

MARKETING HOME GROUP TRADING COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED
30 SEPTEMBER 2025

MARKETING HOME GROUP TRADING COMPANY
(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) AND
INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025**

<u>Index</u>	<u>Page</u>
Review report on the interim condensed consolidated financial statements	1
Interim condensed consolidated statement of financial position	2
Interim condensed consolidated statement of profit or loss and other comprehensive Income	3
Interim condensed consolidated statement of changes in equity	4
Interim condensed consolidated statement of cash flows	5 – 6
Notes to the interim condensed consolidated financial statements	7 – 20

**Independent auditor's report on the review of the interim condensed consolidated financial statements
To the shareholders of Marketing Home Group Trading Company
(A Saudi Joint Stock Company)**

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Marketing Home Group Trading Company (A Saudi Joint Stock Company) ("the Company") and its subsidiaries (collectively referred to as the "Group") as at 30 September 2025, and the interim condensed consolidated statement of profit or loss and the other comprehensive income for the three-month and nine-month periods ended 30 September 2025, and the interim condensed consolidated statements of changes in equity and cash flows for the nine-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of the Review

We conducted our review in accordance with International Standards on Review Engagements 2410, "Review of Interim Financial Information Performed By the Independent Auditor of the Entity", that is endorsed in the Kingdom of Saudi Arabia. A review of interim financial information requires inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are 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 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

For Maham Company for Professional Services.



Abdulaziz Saud Al Shabeebi
Certified Public Accountant
License no. (339)
5 Jumada al-Ula 1447H
27 October 2025



Marketing Home Group Trading Company
(A Saudi Joint Stock Company)

Interim Condensed Consolidated Statement of Financial Position
As at 30 September 2025

		30 September 2025 (Unaudited) ﷲ	31 December 2024 (Audited) ﷲ
	Note		
Assets			
Non-current assets			
Property, plant and equipment	4	101,972,992	107,968,833
Intangible assets		327,262	360,645
Right-of-use assets	5	92,109,273	102,378,276
Total non-current assets		194,409,527	210,707,754
Current assets			
Inventory	6	160,491,004	187,018,396
Amounts due from related parties	7	1,197,152	1,055,629
Prepaid expenses and other receivables	8	39,647,843	29,894,041
Trade receivables	9	17,512,496	11,046,035
Cash and cash equivalents		124,550,943	53,329,420
Total current assets		343,399,438	282,343,521
Total assets		537,808,965	493,051,275
Equity and liabilities			
Shareholders' equity			
Capital	10	160,000,000	160,000,000
Retained earnings		198,601,066	153,220,461
Foreign currency translation reserve		134,583	(38,088)
Total equity attributable to shareholders of the company		358,735,649	313,182,373
Non-controlling interests		3,538,671	1,036,693
Total equity		362,274,320	314,219,066
Liabilities			
Non-current liabilities			
Employees defined benefits liabilities		19,885,628	18,049,076
Lease liabilities - non-current portion	5	93,608,120	96,000,448
Total non-current liabilities		113,493,748	114,049,524
Current liabilities			
Trade payables		11,932,867	11,108,330
Accrued expenses and other credit balances		34,857,034	28,833,846
Amounts payable to related parties	7	3,514,858	5,647,005
Lease liabilities - current portion	5	6,417,128	13,672,497
Zakat and tax provisions	11	5,319,010	5,521,007
Total current liabilities		62,040,897	64,782,685
Total liabilities		175,534,645	178,832,209
Total equity and liabilities		537,808,965	493,051,275

Ali Mubarak Al-Dosari
Chairman of the Board

Musaed Abdulrahman Al-Qafari
Chief Executive Officer

Jalal Mahmoud Al-Hatamleh
Chief Financial Officer

The accompanying notes from 1 to 22 form an integral part of these interim condensed consolidated financial statements.

Marketing Home Group Trading Company
(A Saudi Joint Stock Company)

Interim condensed consolidated statement of profit or loss and other comprehensive income
For the three-month and nine-month periods ended 30 September 2025

		For the three-month period ended		For the nine-month period ended	
		30 September 2025	30 September 2024	30 September 2025	30 September 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	Note	ﷲ	ﷲ	ﷲ	ﷲ
Revenue	12	103,132,761	93,232,913	295,971,792	282,326,419
Cost of revenue		(45,746,034)	(37,905,536)	(131,812,874)	(124,038,067)
Gross profit		57,386,727	55,327,377	164,158,918	158,288,352
Expenses					
Selling and marketing	13	(17,636,788)	(17,579,499)	(53,274,323)	(54,093,500)
General and administrative	14	(18,600,713)	(21,272,202)	(53,551,956)	(58,504,352)
Reversal of provision for impairment of advances to suppliers	8	48,377	-	506,187	-
(Provision) / reversal of provision for expected credit losses – trade receivables	9	(234,491)	-	(534,102)	283,316
Total expenses		(36,423,615)	(38,851,701)	(106,854,194)	(112,314,536)
Operating profit		20,963,112	16,475,676	57,304,724	45,973,816
Finance costs – lease liabilities	5	(1,074,272)	(1,046,879)	(3,289,643)	(2,304,386)
Other income, net		16,899	1,878,719	707,704	2,117,460
Profit before zakat and tax		19,905,739	17,307,516	54,722,785	45,786,890
Zakat and tax	11	(2,526,396)	(2,078,522)	(6,839,890)	(5,682,598)
Net profit for the period		17,379,343	15,228,994	47,882,895	40,104,292
Other comprehensive income items					
Items that will be reclassified subsequently to profit or loss					
Foreign currency translation gains (loss)		2,942	(62,213)	172,359	(28,064)
Total comprehensive income for the period		17,382,285	15,166,781	48,055,254	40,076,228
Net profit (loss) for the period attributable to:					
Shareholders of the company		16,498,600	15,564,785	45,380,605	39,397,478
Non-controlling interests		880,743	(335,791)	2,502,290	706,814
		17,379,343	15,228,994	47,882,895	40,104,292
Total comprehensive income (loss) for the period attributable to					
Shareholders of the company		16,501,854	15,502,572	45,553,276	39,369,414
Non-controlling interests		880,431	(335,791)	2,501,978	706,814
		17,382,285	15,166,781	48,055,254	40,076,228
Earnings per share					
Basic and diluted earnings per share	15	1.03	0.97	2.84	2.46

