

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

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTHS AND YEAR ENDED 31 DECEMBER 2024
AND INDEPENDENT AUDITOR'S REVIEW REPORT

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

**INDEX TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTHS AND YEAR ENDED 31 DECEMBER 2024**

	<u>PAGE</u>
- Independent auditor's review report	2
- Interim condensed consolidated statement of financial position	3
- Interim condensed consolidated statement of income	4
- Interim condensed consolidated statement of comprehensive income	5
- Interim condensed consolidated statement of changes in equity	6
- Interim condensed consolidated statement of cash flows	7 – 8
- Notes to the interim condensed consolidated financial statements	9 – 27

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

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Abdullah Al-Othaim Markets Company (“the Company”) and its subsidiaries (collectively referred to as “the Group”) as at 31 December 2024, and the related interim condensed consolidated statements of income and comprehensive income for the three-months and year ended 31 December 2024, and the related interim condensed consolidated statements of changes in equity and cash flows for the year then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”) as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim 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” as endorsed in the Kingdom of Saudi Arabia. A review of interim financial statement consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

for Ernst & Young Professional Services

Waleed G. Tawfiq
Certified Public Accountant
License No. (437)



Riyadh: 19 Sha’ban 1446H
(18 February 2025)

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 31 December 2024

	Note	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Audited)
(Saudi Riyals)			
ASSETS			
Non-current assets			
Property, plant, and equipment	6	2,093,174,667	1,716,043,917
Right-of-use assets	7	2,262,854,689	1,908,509,579
Investment properties	8	711,237,646	677,049,309
Intangible assets		4,560,839	2,219,015
Other non-current assets		36,688,889	24,769,504
Investments in associates and joint venture	9	299,067,210	194,797,870
Equity instruments at fair value through other comprehensive income		8,300,964	3,002,069
Total non-current assets		5,415,884,904	4,526,391,263
Current assets			
Inventories		1,226,332,673	1,089,686,034
Prepayments and other current assets		192,705,022	164,997,182
Trade receivables		56,691,650	43,009,766
Short-term investments and Murabaha deposits		22,995,770	36,643,856
Cash and cash equivalents	10	87,879,119	181,775,625
Total current assets		1,586,604,234	1,516,112,463
Assets held for sale		-	1,011,367
TOTAL ASSETS		7,002,489,138	6,043,515,093
EQUITY AND LIABILITIES			
EQUITY			
Paid-in share capital	1	900,000,000	900,000,000
Retained earnings		436,477,821	466,226,341
Fair value reserve		2,843,826	(2,455,069)
Currency exchange differences on translation of foreign subsidiary	20	(8,719,694)	(5,370,413)
Share in other comprehensive income of associates and joint venture		(17,362)	-
Equity attributable to the shareholders of the Company		1,330,584,591	1,358,400,859
Non-controlling interests		41,853,948	41,745,889
TOTAL EQUITY		1,372,438,539	1,400,146,748
Non-current liabilities			
Lease contracts liabilities		2,326,073,495	1,903,573,796
Obligation for employees' end-of-service benefits	11	336,591,030	294,561,348
Total non-current liabilities		2,662,664,525	2,198,135,144
Current liabilities			
Short term loans	12	315,000,000	-
Accounts payable		1,983,540,502	1,801,415,132
Current portion of lease contracts liabilities		140,723,528	147,140,558
Accruals and other current liabilities		508,468,301	459,655,540
Zakat and foreign tax provision	14	19,653,743	37,021,971
Total current liabilities		2,967,386,074	2,445,233,201
TOTAL LIABILITIES		5,630,050,599	4,643,368,345
TOTAL EQUITY AND LIABILITIES		7,002,489,138	6,043,515,093

Chief Financial Officer
Marwan Ahmed Ibrahim

Chief Executive Officer
Muaffaq A. Mobarah

Chairman of Board of Directors
Abdullah Saleh Al Othaim

The accompanying notes from (1) to (24) form an integral part of these interim condensed consolidated financial statements.

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

For the three-months and year ended 31 December 2024

	Note	For the three-month period ended 31		For the year ended	
		December		31 December	
		2024	2023	2024	2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		(Saudi Riyals)		(Saudi Riyals)	
Net sales	16	2,650,021,644	2,582,628,134	10,715,716,715	10,233,719,474
Cost of sales		(1,971,490,222)	(1,934,605,305)	(8,304,986,330)	(7,964,925,685)
Gross profit		678,531,422	648,022,829	2,410,730,385	2,268,793,789
Rental income, net	17	32,816,319	22,554,950	101,227,906	86,872,490
Sold voucher commissions		327,078	725,130	1,943,918	2,500,251
Selling and marketing expenses		(487,522,985)	(443,442,010)	(1,865,769,973)	(1,739,007,589)
General and administrative expenses		(45,502,042)	(41,146,644)	(176,939,483)	(158,849,282)
Operating profit		178,649,792	186,714,255	471,192,753	460,309,659
Share in profit or loss of associates and joint venture, net	9	161,951,925	9,898,282	194,286,702	32,334,627
Gain on sale of investment property, net	8	-	-	-	99,475,744
Income from deposits and other investments		1,554,459	1,529,621	6,007,164	16,807,979
Finance costs	19	(52,062,422)	(31,952,005)	(160,332,710)	(113,259,796)
Reversal of impairment loss on property, plant and equipment	5	-	4,068,057	-	4,068,057
Other income (loss), net		7,866,645	4,615,671	17,060,574	14,579,468
Income before zakat and foreign tax		297,960,399	174,873,881	528,214,483	514,315,738
Zakat and foreign tax	14	(8,587,422)	(6,915,220)	(17,510,084)	(17,805,829)
Zakat reversal for prior years	14	-	264,792	17,692,592	800,038
Net income for the period		289,372,977	168,223,453	528,396,991	497,309,947
Profit attributable to:					
Shareholders of the Company		286,485,472	165,697,323	523,086,067	490,774,512
Non-controlling interests		2,887,505	2,526,130	5,310,924	6,535,435
		289,372,977	168,223,453	528,396,991	497,309,947
Earnings per share					
Basic and diluted earnings per share attributable to the shareholders of the Company	15	0.32	0.18	0.58	0.55

