

**AYYAN INVESTMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)**

**CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025
WITH INDEPENDENT AUDITOR'S REVIEW REPORT**

AYYAN INVESTMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

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

(1/1)

TO THE SHAREHOLDERS OF AYYAN INVESTMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
KHOBAR, KINGDOM OF SAUDI ARABIA

INTRODUCTION

We have reviewed the accompanying consolidated interim statement of financial position of Ayyan Investment Company (the "Company"), a Saudi Joint Stock Company and its subsidiaries (collectively referred to as the "Group") as of June 30, 2025, the related consolidated interim statements of profit or loss and other comprehensive income for the three and six months periods then ended, changes in equity and cash flows for the six months period then ended and summary of material accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard No. 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with 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 condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as 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 condensed consolidated interim financial statements are not prepared in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

For PKF Al-Bassam
Chartered Accountants



Ibrahim Ahmed Al-Bassam
Certified Public Accountant
License No. 337
Khobar: Muharram 25, 1447H
Corresponding to: July 20, 2025



**CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025**

	Note	June 30, 2025 (Unaudited) SR	December 31, 2024 (Audited) SR
ASSETS			
Non-current assets			
Property, plant and equipment, net	5	6,828,674	4,689,039
Investments in equity instruments designated at fair value through other comprehensive income	6	145,885,775	145,885,775
Investment in an associate		21,157,689	22,408,607
Investment properties	8	121,338,880	121,338,880
Right-of-use assets		2,505,130	1,270,044
Total non-current assets		297,716,148	295,592,345
Current assets			
Inventories		8,686,695	11,404,135
Investments in equity instruments designated at fair value through profit or loss	7	645,862,558	-
Trade receivables, prepayments and other assets	10	35,055,425	4,554,226
Cash and cash equivalents		51,830,765	27,254,883
		741,435,443	43,213,244
Assets relating to disposal group held for sale	17	-	1,393,940,807
Total current assets		741,435,443	1,437,154,051
TOTAL ASSETS		1,039,151,591	1,732,746,396
EQUITY AND LIABILITIES			
Shareholders' Equity			
Share capital	1	1,006,363,280	1,006,363,280
Share premium		59,760,538	59,760,538
Statutory reserve		7,786,135	7,786,135
Accumulated losses		(145,883,561)	(410,983,771)
Reserve for acquisition of additional shares in a subsidiary	9	-	(124,221,642)
Fair value reserve		63,651,702	63,651,702
Reserve for re-measurement of employees' defined benefit obligations		343,950	4,514,434
Total equity attributable to shareholders		992,022,044	606,870,676
Non-controlling interest		-	6,148,544
TOTAL EQUITY		992,022,044	613,019,220
LIABILITIES			
Non-current liabilities			
Lease liabilities		2,259,702	1,358,972
Employees' defined benefits obligations		2,754,622	2,498,821
Total non-current liabilities		5,014,324	3,857,793
Current liabilities			
Short term loans	11	1,040,902	4,109,481
Trade payables, accrued expenses and other liabilities	12	35,000,555	5,508,271
Lease liabilities		210,009	43,886
Zakat provision		5,863,757	2,206,338
		42,115,223	11,867,976
Liabilities relating to disposal group held for sale	17	-	1,104,001,407
Total current liabilities		42,115,223	1,115,869,383
Total liabilities		47,129,547	1,119,727,176
TOTAL EQUITY AND LIABILITIES		1,039,151,591	1,732,746,396

The condensed consolidated interim financial statements were approved and authorised for issue by the Board of Directors on behalf of the shareholders and were signed on Muharram 20, 1447H corresponding to July 15, 2025.


Ahmed Ibrahim
Finance Manager


Raed Mohamed Alnaeem
CEO


Faisal Abdullah Al Qahtani
Chairman

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

**CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025**

	Note	For the three months period ended June 30		For the six months period ended June 30	
		2025	2024	2025	2024
		(Unaudited) SR	(Unaudited) SR	(Unaudited) SR	(Unaudited) SR
Continuing operations					
Revenue	15	2,033,517	3,860,619	4,558,379	9,027,276
Cost of revenue		(2,000,867)	(3,421,572)	(4,220,856)	(7,798,680)
Gross profit		32,650	439,047	337,523	1,228,596
General and administrative expenses		(5,020,847)	(2,076,516)	(11,265,904)	(4,090,179)
Selling and marketing expenses		(185,233)	(260,609)	(375,560)	(498,404)
Operating loss		(5,173,430)	(1,898,078)	(11,303,941)	(3,359,987)
Dividend income from investments at fair value through profit or loss		4,806,497	-	4,835,759	-
Share of results of an associate		690,149	2,917,427	1,249,082	3,754,815
Fair value gain on investments at fair value through profit or loss	7	17,798,166	-	23,686,537	-
Gain on disposal of financial assets at fair value through profit or loss	7	727,884	-	727,884	-
Other income		487,592	299,253	664,133	528,309
Finance cost		(47,951)	(180,908)	(136,965)	(196,890)
Net profit for the period before zakat		19,288,907	1,137,694	19,722,489	726,247
Zakat		(1,500,000)	-	(3,657,419)	-
Income from continued operations		17,788,907	1,137,694	16,065,070	726,247
(Loss) / profit from discontinued operations	17.1	-	(49,487,844)	368,204,544	(104,994,440)
Net profit / (loss) for the period		17,788,907	(48,350,150)	384,269,614	(104,268,193)
OTHER COMPREHENSIVE INCOME					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income / (loss) for the period		17,788,907	(48,350,150)	384,269,614	(104,268,193)
Net profit / (loss) for the period attributable to:					
Ordinary shareholders		17,788,907	(48,302,358)	385,151,368	(103,955,503)
Non-controlling interest		-	(47,792)	(881,754)	(312,690)
Net profit / (loss) for the period		17,788,907	(48,350,150)	384,269,614	(104,268,193)
Ordinary shareholders		17,788,907	(48,302,358)	385,151,368	(103,955,503)
Non-controlling interest		-	(47,792)	(881,754)	(312,690)
Total comprehensive income / (loss) for the period		17,788,907	(48,350,150)	384,269,614	(104,268,193)
Total comprehensive income / (loss) attributable to ordinary shareholders arising from:					
Continuing operations		17,788,907	1,137,694	16,065,070	726,247
Discontinued operations		-	(49,440,052)	369,086,298	(104,681,750)
		17,788,907	(48,302,358)	385,151,368	(103,955,503)
Earnings per share from continuing operations attributable to the ordinary shareholders of the Company:					
Basic and diluted	13	0.18	0.01	0.16	0.01
Earnings / (loss) per share attributable to the ordinary shareholders of the Company:					
Basic and diluted	13	0.18	(0.60)	3.83	(1.29)

The condensed consolidated interim financial statements were approved and authorised for issue by the Board of Directors on behalf of the shareholders and were signed on Muharram 20, 1447H corresponding to July 15, 2025.


