lounge

In Riyadh, Medina and Jeddah.

27

التنفيذي  
ALTANFEETHI

In RUH, JED, DMM, MED, AHB, TIF, ABT, GIZ, ELQ, HAS, ULH, AJF, RAE, TUU, YNB, BHH, EAM, SHW, DWD, WAE, RAH, AQI, HOF, URY, TUI and EJH.

1

Prime Class Medina.

7

Delayed Flight Svcs. Saudia Delayed Flight & Foreign Delayed Flight in JED, RUH, DMM & MED.

3

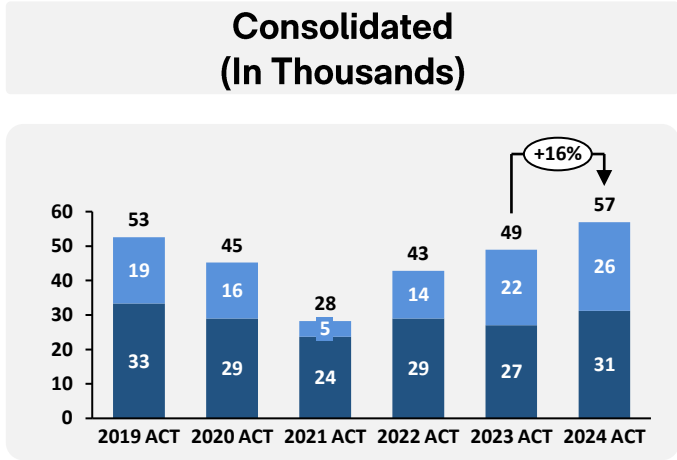
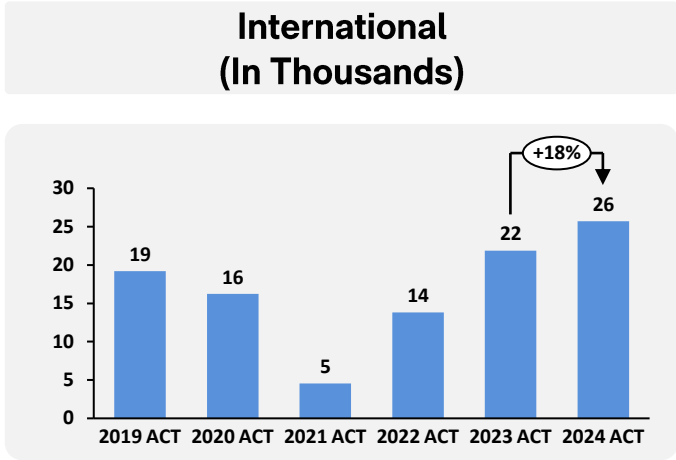
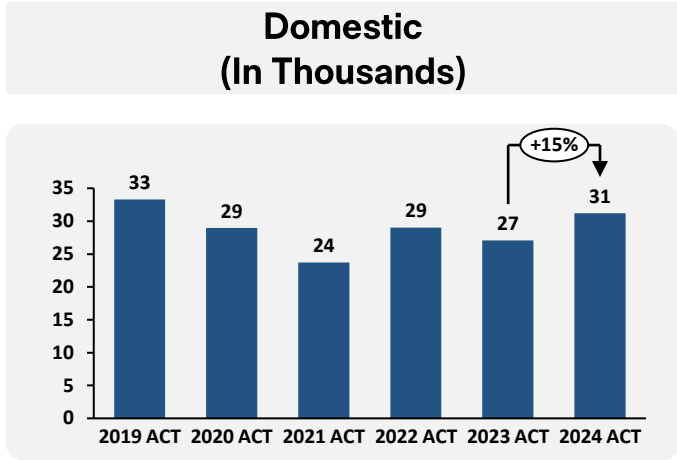
Building Services: Flynas, Saudia & Amad in RUH.



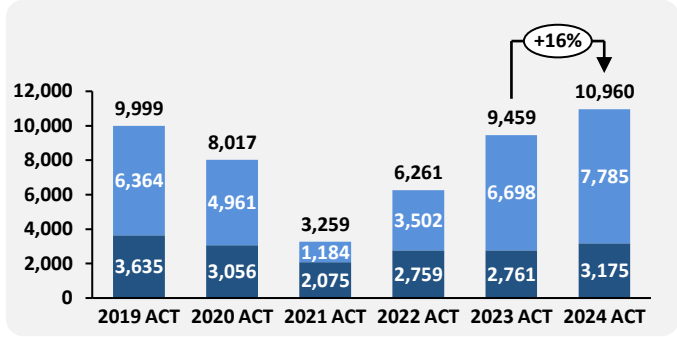
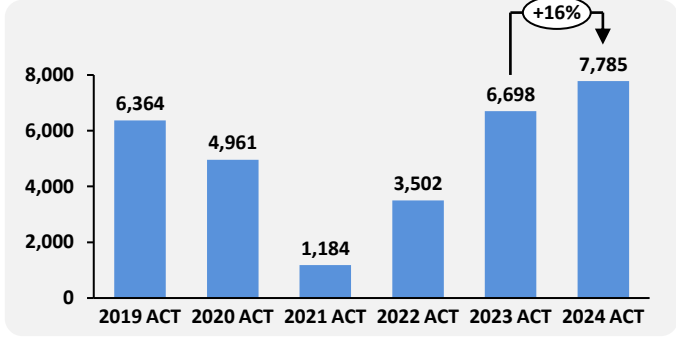
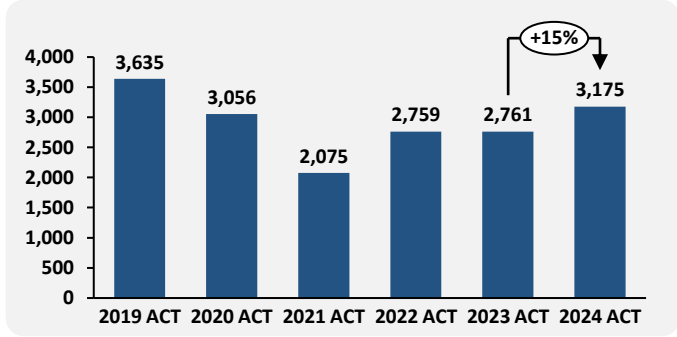


# IFC – DOM & INT Flights, Meals & Lounge Pax Statistics – Q1 2019 to Q1 2024

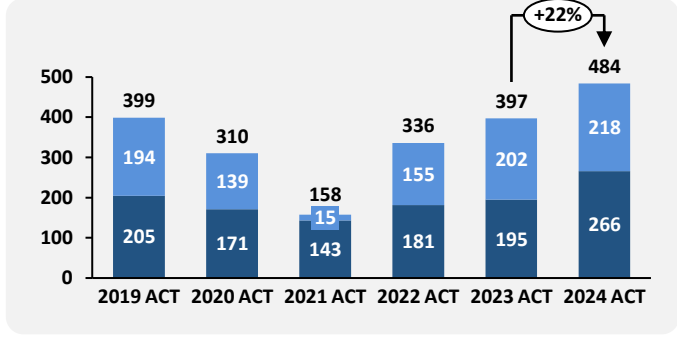
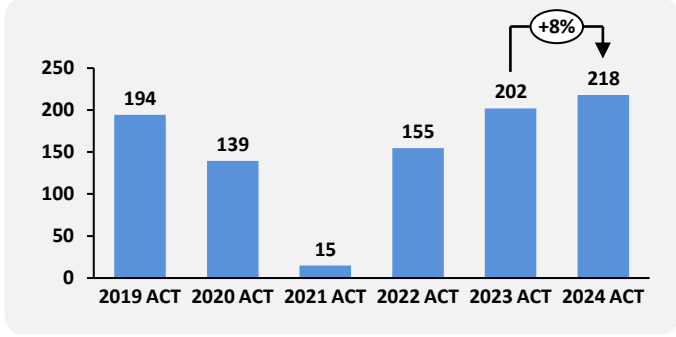
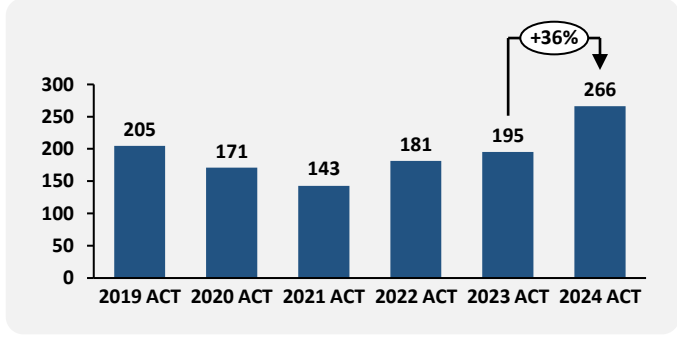
Flights



