

**ABDULLAH AL-OTHAIM MARKETS COMPANY**  
**(A Saudi Joint Stock Company)**

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

**FOR THE THREE-MONTHS PERIOD ENDED 31 MARCH 2026**  
**AND INDEPENDENT AUDITOR'S REVIEW REPORT**

ABDULLAH AL-OTHAIM MARKETS COMPANY  
(A Saudi Joint Stock Company)  
INDEX TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTHS PERIOD ENDED 31 MARCH 2026

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**Paid-Up Capital: # 5,500,000** (Five Million Five Hundred Thousand Saudi Riyals)

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## **INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF ABDULLAH AL-OTHAIM MARKETS COMPANY (A SAUDI JOINT STOCK COMPANY)**

### **Introduction**

We have reviewed the accompanying interim condensed consolidated statement of financial position of Abdullah Al-Othaim Markets Company (“the Company”) and its subsidiaries (collectively referred to as “the Group”) as at 31 March 2026, and the related interim condensed consolidated statements of income, comprehensive income, changes in equity, and cash flows for the three months 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 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 financial statement 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

Abdullah A. Alshenaibir  
Certified Public Accountant  
License No. (583)






Riyadh: 25 Thul-Qi'dah 1447H  
(12 May 2026)

ABDULLAH AL-OTHAIM MARKETS COMPANY  
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
(UNAUDITED)

As at 31 March 2026

|   | Note | As at<br>31 March 2026<br>(Unaudited)   | As at<br>31 December<br>2025<br>(Audited)   |
|---|------|---|---|
| <b>ASSETS</b>   |      |   |   |
| <b>Non-current assets</b>   |      |   |   |
| Property, plant, and equipment  | 6    | 2,159,603,489   | 2,181,798,898   |
| Right-of-use assets   | 7    | 1,994,543,675   | 2,017,055,434   |
| Investment properties   | 8    | 654,695,434   | 655,522,650   |
| Intangible assets   |      | 9,480,022   | 9,530,157   |
| Financial assets at amortized cost and others                                       |      | 279,039,342   | 283,868,521   |
| Financial assets at fair value through income statement                             |      | 42,098,143  | 21,678,164  |
| Investments in associates and joint venture   | 9    | 350,581,273   | 331,854,467   |
| Equity instruments at fair value through other comprehensive income                 |      | 9,248,364   | 9,248,364   |
| <b>Total non-current assets</b>   |      | <b>5,499,289,742</b>  | <b>5,510,556,655</b>  |
| <b>Current assets</b>   |      |   |   |
| Inventories   |      | 1,751,196,844   | 1,697,949,342   |
| Prepayments and other current assets  |      | 241,443,107   | 208,470,136   |
| Trade receivables   |      | 201,751,763   | 166,968,695   |
| Financial assets and Short-term Murabaha deposits                                   |      | 5,817,720   | 5,363,582   |
| Cash and cash equivalents   | 10   | 101,889,217   | 101,444,279   |
| <b>Total current assets</b>   |      | <b>2,302,098,651</b>  | <b>2,180,196,034</b>  |
| <b>TOTAL ASSETS</b>   |      | <b>7,801,388,393</b>  | <b>7,690,752,689</b>  |
| <b>EQUITY AND LIABILITIES</b>   |      |   |   |
| <b>EQUITY</b>   |      |   |   |
| Paid-in share capital   | 1    | 900,000,000   | 900,000,000   |
| Retained earnings   |      | 335,075,473   | 330,613,732   |
| Fair value reserve  |      | 3,791,226   | 3,791,226   |
| Currency exchange differences on translation of foreign subsidiary                  | 20   | (10,703,291)  | (7,752,310)   |
| Share of other comprehensive loss of associates and joint venture                   |      | (6,001)   | -   |
| <b>Equity attributable to the shareholders of the Company</b>                       |      | <b>1,228,157,407</b>  | <b>1,226,652,648</b>  |
| Non-controlling interests   |      | 55,375,585  | 51,425,768  |
| <b>TOTAL EQUITY</b>   |      | <b>1,283,532,992</b>  | <b>1,278,078,416</b>  |
| <b>Non-current liabilities</b>  |      |   |   |
| Lease contracts liabilities   |      | 2,234,730,391   | 2,258,701,866   |
| Obligation for employees' end-of-service benefits                                   | 11   | 359,124,436   | 353,339,570   |
| <b>Total non-current liabilities</b>  |      | <b>2,593,854,827</b>  | <b>2,612,041,436</b>  |
| <b>Current liabilities</b>  |      |   |   |
| Short term loans  | 12   | 260,000,000   | 600,000,000   |
| Accounts payable  |      | 2,815,383,305   | 2,439,678,987   |
| Current portion of lease contracts liabilities                                      |      | 157,052,033   | 158,444,042   |
| Accruals and other current liabilities  |      | 613,951,153   | 580,916,590   |
| Dividends payable   | 22   | 54,000,000  | -   |
| Zakat and foreign tax provision   | 14   | 23,614,083  | 21,593,218  |
| <b>Total current liabilities</b>  |      | <b>3,924,000,574</b>  | <b>3,800,632,837</b>  |
| <b>TOTAL LIABILITIES</b>  |      | <b>6,517,855,401</b>  | <b>6,412,674,273</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>   |      | <b>7,801,388,393</b>  | <b>7,690,752,689</b>  |
|  |      |  |  |
| Chief Financial Officer<br>Marwan Ahmed Ibrahim                                     |      | Chief Executive Officer<br>Muaffaq A. Mobarah                                       | Chairman of Board of Directors<br>Abdullah Saleh Al Othaim                            |

The accompanying notes from (1) to (25) form an integral part of these interim condensed consolidated financial statements.

ABDULLAH AL-OTHAIM MARKETS COMPANY  
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

For the three-months period ended 31 March 2026

|  | Note | For the three-month period ended 31 March |                     |
|--|------|---|---------------------|
|  |      | 2026<br>(Unaudited)                       | 2025<br>(Unaudited) |
|  |      | S   |                     |
| Net sales  | 16   | 2,965,191,138                             | 3,147,196,554       |
| Cost of sales  |      | (2,319,885,104)                           | (2,515,537,188)     |
| <b>Gross profit</b>  |      | <b>645,306,034</b>                        | <b>631,659,366</b>  |
| Rental income, net   | 17   | 18,883,534                                | 20,122,146          |
| Sold voucher commissions   |      | 158,195                                   | 252,445             |
| Selling and marketing expenses   |      | (550,724,727)                             | (504,775,973)       |
| General and administrative expenses  |      | (39,453,041)                              | (41,346,395)        |
| <b>Operating profit</b>  |      | <b>74,169,995</b>                         | <b>105,911,589</b>  |
| Share in profit or loss of associates and joint venture, net                         | 9    | 18,732,807                                | 17,440,022          |
| Finance Income from deposits and others  |      | 10,021,302                                | 1,920,975           |
| Finance costs  | 19   | (46,360,664)                              | (45,642,572)        |
| Other income, net  |      | 3,236,790                                 | 3,334,942           |
| <b>Income before zakat and foreign tax</b>   |      | <b>59,800,230</b>                         | <b>82,964,956</b>   |
| Zakat and foreign tax  | 14   | (2,188,965)                               | (3,042,850)         |
| <b>Net income for the period</b>   |      | <b>57,611,265</b>                         | <b>79,922,106</b>   |
| <b>Profit attributable to:</b>   |      |   |                     |
| Shareholders of the Company  |      | 53,661,448                                | 76,361,482          |
| Non-controlling interests  |      | 3,949,817                                 | 3,560,624           |
|  |      | <b>57,611,265</b>                         | <b>79,922,106</b>   |
| <b>Earnings per share</b>  |      |   |                     |
| Basic and diluted earnings per share attributable to the shareholders of the Company | 15   | 0.06                                      | 0.08                |



