

**RIYAL FOR INVESTMENT AND DEVELOPMENT  
COMPANY**

(A Saudi Joint Stock Company)

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

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**RIYAL FOR INVESTMENT AND DEVELOPMENT COMPANY**  
(A Saudi Joint Stock Company)

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

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

To the Shareholders of  
Riyal for Investment and Development Company  
(A Saudi Joint Stock Company)

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Riyal for Investment and Development Company (the "Company") as of June 30, 2025 and the related condensed interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these condensed interim 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 condensed interim financial statements based on our review.

**Scope of review**

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

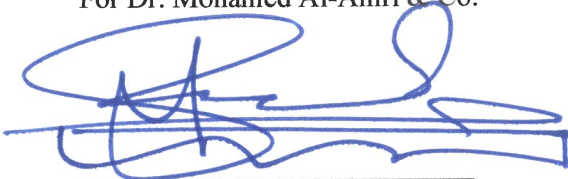
**Conclusion**

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

**Other matter**

The condensed interim financial statements of the Company as at and for six month period ended June 30, 2024 were reviewed by another auditor who expressed an unmodified conclusion on those condensed interim financial statements on August 19, 2024. In addition, the financial statements of the Company as at and for the year ended December 31, 2024 were audited by the same another auditor who expressed an unmodified opinion on those financial statements on March 26, 2025.

For Dr. Mohamed Al-Amri & Co.



Maher T. Al-Khatieb  
Certified Public Accountant  
Registration No. 514



Dammam, on: 20 Safar 1447 (H)  
Corresponding to: 14 August, 2025 (G)

**RIYAL FOR INVESTMENT AND DEVELOPMENT COMPANY**  
(A Saudi Joint Stock Company)

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2025**  
(Expressed in Saudi Riyals ﷻ)

	Notes	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	4	105,263,123	97,562,912
Right-of-use assets	5	178,455,875	190,106,988
<b>Total non-current assets</b>		<b>283,718,998</b>	<b>287,669,900</b>
<b>Current assets</b>			
Inventories	6	8,914,091	7,344,285
Trade receivables		35,850,095	28,224,915
Trade and other receivables- related parties	9	2,971,662	8,037,796
Prepayments and other receivables		5,214,882	5,766,358
Cash and cash equivalents		1,272,827	5,562,576
<b>Total current assets</b>		<b>54,223,557</b>	<b>54,935,930</b>
<b>TOTAL ASSETS</b>		<b>337,942,555</b>	<b>342,605,830</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	7	80,000,000	80,000,000
Statutory reserve	7	7,625,538	7,625,538
Retained earnings		81,471,525	80,001,702
<b>Total equity</b>		<b>169,097,063</b>	<b>167,627,240</b>
<b>Non-current liabilities</b>			
Loans	8	17,047,937	12,316,005
Lease liabilities	5	72,028,092	69,448,869
Employees' benefits		4,418,431	4,133,166
<b>Total non-current liabilities</b>		<b>93,494,460</b>	<b>85,898,040</b>
<b>Current liabilities</b>			
Trade payables		2,706,223	3,499,255
Current portion of lease liabilities	5	56,275,029	63,789,836
Current portion of loans	8	9,376,587	16,648,219
Accruals and other liabilities		5,796,348	3,452,897
Accruals and other liabilities- related parties	9	80,248	85,232
Provision for Zakat	11	1,116,597	1,605,111
<b>Total current liabilities</b>		<b>75,351,032</b>	<b>89,080,550</b>
<b>Total liabilities</b>		<b>168,845,492</b>	<b>174,978,590</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>337,942,555</b>	<b>342,605,830</b>

The accompanying notes from 1 to 17 form an integral part of these unaudited condensed interim financial statements.

  
Saeed Al Ghamdi  
Chief Executive Officer

  
Haris Hafeez  
Chief Financial Officer



**RIYAL FOR INVESTMENT AND DEVELOPMENT COMPANY**

(A Saudi Joint Stock Company)

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

(Expressed in Saudi Riyals ﷻ)

