

Jahez

Group

**Earnings Release
for the Q3 2024
Consolidated Interim Financial Results**

EARNINGS RELEASE

JAHEZ DELIVERS RECORD Q3 AND 9M PERFORMANCE WITH HIGHEST-EVER TOTAL ORDERS AND Adj. EBITDA, DRIVEN BY OVER 30% GMV GROWTH

Riyadh, Saudi Arabia, 04 November 2024 - Jahez International Company for Information System Technology ("Jahez", or the "Group", 9526 on the Saudi Exchange's Nomu – parallel market), announces its financial results for the third quarter (Q3) and nine month period (9M) ending 30 September 2024, with record Q3 and 9M total orders and profitability, strong 30% growth in Gross Merchandise Value (GMV), and market share gain in both KSA and non-KSA markets while expanding across the Group's diversified verticals.

Ghassab Bin Salman Bin Mandeel, CEO of Jahez Group, said:

"In the third quarter of 2024, Jahez Group reached new milestones, delivering our highest-ever total orders and profitability, and building on the strong momentum from the previous years. This marks a significant milestone in our journey to become the leading brand rooted in the Kingdom of Saudi Arabia providing an integrated ecosystem of on-demand services that contributes to improving our customers' lifestyles and empowers our merchants and partners.

By focusing on consistent, profitable growth and leveraging cutting-edge technology, Jahez continues to expand market share and deliver exceptional value across our diversified verticals. User experience goes beyond commitment at Jahez – it is our obsession. Looking forward, our strategic investments and customer-centric approach will be key to advancing our ecosystem and strengthening our leadership in the region."

Key Highlights Q3-2024

- GOV up 26.7% year-on-year (YoY) to SAR 2.3 billion (Q3 2023: SAR 1.8 billion).
- GMV up 29.5% YoY to SAR 1.7 billion (Q3 2023: SAR 1.3 billion), with non-KSA platforms up 4.1x and KSA platforms growth of 21% YoY.
- Net Revenues up 33.1% YoY to SAR 601.3 million (Q3 2023 SAR 451.6 million).

- Record Q3 total orders of 28 million, up 25.2% YoY (Q3 2023: 22.3 million).
- Adj. EBITDA representing 15% of Net Revenue, reaching an all-time third quarter high of SAR 90 million, (2.4x Q3 2023 at 38 million) and totaling SAR 160.5 million in 9M 2024 (9M 2023: 105.2 million).

Financial Highlights

SAR million	Q3 2024	Q3 2023	YOY%	9M2024	9M2023	YOY%
GMV	1,726.6	1,332.8	29.5%	4,804.4	3,675.3	30.7%
Number of Orders (In millions order)	28.0	22.3	25.2%	78.0	61.0	28.0%
Net Revenue	601.3	451.6	33.1%	1,623.2	1,287.3	26.1%
Cost of Revenue	(443.7)	(350.4)	26.6%	(1,248.7)	(1,001.3)	24.7%
Gross Profit	157.6	101.3	55.6%	374.5	286.0	31.0%
Gross Profit %	26.2%	22.4%	3.8%	23.1%	22.2%	0.9%
Operating Expenses	(83.2)	(75.9)	9.7%	(267.8)	(218.3)	22.7%
Other Income/Expense	12.9	12.3	4.9%	36.4	42.2	(13.7%)
Financing Cost & Zakat	(7.5)	(8.8)	(13.9%)	(20.4)	(22.8)	(10.8%)
Net Income	79.7	28.9	175.5%	122.7	87.0	41.0%
Net Income %	13.3%	6.4%	6.9%	7.6%	6.8%	0.8%
Other Income/Expense	(12.9)	(12.3)	4.9%	(36.4)	(42.2)	(13.7%)
Depreciation & Amortization	12.5	12.2	2.7%	36.5	36.9	(0.9%)
Financing Cost & Zakat	7.5	8.8	(13.9%)	20.4	22.8	(10.8%)
ECL Adjustment	2.6	0.4	596.2%	11.8	0.7	1551.9%
Other Mgmt. Adjustments	0.5	0.0	--	5.5	0.0	--
Adj.EBITDA	90.0	38.0	136.9%	160.5	105.2	52.5%
Adj.EBITDA %	15.0%	8.4%	6.6%	9.9%	8.2%	1.7%

Jahez Group delivered a record-breaking third quarter and nine-month performance in 2024, with strong revenue growth, increased order volumes, and improved operational efficiencies. The Group reported Q3 2024 Net Revenue of SAR 601.3 million, a 33.1% increase YoY, mainly driven by:

- Order Volume: 25.2% YoY rise in total orders, bringing Q3 2024 total orders to a record 28 million accompanied by a 26.3% increase in the Active Users to reach 4.2 million users compared to 3.3 million users at the end of the same period last year.
- Take rate (%): Improved from 13.4% in Q3 2023 to 14.6% in Q3 2024, reflecting successful negotiations with key partners and enhancing value per transaction.
- AOV: Increased to SAR 61.7 compared to SAR 59.7 in Q3 2023, supported by strategic bundle offerings that enhanced customer value.

