

# Nahdi Medical Company

INVESTOR PRESENTATION

**FY 2024**





# Financial Highlights



# ▼ FY 2024 Financial Highlights

## RESILIENT FINANCIAL PERFORMANCE

In <b>₪</b> (% of revenue)	Q4 2024	Q4 2023
Revenue	2.36bn (+6.7%)	2.21bn
Gross Profit	882mn (37.3%)	854mn (38.6%)
Net Profit	158mn (6.7%)	171mn (7.7%)
EBITDA	385mn (16.3%)	345mn (15.6%)

In <b>₪</b> (% of revenue)	FY 2024	FY 2023
Revenue	9.45bn (+8.4%)	8.71bn
Gross Profit	3.53bn (37.4%)	3.52bn (40.4%)
Net Profit	821mn (8.7%)	893mn (10.2%)
EBITDA	1.59bn (16.9%)	1.58bn (18.1%)

## STRONG CASH FLOW GENERATION

Free Cash Flow  
**₪1.16bn** (+18.2%)  
 ZERO DEBT

Capex  
**4.1%** of revenue

DPS  
**₪ 5.5** (FY 2024)  
**₪ 715mn** Dividend Payout



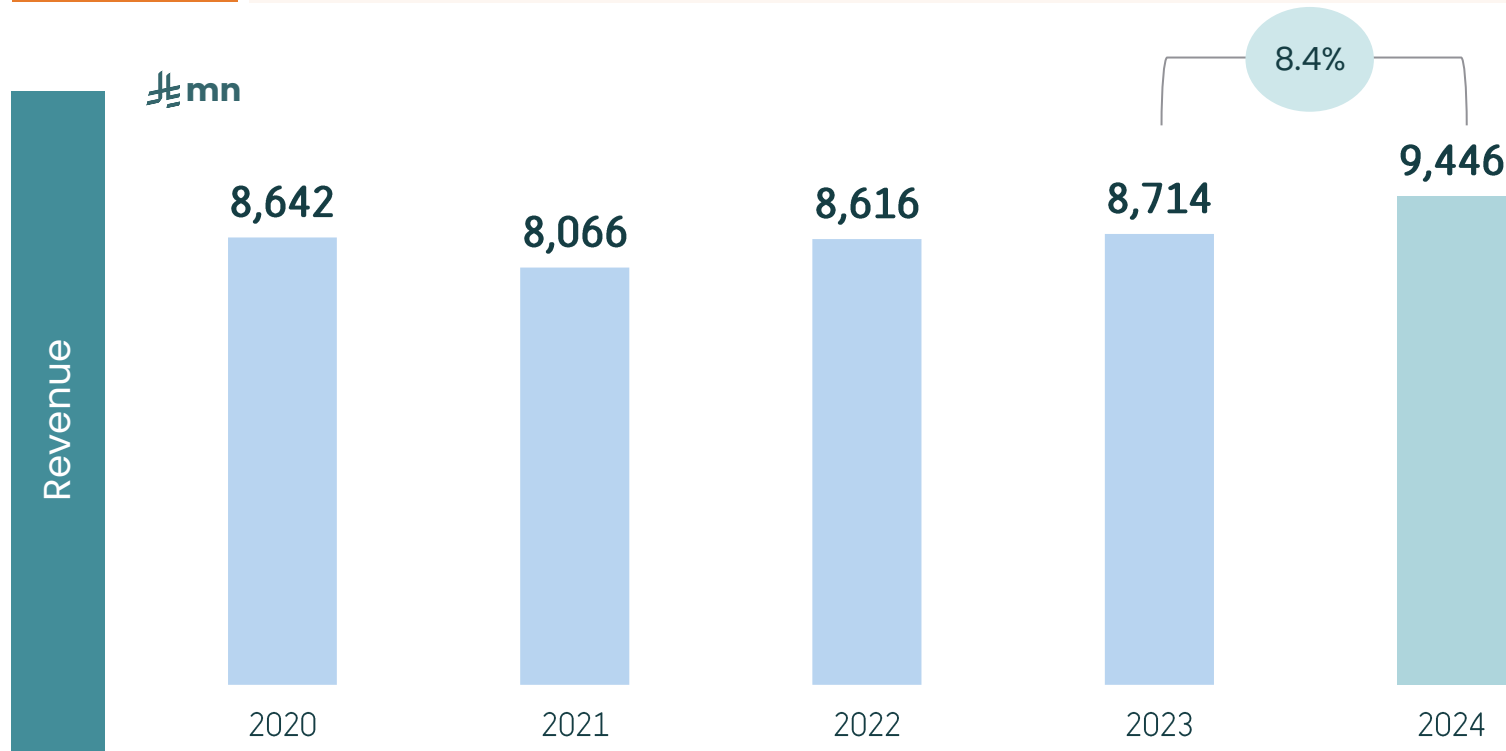
# Communicated Guidance



	Medium Term Guidance	FY 2024 Actuals	
▼ <b>Total revenue Growth</b>	Total revenue growth (3% - 5%)	8.4%	✓
▼ <b>EBITDA Margin</b>	Expected to be at (~ 17%)	16.9%	✓
▼ <b>Capex</b>	Capex % of revenue (4%-5%)	4.1%	✓
▼ <b>Dividend Policy</b>	Expected to continue at (70% - 80%)	87% in 2024	✓
▼ <b>Capital Structure</b>	Growth to be funded organically	Zero debt	✓