Chief Financial Officer  
Marwan Ahmed Ibrahim



Chief Executive Officer  
Muaffaq A. Mobarah



Chairman of Board of Directors  
Abdullah Saleh Al Othaim

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ABDULLAH AL-OTHAIM MARKETS COMPANY  
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE  
INCOME (UNAUDITED)

For the three-months period ended 31 March 2026

|   | Note | For the three-month period ended<br>31 March |                     |
|---|------|--|---------------------|
|   |      | 2026<br>(Unaudited)                          | 2025<br>(Unaudited) |
| <b>Net income for the period</b>  |      | <b>57,611,265</b> <del>₺</del>               | 79,922,106          |
| <b><u>Other comprehensive income for the period</u></b>                             |      |  |                     |
| <b>Items will not be reclassified to statement of income in subsequent periods:</b> |      |  |                     |
| Actuarial gains for employee's end-of-service benefits                              | 11   | <b>4,800,293</b>                             | 1,949,747           |
| <b>Items will be reclassified to statement of income in subsequent periods:</b>     |      |  |                     |
| Share in other comprehensive income of associates and joint venture                 | 9    | <b>(6,001)</b>                               | 19,427              |
| Currency exchange differences on translation of foreign subsidiary                  | 20   | <b>(2,950,981)</b>                           | 31,655              |
| <b>Other comprehensive income for the period</b>                                    |      | <b>1,843,311</b>                             | 2,000,829           |
| <b>Total comprehensive income for the period</b>                                    |      | <b>59,454,576</b>                            | 81,922,935          |
| <b><u>Attributable to:</u></b>  |      |  |                     |
| Shareholders of the Company   |      | <b>55,504,759</b>                            | 78,362,311          |
| Non-controlling interests   |      | <b>3,949,817</b>                             | 3,560,624           |
|   |      | <b>59,454,576</b>                            | 81,922,935          |



Chief Financial Officer  
Marwan Ahmed Ibrahim



Chief Executive Officer  
Muaffaq A. Mobarah



Chairman of Board of Directors  
Abdullah Saleh Al Othaim

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ABDULLAH AL-OTHAIM MARKETS COMPANY  
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the three-months period ended 31 March 2026

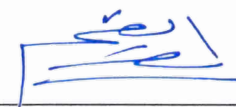
|   | Attributable to the shareholders of the Company |                   |                    |  |   |                            |                           | Total equity  |
|---|---|-------------------|--------------------|--|---|----------------------------|---------------------------|---------------|
|   | Paid-in share capital                           | Retained earnings | Fair value reserve | Currency exchange differences on translation of foreign subsidiary | Share in other comprehensive income of associates and joint venture | Total shareholders' equity | Non-controlling interests |               |
| <b>For the period ended 31 March 2025</b>               |   |                   |                    |  |   |                            |                           |               |
| Balance as at 1 January 2025 (Audited)                  | 900,000,000                                     | 478,658,307       | 2,843,826          | (8,802,768)  | (17,362)  | 1,372,682,003              | 41,854,148                | 1,414,536,151 |
| Net income  | -   | 76,361,482        | -                  | -  | -   | 76,361,482                 | 3,560,624                 | 79,922,106    |
| Other comprehensive income for the period               | -   | 1,949,747         | -                  | 31,655   | 19,427  | 2,000,829                  | -                         | 2,000,829     |
| Total comprehensive income for the period               | -   | 78,311,229        | -                  | 31,655   | 19,427  | 78,362,311                 | 3,560,624                 | 81,922,935    |
| Reconciliations related to associate and joint venture  | -   | (17,362)          | -                  | -  | 17,362  | -                          | -                         | -             |
| Cash dividends (Note 22)                                | -   | (99,000,000)      | -                  | -  | -   | (99,000,000)               | -                         | (99,000,000)  |
| Balance as at 31 March 2025 (Unaudited)                 | 900,000,000                                     | 457,952,174       | 2,843,826          | (8,771,113)  | 19,427  | 1,352,044,314              | 45,414,772                | 1,397,459,086 |
| <b>For the period ended 31 March 2026</b>               |   |                   |                    |  |   |                            |                           |               |
| Balance as at 1 January 2026 (Audited)                  | 900,000,000                                     | 330,613,732       | 3,791,226          | (7,752,310)  | -   | 1,226,652,648              | 51,425,768                | 1,278,078,416 |
| Net income  | -   | 53,661,448        | -                  | -  | -   | 53,661,448                 | 3,949,817                 | 57,611,265    |
| Other comprehensive income for the period               | -   | 4,800,293         | -                  | (2,950,981)  | (6,001)   | 1,843,311                  | -                         | 1,843,311     |
| Total comprehensive income for the period               | -   | 58,461,741        | -                  | (2,950,981)  | (6,001)   | 55,504,759                 | 3,949,817                 | 59,454,576    |
| Reconciliations related to associates and joint venture | -   | -                 | -                  | -  | -   | -                          | -                         | -             |
| Cash dividends (Note 22)                                | -   | (54,000,000)      | -                  | -  | -   | (54,000,000)               | -                         | (54,000,000)  |
| Balance as at 31 March 2026 (Unaudited)                 | 900,000,000                                     | 335,075,473       | 3,791,226          | (10,703,291)   | (6,001)   | 1,228,157,407              | 55,375,585                | 1,283,532,992 |



Chief Financial Officer  
Marwan Ahmed Ibrahim



Chief Executive Officer  
Muaffaq A. Mobarah



Chairman of Board of Directors  
Abdullah Saleh Al Othaim

The accompanying notes from (1) to (25) form an integral part of these interim condensed consolidated financial statements.

ABDULLAH AL-OTHAIM MARKETS COMPANY  
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
(UNAUDITED)

For the three-months period ended 31 March 2026

|  | For the three-month period ended 31<br>March |                     |
|--|--|---------------------|
|  | 2026<br>(Unaudited)                          | 2025<br>(Unaudited) |
|  | ﷲ  |                     |
| <b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>                     |  |                     |
| Income before zakat and foreign tax                                    | 59,800,230                                   | 82,964,956          |
| <b><u>Adjustments for:</u></b>   |  |                     |
| Depreciation of property, plant, and equipment and right-of-use assets | 110,947,602                                  | 109,881,176         |
| Depreciation of investment properties                                  | 1,107,734                                    | 1,143,631           |
| Amortization of intangible assets                                      | 375,683                                      | 179,387             |
| Loss on sale of property, plant, and equipment                         | 14,179                                       | 133,140             |
| Loss (Gain) on termination of lease contracts                          | 1,926  | (2,243,034)         |
| Finance costs  | 46,360,664                                   | 45,642,572          |
| Income from deposits and other investments                             | (10,021,302)                                 | (1,920,975)         |
| Share in profit or loss of associates and joint venture, net           | (18,732,807)                                 | (17,440,022)        |
| Provision for shrinkage, and slow-moving inventory                     | 21,676,426                                   | 9,543,111           |
| Provision for expected credit losses                                   | 5,337,305                                    | 1,251,238           |
| Reversal of Legal and other provisions                                 | (447,955)                                    | (775,491)           |
| Obligation for employees' end-of-service benefits                      | 14,211,026                                   | 10,696,750          |
|  | 230,630,711                                  | 239,056,439         |
| <b><u>Changes in:</u></b>  |  |                     |
| Inventories  | (74,923,928)                                 | (186,929,425)       |
| Trade receivables  | (40,120,373)                                 | (40,173,465)        |
| Prepayments and other current assets                                   | (36,719,520)                                 | (21,393,071)        |
| Accounts payable   | 375,704,318                                  | 627,611,369         |
| Accruals and other current liabilities                                 | 33,506,773                                   | 3,962,694           |
|  | 488,077,981                                  | 622,134,541         |
| Employees' end-of-service benefits paid                                | (7,913,315)                                  | (5,744,749)         |
| Zakat and foreign tax paid   | -  | (2,518,266)         |
| <b>Net cash flows generated from operating activities</b>              | <b>480,164,666</b>                           | <b>613,871,526</b>  |
| <b><u>CASH FLOWS USED IN INVESTING ACTIVITIES</u></b>                  |  |                     |
| Proceeds from sale of property, plant, and equipment                   | 38,039                                       | 600,147             |
| Finance lease payments received  | 17,466,000                                   | 17,466,000          |
| Income from deposits and other investments received                    | 635,872                                      | 288,320             |
| Additions to property, plant, and equipment                            | (36,692,279)                                 | (100,093,542)       |
| Additions to investment properties                                     | (280,518)                                    | (413,268)           |
| Additions to intangible assets   | (406,240)                                    | (70,000)            |
| Additions to financial assets at fair value through income statement   | (20,000,000)                                 | -                   |
| Short-term investments and Murabaha deposits                           | (403,214)                                    | (144,434)           |
| <b>Net cash flows used in investing activities</b>                     | <b>(39,642,340)</b>                          | <b>(82,366,777)</b> |

The accompanying notes from (1) to (25) form an integral part of these interim condensed consolidated financial statements.

