Fawaz Abdulaziz Al Hokair & Company
(Cenomi Retail)

(A Saudi Joint Stock Company)

Interim condensed consolidated financial statements
(unaudited)
For the three and nine-month periods ended 30 September 2025
And the Independent Auditor's Review Report

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

To the Shareholders of
Fawaz Abdulaziz Al Hokair & Company
(A Saudi Joint Stock Company)

INTRODUCTION

We have reviewed the accompanying interim condensed consolidated statement of financial position of Fawaz Abdulaziz Al Hokair & Company (the "Company") and its subsidiaries (collectively referred as the "Group"), a Saudi Joint Stock Company as of 30 September 2025, the interim condensed consolidated statement of profit or loss and the interim condensed consolidated statement of other comprehensive income for the three-month and nine-month periods then ended and the interim condensed consolidated statements of changes in equity and cash flows for the nine-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard (34) "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

MATERIAL UNCERTAINITY RELTAED TO GOING CONCERN

We draw attention to Note (3-2) of the accompanying interim condensed consolidated financial statements, which indicates that the Group incurred a loss of ⃁ 205 million for the period ended 30 September 2025. As of that date, the Group's i) accumulated losses of ⃁ 1,817 million exceeded the Company's share capital by ⃁ 670 million, ii) current liabilities exceeded its current assets by ⃁ 3,047 million, and iii) total liabilities exceeded its total assets by ⃁ 1,207 million. These events or conditions, along with other matters as set forth in details in Note (3-2) of the accompanying interim condensed consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

For Dr. Mohamed Al-Amri & Co.

د. محمد العمري وشركاه - محاسبون قانونيون
س.ت: ١٠١٠٤٣٣٩٨٢
Riyadh
Certified Public Accountants
Dr. Mohamed Al-Amri & Co.

Gihad M. Al-Amri
Certified Public Accountant
License No. 362

Riyadh, on: 20 Jumada Al Awwal, 1447 (H)
Corresponding to: 11 November, 2025 (G)

Fawaz Abdulaziz Al Hokair & Company (a Saudi Joint Stock Company)

Interim condensed consolidated statement of financial position

As at 30 September 2025

(All amounts in ⃁ unless otherwise stated)

	Note	30 September 2025 (Unaudited) ⃁	31 December 2024 (Audited) ⃁
Assets			
Non-current assets			
Property and equipment	6	1,035,570,587	1,081,016,664
Right-of-use assets	7	1,379,760,713	1,455,170,360
Goodwill and intangible assets		618,866,248	627,455,066
Investment property		1,050,600	1,142,400
Equity accounted investment	8	44,554,338	46,004,794
Investment in equity instruments at FVTOCI	9	89,440,776	84,371,912
Receivable from disposal of subsidiary		15,781,195	18,672,904
Total non-current assets		3,185,024,457	3,313,834,100
Current assets			
Inventories	10	620,795,042	632,282,280
Advances, deposits and other receivables		191,519,425	150,541,723
Prepayments		63,924,582	35,000,720
Cash and cash equivalents		153,579,083	256,211,534
Total Current assets		1,029,818,132	1,074,036,257
Assets held for sale		--	197,819,749
Total assets		4,214,842,589	4,585,690,106
Equity			
Share capital	13	1,147,664,480	1,147,664,480
Foreign currency translation reserve		(600,721,474)	(617,207,523)
Fair value reserve		83,270,078	83,270,078
Accumulated losses		(1,817,399,184)	(1,606,933,730)
Equity attributable to the shareholders of the Company		(1,187,186,100)	(993,206,695)
Non-controlling interest		(19,732,913)	(24,928,877)
Total equity		(1,206,919,013)	(1,018,135,572)
Liabilities			
Non-current liabilities			
Loans and borrowings	11	1,515,596	82,449,030
Lease liabilities		1,257,169,887	1,188,752,144
Employees benefits		86,171,852	73,928,790
Total non-current liabilities		1,344,857,335	1,345,129,964
Current liabilities			
Loans and borrowings – current portion	11	1,631,806,154	1,760,169,911
Shareholder's loan	14	1,160,447,076	--
Lease liabilities – current portion		242,574,403	358,309,583
Trade and other payables		1,035,020,154	1,799,511,077
Zakat and tax liabilities		7,056,480	99,228,865
Total current liabilities		4,076,904,267	4,017,219,436
Liabilities associated with assets as held for sale		--	241,476,278
Total liabilities		5,421,761,602	5,603,825,678
Total equity and liabilities		4,214,842,589	4,585,690,106

The attached notes from 1 to 23 are an integral part of these interim condensed consolidated financial statements.
These Interim condensed consolidated financial statements were authorized for issue by the Board of Directors, and signed on its behalf by:

Ahmed Salim Abdelkareem	Salim Fakhouri	Hussein Ali Shobokshi
Chief Financial Officer	*Chief Executive Officer*	*Chairman*

Fawaz Abdulaziz Al Hokair & Company (a Saudi Joint Stock Company)

Interim condensed consolidated statement of profit or loss

For the three and nine-month period ended 30 September 2025

(All Amounts in ⃁ unless otherwise stated)

	Note	Three-month ended 30 September 2025 (Unaudited) ⃁	Three-month ended 30 September 2024 (Unaudited) ⃁	Nine-month ended 30 September 2025 (Unaudited) ⃁	Nine-month ended 30 September 2024 (Unaudited) ⃁
Revenue	16	1,208,924,708	1,122,555,424	3,671,994,576	3,536,459,802
Cost of revenue	17	(1,076,726,106)	(995,383,654)	(3,172,837,503)	(3,107,349,261)
Gross profit		132,198,602	127,171,770	499,157,073	429,110,541
Other operating income	18B	11,672,074	70,626,267	75,367,686	256,918,137
Selling and distribution expenses		(34,810,019)	(29,557,539)	(90,452,391)	(100,646,117)
General and administrative expenses		(102,149,671)	(68,046,413)	(228,156,205)	(227,880,372)
Depreciation on property and equipment		(30,909,334)	(28,557,988)	(92,699,107)	(83,630,952)
Depreciation on investment properties		(30,600)	(30,600)	(91,800)	(91,800)
Amortization on intangible assets		(3,327,839)	(3,507,107)	(9,487,185)	(10,315,759)
Other operating (expense) / income	18A	(16,593,014)	37,679,003	(126,380,842)	(7,343,316)
Operating (loss) / profit		(43,949,801)	105,777,393	27,257,229	256,120,362
(Losses) /gains from derivative liabilities		–	6,504,092	–	(12,642,079)
Finance costs on loans and borrowings		(46,109,640)	(50,388,883)	(118,570,003)	(145,331,484)
Finance costs on lease liabilities		(26,266,560)	(22,462,337)	(75,188,968)	(71,944,108)
Net finance costs		(72,376,200)	(66,347,128)	(193,758,971)	(229,917,671)
Share of loss of equity-accounted investee	8	(2,836,175)	(1,953,917)	(3,332,133)	(4,530,107)
(Loss) / profit before zakat and income tax		(119,162,176)	37,476,348	(169,833,875)	21,672,584
Zakat and Income tax expense		(4,256,110)	(14,375,872)	(18,565,621)	(38,814,012)
(Loss) / Profit for the period from continuing operations		(123,418,286)	23,100,476	(188,399,496)	(17,141,428)
Gain / (loss) for the period from discontinued operations	22A,B	1,185,716	(3,789,170)	(17,069,012)	(31,147,329)
(Loss) / profit for the period		(122,232,570)	19,311,306	(205,468,508)	(48,288,757)
(loss) / profit for the period is attributable to:					
Shareholder of the Company		(124,912,085)	17,928,897	(210,465,454)	(52,955,090)
Non-controlling interests		2,679,515	1,382,409	4,996,946	4,666,333
		(122,232,570)	19,311,306	(205,468,508)	(48,288,757)
(Loss) / Profit per share					
Basic and diluted (loss) / profit per share	12				
- From continuing operations		(1.10)	0.19	(1.69)	(0.19)
- From discontinuing operations		0.01	(0.03)	(0.15)	(0.27)

The attached notes from 1 to 23 are an integral part of these interim condensed consolidated financial statements.