Other Revenues also grew significantly, achieving 1.6x YoY growth to SAR 79.0 million, driven mainly by optimized advertising revenue in KSA and the launch of advertising opportunities in Kuwait & Bahrain as well as growth in new verticals revenues.

Gross profit margin improved by 3.8 percentage points, reaching 26.2% in Q3 2024 (22.4% in Q3 2023), mainly due to cost efficiencies coupled with revenue growth. This improvement in cost structure has supported Jahez’s growth initiatives across key cities in KSA.

Together, these achievements and disciplined cost management drove the Group’s Net Profit to an all-time high of SAR 79.7 million in Q3 2024, 2.7x of the Q3 2023 Net Profits totaling 28.9 million.

Adj. EBITDA by segment

Adj. EBITDA (SAR millions)	Q3 2024	Q3 2023	YoY%	9M 2024	9M 2023	YoY%
Delivery Platforms KSA	94.1	56.3	67%	217.8	166.2	31%
Delivery Platforms Non KSA	(10.1)	(28.0)	(64%)	(56.3)	(68.7)	(18%)
Logistic Segment	9.7	16.0	(39%)	13.5	23.1	(42%)
Others	(3.6)	(6.3)	(43%)	(14.5)	(15.4)	(5.8%)
Group	90.0	38.0	137%	160.5	105.2	52%

During the first nine months of 2024, Jahez achieved a 52% YoY increase in adjusted EBITDA to SAR 160.5million (9.9% of net revenue). Q3 2024 alone saw adjusted EBITDA rise to SAR 90 million (15% of net revenue) comparing to SAR 38 million in Q3 2023 (8.4% of net revenue), supported by strong performance in the core business and the decrease in losses from Non KSA platforms and other verticals.

The KSA platforms maintained a consistent growth trend, with adjusted EBITDA reaching SAR 217.8 million in 9M 2024 (15.3% of Net Revenue), marking a 31% YoY increase. This growth supported the Group’s strategic expansion while underscoring the efficiency and scale of the core operations.

in Q3 2024, the KSA Platforms segment achieved a 67% YoY increase in Adjusted EBITDA, benefiting from scale and cost optimization measures. At the same time, the Non-KSA Platforms segment saw losses narrow by 64% YoY, reflecting operational efficiencies and revenue growth in Kuwait and Bahrain.

In the Logistics Segment, Adjusted EBITDA declined by 39% YoY in Q3 2024, impacted by strategic investments in expanding the fleet and enhancing logistical capabilities to support Jahez’s growth in compliance with evolving regulations. Meanwhile, the ‘Others’ Segment reduced losses by 43% YoY in Q3 2024, reflecting progress in diversifying revenue streams across newer verticals.

Net Profit by segment

Net Profit (SAR millions)	Q3 2024	Q3 2023	YoY%	9M 2024	9M 2023	YoY%
Delivery Platforms KSA	98.0	58.0	69%	222.3	173.4	28%
Delivery Platforms Non KSA	(10.9)	(28.5)	(62%)	(58.6)	(69.6)	(16%)
Logistic Segment	(0.9)	8.5	(111%)	(15.4)	(2.1)	633%
Others	(6.5)	(9.0)	(27.8%)	(25.6)	(14.7)	74.1%
Group	79.7	28.9	175.5%	122.7	87.0	41%

Net Profit increased by 41% YoY to SAR 122.7 million at the end of 9M 2024, with Q3 2024 alone reaching SAR 79.7 million, a significant 175.5% increase YoY.

This growth was primarily driven by optimized customer promotions focused on targeted delivery offers, controlled marketing spending, and reduced delivery costs, enhancing overall profitability.

9M 2024 Segments Highlights:

Delivery Platforms – KSA Segment¹:

- KSA platforms GMV increased 21% YoY to SAR 4.2 billion with order growth of 16%. Orders from cities outside Riyadh represented 43% of total orders, capturing a bigger share in a dynamic competitive market.
- Adjusted EBITDA grew by 31% YoY to SAR 217.8 million (15.3% of Net Revenue), up from SAR 166.2 million (13.3% of Net Revenue) in 9M 2023, showing better unit economics
- The segment recorded a Net Profit of SAR 222.3 million, a significant increase (+28%) from SAR 173.4 million in 9M 2023.

