

**BINDAWOOD HOLDING COMPANY**  
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM  
FINANCIAL STATEMENTS  
(UNAUDITED)**

with

**INDEPENDENT AUDITOR'S REVIEW REPORT**

For the three-month and six-month periods ended 30 June 2025

**BINDAWOOD HOLDING COMPANY**  
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
For the three-month and six-month periods ended 30 June 2025

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## KPMG Professional Services Company

Zahran Business Center  
Prince Sultan Street  
P. O. Box 55078  
Jeddah 21534  
Kingdom of Saudi Arabia  
Commercial Registration No 4030290792

Headquarters in Riyadh

## شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية

مركز زهران للأعمال  
شارع الأمير سلطان  
ص. ب. 55078  
جده 21534  
المملكة العربية السعودية  
سجل تجاري رقم ٤٠٣٠٢٩٠٧٩٢

المركز الرئيسي في الرياض

# Independent auditor's report on review of condensed consolidated interim financial statements

To the Shareholders of BinDawood Holding Company

## Introduction

We have reviewed the accompanying 30 June 2025 condensed consolidated interim financial statements of BinDawood Holding Company ("the Company") and its subsidiaries ("the Group") which comprises:

- the condensed consolidated statement of financial position as at 30 June 2025;
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month and six-month periods ended 30 June 2025;
- the condensed consolidated statement of changes in equity for the six-month period ended 30 June 2025;
- the condensed consolidated statement of cash flows for the six-month period ended 30 June 2025; and
- the notes to the condensed consolidated interim financial statements.

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

## Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' that is endorsed in the Kingdom of Saudi Arabia. A review of condensed consolidated interim 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 30 June 2025 condensed consolidated interim financial statements of BinDawood Holding Company and its subsidiaries are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

## For KPMG Professional Services Company

Abdullah Oudah Althagafi  
License No: 455

Jeddah, 10 August 2025  
Corresponding to 16 Safar 1447H



KPMG Professional Services Company, a professional closed joint stock company registered in the Kingdom of Saudi Arabia with a paid-up capital of SAR110,000,000 and a non-partner member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. Commercial Registration of the headquarters in Riyadh is 1010425494.

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية، مسجلة في المملكة العربية السعودية، رأس مالها (110,000,000) ريال سعودي مدفوع بالكامل، وهي عضو غير شريك في الشبكة العالمية لشركات كي بي إم جي المستقلة التابعة لـ كي بي إم جي العالمية المحدودة، شركة انجليزية محدودة بضمان. رقم السجل التجاري للمركز الرئيسي في الرياض هو ١٠١٠٤٢٥٤٩٤.

**BINDAWOOD HOLDING COMPANY**  
(A Saudi Joint Stock Company)

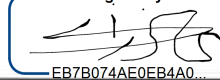
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 30 June 2025

(Expressed in Saudi Arabian Riyals unless otherwise stated)

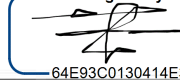
	Notes	30 June 2025 (Unaudited)	31 December 2024 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment		840,045,388	828,614,382
Intangible assets and goodwill	6	734,303,103	454,207,432
Investment at fair value through other comprehensive income		37,481,260	37,481,260
Right-of-use assets	7	2,086,760,334	1,984,302,496
		<u>3,698,590,085</u>	<u>3,304,605,570</u>
<b>Current assets</b>			
Inventories		1,362,559,233	1,170,122,801
Trade and other receivables		256,845,041	165,554,653
Prepayments and advances		149,048,778	183,199,381
Term deposits		--	11,812,500
Cash and cash equivalents	9	338,210,937	429,041,321
		<u>2,106,663,989</u>	<u>1,959,730,656</u>
<b>Total assets</b>		<u>5,805,254,074</u>	<u>5,264,336,226</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	10	1,143,000,000	1,143,000,000
Treasury shares reserve	11	(14,985,400)	(14,985,400)
Foreign currency translation reserve		19,673,452	5,759,055
Employees' share based payments reserve		8,550,335	6,850,335
Other reserves		(43,927,094)	(43,927,094)
Retained earnings		307,104,742	302,252,320
<b>Equity attributable to owners of the Company</b>		<u>1,419,416,035</u>	<u>1,398,949,216</u>
Non-controlling interests		73,965,084	74,771,665
<b>Total equity</b>		<u>1,493,381,119</u>	<u>1,473,720,881</u>
<b>Non-current liabilities</b>			
Employees' end of service benefits		189,143,649	161,373,727
Compulsory convertible debentures		11,725,927	11,865,042
Lease liabilities - non-current portion	7	2,134,649,155	2,018,171,296
Bank borrowing	15	150,000,000	--
		<u>2,485,518,731</u>	<u>2,191,410,065</u>
<b>Current liabilities</b>			
Bank borrowing	15	227,000,000	--
Due to related parties	8	1,669,700	2,663,091
Trade payables, accruals, and other liabilities		1,298,028,675	1,259,458,774
Unearned income and other payable		20,320,649	42,328,939
Lease liabilities - current portion	7	261,747,186	274,884,677
Zakat liabilities	13	17,588,014	19,869,799
		<u>1,826,354,224</u>	<u>1,599,205,280</u>
<b>Total liabilities</b>		<u>4,311,872,955</u>	<u>3,790,615,345</u>
<b>Total equity and liabilities</b>		<u>5,805,254,074</u>	<u>5,264,336,226</u>

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Dr. Abdul Razzaq BinDawood  
Chairman

DocuSigned by:



Ahmad AR BinDawood  
Chief Executive Officer



Muhammad Salim Patka  
Chief Financial Officer

The accompanying notes 1 to 21 form an integral part of these condensed consolidated interim financial statements.

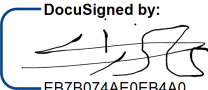
**BINDAWOOD HOLDING COMPANY**  
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME (UNAUDITED)**


For the three-month and six-month periods ended 30 June 2025

(Expressed in Saudi Arabian Riyals unless otherwise stated)

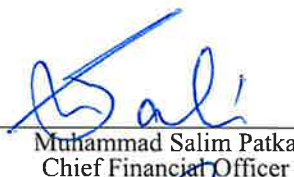
	<u>Notes</u>	<u>Three-month</u> <u>period ended 30 June</u>		<u>Six-month</u> <u>period ended 30 June</u>	
		<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenue		<b>1,474,313,373</b>	1,417,839,299	<b>3,148,698,549</b>	2,890,763,020
Cost of revenue		<b>(941,028,334)</b>	(937,410,533)	<b>(2,086,713,148)</b>	(1,959,294,755)
<b>Gross profit</b>		<b>533,285,039</b>	480,428,766	<b>1,061,985,401</b>	931,468,265
Selling and distribution expenses		<b>(362,953,290)</b>	(296,657,736)	<b>(707,701,852)</b>	(591,415,891)
General and administration expenses		<b>(90,953,810)</b>	(84,883,809)	<b>(184,697,942)</b>	(159,589,384)
Other operating income		<b>1,045,345</b>	2,800,975	<b>3,622,583</b>	4,618,214
<b>Operating profit</b>		<b>80,423,284</b>	101,688,196	<b>173,208,190</b>	185,081,204
Other income		<b>6,011,717</b>	1,360,366	<b>11,365,959</b>	1,257,731
Finance income		<b>1,093,148</b>	5,210,002	<b>2,917,718</b>	9,743,040
Finance cost		<b>(30,619,895)</b>	(25,963,360)	<b>(59,730,008)</b>	(47,017,715)
<b>Profit for the period before Zakat and tax</b>		<b>56,908,254</b>	82,295,204	<b>127,761,859</b>	149,064,260
Zakat and tax	13	<b>(6,424,471)</b>	(7,251,492)	<b>(11,561,301)</b>	(13,473,896)
<b>Profit for the period</b>		<b>50,483,783</b>	75,043,712	<b>116,200,558</b>	135,590,364
<b>Other comprehensive income</b>					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Foreign operations – foreign currency translation differences		<b>10,772,183</b>	(881,654)	15,859,680	(4,565,827)
<b>Total comprehensive income for the period</b>		<b>61,255,966</b>	74,162,058	<b>132,060,238</b>	131,024,537

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Dr. Abdul Razzaq BinDawood  
Chairman

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Ahmad AR BinDawood  
Chief Executive Officer

  
Muhammad Salim Patka  
Chief Financial Officer

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of these condensed consolidated interim financial statements.

