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NICE ONE



Nice One 2024 Results Call

March 2025



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Speakers



OMAR AL OLAYAN

Chief Executive Officer & Co-Founder



ABDULRAHMAN AL OLAYAN

Chief Marketing Officer & Co-Founder



MUHAMMAD IMRAN

Chief Financial Officer



ELYES JERIBI

Chief Strategy Officer

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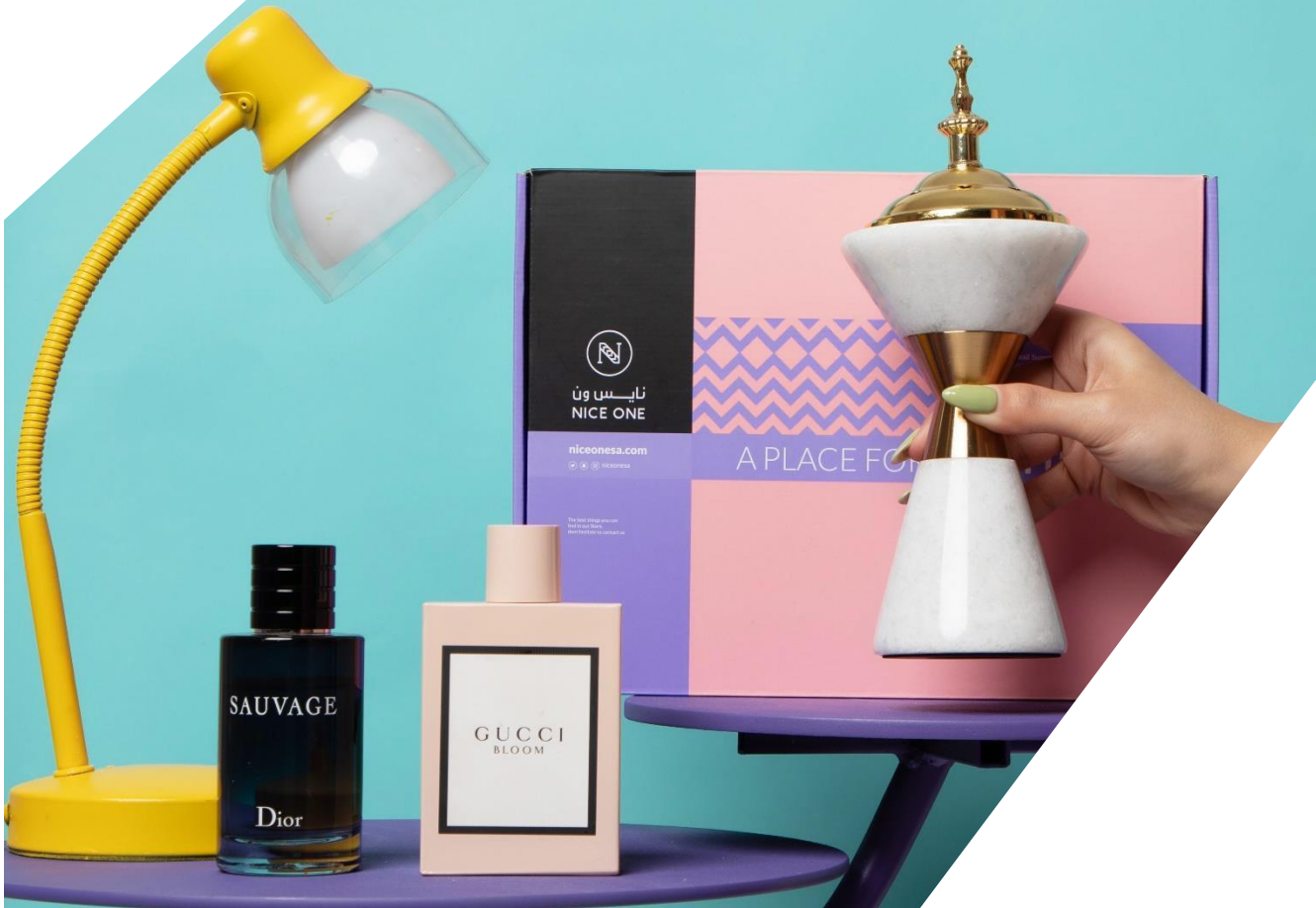
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Zoom-In on Quarterly Performance



