

Cenomi Retail

9M 2025

Earnings Presentation

November 2025



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Presenters



Salim Fakhouri
Chief Executive Officer



Ahmed Abdelkareem
Chief Financial Officer

Agenda

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Highlights & Strategic Review



9M 2025 Performance Highlights

Operational Performance

Store Network

778 stores at September end

-8.7% year-on-year



POS Transactions KSA

SAR 527.1 mn

6.1% year-on-year



Gross Floor Area

308.3 k SQM

-14.9% year-on-year



Segmental Performance

KSA Retail Revenue

SAR 2,319.9bn

-1.6% year-on-year



International Retail Revenue

SAR 1,104.8 mn

+19.1% year-on-year



F&B Revenue

SAR 247.3 mn

-1.4% year-on-year



Financial Performance

Revenue

SAR 3,672.0bn

+3.8% year-on-year



EBITDA

SAR 129.5 mn

-63.0% year-on-year



Net Profit (Loss)

SAR (205.5) mn

-325.5% year-on-year



International and Online Sales Momentum, Cost Optimization, and Continued Strategic Transformation

Continued Focus on Optimizing Market, Brand & Store Footprint



Retail

Q3'24	4 stores opened 102 stores closed
Q3'25	0 stores opened 13 stores closed

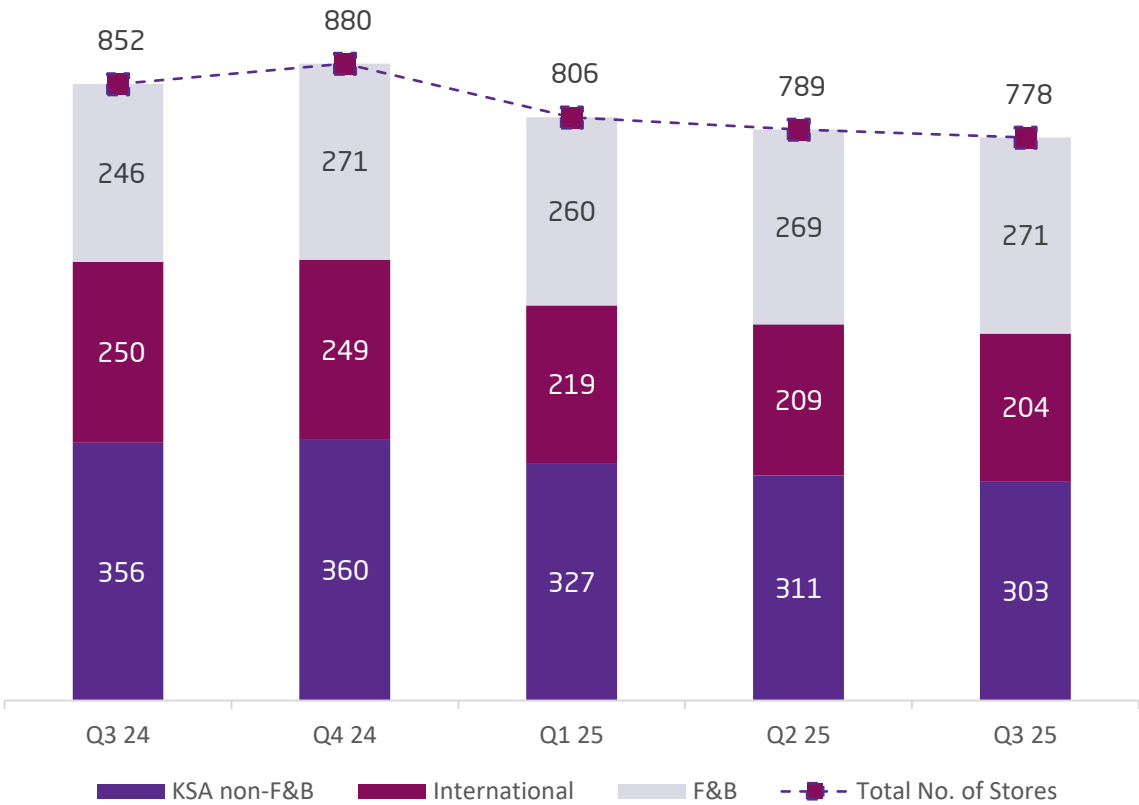


F&B

Q3'24	8 stores opened 10 stores closed
Q3'25	2 stores opened 0 stores closed



Store network evolution



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+



2025 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

ONLINE



Enhancing Experience

- Focus on elevating the online customer experience by improving lead time, strengthening click-and-collect operations and refining last mile delivery



Increasing Reach to More Customer Segments

- Expand digital channels and offerings to capture new customers and drive broader market penetration

Al-Futtaim as a strategic shareholder marks a major milestone in Cenomi Retail's transformation

Al-Futtaim has acquired a 49.95% stake in Cenomi Retail for a total consideration of SAR 2.52 billion, at SAR 44 per share. As part of the transaction, Al-Futtaim extended a SAR 1.35 billion shareholder loan facility to Cenomi Retail.



Strategic Value Proposition

- Al-Futtaim is bringing **global expertise**, advanced **digital capabilities**, and **operational excellence**
- The partnership is focused on **innovation, operational efficiency**, and **enhance customer engagement**, while **expanding distribution** reach across the Kingdom



Financial Strengthening

- **First tranche of SAR 1.16 billion (out of the total SAR 1.35 billion)** injected into the balance sheet, whilst second tranche scheduled for Q4 2025
- Loan carries **no interest payments until maturity** (five years) and includes an **equity conversion feature** to maintain strategic alignment
- **Execution of a SAR 1.60 billion credit facility with Emirates NBD Bank (KSA)** to refinance existing debt and improve liquidity



Supports Vision 2030

- **Alignment with the goals of Saudi Vision 2030**, the partnership supports key national priorities, including **economic diversification**, **private sector development**, and the **transformation of the retail sector**

New Board of Directors to Uphold Governance Excellence

Chairman of the Board

Hussein Ali Shobokshi

Independent ★

30+ Years Experience

Recognized as a “**Global Leader for Tomorrow**” by the **World Economic Forum**. He was the **first Gulf businessman** selected for the **Prince of Wales Business Leaders Forum**

Serves as economic consultant to leading companies and columnist for Asharq Al Awsat

BA in Management & Political Science from the University of Tulsa, Oklahoma and Executive Programs at the University of Virginia and INSEAD

Vice Chairman of the Board

Ahmed Wassim Arabi

Non-Executive ★

35+ Years Experience

President of Retail Division at Al-Futtaim Group, where he has driven both organic and acquisitive growth, organizational turnarounds, and international expansion

Held **executive and advisory roles across MENA, CEE, Turkey & Russia**, and has played a key role in building some of the region’s **most successful and sustainable consumer businesses**

