

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

**Interim condensed consolidated financial statements and
independent auditor's review report for the three-month period
ended 30 September 2025 (Unaudited)**

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

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

INTRODUCTION

(1/1)

We have reviewed the accompanying 30 September 2025 interim condensed financial statements of Saudi AZM for Communication and Information Technology Company ("the Company") and its subsidiaries ("the Group") which comprises:

- The interim consolidated statement of financial position as at 30 September 2025;
- The interim statement of comprehensive income for the three-month period then ended;
- The interim consolidated statement of changes in equity for the three-month period then ended;
- The interim consolidated statement of cash flows for the three-month period then ended, and;
- The notes to the interim condensed consolidated financial statements.

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

SCOPE OF REVIEW

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

CONCLUSION

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

PKF Al-Bassam
Chartered Accountants



Ahmed Abdulmajeed Mohandis
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Corresponding to: 28 October 2025



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

Interim condensed consolidated statement of financial position
As of 30 September 2025



		30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
	Note		
Assets			
Non-current assets			
Property and equipment		10,928,651	11,270,807
Right-of-use assets		18,927,218	19,620,938
Intangible assets		9,583,639	7,798,151
Investments in associates	3	10,841,806	10,668,943
Investment in finance lease		2,136,960	2,493,120
Financial assets at fair value through other comprehensive income	4	940,143	1,605,541
Financial assets held at amortised cost	5	18,537,013	18,375,249
Total non-current assets		71,895,430	71,832,749
Current assets			
Current portion of investment in finance lease		712,320	692,160
Current portion of financial assets held at amortised cost	5	5,065,277	18,483,155
Financial assets at fair value through profit or loss	6	125,122,191	102,522,616
Due from related parties	7	1,075,354	881,125
Contract assets	8	68,565,995	60,477,132
Trade receivables	9	52,529,826	54,768,992
Prepayments and other current assets		25,525,456	17,038,799
Cash and cash equivalents		18,169,727	18,562,107
Total current assets		296,766,146	273,426,086
Total assets		368,661,576	345,258,835
Equity and liabilities			
Equity			
Share capital	10	30,000,000	30,000,000
Treasury shares		(9,845,035)	(14,551,617)
Share based payment reserve		6,085,167	11,245,281
Retained earnings		129,856,516	114,111,939
Equity attributable to equity holders of the Company		156,096,648	140,805,603
Non-controlling interest		1,242,152	1,842,711
Total equity		157,338,800	142,648,314
Liabilities			
Non-current liabilities			
Employees' defined benefits liabilities		6,872,671	6,451,830
Lease liabilities		17,530,562	18,269,793
Accruals and other liabilities-non-current		333,533	378,706
Total non-current liabilities		24,736,766	25,100,329
Current liabilities			
Trade payables		25,269,348	20,584,289
Short-term loan		5,126,578	5,033,895
Current portion of lease liabilities		4,393,954	4,326,400
Accruals and other liabilities-current		40,536,834	46,109,487
Zakat and income tax provision	11	5,084,834	4,326,783
Contract liabilities	8	85,130,530	87,635,209
Due to related parties	7	21,043,932	9,494,129
Total current liabilities		186,586,010	177,510,192
Total liabilities		211,322,776	202,610,521
Total equity and liabilities		368,661,576	345,258,835

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

Chief Financial Officer

Chief Executive Officer

Chairman, Board of Directors

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

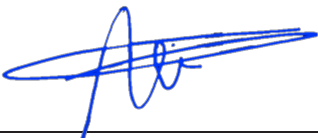
Interim condensed consolidated statement of comprehensive income
For the three-month period ended 30 September 2025



