

**UNITED ELECTRONICS COMPANY
(A SAUDI JOINT STOCK COMPANY)**

**CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED
31 MARCH 2026
AND REPORT ON REVIEW OF CONDENSED
CONSOLIDATED INTERIM
FINANCIAL INFORMATION**

UNITED ELECTRONICS COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated interim financial information (Unaudited)
For the three-month period ended 31 March 2026

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Report on review of Condensed Consolidated Interim Financial Information

To the shareholders of United Electronics Company
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of United Electronics Company (the “Company”) and its subsidiaries (the “Group”) as of 31 March 2026 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34 - “Interim Financial Reporting” (IAS 34), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of interim financial information performed by the independent auditor of the entity”, as endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

PricewaterhouseCoopers

Ali A. Alotaibi
License Number 379

10 May 2026

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(Professional Limited Liability Company),
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UNITED ELECTRONICS COMPANY
(A Saudi Joint Stock Company)

Condensed consolidated interim statement of profit or loss and other comprehensive income

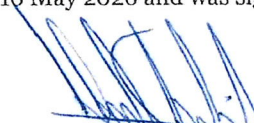
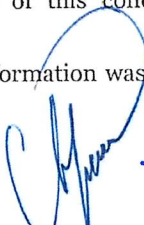

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	For the three-month period ended 31 March	
		2026 (Unaudited)	2025 (Unaudited)
Sales and services		1,622,594	1,566,012
Income from Islamic financing contracts		204,771	174,656
Income from payroll advances		701	-
Total revenue	5	1,828,066	1,740,668
Cost of revenues		(1,377,977)	(1,339,547)
Gross profit		450,089	401,121
Selling and distribution expenses		(185,717)	(180,667)
General and administrative expenses		(86,799)	(66,273)
Net impairment losses on financial assets	6	(40,793)	(30,634)
Other expenses		(648)	(126)
Other income		2,489	1,753
Finance costs		(12,605)	(11,168)
Profit before zakat and income tax		126,016	114,006
Zakat expense		(10,999)	(9,810)
Income tax expense		(764)	(752)
Net profit for the period		114,253	103,444
Other comprehensive loss			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		(127)	(422)
Total comprehensive income for the period		114,126	103,022
Net profit for the period is attributable to:			
Owners of United Electronics Company		94,758	86,102
Non-controlling interests		19,495	17,342
		114,253	103,444
Total comprehensive income is attributable to:			
Owners of United Electronics Company		94,656	85,701
Non-controlling interests		19,470	17,321
		114,126	103,022
Earnings per share			
Basic earnings per share*	12	1.24	1.13
Diluted earnings per share*	12	1.20	1.08

* See Note 12 for changes made to comparative basic and diluted earnings per share

The accompanying notes are an integral part of this condensed consolidated interim financial information.

The condensed consolidated interim financial information was approved by the Board of Directors on 10 May 2026 and was signed on its behalf by:

		
Wael Mohammed Mohammed Khalil Chief Financial Officer	Ali Ahmed Mansour Chief Executive Officer	Yousef Ali Zaid Al Quraishi Chairman of the Board of Directors

UNITED ELECTRONICS COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of financial position
(All amounts in Saudi Riyals thousands unless otherwise stated)

	As at 31 March 2026	As at 31 December 2025
Note	(Unaudited)	(Audited)
Assets		
Non-current assets		
Property and equipment	496,806	496,589
Right-of-use assets	441,803	457,723
Net investment in finance leases	42,595	43,421
Intangible assets	77,092	78,588
Goodwill	529	529
Trade and other receivables	10,923	10,922
Investment in Islamic financing contracts	6 1,405,913	1,382,732
Total non-current assets	2,475,661	2,470,504
Current assets		
Inventories	9 1,664,938	1,365,936
Net investment in finance lease	4,552	3,061
Trade and other receivables	253,685	184,977
Investment in payroll advances	6,680	4,712
Investment in Islamic financing contracts	6 1,692,288	1,663,508
Short-term deposit	30,000	30,000
Cash and cash equivalents	7 310,177	201,394
Total current assets	3,962,320	3,453,588
Total assets	6,437,981	5,924,092
Equity and liabilities		
Equity		
Share capital	800,000	800,000
Other reserves	58,747	63,725
Retained earnings	987,703	1,051,731
Treasury shares	(296,879)	(279,714)
Equity attributable to the Owners of United Electronics Company	1,549,571	1,635,742
Non-controlling interests	461,864	442,394
Total equity	2,011,435	2,078,136
Liabilities		
Non-current liabilities		
Deferred revenue	198,205	191,350
Lease liabilities	548,871	570,537
Borrowings	8 1,067,568	1,091,207
Employee benefit obligations	110,178	99,358
Total non-current liabilities	1,924,822	1,952,452

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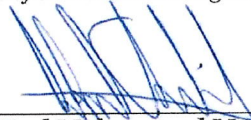
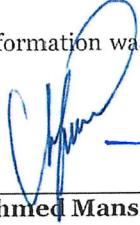

UNITED ELECTRONICS COMPANY
(A Saudi Joint Stock Company)

Condensed consolidated interim statement of financial position (continued)
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	As at 31 March 2026 (Unaudited)	As at 31 December 2025 (Audited)
Current liabilities			
Trade and other payables	9	1,348,567	1,039,658
Deferred revenue		196,013	189,894
Lease liabilities		53,856	53,989
Borrowings	8	842,299	560,739
Zakat and income tax payable		60,989	49,224
Total current liabilities		2,501,724	1,893,504
Total liabilities		4,426,546	3,845,956
Total equity and liabilities		6,437,981	5,924,092

The accompanying notes are an integral part of this condensed consolidated interim financial information.

The condensed consolidated interim financial information was approved by the Board of Directors on 10 May 2026 and was signed on its behalf by:

		
Wael Mohammed Mohammed Khalil Chief Financial Officer	Ali Ahmed Mansour Chief Executive Officer	Yousef Ali Zaid Al Quraishi Chairman of the Board of Directors

UNITED ELECTRONICS COMPANY
(A Saudi Joint Stock Company)

Condensed consolidated interim statement of changes in equity
(All amounts in Saudi Riyals thousands unless otherwise stated)

Note	Other reserves						Total other reserves	Retained earnings	Treasury shares	Equity attributable to the Owners of		Total equity
	Share capital	Share based payment reserve	Foreign currency translation reserve	Actuarial reserve	Share based payment reserve	United Electronics Company				Non-controlling interests		
At 1 January 2025 (Audited)	800,000	51,083	(369)	(2,555)	48,159	86,102	903,263	(41,766)	1,709,656	333,794	2,043,450	
Profit for the period	-	-	-	-	-	86,102	-	-	86,102	17,342	103,444	
Other comprehensive loss for the period	-	-	(401)	-	(401)	-	-	-	(401)	(21)	(422)	
Total comprehensive income for the period	-	-	(401)	-	(401)	86,102	86,102	-	85,701	17,321	103,022	
Dividends	-	-	-	-	-	(229,437)	(229,437)	-	(229,437)	-	(229,437)	
Employee share schemes - value of employee services	-	3,125	-	-	3,125	-	-	-	3,125	-	3,125	
At 31 March 2025 (Unaudited)	800,000	54,208	(770)	(2,555)	50,883	759,928	1,051,731	(41,766)	1,569,045	351,115	1,920,160	
At 1 January 2026 (Audited)	800,000	69,745	(573)	(5,447)	63,725	94,758	1,051,731	(279,714)	1,635,742	442,394	2,078,136	
Profit for the period	-	-	-	-	-	94,758	94,758	-	94,758	19,495	114,253	
Other comprehensive loss for the period	-	-	(102)	-	(102)	-	-	-	(102)	(25)	(127)	
Total comprehensive income for the period	-	-	(102)	-	(102)	94,758	94,758	-	94,656	19,470	114,126	
Dividends	-	-	-	-	-	(223,447)	(223,447)	-	(223,447)	-	(223,447)	
Acquisition of treasury shares	-	-	-	-	-	-	-	(30,266)	(30,266)	-	(30,266)	
Issue of treasury shares to employees	-	(11,500)	-	-	(11,500)	64,661	64,661	13,101	66,262	-	66,262	
Employee share schemes - value of employee services	-	6,624	-	-	6,624	-	-	-	6,624	-	6,624	
At 31 March 2026 Unaudited)	800,000	64,869	(675)	(5,447)	58,747	987,703	1,549,571	(296,879)	1,549,571	461,864	2,011,435	

The accompanying notes are an integral part of this condensed consolidated interim financial information.

