

**Dar Al Balad for Business Solutions Company**  
**A Closed Joint Stock Company**  
**Kingdom of Saudi Arabia**

**Interim Condensed Consolidated**  
**Financial Statements (Unaudited)**  
**For the Three-Month Period Ended 31 March 2026 G.**  
**Together with the Independent Auditor's Review Report**

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**Independent Auditor's Review Report on Interim Condensed Consolidated Financial Information**

**The Shareholders**

**Dar Al Balad for Business Solutions Company**

**A Closed Joint Stock Company**

**Kingdom of Saudi Arabia**

**Introduction:**

We have reviewed the accompanying interim condensed consolidated statement of financial position of **Dar Al Balad for Business Solutions Company** (the "Company") – **A Closed Joint Stock Company** and its **Subsidiary** (Collectively referred to as "the Group") as of 31 March 2026 G., and the interim condensed consolidated statements of profit or loss and other comprehensive income, interim condensed consolidated statement of changes in equity, and interim condensed consolidated statement of cash flows for the three-month period then ended and other explanatory notes.

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

**Scope of Review:**

We conducted our review in accordance with International Standard on Review Engagement No. 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity," as endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists primarily of making inquiries 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 the International Standards on Auditing as endorsed in the Kingdom of Saudi Arabia. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters during an audit. Accordingly, we do not express any 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 information is not prepared, in all material respects, in accordance with International Accounting Standard No. (34) as endorsed in the Kingdom of Saudi Arabia.

For Talal Abu-Ghazaleh & Co.

**Waleed A. Bamarouf**  
**Certified Public Accountant**  
**License No. 408**



17 Dhu Al-Qi'dah 1447H.

04 May 2026G.

**Dar Al Balad for Business Solutions Company**  
**A Closed Joint Stock Company**  
**Kingdom of Saudi Arabia**  
**Interim Condensed Consolidated Statement of Financial Position (Unaudited)**  
**As of 31 March 2026 G.**

**Exhibit A**

	<b>Note</b>	<b>31 March 2026 G. (Unaudited) SR.</b>	<b>31 December 2025 G. (Audited) SR.</b>
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	(6)	9,958,555	28,479,727
Accounts receivables and unbilled revenue, net	(7)	159,568,422	122,683,946
Inventory		2,428,332	2,523,061
Other receivables	(8)	10,198,824	13,398,020
Due from related parties	(9)	6,743,302	6,057,084
Investment portfolios at fair value through profit or loss	(10)	14,124,704	14,402,601
<b>Total Current Assets</b>		<b>203,022,139</b>	<b>187,544,439</b>
<b>Non-Current Assets</b>			
Property, plant, and equipment, net	(11)	4,972,078	5,124,579
Right-of-use assets, net	(12)	567,342	593,394
Investments in equity instruments at fair value through profit or loss	(13)	12,107,236	12,107,236
<b>Total Non-Current Assets</b>		<b>17,646,656</b>	<b>17,825,209</b>
<b>Total Assets</b>		<b>220,668,795</b>	<b>205,369,648</b>
<b>Liabilities and Equity</b>			
<b>Current Liabilities</b>			
Accounts payable		974,491	1,870,755
Other credit balances		7,416,831	16,747,094
Lease liabilities – current portion	(12)	99,271	99,271
Provision for estimated zakat	(15)	5,911,616	4,626,027
<b>Total Current Liabilities</b>		<b>14,402,209</b>	<b>23,343,147</b>
<b>Non-Current Liabilities</b>			
Lease liabilities – non-current portion	(12)	446,286	481,963
Long-term employee benefit obligations		11,668,461	10,714,663
<b>Total Non-Current Liabilities</b>		<b>12,114,747</b>	<b>11,196,626</b>
<b>Total Liabilities</b>		<b>26,516,956</b>	<b>34,539,773</b>
<b>Equity</b>			
Capital	(16)	70,000,000	70,000,000
Additional capital contributions		21,839,626	21,839,626
Statutory reserve	(17)	--	--
Retained earnings		102,312,213	78,990,249
<b>Total Equity – Exhibit C</b>		<b>194,151,839</b>	<b>170,829,875</b>
<b>Total Liabilities and Equity</b>		<b>220,668,795</b>	<b>205,369,648</b>

**The Accompanying Notes from (1) to (25) Constitute an Integral Part of  
These Interim Condensed Consolidated Financial Statements**

**Dar Al Balad for Business Solutions Company**  
**A Closed Joint Stock Company**  
**Kingdom of Saudi Arabia**  
**Interim Condensed Consolidated Statement of Profit or Loss**  
**And Other Comprehensive Income (Unaudited)**  
**For the Three-Month Period Ended 31 March 2026 G.**

**Exhibit B**

	<u>Note</u>	<u>31 March 2026 G.</u>	<u>31 March 2025 G.</u>
		(Unaudited)	(Unaudited)
		SR.	SR.
Revenue	(18)	84,326,298	76,558,692
Cost of revenue	(19)	<u>(65,035,158)</u>	<u>(60,311,553)</u>
<b>Gross Profit</b>		<b>19,291,140</b>	<b>16,247,139</b>
Selling and distribution expenses		(381,720)	(387,621)
Administrative and general expenses	(20)	<u>(3,508,254)</u>	<u>(2,377,431)</u>
<b>Operating Profit</b>		<b>15,401,166</b>	<b>13,482,087</b>
Other income		371,570	102,145
Investment (losses) / income		(50,369)	966,631
Finance costs		<u>(114,814)</u>	<u>(133,509)</u>
<b>Income for the period before estimated Zakat</b>		<b>15,607,553</b>	<b>14,417,354</b>
Estimated Zakat	(15)	<u>(1,285,589)</u>	<u>(911,808)</u>
<b>Profit for the Period after Estimated Zakat</b>		<b>14,321,964</b>	<b>13,505,546</b>
<b>Basic and diluted earnings per share (EPS) from net profit</b>	(21)	<u><u>0.205</u></u>	<u><u>0.193</u></u>

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These Interim Condensed Consolidated Financial Statements**

