جمجوم فاشن

JAMJOOM FASHION

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Prospectus of Jamjoom Fashion Trading Company

Prospectus of Jamjoom Fashion Trading Company

A Saudi joint stock company registered with the commercial register under the unified no. 7036573447 dated 04/12/1444H (corresponding to 22/06/2023G) in Jeddah.

جمجوم فاشن
JAMJOOM FASHION

Offering of two million, three hundred eighty-four thousand, three hundred forty (2,384,340) shares representing thirty percent (30%) of the share capital of Jamjoom Fashion Trading Company through an initial public offering on the Parallel Market (Nomu) at an Offer Price of [•] Saudi Riyals (SAR [•]) per Share.

Jamjoom Fashion Trading Company (hereinafter referred to as the "**Company**" or "**Issuer**") is a Saudi joint stock company registered with the commercial register under the unified no. 7036573447 dated 04/12/1444H (corresponding to 22/06/2023G) in Jeddah, Kingdom of Saudi Arabia. The Company's headquarter and registered office is 2532, Asma bint Umais, 6705, Ash Shati district, Jeddah, Saudi Arabia, 23513. As of the date of this prospectus (the "**Prospectus**"), the capital of the Company is seventy-nine million, four hundred and seventy-eight thousand (79,478,000) Saudi Riyals divided into seven million, nine hundred and forty-seven thousand, eight hundred (7,947,800) fully paid ordinary shares, each with a nominal value of SAR 10 per share (the "**Shares**").

The Company began its operations in 1992G as a branch of Kamal Osman Jamjoom Trading LLC. The Company was incorporated through the conversion of a branch of Kamal Osman Jamjoom Trading LLC into a closed joint stock company with a capital of SAR 500,000 divided into 50,000 shares, each with a nominal value of SAR 10, wholly owned by Kamal Osman Jamjoom Trading LLC. The Company was incorporated and registered with commercial register on 04/12/1444H (corresponding to 22/06/2023G).

On 20/07/1446H (corresponding to 20/01/2025G), the Company registered the increase of its capital from SAR 500,000 to SAR 79,478,000, and its shares from 50,000 shares to 7,947,800 shares, each with SAR 10 nominal value per share, through capitalizing the other reserves amounting to SAR 78,978,000. Since incorporation the Company did not undergo any other capital or shareholding change. For further details, please refer to Section 10.2 ("**Capital and Shareholding Development**").

As of the date of this Prospectus, the Company's share capital amounts to seventy-nine million, four hundred and seventy-eight thousand (79,478,000) Saudi Riyals divided into seven million, nine hundred and forty-seven thousand, eight hundred (7,947,800) ordinary shares, with a fully paid nominal value of ten (10) Saudi Riyals per share, wholly owned by Kamal Osman Jamjoom Trading LLC ("**Selling Shareholder**" or "**KOJ Trading**"). KOJ Trading is owned by two Saudi individuals: Kamal Osman Salah Jamjoom, who owns (99%) of its capital, and Jameel Kamal Osman Jamjoom, who owns (1%) of its capital. The Substantial Shareholder is prohibited from disposing its shares for a period of twelve (12) months from the date the Shares commence trading (the "**Lock-up Period**"), and it may dispose its shares after the expiry of such Lock-up Period without the prior consent of the Capital Market Authority (the "**CMA**"). For further details regarding the Substantial Shareholder, please refer to Section 5.1 ("**Ownership Structure**").

The Offering will be directed to Qualified Investors for two million, three hundred eighty-four thousand, three hundred forty (2,384,340) ordinary shares (the "**Offer Share(s)**") with a nominal value of ten Saudi Riyals (SAR 10) per share, representing 30% of the Company's share capital, and the Offering Price will be [•] Saudi Riyals "(the "**Offering**").

Subscription to the Offer Shares on the Parallel Market will be limited to Qualified Investors, according to the definition of Qualified Investor in the CMA Glossary (as defined in the "**Definition**" Section) which are the following:

1- Capital Market Institutions acting for their own account.
2- Clients of a Capital Market Institution licensed to conduct managing activities provided that this Capital Market Institution has been appointed on terms which enable it to make decisions concerning the acceptance of an offer and investment on the Parallel Market, on the client's behalf, without obtaining prior approval from the client.
3- The Government of the Kingdom, any government body, any supranational authority recognized by the CMA or the Exchange, and any other stock exchange recognized by the CMA or Edaa.
4- Government-owned companies, either directly or through a portfolio managed by a Capital Market Institution authorized to carry out managing activities.
5- Companies and funds established in a member state of the Gulf Cooperation Council.
6- Investment funds.
7- Any other legal persons allowed to open an investment account in the Kingdom and an account with Edaa.
8- Natural persons allowed to open an investment account in the Kingdom and an account with Edaa, and fulfilling any of the following criteria:
    a- Has conducted transactions in securities markets with value not less than SAR 40 million in total, and not less than ten transactions in each quarter during the last twelve months.
    b- Holds net assets of not less than SAR 5 million.
    c- Works or has worked for at least three years in the financial sector.
    d- Holds the general securities qualification certificate which is recognized by the CMA.
    e- Holds a professional certificate that is related to securities business and accredited by an internationally recognized entity.
9- Any other persons as specified by the CMA.

The Offer Shares will be sold by the Selling Shareholder, which prior to the Offering, owns 100% of the Company's Shares. After the completion of the Offering, the Selling Shareholder will own 70% of the Company's Shares. The Offering Proceeds, after deducting the Offering Expenses, will be paid to the Selling Shareholder, and the Company will not receive any amount from the Net Offering Proceeds.

The Offering Period begins on 09/03/1447H (corresponding to 01/09/2025G) and continues for a period of (4) days, up to and including the subscription closing day of 12/03/1447H (corresponding to 04/09/2025G) (the "**Offering Period**"), whereby subscription applications for the Offer Shares can be submitted to the Lead Manager or to any of the Receiving Agents through their websites or other medium they make available. For more details about the contact details of Receiving Agents, please refer to pages (viii) to (x) of this prospectus. Qualified investors will have the opportunity to study the investment opportunity and view any additional information available through a data room in which all documents available for inspection are displayed. For more details about such data room, please refer to Section 16 ("**Documents Available for Inspection**").

A minimum of (10) shares will be subscribed for each Qualified Investor, noting that the maximum subscription is (396,595) shares for each Qualified Investor. The final allocation for the Offer Shares will be announced no later than on 17/03/1447H (corresponding to 09/09/2025G) (the "**Allocation Date**"), and the surplus will be refunded within two (2) Business Days from the Allocation Date, and there will be no commissions or deductions from the Lead Manager or the Receiving Agents, and the surplus will be refunded no later than on 19/03/1447H (corresponding to 11/09/2025G). For more details about the terms, conditions and instructions of the Offering, please refer to Section 13.3 ("**Offering Period and Conditions**").

The Company has one class of ordinary Shares. Each Share entitles its holder to one vote, and each shareholder (a "**Shareholder**") whatever the numbers of his shares has the right to attend and vote at general assembly meetings of the Company (the "**General Assembly**") and each Shareholder is entitled to delegate another individual (except Board members) as their proxy in such General Assemblies. No Shareholder benefits from any preferential voting rights. The Offer Shares entitle their holders to receive dividends declared by the Company starting from the date of this Prospectus and for subsequent financial years based on the entitlement date of such dividends. For further details, please refer to Section (7) ("**Dividend Distribution Policy**").

Prior to this Offering, the Shares have never been listed or traded in any stock market, whether inside or outside the Kingdom. The Company submitted an application to the CMA to register its shares and to offer the Offer Shares on the Parallel Market (Nomu) in accordance with the Rules on the Offering of Securities and Continuing Obligations (the "**ROSCOs**"), and submitted an application to list its Shares on the Parallel Market (Nomu) to the Saudi Exchange in accordance with the Listing Rules. All required documents were submitted to the relevant authorities and all requirements were met, and all approvals relating to the registration of the shares and offering them on the Parallel Market (Nomu), including the CMA's approval on this Prospectus, were obtained. It is expected that trading in the Shares will commence on the Exchange shortly after the final allocation of the Offer Shares and the satisfaction of the necessary conditions and procedures. For further details, please refer to ("**Key Dates and Subscription Procedures**") on page (xv).

Subscription in the Offer Shares involves several risks and considerations. Therefore, investors who wish to subscribe for the Offer Shares must carefully read and consider the "Important Notice" section on page (i) and Section (2) ("Risk Factors") of this Prospectus prior to making any investment decision relating to the Offering.

Financial Advisor and Lead Manager

EFG Hermes
An EFG Holding Company

Receiving Agents

Alistithmar Capital | derayah | alrajhi capital | SNB Capital | Riyad Capital | BSF Capital
SAB Invest | Aljazira Capital | Alkhabeer Capital | anb capital | Yaqeen | Albilad Capital
awaed | EFG Hermes | Musharaka | Sahm | GIB Capital | alinma capital

Offering Period: Four (4) days

Starting from: Monday
09/03/1447H
(corresponding to 01/09/2025G)

End on: Thursday
12/03/1447H
(corresponding to 04/09/2025G)

This Prospectus includes information provided in compliance with the Rules on the Offer and Continuing Obligations issued by Capital Market Authority of the Kingdom of Saudi Arabia (the "**Authority**"). The directors, whose names appear in this Prospectus, collectively and individually accept full responsibility for the accuracy of the information contained in this Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omissions of which would make any statement in the Prospectus misleading. The Authority and the Exchange do not take any responsibility for the contents of this Prospectus, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Those wishing to buy listed shares under this Prospectus shall verify the information related to the shares being offered; and consult a licensed financial advisor when facing any difficulty understanding the contents of this Prospectus

This Prospectus is dated 27/12/1446H (corresponding to 23\06\2025G).

This preliminary prospectus is for presentation to Qualified Investors and does not contain the Offer Price. The final prospectus including the Offering price will be published after it is determined.

This Prospectus is an unofficial English translation of the official Arabic Prospectus and is provided for information purposes only. The Arabic Prospectus published on the CMA's website (www.cma.org.sa) remains the only official, legally binding version and shall prevail in the event of any conflict between the two language versions.

IMPORTANT NOTICE

This Prospectus contains detailed information about the Company and the Offer Shares. When submitting an application for the Offer Shares, Qualified Investors will be treated as applying solely on the basis of the information contained in this Prospectus, which is available at the websites of the Company (www.jamjoomfashion.com), the CMA (www.cma.org.sa), the Saudi Exchange (www.saudiexchange.sa), and the Financial Advisor (www.efghermesksa.com)

With respect to the Offering, the Company appointed EFG Hermes KSA as financial advisor (the "**Financial Advisor**") and lead manager (the "**Lead Manager**"). For more information regarding the offering, please refer to Section (14) ("**Subscription Undertakings**") of this Prospectus.

This Prospectus includes information provided in accordance with the Rules on the Offer of Securities and Continuing (the "**ROSCOs**"). The Directors, whose names appear in this Prospectus, jointly and severally, accept full responsibility for the accuracy of the information contained in this Prospectus and confirm, having made all reasonable inquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

While the Company has made all reasonable inquiries as to the accuracy of information contained in this Prospectus as at the date hereof, a substantial portion of information regarding the market and industry in which the Company operates is derived from external sources. While neither the Company nor any of its Directors or the Financial Advisor have any reason to believe that any of the market and industry information is materially inaccurate, neither the Company nor any such persons have independently verified such information. Accordingly, no representation or assurance is made with respect to the accuracy or completeness of any of this information.

The information contained herein is subject to change. In particular, the financial position of the Company and the value of Offer Shares may be adversely affected by future developments such as inflation factors, interest rates, taxation, any changes to the rules and regulations, or any economic or political factors or any other factors over which the Company has no control in addition to several other factors related to the market, the Company, and the Offering itself that may affect the information, the financial position and the value of Offer Shares. For more information, please refer to Section (2) ("**Risk Factors**"). Neither this Prospectus nor any verbal or written information in relation to the Offer Shares is intended to be or should be construed as or relied upon in any way as a promise, confirmation or representation as to the Company's future earnings, results or events.

This Prospectus shall not be regarded as a recommendation on the part of the Company, the Selling Shareholder, the Directors or any of the Company's advisors to participate in the Offering. Moreover, the information provided in this Prospectus is of a general nature and has been prepared without taking into account the individual investment objectives, financial situation, or particular investment needs of prospective investors in the Offer Shares. Prior to making an investment decision, each recipient of this Prospectus is responsible for obtaining independent professional advice from a CMA licensed financial advisor in relation to subscription for the Offer Shares to evaluate the suitability of both the investment opportunity and the information herein with regard to the recipient's individual objectives, financial situation and needs. An investment in the Offer Shares may be appropriate for some investors but not others, and prospective investors should not rely on another party's decision and opinion whether to invest or not as a basis for their own examination of the investment opportunity or such party's circumstances.

The Offering on the parallel market (Nomu) is directed at, and is limited only to the categories of Qualified Investors, according to the definition of Qualified Investor in the CMA Glossary, which are the following:

1- Capital Market Institutions acting for their own account.
2- Clients of a Capital Market Institution licensed to conduct managing activities provided that this Capital Market Institution has been appointed on terms which enable it to make decisions concerning the acceptance of an offer and investment on the Parallel Market, on the client's behalf, without obtaining prior approval from the client.
3- The Government of the Kingdom, any government body, any supranational authority recognized by the CMA or the Exchange, and any other stock exchange recognized by the CMA or Edaa.
4- Government-owned companies, either directly or through a portfolio managed by a Capital Market Institution authorized to carry out managing activities.
5- Companies and funds established in a member state of the Gulf Cooperation Council.
6- Investment funds.
7- Any other legal persons allowed to open an investment account in the Kingdom and an account with Edaa.
8- Natural persons allowed to open an investment account in the Kingdom and an account with Edaa, and fulfilling any of the following criteria:
    a- Has conducted transactions in securities markets with value not less than SAR 40 million in total, and not less than ten transactions in each quarter during the last twelve months.
    b- Holds net assets of not less than SAR 5 million.
    c- Works or has worked for at least three years in the financial sector.
    d- Holds the general securities qualification certificate which is recognized by the CMA.
    e- Holds a professional certificate that is related to securities business and accredited by an internationally recognized entity.
9- Any other persons as specified by the CMA.

The Offer Shares will be sold by the Substantial Shareholder, KOJ Trading, which prior to the Offering owns 100% of the Company's Shares. After the completion of the Offering, the Selling Shareholder will own 70% of the Company's Shares. The Offering Proceeds, after deducting the Offering Expenses, will be paid to the Selling Shareholder, and the Company will not receive any amount from the Net Offering Proceeds.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offer Shares to any person in any jurisdiction in which the applicable law does not permit such offer or solicitation.

Each Qualified Investor shall read the Prospectus in its entirety and seek advice from their legal advisors, financial advisors, and any of their professional advisors regarding the legal, tax, regulatory and economic considerations relating to their investment in the Offer Shares, and shall bear the fees associated with such advice to be received from their attorneys, accountants, and other advisors regarding all matters related to investing in the Offer Shares and no guarantees can be given in terms of making profits.

Market and Industry Information

The information and data related to the sector contained in Section (3) ("**Market and Sector Overview**") and Section (4) ("**Company Background and Business Overview**") were obtained from the market consultant, Euromonitor International (the "**Market Consultant**") who provided the market report in November 2024G exclusively to the Company. The Company believes that the information and data obtained from the Market Consultant can be relied upon, but neither the Company, the Directors, the Selling Shareholder nor the advisors (except the Market Consultant) have independently verified the validity of such information and data, and therefore no obligation or guarantee can be made regarding the accuracy of this information or its completeness, and therefore none of the aforementioned bears any liability for the accuracy or completeness of said information.

Euromonitor International was founded in 1972G in London and provides strategic services and market research. It commenced its operations in Saudi Arabia in 2008G (for more information about Euromonitor, visit www.euromonitor.com).

The Market Consultant does not, nor its employees (who are amongst the team working for the Company) or their Relatives own any Shares or any interest of any kind in the Company or its Group. As at the date of this Prospectus, the Market Consultant has given and not withdrawn its written consent to the use of its name, logo, market information and data provided by it to the Company in the manner and form set out in this Prospectus.

Financial, Statistical and Other Information

The Company's audited financial statements for the financial year ended 30 September 2024 has been prepared in accordance with the International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

The Company's condensed consolidated interim financial statements for the period ended 31st December 2024 and the period ended 31st March 2025 have been prepared in accordance with International Accounting Standards (IAS) 34 "Interim Financial Reporting" that is endorsed in Kingdom of Saudi Arabia and should be read in conjunction with the Group's annual consolidated financial statements as at and for the period ended 30 September 2024.

The Company's special purpose audited carve-out financial statements for the financial year ended 30 September 2023 have been prepared in accordance with the International Financial Reporting Standards (IFRS), Accounting Standards as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**") and other standards and pronouncements that are endorsed in the Kingdom of Saudi Arabia issued by the Saudi Organization for Chartered and Professional Accountants ("**SOCPA**") collectively referred to as "**IFRS Accounting Standards**" as endorsed in the Kingdom of Saudi Arabia.

These special purpose carve-out financial statements have been prepared for the specific purpose of presenting the results of Jamjoom Fashion Trading and its subsidiaries, prior to the start of operation of the entity on 1 October 2023. The Company was legally formed on 22 June 2023. The results extracted from these financials and included in this Prospectus are directly extracted from the financials of Kamal Osman Jamjoom Trading LLC and its subsidiaries, and are attributable to Jamjoom Fashion Trading SPJSC and its subsidiaries.

The majority of figures contained in this Prospectus are presented in SAR. The figures included in the financial statements, if aggregated, may differ from those contained in this Prospectus as a result of rounding of figures. Accordingly, the financial information contained in this Prospectus may differ from the information contained in the financial statements. It should also be noted that some figures and percentages contained in this Prospectus are approximate figures and percentages. Therefore, the figures shown for the same category presented in different tables may be slightly different, and the figures shown as a total in some tables may not represent an arithmetic average or total of the previous figures.

Dates are presented in this Prospectus in both Gregorian and Hijri format. There could be a slight difference between the dates in Hijri and Gregorian given that converting the dates might not be fully accurate in the past or the future given the moon cycle affecting Hijri years.

Non-IFRS Measures and Indicators

This Prospectus includes non-IFRS measures and indicators including EBITDA and certain ratios. These measures are included as complementary information in relation to the financial or operational position of the Company, and are not intended as forecasts of the future results of the Company. These measures are not calculated based on IFRS standards nor presented according to IFRS, and are not reviewed or audited by an auditor. These non-IFRS measures are not calculated consistently by all companies, and as such the Company's method and presentation might differ from the methods used by other companies. As such, these non-IFRS measures should not be relied upon or compared to other measures used by other companies and should not be used as substitutes for IFRS measures. The recipient of this Prospectus should interpret these measures in conjunction with the Company's financial statements and other information in this Prospectus, and should consult a licensed financial adviser in interpreting and understanding these measures.

Forecasts and Forward-Looking Statements

Certain statements in this Prospectus constitute "forward-looking statements". Such statements can generally, but not always, be identified by their use of forward-looking words such as "plans", "estimates", "expects", "considers", "forecasts", "may", "possibly", "will", "would be" or the negative thereof or other variation of such terms or comparable terminology. The forecasts and forward-looking statements set forth in this Prospectus have been prepared on the basis of specific assumptions and future operating conditions may differ from the assumptions used and, consequently, no representation, assurance or warranty is made with respect to the accuracy or completeness of any of such forecasts and statements. These forward-looking statements reflect the current views of the Company and its management with respect to future events but are not a guarantee of future performance, as there are many factors that could cause the actual performance, achievements, or results of the Company to be significantly different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements. Some of the risks and factors that could have such an impact are described in more detail in other sections of this Prospectus, in particular Section (2) ("**Risk Factors**"). Should any one or more of these factors or risks materialize or any underlying forecasts prove to be inaccurate or incorrect, the Company's actual results may vary materially from those described in this Prospectus.

Pursuant to the requirements of the ROSCOs, the Company shall submit a supplementary prospectus to the CMA if, at any time after the date of publication of this Prospectus and prior to the completion of the Offering, the Company becomes aware that: (a) there has been a significant change in material matters contained in this Prospectus, or (b) additional significant matters have become known which inclusion in this Prospectus would have been necessary.

Except for these two cases, the Company will not update or revise any information included in this Prospectus, whether as a result of new information, future events, updating its information or the information of contracts or licenses or otherwise. Accordingly, the forward-looking events and conditions described in this Prospectus may not occur as expected by the Company, or at all. Consequently, prospective investors should consider all forward-looking statements in light of these explanations and should not rely on forward-looking statements.

Corporate Directory

Company's Board of Directors

The Company is managed by a Board of Directors comprised of six (6) members for a term of four years that commenced on 01/07/1446H (corresponding to 01/01/2025G). The table below outlines the details of the Board of Directors, including their positions, membership nature, and ownership in the Company.

Table (1.1): Company's Board of Directors

Name	Position	Nationality	Membership Nature[6]	Age	Direct Share Ownership		Indirect Share Ownership		Date of Appointment[4]
					Pre-Offering	Post-Offering	Pre-Offering	Post-Offering	
Kamal Osman Salah Jamjoom	Chairman	Saudi	Non-executive / Non-independent	65	N/A	N/A	99%[1]	69.3%	01/07/1446H (corresponding to 01/01/2025G)
Stephen Graham Holbrook	Vice Chairman	British	Executive / Non-Independent	56	N/A	N/A	N/A	N/A	01/07/1446H (corresponding to 01/01/2025G)
Nadia Kamal Osman Jamjoom[3]	Member	Saudi	Non-executive / Non-independent	37	N/A	N/A	N/A	N/A	01/07/1446H (corresponding to 01/01/2025G)
Jameel Kamal Osman Jamjoom	Member	Saudi	Non-executive / Non-independent	40	N/A	N/A	1%[2]	0.7%	01/07/1446H (corresponding to 01/01/2025G)
Selim Said Salim Chidiac	Member	Switzerland	Non-executive / Independent	54	N/A	N/A	N/A	N/A	01/07/1446H (corresponding to 01/01/2025G)
Vacant[5]	-	-	-	-	-	-	-	-	-

Source: Company

(1) Kamal Osman Salah Jamjoom owns 99% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's Shares before the Offering and 70% after the Offering.

(2) Jameel Kamal Osman Jamjoom owns 1% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's Shares before the Offering and 70% after the Offering. He is the son of Kamal Osman Salah Jamjoom, who owns 99% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's shares before the Offering and 70% after the Offering.

(3) Nadia Kamal Osman Jamjoom is the daughter of Mr. Kamal Osman Salah Jamjoom, who owns 99% of the share capital of Kamal Osman Jamjoom Trading LLC, and the sister of Mr. Jameel, who owns 1% of the share capital of Kamal Osman Jamjoom Trading LLC (and together indirectly own 100% of the Company before the Offering and 70% after the Offering).

(4) The date shown is the date for the commencement of the current term. For more details about their service on the Company's Board before the current term, please refer Section 5.3.3 ("**Biographies of the Directors and the Secretary**").

(5) This Board seat will be filled after listing. The number of Board members at present is enough for the validity of board meetings, as per the Company's bylaws and the Companies Law.

(6) An "**independent director**" is a non-executive member of the Board who enjoys complete independence in his/her position and decisions and none of the independence affecting issues stipulated in Article 19 of the Corporate Governance Regulations apply to him/her. The negating factors include, but not limited to, the following:

- Them owning 5% or more of the Company's shares or the shares of another company in its Group, or being related to a person who owns this percentage.
- Them being related to any of the Directors of the Company or another company in its Group.
- Them being a relative of any Senior Executives of the Company or another company in its Group.
- Them being a Director of another Group company.
- They are or have been an employee during the preceding two years of the Company or another company in its Group, or own controlling interest in the Company or any party dealing with the Company or another company in its Group, such as auditors and major suppliers, during the previous two years.
- Them having a direct or indirect interest in the business and contracts carried out on behalf of the Company.
- Them receiving financial consideration from the Company in addition to the remuneration for membership of the Board of Directors or any of its committees that exceeds SAR 200,000 or 50% of their remuneration in the previous year that they received for membership on the Board of Directors or any of its committees, whichever is less.
- Them participating in a business that competes with the Company, or trading in one of the branches of the activity practiced by the Company.
- Them serving for more than nine years consecutively or inconsecutively as a Director of the Company.

The Board Secretary is Georges Harb. He does not own any Shares in the Company, directly or indirectly. For summary of his biography, please refer to Section 5.3.3.6 ("**Georges Harb, Board Secretary**").

Corporate Directory

The Issuer

Jamjoom Fashion Trading Company
2532, Asma bint Umais Road, 6705, Ash Shati district.
Jeddah, Kingdom of Saudi Arabia, 23513.
Tel: +966 (12) 2889028
Website: www.jamjoomfashion.com
E-mail: info@jamjoomfashion.com

جمجوم فاشن
JAMJOOM FASHION

Company's Representatives

Jameel Kamal Jamjoom
Boad Member
2532, Asma bint Umais Road, 6705, Ash Shati district
Jeddah, Kingdom of Saudi Arabia, 23513.
Tel: +966 (12) 2889028
Website: www.jamjoomfashion.com
E-mail: jameel.jamjoom@jamjoomfashion.com

Georges Harb
Chief Legal Officer and Board Secretary
2532, Asma bint Umais Road, 6705, Ash Shati district
Jeddah, Kingdom of Saudi Arabia, 23513.
Tel: +966 (12) 2889028
Website: www.jamjoomfashion.com
E-mail: georges.harb@jamjoomfashion.com

Board Secretary

Georges Harb
Board Secretary
2532, Asma bint Umais Road, 6705, Ash Shati district
Jeddah, Kingdom of Saudi Arabia, 23513.
Tel: +966 (12) 2889028
Website: www.jamjoomfashion.com
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Stock Exchange

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تداول السعودية
Saudi Exchange

Financial Advisor and Lead Manager

EFG Hermes KSA
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P.O Box 300189, Riyadh 11372
Kingdom of Saudi Arabia
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Fax: +966 (11) 293 8032
Website: www.efghermesksa.com
E-mail: contact-ksa@efg-hermes.com

EFG Hermes
An EFG Holding Company

Legal Advisor of the Issuer

Zeyad Sameer Khoshaim Law Firm (Professional Limited Liability Company)
17th Floor, Tower B, Olaya Towers, Olaya District
P.O. Box 230667, Riyadh 11321
Kingdom Saudi Arabia
Tel: +966 (11) 461 8700
Fax: +966 (11) 4618799
Website: www.khoshaim.com
E-mail: info@khoshaim.com

Shareholder Advisor

Asas Gulf Capital Company
302 Al Muruj Tower, Al Olaya Street, Al Muruj District
Riyadh 12281
Kingdom of Saudi Arabia
Tel: +966 (11) 475 175
Fax: N/A
Website: www.asascapital.sa
E-mail: info@asascapital.sa

Financial Due Diligence Advisor

PricewaterhouseCoopers - Public Accountants
Jameel Square
P.O. Box 16415
Jeddah 21464
Kingdom of Saudi Arabia
Tel: +966 (12) 610 4400
Fax: +966 (12) 610 4411
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Market Consultant

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Auditor for the financial year ended 30 September 2024 and for the three months period ended 31 December 2024

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Note: All the above Advisors and Auditor have given and not withdrawn their written consent to the publication of their names and logos in the Prospectus and the inclusion of their statements in the form and content appearing herein. Moreover, they do not, nor their employees (who are amongst the team working for the Company) or their Relatives have any shareholding or interest of any kind in the Company or its Subsidiaries as at the date of this Prospectus that would impact their independence.

Receiving Agents
Al Rajhi Capital Head Office, King Fahd Road, Al Murouj District P.O. Box 5561 Riyadh 11432 Kingdom of Saudi Arabia Phone: +966 92 000 5856 Fax: +966 (11) 460 0625 Website: www.alrajhi-capital.com Email: arcipo@alrajhi-capital.com
SNB Capital Company King Saud Street P.O. Box 2575 Riyadh 12624 Kingdom of Saudi Arabia Phone: +966 (92) 000 0232 Website: www.alahlicapital.com Email: snbc.cm@alahlicapital.com.sa
Saudi Fransi Capital King Fahad Road – 8092 P.O. Box 23454 Riyadh 12313-3735 Kingdom of Saudi Arabia Tel: +966 (11) 282 6666 Fax: +966 (11) 282 6823 Website: www.bsfcapital.sa E-mail: sfc-supportcenter@FransiCapital.com.sa
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Al Bilad Investment King Fahd Road - Al Olaya Riyadh - 3701- 12313 Kingdom of Saudi Arabia Phone: +966 (92) 000 3636 Fax: +966 (11) 290 6299 Website: www.albilad-capital.com Email: investmentbanking@albilad-capital.com
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Derayah Financial Al-Takhasusi Street - Prestige Centre - Third Floor Riyadh, Kingdom of Saudi Arabia Phone: +966 (11) 299 8000 Fax: +966 (11) 419 5498 Website: web.derayah.com Email: support@derayah.com
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Arab National Bank Financial King Faisal Street Arab National Bank Financial Building P.O. Box 220009 Riyadh 11311 Kingdom of Saudi Arabia Phone: +966 (11) 406 2500 Fax: +966 (11) 406 2548 Website: www.anbcapital.com.sa Email: investment.banking@anbcapital.com.sa
Yaqeen Capital Al-Wurud District - Al-Olaya Street - Riyadh P.O. Box 884 Riyadh 11421 Kingdom of Saudi Arabia Phone: +966 800 429 8888 Fax: +966 (11) 205 4827 Website: www.yaqeen.sa Email: addingvalue@yaqeen.sa
Al Khabeer Financial Madinah Road, Jeddah P.O. Box 128289 Jeddah 21362 Kingdom of Saudi Arabia Phone: +966 (12) 612 9345 Fax: +966 (12) 685 6663 Website: www.alkhabeer.com Email: info@alkhabeer.com

Receiving Agents
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Saham Capital Financial Company Building 305 - KAFD Riyadh 13519 Kingdom of Saudi Arabia Phone: +966 (11) 414 5260 Website: www.sahmcapital.com Email: info@sahmcapital.com
GIB Capital Waha of Granada for Residential and Office Buildings Building No. (B1) Eastern Ring Road P.O. Box 89589, Riyadh 11692 Kingdom of Saudi Arabia Phone: +966 800 124 0121 Fax: +966 11 834 8400 Website: www.gibcapital.com Email: customercare@gibcapital.com
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Awaed Alosool Capital AlUrubah Road 2163, AlMathar Ash Shamali 12334 Home offices, Riyadh, Kingdom of Saudi Arabia Tel.: +966 8001111870 Website: www.awaed.capital E-mail: ipo_awaed@awaed.co

OFFERING SUMMARY

This Offering Summary is intended to provide a brief overview of the information contained in this Prospectus. As such, it does not contain all of the information that may be important to prospective investors. Accordingly, this summary must be read as an introduction to this Prospectus, and prospective investors should read this entire Prospectus in full. Any decision to invest in the Offer Shares by prospective investors should be based on a consideration of this Prospectus as a whole and not be based solely on this summary.

In particular, it is important to carefully consider the("**Important Notice**") section on page (i) and Section 2 ("**Risk Factors**") prior to making any investment decision with respect to the Offer Shares.

Company Name, Description and Incorporation Information	Jamjoom Fashion Trading Company is a Saudi joint stock company registered with the commercial register under the unified no. 7036573447 dated 04/12/1444H (corresponding to 22/06/2023G) in the city of Jeddah, Kingdom of Saudi Arabia. The Company's head and registered office is 2532, Asma bint Umais Road, 6705, Ash Shati district, Jeddah, Kingdom of Saudi Arabia, 23513. The Company's capital as of the date of this prospectus is seventy-nine million, four hundred and seventy-eight thousand (79,478,000) Saudi Riyals, divided into seven million, nine hundred and forty-seven thousand, eight hundred (7,947,800) ordinary shares, with a fully paid nominal value of SAR 10 per share. The Company began its operations in 1992G as a branch of Kamal Osman Jamjoom Trading LLC. The Company was incorporated through the conversion of a branch of Kamal Osman Jamjoom Trading LLC into a closed joint stock company with a capital of SAR 500,000 divided into 50,000 shares, each with a nominal value of SAR 10; wholly owned by Kamal Osman Jamjoom Trading LLC. The Company was incorporated on 04/12/1444H (corresponding to 22/06/2023G), when it registered with the commercial register. On 20/07/1446H (corresponding to 20/01/2025G), the Company registered the increase of its capital from SAR 500,000 to SAR 79,478,000, and its shares from 50,000 shares to 7,947,800 shares, each with SAR 10 nominal value, through capitalizing the other reserves amounting to SAR 78,978,000. Since incorporation, the company's ownership has not changed, and it has not undergone any other change in capital. For further details, please refer to Section 10.2 ("**Capital and Shareholding Development**").
Company's Activities	The Company is a leading brand creator, with its business focused on the creation of prominent fashion trademarks. Currently, the Company has two brands: Nayomi and Mihyar. For more information about the business of the Company, please refer to Section (4) ("**Company Background and Business Overview**"). As of the date of this Prospectus, the Company's activities per the Bylaws are:[1] 1- Selling clothing, footwear, and leather goods in specialized stores. 2- Retail sale of pharmaceutical and medical products, cosmetics, and beauty products in specialized stores. 3- Land transport of goods. 4- Storage. 5- Activities of head offices and management of other units in the company or organization. In accordance with the commercial registration, the Company's activities consist of the following: **1- Professional, Scientific, and Technical Activities** • Main office activities. **2- Transportation and Storage** • Operation of storage facilities for all types of goods except food products. • General warehouses that include a variety of goods. **3- Wholesale and Retail Trade and Repair of Motor Vehicles and Motorcycles** • Retail sale of men's ready-made clothing. • Retail sale of women's ready-made clothing. • Retail sale of children's ready-made clothing. • Retail sale of ready-made clothing for common stores. • Retail sale of uniforms. • Retail sale of men's robes. • Retail sale of women's abayas and furs. • Retail sale of accessories and clothing items, including (gloves, neckties, suspenders, prayer beads, umbrellas). • Retail sale of shoes. • Retail sale of leather goods and travel accessories made from leather and leather substitutes. • Retail sale of bags. • Retail sale of cosmetics and beauty soaps. • Retail sale of oud and incense. • Retail sale of perfumes.

1 Subject to bylaws amendments.

Subsidiaries

The Company has one branch in the UAE, and six (6) Subsidiaries:

1- Jamjoom Fashion Trading a one-person joint stock company (Dubai) Branch
2- Jamjoom Fashion Trading LLC (UAE)
3- Jamjoom Fashion Trading SPC (Oman)
4- Jamjoom Fashion Trading WLL (Bahrain)
5- Jamjoom Fashion Company for the Retail of Sale of Ready-Made Clothes and Children's Items (A One-Person Company) (Kuwait)
6- Nayomi WLL (Qatar)
7- Jamjoom Fashion Support Services Philippines Inc. (Philippines)

For more information about the Subsidiaries, their business and activities, please refer to Section (10.4) ("**Subsidiaries**").

Substantial Shareholder, and their shares and shareholding percentages before and after the Offering

The only Substantial Shareholder who owns five percent or more of the Company's Shares is KOJ Trading. The number of Shares and ownership of KOJ Trading in the Company pre- and post-Offering are illustrated in the table below.

Table (1.2): Substantial Shareholders

Shareholder	Pre-Offering			Post-Offering		
	Directly owned shares	Indirectly owned shares	Ownership (%)	Directly owned shares	Indirectly owned shares	Ownership (%)
Kamal Osman Jamjoom Trading LLC	7,947,800	N/A	100%	5,563,460	N/A	70%
Kamal Osman Salah Jamjoom[1]	N/A	7,868,322	99%	N/A	5,507,825	69.3%
Jameel Kamal Osman Jamjoom[2]	N/A	79,478	1%	N/A	55,635	0.7%
Public	N/A	N/A	N/A	2,384,340	N/A	30%
Total	**7,947,800**	**7,947,800**	**100%**	**7,947,800**	**5,563,460**	**100%**

Source: Company

(1) Kamal Osman Salah Jamjoom owns 99% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's Shares before the Offering and 70% after the Offering.

(2) Jameel Kamal Osman Jamjoom owns 1% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's Shares before the Offering and 70% after the Offering.

Company's Share Capital

Seventy-nine million, four hundred seventy-eight thousand Saudi Riyals (SAR 79,478,000).

Total Number of Issued Shares

Seven million, nine hundred forty-seven thousand, eight hundred (7,947,800) fully paid-up Shares.

Nominal Value per Share

Ten Saudi Riyals (SAR 10) per Share.

Offering

The initial public offering of the Company's Shares will consist of (2,384,340) ordinary Shares, representing (30%) of the Company's capital at an Offer Price of [•] Saudi Riyal (SAR [•]) per Offer Share.

Total Number of Offer Shares

Two million, three hundred eighty-four thousand, three hundred forty (2,384,340) fully paid-up Shares.

Percentage of Offer Shares to the Total Number of Issued Shares

The Offer Shares represent thirty percent. (30%) of the Company's share capital.

Offer Price

[•] Saudi Riyals (SAR [•]) per Offer Share.

Total Value of Offer Shares

[•] Saudi Riyals (SAR [•]).

