



شركة وادي الرياض
Riyadh Valley Co



Smart Reverse Logistics

Driving Supply Chain Efficiency and Circularity

September, 2026

Riyadh Valley Company

Growth by Innovation

Riyadh Valley Co. A Quality Shift towards the Future



Riyadh Valley Company (RVC) established in 2010 by Royal Decree No. 116 dated 1431/4/13 AH, to be the investment arm of King Saud University in the fields of Knowledge economy and the university strategic projects

Based on the company's stated purposes in the Articles of Association, the following main activities have been identified:

1

Venture Capital
Investments

2

Strategic
Investments

3

Enriching Innovation
Ecosystem

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Smart Reverse Logistics

Driving Supply Chain Efficiency and Circularity

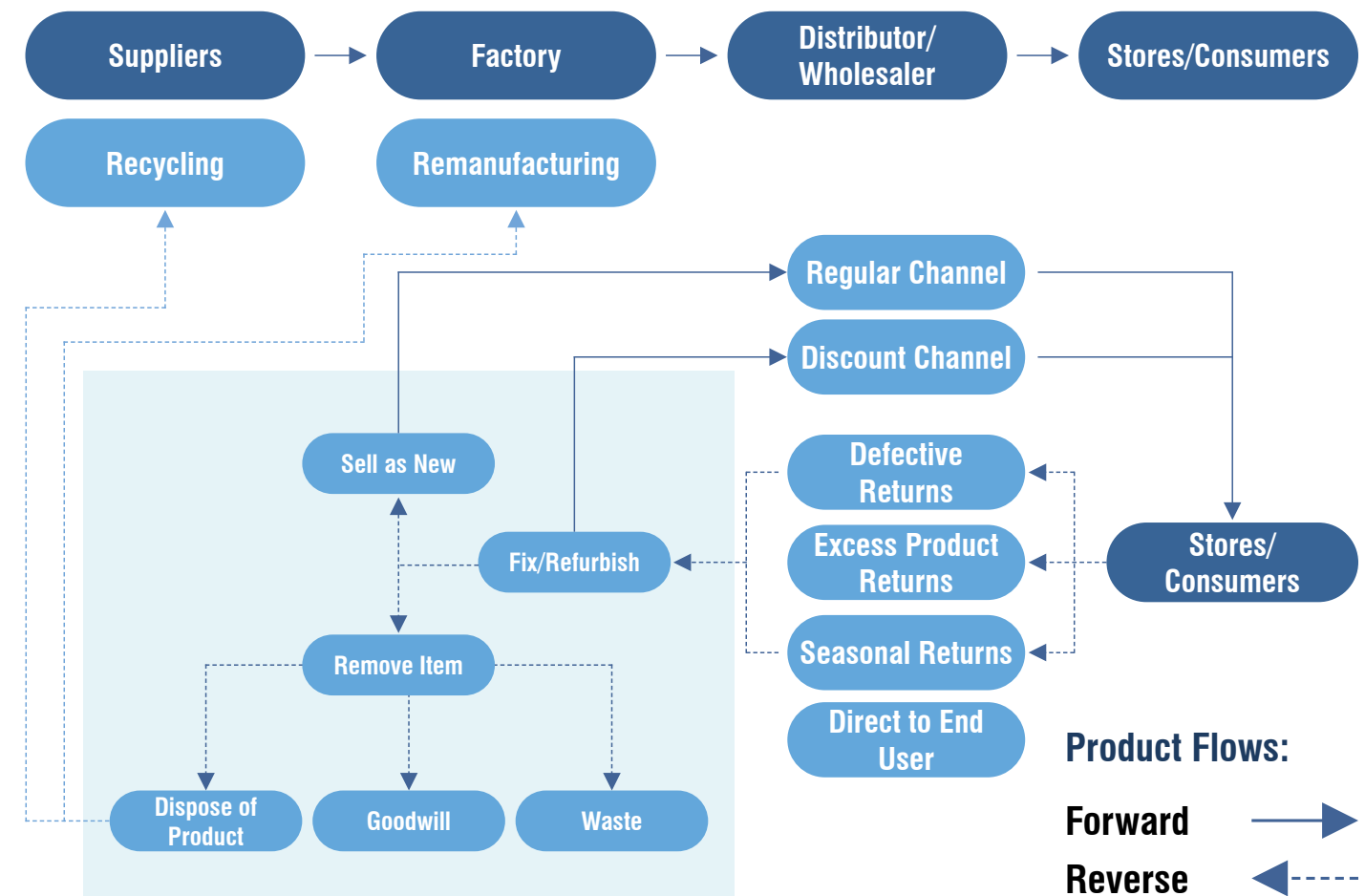


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An Introduction to Smart Reverse Logistics: Fundamentals of the Closed-Loop Supply Chain

At first glance, the journey of a product may appear linear – from the manufacturers to distributors and then finally to consumers. However, this journey does not end after purchase. Products could be returned by customers for numerous reasons, such as defects, warranty claims, incorrect orders, or mere dissatisfaction. Accommodating the movement of the product from the customer to the manufacturer or another point is known as reverse logistics. Its primary objective is to recover as much value as possible from the returned product through repair, refurbishment, recycling, or resale, while ensuring that items that cannot be recovered are disposed of in an environmentally responsible manner. Companies use reverse logistics to enhance customer loyalty and repeat sales while minimizing loss related to returns.

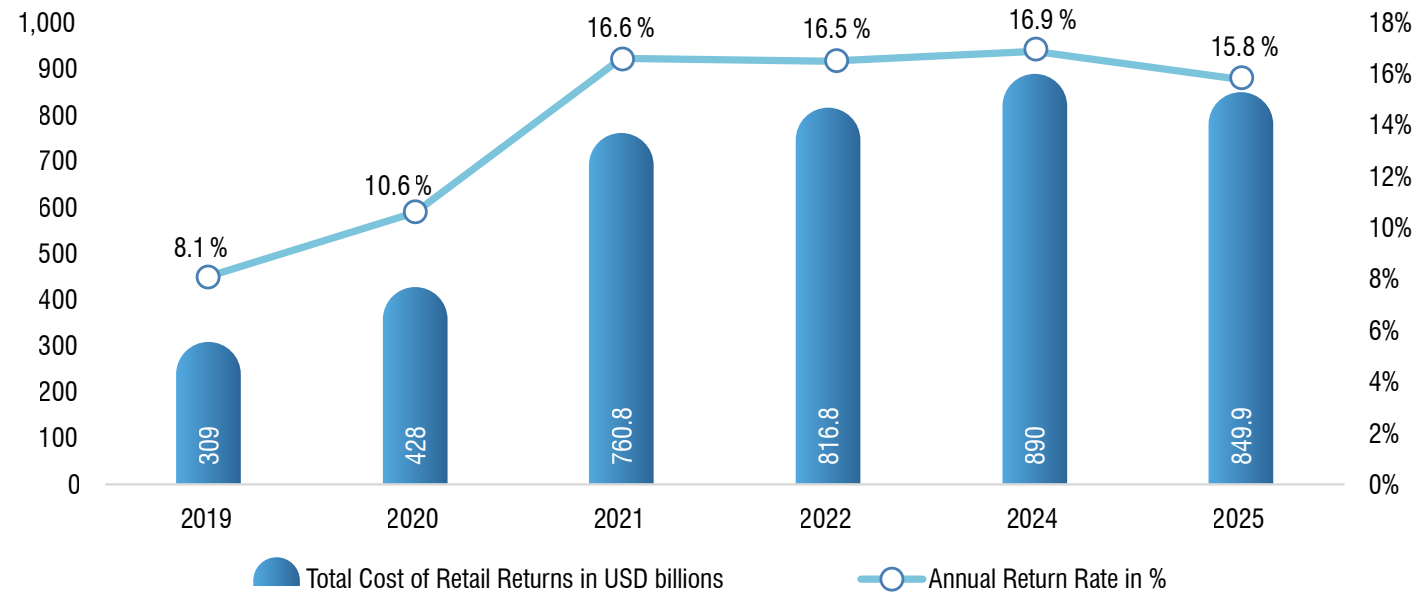
Traditional vs. Reverse Logistics



Source: Oracle NetSuite

Returns management encompasses every stage of a product's return journey, leaving businesses to decide which priorities would deliver the greatest impact. **Returns** are the first step in reverse logistics and are initiated by the customer. **Recalls** are another format of returns where the return process is initiated by the company due to product failure or a potential hazard. If a customer wants the same product but in a different version, the business could offer a **replacement** with the desired changes.

