

**BAAZEEM TRADING COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS (UNAUDITED)  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026  
AND WITH INDEPENDENT AUDITOR'S REVIEW REPORT**

**BAAZEEM TRADING COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**

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www.forvismazars.com**INDEPENDENT AUDITOR'S REVIEW REPORT  
ON INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS****TO THE SHAREHOLDERS OF BAAZEEM TRADING COMPANY**  
(A Saudi Joint Stock Company)  
**Riyadh – Kingdom of Saudi Arabia****Introduction:**

We have reviewed the accompanying interim condensed consolidated statement of financial position of Baazeem Trading Company (A Saudi Joint Stock Company) ("the company") and its subsidiaries collectively referred to together as the ("Group") as of 31 March 2026, and the related interim condensed consolidated statements of profit or loss and the other comprehensive income, changes in owners' equity, and cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory notes.

The management is responsible for preparing and presenting these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 (interim Financial Reporting) as 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 Review:**

We conducted our review in accordance with the 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 the interim financial information consists of making inquiries, primarily to 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 the International Standards of 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 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 (Interim Financial Report), as endorsed in the Kingdom of Saudi Arabia.

**Emphasis of matter:**

Referring to Note (2) accompanying to the interim condensed consolidated financial statements, which provides information about Baazeem Trading Company's investment in Baazeem Trading Establishment in the State of Qatar (a subsidiary), it was noted that the investment has been registered in the name of one of the Company's principal shareholders (the Chairman of the Board of Directors) since 2008. The shareholder has waived and assigned all his rights in such investment to the Company pursuant to a formal assignment letter. This assignment has been duly approved and documented in the minutes of the Board of Directors.

**Professional Consultants Company****Abdullah S. Al Msned**  
**License No. (456)****Riyadh:**Dhu al-Qidah 27, 1447 H  
May 14, 2026

**Baazeem Trading Company**  
**(A Saudi Joint Stock Company)**  
**Interim condensed Consolidated Statement of Financial Position (unaudited)**  
**As of 31 March 2026**  
**(All amounts are in Saudi Riyals unless otherwise stated)**

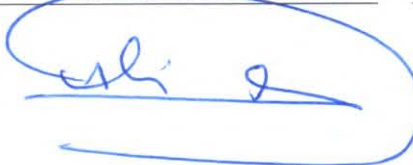
	Note	31 March 2026 (Unaudited)	31 December 2025 (Audited)
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment		30,781,074	30,995,992
Right-of-use assets		4,047,416	4,421,709
Intangible assets		141,307	154,153
Financial assets at fair value through other comprehensive income	5	3	3
<b>Total non-current assets</b>		<b>34,969,800</b>	<b>35,571,857</b>
<b>Current assets:</b>			
Inventory	6	56,694,763	80,166,469
Trade receivables	7	125,416,252	108,588,250
Prepaid Expenses and Other debit balances		8,926,906	10,091,031
Cash and cash equivalents	8	43,026,584	35,002,703
<b>Total current assets</b>		<b>234,064,505</b>	<b>233,848,453</b>
<b>Total assets</b>		<b>269,034,305</b>	<b>269,420,310</b>
<b>Owner's Equity and Liabilities</b>			
<b>Owner's Equity</b>			
Share capital	1/B	101,250,000	101,250,000
Reserves		30,375,000	30,375,000
Retained earning		85,932,487	76,321,923
Employees defined benefit obligations remeasurement reserve		(1,969,623)	(1,969,623)
<b>Total Owner's equity</b>		<b>215,587,864</b>	<b>205,977,300</b>
<b>Liabilities</b>			
<b>Non-current liabilities:</b>			
Lease liability - non-current portion		3,337,094	3,398,203
Employees defined benefit obligations		8,515,694	8,269,542
<b>Total non-current liabilities</b>		<b>11,852,788</b>	<b>11,667,745</b>
<b>Current liabilities:</b>			
Letters of Credit Financing	9	10,882,596	19,082,334
Trade Payables		11,598,549	18,722,580
Accrued Expenses and Other credit balances		11,992,194	7,526,884
Due to related parties	10	98,302	98,302
Leases liability – current portion		398,533	1,071,686
Zakat payable	11	6,623,479	5,273,479
<b>Total current liabilities</b>		<b>41,593,653</b>	<b>51,775,265</b>
<b>Total liabilities</b>		<b>53,446,441</b>	<b>63,443,010</b>
<b>Total Owner's equity and liabilities</b>		<b>269,034,305</b>	<b>269,420,310</b>

The accompanying notes from an integral part of these Interim condensed consolidated financial statements.