Use of Proceeds	The Net Offering Proceeds amounting to approximately [•] Saudi Riyals (SAR [•]) (after deducting the Offering expenses estimated at twelve million Saudi Riyals (SAR 12,000,000) will be paid to the Selling Shareholder. The Company will not receive any part of the Net Offering Proceeds. For further details, please refer to Section (8) ("**Use of Proceeds**").
Categories of Targeted Investors	The Offering is limited to Qualified Investor, specifically: 1- Capital Market Institutions acting for their own account. 2- Clients of a Capital Market Institution licensed to conduct managing activities provided that this Capital Market Institution has been appointed on terms which enable it to make decisions concerning the acceptance of an offer and investment on the Parallel Market, on the client's behalf, without obtaining prior approval from the client. 3- The Government of the Kingdom, any government body, any supranational authority recognized by the CMA or the Exchange, and any other stock exchange recognized by the CMA or Edaa. 4- Government-owned companies, either directly or through a portfolio managed by a Capital Market Institution authorized to carry out managing activities. 5- Companies and funds established in a member state of the Gulf Cooperation Council. 6- Investment funds. 7- Any other legal persons allowed to open an investment account in the Kingdom and an account with Edaa. 8- Natural persons allowed to open an investment account in the Kingdom and an account with Edaa, and fulfilling any of the following criteria: a- Has conducted transactions in securities markets with value not less than SAR 40 million in total, and not less than ten transactions in each quarter during the last twelve months. b- Holds net assets of not less than SAR 5 million. c- Works or has worked for at least three years in the financial sector. d- Holds the general securities qualification certificate which is recognized by the CMA. e- Holds a professional certificate that is related to securities business and accredited by an internationally recognized entity. 9- Any other persons as specified by the CMA.
Subscription Method	Qualified Investors will be able to subscribe in the Offer Shares through the electronic subscription system of the Lead Manager and the Receiving Agents, or any other medium they offer, during the Offering Period. For more information, please refer to Section (13) ("**Subscription Terms and Conditions**").
Minimum Number of Offer Shares to be Applied For	(10) Shares.
Minimum Subscription Amount	[•] Saudi Riyals (SAR [•]).
Maximum Number of Offer Shares to be Applied For	(396,595) Shares.
Maximum Subscription Amount	[•] Saudi Riyals (SAR [•]).
Allocation and Refund of Excess Subscription Amounts	The Lead Manager will open an escrow bank account to receive and collect the subscription amounts which it and Receiving Agents receive from Subscribers. Following the end of the Offering Period, the final allocation will be announced and notified to the Subscribers who receive allocation, no later than 17/03/1447H (corresponding to 09/09/2025G). The allocation of Offer Shares will be determined at the discretion of the Financial Advisor in consultation with the Company. Refund of excess subscription amounts, if any, will be made no later than 19/03/1447H (corresponding to 11/09/2025G). Excess subscription amounts, if any, will be refunded to Qualified Investors without any charge or commission being withheld by the Lead Manager or the relevant Receiving Agent. For more information, please refer Section (13) ("**Subscription Terms and Conditions**") of this Prospectus.
Offering Period	The Offering Period begins on Monday 09/03/1447H (corresponding to 01/09/2025G) and continues for a period of (4) days.

Entitlement to Dividends	The Offer Shares entitle their holders to receive dividends declared by the Company starting from the date of this Prospectus and for subsequent financial years based on the entitlement date of such dividends. For further details, please refer to Section (7) ("**Dividend Distribution Policy**").
Voting Rights	The Company has one class of ordinary Shares only. None of the Shares carry any preferential voting rights. Each Share entitles its holder to one vote. Each Shareholder has the right to attend and vote at the meetings of the General Assembly and each Shareholder has the right to delegate any other Shareholder, who is not a Director of the Company, to attend the General Assembly on his/her behalf and to vote on resolutions passed therein.
Restrictions on Shares	The Selling Shareholder, KOJ Trading, being the only Substantial Shareholder before and after the Offering is subject to a Lock-up Period of twelve (12) months from the date on which trading of the Offer Shares on the Exchange commences. The Selling Shareholder may not dispose of any of its Shares during such period. Following the end of the Lock-up Period, the Selling Shareholder may dispose of its Shares. The Shares are otherwise not subject to restrictions except the restrictions applicable to listed securities on the Parallel Market (Nomu).
Shares Previously Listed by the Company	Prior to this Offering, the Shares have never been listed or traded in any stock market, whether inside or outside the Kingdom.

Note: The ("**Important Notice**") section on page (i) and Section (2)("**Risk Factors**") should be read thoroughly prior to making an investment decision with respect to the Offer Shares.

KEY DATES AND SUBSCRIPTION PROCEDURES

Table (1.3): Expected Offering Timetable

Event	Expected Date
Offering Period	A period of 4 days commencing on Monday, 09/03/1447H (corresponding to 01/09/2025G), until the end of Thursday, 12/03/1447H (corresponding to 04/09/2025G).
Last day to submit Subscription Application Form	End of Thursday 12/03/1447H (corresponding to 04/09/2025G).
Deadline for payment of the subscription monies in line with the Subscription Application Forms	End of Thursday 12/03/1447H (corresponding to 04/09/2025G)
Final allocation announcement	Tuesday 17/03/1447H (corresponding to 09/09/2025G).
Refund of excess subscription monies (if any)	No later than Thursday 19/03/1447H (corresponding to 11/09/2025G).
Expected trading commencement date for the Shares	Trading of the Company's shares on the Exchange is expected to commence after all relevant regulatory requirements are satisfied. Trading will be announced on the Saudi Exchange's website (www.saudiexchange.sa).

Note: The above timetable and dates therein are indicative and subject to change. Actual dates will be announced by the Financial Advisor on the website of the Saudi Exchange (www.saudiexchange.sa), the Financial Advisor (www.efghermesksa.com) and the Company (www.jamjoomfashion.com).

How to Apply for the Offer Shares

The Offering is limited to qualified investor, namely:

1- Capital Market Institutions acting for their own account.

2- Clients of a Capital Market Institution licensed to conduct managing activities provided that this Capital Market Institution has been appointed on terms which enable it to make decisions concerning the acceptance of an offer and investment on the Parallel Market, on the client's behalf, without obtaining prior approval from the client.

3- The Government of the Kingdom, any government body, any supranational authority recognized by the CMA or the Exchange, and any other stock exchange recognized by the CMA or Edaa.

4- Government-owned companies, either directly or through a portfolio managed by a Capital Market Institution authorized to carry out managing activities.

5- Companies and funds established in a member state of the Gulf Cooperation Council.

6- Investment funds.

7- Any other legal persons allowed to open an investment account in the Kingdom and an account with Edaa.

8- Natural persons allowed to open an investment account in the Kingdom and an account with Edaa, and fulfilling any of the following criteria:

   a- Has conducted transactions in securities markets with value not less than SAR 40 million in total, and not less than ten transactions in each quarter during the last twelve months.

   b- Holds net assets of not less than SAR 5 million.

   c- Works or has worked for at least three years in the financial sector.

   d- Holds the general securities qualification certificate which is recognized by the CMA.

   e- Holds a professional certificate that is related to securities business and accredited by an internationally recognized entity.

9- Any other persons as specified by the CMA.

Qualified Investors who wish to subscribe in the Offer Shares must submit the Subscription Application Form to the Lead Manager or one of the Receiving Agents through the electronic subscription system of the Lead Manager or the relevant Receiving Agent during the Offering Period, and no later than 03:00 pm of the Closing Date. The Subscription Application Forms must be accompanied by all the supporting documents required as per the relevant instructions. Each investor, by completing the Subscription Application Form, acknowledges that he has received and read this Prospectus, and accordingly wishes to subscribe to the Offer Shares as specified in the Subscription Application Form. Subscription Application Forms shall be completed in accordance with the instructions mentioned in Section (13) ("**Subscription Terms and Conditions**"). Subscribers must complete (and approve, as relevant) all relevant items of the Subscription Form. The Company reserves the right to decline any Subscription Application Form, in part or in whole, in the event that any of the subscription terms and conditions are not met. A Subscriber is not permitted to amend or withdraw its subscription except with the approval of the Lead Manager, who must coordinate with the Company in relation to that. The submission of the Subscription Application Form is considered a binding agreement between the relevant subscriber and the Selling Shareholder. For further information, please refer Section (13) ("**Subscription Terms and Conditions**") of this Prospectus.

SUMMARY OF KEY INFORMATION

This summary of key information is intended to give an overview of the information contained in this Prospectus. However, it does not contain all of the information that may be important to prospective investors. Therefore, a Subscriber's decision should not be based solely on this summary. This summary must be treated as an introduction to this Prospectus, and persons wishing to subscribe for the Offer Shares must read the entire Prospectus in full to ensure that any decision to invest in the Offer Shares is based on the consideration of this Prospectus as a whole. In particular, it is important for an investor to carefully consider the ("**Important Notice**") section on page (i) and Section (2) ("**Risk Factors**") prior to making an investment decision with respect to the Offer Shares and should not base his/her decision solely on this summary.

OVERVIEW OF THE COMPANY

History of the Company

Jamjoom Fashion Trading Company is a Saudi joint stock company registered with the commercial register under the unified no. 7036573447 dated 04/12/1444H (corresponding to 22/06/2023G) in the City of Jeddah, Kingdom of Saudi Arabia. The Company's head and registered office is 2532, Asma bint Umais Road, 6705, Ash Shati district, Jeddah, Kingdom of Saudi Arabia, 23513. The Company's capital as of the date of this Prospectus is seventy-nine million, four hundred and seventy-eight thousand (SAR 79,478,000) Saudi Riyals, divided into seven million, nine hundred and forty-seven thousand, eight hundred (7,947,800) ordinary shares, with a fully paid nominal value of ten Saudi Riyals per share.

The Company began its operations in 1992G as a branch of Kamal Osman Jamjoom Trading LLC. The Company was incorporated through the conversion of a branch of Kamal Osman Jamjoom Trading LLC into a single person closed joint stock company with a capital of SAR 500,000 divided into 50,000 shares, with a nominal value of SAR 10, wholly owned by Kamal Osman Jamjoom Trading LLC. The Company was officially incorporated on 04/12/1444H (corresponding to 22/06/2023G), when it registered with the commercial register.

On 20/07/1446H (corresponding to 20/01/2025G), the Company registered the increase of its capital from SAR 500,000 to SAR 79,478,000, and its shares from 50,000 shares to 7,947,800 shares, each with SAR 10 nominal value per share, through capitalizing other reserves amounting to SAR 78,978,000. Since incorporation the Company did not undergo any other capital or shareholding change. For further details, please refer to Section 10.2 ("**Capital and Shareholding Development**").

Overview of the Company's Business

Jamjoom Fashion Group stands out as a pioneer retail brands creator in the Middle East, combining innovation, quality, and a deep understanding of its customers to develop and deliver products and experiences that resonate with regional and cultural preferences. As the market leader in women's intimate apparel and nightwear in Saudi, with an 8.2% market share in 2023 in terms of gross revenue, and a market disruptor in men's national wear fashion, blending homegrown authenticity with global best practices, the Group ensures its flagship brands Nayomi and Mihyar compete and lead in highly competitive markets.

The Group controls its brand identity, product design development, pricing strategy, and the overall strategic direction. This ownership enables the Group to innovate freely, safeguard its assets, and respond dynamically to market opportunities. By controlling most aspects of its brand ecosystem, the Group protects its long-term vision while building enduring value and competitive advantages.

The Group operates a unique concept-to-shelf model through a robust value chain. The model is supported by strong supplier relationships, advanced customer relationship management (CRM) capabilities, consumer insights, and market research, which enables the Group to create highly relevant and adaptable product ranges that evolve with consumer preferences. All products are exclusively branded and sold through the Group's proprietary retail stores and digital platforms. Exerting significant control over the concept-to-shelf process allows the Group to deliver exceptional value, evolving design, and superior quality, delivered through a unified customer experience.

The Group is a digital-first communicator bridging the gap between in-store and online experiences, creating a unified shopping journey. Digital engagement is integrated into physical stores through interactivity and immersive technologies, such as augmented reality games in store, use of QR codes to showcase products on models, and digital loyalty programs engaging over 434,500 active members as of 31 December 2024. The Group's online platforms replicate the richness of the in-store experience with virtual store tours, live shopping, and Metaverse pop-ups. This cross-pollination builds strong connection with the customer, brand relevance and differentiation in fast-evolving markets.

The success of this model is supported by a highly skilled team with regionally unique expertise. Specialists in garment design, product development, supply chain management, and retail execution work alongside experts in consumer insights and trend analysis. This blend of local and global talent enables the Group to align creative vision with operational execution, delivering culturally relevant, high-quality products while maintaining agility in a competitive market.

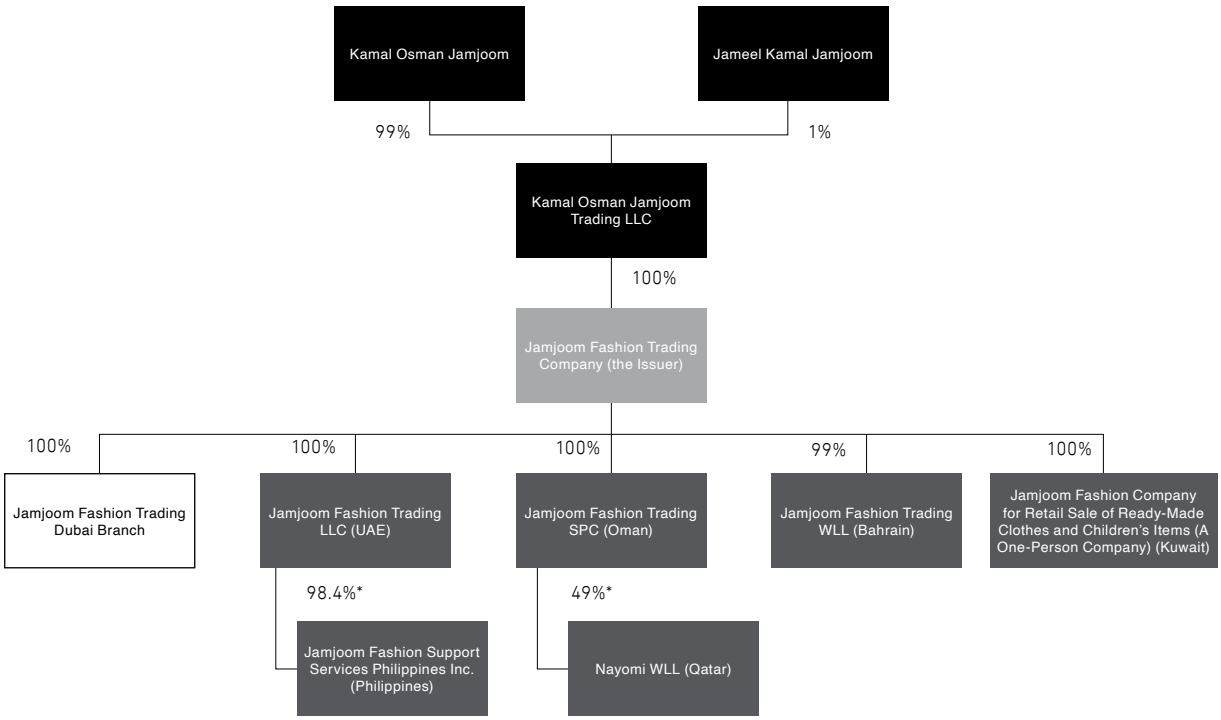
The Group business model creates strategic alignment with modern consumer expectations and positions Jamjoom Fashion as a leader in meeting the needs of today's hybrid shoppers while driving sustained growth and market leadership.

The Group has 215 stores across GCC as of 30 September 2024, which increased to 216 stores as of 31 December 2024, and has a proven record of financial growth, with total revenue for the financial year ended 30 September 2024 reaching SAR 612.2 million, an 8.2% increase from the previous year's SAR 565.6 million, and total revenue for the three months period ended 31 December 2024G of SAR 146.2 million, representing a 15.2% increase as compared to the total revenue for the three months period ended 31 December 2023G, which amounted to SAR 126.9 million.

Ownership Structure

The following chart illustrates the structure of the Group as of the date of this Prospectus:

Exhibit (1.1): The Structure of the Group



* The percentage shown is the legal ownership. The remaining percentage is owned beneficially by the Issuer.

Source: Company

The following table sets out the direct ownership structure of the Company pre- and post-Offering:

Table (1.4): Ownership Structure of the Company Pre- and Post-Offering

Shareholder	Shareholding (Pre-Offering)						Shareholding (Post-Offering)					
	Direct Ownership			Indirect Ownership			Direct Ownership			Indirect Ownership		
	Number of Shares	Ownership (%)	Nominal Value	Number of Shares	Ownership (%)	Nominal Value	Number of Shares	Ownership (%)	Nominal Value	Number of Shares	Ownership (%)	Nominal Value
Kamal Osman Jamjoom Trading LLC	7,947,800	100%	79,478,000	N/A	N/A	N/A	5,563,460	70%	55,634,600	N/A	N/A	N/A
Kamal Osman Salah Jamjoom[1]	N/A	N/A	N/A	7,868,322	99%	78,683,220	N/A	N/A	N/A	5,507,825	69.3%	55,078,250
Jameel Kamal Osman Jamjoom[2]	N/A	N/A	N/A	79,478	1%	794,780	N/A	N/A	N/A	55,635	0.7%	556,350
Public	N/A	N/A	N/A	N/A	N/A	N/A	2,384,340	30%	23,843,400	N/A	N/A	N/A
Total	**7,947,800**	**100%**	**79,478,000**	**7,947,800**	**100%**	**79,478,000**	**7,947,800**	**100%**	**79,478,000**	**5,563,460**	**70%**	**55,634,600**

Source: Company

(1) Kamal Osman Salah Jamjoom owns 99% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's Shares before the Offering and 70% after the Offering.

(2) Jameel Kamal Osman Jamjoom owns 1% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's Shares before the Offering and 70% after the Offering.

VISION, MISSION, AND STRATEGY

Vision

To celebrate women feeling beautiful, and men looking handsome.

Mission

To build a portfolio of engaging brands that bring dreams to life through immersive and captivating retail experiences.

Strategy

To deliver a seamless concept-to-shelf process, brought to life through exceptional store design, digital engagement, and accessible locations. This is achieved via carefully controlled and owned channels, supported by strong supplier relationships, offering an unparalleled product assortment that combines value, design, quality, and outstanding customer experience.

COMPETITIVE ADVANTAGES

- Operating in a Growing Market Fuelled by Attractive Macro-Tailwinds
- Leading the Market with a Homegrown Brand Portfolio
- A Well-Crafted Business Model: Maximizing Efficiency Across the Entire Value Chain—from Concept to Store
- Category Killing Mentality Allowing for a Strong Physical Footprint and Backed by Landlord Relationships Shaping the Physical Footprint Strategy
- Synergistic Omni-Channel Approach, Seamlessly Integrated with Robust Technology and Digital Capabilities to Enhance Customer Experience and Drive Growth
- Robust Financial Performance with Solid Top Line Growth, Healthy Margins and High Free Cash Conversion, Underpinned by Economies of Scale and Operational Expertise
- Seasoned Industry Leadership Driving a Unique Talent Pool and Supported by a Reputable Shareholder

MARKET OVERVIEW

The GCC region has fostered favourable economic conditions, with nominal GDP growing at a CAGR of 5.6% from 2019G to 2023G, reaching SAR8.1 trillion in 2024G and continuing to grow at a CAGR of 5.2% to 2029G. Saudi Arabia is the largest economy in Middle East and North Africa (MENA) and the GCC, with a GDP of SAR4.0 trillion in 2023G and a GDP per capita of SAR 120,329 growing at a CAGR of 4.0%. Vision 2030 aims for the non-oil sector to contribute 50% of GDP, driven by tourism, hospitality, entertainment and mega-projects. Saudi Arabia's real GDP is expected to grow at a CAGR of 3.4% from 2023G to 2029G, driven by diversification, Saudization and Vision 2030 initiatives, which are strengthening local brands and expanding domestic and global business opportunities. In 2023G, Saudi Arabia's population surpassed 33.2 million, growing at a 2.6% CAGR since 2019G. The influx of expatriates has fuelled this growth. By 2029G, 86.3% of Saudi Arabia's population will be urbanised, with major cities experiencing the highest growth. Rising disposable incomes and retail space have driven consumer spending. Essentials such as underwear and sleepwear remain resilient during downturns due to consistent demand.

Industry overview - Fashion and Apparel Sector in Saudi Arabia

Saudi Arabia's womenswear market is driven by increasing female participation in the workforce and evolving consumer needs. In 2023G, Saudi Arabia's womenswear market reached SAR29.1 billion, growing at a CAGR of 3.3% from 2019G-2023G. The market is expected to continue growing at 3.3% CAGR, reaching SAR35.4 billion by 2029G.

The Saudi women's underwear market was valued at SAR2.2 billion in 2023G. Saudi women's increasing participation in the workforce and financial independence have driven growth, reflecting their evolving identity and the intensity of their consumer behaviour. Granting women the right to drive has increased women's mobility, boosting retail purchases of everyday items such as underwear. The market is expected to reach SAR2.7 billion by 2029G, growing at a CAGR 2023G-2029G of 3.8%.

In 2023G, Saudi Arabia's women's nightwear market is valued at SAR2.1 billion in value sales, having expanded at a 5.4% CAGR since 2019G. The market's growth reflects Saudi women's rising workforce participation, independence, and purchasing power, which has increased budgets for self-care and grooming. As women's discretionary spending rises and their lifestyles become busier, demand for comfortable, high-quality nightwear for home relaxation has surged. The nightwear market is expected to reach SAR2.5 billion by 2029G, a 3.2% CAGR from 2023G, driven by ongoing rise in women's empowerment and increasing incomes.

Traditional retail dominated women's clothing sales in the Kingdom with an 81.1% (SAR 23.7 billion) share in 2023, rising at a CAGR of 3.3% compared to 2019G. Online sales accounted for 18.9% in 2023, rising at a CAGR of 2.7% during the review period. This trend reflects the growth of the overall fashion market, which is supported by investment in retail infrastructure under Saudi Vision 2030.

The Saudi women's underwear and nightwear market is characterised by a highly fragmented competitive landscape of local and international players. Nayomi, the only home-grown brand in the top five, exceeds the combined sales of its competitors, with a market share of 8.2%. The rise of fast fashion in the category responds to the growing casualisation of fashion, but Nayomi's strong local appeal, economies of scale and extensive retail network, totalling 101 retail stores in the Kingdom as of 30 September 2024G, and 99 stores as of 31 December 2024G. give it a competitive edge. Nayomi's success is driven by its competitive pricing, quality, strategic retail locations, and omnichannel approach.

In 2023G, Saudi Arabia's men's national wear market reached SAR5.6 billion, growing at a 3.0% CAGR from 2019G-2023G. Key items include thobes, headwear (ghutra, shemagh), and sandals, which are essential in professional, religious, and social settings. Government policies also support the use of traditional attire. The market is projected to grow at a 2.3% CAGR, reaching SAR6.5 billion by 2029G. Thobes accounted for SAR4.2 billion in 2023G, with ready-to-wear (RTW) thobes increasing in market share from 40% in 2019G to 45% in 2023G. The demand for RTW thobes is driven by convenience and affordability, particularly among younger generations (26-35 years), who seek practical alternatives to made-to-measure (MTM). The accessory segment (ghutra, kofia, iqal, bisht) grew at a 3.2% CAGR from 2019G-2023G. Additionally, the national footwear market, led by sandals, reached SAR827 million in 2023G, with a growth rate of 0.9% since 2019G. Offline retail dominates Saudi Arabia's menswear market, especially for national wear, with 83% of sales made offline in 2023G.

Saudi Arabia's national menswear market remains fragmented, rooted in a traditional preference for MTM thobes. However, Saudi Arabia's national menswear market is evolving, transitioning from traditional MTM thobes to innovative RTW options, catering to younger, busier consumers. The market features a mix of RTW retailers like Mihyar, Al Aseel, and Alshiaka, alongside MTM tailors such as Lomar and Al-Fakhera. Home-grown brands dominate by combining traditional tastes with modern styles and cost advantages, outsourcing RTW production to low-cost hubs and customising locally, challenging international brands. Mihyar (RTM retail), a medium/low priced leading brand (ranked first based on number of product SKUs offered and sold) in national menswear. Mihyar, has experienced consistent growth since its founding in 2012G, with 49 store locations across 20 Saudi cities as at 31 December 2024G. Known for its strategic placement in A-class malls and prime high street locations, the brand combines accessibility with premium service. Looking ahead, Mihyar is well-positioned to capitalise on the growing demand for RTW thobes.

SUMMARY OF FINANCIAL INFORMATION AND KEY PERFORMANCE INDICATORS

The selected financial information set out below should be read in conjunction with the Group's audited financial statements for the financial year ended 30 September 2024G and the reviewed financial statements for the three months period ended 31 December 2024G.

The consolidated financial statements for the year ended 30 September 2024G have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") that are 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**") (here in after referred to as "**International Financial Reporting Standards endorsed in the Kingdom of Saudi Arabia**") and have been audited by KPMG professional services (hereinafter referred to as "**KPMG**" or the "**Auditor**").

These condensed consolidated interim financial statements for the period ended 31st December 2024 have been prepared in accordance with International Accounting Standards (IAS) 34 "Interim Financial Reporting" that is endorsed in Kingdom of Saudi Arabia and should be read in conjunction with the Group's annual consolidated financial statements as at and for the period ended 30 September 2024 (last annual Financial Statements).

Summary of financial information from the statement profit or loss and other comprehensive income

Table (1.5): Summary of financial information from the statement profit or loss and other comprehensive income for the fiscal years ended September 2023G, and 2024G, and the reviewed financial statements for the three months financial period ended 31 December 2024G.

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Quarter ended 31 December 2023G	Quarter ended 31 December 2024G
Revenue	565,650	612,246	126,899	146,212
Gross profit	378,401	421,059	83,083	101,266
Operating profit	73,733	90,903	10,142	20,128
Net profit after Zakat and income tax	64,607	81,948	6,804	16,973
Post-IFRS 16 EBITDA	188,602	208,574	37,396	52,129
Pre-IFRS 16 EBITDA	98,386	113,429	14,804	26,390
As a % of revenue				
Gross margin	66.9%	68.8%	65.5%	69.3%
Operating profit	13.0%	14.8%	8.0%	13.8%
Pre-IFRS 16 EBITDA	17.4%	18.5%	11.7%	18.0%
Post-IFRS 16 EBITDA	33.3%	34.1%	29.5%	35.7%
Net profit after Zakat and income tax	11.4%	13.4%	5.4%	11.6%
Operational KPIs				
Average number of stores	231	224	223	221
Average area (sqm)	39,941	39,282	39,100	39,234
Area at year end (sqm)	39,146	38,958	39,008	39,263
Average revenue per store per period (SAR in 000s)	2,449	2,733	570	661
Average revenue per store per month (SAR in 000s)	204	228	190	220
Average revenue per sqm (SAR in 000s)	14.2	15.6	3.2	3.7
Operating profit / sqm (SAR in 000s)	1.8	2.3	0.3	0.5
Average operating profit per store per month (SAR in 000s)	26.6	33.9	15.2	30.3

Source: The consolidated financial statements for the year ended 30 September 2024G, the reviewed financial statement for the three months financial period ended 31 December 2024G, Management information.

Summary of financial information from the consolidated statement of financial position.

Table (1.6): Summary of financial information from the consolidated statement of financial position for the fiscal years ended September 2023G, and 2024G, and the reviewed financial statements for the three months financial period ended 31 December 2024G.

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Quarter ended 31 December 2024G
Total non-current assets	193,480	230,331	312,778
Total current assets	151,939	189,252	253,506
Total assets	345,419	419,583	566,284
Total equity	79,478	109,738	126,711
Total non-current liabilities	55,011	91,600	114,209
Total current liabilities	210,930	218,245	325,364
Total liabilities	265,941	309,845	439,573
Total liabilities and equity	345,419	419,583	566,284
Key performance indicators			
DIO [(1)]	222	222	308
DPO [(2)]	(63)	(102)	(198)
Return on assets	18.7%	19.5%	3.0%
Return on equity	81.3%	74.7%	13.4%

Source: The consolidated financial statements for the year ended 30 September 2024G, the reviewed financial statements for the three months financial period ended 31 December 2024G, Management information.

(1) DIO (days) as at 30 September 2024G is calculated using inventories at year-end / cost of goods sold * 365 days, whereas, the DIO (days) as at 31 December 2024G is calculated using inventories at period end / cost of goods sold for the three-month period ended 31 December 2024G * 4 * 365 days.

(2) DPO (days) as at 30 September 2024G is calculated using trade and other payables at year-end / cost of goods sold * 365 days, whereas, the DPO (days) as at 31 December 2024G is calculated using trade and other payables at period end / cost of goods sold for the three-month period ended 31 December 2024G * 4 * 365 days.

Summary of financial information from the audited statement of cash flows.

Table (1.7): Summary of financial information from the audited statement of cash flows for the fiscal years ending on September 2023G, and 2024G, and the reviewed financial statements for the three months financial period ended 31 December 2024G.

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Quarter ended 31 December 2023G	Quarter ended 31 December 2024G
Net cash generated from operating activities	81,326	188,098	45,642	33,145
Net cash used in investing activities	(31,090)	(39,996)	(7,671)	(38,132)
Net cash used in financing activities	(50,236)	(141,254)	(37,933)	8,466
Cash and cash equivalents at the beginning of the year	1,113	1,113	1,113	7,691
Cash and cash equivalents at the end of the year	1,113	7,961	1,152	11,440
Key performance indicators				
Free Cash flow	185,680	212,222	94,515	21,539
Free cash flow conversion %	98.5%	101.7%	252.7%	41.3%

Source: The consolidated financial statements for the year ended 30 September 2024G, the reviewed financial statements for the three months financial period ended 31 December 2024G, Management information.

SUMMARY OF RISK FACTORS

Prior to making an investment decision with respect to the Offer Shares, prospective investors must carefully consider all the information contained in this Prospectus, particularly the risks stated below, which are described in detail in Section (2) ("**Risk Factors**").

Risks Related to the Group's Business and Operation

- Risks related to reliance on oversea manufacturers and the Group not manufacturing its own products
- Risks related to importing the Group's finished products, increase or variation of duties, geopolitical risks and other risks impacting the import of goods
- Risks related to revenue concentration in the Kingdom of Saudi Arabia and on certain stores
- Risks related to revenue concentration in Nayomi products
- Risks related to the carveout from KOJ Trading
- Risks related to the logistical network of distribution within the GCC and within the Kingdom of Saudi Arabia, and the reliance on logistical assets of third parties
- Risks related to intellectual property, maintenance of brand quality and reputation and protection of the Group's trademarks and designs
- Risks related to leasing the stores which the Group uses, leases including revenue sharing arrangement, and reliance on landlord premises and footfall
- Risks related to opening new retail stores, and performance challenges in existing stores and cannibalization effect
- Risks related to regulatory licenses and permits
- Risks related to reliance to management and workforce being in multiple jurisdictions and support functions located in the UAE and Philippines
- Risks related to attraction and retention of Senior Executives and skilled employees
- Risks related to employees' misconduct and mistakes
- Risks related to the management and the Board's limited experience in managing a public company
- Risks related to the implementation of new governance and compliance policies and systems
- Risks related to e-payment methods and use of cash
- Risks related to the limited sales channels due to the exclusive reliance on direct sales
- Risks related to the Group's Zakat and tax status
- Risks related to achieving the Company's long-term growth strategy
- Risks related to the ability to make certain strategic acquisitions and successfully integrating the acquired businesses into the existing operations or achieving other synergies sought by such acquisitions
- Risks related to seasonality affecting the Group's sales
- Risks related to current financing arrangements and related to the Group's ability to obtain future financing
- Risks related to insufficient insurance coverage
- Risks related to marketing, branding, and sales strategy
- Risks related to litigation and disputes
- Risks related to Related Party transactions
- Risks related to contracts and businesses in which the members of the Board of Directors have an interest
- Risks related to Directors engaging in businesses that compete with the Group's business
- Risks related to employment affairs, compliance with employment law and with Saudization and localization requirements across various markets
- Risks related to working capital and liquidity management
- Risks related to the use of accounting assumptions, estimates and judgments

Risks Related to the Market, Sector, and Regulatory Environment

- Risks related to the general economic conditions
- Risks related to the intense competitive environment, including by e-commerce platforms
- Risks related to global sentiment about the apparel industry and customers' willingness to purchase products manufactured in certain countries
- Risks related to demographic changes
- Risks related to customers' sentiment and not meeting the quality standards and specifications required by customers
- Risks related to effectively managing inventory levels and the increasing pressure on margins in highly promotional retail environment
- Risks related to returns
- Risks related to cost management and SKUs complexity
- Risks related to health risks and liability associated with cosmetic products
- Risks related to the changes in the regulatory regime, including in tax regulations, new Companies Law and new Civil Transactions Law
- Risks related to business interruption and force majeure events
- Risks related to acquiring customers and maintaining relationship with existing repeating customers
- Risks related to competition law and anti-trust regulations
- Risks related to IT system, digital channels and the changing technological landscape
- Risks related to exchange rate fluctuations

Risks Related to the Offer Shares

- Risks related to effective control by the current Selling Shareholder after the Offering
- Risks related to fluctuation in the market price of the shares
- Risks Related to selling a large number of shares on the market
- Risks related to the absence of a prior market for the shares
- Risks related to the Company's ability to distribute dividends
- Risks related to foreign exchange rates when investing in offer shares
- Risks related to research about the Company
- Risks related for forward-looking statements
- Risks of investing in emerging markets
- Risks related to limiting trading to Qualified Investors only and the impact of this on trading pattern and on liquidity of the Shares
- Risks related to the transfer to the main market and not achieving the requirements in the future

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Nayomi

1. Definitions

Admission	Admission of the Shares to full listing on the Exchange in accordance with the Listing Rules and, where the context requires, an application to the Exchange for listing of securities.'
Shares	The shares of the Company from time to time.
Offer Shares	(2,384,340) Shares being offered in the Offering.
Relatives	The spouse and minor children. For the purposes of the Corporate Governance Regulations, this shall include: • Parents, grandparents, and great-grandparents (and so on, ascending). • Children and their descendants (and so on, descending). • Siblings, half-siblings (from the father's or mother's side). • Spouses.
UAE	United Arab Emirates.
Men's National Footwear	Traditional national sandals for men to wear with traditional national dress.
Board of Directors / Board	The Board of Directors of the Company.
Board Secretary	The secretary of the Board of Directors.
Edaa	The Saudi Securities Depository Center Company (Edaa).
Affiliate	A person who Controls another person, or is Controlled by that other person, or who is under common Control with that person by a third person. In any of the preceding, Control could be direct or indirect.
Allocation Date	The date on which the allocation of the Offer Shares to the Qualified Investors who subscribed is announced.
Social Commerce	It is a type of e-commerce in which social media is used as a platform to promote and sell products or services, with a focus on direct interaction with customers through content, reviews, and recommendations.
Saudi Exchange	The Saudi Exchange Company, which is a wholly owned subsidiary by Saudi Tadawul Group, and which manages and operates the Exchange.
Digital Gamification	It is the use of digital gamification elements and techniques (such as points, rewards, and challenges) in non-game digital environments, with the aim of enhancing user engagement and motivating them to achieve specific goals.
General Assembly	An Extraordinary General Assembly or an Ordinary General Assembly of the Company's Shareholders.
Ordinary General Assembly	An Ordinary General Assembly of the Company's Shareholder convened in accordance with the Bylaws.
Extraordinary General Assembly	An Extraordinary General Assembly of the Company's Shareholder convened in accordance with the Bylaws.
Public	Persons other than the following: 1- affiliates of the Issuer; 2- Substantial Shareholders of the Issuer; 3- Directors and Senior Executives of the Issuer; 4- Directors and Senior Executives of the Issuer's Affiliates; 5- Directors and Senior Executives of the Issuer's Substantial Shareholder; 6- any Relatives of the persons referred to in paragraphs 1, 2, 3, 4, or 5 above; 7- any company Controlled by any person referred to in paragraphs 1, 2, 3, 4, 5 or 6 above; or 8- persons acting in concert, with a collective shareholding of five percent. (5%) or more of the class of shares to be listed.
Receiving Agents	The Receiving Agents whose names appear on pages (viii) to (x) of this Prospectus
Government	The Government of the Kingdom (and "**Governmental**" shall be interpreted accordingly).
Product Lifecycle	The different stages that a product goes through, from the beginning of its idea and development, through its introduction to the market and the growth of its sales.
SAR	The Saudi Riyal, the lawful currency of the Kingdom.

Chief Executive Officer / CEO	The Chief Executive Officer of the Company.
Chairman	The Chairman of the Board of Directors.
Offer Price	[•] Saudi Riyals (SAR [•]) per Share.
Financial Year	The Company's financial year starting from 1 October to 30 September of each calendar year.
Exchange	The Saudi stock exchange, the market in which Saudi securities (such as shares) are traded, which is managed and supervised by the CMA and the Saudi Exchange. In this Prospectus, this refers to the Parallel Market (Nomu) as the context requires.
Parallel Market (Nomu)	The market of Exchange where shares, that have been registered and offered pursuant to Part 8 of the ROSCOs, are traded.
Control	The ability to, directly or indirectly, influence the acts or decisions of another person, individually or collectively with a Relative or affiliate, through any of the following: (i) holding thirty percent. (30%) or more of the voting rights in a company; or (ii) the right to appoint thirty per cent. (30%) or more of the members of the governing body. The word "**controller**" shall be construed accordingly.
Person	A natural or a legal person under the laws of the Kingdom.
Subsidiary	In relation to a company, another company which it Controls.
Company or Issuer	Jamjoom Fashion Trading Company.
Net Offering Proceeds	The Offering Proceeds, net of Offering Expenses.
Value Added Tax (VAT)	Value added tax applied in the Kingdom, currently at fifteen percent. (15%).
Offering	The initial public offering of two million, three hundred eighty-four thousand, three hundred forty (2,384,340) ordinary Shares with a nominal value of ten Saudi Riyals (SAR 10) per Share, representing 30% percent of the Company's share capital at an Offer Price of SAR [•] per Share.
Related Party	Means any of the following: 1- Affiliates of the Issuer except for wholly owned companies. 2- Substantial Shareholders of the Issuer. 3- Directors and Senior Executives of the Issuer. 4- Directors of an Affiliate of the Issuer. 5- Directors and Senior Executives of the Issuer's Substantial Shareholders. 6- Any relatives of the persons described in paragraphs 1, 2, 3 or 5 above. In this context, "**relative**" means parents, spouse and children. 7- Any company Controlled by any person described in paragraphs 1, 2, 3, 5 or 6 above.
Risk Factors	A group of potential risks that should be understood and considered prior to making an investment decision in relation to the Offer Shares. Please refer to Section (2) ("**Risk Factors**") for more details.
Lock-up Period	The twelve-month period from the date on which trading of the Shares commences on the Exchange during which the Substantial Shareholder may not dispose of any of its Shares.
Offering Period	A period of (4) days starting from 09/03/1447H (corresponding to 01/09/2025G), until the end of Offering on 12/03/1447H (corresponding to 04/09/2025G).
CMA Glossary	The Glossary of Defined Terms Used in The Regulations and Rules of the Capital Market Authority issued by the board of the CMA pursuant to its resolution number 4-11-2004 dated 20/8/1425H (corresponding to 04/10/2004G), as amended.
Listing Rules	The Listing Rules issued pursuant to the CMA's board resolution no. 3-123-2017 dated 09/04/1439H (corresponding to 27/12/2017G), as amended.
ROSCOs	The Rules on the Offer of Securities and Continuing Obligations issued pursuant to the CMA's board resolution no. 3-123-2017 dated 09/04/1439H (corresponding to 27/12/2017G), as amended.
2024G Consolidated Financial Statements	The Company's Consolidated audited financial statements for the financial year ended 30 September 2024G which have been prepared in accordance with the IFRS that are endorsed in the Kingdom and other standards and pronouncements issued by SOCPA.
Casual	A term that refers to an informal and simple style of dress, based on comfortable and modern clothing that is suitable for everyday life or informal occasions.

