

ABDULLAH AL-OTHAIM MARKETS COMPANY
(A Saudi Joint Stock Company)

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

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

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FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025**

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
TO THE SHAREHOLDERS OF ABDULLAH AL-OTHAIM MARKETS COMPANY
(A SAUDI JOINT STOCK COMPANY)**

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Abdullah Al-Othaim Markets Company (“the Company”) and its subsidiaries (collectively referred to as “the Group”) as at 30 June 2025, and the related interim condensed consolidated statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2025, and the related interim condensed consolidated statements of changes in equity and cash flows for the six-month period then ended, and 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”) as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim consolidated financial statements 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 statement 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 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 as endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young Professional Services



Abdullah A. Alshenaibir
Certified Public Accountant
License No. (583)

Riyadh: 19 Safar 1447H
(13 August 2025)

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 JUNE 2025

	Note	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
ASSETS			
Non-current assets			
Property, plant, and equipment	6	2,141,217,173	2,091,708,241
Right-of-use assets	7	2,062,440,795	2,256,715,793
Investment properties	8	644,075,726	644,321,112
Intangible assets		5,618,502	5,197,529
Financial assets at amortized cost and others		291,997,784	138,626,519
Investments in associates and joint venture	9	315,723,667	303,064,144
Equity instruments at fair value through other comprehensive income		8,300,964	8,300,964
Total non-current assets		5,469,374,611	5,447,934,302
Current assets			
Inventories		1,393,821,936	1,226,332,672
Prepayments and other current assets		221,033,305	191,198,007
Trade receivables		97,899,361	56,691,649
Financial assets and Short-term Murabaha deposits		3,330,734	33,787,341
Cash and cash equivalents	10	125,230,360	87,539,106
Total current assets		1,841,315,696	1,595,548,775
TOTAL ASSETS		7,310,690,307	7,043,483,077
EQUITY AND LIABILITIES			
EQUITY			
Paid-in share capital	1	900,000,000	900,000,000
Retained earnings		399,655,814	478,658,307
Fair value reserve		2,843,826	2,843,826
Currency exchange differences on translation of foreign subsidiary	20	(8,579,808)	(8,802,768)
Share in other comprehensive loss of associates and joint venture		(2,205)	(17,362)
Equity attributable to the shareholders of the Company		1,293,917,627	1,372,682,003
Non-controlling interests		46,618,511	41,854,148
TOTAL EQUITY		1,340,536,138	1,414,536,151
Non-current liabilities			
Lease contracts liabilities		2,284,095,294	2,326,073,495
Obligation for employees' end-of-service benefits	11	353,282,060	339,254,725
Total non-current liabilities		2,637,377,354	2,665,328,220
Current liabilities			
Short term loans	12	500,000,000	315,000,000
Accounts payable		2,175,082,888	1,982,437,706
Current portion of lease contracts liabilities		157,466,804	140,723,528
Accruals and other current liabilities		484,744,058	504,894,527
Zakat and foreign tax provision	14	15,483,065	20,562,945
Total current liabilities		3,332,776,815	2,963,618,706
TOTAL LIABILITIES		5,970,154,169	5,628,946,926
TOTAL EQUITY AND LIABILITIES		7,310,690,307	7,043,483,077

Chief Financial Officer

Marwan Ahmed Ibrahim

Chief Executive Officer

Muaffaq A. Mobarah

Chairman of Board of Directors

Abdullah Saleh Al Othaim

The accompanying notes from (1) to (25) form an integral part of these interim condensed consolidated financial statements.

ABDULLAH AL-OTHAIM MARKETS COMPANY

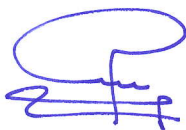
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED) FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

	No te	For the three-month period ended 30 June		For the six-month period ended 30 June	
		2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
		ﷲ (Restated, Note 21)		ﷲ (Restated, Note 21)	
Net sales	16	2,535,241,682	2,463,730,436	5,673,208,729	5,502,594,225
Cost of sales		(1,956,403,678)	(1,922,657,903)	(4,462,330,250)	(4,334,306,189)
Gross profit		578,838,004	541,072,533	1,210,878,479	1,168,288,036
Rental income, net	17	24,442,882	19,384,252	44,184,684	36,997,656
Sold voucher commissions		229,594	676,748	482,039	1,234,068
Selling and marketing expenses		(483,619,424)	(446,794,304)	(988,680,325)	(921,633,749)
General and administrative expenses		(43,194,799)	(43,823,842)	(84,257,031)	(87,299,007)
Operating profit		76,696,257	70,515,387	182,607,846	197,587,004
Share in profit of associates and joint venture, net	9	8,221,706	3,484,140	25,661,728	19,813,610
Finance Income from deposits and others		7,288,981	3,194,575	9,209,956	6,629,841
Finance costs	19	(45,653,823)	(35,445,319)	(91,296,395)	(66,972,122)
Other income, net		369,641	1,065,112	3,704,583	6,863,644
Income before zakat and foreign tax		46,922,762	42,813,895	129,887,718	163,921,977
Zakat and foreign tax	14	(2,017,277)	(997,775)	(5,060,127)	(5,654,294)
Net income for the period		44,905,485	41,816,120	124,827,591	158,267,683
Profit attributable to:					
Shareholders of the Company		41,139,186	40,856,231	117,500,668	156,359,596
Non-controlling interests		3,766,299	959,889	7,326,923	1,908,087
		44,905,485	41,816,120	124,827,591	158,267,683
Earnings per share					
Basic and diluted earnings per share attributable to the shareholders of the Company	15	0.05	0.05	0.13	0.17



Chief Financial Officer
Marwan Ahmed Ibrahim



Chief Executive Officer
Muaffaq A. Mobarah



Chairman of Board of Directors
Abdullah Saleh Al Othaim

The accompanying notes from (1) to (25) form an integral part of these interim condensed consolidated financial statements.

ABDULLAH AL-OTHAIM MARKETS COMPANY


(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

	Note	For the three-month period ended 30 June		For the six-month period ended 30 June	
		2025 (Unaudited)	2024 (Unaudited) (Restated, Note 21)	2025 (Unaudited)	2024 (Unaudited) (Restated, Note 21)
		ﷲ	ﷲ	ﷲ	ﷲ
Net income for the period		44,905,485	41,816,120	124,827,591	158,267,683
Other comprehensive income (loss) for the period					
Items will not be reclassified to statement of income in subsequent periods:					
Actuarial gains (losses) for employee's end-of-service benefits	11	(435,546)	(4,414,495)	1,514,201	(8,884,165)
Items will be reclassified to statement of income in subsequent periods:					
Share in other comprehensive loss of associates and joint venture	9	(21,632)	(11,987)	(2,205)	(11,987)
Currency exchange differences on translation of foreign subsidiary	20	191,305	159,560	222,960	(2,869,312)
Other comprehensive income(loss) for the period		(265,873)	(4,266,922)	1,734,956	(11,765,464)
Total comprehensive income for the period		44,639,612	37,549,198	126,562,547	146,502,219
Attributable to:					
Shareholders of the Company		40,873,313	36,589,309	119,235,624	144,594,132
Non-controlling interests		3,766,299	959,889	7,326,923	1,908,087
		44,639,612	37,549,198	126,562,547	146,502,219



Chief Financial Officer
Marwan Ahmed Ibrahim



Chief Executive Officer
Muaffaq A. Mobarah



Chairman of Board of Directors
Abdullah Saleh Al Othaim

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ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

