

**Leejam Sports Company and Its Subsidiaries
(A Saudi Joint Stock Company)**

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

**For the Three Month and Nine Months Periods Ended 30
September 2025**

Leejam Sports Company and Its Subsidiaries
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 September 2025

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF LEEJAM SPORTS COMPANY (A SAUDI JOINT STOCK COMPANY)

Introduction:

We have reviewed the accompanying interim condensed consolidated statement of financial position of Leejam Sports Company ("the Company") and its subsidiaries (collectively referred to as "the Group") as at 30 September 2025, and the related interim condensed consolidated statements of profit or loss and comprehensive income for the three-month and nine-month periods ended 30 September 2025, and the related interim condensed consolidated statements of changes in equity and cash flows for the nine-month period then ended, and explanatory notes. 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"), as 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 Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", as endorsed in the Kingdom of Saudi Arabia. A review of interim 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 as endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young Professional Services



Hesham A. Alatiqi
Certified Public Accountant
License No. (523)



Riyadh: 11 Jumada Al-Ula 1447H
(2 November 2025)

Leejam Sports Company and Its Subsidiaries
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
(UNAUDITED)

For the three and nine month periods ended 30 September 2025

	Note	For the three months period ended 30 September		For the nine months period ended 30 September	
		2025 ﷲ	2024 ﷲ	2025 ﷲ	2024 ﷲ
Revenue	6	438,726,068	401,256,391	1,183,189,389	1,081,003,377
Cost of revenue	7	(269,065,437)	(229,137,715)	(749,335,700)	(637,500,937)
GROSS PROFIT		169,660,631	172,118,676	433,853,689	443,502,440
General and administrative expenses		(42,855,394)	(39,896,992)	(113,146,073)	(99,422,838)
Advertising and marketing expenses		(9,113,310)	(3,787,563)	(20,469,859)	(15,974,519)
Allowance for expected credit losses		-	-	-	(1,881,815)
OPERATING PROFIT		117,691,927	128,434,121	300,237,757	326,223,268
(Loss)/gain on disposal of property and equipment	9	(666,958)	92,387,241	(666,958)	92,387,241
Other income/(expense), net		34,041	(517,173)	(125,364)	4,403,660
Gain on lease modification		-	-	-	8,998,700
(Loss)/gain on lease termination		(905,439)	(1,792,198)	(954,893)	4,011,232
Reversal of impairment of non-financial assets	9	-	-	11,457,173	4,733,842
Write-off of non-financial assets, net		-	-	-	(8,746,066)
Finance costs		(31,529,345)	(26,264,648)	(77,852,601)	(71,681,492)
Share in net results of investment in an associate		(1,116,350)	(2,121,009)	(5,700,747)	(5,760,846)
Profit from short term Murabaha		14,261	952,929	123,477	7,046,842
PROFIT BEFORE ZAKAT		83,522,137	191,079,263	226,517,844	361,616,381
Zakat and income tax	17	(1,908,860)	(5,016,993)	(2,316,514)	(9,684,898)
PROFIT FOR THE PERIOD		81,613,277	186,062,270	224,201,330	351,931,483
(Loss)/profit from the discontinuing operation	5	(315,737)	734,670	(248,116)	1,959,119
		81,297,540	186,796,940	223,953,214	353,890,602
NET PROFIT ATTRIBUTABLE TO:					
Equity holders of the parent company		82,088,844	187,134,560	226,085,277	354,557,316
Non-controlling interests		(791,304)	(337,620)	(2,132,063)	(666,714)
		81,297,540	186,796,940	223,953,214	353,890,602

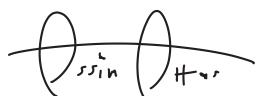
EARNINGS PER SHARE

Basic and diluted, from the profit for the period attributable to shareholders of the parent company

8 1.57 3.57 4.33 6.77

Basic and diluted, from continuing operations attributable to shareholders of the parent company

8 1.58 3.57 4.33 6.75



Assim Al Attas
Chief Financial Officer



Abdulelah Al-Nemr
Chief Executive Officer



Ali Hamad AlSagri
Board Chairman

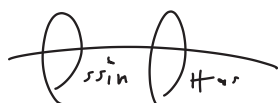
The attached notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

Leejam Sports Company and Its Subsidiaries
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(UNAUDITED)

For the three and nine month periods ended 30 September 2025

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>ﷲ</i>	<i>ﷲ</i>	<i>ﷲ</i>	<i>ﷲ</i>
Net profit for the period	81,297,540	186,796,940	223,953,214	353,890,602
Other comprehensive loss				
<i>Item that will not be reclassified to statement of profit or loss in subsequent periods:</i>				
Share in net result of financial assets at fair value through OCI	-	-	-	92,318
Re-measurement loss on employees' end of service benefits obligation	(325,926)	(265,375)	(977,777)	(796,126)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	80,971,614	186,531,565	222,975,437	353,186,794
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Equity holders of the parent company	81,762,918	186,869,185	225,107,500	353,853,508
Non-controlling interests	(791,304)	(337,620)	(2,132,063)	(666,714)
	80,971,614	186,531,565	222,975,437	353,186,794