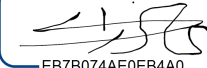
**BINDAWOOD HOLDING COMPANY**  
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**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME (UNAUDITED) (continued)**

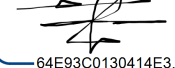
For the three-month and six-month periods ended 30 June 2025

(Expressed in Saudi Arabian Riyals unless otherwise stated)

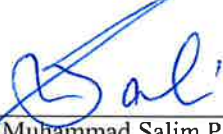
		<b>Three-month</b>		<b>Six-month</b>	
		<b>period ended 30 June</b>		<b>period ended 30 June</b>	
	<u>Note</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Profit / (loss) for the period</b>					
<b>attributable to:</b>					
Owners of the Company		<b>51,829,084</b>	72,646,649	<b>118,952,422</b>	132,308,154
Non-controlling interests		<b>(1,345,301)</b>	2,397,063	<b>(2,751,864)</b>	3,282,210
<b>Profit for the period</b>		<b>50,483,783</b>	75,043,712	<b>116,200,558</b>	135,590,364
<b>Total comprehensive income /</b>					
<b>(loss) for the period</b>					
<b>attributable to:</b>					
Owners of the Company		<b>61,285,556</b>	71,863,505	<b>132,866,819</b>	128,337,095
Non-controlling interests		<b>(29,590)</b>	2,298,553	<b>(806,581)</b>	2,687,442
<b>Total comprehensive income</b>		<b>61,255,966</b>	74,162,058	<b>132,060,238</b>	131,024,537
<b>Earnings Per Share ("EPS")</b>					
<b>attributable to the</b>					
<b>Owners of the Company:</b>					
Basic and diluted	14	<b>0.05</b>	0.06	<b>0.10</b>	0.12

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Dr. Abdul Razzaq BinDawood  
Chairman

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Ahmad AR BinDawood  
Chief Executive Officer

  
Muhammad Salim Patka  
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**BINDAWOOD HOLDING COMPANY**  
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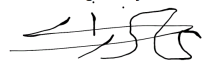
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the six-month period ended 30 June 2025

(Expressed in Saudi Arabian Riyals unless otherwise stated)


	Attributable to the owners of the Company						Non-controlling interests	Total equity	
	Share capital	Treasury shares reserve	Foreign currency translation reserve	Employees' share based payments reserve	Other reserve	Retained earnings			Total
<b>30 June 2025</b>									
Balance at 1 January 2025 (audited)	1,143,000,000	(14,985,400)	5,759,055	6,850,335	(43,927,094)	302,252,320	1,398,949,216	74,771,665	1,473,720,881
Profit for the period	--	--	--	--	--	118,952,422	118,952,422	(2,751,864)	116,200,558
Other comprehensive income	--	--	13,914,397	--	--	--	13,914,397	1,945,283	15,859,680
	--	--	13,914,397	--	--	118,952,422	132,866,819	(806,581)	132,060,238
Employees' share based payments plan reserve – charged to statement of profit or loss and other comprehensive income	--	--	--	1,700,000	--	--	1,700,000	--	1,700,000
<b>Transactions with the owners of the Company:</b>									
Dividend (refer note 12)	--	--	--	--	--	(114,100,000)	(114,100,000)	--	(114,100,000)
<b>Balance as at 30 June 2025 (unaudited)</b>	<b>1,143,000,000</b>	<b>(14,985,400)</b>	<b>19,673,452</b>	<b>8,550,335</b>	<b>(43,927,094)</b>	<b>307,104,742</b>	<b>1,419,416,035</b>	<b>73,965,084</b>	<b>1,493,381,119</b>

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Dr. Abdul Razzaq BinDawood  
Chairman

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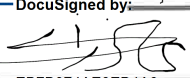


**BINDAWOOD HOLDING COMPANY**

(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)**

For the six-month period ended 30 June 2025

(Expressed in Saudi Arabian Riyals unless otherwise stated)

	Attributable to the owners of the Company								
	Share capital	Treasury shares reserve	Foreign currency translation reserve	Employees' share based payments reserve	Other reserve	Retained earnings	Total	Non-controlling interests	Total equity
<b>30 June 2024</b>									
Balance at 1 January 2024 (audited)	1,143,000,000	--	11,927,876	4,108,971	(25,584,166)	265,763,055	1,399,215,736	60,052,408	1,459,268,144
Profit for the period	--	--	--	--	--	132,308,154	132,308,154	3,282,210	135,590,364
Other comprehensive income	--	--	(3,971,059)	--	--	--	(3,971,059)	(594,768)	(4,565,827)
	--	--	(3,971,059)	--	--	132,308,154	128,337,095	2,687,442	131,024,537
Employees' share based payments plan reserve – charged to statement of profit or loss and other comprehensive income	--	--	--	1,849,307	--	--	1,849,307	--	1,849,307
Purchase of treasury shares held under employees' share based payment plan	--	(14,985,400)	--	--	--	--	(14,985,400)	--	(14,985,400)
<b>Transactions with the owners of the Company:</b>									
Dividend (refer note 13)	--	--	--	--	--	(114,300,000)	(114,300,000)	--	(114,300,000)
<b>Changes in ownership interests</b>									
Acquisition of subsidiary with NCI	--	--	--	--	--	--	--	(5,826,366)	(5,826,366)
Minority's share of additional capital contribution in a subsidiary	--	--	--	--	--	--	--	14,242,875	14,242,875
Balance as at 30 June 2024 (unaudited)	1,143,000,000	(14,985,400)	7,956,817	5,958,278	(25,584,166)	283,771,209	1,400,116,738	71,156,359	1,471,273,097
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Dr. Abdul Razzaq BinDawood Chairman				Ahmad Ali BinDawood Chief Executive Officer					
									
						Muhammad Salim Patka Chief Financial Officer			

The accompanying notes 1 to 21 form an integral part of these condensed consolidated interim financial statements.