Meals



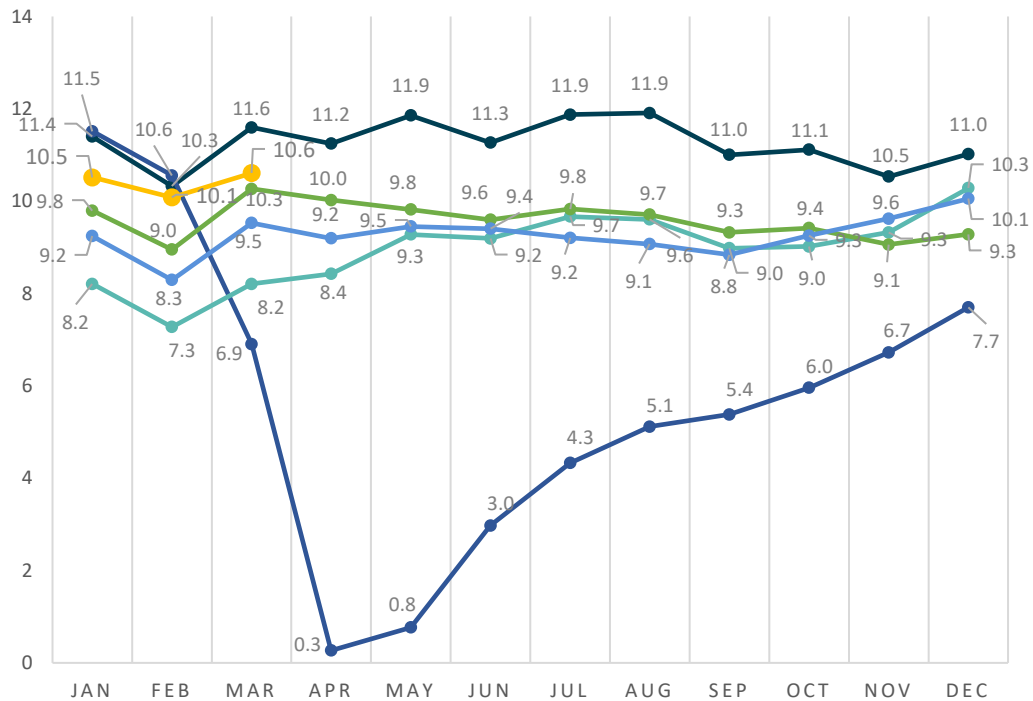
Lounge Pax



# IFC - DOM. & INT. Monthly Flights

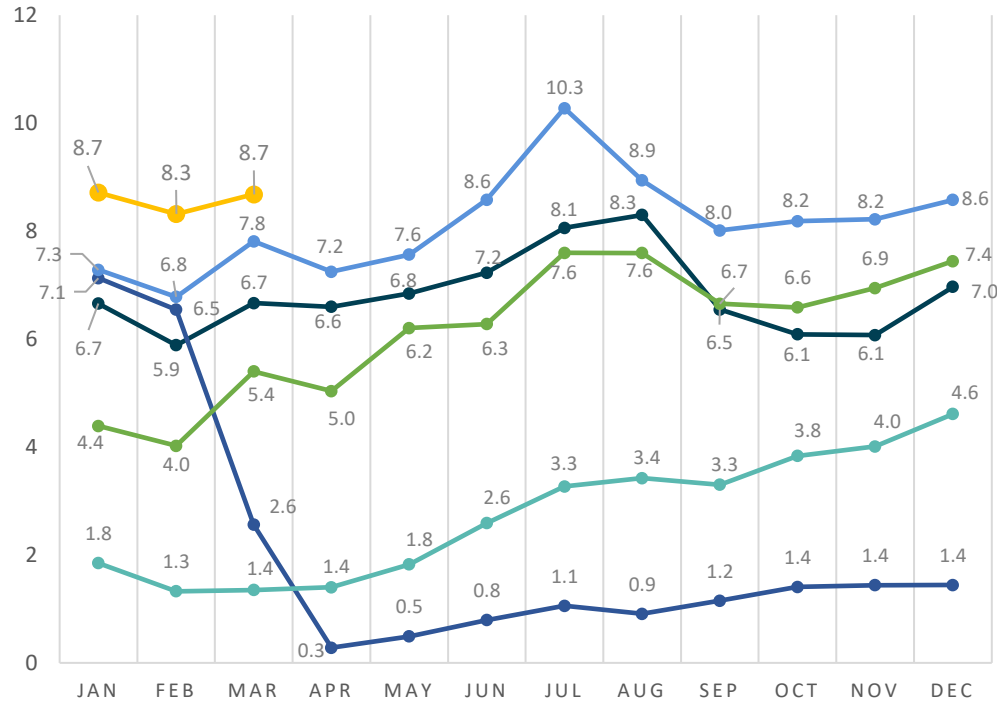


## DOMESTIC FLIGHTS (IN THOUSANDS)



■ ACTUAL 2024     ■ ACTUAL 2022     ■ ACTUAL 2020  
■ ACTUAL 2023     ■ ACTUAL 2021     ■ ACTUAL 2019

## INTERNATIONAL FLIGHTS (IN THOUSANDS)



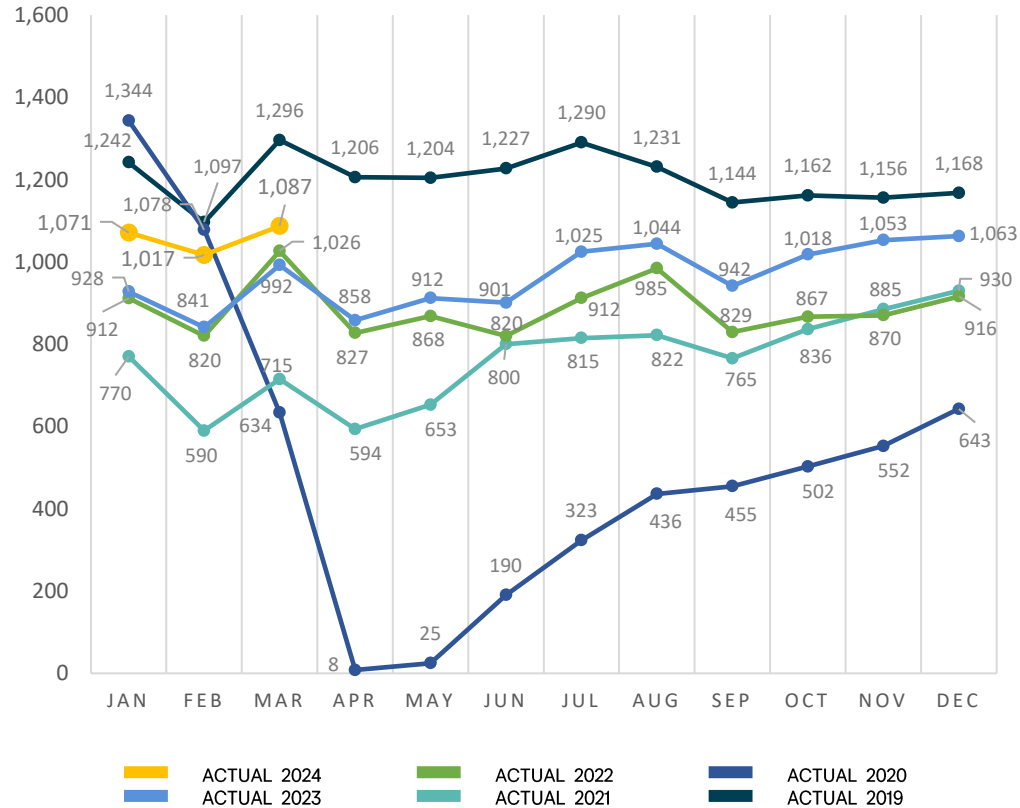
■ ACTUAL 2024     ■ ACTUAL 2022     ■ ACTUAL 2020  
■ ACTUAL 2023     ■ ACTUAL 2021     ■ ACTUAL 2019



