



FY21

Analyst Briefing

November 25, 2021



OUR VISION

To be a reliable and sustainable supplier to the nation's food security system, by way of developing and implementing efficient farm to fork supply chain across the country



OUR MISSION

Enhance food security in Pakistan by developing sustainable and efficient farm to fork food supply chain system



OUR CORE VALUES

Defining who we are and the way we work, comprise of **Integrity, Excellence, Innovation, Teamwork, Passion, Ownership and Safety**

OUR ACHIEVEMENTS TILL DATE

Consolidated Financial Highlights



FY 2021 Revenue
PKR 68.8 bn



2 Year Revenue Growth
388%



LT Credit Rating
A



Net Margins FY21
4.8%

Scale



Market Capitalization
PKR 25.0 bn



Employees
500+



Asset Base FY21
PKR 44.2 bn



Equity FY21
PKR 13.2 bn

Operations



Awarded with Asia Money Award
Best Consumer Staples Company 2020



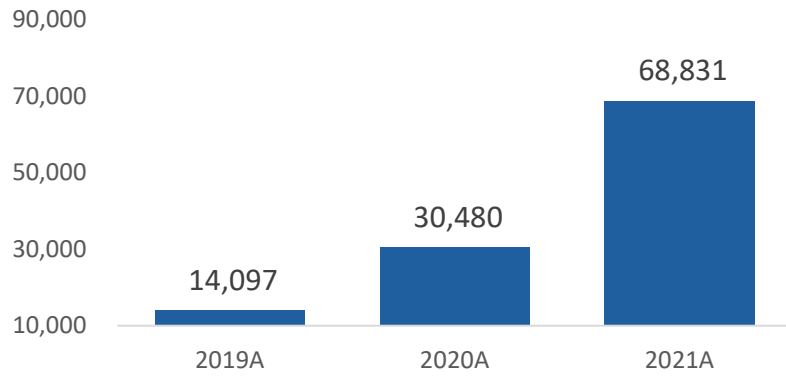
Procurement of a Flour Mill
175tpd 2020



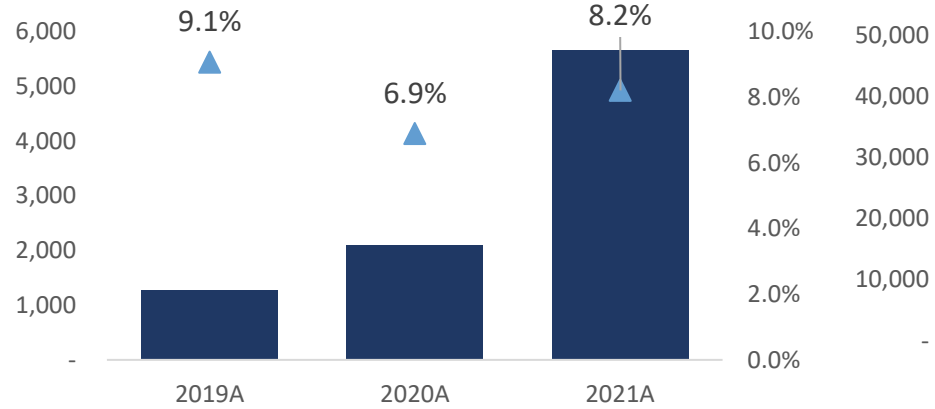
Digitalization initiative
Deployment of S/4 Hana 2021