Senior Executives / Executive Management	Persons who manage the Company's day-to-day activities, who are the CEO and persons reporting directly to the CEO or the Board.
Corporate Governance Regulations	The Corporate Governance Regulations issued pursuant to CMA's board resolution no. 8-16-2017 dated 16/05/1438H (corresponding to 13/02/2017G), as amended.
Implementing Regulation of the Companies Law	The Implementing Regulation of the Companies Law for Listed Joint Stock Companies issued pursuant to the CMA's board resolution no. 8-127-2016 dated 16/01/1438H (corresponding to 17/10/2016G), as amended.
Lingerie	A term used to refer to women's underwear.
Audit and Risk Committee / ARC	The Audit and Risk Committee of the Company.
Remuneration and Nomination Committee	The Remuneration and Nomination Committee of the Company emanating from the Board of Directors.
Committees	The Audit and Rik Committee and the Nomination and Remuneration Committee of the Company.
Like-for-Like (LFL) Sales	It is a measure used in financial performance analysis to evaluate the growth or decline in sales in existing stores operating for a specific period of time, excluding the impact of sales resulting from new or closed branches during the same period.
Growth	The annual growth rate, the percentage increase or decrease in a certain value over one year, used to measure the performance of financial or operational activity during that period.
Offering Proceeds	The total value of the Offer Shares multiplied by the Offer Price.
Board of Directors / Board	The Board of Directors of the Company.
Group	A person and its Affiliates. As the context requires, this refers to the Company and its branches and its following Subsidiaries: 1- Jamjoom Fashion Trading a single-person joint stock company (Dubai) Branch 2- Jamjoom Fashion Support Services Philippines Inc. (Philippines) 3- Jamjoom Fashion Trading LLC (UAE) 4- Jamjoom Fashion Trading SPC (Oman) 5- Jamjoom Fashion Trading WLL (Bahrain) 6- Jamjoom Fashion Company for the Retail of Sale of Ready-Made Clothes and Children's Items (A One-Person Company) (Kuwait) 7- Nayomi WLL (Qatar)
Financial Manager	Financial Manager of the Company.
Lead Manager	EFG Hermes KSA, in its capacity as lead manager in relation to the Offering.
Auditor	KPMG Professional Services.
Shareholder	Any holder of Shares in the Company from time to time.
Selling Shareholder / Substantial Shareholder / KOJ Trading	Kamal Osman Jamjoom Trading LLC, registered in Jeddah under commercial registration No. 4030043970 dated 07/09/1404H (corresponding to 05/06/1984G), with its registered office located in Al Salamah district, Prince Sultan Road, P.O. Box 041168, Jeddah 21521, Kingdom of Saudi Arabia with a capital of (SAR 145,318,000) divided into (1,453,180) ordinary shares, with a fully paid nominal value of one hundred Saudi Riyals (SAR 100) per share.

Qualified Investors	1- Capital Market Institutions acting for their own account. 2- Clients of a Capital Market Institution licensed to conduct managing activities provided that this Capital Market Institution has been appointed on terms which enable it to make decisions concerning the acceptance of an offer and investment on the Parallel Market, on the client's behalf, without obtaining prior approval from the client. 3- The Government of the Kingdom, any government body, any supranational authority recognized by the CMA or the Exchange, and any other stock exchange recognized by the CMA or Edaa. 4- Government-owned companies, either directly or through a portfolio managed by a Capital Market Institution authorized to carry out managing activities. 5- Companies and funds established in a member state of the Gulf Cooperation Council. 6- Investment funds. 7- Any other legal persons allowed to open an investment account in the Kingdom and an account with Edaa. 8- Natural persons allowed to open an investment account in the Kingdom and an account with Edaa, and fulfilling any of the following criteria: a- Has conducted transactions in securities markets with value not less than SAR 40 million in total, and not less than ten transactions in each quarter during the last twelve months. b- Holds net assets of not less than SAR 5 million. c- Works or has worked for at least three years in the financial sector. d- Holds the general securities qualification certificate which is recognized by the CMA. e- Holds a professional certificate that is related to securities business and accredited by an internationally recognized entity. 9- Any other persons as specified by the CMA.
Financial Advisor	EFG Hermes KSA, in its capacity as financial advisor to the Company in relation to the Offering.''
Financial Due Diligence Advisor	PricewaterhouseCoopers, in its capacity as the Company's financial due diligence advisor in relation to the Offering.'
Legal Advisor	Zeyad Sameer Khoshaim Law Firm (Professional Limited Liability Company), in its capacity as the legal advisor for the Company in relation to the Offering.
Market Consultant / Euromonitor	Euromonitor International'
Advisors	The Advisors of the Company in relation to the Offering, whose names appear on pages (vi) and (vii) of this Prospectus.
National Menswear Accessories	This category includes additional clothing and accessories to the traditional national costume for men, and consists of items such as: 1- Ghutra (keffiyeh or shemagh): a square or rectangular scarf, often made of cotton, that is folded and worn over the head. 2- Keffiyeh: a type of cylindrical headdress without brims with a flat top. 3- Igal: a black cord, traditionally made of camel hair, worn over the ghutra to secure it. 4- Bisht or cloak or robe: a long, flowing cloak, often made of wool or similar fabric, worn over the thob on formal occasions.
IFRS	The International Financial Reporting Standards that are endorsed in the Kingdom and other standards and pronouncement issued by SOCPA.
Conversion Rate	The percentage of customers who complete a purchase.
Offering Expenses	The costs and expenses of the Offering which will be deducted from the Offering Proceeds.
Subscriber	Each Qualified Investor applying for subscription in accordance with the subscription terms and conditions, as described in this Prospectus.
Kingdom	The Kingdom of Saudi Arabia.
Capital Market Institution	A capital market institution authorised by the CMA to conduct securities business.'
GOSI	The General Organisation for Social Insurance in the Kingdom.
Moccasins	A type of shoe with a simple design and often made of leather or fabric. It has a light, flexible sole and is a comfortable choice for everyday wear or casual occasions.

G	The Gregorian calendar.
Prospectus	This document prepared by the Company in relation to the Offering.
Bylaws	The Bylaws of the Company, which are summarised in Section (10.13) ("**Summary of Bylaws**").
CML / Capital Market Law	The Capital Market Law issued pursuant to Royal Decree no. M/30 dated 02/05/1424H (corresponding to 31/07/2003G), as amended.
Companies Law	The Companies Law issued pursuant to Royal Decree no. M/132 dated 01/12/1443H (corresponding to 30/06/2022G), as amended.
Labour Law	The Labour Law issued pursuant to royal decree no. M/51 dated 23/08/1426H (corresponding to 27/09/2005G), as amended.
Subscription Application Form	The subscription application form that Qualified Investors must complete and submit to the Lead Manager or one of the Receiving Agents to subscribe to the Offer Shares.
CMA	The Capital Market Authority of the Kingdom.
ZATCA	The Zakat, Tax and Customs Authority in the Kingdom.
SOCPA	The Saudi Organisation for Chartered and Professional Accountants.
H	The Hijri calendar.
Stock Keeping Unit (SKUs)	It refers to the different products stored by the company, where each specific product is a unit. Accordingly, in a unit of measurement to measure the available products.
MoC	The Saudi Arabian Ministry of Commerce.
MHRSD	The Saudi Arabian Ministry of Human Resources and Social Development.
MOMAH	The Saudi Arabian Ministry of Municipalities and Housing.
SFDA	Saudi Food and Drug Authority.
Business Day	Any day (other than Fridays, Saturdays and official holidays) on which the Receiving Agents are open for business in the Kingdom.

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2. Risk Factors

Prospective investors should carefully consider all information provided in this Prospectus, including the following risk factors, prior to deciding to invest in the Offer Shares. The risks and uncertainties described below do not necessarily constitute all the risks affecting the Group or associated with an investment in the Offer Shares.

There may be additional risks and uncertainties that are not currently known to the Company, or that the Directors currently believe to be immaterial. The occurrence of any such risks may materially and adversely affect the Group's business, financial condition, results of operations, future prospects, the trading price of the Shares and the Company's ability to pay dividends, which may cause investors to lose all or a portion of their investment in the Shares.

If any of the risks referred to below, or any other risks not identified by the Directors or not currently considered material, occur or become material, the Group's business, financial condition, results of operations, and future prospects may be materially and adversely affected, the Company may not be able to pay dividends, the Share price may decrease, and investors may lose all or a portion of their investment in the Shares.

As a result of these risks or other factors that may affect the Group's business, the expected future events and circumstances that are described in this Prospectus may not occur in the way the Company and/or the Directors expect, or at all. Therefore, investors should consider all forward-looking statements contained in this Prospectus in light of this explanation and should not rely on such statements. For more information, please see the Page (i) ("**Important Notice**").

The Directors confirm that, to the best of their knowledge and belief, there are no other material risks as at the date of this Prospectus - other than as disclosed in this section - that may materially affect investors' decisions to invest in the Offer Shares.

All prospective investors who wish to subscribe to the Offer Shares should assess the risks related to the Group, the Offer Shares and the Offering in general and the economic, political and regulatory environment in which the Group operates. An investment in the Offer Shares involves significant risks, and is only appropriate for those investors who are able to evaluate the risks of such investment and who have sufficient resources to bear any loss resulting from such investment.

Prospective investors who have doubts about what actions to take should consult a financial advisor duly licensed by the CMA for advice prior to investing in the Offer Shares.

The risks described below are not arranged in order of priority based on their importance or expected effect on the Group. Where a risk factor may be categorized in more than one category such as risks relating to the Group's operations or the market, such risk factor may appear only in the most relevant category, but this should not be read to limit the effect or impact of such risks.

2.1 Risks Related to the Group's Business and Operation

2.1.1 Risks related to reliance on external suppliers to manufacture products and not manufacturing them by the Group

The Group does not manufacture its own products, it focuses on innovating and designing them, setting specifications and standards, and collaborating closely with its international suppliers. These suppliers produce the products, after which the Group imports the finished products from them. The tables below showcases the top 5 manufacturers for the Group based on the volume of purchases from them for the financial year ended 30 September 2023G and 2024G, and the three-month period ended 31 December 2024G:

Table (2.1): Group's Key Suppliers and their Purchase Amounts

Financial Year Ending 30 September 2023G

#	Manufacturers Country	Manufacturer	Purchases (SAR 000s)	Percentages of total purchases
			Financial year ended 30 September 2023G	Financial year ended 30 September 2023G
1.	China	Supplier 1	25,867	17.2%
2.	China	Supplier 2	18,719	12.4%
3.	China	Supplier 3	14,818	9.8%
4.	China	Supplier 4	14,403	9.6%
5.	China	Supplier 5	14,008	9.3%
Other Manufacturers			62,716	41.7%
Total			**150,531**	**100%**

Financial Year Ending 30 September 2024G

#	Manufacturers Country	Manufacturer	Purchases (SAR 000s)	Percentages of total purchases
			Financial year ended 30 September 2024G	Financial year ended 30 September 2024G
1.	China	Supplier 1	27,781	17.0%
2.	China	Supplier 2	18,878	11.6%
3.	China	Supplier 3	18,665	11.5%
4.	China	Supplier 4	14,500	8.9%
5.	Europe/France	Supplier 5	11,520	7.1%
Other Manufacturers			71,618	43.9%
Total			**162,961**	**100%**

Three-month Period ending 31 December 2024G

#	Manufacturers Country	Manufacturer	Purchases (SAR 000s)	Percentages of total purchases
			Quarter ended 31 December 2024G	Quarter ended 31 December 2024G
1.	China	Supplier 1	10,932	16.6%
2.	China	Supplier 2	9,668	14.7%
3.	China	Supplier 3	7,609	11.6%
4.	Hong Kong	Supplier 4	5,535	8.4%
5.	Bangladesh	Supplier 5	4,005	6.1%
Other Manufacturers			28,093	42.7%
Total			**65,843**	**100%**

Source: the Company

The Company's UAE Branch is the counterparty to all these agreements, which are typically for a six-month term renewable at the client (the Company's UAE Branch) option two months before the expiry of the term for a new period of 12 months, and such renewal right can be exercised more than once. If any of the agreements with the manufacturers expire or terminate pursuant to their respective terms or because of the Group's breach of the relevant agreement, or if the terms are requested to be amended upon renewal, the Group may not be able to negotiate suitable commercial terms or secure alternatives in a timely manner or for reasonable cost. Further, key manufacturers may fail to fulfil their contractual obligations or experience operational interruptions, whether due to regulatory changes, geopolitical instability, or financial distress, and in which case the Group may face delays, increased costs, and challenges in maintaining product quality and availability and might not be able to secure an alternative in a timely manner and within accepted commercial terms, or at all.

As shown in the table above, the top five suppliers accounted for 58.3% and 56.1% of total purchases for the financial years ended 30 September, 2023, and 2024, respectively; and 57.3% of total purchases for the quarter ended 31 December 2024G. The company's reliance on a limited number of suppliers for its products increases the risk associated with its suppliers, including supply chain disruptions, price volatility, and variations in quality levels. Any negative changes in business relationships with these suppliers—such as delivery delays, limited production capacity, financial difficulties, or termination of agreements—could significantly impact the company's operations, cost structure, and ability to meet customer demand. Furthermore, the company may face difficulties in securing alternative suppliers on similar terms and in a timely manner, which could negatively affect its financial performance and competitive position. These risks are exacerbated by the concentration of a limited number of suppliers.

Further, these agreements do not include fixed prices, and the Company negotiates the prices at placing each purchase order. This means the prices are subject to the prevailing prices at the time, cost of material, overall supply and demand and other factors, and the Company may not be successful in always obtaining the best price quotes and the pricing might significantly increase and the Company might not be able to then secure an alternative in a timely manner and within accepted commercial terms, or at all. Further, those manufacturers may face difficulties sourcing material required for manufacturing in the quality, quantity and price desired, impacting their ability to manufacture the Group's products within the required standards, price and production time. This could be due to supply price increase, supply shortage, trade restrictions and even their relationships with their own suppliers.

If any of the above factors materializes, it would have a material adverse effect on the Group's business, operations, financial position, cash flows and future prospects.

2.1.2 Risks related to importing 'finished products, increase or variation of duties, geopolitical risks and other risks impacting the import of goods

The Group imports its products from several manufacturers in different countries, mostly from Asia. The table below showcases the percentage and concentration of imports from each geographical area.

Table (2.2): Group's Imports per Geographic Region

#	Geographic Region	Purchases (SAR 000S)			Percentages of total purchases		
		Financial year ended 30 September 2023G	Financial year ended 30 September 2024G	Quarter ended 31 December 2024G	Financial year ended 30 September 2023G	Financial year ended 30 September 2024G	Quarter ended 31 December 2024G
1.	Asia	131,871	133,117	56,093	87.6%	81.7%	85.2%
2.	Europe	6,603	13,881	4,625	4.4%	8.5%	7.0%
3.	South Asia	6,308	6,490	2,538	4.2%	4.0%	3.9%
4.	North America	3,362	4,777	1,330	2.2%	2.9%	2.0%
5.	Middle East	2,387	4,518	1,057	1.6%	2.8%	1.6%
6.	South America	0	177	201	0.0%	0.1%	0.3%

Source: the Company

Accordingly, the Group's business operations and financial performance remains materially vulnerable to the financial, political and general economic conditions prevailing in those regions, their relationship with the Kingdom, and changes in international trade regulations including the imposition of new customs duties, tariffs, or restrictions on the import of goods. If the duties or tariffs increase, or restrictions on import are applied, it would directly increase the cost the Group, which could be material and could therefore reduce (or eliminate) its profit margins. Further, geopolitical instability in the countries from which the Group sources its products, such as political unrest, trade sanctions, or changes in government policies, could disrupt the Group's supply chain directly. For example, the Red Sea issue in 2023 impacted the Group given that its products pass through that route. This crisis has an impact of 1.82% increase in freight distribution charge for the year ended 30 September 2023 compared to the previous financial year.

The Company primarily relies on suppliers from China and Bangladesh to meet a significant portion of its production needs, exposing the company to a range of risks, including but not limited to changes in trade policies, tariffs, export restrictions, geopolitical tensions, labor issues, regulatory changes, as well as disruptions caused by pandemics or natural disasters. The percentage of purchases from China and Bangladesh out of the total purchases are 74.7% and 4.0%, respectively, for the financial year ended 30 September 2023G, 78.0% and 3.5% for the financial year ended 30 September 2024G, and 84.8% and 3.9% for the quarter ended 31 December 2024G. Any material disruption to manufacturing activities in China or Bangladesh—whether resulting from government actions, supply chain instability, or other external factors—could lead to production delays, increased costs, or the company's inability to meet demand for its products, which could negatively impact the company's operations, financial position, and operating results.

If any of the above factors materializes, it could have a material adverse effect on the Group's business, operations, financial position, cash flows and future prospects.

2.1.3 Risks related to revenue concentration in the Kingdom of Saudi Arabia and on main stores

The Group currently sells the Nayomi products across the GCC countries, including the Kingdom of Saudi Arabia, and Mihyar only in the Kingdom. The Group's revenues are highly concentrated in the Kingdom, and certain stores contribute significantly to the revenue as opposed to other stores. The below tables show sales revenue break-down by geography and top stores.

Table (2.3): Group's Net Revenue Distribution per Country

#	Country	Net Revenue (SAR in 000)			Net Revenue contribution (%)		
		Year ended 30 September 2023G	Year ended 30 September 2024G	Quarter ended 31 December 2024G	Year ended 30 September 2023G	Year ended 30 September 2024G	Quarter ended 31 December 2024G
1.	Saudi Arabia	386,190	420,562	94,008	68.3%	68.7%	64.3%
2.	UAE	102,182	111,096	30,233	18.1%	18.1%	20.7%
3.	Others	77,278	80,588	21,971	13.6%	13.2%	15.0%
4.	**Total**	**565,650**	**612,246**	**146,212**	**100%**	**100%**	**100%**

Source: the Company

Table (2.4): Group's Revenue from the Top Stores

SAR in 000s	Revenue				Mix% per category			
	The year ended 30 September 2023G	The year ended 30 September 2024G	Quarter ended 31 December 2023G	Quarter ended 31 December 2024G	The year ended 30 September 2023G	The year ended 30 September 2024G	Quarter ended 31 December 2023G	Quarter ended 31 December 2024G
Top 10 stores	71,481	93,846	18,611	23,924	18.5%	22.3%	22.6%	25.4%
Next 10 stores	61,888	63,834	10,678	13,887	16.0%	15.2%	13.0%	14.8%
Others	252,821	262,882	52,965	56,197	65.5%	62.5%	64.4%	59.8%
KSA	386,190	420,562	82,254	94,008	100.0%	100.0%	100.0%	100.0%
Top 10 stores	45,922	55,945	13,083	16,215	44.9%	50.4%	49.5%	53.6%
Others	56,260	55,151	13,366	14,018	55.1%	49.6%	50.5%	46.4%
UAE	102,182	111,096	26,449	30,233	100.0%	100.0%	100.0%	100.0%
Top 10 stores	48,154	50,602	10,089	13,525	62.3%	62.8%	55.4%	61.6%
Others	29,124	29,986	8,107	8,446	37.7%	37.2%	44.6%	38.4%
Other countries	77,278	80,588	18,196	21,971	100.0%	100.0%	100.0%	100.0%
Total	**565,650**	**612,246**	**126,899**	**146,212**				
KSA as a % of total	**68.3%**	**68.7%**	**64.8%**	**64.3%**				
UAE as a % of total	**18.1%**	**18.1%**	**20.8%**	**20.7%**				
Other countries as a % of total	**13.7%**	**13.2%**	**14.3%**	**15.0%**				

Source: Company

Although the Kingdom aims to diversify its economy away from depending on natural resources by attracting foreign investment; the oil and gas industry continues to be a main part of the Kingdom's economy. If the Kingdom's economy is negatively affected by the various macroeconomic factors, and given the revenue concentration in the Kingdom, it would have an adverse effect on the Group's business, operations, financial position, cash flows and future prospects.

Further, the performance of each store depends on factors outside of the Group's control such as footfall of the relevant mall or location in which the store is located, the accompanying services, ease of access and seasonality. All of these factors could impact the sales derived from a specific store.

The revenue concentration for the Group in specific countries or in certain stores increases the effect on the Group of the risks associated with such countries and stores compared to other companies with more diversified businesses and footprint. As such, economic, financial, and political risks associated with the countries that the Group's revenue is generated from, and the locations the stores are at, will have a material adverse effect on the Group's business, operations, financial position, cash flows and future prospects.

2.1.4 Risks related to revenue concentration in Nayomi products

Majority of the Group's revenue is derived from Nayomi's sales. For the year ended 30 September 2023 and 2024, respectively, Nayomi sales contributed 85.4% and 85.6% of the total revenue. For the quarter ended 31 December 2024, Nayomi Sales contributed 87.0% of the total revenue. Nayomi is also a more established brand, as it has over 30 years brand history while Mihyar is growing and has only 12 years of history.

The revenue concentration on Nayomi products increases the effect on the Group of any decrease in Nayomi's sales, including for reasons of competition, customers preference change, demographic changes and other risks outlined in this section, as compared to other companies with more diversified businesses. If this materializes, it will have a material adverse effect on the Group's business, operations, financial position, cash flows and future prospects.

2.1.5 Risks related to the carveout from KOJ Trading

The Group was part of KOJ Trading and was incorporated in June 2023 by converting a branch of KOJ Trading to the Company, and transferring the shares of the Subsidiaries from KOJ Trading to the Company. During the first year of independent operations, the Group took many steps to continue to transfer licenses, assets, contracts, etc. However, there remains a number of lease contracts and trademarks not yet transferred to the Group, which are as follows:

- **Certain trademarks.** There are (25) trademarks in non-material jurisdictions that are still in the process of being transferred, and (10) trademarks that cannot be transferred in jurisdictions where the Company does not operate. For further details regarding the related risks and the Company's reliance on KOJ Trading in this context, please see Section (2.1.7) ("**Risks related to intellectual property, maintenance of brand quality and reputation and protection of the Group's trademarks and designs**").
- **Certain leases.** 3 stores leases are still in the name of KOJ Trading. For further details about the risks relating to that, please refer to Section (2.1.8) ("**Risks related to leasing the stores which the Group uses, leases including revenue sharing arrangement, and reliance on landlord premises and footfall**").

Therefore, the Group's operations may be impacted if there are any disruptions or issues on part of KOJ Trading. Further, the use of these contracts is not documented given that they are under transfer. Please refer to Section (2.1.26) ("**Risks related to Related Party transactions**"). In addition, KOJ Trading has provided guarantees for one of the Company's financing arrangements. For further details regarding the Company's relationship with KOJ Trading in the context of financing, please refer to Section (2.1.22) ("**Risks related to current financing arrangements and related to the Group's ability to obtain future financing**").

2.1.6 Risks related to the logistical network of distribution within the GCC and within the Kingdom of Saudi Arabia, and the reliance on logistical assets of third party companies

The Group utilizes two warehouses, one in Jeddah and one in Dubai. After receiving the products in these warehouses, the Group distributes the products to the various stores through trucks of third-party delivery companies. For an overview of the warehouse leases, please refer to Section 10.10 ("**Real Estate**"). Accordingly, the Group's activities and operations depend on the adequacy of the delivery network of third-party companies.

For leases, the Group is not the registered landlord of the UAE warehouse lease as it is in the name of KOJ Trading and the Group is using it pursuant to a service level agreement. The Group has a non-objection on the subleasing from the landlords.

As for delivering the Group's products to stores, the delivery and distribution infrastructure and logistics can be impacted by many factors, including performance failure by service providers, interruptions or incidents affecting the Group's use of such services, human errors or mistakes causing service interruptions or damage to products, acts of God which affects the accessibility or usage of vehicles and roads, weather and seasonal changes, delays in shipping and delivery, loss of products, and other factors. Any failure by logistics providers to meet delivery schedules could lead to inventory shortages, delays in restocking, negatively impacting customer satisfaction and the sales of the Group.

If the Group's logistical network encounters frequent disruptions or quality issues, it will materially affect the Group's operational performance, customer relationships, and financial outcomes.

2.1.7 Risks related to intellectual property, maintenance of brand quality and reputation and protection of the Group's trademarks and designs

The Group's ability to market its products and develop its business relies on the use of its name and trademarks, specifically trademarks related to Nayomi and Mihyar, which are essential to its operations and competitive positioning. Most of the company's trademarks are registered in their name, including the markets in which the Group currently sells in, which includes the Kingdom of Saudi Arabia, UAE, Kuwait, Qatar and others.

As of 25 May 2025, the Group uses a total of 126 trademarks, and 25 of these trademarks are still registered in the name of the Substantial Shareholder (KOJ Trading) or its other Subsidiaries. KOJ Trading and the Company are currently in the process of transferring the registration of these trademarks, and have signed a licensing agreement in the interim to enable the Group to use those trademarks. Please see Section (10.11.1) ("**Trademarks**") for more details about these trademarks and the licensing agreement. The Company expects to transfer these trademarks within twelve months from the listing date, given the jurisdictions in which they are registered. However, there is no assurance that the transfers will be completed within this timeframe, and they may remain licensed under the agreement for a longer period.

In addition, there are 10 trademarks for Nayomi in Egypt, Jordan, Malaysia, and Tunisia which are in the name of the sole proprietorship of Kamal Osman Salah Jamjoom (which then converted to KOJ Trading) and could not be transferred to KOJ Trading or the Company due to administrative issues. The Group does not sell in these countries and do not foresee the need to use such registration there. Nevertheless, those are included in the Licensing Agreement and the Group is the one with the right to use them.

Until the transfer of trademarks registration is completed, the situation the Group is currently in imposes certain risks, including any breach by KOJ Trading, or failure to properly protect the trademarks it licenses to the Company, which would directly impact the image of the Company and its sales. Further, this temporary arrangement means the Group is also relying on KOJ Trading to protect its trademarks against third party infringement as the Group is not the registered owner of such trademarks. As of 31 December 2024, the Substantial Shareholder, KOJ Trading, filed an objection/complaint in 3 claims relating to protecting trademarks relevant to Nayomi and Mihyar in Turkey and Indonesia. Under the Licensing Agreement between the Company and KOJ Trading, KOJ Trading is required to carry out any action required for the protection of licensed trademarks. Further, the transfer process might take longer than anticipated, resulting in prolonged exposure to the aforementioned risks.

Any infringement on ownership rights or unauthorized use of the Group's trademarks would negatively impact its reputation and require lengthy and costly legal proceedings and claims before the courts responsible for protecting these rights. Failure to protect the trademarks adequately, or in cases where its trademark rights are challenged and revoked, could weaken the brand's credibility and would negatively impact the Group's business, its competitive positioning, and ultimately, its financial results and future prospects.

Further, the Group designs its own products, and such designs are a cornerstone in the Group's strategy and strength. Such designs cannot be legally registered and are therefore subject to infringement, and third party may knock off designs and sell them at a lower cost, directly lowering the Group's sales. This risk is inherent in the Group's business and cannot be adequately protected against.

If any of the above factors materializes, it would have a material adverse effect on the Group's business, operations, financial position, cash flows and future prospects.

2.1.8 Risks related to leasing the stores which the Group uses, leases including revenue sharing arrangement, and reliance on landlord premises and footfall

The Group leases all the premises for its stores in the Kingdom and throughout the GCC, and does not own real estate. As of 31 July 2025G, the group has (1) expired lease agreements for its key stores, and efforts are currently underway to renew them. For more details, please refer to Section (10.10) ("**Real Estate**").It is worth noting that this store currently undergoing lease renewal generated revenues of SAR 8,018,240, representing approximately 1.3% of the company's total revenues for the financial year ended on 30 September 2024G, and 1.4% of the Company's total revenues for the quarter ended 31 December 2024G. Failure to renew the lease agreement for this location could have a material adverse effect on the company's financial position, cash flows, and future outlook.

There are (6) leases for Mihyar that are set to expire by 30 September 2025G, and these represent 10.1% of the total Mihyar stores revenue for the quarter ended 31 December 2024G. Similarly, there are 43 leases for Nayomi that are set to expire by 30 September 2025G, and these represent 17.4% of the total Nayomi stores revenue for the quarter ended 31 December 2024G. The Group may not be able to renew all leases, or such leases may be renewed under different terms and conditions that may not be commensurate with the Group's plan and strategic objectives. Consequently, any costs associated with the relocation, coupled with any temporary loss of revenues, if materialized, would have an adverse impact on the Group's business, results of operations, financial position and prospects.

Since the Group's leases generally have a fixed term and are renewed at the request of the parties to the contract, any increase in the lease amount imposed by the lessors upon renewal will cause the Group to incur additional unforeseen liabilities, which in turn will have a material and adverse impact on the Group's business, results of operations, financial position and prospects. The Group may not be able to renew all leases, or such leases may be renewed under different terms and conditions that may not be commensurate with the Group's plan and strategic objectives. The Group may not be able to renew the expired leases which are under renewal, or their terms could significantly change upon renewal. Further, the Group may not continue to be able to utilize stores under the name of KOJ Trading, either because of actions on part of KOJ Trading or the landlord. For instance, rental expenses increased from SAR 90.2 million for the financial year ended 30 September 2023G, to SAR 95.1 million for the financial year ended 30 September 2024, representing an increase of 5.4%. The rental expenses for the quarter ended 31 December 2024 was SAR 25.7 million.

If the Group vacates any of its leased sites due to the termination or non-renewal of the leases in accordance with their terms, or because the renewal terms are not in line with the Group's plan, the Group will incur additional costs in connection with relocation to a new site, which may include an increase in the lease amount and/or costs related to necessary renovations and fit out of the new site. In addition, as it relocates to a new site, the Group may temporarily lose revenues that would have otherwise been generated by the relevant store. Consequently, any costs associated with the relocation, coupled with any temporary loss of revenues, would have an adverse impact on the Group's business, results of operations, financial position and prospects.

Further, given that the Group leases majority of its stores within malls, the Group relies on landlords' premises and is exposed to their shopping malls performances, their investment models (including exit strategies from the malls business), and major renovations or restructuring. For example, in 2022, the Company's store in Dhahran Mall was affected by the fire in the mall resulting in SAR 860,000 insurance claim. Also, in 2024G, the Nakheel Mall store closed for a few days because of the mall floor incurring downward movement but this did not have material impact on the Company. If the mall in which the Group leases a store failed to obtain enough customers or faced any issues causing a decrease in footfall, this will directly impact the Group's sales. Further, mall owners may decide to divest and discontinue their investments (especially smaller malls) which would cause a closure of the relevant store in such mall and loss of the fixed costs in its fit-out and its revenue. Finally, if a mall in which a Group store exists underwent major renovations or restructuring, this may cause a temporary closure of the Group's store or significant loss of footfall and loss of its revenue.

Further, agreements for 9 stores of the Company have a revenue sharing arrangement whereby the Company has agreed to share a percentage of revenue with the landlord in cases where the revenue for that particular store exceeds a certain threshold. Under this arrangement, the Company paid SAR 1.6 million, SAR 1.9 million, and SAR 0.6 million for the years ended 30 September 2023G and 2024G, and the quarter ended 31 December 2024G, respectively. As such, the revenue the Company can gain from these stores might be partially offset by these revenue sharing arrangements.

If any of the above factors materializes, it would have a material adverse effect on the Group's business, operations, financial position, cash flows and future prospects.

2.1.9 Risks related to opening new retail stores, and performance challenges in existing stores and cannibalization effect

The Group's performance depends, to a significant extent, on the sites of its stores. When selecting a site for a new store, the management takes into account various factors, including, but not limited to:

- Population density and customer traffic.
- The proximity and performance of competitors in the surrounding area.
- Customer accessibility, including parking areas.
- The advantages of sites and their suitability to the Group's store specifications.
- The ability to negotiate and reach acceptable commercial terms with landlords.
- The number of Group stores located in the same area.
- The Group's existing distribution and supply chain capabilities.

The Group secures its new store sites through leases. In the future, the Group will need to secure new sites for its stores in order to support its planned growth and strategy. The sites available for new stores may not be commensurate with the objectives of the Group. If the Group encounters difficulties in securing suitable sites for its new stores in line with its expansion strategy, its growth opportunities will be adversely affected, which in turn will have a material adverse impact on the Group's business, results of operations, financial position and prospects.

Further, the Group's existing stores may become old or their locations may no longer be as attractive as they were, leading to a flat or decreased revenue from such stores. In addition, in opening new stores, the Group may face cannibalization effect. Cannibalization occurs when the opening of new stores leads to a reduction in sales at existing stores. In this case, the new store attracts customers who would have otherwise shopped at the established locations, effectively splitting the overall revenue between the old and new stores rather than solely causing an increase in revenue.

For the years ended 30 September 2023 and 2024, the same stores sales growth in the UAE declined by 0.3% year-on-year, with 17 out of 31 stores experiencing revenue decreases. For the same period, same stores sales growth in Kuwait fell by 0.7% which can be attributed to decline in certain malls due to the opening of newer larger malls.

For the three-months ended 31 December 2024, UAE cores stores revenue increased by 10.5%, marking a notable improvement in core stores performance during the period. Out of the 31 core stores in UAE, 24 stores witnessed an increase in revenue in for the three-months ended 31 December 2024, with the top 5 flagship stores contributing to a (+SAR 1.3m) increase in revenue. This was mainly driven by strong product categories mix that aligned with consumer preferences, coupled with store refurbishments in prime locations. Core store revenue in Kuwait further declined by 4.1% for the three-months ended 31 December 2024, reflecting broader pressure from tougher market conditions across various sectors; the largest contributors to the decline were Awtad Mall – Fintas, which saw a further 13.5% drop in revenue, and Dabbous Mall, down 20.1%.

The following table show case same store sales growth for the past two years and the following quarter.

Table (2.5): Same-Store Sales Growth Rate

	Number of Stores as of Sept 30, 2024	Revenue (SAR '000)		Same-Store Sales Growth (%)	Number of Stores as of Dec 31, 2024	Revenue (SAR '000)		Same-Store Sales Growth Dec 24 – Dec 25(%)
		FY Ended Sept 30, 2023	FY Ended Sept 30, 2024	FY 2023–2024		Quarter Ended Dec 31, 23	Quarter Ended Dec 31, 24	
Saudi Arabia	126	320,272	334,519	4.4%	123	65,080	73,272	12.6%
UAE	31	71,175	70,974	(0.3%)	31	17,271	19,084	10.5%
Qatar	5	17,124	18,589	8.6%	5	4,210	4,456	5.8%
Oman	7	10,950	11,573	5.7%	7	2,770	2,960	6.9%
Kuwait	7	27,987	27,782	(0.7%)	7	6,597	6,329	(4.1%)
Bahrain	4	4,549	4,648	2.2%	4	1,144	1,189	4.0%
Core Stores (opened prior to FY22 and are still open)	180	452,058	468,085	3.5%	177	97,072	107,291	10.5%
New Stores*	35	71,659	121,259	–	39	23,712	34,889	–
Discontinued Stores**	(41)	30,384	8,127	–	(44)	2,561	184	–
E-commerce Revenue	–	11,550	14,775	–	–	3,555	3,849	–
Total	**–**	**565,650**	**612,246**	**–**	**–**	**126,899**	**146,212**	**–**

* Stores opened after FY 2022

** Stores discontinued after FY 2022

Source: Company

If the Group is not able to successfully secure new stores, maintain the growth of existing stores, and manage cannibalization factors by securing suitable sites for its new planned stores within its expansion strategy, this may lead to a decrease in the Group's revenue, which will have an adverse impact on the Group's business, results of operations, financial position and prospects.

2.1.10 Risks related to regulatory licenses and permits

The Group is required to obtain and maintain appropriate licenses in the different jurisdictions it operates in, such as MOMAH permits and Civil Defense in Saudi Arabia and commercial licenses in the UAE. The Group's licenses are issued for a specific term and must be renewed on an ongoing basis. The licenses and permits obtained by the Group have requirements, terms and conditions to which they are subject. Any breach or noncompliance with any of these regulatory requirements could result in the imposition of penalties or fines or the revocation of licenses, permits, and consents, which could lead to the suspension of the relevant licensed or permitted activity.

Licensing requirements and policies are subject to change, and it is possible that the Group may become subject to more extensive licensing requirements in the future that may be more onerous or costly to comply with. If the Group fails to obtain a license required by law, fails to renew a license upon its expiry, fails to comply with a license's terms and conditions, or has a license suspended or terminated, or if the Group was not able to obtain any additional licenses that will be required in the future, the Group might be required to cease the activities covered by that license, might be penalized or fined, might be asked to pay damages, might be subject to reputational damage, or may be subject to operational and production interruption.

As of 31 July 2025G, the Company is currently undertaking the renewal process of a Civil Defense license and a municipality license for a key retail store. In addition, the UAE Subsidiary also has a number of expired licenses in the ordinary course of business in the UAE, including CCTV certificates, civil defence and commercial certificates. The UAE Subsidiary does not also hold a health certificate by the Health Section of Sharjah Municipality despite selling cosmetics, which could subject it to fines ranging from AED 1,000 to AED 50,000 and/or administrative penalties.

If the competent authorities deem the Group in breach for not renewing these licenses or not having its own licenses, the Group may be subject to several risks, including penalties such as fines up to SAR 1 million for violating relevant municipality and Civil Defense rules and regulation, in addition to the risk of permanent or temporary closure of the relevant store.

Each of these events, if they were to occur, will have a material adverse effect on the Group's business, operations, financial position, cash flows and future prospects.

2.1.11 Risks related to reliance to management and workforce being in multiple jurisdictions and support functions located in the UAE and Philippines

The Group's total headcount is 1,172 employees as of 31 December 2024G, 725 (62%) of which are in Saudi Arabia, 303 (26%) in the UAE, 24 (2%) in Philippines and the remaining in other locations. Of the employees' base in Saudi Arabia, 495 (68%) are Saudis and 230 (32%) are non-Saudis. The Group uses its Subsidiary in the Philippines to provide finance and other administrative support. Further, given the operations of the Company, some of the Company's Senior Executives are based between KSA and UAE.

Managing a workforce, and administrative functions, in multiple countries carries many risks including being subject to multiple labor laws and difficulties in maintain compliance with all such laws, cultural integration and issues that could be faced in maintaining the Group's culture across all workforce and functions, lack of direct supervision due to physical distance, as well as challenges in the management effectively overseeing market-specific regulatory and operational requirements.

If any of the above Risks materializes, it could have a material adverse effect on the Group's business, operations, financial position, cash flows and future prospects.