# Solid Revenue Growth Across the Businesses & Categories

Pharmacies	1,148	1,152	1,086	1,120	1,181
Clinics	2	2	3	6	10

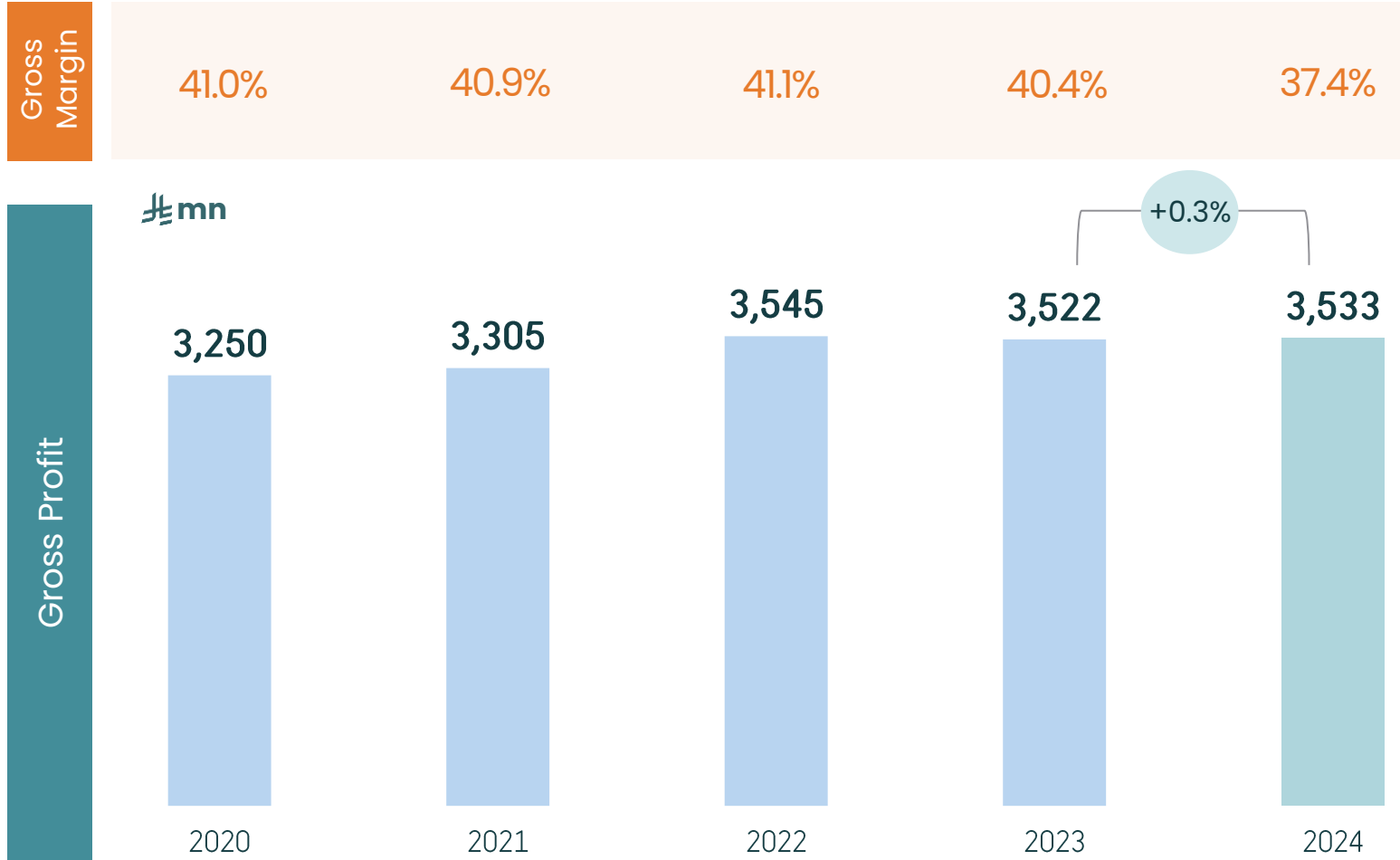


**Revenue in FY 2024 grew by 8.4% YoY driven by a 6.5% growth in the Retail business**

Strong performance of Nahdi's fast-growing businesses, both the Healthcare and UAE divisions doubling their revenues for the third consecutive year, with YoY increases of 98.3% & 132.6%, respectively

Source: Company disclosure

# Best in Class **Gross Profit Margin**



**Gross margin at 37.4%, Nahdi's gross profit witnessed a slight increase of **AED 10.6 million****

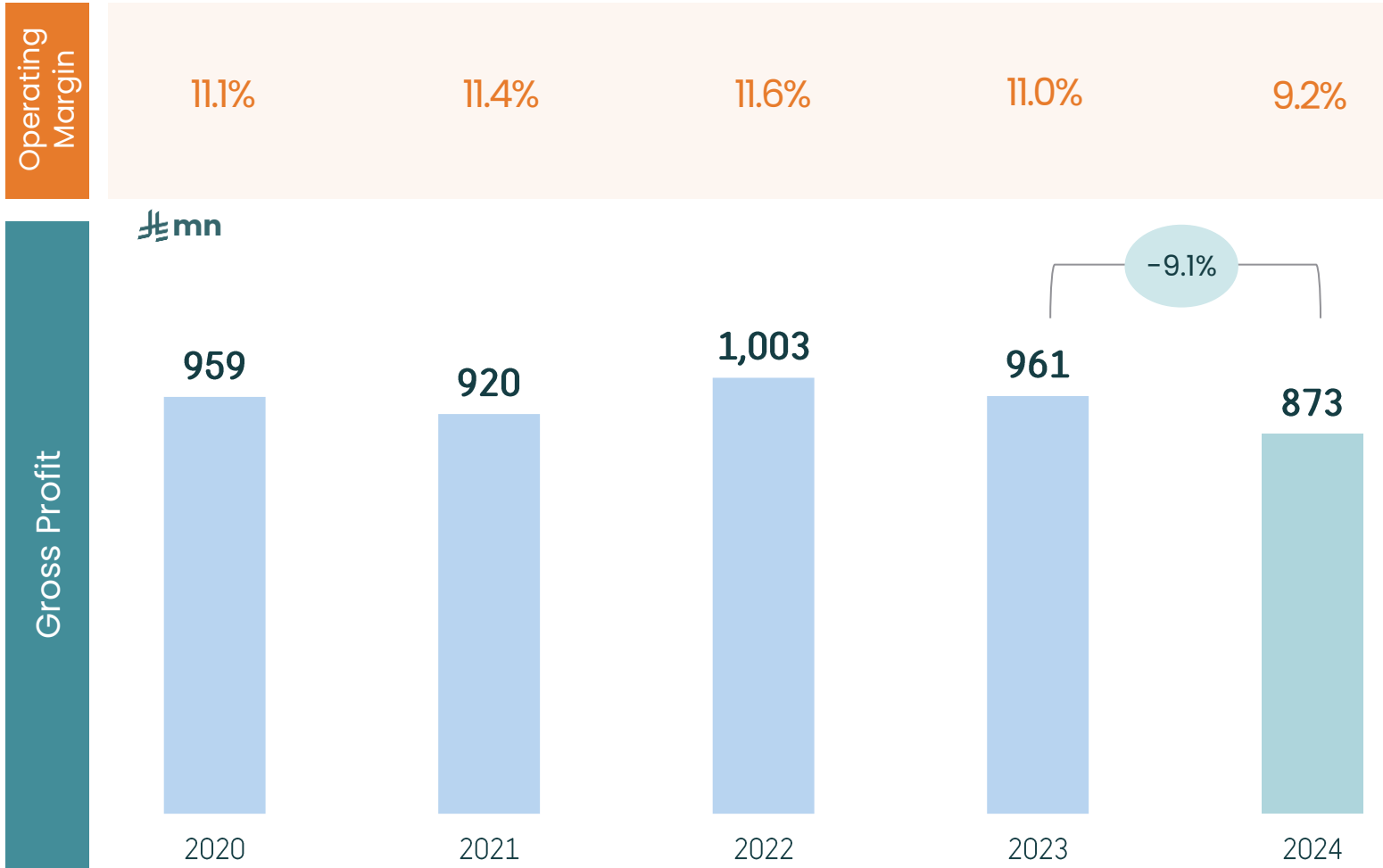
The continues investments to support the sales performance generated solid topline growth