FINANCIAL OVERVIEW

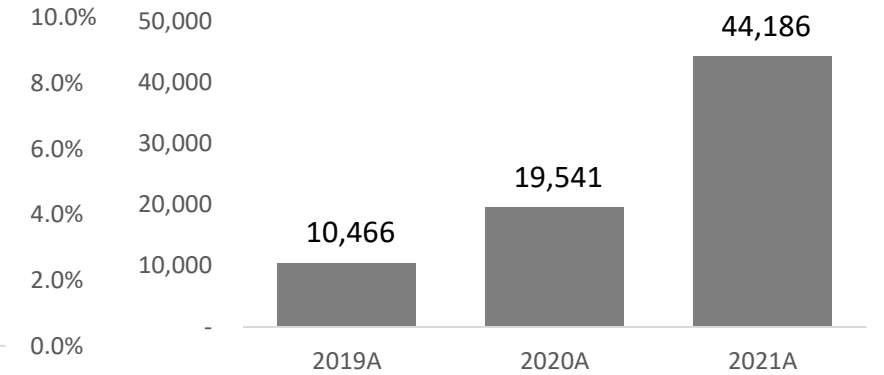
Revenue



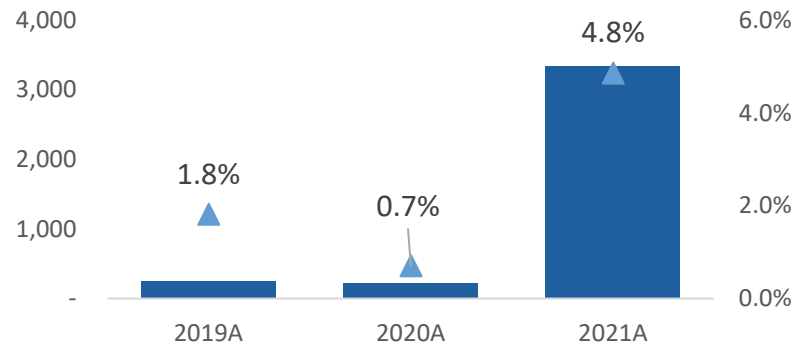
Gross Profit & Gross Margins



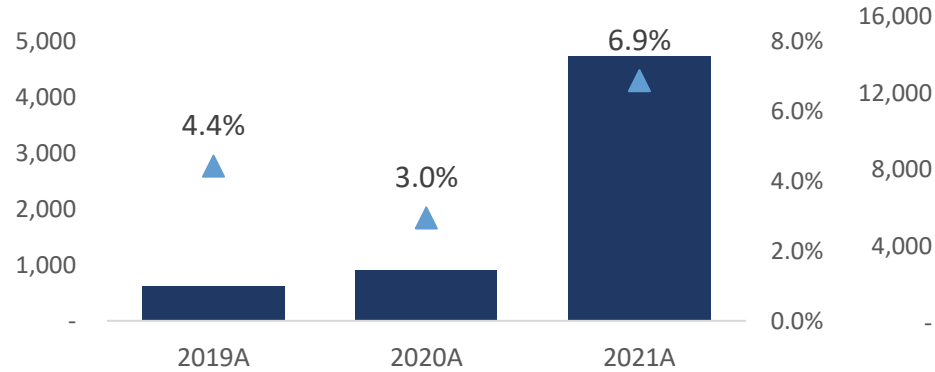
Total Assets



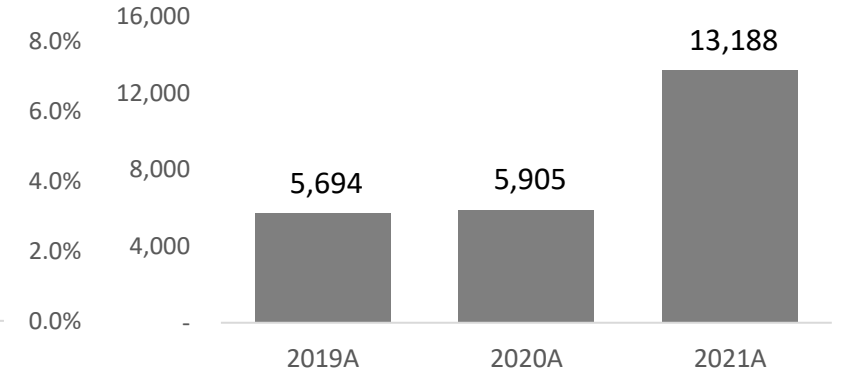
Net Profit & Net Margins



EBITDA & EBITDA Margin



Total Equity



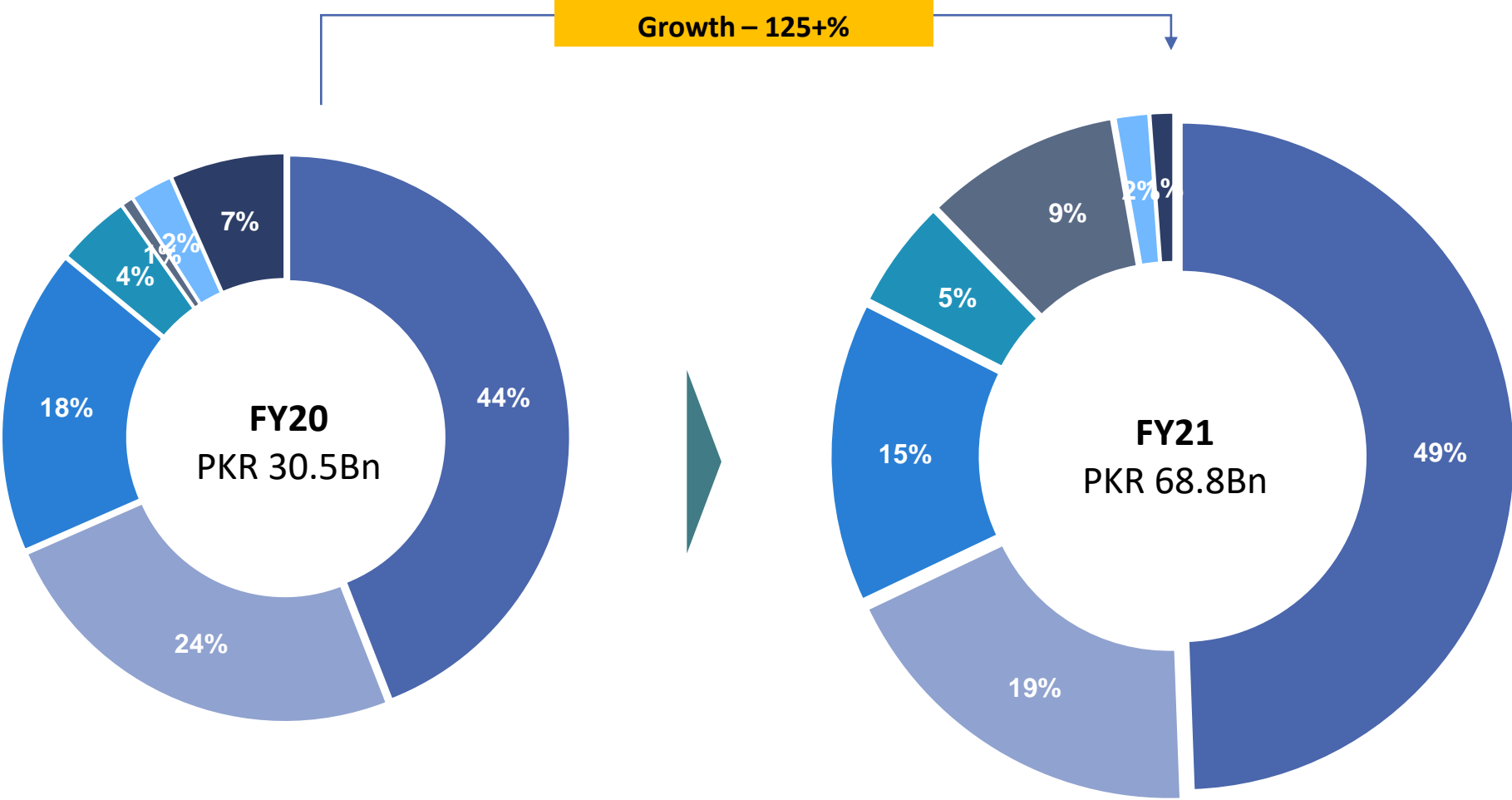
Figures in PKR MN unless otherwise stated