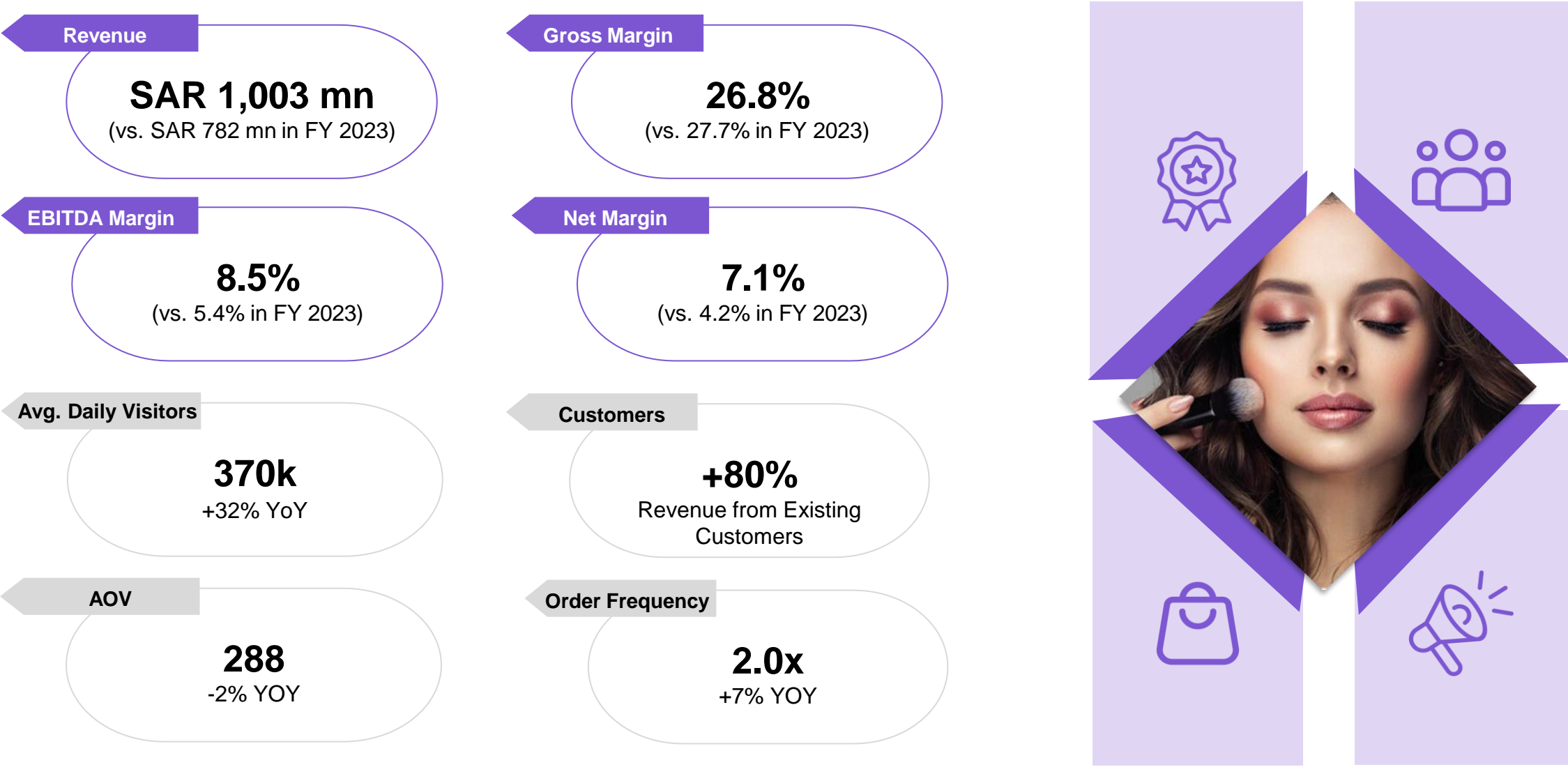
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FY2024 Performance Analysis