	Attributable to the shareholders of the Company							
	Paid-in share capital	Retained earnings	Fair value reserve	Currency exchange differences on translation of foreign subsidiary	Share in other comprehensive loss of associates and joint venture	Total shareholders' equity	Non-controlling interests	Total equity
For the period ended 30 June 2024								
Balance as at 1 January 2024 – As previously presented	900,000,000	466,226,341	(2,455,069)	(5,370,413)	-	1,358,400,859	41,745,889	1,400,146,748
Restatement (Note 21)	-	54,346,961	-	-	-	54,346,961	-	54,346,961
Balance as at 1 January 2024 (Restated, note 21)	900,000,000	520,573,302	(2,455,069)	(5,370,413)	-	1,412,747,820	41,745,889	1,454,493,709
Net income for the period (Restated, note 21)	-	156,359,596	-	-	-	156,359,596	1,908,087	158,267,683
Other comprehensive loss for the period	-	(8,884,165)	-	(2,869,312)	(11,987)	(11,765,464)	-	(11,765,464)
Total comprehensive income for the period (Restated, note 21)	-	147,475,431	-	(2,869,312)	(11,987)	144,594,132	1,908,087	146,502,219
Cash dividends (Note 22)	-	(405,000,000)	-	-	-	(405,000,000)	(4,804,800)	(409,804,800)
Balance as at 30 June 2024 (Unaudited) (Restated, note 21)	900,000,000	263,048,733	(2,455,069)	(8,239,725)	(11,987)	1,152,341,952	38,849,176	1,191,191,128
For the period ended 30 June 2025								
Balance as at 1 January 2025 (Audited)	900,000,000	478,658,307	2,843,826	(8,802,768)	(17,362)	1,372,682,003	41,854,148	1,414,536,151
Net income for the period	-	117,500,668	-	-	-	117,500,668	7,326,923	124,827,591
Other comprehensive income for the period	-	1,514,201	-	222,960	(2,205)	1,734,956	-	1,734,956
Total comprehensive income for the period	-	119,014,869	-	222,960	(2,205)	119,235,624	7,326,923	126,562,547
Reconciliations related to associates and joint venture	-	(17,362)	-	-	17,362	-	-	-
Cash dividends (Note 22)	-	(198,000,000)	-	-	-	(198,000,000)	(2,562,560)	(200,562,560)
Balance as at 30 June 2025 (Unaudited)	900,000,000	399,655,814	2,843,826	(8,579,808)	(2,205)	1,293,917,627	46,618,511	1,340,536,138

Chief Financial Officer

Marwan Ahmed Ibrahim

Chief Executive Officer

Muaffaq A. Mobarah

Chairman of Board of Directors

Abdullah Saleh Al Othaim

The accompanying notes from (1) to (25) form an integral part of these interim condensed consolidated financial statements.

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

	For the six-month period ended 30 June	
	2025 (Unaudited)	2024 (Unaudited) (Restated, Note 21)
	ﷲ	ﷲ
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Income before zakat and foreign tax	129,887,718	163,921,977
<u>Adjustments for:</u>		
Depreciation of property, plant, and equipment and right-of-use assets	219,832,131	196,281,161
Depreciation of investment properties	2,251,352	3,349,088
Amortization of intangible assets	404,593	267,724
Loss (Gain) on sale of property, plant, and equipment	334,132	(197,192)
Gain on termination of lease contracts	(8,419,726)	(13,700)
Finance costs	91,296,395	66,972,122
Income from deposits and other investments	(9,209,956)	(6,629,841)
Share in profit or loss of associates and joint venture, net	(25,661,728)	(19,813,610)
Provision for shrinkage, and slow-moving inventory	13,877,937	9,119,341
Provision (reversal) for expected credit losses	325,483	(108,003)
Legal and other provisions	576,497	339,013
Obligation for employees' end-of-service benefits	20,800,914	23,439,654
	436,295,742	436,927,734
<u>Changes in:</u>		
Inventories	(181,367,201)	(117,982,173)
Trade receivables	(41,533,195)	(5,073,211)
Prepayments and other current assets	(20,576,727)	(13,119,022)
Accounts payable	192,645,182	337,606,545
Accruals and other current liabilities	(20,614,385)	(30,719,131)
	364,849,416	607,640,742
Employees' end-of-service benefits paid	(13,614,153)	(16,458,417)
Zakat and foreign tax paid	(10,157,659)	(16,438,711)
Net cash flows generated from operating activities	341,077,604	574,743,614
<u>CASH FLOWS USED IN INVESTING ACTIVITIES</u>		
Proceeds from sale of property, plant, and equipment	820,913	735,397
Dividends from associates and joint venture	13,000,000	-
Finance lease payments received	18,341,000	17,466,000
Income from deposits and other investments received	598,867	4,248,733
Additions to property, plant, and equipment	(159,126,070)	(296,932,297)
Additions to investment properties	(2,005,966)	-
Additions to intangible assets	(811,532)	-
Short-term investments and Murabaha deposits	(581,357)	(269,000,000)
Redemptions of short-term investments and Murabaha deposits	-	294,000,000
Net cash flows used in investing activities	(129,764,145)	(249,482,167)


The accompanying notes from (1) to (25) form an integral part of these interim condensed consolidated financial statements.


ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) (CONTINUED)**FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

	For the three-month period ended 30 June	
	2025 (Unaudited)	2024 (Unaudited) (Restated, Note 21)
	ﷲ	ﷲ
<u>CASH FLOWS USED IN FINANCING ACTIVITIES</u>		
Proceeds from short-term loans and Murabahat	1,565,000,000	430,000,000
Payments of short-term loans and Murabahat	(1,380,000,000)	(280,000,000)
Repayment of principal portion of lease liabilities	(151,398,442)	(132,527,734)
Finance costs paid	(6,311,152)	(2,085,253)
Dividends paid - shareholders of the Company	(198,000,000)	(404,474,908)
Dividends paid - non-controlling interests of the Company	(2,562,560)	(4,804,800)
Net cash flows used in financing activities	(173,272,154)	(393,892,695)
Net change in cash and cash equivalents	38,041,305	(68,631,248)
Cash and cash equivalents at the beginning of the period	87,539,106	181,775,625
Net exchange differences on translation of foreign currencies	(350,051)	1,517,879
Cash and cash equivalents at the end of the period	125,230,360	114,662,256
<u>Significant non-cash transactions</u>		
Additions to right-of-use assets against lease contracts liabilities (Note 7)	61,460,146	208,324,726
Transfer from capital work in progress to property, plant, and equipment	48,373,021	36,214,687
Transfer from assets held for sale to property, plant, and equipment	-	1,011,367


 Chief Financial Officer
 Marwan Ahmed Ibrahim


 Chief Executive Officer
 Muaffaq A. Mobarah


 Chairman of Board of Directors
 Abdullah Saleh Al Othaim


The accompanying notes from (1) to (25) form an integral part of these interim condensed consolidated financial statements.

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

(All amounts are presented in  unless otherwise stated)

1. INFORMATION ABOUT THE COMPANY, ITS SUBSIDIARIES AND THEIR ACTIVITIES

Abdullah Al-Othaim Markets Company (the “Company” or “Parent Company”) is a Saudi joint stock company registered in Riyadh, Kingdom of Saudi Arabia, under unified Number 7018065206 Commercial and Register Number 1010031185, on 7 Rajab 1400H (corresponding to 21 May 1980). The Company changed from a limited liability company into a joint stock company according to the Ministerial Decree No.227/G on 3 Ramadhan 1428H (corresponding to 15 September 2007).