Finance Manager



Chief Executive Officer



Chairman - Board of Directors



**Baazeem Trading Company**  
**(A Saudi Joint Stock Company)**  
**Interim condensed Consolidated statement of profit or loss and other comprehensive income (unaudited)**  
**For the three-month period ended 31 March 2026**  
**(All amounts are in Saudi Riyals unless otherwise stated)**

	Note	For the three-month period ended	
		31 March 2026 (unaudited)	31 March 2025 (unaudited)
Revenue, net		75,130,651	70,671,163
Cost of revenue		(46,161,645)	(42,705,864)
<b>Gross profit</b>		<b>28,969,006</b>	<b>27,965,299</b>
<b>Operating Expenses:</b>			
Selling and marketing expenses		(14,155,672)	(13,497,795)
General and administrative expenses		(4,243,268)	(4,987,461)
<b>Operating profit</b>		<b>10,570,066</b>	<b>9,480,043</b>
Other income		533,023	410,766
Finance costs		(142,525)	(105,999)
<b>Profit before zakat for the period</b>		<b>10,960,564</b>	<b>9,784,810</b>
zakat	11	(1,350,000)	(1,150,000)
<b>Net profit for the period</b>		<b>9,610,564</b>	<b>8,634,810</b>
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<b>9,610,564</b>	<b>8,634,810</b>
<b>Earnings per share</b>			
Basic and diluted earnings per share from net profit for the period	12	0,0949	0.0853

The accompanying notes from an integral part of these Interim condensed consolidated financial statements.

Finance Manager

Chief Executive Officer

Chairman - Board of Directors

**Baazeem Trading Company**  
**(A Saudi Joint Stock Company)**  
**Interim condensed Consolidated Statement of Changes in Owner's Equity (unaudited)**  
**For the three-month period ended 31 March 2026**  
**(All amounts are in Saudi Riyals unless otherwise stated)**

	Share Capital	Reserves	Retained Earnings	Employees defined benefit obligations remeasurement reserve	Total
<b>Balance as of 1 January 2025 (Audited)</b>	101,250,000	30,375,000	68,886,657	(1,354,419)	199,157,238
Net profit for the period	-	-	8,634,810	-	8,634,810
<b>Balance as of 31 March 2025 (Unaudited)</b>	<b>101,250,000</b>	<b>30,375,000</b>	<b>77,521,467</b>	<b>(1,354,419)</b>	<b>207,792,048</b>
<b>Balance as of 1 January 2026 (Audited)</b>	101,250,000	30,375,000	76,321,923	(1,969,623)	205,977,300
Net profit for the period	-	-	9,610,564	-	9,610,564
<b>Balance as of 31 March 2026 (Unaudited)</b>	<b>101,250,000</b>	<b>30,375,000</b>	<b>85,932,487</b>	<b>(1,969,623)</b>	<b>215,587,864</b>

The accompanying notes form an integral part of these Interim condensed consolidated financial statements.

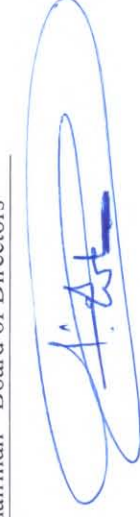
Finance Manager



Chief Executive Officer



Chairman - Board of Directors



**Baazeem Trading Company**  
**(A Saudi Joint Stock Company)**  
**Interim condensed Consolidated Statement of Cash Flows (unaudited)**  
**For the three-month period ended 31 March 2026**  
**(All amounts are in Saudi Riyals unless otherwise stated)**

