

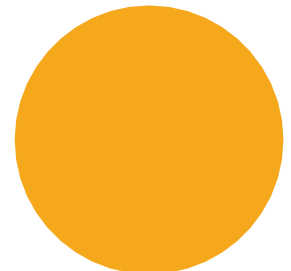
jahez

**Earnings Release for the
Annual Consolidated
Financial Results 2022**

Jahez International Company for Information System Technology announces its Annual Consolidated Financial Results 2022

Riyadh, Kingdom of Saudi Arabia, 21 March 2023 - Jahez International Company for Information System Technology announces its Annual Consolidated Financial Results 2022.

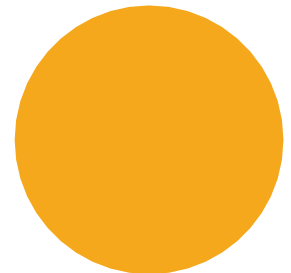
- Net Revenues for the year 2022 reached SAR 1,602.5m with an increase of 38.2% compared to the previous year.
- Gross Profit for the year 2022 reached SAR 359.2m with an increase of 46.3% compared to the previous year.
- Adjusted Earnings before interest, taxes, depreciation, and amortization (Adj.EBITDA) for the year 2022 reached SAR 167.1m with an increase of 32.8% compared to the previous year, representing 10.0% of Gross Revenue
- Net Profit for the year 2022 reached SAR 58.9m with a decrease of 49.6% compared to the previous year.



Continued Growth and Increase in Revenues

Jahez Group achieved an increase of 34% in its Gross Revenues for the year 2022 due to the increase in delivery fees by 32.9%, commission revenue by 37.3% and other revenues by 29.8%. This increase is mainly due to the following :

- The increase in Gross Merchandize Value (GMV) in 2022 by 28.4% reaching SAR 4.3b (SAR 5.8b GOV) comparing to SAR 3.3b (SAR4.5b GOV) in 2021 due to the increase in number of orders by 33.8% in 2022 to reach 69.0m orders, compared to 51.6m orders in 2021 due to the increase by 35.3% in average number of users in 2022, compared to last year and the increase in the monthly average orders per user to reach 4.8 orders in 2022, compared to 4.7 orders in last year, while the Average Order Value (AOV) decreased in 2022 reaching SAR 62.2 compared to SAR 64.8 last year.
- The average take rate increased in 2022 to reach 12.5%, compared to 11.6% in last year, in addition to increase in merchant number by Dec-22 to reach 10,648 restaurants compared to 7,061 restaurants of the same period last year.



Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adj.EBITDA)

- Adjusted¹ Earnings before interest, taxes, depreciation and amortization (Adj.EBITDA) for 2022 reached SAR 167.1m compared to SAR 125.3m for last year, with an increase of 32.8%, which represents 10% of Gross Revenues at a steady rate for 2022 and 2021. Adjusted Earnings before interest, taxes, depreciation and amortization (Adj.EBITDA) are broken by the operating segments of the Group as follows:

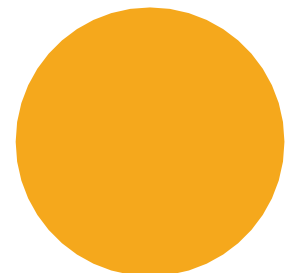
Adj.EBITDA (SAR m)	Delivery Platforms Segment	Logistic Segment	Others	Eliminations/ Amendments	Total
2022	194.5	-29.2	-1.4	3.2	167.1
2021	132.2	-6.4	-0.4	0	125.3

- Delivery Platforms Segment²:

The Adjusted Earnings before interest, taxes, depreciation and amortization (Adj.EBITDA) for the Platforms Segment reached SAR 194.5m (11.7% of gross revenue and 3.4% of the GOV) with an increase of 47% in 2022 compared to SAR 132.2m (10.6% of Gross Revenue and 2.9% of the GOV) in 2021. This is mainly driven by the growth of revenues and the geographical expansion around the Kingdom by increasing the number of cities in which the group operates in to reach 90 cities and the increase of the efficiency in operations with a strong operational cost control and the effect of economies of scale through the orders growth. This increase was achieved despite the costs related to the international expansion where the Group have launched its operation in Bahrain and Kuwait during 2022, as well as the developments in Direct Commerce platforms (Pik, BLU Store) which will have material contribution in revenues starting 2023.

¹ Adjusted Earnings before interest, taxes, depreciation and amortization (Adj.EBITDA) is calculated after exclusion of Other drivers related costs totaling SAR 79.5m which consist of drivers related expenses item includes an amount of SAR 62.7 represent the value of salaries, wages and benefits of drivers for a period before the completion of the necessary procedures to join the operating team which took more time than expected for uncontrollable reasons. In Addition, governmental expenses totaling SAR 16.8m This cost is considered as contingency incurred by the Company and is not expected to be incurred during the subsequent periods.

