

Cenomi Retail

H1 2025

Earnings Presentation

August 2025



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Presenters



Salim Fakhouri
Chief Executive Officer



Ahmed Abdelkareem
Chief Financial Officer

Agenda

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Appendix

Highlights & Strategic Review



H1 2025 Performance Highlights

Operational Performance



Store Network

789 stores at June end

-17.1% year-on-year



POS Transactions KSA

SAR 347.4 mn

5.5% year-on-year



Gross Floor Area

315.5 k SQM

-17.7% year-on-year



Segmental Performance



KSA Retail Revenue

SAR 1,636.5bn

-2.7% year-on-year



International Retail Revenue

SAR 663.1 mn

+17.9% year-on-year



F&B Revenue

SAR 163.4 mn

-3.9% year-on-year



Financial Performance



Revenue

SAR 2,463.1bn

+2.0% year-on-year



EBITDA

SAR 139.2 mn

-34.4% year-on-year



Net Profit (Loss)

SAR (83.2) mn

-23.1% year-on-year



International Retail Momentum, Enhanced Operational Efficiency, and Continued Strategic Transformation

Continuing our Path to Enhanced Potential and Profitability

Phase 1: Fix The House

- Rationalize brand and store portfolio
- Exit/stabilize non-strategic markets
- Revamp processes and systems to ensure efficiency
- Onboard new Brand Champions in core markets
- Deleverage company and secure cash for growth

2023-2024



2024-2026

Phase 2: Embark on Growth

- Invest to scale existing brands across markets
- Identify white space opportunities and secure new franchise in key markets

Phase 3: Achieving Optimal Potential

- Scale existing brands to maximum potential ensuring comprehensive coverage of key cities in target markets
- Invest in scaling new brands

2026+



Continued Focus On Optimizing Market, Brand & Store Footprint



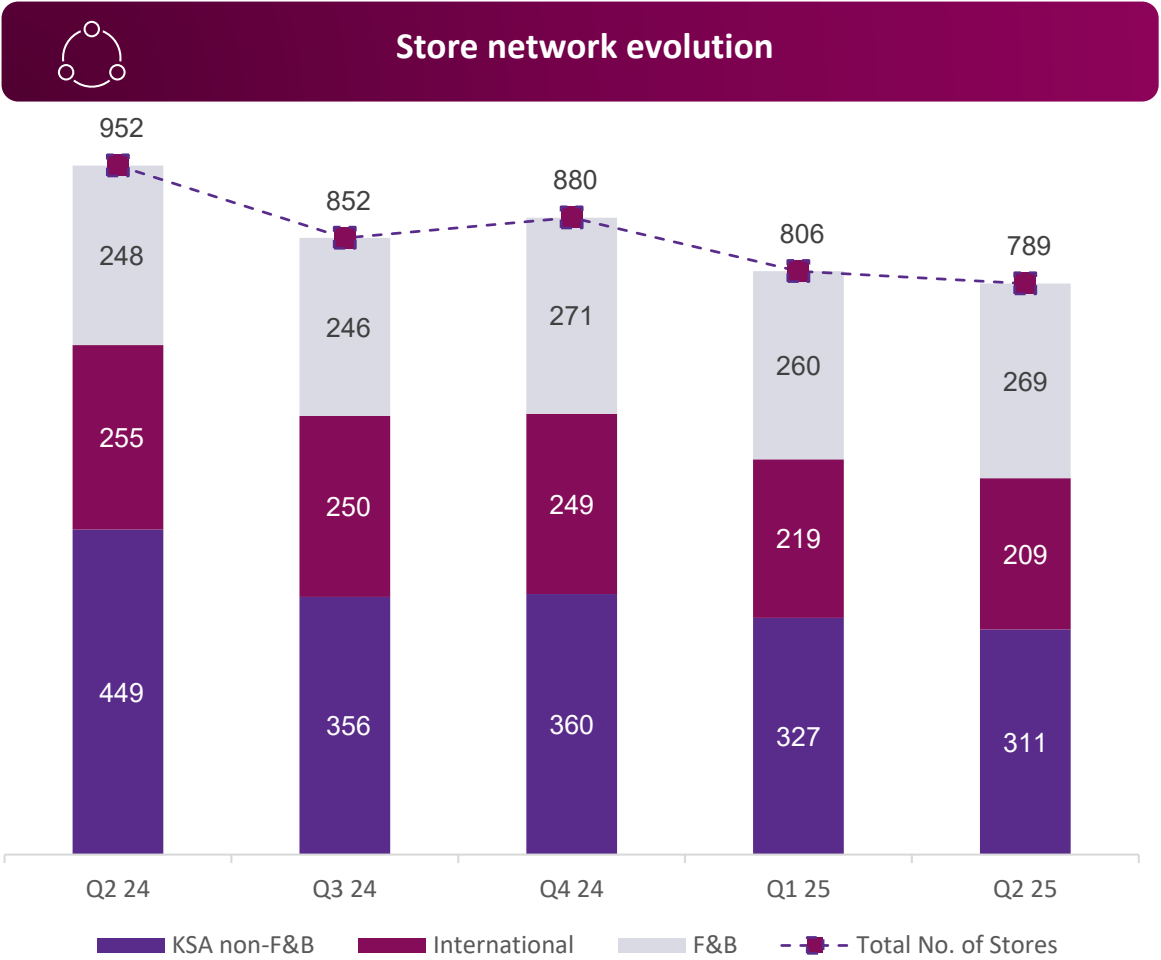
Retail

Q2'24	<ul style="list-style-type: none"> 15 stores opened 122 stores closed
Q2'25	<ul style="list-style-type: none"> No stores opened 26 stores closed



F&B

Q2'24	<ul style="list-style-type: none"> 4 stores opened 7 stores closed
Q2'25	<ul style="list-style-type: none"> 11 stores opened 2 stores closed



2025 Fashion and F&B Strategic Focus

FASHION



Elevating in Store experience

- **Renovations** focused on layout, fitting rooms, and category mix
- Stores redesign to enhance **brand feel and customer perception**



Selective Store Expansion

- Opening in **high-traffic, premium locations** to strengthen brand presence



Operational Discipline and Execution

- Coordinating brand, store, and location-level execution to **unlock performance**
- **Tactical campaigns** timed around Ramadan and key retail periods

F&B



Customer-Centric Innovation

- **Tailored product launches** (e.g. Cinna Warmer, Bon Topping) to local tastes
- **Packaging and bakery upgrades** helping lift ticket sizes without relying on aggressive discounting



Brand Relevance

- **Campaigns around Saudi events** (e.g. Ramadan, Founding Day) strengthen local connection and **Broader engagement**, amplified by paid **media, influencers**, and broader brand activations



Digital and Delivery Excellence

- **Enhancing digital capabilities** and positioning delivery as a core channel for **sustainable growth, driving traffic**, operational efficiency, and customer loyalty



Store Transformation

- Continue to **streamline** operations and **uplift standards**

Al-Futtaim as Strategic Shareholder

A Share Purchase Agreement has been signed between Cenomi Retail's Founding Shareholders and Al-Futtaim to acquire a 49.95% stake and provide a shareholder loan of not less than SAR 1.3 bn upon completion of the transaction

The transformative partnership would deliver immediate benefits to all stakeholders, in line with Cenomi Retail's turnaround strategy



Accelerated Deleveraging

Shareholder loan meaningfully reduces **leverage**, improving financial flexibility and promoting financial strength



Fuelling Growth

Supports store expansion and digital **transformation initiatives**, with a strategic emphasis on leading brands such as Inditex



Value Creation

Provides enhanced scale combined with **global retail expertise** and a platform to capture new growth opportunities and unlock long-term shareholder value