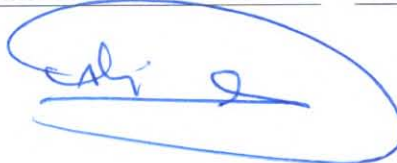
	Note	For the three-month period ended	
		31 March 2026	31 March 2025
		(Unaudited)	(Unaudited)
<b>Cash flows from operating activities:</b>			
Profit before zakat for the period		10,960,564	9,784,810
<b>Adjustments to reconcile profit before Zakat for the period:</b>			
Depreciation of Property, plant and equipment		753,033	746,003
Depreciation of Right-of- use assets		374,293	41,330
Amortization of Intangible assets		12,846	106,307
Employee defined benefit obligation		300,000	300,000
Gain on disposal of property, plant, and equipment		(27,862)	-
Impairment of slow-moving and damaged inventory	6/1	458,988	323,412
Finance costs		142,525	105,999
		<b>12,974,387</b>	<b>11,407,861</b>
<b>Changes in working capital</b>			
Trade Receivables		(16,828,002)	(12,693,039)
Prepaid expenses and other debit balances		1,164,125	5,467,600
Inventory		23,012,718	3,213,766
Trade payables		(7,124,031)	(2,250,783)
Accrued expenses and other credit balances		4,465,310	(759,351)
<b>Cash flows generated from operating activities</b>		<b>17,664,507</b>	<b>4,386,054</b>
Employee defined benefit obligation paid		(53,848)	(101,929)
<b>Net cash flow generated from operating activities</b>		<b>17,610,659</b>	<b>4,284,125</b>
<b>Cash flows from investing activities:</b>			
Additions to property, plant and equipment		(553,852)	(101,320)
proceeds from sale of property, plant and equipment		43,599	-
<b>Net cash flows (used in) investing activities</b>		<b>(510,253)</b>	<b>(101,320)</b>
<b>Cash flows from financing activities:</b>			
Payments to letter of credit financing	9	(21,994,054)	(18,672,943)
Proceeds from letter of credit financing	9	13,794,316	22,504,976
Payment of lease liability		(734,262)	-
Finance costs paid		(142,525)	(76,766)
<b>Net cash flows (used in) / generated from financing activities</b>		<b>(9,076,525)</b>	<b>3,755,267</b>
<b>Net change in cash and cash equivalents</b>		<b>8,023,881</b>	<b>7,938,072</b>
Cash and cash equivalents at the beginning of the period		35,002,703	37,858,364
<b>Cash and cash equivalents at the end of the period</b>	8	<b>43,026,584</b>	<b>45,796,436</b>

The accompanying notes from an integral part of these Interim condensed consolidated financial statements.

Finance Manager



Chief Executive Officer



Chairman - Board of Directors



**Baazeem Trading Company**  
**(A Saudi Joint Stock Company)**  
**Notes to the Interim condensed consolidated financial statements (Unaudited)**  
**For the three-month period ended 31 March 2026**  
**(All amounts are in Saudi Riyals unless otherwise stated)**

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**1- Company information:**

**A. Establishing the company**

Baazeem Trading Company is a Saudi Joint Stock Company (the “Company” or the “Parent”), operating under Commercial Registration No. 1010017281 dated 11 Sha’ban 1398H (corresponding to July 17, 1978) with Unified Number 7000385869. The Company converted from a Limited Partnership into a Closed Joint Stock Company on 12 Safar 1429H (corresponding to February 19, 2008) and later became a Listed Saudi Joint Stock Company on 19 Rabi’ Al-Thani 1438H (corresponding to January 17, 2017).

On 27 Safar 1438H (corresponding to November 27, 2016), the Company’s Board of Directors and the shareholders at the Extraordinary General Assembly approved the offering of 3,037,500 shares, representing 30% of the Company’s shares, on the Parallel Market. On 19 Rabi’ Al-Thani 1438H (corresponding to January 17, 2017), the Capital Market Authority issued its approval for the Company’s issuance prospectus.

On November 28, 2019, the Capital Market Authority approved the Company’s request dated October 8, 2019, to transfer from the Parallel Market to the Main Market. The Company’s shares were subsequently listed and traded on the Main Market starting December 4, 2019.

The Company’s main address is Al Murabba District, King Faisal Street, P.O. Box 2156, Riyadh 11451, Kingdom of Saudi Arabia.

**B. The Group's share capital**

The Group’s paid-up share capital amounted to SAR 101,250,000, divided into 101,250,000 shares with a par value of SAR 1 per share as of 31 March 2026 (as of 31 December 2025: SAR 101,250,000, divided into 101,250,000 shares with a par value of SAR 1 per share).

