

Corporate Briefing FY 2025



OVER
35
YEARS

دل بے پاکستان

Our purpose and values

Our purpose

We unlock the power of food and beverages to enhance quality of life for everyone, today and for generations to come.

Our values

Our values are rooted in respect.
Respect for ourselves. Respect for others.
And Respect for the future.



Our strategy continues to accelerate accretive and protect core portfolios...

Protect / sustain



Accelerate



Our Priorities

Winning through investing in big bets

Accelerate growth in winning channels

Cost optimization initiatives to drive fuel for growth

Drive Sustainability agenda in the market

Develop high performing teams

Transform with AI & Technology


...and driving consumer-centric innovations across our portfolio



Nestlé protects and promotes breastfeeding


Sustainability remains on top of our agenda


Climate


-  Our aim:
- Reduce GHG emissions to 50% by 2030 (vs. 2018 baseline)
 - Reach net zero by 2050

 >48% GHG emissions reduction in 2025 vs 2018


 **20 ton/hr. biomass boiler plant**


 Renewable energy & energy optimization


 **9.5-MW** across our manufacturing sites


 Planted **150,000 trees**

Regenerative agriculture


-  Our aim:
- Source 50% of our key ingredients & 40% fresh milk from farmers adopting regenerative agriculture practices

 • 100% water regeneration for Waters Business


 Source mix transformation and regenerative agriculture


 Smart soil moisture sensors on and drip irrigation


 **10 Clean and Safe Drinking Water Facilities**

 Import of **>11,000** high-yield cows

Circularity

 Our vision is that none of our packaging ends up in landfills or as litter.