Delivery Platforms – Non KSA Segment²:

- Non-KSA platforms achieved a significant increase in GMV to SAR 522 million in 9M 2024 with a 4.1x YoY growth in total orders, which reached 10.7 million, compared to SAR 127 million GMV and 3 million orders in 9M 2023.
- AOV saw a substantial 15% YoY increase, reaching SAR 49 per order compared to SAR 41.3 per order in 9M 2023, driven by an optimized mix of merchants and regional demand in Kuwait and Bahrain.
- Active users doubled YoY, demonstrating increased customer engagement in the newly scaled markets.
- Net losses narrowed to SAR 58.6 million in the 9M 2024, mainly due to higher volumes from full-scale Kuwait operations in 2024 compared to partial operations in 2023. This was coupled with a material enhancement in unit economics, including enhanced revenue per order and cost optimization initiatives.

¹ The segment represents food delivery and other products through the Group's platforms in KSA.

² The segment represents food delivery and other products through the Group's platforms outside of KSA.

Logistic Segment³:

- The Logistic Segment recorded an adjusted EBITDA of SAR 13.5 million in 9M 2024 comparing to SAR 23.1 million in 9M 2023, impacted by the reduction of the internal pricing in line with the decline of the cost per order from the external logistics providers.
- Net losses increased to SAR 15.4 million, up from SAR 2.1 million in 9M 2023, due to an aggressive Expected Credit Losses (ECL) provisions on Freelancers receivables.
- Expanded fleet to +3600 internal drivers, positioning Jahez well within the regulatory framework.

Others:

- The Group's Others Segment reported net losses of SAR 25.6 million in 9M 2024 mainly due to changes in the fair value of the Red Color minority investment portfolio and ramp-up costs in new verticals, including Marn, Sol and Co, as these investments progress in development.

³ Includes logistic operations.

KPI's

KPI'S	Q3 2024	Q3 2023	YoY%	9M 2024	9M 2023	YoY%
Gross Order Value (GOV) (In SAR millions)	2,323.5	1,834.2	26.7%	6,418.0	5,100.4	25.8%
Gross Merchandize Value (GMV) (In SAR millions)	1,726.6	1,332.8	29.5%	4,804.4	3,675.3	30.7%
Total Active Users (In millions user)	3.3	2.6	23.2%	4.2	3.3	26.3%
Number of Orders (In millions order)	28.0	22.3	25.2%	78.0	61.0	28.0%
Average Order Value (AOV) (In SAR)	61.7	59.7	3.5%	61.6	60.3	2.1%
Average monthly orders per customer (Order/Month)	4.5	4.4	1.8%	4.4	4.4	(1.7%)
Average number of merchants	17,070	13,446	27.0%	16,559	12,415	33.4%
Average number of branches	43,276	33,705	28.4%	41,662	30,972	34.5%
Average delivery fees per order (In SAR)	11.3	12.1	(6.5%)	10.8	12.7	(14.9%)
Average commission per order (In SAR)	9.0	8.0	12.5%	9.0	7.8	14.3%
Average commission (%)	14.6%	13.4%	8.7%	14.6%	13.0%	12.0%

Additional Information

- Jahez Group will be hosting an Earnings Call on Monday the 4th of November 2024 at 3:00p.m. KSA Time to present its Q3 and 9M 2024 financial results. For Earnings Call details, please email IR@jahez.net
- The condensed Consolidated Interim Financial Statements for the Nine Month period ended 30th September 2024 will be available through the Jahez Group IR App, in addition to Jahez Group's IR website through the following link: [Jahez Group Financial Information](#)



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Glossary of Terms

GMV	The gross merchandise value of products sold in a certain market in a specific period, excluding the following: <ul style="list-style-type: none"> a. value added tax on the value of the order. b. The total delivery fees. c. value added tax on delivery fees.
GOV	The gross merchandise value of products sold in a certain market in a specific period, including the following: <ul style="list-style-type: none"> a. value added tax on the value of the order. b. The total delivery fees. c. value added tax on delivery fees.
Active Customers	Active users for a period of one hundred eighty (180) days from the date of the last order on Jahez platform.
Gross Revenue	Excludes the impact of cashback and compensations paid to customers classified in the FS as deduction of revenues as per IFRS15
Other Revenue	(Revenue from e-payments fees + Advertising and Marketing revenue + Other revenues) – Cash back and costumers' compensation
Take Rate (%)	Commission Revenue / Gross Merchandise Value (GMV)

About Jahez International Company for Information System Technology

The Group operates several brands and subsidiaries providing on-demand services, q-commerce, last mile delivery, digital solutions and Cloud kitchens and shelving, connecting customers, merchants and delivery partners across 100 cities in the Kingdom in addition to Bahrain and Kuwait.

