



**TIHAMA FOR ADVERTISING, PUBLIC  
RELATIONS AND MARKETING COMPANY  
(Saudi joint stock company)**

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

**Tihama For Advertising, Public Relations and Marketing Company**  
**(A Saudi Joint Stock Company)**  
**Interim Condensed Consolidated Financial Statements**  
**For the three -month periods ended 30 June 2025**

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**INDEPENDENT AUDITOR'S REVIEW REPORT**

(1 /2)

**TO THE SHAREHOLDERS OF TIHAMA FOR ADVERTISING, PUBLIC RELATIONS AND  
MARKETING COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS****INTRODUCTION**

We have reviewed the accompanying interim consolidated statement of financial position of Tihama for Advertising, Public Relations and Marketing Company (the "Company") and its subsidiaries (Collectively referred to the "Group") as at 30 June 2025 and related interim consolidated statements of profit or loss, and interim consolidated statements of other comprehensive income, changes in equity and cash flows for the three month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim consolidated financial statements in accordance with International Accounting Standard - "Interim Financial Reporting" ("IAS 34") - that is 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**

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

**BASIS FOR QUALIFIED CONCLUSION**

1- As stated in Note (6), investments in associate companies are accounted for using the equity method in the accompanying interim consolidated financial statements amounting to SAR 57,570,026. The Group has investment in associate companies Wunderman Thomson MENA Company and United Advertising Company, amounting to SAR 47,832,633 and SAR 9,737,393 respectively as at 30 June 2025. The Group has recorded its investments in the associates as well as its share in results of profit and share of other comprehensive income amounting to SAR 2,054,659, SAR 44,997 respectively, based on neither reviewed management accounts of the associates for the three-month period ended 30 June 2025, nor audited financial statements for the year ended 31 March 2025. Accordingly, we were unable to verify the accuracy of these balances and we were unable to determine whether any adjustments to these balances and share of results of the associates were necessary as of and for the three-month period ended 30 June 2025. Additionally, the Group has other investments in associate companies with carrying amount of zero balances, these associates have neither audited financial statements nor management accounts. Furthermore, as stated in note (7), the Group has investment in financial assets through other comprehensive income in Vugo Company, which was fully impaired in previous years. We were unable to obtain sufficient appropriate audit evidence to verify the fair value of this investment and determine whether there were any additional liabilities associated to all of the Group's investments. Accordingly, we were unable to determine whether any impact should be recognized in the interim consolidated statement of financial position as at 30 June 2025 and in the interim consolidated statements of profit or loss, other comprehensive income and cash flows for the three month period then ended.

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**INDEPENDENT AUDITOR'S REVIEW REPORT**

(2 / 2)

**TO THE SHAREHOLDERS OF TIHAMA FOR ADVERTISING, PUBLIC RELATIONS AND  
MARKETING COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS****BASIS FOR QUALIFIED CONCLUSION (CONTINUED)**

2- As stated in Note (9), trade receivables and other debit balances include an amount of SAR 39,131,129 as of 30 June 2025 which represents the cash paid under investment in Saudi Film Fund in addition to the related recognized profits. Management has classified this balance as other debit balances without assessing the proper classification of this investment. In addition, due to the unavailability of the fair value of the partial investment, we were unable to verify its fair value as of 30 June 2025. Accordingly, we were unable to determine whether any impact should be recognized in the interim consolidated statement of financial position as at 30 June 2025 and in the interim consolidated statements of profit or loss, other comprehensive income and cash flows for the period then ended.

**QUALIFIED CONCLUSION**

Except for the matters and the adjustments to the interim consolidated financial statements that we might have become aware of had it not been for the matters described above, based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard ("IAS 34"), that is endorsed in the Kingdom of Saudi Arabia.

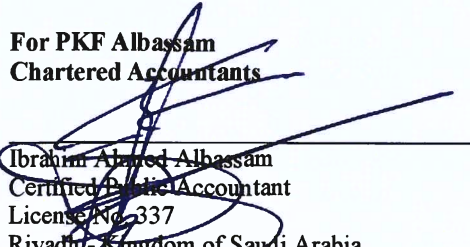
**MATERIAL UNCERTAINTIES RELATED TO GOING CONCERN**

We draw attention to Note (2/4) to the accompanying consolidated financial statements, which states that the Group has accumulated losses amounting to SAR 170,783,377 as of 30 June 2025, representing 42.70% of the Group's capital on the same date (31 March 2025: amounting to SAR 167,327,979 representing 41.83% of the Group's capital), the Group also has negative cash flows from operating activities amounted to SAR 5,563,369 for the three month period then ended 30 June 2025, and a total comprehensive loss of SAR 3,500,656 for the three month period then ended 30 June 2025. These circumstances indicate the existence of a material uncertainty which may raise significant doubt about the Group's ability to remain as a going concern. However the Group has sufficient liquidity to meet its liabilities when it become due, and has plans to liquidate of certain subsidiaries and decrease the share capital, new investments and business expansion to generate positive cash flows. Our opinion has not been qualified with respect to this matter.

**EMPHASIS OF MATTER**

We draw attention to Note (21) to the interim condensed consolidated financial statements, which describes two legal cases filed against the Group amounting to SAR 15,390,000 and SAR 12,357,125, respectively. During the year ended 31 March 2025, management appointed a legal advisor to assess the matters, and based on the legal advisor's opinion, the likelihood of a favorable outcome for the Group is considered possible. Subsequent to the reporting date the group announced that the labor court issued a ruling to dismiss one of the lawsuits. However, the Group's internal legal advisor's opinion as of 30 June 2025 is that the likelihood of a favorable outcome for all the lawsuits is still possible. Accordingly, these have been disclosed as a contingent liability. Our opinion is not modified in respect of this matter.

For PKF Albassam  
Chartered Accountants

  
Ibrahim Ahmed Albassam  
Certified Public Accountant  
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Corresponding to: 14 August 2025



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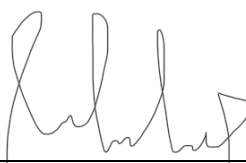
**Tihama For Advertising, Public Relations and Marketing Company**  
**(A Saudi Joint Stock Company)**  
**Interim Condensed Consolidated Statement of Financial Position**  
**As at 30 June 2025**  
**(All amounts are in Saudi Riyal unless otherwise stated)**

	Note	30 June 2025 (Unaudited)	31 March 2025 (Audited)
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment, net	4	4,474,240	5,634,406
Right-of-use assets, net	5/1	10,750,503	13,541,427
Investment in associates	6	57,570,026	55,470,370
Financial assets at fair value through other comprehensive income	7	-	-
Intangible assets		100,002	100,002
<b>Total non-current assets</b>		<b>72,894,771</b>	<b>74,746,205</b>
<b>Current assets</b>			
Inventory	8	40,702,082	41,109,560
Trade receivables and other debit balances	9	53,784,042	59,001,670
Financial assets at fair value through profit or loss	10	138,941,324	107,452,105
Due from related party	14/3	691,956	691,956
Cash and cash equivalents	11	51,029,366	88,361,360
<b>Total current assets</b>		<b>285,148,770</b>	<b>296,616,651</b>
<b>Total assets of continuing operations</b>		<b>358,043,541</b>	<b>371,362,856</b>
Total assets of discontinued operations	20	923,688	1,423,273
<b>Total assets</b>		<b>358,967,229</b>	<b>372,786,129</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	12	400,000,000	400,000,000
Accumulated losses		(170,783,377)	(167,327,979)
Actuarial losses		(1,770,978)	(1,770,978)
Other reserves		(27,691,761)	(27,736,758)
<b>Total equity attribute to shareholder of the parent company</b>		<b>199,753,884</b>	<b>203,164,285</b>
Non-controlling interest		(4,611,615)	(4,521,360)
<b>Total equity</b>		<b>195,142,269</b>	<b>198,642,925</b>
<b>Non-current liabilities</b>			
Lease liability - non-current portion	5/2	-	506,444
Employees' defined benefits obligations		2,932,923	3,051,432
<b>Total non-current liabilities</b>		<b>2,932,923</b>	<b>3,557,876</b>
<b>Current liabilities</b>			
Trade payables and other credit balances	13	79,132,531	86,864,228
Due to a related party	14/2	221,280	221,280
Lease liabilities - current portion	5/2	28,521,228	31,249,768
Dividends payable		8,808,754	8,808,754
Zakat payable	15/1	19,744,915	18,657,253
<b>Total current liabilities</b>		<b>136,428,708</b>	<b>145,801,283</b>
<b>Total liabilities of continuing operations</b>		<b>139,361,631</b>	<b>149,359,159</b>
Total liabilities of discontinued operations	20	24,463,329	24,784,045
<b>Total equity and liabilities</b>		<b>358,967,229</b>	<b>372,786,129</b>



**Chairman**

Hatim Ali Barajjash



**Chief Executive officer**

Hussein Masoud Al-Dosari



**Chief Financial officer**

Ashraf Mohamed Abdelaal

The accompanying notes from (1) to (26) form an integral part of these interim condensed consolidated financial statements.

