SAUDI NETWORKERS SERVICES COMPANY
(A Saudi Joint Stock Company)
Condensed Consolidated Interim
Financial Statements (Unaudited)
For the six-month period ended 30 June 2026
together with Independent Auditor's Review Report

SAUDI NETWORKERS SERVICES COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

KPMG Professional Services Company
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P.O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية
واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

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

To the shareholders of Saudi Networkers Services Company

Introduction

We have reviewed the accompanying 30 June 2026 condensed consolidated interim financial statements of **Saudi Networkers Services Company** ("the Company") and its subsidiaries ("the Group") which comprises:

- the condensed consolidated statement of financial position as at 30 June 2026;
- the condensed consolidated statement of profit or loss and other comprehensive income for the six-month periods ended 30 June 2026;
- the condensed consolidated statement of changes in equity for the six-month period ended 30 June 2026;
- the condensed consolidated statement of cash flows for the six-month period ended 30 June 2026; 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.

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

To the shareholders of Saudi Networkers Services Company (continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2026 condensed consolidated interim financial statements of **Saudi Networkers Services 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

Naif Abdulrahman Edrees

License No: 457

Riyadh: 13 August 2026

Corresponding to: 30 Safar, 1448H

SAUDI NETWORKERS SERVICES COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of financial position (unaudited)
As at 30 June 2026
(All amounts are in Saudi Riyals (⃁) unless otherwise stated)

	Notes	30 June 2026 (Unaudited)	31 December 2025 Audited
Assets			
Non-current assets			
Property and equipment	7	**1,872,621**	1,689,670
Contract assets		**5,013,514**	5,369,479
Right-of-use assets		**1,594,080**	1,645,548
Total non-current assets		**8,480,215**	8,704,697
Current assets			
Trade and other receivables	8	**157,411,583**	145,466,469
Prepayments and other assets	9	**16,172,028**	8,351,762
Cash and cash equivalents		**21,895,761**	39,102,080
Total current assets		**195,479,372**	192,920,311
Total assets		**203,959,587**	201,625,008
Equity and liabilities			
Equity			
Share capital	1	**75,000,000**	60,000,000
Retained earnings		**42,066,638**	52,609,660
Equity attributable to owner of the Company		**117,066,638**	112,609,660
Non-controlling interest		**31,789**	33,018
Total equity		**117,098,427**	112,642,678
Liabilities			
Non-current liabilities			
Defined benefits liabilities		**30,220,679**	29,980,175
Lease liabilities		**642,091**	1,124,708
Total non-current liabilities		**30,862,770**	31,104,883
Current liabilities			
Lease liabilities		**678,845**	557,507
Accounts payable		**230,220**	393,381
Accrued expenses and other liabilities	10	**53,821,503**	53,772,497
Provision for zakat		**1,267,822**	3,154,062
Total current liabilities		**55,998,390**	57,877,447
Total liabilities		**86,861,160**	88,982,330
Total equity and liabilities		**203,959,587**	201,625,008

The accompanying notes from 1 to 17 are an integral part of these condensed consolidated interim financial statements.

Financial Controller	Chief Executive Officer	Chairman of Board of Directors
Tareq Nasereddin	Ahmad Abu Nemeh	Abdulmohsen AlTouq

SAUDI NETWORKERS SERVICES COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of profit or loss and other comprehensive income (unaudited)
For the six-month period ended 30 June 2026
(All amounts are in Saudi Riyals (⃁) unless otherwise stated)