**C. The nature of the Group's activity**

The Group’s activities include wholesale of coffee and tea products, wholesale of food items and drinks, wholesale of cosmetics and beauty soaps, wholesale of soaps and detergents, wholesale of raw plastic materials, rubber, and industrial fibers, general stores having a variety of goods, and sale of tools and plastic materials (including bags).

**D. Fiscal year**

The company's financial year is twelve months from the beginning of January until the end of December each calendar year.

**E. Presentation and functional currency**

The interim condensed consolidated financial statements are prepared in Saudi Riyals, which is the currency of activity and presentation for the company, all the numbers are rounded to the nearest Riyal, unless otherwise indicated.

**F. Company branches as per its commercial registrations**

<b><u>Serial</u></b>	<b><u>Name of branch</u></b>	<b><u>Commercial Register No.</u></b>	<b><u>Date of commercial registration</u></b>
1	Jeddah Branch	4030034688	1/8/1402 H
2	Dammam Branch	2050106377	26/10/1436 H
3	Tabuk Branch	3550036807	26/10/1436 H
4	Buraidah Branch	1131056151	26/10/1436 H
5	Madinah Al Munawarah Branch	4650079224	26/10/1436 H
6	Khamis Mushait Branch	5855068837	26/10/1436 H

**Baazeem Trading Company**  
**(A Saudi Joint Stock Company)**

Notes to the Interim condensed consolidated financial statements (Unaudited)

For the three-month period ended 31 March 2026

(All amounts are in Saudi Riyals unless otherwise stated)

**2- Group information**

The accompanying interim condensed consolidated financial statements include the interim condensed financial statements of Baazeem Trading company and its Subsidiaries it controls as of 31 March 2026 and 31 December 2025.

Name of Subsidiary	Legal Entity	Country of Incorporation	Commercial Registration Number	Principal Activity	Share Capital	Shareholding % as of	
						31 March 2026	31 Dec 2024
Baazeem Trading Establishment (a)	Sole Proprietorship	State of Qatar	20818	Trading in household items, and trading in cleaning materials, tools, and equipment. Manufacture of paper bags, tissue paper and napkins, thermoplastic materials in their raw forms, sponge products, land transportation of goods, and general warehousing.	30,000 QAR	%100	%100
Top Vision factory Company for Industry (b)	Single Shareholder Limited Liability Company	Jeddah – Kingdom of Saudi Arabia	4042007183		500,000 SAR	%100	%100

a) The investment in Baazeem Trading Establishment is registered in the name of one of the main shareholders (the Chairman of the Board of Directors) since 2008. This investment is approved in the Board of Directors' minutes. Baazeem Trading Establishment was established in 1998 in the State of Qatar.

b) On 2 March 2025, the Board of Directors of Baazeem Trading Company decided to convert one of its branches, named (Top Vision factory Company for Industry), into a separate company under the name Top Vision Factory for Industry Company – a single Person limited liability company with a capital of SAR 500,000, wholly owned by Baazeem Trading Company, subject to approval by the upcoming General Assembly. The Company has completed the required regulatory procedures, and the subsidiary was registered under Commercial Registration No. 4042007183 and Unified Number 7003780132.

**3- Basis of preparation of the interim condensed consolidated financial statements:**

**3-1 Applied accounting standards**

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34: Interim Financial Reporting, as endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA). These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2025.

**3-2 Measurement basis**

These interim condensed consolidated financial statements are prepared in accordance with the principle of historical cost and using Accrual basis and the concept of continuity of activity, except the employee's defined benefits obligation, which is recognized at the present value of future obligation using the projected unit credit method and financial assets at fair value through other comprehensive income.

### **3-3 New Standards, Amendments to Standards, and Interpretations**

The Group has applied the following amendment to standards for the first time for their annual reporting periods commencing on or after 1 January 2026:

- Amendments to Classification and Measurement of Financial Instruments - Amendments to IFRS 9 'Financial instruments' ("IFRS 9") and IFRS 7 'Financial Instruments: Disclosures' ("IFRS 7");
- Annual improvements to International Financial Reporting Standards - Volume 11. The application of

The amendment had no significant impact on the Group's interim condensed consolidated financial statements.