Assim Al Attas
Chief Financial Officer



Abdulelah Al-Nemr
Chief Executive Officer



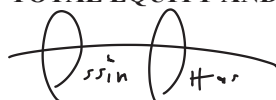
Ali Hamad AlSagri
Board Chairman

Leejam Sports Company and Its Subsidiaries
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Note	30 September 2025 ﷲ (Unaudited)	31 December 2024 ﷲ (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	9	2,249,198,985	2,057,689,844
Right-of-use assets	10	1,329,844,944	1,253,059,878
Investment in an associate		10,647,732	8,728,731
Intangible assets		8,511,808	8,382,827
Investments at fair value through other comprehensive income		92,318	4,892,318
Goodwill		8,289,905	8,289,905
Advances to suppliers and contractors		64,507,688	99,334,520
TOTAL NON- CURRENT ASSETS		3,671,093,380	3,440,378,023
CURRENT ASSETS			
Inventories		23,730,574	24,321,491
Prepayments and other current assets		109,617,007	87,963,593
Trade receivables	12	38,367,857	26,024,581
Cash and cash equivalents	13	272,472,246	106,103,887
TOTAL CURRENT ASSETS		444,187,684	244,413,552
Assets classified as held for sale	5	33,451,838	36,142,123
TOTAL ASSETS		4,148,732,902	3,720,933,698
EQUITY AND LIABILITIES			
EQUITY			
Share capital		523,833,610	523,833,610
Treasury shares	14	(28,672,156)	(22,626,657)
Retained earnings		808,330,510	732,030,058
Fair value reserve of financial assets at FVOCI		92,318	92,318
EQUITY ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY		1,303,584,282	1,233,329,329
Non-controlling interests		3,125,752	4,994,261
TOTAL EQUITY		1,306,710,034	1,238,323,590
NON-CURRENT LIABILITIES			
Borrowings	15	346,376,391	225,957,411
Lease liabilities	10	1,365,458,311	1,275,789,904
Employees' end of service benefits		75,249,170	65,945,056
TOTAL NON-CURRENT LIABILITIES		1,787,083,872	1,567,692,371
CURRENT LIABILITIES			
Borrowings	15	102,122,504	105,252,967
Lease liabilities	10	113,143,517	100,611,256
Accounts payable		68,634,087	67,975,620
Accrued expenses and other current liabilities	16	133,753,295	113,317,865
Deferred revenue		620,184,598	503,721,286
Provision for zakat and income tax	17	6,087,056	11,255,841
TOTAL CURRENT LIABILITIES		1,043,925,057	902,134,835
Liabilities directly associated with the assets held for sale	5	11,013,939	12,782,902
TOTAL LIABILITIES		2,842,022,868	2,482,610,108
TOTAL EQUITY AND LIABILITIES		4,148,732,902	3,720,933,698



Assim Al Attas
Chief Financial Officer



Abdulelah Al-Nemr
Chief Executive Officer



Ali Hamad AlSagari
Board Chairman

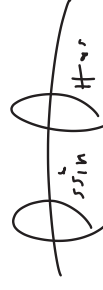
The attached notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

Leejam Sports Company and Its Subsidiaries
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine month period ended 30 September 2025

	<i>Attributable to Equity Holders of the Parent</i>					<i>Non-controlling Interests ("NCI")</i>	<i>Total</i>
	<i>Share Capital</i>	<i>Statutory Reserve</i>	<i>Treasury shares</i>	<i>Retained earnings</i>	<i>Fair value reserve of financial assets at FVOCI</i>		
	<i>ﷲ</i>	<i>ﷲ</i>	<i>ﷲ</i>	<i>ﷲ</i>	<i>ﷲ</i>	<i>ﷲ</i>	<i>ﷲ</i>
As at 31 December 2023 (Audited)	523,833,610	135,596,952	-	429,801,989	-	1,089,232,551	1,091,762,602
Profit for the period	-	-	-	354,557,316	-	354,557,316	353,890,602
Other comprehensive loss	-	-	-	(796,126)	92,318	(703,808)	(703,808)
Total comprehensive income for the period	-	-	-	353,761,190	92,318	353,853,508	353,186,794
Dividends (note 22)	-	-	-	(170,245,923)	-	(170,245,923)	(170,245,923)
Transfer of statutory reserve to retained earnings	-	(135,596,952)	-	135,596,952	-	-	-
Treasury shares (note 14)	-	-	(16,954,905)	-	-	(16,954,905)	(16,954,905)
Acquisition of subsidiaries	-	-	-	-	-	4,481,266	4,481,266
Other movements in NCI	-	-	-	-	-	256,968	256,968
As at 30 September 2024 (Unaudited)	523,833,610	-	(16,954,905)	748,914,208	92,318	1,255,885,231	1,262,486,802
As at 31 December 2024 (Audited)	523,833,610	-	(22,626,657)	732,030,058	92,318	1,233,329,329	1,238,323,590
Profit for the period	-	-	-	226,085,277	-	226,085,277	223,953,214
Other comprehensive loss	-	-	-	(977,777)	-	(977,777)	(977,777)
Total comprehensive income for the period	-	-	-	225,107,500	-	225,107,500	222,975,437
Dividends (note 22)	-	-	-	(147,873,788)	-	(147,873,788)	(147,873,788)
Treasury shares (note 14)	-	-	(6,045,499)	-	-	(6,045,499)	(6,045,499)
Acquisition of subsidiary (note 1 (a))	-	-	-	(933,260)	-	(933,260)	3,500
Other movements in NCI	-	-	-	-	-	936,760	(673,206)
As at 30 September 2025 (Unaudited)	523,833,610	-	(28,672,156)	808,330,510	92,318	1,303,584,282	1,306,710,034



Assim Al Attas
Chief Financial Officer



Abdullelah Al-Nemr
Chief Executive Officer



Ali Hamad AlSagari
Board Chairman

The attached notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

Leejam Sports Company and Its Subsidiaries
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
For the nine month period ended 30 September 2025