The condensed consolidated interim financial information was approved by the Board of Directors on 10 May 2026 and was signed on its behalf by:



Wael Mohammed Mohammed Khalil

Chief Financial Officer



Yousef Ali Zaid Al Quraishi

Chairman of the board of directors

UNITED ELECTRONICS COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of cash flows
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	For the three-month period ended 31 March	
		2026 (Unaudited)	2025 (Unaudited)
Cash flows from operating activities			
Profit before zakat and income tax		126,016	114,006
<u>Adjustments for:</u>			
Depreciation of property and equipment		11,291	11,437
Write-off of property and equipment		82	-
Depreciation of right-of-use assets		15,920	14,858
Amortisation of intangible assets		4,975	3,975
Employee share schemes - value of employee services		6,624	3,125
Net impairment losses on financial assets	6	40,793	30,634
Amorisation of deferred revenue		(57,223)	(49,525)
Finance income from net investment in finance lease		(665)	(685)
Finance costs		37,251	32,255
Provision for employee benefit obligations		11,621	4,005
<u>Changes in operating assets and liabilities:</u>			
Increase in trade and other receivables		(68,711)	(89,605)
Increase in investment in Islamic financing contracts		(92,753)	(177,348)
Increase in inventories		(299,002)	(88,185)
Increase in investment in payroll advances		(1,968)	-
Increase in trade and other payables		308,909	108,132
Increase in deferred revenue		70,197	65,300
Cash generated from (used in) operations		113,357	(17,621)
Employee benefit obligations paid		(801)	(1,976)
Finance costs paid		(37,375)	(33,455)
Zakat and income tax paid		-	(188)
Net cash inflow (outflow) from operating activities		75,181	(53,240)
Cash flows from investing activities			
Payments for purchases of property and equipment		(11,590)	(16,786)
Payments for purchases of intangible assets		(3,479)	(3,067)
Placement in short-term deposit		70,000	-
Redemption of short-term deposit		(70,000)	-
Net cash outflow from investing activities		(15,069)	(19,853)
Cash flows from financing activities			
Proceeds from long-term borrowings		175,000	478,000
Repayment of long-term borrowings		(150,989)	(335,000)
Proceeds from short-term borrowings		410,000	125,000
Repayment of short-term borrowings		(180,000)	(125,000)
Dividends paid	15	(223,447)	-
Acquisition of treasury shares		(30,266)	-
Proceeds from exercise of share options	1	69,000	-
Principal elements of lease payments		(20,627)	(19,359)
Net cash inflow from financing activities		48,671	123,641

(Continued)

UNITED ELECTRONICS COMPANY
(A Saudi Joint Stock Company)

Condensed consolidated interim statement of cash flows (continued)
(All amounts in Saudi Riyals thousands unless otherwise stated)

	For the three-month period ended 31 March	
	2026 (Unaudited)	2025 (Unaudited)
Net increase in cash and cash equivalents	108,783	50,548
Cash and cash equivalents at beginning of period	201,394	475,569
Cash and cash equivalents at end of period	310,177	526,117
Non-cash investing and financing activities:		
Right-of-use assets recorded against lease liabilities	-	19,443
Dividend declared, not paid	-	(229,437)

The accompanying notes are an integral part of this condensed consolidated interim financial information.

The condensed consolidated interim financial information was approved by the Board of Directors on 10 May 2026 and was signed on its behalf by:

		
Wael Mohammed Mohammed Khalil	Ali Ahmed Mansour	Yousef Ali Zaid Al Quraishi
Chief Financial Officer	Chief Executive Officer	Chairman of the board of directors

UNITED ELECTRONICS COMPANY
(A Saudi Joint Stock Company)
Notes to the condensed consolidated interim financial information (Unaudited)
For the three-month period ended 31 March 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

1 General information

United Electronics Company (the “Company”) is a Saudi Joint Stock Company registered in Al Khobar under Commercial Registration (“CR”) number 2051029841 dated 10 Jumada II 1425H (corresponding to 27 July 2004). The shares of the Company were listed on the Saudi Stock Exchange (“Saudi Exchange”) on 24 December 2011.

The registered address of the Company is P.O. Box 76688 Al Khobar 31952, Kingdom of Saudi Arabia.

The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) include the wholesale and retail trade in electric appliances, electronic gadgets, computers and their spare parts and accessories, furniture, office equipment and tools, maintenance and repair services, third-party marketing and consumer financing services.

The accompanying condensed consolidated interim financial information include the activities of the Company and its following direct and indirect subsidiaries.

Subsidiaries	Country of incorporation	Effective ownership percentage	
		2026	2025
United Company for Maintenance Services (“UCMS”)	Kingdom of Saudi Arabia	100%	100%
United Electronics Company Extra W.L.L. (“eXtra Bahrain”)	Kingdom of Bahrain	100%	100%
United Electronics Company Extra L.L.C. (“eXtra Oman”)	Sultanate of Oman	100%	100%
Extra Electronics Company (“eXtra Egypt”)	Arab Republic of Egypt	100%	100%
Extra for Import (“eXtra Import”)	Arab Republic of Egypt	100%	100%
United International Holding Company (“UIHC”)	Kingdom of Saudi Arabia	68.75%	68.75%
United Company for Financial Services (“UCFS”)	Kingdom of Saudi Arabia	68.75%	68.75%
Procco Financial Services W.L.L. (“Procco”)	Kingdom of Bahrain	68.75%	68.75%
Now Access Company (“Now Access”)	Kingdom of Saudi Arabia	51.56%	51.56%

As at 31 March 2026, the Group had a total of 57 branches (31 December 2025: 57 branches) out of which 51 branches are in the Kingdom of Saudi Arabia (31 December 2025: 51 branches in the Kingdom of Saudi Arabia).

1.1 Acquisition of treasury shares

During the three-month period ended 31 March 2026, the Company repurchased additional 364,492 of its own shares from the open market. The total consideration paid for the buy-back of shares amounted to Saudi Riyals 30.2 million.

The purchase was executed in accordance with the approval of the shareholders in their Extraordinary General Assembly Meeting held on 26 May 2025, and in compliance with the relevant provisions of the regulations issued by Capital Market Authority (‘CMA’).

The repurchased shares are held as treasury shares and are presented as a deduction from equity in accordance with the applicable accounting standards.

UNITED ELECTRONICS COMPANY
(A Saudi Joint Stock Company)
Notes to the condensed consolidated interim financial information (Unaudited)
For the three-month period ended 31 March 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

1 General information (continued)

1.2 Issue of treasury shares to employees

During the three-month period ended 31 March 2026, certain vested options under the Group's employee share option scheme were exercised and settled through transfer of treasury shares against a cash consideration of Saudi Riyals 69.0 million.

1.3 Conflict in the Middle East

The geopolitical situation in the Middle East has been unstable since 28 February 2026, and it continues to experience some volatility. This situation has impacted several countries in the Middle East, including the Kingdom of Saudi Arabia, where certain business and economic activities have been affected. The Group is closely monitoring the risks and uncertainties arising from potential supply chain disruptions affecting its retail operations as well as the potential impact on the credit profile of its customers under its Islamic financing activities. Based on management's assessment, the geopolitical situation has not had a significant impact on the Group's financial performance as at and for the period ended 31 March 2026. Also see Note 14.

The accompanying condensed consolidated interim financial information was approved by the Company's Board of Directors on 10 May 2026.

2 Material accounting policies

The material accounting policies applied in the preparation of the condensed consolidated interim financial information of the Group are consistent with those of the previous financial year and corresponding interim reporting periods.

