



Driving
sustainable
profitability
through resilience
and innovation



INVESTOR PRESENTATION

Q2 2024 & H1 2024

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TODAY'S PRESENTERS



Ahmad AR. BinDawood
Chief Executive Officer



Muhammad Salim Patka
Chief Financial Officer



Hassan Javaid
*Director Finance and
Head of Investor Relations*

ABOUT THE COMPANY

BinDawood Holding (Tadawul: 4161 and the Company or BDH), a retail conglomerate, which includes a distribution business supporting its supply chain, integrates information technology solutions into its core operations and strategically acquires companies to enhance its market position, leveraging these investments to fuel sustained long-term growth. Driven by a vision for sustained growth, BDH continues to solidify its position as a frontrunner in the retail industry, poised to capitalize on emerging opportunities and deliver exceptional value to stakeholders. BDH continues to shape the retail landscape through constant innovation and a steadfast commitment to excellence by operating its business under the following brands:

Retail Stores

- **BinDawood:** Renowned as one of Saudi Arabia's premier grocery superstore retail brands. It prioritizes exceptional value for money and superior customer service, making it an iconic choice for shoppers.
- **Danube:** Positioned as a high-end grocery retail brand, Danube is synonymous with quality and freshness. Offering a wide array of organic and specialty products, it caters to discerning customers seeking premium offerings.
- **BinDawood Dash and Danube Dash:** Under its purview, BinDawood and Danube pioneered the express store concept, featuring exclusive outlets at the Haramain High-Speed Railway Station. These outlets showcase premium quality and carefully curated imported goods, offering added convenience for busy shoppers.

Retail Tech via Future Tech Retail (FTR)

- **Ykone:** Headquartered in Paris, Ykone is a global leader in influencer marketing services. Offering comprehensive solutions in strategy, talent management, content production, and monitoring, it serves leading brands worldwide, including those in Europe, Asia, the US and MENA region.
- **International Applications Company (IACO):** The developer and operator of BinDawood Holding's Danube and BinDawood e-commerce channels. Furthermore, it is expanding its network of dark stores throughout the Kingdom, aiming not only to ensure prompt delivery and an unwavering 100% fulfillment rate but also to elevate customer experience. In addition, it provides digital support services and implements a loyalty program, equipping BinDawood and Danube with the tools necessary for data-driven decision-making and customer engagement.

Distribution

- **Jumairah Trading Company(JTC):** Jumairah operates as a limited liability company engaged in wholesale, retail and distribution business. Jumairah conducts its business through four divisions, include luggage, food, toys and households.

Robotics Supermarket
Sustainability
Leading
Solutions
Opportunities
Investment
Acquisition
Technology
Innovation
omni-channel
transformation
Advantage Retail

BDH Universe

Retail Stores

- 2 unique hypermarket/supermarket brands
- 2 new brands launched to roll-out express stores with size ranging from 150-800 sqm
- Multiple store formats
- Strong presence in Riyadh and Western region
- 396k Total store selling space
- 285 Fleet of Commercial Vehicles
- Stores across several major Saudi Arabian cities including one in Bahrain
- One of the Top 3 Market Leaders having significant market share (2023: 7.9% vs 2022: 7.4%)

Retail Tech via FTR

2
Unique online grocery platforms – Danube online and the BinDawood app

1st mover in Omni-channel

5.2m loyalty customers

Mega Dark Store (fully automated) expected in Q3 2024

Vast network of Dark Stores & fleet network overall the KSA

IACo

One of the largest (Rank#3) influencer marketing agency

Awarded 'Influencer Marketing Agency of the Year' in 2023 in France

*Presence in Europe, US, Middle East and Asia

Ykone

Distribution

Notable Distribution Luggage Brands

Delsey, Eastpak, Kipling,

Notable Distribution Food Brands

National Foods, Ginger Shot, Campagna Teekanne Tea

Notable Distribution Toy Brands

Educa, Motor Max, Red Box Eolo

ETRE Brand

offers access to luxury home collections and emerging interiors talent.

Offers a wide range of toys and emphasizes educational toys with strong added value.

DELSEY
PARIS

TOP TOYS

أتر
ETRE
Luxury Department Store

kipling

EASTPAK
USA



CEO MESSAGE



Ahmad AR. BinDawood
Chief Executive Officer

“The first half of 2024 outperformed the corresponding period of last year, both in terms of revenue and profitability. We were able to increase revenue by 3.5% and at the same time increase the gross margin from 31.1% in H1 2023 to an impressive 32.2% in H1 24. This success, in a highly competitive market, is largely attributed to our enhanced adaptability to meet customer needs and preferences effectively, reflecting our data-driven decision-making, innovative pricing strategies, superior product mix and a concerted effort to improve the shopping experience at the Company’s stores. This market driven approach has been backed by increased efficiency and sharp focus on supply chain management.

The loyalty program at BDH is a key component of our strategy, with membership surpassing 5.2 million customers in Q2 2024 and forming a substantial portion of our retail sales, a market-leading metric. We are exploring fintech solutions to enrich our services, increase convenience, and deepen customer engagement. An example of this is our collaboration with Tamara, which allows us to offer customers installment payment options, accessible both in-store and online.

In addition, the acquisition of JTC is expected to positively impact our financials and benefit shareholders. It enables BDH to have greater control over its supply chain management, capture the margin that was being earned at the distribution level, offer a diverse product range to its loyalty customers and improve profitability of the acquired company through cost synergies.

IACo saw revenue growth in H1 2024, reflecting growth in e-commerce and digital services. Ykone’s performance in the first half has also been strong driven by a very significant growth in its Middle East business which has more than offset the slow down in Europe.

Recently, we have opened five new stores in Jeddah and Medina under the Danube and BinDawood banners. Looking forward, we are set to unveil four more stores in 2024, reinforcing our commitment to expanding our presence and serving more customers”.