**BINDAWOOD HOLDING COMPANY**

(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**

For the six-month period ended 30 June 2025

(Expressed in Saudi Arabian Riyals unless otherwise stated)

	Notes	2025	2024
<b>Cash flows from operating activities</b>			
Profit for the period		116,200,558	135,590,364
<b>Adjustments for:</b>			
Depreciation on property and equipment		81,544,267	79,701,789
Depreciation on right-of-use assets	7	163,367,550	145,275,534
Amortization of intangible assets		11,226,487	6,953,756
Finance cost on lease liabilities	7	52,255,774	47,017,715
Interest expense on bank borrowing		7,479,620	--
Finance income on term deposits		(2,917,718)	--
(Gain) / loss on termination of lease liabilities		(170,377)	1,068,179
(Gain) / loss on disposal of property and equipment		(3,793,373)	58,982
Provision for employees' end of service benefits		17,993,231	14,020,585
Zakat and tax for the period	13	11,561,301	13,473,896
		<u>454,747,320</u>	<u>443,160,800</u>
<b>Changes in working capital:</b>			
Inventories		(30,361,714)	(46,031,533)
Trade and other receivables		(67,654,223)	165,306,927
Prepayments and advances		46,849,860	(6,811,286)
Due to related parties		(993,391)	1,373,425
Trade payables, accruals, and other liabilities		(22,455,984)	128,491,423
Unearned income and other payable		(22,008,290)	(31,648,439)
<b>Cash generated from operating activities</b>		<u>358,123,578</u>	<u>653,841,317</u>
Zakat and tax paid	13	(21,113,464)	(16,545,780)
Employees' end of service paid		(4,023,259)	(3,148,074)
Finance cost paid on lease liabilities	7	(52,255,774)	(47,017,715)
<b>Net cash from operating activities</b>		<u>280,731,081</u>	<u>587,129,748</u>
<b>Cash flows from investing activities</b>			
Acquisition of property and equipment		(76,039,896)	(106,435,309)
Purchase of intangible assets		(3,774,738)	(35,865,588)
Proceeds from sale of property and equipment		10,083,595	495,989
Investment in term deposit		11,812,500	(20,966,500)
Finance income on term deposits		3,544,687	--
Acquisition of investment at fair value through other comprehensive income		--	(37,481,260)
Acquisition of subsidiary, net of cash acquired	6.3	(434,770,647)	(28,269,063)
<b>Net cash used in investing activities</b>		<u>(489,144,499)</u>	<u>(228,521,731)</u>
<b>Cash flows from financing activities</b>			
Dividend paid	12	(114,100,000)	(114,300,000)
Purchase of treasury shares	11	--	(14,985,400)
Payment of lease liabilities	7	(153,882,808)	(134,678,868)
Proceeds from bank borrowing		427,000,000	--
Repayment of bank borrowing		(50,000,000)	--
Interest expense on bank borrowing		(7,293,838)	--
Proceeds from additional capital contribution in a subsidiary by minority shareholder		--	14,242,875
<b>Net cash generated from / (used in) financing activities</b>		<u>101,723,354</u>	<u>(249,721,393)</u>

**BINDAWOOD HOLDING COMPANY**

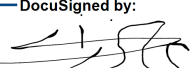
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) (continued)**


For the six-month period ended 30 June 2025

(Expressed in Saudi Arabian Riyals unless otherwise stated)

Net (decrease) / increase in cash and cash equivalents		(106,690,064)	108,886,624
Cash and cash equivalents at the beginning of the period		429,041,321	521,134,570
Effect of movement in exchange rate		15,859,680	(4,565,827)
<b>Cash and cash equivalents at the end of the period</b>	<b>9</b>	<b>338,210,937</b>	<b>625,455,367</b>
<b><u>Supplementary non-cash information:</u></b>			
Additions to right-of-use assets and lease liabilities	7	140,182,123	132,778,798
Compulsory convertible debentures		11,725,927	12,086,746
Lease modification during the period	7	7,293,458	66,404,840
Foreign currency translation differences		15,859,680	(4,565,827)

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Dr. Abdul Razzaq BinDawood  
Chairman

DocuSigned by:  
  
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Ahmad AR BinDawood  
Chief Executive Officer



Muhammad Salim Patka  
Chief Financial Officer

The accompanying notes 1 to 21 form an integral part  
of these condensed consolidated interim financial statements.

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

For six-month period ended 30 June 2025  
(Expressed in Saudi Arabian Riyals)

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**1. CORPORATE INFORMATION**

BinDawood Holding Company (the "Company" or the "Parent Company") is a Saudi Joint Stock Company. The Company was initially registered as a Limited Liability Company in the Kingdom of Saudi Arabia ("KSA") under Commercial Registration number 4031063470 dated 16 Shaban 1432H (corresponding to 17 July 2011). The shareholders of the Company resolved to change the legal status of the Company from "Limited Liability Company" to "Closed Joint Stock Company". The Ministry of Commerce announced the conversion into a Closed Joint Stock Company on 16 Ramadan 1438H (corresponding to 11 June 2017) fully owned by majority Saudi shareholders and minority GCC nationals. During the year 2020, the Company's shares were listed on the Saudi Stock Exchange (Tadawul) in the Kingdom of Saudi Arabia.

The registered office of the Company is located at the following address:

BinDawood Holding Company  
Masjid Al Haram Road  
Al Azizia District  
P.O. Box 5510, Makkah 21955  
Kingdom of Saudi Arabia.

The Parent Company's objective is to manage its subsidiaries and provide required support to them. It also includes acquiring the required properties and movable assets for its activities, acquire, lease, and utilize industrial and commercial equity rights, patents and brand names, franchise and other abstract rights for its subsidiaries or others.

These accompanying condensed consolidated interim financial statements include the financial statements of the Parent Company and its subsidiaries (refer note 2.3), collectively referred as the "Group". The Group is principally engaged in the following activities:

- Retail trading of foodstuff and household items;
- Operating bakeries and restaurants;
- Providing information technology and communication services;
- Providing delivery, storage, and transportation services;
- Acquiring and managing investments; and
- Providing market influencing and digital marketing services

**2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE**

**2.1 Statement of compliance**

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

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
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For six-month period ended 30 June 2025  
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**2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE (continued)**

**2.1 Statement of compliance (continued)**

These condensed consolidated interim financial statements do not include all the information and disclosures required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed in the KSA and should therefore be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended 31 December 2024 ("last annual consolidated financial statements"). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements. In addition, results for the interim period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ended 31 December 2025.

**2.2 Basis of measurement**

These condensed consolidated interim financial statements have been prepared using accrual basis of accounting, going concern concept and under the historical cost basis unless stated otherwise.

These condensed consolidated interim financial statements are presented in Saudi Riyals (ﷲ), which is also the Parent Company's functional and presentation currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. All amounts have been rounded to the nearest ﷲ, unless otherwise stated.

**2.3 Basis of consolidation**

***Business combinations***

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired include, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and asset is not a business. The optional concentration test is met, if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. A gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the condensed consolidated interim statement of profit or loss and other comprehensive income.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
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(Expressed in Saudi Arabian Riyals)

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**2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE (continued)**

**2.3 Basis of consolidation (continued)**

***Business combinations (continued)***

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in the condensed consolidated interim statement of profit or loss and other comprehensive income.

***Basis of consolidation***

The condensed consolidated interim financial statements comprise the financial statements of the Parent Company and its subsidiaries as at 30 June 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
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights establish 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
- 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 year are included in the condensed consolidated interim financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies into line with the Group's accounting policies.

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

For six-month period ended 30 June 2025  
(Expressed in Saudi Arabian Riyals)

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**2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE (continued)**

**2.3 Basis of consolidation (continued)**

***Basis of consolidation (continued)***

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 interest, and other components of equity, with any resultant gain or loss is recognised in condensed consolidated interim statement of profit or loss and other comprehensive income. Any investment retained is recognised at fair value.