**Dar Al Balad for Business Solutions Company**  
**A Closed Joint Stock Company**  
**Kingdom of Saudi Arabia**  
**Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)**  
**For the Three-Month Period Ended 31 March 2026 G.**

**Exhibit C**

	Share Capital	Additional Capital Contributions	Statutory Reserve	Retained Earnings	Total
<b><u>For the three-month period ended 31 March 2025 G. (Unaudited)</u></b>					
	SR.	SR.	SR.	SR.	SR.
Equity as at 01 January 2025 G. (Audited)	50,000,000	10,000,000	4,260,797	40,412,370	104,673,167
Capital increase – Note (16)	20,000,000	(10,000,000)	--	(10,000,000)	--
Transfer statutory reserve to retained earnings	--	--	(4,260,797)	4,260,797	--
Acquisition of GSC Solutions Company – Note (1)	--	21,839,626	--	--	21,839,626
Profit for the period – Exhibit B	--	--	--	13,505,546	13,505,546
Equity as at 31 March 2025 G. (Unaudited)	<u>70,000,000</u>	<u>21,839,626</u>	<u>--</u>	<u>48,178,713</u>	<u>140,018,339</u>
	Share Capital	Additional Capital Contributions	Statutory Reserve	Retained Earnings	Total
<b><u>For the three-month period ended 31 March 2026 G. (Unaudited)</u></b>					
	SR.	SR.	SR.	SR.	SR.
Equity as at 01 January 2026 G. (Audited)	70,000,000	21,839,626	--	78,990,249	170,829,875
Profit for the period – Exhibit B	--	--	--	14,321,964	14,321,964
Reversal of dividend distribution*	--	--	--	9,000,000	9,000,000
Equity as at 31 March 2026 (Unaudited)	<u>70,000,000</u>	<u>21,839,626</u>	<u>--</u>	<u>102,312,213</u>	<u>194,151,839</u>

\* On 29 January 2026 G., the General Assembly resolved to cancel the dividend distribution for the year 2024 G. amounting to SR.9,000,000, based on the recommendation of the Company's financial advisor. The distributed dividends are to be returned by the shareholders within 15 days from the date of the resolution. On the same day, the shareholders returned the distributed dividends amounting to SR.9,000,000 to the Company's bank account.

**The Accompanying Notes from (1) to (25) Constitute an Integral Part of  
These Interim Condensed Consolidated Financial Statements**

**Dar Al Balad for Business Solutions Company**  
**A Closed Joint Stock Company**  
**Kingdom of Saudi Arabia**  
**Interim Condensed Consolidated Statement of Cash Flows (Unaudited)**  
**For the Three-Month Period Ended 31 March 2026 G.**

	<b>31 March 2026 G.</b>	<b>31 March 2025 G.</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>SR.</b>	<b>SR.</b>
<b>Cash Flows from Operating Activities</b>		
Profit for the period	14,321,964	13,505,546
<b>Adjustments for non-cash income and expense:</b>		
Depreciation of property, plant, and equipment	248,982	294,391
Amortization of intangible assets	26,052	38,053
Provision for expected credit losses recognized in expenses	983,324	447,661
Finance costs	6,323	133,507
Provision for employee benefits obligation	999,788	430,000
Estimated Zakat	1,285,589	911,808
Realized (gain) / losses from sale of investment at fair value	--	(340,511)
Unrealized losses / (gain) from remeasurement of investments at fair value through profit or loss	397,018	(581,829)
	<b>18,269,040</b>	<b>14,838,627</b>
<b>Changes in operating assets and liabilities:</b>		
Accounts receivables and unbilled revenue	(37,867,800)	(38,688,032)
Other debit balances	3,199,196	4,039,375
Inventory	94,729	(2,367,949)
Net transactions with a related party	(686,218)	772,450
Accounts payable	(896,264)	(530,897)
Other credit balances	(9,330,263)	(6,524,345)
<b>Cash Flows from Operations</b>	<b>(27,217,580)</b>	<b>(28,460,771)</b>
Zakat-paid	--	(472,796)
Finance cost-paid	--	(125,704)
Employee benefit obligation-paid	(45,990)	(346,040)
<b>Net Cash (used in) Operating Activities</b>	<b>(27,263,570)</b>	<b>(29,405,311)</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment and project in progress	(96,481)	(27,881)
Purchase of investments at fair value through profit or loss	(119,121)	--
Proceeds from sale of investments at fair value	--	1,702,972
<b>Net Cash (used in) / from Investing Activities</b>	<b>(215,602)</b>	<b>1,675,091</b>
<b>Cash Flows from Financing Activities</b>		
Payment of lease liability	(42,000)	--
Reversal of dividends distribution	9,000,000	--
<b>Net Cash from Financing Activities</b>	<b>8,958,000</b>	<b>--</b>
<b>Net (decrease) in Cash and Cash Equivalents</b>	<b>(18,521,172)</b>	<b>(27,730,220)</b>
Cash and cash equivalents at beginning of period	28,479,727	24,018,509
Cash acquired	--	10,899,503
<b>Cash and Cash Equivalents at End of period – Exhibit A</b>	<b>9,958,555</b>	<b>7,187,792</b>
<b>Supplementary Information on Non-Cash Activities:</b>		
Increase in share capital	--	20,000,000
Investments in a subsidiary	--	21,839,626

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These Interim Condensed Consolidated Financial Statements**

**Dar Al Balad for Business Solutions Company**  
**A Closed Joint Stock Company**  
**Kingdom of Saudi Arabia**  
**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)**  
**For the Three-Month Period Ended 31 March 2026 G.**

**1- Formation and Nature of Business:**

**Dar Al-Balad for Business Solutions Company – A Closed Joint Stock Company** (hereinafter referred to as the "Company") was established under Commercial Registration No. 1010168374 issued in Riyadh on 9/11/1442 H. and valid until 9/11/1540 H. The Company's activities include, operation and maintenance of buildings; extension and installation of computer networks and wired and wireless telecommunications; maintenance and operation of electrical, electronic, and computer facilities; installation and maintenance of machinery and equipment; and computer and telephone operations.