BA in Business Administration from the University of Arkansas

Russell Rodrigues

Non-Executive

30+ Years Experience



Ismail Hassan Elkhatib

Non-Executive

20+ Years Experience



Abubakr Abdulla Al Futtaim

Non-Executive

20+ Years Experience



Tariq Saad AlTwijrey

Independent

25+ Years Experience



Ahmed Bin Saleh Alsultan

Non-Executive

20+ Years Experience



Abdulrahman Bin Mohammed Alanqari

Independent

30+ Years Experience



Abdullah Mohamed Matter

Independent

20+ Years Experience



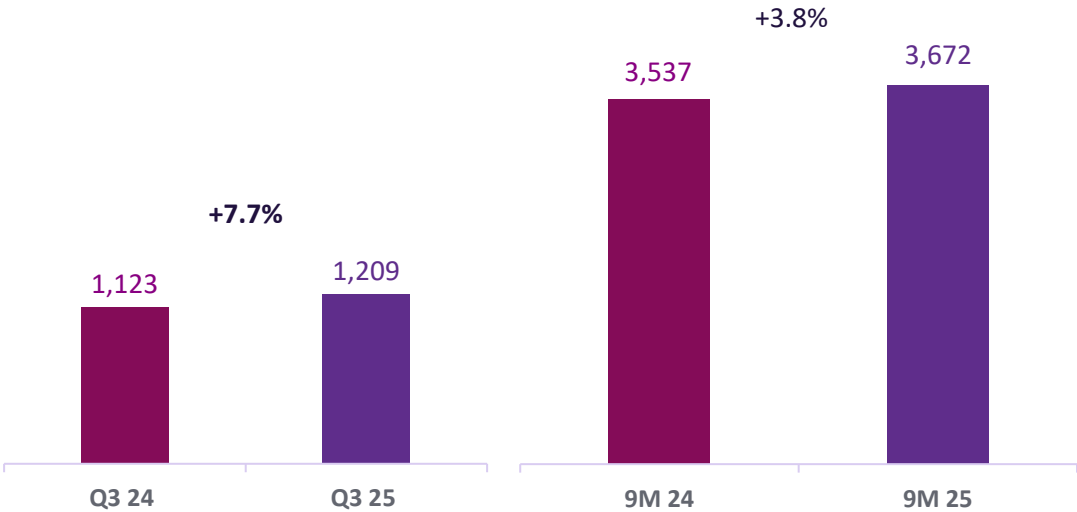
Financial Overview



9M 2025 Revenue Growth Supported by Saudi Arabia Resiliency and International Portfolio



Revenue (SAR Million)



- Group revenue up 3.8% YoY in 9M-25, driven by strong international performance and resilient Saudi Arabia performance
- Q3-25 revenue grew 7.7% YoY, driven by end-of-season promotions and strong back-to-school demand



LFL sales growth (%)

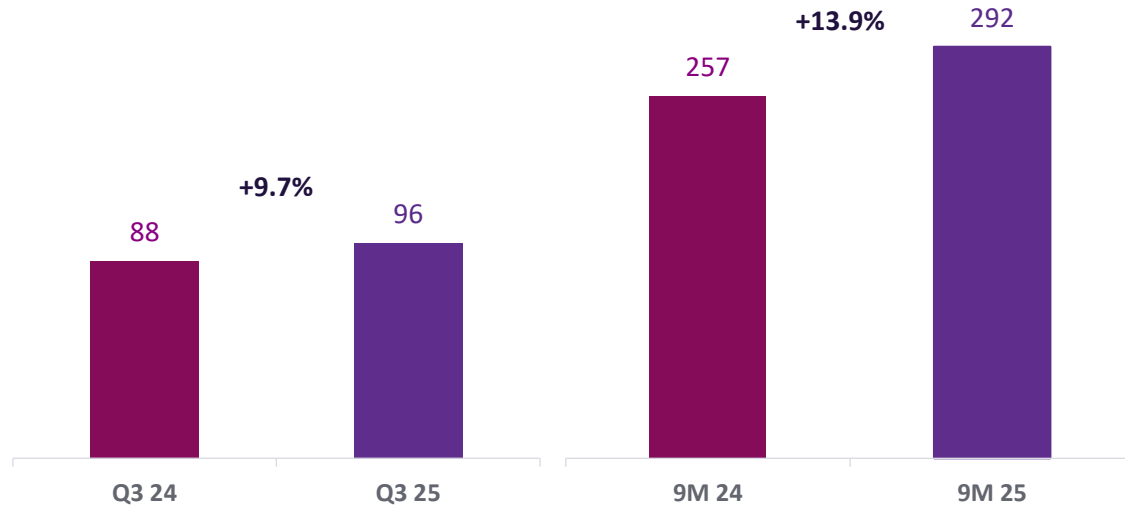
	Q3 2024	Q3 2025	Chg.	9M 2024	9M 2025	Chg.
Group	+4.1%	+4.3%	+0.2pp.	-4.1%	0.4%	+4.5pp.
Saudi	+4.9%	-2.6%	-7.6pp.	-5.4%	-4.3%	+1.1pp.
International	+7.9%	+18.9%	+11.0pp.	+3.7%	+13.6%	+9.9pp.
F&B	-11.9%	-5.0%	+6.9pp.	-11.4%	-5.0%	+6.4pp.

- International LFL sales led growth in 9M-25 and Q3-25, driven by higher sales volumes during the end-of-season promotions and sustained demand for ZARA and Inditex brands across key CIS markets

Growing Penetration and Strong Growth of Online Channels



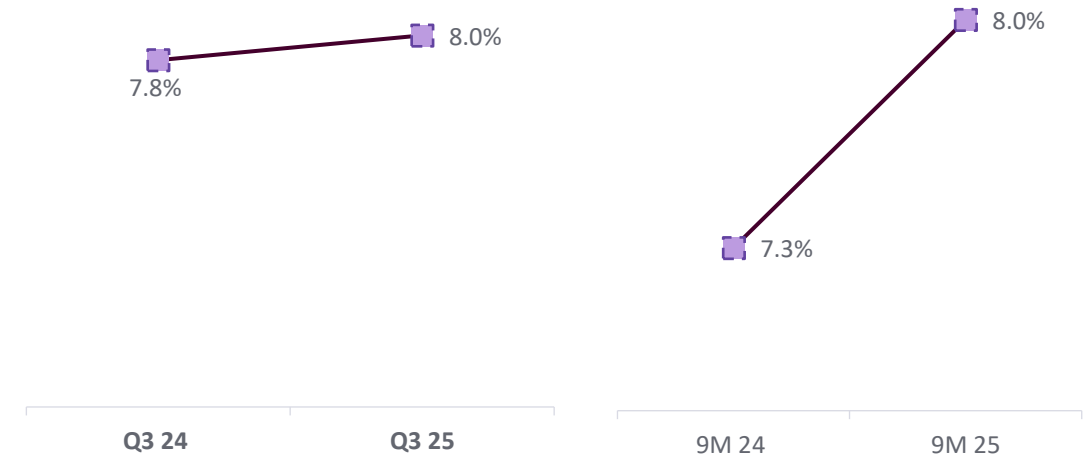
Online revenue (SAR Million)



- Online growth reflects the continued success of Cenomi Retail's digital strategy and enhancements to its online customer experience
- Lower transportation costs and fewer split orders across Inditex contributed to higher efficiency



E-commerce (% of total revenue)

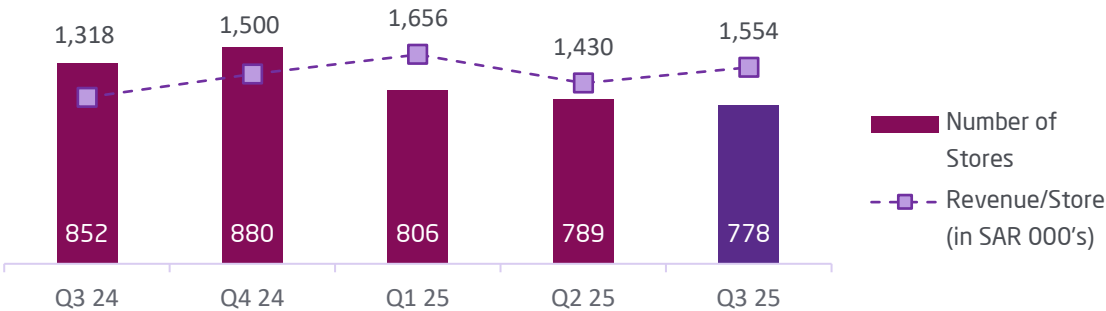


- Growing penetration of online channels underscores continued commitment to a seamless omnichannel experience through deeper integration of online and offline retail channels, enhancing like-for-like performance and driving continued growth in online sales