Accounting policies of subsidiaries are aligned, where necessary, to ensure consistency with the policies adopted by the Group. The Parent Company and its subsidiaries have the same reporting periods.

**Goodwill**

Goodwill represents the difference between the cost of businesses acquired and the Group's share in the net fair value of the acquiree's identifiable assets, liabilities, and contingent liabilities at the date of acquisition. Goodwill arising on acquisitions is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Impairment loss on goodwill is not reversed.

**Non-controlling interests**

Non-controlling interests (NCI) are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

**Foreign operations**

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into ₪ at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into ₪ at the average exchange rate for the period in consideration.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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

For six-month period ended 30 June 2025

(Expressed in Saudi Arabian Riyals)

**2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE (continued)**

**2.3 Basis of consolidation (continued)**

**Transactions eliminated on consolidation**

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

These condensed consolidated interim financial statements include the financial statements of the Parent Company and the following subsidiaries:

<u>Name</u>	<u>Place of incorporation</u>	<u>Principle field of activity</u>	<u>Effective shareholding of the Parent Company %</u>	
			<u>30 June 2025</u>	<u>31 December 2024</u>
BinDawood Superstores Trading Company (A Limited Liability Company)	Makkah, Saudi Arabia	Engaged in retail trading of foodstuff and household items	<b>100%</b>	100%
Danube Company for Foodstuffs and Commodities (A Limited Liability Company)	Jeddah, Saudi Arabia	Engaged in retail trading of foodstuff and household items	<b>100%</b>	100%
Danube Star for Bakeries and Marketing Company (A Limited Liability Company)	Jeddah, Saudi Arabia	Wholesale of bakery and related products to commercial supermarkets	<b>100%</b>	100%
Future Retail for Information Technology Company (A Limited Liability Company)	Jeddah, Saudi Arabia	Acquiring and managing investments in subsidiaries	<b>100%</b>	100%
Jumairah Trading Company (A Limited Liability Company)	Jeddah, Saudi Arabia	Engaged in wholesale and retail trading of luggage bags, food, toys, and household items	<b>100%</b>	100%
Zahrat Al Rawdah Pharmacies Company LLC (A Limited Liability Company)	Riyadh, Saudi Arabia	Engaged in operating pharmacies	<b>100%</b>	--

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

For six-month period ended 30 June 2025

(Expressed in Saudi Arabian Riyals)

**2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE (continued)**

**2.3 Basis of consolidation (continued)**

**Transactions eliminated on consolidation (continued)**

Future Retail for Information and Technology Company has the following subsidiaries:

<u>Name</u>	<u>Place of incorporation</u>	<u>Principle field of activity</u>	<i>Effective shareholding of the Parent Company %</i>	
			<b>30 June 2025</b>	<b>31 December 2024</b>
International Applications Trading Company (A Limited Liability Company)	Jeddah, Saudi Arabia	Providing information technology and communication services	<b>62%</b>	62%
Future Tech Retail – France	Paris, France	Acquiring and managing investments in subsidiaries	<b>86.53%</b>	86.53%

International Applications Trading Company has the following subsidiaries:

<u>Name</u>	<u>Place of incorporation</u>	<u>Principle field of activity</u>	<i>Effective shareholding of the Parent Company %</i>	
			<b>30 June 2025</b>	<b>31 December 2024</b>
Amjad United Investment and Development Company	Jeddah, Saudi Arabia	Providing delivery services including transportation and storage of goods	<b>62%</b>	62%
First Commercial Applications Company	Jeddah, Saudi Arabia	Providing information technology and communication services	<b>62%</b>	62%
Future Flower Trading Company	Jeddah, Saudi Arabia	Engaged in wholesale and retail of other merchandise	<b>62%</b>	62%
Ghalya Management Company for Loyalty Commercial Services	Jeddah, Saudi Arabia	Providing loyalty management services	<b>62%</b>	62%
The Creative Building Real Estate Company	Jeddah, Saudi Arabia	Warehouse storage management and rental	<b>62%</b>	62%



**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
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(Expressed in Saudi Arabian Riyals)

**2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE (continued)**

**2.3 Basis of consolidation (continued)**

**Transactions eliminated on consolidation (continued)**

Future Tech Retail - France has the following subsidiaries:

<u>Name</u>	<u>Place of Incorporation</u>	<u>Principle field of activity</u>	<i>Effective shareholding of the Parent Company %</i>	
			<b>30 June 2025</b>	<b>31 December 2024</b>
Ykone S.A.S (Limited Liability Company)	Paris, France	Engaged in providing market influencer and digital marketing services	<b>85.32%</b>	85.32%
Oddly Enough SAS	Paris, France	Engaged in providing market influencer and digital marketing services	<b>85.32%</b>	85.32%
Ykone Limited	Abu Dhabi, United Arab Emirates	Engaged in providing market influencer and digital marketing services	<b>85.32%</b>	85.32%
Ykone USA Inc.	Wilmington (DE), United States of America	Engaged in providing market influencer and digital marketing services	<b>85.32%</b>	85.32%
Ykone SARL	Geneva, Switzerland	Engaged in providing market influencer and digital marketing services	<b>85.32%</b>	85.32%
Ykone Saudi for Advertisement	Riyadh, Saudi Arabia	Engaged in providing market influencer and digital marketing services	<b>85.32%</b>	85.32%
New Media Agency S.r.l	Milan, Italy	Engaged in providing market influencer and digital marketing services	<b>85.32%</b>	85.32%
New Media Agency Social S.r.l	Milan, Italy	Engaged in providing market influencer and digital marketing services	<b>85.32%</b>	85.32%
Cover Communications GmbH	Landsbergam Lech, Germany	Engaged in providing market influencer and digital marketing services	<b>85.32%</b>	85.32%

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

For six-month period ended 30 June 2025  
(Expressed in Saudi Arabian Riyals)

**2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE (continued)**

**2.3 Basis of consolidation (continued)**

**Transactions eliminated on consolidation (continued)**

Future Tech Retail has the following subsidiaries (continued):

<u>Name</u>	<u>Place of incorporation</u>	<u>Principle field of activity</u>	<i>Effective shareholding of the Parent Company %</i>	
			<b>30 June 2025</b>	<b>31 December 2024</b>
Shanghai Ykone Commerce Consulting Company Limited	Shanghai, China	Engaged in providing market influencer and digital marketing services	<b>53.33%</b>	53.33%
Ykone Asia Limited	Hongkong, China	Engaged in providing market influencing and digital marketing services	<b>53.33%</b>	53.33%
Ykone UK Limited	London, United Kingdom	Engaged in providing market influencing and digital marketing services	<b>85.32%</b>	85.32%
Barcode Influencer Marketing Private Limited	Mumbai, India	Engaged in providing market influencer and digital marketing services	<b>72.52%</b>	72.52%

**2.4 Significant accounting judgements, estimates and assumptions**

In preparing these condensed consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets and liabilities, income and expense and accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The Group based its assumptions and estimates on parameters available when the condensed consolidated interim financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The significant judgments exercised in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual consolidated financial statements for the year ended December 31, 2024. The management will continue to monitor the situation, and any changes required will be reflected in future reporting periods.