GROWTH STRATEGY & OPERATIONAL HIGHLIGHTS

WELL-DEFINED GROWTH STRATEGY

Retail



Improving the performance of the existing stores



Achieving full potential for recently opened stores



Continuous store expansion



Customer centric approach - Focusing on providing a unique shopping experience

Rewarding the loyal customers base of more than 5.2 million

Retail Tech

Ykone



Drive market growth through new acquisitions, diversification of clientele, and investment in talent management initiatives.

IACo



Being a pioneer, aspire to further improve the market share by:

- utilizing data analytics and AI for targeted campaigns
- providing Fintech solutions to enhance customer experience & Basket size

Distribution



- Achieving BDH's goal of broadening its distribution operations.
- Enhancing supply chain control to minimize risks and achieve vertical integration.
- Aiming to attract various local and international agencies by leveraging its extensive network of branches across Saudi Arabia to market these products.

Distribution
Supermarket
Luxury Fashion
Sustainability Innovation
Technology Omni-channel
Transformation Influencer
Experience Household
Retail Life Style
Advantage

OPERATIONAL HIGHLIGHTS OF H1 2024

2,890.8 mn (+3.5%)

Revenue (SAR) &
YoY growth % in H1'24

931.5 mn (+7.2%)

Gross Profit (SAR) &
YoY growth % in H1'24

135.6 mn (+14.9%)

Net Profit(SAR) &
YoY growth % in H1'24

4.7% (+0.5% YoY)

Net Profit Margin (%)

418.0 mn (+4.5%)

Adj EBITDA (SAR) &
YoY growth % in H1'24

**Increased Geographical Presence
Non-Retail**

IACo: Added 2 dark store in Riyadh
Ykone: Acquisition of Barcode in India

**Increased Footprints in H1 2024
Retail**

Opened 1 supermarket each in Makkah & Jeddah
Opened 1 express store in Medina

***Opened 1 supermarket and express store each in
Jeddah post H1'24**

Acquisition of Jumairah

Distribution

Realization of BDH's strategic vision of
expanding into distribution business
segment post H1'24

Leading...

Supermarket Retail
Sustainability Innovation

Robotics Technology

Advantage Omni-channel

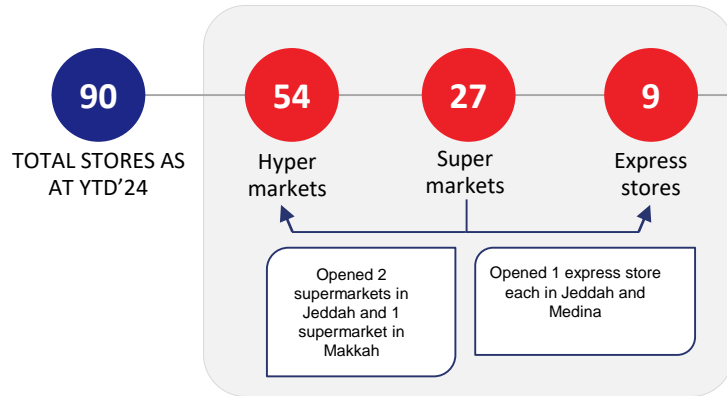
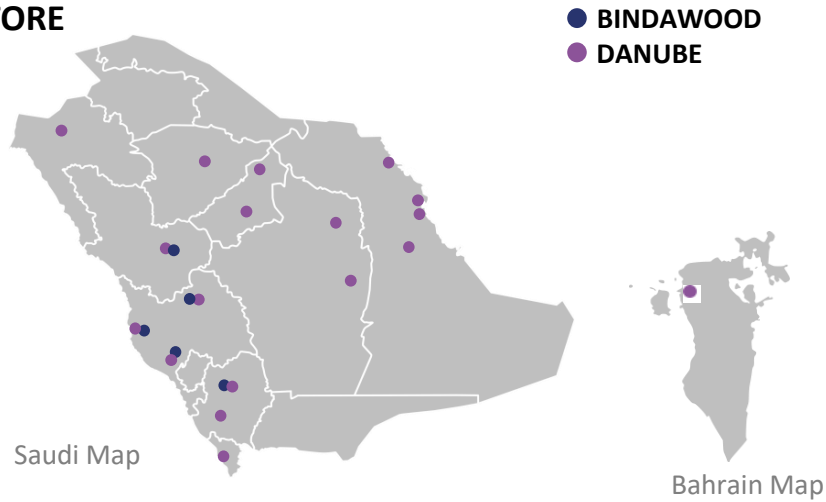
Investment Transformation
Solutions Acquisition

Supply Chain Distribution

Opportunities

GEOGRAPHICAL COVERAGE

RETAIL STORE

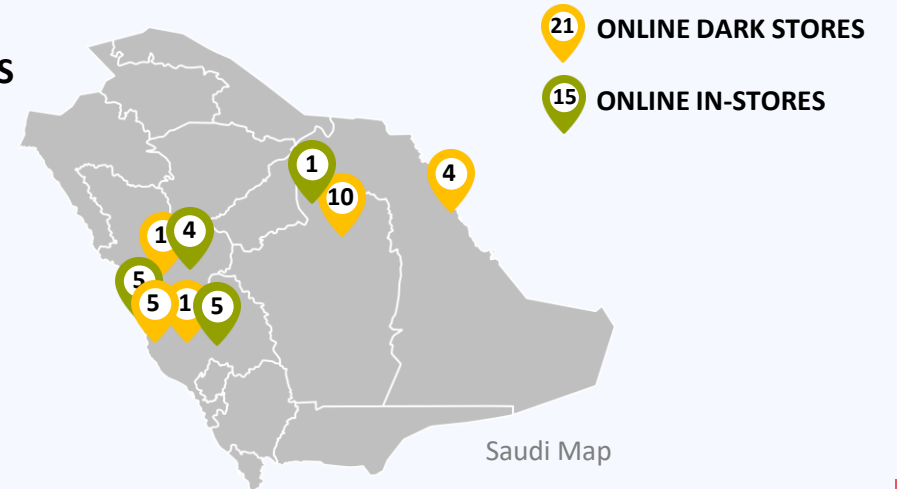


- Company opened 1 supermarket each in Makkah and Jeddah in H1'24.
- Opened 1 express store in Medina in H1'24.
- Opened 2 dark stores in H1'24 in Riyadh.
- Opened 1 supermarket and 1 express store in Jeddah post H1'24.

