



Earnings Call H1 2024

August 2024

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Agenda

Speakers



Ghassab Al Mandeel

Group CEO



Heni Jallouli

Group CFO

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Jahez at a glance

Jahez at a Glance

Unmatched **understanding of local consumer behavior** drives rapid adaptation to market trends

Enhanced **upselling potential** revenue streams through complementary offerings

KSA as the **largest and fastest growing** market in MENA with 12% CAGR GMV growth by 2030

Proven **agility and responsiveness** enable swift capitalization on new regional market opportunities

Strategic innovation and differentiated technology driving growth

Growing market share in existing territories while exploring new potential regions



Sustained **profitability and Free Cash Flow +** since 2020

Developed the **largest logistics fleet** in Saudi Arabia with potential serving other platforms

Fastest growing player in the market with **5-year GMV CAGR of +60%**

Navigating unique regional market challenges with **unmatched efficiency and scalability**

Jahez Business Model



Local Commerce

Logistics

Merchants Eco System

Fin Tech

Capability & Offering

Goods exchange using electronic channels and platforms to enhance customer experience

Enabling technology to innovate & control the logistic processes and supply chain

Technologies to enhance our business partners experience & way of doing business

Financial Tech. solutions, leveraging software, data analysis & artificial intelligence.

Jahez Group



Minority Portfolio



Ecosystem for On-demand Services to enhance customer lifestyle & empower businesses



H1 2024 Key Highlights

Key highlights for H1 2024

Group

4.1b GOV and 31.4% YoY growth in GMV driven by higher volume and higher AOV across markets

Jahez KSA

20% YoY growth in GMV, with orders from cities outside of Riyadh reaching 42% of total orders... Capturing bigger share in a dynamic competitive market

Non-KSA Platforms

GMV grew by 6x YOY... forming 11% of the group total GMV after ~ 2 years of operations... Active users increased by 7x since inception

Logi

Jahez Group Logistic Arm managing all Saudi Platforms orders... +2k internal driver fleet & strong 3PL partnerships... Strong position to be in line with KSA delivery regulation

Blu

81% YoY growth in Blu GMV by introduction of new revenue streams reaching positive Net Income in H1 2024

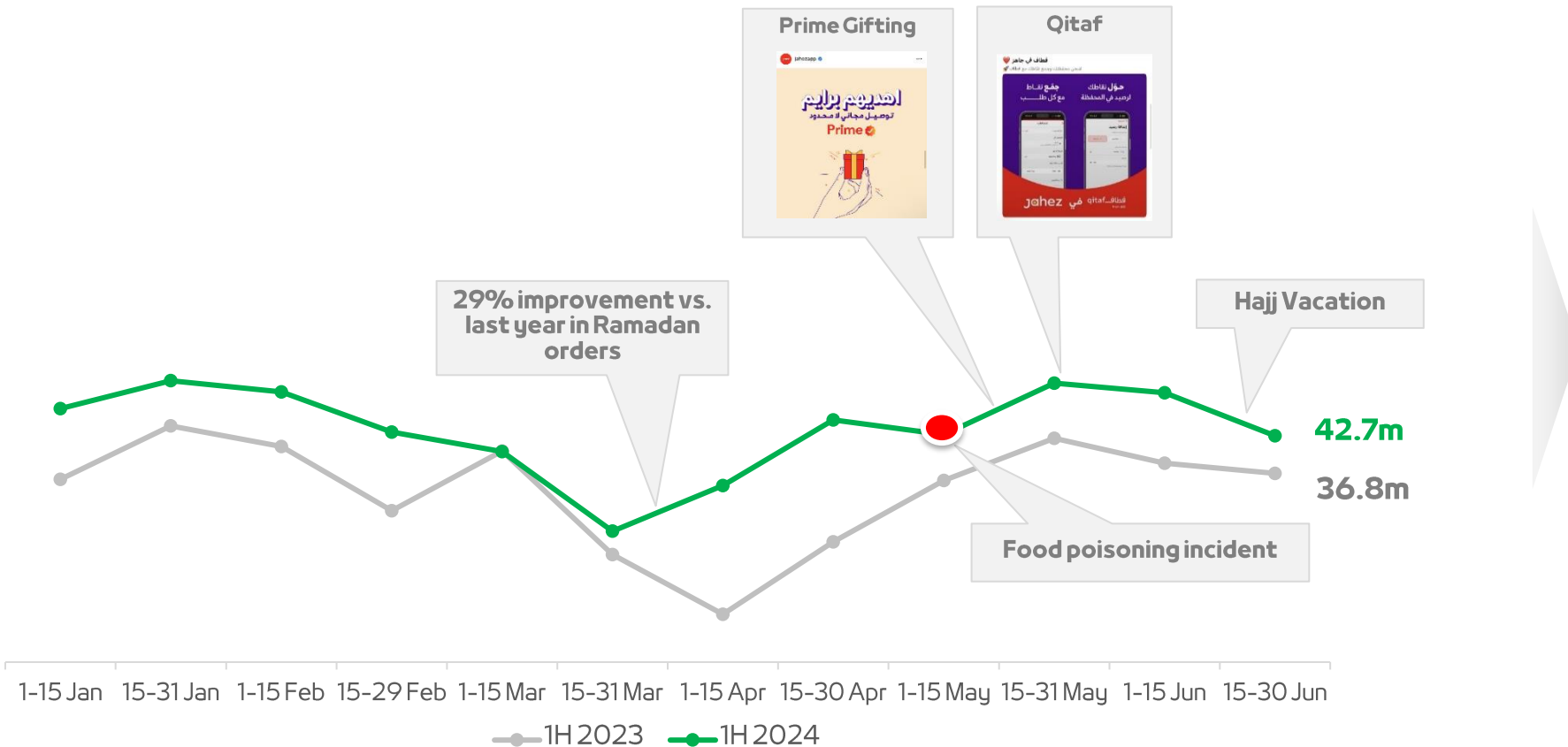


Jahez KSA Orders Trend & Key calendar events



KSA

KSA YoY Orders bi-monthly comparison



- ### H1 Jahez KSA Journey:
- 31% YoY H1 growth in orders outside of Riyadh
 - Overachieved last year performance during off seasons
 - Introduction of new Prime gifting program
 - Introduction of loyalty program
 - Slight slowdown due to food chain poisoning cases
 - Rigorous monitoring of restaurant H&S compliance

Resilient orders growth despite seasonality and local food poisoning incident



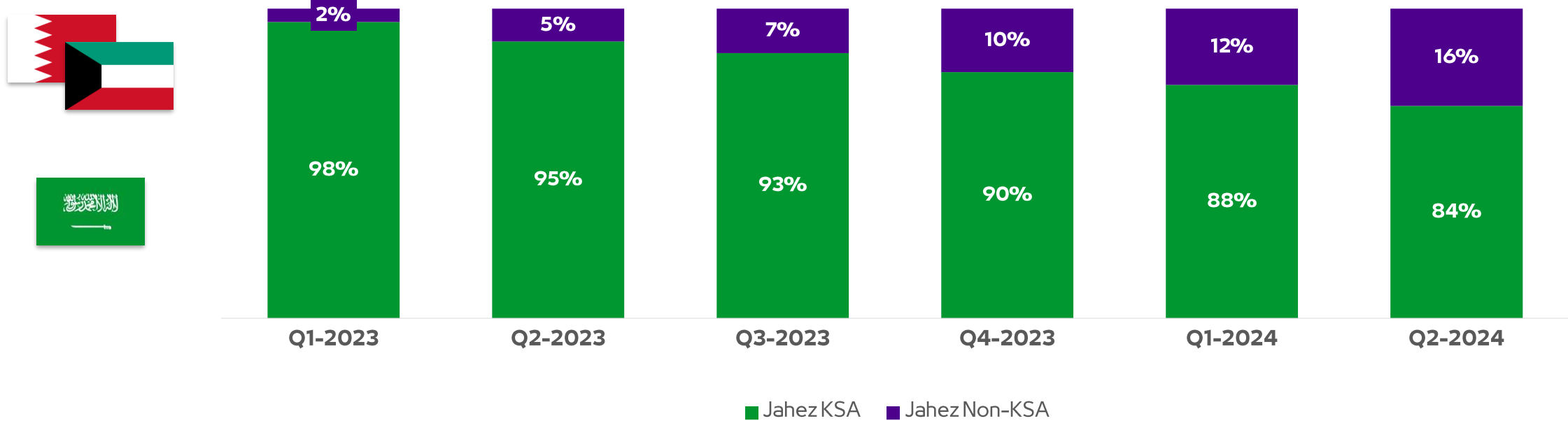
Jahez Group Non KSA growth



Non KSA

Jahez Group monthly orders % food delivery platforms

% food delivery platforms



Organic growth of Jahez brand in Non KSA markets



KSA New Regulatory Compliance Update

Regulation & Update

Status

5 phases to Stop non-Saudis freelancers working in delivery

- Leveraged reallocation of own fleet to complete phase 1 in April & Phase 2 in July
- Increased own fleet driver while monitoring the costs through optimal dispatch algorithm