 **Design for Recycling (D4R)** project for our different packaging materials

 **4,473 tons** packaging managed through **Clean Gilgit-Baltistan Project**

..with focus on environment & renewable energy

**Biomass boiler
(KBF)**
10,330 tCO₂e
reduction
PKR~300mio
annualized
saving



Facilitated over
4,500 tons of
packaging waste

**Solar with
9.6MWp**
2,900 tCO₂e
reduction
PKR~500mio
annualized
saving



Plantation of
36,000
indigenous trees

Our efforts were recognized at OICCI & Sustainable Development Conference



Top Climate Champion Award
at the 3rd
OICCI Pakistan Climate Conference 2025



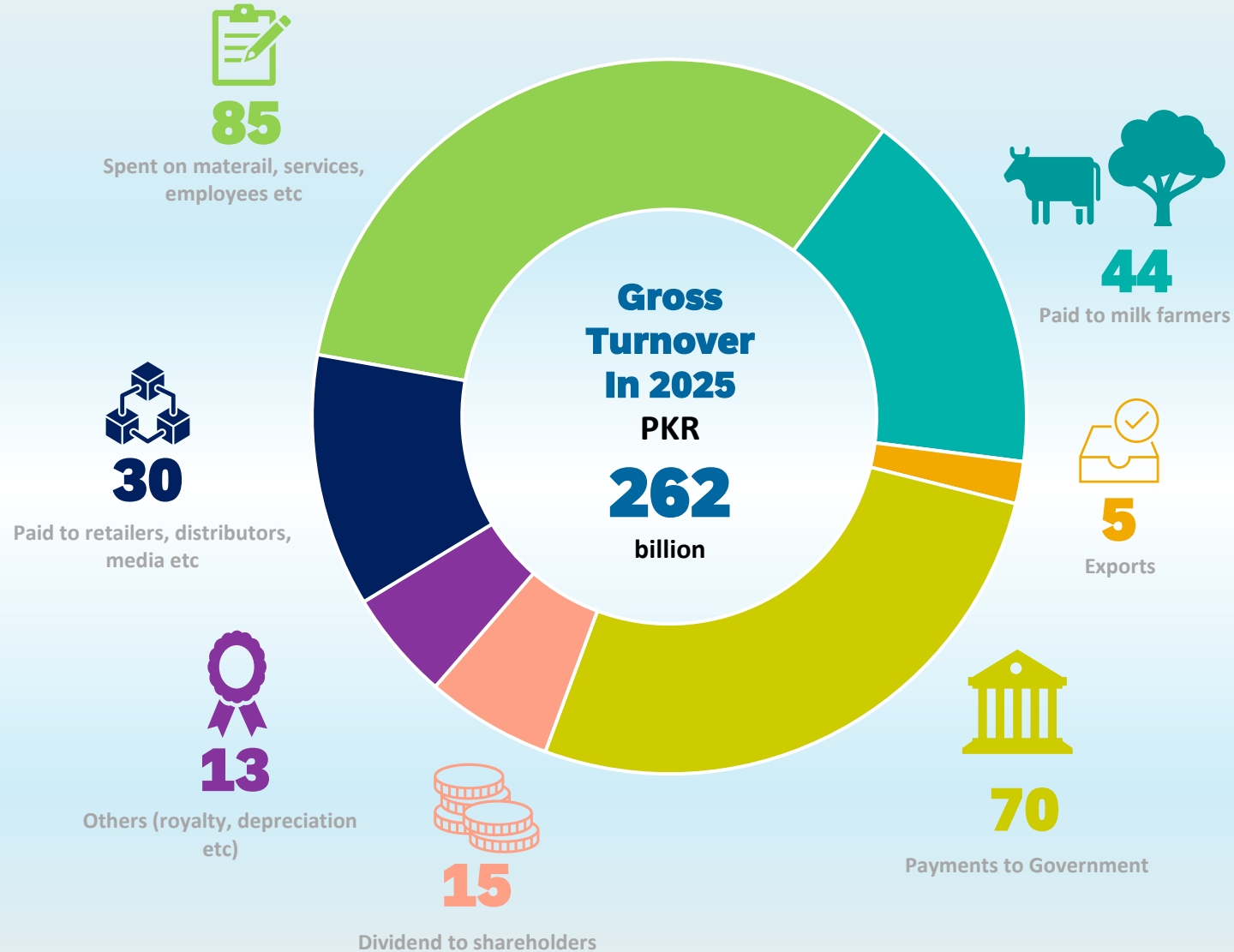
1st Position in Renewable Energy & Low-Carbon Transitions & Best Pavilion Award
at the 28th Sustainable Development Conference

We continued to strengthen a workplace culture grounded in well-being, belonging, inclusion, and continuous growth

Employers' Federation of Pakistan Diamond Recognition Award for Women Empowerment and Gender Equality & Disability Inclusion



We remain focused on creating shared wealth across the value chain...



... and always stand with people of Pakistan in the hour of need



Digitalization & AI helping to transform our ways of working

SMART EYE @ HO



Nestlé expanding ERP solutions using SAP S/4HANA

Bringing value through transversal digital enablers

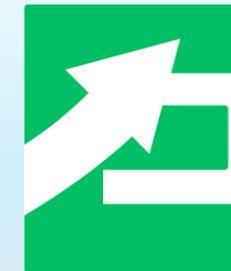
And the winner for Tech is...