● YKONE



IACo ONLINE STORES



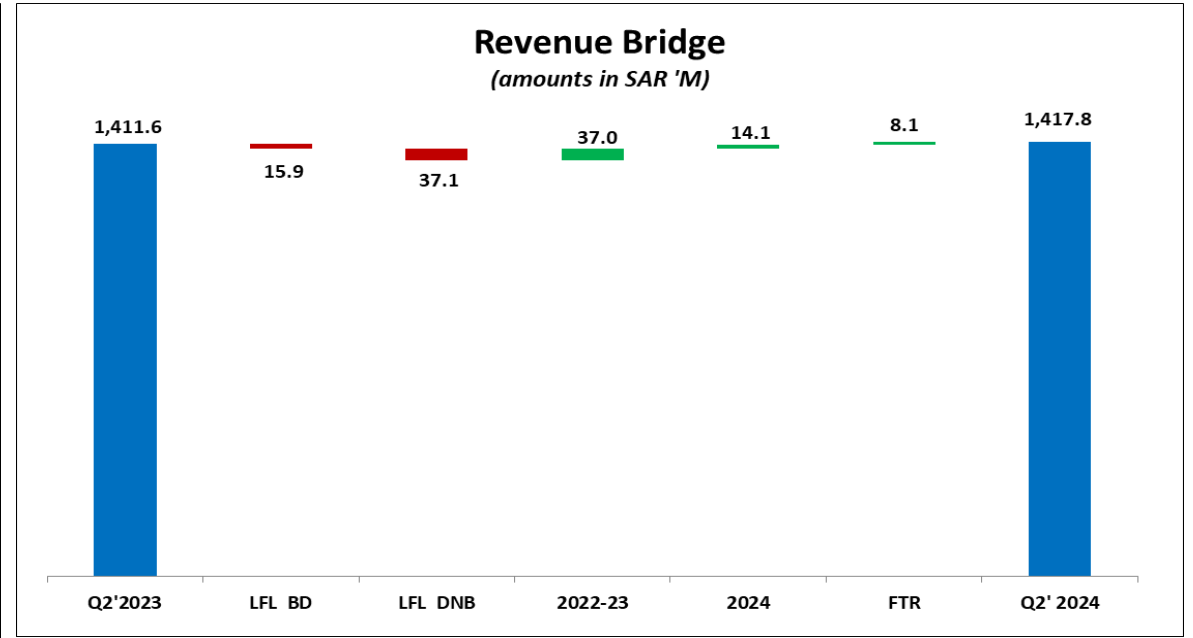
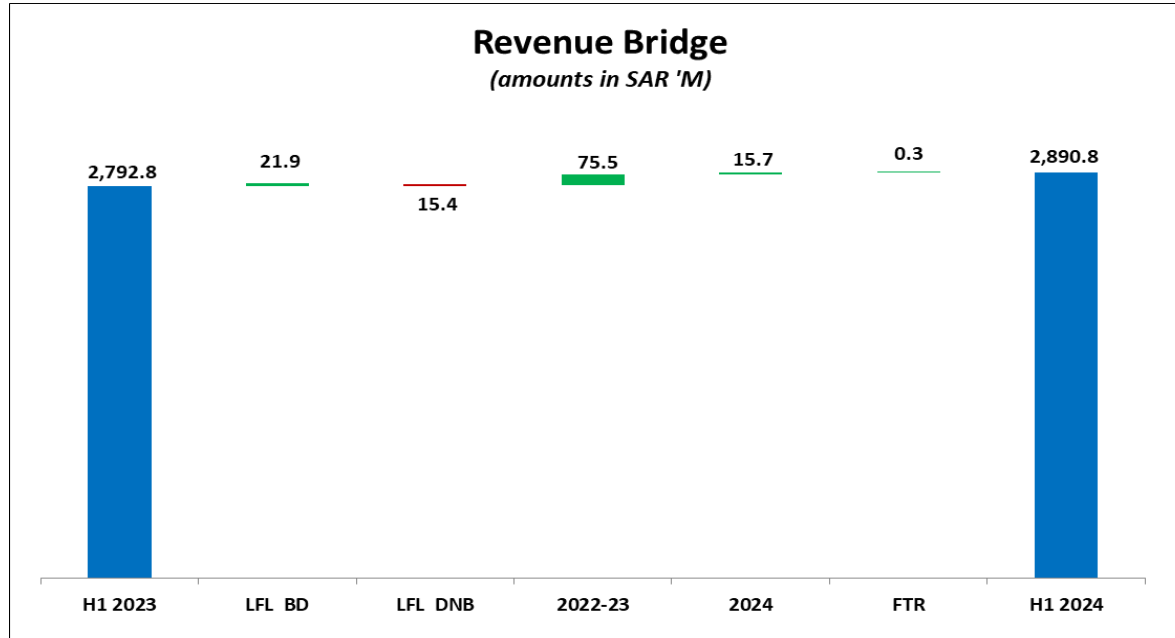