Ahmed Salim Abdelkareem	**Salim Fakhouri**	**Hussein Ali Shobokshi**
Chief Financial Officer	*Chief Executive Officer*	*Chairman*

Fawaz Abdulaziz Al Hokair & Company (a Saudi Joint Stock Company)

Interim condensed consolidated statement of Comprehensive income

For the three and nine-month period ended 30 September 2025

(All Amounts in ⃁ unless otherwise stated)

	Three-month ended 30 September 2025 (Unaudited) ⃁	Three-month ended 30 September 2024 (Unaudited) ⃁	Nine-month ended 30 September 2025 (Unaudited) ⃁	Nine-month ended 30 September 2024 (Unaudited) ⃁
(Loss) / profit for the year	**(122,232,570)**	19,311,306	**(205,468,508)**	(48,288,757)
Items that will not be reclassified to profit or loss:				
Changes in FVTOCI	--	75,886,502	--	65,053,503
	--	75,886,502	--	65,053,503
Items that are or may be reclassified subsequently to profit or loss:				
Foreign operations – foreign currency translation differences	**6,139,127**	4,499,641	**16,685,067**	(40,681,985)
	6,139,127	4,499,641	**16,685,067**	(40,681,985)
Other comprehensive income for the period	**6,139,127**	80,386,143	**16,685,067**	24,371,518
Total comprehensive income for the period	**(116,093,443)**	99,697,449	**(188,783,441)**	(23,917,239)
Total comprehensive income for the period attributable to:				
Shareholders of the Company	**(118,865,100)**	96,799,779	**(193,979,405)**	(29,370,438)
Non-controlling interests	**2,771,657**	2,897,670	**5,195,964**	5,453,199
	(116,093,443)	99,697,449	**(188,783,441)**	(23,917,239)

The attached notes from 1 to 23 are an integral part of these interim condensed consolidated financial statements.

Ahmed Salim Abdelkareem	**Salim Fakhouri**	**Hussein Ali Shobokshi**
Chief Financial Officer	*Chief Executive Officer*	*Chairman*

Fawaz Abdulaziz Al Hokair & Company (a Saudi Joint Stock Company)

Interim condensed consolidated statement of changes in equity

For the nine-month period ended 30 September 2025

(All Amounts in ⃁ unless otherwise stated)

	Share Capital	Foreign currency translation reserve	Fair value reserve	Accumulated losses	Total shareholders' equity	Non-Controlling interest	Total equity
	⃁	⃁	⃁	⃁	⃁	⃁	⃁
Balance at 1 January 2025 (Audited)	**1,147,664,480**	**(617,207,523)**	**83,270,078**	**(1,606,933,730)**	**(993,206,695)**	**(24,928,877)**	**(1,018,135,572)**
Comprehensive income for the period							
(Loss) / profit for the period	**--**	**--**	**--**	**(210,465,454)**	**(210,465,454)**	**4,996,946**	**(205,468,508)**
Other comprehensive income	**--**	**16,486,049**	**--**	**--**	**16,486,049**	**199,018**	**16,685,067**
Total comprehensive income for the period	**--**	**16,486,049**	**--**	**(210,465,454)**	**(193,979,405)**	**5,195,964**	**(188,783,441)**
Balance at 30 September 2025 (Unaudited)	**1,147,664,480**	**(600,721,474)**	**83,270,078**	**(1,817,399,184)**	**(1,187,186,100)**	**(19,732,913)**	**(1,206,919,013)**
Balance at 1 January 2024 (Audited)	1,147,664,480	(564,513,223)	42,076,481	(1,403,902,766)	(778,675,028)	(27,631,180)	(806,306,208)
Comprehensive income for the period							
(Loss) / profit for the period	--	--	--	(53,171,751)	(53,171,751)	4,882,993	(48,288,758)
Other comprehensive income	--	(39,951,121)	63,752,433	--	23,801,312	570,206	24,371,518
Total comprehensive income for the period	--	(39,951,121)	63,752,433	(53,171,751)	(29,370,439)	5,453,199	(23,917,240)
Balance at 30 September 2024 (Unaudited)	1,147,664,480	(604,464,344)	105,828,914	(1,457,074,517)	(808,045,467)	(22,177,981)	(830,223,448)

The attached notes from 1 to 23 are an integral part of these interim condensed consolidated financial statements.

Ahmed Salim Abdelkareem
Chief Financial Officer

Salim Fakhouri
Chief Executive Officer

Hussein Ali Shobokshi
Chairman

Fawaz Abdulaziz Al Hokair & Company (a Saudi Joint Stock Company)

Interim condensed consolidated statement of cash flows

For the nine-month period ended 30 September 2025

(All Amounts in ⃁ unless otherwise stated)

	For the nine-month period ended 30 September 2025 (Unaudited) ⃁	For the nine-month period ended 30 September 2024 (Unaudited) ⃁
Cash flows from operating activities:		
Loss for the period	(205,468,508)	(48,288,757)
Adjustments for:		
- Depreciation on property and equipment	95,065,847	100,984,151
- Depreciation on investment property	91,800	91,800
- Amortization on intangible assets	9,550,519	10,812,611
- Depreciation on right-of-use assets	217,236,467	280,367,903
- Provision for employees' benefits	16,141,755	16,443,160
- Provision for inventory shrinkage and slow-moving inventory	29,545,088	23,494,847
- Expected credit loss	18,786,417	16,027,390
- Gain on lease termination	(3,953,984)	(5,195,112)
- Zakat and income tax expense	18,565,621	38,814,012
- Finance cost over loans and borrowings	118,570,003	145,900,790
- Finance cost over lease liabilities	76,753,797	82,382,887
- Losses from fair value re-measurement over derivative liabilities	--	12,642,079
- Share of loss from equity accounted investment	3,332,133	4,530,107
- Store closure losses	--	3,436,415
- Directly written off inventory	(4,118,582)	--
- Gain on disposal of discontinued operations	(21,881,521)	(211,659,281)
- Write off of property and equipment and intangibles	19,656,746	--
	387,873,598	470,785,002
Changes in:		
- Inventories	12,808,494	54,583,997
- Advances, deposits and other receivables	(23,749,165)	39,797,731
- Prepayments	(28,905,999)	(18,966,949)
- Trade and other payables	(796,120,556)	483,794,142
Cash (used in) / generated from operating activities	(448,093,628)	1,029,993,923
Zakat and income tax paid	(110,738,006)	(39,796,380)
Employees benefits paid	(8,262,567)	(25,724,190)
Net cash (used in) / generated from operating activities	(567,094,201)	964,473,353
Cash flows from investing activities:		
Proceeds on disposal of assets held for sale	--	314,642,948
Proceeds from disposal of property and equipment	25,493,300	24,811,658
Purchase of property and equipment	(93,550,771)	(154,961,464)
Purchase of equity accounted investment	(1,881,676)	(3,381,676)
Purchase of intangible assets	(2,855,255)	(8,390,250)
Net cash (used in) / generated from investing activities	(72,794,402)	172,721,216

