

SAUDI MARKETING COMPANY
(FARM SUPERSTORES)
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL
STATEMENTS AND INDEPENDENT AUDITOR'S
REVIEW REPORT FOR THE THREE AND SIX MONTH
PERIODS ENDED JUNE 30, 2025**

SAUDI MARKETING COMPANY (FARM SUPERSTORES)

(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2025**

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

To the Shareholders of
Saudi Marketing Company (Farm Superstores)
(A Saudi Joint Stock Company)
Dammam, Saudi Arabia

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Saudi Marketing Company (Farm Superstores) ("the Company") and its subsidiary (collectively referred to as "the Group") which comprises the condensed consolidated interim statement of financial position as at June 30, 2025 and the related condensed consolidated interim statement of profit or loss and other comprehensive income for the three and six month periods then ended and the related condensed consolidated interim statements of changes in equity and cash flows for the six month period then ended 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 34 – ("IAS 34") "Interim Financial Reporting" 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 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 Dr. Mohamed Al-Amri & Co.



Ahmed Al Jumah
Certified Public Accountant
Registration No. 621



Dammam, on 18 Safar 1447 (H)
Corresponding to: 12 August, 2025 G

SAUDI MARKETING COMPANY (FARM SUPERSTORES)



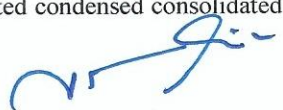
(A Saudi Joint Stock Company)

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

(Expressed in Saudi Riyals ﷲ)

	Notes	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS			
Non-current assets			
Property and equipment	4	715,577,209	698,916,613
Right of use assets		652,653,628	573,291,426
Investment properties		28,328,566	28,421,517
Intangible assets		389,321	463,837
Investment in equity instruments at fair value through other comprehensive income ("FVOCI")		765,792	733,789
Total non-current assets		1,397,714,516	1,301,827,182
Current assets			
Inventories		983,020,452	996,798,177
Trade receivables		12,340,438	7,744,938
Prepayments and other receivables		25,598,709	51,965,108
Due from related parties	5	5,937,803	6,998,788
Investments at fair value through profit or loss ("FVTPL")		15,539,676	18,019,699
Cash and cash equivalents		18,452,419	18,646,048
Total current assets		1,060,889,497	1,100,172,758
TOTAL ASSETS		2,458,604,013	2,401,999,940
EQUITY AND LIABILITIES			
Equity			
Share capital		450,000,000	450,000,000
Statutory reserve		103,299,728	103,299,728
Retained earnings		145,781,220	132,183,146
Fair value reserve of equity instruments at ("FVOCI")		(492,037)	(524,040)
Equity attributable to the shareholders of the Company		698,588,911	684,958,834
Non-controlling interests		(376,271)	(287,907)
Total equity		698,212,640	684,670,927
Non-current liabilities			
Long term loans	6	38,888,889	28,534,446
Lease liability		686,316,197	606,606,368
Employees end of service benefits		76,080,906	72,429,474
Other liabilities	7	610,226	4,271,462
Total non-current liabilities		801,896,218	711,841,750
Current liabilities			
Trade payables and accruals		280,942,684	342,025,385
Short term loans	6	543,811,359	548,000,000
Current portion of long term loans	6	52,789,613	41,677,000
Current portion of lease liability		70,794,160	59,812,294
Advances against sub lease		770,791	3,083,162
Provision for Zakat	7	9,386,548	10,889,422
Total current liabilities		958,495,155	1,005,487,263
Total liabilities		1,760,391,373	1,717,329,013
TOTAL EQUITY AND LIABILITIES		2,458,604,013	2,401,999,940

The accompanying notes from 1 to 10 form an integral part of these unaudited condensed consolidated interim financial statements.