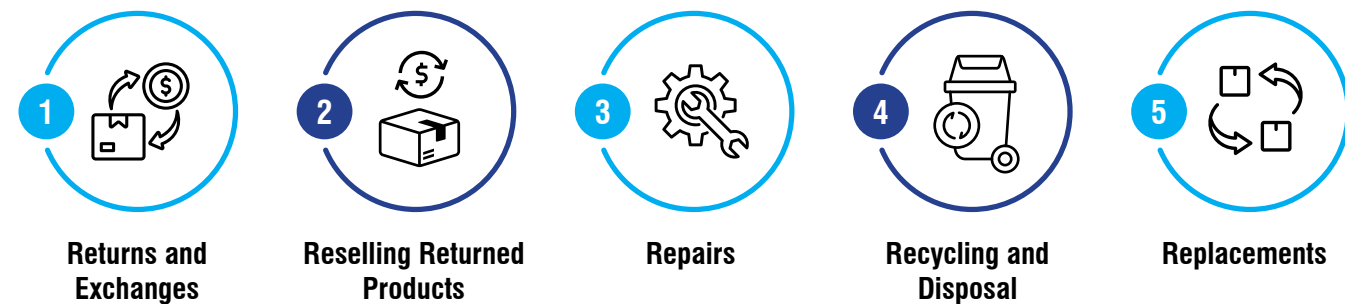
Total Cost of Retail Returns and Annual Return Rate in the U.S.



Source: National Retail Federation 2025 Retail Return Landscape for the U.S.; Note: NRF's 2023 study on retail returns used a different methodology to calculate the return rate and is therefore not directly comparable to other years' data.

A company resorts to **repair** if the damage to the product is not severe. Once the product is fixed, businesses can resell it as certified pre-owned inventory that can be sold through secondary channels. If the issue with the product cannot be identified and resolved, then the product undergoes **recycling**. Functional parts would be harvested for later use.

5 Rs of Reverse Logistics



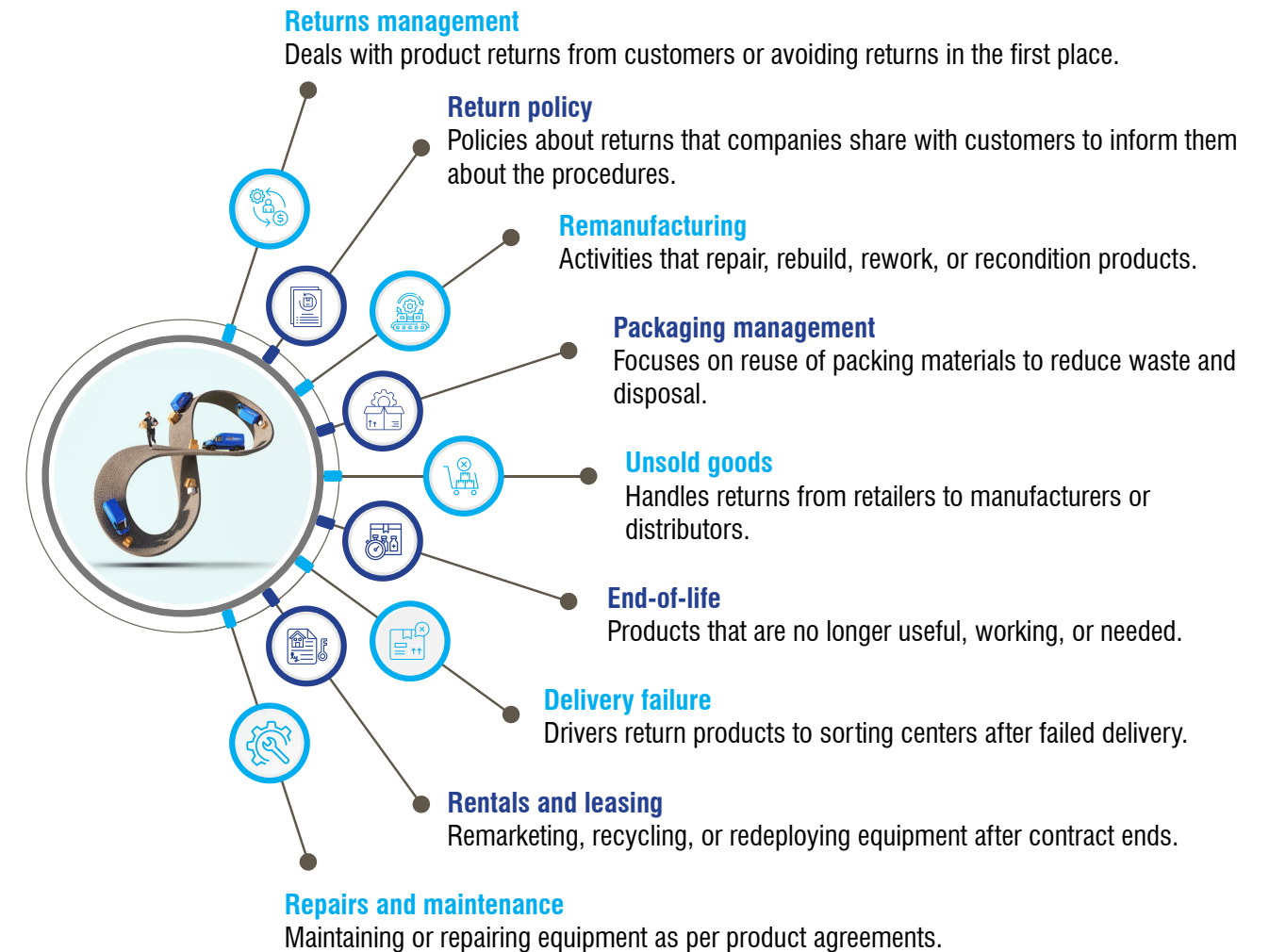
KPI = Rate of Return	KPI = Amount Product Reclaimed/Resold	KPI = Total Cost of Repairs/Refurb	KPI = % Materials Recycled	KPI = % Products or Parts Replaced
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Source: Oracle NetSuite

Previously, returns were perceived as a problem that the company must deal with after the sale of the product. With the advent of advanced tools and technology, reverse logistics has become smart! Smart reverse logistics seeks to streamline product and returns management while speeding up the process to ensure precise and efficient operation. It translates to reducing waste, minimizing costs, and becoming sustainable for retailers and manufacturers.

In the modern e-commerce world, returns are the new norm. It is no longer a voluntary provision from the business but a fundamental expectation for the clients. Smart reverse logistics is crucial, as it not only minimizes costs for the company but also helps protect the planet by reusing products and recycling materials.

Reverse Logistics Components



Source: Oracle NetSuite



Smart reverse logistics enhance the return process and protect the company's profit margins by minimizing costs associated with the returns through:



Automation

Smart reverse logistics systems can scan, sort, and process returns automatically, reducing errors and processing time that would have been incurred if humans were involved.



Real Time visibility

Product visibility in real time enables companies to make swifter and smarter decisions, which provides them with clarity on how storage costs could be lowered and the resale process could be sped up.



Enhanced revenue

Smart reverse logistics reduces cost by using AI to make efficient product pickups while refurbishing and reselling returned products after repairing them.¹

What makes reverse logistics smart?



Predictive Analysis

By leveraging machine learning, companies can detect return trends and analyze pain points which enables it to resolve problems before they arise.



Real-time Dashboards

Access to real-time data enables businesses to make informed decisions swiftly, paving the way for agile operations.

Returns Management Systems



Returns management platforms streamline the entire returns journey, allowing customers to commence and track returns while giving businesses visibility into costs, trends, and opportunities to improve efficiency and customer experience.

Internet of Things (IoT)



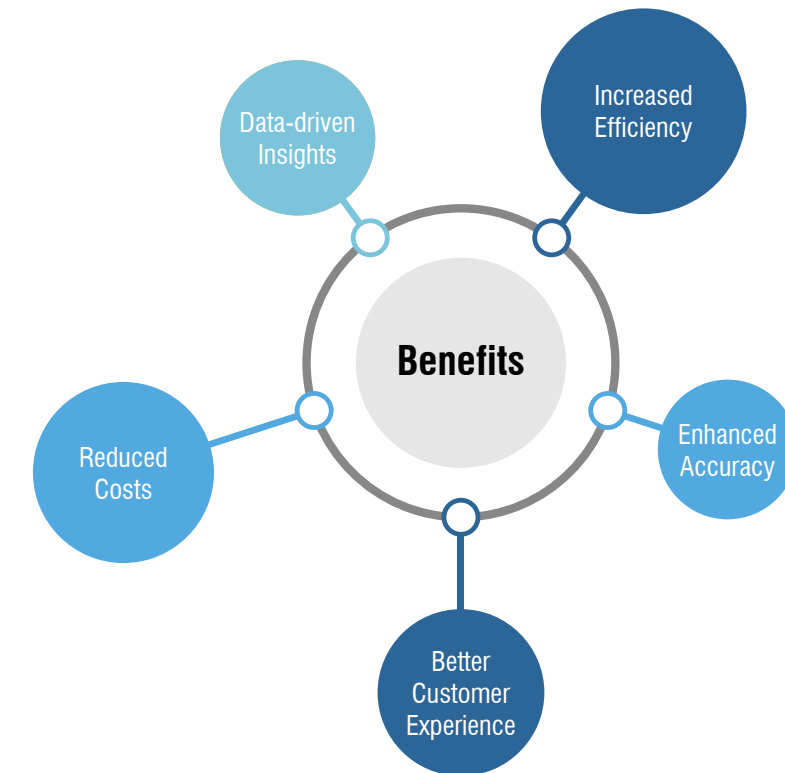
IoT enabled tracking provides real-time visibility which allows businesses to quickly spot transit related issues and enhance operational performance.