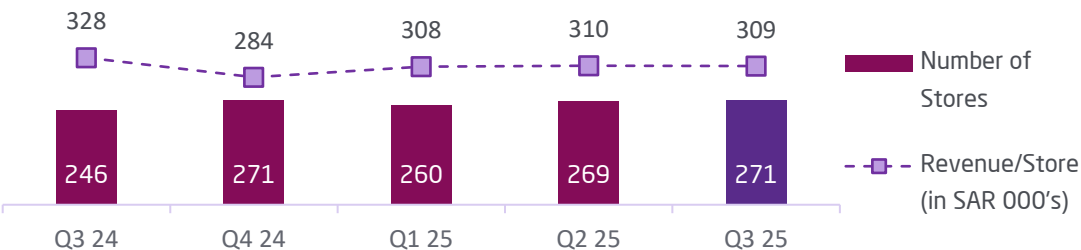
Portfolio Optimization Enabling Solid Revenue per Store



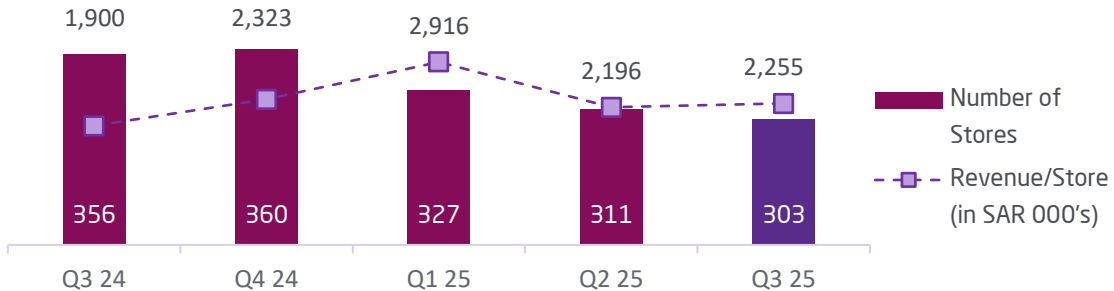
Revenue Per Store (Group)



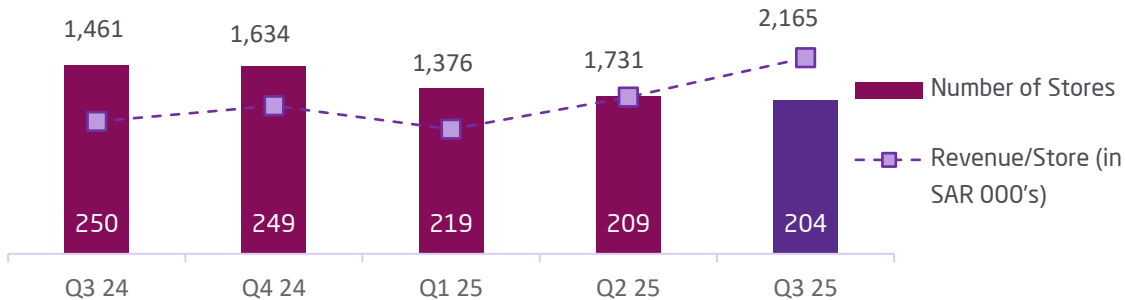
Revenue Per Store (F&B)



Revenue Per Store (KSA)

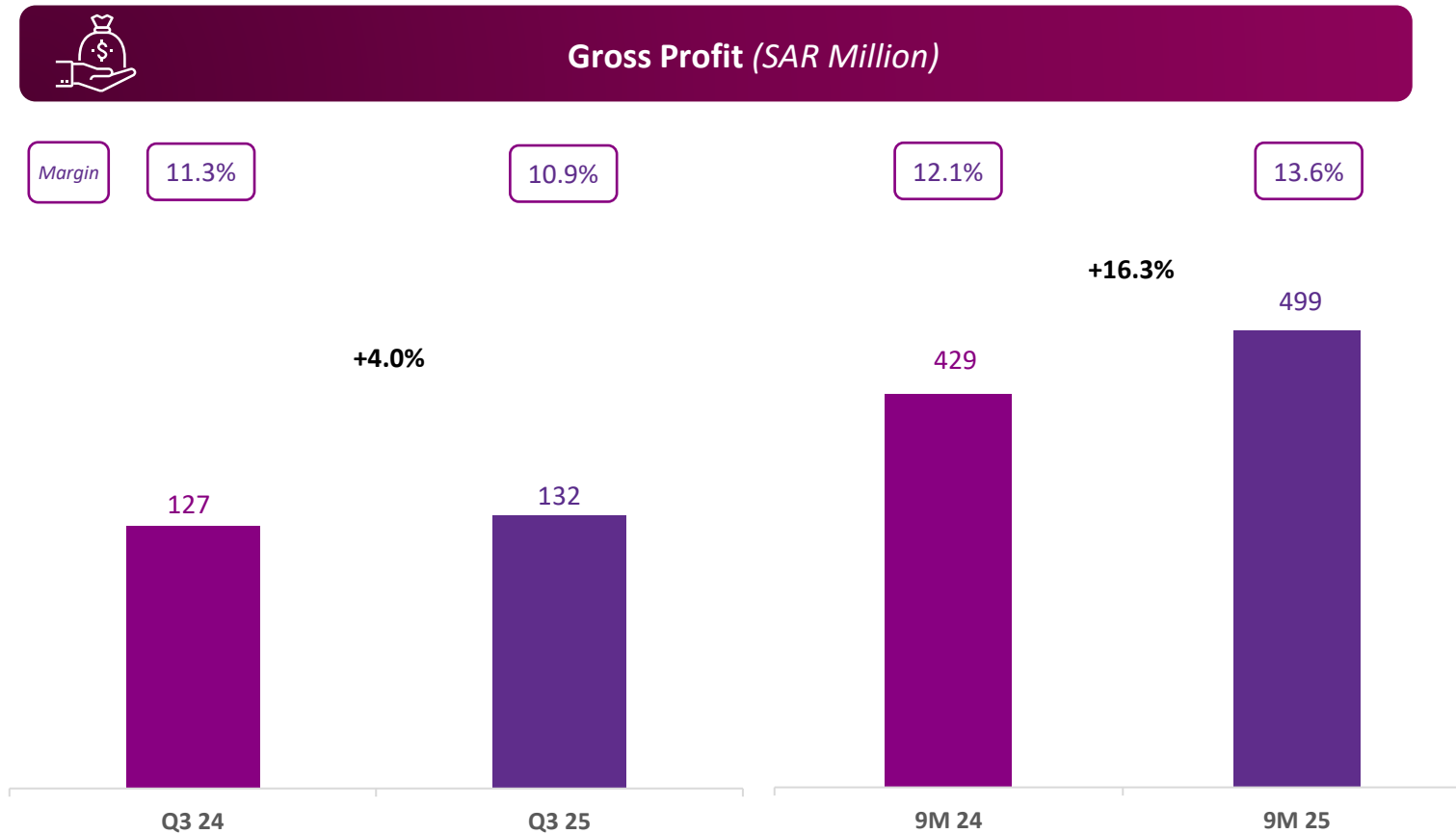


Revenue Per Store (International)



*Annualized figures are based on the period run rates
 **Quarterly figures have been re-classified due to prior business assumptions