بن داود
DAWOOD
HOLDING القابضة



TRADING UPDATE



REVENUE BRIDGE: Q2'2023 VS Q2'2024 & H1'2023 VS H1'2024



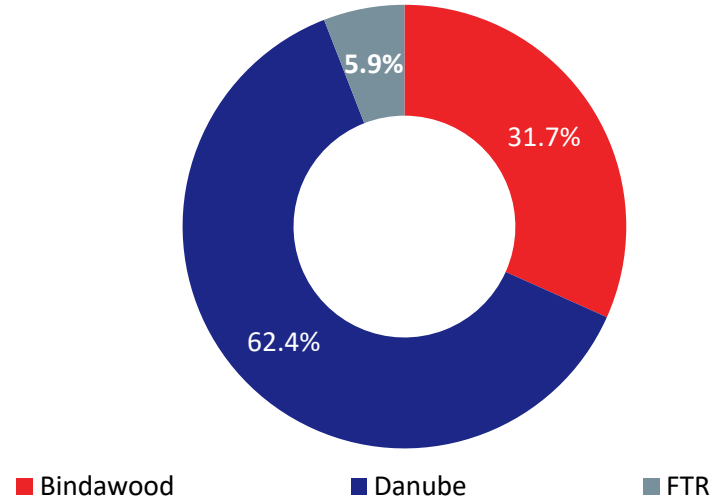
Revenue for H1'24 increased by 3.5% compared to H1'23, and for Q2'24 by 0.4% compared to Q2'23, driven by both BinDawood and Danube stores:

- This growth stems from the continued success of our loyalty program, our commitment to data-driven decision-making, enhancements in our product mix, and improvements to the shopping experience, complemented by increased contributions from BDH's technology business.
- Danube stores achieved sales of SAR 1,819.3 million in H1'24, up from SAR 1,743.6 million in H1'23, reflecting an increase of 4.3% despite a reduction in sales to corporate customers.
- BinDawood stores reported positive growth by 2.4% in H1'24 attributable to the performance improvement due to seasonality impact.
- This trend vindicates our conscious attempts to improve customer engagement through a variety of means including innovative pricing strategies driven through effective use of data derived from our market-leading customer loyalty programme.
- Moreover, FTR's performance has improved due to substantial growth in Ykone's Middle East business and in IACo's e-commerce and digital services.

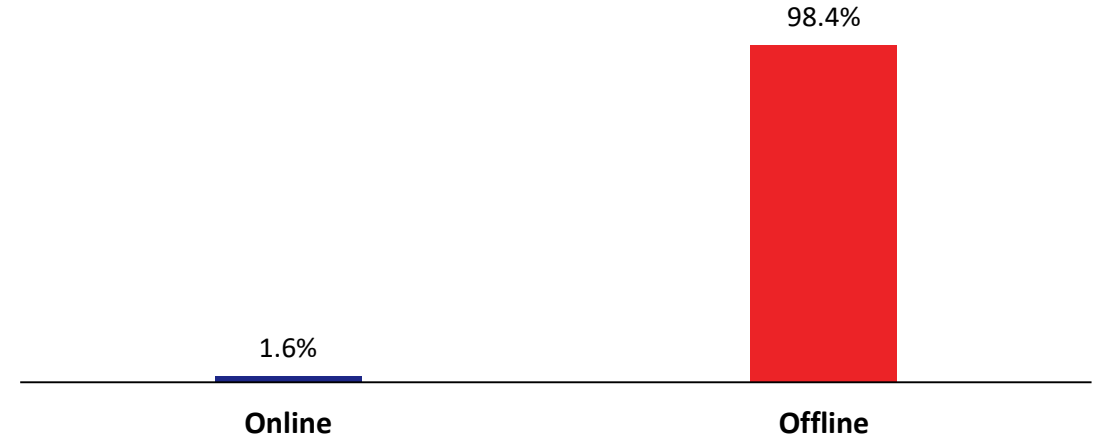
Source: Company Information H1'2024 & 2023 (interim FS) and FY 2023.

REVENUE BY SUBSIDIARIES & ONLINE vs OFFLINE

Revenue by Subsidiaries – Q2 2024



Online vs Offline- Q2 2024



Revenue by Subsidiaries:

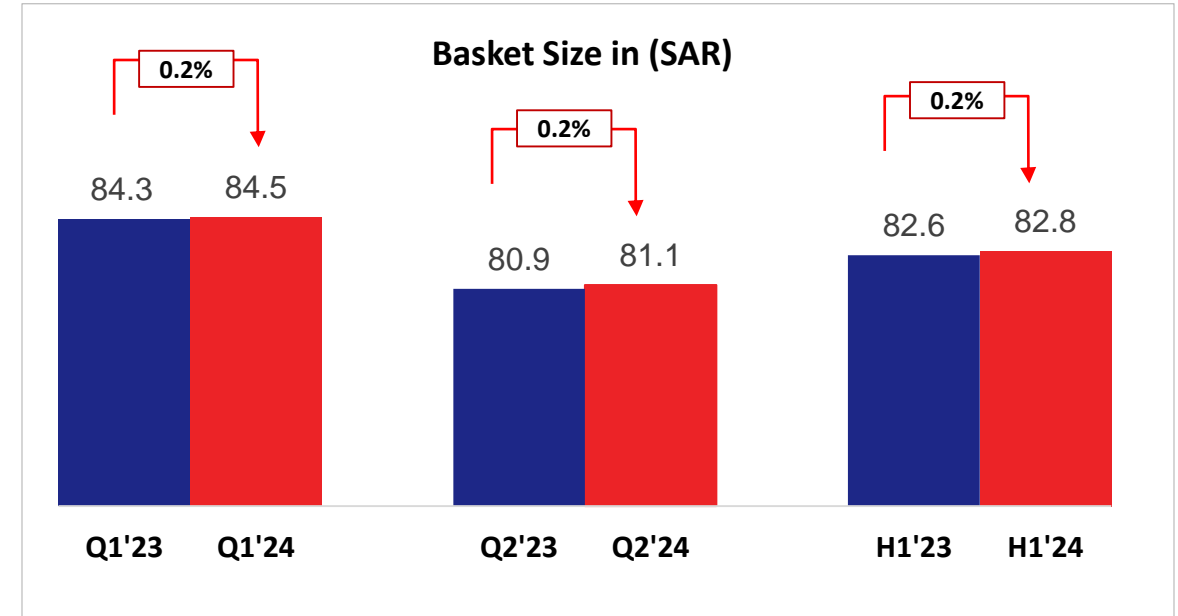
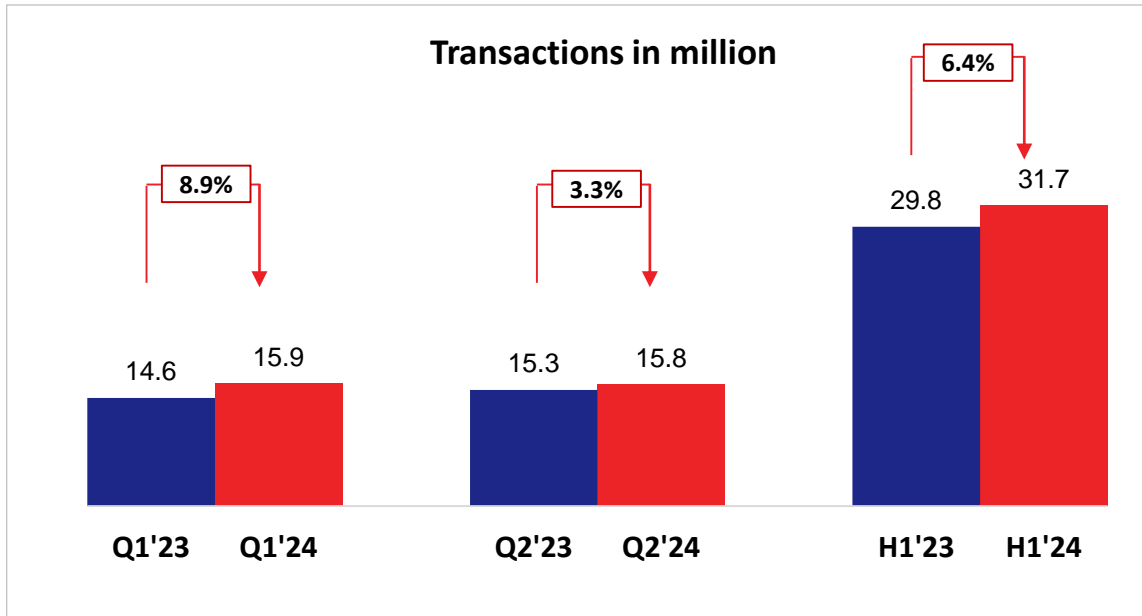
- Among the subsidiaries, Danube contributes 62.4% of the Group's overall revenues, followed by BinDawood which contributes 31.7% and FTR which contributes 5.9% to the Revenues.

Online vs Offline:

- Offline Retail Sales contributed 98.4% to Total Revenue in Q2'24 vis-à-vis 1.6% contributed by Online Retail Sales

Source: Company Information H1'2024 (interim FS).

TRANSACTIONS AND BASKET SIZE

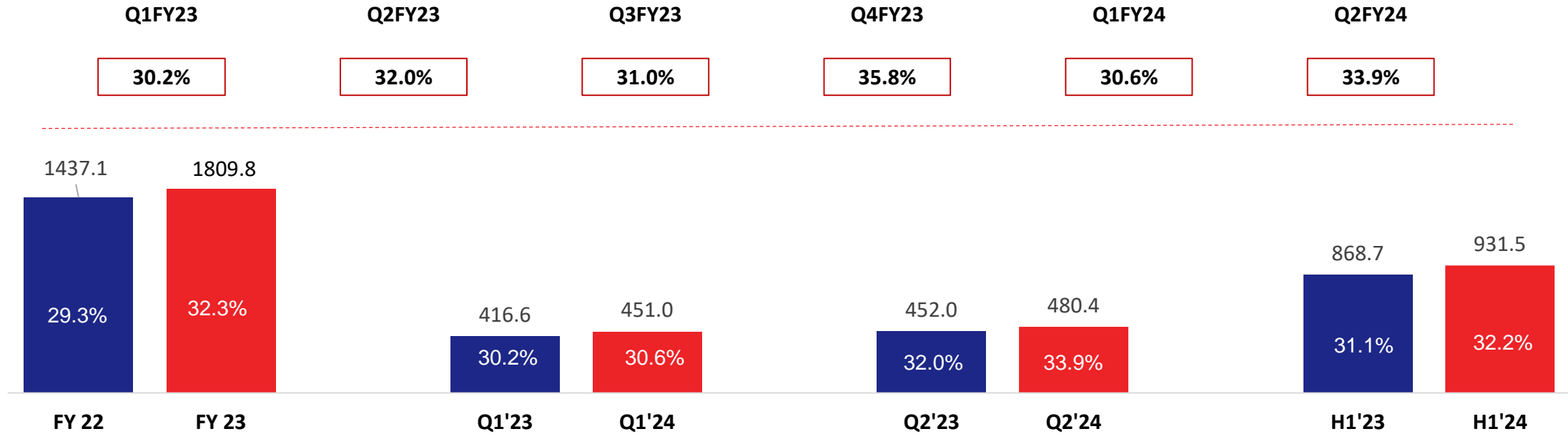


- In Q2'24, there was an increase in total transactions compared to Q2'23. This rise is credited to heightened customer engagement, enhanced customer experience, and deeper insights into customer behavior gained from the loyalty engine.
- Total transactions increased by 3.3% in Q2'24 versus Q2'23 & 6.4% in H1'24 vs H1'23 reflecting sustained frequency of customer visits to stores.
- Increase in basket size by 0.2% in H1'24 as compared to H1'23

Source: Company Information H1'2024 & 2023 (interim FS) and FY 2023, FY 2022 Audited FS.