#### **Standards issued but not yet effective**

Certain new accounting standards amendments to accounting standards and interpretations have been published that are not mandatory for 31 March 2026 reporting period and have not been early adopted by the Group.

- Amendment to IAS 21 - Translation to a Hyperinflationary Presentation Currency, effective for annual periods beginning on or after 1 January 2027;
- IFRS 18 'Presentation and Disclosure in Financial Statements' ("IFRS 18"), effective for annual periods beginning on or after 1 January 2027; and
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures' ("IFRS 19"), effective for annual periods beginning on or after 1 January 2027.

Management is in the process of assessing the impact of such new standards and interpretations on its interim condensed consolidated financial statements.

#### **Use of estimation**

The preparation of these interim condensed consolidated financial statements requires management to use provisions and estimates that affect the application of accounting policies and the amounts listed for assets, liabilities, revenues, and expenses. Actual results may differ from these estimates. The areas of management are important in the application of accounting policies and important sources of estimates and uncertainties that have a substantial impact similar to those described in the consolidated financial statements of the previous year.

### **3-4 The basis of consolidation of the interim condensed consolidated financial statements**

The interim condensed consolidated financial statements include the financial statements of the parent company, Baazeem Trading Company, and its subsidiaries (collectively referred to as the Group) as of 31 March 2025. Control over the invested business is achieved when it has the right to obtain different returns as a result of its participation in the investee company, and it has the ability to influence these returns by exercising its influence over the investee company. In particular, the Group controls the investee if, and only if, the Group has:

- Leverage over the investee company (for example: it has the right that gives it the power to control the activities of the investee company).
- Exposure to risks and the right to obtain variable returns as a result of its participation in the investee company.
- The ability to use its influence over the investee company to affect its returns.

In general, there is an assumption that the majority of voting rights will lead to control. To support this assumption and when the Group has a lower level than the majority of voting rights or similar rights in the investee company, the Group takes into account all relevant facts and circumstances when assessing whether the Group has control over the investee company, and these facts and circumstances include the following:

- Contractual agreements with voting rights holders of the investee company.
- Rights resulting from other contractual agreements.
- The Group's right to vote and potential voting rights.

**Baazeem Trading Company**  
**(A Saudi Joint Stock Company)**

Notes to the Interim condensed consolidated financial statements (Unaudited)

For the three-month period ended 31 March 2026

(All amounts are in Saudi Riyals unless otherwise stated)

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**3-4 Basis of the preparation of interim condensed consolidated financial statements (Continued):**

- Any additional facts or circumstances that indicate that the Group has or does not have the current ability to control activities related to decision-making, including voting on cases in previous shareholder meetings.

The Group performs a reassessment to ascertain whether or not it exercises control over the investee company, when facts and circumstances indicate that there is a change in one or more elements of control. Consolidation of a subsidiary begins when the Group has control of the subsidiary and ceases when the Group relinquishes exercising such control.

The assets, liabilities, income and expenses of the subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date control is transferred to the Group and until the Group relinquishes exercising such control.

Income and each component of comprehensive income which relates to the equity holders of the parent company and the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When it is necessary, the financial statements of subsidiaries are amended so that their accounting policies are prepared in line with the Group's accounting policies.

All intercompany balances in the Group such as assets, liabilities, equity, income, expenses and cash flows resulting from operations between the Group companies are completely eliminated upon consolidation of the financial statements.

Any change in ownership interests in the subsidiary, without loss of control, is treated as an equity transaction. In the event that the Group loses control over the subsidiary, it will cease to recognize the related assets and liabilities, non-controlling equity and other elements of equity, and the resulting gains or losses are recognized in the consolidated statement of profit or loss. The investment retained is recognized at fair value.

In the event that the Group loses control over the subsidiaries:

- The assets (including goodwill) and liabilities associated with the subsidiary are excluded.
- Exclusion of the present value of any rights not controlled.
- Exclusion of cumulative balance differences recorded in equity.
- Recognition of the fair value of the assets received.
- Recognition of the fair value of any remaining investments.
- Recognition of any surplus or deficit in profits or losses.