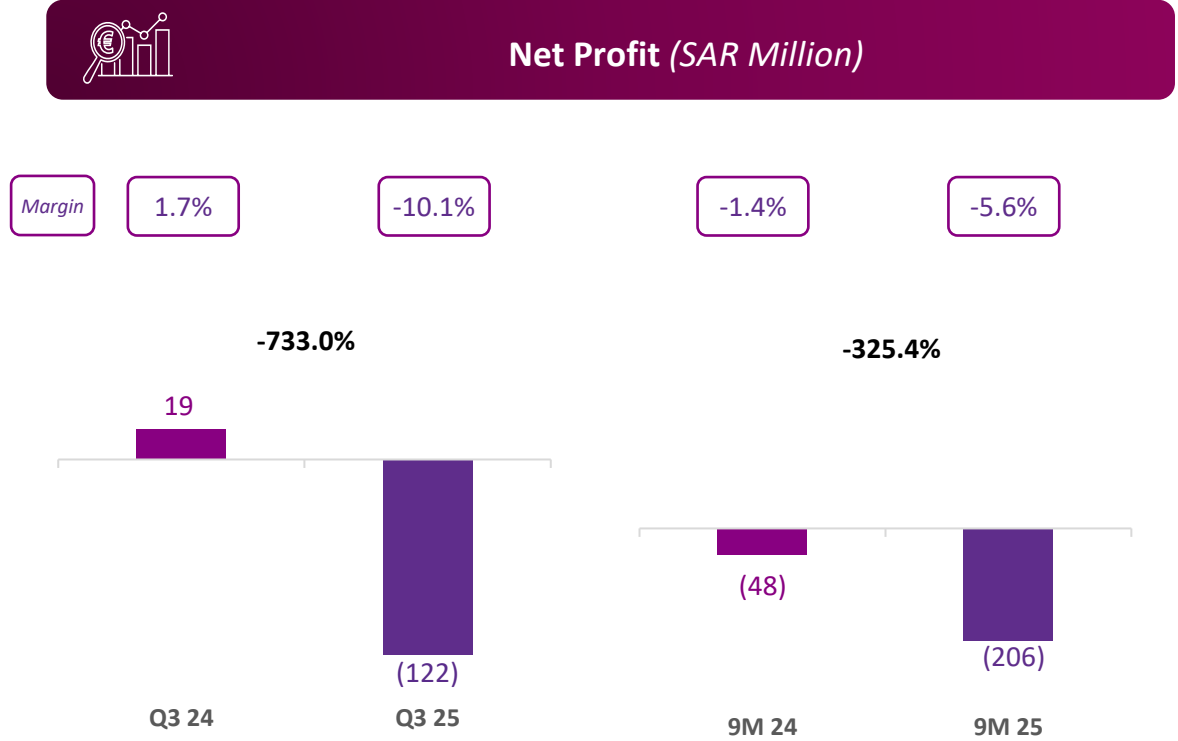
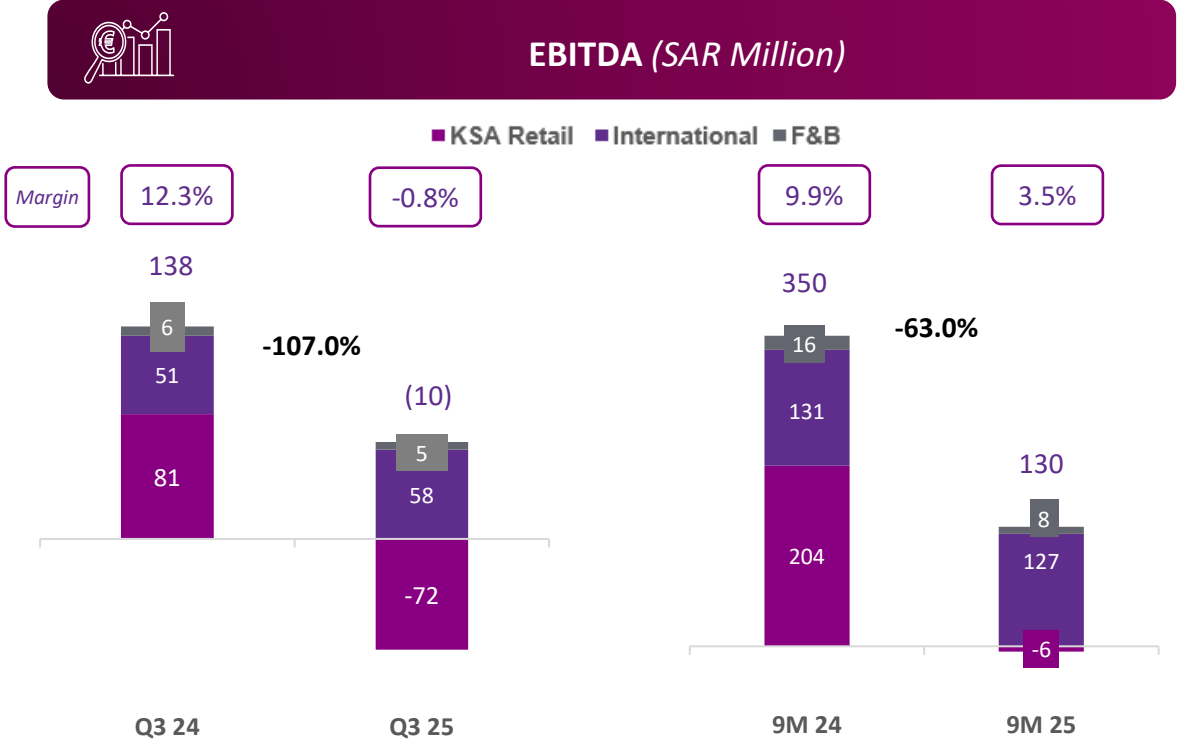
Improved Gross Profit Margin in 9M-25 Supported by Cost Efficiencies



- Margin improvement in 9M-25 supported by strong sales volumes and cost optimization
- Q3-25 margin saw a slight decline, primarily due to higher promotional activity during the quarter



EBITDA and Net Profit Mainly Impacted by Non-recurring Expenses



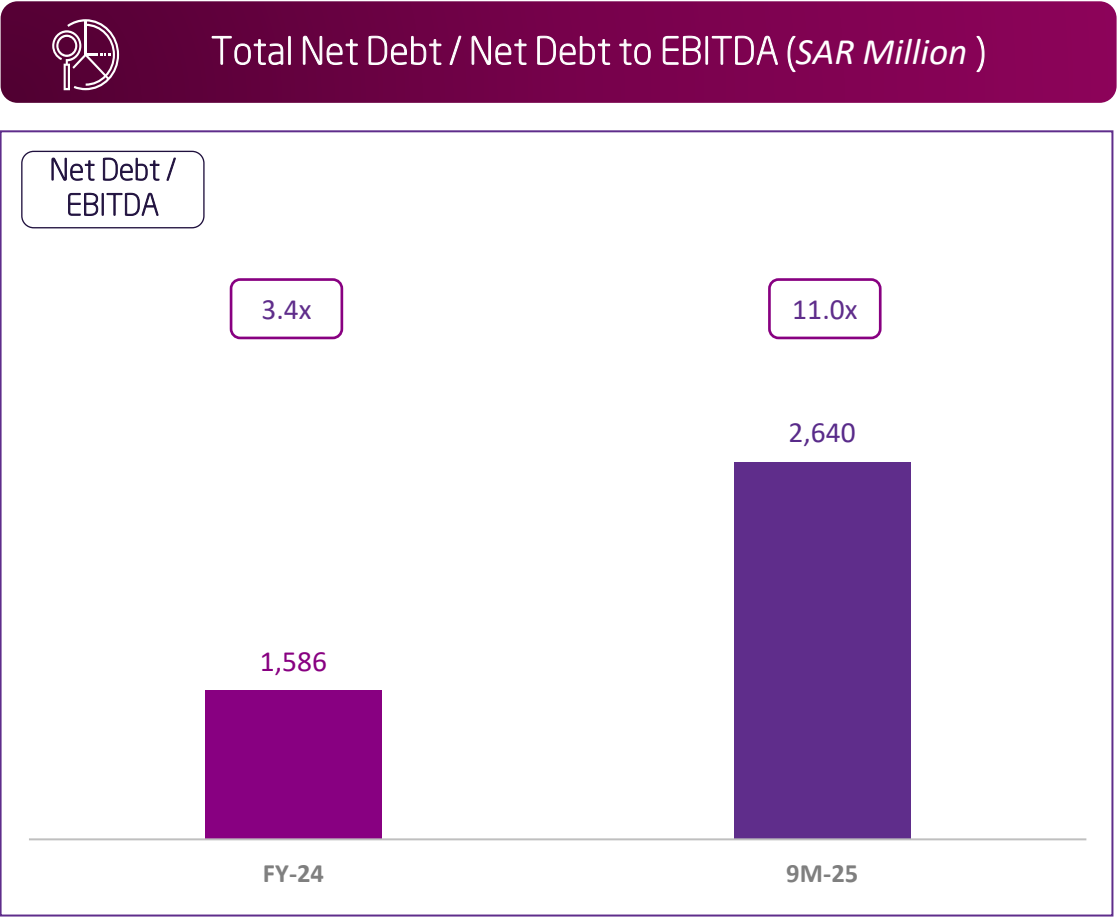
EBITDA and Net Loss primarily impacted by one-off items, including a SAR 28 million increase in G&A expenses related to professional fees for the shareholder loan transaction and seasonally lower margins. The prior year's results also benefited from a capital gain related to the divestment of non-core brands under the brand optimization program