	Notes	June 30, 2025 (Un-audited)	June 30, 2024 (Un-audited)
Revenue	10	73,789,481	68,890,712
Cost of revenue		(52,415,674)	(42,887,192)
<b>Gross profit</b>		<b>21,373,807</b>	<b>26,003,520</b>
General and administrative expenses		(6,393,814)	(5,580,065)
Selling and marketing expenses		(1,659,647)	(1,429,374)
Allowance for expected credit losses		(422,538)	(400,000)
Other income		3,168,159	3,129,576
Finance cost		(10,448,578)	(11,282,338)
<b>Profit before Zakat</b>		<b>5,617,389</b>	<b>10,441,319</b>
Zakat	11	(147,566)	(580,365)
<b>NET PROFIT FOR THE PERIOD</b>		<b>5,469,823</b>	<b>9,860,954</b>
Other comprehensive income		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>5,469,823</b>	<b>9,860,954</b>
<b>EARNINGS PER SHARE</b>			
Basic and diluted earning per share	12	<b>0.68</b>	1.23

The accompanying notes from 1 to 17 form an integral part of these unaudited condensed interim financial statements.

  
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**Saeed Al Ghamdi**  
Chief Executive Officer  
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**Haris Hafeez**  
Chief Financial Officer

**RIYAL FOR INVESTMENT AND DEVELOPMENT COMPANY**  
(A Saudi Joint Stock Company)

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

	Share capital	Statutory reserve	Retained earnings	Total equity
At January 01, 2024 (audited)	80,000,000	5,984,310	65,693,909	151,678,219
Net profit for the period	-	-	9,860,954	9,860,954
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	9,860,954	9,860,954
At June 30, 2024 (un-audited)	80,000,000	5,984,310	75,554,863	161,539,173
At January 01, 2025 (audited)	80,000,000	7,625,538	80,001,702	167,627,240
Net profit for the period	-	-	5,469,823	5,469,823
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	5,469,823	5,469,823
Dividend (note-13)	-	-	(4,000,000)	(4,000,000)
At June 30, 2025 (un-audited)	80,000,000	7,625,538	81,471,525	169,097,063

The accompanying notes from 1 to 17 form an integral part of these unaudited condensed interim financial statements.

  
Saeed Al Ghamdi  
Chief Executive Officer

  
Haris Hafeez  
Chief Financial Officer

# RIYAL FOR INVESTMENT AND DEVELOPMENT COMPANY

(A Saudi Joint Stock Company)


## CONDENSED INTERIM STATEMENT OF CASH FLOW FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025

(Expressed in Saudi Riyals ﷻ)

	Notes	June 30, 2025 (Un-audited)	June 30, 2024 (Un-audited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before Zakat		5,617,389	10,441,319
<i>Adjustments for:</i>			
Depreciation of property and equipment	4	7,206,698	7,474,296
Depreciation of right-of-use-assets	5	13,105,602	11,294,395
Allowance for expected credit losses		422,538	400,000
Provision for employees' benefits		405,159	294,812
Finance cost		10,448,578	11,282,338
		<u>37,205,964</u>	<u>41,187,160</u>
<i>Changes in:</i>			
Inventories		20,372,298	14,264,244
Additions to vehicles held for lease in property and equipment	4	(7,562,843)	(8,328,773)
Trade receivables		(8,047,718)	(6,332,258)
Trade and other receivables -related parties		5,066,134	964,168
Prepayments and other receivables		551,476	6,218,099
Trade payables		(793,032)	(81,653)
Accruals and other liabilities		2,343,451	(785,763)
Accruals and other liabilities- related parties		(4,984)	(2,000)
<b>Cash generated from operations</b>		<u>49,130,746</u>	<u>47,103,224</u>
Employees benefits paid		(119,894)	(12,955)
Zakat paid		(636,080)	(179,124)
Finance cost paid		(8,835,064)	(11,282,338)
<b>Net cash generated from operating activities</b>		<u>39,539,708</u>	<u>35,628,807</u>
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>			
Addition to property and equipment (excluding vehicles)	4	(545,301)	(226,868)
<b>Net cash used in investing activities</b>		<u>(545,301)</u>	<u>(226,868)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid	13	(4,000,000)	-
Proceeds from loans		7,422,498	10,578,352
Repayments of loans		(9,962,198)	(15,335,724)
Net movement in lease liabilities		(36,744,456)	(35,263,581)
<b>Net cash used in financing activities</b>		<u>(43,284,156)</u>	<u>(40,020,953)</u>
<b>Net change in cash and cash equivalents</b>		<u>(4,289,749)</u>	<u>(4,619,014)</u>
Cash and cash equivalents at beginning of the period		5,562,576	5,561,993
Cash and cash equivalents at end of the period		<u>1,272,827</u>	<u>942,979</u>
<b>Significant non-cash transactions:</b>			
Transfer from property and equipment to inventories		(21,942,104)	(12,239,377)
Transfer from right of use assets to property and equipment		28,740,869	10,009,080
Addition to right of use assets		30,195,358	12,382,001