	For the nine-month period ended 30 September 2025 (Unaudited) ⃁	For the nine-month period ended 30 September 2024 (Unaudited) ⃁
Cash flows from financing activities:		
Proceeds from loans and borrowings	2,930,218,649	415,239,413
Repayments of loans and borrowings	(1,979,068,764)	(1,051,243,937)
Payments of finance costs over loans and borrowings	(156,399,997)	(241,126,447)
Repayments of lease liabilities	(197,363,266)	(217,034,378)
Payments of finance costs over lease liabilities	(76,753,797)	(82,382,887)
Net cash generated from generated from / (used in) financing activities	520,632,825	(1,176,548,236)
Net decrease in cash and cash equivalents	(119,255,778)	(39,353,667)
Foreign currency exchange translation differences	16,623,327	(11,783,575)
Cash and cash equivalents at the beginning of period	256,211,534	188,141,687
Cash and cash equivalents at the end of period	153,579,083	137,004,445

Significant non-cash transactions:	For the nine-month period ended 30 September 2025 (Unaudited)	For the nine-month period ended 30 September 2024 (Unaudited)
Disposal of Property and equipment (*)	25,098,258	--

(*) This amount represents non-cash transactions related to the disposals made during the period for certain assets and settled against rental liabilities (Note 6).

The attached notes from 1 to 23 are an integral part of these interim condensed consolidated financial statements.

Ahmed Salim Abdelkareem	**Salim Fakhouri**	**Hussein Ali Shobokshi**
Chief Financial Officer	*Chief Executive Officer*	*Chairman*

1. REPORTING ENTITY

Fawaz Abdulaziz Al Hokair & Co. (the "Company") is a listed Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia under commercial registration No. 1010076209 dated 20 Sha'ban 1410H (corresponding to 18 March 1990).

The objective of the Company and its subsidiaries (collectively known as the "Group") is to engage in the following activities:

- Wholesale and retail trading in ready-made clothes for men, women and children, shoes, textiles, house and office furniture, perfumes, natural cosmetics, ornaments and beauty materials and their compounds and traditional jewelry.
- Wholesale and retail trading in sportswear and shoes and related items.
- Management and operation of optics centers and wholesale and retail trading in eyeglasses, sunglasses, contact lenses, optical equipment and accessories.
- Trading agencies.
- Purchase of land and construction of buildings thereon for running the Group's activities and business.
- Manufacture, wholesale and retail in Abayas, robes, scarfs and other women embroidered gowns.
- Wholesale and retail trading in gold, silver, jewelry, precious stones, diamonds, gold ornaments and precious metals.
- Wholesale and retail trading in communication equipment and related accessories and spare parts, maintenance and operation through trading agencies.
- Retail trading in consumer food products.
- Own and operate restaurants, coffee shops, import food products and acquire related equipment.
- Own and operate entertainment centers and acquire related equipment.

2. REPORTING ENTITY

Following is the list of subsidiaries included in these consolidated financial statements as at 30 September 2025 and 31 December 2024:

				Ownership interest held by the Group as at:	
No	**Subsidiaries**	**Country of incorporation**	**Business Activity**	**30 September 2025**	31 December 2024
1	Al Waheedah Equipment Co. Ltd.	Kingdom of Saudi Arabia	Retail	**100**	100
2	Haifa B. Al Kalam & Partners Co. for trading	Kingdom of Saudi Arabia	Retail	**100**	100
3	Saudi Retail Co. Ltd	Kingdom of Saudi Arabia	Retail	**100**	100
4	Wahba Trading Company Limited	Kingdom of Saudi Arabia	Retail	**100**	100
5	Unique Technology Trading Company	Kingdom of Saudi Arabia	Retail	**100**	100
6	Nesk Trading Projects Company	Kingdom of Saudi Arabia	Retail	**100**	100
7	Innovative Union Company (IUC)	Kingdom of Saudi Arabia	Food and Beverage	**100**	100
8	Food Gate company	Kingdom of Saudi Arabia	Food and Beverage	**70**	70
9	Logistics Fashion Trading DWC-LLC	United Arab Emirates	Retail	**100**	100
10	Al-Jeel Trading Company	Kingdom of Saudi Arabia	Retail	**100**	100
11	Fashion Retail Kazakhstan LLP	Republic of Kazakhstan	Retail	**100**	100
12	Global Apparel Kazakhstan LLP	Republic of Kazakhstan	Retail	**100**	100
13	Retail Group Georgia LLC	Georgia	Retail	**100**	100
14	Master Retail Georgia LLC	Georgia	Retail	**100**	100
15	Spanish Retail Georgia LLC	Georgia	Retail	**100**	100
16	Pro Retail Georgia LLC	Georgia	Retail	**100**	100
17	Best Retail Georgia LLC	Georgia	Retail	**100**	100
18	Mega Store Georgia LLC	Georgia	Retail	**100**	100
19	Fashion Retail Georgia LLC	Georgia	Retail	**100**	100
20	Global Apparel Georgia LLC	Georgia	Retail	**100**	100
21	Retail Group Holding LLC	Georgia	Retail	**100**	100
22	Master Home Retail	Georgia	Retail	**100**	100
23	RIGE Co.	Arab Republic of Egypt	Retail	**99**	99
24	Retail Group Egypt Co. S.A.E	Arab Republic of Egypt	Retail	**98**	98
25	Retail Group Armenia CJSC	Armenia	Retail	**96**	96
26	Spanish Retail CJSC	Armenia	Retail	**100**	100
27	ZR Fashion Retail CJSC	Armenia	Retail	**100**	100
28	Global Apparel CJSC	Armenia	Retail	**100**	100
29	BR Fashion Retail CJSC	Armenia	Retail	**100**	100
30	Master Retail CJSC	Armenia	Retail	**100**	100
31	Best Retail CJSC	Armenia	Retail	**100**	100
32	Retail Group CJSC	Armenia	Retail	**100**	100
33	Pro Retail CJSC	Armenia	Retail	**100**	100
34	Factory Prices CJSC	Armenia	Retail	**100**	100
35	HComfort Retail Group CJSC	Armenia	Retail	**100**	100
36	Retail Group Jordan Co. LDT	Hashemite Kingdom of Jordan	Retail	**100**	100
37	Nesk Trading Projects LLC	Hashemite Kingdom of Jordan	Retail	**100**	100
38	Retail Group Azerbaijan LLC	Azerbaijan	Retail	**85**	85

2. REPORTING ENTITY (CONTINUED)

				Ownership interest held by the Group as at:	
No	**Subsidiaries**	**Country of incorporation**	**Business Activity**	**30 September 2025**	31 December 2024
39	Fashion Retail Azerbaijan LLC	Azerbaijan	Retail	**85**	85
40	Spanish Retail Azerbaijan LLC	Azerbaijan	Retail	**85**	85
41	Global Apparel Azerbaijan LLC	Azerbaijan	Retail	**85**	85
42	Mega Store Azerbaijan LLC	Azerbaijan	Retail	**85**	85
43	Master Retail Azerbaijan LLC	Azerbaijan	Retail	**85**	85
44	Pro Retail Azerbaijan LLC	Azerbaijan	Retail	**85**	85
45	Retail Group Holding LLC	Azerbaijan	Retail	**85**	85
46	Best Retail Azerbaijan LLC	Azerbaijan	Retail	**85**	85
47	Fashion Group CA	Uzbekistan	Retail	**80**	80
48	Fashion Retail Store	Uzbekistan	Retail	**80**	80
49	Master Retail Store	Uzbekistan	Retail	**80**	80
50	Retail Boutique	Uzbekistan	Retail	**80**	80
51	Retail Group Global	Uzbekistan	Retail	**80**	80
52	Retail Group Store	Uzbekistan	Retail	**80**	80
53	Retail Store Pro	Uzbekistan	Retail	**80**	80
54	Spanish Store	Uzbekistan	Retail	**80**	80

In addition to the above, the Group, directly and indirectly, owns certain dormant subsidiaries and special purpose vehicles across several countries which are not material to the Group.