ABDULLAH AL-OTHAIM MARKETS COMPANY  
(A Saudi Joint Stock Company)

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

For the three-months period ended 31 March 2026

|   | For the three-month period ended 31 March |                      |
|---|---|----------------------|
|   | 2026<br>(Unaudited)                       | 2025<br>(Unaudited)  |
|   | S   |                      |
| <b>CASH FLOWS USED IN FINANCING ACTIVITIES</b>                                |   |                      |
| Proceeds from short-term loans and Murabahat                                  | 2,390,000,000                             | 615,000,000          |
| Payments of short-term loans and Murabahat                                    | (2,730,000,000)                           | (930,000,000)        |
| Lease contracts liabilities, net  | (96,230,701)                              | (87,747,843)         |
| Finance costs paid  | (4,516,444)                               | (3,989,283)          |
| <b>Net cash flows used in financing activities</b>                            | <b>(440,747,145)</b>                      | <b>(406,737,126)</b> |
| <b>Net change in cash and cash equivalents</b>                                | <b>(224,819)</b>                          | <b>124,767,623</b>   |
| Cash and cash equivalents at the beginning of the period                      | 101,444,279                               | 87,539,106           |
| Net exchange differences on translation of foreign currencies                 | 669,757                                   | (50,646)             |
| <b>Cash and cash equivalents at the end of the period</b>                     | <b>101,889,217</b>                        | <b>212,256,083</b>   |
| <b>Significant non-cash transactions</b>                                      |   |                      |
| Additions to right-of-use assets against lease contracts liabilities (Note 7) | 40,566,644                                | 28,790,191           |
| Transfer from capital work in progress to property, plant, and equipment      | 15,838,972                                | 13,033,883           |
| Outstanding dividends not yet paid - shareholders of the Company              | 54,000,000                                | -                    |



Chief Financial Officer  
Marwan Ahmed Ibrahim



Chief Executive Officer  
Muaffaq A. Mobarah



Chairman of Board of Directors  
Abdullah Saleh Al Othaim

The accompanying notes from (1) to (25) form an integral part of these interim condensed consolidated financial statements.

**ABDULLAH AL-OTHAIM MARKETS COMPANY**  
**(A Saudi Joint Stock Company)**

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

For the three-months period ended 31 March 2026

**1. INFORMATION ABOUT THE COMPANY, ITS SUBSIDIARIES AND THEIR ACTIVITIES**

Abdullah Al-Othaim Markets Company (the “Company” or “Parent Company”) is a Saudi joint stock company registered in Riyadh, Kingdom of Saudi Arabia, under unified Number 7018065206 Commercial and Register Number 1010031185, on 7 Rajab 1400H (corresponding to 21 May 1980). The Company changed from a limited liability company into a joint stock company according to Ministerial Decree No.227/G on 3 Ramadhan 1428H (corresponding to 15 September 2007).

The main activities of the Company include wholesale and retail trade of food, fish, meat, agricultural products, livestock, and household items. The Company is also engaged in establishing, managing, operating and maintaining supermarkets, commercial complexes, and bakeries, providing cooked and uncooked catering services, and managing training and educational centers, in addition to acquiring lands to construct buildings for lease or sale for the interest of the Company. The Company also provides import, export, and marketing services to others.

The Company's headquarters is located in Riyadh, Al Andlus District Khurais Branch Road. PO Box 41700, Saudi Arabia.

The Company’s fiscal year begins on 1 January and ends on 31 December of each Gregorian year.

The interim condensed consolidated financial statements include the financial statements of the Company and its controlled subsidiaries (collectively referred to as the “Group”).

Below are the details of the subsidiaries listed in the interim condensed consolidated financial statements:

| <u>Subsidiary</u>   | <u>Country of Incorporation</u> | <u>Main Activity</u>                          | <b>Direct and Indirect ownership percentage %</b> |                         |
|---|---------------------------------|---|---|-------------------------|
|   |                                 |   | <b>31 March 2026</b>                              | <b>31 December 2025</b> |
| Haley Holding Company   | Kingdom of Saudi Arabia         | Wholesale and retail trade                    | <b>100%</b>                                       | 100%                    |
| Othaim Cash & Carry Company "formerly Universal Marketing Centre Company" | Kingdom of Saudi Arabia         | Wholesale and retail trade                    | <b>100%</b>                                       | 100%                    |
| Bayt Al Watan Company   | Kingdom of Saudi Arabia         | Import, export and wholesale and retail trade | <b>100%</b>                                       | 100%                    |
| Abdullah Al Othaim Markets – Egypt  | Arab Republic of Egypt          | Wholesale and retail                          | <b>100%</b>                                       | 100%                    |
| Mueen for Human Resources Company   | Kingdom of Saudi Arabia         | Labor services                                | <b>68%</b>  | 68%                     |

**ABDULLAH AL-OTHAIM MARKETS COMPANY**  
**(A Saudi Joint Stock Company)**

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

For the three-months period ended 31 March 2026

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

**1. INFORMATION ABOUT THE COMPANY, ITS SUBSIDIARIES AND THEIR ACTIVITIES**  
**(CONTINUED)**

The following is a summary of the controlled subsidiaries whose financial statements have been consolidated in these interim condensed consolidated financial statements:

**Haley Holding Company**

A limited liability company that operates under commercial registration number 1010314228 issued in Riyadh on 9 Ramadhan 1432H (corresponding to 9 August 2011). The main activities of the company are investment in other companies to obtain control over them, wholesale and retail trading of food products, wheat, rice, meat, fish, home products, computer services (application systems and data bases), import and export services, marketing, maintenance of training and entertaining centers and cooked and uncooked catering services.

**Al-Othaim Cash and Carry Company**

A limited liability company that operates under commercial registration number 1010314201 issued in Riyadh on 9 Ramadhan 1432H (corresponding to 9 August 2011). The main activities of Manufacture of bread and bread products by automatic bakeries - Supermarkets for food and consumer goods - Grocery store - Retail sale of fresh or preserved fruit and vegetables - Retail sale of dairy products, eggs, olives and pickles - Retail sale of meat and meat products - Retail sale of fish, other seafood and products thereof - Retail sale of nuts, coffee, spices and apothecary - Retail sale of blankets, sheets, linens and mattresses - Retail sale of electronic and electrical household appliances - Retail sale of household fuel oil, coal and fuel wood - Operation of canteens or cafeterias on a concession basis (e.g. for factories, offices, hospitals or schools, etc.).

**Bayt Al Watan Company**

A limited liability company that operates under commercial registration number 1010320847 issued in Riyadh on 2 Muharram 1433H (corresponding to 27 November 2011). The main activities of the company are importing, exporting, and retail and whole sales trading of fruits and vegetables, fish, dairy products, ghee, olive, halawa, pasta, soft drinks, in addition to providing importing, exporting, and marketing services for others, maintenance of training, entertainment, and sports centers, general contracting, construction, maintenance, demolition and restoration and electrical and electronic works.