The financial statements include the assets, liabilities, and results of operations of the company and the following branches:

<b>Branch Name</b>	<b>Commercial Registration Number</b>	<b>Registration Date (Hijri)</b>	<b>Issued Location</b>
Dar Al-Balad Company for Communications and Information Technology	4030263432	14/03/1435 H.	Jeddah
Durar Al-Balad Company for Contracting	1010355941	12/01/1434 H.	Riyadh
Da'irat Al-Balad Company for Trading	1010218342	18/03/1427 H.	Riyadh

**Acquisition of a Subsidiary:**

The accompanying consolidated financial statements include GSC Solutions, which is controlled by the Company and in which the Company holds controlling equity interests. The details of this company as at 31 March are as follows:

<b>Company Name</b>	<b>2026</b>		<b>2025</b>	
	<b>Capital</b>	<b>Ownership percentage</b>	<b>Capital</b>	<b>Ownership percentage</b>
	<b>SR.</b>	<b>%</b>	<b>SR.</b>	<b>%</b>
GSC Solutions Company	500,000	100%	500,000	100%

The following is a summary of its assets, revenues and expenses as at 31 March 2025 G. and 31 December 2025 G.:

	<b>31 March 2026 G.</b>	<b>31 December 2025 G.</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>SR.</b>	<b>SR.</b>
<b>Statement of Financial Position:</b>		
Total Current Assets	<b>19,610,684</b>	<b>16,930,967</b>
Total Non-Current Assets	<b>4,939,354</b>	<b>5,095,468</b>
Total Current Liabilities	<b>(2,750,090)</b>	<b>(2,792,492)</b>
Total Non-Current Liabilities	<b>(1,381,720)</b>	<b>(1,347,502)</b>
<b>Net Assets</b>	<b>20,418,228</b>	<b>17,886,441</b>
<b>Statement of Comprehensive Income:</b>		
Revenue	<b>4,567,325</b>	<b>20,879,866</b>
Cost of Revenue	<b>(958,552)</b>	<b>(10,252,648)</b>
Expenses	<b>(988,167)</b>	<b>(4,529,376)</b>
Other Income	<b>100</b>	<b>389,032</b>
Gains from investments at fair value through profit or loss	<b>51,199</b>	<b>(453)</b>
Finance charge	<b>(22,988)</b>	<b>(81,933)</b>
Estimated Zakat	<b>(117,130)</b>	<b>(407,624)</b>
<b>Net Profit</b>	<b>2,531,787</b>	<b>5,996,864</b>
<b>Items that will not be reclassified subsequently to Profit or (Loss):</b>		
Remeasurement gains on long-term employee benefit obligations	<b>--</b>	<b>49,951</b>
<b>Total Other Comprehensive Income Items for the Year</b>	<b>--</b>	<b>49,951</b>
<b>Total Comprehensive Income for the Year</b>	<b>2,531,787</b>	<b>6,046,815</b>

**Dar Al Balad for Business Solutions Company**  
**A Closed Joint Stock Company**  
**Kingdom of Saudi Arabia**  
**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)**  
**For the Three-Month Period Ended 31 March 2026 G.**

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**Request for Listing on the Financial Market:**

The Company's Extraordinary General Assembly approved on 18 April 2025 to file an application with the Capital Market Authority to register and offer its shares on the main Saudi stock market ("Tadawul") and to offer 21 million ordinary shares representing 30% of the Company's share capital, and authorized the Board of Directors with full authority to complete the offering and listing process. The Company's management prepared the registration and offering file and submitted it to the Capital Market Authority and relevant authorities. On 11 Rajab 1447 H, corresponding to 31 December 2025 G., the Capital Market Authority issued its approval based on the application of Dar Al Balad for Business Solutions Company to register its shares and offer 21 million shares for public subscription, representing 30% of the Company's total shares. The Authority's approval of the application is effective for a period of six months from the date of the Authority's Board resolution, and the approval shall be void if the offering and listing of the Company's shares is not completed within this period.

The financial statements represent only the assets, liabilities, and results of operations of the aforementioned commercial entities.

**The Company's registered address is as follows:**

Riyadh - Al Olaya District  
P.O. Box: 285121, Riyadh: 11323  
Kingdom of Saudi Arabia

**2- Basis of Preparation:**

**Statement of compliance:**

These interim condensed consolidated financial statements have been prepared for the three month period ended 31 March 2026 in accordance with International Accounting Standard – 34 "Interim Financial Reporting" as endorsed in Kingdom of Saudi Arabia. The Company has prepared the interim condensed financial statements on a going concern basis. The Board of Directors have considered that there are no material uncertainties that would cast significant doubt on this assumption and have expressed a judgment that it is reasonably expected that the company will have sufficient resources to continue its operation for the foreseeable future in a period of not less than 12 months from the end of the financial period.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the company's annual financial statements as of 31 December 2025 G. However, the results of operations for the interim periods may not be a fair indication of the results of operations for the full year.

**Bases of Measurement:**

These interim condensed financial statements were prepared in accordance with the historical cost basis and using the accrual accounting basis, except for employee benefits obligations, which were measured at the present value of future obligations, and investments at fair value through profit or loss.

**Functional and Presentation Currency:**

These interim condensed financial statements have been presented in Saudi Riyal, which is also the Company's functional currency.

**3- Material Accounting Policy Information and the Changes in the Accounting Policies Specific to the Company:**

The accounting policies applied in the preparation of these interim condensed financial statements are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended at 31 December 2025 G., except for the application of amendments to standards effective as of 1 January 2026 G. The Company has not early adopted any standards, interpretations or amendments issued and not yet effective.

**4- Use of Estimates, Judgments, and Accounting Assumptions:**

The Management has used estimates, judgments and assumptions that affect the Company's application of accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. Actual results may differ from these estimates.

The significant judgments made by the Management in applying the Company's accounting policies, and the key sources of estimation uncertainty, are similar to those disclosed in the most recent annual financial statements.