The accompanying notes from 1 to 17 form an integral part of these unaudited condensed interim financial statements

  
Saeed Al Ghamdi  
Chief Executive Officer

  
Haris Hafeez  
Chief Financial Officer

# RIYAL FOR INVESTMENT AND DEVELOPMENT COMPANY

(A Saudi Joint Stock Company)

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

(Expressed in Saudi Riyals ﷲ)

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### 1. CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Riyal for Investment and Development Company (the "Company") is a Saudi Joint Stock Company registered on Shaban 17, 1413H, corresponding to February 09, 1993G under commercial registration number 2050024818. The registered office of the Company is located in Dammam, Kingdom of Saudi Arabia.

The principal activities of the Company are leasing/renting of vehicles and buses, trading activities (export, import, brokerage, and marketing for others) in non-money exchange business, establish and operate workshops for vehicles, equipment, wholesale and retail sales and export and import in vehicles spare parts and wheels.

The shareholders of the Company passed a resolution on March 18, 2022 to convert legal status of the Company from a limited liability company to a closed joint stock company. The Ministry of Commerce issued a letter dated Dhul Al-Qadah 08, 1443H corresponding to June 07, 2022G providing approval for conversion of legal status of the Company to a closed joint stock company and the change is reflected in the Company's commercial registration number 2050024818. The management obtained approval for the listing of the Company's shares in NOMU (Parallel Market) on Dhul Al-Qadah 16, 1444H corresponding to June 05, 2023.

The Company operates through the following branches:

<b><u>Branch</u></b>	<b><u>CR No.</u></b>
Riyal for Investment and Development Company – Dammam	2050050531
Riyal for Investment and Development Company – Dammam	2050067684
Riyal for Investment and Development Company – Dammam	2050056938
Riyal for Investment and Development Company – Jubail	2055161957

The results, assets and liabilities of the above branches are included in these condensed interim financial statements.

### 2. BASIS OF PREPARATION AND BASIS OF MEASUREMENT

#### 2.1 Statement of compliance

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

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

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

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

#### 2.2 Basis of measurement

These condensed interim financial statements are prepared under the historical cost convention, using the accruals basis of accounting, except for certain employees' benefits which are measured at present value of the defined benefit obligations using the Projected Unit Credit Method.

#### 2.3 Functional and presentation currency

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



**RIYAL FOR INVESTMENT AND DEVELOPMENT COMPANY**  
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**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025**  
(Expressed in Saudi Riyals ﷻ)

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

**2.4 Going concern assumption**

The Company's management has made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue its business for the foreseeable future. As of June 30, 2025, current liabilities of the Company exceeded its current assets by ﷻ 21.13 million (December 31, 2024: ﷻ 34.15 million). The Company is making profits and also has history of profits. Management of the Company has prepared the forecasted cash flows for the next year where it has sufficient funds to settle its liabilities as and when they fall due. Therefore, these condensed interim financial statements have been prepared on going concern basis.

**2.5 New accounting standards, interpretations and amendments**

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

**3. SEGMENT INFORMATION**

**Operating segments**

The Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and is measured consistently in the condensed interim financial statements.

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

- a) **Lease of vehicles** - This segment represents vehicles leased/rented out to customers under medium to longer-term rental arrangements;
- b) **Sale of vehicles** - This segment represents sale of vehicles which have completed their lease terms as per management policy.

All of the Company's operations are located in the Kingdom of Saudi Arabia. Lease vehicle revenue is recognized over time in accordance with the agreed lease term, whereas control of vehicles is transferred at a point in time when used vehicles are directly sold to customers. The selected information for each operating segment is as follows:

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

**3. SEGMENT INFORMATION (CONTINUED)**

<b>Six month period ended June 30, 2025 (Un-audited)</b>	<b>Lease of vehicles</b>	<b>Sale of vehicles</b>	<b>Total</b>
Revenue	54,309,646	19,479,835	73,789,481
Cost of revenue	(32,031,243)	(20,384,431)	(52,415,674)
<b>Gross profit</b>	<b>22,278,403</b>	<b>(904,596)</b>	<b>21,373,807</b>
<b>Unallocated (expenses) / income</b>			
General and administrative expenses	-	-	(6,393,814)
Selling and marketing expenses	-	-	(1,659,647)
Allowance for expected credit losses	-	-	(422,538)
Other income	-	-	3,168,159
Finance cost	-	-	(10,448,578)
<b>Profit before zakat</b>	<b>-</b>	<b>-</b>	<b>5,617,389</b>
Zakat expense for the period	-	-	(147,566)
<b>Net profit for the period</b>	<b>-</b>	<b>-</b>	<b>5,469,823</b>
<b>At June 30, 2025 (Unaudited)</b>			
Total assets	-	-	337,942,555
Total liabilities	-	-	168,845,492
<b>Six month period ended June 30, 2024 (Un-audited)</b>	<b>Lease of vehicles</b>	<b>Sale of vehicles</b>	<b>Total</b>
Revenue	53,933,402	14,957,310	68,890,712
Cost of revenue	(28,931,710)	(13,955,482)	(42,887,192)
Gross profit	25,001,692	1,001,828	26,003,520
<b>Unallocated (expenses) / income</b>			
General and administrative expenses	-	-	(5,580,065)
Selling and marketing expenses	-	-	(1,429,374)
Allowance for expected credit losses	-	-	(400,000)
Other income	-	-	3,129,576
Finance cost	-	-	(11,282,338)
Profit before zakat	-	-	10,441,319
Zakat expense for the period	-	-	(580,365)
<b>Net profit for the period</b>	<b>-</b>	<b>-</b>	<b>9,860,954</b>
<b>At December 31, 2024 (Audited)</b>			
Total assets	-	-	342,605,830
Total liabilities	-	-	174,978,590

**Geographical segments**

All of the Company's operating assets and principal markets of activity are located in the Kingdom of Saudi Arabia. Segment profit represents the profit earned by each segment without allocation of central administrative costs including directors' salaries, non-operating gains and losses and finance cost. This is the measure reported to the Company's executives for the purpose of resource allocation and assessment of segment performance.

**RIYAL FOR INVESTMENT AND DEVELOPMENT COMPANY**

(A Saudi Joint Stock Company)

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

(Expressed in Saudi Riyals ﷻ)

**4. PROPERTY AND EQUIPMENT**

	<b>Leasehold improvements</b>	<b>Furniture and fixture</b>	<b>Tools and equipment</b>	<b>Vehicles held for lease</b>	<b>Capital work in progress</b>	<b>Total</b>
<b>Cost</b>						
At January 01, 2024 (Audited)	357,500	1,737,007	844,545	149,078,407	-	152,017,459
Additions	373,606	283,007	114,630	20,579,091	-	21,350,334
Transfer from right-of-use assets (note 5)	-	-	-	27,066,328	-	27,066,328
Transfer to inventories	-	-	-	(55,085,572)	-	(55,085,572)
At December 31, 2024 (Audited)	731,106	2,020,014	959,175	141,638,254	-	145,348,549
<b>Additions</b>	-	<b>72,039</b>	<b>6,518</b>	<b>7,562,843</b>	<b>466,744</b>	<b>8,108,144</b>
<b>Transfer from right-of-use assets (note 5)</b>	-	-	-	<b>44,374,200</b>	-	<b>44,374,200</b>
<b>Transfer to inventories</b>	-	-	-	<b>(37,975,503)</b>	-	<b>(37,975,503)</b>
<b>At June 30, 2025 (Unaudited)</b>	<b>731,106</b>	<b>2,092,053</b>	<b>965,693</b>	<b>155,599,794</b>	<b>466,744</b>	<b>159,855,390</b>
<b>Accumulated depreciation</b>						
At January 01, 2024 (Audited)	357,500	1,251,124	589,404	46,491,119	-	48,689,147
Charge for the year	-	236,034	123,558	14,545,436	-	14,905,028
Transfer from right-of-use assets (note 5)	-	-	-	9,723,193	-	9,723,193
Transfer to inventories	-	-	-	(25,531,731)	-	(25,531,731)
At December 31, 2024 (Audited)	357,500	1,487,158	712,962	45,228,017	-	47,785,637
<b>Charge for the period</b>	-	<b>91,740</b>	<b>53,973</b>	<b>7,060,985</b>	-	<b>7,206,698</b>
<b>Transfer from right-of-use assets (note 5)</b>	-	-	-	<b>15,633,331</b>	-	<b>15,633,331</b>
<b>Transfer to inventories</b>	-	-	-	<b>(16,033,399)</b>	-	<b>(16,033,399)</b>
<b>At June 30, 2025 (Unaudited)</b>	<b>357,500</b>	<b>1,578,898</b>	<b>766,935</b>	<b>51,888,934</b>	-	<b>54,592,267</b>
<b>Net book value as at:</b>						
<b>June 30, 2025 (Unaudited)</b>	<b>373,606</b>	<b>513,155</b>	<b>198,758</b>	<b>103,710,860</b>	<b>466,744</b>	<b>105,263,123</b>
December 31, 2024 (Audited)	373,606	532,856	246,213	96,410,237	-	97,562,912