		
Chairman	CEO	CFO
Hazem Fayeze Al Aswad	Maher Hazem Fayeze Al Aswad	Salman Ejaz Khawaja Ejaz Ur Rehman

SAUDI MARKETING COMPANY (FARM SUPERSTORES)

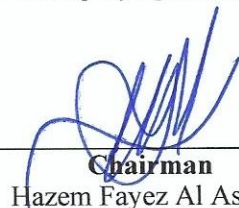
(A Saudi Joint Stock Company)

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

(Expressed in Saudi Riyals ﷻ)

	Notes	For the three month period ended June 30,		For the six month period ended June 30,	
		2025	2024	2025	2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue		438,010,648	440,063,000	907,664,821	916,928,469
Cost of revenue		(291,250,192)	(294,125,914)	(606,248,287)	(630,372,696)
Gross profit		146,760,456	145,937,086	301,416,534	286,555,773
Selling and distribution expenses		(96,780,769)	(95,434,231)	(193,190,389)	(191,014,091)
General and administrative expenses		(24,774,466)	(22,011,762)	(48,308,199)	(46,379,984)
Rental income		4,275,969	3,966,548	7,344,192	7,540,114
Profit from operations		29,481,190	32,457,641	67,262,138	56,701,812
Finance cost		(19,808,683)	(17,193,635)	(42,997,172)	(34,377,275)
Other (expenses) / income - net		(1,259,620)	412,463	(8,712,678)	3,035,759
Profit before Zakat		8,412,887	15,676,469	15,552,288	25,360,296
Zakat	7	(575,175)	(9,215,109)	(2,042,578)	(12,115,109)
NET PROFIT FOR THE PERIOD		7,837,712	6,461,360	13,509,710	13,245,187
Other comprehensive (loss) / income					
<i>Items that will not to be reclassified to profit or loss in subsequent periods:</i>					
Fair value gain/(loss) on re-measurement of equity instruments at FVOCI		68,578	(41,147)	32,003	116,583
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		7,906,290	6,420,213	13,541,713	13,361,770
Net profit / (loss) attributable to:					
Shareholders of the Company		7,878,230	6,528,140	13,598,074	13,377,816
Non-controlling interests		(40,518)	(66,780)	(88,364)	(132,629)
		7,837,712	6,461,360	13,509,710	13,245,187
Total comprehensive income / (loss) attributable to:					
Shareholders of the Company		7,946,808	6,486,993	13,630,077	13,494,399
Non-controlling interests		(40,518)	(66,780)	(88,364)	(132,629)
		7,906,290	6,420,213	13,541,713	13,361,770
Earnings per share					
Basic and diluted earnings per share	9	0.18	0.15	0.30	0.30

The accompanying notes from 1 to 10 form an integral part of these unaudited condensed consolidated interim financial statements.


Chairman
Hazem Faye Al Aswad


CEO
Maher Hazem Faye Al Aswad


CFO
Salman Ejaz Khawaja Ejaz Ur Rehman

SAUDI MARKETING COMPANY (FARM SUPERSTORES)
(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025
(Expressed in Saudi Riyals ﷻ)

-----Attributable to the shareholders of the Company-----

	Share capital	Statutory reserve	Retained earnings	Fair value reserve of equity instruments at FVOCI	Total	Non-controlling interests	Total equity
At January 01, 2024 (audited)	450,000,000	103,299,728	107,983,733	(702,344)	660,581,117	(53,157)	660,527,960
Net profit / (loss) for the period	-	-	13,377,816	-	13,377,816	(132,629)	13,245,187
Other comprehensive income	-	-	-	116,583	116,583	-	116,583
Total comprehensive income/ (loss) for the period	-	-	13,377,816	116,583	13,494,399	(132,629)	13,361,770
At June 30, 2024 (un-audited)	450,000,000	103,299,728	121,361,549	(585,761)	674,075,516	(185,786)	673,889,730
At January 01, 2025 (audited)	450,000,000	103,299,728	132,183,146	(524,040)	684,958,834	(287,907)	684,670,927
Net profit / (loss) for the period	-	-	13,598,074	-	13,598,074	(88,364)	13,509,710
Other comprehensive income	-	-	-	32,003	32,003	-	32,003
Total comprehensive income/ (loss) for the period	-	-	13,598,074	32,003	13,630,077	(88,364)	13,541,713
At June 30, 2025 (un-audited)	450,000,000	103,299,728	145,781,220	(492,037)	698,588,911	(376,271)	698,212,640

The accompanying notes from 1 to 10 form an integral part of these unaudited condensed consolidated interim financial statements.


