



Earnings Call Q3 2024

November 2024

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Agenda

Speakers



Ghassab Al Mandeel

Group CEO

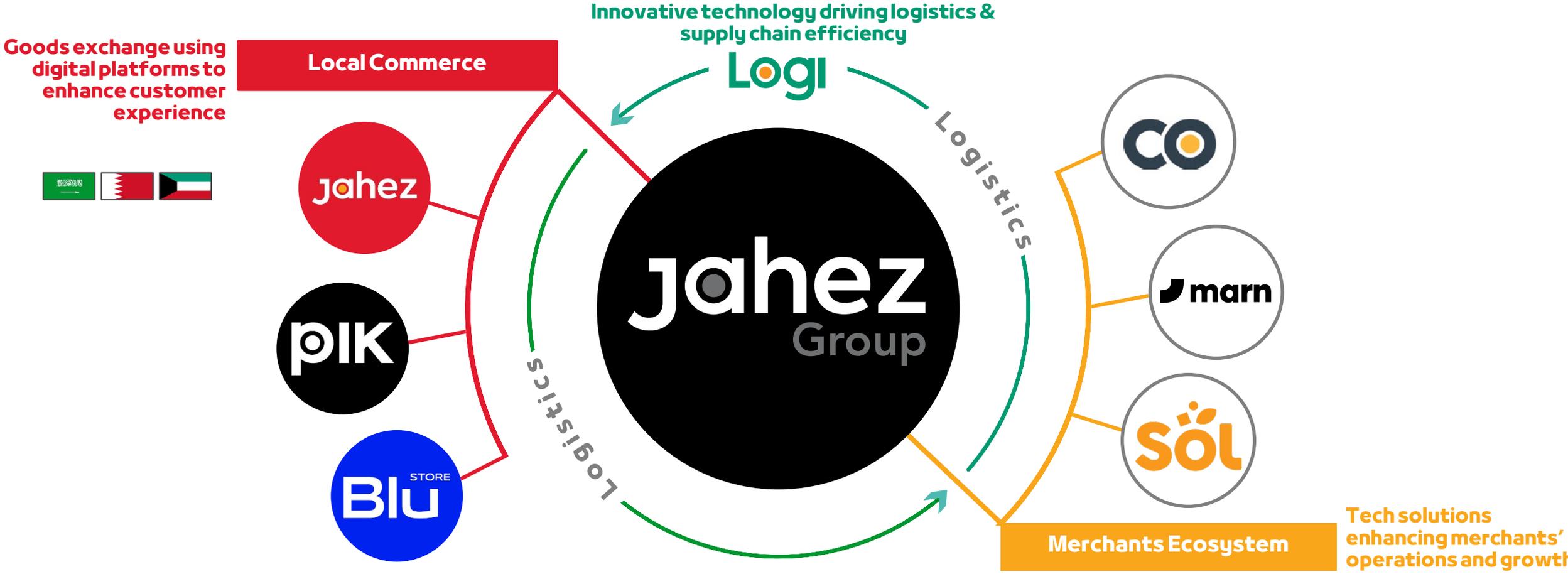


Heni Jallouli

Group CFO

- 1 Key Highlights**
- 2 9m 2024 Financial Results**
- 3 2024 Outlook**

Jahez Integrated Business Ecosystem



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

Growth engines driving revenue and strategic integration across the merchant ecosystem



- Provides fully equipped kitchens for delivery-only restaurants.
- Offers cloud shelving for e-commerce, supporting quick commerce and storage needs.
- Drives revenue through variable commissions and long-term leases.
- Enhances Jahez's value chain by enabling restaurant scalability and supporting quick-commerce operations.



- Delivers advanced point-of-sale systems and integrated service platforms to merchants.
- Creates new revenue streams by optimizing merchant operations and customer engagement.
- Boosts operational efficiency for merchants within the Jahez ecosystem and enhancing customer engagement and satisfaction.



- Focuses on F&B supply chain management for the HORECA sector (B2B).
- Creates new revenue streams through strategic partnerships, inventory management, and delivery services.
- Leverages Jahez's data and customer base to expand market reach and streamlines supply chain operations for merchants.

One Stop for your **ESTABLISHMENT NEEDS**

FOR YOUR **Hotel, Café, Office, Restaurant, Catering, Cloud Kitchen**

Driving value through Jahez's strategic investments

Main investments driving growth



Core revenue drivers

- Key contributors to the Group's overall revenue, while generating new income streams.

Independent yet integrated

- Operating as standalone entities, while services are fully integrated into the Jahez ecosystem.

Strategic expansion

- Key to Group's strategy to expand market reach.
- Offering scalable solutions that meet the needs of growing demand in KSA and beyond.

Synergistic minority portfolio



Complementary Capabilities

- Bringing additional strengths to Jahez's core operations, particularly in logistics, fintech, and merchant services.

Innovation and efficiency

- Driving innovation and improving operational efficiency to support Jahez's growth by enhancing merchant and consumer services.

Regional and Sectoral Expansion

- Through investments in companies like Parcel and Barq, Jahez is expanding its logistics footprint, while fintech investments like Moyasar and Hala open up new revenue opportunities in financial services.

Forward-looking strategy

Balanced growth approach

- Committed to a balanced approach, investing in both core businesses and minority portfolios to ensure sustained competitive advantage, growth, and profitability.

Long-term value creation

- Integration of investments to create long-term value for Jahez and its stakeholders, positioning for continued success in the rapidly evolving market.

Q3 2024 Key Highlights

Key highlights for Q3-2024

Group

31% YoY Growth in GMV accomplished while improving overall, profitability reaching 15.0% Adj EBITDA to net revenue

Jahez KSA

23% YoY growth in GMV, with orders from cities outside of Riyadh reaching 44.4% of total orders... Capturing a bigger share in a dynamic competitive market

Non-KSA Platforms

Reached positive contribution margin by the end of the Q3 2024

Logi

Jahez Group Logistic Arm managing all Saudi Platforms orders... +3.6k internal driver fleet & strong 3PL partnerships... Strong position to be in line with KSA delivery regulation

PIK & Jahez

Signed strategic partnership with Al-Othaim investment group... Key brands of the group will be available in Jahez platforms as well as introduction of new unique online shopping experiences

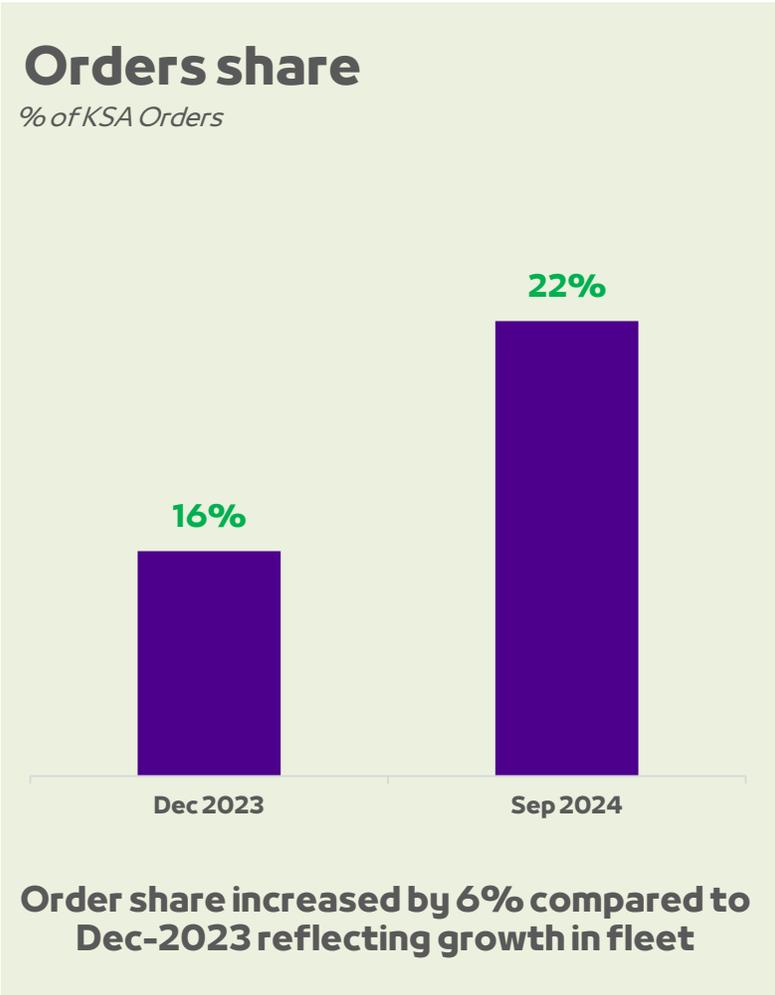
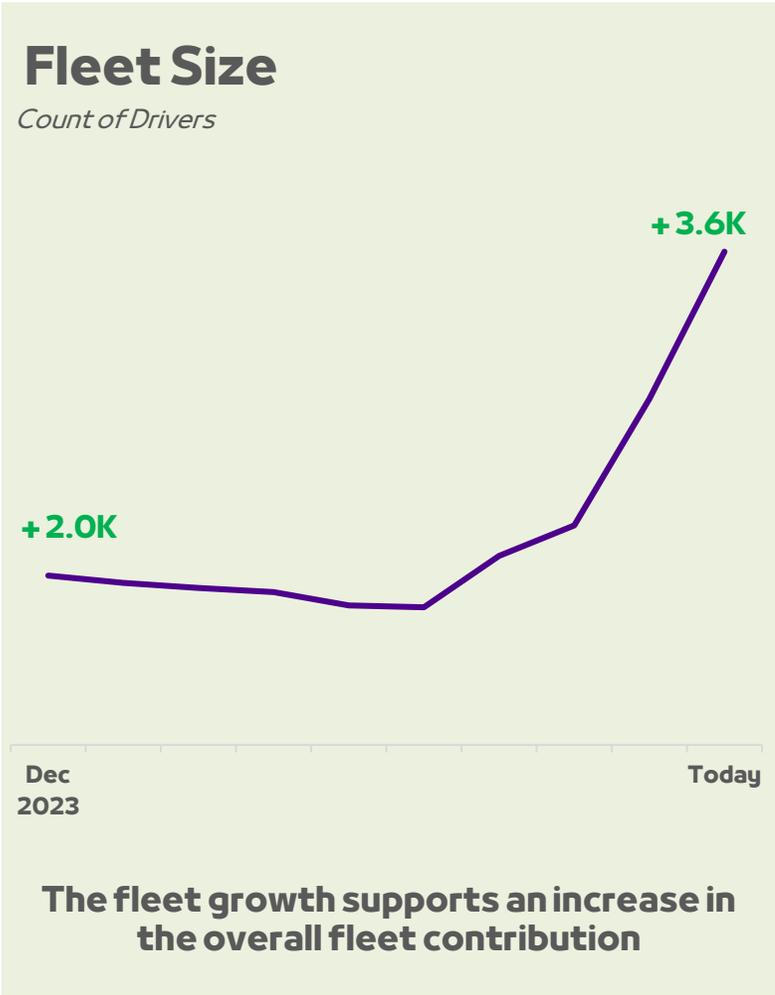
CO