The principal activities of all of the above subsidiary companies are wholesale and retail trading of fashion apparels, food and beverages and electronics business.

3. BASIS OF ACCOUNTING

3.1 STATEMENT OF COMPLIANCE

These 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 issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA") and should be read in conjunction with the Group's last annual Consolidated Financial Statements as at and for the period ended 31 December 2024 ("last annual consolidated financial statements"). These interim condensed consolidated financial statements do not include all of the information required for a complete set of IFRS Financial Statements; however, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.

The interim condensed consolidated financial statements were approved by the Board of Directors for issuance on 15 Jumada I 1447 (H) (corresponding to 6 November 2025 (G)).

3.2 GOING CONCERN BASIS OF ACCOUNTING

The Group incurred a loss of ⃁ 205 million for the period ended 30 September 2025, as of that date, the Group's i) accumulated losses of ⃁1,817 million exceeded share capital by ⃁ 670 million (31 December 2024: ⃁ 1,607 million which exceeded share capital by ⃁ 459 million), ii) current liabilities exceeded its current assets by ⃁ 3,047 million (31 December 2024: ⃁ 2,943 million), and iii) total liabilities exceeded its total assets by ⃁1,207 million (31 December 2024: ⃁ 1,018 million). These events or conditions, along with other matters, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

The ability of the Group to continue its operations depends on restructuring its equity, arrangement of financing facilities, entering into profitable contracts and increasing the volume of its revenue appropriately.

Management of the Group has been reorganizing its brand mixture – over the past couple of years - existing certain underperforming brands and directing more funds to performing brands, whereas the group has disposed of 3 brands during the nine-month 30 September 2025 (24 brands have been disposed during the previous year end 31 December 2024). This is expected to lead to expansion and diversifications in the stores of the performing brands and trademarks. Certain cost-cutting plans have also applied over the past couple of years, which led to enhancing gross margins and turning operating losses to profits. During the nine-month period ended 30 September 2025, the Group has recognized a positive gross profit of ⃁ 499 million (nine-month period ended 30 September 2024: ⃁ 429 million), operating profit of ⃁ 27 million (nine-month period ended 30 September 2024: ⃁ 256 million). While the cash flow from operating activities reached a negative cash flow amounted to ⃁ 567 million (nine-month period ended 30 September 2024: positive ⃁ 964 million), due to significant settlement of trading and VAT payables during the period. Additionally, the Group completed the restructuring of its debts through the settlement of certain banks facilities during the period amounted to ⃁ 1,979 million (nine-month period ended 30 September 2024: ⃁ 1,051 million).

Based on the steps taken above and relying on the support of the major shareholder (refer to Note 13), Management has assessed the Group's ability to continue as a going concern and is satisfied that its operations shall continue for the foreseeable future under the normal course of business. Accordingly, these interim condensed consolidated financial statements have been prepared on the going concern basis.

3. BASIS OF ACCOUNTING (CONTINUED)

3.3 PREPARATION OF FINANCIAL STATEMENTS

These interim condensed consolidated financial statements have been prepared on the historical cost basis except for the following material items in the condensed consolidated statement of financial position:

- Other investments at fair value; and
- The defined benefit obligation is recognized at the present value of future obligations using the Projected Unit Credit Method.

3.4 USE OF JUDGEMENTS AND ESTIMATES

In preparing these interim condensed consolidated financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

4. MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies applied in these interim condensed consolidated financial statements are the same as those applied in the Group's annual consolidated financial statements as at and for the year ended 31 December 2024.

5. AMENDMENTS TO STANDARDS AND STANDARDS ISSUED BUT NOT YET EFFECTIVE

A) New standards, amendments to standards and interpretations:

There were no new standards or amendments to standards and interpretations that become applicable for the current reporting period, except for the amendment to IAS 21 'Foreign currencies. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting this amendment.

B) Standards issued but not yet effective:

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 March 2025 reporting period and have not been early adopted by the Group.

- Classification and measurement of financial instruments - (Amendments to IFRS 9 and IFRS 7);
- Subsidiaries without Public Accountability: Disclosures (IFRS 19); and
- Presentation and Disclosure in Financial Statements (IFRS 18).

Management is in the process of assessing the impact of such new standards and interpretations on its condensed consolidated interim financial statements.

6. PROPERTY AND EQUIPMENT

During the nine month period ended 30 September 2025, the Group added property and equipment ⃁ 93.5 million (nine month period ended 30 September 2024: ⃁ 151.5 million), while it disposed property and equipment ⃁ 56.2 million (nine month period ended 30 September 2024: ⃁ 123.6), which includes the disposal of assets for exit brands amounting to ⃁ 9.6 million (nine month period ended 30 September 2024: ⃁ 100.5 million), sale of assets amounting to ⃁ 34.3 million (nine month period ended 30 September 2024: ⃁ nil) and disposal of a land amounting to ⃁ 14.9 million which was adjusted against the due balance of a related party.

Also, during the nine-month period ended 30 September 2025, the depreciation charge amounted to ⃁ 95 million (nine-month period ended 30 September 2024: ⃁ 101 million) and the Group incurred a loss from disposal of property and equipment amounting to ⃁ 16.2 million (nine-month period ended 30 September 2024 ⃁ 2.7 million).

During the nine-month period ended 30 September 2025, a piece of land and certain other assets have been disposed of and settled against rental liabilities related to Arabian Centers Company (Cenomi Centers). Total liabilities settled amounted to ⃁ 25 million, which Cenomi Centers have collected on behalf of the Company.

7. RIGHT-OF-USE ASSETS

During the nine-month period ended 30 September 2025, the Group added right-of-use assets ⃁ 56 million (nine-month period ended 30 September 2024: ⃁ 63 million). Also, the depreciation of right-of-use assets charge during the period amounting to ⃁ 217 million (nine-month period ended 30 September 2024: ⃁ 280 million). and the Group terminated contracts amounting to ⃁ 2.6 million (nine-month period ended 30 September 2024 ⃁ 191 million), and reassessed contracts amounting to ⃁ 76 million additions (nine-month period ended 30 September 2024 ⃁ 46 million decrease).