Supports Vision 2030

Aligned with Vision 2030 by attracting foreign direct investment and elevating customer experiences across the Kingdom

The transaction is subject to customary regulatory approvals, and other contractual conditions. Further updates will be provided as the transaction progresses

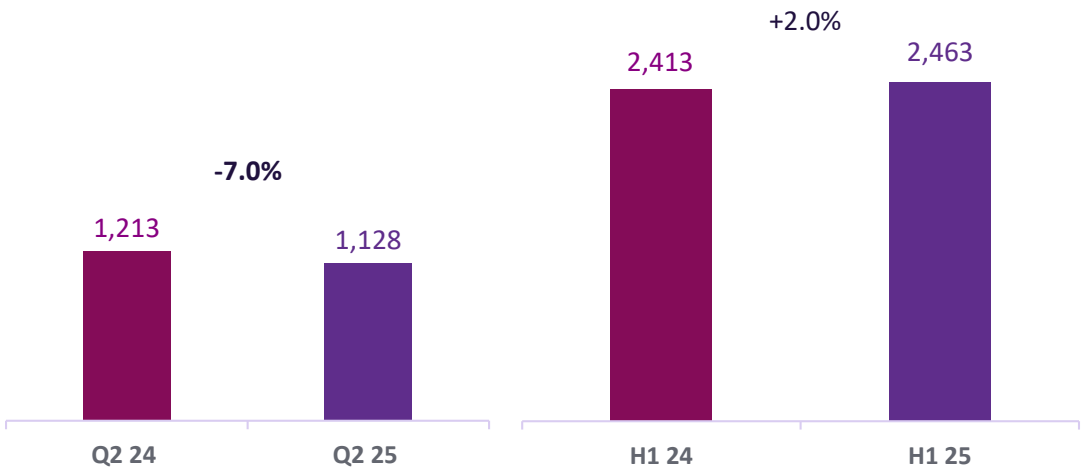
Financial Overview



H1 2025 Revenue Growth Supported by International Portfolio



Revenue (SAR Million)



- Group revenue up 2.0% YoY in H1-25, driven by strong international performance
- Despite robust seasonal demand, Group revenues declined in Q2-25, mainly due to the earlier timing of Ramadan



LFL sales growth (%)

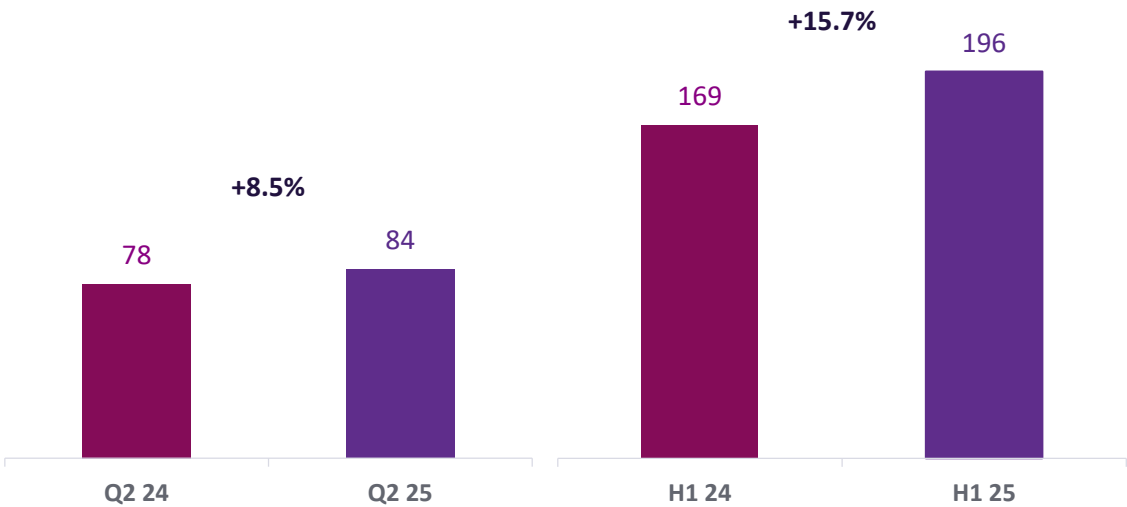
	Q2 2024	Q2 2025	Chg.	H1 2024	H1 2025	Chg.
Group	-12.6%	-8.9%	+3.7pp.	-7.3%	-1.4%	+5.9pp.
Saudi	-15.6%	-16.7%	-1.1pp.	-8.9%	-4.9%	+4.0pp.
International	+0.2%	+9.3%	+9.1pp.	+1.3%	+10.1%	+8.8pp.
F&B	-13.2%	-3.2%	+10pp.	-11.2%	-5.0%	+6.2pp.

- H1-25 LFL sales improved across all segments driven by core brand momentum and optimized store portfolio
- International LFL sales led growth in Q2, reflecting solid performance across key markets

Growing Penetration and Strong Growth of Online Channels



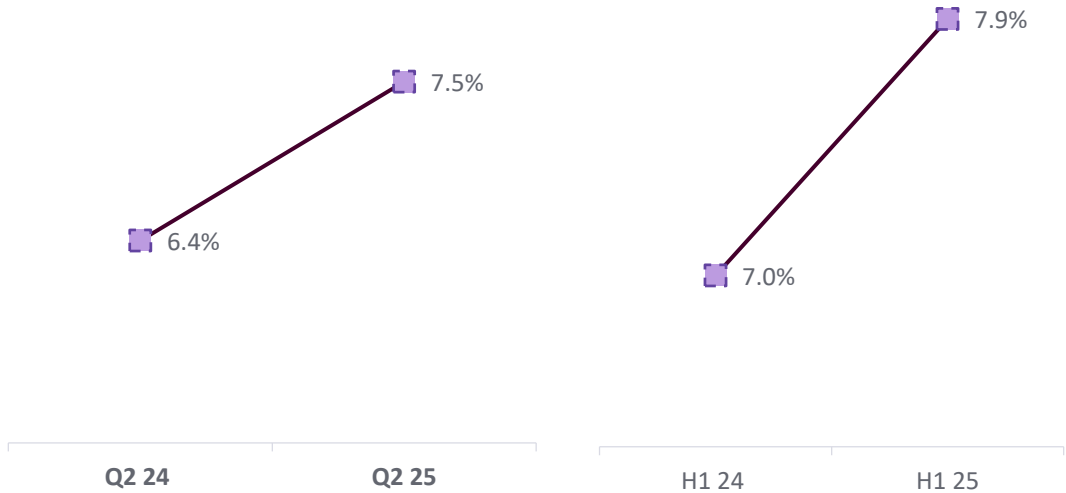
Online revenue (SAR Million)



- Growth was supported by strong performance from Zara and Inditex across both KSA and international markets
- Online sales continued to gain momentum, underpinned by promotional activity and shifting consumer preferences



E-commerce (% of total revenue)

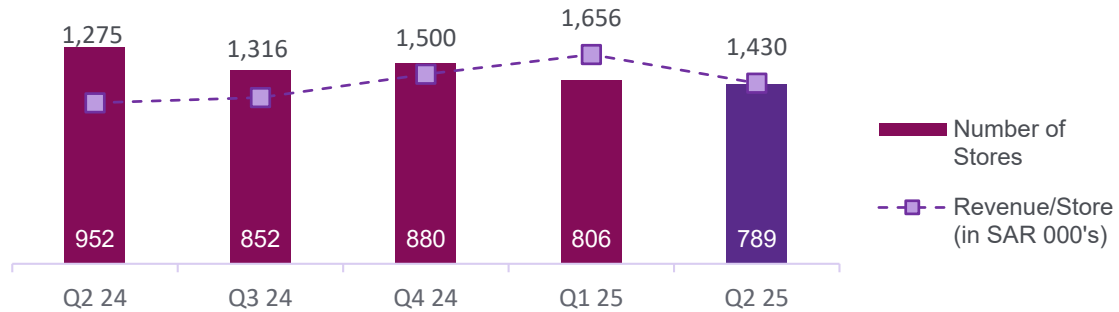


- Growing penetration of online channels underscores continued commitment to a seamless omnichannel experience through deeper integration of online and offline retail channels, enhancing like-for-like performance and driving continued growth in online sales