		For the three-month period ended 30 September	
		2025	2024
		(Unaudited)	(Unaudited)
	Note	ﷲ	ﷲ
Revenue	8	69,954,593	60,681,743
Cost of revenue		(45,200,711)	(41,905,573)
Gross profit		24,753,882	18,776,170
General and administrative expenses		(11,782,811)	(7,974,846)
Selling and distribution expenses		(480,453)	(277,026)
Expected credit losses	7,8,9	(384,990)	(749,968)
Operating profit		12,105,628	9,774,330
Share of result from investment in associates		125,344	1,143,317
Finance cost, net		(688,935)	(928,014)
Other income, net		2,678,956	1,388,377
Profit before zakat		14,220,993	11,378,010
Zakat for the period	11	(773,683)	(998,767)
Profit for the period		13,447,310	10,379,243
Attributable to:			
Equity holders of the Company		14,059,886	10,143,211
Non-controlling interest		(612,576)	236,032
		13,447,310	10,379,243
Other comprehensive income/(loss)			
<i>Other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss:</i>			
Change in fair value on financial assets at fair value through other comprehensive income		(296,664)	(236,405)
Remeasurement gain on employees' defined benefit liabilities		351,160	20,752
Share of other comprehensive income from associates		19	297
Other comprehensive income/(loss) for the period		54,515	(215,356)
Total comprehensive income for the period		13,501,825	10,163,887
Attributable to:			
Equity holders of the Company		14,102,384	9,923,200
Non-controlling interest		(600,559)	240,687
		13,501,825	10,163,887
Earnings per share attributable to the equity holders of the Company			
Basic earnings per share	12	0.24	0.17
Diluted earnings per share	12	0.23	0.17

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


Chief Financial Officer


Chief Executive Officer


Chairman, Board of Directors

Saudi AZM for Communication and Information Technology Company

(A Saudi Joint Stock Company)

Interim condensed consolidated statement of changes in equity

For the three-month period ended 30 September 2025



	Total equity attributable to the equity holders of the Company						Total equity
	Share capital	Treasury shares	Share based payment reserve	Retained earnings	Equity attributable to equity holders	Non-controlling interest	
	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ
As at 1 July 2024 (Audited)	30,000,000	(16,609,332)	954,555	74,099,175	88,444,398	3,102,632	91,547,030
Profit for the period	-	-	-	10,143,211	10,143,211	236,032	10,379,243
Other comprehensive (loss)/income for the period	-	-	-	(220,011)	(220,011)	4,655	(215,356)
Total comprehensive income for the period	-	-	-	9,923,200	9,923,200	240,687	10,163,887
Share based payment reserve	-	-	314,725	-	314,725	-	314,725
Treasury shares distributed during the period	-	227,871	(202,250)	27,953	53,574	-	53,574
As at 30 September 2024 (Unaudited)	30,000,000	(16,381,461)	1,067,030	84,050,328	98,735,897	3,343,319	102,079,216
As at 1 July 2025 (Audited)	30,000,000	(14,551,617)	11,245,281	114,111,939	140,805,603	1,842,711	142,648,314
Profit/(loss) for the period	-	-	-	14,059,886	14,059,886	(612,576)	13,447,310
Other comprehensive income for the period	-	-	-	42,498	42,498	12,017	54,515
Total comprehensive income for the period	-	-	-	14,102,384	14,102,384	(600,559)	13,501,825
Share based payment reserve	-	-	1,212,817	-	1,212,817	-	1,212,817
Treasury shares distributed during the period	-	4,706,582	(6,372,931)	1,642,193	(24,156)	-	(24,156)
As at 30 September 2025 (Unaudited)	30,000,000	(9,845,035)	6,085,167	129,856,516	156,096,648	1,242,152	157,338,800

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

Chief Financial Officer

Chief Executive Officer

Chairman, Board of Directors

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

Interim condensed consolidated statement of cash flows
For the three-month period ended 30 September 2025