Ahmed Ibrahim
Finance Manager


Raed Mohamed Alnaeem
CEO


Faisal Abdullah Al Qahtani
Chairman

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**CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

	Share Capital	Share premium	Statutory reserve	Accumulated losses	Reserve for acquisition of additional shares in a subsidiary	Fair value reserve	Reserve for re- measurement of employees' defined benefit obligations	Total equity attributable to shareholders	Non-controlling interest	Total equity
	SR	SR	SR	SR	SR	SR	SR	SR	SR	SR
Balance as at January 1, 2024 (audited)	806,363,280	65,478,995	7,786,135	(258,024,934)	(122,454,330)	(5,518,338)	6,370,012	500,000,820	8,620,391	508,621,211
Net loss for the period	-	-	-	(103,955,503)	-	-	-	(103,955,503)	(312,690)	(104,268,193)
Other comprehensive loss	-	-	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(103,955,503)	-	-	-	(103,955,503)	(312,690)	(104,268,193)
The effect of acquisition of additional shares in a subsidiary (note 9)	-	-	-	-	(1,767,312)	-	95,412	(1,671,900)	(2,368,500)	(4,040,400)
Balance as at June 30, 2024 (unaudited)	806,363,280	65,478,995	7,786,135	(361,980,437)	(124,221,642)	(5,518,338)	6,465,424	394,373,417	5,939,201	400,312,618
Balance as at January 1, 2025 (audited)	1,006,363,280	59,760,538	7,786,135	(410,983,771)	(124,221,642)	63,651,702	4,514,434	606,870,676	6,148,544	613,019,220
Net profit / (loss) for the period	-	-	-	385,151,368	-	-	-	385,151,368	(881,754)	384,269,614
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the period	-	-	-	385,151,368	-	-	-	385,151,368	(881,754)	384,269,614
Derecognition of reserve for acquisition of additional shares in a subsidiary on disposal of subsidiary	-	-	-	(124,221,642)	124,221,642	-	-	-	-	-
Derecognition of reserve for re-measurement of employees' defined benefit obligations on disposal of subsidiaries	-	-	-	4,170,484	-	-	(4,170,484)	-	-	-
Derecognition of non-controlling interest on disposal of subsidiaries (note 17.3)	-	-	-	-	-	-	-	-	(5,266,790)	(5,266,790)
Balance as at June 30, 2025 (unaudited)	1,006,363,280	59,760,538	7,786,135	(145,883,561)	-	63,651,702	343,950	992,022,044	-	992,022,044

The condensed consolidated interim financial statements were approved and authorised for issue by the Board of Directors on behalf of the shareholders and were signed on Muharram 20, 1447H corresponding to July


Ahmed Ibrahim
Finance Manager


Raed Mohamed Alnaeem
CEO


Faisal Abdullah Al Qahtani
Chairman

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

**CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025**

	For the six months period ended	
	June 30, 2025	June 30, 2024
	(Unaudited)	(Unaudited)
	SR	SR
OPERATING ACTIVITIES		
Net profit / (loss) for the period before zakat		
Continuing operations	19,722,489	726,247
Discontinued operations	369,177,125	(102,452,552)
Net profit / (loss) for the period before zakat including discontinued operations	388,899,614	(101,726,305)
<i>Adjustments for:</i>		
Depreciation	462,902	22,297,515
(Gain) / loss on disposal of property, plant and equipment	(24,348)	249,651
Depreciation of right of use assets	161,101	5,483,095
Amortization of intangible assets	-	1,483,448
Loss on derecognition of right of use assets	-	116,813
Share of results of an associate	(1,249,082)	(3,754,815)
Derecognition gain on disposal of subsidiaries	(418,061,803)	-
Allowance for expected credit losses	680,815	-
Fair value gain on investments at fair value through profit or loss	(23,686,537)	-
Dividend income from investments at fair value through profit or loss	(4,835,759)	-
Gain on disposal of financial assets at fair value through profit or loss	(727,884)	-
Finance cost	8,497,047	30,675,177
Employees' defined benefits obligations	3,689,891	6,589,994
	(46,194,043)	(38,585,427)
Changes in operating assets and liabilities:		
Trade receivables, prepayments and other assets	(15,988,135)	(1,759,936)
Inventories	3,538,793	4,605,733
Trade payables, accrued expenses and other liabilities	46,191,169	44,484,072
Cash (used in) / generated from operations	(12,452,216)	8,744,442
Finance cost paid	(14,207,727)	(28,143,741)
Zakat Paid	-	(4,041,888)
Employees' defined benefits obligations paid	(1,050,860)	(2,878,430)
Net cash used in operating activities	(27,710,803)	(26,319,617)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(4,632,004)	(17,606,035)
Purchase of intangible assets	-	(1,185,206)
Proceeds from disposal of subsidiaries	206,372,751	-
Purchase of financial assets at fair value through profit or loss	(154,329,565)	-
Proceeds from disposal of financial assets at fair value through profit or loss	20,360,524	-
Dividends received from an associate	2,500,000	362,501
Dividend received from investments at fair value through profit or loss	4,835,759	-
Proceeds from disposal of property, plant and equipment	24,348	-
Purchase of additional shares in a subsidiary	-	(4,040,400)
Net generated from / (cash used) in investing activities	75,131,813	(22,469,140)
FINANCING ACTIVITIES		
Lease payments	(3,491,075)	(6,401,055)
Repayment of loans	(166,354,050)	(207,781,496)
Proceeds from loans	146,999,997	231,666,666
Net cash (used in) / generated from in financing activities	(22,845,128)	17,484,115
Net change in cash and cash equivalents	24,575,882	(31,304,642)
Cash and cash equivalent as at 1 January	27,254,883	61,770,101
Cash and cash equivalents as at June 30	51,830,765	30,465,459

....(Continued)

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (Continued)
FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2025

	For the six months period ended	
	June 30, 2025	June 30, 2024
	(Unaudited)	(Unaudited)
<u>NON-CASH TRANSACTIONS</u>	SR	SR
Financial assets recognized at fair value through profit or loss	487,479,096	-
Derecognition of reserve for acquisition of additional shares in a subsidiary on disposal of subsidiary	124,221,642	-
Leakage related to losses of a subsidiary	50,627,249	-
Derecognition of reserve for re-measurement of employees' defined benefit obligations on disposal of subsidiaries	4,170,484	-
Derecognition of non-controlling interest on disposal of subsidiaries	5,266,790	-
Provision for guarantee against sale of a subsidiary	30,974,690	-
Derecognition of net assets of subsidiaries	12,184,646	-
Recognition of right of use assets and lease liabilities	1,396,187	-
Right of use assets derecognized	-	302,081
Lease liabilities derecognized	-	185,268
Transfer to intangible assets from property, plant and equipment	-	573,931

The condensed consolidated interim financial statements were approved and authorised for issue by the Board of Directors on behalf of the shareholders and were signed on Muharram 20, 1447H corresponding to July 15, 2025.