**Tihama for Advertising, Public Relations and Marketing Company**  
**(A Saudi Joint Stock Company)**  
**Interim Condensed Consolidated Statement of Profit or Loss**  
**For the three -month periods ended 30 June 2025**  
**(All amounts are in Saudi Riyal unless otherwise stated)**

	Note	For the Three-Months Period ended	
		30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Revenues	16	9,881,427	11,079,268
Cost of revenues		(4,527,005)	(4,810,152)
<b>Gross profit</b>		<b>5,354,422</b>	<b>6,269,116</b>
Selling and marketing expenses		(9,251,829)	(10,742,794)
General and administrative expenses		(3,467,278)	(5,419,996)
Finance cost		(96,730)	(244,880)
Gain from financial assets at Fair value through Profit or loss	10	1,897,778	-
Other income	17	1,476,142	3,060,100
Share of results from associated companies	6/1	2,054,659	2,521,820
<b>Loss from continued operations before zakat</b>		<b>(2,032,836)</b>	<b>(4,556,634)</b>
Zakat expense	15	(1,100,000)	(2,125,000)
<b>Net loss from continued operations for the Period</b>		<b>(3,132,836)</b>	<b>(6,681,634)</b>
<b>Discontinued operations</b>			
Loss from discontinued operations for the Period	20	(412,817)	(665,298)
<b>Net loss for the period</b>		<b>(3,545,653)</b>	<b>(7,346,932)</b>
<b>Net loss for the period attribute to:</b>			
Shareholders of the parent company		(3,455,398)	(7,165,072)
Non-controlling interest		(90,255)	(181,860)
		<b>(3,545,653)</b>	<b>(7,346,932)</b>
<b>Basic and diluted loss per share attributable to the shareholders of the company</b>			
From continued operation	18	(0.08)	(0.16)
From discontinued operation	18	(0.01)	(0.02)



**Chairman**  
Hatim Ali Barajjash



**Chief Executive officer**  
Hussein Masoud Al-Dosari





**Chief Financial officer**  
Ashraf Mohamed Abdelaal

The accompanying notes from (1) to (26) form an integral part of these interim condensed consolidated financial statements.

**Tihama for Advertising, Public Relations and Marketing Company**  
**(A Saudi Joint Stock Company)**  
**Interim Condensed Consolidated Statement of Other Comprehensive Income**  
**For the three -month periods ended 30 June 2025**  
**(All amounts are in Saudi Riyal unless otherwise stated)**

	Note	For the Three-Months Period ended	
		30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
<b>Net Loss for the period</b>		<b>(3,545,653)</b>	<b>(7,346,932)</b>
<b>Other comprehensive gain/(loss)</b>			
<b>Items that can be reclassified to profit or loss:</b>			
Share of foreign currency translation reserve in an associate company	6/1	44,997	(511,608)
Total other comprehensive gain/(loss) for the period		44,997	(511,608)
<b>Total comprehensive loss for the period</b>		<b>(3,500,656)</b>	<b>(7,858,540)</b>
<b>Total comprehensive loss for the period attribute to:</b>			
Shareholder of the parent company		(3,410,401)	(7,676,680)
Non-controlling interest		(90,255)	(181,860)
<b>Total comprehensive loss for the period</b>		<b>(3,500,656)</b>	<b>(7,858,540)</b>

  
**Chairman**  
 Hatim Ali Barajjash

  
**Chief Executive officer**  
 Hussein Masoud Al-Dosari

  
**Chief Financial officer**  
 Ashraf Mohamed Abdelaal

The accompanying notes from (1) to (26) form an integral part of these interim condensed consolidated financial statements.

**Tihama for Advertising, Public Relations and Marketing Company**  
**(A Saudi Joint Stock Company)**  
**Interim Condensed Consolidated Statement of change in Equity**  
**For the three-month period ended 30 June 2025**  
**(All amounts are in Saudi Riyal unless otherwise stated)**

	Note	Share capital	Accumulated losses	Actuarial losses	Other reserves	Total Equity Attribute to Shareholder of the parent Company	Non-Controlling interest	Total equity
Balance as of 1 April 2025		400,000,000	(167,327,979)	(1,770,978)	(27,736,758)	203,164,285	(4,521,360)	198,642,925
Net loss for the period		-	(3,455,398)	-	-	(3,455,398)	(90,255)	(3,545,653)
Other comprehensive loss for the period	6/1	-	-	-	44,997	44,997	-	44,997
Total comprehensive loss for the period		-	(3,455,398)	-	44,997	(3,410,401)	(90,255)	(3,500,656)
Balance as of 30 June 2025 (Unaudited)		400,000,000	(170,783,377)	(1,770,978)	(27,691,761)	199,753,884	(4,611,615)	195,142,269
Balance as of 1 April 2024 (as previously stated) – (audited)		400,000,000	(159,925,206)	(2,660,091)	(22,652,590)	214,762,113	(3,938,371)	210,823,742
Restatement		-	4,328,369	-	(4,580,575)	(252,206)	-	(252,206)
Balance as of 1 April 2024 (Restated)		400,000,000	(155,596,837)	(2,660,091)	(27,233,165)	214,509,907	(3,938,371)	210,571,536
Net loss for the period		-	(7,165,072)	-	-	(7,165,072)	(181,860)	(7,346,932)
Other comprehensive loss for the period	6/1	-	-	-	(511,608)	(511,608)	-	(511,608)
Total comprehensive loss for the period		-	(7,165,072)	-	(511,608)	(7,676,680)	(181,860)	(7,858,540)
Balance as of 30 June 2024 (Unaudited)		400,000,000	(162,761,909)	(2,660,091)	(27,744,773)	206,833,227	(4,120,231)	202,712,996



**Chairman**

Hatim Ali Barajjash



**Chief Executive officer**

Hussein Masoud Al-Dosari




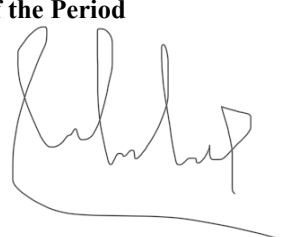

**Chief Financial officer**

Ashraf Mohamed Abdelaal

The accompanying notes from (1) to (26) form an integral part of these interim condensed consolidated financial statements.



**Tihama for Advertising, Public Relations and Marketing Company**  
**(Saudi Joint Stock Company)**  
**Interim Condensed Consolidated Statement of Cash Flows**  
**For the three -months period ended 30 June 2025**  
**(All amounts are in Saudi Riyal unless otherwise stated)**

	Note	For the Three-Months Period Ended	
		30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
<b>Cash flows from operating activities</b>			
Loss from continued operations for the period before zakat		(2,032,836)	(4,556,634)
Loss from discontinued operations for the period before zakat	20	(412,817)	(415,298)
<b>Loss before Zakat</b>		<b>(2,445,653)</b>	<b>(4,971,932)</b>
<b>Adjustment for non-cash item</b>			
Depreciation of property and equipment	4	1,192,971	1,364,081
Depreciation of right of use assets	5/1	2,790,924	3,038,289
Gain from Short term deposits		-	(2,059,636)
Share of results from Investment in associate companies	6/1	(2,054,659)	(2,521,820)
Provision for slow moving inventory	8	92,513	172,781
Gain from financial assets at Fair value through Profit or loss	10	(1,897,778)	-
Provision for employees' defined benefits obligations		191,930	350,172
Finance cost		96,730	398,993
		<b>(2,033,022)</b>	<b>(4,229,072)</b>
<b>Changes in working capital</b>			
Inventory		314,965	954,294
Trade receivables and other debit balances, net		4,055,103	(36,939,181)
Trade payables and other credit balances		(7,756,507)	(31,581,564)
Employees' defined benefits obligations paid		(310,439)	(46,817)
Zakat paid	15/1	(12,338)	(729,747)
<b>Net cash flows used in operating activities</b>		<b>(5,742,238)</b>	<b>(72,572,087)</b>
Change in working capital from Discontinued operations		178,869	(142,990)
<b>Net cash flows used in operating activities</b>		<b>(5,563,369)</b>	<b>(72,715,077)</b>
<b>Cash flows from investing activities</b>			
Additions to property and equipment	4	(32,805)	(293,541)
Dividends received from associate companies	6/1	-	1,403,493
Collected from Financial assets at FVTPL	10	408,559	-
Additional investment in financial assets at FVTPL	10	(30,000,000)	-
<b>Net cash flows (used in) / generated from investing activities</b>		<b>(29,624,246)</b>	<b>1,109,952</b>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities	5/2	(2,144,379)	(1,014,241)
Finance cost paid		-	(154,112)
<b>Net cash flows used in financing activities</b>		<b>(2,144,379)</b>	<b>(1,168,353)</b>
<b>Net change in cash and cash equivalents</b>		<b>(37,331,994)</b>	<b>(72,773,478)</b>
Cash and cash equivalents at the beginning of the Year		88,361,360	244,613,741
Less: changes in restricted bank balance		-	20,751,481
<b>Cash and cash equivalents at the end of the Period</b>		<b>51,029,366</b>	<b>192,591,744</b>
<b>Non-cash transactions</b>	23		
  			
<b>Chairman</b>	<b>Chief Executive officer</b>	<b>Chief Financial officer</b>	
Hatim Ali Barajjash	Hussein Masoud Al-Dosari	Ashraf Mohamed Abdelaal	

The accompanying notes from (1) to (26) form an integral part of these interim condensed consolidated financial statements.

