Al-SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
(A Listed Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT

FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026

Al-SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
(A LISTED JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026

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Chartered Accountants

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A LISTED JOINT STOCK COMPANY

INTRODUCTION

We have reviewed the accompanying interim condensed consolidated financial statements of Al Saif Stores for Development and Investment Company (the "Company") and its subsidiaries (together the "Group") as of 30 June 2026 which comprises:

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

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

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagement 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", that is endorsed in the Kingdom of Saudi Arabia. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

PKF Al-Bassam
Chartered Accountants

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C. R. 1010385804
PKF Al Bassam
chartered accountants

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Riyadh, Kingdom of Saudi Arabia
12 Safar 1448H
Corresponding to: 26 July 2026

Al-SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
(A LISTED JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026
(All amounts in Saudi Riyals unless otherwise stated)

	Note	30 June 2026 (Unaudited)	31 December 2025 (Audited)
ASSETS			
Non-current assets			
Property and equipment		**152,728,293**	158,066,233
Right-of-use assets	**5.1**	**219,658,009**	199,678,664
Intangible assets		**1,480,870**	1,742,808
Total non-current assets		**373,867,172**	359,487,705
Current assets			
Inventories		**291,052,646**	355,675,171
Trade and other receivables		**4,213,649**	4,481,207
Advances, prepayments and other receivables		**62,311,517**	45,250,635
Due from a related party	**6**	**178,200**	-
Financial assets at (“FVTPL”)	**7**	**63,190,566**	-
Cash and cash equivalents		**9,827,923**	25,867,429
Total current assets		**430,774,501**	431,274,442
Total assets		**804,641,673**	790,762,147
Equity			
Share capital		**350,000,000**	350,000,000
Additional capital contribution		**156,431**	156,431
Statutory reserve		**5,100**	5,100
Retained earnings		**165,229,782**	146,283,245
Total equity		**515,391,313**	496,444,776
Liabilities			
Non-current liabilities			
Long-term lease liabilities	**5.2**	**180,084,952**	167,121,796
Provision for employees’ benefits		**13,024,637**	12,667,569
Total non-current liabilities		**193,109,589**	179,789,365
Current liabilities			
Short-term lease liabilities	**5.2**	**40,015,060**	31,707,267
Trade payables		**32,720,717**	55,656,502
Due to related parties	**6**	**785,478**	-
Advances, accruals and other payables		**17,969,516**	18,133,502
Dividends payable		**-**	23,752
Zakat provision	**8**	**4,650,000**	9,006,983
Total current liabilities		**96,140,771**	114,528,006
Total liabilities		**289,250,360**	294,317,371
Total equity and liabilities		**804,641,673**	790,762,147

Ahmed Al Sultan	**Suleiman bin Muhammad bin Saleh Alsaif**	**Motaz Al Ashqar**
CEO	**Chairman**	**Financial Manager**

The accompanying notes 1 to 15 form an integral part of these interim condensed consolidated financial statements.

Al-SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
(A LISTED JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
(All amounts in Saudi Riyals unless otherwise stated)

		For the three-month period ended		For the six-month period ended	
	Note	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited)	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited)
Revenue	10	**138,580,672**	133,506,065	**411,768,501**	362,761,426
Cost of revenue		**(111,873,759)**	(107,538,031)	**(312,949,245)**	(268,973,123)
Gross profit		**26,706,913**	25,968,034	**98,819,256**	93,788,303
Selling and distribution expenses		**(10,702,074)**	(11,502,361)	**(27,275,635)**	(28,469,886)
General and administrative expenses		**(12,969,897)**	(10,343,893)	**(28,154,995)**	(23,255,306)
Operating profit		**3,034,942**	4,121,780	**43,388,626**	42,063,111
Finance cost		**(2,855,740)**	(2,438,129)	**(5,685,042)**	(5,005,346)
Other income		**2,549,765**	1,760,094	**5,314,283**	3,476,243
Unrealized gain on revaluation of financial assets at FVTPL	7	**471,259**	30,733	**665,437**	101,931
Realized gain on sale of financial assets at FVTPL	7	**569,539**	-	**913,233**	-
Net profit for the period before zakat		**3,769,765**	3,474,478	**44,596,537**	40,635,939
Zakat expense	8	**(2,150,000)**	(2,020,702)	**(4,650,000)**	(4,020,702)
Net profit for the period		**1,619,765**	1,453,776	**39,946,537**	36,615,237
Other comprehensive income			-	**-**	-
Total comprehensive income for the period		**1,619,765**	1,453,776	**39,946,537**	36,615,237
Basic and diluted earnings per share (Saudi Riyals)	11	**0.01**	0.01	**0.11**	0.10