Ali Mubarak Al-Dosari
Chairman of the Board

Musaed Abdulrahman Al-Qafari
Chief Executive Officer

Jalal Mahmoud Al-Hatamleh
Chief Financial Officer

The accompanying notes from 1 to 22 form an integral part of these interim condensed consolidated financial statements.

Marketing Home Group Trading Company
(A Saudi Joint Stock Company)

Interim Condensed Consolidated Statement of Changes in Equity
For the nine-month period ended 30 September 2025

	Attributable to shareholders of the company					Non-controlling interests	Total equity
	Share capital ﷲ	Reserve ﷲ	Retained earnings ﷲ	Foreign currency translation Reserve ﷲ	Total ﷲ		
As at 31 December 2024 (Audited)	160,000,000	-	153,220,461	(38,088)	313,182,373	1,036,693	314,219,066
Net profit for the period	-	-	45,380,605	-	45,380,605	2,502,290	47,882,895
Other comprehensive income for the period	-	-	-	172,671	172,671	(312)	172,359
Total comprehensive income for the period	-	-	45,380,605	172,671	45,553,276	2,501,978	48,055,254
As at 30 September 2025 (Unaudited)	160,000,000	-	198,601,066	134,583	358,735,649	3,538,671	362,274,320
As at 31 December 2023 (Audited)	160,000,000	9,794,839	123,401,204	995	293,197,038	1,119,371	294,316,409
Net profit for the period	-	-	39,397,478	-	39,397,478	706,814	40,104,292
Other comprehensive loss for the period	-	-	-	(28,064)	(28,064)	-	(28,064)
Total comprehensive income for the period	-	-	39,397,478	(28,064)	39,369,414	706,814	40,076,228
Transfer of reserve to retained earnings	-	(9,794,839)	9,794,839	-	-	-	-
Dividends	-	-	(36,000,000)	-	(36,000,000)	(1,478,968)	(37,478,968)
As at 30 September 2024 (Unaudited)	160,000,000	-	136,593,521	(27,069)	296,566,452	347,217	296,913,669

Ali Mubarak Al-Dosari
Chairman of the Board

Musaed Abdulrahman Al-Qafari
Chief Executive Officer

Jalal Mahmoud Al-Hatamleh
Chief Financial Office

The accompanying notes from 1 to 22 form an integral part of these interim condensed consolidated financial statements.

Marketing Home Group Trading Company
(A Saudi Joint Stock Company)

Interim condensed consolidated statement of cash flows
For the nine-month period ended 30 September 2025

	For the nine-month period ended 30 September 2025 (Unaudited) ﷲ	30 September 2024 (Unaudited) ﷲ
Operating activities		
Profit before zakat and tax	54,722,785	45,786,890
Adjustments for:		
Depreciation of property, plant, and equipment	9,621,649	8,474,856
Amortization of intangible assets	72,079	62,856
Depreciation of right-of-use assets	11,523,534	11,886,166
Finance costs – lease liabilities	3,289,643	2,304,386
Loss on disposal of property, plant, and equipment	(24,357)	(906,431)
Loss on disposal of lease contracts	87,128	393,982
Reversal of provision for impairment of advances to suppliers	(506,187)	-
Provision / (reversal of provision) for expected credit losses - trade receivables	534,102	(283,316)
Provision for slow moving inventory	4,980,941	5,900,247
Provision for employees defined benefits liabilities	2,888,346	2,427,063
	87,189,663	76,046,699
Changes in operating assets and liabilities:		
Inventory	21,546,451	(21,367,556)
Prepaid expenses and other receivables	(10,026,290)	(165,794)
Trade receivables	(7,000,563)	(1,083,557)
Trade payables	824,537	21,426
Other payables and accrued expenses	6,023,188	4,844,903
Amounts due from/to related parties	(2,273,670)	(13,500,103)
Cash from operating activities	96,283,316	44,796,018
Zakat and taxes paid	(6,263,212)	(4,564,192)
Employee benefits paid	(1,051,794)	(255,068)
Net cash flows from operating activities	88,968,310	39,976,758
Investing activities		
Additions to property, plant and equipment	(3,909,034)	(11,244,668)
Additions to intangible assets	(31,414)	-
Cash received from acquisition of a subsidiary	-	140,677
Proceedings from disposal of property, plant, and equipment	601,783	6,805,236
Net cash flows used in investing activities	(3,338,665)	(4,298,755)
Financing activities		
Lease liabilities paid	(14,275,513)	(13,412,637)
Dividends paid to shareholders of the company	-	(28,151,767)
Dividends paid to non-controlling interests	-	(1,478,968)
Net cash flows used in financing activities	(14,275,513)	(43,043,372)
Net increase (decrease) in cash and cash equivalents	71,354,132	(7,365,369)
Foreign currency translation, net	(132,609)	(28,064)
Cash and cash equivalents at the beginning of the period	53,329,420	37,301,338
Cash and cash equivalents at the end of the period	124,550,943	29,907,905

The accompanying notes from 1 to 22 form an integral part of these interim condensed consolidated financial statements.