**Tihama for Advertising, Public Relations and Marketing Company**  
**(A Saudi Joint Stock Company)**  
**Notes to The Interim Condensed Consolidated Financial Statements (unaudited)**  
**For the three-months period ended 30 June 2025**  
**(All amounts are in Saudi Riyal unless otherwise stated)**

## **1. ORGANISATION AND ACTIVITIES**

Tihama for Advertising, Public Relations and Marketing Company was established as the "company or" parent company "in accordance with the Saudi Companies Law as a Saudi joint stock company under Ministerial Resolution No. 1397 dated 29/6/1403H (corresponding to 3/6/1992) and it is registered in the Commercial Register under No. 1010016722 on 8/7/1398H (corresponding to 14/06/1978).

The main activity of the company is to carry out commercial advertising, public relations, marketing, publishing and distribution, according to the license No. 23232 issued by the Ministry of Culture and Advertisement dated 12/02/1412H (corresponding to 3/6/1992) and according to the company's article of incorporation. The parent company also invests in companies which carry out similar businesses in accordance with the Company By-Laws.

The Company's head office is in Riyadh as of 31 March 2025, the Company has a branch in Jeddah registered under the Commercial Registration No. 4030008889 on 3/4/1395H (corresponding to 15/4/1975).

The accompanying consolidated financial statements include the financial statements of the parent Company and its subsidiaries (collectively referred to as the Group) as of 31 March 2025 as follow:

				Company shares% Direct and indirect	
Name of subsidiary company	Country	Activity	Share capital	30 June 2025	31 March 2025
<b><u>Continued operations</u></b>					
Tihama Distribution Company	KSA	Publishing and distribution	3,500,000	<b>100%</b>	100%
Tihama Education Company	KSA	Retail	200,000	<b>100%</b>	100%
Integrated Production for Audio-visual Media Production Company	KSA	Production	10,000	<b>70%</b>	70%
Nassaj AlKhayal for Audio-visual Media Production Company *	KSA	Production	100,000	<b>50%</b>	50%
Tihama First Entertainment Company	KSA	Events and Entertainment	50,000	<b>100%</b>	100%
<b><u>Discontinued operations</u></b>					
Tihama Holding for Commercial Investment Company	KSA	Holding company	500,000	<b>100%</b>	100%
Tihama Modern Bookstores Company	KSA	Stationery and books	81,671,977	<b>100%</b>	100%
Tihama New Media Company	KSA	Media and Research	100,000	<b>100%</b>	100%
Istidama International Real Estate Company	KSA	Investment in properties	500,000	<b>100%</b>	100%
Tihama International Advertising Company	KSA	Road Advertising	500,000	<b>100%</b>	100%
Fast Advertisement Company	KSA	Advertising	25,000	<b>100%</b>	100%
Aventus Global Trading Company	UAE	Trading	616,409	<b>100%</b>	100%

### **Interim Condensed Consolidated financial statements reporting date:**

\*The commercial registration for Nassaj AlKhayal for Audio-Visual Media Production Company has expired. Management is in the process of renewing the registration. The company continues its operations while the renewal is underway.

On 14 March 2024, the Board of Directors approved the initiation of liquidation procedures for certain non-operational subsidiaries that have been incurring recurring losses. The decision includes the voluntary liquidation of Tihama Holding for Commercial Investment Company, Istidama Real Estate Company, Fast Advertising Company, Tihama New Media Company, and Tihama International Advertising Company, in addition to initiating bankruptcy proceedings for Tihama Modern Libraries Company.

The Group's fiscal year consists of 12 months, starting from April 1 and ending on 31 March of each calendar year. The fiscal year of all subsidiaries follows a 12-month period from 1 January to 31 December, except for Aventus Global Trading Company, which adopts the same fiscal year as the Group.

**Tihama for Advertising, Public Relations and Marketing Company**  
**(A Saudi Joint Stock Company)**  
**Notes to The Interim Condensed Consolidated Financial Statements (unaudited)**  
**For the three-months period ended 30 June 2025**  
**(All amounts are in Saudi Riyal unless otherwise stated)**

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**2. BASIS OF PREPARATION**

**2/1- Statement of compliance:**

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' that is endorsed in Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by Saudi Organization for Chartered and Professional Accountants ("SOCPA") and should be read in conjunction with the consolidated financial statements of the group for year ended 31 March 2025. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual statements to prepare a complete set of financial statements; however, the accounting policies and explanatory notes are mentioned to explain events and the important transaction to understand the changes in the Group's financial position and its performance since the last annual financial statement of the Group.

The results for the period three-month ended 30 June 2024 are not necessarily indicative of the results that can be expected for the financial year ending 31 March 2026.

**2/2- Basis of measurement:**

The interim condensed financial statements have been prepared on the historical cost basis except for (financial instruments which is measured at fair value and the defined benefit plan which is measured at present value of future obligations using Projected Unit Credit Method).

**2/3- Functional and presentation currency:**

The interim condensed consolidated financial statements are presented in Saudi Riyal, which is the Group's functional currency.

**2/4- Going concern:**

The Interim condensed consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to manage liquidity to ensure, as far as possible, that it will have sufficient liquidity to meet its obligations as they fall due under both normal and abnormal conditions.

The Group's accumulated losses amounted to SR 170,783,377 as of 30 June 2025, which is 42.70% of the Group's share capital (31 March 2025: SR 167,327,979 which is 41.83% of the Group's share capital).

The Group has negative cash flows from operating activities amounted to SR 5,563,369 for the three-month period ended 30 June 2025.

Total comprehensive loss for the three-months period ended 30 June 2025 amounted to 3,500,656 SR (30 June 2024: SR 7,858,540).

The group has sufficient liquidity to enable it to meet its liabilities when it became due. Accordingly, the Group continues to manage its commercial and supply chain activities. The Group management expects an improvement in its commercial activities and revenue growth over the next years, the development of operations in the distribution sector.

The Group finalized preparation of the strategy and investment and business plans for the upcoming years, which will be based on expanding in the current main activity sectors and exiting from companies that realize losses.

The Group management is in process to reduce the group's capital from SAR 400 M to SAR 226.02 M by cancelling 17,397,572 ordinary shares with a nominal value of SAR 10 per share, in order to extinguish the accumulated loss.

Based on the above factors, the Group has a reasonable expectation that it will be able to continue in business for the foreseeable future. Accordingly, the accompanying interim condensed consolidated financial statements have been prepared on the going concern basis.

**2/5- Use of estimates and judgments:**

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

The important estimates made by management when applying the Group's accounting policies and important sources of uncertainty are similar to those outlined in the annual consolidated financial statements as of 31 March 2025, Management will continue to monitor the situation, and any changes required will be reflected in future reporting periods.

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**2. BASIS OF PREPARATION (CONTINUED)**

**2/6 New amended standards and interpretations:**

New standards and a set of amendments to standards have been issued and are effective from 1 January 2024 and have been reflected in the Group's consolidated annual financial statements, in addition to the below Amendments:

<b>Amendment to standard</b>	<b>Description</b>	<b>Effective from accounting period beginning on or after</b>	<b>Summary of amendment</b>
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	<p>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.</p> <p>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.</p> <p>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.</p>

The above amended standards and interpretations do not have a material impact on the Group's condensed consolidated interim financial statements.

