



EUROPEAN
INTERNATIONAL
UNIVERSITY



COVER PAGE AND DECLARATION

	Master Business Administration (M.B.A.)
Main Major:	MBA in general management
Affiliated center:	CEO Business school
Code of Module :	MGT570 Financial management
Student Name:	Mohamed Shihata
Student ID:	EIU596838
Word count:	3600
Date of Submission:	18/1/2024

I confirm that this assignment is my own work, is not copied from any other person's work (published/unpublished), and has not been previously submitted for assessment elsewhere.

E-SIGNATURE: MOHAMED SHIHATA

DATE: 18/1/2024

EIU Paris City Campus

Address: 59 Rue Lamarck, 75018 Paris, France | **Tel:** +33 144 857 317 | **Mobile/What Sapp:** +33607591197 | [Email:paris@eiu.ac](mailto:paris@eiu.ac)

EIU Corporate Strategy & Operations Headquarter

Address: 12th Fl. Amari Tower, 496-502 Ploenchit Rd., Bangkok 10330, Thailand | **Tel:** +66(2)256923 & +66(2)2569908 | **Mobile/What Sapp:** +33607591197 | **Email:** info@eiu.ac

Table of Content:

Introduction	
Information about Almeria company	2
Statement of cash flow	5
Statement of financial position	6
Statement of profit or loss	7
Interim financial statement.	8
Balance sheet	9
Consolidated income statement	14
Consolidated Statement of Financial Position	15
Consolidated Statement of Cash Flows	15
Company performance appraisal	18
Suggestions and recommendations to improve Almeria Company	22
Income Statement Future Assumptions	24
Decide whether or not the Almeria company should pay return earnings or not	28
Recommendations for the company.....	29
References.....	31
Conclusion	

1)-The Introduction:

The business world has grown increasingly complicated over the past several decades due to the rise in the number of international firms. The credit market expanded in tandem with enterprises' increased activity in seeking out riskier and less expensive foreign sources of financing. The position of the finance department inside businesses has risen in relevance and breadth because money is involved in every element of running a business.

It takes both science and art to handle finances. Because it is based on broadly applicable principles and concepts, finance is both a science and an art. However, each person will interpret and apply these laws and concepts in their own particular way, making finance an art form.

The choice of where to obtain funding is one instance of a financial decision that a firm must make. Could you describe the many components of a business investment? It describes the profit margin. What proportion of the outstanding earnings will be invested? Each of these decisions has important ramifications for individuals and companies, highlighting the necessity of understanding the concepts and procedures of financial management in order to make wise decisions based on a thorough analysis of a company's financial records. Which begs the question of the company's future direction and its ability to meet its financial objectives. Along with the amount of money to be invested in the future, determining the company's assets and areas for development, creating plans for maximizing its use of them, evaluating and improving its performance, and aiming to maximize capital and earnings.

Gaining understanding of a company's past, present, and future performance through financial analysis can help decision-makers make better choices.

The balance sheet, income statement, and cash flow statement are the three primary financial statements that analysts employ. To make decisions about the organization's operations and activities in terms of growth, investment, and the creation of a strong business, data and information are assessed and obtained.

Adding up all of a company's assets and deducting all of its obligations yields its net value or equity in business.

An organization's revenue, expenses, and net earnings are broken out in the income statement.

The monthly cash inflows, outflows, and balance are compiled in the Cash Flow Statement.

A full picture of a company's financial health is painted by a logical progression from one financial statement to the next.

Financial evaluation and analysis.

Almarai Dairy Company has been selected

In 1977, Almarai was established by the Irish brothers Alastair and Paddy McGuckian and Prince Sultan bin Mohammed bin Saud Al Kraeer of Saudi Arabia.[/2] When the company originally began operations, the Kingdom of Saudi Arabia lacked infrastructure for the production and transport of milk. Prince Sultan recognized the potential for better milk production and delivery throughout the Middle East. Local farmers were first helped by the several facilities that Almarai later built around Saudi Arabia with milk production and delivery.

Early in the 1990s, Almarai switched from a decentralized to a centralized structure as part of its continuous reorganization and reinvestment effort. One large plant replaced the five separate processing operations. Four massive dairies in Al Kharj, in the center region of the country, have taken the place of Saudi Arabia's ten scattered little dairies.

Almarai Savola's headquarters are in Riyadh, Saudi Arabia, and they hold 25% of the firm. The remaining 80% has been listed on a public market since 2006. Almarai became a joint stock company in 2005, having previously operated as a limited liability company. The company accomplished this by listing thirty percent of its shares on the Tadawul in Saudi Arabia as part of its first public offering. All current owners, including The Savola Group, had their shareholdings reduced in order to support the IPO. The 30% share distribution's exact composition was never made public.

In order to better serve its customers, Almarai began offering other dairy products in addition to milk in 2006. Almarai and the authorized partners of Western Bakeries Company Limited agreed to a memorandum of agreement at the beginning of 2007. The company ran a campaign throughout the Middle East to buy up to 100% of these businesses in an effort to increase the percentage of Middle Eastern homes that regularly purchase cheddar cheese. The company's capital has to be increased to SR 1.090 million as the next step. As of present now, the capitalization is SR 8 billion.

2009 saw the establishment of International Dairy and Juice Limited (IDJ), a joint venture between PepsiCo and Almarai. Then, as was previously reported, Beyti, Egypt's International Company for Agro-Industrial Projects, was bought. The company's mainstays include ultra-high-temperature (UHT) milk in both its flavorful and original varieties, as well as flavored yoghurt, cheese, and a variety of juices. In Egypt, the brand name managed to maintain its broad awareness despite being an offshoot of the IDJ joint venture. The following year, Almarai started working in the poultry business. This happened following the acquisition of Hail Agricultural Development Co. All told, \$253.2 million worth of shares and cash were traded for the successful chicken company.

As part of its partnership with PepsiCo, Almarai entered the Jordanian beverage market. IDJ purchased Teeba, the primary dairy producer in Jordan, for 75% of its worth. Apart from strengthening Almarai's standing in the Jordanian dairy sector, Pepsi utilized the acquisition to present Tropicana orange juice goods to the country.(8)

When the dairy firm declared its intention to join the Pakistani market in 2010, it continued to grow and expand quickly. It was anticipated that Almarai would support the nation's dairy sector through acquisitions and mergers that would strengthen the infrastructure and guarantee the long-term profitability of the business.

In June 2012, Almarai hosted a number of foreign press representatives and well-known businesspeople at their

Al Kharj headquarters. The factory is located around 60 miles (or 90 km) from Riyadh, Saudi Arabia.