<i>For the nine-months period ended</i>			
<i>30 September</i>			
		<i>2025</i>	<i>2024</i>
	<i>Note</i>	<i>₹</i>	<i>₹</i>
OPERATING ACTIVITIES			
Profit before zakat and income tax		226,517,844	361,616,381
(Loss) / profit from discontinued operations		(248,116)	1,959,119
		226,269,728	363,575,500
Adjustments to reconcile profit before zakat to net cash flows:			
Depreciation	9&10	248,527,824	214,907,266
Amortization of intangible assets		2,261,609	2,132,034
Allowance for expected credit losses		-	1,881,815
Finance costs		77,852,601	71,703,298
Profit from short term Murabaha		(123,477)	(7,046,842)
Reversal of impairment of non-financial assets	9	(11,457,173)	(4,733,842)
Gain on lease modification		-	(8,998,700)
Loss/(gain) on lease termination		954,893	(4,011,232)
Write off of property and equipment		-	8,746,066
Loss/(gain) on disposal of property and equipment		666,958	(92,387,241)
Share in net results of investment in an associate		5,700,747	5,760,846
Provision for employees' end of service benefits		8,666,723	7,668,476
		559,320,433	559,197,444
Working capital changes:			
Inventories		431,050	(10,275,648)
Prepayments and other current assets		(19,398,532)	6,082,173
Trade receivables		(11,382,997)	(1,019,821)
Accounts payable		5,683,368	8,950,709
Accrued expenses and other current liabilities		22,192,673	24,320,341
Deferred revenue		114,657,127	115,134,135
Cash from operations		671,503,122	702,389,333
Employees' end of service benefits paid		(2,779,248)	(1,749,665)
Zakat paid		(7,485,299)	(9,739,227)
Net cash from operating activities		661,238,575	690,900,441
INVESTING ACTIVITIES			
Additions to property, equipment and related advances to suppliers and contractors		(278,485,996)	(429,050,041)
Acquisition of a subsidiary		-	(9,340,844)
Addition in investment in an associate		(7,619,748)	(10,311,233)
Proceeds from short term Murabaha profit		189,049	7,621,577
Investment in financial assets at FVOCI		-	(4,800,000)
Proceeds from sale of property and equipment		78,317	152,520,608
Addition to intangible assets		(2,408,744)	(2,067,489)
Net cash used in investing activities		(288,247,122)	(295,427,422)

The attached notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

Leejam Sports Company and Its Subsidiaries
(A Saudi Joint Stock Company)

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

For the nine month period ended 30 September 2025

		<i>For the nine-months period ended 30 September</i>	
		<i>2025</i>	<i>2024</i>
		<i>ﷲ</i>	<i>ﷲ</i>
FINANCING ACTIVITIES			
Proceeds from borrowings		1,024,128,586	276,374,574
Repayments of borrowings		(906,862,446)	(222,722,866)
Finance cost paid		(98,389,509)	(70,170,631)
Dividend paid		(147,873,788)	(170,245,923)
Net movement in NCI		(669,706)	256,968
Payment of principal portion of lease liabilities		(72,064,414)	(83,421,323)
Treasury shares		(6,045,499)	(16,954,905)
Net cash used in financing activities		(207,776,776)	(286,884,106)
Net increase in cash and cash equivalents		165,214,677	108,588,913
Cash and cash equivalents at the beginning of the period		108,404,878	276,810,098
Cash and cash equivalents at the end of the period	13	273,619,555	385,399,011
<u>SIGNIFICANT NON-CASH TRANSACTIONS</u>			
Additions to right-of-use assets and corresponding lease liability		137,644,546	111,911,406
Re-measurement loss on employees end of service benefits obligation		(977,777)	(796,126)
Acquisition of non-controlling interests	1(a)	4,800,000	-



Assim Al Attas
Chief Financial Officer



Abdulelah Al-Nemr
Chief Executive Officer



Ali Hamad AlSagri
Board Chairman

Leejam Sports Company and Its Subsidiaries

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended 30 September 2025

1 CORPORATE INFORMATION

Leejam Sports Company (“the Company”) is a Saudi Joint Stock Company and listed on the Saudi Stock Exchange Market. The Company was established in accordance with the Ministry of Commerce and Industry resolution No. 146/S dated 29 Rabi Al-Thani 1429H (corresponding to 5 May 2008) and registered under Commercial Registration (CR) numbered 4030180323 and the unified identification number 7001573141 dated 19 Jumada Al-Alkhirah 1429H (corresponding to 23 June 2008). The address of the Company’s registered office is Thumamah Street, P.O. Box 295245, Riyadh 11351, Kingdom of Saudi Arabia. In 2012, The Company’s head office was transferred from Jeddah to Riyadh, the Company obtained amended CR numbered 1010337986 dated 14 Jumada Al-Alkhirah 1433H (corresponding to 6 May 2012).

The objectives of the Company and its subsidiaries (“the Group”) are construction, management and operation of sports and entertaining centers and wholesale and retail trading in sports’ clothes and equipment and owning real estate and constructing buildings necessary to achieve its purposes and advertising, construction, management and owning hotels and furnished apartments and other activities that the Group needs to use. The Group’s operations are located in the Kingdom of Saudi Arabia and United Arab Emirates.

The subsidiaries included in these interim condensed consolidated financial statements are as follows:

Name	Country of incorporation	Ownership percentage			
		30 September 2025		31 December 2024	
		Direct	Indirect	Direct	Indirect
Sports Hive Limited Company (formerly known as Al Rasn Investment Company)	Kingdom of Saudi Arabia	-	100%	-	100%
Altathir Al-Riyadiyeh Company	Kingdom of Saudi Arabia	-	100%	-	100%
Padel X Sports Company	Kingdom of Saudi Arabia	-	51%	-	51%
Champs Sports and Fitness Club LLC Company	United Arab Emirates	-	60%	-	60%
Sports Hub Sports Company	Kingdom of Saudi Arabia	-	55%	-	55%
Leejam Investments Company	Kingdom of Saudi Arabia	100%	-	100%	-
Al-Nemw Al-Murkab Real Estate Company	Kingdom of Saudi Arabia	-	100%	-	100%
Leejam Real Estate Company	Kingdom of Saudi Arabia	-	100%	-	100%
Tatweer Al-Momaiyez Sports Company	Kingdom of Saudi Arabia	-	60%	-	60%
Service Sport Company (note a below)	Kingdom of Saudi Arabia	-	100%	-	-
Kafaat Alisnad Lilmawarid Albashariyya Company (note b below)	Kingdom of Saudi Arabia	-	100%	-	-

During 2016, the Group acquired 95% of the outstanding shares of Fitness Time for Trading Company Limited (the “Subsidiary”) in order to acquire the trademark “Fitness Time”. The trademark is renewable for a period of 10 years or periods at the option of the Group for a nominal fee. The Subsidiary discontinued its operations after the trademark was transferred to the Group. The management believes that the Subsidiary is immaterial to the Group; hence, does not consolidate the results of operations of the Subsidiary and its financial position in the consolidated financial statements of the Group.