Started execution of Sahaba project Partnership with Social Development Bank to professionally manage the productive family kitchen, marketing and operations

Logi fleet highlights



Logi's fleet size & performance



KSA New Regulatory Compliance Update

Regulation & Update

❖ 5 phases to Stop Non-Saudis Freelancers working in delivery

Leveraged fleet reallocation and increased own fleet drivers, utilizing an optimal dispatch algorithm to manage costs and complete Phase 1 to Phase 3 without impacting order volume.

-	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
Effective Date	1 st Apr 2024	1 st Jul 2024	1 st Oct 2024	1 st Jan 2025	1 st Mar 2025
Cities	Specific Cities	Specific Cities	All Cities except Jeddah & Riyadh	Jeddah	Riyadh
Status	✓	✓	✓	→	→

❖ Suspended issuing new licenses for motorcycles to deliver orders

On 15th Oct 2024, The Transport General Authority suspended issuing new licenses for motorcycles to deliver orders via applications until the new regulations are issued.

✓ Completed → In progress



<p>اعتماد زبي موجد لغير السعوديين العاملين في النشاط</p>	<p>استمرار عمل المواطنين في النشاط</p>	<p>الزام غير السعوديين بالعمل عبر شركات النقل الخفيف فقط تدريجيا خلال 14 شهر</p>
<p>السياسات بالإعلانات على سيارات النقل الخفيف بالتنسيق مع وزارة الشؤون البلدية والقروية والإسكان</p>	<p>تحديد اشتراطات وهوابط استخدام الدرجات النارية في توصيل الطلبات بالتنسيق مع الإدارة العامة للمرور</p>	<p>الزام التطبيقات بتفعيل خاصية التحقق من الوجهة للتحقق من هوية السائقين</p>

YE 2023

YE 2024

+2k

Driver

+4k

Driver

**2x growth planned in own fleet drivers
(Fleet size now reached to +3.6K Drivers)**

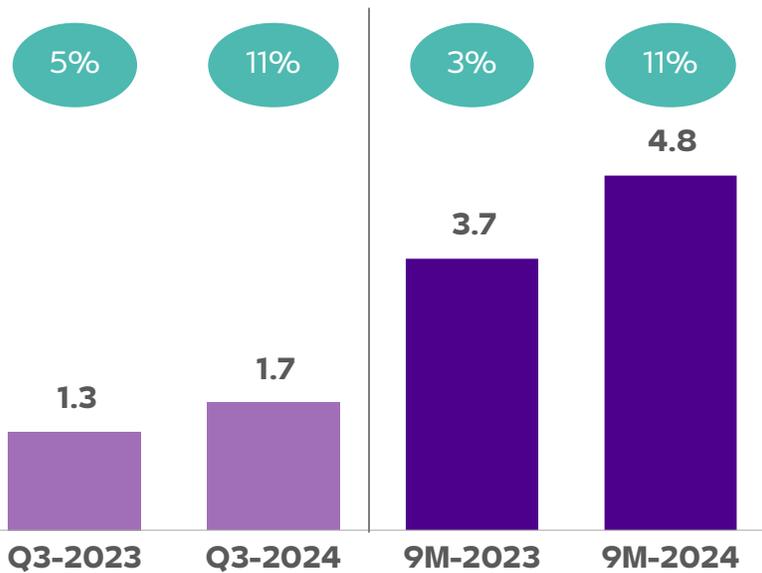
Early adoption to the regulation with strong position by operating +3.6k own delivery arm

