



**Saudi AZM for Communication and Information
Technology Company
(A Saudi Joint Stock Company)**

**Interim condensed consolidated financial statements and
independent auditor's review report for the three-month and six-
month periods ended 31 December 2025 (Unaudited)**

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS**

**TO THE SHAREHOLDERS OF SAUDI AZM FOR COMMUNICATION AND INFORMATION
TECHNOLOGY COMPANY
A SAUDI JOINT STOCK COMPANY**

(1 / 1)

INTRODUCTION

We have reviewed the accompanying 31 December 2025 interim condensed financial statements of Saudi AZM for Communication and Information Technology Company ("the Company") and its subsidiaries ("the Group") which comprises:

- The interim condensed consolidated statement of financial position as at 31 December 2025;
- The interim condensed consolidated statement of comprehensive income for the three-month and six-month period then ended;
- The interim condensed consolidated statement of changes in equity for the six-month period then ended;
- The interim condensed consolidated statement of cash flows for the six-month period then ended, and;
- The notes to the interim condensed consolidated financial statements.

Management is responsible for the preparation and presentation of these interim condensed financial consolidated statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagement 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", that is endorsed in the Kingdom of Saudi Arabia. A review of interim condensed consolidated financial statements 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 that is endorsed in the Kingdom of Saudi Arabia.

PKF Al-Bassam
Chartered Accountants



Abdulrahman Hamad Albassam
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Corresponding to: 29 January 2026



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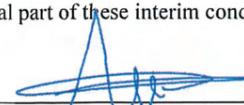
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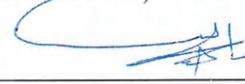
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	Note	31 December 2025 (Unaudited)	30 June 2025 (Audited)
Assets			
Non-current assets			
Property and equipment		10,551,669	11,270,807
Right-of-use assets		18,233,498	19,620,938
Intangible assets		18,226,855	7,798,151
Investments in associates	3	10,246,618	10,668,943
Investment in finance lease		2,136,960	2,493,120
Financial assets at fair value through other comprehensive income	4	525,476	1,605,541
Financial assets held at amortised cost	5	18,381,760	18,375,249
Total non-current assets		78,302,836	71,832,749
Current assets			
Current portion of investment in finance lease		712,320	692,160
Current portion of financial assets held at amortised cost	5	-	18,483,155
Financial assets at fair value through profit or loss	6	109,864,704	102,522,616
Due from related parties	7	1,987,834	881,125
Contract assets	8	84,040,734	60,477,132
Trade receivables	9	56,067,266	54,768,992
Prepayments and other current assets		24,280,998	17,038,799
Cash and cash equivalents		10,154,194	18,562,107
Total current assets		287,108,050	273,426,086
Total assets		365,410,886	345,258,835
Equity and liabilities			
Equity			
Share capital	10	30,000,000	30,000,000
Treasury shares		(37,121,757)	(14,551,617)
Share based payment reserve		16,992,752	11,245,281
Retained earnings		139,338,226	114,111,939
Equity attributable to equity holders of the Company		149,209,221	140,805,603
Non-controlling interest		2,034,638	1,842,711
Total equity		151,243,859	142,648,314
Liabilities			
Non-current liabilities			
Employees' defined benefits liabilities		7,624,916	6,451,830
Lease liabilities		16,777,081	18,269,793
Accruals and other liabilities-non-current		293,310	378,706
Total non-current liabilities		24,695,307	25,100,329
Current liabilities			
Trade payables		27,139,380	20,584,289
Short-term loan		-	5,033,895
Current portion of lease liabilities		4,461,508	4,326,400
Accruals and other liabilities-current		34,718,348	46,109,487
Zakat and income tax provision	11	3,484,622	4,326,783
Contract liabilities	8	100,105,326	87,635,209
Due to related parties	7	19,562,536	9,494,129
Total current liabilities		189,471,720	177,510,192
Total liabilities		214,167,027	202,610,521
Total equity and liabilities		365,410,886	345,258,835

The accompanying notes 1 to 18 form an integral part of these interim condensed consolidated financial statements