The main activities of the Company include wholesale and retail trade of food, fish, meat, agricultural products, livestock, and household items. The Company is also engaged in establishing, managing, operating and maintaining supermarkets, commercial complexes, and bakeries, providing cooked and uncooked catering services, and managing training and educational centers, in addition to acquiring lands to construct buildings for lease or sale for the interest of the Company. The Company also provides import, export, and marketing services to others.

The Company's headquarter is located in Riyadh, Al Andlus District Khurais Branch Road. PO Box 41700, Saudi Arabia.

The Company's fiscal year begins on 1 January and ends on 31 December of each Gregorian year.

The interim condensed consolidated financial statements include the financial statements of the Company and its controlled subsidiaries (collectively referred to as the “Group”).

Below are the details of the subsidiaries listed in the interim condensed consolidated financial statements:

<u>Subsidiary</u>	<u>Country of Incorporation</u>	<u>Main Activity</u>	<u>Direct and Indirect ownership percentage %</u>	
			<u>30 June 2025</u>	<u>31 December 2024</u>
Haley Holding Company	Kingdom of Saudi Arabia	Wholesale and retail trade	100%	100%
Al-Othaim Cash and Carry Company	Kingdom of Saudi Arabia	Wholesale and retail trade	100%	100%
Seven Services Company	Kingdom of Saudi Arabia	Import, export and wholesale and retail trade	100%	100%
Bayt Al Watan Company	Kingdom of Saudi Arabia	Import, export and wholesale and retail trade	100%	100%
Marafeq Al Tashgheel Company	Kingdom of Saudi Arabia	General contracting for building	100%	100%
Abdullah Al Othaim Markets – Egypt	Arab Republic of Egypt	Wholesale and retail	100%	100%
Thamarat Al Qassim Company	Kingdom of Saudi Arabia	Cultivation of vegetables and fodder	100%	100%
Shurofat Al Jazeerah Company	Kingdom of Saudi Arabia	General contracting and operation of commercial complexes	100%	100%
Mueen for Human Resources Company	Kingdom of Saudi Arabia	Labor services	68%	68%

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

(All amounts are presented in ~~٥~~ unless otherwise stated)

1. INFORMATION ABOUT THE COMPANY, ITS SUBSIDIARIES AND THEIR ACTIVITIES (CONTINUED)

The following is a summary of the controlled subsidiaries whose financial statements have been consolidated in these interim condensed consolidated financial statements:

Haley Holding Company

A limited liability company that operates under commercial registration number 1010314228 issued in Riyadh on 9 Ramadhan 1432H (corresponding to 9 August 2011). The main activities of the company are investment in other companies to obtain control over them, wholesale and retail trading of food products, wheat, rice, meat, fish, home products, computer services (application systems and data bases), import and export services, marketing, maintenance of training and entertaining centers and cooked and uncooked catering services.

Al-Othaim Cash and Carry Company

A limited liability company that operates under commercial registration number 1010314201 issued in Riyadh on 9 Ramadhan 1432H (corresponding to 9 August 2011). The main activities of the company are investment in other companies to obtain control over them, wholesale and retail trading of food products, wheat, rice, meat, fish, home products, vehicles spare parts, computer services (application systems and data bases), import and export services, marketing, Maintenance of training and entertaining centers and cooked and uncooked catering services. during the six months period ended 30 June 2025, the company's name was changed from " Universal Marketing Centre Company" to "Al-Othaim Cash and Carry Company."

Seven Services Company

A limited liability company that operates under commercial registration number 1010320848 issued in Riyadh on 2 Muharram 1433H (corresponding to 27 November 2011). The main activities of the company are importing, exporting, wholesale and retail trading of ready-made clothes, sport clothes, jewelry, sewing tools, bags, leather products, decorations, dropped ceilings, vehicles spare parts, agricultural produce, in addition to providing importing and exporting services on behalf of others, establishing agriculture projects, and operating and managing bakeries and cafes.

The process of transferring all assets and liabilities related to Seven Services Company is currently being processed to become one of the branches of Abdullah Al-Othaim Markets Company. A new commercial registration number 1010877599, issued in Riyadh on 11 Shawwal 1444H (corresponding to 1 May 2023) was established for Seven Services Company. On February 16, 2025, the Board of Directors issued a decision to liquidate and voluntarily dissolve the Seven Services Company due to its lack of need, as it does not engage in any actual activity. The regulatory procedures related to the liquidation of the company are currently being completed as at the date of the interim condensed consolidated financial statements.

Bayt Al Watan Company

A limited liability company that operates under commercial registration number 1010320847 issued in Riyadh on 2 Muharram 1433H (corresponding to 27 November 2011). The main activities of the company are importing, exporting, and retail and whole sales trading of fruits and vegetables, fish, dairy products, ghee, olive, halawa, pasta, soft drinks, in addition to providing importing, exporting, and marketing services for others, maintenance of training, entertainment, and sports centers, general contracting, construction, maintenance, demolition and restoration and electrical and electronic works.

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

(All amounts are presented in ~~١٠٠٠~~ unless otherwise stated)

1. INFORMATION ABOUT THE COMPANY, ITS SUBSIDIARIES AND THEIR ACTIVITIES (CONTINUED)

Marafeq Al Tashgheel Company

A limited liability company that operates under commercial registration number 1010321917 issued in Riyadh on 15 Muharram 1433H (corresponding to 10 December 2011). The main activities of the Company include general constructions and renovation of residential and non-residential buildings such as schools, hospitals, hotels, on-site ready-made houses, and restoration of residential and non-residential buildings.

On 16 Rabi Al-Awal 1446H (corresponding to 19 September 2024), all assets and liabilities related to Marafeq Al Tashgheel Company were transferred to become one of the branches of Abdullah Al-Othaim Markets Company. A new commercial registration number 1009098729, issued in Riyadh on 12 Rabi' al- Awal 1446H (corresponding to 15 September 2024) was established for Marafeq Al Tashgheel Company. On February 16, 2025, the Board of Directors issued a decision to liquidate and voluntarily dissolve the Marafeq Al Tashgheel Company due to its lack of need, as it does not engage in any actual activity. The regulatory procedures related to the liquidation of the company are currently being completed as at the date of the interim condensed consolidated financial statements.

Abdullah AL Othaim Markets - Egypt

A joint stock company that operates under commercial registration number 55010 issued in Arab Republic of Egypt on 20 Dhu Al-Hijjah 1432H (corresponding to 16 November 2011). The main activities of the company are wholesale, retail trading, and general trade.

Thamarat Al Qassim Company

A limited liability company operating under commercial registration number 1010378315 issued in Riyadh on 30 Rajab 1434H (corresponding to 9 June 2013), the main activities are in the agriculture, fodder, livestock and poultry breeding, import and export services, marketing to others, and the purchase of land to build buildings on them and invest them by selling or renting and the exploitation of real estate and lands for the benefit of the company.

On 25 Rabi Al-Thani 1444H (corresponding to 19 November 2022), all assets and liabilities related to Thamarat Al-Qassim Company were transferred to become one of the branches of Abdullah Al-Othaim Markets Company. A new commercial registration number 1010841207, issued in Riyadh on 21 Rabi' al-Thani 1444H (corresponding to 15 November 2022) was established for Thamarat Al Qassim Company. On February 16, 2025, the Board of Directors issued a decision to liquidate and voluntarily dissolve the Thamarat Al Qassim Company due to its lack of need, as it does not engage in any actual activity. The regulatory procedures related to the liquidation of the company are currently being completed as at the date of the interim condensed consolidated financial statements.

Shoufat Al Jazeerah Company

A limited liability company that operates under commercial registration number 1010228732 issued in Riyadh on 2 Safar 1428H (corresponding to 20 February 2007). The main activities of the company are general contracting and operating commercial complexes.