**RIYAL FOR INVESTMENT AND DEVELOPMENT COMPANY**  
(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025**  
(Expressed in Saudi Riyals ٢)

**5. LEASES**

**A. Company as a lessee**

The Company leases vehicles and buses, with lease terms ranging from 2 to 4 years and an option to own the vehicles at the end of the lease period. Additionally, the Company holds leasehold lands and buildings with lease terms varying between 5 and 19 years.

**Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period**

	<u>Lease vehicles</u>	<u>Property</u>	<u>Total</u>
At January 01, 2024 (Audited)	177,424,175	12,881,190	190,305,365
Additions	41,847,136	378,692	42,225,828
Transfer to inventories	(1,703,210)	-	(1,703,210)
Transfer to property and equipment (note 4)	(17,343,135)	-	(17,343,135)
Depreciation expense	<u>(22,579,185)</u>	<u>(798,675)</u>	<u>(23,377,860)</u>
At December 31, 2024 (Audited)	177,645,781	12,461,207	190,106,988
<b>Additions</b>	<b>30,195,358</b>	<b>-</b>	<b>30,195,358</b>
<b>Transfer to property and equipment (note 4)</b>	<b>(28,740,869)</b>	<b>-</b>	<b>(28,740,869)</b>
<b>Depreciation expense</b>	<b><u>(12,706,262)</u></b>	<b><u>(399,340)</u></b>	<b><u>(13,105,602)</u></b>
<b>Balance as at June 30, 2025 (Unaudited)</b>	<b><u>166,394,008</u></b>	<b><u>12,061,867</u></b>	<b><u>178,455,875</u></b>

**Set out below are the carrying amounts of lease liabilities**

	<u>Lease vehicles</u>	<u>Property</u>	<u>Total</u>
At January 01, 2024 (Audited)	139,808,649	13,423,039	153,231,688
Additions	41,847,136	378,692	42,225,828
Payments	(79,661,780)	(1,600,000)	(81,261,780)
Finance cost	<u>17,704,060</u>	<u>1,338,909</u>	<u>19,042,969</u>
At December 31, 2024 (Audited)	119,698,065	13,540,640	133,238,705
<b>Additions</b>	<b>30,195,358</b>	<b>-</b>	<b>30,195,358</b>
<b>Payments</b>	<b>(42,944,966)</b>	<b>(800,000)</b>	<b>(43,744,966)</b>
<b>Finance cost</b>	<b><u>7,954,423</u></b>	<b><u>659,601</u></b>	<b><u>8,614,024</u></b>
<b>At June 30, 2024 (Unaudited)</b>	<b><u>114,902,880</u></b>	<b><u>13,400,241</u></b>	<b><u>128,303,121</u></b>

**Presented in the condensed interim statement of financial position**

	<u>June 30, 2025 (Unaudited)</u>	<u>December 31, 2024 (Audited)</u>
Non-current	72,028,092	69,448,869
Current	<u>56,275,029</u>	<u>63,789,836</u>
	<b><u>128,303,121</u></b>	<b><u>133,238,705</u></b>

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**5. LEASES (CONTINUED)**

The following are the amounts recognised in the condensed interim statement of profit or loss:

	<b>June 30, 2025</b> <b>(Unaudited)</b>	June 30, 2024 (Unaudited)
Depreciation expense of right-of-use assets	<b>13,105,601</b>	11,294,395
Interest expense on lease liabilities	<b>8,614,024</b>	9,399,862
Expense relating to leases of low-value assets	<b>175,482</b>	196,600
	<b>21,895,107</b>	20,890,857

**B. Company as a lessor**

The Company leases out its vehicles which comprise of its owned vehicles as well as leased vehicles. All leases are classified as operating leases from a lessor perspective.