Source: ReverseLogix

Smart reverse logistics has become a business priority in the modern world. The value of returns reached USD 890 billion in 2024.² Around 56% of retailers are seeking partners to improve return accuracy, prevent fraud, and improve the consumer return experience.³ Smart reverse logistics is pivotal for streamlining the return process for both online and physical stores.

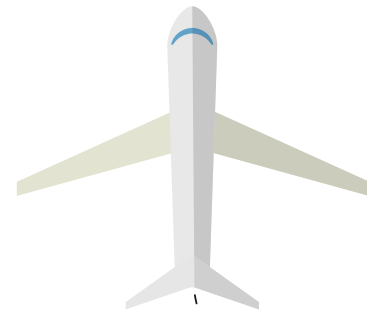
¹ ReverseLogix
² Peak Technologies
³ Radial

Benefits of Smart Reverse Logistics



Source: nShift





Increased Efficiency and Accuracy: Automation improves the return process, thereby reducing the time and effort required to manage returns. Technology such as machine vision (MV) complements human eyes by enabling them to keep up with the increased flow of returns during the peak season.⁴

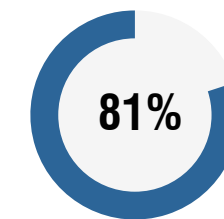
Better Customer Experience: Establishing a seamless return process enables customers to make purchases with the retailer without hesitation. This is because they could initiate the return process online easily and either get a refund or replacement within a stipulated time and therefore shop carefree.

Reduced Costs: By minimizing human intervention and the probability of error, smart reverse logistics reduce costs for businesses. Technology can also be used to minimize the costs associated with shipping and refurbishing.

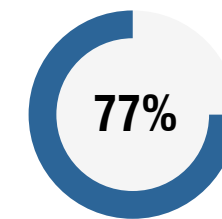
Data-driven Insights: Smart reverse logistics transforms raw data into actionable insights for the business. It analyses historical data and forecasts trends, thereby enabling businesses to predict returns.

⁴ nShift and Peak Technologies

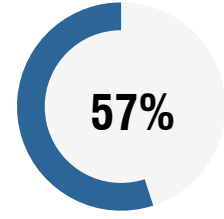
Importance of Proper Return Channels for U.S. Retailers (in numbers)



Consumers check the return policy when shopping online with a retailer for the first time



State that a retailer's return policy is an important consideration when shopping with a retailer online



Of shoppers decided not to shop with a retailer after being charged for returns

Source: National Retail Federation 2025 Retail Return Landscape for the U.S.

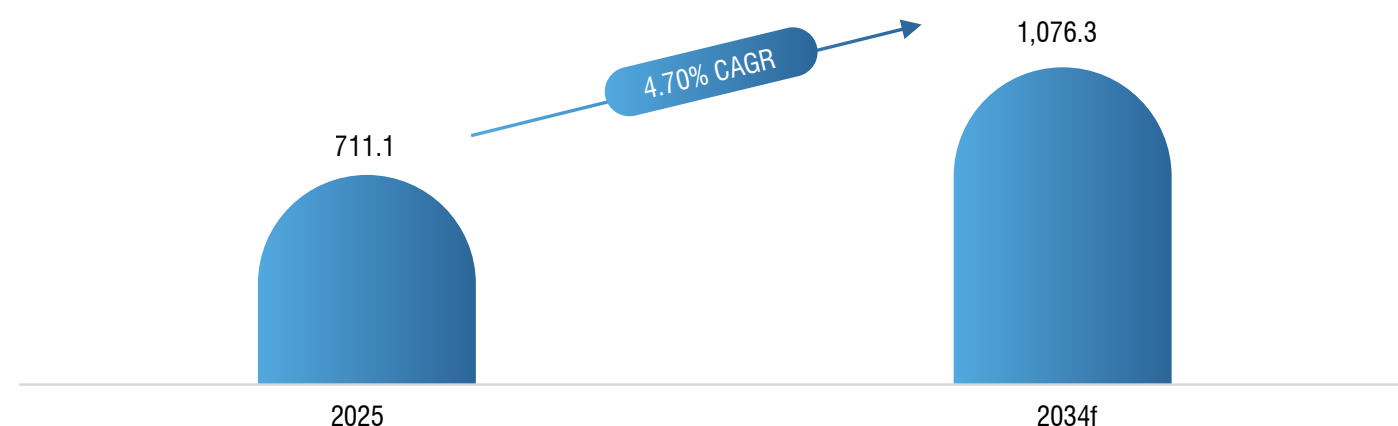


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Global Industry Dynamics: Assessing the World Reverse Logistics Market

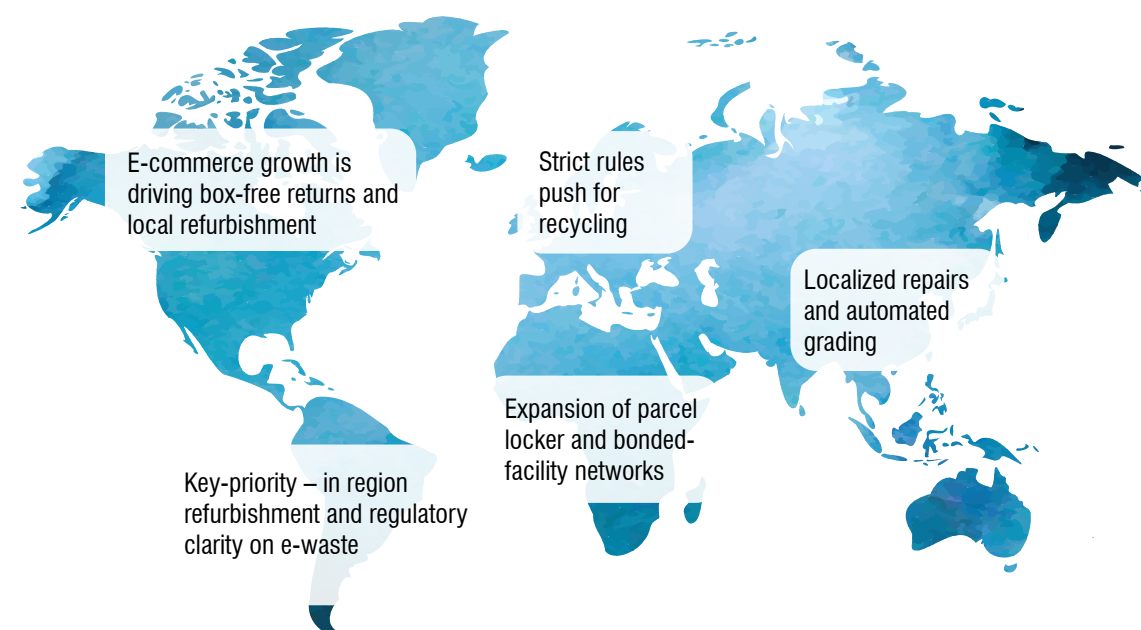
With the rise in online shopping, returns are also on the rise. The global reverse logistics market was valued at USD 711.1 billion as of 2025.⁵ It is projected to grow at a CAGR of 4.70% to reach USD 1,076.3 billion in 2034.⁶ Asia-Pacific led the revenue in 2025, driven by an expanding online retail base in China and India. It was followed by North America and Europe, accounting for 28.4% and 22.6% respectively.⁷

Global Reverse Logistics Market Size (USD billion)