**5- Adoption of New and Amended International Financial Reporting Standards:**

**a) New and amended International Financial Reporting Standards that become effective:**

The following new and amended International Financial Reporting Standards (IFRS), which are effective for financial periods beginning on or after 1 January 2026, have been applied in the preparation of the Company's financial statements. These standards did not have a material impact on the amounts and disclosures presented in the current year's financial statements, as follows:

Standard or interpretation	Description	Effective for periods beginning on or after the following date
Amendments to IFRS (9) and IFRS (7)	Classification and Measurement of Financial Instruments	1 January 2026 G.
Amendments to: IFRS (1) IFRS (7) IFRS (9) IFRS (10) and IAS (7)	Annual Improvements to IFRS Standards	1 January 2026 G.

**b) New and Amended International Financial Reporting Standards that are Not Yet Effective:**

The Company has not applied any of the following new and amended International Financial Reporting Standards that have been issued but are not yet effective:

Standard or interpretation	Description	Effective for periods beginning on or after the following date
IFRS (18)	Presentation and Disclosure in Financial Statements	1 January 2027 G.
IFRS (19)	Disclosures for Subsidiaries without Public Accountability	1 January 2027 G.
Amendment to IAS (21)	Translation to a hyperinflationary presentation currency	1 January 2027 G.
IFRS (10) and IAS (28)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Amendments to IFRS (10) and IAS (28)	Available for optional application / Effective date deferred indefinitely
International Financial Reporting Standard (S1) International Financial Reporting Standard (S2)	General Requirements for Disclosure of Sustainability-related Financial Information and Climate-related Disclosures	1 January 2024 (Application depends on regulatory adoption)

The Company's Management is in the process of evaluating the effect of the standards when applied in future periods.

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**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)**  
**For the Three-Month Period Ended 31 March 2026 G.**

**6- Cash and Cash Equivalents:**

The details of this item are as follows:

	<b>31 March 2026 G. (Unaudited)</b>	<b>31 December 2025 G. (Audited)</b>
	<b>SR.</b>	<b>SR.</b>
Current accounts with local banks in Saudi Riyal	<b>9,184,696</b>	9,230,064
Current accounts with local banks in foreign currencies	<b>773,859</b>	200,598
Cash held by investment portfolios	<b>--</b>	19,049,065
<b>Total – Exhibit A</b>	<b>9,958,555</b>	<b>28,479,727</b>

**7- Accounts Receivable, Net:**

a) The details of this item are as follows:

	<b>31 March 2026 G. (Unaudited)</b>	<b>31 December 2025 G. (Audited)</b>
	<b>SR.</b>	<b>SR.</b>
Trade accounts receivable	<b>96,725,979</b>	75,260,530
Unbilled revenue – Note (7/b)	<b>70,442,570</b>	54,040,220
Provision for expected credit losses – Note (7/b)	<b>(7,600,127)</b>	(6,616,804)
<b>Total – Exhibit A</b>	<b>159,568,421</b>	<b>122,683,946</b>

b) **Unbilled revenue:**

The details of this item are as follows:

	<b>31 March 2026 G. (Unaudited)</b>	<b>31 December 2025 G. (Audited)</b>
	<b>SR.</b>	<b>SR.</b>
Balance at beginning of the year	<b>54,040,220</b>	24,483,555
Additions form acquisition	<b>--</b>	3,003,414
Additions during the year	<b>45,354,274</b>	52,603,516
Invoiced issued	<b>(28,951,924)</b>	(26,050,265)
<b>Balance at end of the year – Note (7/a)</b>	<b>70,442,570</b>	<b>54,040,220</b>

c) The movement in the provision for impairment of receivables is as follows:

	<b>31 March 2026 G. (Unaudited)</b>	<b>31 December 2025 G. (Audited)</b>
	<b>SR.</b>	<b>SR.</b>
Balance at beginning of the period / year	<b>6,616,804</b>	5,234,231
Addition from acquisitions	<b>--</b>	592,966
Charge for the year – Note (24)	<b>983,323</b>	789,607
<b>Balance at end of year – Note (7/a)</b>	<b>7,600,127</b>	<b>6,616,804</b>

d) The following is an aging analysis of accounts receivable as at the period ended 31 March 2026 G. and the year ended 31 December 2025 G.

<b>Year</b>	<b>Total</b>	<b>0-90 Days</b>	<b>90-180 Days</b>	<b>180-270 Days</b>	<b>270-360 Days</b>	<b>More than one year</b>
<b>31 March 2026 G.</b>	<b>167,168,549</b>	<b>101,631,693</b>	<b>43,324,735</b>	<b>10,729,511</b>	<b>8,556,705</b>	<b>2,925,905</b>
31 December 2025 G.	129,300,750	106,144,191	11,018,612	7,768,511	3,280,637	1,088,799

**Dar Al Balad for Business Solutions Company**  
**A Closed Joint Stock Company**  
**Kingdom of Saudi Arabia**  
**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)**  
**For the Three-Month Period Ended 31 March 2026 G.**

**8- Other Debit Balances:**

The details of this item are as follows:

	<b>31 March 2026 G. (Unaudited)</b>	<b>31 December 2025 G. (Audited)</b>
	<b>SR.</b>	<b>SR.</b>
Prepaid expenses	<b>3,152,652</b>	3,765,352
Margin on letters of guarantee	<b>1,000,845</b>	363,463
Employee advance	<b>229,444</b>	357,992
Advances to suppliers	<b>1,935,625</b>	1,001,264
Value added tax (VAT)	<b>3,880,258</b>	7,909,949
<b>Total – Exhibit A</b>	<b>10,198,824</b>	13,398,020

**9- Investment Portfolios at Fair Value Through Profit or Loss:**

The details of this item are as follows:

	<b>31 March 2026 G. (Unaudited)</b>	<b>31 December 2025 G. (Audited)</b>
	<b>SR.</b>	<b>SR.</b>
Balance at beginning of the period / year	<b>14,402,601</b>	<b>12,941,172</b>
Additions from acquisition	--	<b>342,627</b>
Purchases during the period / year	<b>119,121</b>	<b>6,900,802</b>
Sales during the period / year	--	<b>(8,577,294)</b>
<b>Total</b>	<b>14,521,722</b>	<b>11,607,307</b>
Gains on sale of shares during the period / year	--	<b>354,378</b>
<b>Total portfolio before revaluation</b>	<b>14,521,722</b>	<b>11,961,685</b>
Unrealized (loss) / gains from revaluation during the period / year	<b>(397,018)</b>	<b>2,440,916</b>
<b>Total – Exhibit A</b>	<b>14,124,704</b>	<b>14,402,601</b>

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**10- Related Parties:**

The Company, in its ordinary course of business, deals with entities considered to be related parties. These parties include entities related to shareholders. Transactions with related parties are conducted at prices estimated and approved by the Company's management. The movement in this account is as follows:

a) Due from related parties:

	<b>Nature of relationship</b>	<b>31 March 2026 G. (Unaudited)</b>	<b>31 December 2025 G. (Audited)</b>
		<b>SR.</b>	<b>SR.</b>
Dar Al-Balad Commercial Company	Shareholder	<b>6,616,605</b>	<b>6,054,453</b>
Diesel Equipment Company	Affiliated Company	<b>1,990</b>	<b>1,819</b>
Global Manufacturing Industries Company	Affiliated Company	<b>124,066</b>	<b>--</b>
Direct Energy Company	Affiliated Company	<b>640</b>	<b>812</b>
<b>Total – Exhibit A</b>		<b>6,743,302</b>	<b>6,057,084</b>

b) Major transaction with related parties:

	<b>Nature of relationship</b>	<b>Type of relationship</b>	<b>Transaction amount 31 March 2026 G. (Unaudited)</b>	<b>Transaction amount 31 December 2025 G. (Audited)</b>
			<b>SR.</b>	<b>SR.</b>
Dar Al-Balad Commercial Company	Shareholder	Short-term loan financing provided to owner	--	3,200,000
		Services and consulting provided by owner	--	(105,800)
		Payments for services and consulting	--	3,368,360
		IPO expenses (shareholders)	<b>562,152</b>	6,059,800
		Expenses paid on behalf	--	87,906
Diesel Equipment Company	Affiliated Company	Services and consulting provided to the party	<b>36,542</b>	136,537
		Receipts for services and consulting	<b>(36,542)</b>	(136,537)
Dar Al-Balad for Contracting and Operations Company	Affiliated Company	Services and consulting provided to the party	<b>414,000</b>	1,656,000
		Receipts for services and consulting	<b>(414,000)</b>	(1,658,166)
		Services and consulting provided by the party	--	46,000
		Expenses paid on behalf	--	28,166
Direct Energy Company	Affiliated Company	Services and consultations to the party	<b>113,626</b>	394,555
		Receipts for services and consulting	<b>(113,626)</b>	(394,555)
		Expenses paid on behalf	--	272
Global Manufacturing Industries Company	Affiliated Company	Services and consultations to the party	<b>124,066</b>	110,400
		Receipts for services and consulting	--	(433,709)

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Dar Al-Arab Industrial Consulting Office	Affiliated Company	Services and consulting provided by the party	--	(131,605)
		Payments for services and consulting	--	878,212
		Receipts for services and consulting	--	(811,221)
		Expenses paid on behalf	--	8,200
Saudi Tunisian Electricity and Gas Company	Affiliated Company	Services and consulting provided to the party	<b>106,112</b>	424,447
		Receipts for services and consulting	<b>(106,112)</b>	(424,587)
		Expenses paid on behalf	--	140
Key Executives	Senior Management	Salaries and benefits	<b>536,720</b>	1,080,000
		Long-term employee benefit obligations	<b>2,521,800</b>	1,607,207
Board of directors	Board of Directors	Remuneration	<b>13,000</b>	557,000

- c) The shareholder has undertaken to bear the offering costs for 30% share of the Company's capital that pertains to the shareholder, in accordance with the resolutions of the Company's Extraordinary General Assembly (Note 1).

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**11- Property, Plant and Equipment, Net:**

a) The details of cost and accumulated depreciation for the period ended 31 March 2026 G. are as follows:

	<b>* Buildings</b>	<b>Tools and Equipment</b>	<b>Machinery and Equipment</b>	<b>Furniture and Fixture</b>	<b>Office equipment</b>	<b>Vehicles</b>	<b>Total</b>
	<b>SR.</b>	<b>SR.</b>	<b>SR.</b>	<b>SR.</b>	<b>SR.</b>	<b>SR.</b>	<b>SR.</b>
Balance as at 01/01/2026 G.	5,605,738	496,868	4,224,375	488,095	957,673	604,598	12,377,347
Additions during the period	--	64,000	--	1,703	30,778	--	96,481
<b>Balance as of 31/03/2026 G.</b>	<b>5,605,738</b>	<b>560,868</b>	<b>4,224,375</b>	<b>489,798</b>	<b>988,451</b>	<b>604,598</b>	<b>12,473,828</b>
<b>Accumulated Depreciation</b>							
Balance as of 01/01/2026 G.	1,600,157	481,917	3,658,389	228,882	715,028	568,395	7,252,768
Depreciation for the period	76,822	4,947	120,868	10,638	22,511	13,199	248,982
<b>Balance as of 31/03/2026 G.</b>	<b>1,676,979</b>	<b>486,864</b>	<b>3,779,254</b>	<b>239,521</b>	<b>737,539</b>	<b>581,593</b>	<b>7,501,750</b>
<b>Net property plant and equipment as of 31/03/2026 G. – Exhibit A</b>	<b>3,928,759</b>	<b>74,004</b>	<b>445,121</b>	<b>250,277</b>	<b>250,912</b>	<b>23,005</b>	<b>4,972,078</b>

b) The buildings listed above are constructed on land leased from the Industrial Cities Authority at a nominal rate for a period of 20 years.