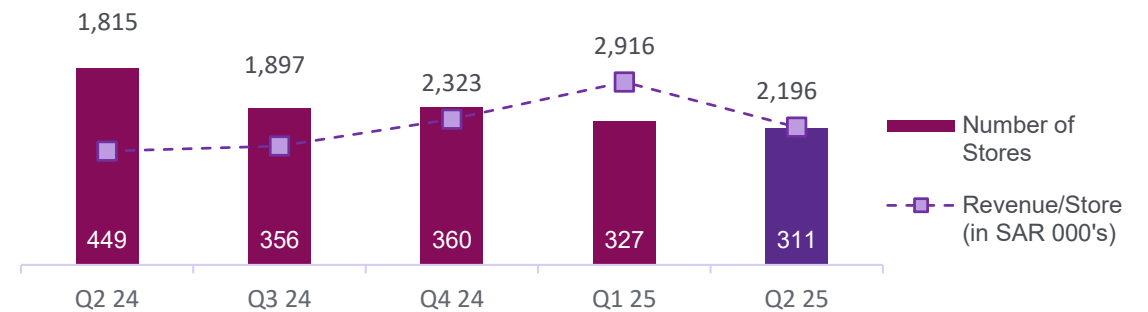
Portfolio Optimization Enabling Solid Revenue per Store



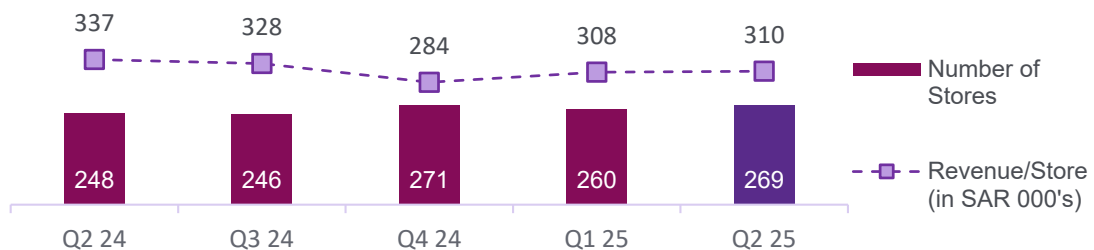
Revenue Per Store (Group)



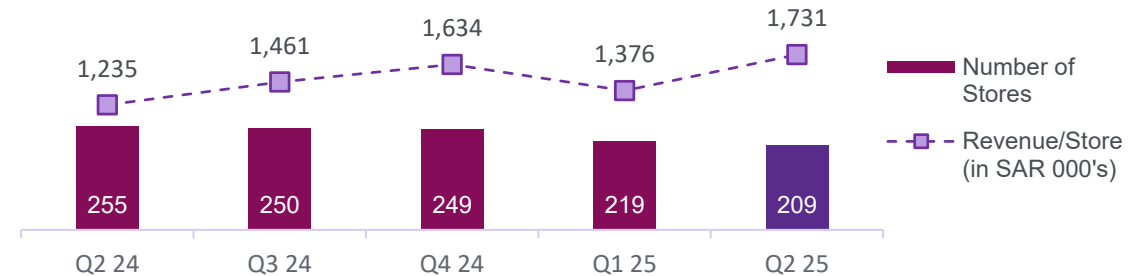
Revenue Per Store (KSA)



Revenue Per Store (F&B)



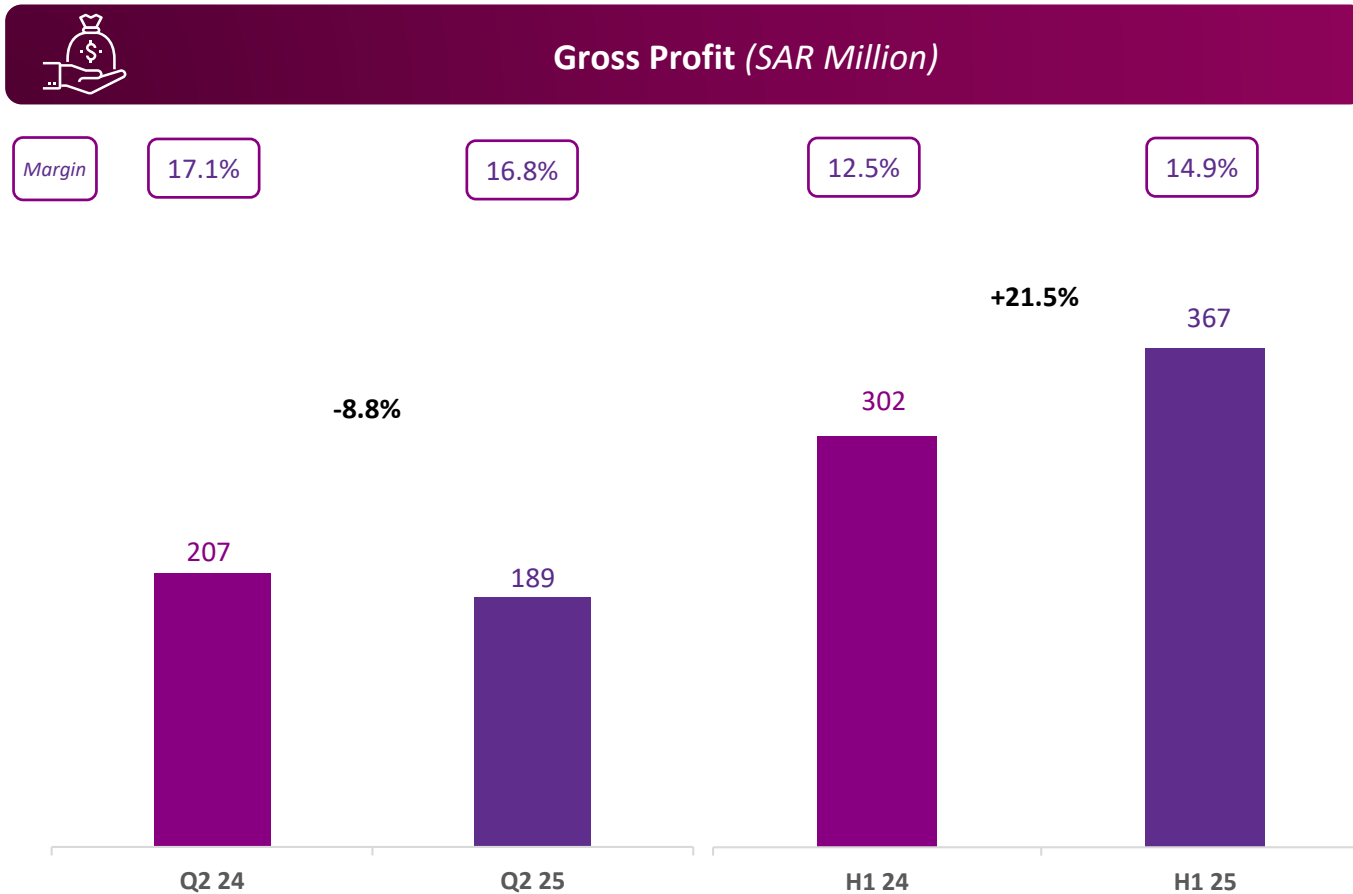
Revenue Per Store (International)