A bakery and a factory that processes dairy and juice are also located within the Al Kharj site. Additionally, it houses the region's first baby food facility. The firm uses a technique known as the Californian model to manage vast dairy farms in some of the driest places of the globe, with each cow needing an estimated 300 liters of water per day in the heart of the Saudi Arabian desert, according to CNN. The facility can automatically maintain a temperature range of over 50C to between 21 and 23C throughout the year. More than 55,000 locations around the Persian Gulf sell its milk. In Al Kharj, Almarai launched a CPP3 production facility in 2017. It houses a central processing plant, a bakery, a newborn feeding facility, and a storage and distribution center.

However,

Data from the company's operations and archives were used to conduct a financial analysis.

Almeria business, a Saudi limited liability business, has changed its status to joint stock company (the "Company") in order to better serve its shareholders.

It was Rajab 2, 1426 AD, or August 8, 2005 in American dollars. As 1010084223, the corporation formally commenced for operation on Dhul Hajji 19, 1411 (July 1, 1991G). This occurred before to 1991G, when their businesses were merged.

Between 1977G and 1991G, the firm conducted most of its business under the "Almeria" brand name.

The company's main office is located at Exit 7, Northern Ring Road, Al Indihar District, P.O. 8524, Riyadh11492, and Kingdom of Saudi Arabia.

The organization, in conjunction with its affiliates, creates a large integrated organization that is the market leader in Saudi Arabia's consumer food and beverage industry (the "Group"). The countries that comprise the

Gulf Cooperation Council are likewise home to it.

There are others beside Jordan and Egypt.

Food processing and dairy products are produced under the brand names "Juicy Life," "Almeria," "Betty," and "Tibia." The Kingdom of Saudi Arabia, the United Arab Emirates, Egypt, and Jordan are the countries that produce and process raw milk. These countries also produce dairy products and fruit juices.

PepsiCo mostly owns a joint venture between PepsiCo and the governments of Egypt and Jordan, the International Company for Dairy and Juice Ltd. Everyone stays alert as a group.

overseeing the aforementioned International Dairy and Juice Company Ltd. divisions.

Western Bakeries Firm Limited, a division of the Modern Company for Food Industry Ltd., manufactures and markets baked goods under the brands of the Jordan Advanced Food Industries Company and Tibia Investment International Company for Agricultural and Industrial Projects in Egypt (Bait) (Egyptian Joint Stock Company).

The company owns a majority stake in its subsidiary, Chi Pita.

Lysine and the number 7.

Almeria Baby Food Company Limited produces the baby food that International Food Company Children offers under the Uralic and Evolac brands.

A long-distance fleet transports finished consumer goods from the Group's manufacturing facilities to regional distribution hubs in the nations in which the Group operates. In addition to an agency agreement inked in Kuwait, companies in the United Arab Emirates, Oman, and Bahrain oversee each GCC distribution plant.

Arabian Planets Trading and Marketing Company Ltd. is a fully owned subsidiary of Almeria Emirates Company Limited, which has its headquarters in the United Arab Emirates. The company operates in the Sultanate of Oman. Al-Kharrazi Brothers Dairy Products Co. Ltd., a Bahrain Company, is a subsidiary of the Kingdom of Bahrain and Almeria is a state in Kuwait.

Sales overseas are managed through intermediate businesses, if permitted by the system. The business has feed

fields in Argentina and the United States. Convenience led to their grouping together.

By means of its principal affiliates, Fondomonte

Situated in America Argentinean company Vondomonte Holdings FONDOMOTE SOUTH AMERICA S.A.'s

North American subsidiary.

The International Dairy and Juice Company Limited oversees and manages the Group's operations throughout

the Gulf Cooperation Council.



According to the official reports, the company's statistics satisfied the following criteria. Following all instructions and criteria for the financial analysis approach carefully resulted in the right analysis conclusions for the previous four years. The cash flow statements, balance sheet, and statement of financial status were created using the principles of financial analysis for efficiency, profitability, and both short- and long-term solvency.

The following has been done

an assessment of the
feasibility, profitability, and
effectiveness for the
upcoming years and beyond
Optimism for the future of
the firm

Ideas and guidance

**ALMARAI COMPANY A SAUDI JOINT STOCK COMPANY CONDENSED
CONSOLIDATED STATEMENT OF CASH FLOWS**

	31 March 2020 (Unaudited) SAR '000	31 March 2019 (Unaudited) SAR '000
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit for the period	367,394	336,948
Adjustments for non-cash items:		
Depreciation of Property, Plant and Equipment	401,165	386,904
Depreciation of Right-of-Use Assets	25,981	25,479
Amortisation of Intangible Assets	12,711	12,151
Depreciation of Biological Assets	77,090	88,712
Loss Arising from Changes in Fair Value less Cost to Sell of Crops	11,209	11,491
Provision for Employee Retirement Benefits	30,355	33,623
Share Based Payment Expense	4,883	2,930
Finance Cost, net	124,875	126,419
Other Expenses, net	491	16,422
Share of Results of Associates and Joint Venture	1,598	-
Zakat	12,985	15,334
Income Tax	5,913	7,609
	1,076,650	1,064,022
Changes in working capital:		
Inventories	463,129	378,055
Biological Assets	(346,071)	(339,441)
Trade Receivables, Prepayments and Other Receivables	(644,704)	(258,234)
Trade and Other Payables	(80,523)	(42,293)
Cash Flow Used in Working Capital	(608,169)	(261,913)
Employee Retirement Benefits Paid	(29,710)	(18,547)
Zakat and Income Tax Paid	(54,679)	(1,473)
Net Cash Generated from Operating Activities	384,092	782,089
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Dividend from Equity Investment	-	300
Proceeds from Redemption of Time Deposit	585,000	-
Additions to Property, Plant and Equipment	(241,368)	(466,484)
Proceeds from the Disposal of Property, Plant and Equipment	45,608	12,282
Additions to Intangible Assets	(31,274)	(30,247)
Additions to Biological Assets	(27,780)	(28,294)
Appreciation of Biological Assets	(141,698)	(153,167)
Proceeds from the Disposal of Biological Assets	51,618	59,776
Net Cash Generated From / (Used in) Investing Activities	240,106	(605,834)