Ahmed Al Sultan	**Suleiman bin Muhammad bin Saleh Alsaif**	**Motaz Al Ashqar**
CEO	**Chairman**	**Financial Manager**

The accompanying notes 1 to 15 form an integral part of these interim condensed consolidated financial statements.

Al-SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
(A LISTED JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(All amounts in Saudi Riyals unless otherwise stated)

	Note	Share capital	Additional capital contribution	Statutory reserve	Retained earnings	Total
Balance as of 1 January 2025 (Audited)		350,000,000	156,431	5,100	89,049,599	439,211,130
Net profit for the period		-	-	-	36,615,237	36,615,237
Other comprehensive income		-	-	-	-	-
Total comprehensive income		-	-	-	36,615,237	36,615,237
Balance as of 30 June 2025 (Unaudited)		350,000,000	156,431	5,100	125,664,836	475,826,367
Balance as of 1 January 2026 (Audited)		**350,000,000**	**156,431**	**5,100**	**146,283,245**	**496,444,776**
Net profit for the period		**-**	**-**	**-**	**39,946,537**	**39,946,537**
Other comprehensive income		**-**	**-**	**-**	**-**	**-**
Total comprehensive income		**-**	**-**	**-**	**39,946,537**	**39,946,537**
Dividend paid	**13**				**(21,000,000)**	**(21,000,000)**
Balance as of 30 June 2026 (Unaudited)		**350,000,000**	**156,431**	**5,100**	**165,229,782**	**515,391,313**

Ahmed Al Sultan
CEO

Suleiman bin Muhammad bin Saleh Alsaif
Chairman

Motaz Al Ashqar
Financial Manager

The accompanying notes 1 to 15 form an integral part of these interim condensed consolidated financial statements.

Al-SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
(A LISTED JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(All amounts in Saudi Riyals unless otherwise stated)