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c) The details of cost and accumulated depreciation for the year ended 31 December 2025 G. are as follows:

	<b>* Buildings</b>	<b>Tools and Equipment</b>	<b>Machinery and Equipment</b>	<b>Furniture and Fixture</b>	<b>Office equipment</b>	<b>Vehicles</b>	<b>Total</b>
	<b>SR.</b>	<b>SR.</b>	<b>SR.</b>	<b>SR.</b>	<b>SR.</b>	<b>SR.</b>	<b>SR.</b>
Balance as at 01/01/2025 G.	--	--	--	354,882	724,028	278,750	1,357,660
Additions from acquisition	5,605,738	496,868	4,224,375	128,873	48,452	325,848	10,830,154
Additions during the year	--	--	--	4,340	185,193	--	189,533
<b>Balance as of 31/12/2025 G.</b>	<b>5,605,738</b>	<b>496,868</b>	<b>4,224,375</b>	<b>488,095</b>	<b>957,673</b>	<b>604,598</b>	<b>12,377,347</b>
<b>Accumulated Depreciation</b>							
Balance as of 01/01/2025 G.	--	--	--	130,274	603,419	234,402	968,095
Additions from acquisition	1,288,598	468,826	2,990,711	55,391	41,429	280,468	5,125,423
Depreciation for the year	311,559	13,091	667,678	43,217	70,180	53,525	1,159,250
<b>Balance as of 31/12/2025 G.</b>	<b>1,600,157</b>	<b>481,917</b>	<b>3,658,389</b>	<b>228,882</b>	<b>715,028</b>	<b>568,395</b>	<b>7,252,768</b>
<b>Net property plant and equipment as of 31/12/2025 G. – Exhibit A</b>	<b>4,005,581</b>	<b>14,951</b>	<b>565,986</b>	<b>259,213</b>	<b>242,645</b>	<b>36,203</b>	<b>5,124,579</b>

d) The buildings mentioned above are constructed on land leased from the Industrial Cities Authority at a nominal rate for a period of 20 years.

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**12- Right-of-Use Assets / Lease Liabilities:**

This item represents the application of International Financial Reporting Standard (IFRS) 16. The Company has adopted a single recognition and measurement principle for all lease contracts in which it is the lessee, with the exception of short-term leases and leases of low-value assets. The Company has recognized lease liabilities, representing the obligation to make lease payments, and corresponding right-of-use assets, which represent the right to use the underlying assets which are subject to the contracts.

	<b>31 March 2026 G.</b>	31 December 2025 G.
	<b>(Unaudited)</b>	(Audited)
	<b>SR.</b>	SR.
Balance at beginning of period / year	<b>1,467,710</b>	<b>957,638</b>
Addition resulting from acquisition	--	<b>563,032</b>
Disposal during the period / year	--	<b>(175,605)</b>
Additions during the period / year	--	<b>122,645</b>
<b>Total</b>	<b>1,467,710</b>	<b>1,467,710</b>
<b><u>Accumulated amortization</u></b>		
Balance at beginning of the period / year	<b>(874,316)</b>	<b>(693,864)</b>
Addition from acquisition	--	<b>(110,721)</b>
Disposal during the period/year	--	<b>28,477</b>
Amortization charge for the period / year	<b>(26,052)</b>	<b>(98,208)</b>
<b>Total</b>	<b>(900,368)</b>	<b>(874,316)</b>
<b>Net carrying amount of right-of-use assets – Exhibit A</b>	<b>567,342</b>	<b>593,394</b>
<b><u>Lease Liabilities:</u></b>		
Balance at beginning of period / year	<b>581,234</b>	<b>240,346</b>
Addition resulting from acquisition	--	<b>442,350</b>
Additions during the period / year	--	<b>122,645</b>
<b>Less / add:</b>		
Payments made during the year period / year	<b>(42,000)</b>	<b>(101,992)</b>
Disposal during the period / year	--	<b>(148,483)</b>
Interest on lease liabilities period / year	<b>6,323</b>	<b>26,368</b>
<b>Total lease liabilities</b>	<b>545,557</b>	<b>581,234</b>
<b>Less: Current portion of lease liabilities – Exhibit A</b>	<b>99,271</b>	<b>99,271</b>
<b>Non-Current portion of lease liabilities – Exhibit A</b>	<b>446,286</b>	<b>481,963</b>

\* The leased assets consist of the lease of the company's premises for an amount of SR.40,000 per year for a period of three years, the lease of the Jeddah office for an amount of SR.63,000 for a period of two years, and the lease of the factory site land plot for an amount of SR.39,992 per year for a period of twenty years.

**13- Investments in Equity Instruments at Fair Value Through Profit or Loss:**

During the year 2024 G., the Company invested in Durr Real Estate Company (a limited liability company), with an investment in capital representing 8.89% for SR.8,890, in addition to an investment in additional capital of SR.11,991,110. The company's activities include electrical wiring installation, computer and communication network installation, buying and selling land and real estate and their subdivision, off-plan sales activities, and general construction of non-residential buildings (e.g., schools, hospitals, hotels, etc.) during the year 2025 G. valuation was obtained from an external valuer, Ahmed Zaki Al-Kulaibi for Management Consultancies, and the revaluation resulted in revaluation surplus of SR.107,236.

	<b>Investment Percentage</b>	<b>Balance at Beginning of Period</b>	<b>Additions During the Period</b>	<b>Balance at End of Period</b>
	<b>SR.</b>	<b>SR.</b>	<b>SR.</b>	<b>SR.</b>
Durr Real Estate Company	8.89%	12,107,236	--	12,107,236
<b>Total – Exhibit A</b>		<b>12,107,236</b>	<b>--</b>	<b>12,107,236</b>

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**14- Bank Facilities:**

Dar Al Balad for Business Solutions Company has a Sharia-compliant credit facilities agreement with the Saudi Investment Bank in the amount of SR.10,000,000 (2025: SR.10,000,000) for the purpose of financing the purchase and sale of goods and the issuance of various guarantees. Key guarantees associated with the agreement include the provision of a surety bond and performance guarantee by, the Small and Medium Enterprises Financing Guarantee Program (Kafalah), major shareholders, and the issuing company. The utilized facility amounts are payable in a single lump sum after six months with interest based on the Saudi Central Bank (SAMA) rate plus 1% annually.