Disciplined Cash Management

	FY 24	9M 25
Total Debt	1,842.6	2,793.8
Net Debt	1,586.4	2,640.2
EBITDA LTM (Last 12 Month)	459.9	239.3

- Net debt stood at SAR 2.6 billion at the end of 9M 2025, up 66.4% from FY 2024 levels. The Net Debt to LTM EBITDA ratio was 11.0x, vs 3.4x at year end, primarily reflecting the inclusion of the shareholder loan
- Despite the temporary pressure on leverage metrics, the company successfully repaid its syndicated loan, which had previously breached covenants, thereby enhancing financial flexibility and freeing up cash flow generation for the mid-term



Concluding Remarks



Key Takeaways



Topline

Revenue increased by 3.8% YoY in 9M 2025, driven by end-of-season promotions and strong back-to-back demand



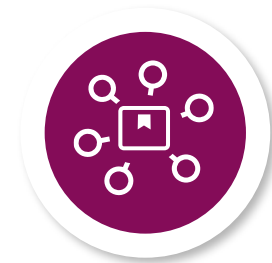
Profitability

Ongoing cost optimization efforts leading to increase in Gross Profit Margin whilst non-recurring expenses weighted on the bottom line



Financial position

Strengthened balance sheet through SAR 1.35bn shareholder loan and SAR 1.6bn refinancing facility, supporting financial flexibility and cash flow generation



Strategy Execution

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

Appendix



Income Statement

SAR million	Q3-24	Q3-25	Change (+/-)	9M-24	9M-25	Change (+/-)
Revenue	1,123	1,209	8%	3,536	3,672	4%
Cost of revenue	(995)	(1,077)	8%	(3,107)	(3,173)	2%
Gross profit/(loss)	127	132	4%	429	499	16%
<i>Margin</i>	<i>11.3%</i>	<i>10.9%</i>	<i>(0.4pp)</i>	<i>12.1%</i>	<i>13.6%</i>	<i>1.5pp</i>
Selling and distribution expenses	(30)	(35)	18%	(101)	(91)	-10%
General and administrative expenses	(68)	(102)	50%	(228)	(228)	0%
Other operating expense	38	(17)	n.a.	(7)	(126)	1621%
Other operating income	71	12	-84%	257	75	-71%
EBITDA	138	(10)	n.a.	350	130	-63%
<i>Margin</i>	<i>12.3%</i>	<i>-0.8%</i>	<i>n.a.</i>	<i>9.9%</i>	<i>3.5%</i>	<i>(6.4pp)</i>
Goodwill impairments	0	0	n.a.	0	0	n.a.
Depreciation, amortization	(32)	(34)	7%	(94)	(102)	9%
Operating profit / (loss)	106	(44)	n.a.	256	27	-89%
Net finance costs	(66)	(72)	9%	(230)	(194)	-16%
Change in fair value of other investment	0	0	n.a.	0	0	n.a.
Share of loss of equity-accounted investees	(2)	(3)	45%	(5)	(3)	-26%
Profit / (loss) before zakat and income tax	37	(119)	n.a.	22	(170)	n.a.
Zakat and Income tax expense	(14)	(4)	-70%	(39)	(19)	-52%
Loss for the year from continuing operations	23	(123)	n.a.	(17)	(188)	999%
Gain (Loss) for the year from discontinued operations	(4)	1	n.a.	(31)	(17)	-45%
Profit / (loss) for the year	19	(122)	n.a.	(48)	(206)	326%
Non-controlling interests	1	3	94%	5	5	7%
Net profit group share	18	(125)	n.a.	(53)	(211)	297%

Balance Sheet

SAR million	31-Dec-24	30-Sep-25	Change (+/-)	SAR million	31-Dec-24	30-Sep-25	Change (+/-)
Assets				Equity & Liabilities			
Property, Plant and Equipment	1,081	1,036	-4%	Share Capital	1,148	1,148	0%
Right-of-Use Assets	1,455	1,380	-5%	Reserves (Statutory, Foreign Currency and Fair Value)	(617)	(601)	-3%
Goodwill and Intangible Assets	627	619	-1%	Fair value reserve	83	83	0%
Investment Property	1	1	-8%	Accumulated Losses	(1,607)	(1,817)	13%
Equity-accounted investees	46	45	-3%	Equity Attributable to the Shareholders of the Company	(993)	(1,187)	20%
Other investments	84	89	6%	Non-Controlling Interest	(25)	(20)	-21%
Recievable from disposal of subsidiaries	19	16	-15%	Total Equity	(1,018)	(1,207)	19%
Total Fixed Assets	3,314	3,185	-4%	LT Loans and Borrowing	82	2	-98%
Inventories	632	621	-2%	Lease Liabilities	1,189	1,257	6%
Advances, Deposits and Other Receivables	151	192	27%	Post-Employment Benefits	74	86	17%
Prepayments, Rentals and Insurance	35	64	83%	Total Non-Current Liabilities	1,345	1,345	0%
Cash & Cash Equivalents	256	154	-40%	Trade and other payables	1,800	1,035	-42%
Assets included in disposal group classified as held for sale	198	0	-100%	Zakat & Tax Liabilities	99	7	-93%
Total Current Assets	1,272	1,030	-19%	Lease Liability – current portion	358	243	-32%
Total Assets	4,586	4,215	-8%	ST Loans and Borrowings	1,760	1,632	-7%
				Liabilities included in disposal group classified as held for sale	241	0	-100%
				Shareholders' loan	0	1,160	0%
				Total Current Liabilities	4,259	4,077	-4%
				Total Liabilities	5,604	5,422	-3%
				Total Equity & Liabilities	4,586	4,215	-8%