*Annualized figures are based on the period run rates

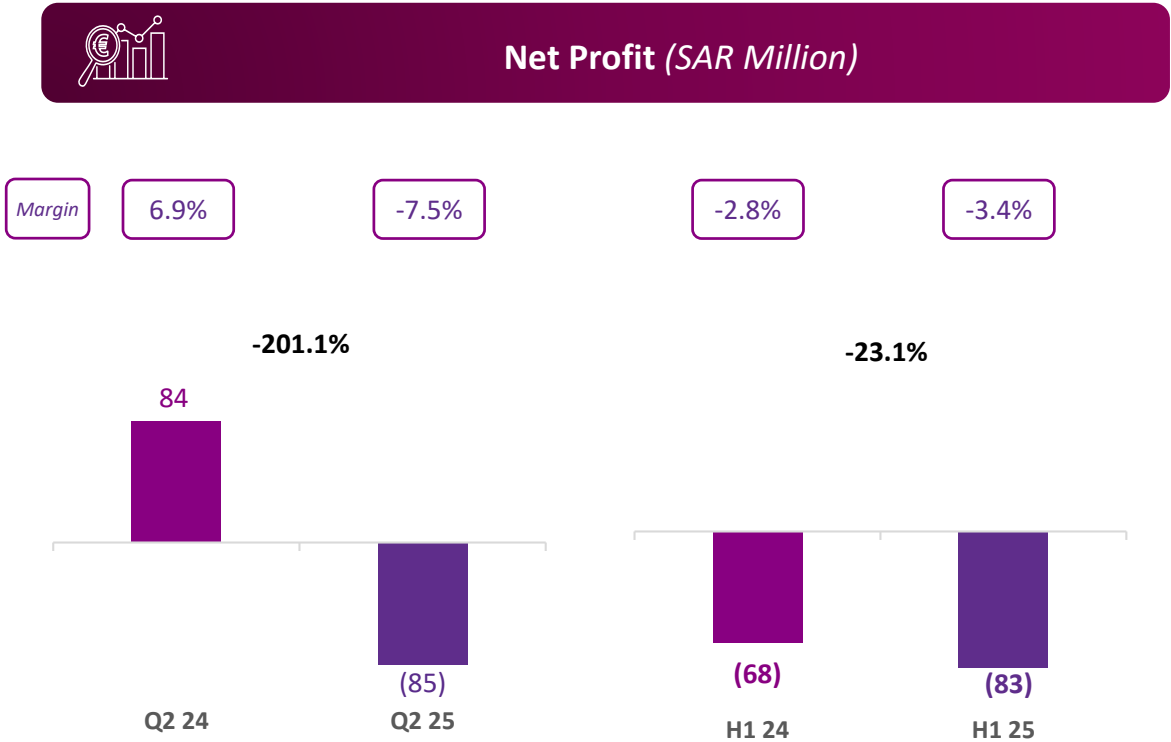
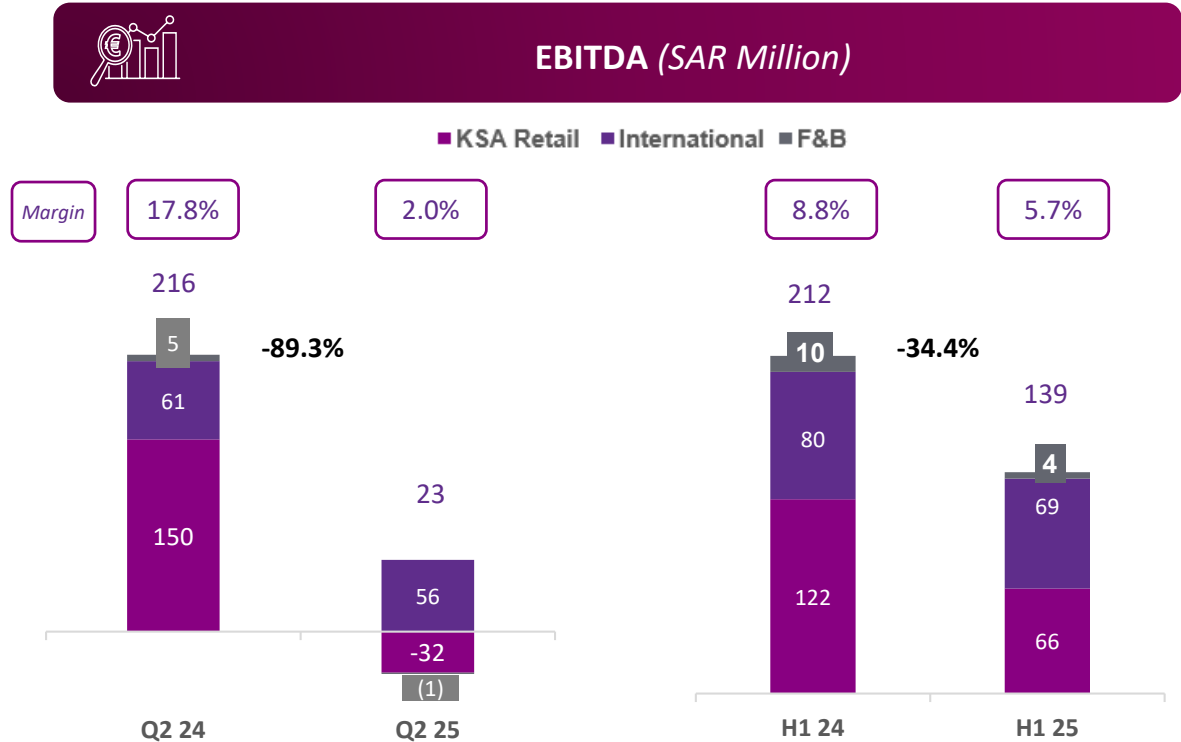
**Quarterly figures have been re-classified due to prior business assumptions

Improved Gross Profit Margin in H1-25 Supported by Cost Efficiencies



- Margin improvement in H1-25 supported by cost efficiencies and lower operational overhead
- Broadly stable margin in Q2-25 despite timing shift of the holy month of Ramadan, which fell entirely within Q1-25 this year