Ahmed Ibrahim
Finance Manager


Raed Mohamed Alnaeem
CEO


Faisal Abdullah Al Qahtani
Chairman

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

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS PERIOD ENDED JUNE 30, 2025**

1. ORGANIZATION AND PRINCIPAL ACTIVITIES

Ayyan Investment Company ("the Company") is a Saudi Joint Stock Company established as per Ministerial Decree No. 573 dated 14 Rabea II 1414H corresponding to October 1, 1993 and registered under Commercial Register No. 2051064048 dated 19 Rajab 1438H corresponding to April 16, 2017 and its unified registration number is 7003770158. The Company has a branch registered under commercial registration number 2252021816 which is located in Al-Ahsa, Kingdom of Saudi Arabia.

The authorized, issued and paid up share capital as at December 31, 2024 and June 30, 2025, amounted to SR 1,006,363,280 divided into 100,636,328 shares with par value of SR 10 per share.

During the year ended December 31, 2024, the Company made a right issue of SR 200 million consisting of 20 million new shares with a par value of SR 10 per share. Accordingly, the authorized, issued and paid up capital of the Company was increased to SR 1,006,363,280 from SR 806,363,280 consisting of 100,636,328 shares which increased from 80,636,328 shares. The Company incurred transaction costs of SR 5.72 million related to the right issue which has been accounted for as a deduction from equity. In accordance with the offering, the increase in capital through right issues was in order to purchase medical devices and equipment for Salam Hospital of Al Salam Medical Services Company (a subsidiary), the payment of suppliers of subsidiaries (Al Salam Medical Services Company and Al Ahsa Medical Services Company), the payments of obligations owed by Al Salam Medical Services Company to financing entities and the payment of operating expenses of Al Salam Medical Services Company. Following the right issue, the proceeds arising from right issue were injected as equity contribution in the books of one of the subsidiaries (Al Salam Medical Services Company) for settlement of its obligations as set forth in the offering prospectus. Part of the proceeds received by Al Salam Medical Services Company was used by the subsidiary to partially settle the balance due to a related party in the amount of SR 150 million. On November 13, 2024, the group announced that the board of directors has recommended to amend the use of proceeds of the right issue amounting to SR 200 million. The group further announced a shareholders' approval to this matter on December 8, 2024.

The main activity of the Company is general construction of non-residential buildings including schools, hospitals, hotels etc.

The Company's head office is located in Al-Khobar, Kingdom of Saudi Arabia.

1.1 Structure of the group

1.1.1 Details of company's subsidiaries

These condensed consolidated interim financial statements include the results of the Company and the following subsidiaries:

Company	Legal Form	Incorporation Country	Effective ownership	
			2025	2024
Al-Ahsa Food Industries Company (A)	Limited Liability Company	Saudi Arabia	100%	100%
Al-Ahsa Medical Services Company (B)*	Closed Joint Stock Company	Saudi Arabia	-	97.4%
Al Salam Medical Services Company (C)*	Closed Joint Stock Company	Saudi Arabia	-	100%

The Company and its subsidiaries are referred to as "the Group".

A. Al-Ahsa Food Industries Company (AFIC)

Al-Ahsa Food Industries Company is a Saudi limited liability company registered under Commercial Register No. 2252023850 dated 7 Muharram 1416H corresponding to June 6, 1995. The principal activities of Al-Ahsa Food Industries Company are the production of dates and their derivatives and it is wholly owned by the Company. The subsidiary's accumulated losses exceeded its capital as of December 31, 2024 and June 30, 2025. Under the provisions of Article 182 of the Companies Law, the shareholders are required to resolve to continue in the business and provide support to the subsidiary or liquidate it. The Board of Directors at their meeting held on March 6, 2025 resolved to continue to support the subsidiary and provide it with the necessary funding.

B. Al-Ahsa Medical Services Company (AMSC)

Al-Ahsa Medical Services Company is a closed joint stock company under Commercial Register No. 2252025213 dated 07 Sha'ban 1418H corresponding to December 07, 1997. Al-Ahsa Medical Services Company is engaged in the establishment, management, operation and maintenance of hospitals. On May 1, 2019, the Company acquired additional 16.32% of the subsidiary's equity shares from the non-controlling interest, this resulted in an increase of the Company's ownership in the subsidiary from 53.61% to 69.9%.

During the year 2021, the Company increased the capital from SR 737,320,690 to SR 806,363,280 by issuing new shares (6,904,259 shares) for the acquisition of 26.43% of AMSC shares for SR 148.5 million, which led to an increase in the actual ownership percentage in the subsidiary from 69.9% to 96.3%.

During the year 2024, the Company acquired an additional 1.03% of the non-controlling interests of the subsidiary, which led to an increase in the effective ownership percentage in the subsidiary from 96.3% to 97.4% (note 9).

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS PERIOD ENDED JUNE 30, 2025**

1. ORGANIZATION AND PRINCIPAL ACTIVITIES (Continued)

1.1 Structure of the group (Continued)

1.1.1 Details of company's subsidiaries (Continued)

C. Al Salam Medical Services Company (ASMSC)

Al Salam Medical Services Company (ASMSC) is a Saudi Closed Joint Stock Company Registered under commercial registration number 2051059611 dated 16 Safar 1436H corresponding to December 9, 2014. The principal activities of ASMSC include establishing, maintenance and operating hospitals, medical centers, government and private dispensaries. On March 15, 2020, the Company has acquired 100% share capital and voting interest in ASMSC and obtained control. The subsidiary's accumulated losses exceeded its capital as at December 31, 2024. Under the provisions of Article 182 of the Companies Law, the shareholder is required to resolve to continue in the business and provide support to the subsidiary or liquidate it. The Board of Directors in the meeting held on March 6, 2025 resolved to continue to support the subsidiary and provide it with the necessary funding.