Q3 2024 Financial Performance

Group Key highlights

Jahez Group GMV

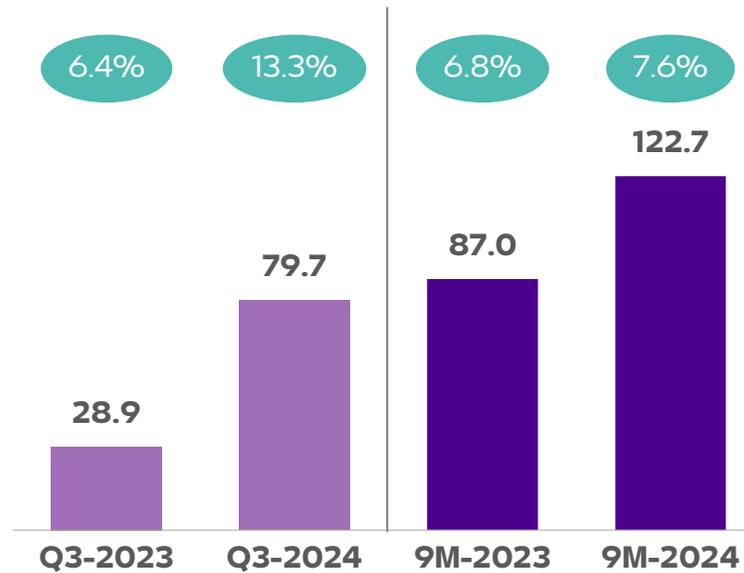
SARb
% of Non-KSA GMV



31% GMV growth for Q3 and 9m

Group net income

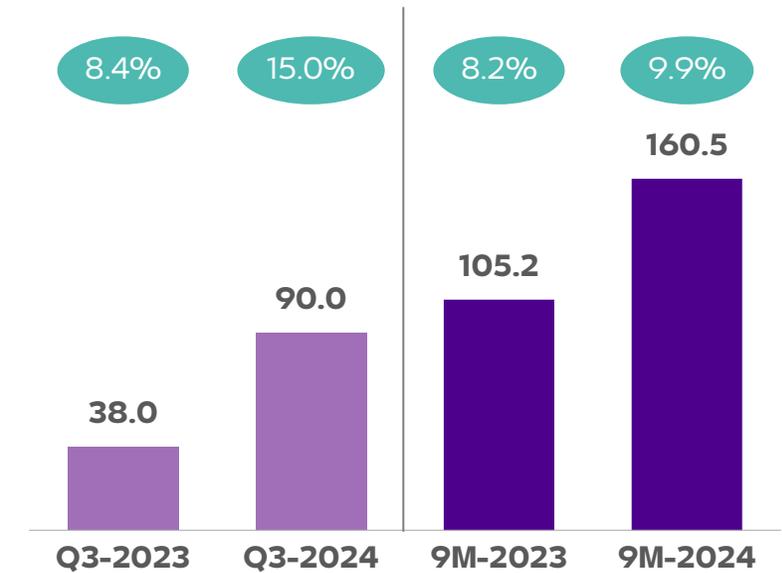
SARm
% of net revenue



2.8x growth for Q3 and 41% for 9m

Group Adj. EBITDA

SARm
% of net revenue

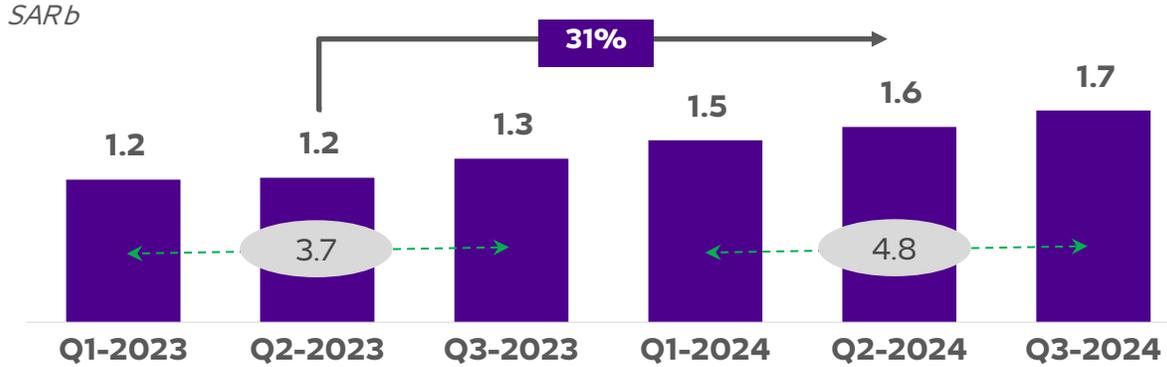


Strong 2.4x growth for Q3 and 52% for 9m

Q 9M

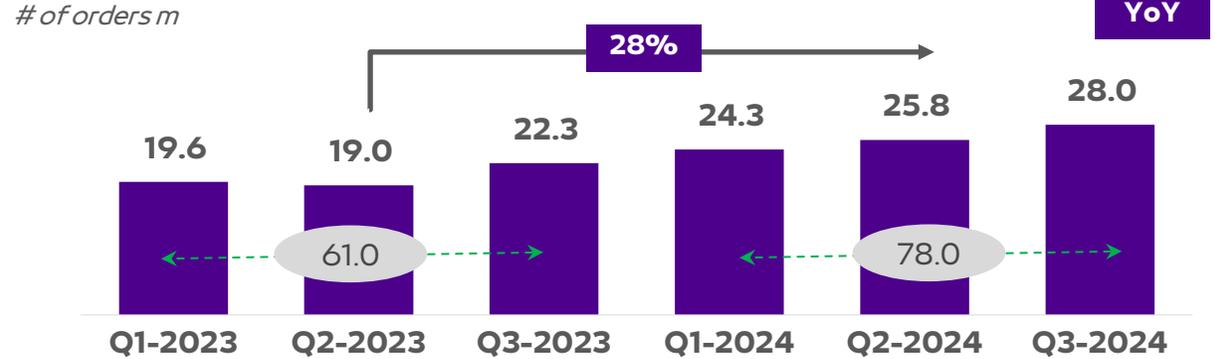
Key KPIs

GMV



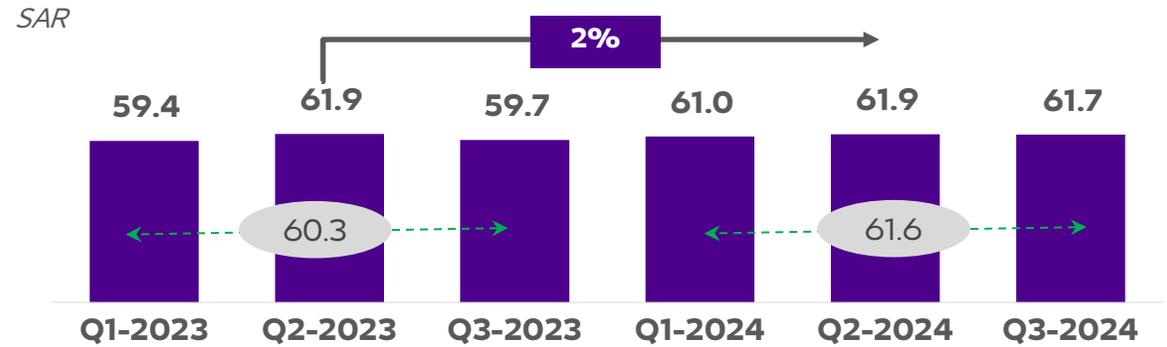
Strong GMV growth due to expansion in KSA & accelerated ramp up operations in Kuwait & Bahrain

Number of orders



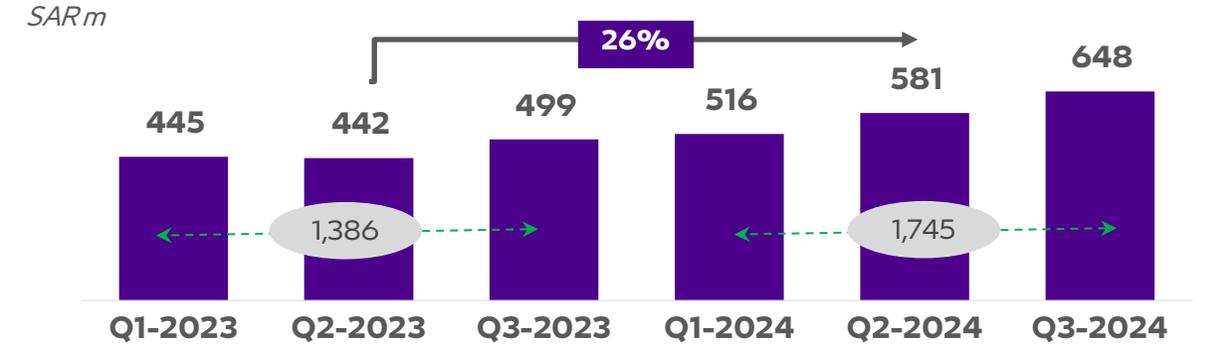
Consistent volume growth capturing market share in KSA and non KSA platforms

AOV



Slight growth in the blended AOV across markets

Gross Revenue



Higher gross revenue across streams driven by higher commission rates and Ad revenues

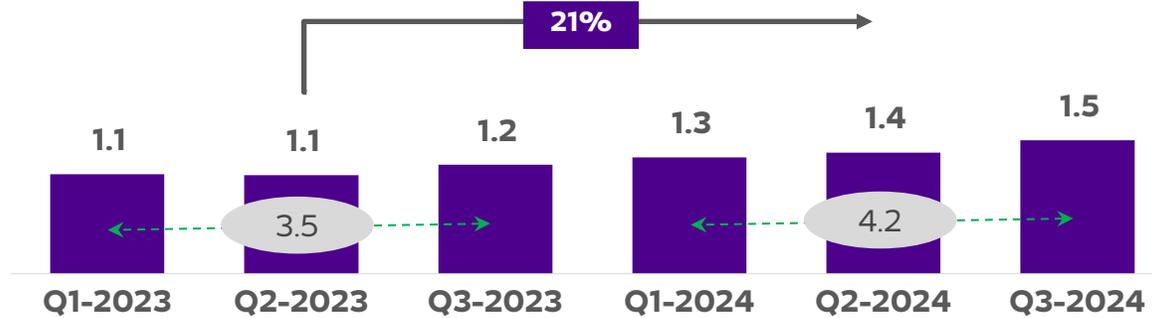
Key KPIs (KSA Platforms)



KSA

GMV

SARb

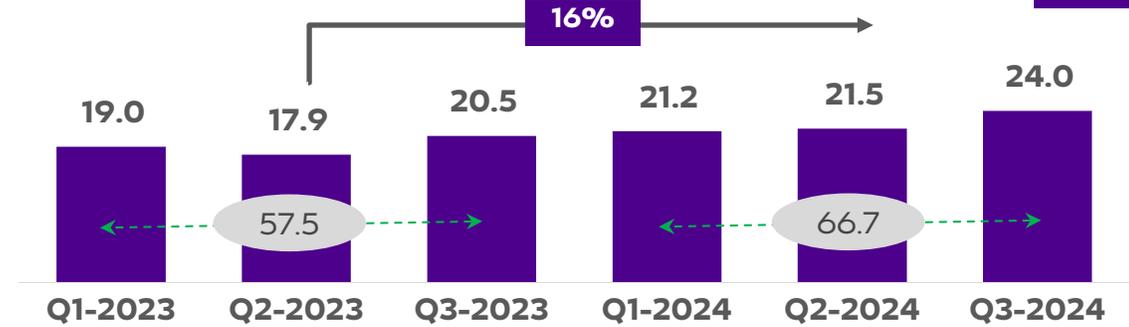


21% ↑ GMV showing market faster than market growth mainly outside Riyadh city

Number of orders

of orders m

YoY



KSA regional penetration.. All regions outside of central grew +35.5% YoY

AOV

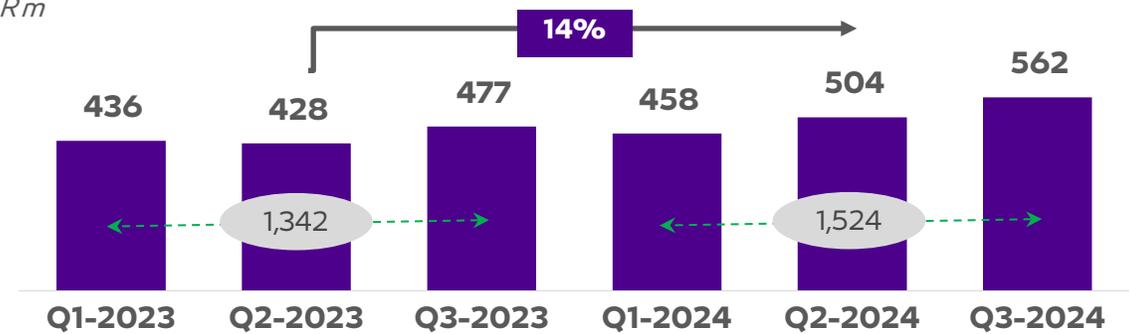
SAR



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

Gross Revenue

SARm



35% growth in Commission revenue YoY with 11% in other revenue and minimal increase in delivery revenue