EBITDA and Net Profit

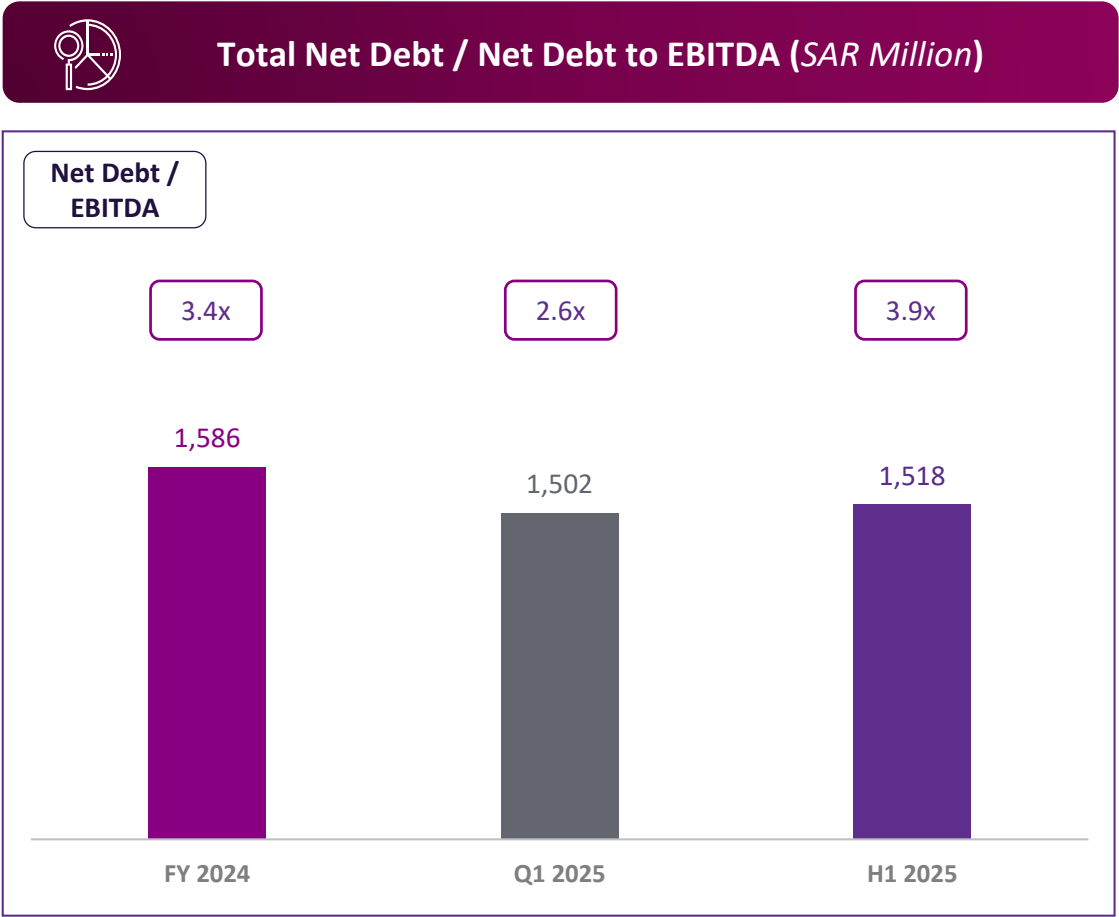


- Despite a 21.3% reduction in SG&A expenses, EBITDA and Net Profit declined due to foreign exchange losses and tax liability settlement incurred in Q2-25
- EBITDA in H1-24 had benefited from a SAR 165 million capital gain, which contributed to a higher comparative base

Disciplined Cash Management

	FY-24	Q1-25	H1-25
Total Debt	1,842.6	1,626.0	1,616.7
Net Debt	1,586.4	1,502.3	1,518.0
EBITDA LTM (Last 12 Month)	460.9	580.7	387.8

- Net debt stood at SAR 1.5 billion at the end of H1 2025, down 4.3% from FY 2024 levels, whilst Net Debt to LTM EBITDA ratio stood at 3.9x
- Cenomi Retail’s focus remains on deleveraging, strengthening the balance sheet, and positioning the company for long-term financial resilience and growth during its strategic transition period



Concluding Remarks



Key Takeaways



Topline

Revenue increased by 2.0% YoY in H1 2025, supported by strong international growth and full impact of Ramadan in the first quarter



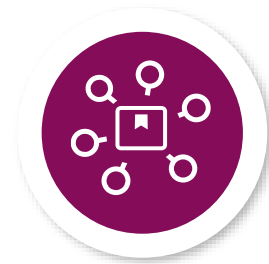
Profitability

Despite significant efforts in cost reduction and operational optimization, FX losses and tax liability settlement weighed on profitability



Financial position

Maintained deleveraging efforts as part of the transition phase with ongoing commitment to disciplined cash management



Strategy Execution

Ongoing transformation across brands, stores, and geographies, with execution focused on core assets and profitable growth

Appendix



Income Statement

SAR million	Q2-24	Q2-25	Change (+/-)	6M-24	6M-25	Change (+/-)
Revenue	1,213.4	1,128.3	-7.0%	2,413.9	2,463.1	2.0%
Cost of revenue	-1,006.0	-939.2	-6.6%	-2,112.0	-2,096.1	-0.8%
Gross profit/(loss)	207.3	189.1	-8.8%	301.9	367.0	21.5%
<i>Margin</i>	<i>17.1%</i>	<i>16.8%</i>	<i>-16.9pp</i>	<i>12.5%</i>	<i>14.9%</i>	<i>-12.4pp</i>
Selling and distribution expenses	-29.0	-33.2	14.3%	-71.1	-55.6	-21.7%
General and administrative expenses	-74.5	-64.6	-13.3%	-159.8	-126.0	-21.2%
Other operating expense	-24.9	-94.7	279.7%	-45.0	-109.8	143.9%
Other operating income	137.1	26.4	-80.8%	186.3	63.7	-65.8%
EBITDA	216.0	23.1	-89.3%	212.3	139.2	-34.4%
<i>Margin</i>	<i>17.8%</i>	<i>2.0%</i>	<i>-17.8pp</i>	<i>8.8%</i>	<i>5.7%</i>	<i>-8.7pp</i>
Depreciation, amortization	-30.9	-34.3	10.9%	-61.9	-68.0	9.8%
Operating profit / (loss)	185.1	-11.2	n.a.	150.3	71.2	-52.6%
Net finance costs	-73.9	-62.8	-15.0%	-163.6	-121.4	-25.8%
Share of loss of equity-accounted investees	-2.4	-0.3	-88.3%	-2.6	-0.5	-80.7%
Profit / (loss) before zakat and income tax	108.9	-74.3	n.a.	-15.8	-50.7	220.6%
Zakat and Income tax expense	-12.7	-5.4	-57.4%	-24.4	-14.3	-41.4%
Loss for the year from continuing operations	96.2	-79.7	n.a.	-40.2	-65.0	61.5%
Gain (Loss) for the year from discontinued operations	-12.1	-5.4	-55.5%	-27.4	-18.3	-33.3%
Profit / (loss) for the year	84.1	-85.0	n.a.	-67.6	-83.2	23.1%
Non-controlling interests	3.2	2.3	-26.9%	3.3	2.3	-29.4%
Net profit group share	80.9	-87.4	n.a.	-70.9	-85.6	20.7%

Balance Sheet

SAR million	FY-24	H1-25	Change (+/-)
Assets			
Property, Plant and Equipment	1,081.0	1,066.4	-1.4%
Right-of-Use Assets	1,455.2	1,460.9	0.4%
Goodwill and Intangible Assets	627.5	622.4	-0.8%
Investment Property	1.1	1.1	-5.4%
Equity-accounted investees	46.0	47.4	3.0%
Other investments	84.4	86.3	2.3%
Receivable from disposal of subsidiaries	18.7	16.1	-13.6%
Total Current Assets	3,313.8	3,300.6	-0.4%
Inventories	632.3	552.8	-12.6%
Advances, Deposits and Other Receivables	150.5	191.7	27.4%
Prepayments, Rentals and Insurance	35.0	71.3	103.8%
Cash & Cash Equivalents	256.2	98.7	-61.5%
Assets included in disposal group classified as held for sale	197.8	38.2	-80.7%
Total Current Assets	1,271.9	952.8	-25.1%
Total Assets	4,585.7	4,253.4	-7.2%