	For the three-month period ended	
	30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	ﷲ	ﷲ
Operating activities		
Profit before zakat	14,220,993	11,378,010
Adjustments to reconcile profit before zakat to net cash flows:		
Depreciation of property and equipment	524,250	303,325
Depreciation of right-of-use assets	693,720	708,257
Provision for employees' defined benefits liabilities	921,421	1,023,879
Expected credit losses	384,990	749,968
Change in fair value of financial assets at fair value through profit or loss	(1,433,193)	(427,912)
Share of result from investment in associates	(125,344)	(1,143,317)
Share based payment expense	713,452	267,292
Finance income on assets held at amortised cost	(510,862)	(389,561)
Finance cost, net	688,935	928,014
Rental income	(470,956)	(462,488)
	15,607,406	12,935,467
Changes in operating assets and liabilities		
Trade receivables	1,874,201	(24,932,288)
Contract assets	(8,108,487)	32,609,929
Prepayments and other current assets	(8,491,904)	779,116
Due from/to related parties, net	11,529,289	18,007,989
Trade payables	4,685,058	3,217,489
Contract liabilities	(2,504,678)	11,648,257
Accruals and other current liabilities	(5,273,698)	2,229,777
	9,317,187	56,495,736
Employees' defined benefits liabilities paid	(50,692)	(85,632)
Zakat and income tax paid	(15,632)	(663,913)
Finance cost paid	(186,718)	(315,550)
Net cash generated from operating activities	9,064,145	55,430,641
Investing activities		
Additions to property and equipment	(182,094)	(415,697)
Additions to intangible assets	(1,745,316)	(2,009,120)
Addition to investment in an associate	(47,500)	(1,000,000)
Proceeds from financial assets held at amortised cost	13,766,976	111,083
Purchase of financial assets at fair value through profit or loss	(29,000,000)	(35,000,000)
Proceeds from disposal of financial assets at fair value through profit or loss	7,833,618	3,986,750
Proceeds from disposal of financial assets at fair value through other comprehensive income	368,734	-
Proceed from investment in finance lease	336,000	336,000
Rental income received	338,957	131,664
Net cash used in investing activities	(8,330,625)	(33,859,320)
Financing activities		
Repayment of long-term loan	-	(1,214,284)
Principal element of lease payment	(765,098)	-
Interest element of lease payment	(360,802)	-
Net cash used in financing activities	(1,125,900)	(1,214,284)
Net changes in cash and cash equivalents	(392,380)	20,357,037
Cash and cash equivalents at the beginning of the period	18,562,107	11,957,376
Cash and cash equivalents at the end of the period	18,169,727	32,314,413

	For the three-month period ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	ﷲ	ﷲ
Non-cash transactions:		
Remeasurement gain on employees' defined benefit liabilities	351,160	20,752
Additions to investments in associates	-	1,812,500
Transfer from related party	-	(1,812,500)
Modifications/additions to right-of-use assets	-	835,840
Modifications/additions to lease liabilities	-	835,840
Capitalised as intangible assets	40,172	30,431

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


Chief Financial Officer


Chief Executive Officer


Chairman, Board of Directors

1. Activities

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

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

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

The registered office of the Company is as follows:

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

2. Basis of preparation and presentation

2.1 Statement of compliance

These interim condensed consolidated financial statements for the three-month period ended 30 September 2025 were prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and they must be read in conjunction with the Group's last annual consolidated audited financial statements for the year ended 30 June 2025. In addition, the results for the three-month period ended 30 September 2025 are not an accurate indication of the results that can be expected for the fiscal year ending 30 June 2026.

2.2 Functional and presentation currency

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

2.3 Basis of measurement

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

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

2.4 Judgements, estimates and assumptions

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

2. Basis of preparation and presentation (continued)

2.5 Material accounting policies

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

2.6 Impact of new standards

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

2.7 Basis of consolidation

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

Subsidiary name	Country of incorporation	Percentage of ownership	
		30 September 2025 (Unaudited)	30 June 2025 (Audited)
Azm Squads Development	Egypt	100%	100%
Azm Tajrubah for Information Technology Company	Saudi Arabia	75%	75%
Wasl Platform Company for Communications and Information Technology	Saudi Arabia	100%	100%

The interim condensed consolidated financial statements comprise the interim condensed financial statements of the Group and its subsidiaries as at 30 September 2025.

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

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

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

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

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

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

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

3. Investments in associates

Name	Percentage of ownership	
	30 September 2025 (Unaudited)	30 June 2025 (Audited)
National Real Estate Platform Company (note 3.1)	32.68%	32.68%
Machine Learning Company for Information Technology (note 3.2)	30%	30%
Altaqniyat Company Real Estate (note 3.3)	47.5%	-

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

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

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

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

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
At the beginning of the period/year	10,668,943	5,438,097
Additions during the period/year*	47,500	2,812,500
Share of results from investment in associates during the period/year	125,344	2,457,811
Share of other comprehensive income/(loss) during the period/year	19	(39,465)
At the end of the period/year	10,841,806	10,668,943

* During the current period, the Group contributed ﷲ47,500 to the share capital of the newly incorporated Altaqniyat Company Real Estate, representing a 47.5% equity stake. During the year ended 30 June 2025, the Group acquired 30% stakes in Machine Learning Company for Information Technology amounting to ﷲ2.8 million.