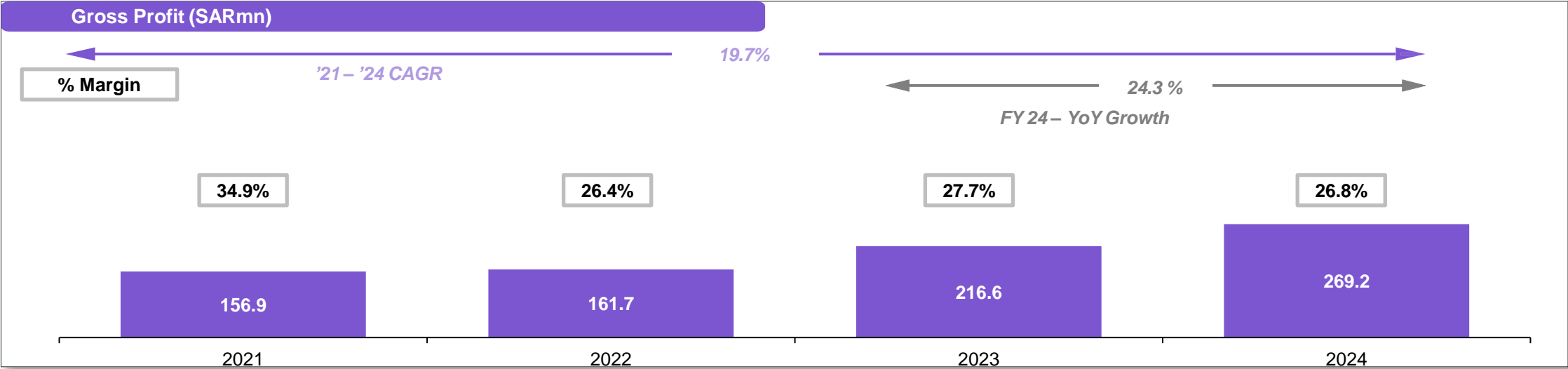
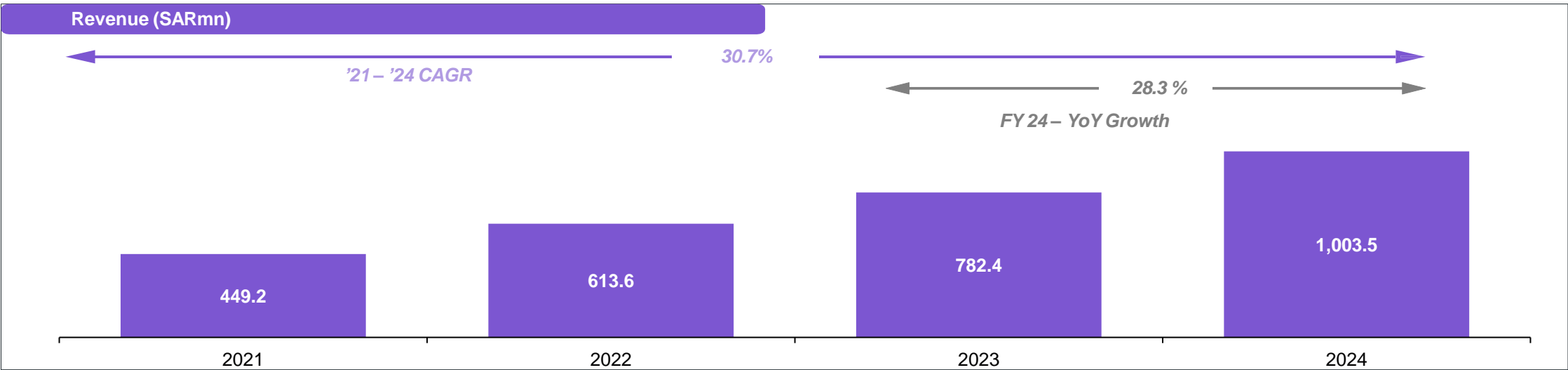
FY2024 Trading Update

FY- 2024 at-a-Glance; Strong and Profitable Growth with Revenue and Net Income Increasing by 28% and 120% YoY, respectively



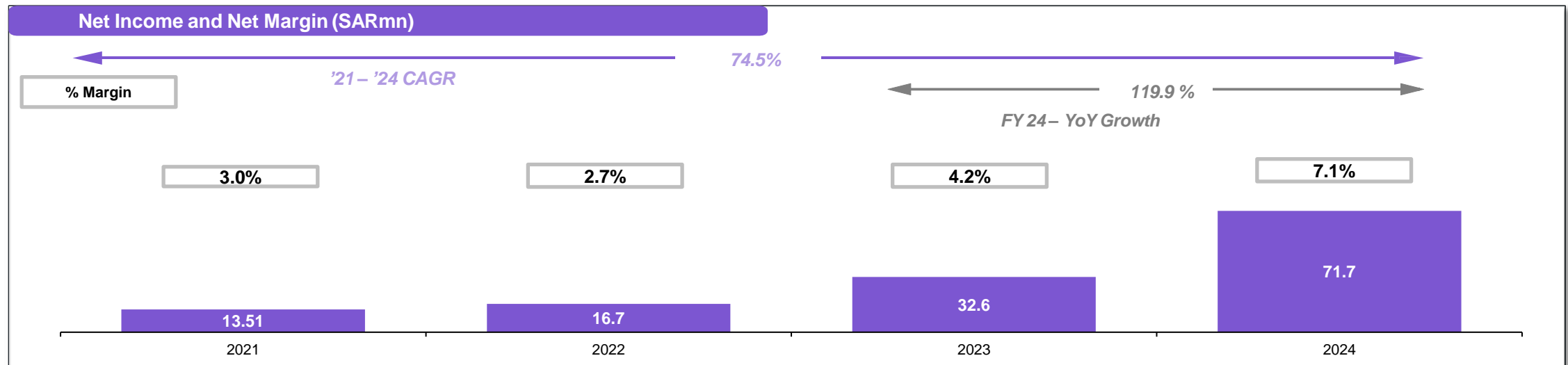
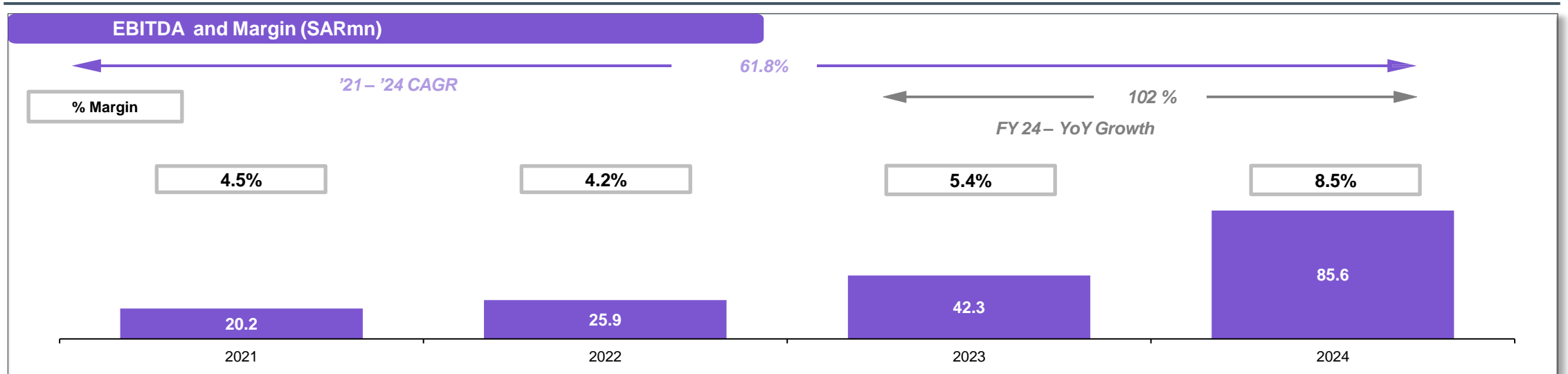
Source: Company Information.