H1 2024 TRADING UPDATE

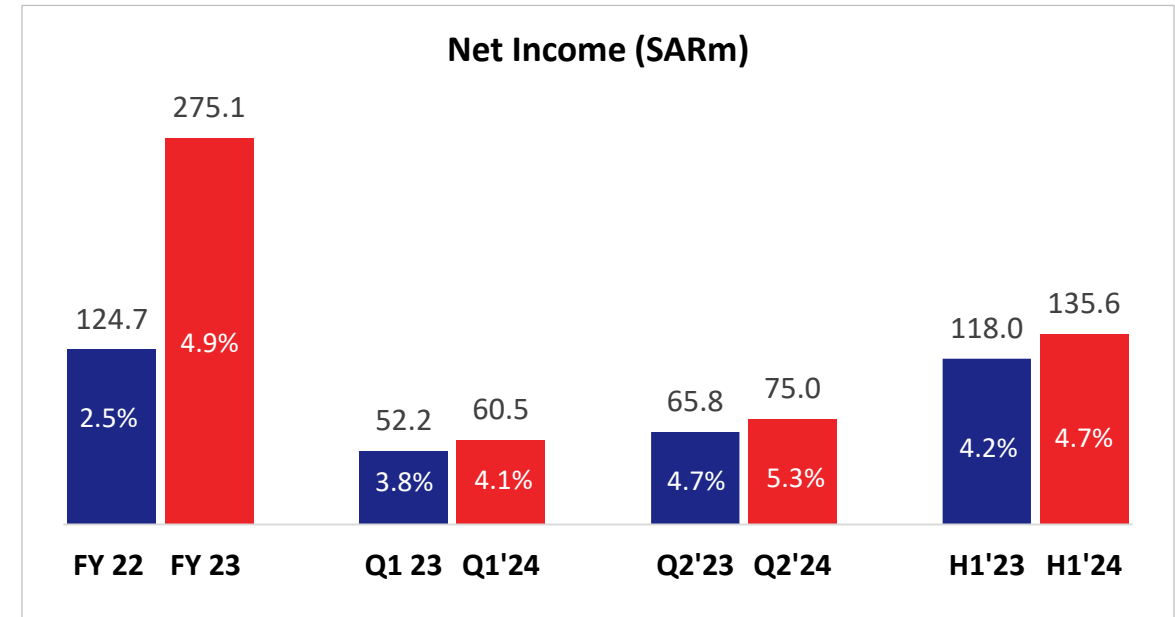
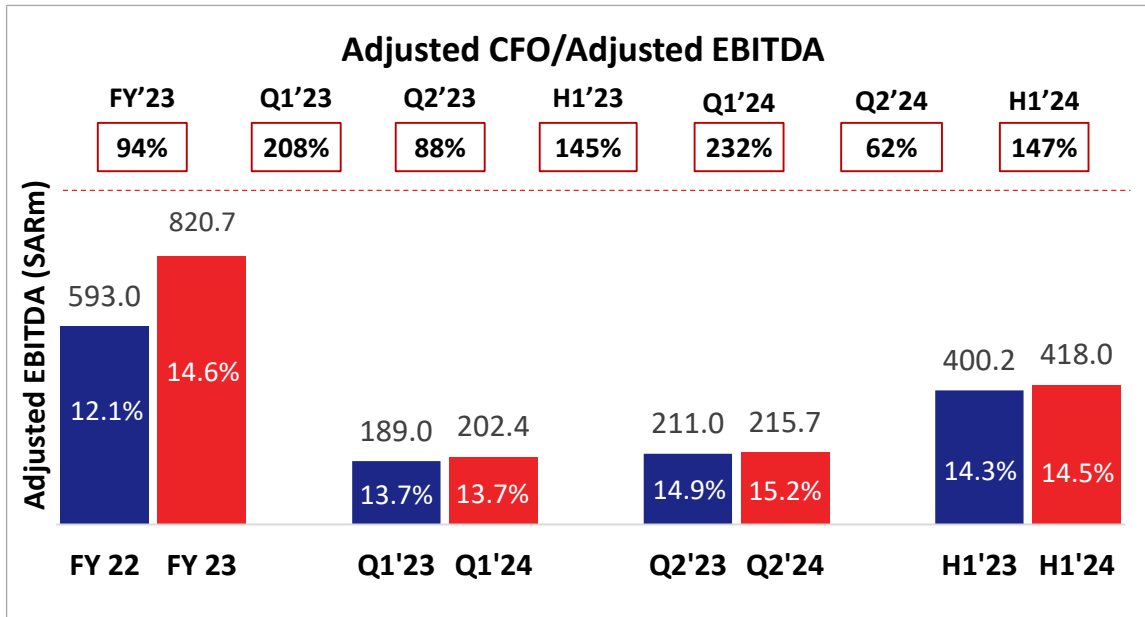
Gross Profit Margin & Gross Profit (SARm)



- In Q2'24, the Gross Profit totaled SAR 480.4 million, reflecting a solid 6.3% increase from SAR 452.0 million in Q2'23.
- Gross profit for the first half of 2024 reached SAR 931.5 million, or 32.2% of sales, compared to SAR 868.7 million, representing 31.1% of sales, in the same period of 2023.
- This performance underscores our commitment to maintaining margins as previously guided, influenced by product mix and enhanced visibility on supplier support.

Source: Company Information H1'2024 & 2023 (interim FS) and FY 2023, FY 2022 Audited FS.

H1 2024 TRADING UPDATE



* Net Profit excluding non-recurring rent relief in FY 2023

- Adjusted EBITDA slightly increased to SAR 215.7 million in Q2'24 from SAR 211.0 million in Q2'23.
- Whereas, EBITDA% rose to 14.5% in H1'24, up from 14.3% in H1'23.
- Adjusted CFO/Adjusted EBITDA remained stable in H1'24 in comparison to H1'23.

- Net profit surged by 14.9% to SAR 135.6 million in H1'24, compared to SAR 118.0 million in H1'23, representing a net profit margin of 4.7% as compared to 4.2% in the corresponding period of 2023. This the cumulative impact of increase in sales and gross margin, the positive impact of which was partially offset by operating expenses.
- In Q2'24, the Company's net profit rose by 14% to SAR 75 million, compared to SAR 65.8 million in Q2'23.

Source: Company Information Q2'2024, H1'2024 FS.