Source: iMARC

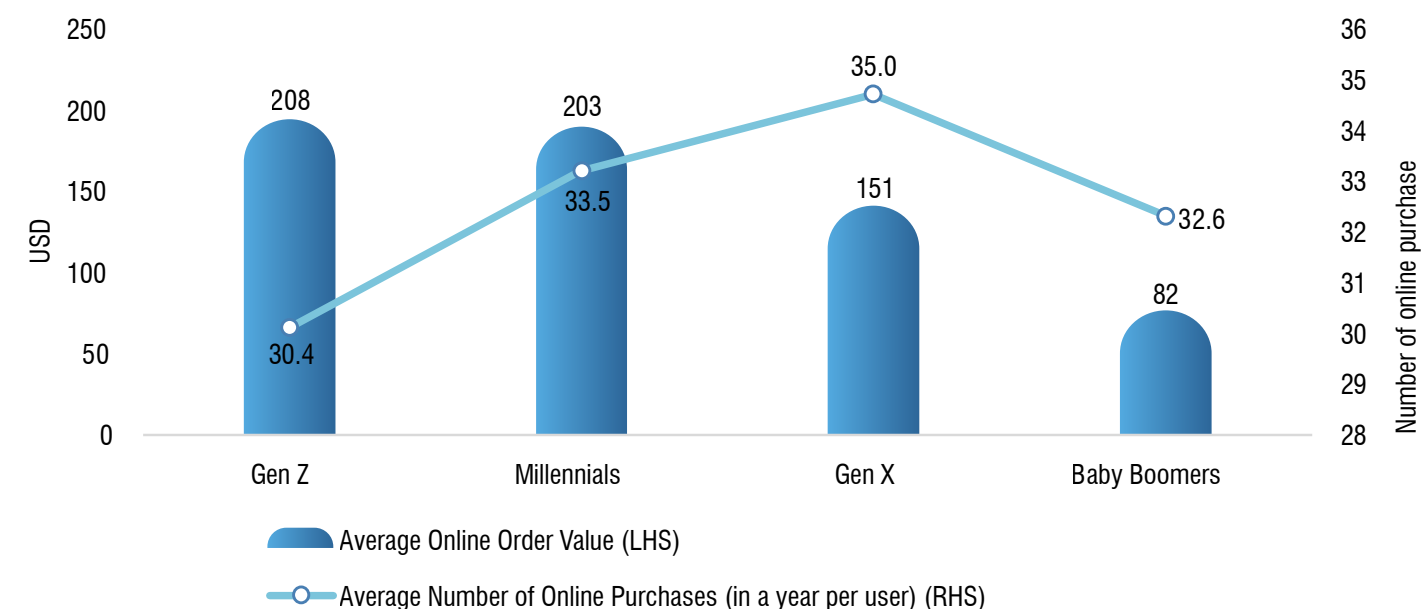
Regional trends in reverse logistics



Source: Modus Link

Sustainability is a key growth driver for reverse logistics, globally. To Gen Z, thrifting and recommerce have become a go-to fad. Not only does it reduce waste but is also redefining how companies must manage their product returns. Returns which were once viewed as cost has now turned into a strategic advantage.

Average Online Order Value and Total Online Purchases by Age Category in the U.S.



Source: National Retail Federation 2025 Retail Return Landscape for the U.S.

Gen Z has carved out a unique shopping and return landscape for themselves when compared to the previous generations. While they shop less frequently than the older generations, they spend more per purchase. This reflects their appeal to convenience and digital-native shopping and their willingness to experiment with new brands and products.

Key Growth Drivers for Reverse Logistics

Expanding Recommerce channels

- ✓ Recommerce refers to the process of selling pre-owned and refurbished products.
- ✓ With over 30% of Gen Z choosing secondhand product to afford higher-end products, recommerce is expanding, thereby driving reverse logistics.

AI-powered return decisions

- ✓ AI-driven disposition engines automatically decide the optimal outcome for returned products.
- ✓ This streamlines operations, reduces costs, and speeds up processing.

Automation for efficiency

- ✓ Vision-based grading and robotics boost processing speed and operational consistency.
- ✓ They reduce errors, lower costs, and improve accuracy.

Source: Modus Link, Twice Commerce

Reverse Logistics Service Providers

Service Provider	USP	Organization	Geographies covered	Pricing
	- AI-driven automation - End-to-end visibility - Global scalability	Large companies	Americas, Asia Pacific, Europe and Middle East	Custom pricing
	- Real-time tracking - Predictive delivery optimization - Dynamic rescheduling	Mid-to-large companies	GCC region	Subscription-based
	- Route optimization - Real-time tracking - Intuitive interface	Small to medium-size business and mid-market businesses	NA – Onfleet is a delivery management software, not the company doing the actual delivery	Starts at USD 599 per month
	- Cross-border logistics - Freight management - Invoice automation	Businesses with international returns	30+ countries across the world	Custom pricing

Source: Locus – Top Reverse Logistics Companies and Software Solutions of 2026

3

Regional Ecosystem: Navigating Reverse Supply Chain Development in the GCC

The GCC region's booming e-commerce market is reshaping how products move beyond the sale. With a young demographic, the region's online marketplace is witnessing a rise in transactions. Consumers in the region are now demanding returns as a basic necessity for online shopping. As retailers and logistics providers seek to balance customer satisfaction with profitability, reverse logistics is gaining prominence in the GCC. In fact, consumer law in the region encourages returns.

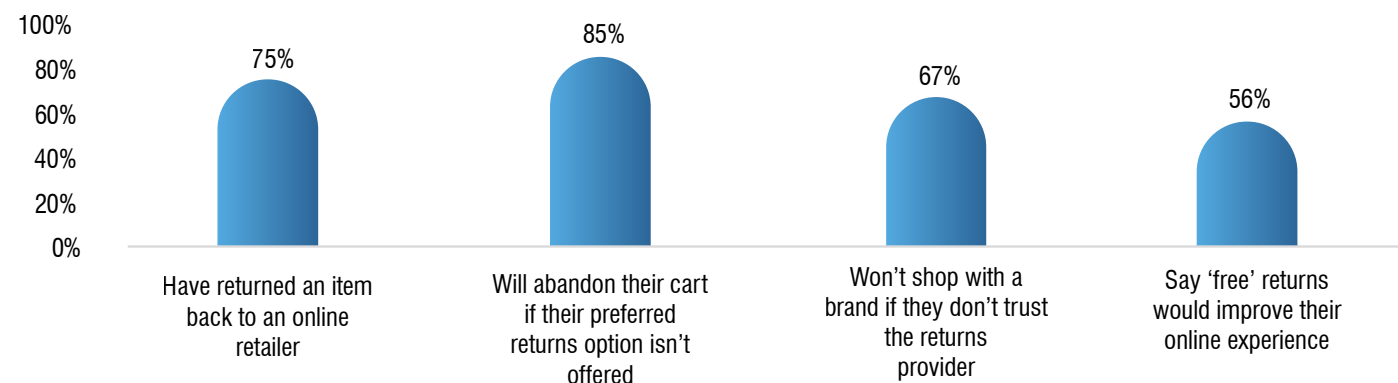
Law governing returns in GCC

Country	Return of defective product	Return of non-defective product	Timeline	Law
 UAE	Permitted	Subject to individual retailer's return policy	NA	Federal Law No. 15 of 2020 on Consumer Protection
 Bahrain	Permitted	Subject to individual retailer's return policy	NA	Law no. (35) of 2012 With respect to Consumer Protection
 Kuwait	Permitted	Consumers have the statutory right to a replacement of the commodity	14 days from the date of purchase fixed in the invoice	Law No.39 of 2014 on Consumer Protection
 Oman	Permitted	Consumers have the statutory right to a refund/replacement/exchange of the commodity	15 days from the date of purchase	Royal Decree No. 66/2014 To Promulgate the Consumer Protection Law
 Qatar	Permitted	Subject to individual retailer's return policy	NA	Law No. 8 of 2008, Consumer Protection Law

Source: Respective countries' official government website, commoner law, The Arabian Stories

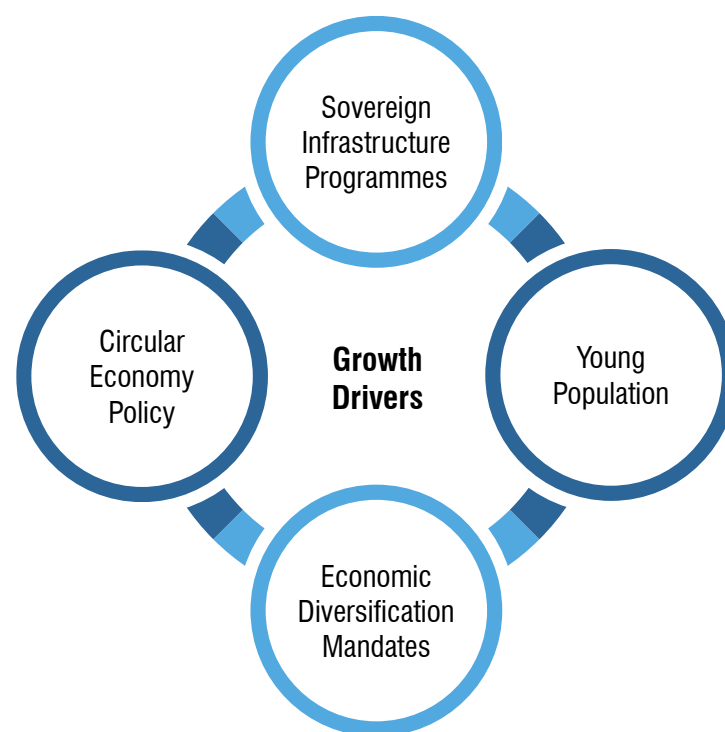
Under the GCC countries' national vision, localization of supply chain has become a strategic imperative in order to create long-term economic growth. It emphasises on local manufacturing which sets the foundation for a domestic reverse logistics system.