	Note	For the Six-month period ended 30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit for the period before zakat		**44,596,537**	40,635,939
Adjustments for:			
Depreciation of property and equipment		**10,257,012**	11,045,273
Amortization of intangible assets		**261,938**	199,215
Depreciation of right-of-use assets	5.1	**22,222,622**	17,084,749
Unrealized gain on revaluation of financial assets at FVTPL	7	**(665,437)**	(101,931)
Realized gain on sale of financial assets at FVTPL	7	**(913,233)**	-
Provision for expected credit loss		**-**	1,333,185
Provision for slow-moving goods		**722,991**	1,414,035
Gain on lease termination		**(91,546)**	(2,020,330)
Provision for employees' benefits		**888,495**	828,767
Finance cost		**5,685,042**	5,005,346
		82,964,421	75,424,248
Changes in operating assets and liabilities:			
Trade and other receivables, net		**267,558**	(87,547)
Inventories, net		**63,899,534**	(84,004,988)
Advances, prepayments and other receivables		**(17,060,882)**	(12,841,624)
Due from a related party		**(178,200)**	(24,871)
Due to related parties		**785,478**	8,702,929
Trade payables		**(22,935,785)**	7,938,572
Advances, accruals and other payables		**(163,986)**	2,100,397
Cash flow generated from / (used in) operations		**107,578,138**	(2,792,884)
Employees' benefits paid		**(531,427)**	(397,089)
Zakat paid	8	**(9,006,983)**	(20,702)
Net cash flows generated from/(used in) operating activities		**98,039,728**	(3,210,675)
Cash flow from investing activities			
Addition of property and equipment		**(4,919,072)**	(4,440,583)
Purchase of financial assets at FVTPL	7	**(233,756,272)**	(67,526,016)
Proceeds from sale of financial assets at FVTPL	7	**172,144,376**	67,627,947
Net cash flows used in investing activities		**(66,530,968)**	(4,338,652)
Cash flows from financing activities			
Dividends paid	13	**(21,023,752)**	-
Lease liabilities paid	5.2	**(26,524,514)**	(17,536,915)
Finance cost paid		**-**	(1,636,762)
Repayments of short-term loans		**-**	(68,786,327)
Proceeds from short term loans		**-**	40,770,297
Net cash flows used in financing activities		**(47,548,266)**	(47,189,707)
Net change in cash and cash equivalents		**(16,039,506)**	(54,739,034)
Cash and cash equivalents at beginning of period		**25,867,429**	68,422,738
Cash and cash equivalents at end of the period		**9,827,923**	13,683,704
Non-cash transactions			
Increase in right of use assets and lease liabilities	5	**44,019,085**	**39,351,124**
Lease termination in right of use asset	5.1	**(1,817,118)**	**(732,991)**
Lease termination in lease liabilities	5.2	**(1,908,664)**	**(2,753,320)**

Ahmed Al Sultan	**Suleiman bin Muhammad bin Saleh Alsaif**	**Motaz Al Ashqar**
CEO	**Chairman**	**Financial Manager**

The accompanying notes 1 to 15 form an integral part of these interim condensed consolidated financial statements.

(All amounts in Saudi Riyals unless otherwise stated)

1. THE COMPANY, ITS SUBSIDIARIES AND ITS BUSINESS ACTIVITIES

Al Saif Stores for Development and Investment Company ("the Company") and its subsidiaries (together "the Group") is a Saudi Joint-Stock Company which was established in accordance with the Companies Law in the Kingdom of Saudi Arabia under commercial registration number 1010111193 and unified national number 7018060504 issued in Riyadh on 18 Dhu al-Hijjah 1413H corresponding to 09 September 1993. The Company was converted from a limited liability company to a closed joint stock company on 23 Muharram 1436H corresponding to 16 November 2014 as per the approval of the Ministry of Commerce and Industry No. 322 /s. On 07 Muharram 1445H corresponding to 25 July 2023 as per the approval of the Capital Market Authority (CMA), the status of the Company has been changed to Joint Stock Company.

The principle activity of the Group is the sale and import of household utensils, wholesale and retail trade in household utensils, electrical appliances, cleaning supplies, general contracting activity, construction, repair, restoration and demolition of buildings and public construction of road works, water and sewage works, dams, drilling wells, maintenance and operation of electrical, mechanical and electronic installations, landscaping and blacksmithing, carpentry, aluminum, decoration, gypsum, decoration, maintenance and cleaning works, management and operation of cities, utilities, buildings and public and private facilities, buying and owning real estate and lands to construct buildings on them.

As at 30 June 2026, the total number of branches leased by the Group were 73 (31 December 2025: 73), operating in the Kingdom of Saudi Arabia, United Arab Emirates, Kuwait, Sultanate of Oman and Qatar under the trademark of "Al Saif Gallery".

Subsidiaries
Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases.

		% of shareholding	
Name of subsidiaries	**Location**	**30 June 2026**	**31 December 2025**
Al Saif Gallery Trading	UAE	100%	100%
Al Saif Gallery Kuwait	Kuwait	100%	100%
Al Saif Gallery Oman	Oman	100%	100%
Al Saif Gallery Qatar	Qatar	100%	100%

The head office of the Company is located at P.O. Box 10448, Riyadh 11626, Kingdom of Saudi Arabia.