Interim condensed consolidated statement of cash flows (continued)
For the nine-month period ended 30 September 2025

	For the nine-month period ended	
	30 September	30 September
	2025	2024
	(Unaudited)	(Unaudited)
	ﷲ	ﷲ
Non-cash transactions		
Increase in right-of-use assets against lease liabilities	1,340,358	5,056,171
Lease liability remeasurement	135,506	-
Transfer of reserve to retained earnings	-	9,794,839
Dividends declared but not yet paid	-	7,848,233

Ali Mubarak Al-Dosari
Chairman of the Board

Musaed Abdulrahman Al-Qafari
Chief Executive Officer

Jalal Mahmoud Al-Hatamleh
Chief Financial Office

1-GENERAL INFORMATION

Marketing Home Group Trading Company (“the company”) is a Saudi Joint Stock Company operating under commercial registration no. 1010205534, issued in Riyadh on 3 Muharram 1436 H, corresponding to 12 February 2005.

The Company’s main activities include the construction of prefabricated buildings on-site, renovation of residential and non-residential buildings, wholesale trading of oud, incense, perfumes, bricks, blocks, tiles, stones, marble, ceramic and porcelain materials, and sanitary ware and fittings, including water heaters and tanks. It also engages in retail trading of sanitary ware and fittings such as sinks, toilets, bathtubs, sauna devices, electrical appliances and accessories, natural and artificial marble and stone, ceramic and porcelain, chandeliers, lighting fixtures and accessories. Additionally, the Company operates storage facilities for all types of goods (excluding food items), cuts and processes marble, and manufactures marble-based products such as countertops, sinks, decorative items, basins, statues, carvings, and related products, as well as the manufacturing of air conditioning ducts and their accessories.

On 17 Ramadan 1446H, corresponding to 17 March 2025, the Capital Market Authority (“the CMA”) announced the issuance of a resolution by its Board approving the Company’s application to register its shares and offer 4,800,000 shares for public subscription on the main market, representing 30% of the Company’s total shares. Saudi Exchange (“Tadawul”) announced the listing and commencement of trading of the company’s shares on the Main Market under symbol (4194) on 10 Rabi’ Al-Awwal 1447H (corresponding to 2 September 2025).

The Company’s registered head office address is:

P.O. Box 8305, Riyadh 14511, Al Aziziyah District – Riyadh – Kingdom of Saudi Arabia.

The Company also has the following branches:

Register

Number	Issuance Place	Issuance Date	Trade Name
3350159559	Hail	27 Sha'ban 1443	Build Station for Trading Company
1131326973	Buraydah	30 Rajab 1444	Hatch For Trading Company
5855345553	Khamis Mushayt	26 Safar 1441	Build Station for Trading Company
4030377783	Jeddah	29 Jumada al-Akhirah 1441	Ceramic Home for Trading Company
1010345061	Jeddah	21 Sha'ban 1439	Lighting Stores for Trading Company
1010270857	Buraydah	16 Dhu al-Hijjah 1435	Ceramic Home for Trading Company
1128017374	Al-Ahsa	30 Rajab 1444	Ceramic Home for Trading Company
1131054364	Tabuk	07 Sha'ban 1437	Lighting Stores for Trading Company
2050231550	Al-Khobar	19 Rajab 1437	Lighting Stores for Trading Company
2050088106	Dammam	19 Rajab 1437	Build Station for Trading Company
1131026154	Unaizah	21 Muharram 1435	Ceramic Home for Trading Company
2252054449	Riyadh	30 Rajab 1444	Ceramic Home for Trading Company
2252100946	Riyadh	26 Safar 1441	Lighting Stores for Trading Company
1128119234	Al-Mubarraz	08 Muharram 1438	Lighting Stores for Trading Company
2051051222	Sakaka	23 Dhu al-Hijjah 1441	Build Station for Trading Company
3400119823	Al-Mubarraz	10 Dhu al-Hijjah 1434	Lighting Stores for Trading Company
5850125597	Abha	23 Safar 1441	Build Station for Trading Company
5950119431	Al-Khobar	18 Safar 1434	Lighting Stores for Trading Company
4030303103	Buraydah	22 Rabi' al-Akhir 1429	Lighting Stores for Trading Company
2031111647	Najran	28 Muharram 1444	Build Station for Trading Company
3550105589	Dammam	18 Safar 1434	Ceramic Home for Trading Company
2051164257	Unaizah	05 Rabi' al-Awwal 1436	Lighting Stores for Trading Company
2050212501	Riyadh	14 Safar 1441	Lighting Stores for Trading Company
1010863607	Riyadh	28 Jumada al-Akhirah 1436	Build Station for Trading Company
1010671405	Riyadh	24 Sha'ban 1433	Build Station for Trading Company
1010599447	Riyadh	14 Safar 1441	Hatch For Trading Company
1010526362	Riyadh	28 Jumada al-Akhirah 1436	Marketing Home Contracting Company
5900131016	Riyadh	10 Rabi' al-Akhir 1443	Build Station for Trading Company
1009087497	Riyadh	14 Safar 1446	Home Marketing for Transport and Logistics Services