Connected Core – SAP S/4 ERP

Supply Chain



MROI



Integration with FBR for E-Invoicing



Financial Results – FY 2025

2025 was yet another year full of unprecedented challenges and headwinds

May'25: Pak-India war



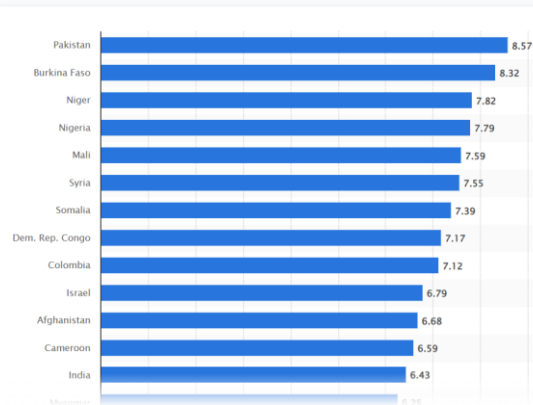
Pak-Afghan border/ operations closure



2025: Persistent security challenges



Global terrorism index 2025, top 50 countries



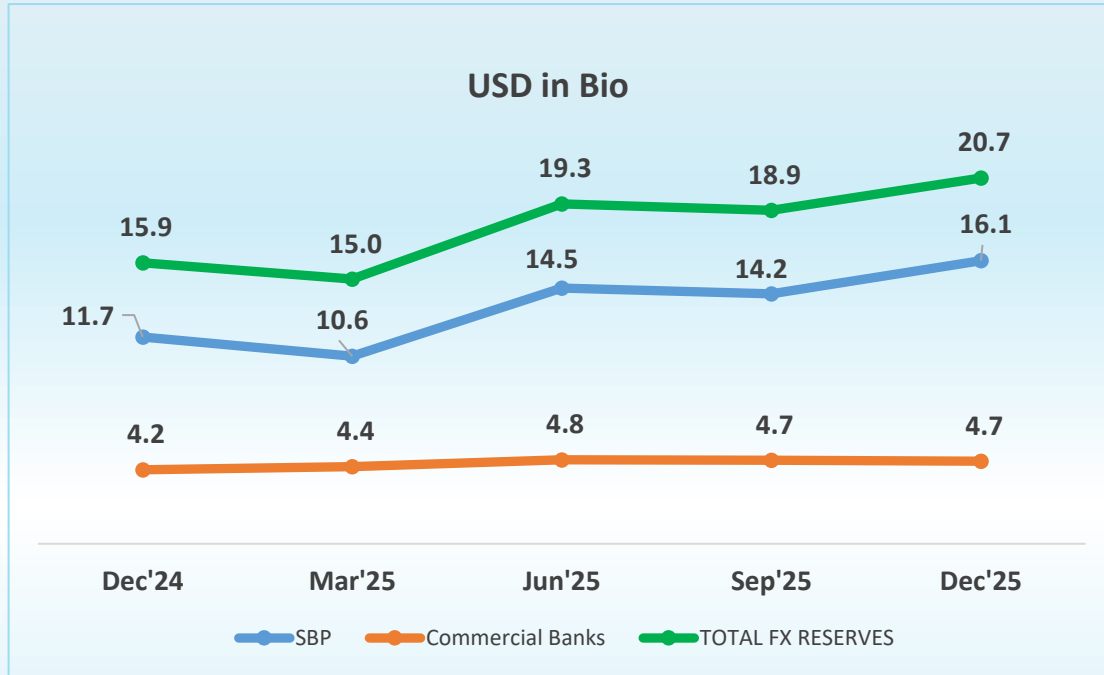
Canal Issue / Nationwide transporters strikes