Reclassification of the parent company's share in subsidiaries previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as it becomes a requirement if the Group directly disposes of assets and liabilities.

**4 Significant accounting policies:**

The accounting policies applied in these interim condensed consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended 31 December 2025.

**Baazeem Trading Company**  
**A Saudi Joint Stock Company**  
Notes on Interim condensed consolidated financial statements (Unaudited)  
For the three-month period ended March 31, 2026  
(All amounts are in Saudi Riyals unless otherwise stated)

**5 Financial assets at fair value through other comprehensive income**

Company Name	Country of Incorporation	Activity	Shareholding Percentage		Acquisition Cost	31 March	31 Dec
			2026	2025		2026	2025
						(Unaudited)	(Audited)
Yemen Bahrain Bank – Closed Joint Stock Company	Republic of Yemen	Finance	8.96%	8.96%	10,189,262	1	1
Prom Fish Company – Closed Joint Stock Company	Republic of Yemen	Industrial	11.50%	11.50%	4,317,290	1	1
Al-Mawarid Educational and Health Services Company – Closed Joint Stock Company	Republic of Yemen	Services	1.70%	1.70%	3,874,173	1	1
					<b>18,380,725</b>	<b>3</b>	<b>3</b>

5-1 As part of the Group's continuous monitoring by the Board of Directors of the status of the investments in the Republic of Yemen, and due to the difficult economic conditions experienced and continuing to be experienced in the Republic of Yemen and their impact on the consolidated financial statements, the Group's management recognized impairment losses for the full carrying value of these investments as a result of such conditions since 2019.

**6 Inventory**

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Cleaning Materials and Supplies	30,349,719	41,044,083
Food Supplies	21,272,743	31,239,364
Packing Materials	1,109,602	1,449,771
<b>Total Inventory</b>	<b>52,732,064</b>	<b>73,733,218</b>
Provision for Slow-Moving and damaged Inventory (6/1)	(216,753)	(173,402)
Inventory Impairment (6/2)	(616,939)	(616,939)
<b>Net Inventory</b>	<b>51,898,372</b>	<b>72,942,877</b>
Goods in Transit	4,796,391	7,223,592
	<b>56,694,763</b>	<b>80,166,469</b>

6/1 – The movement in the provision for slow-moving and damaged inventory is as follows:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	173,402	-
Charged during the period / year	458,988	1,594,639
Used during the period / year	(415,637)	(1,421,237)
<b>Balance at the end of the period / year</b>	<b>216,753</b>	<b>173,402</b>

6/2 – The movement in the inventory impairment is as follows:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	616,939	-
Charged during the period / year	-	616,939
<b>Balance at the end of the period / year</b>	<b>616,939</b>	<b>616,939</b>

**Baazeem Trading Company**  
**(A Saudi Joint Stock Company)**  
**Notes to the Interim condensed consolidated financial statements (Unaudited)**  
**For the three-month period ended 31 March 2026**  
**(All amounts are in Saudi Riyals unless otherwise stated)**

**7 Trade Receivables**

	<b>31 March 2026</b> <b>(Unaudited)</b>	<b>31 December 2025</b> <b>(Audited)</b>
Customers	131,035,061	114,207,059
Less: Allowance for Expected Credit Losses (7/1)	(5,618,809)	(5,618,809)
	<b>125,416,252</b>	<b>108,588,250</b>

7/1 – The movement on the allowance for expected credit losses is as follows:

	<b>31 March 2026</b> <b>(Unaudited)</b>	<b>31 December 2025</b> <b>(Audited)</b>
Balance at the beginning of the period / year	5,618,809	3,899,034
Charged during the period / year	-	1,719,775
Balance at the end of the period / year	<b>5,618,809</b>	<b>5,618,809</b>

**8-Cash and Cash equivalent**

	<b>31 March 2026</b> <b>(Unaudited)</b>	<b>31 December 2025</b> <b>(Audited)</b>
* Term deposits	20,300,000	19,500,000
Bank current accounts	22,726,584	15,502,703
	<b>43,026,584</b>	<b>35,002,703</b>

\* The short-term deposits mature over periods ranging from two to three months from the date of deposit, based on the Group's cash liquidity requirements. These arrangements are compliant with the provisions of Islamic Sharia and are linked to an average profit margin of 5%.