Chief Financial Officer

Marwan Ahmed Ibrahim

Chief Executive Officer

Muaffaq A. Mobarah

Chairman of Board of Directors

Abdullah Saleh Al Othaim

The accompanying notes from (1) to (24) form an integral part of these interim condensed consolidated financial statements.

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the three-months and year ended 31 December 2024

Note	For the three-month period ended 31		For the year ended 31 December	
	December		2024	2023
	2024 (Unaudited)	2023 (Unaudited)	2024 (Unaudited)	2023 (Audited)
	(Saudi Riyals)		(Saudi Riyals)	
	289,372,977	168,223,453	528,396,991	497,309,947
Net income for the period/year				
Other comprehensive income (loss) for the period				
Items will not be reclassified to statement of income in subsequent periods:				
Actuarial gains for employees' end-of-service benefits	11	(227,252)	(17,008,354)	(13,232,652)
Net change in Equity instruments at fair value through other comprehensive income		5,298,895	-	(21,514,936)
			5,298,895	-
Items will be reclassified to statement of income in subsequent periods:				
Share in other comprehensive loss of associates and joint venture	9	98,041	194,603	(17,362)
Currency exchange differences on translation of foreign subsidiary	20	(496,644)	(32,260)	70,604
		4,673,040	(16,846,011)	(11,300,400)
Other comprehensive income(loss) for the period/year		4,673,040	(16,846,011)	(11,300,400)
Total comprehensive income for the period/year		294,046,017	151,377,442	476,060,218
Attributable to:				
Shareholders of the Company		291,556,577	148,026,559	512,183,732
Non-controlling interests		2,489,440	3,350,883	7,360,188
		294,046,017	151,377,442	517,096,591
				468,700,030
				7,360,188
				476,060,218

Chief Financial Officer

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Abdullah Saleh Al Othaim

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ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)


INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the year ended 31 December 2024

	Attributable to the shareholders of the Company							Total equity
	Paid-in share capital	Statutory reserve	Retained earnings	Fair value reserve	Currency exchange differences on translation of foreign subsidiary	Share in other comprehensive income of associates and joint venture	Total shareholders' equity	
For the year ended 31 December 2023								
Balance as at 1 January 2023 (Audited)	900,000,000	2,47,787,676	267,309,239	(2,455,069)	(5,441,017)	-	1,407,200,829	1,444,149,090
Net income	-	-	490,774,512	-	-	-	490,774,512	497,309,947
Other comprehensive (loss) income for the year	-	-	(22,339,689)	-	70,604	194,603	(22,074,482)	(21,249,729)
Total comprehensive income for the year	-	-	468,434,823	-	70,604	194,603	468,700,030	476,060,218
Reconciliations related to associates and joint venture	-	-	194,603	-	-	(194,603)	-	-
Transferred from the statutory reserve	-	(247,787,676)	247,787,676	-	-	-	-	-
Cash dividends (Note 22)	-	-	(517,500,000)	-	-	-	(517,500,000)	(520,062,560)
Balance as at 31 December 2023 (audited)	900,000,000	-	466,226,341	(2,455,069)	(5,370,413)	-	1,358,400,859	1,400,146,748
For the year ended 31 December 2024								
Balance as at 1 January 2024 (Audited)	900,000,000	-	466,226,341	(2,455,069)	(5,370,413)	-	1,358,400,859	1,400,146,748
Net income	-	-	523,086,067	-	-	-	523,086,067	528,396,991
Other comprehensive (loss) income for the year	-	-	(12,834,587)	5,298,895	(3,349,281)	(17,362)	(10,902,335)	(11,300,400)
Total comprehensive income for the year	-	-	510,251,480	5,298,895	(3,349,281)	(17,362)	512,183,732	517,096,591
Cash dividends (Note 22)	-	-	(540,000,000)	-	-	-	(540,000,000)	(544,804,800)
Balance as at 31 December 2024 (Unaudited)	900,000,000	-	436,477,821	2,843,826	(8,719,694)	(17,362)	1,330,584,591	1,372,438,539


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 Chairman of Board of Directors
 Abdullah Saleh Al Othaim

The accompanying notes from (1) to (24) form an integral part of these interim condensed consolidated financial statements.