* During the period ended June 30, 2025, the group disposed of its shareholding in Al-Salam Medical Services Company and Al Ahsa Medical Services Company (note 17).

1.1.2 Details of company's associate

These condensed consolidated interim financial statements include the financial statements of the Company and the following associate:

Company	Legal Form	Incorporation Country	Effective ownership	
			2025	2024
Twareat Medical Care Company	Saudi Joint Stock Company	Saudi Arabia	25%	25%

Twareat Medical Care Company ("the associate") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under commercial registration number 2051054263 dated 6 Jumada' II 1439H (February 22, 2018). The associate has obtained license from Ministry of Health under license number 3810501201210012 ending on Jumada' I 20, 1446H. The associate is engaged in General construction of residential buildings, renovation of residential and non-residential buildings, stores of medical devices and products, hospitals, medical operations of hospitals, general medical complexes, medical operations of medical complexes and one-day surgery centers, ambulance service centers, medical laboratories, home medical service centers, medical clinic mobile, telemedicine and telemedicine centers, medical operations of medical laboratories, radiology centers and supporting medical services, activities of drug stores and retail sale of medical devices, equipment and supplies. During 2019, the Company acquired 25% shares of the associate.

During the year 2023, as per the shareholders' resolution dated Ramadan 20, 1444H (corresponding to April 11, 2023), the Company further increased its share capital by SR 20 million through transfer from retained earnings. The related legal formalities had been completed during the year ended December 31, 2023. As at 31 December 2024 and June 30, 2025, the ordinary share capital was SR 40 million at a nominal value of SR 1 per share. On January 29, 2025, the associate of the Group "Twareat Medical Care Company." announced the listing of its shares on Nomu – Parallel Market as a direct listing.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The condensed consolidated interim financial statements for the six months period ended June 30, 2025 have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards. The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and hence should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2024, they do not include all of the information required for a complete set of IFRS Financial Statements however, accounting policies and selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since December 31, 2024.

2.2 Basis of measurement

These condensed consolidated interim financial statements have been prepared under the historical cost convention using the accrual basis of accounting and the going concern concept except where IFRS requires other measurement basis.

2.3 Functional and presentation currency

These condensed consolidated interim financial statements are presented in Saudi Riyals which represent the Group's functional currency.

2.4 Use of estimates and judgements

The preparation of the condensed consolidated interim financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS PERIOD ENDED JUNE 30, 2025**

2. BASIS OF PREPARATION (Continued)

2.4 Use of estimates and judgements (Continued)

The significant estimates made by the management when applying the Group's accounting policies and the significant sources of uncertainties in the estimates were similar to those shown in the Group's annual consolidated financial statements for the year ended December 31, 2024.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies used in the preparation of these condensed consolidated interim financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements as of and for the year ended December 31, 2024, and the notes attached thereto, except for the adoption of certain new and revised standards that became effective in the current period.

3.1 New Standards, Amendment to Standards and Interpretations

A number of new amendments to standards, enlisted below, are effective this year but they do not have a material effect on the Group's condensed consolidated interim financial statements.

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of amendment
IAS 21	Lack of Exchangeability	January 1, 2025	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments introduce new disclosures to help financial statement users assess the impact of using an estimated exchange rate.

The Group has not applied the following amendment to IFRS that have been issued but are not yet effective:

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of amendment
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026	These amendments clarify financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception. The new exception permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date. They also provide guidelines to assess contractual cash flow characteristics of financial assets, which apply to all contingent cash flows, including those arising from environmental, social, and governance (ESG)-linked features. Additionally, these amendments introduce new disclosure requirements and update others.
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	IFRS 18 replaces IAS 1, which sets out presentation and base disclosure requirements for financial statements. The changes, which mostly affect the income statement, include the requirement to classify income and expenses into three new categories – operating, investing and financing – and present subtotals for operating profit or loss and profit or loss before financing and income taxes. Further, operating expenses are presented directly on the face of the income statement – classified either by nature (e.g. employee compensation), by function (e.g. cost of sales) or using a mixed presentation. Expenses presented by function require more detailed disclosures about their nature. IFRS 18 also provides enhanced guidance for aggregation and disaggregation of information in the financial statements, introduces new disclosure requirements for management-defined performance measures (MPMs)* and eliminates classification options for interest and dividends in the statement of cash flows.

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3. MATERIAL ACCOUNTING POLICIES (Continued)

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

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of amendment
IFRS 19	Subsidiaries without Public Accountability	January 1, 2027	IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

Management anticipates that these amendment will be adopted in the Group's condensed consolidated interim financial statements as and when it is applicable and adoption of this amendments may have no material impact on the condensed consolidated interim financial statements of the Company in the period of initial application except for IFRS 18, which may impact the classification of the financial statements line items.

4. BASIS OF CONSOLIDATION

The condensed consolidated interim financial statements incorporate the financial statements of the Company and its subsidiaries detailed in note 1. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Group, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of the subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary. Consolidated profit or loss and each component of other comprehensive income are attributed to the shareholders of the Company and the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the shareholders of the Company. When necessary, adjustments are made to the consolidated financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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5. PROPERTY, PLANT AND EQUIPMENT

During the period ended June 30, 2025, the Group purchased items of property, plant and equipment amounting to SR 4.63 million which includes SR 2.03 million additions related to disposal group (June 30, 2024: SR 17.6 million which includes SR 17.36 million additions related to disposal group).

6. INVESTMENTS IN EQUITY INSTRUMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	SR	SR
Unquoted investments	145,885,775	145,885,775

6.1 Unquoted equity securities

		Ownership %		June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	Note	June 30, 2025	December 31, 2024	SR	SR
Industrialization and Energy Services Co. (TAQA)	6.1.A	0.95	0.95	104,201,941	104,201,941
Arab Paper Manufacturing Co. (Warq)	6.1.B	2.31	2.31	35,786,591	35,786,591
Rawasi Alkhaleej Real Estate Company (Rawasi)	6.1.B	4.74	4.74	4,456,001	4,456,001
Al Ahsa Tourism & Leisure Co.	6.1.C	7.57	7.57	1,441,242	1,441,242
Arab Company for Industrial Fibers (Ibn Rushd)		0.42	0.42	-	-
				145,885,775	145,885,775

6.1.A Industrialization and Energy Services Company is Saudi closed joint stock company whereby the Group owns 0.95% of equity shares of investee Company (December 31, 2024: 0.95% of the equity shares). The Group's management determined the value of investments in the Industrialization and Energy Services Company as of December 31, 2024 based on a report from an independent valuer based on the consolidated financial statements of the investee Company as of September 30, 2024 (which represent the latest available financial information) by a value of the investment amounting to SR 104.2 million. For determining the fair value in year 2024, the Group used the multiples methods, based on the latest available financial information.