**Abdullah AL Othaim Markets - Egypt**

A Joint stock company that operates under commercial registration number 55010 issued in Arab Republic of Egypt on 20 Dhu Al-Hijjah 1432H (corresponding to 16 November 2011). The main activities of the company are wholesale, retail trading, and general trade.

**Mueen for Human Resources Company**

A closed joint stock company that operates under commercial registration number 1010435202 issued in Riyadh on 6 Ramadan 1436H (corresponding to 23 June 2015). The main activities of the company are providing labor services regarding household workers and workers for both public and private sectors under authorization from the Ministry of Human Resources and Social Development No. UMM 24 issued on 23 Dhu Al-Hijjah 1436H (corresponding to 16 October 2015).

# ABDULLAH AL-OTHAIM MARKETS COMPANY (A Saudi Joint Stock Company)

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

For the three-months period ended 31 March 2026

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

### 2. BASIS OF PREPARATION

#### 2-1 Statement of compliance

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 disclosures required in the full annual consolidated financial statements and therefore should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2025. In addition, the interim period is considered an integral part of the whole year, however, the results of interim periods may not be fair indication of the results for the full year.

#### 2-2 Basis of measurement

The interim condensed consolidated financial statements have been prepared at historical cost, except for the following significant items stated in the interim condensed consolidated statement of financial position as follows:

- Investment in equity instruments at fair value through other comprehensive income is measured at fair value.
- Financial assets at fair value through income statement is measured at fair value.
- Obligation for the end-of-service benefits is measured at the present value of future obligations using the projected unit credit method.

#### 2-3 Functional and presentation currency

The interim condensed consolidated financial statements are presented in **ﷲ**, which is the functional currency of the Company, and presentation currency of the Group. All amounts in the interim condensed consolidated financial statements are in **ﷲ** unless otherwise stated.

#### 2-4 Use of judgments and estimates

The preparation of these interim condensed consolidated financial statements requires management to use judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. Actual results may differ from these estimates.

The significant estimates made by management when applying the Group's accounting policies and significant sources of estimation uncertainty were similar to those disclosed in the Group's consolidated financial statements for the year ended 31 December 2025. as the current geopolitical developments (please refer to Note 2-5 below) have not materially impacted the judgments and estimates as of the end of the period on March 31, 2026, management will continue to monitor the situation, and any required changes will be reflected in future reporting periods.

#### 2-5 Ongoing regional geopolitical developments

The Group continues to monitor ongoing regional geopolitical developments and their potential impacts. While supply chains have been affected in terms of cost and availability, these developments have not had a material impact on the Group's condensed interim consolidated financial statements for the period ended 31 March 2026. However, given the evolving nature of the situation, the potential impact on the Group's operations and financial performance will continue to be assessed in future reporting periods, as any further escalation or prolonged continuation of the conflict may adversely affect its activities.

# ABDULLAH AL-OTHAIM MARKETS COMPANY

## (A Saudi Joint Stock Company)

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

For the three-months period ended 31 March 2026

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

#### 3. BASIS FOR CONSOLIDATING THE FINANCIAL STATEMENTS

The Group's interim condensed consolidated financial statements include the financial statements of the Company and the subsidiaries under its control. Control is achieved when the Company is exposed to, or has the right to, different returns from its association with the investee company, and has the ability to affect these returns through its power over the investee company.

Specifically, control of the Company over an investee is achieved only when the following three elements are met:

- Power over the investee (i.e., existing rights that give it the current ability to direct the activities of interest to the investee).
- Exposure to, or the right to, variable returns in return for its association with the investee company.
- The ability to use its power over the investee to influence its returns.

In general, there is an assumption that having a majority of voting rights results in control. In support of this presumption, when the Company has less than a majority of voting or similar rights in an investee, the Company considers all facts and circumstances to assess whether it has power over an investee, including:

- Contractual arrangements with other voting rights holders in the investee company.
- Rights arising from other contractual arrangements.
- The Company's special voting rights and any potential voting rights.

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there is a change in one or more of the three elements of control. Consolidation of a subsidiary begins from the date when the Company obtains control over the subsidiary and ceases when the Company loses control over the subsidiary.

Assets, liabilities, revenues, and expenses of a subsidiary acquired are included in the interim condensed consolidated financial statements from the date the Company obtains control until the date the Company ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income is attributed to the shareholders of the company and to the non-controlling interest even if this results in the balance of the non-controlling interest being in deficit, meaning that losses are recorded on the non-controlling interest even if this leads to a deficit in the balance of non-controlling interest.

When consolidating the financial statements, adjustments are made to the interim condensed consolidated financial statements of subsidiaries, if necessary, in order to be in line with the accounting policies of the Company. All intra-group assets, liabilities, equity, revenues, expenses, and cash flows related to transactions between members of the Group are eliminated.

Changes in the ownership of subsidiaries under control that do not result in loss of control are treated as equity transactions.

If the Group loses control over the subsidiary, it would:

- Derecognize the related assets and liabilities of the invested subsidiary.
- Derecognize the carrying amount of any non-controlling interest.
- Derecognize accumulated exchange differences recognized in equity.
- Recognize the fair value of the consideration received.
- Recognize the fair value of any held investment.
- Recognize any surplus or deficit in the consolidated statement of income.
- Reclassify its share of items previously recognized in other comprehensive income to the statement of income or transfer directly to retained earnings, if necessary, in accordance with other international standards.

#### 4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those policies in the Group's annual consolidated financial statements for the year ended 31 December 2025.

ABDULLAH AL-OTHAIM MARKETS COMPANY  
(A Saudi Joint Stock Company)

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

For the three-months period ended 31 March 2026

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

**5. NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS**

**5-1 New standards, interpretations, and amendments effective in the current year**

The Group adopted the following new standards and amendments for the first time effective 1 January 2026:

- Classification and measurement of financial instruments - Amendments to IFRS 9 & IFRS 7
- Volume 11: Annual Improvements to IFRS Accounting Standards—
- Nature-dependent electricity contracts - Amendments to IFRS 9 & IFRS 7

The amendments had no impact on the Group's interim condensed consolidated financial statements.

**5-2 New standards, interpretations, and amendments not yet effective**

The Group has chosen not to early adopt new standards and amendments to IFRS which have been issued but are not yet effective for the Group's accounting year beginning on or after 1 January 2026. Those standards, interpretations, and amendments are not disclosed in these consolidated financial statements as management considered these to be irrelevant to the Group's operations and will not have a material impact on the consolidated financial statements of the Group in future periods; With the exception of IFRS18 the Group is assessing the impact of its application on the interim condensed consolidated financial statements.

The following is a statement of the new standards and amendments applicable for years commencing on or after 1 January 2027, with early adopt permitted, but which the Group did not adopt when preparing these interim condensed consolidated financial statements.

| <b><u>Standard, Interpretation, and Amendments</u></b>  | <b><u>Effective Date</u></b> |
|---|------------------------------|
| IFRS 18 Presentation and Disclosure in Financial Statements Replaces IAS (1) Presentation of Financial Statements*                    | 1 January 2027               |
| IFRS 19: Subsidiaries without Public Accountability   | 1 January 2027               |
| IAS 21: The Effects of Changes in Foreign Exchange Rates – Changeover to the presentation currency in a hyperinflationary environment | 1 January 2027               |
| Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture               | 1 January 2027               |

\* In April 2024, the International Accounting Standards Board (IASB) issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of income, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of income into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

ABDULLAH AL-OTHAIM MARKETS COMPANY  
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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED) (continued)

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

**6. PROPERTY, PLANT AND EQUIPMENT**

During the period ended 31 March 2026, the Group acquired property, plant, and equipment with a total cost of ~~ﷲ~~ 36.7 million (31 March 2025: ~~ﷲ~~100 million).