8. EQUITY ACCOUNTED INVESTMENT

	Amount ⃁
Balance at 1 January 2024 (Audited)	64,828,779
Addition	4,881,676
Share of loss for the year	(23,705,661)
Balance at 31 December 2024 (Audited)	46,004,794
Addition	**1,881,677**
Share of loss for the period	**(3,332,133)**
Balance at 30 September 2025 (Unaudited)	**44,554,338**

This represents a 50% equity investment in the share capital of FAS LAB Holding Company, a LLC incorporated in the Kingdom of Saudi Arabia, which is engaged primarily in leading digital initiatives including but not limited to providing the malls' visitors and shoppers with a specialized and advanced loyalty program, simplified and innovative consumer financing solutions and an e-commerce platform. The Group has assessed its stake in FAS Lab Company to be a significant influence and not a control based on its Board of Directors' representation in the investee and related voting rights.

9. INVESTMENTS IN EQUITY INSRUMENTS AT FVTOCI

	Amount ⃁
Balance at 1 January 2024 (Audited)	74,189,014
Changes in fair value	42,034,282
Unrealized currency exchange differences	(31,851,384)
Balance at 31 December 2024 (Audited)	84,371,912
Unrealized currency exchange differences	**5,068,864**
Balance at 30 September 2025 (Unaudited)	**89,440,776**

On 31 March 2021, the Group had acquired 8.9% shares in Egyptian Centers for Real Estate Development (ECRED) in consideration for the settlement of a receivable from Egyptian Centers. The Group has designated the investment at FVTOCI at initial recognition.

10. INVENTORIES

	30 September 2025 (Unaudited) ⃁	31 December 2024 (Audited) ⃁
Finished goods		
- Available for sale	656,500,952	667,229,509
- Goods in transit	44,340,321	36,050,912
Consumables and supplies	11,789,529	8,056,457
Gross inventories	**712,630,802**	711,336,878
Provision for inventory	(91,835,760)	(79,054,598)
Net inventories	**620,795,042**	632,282,280

11. LOANS AND BORROWINGS

	Notes	**30 September 2025 (Unaudited)** ⃁	31 December 2024 (Audited) ⃁
Islamic facility with Saudi National Bank	(i)	--	1,487,386,027
Islamic facility with Al Riyadh Bank	(ii)	--	150,000,000
Islamic banking facilities of international subsidiary (Nesk Trading Projects LLC-Jordan)	(iii)	--	5,831,109
Banking Facilities of international subsidiary (Logistics Fashion Trading DWC-LLC- United Arab Emirates)	(iv-1)	--	24,837,240
Banking Facilities of international subsidiary (Logistics Fashion Trading DWC-LLC- United Arab Emirates)	(iv-2)	--	93,700,166
Banking Facility of international subsidiary (Retail Group Azerbaijan LLC)	(v-1)	--	22,089,684
Banking Facility of international subsidiary (Retail Group Georgia LLC)	(v-2)	**40,289,891**	31,910,525
Banking Facility of international subsidiary (Retail Group Georgia LLC)	(v-3)	--	7,830,804
Banking Facilities of international subsidiary (Retail Group Global LLC - Uzbekistan)	(v-4)	**8,159,844**	5,303,120
Banking Facility of international subsidiary (Retail Group Global LLC - Uzbekistan)	(v-6)	**7,449,030**	7,449,030
Banking Facilities of international subsidiary (Retail Group Global LLC - Uzbekistan)	(v-5)	**4,211,736**	6,281,236
Banking facility with Emirates NBD local bank	(vi)	**1,573,211,249**	--
		1,633,321,750	1,842,618,941
Short term borrowings		**40,289,891**	45,572,438
Current portion of long-term borrowings		**1,591,516,263**	1,714,597,473
Loans and borrowings - current liabilities		**1,631,806,154**	1,760,169,911
Loans and borrowings – non-current liabilities		**1,515,596**	82,449,030
		1,633,321,750	1,842,618,941

i. The Group signed a long-term Murabaha financing agreement with a Saudi National Bank as a Murabaha Investment Agent and Murabaha Participants, amounting to ⃁ 2,400 million and USD 166 million on 1 March 2020. As per the terms of the agreement, the term of the Murabaha facility is for a period of seven years. As of 15 September 2025, the loan was fully settled.

ii. During 2022, the Group signed a Murabaha term financing agreement with a Riyadh Bank amounting to ⃁ 150 million. As per the terms of the agreement, the term of the Murabaha facility is for a period of three years including 6 months grace period. As of 15 September 2025, the loan was fully settled.

iii. During year 2019 and 2020, the Group's international subsidiary, Retail Group Jordan Co. LDT and Nesk Trading Projects LLC obtained the revolving and overdraft facilities from Bank Al Etihad amounted to Jordan Dinar 2.2 million. and as of 30 September 2025, there was no outstanding balance under these facilities.

iv. **1.** On 20 April 2023, the Group's international subsidiary, Logistics Fashion Trading DWC-LLC- United Arab Emirates obtained the loan from TBC Bank of Georgia amounted to USD 15 million (equivalent to ⃁ 56.2 million), to support their operations. The facility is repayable in Semi-annual installments commencing after six months from the date of signing the agreement. The interest rate on this facility was 9.96% on loan taken in USD, the facility was fully settled on 15 September 2025.

2. On 20 July 2023, the Group's international subsidiary, Logistics Fashion Trading DWC-LLC- United Arab Emirates obtained the loan from JSC Bank of Georgia amounted to USD 25 million (equivalent to ⃁ 93.7 million), to support their operations. The facility is repayable in Semi-annual installments commencing after six months from the date of signing the agreement. The interest rate on this facility was 9.62% on loan taken in USD, the facility was fully settled on 15 September 2025.

11. LOANS AND BORROWINGS (CONTINUED)

v. 1. On 12 September 2024, the Group's international subsidiary, Retail Group Azerbaijan LLC obtained the loan from Pasha Bank Azerbaijan amounted to AZN 10 million (equivalent to ⃁ 22 million), to support their operations and the facility is repayable in monthly installments commencing one month after the signing date. The loan carries an interest rate of 12% on the USD-denominated portion. As of 30 September 2025, there was no outstanding balance under this facility.

2. During 2023 and 2025, the Group's international subsidiary, Retail Group Georgia LLC obtained the credit facilities from TBC Bank of Georgia amounted to EUR 9.6 million (equivalent to ⃁ 42.3 million), to financing of working capital. The facility carries an interest rate on this facility was 8.9% on facilities taken in Euro.

3. On 20 September 2023, the Group's international subsidiary, Retail Group Georgia LLC obtained the credit facility from JSC Bank of Georgia amounted to Euro 2 million (equivalent to ⃁ 8.2 million), to support their operations, as of 30 September 2025, there was no outstanding balance under this facility.

4. On 23 September 2023, The Group's international subsidiary, Retail Group Global LLC - Uzbekistan obtained the credit facilities from Pasha Bank amounted to AZN 10 million (equivalent to ⃁ 22 million), to support their operations. The facility carries an interest rate on this facility was 12%.

5. On 19 July 2024, the Group's international subsidiary, Retail Group Global LLC - Uzbekistan obtained the credit facilities from SQB Bank amounted to EUR 3 million (equivalent to ⃁ 11.7 million), to support their operations. The facility carries an interest rate on this facility was 12%.