Revenue and Gross Profit Overview



Source: Company Information.

EBITDA and Net Income Overview



Selling and Marketing Expense



Selling and Marketing Expense (SARMn)

% of Revenue

24.7%

18.1%

18.4%

14.1%

110.8

110.8

144.1

141.4

2021

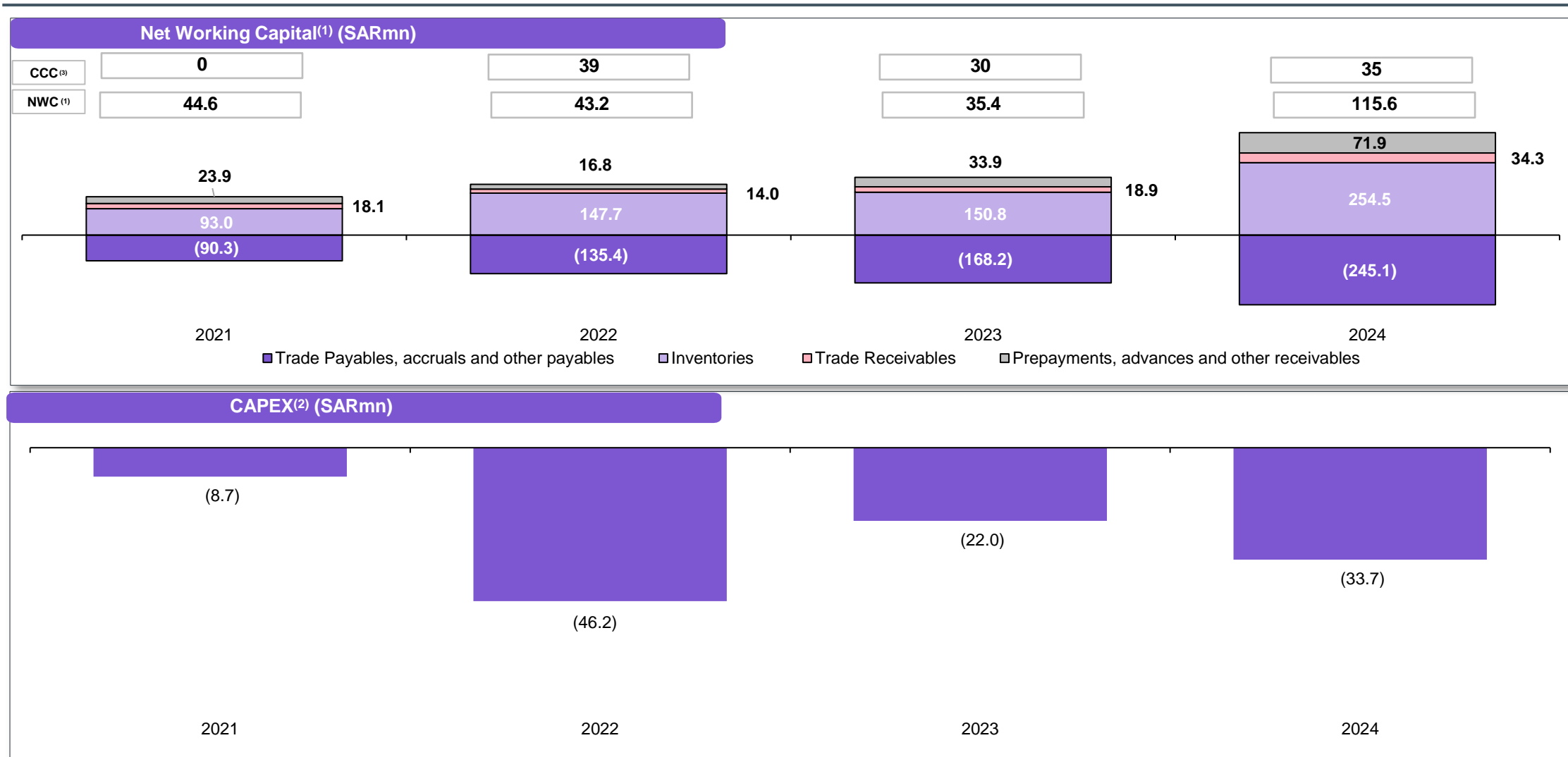
2022

2023

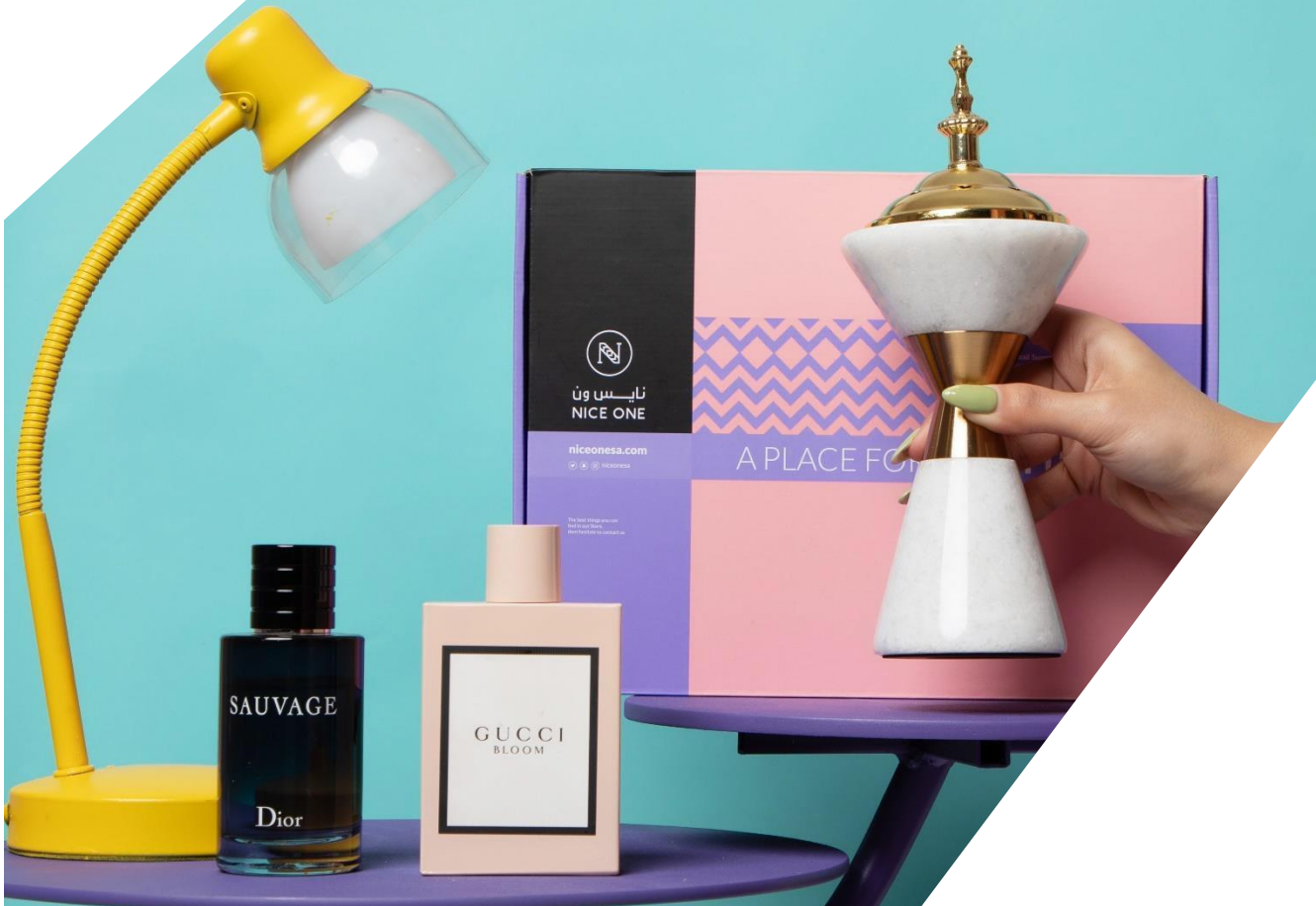
2024

Source: Company Information.