During the period ended 31 March 2026, the Group disposed of property, plant, and equipment with a net book value of ~~ﷲ~~ 52.218 thousand (31 March 2025: ~~ﷲ~~ 733.287 thousand), of which the disposal of those property, plant, and equipment resulted in a capital loss of ~~ﷲ~~ 14.179 thousand. (For the three-months ended 31 March 2025: capital loss of ~~ﷲ~~ 133.140 thousand).

During the three months ended 31 March 2026, depreciation expense amounted to ~~ﷲ~~ 54.7 million (31 March 2025: ~~ﷲ~~ 54.8 million).

**7. RIGHT-OF-USE ASSETS**

During the three-months ended 31 March 2026, the net additions to right-of-use assets amounted to ~~ﷲ~~ 40.6 million (31 March 2025: ~~ﷲ~~ 28.8 million).

During the three months ended 31 March 2026, depreciation expense amounted to ~~ﷲ~~ 56.3 million (31 March 2025: ~~ﷲ~~ 55.1 million).

**8. INVESTMENT PROPERTIES**

Investment properties represent commercial centers, exhibitions, buildings, and its lands, which are mainly held for investment and leasing to others. Additionally, investment properties include buildings developed on leased lands.

During the three months ended 31 March 2026, depreciation expense amounted to ~~ﷲ~~ 1.1 million (31 March 2025: ~~ﷲ~~ 1.1 million).

The fair value of the investment properties as at 31 December 2025 amounted to ~~ﷲ~~1.132 million evaluated by qualified and independent experts. The following are the data of the real estate appraiser:

**Name:** Olaat Real Estate Appraisal Company

**Qualifications:** Membership of the Saudi Authority for Accredited Valuers

**License number:** 1210000397

The fair value was measured according to the applicable valuation techniques (market comparison approach, income approach, and residual value approach).

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**9. INVESTMENTS IN ASSOCIATES AND JOINT VENTURE**

Below are the details of the companies included in the interim condensed consolidated financial statements which are accounted for using the equity method:

| <u>Company</u>  | <u>Country of Incorporation</u> | <u>Ownership percentage %</u> |                         |
|---|---------------------------------|-------------------------------|-------------------------|
|   |                                 | <u>31 March 2026</u>          | <u>31 December 2025</u> |
| AlWousta Food Services Company - Associate (1)            | Kingdom of Saudi Arabia         | 25%                           | 25%                     |
| Riyadh Food Industries Company - Associate (2)            | Kingdom of Saudi Arabia         | 55%                           | 55%                     |
| Gulf Flour Milling Industrial Company - Joint venture (3) | Kingdom of Saudi Arabia         | 33.33%                        | 33.33%                  |

(1) The main activities of the company are managing, operating, and monitoring of Al Baik restaurants in Riyadh, Qassim, Hail and Al Jouf. The Company is a limited liability company, and the headquarters of the company is in Jeddah. The investment of the Group in this company has been classified as an investment in associate company since there is a significant influence over the company.

(2) The main activities of the Company are the purchase of lands to construct buildings for manufacturing plants for the purpose of investment for its own interest, management, maintenance, and development of manufacturing plants for others, marketing food and consumable goods, and whatever necessary to establish or participate in shops and markets, import and export of food and consumable goods. The investment of the Group in this company has been classified as an investment in associate company since there is a significant influence over the company with no control.

(3) The main activities of the Company are packaging and grinding grains, flour manufacturing, feed manufacturing, and storage in grain silos, in accordance with the ministry of investment license number 101034210105632, dated 15 Shawwal 1442H (corresponding to 27 May 2021). The investment of the Group in this company has been classified as an investment in joint arrangements (joint venture) since there is a joint control over the company with other parties.

**a) Summary of investment movements during the period / year**

|   | <u>31 March 2026</u> | <u>31 December 2025</u> |
|---|----------------------|-------------------------|
| Balance at the beginning of the period / year                     | 331,854,467          | 303,064,144             |
| Share in profit or loss of associates and joint venture           | 18,732,807           | 51,355,147              |
| Share in other comprehensive loss of associates and joint venture | (6,001)              | (284,878)               |
| Dividends   | -                    | (22,279,946)            |
| Balance at the end of the period/ year                            | <u>350,581,273</u>   | <u>331,854,467</u>      |

**b) Investments in associates and joint venture balances**

|   | <u>31 March 2026</u> | <u>31 December 2025</u> |
|---|----------------------|-------------------------|
| Gulf Flour Milling Industrial Company - Joint venture | 263,889,404          | 250,595,519             |
| Riyadh Food Industries Company - Associate            | 48,892,101           | 43,946,881              |
| AlWousta Food Services Company - Associate            | 37,799,768           | 37,312,067              |
|   | <u>350,581,273</u>   | <u>331,854,467</u>      |

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**10. CASH AND CASH EQUIVALENTS**

|               | <b>31 March 2026</b>      | 31 December<br>2025 |
|---------------|---------------------------|---------------------|
| Cash at banks | <b>70,605,051</b>         | 73,893,026          |
| Cash on hand  | <b>31,284,166</b>         | 27,551,253          |
|               | <b><u>101,889,217</u></b> | <u>101,444,279</u>  |

**11. OBLIGATION FOR EMPLOYEES' END-OF-SERVICE BENEFITS**

|   | <b>31 March 2026</b>      | 31 December<br>2025 |
|---|---------------------------|---------------------|
| Balance at the beginning of the period / year   | <b>353,339,570</b>        | 339,254,725         |
| Service cost  | <b>14,211,026</b>         | 49,503,904          |
| Cost of discount factor   | <b>4,287,448</b>          | 16,851,099          |
| Paid during the period / year   | <b>(7,913,315)</b>        | (36,563,568)        |
| Actuarial gains from remeasurement of obligation for employees' end-of-service benefits | <b>(4,800,293)</b>        | (15,706,590)        |
| Balance at the end of the period / year   | <b><u>359,124,436</u></b> | <u>353,339,570</u>  |

**12. LOANS AND SHORT-TERM MURABAHA**

The Group utilizes Islamic bank facilities (Murabaha) to finance its trade operations. These facilities bear financing costs at prevailing market rates. These facilities are secured by promissory notes under the name of the Company.

During the period ended 31 March 2026, the Group obtained short-term loans in the amount of **ﷲ** 2.390 million, and paid loans in the amount of **ﷲ** 2.730 million. The purpose of these short-term loans is to finance the working capital requirements of the Group and bear an interest rate according to prevailing interest rates.

As at 31 March 2026, the available and unused facilities for the purposes of meeting the Group's obligations when due amounted to **ﷲ** 425 million (31 December 2025: **ﷲ** 85 million).

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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
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**13. RELATED PARTIES**

Transactions with related parties represent transactions entered between the Company and its associates, subsidiaries, major shareholders and senior executives of the Group, in addition to the entities related to these parties. Management of the Group approved a policy for prices and conditions for transactions with related parties. Transactions with related parties represent mainly in rent revenue, rent expenses, purchases of goods and manpower services.

| <u>Related party</u>   | <u>Nature of relationship</u>                     |
|--|---|
| Al-Othaim Holding Company  | Founding shareholder                              |
| Abdullah Al-Othaim for Investment Company  | Related to the Chairman of the Board of Directors |
| AlWousta Food Services Company   | Associate   |
| Riyadh Food Industries Company   | Associate   |
| Gulf Flour Milling Industrial Company  | Joint venture                                     |
| Members of the Board of Directors and Senior Management  | Group's management                                |
| Abdullah Al-Othaim for Fashion Company   | Related to the Chairman of the Board of Directors |
| Abdullah Al-Othaim for Entertainment Company   | Related to the Chairman of the Board of Directors |
| Emtiyaz Al Riyadh Trading Company  | Related to the Chairman of the Board of Directors |
| Fourth Milling Company   | Subsidiary of an associate                        |
| Rimal Al Sawahil for Contracting and Maintenance   | Founding shareholder of a subsidiary              |
| Radial Construction and Development Contracting Company<br>(Previously Saudi Pillar for Contracting) | Related to the Chairman of the Board of Directors |
| Abdullah Al-Othaim Food Company  | Related to the Chairman of the Board of Directors |

