

CENOMI RETAIL ON TRACK TO DELIVER TURNAROUND STRATEGY WITH NEW PIPELINE OF BRAND SALES AND IMPROVED OPERATIONAL EFFICIENCIES

- Board approved strategy to focus on highly profitable global Champion Brands and category leaders including Inditex, Subway and Cinnabon.
- Further simplification of business operations to drive profitable long-term growth including store closures and improved operational efficiencies
- In addition to 21 brands previously announced, a further 18 brands including Aleph, KIKO, Flying Tiger and Decathlon are planned in next phase of brand divestment program
- The additional non-core fashion, electronics, beauty and F&B brand divestments expected to raise proceeds in excess of SAR 650 million
- Phase 3 brand divestments in addition to recently announced sale of Aldo, Aldo Accessories, Charles & Keith, Pedro and La Vie En Rose
- Future state will reduce brands from 75 to 13 core strategic brands and store footprint from 1,051 to 367 stores with a focus on simplicity and efficiencies

Riyadh, Saudi Arabia, 3 April 2024: Cenomi Retail, Saudi Arabia's pioneering retail brand partner, today announced an additional significant phase of brand divestments as part of its ongoing turnaround strategy. These brands are in addition to the already announced 21 brands and the expectation is that the sale of these brands will close during 2024.

As part of company's turnaround strategy, Cenomi Retail will focus on the core categories of Fashion and F&B only. Within the fashion category, the Inditex portfolio including Zara and other Tier 1 fashion brands will remain core strategic brands as they are key drivers of sales and EBITDA for the company. Strategically Cenomi Retail will continue to expand and enhance the offerings of Cinnabon, Subway and Jamba given the forecast growth of this category within the region.

The ongoing brand divestment program is a key pillar in improving the financial performance of the business whilst protecting topline sales. After careful consideration by both the Cenomi Retail Board and Executive Management team, the non-core brands that will form part of the Phase 3 sale will include Aleph, KIKO, Decathlon and Flying Tiger Copenhagen. Further brands will be announced over the coming months.

The phase 3 brand divestment is targeted to raise SAR 650MN of proceeds and will create additional operational efficiencies and is expected to close during the 2024 financial year. This is a significant milestone for the company in undertaking an aggressive program of brand divestment, store closures and operational efficiencies to simplify the portfolio, improve profitability and clearly deliver on the turnaround strategy.

Salim Fakhouri, Acting Chief Executive Officer, commented: "As we come to the end of Q1 2024, the Cenomi Retail business has completed or is approaching completion of the sale of 21 brands for an aggregate price of circa SAR 360MN (including estimated inventory consideration) with corresponding operational efficiencies.

As part of our continued transformation strategy, a further 18 brands have been identified for either sale or exit and will deliver more than SAR 650MN of proceeds and further improve core profitability of the business.

The Phase 3 brand sales has already received approval from the Cenomi Retail Board and the Executive Management team are in the process of executing to close during this financial year.

At the completion of the brand sale program, the operating portfolio for Cenomi Retail will have reduced from 75 brands to a core portfolio of 13 brands. The exit of these non-core brands is critical in delivering on our turnaround

strategy and will allow the company to focus on Tier 1 core strategic fashion and food & beverage brands to drive long term revenue growth and financial stability for the organization.'

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About Cenomi Retail:

Cenomi Retail, formed as Fawaz A. Alhokair & Co in 1990 by Fawaz, Salman and Abdulmajeed Alhokair. The company has since become the leading franchise retailer in the KSA and the only listed business of its type in the Middle East. Since the opening of its first store in 1991, Cenomi Retail has grown considerably and now trades in over 900 stores across 326 shopping malls in 9 countries, with a retail platform operating on a total GLA of more than 326 thousand square meters. All of this is managed by a workforce numbering more than 7,000. Cenomi Retail currently represents over 55 brands, spanning womenswear, menswear, kids and baby, department stores, shoes and accessories, cosmetics in addition to operating a series of restaurants and coffee shops. For more information, please visit www.cenomiretail.com

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Forward-looking statements reflect our management's ("Management") current views of future events, are based on Management's assumptions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause our actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements. Our business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to become inaccurate. These risks include fluctuations prices, costs, ability to retain the services of certain key employees, ability to compete successfully, changes in political, social, legal or economic conditions in Saudi Arabia, worldwide economic trends, the impact of war and terrorist activity, inflation, interest rate and exchange rate

fluctuations and Management's ability to timely and accurately identify future risks to our business and manage the risks mentioned above.