1- GENERAL INFORMATION (continued)

Below is a list of the subsidiaries included in these condensed interim consolidated financial statements:

Subsidiary company	Ownership percentage %		Legal form	Country of origin
	2025	2024		
Ice Bear Contracting Company	100	100	A limited liability company	Kingdom of Saudi Arabia
Build Station Company LLC	60	60	A limited liability company	United Arab Emirates
MHG International - FZE	100	100	A limited liability company	United Arab Emirates
- Illus Lighting Limited Company - Zhongshan - (*)	100	100	A limited liability company	The People's Republic of China - Subsidiary to MHG International - FZE
Illus Illumination SLU Company - (*)	100	-	Single person company	Kingdom of Spain
Engineer Musaed Algafari Engineering Consultations Company	100	100	Single person company	The Arab Republic of Egypt

(*) During 2024, the Group established an additional provision for impairment losses on advance payments for investment purchases amounting to ﷲ 3,347,298. This was part of the process of establishing/acquiring both - Illus Lighting Limited Company - Zhongshan, and Illus Illumination SLU Company. The provision was made after completing the legal procedures for the establishment/acquisition of the mentioned companies and evaluating the recoverability of those advance payments. As a result, the total impairment provision reached ﷲ5,391,423 as at 31 December 2024. The impact of this adjustment was reflected in the retained earnings balance as at 31 December 2023.

	30 September 2025 (unaudited) ﷲ	31 December 2024 (unaudited) ﷲ
Advance payments for investment purchases	5,391,423	5,391,423
Provision for impairment losses	(5,391,423)	(5,391,423)
Net	-	-

2- BASIS OF PREPARATION

2-1 Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard No. (34) "Interim Financial Reporting," as adopted in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants (SOCPA).

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's consolidated annual financial statements as at 31 December 2024.

2-2 Basis of measurement

The interim condensed consolidated financial statements have been prepared based on the historical cost convention, except for Employees defined benefits liabilities, which are measured using the projected unit credit method.

2-3 Functional Currency and Presentation Currency

The interim condensed consolidated financial statements are presented in Saudi Riyals (ﷲ), which is also the functional currency of the Group.

2- BASIS OF PREPARATION (continued)

2-4 Basis of consolidation

The interim consolidated financial statements include the financial statements of the company and its subsidiaries as at 30 September 2025. The financial statements of subsidiaries are prepared for the same reporting period as the company, using consistent accounting policies.

Control is established when the group is exposed to risks, or has rights to receive variable returns from its relationship with the investee company, and has the ability to affect those returns through the exercise of its authority over the investee company. Specifically, the group controls the investee company only when the group has:

- Control over the investee company;
- Exposure to risks and having rights to receive different returns through its relationship with the investee company;
- The ability to exercise its authority over the investee company to affect its returns.

The group conducts a reassessment to determine whether it exercises control over the investee company when facts and circumstances indicate a change in one or more of the three elements of control mentioned above.

When the group holds less than the majority of the voting rights in the investee company, it has control over the investee company when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee company individually.

The group takes into account all facts and circumstances related to this when determining whether it exercises control over the investee company, including:

- The size of the group's voting rights in relation to the voting rights held by other parties.
- Potential voting rights held by the group or voting rights held by other parties.
- Rights arising from other contractual arrangements.
- Any additional facts and circumstances that suggest whether or not the group has the current ability to direct relevant activities when decisions need to be made, including voting methods at previous shareholder meetings.

Consolidation of a subsidiary begins when the group gains control over the subsidiary and ends when the group ceases to exercise such control. Specifically, the income and expenses of the acquired or disposed subsidiary during the period are included in the consolidated statement of profit or loss and other comprehensive income from the date control is transferred to the group until the group stops exercising such control.

All assets, liabilities, equity, revenues, expenses, and cash flows related to intercompany transactions within the group are eliminated in full when consolidating the condensed interim consolidated financial statements.

2-5 Significant Accounting Policies

The accounting policies applied in these condensed interim consolidated financial statements are the same as those applied in the Group's annual consolidated financial statements for the year ended 31 December 2024.

2-6 New and Amended Standards and Interpretations

New standards and a number of amendments to existing standards became effective as of 1 January 2025 and were disclosed in the Group's annual consolidated financial statements; however, they do not have a material impact on the Group's condensed interim consolidated financial statements.

3- SIGNIFICANT ASSUMPTIONS AND ESTIMATES

The preparation of the Group's condensed interim consolidated financial statements requires management to make judgments, estimates, and assumptions at the reporting date that affect the reported amounts of revenue, expenses, assets, and liabilities, as well as the disclosure of contingent assets and liabilities. However, the inherent uncertainty of these assumptions and estimates may result in outcomes that require a material adjustment to the carrying amounts of the affected assets or liabilities in future periods. Estimates and judgments are continuously 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 assumptions concerning the future, and actual results may differ from these accounting estimates as a result of changes in circumstances.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those disclosed in the annual consolidated financial statements for the year ended 31 December 2024.