The following are the branches of the Group:

C.R. Name	**Unified National Number**	**City**
Branch of Al-Saif Stores Development and Investment Company	7006766682	Riyadh
Branch of Al-Saif Stores Development and Investment Company	7014262740	Hafar Al-Batin
Branch of Al-Saif Stores Development and Investment Company	7011320848	Skaka
Al-Saif Household Utensils, Branch of Al-Saif Stores Development and Investment Company	7014697572	Khamis Mushait
Branch of Al-Saif Stores Development and Investment Company	7013719971	Najran
Branch of Al-Saif Stores Development and Investment Company	7011838609	Dhahran
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	7014914662	Jazan
Al-Saif Gallery for Household Utensils, Branch of Al-Saif Stores Development and Investment Company	7013445007	Makkah
Branch of Al-Saif Stores Development and Investment Company	3350038998	Hail
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	7013025569	Bisha
Branch of Al-Saif Stores Development and Investment Company	7013226357	Dammam
Branch of Al-Saif Stores Development and Investment Company	7011519191	Hofuf
Branch of Al-Saif Stores Development and Investment Company	7013987123	Kharj

(All amounts in Saudi Riyals unless otherwise stated)

1. THE COMPANY, ITS SUBSIDIARIES AND ITS BUSINESS ACTIVITIES (CONTINUED)

The following are the branches of the Group (Continued):

C.R. Name	Unified National Number	City
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	7006392851	Taif
Al-Saif Gallery Trading CO., Branch of Al-Saif Stores Development and Investment Company	7014350396	Medina
Branch of Al-Saif Stores Development and Investment Company	7012377755	Buraydah
Branch of Al-Saif Stores Development and Investment Company	7014777176	Tabuk
Branch of Al-Saif Stores Development and Investment Company	7013987123	Kharj
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	7006392851	Taif
Al-Saif Gallery Trading CO., Branch of Al-Saif Stores Development and Investment Company	7014350396	Medina
Branch of Al-Saif Stores Development and Investment Company	7012377755	Buraydah
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	7011641664	Jedda
Branch of Al-Saif Stores Development and Investment Company	7011779233	Abha
Branch of Al-Saif Stores Development and Investment Company	7003765679	Khafji
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	7007552602	yanbu
Al-Saif Hall for household utensils, Branch of Al-Saif Stores Development and Investment Company	7012651415	Riyadh
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	7003784902	Alrass
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	7002576721	Jubail
Branch of Al-Saif Stores Development and Investment Company	1010183788	Riyadh
Branch of Al-Saif Stores Development and Investment Company	7005514752	Unaizah
Branch of Al-Saif Stores Development and Investment Company	7005514679	Albaha
Al-Saif Stores Development and Investment Company	7008895281	Dawadmi
Al-Saif Gallery Trading	7015454031	Mahayel Aseer
Branch of Al-Saif Stores Development and Investment Company	7001692826	Riyadh
Branch of Al-Saif Stores Development and Investment Company	7008415130	Riyadh
Branch of Al-Saif Stores Development and Investment Company	1010672622	Riyadh
Branch of Al-Saif Stores Development and Investment Company	2051232518	khobar
Suleiman Mohammad Al-Saif Gallery for household utensils, branch of Al-Saif Stores Company for Development and Investment	7011451650	Makkah
Branch of Al-Saif Stores Development and Investment Company	7026561246	Arar
Branch of Al-Saif Stores Development and Investment Company	2050089147	Qatif
Branch of Al-Saif Stores Development and Investment Company	4031088383	Al qonfoza
Branch of Al-Saif Stores Development and Investment Company	5900029071	Sabya
Branch of Al-Saif Stores Development and Investment Company	7008415130	Warehouse
Al Saif Gallery Trading – Abu Dhabi	4605329	Abu Dhabi
Al Saif Gallery Trading -Ajman	201819494	Ajman
Al Saif Gallery Kuwait	468654	Kuwait
Al Saif for Development and Investment	1515501	Oman
Al Saif Gallery	196193	Qatar

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

2. BASIS OF PREPARATION (CONTINUED)

2.1 STATEMENT OF COMPLIANCE (CONTINUED)

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

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2025.