(a) During the period ended 30 September 2025, the Group incorporated an entity named as Service Sport Company and the primary business of the entity is to provide the repair & maintenance services. Further, the Group acquired non-controlling interest in this subsidiary in a share swap arrangement by transferring 10% share in Service Sport Group Limited, which was previously classified as investments at fair value through other comprehensive income.

(b) During the period ended 30 September 2025, the Group incorporated an entity named as Kafaat Alisnad Lilmawarid Albashariyya Company and the primary business of the entity is to provide the recruitment services. The subsidiary is yet to start the operations.

Leejam Sports Company and Its Subsidiaries
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(continued)

For the nine month period ended 30 September 2025

2 BASIS OF PREPARATION

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

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements as at 31 December 2024. In addition, the results of the operations for the period ended 30 September 2025 do not necessarily represent an indicator for the results of the operations for the year ending 31 December 2025.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed financial statements have been prepared on the historical cost basis, except for Employees' defined benefit obligations which are recognized at the current value of the future liabilities using projected credit unit method, financial assets held at fair value through other comprehensive income, which are measured at fair value. In addition, these interim condensed financial statements have been prepared using accrual basis of accounting.

These interim condensed consolidated financial statements are presented in Saudi Riyals (“**ﷲ**”) which is also the functional and presentation currency of the parent company.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group’s interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the carrying amount of the asset or liability affected in the future.

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.

As at 30 September 2025, management believes that all judgments and sources of estimation uncertainty remain similar to those disclosed in the Company’s annual consolidated financial statements for the year ended 31 December 2024.

4 MATERIAL ACCOUNTING POLICY INFORMATION AND NEW AND AMENDED STANDARDS AND INTERPRETATIONS

4.1 Material accounting policy information

The accounting policies used in the preparation of these interim condensed financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the application of new accounting policies below effective from 1 January 2025.

Leejam Sports Company and Its Subsidiaries
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(continued)

For the nine month period ended 30 September 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION AND NEW AND AMENDED STANDARDS AND INTERPRETATIONS (continued)

4.2 New standards, amendments to standards and interpretations applicable from 1 January 2025

Following are the standards and amendments effective on 1 January 2025 or after (unless otherwise stated) and do not have a material impact on the Group's interim condensed consolidated financial statements. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IAS (21): Lack of exchangeability

The amendments to IAS (21) "The Effects of Changes in Foreign Exchange Rates" specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a material impact on the Group's interim condensed financial statements.

4.3 Standards and amendments issued and not yet effective

The new amended, issued standards and interpretations, which are not effective yet have not been adopted early by the Group and will be adopted on their effective date as applicable. The adoption of these standards and interpretations is not expected to have any material impact on the Group on the effective date, except IFRS 18, which the Group is currently evaluating the impact of its adoption on the financial statements

<u><i>Standard, Amendment or Interpretation</i></u>	<u><i>Effective date</i></u>
- Amendments to IFRS (9) and IFRS (7): Classification and Measurement of Financial Instruments	1 January 2026
- IFRS (18): Presentation and Disclosure in Financial Statements – Replaces IAS (1) Presentation of Financial Statements.	1 January 2027
- IFRS (19) - Subsidiaries without Public Accountability: Disclosures	1 January 2027
- Amendments to IFRS (10) and IAS (28): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The effective date of this amendment is postponed indefinitely.

5 DISCONTINUED OPERATIONS

On 1 Rajab 1445H (corresponding to 1 February 2024), Sports Hive Limited Company (formerly known as Al Rasn Investment Company) acquired a 60% stake in Champs Sports and Fitness Club LLC Company, having commercial license number 865400 issued by the Dubai Economy Department. Its head office is registered in Dubai, United Arab Emirates. Transaction costs of ﷲ 17,266 were expensed and were included in administrative expenses. It is engaged in the provision of comprehensive fitness and wellness services including but not limited to gym, fitness classes, basketball academy, football academy and facilities rentals.

The acquisition value amounted to ﷲ 8.16 million. During 2024, management decided to dispose off this subsidiary and the disposal is expected to be completed during 2025.

On 9 February 2025 the Board of Directors approved the plan to sell Champs Sports and Fitness Club LLC. At 31 December 2024, Champs Sports and Fitness Club LLC Company was classified as a disposal group held for sale and a discontinued operation.

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5 DISCONTINUED OPERATIONS (continued)

	<i>30 September 2025</i> ﷲ	<i>31 December 2024</i> ﷲ
Total Asset	33,451,838	36,142,123
Total Liabilities	11,013,939	12,782,902

Net loss for the nine-month period ended 30 September 2025 is ﷲ 248,116 (30 September 2024: Profit of ﷲ 1,959,119).

The net cash flows incurred by Champs Sports and Fitness Club LLC Company are, as follows:

	<i>30 September 2025</i> ﷲ	<i>31 December 2024</i> ﷲ
Operating activities	4,027,292	697,508
Investing activities	(3,360,390)	(8,458,355)
Financing activities	(1,820,584)	9,043,611

6 REVENUE

	<i>For the three month period ended 30 September</i>		<i>For the nine month period ended 30 September</i>	
	<i>2025</i> ﷲ	<i>2024</i> ﷲ	<i>2025</i> ﷲ	<i>2024</i> ﷲ
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<i>Type of services</i>				
Subscriptions and membership	370,732,410	340,302,716	996,201,144	912,950,998
Personal training	57,305,223	52,498,482	155,883,835	143,179,298
Rental income	7,188,718	5,053,409	18,928,902	14,454,404
Other business	3,499,717	3,401,784	12,175,508	10,418,677
	<u>438,726,068</u>	<u>401,256,391</u>	<u>1,183,189,389</u>	<u>1,081,003,377</u>

Set out below is the disaggregation of the Group's revenue from contracts with customers, for the nine months period ended 30 September, based on male and female centers offerings:

	<i>Subscriptions and membership</i>		<i>Personal training</i>		<i>Rental income</i>	
	<i>2025</i>	<i>2024</i>	<i>For the nine months period ended 30 September</i>		<i>2025</i>	<i>2024</i>
			<i>2025</i>	<i>2024</i>		
			ﷲ (Unaudited)			
<i>Types of customers</i>						
Male centers	748,120,256	688,879,785	101,131,257	91,483,198	10,278,581	9,340,269
Female centers	242,710,743	216,791,811	54,039,127	51,696,100	3,862,092	3,855,311
Other business	5,370,145	7,279,402	713,451	-	4,788,229	1,258,824
	<u>996,201,144</u>	<u>912,950,998</u>	<u>155,883,835</u>	<u>143,179,298</u>	<u>18,928,902</u>	<u>14,454,404</u>

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6 REVENUE (continued)

Set out below is the disaggregation of the Group's revenue from contracts with customers, for the three months period ended 30 September, based on male and female centers offerings:

	<i>Subscriptions and membership</i>		<i>Personal training</i>		<i>Rental income</i>	
	<i>For the three-months period ended 30 September</i>					
	2025	2024	2025	2024	2025	2024
	⚠ (Unaudited)					
<i>Types of customers</i>						
Male centers	281,746,621	257,010,820	37,651,768	33,302,669	3,757,915	3,408,893
Female centers	88,084,879	80,360,077	19,386,927	19,195,813	1,308,578	1,288,352
Other business	900,910	2,931,819	266,528	-	2,122,225	356,164
	370,732,410	340,302,716	57,305,223	52,498,482	7,188,718	5,053,409

In addition, the Group separately presents segment information in accordance with IFRS-8 (note 19).

7 COST OF REVENUE

	<i>For the three month period ended 30 September</i>		<i>For the nine month period ended 30 September</i>	
	2025	2024	2025	2024
	ﷲ	ﷲ	ﷲ	ﷲ
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Salaries and related benefits	110,817,771	96,352,787	300,410,111	258,486,604
Depreciation	81,751,480	69,901,357	240,679,009	207,677,402
Cleaning and maintenance	32,827,775	23,830,741	90,499,213	68,403,688
Utilities	26,655,006	22,501,807	68,255,641	59,467,871
Others	17,013,405	16,551,023	49,491,726	43,465,372
	<u>269,065,437</u>	<u>229,137,715</u>	<u>749,335,700</u>	<u>637,500,937</u>

8 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period. As a result of treasury shares, the outstanding weighted average number of ordinary shares post the treasury shares have been used for calculation of basic and diluted earnings per ordinary share. The earnings per share calculation is given below:

Basic and diluted earnings per share

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	2025	2024	2025	2024
	ﷲ	ﷲ	ﷲ	ﷲ
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Net profit attributable to Equity holders of the parent company	82,088,844	187,134,560	226,085,277	354,557,316
Weighted average number of shares	<u>52,231,241</u>	<u>52,360,651</u>	<u>52,245,856</u>	<u>52,375,708</u>
Earnings per share	<u>1.57</u>	<u>3.57</u>	<u>4.33</u>	<u>6.77</u>

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8 EARNINGS PER SHARE (continued)

Basic and diluted earnings per share of continuing operations

	<i>For the three-month period ended 30 September</i>		<i>For the nine-month period ended 30 September</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>ﷲ</i>	<i>ﷲ</i>	<i>ﷲ</i>	<i>ﷲ</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Net profit attributable to equity holders of the parent company	82,278,286	186,693,758	226,234,147	353,381,845
Weighted average number of shares	52,231,241	52,360,651	52,245,856	52,375,708
Earnings per share	1.58	3.57	4.33	6.75

9 PROPERTY AND EQUIPMENT

During the nine-month period ended 30 September 2025, the Group has purchased assets with a cost of ﷲ 331.66 million (Nine month period ended 30 September 2024: ﷲ 407.91 million). Depreciation charge for the nine-month period ended 30 September 2025 amounted to ﷲ 151.05 million (Nine-month period ended 30 September 2024: ﷲ 132.05 million).

The borrowing costs capitalized under capital work in progress during the period amounted to ﷲ 7.4 million (Nine-month period ended 30 September 2024: ﷲ 1.05 million).

During the nine-month period ended 30 September 2025, the Group reversed impairment losses totaling ﷲ 11.5 million. Out of this amount, ﷲ 8.4 million relates to an impairment recognized in 2021 on a project under construction that is expected to become operational during the current year. The remaining ﷲ 3.1 million pertains to an operational club for which a provision was recorded in 2022 due to its closure for a certain period of time.

Assets (other than those classified as held for sale) with a net book value of ﷲ 0.75 million were disposed by the Group during the nine-months period ended 30 September 2025 (30 September 2024: ﷲ 60.12 million), resulting in a net loss on disposal of ﷲ 0.67 million (30 September 2024: gain of ﷲ 92.4 million)

10 LEASES

Expense recognized in the interim condensed consolidated statement of profit or loss in relation to leases for the nine-months period was as follows:

	<i>For the nine month period ended 30 September</i>	
	<i>2025</i>	<i>2024</i>
	<i>ﷲ</i>	<i>ﷲ</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<i>Depreciation on right-of-use assets:</i>		
Depreciation charge for the period	95,709,492	82,853,827
<i>Interest expense on lease liabilities</i>		
Interest expense for the period	51,965,869	39,384,912
Capitalised for under construction fitness centers	(14,485,626)	(9,316,316)
	37,480,243	30,068,596
Total amount recognized in profit or loss	133,189,735	112,922,423

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11 RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled or significantly influenced by such parties.