 Chief Financial Officer


 Chief Executive Officer


 Chairman, Board of Directors

Note	For the three-month period ended		For the six-month period ended	
	31 December		31 December	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
Revenue	8	74,668,247	63,951,044	144,622,840
Cost of revenue		(52,626,783)	(47,445,471)	(97,827,494)
Gross profit		22,041,464	16,505,573	46,795,346
General and administrative expenses		(12,194,732)	(9,967,965)	(23,977,543)
Selling and distribution expenses		(89,614)	(64,924)	(570,067)
Expected credit losses	7,8,9	135,950	(300,250)	(249,040)
Operating profit		9,893,068	6,172,434	21,998,696
Share of result from investment in associates		(594,980)	802,906	(469,636)
Finance cost, net		(639,723)	(616,926)	(1,328,658)
Other income, net		2,470,049	2,257,184	5,149,005
Profit before zakat and income tax		11,128,414	8,615,598	25,349,407
Zakat and income tax for the period	11	(595,169)	(940,299)	(1,368,852)
Profit for the period		10,533,245	7,675,299	23,980,555
Attributable to:				
Equity holders of the Company		9,734,704	7,238,564	23,794,590
Non-controlling interest		798,541	436,735	185,965
Other comprehensive income/(loss)		10,533,245	7,675,299	23,980,555
<i>Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss:</i>				
Change in fair value on financial assets at fair value through other comprehensive income		(313,619)	595,088	(610,283)
Remeasurement (loss)/gain on employees' defined benefit liabilities		(17,382)	1,984	333,778
Share of other comprehensive (loss) from associates		(208)	(9,143)	(189)
Other comprehensive (loss)/income for the period		(331,209)	587,929	(276,694)
Total comprehensive income for the period		10,202,036	8,263,228	23,703,861
Attributable to:				
Equity holders of the Company		9,409,550	7,841,149	23,511,934
Non-controlling interest		792,486	422,079	191,927
Earnings per share attributable to the equity holders of the Company		10,202,036	8,263,228	23,703,861
Basic earnings per share	12	0.17	0.12	0.40
Diluted earnings per share	12	0.16	0.12	0.40

The accompanying notes 1 to 18 form an integral part of these interim condensed consolidated financial statements

Chief Financial Officer

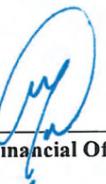
Chief Executive Officer

Chairman, Board of Directors

Total equity attributable to the equity holders of the Company

	Share capital	Treasury shares	Share based payment reserve	Retained earnings	Equity attributable to equity holders	Non-controlling interest	Total equity
As at 1 July 2024 (Audited)	30,000,000	(16,609,332)	954,555	74,099,175	88,444,398	3,102,632	91,547,030
Profit for the period	-	-	-	17,381,775	17,381,775	672,767	18,054,542
Other comprehensive income/(loss) for the period	-	-	-	382,574	382,574	(10,001)	372,573
Total comprehensive income for the period	-	-	-	17,764,349	17,764,349	662,766	18,427,115
Share based payment reserve	-	-	13,742,277	-	13,742,277	-	13,742,277
Treasury shares distributed during the period	-	227,871	(226,250)	34,988	36,609	-	36,609
Transactions with non-controlling interest	-	-	-	-	-	(3,000,000)	(3,000,000)
As at 31 December 2024 (Unaudited)	30,000,000	(16,381,461)	14,470,582	91,898,512	119,987,633	765,398	120,753,031
As at 1 July 2025 (Audited)	30,000,000	(14,551,617)	11,245,281	114,111,939	140,805,603	1,842,711	142,648,314
Profit for the period	-	-	-	23,794,590	23,794,590	185,965	23,980,555
Other comprehensive (loss)/income for the period	-	-	-	(282,656)	(282,656)	5,962	(276,694)
Total comprehensive income for the period	-	-	-	23,511,934	23,511,934	191,927	23,703,861
Share based payment reserve	-	-	12,436,652	-	12,436,652	-	12,436,652
Treasury shares purchased during the period	-	(27,510,829)	-	-	(27,510,829)	-	(27,510,829)
Treasury shares distributed during the period	-	4,940,689	(6,689,181)	1,714,353	(34,139)	-	(34,139)
As at 31 December 2025 (Unaudited)	30,000,000	(37,121,757)	16,992,752	139,338,226	149,209,221	2,034,638	151,243,859

The accompanying notes 1 to 18 form an integral part of these interim condensed consolidated financial statements