Accelerated growth in strategic business channels i.e. Online, Healthcare & UAE

Higher base last year: **AED 33 million** inventory provision release resulted from a change in the inventory provision policy



# Best in Class Operating Profit Margin



**Operating profit of ~~AED~~ 873 million, representing 9.2% margin**

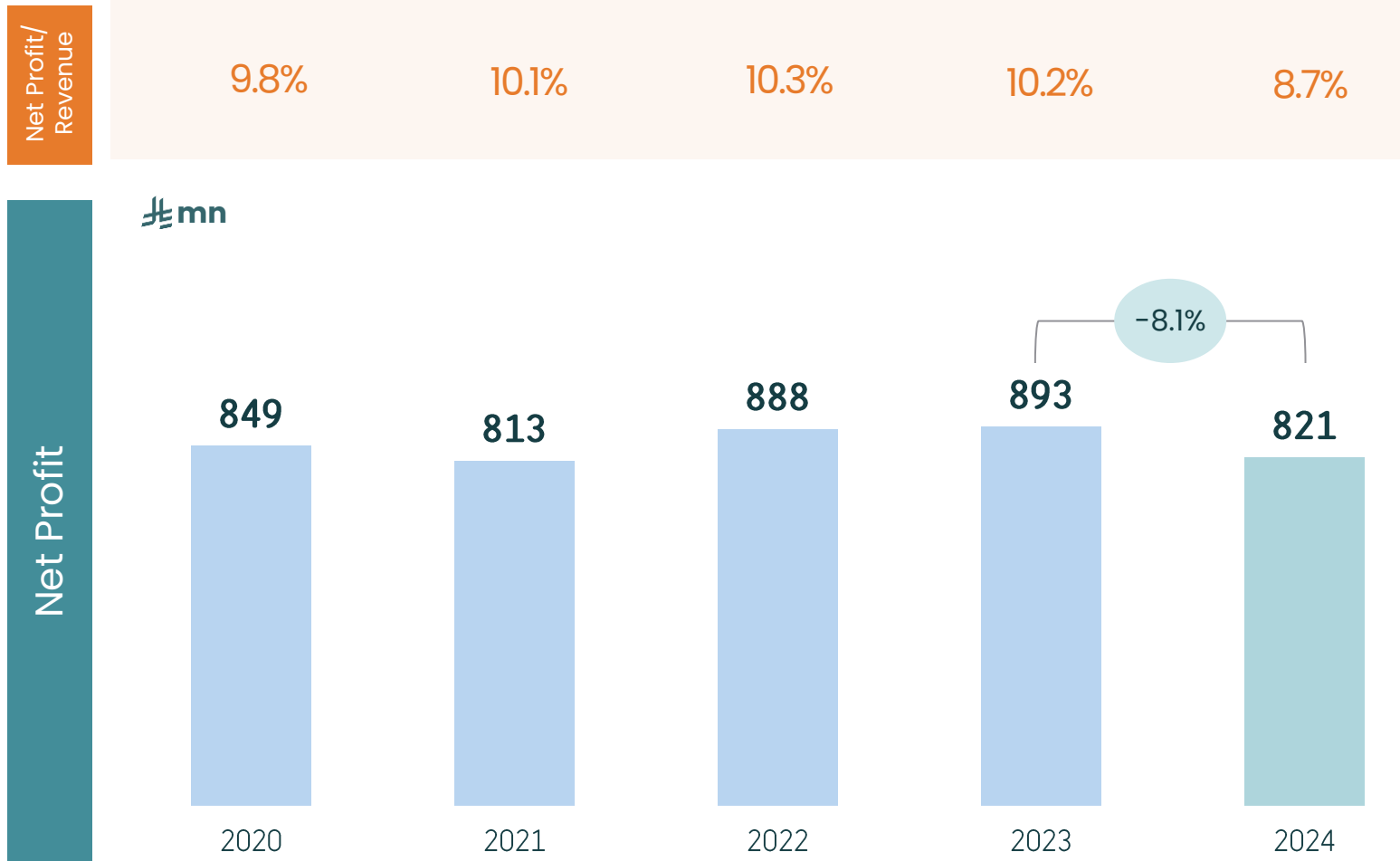
Efficient OPEX management delivered a 1.2% improvement in operating expenses as % of revenue, despite the investments in key strategic initiatives i.e. network expansion, healthcare, UAE & digitalization

Investment in the GM was partially funded by the established OPEX efficiency program.

Savings from established cost efficiency programs allowed the company to accelerate its strategic investments