The following are the details of the major related party transactions occurred during the three month and nine month periods ended 30 September:

Name of Related party	Nature of relationship	Nature of transactions	For the three months periods ended 30 September		For the nine months periods ended 30 September	
			2025	2024	2025	2024
			ﷲ (Unaudited)	ﷲ (Unaudited)	ﷲ (Unaudited)	ﷲ (Unaudited)
Key management personnel	Key management personnel	Salaries and other benefits	3,683,976	2,749,760	10,130,253	5,859,571
		Post-employment benefits	136,444	139,925	375,592	255,142
Board of Directors	Directors	Remuneration	842,675	818,801	2,467,175	2,423,050
Hamad Ali AlSagri	Shareholder	Lease rentals paid to a shareholder	-	-	3,400,000	3,400,000
AlSagri Holding	Shareholder	Subscriptions sold	67,563	55,565	158,680	207,156
Dhaoq Almanzel Trading Est	Shareholder	Purchase of furniture	401,808	672,253	777,756	953,526
Afaq Al-Anaqah Trading	Shareholder	Purchase of supplies	284,835	103,326	284,835	3,600,831
	Common					
Saudi Telecom Company	directorship	Subscriptions sold	-	-	741,061	-
		Internet and others	371,698	-	1,175,469	-

Amounts due from related parties are as follows:

	30 September 2025 ﷲ (Unaudited)	31 December 2024 ﷲ (Audited)
<i>Trade receivables</i>		
AlSagri Holding	260,508	78,026
Saudi Telecom Company	248,032	1,064,851
<i>Prepayments and other current assets</i>		
Afaq Al-Anaqah Trading	761,125	576,120
Dhaoq Almanzel Trading Est	-	88,200
<i>Accounts payables</i>		
Saudi Telecom Company	16,587	39,468
Dhaoq Almanzel Trading Est	101,430	-
Hamad Ali AlSagri	-	3,910,000

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12 TRADE RECEIVABLES

	<i>30 September 2025 ﷲ (Unaudited)</i>	<i>31 December 2024 ﷲ (Audited)</i>
Subscriptions and membership receivables	29,482,902	20,098,213
Rental receivables	17,797,066	14,838,479
	<u>47,279,968</u>	<u>34,936,692</u>
Less: Allowance for expected credit losses		
- Subscriptions and membership receivables	(5,236)	(5,236)
- Rental receivables	(8,906,875)	(8,906,875)
	<u>38,367,857</u>	<u>26,024,581</u>

13 CASH AND CASH EQUIVALENTS

For the purpose of the interim condensed consolidated statement of cash flows, cash and cash equivalents are comprised of the following:

	<i>30 September 2025 ﷲ (Unaudited)</i>	<i>31 December 2024 ﷲ (Audited)</i>
Cash in hand	166,711	122,107
Cash at bank – current accounts	211,185,535	90,981,780
Short term Murabaha (note a)	61,120,000	15,000,000
	<u>272,472,246</u>	<u>106,103,887</u>
Cash at bank and in hand attributable to discontinued operations	1,147,309	2,300,991
	<u>273,619,555</u>	<u>108,404,878</u>

- a) These are placed in Islamic Murabaha with a local bank as interest bearing Murabaha which are based on prevailing market rates and have original maturity of less than three months.

14 TREASURY SHARES

On 29 Thul-Qi'dah 1445H (corresponding to 6 June 2024), the Extraordinary General Assembly approved the repurchase of shares up to 200,000 shares to allocate to the employees' long term incentive plan. During the nine-month period ended 30 September 2025 the Group has bought-back 41,998 of its outstanding shares as treasury shares at an average price of ﷲ 143.95 (31 December 2024: 110,122 outstanding shares at an average price of ﷲ 205.47).

15 BORROWINGS

	<i>30 September 2025 ﷲ (Unaudited)</i>	<i>31 December 2024 ﷲ (Audited)</i>
Non-current portion of long-term borrowings	346,376,391	225,957,411
Current portion of long-term borrowings	102,122,504	105,252,967
	<u>448,498,895</u>	<u>331,210,378</u>

As at 30 September 2025, the Group had unutilized bank financing facilities amounting to ﷲ 1,273.64 million (31 December 2024: ﷲ 1,172 million) to manage its short-term and long-term liquidity requirements and for construction of the fitness centers. The facilities have been secured by promissory note issued by the Group.

All borrowings are denominated in Saudi Riyals and are under Islamic financing mode being Murabaha and Tawaruq loans. The above borrowings and facilities include certain covenants which require the Group to maintain certain levels of current and leverage ratios and also notify the bank of any breach or probable breach immediately. As at 30 September 2025 the Group is in compliance with borrowings covenants.

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16 ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	<i>30 September 2025 ﷲ (Unaudited)</i>	<i>31 December 2024 ﷲ (Audited)</i>
Accrued expenses	89,067,872	100,469,353
Value added tax (VAT) payable	43,187,717	12,848,512
Advances from customers	1,497,706	-
	<u>133,753,295</u>	<u>113,317,865</u>

17 ZAKAT AND INCOME TAX

17.1 Charge for the period

During the period, zakat and income tax charge of ﷲ 6.12 million (nine-months period ended 30 September 2024: ﷲ 9.7 million) has been recognized in the interim condensed consolidated statement of profit or loss. This is partly offset by reversal of prior period excess provision amounting to ﷲ 3.8 million.

17.2 Status of assessments

The Group has submitted its zakat returns for the years up to 2024 and received zakat certificate from the Zakat, Tax and Customs Authority ("ZATCA") which is valid up to 30 April 2026. The Group has received final assessments from ZATCA for the years up to 2014 and 2019 to 2023.

However, on 30 April 2021, the Group received a notification from ZATCA concerning the years 2015, 2016, 2017 and 2018. The notification claims an additional tax liability related to the ownership of shares in the Group by Target Opportunities for Trading Company, one of the former shareholders. ZATCA, based on certain assumptions, considers that the Group may be partially subject to income tax. ZATCA assumed that the former shareholder was directly or indirectly owned by investment funds that could ultimately be held by non-GCC nationals. Based on this assumption, the estimated income tax exposure indicated in the notification for 2015, 2016, 2017 and 2018 is ﷲ 32.7 million, excluding late payment penalties. The former shareholder remained a shareholder of the Group until 31 December 2018.

The Group filed an objection with ZATCA against this assessment. ZATCA did not respond to the objection. Accordingly, the Group filed a lawsuit against ZATCA before the General Secretariate of Zakat, Tax and Customs Committees "GSTC" and during the year 2022, the GSTC issued its ruling in the favor of ZATCA. During 2022, the Group filed an appeal against this ruling which has been rejected. The Group filed a cassation appeal as a final stage in the litigation process which was rejected during 2024.