Non-Saudi Drivers to use approved uniforms

- Jahez Group internal driver fleet continue to comply with Jahez uniform requirement
- 3PL responsible for their fleet uniform and in process of conversion



Use of face recognition tech. delivery applications

- The specification of the technical capability required is under discussion with authority



Regulating the use of motorcycles in delivering

- increase in use of motorcycle in compliance with the regulatory guideline with better cost



Allow advertisements light transport vehicles

- Revenue stream started & additional negotiation with partners over ads deals ongoing



✓ Completed → In progress

2024/01/23

قرارات 6

لتنظيم قطاع توصيل الطلبات
ورفع مستوى الجودة

<p>اعتماد إبي موحد لغير السعوديين العاملين في النشاط</p>	<p>استمرار عمل المواطنين في النشاط</p>	<p>الزام غير السعوديين بالعمل عبر شركات النقل الخفيف فقط تدريجياً خلال 14 شهر</p>
<p>السماح بالإعلانات على سيارات النقل الخفيف بالتنسيق مع وزارة الشؤون البلدية والقروية والإسكان</p>	<p>تحديد اشتراطات وموايط استخدام الدراجات النارية في توصيل الطلبات بالتنسيق مع الإدارة العامة للمور</p>	<p>الزام التطبيقات بتفعيل خاصية التحقق من الوجهة للتحقق من هوية السائقين</p>

YE 2023

~2k
Driver

➔

YE 2024

+4k
Driver

2x growth planned in own fleet drivers

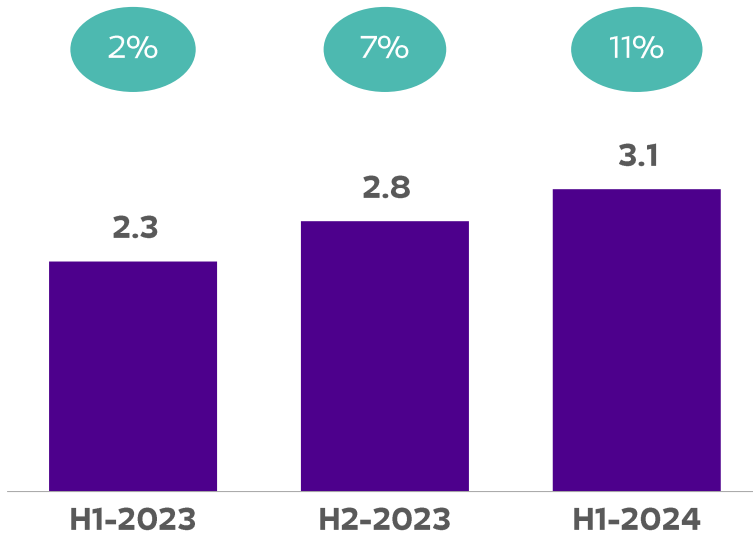
Early adoption to the regulation with strong position by operating +2k own delivery arm