STATEMENT OF FINANCIAL POSITION

		31 March	31 December
		2020	2019
Notes	(Unaudited)	(Audited)	
	SAR '000	SAR '000	
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	22,882,735	23,038,263	
Intangible Assets and Goodwill	1,146,611	1,128,533	
Biological Assets	1,386,439	1,381,268	
Investments in Associate and Joint Venture	5 86,693	88,029	
Equity Investment	5 112,427	145,684	
Derivative Financial Instruments	133	725	
Deferred Tax Assets	41,125	40,836	
	25,656,163	25,823,338	
Current Assets			
Inventories	4,050,147	4,198,005	
Biological Assets	119,032	96,462	
Trade Receivables, Prepayments and Other Receivables	2,516,041	1,868,895	
Derivative Financial Instruments	9,599	13,751	
Time Deposit	-	590,038	
Cash and Bank Balances	376,029	557,553	
	7,070,848	7,324,704	
TOTAL ASSETS	32,727,011	33,148,042	
EQUITY AND LIABILITIES			
Share Capital	6 10,000,000	10,000,000	
Statutory Reserve	2,230,479	2,230,479	
Treasury Shares	(1,015,120)	(770,740)	
Other Reserves	(540,614)	(450,587)	
Retained Earnings	4,049,515	3,644,197	
Equity Attributable to Equity Holders of the Company	14,724,260	14,653,349	
Non-Controlling Interests	597,228	605,771	
TOTAL EQUITY	15,321,488	15,259,120	

STATEMENT OF PROFIT OR LOSS

		31 March 2020	31 March 2019
	Notes	(Unaudited) SAR '000	(Unaudited) SAR '000
Revenue	9	3,592,440	3,308,892
Cost of Sales		(2,339,247)	(2,144,986)
Gross Profit		1,253,193	1,163,906
Selling and Distribution Expenses		(611,569)	(564,538)
General and Administration Expenses		(99,828)	(94,754)
Other Expenses, net		(491)	(16,422)
Impairment Loss on Financial Assets		(28,540)	(1,882)
Operating Profit		512,765	486,310
Finance Cost, net		(124,875)	(126,419)
Share of Results of Associate and Joint Venture	5	(1,598)	-
Profit before Zakat and Income Tax		386,292	359,891
Zakat		(12,985)	(15,334)
Income Tax		(5,913)	(7,609)
Profit for the period		367,394	336,948
Profit / (Loss) for the period attributable to:			
Shareholders of the Company		383,005	336,028
Non-Controlling Interests		(15,611)	920
		367,394	336,948
Earnings per share (SAR), based on Profit for the period attributable to Shareholders of the Company			
- Basic	8	0.39	0.34
- Diluted	8	0.38	0.34

	Notes	31 March 2020 (Unaudited) SAR '000	31 December 2019 (Audited) SAR '000
<u>LOANS AND BORROWINGS</u>			
Islamic Banking Facilities (Murabaha)		5,452,249	5,119,508
Saudi Industrial Development Fund		2,677,227	2,665,478
Banking Facilities of Non-GCC Subsidiaries		398,956	363,296
Supranational		277,046	276,099
Agricultural Development Fund		162,253	159,173
		<u>8,967,731</u>	<u>8,583,554</u>
Sukuk	7.1	1,612,283	2,408,180
International Sukuk		1,871,230	1,891,986
		<u>12,451,244</u>	<u>12,883,720</u>
Short-Term Loans		84,720	51,419
Current Portion of Long-Term Loans		1,073,686	1,934,974
Loans and Borrowings - Current Liabilities		<u>1,158,406</u>	<u>1,986,393</u>
Loans and Borrowings - Non-Current Liabilities		<u>11,292,838</u>	<u>10,897,327</u>
		<u>12,451,244</u>	<u>12,883,720</u>

Description	Dec. 2018		Dec. 2019		Dec. 2020		Dec. 2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Assets								
Current Assets				Fig EGP'0 00				Fig EGP'0 00
<u>Cash & Cash Equiv.</u>								
Cash & Banks	1,182,902	16.62%	557,553	7.57%	503,510	6.87%	580,913	8.13%
<u>Receivables</u>								
biological Assists	98,439	1.38%	96,462	1.31%	90,195	1.23%	117,980	1.65%
Accounts Receivables	1,929,949	27.12%	1,868,895	25.37%	1,936,341	26.43%	1,991,205	27.86%
Derivative Financial Instrument	20,336	0.29%	13,751	0.19%	54,047	0.74%	11,597	0.16%
Inventory	3,874,193	54.43%	4,198,005	57.00%	4,705,364	64.24%	4,353,596	60.91%
Prepaid Expenses		0.00%		0.00%		0.00%		0.00%
Withhold Taxes	11,488	0.16%	40,836	0.55%	35,517	0.48%	45,339	0.63%
Time deposit		0.00%	590,038	8.01%		0.00%		0.00%
Equity Investment		0.00%		0.00%		0.00%	46,894	0.66%
Total Current Assets	7,117,307	100%	7,365,540	100%	7,324,974	100%	7,147,524	100%

Total Current Assets	7,117,307	100%	7,365,540	100%	7,324,974	100%	7,147,524	100%
Allowance for Doubtful Rec.		0%		0%		0%		0%
Total Net Current Assets	7,117,307	100%	7,365,540	100%	7,324,974	100%	7,147,524	100%
<i>Fixed-Assets</i>								
Land	1,366,566	5.42%	1,381,268	5.36%	1,392,079	5.56%	1,469,084	5.97%
Building	1,038,371	4.12%	1,128,533	4.38%	1,217,642	4.87%	1,129,105	4.59%
Equipment's	22,606,542	89.70%	21,951,398	85.14%	21,112,904	84.39%	20,873,448	84.83%
Long Term Payment		0.00%	625,490	2.43%	606,939	2.43%	579,677	2.36%
Right of Use Assets		0.00%	461,375	1.79%	470,269	1.88%	464,704	1.89%
Computers & Program		0.00%		0.00%		0.00%		0.00%
Furniture's & Stationary	204	0.00%		0.00%		0.00%		0.00%
prepayment	67,059	0.27%		0.00%		0.00%		0.00%
Investment in associates and joint venture 204		0.00%	88,029	0.34%	89,623	0.36%	88,749	0.36%
Equity investment	102,624	0.41%	145,684	0.57%	129,734	0.52%		0.00%
Derivative Financial instrument	19,747	0.08%	725	0.00%	142	0.00%	2,011	0.01%
Total Fixed Assets	25,201,113	89.97%	25,782,502	89.36%	25,019,332	88.69%	24,606,778	89.07%

Acc. Depreciation	0	0.00%		0.00%		0.00%		0.00%
Total Net Fixed Assets	25,201,113		25,782,502		25,019,332		24,606,778	
<u>Other Long Term Assets</u>								
Accounts Receivables		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Differed Taxes		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!
Total Fixed Assets	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!
Total Net Current Assets	7,117,307	22.02%	7,365,540	22.22%	7,324,974	22.65%	7,147,524	22.51%
Total Net Fixed Assets	25,201,113	#DIV/0!	25,782,502	#DIV/0!	25,019,332	77.35%	24,606,778	77.49%
Total Other Long Term Assets	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total Balance Sheet	32,318,420	#DIV/0!	33,148,042	#DIV/0!	32,344,306	100.00%	31,754,302	100.00%