Business Overview



UNITY FOODS LIMITED
— food for life! —

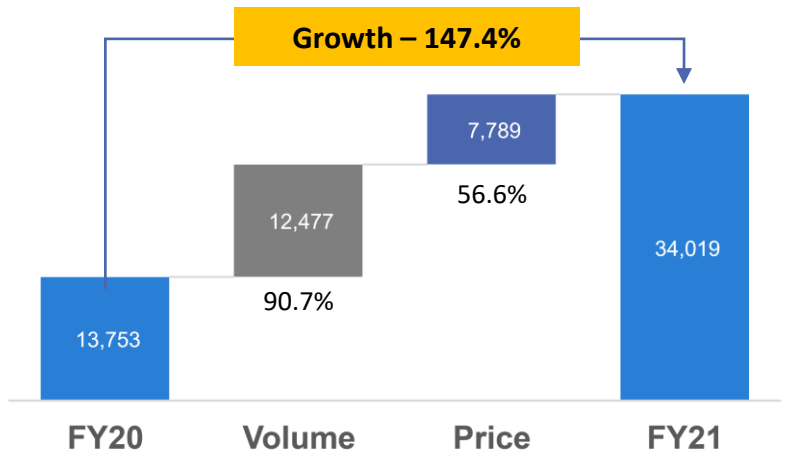
SALES BREAKDOWN - PRODUCT PORTFOLIO



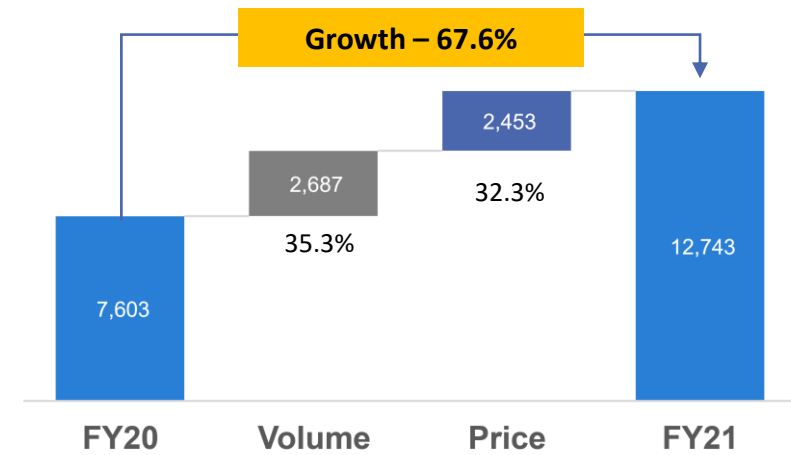
- I&C Oils
- Consumer Packs
- PKE
- Sunridge
- Wheat & Flour
- Animal Feed
- Others