**3. SIGNIFICANT ACCOUNTING POLICIES**

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

**4. PROPERTY AND EQUIPMENT, NET**

Property and equipment movement during the Period / year is as Follow:

	<b>For the three-Months period ended</b>	<b>For the year ended</b>
	<b>30 June 2025 (Unaudited)</b>	<b>31 March 2025 (Audited)</b>
Net book value at the beginning of the period / year	<b>5,634,406</b>	10,518,630
Additions during the period / year	<b>32,805</b>	496,787
Depreciation charged during the period / year	<b>(1,192,971)</b>	(5,379,153)
Disposals by net book value during the period / year	<b>-</b>	(1,858)
Net book value at the end of the period / year	<b>4,474,240</b>	5,634,406

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**5. LEASES**

**5/1- RIGHT OF USE ASSETS, NET**

Right of use assets movement during the period / year is as follows:

		<b>For the three- Months period ended</b>	<b>For the year ended</b>
	<b>Note</b>	<b>30 June 2025 (Unaudited)</b>	<b>31 March 2025 (Audited)</b>
Net balance at the beginning of the period / year		<b>13,541,427</b>	23,821,110
Additions during the period / year		-	1,569,763
Disposals by netbook value		-	(217,695)
Depreciation charged during the period / year	5/3	<b>(2,790,924)</b>	(11,631,751)
<b>Net balance as at the end of the period / year</b>		<b>10,750,503</b>	13,541,427

**5/2- LEASE LIABILITIES**

Lease liability movement during the period / year is as follows:

		<b>For the three- Months period ended</b>	<b>For the year ended</b>
		<b>30 June 2025 (Unaudited)</b>	<b>31 March 2025 (Audited)</b>
Balance at the beginning of the period / year		<b>31,756,212</b>	40,120,663
Additions during the period / year		-	1,569,763
Disposal during the period / year		-	(212,179)
Finance cost during the period / year		<b>96,730</b>	674,966
Transfer to other credit balances		<b>(24,810)</b>	-
Payments during the period / year		<b>(3,306,904)</b>	(10,397,001)
<b>Balance as at the end of the period / year</b>		<b>28,521,228</b>	31,756,212

Lease liabilities are presented in the interim consolidated statement of financial position as follow:

	<b>30 June 2025 (Unaudited)</b>	<b>31 March 2025 (Audited)</b>
Current portion of lease liabilities	<b>28,521,228</b>	31,249,768
Non-current portion of lease liabilities	-	506,444
	<b>28,521,228</b>	31,756,212

**5/3- Cost in interim consolidated statement of profit or loss**

The following table shows the recognised amounts in interim consolidated statement of profit or loss:

	<b>For the Three-Months Period ended</b>	
	<b>30 June 2025 (Unaudited)</b>	<b>30 June 2024 (Unaudited)</b>
Depreciation expense of right of use assets	<b>2,790,924</b>	3,038,289
Finance cost for lease liabilities	<b>96,730</b>	224,880
Variable rent lease expense	<b>93,891</b>	110,473
Short term rent expense	<b>642,739</b>	710,073
	<b>3,624,284</b>	4,083,715

**5/4- Offer for partial settlement of lease liability**

During the year, the Group received a non-binding offer from a prospective investor to acquire the assets of one of the subsidiaries (Tihama Education company) by net book value and pay part of the lease liabilities, the offer is currently under review by management, and no final agreement has been reached as of 30 June 2025. This offer is not expected to have a financial impact on the current period financial statements; however, if the transaction will be completed in the future, it may result in a reassessment of the related assets and liabilities leased on this agreement.

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**6. INVESTMENT IN ASSOCIATES**

The Group investment in associate companies using equity method represent as follows:

Name of the associate company	Notes	Activity	Ownership %		Book value	
			30 June 2025	31 March 2025	30 June 2025	31 March 2025
J. Walter Thompson MENA	6/2/1	Advertising	25%	25%	47,832,633	45,237,794
United Advertising	6/2/2	Advertising and promotion	50%	50%	9,737,393	10,232,576
United Journalists	6/2/3	Publishing and distribution	50%	50%	-	-
Gulf Systems Development	6/2/4	Technical and other services	30%	30%	-	-
Renewable Technology	6/2/4	Technical and other services	30%	30%	-	-
Tihama Global Company - Free Zone	6/2/5	Advertising and marketing services	40%	40%	-	-
					<b>57,570,026</b>	<b>55,470,370</b>

The associated companies follow calendar year from 1 January to 31 December which have different reporting period. Accordingly, the share of results has been recognized based on the associates' management accounts as of 31 March 2025.

**6/1 The Movement of investment in associate companies for the three months ended in 30 June 2025 and the year ended 31 March 2025 is as follows:**

<u>Three-months ended 30 June 2025</u>	J. Walter Thompson	United Advertising	Gulf Systems	United Journalist	Renewable Technology	Tihama Global	Total
1 April 2025	45,237,794	10,232,576	-	-	-	-	55,470,370
Share of results	2,549,842	(495,183)	-	-	-	-	2,054,659
Share of OCI	44,997	-	-	-	-	-	44,997
30 June 2025 (Unaudited)	47,832,633	9,737,393	-	-	-	-	57,570,026
<u>Year Ended 31 March 2025</u>	J. Walter Thompson	United Advertising	Gulf Systems	United Journalist	Renewable Technology	Tihama Global	Total
1 April 2024	34,855,352	7,036,321	-	-	-	-	41,891,673
Share of results	12,292,285	3,196,255	-	-	-	-	15,488,540
Share of OCI	(503,593)	-	-	-	-	-	(503,593)
Dividends received	(1,406,250)	-	-	-	-	-	(1,406,250)
31 March 2025 (Audited)	45,237,794	10,232,576	-	-	-	-	55,470,370

**6/2 Information on investment in associates is as follow:**

**6/2/1 - J. Walter Thomson MENA**

On 30 June 2021, the Group entered into an agreement with WPP plc, the parent company of J. Walter Thompson MENA Company (the former associate), to merge the former associate with Wunderman MENA, forming a new entity, Wunderman Thompson MENA EC, a Bahrain-based holding company. As a result of the merger, the Group's equity interest was adjusted from 30% in the former associate to 25% in the new entity. The legal formalities of the merger were completed during the year ended 31 March 2024 on 23 June 2023.

During the year ended 31 March 2024 the Group has recorded the impact of the merger and the change in ownership within the Retained earnings in the equity statement amounting of SAR 5,052,278 and has reclassified to profit or loss that previously recognized in other comprehensive Income to the statement of profit or loss amounting of SAR 817,342.

In addition, during the year ended 31 March 2023, Wunderman Thompson MENA EC (the new associate) acquired an additional share in its subsidiary (Cleartag Holding limited) increasing its ownership interest to 83.5%. As the transaction represents a step acquisition in a subsidiary and it retained the control. Accordingly, the associate accounted for the excess of consideration paid over the book value amounting to SAR 6,855,750 in the equity statements. Accordingly, the impact of this acquisition has been recognized in the Equity statements under the reserve account.



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**6. INVESTMENT IN ASSOCIATES (CONTINUED)**

**6/2 Information on investment in associates is as follow (Continued)**

**6/2/1 - J. Walter Thomson MENA (Continued)**

During the year ended 31 March 2024, Wunderman Thompson MENA EC, a Bahrain-based holding company (the new associate) acquired another additional shares in its subsidiary (Cleartag Holding limited) increasing its ownership interest to 100%, without resulting in a change in control. As the transaction represents an equity transaction, the associate accounted for the excess of consideration paid over the book value in the equity statements. Accordingly, the impact of this acquisition has been recognized in the Equity statements under the reserve account amounting of SAR 4,088,699.

On 21 June 2023, the associate company acquired the entire issued share capital of W.N.D.R.M. INC. from WPP. The completion of this acquisition took place on 30 June 2023 without any cash consideration. In connection with WPP's strategic decision to combine J Walter Thompson and Wunderman globally, JWT MENA units and Wunderman MENA units are being consolidated under a single legal structure so as to create WT MENA. This transaction represents business reorganisation with gains and losses recognized directly in consolidated statement of changes in equity amounting to USD 9,777,757. In addition to waiver from the shareholders represents a loan balance and related parties of the associate amounting to USD 9,600,000. Accordingly, the Group share of this transaction amounted to SAR 9,166,647 and 9,000,000 respectively.

**6/2/2 - United Advertising Company**

On 30 June 2021, the Group management signed an agreement with WPP Group to establish a new holding company in KSA named "ICG Saudi," with WPP owning 70% and Tihama 30%.

The agreement was later amended to designate United Advertising Company as the new Holding company. WPP will transfer certain business operations to United Advertising, and Tihama will transfer 20% of its ownership in United Advertising to WPP, resulting in Tihama retaining a 30% ownership after completion of all legal and regulatory procedures. Any financial impact will be recorded upon completion based on assets and liabilities at that date; the impact cannot currently be reliably estimated.

The shareholders' agreement between Tihama and WPP includes:

A call option for WPP to acquire all of Tihama's shares after five years from the legal ownership transfer and regulatory approvals.

A put option for Tihama to sell all its shares to WPP under the same conditions.

For the call option: At Tihama's discretion, either a revenue multiple or an average profit multiple (based on audited financials). And For the put option: Based on an average profit multiple (based on audited financials).

These options can be exercised annually between January 1 and 31 March starting after the fifth-year post-completion, via written notice. Only one option can be exercised in a given period.

The group announced on Tadawul that Partners have agreed on the extension of the period to another six months ending on 31 December 2025 for Completion of the transfer of legal ownership including finalization of required regulatory approvals.

**6/2/3 United Journalists Company Ltd**

The Company's investment in United Journalists Company Ltd. was recorded at nil as of 31 March 2025 and 31 March 2024, as the associate's accumulated losses exceeded its share capital. The Company does not intend to provide any financial support. The most recent balance sheet available to the Company for this associate is dated 31 December 2009.

**6/2/4 Gulf Systems Development Company and Renewable Technology Company**

Neither of these two associates have carried out any commercial activities since inception accordingly the group managements conducted an impairment assessment, accordingly they recognized a full impairment loss on these investments during the financial year ended 31 March 2017.