On 13 Rajab 1445H (corresponding to 25 January 2024), all assets and liabilities related to Shoufat Al Jazeerah Company were transferred to become one of the branches of Abdullah Al-Othaim Markets Company. A new commercial registration number 1010878137, issued in Riyadh on 12 Shawwal 1444H (corresponding to 2 May 2023) was established for Shoufat Al Jazeerah Company. On February 16, 2025, the Board of Directors issued a decision to liquidate and voluntarily dissolve the Shoufat Al Jazeerah Company due to its lack of need, as it does not engage in any actual activity. The regulatory procedures related to the liquidation of the company are currently being completed as at the date of the interim condensed consolidated financial statements.

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

(All amounts are presented in ~~SR~~ unless otherwise stated)

1. INFORMATION ABOUT THE COMPANY, ITS SUBSIDIARIES AND THEIR ACTIVITIES (CONTINUED)

Mueen for Human Resources Company

A closed joint stock company that operates under commercial registration number 1010435202 issued in Riyadh on 6 Ramadan 1436H (corresponding to 23 June 2015). The main activities of the company are providing labor services regarding household workers and workers for both public and private sectors under authorization from the Ministry of Human Resources and Social Development No. UMM 24 issued on 23 Dhu Al-Hijjah 1436H (corresponding to 16 October 2015).

2. BASIS OF PREPARATION

2-1 Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (34) "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The interim condensed consolidated financial statements do not include all disclosures required in the full annual consolidated financial statements and therefore should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2024. In addition, the interim period is considered an integral part of the whole year, however, the results of interim periods may not be fair indication of the results for the full year.

2-2 Basis of measurement

The interim condensed consolidated financial statements have been prepared at historical cost, except for the following significant items stated in the interim condensed consolidated statement of financial position as follows:

- Investment in equity instruments at fair value through other comprehensive income is measured at fair value.
- Investment in financial assets at fair value through statement of income is measured at fair value.
- Obligation for the end-of-service benefits is measured at the present value of future obligations using the projected unit credit method.

2-3 Functional and presentation currency

The interim condensed consolidated financial statements are presented in ~~SR~~, which is the functional currency of the Company, and presentation currency of the Group. All amounts in the interim condensed consolidated financial statements are in ~~SR~~ unless otherwise stated.

2-4 Use of judgments and estimates

The preparation of these interim condensed consolidated financial statements requires management to use judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. Actual results may differ from these estimates.

The significant estimates made by management when applying the Group's accounting policies and significant sources of estimation uncertainty were similar to those disclosed in the Group's consolidated financial statements for the year ended 31 December 2024.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

(All amounts are presented in ~~١٠٠٠~~ unless otherwise stated)

3. BASIS FOR CONSOLIDATING THE FINANCIAL STATEMENTS

The Group's interim condensed consolidated financial statements include the financial statements of the Company and the subsidiaries under its control. Control is achieved when the Company is exposed to, or has the right to, different returns from its association with the investee company, and has the ability to affect these returns through its power over the investee company.

Specifically, control of the Company over an investee is achieved only when the following three elements are met:

- Power over the investee (i.e., existing rights that give it the current ability to direct the activities of interest to the investee).
- Exposure to, or the right to, variable returns in return for its association with the investee company.
- The ability to use its power over the investee to influence its returns.

In general, there is an assumption that having a majority of voting rights results in control. In support of this presumption, when the Company has less than a majority of voting or similar rights in an investee, the Company considers all facts and circumstances to assess whether it has power over an investee, including:

- Contractual arrangements with other voting rights holders in the investee company.
- Rights arising from other contractual arrangements.
- The Company's special voting rights and any potential voting rights.

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there is a change in one or more of the three elements of control. Consolidation of a subsidiary begins from the date when the Company obtains control over the subsidiary and ceases when the Company loses control over the subsidiary.

Assets, liabilities, revenues, and expenses of a subsidiary acquired are included in the interim condensed consolidated financial statements from the date the Company obtains control until the date the Company ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income is attributed to the shareholders of the company and to the non-controlling interest even if this results in the balance of the non-controlling interest being in deficit, meaning that losses are recorded on the non-controlling interest even if this leads to a deficit in the balance of non-controlling interest.

When consolidating the financial statements, adjustments are made to the interim condensed consolidated financial statements of subsidiaries, if necessary, in order to be in line with the accounting policies of the Company. All intra-group assets, liabilities, equity, revenues, expenses, and cash flows related to transactions between members of the Group are eliminated.

Changes in the ownership of subsidiaries under control that do not result in loss of control are treated as equity transactions.

If the Group loses control over the subsidiary, it would:

- Derecognize the related assets and liabilities of the invested subsidiary.
- Derecognize the carrying amount of any non-controlling interest.
- Derecognize accumulated exchange differences recognized in equity.
- Recognize the fair value of the consideration received.
- Recognize the fair value of any held investment.
- Recognize any surplus or deficit in the consolidated statement of income.
- Reclassify its share of items previously recognized in other comprehensive income to the statement of income or transfer directly to retained earnings, if necessary, in accordance with other international standards.

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FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

(All amounts are presented in ~~ﷲ~~ unless otherwise stated)

4. MATERIAL ACCOUNTING POLICIES

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those policies in the Group's annual consolidated financial statements for the year ended 31 December 2024.

5. NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS

The amendment to the standards is effective from 1 January 2025, but it does not have a material impact on the interim condensed consolidated financial statements of the Group:

- Amendments to IAS 21: Lack of Exchangeability (Effective from 1 January 2025).

6. PROPERTY, PLANT AND EQUIPMENT

During the six months period ended 30 June 2025, the Group acquired property, plant, and equipment with a total cost of ~~ﷲ~~159 million (30 June 2024: ~~ﷲ~~ 297 million).

During the six months period ended 30 June 2025, the Group disposed property, plant, and equipment with a net book value of ~~ﷲ~~ 1.16 thousand (30 June 2024: ~~ﷲ~~ 538 thousand), of which the disposal of those property, plant, and equipment resulted in a capital loss of ~~ﷲ~~ 201 thousand and of ~~ﷲ~~ 334 thousand for the three and six-month periods ended 30 June 2025, respectively. (For the three and six-month periods ended 30 June 2025: capital gains of ~~ﷲ~~ 120.6 thousand and ~~ﷲ~~ 197.2 thousand, respectively).

During the six months period ended 30 June 2025, depreciation expense amounted to ~~ﷲ~~ 109,1 million (30 June 2024: ~~ﷲ~~ 97 million).

7. RIGHT-OF-USE ASSETS

During the six months period ended 30 June 2025, the net additions to right-of-use assets amounted to ~~ﷲ~~ 61.4 million (30 June 2024: ~~ﷲ~~ 208.3 million).

During the six months period ended 30 June 2025, depreciation expense amounted to ~~ﷲ~~ 110.7 million (30 June 2024: ~~ﷲ~~ 99.3 million "Restated, note 21").

8. INVESTMENT PROPERTIES

Investment properties represent commercial centers, exhibitions, buildings, and its lands, which are mainly held for investment and leasing to others. Additionally, investment properties also include buildings built on leased lands.

During the six months period ended 30 June 2025, depreciation expense amounted to ~~ﷲ~~ 2.25 million (30 June 2024: ~~ﷲ~~ 3.35 million "Restated, note 21").

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The fair value of the investment properties as at 31 December 2024 amounted to ~~SR~~1,109 million evaluated by qualified and independent experts.