Cenomi Retail at a Glance

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



778 stores



303 Saudi retail stores



c. 308K sqm



271 F&B outlets



8 countries

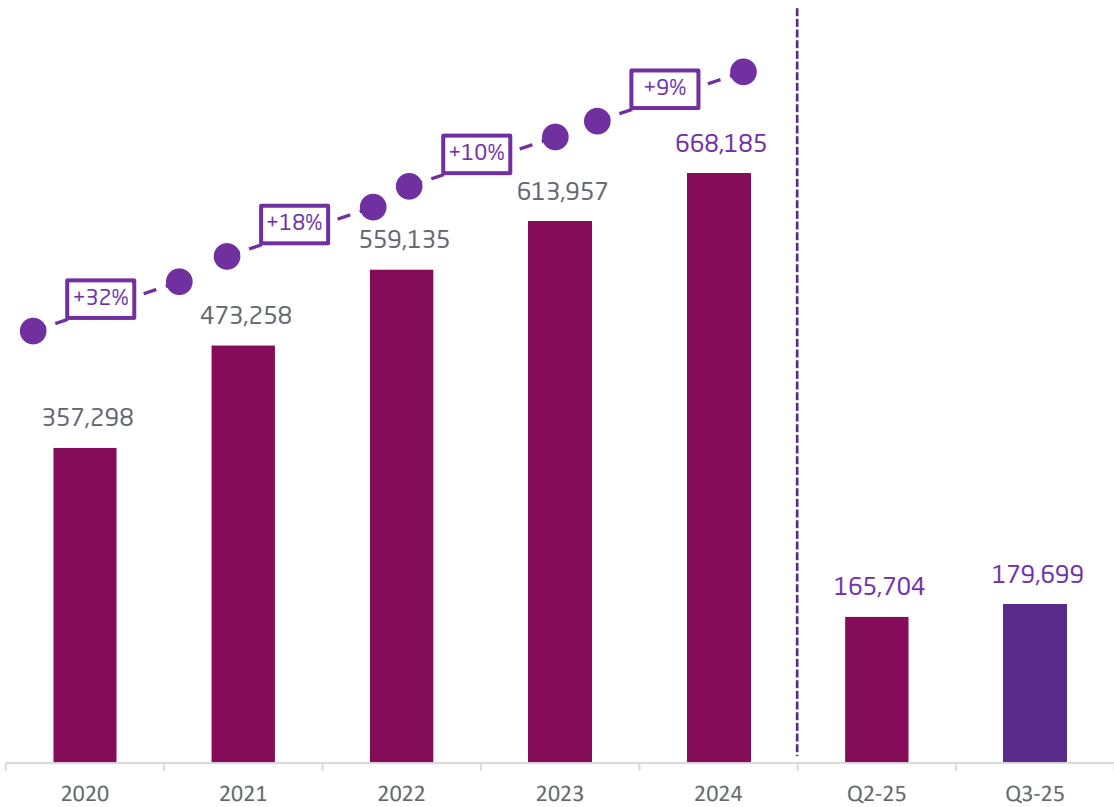


204 International stores

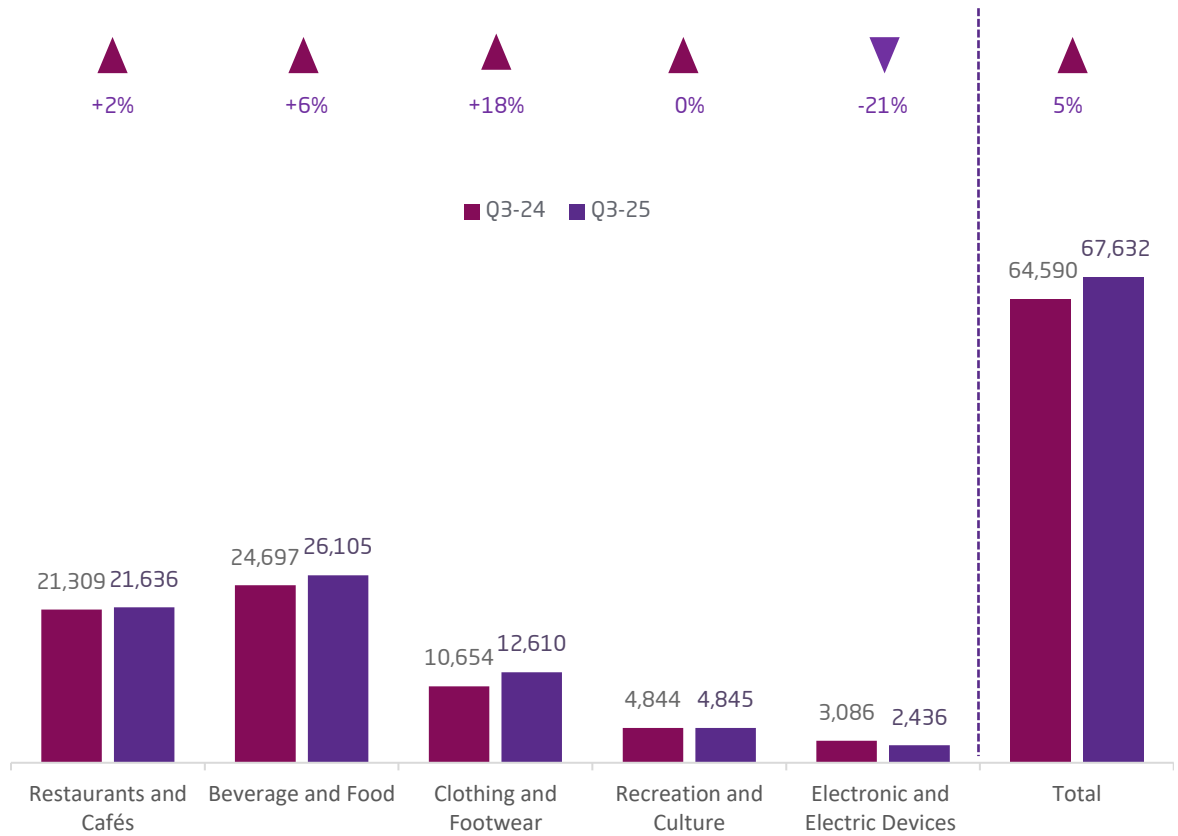
KSA Consumer Spending on Rising Trend



POS Transactions* - KSA Market (SAR Million)



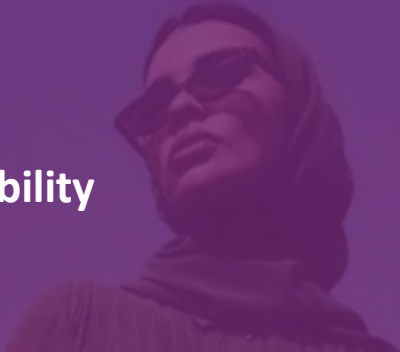
POS Transactions* - KSA Market (SAR Million)