4- PROPERTY, PLANT AND EQUIPMENT

	For the nine- month period ended 30 September 2025 (Unaudited) ﷲ	For the year ended 31 December 2024 (Audited) ﷲ
<u>Cost:</u>		
At the beginning of the period/year	163,196,508	153,789,814
Additions	3,909,034	14,429,385
Related to the acquisition of a subsidiary	-	2,729,812
Disposals	(1,054,855)	(7,589,439)
Foreign currency translation differences	310,360	(163,064)
At the end of the period/year	166,361,047	163,196,508
<u>Accumulated depreciation</u>		
At the beginning of the period/year	55,227,675	45,415,637
Related to the acquisition of a subsidiary	-	20,447
Charged for the period/year	9,621,649	11,815,419
Disposals	(477,429)	(2,022,606)
Foreign currency translation differences	16,160	(1,222)
At the end of the period/year	64,388,055	55,227,675
Net book value		
At the end of the period / year	101,972,992	107,968,833

5- RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The group has lease agreements for operational sites including offices, warehouses, showrooms, and buildings used in its operations. The lease periods range from 1 to 20 years, and the group is generally prohibited from subleasing or transferring the leased assets.

	For the nine-month period ended 30 September 2025 (Unaudited)	For the year ended 31 December 2024 (Audited)
	ﷲ	ﷲ
Right-of-Use Assets		
At the beginning of the period/year	102,378,276	112,625,419
Additions	1,340,358	17,281,888
Remeasurement	135,506	-
Disposals	(244,739)	(13,058,551)
Depreciation	(11,523,534)	(14,470,480)
Foreign currency translation differences	23,406	-
At the end of the period/year	92,109,273	102,378,276
	For the nine-month period ended 30 September 2025 (Unaudited)	For the year ended 31 December 2024 (Audited)
	ﷲ	ﷲ
Lease liabilities		
At the beginning of the period/year	109,672,945	114,205,586
Additions	1,340,358	17,281,888
Remeasurement	135,506	-
Disposals	(157,611)	(12,257,618)
Finance Costs	3,289,643	4,138,907
Paid during the period/year	(14,275,513)	(13,695,818)
Foreign currency translation differences	19,920	-
At the end of the period/year	100,025,248	109,672,945
Current portion	6,417,128	13,672,497
Non-current portion	93,608,120	96,000,448
	100,025,248	109,672,945

6- Inventory

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
	ﷲ	ﷲ
Ceramic inventory	110,528,699	115,265,034
Lighting inventory	81,954,141	94,459,097
Air conditioners	724,061	1,104,955
General inventory	505,546	241,318
Goods in transit	-	4,188,494
	193,712,447	215,258,898
Less: provision for slow-moving inventory	(33,221,443)	(28,240,502)
	160,491,004	187,018,396

6- INVENTORY (continued)

The movement of provision for slow-moving inventory is as follows:

	For the nine-month period ended 30 September 2025 (Unaudited) ﷲ	For the year ended 31 December 2024 (Audited) ﷲ
At the beginning of the period/year	28,240,502	17,568,395
Charged during the period/year	4,980,941	10,672,107
At the end of the period/year	<u>33,221,443</u>	<u>28,240,502</u>

7- TRANSACTIONS WITH RELATED PARTIES

Related parties include the shareholders, affiliates, key management personnel, and entities controlled, jointly controlled, or significantly influenced by these parties. Transactions with related parties and their terms are approved in accordance with the Company's approved policies and in line with the requirements of its Articles of Association. The following is a summary of transactions and balances with related parties:

Related Party	Relationship
Musaad Abdul Rahman Abdul Aziz Al-Qafari	Shareholder
Musaad Al-Qafari Engineering Consultancy Office	Company owned by a shareholder
Saeed Yusuf Al-Najjar	Partner in a subsidiary – Build Station LLC
Mohammed Yusuf Al-Najjar	Partner in a subsidiary – Build Station LLC

7-1 The following is a statement of transactions with related parties:

Related party	Nature of the transaction	Transaction amount for the nine-month period ending on	
		30 September 2025 (Unaudited) ﷲ	30 September 2024 (Unaudited) ﷲ
Saeed Yusuf Al-Najjar	Withdrawals	-	835,030
	Payment	33,201	-
Musaad Al-Qafari Engineering Consultancy Office	Design Expenses	301,287	88,085
	Payment on behalf	82,320	108,961
	Sales	390,196	-
Musaad Abdul Rahman Abdul Aziz Al-Qafari	Payment	2,077,401	2,293,799
	Sales	54,746	22,859

7-2 Amounts due from related parties have been included under current assets in the interim condensed consolidated statement of financial position and consist of the following:

	30 September 2025 (Unaudited) ﷲ	31 December 2024 (Audited) ﷲ
Saeed Yusuf Al-Najjar	763,905	797,184
Musaad Al-Qafari Engineering Consultancy Office	429,674	258,445
Mohammed Yusuf Al-Najjar	3,573	-
	<u>1,197,152</u>	<u>1,055,629</u>

7- TRANSACTIONS WITH RELATED PARTIES (continued)

7-3 Amounts due to a related party have been included under current liabilities in the interim condensed consolidated statement of financial position and consist of the following:

	30 September 2025 (Unaudited) ﷲ	31 December 2024 (Audited) ﷲ
Musaad Abdul Rahman Abdul Aziz Al-Qafari	<u>3,514,858</u>	<u>5,647,005</u>

The amounts due from/to related parties are unsecured, non-interest bearing, and payable on demand.