Chief Financial Officer



Chief Executive Officer



Chairman, Board of Directors

	For the six-month period ended 31 December	
	2025 (Unaudited)	2024 (Unaudited)
Operating activities		
Profit before zakat and income tax	25,349,407	19,993,608
Adjustments to reconcile profit before zakat and income taxes to net cash flows:		
Depreciation of property and equipment	1,059,816	610,412
Depreciation of right-of-use assets	1,387,440	1,401,977
Amortisation of intangibles	-	36,280
Provision for employees' defined benefits liabilities	1,904,394	2,334,175
Expected credit losses	249,040	1,050,218
Change in fair value of financial assets at fair value through profit or loss	(3,342,088)	(1,654,519)
Share of result from investment in an associate	469,636	(1,946,223)
Share based payment reserve	12,232,842	13,234,450
Finance income on assets held at amortised cost	(866,494)	(910,475)
Finance cost, net	1,328,658	1,544,940
Rental income	(844,913)	(924,843)
	<u>38,927,738</u>	<u>34,770,000</u>
Changes in operating assets and liabilities		
Trade receivables	(884,498)	6,042,784
Contract assets	(23,646,886)	47,121,118
Prepayments and other current assets	(7,276,338)	(1,222,768)
Due from/to related parties, net	8,738,855	11,792,835
Trade payables	6,555,091	871,183
Contract liabilities	12,470,118	37,357,354
Accruals and other current liabilities	(11,533,293)	(2,996,195)
	<u>23,350,787</u>	<u>133,736,311</u>
Employees' defined benefits liabilities paid	(232,811)	(569,482)
Zakat and income tax paid	(2,211,013)	(1,850,215)
Finance cost paid	(337,935)	(705,764)
	<u>20,569,028</u>	<u>130,610,850</u>
Net cash flows generated from operating activities		
Investing activities		
Additions to property and equipment	(358,278)	(1,297,841)
Additions to intangible assets	(10,237,439)	(3,727,162)
Addition to investment in an associate	(47,500)	(1,700,000)
Proceeds from disposal of financial assets held at amortised cost	18,323,750	-
Finance income received from financial assets held at amortised cost	1,019,388	520,504
Purchase of financial assets held at amortised cost	-	(5,000,000)
Purchase of financial assets at fair value through profit or loss	(39,000,000)	(129,000,000)
Proceeds from disposal of financial assets at fair value through profit or loss	35,000,000	23,938,679
Proceeds from disposal of financial assets at fair value through other comprehensive income	469,782	-
Proceed from investment in finance lease	336,000	336,000
Rental income received	279,985	131,665
	<u>5,785,688</u>	<u>(115,798,155)</u>
Net cash flows generated from /(used in) investing activities		
Financing activities		
Transactions with non-controlling interest	-	(100,000)
Purchase of treasury shares	(27,510,829)	-
Repayment of short-term loan	(5,000,000)	(8,846,228)
Principal element of lease payment	(1,558,696)	(724,377)
Interest element of lease payment	(693,104)	(401,523)
	<u>(34,762,629)</u>	<u>(10,072,128)</u>
Net cash flows used in financing activities		
Net changes in cash and cash equivalents	(8,407,913)	4,740,567
Cash and cash equivalents at the beginning of the period	<u>18,562,107</u>	<u>11,957,376</u>
Cash and cash equivalents at the end of the period	<u>10,154,194</u>	<u>16,697,943</u>

For the six-month period ended
31 December
2025 2024
(Unaudited) (Unaudited)
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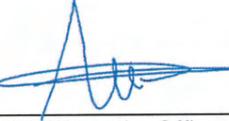
Non-cash transactions:

Remeasurement gain on employees' defined benefit liabilities	333,778	22,736
Additions to investments in associates	-	1,112,500
Transfer from related party	-	(1,112,500)
Modifications/additions to right-of-use assets	-	872,181
Capitalised as intangible assets	191,265	31,091
Transactions with non-controlling interest	-	(2,900,000)

The accompanying notes 1 to 18 form an integral part of these interim condensed consolidated financial statements



Chief Financial Officer



Chief Executive Officer



Chairman, Board of Directors

1. Activities

Saudi AZM for Communication and Information Technology Company (the “Company”) is a Saudi joint stock company registered in the Kingdom of Saudi Arabia on 11 Rabi Awal 1439H (corresponding to 29 November 2017) under Commercial Registration No. 1010918075 and unified number 7008880838. The Company became listed on the parallel market “Nomu” on 1 March 2022. On 26 Muhamarram 1447H (corresponding to 21 July 2025), the Company transferred its listing from the Parallel Market “Nomu” to the Main Market “TASI”.

On 22 Shawwal 1442H (corresponding to 3 June 2021), the shareholders decided to change the legal structure of the Company from a limited liability company to a Saudi closed joint stock company, as well as increasing its share capital to ₩30 million by transferring ₩29.5 million from retained earnings to the share capital.

The Company and its subsidiaries (the “Group”) are principally engaged in the designing and programming special software, application development, providing management and control services of communication sale of wire and wireless equipment and devices, design user experience and customer journey, repair and maintenance of personal and portable computers, providing senior management consulting services and information networks and research and development on technology.

The registered office of the Company is as follows:

7999, King Khalid Road, 2280 West Umm Al Hammam District
Riyadh 12329
Kingdom of Saudi Arabia

2. Basis of preparation and presentation**2.1 Statement of compliance**

These interim condensed consolidated financial statements of the Group have been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”) 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 interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and they must be read in conjunction with the Group's last annual consolidated audited financial statements for the year ended 30 June 2025. In addition, the results for the three-month and six-month periods ended 31 December 2025 are not an accurate indication of the results that can be expected for the fiscal year ending 30 June 2026.