6. During 2024, the Group's international subsidiary, Retail Group Global LLC - Uzbekistan obtained the credit facility from METROPOL Group amounted to UZS 24.8 billion (equivalent to ⃁ 7.4 million), to support their operations. The facility carries an interest rate on this facility was 11.5%. and the maturity date of loan on 27 January 2026.

vi. On 14 September 2025, Fawaz Abdulaziz Alhokair Company (Cenomi Retail) entered into a ⃁ 1,600 million credit facility agreement with Emirates NBD Bank – Kingdom of Saudi Arabia. The facility consists of a short-term loan with a 90-day maturity, intended to be refinanced into a three-year term loan, with an option to extend for an additional two years at the bank's discretion, subject to execution of the relevant agreements. The loan carries an interest rate of 3-month SAIBOR plus 1%. The facility is intended for the prepayment and settlement of existing bank debts. Guarantees include a promissory note from the Company and a corporate guarantee from Al Futtaim Private Company LLC, (an intermediate parent of Al Futtaim Retail Company)(Note.13).

12. (LOSS) / PROFIT PER SHARE

The calculation of basic and diluted (loss) / profit per share has been based on the following (loss) / profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

A. (Loss) / profit per share for continuing operations

	Three-month period ended 30 September 2025 (Unaudited)	Three-month period ended 30 September 2024 (Unaudited)	**Nine-month period ended 30 September 2025 (Unaudited)**	Nine-month period ended 30 September 2024 (Unaudited)
	⃁	⃁	⃁	⃁
(Loss) / profit attributable to ordinary shareholders	**(126,097,801)**	21,718,067	**(193,396,442)**	(21,807,761)
Weighted average number of ordinary shares	**114,766,448**	114,766,448	**114,766,448**	114,766,448
Basic and diluted (loss) / profit per share	**(1.10)**	0.19	**(1.69)**	(0.19)

12. (LOSS) / PROFIT PER SHARE (CONTINUED)

B. Profit / (loss) per share for discontinuing operations

	Three-month period ended 30 September 2025 (Unaudited) ⃁	Three-month period ended 30 September 2024 (Unaudited) ⃁	**Nine-month period ended 30 September 2025 (Unaudited)** ⃁	Nine-month period ended 30 September 2024 (Unaudited) ⃁
Profit / (loss) attributable to ordinary shareholders	**1,185,716**	(3,789,170)	**(17,069,012)**	(31,147,329)
Weighted average number of ordinary shares	**114,766,448**	114,766,448	**114,766,448**	114,766,448
Basic and diluted profit / (loss) per share	**0.01**	(0.03)	**(0.15)**	(0.27)

13. SHARE CAPITAL

The Company's share capital is structured as below:

	30 September 2025			**31 December 2024**		
	No. of shares	**Par value**	**Total**	No. of shares	Par value	Total
Ordinary share capital	**114,766,448**	**10**	**1,147,664,480**	114,766,448	10	1,147,664,480

The Company underwent changes in its shareholding's structure, where it has received on 20 July 2025 a notice from the following major shareholders: Fawaz bin Abdulaziz Alhokair, Abdul Majid bin Abdulaziz Alhokair, Salman bin Abdulaziz Alhokair, FAS Saudi Holding Company, and; FAS Real Estate Company ("the selling shareholders") that they have entered into a special transaction to sell a majority of their stake in the Company through a share purchase agreement to Al Futtaim Retail Company - a limited liability Company (the acquiring entity) equivalent to 57,325,841 shares, representing 49.95% of the total share capital of the Company, at a total purchase price of ⃁ 2,522,337,004 (a purchase price of ⃁ 44 per share). The Company also received at the same time a notice from Al Futtaim Retail Company confirming completion of the special transaction on 15 September 2025.

14. SHAREHOLDER'S LOAN

	30 September 2025 (Unaudited) ⃁	31 December 2024 (Audited) ⃁
Shareholder's Loan	**1,160,447,076**	--

On 14 September 2025 the Company entered into a ⃁ 1,350 million shareholder's loan through a tri-party agreement with Al Futtaim Private Company LLC (an intermediate parent of Al Futtaim Retail Company), where Al Futtaim Private Company LLC is defined in the agreement as "the lender" and Al Futtaim Retail Company as "the Purchaser of the Company's shares". The loan was extended pursuant to the terms of the share purchase agreement of the special transaction (note 13). The loan carries an interest rate of 3-month SAIBOR plus margin, with repayment due on the earlier of five years from disbursement or three months after the completion date of the special transaction (note 13), at the lender's discretion. The facility is intended to support the Company's financial position and settle existing obligations. The agreement includes an option for the lender to convert the outstanding loan amounts into equity, subject to the approval of the regulatory bodies and shareholders.

15. OPERATING SEGMENTS

A. Basis for segmentation

The Group has the following three strategic divisions, which are its reportable segments. These divisions offer different products and services and are managed separately because they require different marketing strategies.

The Group's Chief Executive Officer (Chief Operating Decision Maker) reviews internal management reports on at least a quarterly basis.

Reportable segments

The following table describes the operations of each reportable segment:

Reportable segments	Operations
Fashion retail	Primarily include sales of apparels, footwear's & accessories through retail outlets
Electronics	Primarily include sales of smartphones and accessories, electronics, computers & peripherals, computer supplies, video games, smart TV's
Food & Beverage	Cafes and restaurants

Geographical information

The Group operates through their various retail outlets in the Kingdom of Saudi Arabia (Domestic) and international geography which primarily includes Jordan, Egypt, Republic of Kazakhstan, Republic of Azerbaijan, Georgia and Armenia.

15. OPERATING SEGMENTS (CONTINUED)

B. INFORMATION ABOUT REPORTABLE SEGMENTS AND GEOGRAPHICAL INFORMATION

The segment information from operations of these segments is provided below:

	Reportable segments					Geographical segments			
	Fashion retail	Electronics	Food and Beverages	Inter-segment elimination	Total	Domestic	International	Inter-segment elimination	Total
	Amount in ⃁ '000					Amount in ⃁ '000			
Nine-month period ended 30 September 2025									
Profit or loss									
Sales	3,110,997	313,527	247,471	--	3,671,995	2,567,213	1,104,782	--	3,671,995
Depreciation and amortization	(85,800)	(3,534)	(12,944)	--	(102,278)	(85,847)	(16,431)	--	(102,278)
Finance charges	(185,198)	(4,330)	(4,231)	--	(193,759)	(163,039)	(30,720)	--	(193,759)
Net (loss) / profit	(182,075)	5,203	(11,527)	--	(188,399)	(254,688)	66,289	--	(188,399)
Statement of financial position									
Non-current assets	6,471,422	132,848	209,810	(3,629,056)	3,185,024	6,353,593	460,487	(3,629,056)	3,185,024
Current assets	1,011,112	48,199	(29,493)	--	1,029,818	705,727	324,091	--	1,029,818
Total liabilities	(5,046,157)	(152,528)	(223,077)	--	(5,421,762)	(4,989,633)	(432,129)	--	(5,421,762)