Balance Sheet								
Description	2018		2019		2020		2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Liabilities & Shareholders' Equity								
<u>Current liabilities/ Provision</u>				Fig EGP'000				Fig EGP'000
Derivative financial Instruments	26,322	1.3%	9,166	0.4%	4,271	0.4%	46,594	1.7%
Bank overdrafts	179,321	56.7%	219,118	55.5%	137,512	34.5%	78,395	17.5%
Short-Term Loans/ Borrowings	2,010,294	69.9%	2,082,143	69.0%	1,120,522	37.2%	2,712,308	81.2%
Zakat and Text Income Payable	316,064	5.8%	395,066	6.9%	398,304	8.5%	447,252	6.8%
Trade and other Payables	2,874,066	53.2%	3,019,160	52.7%	3,014,834	64.5%	3,339,496	50.4%
Total Provision	5,406,067	30.4%	5,724,653	32.0%	4,675,443	29.0%	6,624,045	43.8%
<u>Payables</u>								
Long Term Loans	11,651,970	94.0%	10,897,327	89.6%	10,088,955	88.2%	7,072,240	83.1%

Employee retirement Benefit	699,325	5.6%	826,399	6.8%	909,353	8.0%	951,827	11.2%
Derivative Financial Instrument	7,101	0.1%	1,556	0.0%	3,757	0.0%	10,041	0.1%
Defer Tax Liabilities	37,967	0.3%	103,328	0.8%	102,139	0.9%	117,302	1.4%
Lease Liabilities		0.0%	335,659	2.8%	330,980	2.9%	360,434	4.2%
Tax Payable		0.0%		0.0%		0.0%		0.0%
Banks Payable		0.0%		0.0%		0.0%		0.0%
Other Payables		0.0%		0.0%		0.0%		0.0%
Total Payables	12,396,363	69.6%	12,164,269	68.0%	11,435,184	71.0%	8,511,844	56.2%
Total Current Liabilities	17,802,430	100.0%	17,888,922	100.0%	16,110,627	100.0%	15,135,889	100.0%
<u>Long-Term Liabilities</u>								
Long Term Debt	0	0.0%	0	0.0%	0	0.0%		0.0%
Total Liabilities	17,802,430	100.0%	17,888,922	100.0%	16,110,627	100.0%	15,135,889	100.0%
<u>Shareholders' Equity</u>								
Paid up Capital		0.0%		0.0%		0.0%		0.0%
Equity Attributable to Equity holders of comp	13,926,796	95.9%	14,653,349	96.0%	15,686,908	96.6%	16,119,494	97.0%
Non-Controlling Interests	589,194	4.1%	605,771	4.0%	546,771	3.4%	498,919	3.0%
ShareHolder Account		0.0%		0.0%		0.0%		0.0%
Profit for the Year		0.0%		0.0%		0.0%		0.0%
Return Earning		0.0%		0.0%		0.0%		0.0%
Total Shareholders' Equity	14,515,990	100.0%	15,259,120	100.0%	16,233,679	100.0%	16,618,413	100.0%

Total Current Liabilities	17,802,430	55.08%	17,888,922	53.97%	16,110,627	49.81%	15,135,889	47.67%
Total Long Term Liabilities	0	0.00%	0	0.00%	0	0.00%		0.00%
Total Shareholders' Equity	14,515,990	44.92%	15,259,120	46.03%	16,233,679	50.19%	16,618,413	52.33%
Total Balance Sheet	32,318,420	100.00%	33,148,042	100.00%	32,344,306	100.00%	31,754,302	100.00%

Income Statement								
Description	Dec-15		Dec-16		Dec-17		Dec-18	
	Amount	%	Amount	%	Amount	%	Amount	%

Net Sales	13,722,797	100.00%	14,351,277	100.00%	15,356,948	100.00%	15,849,720	100.00%
COGS	(8,277,435)	60.32%	(8,984,603)	62.60%	(9,821,440)	63.95%	(10,790,450)	68.08%
Gross Income	5,445,362	39.68%	5,366,674	37.40%	5,535,508	36.05%	5,059,270	31.92%
Operating Expenses								
G&A	(2,632,215)	2.74%	(2,376,328)	16.56%	(2,490,479)	16.22%	(2,518,851)	15.89%
Selling & Marketing Exp.	(376,475)	2.59%	(517,138)	3.60%	(522,695)	3.40%	(525,565)	3.32%
	24,684							
EBITDA	2,461,356	17.94%	2,473,208	17.23%	2,522,334	16.42%	2,014,854	12.71%
Depreciation & Amortization		0.00%		0.00%		0.00%		0.00%
Provisions				0.00%		0.00%		0.00%
Operating Income "EBIT"	2,461,356	17.94%	2,473,208	17.23%	2,522,334	16.42%	2,014,854	12.71%
Other Income & Expenses								
Other Revenues	29,524	0.22%	(550,739)	3.84%	(495,881)	3.23%	(346,063)	2.18%
Interest Expenses	(407,747)	2.97%		0.00%	1,405	0.01%	(941)	0.01%
Other Expenses	(5,413)	0.04%		0.00%		0.00%		0.00%
Pretax Income "EBT"	2,077,720	15.14%	1,922,469	13.40%	2,027,858	13.20%	1,667,850	10.52%
Taxes	(70,498)	N/A	(120,897)	N/A	(92,302)	N/A	(88,414)	N/A
Net Income	2,007,222	14.63%	1,801,572	12.55%	1,935,556	12.60%	1,579,436	9.97%
Equity	6,082,490.91		5,004,366.67		7,742,224.00		7,179,254.55	

Comparative Ratios									
Description	Dec-15		42,705		Dec-17		43,435		
<u>Profitability Status</u>									
Return on Sales "ROS"	14.63	%	12.55	%	12.60	%	9.97	%	
Return on Assets "ROA"	6.21	%	5.43	%	17.75	%	21.00	%	
Return on Equity "ROE"	33.00	%	36.00	%	25.00	%	22.00	%	
Earnings Per Share "EPS"	91.24	EGP	81.89	EGP	87.98	EGP	71.79	EGP	
<u>Liquidity Status</u>									
Current Ratio	0.40	:1	0.41	:1	0.45	:1	0.47	:1	
Quick Ratio	0.17	:1	0.14	:1	0.15	:1	0.17	:1	
Cash Ratio	0.07	:1	0.03	:1	0.03	:1	0.04	:1	