The management position was that the Group as a 100% zakatable Group on the basis of its ownership structure with all direct and indirect shareholders being either GCC nationals, or companies that were established within the GCC and whose shareholders consist wholly of GCC nationals. Further, dividend distribution to the above-mentioned former shareholder, in management view, is not subject to withholding tax as it is a resident Company in the Kingdom of Saudi Arabia (as a Saudi limited liability Company on the basis of the incorporation documents).

However, the Group recorded a liability of ﷲ 32.7 million as a result of rejection of the appeal, part of which has been paid during the period ended 30 September 2025. The above-mentioned former shareholder has provided to the Group an indemnity undertaking letter to bear any amounts related to the liability that might be imposed on the Group by ZATCA in connection with the above matter. Therefore, based on the management assessment and formal advice received from an independent legal advisor, an equal amount of reimbursable receivable is recorded from the above-mentioned former shareholder as of 30 September 2025.

The Group 's zakat assessment for the year 2024 is currently under review by the ZATCA. ZATCA raised some queries, which were responded. ZATCA has not issued a final assessment to date.

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18 CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

In the normal course of the business, the Group's certain suppliers and contractors have commenced an action against the Group for claims and additional payments. The Group has consulted its legal advisor and for probable cash out flows, adequate provisions have been recorded. For certain cases where the legal counsel has advised that it is only possible, but not probable, that the action will succeed, no provision for any liability has been made in these interim condensed consolidated financial statements.

The Group's bankers have issued letters of guarantees amounting to **ﷲ** 26.26 million as at 30 September 2025 (31 December 2024: **ﷲ** 14.11 million) mainly against land lease and letter of credit amounting to **ﷲ** 0.34 million as at 30 September 2025 (31 December 2024: **ﷲ** 53.42 million).

18.2 Capital commitments

The Group has capital commitments on contracts for setting up fitness centers amounting to **ﷲ** 145.15 million as at 30 September 2025 (31 December 2024: **ﷲ** 188.7 million).

19 SEGMENTAL INFORMATION

19.1 Geographical segments

For management purposes, the Group is organized into business units based on their geographical distribution and has two reportable operating segments as follows:

- Kingdom of Saudi Arabia
- United Arab Emirates

The following tables present revenue and profit information for the operating segments for nine-months period ended 30 September 2025 and 2024, respectively:

	<i>Local Region – KSA</i>		<i>International Region – UAE</i>		<i>Total</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	ﷲ (Unaudited)					
Revenue	1,146,526,560	1,047,977,133	36,662,829	33,026,244	1,183,189,389	1,081,003,377
Depreciation	(233,273,309)	(199,850,297)	(7,405,700)	(7,827,105)	(240,679,009)	(207,677,402)
Other Operating costs	(489,229,143)	(413,499,392)	(19,427,548)	(16,324,143)	(508,656,691)	(429,823,535)
Segment profit	424,024,108	434,627,444	9,829,581	8,874,996	433,853,689	443,502,440

The following tables present revenue and profit information for the operating segments for three-months period ended 30 September 2025 and 2024, respectively:

	<i>Local Region – KSA</i>		<i>International Region – UAE</i>		<i>Total</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	ﷲ (Unaudited)					
Revenue	425,940,299	387,967,144	12,785,769	13,289,247	438,726,068	401,256,391
Depreciation	(79,228,758)	(67,394,814)	(2,522,722)	(2,506,543)	(81,751,480)	(69,901,357)
Other Operating costs	(179,841,174)	(153,130,143)	(7,472,783)	(6,106,215)	(187,313,957)	(159,236,358)
Segment profit	166,870,367	167,442,187	2,790,264	4,676,489	169,660,631	172,118,676

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19 SEGMENTAL INFORMATION (continued)

19.2 Market segments

The following tables present revenue and profit information for the market segments:
for nine-months period ended 30 September 2025:

	<i>Male</i>	<i>Female</i>	<i>Other Business</i>	<i>Total</i>
	ﷲ(Unaudited)			
Revenues	865,469,555	303,640,189	14,079,645	1,183,189,389
Depreciation	(163,578,682)	(73,896,794)	(3,203,533)	(240,679,009)
Other Operating costs	(360,882,408)	(135,435,670)	(12,338,613)	(508,656,691)
Segment profit	341,008,465	94,307,725	(1,462,501)	433,853,689

for nine-months period ended 30 September 2024:

	<i>Male</i>	<i>Female</i>	<i>Other Business</i>	<i>Total</i>
	ﷲ(Unaudited)			
Revenues	795,210,637	274,755,454	11,037,286	1,081,003,377
Depreciation	(141,542,708)	(63,298,645)	(2,836,049)	(207,677,402)
Other Operating costs	(309,706,128)	(112,221,017)	(7,896,390)	(429,823,535)
Segment profit	343,961,801	99,235,792	304,847	443,502,440

for three-months period ended 30 September 2025:

	<i>Male</i>	<i>Female</i>	<i>Other Business</i>	<i>Total</i>
	ﷲ(Unaudited)			
Revenues	325,271,888	109,705,961	3,748,219	438,726,068
Depreciation	(55,100,336)	(25,022,716)	(1,628,428)	(81,751,480)
Other Operating costs	(134,060,849)	(49,464,273)	(3,788,835)	(187,313,957)
Segment profit	136,110,703	35,218,972	(1,669,044)	169,660,631

for three-months period ended 30 September 2024:

	<i>Male</i>	<i>Female</i>	<i>Other Business</i>	<i>Total</i>
	ﷲ(Unaudited)			
Revenues	295,515,803	101,560,548	4,180,040	401,256,391
Depreciation	(47,399,679)	(21,380,159)	(1,121,519)	(69,901,357)
Other Operating costs	(115,821,605)	(41,543,243)	(1,871,510)	(159,236,358)
Segment profit	132,294,519	38,637,146	1,187,011	172,118,676

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19 SEGMENTAL INFORMATION (continued)

19.3 Reconciliation of segment results to profit.

Head office expenses and other income are not allocated to individual segments as these are managed on an overall at Group level. Below is the reconciliation