**9-Letters of Credit Financing:**

	<b>31 March 2026</b> <b>(Unaudited)</b>	<b>31 December 2025</b> <b>(Audited)</b>
Letters of Credit	10,882,596	19,082,334
	<b>10,882,596</b>	<b>19,082,334</b>

The movement on Letters of Credit Financing during the period / year is as follows:

	<b>31 March 2026</b> <b>(Unaudited)</b>	<b>31 December 2025</b> <b>(Audited)</b>
Balance at the beginning of the period / year	19,082,334	13,798,124
Proceeds during the period / year	13,794,316	99,521,957
Repayment during the period / year	(21,994,054)	(94,237,747)
Balance at the end of the period / year	<b>10,882,596</b>	<b>19,082,334</b>

Letters of credit financing represent the funding of direct transfers to external suppliers to settle the Group's obligations, based on agreements signed between the Group and several local banks. These agreements comply with Islamic Sharia principles. The financing is provided through fees for issuing and opening letters of credit, and the Group provides a promissory note to each bank that finances the letters of credit.

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**10- Related party transactions and balances**

**10/1- Salaries, allowances and remunerations of senior executives and Board of Directors members:**

Key management personnel are those people who have authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly, including members of the Board of Directors and its committees. Salaries, allowances, and bonuses of key management personnel include the total short-term compensation paid to key management personnel, members of the Board of Directors, and its committees during the period/year:

	<u>Nature of transactions</u>	<u>31 March 2026</u> <u>(Unaudited)</u>	<u>31 March 2025</u> <u>(Unaudited)</u>
Key management personnel	Salaries, allowances, and bonuses	484,434	382,499
	End-of-service benefits	32,297	111,541
Board of Directors	Attendance fees and allowances	-	141,000

**10/2 - Due to related parties:**

	<u>Nature of relationship</u>	<u>31 March 2026</u> <u>(Unaudited)</u>	<u>31 December 2025</u> <u>(Audited)</u>
Dividends payable	Shareholders	98,302	98,302

**11- Zakat payable**

**11.1 The following represents the movement in Zakat payable:**

	<u>31 March 2026</u> <u>(Unaudited)</u>	<u>31 December 2025</u> <u>(Audited)</u>
Balance at beginning of the period / year	5,273,479	4,659,575
Charged during the period / year	1,350,000	5,205,461
Paid during the period / year	-	(4,591,557)
<b>Balance at the end of the period / year</b>	<b>6,623,479</b>	<b>5,273,479</b>

**11-2 Zakat Position:**

**Baazeem Trading Company**

The Parent Company has filed its Zakat return for the year ended 31 December 2025 and obtained the final certificate for that year.

**Top vision Factory for Industry (Subsidiary)**

The company is in process of filling its zakat return.

**12- Earnings per share:**

Basic/Diluted earnings per share are calculated based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding. Earnings per share as of 31 March 2026 have been calculated based on the weighted average number of shares outstanding during the period, amounting to 101,250,000 shares (31 March 2025: 101,250,000 shares). There are no potential dilutive ordinary shares.

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**12- Earnings per share: (continued)**

Diluted earnings per share are the same as basic earnings per share, as the Group does not have any convertible securities or dilutive financial instruments outstanding.

	<b>For the three-month period ended</b>	
	<b>31 March 2026</b>	<b>31 March 2025</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Net profit for the period	9,610,564	8,634,810
weighted average number of shares for the period	101,250,000	101,250,000
 Basic and diluted earnings per share from net profit for the period	 <b>0,0949</b>	 <b>0.0853</b>

**13 - Segment information**

**Operating segment:**

The Group operates through two segments, namely the commercial segment and the industrial segment. The commercial segment includes the parent company (Baazeem Trading Company) and Baazeem Trading Establishment in the State of Qatar (a subsidiary) and is engaged in trading activities comprising the sale of food products and cleaning materials and supplies. The industrial segment includes Top Vision Factory Company (a subsidiary) and is engaged in industrial activities represented in the manufacturing of sponge and paper. These segments are managed and their performance is monitored on a consolidated basis by the chief operating decision maker for the purposes of resource allocation and performance assessment.