2.2 BASIS OF MASUREMENT

These interim condensed consolidated financial statements are prepared under the historical cost method except for the financial assets that are measured at fair value.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

These interim condensed consolidated financial statements are presented in Saudi Riyals (SR) which is the functional and presentation currency. All financial information presented in SR has been rounded to the nearest SR, unless otherwise mentioned.

2.4 BASIS OF CONSOLIDATION

These interim condensed consolidated financial statements include the interim condensed financial statements of the Company and subsidiaries controlled by the Group for the six-month period ended 30 June 2026. Control is achieved where the Group has the power to govern the financial and operating policies of the investee company so as to obtain benefits from its activities.

Income and expenses of subsidiaries incorporated during the period, if any, are included in the interim consolidated statement of other comprehensive income from the effective date of incorporation and up to the effective date of disposal, as appropriate. Total income of subsidiaries is attributed to the shareholders of the Group and to the non-controlling interests, if any, even if this results in the non-controlling interests having a deficit balance. All significant intergroup transactions and balances between group enterprises have been eliminated in preparing the interim consolidated condensed financial statements.

3. MATERIAL ACCOUNTING POLICIES

3.1 New Standards, Amendment to Standards and Interpretations

The new standards and amendments to standards disclosed in the Group's annual consolidated financial statements remain unchanged.

IFRS 18 "Presentation and Disclosure in Financial Statements" will replace IAS 1 "Presentation of Financial Statements" and applies for annual reporting periods beginning on or after 1 January 2027. The Group has not early adopted the new accounting standard in preparing these interim financial statements; however, earlier application is permitted.

The Group is in the process of assessing the estimated impact that the initial application of IFRS 18 will have on its consolidated financial statements.

a) Structure of the Statement of Profit or Loss

IFRS 18 requires entities to classify all income and expenses into categories in the statement of profit or loss – namely operating, investing, financing, zakat & income tax and discontinued operations. Classification of income and expenses depends on the main business activities of an entity. The Group has determined that it does not have a specified main business activity of investing in assets and/or providing financing to customers.

The adoption of IFRS 18 will not impact the net profit or net assets of the Group's. The Group will be required to present two newly defined subtotals, which are 'operating profit' and 'profit or loss before financing and income taxes'. However, operating profit subtotal differs from the current operating profit subtotal presented by the Group. Based on the information currently available, the Group expects changes to the current structure of the statement of profit or loss to result from the following:

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.1 New Standards, Amendment to Standards and Interpretations (Continued)

a) Structure of the Statement of Profit or Loss (Continued)

- Other income mainly includes rental income and income from delivery services will become the part of operating category as these are operating activities of the Group
- Unrealized gain/(loss) on revaluation and realized gain/(loss) are currently disclosing as separate lines in statement of profit and loss will become part of investing category.
- Net foreign exchange gains/losses are currently included in other income. Under IFRS 18, foreign exchange differences are required to be presented in the same category as the income and expenses from the items that gave rise to the differences. The Group has determined that it has foreign exchange differences to be classified in the operating category. For example, foreign exchange differences on trade payables and trade receivables will be classified in the operating category.

b) Management-defined performance measures

Management-defined performance measures (MPMs) are subtotals of income and expenses used in public communications outside the financial statements that communicate to users management's view of an aspect of the financial performance of the entity as a whole. The Group will be required to disclose specific information about MPMs in a single note in the consolidate financial statements.