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

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(Expressed in Saudi Arabian Riyals)

**3. MATERIAL ACCOUNTING POLICIES**

The accounting policies and methods of calculation adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Company's last annual consolidated financial statements as at and for the year ended 31 December 2024.

**4. NEW STANDARDS, INTERPETATON AND AMENDMENTS**

a) Standards, interpretations, and amendments issued

This table lists the recent changes to the Standards that are required to be applied for an annual period beginning on or after 1 January 2025.

<b><u>Standard / Interpretation</u></b>	<b><u>Description</u></b>	<b><i>Effective from periods beginning on or after the following date</i></b>
IAS 21	Lack of exchangeability – (amendments to IAS 21)	1 January 2025

b) Standards, interpretations, and amendments issued but not yet effective

The standards, interpretations and amendments issued, but not yet effective up to the date of issuance of the condensed consolidated interim financial statements are disclosed below. The Group intends to adopt these standards, where applicable, when they become effective.

<b><u>Standard / Interpretation</u></b>	<b><u>Description</u></b>	<b><i>Effective from periods beginning on or after the following date</i></b>
	Classification and measurement of Financial Instruments (amendments to IFRS 9 and IFRS 7)	
IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity (amendments to IFRS 9 and IFRS 7)	1 January 2026
IFRS	Annual improvements to IFRS Accounting Standards- Volume 11	1 January 2026
IFRS 18	Presentation and disclosure in financial statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 10 and IAS 28	Sale or contribution of assets between investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	Available for optional adoption / effective date deferred indefinitely

The standards, interpretations, and amendments with effective date of 1 January 2025 will not have any material impact on the Company's condensed consolidated interim financial statements, whereas for other above-mentioned standards, interpretations and amendments, the Group is currently assessing the implications on the Company's consolidated interim financial statements on adoption.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
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**5. SEGMENT INFORMATION**

Whilst the Group is engaged in retail trading of foodstuff and household items, operating bakeries and restaurants, providing information technology and communication services, providing delivery, storage and transportation services, acquiring and managing investments and providing market influencing and digital marketing services, the management has concluded that except for retail trading of consumer goods all other lines of businesses are less than 10% of combined revenue, profit or loss and assets of the Group. The management has also concluded that at present more than 90% of the Group's operations are conducted within the Kingdom of Saudi Arabia.

The Group is required to determine and present its operating segments based on the way in which financial information is organised and reported to the chief operating decision-maker (CODM). The CODM has been identified as the Board of Directors, as this makes the key operating decisions of the Group and is responsible for allocating resources and assessing performance.

Key internal reports received by the CODM, primarily the management accounts, focus on the performance of the Group as a whole. The operations of all elements of the business are driven by the retail sales environment and hence have fundamentally the same economic characteristics. All operational decisions made are focused on the performance and growth of the retail outlets and the ability of the business to meet the supply demands of the stores.

The Group has considered the overriding core principles of IFRS 8 'Operating segments' as well as its internal reporting framework, management, and operating structure. The Directors' conclusion is that the Group has one reportable segment, that of retailing.

Performance is measured by the CODM based on profit before Zakat as reported in the management accounts. Management believes that this measure is the most relevant in evaluating the results of the Group. As such, assets and segment liabilities are neither included in the internal management reports nor provided regularly to the management.

**6. INTANGIBLE ASSETS AND GOODWILL**

	<b>30 June 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Customer relationship and customer list (note 6.1)	<b>16,272,945</b>	18,570,766
Brands (note 6.1)	<b>28,579,380</b>	27,920,063
Technology (note 6.2)	<b>80,845,229</b>	83,508,378
Goodwill on acquisition of the IATC	<b>89,503,807</b>	89,503,807
Goodwill on acquisition of the Ykone	<b>98,333,470</b>	98,333,470
Goodwill on acquisition of the Barcode	<b>34,914,465</b>	34,914,465
Goodwill on acquisition of JTC	<b>102,830,807</b>	102,830,807
Goodwill on acquisition of Zahrat (note 6.3)	<b>271,107,975</b>	--
Effect of movement in exchange rates on goodwill	<b>11,915,025</b>	(1,374,324)
	<b><u>734,303,103</u></b>	<b><u>454,207,432</u></b>

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

For six-month period ended 30 June 2025  
(Expressed in Saudi Arabian Riyals)

**6. INTANGIBLE ASSETS AND GOODWILL (continued)**

- 6.1** Brands, customer relationships and customer list were acquired as part of business combinations. They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line method over their estimated useful lives.
- 6.2** Technology consists primarily of software for online retail mobile applications, their respective websites, computer software and the loyalty engine amounting to ₪ 30.86 million (31 December 2024: ₪ 36.07 million) and software enhancements for the ongoing software development costs amounting to ₪ 31.87 million (31 December 2024: ₪ 28.01 million) and it is expected to be completed during 2025 and the remaining technology amounting to ₪ 18.11 million (31 December 2024: ₪ 19.42 million) was acquired as part of business combinations and it was recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line method over their estimated useful lives.
- 6.3** On 31 October 2024, corresponding to 28 Rabi II 1446H BinDawood Holding Company entered into a Share Sale and Purchase Agreement (SPA) with Kawakeb Al Saydailyat Company LLC (“The Seller”) and Planet Pharmacies Limited (“Seller Guarantor”) to acquire 100% of Zahrat Al Rawdah Pharmacies Company LLC (“Zahrat”) in the Kingdom of Saudi Arabia (KSA), with an equity valuation of ₪ 452.51 million. The related legal formalities were completed in February 2025. The acquisition has been accounted for under acquisition method resulting in provisional goodwill amounting to ₪ 271.10 million, subject to the completion of purchase price allocation exercise being conducted by an external consultant.

From the date of acquisition to the period ended 30 June 2025 acquiree contributed revenue of ₪ 189.15 million and a profit of ₪ 16.61 million to the Group’s results. If the acquisition had occurred on 1 January 2025, management estimates that total revenue contribution would have been ₪ 229 million, and profit contribution would have been ₪ 13.91 million. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2025.

The Group incurred acquisition related costs of ₪ 1.54 million on legal fees and due diligence costs and the management has included these costs under ‘General and Administration expenses’ in the condensed consolidated statement of profit or loss and other comprehensive income.

**Consideration transferred**

The following table summarises the acquisition date fair value of consideration transferred.

	<b>Amount in ₪</b>
Cash consideration	<b>441,074,851</b>
Deferred contingent consideration	<b><u>11,434,556</u></b>
<b>Total consideration transferred</b>	<b><u>452,509,407</u></b>

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

For six-month period ended 30 June 2025  
(Expressed in Saudi Arabian Riyals)

**6. INTANGIBLE ASSETS AND GOODWILL (continued)**

The following table summarises the recognised amounts of identifiable assets acquired and liabilities assumed at the date of acquisition.

<u>Net Assets</u>	<u>February 2025</u> (#)
Property and equipment	23,046,960
Right-of-use assets	122,410,881
Inventories	162,074,718
Trade receivables	23,636,165
Prepayments and other receivables	13,326,226
Cash and cash equivalents	6,304,204
Lease liabilities	(114,447,503)
Trade payables, accruals, and other liabilities	(33,879,890)
Zakat payable	(7,270,378)
Employees' end of service benefit	(13,799,951)
	<hr/>
Total identifiable net assets acquired	<u>181,401,432</u>

Goodwill arising from the acquisition has been recognised as follows:

	<u>Amount in #</u>
Consideration transferred	452,509,407
Fair value of identifiable net assets	<u>(181,401,432)</u>
	<hr/>
Goodwill	<u>271,107,975</u>

The Group will be engaging an external consultant for the purpose of Purchase Price Allocation ("PPA") in respect of the acquisition made during the period ended 30 June 2025. However, the Group has considered the carrying amounts at the date of acquisition as the provisional fair values of the net assets acquired and calculated a provisional value of goodwill on acquisition. These amounts are provisional subject to the finalization of PPA.