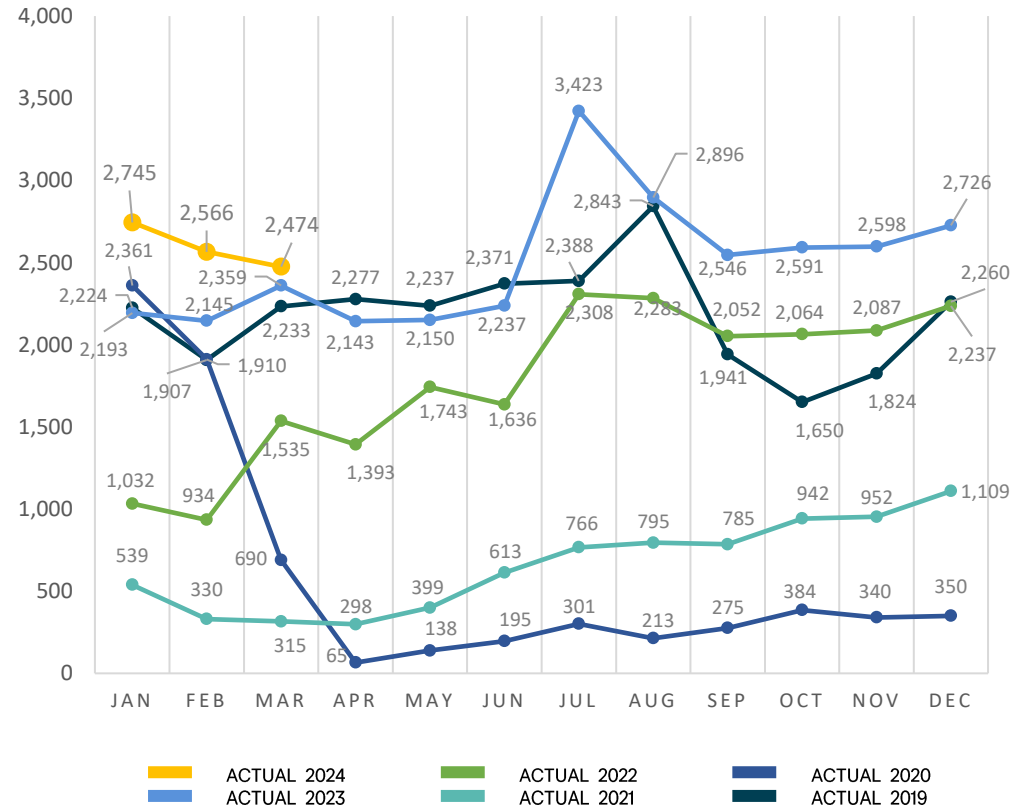
# IFC - DOM. & INT. Monthly Meals



## DOMESTIC MEALS (IN THOUSANDS)

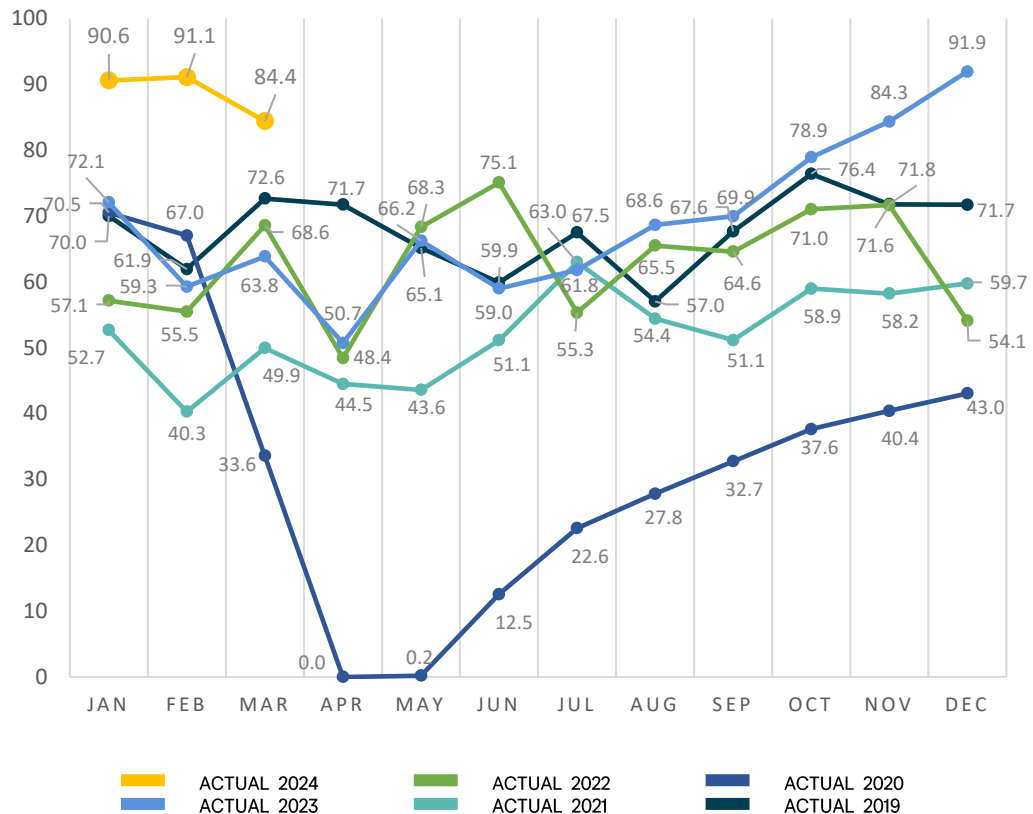


## INTERNATIONAL MEALS (IN THOUSANDS)

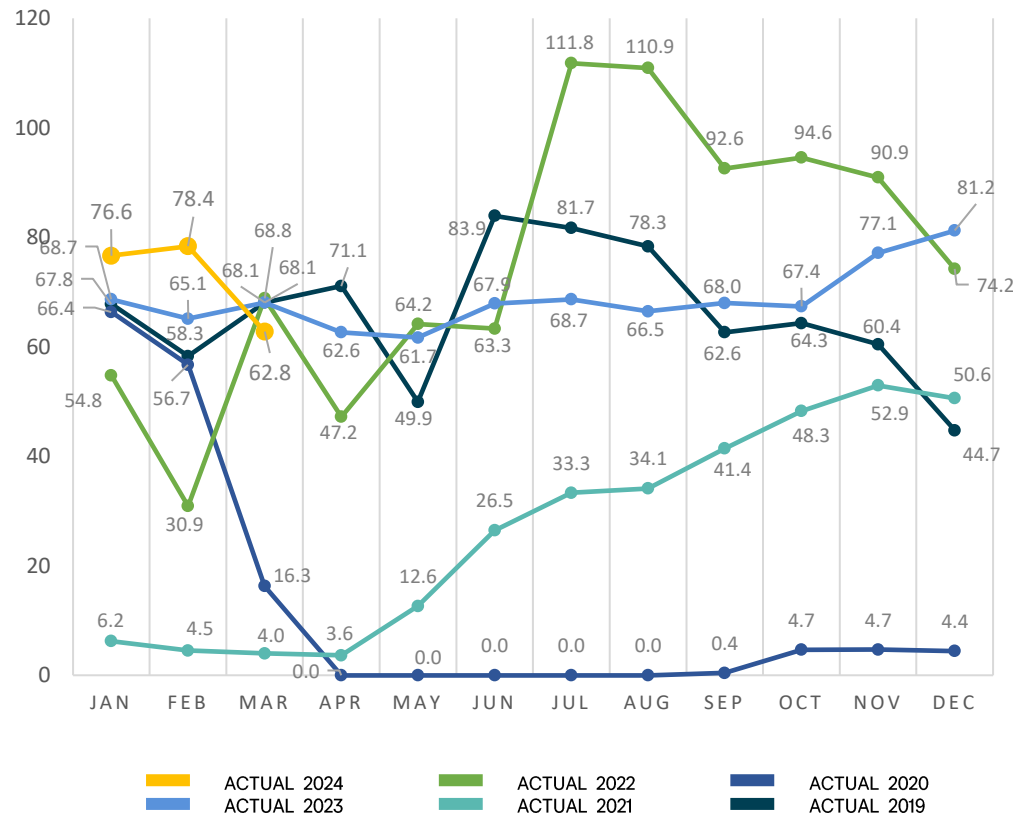


# LOUNGES – DOM. & INT. Monthly Visitors

### DOMESTIC LOUNGE VISITORS (IN THOUSANDS)



### INTERNATIONAL LOUNGE VISITORS (IN THOUSANDS)



# INFLIGHT CATERING - MAJOR CLIENTS



السعودية  
Saudia



Saudia  
Cargo



Saudia  
Private



أسطول الملكة  
SAUDIA ROYAL FLEET



A STAR ALLIANCE MEMBER



Philippine Airlines



Garuda Indonesia

BRITISH AIRWAYS



Lufthansa



flynas  
طيران ناس

طيران أديل  
flyadeal

malaysia  
airlines



Ethiopian  
የኢትዮጵያ



TURKISH AIRLINES

aramco

ALPHA STAR  
AVIATION SERVICES  
WE  
AIM AT  
STARS

AIR CHINA  
中国国际航空公司



中国南方航空  
CHINA SOUTHERN



中國東方航空  
CHINA EASTERN





# CATERING & FACILITIES

---

- ✓ BUSINESSES & INDUSTRIES
- ✓ REMOTE SITES
- ✓ RAILWAY
- ✓ HAJJ & UMRAH
- ✓ HOSPITALITY & EVENTS
- ✓ LAUNDRY SERVICES
- ✓ CAMP MANAGEMENT



# CATERING & FACILITIES

We started the **Non-Airline Catering Services in 2008** to offer a wide range of catering solutions of local and international dishes of food varieties that our chefs **smartly design and innovate** according to the requirements of each contract and which achieve the client's budget and meet their needs.



**Business, Industries & Institutions**  
(Cooking on site or delivery) Business headquarters, factories and administrations.



**Hajj & Umrah**  
Buffets, coffee breaks, individual meals, utilizing our mobile serving trucks.



**Sports & events management**  
Lifestyle events, sport events and corporate & VIP events.



**Healthcare & Hotel Industry**  
Hospitals, clinics and hotels.



**Laundry Services**  
Services to hotels, hospitals & industries from our plant in Jeddah & Riyadh.



**Remote Sites**  
Cooking on site – Oil, gas & petrochemical industries.



**Add value products (offering the production of ready to eat or ready to cook products)**

- ✓ Frozen meals
- ✓ Pre-cut vegetables
- ✓ Chilled meals
- ✓ Smoked product



**Railway Catering**  
On-board & in railway stations.  
**Railway Lounges**  
11 lounges include first & business class.







# RETAIL

---

- ✓ ON-BOARD
- ✓ GROUND SHOP
- ✓ E-COMMERCE



# RETAIL

Our retail operations started back in 1985 when Saudia handed us its prestigious in-flight retail service “SkySales”.

Our retail services have grown ever since to cover the following:

- ✓ On-Board
- ✓ Ground Shop