2.2 Functional and presentation currency

These interim condensed consolidated financial statements are presented in Saudi Riyals (“₪”), which is the Group's functional currency, and all values are rounded to the nearest one Saudi Riyal, except where otherwise indicated.

2.3 Basis of measurement

These interim condensed consolidated financial statements have been prepared under the historical cost convention, except for the following items in the interim condensed consolidated statement of financial position:

- Financial assets at fair value through profit or loss (“FVPL”) are measured at fair value.
- Financial assets at fair value through other comprehensive income (“FVOCI”) are measured at fair value.
- Employees' defined benefits liabilities are recognised at the present value of future obligations using the projected unit credit method.

2.4 Judgements, estimates and assumptions

Preparing the interim condensed consolidated financial statements requires management to use certain judgments, estimates and assumptions that affect the application of accounting policies and the amounts presented for assets and liabilities, revenues, and expenses. Actual results may differ from these estimates. The significant judgments taken by management in applying the Group's accounting policies and the main sources of uncertainty estimates are the same as those applied to the annual consolidated financial statements for the year ended 30 June 2025.

2. Basis of preparation and presentation (continued)

2.5 Material accounting policies

The accounting policies applied during the preparation of these interim condensed consolidated financial statements are the same accounting policies applied during the preparation of the annual consolidated financial statements of the Group for the year ended 30 June 2025, unless otherwise stated.

2.6 Impact of new standards

Certain new standards and interpretations have been issued which are effective from 1 July 2025 or later, and have been explained in the Group's annual consolidated financial statements, but they do not have a material impact on the Group's interim condensed consolidated financial statements.

2.7 Basis of consolidation

The Group's subsidiaries consolidated in these interim condensed consolidated financial statements are as follows:

Subsidiary name	Country of incorporation	Percentage of ownership	
		31 December 2025	31 December 2024
Azm Squads Development	Egypt	100%	100%
Azm Tajrubah for Information Technology Company	Saudi Arabia	75%	75%
Wasl Platform Company for Communications and Information Technology	Saudi Arabia	100%	100%

The interim condensed consolidated financial statements comprise the interim condensed financial statements of the Group and its subsidiaries as at 31 December 2025.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period is included in the interim condensed consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Income and each component of other comprehensive income (OCI) are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Financial statements of subsidiaries are prepared using accounting policies which are consistent with those of the Group. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interests and other components of equity, while any resultant gain or loss is recognised in interim condensed consolidated statement of comprehensive income. Any investment retained is recognised at fair value.

3. Investments in associates

Name	Country of incorporation	Percentage of ownership	
		31 December 2025	30 June 2025
National Real Estate Platform Company (note 3.1)	Saudi Arabia	32.68%	32.68%
Machine Learning Company for Information Technology (note 3.2)	Saudi Arabia	30%	30%
Altaqniyat Company Real Estate (note 3.3)	Saudi Arabia	47.5%	-

3.1 National Real Estate Platform Company is a limited liability company. The company is engaged in real estate activities, consultancy, advisory services, computer programming, data processing and web related activities.

3.2 Machine Learning Company for Information Technology is a limited liability company. The company is engaged in computer programming, computer consulting and facilities management activities.

3.3 Altaqniyat Company Real Estate is a limited liability company. The company is engaged in real estate development and technology-driven services, including residential and commercial development using modern construction methods, geospatial data management, AI and cloud computing applications, and the creation of digital platforms supporting smart and sustainable real estate solutions.

The movement of investments in associates during the period/year is as follows:

	31 December 2025 (Unaudited) ₡	30 June 2025 (Audited) ₡
At the beginning of the period/year	10,668,943	5,438,097
Additions during the period/year*	47,500	2,812,500
Share of results from investment in associates during the period/year	(469,636)	2,457,811
Share of other comprehensive loss during the period/year	(189)	(39,465)
At the end of the period/year	10,246,618	10,668,943

* During the current period, the Group contributed ₡47,500 to the share capital of the newly incorporated Altaqniyat Company Real Estate, representing a 47.5% equity stake. During the year ended 30 June 2025, the Group acquired 30% stakes in Machine Learning Company for Information Technology amounting to ₡2.8 million.