4. Financial assets at fair value through other comprehensive income

Unquoted investments	Country of incorporation	Percentage of ownership		30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
		30 September 2025	30 June 2025		
SITECH Inc.	Cayman Islands	3.28%	3.28%	769,967	1,022,386
US & Global Tech Opportunities Holding Company	Bahrain	0.74%	0.74%	170,176	583,155
				940,143	1,605,541

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

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
At the beginning of the period/year	1,605,541	1,437,496
Disposals during the period/year	(368,734)	-
Change in fair value	(296,664)	168,045
At the end of the period/year	940,143	1,605,541

5. Financial assets held at amortised cost

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
Investment in Sukuk- quoted	13,441,696	26,597,263
Investment in Sukuk- unquoted	10,160,594	10,261,141
	23,602,290	36,858,404
Total current	(5,065,277)	(18,483,155)
Total non-current	18,537,013	18,375,249

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

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
At the beginning of the period/year	36,858,404	31,184,988
Additions during the period/year	-	5,000,000
Redemptions during the period/year	(13,439,667)	-
Finance income earned during the period/year	510,862	1,983,646
Finance income received during the period/year	(327,309)	(1,310,230)
At the end of the period/year	23,602,290	36,858,404

These sukuk carry profit rates ranging from 4.4% to 8.5% per annum, with maturity dates extending up to 2029.

6. Financial assets at fair value through profit or loss

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

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
At the beginning of the period/year	102,522,616	26,001,999
Additions during the period/year*	29,000,000	157,000,000
Disposals during the period/year **	(7,833,618)	(84,612,808)
Change in fair value	1,433,193	4,133,425
At the end of the period/year	125,122,191	102,522,616

* During the current period, the Group invested an amount of ﷲ 29 million (30 June 2025: ﷲ 157 million) in Mutual Funds through a local brokerage company in Saudi Arabia. The intention of the Group is to take advantage of the upside movement in price, efficiently manage the short-term excess liquidity and record any gain or loss in the fair value to profit or loss account.

** During the current period, the Group sold financial assets at fair value through profit or loss amounting to ﷲ 8 million (30 June 2025: ﷲ 85 million). The realised gain during the current period amounted to ﷲ 166,382 (30 June 2025: ﷲ 887,192) and unrealized gain amounted to ﷲ 1,433,193 (30 June 2025: ﷲ 4,133,425) has been classified in other income.

7. Related party transactions and balances

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

Related party:	Nature of relationship:
Saudi AZM Holding Company	Affiliate
AZM Financial Technology Company	Affiliate
Azm Digital Company for Communication and Information Technology	Affiliate
Azm Development Private Limited	Affiliate
Future Communications for Telecommunication and Information Technology	Affiliate
National Real Estate Platform Company	Associate
Machine Learning Company for Information Technology	Associate
Altaqniyat Company Real Estate	Associate

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

Saudi AZM for Communication and Information Technology Company

(A Saudi Joint Stock Company)

Notes to the interim condensed consolidated financial statements

For the three-month period ended 30 September 2025



7. Related party transactions and balances (continued)

Related party	Nature of material Transactions	For the three-month period ended 30 September	
		2025 (Unaudited) ﷲ	2024 (Unaudited) ﷲ
AZM Financial Technology Company	Revenue/income from affiliate	731,955	2,046,652
	Expenses paid/incurred by affiliate on behalf of the Group*	19,634,182	21,573,373
	Expenses paid/incurred by the Group on behalf of affiliate	3,236,134	175,075
Azm Digital Company for Communication and Information Technology	Revenue from affiliate	316,228	129,174
	Expenses paid/incurred by affiliate on behalf of the Group	20,371,809	12,978,221
	Expenses paid/incurred on behalf of affiliate by the Group	607,317	318,458
National Real Estate Platform Company	Expenses paid/incurred on behalf of associate by the Group	173,838	131,369
Machine Learning Company for Information Technology	Investment in associate (note 3)	-	2,812,500
	Expenses paid/incurred by associate on behalf of the Group*	1,671,871	1,055,972
	Expenses paid/incurred on behalf of associate by the Group	275,062	39,469
Future Communication for Telecommunication and Information Technology	Expenses paid/incurred on behalf of affiliate by the Group	28,206	15,441
Altaqniyat Company Real Estate	Investment in associate (note 3)	47,500	-
	Expenses paid/incurred on behalf of associate by the Group	55,000	-