7-4 Compensation of key management personnel

Key management personnel are defined as those individuals who have the authority and responsibility for planning, directing, and controlling the activities of the Group, whether directly or indirectly. Compensation of key management personnel includes the benefits due to the Chief Executive Officer, Deputy Chief Executive Officer, and the Group's Chief Financial Officer. Transactions with related parties also include the allowances of the members of the Board of Directors, as follows:

	For the nine-month period ended 30 September 2025 (Unaudited) ﷲ	30 September 2024 (Unaudited) ﷲ
Short-term salaries and benefits	3,271,401	3,481,602
Defined employee benefit obligations	222,050	281,917
Board of Directors' meeting allowances	60,000	-
	<u>3,553,451</u>	<u>3,763,519</u>

8- PREPAID EXPENSES AND OTHER RECEIVABLES

	30 September 2025 (Unaudited) ﷲ	31 December 2024 (Audited) ﷲ
Advances to suppliers	29,848,294	21,066,861
Prepaid expenses	2,689,240	3,217,133
Refundable deposits	2,337,770	134,960
Cash margin for letter of guarantee	1,165,367	1,965,554
Employee receivables and advances	631,555	421,066
IPO costs recoverable from shareholders (*)	-	2,597,647
Others	3,578,441	1,599,831
Less: Provision for impairment of advances to suppliers	(602,824)	(1,109,011)
	<u>39,647,843</u>	<u>29,894,041</u>

(*) This item represents the amounts paid to consultants to assist in the company's initial public offering (IPO) process. These amounts were charged to the existing shareholders prior to the IPO upon the listing and commencement of trading of the company's shares on the Main Market.

8- PREPAID EXPENSES AND OTHER RECEIVABLES (continued)

The movement in the Provision for impairment of advances to suppliers is as follows:

	For the nine-month period ended 30 September 2025 (Unaudited) ﷲ	For the year ended 31 December 2024 (Audited) ﷲ
At the beginning of the period/year	1,109,011	-
Reversal during the period / Provision made during the year	(506,187)	1,109,011
At the end of the period/year	<u>602,824</u>	<u>1,109,011</u>

9- TRADE RECEIVABLES

	30 September 2025 (Unaudited) ﷲ	31 December 2024 (Audited) ﷲ
Trade Receivables	18,965,002	11,964,439
Less: provision for expected credit losses	(1,452,506)	(918,404)
	<u>17,512,496</u>	<u>11,046,035</u>

The following is the movement in the provision for expected credit losses:

	For the nine-month period ended 30 September 2025 (Unaudited) ﷲ	For the year ended 31 December 2024 (Audited) ﷲ
At the beginning of the period/year	918,404	1,035,803
Provision made during the period / (reversal of provision) during the year	534,102	(117,399)
At the end of the period/year	<u>1,452,506</u>	<u>918,404</u>

The following is an analysis of the aging of accounts receivable:

	0-90 days ﷲ	91-180 days ﷲ	181-270 days ﷲ	271-365 days ﷲ	More than a year ﷲ	Total ﷲ
30 September 2025						
Trade Receivables	13,690,132	2,072,249	757,549	1,054,194	1,390,878	18,965,002
Provision for expected credit losses	119,993	96,571	81,486	204,503	949,953	1,452,506
31 December 2024						
Trade Receivables	7,506,083	1,985,173	340,956	1,598,395	533,832	11,964,439
Provision for expected credit losses	112,246	92,513	36,675	310,074	366,896	918,404

Based on past experience, full recovery is expected for all accounts receivable that have not been impaired.

10- CAPITAL

The company's capital consists of 16,000,000 ordinary shares, each with a value of ₪10 as of 30 September 2025 (16,000,000 shares, each with a value of ₪10 as of 31 December 2024).

11- ZAKAT AND TAX

Zakat expense for the company and its subsidiary in Saudi Arabia is estimated for the period in accordance with the requirements of the Zakat, Tax and Customs Authority (ZATCA). Income tax for companies operating outside Saudi Arabia is provisionally calculated for the period based on relevant tax regulations and charged to the consolidated preliminary statement of profit or loss and other comprehensive income. Any differences arising from the final Zakat/tax calculation, if identified, are adjusted in the period they are determined, in compliance with International Accounting Standard (IAS) 8: "Accounting Policies, Changes in Accounting Estimates and Errors".

The total Zakat and tax expense charged for the period amounted to ₪ 6,839,890, compared to ₪ 5,682,598 for the period ended 30 September 2024. This amount includes ₪ 778,675 resulting from the full reversal of the deferred tax asset balance during the nine-month period ended 30 September 2025. This reversal was based on management's reassessment of the usability of deferred tax assets associated with unused tax losses of the subsidiary in Spain (Illus Illumination SLU Company), considering market developments and future financial performance expectations. Management concluded that it is no longer sufficiently probable that taxable profits will be generated in the near future to utilize these assets. Consequently, the impact of the reversal was included in the Zakat and tax expense for the period.

Movement in the Zakat and tax Provison:

	For the nine-month period ended 30 September 2025 (Unaudited) ₪	For the year ended 31 December 2024 (Audited) ₪
At the beginning of the period/year	5,521,007	3,757,348
Zakat expense charged during the period/year	5,489,110	5,986,410
Income tax expense charged during the period/year	572,105	344,027
Paid during the period/year	(6,263,212)	(4,566,778)
At the end of the period/year	<u>5,319,010</u>	<u>5,521,007</u>

Status of Zakat and Tax Certificates/Assessments

Marketing Home Group Trading Company

The company has submitted its Zakat declarations to the Zakat, Tax and Customs Authority (ZATCA) for all years, starting from the first period following the conversion of the previous sole proprietorship into a company up to 31 December 2022, as well as for the financial years ending 31 December 2023 and 31 December 2024. The due Zakat has been settled under these declarations, and Zakat certificates have been obtained. However, Zakat assessments for the years 2022 to 2024 have not yet been received from ZATCA.