	Note	For the six-month period ended 30 June	
		2026	**2025**
		(Unaudited)	(Unaudited)
Continuing operations:			
Revenue	14	**292,461,896**	297,247,386
Cost of revenue		**(254,467,630)**	(257,123,512)
Gross profit		**37,994,266**	40,123,874
Selling and marketing expenses		**(5,936,805)**	(5,720,992)
General and administration expenses		**(11,275,133)**	(12,875,660)
(Charged) / reversal of expected credit loss	8	**(906,748)**	145,820
Other income		**863**	780
Profit from operations		**19,876,443**	21,673,822
Finance income		**163,372**	-
Finance costs		**(261,197)**	(425,326)
Profit before zakat		**19,778,618**	21,248,496
Zakat expense		**(1,100,000)**	(729,196)
Profit from continuing operations		**18,678,618**	20,519,300
Discontinued operations			
(Loss) / profit from discontinued operations	15	**(122,869)**	79,264
Profit for the period		**18,555,749**	20,598,564
Other comprehensive income			
Items that may be reclassified to profit or loss in subsequent periods		-	-
Total other comprehensive income for the period		-	-
Total comprehensive income for the period		**18,555,749**	20,598,564
Profit attributable to:			
Shareholders of the company		**18,556,978**	20,597,771
Non-controlling interest		**(1,229)**	793
Net profit for the period		**18,555,749**	20,598,564
Total comprehensive income attributable to:			
Shareholders of the company		**18,556,978**	20,597,771
Non-controlling interest		**(1,229)**	793
Total comprehensive income for the period		**18,555,749**	20,598,564
Earnings per share for profit attributable to the shareholders of the Company:			
Basic and diluted earnings per share	11	**2.5**	2.7
Basic and diluted earnings per share continuing operations	11	**2.5**	2.7

The accompanying notes from 1 to 17 are an integral part of these condensed consolidated interim financial statements.

Financial Controller	Chief Executive Officer	Chairman of Board of Directors
Tareq Nasereddin	Ahmad Abu Nemeh	Abdulmohsen AlTouq

SAUDI NETWORKERS SERVICES COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of changes in equity (unaudited)
For the six-month period ended 30 June 2026
(All amounts are in Saudi Riyals (⃁) unless otherwise stated)

	Attributable to the shareholders of Company					
	Share capital	**Retained earnings**	**Foreign currency translation reserve**	**Total**	**Non-controlling interest**	**Total**
As at 1 January 2025 (As previously issued)	60,000,000	53,724,707	(9,523,043)	104,201,664	34,204	104,235,868
Reclassification	-	(9,523,043)	9,523,043	-	-	-
As at 1 January 2025 (Reclassified)	**60,000,000**	**44,201,664**	**-**	**104,201,664**	**34,204**	**104,235,868**
Net profit for the period	-	20,597,771	-	20,597,771	793	20,598,564
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**20,597,771**	**-**	**20,597,771**	**793**	**20,598,564**
Dividend (Note 12)	-	(14,100,000)	-	(14,100,000)	-	(14,100,000)
As at 30 June 2025 (Unaudited)	**60,000,000**	**50,699,435**	**-**	**110,699,435**	**34,997**	**110,734,432**
As at 1 January 2026 (Audited)	**60,000,000**	**52,609,660**	**-**	**112,609,660**	**33,018**	**112,642,678**
Net profit for the period	**-**	18,556,978	**-**	18,556,978	(1,229)	**18,555,749**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the period	**-**	**18,556,978**	**-**	**18,556,978**	**(1,229)**	**18,555,749**
Dividend (Note 12)	**-**	(14,100,000)	**-**	(14,100,000)	**-**	**(14,100,000)**
Capital increase (Bonus shares) (Note 1)	15,000,000	(15,000,000)	**-**	**-**	**-**	**-**
As at 30 June 2026 (Unaudited)	**75,000,000**	**42,066,638**	**-**	**117,066,638**	**31,789**	**117,098,427**

The accompanying notes from 1 to 17 are an integral part of these condensed consolidated interim financial statements.

Financial Controller	Chief Executive Officer	Chairman of Board of Directors
Tareq Nasereddin	Ahmad Abu Nemeh	Abdulmohsen AlTouq

SAUDI NETWORKERS SERVICES COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of cash flows (unaudited)
For the six-month period ended 30 June 2026
(All amounts are in Saudi Riyals (⃁) unless otherwise stated)