Key Return Expectations of UAE Retail Consumers



Source: DHL eCommerce Logistics – The Return Landscape 2025

Key Drivers for Reverse Logistics in the GCC



Source: Various

- 1 >>> **Sovereign Infrastructure Programmes:** As a part of their respective national vision, the GCC countries are investing heavily on their logistics infrastructure. With the government setting up several bonded zones and inland ports, throughput constraints for reverse logistics networks are minimized.
- 2 >>> **Young population:** The population of young people between the ages of 15 – 34 years accounts for 38.2% of the total population in the GCC.⁸ This tech-savvy population has been a key driver for e-commerce growth in the region, owing to the increased mobile phone and internet penetration. This digital native generation expects frictionless returns as a baseline service from businesses.
- 3 >>> **Economic Diversification Mandates:** Logistics is a central part of the region's national vision. It is a key economic diversification element which steers the oil-dependent region away from the hydrocarbon sector. For this reason, the UAE launched a National Logistics Program to strengthen its supply resilience and global competitiveness.
- 4 >>> **Circular Economy Policy:** By 2035, the GCC countries seek to shift towards a circular economy. This enables the countries to view smart reverse logistics as a means to achieve their goals by minimizing waste through recycling, repairing, and refurbishing. Smart reverse logistics also advances the objectives by ensuring that products are reintegrated into the value chain, thereby reducing carbon footprint and landfill volumes.

Reverse logistics has become a competitive edge that distinguishes and enables a retailer to create an identity and earn a margin the increasingly competitive market. Several retailers are reinventing return experience with their strategy shifting from speed to control.⁹ An emerging trend is linking free returns with loyalty programs and in-store activity in order to improve retention and generate repeat purchases during return visits.¹⁰

Noon vs. Amazon Return Policies

Particulars	Noon	Amazon
Return window for customers	15 days from the date of delivery	15 days from the date of delivery
Return processing	2 business days	3-5 business days
Receiving refund	5-7 business days once the return is processed	3-5 business days once the return is processed
Highest damage-return compensation to seller	100% payout to customers by noon if the product was damaged during return logistics	Sellers can submit claim to Amazon in case of damages, but it does not explicitly state the compensation amount

Source: noon and Amazon (for both the websites, UAE and KSA were considered)

⁸ Gulf News

^{9,10} Euro Group Consulting

Challenges faced by GCC countries in shifting to reverse logistics



Supply chain complexity
While the region’s central position gives it an advantage, coordinating product returns across multiple geographies poses a significant operational challenge for companies in the GCC countries.



Evolving regulations
Reverse logistics is an emerging segment of logistics with evolving regulations. Companies require agile compliance strategies in order to ensure smooth throughput of products that are in line with regulatory requirements.



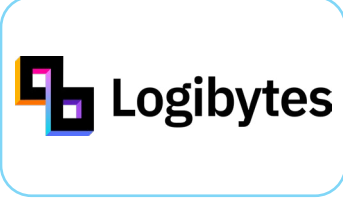
Data Management
Tracking product lifecycle and reverse flow of products requires a robust intelligence system which is still developing in the region.



Reluctance to change
Shifting from a linear to a circular economy requires extensive training and commitment from companies in order to ensure robust reverse logistics systems. However, several companies might be reluctant to the shift, initially.

Source: Council of Procurement & Supply Chain Professionals

Some Regional Players in GCC

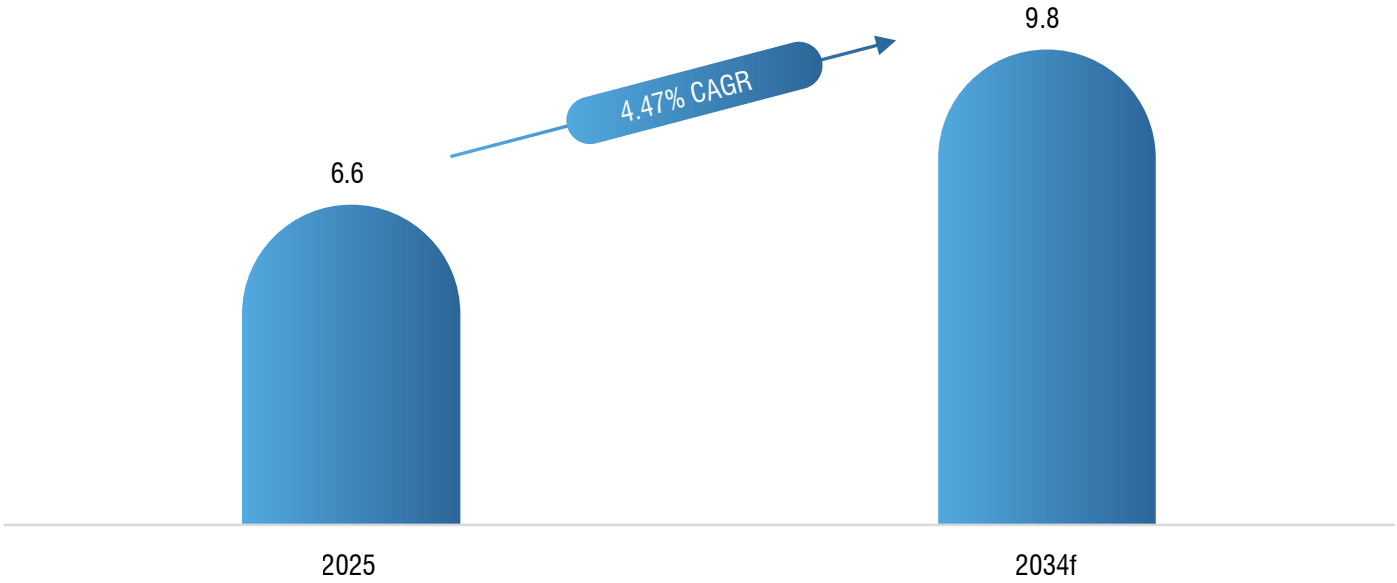
Company	Country	Reverse Logistics Service Offered
	 UAE	Reverse Pick-up Return management
	 Oman	Return Service
	 Saudi Arabia	Returns and reverse logistics

Source: Respective logistics providers’ websites

4 Focus on Saudi Arabia: Transforming Returns Under Vision 2030

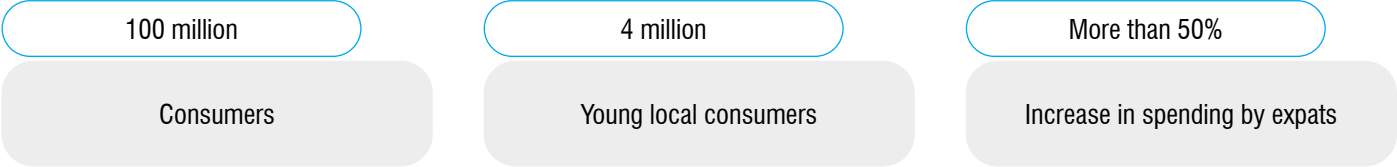
Saudi Arabia’s reverse logistics sector reached a market value of USD 6.6 billion in 2025.¹¹ Between 2026 and 2034, it is expected to grow at a CAGR of 4.47% to reach USD 9.8 billion in 2034.¹² At present, the reverse logistics market is driven by faster return capabilities, enhanced connectivity, and improved transportation systems, which lead to efficient handling of returns.