SAR million	31-Dec-24	31-Jun-25	Change (+/-)
Equity & Liabilities			
Share Capital	1,147.7	1,147.7	0.0%
Reserves (Statutory, Foreign Currency and Fair Value)	-617.2	-606.8	-1.7%
Fair value reserve	83.3	83.3	0.0%
Accumulated Losses	-1,606.9	-1,692.5	5.3%
Equity Attributable to the Shareholders of the Company	-993.2	-1,068.3	7.6%
Non-Controlling Interest	-24.9	-22.5	-9.7%
Total Equity	-1,018.1	-1,090.8	7.1%
LT Loans and Borrowing	82.4	66.4	-19.5%
Lease Liabilities	1,188.8	1,336.7	12.4%
Post-Employment Benefits	73.9	81.9	10.8%
Total Non-Current Liabilities	1,345.1	1,485.0	10.4%
Trade and other payables	1,799.5	1,899.5	5.6%
Zakat & Tax Liabilities	99.2	99.1	-0.2%
Lease Liability – current portion	358.3	239.7	-33.1%
ST Loans and Borrowings	1,760.2	1,550.3	-11.9%
Liabilities included in disposal group classified as held for sale	241.5	70.6	-70.7%
Total Current Liabilities	4,258.7	3,859.2	-9.4%
Total Liabilities	5,603.8	5,344.3	-4.6%
Total Equity & Liabilities	4,585.7	4,253.4	-7.2%

Cenomi Retail at a Glance

The **leading franchise retailer** in Saudi Arabia, and the only listed business of its type in the Middle East



789 stores



311 Saudi retail stores



c. 315K sqm



269 F&B outlets



8 countries

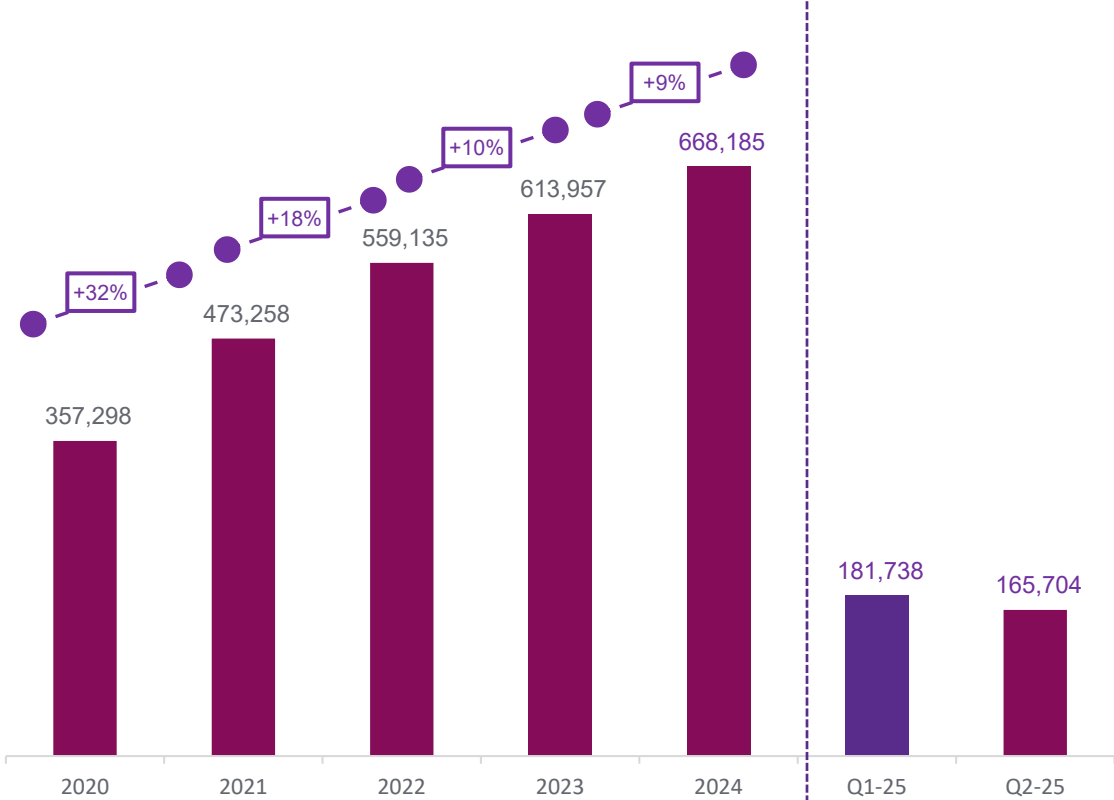


219 International stores

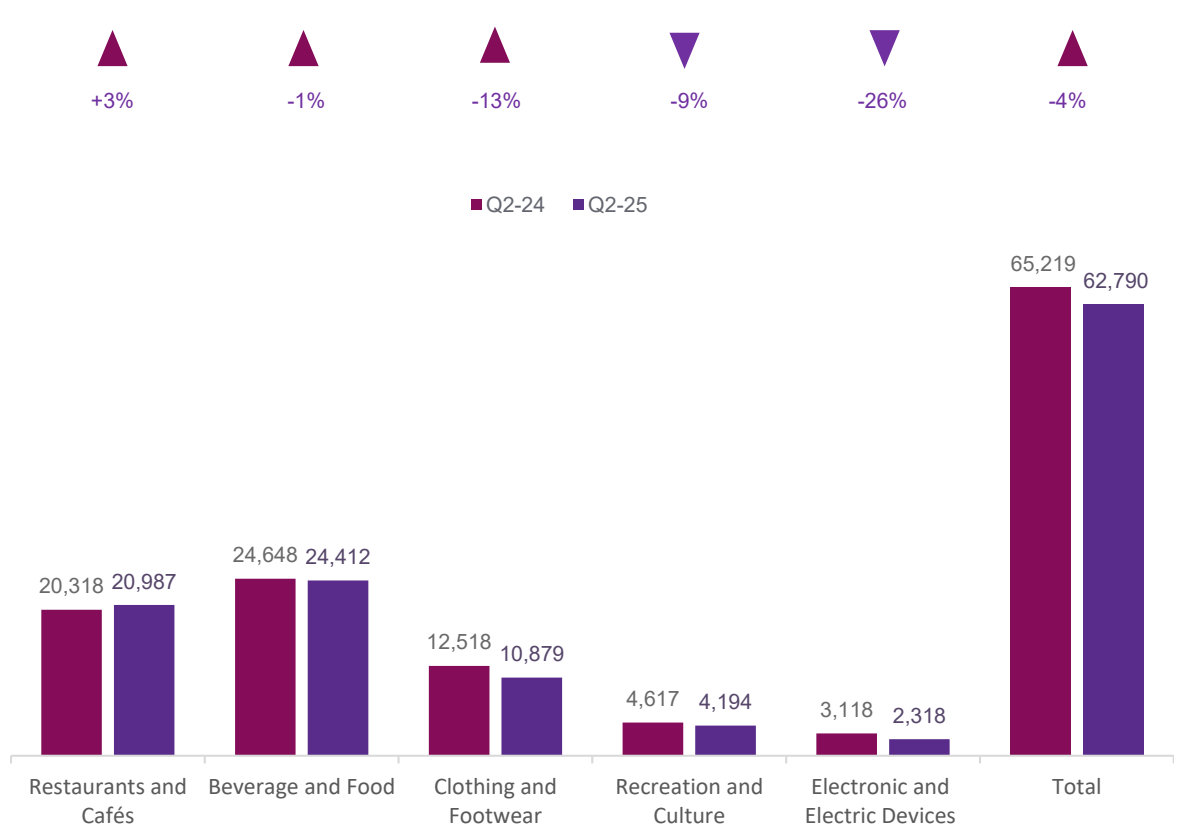


KSA Consumer Spending on Rising Trend

 POS Transactions* - KSA Market (SAR Million)



 POS Transactions* - KSA Market (SAR Million)