**15- Provision for Estimated Zakat:**

The movement on the zakat provision is as follows:

	31 March 2026 G. (Unaudited)	31 December 2025 G. (Audited)
	SR.	SR.
Balance of Zakat provision at beginning of period / year	4,626,027	2,919,985
Addition from acquisitions	--	499,358
Zakat provision charged during the period / year	1,285,589	4,539,101
Zakat provision paid during the period / year	--	(3,332,417)
<b>Balance of provision at end of period / year – Exhibit A</b>	<b>5,911,616</b>	<b>4,626,027</b>

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- The Company has filed its Zakat declarations and financial statements with the Zakat, Tax and Customs Authority (ZATCA) through the end of the year 2024 and has obtained a valid Zakat certificate valid until 30 April 2026 G.
- During the year 2025, the Authority issued a Zakat assessment for the year 2023 G., and the Zakat assessment has been finalized with no Zakat obligations arising against the Company.

Global Specialty Chemical Co.

- The Company has filed its Zakat declarations and financial statements with the Zakat, Tax and Customs Authority (ZATCA) through the end of the year 2024 G. and has obtained a valid Zakat certificate valid until 30 April 2026 G..
- During the year 2024 G., the Authority issued a Zakat assessment for the year 2020 G., resulting in a Zakat liability for the Company amounting to SR.10,488. The amount has been settled and the Zakat assessment finalized.

**16- Capital:**

The Company's share capital amounted to SR.70 million, divided into 70 million cash shares of equal value. The value of each share was SR.1. All shares are ordinary shares issued for consideration distributed to shareholders as follows:

	Number of Share	Share Value	Paid-up Value
		SR.	SR.
Dar Al Balad Commercial Company	67,200,000	1	67,200,000
Najem Al-Olaya Trading Company	1,400,000	1	1,400,000
Najem Commercial Investment Company	1,400,000	1	1,400,000
<b>Share Capital – Exhibit A</b>	<b>70,000,000</b>		<b>70,000,000</b>

The Extraordinary General Assembly of the Company approved, on 18/4/2025, the request to list the Company's shares on the financial market "Tadawul" and to offer 30% of the Company's capital.

The Ordinary General Assembly also approved the Employee Share Program and the allocation of 1.5% of the Company's shares as treasury shares for this program.

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**17- Statutory Reserve:**

In accordance with the Company's Articles of Association, 10% of the annual net income is appropriated to form the statutory reserve. The Company may discontinue this appropriation when the reserve reaches 30% of the share capital. Pursuant to the shareholders' resolution dated 12 February 2025, it was transferred to retained earnings.

**18- Revenues:**

a) The Company's revenue is derived from providing services of both information systems and technical support for telecommunications and information technology software systems.

	<b>31 March 2026 G.</b> <b>(Unaudited)</b>	31 March 2025 G. (Unaudited)
	<b>SR.</b>	SR.
Managed business services	<b>12,429,543</b>	9,212,599
IT consulting services	<b>29,932,233</b>	24,814,487
Management IT services	<b>37,397,197</b>	36,255,007
Industrial chemical impurity purification services	<b>3,361,944</b>	4,235,090
Industrial maintenance services	<b>298,593</b>	883,959
Industrial supply	<b>906,788</b>	1,157,550
<b>Total – Exhibit B</b>	<b>84,326,298</b>	<b>76,558,692</b>

b) Analysis of revenue by timing of recognition:

	<b>31 March 2026 G.</b> <b>(Unaudited)</b>	31 March 2025 G. (Unaudited)
	<b>SR.</b>	SR.
Sales of goods and spare parts recognized at a point in time	<b>1,205,381</b>	<b>2,041,509</b>
Industrial maintenance services recognized over time	<b>83,120,917</b>	<b>74,517,183</b>
<b>Total – Note (18/a)</b>	<b>84,326,298</b>	<b>76,558,692</b>

**19- Cost of Revenues:**

The details of this item are as follows:

	<b>31 March 2026 G.</b> <b>(Unaudited)</b>	31 March 2025 G. (Unaudited)
	<b>SR.</b>	<b>SR.</b>
Cost of managed business services	<b>9,916,142</b>	<b>7,479,357</b>
Cost of IT consulting services	<b>23,635,782</b>	<b>19,905,371</b>
Cost of managed IT services	<b>30,524,681</b>	<b>30,138,319</b>
Other costs	--	<b>686,332</b>
Cost of industrial chemical impurity purification services	<b>316,865</b>	<b>592,505</b>
Cost of industrial maintenance services	<b>138,921</b>	<b>805,757</b>
Cost of industrial supply	<b>502,767</b>	<b>703,912</b>
<b>Total – Exhibit B</b>	<b>65,035,158</b>	<b>60,311,553</b>

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**20- General and Administrative Expenses:**

The details of this item are as follows:

	<b>31 March 2026 G.</b> <b>(Unaudited)</b>	31 March 2025 G. (Unaudited)
	<b>SR.</b>	<b>SR.</b>
Salaries, wages and related benefits	<b>1,437,540</b>	936,336
Government fees and subscriptions	<b>80,609</b>	50,472
Depreciation of property, plant and equipment	<b>248,982</b>	294,391
Hotel accommodation	<b>14,435</b>	53,737
Withholding tax and value added tax	<b>335,906</b>	145,778
Expenses for expected credit loss	<b>983,323</b>	447,662
Depreciation of right-of-use assets	<b>26,052</b>	38,053
Legal and professional fees	<b>82,500</b>	60,000
Other	<b>298,907</b>	351,002
<b>Total – Exhibit B</b>	<b>3,508,254</b>	2,377,431

**21- Basic and Diluted Earnings Per Share:**

Earnings per share is calculated by dividing the net profit by the weighted average number of outstanding shares, amounting to 70,000,000 shares. The basic earnings per share is the same as diluted earnings per share, as the Group has no dilutive instruments.

**22- Financial Risk Management:**

**Overview**

The Company is exposed to the following risks arising from the use of financial instruments:

- Capital Management Risk.
- Credit Risk.
- Liquidity Risk.
- Market Risk (including currency risk and commission rate risk).