2.1.12 Risks related to attraction and retention of Senior Executives and skilled employees

The Group depends on a number of key Senior Executives and key management personnel whose experience and contribution are essential to the Group and its operations. The Group may not be able to retain its key management personnel and Senior Executives, to continue to develop their skills or to attract new qualified personnel. The Group may need to invest significant financial and human resources to do so. Therefore, the Group's loss of any of its Senior Executives and other key management personnel, and its inability to hire a replacement with the same level, experience and skill at an appropriate cost, will have an adverse effect on the Group's business, results of operations, financial position, and future prospects. It is worth noting that the employee turnover rate for the period from October 2024G to April 2025G has reached 25.5%.

Further, the Group's success to date has depended, and will depend, to a significant extent upon the Group's ability to attract and retain highly qualified professionals, including sales persons with skills that align with continuing changes in the retail sector, evolving industry standards, and changing customer preferences. The Group's profitability also depends on its ability to effectively utilize personnel with the right mix of skills and experience to support the Group's business. The Company may struggle to find the professional talent with the necessary skills to support the Group's operations due to the intense competition for such talent''. If the Group is unable to attract and retain qualified employees, its ability to develop new business and effectively lead its current projects could be materially affected. In addition, the processes and costs associated with recruiting, training, and retaining employees place significant pressure on the Group's resources which could adversely impact the Group's operations and financial performance.

2.1.13 Risks related to employees' misconduct and mistakes

The Group is exposed to the risk of errors, fraud or misconduct by its employees which could subject the Group to financial claims for negligence or otherwise, reputational harm and/or regulatory actions. The Group's employees could execute transactions that may present unacceptable risks to the Group or divert funds from the Group, could act without proper authorization, and could commit mistakes or illegal actions. In addition, employees of the Group could use the Group's confidential information for personal or other improper purposes, as well as misrepresent or conceal improper activities and information from the Group. These actions and misconduct could place higher financial, reputational and operational risk on the Group if made by a Board member or a Senior Executive.

The Group may not always be able to prevent its employees from committing such acts that lead to serious errors, or ensure that they comply with the Group's internal regulations. The Group's corporate governance and compliance policies may not protect it from its employees' misconduct. Any of these acts may cause the Group to incur losses, fines or financial liabilities, or may result in damage to the Group's reputation.

Any material misconduct or errors by the Group's employees, could have a material adverse impact on the Group's business, results of operations, financial position, and future prospects.

2.1.14 Risks related to the management and the Board's limited experience in managing a public company

Since the Company is unlisted, the Company's management team has limited experience managing a public company, interacting with investors and complying with the increasingly complex laws, regulations and other obligations pertaining to listed companies. After the Offering, the Company will be subject to significant regulatory oversight and reporting obligations under CMA rules and the continuous scrutiny of securities analysts and investors.

These new obligations and constituents will require significant attention from the Company's Board and senior management and could divert their attention from the day-to-day management of the Company's business. In addition, failure to comply in a timely manner with the regulations and disclosure requirements imposed on listed companies will expose the Company to regulatory sanctions and fines. Any of these events, if it materializes, could have a material adverse effect on the Company's business, results of operations, financial position, and future prospects.

2.1.15 Risks related to the implementation of new governance and compliance policies and systems

The Company's general assembly and the Board approved a number of policies and internal controls on 23/07/1446H (corresponding to 23/01/2025G), which include rules and procedures related to corporate governance derived from the Corporate Governance Regulations. The Company did not have such policies before adopting them, given that the majority of the provisions are not applicable to an unlisted company. The Company also recently established its internal audit unit, in January 2025G. Prior to establishing its own internal audit unit, the Company utilized KOJ Trading to perform its internal audit under a service-level agreement between the Company and KOJ Trading. Please see section 10.8 ("**Material Agreements with Related Parties and Contracts Involving Interest for Directors**") for more details.

The Company's success in properly implementing the corporate governance rules and procedures will depend on the extent of the comprehension and understanding of these rules, as well as the proper execution of such rules and procedures by the Board, its committees and Senior Executives, especially with regards to the rules related to conflict of interests and Related Party transactions. Failure to comply with the governance rules, especially the mandatory rules derived from the Companies Law, could subject the Company to regulatory penalties and may adversely and materially affect the Company's business, results of operations, financial position, and future prospects.

The recency of the independence establishment of the compliance and the corporate secretariat functions may result in a lack of comprehensive understanding of the Companies Law and the CMA rules. As a result, the Company may find it difficult to understand and adhere to the CMA regulations and meet the expectations applicable to a listed company.

Further, the Board of Directors formed an Audit and Risk Committee and a Remuneration and Nomination Committee on 23/07/1446H (corresponding to 23/01/2025G). For further details, please see Section (5.4) ("**Board of Directors Committees**"). Failure by members of these committees to perform their duties and adopt a work approach that ensures protection of the interest of the Company and its Shareholders may affect corporate governance compliance, the continuous disclosure requirements, and the Board's ability to monitor the Company's business through these committees. That could have a material adverse effect on the Company's business, results of operations, financial position, and future prospects

2.1.16 Risks related to e-payment methods and use of cash

The Group accepts payments within its branches and on its online store via credit cards, Mada cards and other e-payment methods that are made through point-of-sale systems or the online store. With regard to payments made by credit card, Mada cards and other e-payment methods, the Group pays specific fees to the relevant financial institutions which may increase from time to time. Further, 0.35%, 0.77%, and 1% of the Company's sales for the years ended 30 September 2023 and 2024, and quarter ended 31 December 2024, respectively, were made through buy-now-pay-later services, for which the provider also charge fees. If the fees specified for e-payments or service providers increase, the Group's costs, the Company might not be able to push the increase to the customer.

In addition, if the Group encounters problems with its point-of-sale hardware and software or in its ability to process payments through any payment system using credit cards, Mada cards and other e-payment methods, whether for failure on part of the Group's systems or for the service providers' service failure, this will impair the Group's ability to make the sales and might therefore cause loss of the revenue during such time. The occurrence of any of these factors would have a material and adverse impact on the Group business, results of operations, financial position and prospects

Further, for the years ended 30 September 2023 and 2024, 19.17% and 17.18% of the Group's sales, respectively, were paid for in cash; for the quarter ended 31 December 2024, 18.2% of the Group's sales were paid for in cash. The Group collects the cash from all its stores, and it is deposited in its bank account by the Group's employees. The cash that the Group receives in its stores may be exposed to theft, whether by the employees working in its stores or by third parties. The cash insurance policies which the Group possesses may not be sufficient to compensate the Group for any losses incurred as a result of any theft or mishandling of cash. Any theft or other loss of cash could have an adverse impact on the Group's business, results of operations, financial position and prospects.

2.1.17 Risks related to the limited sales channels due to the exclusive reliance on direct sales

The Group sells directly through its stores, and its own online store and apps for each brand. For the years ended 30 September 2023 and 2024, the sales from the stores constituted 98% and 97.6% of total sales, respectively, and sales from e-commerce constituted 2.0% and 2.4%. of total sales, respectively, for the same period. For the quarter ended 31 December 2024, sales from stores constituted 97.4% of total sales whereas sales from e-commerce constituted 2.6% of total sales. The Group does not sell through third party consignment stores or through third party electronic platforms. As such, the Group relies heavily on its own direct sales which could be negatively impacted by factors impacting customers' desire (or ability) to shop physically, and the Group could incur more cost to market its products even online. If any of the aforementioned risks materialize, it would have a material adverse effect on the Group's business, operations, financial position, cash flows and future prospects.

2.1.18 Risks related to the Group's Zakat and tax status

The Company and its UAE Branch are subject to Zakat and where applicable VAT in the Kingdom. The Subsidiaries in the UAE, Qatar and Oman are subject to corporation tax of 9%, 10% and 15% respectively. UAE, Oman and Bahrain are also subject to VAT. The Philippine support service entity is also subject to corporation tax and VAT (for domestic services). The Group has filed its Zakat and tax returns with ZATCA for all previous years on consolidated basis with KOJ Trading. The Group has filed the 2024G Zakat and tax returns on consolidated basis with KOJ Trading. The final assessment has not been secured as of 30 June 2025. The UAE and Qatar corporate tax filing for the financial year ended 30 September 2024G have been completed, submitted and paid in June 2025 to the respective authorities. The Oman Tax Submission will be submitted in August 2025. The VAT returns are submitted independently of KOJ Trading and are up to date. Post IPO, the Company will be submitting its Zakat returns on Jamjoom Fashion's Group consolidated basis.

The regulators might amend the Zakat and tax regulations from time to time, which may result in additional liability. It is possible that the regulatory tax authorities may issue assessments that vary from the Company's expectations and exceed the anticipated value. If any of the aforementioned factors materializes, it would have a material adverse effect on the Group's business, operations, financial position, cash flows and future prospects.

2.1.19 Risks related to achieving the Company's long-term growth strategy

The Group regularly evaluates its expansion plans, including the creation of new brands, acquisitions, expansion of current brands and lines, and other growth strategies. Expansion entails certain risks, including, but not limited to the Group's ability to obtain additional financing, the potential impact of the expansion on the financial position of the Group;, accurate assessment of market size and economic feasibility of such expansion, obtaining the necessary permits and approvals from governmental entities, the Group's ability to brand and market new brands and lines, efficient management of the expansion process, timely and adequate training for key managers and employees, and the ability to continue to efficiently operate the Group's existing brands and stores during the expansion.

For example, the Group launched Nayomi Dream in 2022, which is a sub-brand specifically designed for tweens and teens. This sub-brand might take long time to be an established brand, as its success may involve uncertainties in market acceptance, brand positioning, and the ability to effectively reach and engage the target demographic

The Group's failure to expand and implement its future growth strategy or to manage the expansion process in the required manner could have a material adverse effect on its business, financial position, results of operations and/or prospects.

2.1.20 Risks related to the ability to make certain strategic acquisitions and successfully integrating the acquired businesses into the existing operations or achieving other synergies sought by such acquisitions

As part of its growth strategy, the Group constantly evaluates various growth opportunities. Depending on the right strategic fit and financial profile, the Group may decide to acquire new businesses, assets, technologies, services and products from time to time, such as its recent acquisition of Booty Parlor in 2024 (a brand that was sold at the Group's Nayomi stores for over 10 years). While these acquisitions are intended to enhance the Group's market position and operational capabilities, they come with inherent risks, including but not limited to:

- **Valuation and Due Diligence Risks:** The Group might face challenges in accurately valuing potential acquisition targets, potentially leading to overpayments or unforeseen integration challenges. Inadequate due diligence can result in a failure to identify material issues related to the target's financials, operations, liabilities, or the asset subject to acquisition.;
- **Integration Challenges:** Successfully integrating an acquired company, its culture, systems, and processes can be complex and resource-intensive. There may be difficulties in aligning business practices, which could disrupt the Group's ongoing operations;
- **Synergy Realisation:** The anticipated synergies from an acquisition may not materialize as planned. This could include cost savings, revenue enhancements, or strategic benefits that fail to meet expectations, affecting the Group's financial performance;

- **Financial Implications:** Acquisitions could lead to significant expenditure and potentially strain the Group's financial resources. There might be unanticipated costs associated with the integration process or unforeseen liabilities associated with the acquired entity;
- **Regulatory and Compliance Risks:** Acquiring new businesses, especially in different countries, could introduce complex regulatory compliance challenges, including antitrust reviews, which could delay or prevent the completion of acquisitions;
- **Employee Retention:** Retaining key personnel from the acquired entity can be crucial for the success of the acquisition. There is a risk of losing key talent, which can impact the acquired entity's performance and value;
- **Legal and Contractual Liabilities:** The Group may inherit legal challenges, disputes, or contingent liabilities that could affect its financial stability and reputation; and
- **Cultural Integration:** Merging different corporate cultures can pose significant challenges and impact employee morale and productivity in both the acquired and acquiring entities.

These factors, individually or collectively, could divert management's attention, result in increased expenses and disrupt the Group's existing business operations, which could, in turn, have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

2.1.21 Risks related to seasonality affecting the Group's sales

Given the nature of the retail industry, the Group's revenues are subject to seasonal variations. In general, revenue is higher during Ramadan, and accordingly the calendar month during which Ramadan coincides in a fiscal period will have an impact on the quarterly results of this period. For example, the Group recorded revenue of SAR 53.9 million and SAR 97 million during March and April 2023 (representing 9.5% and 17.2% of the total revenues respectively) compared to recorded revenue of SAR 77.5 million and SAR 77.1 million during the same months in 2024 (representing 12.7% and 12.6% of the total revenues respectively) due to Ramadan timing during these two months. The Group cannot control these seasonality factors, as these are inherent in the sector, and will have impact on the consistency and volume of revenue especially if the Group does not manage to recoup during the periods where the revenue usually increases. The Group's failure to manage any seasonal decrease in demand and revenue could have a material adverse effect on its business, financial position, results of operations and/or prospects.

2.1.22 Risks related to current financing arrangements and related to the Group's ability to obtain future financing

A- Historic Financing Arrangements

The Group previously used credit facilities in the name of KOJ Trading and Kamal Osman Jamjoom LLC (UAE) (a company related to KOJ Trading) with Banque Saudi Fransi, Riyad bank, Saudi Awwal Bank, Abu Dhabi Commercial Bank (ADCB), and First Abu Dhabi Bank (FAB); and with HSBC Middle East Ltd (which is now transferred to the Company). The Company no longer utilizes financing of KOJ Trading or its companies.

As of 30 September 2024G and 31 December 2024G, respectively, the Group had an outstanding debt of SAR 53.4 million and SAR 85.2 million which relates to the amounts withdrawn. The Company had no arrangement with KOJ Trading or its sister company to utilize its financing, and therefore there are no documents regulating the arrangement; the Company incurred interest per the relevant financing. This lack of documentation imposed risks on the Company as there is no legal right to allow it to use the facilities, and also the risk of future disputes given the lack of agreed terms.

As of 31 December 2024G, Kamal Osman Jamjoom Group LLC (UAE) was temporarily not in compliance with certain bank covenants relating to total equity being under the required amount due to its restructure; the total net equity balance temporarily dropped below the threshold by less than 10%.

The total debt (according to the definition of total debt under International Financial Reporting Standard (IFRS) (16) amounts to SAR 257.3mn including loans and borrowings of SAR 85.2mn and lease liabilities of SAR 172.1mn, with a debt-to-total-assets ratio of 0.45 times and a debt-to-equity ratio of 2.03 times.

B- Current Financing

On 29/10/1446H (corresponding to 27/04/2025G), the Company entered into a credit facility agreement with Arab National Bank. The Company also has an existing facility from HSBC Bank.

For the HSBC facility, the facility is entered into by the UAE Subsidiary and HSBC Bank Middle East Limited for AED 23,508,750. The facility includes certain financial and non-financial covenants. Generally, financing covenants are stringent and difficult to comply with. If the UAE Subsidiary breaches any of these covenants, and fails to reach a settlement with the lender, the lender may be able to call all the amount outstanding and can suspend or terminate the facility. Further, the facility is secured by personal and corporate guarantees of KOJ Trading Group. If KOJ Trading Group withdraw any of the guarantees, this will cause a breach of the financing enabling the lender to call all outstanding amount or terminate the agreement, which could materially and adversely impact the Group and its financial and operational position. Kindly refer to Section (10.7) ("**Financing Agreement**") and Table (10-6) for a summary of the HSBC facility.

The Company also obtained a facility from Arab National Bank (ANB) that grants the Company SAR 60,000,000 in banking facilities. The Company did not utilize this facility yet as of 1 May 2025. The facility includes certain financial and non-financial covenants. Generally, financing covenants are stringent and difficult to comply with. If the Company breaches any of these covenants, and fails to reach a settlement with the lender, the lender may be able to call all the amount outstanding and can suspend or terminate the facility. The facility is secured by corporate guarantees of KOJ Trading Group. If KOJ Trading Group withdraws any of the guarantees, this will cause a breach of the financing enabling the lender to call all outstanding amount or terminate the agreement, which could materially and adversely impact the Group and its financial and operational position. Kindly refer to Section (10.7) ("**Financing Agreement**") and Table (10-7) for a summary of the ANB facility.

C- Future Financing

The Group needs to continue to make investments to support the growth of its business and may require additional funds to respond to business challenges, implement its growth strategy, increase its market share in its current markets or expand into other markets, or broaden its service offering or other similar growth initiatives. The cash generated from operations and the Group's existing financial resources may not be sufficient to fund this growth strategy. Accordingly, the Group may seek to raise additional capital or incur additional indebtedness.

For various reasons, including any non-compliance with undertakings under future lending arrangements, additional financing or the refinancing of existing lending arrangements may not be available when needed, or may not be available on terms favourable to the Group, if at all.

An increase in indebtedness may expose the Group to additional risks. For example, an increase in the indebtedness of the Group may restrict its ability to make strategic acquisitions, make dividend payments or cause it to make non-strategic divestitures to sell or dispose of assets, as well as limit its ability to obtain additional financing. In addition, the Group may have greater difficulty servicing higher debt levels. Such indebtedness may also include covenants that restrict the operations of the Group.

If the Group fails to obtain adequate debt on a timely basis or on terms satisfactory to the Group, or if the Group becomes unable to service its debt repayments as they fall due, this will adversely affect the Group's ability to sustain its operations or achieve its growth plans, which will have an adverse effect on the Group's business, results of operations, financial position and future prospects.

2.1.23 Risks related to insufficient insurance coverage

The Group has insurance protection covering various aspects of its business and operations. The Company is presently undertaking the renewal of the majority of them as part of its normal business operations. For more details about insurance policies held by the Group, please refer to Section (10.9) ("**Insurance**").

The Group is subject to risks that cannot be insured or be adequately insured. There may be events in the future where the Group's insurance does not cover all the potential losses, or it may not be insured against them at all. Also, the insurance policies purchased, similar to all insurance policies, contain certain standard exclusions and limitations, which could potentially leave the Group exposed to liability. Accordingly, losses from uninsured risks may cause the Group to incur costs that could have an impact on the Group's business, results of operations, financial position, and future prospects.

For the public, pollution, and product liability insurance policy where the Company is the insured party, the policy offers overseas personal liability protection to the directors and officers (and their family members) of KOJ Trading when travelling outside of the UAE on approved business including any period of vacation taken in conjunction with such business travel.

Also, if the insurance policies are not renewed with the current scope of coverage and at commercially acceptable terms, or if they are not renewed at all, or if there is no insurance or insufficient insurance available for the different areas of the Group's business, and in each case, the Group suffers a substantial loss for which it does not have sufficient financial reserves, this could have a material adverse effect on the Group's business, results of operations, financial position, and future prospects.

2.1.24 Risks related to marketing, branding, and sales strategy

The Group's success depends on its ability to maintain its image and reputation, as well as its commitment to a certain level of quality in its products. Quality and health issues, actual or perceived, can damage the reputation of Group, which could cause customers to switch to competitors, resulting in a loss of customers and a decline in the Group's sales and revenues. The Group's brand and reputation may be materially and adversely impacted by factors beyond the Group's control including lawsuits, regulatory investigations, fines and penalties against the Group or other factors relating to the trademarks used by the Group.

Furthermore, adverse publicity (whether accurate or not) relating to activities by the Group's Board, Shareholders, management, Related Parties, suppliers or employees may tarnish the reputation of the Group. With the increase in the use of social media, adverse publicity can be disseminated quickly and broadly, making it increasingly difficult for the Group to effectively respond to.

Any damage to the Group's brand or reputation as a result of these or other factors may cause its products to be perceived unfavorably by customers, regulators and other business partners, and its business, results of operations, financial conditions and prospects could be materially and adversely affected as a result.

2.1.25 Risks related to litigation and disputes

The Company and its Subsidiaries are exposed to commercial lawsuits, as well as labour disputes that occur within the ordinary course of its business. As at the date of this Prospectus, the Company and its Subsidiaries are not party to any judicial dispute or claim or an ongoing investigation, which could have, individually or collectively, a material impact on the business of the Group or its financial position.

Many aspects of the Group's business involve risks of potential disputes with its clients, employees, suppliers, or third parties. Such disputes may have a material impact on the Group and there can be no assurance that the results of such disputes will be in the Group's favour. The Group is also subject to other legal disputes with their clients, counterparties or others. Such disputes may be of material amounts and there can be no assurance that the results of such disputes will be in the Group's favour. Moreover, defending against such proceedings may be lengthy and costly to the Group. Therefore, the loss of the Group in any dispute or their failure to accurately assign provisions for the disputed amounts will have an adverse effect on the Group's business, results of operations, financial position and future prospects. Any dispute the Group becomes involved in, or the failure by the Group to accurately provision for such dispute may have an adverse effect on the Group's business, results of operations, financial position, and future prospects.

2.1.26 Risks related to Related Party transactions

The Group deals with Related Parties in the ordinary course of its business, primarily KOJ Trading and its Subsidiaries. These include service level agreements under which KOJ Trading and its subsidiaries provide IT services (such as enterprise solutions, digital platforms, IT services, and commercial systems management), warehousing logistics services (including the UAE Warehouse), admin services including business development. For further details regarding these service agreements, please refer to the schedule (10.8) ("**Material Agreements with Related Parties and Contracts Involving Interest for Directors**"), and for the Emirates Warehouse please refer to section (2.1.6) ("**Risks related to the logistical network of distribution within the GCC and within the Kingdom of Saudi Arabia, and the reliance on logistical assets of third party companies**"), and for the IT please refer to section (2.2.14) ("**Risks related to IT system, digital channels and the changing technological landscape**").

The amounts due from the shareholder amounted to SAR 29.2 million as at 30 September 2024G and due to shareholder amounted to SAR 44.8 million as at 30 September 2023G and both balances pertain to KOJ Trading and its companies. The amounts due to the shareholder as at 30 September 2023G solely relates to the payment made by KOJ Trading on behalf the Group for normal operations of the business given Jamjoom Fashion Trading Company did not exist on a standalone during 2023G.

During 2024G, the Group had transferred, to KOJ Trading and its companies, funds as a result of cash pooling of SAR 103.0 million and settled the due to shareholder balance of SAR 44.8 million. The cash pooling was partially offset by declared dividend of SAR 50.0 million and cost of shared services amounting to SAR 23.8 million. The cash pooling/settlement, dividend and cost of shared services resulted in a net receivable balance of SAR 29.2 million at as 30 September 2024G.

The Group receivable balance from KOJ Trading increased to SAR 55.9 million as at 31 December 2024. The increase in receivable balance mainly related to cash pooling funds transferred from the Group to KOJ Trading amounting to SAR 67.2 million. The cash pooling was partially offset by construction and renovation costs in relation to the construction of 8 new stores (3 of which are scheduled to open in Q2 2025G, renovation for existing stores, and construction of new Jeddah office paid by KOJ Trading amounting to SAR 36.6 million and cost of shared services amounting to SAR 3.9 million. The cash pooling, construction and renovation costs and cost of shared services resulted in a net receivable balance of SAR 55.9 million as at 31 December 2024G.

Based on the above, the balance of amounts due by the Group to Related Parties stood at SAR 44.8 million and SAR Nil as of 30 September 2023 and 2024 respectively; and SAR Nil as of 31 December 2024. The balance of amounts due to the Group from Related Parties stood at SAR Nil and SAR 29.2 million as of 30 September 2023 and 2024 respectively; and SAR 55.9 million as of 31 December 2024.

The Group may not be able to maintain these relationships, renew contracts at the end of their terms on favourable terms or at all, the counterparty may terminate the contracts or fail to perform there (by choice, as a result of strategy change or for various reasons outside of its control including suspension of work or even bankruptcy). The Group may also not be able to conclude alternative arrangements with similar terms or on acceptable terms to the Group with third parties. Accordingly, if any of the arrangements between the Group and its Related Parties is terminated or the Group is unable to renew them on appropriate terms, or to find alternative arrangements with third parties if these expire or terminate, this will have an adverse effect on the Group's business, results of operations, financial position and future prospects.

Additionally, the Group's operations may be impacted if there is any disruptions or issues on part of KOJ Trading or its subsidiaries. If KOJ Trading or its subsidiaries decide to alter its strategic priorities or reallocate resources away from the Group, the Group could experience withdrawal of the above services. Any negative change in the relationship with KOJ Trading could also harm the Group's ability to attract external investors or partners, potentially limiting access to external capital or strategic alliances. As the Group depends on KOJ Trading for various aspects of its operations, any adverse developments affecting KOJ Trading's financial health, strategic direction, or operational capacity could have a significant negative impact on the Group's financial position, business performance, and long-term prospects.

The Company also had a cash pooling arrangement with KOJ Trading. During the year ended 30 September 2024G, the Group had transferred to KOJ Trading and its Subsidiaries funds as a result of cash pooling. The cash pooling was partially offset by declared dividend of SAR 50 million and cost of shared services amounting to SAR 23.8 million. The cash pooling, dividend and cost of shared services resulted in a net receivable balance of SAR 29.2 million as at 30 September 2024G, and SAR 55.9 million as at 31 December 2024G. The Group ceased this arrangement, and KOJ Trading signed an undertaking that such outstanding amounts will be deducted from the Offer Proceeds. The amounts due to the Company under this arrangement as of 28 February 2025G amounted to SAR 62.4 million, representing amounts due to the Company under the cash pooling arrangement. The Company and directors might be liable for breach of the Companies Regulations and might be subject to fines up to SAR 5 million.

Following the IPO, the Company will be required to disclose such contracts in accordance with the disclosure obligations under relevant capital markets laws and such contracts will need to be reviewed by the Audit and Risk Committee. The Company's failure to define and identify Related Parties as defined by the CMA or its failure to understand the regulatory framework surrounding it as a listed company affect its ability to monitor these transactions and ensure that they are reviewed by the Audit and Risk Committee and are disclosed appropriately, which may expose the Company to risks including penalties imposed by CMA in addition to uncertainty that the terms of such transactions are conducted in the best interest of the Group. If any of these risks materialize, this will have a material adverse effect on the Group's business, results of operations, financial position, and future prospects.

2.1.27 Risks related to contracts and businesses in which the members of the Board of Directors have an interest

The Companies Law stipulates that no member of the Board of Directors shall have any interest, directly or indirectly, in the transactions or contracts made for the account of the Company, except with authorization from the general assembly. Such board member is required to inform the Board of Directors of any direct or indirect interest in the transactions or contracts made for the account of the Company and may not participate in voting on the resolution to be issued in this regard. If the Director fails to declare such interest, the Company or any interested party may claim before a competent judicial entity to void such contract or oblige the Director to pay any profit or benefit therefrom.

The Group has entered into certain arrangements with KOJ Trading and its Subsidiaries. For further details about these arrangements, please see Section (10.8) ("**Material Agreements with Related Parties and Contracts Involving Interest for Directors**").

The Founder of KOJ Trading and the chairman of the Board, Mr. Kamal Osman Salah Jamjoom, has an interest in these agreements as he is the ultimate majority shareholder in these Subsidiaries of KOJ Trading. He also serves as a director / manager in multiple entities. Additionally, board members Mr. Jameel Kamal Osman Jamjoom and Ms. Nadia Kamal Osman Jamjoom are the son and daughter of Mr. Kamal, and serve on the Company's board, and have an indirect interest in the agreements between the KOJ Trading (and its subsidiaries) and the Company. Accordingly, the provisions of Articles 27 and 71 of the Companies Law apply to these agreements, requiring disclosure to the Board of Directors and obtaining the approval of the Company's General Assembly or the body that the General Assembly delegates. A shareholder resolution was issued to approve these agreements on 23/07/1446H (corresponding to 23/01/2025G). It is expected that such dealings will continue after the Offering.

Any failure by the Directors to disclose interests they have in the contracts and business of the Group, and the failure to obtain the general assembly's approval on the conflict of interest, could result in contracts not being properly reviewed and ensured to be in the best interest of the Group and in weak corporate governance; all of which will have a material and adverse effect on the Group's business, results of operations, financial position and future prospects.

2.1.28 Risks related to Directors engaging in businesses that compete with the Group's business

Pursuant to the provisions of the Companies Law, a Board member is prohibited from participating in any business that may compete with the Group's business or any of the activities in which it is engaged, unless the general assembly authorizes such activities in accordance with the conditions set forth by the competent authority.

The Directors may in the future participate in businesses similar to or competing with the Group's business through ownership in companies that carry out similar activities to the Group or through memberships in the boards of other companies that carry out similar activities to the Group. The Directors' participation in businesses competing with the Group involves risks that such Directors adversely influence the Group's decisions or use the Group's information in a way that harms its interests or serves the interests of its competitors. Additionally, the failure of any Director to disclose such competing activities and obtain the general assembly's approval may result in the Director or the Group being exposed to penalties or the Director having to resign from the Board of Directors. There can be no assurance that the Directors will not engage in activities that compete with the Group, or that the Directors will appropriately disclose such activities and obtain the approval of the general assembly. These risks, if they occur, may have a material adverse effect on the Group's business, results of operations, financial position and future prospects.

2.1.29 Risks related to employment affairs, compliance with employment law and with Saudization and localization requirements across various markets

Compliance with Saudisation requirements is a Saudi regulatory requirement under which all companies active in the Kingdom, including the Company, are required to employ and maintain a certain ratio of Saudi personnel among their staff. Similar requirements apply in other GCC countries the Group operates in. The retail sector, in Saudi Arabia and other GCC countries, require higher localization percentage and also requires feminization for certain type of products, including mainly in the Nayomi stores in the Kingdom. As of 9 January 2025, the Company's Saudization percentage is 68%, placing it in platinum Nitaqat. All Nayomi stores in the Kingdom include only female staff. As of 31 December 2024, the Group is also compliant with all localization requirements across the GCC.

The Group may not be able to comply with the current or modified Saudisation and localization requirements as the Group may not be able to continue to recruit or maintain the required percentage of such nationals. In case of non-compliance with the applicable Saudisation and localization requirements, the Group would be subject to penalties by MHRSD, such as suspension of work visa requests and of transfers of sponsorship for non-Saudi employees, exclusion from Government loans and participation in Government tenders. In addition, the Group may not be able to recruit the required number of Saudi nationals under favourable conditions or it may be required to hire additional Saudi nationals without the relevant qualifications or for positions for which they are not suitable or in which they are not productive, and may incur significant cost in doing so.

Further, the Company may benefit from Government incentives in recruiting Saudis in the Kingdom, including through the Tamheer program. If the Company used such incentives and the Government suspends or cancel the program, or changes its entitlement conditions, the Company's cost could increase and thereby its profitability could lower.

The Group also relies on several qualified non-Saudi employees with relevant industrial sector experience running the operations of the Group, including without limitation financial management, design, marketing and sales management Any changes in local regulations which adversely impact expatriates may cause departures of these expatriate employees from the Kingdom and may result in a possible disruption in the Group's operations. Moreover, the Group is sensitive to the costs of total salaries and related benefits, which amounted to SAR 120.7 million for the financial year ended 30 September 2024, representing approximately 39.4% per cent of operating costs for the same periods. As of the quarter ended 31 December 2024, the Group's costs related to total salaries and related benefits amounted to SAR 32.7 million, representing approximately 40.3% of operating costs for the same periods.

The Government may, as it has done in the past, raise fees for non-Saudi residence permit issuance and renewals, which would drive up living costs and may result in non-Saudi employees seeking jobs in countries with lower living costs. In such cases, it will further limit the Group's ability to retain its non-Saudi employees and incur additional Governmental fees related to the issuance and renewals of residence permits for non-Saudi employees and their families. Should the Group lose a large number of its employees without the ability to hire new employees to replace them, it would have a material adverse effect on the Group's business, financial position, results of operations and/or prospects.

The occurrence of any of the above risks would have a material adverse effect on the Group's business, financial position, results of operations and prospects.

2.1.30 Risks related to working capital and liquidity management

Proper cash flow management is crucial in managing the Group's financial risk. The Group's net working capital (current assets - current liabilities) amounted to approximately negative SAR 59 million and negative SAR 29 million for the financial years ended 30 September 2023 and 2024, respectively; and amounted to negative SAR 72 million for the quarter ended 31 December 2024. It should be noted that the Group's working capital assets are concentrated in inventories and receivables (pre-payments and other receivables), which amounted to SAR 151 million and SAR 152 million for the financial years ended 30 September 2023 and 2024, respectively; and amounted to SAR 186 million for the quarter ended 31 December 2024.

The Group faces various risks, such as cost overruns, and unexpected expenses. Failure of the Group to properly manage projects cash inflows and outflows as well as identifying potential risks early and take appropriate measures to mitigate them may result in cash shortfalls. Materialization of such risk may, for example, require the Group to undertake unplanned short-term borrowing to compensate for such shortfalls and incur unplanned and costly financing charges which may have an adverse effect on the Group's business, results of operations, financial position and future prospects.

2.1.31 Risks related to the use of accounting assumptions, estimates and judgments

The Company's consolidated financial statements for the year ended 30 September 2024 have been prepared in accordance with the IFRS as adopted in the Kingdom and in accordance with SOCPA's rules, and were audited by the Auditor. As the Group has been carved out from KOJ Trading, the 2024 accounts were based on the actual performance of the Group as a separate entity. However, the 2023 comparative figures were compiled by way of special purpose extraction from the financial statements of KOJ Trading for 2023. The assumptions and judgment relating to the extraction of such comparative items below the operating profit and which are with regard to the centralized support department costs involve subjective assumptions, estimates and judgments by the Group.

Further, in general and the same as any business, the Group uses certain accounting assumptions, estimates and judgments related to accounting matters, varying interpretations of which could significantly affect the Group's financial results. Any changes in the underlying assumptions, estimates or judgments could have a material adverse effect on the Group's business, financial position, results of operations or prospects.

2.2 Risks Related to Market, Sector and Regulatory Environment

2.2.1 Risks related to the general economic conditions

The Group's performance depends heavily on economic and political conditions in the Kingdom since it generates a material amount of its revenue in the Kingdom. The Group's performance is also impacted by the economic and political conditions in the countries it sells its products in and the economies of the countries they trade with. For more details about the distribution of revenue per country, please refer to Section (2.1.3) ("**Risks related to revenue concentration in the Kingdom of Saudi Arabia and on main stores**").

Changes in public policy, changes in laws or incentives (including restricting foreign products or disincentivizing it), wars, geopolitical stability and other matters, may have an impact on the Group's business and might affect its ability to receive and sell its products and profitability, affect costs, lower profit margin, reduce demand or result in other adverse effects.

Furthermore, the relationship between the Kingdom and the countries the products of the Group are sold in or those they trade with is an important factor in the Group's ability to market and sell its products in foreign countries. Therefore, any instability or change in the relationship – including the cut-off of ties – can restrict the Group from accessing these countries. Any tension in the relationship the Kingdom has with these counties, which has happened in the past and could occur in the future, could place scrutiny on the Group's operations and may incentivize the regulators in those countries to re-examine the Group's status, impose fines on non-compliance which historically were not examined, and affect the Company's ability to own and invest in those countries; therefore directly affecting the Group's business, operations, financial position, cash flows and future prospects.

Additionally, relationships and political and geopolitical situations in the countries in which the Group's products are not sold at all could still affect the Group. For example, instability in any of the OPEC countries or other oil exporting states could have an impact on oil prices and therefore the Saudi Arabian economy in general.

Therefore, any of the above risks materializing may have a material adverse effect on the Group's business, operations, financial position, cash flows and future prospects.

2.2.2 Risks related to the intense competitive environment, including by e-commerce platforms

The business in which the Group operates is marked by intense competition and is characterized by the presence of numerous players, ranging from small local entities catering to niche markets to large multinational corporations with extensive global reach. Some of these competitors, may have greater financial, technical and human resources and could pose significant challenges to the Group, especially if they offer more competitive pricing, superior quality or innovative products or services that better meet client demands. Specifically, e-commerce platforms have been taking up a larger share of global retail sales recently and are expected to continue to do so. This market share has been steadily rising due to the growth of online shopping, especially during and after the COVID-19 pandemic, which accelerated the shift to e-commerce.

Competition in the industry is driven by various factors including price, quality, delivery timelines, reliability of supply, capacity, innovation and client service. Some of the Group's competitors may benefit from lower cost structures, enabling them to offer their products or services at more competitive prices. In addition, the markets in which the Group operates are characterized by rapid change, requiring market participants to regularly innovate and develop products, services and systems that address the business challenges and needs of clients. If the Group is unable to keep pace with technological changes in the industrial sectors that it serves or if competitors with more financial, technical and human resources than the Group offer products and/or services that better appeal to its potential clients, the Group may experience lower revenues, price erosion and lower margins. Accordingly, there is also no assurance that the Group will be able to maintain or strengthen its competitive position within its markets or maintain its client base at the current level. If the Group is unable to meet these competitive challenges, this would have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

2.2.3 Risks related to global sentiment about the apparel industry and customers' willingness to purchase products manufactured in certain countries

The Group's business operates within the apparel industry, which faces increasing scrutiny over ethical issues related to labor practices, environmental sustainability, and the sourcing of materials. Growing concerns about the environmental impact of this sector, including its contribution to waste, pollution, and overconsumption, as well as labor conditions in certain countries, have led to heightened consumer awareness and activism.

As consumers become more conscientious about the ethical implications of their purchasing decisions, there is a risk that customers may choose to avoid products manufactured in countries with lower labor standards or less stringent environmental regulations, whether actual or perceived. This shift in consumer behavior could significantly impact sales particularly among socially responsible or environmentally-conscious consumer segments.

If the Group's brand or products are perceived as contributing to unethical labor practices or environmental harm, the Group may experience a decline in customer loyalty, negative publicity, and reduced demand for its products. Additionally, as more consumers prioritize sustainability and ethical sourcing, the Group may need to make substantial investments in rethinking its supply chain, sourcing practices, and product offerings to remain competitive, which could lead to increased operational costs.

Failure to address these ethical concerns or to meet the evolving expectations of consumers in this regard could have a material adverse effect on our brand reputation, customer retention, and overall financial performance of the Group.

2.2.4 Risks related to demographic changes

The Group's business is subject to risks associated with changes in the demographics if the targeted markets, which can have a significant impact on consumer behavior, purchasing patterns, and overall market demand. Demographic shifts, including but not limited to migration trends, urbanization, and generational changes, can influence the types of products and services consumers demand.

For example, younger generations may prioritize different values, such as sustainability or technological integration, which may affect their purchasing decisions. Additionally, migration patterns can lead to changes in regional consumer preferences and purchasing power, which may not align with the Group's current market strategies.

If the Group is unable to effectively adapt its products, services, and marketing strategies to meet the evolving needs of different demographic segments, there would be an adverse impact on the Group's sales and this would have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

2.2.5 Risks related to customers' sentiment and not meeting the quality standards and specifications required by customers

The Group's success is closely tied to its ability to meet the evolving quality standards and specifications demanded by its customers. Failure to deliver products that align with customer expectations for quality, durability, and style could negatively impact customer satisfaction, brand loyalty, and overall sales. In an increasingly competitive market, customers have high expectations regarding the quality of products, and any deviation from these expectations may lead to negative sentiment, product returns, and diminished consumer confidence.