Launched in 2016, Jahez platform was one of the leading forces behind the disruptive shift to online food delivery in the Kingdom, supported by the growing adoption of online delivery as well as the proliferation of mobile devices adoption and delivery culture over the past few years.













At the end of Q3 2024, the Group had a network of +43K merchant branches, 4.2 million active users, and more than +57K delivery partners. In pursuing its goal of expanding its customer and merchant base, Jahez developed several service offerings and currently provides a wide array of delivery and logistical services, through its main business streams.

- **Jahez Platform** is the heart of the Group's operations. It serves as a source of orders for merchants with complete logistical support and payment collection processes. Jahez Platform connects merchants, customers, and delivery partners in Saudi Arabia, Bahrain and Kuwait, via a user-friendly mobile application providing a quick, seamless and almost entirely automated end-to-end delivery experience.
- **PIK Platform** is a quick commerce (q-commerce) business that connects customers with an array of their favorite brands within a period of two to three hours. The Group established PIK in November 2020 to expand its reach beyond food delivery and is now able to provide customers with various retail goods, ranging from fashion and cosmetics to computer hardware and appliances.
- **BLU Store** was established in 2022 as a joint venture with AlHilal Club Investment Company to provide online services through its "BLU Store" application specialized in selling and marketing products for a variety of different brands.
- **Co**, in which the Group acquired a 60% stake back in 2020, and eventually the acquisition of the remaining 40% during Q1 2024, Co is a cloud kitchens and shelving platform providing food businesses with commercial kitchen spaces with no dine-in facilities, to prepare food and sell them, in addition to spaces for storing food & non-food products to be sold via a delivery only model. Cloud kitchens & shelving represent a hallmark of modern ordering trends, with merchants increasingly relying

on online delivery as a way to increase their reach without the additional costs of high rent and waiting staff.

- **Logi** was established in 2021 as a market enabler for the e-commerce and delivery industry in general by providing logistical solutions. Logi aims to be a leading power behind the last mile delivery in the Kingdom, and to empower local merchants by reducing operational costs. Logi will also serve as a centralized platform to support the Group in its logistical and operational needs.
- **Red Color** was established as the Group's investment arm in order to pursue its growth objectives. The Group targets investments in technology-related industries which utilize the Group's existing assets of customers, merchants, and delivery partners.
- **Marn** helps merchants build their unique ecosystems by developing systems for business owners through various digital solutions that work in conjunction with different service providers and partnerships. This acquisition was in line with the Company's desire to add more verticals to its activities and continue its growth.
- **Sol**, in which the group acquired 35%, was launched in 2021 with the aim of providing materials and wholesale sales to restaurants, cafes, hotels (HORECA) and catering companies, in addition to providing a variety of food commodities and complementary tools through easy & effective technical solutions for merchants.

Summary of the Group Investments:

Company	Type	Industry	Description
 grubtech	Minority Ownership	Merchant ecosystem	Empowering restaurants with integrated solutions for order handling, food preparation, and delivery
 بونات bonat	Minority Ownership	Merchant ecosystem	Provider of loyalty programs to restaurants
 sol	35% acquisition	Merchant ecosystem	B2B Food and beverage suppliers to HORECA players
 مرن marm	Full acquisition	Merchant ecosystem	Offers technological solutions to merchants
 Cloud Shelf eFulfillment Solutions	Minority Ownership	Logistics	Warehousing and fulfillment services
 Parcel	Minority Ownership	Logistics	Last mile delivery for e-commerce in Bahrain
 RedBox ريد بوكس	Minority Ownership	Logistics	Provider of APM's (smart lockers) as an alternative to home delivery for e-commerce
 BARQ	Minority Ownership	Logistics	Last mile delivery for e-commerce
 Omniful	Minority Ownership	Logistics	Inventory based order allocation & Warehouse Management Solutions
 soun	Minority Ownership	Local-commerce	Streamlined and secure P2P marketplace for pre-owned goods trade
 نانا صناع	Minority Ownership	Local-commerce	marketplace offering fast grocery delivery
 MOYASAR	Minority Ownership	Fintech	Provider of fintech services

جاهز الدولية * Jahez International

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