

Market Data	
52-week high/low	SAR 6.69 / 4.10
Market Cap	SAR 5,075 mln
Shares Outstanding	1,143 mln
Free-float	26.54%
12-month ADTV	800,688
Bloomberg Code	BINDAWOO AB



## Acquisitions Cloud Performance, Y/Y Net Margins Lower

March 16, 2026

Upside to Target Price	1.4%	Rating	Neutral
Expected Dividend Yield	1.8%	Last Price	SAR 4.44
Expected Total Return	3.2%	12-mth target	SAR 4.50

BDH	4Q2025	4Q2024	Y/Y	3Q2025	Q/Q	RC Estimate
Sales	1,670	1,426	17%	1,529	9%	1,514
Gross Profit	583	513	14%	521	12%	516
Gross Margins	35%	36%		34%		34%
Operating Profit	147	127	15%	74	98%	107
Net Profit	109	107	2%	42	159%	77

(All figures are in SAR mln)

- BDH's top-line moved higher by +17% Y/Y and +9% Q/Q, with revenues of SAR 1.7 bln, roughly in-line with our estimate. The Y/Y growth was driven by the Retail Grocery Business generating greater revenue, based upon the impact from footprint expansion, but also store performance maturation; of locations launched in 2024. Other Y/Y contributors include the consolidation of the Pharmacy Business (Zahrat Pharmacies LLC), which also spurred the strategic commissioning of in-store (grocery) pharmacies. We also note, that management highlighted the Logistics Business (Jumairah Trading Co.) reported significant Y/Y growth, driven by targeted expansion into untapped market categories.
- 4Q25 gross profit increased by +14% Y/Y and +12% Q/Q, to SAR 583 mln, higher than our more conservative estimate. The higher overall gross profits were driven by the consolidation of the Pharmacy Business, as it is in general, a higher margin retail segment. However, we speculate that lower gross margin results Y/Y, could have been driven by seasonal consumption patterns, but also higher competition in the main grocery business.
- BDH reported net profits of SAR 109 mln in 4Q25 vs. SAR 107 mln in 4Q24, higher than our more conservative estimate. We lower our target price and maintain our rating, based on BDH's multiple acquisitions, which appear to be for the first time disclosing their operating profits this quarter. This makes the financial picture uncertain, as net margins drop Y/Y.

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

## ■ 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](mailto:research@riyadcapital.com)

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