15. OPERATING SEGMENTS (CONTINUED)

B. INFORMATION ABOUT REPORTABLE SEGMENTS AND GEOGRAPHICAL INFORMATION (CONTINUED)

	Reportable segments					Geographical segments			
	Fashion retail	Electronics	Food and Beverages	Inter-segment elimination	Total	Domestic	International	Inter-segment elimination	Total
	Amount in ⃁'000					Amount in ⃁ '000			
Nine-month period ended 30 September 2024									
Profit or loss									
Sales	2,936,831	348,863	250,766	--	3,536,460	2,608,769	927,691	--	3,536,460
Depreciation and amortization	(80,030)	(1,895)	(12,114)	--	(94,039)	(81,625)	(12,414)	--	(94,039)
Finance charges	(220,708)	(4,341)	(4,869)	--	(229,918)	(198,649)	(31,269)	--	(229,918)
Net profit / (loss)	(22,086)	6,420	(1,475)	--	(17,141)	(93,459)	76,318	--	(17,141)
31 December 2024									
Statement of financial position									
Non-current assets	6,349,387	137,215	223,537	(3,396,305)	3,313,834	6,235,205	474,934	(3,396,305)	3,313,834
Current assets	1,009,133	89,614	(24,711)	--	1,074,036	746,520	327,516	--	1,074,036
Total liabilities	(4,948,414)	(181,222)	(232,713)	--	(5,362,349)	(4,831,367)	(530,982)	--	(5,362,349)

16. REVENUES

The Group generates revenue primarily from the sale of goods. Revenue is recognized when a customer obtains controls of the goods at a point in time i.e., on delivery and acknowledgement of goods. In the following table, revenue from contracts with customers is disaggregated by primary geographical market and major revenue streams:

	Nine-month period ended 30 September 2025 (Unaudited)		
	Kingdom of Saudi Arabia (Domestic)	**International Countries**	**Total**
	⃁	**⃁**	**⃁**
Apparels	**1,952,873,903**	**1,087,208,532**	**3,040,082,435**
Footwear & accessories	**53,518,890**	**17,395,134**	**70,914,024**
Fashion retail	**2,006,392,793**	**1,104,603,666**	**3,110,996,459**
Electronics	**313,526,605**	**--**	**313,526,605**
Food & beverage	**247,293,178**	**178,334**	**247,471,512**
Total revenues	**2,567,212,576**	**1,104,782,000**	**3,671,994,576**

	Nine-month period ended 30 September 2024 (Unaudited)		
	Kingdom of Saudi Arabia (Domestic)	International Countries	Total
	⃁	⃁	⃁
Apparels	1,938,033,259	910,063,622	2,848,096,881
Footwear & accessories	72,355,489	16,378,564	88,734,053
Fashion retail	2,010,388,748	926,442,186	2,936,830,934
Electronics	348,862,707	--	348,862,707
Food & beverage	250,766,161	--	250,766,161
Total revenues	2,610,017,616	926,442,186	3,536,459,802

17. COST OF REVENUES

	Nine-month period ended 30 September 2025 (Unaudited)	Nine-month period ended 30 September 2024 (Unaudited)
	⃁	⃁
Cost of sales	**2,493,047,678**	2,398,528,094
Employees' salaries and benefits	**318,952,020**	325,379,027
Amortization on right-of-use assets	**211,503,971**	236,829,285
Rent expense	**69,587,123**	56,185,525
Utilities and maintenance expenses	**29,500,192**	41,365,628
Insurance expenses	**6,843,735**	8,217,959
Travelling expenses	**6,670,729**	3,877,890
Bank charges	**3,984,315**	6,545,650
Professional fees expenses	**3,422,862**	4,256,353
Others	**29,324,878**	26,163,850
	3,172,837,503	3,107,349,261

18. OTHER OPERATING EXPENSES & INCOME

a) OTHER OPERATING EXPENSES

	Nine-month period ended 30 September 2025 (Unaudited)	Nine-month period ended 30 September 2024 (Unaudited)
	⃁	⃁
Foreign exchange loss, net	**57,513,205**	11,026,193
Withholding Tax Expense	**29,689,270**	--
Expected credit losses	**18,786,417**	16,027,390
Store closure losses	**16,419,081**	3,436,415
Provision no longer required	**--**	(36,074,477)
Loss on lease terminations	**--**	999,851
Others - other operating expense	**3,972,869**	11,927,944
	126,380,842	7,343,316

b) OTHER OPERATING INCOME

	Note	**Nine-month period ended 30 September 2025 (Unaudited)**	Nine-month period ended 30 September 2024 (Unaudited)
		⃁	⃁
Income from owners of new malls		**25,313,344**	17,194,357
Gain on sale of brands	*22A*	**21,881,521**	211,659,281
Income from sub-franchise		**8,255,816**	10,076,879
Gain on lease termination		**1,017,339**	--
Others – other operating income		**18,899,666**	17,987,620
		75,367,686	256,918,137

19. RELATED PARTIES

Related parties comprise shareholders, key management personnel, directors and businesses, which are controlled directly or indirectly or influenced by the shareholders, directors or key management personnel. In the normal course of business, the Group has various transactions with its related parties. Transactions are entered into with the related parties on terms and conditions approved by either the Group's management or its Board of Directors.

The Ultimate Parent Company is Al Futtaim Group LLC domiciled in United Arab Emirates, which is the sole shareholder of Al Futtaim Retail Company (the direct parent to the Company) domiciled in Saudi Arabia (Note 13), and Al Futtaim Private Limited Company LLC (an intermediate parent of Al Futtaim Retail Company) domiciled in United Arab Emirates.

19.1 KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel compensation is comprised as follows:

	Nine-month period ended 30 September 2025 (Unaudited)	Nine-month period ended 30 September 2024 (Unaudited)
	⃁	⃁
Salaries and short-term benefits	**14,857,190**	11,095,434
Post-employment benefits	**3,626,304**	2,032,108
Board of Directors and board committees' remuneration	**3,237,300**	3,108,554
Total key management compensation	**21,720,794**	**16,236,096**

19. RELATED PARTIES (CONTINUED)

19.2 RELATED PARTY TRANSACTIONS

Transactions with related parties carried out during the period, in the normal course of business, are summarized below:

Name of related party	Relationship	Nature of transaction	For nine-month ended 30 September 2025 ⃁	For nine-month ended 30 September 2024 ⃁
Egyptian Center for Real Estate Development	Investee	Rental	**530,688**	1,014,003
Al Farida Trading Agencies *	Affiliate	Services / payment made on behalf of Company	--	7,549,239
		Payment / Settlement made	--	3,482,025
Saudi Retail Academy	Affiliate	Training services	**2,482,439**	--
		Payment made	--	4,087,211
		HRDF Received	**1,000,000**	--
Food and entertainment co Ltd *	Affiliate	Payments made on behalf of the Group	**14,633,099**	--
Arabian Centers Company *	Affiliate	Rentals	**183,234,956**	259,442,196
Wonderful Meals Co. ltd.	Affiliate	Purchase of goods	**17,225,135**	24,886,520
Support Human Resource Company *	Affiliate	Services	**14,681,644**	19,316,749
Hajen Co. ltd. *	Affiliate	Printing and advertisement	**92,372**	544,060
Al-Futtaim Private Company LLC	Intermediate parent	Loan principal	**1,158,480,550**	--
		Accrued interest	**1,966,526**	--
		Accrued Guarantee Fee	**1,493,333**	--

* These entities were considered related parties until 14 September 2025 representing the date of the special transaction (Note 13).

19. RELATED PARTIES (CONTINUED)

19.3 RELATED PARTIES BALANCES

Outstanding balances with related parties are summarized below:

Name of related party	Relationship	30 September 2025 (Unaudited) ⃁	31 December 2024 (Audited) ⃁
Saudi Retail Academy	Affiliate	**3,773,495**	705,812
Wonderful Meals Co. ltd.	Affiliate	**(13,013,078)**	(9,714,679)
Metropol Group - Uzbekistan	Affiliate	**(7,449,030)**	(7,449,030)
Al-Futtaim Private Company LLC	Intermediate parent	**(1,160,447,076)**	--

20. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. ACCOUNTING CLASSIFICATION AND FAIR VALUES

The Group's financial instruments are compiled under the historical cost convention, except for FVTOCI, which is carried at fair value.