# Attractive Net Profit Profile



## Net profit of **AED 821 million**, reflecting **8.7% margin**

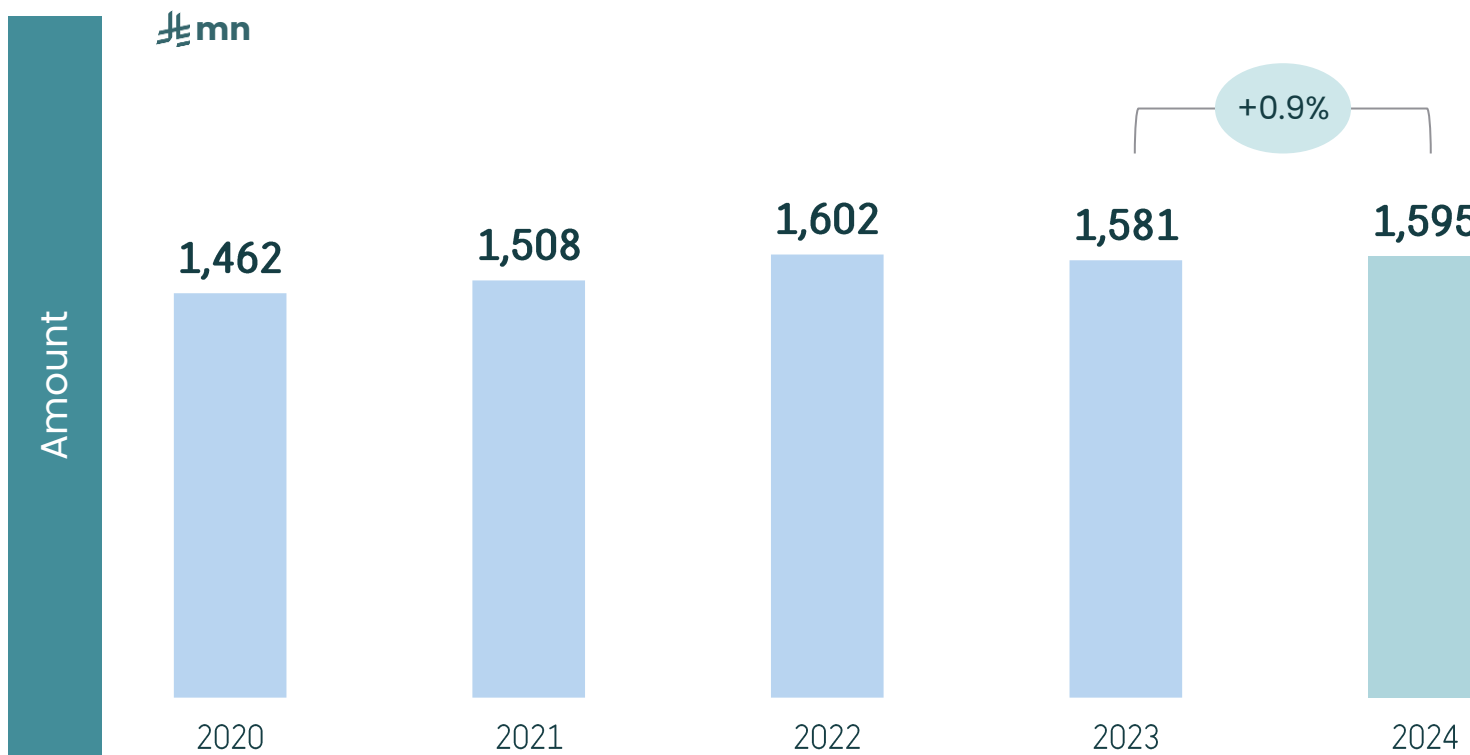
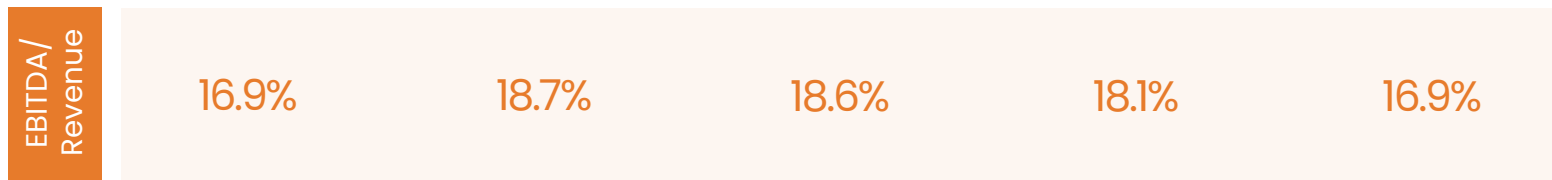
Operating expenses efficiency shows 1.2% improvement in operating expenses as % of revenue, despite the investments in key strategic initiatives i.e. network expansion, healthcare, UAE & digitalization

Savings from established cost efficiency programs allowed the company to accelerate its strategic investments

One-time Zakat provision release of **AED 32.7 million** resulted from closing the Zakat assessment for previous years



# Strong EBITDA Outcomes

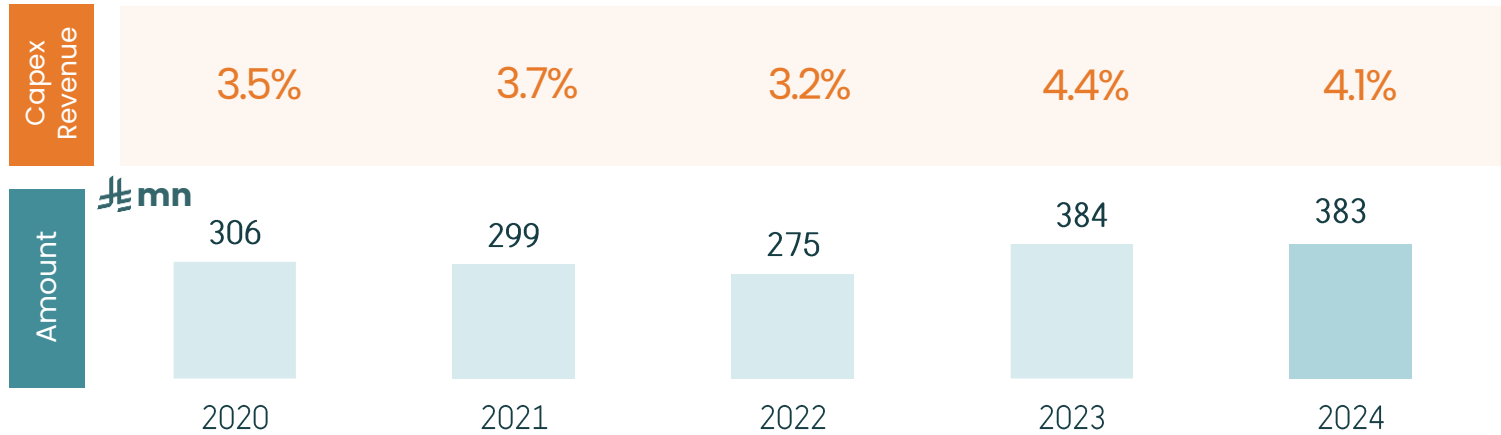


## Highly profitable business

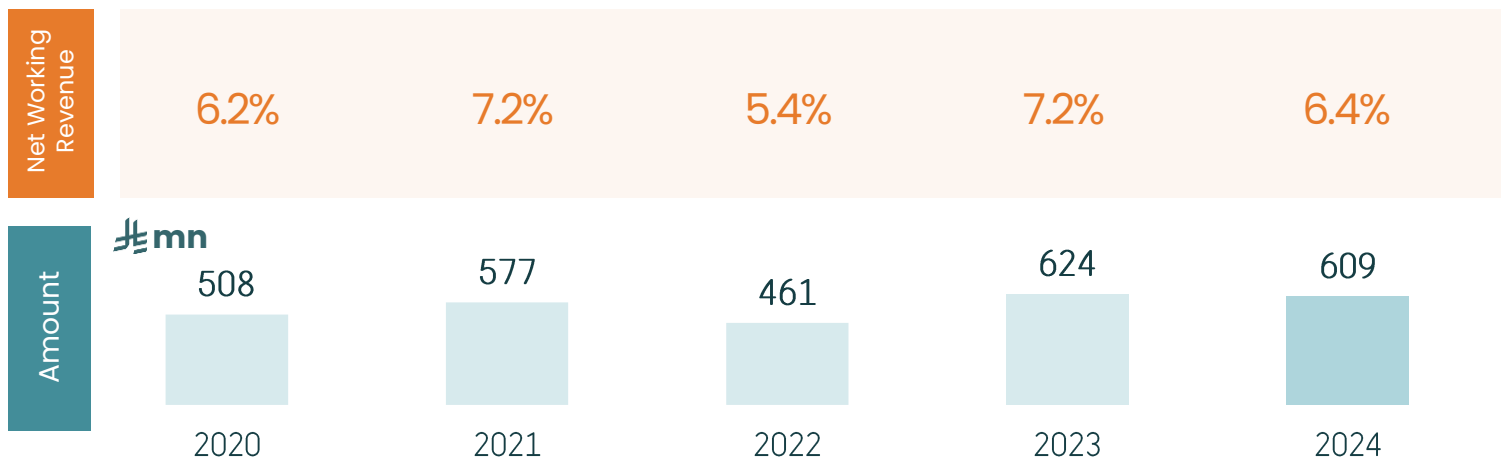
Consistently delivering best-in-class retail EBITDA margin in line with the guidance