PORTFOLIO WISE SALES GROWTH ANALYSIS

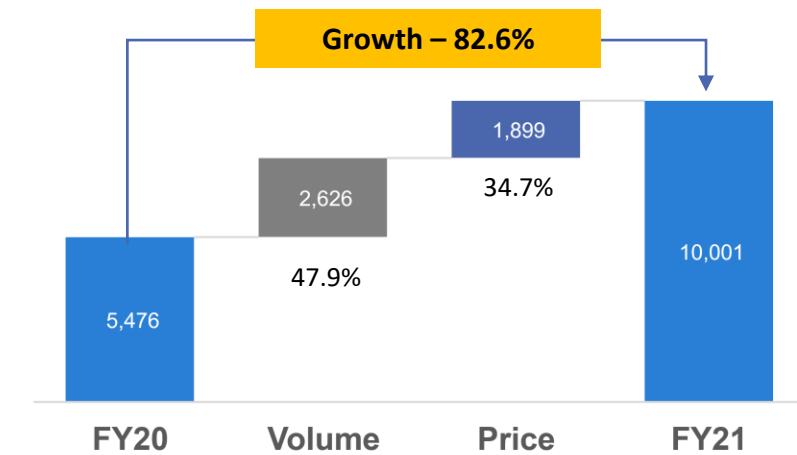
Industrial & Commercial Oil



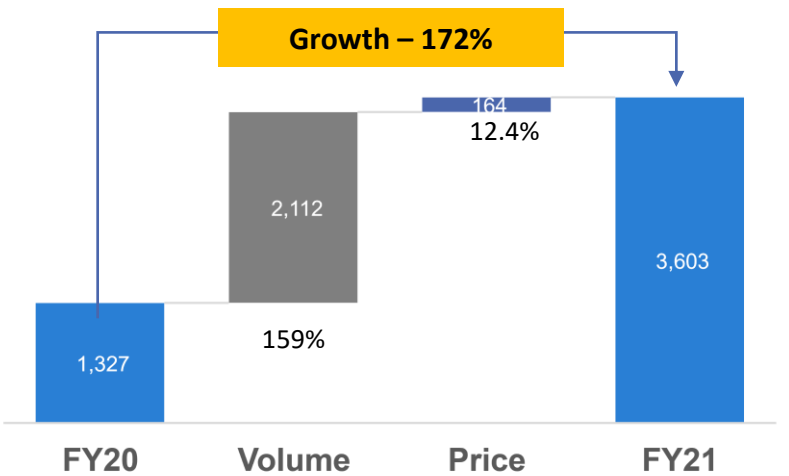
Consumer Packs



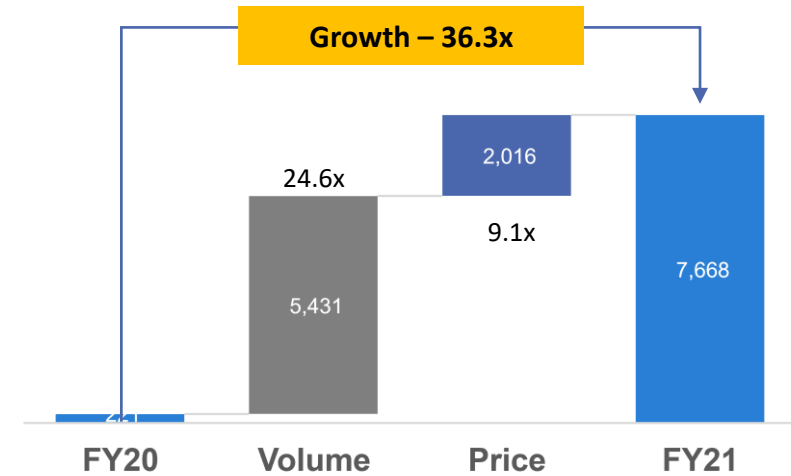
PKE



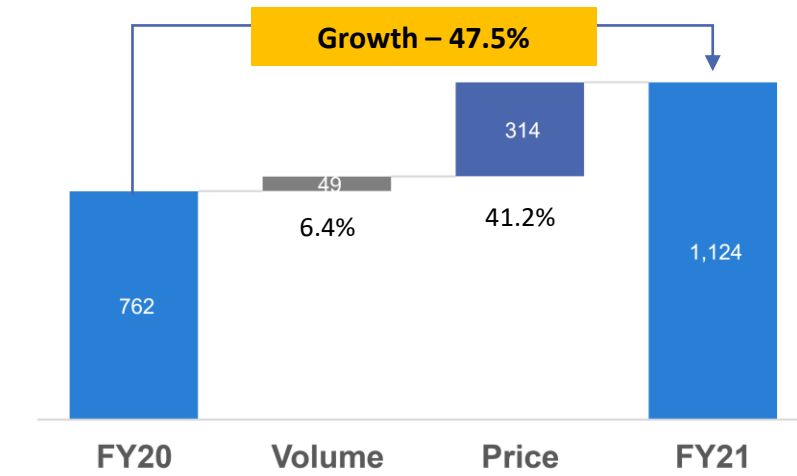
Sunridge



Wheat & Flour

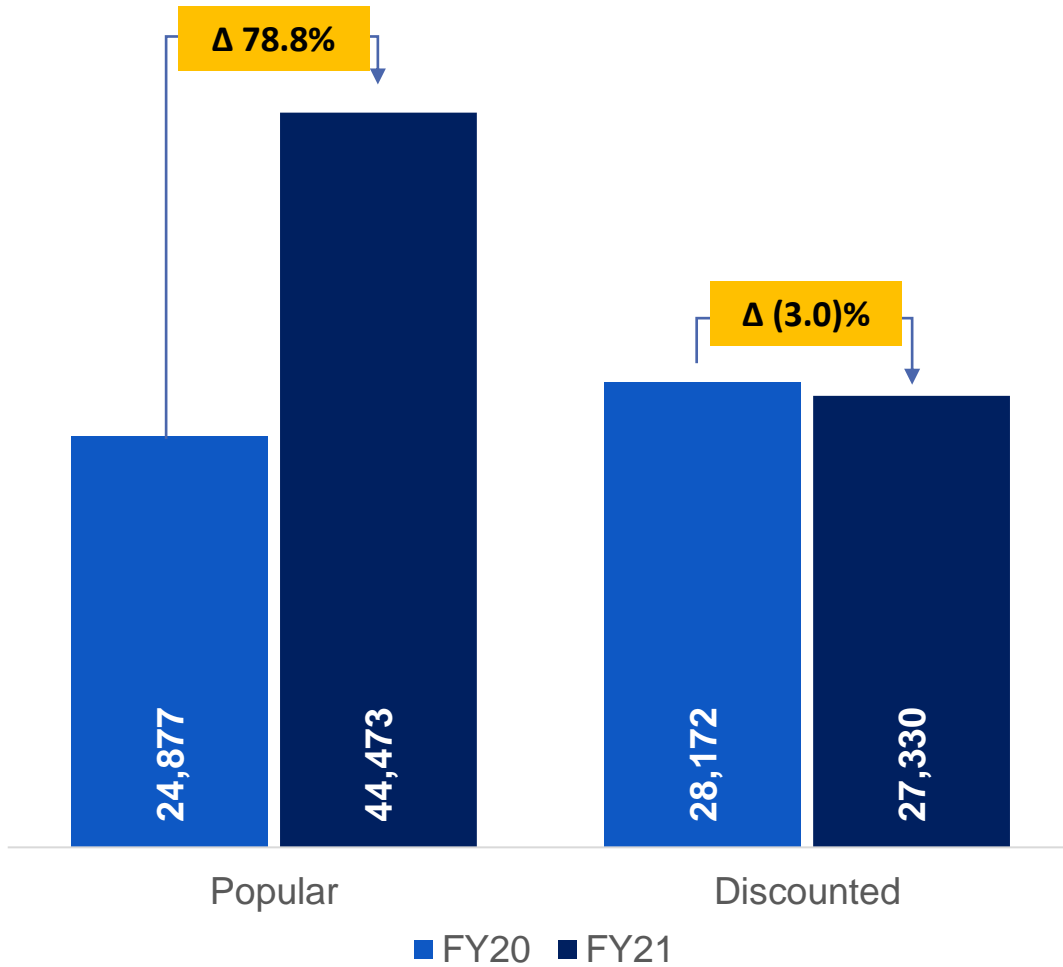


Animal Feed