**6/2/5 Tihama Global Company**

During the year ended 31 March 2022, the Parent company filed a compensation claim against the former company director and partner in the associate company in the United Arab Emirates. A final judgment was issued in favor of the company by the Dubai Courts of Appeal after an appeal and cassation by the former director was rejected. The former director of the company submitted a cassation against the judgment, the cassation submitted by the company's former manager was rejected, and accordingly, the judgment issued in favour of the Group became final and enforceable.

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**7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

Name	Notes	activities	Ownership			
			30 June 2025	31 March 2025	30 June 2025	31 March 2025
VUGO Company, net	7/1	Advertising	4%	4%	-	-
					-	-

**7/1 VUGO Company**

The Group's investment in VUGO Company is through a subsidiary (Tihama New Media Company), which was acquired during the year ended 31 March 2021.

During the year ended 31 March 2021, the Group recorded losses for the change in the fair value of the investee company through the consolidated statement of profit or loss and comprehensive loss in the amount of SAR 751,000 based on the assessment prepared by the Group management.

**8. INVENTORY**

	30 June 2025 (Unaudited)	31 March 2025 (Audited)
Finished goods	73,465,474	53,373,685
Goods in transit	-	20,406,754
	73,465,474	73,780,439
Less: Provision for slow moving and obsolete inventory	(32,763,392)	(32,670,879)
	40,702,082	41,109,560

The movement in provision for slow moving inventory for the period / year as follow:

	For the three-Months period ended 30 June 2025 (Unaudited)	For the year ended 31 March 2025 (Audited)
Balance at the beginning of the period / year	32,670,879	24,825,290
Additions during the period / year	92,513	7,845,589
Balance at the end of the period / year	32,763,392	32,670,879

The Group's management has assessed the value of slow-moving and obsolete inventory of school textbooks held by its subsidiary, Tihama Distribution. This assessment was based on an analysis of the sales performance over the past three years. The analysis indicated that there is inventory with low turnover. The Group mainly relies on a single supplier for the textbooks, under a contractual agreement that includes a minimum annual purchase commitment. This contractual obligation, combined with the reduced sales movement for some items, has contributed to increase in the impairment over recent years. The impairments have been recognized in accordance with the Group's accounting policies.

**9. TRADE RECEIVABLES AND OTHER DEBIT BALANCES**

	Note	30 June 2025 (Unaudited)	31 March 2025 (Audited)
Trade receivables		18,469,472	20,133,614
Cash paid under investment	9/1	39,131,129	38,838,714
VAT Receivable		5,679,237	5,778,378
Letter of guarantees	9/2	2,878,497	4,215,401
Legal claim receivable		-	2,421,981
Prepaid expenses		1,571,568	2,204,026
Staff Loan		1,072,879	1,585,065
Advance payment to suppliers		2,149,895	1,431,317
Other debit balances		1,350,907	912,716
		72,303,584	77,521,212
Provision for impairment of trade receivables and other debit balance	9/3	(18,519,542)	(18,519,542)
		53,784,042	59,001,670

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**9. TRADE RECEIVABLES AND OTHER DEBIT BALANCES (CONTINUED)**

9/1 On 23 June 2024, the Group made an advance payment of SAR 37.5 million to the Saudi Film Fund, established in partnership with the Cultural Fund. This amount represents 10% of the Fund's total capital and was recognized under the investment account as an advance until the conclusion of the Fund's offering period and final allocation of investment units. On 27 August 2024, the offering period was extended to 8 February 2025. In accordance with the Fund's terms and conditions, during this period, the Fund entered into a Murabaha arrangement which generated an unrealized gain of SAR 292,415 for the Group (Note 17).

On 9 February 2025, the Group received official notification from the Fund Manager confirming the commencement of the Fund's operations effective from 3 February 2025. However, the Group's management is currently in negotiations with the Fund Manager to refund the amount paid, and there is no intention to proceed with the investment, accordingly the Group has elected to keep this amount in the other debit balances in the financial statements. This reflects the management's current expectation of a refund rather than continuing the investment.

9/2 The letters of guarantee represent the cash margin held by local banks for certain letters of guarantee issued on behalf of the Group for the lease agreements. these letters of guarantee held by the bank until the date of expiry and the underlying obligations are fulfilled. During the period certain letters of guarantee were utilized by the supplier in connection with claims under the respective contractual lease agreement.

9/3 The movement in the Provision for impairment of trade receivables is as follows:

	<b>For the Three-Months Period ended 30 June 2025 (Unaudited)</b>	<b>For the year ended 31 March 2025 (Audited)</b>
Balance at the beginning of the period / year	18,519,542	18,910,971
Additions during the period / year	-	(391,429)
	<b>18,519,542</b>	<b>18,519,542</b>

The following table shows the allocation of impairment trade receivables and Impairment in other debit balances:

	<b>30 June 2025 (Unaudited)</b>	<b>31 March 2025 (Audited)</b>
Trade receivables	16,578,220	16,578,220
Advances to suppliers	1,159,212	1,159,215
Other Debit Balances	782,110	782,107
	<b>18,519,542</b>	<b>18,519,542</b>

**10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

The Group's investments in financial assets classified as "fair value through profit or loss" (FVTPL) primarily consist of securities purchased for trading purposes. These assets are held for the benefit of the Group and are managed with the objective of generating short-term capital gains. These investments include both listed securities on the Saudi Stock Exchange (Tadawul) and unlisted securities.

The following is the movement of investments in financial assets listed at fair value through profit or loss:

	<b>30 June 2025 (Unaudited)</b>	<b>31 March 2025 (Audited)</b>
Balance in the beginning the period /year	107,452,105	-
Additions during the period /year	30,000,000	103,361,669
Unrealized gains during the period /year	1,791,217	2,736,075
Realized gains during the period /year	1,330,307	1,354,361
Management Fees	(1,223,746)	-
	1,897,778	4,090,436
Collected during the period /year	(408,559)	-
	<b>138,941,324</b>	<b>107,452,105</b>

The above balance contains an amounting of SR 9,395,156 represents cash amounts held within the discretionary Portfolio management (DPM) investments portfolio that remain uninvested as of the 30 June 2025.

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## **11. CASH AND CASH EQUIVALENTS**

	<b>30 June 2025</b> <b>(Unaudited)</b>	<b>31 March 2025</b> <b>(Audited)</b>
Cash at banks	<b>50,868,863</b>	87,682,200
Cash on hand	<b>160,503</b>	679,160
	<b>51,029,366</b>	88,361,360

The Group have saving bank account which result in a profit amounting of SR 637,108 (Note 17).

## **12. SHARE CAPITAL**

The authorized, issued and fully paid-up capital of the parent company as at 31 March 2025 is SR 400,000,000 divided into 40,000,000 shares, the value of the share is SR 10 (31 March 2024 is SR 400,000,000 divided into 40,000,000 shares, the value of the share is 10 SR).

On March 24, 2025, the Board of Directors of Tihama Advertising, Public Relations and Marketing Company decided to reduce the group's capital from SAR 400 Million to SAR 226.02 Million by cancelling 17,397,572 ordinary shares with a nominal value of SAR 10 per share, in order to extinguish the amount of SAR 173,975,720. Regulatory procedures are currently being taken to reduce the capital in the subsequent period.

## **13. TRADE PAYABLES AND OTHER CREDIT BALANCES**

	<b>Note</b>	<b>30 June 2025</b> <b>(Unaudited)</b>	<b>31 March 2025</b> <b>(Audited)</b>
Trade payables		<b>63,007,485</b>	70,013,545
Contract liabilities		<b>1,227,416</b>	1,414,916
Staff payables		<b>1,681,413</b>	2,223,816
Accrued expenses		<b>5,196,680</b>	5,849,926
Payables to shareholders	13/1	<b>5,220,273</b>	5,220,273
Other payables		<b>2,799,264</b>	2,141,752
		<b>79,132,531</b>	86,864,228

**13/1** This amount represents the proceeds payable to shareholders from share fractional and unsubscribed shares resulting from rights issues in previous years.

## **14. RELATED PARTY TRANSACTIONS**

Related parties to the Group consist of companies in which the shareholders and key management personnel have control, joint control or significant influence.

### **14/1 Salaries, compensation and related expenses for the Board of Directors and Senior Executives:**

The following are details of salaries, compensation and related expenses for the Board of Directors, Committees and Senior executives:

	<b>For the Three-Months Period ended</b>	
	<b>30 June 2025</b> <b>(Unaudited)</b>	<b>30 June 2024</b> <b>(Unaudited)</b>
Salaries	<b>248,155</b>	607,348
Allowances	<b>134,578</b>	172,290
Bonus	<b>10,000</b>	280,000
Compensation and other benefits	<b>163,802</b>	140,905
Board of directors and committees 's expenses	<b>18,519</b>	-
	<b>575,054</b>	1,200,543

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**14. RELATED PARTY TRANSACTIONS (CONTINUED)**

**14/1 Salaries, compensation and related expenses for the Board of Directors and Senior Executives (Continued)**

The trade receivables and other debit balance contains custody due from one of the former members of executive management amounting to SAR 707,784 related to previously paid amount as salary.