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**For the year ended 31 December 2024**

	For the year ended 31 December	
	2024	2023
	(Saudi Riyals)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before zakat and foreign tax	528,214,483	514,315,738
Adjustments for:		
Depreciation of property, plant, and equipment and right-of-use assets	406,203,096	370,475,684
Depreciation of investment properties	17,435,002	26,051,534
Amortization of intangible assets	489,043	633,036
(Gain) Loss on sale of property, plant, and equipment	(671,306)	3,411,009
Reversal of impairment loss on property, plant and equipment	-	(4,068,057)
(Gain) loss on termination of lease contracts	(6,022,245)	1,018,632
Gain on sale of investment properties	-	(99,475,744)
Finance costs	160,332,710	113,259,796
Income from deposits and other investments	(6,007,164)	(16,807,979)
Share in profit or loss of associates and joint venture, net	(194,286,702)	(32,334,627)
Provision (reversal of provision) for shrinkage, and slow-moving inventory	800,735	(5,441,387)
Provision (reversal of provision) for expected credit losses	1,338,628	(227,264)
Legal and other provisions	(3,344,164)	(1,708,170)
Obligation for employees' end-of-service benefits	43,464,486	42,628,399
	947,946,602	911,730,600
Changes in:		
Inventories	(137,447,374)	(142,682,608)
Trade receivables	(15,020,512)	(7,994,125)
Prepayments and other current assets	(35,327,117)	(4,988,096)
Accounts payable	182,125,370	(11,328,992)
Accruals and other current liabilities	51,660,593	14,841,192
	993,937,562	759,577,971
Employees' end-of-service benefits paid	(30,945,979)	(30,329,650)
Zakat and foreign tax paid	(16,691,964)	(13,223,442)
Net cash flows generated from operating activities	946,299,619	716,024,879
CASH FLOWS USED IN INVESTING ACTIVITIES		
Proceeds from sale of property, plant, and equipment	3,284,744	2,788,122
Proceeds from sale of investment properties	-	186,568,704
Dividends from associates and joint venture	90,000,000	-
Income from deposits and other investments received	9,369,435	17,484,132
Additions to property, plant, and equipment	(591,761,963)	(384,970,590)
Additions to investment properties	(49,721,222)	(224,244,145)
Additions to intangible assets	(1,445,000)	(1,369,079)
Short-term investments and Murabaha deposits	(279,000,000)	(691,537,500)
Redemptions of short-term investments and Murabaha deposits	294,000,000	1,031,537,500
Net cash flows used in investing activities	(525,274,006)	(63,742,856)

The accompanying notes from (1) to (24) form an integral part of these interim condensed consolidated financial statements.


ABDULLAH AL-OTHAIM MARKETS COMPANY


(A Saudi Joint Stock Company)


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

For the year ended 31 December 2024

	For the year ended 31 December	
	2024	2023
	(Saudi Riyals)	
<u>CASH FLOWS USED IN FINANCING ACTIVITIES</u>		
Proceeds from short-term loans and Murabahat	2,615,000,000	405,000,000
Payments of short-term loans and Murabahat	(2,300,000,000)	(405,000,000)
Lease contracts liabilities, net	(273,388,867)	(262,645,217)
Finance costs paid	(14,691,444)	(1,387,571)
Dividends paid - shareholders of the Company	(540,000,000)	(517,500,000)
Dividends paid - non-controlling interests	(4,804,800)	(2,562,560)
Net cash flows used in financing activities	(517,885,111)	(784,095,348)
Net change in cash and cash equivalents	(96,859,498)	(131,813,325)
Cash and cash equivalents at the beginning of the period	181,775,625	313,074,107
Net exchange differences on translation of foreign currencies	2,962,992	514,843
Cash and cash equivalents at the end of the period	87,879,119	181,775,625
<u>Significant non-cash transactions</u>		
Additions to right-of-use assets against lease contracts liabilities (Note 7)	619,206,461	537,098,701
Transfer from investment properties to property, plant, and equipment	-	660,746
Transfer from property, plant, and equipment to investment properties	1,902,117	222,709


Chief Financial Officer
Marwan Ahmed Ibrahim


Chief Executive Officer
Muaffaq A. Mobarah


Chairman of Board of Directors
Abdullah Saleh Al Othaim

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ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-months and year ended 31 December 2024

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

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

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

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

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

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

On 5 June 2023, the General Assembly of shareholders approved a resolution to divide the nominal value of the share from SR 10 per share to SR 1 per share, as a result the number of shares increased from 90 million shares to 900 million shares. The Company's capital amounting to SR 900 million, consisting of 900 million shares of SR 1 per share.

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

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

<u>Subsidiary</u>	<u>Country of Incorporation</u>	<u>Main Activity</u>	<u>Direct and Indirect ownership percentage %</u>	
			<u>31 December 2024</u>	<u>31 December 2023</u>
Haley Holding Company	Kingdom of Saudi Arabia	Wholesale and retail trade	100%	100%
Universal Marketing Centre Company	Kingdom of Saudi Arabia	Wholesale and retail trade	100%	100%
Seven Services Company	Kingdom of Saudi Arabia	Import, export and wholesale and retail trade	100%	100%
Bayt Al Watan Company	Kingdom of Saudi Arabia	Import, export and wholesale and retail trade	100%	100%
Marafeq Al Tashgheel Company	Kingdom of Saudi Arabia	General contracting for building	100%	100%
Abdullah Al Othaim Markets – Egypt	Arab Republic of Egypt	Wholesale and retail	100%	100%
Thamarat Al Qassim Company	Kingdom of Saudi Arabia	Cultivation of vegetables and fodder	100%	100%
Shurofat Al Jazeerah Company	Kingdom of Saudi Arabia	General contracting and operation of commercial complexes	100%	100%
Mueen for Human Resources Company	Kingdom of Saudi Arabia	Labor services	68%	68%

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

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

For the three-months and year ended 31 December 2024

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

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

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

Haley Holding Company

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

Universal Marketing Centre Company

A limited liability company that operates under commercial registration number 1010314201 issued in Riyadh on 9 Ramadhan 1432H (corresponding to 9 August 2011). The main activities of the company are investment in other companies to obtain control over them, wholesale and retail trading of food products, wheat, rice, meat, fish, home products, vehicles spare parts, computer services (application systems and data bases), import and export services, marketing, Maintenance of training and entertaining centers and cooked and uncooked catering services.