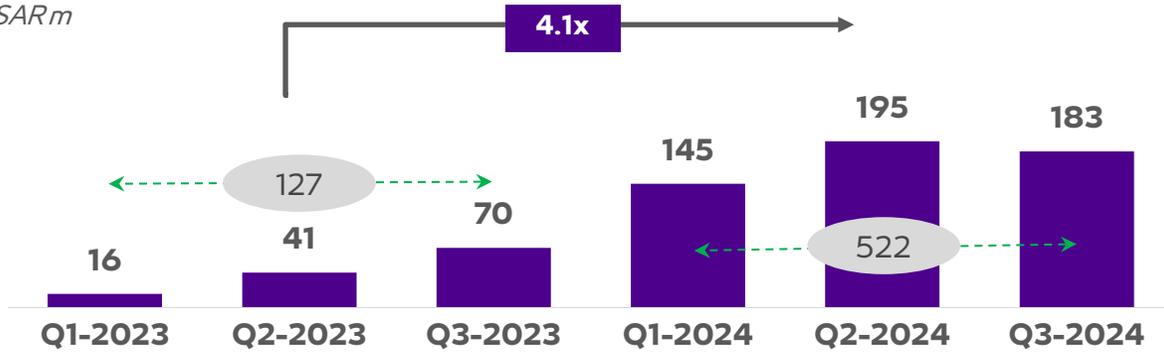
Key KPIs (Non-KSA Platforms)



Non KSA

GMV

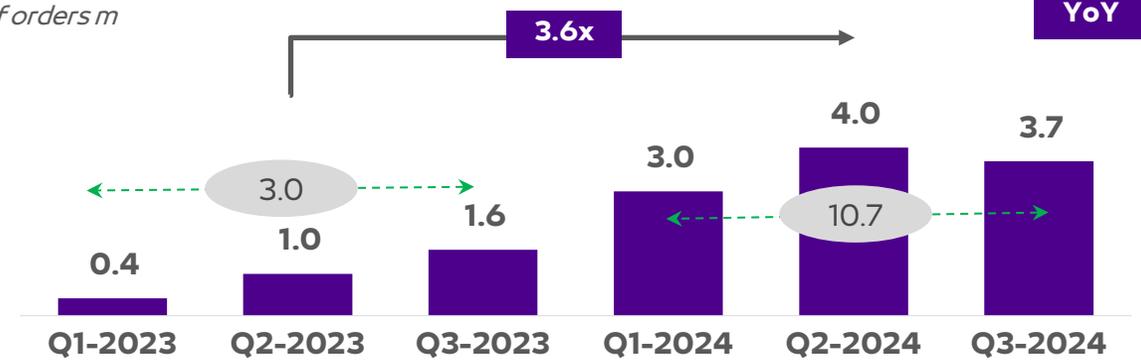
SARm



GMV forms 11% of the overall group with Kuwait share growing due to market penetration

Number of orders

of orders m



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

AOV

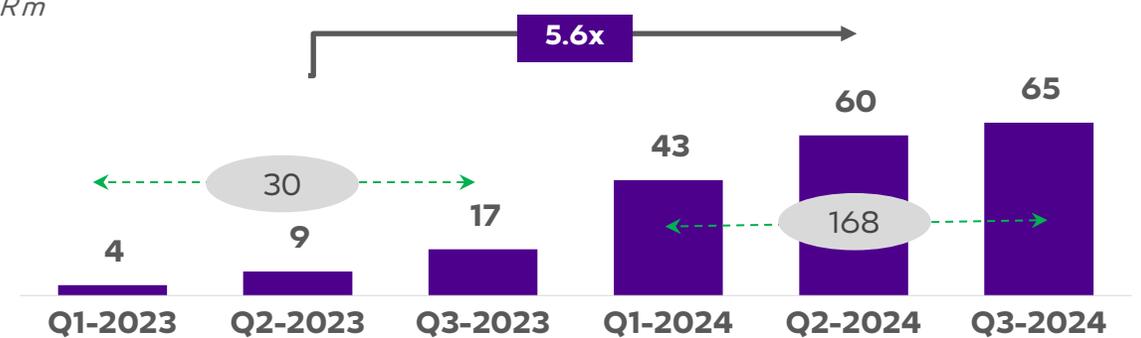
SAR



15% Improved AOV YoY due to change in merchant and country mix (higher spending habits in Kuwait vs. Bahrain)

Gross Revenue

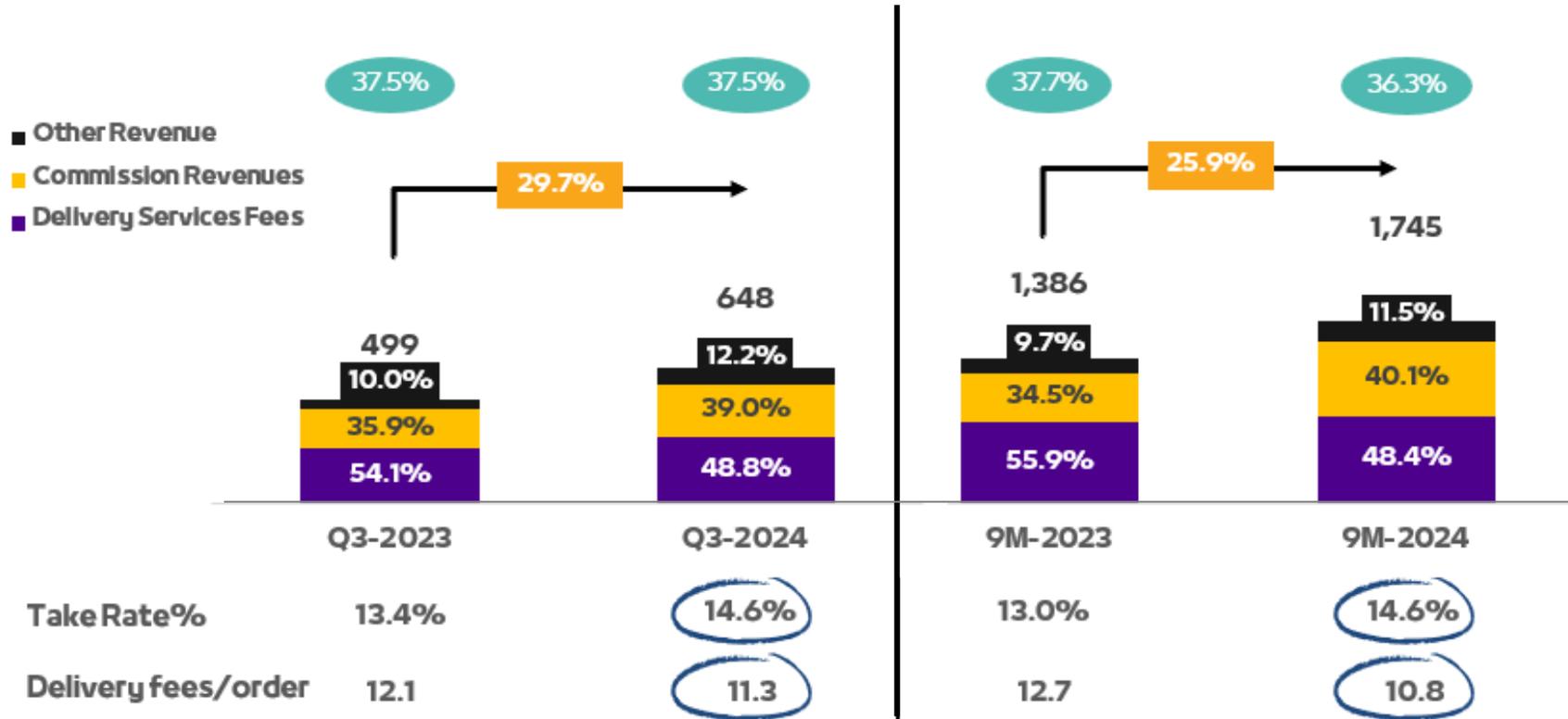
SARm



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

Gross revenues Streams 9M-2024

SARb, %



Revenue growth with improvement in commission & delivery revenue

- Negotiating higher take rates with the merchants from 13.0% in 9M-2023 to 14.6% in 9M-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 50% YoY... e-payments, advertising, subscriptions (and non-platform revenues)