Adjusted EBITDA is defined as operating profit + D&A + recurring portion of other income (empty carton sales).

H1 2024 TRADING UPDATE

Trade Working Capital (SARm)

Trade Working Capital

Trade working capital declined by 51.4% vs. FY 23 and 26.4% vs. H1'23, primarily driven by:

Accounts Receivables & Prepayment

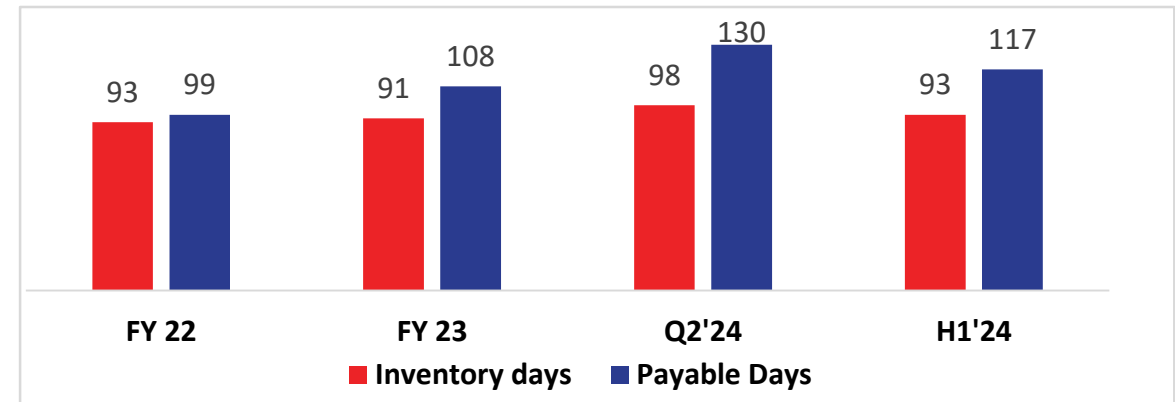
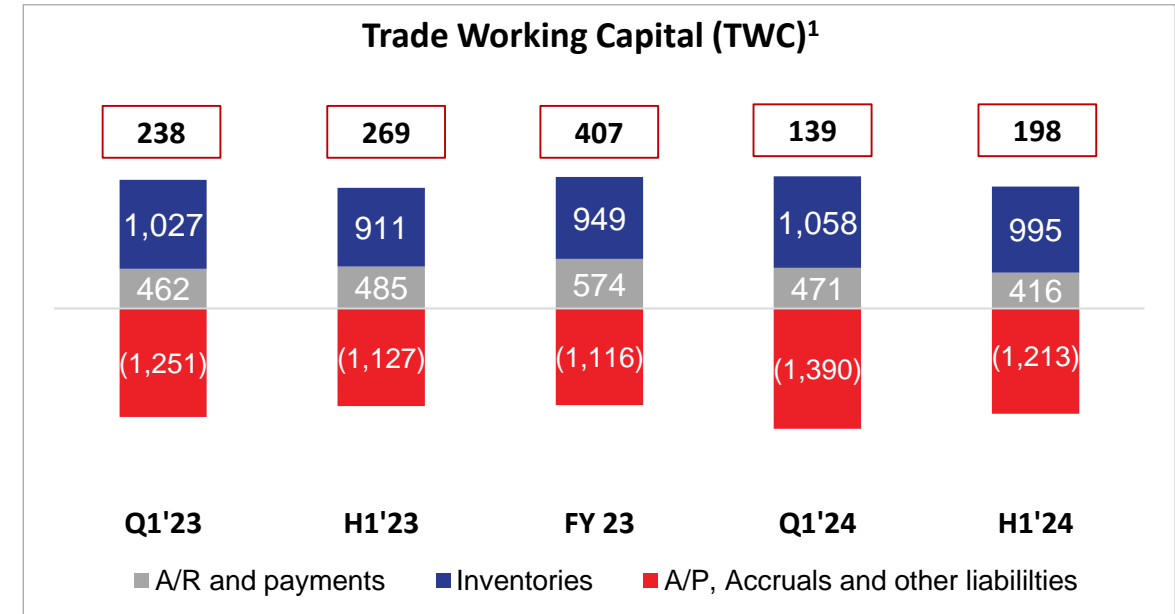
Decrease in receivable balances during H1'24 can be attributed to BDH recovering receivables from its corporate customers, followed by similar actions by FTR subsidiaries, alongside a reduction in business volume among BDH's corporate customers.

Accounts Payables, Accruals and other Liabilities

Increase in payables was driven by higher purchases to meet the rising demand due to seasonality impact, as well as the opening of 3 new stores in the first half of 2024, with plans for further new openings in H2'24.

Inventory

Additionally, there has been a 9.2% increase in inventory levels compared to H1'23. This rise is primarily driven by the demand due to seasonality impact, as well as the opening of 3 new stores in the first half of 2024, with further openings scheduled in H2'24.



Source: Company Information H1 2024, Q2 2024 FS. Trade working capital defined as inventories + A/R and prepayments – A/P, accruals and other liabilities excluding payables to capex suppliers.

Inventory Days = Avg inventory / COGS * 365

Payable days = Avg Accounts Payable X Number of Days/Cost of Goods Sold (COGS)



FUTURE OUTLOOK & GROWTH DRIVERS

FUTURE OUTLOOK & GROWTH DRIVERS

INVESTMENT IN TECHNOLOGY empowers us to excel and deliver superior outcomes.



ORGANIC GROWTH

Retail Stores

- Open 4 new stores this year, then 6-7 annually.
- Focus on Riyadh and Western Region.
- Expand into convenience stores.

Retail Tech via FTR

- **Ykone** plans aggressive expansion in the USA, UK, China, and Asia.
- **IACo** to launch a Mega Dark Store, boosting online and physical fulfillment.