*Operating lease*

The Company has entered into leases on its fleet of vehicles. The commercial and non-commercial vehicle leases typically have lease terms of between 1 to 4 years. Leases contain options to terminate before the end of the lease term in exchange of additional penalty payments. Future minimum rentals receivable under non-cancellable operating leases as at the reporting date are, as follows:

	<b>June 30, 2025</b> <b>(Unaudited)</b>	June 30, 2024 (Unaudited)
Within 1 year	<b>64,430,792</b>	85,908,312
More than 1 but less than 5 years	<b>72,696,166</b>	91,574,662
	<b>137,126,958</b>	177,482,974

Rental revenue recognized by the Company during the period was ﷲ 54,309,646 (2024: ﷲ 53,933,402).

**6. INVENTORIES**

	<b>June 30, 2025</b> <b>(Unaudited)</b>	December 31, 2024 (Audited)
Used vehicles held for sale	<b>8,720,876</b>	7,163,203
Spare parts and supplies	<b>193,215</b>	181,082
	<b>8,914,091</b>	7,344,285

**7. SHARE CAPITAL AND RESERVES**

The share capital of the Company as of June 30, 2025 and December 31, 2024 amounted to ﷲ 80,000,000 (eighty million Saudi riyals) divided into 8,000,000 (eight million ordinary shares), at a nominal value of ﷲ 10 (ten Saudi riyals) per share, all of which are ordinary shares, identical in all respects and fully paid up.

In accordance with the Company's By-laws, the Company may transfer 10% of its net profit each year to the reserve for specified purposes. According to the latest update in the Companies Law in the Kingdom of Saudi Arabia, the mandatory statutory reserve requirement has been abolished. Accordingly, the Board of Directors will discuss this matter in its next meeting to consider different options which may include option of transferring the entire statutory reserve balance of 7,625,538 to the general reserve, in a manner that best serves the interests of the Company and its shareholders in accordance with the Company By- laws. The Board's recommendation will then be presented to the General Assembly meeting to obtain necessary approvals.

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**8. LOANS**

	<b>June 30, 2025</b> <b>(Unaudited)</b>	December 31, 2024 (Audited)
Term loans	<u>26,424,524</u>	<u>28,964,224</u>
	<b>26,424,524</b>	<b>28,964,224</b>
Current	<b>9,376,587</b>	16,648,219
Non-current	<u>17,047,937</u>	<u>12,316,005</u>
	<b>26,424,524</b>	<b>28,964,224</b>

The Company has a Sharia term loan facility agreement with a commercial Bank amounting to ﷻ 20 million. As at June 30, 2025, ﷻ 19.22 million (December 31, 2024: ﷻ 17 million) was utilized by the Company from the facility. The loan is repayable over 36 monthly installments commencing from the loan disbursement date. The loan is secured by promissory notes signed by the shareholders of the Company.

In 2021, the Company continued multiple financing agreements all repayable over 36 equal monthly installments with a financing Company. The Company used the funds for purchase of vehicles for the purpose of leasing them to different customers. The loan is secured by promissory notes signed by shareholders of the Company. As at June 30, 2024, the outstanding balance of funds obtained is ﷻ 0.3 million (December 31, 2024: ﷻ 1.2 million).

In 2022 and 2023, the Company entered in three financing agreements of ﷻ 5 million each, repayable over 24 equal monthly installments with the grace period of six months with a financing company. The Company used the funds for purchase of vehicles for the purpose of leasing them to different customers. The loan is secured by vehicles value endorsement signed by chief executive officer. As at June 30, 2025, the outstanding balance of funds obtained is ﷻ 2 million (December 31, 2024: ﷻ 4 million).

In 2022, the Company entered a financing agreement repayable over 36 equal monthly installments with a financing company with the grace period of three months. The Company used the funds for purchase of vehicles for the purpose of leasing them to different customers. The loan is secured by vehicles value endorsement signed by chief executive officer. As at June 30, 2025, the outstanding balance of funds obtained is nil (December 31, 2024: ﷻ 0.2 million).

In 2023, the Company entered a financing agreement amounting to SR 10 million, all repayable over 36 equal monthly installments with a commercial bank. The Company used the funds for purchase of vehicles for the purpose of leasing them to different customers. The loan is secured by promissory notes signed by shareholders of the Company. As at June 30, 2025, the outstanding balance of funds obtained is ﷻ 4.9 million (December 31, 2024: ﷻ 6.5 million).