Working Capital	10,685,123	EGP	-10,523,382	EGP	8,785,653	EGP	-7,988,365	EGP
<i>Efficiency Turnovers</i>								
DIO	120	Days	89	Days	45	Days	48	Days
DSO	51	Days	47	Days	45	Days	45	Days
DPO	508	Days	441	Days	374	Days	240	Days
CCC	-338	Days	-305	Days	-283	Days	-147	Days
<i>Leverage Status</i>								
Total Debt / Equity	1.23	:1	1.17	:1	0.99	:1	0.91	:1
Total Debt / Total Assets	0.55	:1	0.54	:1	0.50	:1	0.48	:1

Consolidated Income Statement

Consolidated Income Statement	2017	2018	2019	2020	2021
Revenue	13,935,532	13,557,837	14,351,277	15,356,948	15,849,720
Gross Profit	5,583,639	5,327,074	5,366,674	5,535,508	5,059,270
Operating Profit	2,583,350	2,521,235	2,473,208	2,522,334	2,014,854
Profit before Zakat and income Tax	2,202,208	2,079,056	1,922,469	2,027,858	1,667,850
Profit/(Loss) for the year attributable to shareholders	2,182,286	2,011,975	1,811,753	1,984,361	1,563,543
Profit for the year	2,159,963	2,008,558	1,801,572	1,935,556	1,579,436

Consolidated Statement of Financial Position

Consolidated Statement of Financial Position	2017	2018	2019	2020	2021
Total assets	32,388,856	32,782,547	33,148,042	32,344,306	31,754,302
Non-current assets	25,610,948	25,693,475	25,823,338	25,054,849	24,652,117
Intangible Assets and Goodwill	1,046,607	1,038,371	1,128,533	1,217,642	1,129,105
Biological Asset	1,283,342	1,366,566	1,381,268	1,392,079	1,469,084
Investment	129,429	204	88,029	89,623	88,749
Current assets	6,777,908	7,089,072	7,324,704	7,289,457	7,102,185
Equity Attributable to Shareholders	12,731,054	13,876,583	14,653,349	15,686,908	16,119,494
Total equity	14,826,558	14,462,644	15,259,120	16,233,679	16,618,413
Non-current liabilities	11,743,683	12,806,066	12,164,269	11,435,184	8,511,844
Current liabilities	5,818,615	5,513,837	5,724,653	4,675,443	6,624,045

Net cash generated from operating activities	4,614,147	3,668,772	4,732,081	4,203,052	4,915,005
Net cash used in investing activities	- 3,310,466	- 2,349,719	- 2,944,053	-787,627	- 1,814,247
Net cash generated from/(used in) financing activities	-240,992	- 1,960,927	- 2,460,038	- 3,250,039	- 3,023,761
Net increase / (decrease) in cash and cash equivalents	1,062,689	-641,874	-672,010	165,386	76,997
Cash and cash equivalents at end of period	1,636,112	1,003,581	338,435	503,510	580,913

2020 had a net income of 984.1 million Saudi riyals, an increase of 5.9% over the previous year. At SAR 357.15 million, sales increased by 7% as well. Through However, because of the COVID-19 epidemic, which continues to have a detrimental impact on global supply chains and the food and beverage sector as a whole, several markets in the GCC witnessed ongoing economic difficulties throughout the year. One of the main reasons Almeria has been successful is that it has a well-thought-out business plan, which includes high integration. By reducing this effect, the impacts of the pandemic on volatility have been confirmed. To ensure that it always has adequate inventory to meet client demand, the organization has special protocols and controls in place. Early in the outbreak, sales volume significantly increased as a result of the Saudi government's prompt enactment of closure measures aimed at ensuring the population's security and well-being. Also, as consumers rushed to restock, the number of shoppers in stores appeared to rise. People piled up merchandise in case the shutdown processes took an extended period of time due to the general concern in the market. It has been demonstrated that The Almeria Company's supply chain management techniques are effective. In order to keep expenses under control and a steady supply of basic resources on hand, strategic goods are effective and indispensable. To ensure the welfare of all of its employees, Almeria Company has modified its approach in light of the current market unrest. To start, think about the 400k individuals who have been confined as a result of the disease's quarantines. It was impossible for Almeria Company travelers who were going beyond the Kingdom to return in time. Until the company promoted the usage of work-from-home technologies, they were unable to work due to similar issues. We started to work on it immediately away. We have standardized our shutdown processes across all sites, with the exception of industry and agricultural, to facilitate the work of remote personnel. in an effort to limit their exposure to the outside world, farms and manufacturing complexes. Field workers have been able to continue their vital work because of these safeguards. We had to do things differently in 2020 than in prior years if we wanted our success to last. Almeria's commitment to quality is demonstrated by the steadfastness of its clientele and the individuals who use its products and services. The disease spreads, lowering consumer purchasing power and contracting the market.

To restore equilibrium, we must each do our share. The strain had to get to us. Minimize the possibility of food shortages in the region. It is clear that excellent internal procedures and resources have been put in place. Almeria Company is capable of meeting demand in each of