Net Working Capital and Capital Expenditure

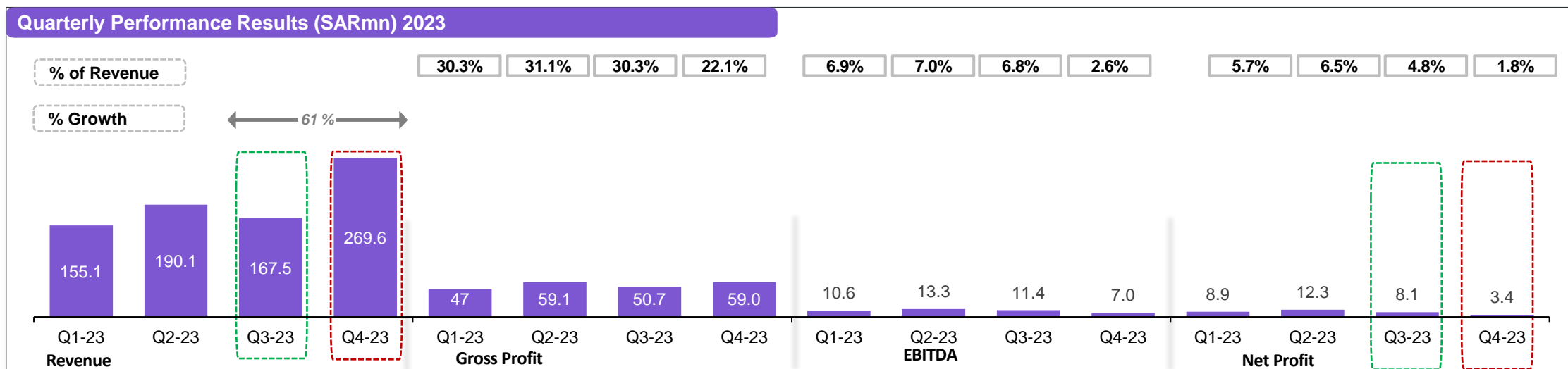
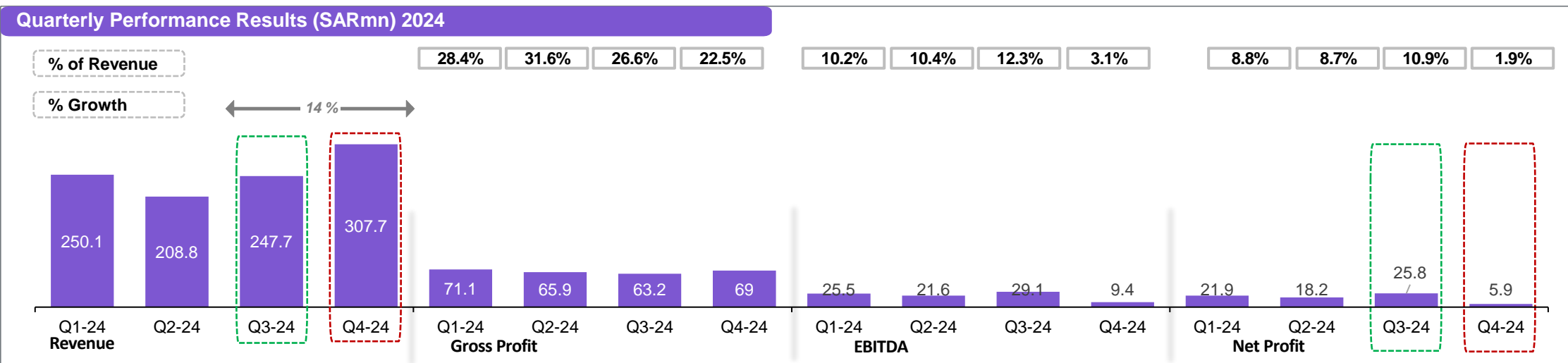