* Source: SAMA

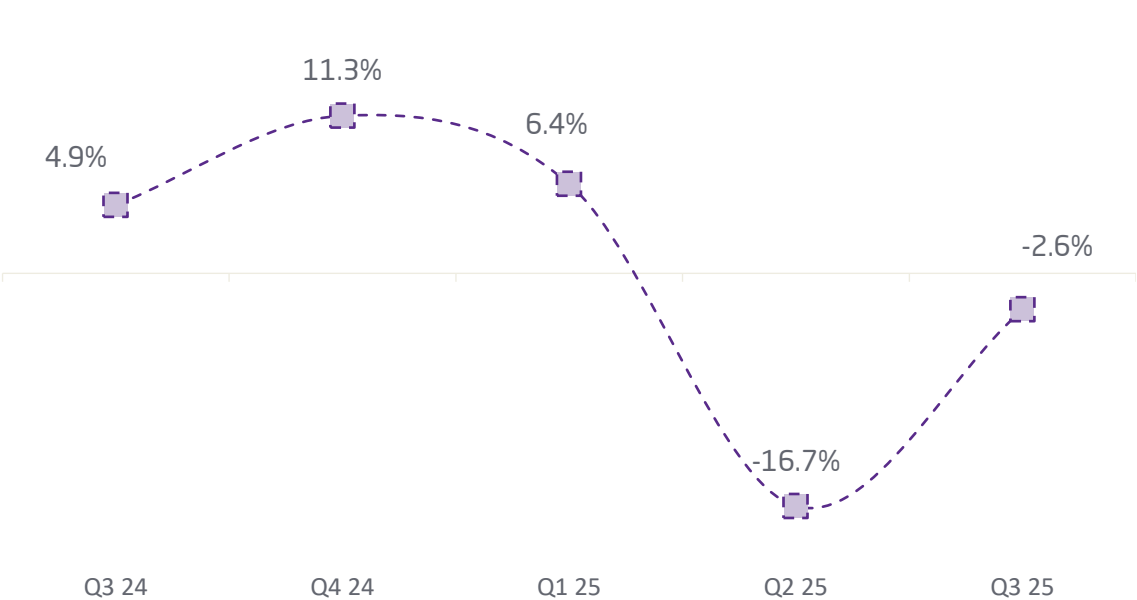


Strategic Sales Measures Drive Revenue Growth and Profitability



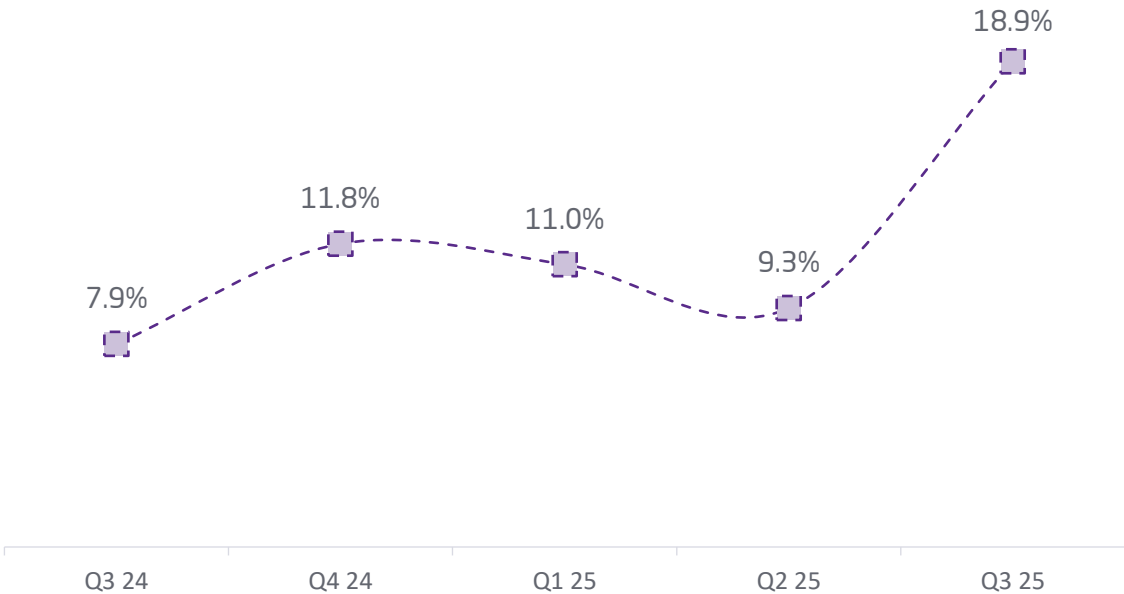
LFL Saudi retail sales growth %

- Saudi retail LFL declined 2.6% in Q3-25, in a seasonally softer quarter marked by summer vacations and end-of-season promotions and back-to-school demand



LFL International retail sales growth %

- International LFL grew 18.9% in Q3-25, driven by higher sales volumes during the end-of-season promotions and sustained demand for ZARA and Inditex brands across key CIS markets

