EARNINGS RELEASE

Al Majed delivers strong performance for 9M 2024, with significant revenue growth and solid profitability

Riyadh, Saudi Arabia I 3 November 2024 – Al Majed for Oud Company, one of the leading manufacturers and developers of perfume and oud products in the Kingdom of Saudi Arabia, today announced its financial results for the period ending September 30th, 2024.

- Strong year-on-year (YoY) revenue growth of 25.5% in 9M 2024, totaling SAR 683.7 million, driven by the launch of new products, the geographical expansion to 337 stores, and the enhancement of additional sales channels, including online and B2B.
- Achieved a gross profit of SAR 462.8 million, with a gross margin of 67.7%, compared to 67.3% in 9M 2023.
- Recorded a significant EBIT growth of 24.4% YoY, reaching SAR 160.5 million in 9M 2024, for a margin of 23.5% compared to 23.8% in the same period last year.
- Net profit increased by 23.3% to SAR 141.9 million, driven by robust revenue growth.

"Our first set of public results following Al Majed Oud's successful IPO marks a historic milestone for our company. We are pleased to report strong financial performance for the first nine months of 2024, a testament to the trust our customers place in our brand and the dedication of our team. This achievement reflects our continued focus on expanding our footprint, enhancing product offerings, and executing on our long-term growth strategy. As we move forward as a publicly listed company, we are excited about the opportunities ahead and remain committed to delivering value to our shareholders and customers alike"

Waleed Al Majed,
Managing Director and CEO

Key figures – Group

SARm	Q3 2024	Q3 2023	% Δ	9M 2024	9M 2023	% Δ
Revenues	**170.6**	**121.0**	**+41.0%**	**683.7**	**544.8**	**+25.5%**
Gross Profit	**117.9**	**87.9**	**+34.2%**	**462.8**	**366.4**	**+26.3%**
Margin	*69.1%*	*72.6%*	*-3.5pp.*	67.7%	*67.3%*	*+0.4pp.*
EBIT	**30.6**	**18.0**	**+68.9%**	**160.5**	**129.9**	**+24.4%**
Margin	17.9%	*14.9%*	*+3.0pp.*	23.5%	*23.8%*	*-0.3pp.*
Net Profit	**22.4**	**14.1**	**+59.3%**	**141.9**	**115.1**	**+23.3%**
Margin	*13.1%*	*11.6%*	*+1.5pp.*	20.8%	*21.1%*	*-0.3pp.*
EPS	**0.90**	**0.56**	**+59.3%**	**5.68**	**4.60**	**+23.3%**

Revenue Performance

Revenues rose significantly by 25.5% to reach SAR 684 million in 9M 2024, up from SAR 545 million for the same period last year. This growth is attributed to several key factors, including the expansion of the company's physical footprint to a total of 337 branches from 286 at the end of last year, the success of targeted marketing campaigns and the enhancement of diverse sales channels, particularly online and B2B. Additionally, newly launched products and brands performed significantly well, contributing to the overall sales performance and reflecting strong market reception and demand.

Revenue by Region

SARm	9M 2024	9M 2023	% Δ
KSA	583.5	500.9	+16.5%
GCC	100.2	43.9	+128.2%
Total Revenues	**683.7**	**544.8**	**+25.5%**

GCC revenues surged by 128.2% to reach SAR 100.2 million. This significant increase is primarily attributed to the expansion of new stores compared to the same period of last year, underscoring the company's commitment to development and growth within the region. This strategic expansion reflects the company's dedication to strengthening its market presence and meeting rising consumer demand across the GCC.

Cost Evolution and Profitability

Operating expenses increased by 27.4% reaching SAR 307.4 million during 9M 2024, primarily driven by higher advertising costs and staff expenses, reflecting the company's continued investment in growth.

Despite the increase in expenses, EBITDA saw a strong rise of 19.5% to reach SAR 249.1 million, with a margin of 36.4% compared to 38.3% for the previous year.

