

Nahdi Medical Co. announces its Interim Financial Results for the Period Ending on 2024-06-30 (Six Months)

Element List	Current Quarter	Similar Quarter for Previous Year	%Change	Previous Quarter	%Change
Sales/Revenue	2,472.7	2,231.5	10.808	2,257.5	9.532
Gross Profit (Loss)	938.7	900.4	4.253	860.8	9.049
Operational Profit (Loss)	273.4	282.9	-3.358	231.6	18.048
Net Profit (Loss) after Zakat and Tax	247.7	265.0	-6.528	232.9	6.354
Total Comprehensive Income	260.9	290.6	-10.22	244.2	6.838

All figures are in (Millions) Saudi Arabia, Riyals

Element List	Current Period	Similar Period for Previous Year	%Change
Sales/Revenue	4,730.2	4,336.5	9.078
Gross Profit (Loss)	1799.5	1789.6	0.553
Operational Profit (Loss)	505.1	546.2	-7.524
Net Profit (Loss) after Zakat and Tax	480.7	509.3	-5.615
Total Comprehensive Income	505.1	524.3	-3.662
Total Share Holders Equity (after Deducting Minority Equity)	2577.9	2377.7	8.419
Profit (Loss) per Share	3.70	3.92	

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 quarter compared to the same quarter of the last year is</p>	<p>Revenue: The company achieved a double-digit growth of 10.8% in the second quarter of 2024 in which total revenue increased by SAR 241.2 million reaching to SAR 2,472.7 million compared to SAR 2,231.5 million for the same quarter last year. This was driven by a strong performance in the Retail sector supported by the ongoing pharma growth momentum and the company's investment into front shop categories. Moreover, the Healthcare and UAE businesses continued doubling the revenue by delivering a growth of 100.1% & 186.8% respectively (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 quarter compared to the same quarter of the last year is</p>	<p>Net Profit: The company reported a net profit of SAR 247.7 million representing 10.0% of revenue in the second quarter of 2024, lower by 17.2 million, compared to SAR 265.0 million for the same quarter of last year. This can be attributed to the following reasons:</p> <ul style="list-style-type: none"> • Gross Profit: Despite the continued investment to support sales growth, Nahdi's gross profit increased by 4.3% or 38.3 million reaching to SAR 938.7 million compared to SAR 900.4 million for the same quarter last year, maintaining the gross margin at 38.0%. • Operating Profit: The company continued investing in various strategic initiatives including new openings, healthcare acceleration, UAE expansion and digitalization. Savings generated from ongoing efficiency programs allowed the company to accelerate these strategic investments. This has led to a notable enhancement in operating expenses as a % of revenue, which improved by 1.1% to achieve 27.1% compared to 28.2% in the same quarter last year. As a result, the company reported an operating profit of SAR 273.4 million compared to SAR 282.9 million for the same quarter last year.

<p>The reason of the increase (decrease) in the sales/ revenues during the current quarter compared to the previous one is</p>	<p>Revenue: The company's total revenue grew by 9.5 % or SAR 215.2 million in the second quarter of 2024 compared to the previous quarter of the year, mainly driven by a strong performance in the Retail sector supported by the core pharma segment and investment in front shop categories.</p>
<p>The reason of the increase (decrease) in the net profit (loss) during the current quarter compared to the previous one is</p>	<p>Net Profit: The company's net profit increased by 6.3% reaching to SAR 247.7 million, with a net profit margin 10.0% in the second quarter of 2024, compared to SAR 232.9 million in previous quarter of the year.</p>
<p>The reason of the increase (decrease) in the sales/ revenues during the current period compared to the same period of the last year is</p>	<p>Revenue: The company continues to maintain its sales performance momentum, achieving a 9.1% growth in the first half of 2024. Total revenue increased by SAR 393.6 million reaching to SAR 4,730.2 million compared to SAR 4,336.5 million for the same period last year, driven by a strong performance in the Retail sector supported by the ongoing pharma growth momentum and the company's investment into front shop categories. Moreover, the Healthcare and UAE businesses recorded a growth of 109.7% & 180.1%, respectively.</p>
<p>The reason of the increase (decrease) in the net profit during the current period compared to the same period of the last year is</p>	<p>Net Profit: The company reported a net profit of SAR 480.7 million representing a 10.2% of revenue in the first half of 2024, lower by 28.6 million, compared to SAR 509.3 million for the same period of last year, due to the following:</p> <ul style="list-style-type: none"> • Gross Profit: Nahdi recorded a gross profit of SAR 1,799.5 million in the first half of 2024, with an increase of 10.0 million, compared to SAR 1,789.6 million for the same period of 2023, driven by the continuous investment to support sales growth, maintaining a gross margin of 38.0%. • Operating Profit: The company continued investing in various strategic initiatives including new openings, healthcare acceleration, UAE expansion and digitalization. Savings generated from ongoing efficiency programs allowed the company to

	<p>accelerate these strategic investments. This has led to a notable enhancement in operating expenses as a % of revenue, which improved by 1.3% to achieve 27.7% compared to 29.0% in the same period last year. As a result, the company reported an operating profit of SAR 505.1 million compared to SAR 546.2 million for the same period last year.</p>
<p>Statement of the type of external auditor's report</p>	<p>Unmodified conclusion</p>
<p>Comment mentioned in the external auditor's report, mentioned in any of the following paragraphs (other matter, conservation, notice, disclaimer of opinion, or adverse opinion)</p>	<p>N/A</p>
<p>Reclassification of Comparison Items</p>	<p>-</p>
<p>Additional Information</p>	<p>Other Comprehensive Income decreased as a result of normal business activities which impacted the actuarial estimate for the end-of- service indemnity.</p>