2.1 Basis of preparation

(a) Statement of compliance

The condensed consolidated interim financial information of the Group as of 31 March 2026 and for the three-month period then ended has been prepared in compliance with IAS 34 "Interim Financial Reporting" ("IAS 34"), as endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organisation for Chartered and Professional Accountants ("SOCPA").

The condensed consolidated interim financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025 ("Last Annual Financial Statements"). However, changes in accounting policies, if any and selected explanatory notes are included to explain events and transactions that are significant for understanding the changes in the Group's consolidated financial position and performance since the Last Annual Financial Statements.

An interim period is considered as an integral part of the whole fiscal year. However, the results of operations for the interim periods may not be a fair indication of the results of the full year operations.

(b) New standards, amendments to standards and interpretations

The material accounting policies applied in the preparation of condensed interim financial information of the Company are consistent with those of the previous financial year and corresponding interim reporting period.

A number of new and amended standards became applicable for the current reporting period.

UNITED ELECTRONICS COMPANY
(A Saudi Joint Stock Company)
Notes to the condensed consolidated interim financial information (Unaudited)
For the three-month period ended 31 March 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

2.1 Basis of preparation (continued)

(b) New standards, amendments to standards and interpretations (continued)

There were no new standards or amendments to standards and interpretations that become applicable for the current reporting period, except for the following amendments:

- Amendment to IFRS 9 ‘Financial instruments’ (“IFRS 9”) and IFRS 7 ‘Financial Instruments: Disclosures’ (“IFRS 7”); and
- Annual improvements to International Financial Reporting Standards - Volume 11.

The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amendments.

(c) Standards issued but not yet effective

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 1 January 2026 reporting periods and have not been early adopted by the Company. Management is in the process of assessing the impact of such new standards and interpretations on its financial statements.

3 Fair value of assets and liabilities

As at 31 March 2026 and 31 December 2025, all financial assets and financial liabilities of the Group are categorised as held at amortised cost. Management believes that the fair values of the Group’s financial assets and liabilities as at 31 March 2026 and 31 December 2025 are not materially different from their carrying values since the financial instruments are short term in nature, carry profit rates which are based on prevailing market profit rates and are expected to be realised at their current carrying values within twelve months from the date of the statement of financial position. The fair values of the non-current financial instruments are estimated to approximate their carrying values as these carry profit rates which are based on prevailing market profit rates. During the three-month period ended 31 March 2026, there have been no significant market developments which might indicate towards a potential change in fair value of the Group’s financial instruments.

4 Critical accounting estimates and judgements

The preparation of condensed consolidated interim financial information requires the use of certain critical estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no significant changes in critical accounting estimates and judgements used by management in the preparation of the condensed consolidated interim financial information from those that were applied and disclosed in the annual consolidated financial statements for the year ended 31 December 2025. Also see Note 1.4, 6 and 14.

UNITED ELECTRONICS COMPANY
(A Saudi Joint Stock Company)
Notes to the condensed consolidated interim financial information (Unaudited)
For the three-month period ended 31 March 2026
(All amounts in Saudi Riyals thousands unless otherwise stated)

5 Revenue

	For the three-month period ended 31 March	
	2026	2025
	(Unaudited)	(Unaudited)
Recognised at a point in time		
Retail	1,184,157	1,182,143
E-commerce	368,239	319,348
Wholesale	12,607	11,663
	1,565,003	1,513,154
Recognised over time		
Extended warranty program	51,137	45,848
Others	6,454	7,010
	57,591	52,858
Total sales and services	1,622,594	1,566,012
Income from Islamic financing contracts	204,771	174,656
Income from payroll advances	701	-
	1,828,066	1,740,668

6 Investment in Islamic financing contracts

	31 March 2026	31 December 2025
	(Unaudited)	(Audited)
Investment in Tawarruq financing contracts, net	2,363,884	2,329,828
Investment in Murabaha financing contracts, net	6,715	10,781
Investment in Islamic credit cards, net	727,602	705,631
	3,098,201	3,046,240
Less: non-current portion	(1,405,913)	(1,382,732)
Current portion	1,692,288	1,663,508

UNITED ELECTRONICS COMPANY

(A Saudi Joint Stock Company)

Notes to the condensed consolidated interim financial information (Unaudited)

For the three-month period ended 31 March 2026

(All amounts in Saudi Riyals thousands unless otherwise stated)

6 Investment in Islamic financing contracts (continued)

6.1 Reconciliation between gross and net investment in Islamic financing contracts is as follows:

	Installment sales		Tawarruq finance		Murabaha finance		Islamic credit card		Total	
	31 March 2026	December 2025	31 March 2026	December 2025	31 March 2026	December 2025	31 March 2026	December 2025	31 March 2026	December 2025
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Gross investment in Islamic financing contracts	25,886	26,977	3,542,410	3,514,670	7,640	12,513	833,333	820,259	4,409,269	4,374,419
Unearned finance and processing fee income	(2,188)	(3,279)	(1,094,271)	(1,109,492)	(486)	(1,055)	(78,013)	(87,232)	(1,174,958)	(1,201,058)
Present value of investment in Islamic financing contracts ("P.V of I.F.C.")	23,698	23,698	2,448,139	2,405,178	7,154	11,458	755,320	733,027	3,234,311	3,173,361
Allowance for ECL	(23,698)	(23,698)	(84,255)	(75,350)	(439)	(677)	(27,718)	(27,396)	(136,110)	(127,121)
Net investment in Islamic financing contracts ("Net investment in I.F.C.")	-	-	2,363,884	2,329,828	6,715	10,781	727,602	705,631	3,098,201	3,046,240
Net investment in I.F.C. - non-current portion	-	-	(1,405,590)	(1,382,458)	(323)	(274)	-	-	(1,405,913)	(1,382,732)
Net investment in I.F.C. - current portion	-	-	958,294	947,370	6,392	10,507	727,602	705,631	1,692,288	1,663,508

UNITED ELECTRONICS COMPANY

(A Saudi Joint Stock Company)

Notes to the condensed consolidated interim financial information (Unaudited)

For the three-month period ended 31 March 2026

(All amounts in Saudi Riyals thousands unless otherwise stated)

6 Investment in Islamic financing contracts (continued)

6.2 The movement in allowance for ECL/impairment on Islamic financing contracts is as follows:

	Installment sales		Tawarruq finance		Murabaha finance		Islamic credit card		Total	
	31 March 2026 (Unaudited)	December 2025 (Audited)	31 March 2026 (Unaudited)	December 2025 (Audited)	31 March 2026 (Unaudited)	December 2025 (Audited)	31 March 2026 (Unaudited)	December 2025 (Audited)	31 March 2026 (Unaudited)	December 2025 (Audited)
Opening balance	23,698	23,698	75,350	55,455	677	2,727	27,396	14,399	127,121	96,279
Charge for the period / year	-	-	44,352	132,296	376	4,146	12,929	37,663	57,657	174,105
Amounts written-off	-	-	(35,447)	(112,401)	(614)	(6,196)	(12,607)	(24,666)	(48,668)	(143,263)
Closing balance	23,698	23,698	84,255	75,350	439	677	27,718	27,396	136,110	127,121

6.2.1 Net impairment losses on financial assets:

	Installment sales		Tawarruq finance		Murabaha finance		Islamic credit card		Total	
	31 March 2026 (Unaudited)	December 2025 (Audited)	31 March 2026 (Unaudited)	December 2025 (Audited)	31 March 2026 (Unaudited)	December 2025 (Audited)	31 March 2026 (Unaudited)	December 2025 (Audited)	31 March 2026 (Unaudited)	December 2025 (Audited)
Charge for the period / year	-	-	44,352	132,296	376	4,146	12,929	37,663	57,657	174,105
Recoveries of amounts previously written off	-	-	(12,272)	(38,156)	(1,928)	(8,375)	(2,664)	(2,747)	(16,864)	(49,278)
Net impairment losses on financial assets	-	-	32,080	94,140	(1,552)	(4,229)	10,265	34,916	40,793	124,827

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6 Investment in Islamic financing contracts (continued)