During the period ended 30 June 2025 and 30 June 2024, no transactions were made with related parties. However, the following balances remained outstanding as of the reporting date

**14/2- Due to related party**

	<b>30 June 2025</b> <b>(Unaudited)</b>	31 March 2025 <b>(Audited)</b>
United Advertising Company	<b>221,280</b>	221,280
	<b>221,280</b>	221,280

**14/3- Due from related party**

	<b>30 June 2025</b> <b>(Unaudited)</b>	31 March 2025 <b>(Audited)</b>
Al Khold Golden	<b>691,956</b>	691,956
	<b>691,956</b>	691,956

**15. ZAKAT PAYABLE**

**15/1 The movement in Zakat payable for the period / year is as follows:**

	<b>For the</b> <b>Three-Months Period</b> <b>ended</b>	For the year ended
	<b>30 June 2025</b> <b>(Unaudited)</b>	31 March 2025 <b>(Audited)</b>
Balance at the beginning of the period / year	<b>18,657,253</b>	21,693,041
Charge during the period / year	<b>1,100,000</b>	4,358,575
Zakat adjustment	<b>-</b>	(6,115,732)
Paid during the period / year	<b>(12,338)</b>	(1,278,631)
	<b>19,744,915</b>	18,657,253

**15/2 Zakat assessment**

**15/2/1 Holding Company:**

The Holding company received the adjusted Zakat assessments from the Authority for the years ended 31 March 2015, until 31 March 2020. The parent company recorded a liability against zakat differences as per revised assessment.

A decision was issued by the Appeals Committee for Tax Violations and Disputes to reject the appeal registered by the company for the years ending 31 March 2016 until 2019, and thus the decision became enforceable against the company.

During the year ended on Mar 31, 2024, the Holding company received the adjusted Zakat assessments from the Zakat, Tax and Customs Authority for the years ended 31 March 2021 and 31 March 2022. , during the year ended on Mar 31, 2024 the company filed an objection to those assessments, and then the Holding company submitted a request for accounting based on the new regulations of the Zakat, Tax and Customs Authority for those years. during the year the zakat, Tax and Customs Authority have re-examined those years based on the new regulations, this resulted in a reduction by an amount of 989,507 SAR. Accordingly, this amount has settled existing Zakat Payable.

During the year ended March 31, 2025, the Holding Company's management refunded an amount of SAR 5,126,225 from the Zakat Payable, utilizing credit amounts owed to the Company in respect to Zakat differences from previous years. These credit amounts were applied to partially settle the existing Zakat Payable, in accordance with information published on the website of the Zakat, Tax and

On June 30, 2025, the Zakat, Tax and Customs Authority completed the review of the Zakat return for the financial year ended March 31, 2023. Based on the examination and review, the Authority concluded that no Zakat adjustments are required for the year ended March 31, 2023

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**15. ZAKAT PAYABLE (CONTUNIED)**

**15/2/2 Subsidiaries Companies:**

**Tihama Distribution Company**

The company submitted its Zakat returns until the fiscal year ended December 31, 2024, to the Zakat, Tax and Customs Authority and paid the Zakat due based on its Zakat returns.

Tihama Distribution Company received the amended Zakat assessment from the Zakat, Tax and Customs Authority for the years ended on December 31, 2015, to 2018. The total value of the differences based on the revised assessment amounted to 921,895 SAR, and a zakat liability has been recorded. during the year ended on 31 Mar 2024, a decision was issued by the Appeals Committee for Tax Violations and Disputes to reject the appeal submitted by the company, and thus the amounts became payable from the company.

During the year ended on March 31, 2023, Tihama Distribution Company received the amended Zakat assessment from the Zakat, Tax and Customs Authority for the years ended on December 31, 2019, the company recorded a liability against zakat differences as per revised assessment.

**Tihama Education Company**

The company submitted the zakat return for the years since its establishment until December 31, 2024 and paid the zakat due based on Zakat returns submitted by the company. the company received the Zakat certificate for the fiscal year ending on December 31, 2024, and the Zakat, Tax and Customs Authority did not issue any amended assessments on the company up to the date of approval of these interim consolidated financial statements.

**Integrated Production Company for Audio-visual Media Production**

The company submitted the zakat return for the years since its establishment until December 31, 2024 and paid the zakat due based on Zakat returns submitted by the company. the company received the Zakat certificate for the fiscal year ending on December 31, 2024, and the Zakat, Tax and Customs Authority did not issue any amended assessments on the company up to the date of approval of these interim consolidated financial statements.

**16. REVENUES**

**16/1 Distribution of revenue from customers by type of product/service:**

	<b>For the Three-Months Period ended</b>	
	<b>30 June 2025</b>	<b>30 June 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Travel convenience products, food and beverages	<b>9,251,241</b>	10,117,904
Revenue from sale of educational materials	<b>442,686</b>	-
Revenue from production of specific media content for clients	<b>187,500</b>	217,094
Revenue from lease of static and digital billboards	-	760,148
Returns during the period	-	(15,878)
	<b>9,881,427</b>	<b>11,079,268</b>

**16/2 Geographical information for revenue from continued operation:**

	<b>For the Three-Months Period ended</b>	
	<b>30 June 2025</b>	<b>30 June 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Kingdom of Saudi Arabia	<b>9,881,427</b>	<b>11,079,268</b>

**16/3 Time of Revenue recognition:**

	<b>For the Three-Months Period ended</b>	
	<b>30 June 2025</b>	<b>30 June 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Recognized at a point in time	<b>9,881,427</b>	10,319,120
Recognized over a period of time	-	760,148
	<b>9,881,427</b>	<b>11,079,268</b>



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**17. OTHER INCOME**

	Note	For the Three-Months Period ended	
		30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Profit on term deposits		-	2,614,191
Murabaha fund profit	9/1	292,415	-
Interest income from saving account	11	637,108	-
Gain from legal case		377,871	-
Forex exchange gain		19,337	-
Other income		149,411	445,909
		<b>1,476,142</b>	<b>3,060,100</b>

**18. LOSS PER SHARE**

Basic Loss per share have been calculated by dividing the income for the year attributable to shareholders of the company by the weighted average number of ordinary shares outstanding during the year. The diluted earnings per share is the same as the basic earnings per share since the Group does not have any dilutive instruments.

	For the Three-Months Period ended	
	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
<b>From continued operations:</b>		
Net loss for the period attributable to shareholders of the parent company	(3,042,581)	(6,499,774)
Weighted average number of shares during the period	40,000,000	40,000,000
Basic and diluted loss per share from loss from continued operations for the period	(0.08)	(0.16)
<b>From discontinued operations:</b>		
Net loss for the year attributable to shareholders of the parent company	(412,817)	(665,298)
Weighted average number of shares during the period	40,000,000	40,000,000
Basic and diluted loss per share from loss from continued operations for the period	(0.01)	(0.02)
<b>Total loss per share – basic and diluted</b>	<b>(0.09)</b>	<b>(0.18)</b>

**19. SEGMENT INFORMATION:**

Operating segments are determined based on internal reports that are regularly presented to the Chief Executive Officer for allocating resources to the segments and assessing their performance under the "management approach." The management approach relies on how the management organizes the operating segments within the Group to facilitate operational decision making and performance evaluation. At the end of each reporting period, management reviews the segments listed below in terms of quantities and the characteristics of revenue and expense presentation within those segments.

The main activity of the Group and its subsidiaries consists of Advertising and Media Production, Distribution, Bookstores and Retail, Parent Company and Investments. the entire Group's business operations are concentrated in the Kingdom of Saudi Arabia. Operational decision makers evaluate the operating results of business units separately for the purpose of making decisions about resource allocation and performance assessment.

Advertising: comprises the lease of outdoor static and digital billboards to customers and providing other advertising services to customers

Media Production: comprises of production of specific media content to customers (Documentary films, short films, series, and advertising commercials).

Distribution: comprises of distribution of educational materials to educational institutions in Kingdom of Saudi Arabia

Retail and Bookstores: Comprises in sale of travel, convenience products, food and beverage and bookstores products.

Holding and investments: Comprises of the parent company where most of Group investments lie as well as the Group's management.

Events and Entertainment: comprises of organize and host events and entertainment for Tihama group and other companies in the market.

