



## NAHDI SHIFTS GEAR TO GROWTH AS Q2 2024

### REVENUE INCREASES 10.8% YOY

**Jeddah, Saudi Arabia – July 2024:** Nahdi Medical Company (“Nahdi” or “the Company”), Saudi Arabia’s leading purpose-driven healthcare and wellbeing Company, today reported its financial results for the second quarter of 2024 (“Q2 2024”) and for the first six months of 2024 (“H1 2024”).

#### Financial Summary Q2 2024

RESILIENT FINANCIAL PERFORMANCE	In SAR (% of revenue)	Q2 2024	Q2 2023
	Revenue	2.47bn (+10.8%)	2.23bn
	Gross Profit	939mn (38.0%)	900mn (40.3%)
	Net Profit	248mn (10.0%)	265mn (11.9%)
STRONG CASH FLOW GENERATION	Capex 4% of revenue	ZERO DEBT	DPS SAR 2.5 (H1 2024)

#### Financial Performance

Nahdi reported positive revenue growth for the third consecutive quarter as a result of its 8.9% retail growth and reaping the outcome of its facilitated investments into the Company’s strategic growth areas, with healthcare and UAE delivering 100.1% and 186.8% revenue increases, respectively. The Company’s retail performance is driven by the ongoing pharma growth momentum and its investment into front shop categories.

As an outcome, Nahdi overall experienced strong revenue growth for the second quarter, of 10.8% versus 7.2% in Q1 2024 and 3.6% in Q4 2023. Total revenue increased by SAR 241.2 million, in Q2 2024 reaching SAR 2,472.7 million, compared to SAR 2,231.5 million for the same quarter last year. For the first half of the year, Nahdi recorded SAR 4,730.2 million in revenue, representing an increase of 9.1% or SAR 393.6 million versus SAR 4,336.5 million in H1 2023.

Nahdi's investment in its emerging businesses is yielding strong results, with the Company experiencing accelerated growth in its online business. In the second quarter of 2024, the online business contributed 23.6% to total revenue, up from 16.4% during the same period



last year, mainly driven by front shop categories. This growth was primarily driven by the expanded product assortment, with +8000 SKUs added to Nahdi Online during the first half of the year. Since Q2 2024, Guests in the UAE enjoy the same access to the full range of products as Nahdi's Guests in Saudi Arabia. The increase in the online business revenue contribution reflects Nahdi's ability to adapt to evolving consumer behaviors and leverage its digital capabilities to expand its reach, making it one of the leading e-commerce platforms in the region.

Nahdi strategically strengthened its market position in the region, opening 8 pharmacies in 2024 serving five Emirates in the UAE with revenues soaring by 186.8%.

During the second quarter, Nahdi expanded its polyclinic network by opening a new location in Yanbu. With a total of 8 polyclinics now in operation, the Company has served over 680,000 Guests in the first half of the year vs 460,000 Guests in the same period last year, resulting in a 100.1% revenue increase.

In the second quarter of 2024, the Company delivered a solid improvement in its operating expenses as a percentage of revenue which improved by 1.1% to reach 27.1%, compared to 28.2% during the same quarter last year. This improvement in operating expenses demonstrates the Company's ongoing commitment to operational efficiency and cost optimization, which fuels Nahdi's continued growth and allows the Company to facilitate the implementation of its strategic investments, all along maintaining its gross margin at 38% for the first half of the year 2024.

Nahdi's balance sheet remains healthy with a strong cash position and zero debt, with returns from Islamic Murabaha time deposits further supporting the profitability of the Company. Moreover, the Company's sustained a healthy cash flow supported by strong operational fundamentals and efficient working capital management.

As a result of Nahdi's strong financial performance, Nahdi's Board of Directors approved a cash dividend distribution of SAR 2.50 per share for the first half of 2024.

The quarterly results underscore Nahdi's success in adapting to evolving market and consumer trends with resilience and agility. By swiftly responding to changing dynamics, the company has successfully positioned itself for sustained growth and profitability in the future.

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