6.3 Stage-wise analysis of Islamic financing contracts and the respective ECL are as follows:

31 March 2026 (Unaudited)	Instalment sales			Tawarruq finance			Murabaha finance			Islamic credit card			Total		
	P.V of I.F.C	Allowance for ECL	Net investment in I.F.C	P.V of I.F.C	Allowance for ECL	Net investment in I.F.C	P.V of I.F.C	Allowance for ECL	Net investment in I.F.C	P.V of I.F.C	Allowance for ECL	Net investment in I.F.C	P.V of I.F.C	Allowance for ECL	Net investment in I.F.C
Performing (Stage 1)	-	-	-	2,094,551	(16,995)	2,077,556	4,692	(28)	4,664	627,436	(3,605)	623,831	2,726,679	(20,628)	2,706,051
Under-performing (Stage 2)	-	-	-	102,010	(15,830)	86,180	757	(58)	699	32,606	(4,183)	28,423	135,373	(20,071)	115,302
Non-performing (Stage 3)	23,698	(23,698)	-	251,578	(51,430)	200,148	1,705	(353)	1,352	95,278	(19,930)	75,348	372,259	(95,411)	276,848
	23,698	(23,698)	-	2,448,139	(84,255)	2,363,884	7,154	(439)	6,715	755,320	(27,718)	727,602	3,234,311	(136,110)	3,098,201
31 December 2025 (Audited)	Instalment sales			Tawarruq finance			Murabaha finance			Islamic credit card			Total		
	P.V of I.F.C	Allowance for ECL	Net investment in I.F.C	P.V of I.F.C	Allowance for ECL	Net investment in I.F.C	P.V of I.F.C	Allowance for ECL	Net investment in I.F.C	P.V of I.F.C	Allowance for ECL	Net investment in I.F.C	P.V of I.F.C	Allowance for ECL	Net investment in I.F.C
Performing (Stage 1)	-	-	-	2,087,012	(16,082)	2,070,930	7,747	(37)	7,710	623,494	(4,061)	619,433	2,718,253	(20,180)	2,698,073
Under-performing (Stage 2)	-	-	-	93,555	(14,236)	79,319	786	(53)	733	25,908	(4,093)	21,815	120,249	(18,382)	101,867
Non-performing (Stage 3)	23,698	(23,698)	-	224,611	(45,032)	179,579	2,925	(587)	2,338	83,625	(19,242)	64,383	334,859	(88,559)	246,300
	23,698	(23,698)	-	2,405,178	(75,350)	2,329,828	11,458	(677)	10,781	733,027	(27,396)	705,631	3,173,361	(127,121)	3,046,240

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6 Investment in Islamic financing contracts (continued)

6.4 Stage-wise movement in ECL allowance/impairment on investment in Islamic financing contracts is as follows:

	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Total
2026				
1 January 2026	20,180	18,382	88,559	127,121
Individual financial assets transferred to under-performing (lifetime expected credit losses)	(2,308)	17,476	(515)	14,653
Individual financial assets transferred to non -performing (credit-impaired financial assets)	(2,564)	(13,235)	24,910	9,111
Individual financial assets transferred to performing (12-month expected credit losses)	477	(2,049)	(2,818)	(4,390)
New financial assets originated	2,609	-	-	2,609
Amounts written-off	-	-	(48,674)	(48,674)
Other changes	2,234	(503)	33,949	35,680
31 March 2026	20,628	20,071	95,411	136,110
2025				
1 January 2025	19,165	12,311	64,803	96,279
Individual financial assets transferred to under-performing (lifetime expected credit losses)	(10,915)	17,987	(516)	6,556
Individual financial assets transferred to non -performing (credit-impaired financial assets)	(21,499)	(5,396)	62,307	35,412
Individual financial assets transferred to performing (12-month expected credit losses)	190	(1,641)	(1,446)	(2,897)
New financial assets originated	39,340	-	-	39,340
Amounts written-off	-	-	(143,264)	(143,264)
Other changes	(6,101)	(4,879)	106,675	95,695
31 December 2025	20,180	18,382	88,559	127,121

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6 Investment in Islamic financing contracts (continued)

6.5 Category-wise movement in stage-wise ECL allowance/impairment is as follows:

2026	Instalment sales			Tawarruq finance			Murabaha finance			Islamic credit card			Total		
	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)	Performing (Stage 1)	Under-performing (Stage 2)	Non-performing (Stage 3)
At 1															
January Individual financial assets transferred to	-	-	23,698	16,082	14,235	45,033	37	53	587	4,061	4,093	19,243	20,180	18,381	88,561
-Stage 1	-	-	-	411	(1,622)	(1,389)	2	(5)	(26)	65	(421)	(1,403)	478	(2,048)	(2,818)
-Stage 2	-	-	-	(2,087)	13,268	(463)	(13)	46	(5)	(208)	4,162	(47)	(2,308)	17,476	(515)
-Stage 3	-	-	-	(1,602)	(9,695)	17,364	(1)	(45)	86	(960)	(3,496)	7,480	(2,563)	(13,236)	24,930
New financial assets originated	-	-	-	2,288	-	-	-	-	-	320	-	-	2,608	-	-
Amounts written-off	-	-	-	-	-	(35,767)	-	-	(622)	-	-	(12,285)	-	-	(48,674)
Other changes	-	-	-	1,903	(356)	26,652	3	9	333	327	(155)	6,942	2,233	(502)	33,927
At 31 March	-	-	23,698	16,995	15,830	51,430	28	58	353	3,605	4,183	19,930	20,628	20,071	95,411

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6 Investment in Islamic financing contracts (continued)

6.5 Category-wise movement in stage-wise ECL allowance/impairment is as follows: (continued)

2025	Instalment sales			Tawarruq finance			Murabaha finance			Islamic credit card			Total		
	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)
At 1 January	-	-	25,425	12,796	7,282	29,285	1,146	813	9,691	735	300	1,495	14,677	8,395	65,896
Individual financial assets transferred to															
-Stage 1	-	-	-	625	(2,375)	(1,778)	14	(187)	(124)	9	(53)	(20)	648	(2,615)	(1,922)
-Stage 2	-	-	-	(4,625)	7,866	(619)	(37)	217	(49)	(15)	3,154	(2,905)	(4,677)	11,237	(3,573)
-Stage 3	-	-	-	(8,345)	(2,985)	29,758	(80)	(300)	1,897	(546)	(89)	2,690	(8,971)	(3,374)	34,345
New financial assets originated	-	-	-	20,167	-	-	79	-	-	4,632	-	-	24,878	-	-
Amounts written-off	-	-	-	-	-	(79,692)	-	-	(26,458)	-	-	(5,481)	-	-	(111,631)
Other changes	-	-	(1,727)	(6,231)	(673)	54,999	(922)	(294)	17,321	(237)	(365)	11,095	(7,390)	(1,332)	81,688
At 31 December	-	-	23,698	14,387	9,115	31,953	200	249	2,278	4,578	2,947	6,874	19,165	12,311	64,803

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6 Investment in Islamic financing contracts (continued)

6.5 Category-wise movement in stage-wise ECL allowance/impairment is as follows: (continued)

Following factors contributed to the change in the ECL allowance during the three-month period ended 31 March 2026:

- Transfers between Stage 1, 2 and 3, due to balances experiencing significant increases (or decreases on account of impact of enhanced collection strategies and efforts) in credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and lifetime ECL;
- Additional allowances for new financial assets recognised during the period;
- Financial assets written off; and
- 'Other changes' in Stage 3 principally represent net impact of additional allowance for ECL recognised upon write-offs.