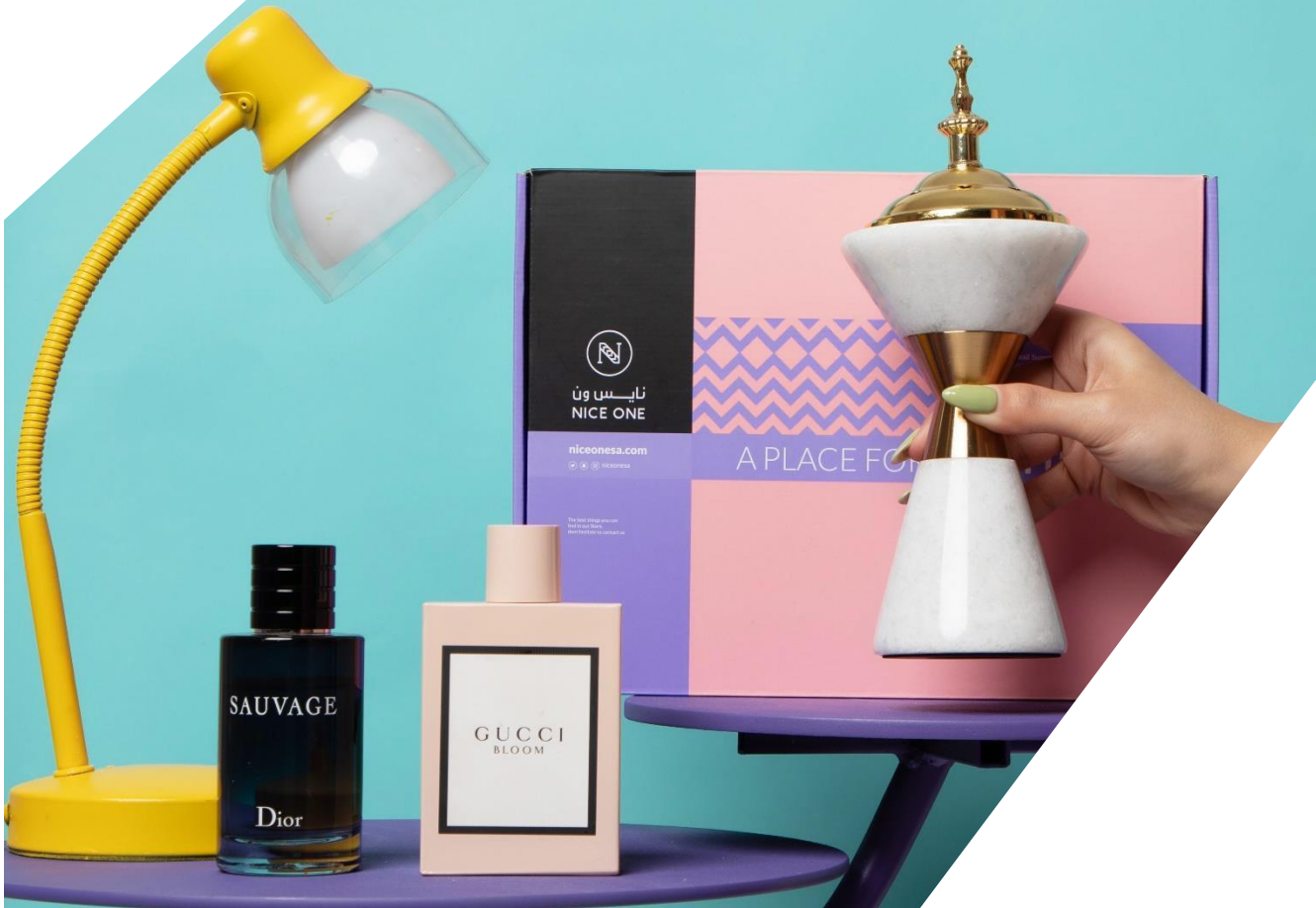
Source: Company Information. Notes (1) Net Working Capital = Inventories + Trade receivables + Prepayments, advances, and other receivables - Trade payables, accruals and other payables; (2) Capex = Purchase of property and equipment + Purchase of intangibles; (3) Cash Conversion Cycle = Days sales outstanding + Days inventory outstanding - Days payable outstanding



Zoom-In on
Quarterly
Performance

Nice One profit surges to SAR 71.7M in 2024; Q4 at SAR 5.9M





FY2024 Performance Analysis

FY 2024 Considerations for Missed Target



Event	Details
I. Influencer Marketing Challenges	<ul style="list-style-type: none">▪ In November, an unexpected change occurred in a certain social media algorithm, which significantly reduced the ROI on influencer marketing.▪ This resulted in a decrease in new customer acquisition, which impacted revenue for November▪ Unlike internal variances, where quick corrective actions are possible, the impact of external shifts took longer to analyze and adjust for, leading to a delayed response
II. More Reliance on Coupons & Discounts	<ul style="list-style-type: none">▪ During December 2024, the Company issued additional coupons and discounts aiming to drive sales recovery and meet FY 2024 revenue targets▪ The strategy was successful in generating sales in December 2024; however, the Company's profitability was impacted
III. Lag in Service Revenues	<ul style="list-style-type: none">▪ Given that service revenue is primarily linked to number of orders, the decrease in top-line revenue in Q4 2024 led to a decrease in service revenue as well
IV. Warehouse Migration Impact	<ul style="list-style-type: none">▪ In November 2024, the Company transitioned into its bigger warehouse in Riyadh▪ The transition caused a few days' of operational and technical disruption, impacting stock availability on the system for some SKUs



Overview



New Marketing Strategies

- ✓ CRM-Driven Initiatives
- ✓ Developing Personalized Customer Journeys
- ✓ Deeper Analysis of Customer Behavior
- ✓ Launch of App Recommendations



Refining Influencer Marketing Approach

- ✓ Adjusting Media Content to Avoid Technical Issues
- ✓ Changing Contracts From Quarterly to Monthly to Ensure More Flexibility
- ✓ Focus on Affiliate Marketing as a More Efficient Channel