Saudi Arabia Reverse Logistics Sector Market Size (in USD billion)



Source: iMARC

Saudi Arabia Consumer Profile Outlook in 2035



Source: McKinsey: Meet the New Saudi Consumers

Saudi Arabia is transforming its waste sector into an industrial and economic engine by contributing around SAR 120 billion to the country’s GDP by 2040.¹³ It is expected to create around 77,000 jobs and reduce carbon emission by 73 million tons annually.¹⁴ The country seeks to divert around 90% of its waste away from the landfills by 2040, meaning, reverse logistics plays a vital role in recovering, reusing and refurbishing products.

¹¹ ¹² iMARC
¹³ ¹⁴ Asharq Al-Awsat

Consumer Law in Saudi Arabia

Law governing returns in Saudi Arabia Consumer Protection Law (Royal Decree No. M/4 of 2014)	
What it states	Products can be returned to retailers if it is unused and is in its original condition.
Right to consumers	Returns a statutory right for consumers. Store level policies such as ‘no returns’ or ‘no refunds’ do not override the consumer’s right to return a product.
Time	Consumers have a 15-day return window, from the date of purchase.
Exceptions	Swimwear, inner garments, customized products and perishable goods cannot be returned, even if unused.

Source: Commoner Law

As the region’s largest consumer market, Saudi Arabia possesses one of the world’s fastest growing e-commerce sectors. With a bigger market comes bigger policies. It launched the Riyadh Integrated Special Logistics Zone in 2022, which is the country’s first Special Economic Zone (SEZ) and the first project within the country’s national logistics program.¹⁵ Leveraging its geographic positioning, Saudi Arabia’s Vision 2030 launched the National Industrial Development and Logistics Program, to make the country a global logistics hub with high efficiency, speed and quality. To encourage companies to set up their establishments in the special integrated logistics zones, the government offers a tax holiday (0% income tax) for 50 years on income derived from activities in the zone.

Major Activities in Special Integrated Logistics Zone



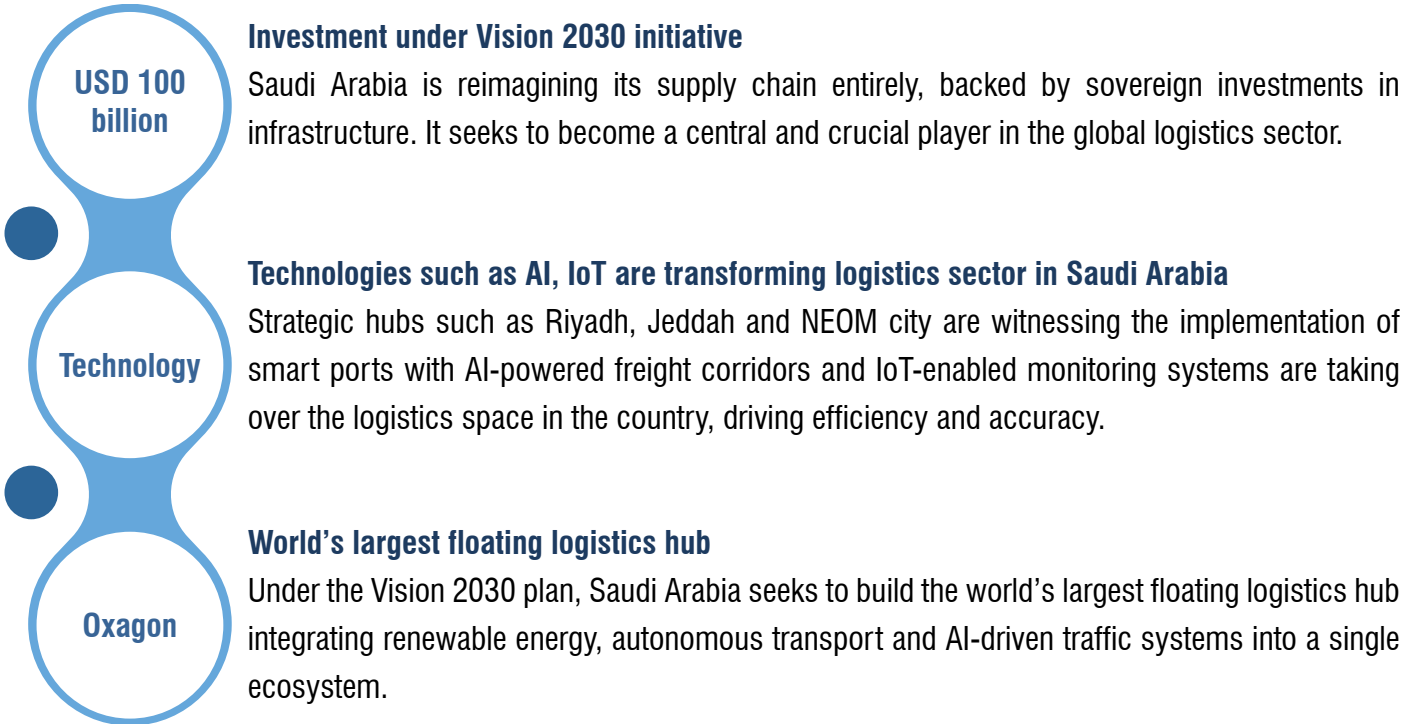
Source: EY

¹⁵ Riyadh Integrated Special Logistics Zone

Geopolitical tensions and uncertainties have established the need for a reliant and local supply chain which could continue to transport products through and forth, despite external disturbances. Saudi Arabia is actively implementing its Global Supply Chain Resilience Initiative which seeks to attract and anchor key supply chains in the country.

As a part of this initiative, Saudi Arabia has allocated USD 2 billion in incentives which offers the investors a mix of monetary and non-monetary support. It seeks to determine high priority value chains, facilitate global partnerships and strengthen domestic manufacturing to ensure that Saudi Arabia becomes a central hub in global trade networks.

Government Initiatives to Make Saudi a Global Hub



Source: Saudi Arabia Logistics

Unique Reverse Logistics Service Providers in Saudi Arabia – Barakah

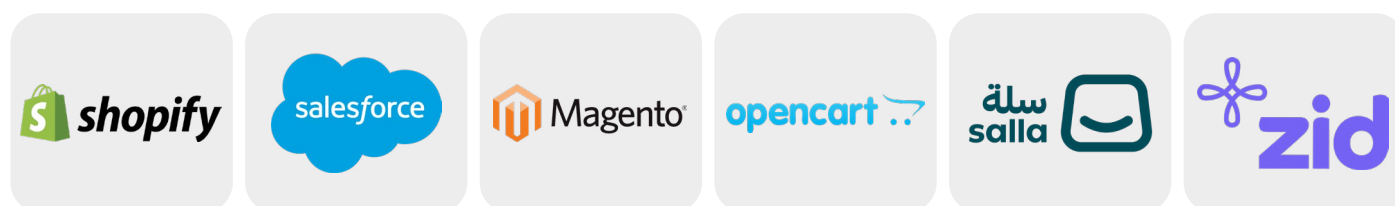


Barakah is one of Riyadh Valley Company’s investments a unique Saudi-based online marketplace which engages in smart reverse logistics implicitly. It is a digital platform where food retailers could sell their surplus products or meals. Barakah partners with bakers, restaurants and grocery stores and offers exclusive deals to customers. This way, not only does it minimize food waste, but also unlocks a new stream of revenue for its clients. Additionally, it provides illustrative dashboards for their clients, highlighting their operational efficiency and contributing towards their ESG objectives.

5 Spotlight – Yamm

Yamm is one of Riyadh Valley Company's investments. Established in 2023, Yamm is a Saudi-based innovative platform that seeks to simplify returns and refund processes for online stores. It has entirely automated solutions that handle the return journey end-to-end. To enhance customer satisfaction, Yamm ensures that customers get their refunds instantaneously once the return is approved. Additionally, one of Yamm's key differentiators is its disposition to absorb the risk associated with unreturned products, effectively taking a major concern off retailers' plates and streamlining the post-purchase experience.

Major E-Commerce Platforms Integrated with Yamm



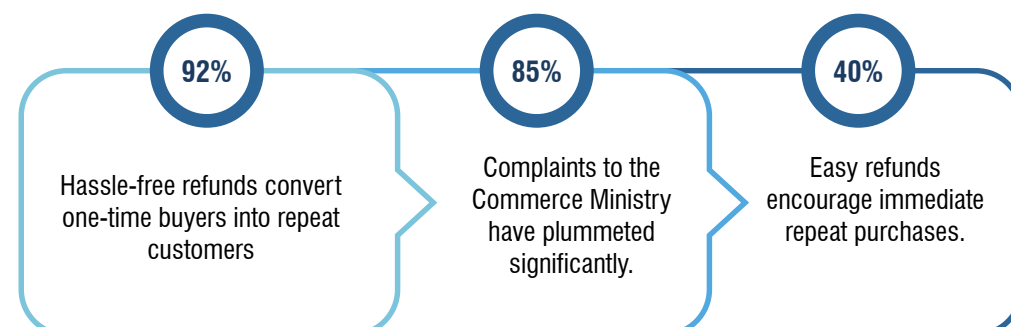
Yamm does not change a company's return policy but accommodates it, while enabling the business to track each and every return request in real time and get detailed reports on each. Customers that have deployed Yamm witnessed a 30% surge in their repurchase rates within 3 days, along with an increase of 35% in their average basket value (total number of products purchased in one transaction).¹⁶

Yamm's Customers



Yamm provides merchants with insights that enable them to understand and address the issues while enhancing customer satisfaction and minimizing return rates. It helps merchants navigate the complexities of complaints and build trust with their customers.