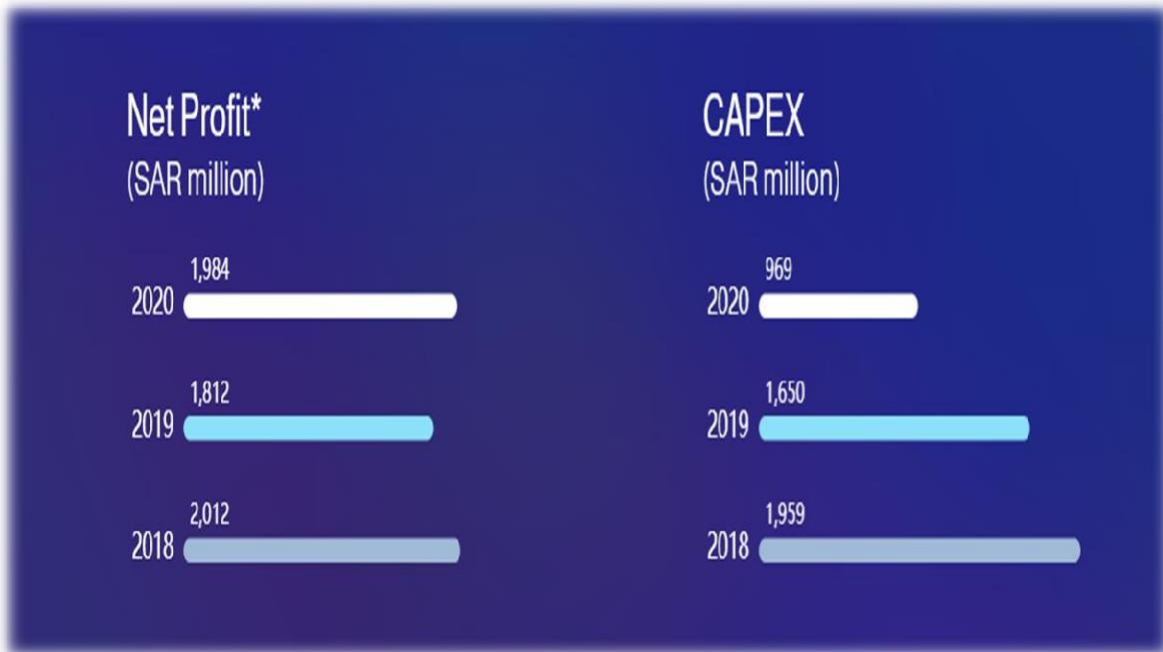
our major locations thanks to integrated distribution. All of us have felt the effects of our commitment to providing our most important goods. When we first set out into the "new world," we saw a spike in chain sales and certain changes to the way our Almeria Company was run. Although our company operates in a certain industry, It is one of the so-called "defensive" enterprises, yet it will still be affected. Because of the state of the market, the company had to import many animal feed and other raw materials, which led to a large increase in expenses. Anyone who can understand it Saudi Arabia's costs have increased significantly due to an increase of SAR 830.2 million in free cash flow. Even if everything has changed slightly, life is also returning to normal. We can clearly see from recent events that our efforts were necessary. Recently, the company's system has included it. It has played an essential role in helping us become more resilient. to ensure that "Quality worth Trusting" is upheld in spite of these challenges. It fully comprehends the financial case study what it takes to use the best resources possible and maintain satisfied consumers. Almeria is at the forefront of numerous industries, and its products are frequently thought to be the best in their fields. The Saudi Stock Exchange¹'s Almeria Company performed best when it came to Social and Governance Risk (ESG) and environmental threats for the fiscal year that ended on March 31, 2019G. Sales grew in every area in 2020. The Almeria Company saw an increase in net income of 5.9% to 812.1 million Saudi riyals and a growth in sales of 0.7% to 984.1 million riyals in the 2020 fiscal year. The decrease of 969 million Saudi riyals, or over 40%, from the prior year was a major boost to capital spending. 650.1 million Saudi riyals was the total amount spent. 2020 AD will provide a cash dividend of SAR 0.1 per share, or SAR 1 billion, to all of its shareholders for the whole year in recognition of the company's exceptional achievement in raising shareholder value. The price of the shares has risen by 355% since going public. Flexibility in the face of unforeseen circumstances and quick reaction to the COVID-19 outbreak. The day was rescued by the supply chain's resilience in the face of difficulty. Losses are gradually returning to previous levels across the board for the company's product line. Crisis management teams are prepared for a potential "second wave" due to procurement people, even if there has not been any interruption in the provision of goods.

Based on the balance sheet, the statement of cash flows and the income statement, the following results appear:

¹Company performance appraisal

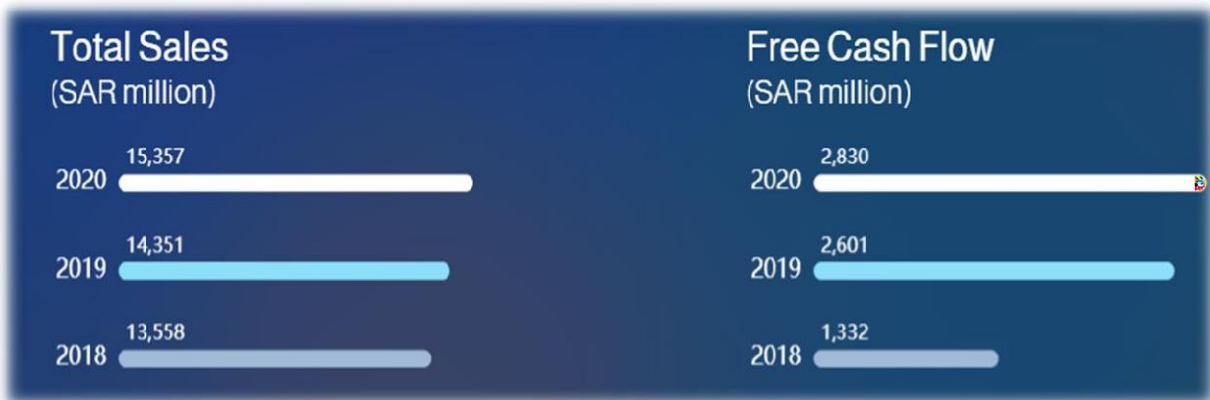
Profitability values are in millions and are as follows:

The profitability analysis suggests.



The following value, in millions, is determined by profitability:

On the basis of the profitability analysis.



segmentation



A-Short-term Solvency

the decrease in 2021 from 2020 according to the schedule;

Key indicators	2017	2018	2019	2020	2021
<u>the decrease in 2021 from 2020 according to the schedule;</u>					
Return on Sales	15.5	14.8	12.6	12.6	10.0
EBITDA to Sales	28.1	29.7	28.0	26.1	22.0
EBIT to Sales	18.5	18.6	17.2	16.4	12.7

Key indicators	2017	2018	2019	2020	2021
Return on Shareholders' Equity	17.9	15.1	12.6	12.8	9.9
Return on Total Equity	15.3	13.7	12.1	12.3	9.6
Return on Net Operating Assets	10.5	9.4	8.9	9.1	7.4

.21

Revenue Growth Rate	-2.8	-2.7	5.9	7.0	3.2
---------------------	------	------	-----	-----	-----

e. Market-based Ratios



Key indicators	2017	2018	2019	2020	2021
<i>We note a decrease in the existing percentages in the market in 2021 compared to all previous years</i>					
Net Debt to Equity Ratio	73.3	88.0	78.0	66.0	55.0
Net Debt / EBITDA	2.8	3.2	3.0	2.7	2.6
Current Ratio	116.5	128.6	128.0	155.9	107.2
<i>Stock information</i>					
Dividend Proposed	750	850	850	1,000	1,000
Dividends Payout Ratio	34.0	42.0	47.0	50.0	60.0

Segmental Reporting	2017	2018	2019	2020	2021
Sales by segment					
Dairy & Juice	10,510.5	9,919.7	10,210.0	10,923.7	11,141.3
Bakery	1,807.1	1,641.4	1,749.3	1,712.0	1,788.9
Poultry	1,463.6	1,800.4	2,124.6	2,292.8	2,301.5
Other Activities	154.3	196.4	267.4	428.5	618.1
Sales by geography					
Saudi Arabia	9,300.0	9,179.8	9,737.3	10,285.9	10,222.8
Other GCC Countries	3,480.7	3,090.4	3,164.3	3,198.2	3,121.3
Other Countries	1,154.9	1,287.6	1,449.7	1,872.9	2,505.6
Sales analysis by country					
KSA	67.0	67.0	67.8	67.0	65.0
UAE	10.0	10.0	9.5	9.0	9.0
Oman	5.0	6.0	5.2	4.0	4.0
Kuwait	5.0	5.0	5.0	5.0	5.0
Egypt	5.0	6.0	5.9	6.0	8.0
Bahrain	2.0	2.0	2.3	2.0	2.0
Jordan	2.0	2.0	2.1	3.0	3.0
Other exports	2.0	2.0	2.2	3.0	4.0

The declining share of sales in Saudi Arabia and Egypt is a major contributor to the fall in profit between 2021 and 2020, as seen in the table.