Enhance Real-Time Performance Tracking

- ✓ Ongoing Optimizations in Pricing, Discounting, and Marketing Allocation
- ✓ More Frequent Cross-Departmental Touchpoints
- ✓ Faster Data-Driven Decision Making Across All Business Functions



Assortment Expansion

- ✓ Continue Expanding Product Offerings
- ✓ Target High Growth Categories
- ✓ Focus on Newly Launched Vitamin Category
- ✓ Leverage Customer Insights to Identify Emerging Trends



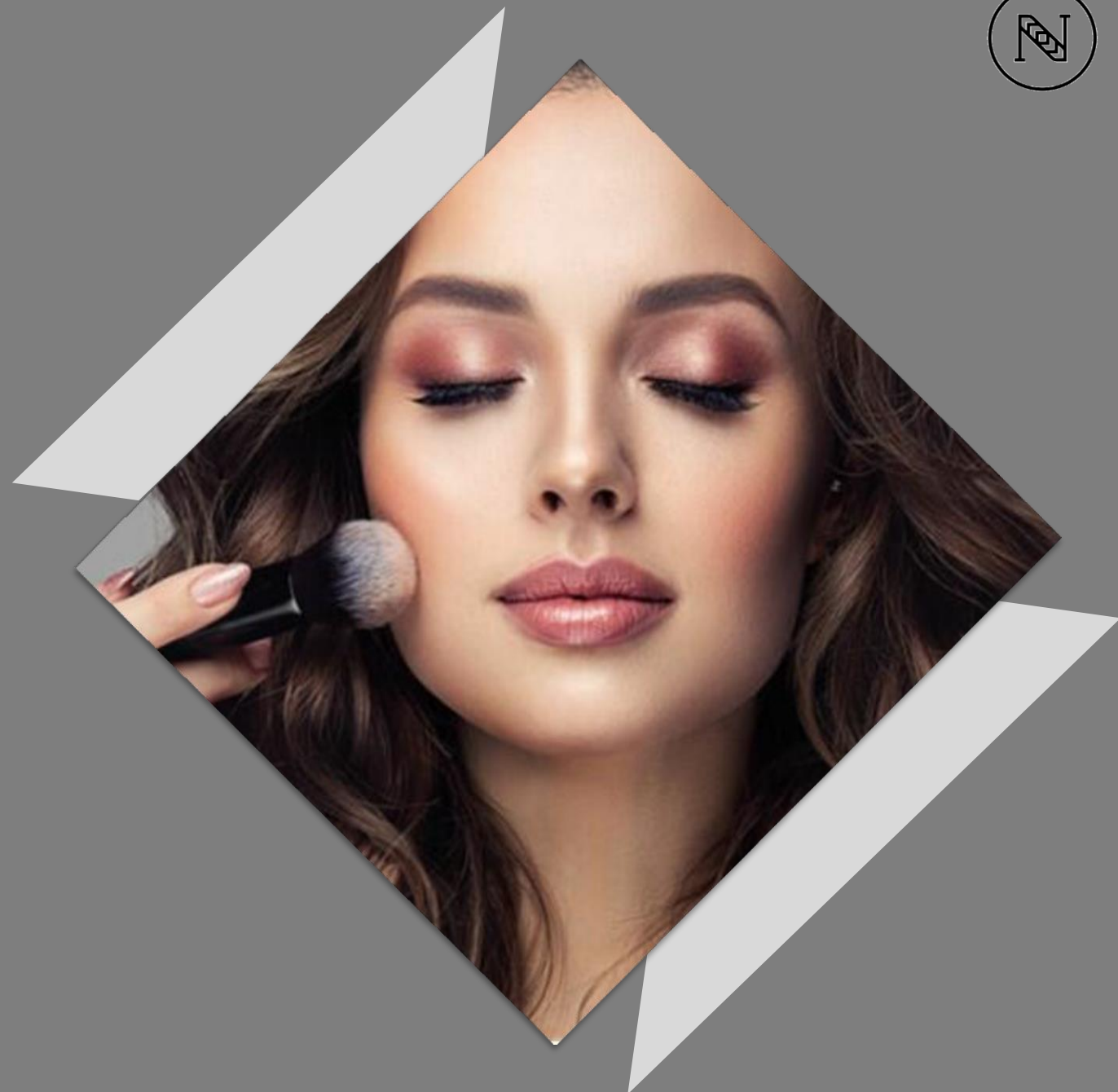
Optimized Pricing & Discount Strategy

- ✓ Optimize Discounting Strategy
- ✓ Drive Revenue While Safeguarding Profitability
- ✓ Refine and Optimize Pricing Strategy to Streamline Product Margins and Profitability across all Quarters



Launch of New Warehouses

- ✓ Enhanced Operational Efficiency in the New Riyadh Warehouse
- ✓ Scheduled Opening of the Jeddah Warehouse in 2025 to Strengthen Distribution and Drive Sales in the Western Region



Q&A