- ✓ E-Commerce

## On-board:

In-flight shopping services managed by our retail team for three different airlines



## E-Commerce:

Managing online retail operations that deliver to homes and offices across KSA

[www.skysalesonline.com](http://www.skysalesonline.com)

## Ground Shop:

We manage multiple on-ground retail outlets at various locations under multiple brand names



# CATERING & FACILITIES - MAJOR CLIENTS

## HAJJ & UMRAH



## B&I AND RAILWAYS



## REMOTE SITE



## HEALTHCARE



# Health, Security & Standards Control

HSSC aims to develop, implement, maintain, and continuously improve the standards and systems across the organization by meeting the International, national, and customer-specific requirements to ensure the highest level of customer excellence



## Food Safety & Hygiene

ISO 22000, FSSC 22000, HACCP, HALAL (SFDA)



## Occupational Safety & Health

ISO 45001, GACA R 151



## Security

National Security Program, ISO 41001 requirements, GACA Internal services



## Medical Services

Preventive, Curative, Therapeutic Internal services



## Enterprise Risk Management & BCMS

Risk Management, COSO, ISO 31000, ISO 22301



## Regulatory Affairs

Regulatory & Statutory requirements, Shelf life studies



## Quality Management

ISO 9001, ISO14001, Mowaamah, Policies & Procedures & Standards



## Research & Laboratories

ISO 17025:2017 Accreditation



## Process Excellence

Optimization, Performance Enhancement & Standardization



## Sustainability

Environmental, Social & Governance



## Local Content

LCGPA Requirements, Vision 2030



## QHSE

Catering & Facility, Healthcare, Railway QHSE Requirements





# STRATEGY AND OUTLOOK

---







# GROWTH DRIVERS



## International Flight

Noticeable increase in international flights and number of passengers in Q1 2024 over Q1 2023



## Domestic Flight

Domestic air travel has increased in Q1 2024 over Q1 2023, mainly due to an increase in flights from Saudia, Fly a Deal, Fly Nas and Private airlines



## International Air Travel

International air travel is experiencing a noteworthy uptrend in passenger volumes, following KSA vision of 2030 Tourism development, eVisa System and Tourist Attractions.



## Saudi Economy

Saudi Arabia's economic transformation is dependent on strategic initiatives and long-term investments. The country has demonstrated its massive commitment to its investment agenda. This momentum is expected to remain strong and unhindered despite the recent economic challenges that the world faces today.