Advantages of streamlining the return process in numbers



Source: Yamm

At the core of Yamm's offering is an entirely automated platform, powered by automated bank verification, customizable return policy and real-time tracking. It provides its merchant with a competitive advantage by easing their burden on support, finance, logistics and equips them with actionable data on the return trends.

¹⁶ Wamda

Yamm's Offerings



Logistics

Yamm oversees the company's entire return process, while ensuring that the risks associated with the returns are covered, both before and during shipping.



Instant Refund

Yamm provides instant refund to the clients within 30 seconds which is even before the product arrives to enhance customer retention while ensuring that the merchant faces no risk.



Automated Return

Yamm has entirely automated return process which enables the business to manage their return operations without any human intervention, while providing them with an option to integrate with payment and shipping companies.



Exchange

Yamm helps businesses to build trust by offering a comfortable and hassle-free exchange experience by automating and simplifying the Exchange process.

Yamm closed its seed funding round led by Flat6Labs, with additional participation from Judah Ventures and several angel investors in 2024.¹⁷ In January 2026, Yamm closed its seed funding round co-led by Vision Ventures and Arzan Venture Capital.¹⁸ While the amount raised remains undisclosed, Yamm revealed that it seeks to grow its customer base in Saudi Arabia while introducing new features to enhance the value it offers for retailers.¹⁹ Accordingly, it has integrated with platforms such as Salesforce as of 2026. Yamm is redesigning post-purchase experience, making returns and refunds effortless. In doing so, it seeks to become a leading platform for consumers and merchants alike.

¹⁷ Wamda
¹⁸ entARABI
¹⁹ Wamda

Conclusion

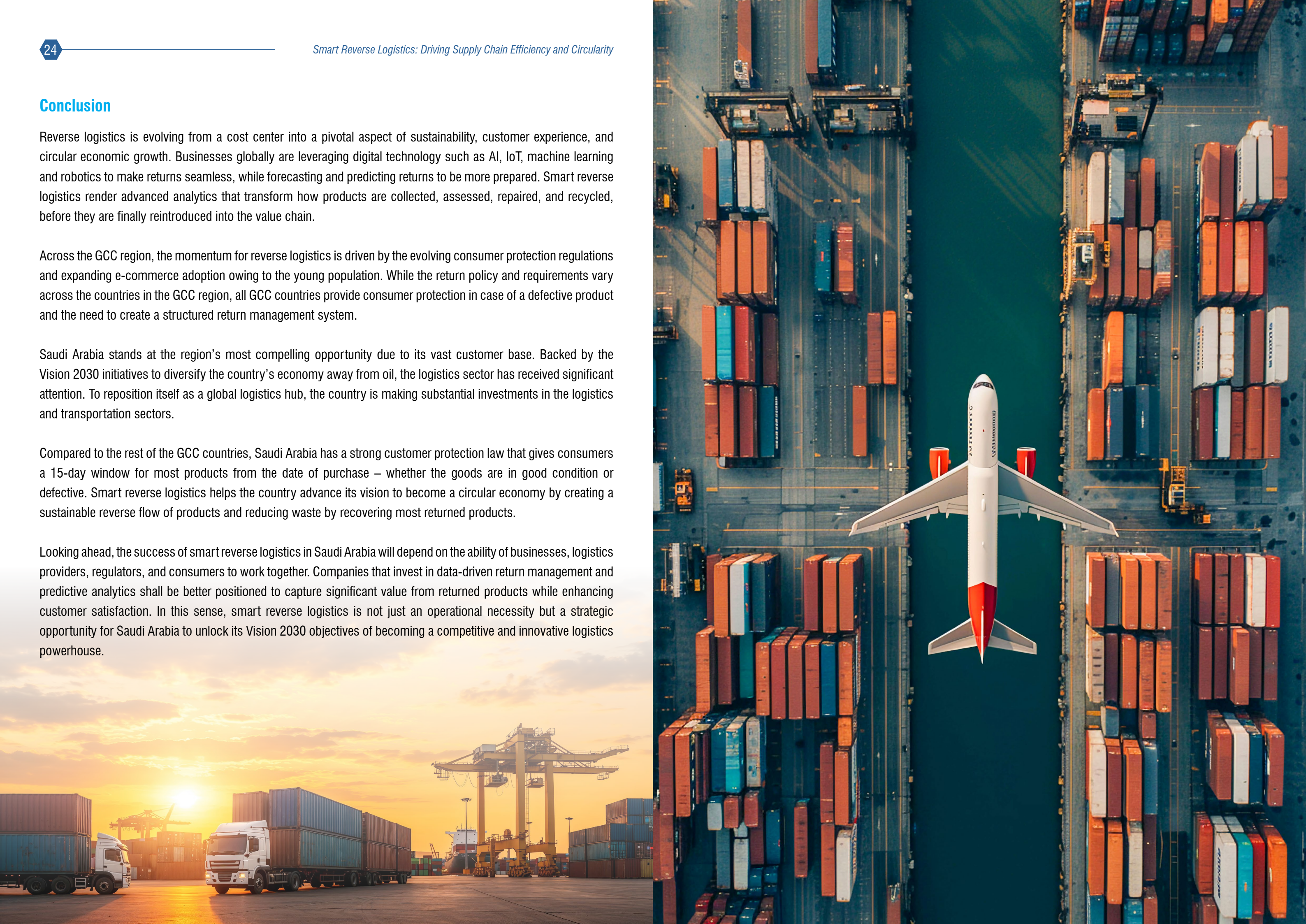
Reverse logistics is evolving from a cost center into a pivotal aspect of sustainability, customer experience, and circular economic growth. Businesses globally are leveraging digital technology such as AI, IoT, machine learning and robotics to make returns seamless, while forecasting and predicting returns to be more prepared. Smart reverse logistics render advanced analytics that transform how products are collected, assessed, repaired, and recycled, before they are finally reintroduced into the value chain.

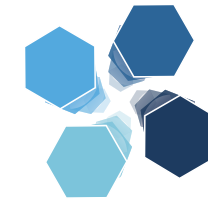
Across the GCC region, the momentum for reverse logistics is driven by the evolving consumer protection regulations and expanding e-commerce adoption owing to the young population. While the return policy and requirements vary across the countries in the GCC region, all GCC countries provide consumer protection in case of a defective product and the need to create a structured return management system.

Saudi Arabia stands at the region's most compelling opportunity due to its vast customer base. Backed by the Vision 2030 initiatives to diversify the country's economy away from oil, the logistics sector has received significant attention. To reposition itself as a global logistics hub, the country is making substantial investments in the logistics and transportation sectors.

Compared to the rest of the GCC countries, Saudi Arabia has a strong customer protection law that gives consumers a 15-day window for most products from the date of purchase – whether the goods are in good condition or defective. Smart reverse logistics helps the country advance its vision to become a circular economy by creating a sustainable reverse flow of products and reducing waste by recovering most returned products.

Looking ahead, the success of smart reverse logistics in Saudi Arabia will depend on the ability of businesses, logistics providers, regulators, and consumers to work together. Companies that invest in data-driven return management and predictive analytics shall be better positioned to capture significant value from returned products while enhancing customer satisfaction. In this sense, smart reverse logistics is not just an operational necessity but a strategic opportunity for Saudi Arabia to unlock its Vision 2030 objectives of becoming a competitive and innovative logistics powerhouse.

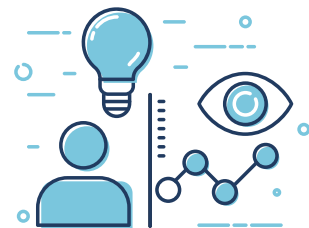




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Vision

To be the regional leader in knowledge-based investment and technology.



Mission

Riyadh Valley Company is a strategic investor, focused on leveraging the local capabilities, investing locally and globally in growth - stage businesses to create financial and strategic returns that will support the future of economic development in the Kingdom.