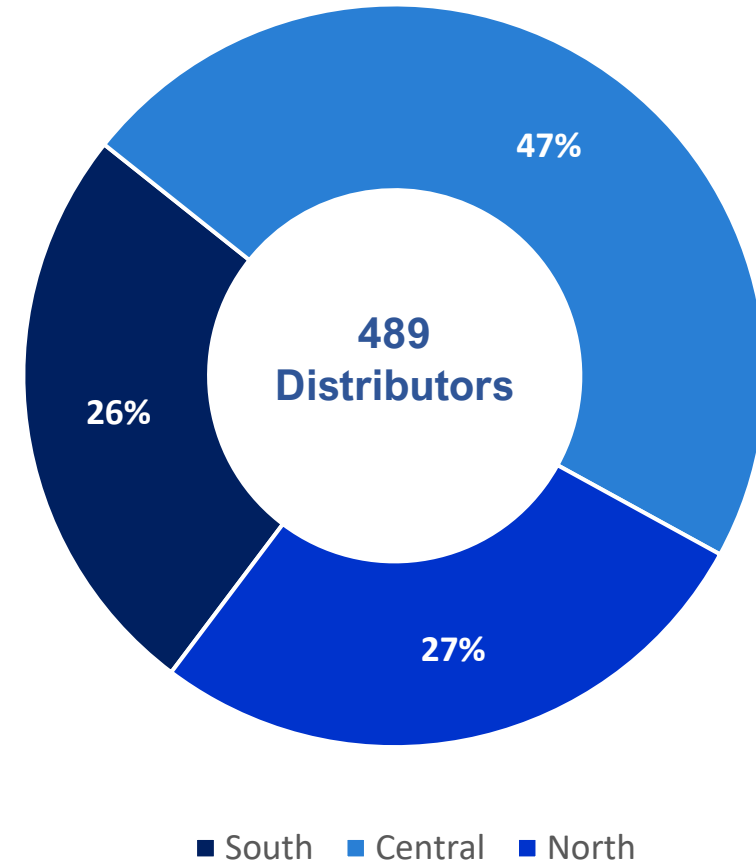


CONSUMER PACK OIL SALES GROWTH ANALYSIS

Brand Wise Volumes



Geographic Distribution



SUNRIDGE DISTRIBUTION GROWTH

2020

2021

June

June

Product Portfolio



1 Variant Flour

6 Variants Flour

Distribution Network



6,800
Shops

15,705
Shops

+ 131%

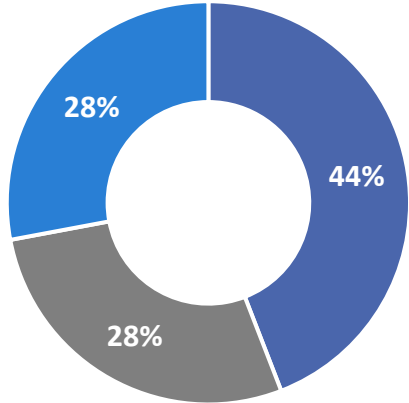
Sales



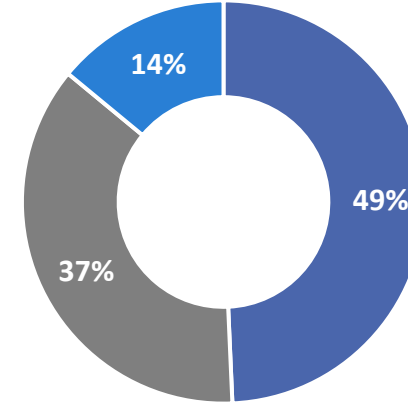