Adjustments to the carrying values will be finalized within one year of the date of acquisition as allowed by IFRS 3 'Business Combinations'.

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

For six-month period ended 30 June 2025

(Expressed in Saudi Arabian Riyals)

**7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**

**7.1 Right-of-use assets**

The reconciliation and carrying amount of the right-of-use asset is as follows:

	<b>30 June 2025 (Unaudited)</b>	30 June 2024 (Unaudited)
Balance at beginning of the period	1,984,302,496	1,881,981,875
Additions	140,182,123	132,778,828
Acquisition through business combination (note 6.3)	122,410,881	--
Depreciation	(163,367,550)	(145,275,534)
Derecognition of right-of-use assets	(5,103,560)	(9,731,922)
Lease modifications	7,293,458	66,404,840
Effect of movement in exchange rates	1,042,486	(109,916)
Balance at end of the period	<u>2,086,760,334</u>	<u>1,926,048,171</u>

**7.2 Lease liabilities**

Movement in lease liability over the period is as follows:

	<b>30 June 2025 (Unaudited)</b>	30 June 2024 (Unaudited)
Lease liability at beginning of the period	2,293,055,973	2,185,351,789
Additions	139,771,966	132,778,828
Acquisition through business combination (note 6.3)	114,447,503	--
Lease terminated	(5,273,937)	(8,663,743)
Lease modification	7,293,458	66,404,840
Finance cost	52,255,774	47,017,715
Payment of lease liabilities	(206,138,582)	(181,696,583)
Effect of movement in exchange rates	984,186	(253,195)
Lease liability at end of the period	<u>2,396,396,341</u>	<u>2,240,939,651</u>

Lease liabilities have been presented in the condensed consolidated interim statement of financial position as follows:

	<b>30 June 2025 (Unaudited)</b>	31 December 2024 (Audited)
Lease liabilities – non-current portion	2,134,649,155	2,018,171,296
Lease liabilities – current portion	<u>261,747,186</u>	<u>274,884,677</u>
	<u>2,396,396,341</u>	<u>2,293,055,973</u>

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**8. RELATED PARTY TRANSACTIONS AND BALANCES**

**Parent and ultimate controlling party**

The Company's ultimate parent and controlling party is Akasiya Star Trading Company.

**Related parties**

Related parties comprise the shareholders, key management personnel, directors, and businesses, which are controlled directly or indirectly or influenced by the shareholders, directors, or key management personnel. The Group enters into various transactions with its related parties. Terms and conditions of these transactions are approved by the Board of Directors. The parties listed below are classified as related parties in accordance with the local Company Law issued by the Ministry of Commerce.

**8.1 Key management personnel compensation**

The remunerations of directors and other key management personnel are as follows:

<u>Nature of transaction</u>	<u>Transactions for the six-month period ended 30 June</u>	
	<u>2025</u> (Unaudited)	<u>2024</u> (Unaudited)
Board of Director's remuneration	<u>3,367,210</u>	<u>3,320,000</u>
Salaries and other short-term benefits	<u>32,868,042</u>	<u>37,345,078</u>
Post-employment benefits	<u>963,284</u>	<u>1,048,055</u>
Share based payments	<u>1,458,522</u>	<u>1,447,747</u>

As at 30 June 2025, the amount due to key management personnel is ₪ 13.47 million.

**8.2 Related party transactions and balances**

The aggregate value of related party transactions and outstanding balances are as follows:

<u>Name</u>	<u>Relationship</u>	<u>Nature of Transaction</u>	<u>Transactions for the six-month period ended 30 June</u>		<u>Closing Balance</u>	
			<u>2025</u> (Unaudited)	<u>2024</u> (Unaudited)	<u>30 June 2025</u> (Unaudited)	<u>31 December 2024</u> (Audited)
<i>Due to related parties:</i>						
BinDawood Trading Company	Under common ownership of the Group’s shareholder	Shared service fee	516,157	506,038	--	--
National Leader for Real Estate Company Limited	Under common ownership of the Group’s shareholder	Lease payment for stores	27,776,275	23,546,250	--	--



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**8. RELATED PARTY TRANSACTIONS AND BALANCES (continued)**

**8.2 Related party transactions and balances (continued)**

The aggregate value of related party transactions and outstanding balances are as follows:

Name	Relationship	Nature of Transaction	Transactions for the six-month period ended 30 June		Closing Balance	
			2025	2024	30 June 2025	31 December 2024
			(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Due to related parties (continued):						
Safa Company Limited for Household Ware	Under common ownership of the Group’s shareholder	Purchases of goods	1,987,249	4,358,899	1,669,700	2,558,875
		Purchases of goods	--	45,330,704		
		Lease rentals	--	454,000		
	Under common ownership of the Group’s shareholder	Shared service fee	--	576,395		
Jumairah Trading Company*		Transfer out of goods	--	613,485	--	--
Amwaj Real Estate Company	Under common ownership of the Group’s shareholder	Lease payment for stores	20,073,850	17,578,275	--	104,216
AYM Marketing Management Company	Common directorship	Acquisition intellectual property rights	--	15,000,000	--	--
					1,669,700	2,663,091

\* Jumairah Trading Company was acquired by BinDawood effective August 1, 2024. Therefore, related party transactions have only been considered for the period prior to the acquisition, as the balances for transactions occurring after the acquisition have been eliminated.

As at 30 June 2025, the lease liabilities as disclosed in note 7 include an amount of ₪ 332.09 million (31 December 2024: ₪ 232.43 million) which relates to lease arrangements entered by the Group with its related parties.

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**9. CASH AND CASH EQUIVALENTS**

	<b>30 June 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Cash in hand	26,232,454	11,521,988
Cash at banks - current accounts	297,927,580	306,223,333
Short term deposits (refer note 9.1)	14,050,903	123,108,500
	<u>338,210,937</u>	<u>440,853,821</u>
Term deposits with original maturity of more than 90 days	--	(11,812,500)
	<u>338,210,937</u>	<u>429,041,321</u>

- 9.1** The short-term deposits are under Wakala and Murabaha arrangements (Islamic short-term deposit products) with local and foreign banks to earn profits which is classified in other income. These short-term deposits are held for original maturity period of three months or less. The profit rate on these short-term deposits range from 4.05% to 5.0% per annum (2024: 4.40% to 6.06% per annum).

**10. SHARE CAPITAL**

As at 30 June 2025, the share capital of the Parent Company amounts to ₪ 1.14 billion consisting of 1.14 billion shares of ₪ 1 each (31 December 2024: 1.14 billion shares of ₪ 1 each).

**11. EMPLOYEES' SHARE BASED PAYMENT RESERVE**

Under the Restricted Share Plan, the Company offers a share based award plan to its approved eligible employees that meet a pre-determined approved criterion. The Plan has been introduced as part of the Company's strategic vision to motivate and retain the existing employees and attract the best competencies, therefore, in these condensed consolidated interim financial statements, the fair value of the employee services received are measured by reference to the fair value of the share award granted to them.