	Note	For the six-month period ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Operating activities			
Profit before zakat		**19,778,618**	21,248,496
(Loss) / profit before income tax from discontinued operations		**(122,869)**	79,264
Adjustments for:			
Depreciation of property and equipment	7	**292,562**	263,785
Depreciation of right-of-use assets		**338,722**	295,022
Interest expense on lease liabilities		**67,724**	86,275
Interest expense on short-term borrowings		**193,473**	339,051
Provision for defined benefits liabilities		**6,460,320**	6,454,871
Charged / (reversal) of expected credit loss	8	**906,748**	(145,820)
Gain on termination of leases		**(863)**	(780)
Operating cash flows before working capital changes		**27,914,435**	28,620,164
Changes in working capital:			
Trade and other receivables		**(12,851,862)**	(18,180,640)
Prepayments and other assets		**(7,820,266)**	(3,166,985)
Contract assets		**355,965**	(263,779)
Accounts payable		**(163,161)**	(24,517)
Accrued expenses and other liabilities		**49,006**	(13,581,256)
Cash generated from / (used in) operations		**7,484,117**	(6,597,013)
Defined benefits liabilities paid		**(6,219,816)**	(5,278,882)
Interest expense paid		**(261,197)**	(425,326)
Zakat paid		**(2,986,240)**	(2,785,634)
Net cash used in operating activities		**(1,983,136)**	(15,086,855)
Investing activity			
Purchase of property and equipment		**(475,513)**	(118,422)
Net cash used in investing activity		**(475,513)**	(118,422)
Financing activities			
Proceeds from short-term borrowings		**15,000,000**	17,182,396
Repayment from short-term borrowings		**(15,000,000)**	(17,297,819)
Dividends paid		**(14,100,000)**	(14,100,000)
Repayment of lease liabilities		**(647,670)**	(569,371)
Net cash used in financing activities		**(14,747,670)**	(14,784,794)
Net decrease in cash and cash equivalents		**(17,206,319)**	(29,990,071)
Cash and cash equivalents at the beginning of the period		**39,102,080**	42,072,427
Cash and cash equivalents at the end of the period		**21,895,761**	12,082,356

Non-Cash transactions:		
Acquisition of right-of-use assets and lease liabilities	**306,938**	166,429
Share capital increase by transfer bonus shares from retained earnings	**15,000,000**	-

The accompanying notes from 1 to 17 are an integral part of these condensed consolidated interim financial statements.

Financial Controller	Chief Executive Officer	Chairman of Board of Directors
Tareq Nasereddin	Ahmad Abu Nemeh	Abdulmohsen AlTouq

1. Corporate information

Saudi Networkers Services Company (the "Company") is a Saudi joint stock company. Registered in Riyadh city, Kingdom of Saudi Arabia ("KSA") under commercial registration number 1010173733 dated 19 Dhul-Qadah 1422H (corresponding to 2 February 2002). The Company's registered address is PO Box: 25141 Riyadh 11466, Kingdom of Saudi Arabia.

On 8 September 2025, corresponding to 16th Rabi ul Awal, 1447H, the Board of Directors of the Company recommended to an Extraordinary General Shareholders Assembly an increase of 25% of the Company's existing capital through bonus shares with 1 bonus share for every 4 shares owned. Subsequently, the Extraordinary General Assembly of the company resolved on 8 March 2026 (corresponding to 19 Ramadan 1447H) to increase the share capital from ⃁ 60,000,000 to ⃁ 75,000,000 by transferring an amount of ⃁ 15,000,000 from the "Retained Earnings" account to "Share Capital" account.

As of 30 June 2026, the company authorized and issued share capital become of ⃁ 75,000,000 divided into 7,500,000 with a nominal value of ⃁ 10 per share (2025: ⃁ 60,000,000 divided into 6,000,000 with a nominal value of ⃁ 10 per share).

The principal activities of the Company are implementing, establishing, maintaining, operating, installing and managing of telecommunication networks. The Company is also involved in providing consulting, technical, administrative, marketing, customer care services and technical support for sales centers.

The condensed consolidated interim financial statements include the condensed interim financial position, results of operations and cash flows of the Company and SNSALG SARL (the "subsidiary"), a limited liability company registered in People's Democratic Republic of Algeria, under commercial registration (CR) number 0971273B06 dated 26 Jumaada II 1427H (collectively refer as the "Group"), the subsidiary is 99% owned by the Company and is engaged in providing technical consultants on an individual basis to telecommunications, oil and gas and IT vendors, operators and sub-contracting companies.

As at 30 June 2026, the Group's Algerian subsidiary is in the process of winding up, following a Board decision to cease its operations. However, the liquidation process remains ongoing, and the subsidiary had not been fully dissolved as of the reporting date. For financial reporting purposes, the subsidiary has been classified as a discontinued operation, reflecting the winding-up status and cessation of its core business activities.