The Core Focus Areas of RVC

Venture Capital Investment Sectors



Healthcare Investment



FinTech



Renewable energy & Sustainable Resources



Education



Information & Communication Technology



Logistics and Transportation

Strategic Investment Sectors



Innovation and R&D Projects



Commercial Projects



Educational Projects



Residential Projects



Healthcare Projects



Mixed-use Projects

Enriching Innovation Ecosystem



Attract distinguished scientists and consultants



Prepare students for work experience through training

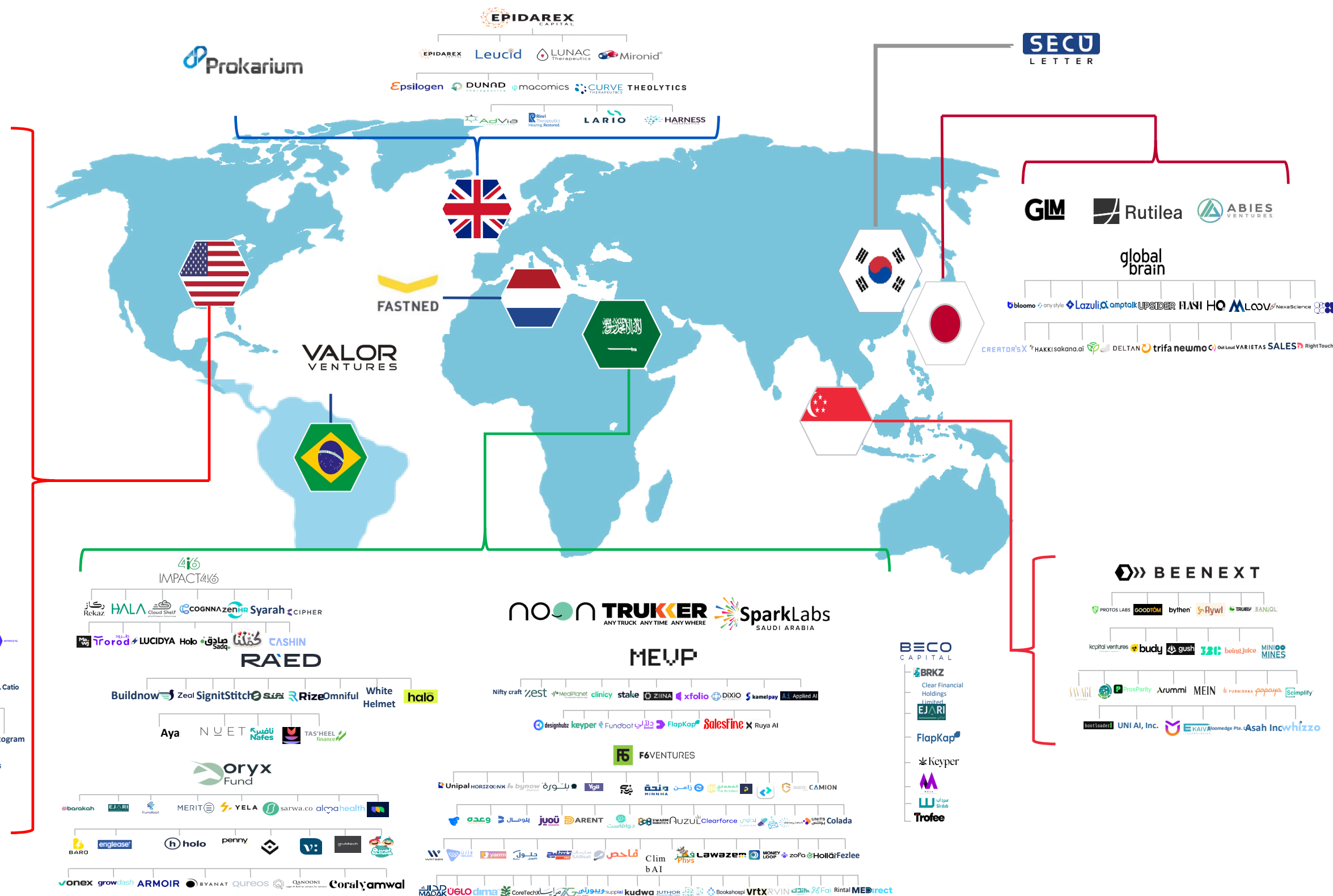
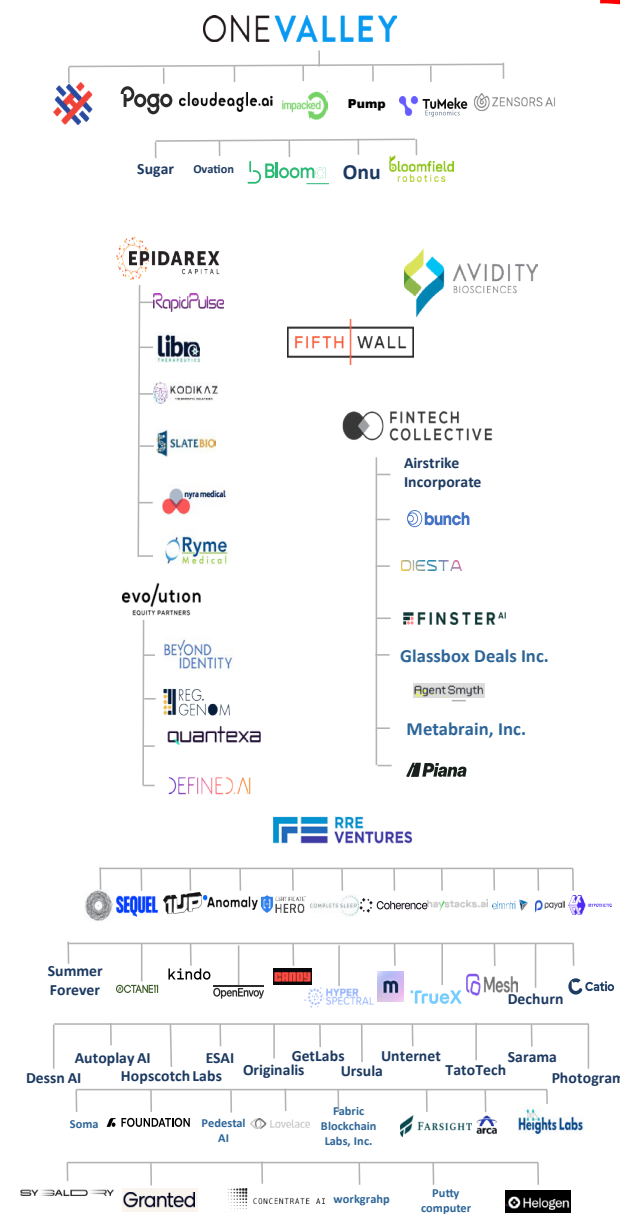


Supporting Scientific Research and technology industry



Enhance the environment to support the knowledge economy

Knowledge Investment Portfolio



Strategic Investment Portfolio

**Sudair Pharma Company Project**

Research center and offices

**ELM Company Project**

Research & Innovation center

**Business Square Project**

Office project

**Riyadh Hills Project**

Offices project

**Derma Housing Project**

Residential project

**City Lights Real Estate Company Project**

Mixed-use project

**Qasr Alaaredh Project**

Building

**Ezdihar Park Project**

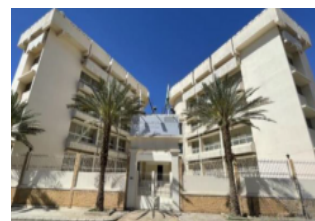
Mixed-use project

**NMR Real Estate Company Project**

Mixed-use project

**Takween Development Group Real Estate Project**

Offices project

**Ferrandi College French project**

Building

**Oasis of Creativity Schools Project**

Educational project

**Al-soroooh Al-Mubarakah Company Project**

Offices project

**Obeikan Company Project**

Commercial project

**Derma Clinic Project**

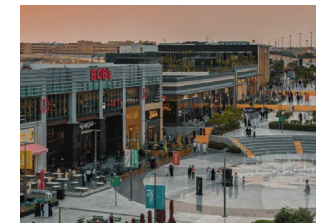
Healthcare project

**Dur Alkuttub Company Project**

Educational project

**Four Directions Company Project**

Commercial project

**U WALK Project**

Commercial project

**The Esplanade Project**

Commercial project

**Al Maarefa University and Diabetes Research Center**

Building project

**Arrowad Colleges Project**

Educational project

**Innovation Tower Project**

Office building project

**Top Golf Project**

Commercial project

**Diriyah Project**

Mixed-use project



شركة وادي الرياض
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