Furthermore, customer sentiment is highly sensitive to perceptions of quality. Even minor lapses in product quality or failure to meet advertised specifications may result in significant reputational damage, particularly with social media, where customer feedback spreads rapidly and can influence a broad audience. Negative reviews and public backlash could significantly harm the Group's brand image and consumer trust, leading to a potential decline in customer base and sales.

Unforeseen issues in production, supply chain, or material sourcing may arise, which could result in products not meeting customer expectations. If the Group is unable to maintain consistent quality across its product offerings, there may be a material adverse effect on its market position and financial performance, and thereby negatively impacting the Group's business, financial condition, results of operations and prospects.

2.2.6 Risks related to effectively managing inventory levels and the increasing pressure on margins in a highly promotional retail environment

The retail industry operates in an environment where effective inventory management is crucial to maintaining operational efficiency and profitability. The Group may face challenges in ensuring optimal inventory levels, as mismanagement of inventory—whether excess stock or stockouts—can lead to increased costs, lost sales opportunities, and potential obsolescence of products. As of 30 September 2024G, 15% of the Group's inventory is aged one year or older, representing SAR 19.5 million, while as of 31 December 2024G, 10.5% is aged one year or older, representing SAR 17.0 million. The Group applies a provisioning ratio of 25% for inventory aged between one and two years and 100% for inventory aged more than two years. This provisioning policy results in approximately SAR 11 million of slow-moving inventory that is not currently provisioned for. As such inventory could be sold at a discount, or not be sold at all, this could result in un-provisioned loss to the Group. As at 31 December 2024, the Group was in excess and decided not to release the entire provision in anticipation of Ramadan stock moving in Q2 of 2024 into aged buckets from the prior year

The Group's days inventory outstanding (DIO) totalled 222 days for the financial year ended 30 September 2024G, and 308 days for the quarter ended 31 December 2024G.

The tables below shows inventory details as at 30 September 2024G and for the quarter ended 31 December 2024G:

Table (2.6): Inventory Details

SAR in 000s	1-90 Days	91-180 Days	181-360 Days	1- 2 Years	Over 2 Years	30 September 2024G
Gross inventory	61,874	14,908	31,486	14,685	4,817	127,770
Less: Provision	-	-	(3,149)	(3,671)	(4,817)	(11,637)
Net inventory	61,874	14,908	28,337	11,014	-	116,133
Inventory provision %	0%	0%	-10%	-25%	-100%	-11%

SAR in 000s	1-90 Days	91-180 Days	181-360 Days	1- 2 Years	Over 2 Years	31 December 2024G
Gross inventory	94,251	26,317	25,796	12,054	5,068	163,485
Less: Provision	-	-	(3,019)	(3,551)	(5,068)	(11,638)
Net inventory	94,251	26,317	22,777	8,503	-	151,847
Inventory provision %	0%	0%	-12%	-29%	-100%	-7%

Source: Company

Moreover, the retail sector is increasingly characterized by aggressive promotional activities, which, while driving short-term sales, place significant pressure on profit margins. In an environment where competitors are frequently discounting products to attract price-sensitive customers, the Group faces ongoing challenges in balancing inventory levels with the need to maintain price competitiveness. These promotional strategies often result in lower margins and could impact the Group's profitability, especially during periods of heightened discounting or promotional events.

If the Group is unable to effectively manage its inventory and adapt to changing market conditions, there is a risk that it may incur excess inventory costs or miss sales opportunities, both of which could materially adversely affect the Group's financial performance. Furthermore, the growing pressure on margins due to heavy promotions and price reductions may limit the Group's ability to achieve sustainable growth or meet profitability expectations.

2.2.7 Risks related to returns

The Group is subject to risks associated with product returns and refunds, which can adversely affect profitability and cash flow. High return rates may result from various factors, including product quality issues, consumer preferences, or ineffective marketing strategies. Further, some customers purchase multiple products to try out then return, which could contribute to a higher return rate.

A substantial volume of returns can lead to increased operational costs related to restocking, inventory management, and processing refunds, thereby impacting margins. The Group's return rate was 2.9% and 3.3% for the years ended 30 September 2023 and 2024, respectively; and 2.0% for the quarter ended 31 December 2024. If the Group fails to effectively manage its return policies and associated costs, it may experience reduced revenue and profitability, negatively impacting financial performance and shareholder value.

2.2.8 Risks related to cost management and SKUs complexity

The Group is subject to risks associated with cost management and the complexity associated with maintaining a diverse range of Stock Keeping Units (SKUs). The Group has a monthly average of 5,521 SKUs and 6,439 SKUs as of 30 September 2023 and 2024, respectively; and a monthly average of 6,930 SKUs for the quarter ended 31 December 2024. A broad SKU assortment can lead to increased operational challenges, including higher inventory carrying costs, storage requirements, and supply chain complexities. If the Group fails to manage these costs effectively, it may experience reduced profitability and financial strain.

Moreover, fluctuations in production and procurement costs—driven by factors such as supplier pricing, raw material availability, and economic conditions—can further exacerbate these challenges. As the Group expands its SKU offerings, the risk of overstock or obsolescence increases, potentially resulting in markdowns that diminish margins.

Ineffective SKU management can also lead to missed sales opportunities if popular items are out of stock or if excess inventory occupies shelf space. As consumer preferences evolve rapidly, the ability to adapt to market demands while maintaining cost efficiency becomes more critical. Failure to effectively manage these complexities may negatively impact the Group's competitive position and overall financial performance.

2.2.9 Risks related to health risks and liability associated with cosmetic products

The Group's sale of perfumes, body lotions, and other cosmetic products presents inherent health risks that may affect consumers. These products often contain various chemical ingredients, which can lead to allergic reactions, skin irritations, or other adverse effects for some individuals. For instance, certain fragrances or preservatives may trigger sensitivities, resulting in skin rashes, respiratory issues, or other allergic responses. Additionally, prolonged use or misuse of these products can increase skin irritations, particularly among consumers with pre-existing skin conditions. There is also a risk that consumers may misuse products in ways not intended, which can lead to unforeseen health complications and associated liability issues.

In the event of consumer health problems linked to the Group's products occur, the Group could face legal claims, leading to significant financial liabilities, reputational damage, and heightened regulatory scrutiny, all of which would negatively impact the Group's business, financial condition, results of operations and prospects

2.2.10 Risks related to the changes in the regulatory regime, including in tax regulations, new Companies Law and new Civil Transactions Law

The Group and its operations are subject to a wide range of laws and regulations, including those relating to labour (including Saudisation and other similar localization requirements in the markets it operates in), tax and Zakat, data protection, licensing and health and safety. The compliance costs associated with these laws and regulations are substantial and possible future laws and regulations and changes to existing laws and regulations could result in additional compliance expense, potentially increased capital expenditure, and restrictions on, or suspensions of, certain of the Group's operations.

In addition to new laws and regulations, a lack of understanding by the Group of existing laws and regulations or the change in their interpretation or application by the relevant authorities may materially affect the Group's business and operations or increase its administrative, legal and operational expenditure, forcing it to alter its commercial practices, legal organization, ownership structure and corporate governance or, more generally, reduce or limit its revenue in the future. The requirements to be met, as well as the technology and length of time available to meet those requirements, continue to develop and change. The Group may be subject to fines, penalties and/or closure of its facilities, if it does not comply with those laws and regulations or if it does not comply with the permitting, licensing or accreditation requirements, which may change from time to time. In the financial year ended 30 September 2024, the Group has been subject to 32 fines for a total of SAR 163,000 (related mainly to employment law violations); and SAR 12,800 fines for the quarter ended 31 December 2024. The Group may be subject to fines and penalties in the future. As a result, the Group may be unable to pursue activities, it may face increased costs or harm to its reputation, it could be delayed or prevented from meeting clients demand, or implementing its growth plan, and more generally it may lead to the Group losing its competitive position and/or to a decreased demand for the Group's products and services. This would have a material adverse effect on the Group's business, financial position, results of operations and/or prospects.

Moreover, legal requirements frequently change and are subject to interpretation. This may lead to the Group incurring significant expenditure, modifying its business practices to comply with existing or future laws and regulations, or restricting the Group's ability to conduct business. Any of these factors could have a material adverse effect on the Group's business, financial position, results of operations or prospects.

Further, a new Civil Transactions Law came into force on 16 December 2023. The Civil Transactions Law represents a pivotal evolution in the Kingdom's legal landscape, signifying one of the most substantial reforms in recent history. This legislation brings forth a comprehensive codification of rules that are applicable to the operations and business activities of the Group, encompassing new provisions related to liquidated damages, compensations for contractual breaches (which includes loss of profits and compensation for moral damages), damages ensuing from harmful acts, prescription periods for claims, and more. Furthermore, the Civil Transactions Law is set to be applied retroactively, except where a party has relied on a statutory provision or judicial principle that contradicts the Civil Transactions Law prior to it coming into force, or where the prescriptive period under existing statutory provisions extinguished the claim prior to the Civil Transactions Law coming into force. The Group cannot ascertain the impact that the new Civil Transactions Law might have on its operations and the extent to which it will apply retroactively to its operations. Should the impact prove to be material, or should the Group incur additional costs to undertake necessary measures to ensure compliance, it could materially and adversely affect its business, financial position, results of operations or prospects.

2.2.11 Risks related to business interruption and force majeure events

The Group may be subject to business interruption for reasons beyond its control such as fire, floods, earthquakes, tsunami, sandstorms, explosions, acts of terrorism or sabotage or other force majeure events outside of the Group's control. These include those occurring for the store itself, the mall/location where it is located, or even the geographic area thereby affecting the shopping at such area. Economic, political or health events such as the COVID-19 pandemic, regulatory action, equipment failure, labour shortages and a number of other factors might also cause interruptions. The Group cannot guarantee that its efforts to mitigate such events will be successful or that it will not be exposed to business interruptions.

Any damage to the Group's key stores, products, disruption to supply sources due to such events, whether short- or long-term, could prevent the Group from carrying out its business activities or significantly impact its sales. In addition, this risk is enhanced for locations that could be targeted by politically motivated actors, including by acts of terrorism, sabotage, cyber-attacks or otherwise which may not be covered by the Group's insurance policies. If any of these events materialize, this may have a material adverse effect on the Group's business, results of operations, financial position and future prospects.

2.2.12 Risks related to acquiring customers and maintaining relationship with existing repeating customers

The Group's success heavily depends on its ability to acquire new customers and maintain strong relationships with existing, repeat customers. The retail industry is highly competitive, with changing consumer preferences, increasing price sensitivity, and evolving expectations for customer service and product offerings. As a result, the Group faces significant challenges in both attracting new customers and retaining the loyalty of existing ones.

Customer acquisition requires effective marketing strategies, promotions, and product offerings that resonate with target demographics. Failure to effectively reach and engage potential customers, particularly in an increasingly digital and omnichannel retail environment, could result in lower foot traffic and reduced sales, negatively affecting the Group's growth prospects.

Furthermore, maintaining strong relationships with existing customers is crucial for driving repeat business and sustaining long-term profitability. Any failure to meet customer expectations—whether due to poor product quality, lack of innovation, or subpar customer experiences—could lead to decreased customer satisfaction, reduced repeat business, and a loss of brand loyalty.

Additionally, the rise of digital platforms and the shift in consumer behavior toward online shopping pose further challenges. The Group may face increased pressure to invest in technology, digital marketing, and e-commerce infrastructure to stay competitive. However, these investments carry risks, including the potential for higher costs, integration challenges, and the difficulty of distinguishing the Group's offerings in a crowded online marketplace.

If the Group is unable to effectively acquire new customers, retain existing customers, and adapt to changing market dynamics, it could experience adverse effects on its revenue, profitability, and overall business performance. These challenges may also affect the Group's ability to achieve sustainable growth and meet customer expectations, ultimately impacting its market position and long-term success.

2.2.13 Risks related to competition law and anti-trust regulations

Given its international sales, the Group may be subject to competition laws and regulations in jurisdictions around the world from time to time. As such, the Group may be subject to allegations of, or regulatory investigations or proceedings into, unfair competitive practices or similar behaviors. Such allegations, investigations or proceedings may require the devotion of significant management effort, time and financial resources to defend the Group. In the event that such allegations are proven, there may be significant fines, damage awards and other expenses, and the Group's reputation may be harmed, which could have a material adverse effect on its business.

In the Kingdom, the Competition Law imposes significant fines and damages for non-compliance. In the event that the Group violates the provisions of the Competition Law, and a judgment is issued against the Group with respect to such violation, the Group may be subject to significant fines at the discretion of the GAC. In addition, the GAC is entitled to request the partial or full suspension of the Group's activities, temporarily or permanently, in the case of repeated violations.

If any of the above risks were to materialize, this could have a material adverse effect on the Group's business, results of operations, financial position, and future prospects.

2.2.14 Risks related to IT system, digital channels and the changing technological landscape

The Group's ability to conduct its business and monitor its operations and costs accurately and effectively largely depends on its information network and the strength of its technical and cyber security systems. Risks related to internal and external information technology systems, such as malware, programming defects, attempts to penetrate the Group's networks, lack of required updates or modifications, data leakage, and human errors, pose a direct threat to the Group's data and business. The Group's technology systems may be subject cyber-attacks. There can be no assurance that the Group will succeed in responding to any future attacks. If the Group is subject to cyber security incidents in the future, this will have an adverse effect on the Group's business, results of operations, financial position and future prospects.

The Group is not the registered owner of the two mobile apps used for Mihyar and Nayomi on the Apple app store, as those are under the name of entities owned by KOJ Trading. The Group is in the process of registering these apps in its name, and have obtained a written undertaking from KOJ Trading confirming its ownership in the interim.

The Group's technology systems may malfunction due to unexpected events or cyber-attacks. Such events may lead to the Group losing important information or leaking confidential and sensitive information related to the Group's business or clients, which may adversely affect the Group's business or expose it to lawsuits. In addition, the Group may incur significant operating costs to upgrade its IT systems or to adopt additional measures to protect its data or IT systems. The facilities or systems of the Group or its third-party service providers may also be vulnerable to security breaches, cyber-attacks, sabotage, theft, viruses, data loss or corruption, programming, human errors, or other similar events. It may be difficult for the Group to anticipate breaches of its information systems, quickly take appropriate preventive measures, or detect and address a threat. Any security breach, cyber-attack, sabotage, theft, virus, data loss or corruption, programming or any human errors on the part of any of the Group's employees will have an adverse effect on the Group's business, results of operations, financial position and future prospects.

2.2.15 Risks related to exchange rate fluctuations

The Group's results of operations may be affected by volatility in currency exchange rates and its ability to effectively manage its currency risks. The Group pays its apparel suppliers who are based outside the Kingdom in USD and one supplier in EUR. Further, given its operations, it also pays for local services in AED and other currencies.

As of the date of this Prospectus, the SAR is pegged to the USD at an exchange rate of SAR 3.75 for USD 1. If the Kingdom's policy of pegging the SAR to the USD were to change in the future, the Group may experience a significant increase in the USD-denominated costs of its operations. Further, the fluctuations in the exchange rates of the EUR, QAR, OMR, AED, KWD and other currencies against the SAR and USD impact the Group's sales and purchases.

As the Group continues to expand, its exposure to USD and other currencies may increase. Accordingly, adverse exchange rate movements could lead to a significant increase in the costs of the Group's operations. As the Group has not concluded any hedging agreements to reduce its currency risk exposure, changes in foreign exchange rates could have a material adverse effect on its business, financial position, results of operations and prospects.

2.3 Risks Related to the Offer Shares

2.3.1 Risks related to effective control by the current Selling Shareholder after the Offering

Following completion of the Offering, KOJ Trading will hold 70% of the Offer Shares. KOJ Trading will therefore continue to own a controlling interest in the Company after the Offering and its approval will be required for all decisions at the general assembly. This includes the election of the Board of Directors, approvals relating to declaration or retention of dividends, capital increases and decreases, mergers, amendments to Bylaws and decisions beyond the Board's powers and authorities.

The interests of KOJ Trading may differ from those of other Shareholders, and KOJ Trading may prevent the Company from making certain decisions or taking certain actions and might direct the Company's strategy in a manner different than what the Company or other Shareholders wish, which may affect the Company's business, results of operations, financial condition and future prospects and therefore the Share price.

2.3.2 Risks related to fluctuation in the market price of the shares

The Offer Price has been determined based upon a variety of factors, including the Company's prior performance and future business prospects, the industry in which the Company operates and the markets in which it competes, and the Company's assessment of its management, operations, and financial results. Following completion of the Offering, the trading price of the Shares will vary from the Offer Price. Investors may not be able to resell the Offer Shares at or above the Offer Price, or investors may not be able to sell them at all. Additionally, the Saudi Exchange imposes fluctuation limits which could limit the ability to sell or purchase the Shares below or beyond such limits and therefore limit the overall tradability of the Shares and the amount of return that can be obtained.

Stock markets in general, and the Parallel Market (Nomu) specifically, experience extreme price and volume fluctuations from time to time. Market fluctuations could result in extreme volatility in the price of the Shares, which could cause a decline in the value of the Shares, with price volatility being worse if the trading volume of the Shares is low. The price of Shares may be negatively affected by various factors, many of which are beyond the Company's control, including the Company's results of anticipated operations and improvement in the performance and results of its competitors, downgrades or changes in research coverage by securities research analysts with respect to the Company and its competitors, or the industry in which the Company operates, departures of key personnel, the public's reaction to the Company's press releases and other public announcements, changes in earnings estimates or forecasts, failure by the Company or its competitors to meet analysts' projections, the release or expiry of the lock-up period or other transfer restrictions on the Shares, or the materialization of any of the other risks described in this Section, or, the general situation of the Saudi Arabian economy, changes in applicable laws and regulations, terrorist acts, escalation of hostilities, acts of war or periods of widespread civil unrest, natural disasters and other calamities and stock market price fluctuations. The occurrence of any of these risks or other factors could have a material adverse effect on any investor's anticipated returns, or result in the loss of all or a portion of their investment in the Company.

2.3.3 Risks Related to selling a large number of shares on the market

Sales of large numbers of the Shares on the market after the completion of the Offering, or the perception that those sales will occur, may adversely affect the market price of the Shares. The Substantial Shareholder (KOJ Trading) will be subject to a twelve-month Lock-up Period starting from the commencement of trading of the Shares on the Exchange, during which it may not dispose of any Shares that it owns. A sale of a substantial number of Shares by the Substantial Shareholder following the Lock-up Period may have an adverse effect on the market for the Shares and may result in a lower market price.

Further, if the Company decides to raise capital by issuing new Shares, the newly issued Shares may adversely affect the value of the Shares in the market, and moreover there may be a decrease in the ownership portion of the Shareholders if they do not subscribe to the then newly issued Shares.

2.3.4 Risks related to the absence of a prior market for the shares

There has been no previous public market for offering or trading the Shares, and there can be no assurance that an active and liquid market for the Shares will develop or be sustained after the Offering. If an active and liquid market is not developed or maintained, the trading price of the Shares will be adversely affected or result in the loss of all or a portion of the Subscribers' investment in the Company, which will adversely and materially affect their anticipated returns.

2.3.5 Risks related to the Company's ability to distribute dividends

Distribution of dividends will depend on several factors including, among other things, future earnings, financial conditions, cash flows, working capital requirements, capital expenditures and distributable reserves of the Company.

The Company may not be able to pay dividends, and the Directors may not recommend, and the Shareholders may not approve the payment of dividends. The Company may incur expenses or liabilities that would reduce or eliminate the cash available for distribution of dividends. If the Company does not pay dividends on the Shares, Shareholders may not receive any return on investment in the Shares unless they sell the Shares at a price higher than the price at the time of purchase.

2.3.6 Risks related to foreign exchange rates when investing in offer shares

The Offer Shares are, and any dividends to be paid in respect of the Offer Shares will be, denominated in Saudi Riyals. Any investment in the Offer Shares by an investor whose principal currency is not SAR will be exposed to foreign currency exchange rate risk. This may adversely impact the value of the investor's investment in the Offer Shares or any dividends.

2.3.7 Risks related to research about the Company

The trading price and volume of the Shares may depend in part on the research that securities or the development industry analysts may publish about the Company and its business. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who covers the Company downgrade their recommendations on the Shares or publishes inaccurate or unfavourable research about the Company's business, which the Company cannot control, the market price for the Shares could decline. In addition, if one or more research analysts cease coverage of the Company or fail to publish reports on it regularly, it could lose visibility in the financial markets, which, in turn, could cause the market price for the Shares to decline significantly. Accordingly, the occurrence of any of the forgoing will have a material adverse effect on the Shareholders' anticipated returns on the investment in the Offer Shares.

2.3.8 Risks related for forward-looking statements

Some information contained in this Prospectus may constitute 'forward-looking statements' and includes known and unknows risks and speculations which impact the Company's financial results. This information includes, by way of example, information relating to the financial position of the Company, its plans, its strategy and its future goals. The future results and performance information of the Company cannot actually be predicted, and may differ from what is set out in this Prospectus, as the achievements and ability of the Company to develop are what determine the actual results of the Company. The inaccuracy of information and results is one of the risks that Shareholders and investors take by investing in the Shares. In case the actual future results of the Company are different from the expected ones, this might negatively affect the Share price. For more information about forward-looking statements, please refer to the ("**Important Notice**") page (i) of this Prospectus.

2.3.9 Risks of investing in emerging markets

An investment in the Offer Shares involves risks related to investing in securities in emerging markets, such as the Kingdom, which generally involves a higher degree of risk than investments in issuers' securities in more developed markets. Generally, investments in emerging markets are only suitable for sophisticated investors who fully appreciate and are familiar with the significance of the risks involved in investing in emerging markets. The Saudi Arabian economy may be susceptible to future adverse effects similar to those suffered by other emerging markets and could be adversely affected by negative economic or financial developments in other emerging markets. The occurrence of any of the foregoing factors could have an adverse effect on investors' anticipated returns or may result in the loss of all or portion of their investment in the Company.

2.3.10 Risks related to limiting trading to Qualified Investors only and the impact of this on trading pattern and on liquidity of the Shares

The Company's Shares will be listed in the Parallel Market. Since the Parallel Market is a market where trading is restricted to Qualified Investors only, the daily trading volume and liquidity (i.e., the pool of buyers and sellers) are less than in the Main Market, which significantly affects the market value and liquidity of the Shares.

Given such low liquidity, investors may not be able to sell their Shares at a price higher than the Offer Price or may not be able to sell it at all; all of which impact their investment in the Offer Shares.

2.3.11 Risks related to the transfer to the main market and not achieving the requirements in the future

After two years of listing the Shares on the Parallel Market, the Company may be compliant with the regulatory requirements for the transition to the Main Market under the Listing Rules. However, the Company may desire to continue as a listed company in the Parallel Market instead of moving to the Main Market. The requirements for offering and listing on the Parallel Market are more flexible, and therefore lack the same robustness and governance required on the Main Market, and the Company may not wish to adopt the Main Market requirements.

Further, if the Company wishes to transfer to the Main Market, it may not succeed in doing so and may not meet all the requirements for transition current or additional future regulatory requirements that the regulatory authorities may impose. Any decision to transition to the Main Market, or any failure to do, will have an impact on the price of the Shares given the nature of the Parallel Market (Nomu).

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3. Market and Sector Overview

3.1 Introduction

The Company has commissioned Euromonitor International, an independent provider of strategic market research, to prepare a market study assessing the fashion and apparel industry (please refer to the definition and scope of this category in the below sections of the MDD report) in Saudi Arabia.

The information below is based on an independent market study prepared by Euromonitor, which has given and not withdrawn its written consent for its market report to be published in the Prospectus as at the date of its publication. Euromonitor does not itself, nor do any of its employees or relatives, have shares or interests of any kind in the Company or any of its Subsidiaries.

Estimates and prospects set out in this Industry and Market Data section have been prepared based on market research study prepared by Euromonitor, which includes research estimates based on various official published sources such as trade opinion surveys conducted by Euromonitor with a sample of key players in Saudi Arabia. All information has been retrieved from Euromonitor primary research sources and its databases, unless stated otherwise.

Therefore, Euromonitor International believes that it used suitable sources of information and methodologies for this study but, due to the nature of the techniques and methodologies used in market research, does not guarantee nor pledge as to the accuracy or completeness of such information. References to Euromonitor International Limited should not be considered as the opinion of Euromonitor International Limited as to the value of any security or the advisability of investing in The Company.

The Company's Directors have no reason to believe that such information is false or misleading, or that any material fact has been omitted that would render such information false or misleading. The information prepared by Euromonitor International Limited and set out in this Industry and Market Data section has not been independently verified by The Company or any other party and neither it nor Euromonitor International Limited give any representations as to its accuracy and the information should not be relied upon in making, or refraining from making, any investment decision.

3.1.1 Research Methodology

All data, analysis and research estimates in this section are based on research work conducted in November 2024G, including: (i) Desk research to collect publicly available secondary sources of data, including statistics on macroeconomic indicators, demographics from entities such as the General Authority for Statistics (GASTAT), Saudi Central Bank (SAMA), Euromonitor International's internal database (Passport), and trade press on companies and third party reports; (ii) Trade survey analysis of the opinions and perspectives of a sample of leading Fashion and Apparel companies; and (iii) Cross-checks and analysis of all sources to build an industry consensus on the market size and historic trends.

3.1.2 Forecasting Bases and Assumptions

Euromonitor International based the Euromonitor International Report on the following assumptions: (i) the social, economic, and political environment is predicted to remain stable in Saudi Arabia during the 2023G-2029G period; (ii) there will be no external shock, such as financial crisis that affects the demand and supply of the sector during the same period; (iii) key demand drivers expected to influence growth over 2024G-2029G such as GDP, disposable income, public and private expenditure in Saudi Arabia.

3.2 Macroeconomic and Demographic Overview

3.2.1 Macroeconomic Overview of Saudi Arabia

In recent years, the Gulf Cooperation Council (GCC) region has shown favourable economic growth for businesses to thrive; the waves of economic diversification are expected to benefit non-oil sectors

Over the past years, the GCC region has provided favourable economic conditions for businesses, evidenced by nominal GDP growth at a CAGR of 5.6% between 2019G and 2023G. Nominal GDP is projected to rise from SAR7.9 trillion in 2023G to SAR8.1 trillion in 2024G, and maintain a positive growth trajectory between 2023G and 2029G,with a projected CAGR of 5.2%. This positive outlook is not solely due to the expected recovery in oil production, with stable growth in the non-oil economy also expected to continue over the medium term, contributing to the region's economic recovery. The GCC's commitment to diversifying the region's economies underscores the strategic approach to promoting resilience and sustainable development, while supporting local businesses and economies.[2] As a result, the region's total nominal GDP is predicted to reach SAR10.8 trillion by 2029G.

Economic diversification and increased FDI in the GCC are driving job creation across various industries, leading to more employment opportunities for both the local and expatriate populations. This rise in employment, combined with a low and stable inflation rate of 2.2% in 2023G, compared to the global average of 6.9%, has boosted consumer spending, creating a positive feedback loop that enhances overall economic stability. Additionally, the increasing involvement of women in the workforce in Saudi Arabia is predicted to drive disposable income per capita, which stood at SAR57,252 in 2023G, and is projected to reach SAR69,895 by 2029G. The rise in disposable income and in workforce participation, coupled with a moderate inflation rate of 2.0%, compared to the global average of 3.3%, will support increased consumer spending on clothing and footwear. This spending is projected to reach SAR205 billion by 2029G, growing at a CAGR of 4.3% between 2023G and 2029G.

The table below shows key macroeconomic indicators in the GCC between 2019G and 2029G:

Table (3.1): Key Macroeconomic Indicators in GCC, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
GDP (Nominal)	SAR billion	6,378	7,925	8,125	10,761	5.6%	5.2%
GDP (Nominal) Per Capita	SAR	120,561	135,356	135,181	164,373	2.9%	3.3%
GDP (Real, 2023 prices)	SAR billion	7,373	7,925	8,064	9,712	1.8%	3.4%
GDP (Real) Per Capita	SAR	139,370	135,356	134,153	148,352	-0.7%	1.5%
Real GDP Growth	% growth	1.1	0.4	1.7	3.5	-	-
Disposable Income	SAR billion	2,646	3,352	3,520	4,578	6.1%	5.3%
Disposable Income Per Capita	SAR	50,074	57,252	58,570	69,895	3.4%	3.4%
Inflation	% growth	1.5	2.2	1.9	2.0	-	-
Consumer Expenditure	SAR billion	2,552	3,233	3,407	4,478	6.1%	5.6%
Consumer Expenditure Per Capita	SAR	48,242	55,217	56,676	68,395	3.4%	3.6%
Consumer Expenditure on Clothing and Footwear	SAR million	132,133	159,588	165,798	205,860	4.8%	4.3%
Consumer Expenditure on Clothing and Footwear Per Capita	SAR	2,498	2,726	2,758	3,145	2.2%	2.4%

Source: Euromonitor International calculations based on published information on reliable public sources such as GASTAT, Euromonitor Passport Economies and Consumers (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

2 World Bank Group. (2024G). New GCC Economic Update Finds Improved Quality of Education is Critical for Sustained Economic Growth

Saudi Arabia is the largest economy in the MENA region, and its Vision 2030 target for the non-oil sector to account for 50% of GDP is set to boost economic growth, particularly in non-oil sectors like retail

With an estimated GDP of SAR4.0 trillion in 2023G, Saudi Arabia is the largest economy in the Middle East and North Africa (MENA) and GCC region. Other selected ranked GCC countries in the MENA region by total GDP value in 2023G include; UAE (SAR2.0 trillion, ranked second), Qatar (SAR799 billion, ranked tenth), Kuwait (SAR616 billion, ranked eleventh), Oman (SAR408 billion, ranked fourteenth) and Bahrain (SAR173 billion, ranked twenty-fifth). The Kingdom's economic progress is reflected in GDP per capita of SAR120,329 in 2023G, which grew at a steady CAGR of 4.0% between 2019G and 2023G. A notable highlight was the Kingdom's real GDP surging by 7.5% in 2022G over 2021G, marking the highest growth rate in a decade, largely driven by reforms aimed at encouraging private sector participation and economic diversification. Vision 2030 is laying the foundations for a transformation, with a target for non-oil sectors to contribute 50% of the Kingdom's GDP by 2030 from 16% when the Vision 2030 was launched in 2016G.[3] Key sectors, include tourism, hospitality, entertainment and retail, are at the forefront of this shift, further supported by mega-projects like NEOM, a futuristic smart city, and The Red Sea Project, focused on luxury tourism, which are central to these diversification efforts.

The table below shows key macroeconomic indicators in Saudi Arabia between 2019G and 2029G:

Table (3.2): Key Macroeconomic Indicators in Saudi Arabia, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
GDP (Nominal)	SAR billion	3,145	4,003	4,146	5,532	6.2%	5.5%
GDP (Nominal) Per Capita	SAR	104,598	120,330	122,048	149,770	3.6%	3.7%
GDP (Real, 2023 prices)	SAR billion	3,704	4,003	4,055	4,906	2.0%	3.4%
GDP (Real) Per Capita	SAR	123,216	120,330	119,373	132,803	-0.6%	1.7%
Real GDP Growth	% growth	1.1	-0.8	1.3	3.5	-	-

Source: Euromonitor International calculations based on published information on reliable public sources such as GASTAT, Euromonitor Passport Economies and Consumers (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

Rapid urbanisation, rising disposable incomes and government support create strong opportunities for the retail sector to play a central role in economic diversification

With stable inflation and improvements in the labour market, Saudi Arabia's disposable income per capita reached an estimated SAR47,930 in 2023G, having grown at a CAGR of 3.3% between 2019G and 2023G, above the average global disposable income per capita of SAR31,266 in 2023G. Notably, during the review period, the per capita disposable income of Saudi women grew at a strong pace, achieving a CAGR of 8.4% between 2019G and 2023G. This increase in women's disposable income is attributable to their growing participation in the workforce, granting them greater financial and personal independence. This positive trend in women's disposable income is predicted to boost overall spending on apparel and daily wear items, such as underwear and nightwear.

The table below shows key macroeconomic indicators in Saudi Arabia between 2019G and 2029G:

3 SetUpinSaudi.com.(2024G). Untapped Funding and Business Growth Prospects

Table (3.3): Key Macroeconomic Indicators in Saudi Arabia, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
Disposable Income	SAR billion	1,266	1,595	1,677	2,140	5.9%	5.0%
Disposable Income Per Capita	SAR	42,094	47,930	49,347	57,923	3.3%	3.2%
Disposable Income per Capita by Sex (Male)	SAR	60,148	66,288	68,558	80,136	2.5%	3.2%
Disposable Income per Capita by Sex (Female)	SAR	13,834	19,120	19,349	24,046	8.4%	3.9%
Median Disposable Income per Household	SAR	137,852	131,601	131,865	143,355	-1.2%	1.4%
Urban Disposable Income	SAR billion	1,127	1,411	1,483	1,895	5.8%	5.0%
Urban Disposable Income per Capita	SAR	44,601	49,916	51,263	59,464	2.9%	3.0%
Rural Disposable Income	SAR billion	138	184	193	245	7.4%	4.9%
Rural Disposable Income per Capita	SAR	28,870	36,721	38,344	48,241	6.2%	4.7%
Index of Consumer Prices	2010 = 100	118.4	132.4	134.6	148.6	-	-
Index of Clothing and Footwear Prices	2010 = 100	99.5	102.2	101.6		-	-
Index of Clothing Prices	2011 = 100	97.5	99.7	99.0		-	-
Inflation	% growth	-2.1	2.3	1.7	2.0	-	-

Source: Euromonitor International calculations based on published information on reliable public sources such as GASTAT, Euromonitor Passport Economies and Consumers (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

The rapid growth of urban areas and the consistent migration of the population towards urban centres is predicted to fuel the retail sector, with shopping malls remaining major hubs for both retail and entertainment, drawing millions of visitors annually. The government continues to promote retail as part of its economic diversification strategy, with the Saudi retail sector predicted to reach SAR596 billion by 2024G,[4] making it a major contributor to the Kingdom's non-oil GDP, accounting for ~15% of nominal GDP value in 2024G.

In the first half of 2024G, Riyadh's reported retail space supply was 3.5 million sq m.[5] Numerous developments, including shopping malls and lifestyle spaces planned as part of Vision 2030, are set to further boost Riyadh's retail area by 28% by 2026G, reaching 4.6 million sq m.[6] Meanwhile, Jeddah has seen the completion of several zones at Souq 7, adding about 106,000 sq m of retail space, which has brought the city's total retail supply to 2.2 million sq m,[7] compared to 1.7 million sq m in the first quarter of 2023G.[8]

4 Middle East Council of Shopping Centers & Retailers. (2024G). Insights into retail expansion in KSA
5 Jones Lang LaSalle. (2024G). Kingdom of Saudi Arabia Retail Market Dynamics, Q2 2024
6 Arab News. (2024G). Riyadh retail space to grow 28% by 2026: Knight Frank
7 Jones Lang LaSalle. (2024G). Kingdom of Saudi Arabia Retail Market Dynamics, Q2 2024
8 ME Retail News. (2023G). Mega retail projects aim to catapult Saudi retail growth

Rising disposable incomes are expected to increase consumer spending on daily wear products, such as underwear and traditional national clothing, supporting growth in the fashion and textile sector

The rapid economic development in the Kingdom, accompanied by growth in consumer disposable incomes, has contributed to gains in total consumer expenditure in the Kingdom, which recorded a CAGR of 5.4% over 2019G-2023G, to stand at SAR1,640 billion in 2023G. Expenditure on clothing and footwear, grew at a CAGR of 2.1% during 2019G-2023G, higher than the growth of expenditure on furniture and furnishings and jewellery, which for example recorded lower annual growth at 0.1% and 0.9% during 2019G and 2023G. Just like food items (expenditure on food grew at a 6.5% CAGR over 2019G to 2023G), clothing items such as underwear, nightwear and thobes are essential every day clothing items, worn daily by Saudi's. Even during recessionary or lower economic growth phases, consumers continue to purchase these every day essential clothing items, making them defensive in nature. In 2023G, approximately 3.8% of total consumer expenditure was allocated to clothing. For example, in comparison, the proportion of consumer expenditure on clothing and footwear within total expenditure in Japan, France and the US was 3.2%, 3.0% and 2.9%, respectively, in 2023G.

The table below shows key macroeconomic indicators in Saudi Arabia between 2019G and 2029G:

Table (3.4): Key Macroeconomic Indicators in Saudi Arabia, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
Consumer Expenditure	SAR billion	1,328	1,640	1,733	2,007	5.4%	3.4%
Consumer Expenditure on Clothing and Footwear	SAR million	57,946	63,082	65,138	76,328	2.1%	3.2%
Consumer Expenditure on Clothing	SAR million	46,534	49,540	51,139	59,850	1.6%	3.2%
Consumer Expenditure on Clothing and Footwear per Capita	SAR	1,927	1,896	1,917	2,066	-0.4%	1.4%
Consumer Expenditure on Clothing per Capita	SAR	1,548	1,489	1,505	1,620	-1.0%	1.4%
Urban Consumer Expenditure	SAR billion	1,183	1,452	1,535	1,997	5.3%	5.5%
Rural Consumer Expenditure	SAR billion	144	188	199	257	6.9%	5.3%
Urban Consumer Expenditure per Capita	SAR	46,816	51,373	53,034	62,680	2.3%	3.4%
Rural Consumer Expenditure per Capita	SAR	30,088	37,556	39,430	50,604	5.7%	5.1%

Source: Euromonitor International calculations based on published information on reliable public sources such as GASTAT, Euromonitor Passport Economies and Consumers (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

Vision 2030 and Saudisation initiatives will boost local labour participation, while infrastructure investments and programmes will promote local brands, retail activities and services

Looking ahead, Saudi Arabia's real GDP is predicted to grow at a CAGR of 3.4% over 2023G-2029G, driven by ongoing economic diversification efforts and easing inflationary pressures. Vision 2030 and Saudisation initiatives will play a crucial role in increasing local workforce participation (particularly among women and younger males), female empowerment, raising disposable incomes, and boosting consumer spending in key sectors such as retail. These initiatives will strengthen the presence of local brands, boost local retail activities and create opportunities for local businesses to expand both domestically and internationally.

3.2.2 Socioeconomic Overview of Saudi Arabia

A growing young and tech-savvy population will be a key driver of economic growth and future labour force participation, boosting demand for fashion and apparel products

In 2023G, Saudi Arabia's population surpassed 33.2 million, having grown at a CAGR of 2.6% over 2019G- 2023G. This represented nearly 57% of the total GCC population of 58.5 million. The recent surge in expatriate numbers has been driven by the Kingdom's efforts to attract foreign businesses, which has bolstered overall population growth. Furthermore, Saudi Arabia's population remains very young, with a median age of 30.5 years in 2023G, lower than the GCC average of 31.1 years, and also lower than the median age of large economies like China, at 40.2 years, and the US, at 39.1 years.