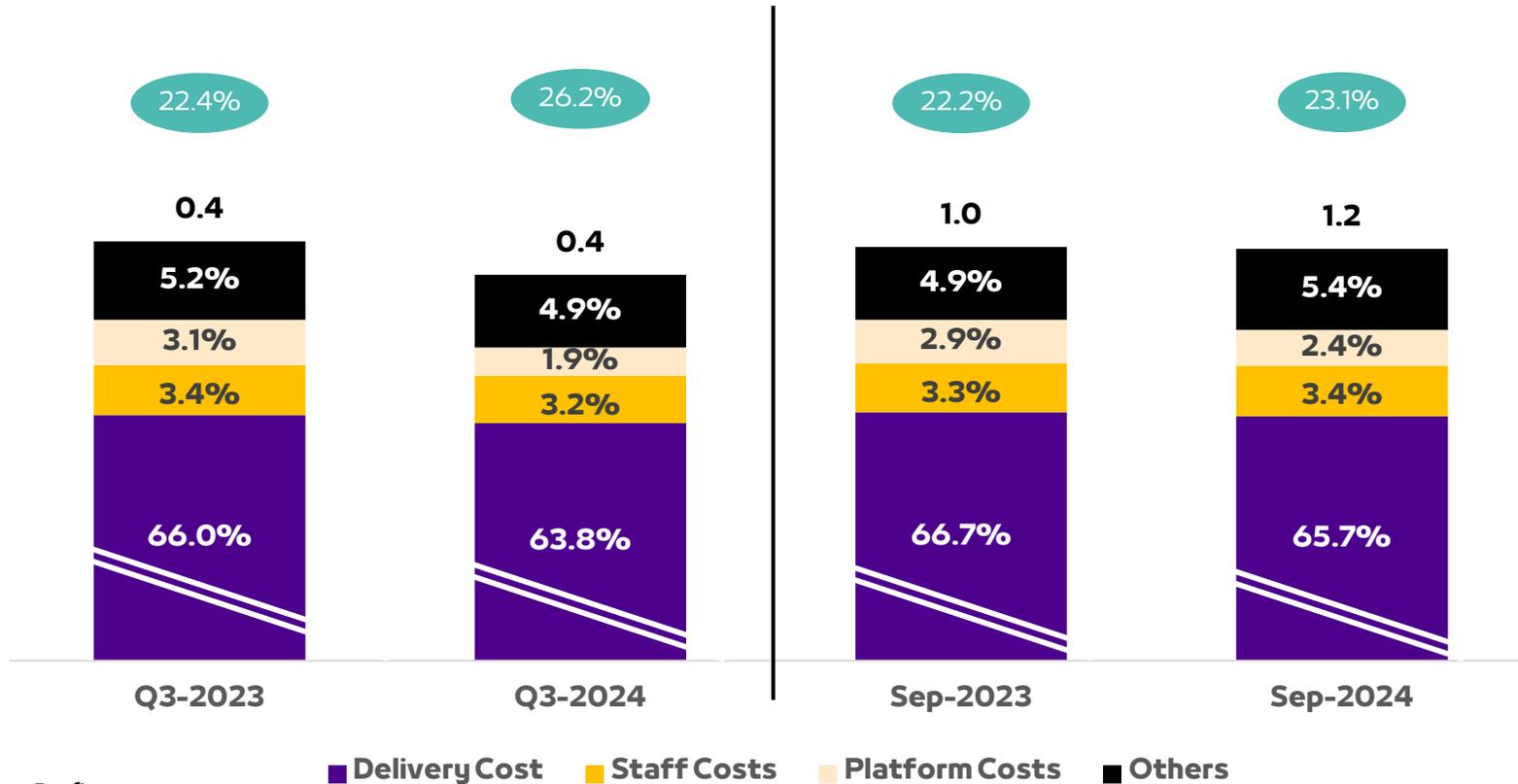
% Gross Revenue/GMV

Solid partnerships with merchants improving take rate & other revenue streams

Cost of Revenue 9M-2024

breakdown (as % of Net Revenue)

SARm, %



Increasing Gross Profit to 23.1% YoY and 26.2% QoQ

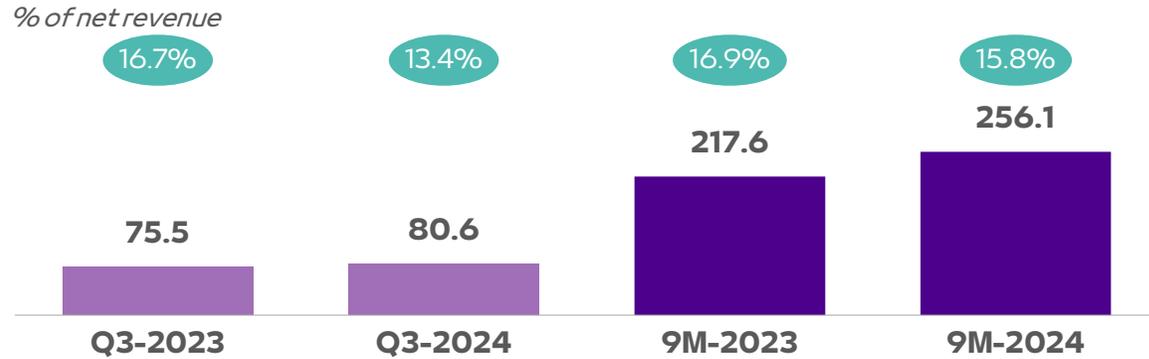
- Delivery Cost (external and own fleet) (1,053m in 9M-24 vs 1,001m in 9M-23)
- Staff growth related to building the infrastructure to grow regionally and internationally
- Platform cost related to running the servers & 'Tawseel' services charges
- Other costs are mainly related to bank fees and non platform related costs

% Gross Profit

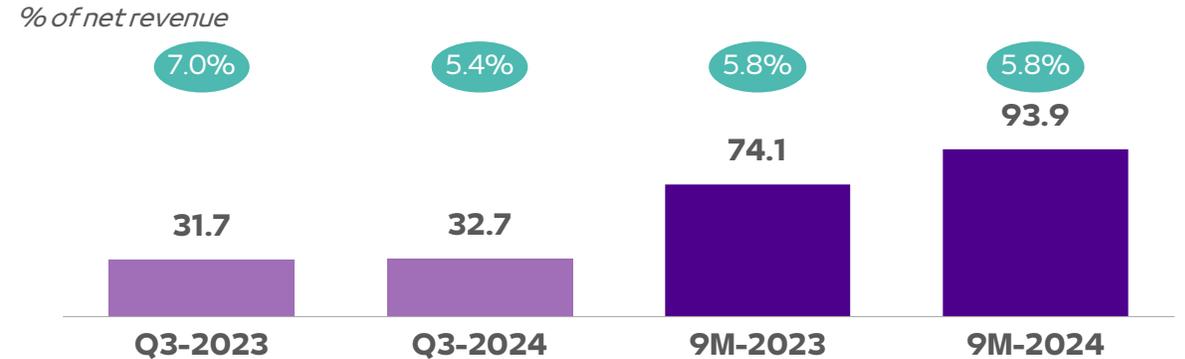
Healthy gross profit % to sales despite GCC growth ramp up cost