4. Financial assets at fair value through other comprehensive income

Unquoted investments	Country of incorporation	Percentage of ownership		31 December 2025 (Unaudited) ₡	30 June 2025 (Audited) ₡
		31 December 2025 (Unaudited) ₡	30 June 2025 (Audited) ₡		
SITECH Inc.	Cayman Islands	3.28%	3.28%	468,473	1,022,386
US & Global Tech Opportunities Holding Company	Bahrain	0.74%	0.74%	57,003	583,155
At the end of the period/year				525,476	1,605,541

The movement in the financial assets at fair value through other comprehensive income during the period/year is as follows:

	31 December 2025 (Unaudited) ₡	30 June 2025 (Audited) ₡
At the beginning of the period/year	1,605,541	1,437,496
Disposals during the period/year	(469,782)	-
Change in fair value	(610,283)	168,045
At the end of the period/year	525,476	1,605,541

5. Financial assets held at amortised cost

	31 December 2025 (Unaudited) ₪	30 June 2025 (Audited) ₪
Investment in Sukuk- quoted	13,286,432	26,597,263
Investment in Sukuk- unquoted	5,095,328	10,261,141
	<hr/>	<hr/>
	18,381,760	36,858,404
Total current	-	(18,483,155)
Total non-current	<hr/>	<hr/>
	18,381,760	18,375,249

The movement of financial assets held at amortised cost during the period/year is as follows:

	31 December 2025 (Unaudited) ₪	30 June 2025 (Audited) ₪
At the beginning of the period/year	36,858,404	31,184,988
Additions during the period/year	-	5,000,000
Redemptions during the period/year	(18,323,750)	-
Finance income earned during the period/year	866,494	1,983,646
Finance income received during the period/year	(1,019,388)	(1,310,230)
	<hr/>	<hr/>
At the end of the period/year	18,381,760	36,858,404

These sukuk carry profit rates ranging from 4.75% to 8.5% per annum, with maturity dates extending up to 2029.

6. Financial assets at fair value through profit or loss

The movement of financial assets at fair value through profit or loss during the period/year is as follows:

	31 December 2025 (Unaudited) ₪	30 June 2025 (Audited) ₪
At the beginning of the period/year	102,522,616	26,001,999
Additions during the period/year*	39,000,000	157,000,000
Disposals during the period/year	(35,000,000)	(84,612,808)
Change in fair value	3,342,088	4,133,425
	<hr/>	<hr/>
At the end of the period/year	109,864,704	102,522,616

* During the current period, the Group invested an amount of ₪39 million (30 June 2025: ₪157 million) in Mutual Funds through a local brokerage company in Saudi Arabia. The intention of the Group is to take advantage of the upside movement in price, efficiently manage the short-term excess liquidity and record any gain or loss in the fair value to profit or loss account.

7. Related party transactions and balances

Related parties comprise of shareholders, associated companies, key management personnel, directors and businesses which are controlled directly or indirectly or influenced by the directors or key management personnel. In the normal course of business, the Group has various transactions with its related parties. Transactions are entered into with the related parties on terms and conditions approved by either the Group's management or its Board of Directors.

Related party:**Nature of relationship:**

Saudi Azm Holding Company	Affiliate
Azm Financial Technology Company	Affiliate
Azm Digital Company for Communication and Information Technology	Affiliate
Azm Development Private Limited	Affiliate
Future Communications for Telecommunication and Information Technology	Affiliate
National Real Estate Platform Company	Associate
Machine Learning Company for Information Technology	Associate
Altaqniyat Company Real Estate	Associate

- Affiliate is an entity that has common shareholding and/or common management with the Group or entities that are significantly influenced or controlled by affiliates.

7. Related party transactions and balances (continued)

Related party	Nature of material Transactions	For three -month period ended		For the six-month period ended	
		31 December		31 December	
		2025 (Unaudited) ₪	2024 (Unaudited) ₪	2025 (Unaudited) ₪	2024 (Unaudited) ₪
AZM Financial Technology Company	Revenue/income from affiliate	481,361	869,015	1,213,316	2,915,667
	Expenses paid/incurred by affiliate on behalf of the Group*	10,671,615	8,320,626	30,305,797	29,893,999
	Expenses paid/incurred by the Group on behalf of affiliate	1,216,505	1,796,217	4,452,639	1,971,292
Azm Digital Company for Communication and Information Technology	Revenue from affiliate	135,368	138,736	451,596	267,910
	Expenses paid/incurred by affiliate on behalf of the Group	24,636,558	11,413,390	45,008,367	24,391,611
	Expenses paid/incurred by the Group on behalf of affiliate	270,633	354,091	877,950	672,549
National Real Estate Platform Company	Expenses paid/incurred by the Group on behalf of associate	171,146	101,887	344,984	233,256
Machine Learning Company for Information Technology	Investment in associate (note 3)	-	-	-	2,812,500
	Expenses paid/incurred by associate on behalf of the Group*	1,478,088	426,413	3,149,959	1,482,385
	Expenses paid/incurred by the Group on behalf of associate	1,004,688	208,645	1,279,750	248,114
Future Communication for Telecommunication and Information Technology	Revenue from affiliate	40,505		40,505	-
	Expenses paid/incurred by the Group on behalf of affiliate	37,030	32,492	65,236	47,933
Altaqniyat Company Real Estate	Investment in associate (note 3)	-	-	47,500	-
	Expenses paid/incurred by the Group on behalf of associate	82,549	-	137,549	-

*This amount includes billing issued by an affiliate/associate where it acts as a subcontractor to the Group.