When measuring the fair value, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.
Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Management believes that the fair value of the Group's financial assets and liabilities are not materially different from their carrying values.
The following table shows carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair hierarchy value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	30 September 2025 (Unaudited)				
	Carrying amount	**Fair value**			
		Level 1	**Level 2**	**Level 3**	**Total**
	⃁	⃁	⃁	⃁	⃁
FVTOCI – equity instruments (ECRED)	**89,440,776**	**--**	**--**	**89,440,776**	**89,440,776**

	31 December 2024 (Audited)				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
	⃁	⃁	⃁	⃁	⃁
FVTOCI – equity instruments (ECRED)	84,371,912	--	--	84,371,912	84,371,912

20. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

FINANCIAL LIABILITIES

All financial liabilities are measured at amortized cost using the effective interest rate method and as a result the carrying amounts are reasonable approximation of its fair values.

B. VALUATION TECHNIQUES AND SIGNIFICANT UNOBSERVABLE INPUTS

The following tables show the valuation techniques and significant unobservable inputs used in measuring the above investments

Type	Valuation technique and significant unobservable inputs
Equity securities	The valuation model is based on discounted cash flows and considers the present value of the expected future income receivable under lease agreements and forecast take-up of vacant units, discounted using a risk-adjusted discount rate. The estimate is adjusted for the net debt of the investee. Significant unobservable inputs include expected cash flows and risk adjusted discount rate. The estimated fair value would increase (decrease) if: - the expected cash flows were higher (lower); or - the risk-adjusted discount rate was lower (higher).

C. FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the executive committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risk faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group,

20. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risk faced by the Group. The Audit Committee is assisted in its role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Categories of financial instruments

Financial Assets	**30 September 2025 (Unaudited)**	31 December 2024 (Audited)
	⃁	⃁
(i) Amortized Cost		
Receivable from disposal of subsidiaries	**15,781,195**	18,672,904
Trade and other receivables	**191,519,425**	150,541,723
Cash and cash equivalents	**153,579,083**	256,211,534
(ii) FVTOCI		
FVTOCI – equity instruments (ECRED)	**89,440,776**	84,371,912

Financial Liabilities	**30 September 2025 (Unaudited)**	31 December 2024 (Audited)
	⃁	⃁
(i) Amortized cost		
Loans and borrowings	**1,515,596**	82,449,030
Shareholder's loan	**1,160,447,076**	--
Lease liabilities -non-current	**1,257,169,887**	1,188,752,144
Loans and borrowings – current portion	**1,631,806,154**	1,760,169,911
Lease liabilities – current portion	**242,574,403**	358,309,583
Trade and other payables	**1,035,020,154**	1,799,511,077

C-1. CREDIT RISK

Credit risk is the risk that other party will fail to discharge an obligation and will cause the Group to incur a financial loss. The Group has no significant concentration of credit risks. The Group's exposure to credit risk is as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
	⃁	⃁
Cash at bank	**142,187,237**	237,183,226
Advances, deposits and other receivables	**68,790,306**	59,341,881
	210,977,543	296,525,107

20. FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTINUED)

C-1. CREDIT RISK (CONTINUED)

Credit risk on receivable and bank balances is limited as:

- Cash balances are held with banks with sound credit ratings ranging from BBB+ to A+.
- Advances, deposits and other receivables are shown net of allowance for impairment on these balances. The Group calculates impairment losses on the basis of its estimate of losses incurred in respect of other receivables.
- Financial position of related parties is stable. There were no past due or impaired receivables from related parties.

C-2 LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from the inability to sell a financial asset quickly at an amount close to its fair value.

Management monitors the liquidity risk on a regular basis and ensures that sufficient funds are available to meet the Group's future commitments.

C-3 MARKET RISK

Market risk is the risk that changes in the market prices – such as foreign exchange rates and commission rates– will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

21. COMMITMENTS AND CONTINGENCIES

A. As at the reporting date, the Group is committed to capital expenditures of ⃁ 5.9 million (31 December 2024: ⃁ 33.85 million) to purchase property and equipment.

B. As at the reporting date, the Group has outstanding contingencies:

Type	Nature	**30 September 2025 (Unaudited)** ⃁	31 December 2024 (Audited) ⃁
Letter of credits	Purchase of retail trading inventory	**203,875,908**	137,907,545
Letter of guarantees	Bid bonds, contracts advance payments and performance bonds	**449,306,282**	412,988,139

22. DISPOSAL OF BRANDS, SUBSIDIARY AND SALE OF NON-CURRENT ASSET HELD FOR SALE

A) DISPOSAL OF BRANDS

The Group sold three brands during the period. The gain from selling these brands is as follows:

	30 September 2025 (Unaudited)
	⃁
Assets	
Property and equipment	**9,630,110**
Inventories	**123,973**
Net assets disposed off	**9,754,083**
Consideration	**31,635,604**
Gain	**21,881,521**

Profit and Loss Statement relating to the brands disposed of during 2025 and 2024 is as follows:

	Nine-month period ended 30 September 2025 (Unaudited)	Nine-month period ended 30 September 2024 (Unaudited)
	⃁	⃁
Revenue	**23,544,133**	262,337,283
Cost of revenue	**(36,074,044)**	(270,596,484)
Gross loss	**(12,529,911)**	(8,259,201)
Other operating income	**3,553,624**	2,668,521
Selling and distribution expenses	**(701,269)**	(7,387,029)
Depreciation on property and equipment	**(2,366,740)**	(6,954,733)
Amortization on intangible assets	**(63,334)**	(496,852)
Other operating expense	**(3,396,553)**	5,610,900
Operating loss	**(15,504,183)**	(14,818,394)
Net finance costs	**(1,564,829)**	(10,825,317)
Loss before zakat and income tax	**(17,069,012)**	(25,643,711)
Zakat and Income tax expense	**--**	--
Loss for the period from discontinued operations	**(17,069,012)**	(25,643,711)

22. DISPOSAL OF BRANDS, SUBSIDIARY AND NON-CURRENT ASSET HELD FOR SALE (CONTINUED)

B) DISPOSAL OF SUBSIDIARY

During 2024, the Group disposed of its companies' operation in United States of America. Profit and Loss Statement relating to these operations is as follows:

	Nine-month period end 30 September 2024 (Unaudited) ⃁
Revenue	51,820,880
Cost of revenue	(32,708,438)
Gross profit	19,112,442
Other operating income	1,419,906
Selling and distribution expenses	(6,712,612)
General and administrative expenses	(8,742,049)
Depreciation on property and equipment	(10,398,467)
Other operating expense	(70)
Operating loss	(5,320,850)
Net finance costs	(182,768)
Loss before zakat and income tax	(5,503,618)
Zakat and Income tax expense	--
Loss for the period	(5,503,618)

23. COMPARATIVE FIGURES

Certain comparative numbers have been reclassified to conform with the current presentation of the interim condensed consolidated financial statements.

	As previously issued	**Reclassification**	**As Reclassified**
- Receivable from disposal of subsidiary – non-current asset	--	18,672,904	18,672,904
- Advances, deposits and other receivables	169,214,627	(18,672,904)	150,541,723