The corporation's net profit value decreased by 356,120 Saudi Riyals (SAR) between 2020 and 2021.

The company's net profit for 2020 was 1,935,556 riyals. The company generated a profit of 1579436 riyals in 2021.

This is mostly because of the company's lower sales in comparison to 2020, which in turn led to the deterioration of the business's income side, according to the revenue side of the financial study. This presents a significant danger to the business because the upcoming Corona crisis in 2020 will be very advantageous to the food sector and will drive further expansion in sales. This is what I would advise. The company offers an amazing opportunity to participate in potential investment opportunities.

2- Incom Statement Future Assumptions:

The company may start a new endeavor to register its goods in foreign target markets and establish local offices in order to increase its international sales through the use of local distributors. This project will be funded by personal funds...

<u>Income Statement Future Assumptions</u>							
Item	Yr-22	Yr-23	Yr-24	Yr-25	Yr-26	Yr-27	

Target Net Profit Before Taxes Rate	4%	6%	8%	10%	12%	14%	
Gross Profit Rate	31.0%	33.0%	35.2%	37.5%	40.3%	42.3%	
Interest Rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Sales & Marketing Rate	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	
G&A Expenses	3,000,000	3,450,000	3,967,500	4,562,625	5,247,009	6,054,072	
Depreciation Expenses	750,000	750,000	750,000	750,000	750,000	750,000	
Item	Yr-22	Yr-23	Yr-24	Yr-25	Yr-26	Yr-27	
(+) Sales Revenues	17,857,143	20,000,000	22,252,358	24,709,884	26,892,417	30,511,534	
<i>Sales Growth Rate</i>	<i>-51%</i>	<i>12%</i>	<i>11%</i>	<i>11%</i>	<i>9%</i>	<i>13%</i>	
(-) COGS	12,321,429	13,400,000	14,419,528	15,443,677	16,054,737	17,605,155	
Gross Profit	5,535,714	6,600,000	7,832,830	9,266,206	10,837,680	12,906,379	
<i>Gross Profit Rate</i>	<i>31%</i>	<i>33%</i>	<i>35%</i>	<i>38%</i>	<i>40%</i>	<i>42%</i>	
<u>SG&A Expenses</u>							
(-) Sales & Marketing Expenses	714,286	800,000	890,094	988,395	1,075,697	1,220,461	
(-) G&A Expenses	3,000,000	3,450,000	3,967,500	4,562,625	5,247,009	6,054,072	
Total SG&A	3,714,286	4,250,000	4,857,594	5,551,020	6,322,706	7,274,533	

SG&A Expenses Rate	21%	21%	22%	22%	24%	24%	
(+/-) EBITDA	1,821,429	2,350,000	2,975,236	3,715,186	4,514,938	5,631,845	
EBITDA Rate	10%	12%	13%	15%	17%	18%	

(-) Depreciation Expenses	750,000	750,000	750,000	750,000	750,000	750,000	
(+/-) EBIT	1,071,429	1,600,000	2,225,236	2,965,186	3,764,938	4,881,845	
EBIT Rate	6%	8%	10%	12%	14%	16%	
(-) Interest Expenses	357,143	400,000	445,047	494,198	537,848	610,231	
(+/-) EBT	714,286	1,200,000	1,780,189	2,470,988	3,227,090	4,271,615	
EBT Rate	4%	6%	8%	10%	12%	14%	
(-) Income Taxes	160,714	270,000	400,542	555,972	726,095	961,113	
(+/-) NI	553,571	930,000	1,379,646	1,915,016	2,500,995	3,310,501	
NI Rate	3%	5%	6%	8%	9%	11%	

EBITDA@ 10X	18,214,2 8 6						
(-) Banking Facilities	0						
Enterprise Value	18,214,2 8 6						
Discounted Cash Flow Model							

31

Working Capital Calculations							
Item	Yr-22	Yr-23	Yr-24	Yr-25	Yr-26	Yr-27	
DSO@ 60 days	2,976,19 0	3,333,33 3	3,708,726	4,118,31 4	4,482,07 0	5,085,25 6	

DIO@ 45 days	1,540,179	1,675,000	1,802,441	1,930,460	2,006,847	2,200,644	
DPO@ 60 days	2,053,571	2,233,333	2,403,255	2,573,946	2,675,795	2,934,192	
Other Debtors	892,857	1,000,000	1,112,618	1,235,494	1,344,621	1,525,577	
Other Creditors	357,143	400,000	445,047	494,198	537,848	610,231	
Working Capital	2,998,512	3,375,000	3,775,483	4,216,124	4,619,893	5,267,053	
Net Change in WC	0	-376,488	-400,483	-440,640	-403,769	-647,160	
DCF Valuation at Yr-19:	0	1	2	3	4	5	
Item	Yr-22	Yr-23	Yr-24	Yr-25	Yr-26	Yr-27	Terminal Value
(+) EBIT	1,071,429	1,600,000	2,225,236	2,965,186	3,764,938	4,881,845	
(-) Taxes	241,071	360,000	500,678	667,167	847,111	1,098,415	
Net Income	553,571	930,000	1,379,646	1,915,016	2,500,995	3,310,501	
(+) Depreciation Ext	427,146	750,000	750,000	750,000	750,000	750,000	
(+) Change In WC	0	-376,488	-400,483	-440,640	-403,769	-647,160	
(-) CAPEX - Capital Expenditure	0	0	0	0	0	0	
Free Cash Flow	1,257,503	1,613,512	2,074,074	2,607,379	3,264,058	3,886,270	28,499,312
FCF Growth Rate		28%	29%	26%	25%	19%	
Item	Yr-22	Yr-23	Yr-24	Yr-25	Yr-26	Yr-27	Terminal Value

							Value
Discount Rate @ 25.00%	1.000	1.250	1.563	1.953	2.441	3.052	3.052
PV	1,257,503	1,290,810	1,327,408	1,334,978	1,336,958	1,273,453	9,338,655
NPV	17,159,764						
(-) Banking Facilities	0						

Enterprise Value	17,159,764						
cash outflow	year1	year2	year3	year4	year5	year6	
(- 2,500,000)	1257503	1613512	2074074	2607379	3264058	3886270	
<u>cash out flow</u>							
present value of cash flow	1,006,002	1032647.68	1,061,925.89	1,067,982.44	1,069,566	1,018,762	
	6,256,886						
NPV							
	3756886						

4 The business does not have to pay such fees since it is presently experiencing a sharp decline in sales and has to avoid paying any fees to make up for the drop in earnings from the prior year.