PKR 1.3Bn

PKR 3.6Bn

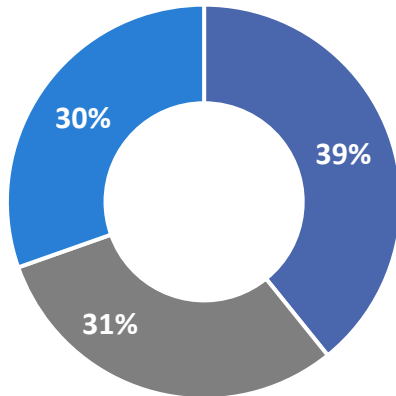
+ 177%



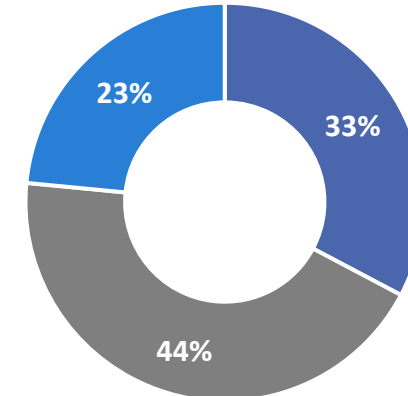
- Karachi
- Lahore
- Islamabad



- Karachi
- Lahore
- Islamabad



- Karachi
- Lahore
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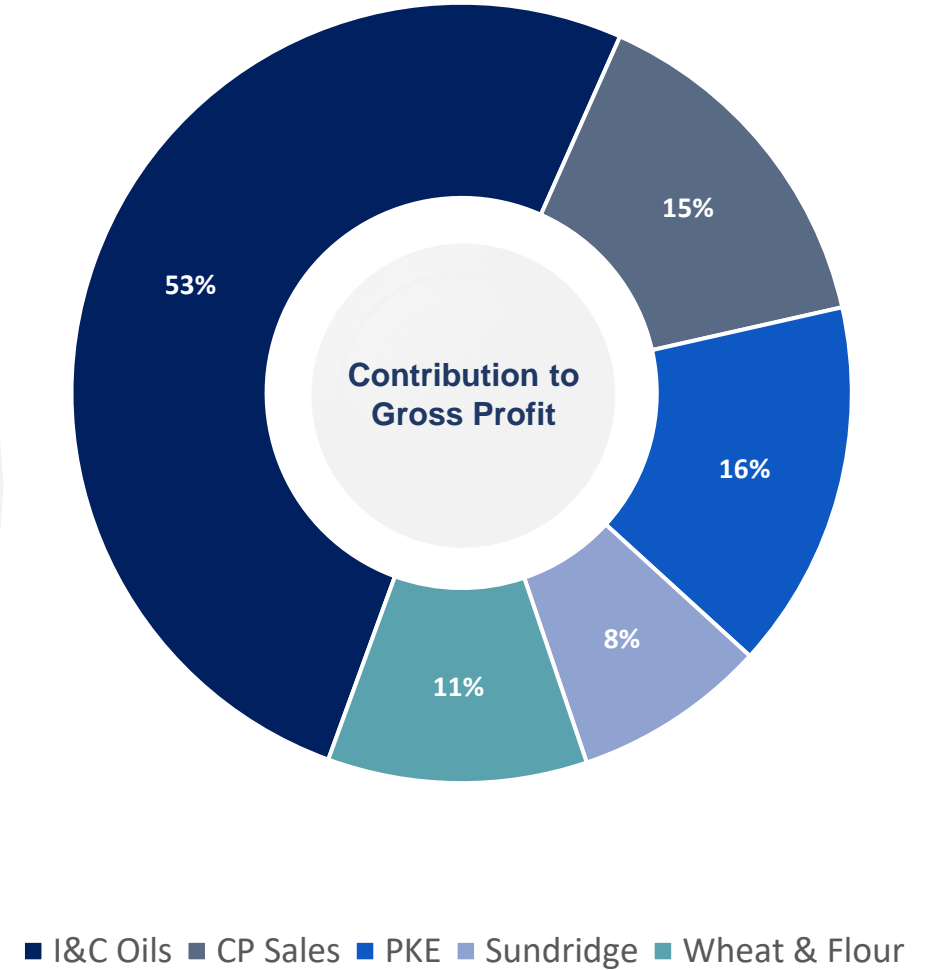
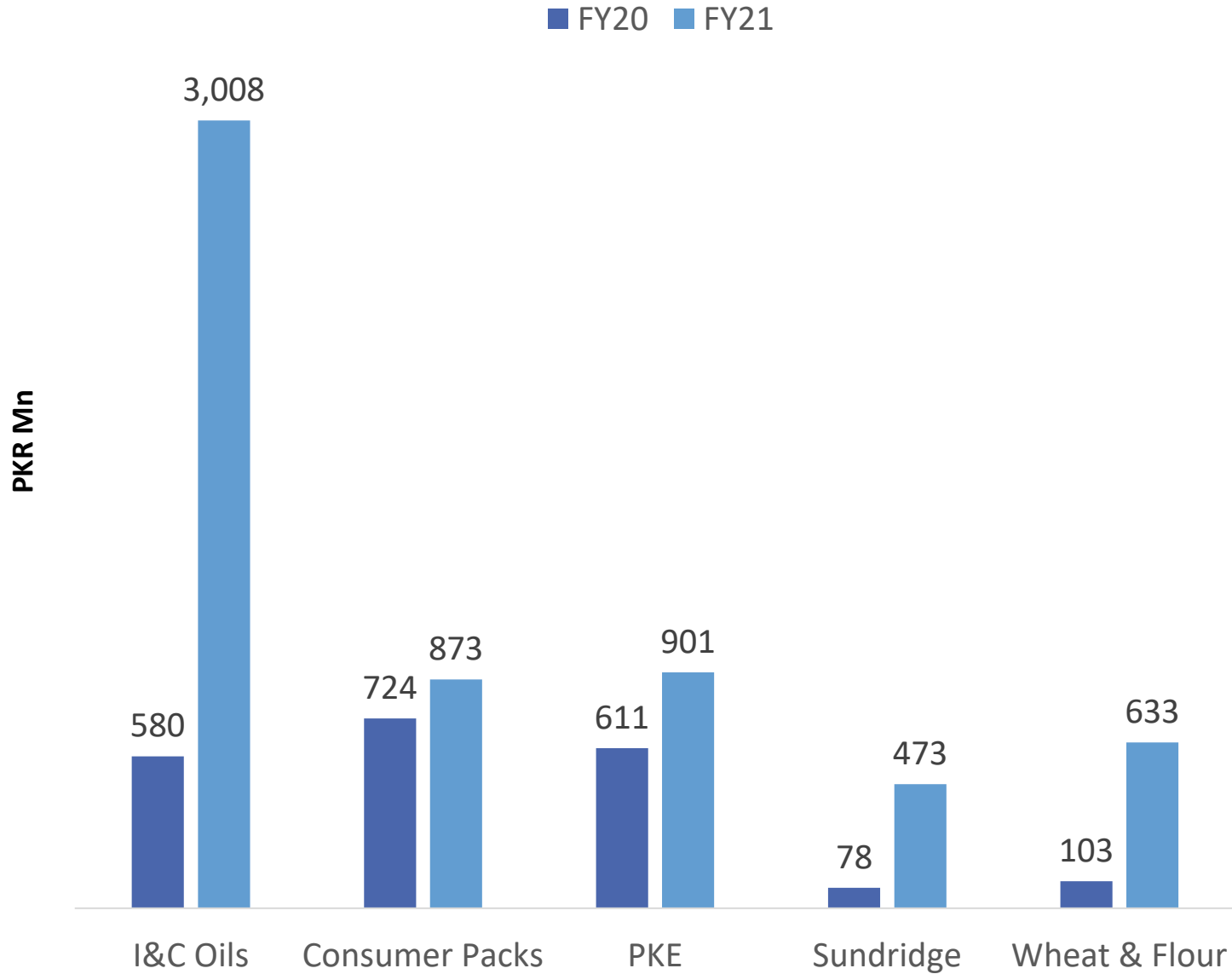