Geopolitical Developments
The Group continues to monitor regional geopolitical developments. During the period, the management concluded that there has been no material impact on the Group's condensed consolidated interim financial statement for the period ended 30 June 2026.

Certain disruptions and escalations might result a future impact in reduced revenues, increased ECL charge, potential impairment of non-financial assets. As the situation is fast evolving and fluid, the effect of the escalations is subject to significant levels of uncertainty, with the full range of possible effects unknown.
The Group will continue to assess the situation and monitor any potential future effects.

2. Basis of preparation

2.1. Statement of compliance

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

These condensed consolidated interim financial statements should be read in conjunction with the Group's latest annual consolidated financial statements as at and for the year ended 31 December 2025 and do not include all of the information normally required for a complete set of financial statements under International Financial Reporting Standards ("IFRS") that are endorsed in the Kingdom of Saudi Arabia. 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 31 December 2025.

The results for the six-month period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the year ended 31 December 2026.

2. Basis of preparation (continue)

2.2. Functional and presentation currency

The condensed consolidated interim financial statements are presented in Saudi Riyals (⃁), which is the Company's functional currency and Group's presentation currency.

2.3. Basis of measurement

These condensed consolidated interim financial statements have been prepared under the historical cost convention using the accrual basis of accounting except post-employment benefits where actuarial present value calculations are used.

3. Material accounting policies

3.1. New standards, amendments to standards and interpretations

IFRS 18, issued by the IASB in April 2024, replaces IAS 1, Presentation of Financial Statements, and introduces new requirements relating to the structure of the statement of profit or loss. IFRS 18 is mandatory for annual reporting periods beginning on or after 1 January 2027, The Group has not early adopted the new accounting standard in preparing these condensed consolidated interim financial statements, however, earlier adopting is permitted.

Accordingly, IFRS 18 has not been applied in preparing these condensed consolidated interim financial statements, and the amounts reported for the current period continue to be presented in accordance with IAS 1. The information below is a preliminary assessment of the expected presentation and disclosure changes on adoption, provided in accordance with the CMA's disclosure requirement, and does not reflect any reclassification in the current period's figures:

Impact on Financial Statements

a. Structure Statement of Profit and Loss

IFRS 18 classifies items in the statement of profit or loss into five categories: operating, investing, financing, income taxes and discontinued operations, and requires the presentation of specified subtotals. The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item.

The Group has determined that it does not have a specified main business activity of investing in assets and/or providing financing to customers.

Under the Group's present accounting policy, finance income earned on term deposits is currently presented as other income. Under IFRS 18, income earned on cash and cash equivalents is required to be presented within the investing category. Accordingly, the Group will reclassify finance income on term deposits from financial income to the investing category.

Net interest cost relating to employee defined benefit obligations is presently included within operating expense categories, presented by function, and, on adoption, will be reclassified to finance costs within the financing category.
Interest cost on lease liabilities, which is already presented within finance costs, will remain unchanged and be reported within the financing category.

(All amounts are in Saudi Riyals (⃁) unless otherwise stated)

3. Material accounting policies (continue)

3.1. New standards, amendments to standards and interpretations (continue)

Impact on Financial Statements (continue)

a. Structure Statement of Profit and Loss (continue)

The following outlines the classification impact on the Statement of Profit or Loss based on the result for the period ended 30 June 2026.

Sub-totals in Statement of Profit and loss under IAS 1	**Sub-totals in Statement of Profit and loss under IFRS 18**
Operating Profit	Operating Profit
N/A	Profit before financing and Zakat
Profit before zakat	Profit before zakat
Profit from continuing operation	Profit from Continuing Operations
Profit for the period	Profit for the period

The group still evaluating its position to identify any other items which might be impacted by the implementation of IFRS 18 and will reclassify the presentation and disclose it accordingly.