Transactions with related parties for the period ended 31 March 2026 are as follows:

| <u>Related Party</u>                             | <u>Payments<br/>of lease<br/>liabilities</u> | <u>Lease<br/>payments<br/>received</u> | <u>Purchases<br/>of<br/>Inventory</u> | <u>Labor<br/>Revenues<br/>and<br/>Others</u> | <u>Labor<br/>Expenses<br/>and<br/>Others</u> | <u>Sales of<br/>Inventory</u> |
|--|--|--|---------------------------------------|--|--|-------------------------------|
| Abdullah Al-Othaim for Investment Company        | 5,352,062                                    | 17,466,000                             | -                                     | -  | 997,854                                      | -                             |
| Riyadh Foods Industries Company                  | 300,000                                      | -                                      | 19,685,834                            | 13,925,043                                   | 296,896                                      | -                             |
| Rimal Al Sawahil for Contracting and Maintenance | -  | -                                      | -                                     | 5,864,070                                    | -  | -                             |
| Abdullah Al-Othaim for Entertainment Company     | -  | 288,307                                | -                                     | -  | -  | -                             |
| Fourth Milling Company                           | -  | -                                      | 614,112                               | -  | -  | -                             |
| Abdullah Al-Othaim Food Company                  | -  | -                                      | -                                     | -  | -  | 29,706                        |

Transactions with related parties for the period ended 31 March 2025 are as follows:

| <u>Related Party</u>                             | <u>Payments<br/>of lease<br/>liabilities</u> | <u>Lease<br/>payments<br/>received</u> | <u>Purchases<br/>of<br/>Inventory</u> | <u>Labor<br/>Revenues<br/>and<br/>Others</u> | <u>Labor<br/>Expenses<br/>and<br/>Others</u> | <u>Sales of<br/>Inventory</u> |
|--|--|--|---------------------------------------|--|--|-------------------------------|
| Abdullah Al-Othaim for Investment Company        | 5,889,770                                    | 17,466,000                             | -                                     | -  | 332,744                                      | -                             |
| Riyadh Foods Industries Company                  | -  | -                                      | 29,211,574                            | 4,469,322                                    | -  | -                             |
| Rimal Al Sawahil for Contracting and Maintenance | -  | -                                      | -                                     | 24,917,113                                   | -  | -                             |
| Abdullah Al-Othaim for Entertainment Company     | -  | 38,307                                 | -                                     | -  | -  | -                             |
| Fourth Milling Company                           | -  | -                                      | 2,501,981                             | -  | -  | -                             |
| Abdullah Al-Othaim Food Company                  | -  | -                                      | -                                     | -  | -  | 93,543                        |

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**13. RELATED PARTIES (CONTINUED)**

Below are the board members and senior management benefits during the period:

|                          | <b>Charged to comprehensive income</b> |            |
|--------------------------|--|------------|
|                          | <b>31 March</b>                        | 31 March   |
|                          | <b>2026</b>                            | 2025       |
| Short term benefits      | <b>10,473,047</b>                      | 12,376,129 |
| Post-employment benefits | <b>306,072</b>                         | 176,218    |
|                          | <b>10,779,119</b>                      | 12,552,347 |

Below are the balances due from/to related parties:

|   | <b>31 March</b>   | 31 December |
|---|-------------------|-------------|
|   | <b>2026</b>       | 2025        |
| <b>Amounts due from related parties (included in trade receivables)</b> |                   |             |
| Rimal Al Sawahil for Contracting and Maintenance                        | <b>15,627,351</b> | 8,978,310   |
| Abdullah Al-Othaim Food Company   | <b>33,095</b>     | 59,742      |
| Riyadh Foods Industries Company   | <b>645,338</b>    | 489,536     |
|   | <b>16,305,784</b> | 9,527,588   |

|  | <b>31 March</b>   | 31 December |
|--|-------------------|-------------|
|  | <b>2026</b>       | 2025        |
| <b>Amounts due to related parties (included in accounts payable)</b> |                   |             |
| Riyadh Foods Industries Company                                      | <b>28,813,192</b> | 25,211,319  |
| Fourth Milling Company   | <b>706,229</b>    | 969,889     |
| Abdullah Al-Othaim for Investment Company                            | <b>10,293,361</b> | 2,993,583   |
|  | <b>39,812,782</b> | 29,174,791  |

**14. ZAKAT AND FOREIGN TAX**

**14-1 Zakat Provision**

Zakat is calculated according to the Regulations of the Zakat, Tax and Customs Authority (“ZATCA”) in Saudi Arabia. Zakat is calculated in the current period on the basis of the adjusted net income method.

The movement in zakat provision is as follows:

|   | <b>31 March</b>   | 31 December |
|---|-------------------|-------------|
|   | <b>2026</b>       | 2025        |
| Balance at the beginning of the period/year | <b>20,355,395</b> | 19,301,126  |
| Charged for the period/year                 | <b>2,073,825</b>  | 10,377,409  |
| Paid during the period/year                 | -                 | (9,323,140) |
| Balance at the end of the period/year       | <b>22,429,220</b> | 20,355,395  |

- The Group submitted its consolidated zakat declarations for all years up to 2024 and paid zakat liabilities accordingly.
- As at the date of the condensed consolidated financial statements, the Zakat declarations for the year end 31 December 2024 for Abdullah al-Othaim markets KSA is still under review by the Zakat, Tax and Customs Authority, and its final results have not been issued as of the date of issuance of these financial statements. Management estimates that the Zakat provision made is sufficient to cover any potential Zakat Liabilities.
- The Group finalized the Zakat status for all previous years until 2023.

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**14. ZAKAT AND FOREIGN TAX (CONTINUED)**

**14-2 Foreign tax**

Abdullah Al-Othaim Markets Company – Egypt (Subsidiary) is subject to the Egyptian Corporate Income Tax Law No. 91 of 2005 and its amendments. The Company has submitted its tax returns to the Tax Authority for all years up to 2024 within the legal deadlines, and all tax returns have been examined up to 2020.

|   | <b>31 March 2026</b> | 31 December<br>2025 |
|---|----------------------|---------------------|
| Balance at the beginning of the period / year | <b>1,237,823</b>     | 1,261,819           |
| Charged for the period / year                 | <b>115,140</b>       | 754,100             |
| Paid during the period / year                 | -                    | (856,747)           |
| Foreign tax translation differences           | <b>(168,100)</b>     | 78,651              |
| Balance at the end of the period / year       | <b>1,184,863</b>     | 1,237,823           |

**15. BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY**

Earnings per share for the ordinary shareholders for the period ended 31 March 2026 and 31 March 2025 are calculated based on the weighted average number of shares outstanding during the year. The Group does not have any dilutive instruments, accordingly, the diluted earning per share is equal to the basic earning per share. There has been no item of dilution affecting the weighted average number of shares.

|   | <b>31 March 2026</b> | 31 March 2025 |
|---|----------------------|---------------|
| Net income for the period attributable to Shareholders of the Company | <b>53,661,448</b>    | 76,361,482    |
| Weighted average number of shares (share)                             | <b>900,000,000</b>   | 900,000,000   |
| Basic and diluted earnings per share from net income for the period   | <b>0.06</b>          | 0.08          |

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**16. SEGMENTAL INFORMATION**

The Group is engaged mainly in food supplies retail and wholesale. The Group operates in the Kingdom of Saudi Arabia and Arab Republic of Egypt, in addition to leasing commercial centers for the purpose of sale or lease for the interest of the Group. The results of the segments are reviewed by the Group's executive management. Revenues, profits, assets, and liabilities are measured using the same accounting principles used in the preparation of the interim condensed consolidated financial statements.