H1 2024 Financial Performance

Group Key highlights - H1 2024

Jahez Group GMV

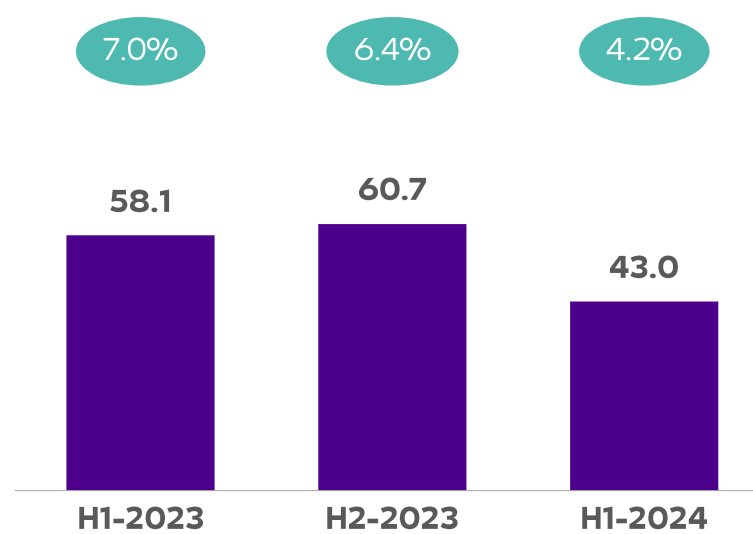
SARb
% of Non-KSA GMV



3bn GMV Milestone achieved with 31% YoY growth

Group net income

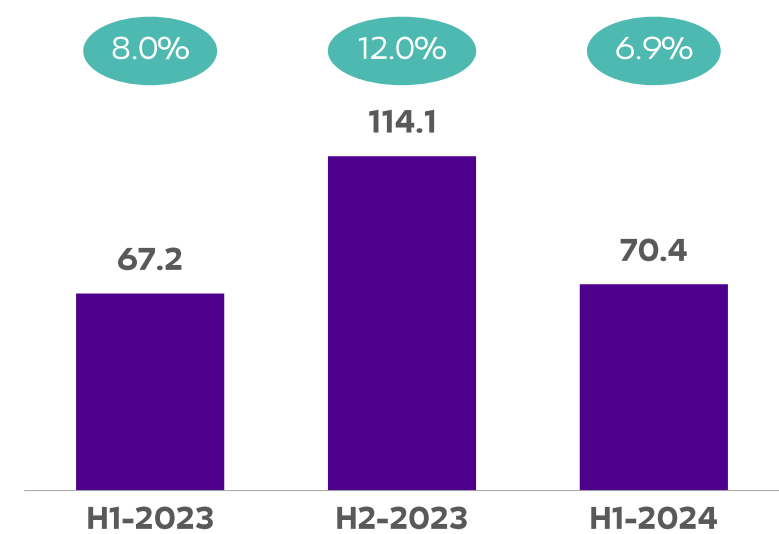
SARm
% of net revenue



Lower profitability driven by geographic expansion and strategic investments

Group Adj. EBITDA

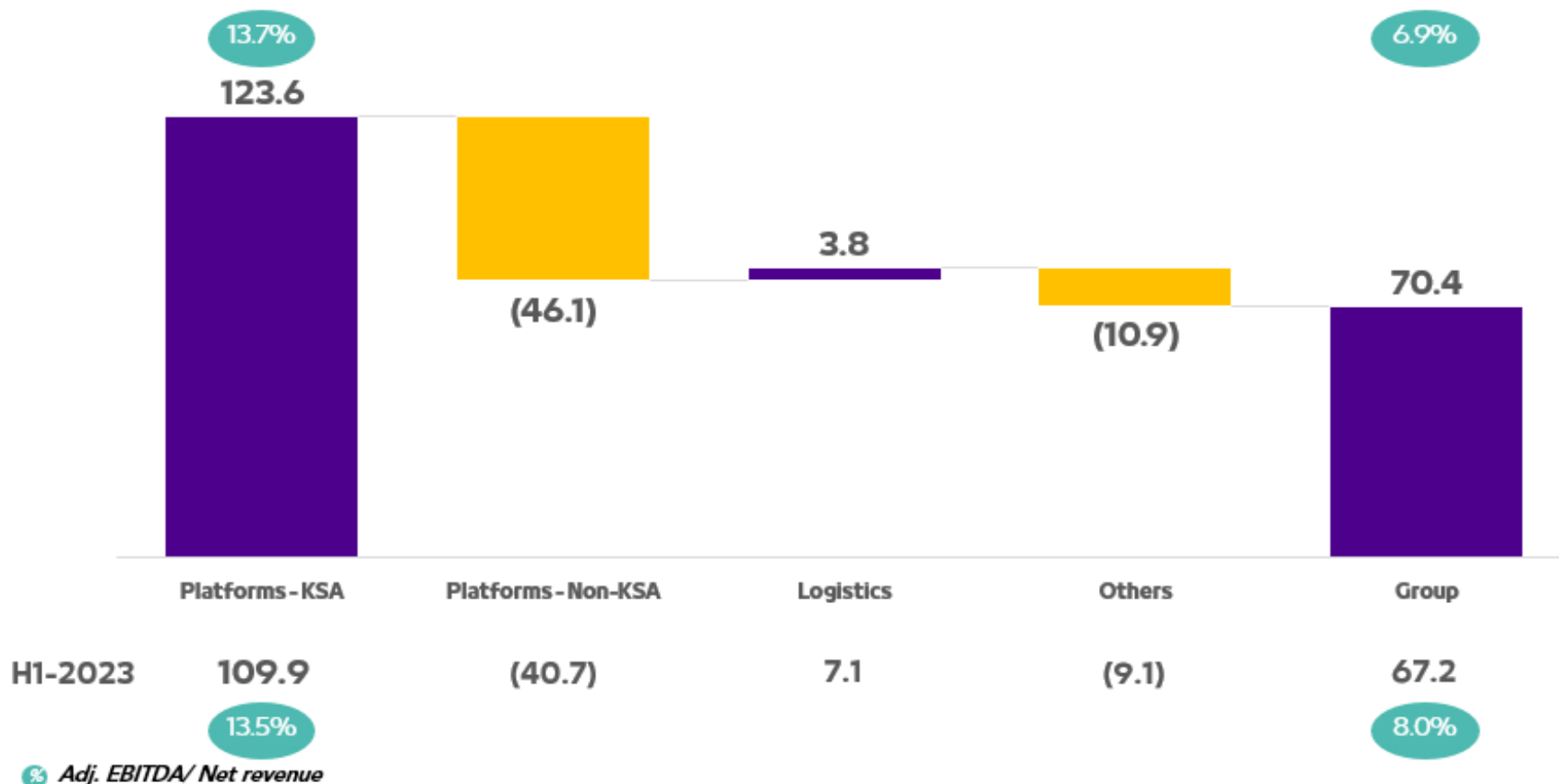
SARm
% of net revenue



Improvement of Adj. EBITDA in core business offset by losses in verticals

Adj. EBITDA 1H 2024 – By Segment

SAR in millions



KSA continues to be the fuel of growth initiatives

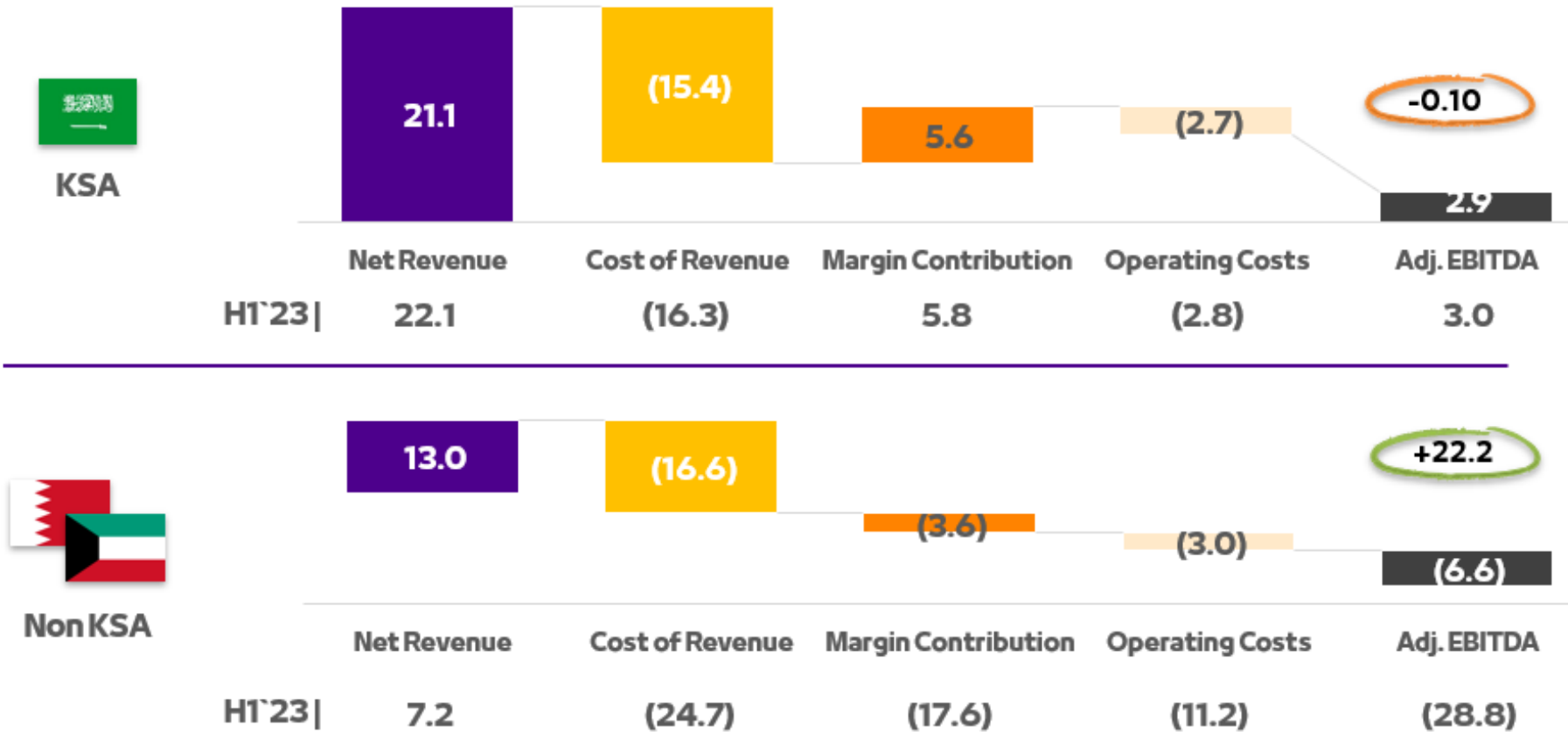
- KSA Platforms focus on securing market share & additional expansions within KSA regions while improving margins
- Non KSA Platforms continue to improve in UOE but losses increases due to volume
- Logistic focus on cost optimization initiatives to deliver reliable & competitive services to the group
- Others: Mainly ramp up of Marn, Co & SOL businesses and Red Color operating costs

Continued trend of improvement in KSA platforms fueling growth expansion

Unit Economics Delivery Platforms H1 2024



SAR per order



Strategic delivery campaigns impacting net revenue not covered fully by commission revenue increase

Improvement in cost per order due scale and price negotiation and fleet optimization