Businesses panic as transporters' strike 'cripples' supply chains

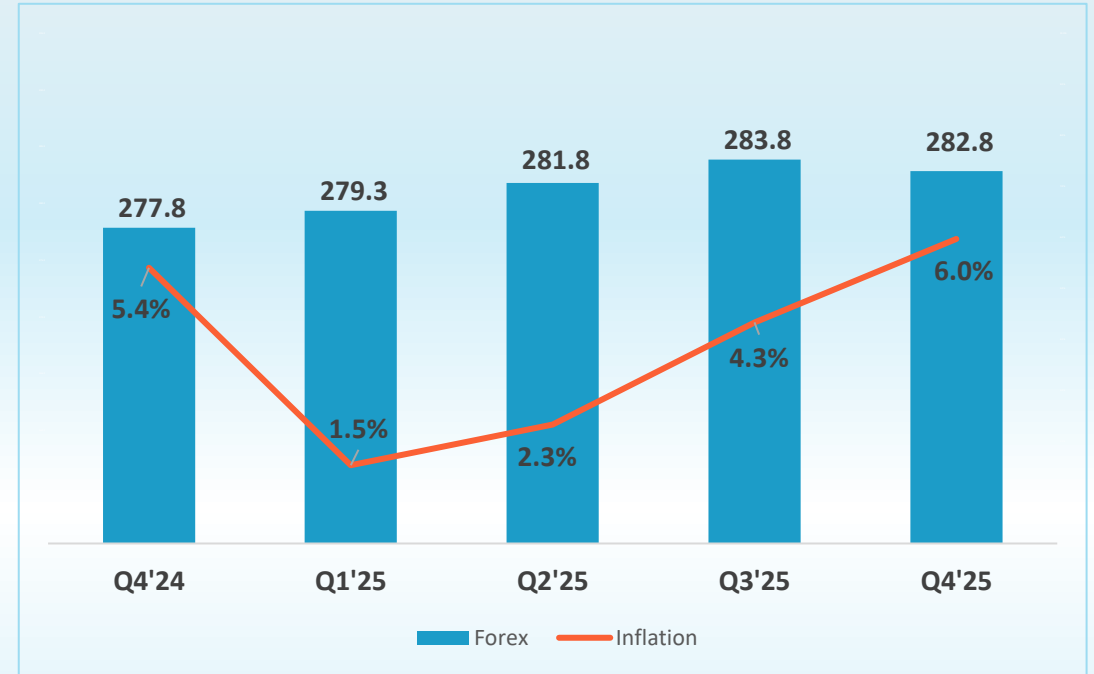
Aamir Shafaat Khan | Published December 16, 2025



Macro-economic progress largely on track under guidance of IMF



Pakistan's foreign reserves touched USD 20.7 Bio in Dec'25



Exchange rate remained stable whereas inflation inched up due to impact of floods

Despite all challenges, we are back on track of profitable growth, which was massively impacted by 18% GST on Dairy & Nutrition sector levied in July 2024

FY 2025
Financial
Highlights



Net Sales

↑ PKR **199** bio
+ 3.0%



Gross Profit

↑ PKR **72.3** bio
+ 3.9%



Profit after Tax

↑ PKR **17.2** bio
+ 16.5%



EPS

↑ PKR **380.2**
+ 16.5 %

Our strong working capital optimization initiatives helped us make the Company debt free and announce ever highest dividend payout for 2025



Working Capital

↑ PKR **9.4 bio** improvement
vs. 2024



3rd Party Debt

↑ PKR **NIL**
vs. 2024 (PKR 3Bio)



Finance Cost

↑ Lower by PKR **2.0 bio**

FY 2025
Financial
Highlights

Dairy and Nutrition gradually recovering post 18% GST since July'24

| Dairy & Nutrition (incl. Others) | 2025 | 2024 |
|----------------------------------|-------|-------|
| Sales (PKR Bio) | 157 | 153 |
| Sales Growth | 2.3% | -4.1% |
| Operating profit margin | 18.0% | 17.5% |

- Exports dropped by 31% mainly due to border closure
- Operating profit margin improvement driven by healthy product mix and favorable input costs