b. <u>Management-defined Performance Measures (“MPMs”)</u>

It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures ("MPMs")'. MPMs are subtotals of income and expenses used in public communications outside the financial statements that communicate to user management’s view of an aspect of the financial performance of the entity as whole. and IFRS 18 requires entities to include specific disclosures about such measures in a single note within the financial statements. The Group is in the process to determine and identifying the financial performance measures it communicates publicly outside the financial statements that will qualify as MPMs, together with the reconciliations, tax and non-controlling-interest effects required for each. These disclosures will first be presented in the Group's first IFRS 18 financial statements, being the annual consolidated financial statements for the year ending 31 December 2027 and in its condensed consolidated interim financial statements for the related periods.

c. <u>Principles of Aggregation and Disaggregation</u>

IFRS 18 introduces enhanced principles for grouping information based on similar and dissimilar characteristics to provide a more useful structured summary of Group’s preliminary assessment.
Certain profit or loss line items description, aggregations and subtotals may change to provide useful structured summaries and disclose additional material information in the notes. The Group is performing a detailed assessment to determine the appropriate classification of items. The Group is also assessing line items currently labelled as “other” and will use more informative labels that describes the aggregated items as precisely as possible. The Group also expects expanded disclosure requirements relating to the aggregation and disaggregation of information.

As the Group presents operating expenses by function (Cost of Revenue, Selling and marketing, General and admin), it will provide a new mandatory note disclosing the total various specified nature expenses (depreciation, amortization, employee benefits, impairments, and inventory write-downs, etc) and their distribution across functional line items.

Material items need to be disclosed separately to provide clarity and transparency in financial statements. If aggregated amounts may cause materiality concerns, additional explanations must be provided to stakeholders. Because the Group presents its operating expenses by function in the statement of profit or loss, IFRS 18 will require it to disclose, in a single note, the amounts of depreciation, amortisation, employee benefits and impairment losses included within each function.

(All amounts are in Saudi Riyals (⃁) unless otherwise stated)

3. Material accounting policies (continue)

3.1. New standards, amendments to standards and interpretations (continue)

Impact on Financial Statements (continue)

d. <u>Consequential Amendments</u>

IFRS 18 introduces consequential amendments to IAS 7, requiring entities to use the newly defined operating profit subtotal, rather than profit before zakat and income taxes, as the starting point for the indirect-method reconciliation to cash flows from operating activities. As a result, certain adjusting items currently included in the Group's reconciliation will change.

The amendments also provide specific guidance on the classification of interest and dividend cash flows. Under this guidance, the Group will reclassify cash flows from interest paid from operating activities to financing activities. Cash flows from interest received, dividends received, and dividends paid will continue to be classified as investing, and financing activities, respectively.

A number of new accounting standards and amendments to accounting standards are effective for annual reporting periods beginning after 1 January 2026 and earlier application is permitted.
However, the Group has not early adopted any of the forthcoming new or amended accounting standards in preparing these condensed consolidated interim financial statements.

Effective for annual periods beginning on or after	New standards and amendments
1 January 2026	Classification and Measurement of Financial Instruments-Amendments to IFRS 9 and IFRS 7
	Contracts Referencing Nature-dependent Electricity-Amendments to IFRS 9 and IFRS 7
	Annual Improvements to IFRS Accounting Standards-Volume 11
1 January 2027	IFRS 18 Presentation and Disclosure in Financial Statements
	IFRS 19 Subsidiaries without Public Accountability: Disclosures
Available for optional adoption / effective date deferred indefinitely	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

These new and revised IFRSs are not expected to have a significant impact on the Group's financial statements except what are explained above related to IFRS 18.

4. Use of estimates, assumptions and judgements

The preparation of the Group's condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets and liabilities in the future periods.

These estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future periods.

The significant estimates made by the management when applying the Group's accounting policies and the significant sources of uncertainties of the estimates were similar to those shown in the Group's annual consolidated financial statements as at 31 December 2025.

(All amounts are in Saudi Riyals (⃁) unless otherwise stated)

5. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's relevant Business Heads which in the Group's case is to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.
Segment results that are reported to the Group's relevant business heads include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The Group's operating segments are analysed and aggregated based on their geographical locations.

6. Related party transactions and balances

For the purpose of these condensed consolidated interim financial statements, parties are considered to be related to the Group, if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, and vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or entities. The transactions with related parties are made on terms approved by the Board of Directors of the Group. The Group and its related parties transact with each other in the ordinary course of business. The transactions and the balances between the Company and its subsidiaries and those between the subsidiaries have been eliminated in preparing these condensed consolidated interim financial statements.