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

The loans carry interest ranging from 6.17% to 18.38%.

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**9. RELATED PARTY TRANSACTIONS AND BALANCES**

Related parties include shareholders, parent company, other related parties, directors and key management personnel of the Company. Other related parties are the companies that are members of the same group, i.e, Abdel Hadi Abdullah Al-Qahtani and Sons Company, i.e, under common control. The terms and conditions of related party transactions are approved by the management.

<i>Name</i>	<i>Relationship</i>
Al-Qahtani Pipe Coating Industries	Other related party
Al Jazeera Water Treatment Chemicals Company	Other related party
Eradat Transport Company	Other related party
Abdel Hadi Abdullah Al-Qahtani & Sons- Construction	Other related party
Al Qahtani Vehicle and Machinery Company	Other related party
Al- Hijaz Water Company Limited	Other related party
Abdel Hadi Al-Qahtani Travel Bureau	Other related party
Pipe & Well Operation and Maintenance Services	Other related party
Group Five pipe Saudi Company	Other related party
Pipeline Flow Chemical Company	Other related party
Abdel Hadi Abdullah Al Qahtani & Sons Company	Other related party
Arabian Commercial Services Company – Arco	Other related party
Izar for Insurance Brokerage Company	Other related party
Abdel Hadi Tariq Al Qahtani	Other related party

The details of significant transactions and balances with related parties are as follows:

<b>Related party</b>	<b>Nature of transaction</b>	<b>June 30, 2025 (Unaudited)</b>	<b>June 30, 2024 (Unaudited)</b>
Al-Qahtani Pipe Coating Industries	Rental revenue	<b>671,440</b>	869,258
	Receipts	<b>5,014,717</b>	1,542,312
Abdel Hadi Abdullah Al Qahtani & Sons	Expenses	-	2,100
Group Five Pipe Saudi Company	Rental revenue	<b>325,802</b>	181,381
	Receipts	<b>309,314</b>	348,110
Abdel Hadi Abdullah Al-Qahtani & Sons – Construction	Rental revenue	<b>142,380</b>	164,887
Pipeline Flow Chemical Company	Rental revenue	<b>16,260</b>	54,890
Pipe & Well Operation and Maintenance Services	Payment made on behalf of related party	-	262,500
Earadat Transport Co.	Receipts	<b>75,000</b>	75,000
Al-Qahtani Vehicles and Machinery Company	Expenses	<b>41,160</b>	-
	Receipts	<b>1,000,000</b>	-
Al- Hijaz Carton Factory Company Limited	Rental revenue	<b>25,800</b>	-
	Receipts	<b>29,670</b>	-
Abdulhadi Al-Qahtani Travel Agency	Travel charges	<b>134,710</b>	-
	Payment made	<b>139,685</b>	-
Abdel Hadi Tariq Al Qahtani	Lease payments	<b>500,000</b>	375,000
Al Jazeera Water Treatment Chemicals Company	Rental revenue	-	21,084
	Payment made on behalf of related party	-	30,223

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**9. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

**Amounts due from related parties presented under trade and other receivables**

<b>Related parties</b>	<b>Balances as at</b>	
	<b>June 30, 2025</b> <b>(Un-audited)</b>	<b>December 31, 2024</b> <b>(Audited)</b>
Al-Qahtani Pipe Coating Industries	<b>1,603,930</b>	5,844,077
Pipeline Flow Chemical Company	<b>479,814</b>	461,115
Eradat Transport Company	<b>397,537</b>	472,537
Abdel Hadi Abdullah Al-Qahtani & Sons- Construction	<b>216,370</b>	46,462
Al-Qahtani Vehicles and Machinery Company	<b>126,109</b>	1,082,192
Group Five pipe Saudi Company	<b>108,675</b>	92,186
Al Jazeera Water Treatment Chemicals Company	<b>24,392</b>	24,392
Al- Hijaz Water Company Limited	<b>14,835</b>	14,835
	<b>2,971,662</b>	8,037,796

As at June 30, 2025, amount due from related parties include the balances of trade nature generated in the normal course of operations amounting to ﷻ 2.97 million (December 31, 2024: ﷻ 8.04 million).

The amounts of due from related parties are secured by collateral against shares of a listed Company owed by common shareholders except for Al Hijaz Water Company Limited and Pipe Flow Chemical Company. However, the management expects to collect the amounts within twelve months from the end of the reporting date.