Chairman

Hazem Fayeze Al Aswad


CEO

Maher Hazem Fayeze Al Aswad


CFO

Salman Ejaz Khawaja Ejaz Ur Rehman

SAUDI MARKETING COMPANY (FARM SUPERSTORES)

(A Saudi Joint Stock Company)

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

(Expressed in Saudi Riyals ٬)

	Notes	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before Zakat		15,552,288	25,360,296
<i>Adjustments for:</i>			
Depreciation of property and equipment	4	33,888,583	31,287,706
Depreciation of right of use assets		36,218,285	33,977,972
Depreciation of investment properties		92,951	92,951
Amortization of intangible assets		118,032	230,016
Provision for employees' end of service benefits		6,074,098	5,791,014
Loss / (gain) on disposal of property and equipment – net		831,360	(83,036)
Gain on disposal of assets classified as held for sale		-	(2,515,386)
Allowance for obsolete / slow moving inventories		2,352,928	2,868,311
Loss on lease modification		4,516,299	-
Finance cost		42,997,172	34,377,275
Unrealized loss / (gain) on investments at FVTPL		3,630,414	(2,281,665)
		146,272,410	129,105,454
<i>Changes in:</i>			
Inventories		11,424,797	4,783,557
Trade receivables		(4,595,500)	(5,683,868)
Prepayments and other receivables		26,366,399	17,741,127
Due from related parties		1,060,985	2,209,202
Trade payables and accruals		(61,082,701)	(66,459,303)
Advances against sub lease		(2,312,371)	(2,469,891)
Cash provided by operations		117,134,019	79,226,278
Employees' end of service benefits paid		(2,422,666)	(5,510,220)
Finance cost paid		(24,603,721)	(17,398,427)
Zakat paid		(7,206,688)	(3,620,138)
Net cash generated from operating activities		82,900,944	52,697,493
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property and equipment	4	(51,530,712)	(80,221,474)
Proceeds from disposal of property and equipment		150,173	83,036
Proceeds from disposal of assets classified as held for sale		-	40,875,016
Purchases of intangible assets		(43,516)	(12,059)
Purchases of investments at FVTPL		(1,150,391)	(679,382)
Net cash used in investing activities		(52,574,446)	(39,954,863)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term loans		(28,532,944)	(24,921,834)
Proceeds from long term loans		50,000,000	-
Net change in short term loans		(4,188,641)	52,237,667
Repayment of lease liability		(47,798,542)	(41,511,463)
Net cash used in financing activities		(30,520,127)	(14,195,630)
Net change in cash and cash equivalents		(193,629)	(1,453,000)
Cash and cash equivalents at beginning of the period		18,646,048	19,487,577
Cash and cash equivalents at end of the period		18,452,419	18,034,577
Significant non-cash transactions:			
Additions to right of use assets		115,580,487	20,524,824
Transfers from capital work in progress to property and equipment		26,112,168	23,028,299

The accompanying notes from 1 to 10 form an integral part of these unaudited condensed consolidated interim financial statements.

		
Chairman	CEO	CFO
Hazem Fayed Al Aswad	Maher Hazem Fayed Al Aswad	Salman Ejaz Khawaja Ejaz Ur Rehman

SAUDI MARKETING COMPANY (FARM SUPERSTORES)

(A Saudi Joint Stock Company)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025

(Expressed in Saudi Riyals ﷲ)

1. CORPORATE INFORMATION AND GROUP STRUCTURE

Saudi Marketing Company (Farm Superstores) (the "Company") is a Saudi Joint Stock Company registered in Dammam, Kingdom of Saudi Arabia under Commercial Registration Number 2050006430 dated Muharram 2, 1399H (corresponding to December 03, 1978). The Company's registered office is P.O. Box 4605, Dammam 31412, Kingdom of Saudi Arabia. The Company operates through the branches. The financial results of those branches are included in these condensed consolidated interim financial statements.