**a. Selected information for each business segment is summarized below:**

**Interim condensed consolidated statement of financial position as at 31 March 2026 (unaudited)**

| <u>Item</u>   | <u>Retail and Wholesale</u> | <u>Real Estate and Leasing</u> | <u>Investments</u> | <u>Others*</u>     | <u>Total segments</u> | <u>Adjustments &amp; eliminations</u> | <u>Consolidated</u>  |
|---|-----------------------------|--------------------------------|--------------------|--------------------|-----------------------|---------------------------------------|----------------------|
| Property, plant, and equipment                          | 2,122,500,650               | -                              | -                  | 37,102,839         | 2,159,603,489         | -                                     | 2,159,603,489        |
| Right-of-use assets                                     | 1,818,037,043               | 171,144,387                    | -                  | 5,362,245          | 1,994,543,675         | -                                     | 1,994,543,675        |
| Financial assets at amortized cost and others           | -                           | 251,207,513                    | -                  | 27,831,829         | 279,039,342           | -                                     | 279,039,342          |
| Financial assets at fair value through income statement | -                           | -                              | 42,098,143         | -                  | 42,098,143            | -                                     | 42,098,143           |
| Investment properties                                   | -                           | 654,695,434                    | -                  | -                  | 654,695,434           | -                                     | 654,695,434          |
| Intangible assets                                       | 7,888,978                   | -                              | -                  | 1,591,044          | 9,480,022             | -                                     | 9,480,022            |
| <b>Total assets</b>                                     | <b>6,056,876,215</b>        | <b>1,095,335,293</b>           | <b>403,693,572</b> | <b>330,133,316</b> | <b>7,886,038,396</b>  | <b>(84,650,003)</b>                   | <b>7,801,388,393</b> |
| <b>Total liabilities</b>                                | <b>6,001,738,294</b>        | <b>399,782,562</b>             | <b>-</b>           | <b>200,984,548</b> | <b>6,602,505,404</b>  | <b>(84,650,003)</b>                   | <b>6,517,855,401</b> |

**Consolidated statement of financial position as at 31 December 2025 (audited)**

| <u>Item</u>   | <u>Retail and Wholesale</u> | <u>Real Estate and Leasing</u> | <u>Investments</u> | <u>Others*</u>     | <u>Total segments</u> | <u>Adjustments &amp; eliminations</u> | <u>Consolidated</u>  |
|---|-----------------------------|--------------------------------|--------------------|--------------------|-----------------------|---------------------------------------|----------------------|
| Property, plant, and equipment                          | 2,143,895,513               | -                              | -                  | 37,903,385         | 2,181,798,898         | -                                     | 2,181,798,898        |
| Right-of-use assets                                     | 1,837,706,508               | 173,685,871                    | -                  | 5,663,055          | 2,017,055,434         | -                                     | 2,017,055,434        |
| Financial assets at amortized cost and others           | -                           | 259,456,575                    | -                  | 24,411,946         | 283,868,521           | -                                     | 283,868,521          |
| Financial assets at fair value through income statement | -                           | -                              | 21,678,164         | -                  | 21,678,164            | -                                     | 21,678,164           |
| Investment properties                                   | -                           | 655,522,650                    | -                  | -                  | 655,522,650           | -                                     | 655,522,650          |
| Intangible assets                                       | 7,922,128                   | -                              | -                  | 1,608,029          | 9,530,157             | -                                     | 9,530,157            |
| <b>Total assets</b>                                     | <b>6,065,926,242</b>        | <b>1,104,203,028</b>           | <b>364,143,573</b> | <b>312,943,013</b> | <b>7,847,215,856</b>  | <b>(156,463,167)</b>                  | <b>7,690,752,689</b> |
| <b>Total liabilities</b>                                | <b>5,998,393,633</b>        | <b>395,465,578</b>             | <b>-</b>           | <b>175,278,229</b> | <b>6,569,137,440</b>  | <b>(156,463,167)</b>                  | <b>6,412,674,273</b> |

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16. SEGMENTAL INFORMATION (CONTINUED)

Interim condensed consolidated statement of income for the period ended 31 March 2026 (unaudited)

| <u>Item</u>  | <u>Retail and Wholesale</u> | <u>Real Estate and Leasing</u> | <u>Investments</u> | <u>Others*</u> | <u>Total</u>  |
|--|-----------------------------|--------------------------------|--------------------|----------------|---------------|
| Sales  | 2,803,313,157               | -                              | -                  | 212,694,922    | 3,016,008,079 |
| Sales outside the Group                                | 2,787,620,597               | -                              | -                  | 177,570,541    | 2,965,191,138 |
| Rental income outside the Group                        | -                           | 27,789,151                     | -                  | -              | 27,789,151    |
| Inter-segment sales and revenues                       | 15,692,560                  | 15,750                         | -                  | 35,124,381     | 50,832,691    |
| Total income, sales commissions, and net rental income | 619,121,251                 | 18,883,534                     | -                  | 26,342,978     | 664,347,763   |
| Operating profit                                       | 42,632,327                  | 18,883,534                     | -                  | 12,654,134     | 74,169,995    |
| Share in profit of associates and joint venture, net   | -                           | -                              | 18,732,807         | -              | 18,732,807    |

Consolidated statement of income for the period ended 31 March 2025 (unaudited)

| <u>Item</u>  | <u>Retail and Wholesale</u> | <u>Real Estate and Leasing</u> | <u>Investments</u> | <u>Others*</u> | <u>Total</u>  |
|--|-----------------------------|--------------------------------|--------------------|----------------|---------------|
| Sales  | 3,017,546,938               | -                              | -                  | 167,420,046    | 3,184,966,984 |
| Sales outside the Group                                | 3,017,546,938               | -                              | -                  | 129,649,616    | 3,147,196,554 |
| Rental income outside the Group                        | -                           | 29,628,761                     | -                  | -              | 29,628,761    |
| Inter-segment sales and revenues                       | -                           | 15,750                         | -                  | 37,770,430     | 37,786,180    |
| Total income, sales commissions, and net rental income | 608,796,718                 | 20,122,147                     | -                  | 23,115,092     | 652,033,957   |
| Operating profit                                       | 74,098,037                  | 20,122,147                     | -                  | 11,691,405     | 105,911,589   |
| Share in profit of associates and joint venture, net   | -                           | -                              | 17,440,022         | -              | 17,440,022    |

\*The "others" business segment mainly represents the labor and human resources services, resulted from the subsidiary company "Mueen for human resources".

b. Distribution of retail and wholesale sales and rental income on geographical regions as follows:

For the period ended 31 March 2026 (unaudited)

| <u>Geographical area</u> | <u>Retail and Wholesale</u> | <u>Percentage %</u> | <u>Real Estate and Leasing</u> | <u>Percentage %</u> | <u>Others</u>      | <u>Percentage %</u> |
|--------------------------|-----------------------------|---------------------|--------------------------------|---------------------|--------------------|---------------------|
| Kingdom of Saudi Arabia  | 2,719,851,236               | 97.6%               | 36,896,905                     | 99.7%               | 177,570,541        | 100%                |
| Arab Republic of Egypt   | 67,769,361                  | 2.4%                | 95,062                         | 0.3%                | -                  | -                   |
| <b>Total</b>             | <b>2,787,620,597</b>        | <b>100%</b>         | <b>36,991,967</b>              | <b>100%</b>         | <b>177,570,541</b> | <b>100%</b>         |

For the period ended 31 March 2025 (unaudited)

| <u>Geographical area</u> | <u>Retail and Wholesale</u> | <u>Percentage %</u> | <u>Real Estate and Leasing</u> | <u>Percentage %</u> | <u>Others</u>      | <u>Percentage %</u> |
|--------------------------|-----------------------------|---------------------|--------------------------------|---------------------|--------------------|---------------------|
| Kingdom of Saudi Arabia  | 2,953,796,349               | 97.9%               | 30,816,875                     | 99.7%               | 129,649,616        | 100%                |
| Arab Republic of Egypt   | 63,750,589                  | 2.1%                | 86,711                         | 0.3%                | -                  | -                   |
| <b>Total</b>             | <b>3,017,546,938</b>        | <b>100%</b>         | <b>30,903,586</b>              | <b>100%</b>         | <b>129,649,616</b> | <b>100%</b>         |