Seven Services Company

A limited liability company that operates under commercial registration number 1010320848 issued in Riyadh on 2 Muharram 1433H (corresponding to 27 November 2011). The main activities of the company are importing, exporting, wholesale and retail trading of ready-made clothes, sport clothes, jewelry, sewing tools, bags, leather products, decorations, dropped ceilings, vehicles spare parts, agricultural produce, in addition to providing importing and exporting services on behalf of others, establishing agriculture projects, and operating and managing bakeries and cafes.

The process of transferring all assets and liabilities related to Seven Services Company is currently being under process to become one of the branches of Abdullah Al-Othaim Markets Company. A new commercial registration number 1010877599, issued in Riyadh on 11 Shawwal 1444H (corresponding to 1 May 2023) was established for Seven Services Company. The management has the intention to liquidate and voluntarily dissolve Seven Services Company, however, the legal formalities to liquidate the company was not completed as at the date of the interim condensed consolidated financial statements.

Bayt Al Watan Company

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

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

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

For the three-months and year ended 31 December 2024

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

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

Marafeq Al Tashgheel Company

A limited liability company that operates under commercial registration number 1010321917 issued in Riyadh on 15 Muharram 1433H (corresponding to 10 December 2011). The main activities of the Company include general constructions and renovation of residential and non-residential buildings such as schools, hospitals, hotels, on-site ready-made houses, and restoration of residential and non-residential buildings.

On 16 Rabi Al-Awal 1446H (corresponding to 19 September 2024), all assets and liabilities related to Marafeq Al Tashgheel Company were transferred to become one of the branches of Abdullah Al-Othaim Markets Company. A new commercial registration number 1009098729, issued in Riyadh on 12 Rabi' al-Awal 1446H (corresponding to 15 September 2022) was established for Marafeq Al Tashgheel Company. The management has the intention to liquidate and voluntarily dissolve Marafeq Al Tashgheel Company, however, the legal formalities to liquidate the company was not started as at the date of the interim condensed consolidated financial statements.

Abdullah AL Othaim Markets - Egypt

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

Thamarat Al Qassim Company

A limited liability company operating under commercial registration number 1010378315 issued in Riyadh on 30 Rajab 1434H (corresponding to 9 June 2013), the main activities are in the agriculture, fodder, livestock and poultry breeding, import and export services, marketing to others, and the purchase of land to build buildings on them and invest them by selling or renting and the exploitation of real estate and lands for the benefit of the company.

On 25 Rabi Al-Thani 1444H (corresponding to 19 November 2022), all assets and liabilities related to Thamarat Al-Qassim Company were transferred to become one of the branches of Abdullah Al-Othaim Markets Company. A new commercial registration number 1010841207, issued in Riyadh on 21 Rabi' al-Thani 1444H (corresponding to 15 November 2022) was established for Thamarat Al Qassim Company. The management has the intention to liquidate and voluntarily dissolve Thamarat Al Qassim Company, however, the legal formalities to liquidate the company was not started as at the date of the interim condensed consolidated financial statements.

Shoufat Al Jazeerah Company

A limited liability company that operates under commercial registration number 1010228732 issued in Riyadh on 2 Safar 1428H (corresponding to 20 February 2007). The main activities of the company are general contracting and operating commercial complexes.

On 13 Rajab 1445H (corresponding to 25 January 2024), all assets and liabilities related to Shoufat Al Jazeerah Company were transferred to become one of the branches of Abdullah Al-Othaim Markets Company. A new commercial registration number 1010878137, issued in Riyadh on 12 Shawwal 1444H (corresponding to 2 May 2023) was established for Shoufat Al Jazeerah Company. The management has the intention to liquidate and voluntarily dissolve Shoufat Al Jazeerah Company, however, the legal formalities to liquidate the company was not started as at the date of the interim condensed consolidated financial statements.

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

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

For the three-months and year ended 31 December 2024

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

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

Mueen for Human Resources Company

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

2. BASIS OF PREPARATION

2-1 Statement of compliance

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

The interim condensed consolidated financial statements do not include all disclosures required in the full annual consolidated financial statements and therefore, should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2023. In addition, the interim period is considered an integral part of the whole year, however, the results of interim periods may not be fair indication of the results for the full year ended 31 December 2024.

2-2 Basis of measurement

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

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

2-3 Functional and presentation currency

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

2-4 Use of judgments and estimates

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

The significant estimates made by management when applying the Group's accounting policies and significant sources of estimation uncertainty were similar to those disclosed in the Group's consolidated financial statements for the year ended 31 December 2023.

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

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

For the three-months and year ended 31 December 2024

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

3. BASIS FOR CONSOLIDATING THE FINANCIAL STATEMENTS

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

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

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

For the three-months and year ended 31 December 2024

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

3. BASIS FOR CONSOLIDATING THE FINANCIAL STATEMENTS (CONTINUED)

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

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

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

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

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

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

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

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

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

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

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

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

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

For the three-months and year ended 31 December 2024

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

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those policies in the Group's annual consolidated financial statements for the year ended 31 December 2023.

5. NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS

There are a number of amendments to the standards that are effective as at 1 January 2024, but they do not have a material impact on the interim condensed consolidated financial statements of the Group:

- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements.
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback.
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current.
- Amendments to IAS 1: Non-current Liabilities with Covenants.

6. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2024, the Group acquired property, plant, and equipment with a total cost of SR 591,8 million (31 December 2023: SR 384,97 million).

During the year ended 31 December 2024, the Group disposed property, plant, and equipment with a net book value of SR 2,6 million (31 December 2023: SR 6,2 million), of which the disposal of those property, plant, and equipment resulted in a capital gain of SR 887 thousand and SR 671 thousand for the three-months and year ended 31 December 2024, respectively. (For the three-months and year ended 31 December 2023: capital gains of SR 155 thousand and capital losses of SR 3,41 million, respectively).

During the year ended 31 December 2024, depreciation expense amounted to SR 200,8 million (31 December 2023: SR 175,38 million).

7. RIGHT-OF-USE ASSETS

During the year ended 31 December 2024, the net additions to right-of-use assets amounted to SR 619,2 million (31 December 2023: SR 537,1 million).

During the year ended 31 December 2024, depreciation expense amounted to SR 205,4 million (31 December 2023: SR 195,1 million).

8. INVESTMENT PROPERTIES

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

During the year ended 31 December 2024, the Group acquired investment properties with a total cost of SR 49,7 million (31 December 2023: SR 224,24 million).

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

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

For the three-months and year ended 31 December 2024

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

8. INVESTMENT PROPERTIES (CONTINUED)

During the year ended 31 December 2024, depreciation expense amounted to SR 17,4 million (31 December 2023: SR 26.05 million).

The Group has some buildings owned as investment properties with a net book value of SR 83,4 million (31 December 2023: SR 98.6 million) that are built on lands leased from third parties.

The fair value of the investment properties as at 31 December 2024 amounted to SR 1,208 million evaluated by qualified and independent experts.

The following are the data of the real estate appraiser:

Name: Olaat Real Estate Appraisal Company

Qualifications: Membership of the Saudi Authority for Accredited Valuers

License number: 1210000397

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

9. INVESTMENTS IN ASSOCIATES AND JOINT VENTURE

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

<u>Company</u>	<u>Country of Incorporation</u>	<u>Ownership percentage %</u>	
		<u>31 December 2024</u>	<u>31 December 2023</u>
AlWousta Food Services Company - Associate ⁽¹⁾	Kingdom of Saudi Arabia	25%	25%
Riyadh Food Industries Company - Associate ⁽²⁾	Kingdom of Saudi Arabia	55%	55%
Gulf Flour Milling Industrial Company - Joint venture ⁽³⁾	Kingdom of Saudi Arabia	33.33%	33.33%

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

(2) The main activities of the company are the purchase of lands to construct buildings for manufacturing plants for the purpose of investment for its own interest, management, maintenance, and development of manufacturing plants for others, marketing food and consumable goods, and whatever necessary to establish or participate in shops and markets, import and export of food and consumable goods. The investment of the

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**For the three-months and year ended 31 December 2024**

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

9. INVESTMENTS IN ASSOCIATES AND JOINT VENTURE (CONTINUED)

Group in this company has been classified as an investment in associate company since there is a significant influence over the company with no control.

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

a) Summary of investment movements during the year

	31 December 2024	31 December 2023
Balance at the beginning of the year	194,797,870	162,268,640
Share in profit or loss of associates and joint venture (*)	194,286,702	32,334,627
Share in other comprehensive (loss) income of associates and joint venture	(17,362)	194,603
Dividends	(90,000,000)	-
Balance at the end of the year	299,067,210	194,797,870

(*) The share in profit or loss includes SR 161.3 million, representing the company's share of the capital gains achieved by Gulf Flour Milling Industrial Company, resulted from the completion of the shares offered of Fourth Milling Industrial Company (Subsidiary of Joint arrangement).

b) Investments in associates and joint venture balances

	31 December 2024	31 December 2023
Gulf Flour Milling Industrial Company - Joint venture	225,576,970	126,520,685
Riyadh Food Industries Company - Associate	41,805,801	37,601,229
AlWousta Food Services Company - Associate	31,684,439	30,675,956
	299,067,210	194,797,870

10. CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Cash at banks	58,758,336	108,834,825
Cash on hand	29,120,783	32,940,800
Short-term Murabaha deposits (*)	-	40,000,000
	87,879,119	181,775,625

(*) Short-term Murabaha deposits included in cash and cash equivalents are deposits with original maturities of less than three months. These deposits are with local banks and earn interest at prevailing market rates.

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**For the three-months and year ended 31 December 2024**

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

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

	31 December 2024	31 December 2023
Balance at the beginning of the year	294,561,348	249,589,307
Service cost	43,464,486	42,628,399
Cost of discount factor	16,278,523	11,158,356
Paid during the year	(30,945,979)	(30,329,650)
Actuarial losses from remeasurement of obligation for employees' end-of-service benefits	13,232,652	21,514,936
Balance at the end of the year	336,591,030	294,561,348

12. LOANS AND SHORT-TERM MURABAHA

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

During the year ended 31 December 2024, the Group obtained short-term loans in the amount of SAR 2,615 million, and paid loans in the amount of SAR 2,300 million. The purpose of these short-term loans is to finance the working capital requirements of the Group and bear an interest rate according to prevailing interest rates.