The Group is in process to determine which public communications should be considered when identifying MPMs. MPMs relate to the same reporting period as the financial statements. Therefore, MPMs disclosed by the Group following adoption of IFRS 18 will be determined based on public communications issued by the Group relating to the 2027 interim reporting period.

c) Principles of aggregation and disaggregation

IFRS 18 provides enhanced principles on how to group information in the financial statements (i.e. the primary financial statements and the notes). It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

The Group is assessing the grouping of items on the basis of similar and dissimilar characteristics. Based on this assessment, it will present line items in the primary financial statements that provide useful structured summaries and disclose additional material information in the notes.

The Group is also assessing line items currently labelled as ‘other’ and will use more informative labels.

d) Consequential amendments

IFRS 18 introduces consequential amendments to IAS 7, which require entities to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Group currently uses profit for the period as the starting point of the reconciliation to cash flows from operating activities. Certain adjusting items included in the reconciliation will change as a result of the new starting point.

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

3.2 Significant accounting judgements, estimates, and assumptions

In preparing these interim condensed financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2 Significant accounting judgements, estimates, and assumptions (Continued)

The significant judgments made by management 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 31 December 2025.

4. NEW AMENDED STANDARDS AND INTERPRETATIONS:

4.1 Standards and amendments effective in the current period

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of the standards and amendments	Management impact
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026	The amendments clarify the recognition and derecognition of financial assets and financial liabilities, including settlement date accounting for certain electronic payment systems. They also provide additional guidance on assessing contractual cash flow characteristics of financial assets, including contingent cash flows arising from environmental, social and governance (ESG)-linked features. The amendments also introduce new and updated disclosure requirements in IFRS 7	The amendments have been adopted during the current period. The adoption did not have a material impact on the Company's financial statements, as the Company's financial instruments and settlement arrangements were not significantly affected.
IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026	These amendments modify the 'own use' requirements and hedge accounting provisions in IFRS 9 for contracts that expose entities to variability in electricity prices due to uncontrollable natural conditions such as weather. Targeted disclosure requirements are introduced in IFRS 7.	The amendments have been adopted during the current period. The adoption did not have a material impact on the Company's financial statements, as the nature of the Company's operations and contractual arrangements did not result in any significant exposure to such contracts.

(All amounts in Saudi Riyals unless otherwise stated)

4. NEW AMENDED STANDARDS AND INTERPRETATIONS (CONTINUED):

4.2 Standards and amendments issued but not yet effective

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of the standards and amendments	Management impact
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026	The amendments clarify the recognition and derecognition of financial assets and financial liabilities, including settlement date accounting for certain electronic payment systems. They also provide additional guidance on assessing contractual cash flow characteristics of financial assets, including contingent cash flows arising from environmental, social and governance (ESG)-linked features. The amendments also introduce new and updated disclosure requirements in IFRS 7	The amendments have been adopted during the current period. The adoption did not have a material impact on the Company's financial statements, as the Company's financial instruments and settlement arrangements were not significantly affected.
IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026	These amendments modify the 'own use' requirements and hedge accounting provisions in IFRS 9 for contracts that expose entities to variability in electricity prices due to uncontrollable natural conditions such as weather. Targeted disclosure requirements are introduced in IFRS 7.	The amendments have been adopted during the current period. The adoption did not have a material impact on the Company's financial statements, as the nature of the Company's operations and contractual arrangements did not result in any significant exposure to such contracts.

5. RIGHT OF USE ASSET AND LEASE LIABILITIES

5.1 Right-of-use assets, net

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance as at 01 January	**199,678,664**	174,531,393
Additions during the period / year*	**44,019,085**	70,387,297
Depreciation for the period / year	**(22,222,622)**	(37,374,480)
Gain on lease termination during the period / year	**(1,817,118)**	(7,865,546)
Balance as at 30 June / 31 December	**219,658,009**	199,678,664

*Addition relates to renewal of lease contracts during the period/year.