Transactions with related parties are conducted on terms that would be available to third parties in the normal course of business.

7. Related party transactions and balances (continued)

Related parties' balances for the period/year ended were as follows:

	31 December 2025 (Unaudited)	30 June 2025 (Audited)
Due from related parties:		
National Real Estate Platform Company	147,109	130,117
Machine Learning Company for Information Technology	1,779,710	765,437
Altaqniyat Company Real Estate	90,050	-
Due from related parties, gross	<u>2,016,869</u>	<u>895,554</u>
Less: provision for expected credit losses*	<u>(29,035)</u>	<u>(14,429)</u>
Due from related parties, net	<u>1,987,834</u>	<u>881,125</u>

* During the current period, the Group has recognised expected credit losses amounting to ₩14,606 (30 June 2025: ₩14,429).

	31 December 2025 (Unaudited)	30 June 2025 (Audited)
Due to related parties:		
AZM Financial Technology Company	12,666,866	4,468,160
Azm Digital Company for Communication and Information Technology	<u>6,895,670</u>	<u>5,025,969</u>
	<u>19,562,536</u>	<u>9,494,129</u>

Key management personnel of the Group comprise of key members of the management having authority and responsibility for planning, directing and controlling the activities of the Group.

Key management personnel compensation comprised the following:

	For the three-month period ended		For the six-month period ended	
	31 December		31 December	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Short-term employee benefits	1,760,488	929,513	3,392,333	1,934,026
End of service benefits	78,109	75,331	156,218	144,624
Board of Directors' remuneration	<u>315,000</u>	<u>354,000</u>	<u>324,000</u>	<u>354,000</u>
	<u>2,153,597</u>	<u>1,358,844</u>	<u>3,872,551</u>	<u>2,432,650</u>

8. Revenue, contract assets and liabilities

Contract balances

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

Contract liabilities represent advance payments received from customers or amounts invoiced by the Group prior to the delivery of services under a contract. These amounts are recognised as revenue once the Group has performed the related services.

8. Revenue, contract assets and liabilities (continued)

Contract balances (continued)

The Group has recognised the following contract assets/liabilities as disclosed in the consolidated financial statements:

	31 December 2025 (Unaudited) ₪	30 June 2025 (Audited) ₪
Contract assets*	84,040,734	60,477,132
Contract liabilities	100,105,326	87,635,209

*Below are the Group's contract assets on a gross basis and the corresponding provision for expected credit losses:

	31 December 2025 (Unaudited) ₪	30 June 2025 (Audited) ₪
Contract assets, gross	84,641,853	60,994,967
Less: provision for expected credit losses	(60,119)	(517,835)
Contract assets, net	<u>84,040,734</u>	<u>60,477,132</u>

The movement in the provision for expected credit losses of contract assets during the period/year is as follow:

	31 December 2025 (Unaudited) ₪	30 June 2025 (Audited) ₪
At the beginning of the period/year	517,835	481,745
Provision charged for expected credit losses	83,284	36,090
At the end of the period/year	<u>601,119</u>	<u>517,835</u>

Significant changes in contract assets and liabilities

Contract assets increased during the current period, mainly because the Group provided more services ahead of the agreed billing schedules under certain fixed-price contracts, resulting in higher unbilled revenue.

Contract liabilities increased during the current period, primarily due to amounts invoiced and consideration received in advance from customers for services that have not yet been provided as of the reporting date. These amounts will be recognised as revenue when the Group satisfies the related performance obligations in accordance with the terms of the respective contracts.

Revenue

Below is the disaggregation of the Group's revenue from contracts with customers:

Major product / Service line	For the three-month period ended		For the six-month period ended	
	31 December		31 December	
	2025 (Unaudited) ₪	2024 (Unaudited) ₪	2025 (Unaudited) ₪	2024 (Unaudited) ₪
Enterprise services	41,732,923	34,897,863	77,434,105	70,877,415
Proprietary technologies	8,385,643	10,799,984	24,881,724	23,443,967
Advisory services	7,513,124	13,487,027	14,699,269	17,185,616
Platforms for third parties	<u>17,036,557</u>	4,766,170	<u>27,607,742</u>	13,125,789
	<u>74,668,247</u>	<u>63,951,044</u>	<u>144,622,840</u>	<u>124,632,787</u>