Slight decrease of the profitability by order of SAR0.10

Improved revenue from commission & delivery + start of advertising revenue

Significant improvement in delivery cost per order due to better utilization

Material UoE improvement of SAR22.20

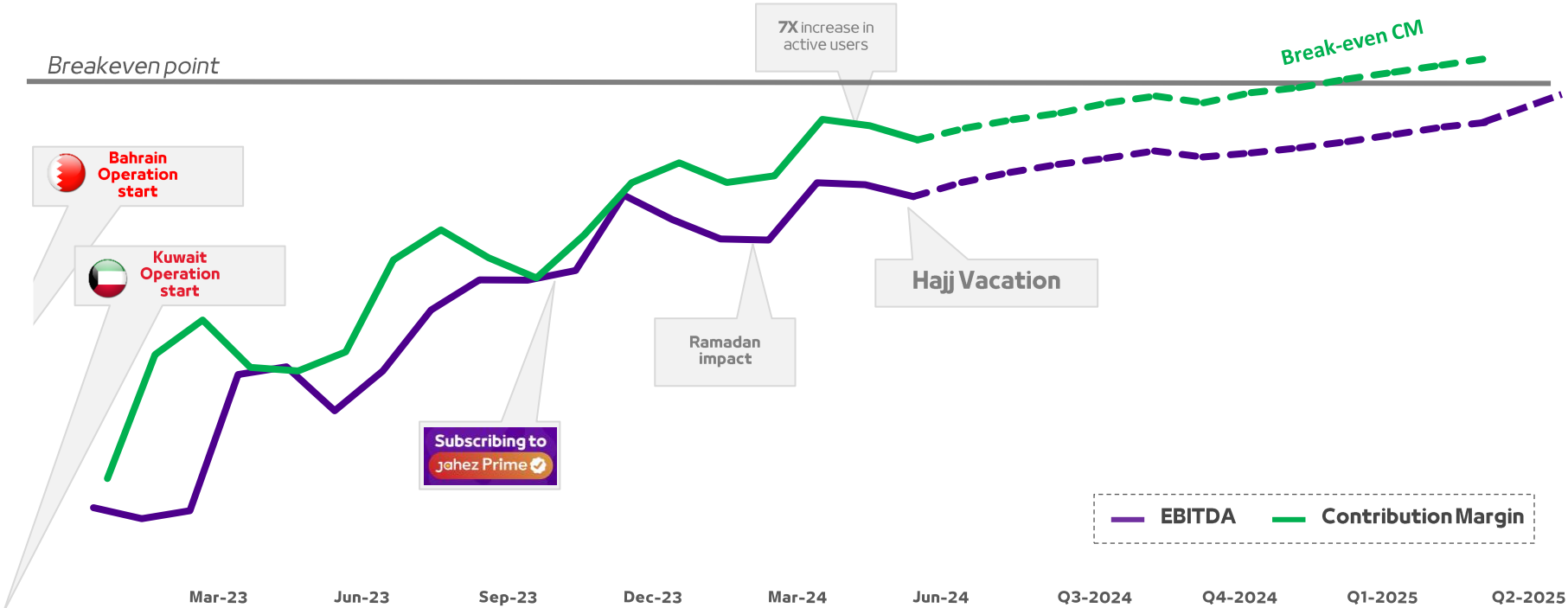
Maintaining KSA profitability with intense focus on UE improvement outside of KSA

Profitability Trend – Non-KSA Delivery Platforms



NonKSA

Bahrain & Kuwait CM & EBITDA UOE evolution journey



Non KSA operations on track to reach profitability milestone

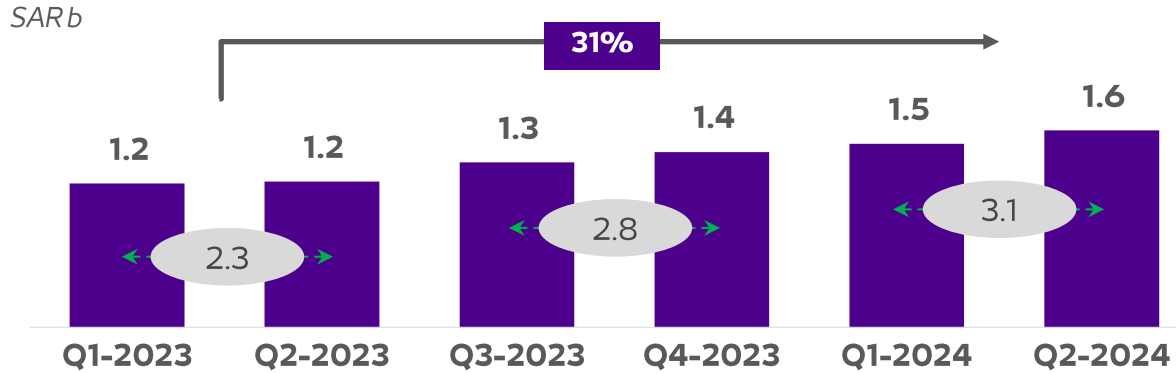
- Bahrain operation started in `22 with 1st order recorded in May -22
- Kuwait operation started in `23 with pilot operations in Jan
- Bahrain and Kuwait CM continues to improve in H1`24
- Non KSA contributes to 14% of Jahez Group Orders on track to reach the 15% milestone

Continuing positive trend in Kuwait & Bahrain to achieve breakeven



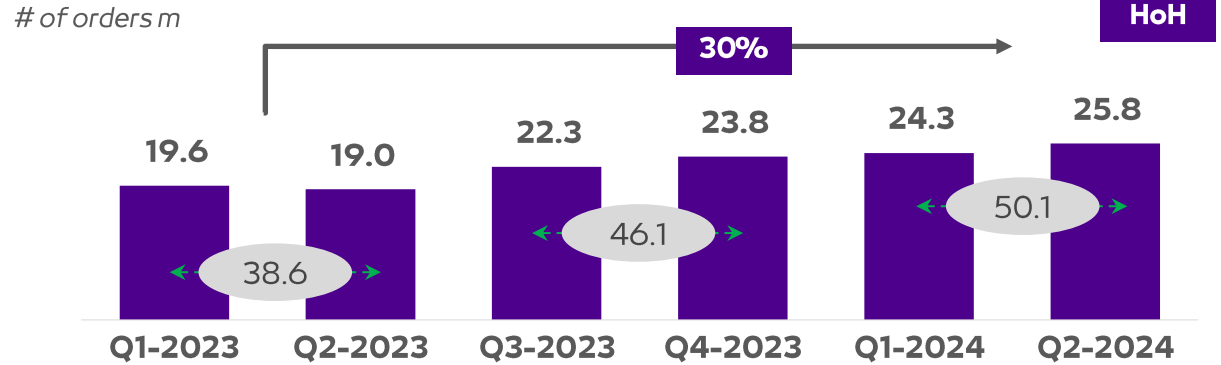
Key KPIs H1-2024

GMV



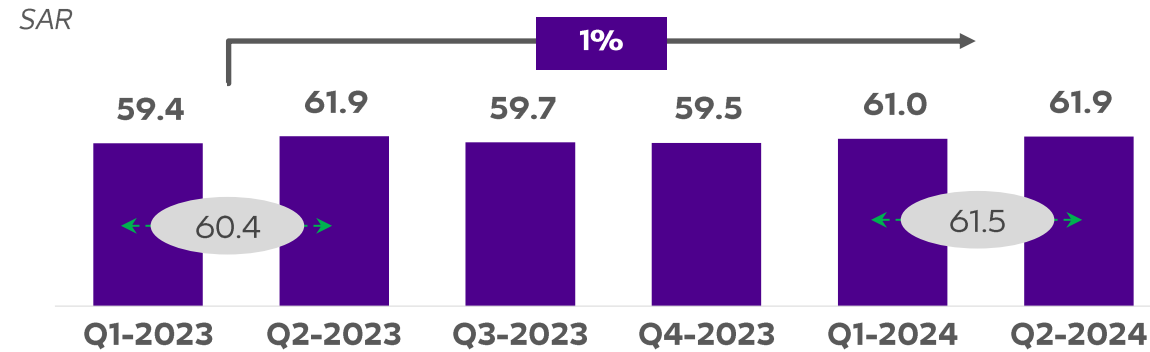
Strong GMV growth due to expansion in KSA & accelerated ramp up operations in Kuwait & Bahrain

Number of orders



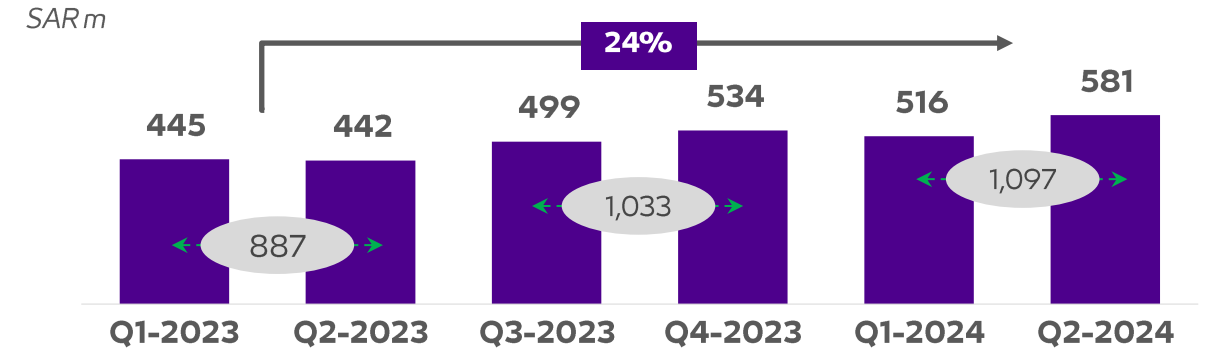
Consistent volume growth capturing market share in KSA and non KSA platforms