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

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

7. Related party transactions and balances (continued)

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

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
Due from related parties:		
National Real Estate Platform Company	139,560	130,117
Machine Learning Company for Information Technology	943,124	765,437
Altaqniyat Company Real Estate	7,500	-
Due from related parties, gross	1,090,184	895,554
Less: provision for expected credit losses*	(14,830)	(14,429)
Due from related parties, net	1,075,354	881,125

* During the current period, the Group has recognised expected credit losses amounting to ﷲ 401 (30 June 2025: ﷲ 14,429).

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
Due to related parties:		
AZM Financial Technology Company	9,200,262	4,468,160
Azm Digital Company for Communication and Information Technology	11,843,670	5,025,969
	21,043,932	9,494,129

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

Key management personnel compensation comprised the following:

	For the three-month period ended 30 September	
	2025 (Unaudited) ﷲ	2024 (Unaudited) ﷲ
Short-term employee benefits	1,631,845	1,004,513
End of service benefits	78,109	69,293
Board of Directors' remuneration	9,000	-
	1,718,954	1,073,806

8. Revenue, contract assets and liabilities

Contract balances

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

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

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

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
Contract assets*	68,565,995	60,477,132
Contract liabilities	85,130,530	87,635,209

8. Revenue, contract assets and liabilities (continued)

Contract balances (continued)

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

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
Contract assets, gross	69,103,454	60,994,967
Less: provision for expected credit losses	(537,459)	(517,835)
Contract assets, net	<u>68,565,995</u>	<u>60,477,132</u>

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

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
At the beginning of the period/year	517,835	481,745
Provision charged for expected credit losses	19,624	36,090
At the end of the period/year	<u>537,459</u>	<u>517,835</u>

Significant changes in contract assets and liabilities

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

Contract liabilities decreased during the current period, primarily due to the recognition of revenue as performance obligations were satisfied on contracts for which consideration had previously been invoiced or received in advance. Remaining contract balances will be recognised as revenue as the Group satisfies the related performance obligations in accordance with the terms of the respective contracts.

Revenue

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

	For the three-month period ended 30 September	
	2025 (Unaudited) ﷲ	2024 (Audited) ﷲ
Major product / Service line		
Enterprise services	35,701,182	35,979,552
Proprietary technologies	16,496,081	12,643,983
Advisory services	7,186,145	3,698,589
Platforms for third parties	10,571,185	8,359,619
	<u>69,954,593</u>	<u>60,681,743</u>
Type of customers		
Government and semi-government customers	53,049,258	43,428,070
Private customers	16,905,335	17,253,673
	<u>69,954,593</u>	<u>60,681,743</u>
Timing of revenue recognition		
Goods or services transferred to customers:		
Over a period of time	<u>69,954,593</u>	<u>60,681,743</u>
Geographical information		
Kingdom of Saudi Arabia	<u>69,954,593</u>	<u>60,681,743</u>

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

8. Revenue, contract assets and liabilities (continued)

Revenue (continued)

The following table shows the revenue recognised during the period that relates to the opening balance of contract liabilities:

	For the three-month period ended 30 September	
	2025 (Unaudited) S	2024 (Audited) S
Enterprise services	11,086,053	3,600,788
Proprietary technologies	9,548,853	5,046,445
Advisory services	1,511,804	1,668,531
Platforms for third parties	6,548,125	664,156
	28,694,835	10,979,920

During the current period, revenue from two customers contributed S 10.8 million and S 10.1 million to the total revenue, which represents 15.47% and 14.47% of total revenue respectively (30 September 2024: one customer contributed S 6.5 million to total revenue, which represents 10.77% of total revenue).