Operating Costs 9M-2024

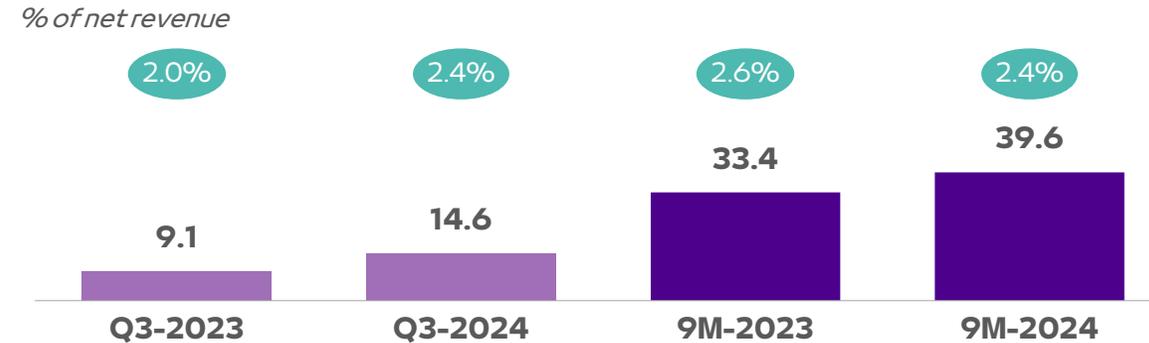
Operating costs



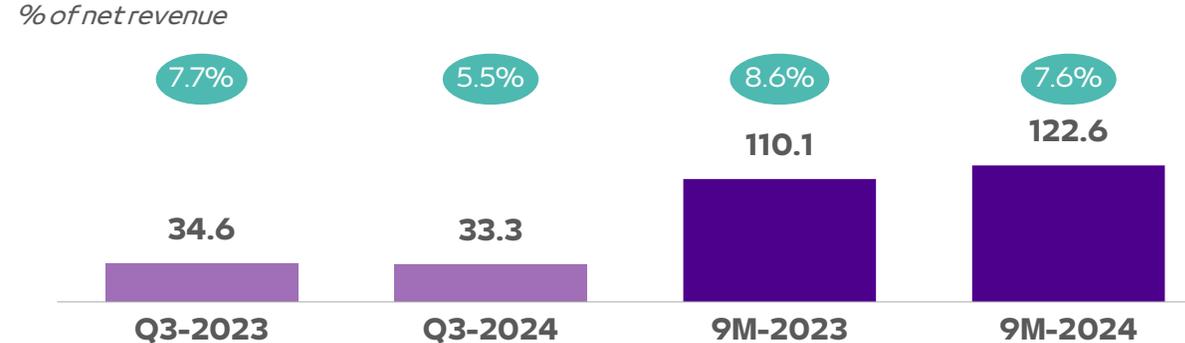
G&A



R&D



S&M

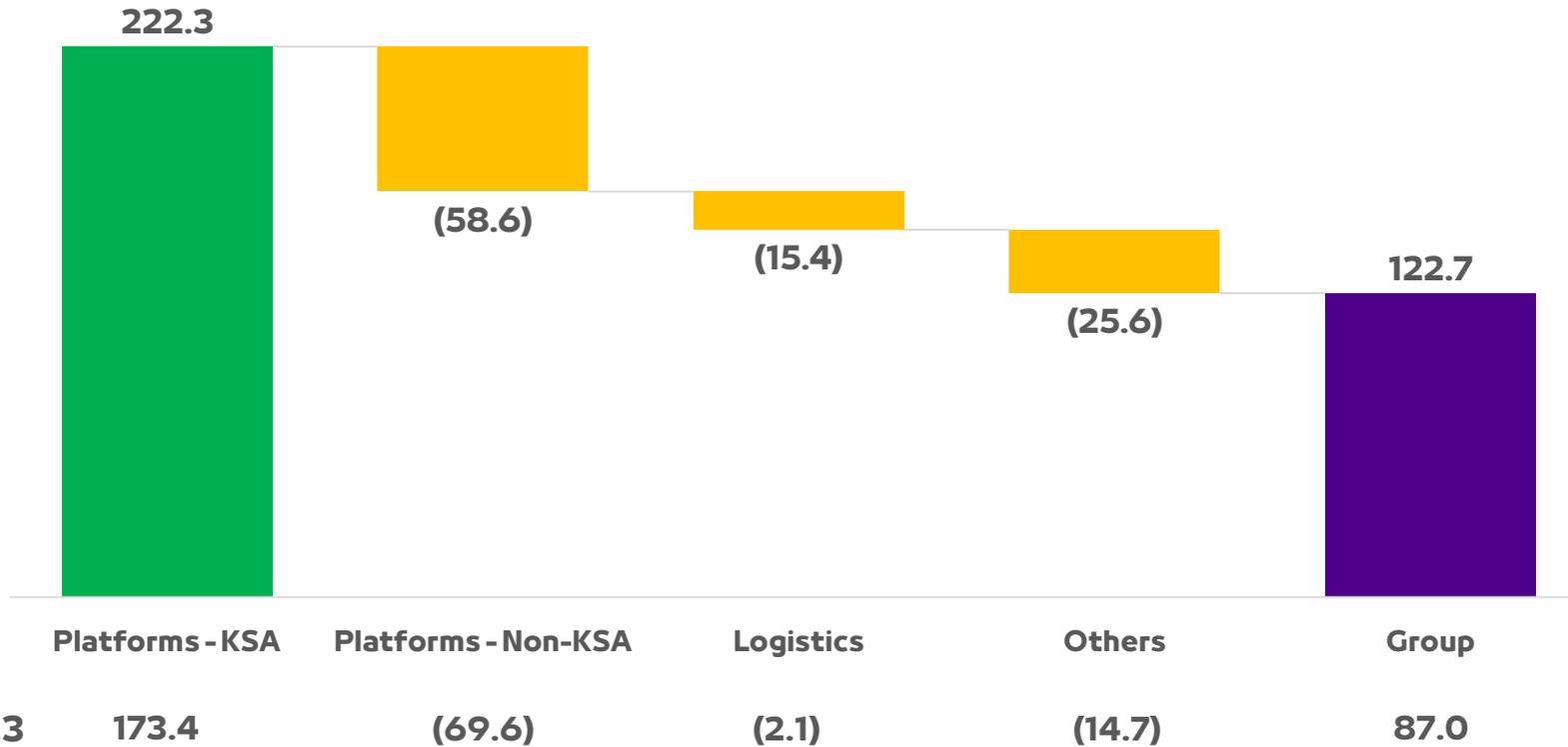


Operating costs improved by 1% in 2024, reflecting greater S&M cost efficiency

Group Net Profit by segment 9M-2024

Group net Profit By segment

SARm



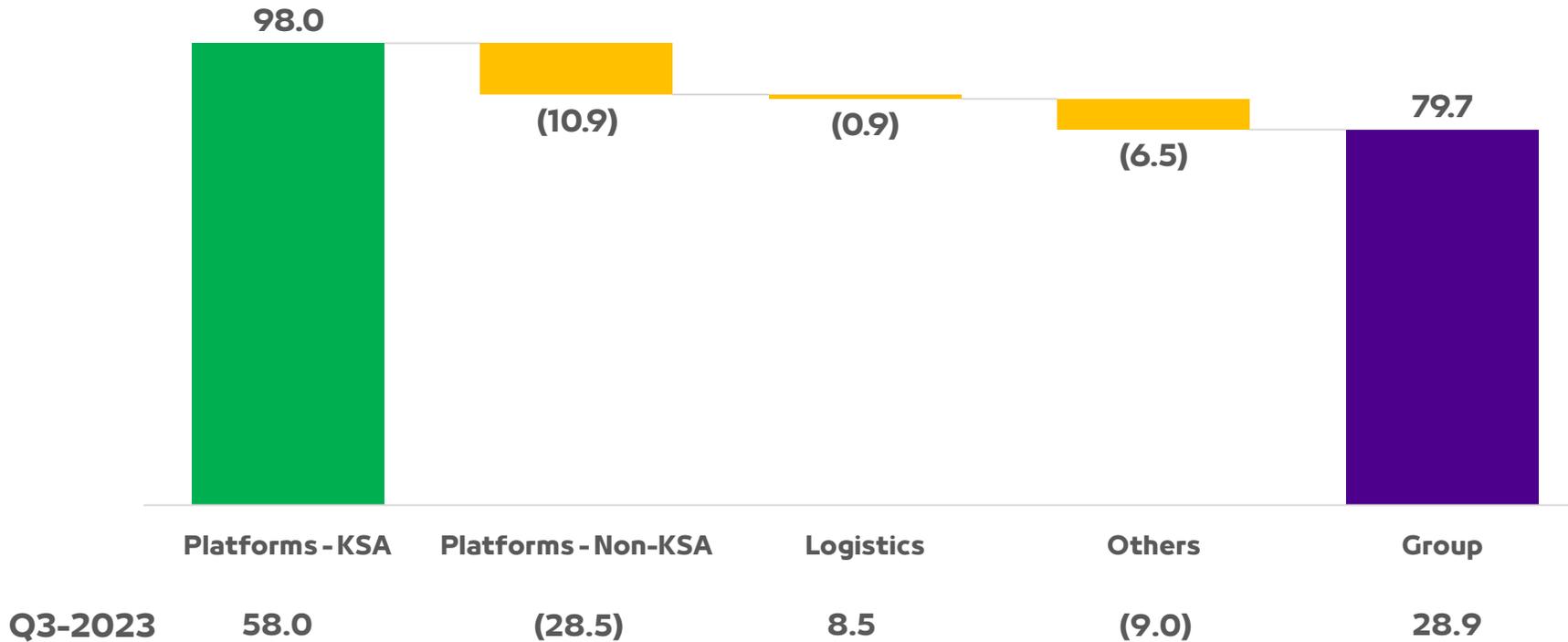
- KSA platforms strongly grew by 28% YoY with spending on regional growth within KSA to consolidate market positioning
- Non-KSA platforms net losses decreased by 16% with maintaining the growth in volume by 3.6x
- Logistic additional cost related to building organization structure as well as ECL on drivers' receivables
- Others Segment includes Co, Marn, Sol & Red Color minority investments portfolio