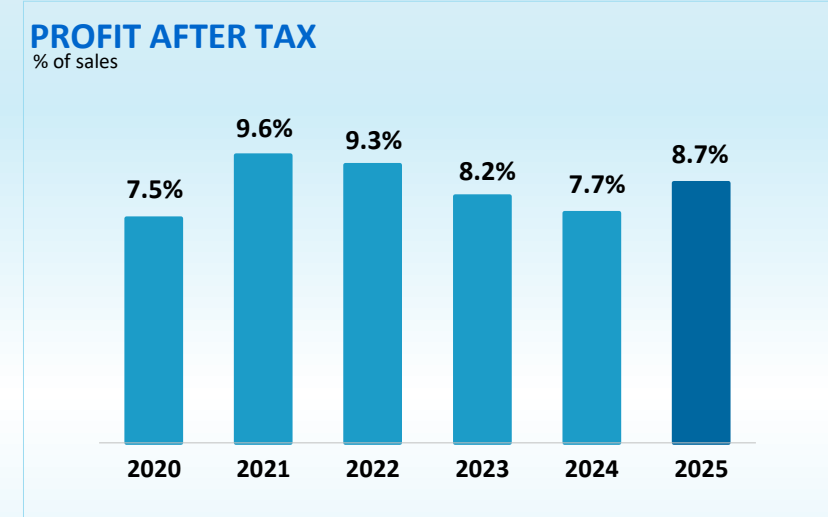
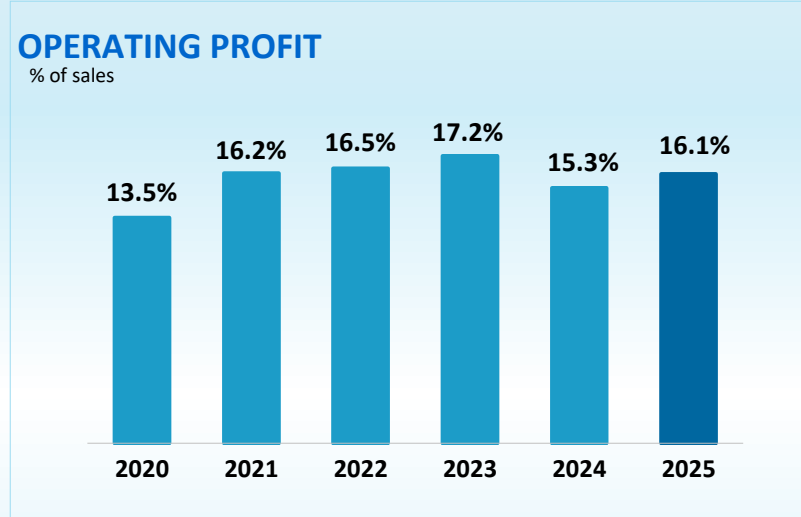
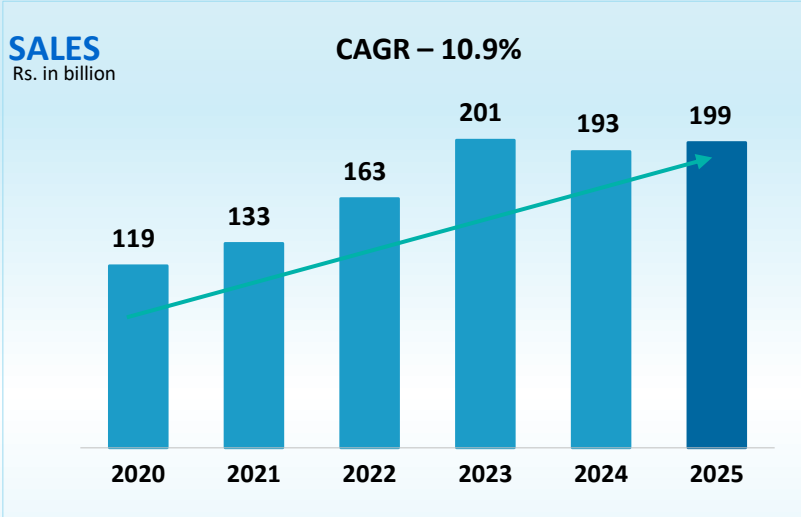
We continue to delight our consumers with different offerings

| Powder & Liquid Beverages | 2025 | 2024 |
|---------------------------|------|-------|
| Sales (PKR Bio) | 42 | 40 |
| Sales Growth | 6.0% | -1.5% |
| Operating profit margin | 9.1% | 6.8% |