5.2 Lease liability:

- The movement is as follows:

Lease liabilities	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance as at 01 January	**198,829,063**	174,738,780
Additions during the period / year	**44,019,085**	70,387,297
Interest on lease liabilities	**5,685,042**	9,314,195
Paid during the period / year	**(26,524,514)**	(45,725,333)
Gain on lease termination during the period / year	**(1,908,664)**	(9,885,876)
Balance as at 30 June / 31 December	**220,100,012**	198,829,063

(All amounts in Saudi Riyals unless otherwise stated)

5. RIGHT OF USE ASSET AND LEASE LIABILITIES (CONTINUED)

Lease liabilities are stated in the consolidated statement of financial position as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Current portion	**40,015,060**	31,707,267
Non-current portion	**180,084,952**	167,121,796
Total lease liabilities	**220,100,012**	198,829,063

The interim condensed statement of profit or loss shows the following amounts relating to leases:

	Note	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited)
Depreciation expense for right of use assets		**22,222,622**	17,084,749
Interest on lease liabilities		**5,685,042**	4,029,781
Expense related to short term leases		**14,709,290**	20,011,999
Total amounts recognized in consolidated profit or loss		**42,616,954**	41,126,529

6. RELATED PARTIES:

The related parties are the Shareholders of the Group and the Companies owned by the shareholders (associated companies). The terms of these transactions are approved by the Group's management.

The following are the most important transactions with related parties and the balances resulting from them:

Description	**Relationship**	**Nature of transactions**	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited)
Nawat Real Estate Investment Company	Affiliate	Rent expenses	**915,393**	1,156,661
		Sales	**1,699**	31,010
Suleiman Muhammad Saleh Al-Saif	Shareholder / Chairman	Rent expenses	**5,324,934**	6,103,419
Al-Saif Commercial Agencies Company	Affiliate (Related to Chairman of the Board)	Purchases	**2,674**	8,344
Zakaa Elioum Medical Company – Wixsana	Affiliate (Related to Board Member) **	Purchases	**409,446**	-
Al Saif Coffee Trading Company	Affiliate (Related to Ahmed bin Suleman Al saif) *	Purchases	**-**	130,495
Al Saif Plus Company	Affiliate (Related to Ahmed bin Suleman Al saif) *	Purchases	**-**	9,145,380

* Mr. Ahmed bin Suleman Al Saif served the Group until 26 September 2025. Therefore, transactions with Al Saif Coffee Trading Company and Al Saif Plus Company were not disclosed as related party transactions for the period ended 30 June 2026.

** During the period, Mr. Haithem bin Suleiman acquired 50% shareholding of Zakaa Elioum Medical Company – Wixsana, accordingly transaction during the period and balances with Zakaa Elioum Medical Company – Wixsana at as 30 June 2026 has been disclosed.

(All amounts in Saudi Riyals unless otherwise stated)

6. RELATED PARTIES (CONTINUED)

Remunerations of the Group's key management personnel

Key management personnel are those persons, including the Board of Directors, Managing Director, Chief Financial Officer and top executives having authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly. Transactions with key management personnel include fees, basic salaries, bonuses and other benefits as per the Group's policies, which are as follows:

	Nature of transaction	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Board of directors	Remuneration	**1,220,000**	1,083,000
Key management personnel	Remuneration	**4,552,383**	4,301,858
		5,772,383	5,384,858

Balances as at

Due from a related party	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Suleiman Muhammad Salih Al-Saif	**178,200**	-

Due to related parties	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Zakaa Elioum Medical Company - Wixsana	**536,165**	-
Nawat Real Estate Investment Company	**249,313**	-
	785,478	-

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group has made investment in mutual funds managed by Al Rajhi Capital and Alinma Capital. The fair value of the investment are as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Opening balance	**-**	-
Additions during the period / year	**233,756,272**	251,022,267
Disposals during the period / year	**(172,144,376)**	(251,526,016)
Realized gain on sale of financial assets at FVTPL during the period / year	**913,233**	503,749
Unrealized gain on revaluation of financial assets at FVTPL during the period / year	**665,437**	-
Closing balance	**63,190,566**	-