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

Group Net Profit by segment Q3-2024

Group net Profit By segment

SARm

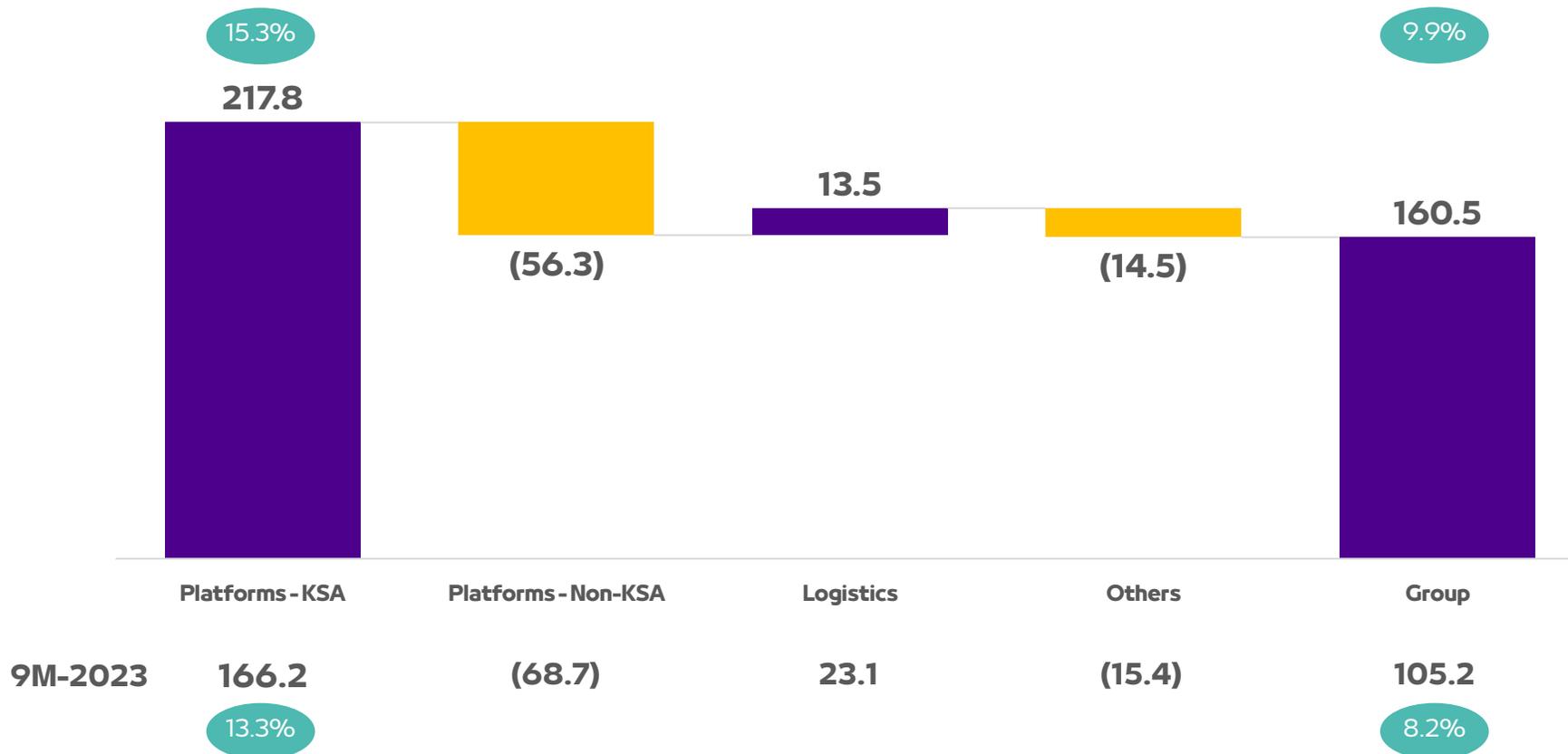


- KSA platforms strongly grew by 69% YoY with spending on regional growth within KSA to consolidate market positioning
- Non-KSA platforms net losses decreased by 62% with maintaining the growth in volume by 2.3x
- Logistics impacted slightly by ECL on drivers' receivables
- Others Segment includes Co, Marn, Sol & Red Color minority investments portfolio

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

Adj. EBITDA 9M-2024 (By Segment)

SAR in millions



% Adj. EBITDA / Net revenue

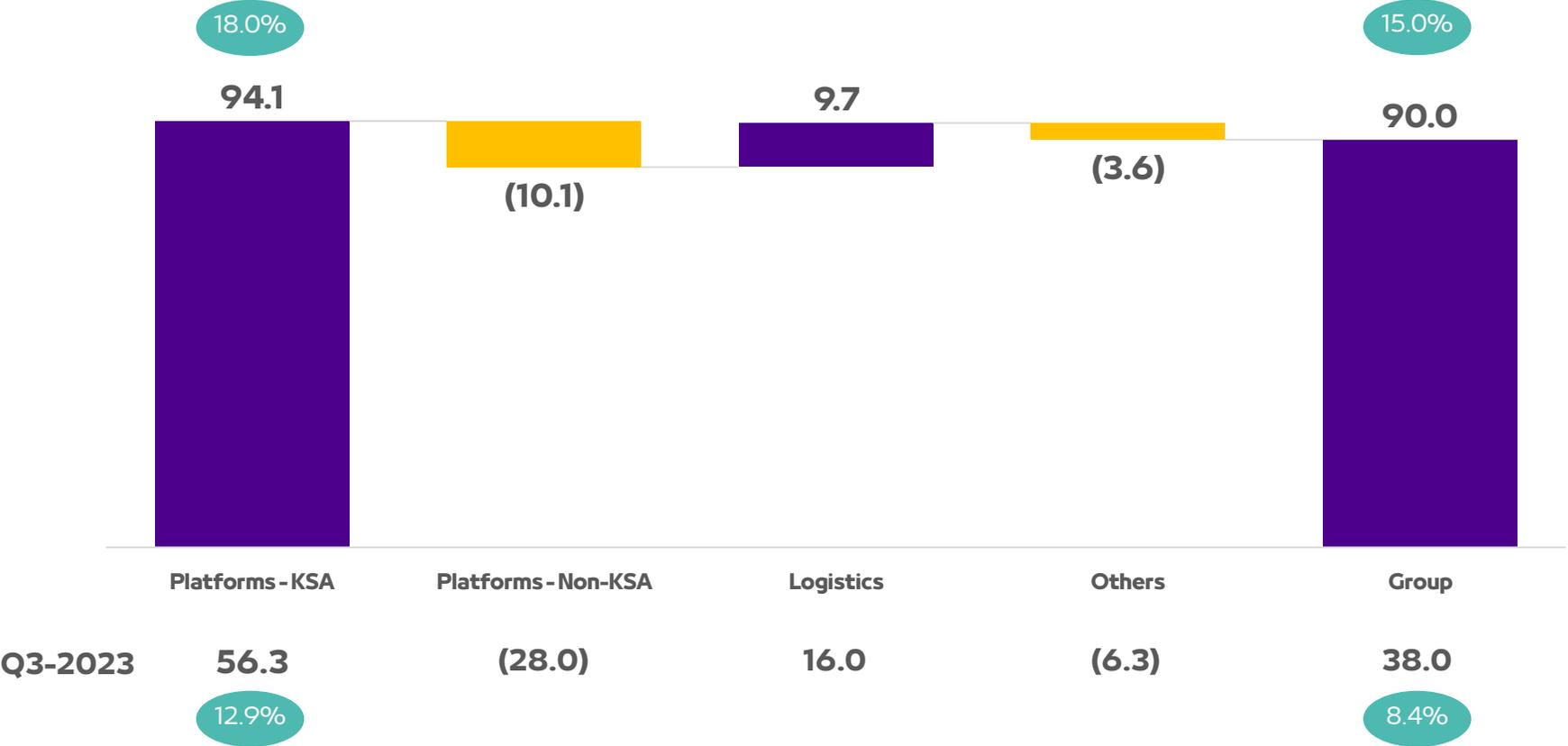
KSA continues to be the fuel of growth initiatives

- KSA Platforms focus on securing market share & additional expansions while improving margins
- Non-KSA platforms are showing an ongoing improvement in UOE, with losses decreasing as growth continues.
- 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

Adj. EBITDA Q3-2024 (By Segment)

SAR in millions



Performance Improvement

- KSA Platforms hitting 18% Adj EBITDA Margins
- Non-KSA platforms are showing a material improvement of UOE.
- Logistics segment improving comparing to the first half
- Others: Continued progress of volume and bottom line for Marn, CO & SOL businesses and Red Color operating costs

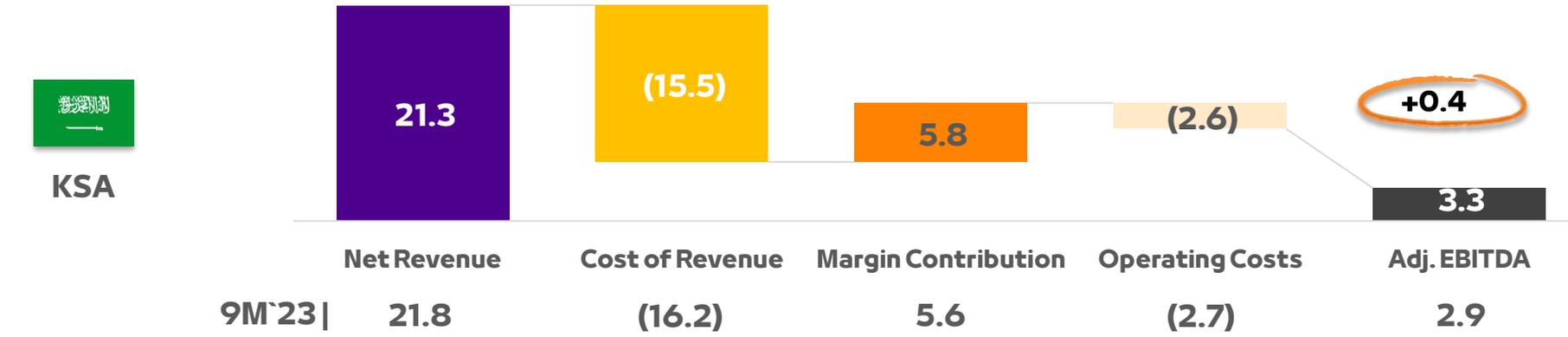
Continued trend of improvement in KSA platforms fueling growth expansion