At the reporting date, the Company has a following subsidiary (collectively referred to as the "Group"):

Subsidiary name	Country of incorporation	Effective ownership interest (%)		
		June 30, 2025 (Unaudited)	December 31, 2024 (Audited)	June 30, 2024 (Un-audited)
Pure Springs Agencies and Trading Company Limited	Kingdom of Saudi Arabia	90%	90%	90%

The subsidiary is engaged in managing and operating coffee shops.

The Group is engaged in the following activities:

- Wholesale and retail of foodstuff, household consumables, toys, textiles and stationery;
- Marketing services on behalf of third parties and managing and operating bakeries;
- Managing and operating restaurants and coffee shops and providing fast food items and cold and hot beverages;
- Establishment, operation and maintenance of amusement centres.

2. BASIS OF PREPARATION AND BASIS OF MEASUREMENT

2.1 Statement of compliance

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

These condensed consolidated interim financial statements do not include all the information and disclosures required in annual consolidated financial statements and therefore, should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2024.

The methods of computation and accounting policies adopted in the preparation of these condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2024 and the significant judgements made by management in applying the Group's key sources of estimation uncertainty are similar to those described in the Group's annual consolidated financial statements for the year ended December 31, 2024.

The results for the six months period ended June 30, 2025 are not necessarily indicative of the results that can be expected for the year ending December 31, 2025.

2.2 Basis of measurement

These condensed consolidated interim financial statements have been prepared using the accrual basis of accounting under the historical cost convention, except for:

- The remeasurement of equity instruments at FVOCI and at FVTPL which are measured at fair values, and;
- Employees end of service benefits that have been measured at the present value using Projected Unit Credit method.

SAUDI MARKETING COMPANY (FARM SUPERSTORES)

(A Saudi Joint Stock Company)

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

(Expressed in Saudi Riyals ﷲ)

3. BASIS OF PREPARATION AND BASIS OF MEASUREMENT (CONTINUED)**2.2 Basis of measurement (continued)**

As of June 30, 2025 and December 31, 2024, the carrying values of the financial assets and financial liabilities approximate to their fair values. Investment in equity instrument at FVOCI and FVTPL are determined at level 1 of the fair value hierarchy.

These condensed consolidated interim financial statements are presented in Saudi Riyal (ﷲ) which is also the functional currency of the Group. All amounts have been rounded off to the nearest Saudi Riyal (ﷲ) unless otherwise stated.

2.3 New accounting standards, interpretations and amendments

There are no new standards issued, however, there are amendments to standards which are effective from January 01, 2025 and onwards and have been explained in Group's annual consolidated financial statements for the year ended December 31, 2024, but these do not have a material effect on the Group's condensed consolidated interim financial statements for the six months period ended June 30, 2025.

3. SEGMENT INFORMATION**Operating segments**

For management purposes, the Group is organized into business units based on its products and services and has three reportable segments, as follows:

- The retail segment - this segment includes sale of goods to customers commonly at the store checkout for the sales via the Group's stores.
- The household segment - this segment includes sale of goods to the wholesale customers.
- The entertainment service segment - this segment includes services provided by operating kids play grounds "Adventure World".

All of the Group's operations are located in the Kingdom of Saudi Arabia. Control of products / services is transferred at a point in time and directly sold / provided to the customers. The selected information for each operating segment for the periods ended June 30, 2025 and June 30, 2024 are as follows:

Period ended June 30, 2025 (un-audited)	Retail	Household	Entertainment services	Total
Revenue	855,713,845	2,476,227	49,474,749	907,664,821
Depreciation and amortization	54,395,577	29,902	15,892,372	70,317,851
Profit from operations	44,352,468	192,834	22,716,836	67,262,138
Net profit / (loss) for the period	8,254,655	(1,807,166)	7,062,221	13,509,710
Total non-current assets	1,086,908,076	108,926	310,697,514	1,397,714,516
Total assets	2,147,797,573	108,926	310,697,514	2,458,604,013
Total liabilities	1,632,877,379	-	127,513,994	1,760,391,373
Period ended June 30, 2024 (un-audited)	Retail	Household	Entertainment services	Total
Revenue	872,201,449	2,869,869	41,857,151	916,928,469
Depreciation and amortization	59,662,875	32,298	5,893,472	65,588,645
Profit from operations	37,821,718	427,631	18,452,463	56,701,812
Net profit / (loss) for the period	9,488,401	(2,030,664)	5,787,450	13,245,187
Total non-current assets	1,065,688,684	169,724	204,526,888	1,270,385,296
Total assets	2,125,817,647	169,724	204,526,888	2,330,514,259
Total liabilities	1,568,441,957	-	88,182,572	1,656,624,529

SAUDI MARKETING COMPANY (FARM SUPERSTORES)
(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025**
(Expressed in Saudi Riyals ﷲ)

4. PROPERTY AND EQUIPMENT

During the six months period ended June 30, 2025, the Group purchased property and equipment with a cost of ﷲ 51.5 million (June 30, 2024: ﷲ 80.2 million) including additions to construction work in progress amounted to ﷲ 45.3 million (June 30, 2024: ﷲ 43.5 million) and disposed off assets with a cost of ﷲ 2.8 million (June 30, 2024: ﷲ 0.9 million). The depreciation charge for the six months period ended June 30, 2025 was amounted to ﷲ 33.9 million (June 30, 2024: ﷲ 31.3 million).

5. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties include shareholders, key management personnel and the entities controlled, jointly controlled or significantly influenced by such parties and entities having common directorship.

The significant transactions with related parties are as follows:

Related parties	Relationship	Nature of transactions	Amounts of transaction for six months period ended June 30,	
			2025 (Unaudited)	2024 (Unaudited)
Al Karam Restaurant	Common directorship	Collection	(88,671)	-
Al Aswad Trading and Contracting Company	Common directorship	Rental and advances paid	(636,275)	(2,211,753)
		Purchases	-	521,258
		Rental income	349,990	972,752
Al Aswad Trading Company	Common directorship	Purchases	1,241,751	1,018,075
		Gondola, rental income and sales	(101,515)	(83,422)
		Payments	(1,444,068)	(1,317,150)
Space Travel and Tourism Agency	Common directorship	Purchases	747,195	394,547
		Payments	(673,598)	(518,056)
Al-Aswad for Real Estate Services Company	Common directorship	Collection	(210,000)	-

The above amounts of related party transactions are mentioned exclusive of VAT.

Amounts due from related parties

Related parties	Balances as at	
	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Al Aswad Trading and Contracting Company	5,867,002	6,597,816
Al- Aswad for Real Estate Services Company	70,801	312,301
Al Karam Restaurant	-	88,671
	5,937,803	6,998,788

SAUDI MARKETING COMPANY (FARM SUPERSTORES)

(A Saudi Joint Stock Company)

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

(Expressed in Saudi Riyals ﷻ)

5. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**Amounts due to related parties presented under trade payables and accruals**

Related parties	Balances as at	
	June 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
Al Aswad Trading Company	139,806	380,362
Space Travel and Tourism Agency	127,465	53,868
	267,271	434,230

Pricing policies and terms of payments for the above transactions have been approved by the Group's management.

Remuneration of key management personnel:

	For the six months period ended	
	June 30, 2025	June 30, 2024
	(Unaudited)	(Unaudited)
Short term benefits	1,491,000	1,452,750
End of service benefits	124,250	121,063
Board of Directors' remuneration	300,000	300,000
	1,915,250	1,873,813

6. LOANS

	Notes	June 30, 2025	December 31, 2024
		(Unaudited)	(Audited)
Long term loans - non-current portion	6.1	38,888,889	28,534,446
- current portion	6.1	52,789,613	41,677,000
		91,678,502	70,211,446
Short term loans	6.2	543,811,359	548,000,000
		635,489,861	618,211,446

6.1 Long term loans

Various long term loans facilities have been obtained from local commercial banks and are secured by promissory notes. These long-term loan facilities carry financial charges at normal commercial rates.