As at 31 December 2024, the available and unused facilities for the purposes of meeting the Group's obligations when due amounted to SR 315 million (31 December 2023: SR 1,095 million).

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

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

For the three-months and year ended 31 December 2024

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

13. RELATED PARTIES

Related parties represent shareholders, Directors and key management personnel of the Group. And entities controlled, jointly controlled or significantly influenced by such parties. Management of the Group approved a policy for prices and conditions for transactions with related parties. Transactions with related parties are mainly represented in rental income and expenses, purchases of inventory, and labor services.

Related party

Al-Othaim Holding Company

Abdullah Al-Othaim for Investment Company

AlWousta Food Services Company

Riyadh Food Industries Company

Gulf Flour Milling Industrial Company

Members of the Board of Directors and Senior Management

Abdullah Al-Othaim for Fashion Company

Abdullah Al-Othaim for Entertainment Company

Emtiyaz Al Riyadh Trading Company

Fourth Milling Company

Rimal Al Sawahil for Contracting and Maintenance

Radial Construction and Development Contracting Company (Previously
Saudi Pillar for Contracting)

Nature of relationship

Founding shareholder

Related to the Chairman of the Board of Directors

Associate

Associate

Joint venture

Group's management

Related to the Chairman of the Board of Directors

Related to the Chairman of the Board of Directors

Related to the Chairman of the Board of Directors

Subsidiary of an associate

Founding shareholder of a subsidiary

Related to the Chairman of the Board of Directors

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

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

For the three-months and year ended 31 December 2024

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

13. RELATED PARTIES (CONTINUED)

Transactions with related parties for the year ended 31 December 2024 are as follows:

<u>Related Party</u>	<u>Rent Expense</u>	<u>Rental Income</u>	<u>Purchase of Inventory</u>	<u>Labor Revenues and Others</u>	<u>Labor Expenses and Others</u>
Abdullah Al-Othaim for Investment Company	13,636,292	34,932,000	-	-	4,112,395
AlWousta Food Services Company	-	637,875	-	-	-
Riyadh Foods Industries Company	-	-	63,238,074	2,826,098	-
Rimal Al Sawahil for Contracting and Maintenance	-	-	-	27,731,483	-
Abdullah Al-Othaim for Entertainment Company	-	1,243,838	-	24,304	-
Fourth Milling Company	-	-	7,595,495	-	-

Transactions with related parties for the year ended 31 December 2023 are as follows:

<u>Related Party</u>	<u>Rent Expense</u>	<u>Rental Income</u>	<u>Purchase of Inventory</u>	<u>Labor Revenues and Others</u>	<u>Labor Expenses and Others</u>	<u>Sale of Investment Properties</u>
Abdullah Al-Othaim for Investment Company	14,418,413	36,199,034	-	-	4,117,112	186,568,704
AlWousta Food Services Company	-	637,875	-	-	-	-
Riyadh Foods Industries Company	-	-	82,848,433	1,027,804	81,245	-
Abdullah Al-Othaim for Fashion Company	-	109,343	-	-	-	-
Rimal Al Sawahil for Contracting and Maintenance	-	-	-	20,411,706	-	-
Abdullah Al-Othaim for Entertainment Company	-	1,493,838	-	131,782	-	-
Fourth Milling Company	-	-	7,473,037	391,304	-	-
Radial Construction and Development Contracting Company	-	-	-	-	5,028,941	-

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**For the three-months and year ended 31 December 2024**

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

13. RELATED PARTIES (CONTINUED)

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

	Charged to comprehensive income	
	31 December 2024	31 December 2023
Short term benefits	30,645,089	24,629,255
Post-employment benefits	1,160,076	1,364,913
	31,805,165	25,994,168

Below are the balances due from/to related parties:

Amounts due from related parties (included in trade receivables)	31 December 2024	31 December 2023
Rimal Al Sawahil for Contracting and Maintenance	12,295,306	12,669,700
Riyadh Foods Industries Company	871,349	-
	13,166,655	12,669,700

Amounts due to related parties (included in accounts payable)	31 December 2024	31 December 2023
Riyadh Foods Industries Company	26,769,973	28,987,799
Fourth Milling Company	2,002,020	1,357,085
Abdullah Al-Othaim for Investment Company	1,131,635	1,155,300
Radial Construction and Development Contracting Company	-	1,071,403
	29,903,628	32,571,587

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)**For the three-months and year ended 31 December 2024**

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

14. ZAKAT AND FOREIGN TAX**14-1 Zakat Provision**

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

The movement in zakat provision is as follows:

	31 December 2024	31 December 2023
Balance at the beginning of year	35,985,139	33,214,023
Charged for the year	16,613,040	16,794,596
Zakat reversal for prior years – Adjustments	(17,692,592)	(800,038)
Paid during the year	(16,613,354)	(13,223,442)
Balance at the end of year	18,292,233	35,985,139

- The Group submitted its consolidated zakat declarations for all years up to 2023 and paid zakat liabilities accordingly.
- As at the date of the financial statements, the Group finalized the Zakat status for all previous years (except for the years 2012 and 2013) until 2023.
- Resulting from what is mentioned above, there was a reversal in the provision in the amount of SAR 17,7 million from the provision built during prior years.

14-2 Foreign tax

Abdullah Al-Othaim Markets Company – Egypt (Subsidiary) is subject to the Egyptian Corporate Income Tax Law No. 91 of 2005 and its amendments. The company has submitted its tax returns to the Tax Authority for all years up to 2023 within the legal deadlines, and all tax returns have been examined up to 2020.