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6 Investment in Islamic financing contracts (continued)

6.6 Category-wise movement in stage-wise gross carrying amounts of net investment in Islamic financing contracts is as follows:

	Instalment sales			Tawarruq finance			Murabaha finance			Islamic credit card			Total		
	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)
2026															
At 1 January	-	-	23,698	2,087,012	93,555	224,611	7,747	786	2,925	623,494	25,908	83,625	2,718,253	120,249	334,859
Individual financial assets transferred to															
- Stage 1	-	-	-	68,741	(12,870)	(55,871)	1,465	(200)	(1,265)	26,436	(3,214)	(23,222)	96,642	(16,284)	(80,358)
- Stage 2	-	-	-	(81,751)	84,080	(2,329)	(707)	736	(29)	(31,210)	31,400	(190)	(113,668)	116,216	(2,548)
- Stage 3	-	-	-	(64,910)	(61,834)	126,744	(2,435)	(351)	2,787	(34,418)	(22,495)	56,913	(101,763)	(84,680)	186,444
New financial assets originated	-	-	-	332,670	-	-	-	-	-	60,620	-	-	393,290	-	-
Amounts written-off	-	-	-	-	-	(35,767)	-	-	(622)	-	-	(12,285)	-	-	(48,674)
Collections and other changes	-	-	-	(247,211)	(921)	(5,810)	(1,378)	(214)	(2,091)	(17,486)	1,007	(9,563)	(266,075)	(128)	(17,464)
At 31 March	-	-	23,698	2,094,551	102,010	251,578	4,692	757	1,705	627,436	32,606	95,278	2,726,679	135,373	372,259

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6 Investment in Islamic financing contracts (continued)

6.6 Category-wise movement in stage-wise gross carrying amounts of net investment in Islamic financing contracts is as follows:
(continued)

	Instalment sales			Tawarruq finance			Murabaha finance			Islamic credit card			Total		
	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)
2025															
At 1 January	-	-	23,698	1,723,985	59,231	155,829	54,789	2,902	10,907	431,110	13,256	27,715	2,209,884	75,389	218,149
Individual financial assets transferred to															
- Stage 1	-	-	-	165,643	(27,275)	(138,367)	11,519	(1,727)	(9,791)	34,413	(7,925)	(26,488)	211,575	(36,927)	(174,646)
- Stage 2	-	-	-	(97,628)	99,615	(1,987)	(1,459)	1,512	(53)	(25,619)	25,964	(345)	(124,706)	127,091	(2,385)
- Stage 3	-	-	-	(179,022)	(27,148)	206,170	(2,542)	(943)	3,486	(73,275)	(4,991)	78,266	(254,839)	(33,082)	287,922
New financial assets originated	-	-	-	1,341,214	-	-	45	-	-	398,712	-	-	1,739,971	-	-
Amounts written-off	-	-	-	-	-	(111,649)	-	-	(6,197)	-	-	(25,418)	-	-	(143,264)
Collections and other changes	-	-	-	(867,180)	(10,868)	114,615	(54,605)	(958)	4,573	(141,847)	(396)	29,895	(1,063,632)	(12,222)	149,083
At 31 December	-	-	23,698	2,087,012	93,555	224,611	7,747	786	2,925	623,494	25,908	83,625	2,718,253	120,249	334,859

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6 Investment in Islamic financing contracts (continued)

6.7 Maturity profile of gross investment in Islamic financing contracts and present value of investment in Islamic financing contracts is as follows:

	31 March 2026	31 December 2025
Gross investment in Islamic financing contracts		
Within one year	2,249,046	2,220,818
From one to two years	969,930	952,999
From two to three years	641,258	634,735
From three to four years	402,513	406,846
Four to five years	146,522	159,041
	4,409,269	4,374,439
Present value of investment in Islamic financing contracts		
Within one year	1,796,520	1,747,326
From one to two years	675,905	662,203
From two to three years	420,478	414,320
From three to four years	253,033	254,337
Four to five years	88,375	95,175
	3,234,311	3,173,361

7 Cash and cash equivalents

	31 March 2026	31 December 2025
	(Unaudited)	(Audited)
Cash at bank	301,182	187,700
Cash in hand	8,995	9,694
Time deposits	-	4,000
	310,177	201,394

8 Borrowings

	31 March 2026	31 December 2025
	(Unaudited)	(Audited)
Long-term borrowings		
Murabaha facilities	1,660,968	1,636,957
Short-term borrowings		
Murabaha facilities	230,000	-
Accrued finance costs	1,890,968	1,636,957
	18,899	14,989
	1,909,867	1,651,946
Classification of borrowings is presented below:		
Current portion (including short-term borrowings)	842,299	560,739
Non-current portion	1,067,568	1,091,207
	1,909,867	1,651,946

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8 Borrowings (continued)

8.1 *The movement in the Group's borrowings is as follows:*

	31 March 2026	31 December 2025
	(Unaudited)	(Audited)
At the beginning of the period/year	1,651,946	1,275,669
Proceeds from long-term borrowings	175,000	1,220,000
Proceeds from short-term borrowings	410,000	632,000
Repayment of long-term borrowings	(150,989)	(850,493)
Repayment of short-term borrowings	(180,000)	(632,000)
Finance costs accrued	26,103	98,467
Finance costs paid	(22,193)	(91,697)
At the end of the period/year	1,909,867	1,651,946

8.2 *The maturities of the principal portion of the Group's borrowings are as follows:*

	31 March 2026	31 December 2025
	(Unaudited)	(Audited)
Less than 6 months	561,548	297,666
Between 6 to 12 months	261,852	248,084
Between 1 and 2 years	472,263	465,474
Between 2 and 5 years	595,305	625,733
	1,890,968	1,636,957

Maturity profile of borrowings, including finance cost component, is disclosed in Note 14.

8.3 The Company has obtained borrowings under Islamic financing arrangements with commercial banks in the Kingdom of Saudi Arabia. All loan facilities above are denominated in Saudi Riyals and bear financial charges based on Saudi Arabian Interbank Offered Rate ("SAIBOR") plus certain margins. The Company's borrowings are carried at amortised cost and are periodically contractually repriced after every three months, in line with the terms of the borrowing arrangements.

The facility-wise breakdown of the outstanding loan balance is as follows:

		31 March 2026	31 December 2025
	Note	(Unaudited)	(Audited)
Long-term borrowings			
Murabaha I	8.3.1	662,500	700,000
Murabaha II	8.3.2	295,000	270,000
Murabaha III	8.3.3	474,250	418,688
Murabaha IV	8.3.4	219,218	238,269
Murabaha V	8.3.5	10,000	10,000
Short-term borrowings			
Murabaha VI	8.3.6	230,000	-
		1,890,968	1,636,957
Accrued finance costs		18,899	14,989
		1,909,867	1,651,946

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8 Borrowings (continued)

The financial charges incurred during the period increased on account of increase in amount of borrowings. UCFS was in compliance with the terms and conditions of the financing agreements as of 31 March 2026.

Details of the type of borrowings facilities availed by the Company are as follows:

Long-term borrowings

8.3.1 Murabaha I

Total amount available to UCFS under such facility is Saudi Riyals 925.0 million. Each tranche of facility utilisation is repayable in 16 quarterly installments commencing 9 months after receipt of the borrowed amount. As at 31 March 2026, the Company has an outstanding loan balance of Saudi Riyals 662.5 million against this facility (31 December 2025: Saudi Riyals 700.0 million).

8.3.2 Murabaha II

Total amount available to UCFS under such facility is Saudi Riyals 800.0 million. Each tranche of facility utilisation is repayable in 20 quarterly installments commencing 3 months after receipt of the borrowed amount. As at 31 March 2026, the Company has an outstanding loan balance of Saudi Riyals 295.0 million against this facility (31 December 2025: Saudi Riyals 270.0 million).

8.3.3 Murabaha III

Total amount available to UCFS under such facility is Saudi Riyals 700.0 million. Each tranche of facility utilisation is repayable in 20 quarterly installments commencing 3 months after receipt of the borrowed amount. As at 31 March 2026, the Company has an outstanding loan balance of Saudi Riyals 474.2 million against this facility (31 December 2025: Saudi Riyals 418.7 million).

8.3.4 Murabaha IV

Total amount available to UCFS under such facility is Saudi Riyals 300.0 million. Each tranche of facility utilisation is repayable in 48 monthly installments commencing one month after receipt of the borrowed amount. As at 31 March 2026, the Company has an outstanding loan balance of Saudi Riyals 219.2 million against this facility (31 December 2025: Saudi Riyals 238.3 million).