6.1.B Arab Paper Manufacturing Company (Warq) is Saudi closed joint stock company whereby the Group owns 2.31% of equity shares of investee Company (December 31, 2024: 2.31% of the equity shares).

During the year ended December 31, 2024, the Group partially disposed off its investment in Arab Paper Manufacturing Company (Warq), classified as an equity instrument measured at fair value through other comprehensive income (FVTOCI). The Group sold 693,666 shares to Environmental Services Material Recycling Company for a total consideration of SR 17.23 million, at a price of SR 24.84 per share. As part of this transaction, five investment properties owned by Warq were to be transferred to a newly established company "Rawasi Alkhaleej Real Estate Company" (Rawasi), in which the existing shareholders, including the Group, received shareholding according to its shareholding which was 4.74%, before the partial disposal of its investments in Warq. Additionally, Environmental Services Material Recycling Company acquired 10% of Warq's shares from the current shareholders, including the Group, while Warq issued 17,302,692 new shares to Environmental Services Material Recycling Company, to increase its share capital. Prior to this disposal, the Group held 2,134,350 shares, representing 4.74% of Warq's share capital. After the transaction and completion of the capital increase, as of December 31, 2024, the Group holds 1,440,684 shares, and its new shareholding percentage has been diluted from 4.74% to 2.31% of Warq's share capital. The fair value of this investment continues to be recognized in other comprehensive income, with no impact on profit or loss in accordance with the Group's accounting policy for equity instruments classified under FVTOCI.

The Group's management determined the value of investments in the Arab Paper Manufacturing Company (Warq) as of December 31, 2024 based on sale transaction as at December 15, 2024 by a value of the investment amounting to SR 35.79 million.

As of December 31, 2024, the Group had recognized its investment in Rawasi based on its share of Rawasi's net assets, which primarily consist of the fair value of the transferred investment property amounting to SR 93.72 million. This is due to only one investment property being transferred to the newly established company, while the remaining four properties, originally agreed to be transferred, are still registered under Warq's name as of June 30, 2025 and accordingly it has not been recorded on contingent basis.

6.1.C Al Ahsa Tourism & Leisure Company is Saudi closed joint stock company whereby the Group owns 7.57% of equity shares of investee Company (December 31, 2024: 7.57% of the equity shares). The Group's management determined the value of investments in the Al Ahsa Tourism & Leisure Company as of December 31, 2024 based on a report from an independent valuer based on the financial statements of the investee Company as of December 31, 2023 (which represent the latest available financial information) by a value of the investment amounting to SR 1.44 million. For determining the fair value in year 2024, the Group used the multiples methods, based on the latest available financial information.

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6. INVESTMENTS IN EQUITY INSTRUMENTS (Continued)

6.2 The above investments (except for Rawasi) were valued by Value Hub for business valuation & Partners Company. The evaluation business license for the valuator Abdullah Khalaf AlYousuf is No. 3912000021 who is an independent valuation expert and the reports were issued after evaluating all investments. The independent valuation expert issued his report on the value of these investments as at December 31, 2024. The guideline publicly-traded comparable method, using the earnings multiples of similar companies in Gulf region and other countries, was used to assess the fair value of investments. At year end December 31, 2024, Rawasi was valued by Emad Al-Dulaijan for Real Estate Evaluation Company and evaluation license for the valuator Emad Ali Al-Dulaijan is No. 1210000616. As per management assessments, there were no significant changes in the fair value of these investments since December 31, 2024.

6.3 The movement in equity instruments designated at fair value through other comprehensive income during the period / year is as follows:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	SR	SR
Opening balance	145,885,775	82,496,266
Change in fair value	-	80,620,146
Proceeds from disposal	-	(17,230,637)
Closing balance	145,885,775	145,885,775

Investment in equity instruments designated at fair value through other comprehensive income are classified under level 2 and 3 of the fair value hierarchy.

7. INVESTMENTS IN EQUITY INSTRUMENTS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

The movement in equity instruments designated at FVTPL is set out below:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	SR	SR
Opening balance	-	-
Additions during the period / year	154,329,565	-
Fair value of assets acquired on disposal of subsidiaries (note 17.2)*	487,479,096	-
Change in fair value	23,686,537	-
Disposals during the period / year	(19,632,640)	-
Closing balance	645,862,558	-

These equity investments have been made through the Saudi Stock Exchange and their values are determined based on the quoted market price available, which is a Level 1 input in terms of IFRS 13 Fair Value Measurement.

*The Group had acquired shares in Dallah Healthcare Company (note 17.2) on the disposal of its subsidiaries which are subject to a lock-up period of twelve months from date of last purchase. The Group's management has elected through BOD approval to measure its investment in the equity instruments of Dallah Healthcare Company at fair value through profit or loss (FVTPL).

Amounts recognized in condensed consolidated interim statement of profit or loss and other comprehensive income for the period / year are as follows:

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	SR	SR
Fair value gain on financial assets at FVTPL	23,686,537	-
Gain on disposal of financial assets at FVTPL	727,884	-
	24,414,421	-

8. INVESTMENT PROPERTIES

Investment properties represents lands and leased buildings held by the Group. The fair value of the investment properties amounted to SR 221.28 million which was determined based on the valuation during the period ended June 30, 2025 by independent certified real estate valuers as follows:

- Mumtalkati Appraisal Company and evaluation license for the valuator Abdullah Ali Umar No. 1210000540.
- Barcode Assets Valuation and evaluation license for the valuator Abdul Karim Mohamed No. 1210000001.

The fair value of the properties has been determined based on the prevailing market prices for similar investment properties. As per the management assessment, there were no significant change in the fair value of its investment properties since the last valuation.

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9. RESERVE FOR ACQUISITION OF ADDITIONAL SHARES IN A SUBSIDIARY

This reserve represents the difference between the consideration paid to acquire additional shares in Al Ahsa Medical Services Company (a subsidiary) and the fair value of those additional shares.

During the period ended March 31, 2024, the group acquired an additional share of 1.03% of the non-controlling interests of the subsidiary, which led to an increase in the effective ownership percentage in the subsidiary from 96.3% to 97.4%. However this reserve for acquisition of additional shares in a subsidiary has been eliminated due to the disposal of subsidiary during the quarter ended March 31, 2025.