* Source: SAMA

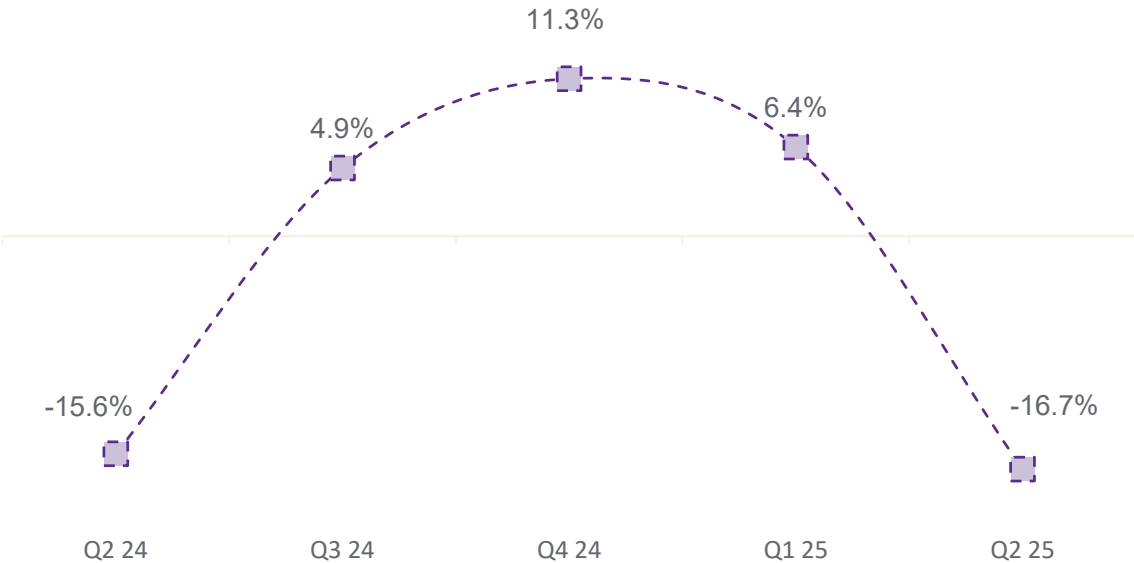


Strategic Sales Measures Drive Revenue Growth and Profitability



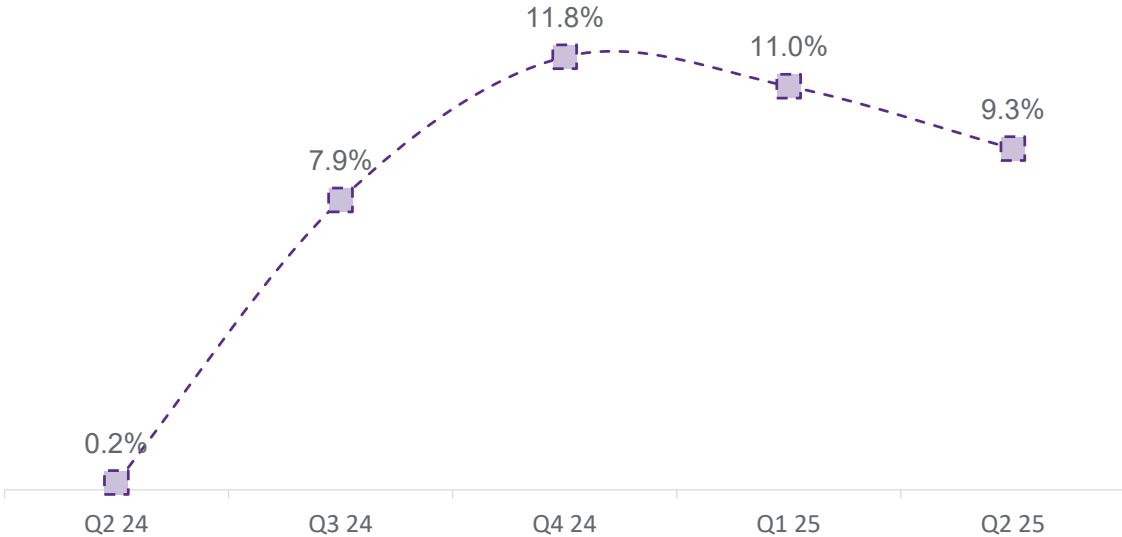
LFL Saudi retail sales growth %

- Saudi retail LFL declined 16.7% in Q2-25, driven by the timing shift of Ramadan and the early start of Eid promotions, which impacted in-store footfall and full-price sell-through



LFL International retail sales growth %

- International LFL grew 9.3% in Q2-25, supported by continued momentum in CIS markets and broad-based end-of-season activity across key international territories