There are no transactions or balances with the related parties during the period, except as disclosed below.

Key management personnel
Key management includes the Board of Directors, members of the Executive Committee, Audit Committee and the directors of business functions.

Key management personnel compensation comprised the following:

	For the six-month period ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Short-term benefits	**1,358,506**	2,338,001
Termination benefits	**31,019**	206,018
Board and its committee fee:		
Director's remuneration	**475,000**	300,000
Committee's remuneration	**300,000**	187,500
Meeting attendance and other allowances	**117,000**	85,775

Compensation to key management personnel includes salaries, allowances, provision for defined benefits liabilities and contribution to General Organization for Social Insurance.

(All amounts are in Saudi Riyals (⃁) unless otherwise stated)

7. Property and equipment

	Leasehold improvements	Furniture and fixture	Computer equipment	Tools and equipment	Capital work in progress	Total
Cost:						
1 January 2026 (Audited)	1,933,048	677,080	1,811,591	92,154	-	4,513,873
Additions	-	8,969	89,965	1,579	375,000	475,513
30 June 2026 (Unaudited)	**1,933,048**	**686,049**	**1,901,556**	**93,733**	**375,000**	**4,989,386**
Accumulated depreciation:						
1 January 2026 (Audited)	835,195	489,165	1,441,253	58,590	-	2,824,203
Charge for the period	146,912	25,760	115,057	4,833	-	292,562
30 June 2026 (Unaudited)	**982,107**	**514,925**	**1,556,310**	**63,423**	**-**	**3,116,765**
Netbook value:						
As at 30 June 2026	**950,941**	**171,124**	**345,246**	**30,310**	**375,000**	**1,872,621**
As at 1 January 2026	1,097,853	187,915	370,338	33,564	-	1,689,670

8. Trade and other receivables

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Accounts receivables	**107,713,674**	103,056,488
Unbilled receivables *	**58,940,815**	50,746,139
	166,654,489	153,802,627
Less: allowance for expected credit losses	**(9,242,906)**	(8,336,158)
	157,411,583	145,466,469

* Unbilled receivables represent the amount for which services have been rendered but not yet invoiced to customers. Unbilled receivables are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues the invoice to the customer.

Movement in the allowance for expected credit losses is as follows:

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
As at the beginning of the period	**8,336,158**	9,237,195
Charged / (reversal) during the period	**906,748**	(145,820)
As at the end of the period	**9,242,906**	9,091,375

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables.

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 90 days and therefore are all classified as current. Trade and other receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Group holds the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method.

(All amounts are in Saudi Riyals (⃁) unless otherwise stated)

9. Prepayments and other assets

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Prepaid expenses	**14,931,901**	7,526,495
Other receivables	**1,240,127**	825,267
	16,172,028	8,351,762

10. Accrued expenses and other liabilities

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Accrued expenses	**43,608,533**	42,509,327
VAT payable, net	**7,003,845**	7,332,573
Accrued bonus	**2,995,721**	3,717,193
Customer advances	**213,404**	213,404
	53,821,503	53,772,497

11. Earnings per share (EPS)

Basic EPS is calculated by dividing the net income inclusive of discontinued operations for the period attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the period as follows:

	For the six-month period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Net profit for the period for the Company's shareholders	**18,556,978**	20,597,771
Net profit for the period from continuing operations	**18,678,618**	20,519,300
Number of ordinary shares outstanding	**7,500,000**	7,500,000
Basic and diluted earnings per share	**2.5**	2.7
Basic and diluted earnings per share from continuing operations	**2.5**	2.7

The number of ordinary shares and the basic and diluted earnings per share for the comparative period have been adjusted retrospectively to reflect the bonus share issue. Accordingly, the comparative number of ordinary shares presented reflects this retrospective adjustment. Refer to Note 1 – Share Capital for further details regarding the capital increase.

12. Dividend

As authorized by General Assembly, the Board of Directors of the Company on 30 March 2026, approved to distribute cash dividends of (⃁) 14.1 million to shareholders at 1.88 (⃁) per share (for the period ended 30 June 2025 (⃁) 14.1 million at (⃁) 1.88 per share).