# Zero debt with strong free cash flow

## Capex



## Net Working Capital



### Best-in-class ROE & ROA

Highly profitable business with ROE 31.7% and ROA 13.3% in 2024

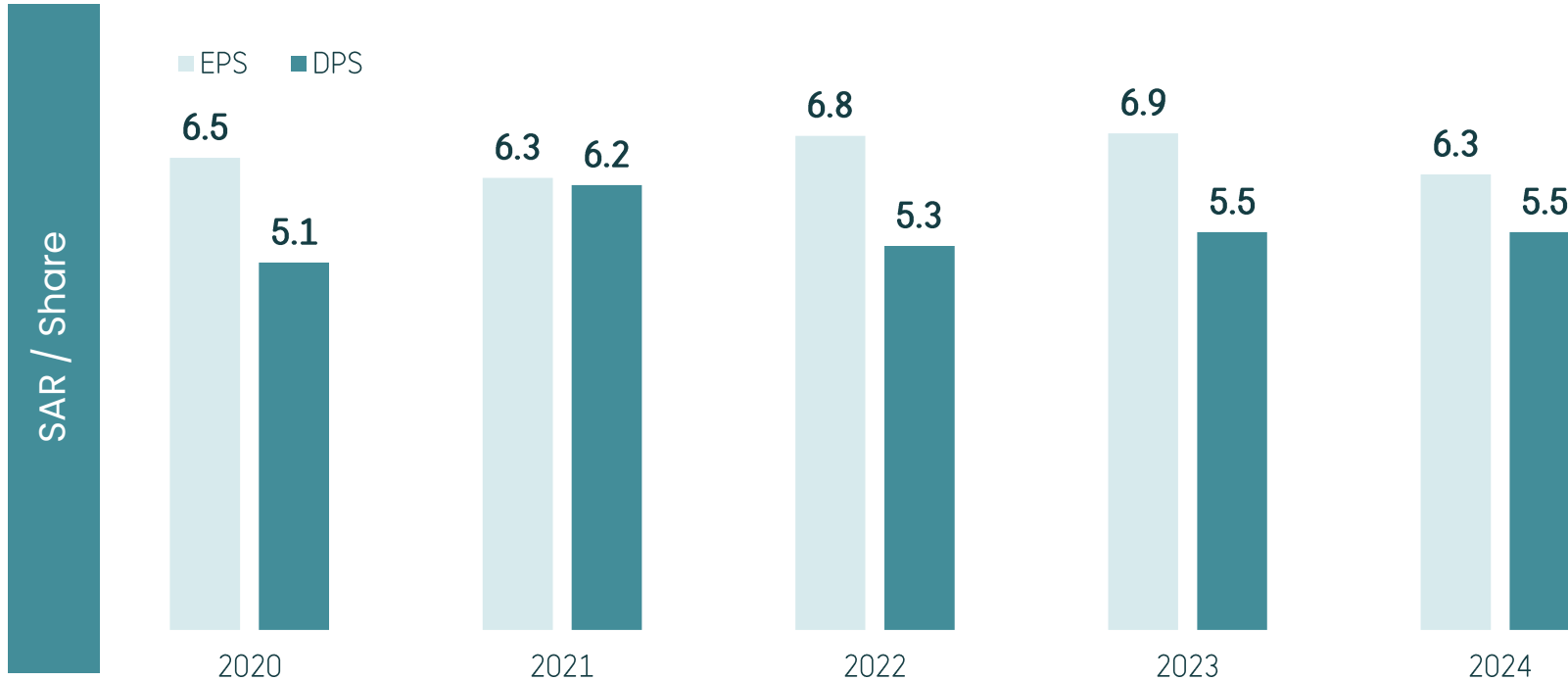
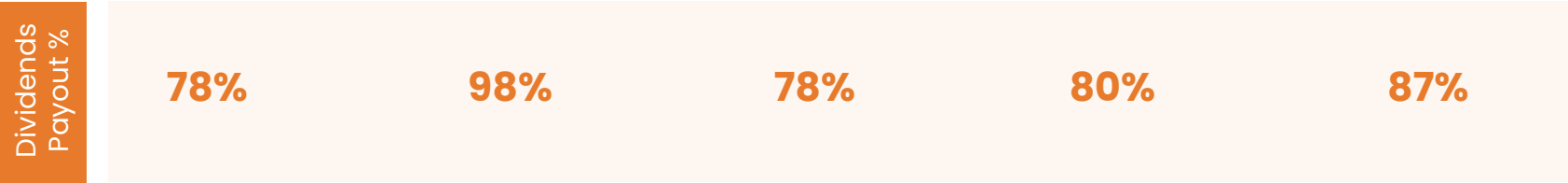
Consistently generating a solid free cash flow of ₹ 1,163mn, reflecting an 18.2% increase compared to 2023

Lighter Capex business model with lower working capital requirements

Continue to maintain high cash balance at ₹ 957mn, while funding all investments organically



# Consistent dividend distribution to shareholders



**Sustainable and consistent Dividend payout**

In line with the company's dividend distribution policy supported by strong financial performance and high liquidity position

# Guidance



## 2025 Guidance

- ▼ **Total revenue Growth**  
Revenue growth (6% - 8%)
- ▼ **EPS**  
EPS Expected to grow annually at (4% - 6%)
- ▼ **Capex**  
Capex (~4%)
- ▼ **Dividend Policy**  
Expected to continue at (70% - 80%)
- ▼ **Capital Structure**  
Growth to be funded organically



# Strategy & Operational Review





# ▼ We Exist to Add Beats to Our Guests' Lives Every day

## Vision

To be the most loved & trusted health and wellbeing partner for all our Guests

## Mission

To exceed all our Guests' expectations by providing superior personalised lifecare experiences every day, everywhere

## Values



Integrity



Care



Leading  
with  
purpose



Collaboration



Excellence





# 38 Years of Building Trust

- ▼ **#1** Pharmacy chain  
1,181 stores in KSA & UAE
- ▼ **~100mn** Guests / yr  
served across pharmacies
- ▼ **22%** Online Contribution  
from our e-commerce platforms
- ▼ **10** Polyclinics  
delivering 98.3% revenue growth
- ▼ **140+** Cities  
serving 97% of KSA population
- ▼ **70+ %** of Revenue  
Generated by Nuhdeek Guests
- ▼ **13%** Private Label & Differentiated Brands contribution
- ▼ **1.4M+** (+47%) Vs. FY 2023 Guests served  
through our omnihealth ecosystem



# Our Passion for People

Always Delivers Value to Our Guests



## Invested in the success of our people

More than 500K hours of training conducted annually



Human Resource Development Fund



Human Resources and Social Development

Always cultivating Saudi talents

## Strong Partnerships

24 Universities. providing 2,000+ training opportunities

# 35%

## Nationalization

### No. 1

Hiring +1000 national pharmacists



## 2nd in KSA & GCC in 2024

Among the top companies in Saudi, GCC, Middle East and Asia for the 6<sup>th</sup> consecutive time.