8. Revenue, contract assets and liabilities (continued)

Revenue (continued)

	For the three-month period ended 31 December		For the six-month period ended 31 December	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
	₣	₣	₣	₣
Type of customers				
Government and Semi-government customers	50,519,719	48,879,777	103,568,977	92,307,847
Private customers	24,148,528	15,071,267	41,053,863	32,324,940
	74,668,247	63,951,044	144,622,840	124,632,787
Timing of revenue recognition				
Goods or services transferred to customers:				
Over a period of time	74,668,247	63,951,044	144,622,840	124,632,787
Geographical information				
Kingdom of Saudi Arabia	74,668,247	63,951,044	144,622,840	124,632,787

During the current period, the Group revised the disclosure relating to the timing of revenue recognition for certain contracts, presenting it on an over-time rather than a point-in-time basis. This revision is purely presentational and has no impact on the total revenue recognised.

Below is the revenue recognised during the period that relates to the opening balance of contract liabilities:

	For the three-month period ended 31 December		For the six-month period ended 31 December	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
	₣	₣	₣	₣
Enterprise services				
Proprietary technologies	6,275,125	474,422	17,361,178	4,075,210
Advisory services	3,083,698	3,321,866	12,632,551	8,368,311
Platforms for third parties	1,502,829	952,971	3,014,633	2,621,502
	6,359,547	42,194	12,907,672	706,350
	17,221,199	4,791,453	45,916,034	15,771,373

During the current period, revenue from two customers contributed ₣18.3 million and ₣17.6 million to the total revenue, which represents 12.7% and 12.2% of total revenue respectively (31 December 2024: two customers contributed ₣16.7 million and 13.03 million to total revenue, which represents 13.4% and 10.5% of total revenue).

9. Trade receivables

	31 December		30 June
	2025 (Unaudited)	2025 (Unaudited)	2025 (Audited)
	₣	₣	₣
Trade receivables			
Less: provision for expected credit losses	60,259,454	(4,192,188)	58,810,030
	56,067,266		54,768,992

Trade receivables comprise of interest free receivables due from customers with no credit rating. Unimpaired trade receivables are expected, on the basis of past experience, to be fully recoverable. It is not the practice of the Group to obtain collateral over receivables and vast majority are, therefore, unsecured.

9. Trade receivables (continued)

The movement in the provision for expected credit losses of trade receivables during the period/year is as follows:

	31 December 2025 (Unaudited)	30 June 2025 (Audited)
At the beginning of the period/year	4,041,038	2,518,198
Provision charged for expected credit losses	151,150	1,522,840
At the end of the period/year	<u>4,192,188</u>	<u>4,041,038</u>

10. Share capital

The share capital of the Company amounted to ₩30 million (30 June 2025: ₩30 million) divided into authorised and fully paid 60 million shares (30 June 2025: 60 million shares) of ₩0.5 each share (30 June 2025: ₩0.5 each share).

11. Zakat and income tax

Charge for the period

Zakat charge for the period consists of the following:

	For the three-month period ended		For the six-month period ended	
	31 December		31 December	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
Zakat charged during the period	577,929	920,038	1,351,612	1,918,805
Income tax charged during the period	<u>17,240</u>	<u>20,261</u>	<u>17,240</u>	<u>20,261</u>
	595,169	940,299	1,368,852	1,939,066

The major components of the zakat base as per ZATCA regulations are as follow:

	31 December		30 June	
	2025		2025	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Equity	161,114,121	159,047,676	161,114,121	159,047,676
Opening provisions and other adjustments	22,676,678	18,656,925	22,676,678	18,656,925
Book value of long-term assets	<u>(80,865,564)</u>	<u>(74,315,003)</u>	<u>(80,865,564)</u>	<u>(74,315,003)</u>
Zakat base	102,925,235	103,389,598	102,925,235	103,389,598

The differences between the financial and the zakat results are mainly due to provisions which are not allowed in the calculation of zakat income.

The movement in provision for zakat and income tax during the period/year is as follows:

	31 December		30 June	
	2025		2025	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
At the beginning of the period/year	4,326,783	4,420,719	4,326,783	4,420,719
Charge during the period/year	1,368,852	1,756,279	1,368,852	1,756,279
Paid during the period/year	<u>(2,211,013)</u>	<u>(1,850,215)</u>	<u>(2,211,013)</u>	<u>(1,850,215)</u>
At the end of the period/year	3,484,622	4,326,783	3,484,622	4,326,783

Status of zakat and income tax assessments

The Company and its subsidiaries have filed its zakat and income tax returns with ZATCA up to the financial year ended 30 June 2025. Final income tax assessment is still awaited, except for the zakat assessment relating to Saudi Azm for Communication and Information Technology Company for the year ended 30 June 2024, which has been finalised and settled with ZATCA.