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



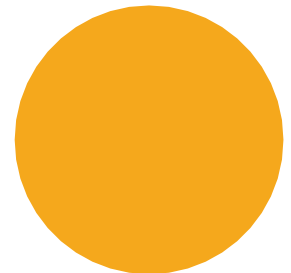
- Logistic Segment³:

In line with the requirements of the concerned governmental entities, the Group started during 2022 the implementation of its own fleet for logistic services which resulted in an adjusted loss before interest, taxes, depreciation and amortization (Adj.EBITDA) in 2022 for logistic segment around SAR -29.2m. This loss is mainly due to the high costs related to the fleet and the limited productivity for new drivers during the training period. Currently, the Group has a fleet with high level of professionalism and productivity securing an important portion of orders for its delivery platforms and enabling the Group to be one of the major players in last mile delivery segment.

- Others:

Adjusted loss before interest, taxes, depreciation and amortization (Adj.EBITDA) reached SAR -1.4m related to the Group activities regarding cloud kitchens and the investments in Red Color Company.

³ Includes logistical support operations and directing cargo vehicles.



Net Profit:

Net Profit attributable to the Shareholders of the Parent Company decreased by 49.6% reaching SAR 58.9m in 2022 compared to SAR 117.0m in 2021.

Net Profit of the Group decreased by 52% reaching SAR 56.5m compared to SAR 116.7m in 2021, a breakdown of the reasons for the change in profits according to operating segments as following:

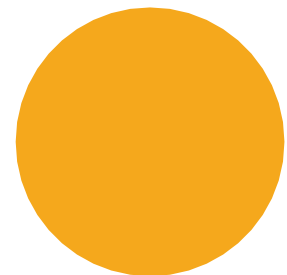
Net Income (SAR M)	Platform Segment	Logistic Segment	Others	Eliminations/Modifications	Total
2022	180.4	-123.9	-3.2	3.2	56.5
2021	115.9	-6.4	7.3	0.0	116.7

- **Platforms Segment:**

Net Income for the platforms segment reached SAR 180.4m, increased by 56% compared to the previous year. The increase is due to the Revenue growth and the effect of economies of scale based on the growth of orders and the continuous cost efficiency, in addition to the profit on short term deposit certificates (Murabaha). Also, it is worth noting that Zakat Expense for the year 2022 increased exceptionally reaching SAR 28.3m due to the addition of proceeds from Initial Public Offering to the Zakat base.

- **Logistic Segment:**

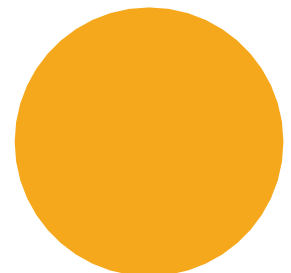
Despite the increase in segment revenues by 180.4% compared to last year, the loss of the segment reached SAR -123.8m in 2022 compared to SAR -6.4m in the previous year, due to the non-recurring expenses amounting SAR -79.5m representing the value of salaries, wages and benefits of drivers for a period before the completion of the necessary procedures to join the operating team which took more time than expected for uncontrollable reasons as well as other drivers related governmental expenses. The segment faced serious challenges related to the inability of existing stakeholders to absorb the pace drivers onboarding according to the agreed plan with regulators.



In fact, after Covid-19 pandemic, with the process of importing drivers freeze out, most of manpower recruitment agencies faced a major competition and pressure due to the increased demand for driver profession locally and in the Gulf in the same period resulting in a low level of commitment from the manpower recruitment agencies to the agreed plans which led to an overlap onboarding schedule and caused a disruption to car receiving plans in addition to the lack of appointments for issuing driver licenses.

- Others:

Net Income from the Other Segment reached SAR -3.2m and it is related to the Group activities regarding cloud kitchens and the investments in Red Color Company.



Ghassab bin Salman bin Mandeel, Chief Executive Officer at Jahez International commented:

“ 2022 was the new phase where Jahez Group have established its bases as integrated and coherent platform serving its clients in a differentiated way and increasing the added value for its investors and ready for the future changes and developments.

Throughout 2022, the Group has been investing in several verticals and building new others while continuing -Thank God- to achieve positive results and maintaining a high level of growth. This is a testament to our team's dedication and hard work in providing high-quality services to our customers, despite the challenges faced.