Fair value per share on grant date is the closing price per share on Tadawul as at the grant date. The total expense recognised for employees' services received during the period ended 30 June 2025 under the Plan amounted to ₪ 1.70 million (30 June 2024: ₪ 1.84 million) and is included in 'salaries and employee related expenses' with a corresponding increase in the interim condensed consolidated statement of changes in equity under 'Employees' share based payments reserve'.

**12. DIVIDEND**

On 16 March 2025 corresponding to 16 Ramadan 1446H the Board of Directors of the Company have approved an interim dividend of ₪ 114.10 million for the second half of the fiscal year 2024. (30 June 2024: ₪ 114.3 million). The record date for determining shareholders eligible to receive the dividend was set as 15 May 2025 and the distribution date was set for 29 May 2025.

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**13. ZAKAT AND TAX**

	<b>30 June 2025 (Unaudited)</b>	<b>30 June 2024 (Unaudited)</b>
Zakat for the year (note 13.1)	<b>10,197,567</b>	10,944,705
Tax on profits of foreign subsidiaries	<b>1,363,734</b>	2,529,191
	<b><u>11,561,301</u></b>	<b><u>13,473,896</u></b>

**13.1 Charge for the period**

The Zakat charge consists of:

	<b>30 June 2025 (Unaudited)</b>	<b>30 June 2024 (Unaudited)</b>
Provision for the period	<b><u>10,197,567</u></b>	<b><u>10,944,705</u></b>

The movement in the Zakat and tax provision during the period is as follows:

	<b>30 June 2025 (Unaudited)</b>	<b>30 June 2024 (Unaudited)</b>
Balance at beginning of the period	<b>19,869,799</b>	22,966,278
Acquisitions through business combinations (note 6.3)	<b>7,270,378</b>	--
Charge for the period	<b>11,561,301</b>	13,473,896
Payments during the period	<b><u>(21,113,464)</u></b>	<b><u>(16,545,780)</u></b>
At end of the period	<b><u>17,588,014</u></b>	<b><u>19,894,394</u></b>

**13.2 Status of assessments**

The subsidiaries along with the Parent Company have filed its Zakat declaration on a standalone basis until 2015. From 2016 onwards, the Parent Company started filing the consolidated Zakat declarations for all wholly owned subsidiaries. Consolidated Zakat declaration together with the information declarations for wholly owned subsidiaries for 2016 to 2024 have already been submitted. The Parent Company has also obtained a Zakat certificate valid until 30 April 2026.

The assessments of the Parent Company have been finalized until 31 December 2016 and 31 December 2018 with the Zakat, Tax and Customs Authority (ZATCA).

ZATCA has issued assessments for 2017 and 2018 with additional Zakat liabilities of ₪ 22 million. The Company submitted an objection against the assessment which the ZATCA has partially accepted, resulting in a reduction of Zakat liabilities to ₪ 13.6 million. The Company filed an appeal against ZATCA's assessments with the TVDRC and the TVDRC has partially agreed with the Company's contentions. The Company has submitted an appeal against the TVDRC's decision within the required timeframe. The TVDRC's reviewed the appeal and issued its revised decision for assessment year 2018. Following this decision, ZATCA revised its assessment, leading to a final Zakat liability of ₪ 7.45 million for 2018. However, the appeal for 2017 continues to be under the TVDAC's review. In July 2025, the TVDAC conducted a hearing session for 2017. However, official decision of the TVDAC is still awaited. The Company is expecting a favorable outcome for 2017 since the assessment for this year has been finalized under the FTA initiative

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**14. EARNINGS PER SHARE**

The calculation of basic earnings per share has been based on the following profit attributable to the shareholders and weighted-average number of ordinary shares outstanding (refer note 10).

	<b>Three-month period ended 30 June</b>		<b>Six-month period ended 30 June</b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Profit for the period	<b><u>51,829,084</u></b>	<u>72,646,649</u>	<b><u>118,952,422</u></b>	<u>132,308,154</u>
Issued ordinary shares	<b><u>1,143,000,000</u></b>	<u>1,143,000,000</u>	<b><u>1,143,000,000</u></b>	<u>1,143,000,000</u>
Effect of treasury shares	<b><u>(2,000,000)</u></b>	<u>(418,785)</u>	<b><u>(2,000,000)</u></b>	<u>(418,785)</u>
Weighted average number of ordinary shares for basic and diluted EPS	<b><u>1,141,000,000</u></b>	<u>1,142,581,215</u>	<b><u>1,141,000,000</u></b>	<u>1,142,581,215</u>
Earnings per share – basic and diluted	<b><u>0.05</u></b>	<u>0.06</u>	<b><u>0.10</u></b>	<u>0.12</u>

**15. BANK BORROWING**

	<b>30 June <u>2025</u> (Unaudited)</b>	<b>31 December <u>2024</u> (Audited)</b>
Bank loan	<b><u>377,000,000</u></b>	<u>--</u>

During the period, the Group secured Sharia-compliant Murabaha financing facility of ₪ 400 million from Emirates NBD Bank. The facility was obtained to partially finance the acquisition of 100% equity interest in Zahrat Al Rawdah Pharmacies Company LLC. The financing is secured by a demand promissory note and does not include any financial covenants. The facility carries finance charges at the prevailing market rates.

**16. COMMITMENTS AND CONTINGENT LIABILITIES**

- The Group has outstanding letters of credit to import goods amounting to ₪ 21.33 million as at 30 June 2025 (31 December 2024: ₪ 30.54 million) and outstanding letters of guarantee amounting to ₪ 16.84 million as at 30 June 2025 (31 December 2024: ₪ 16.56 million).
- As at 30 June 2025, the Group has future capital commitments amounting to ₪ 10.30 million (31 December 2024: ₪ 14.92 million). Further the Group has annual lease commitments totaling ₪ 8.30 million as at 30 June 2025 (31 December 2024: ₪ 7.66 million) relating to branch rentals.
- The Parent Company has provided corporate guarantees amounting to ₪ 54.6 million (31 December 2024: ₪ Nil) to local banks in respect of banking facilities obtained within the Group.

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**17. FINANCIAL INSTRUMENTS – FAIR VALUES**

**Accounting classification and fair values**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability falls into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest input level that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred

The fair values of financial instruments are not materially different from their carrying values.

<b>30 June 2025 (unaudited)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Investment at fair value through other comprehensive income	<u>          --          </u>	<u>          --          </u>	<u>      37,481,260      </u>	<u>      37,481,260      </u>
Compulsory convertible debentures at fair value through profit or loss	<u>          --          </u>	<u>          --          </u>	<u>      11,725,927      </u>	<u>      11,725,927      </u>

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**17. FINANCIAL INSTRUMENTS – FAIR VALUES**

31 December 2024 (Audited)	Level 1	Level 2	Level 3	Total
Investment at fair value through other comprehensive income	--	--	37,481,260	37,481,260
Compulsory convertible debentures at fair value through profit or loss	--	--	11,865,042	11,865,042

The following methods and assumptions were used to estimate the fair values:

The fair value of the 'Investment at fair value through other comprehensive income has been estimated using a Discounted Cash Flow model (DCF). The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for this investment.

Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 30 June 2025 are shown below:

<u>Item</u>	<u>Valuation technique</u>	<u>Significant unobservable input</u>	<u>Input used</u>	<u>Sensitivity of the input to fair value</u>
Investment at fair value through other comprehensive income	DCF Method	Terminal growth rate	3%	0.25% increase in the growth rate would result in an increase in fair value by ₪ 0.72 million.
				0.25% decrease in the growth rate would result in a decrease in fair value by ₪ 0.70 million.
		Weighted average cost of capital	16.75%	0.25% increase in the WACC would result in decrease in fair value by ₪ 1.54 million.
				0.25% decrease in the WACC would result in an increase in fair value by ₪ 1.61 million.

There were no transfers between levels of the fair value hierarchy during the period ended 30 June 2025 and for the year ended 31 December 2024. Additionally, there were no changes in the valuation techniques.

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**18. FINANCIAL RISK MANAGEMENT**

The Group's principal financial liabilities comprise of due to related parties and trade payables, accruals, and other liabilities. The Group has financial assets such as trade receivables, other receivables and cash and bank balances. The Group's financial assets and liabilities arise directly from its operations.

**Risk management framework**

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**Credit risk**

Credit risk is the risk that one party will fail to discharge an obligation and will cause the other part to incur a financial loss. The Group's exposure to credit risk on its bank balances, trade and other receivables is as follows:

	<b>30 June 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Bank balances	<b>297,927,580</b>	306,223,333
Short-term deposits	<b>14,050,903</b>	123,108,500
Trade and other receivables	<b>256,845,041</b>	165,554,653
	<b><u>568,823,524</u></b>	<b><u>594,886,486</u></b>

***Trade and other receivables***

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. At 30 June 2025, trade receivables are stated at their estimated realizable values. There are two major customers that accounts for 33.49% (31 December 2024: 40.34%) of the total receivable balance.

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**18. FINANCIAL RISK MANAGEMENT (continued)**

***Trade and other receivables (continued)***

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a wholesale, retail or end-user customer, their geographic location, industry, trading history with the Group and existence of previous financial difficulties. Before accepting any credit customers, the Group has its own credit policy to assess the potential customer's credit quality and defines the credit limits for the new customer. These policies are reviewed and updated regularly. Moreover, the Group seeks to manage the credit risk by monitoring outstanding receivables on an ongoing basis.

***Cash and cash equivalents and short term deposits***

The Group held cash and cash equivalents amounting to ₪ 311.98 million at 30 June 2025 (31 December 2024: ₪ 429.33 million) with bank and financial institution counterparties. The credit risk in respect of bank balances is considered by management to be insignificant, as the balances are mainly held with reputable banks in the Kingdom of Saudi Arabia.

***Guarantees***

The Group has provided financial corporate guarantees to its subsidiaries. At 30 June 2025 the Group has issued a corporate guarantee to certain banks in respect of credit facilities granted to certain subsidiaries (note 16).

***Liquidity risk***

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows related to trade and other payables. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available by way of cash and cash equivalents and / or committed credit facilities to meet any future commitments.

***Exposure to Liquidity risk***

The following are the remaining contractual maturities of financial liabilities at the reporting date.

<b><u>30 June 2025</u></b>	<b><u>Carrying amount</u></b>	<b><u>Contractual cash flows</u></b>			<b><u>Total</u></b>
		<b><u>Less than one year</u></b>	<b><u>Within one to five years</u></b>	<b><u>More than five years</u></b>	
Trade payables, accruals, and other liabilities	1,298,028,675	1,298,028,675	--	--	1,298,028,675
Lease liabilities	2,396,396,341	356,000,333	1,134,949,480	1,483,282,178	2,974,231,991
Bank borrowing	377,000,000	231,540,000	153,000,000	--	384,540,000
Due to related parties	1,669,700	1,669,700	--	--	1,669,700
Other payable	1,013,232	1,013,232	--	--	1,013,232
	<b>4,074,107,948</b>	<b>1,888,251,940</b>	<b>1,287,949,480</b>	<b>1,483,282,178</b>	<b>4,659,483,598</b>



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**18. FINANCIAL RISK MANAGEMENT (continued)**

**Liquidity risk (continued)**

**Exposure to Liquidity risk (continued)**

<u>31 December 2024</u>	<u>Carrying amount</u>	<u>Contractual cash flows</u>			<u>Total</u>
		<u>Less than one year</u>	<u>Within one to five years</u>	<u>More than five years</u>	
Trade payables, accruals, and other liabilities	1,259,458,774	1,259,458,774	--	--	1,259,458,774
Lease liabilities	2,293,055,973	352,602,207	1,007,520,749	1,511,908,745	2,872,031,701
Due to related parties	2,663,091	2,663,091	--	--	2,663,091
Other payable	1,286,995	1,286,995	--	--	1,286,995
	<u>3,556,464,833</u>	<u>1,616,011,067</u>	<u>1,007,520,749</u>	<u>1,511,908,745</u>	<u>4,135,440,561</u>

**Market risk**

Market risk is the risk that changes in market prices - e.g., foreign exchange rates, interest rates and equity prices - will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Market risk comprises three types of risk: commission rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The Group is not exposed to other price risks.

***Commission rate risk***

Commission rate risk is the exposure to various risks associated with the effect of fluctuations in the prevailing commission rates on the Group's financial position and cash flows. The Group manages the commission rate risk by regularly monitoring the commission rate profiles of its commission bearing financial instruments. There are no commission bearing financial assets and liabilities at the reporting date and therefore there is no commission rate sensitivity at the reporting date.

***Currency risk***

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables, and borrowings are denominated and the respective functional currencies of Group companies. The functional currency of most of the Group subsidiaries is primarily the Saudi Riyal. The Group did not undertake significant transactions in currencies other than Saudi Riyals, Euros and US Dollars. Trade payables and accruals include an amount of ₪ 51.83 million (31 December 2024: ₪ 34.96 million) due in Euros. As the Saudi Riyal is pegged to the US Dollar, therefore currency denominated in US Dollar is not considered to represent significant foreign currency risk.

A reasonably possible strengthening (weakening) of the euro against all other currencies at 30 June 2025 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

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**19. CAPITAL MANAGEMENT**

The Group's objective when managing capital is to safeguard its ability to continue as a going concern so that it can provide returns for its shareholders and benefits for other stakeholder; and at the same time maintain a strong capital base to support the sustained development of its businesses.

The Group manages its capital structure by monitoring return on net assets and makes adjustments in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares. The Group also manages capital by using gearing ratio, which is total liabilities, less cash and cash equivalents over equity.

The gearing ratio as at 30 June 2025 and 31 December 2024 is as follows:

	<b>30 June 2025 (Unaudited)</b>	31 December 2024 (Audited)
Total Liabilities	<b>4,311,872,955</b>	3,790,615,345
Less: cash and cash equivalents	<b>(338,210,937)</b>	(429,041,321)
Adjusted net debt	<b><u>3,973,662,018</u></b>	<u>3,361,574,024</u>
Total equity	<b><u>1,493,381,119</u></b>	<u>1,473,720,881</u>
Adjusted net debt to equity ratio	<b><u>2.66</u></b>	<u>2.28</u>

**20. SUBSEQUENT EVENTS**

There have been no significant subsequent events since the period-end, that would require disclosures or adjustments in these condensed consolidated interim financial statements.

**21. APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

These condensed consolidated interim financial statements have been approved by the Board of Directors on 7 August 2025 corresponding to 13 Safar 1447H.