The movement on the reserve for acquisition of additional shares in a subsidiary during the period / year is as follows:

	June 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
	SR	SR
Opening balance	124,221,642	122,454,330
Derecognition of reserve for acquisition of additional shares in a subsidiary on the disposal of the subsidiary	(124,221,642)	-
Additional reserve for the acquired ownership (note 9.1)	-	1,767,312
Closing balance	-	124,221,642

9.1 Addition to the reserves during the year ended December 31, 2024 has been calculated as follows:

	December 31, 2024
	(Audited)
	SR
Consideration paid	4,040,400
Value of net assets acquired	(2,368,500)
Excess consideration paid over value	1,671,900
<i>Comprise of:</i>	
Share of reserve for remeasurement of employees defined benefits obligations	(95,412)
Reserve for acquisition of additional shares in a subsidiary	1,767,312
	1,671,900

10. TRADE RECEIVABLES, PREPAYMENTS AND OTHER ASSETS

	June 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
	SR	SR
Guarantee deposit (note 10.1)	30,974,690	-
Trade receivables	1,967,151	2,313,372
Prepayments and other receivables	2,142,667	2,269,937
	35,084,508	4,583,309
Less: Expected credit losses	(29,083)	(29,083)
	35,055,425	4,554,226

10.1 This relates to deposit at bank related to guarantee provided in favor of Dallah Healthcare Company (note 17.2.2).

11. SHORT TERM LOANS

	June 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
	SR	SR
Short term loan – Al Ahsa Food Industries Company (note 11.1)	1,040,902	4,109,481
	1,040,902	4,109,481

11.1 This loan belongs to the subsidiary (Al Ahsa Food Industries Company) which obtained a facility from a local bank amounting to SR 5 million to finance working capital. The balance of the loan amounted to SR 1.04 million as of June 30, 2025. During the period, the subsidiary obtained SR 1 million and paid SR 4 million.

The facility comprises of forward sale financing. As per the agreements the facility is guaranteed by corporate guarantee from Ayyan investment company and from the guarantee program to finance small and medium enterprises. The outstanding balance is repayable in 6 months. The facility carries finance charges at market rates. As per the facility agreement, the subsidiary has to maintain certain non-financial covenants, and there were no breach of covenants.

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12. TRADE PAYABLES, ACCRUED EXPENSES AND OTHER LIABILITIES

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
	SR	SR
Trade payables	772,036	1,956,947
Accrued employees' benefit payable	674,348	745,595
Other payables (note 12.1)	33,554,171	2,805,729
	35,000,555	5,508,271

12.1 The other payables include provision made by the Group for expected leakage as per share purchase and subscription agreement (note 17.2.2).

13. EARNINGS PER SHARE

Earnings / (loss) per share of profit for the period is calculated by dividing the net profit for the period attributable to shareholders by the weighted average number of shares outstanding during the period. Earnings / (loss) per share is as follows:

	Three months period ended June 30,		Six months period ended June 30,	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	SR	SR	SR	SR
Profit / (loss) attributable to the ordinary shareholders of the Group used in calculating basic and diluted earnings per share:				
From continuing operations	17,788,907	1,137,694	16,065,070	726,247
From discontinued operations	-	(49,440,052)	369,086,298	(104,681,750)
	17,788,907	(48,302,358)	385,151,368	(103,955,503)
Weighted average number of ordinary shares outstanding during the period	100,636,328	80,636,328	100,636,328	80,636,328
Basic and diluted earnings per share				
Basic and diluted earnings per share attributable to the ordinary shareholders of the Group				
- From continuing operations	0.18	0.01	0.16	0.01
- From discontinued operations	-	(0.61)	3.67	(1.30)
Total basic and diluted earnings / (loss) per share attributable to the ordinary shareholders of the Group	0.18	(0.60)	3.83	(1.29)

14. RELATED PARTIES TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties consist of the shareholders, directors and businesses in which shareholders and directors, individually or combined, have significant influence. The Group's transactions with related parties are entered at arm's length basis in a normal course of business and are authorized by the management.

For related party transactions related to the discontinued operations (disposal group held for sale) refer to note 17.5.

Compensation of key management personnel of the Company:

Senior management is represented by senior members of the Board of Directors and senior executives in the Company who have the powers and responsibilities of planning, directing and controlling the Company's activities. The following are the benefits and rewards of senior management employees of the Company.

Description	Nature of the transaction	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)
Members of the Board of Directors and other committees*	Allowances for attending meetings and bonuses	3,070,199	165,000
Senior management staff	Salaries, allowances and incentives	1,337,872	1,032,196

* The allowances for attending the meetings includes payments amounting to SR 0.9 million to the board of directors of disposal group classified held for sale.

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15. SEGMENT REPORTING

The main activities of the Group are categorized into three main business sectors, the medical services sector represented by Al Ahsa Medical Services company and Al-Salam Medical Services Company; the manufacturing sector represented by Al Ahsa Food Industries Company specializing in the production and packaging of dates; and Investment sector represented by Ayyan Investment Company. The whole medical services sector has been disposed of during the period ending June 30, 2025. The financial information is summarized in accordance with the main activities as follows:

	Manufacturing Sector	Investment Sector	Disposal group (note 17)	Eliminations	Total
<u>June 30, 2025 - (Unaudited)</u>	SR	SR	SR	SR	SR
Total Assets	19,511,538	1,035,065,642	-	(15,425,589)	1,039,151,591
Total Liabilities	19,941,077	42,614,059	-	(15,425,589)	47,129,547
<u>December 31, 2024 - (Audited)</u>					
Total Assets	21,182,775	370,622,814	1,569,687,047	(228,746,240)	1,732,746,396
Total Liabilities	8,739,407	6,986,362	1,332,747,647	(228,746,240)	1,119,727,176

The following table summarizes the financial information disaggregated by business segments for the six months' period ending June 30, 2025 and June 30, 2024:

	Manufacturing Sector	Investment Sector	Discontinued operations (note 17)	Total
<u>June 30, 2025 - (Unaudited)</u>	SR	SR	SR	SR
Revenue	4,558,379	-	-	4,558,379
Depreciation and amortization	378,645	245,358	-	624,003
Finance costs	136,965	-	-	136,965
Net (loss) / profit	(913,725)	16,978,795	368,204,544	384,269,614
<u>June 30, 2024 - (Unaudited)</u>				
Revenue	9,027,276	-	-	9,027,276
Depreciation and amortization	397,139	87,489	-	484,628
Finance costs	196,890	-	-	196,890
Net (loss) / profit	(55,908)	782,155	(104,994,440)	(104,268,193)

Segment revenues reported above represent revenues generated from both external customers and related parties. There were no significant inter-segment revenues during the six months period ended June 30, 2025 and 2024.