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**17. RENTAL INCOME, NET**

|                            | For the three-month period ended |                   |
|----------------------------|----------------------------------|-------------------|
|                            | 31 March<br>2026                 | 31 March<br>2025  |
| Stores rental income       | 20,805,420                       | 21,348,634        |
| Marketing rental income    | 6,983,731                        | 8,280,127         |
| <b>Total rental income</b> | <b>27,789,151</b>                | <b>29,628,761</b> |
| Rental expenses            | (8,905,617)                      | (9,506,615)       |
| <b>Net rental income</b>   | <b>18,883,534</b>                | <b>20,122,146</b> |

**18. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

The Group has the following contingent liabilities and capital commitments:

|   | 31 March<br>2026 | 31 December<br>2025 |
|---|------------------|---------------------|
| Letters of guarantee (*)                | 113,284,198      | 113,026,448         |
| Letters of credit                       | 1,974,935        | 11,598,068          |
| Commitments on capital work in progress | 191,922,554      | 205,016,089         |
| Long-term capital contracts             | 13,356,327       | 26,506,701          |

(\*) The balance includes an amount of ﷲ 85.71 million (31 December 2025: ﷲ 85.71 million) related to promissory note issued under the name of the Company as a guarantee for bank facilities obtained by Riyadh Foods Industries Company (Associate).

(\*) The balance includes an amount of ﷲ 56.16 million (31 December 2025: ﷲ 5.66 million) related to joint guarantee (equivalent to EGP 75 million) for Abdullah Alothaim Markets Company – Egypt (Subsidiary).

**19. FINANCE COSTS**

|  | For the three-month period ended |                   |
|--|----------------------------------|-------------------|
|  | 31 March<br>2026                 | 31 March<br>2025  |
| Finance costs on lease contracts liabilities                                 | 37,556,772                       | 37,416,401        |
| Cost of discount factor on obligation for employees' end of service benefits | 4,287,448                        | 4,236,888         |
| Finance costs on short-term loans  | 4,516,444                        | 3,989,283         |
|  | <b>46,360,664</b>                | <b>45,642,572</b> |

**20. FOREIGN CURRENCY TRANSLATION DIFFERENCES**

Losses arising from the foreign currency translation differences included in the interim condensed consolidated statement of comprehensive income amounted to ﷲ 2.95 for the three-months period ended 31 March 2026 (31 March 2025: gains amounted to ﷲ 31.655 ), which is mainly due to exchange difference resulted from the Company's net investment in its subsidiary in Egypt, whose functional currency is Egyptian Pound, which has been affected by the devaluation since March 2022 by the Egyptian Authorities. The Egyptian Authorities decided during the previous periods to adopt a flexible exchange policy in which the Egyptian Pound is subject to a pricing policy based on supply and demand forces against other foreign currencies.

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**21. COMPARATIVE FIGURE**

Certain comparative figures for the previous period have been reclassified to be in line with the presentation of the current period. The reclassifications shown below have no impact on the net profit, retained earnings, or previously disclosed financial positions:

Interim condensed consolidated statement of income for the three-month period ended 31 March 2025

|                                     | As<br>previously<br>presented | Reclassification | Impact of a<br>change in<br>accounting<br>treatment in a<br>subsidiary* | As currently<br>presented |
|-------------------------------------|-------------------------------|------------------|---|---------------------------|
| Net sales                           | 3,133,040,470                 | (109,007)        | 14,265,091  | 3,147,196,554             |
| Cost of sales                       | (2,500,999,995)               | (272,102)        | (14,265,091)  | (2,515,537,188)           |
| Rental income, net                  | 19,741,802                    | 380,344          | -   | 20,122,146                |
| Selling and marketing expenses      | (505,060,901)                 | 284,928          | -   | (504,775,973)             |
| General and administrative expenses | (41,062,232)                  | (284,163)        | -   | (41,346,395)              |
|                                     |                               | -                | -   |                           |

\*Reclassification amounts for the period ended 31 March 2025 include the impact of a change in accounting treatment at a subsidiary, Mueen Human Resources Company, relating to residency permit, work permit, visa, and post-employment costs attributable to manpower and recoverable from customers. Previously, these costs were accounted for as receivable from customers upon becoming due in accordance with the contract. The accounting treatment was revised such that these costs are now included as part of the transaction price with customers in accordance with IFRS 15 “Revenue from Contracts with Customers”.

**22. DIVIDENDS**

**Shareholders of the Company:**

- On 15 March 2026, the Board of Directors decided to distribute interim cash dividends to shareholders for the fourth quarter of 2025 with a total amount of **ﷲ** 54 million, at **ﷲ** 0.06 per share
- On 24 March 2025, the Board of Directors decided to distribute interim cash dividends to shareholders for the fourth quarter of 2024 with a total amount of **ﷲ** 99 million, at **ﷲ** 0.11 per share.

**23. FAIR VALUE**

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. As such, differences can arise between carrying values and fair value estimates. Fair value is defined by the market-based measurement and assumptions used by market participants.

Management considers that the fair value of short-term financial assets and liabilities approximates their book value due to the short maturity of their maturities.

Management estimated that the fair value of loans and long-term Murabaha is close to their book value, because the commission rate on these loans changes periodically with the change in the market commission rate.

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**23. FAIR VALUE (continued)**

The following table shows the analysis of items recorded at fair value, according to the level of the fair value hierarchical measurement:

|  | <b>31 March 2026</b>    |                |                  |
|--|-------------------------|----------------|------------------|
|  | <b>Level 1</b>          | <b>Level 2</b> | <b>Level 3</b>   |
| Unlisted equity instruments at fair value through other comprehensive income | -                       | -              | <b>9,248,364</b> |
| Financial assets at fair value through income statement*                     | <b>42,098,143</b>       | -              | -                |
|  | <b>31 December 2025</b> |                |                  |
|  | Level 1                 | Level 2        | Level 3          |
| Unlisted equity instruments at fair value through other comprehensive income | -                       | -              | 9,248,364        |
| Financial assets at fair value through income statement*                     | 21,678,164              | -              | -                |

The fair value of the unlisted equity instruments at fair value through other comprehensive income has been estimated on the basis of net asset value based on the latest available financial statements (level 3).

(\*) This Financial assets represent Mueen Human Resources Company's (a subsidiary) investment in the Alfa Murabaha Fund. The profit from the effect of revaluation on the income statement for the three-month period ended 31 March 2026 amounted to ~~SR~~ 420 thousand (31 March 2025: ~~SR~~ 277.9 thousand). Below is the movement on this investment:

|   | <b>31 March<br/>2026</b> | 31 December<br>2025 |
|---|--------------------------|---------------------|
| Balance at the beginning of the period / year                                   | <b>21,678,164</b>        | 20,488,724          |
| Additions during the period / year  | <b>20,000,000</b>        | -                   |
| Change in fair value of financial assets at fair value through income statement | <b>419,979</b>           | 1,189,440           |
| <b>Balance at the end of the period / year</b>                                  | <b>42,098,143</b>        | 21,678,164          |

**24. SUBSEQUENT EVENTS**

On 10 May 2026, the Board of directors decided to distribute interim cash dividends to the shareholders for the first quarter of 2026, amounting to ~~SR~~ 54 million, at ~~SR~~ 0.06 per share. The dividends will be paid during the second quarter of 2026.

The Group's management believes that no additional material events have occurred after the end of the period that may require an adjustment or disclosure in these interim condensed consolidated financial statements.

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

The interim condensed consolidated financial statements were approved by the Board of Director on 23 Thul Qi 'dah 1447H (corresponding to 10 May 2026).