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**19. SEGMENT INFORMATION (CONTINUED):**

The following table presents the revenue and (losses) / profit information for the operating segment from continued operations as at 30 June 2025 (Unaudited):

	Advertising	Production	Distribution	Retail and Bookstores	Events and Entertainment	Holding and investments	Total
Revenue from continued operation:							
Revenue from external customers	-	187,500	442,686	9,251,241	-	-	9,881,427
Gross segment profit	-	75,000	12,028	5,267,394	-	-	5,354,422
Segment (loss) /profit from continued operations	(187,495)	(300,843)	(1,467,523)	(2,141,758)	(102,514)	1,067,297	(3,132,836)
Discontinued operations profits for the period (Note 20)							(412,817)
Net loss for the period							(3,545,653)

The following table presents the revenue and (losses) / profit information for the operating segment from continued operations as at 30 June 2024 (Unaudited):

	Advertising	Production	Distribution	Retail and Bookstores	Events and Entertainment	Holding and investments	Total
Revenue from continued operation:							
Revenue from external customers	760,148	217,094	(15,878)	10,117,904		-	11,079,268
Gross segment profit	279,030	83,259	(73,238)	5,980,065		-	6,269,116
Segment (loss) /profit from continued operations	(23,428)	(606,201)	(1,519,315)	(3,132,437)		(1,400,253)	(6,681,634)
Discontinued operations profits for the period (Note 20)							(665,298)
Net loss for the period							(7,346,932)

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**19. SEGMENT INFORMATION (CONTINUED)**

The following table presents total assets and total liabilities information from the continued operations for the Group's operating segments as at 30 June 2025 (Unaudited):

	Advertising	Production	Distribution	Retail and Bookstores	Events and Entertainment	Holding and investments	Total
Assets	1,081,101	1,297,492	41,567,828	20,015,840	576,185	293,505,095	358,043,541
Liabilities	33,619,930	3,023,431	21,439,407	39,309,256	33,231	41,936,376	139,361,631

The following table presents total assets and total liabilities information from the continued operations for the Group's operating segments as at 31 March 2025 (Audited):

	Advertising	Production	Distribution	Retail and Bookstores	Events and Entertainment	Holding and investments	Total
Assets	2,845,000	1,560,301	42,142,488	26,041,571	362,633	298,410,863	371,362,856
Liabilities	35,407,831	2,995,398	24,714,439	42,770,052	94,737	43,376,702	149,359,159

## **20. DISCONTINUED OPERATIONS**

**20/1** On 14 March 2024, the Board of Directors of the Company decided to initiate liquidation procedures for a number of subsidiaries that are either inactive or have been incurring recurring losses, negatively impacting the overall performance of the Group.

As part of this resolution, the Board approved the voluntary liquidation of the following subsidiaries:

Tihama Holding for Commercial Investment Company

Istidama International Real Estate

Fast Advertising Company

Tihama New Media Company

Tihama International Advertising Company

In addition, the Board resolved to commence bankruptcy proceedings for Tihama Modern Bookstores Company, due to its financial insolvency and inability to meet its obligations.

**20/2** On 9 May 2022 An agreement was signed between Aventus Global Trading a 100% owned subsidiary, operating in the United Arab Emirates and Nextbite Trading (a Company registered in the UAE) to sell various assets and transfer various obligations related to the transfer of the business operations on an ongoing basis of Aventus global, The transaction represents the transfer of assets and liabilities related to the business operations of Aventus Global Trading, which operates in the retail sector in the United Arab Emirates and operates branches in Dubai, Abu Dhabi and Sharjah for the sale of books, stationery, magazines, newspapers, entertainment products, confectionery and accessories., On October,4 2022, the necessary approvals from stakeholders and related bodies were obtained to complete the process of transferring concession rights and lease contracts accordingly, the subsidiary company transferred the franchise agreements, property and equipment for branches, projects under construction and inventory, as well as the transfer of future obligations for branch leases and the dues to contractors for assets under construction as well as employees benefits obligations, The total fair value of the agreed consideration for the transaction amounted to SAR 4,637,726, of which an amount of SAR 4,247,282 were received, and the net remaining 184,975 SAR was included in trade receivables and other debit balances.

**20/3** The Group has ownership in Saudi Company for Signs Supply Ltd by 42.50%. The partners in Saudi Company for Signs Supply Ltd decided during the year ended 31 March 2012 to start liquidating due to its operational losses for successive years and its inability to continue its activities. The legal procedures for this decision have not been completed until 31 March 2025. The company's share in the net equity of the partners in this associate as at March 31, 2025 is nil and 31 March 2024 is nil.

### **20/4 Tihama Modern Bookstores zakat assessment**

The company received zakat assessments from the Zakat, Tax and Customs Authority for the years ended 31 December 2011, until 31 December 2021. The company recorded a liability against zakat differences as per revised assessment.

During the year ending on 31 March 2024, a decision was issued by the Appeals Committee for Tax and Disputes to partially accept the company's appeal regarding the amended assessments for the years ending on 31 December 2011, until 2016, and 2019, and The Zakat, Tax and Customs Authority has amended these zakat assessments.

During the year ending on 31 March 2023, the Zakat, Tax and Customs Authority issued an assessment for the years ending on 31 December 2020, and 2021, the company recorded a liability against zakat differences as per revised assessment, The company has filed an objection with Zakat, Tax and Customs Authority regarding its report on the amended assessment. The Authority has accepted the re-examination of the zakat for the fiscal year ending on 31 December 2020, and the fiscal year 31 December 2021.

### **20/5 Wataniya Unified Distribution Company**

This represents an investment share presented to 8.3% in Wataniya Unified Distribution Company (a Saudi limited liability company). This investment was classified as a financial asset at fair value through other comprehensive income (FVTOCI), but management was unable to determine the fair value of this investment, and it was recorded at cost as of 31 March 2022.

During the year ending 31 March 2023, the company recognized a loss from the change in the fair value of the investment in the Wataniya Unified Distribution Company through the statement of other comprehensive income amounting to SAR 428,363, based on the valuation prepared by a valuation firm licensed by the Saudi Authority for Independent Valuers.

According to the ordinary General Assembly held on 12 September 2023, by the shareholders of Wataniya Unified Distribution Company, the shareholders approved the compulsory liquidation of the company in accordance with the provisions of the Bankruptcy Law.

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**20. DISCONTINUED OPERATIONS (CONTINUED)**

The following table presents the revenue and (losses) / profit information for the discontinued operations as at 30 June 2025 (Unaudited):

	Aventus Global	Tihama Modern Bookstores	Fast Advertising	Saudi Company for Signs Supply	Wataniya Unified Distribution Company	Istidama International Real Estate	Tihama Holding for Commercial	Tihama International Advertising	Tihama New Media	Total
General and administrative expenses	(96,601)	(316,108)	(8)	-	-	-	-	(100)	-	(412,817)
loss for the Period	(96,601)	(316,108)	(8)	-	-	-	-	(100)	-	(412,817)
Zakat	-	-	-	-	-	-	-	-	-	-
Discontinued operations Net (loss)/gain	(96,601)	(316,108)	(8)	-	-	-	-	(100)	-	(412,817)
Net Gain/ (Loss) for the Period attributed to:										
Shareholders of the parent company	(96,601)	(316,108)	(8)	-	-	-	-	(100)	-	(412,817)
	(96,601)	(316,108)	(8)	-	-	-	-	(100)	-	(412,817)

The following table presents the revenue and (losses) / profit information for the discontinued operations as at 30 June 2024 (Unaudited):

	Aventus Global	Tihama Modern Bookstores	Fast Advertising	Saudi Company for Signs Supply	Wataniya Unified Distribution Company	Istidama International Real Estate	Tihama Holding for Commercial	Tihama International Advertising	Tihama New Media	Total
General and administrative expenses	(97,432)	(289,269)	-	-	-	-	-	-	(36,993)	(423,694)
Other income, net	8,396	-	-	-	-	-	-	-	-	8,396
loss for the year	(89,036)	(289,269)	-	-	-	-	-	-	(36,993)	(415,298)
Zakat	-	(250,000)	-	-	-	-	-	-	-	(250,000)
Discontinued operations Net (loss)/gain	(89,036)	(539,269)	-	-	-	-	-	-	(36,993)	(665,298)
Net Gain/ (Loss) for the Period attributed to:										
Shareholders of the parent company	(89,036)	(539,269)	-	-	-	-	-	-	(36,993)	(665,298)
	(89,036)	(539,269)	-	-	-	-	-	-	(36,993)	(665,298)

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**20. DISCONTINUED OPERATIONS (CONTINUED)**

The following table presents total assets and total liabilities information for the Discontinued operations as at 30 June 2025 (Unaudited):

