BinDawood Holding Co. (BDH)

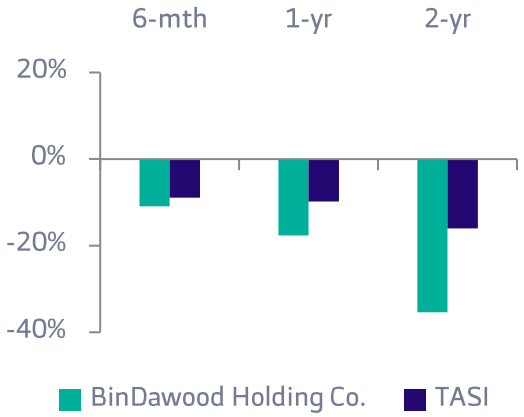
3Q2026 First Look

Acquisitions Drive Growth, But Leverage Rises; Maintain Neutral

November 11, 2026

Upside to Target Price	0.4%	Rating	Neutral
Expected Dividend Yield	1.8%	Last Price	SAR 4.48
Expected Total Return	2.2%	12-mth target	SAR 4.50

Market Data	
52-week high/low	SAR 5.54 / 3.70
Market Cap	SAR 5,121 mln
Shares Outstanding	1,143 mln
Free-float	26.54%
12-month ADTV	833,209
Bloomberg Code	BINDAWOO AB



BDH	3Q2026	3Q2025	Y/Y	2Q2026	Q/Q	RC Estimate
Sales	1,716	1,529	12%	1,643	4%	1,667
Gross Profit	598	521	15%	576	4%	542
Gross Margins	35%	34%		35%		33%
Operating Profit	91	76	20%	101	(10%)	79
Net Profit	36	42	(15%)	50	(28%)	39

(All figures are in SAR mln)

- BDH reported 3Q26 revenue of SAR 1,716 mln (+12% Y/Y, +4% Q/Q), in line with our SAR 1,667 mln estimate, and gross profit of SAR 598 mln (+15% Y/Y, +4% Q/Q), above our SAR 542 mln forecast on a gross margin of 35% against our 33% forecast. Operating profit of SAR 91 mln (+20% Y/Y, -10% Q/Q) was also above our SAR 79 mln, with operating expenses up +14% Y/Y on new stores, acquisitions and one-time deal costs. Net profit (attributable to shareholders) of SAR 36 mln (-15% Y/Y, -28% Q/Q) was in line with our SAR 39 mln estimate. Growth was carried by grocery, a full quarter of Vaza Foods, Toy Triangle, two months of Wonder Bakery and one month of the Estonian dairy assets.
- Consolidated net profit fell -4% Y/Y to SAR 38.5 mln, but the attributable figure fell -15% as non-controlling interests took SAR 2.7 mln versus SAR (1.9) mln in 3Q25. Below the operating line, costs absorbed SAR 52 mln versus SAR 35 mln in 3Q25, with finance costs up SAR 4.9 mln on acquisition borrowings and SAR 7.2 mln on new leases; we also note that group borrowings reached SAR 1,264 mln at September, from SAR 317 mln at 1 January. The board declared an interim dividend of SAR 0.04 per share for 1H26, unchanged from last November.
- We maintain our target price of SAR 4.50 and our Neutral rating. The operating story is still maintained, with the BinDawood brand now in Riyadh and three acquisitions in four months, but the three items behind our caution in August have all moved the wrong way: attributable earnings fell -3% Y/Y over 9M26 while consolidated profit rose +4%, borrowings have quadrupled since January, and the minority share of profit is rising. We remain Neutral while we wait for the financials to review the net debt position.

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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

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