8.3.5 Murabaha V

Total amount available to UCFS under such facility is Saudi Riyals 150.0 million. Each tranche of facility utilisation is repayable in 17 quarterly installments commencing 3 months after receipt of the borrowed amount. As at 31 March 2026, the Company has an outstanding loan balance of Saudi Riyals 10.0 million against this facility (31 December 2025: Saudi Riyals 10.0 million).

Short-term borrowings

8.3.6 Murabaha VI

Total amount available to the Company under such facility is Saudi Riyals 250.0 million. Each tranche of facility utilisation is repayable in 30 days after receipt of the borrowed amount. As at 31 March 2026, the Company has an outstanding loan balance of Saudi Riyals 230.0 million against this facility (31 December 2025: Nil).

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9 Trade and other payables

	Note	31 March 2026	31 December 2025
		(Unaudited)	(Audited)
Trade payables		1,026,098	752,278
Accrued expenses		117,888	82,321
Advances from customers		107,696	57,055
Salaries and benefits		39,187	68,674
Gift cards		19,154	19,901
Due to related parties	11	4,905	3,964
VAT payable		-	28,094
Others		33,639	27,371
		1,348,567	1,039,658

As at 31 March 2026, trade payables increased primarily due to higher volume of inventories purchased during the three-month period ended 31 March 2026, in preparation of the annual mega sale campaign.

10 Segmental information

a) Operating segments

The Group is organised into business units based on factors including distribution method, targeted customers, products and geographic location.

The Group has two major operating segments namely, 'Sales and services' and 'Consumer finance'. The Board of Directors of the Group, considered as Chief Operating Decision Maker, review the internal management reports of each segment at least quarterly for the purpose of resources allocation and assessment of performance. All other operating segments that are not reportable are combined under "Others".

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10 Segmental information (continued)

a) *Operating segments (continued)*

The following summary describes the operations of each reportable segment.

Reportable segment	Operation
Sales and services	Retail, wholesale, e-commerce, installation and repair services of electronic products, computers, smartphones and accessories, extended warranties, gift cards and installment sales.
Consumer finance	Consumer financing under Murabaha, Tawarruq and Islamic credit card financing arrangements (Tas'heel).

The segmental information was as follows:

As at and for the three-month period ended 31 March 2026 (Unaudited)

	Sales and services	Consumer finance	Others	Intersegment eliminations	Total
Revenue					
- At a point in time	1,565,003	-	-	-	1,565,003
- Over time	58,872	204,555	9,014	(9,378)	263,063
	1,623,875	204,555	9,014	(9,378)	1,828,066
Cost of revenues	(1,353,331)	(24,646)	-	-	(1,377,977)
Gross profit	270,544	179,909	9,014	(9,378)	450,089
Net profit	50,411	66,027	(2,185)	-	114,253
Total assets	3,384,367	3,236,364	89,418	(272,168)	6,437,981
Total liabilities	2,637,566	1,831,602	229,546	(272,168)	4,426,546

For the three-month period ended 31 March 2025 (Unaudited)

	Sales and services	Consumer finance	Others	Intersegment eliminations	Total
Revenue					
- At a point in time	1,513,154	-	-	-	1,513,154
- Over time	53,876	174,656	7,550	(8,568)	227,514
	1,567,030	174,656	7,550	(8,568)	1,740,668
Cost of revenues	(1,318,460)	(21,087)	-	-	(1,339,547)
Gross profit	248,570	153,569	7,550	(8,568)	401,121
Net profit	45,640	59,239	(1,435)	-	103,444
Total assets	3,298,579	2,697,982	14,581	(224,757)	5,786,385
Total liabilities	2,347,508	1,528,906	214,568	(224,757)	3,866,225

As at 31 December 2025 (Audited)

Total assets	2,985,697	3,115,487	71,419	(248,511)	5,924,092
Total liabilities	2,109,235	1,775,885	228,669	(267,833)	3,845,956

The group management uses segment revenue and net profit to measure performance being the most relevant in evaluating the results of segments.

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10 Segmental information (continued)

b) Geographical segments

The geographical information below analyses the Group's revenue, net profit, total assets and total liabilities as follows:

As at and for the three-month period ended 31 March 2026 (Unaudited)

	Kingdom of Saudi Arabia	Others	Intersegment eliminations	Total
Revenue				
- At a point in time	1,462,543	102,460	-	1,565,003
- Over time	260,217	12,224	(9,378)	263,063
	1,722,760	114,684	(9,378)	1,828,066
Cost of revenue	(1,286,915)	(91,062)	-	(1,377,977)
Gross profit	435,845	23,622	(9,378)	450,089
Net profit	112,705	1,548	-	114,253
Total assets	6,388,846	321,303	(272,168)	6,437,981
Total liabilities	4,421,070	277,644	(272,168)	4,426,546

For the three-month period ended 31 March 2025 (Unaudited)

	Kingdom of Saudi Arabia	Others	Intersegment eliminations	Total
Revenue				
- At a point in time	1,416,881	96,273	-	1,513,154
- Over time	225,771	10,311	(8,568)	227,514
	1,642,652	106,584	(8,568)	1,740,668
Cost of revenue	(1,253,371)	(86,176)	-	(1,339,547)
Gross profit	389,281	20,408	(8,568)	401,121
Net profit	102,192	1,252	-	103,444
Total assets	5,735,069	276,073	(224,757)	5,786,385
Total liabilities	3,833,014	257,968	(224,757)	3,866,225

As at 31 December 2025 (Audited)

	Kingdom of Saudi Arabia	Others	Intersegment eliminations	Total
Total assets	5,861,250	311,353	(248,511)	5,924,092
Total liabilities	3,844,565	269,224	(267,833)	3,845,956

11 Related party transactions and balances

Related party comprises the shareholders that have control or significant influence over the Group, affiliated companies (representing entities which are directly or indirectly controlled by or under significant influence of the Group's shareholders) and key management personnel (including directors) and business over which they exercise control or significant influence. Related parties also include business entities in which certain directors or senior management have control or joint control.

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11 Related party transactions and balances (continued)

(a) *The following significant transactions were entered into by the Group with its related parties:*

Nature of transaction	Relationship	For the three-month period ended 31 March	
		2026 (Unaudited)	2025 (Unaudited)
Sales	Major shareholder	153	22
Purchases	Associated Companies	1,151	74
Rental income	Associated companies	251	389
Rent expense	Associated companies	1,313	1,313
Other expenses charged by the company	Associated companies	11	50
Other expenses charged to the company	Associated companies	197	-

The transactions are based on terms agreed as per the underlying agreements between the Group and the respective related parties.

(b) *Key management personnel compensation*

	For the three-month period ended 31 March	
	2026 (Unaudited)	2025 (Unaudited)
Salaries and other employee benefits	4,899	2,982
Board of Directors' fees	27	45
	4,926	3,027

(c) *Due from related party - associated company*

	31 March	31 December
	2026 (Unaudited)	2025 (Audited)
United homeware Company	217	1,715

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11 Related party transactions and balances (continued)

(d) *Due to related parties - associated companies*

	31 March 2026	31 December 2025
	(Unaudited)	(Audited)
Reliable Trading Company	3,087	3,106
Madar Building Materials	933	-
Madar Hardware Company	517	618
Abdullatif And Mohammed Al Fozan Holding Company	368	240
	4,905	3,964

The above balances are receivable/payable based on the terms agreed as per the signed agreements between the Group and the respective related parties and do not bear any financial charges.

12 Earnings per share

	For the three-month period ended 31 March	
	2026	2025
Profit for the period attributable to the shareholders of the Company	94,758	86,102

The weighted average number of shares used as the denominator are as follows:

	For the three-month period ended 31 March	
	2026	2025
Weighted average number of ordinary shares used in calculating basic earnings per share	76,530,640	76,478,225
Adjustment for treasury shares	2,521,775	3,521,775
Weighted average number of ordinary shares used in calculating diluted earnings per share	79,052,415	80,000,000

Earnings per share (Saudi Riyals)

Basic earnings per share	1.24	1.13
Diluted earnings per share	1.20	1.08

Basic and diluted earnings per share for the three-month period ended 31 March 2025 were previously calculated based on the 'total profit' of the Group instead of 'profit attributable to the owners of the Group'. As a result, basic and diluted earnings per share for the period ended 31 March 2025 were originally presented as Saudi Riyals 1.35 and Saudi Riyals 1.29 respectively, instead of 1.13 and 1.08. The comparative figures have been restated accordingly in the disclosure above and on the condensed consolidated interim statement of profit or loss and other comprehensive income.