Saudi Arabia's young population serves as an engine for economic growth through several key mechanisms. First, the large proportion of young people in the population creates a demographic dividend, providing a large workforce and consumer base for years to come.

The Kingdom's key socioeconomic indicators between 2019G and 2029G are shown below:

Table (3.5): Key Socioeconomic Indicators in Saudi Arabia, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
Total Population	'000	30,064	33,271	33,973	36,939	2.6%	1.8%
Male Population	'000	18,345	20,322	20,710	22,310	2.6%	1.6%
Female Population	'000	11,719	12,949	13,263	14,629	2.5%	2.1%
Foreign Citizens	'000	12,557	13,712	13,891	14,598	2.2%	1.0%
National Citizens	'000	17,507	19,559	20,082	22,341	2.8%	2.2%
Rural Population	'000	4,791	5,007	5,038	5,074	1.1%	0.2%
Urban Population	'000	25,273	28,264	28,935	31,865	2.8%	2.0%
Urbanisation	'000	84.1	85.0	85.2	86.3	0.3%	0.3%
Economically Active Population	'000	14,128	16,149	16,612	18,407	3.4%	2.2%
Economically Active Male Population	'000	11,775	12,892	13,286	14,603	2.3%	2.1%
Economically Active Female Population	'000	2,353	3,257	3,326	3,804	8.5%	2.6%

Source: Euromonitor International calculations based on published information on reliable public sources such as GASTAT, Euromonitor Passport Economies and Consumers (2024G) database, national statistics, third party sources and consensus from interviews with industry

Initiatives such as the Saudisation have supported job creation and reduced unemployment among the Saudi population, particularly women

In recent years, significant developments have accelerated the Saudisation agenda. The Ministry of Human Resources and Social Development (MHRSD) has issued several reforms, the most recent of which took effect in December 2021G, aiming to create 340,000 jobs for Saudis by 2024G. These reforms are designed to generate more employment opportunities for local citizens, including for example increasing employment opportunities among the younger generation of men and women.[9]

9 PWC. (2021G). How Saudisation and Vision 2030 are shaping the Kingdom's immigration landscape

The unemployment rate has continued to decline, dropping from 5.6% in 2019G to 4.0% in 2023G, reflecting steady growth in job opportunities for both Saudi nationals and expatriates. The Kingdom has seen significant progress in enhancing female work participation, with the female employment rate rising from 24.9% in 2019G to 32.8% in 2023G. This shift is evident in the consistent reduction of the unemployment rate among female Saudi nationals, which dropped from 30.8% in 2019G to 15.7% in 2023G.[10] This new socio-demographic outlook will positively impact average disposable income and consumer spending. Empowered and independent women, with higher disposable incomes, will significantly support retail sector growth. The youth employment rate increased over 2019G to 2023G from 15.2% to 17.1% respectively, supported assisted by opportunities created by the Saudization programme.

The table below shows the key socioeconomic indicators in the Kingdom between 2019G and 2029G:

Table (3.6): Key Socioeconomic Indicators in Saudi Arabia, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019-2023	CAGR 2023 – 2029
Labour Force Participation Rate	% of working age 15-64 population	64.2	65.6	-	-	-	-
Employed Population	'000	13,332	15,501	15,999	17,458	3.8%	2.0%
Employed Male Population	'000	11,454	12,653	13,043	14,205	2.5%	1.9%
Employed Female Population	'000	1,878	2,848	2,956	3,253	11.0%	2.2%
Saudi Female Labour Force Participation	%	26.0	35.2	-	-	-	-
Non-Saudi Female Labour Force Participation	%	28.8	33.3	-	-	-	-
Employment Rate	% of working age 15-64 population	60.6	63.0	-	-	-	-
Male Employment Rate	% of working age 15-64 male population	80.4	79.6	-	-	-	-
Saudi Male Labour Force Participation	%	66.6	66.1	-	-	-	-
Non-Saudi Male Labour Force Participation	%	93.6	94.2	-	-	-	-
Female Employment Rate	% of working age 15-64 female population	24.3	32.8	-	-	-	-
Youth Employment Rate	% of working age 15-24 population	15.2	17.1	-	-	-	-
Unemployed Population	'000	796	648	614	949	-5.0%	6.6%
Unemployed Male Population	'000	321	239	243	398	-7.1%	8.9%
Unemployed Female Population	'000	476	409	370	550	-3.7%	5.1%
Unemployment Rate	% of economically active population	5.6	4.0	3.7	5.2	-	-
Male Unemployment Rate	% of economically active population	2.7	1.9	1.8	2.7	-	-
Female Unemployment Rate	% of economically active population	20.2	12.6	11.1	14.5	-	-
Youth Unemployment Rate	% of economically active population aged 15-24	26.9	19.4	-	-	-	-
Unemployment Rate Saudi Female	%	30.8	15.7	-	-	-	-

10 GASTAT. (2023G). Labour Market Statistics

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019-2023	CAGR 2023 – 2029
Unemployment Rate Non-Saudi Female	%	1.3	5.8	-	-	-	-
Unemployment Rate Saudi Male	%	4.9	4.7	-	-	-	-
Unemployment Rate Non-Saudi Male	%	0.3	1.0	-	-	-	-
Middle Class Households (% of Total)	%	29.4	29.1	29	28.9	-	-
Number of Households	'000	7,233	9,521	9,985	11,700	7.1%	3.5%

Source: Euromonitor International calculations based on published information on reliable public sources such as GASTAT, Euromonitor Economy and Consumer (2024G) Passport database, national statistics, third party sources and consensus from interviews with industry leaders

Urbanisation and balanced demographics are boosting the retail and tourism sectors, while a young population is supporting the rise in apparel demand

Saudi Arabia's trend towards urbanisation is predicted to continue, driven by a growing working-age population in its cities. By 2029G, urban residents are projected to represent 86.3% of the total population, up from 84.9% in 2023G. The proportion of the Kingdom's population living in urban areas will remain considerably higher than in other key emerging markets, like China and India, which are forecast urbanisation rates of 70.2% and 39.4%, respectively, in 2029G. All of the Kingdom's major cities are forecast to see population growth over 2023G-2029G, with Riyadh, Jeddah, Dammam, Makkah and Madinah experiencing the most significant expansion, due to their strong economies, which attract high levels of inward migration.

Policies promoting cultural pride and national identity are driving increased demand for traditional men's national wear

In 2024G, the Saudi government introduced a policy requiring all civilian government employees to wear traditional dress during working hours, with the exception of professionals such as doctors, engineers and health workers, who require specific clothing for their work. This policy, which emphasises cultural pride and national identity, could inspire private sector employees, particularly in local businesses, to adopt similar practices. The growing adoption of traditional attire across sectors is projected to increase demand for traditional men's national wear, particularly thobes and ghutra or shemagh. The policy not only supports national identity but also opens up opportunities for growth in the fashion and textile industries focused on traditional apparel.

3.2.3 Macroeconomic Gulf Cooperation Countries Overview

United Arab Emirates macroeconomic overview

Despite slower GDP growth in 2023G, the UAE shows robust economic growth and non-oil sector activity diversification

The UAE is among the most developed nations in the MENA region, boasting a GDP of SAR2.0 trillion in 2023G. Historically reliant on its oil and gas reserves, the UAE has been actively diversifying its economy with significant investments in tourism, financial services, and construction. Over the forecast period, the UAE economy is expected to grow from 2024G, with an average GDP growth projected at 4.1% to 2029G. The non-oil output, especially in the tourism, real estate, construction, transportation, and manufacturing sectors, is expected to remain robust, reflecting the UAE's successful drive to diversify its economy.

UAE recorded a total population of 10.7 million in 2023G, up from 9.5 million in 2019G, a 2.9% CAGR over this period. The country's population is relatively young, with a median age of 33.5 years which supports a dynamic labour market and robust consumer demand.

Consumer income levels in the UAE have remained significantly high, with disposable income reaching SAR1,008 billion in 2023G (SAR94,477 per capita) from SAR723 billion (SAR76,046 per capita) in 2019G, a 5.6% CAGR over this period. The growth in disposable income has driven consumer expenditure, which increased by a CAGR of 9.6% between 2019G and 2023G, reaching a total of SAR975 billion (SAR91,332 per capita) in 2023G from SAR675 billion (SAR70,974 per capita) in 2019G.

The table below shows key macroeconomic indicators in the UAE between 2019G and 2029G:

Table (3.7): Selective Key Macroeconomic Indicators in the UAE, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
GDP (Nominal)	SAR billion	1,566	1,926	1,993	2,448	5.3%	4.1%
GDP (Nominal) Per Capita	SAR	164,596	180,353	180,475	204,994	2.3%	2.2%
Real GDP Growth	% growth	1.1	3.6	3.5	4.5	-	-
Inflation	%	(1.9)	1.6	2.8	2.0	-	-
Disposable Income	SAR billion	723	1,009	1,037	1,217	8.7%	3.2%
Disposable Income Per Capita	SAR	76,046	94,477	93,861	101,877	5.6%	1.3%
Consumer Expenditure	SAR billion	675	975	1,007	1,195	9.6%	3.4%
Consumer Expenditure per capita	SAR	70,974	91,332	91,165	100,091	6.5%	1.5%
Consumer Expenditure on Clothing and Footwear	SAR billion	35	53	54	63	10.9%	2.9%
Consumer Expenditure on Clothing and Footwear per capita	SAR	3,694	4,966	4,920	5,234	7.7%	0.9%
Total Population	'000	9,512	10,679	11,044	11,942	2.9%	1.9%
Male Population	'000	6,140	6,843	7,065	7,559	2.7%	1.7%
Female Population	'000	3,373	3,836	3,979	4,383	3.3%	2.2%
Foreign Citizens	'000	8,535	9,561	9,879	10,602	2.9%	1.7%
National Citizens	'000	978	1,118	1,166	1,341	3.4%	3.1%
Rural Population	'000	1,244	1,292	1,311	1,294	1.0%	0.0%
Urban Population	'000	8,268	9,387	9,733	10,648	3.2%	2.1%
Unemployment Rate	% of economically active population	2.6	3.1	2.8	2.7	-	-

Source: Euromonitor International calculations based on published information on reliable public sources such as Federal Competitiveness and Statistics Centre UAE, The Central Bank Of UAE, Euromonitor Passport Economies and Consumers (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

Kuwait macroeconomic overview

Kuwait's efforts to diversify its economy have begun to yield positive momentum, despite challenges stemming from its reliance on oil revenues and fluctuating real GDP growth since 2019G.

Kuwait's real GDP fell in 2020G and again in 2023G by 3.6%, reaching a total GDP of SAR616 billion in 2023G due to OPEC+ production cuts and fluctuating oil prices. In 2017G, Kuwait's government introduced its Vision 2035 and National Development Plan, known as "New Kuwait".[11] These initiatives are projected to push real GDP growth over the forecast period with an average of 2.7% annually to reach a total of SAR698.2 billion by 2029G. Disposable income in Kuwait reached a total of SAR276.3 billion (SAR57,658 per capita) in 2023G, up from SAR254.1 billion (SAR57,488 per capita) in 2019G, a CAGR of 2.1%.

Kuwait's total population was 4.8 million in 2023G, with foreign citizens comprising 67.4% of the population in 2023G, totalling 3.2 million. Despite its small population, the country's natural resource endowments have generated wealth for the nation, which has translated into high consumer expenditure of SAR189.5 billion in 2023G, particularly in discretionary spending categories such as miscellaneous goods and services and clothing and footwear. Kuwait's consumer expenditure on clothing and footwear was valued at SAR18.1 billion (SAR3,783 per capita) in 2023G, from SAR17 billion (SAR 3,838 per capita) in 2019G, a CAGR 1.7% over the period.

The table below shows key macroeconomic indicators in Kuwait between 2019G and 2029G:

Table (3.8): Selective Key Macroeconomic Indicators in Kuwait, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
GDP (Nominal)	SAR billion	524	616	611	698	4.1%	2.1%
GDP (Nominal) Per Capita	SAR	118,521	128,511	124,377	131,939	2.0%	0.4%
Real GDP Growth	% growth	2.3	(3.6)	(0.8)	2.6	-	-
Inflation	%	1.1	3.6	3	1.9	-	-
Disposable Income	SAR billion	254	277	279	316	2.1%	2.2%
Disposable Income Per Capita	SAR	57,488	57,658	56,736	59,681	0.1%	0.6%
Consumer Expenditure	SAR billion	179	190	187	205	1.5%	1.3%
Consumer Expenditure per capita	SAR	40,429	39,541	38,079	38,732	(0.6%)	(0.3%)
Consumer Expenditure on Clothing and Footwear	SAR billion	17	18	18	20	1.7%	1.3%
Consumer Expenditure on Clothing and Footwear per capita	SAR	3,838	3,783	3,646	3,700	(0.4%)	(0.4%)
Total Population	'000	4,420	4,794	4,913	5,292	2.0%	1.7%
Male Population	'000	2,737	2,933	3,021	3,236	1.7%	1.7%
Female Population	'000	1,684	1,861	1,892	2,055	2.5%	1.7%
Foreign Citizens	'000	3,084	3,233	3,308	3,562	1.2%	1.6%
National Citizens	'000	1,336	1,561	1,605	1,730	4.0%	1.7%
Urban Population	'000	4,420	4,794	4,913	5,292	2.1%	1.7%
Unemployment Rate	% of economically active population	2.0	2.3	2.2	2.1		

Source: Euromonitor International calculations based on published information on reliable public sources such as Central Statistics Bureau Kuwait, Central Bank of Kuwait, Euromonitor Passport Economies and Consumers (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

11 New Kuwait (2024G) New Kuwait Campaign Launched

Qatar macroeconomic overview

Qatar's income levels and economy showed resilience despite 2023G slowdown

Despite global economic challenges such as supply chain disruptions, geopolitical tensions, and inflationary pressures, Qatar's economy remained resilient, following the successful hosting of the FIFA World Cup in 2022G. In 2023G, real GDP slowed to 1.2%, reaching a total of SAR799 billion. Qatar continues to drive growth through strategic initiatives aimed at economic diversification and innovation. Forward-thinking policies and regulations will support these goals, contributing to GDP reaching a total of SAR969 billion by 2029G.[12] Disposable income reached a total of SAR207.6 billion in 2023G, up from SAR190.7 billion in 2019G, a CAGR of 2.1%.

Qatar's population dynamics, rising incomes, and resilient labour market collectively position the country as an emerging consumer market. In 2023G, the total population stood at 3.1 million, with forecasts projecting to reach 3.4 million by 2029G (a 2.3% CAGR), driven entirely by natural increase as net migration stabilises. The youthful nature of the population, reflected in a median age of 34.2 years in 2023G, underpins the strength of Qatar's labour market. This favourable labour environment has driven consumer expenditure to SAR208.8 billon in 2023G, growing at a CAGR of 2.9% from 2019G to 2023G. Consumer expenditure on clothing and footwear was valued at SAR12.7 billion (SAR4,136 per capita) in 2023G, having grown from SAR10.9 billion (SAR 3,896 per capita) in 2019G, at a CAGR of 3.8% over the period. High and growing incomes continue to support spending.

The table below shows key macroeconomic indicators in Qatar between 2019G and 2029G:

Table (3.9): Selective Key Macroeconomic Indicators in Qatar, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
GDP (Nominal)	SAR billion	661	799	815	969	4.9%	3.3%
GDP (Nominal) Per Capita	SAR	236,228	260,722	258,022	285,886	2.5%	1.5%
Real GDP Growth	% growth	0.7	1.2	2.0	2.3	-	-
Inflation	%	(0.7)	2.8	1.3	2.0	-	-
Disposable Income	SAR billion	191	208	209	270	2.2%	4.5%
Disposable Income Per Capita	SAR	68,131	67,780	66,318	79,784	(0.1%)	2.8%
Consumer Expenditure	SAR billion	180	209	212	270	3.7%	4.4%
Consumer Expenditure per capita	SAR	64,436	68,175	67,098	79,782	1.4%	2.7%
Consumer Expenditure on Clothing and Footwear	SAR billion	11	13	13	16	3.8%	3.5%
Consumer Expenditure on Clothing and Footwear per capita	SAR	3,896	4,136	4,071	4,658	1.5%	2.0%
Total Population	'000	2,799	3,063	3,157	3,390	2.3%	1.7%
Male Population	'000	2,064	2,191	2,222	2,352	1.5%	1.2%
Female Population	'000	735	872	937	1,038	4.4%	2.9%
Foreign Citizens	'000	2,466	2,688	2,766	2,944	2.2%	1.5%
National Citizens	'000	333	376	391	445	3.0%	2.9%
Rural Population	'000	23	20	19	17	(3.4%)	(3.0%)
Urban Population	'000	2,777	3,043	3,132	3,373	2.3%	1.7%
Unemployment Rate	% of economically active population	0.1	0.1	0.1	0.2	-	-

Source: Euromonitor International calculations based on published information on reliable public sources such as National Planning Council Qatar, Qatar Central Bank, Euromonitor Passport Economies and Consumers (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

12 Qatar Government (2024G) Qatar National Vision 2030

Bahrain macroeconomic overview

Bahrain positive economic growth is supported by ongoing non-oil revenue diversification strategies by the government

Annual real GDP growth reached 3.0% in 2023G from 2.1% in 2019G, which was largely attributed to non-oil sector development with advances in financial services, hospitality and manufacturing as well as infrastructure projects. Over the forecast period annual real GDP growth is forecast at 2.7% in 2029G. Bahrain's economic growth will be driven by ongoing non-oil revenue diversification and infrastructure development by the government. Bahrain's disposable income per capita reached SAR56,446 in 2023G from SAR52,202 in 2019G, growing at a 2% CAGR. Bahrain's disposable income per capita is forecast to continue growing at a 1% CAGR, reaching SAR59,770, in 2029G. Consumer expenditure on clothing and footwear in Bahrain decreased over 2019G to 2023G, valued at SAR3.4 billion (SAR2,178 per capita) in 2023G, a decline of 1.0% per annum, caused by deflationary pressure on consumer incomes and price of goods.

In 2023G, Bahrain has a small population of 1.6 million people. The total population grew at a CAGR of 1.5% from 2019G and is forecast to grow at a 1.6% CAGR to 2029G from 2023G. The median age of the population is 33.6 years in 2023G.

The table below shows key macroeconomic indicators in Bahrain between 2019G and 2029G:

Table (3.10): Selective Key Macroeconomic Indicators in Bahrain, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
GDP (Nominal)	SAR billion	152	173	178	203	3.3%	2.7%
GDP (Nominal) Per Capita	SAR	102,241	109,508	110,273	116,816	1.7%	1.1%
Real GDP Growth	% growth	2.1	3	3	2.7	-	-
Inflation	%	1	0.1	1.3	2	-	-
Disposable Income	SAR billion	77	89	90	104	3.5%	2.6%
Disposable Income Per Capita	SAR	52,202	56,446	55,693	59,766	2.0%	1.0%
Consumer Expenditure	SAR billion	64	61	61	71	(1.0%)	2.4%
Consumer Expenditure per capita	SAR	42,966	38,816	37,682	40,478	(2.5%)	0.7%
Consumer Expenditure on Clothing and Footwear	SAR billion	3.6	3.4	3.4	3.9	(1.0%)	2.0%
Consumer Expenditure on Clothing and Footwear per capita	SAR	2,409	2,178	2,114	2,222	(2.5%)	0.3%
Total Population	'000	1,484	1,577	1,614	1,739	1.5%	1.6%
Male Population	'000	921	980	1,002	1,084	1.6%	1.6%
Female Population	'000	563	597	612	664	1.5%	1.8%
Foreign Citizens	'000	782	850	876	949	2.1%	1.9%
National Citizens	'000	702	727	739	798	0.9%	1.4%
Rural Population	'000	157	160	161	162	0.4%	0.2%
Urban Population	'000	1,326	1,417	1,453	1,578	1.7%	1.8%
Unemployment Rate	% of economically active population	4.7%	7.4%	4.0	4.0	-	-

Source: Euromonitor International calculations based on published information on reliable public sources such as Information and Government Authority Bahrain, Central Bank of Bahrain, Euromonitor Passport Economies and Consumers (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

Oman macroeconomic overview

Oman's economy is gaining strength, supported by rising consumer spending and structural reforms, despite challenges tied to its dependence on fluctuating oil prices

The Oman economy grew at a real GDP of 1.3% during 2023G, a slowdown caused by production cuts by OPEC and economic reforms. Real GDP is forecast to grow at an average of 2.9 % between 2024G and 2029G, driven by higher oil production and ongoing structural reforms and government revenue diversification strategies. Omans's disposable income per capita reached SAR33,922 in 2023G from SAR29,157 in 2019G, growing at a 3.9% CAGR. Consumer expenditure on clothing and footwear in Oman increased over 2019G to 2023G, valued at SAR 9.2 billion (SAR1,789 per capita) in 2023G from SAR7.6 billion (SAR1,650 per capita) in 2019G, a rise of 5.0% per annum, with increased purchasing power among consumers.

Oman's total population stood at 5.2 million people in 2023G, growing at a CAGR of 2.8% since 2019G and is forecast to continue growing at a 3.0% CAGR between 2023G and 2029G. The population is very young, with a median age of 21 years in 2023G.

The table below shows key macroeconomic indicators in Oman between 2019G and 2029G:

Table (3.11): Selective Key Macroeconomic Indicators in Oman, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
GDP (Nominal)	SAR billion	330	408	413	484	5.4%	2.9%
GDP (Nominal) Per Capita	SAR	71,489	78,968	76,397	78,506	2.5%	(0.1%)
Real GDP Growth	% growth	(1.1)	1.3	1.2	3.2	-	-
Inflation	%	0.1	1.0	0.7	2.0	-	-
Disposable Income	SAR billion	135	175	186	244	6.8%	5.7%
Disposable Income Per Capita	SAR	29,157	33,922	34,419	39,562	3.9%	2.6%
Consumer Expenditure	SAR billion	126	158	168	221	5.7%	5.8%
Consumer Expenditure per capita	SAR	27,371	30,493	31,026	35,806	2.7%	2.7%
Consumer Expenditure on Clothing and Footwear	SAR billion	7.6	9.2	9.8	12.2	4.9%	5.2%
Consumer Expenditure on Clothing and Footwear per capita	SAR	1,650	1,789	1,814	2,031	2.0%	2.1%
Total Population	'000	4,618	5,166	5,403	6165	2.8%	3.0%
Male Population	'000	2,945	3,207	3,362	3,885	2.2%	3.0%
Female Population	'000	1,673	1,959	2,042	2,327	4.0%	2.9%
Foreign Citizens	'000	1963	2237	2384	2859	3.3%	4.2%
National Citizens	'000	2,655	2,929	3,019	3,306	2.5%	2.0%
Rural Population	'000	950	878	874	775	(2.0%)	(1.6%)
Urban Population	'000	3,668	4,288	4,530	5,478	4.0%	3.8%
Unemployment Rate	% of economically active population	15.3	14.9	14.9	14.8	-	-

Source: Euromonitor International calculations based on published information on reliable public sources such as The National Centre for Statistics and Information Oman, Central Bank of Oman, Euromonitor Passport Economies and Consumers (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

3.3 Industry Overview – Fashion and Apparel Sector in Saudi Arabia

3.3.1 Overview of Womenswear Segment in Saudi Arabia

Saudi women's increasing workforce participation and financial autonomy have supported the growth of the Kingdom's womenswear market across categories, including nightwear and underwear

In 2023G, the womenswear market in Saudi Arabia reached SAR29.1 billion in value sales. The market expanded at a CAGR of 3.3% in value terms over the review period (2019G-2023G). Saudi women's growing workforce participation has supported the market's volume growth across women's apparel categories, driving greater purchasing power and demand for attire. While inflationary pressures have partly influenced value growth in the womenswear market, consumer expenditure on apparel, increasing women's disposable income potential have contributed to this growth.

The table below shows the womenswear retail sales value market size and expenditure per capita between 2019G and 2029G in Saudi Arabia:

Table (3.12): Womenswear Market Retail Sales Value (SAR million) and Expenditure Per Capita 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR % 2019G-2023G	CAGR % 2023G-2029G
Total Womenswear	SAR million	25,522	29,100	30,750	35,432	3.3%	3.3%
Total Womenswear expenditure per capita (15-64 years old)	SAR	3,311	3,350	3,449	3,591	0.3%	1.2%
Womenswear expenditure per capita Nayomi Women's Core Target Market (26-35 year-olds)	SAR	10,285	11,090	11,621	12,871	1.9%	2.5%

Source: Euromonitor International competitive assessment is based on published information on reliable public sources such as GASTAT, Euromonitor Passport Apparel and Footwear (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

The upward growth trajectory was sustained throughout the review period, with per capita expenditure on womenswear within Nayomi Women's Core Target Market (age group 26-35 years) having grown at a 1.9% CAGR between 2019G and 2023G, reaching SAR11,090 in 2023G. With greater purchasing power and consumption frequency associated with more active, social lifestyles, a considerable share of the womenswear basket will be allocated for more diverse, modern, high-quality nightwear and underwear products and accessories, as Saudi women look to upgrade their wardrobes.

The increasing wealth accumulation among Saudi women is predicted to boost their spending in womenswear categories. This trend is supported by the steady growth in female disposable income across the Kingdom, which experienced a historic CAGR of 8.4% between 2019G and 2023G, reaching SAR19,120 in 2023G, compared to SAR13,834 in 2019G. This growth is projected to continue at a rate of 3.9% over the period to 2029G, outpacing that of male disposable income. The gaining of greater financial independence will further fuel the growth of women's expenditure on everyday essential necessity items like underwear and nightwear.[13]

Coupled with favourable domestic demand dynamics, the Kingdom's localisation agenda in the fashion sector will favour the growth of homegrown brands across womenswear categories

While international retailers are present in the local market, according to trade interview sources, local homegrown brands are both incentivised and competitively positioned to assert their influence on the womenswear market. Euromonitor's trade sources indicated that Saudi consumers are proud of their heritage, culture and support homegrown branded quality products that they trust and know. Local homegrown brands (for example, Saudi women's underwear brand Nayomi) have localised operations with wide retail networks, strong local partnerships, local know-how and cultural knowledge, giving them an advantage over their international counterparts.

13 Saudi Fashion Commission. (2023G). State of Fashion report 2023G

In turn, future category trends will reflect an increasingly diverse womenswear demand landscape in the Kingdom, aligning with women's growing workforce participation and more socially active lifestyles

The Saudi womenswear market is projected to expand at a CAGR of 3.3% between 2023G and 2029G, reaching SAR35.4 billion. Concurrently, per capita expenditure on womenswear among the 15-64 year-old age group is projected to grow steadily, with a CAGR of 1.2% between 2023G and 2029G, reaching SAR3,591 by 2029G. Similarly, expenditure by Nayomi's target demographic (26-35 year-olds) is predicted to grow at a faster CAGR of 2.5% over the same period, reaching SAR12,871 by 2029G.

Expenditure is expected to shift towards more casual styles and womenswear categories, with demand being supported by Vison 2030 mega projects expanding infrastructure development of tourism, entertainment and hospitality venues/attractions. Saudi women will increasingly look for items in these categories that align with the functionalities and styles they need for different activities and social settings, and different outerwear properties The table below shows the key drivers of women's nightwear and underwear in Saudi Arabia:

Table (3.13): Key Growth Drivers for Women's Nightwear and Underwear in Saudi Arabia

Growth Drivers	Implications for Future Growth of Women's nightwear and underwear in Saudi Arabia
Increase in women's workforce participation	• Supports growth in demand for functional and professional attire. • The gain in financial independence will further fuel the growth of women's spending on everyday essentials, such as underwear and nightwear. • Increasing women's freedom to drive and overcome societal biases will boost sales of underwear and nightwear in physical retail stores.
Defensive nature of the categories	• Women will continue to buy these products because they are essential to their daily lives. • As women become more involved in their careers and try to lead healthy lifestyles, they need more underwear, but also comfortable nightwear changes and options to support their busy lifestyles.
Rising disposable incomes	• Increased frequency of purchases and basket sizes. • Will drive higher demand for premium and high-quality products. • Growing middle class consumer segment, seeking well priced, yet good quality and stylish products
Style casualisation	• Brands will need to innovate with new styles, models, colours and fabrics, particularly in modern comfort wear. Emphasising feminine styles and self-expression, they should blend lace and silky materials with comfortable designs to match the evolving lifestyles of women. • Relaxation of regulations, women need a more diverse range of products for frequent outfit changes and functional styles, such as invisible underwear and shapewear. • Demand for underwear will increase due to the growing preference for seamless, smooth and well-fitted styles that remain invisible under lighter fabrics and modern silhouettes. This allows women to maintain a polished, comfortable appearance without compromising modesty.
Young, fashion-conscious population	• Ensures a strong customer base among younger generations, who are a key market for underwear and nightwear. • Brands will increasingly adapt the offering to tackle the specific demand for underwear and nightwear for teens and tweens.

Overview of Women's Underwear

The Saudi women's underwear market stood at SAR2.2 billion in 2023G, comprising a 7.5% share of the total womenswear market. The market expanded at a 4.4% CAGR between 2019G and 2023G, driven in part by the favourable economic environment. As is the case in the broader womenswear category, Saudi women's workforce participation and financial autonomy also contributed to this growth, as women are enjoying greater spending and social power to spend on intimate wear that aligns with their evolving identity and more freely showcases their femininity. Women's per capita expenditure on underwear (females aged 15-64 years old) increased from SAR238 to SAR251 over 2019G to 2023G, corresponding to a 1.4% CAGR. Underwear expenditure per capita among Nayomi's core female target market (26-35 year-olds) reached SAR830 in 2023G, up from SAR738 in 2019G, corresponding to a CAGR of 3.0%.

The table below shows the underwear expenditure per capita for females and Nayomi's core target market in the Kingdom over 2019G-2029G.

Table (3.14): Underwear and Nayomi Core Target Market Expenditure per Capita, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR % 2019-2023	CAGR % 2023 – 2029
Women's Underwear	SAR million	1,832	2,179	2,318	2,720	4.4%	3.8%
Total Underwear expenditure per capita (females 15-64 years old)	SAR	238	251	260	276	1.4%	1.6%
Underwear expenditure per capita Nayomi Core Target (females 26-35 years old)	SAR	738	830	876	988	3.0%	2.9%

Source: Euromonitor International competitive assessment is based on published information on reliable public sources such as GASTAT, Euromonitor Passport Apparel and Footwear (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

Physical retail improvements and increased freedom of mobility among Saudi women have driven demand through offline retail channels for purchasing underwear

The lifting of the driving ban on Saudi women in 2018G has offered Saudi women more freedom of mobility, enabling women to visit shopping malls and physical retail outlets more frequently. This freedom is even more important in everyday necessity products like underwear and intimate wear. This shift led to faster growth in offline retail purchases of product categories like underwear and nightwear, with respective CAGRs of 5.1% and 4.3% between 2019G and 2023G, outpacing e-commerce growth in these categories.

This change has prompted retailers to invest more consistently in improving their retail store locations and in-mall presence. As a result, the retail environment has become more women-friendly, especially for these sensitive everyday product categories. Due to everyday use, underwear products are defensive in nature, with underwear retailers having always been present in a shopping mall. Nayomi has strategically invested in its store locations across all major malls, enhancing the in-store experience with boutique setups, luxurious fit-outs, strategic product layouts and other experiential designs. This approach has strengthened brand penetration and consumer retention, positioning Nayomi as an anchor tenant in shopping malls.

At a product level, demand for comfortable, convenient and casual underwear is growing along with Saudi women's growing workforce participation and increasingly busy lifestyles

In more practical and everyday settings, according to trade interview sources, Saudi women's growing workforce participation has fuelled and diversified their demand for underwear, particularly in functional, high-quality products designed for all-day comfort – including styles with breathable fabrics, moisture-wicking properties and seamless designs, as well as shapewear. Saudi women's socioeconomic empowerment has also spurred demand for lingerie that prioritises aesthetic appeal and comfort.[14]

Moreover, a growing body acceptance and positivity among Saudi women is unlocking new opportunities in the lingerie market, especially for larger sizes and shapewear

Traditionally, the market has been underserved in terms of size variety, with limited options catering to curvier body types. With a change in traditions and a move to a more open society, local and international brands have expanded their size offerings over 2022G-2024G. As the women's underwear market evolves, in line with a rise in consumer demand, there are several opportunities for innovation and growth for key players, especially local brands such as Nayomi, which is known for its strong market presence, well priced high quality products, unique designs, product adaptability and variety. As the category continues to modernise, more functional and seamless products will be key growth drivers. In addition, investment in sizing for local body shapes and shapewear products will be critical. Taking these factors into account, the overall women's underwear market is predicted to reach SAR2.7 billion by 2029G, having grown at a CAGR of 3.8% between 2023G and 2029G.

14 The Washington Post (2021G). 'I can't take this push-up style anymore': Women in the Arab world embrace a new comfort zone

Overview of Women's Nightwear

In 2023G, Saudi Arabia's nightwear market for women stood at SAR2.1 billion (7.1% of total womenswear value) in value sales, having expanded at a 5.4% CAGR since 2019G. Mirroring the broader womenswear category, the market's organic expansion has resulted from to women's growing workforce participation, independence and, in turn, rising purchasing power that has freed up budgets for self-care, beauty and grooming products. As they increase their discretionary spending on a wider assortment of product categories and lead increasingly busy lifestyles, Saudi women are driving greater demand for comfortable and high-quality nightwear for afterwork relaxation at home.

The table below shows the nightwear expenditure per capita for females and Nayomi's core target market in the Kingdom over 2019G-2029G.

Table (3.15): Nightwear and Nayomi Core Target Market per Capita Spend, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR % 2019-2023	CAGR % 2023 – 2029
Women's Nightwear	SAR million	1,665	2,058	2,177	2,491	5.4%	3.2%
Total Nightwear expenditure per capita (females 15-64 years old)	SAR	216	237	244	252	2.3%	1.1%
Nightwear expenditure per capita Nayomi Core Target Market (females 26-35 years old)	SAR	671	784	823	905	4.0%	2.4%

Source: Euromonitor International competitive assessment is based on published information on reliable public sources such as GASTAT, Euromonitor Passport Apparel and Footwear (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

Post-pandemic shifts and changing household dynamics are diversifying Saudi women's demand in the nightwear category

The social commerce boom post the COVID-19 pandemic, along with changing household dynamics, have diversified Saudi women's demand in the nightwear category. This shift has expanded preferences beyond traditional nightdresses and pyjama sets to include a wider variety of styles, colours and materials.

Changing household dynamics, with more Saudi women living in nuclear family or single-person households, are diversifying nightwear demand

Western fast fashion trends, coupled with a changing sociocultural environment and a greater inclination for self-expression are influencing local Saudi's purchases choices and requirements in the nightwear market.[15] Mirroring this demand diversity is the growth in per capita expenditure in the broader Saudi nightwear market. Among the 26-35 year-old cohort, per capita expenditure rose at a 4.0% CAGR over 2019G-2023G, reaching SAR784 in 2023G, up from SAR671 in 2019G.

The Kingdom's shift towards more comfort and modernised styles is blurring the lines for nightwear players, with the introduction of more loungewear product lines that can be worn both in and out of the home

Within the Saudi nightwear market, a gradual shift towards more comfort-driven and modernised styles is taking place. This shift aligns with a broader trend across the Middle East, where demand for contemporary loungewear is also growing.[16] Influenced by social media and rising health awareness, Saudi women are increasingly embracing active lifestyles.[17] In Euromonitor's Annual Saudi Arabia Consumer Lifestyles Survey, the proportion of Saudi female respondents who stated that they walk or hike for exercise at least once or twice a week increased from 35.2% in 2022G to 50.9% in 2023G (global average of 39.8% in 2023G).[18]

15 International Journal of Academic Research in Business & Social Sciences (2024G). The Influence of Media on the Trend of Saudi Women towards Purchasing Traditional Clothing
16 Bonafide Research (2023G). Middle East & Africa Sleepwear Market Outlook, 2029G
17 Saudi Fashion Commission (2024G). State of Fashion report
18 Euromonitor International Consumer Lifestyle Survey 2022 (n=971) and 2023 (n=853) Saudi Arabia, global (n=31,507 in 2022G and n=30,799 in 2023G)

As consumers increasingly prioritise versatile and comfortable clothing, local brands like Nayomi have expanded their offerings to include a wide range of fashionable loungewear, with versatile items for home and selected outdoor activities. The intersection of nightwear with loungewear unlocks potential opportunities for players like Nayomi to expand in these ancillary segments in the future.

Channel Overview of Womenswear

In 2023G, offline retail accounted for the majority of overall womenswear sales, with a share of 81.1%, corresponding to a value of SAR23.7 billion, and having expanded at a 3.3% CAGR since 2019G. From a smaller base, womenswear online retail, which comprised 18.9% of value sales in 2023G, grew by a notable CAGR of 2.7% over the review period. The dominance of physical retail is mirrored in the Kingdom's broader overall apparel and footwear landscape.

The table below shows the womenswear market size splits by distribution channel between 2019G and 2029G in Saudi Arabia:

Table (3.16): Womenswear Market Size Split by Distribution Channel in Value Terms, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019-2023	CAGR 2023 – 2029
Total Womenswear	SAR million	25,522	29,100	30,750	35,432	3.3%	3.3%
Retail Offline	SAR million	20,698	23,731	24,907	24,802	3.5%	0.7%
Retail E-commerce	SAR million	4,824	5,369	5,842	10,630	2.7%	12.1%

Source: Euromonitor International competitive assessment is based on published information on reliable public sources such as GASTAT, Euromonitor Passport Apparel and Footwear (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

The Kingdom's physical retail expansion, with investments from both public and private sectors, favourably positions local players like Nayomi that boast strong presence and landlord relationships

As part of Saudi Vision 2030's infrastructural development and tourism ambitions, the Kingdom is witnessing substantial investments in its physical retail infrastructure. With retail space in Riyadh and Jeddah at just 0.35 sq m per capita – rather lower than Dubai's 1.2 sq m per capita – Saudi Arabia is on track to double its retail space from 7 million to 15 million square metres by 2030G. As of 2023G, retail areas in Riyadh, Jeddah and Dammam covered 3.8 million, 2.5 million, and 1.5 million square metres, respectively, having seen strong growth.[19]

Initiatives such as the Saudi 100 Brands programme are helping local designers establish their presence in malls, particularly in regional and community-focused developments. This will broaden the womenswear retail landscape, offering more culturally relevant choices and enhancing the shopping experience through modernised design and quality improvements. Established local players, such as Nayomi, are leading this change. With solid relationships with landlords and a consolidated network of 101 stores across Saudi Arabia in 2024G, Nayomi is continually investing in its staff and in-store boutique experience.