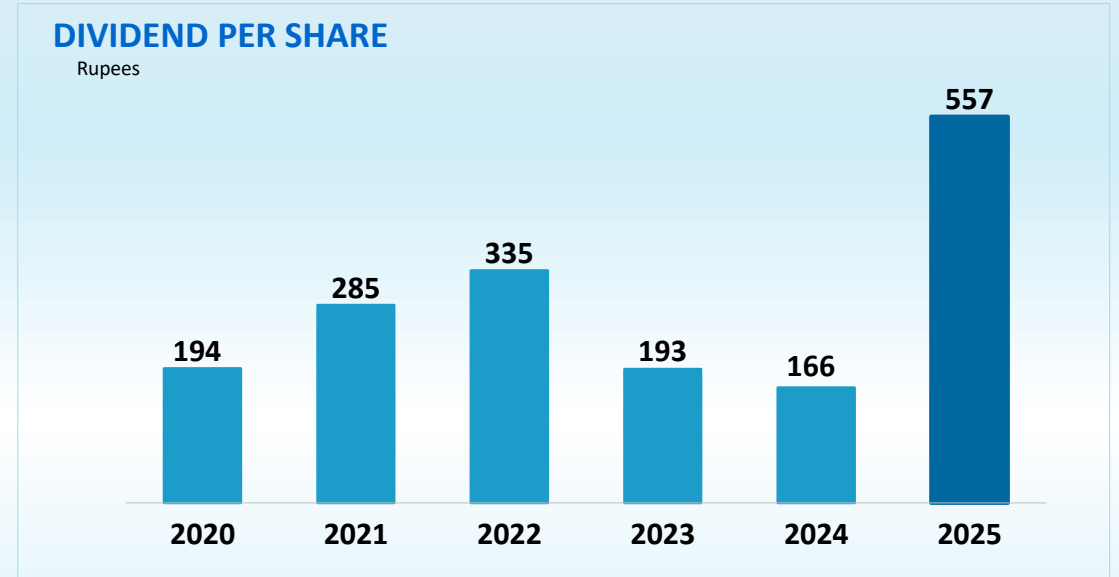
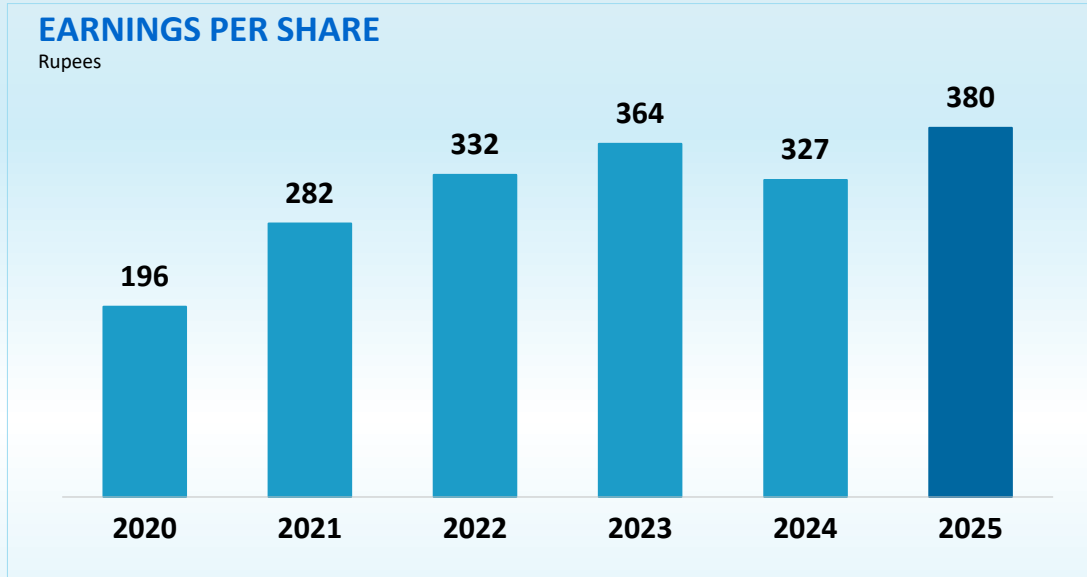
- Sales growth mainly driven by coffee. Juices business also in recovery phase post imposition of FED since 2023
- Exports dropped by 21% mainly due to border closure
- Operating profit margin improved on the back of stable currency and favorable input costs together with better absorption of fixed costs



Our Company performance is back on track which was heavily impacted due to 18% sales tax in July 2024



We delivered ever highest EPS & Dividend per share in 2025



Q & A



OVER
35
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Good food, Good life