The following are the data of the real estate appraiser:

Name: Olat Real Estate Appraisal Company

Qualifications: Membership of the Saudi Authority for Accredited Valuers

License number: 1210000397

The fair value was measured according to the applicable valuation techniques (market comparison approach, income approach, and residual value approach).

9. INVESTMENTS IN ASSOCIATES AND JOINT VENTURE

Below are the details of the companies included in the interim condensed consolidated financial statements which are accounted for using the equity method:

<u>Company</u>	<u>Country of Incorporation</u>	<u>Ownership percentage %</u>	
		<u>30 June 2025</u>	<u>31 December 2024</u>
AlWousta Food Services Company - Associate ⁽¹⁾	Kingdom of Saudi Arabia	25%	25%
Riyadh Food Industries Company - Associate ⁽²⁾	Kingdom of Saudi Arabia	55%	55%
Gulf Flour Milling Industrial Company - Joint venture ⁽³⁾	Kingdom of Saudi Arabia	33.33%	33.33%

- (1) The main activities of the company are managing, operating, and monitoring of Al Baik restaurants in Riyadh, Qassim, Hail and Al Jouf. The Company is a limited liability company and the headquarter of the company is in Jeddah. The investment of the Group in this company has been classified as an investment in associate company since there is a significant influence over the company.
- (2) The main activities of the company are the purchase of lands to construct buildings for manufacturing plants for the purpose of investment for its own interest, management, maintenance, and development of manufacturing plants for others, marketing food and consumable goods, and whatever necessary to establish or participate in shops and markets, import and export of food and consumable goods. The investment of the Group in this company has been classified as an investment in associate company since there is a significant influence over the company with no control.
- (3) The main activities of the company are packaging and grinding grains, flour manufacturing, feed manufacturing, and storage in grain silos, in accordance with the ministry of investment license number 101034210105632, dated 15 Shawwal 1442H (corresponding to 27 May 2021). The investment of the Group in this company has been classified as an investment in joint arrangements (joint venture) since there is a joint control over the company with other parties.

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025**(All amounts are presented in ~~SR~~ unless otherwise stated)**9. INVESTMENTS IN ASSOCIATES AND JOINT VENTURE (CONTINUED)****a) Summary of investment movements during the period/ year**

	30 June 2025	31 December 2024
Balance at the beginning of the period/ year	303,064,144	194,797,870
Share in profit of associates and joint venture (*)	25,661,728	198,386,036
Share in other comprehensive loss of associates and joint venture	(2,205)	(119,762)
Dividends	(13,000,000)	(90,000,000)
Balance at the end of the period/ year	315,723,667	303,064,144

(*) The share in profit or loss includes ~~SR~~161.3 million, representing the Company's share of the capital gains achieved by Gulf Flour Milling Industrial Company, resulted from the completion of the shares offered of Fourth Milling Industrial Company (Subsidiary of Joint arrangement).

b) Investments in associates and joint venture balances

	30 June 2025	31 December 2024
Gulf Flour Milling Industrial Company - Joint venture	234,020,656	226,458,712
Riyadh Food Industries Company - Associate	46,795,615	41,805,770
AlWousta Food Services Company - Associate	34,907,396	34,799,662
	315,723,667	303,064,144

10. CASH AND CASH EQUIVALENTS

	30 June 2025	31 December 2024
Cash at banks	95,511,220	58,431,997
Cash on hand	29,719,140	29,107,109
	125,230,360	87,539,106

11. OBLIGATION FOR EMPLOYEES' END-OF-SERVICE BENEFITS

	30 June 2025	31 December 2024
Balance at the beginning of the period/ year	339,254,725	296,829,242
Service cost	20,800,914	43,860,288
Interest cost on benefits obligation	8,354,775	16,278,523
Paid during the period/ year	(13,614,153)	(30,945,980)
Actuarial (gains) losses from remeasurement of obligation for employees' end-of-service benefits	(1,514,201)	13,232,652
Balance at the end of the period/ year	353,282,060	339,254,725

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

(All amounts are presented in ﷲ unless otherwise stated)

12. LOANS AND SHORT-TERM MURABAHA

The Group utilizes Islamic bank facilities (Murabaha) to finance its trade operations. These facilities bear financing costs at prevailing market rates. These facilities are secured by promissory notes under the name of the Company.

During the period ended 30 June 2025, the Group obtained short-term loans in the amount of ﷲ 1,565 million, and paid loans in the amount of ﷲ 1,380 million. The purpose of these short-term loans is to finance the working capital requirements of the Group and bear an interest rate according to prevailing interest rates.

As at 30 June 2025, the available and unused facilities for the purposes of meeting the Group's obligations when due amounted to ﷲ 235 million (31 December 2024: ﷲ 315 million).

13. RELATED PARTIES

Transactions with related parties represent transactions entered between the Company and its associates, subsidiaries, major shareholders and senior executives of the Group, in addition to the entities related to these parties. Management of the Group approved a policy for prices and conditions for transactions with related parties. Transactions with related parties represent mainly in rent revenue, rent expenses, purchases of goods and manpower services.

Related party

Al-Othaim Holding Company

Abdullah Al-Othaim for Investment Company

AlWousta Food Services Company

Riyadh Food Industries Company

Gulf Flour Milling Industrial Company

Members of the Board of Directors and Senior Management

Abdullah Al-Othaim for Fashion Company

Abdullah Al-Othaim for Entertainment Company

Emtiyaz Al Riyadh Trading Company

Fourth Milling Company

Rimal Al Sawahil for Contracting and Maintenance

Radial Construction and Development Contracting Company (Previously

Saudi Pillar for Contracting)

Nature of relationship

Founding shareholder

Related to the Chairman of the Board of Directors

Associate

Associate

Joint venture

Group's management

Related to the Chairman of the Board of Directors

Related to the Chairman of the Board of Directors

Related to the Chairman of the Board of Directors

Subsidiary of an associate

Founding shareholder of a subsidiary

Related to the Chairman of the Board of Directors

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025**(All amounts are presented in ~~S~~ unless otherwise stated)**13. RELATED PARTIES (CONTINUED)**

Transactions with related parties for the six months period ended 30 June 2025 are as follows:

<u>Related Party</u>	<u>Rent Expense</u>	<u>Rental Income</u>	<u>Purchase of Inventory</u>	<u>Labor Revenues and Others</u>	<u>Labor Expenses and Others</u>
Abdullah Al-Othaim for Investment Company	8,936,323	17,466,000	-	-	2,032,402
AlWousta Food Services Company	-	637,875	-	-	-
Riyadh Foods Industries Company	-	-	35,620,315	2,165,796	-
Rimal Al Sawahil for Contracting and Maintenance	-	-	-	11,965,065	-
Abdullah Al-Othaim for Entertainment Company	-	788,307	-	-	-
Fourth Milling Company	-	-	3,404,535	-	-

Transactions with related parties for the six months period ended 30 June 2024 are as follows:

<u>Related Party</u>	<u>Rent Expense</u>	<u>Rental Income</u>	<u>Purchase of Inventory</u>	<u>Labor Revenues and Others</u>	<u>Labor Expenses and Others</u>
Abdullah Al-Othaim for Investment Company	9,682,298	17,466,000	-	-	2,009,835
AlWousta Food Services Company	-	637,875	-	-	-
Riyadh Foods Industries Company	-	-	43,802,930	2,826,098	-
Rimal Al Sawahil for Contracting and Maintenance	-	-	-	27,731,483	-
Abdullah Al-Othaim for Entertainment Company	-	746,919	-	-	-
Fourth Milling Company	-	-	4,337,371	-	-