	Aventus Global	Tihama Modern Bookstores	Fast Advertising	Saudi Company for Signs Supply	Wataniya Unified Distribution Company	Istidama International Real Estate	Tihama Holding for Commercial	Tihama International Advertising	Tihama New Media	Total	Adjustments and eliminations	Total
<b>Assets</b>												
Property and equipment	-	263	-	-	-	-	-	-	-	263	-	263
Trade receivables and other debit balances, net	232,026	502,881	-	-	-	-	-	-	-	734,907	-	734,907
Due from Related parties	-	2,263,487	100,017	-	-	23,066	-	29,267	-	2,415,837	(2,415,837)	-
Cash and cash equivalents	22,977	-	165,541	-	-	-	-	-	-	188,518	-	188,518
<b>Total Assets</b>	<b>255,003</b>	<b>2,766,631</b>	<b>265,558</b>	<b>-</b>	<b>-</b>	<b>23,066</b>	<b>-</b>	<b>29,267</b>	<b>-</b>	<b>3,339,525</b>	<b>(2,415,837)</b>	<b>923,688</b>
<b>Liabilities</b>												
Employees' defined benefits obligations	-	137,319	-	-	-	-	-	-	-	137,319	-	137,319
Trade payables and other credit balances	22,981	2,940,065	-	-	-	28,750	-	28,750	28,750	3,049,296	-	3,049,296
Due to a related party	14,342,459	19,770,511	672,090	-	-	-	176,577	-	2,222,956	37,184,593	(37,184,593)	-
Accrued Zakat	-	21,276,714	-	-	-	-	-	-	-	21,276,714	-	21,276,714
<b>Total Liabilities</b>	<b>14,365,440</b>	<b>44,124,609</b>	<b>672,090</b>	<b>-</b>	<b>-</b>	<b>28,750</b>	<b>176,577</b>	<b>28,750</b>	<b>2,251,706</b>	<b>61,647,922</b>	<b>(37,184,593)</b>	<b>24,463,329</b>



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**20. DISCONTINUED OPERATIONS (CONTINUED)**

The following table presents total assets and total liabilities information for the Discontinued operations as at 31 March 2025 (Audited):

	Aventus Global	Tihama Modern Bookstores	Fast Advertising	Saudi Company for Signs Supply	Wataniya Unified Distribution Company	Istidama International Real Estate	Tihama Holding for Commercial	Tihama International Advertising	Tihama New Media	Total	Adjustments and eliminations	Total
<b>Assets</b>												
Property and equipment, net	-	641	-	-	-	-	-	-	-	641	-	641
Trade receivables and other debit balances, net	437,496	700,269	-	-	-	-	-	-	-	1,137,765	-	1,137,765
Due from related parties	-	2,263,487	100,017	-	-	51,816	-	58,117	-	2,473,437	(2,473,437)	-
Cash and cash equivalents	119,326	-	165,541	-	-	-	-	-	-	284,867	-	284,867
<b>Total Assets</b>	<b>556,822</b>	<b>2,964,397</b>	<b>265,558</b>	<b>-</b>	<b>-</b>	<b>51,816</b>	<b>-</b>	<b>58,117</b>	<b>-</b>	<b>3,896,710</b>	<b>(2,473,437)</b>	<b>1,423,273</b>
<b>Liabilities</b>												
Employees' defined benefits obligations	-	135,904	-	-	-	-	-	-	-	135,904	-	135,904
Trade payables and other credit balances	27,398	3,024,904	89,125	-	-	57,500	57,500	57,500	57,500	3,371,427	-	3,371,427
Due to a related party	14,543,258	19,568,747	582,957	-	-	-	119,077	-	2,194,206	37,008,245	(37,008,245)	-
Accrued zakat	-	21,276,714	-	-	-	-	-	-	-	21,276,714	-	21,276,714
<b>Total Liabilities</b>	<b>14,570,656</b>	<b>44,006,269</b>	<b>672,082</b>	<b>-</b>	<b>-</b>	<b>57,500</b>	<b>176,577</b>	<b>57,500</b>	<b>2,251,706</b>	<b>61,792,290</b>	<b>(37,008,245)</b>	<b>24,784,045</b>

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**21. CONTINGENT AND CAPITAL COMMITMENTS:**

**21/1 Letter of Guarantees**

The letter of outstanding guarantee is as follow:

	<b>30 June 2025</b> <b>(unaudited)</b>	<b>31 March 2025</b> <b>(Audited)</b>
Letters of guarantee (Note 9)	<u><b>2,878,497</b></u>	<u><b>4,215,401</b></u>

**21/2 Contingent Liabilities**

There have been some cases filed against the parent company and some of the Group's subsidiaries during the normal course of business and are currently being litigated as follows:

**21/2/1** On 12 December 2024, the Group announced that former member of executive management has filed a labour lawsuit against the Group. The plaintiff has filed the lawsuit for the allegation of the termination of his contract without a legitimate reason. the plaintiff claims an amount of SAR 12,357,125 as stated in the lawsuit. As of now, the expected financial impact of the lawsuit cannot be determined. The management believe that there will be no liability against the lawsuit, Therefore, it has been considered as a contingent liability.

**21/2/2** On 24 December 2024, the Group announced that a former employee for one of the Group's subsidiaries (Tihama Education) has filed a labour lawsuit against the subsidiary. The plaintiff has filed the lawsuit for the allegation of the termination of his contract without a legitimate reason. The plaintiff claims an amount of SAR 15,390,000 as stated in the lawsuit. As of now, the expected financial impact of the lawsuit cannot be determined. The management believe that there will be no liability against the lawsuit, Therefore, it has been disclosed as a contingent liability. Subsequent to the reporting date the group announced that he labor court issued a ruling to dismiss the lawsuit.

**21/3 Capital Commitments**

The Group has no capital commitments as of 30 June 2025.

**22. FAIR VALUE FOR FINANCIAL INSTRUMENTS**

**Fair value**

The following table shows the carrying amounts and fair values of financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets not measured at fair value if the carrying amount is a reasonable approximation of fair value.

<u><b>30 June 2025</b></u>	<u><b>Book value</b></u>	<u><b>Level 1</b></u>	<u><b>Fair Value</b></u> <u><b>Level 2</b></u>	<u><b>Level 3</b></u>	<u><b>Total</b></u>
<u><b>Financial assets</b></u>					
<b>Investment in equity instruments at fair value through other comprehensive income (Note 7)</b>	-	-	-	-	-
<b>Investment in equity instruments at fair value through profit or loss (Note 10)</b>	<b>138,941,324</b>	<b>138,941,324</b>	-	-	<b>138,941,324</b>
	<u><b>138,941,324</b></u>	<u><b>138,941,324</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>138,941,324</b></u>
<u><b>31 March 2025</b></u>	<u><b>Book value</b></u>	<u><b>Level 1</b></u>	<u><b>Fair Value</b></u> <u><b>Level 2</b></u>	<u><b>Level 3</b></u>	<u><b>Total</b></u>
<u><b>Financial assets</b></u>					
<b>Investment in equity instruments at fair value through other comprehensive income (Note 7)</b>	-	-	-	-	-
<b>Investment in equity instruments at fair value through profit or loss (Note 10)</b>	<b>107,452,105</b>	<b>107,452,105</b>	-	-	<b>107,452,105</b>
	<u><b>107,452,105</b></u>	<u><b>107,452,105</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>107,452,105</b></u>

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## 23. NON- CASH TRANSACTIONS

	Note	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
<b>Significant non-cash transactions:</b>			
Change in foreign currency translation reserve	6/1	44,997	(995,869)
Net Disposal to right to use and lease liabilities		(24,810)	(186,195)
Letter of guarantee utilized against payments of lease liability		1,162,525	-

## 24. RECLASSIFICATION OF PRIOR YEARS

the Group has re-classified certain balances, which provide more accurate presentation and reflects the relevant nature of the presented accounts.

**Impact reclassification on the interim condensed consolidated statement of profit or loss for the three-months ended 30 June 2024:**

	30 June 2024 (Unaudited)	Reclassification	30 June 2024 (Unaudited)
Revenues	11,079,268	-	11,079,268
Cost of revenues	(4,637,370)	(172,782)	(4,810,152)
<b>Gross profit</b>	6,441,898	(172,782)	6,269,116
Selling and marketing expenses	(10,602,806)	(139,988)	(10,742,794)
General and administrative expenses	(5,578,653)	158,657	(5,419,996)
Finance cost	(398,993)	154,113	(244,880)
Gain from financial assets at Fair value through Profit or loss	-	-	-
Other income	3,060,100	-	3,060,100
Share of results from associate companies	2,521,820	-	2,521,820
<b>Loss from continued operations before zakat</b>	(4,556,634)	-	(4,556,634)
<b>Net loss from continued operations for the Period</b>	(6,681,634)	-	(6,681,634)
<b>Discontinued operations</b>	-	-	-
Loss from discontinued operations for the Period	(665,298)	-	(665,298)
<b>Net loss for the Period</b>	(7,346,932)	-	(7,346,932)
<b>Net loss for the Period attribute to:</b>			
Shareholders of the parent company	(7,165,072)	-	(7,165,072)
Non-Controlling interest	(181,860)	-	(181,860)
	(7,346,932)	-	(7,346,932)
<b>Basic and diluted loss per share attributable to the shareholders of the Company</b>			
From Contained Operation	(0.16)	-	(0.16)
From Discounted Operation	(0.02)	-	(0.02)

## 25. SUBSEQUENT EVENTS

Management believes that there are no significant subsequent events since the end of the period that would require disclosure or amendment to these interim condensed consolidated financial statements.

## 26. APPROVAL ON THE INTERM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved by the Board of Directors on 10 Safar 1447H (Corresponding to 4 August 2025)