Saudi women have a nuanced and complex e-commerce path to purchase, offering room for omnichannel experiences, with many brands already investing in this space

Despite its growth, e-commerce for womenswear in Saudi Arabia remains stifled by challenges such as low conversion rates, high return rates, and uncertainties with size and fit – with 40% of Saudi shoppers citing sizing issues as a primary deterrent.[20] These barriers are even higher for high-investment categories or those that depend heavily on in-store try-ons, such as nightwear and intimate wear. As a result, Saudi women have adopted a blended approach to shopping, with 50-60% using social platforms such as Instagram and Snapchat for fashion inspiration,[21] and many using e-commerce for brand discovery and purchase consideration, rather than acquisition.[22] Nayomi, for example, recognising the affinity of Saudi women with offline retail for the actual purchase stage, have adopted a conservative, though positive, approach to e-commerce, while strategically focusing on their in-store experience.

19 Saudi Fashion Commission (2024G). State of fashion 2024
20 Jing Daily (2024G). Unpacking Saudi Arabia's USD4B online fashion opportunity
21 Saudi Fashion Commission (2024G). State of fashion 2024
22 Jing Daily (2024G). Unpacking Saudi Arabia's USD4B online fashion opportunity

Saudi Arabia's retail expansion will see the adoption of integrated omnichannel strategies, complementing a robust physical retail presence with e-commerce platforms to influence consumer purchasing decisions

The offline retail segment will still dominate womenswear value sales in the forecast period, reaching SAR24.8 billion and accounting for a still dominant 70.0% of total value sales by 2029G. Meanwhile, the retail e-commerce segment in the Saudi womenswear market is predicted to reach SAR10.6 billion by 2029G.

In response to shifting market dynamics, brands in the womenswear space, including in the nightwear and underwear categories, are increasingly investing in omnichannel models. Click-and-collect services from retailers such as Nayomi, eXtra and Centrepoint exemplify this integration. In the underwear and nightwear segment, the Nayomi brand has centred its value proposition on these experiences, investing in its boutique aesthetic, luxurious fit-outs, and staff training. During 2024G, Nayomi, is trying to bridge its physical retail experience with its online channels by focusing on engaging video content targeting its brand community, with series showcasing its in-store product portfolio and experience to its website and social media audience.

3.3.2 Competitive Assessment of Women's Underwear and Nightwear

The Saudi women's underwear and nightwear market is characterised by a highly fragmented competitive landscape of local and international players, with the top five players collectively accounting for a 14.6% market share of value sales in 2023G. Local brand Nayomi leads the market with a market value share of 8.2%, followed by international brands Shein (2.5%), Max Fashion (1.7%), Women's Secret (1.5%), and Marks & Spencer (1.5%). The shares of the top five market players reflect high levels of fragmentation, with an increasingly diverse supply landscape. Nayomi is the only homegrown womenswear player among the top five market players, and its share surpasses the combined sales contribution of Shein, Max Fashion, Women's Secret, and Marks & Spencer. The other top players include global e-commerce giants, and regional retail brands. Shein, one of the largest low priced fast fashion e-commerce marketplaces globally, and Max Fashion, the value fashion brand of regional retail conglomerate Landmark Group, have secured a good position in the Saudi women's nightwear and underwear market, with both operating within the broader womenswear category.

The table below shows the women's underwear and nightwear market shares in Saudi Arabia for 2023G:

Table (3.17): Women's Underwear and Nightwear Market Shares in Saudi Arabia in Value RSP Terms, 2023G

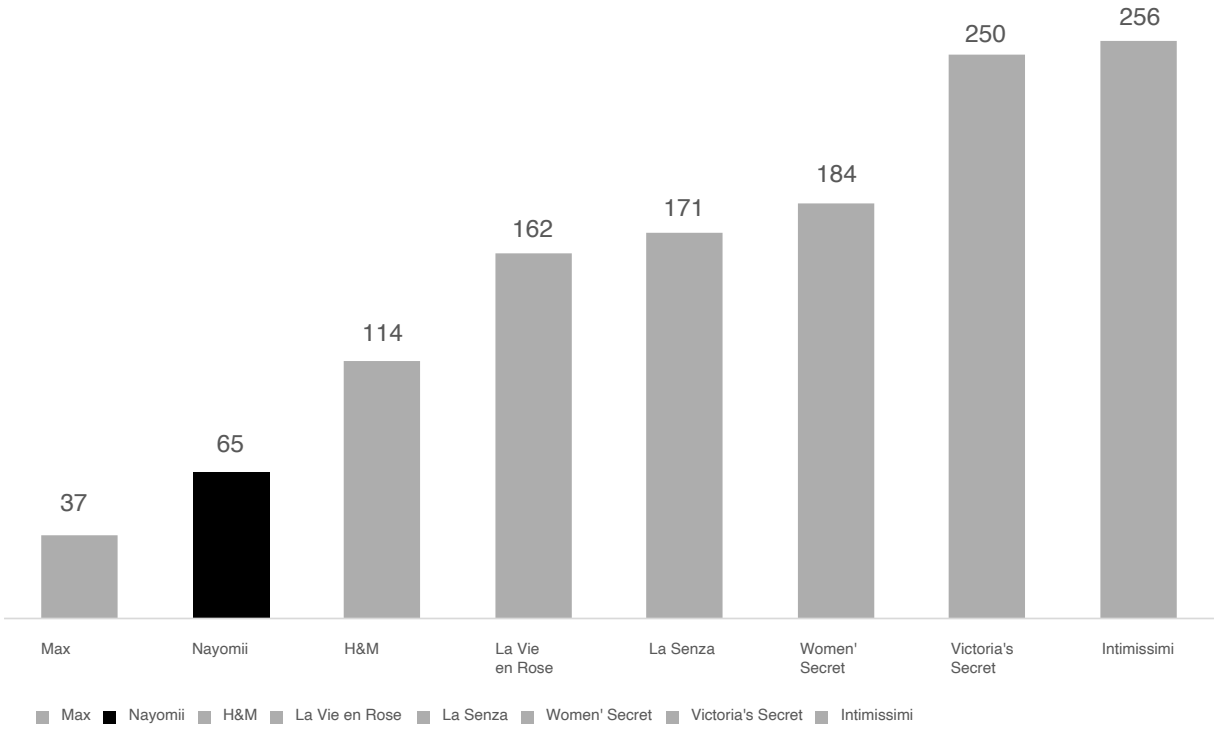
Rank	Company Name	Value Shares (2023)	Brief Description
1.	Nayomi	8.2%	Leading local homegrown brand with an extensive store coverage across leading shopping malls in the Kingdom
2.	Shein	2.5%	International low-priced fast fashion e-commerce marketplace, whose diverse product portfolio extends to 150 countries
3.	Max Fashion	1.7%	Regional brand under retail company Landmark Group, is one of the largest value fashion retailers across the GCC region
4.	Women's Secret	1.5%	International brand, regionally distributed by Al Othaim Life, with a limited footprint in the Kingdom
5.	Marks & Spencer	1.5%	International premium priced brand, regionally distributed by Al Futtaim, with more a prominent positioning in overall clothing and beauty products

Source: Euromonitor International market sizes and growth rates are calculated based on published information on reliable public sources such as GASTAT, Euromonitor Passport Apparel and Footwear (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

The expansion of major fast fashion and apparel players into the underwear and nightwear categories is a response to the growing trend of fashion casualisation in the Saudi market. It also mirrors a broader trend in both the regional and Saudi fashion landscape, where intimate apparel is becoming a focal category for large fashion retailers to diversify their revenue streams and capture volume demand.

The chart below shows selective underwear and nightwear brand players in Saudi Arabia compared according to their product pricing and quality in Saudi Arabia in 2023G:

Exhibit (3.1): Selective Underwear and Nightwear Brands Average Selling Price in Saudi Arabia in 2023G



Source: Euromonitor International's competitive assessment based on publicly available sources, including GASTAT, Euromonitor Passport Apparel and Footwear (2024G) database, national statistics, third-party publications, and insights gathered through interviews with industry leaders and information based on Jamjoom Fashion quantitative inputs. Note: that the assessment is partially subjective, incorporating considerations such as average pricing of selected products, input from trade interviews, and other relevant qualitative factors.

Nayomi's position in the Saudi market reflects its appeal as a well-established local brand. Its long-standing presence of over three decades, extensive store network, and recognition among Saudi women have contributed to its market reach. The brand benefits from economies of scale and size, as well as product availability and offerings that closely align with local preferences. By balancing competitive pricing with reliable product quality, Nayomi is able to design and distribute in-house collections across its retail footprint — a valuable asset in a market that increasingly prioritizes value.

Victoria's Secret offers a distinctive shopping experience and occupies premium retail locations, but it struggles to appeal to value-conscious consumers in the Saudi market. Local and regional brands like Nayomi and Women's Secret continue to resonate with customers through affordable prices and products tailored to local tastes. Nayomi has further strengthened its position by expanding into underserved cities and remote areas. This targeted and thoughtful expansion strategy has successfully broadened its customer base and driven sales growth.[23]

23 Jamjoom Fashion proprietary data provided to Euromonitor International

The table below shows the major underwear and nightwear brand players' presence in major shopping malls in Saudi Arabia in 2023G

Table (3.18): Major Underwear and Nightwear Brands' Presence in Major Shopping Malls in Saudi Arabia, 2023G

	Saudi Arabia																		
	Granada Center	Hayat Mall	Riyadh Park	Sahara Centre	Panorama mall	The Mall of Arabia	Aziz Mall	Nakheel Mall	Red Sea Mall	Al Salaam Mall	Mall of Dhahran	Hijaz Mall (Makkah)	Obaikan Mall (Taif)	Oasis Mall (Mahayel Aseer)	Al Jubeil Mall	Hafer Al Batin Mall	Rashid Mall (Jizan)	Al Manar Mall (Madinah)	Yanbu Mall	Total Mall Coverage (%)
Nayomi	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√		100%
women'secret	√	√		√	√	√	√	√	√	√	√									53%
max	√	√	√		√	√	√		√	√		√						√		47%
MARKS & SPENCER	√	√	√		√	√		√			√	√					√			42%
VICTORIA'S SECRET	√	√	√			√			√											26%
intimissimi									√											5%
La Senza		√		√	√	√	√	√	√	√	√	√								37%

Sources: Euromonitor International Passport, trade interviews, published sources, and official brands websites

The table below shows the major underwear and nightwear brand players' presence in major shopping malls in the UAE in 2023G

Table (3.19): Major Underwear and Nightwear Brands' Presence in Major Shopping Malls in the UAE, 2023G

	United Arab Emirates																	
	The Dubai Mall	Mall of Emirates	Barsha Mall	Dubai Hills	City Centre Deira	City Centre Mirdif	Dubai Festival City Mall	Mega Mall (Sharjah)	Sahara Centre (Sharjah)	Dubai Outlet Mall	Marina Mall (Abu Dhabi)	Yas Mall	Abu Dhabi Mall	Al Wahda Mall Abu Dhabi	Ajman City Centre 2	Century Mall (Fujairah)	RAK Mall	Al Ain Mall	Total Mall Coverage (%)
Nayomi	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	94%
women'secret	√			√		√	√	√			√	√	√					√	56%
max	√	√			√	√	√		√		√	√		√	√			√	61%
MARKS & SPENCER	√	√		√	√	√	√				√				√				39%
VICTORIA'S SECRET	√	√			√	√		√	√		√	√	√	√				√	56%
intimissimi	√	√		√															17%
La Senza	√	√			√	√	√	√	√	√	√	√	√	√	√			√	78%

Sources: Euromonitor International Passport, trade interviews, published sources, and official brands websites

Over the forecast period, the Saudi competitive landscape for nightwear and underwear is likely to see the entry of both offline and e-commerce international and regional retailers, alongside the sustained dominance of homegrown brands like Nayomi. Greater competition is likely to pivot customer acquisition and retention strategies away from price competition, and towards localised product research and development (R&D) and innovation that address the specific needs and preferences of Saudi women. In tandem, the Kingdom's retail and tourism expansion also promises to drive greater attention to interactive, tech-powered in-store experiences.

Nayomi

In a highly fragmented market, Nayomi stands as the leader in the women's underwear and nightwear segment in the Kingdom, holding an 8.2% market value share in 2023G. Established in Saudi Arabia in 1992G as a single lingerie store, Nayomi has expanded to become one of the Middle East's premier nightwear and underwear brands, known for its quality, comfort and elegance. Over the years, Nayomi has grown into a comprehensive lifestyle brand, with 169 stores (2024G), 101 of which are in Saudi Arabia Nayomi's success is rooted in its strategic focus on meeting the evolving preferences of Arab women, especially in the Saudi market.

With over 10,000 SKUs sold annually, Nayomi's diverse range includes lingerie, glamour and casual lingerie, nightwear, loungewear and bridal collections. Notably, the loungewear category extends into curated options like bathrobes, pyjamas and boxer sets, and day dresses, blending style and functionality for at-home wear, in line with the broader womenswear "casualisation" trend in the Kingdom. Nayomi's portfolio has evolved to cater for women at every stage of their lives, and now includes a bridal line and a maternity line, Mama Nayomi. The brand has expanded into adjacent categories, such as eau de parfum and body care, positioning itself as a lifestyle brand. Nayomi's success is also due to its competitive pricing strategy, offering lower prices than comparable brands, such as Victoria's Secret, while maintaining high quality standards by leveraging its control of the supply chain.

The table below shows selective # of SKU's product options for bras of selective underwear and nightwear brands in Saudi Arabia in 2023G.

Table (3.20): Selective Underwear Brands by # SKUs product option count (bra's)

Brand name	Product Option Count - Bra's	Estimated # of SKUs: Bra's
Nayomi	192	2,456
Max	110	1,760
Women's Secret	97	800
Marks & Spencer	133	2,107
Victoria Secret	73	1,552
Pink	60	464

Source: Euromonitor International, Jamjoom Fashion, Note: # SKUs = estimated cumulative number of options, product options = bra's style colour

The table below shows selective # of product options for pyjamas of selective underwear and nightwear brands in Saudi Arabia in 2023G.

Table (3.21): Selective Nightwear Brands by product option count (pyjamas)

Brand name	Product Option Count: Pyjamas
Nayomi	130
Max	95
Women's Secret	87
Marks & Spencer	73
Victoria Secret	73
Pink	60

Source: Euromonitor International, Jamjoom Fashion, product options = pyjamas style colour

Strategically, Nayomi prioritises high-traffic retail space to reinforce its premium yet accessible brand positioning. Its focus on in-store experiences and prime locations in premium shopping malls has solidified its presence. The brand's omnichannel approach seamlessly integrates physical stores with digital channels to serve customers wherever they are. In Saudi Arabia, Nayomi has expanded into underserved remote regions, gaining an early mover advantage in areas poised for retail growth and urbanisation under the Kingdom's sustainable development plans.

Furthermore, leveraging its well-established brand equity, Nayomi strategically introduced its sub-brand Dream line in 2022G, targeting younger consumers and creating a continuum of brand loyalty that bridges its current customers with a younger generation. Dream represents an opportunity for Nayomi to expand its customer base and tap into the market potential for underwear and sleepwear among younger generations. Dream is primarily targeted at Gen Z consumers aged 11-14 years, with a secondary focus on children aged 3-10 years.

With an established presence in the GCC and the wider Middle East, Nayomi is now looking to expand further within and beyond the GCC region. The brand's internationalisation strategy aims to position Nayomi as a global brand with Middle Eastern roots, capitalising on the growing appeal of Saudi-designed products in global markets. Nayomi's recent acquisition of the American label Booty Parlor underlines its strategic entry into the beauty and creams segment, in line with its portfolio expansion strategy. By combining a commitment to quality with strategic expansion and a deep understanding of its consumers, Nayomi is setting a benchmark for Middle Eastern brands on the international stage.

3.3.3 Overview of Men's National Wear in Saudi Arabia

The Saudi Arabian menswear segment has seen steady historic growth, driven by a young, fashion-conscious male population, rising disposable incomes, and a post-pandemic revival in social activities

Saudi Arabia's menswear segment reached total sales of SAR14.6 billion in 2023G, having grown at a CAGR of 3.7% between 2019G and 2023G. This growth trajectory has gained momentum post-pandemic, marked by annual increases of 15.9% between 2021G and 2022G, and 10.7% between 2022G and 2023G. The segment's development has been propelled by the Kingdom's youthful male population, whose fashion interests have been supported by rising disposable incomes and an increase in discretionary spending.

The table below shows the menswear market size in retail sales value terms between 2019G and 2029G in Saudi Arabia.

Table (3.22): Menswear Market Retail Sales Value (SAR million), 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
Menswear	SAR million	12,631	14,603	15,504	18,431	3.7%	4.0%

Source: Euromonitor International market sizes and growth rates are calculated based on published information on reliable public sources such as GASTAT, Euromonitor Passport Apparel and Footwear (2024G) database, national statistics, third party sources and consensus from interviews with industry leaders

A key growth driver for the segment in the post-COVID-19 era has been the resurgence of out-of-home activities, which has been bolstered by a rise in government expenditure on infrastructure development of tourism and entertainment venues, with the hosting of more international sporting and entertainment events, creating more opportunities for wearing fashionable clothes. These dynamics have spurred growing demand for diverse outfits, including thobes and other garments in various colours and materials, catering to the preferences of different demographics. This trend is particularly evident in the growing popularity of ready-to-wear (RTW) fashion, which has gained traction among younger generations and tourists seeking convenience. Increased social and cultural engagement has directly boosted demand for menswear and footwear, as different occasions necessitate different wardrobe options.

The impact extends to essential categories like men's underwear, which recorded the highest category value growth between 2019G and 2023G, with a 5.8% CAGR, valued at SAR2.6 billion in 2023G. This growth reflects not only increased purchase frequency to support more active lifestyles, but also a greater willingness to spend on high-quality products made from premium materials, such as 100% cotton and breathable fabrics. Growth is forecast to continue, with a CAGR of 3.9% over the period from 2023G to 2029G, reaching a value of SAR3.2 billion.

The growing appeal of modern styles is shaping the menswear market, as evidenced not only by the gradual adoption of these styles, but also by the incorporation of contemporary elements

Even before the pandemic, Saudi men were becoming increasingly fashion-conscious, influenced by the rising trend for casualwear. Increased social media use has exposed individuals to fashion influencers promoting contemporary wardrobe choices. This shift is also reflected in thobe design, with innovations such as zippers replacing buttons for practicality, and even the introduction of short-sleeve thobes.

While Western-inspired and modernised styles are gaining traction across all GCC markets, Saudi Arabia maintains a more conservative fashion landscape. Saudi men predominantly favour traditional national styles, but innovate by selecting neutral tones like black, navy and beige, rather than the traditional white.[24]

A young, higher income population, combined with a growing interest in active and modern lifestyles, will continue to drive demand for diverse and innovative menswear in Saudi Arabia

The table below shows the growth drivers for menswear in Saudi Arabia

Table (3.23): Growth Drivers of Menswear in Saudi Arabia

Growth Drivers	Implications for Future Growth of Menswear in Saudi Arabia
Young, fashion-conscious population	• Ensures the maintenance of a strong customer base. • Increased demand for trendy and diverse menswear. • Will continue to drive the need for brands to innovate with new styles, particularly by blending traditional designs with modern elements.
Rising disposable incomes	• Increased frequency of purchases and basket sizes. • Will drive higher sales of premium and high-priced products, benefiting brands positioned in this price segment. • Increase demand for higher end products, such as those with premium fabrics and innovative designs, especially personalised features, as customers prioritise functionality over price. • A growing middle class consumer segment is increasing the demand for well-priced, yet stylish national apparel and accessories.
Increased social occasions	• Expected to continue driving demand for formal and semi-formal wear, such as thobes. • Increased demand during key sporting and entertainment events, as well as religious events and local festivities.
Increased popularity of active lifestyles	• Drives demand for products designed with convenience as one of the top priorities. • Expected to prompt brands to innovate in offerings, from fabric and design choices to ensuring convenience and accessibility across channels.
Growing appeal of modern styles	• Supports the rise in demand for contemporary designs across various categories, particularly among young and fashion-conscious consumers. • Within traditional menswear, like thobes, innovations with modern designs to attract younger consumers.

Sources: Euromonitor International Passport, trade interviews, published sources, and official brand websites

24 GQ Middle East. (2023G). The 10 Saudi Menswear Brands Revealed at Riyadh Fashion Week.

Overview of Men's national wear

Saudi Arabia's national menswear segment sees post-pandemic recovery, driven by cultural significance and further supported by government efforts to promote national pride and identity

The men's national wear segment in Saudi Arabia reached total sales of SAR5.6 billion in 2023G, having grown at a CAGR of 3.0% between 2019G and 2023G.

The table below shows the men's national wear market size in value terms between 2019G and 2029G in Saudi Arabia.

Table (3.24): Men's national Wear Market Size by Product Category in Value Terms (SAR million), 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
Men's national wear	SAR million	5,022	5,643	5,938	6,474	3.0%	2.3%
Men's national Apparel (Thobes)	SAR million	3,676	4,195	4,437	4,852	3.4%	2.5%
Men's national Footwear	SAR million	798	827	841	897	0.9%	1.4%
Men's national Apparel Accessories	SAR million	547	621	659	725	3.2%	2.6%

Source: Euromonitor International market sizes and growth rates are calculated based on published information on reliable public sources such as GASTAT, Euromonitor Apparel and Footwear (2024G) Passport database, national statistics, third party sources and consensus from interviews with industry leaders

Men's national wear is deeply woven into Saudi cultural identity, encompassing a wide range of products, including traditional thobes, headwear like the ghutra and shemagh, and sandals. These items remain fundamental components of Saudi wardrobes, worn regularly across professional settings, religious observances, and social gatherings and leisure occasions.

The cultural preference for traditional wear like thobes is further reinforced by government policies mandating traditional attire in public facilities and during business activities. These policies have further increased the cultural significance of these traditional wear items, particularly thobes, reinforcing their status as essentials and making them almost indispensable in everyday life in Saudi Arabia.

The population in the Kingdom is predicted to grow, while the labour force participation of Saudi male will remain steady, at 61.0% in 2019G, 61.1% in 2023G and 60.4% over the forecast period to 2029G, which will generate steady demand for men's national wear categories. By 2029G, the overall men's national wear market is predicted to reach SAR6.5 billion, having grown at a 2.3% CAGR between 2023G and 2029G.

Thobes continue to dominate Saudi Arabia's national menswear market, with rising demand for higher quality fabrics, more convenient options and design innovations being undertaken by many brands

Within the overall men's national wear category in Saudi Arabia, which includes men's national apparel (thobes or thawbs), men's national footwear and national apparel accessories (headwear), men's national apparel accounted for 74.3% of the category's total value sales in 2023G. In that year, sales of thobes reached SAR4.2 billion, up from SAR3.7 billion in 2019G, having grown at a CAGR of 3.3% over this period.

The classic white thobe continues to hold its own in the market, offering several advantages: exceptional comfort due to its loose fit, modesty with long sleeves and high collars, and versatility in transitioning between formal and casual settings. The basic design of thobes has remained largely unchanged, and innovation in the category has focused primarily on improvements in fabric quality. These advances in fabric quality enhance the appeal of the thobe by offering superior comfort, durability and style.

The table provides a breakdown of mens outerwear by selected apparel item types in Saudi Arabia in 2023G

Table (3.25): Men's Outerwear Value % Breakdown by Selected Apparel Items in 2023G in Saudi Arabia

Apparel Item Type	2023G (SAR million)	% Value Share
Thobes	4,195	37%
Shirts and Tops	3,419	30%
Mens Jeans	1,586	14%
Shorts and Trousers	1,106	10%
Suits	569,3	5%
Other Mens Outerwear	591.4	5%
Total Mens Outerwear	**11,467**	**100%**

Source: Euromonitor International market sizes and growth rates are calculated based on published information on reliable public sources such as GASTAT, Euromonitor Apparel and Footwear (2024G) Passport database, national statistics, third party sources and consensus from interviews with industry leaders

Shifting consumer preferences towards convenience, affordability, and variety are driving the growing popularity of ready-to-wear thobe options, particularly among younger Saudis

RTW thobes have seen progressive growth in Saudi Arabia's men's thobe market when compared to made-to-measure (MTM) thobes over the past five years, especially among younger generations. The value share of RTW thobes in the total thobes market has increased from around 40% in 2019G to around 45% in 2023G. The proportion of RTW thobe value sales in the total thobe market is forecast to continue growing, reaching approximately 50% by 2029G.

As fashion evolves rapidly and consumer lifestyles become busier, particularly among younger Saudis (aged 26-35 years), there is a shift towards more convenient options. RTW thobes, offering high-quality garments in standard sizes, provide a quicker, more accessible alternative, without the need for multiple fittings or tailoring sessions. This shift reflects the desire for convenience and practicality, especially in a fast-paced urban environment.

The growth of major retail chains and fashion brands, such as Alshiaka, Mihyar and Daffa, in the RTW market has improved the quality, variety and accessibility of these options, making them a strong alternative to traditional bespoke garments. This trend is in line with the growing market potential, driven by the youth and young adult segment (aged 13-29 years), which is predicted to account for 26.8% of the Saudi male population by 2029G. This marks an increase from a 26.4% share, numbering nearly 5.5 million, in 2023G, reflecting a CAGR of 1.8% over the forecast period. Within this demographic, aged 20-27 years is predicted to see even stronger growth, with a CAGR of 2.3% over the same period, rising from over 2.7 million and a 13.4% share in 2023G to over 3.1 million and a 14.0% share by 2029G. Brands are meeting this demand with targeted product lines, such as Mihyar with its "Young Warrior" collection for children aged 3-16 years.

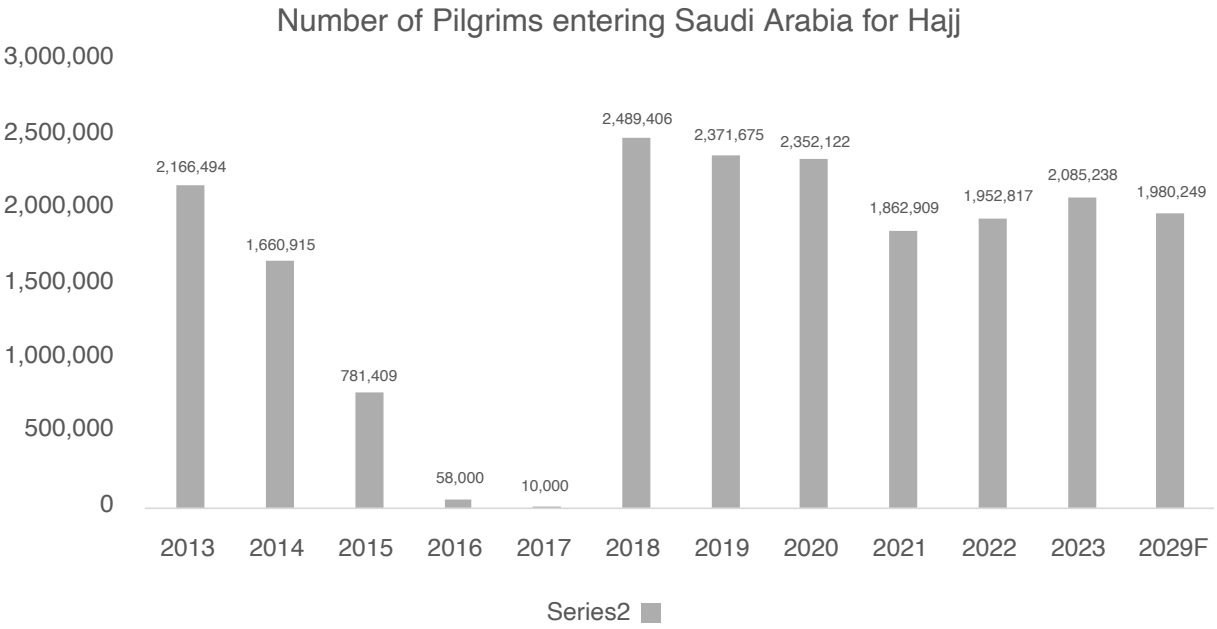
Rising costs and consumer price sensitivity are driving the shift towards more affordable on-demand RTW thobes in Saudi Arabia

Pricing strategies and positioning play a crucial role in the shift towards RTW. Rising costs, including transport costs, raw material costs, such as fabric prices, as well as overheads, such as store rents, have led to higher retail prices across most fashion categories, particularly in the thobe segment. These price increases are having an impact on consumer behaviour, as shoppers become more selective and price-sensitive, requiring brands to carefully manage their pricing models, while maintaining quality and accessibility.

MTM thobes tend to have a more premium positioning, due to the customisation process and choice of fabrics. RTW thobes are more affordable, as they are often produced outside Saudi Arabia, in countries such as China and India. These countries benefit from lower production costs and higher efficiency, due to the consolidated nature of the textile manufacturing industry, allowing for faster production cycles compared to the GCC. This mass-production model leads to higher inventory levels and profit margins, allowing brands to offer promotions to appeal to cost-conscious local shoppers, while maintaining a steady flow of new styles and models. Moreover, a good portion of RTW sales come from basic thobes sold in bulk at low prices to cater to the mass purchases of pilgrims during the Hajj and Umrah periods. Pilgrims often buy local branded thobes as souvenirs, particularly in the Western region.

The chart below shows the total number of pilgrims during the Hajj and Umrah periods who entered Saudi Arabia between 2013G and 2029G:

Exhibit (3.2): Total Number of Pilgrims in Saudi Arabia during Hajj and Umrah periods, 2013G-2029G



Source: Euromonitor International, GASTAT. *Forecasted growth based on historic 5 year CAGR pre COVID (2014G-2019G)

Price accessibility enables more frequent and often impulse purchases, as RTW options offer both variety and affordability. The growth of e-commerce has further expanded the market, attracting more local and international sellers.

Concurrently, RTW thobes are growing in popularity in the UAE and Qatar. Bespoke MTM thobes remain the preferred choice for special occasions, especially among high-income Emirati men, although among younger consumers they face competition from a wide range of affordable, accessible clothing options.

The national apparel accessories segment has experienced stable growth, which are used in combination with thobes, creating a complete traditional outfit.

The national apparel accessories category, including headwear items like the "ghutra", "kofia", "iqal" and the outer cloak "bisht", has closely followed the trend of the overall national apparel segment, with a CAGR of 3.2% between 2019G and 2023G. These items are essential to completing the traditional thobe ensemble, especially for formal occasions, and in 2023G, they accounted for 11.0% of overall national menswear value sales. national menswear brands include these accessories in their portfolios to offer complete outfit solutions.

The table below shows the men's national accessories market retail sales value in Saudi Arabia between 2019G and 2029G.

Table (3.26): Saudi Arabia's Men's National Apparel Accessories vs Total Apparel Accessories in Value Terms, 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
Apparel Accessories	SAR million	3,387	3,824	4,086	4,772	3.1%	3.8%
Men's national Apparel Accessories	SAR million	547	621	659	725	3.2%	2.6%

Source: Euromonitor International market sizes and growth rates are calculated based on published information on reliable public sources such as GASTAT, Euromonitor Apparel and Footwear (2024G) Passport database, national statistics, third party sources and consensus from interviews with industry leaders

national footwear (sandals) saw flat growth but remains an important part of traditional attire In response, brands have broadened their ranges to include popular alternatives such as moccasins

The national footwear market, driven primarily by sandals ("zubairi"), reached SAR827 million in 2023G, having grown at a CAGR of 0.9% since 2019G. Growth lagged behind other key categories, like traditional thobes and headwear accessories. Zubairi sandals remain culturally significant among Saudi males, mostly due to their comfort, particularly for casual and indoor wear. The appeal of traditional sandals has, however, diminished, especially in business settings.

The table below shows the men's national footwear versus total men's footwear in value between 2019G and 2029G.

Table (3.27): Saudi Arabia's Men's National Footwear vs Total Men's Footwear in Value Sales (SAR million), 2019G-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
Men's Footwear	SAR million	2,599	2,668	2,803	3,321	0.7%	3.7%
Men's national Footwear	SAR million	798	827	841	897	0.9%	1.4%

Source: Euromonitor International market sizes and growth rates are calculated based on published information on reliable public sources such as GASTAT, Euromonitor Apparel and Footwear (2024G) Passport database, national statistics, third party sources and consensus from interviews with industry leaders

Traditional national sandals face increasing competition from footwear options such as moccasins and trainers, which offer similar comfort and are suitable for a wider range of occasions. As a result, footwear brands are expanding their offerings to include popular alternatives such as moccasins and dress shoes to tap into the broader men's footwear market, which is forecast to grow at a CAGR of 3.7% between 2023G and 2029G, compared to the 1.4% CAGR forecast for national sandals. Mihyar, for example, while still offering a range of zubairi sandals, has expanded its portfolio to include moccasins made from various leather types and colours, priced competitively with sandals to better meet customer needs.

Channel Overview of Menswear

Saudi men continue to favour the in-store shopping experience, particularly for thobes, prioritising high-quality, branded products and fitting services offered by specialised stores, particularly in malls

Offline retail continues to dominate Saudi Arabia's menswear market, as the tactile nature of in-store shopping allows male consumers to examine clothing quality through touch and fitting, which is still considered essential by many. These preferences are particularly pronounced in the segment of men's national wear, where offline retail sales accounted for approximately 83.0% of the total sales in 2023G, as slight adjustments are often needed to ensure thobes fit customers' body sizes and preferences. The long-standing tradition of MTM services further supports the preference for the in-store experience, as many customers, even if moving to RTW, may still require the minor customisation offered by retailers. This explains the dominance of apparel and footwear speciality stores in offline channels, as they offer expertise in tailoring and fitting services, as well as carrying a wider range of trend-led offerings compared to other channels.

The table below shows the men's national wear market size split by retail channel between 2019G and 2029G in Saudi Arabia:

Table (3.28): Men's National Wear Retail Sales Value by Retail Channel, 2019-2029G

Category	Unit	2019G	2023G	2024G	2029G	CAGR 2019G-2023G	CAGR 2023G-2029G
Men's national Wear	SAR million	5,022	5,643	5,938	6,474	3.0%	2.3%
Retail Offline	SAR million	4,344	4,684	4,809	4,739	1.9%	0.2%
Retail E-commerce	SAR million	678	959	1,128	1,735	9.1%	10.4%

Source: Euromonitor International competitive assessment is based on published information on reliable public sources such as GASTAT, Euromonitor Apparel and Footwear (2024G) Passport database, national statistics, third party sources and consensus from interviews with industry leaders

With the ongoing retail infrastructure developments across the Kingdom, such as the Mall of Saudi project set to open in 2026G in Riyadh, stores within these shopping centres are becoming increasingly popular. Malls are emerging as key retail and social destinations, attracting higher footfall.

As a result, national menswear brands and retailers continue to prioritise store expansion in the Kingdom. For example, Mihyar has made considerable investments to grow its retail network, with 46 store (2024G) locations in shopping malls across cities of various sizes and in high-street areas across the Kingdom since its inception in 2012G, demonstrating the importance of the offline retail channel in the men's national wear universe.

Online menswear sales in Saudi Arabia has increased due to the convenience and privacy it offers; however, offline retail remains essential, underscoring the importance of an omnichannel strategy

While the majority of sales of national menswear continue to be accounted for by offline retail, this channel has not been immune to the rising trend of online sales, the share of which increased between 2019G and 2023G, from 13.5% of total value sales to 17.0%. Online shopping offers distinct advantages for male customers, who tend to purchase based on size and colour without trying items on, particularly for regular items from familiar brands.

Recent advancements in e-commerce have significantly boosted online fashion sales among Saudi males. Enhanced features like intuitive navigation, high-quality images, detailed product descriptions, sizing personalisation and smart recommendations have improved the overall online shopping experience for national menswear.

This partial shift towards online retail does not, however, reduce the importance of offline channels. Instead, it underscores the growing demand for an omnichannel experience. Male consumers increasingly value online channels for pre-purchase research, such as gathering information and comparing prices, but still prefer to collect items in-store.

Growth in men's national wear in Saudi Arabia will be driven by its cultural significance, rising demand for convenience and affordability, and enhanced omnichannel experiences, leading to better products and improved service

The table below shows the shows the growth drivers for men's national wear in Saudi Arabia, and their expected impact.

Table (3.29): Men's National menswear growth drivers for future growth

Growth Drivers	Implications for Future Growth in Men's National Wear in Saudi Arabia
Cultural significance of traditional attire	• Will continue to drive sales, as thobes remain an essential part of daily life, especially for formal, religious, and social occasions. • Will strengthen the dominance of homegrown brands that understand the cultural heritage and market dynamics.
Government policies	• Will continue to positively impact market sales.
Continued growing popularity of convenience	• Expected to drive brands to innovate with fabrics that are breathable, lightweight, and low-maintenance, catering to busy consumers. • This will prompt brands to focus on convenience-driven shopping experiences, both offline (through expanding physical stores in key locations and one-stop-shop experiences) and online.
Ongoing search for well-priced products	• Brands will be encouraged to deliver stylish yet well-priced national wear, expanding their market reach, while maintaining quality.
E-commerce growth and increased popularity of omnichannel retailing	• Will continue to drive sales by capitalising on the growing consumer preference for online shopping for traditional and modern menswear. • Expected to broaden the range of traditional national wear available, exposing customers to a diverse selection of products from various origins, price ranges and innovative designs. • This will push brands to invest in better online platforms, ensuring seamless shopping experiences across both digital and physical channels, integrating features like click-and-collect. • Will encourage brands to offer more personalised shopping experiences, enhancing customer engagement.

Source: Euromonitor International based on Passport database, published information on reliable public sources, consensus among industry Experts

3.3.4 Competitive Assessment of Men's National Wear

The national menswear market in Saudi Arabia is rather fragmented, and is led by RTW brands targeting entry-level markets, while the mid-to-upper range remains a niche for brands like Mihyar

The men's national wear market in Saudi Arabia remains rather fragmented, due to the traditional nature of the market, which to some extent is still anchored in the long-established habit of thobes being MTM. This has been a rather unorganised sector in the past. However, with the wave of retail modernisation, new players have started to enter the market, making it more organised, offering an innovative value proposition of RTW thobes to cater to the increasingly busy lifestyles of young men.

The table below shows a selective overview of Saudi Arabia' men's national wear competitive players for 2024G.

