

Nahdi Medical Co. announces its Annual Financial Results for the Period Ending on 31-12-2023

Element List	Current Year	Previous Year	%Change
Sales/Revenue	8,713.7	8,616.2	1.13
Gross Profit (Loss)	3,522.2	3,545.4	-0.65
Operational Profit (Loss)	961	1,002.6	-4.15
Net Profit (Loss) after Zakat and Tax	892.6	887.8	0.54
Total Comprehensive Income	934.4	940.1	-0.61
Total Share Holders Equity (after Deducting Minority Equity)	2,462.8	2,243.4	9.78
Profit (Loss) per Share	6.87	6.83	

All figures are in (Millions) Saudi Arabia, Riyals

Element List	Explanation
<p>The reason of the increase (decrease) in the sales/ revenues during the current year compared to the last year</p>	<p>Revenue: In 2023, Nahdi posted revenue of SAR 8,713.7 million, an increase of 1.1% or SAR 97.5 million, as compared to SAR 8,616.2 million in FY 2022. The increase was due to growth in the Pharma segment as well as healthcare and UAE business. This growth was partially offset by a decline in certain divisions within the Front Shop segment.</p> <p>It is worth noting that the company's overall revenue grew by 3.6% in Q4 2023 compared to the same period last year. The uptick in revenue was driven mainly by investments in promotions (please refer to the attached press release for detailed analysis).</p>
<p>The reason of the increase (decrease) in the net profit during the current year compared to the last year is</p>	<p>Net Profit: The company's net profit was SAR 892.6 million, an increase of 0.5% or SAR 4.8 million, as compared to SAR 887.8 million in FY 2022, due to the following reasons:</p> <ul style="list-style-type: none"> - Gross Profit declined 0.7% versus the same period last year, primarily due to the investment in sales promotions to support Front Shop sales. Gross margin was 40.4% of revenue in FY 2023 as compared to 41.1% in the same period last year. - Operating Profit decreased by 4.2% mainly due to lower gross profit. The company's operating expenses remained flat at 29.7% of revenue despite the investments in different strategic initiatives such as healthcare, ecommerce and the UAE operations. The savings generated from our established efficiencies programs, helped the company to fund most of these investments.

	<p>- The decline in operating profit was fully offset by the income generated from Islamic Murabaha time deposits which resulted in a net profit of SAR 892.6 million. Net profit margin remained almost flat at 10.2% versus last year.</p>
Statement of the type of external auditor's report	Unmodified conclusion
Comment mentioned in the external auditor's report, mentioned in any of the following paragraphs (other matter, conservation, notice, disclaimer of opinion, or adverse	None
Reclassification of Comparison Items	Certain comparative information has been reclassified to align with the current presentation for the period ending 31 December 2023.
Additional Information	Other Comprehensive Income slightly decreased mainly due to the global change in interest rates, impacting the actuarial estimate for the end-of-service indemnity.
Attached Documents	Link