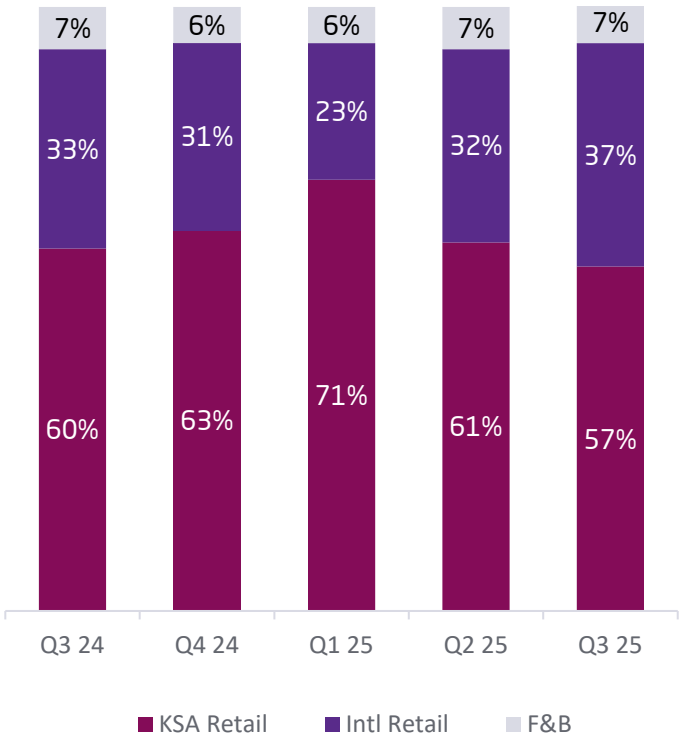




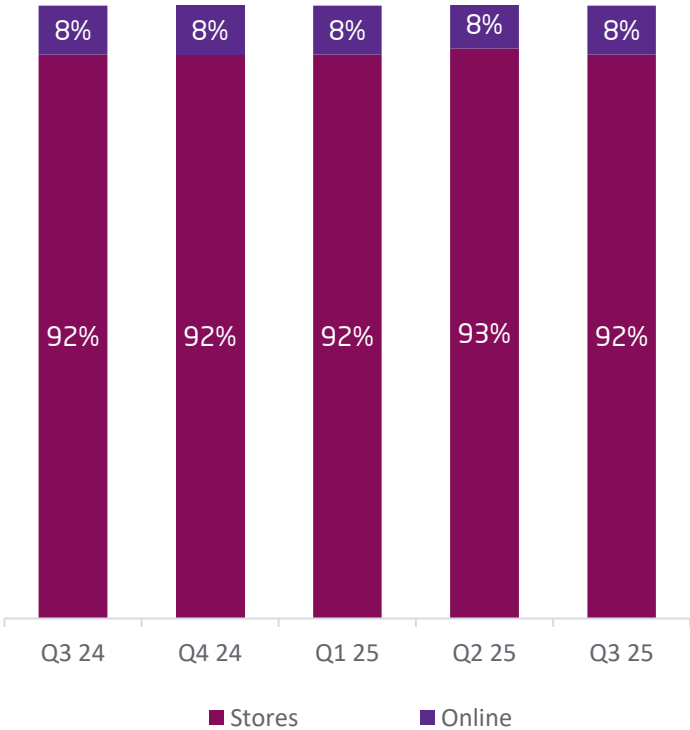
Revenue Diversification Efforts Ongoing



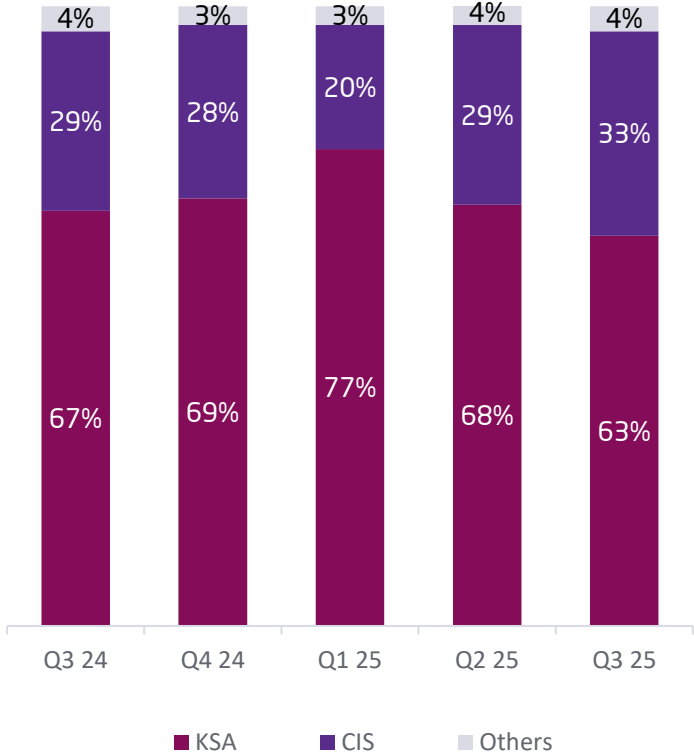
Revenue by division



Revenue by channel



Revenue by geography

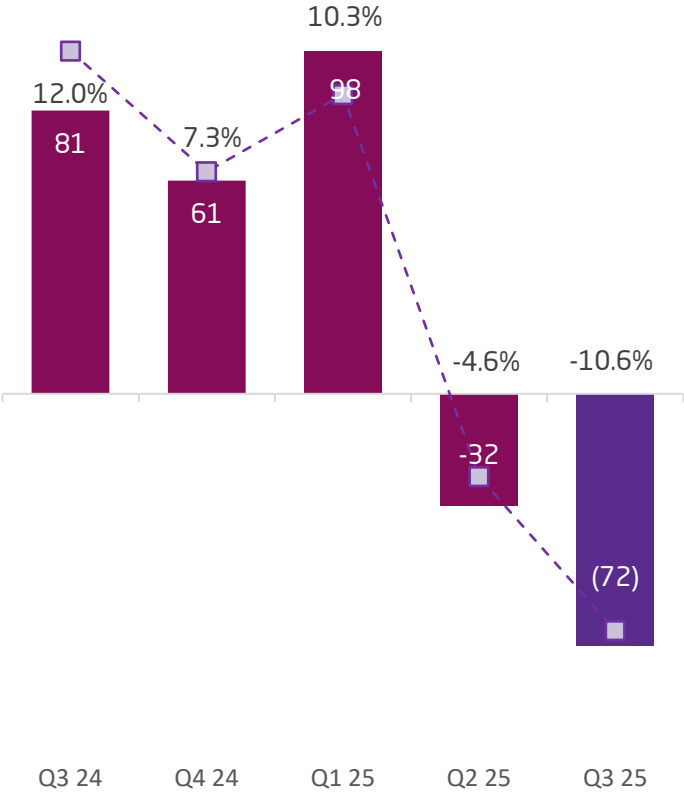




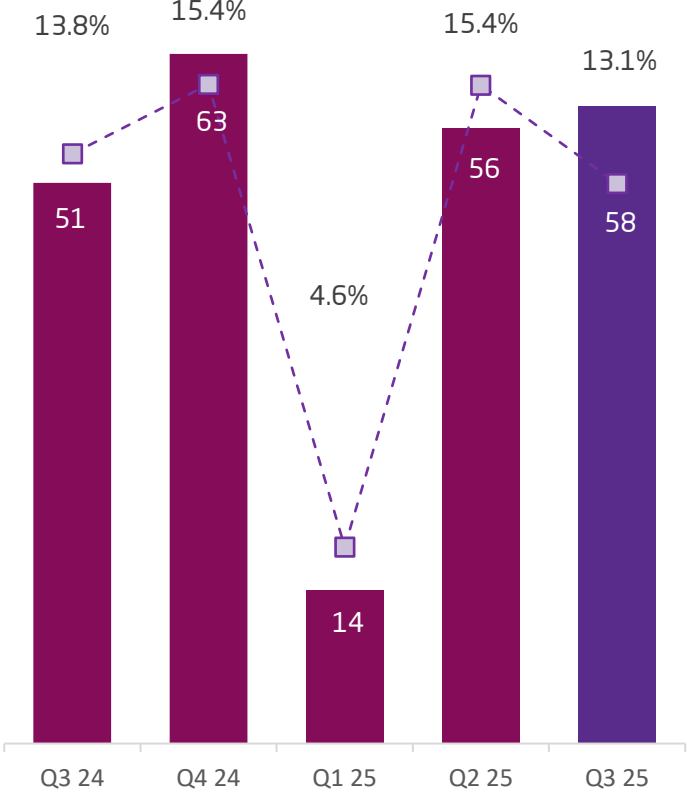
KSA EBITDA Impacted by Tax Liability Settlement



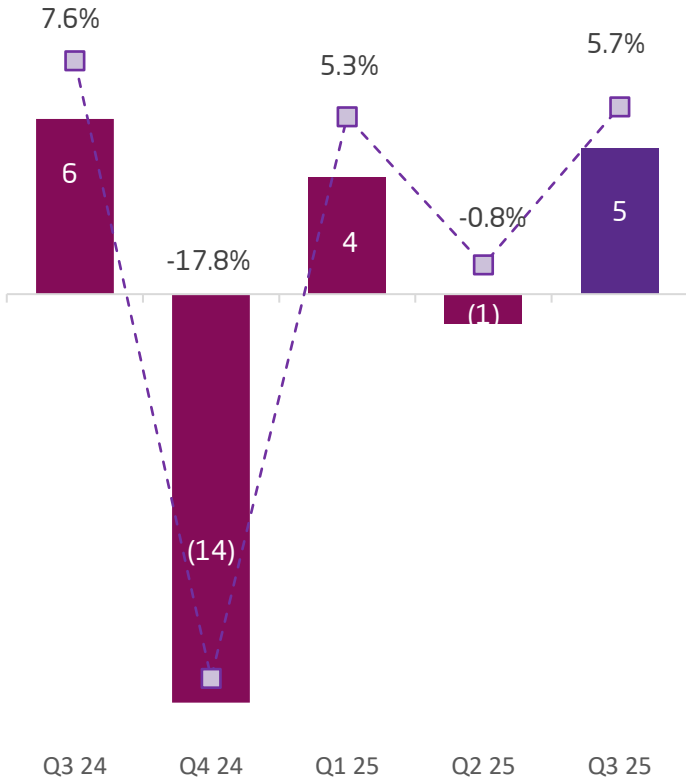
EBITDA KSA Retail, SAR MN
EBITDA Margin, %



EBITDA Intl, SAR MN
EBITDA Margin, %

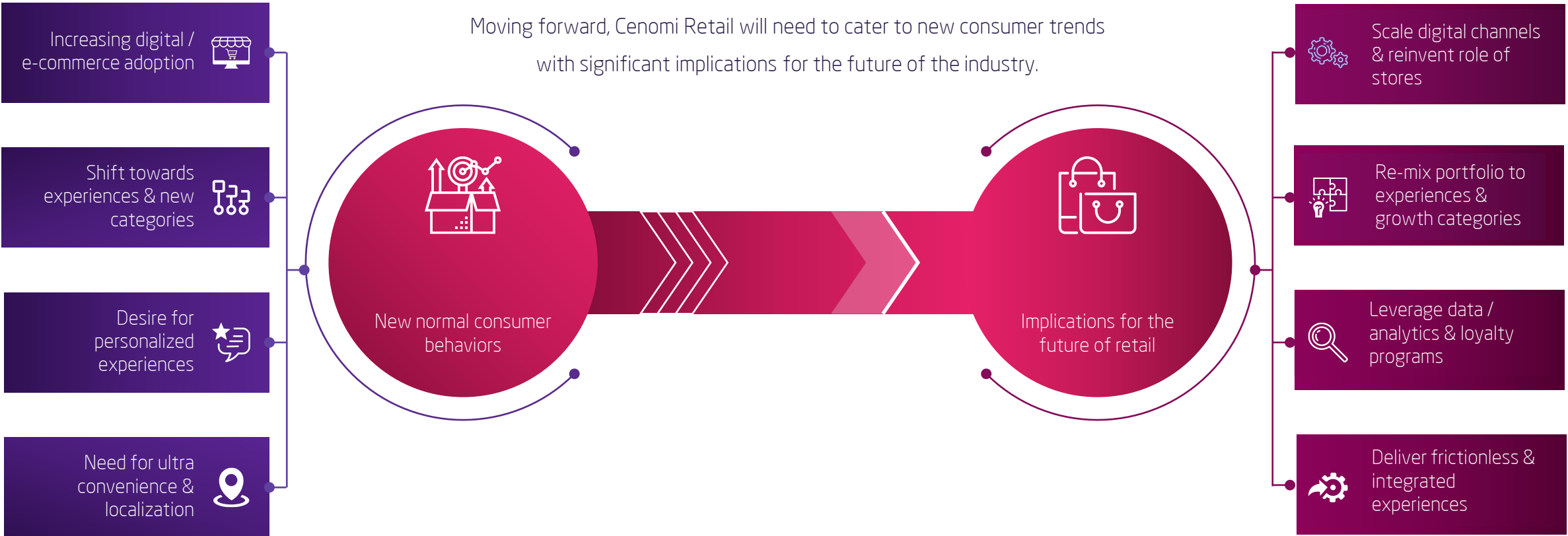


EBITDA F&B, SAR MN
EBITDA Margin, %



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