AOV



Slight growth in the blended AOV across markets

Gross Revenue



Higher gross revenue across streams despite strategic slowdown in delivery revenues

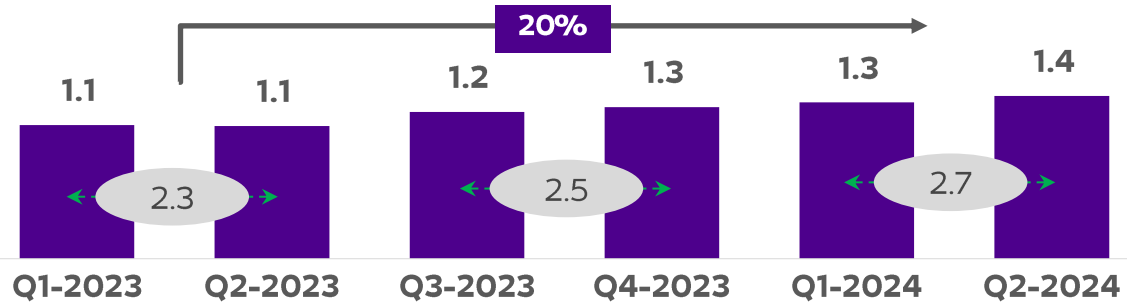
Key KPIs H1-2024 - KSA Platforms



KSA

GMV

SARb

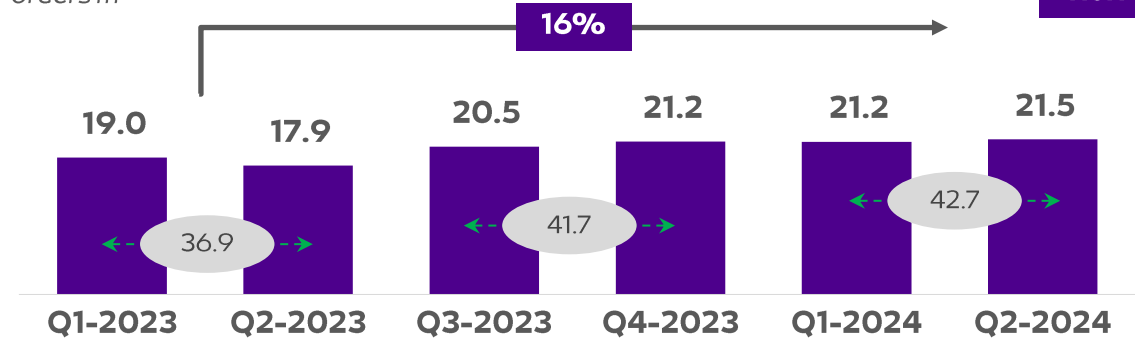


20% ↑ GMV with outpaced growth vs the broader market, mainly outside central region

Number of orders

of orders m

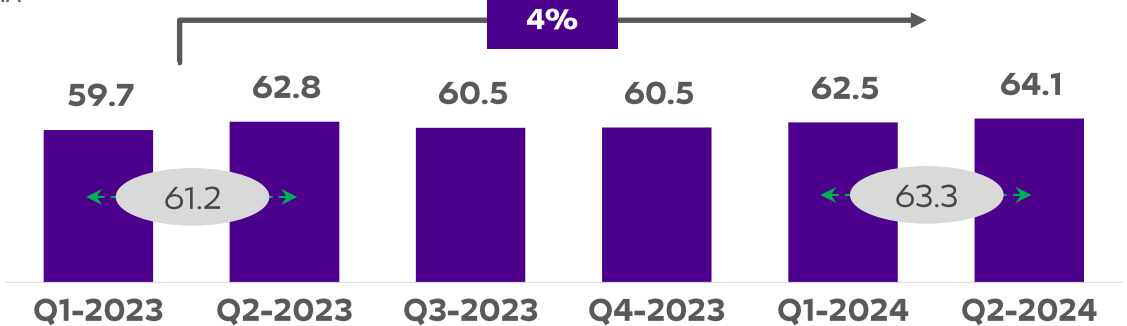
HoH



Growth over H2 '23 despite seasonality due to KSA regional penetration.. All regions outside of central grew >19%-48% YoY

AOV

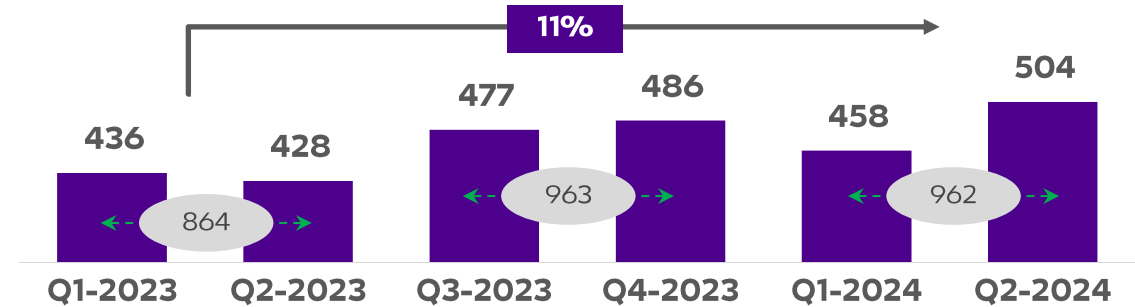
SAR



Improved spending due to creating bundles & group offering that matches consumer preferences + Merchant mix

Gross Revenue

SARm



37% growth in Commission revenue YOY with other revenue offsetting delivery revenue decline



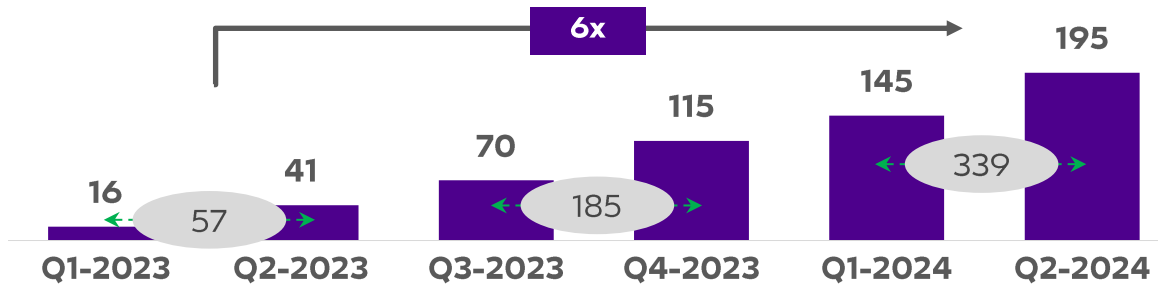
Key KPIs H1-2024 - Non-KSA Platforms



NonKSA

GMV

SARm

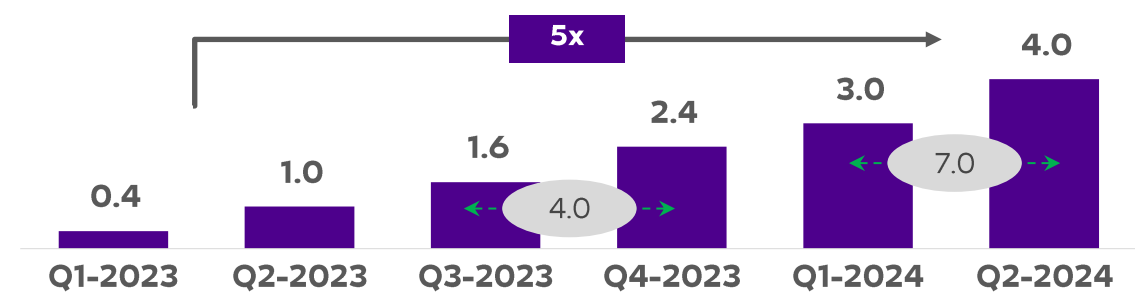


GMV forming 12% of overall group with Kuwait share growing due to market penetration