12. Earnings per share

Basic earnings per share is calculated by dividing the income attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividing the profit for the period by the adjusted weighted average number of ordinary shares outstanding during the period, to assume conversion of all dilutive potential shares into ordinary shares.

	For the three-month period ended		For the six-month period ended	
	31 December		31 December	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
Profit attributable to equity holders of the Company	9,734,704	7,238,564	23,794,590	17,381,775
The weighted average number of shares used as the denominator are as follows:				
	For the three-month period ended 31 December		For the six-month period ended 31 December	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
	58,906,522	58,749,342	58,993,553	58,745,977
Weighted average number of ordinary shares used in calculating basic earnings per share	1,093,478	1,250,658	1,006,447	1,254,023
Weighted average number of ordinary shares used in calculating diluted earnings per share	60,000,000	60,000,000	60,000,000	60,000,000
Earnings per share (fils)				
Basic earnings per share	0.17	0.12	0.40	0.29
Diluted earnings per share	0.16	0.12	0.40	0.29

13. Financial assets and financial liabilities

Set out below is a summary of financial assets, other than cash and cash equivalents, held by the Group as at 31 December 2025 and 30 June 2025:

	31 December	30 June
	2025	2025
	(Unaudited)	(Audited)
Financial assets at amortised cost		
Financial assets held at amortised cost	18,381,760	36,858,404
Trade receivables	56,067,266	54,768,992
Due from related parties	1,987,834	881,125
Other current assets	18,656,377	12,153,421
Cash and cash equivalents	10,154,194	18,562,107
Financial assets measured at fair value		
Financial assets at fair value through other comprehensive income	525,476	1,605,541
Financial assets at fair value through profit and loss	109,864,704	102,522,616
Total financial assets	215,637,611	227,352,206
Total current	(196,730,375)	(207,371,416)
Total non-current	18,907,236	19,980,790

13. Financial assets and financial liabilities (continued)

Below is a summary of financial liabilities held by the Group as at 31 December 2025 and 30 June 2025:

	31 December 2025 (Unaudited)	30 June 2025 (Audited)
Financial liabilities at amortised cost		
Trade payables	27,139,380	20,584,289
Short-term loan	-	5,033,895
Lease liabilities	21,238,589	22,596,193
Accruals and other liabilities	35,208,881	42,288,659
Due to related parties	19,562,536	9,494,129
Total financial liabilities	103,149,386	99,997,165
Total current	(86,078,995)	(81,348,666)
Total non-current	17,070,391	18,648,499

The fair values of the financial assets and liabilities of the Group at the reporting date are not materially different from their carrying values as at 31 December 2025 and 30 June 2025.

14. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's financial assets as at 31 December 2025 and 30 June 2025:

	Quoted prices in active markets (Level 1)	Significant unobservable inputs (Level 3)
	Total ₪	₪
As at 31 December 2025 (Unaudited)		
Financial assets measured at fair value		
Financial assets at fair value through other comprehensive income	525,476	-
Financial assets at fair value through profit and loss	109,864,704	109,864,704
As at 30 June 2025 (Audited)		
Financial assets measured at fair value		
Financial assets at fair value through other comprehensive income	1,605,541	-
Financial assets at fair value through profit and loss	102,522,616	102,522,616

There were no transfers between levels during the period/year ended 31 December 2025 and 30 June 2025.

The fair values of the financial assets and liabilities measured at amortised cost of the Group at the reporting date are not materially different from their carrying values as at 31 December 2025 and 30 June 2025.

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

15. Contingencies

The Group has the following project related bank letter of guarantees:

	31 December 2025 (Unaudited)	30 June 2025 (Audited)
Letter of guarantees	60,626,489	50,307,907

16. Segment information

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (“CODM”) and for which discrete financial information is available. The CODM is the person or group of persons who allocates resources and assesses the performance for the entity. The CODM has been identified as the Board of Directors of the Company through the executive management, which includes Chief Executive Officer and Chief Financial Officer.

With respect to the allocation of resources and assessment of performance of the Group, the CODM considers the entire business as one function. The major products/service lines offered by the Group are disclosed under note 8. Furthermore, the Group’s operations are conducted in the Kingdom of Saudi Arabia.

17. Subsequent events

In the opinion of management, there have been no significant subsequent events since 31 December 2025 that would have a material impact on the interim condensed consolidated financial position or financial performance of the Group.

18. Approval of the interim condensed consolidated financial statements

The interim condensed consolidated financial statements have been approved by the Board of Directors, on 8 Sha‘ban 1447H (corresponding to 27 January 2026).