The following is the Group's operating segment information:

<b><u>31 March 2026 (unaudited)</u></b>	<b><u>Commercial</u></b>	<b><u>Industrial</u></b>	<b><u>Total</u></b>
Revenue, net	73,572,117	1,558,534	75,130,651
Cost of Revenue	(44,700,276)	(1,461,369)	(46,161,645)
<b>Gross Profit</b>	<b>28,871,841</b>	<b>97,165</b>	<b>28,969,006</b>
 Selling and Marketing Expenses	 (14,155,672)	 -	 (14,155,672)
General and Administrative Expenses	(3,969,591)	(273,677)	(4,243,268)
<b>Profit before Zakat</b>	<b>10,746,578</b>	<b>(176,512)</b>	<b>10,960,564</b>
Zakat	(1,350,000)	-	(1,350,000)
<b>Net Profit for the period</b>	<b>9,396,578</b>	<b>(176,512)</b>	<b>9,610,564</b>
 <b>Assets and liabilities as of 31 March 2026</b>			
<b>(unaudited)</b>			
Total assets	248,907,513	20,126,792	269,034,305
Total liabilities	50,655,313	2,791,128	53,446,441

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**13 - Segment information (Continued)**

<b>31 March 2025 (unaudited)</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Total</b>
Revenue, net	69,517,844	1,153,319	70,671,163
Cost of Revenue	(41,624,397)	(1,081,467)	(42,705,864)
<b>Gross Profit</b>	<b>27,893,447</b>	<b>71,852</b>	<b>27,965,299</b>
Selling and Marketing Expenses	(13,497,795)	-	(13,497,795)
General and Administrative Expenses	(4,700,745)	(286,716)	(4,987,461)
<b>Profit before Zakat</b>	<b>9,694,907</b>	<b>(214,864)</b>	<b>9,784,810</b>
Zakat	(1,150,000)	-	(1,150,000)
<b>Net Profit for the period</b>	<b>8,544,907</b>	<b>(214,864)</b>	<b>8,634,810</b>
<b>Assets and liabilities as of 31 December 2025 (Audited)</b>			
Total assets	248,594,189	20,826,121	269,420,310
Total liabilities	60,651,883	2,791,127	63,443,010

**Geographical segment:**

The Group mainly operates in the Kingdom of Saudi Arabia and the State of Qatar. The following is the distribution of revenues and non-current assets according to the Group's geographical location:

	<b>31 March 2026 (Unaudited)</b>	<b>31 March 2025 (Unaudited)</b>
<b>Revenue by geographical segment</b>		
Kingdom of Saudi Arabia	71,336,455	66,967,607
Qatar	3,794,196	3,703,556
	<b>75,130,651</b>	<b>70,671,163</b>
<b>Non-current assets by geographical segment</b>		
	<b>31 March 2026 (Unaudited)</b>	<b>31 December 2025 (Audited)</b>
Kingdom of Saudi Arabia	34,848,801	35,434,690
Qatar	120,999	137,167
	<b>34,969,800</b>	<b>35,571,857</b>

**14- Contingent liabilities**

	<b>31 March 2026 (Unaudited)</b>	<b>31 December 2025 (Audited)</b>
Letters of Credit	19,647,190	18,844,637

**15- Events during period**

- On 12 Shawwal 1447H (corresponding to 31 March 2026), the Board of Directors resolved to recommend to the Ordinary General Assembly the distribution of interim dividends for the second half of 2025, amounting to SAR 11,137,500, representing 11% of the capital, equivalent to SAR 0.11 per share.
- During the first quarter of 2026, the Gulf region witnessed geopolitical developments resulting from escalating regional tensions. Management assessed the potential impact of these events on the Group's operations and financial position and observed no material impact on business results or cash flows during the period. Management continues to closely monitor these developments.

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**16- Subsequent events**

Management believes that there are no other significant subsequent events since the date of the interim condensed consolidated statement of financial position as at 31 March 2026 up to the date of approval of these interim condensed consolidated financial statements that could have a material impact on the Group.

**17 - Approval of the interim condensed consolidated financial statements**

The interim condensed consolidated financial statements for the period ended 31 March 2026 were approved by the Company's Board of Directors for issuance on 11 May 2026 (24 Dhul Qa'dah 1447H).