- Karachi
- Lahore
- Islamabad

E-COMMERCE CHANNELS

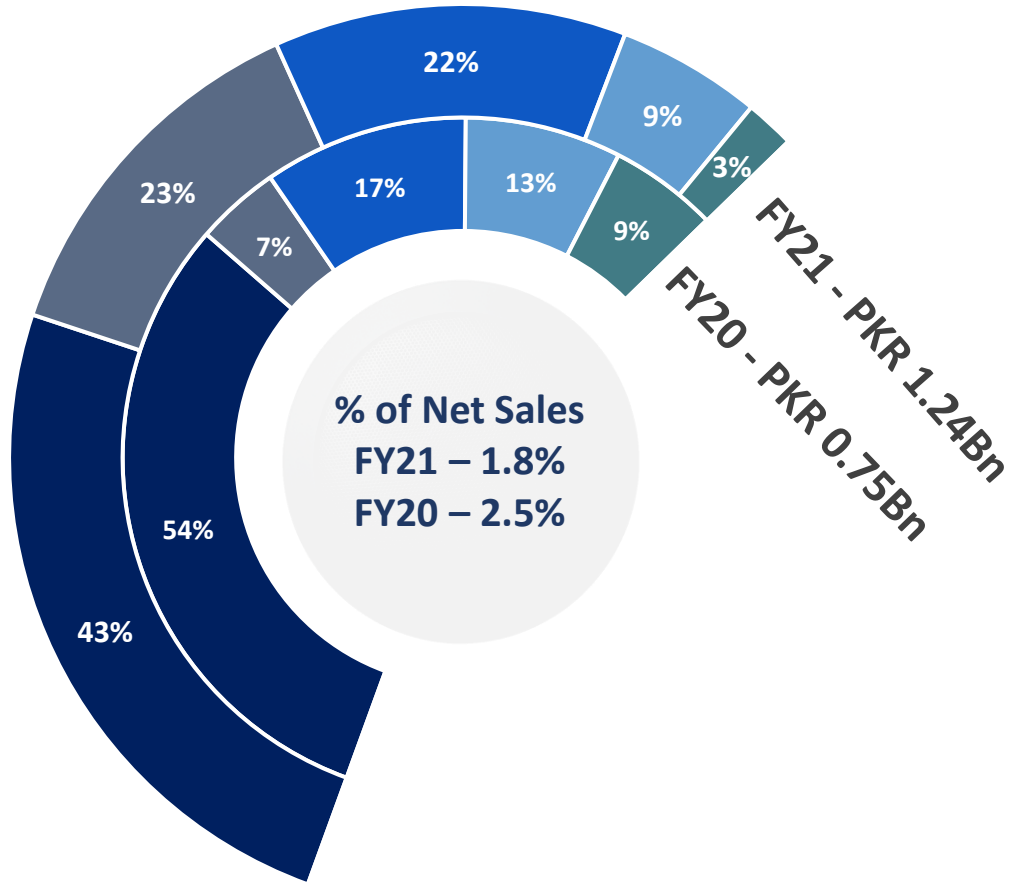


PORTFOLIO PROFITABILITY (GROSS PROFIT)



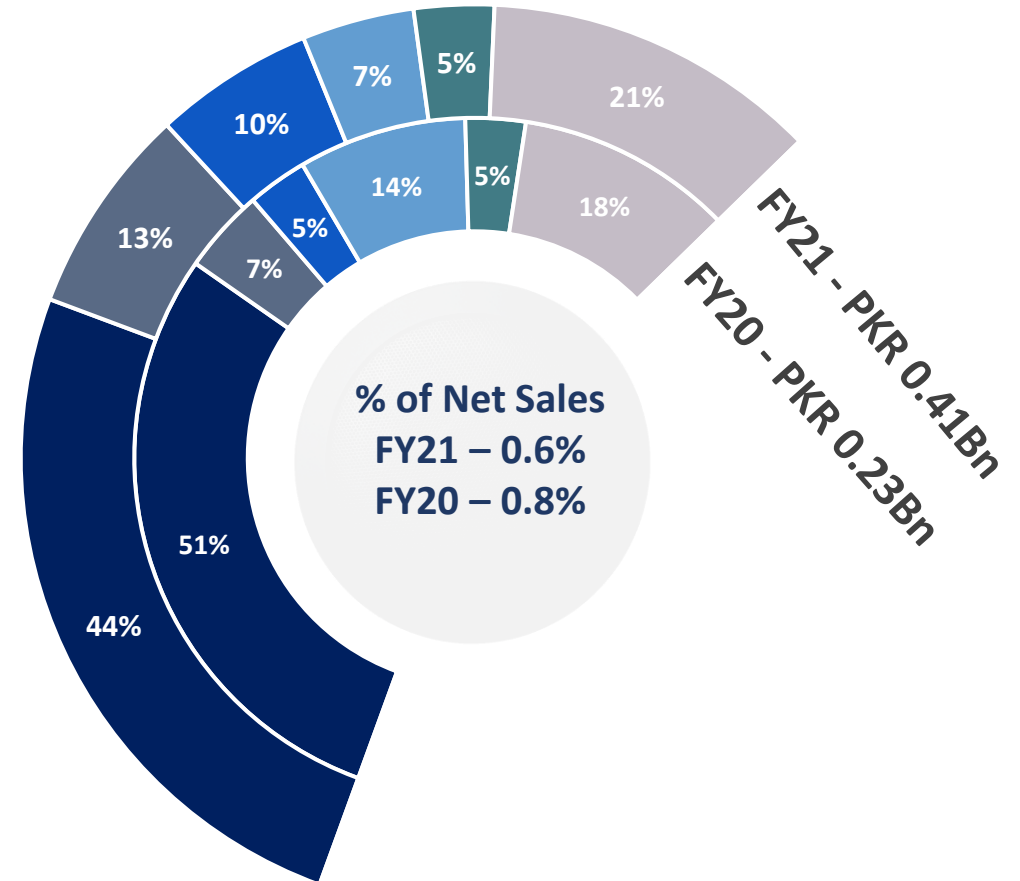
SELLING, DISTRIBUTION, & ADMIN EXPENSES

SELLING & DISTRIBUTION EXPENSE



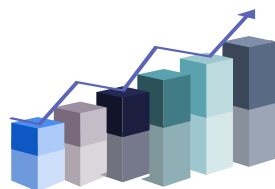
- Freight and forwarding
- Distributor expenses
- Others
- Advertising and sales promotion
- Salaries, wages and benefits

ADMINISTRATIVE EXPENSE



- Salaries & Wages
- Consultancy
- Legal
- Fees and subscription
- Travelling
- Others

RISKS OVERVIEW & MITIGATING FACTORS



COMMODITY PRICE RISK

- Prices have more than doubled over the past 1 year, this trend may reverse as global supply chain challenges subside
 - Palm Oil - \$590/MT (FOB) at the start of FY21 - while currently trading at \$1375/MT
 - Canola Seed prices have almost doubled on account of adverse weather patterns - Prices peaked at \$975 CNF
 - Global supply chain disruptions and higher crude oil prices resulting in higher freights

The Company continuously monitors the market and its own inventory position to ensure commodity price risk is managed.