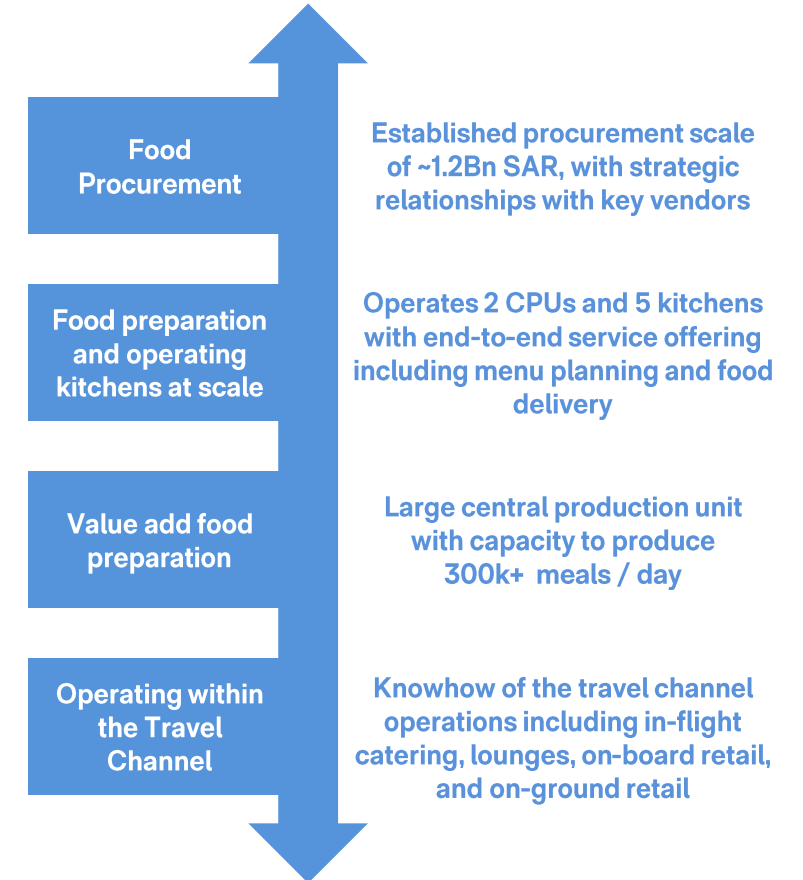


# CATRION - Business Strategy 2024 - 2026

## DIVERSIFY & ACCELERATE

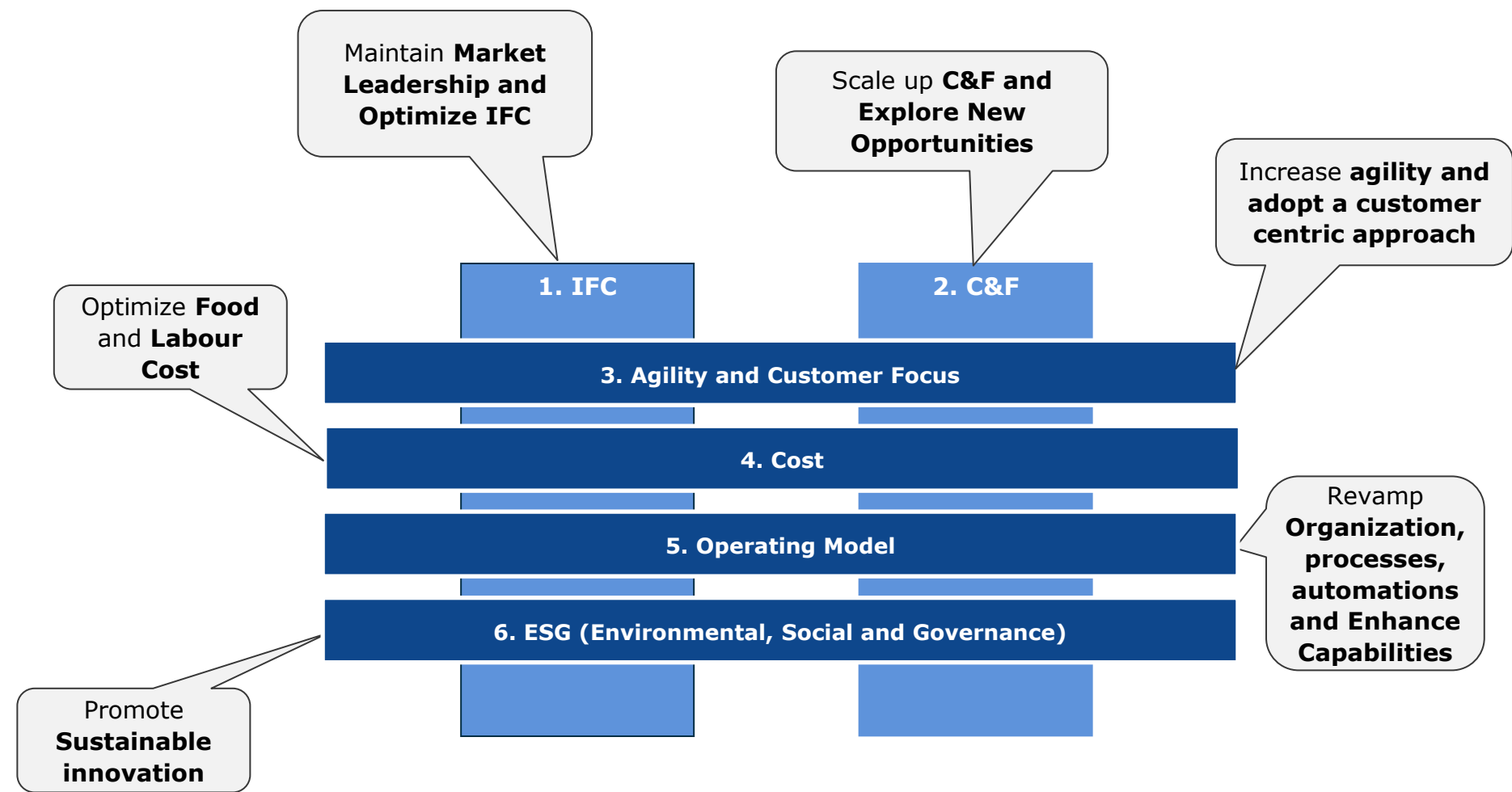
<b>Strategic Objective/ Target</b>	<b>Become the national champion for catering in the KSA</b>		
<b>What</b>	<b>Maintain Market Leadership in IFC</b> <ul style="list-style-type: none"> <li>Develop compelling CATRION value proposition for new airlines</li> <li>Build key account management capability to nurture priority customers</li> <li>Cover airports expansions and assess covering new airports</li> <li>Maintain market leadership in lounges</li> <li>Retain strategic operations in retail and focus on profitability</li> </ul>	<b>Scale up in C&amp;F</b> <ul style="list-style-type: none"> <li>Execute Red Sea and pursue other Giga Projects</li> <li>Develop Integrated Facility Management offering</li> <li>Scale-up new sectors (Healthcare and Events and Functions)</li> <li>Grow profitably existing sectors (B&amp;I, Remote Sites and Railways)</li> <li>Deprioritize current Hajj business and develop a more sustainable model</li> </ul>	<b>Increase agility and adopt a customer centric approach</b> <ul style="list-style-type: none"> <li>Transform Procurement</li> <li>Adopt a matrix organization for C&amp;F (incl. Business Development function)</li> <li>Establish Guest Experience</li> <li>Enhance cost competitiveness/ operational efficiency across BUs</li> <li>Enhance agile management of Giga Projects (e.g., project management, financial and operational controlling)</li> </ul>
<b>How</b>	<b>Explore New Opportunities</b> <ul style="list-style-type: none"> <li>Partner with established brands on frozen foods</li> <li>Enhance cost competitiveness/ operational efficiency across BUs (e.g., food and labour cost for C&amp;F, corporate cost)</li> <li>Restructure the organization and inject needed capabilities (e.g., business development, category management, marketing, data analytics)</li> <li>Pursue inorganic growth opportunities; explore JVs where needed (e.g., healthcare, events)</li> </ul>		