(All amounts are in Saudi Riyals (⃁) unless otherwise stated)

13. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors (BOD) and CEO, (together chief operating decision maker, CODM). The CODM assesses the financial performance and position of the Group and makes strategic decisions.

An operating segment is group of assets and operations:

1. engaged in revenue producing activities;
2. results of its operations are continuously analyzed by management in order to make decisions related to resource allocation and performance assessment; and
3. whose financial information is separately available.

The Group has the following strategic geographical locations, which represent its reportable segments below.

Kingdom of Saudi Arabia

Provision of services in the geographical region of Kingdom of Saudi Arabia.

Algeria

Provision of services in the geographical region of Algeria.

30 June 2026 (Unaudited)	**Kingdom of Saudi Arabia**	**Algeria**	**Total**
Revenue	**292,461,896**	**-**	**292,461,896**
Cost of revenue	**254,467,630**	**-**	**254,467,630**
Profit attributable to shareholders of the Company	**18,678,618**	**(121,640)**	**18,556,978**
30 June 2026 (Unaudited)			
Total assets	**198,331,291**	**5,628,296**	**203,959,587**
Total liabilities	**86,687,231**	**173,929**	**86,861,160**

30 June 2025 (Unaudited)	**Kingdom of Saudi Arabia**	**Algeria**	**Total**
Revenue	297,247,386	-	297,247,386
Cost of revenue	257,123,512	-	257,123,512
Profit attributable to shareholders of the Company	20,519,300	78,471	20,597,771
31 December 2025 (Audited)			
Total assets	195,851,950	5,773,058	201,625,008
Total liabilities	88,786,509	195,821	88,982,330

The Group's revenue is derived from contracts with customers for provision of services. These assets are allocated and analyzed based on the operations of the segment.

The CODM primarily uses a measure of total profit to assess the performance of the operating segments.
Revenues of approximately ⃁ 89.7 million (30 June 2025: ⃁ 86.40 million) are derived from three external customers who contribute more than 30.7% of the total external revenue. These revenues are attributed to the Kingdom of Saudi Arabia segment.

(All amounts are in Saudi Riyals (⃁) unless otherwise stated)

14. Revenue

The Group's revenue is derived from three types of services namely direct, managed-hosting and other services.

Disaggregation of revenue

In the following table, revenue is disaggregated by primary nature of services provided, types of customers and timing of revenue recognition as shown below:

	For the six-month period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Types of projects / services		
Direct	**70,335,159**	81,842,854
Managed-Hosting	**222,126,737**	215,303,626
Other	**-**	100,906
	292,461,896	297,247,386
Types of customers		
Non-government	**271,749,891**	276,748,932
Government	**20,712,005**	20,498,454
	292,461,896	297,247,386
Timing of revenue recognition		
Over time	**292,461,896**	297,247,386
	292,461,896	297,247,386

15. Discontinued operations

The financial performance presented is for the six-month period ended 30 June 2026 and the period ended 30 June 2025 for SNSALG SARL (the "subsidiary"):

	For the six-month period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
General and administrative expenses	**(121,334)**	(211,038)
Other income	**-**	294,033
(Loss) / profit from operations	**(121,334)**	82,995
Finance cost	**(1,535)**	(3,731)
(Loss) / profit before income tax	**(122,869)**	79,264
Income tax	**-**	-
(Loss) / profit from discontinued operations	**(122,869)**	79,264
Other comprehensive income		
Items that may be reclassified to profit or loss	-	-
Total other comprehensive income	-	-
Total comprehensive (loss) / income from discontinued operations	**(122,869)**	79,264

The cashflow information for the six-month period ended 30 June 2026 and six-month period ended 30 June 2025 were:

	For the six-month period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Net decrease in cash flows	**(144,762)**	(1,139,208)

16. Events after the reporting period

There are no other events subsequent to 30 June 2026 and before the date of authorization of condensed consolidated interim financial statements, that could have a significant effect on the condensed consolidated interim financial statements as at and for the six-month period ended 30 June 2026.

17. Approval of the condensed consolidated interim financial statements

The condensed consolidated interim financial statements of the Group for the period ended 30 June 2026 have been approved by the Board of Directors on 11 August 2026 (Corresponding to: 28 Safar 1448H).