% Adj. EBITDA/ Net revenue

Unit Economics Delivery Platforms 9M-2024

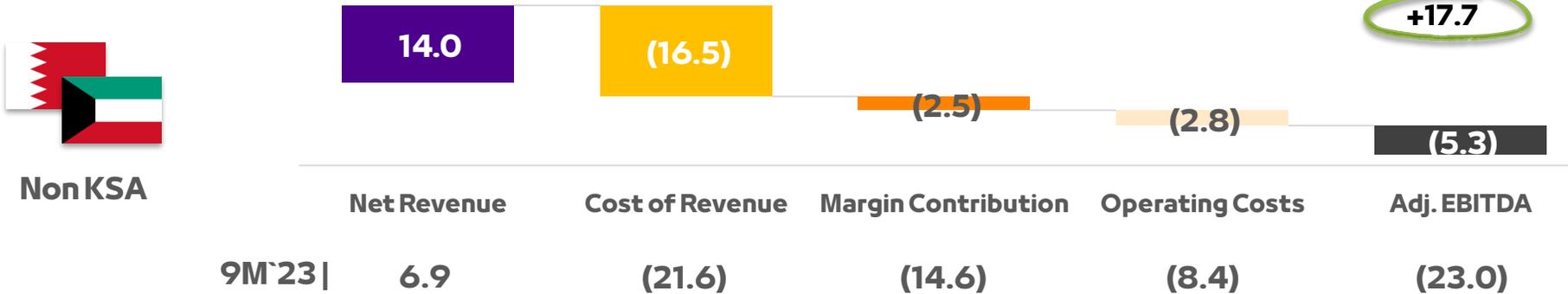


SAR per order



Improvement in margin contribution of SAR0.2 despite the slight drop of net revenue per order due to delivery campaigns and customer promotions offset by an improvement in cost per order due to scale and price negotiation and fleet optimization

Increase of the profitability by order of SAR0.4



Improved revenue from commission & delivery + start of advertising revenue

Significant improvement in delivery cost per order due to better utilization

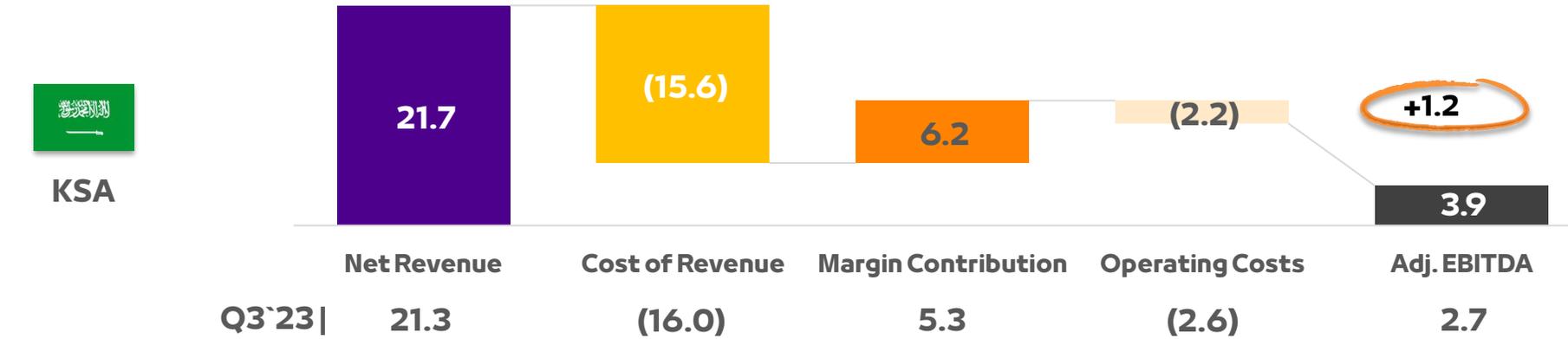
Material UOE improvement of SAR17.7

Maintaining KSA profitability while expanding and intense focus on UE improvement outside of KSA

Unit Economics Delivery Platforms Q3-2024



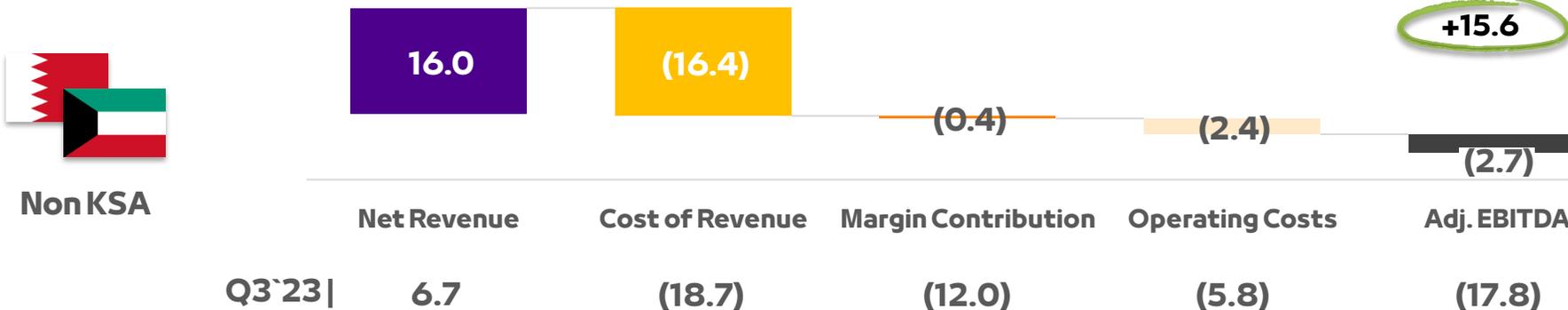
SAR per order



Increased net revenue driven by commission that offsets the negative impact of delivery campaigns

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

A strong increase in the profitability by order of SAR1.2



Close to break even CM at SAR-0.4 due to improved revenue from commission & delivery + start of advertising revenue

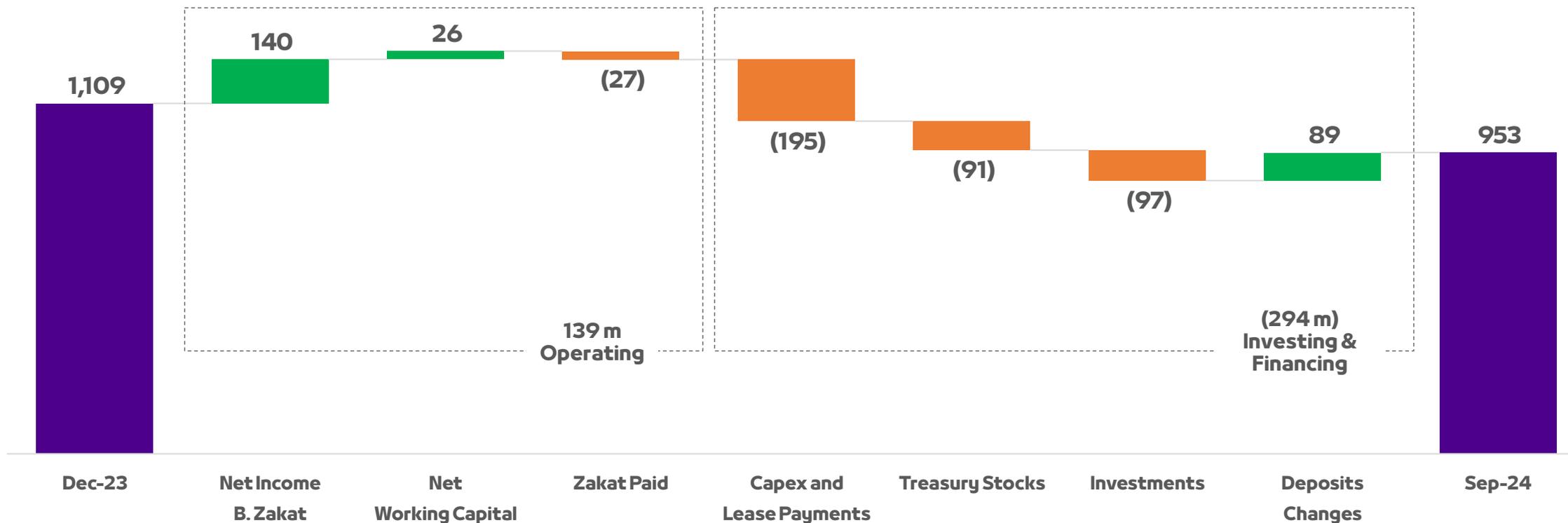
Significant improvement in delivery cost per order due to better utilization

Material UOE improvement of SAR15.6

Strong improvement in KSA profitability with close to CM breakeven outside of KSA

Net cash position (Sep YTD -2024)

SAR m



Maintaining strong positive cash position to fuel the expansion plan

FY 2024 Guidance

FY 2024 Guidance

SAR

	9M 2024 Actuals	FY 2024 Updated Guidance
GOV*	6.4b	8.0b - 9.0b
GMV	4.8b	6.1b - 6.8b
Net Revenue	1.6b	2.1b - 2.4b
Adj. EBITDA	160m	200m - 240m

(*) Gross Order Value including Delivery Fees and Value Added Tax

Q&A

Thank You



IR@Jahez.net

jahez
Group

Group Adj. EBITDA Bridge

SAR in millions

SAR m	Q3-2024	Q3-2023	YOY %	9M-2024	9M-2023	YOY %
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%
<i>Gross Profit %</i>	<i>26.2%</i>	<i>22.4%</i>	<i>3.8%</i>	<i>23.1%</i>	<i>22.2%</i>	<i>0.9%</i>
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%
<i>Net Income %</i>	<i>13.3%</i>	<i>6.4%</i>	<i>6.9%</i>	<i>7.6%</i>	<i>6.8%</i>	<i>0.8%</i>
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. Adjustment	0.5	0.0	--	5.5	0.0	--
Adj.EBITDA	90.0	38.0	136.9%	160.5	105.2	52.5%
<i>Adj.EBITDA %</i>	<i>15.0%</i>	<i>8.4%</i>	<i>6.6%</i>	<i>9.9%</i>	<i>8.2%</i>	<i>1.7%</i>

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