	31 December 2024	31 December 2023
Balance at the beginning of year	1,036,832	-
Charged for the year	897,044	1,011,233
Paid during the year	(78,610)	-
Foreign tax translation differences	(493,756)	25,599
Balance at the end of year	1,361,510	1,036,832

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

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

For the three-months and year ended 31 December 2024

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

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

Earnings per share for the ordinary shareholders for the year ended 31 December 2024 and 31 December 2023 are calculated based on the weighted average number of shares outstanding during the year. The Group does not have any dilutive instruments, accordingly, the diluted earnings per share is equal to the basic earnings per share.

16. SEGMENTAL INFORMATION

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

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

Interim condensed consolidated statement of financial position as at 31 December 2024 (unaudited)

<u>Item</u>	<u>Retail and Wholesale</u>	<u>Real Estate and Leasing</u>	<u>Others</u>	<u>Total</u>
Property, plant, and equipment	2,054,162,671	-	39,011,996	2,093,174,667
Right-of-use assets	1,892,409,861	365,838,519	4,606,309	2,262,854,689
Other non-current assets	6,119,092	-	30,569,797	36,688,889
Investment properties	-	711,237,646	-	711,237,646
Intangible assets	3,197,920	-	1,362,919	4,560,839
Total assets	5,385,199,626	1,082,261,420	535,028,092	7,002,489,138
Total liabilities	5,108,625,329	425,732,818	95,692,452	5,630,050,599

Consolidated statement of financial position as at 31 December 2023 (audited)

<u>Item</u>	<u>Retail and Wholesale</u>	<u>Real Estate and Leasing</u>	<u>Others</u>	<u>Total</u>
Property, plant, and equipment	1,708,985,814	-	7,058,103	1,716,043,917
Right-of-use assets	1,706,373,790	196,401,395	5,734,394	1,908,509,579
Other non-current assets	-	-	24,769,504	24,769,504
Investment properties	-	677,049,309	-	677,049,309
Intangible assets	2,219,015	-	-	2,219,015
Total assets	4,749,548,246	879,284,807	414,682,040	6,043,515,093
Total liabilities	4,333,828,596	227,213,837	82,325,912	4,643,368,345

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

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

For the three-months and year ended 31 December 2024

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

16. SEGMENTAL INFORMATION (CONTINUED)

Interim condensed consolidated statement of income for the year ended 31 December 2024 (unaudited)

<u>Item</u>	<u>Retail and Wholesale</u>	<u>Real Estate and Leasing</u>	<u>Others</u>	<u>Total</u>
Sales	10,396,219,986	-	428,602,592	10,824,822,578
Sales outside the Group	10,396,219,986	-	319,496,729	10,715,716,715
Rental income outside the Group	-	148,507,990	-	148,507,990
Inter-segment sales and income	-	62,000	109,105,863	109,167,863
Total income, sales commissions, and net rental income	2,354,878,217	101,227,906	57,796,086	2,513,902,209
Operating profit	352,245,325	101,227,906	17,719,522	471,192,753

Consolidated statement of income for the year ended 31 December 2023 (audited)

<u>Item</u>	<u>Retail and Wholesale</u>	<u>Real Estate and Leasing</u>	<u>Others</u>	<u>Total</u>
Sales	9,984,126,862	-	325,590,518	10,309,717,380
Sales outside the Group	9,984,126,862	-	249,592,612	10,233,719,474
Rental income outside the Group	-	145,171,470	-	145,171,470
Inter-segment sales and income	-	60,000	75,997,906	76,057,906
Total income, sales commissions, and net rental income	2,214,909,225	86,872,490	56,384,815	2,358,166,530
Operating profit	352,616,392	86,872,490	20,820,777	460,309,659

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

For the year ended 31 December 2024 (unaudited)

<u>Geographical area</u>	<u>Retail and Wholesale</u>	<u>Percentage %</u>	<u>Real Estate and Leasing</u>	<u>Percentage %</u>	<u>Others</u>	<u>Percentage %</u>
Kingdom of Saudi Arabia	10,178,383,243	97.9%	148,239,539	99.8%	319,496,729	100%
Arab Republic of Egypt	217,836,743	2.1%	268,451	0.2%	-	0.0%
Total	10,396,219,986	100%	148,507,990	100%	319,496,729	100%

For the year ended 31 December 2023 (audited)

<u>Geographical area</u>	<u>Retail and Wholesale</u>	<u>Percentage %</u>	<u>Real Estate and Leasing</u>	<u>Percentage %</u>	<u>Others</u>	<u>Percentage %</u>
Kingdom of Saudi Arabia	9,765,241,958	97.8%	144,857,726	99.8%	248,367,306	100%
Arab Republic of Egypt	220,110,210	2.2%	313,744	0.2%	-	0.0%
Total	9,985,352,168	100%	145,171,470	100%	248,367,306	100%

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

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

For the three-months and year ended 31 December 2024

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

17. RENTAL INCOME, NET

	For the three-months period ended 31 December		For the year ended 31 December	
	2024	2023	2024	2023
Stores rental income	26,953,158	28,767,947	110,198,825	116,193,928
Marketing rental income	11,115,423	8,286,546	38,309,165	28,977,542
Total rental income	38,068,581	37,054,493	148,507,990	145,171,470
Rental expenses	(5,252,262)	(14,499,543)	(47,280,084)	(58,298,980)
Net rental income	32,816,319	22,554,950	101,227,906	86,872,490

18. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Group has the following contingent liabilities and capital commitments:

	31 December 2024	31 December 2023
Letters of guarantee (*)	105,745,893	95,402,468
Letters of credit	41,020,595	57,468,874
Commitments on capital work in progress	200,788,157	43,851,564
Long-term capital contracts	38,037,148	25,198,296

(*) The balance includes an amount of SR 85.71 million (31 December 2023: SR 85.71 million) related to promissory note issued under the name of the Company as a guarantee for bank facilities obtained by Riyadh Foods Industries Company (Associate).

