



NAHDI CONTINUES THE GROWTH JOURNEY WITH 9.0% YOY REVENUE INCREASE AND MEETING THE PROFITABILITY GUIDANCE

Jeddah, Saudi Arabia – 30 October 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 third quarter of 2024 (“Q3 2024”) and for the nine months of 2024 (“9M 2024”).

Financial Summary 9M 2024

RESILIENT FINANCIAL PERFORMANCE	In SAR (% of revenue)	9M 2024	9M 2023
	Revenue	7.08bn (+9.0%)	6.49bn
	Gross Profit	2.65bn (37.4%)	2.67bn (41.1%)
	Net Profit	663mn (9.4%)	722mn (11.1%)
STRONG CASH FLOW GENERATION	Capex	ZERO DEBT	DPS
	3.8% of revenue		SAR 2.5
			325mn Dividend Payout

Financial Performance

Nahdi reported 9.0% revenue growth during the 9M 2024, reaching SAR 7,083.4 million versus SAR 6,499.4 million for the same period last year, fueled by a strong performance in the Retail business delivering 7.0% increase in revenue. This is attributed to the ongoing growth momentum of Pharma segment supported by the prescription flow from the healthcare business, growing partnerships with medical insurance companies and introducing innovative products ranges. Moreover, Nahdi’s strategic investment into Healthcare and UAE businesses continued delivering solid growth of 104.7% and 158.4% respectively.



In Q3 2024, for the fourth consecutive quarter, Nahdi experienced a strong revenue growth of 8.8% where total revenue rose by SAR 190.4 million to reach SAR 2,353.3 million, compared to SAR 2,162.9 million for the same quarter last year. This was primarily driven by a strong performance in the Retail business which witnessed 6.8% rise in revenue. Moreover, the Healthcare and UAE businesses continued their revenue growth momentum delivering 96.5% & 125.9% respectively.

Nahdi's investment in its emerging businesses is yielding strong results, with the Company experiencing accelerated growth in its online business. In Q3 2024, the online business contributed 23.3% to total revenue, up from 15.8% during the same period last year, mainly driven by front shop categories. This growth was primarily driven by the expanded product assortment, with +16,900 SKUs added to Nahdi's Products Portfolio, during the 9M 2024. As of Q2 2024, Guests in the UAE have been enjoying the same access to the Company's full range of products as Nahdi's Guests in Saudi Arabia. The continued increase in the online business revenue contribution demonstrates Nahdi's ability to adapt to evolving consumer behaviors and harness its technological capabilities to broaden its reach, further solidifying its position as a leading e-commerce platform in the region.

Furthermore, Nahdi continued strategically strengthening its market position in the region by opening 9 new pharmacies in 9M 2024 reaching 23 pharmacies covering all major Emirates in the UAE with revenues soaring by 158.4%.

Nahdi also added 3 new polyclinics to its portfolio during the 9M 2024, expanding its presence to new cities namely Yanbu, Madina and Najran. Nahdi now has a total of 9 operational polyclinics. NahdiCare has served over 1 million Guests during the year compared to 709,000 Guests in the same period last year, resulting in a 104.7% revenue increase. Additionally, four matured clinics generated a positive bottom line with an average NP margin of ~15%, and the overall healthcare business delivered a positive bottom-line as well.



In 9M 2024, gross margin landed at 37.4% driven by the continuous investment to support sales growth, accelerated performance in strategic business channels i.e. Online, Healthcare & UAE. It is also worth mentioning that the third quarter of last year included a non-recurring inventory provision release of SAR 33 million as a result of a change in the inventory provision policy. the Company delivered a solid improvement in its operating expenses as a percentage of revenue, which improved by 1.3% to reach 28.1%, compared to 29.4% during the same period last year. This improvement in operating expenses demonstrates the Company's ongoing commitment to operational efficiency and cost optimization, which partially mitigates the decline in the gross margin. Additionally, these efficiencies allow the Company to accelerate the implementation of its strategic investments.

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.

In line with Nahdi's commitment to reward its esteemed shareholders, the Company has distributed a cash dividend of SAR 2.50 per share totaling SAR 325 million for the first half of 2024 during Q3 2024.

Nahdi's quarterly results showcase its ability to navigate and adapt to shifting markets and evolving consumer trends, driven with an approach of resilience and agility. By proactively addressing changing dynamics, the company has strategically positioned itself for ongoing growth and long-term profitability moving forward.

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