Number of orders

of orders m

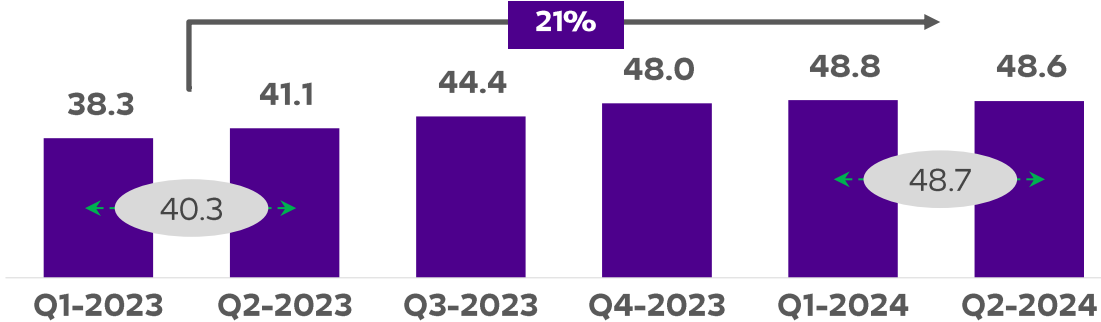
HoH



Bahrain penetration as well as Kuwait start of operation timing (Full operation in 2024 vs. partial operation in H1 2023)

AOV

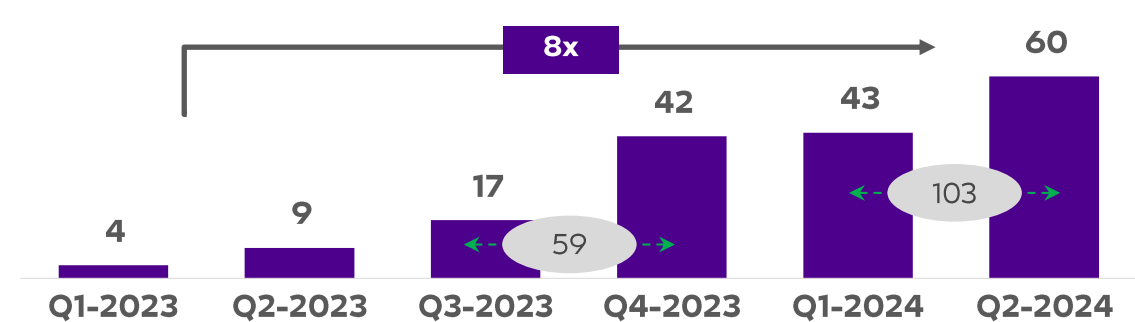
SAR



21% Improved AOVoY due to change in merchant and country mix (higher spending habits in Kuwait vs. Bahrain)

Gross Revenue

SARm

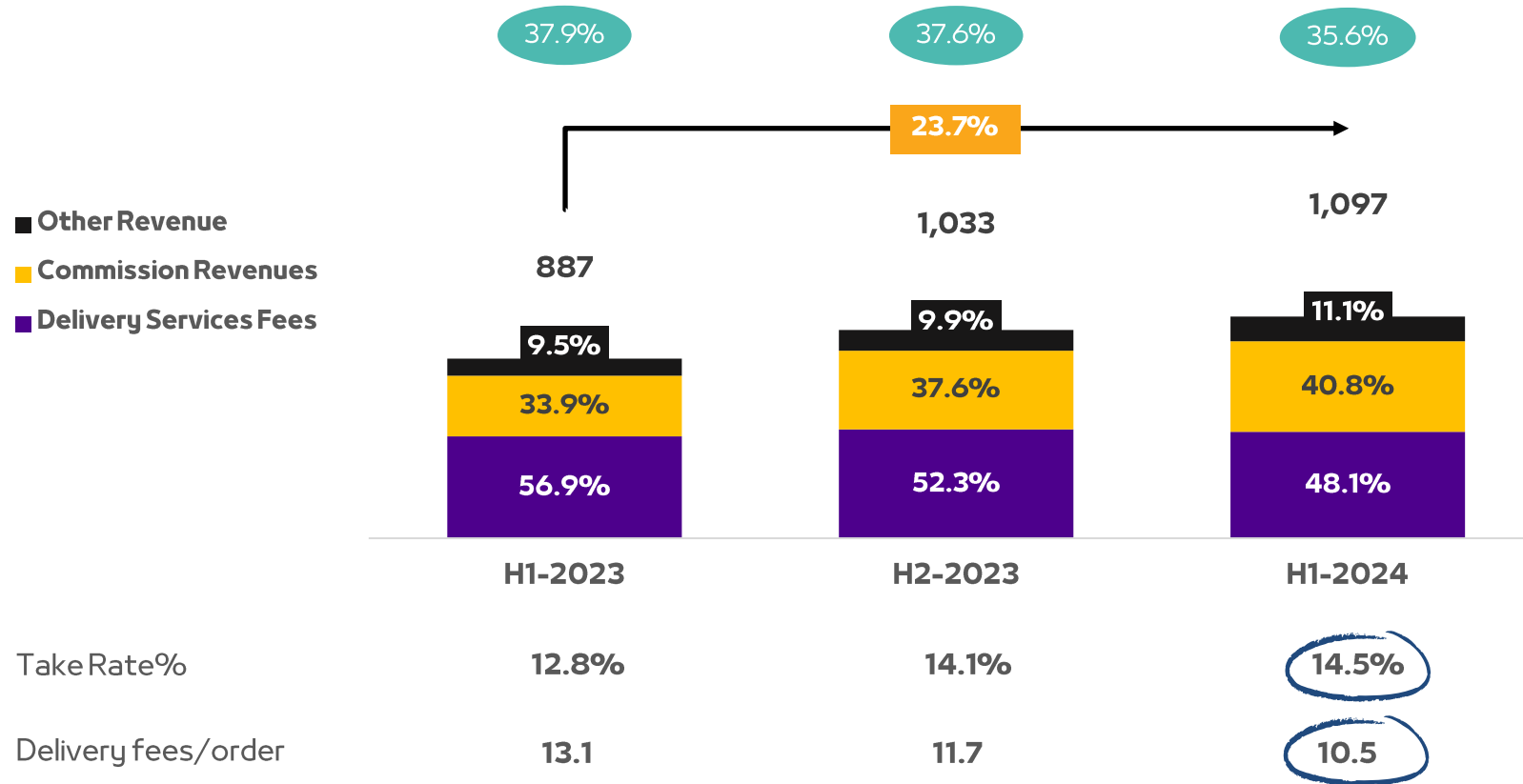


Improvement in delivery revenue and better commission rates with the start of advertising revenue



Gross revenues Streams H1 2024

SARm, %



Revenue growth with improvement in commission & delivery revenue

- Negotiating higher take rates with the merchants from 12.8% in H1 2023 to 14.5% in 2024 improving the commission revenue per order coupled with the GMV growth
- Lower delivery revenue per order in line with the market dynamics & regional expansions coupled with an optimized cost per order
- Other revenue grew by 36% YoY... e-payments, advertising, subscriptions (and non-platform revenues)

