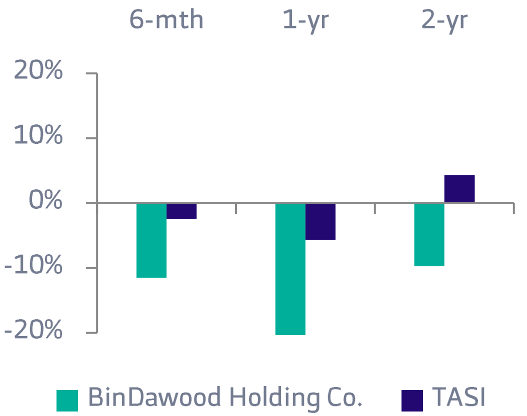
New Acquisition, New Dividend

November 13, 2025

Upside to Target Price	9.7%	Rating	Neutral
Expected Dividend Yield	1.5%	Last Price	SAR 5.47
Expected Total Return	11.2%	12-mth target	SAR 6.00

Market Data	
52-week high/low	SAR 7.04 / 5.17
Market Cap	SAR 6,252 mln
Shares Outstanding	1,143 mln
Free-float	26.54%
12-month ADTV	891,353
Bloomberg Code	BINDAWOO AB



BDH	3Q2025	3Q2024	Y/Y	2Q2025	Q/Q	RC Estimate
Sales	1,529	1,361	12%	1,474	4%	1,460
Gross Profit	521	450	16%	533	(2%)	496
Gross Margins	34%	33%		36%		34%
Operating Profit	76	57	33%	80	(6%)	72
Net Profit	40	35	15%	50	(20%)	39

(All figures are in SAR mln)

- BDH's top-line moved higher by +12% Y/Y and +4% Q/Q, with revenues of SAR 1.5 bln, in-line with our estimate. The Y/Y growth was driven by the Retail Grocery Business generating greater revenue of +4% Y/Y; as well as the full consolidation of the Pharmacy Business (Zahrat Pharmacies LLC). We also note, that management highlighted another acquisition made in 4Q2025, of 'Toy Triangle'; the results of which will not be consolidated in these results.
- 3Q25 gross profit increased by +16% Y/Y but dropped -2% Q/Q, to SAR 521 mln; in-line with our estimate. The lower gross margin results Q/Q, were driven by seasonal consumption patterns, while the Y/Y improvement, by over +100 bps, was driven by the higher margins from BDH's newly acquired Pharmacy Business. Management highlighted Opex as a percentage of total sales increased in 3Q25, up from 29.1% in 3Q24; reaching 29.2%. The initial costs from the 'ramp-up' phase related to new retail locations are identified as the driver of these increased costs, while we speculate these higher costs could simply reflect a new cost structure.
- BDH reported a 3Q25 bottom-line of SAR 40 mln vs. SAR 35 mln in 3Q2024 and a net profit of SAR 50 mln in 2Q2025, in-line with our estimate. We lower our target price, driven by greater Opex, greater competition in grocery retail, and also the most recent dividend announced by BDH dropping from SAR 0.10 per share, to SAR 0.04 per share.

Brennan Eatough
brennan.eatough@riyadcapital.com
+966-11-203-6808

الرياض المالية
Riyad Capital

Disclaimer

Stock Rating

Buy	Neutral	Sell	Not Rated
Expected Total Return Greater than +15%	Expected Total Return between -15% and +15%	Expected Total Return less than -15%	Under Review/ Restricted

The expected percentage returns are indicative, stock recommendations also incorporate relevant qualitative factors

For any feedback on our reports, please contact research@riyadcapital.com

Riyad Capital is a Saudi closed joint stock company with paid-up capital of SAR 500 million. Licensed by the Saudi Arabian Capital Market Authority (No. 07070-37). Commercial Registration No. 1010239234. Head Office: 3128 Financial Boulevard, 6671 Al Aqeeq Dist., Riyadh 13519, Kingdom of Saudi Arabia. Ph: 920012299.

The information in this report was compiled in good faith from various public sources believed to be reliable. Whilst all reasonable care has been taken to ensure that the facts stated in this report are accurate and that the forecasts, opinions and expectations contained herein are fair and reasonable. Riyad Capital makes no representations or warranties whatsoever as to the accuracy of the data and information provided and, in particular, Riyad Capital does not represent that the information in this report is complete or free from any error. This report is not, and is not to be construed as, an offer to sell or solicitation of an offer to buy any financial securities. Accordingly, no reliance should be placed on the accuracy, fairness or completeness of the information contained in this report. Riyad Capital accepts no liability whatsoever for any loss arising from any use of this report or its contents, and neither Riyad Capital nor any of its respective directors, officers or employees, shall be in any way responsible for the contents hereof. Riyad Capital or its employees or any of its affiliates or clients may have a financial interest in securities or other assets referred to in this report. Opinions, forecasts or projections contained in this report represent Riyad Capital's current opinions or judgment as at the date of this report only and are therefore subject to change without notice. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or projections which represent only one possible outcome. Further, such opinions, forecasts or projections are subject to certain risks, uncertainties and assumptions that have not been verified and future actual results or events could differ materially. The value of, or income from, any investments referred to in this report may fluctuate and/or be affected by changes. Past performance is not necessarily an indicative of future performance. Accordingly, investors may receive back less than originally invested amount. This report provides information of a general nature and does not address the circumstances, objectives, and risk tolerance of any particular investor. Therefore, it is not intended to provide personal investment advice and does not take into account the reader's financial situation or any specific investment objectives or particular needs which the reader may have. Before making an investment decision the reader should seek advice from an independent financial, legal, tax and/or other required advisers due to the investment in such kind of securities may not be suitable for all recipients. This research report might not be reproduced, nor distributed in whole or in part, and all information, opinions, forecasts and projections contained in it are protected by the copyright rules and regulations.

الرياض المالية
Riyad Capital