## BUILDING ON EXISTING CAPABILITIES





# CATRION - Strategy Execution Roadmap 2024 - 2026

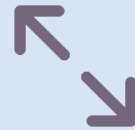


# OUTLOOK & PRIORITIES FOR 2024



## Leverage Positive Market Dynamics Driven By Vision 2030

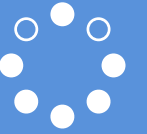
- C&F pursuing further opportunities with government & Healthcare clients, remote events & sports activities
- Expanding digitization & automation initiatives including in lounges & ordering items to plane passenger seats
- Exploring sale of fresh food to consumers, restaurants and hotels, as well as operate franchise restaurants
- Inorganic growth via M&A where the target complements CATRION's activities



## Maximize Strategic Business Initiatives

- Investment and development of Human Capital
- Digitization, innovation and automation of services to complement e-experience across the business lines
- Diversification of portfolio through new segments in C&F division and in the e-commerce segment
- Promote Sustainable innovation
- Positive social impact initiatives
- Inorganic growth through exploring strategic M&As
- Investment in Giga projects - red Sea, NEOM, Sindalah Island, Ras Al Khair





# Q1 2024 FINANCIAL PERFORMANCE HIGHLIGHTS

---



# Q1 2024 FINANCIAL HIGHLIGHTS

## Revenues

Continued upward trajectory in Q1 2024 by +6% over Q1 2023, mainly driven by

- ✓ Inflight Catering increased in Q1 2024 by 56M or 14.8% over Q1 2023

## Cost of Sales

Increased in Q1 2024 by 6% over Q1 2023 due to volume growth in Inflight Operations

## Operating profit

Increased in Q1 2024 by 10% over Q1 2023 as a result of increase in sales in Inflight Catering.

## Net profit after ZAKAT

Achieved 71M'SAR in Q1 2024 compared to net profit of 57M'SAR in Q1 2023, as a result of diversified revenue streams



Revenue

**553 M'SAR**  
Up 6% from Q1-2023



Cost of Sales

**400 M'SAR**  
Up 6% from Q1-2023



Operating Profit

**72 M'SAR**  
65 MSAR  
in Q1-2023



Operating Margin

**13%**  
12% in Q1-2023



Net Profit after  
Zakat & Tax

**71 M'SAR**  
57 MSAR  
in Q1-2023



EPS

**0.87**  
0.7 profit per  
share in Q1-2023



# Q1 2024 REVENUE HIGHLIGHTS

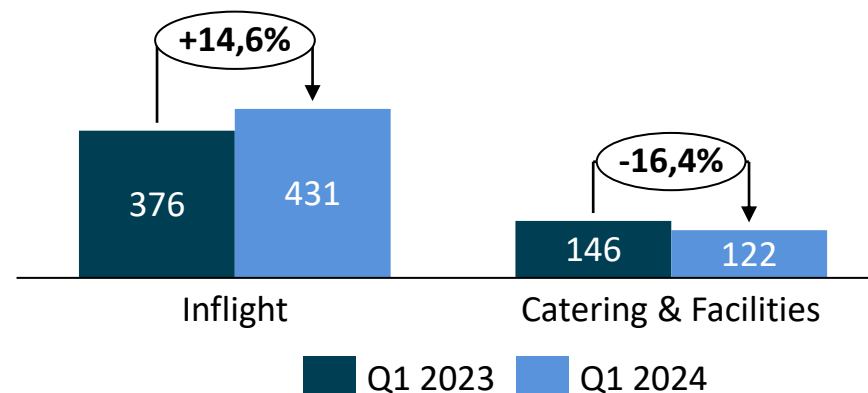


Inflight Catering revenue increased in Q1 2024 over Q1 2023 by 14.6%, as a result of an improvement in number of flights, meals and passengers in both domestic and international

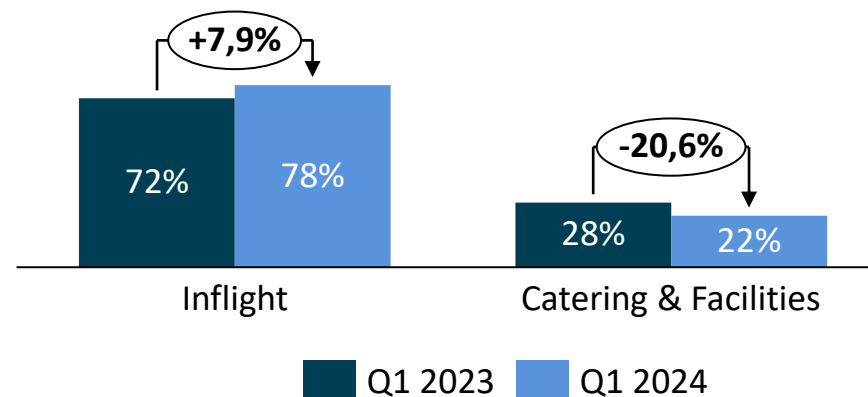


Catering and Facilities revenue Decreased in Q1 2024 over Q1 2023 by (16.4%), mainly due to loss of HHR and DAKKAR projects

CATRION Revenue Breakdown (MSAR)



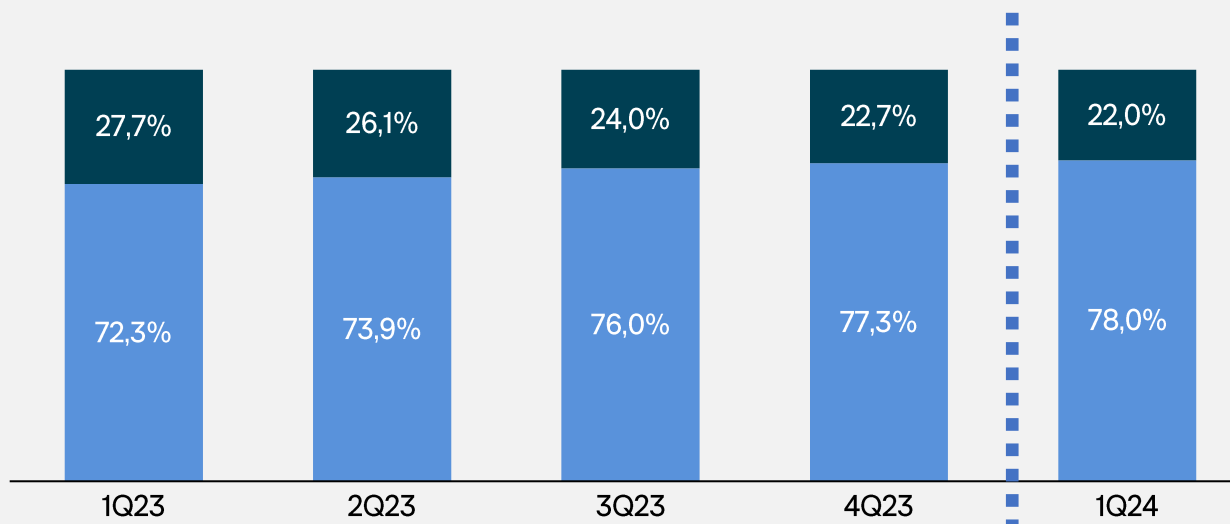
CATRION Revenue % of Total CATRION Sales