In this context, the company witnessed a strong growth in net profit by 23.3% to reach SAR 141.9 million compared to SAR 115.1 million for the previous year.

Cash Generation and Balance Sheet

Net cash flows from operating activities rose significantly by 118.0% reaching SAR 256.3 million in 9M 2024, compared to SAR 117.6 million in the previous year.

Working capital increased by 44.2% totaling SAR 233.7 million, mainly due to a rise in inventory value and the full settlement of a loan during the period. Meanwhile, net cash inflows from investment activities decreased by 44.8%, amounting to SAR 25.1 million compared to SAR 45.5 million in 9M 2023.

FINANCIAL STATEMENTS – GROUP

Statement of Income

SARm	Q3 2024	Q3 2023	% Δ	9M 2024	9M 2023	% Δ
Revenues	**170.6**	**121.0**	**+41.0%**	**683.7**	**544.8**	**+25.5%**
Cost of revenues	(52.7)	(33.1)	+59.2%	(220.9)	(178.4)	+23.8%
Gross Profit	**117.9**	**87.9**	**+34.2%**	**462.8**	**366.4**	**+26.3%**
General and administrative expenses	(10.9)	(7.8)	+40.0%	(30.7)	(25.6)	+19.9%
Marketing expenses	(79.0)	(64.1)	+23.2%	(276.7)	(215.7)	+28.3%
Operating profit	**28.0**	**16.0**	**+75.1%**	**155.4**	**125.0**	**+24.3%**
Financing costs	(5.2)	(3.0)	+73.1%	(11.4)	(8.1)	+40.2%
Other income / (expenses)	2.6	2.0	+25.9%	5.2	4.9	+6.3%
Profit before Zakat	**25.4**	**15.0**	**+68.9%**	**149.2**	**121.8**	**+22.5%**
Zakat expense	(2.9)	(1.0)	+202.9%	(6.2)	(6.7)	-8.2%
Income tax expense	0.0	-		(1.1)		
Net Profit (loss)	**22.4**	**14.1**	**+59.3%**	**141.9**	**115.1**	**+23.3%**

Statement of Cash Flows

SARm	9M 2024	9M 2023	% Δ
Net cash from operating activities	256.3	117.6	+117.9%
Net cash from investing activities	(25.1)	(45.5)	-44.8%
Net cash from financing activities	(242.1)	(60.9)	+297.6%
Cash and cash equivalents at the beginning of the period	54.1	25.4	+113.0%
Cash and cash equivalents at the end of period	**43.2**	**36.6**	**+18.3%**

Statement of Financial Position

SARm	9M 2024	FY 2023
Total current assets	376.8	397.7
Total non-current assets	374.7	372.1
Total assets	**751.5**	**769.8**
Total current liabilities	143.2	235.6
Total non-current liabilities	164.0	157.0
Total liabilities	**307.2**	**392.6**
Total equity	**444.3**	**377.3**
Total equity and liabilities	**751.5**	**769.8**

9M 2024 RESULTS DOCUMENTS

The 9M 2024 results documents can be found on Al Majed's Investor Relations website https://investors.almajed4oud.com/

CONTACT

For enquiries and additional information, please email our Investor Relations team at ir@almajed4oud.com

ABOUT AL MAJED OUD

Founded in 1956, Al Majed Oud is a leading manufacturer and retailer of premium Arabian fragrances, offering a wide range of oud-based products and perfumes. With a commitment to quality, craftsmanship, and innovation, Al Majed Oud blends traditional artistry with modern techniques to create luxurious, long-lasting scents. The company operates an extensive network of retail outlets across the Middle East and has built a loyal customer base both locally and internationally.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This document may contain forward-looking statements that involve risks and uncertainties, including statements regarding our future performance, product development, and market expansion. These statements are based on current expectations and projections about future events and trends that may affect our business. Actual results may differ materially from those expressed or implied due to various factors, including changes in market conditions, regulatory developments, competitive pressures, and the availability of funding. We undertake no obligation to update any forwardlooking statements to reflect events or circumstances after the date of this document.