

## GROWING CONSUMER ELECTRONICS SALES



eXtra is the premier consumer electronics and appliances retailer in the region. The company is led by Managing Director and CEO Mohamed Galal Fahmy, a recognized leader in the retail space with over three decades of industry experience. Having opened its first store in Riyadh in 2002, eXtra now operates more than 140,000 square meters of retail space with exposure to key geographies in Saudi Arabia, Bahrain, and Oman.

United Electronics Company (eXtra)

[www.extra.com](http://www.extra.com)

Year company founded: 2002

Number of employees: 3,000

Market capitalization: SAR 5.19 billion

Its operations cover 27 cities and a leading e-commerce platform, "extra.com." By the end of 2020, the company enjoyed a 21.4 percent market share in the Saudi consumer electronics market, up from 19.2 percent a year earlier.

eXtra served more than 14.8 million customers in 2020, selling over eight million high-quality products. It offers a full suite of after-sales services with an emphasis on quality and speed that ensures a smooth, one-stop-shop consumer experience. Moreover, it provides a wide range of consumer finance solutions, and in 2019, established Tas'heel Finance, a sharia-compliant consumer finance firm. It's worth noting that TAS'HEEL portfolio stood at SAR 724 million by the end of 2020.

eXtra enjoyed a milestone year in 2020 despite unprecedented challenges in the operational environment, the company profitably delivered on its growth strategy while continuing to construct a platform for sustainable growth over the long term. These successes were reflected in an annual increase in revenues from 16% to reach SAR 5.9 billion during 2020, and a net profit of SAR 280 million in 2020, which is an increase of 36.2% over 2019.

eXtra's staff are the foundation that supports its dominant position in the market, and it strives to build a diverse and accommodating work environment.

The company is also committed to the requirements of corporate social responsibility and fulfils these through its participation in the "IRTIQA'" program, which recycles computers for delivery to second-hand beneficiaries, and through its recycling efforts.

# 14.8 million

## Customers served in 2019

### Company business outline

eXtra is the GCC's premier consumer electronics and appliances retailer, providing customers with quality and choice across a wide and growing geographic footprint. Since opening its first store in Riyadh in 2003, eXtra has grown into the Gulf Region's premier big box electronics retailer. Today, eXtra is the largest integrated retailer in the consumer electronics segment, operating more than 140,000 sq. meters of retail space with exposure to key geographies in Saudi Arabia (KSA), Bahrain, and Oman. eXtra has differentiated itself from its competitors in the consumer electronics market in numerous ways:

*eXtra has 50 stores across 24 cities in Saudi Arabia along with Manama in Bahrain and Muscat and Suhar in Oman*



It's available in 27 cities in the region, offers the widest range and deepest assortment of CE products, operates a 24/7 service through its online platform, has a wide portfolio of value added/warranty services, and provides finance to its customers through its consumer finance arm "TAS'HEEL."

### Key facts about the company

- 18 years of operation
- 50 stores in 27 Cities (24 cities in Saudi Arabia, Manama, Muscat, and Suhar)
- +6,500 stock keeping units (SKUs)
- 3 countries including KSA, Bahrain, and Oman
- 14.8 million shoppers in 2020
- +3,000 highly trained and dedicated employees
- SAR 5.9 billion in revenues for 2020, up 36.2 percent year-on-year

- SAR 280.1 million in net profit for 2020, up 27.9% year-on-year

### Achievements in 2020:

- The company achieved its highest sales, reaching SAR 5.9 billion
- The company achieved its highest net profit, reaching SAR 280.1 million for the year
- E-commerce sales inched up to exceed SR one billion in 2020, double of 2019 e-commerce sales to register 23.5 percent of total company's revenue vs. 12 percent in 2019.
- TAS'HEEL launched the first of its kind digital platform to provide a complete Sharia-compliant digital consumer finance services, which the customer

can obtain a finance in a complete digital experience without leaving his home.

- United Company for Financial Services successfully gained profits within 12 months from starting its operations in the kingdom in 2020.

### Key company leaders

- 1- Mohamed Galal Fahmy: Managing Director & CEO
- 2- Ali Mansour: CEO - Retail Sector
- 3- Ian Kent: COO - Retail
- 4- Muzaffer Hamid: CEO – Consumer Finance
- 5- Wael Mohamed Khalil: CFO

### A Public company since 2011

Since eXtra became a public company at the end of 2011, it has evolved its corporate governance and compliance, and applied best-in-class models for corporate governance. An efficient corporate governance framework promotes effective decision-making and monitoring of a company's operations to safeguard shareholders' interests and create long-term sustainable value. The framework defines the duties and responsibilities of the various stakeholders, including the board of directors and its committees, management, shareholders, and other related parties. Decision-making procedures and regulations are also specified by the corporate governance framework.

### Company & innovation

One of the main objectives for eXtra in the future is digitalization. As a consumer electronics retailer, eXtra is introducing new technology to customers, while also offering a seamless customer experience. Our physical presence must be supported by a strong e-commerce platform. Its advanced e-commerce platform is enabling eXtra to lead the concept of the Omni channel in the Kingdom. Even for our consumer finance arm "TAS`HEEL," the company is using FinTech tools to engage with SIMAH, the General Organization for Social Insurance, and other stakeholders – enabling the Company to automate the assessment of customers' credit scores using a decision engine.

### Company & Vision 2030

The company is helping achieve Vision 2030 by providing opportunities to the future of Saudi Arabia's workforce. eXtra is considered one of the largest recruiters in the Kingdom and has many initiatives to empower people to become future leaders. It's worth noting that the company launched the "Future Leaders Program," which provides career guidance while enabling and preparing young people

to become decision makers and leaders. On top of that, the company is also proud to be contributing to empowering women in the workplace, with women making up 13 percent of its total workforce.

### CSR

In 2020, when in-class education was suspended across the Kingdom as part of the efforts to stop the spread of COVID-19 and safeguard the health and wellbeing of citizens and residents. eXtra partnered with ERTIQA to provide underprivileged schoolchildren with over 3,000 laptops during the year to guarantee their participation in remote education and minimize the disruption of their development.

Meanwhile, eXtra supported government entities and the Ministry of Health in confronting the spread of the COVID-19 pandemic. Its efforts in this respect included the donation of a fully equipped and functional mobile field hospital with 100 beds.

Through these initiatives, eXtra aims to be a role model showing good commitment to the health and wellbeing of all the company's stakeholders. Furthermore, these efforts included a great work to uplift the spirit of giving and togetherness, and most notably the donation of an artistic mural of the Kingdom's founder at the BairaQ roundabout in Al Khobar.

### Human Resources

eXtra continues to base its human resources strategy on a tried-and-tested four-pronged strategy. The company is primarily focused on integrating HR practices in a manner that optimally supports business objectives, developing and advancing the employee experience through a variety of channels, effectively investing in talent development and the acquisition of new capabilities, and continuously introducing best-in-class HR practices. The Saudization level within the operation exceeded 72 percent by the end of 2020 and 52 percent for the overall company. eXtra's total headcount exceeded 3,000 employees in 2020.