Total number of Nahdi and Nahdi's Subsidiaries staff is more than 10K as of FY2024



# Guests at heart,

Access a world of personalized healthcare & wellbeing solutions

## Pharmacies

- ▼ Instore services
- ▼ Trained expert pharmacists
- ▼ Fair Pricing & wide Assortment
- ▼ Drive-through

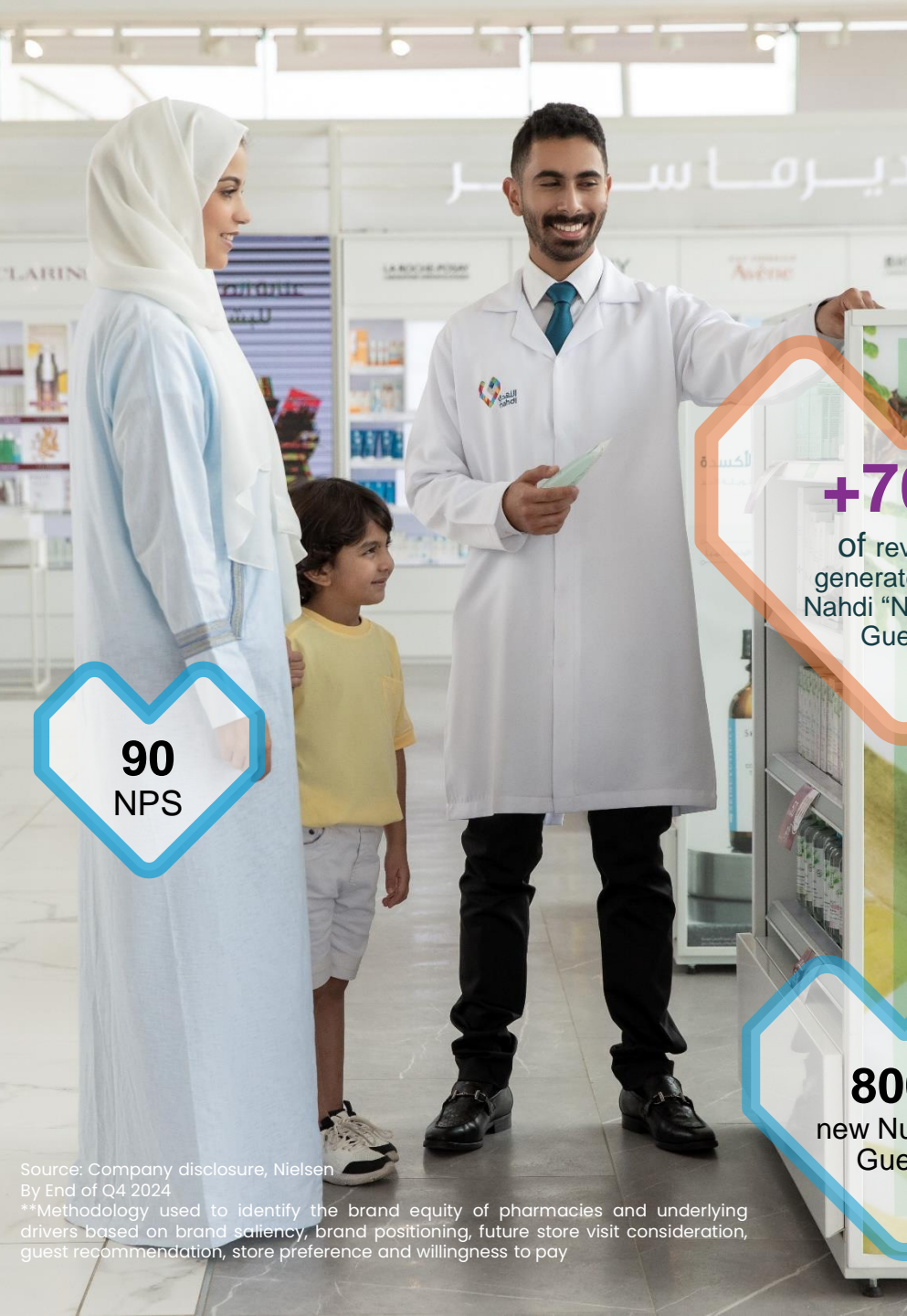


## Polyclinics

- ▼ Clinical consultation
- ▼ Wellness Cards
- ▼ Home Healthcare
- ▼ Virtual medical consultation

## Digital everywhere

- ▼ E-commerce & Nahdi Global
- ▼ E-pharmacist
- ▼ E-Prescription
- ▼ Home Delivery