**Amounts due to related parties presented under accruals and other liabilities**

<b>Related parties</b>	<b>Balances as at</b>	
	<b>June 30, 2025</b> <b>(Un-audited)</b>	<b>December 31, 2024</b> <b>(Audited)</b>
Arabian Commercial Services Company – Arco	<b>41,700</b>	41,708
Izar for Insurance Brokerage Company	<b>38,548</b>	38,548
Abdel Hadi Al-Qahtani Travel Bureau	-	4,976
	<b>80,248</b>	85,232

The above balances are not bearing interest and are due to be settled in cash within 12 months from the end of the reporting date.

**Remuneration of key management personnel**

The remuneration of directors and other members of key management personnel during the period was as follows:

	<b>For the six month period ended</b>	
	<b>June 30, 2025</b> <b>(Un-audited)</b>	<b>June 30, 2024</b> <b>(Un-audited)</b>
Short term benefits	<b>1,706,152</b>	713,633
End of service benefits	<b>1,532,950</b>	726,616
	<b>3,239,102</b>	1,440,249



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**10. REVENUE**

	<b>For the six month period ended</b>	
	<b>June 30, 2025</b> (Un-audited)	<b>June 30, 2024</b> (Un-audited)
Rental income	<b>54,309,646</b>	53,933,402
Sale of used vehicles	<b>19,479,835</b>	14,957,310
<b>Total revenue</b>	<b>73,789,481</b>	<b>68,890,712</b>

**Disaggregation of revenue**

All revenue is generated within Kingdom of Saudi Arabia.

**Timing of revenue recognition**

	<b>For the six month period ended</b>	
	<b>June 30, 2025</b> (Un-audited)	<b>June 30, 2024</b> (Un-audited)
Over time	<b>54,309,646</b>	53,933,402
At a point in time	<b>19,479,835</b>	14,957,310
	<b>73,789,481</b>	<b>68,890,712</b>

**11. ZAKAT**

The Company has submitted its Zakat returns with Zakat, Tax and Customs Authority (“ZATCA”) up to the year 2024 and has obtained the required certificates. Zakat assessments for the years up to 2020 and for 2023 have been received, and all related liabilities have been fully settled.

**12. EARNINGS PER SHARE**

The calculation of earnings per share is based on the following profit attributable to the shareholders of the Company and weighted average number of shares outstanding. The calculation of basic and diluted earnings per share is as following:

	<b>Six month period ended June 30,</b>	
	<b>2025</b> (Un-audited)	<b>2024</b> (Un-audited)
Net profit attributable to the shareholders of the Company	<b>5,469,823</b>	9,860,954
<b>Number of shares</b>		
Weighted average number of shares for basic earnings per share	<b>8,000,000</b>	8,000,000
Weighted average number of shares for diluted earnings per share	<b>8,000,000</b>	8,000,000
<b>Earnings per share</b>		
Basic and diluted earnings per share	<b>0.68</b>	1.23

**13. DIVIDENDS**

On May 25, 2025, the General Assembly of the shareholders approved the Board of Directors recommendation to distribute cash dividend of ﷻ 4 million (ﷻ 0.50 per share) for the year ended December 31, 2024 and the same was paid to the shareholders.

**14. CONTINGENCIES AND COMMITMENTS**

The Company has outstanding letters of guarantee amounting to ﷻ 0.28 million (December 31, 2024: Nil) issued by the local banks on behalf of Company in the ordinary course of business.

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**15. FINANCIAL RISK MANAGEMENT POLICIES**

The Company's financial assets include cash and cash equivalents and trade and other receivables that arise directly from its operations. The Company's principle financial liabilities comprise long term loans, lease liabilities, trade and other payables.

The Company's activities expose it to a variety of financial risks including the effects of changes in market risk (including fair value and cash flow interest rate risk and price risk), credit risk and liquidity risk. There is no significant change in the Company's objectives, policies and processes for measuring and managing risk since the last annual financial statements for the year ended December 31, 2024.

**16. EVENT AFTER THE REPORTING PERIOD**

In the opinion of management, there have been no significant subsequent events since the period ended June 30, 2025 till the date of authorization for issuance and approval of these condensed interim financial statements by the Board of Directors that require either an adjustment or disclosure in these condensed interim financial statements.

**17. APPROVAL OF CONDENSED INTERIM FINANCIAL STATEMENTS**

These condensed interim financial statements were approved by the Board of Directors of the Company and authorized for issuance on August 13, 2025 G.