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025**(All amounts are presented in ~~SR~~ unless otherwise stated)**13. RELATED PARTIES (CONTINUED)**

Below are the board members and senior management benefits during the six months period:

	Charged to comprehensive income	
	30 June 2025	30 June 2024
Short term benefits	18,008,456	18,106,132
Post-employment benefits	354,394	583,715
	18,362,850	18,689,847

Below are the balances due from/to related parties:

Amounts due from related parties (included in trade receivables)	30 June 2025	31 December 2024
Rimal Al Sawahil for Contracting and Maintenance	16,843,794	12,295,307
Abdullah Al-Othaim for Entertainment Company	1,000	-
Riyadh Foods Industries Company	837,621	231,694
	17,682,415	12,527,001

Amounts due to related parties (included in accounts payable)	30 June 2025	31 December 2024
Riyadh Foods Industries Company	34,430,422	26,769,973
Fourth Milling Company	795,606	2,002,020
Abdullah Al-Othaim for Investment Company	3,554,891	1,131,635
	38,780,919	29,903,628

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025**(All amounts are presented in **ﷲ** unless otherwise stated)**14. ZAKAT AND FOREIGN TAX****14-1 Zakat Provision**

Zakat is calculated according to the Regulations of the Zakat, Tax and Customs Authority ("ZATCA") in Saudi Arabia. Zakat is calculated in the current period on the basis of the adjusted net income method.

The movement in zakat provision is as follows:

	30 June 2025	31 December 2024
Balance at the beginning of the period/year	19,301,126	37,423,097
Charged for the period/year	4,926,315	16,183,975
Zakat reversal for prior years – Adjustments	-	(17,692,592)
Paid during the period/year	(9,323,140)	(16,613,354)
Balance at the end of the period/year	14,904,301	19,301,126

- The Group submitted its consolidated zakat declarations for all years up to 2024 and paid zakat liabilities accordingly.
- As at the date of the financial statements, the Group finalized the Zakat status for all previous years until 2023.
- Resulting from what is mentioned above, there was a reversal in the provision in the amount of **ﷲ** 17,7 million during the year 2024 from the provision built during prior years.

14-2 Foreign tax

Abdullah Al-Othaim Markets Company – Egypt (Subsidiary) is subject to the Egyptian Corporate Income Tax Law No. 91 of 2005 and its amendments. The company has submitted its tax returns to the Tax Authority for all years up to 2024 within the legal deadlines, and all tax returns have been examined up to 2020.

	30 June 2025	31 December 2024
Balance at the beginning of the period/year	1,261,819	1,036,832
Charged for the period/year	133,812	873,008
Paid during the period/year	(834,519)	(166,260)
Foreign tax translation differences	17,652	(481,761)
Balance at the end of the period/year	578,764	1,261,819

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(All amounts are presented in SAR unless otherwise stated)

15. BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY

Earnings per share for the ordinary shareholders for the period ended 30 June 2025 and 30 June 2024 are calculated based on the weighted average number of shares outstanding during the year. The Group does not have any dilutive instruments, accordingly, the diluted earnings per share is equal to the basic earnings per share. There has been no item of dilution affecting the weighted average number of shares.

	For the three-month period ended		For the six-month period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Profits attributable to shareholders of the Company	41,139,186	40,856,231	117,500,668	156,359,596
Weighted average number of shares (Share)	900,000,000	900,000,000	900,000,000	900,000,000
Basis and diluted earnings per shares	0,05	0,05	0,13	0,17

16. SEGMENTAL INFORMATION

The Group is engaged mainly in food supplies retail and wholesale. The Group operates in the Kingdom of Saudi Arabia and Arab Republic of Egypt, in addition to leasing commercial centers for the purpose of sale or lease for the interest of the Group. The results of the segments are reviewed by the Group's executive management. Revenues, profits, assets, and liabilities are measured using the same accounting principles used in the preparation of the interim condensed consolidated financial statements.

a. Selected information for each business segment is summarized below:

Interim condensed consolidated statement of financial position as at 30 June 2025 (unaudited)

<u>Item</u>	<u>Retail and Wholesale</u>	<u>Real Estate and Leasing</u>	<u>Investments</u>	<u>Others</u>	<u>Total</u>
Property, plant, and equipment	2,104,125,835	-	-	37,091,338	2,141,217,173
Right-of-use assets	1,746,417,250	311,267,249	-	4,756,296	2,062,440,795
Financial assets at amortized cost and others	-	248,831,958	-	43,165,826	291,997,784
Investment properties	-	644,075,726	-	-	644,075,726
Intangible assets	3,965,635	-	-	1,652,867	5,618,502
Total assets	5,182,947,458	1,216,214,143	324,024,631	587,504,075	7,310,690,307
Total liabilities	5,457,801,037	391,219,141	-	121,133,991	5,970,154,169

Consolidated statement of financial position as at 31 December 2024 (audited)

<u>Item</u>	<u>Retail and Wholesale</u>	<u>Real Estate and Leasing</u>	<u>Investments</u>	<u>Others</u>	<u>Total</u>
Property, plant, and equipment	2,052,805,373	-	-	38,902,868	2,091,708,241
Right-of-use assets	1,892,409,861	359,699,622	-	4,606,310	2,256,715,793
Financial assets at amortized cost and others	-	87,567,998	-	51,058,521	138,626,519
Investment properties	-	644,321,112	-	-	644,321,112
Intangible assets	3,725,483	-	-	1,472,046	5,197,529
Total assets	5,066,720,345	1,128,857,830	311,365,108	536,539,794	7,043,483,077
Total liabilities	5,108,715,241	425,732,818	-	94,498,867	5,628,946,926

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FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

(All amounts are presented in **ﷲ** unless otherwise stated)

16. SEGMENTAL INFORMATION (CONTINUED)
Interim condensed consolidated statement of income for the six months period ended 30 June 2025 (unaudited)

Item	Retail and Wholesale	Real Estate and Leasing	Investments	Others	Total
Sales	5,426,731,171	-	-	311,851,385	5,738,582,556
Sales outside the Group	5,426,731,171	-	-	246,477,558	5,673,208,729
Rental income outside the Group	-	62,071,107	-	-	62,071,107
Inter-segment sales and revenues	-	31,500	-	65,373,827	65,405,327
Total income, sales commissions, and net rental income	1,165,411,225	44,184,684	-	45,949,293	1,255,545,202
Operating profit	114,355,646	44,184,684	-	24,067,516	182,607,846
Share in profit of associates and joint venture, net	-	-	25,661,728	-	25,661,728

Consolidated statement of income for the six months period ended 30 June 2024 (unaudited)

Item	Retail and Wholesale	Real Estate and Leasing	Investments	Others	Total
Sales	5,361,435,380	-	-	191,957,012	5,553,392,392
Sales outside the Group	5,361,435,380	-	-	141,158,845	5,502,594,225
Rental income outside the Group	-	55,592,502	-	-	55,592,502
Inter-segment sales and revenues	-	30,000	-	50,798,167	50,828,167
Total income, sales commissions, and net rental income	1,144,331,971	36,997,656	-	25,190,133	1,206,519,760
Operating profit	154,531,085	36,997,656	-	6,058,263	197,587,004
Share in profit of associates and joint venture, net	-	-	19,813,610	-	19,813,610

b. Distribution of retail and wholesale sales and rental income on geographical regions as follows:
For the six months period ended 30 June 2025 (unaudited)

Geographical area	Retail and Wholesale	Percentage %	Real Estate and Leasing	Percentage %	Others	Percentage %
Kingdom of Saudi Arabia	5,312,015,602	97.9%	61,884,994	99.7%	246,477,558	100%
Arab Republic of Egypt	114,715,569	2.1%	186,113	0.3%	-	0.0%
Total	5,426,731,171	100%	62,071,107	100%	246,477,558	100%