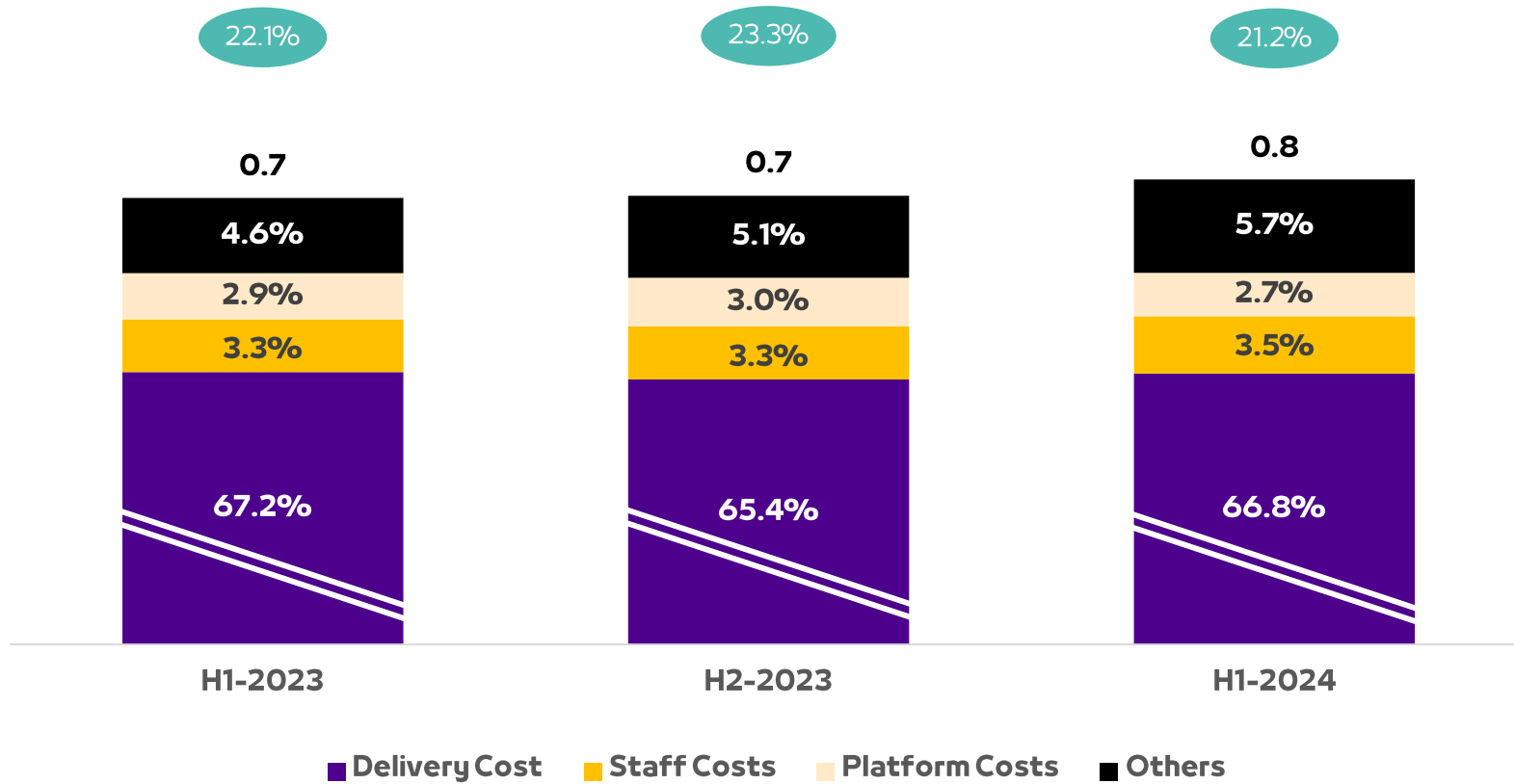
% Gross Revenue/GMV

Solid partnerships with merchants improving take rate & other revenue streams

Cost of Revenue H1 2024

breakdown (as % of Net Revenue)

SARb, %



Maintaining Gross Profit at 21.2%

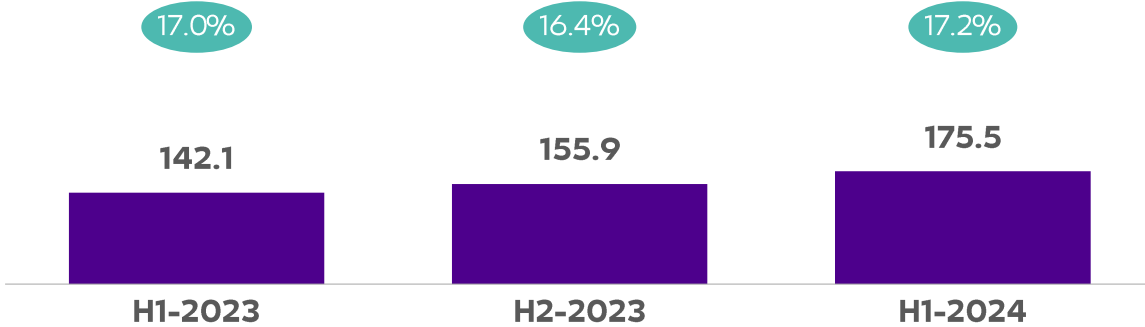
- Delivery Cost (external and own fleet) (674m in H1 24 vs 545m in H1 23)
- Staff growth related to building the infrastructure to grow regionally and internationally
- Platform cost related to running the servers & 'Tawseel' services charges
- Other costs are mainly related to bank fees and non platform related costs