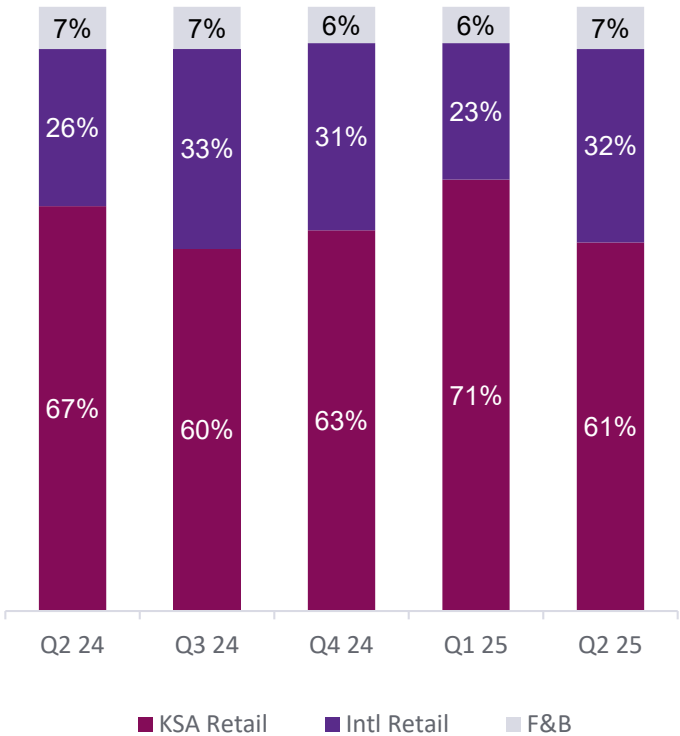




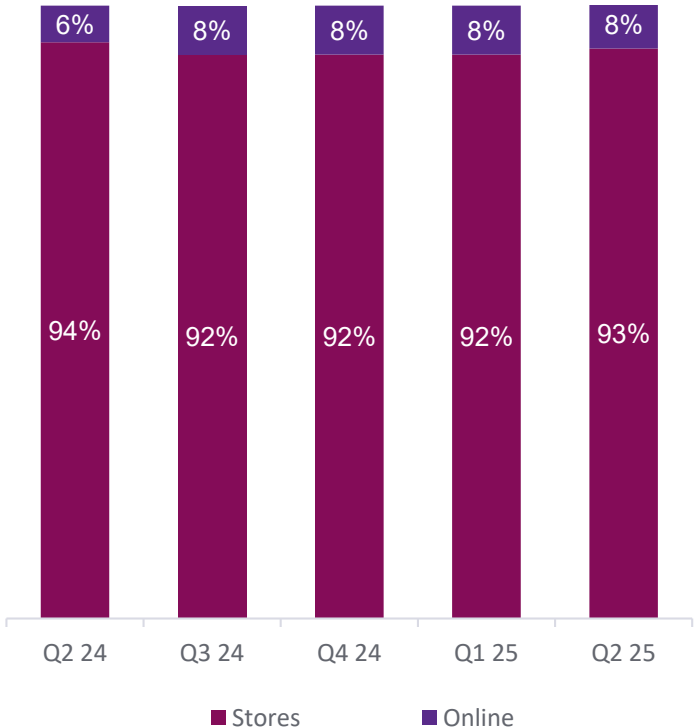
Revenue Diversification Efforts Ongoing



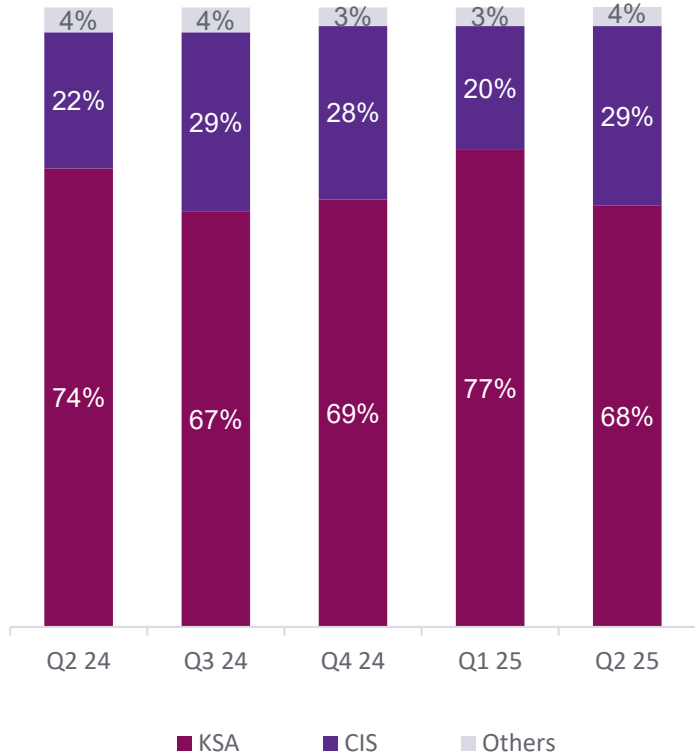
Revenue by division



Revenue by channel



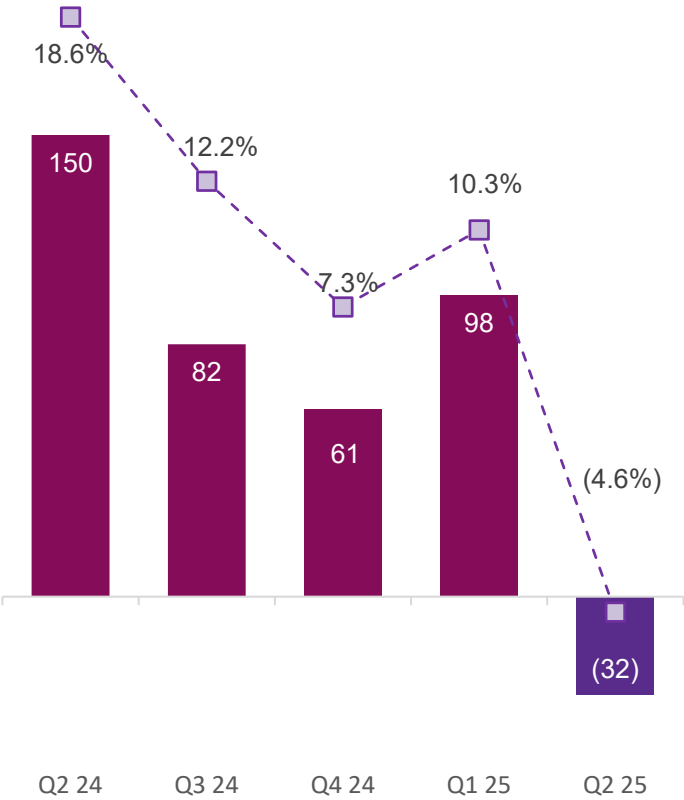
Revenue by geography



KSA EBITDA Impacted by Tax Liability Settlement

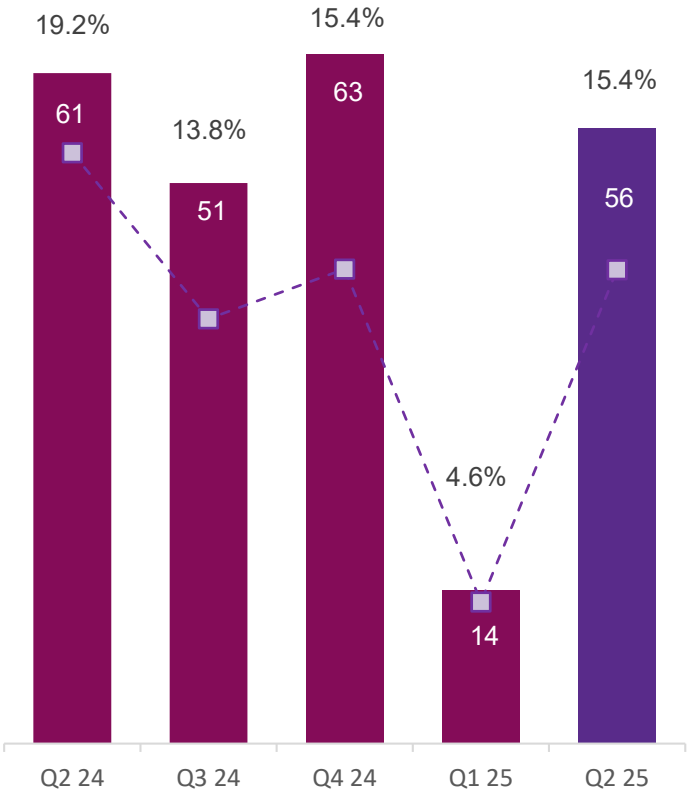
EBITDA KSA Retail, SAR MN

EBITDA Margin, %



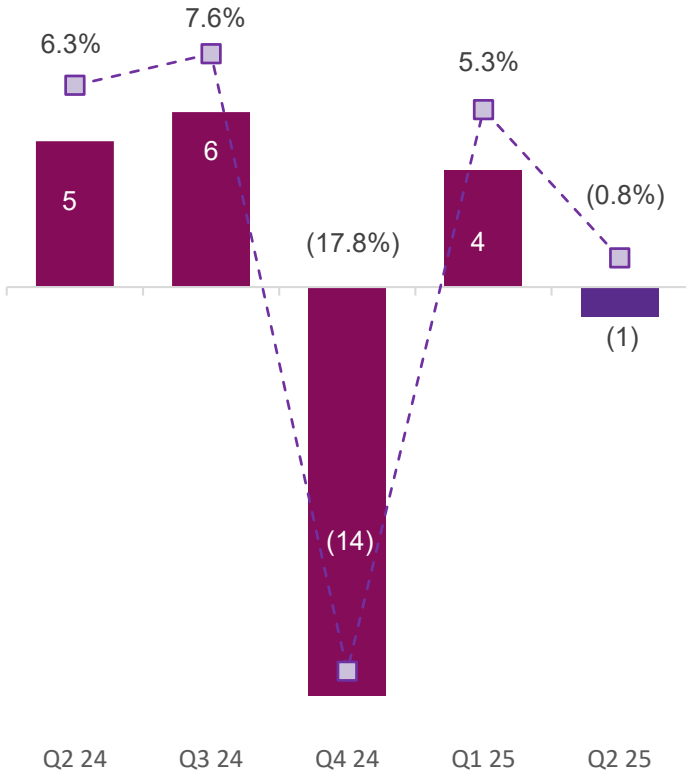
EBITDA Intl, SAR MN

EBITDA Margin, %



EBITDA F&B, SAR MN

EBITDA Margin, %



Business Model Adapting to Consumer Trends

Moving forward, Cenomi Retail will need to cater to new consumer trends with significant implications for the future of the industry.



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THANK YOU