All of the Groups' operating assets and principal markets of activity are located in the Kingdom of the Saudi Arabia.

16. CONTINGENCIES AND COMMITMENTS

As of June 30, 2025, there are no contingencies and commitments (December 31, 2024: capital commitments related to the discontinued operations amounting to SR 3.98 million).

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17. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On February 26, 2024, Ayyan Investment Company announced the signing of a non-binding memorandum of understanding (MOU) with Dallah Health Services Company (Dallah) regarding the sale of all its shares in Al Salam Medical Services Company - ASMSC (a subsidiary) and Al-Ahsa Medical Services Company - AMSC (a subsidiary). On August 19, 2024, the Company signed a share purchase and subscription agreement (SPSA) with Dallah. The consideration for this transaction, due to the Group by Dallah will be non-cash, consisting of the issuance of new shares by Dallah to the Company amounting to 3,893,603 shares, which will represent 3.83% of Dallah's share capital after its capital increase. Cash consideration payable to the Company or Dallah based on certain conditions specified in the SPSA was also agreed. The transaction was subject to a number of conditions precedent specified in the SPSA, which included certain terms relating to the contracts and operations of the subsidiaries under sale and other conditions as specified by both parties. Legal formalities related to the sale were completed by March 23, 2025 (date of disposal). The deal has resulted in a gain amounting to SR 418.06 million (note 17.2).

17.1 Financial performance of the disposal group classified as held for sale:

For the period ended March 23, 2025 (date of disposal):

	Al Ahsa Medical Services Company (Unaudited)	Al-Salam Medical Services Company (Unaudited)	Total (Unaudited)
	SR	SR	SR
Revenue	31,133,227	79,101,745	110,234,972
Cost of revenue	(52,937,150)	(65,663,973)	(118,601,123)
Selling and distribution expenses	-	(1,108,543)	(1,108,543)
General and administrative expenses	(11,916,680)	(18,239,379)	(30,156,059)
Expected credit loss (ECL) allowance on trade re- ceivables, net	-	(680,815)	(680,815)
Other income	1,075,739	290,291	1,366,030
Finance costs	(435,896)	(9,503,244)	(9,939,140)
Net loss before zakat	(33,080,760)	(15,803,918)	(48,884,678)
Zakat	(972,581)	-	(972,581)
Net loss	(34,053,341)	(15,803,918)	(49,857,259)
Gain on sale of subsidiaries (note 17.2)	-	-	418,061,803
Total comprehensive (loss) / income	(34,053,341)	(15,803,918)	368,204,544

For the six month period ended June 30, 2024:

	Al Ahsa Medical Services Company (Unaudited)	Al Salam Medical Services Company (Unaudited)	Total (Unaudited)
	SR	SR	SR
Revenue	124,631,258	72,358,636	196,989,894
Cost of revenue	(112,219,097)	(109,114,149)	(221,333,246)
Selling and distribution expenses	-	(2,988,534)	(2,988,534)
General and administrative expenses	(23,199,229)	(28,624,760)	(51,823,989)
Other income	6,572,576	609,034	7,181,610
Finance costs	(1,796,422)	(28,681,865)	(30,478,287)
Net loss before zakat	(6,010,914)	(96,441,638)	(102,452,552)
Zakat	(2,541,888)	-	(2,541,888)
Net loss	(8,552,802)	(96,441,638)	(104,994,440)
Other comprehensive income	-	-	-
Total comprehensive loss	(8,552,802)	(96,441,638)	(104,994,440)

17.2 Gain on sale of the disposal group classified as held for sale:

	March 23, 2025 (Unaudited)
	SR
Fair value of consideration received*	487,479,096
Add: Ayyan Investment Company share of net assets (note 17.3)	12,184,646
Less: Leakage related to losses of subsidiary (note 17.2.1 and 17.2.3)	(50,627,249)
Less: Provision against expected losses (note 17.2.2)	(30,974,690)
Gain on sale of subsidiaries	418,061,803

* The fair value of consideration received has been calculated based on 3,893,603 shares, issued by Dallah Healthcare Company for Ayyan Investment Company multiplied by the fair value of shares issued on the date of March 23, 2025 which amounted to SR 125.2 per share.

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17. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (Continued)

17.2 Gain on sale of the disposal group classified as held for sale (Continued)

17.2.1 This amount represents the leakage amount agreed upon in accordance with the SPSA between Dallah Healthcare Company and the Group. The amount has been determined based on the terms of the SPSA and relates to the losses of ASMSC exceeding SR 145 million up to February 28, 2025.

17.2.2 This represents the expected rejection of certain insurance claims related to one of AMSC's insurance companies. It is reasonably certain that the claims will be rejected in full, amounting to SR 30.97 million. Accordingly, the Group has issued a bank guarantee in favor of Dallah Healthcare Company to cover this exposure.

17.2.3 As at March 23, 2025 (the date of disposal), the Group had a receivable balance of SR 257 million from ASMSC, comprising a loan of SR 63 million and an equity contribution of SR 194 million. This balance was reduced by SR 50.63 million, representing the leakage adjustment derived from ASMSC's accumulated losses. Subsequent to the disposal, the Group received SR 175.4 million from Dallah Healthcare Company on March 26, 2025, with the remaining SR 30.94 million received on April 3, 2025.

17.3 Details of the assets and liabilities of disposal group classified as held for sale

Carrying amounts of assets and liabilities as at March 23, 2025 (date of disposal) were as follows:

	Note	Al Ahsa Medical Services Company (Unaudited) SR	Al-Salam Medical Services Company (Unaudited) SR	Total before eliminations (Unaudited) SR	Group eliminations (Unaudited) SR	Inter- company eliminations (Unaudited) SR	Total (Unaudited) SR
Assets							
Property and equipment		143,728,557	905,525,854	1,049,254,411	-	-	1,049,254,411
Right of use assets		4,875,216	52,194,400	57,069,616	-	-	57,069,616
Goodwill		2,094,678	-	2,094,678	-	-	2,094,678
Intangible assets		3,002,165	12,365,905	15,368,070	-	-	15,368,070
Investment properties		2,167,981	2,647,678	4,815,659	-	-	4,815,659
Trade and other receivables		114,642,541	81,480,571	196,123,112	-	-	196,123,112
Due from related parties	17.5	169,441,708	-	169,441,708	-	(169,266,291)	175,417
Inventories		18,776,767	21,404,759	40,181,526	-	-	40,181,526
Cash and cash equivalents		984,285	13,498,671	14,482,956	-	-	14,482,956
Total assets		459,713,898	1,089,117,838	1,548,831,736	-	(169,266,291)	1,379,565,445
Liabilities							
Long term loans		23,657,251	504,773,614	528,430,865	-	-	528,430,865
Lease liabilities		3,355,396	51,930,602	55,285,998	-	-	55,285,998
Employee defined benefit liabilities		40,756,832	13,852,033	54,608,865	-	-	54,608,865
Short term loans		107,349,478	91,437,707	198,787,185	-	-	198,787,185
Trade payables, accrued expenses and other liabilities		75,489,597	83,073,505	158,563,102	-	-	158,563,102
Due to related parties	17.5	307,791	360,823,580	361,131,371	(63,000,000)	(169,266,291)	128,865,080
Zakat provision		4,719,891	222,315	4,942,206	-	-	4,942,206
Total liabilities		255,636,236	1,106,113,356	1,361,749,592	(63,000,000)	(169,266,291)	1,129,483,301
Net assets of subsidiaries disposed		204,077,662	(16,995,518)	187,082,144	63,000,000	-	250,082,144
Less: receivable against equity contribution	17.2.3	-	(194,000,000)	(194,000,000)	-	-	(194,000,000)
Less: receivable against loans	17.2.3	-	(63,000,000)	(63,000,000)	-	-	(63,000,000)
Less: non-controlling interest		(5,266,790)	-	(5,266,790)	-	-	(5,266,790)
Company's share of net assets		198,810,872	(273,995,518)	(75,184,646)	63,000,000	-	(12,184,646)

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FOR THE THREE AND SIX MONTHS PERIOD ENDED JUNE 30, 2025

17. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (Continued)

17.3 Details of the assets and liabilities of disposal group classified as held for sale (Continued)

Carrying amounts of assets and liabilities as at December 31, 2024 were as follows:

	Note	Al Ahsa Medical Services Company	Al Salam Medical Services Company	Total before eliminations	Group level elimination	Inter- company elimination	Total
		SR	SR	SR	SR	SR	SR
Assets							
Property, plant and equipment		142,631,047	904,593,897	1,047,224,944	-	-	1,047,224,944
Right of use assets		4,875,216	52,194,400	57,069,616	-	-	57,069,616
Goodwill		2,094,678	-	2,094,678	-	-	2,094,678
Intangible assets		3,002,165	12,365,905	15,368,070	-	-	15,368,070
Investment properties		2,167,981	2,647,678	4,815,659	-	-	4,815,659
Trade and other receivables		132,029,615	79,252,038	211,281,653	-	-	211,281,653
Due from related parties	17.5	175,956,995	-	175,956,995	-	(175,746,240)	210,755
Inventories		21,437,893	19,564,986	41,002,879	-	-	41,002,879
Cash and cash equivalents		9,911,795	4,960,758	14,872,553	-	-	14,872,553
Total assets		494,107,385	1,075,579,662	1,569,687,047	-	(175,746,240)	1,393,940,807
Liabilities							
Long term loans		26,017,709	510,815,581	536,833,290	-	-	536,833,290
Lease liabilities		3,654,510	54,761,264	58,415,774	-	-	58,415,774
Employee defined benefit liabilities		39,853,807	12,371,829	52,225,636	-	-	52,225,636
Short term loans		120,592,284	91,237,610	211,829,894	-	-	211,829,894
Trade payables, accrued expenses and other liabilities		62,110,763	66,228,586	128,339,349	-	-	128,339,349
Due to related parties	17.5	-	341,134,079	341,134,079	(53,000,000)	(175,746,240)	112,387,839
Zakat provision		3,747,310	222,315	3,969,625	-	-	3,969,625
Total liabilities		255,976,383	1,076,771,264	1,332,747,647	(53,000,000)	(175,746,240)	1,104,001,407
Net assets		238,131,002	(1,191,602)	236,939,400	53,000,000	-	289,939,400

17.4 Cash flows for the three months period ended March 23, 2025 and June 30, 2024 are as follows:

	March 23, 2025 (Unaudited)	June 30, 2024 (Unaudited)
	SR	SR
Net cash generated from operating activities	21,055,300	9,567,378
Net cash used in investing activities	(2,029,469)	(18,549,981)
Net (cash used in) / generated from financing activities	(19,415,428)	16,961,167
Net (decrease) / increase in cash and cash equivalents	(389,597)	7,978,564

17.5 Related party transactions by discontinued operations (disposal group held for sale)

During the period ended March 23, 2025 (date of disposal), other than the transactions disclosed in note 14, related party transactions include purchases/ services received by disposal group (discontinued operations) amounting to SR 1.84 million (June 30, 2024: SR 5.83 million). Revenue from affiliate amounting to nil (June 30, 2024: SR 0.96 million). Funds received from an affiliate by an amount of SR 16 million (June 30, 2024: SR 76.87 million). Further expenses recharged to affiliates amounted to SR 0.91 million (June 30, 2024: SR 3.49 million).

Due from related party balances were stated as follows:

	March 23, 2025 (Unaudited)	December 31, 2024 (Audited)
	SR	SR
Al-Othman Agricultural Production and Processing Company	175,417	179,544
Takween Developed Industrial Company	-	31,211
	175,417	210,755

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17. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (Continued)

17.5 Related party transactions by discontinued operations (disposal group held for sale) (Continued)

Due to related party balances are stated as follows:

	March 23, 2025 (Unaudited)	December 31, 2024 (Audited)
	SR	SR
Al Othman Holding Group of Companies	126,450,923	109,673,682
Systems of Strategic Business Solutions	2,414,157	2,714,157
	128,865,080	112,387,839

During the period ended March 23, 2025, AMSC charged finance cost amounting to SR 1.57 million to its related party, ASMSC, in respect of a loan arrangement whereby AMSC had acquired bank loans and subsequently provided to ASMSC.

Subsequent to the date of disposal, Dallah Healthcare Company settled balances of related parties amounting to SR 113.46 million on behalf of the disposal group. The remaining balance represents amounts due to related parties arising from normal business operations.

18. SUBSEQUENT EVENT

In the opinion of management, there were no other significant subsequent events after June 30, 2025 and up to the date of approval of the condensed consolidated interim financial statements by the Board of Directors which may have a material impact on the condensed consolidated interim financial statements as of June 30, 2025 other than as disclosed elsewhere in these condensed consolidated interim financial statements.

19. APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The condensed consolidated interim financial statements were approved by the board of directors on Muharram 20, 1447H corresponding to July 15, 2025.