	<i>For the nine months period ended 30 September</i>	
	<i>2025</i>	<i>2024</i>
	<i>ﷲ</i>	<i>ﷲ</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Segment profit	433,853,689	443,502,440
Advertising and marketing expenses	(20,469,859)	(15,974,519)
Finance costs	(77,852,601)	(71,681,492)
Profit from short term Murabaha	123,477	7,046,842
General and administration expenses	(113,146,073)	(99,422,838)
Share in net results of investment in an associate	(5,700,747)	(5,760,846)
Other expenses, net	9,709,958	103,906,794
Profit before zakat	<u>226,517,844</u>	<u>361,616,381</u>

19.4 Seasonality of the Group's business

The Group's business performance during fourth quarter of the year is generally better than first half of the year because of several factors including conducive weather conditions and the Group offers attractive discounts to its customers on Saudi National Day (i.e. 23 September), the revenue against which is primarily recognised in the fourth quarter of the year which ultimately boosts the Group's revenue and profitability and improves the financial performance of the Group during the last quarter of the year.

20 LIQUIDITY RISK AND GOING CONCERN

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. At the interim condensed consolidated statement of financial position date, management assessment of adjusted gearing ratio and adjusted current ratio were as follows:

	<i>30 September 2025</i>	<i>31 December 2024</i>
	<i>ﷲ</i>	<i>ﷲ</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Equity	1,306,710,034	1,238,323,590
Debt (borrowings and lease liabilities)	1,927,100,723	1,707,611,538
Total capital structure	<u>3,233,810,757</u>	<u>2,945,935,128</u>
Gearing ratio	1.47	1.38
Gearing ratio (excluding lease liabilities from debt)	0.34	0.27
Current ratio (excluding deferred revenue)	1.1	0.68
The management also analyses the liquidity risk as follows:		
	<i>30 September 2025</i>	<i>31 December 2024</i>
	<i>ﷲ</i>	<i>ﷲ</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Current financial assets	343,551,458	164,577,919
Current financial liabilities excluding deferred revenue	(343,527,757)	(341,597,841)
Adjusted net current financial asset/(liability) position	<u>23,701</u>	<u>(177,019,922)</u>

The Group manages its liquidity risk by ensuring sufficient un-availed credit facilities. As of 30 September 2025, unutilized bank credit facilities of ﷲ 1,273.64 million (31 December 2024: ﷲ 1,172 million) were available from multiple banks for managing the working capital requirements. Moreover, the Group generated ﷲ 661 million cash flows from operating activities.

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20 LIQUIDITY RISK AND GOING CONCERN (continued)

In relation to liquidity risk and going concern assessment of the Group, the management has developed comprehensive cash flow projections ensuring the existence of sufficient funds in order to meet the Group's obligations for a period of at-least next twelve months from the reporting date.

The board of directors is not aware of any material uncertainty that may cast significant doubt upon the Group's ability to continue as going concern. Therefore, these interim condensed consolidated financial statements have been prepared on a going concern basis.

21 CAPITAL MANAGEMENT AND FINANCIAL RISK MANAGEMENT

The Group's capital and financial risk management strategies have not changed significantly since the last year end. All financial assets and financial liabilities of the Group are classified and measured at amortized cost.

22 DIVIDENDS

In its meeting held on 24 Thul-Qi'dah 1446H (corresponding to 22 May 2025), the Annual General Assembly of the Company authorized the Board of Directors to distribute interim dividends on a quarterly or semi-annual basis for the fiscal year 2025.

On 2 Safar 1447H (corresponding to 29 July 2025), the Board of Directors, resolved to distribute cash dividend of ﷲ 0.84 per share amounting to ﷲ 43.87 million for the second quarter of 2025.

On 27 Thul-Qi'dah 1446H (corresponding to 25 May 2025), the Board of Directors, resolved to distribute cash dividend of ﷲ 0.81 per share amounting to ﷲ 42.32 million for the first quarter of 2025.

On 10 Sha'ban 1446H (corresponding to 9 February 2025), the Board of Directors, resolved to distribute cash dividend of ﷲ 1.18 per share amounting to ﷲ 61.68 million for the fourth quarter of 2024.

On 23 Muharram 1446 (corresponding to 29 July 2024), the Board of Directors, resolved to distribute interim cash dividend of ﷲ 0.95 per share amounting to ﷲ 49.75 million for the second quarter of 2024.

On 26 Shawwal 1445 (corresponding to 5 May 2024), the Board of Directors, resolved to distribute interim cash dividend of ﷲ 0.97 per share amounting to ﷲ 50.80 million for the first quarter of 2024.

On 8 Ramadan 1445H (corresponding to 18 March 2024), the Board of Directors, resolved to distribute cash dividend of ﷲ 1.33 per share amounting to ﷲ 69.7 million for the fourth quarter of 2023.

23 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The Group has assessed that fair value of the financial instruments, comprising of trade and other receivables, short-terms deposits, cash and cash equivalents, accounts payables and other current assets and liabilities approximate their carrying values significantly due to the short maturities of these financial instruments.

The fair value of financial assets and liabilities is recognised as the amount for which the instrument can be exchanged in an existing transaction between willing parties, other than a forced sale or liquidation. The Group uses valuation techniques appropriate to current circumstances that provide sufficient data to measure fair value. In addition, for the financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level "1" inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level "2" inputs are other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level "3" inputs are unobservable inputs either directly or indirectly.

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24 EVENTS AFTER THE REPORTING PERIOD

On 5 Jumada Al-Ula 1447H (corresponding to 27 October 2025), the Board of Directors, resolved to distribute interim cash dividends of ﷲ 0.95 per share amounting to ﷲ 49.62 million for the three months period ended 30 September 2025.

Other than disclosed above, there have been no further significant subsequent events since the period ended 30 *September* 2025 that would have a material impact on the financial position of the Group as reflected in these interim condensed consolidated financial statements.

25 APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements of the Group for three-month and nine-month period ended 30 September 2025 were authorized for issuance on 5 Jumada Al-Ula 1447H (corresponding to 27 October 2025).