Company's future prospects

Median / Actual (SAR Mn)		2021	2022e	2023e	2024e
Sales		<u>15,850</u>	<u>16,588</u>	<u>17,645</u>	<u>18,589</u>
Gross profit		<u>5,059</u>	<u>5,486</u>	<u>5,877</u>	<u>6,265</u>
EBITDA		<u>3,493</u>	<u>4,100</u>	<u>4,513</u>	<u>4,747</u>
Operating income		<u>2,015</u>	<u>2,313</u>	<u>2,586</u>	<u>2,747</u>
Income before tax		<u>1,668</u>	<u>1,941</u>	<u>2,150</u>	<u>2,362</u>
Income before minority interest		<u>1,579</u>	<u>1,828</u>	<u>2,042</u>	<u>2,230</u>
Net income		<u>1,564</u>	<u>1,766</u>	<u>2,014</u>	<u>2,200</u>

Recommendations for the company

One is increasing revenue by entering new Egyptian markets.

Two, in order to offset the decline in revenue, the company will step up its marketing initiatives in Saudi Arabia, a significant regional market.

Increasing product distribution and availability in the local market is the third strategy.

One effective strategy to increase sales and draw in new clients is to provide discounts and temporary promotions on top-selling items.

5. Taking note of local clients' routines to find out what they enjoy

6. Allaying customers' worries about excessive prices by offering better products and after-sale service.

7- Gaining more support and influence from the public, which will eventually improve the company's reputation

Conclusion:

In the past, I had hoped to have some enlightening comments about the significance of good financial management and the requirement to include it in continuing business planning. There were some accounting and financial paperwork present. It offered suggestions on how to make the company operate more smoothly and effectively. The research also covered the significance of giving investors and shareholders their money back. The process by which a business or other entity plans, coordinates, oversees, and manages its financial activities, including the procurement and expenditure of funds, is known as financial management. It describes the process of managing a company's financial assets by using general management concepts.

We found that, despite the need to assess events and generate concepts to help information consumers make rational decisions in an environment of intensified competition and volatility, financial analysis has grown in significance because of the rise in commercial activity in the modern world. One of the most helpful resources for financial industry decision-makers and other interested parties is financial analysis. A complete grasp of the company's financial situation may be beneficial to the owners, managers, and creditors alike.

Financial analysis is the cornerstone that supports timely decision-making and accurate financial reporting. It is important since it makes it easier for you to recognize your advantages and disadvantages. Ash (1992).

Among the numerous applications of financial analysis are the following ones: helping with the organizations financial planning process; demonstrating the effectiveness with which all monies are managed and utilized; offering insight into the real financial situation of the organization; assessing the degree to which business management has succeeded in reaching objectives. (1986, Ross)

We were able to ascertain Samsung's efficiency in terms of its capacity to grow and develop its investment projects and to fulfil its debt commitments on schedule, as well as its strengths and weaknesses, by examining the company's financial accounts. It has a profit margin for the year. However, there must be some errors in the finer points, such as the delay in the collecting period, which resulted in a cash shortage that was evident throughout the entire operation. The collecting department would help the organization and its circulation-based financial strength by looking into this problem and taking the necessary steps to make it better and more effective. Furthermore, we saw that the company relied on less than 30% of long-term debt. Being able to guarantee a return on investment for potential supporters is a selling factor for the company.

I advise management to try to rationalize the use of financial resources and hire informed, skilled, and educated staff in all departments because financial analysts' work is especially delicate and any mistakes in their analysis and comprehension of financial statements will lead to incorrect results with direct implications for decisions. The company's capacity to make money puts its existence at jeopardy since it keeps it from achieving its strategic objectives.

Reference:

- (US Department of Agriculture Financial Statement Analysis, page three)
(<https://ncert.nic.in/ncerts/l/leac204.pdf>) Analysis of Financial Statements
(Compilation of Financial Analysis and Forecasting by Matt H. Evans, CPA, CMA, CFM p1)
(Eslam Abdul amid's book Financial Management)
Accounting by Paramasivan & Subramanian
(<https://www.marketwatch.com/>) (<https://ar.knoema.com/>) (<https://www.almarai.com/>)
(<https://www.fool.com/>) (<https://www.economist.com/>) (<https://cs.thomsonreuters.com/ua/acct/pr/fina/cs/us/en/pdfs/fina/sample>)
(Open Textbook Library: opentextbooks.umn.edu)
(Thomson Reuters/Tax & Accounting, 2004–2008)
(E. Altman (1968). Journal of Finance article titled "Financial Ratios, Discriminant Analysis, and the Prediction of Corporate Bankruptcy"
(H. M. Al-Zaidi). (2000). (Analysis of finances) (performance evaluation and failure prediction). (Al Warri Foundation, Amman, Jordan)
(Ash, R). (1992). Financial restructuring and asset engineering. (In the publication; Rao, Macmillan Publishing Company, Financial Management: Concepts and Applications).
R. hardly (2003). (USA: McGraw-Hill, Principles of Corporate Finance.)
(E. Brigham) (1999). Financial Management Intermediate (Vol. Sixth Edition). (Dryden Press E, A. (September, 1968). (September, 1968). Journal of Finance article on financial ratios, discriminant analysis, and the forecasting of corporate bankruptcy.)
William A. Haylie (2007). (Monetary analysis.) (Denmark: The Arabic Open Academy.) (R. Higgins) (1995). (Financial management analysis) (Vol. 8th end).
A. J. Keon (1994). (The principles of finance. Hill Book Company/MC Grew.) (R. Moyer) (1981). (Financial management in the present.) West Publishing Company L. proves that (2010). (Oxford University Press, USA. Working capital management. Ross, S.) (1986). (Financial management principles.) (John Wiley Published, Canada) (Stevenson record, Fourth advertisement for Foundation of Financial Management, 1996)