13 Contingencies and capital commitments

- (i) At 31 March 2026, the Group was contingently liable for bank guarantees and letters of credit issued in the normal course of business amounting to Saudi Riyals 837.4 (31 December 2025: Saudi Riyals 807.8 million).
- (ii) As at 31 March 2026 and 31 December 2025, there were no significant capital expenditure or other commitments.

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14 Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, profit rate risk and liquidity risk. The Group's overall risk management program, which is carried out by senior management under policies reviewed by the Risk and Credit Management Committee of UCFS ("Risk and Credit Management Committee") and approved by the Group's Board of Directors, focuses on having cost effective funding as well as managing financial risks to minimise earning volatility and provide maximum return to the shareholders.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Management and the Board of Directors are responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The risks faced by the Group and their respective mitigating strategies are summarised below:

14.1 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation and cause a financial loss to the Group. The maximum exposure to credit risk is equal to the carrying amount of financial assets. As at 31 March 2026, the Group has maintained an ECL allowance of Saudi Riyals 136.1 million (31 December 2025: Saudi Riyals 127.1 million), which is considered adequate to provide for any losses which may be sustained on realisation of financial assets.

The management analyses credit risk into the following categories:

Investment in Islamic financing contracts

Investment in Tawarruq, Murabaha and credit card finance contracts is generally exposed to significant credit risk. Therefore, the Group has established procedures to manage credit exposure including evaluation of customers' credit worthiness, formal credit approvals and assigning credit limits.

The overall decision to lend to a particular customer is based on the following key parameters:

- Dual credit score i.e. SIMAH and internal application scoring system;
- Minimum income level and maximum debt burden of the borrower; and
- Loan repayment history with other financial institutions sourced from SIMAH.

The Group does not have any significant concentration of credit risk since it enters into Islamic Financing Contracts with individual customers only. At the inception of the contract, internal credit risk ratings are allocated to each exposure. These credit risk grades are defined using a variety of qualitative and quantitative factors including income levels, employment segment, nationality etc.

A significant number of customers are Government sector employees. The Group generally receives repayments through variable channels such as SADAD, regular and virtual bank transfers. The Group has approved collection policies and procedures establishing a collection strategy to follow up with the delinquent customers. In order to monitor exposure to credit risk, reports are reviewed by the Risk and Credit Management Committee and the Board of Directors on a quarterly basis. Furthermore, the Group has also strengthened its legal department in order to be actively involved in the collection process of delinquent customers. An allowance for ECL is maintained at a level which, in the judgment of management, is adequate to provide for potential losses that can be reasonably anticipated.

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14 Financial risk management (continued)

14.1 Credit risk (continued)

Investment in Islamic financing contracts (continued)

The following tables sets out information about the credit quality of investment in Islamic financing contracts:

(a) *Stage-wise analysis of gross carrying amounts as at 31 December, in comparison with internal credit risk rating assigned at the inception of the respective contracts. The amounts in the table represent gross carrying amounts.*

	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Total
31 March 2026				
<i>Internal credit risk ratings</i>				
Low risk	1,437,155	38,784	100,136	1,576,075
Medium risk	1,209,943	71,525	161,374	1,442,842
High risk	1,133,702	75,856	180,794	1,390,352
	3,780,800	186,165	442,304	4,409,269
	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Total
31 December 2025				
<i>Internal credit risk ratings</i>				
Low risk	1,378,593	36,249	85,123	1,499,965
Medium risk	1,232,462	58,619	139,905	1,430,986
High risk	1,174,961	69,803	198,704	1,443,468
	3,786,016	164,671	423,732	4,374,419

Subsequent to initial recognition, the Group monitors the credit quality of its exposures based on staging criteria and past due ageing of the exposures.

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14 Financial risk management (continued)

14.1 Credit risk (continued)

Investment in Islamic financing contracts (continued)

(b) *Ageing analysis of net investment in Islamic financing contracts based on due balances according to the respective contractual repayment schedules:*

	Installment sales receivable		Tawarruq finance		Murabaha finance		Islamic Credit Card		Total	
	31		31		31		31		31	
	31 March 2026	December 2025	31 March 2026	December 2025	31 March 2026	December 2025	31 March 2026	December 2025	31 March 2026	December 2025
Not past due	-	-	1,994,399	1,994,172	4,095	6,759	609,496	604,441	2,607,990	2,605,372
Past due 1-30 days	-	-	100,147	92,839	596	988	17,939	19,053	118,682	112,880
Past due 31-90 days	-	-	102,010	93,555	757	786	32,606	25,909	135,373	120,250
Past due 91-180 days	-	-	93,075	59,307	431	623	35,891	21,101	129,397	81,031
Past due 181-364 days	-	-	125,608	135,438	864	1,697	47,064	51,893	173,536	189,028
Over 365 days	23,698	23,698	32,900	29,867	411	605	12,324	10,630	69,333	64,800
	23,698	23,698	2,448,139	2,405,178	7,154	11,458	755,320	733,027	3,234,311	3,173,361
Less: Impairment for Islamic financing contracts	(23,698)	(23,698)	(84,255)	(75,350)	(439)	(677)	(27,718)	(27,396)	(136,110)	(127,121)
Net investment in Islamic financing contracts	-	-	2,363,884	2,329,828	6,715	10,781	727,602	705,631	3,098,201	3,046,240

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14 Financial risk management (continued)

14.1 Credit risk (continued)

Investment in Islamic financing contracts (continued)

The Group applies three-stage model for impairment of Investment in Islamic financing contracts, in line with the requirements of IFRS 9 'Financial Instruments', based on changes in credit quality since initial recognition. The assessment of credit risk in the net investment in Islamic financing receivables requires further estimations of credit risk using ECL which is derived by Probability of default ("PD"), Exposure at Default ("EAD") and Loss Given Default ("LGD") and discount rates.

PD has been calculated as a probability that an exposure will move to more than 90 days past due in the next 12 months or over the remaining lifetime of the obligation. 'Through-the-Cycle' estimates were calculated based on collection and default trends. Such "Through-the-Cycle" PD rates are later converted to 'Point-in-time' PD rates by incorporating the forward-looking information using the Vasicek framework.

As at 31 March 2026, the most appropriate macroeconomic factors with the highest correlation to the historical collection and default trends, incorporated in the upturn, baseline and downturn scenarios (consistent with the year ended 31 December 2025) were as follows:

	Upturn (15% weightage)	Baseline (70% weightage)	Downturn (15% weightage)
Exports of Goods and Services (% change per annum)	11.9%	2.7%	(6.5%)
Crude petroleum (% change per annum)	55.7%	48.8%	41.8%
Foreign-exchange reserves (% change per annum)	0.019%	0.001%	(0.016%)

During the three-month period ended 31 March 2026, there have been no significant changes to the underlying methodology, assumptions and judgements used for determination of ECL from those that were used for the purpose of determining the ECL allowance as of 31 December 2025, including the weight assigned to each scenario i.e. upturn, baseline and downturn scenarios.

Management has assessed the impact of the prevailing geopolitical situation on the macroeconomic factors used in the ECL model and concluded that there has been no material impact during the three-month period ended 31 March 2026.

The Group's management believes that adequate ECL allowance has been made, where required to address the credit risk.

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14 Financial risk management (continued)

14.1 Credit risk (continued)

Investment in Islamic financing contracts (continued)

Impact of geopolitical situation on measurement of ECL

The prevailing geopolitical situation, has brought about additional uncertainties in the economic environment which required the Company to reassess certain inputs and assumptions used for the determination of ECL allowance on investments in Islamic financing contracts.