# Nahdi: Guest Satisfaction - the Cornerstone of our strategy

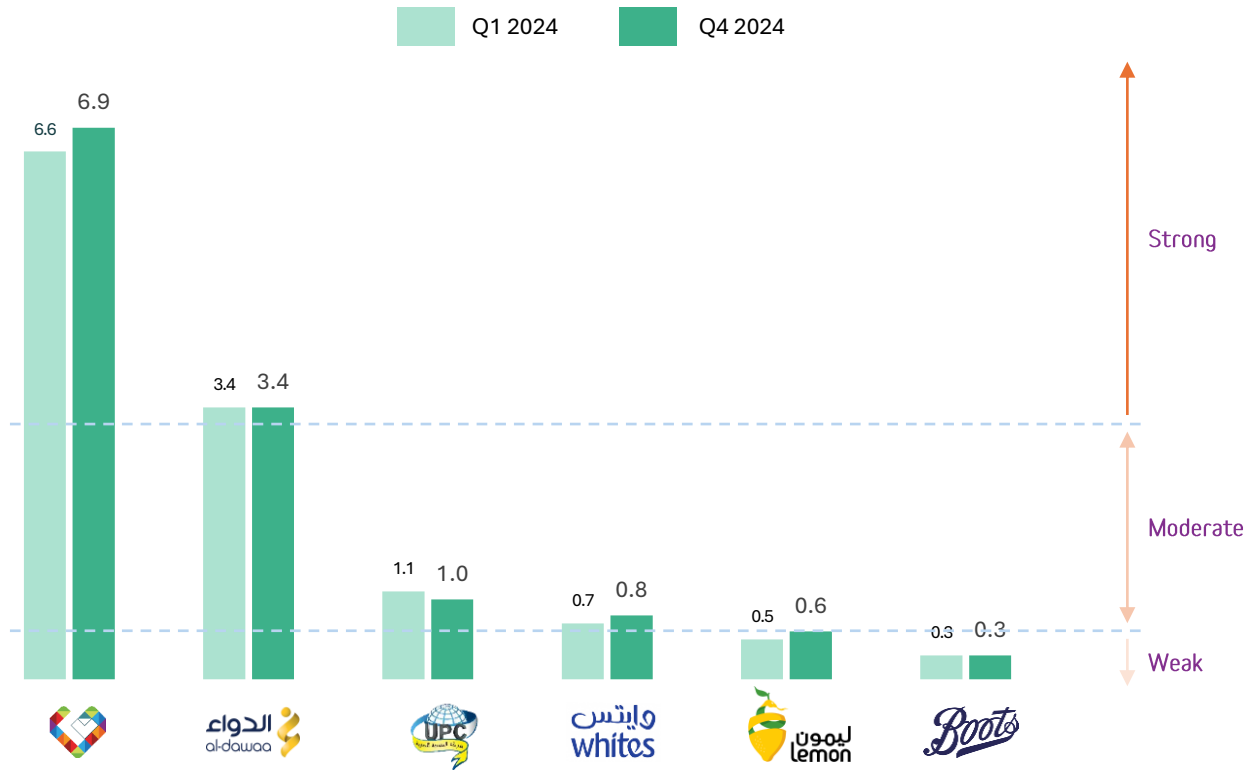
**Stronger Brand Equity YoY**

Nielsen Store Equity Index \*\*

**90**  
NPS

**+70%**  
Of revenue generated from Nahdi "Nuhdeek" Guests.

**800+**  
new Nuhdeek Guests.



Source: Company disclosure, Nielsen  
By End of Q4 2024  
\*\*Methodology used to identify the brand equity of pharmacies and underlying drivers based on brand saliency, brand positioning, future store visit consideration, guest recommendation, store preference and willingness to pay



# Nahdi: Championing Social Responsibility in Healthcare



نبضة أمل  
لخدمة المجتمع



CSR AWARDS  
2024

Best Company  
in the  
Healthcare Sector

الموارد البشرية  
والتنمية الاجتماعية



المسؤولية  
الاجتماعية  
SOCIAL RESPONSIBILITY



## Yesterday

Effective chronic  
Disease Management

#وقفه\_اهل  
Waqfat Ahel

## Today

Activating preventive care &  
wellbeing

وازن  
Wazin

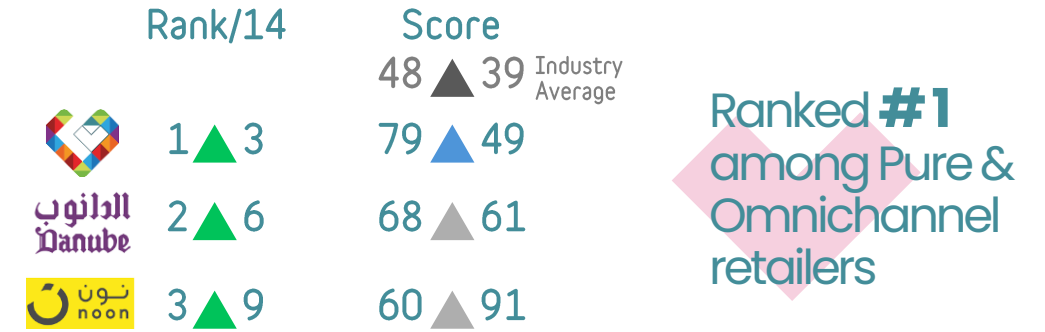
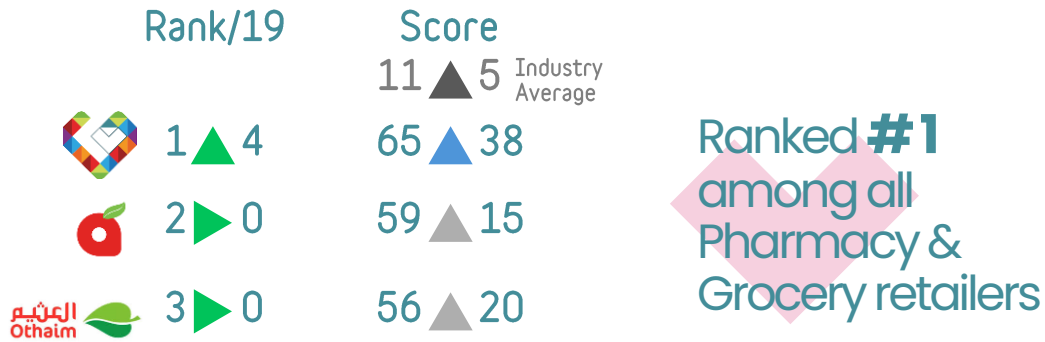
## Tomorrow

Women's Empowerment  
(in health)

عطاءك  
Ata'ek

# Nahdi: The Retailer Suppliers Trust, Partnering for Mutual Success

# Advantage



Won 1st as the Preferred Partner Retailer in Saudi Arabia





# Nahdi; Sets World-Class standards & wins World-Class awards



best warehouse automation



Store Retail Initiative of the Year



# Strategic Initiatives





# Nahdi's Growth Drive for building a bigger future

## Investing into evolving consumer trends



**+8.4%**  
Revenue  
FY24 vs. FY23

**21,000+**  
New SKUs added  
in 2024

**22.0%**  
E-commerce  
contribution  
(from 16.6% in FY23)

## Efficient OPEX management



**1.2% Improvement**  
OPEX as % of revenue not impacted by outlays in  
new initiatives (28.5% in FY24 vs. 29.7% in FY23)