Healthy gross profit % to sales despite GCC growth ramp up cost

Operating Costs H1 2024

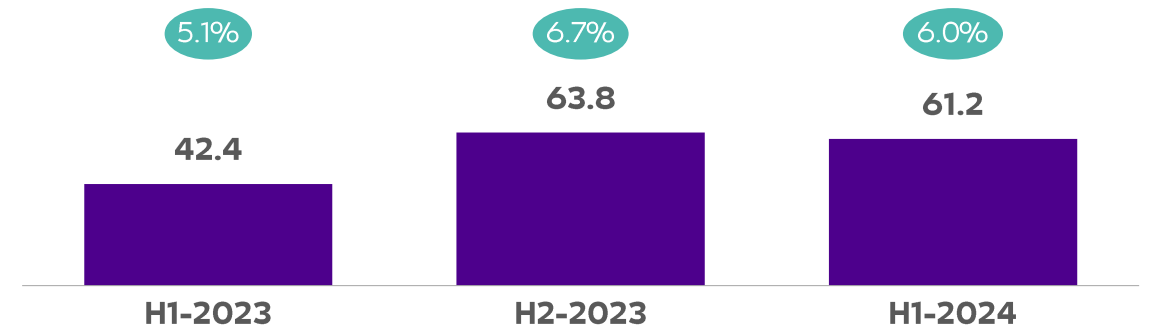
Operating costs

% of net revenue, SARm



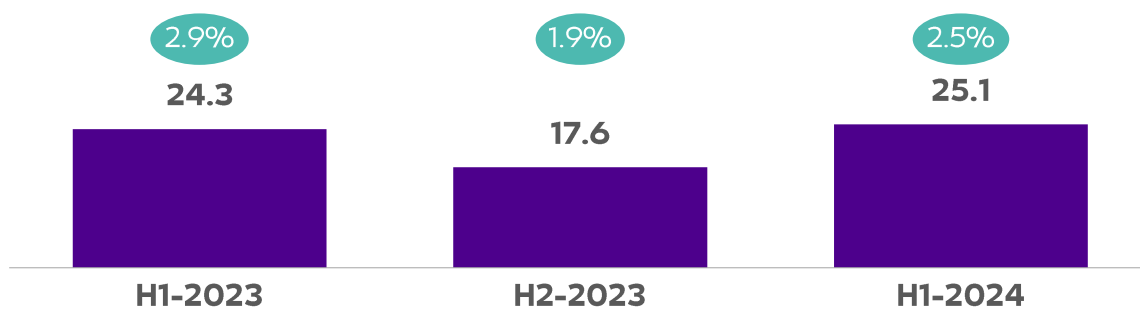
G&A

% of net revenue, SARm



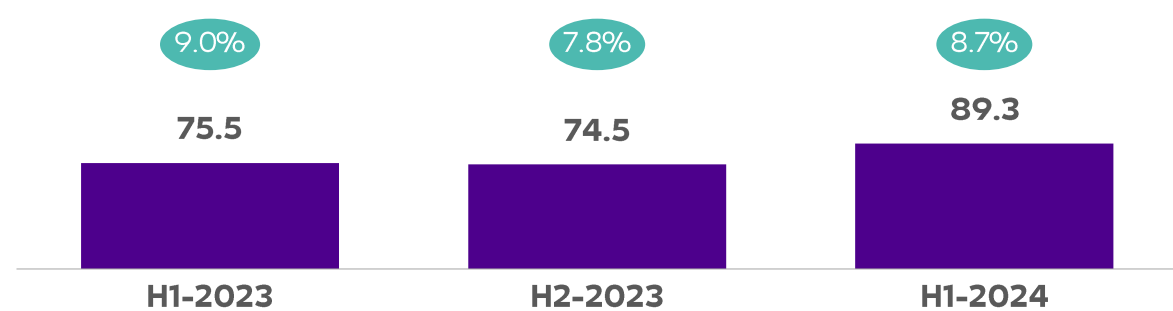
R&D

% of net revenue, SARm



S&M

% of net revenue, SARm

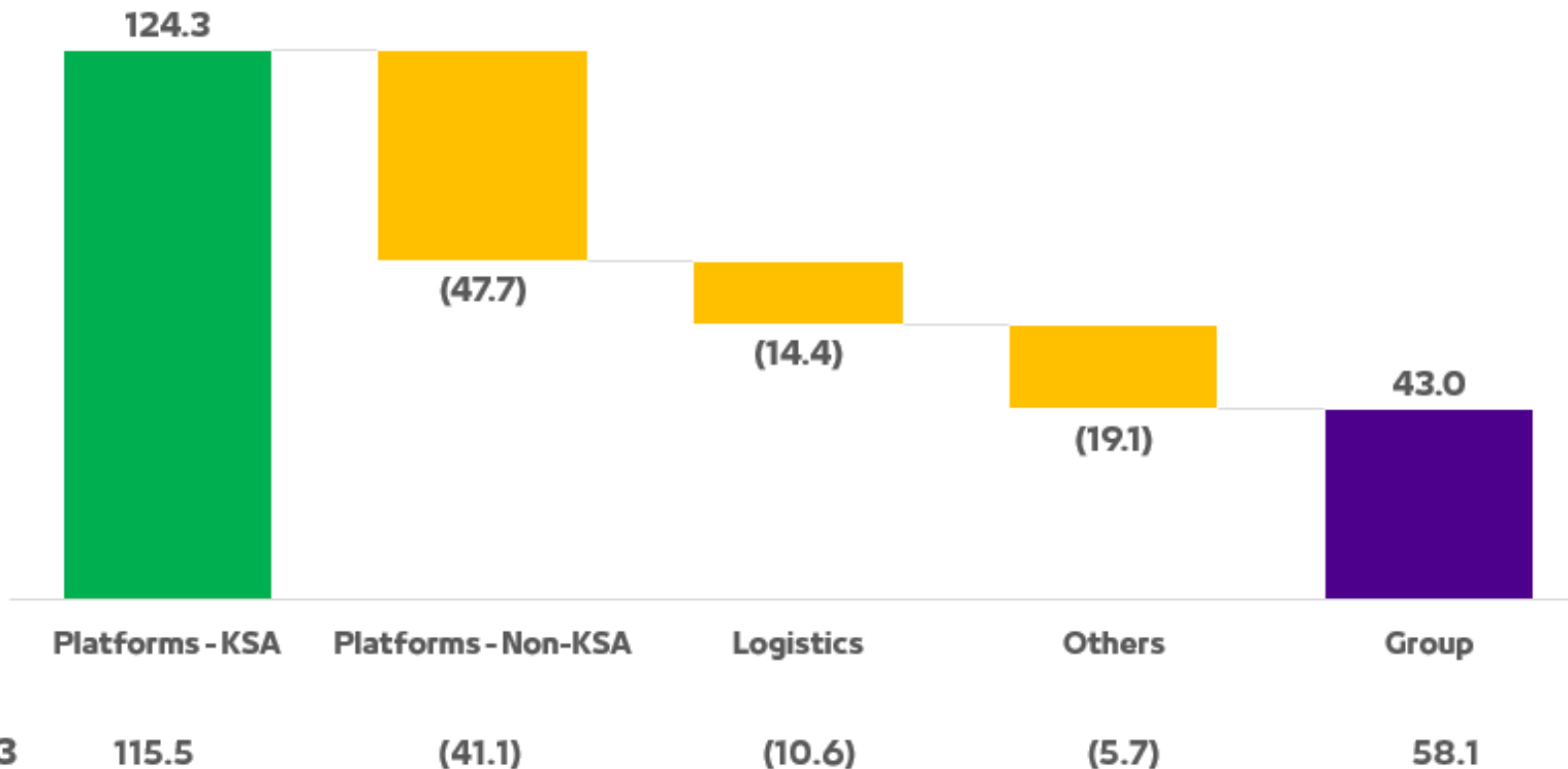


Maintaining operating costs in line with revenue growth

Group Net Profit by segment H1 2024

Group net Profit By segment

SARm

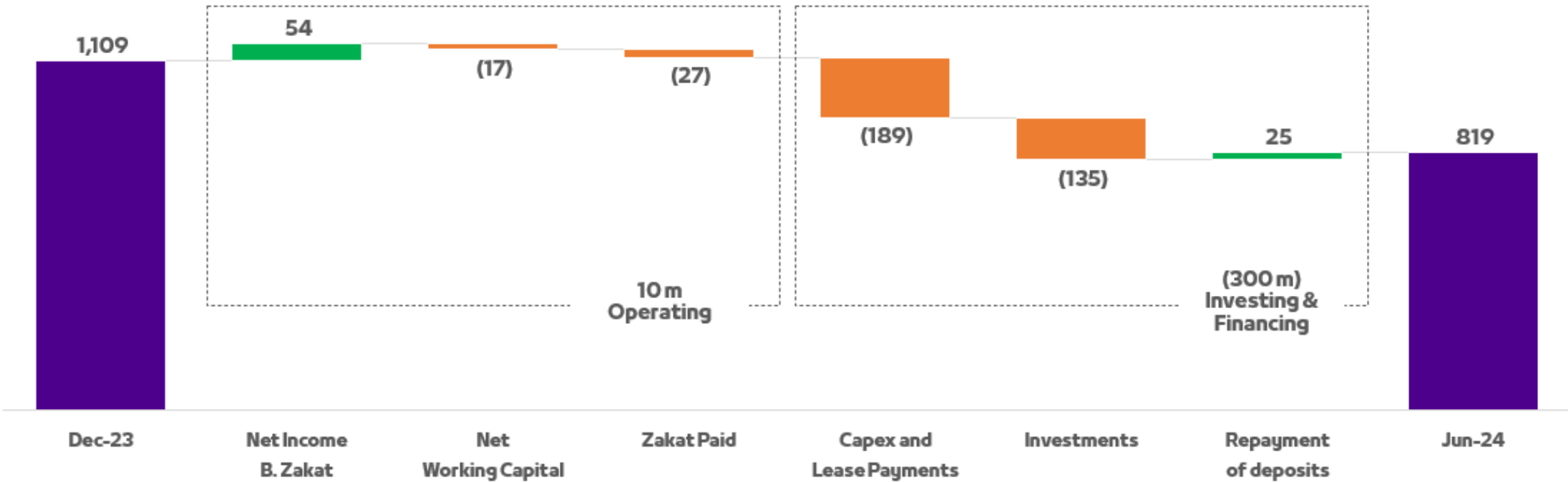


- Saudi platforms grew by 8% YoY with spending on regional growth within KSA to consolidate market positioning
- Non-Saudi Platforms net losses increased by 16% driven by Kuwait full operation in '24 vs. partial in '23 and 6x volume growth
- Logistic additional cost related to building organization structure as well as ECL on drivers' receivables
- Others Segment includes Co, Marn, Sol & Red Color minority investments portfolio

KSA Continues to fuel expansions in non KSA & other vertical investments

Net cash position

SAR m



Maintaining strong positive cash position to fuel the expansion plan

FY 2024 Guidance

FY 2024 Guidance

SAR

	H1 2024 Actuals	FY 2024 Original Guidance	FY 2024 Updated Guidance
GOV*	4.1b	8.0b - 9.0b	8.0b - 9.0b
GMV	3.1b	6.1b - 6.8b	6.1b - 6.8b
Net Revenue	1.0b	2.1b - 2.4b	2.1b - 2.4b
Adj. EBITDA	70.4m	200m - 240m	170m - 200m

Q&A

Thank You



IR@Jahez.net

jahez
Group

Definitions

GMV The gross merchandise value of products sold in a certain market in a specific period, excluding the following:

- value added tax on the value of the order.
- The total delivery fees.
- 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:

- value added tax on the value of the order.
- The total delivery fees.
- 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 Revenues Excludes the impact of cashback and compensations paid to customers classified in the FS as deduction of revenues as per IFRS15