Based on this assessment, no observable or measurable deterioration in credit quality indicators were identified during the period. This conclusion is supported by stable default trends and collections/recovery patterns exceeding budgeted expectations. In addition, management evaluated the effect of changes in relevant macroeconomic variables and related scenario weightings incorporated into the ECL model and concluded that their impact was immaterial as at 31 March 2026.

Furthermore, it continues to be challenging to reliably ascertain the specific effects the ongoing situation will have. The Company has therefore concluded that it is too early for any potential credit impairment to be reflected through the application of the staging criteria, adjusting macroeconomic variables/scenario weights or recognition of overlays on the impacted portfolio, if any.

The impact of such uncertain economic environment is judgmental, and the Company will continue to reassess its position and the related impact on a regular basis as more reliable data becomes available and accordingly, determine if any adjustment in ECL allowance is required in subsequent reporting periods.

Based on the above, management believes that the ECL allowance recognised as at 31 March 2026 is appropriate and sufficient to absorb expected credit losses arising from the Company's exposure to credit risk.

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14 Financial risk management (continued)

14.1 Credit risk (continued)

Investment in Islamic financing contracts (continued)

c) Sensitivity analysis:

The table below illustrates the sensitivity of ECL to key factors, with all other variables held constant, noting that the macroeconomic factors present dynamic relationships between them:

	Impact on statement of profit or loss and other comprehensive income for the three-month period ended 31 March 2026 (in millions)
Key assumptions	
<i>PD and LGD</i>	
Increase by 10%	(15.5)
Decrease by 10%	14.7
<i>Macroeconomic factors (Exports of Goods and Services, Crude petroleum and Foreign-exchange reserves)</i>	
Macroeconomic factors increase by 10%	3.2
Macroeconomic factors decrease by 10%	(2.9)
<i>Macroeconomic factors (updated to account for ongoing geopolitical developments)</i>	
- No changes to weights assigned	(2.8)
- 10% weightage to upturn scenarios, 70% weightage to baseline scenarios and 30% weightage to downturn scenarios	(6.2)
- 70% weightage to baseline scenarios and 30% weightage to downturn scenarios	(13.4)
- 50% weightage to baseline scenarios and 50% weightage to downturn scenarios	(23.0)
- 100% weightage assigned to downturn scenarios	(32.6)

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14 Financial risk management (continued)

14.1 Credit risk (continued)

Trade and other receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables.

The average credit period on sales of goods is 30-90 days. No interest is charged on trade receivables. Before accepting any new customer, the Group has a credit policy set in place to assess the potential customer's credit quality and defines the credit limits. These procedures are reviewed and updated on an ongoing basis. At 31 March 2026, 93% of trade receivables were due from 2 customers (31 December 2025: 48% from 2 customers). Management believes that this concentration of credit risk is mitigated as the customer has established track record of regular and timely payments.

The expected loss rates are based on the payment profiles of sales over a period of 18 months before 31 March 2026 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the inflation rate to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. The Group does not hold any collateral as security.

The Group considers any trade receivables overdue for more than a year to be in default and are accordingly fully provided for. The loss rates for the other ageing buckets are not significant. The identified ECL on trade and other receivables is trivial and accordingly, no ECL has been recognised by the Group during the three-month period ended 31 March 2026.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 365 days past due. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in the profit or loss.

The other classes within trade and other receivables do not contain impaired assets and are also not exposed to significant credit risk. The maximum exposure to credit risk at reporting date is the carrying amount of each receivable.

Net investment in finance lease

Net investment in finance lease is stated at amortised cost. The group uses simplified approach under IFRS 9 to calculate the ECL allowance. At 31 March 2026 and 31 December 2025, the ECL allowance on net investment in finance lease was immaterial.

Cash and cash equivalents

The Group uses "lower credit risk" practical expedient for the cash and cash equivalents with the assumption that the credit risk on such financial instruments has not increased significantly since initial recognition, and therefore the ECL is estimated at an amount equal to the expected credit losses for a period of 12 months. Cash and cash equivalents are placed with banks having minimum credit ratings of A3 or better, and therefore are not subject to significant credit risk. The stated rating is as per the global bank ratings by Moody's Investors Service. Management does not expect any losses from non-performance by these counterparties. At 31 March 2026 and 31 December 2025, the ECL allowance on cash at bank was immaterial.

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14 Financial risk management (continued)

14.1 Credit risk (continued)

Cash and cash equivalents (continued)

Other financial assets at amortised cost include other receivables. These instruments are considered to carry lower credit risk since they have a low risk of default and the issuers have a strong capacity to meet their contractual cash flow obligations in the near term. At 31 March 2026 and 31 December 2025, the ECL allowance on other financial assets was immaterial.

14.2 Profit rate risk

Profit rate risk is the uncertainty of future earnings and expenses resulting from fluctuations in profit rates. The risk arises when there is a mismatch in the assets and liabilities which are subject to profit rate adjustment within a specified period. The most important source of such risk is the Group's Islamic financing activities and long-term borrowings. As at the consolidated statement of financial position date, the Group has profit bearing financial assets of Saudi Riyals 3,128.2 million (31 December 2025: Saudi Riyals 3,046.2 million). Further, the Group also has variable profit bearing financial liabilities of Saudi Riyals 1,909.7 million (31 December 2025: Saudi Riyals 1,651.9 million) and had the profit rate varied by 1% with all the other variables held constant, total comprehensive income for the period would have been approximately Saudi Riyals 29.9 million (31 December 2025: Saudi Riyals 26.5 million) higher / lower, as a result of lower / higher finance cost on variable rate borrowings.

The Company's financial assets and liabilities are not significantly exposed to other elements of market risk including fair value risk, price risk and currency risk.

14.3 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot be reasonably predicted, such as natural disasters. In addition, the Group has access to credit facilities as made available by the shareholder.

Total unused credit facilities available to the Group as at 31 March 2026 were approximately Saudi Riyals 2,989.0 million (31 December 2025: Saudi Riyals 2,990.0 million).

Cash flow forecasting is performed by the management which monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits on any of its borrowing facilities. Such cash flow forecasts consider, among other items, that the Group has pre-agreed fixed profit rates from its customers under Murabaha and Tawarruq financing contracts, whereas, its borrowings from commercial banks are based on SAIBOR based variable finance costs. The maturity profile of financial assets and financial liabilities are set out in the table below which demonstrates a significant head room of financial assets over financial liabilities. Management also believes that any change in the variable finance costs of their borrowings would not result in the entity facing any liquidity issues. The cash flows of the Group, during the three-month period ended 31 March 2026, have been principally consistent with the underlying budgeted forecasts and there are no developments which might indicate towards any potential liquidity concerns in the near future.

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14 Financial risk management (continued)

14.3 Liquidity risk (continued)

The tables below summarises the Group's financial assets and financial liabilities into the relevant maturity groupings based on the remaining contractual maturity period at the reporting date. The amounts disclosed in the tables are the contractual undiscounted cash flows. Balances due within one year equal their carrying balances, as the impact of discounting is not significant.

	Less than one year	1-2 years	3-5 years	Above 5 years	Total
31 March 2026					
Trade and other payables	1,348,567	-	-	-	1,348,567
Borrowings	407,904	465,415	937,506	247,697	2,058,522
Lease liabilities	70,946	176,855	242,246	460,915	950,962
Total	1,827,417	642,270	1,179,752	708,612	4,358,051

31 December 2025

Trade and other payables	1,039,658	-	-	-	1,039,658
Borrowings	984,991	418,688	238,687	-	1,642,366
Lease liabilities	84,776	82,925	240,738	509,212	917,651
Total	2,109,425	501,613	479,425	509,212	3,599,675

15 Dividends

The Company's Board of Directors, in their meeting held on 3 March 2026, resolved to distribute cash dividends of Saudi Riyal 3.0 per share, amounting to Saudi Riyal 240.0 million, for the second half of the year ended 31 December 2025 (2025: Saudi Riyals 240.0 million for the second half of the year ended 31 December 2024), which was fully paid during the three-month period ended 31 March 2026.

Dividends presented in the condensed consolidated interim statement of changes in equity are net of dividends on treasury shares.