19. FINANCE CHARGES

	For the three-months periods ended 31 December		For the year ended 31 December	
	2024	2023	2024	2023
Finance costs on lease contracts liabilities	40,601,428	28,606,380	129,362,743	100,713,869
Cost of discount factor on obligation for employees' end of service benefits	4,540,645	3,345,625	16,278,523	11,158,356
Finance costs on short-term loans	6,920,349	-	14,691,444	1,387,571
	52,062,422	31,952,005	160,332,710	113,259,796

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

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

For the three-months and year ended 31 December 2024

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

20. FOREIGN CURRENCY TRANSLATION DIFFERENCES

Losses arising from the foreign currency translation differences included in the interim condensed consolidated statement of comprehensive income amounted to SR 3,35 million for the year ended 31 December 2024 (31 December 2023: gains amounted to SR 70,604), which is mainly due to exchange difference resulted from the Company's net investment in its subsidiary in Egypt, whose functional currency is the Egyptian Pound, which has been affected by the devaluation since March 2022 by the Egyptian Authorities. The Egyptian Authorities decided during the previous periods to adopt a flexible exchange policy in which the Egyptian Pound is subject to a pricing policy based on supply and demand forces against other foreign currencies.

21. COMPARATIVE FIGURE

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

Interim condensed consolidated statement of financial position as at 31 December 2023

	Balances as previously presented	Reclassification	Balances as currently presented
Prepayments and other receivables	166,641,038	(1,643,856)	164,997,182
Short-term investments and Murabaha deposits	35,000,000	1,643,856	36,643,856
		-	

Interim condensed consolidated statement of income for the year ended 31 December 2023

	Balances as previously presented	Reclassification	Balances as currently presented
Net sales	10,203,776,010	29,943,464	10,233,719,474
Cost of sales	(7,932,272,037)	(32,653,648)	(7,964,925,685)
Rental income, net	86,935,759	(63,269)	86,872,490
Selling and marketing expenses	(1,741,084,938)	2,077,349	(1,739,007,589)
General and administrative expenses	(159,545,386)	696,104	(158,849,282)
Other income, net	15,379,506	(800,038)	14,579,468
Reversal of Zakat entry related to previous years	-	800,038	800,038
		-	

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

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

For the three-months and year ended 31 December 2024

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

Interim condensed consolidated statement of income for the three-months period ended 31 December 2023

	Balances as previously presented	Reclassification	Balances as currently presented
Net sales	2,563,425,175	19,202,959	2,582,628,134
Cost of sales	(1,913,660,743)	(20,944,562)	(1,934,605,305)
Rental income, net	22,577,974	(23,024)	22,554,950
Selling and marketing expenses	(443,704,700)	262,690	(443,442,010)
General and administrative expenses	(42,648,581)	1,501,937	(41,146,644)
Other income, net	4,880,463	(264,792)	4,615,671
Reversal of Zakat entry related to previous years	-	264,792	264,792
		-	

22. DIVIDENDS

- On 5 August 2024, the Board of Directors decided to distribute interim cash dividends to shareholders for the second quarter of 2024 with a total amount of SR 135 million, at SR 0.15 per share. The dividends were paid during the third quarter of 2024.
- On 20 May 2024, the General Assembly of the shareholders of Mueen for Human Resources Company (subsidiary) decided to distribute dividends to the Company's shareholders for the fiscal year ended 31 December 2023, with a total amount of SR 15,015,000 of which SR 4,804,800 represent distributions to non-controlling interests.
- On 12 May 2024, the Board of directors decided to distribute interim cash dividends to the shareholders for the first quarter of 2024, amounting to SR 135 million, at SR 0.15 per share. The dividends were paid during the second quarter of 2024.
- On 6 February 2024, the Board of directors decided to distribute interim cash dividends to the shareholders for the second half of 2023, amounting to SR 270 million, at SR 0.30 per share. The dividends were paid during the first quarter of 2024.
- On 9 August 2023, the Board of Directors decided to distribute interim cash dividends to shareholders for the first half of 2023 with a total amount of SR 270 million, at SR 0.3 per share. The dividends were paid during the third quarter of 2023.
- On 20 June 2023, the General Assembly of the shareholders of Mueen for Human Resources Company (subsidiary) decided to distribute dividends to the Company's shareholders for the fiscal year ended 31 December 2022, with a total amount of SR 8,008,000 of which SR 2,562,560 represent distributions to non-controlling interests.
- On 11 February 2023, the Board of Directors decided by circulation to distribute cash dividends to the shareholders for the fourth quarter of 2022 with a total amount of SR 247.5 million, at SR 2.75 per share. The dividends were paid during the first quarter of 2023.

ABDULLAH AL-OTHAIM MARKETS COMPANY

(A Saudi Joint Stock Company)

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

For the three-months and year ended 31 December 2024

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

23. SUBSEQUENT EVENTS

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

24. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved by the Board of Director on 12 Shaaban 1446H (corresponding to 11 February 2025).