# QUARTERLY SEGMENT SALES

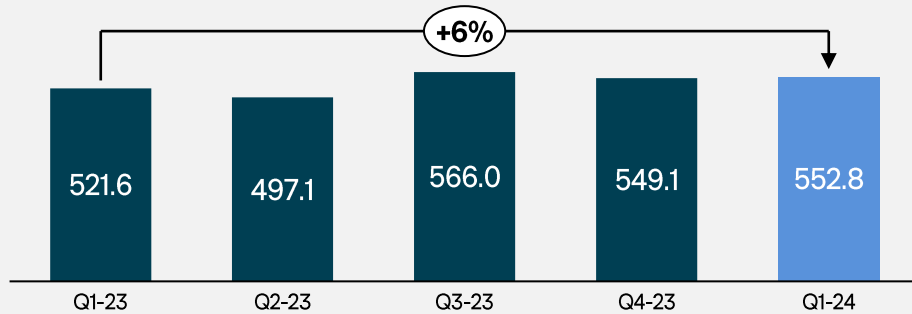
(SAR million)	1Q23	2Q23	3Q23	4Q23	1Q24
Inflight	376.9	367.3	430.3	424.5	431.0
C&F	144.7	129.8	135.7	124.6	121.8
<b>Total</b>	<b>521.6</b>	<b>497.1</b>	<b>566.0</b>	<b>549.1</b>	<b>552.8</b>

■ C&F  
■ Inflight

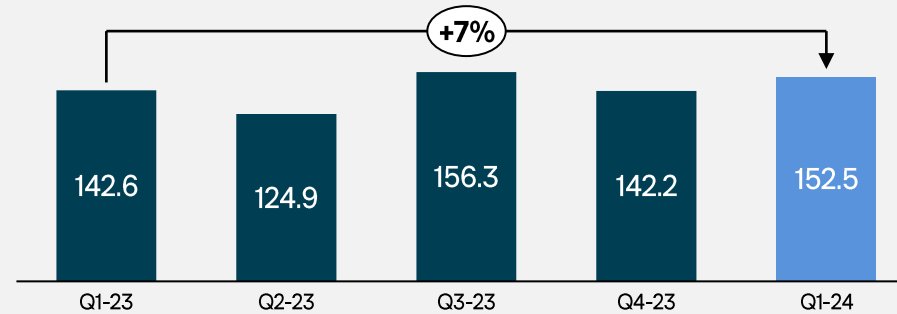


# QUARTERLY FINANCIAL HIGHLIGHTS

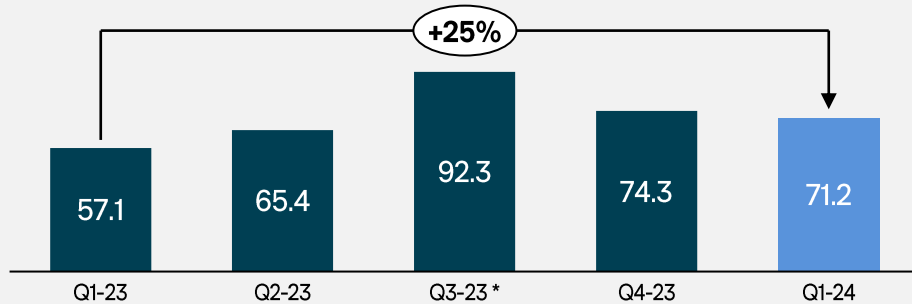
## Sales – Quarterly Movement



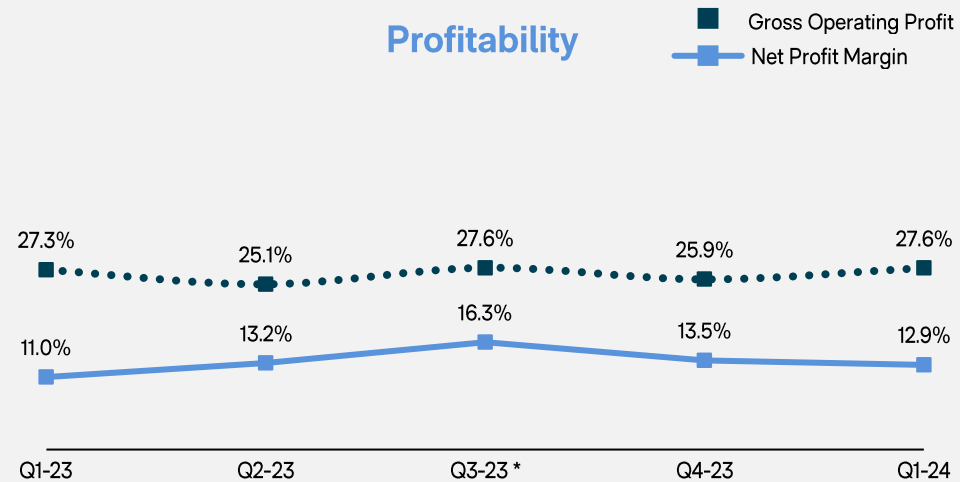
## Gross Profit - Quarterly Movement



## Net Profit/(Loss) - Quarterly Movement



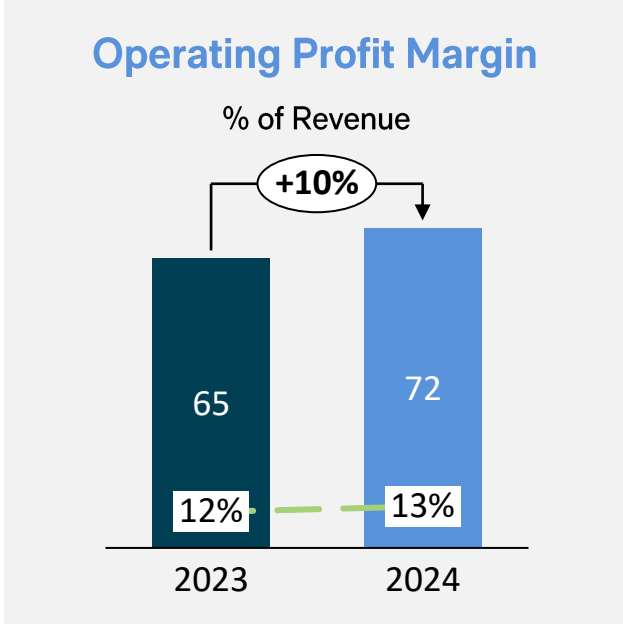
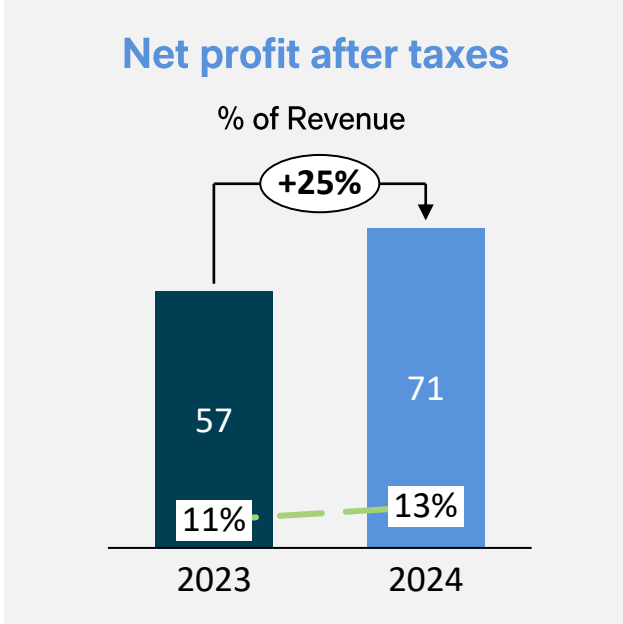
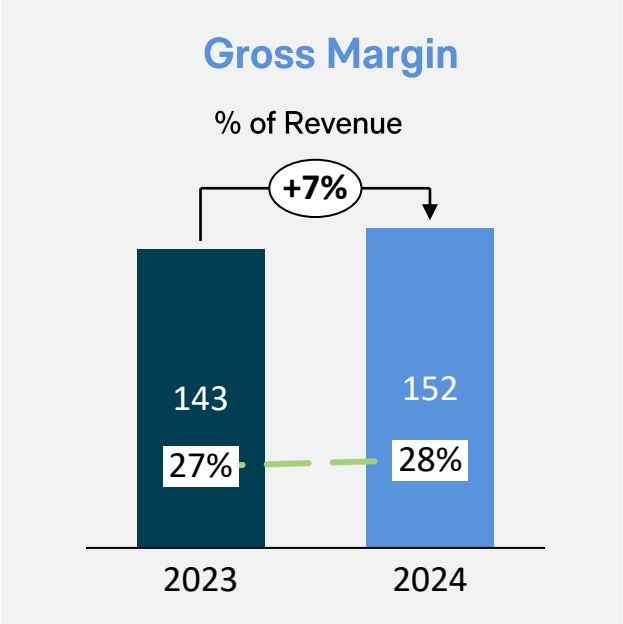
## Profitability