PKR DEVALUATION RISK

- As disclosed in the financial statements, as of June 30, 2021 the Company had foreign currency denominated Trade Payables of US\$ 57.8Mn. This liability exposes the Company to devaluation risk
- **The Company is cognizant of this inherent risk, however, it is pertinent to note that our products are priced daily on the then prevailing market rates hence creating a natural hedge. Moreover, the Company is also in discussions with its suppliers and local banking partners to convert the FCY liabilities into local currency.**



OBSOLETE TECHNOLOGY

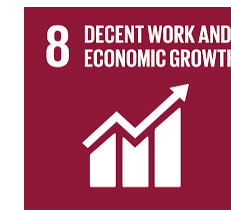
- Technological obsolescence will render the operations inefficient and uncompetitive
- **The Company continues to invest in technology infrastructure to ensure state of the art facilities are maintained**
- **In addition, during the year the Company engaged Systems Limited for SAP S4/HANA, SAP Success Factor and ARIBA implementation. The purpose is to implement ERP and industrial solutions, which will contribute and support the company in becoming a truly future-ready, agile and innovative FMCG**

Unity Foods Limited has decided to work towards Environmental, Social and Corporate Governance (ESG). This strategic journey was taken in-line with the UN Sustainability Development Goals.

Notable CSR Activities

1. Taqatwar Pakistan
2. Project Bloom – Financial & operational assistance to the school of Karachi – Gaggar Phattak
3. Project Bootstrap – Support to women empowerment through vocational training provided to local women of Gaggar Phattak
4. Karachi University Foods Science department visit to Sunridge Factory.

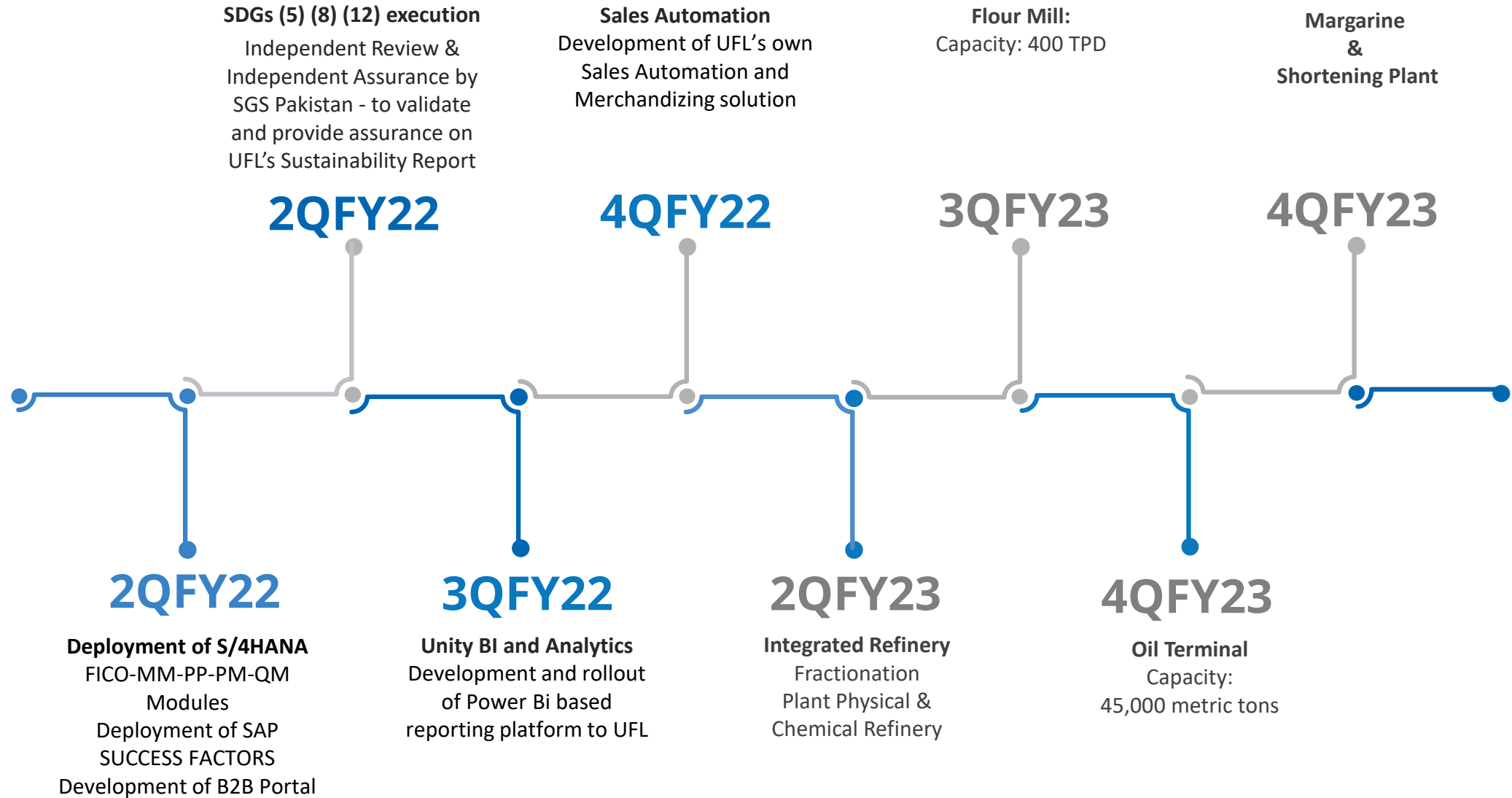
UN SDGs Adapted



Way Forward



UNITY FOODS LIMITED
— food for life! —



PRODUCT PORTFOLIO EXPANSION

FY 2020



FY 2021



FY 2022





UNITY FOODS LIMITED

— food for life! —



www.unityfoods.pk



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info@unityfoods.com