Distribution

- BDH to attract international agencies via JTC, leveraging its KSA retail network



IMPROVE MARKET SHARE

Regional – Retail, Distribution and Retail Tech - IACo

- Expand market share with a **competitive product range**.
- Enhance product variety using **AI-driven loyalty engines**.
- Integrate fintech and data analytics to boost **customer basket size**.
- **Grow distribution** with global brands to expand range and market share.
- **Mega Dark** Store boosts fulfillment for physical and online, driving market share growth.

Retail Tech (Ykone)

- Drive market growth via acquisitions, diverse clientele, and talent initiatives.



CUSTOMER EXPERIENCE

- Elevating premium offerings and services while introducing diverse solutions.
- Cultivating new customer engagement strategies.
- Tailoring shopping experiences to individual preferences.
- Fostering competitiveness through a focus on quality.



MARGIN GROWTH

- **Cost rationalization** involves resizing and relocating stores based on customer traffic
- **The Loyalty Program lowers:**
 - acquisition costs;
 - promotes higher-margin products; and
 - boosts transaction values, reducing promotional expenses.
- Operational efficiency has improved through task automation.



ROBUST CASHFLOW & INORGANIC GROWTH

- Improved working capital and higher business volume boosted cash flow.
- Stronger cash balance positions the company for new opportunities, including funding the JTC acquisition after H1 2024.
- Investment focus: Distribution, Fintech, and Data Analytics

Appendix

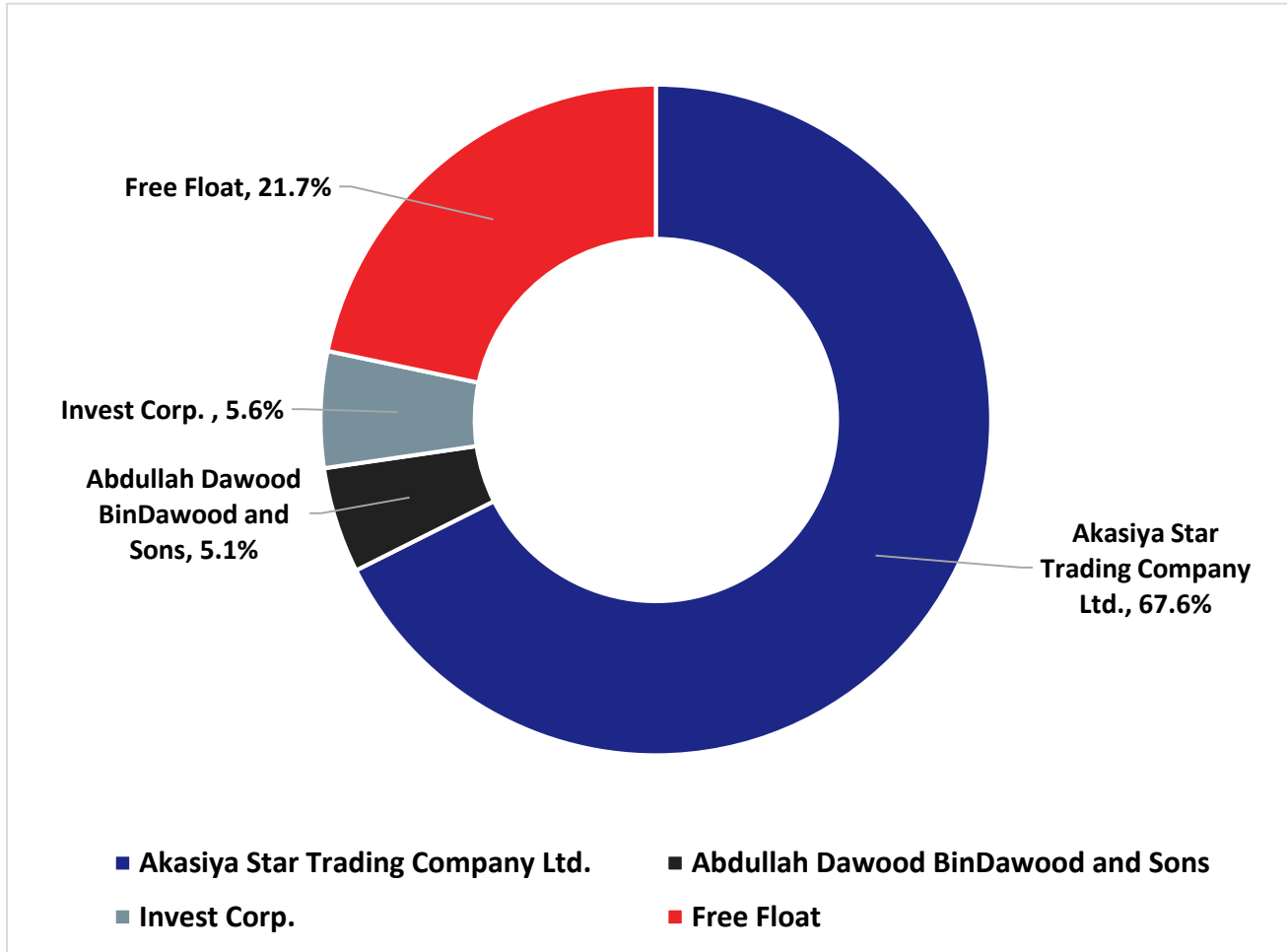
Core achievements

- ❖ Improvement of sales densities across all formats
- ❖ Sustainable margin
- ❖ Strict cost control
- ❖ Healthy financial position

Concise Profit & Loss

	Q2 2023	Q2 2024	YoY
Sales	1,411.6	1,417.8	+0.4%
Gross Profit	452.0	480.4	+6.3%
Gross margin %	32.0	33.9	+190Bps
SG&A	364.3	381.5	4.7%
Adjusted EBITDA	211.0	215.7	2.2%
Adjusted EBITDA %	14.9	15.2	30Bps
Net income	65.8	75.0	14.0%
Net income %	4.7	5.3	+61Bps

SHAREHOLDER STRUCTURE



THANK YOU

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