This note shows information on the Company's exposure to the above risks, the Company's objectives, policies and procedures regarding measuring and managing risks, and managing the Company's capital. Additional quantitative disclosures have been included in these financial statements.

**Risk Management:**

The Board of Directors bears the full responsibility for developing and supervising the Company's risk management frameworks. The Company's risk management policies have been developed to identify and analyze the risks encountered by the Company. Appropriate risk limits and controls have been developed, and risks are monitored and compliance with those limits is ensured. Risk management policies and rules are reviewed regularly to reflect changes in market conditions and the Company's activities.

**Capital Management Risk:**

The Company aims, in managing capital, to maintain the Company's ability to continue as a going concern, achieving returns to partners and benefits to other stakeholders, and maintaining an optimal capital structure that reduces the cost of capital.

**Credit Risk:**

Credit risk represents the risk of the Company incurring a financial loss if a customer or other party fails to meet their contractual obligations regarding a financial instrument. It arises primarily from outstanding payments owed by customers.

Financial instruments exposed to credit risk mainly include cash, cash equivalents, and trade receivables.

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**Cash and Cash Equivalents:**

Credit risk relating to balances in banks is managed through the Company's finance department in accordance with the Company's policies, as the Company seeks to deal with reputable banks with a good credit rating. The Company's management has not identified any significant impacts arising from the concentration of credit risk relating to balances in banks as at the date of preparation of the financial statements.

**Liquidity Risk:**

Liquidity risk refers to the risk that the Company may not be able to meet its financial obligations as they fall due. The Company's approach to liquidity risk management is to ensure, as far as reasonably possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or exposing the Company to significant damage that could adversely affect its reputation.

The Company generally aims to maintain adequate cash balances on demand to meet expected operating expenses, including the settlement of financial obligations. This excludes the potential impact of extreme circumstances that cannot be reasonably anticipated, such as natural disasters. In addition, the Company has credit facilities available to finance its working capital requirements.

Management prepares cash flow forecasts and monitors the projected liquidity requirements of the Company to ensure that sufficient liquidity is available to meet its operational needs.

The table below summarizes the Company's financial liabilities based on undiscounted contractual cash flows. The amounts disclosed in the table represent undiscounted contractual cash flows. Amounts due within twelve months approximate their carrying values, as the effect of discounting is not considered to be significant.

31 March 2026 G.				
Description	Carrying amount	Less than one year	From 1 year to 5 years	More than 5 years
	SR.	SR.	SR.	SR.
Accounts payable and other credit balances	8,391,322	8,391,322	--	--
Lease liabilities	545,557	99,271	172,739	273,547
<b>Total</b>	<b>8,936,879</b>	<b>8,490,593</b>	<b>172,739</b>	<b>273,547</b>

  

31 December 2025 G.				
Description	Carrying amount	Less than one year	From 1 year to 5 years	More than 5 years
	SR.	SR.	SR.	SR.
Accounts payable and other credit balances	18,617,849	18,617,849	--	--
Lease liabilities	581,234	99,271	481,963	--
<b>Total</b>	<b>19,199,083</b>	<b>18,717,120</b>	<b>481,963</b>	<b>--</b>

**Market Risk:**

Market risk represents the risk arising from changes in market prices, such as foreign exchange rates and commission rates, which may affect the Company's income. The objective of market risk management is to manage and monitor market risk exposures within acceptable limits while maintaining returns.

**Currency Risk:**

The Company is not exposed to foreign exchange risk resulting from exposure to various currencies, particularly fluctuations in exchange rates of other currencies against the Saudi Riyal. Foreign currency risk primarily arises from commercial transactions. The Company's policy requires management to conduct regular reviews of currency risk exposure. The Company does not have monetary assets and liabilities recorded in foreign currencies. When necessary to carry out a transaction involving foreign currencies or foreign transfers, the Company ensures that the net exposure to associated risks remains within acceptable levels by purchasing and selling foreign currencies at spot rates, when necessary, to offset short-term imbalances.

The currency risk that may arise in relation to the United States Dollar is not considered significant for the Company, as the exchange rate of the US Dollar is pegged against the Saudi Riyal.

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**Capital Risk:**

The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to the Company and benefits to other stakeholders, and to maintain a strong capital base to support the ongoing development of its business.

The Company manages its capital structure by monitoring the return on net assets and making adjustments to it in light of changes in economic conditions. The Company also monitors capital using the gearing ratio, which is net debt (trade and other payables, less cash and bank balances). Capital refers to equity as shown in the statement of financial position plus net debt.

The following is the gearing ratio as of 31 March 2026 and 31 December 2025:

	<b>31 March 2026 G. (Unaudited)</b>	31 December 2025 G. (Audited)
	SR.	SR.
Total Liabilities	<b>26,516,956</b>	<b>34,539,773</b>
<b>Less: cash and cash equivalents</b>	<b>9,958,555</b>	<b>28,479,727</b>
<b>Net debit</b>	<b>16,558,401</b>	6,060,046
Capital	<b>70,000,000</b>	<b>70,000,000</b>
Additional paid-in-capital	<b>21,839,626</b>	<b>21,839,626</b>
Retained earnings	<b>102,312,213</b>	<b>78,990,249</b>
<b>Equity</b>	<b>194,151,839</b>	<b>170,829,875</b>
<b>Equity and Net debit</b>	<b>210,710,240</b>	176,889,921
<b>%</b>	<b>7.86%</b>	%3.43

**23- Subsequent Events:**

Management believes that no significant events have occurred since the end of the financial period that could have a material impact on the Company's financial position as presented in these condensed interim financial statements.

**24- Approval of Financial Statements for Issuance:**

The Company's interim condensed consolidated financial statements for the period ended 31 March 2026 G. were approved for issuance in accordance with the Board of Directors' resolution dated 17 Dhu Al-Qi'dah 1447H. corresponding to 04 May 2026G.

**25- General:**

The figures presented in the interim condensed financial statements are rounded to the nearest Saudi Riyal.