8. ZAKAT PROVISION

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**9,006,983**	7,282,483
Zakat charge for the period / year	**4,650,000**	9,006,983
Payments made during the period / year	**(9,006,983)**	(7,303,186)
Adjustment prior period / year	**-**	20,703
Balance at the end of the period / year	**4,650,000**	9,006,983

Zakat return for the year ended 31 December 2025 has been filed and are under review with the Zakat, Tax and Customs Authority ("ZATCA"). The Group has obtained a certificate from the ZATCA valid 23 Dhu Al-Qidah 1448H corresponding to 30 April 2027. The Group has closed all zakat assessments up to 2024. The Group has no open assessment orders to the date of issuance of interim condensed consolidated financial statements.

(All amounts in Saudi Riyals unless otherwise stated)

9. CONTIGENCIES AND COMMITMENTS

a) Contingencies

Contingencies represent open letters of credit for purchasing goods of SR 21.10 million from local banks at 30 June 2026 (31 December 2025: SR 25.81 million).

b) Commitments

There are no capital commitments made by the Group at 30 June 2026 and 31 December 2025.

10. REVENUE

	For the six-month period ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Revenue	**411,768,501**	362,761,426

The Group's revenue of SR 378.88 million (30 June 2025: SR 329.48 million) and SR 32.89 million (30 June 2025: SR 33.28 million) relates to business within KSA and outside KSA, respectively.

All revenues are recognized at point in time.

11. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period with number of shares as at period end. Diluted earnings per share is the same as basic earnings per share since the Group does not have any diluted instruments. Number of shares has been calculated using the weighted average number of shares outstanding during the period.

	For the six-month period ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Net profit for the period	**39,946,537**	36,615,237
Weighted average number of shares	**350,000,000**	350,000,000
Earnings per share (SAR) – Basic and diluted	**0.11**	0.10

Earnings per share for the period was calculated by dividing the net profit for the period with 350 million shares. There are no diluted shares which are convertible to basic shares at the end of the period.

12. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Group is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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. When measuring the fair value, the Group uses market observable 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 asset or liability that are not based on observable market data (unobservable inputs).

The Group's financial assets consist of cash and bank balances, investments and other receivables, its financial liabilities consist of trade payables, financial facilities and other liabilities. The Group's management determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement.

(All amounts in Saudi Riyals unless otherwise stated)

12. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

All financial assets and liabilities are measured at amortized cost except investment carried at FVTPL. The carrying amounts of all other financial assets and financial liabilities measured at amortized cost approximate to their fair values.

	Fair value level			
30 June 2026 (Unaudited)	**Level 1**	**Level 2**	**Level 3**	**Total**
FINANCIAL ASSET				
Investment carried at FVTPL	**63,190,566**	-	-	**63,190,566**
	63,190,566	-	-	**63,190,566**

	Fair value level			
31 December 2025 (Audited)	Level 1	Level 2	Level 3	Total
FINANCIAL ASSET				
Investment carried at FVTPL	-	-	-	-
	-	-	-	-

The above-mentioned financial assets and liabilities are measured at fair value at the end of each reporting period.

13. DIVIDEND

On 13 April 2026, the Group's Board of Directors approved the distribution of cash dividends of SAR 21 million (SAR 0.06 per share) to the shareholders, representing the second half of the financial year 2025, a distribution and payment of dividend was made on 5 May 2026.

14. SUBSEQUENT EVENTS

There are no further significant subsequent events since the period-ended that require disclosure or adjustment in these consolidated financial statements.

15. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Group’s interim condensed consolidated financial statements for the six-month period ended 30 June 2026 have been approved by the Board of Directors on 20 July 2026 corresponding to 06 Safar 1448 AH.