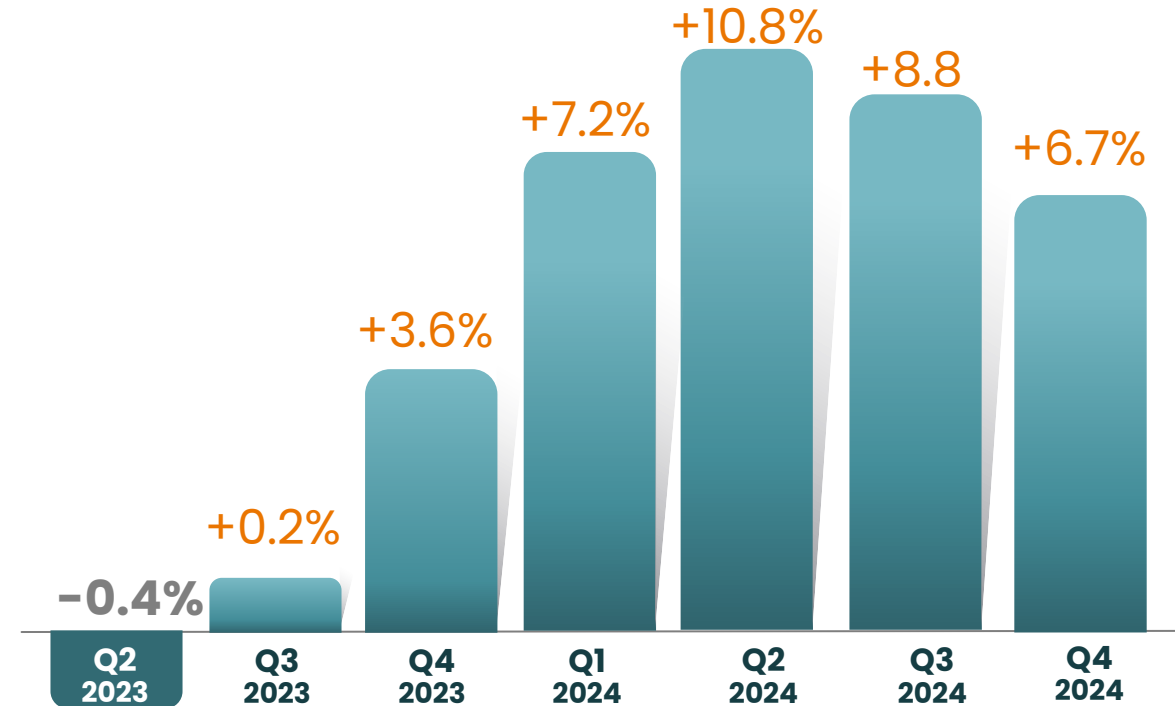
## Investment into Strategic Initiatives



**98.3%**  
Revenue growth  
Healthcare  
(FY24 vs. FY23)

**132.6%**  
Revenue  
growth UAE  
(FY24 vs. FY23)

## Quarterly Growth YOY





# Nahdi's Leap: advancing national Healthcare leadership

- Revenue **98%** growth FY 2024
- **4** matured polyclinics generating net margin of **15%+**
- Guest visits **1.4 mn+**, **+47%** from 2023\*
- Virtual Consultations **+41%** reaching **797k** from 564K 2023

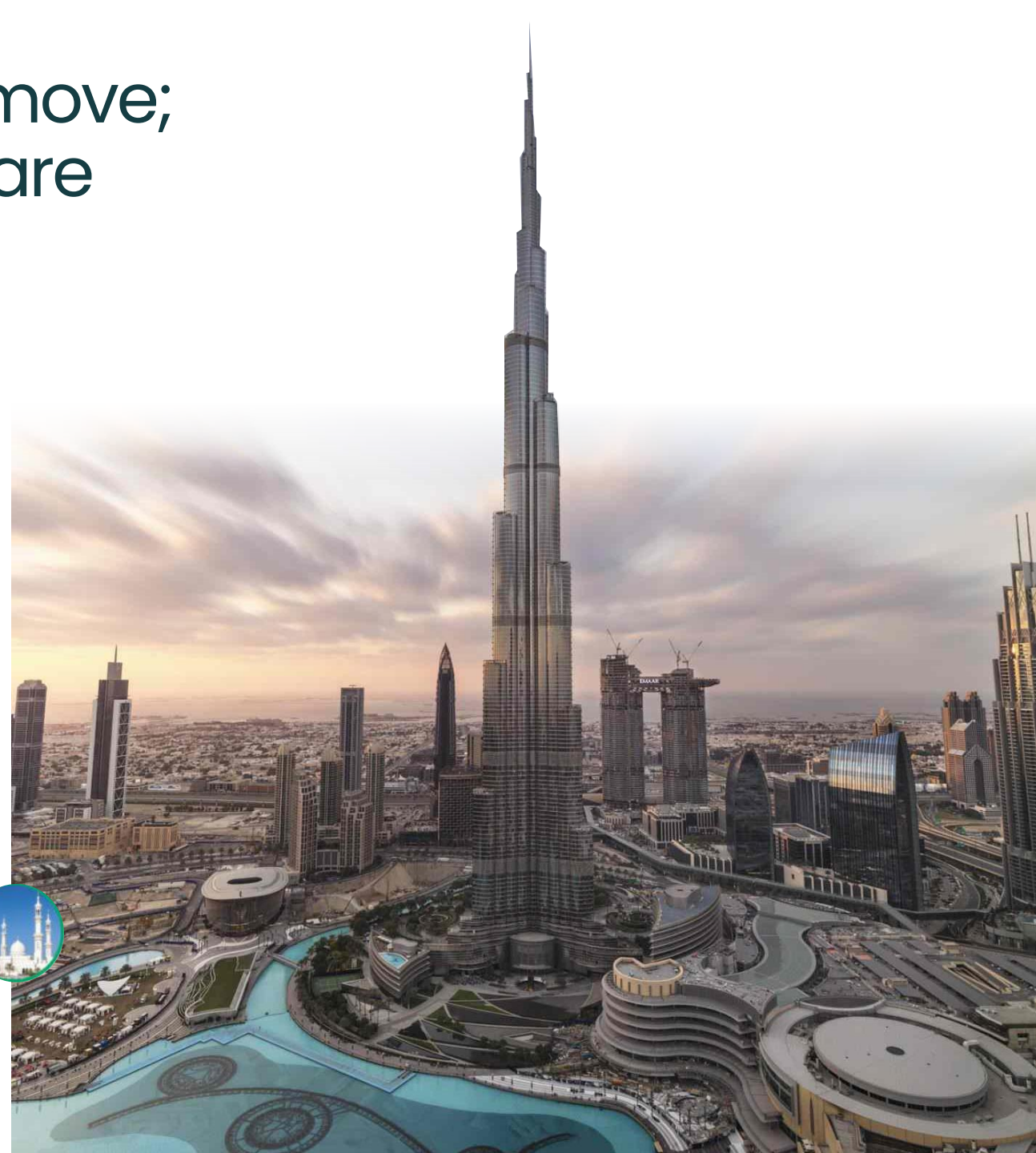
## Prescription (*Build & Borrow*)

- Nahdicare generated **ﷲ 257mn** to pharmacies FY 2024
- **10** polyclinics operational (FY 2024)
- Presence in **7** cities provides access to **32%** of KSA population



# Nahdi's forward thinking UAE move; Powering up regional healthcare

- Presence in **5** Emirates in the UAE
- Reach a total of **25** pharmacies
- The UAE witnessed **133%** revenue growth in FY 2024 Vs. FY 2023
- Services Available
  - Nahdi Online
  - Nahdi Global
  - E-pharmacist





**Thank You**

**Investor Relations Department**

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