

3 -2 Customers and Partners to Success

First Milling Company classifies its customer portfolio into four sales channels, namely:



The Company's sale of flour to customers is regulated by GFSA. As the Authority must pre-approve every customer to whom the Company sells flour (45 KG or bulk) as well as the price at which the flour is sold and the quantity assigned to each customer. Potential new customers must register with the Company and undergo an internal assessment process. This assessment includes, among other things, site visits to the customer's facilities; assessments of its production lines and production capacity; and assessments examination of the products in which the flour is to be used. The completed assessment is then submitted to GFSA for approval or rejection.

Although the modern trade channel has historically contributed to a small share of the Company's total sales, the Company is currently increasing its focus on this channel, specifically retail sales, in order to expand its consumer base and increase its market share.



As part of the Company's strategy in this area, in February 2022G, the Company launched its patent flour products under "Aloula" brand, which is the company's first brand in retail sector. The Company is also developing additional products. These products include various types of flour, ready-made mixes and semolina to be introduced to the market in the future to meet the diverse needs of its customers.

"Aloula" is the first retail brand affiliated with First Milling Company as one of the transformation initiatives.

In February 2022G, "Aloula" was launched as a Saudi brand with its goal to rebuild the culture of baking and baked goods in Saudi homes using high-quality flour. With "Aloula", our goal is to empower the community to create and innovate in the world of baked goods.

"Aloula" name reflects the superiority of the Company and its constant desire to win and lead.

"Aloula" is the Company's first brand for retail business. It aims to grow the retail business as a patent flour brand, which it sells to well-known hypermarkets, supermarkets and groceries across the Kingdom.

In just two years, "Aloula" has achieved an important milestone to become No.3 brand. The total market share of First Milling Company 21% through its brand "Aloula" and "First Mills", acquiring a market share of 11% of the total retail flour market in Saudi Arabia, as well as reaching a market share of 21% for both its retail brands (Aloula and First Mills Premium), according to the latest reports from Nielsen. It has also resulted in adding value to the Company's product portfolio. This achievement, in such short period of time, has enabled the Company to become one of the best distinguished brands in the Saudi market. The Company prides itself to culminate two years of dedicated efforts based on innovative product development and strategic vision. This vision yielded a promising market share and a strong position as a brand.