Ice Bear Contracting Company

The company has submitted its Zakat declarations to ZATCA from its establishment until the financial year ending 31 December 2024 and has obtained Zakat certificates. Zakat assessments for these years have not yet been received from ZATCA.

Build Station Company LLC

The company operates in the United Arab Emirates (UAE), where the Corporate Tax Law came into effect on 1 January 2024. The company has registered under this law, submitted its first tax return, and settled payments during the second quarter of 2025.

MHG International - LLC

The company operates in the UAE, where the Corporate Tax Law came into effect on 1 January 2024. The company has registered under this law, submitted its first tax return, and settled payments during the second quarter of 2025.

11- ZAKAT AND TAX (CONTINUED)

Engineer Mosaed Al-Qifari Engineering Consultancy Company

The Company is registered with the Corporate Tax Authority in the Arab Republic of Egypt under registration number 632/205/562 and regularly files its tax returns within the statutory deadlines in accordance with applicable laws. As of the date of the condensed interim consolidated financial statements, management is not aware of any material disputes outstanding with the tax authorities.

Illus Illumination SLU Company

The company is subject to a 25% corporate income tax rate under the tax jurisdiction of the Kingdom of Spain. All tax obligations related to corporate income tax, VAT, and employee-related taxes have been settled with the relevant tax authorities up to the end of 2024.

12- REVENUES

	For the nine-month period ended	
	30 September 2025	30 September 2024
	(Unaudited)	(Unaudited)
	ﷲ	ﷲ
This item comprises the following:		
Revenue from sale of goods	303,070,879	287,330,897
Consulting, procurement, and installation services	3,934,910	2,067,444
Discounts	(11,033,997)	(7,071,922)
	<u>295,971,792</u>	<u>282,326,419</u>

	For the nine-month period ended	
	30 September 2025	30 September 2024
	(Unaudited)	(Unaudited)
	ﷲ	ﷲ
Timing of revenue recognition:		
At a point in time	292,036,882	280,258,975
Over time	3,934,910	2,067,444
	<u>295,971,792</u>	<u>282,326,419</u>

13- SELLING AND MARKETING EXPENSES

	For the nine-month period ended	
	30 September 2025	30 September 2024
	(Unaudited)	(Unaudited)
	ﷲ	ﷲ
Salaries, wages, and related benefits	22,063,764	20,500,225
Depreciation of right-of-use assets	8,970,395	8,713,281
Depreciation of property, plant, and equipment	4,561,983	3,751,000
Sales commissions	3,091,680	3,059,488
Transportation and distribution	2,648,737	3,210,813
Advertising and promotion	2,640,508	5,728,378
Visas and residence permit	1,538,885	1,131,777
Employee benefits and services	1,403,488	1,252,102
Social insurance contributions	1,366,608	1,216,632
Travel and transportation	712,240	433,410
Vehicle insurance and maintenance	692,777	766,305
Short-term operating leases	639,281	864,629
Medical insurance and treatment	609,557	654,173
Packaging materials	437,902	378,422
Licenses and service fees	305,639	236,555
Stationery and printing	274,758	469,063
Hospitality and cleaning	261,438	393,355
Others	1,054,683	1,333,892
	<u>53,274,323</u>	<u>54,093,500</u>

14- GENERAL AND ADMINISTRATIVE EXPENSES

	For the nine-month period ended	
	30 September 2025	30 September 2024
	(Unaudited)	(Unaudited)
	ﷲ	ﷲ
Salaries, wages, and related benefits	30,470,277	29,628,387
Depreciation of property, plant, and equipment	5,059,666	4,723,856
Depreciation of right-of-use assets	2,553,139	3,172,885
Vehicle insurance and maintenance	2,190,408	2,070,799
Service contractor expenses	2,006,309	3,336,784
Visas and residence permit	1,963,340	2,401,978
Legal, governmental, and professional fees	1,959,834	2,841,346
Stationery and printing	1,603,913	2,067,648
Bank charges	1,172,272	1,123,105
Social insurance contributions	1,022,920	1,268,816
Employee benefits and services	1,015,043	1,277,147
Travel and transportation	989,392	1,738,730
Medical insurance and treatment	655,310	661,347
Short-term operating leases	257,912	272,742
Hospitality and cleaning	75,144	181,069
Amortization of intangible assets	72,079	62,856
Others	484,998	1,674,857
	<u>53,551,956</u>	<u>58,504,352</u>

15- EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is identical to basic earnings per share, as the Group has no issued dilutive shares.

	For the three-month period (Unaudited) 30 September 2025 ﷲ		For the nine-month period (Unaudited) 30 September 2025 ﷲ	
	(Unaudited) 30 September 2024 ﷲ		(Unaudited) 30 September 2024 ﷲ	
Profit for the period attributable to shareholders	16,498,600	15,564,785	45,380,605	39,397,478
Number of outstanding shares	16,000,000	16,000,000	16,000,000	16,000,000
Basic and diluted earnings per share	1.03	0.97	2.84	2.46

16- FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between willing parties under market conditions. Financial instruments consist of financial assets and financial liabilities. The Group's financial assets include trade receivables, cash and cash equivalents, and amounts due from related parties, while its financial liabilities comprise trade payables, accrued expenses, other payables, amounts due to a related party, and lease liabilities.