\* One off to gain SAR 16M arising from lease termination for HHR railways Retail shops



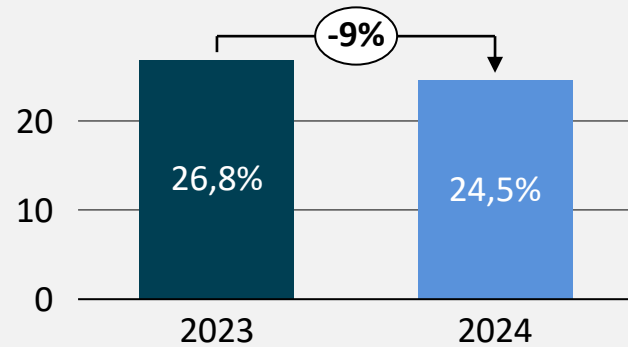
# KEY FINANCIAL RATIOS



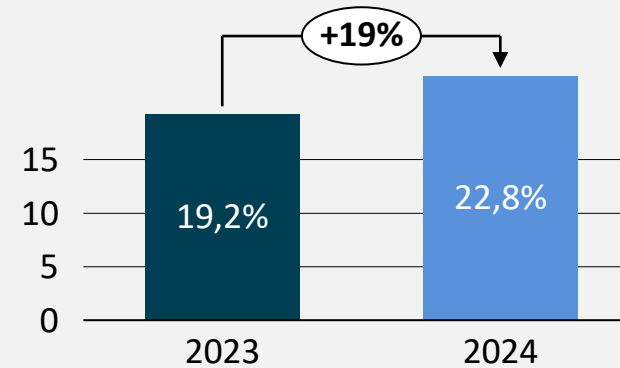


# KEY BALANCE SHEET RATIOS

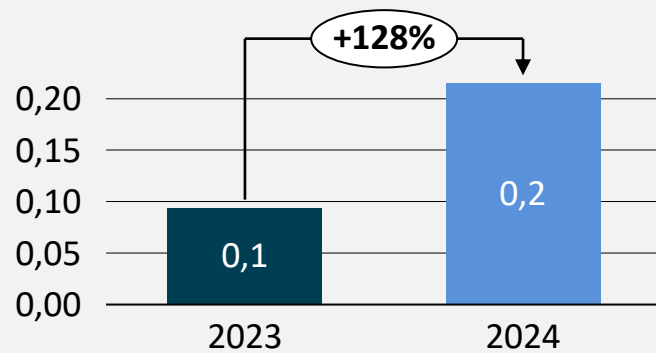
## Accumulated Profit To Share Capital



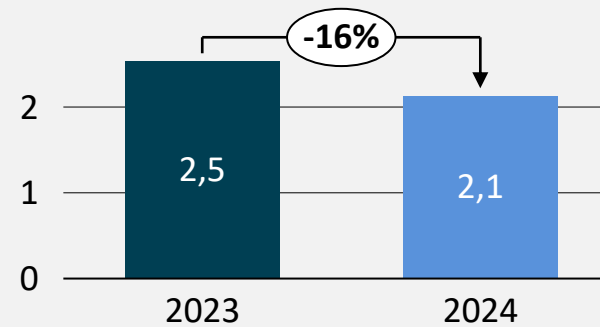
## Return On Equity



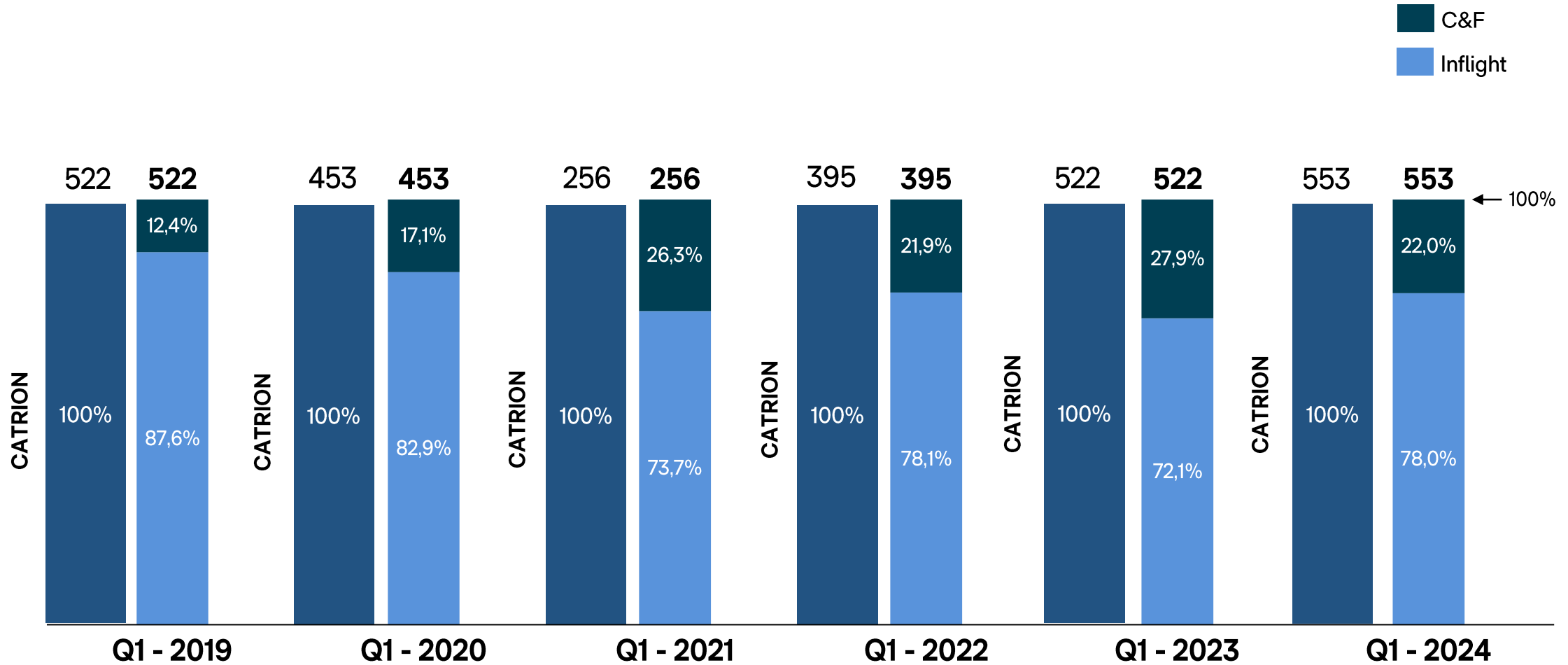
## Net Debt To Equity



## Current Ratio



# 2019 TO 2024 - REVENUE BREAKDOWN IN MSR BY SEGMENTS





Thank you!

This document has been classified as "Public"