9. Trade receivables

	30 September 2025 (Unaudited) S	30 June 2025 (Audited) S
Trade receivables	56,935,829	58,810,030
Less: provision for expected credit losses	(4,406,003)	(4,041,038)
	52,529,826	54,768,992

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

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

	30 September 2025 (Unaudited) S	30 June 2025 (Audited) S
At the beginning of the period/year	4,041,038	2,518,198
Provision charged for expected credit losses	364,965	1,522,840
At the end of the period/year	4,406,003	4,041,038

10. Share capital

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

11. Zakat and income tax

Charge for the period

Zakat charge for the period consists of the following:

	For the three-month period ended 30 September	
	2025 (Unaudited) S	2024 (Unaudited) S
Zakat charged during the period	773,683	998,767
	773,683	998,767

11. Zakat and income tax (continued)

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

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
Equity	173,583,430	159,047,676
Opening provisions and other adjustments	23,388,363	18,656,925
Book value of long-term assets	(72,420,350)	(74,315,003)
Zakat base	<u>124,551,443</u>	<u>103,389,598</u>

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

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

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
At the beginning of the period/year	4,326,783	4,420,719
Charge during the period/year	773,683	1,756,279
Paid during the period/year	(15,632)	(1,850,215)
At the end of the period/year	<u>5,084,834</u>	<u>4,326,783</u>

Status of zakat and income tax assessments

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

12. Earnings per share

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

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

	For the three-month period ended 30 September 2025 (Unaudited) ﷲ	2024 (Unaudited) ﷲ
Profit attributable to equity holders of the Company	14,059,886	10,143,211

The weighted average number of shares used as the denominator are as follows:

	For the three-month period ended 30 September 2025 (Unaudited)	2024 (Unaudited)
Weighted average number of ordinary shares used in calculating basic earnings per share	59,080,584	58,742,613
Adjustment for weighted average number of treasury shares	919,416	1,257,387
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>60,000,000</u>	<u>60,000,000</u>

Earnings per share (ﷲ)

Basic earnings per share	0.24	0.17
Diluted earnings per share	<u>0.23</u>	<u>0.17</u>

13. Financial assets and financial liabilities

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

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
Financial assets at amortised cost		
Financial assets held at amortised cost	23,602,290	36,858,404
Trade receivables	52,529,826	54,768,992
Contract assets	68,565,995	60,477,132
Due from related parties	1,075,354	881,125
Other current assets	20,112,302	12,153,421
Cash and cash equivalents	18,169,727	18,562,107
Financial assets measured at fair value		
Financial assets at fair value through other comprehensive income	940,143	1,605,541
Financial assets at fair value through profit and loss	125,122,191	102,522,616
Total financial assets	310,117,828	287,829,338
Total current	(290,640,672)	(267,848,548)
Total non-current	19,477,156	19,980,790

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

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
Financial liabilities at amortised cost		
Trade payables	25,269,348	20,584,289
Shor-term loan	5,126,578	5,033,895
Lease liabilities	21,924,516	22,596,193
Accruals and other liabilities	37,664,671	42,288,659
Due to related parties	21,043,932	9,494,129
Total financial liabilities	111,029,045	99,997,165
Total current	(93,164,950)	(81,348,666)
Total non-current	17,864,095	18,648,499

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

14. Fair value hierarchy

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

	Total ﷲ	Quoted prices in active markets (Level 1) ﷲ	Significant unobservable inputs (Level 3) ﷲ
As at 30 September 2025 (Unaudited)			
Financial assets measured at fair value			
Financial assets at fair value through other comprehensive income	940,143	-	940,143
Financial assets at fair value through profit and loss	125,122,191	125,122,191	-
As at 30 June 2025 (Audited)			
Financial assets measured at fair value			
Financial assets at fair value through other comprehensive income	1,605,541	-	1,605,541
Financial assets at fair value through profit and loss	102,522,616	102,522,616	-

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

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

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

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

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

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

15. Contingencies

The Group has contingencies for the following bank guarantees:

	30 September 2025 (Unaudited) ﷲ	30 June 2025 (Audited) ﷲ
Letter of guarantees	60,222,669	50,307,907

16. Segment information

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

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

17. Subsequent events

In the opinion of management, there have been no significant subsequent events since 30 September 2025 that would have a material impact on the interim condensed consolidated financial position or financial performance of the Group.

18. Approval of the interim condensed consolidated financial statements

The interim condensed consolidated financial statements have been approved by the Board of Directors, on 5 Jumada Al Awwal 1447H (corresponding to 27 October 2025).