Management has assessed that the fair value of cash and cash equivalents, trade receivables, amounts due from related parties, trade payables, accrued expenses, other payables, amounts due to a related party, and lease liabilities approximates their carrying amounts, primarily due to the short-term maturities of these instruments.

17- SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's management. The Group evaluates the performance of its segments based on the revenue generated by each segment and its geographical distribution. The Group's main operating activities are classified into the following business segments:

- (1) Ceramics and sanitary ware segment
- (2) Lighting segment
- (3) Consulting, supply, installation, and other services segment

Financial information for each segment for the nine-month period ended 30 September 2025 (unaudited) is as follows:

Segment	Ceramics and sanitary ware ﷲ	Lighting ﷲ	Consulting, supplies, installations, and others ﷲ	Total Segments ﷲ	Adjustments and Eliminations ﷲ	Consolidated ﷲ
Net revenue	182,389,138	127,534,014	4,236,197	314,159,349	(18,187,557)	295,971,792
Gross profit	92,334,540	71,241,472	512,403	164,088,415	70,503	164,158,918
Operations profit	32,302,536	25,737,769	(1,914,996)	56,125,309	1,179,415	57,304,724

Financial information for each segment for the nine-month period ended 30 September 2024 (unaudited) is as follows:

Segment	Ceramics and sanitary ware ﷲ	Lighting ﷲ	Consulting, supplies, installations, and others ﷲ	Total Segments ﷲ	Adjustments and Eliminations ﷲ	Consolidated ﷲ
Net revenue	166,561,747	130,333,801	4,395,616	301,291,164	(18,964,745)	282,326,419
Gross profit	86,498,774	74,236,341	1,538,568	162,273,683	(3,985,331)	158,288,352
Operations profit	16,980,282	33,085,563	(1,478,409)	48,587,436	(2,613,620)	45,973,816

17- SEGMENT INFORMATION (continued)

Geographic Information – Revenues

	For the nine-month period ended 30 September 2025 (Unaudited) ﷲ	30 September 2024 (Unaudited) ﷲ
Kingdom of Saudi Arabia	247,439,212	250,473,502
United Arab Emirates	44,421,125	31,065,546
People’s Republic of China	1,831,569	405,989
Kingdom of Spain	2,113,261	323,396
Arab Republic of Egypt	166,625	57,986
	<u>295,971,792</u>	<u>282,326,419</u>

The details of the Group’s segment assets and liabilities are as follows:

30 September 2025 Segment	Ceramics and sanitary ware ﷲ	Lighting ﷲ	Consulting, supplies, installations, and others ﷲ	Total Segments ﷲ	Adjustments and Eliminations ﷲ	Consolidated ﷲ
Total Assets	280,299,866	304,837,663	3,865,197	589,002,726	(51,193,761)	537,808,965
Total Liabilities	89,053,963	113,430,812	8,067,303	210,552,078	(35,017,433)	175,534,645

31 December 2025 Segment	Ceramics and sanitary ware ﷲ	Lighting ﷲ	Consulting, supplies, installations, and others ﷲ	Total Segments ﷲ	Adjustments and Eliminations ﷲ	Consolidated ﷲ
Total Assets	253,062,542	275,605,283	3,856,745	532,524,570	(39,473,295)	493,051,275
Total Liabilities	89,148,005	106,500,856	6,145,424	201,794,285	(22,962,076)	178,832,209

18- COMMITMENTS AND CONTINGENT LIABILITIES

Contingent Liabilities

As of 30 September 2025, the Group holds a bank guarantee of ﷲ 1,165,367, fully collateralized by cash (31 December 2024: ﷲ 1,965,554, fully collateralized by cash).

In July 2025, a legal case was filed against Manzel Al-Tasweeq Trading Group Company (“the Company”) by an individual claiming participation in the ownership rights of one of the trademarks owned by the Company. The Company’s management and its legal advisor believe that the case will have no financial impact on these condensed consolidated interim financial statements.

Capital Commitments

The company has ongoing projects as of 30 September 2025, comprising costs incurred for the expansion of existing branches and the establishment of new branches and warehouses, as well as the Construction Station Plant. These projects are expected to be completed during 2026. The estimated cost to complete these projects is ﷲ 12,750,000 (31 December 2024: ﷲ 7,600,000).

19- COMPARATIVE FIGURES

Certain items relating to the comparative figures have been reclassified to conform to the presentation used in the current period. These reclassifications had no impact on the comparative period's net profit or on equity as at the beginning of the period.

	Balances Before Reclassification	Reclassification	Balances After Reclassification
	ﷲ	ﷲ	ﷲ
30 September 2024			
Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income			
Selling and marketing expenses	51,958,179	2,135,321	54,093,500
General and administrative expenses	60,639,673	(2,135,321)	58,504,352

20- INTERIM RESULTS

The results of operations for the three-month and nine-month periods ended 30 September 2025 are not necessarily indicative of the Group's annual results.

21- SUBSEQUENT EVENTS

The Extraordinary General Assembly, in its meeting held on 29 Rabi' Al-Thani 1447H (corresponding to 21 October 2025), approved the distribution of cash dividends to shareholders for the financial year ended 31 December 2024, at ﷲ 3 per share, representing 30% of the share capital, with a total amount of ﷲ 48 million.

Other than the matter mentioned above, management believes that there have been no significant subsequent events since the end of the period that would require disclosure or adjustment to these condensed consolidated interim financial statements.

22- APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved by the Board of Directors on 5 Jumada al-Ula 1447H (corresponding to 27 October 2025).