During the six months period ended June 30, 2025, the Group obtained a new loan facility from a local commercial bank amounted to ﷻ 50 million with final maturity date in 2028. This loan is subject to mark-up at SIBOR plus margin and is secured by promissory notes.

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The loan agreements include covenants which among other things, require certain financial ratios to be maintained.

6.2 Short term loans

Short term loans have been obtained from local commercial banks with maturities of less than one year. The short term facilities are secured by promissory notes. The short-term facilities carry financial charges at normal commercial rates.

SAUDI MARKETING COMPANY (FARM SUPERSTORES)

(A Saudi Joint Stock Company)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025

(Expressed in Saudi Riyals ﷻ)

7. ZAKAT

Status of assessments

The Company has submitted its declarations / returns for the years till 2024 with the Zakat, Tax and Customs Authority (ZATCA) and have obtained required certificates.

In 2021, the Company received Zakat assessment for the years 2019 and 2020 claiming additional Zakat liability aggregated to ﷻ 21 million which was subsequently reduced to ﷻ 14.6 million. The Company submitted a reconsideration request with Tax Violations and Disputes Appellate Committee (TVDAC) which was rejected in January 2025. Later on, the Company submitted another reconsideration request supported by new conclusive evidence. The TVDAC has updated its hearing date to be on October 29, 2025. The Company has submitted a request for an instalment plan to ZATCA with respect to the said Zakat liability to pay it over 24 months which has been duly accepted by ZATCA in 2024 and accordingly, the Company has recorded a provision of ﷻ 14.6 million in the year 2024 and has started paying the installments as per the agreed installment schedule. The non-current portion is shown as "other liabilities" under non-current liabilities in the condensed consolidated interim statement of financial position.

In December 2024, the Company received Zakat assessments for the years 2021 and 2022 claiming additional Zakat liability aggregated to ﷻ 7.1 million. On February 25, 2025, the Company filed an objection against the said assessments. In January 2025, the Company received an initial assessment for the year 2023 claiming an additional Zakat liability of ﷻ 3.2 million. Following the issuance of Ministerial Resolution (MR) 947 on February 14, 2025, which extended the period to apply Zakat regulation issued by MR 1007, the Company opted to apply MR 1007 on the years 2021, 2022 and 2023. ZATCA accepted Company's request and issued a revised assessment with additional Zakat liability of ﷻ 618,279 for 2021, ﷻ nil for 2022 and ﷻ 618,246 for 2023. The Company accepted ZATCA's amended assessment and subsequently settled the additional liability in July 2025. The provision for the said amounts have been duly recorded in these condensed consolidated interim financial statements.

Pure Springs Agencies and Trading Company Limited obtained its final Zakat assessments up to the year 2019. The Zakat declarations till the year 2024 have been submitted to ZATCA.

8. CONTINGENCIES AND COMMITMENTS

The Group's bankers have issued payment guarantees, on behalf of the Group, amounted to ﷻ 19.8 million (December 31, 2024: ﷻ 19.8 million) and letter of credits amounted to ﷻ 2.4 million (December 31, 2024: ﷻ 3 million). There is no material capital commitment related to the Group's capital work in progress.

9. EARNINGS PER SHARE

Considering that Group does not have any dilutive instruments as of June 30, 2025 and 2024, diluted earnings per share was the same as basic earnings per share.

	Three month period ended June 30,		Six month period ended June 30,	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
Net profit attributable to the shareholders of the Company	7,878,230	6,528,140	13,598,074	13,377,816
Weighted average number of ordinary shares outstanding	45,000,000	45,000,000	45,000,000	45,000,000
Basic and diluted earnings per share	0.18	0.15	0.30	0.30

10. APPROVAL OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements were approved by the Board of Directors of the Company on August 10, 2025 G.