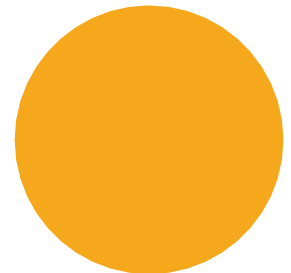
Furthermore, we have expanded our operations to around 90 cities in the Kingdom of Saudi Arabia. This expansion has been a key part of our strategy to reach more customers and provide them with our services. We have also launched our operations in Bahrain and Kuwait, where we see significant growth potential in these markets.

Also, The Group has been improving its technical capabilities in Jahez, PIK and BLU store platforms to further enhance customer experience and engagement by automating the operations to increase the accuracy and implement cost efficiency mechanisms.”

In addition, the Group has acquired Marn Business Information Technology Company (Marn) offering multiple modern technical services that help merchants in their growth. This acquisition will allow us to enhance our offerings and provide even better services to our stakeholders, the acquisition has been closed successfully in January 2023.

Also, the Group signed a share purchase agreement to fully acquire “The Chefz SPV Ltd Company” the owner of “The Best Chefs Catering Company” which is the operating company of “The Chefz” application for food delivery, sweets, flowers and perfumes, which serves several cities in the Kingdom of Saudi Arabia, the acquisition is subjected to Relevant regulators' approvals to complete acquisition.”

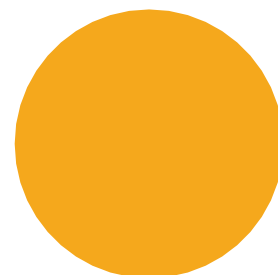
He concluded by saying that “In Jahez, we believe in the importance of increasing and diversifying investments and seizing the expected growth opportunities across all group activities as well as focusing on the innovations and raising the national competencies in line with the objectives of the Kingdom Vision 2030.”



KPI'S

KPI'S	FY 21 (Consolidated & Audited)	FY 22 (Consolidated & Audited)
Gross Order Value (GOV)* (In SAR millions)	4,525	5,774
Gross Merchandize Value (GMV) (In SAR millions)	3,343	4,291
Number of Orders (In millions order)	51.6	69.0
Average total GMV per order (SAR)	64.8	62.2
Average monthly orders per customer (Order)	4.7	4.8
Number of Active users (in millions)	1.9	2.8
Average number of merchants	5,550	8,967
Average number of branches	13,608	20,730
Average delivery fees per order (SAR)	14.4	14.3
Average commission per order (SAR)	7.5	7.7
Average commission (%)	%11.60	%12.45
Gross profit margin (% of Net Revenues)	%21.17	%22.41
Net profit/(loss) margin for the year (% of Net Revenues)	%10.1	%3.5
Return on equity	%62.51	%5.63
Return on total assets	%23.70	%4.01

(*) Order Value paid by the customer including Delivery Fees and Value Added Tax



Order Value (SAR Millions)	FY 21	FY 22
GMV	3,342.5	4,291.3
Value added tax on the Value of the Order	486.8	643.2
Delivery Fees Paid by Customers	604.8	730.0
Value Added Tax on Delivery Fees Paid by Customers	90.7	109.6
GOV	4,524.8	5,774.1

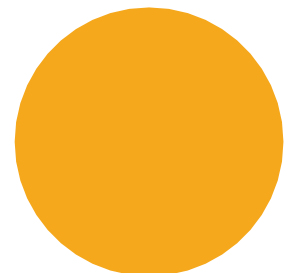
About Jahez International Company for Information System Technology

The Group operates under several brands over Jahez International Company and its subsidiaries. providing on-demand services, q-commerce, last mile delivery and Cloud kitchens, connecting customers, merchants and delivery partners across 90 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.

As of end of 2022, the Group had a network of around 26 thousand merchant branches, 2.8 million active users, and more than 60 thousand 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, and its technology serves as a source of orders for merchants, and it provides complete logistical support and payment collection processes. Jahez platform aims to connect merchants, customers, and delivery partners via a user-friendly mobile application by providing



a quick, seamless and an almost entirely automated end-to-end delivery experience.

- **PIK Platform** is a quick commerce (q-commerce) business that serves as a platform for merchants within customers' reach and aims to connect 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**, throughout 2022 the Group have established "the BLU Store" Company (as joint venture with AlHilal Club Investment Company) specialized in selling and marketing products with different brands and provide online services through "BLU Store" application.
- **Co Kitchens**, in which the Group acquired a 60% stake in 2020, is a cloud kitchens platform providing food businesses with commercial kitchen spaces with no dine-in facilities, to prepare food and sell them via a delivery only model. Cloud kitchens represent a hallmark of modern dining trends, with restaurants increasingly relying on online food 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.

