



## NAHDI RECORDS 7.2% REVENUE GROWTH WITH A 10.3% NET PROFIT MARGIN, EXCEEDING ITS PREVIOUS GUIDANCE

**Jeddah, Saudi Arabia – 8 May 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 first quarter of 2024 (“Q1 2024”).

### Financial Summary Q1 2024

	<i>In SAR (% of revenue)</i>	Q1 2024	Q4 2023
<b>RESILIENT FINANCIAL PERFORMANCE</b>	Revenue	2.26 bn	2.21 bn
	Gross Profit	861 mn (38.1%)	865 mn (39.1%)
	Net Profit	233 mn (10.3%)	171 mn (7.7%)
	Free Cash Flow	SAR 362 mn	Capex 4.5% of revenue
<b>STRONG CASH FLOW GENERATION</b>			ZERO DEBT

### Financial Performance

Exceeding its previous guidance, Nahdi Medical Company achieved SAR 2.26 billion in revenue in Q1 2024, representing a 7.2% increase compared to Q1 2023 and 2% increase compared to the previous quarter.

Nahdi's Medicine segment continues to experience solid year-over-year growth, driven by prescription referrals from NahdiCare clinics, investments in provider pharmacies, and strategic partnerships with medical insurance companies.

The company's investment in Front Shop sales, which began in the second half of 2023, yielded positive results. Particularly in the beauty category, the momentum started building in Q4 2023 with 3.3% growth in sales. This upward trend continued into the first quarter of 2024 with a



double-digit growth. The positive results in Front Shop sales, especially in the beauty category, were driven by Nahdi's strategy of prioritizing fair value for its guests.

Further, Nahdi's emerging businesses continued to perform strongly. The Company witnessed a growth acceleration of its online business, to reach 20% revenue contribution in Q1 2024, up from 16% in Q1 2023, mainly driven by the expanded product assortment on Nahdi Global. In Q1 2024, Nahdi continued to expand its healthcare business, experiencing a growth of 121%, while its UAE operations witnessed an increase of 173%. In the first quarter of 2024, Nahdi continued to invest in its future by opening one new clinic in Madina Al Munawara, 44 new pharmacies in Saudi Arabia and 6 new pharmacies in the UAE.

In line with its previous guidance, Nahdi's gross margin delivered 38.1%, due to its investment in sales growth. In the face of short-term sales growth investments and ongoing investments into strategic growth areas, Nahdi managed to improve its operating expenses to reach 28.2% vs 29.9% Q1 2023. The savings are the outcome of Nahdi's established efficiency programs. As a result, Nahdi recorded 10.3% net margin and SAR 233 million net profit in Q1 2024.

Nahdi's cash position remains strong and holds zero debt, with returns from Islamic Murabaha time deposits 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.

The quarterly performance is a reflection of the company's investments in sales growth and advancing strategic initiatives, while enhancing the efficiency of its operating expenses, exceeding its previous guidance.

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