For the six months period ended 30 June 2024 (unaudited)

Geographical area	Retail and Wholesale	Percentage %	Real Estate and Leasing	Percentage %	Others	Percentage %
Kingdom of Saudi Arabia	5,238,570,572	97.7%	55,458,807	99.8%	141,158,845	100%
Arab Republic of Egypt	122,864,808	2.3%	133,695	0.2%	-	0.0%
Total	5,361,435,380	100%	55,592,502	100%	141,158,845	100%

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	For the three-month period ended		For the six-month period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
		(Restated, Note 21)		(Restated, Note 21)
Stores rental income	26,324,121	19,301,887	47,672,754	38,067,436
Marketing rental income	6,498,569	8,994,586	14,398,353	17,525,066
Total rental income	32,822,690	28,296,473	62,071,107	55,592,502
Rental expenses	(8,379,808)	(8,912,221)	(17,886,423)	(18,594,846)
Net rental income	24,442,882	19,384,252	44,184,684	36,997,656

18. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Group has the following contingent liabilities and capital commitments:

	30 June 2025	31 December 2024
Letters of guarantee ^(*)	115,263,011	105,745,893
Letters of credit	38,163,448	41,020,595
Commitments on capital work in progress	178,795,604	200,788,157
Long-term capital contracts	26,506,701	38,037,148

(*) The balance includes an amount of ~~ﷲ~~ 85.71 million (31 December 2024: ~~ﷲ~~ 85.71 million) related to promissory note issued under the name of the Company as a guarantee for bank facilities obtained by Riyadh Foods Industries Company (Associate).

(*) The balance includes an amount of ~~ﷲ~~ 5.67 million related to a joint guarantee (equivalent to EGP 75 million) for Abdullah Al-Othaim Markets Company - Egypt.

19. FINANCE CHARGES

	For the three-month period ended		For the six-month period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Finance costs on lease contracts liabilities	39,214,067	29,469,766	76,630,468	57,330,318
Cost of discount factor on obligation for employees' end of service benefits	4,117,887	4,027,955	8,354,775	7,556,551
Finance costs on short-term loans	2,321,869	1,947,598	6,311,152	2,085,253
	45,653,823	35,445,319	91,296,395	66,972,122

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Gains arising from the foreign currency translation differences included in the interim condensed consolidated statement of comprehensive income amounted to ~~ﷲ~~ 223 thousand for the six-months period ended 30 June 2025 (30 June 2024: losses amounted to ~~ﷲ~~ 2.87 million), which is mainly due to exchange difference resulted from the Company's net investment in its subsidiary in Egypt, whose functional currency is the Egyptian Pound, which has been affected by the devaluation since March 2022 by the Egyptian Authorities. The Egyptian Authorities decided during the previous periods to adopt a flexible exchange policy in which the Egyptian Pound is subject to a pricing policy based on supply and demand forces against other foreign currencies.

21. COMPARATIVE FIGURE**21-A - Restatement**

The Group has restated the financial statements for the comparative periods due to an error related to the accounting treatment of a sublease agreement with a related party. This agreement had previously been classified as an operating lease in prior years, whereas it should have been accounted for as a finance lease. The management has corrected this error retrospectively by restating the condensed consolidated interim statements of income, comprehensive income, changes in equity, and cash flows for the three and six-month period ended June 30, 2024.

21-B - Reclassification

During the year 2024, the lease agreements for the land on which the above-mentioned investment property is located were renewed.

The impact of the reclassification on the condensed consolidated interim statement of financial position for the six months ended June 30, 2024 is as follows:

	As previously presented	Reclassification (21-B)	Restatement (21-A)	As currently presented
Financial assets at amortized cost and others	118,137,795	20,488,724	-	138,626,519
Financial assets and Short-term Murabaha deposits	54,276,065	(20,488,724)	-	33,787,341
Obligation for employees' end-of-service benefits	336,591,030	2,663,695	-	339,254,725
Accruals and other payables	507,558,222	(2,663,695)	-	504,894,527
		-	-	

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(All amounts are presented in ~~SR~~ unless otherwise stated)

21. COMPARATIVE FIGURE (CONTINUED)

The following is a summary of the restatement in Interim condensed consolidated statement of income for the three-month period ended 30 June 2024:

	As previously presented	Reclassification (21-B)	Restatement (21-A)	As currently presented
Net sales	2,463,730,436	-	-	2,463,730,436
Cost of sales	(1,921,689,963)	(967,940)	-	(1,922,657,903)
Gross profit	542,040,473	(967,940)	-	541,072,533
Rental income, net	23,348,639	-	(3,964,387)	19,384,252
Sold voucher commissions	676,748	-	-	676,748
Selling and marketing expenses	(447,670,281)	875,977	-	(446,794,304)
General and administrative expenses	(43,915,805)	91,963	-	(43,823,842)
Operating profit	74,479,774	-	(3,964,387)	70,515,387
Gain on sale of investment property, net	3,484,140	-	-	3,484,140
Finance Income from deposits and others	1,720,247	-	1,474,328	3,194,575
Finance costs	(35,445,319)	-	-	(35,445,319)
Other income, net	1,065,112	-	-	1,065,112
Income before zakat and foreign tax	45,303,954	-	(2,490,059)	42,813,895
Zakat and foreign tax	(1,062,137)	-	64,362	(997,775)
Net income for the period	44,241,817	-	(2,425,697)	41,816,120
<u>Profit attributable to:</u>				
Shareholders of the Company	43,281,928	-	(2,425,697)	40,856,231
Non-controlling interest	959,889	-	-	959,889
	44,241,817	-	(2,425,697)	41,816,120
<u>Earnings per share</u>				
Basic and diluted earnings per share from the net income for the period attributable to the shareholders of the Company	0.05	-	-	0.05

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The following is a summary of the restatement in the Interim condensed consolidated statement of comprehensive income for the three-month period ended 30 June 2024:

	As previously presented	Reclassification (21-B)	Restatement (21-A)	As currently presented
Net income for the period	44,241,817	-	(2,425,697)	41,816,120
Other comprehensive income (loss) for the period				
<u>Items will not be reclassified to statement of income in subsequent periods:</u>				
Actuarial losses for employees' end-of-service benefits	(4,414,495)	-	-	(4,414,495)
<u>Items will be reclassified to statement of income in subsequent periods:</u>				
Share in other comprehensive loss of associates and joint venture	(11,987)	-	-	(11,987)
Currency exchange differences on translation of foreign subsidiary	159,560	-	-	159,560
Other comprehensive loss for the period	(4,266,922)	-	-	(4,266,922)
Total comprehensive income for the period	<u>39,974,895</u>	<u>-</u>	<u>(2,425,697)</u>	<u>37,549,198</u>
<u>Attributable to:</u>				
Shareholders of the Company	39,015,006	-	(2,425,697)	36,589,309
Non-controlling interests	959,889	-	-	959,889
	<u>39,974,895</u>	<u>-</u>	<u>(2,425,697)</u>	<u>37,549,198</u>

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(All amounts are presented in ~~SR~~ unless otherwise stated)

21. COMPARATIVE FIGURE (CONTINUED)

The following is a summary of the restatement in Interim condensed consolidated statement of income for the six-month period ended 30 June 2024:

	As previously presented	Reclassification (21-B)	Restatement (21-A)	As currently presented
Net sales	5,502,594,225	-	-	5,502,594,225
Cost of sales	(4,332,628,522)	(1,677,667)	-	(4,334,306,189)
Gross profit	1,169,965,703	(1,677,667)	-	1,168,288,036
Rental income, net	44,926,429	-	(7,928,773)	36,997,656
Sold voucher commissions	1,234,068	-	-	1,234,068
Selling and marketing expenses	(923,200,703)	1,566,954	-	(921,633,749)
General and administrative expenses	(87,409,720)	110,713	-	(87,299,007)
Operating profit	205,515,777	-	(7,928,773)	197,587,004
Gain on sale of investment property, net	19,813,610	-	-	19,813,610
Finance Income from deposits and others	3,681,185	-	2,948,656	6,629,841
Finance costs	(66,972,122)	-	-	(66,972,122)
Other income, net	6,863,644	-	-	6,863,644
Income before zakat and foreign tax	168,902,094	-	(4,980,117)	163,921,977
Zakat and foreign tax	(5,783,018)	-	128,724	(5,654,294)
Net income for the period	163,119,076	-	(4,851,393)	158,267,683
<u>Profit attributable to:</u>				
Shareholders of the Company	161,210,989	-	(4,851,393)	156,359,596
Non-controlling interest	1,908,087	-	-	1,908,087
	<u>163,119,076</u>	<u>-</u>	<u>(4,851,393)</u>	<u>158,267,683</u>
<u>Earnings per share</u>				
Basic and diluted earnings per share from the net income for the period attributable to the shareholders of the Company	0.18	-	-	0.17

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(All amounts are presented in ~~SR~~ unless otherwise stated)

21. COMPARATIVE FIGURE (CONTINUED)

The following is a summary of the restatement in the Interim condensed consolidated statement of comprehensive income for the six-month period ended 30 June 2024:

	As previously presented	Reclassification (21-B)	Restatement (21-A)	As currently presented
Net income for the period	163,119,076	-	(4,851,393)	158,267,683
Other comprehensive loss for the period				
<u>Items will not be reclassified to statement of income in subsequent periods:</u>				
Actuarial losses for employees' end-of-service benefits	(8,884,165)	-	-	(8,884,165)
<u>Items will be reclassified to statement of income in subsequent periods:</u>				
Share in other comprehensive income of associates and joint venture	(11,987)	-	-	(11,987)
Currency exchange differences on translation of foreign subsidiary	(2,869,312)	-	-	(2,869,312)
Other comprehensive loss for the period	(11,765,464)	-	-	(11,765,464)
Total comprehensive income for the period	151,353,612	-	(4,851,393)	146,502,219
<u>Attributable to:</u>				
Shareholders of the Company	149,445,525	-	(4,851,393)	144,594,132
Non-controlling interests	1,908,087	-	-	1,908,087
	151,353,612	-	(4,851,393)	146,502,219

The following is a summary of the restatement in the Interim condensed consolidated statement of change in equity for the period ended 30 June 2024 (21-A):

Balance as at 30 June 2024 – As previously presented	1,141,695,560
Prior years adjustments on Retained Earnings as at 1 January 2024	54,346,961
Net effect on net income and comprehensive income for the period ended 30 June 2024	(4,851,393)
Total equity as at 30 June 2024 – As currently presented	1,191,191,128

The following is a summary of the restatement in the Interim condensed consolidated statement of cash flows for the six-month period ended 30 June 2024:

	As previously presented	Reclassification (21-B)	Restatement (21-A)	As currently presented
Net cash flows generated from operating activities	592,209,614	-	(17,466,000)	574,743,614
Net cash flows used in investing activities	(266,948,167)	-	17,466,000	(249,482,167)
Net cash flows used in financing activities	(393,892,695)	-	-	(393,892,695)
	(68,631,248)	-	-	(68,631,248)

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FOR THE THREE AND SIX-MONTH PERIODS ENDED 30 JUNE 2025

(All amounts are presented in ~~ﷲ~~ unless otherwise stated)

22. DIVIDENDS

- On 24 June 2025, the General Assembly of the shareholders of Mueen for Human Resources Company (Subsidiary) decided to distribute dividends to the Company's shareholders for the fiscal year ended 31 December 2024, with a total amount of ~~ﷲ~~ 8,008,000 of which ~~ﷲ~~ 2,562,560 represent distributions to non-controlling interests.
- On 11 May 2025, the Board of Directors decided to distribute interim cash dividends to shareholders for the first quarter of 2025 with a total amount of ~~ﷲ~~ 99 million, at ~~ﷲ~~ 0.11 per share. The dividends were paid during the second quarter of 2025.
- On 24 March 2025, the Board of Directors decided to distribute interim cash dividends to shareholders for the fourth quarter of 2024 with a total amount of ~~ﷲ~~ 99 million, at ~~ﷲ~~ 0.11 per share. The dividends were paid during the second quarter of 2025.
- On 20 May 2024, the General Assembly of the shareholders of Mueen for Human Resources Company (Subsidiary) decided to distribute dividends to the Company's shareholders for the fiscal year ended 31 December 2023, with a total amount of ~~ﷲ~~ 15,015,000 of which ~~ﷲ~~ 4,804,800 represent distributions to non-controlling interests.
- On 12 May 2024, the Board of Directors decided by circulation to distribute cash dividends to the shareholders for the first quarter of 2024 with a total amount of ~~ﷲ~~ 135 million, at ~~ﷲ~~ 0.15 per share. The dividends were paid during the second quarter of 2024.
- On 6 February 2024, the Board of directors decided to distribute interim cash dividends to the shareholders for the second half of 2023, amounting to ~~ﷲ~~ 270 million, at ~~ﷲ~~ 0.30 per share. The dividends were paid during the first quarter of 2024.

23. FAIR VALUE

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. As such, differences can arise between carrying values and fair value estimates. Fair value is defined by the market-based measurement and assumptions used by market participants.

Management considers that the fair value of short-term financial assets and liabilities approximates their book value due to the short maturity of their maturities.

Management estimated that the fair value of long-term loans and Murabaha is close to their book value, because the commission rate on these loans changes periodically with the change in the market commission rate.

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The following table shows the analysis of items recorded at fair value, according to the level of the fair value hierarchical measurement:

	30 June 2025		
	Level 1	Level 2	Level 3
Equity instruments at fair value through other comprehensive income	-	-	8,300,964
Financial assets at fair value through statement of income (*)	21,070,081	-	-
31 December 2024			
	Level 1	Level 2	Level 3
Equity instruments at fair value through other comprehensive income	-	-	8,300,964
Financial assets at fair value through statement of income (*)	20,488,724	-	-

The fair value of the unlisted equity instruments at fair value through other comprehensive income has been estimated on the basis of net asset value based on the latest available financial statements (level 3).

(*) This item represents the investment of Mueen Human Resources Company (Subsidiary) in Alpha Murabaha Fund. The valuation gain recognized in the statement of income for the three and six month periods ended 30 June 2025 amounted to **ﷲ** 303,4 thousand and **ﷲ** 581,3 thousand, respectively. (30 June 2024: **ﷲ** 29,9 thousand and **ﷲ** 29,9 thousand).

24. SUBSEQUENT EVENTS

On 5 August 2025, the Board of directors decided to distribute interim cash dividends to the shareholders for the second half of 2025, amounting to **ﷲ** 108 million, at **ﷲ** 0.12 per share. The dividends will be paid during the third quarter of 2025.

The Group's management believes that no additional material events have occurred after the end of the period that may require an adjustment or disclosure in these interim condensed consolidated financial statements.

25. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved by the Board of Director on 11 Safar 1447H (corresponding to 5 August 2025).