Table (3.30): Selective Saudi Arabia's Men's National Wear Retail Overview, 2024G

Brand Name	Brief Description	Retail Channel Type	# Retail Stores in Saudi Arabia (2024G)	Estimated # product SKU's	Price Positioning	Subjective Quality Rating	Average Price Range (SAR)
Mihyar	Leading brand (ranked first based on number of product SKUs offered and sold) national menswear	RTW Retail	46	Over 7400 across all categories	Medium/Low	High Quality	225
Alshiaka	Affordable brand with a good reputation, especially among pilgrims	RTW Retail (+ wholesale)	46	Over 5000 across all categories	Low/Value	Low	125
Al Daffah	Entry level brand catering to the mass market	RTW Retail (+ wholesale)	22	~2000 across all categories	Low/Value	Low	110
Al-Fakhera	Bespoke brand with a high store outlet count	MTM Retail	85	MTM	Medium	Medium	300
Lomar	Premium bespoke brand with limited store coverage	MTM Retail	10	MTM	Premium	High Quality	600
Al Aseel	High production volume with a value price positioning	RTW Wholesale only	NA	~2000 across all categories	Low/Value	Low	110

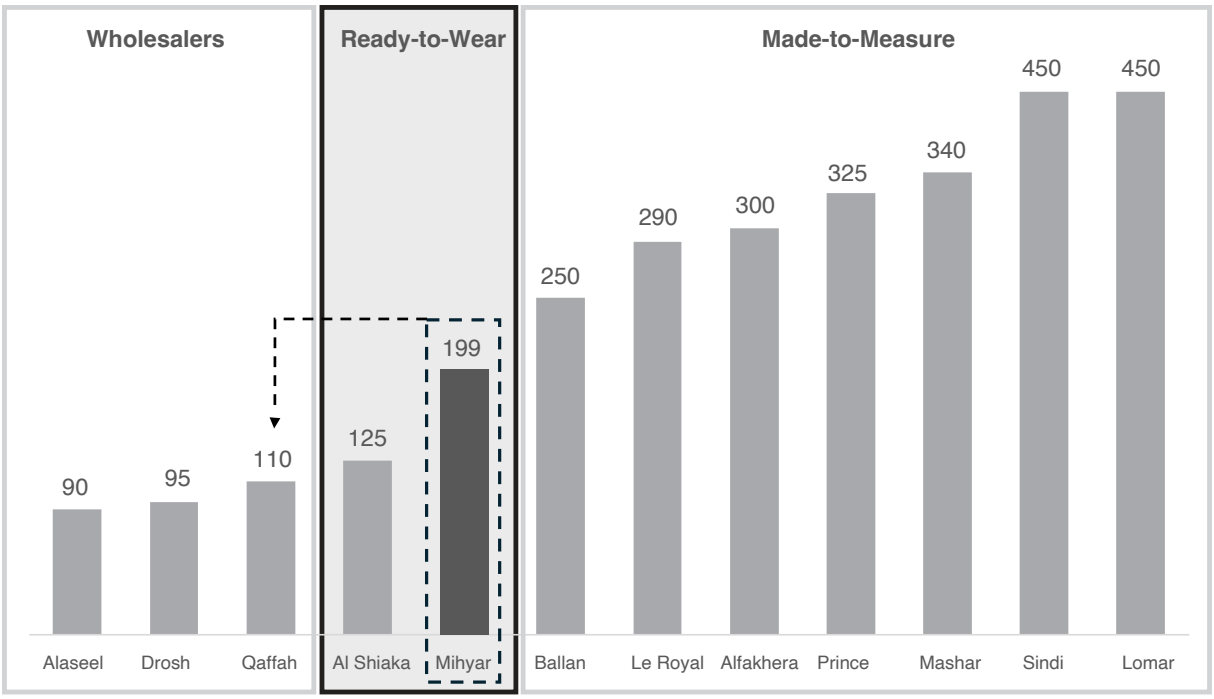
Source: Euromonitor International based on published information from company websites and other third party sources. Note: Disclaimer – Subjective in nature: considerations include: average pricing of selected products, brand positioning, target consumer, breadth of retail channel presence, consensus from trade interviews sources and other related subjective criteria

The market includes well-known RTW retailers, such as Mihyar, and RTW wholesale brands Al Aseel and Alshiaka, as well as smaller MTM tailors who cater to the demand for traditional customised thobes. For example, Alshiaka, Al Aseel and Al Daffa offer low value priced entry level thobes, which includes selling via their wholesale business operations. MTM retail players like Lomar and Al-Fakhera are also present in the market along with many MTM traditional players. Some brands, such as Lomar, which started out as specialist tailors, have expanded to offer both bespoke and RTW services.

Over the past decade, the market has become increasingly competitive and organised, with a notable shift from MTM to RTW, providing an opportunity for market players such as Mihyar to capitalise on the growing preference for RTW, while enhancing their product portfolios with new colours and material innovations. In addition, the RTW segment, characterised by entry-level mass market brands such as Alshiaka, Al Daffah and Al Aseel, benefits from a broad customer base, including significant bulk sales to local and visiting pilgrims for religious festivals and events.

The chart below presents a comparison between a selected group of national men's fashion brands in the Kingdom of Saudi Arabia, based on their average selling price in the Kingdom in 2023G;

Exhibit (3.3): Average selling price for a selected group of national men's fashion brands in the Kingdom of Saudi Arabia in 2023G



Source: Competitive Assessment by Euromonitor International, based on publicly available sources, including the General Authority for Statistics, Euromonitor's 'Passport' database on apparel and footwear (2024), national statistics, publications from external organizations, as well as insights gathered through interviews with industry leaders, and information based on quantitative inputs from Jamjoom Fashion.

Note: This assessment includes, in part, a non-objective comparison, which considers the following factors: average prices of selected products, brand location, target consumers, the breadth of retail distribution channels, consensus opinions from business interviews, and other non-objective criteria. It takes into account factors such as average prices of selected products, inputs from business interviews, and other relevant qualitative factors.

In this competitive scenario, Mihyar, based on # of product SKUs offered, would be ranked first among the RTW retail players. Mihyar, brand has successfully positioned itself in the medium/low price range, offering high-quality products at accessible prices. This strategy has enabled gradual market expansion. While thobes remain the primary focus, Mihyar and other market players further differentiate their product portfolios by providing a comprehensive range of accessories and apparel, including headwear, undergarments, footwear, wallets, sunglasses and casualwear, creating a one-stop shop for customers. In contrast, Lomar, despite efforts to expand into RTW, is predominantly recognised for its high-end MTM tailoring. Its prestigious clientele's preference for custom-made designs poses challenges for Lomar's expansion in RTW.

The cultural and operational complexities of the men's national wear market continue to pose barriers for international brands, leaving the market firmly in the hands of homegrown players

Homegrown brands dominate the men's national wear market, according to trade interview sources, homegrown brands can leverage a deep understanding of traditional Saudi preferences that international brands often struggle to replicate. Many of these local companies evolved from family-owned tailoring businesses, and have built strong customer loyalty through their emphasis on custom fits, high-quality fabrics and traditional designs. While staying rooted in cultural heritage, these local brands have adapted to modern trends, incorporating contemporary cuts and patterns into their traditional thobes and headwear to appeal to younger, fashion-conscious consumers. Notable examples include brands like Mihyar, Alshiaka and Lomar.

According to industry trade sources, homegrown brands in Saudi Arabia benefit from cost advantages by outsourcing RTW production to low-cost manufacturing hubs like China, India and Bangladesh, with final customisations completed locally. This model presents a challenge for international newcomers, which must adopt similar practices, while facing market disadvantages, particularly a limited physical store presence and a strong preference among local customers for Saudi-made products and local brands. Additionally, local brands often offer free customisation, particularly for thobes, to meet Saudi consumers' expectations for precise tailoring. This practice underscores the importance of physical retail, and has driven the popularity of omnichannel retailing.

The table below shows Mihyar's selective shopping mall presence vs. competitors that are also present in a shopping mall in Saudi Arabia in 2023G

Table (3.31): Mihyar vs. Competitors' Presence in Selective Leading Shopping Malls in Saudi Arabia, 2023G

Saudi Arabia - Shopping mall location Mihyar vs. Competitors matrix																																					
Brand Competitor Name	Granada Center	Riyadh Park	Panorama mall	The Mall of Arabia	Nakheel Mall	Red Sea Mall	Al Salaam Mall	Mall of Dhahran	Hijaz Mall (Makkah)	Al Jubeil Mall	Rashid Mall (Jizan)	Makkah Mall	Al Noor Mall	Nakheel Mall -Dammam	Yasmeen Mall	Joury Mall	Al Hamra Mall	The Village mall	Dana Mall Yanbu	AL Rashid mall Abha	Herra Intl Mall Jeddah	The View Mall	U Walk	Park Mall Tabouk	Hofuf mall	Park Avenue	Park Mall Taif	Kadi Mall	Souk Al Diyafa	Aliat mall	Othiam Rabwa	Al Salam Plaza	Milagro Mall	Dareen Mall	Tala Mall	Andulas Mall	Rashid Mega mall	Total Mall Coverage (%)
Mihyar	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	100%
Al Shaika		√			√		√							√			√									√												80%

Sources: Euromonitor International Passport, trade interviews, published sources, and official brands websites: Note: Majority of MTM and RTW retail competitors are not present in shopping malls but are located in mass high street locations in cities/towns around Saudi Arabia.

Establishing a bricks-and-mortar presence in Saudi Arabia is, however, increasingly challenging, especially for brands without substantial financial backing and retail partnerships. High operational costs and soaring rents in prestigious malls and high-street locations make it difficult to secure the prime spots necessary to attract local customers accustomed to personalised services. Consequently, many international players are adopting a more omnichannel approach, blending a store-based retail presence with enhanced online operations. Leading local brands, like Mihyar, Alshiaka and Al Aseel, have already invested in proprietary websites and efficient delivery systems, offering rapid delivery services and click-and-collect options, as well as in-store returns.

Mihyar

Mihyar (RTM retail), a medium/low priced, leading brand (ranked first based on number of product SKUs offered and sold) in traditional national menswear under the Jamjoom Fashion Group, has experienced consistent growth since its founding in 2012G. Beginning with a single store in Jeddah, Mihyar now boasts 46 locations (2024G) across 20 cities in Saudi Arabia, a testament to its innovative approach to retail. The brand strategically selects high-traffic A-Class malls and prime high-street locations, ensuring accessibility and premium service to meet the demand for both everyday and formal wear. With plans to expand stores in the near future, across cities and towns of various sizes, Mihyar is also capitalising on the rise of digital retail by investing in a robust e-commerce platform, catering to the increasing demand for omnichannel shopping among Saudi consumers.

Mihyar's product portfolio is tiered to appeal to a wide range of customers, with a primary focus on adults aged 25-35 years seeking flexibility and style, while also catering to younger customers aged 15-25 years and mid-life adults aged over 35 years. Entry-level thobes are priced for younger buyers and travellers, while premium options feature luxury fabrics and fine embroidery, appealing to those desiring exclusivity and sophistication. The average price range per thobe is SAR225, reflecting the brand's commitment to innovation and quality materials. In addition to its RTW thobes, Mihyar offers a diverse range of ghutras, shemaghs, agals, mishlahs, shoes, underwear, bath and homewear, and religious attire. To further broaden its audience, Mihyar also offers "Young Warriors" thobes for boys, solidifying its position as a go-to retail destination for modern Saudi men.

مهيار

4. Company Background and Business Overview

4.1 Overview of the Company

Jamjoom Fashion Group stands out as a pioneer retail brands creator in the Middle East, combining innovation, quality, and a deep understanding of its customers to develop and deliver products and experiences that resonate with regional and cultural preferences. As the market leader in women's intimate apparel and nightwear in Saudi, with an 8.2% market share in 2023 in terms of gross revenue, and a market disruptor in men's national fashion, blending homegrown authenticity with global best practices, the Group ensures its flagship brands Nayomi and Mihyar compete and lead in highly competitive markets.

The Group controls its brand identity, product design development, pricing strategy, and the overall strategic direction. This ownership enables the Group to innovate freely, safeguard its assets, and respond dynamically to market opportunities. By controlling most aspects of its brand ecosystem, the Group protects its long-term vision while building enduring value and competitive advantages.

The Group operates a unique concept-to-shelf model through a robust value chain. The model is supported by strong supplier relationships, advanced customer relationship management (CRM) capabilities, consumer insights, and market research, which enables the Group to create highly relevant and adaptable product ranges that evolve with consumer preferences. All products are exclusively branded and sold through the Group's proprietary retail stores and digital platforms. Exerting significant control over the concept-to-shelf process allows the Group to deliver exceptional value, evolving design, and superior quality, delivered through a unified customer experience.

The Group is a digital-first communicator bridging the gap between in-store and online experiences, creating a unified shopping journey. Digital engagement is integrated into physical stores through interactivity and immersive technologies, such as augmented reality games in store, use of QR codes to showcase products on models, and digital loyalty programs engaging over 434,500 active members as of 31 December 2024. The Group's online platforms replicate the richness of the in-store experience with virtual store tours, live shopping, and Metaverse pop-ups. This cross-pollination builds strong connection with the customer, brand relevance and differentiation in fast-evolving markets.

The success of this model is supported by a highly skilled team with regionally unique expertise. Specialists in garment design, product development, supply chain management, and retail execution work alongside experts in consumer insights and trend analysis. This blend of local and global talent enables the Group to align creative vision with operational execution, delivering culturally relevant, high-quality products while maintaining agility in a competitive market.

The Group business model creates strategic alignment with modern consumer expectations and positions Jamjoom Fashion as a leader in meeting the needs of today's hybrid shoppers while driving sustained growth and market leadership.

The Group has 215 stores across GCC as of 30 September 2024, which increased to 216 stores as of 31 December 2024, and has a proven record of financial growth, with total revenue for the financial year ended 30 September 2024 reaching SAR 612.2 million, an 8.2% increase from the previous year's SAR 565.6 million, and total revenue of SAR 146.2 million for the three months period ended 31 December 2024, showing a 15.2% increase as compared to the total revenue for the three months period ended 31 December 2023, which amounted to SAR 126.9 million.

Please refer to Section (3) for more details about the Market Consultant's, Euromonitor, analysis of the market and the Group's market share.

4.2 Vision, Mission and Strategy

4.2.1 Vision

To celebrate women feeling beautiful, and men looking handsome.

4.2.2 Mission

To build a portfolio of engaging brands that bring dreams to life through immersive and captivating retail experiences.

4.2.3 Strategy

To deliver a seamless concept-to-shelf process, brought to life through exceptional store design, digital engagement, and accessible locations. This is achieved via carefully controlled and owned channels, supported by strong supplier relationships, offering an unparalleled product assortment that combines value, design, quality, and outstanding customer experience

4.3 Strengths and Competitive Advantage

4.3.1 Operating in a Growing Market Fuelled by Attractive Macro-Tailwinds

Operating in a growing market, the Group is well-positioned to capitalize on attractive macroeconomic tailwinds in the GCC. The region's nominal GDP is projected to grow from SAR 7.9 trillion in 2023 to SAR 10.8 trillion by 2029, reflecting a CAGR of 5.2%, driven by rising disposable incomes and improved consumer spending.

Saudi Arabia, in particular, has emerged as a key market for retail and fashion products. The Company's strategic focus aligns with the Kingdom's demographic trends, where a young and expanding population provides a dynamic and diverse consumer base. With a median age of just 30.5 years in 2023 —significantly lower than global averages— Saudi Arabia offers strong growth potential in consumer spending, particularly among the 18–34 age group. Per Euromonitor's data, this segment has shown a CAGR of 4.4% in per capita spending on womenswear, underscoring the demand for fashion and beauty products. Combined with the rising female workforce, increasing disposable incomes, and evolving spending patterns, the Group is well-placed to drive growth across its core markets.

Saudi Arabia's retail and fashion industries are further bolstered by Government initiatives to diversify the economy and expand retail infrastructure, reinforcing the region's strong "Mall Culture". Major projects like Riyadh's New Murabba and Jeddah's Jawharah are adding substantial retail capacity, creating thriving hubs for shopping and entertainment. These developments support the Company's brands, Nayomi and Mihyar, which cater to consumer preferences for affordable quality, convenience, and modernity.

Per Euromonitor's data, the womenswear and menswear Saudi market are expected to grow at a CAGR of 3.3% and 4.0%, between 2023 and 2029, respectively, and consumer expenditure on clothing and footwear expected to reach SAR 76.3 billion by 2029, which strategically position the Company to capture these opportunities. The Group's commitment to offering culturally aligned yet innovative products enables it to meet the needs of a diverse and expanding customer base, securing its leadership in a market poised for robust growth.

As per market research conducted by Euromonitor, the Group's products are considered stable and defensive in nature in comparison to other subsegments within the womenswear and menswear markets. For example, clothing items such as underwear and nightwear are essential every day clothing items, worn daily by everyone and thobes worn almost daily for Saudis. Even during recessionary or lower economic growth phases, consumers continue to purchase these every day essential clothing items, making them defensive in nature.

On the other hand, in 2024, the Government introduced a policy requiring all civilian government employees to wear traditional dress during working hours, with the exception of professionals such as doctors, engineers and health workers, who require specific clothing for their work. This policy, which emphasises cultural pride and national identity, could inspire private sector employees, particularly in local businesses, to adopt similar practices. As a result, traditional dress may become more common in the workplace, reinforcing its defensive nature. In addition, in 2024, to support national identity and heritage, the Ministry of Education has issued a dress code policy for schoolteachers, requiring them to wear national clothing.

4.3.2 Leading the Market with a Homegrown Innovative Brand Portfolio

A- Rooted in local identity: the Company's brands are homegrown and innovative, resonating well with regional consumers

As per trade source interviews conducted by Euromonitor, there is a growing preference among consumers for homegrown brands that reflect local connections and cultural relevance, providing the Group with a significant competitive advantage.

As a creator of homegrown brands, the Group is uniquely positioned to resonate with Saudi Arabian and GCC-national customers and to benefit from this demand. While global competitors often struggle to meet region-specific needs such as product design, quality, fit, and after-sales support, and to keep up with local festivities and seasons, the Group's deep understanding of its markets allows it to address these expectations effectively. By leveraging its local expertise, direct-sale strategy, and strong connection with customers proven by the fact that 85% of women respondents recognizing the Nayomi brand above its closest competitors (selective others include Shein at 83%, Max at 78% and Victoria Secret with 52%), according to a 2023 study commissioned by the Company by a third party, the Group is well-positioned to further solidify its leadership in the market.

The Company sets itself apart as a dedicated homegrown brand creator, delivering aspiration-driven, insight-led products that resonate with consumers. Unlike franchise operators, curators of international brands, or department store-style "signboard" businesses, the Group designs and manages the sale of its entire product and brand ecosystem.

By combining homegrown design, high-quality products, and a strong focus on price-value competitiveness, the Company's brands effectively address key consumer preferences while maintaining cultural relevance. Supported by a sophisticated network of strategic manufacturing partners, the Company's concept-to-store approach ensures cohesive and differentiated consumer experiences that drive loyalty and market success.

B- Leading Market Categories through a Distinct Brand Strategy

The Group builds value-driven brands that combine aspiration and affordability, addressing key consumer preferences in the GCC region. By maintaining full control over its branded store and product environments and offering tailored products that align with local cultural values, the Group has established a scalable business model. This approach not only supports category leadership in the region but also positions the Group for international expansion into markets with similar consumer dynamics. The Company's strategy is centered on establishing itself as a "category killer"—a market leader that dominates its niche by offering unparalleled value, variety, and customer engagement—seamlessly integrating a digital-first approach with a well-structured retail network to deliver a cohesive and superior customer experience. This approach positions the Company to become the store of choice for lingerie and nightwear through Nayomi and ready-to-wear national menswear through Mihyar.

Nayomi is the market leader in the intimate apparel and nightwear sector in Saudi Arabia and the GCC, with over 32 years of experience and a strong commitment to innovation that meets the needs of both young and adult KSA and GCC-national women. The brand held an 8.2% market share in 2023 in gross revenue, significantly surpassing competitors like Shein (2.5%), Max Fashion (1.7%), Women's Secret (1.5%), and Marks & Spencer (1.5%), and is the only fully local brand among the top five players. Nayomi's retail network, comprising as of 30 September 2024 of 169 outlets across the GCC, including 101 in Saudi Arabia, reflects its strategic goal of enhancing accessibility. As of the quarter ended 31 December 2024, Nayomi's retail network comprises 167 outlets across the GCC. Nayomi transforms increased competition from international brands into a strategic advantage by highlighting its unique value proposition. The brand's industry-leading breadth and depth of aspirational products, superior quality, extensive variety, and attractive pricing enable it to stand out in a crowded market.

Mihyar, on the other hand, is pioneering the "head-to-toe" ready-to-wear concept for national menswear in Saudi Arabia, catering to young, fashion-oriented consumers seeking convenience and style. By offering a comprehensive wardrobe solution that includes high-quality thobes, headwear, footwear, underwear, and accessories under one roof, Mihyar addresses a significant gap in the market as consumer preferences shift from traditional custom tailoring to modern retail formats.

Positioned to capitalize on this cultural transition, Mihyar has no direct international competitors and is leveraging its first-mover advantage to attract Gen Z and millennial demographics, who value modern aesthetics and culturally relevant offerings. Although Mihyar is reaching 46 stores as of 30 September 2024, the brand is in the early stages of its development with substantial growth potential based on the consumer proximity strategy. As of the quarter ended 31 December 2024, Mihyar has 49 stores.

Supported by expertise in industrialization, research and development, and global supply chain management, Mihyar aims to replicate Nayomi's success and strengthen its position in the fragmented national menswear market, capturing significant market share with a segmented pricing strategy and efficient supply chain.

Mihyar seeks to capture a significant market share through a targeted pricing strategy and an efficient supply chain. Mihyar is one of the leaders in the ready-to-wear space based on number of retail stores and on number of SKUs offered (>7,400 items across all categories), and differentiates itself from competitors is the quality of the products.

C- Value wrapped in a brand; the Company products are considered to have very high quality at affordable prices

The Company's strategy is to position its brands at the masstige level, bridging the gap between mass-market affordability and premium aspirational products. This approach allows the Company to cater to a wide demographic, delivering high-quality, design-led offerings at accessible price points. The Company's ability to control the concept-to-shelf process generates the required margin to execute price and value with aspiration. This pricing strategy enables Nayomi to combine quality with affordable prices, making it the premier destination for women's sleepwear and lingerie in the region.

Mihyar, is leveraging the Company's concept-to-shelf proposition and growing scale to achieve economies necessary to complete its masstige positioning objective. By expanding its store network and operational efficiencies, Mihyar is positioned to enhance its pricing competitiveness while maintaining its focus on high-quality, culturally relevant products tailored to the national men's apparel market.

D- Category killers in apparel through large SKU assortment

The Group's brands are positioned for sustained market share growth through a category-killing approach, offering a significantly broader product selection than competitors. By delivering on customer preferences for quality, variety, and value, the Group aims to have an unmatched product assortment. Nayomi provides over 11,700 SKUs annually, while Mihyar offers more than 7,400 SKUs, ensuring exceptional breadth of choice tailored to diverse consumer needs, while competitors in the Kingdom offer lower selections as reflected in their lower number of SKUs (please refer to Tables 4.1 and 4.2 below). This extensive range is achieved through strategic segmentation by design, price, and aesthetic, enabling the brands to meet a wide spectrum of preferences while maintaining strong customer relevance.

'The table below further shows the bras SKUs comparison, to showcase the Group's competitive standing.

Table (4.1): Selective Underwear Brands by # SKUs product option count (bra's)

Brand name	Product Option Count - Bra's	Estimated # of SKUs: Bra's
Nayomi	192	2,456
Max	110	1,760
Women's Secret	97	800
Marks & Spencer	133	2,107
Victoria Secret	73	1,552
Pink	60	464

Source: Euromonitor International, Jamjoom Fashion, Note: # SKUs = estimated cumulative number of options, product options = bra's style colour and pyjama's style colour

Mihyar, addressing the ready-to-wear national men's apparel market, offers a comprehensive "head-to-toe" product range designed for modern male consumers. With a large number of SKUs, Mihyar delivers variety, affordability, and aesthetic appeal, aligning with shifting consumer preferences. This approach positions Mihyar to expand its market share within the fragmented national menswear sector, fostering customer loyalty and supporting long-term brand growth.

Table (4.2): Selective Saudi Arabia's Men's National Wear Retail Overview, 2023

Brand Name	Estimated # product SKU's
Mihyar	Over 7,400 across all categories
Al Shaika	Over 5,000 across all categories
Al Daffah	Approximately 2,000 across all categories

Source: Euromonitor International based on published information from company websites and other third party sources. Note: Disclaimer – Subjective in nature: considerations include: average pricing of selected products, brand positioning, target consumer, breadth of retail channel presence, consensus from trade interviews sources and other related subjective criteria

E- Strategic investment in store design and customer experience

The Group enhances the shopping experience through innovative store designs that reflect the DNA and ethos of its homegrown brands. Each store delivers an immersive environment that aligns with the brand's identity, offering a seamless blend of functionality, aesthetics, and cultural relevance.

By combining competitive pricing with premium thoughtfully designed retail environments, the Group creates a perception of exceptional value while ensuring a high-quality shopping experience. Modern design elements and localized cultural touches elevate the retail experience, with flagship store innovations such as self-serve click-and-collect wardrobes, interactive digital shopping screens, and 3-dimensional living windows enhancing customer engagement and driving positive conversion.

To support these efforts, the Group employs Oracle's advanced inventory management system, enabling real-time visibility of stock across multiple stores within the geographic area. This ensures efficient customer service and seamless in-store operations. The "order in-store, ship-to-home" functionality, further bridges the gap between physical and digital channels, reinforcing the Group's commitment to convenience and accessibility for its customers.

The Company employs a digital-first engagement strategy to align with the growing trend of hybrid shoppers who seamlessly navigate both digital and physical channels. This strategy enhances brand visibility, supports omnichannel shopping experiences, and drives traffic across online and in-store platforms. The success of this strategy has been highlighted by the strong customer transaction growth numbers experienced across the Group's stores, reaching 2.55 million as of 30 September 2024, representing a year-on-year growth of +11.2%. The Group's integration of digital and physical channels ensures a cohesive customer experience, enabling it to strengthen customer engagement, enhance loyalty, and drive sustained growth.

4.3.3 A Well-Crafted Business Model: Maximizing Efficiency Across the Entire Value Chain—from Concept to Store

The Group operates a well-integrated business model, maximizing value across all stages of the value chain, including ideation, design, technical development, production sourcing, logistics, warehousing, marketing, and consumer touchpoints. Its brand-experience model is delivered through its proprietary retail stores and digital platforms, ensuring consistency, quality, and margin control.

This consumer-centric approach is supported by an agile infrastructure, enabling the Group to execute faster, more efficiently, and at a lower cost than regional and international peers. The Group's concept generation is informed by a profound understanding of customer needs and market dynamics. Analytical rigor drives market opportunity identification, Product Lifecycle strategy, and innovation investment, ensuring relevance and competitiveness.

The Group collaborates with international trend agencies, while designers and developers undertake trend-spotting trips to global style capitals, including London, Paris, Tokyo, Madrid, and New York. These insights are tailored to align with regional cultural preferences, ensuring products resonate with target consumers.

Leveraging in-house design studios and a skilled team of designers, developers, and creative directors, the Group creates differentiated offerings supported by a specialized fit department, which focuses on perfecting garment sizing, proportions, and silhouettes to align with customer preferences and enhance comfort and style. Outfit building aligns with the Group's "buy more, save more" strategy, encouraging larger basket sizes by offering complementary products designed to work together.

The Group's production model prioritizes flexibility and efficiency. By partnering with world-class suppliers instead of owning factories, it ensures supply chain diversification and production excellence. Longstanding relationships with key suppliers—seven of which exceed ten years—provide stability, price advantages, and, manufacturing, and raw material research and development capabilities. Long term relationships with trusted partners protect the Group's designs, and enable scalable production based on price, quality, and geopolitical considerations.

Through proactive supply chain management, the Group mitigates risks, ensures resilience, and maintains operational adaptability. This low-capex, high-flexibility model allows the Group to focus on design innovation, brand development, and delivering exceptional value to customers.

4.3.4 Category Killing Mentality Allowing for a Strong Physical Footprint and Backed by Landlord Relationships Shaping the Physical Footprint Strategy

The Group's brands serve as an "Anchor Brand" for mall operators by filling the 'intimate wear' and 'Thobe' sections, as Nayomi and Mihyar are popular brands that attract significant footfall. The Group distinguishes itself by ensuring that all stores are well-maintained and regularly upgraded, enhancing visual appeal and the shopping experience, which increases foot traffic and makes mall operators eager to give the Group's stores strong and distinctive locations with competitive rental values. The Group's long standing and strong relationship with mall operators enables new Mihyar locations to be agreed in line with the more established Nayomi brand. Utilizing advanced location-mapping tools, the Group strategically places stores to align with customer profiles and emerging growth areas, which has led to the presence of both Nayomi and Mihyar in all key shopping destinations across Saudi Arabia. This solid foundation, combined with strong landlord partnerships and a flexible approach to store design, ensures that Nayomi and Mihyar remain pivotal in attracting consistent foot traffic and enhancing the retail mix in major malls, positioning the Group for continued growth in a competitive market. This serves the Group's key strategic objective of ensuring that 85% of target consumers are within close proximity to a store, which enhances accessibility and convenience while leveraging economies of scale to deliver competitive pricing, operational efficiency, and strong brand differentiation.

Table (4.3): Presence in Selective Malls, 2023

	Saudi Arabia																		
	Granada Center	Hayat Mall	Riyadh Park	Sahara Centre	Panorama mall	The Mall of Arabia	Aziz Mall	Nakheel Mall	Red Sea Mall	Al Salaam Mall	Mall of Dhahran	Hijaz Mall (Makkah)	Obaikan Mall (Taif)	Oasis Mall (Mahayel Aseer)	Al Jubeil Mall	Hafer Al Batin Mall	Rashid Mall (Jizan)	Al Manar Mall (Madinah)	Yanbu Mall	Total Mall Coverage (%)
Nayomi	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√		100%
women'secret	√	√		√	√	√	√	√	√	√	√									53%
max	√	√	√		√	√	√		√	√		√						√		47%
MARKS & SPENCER	√	√	√		√	√		√			√	√					√			42%
VICTORIA'S SECRET	√	√	√			√			√											26%
intimissimi									√											5%
LaSenza		√		√	√	√	√	√	√	√	√	√								37%

Source: Euromonitor International Passport, trade interviews, published sources, and official brands websites

Table (4.4): Major Underwear and Nightwear Brands' Presence in Major Shopping Malls in the UAE, 2023G

	United Arab Emirates																	
	The Dubai Mall	Mall of Emirates	Barsha Mall	Dubai Hills	City Centre Deira	City Centre Mirdif	Dubai Festival City Mall	Mega Mall (Sharjah)	Sahara Centre (Sharjah)	Dubai Outlet Mall	Marina Mall (Abu Dhabi)	Yas Mall	Abu Dhabi Mall	Al Wahda Mall Abu Dhabi	Ajman City Centre 2	Century Mall (Fujairah)	RAK Mall	Al Ain Mall	Total Mall Coverage (%)
Nayomi	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	94%
women'secret	√			√		√	√	√			√	√	√					√	56%
max	√	√			√	√	√		√		√	√		√	√			√	61%
MARKS & SPENCER	√	√		√	√	√	√				√				√				39%
VICTORIA'S SECRET	√	√			√	√		√	√		√	√	√	√				√	56%
intimissimi	√	√		√															17%
La Senza	√	√			√	√	√	√	√	√	√	√	√	√	√			√	78%

Source: Euromonitor International Passport, trade interviews, published sources, and official brands websites

Table (4.5): Mihyar vs. a Select Competitor' Presence in Selective Leading Shopping Malls in Saudi Arabia, 2023G

| | Saudi Arabia - Shopping mall location Mihyar vs. Competitors matrix | | | | | | | | | | | | | | | | |

4.3.5 Synergistic Omni-Channel Approach, Seamlessly Integrated with Robust Technology and Digital Capabilities to Enhance Customer Experience and Drive Growth

The Group employs a synergistic omni-channel approach that seamlessly integrates its physical and digital platforms to provide a cohesive and enhanced customer experience. By leveraging robust Oracle ERP technology alongside an integrated consumer-facing digital stack, the Group meets the needs of hybrid consumers who value both convenience and personalized engagement. This strategy bridges in-store and online experiences, creating a unified shopping journey through interactive elements like augmented reality shopping experiences, QR codes through which customers can see products worn by models on their mobile phone, and digital loyalty programs (Amirah program & Mihyar club), while online platforms offer virtual store tours, live shopping events, and Metaverse pop-ups.

The Group is re-platforming its digital tech stack to enhance scalability and support innovations such as social commerce and digital gamification, further driving customer engagement. Additionally, by leveraging consumer data through CRM software for Nayomi and Mihyar, the Group engages approximately 434,500 active members (as of 31 December 2024), in its loyalty programs, gaining valuable insights into customer preferences and trends. This data-driven approach not only enhances marketing effectiveness but also informs the Group's concept-to-shelf model, influencing decisions in product design, inventory planning, and pricing strategies. Real-time feedback loops enable the Group to swiftly respond to shifting consumer demands and emerging market opportunities, optimizing operational efficiency and driving growth while delivering high-quality, relevant products.

The Company operates an integrated technology system utilizing globally recognized software solutions to achieve competitive advantages. For instance, it employs Oracle for centralized operations management, Amazon Web Services (AWS), and AirTable for demand planning and supply chain management. Additionally, the Company uses Zendesk, Insider, Shopify Plus, Magento, and GraphQL across various aspects of its operations.

4.3.6 Robust Financial Performance with Solid Top Line Growth, Healthy Margins and High Free Cash Conversion, Underpinned by Economies of Scale and Operational Expertise

The Group has consistently focused on strong top-line performance, driven by organic growth, portfolio expansion, and geographic footprint optimization. The Group's revenues have increased steadily over recent years as average revenue per store increased by 12.0% from SAR 2.44 million in the financial year ended 30 September 2023G to SAR 2.73 million for the financial year ended 30 September 2024G. This has led to an increase in revenue from SAR 565.6 million for the financial year ended 30 September 2023G to SAR 612.2 million for the financial year ended 30 September 2024G, reflecting a year-on-year growth of 8.2% and highlighting the value add of store renovations. The total number of stores increased from 215 as of 30 September 2024 to 216 as of 31 December 2024G.

The Group's revenues have increased steadily over recent years as average revenue per store increased by 15.9% from SAR 0.57 million in the quarter ended 31 December 2023G to SAR 0.66 million for the quarter ended 31 December 2024G. This has led to an increase in revenue from SAR 126.9 million for the quarter ended 31 December 2023G to SAR 146.2 million for the quarter ended 31 December 2024G, reflecting a growth of 15.2%.

The Group has successfully managed this growth while maintaining strong and improving gross margin profile, which rose from 66.9% for the financial year ended 30 September 2023G to 68.8% for the financial year ended 30 September 2024G, demonstrating healthy profitability profile. For the quarter ended 31 December 2024G, the gross margin stands at 69.3%. The Group also boasts a strong post IFRS EBITDA margin profile, with an average 2-year historical margin of around 33.7%, and its net margins have steadily increased, rising from 11.4% for the financial year ended 30 September 2023G to 13.4% for the financial year ended 30 September 2024G; for the quarter ended 31 December 2024G, the net margins stand at 11.6%.

With low leverage and strong debt capacity, the Group is well-positioned for further expansions, as reflected in its net debt-to-EBITDA ratio of approximately 0.8x for the financial year ending 30 September 2024G. Furthermore, the Group has demonstrated strong cash flow generation capabilities, with its Free Cash Flow Conversion at 98.5% for the financial year ended 30 September 2023G, 101.7% for the financial year ended 30 September 2024G, and 41.3% for the quarter ended 31 December 2024G. (Free cash flow is the sum of cash generated from operating activities (excluding the movement of the balance due to shareholders as it is largely of a financing nature) and investing activities. Free cash flow conversion is calculated based on EBITDA after the application of IFRS 16.).

4.3.7 Seasoned Industry Leadership Driving a Unique Talent Pool and Supported by a Reputable Shareholder

The Company was founded by a visionary retail pioneer and is currently led by a highly experienced management team with a rare combination of local and global expertise, making it a standout in the region. This team combines deep knowledge of the Kingdom and GCC retail market with specialized capabilities in concept-to-shelf product development, consumer insights, strategic communication, advertising, landlord relations, and operational execution—critical skills for navigating a competitive retail landscape.

With a proven track record of operating 216 stores across KSA, Kuwait, Qatar, UAE, Bahrain, and Oman, the leadership team has seamlessly integrated digital platforms and omnichannel capabilities into the business. They oversee the entire value chain, supported by an efficient infrastructure and a clear vision for sustainable growth, talent development, and long-term organizational continuity.

The team also brings expertise in areas often underrepresented in the region, including design, technical development, R&D, and supply chain optimization. By blending creativity with executional precision, they have cultivated a unique culture that prioritizes innovation and forward-thinking strategies, positioning the Group to shape the future of retail in the GCC and international markets.

Note: The market data mentioned in this Section (4.3) was obtained from the Market Study. Please refer to Section (3) for more details about the Market Consultant's, Euromonitor, market study.

4.4 Growth Strategy

4.4.1 Store Rollout

The Group's retail expansion strategy focuses on accelerating growth through targeted store openings in key markets, with the goal of ensuring that target consumers are no more than 15 minutes away from a store. This approach prioritizes Tier 1 cities, regional hubs, and underserved Tier 2 cities to establish a strong presence across Saudi Arabia and the GCC.

For Nayomi, expansion will focus on prime locations in top-tier malls, including flagship "**Floating Palace**" stores, while aligning new openings with regional mall developments to ensure presence in high-growth areas. Mihyar will drive its store rollout and improve consumer accessibility through flagship locations as well as Tier 1 and Tier 2 malls and high-street stores, broadening its reach and reinforcing its position as a leading national menswear brand. The Group has a pipeline of new Nayomi and Mihyar stores to open in upcoming malls in the KSA, including Jawhara mall, The Avenues, Qiddiya and Masar.

As an example of a successful store rollout, the cumulative store net cash flows for a new Nayomi store (230 SQM with a SAR 12,500 Capex PSQM) opened in 2022 was:

- Year 0: (2,875,000) SAR.
- Year 1: (609,000) SAR.
- Payback period: 1.2 years.
- Year 2: 3,011,000 SAR.
- Year 3: 7,328,000 SAR

This shows that the Company is able to achieve a short payback period for new stores.

4.4.2 Evolving the Store Format

The Group's store expansion strategy includes increasing square footage through renovations of existing stores into larger formats. These expanded stores enable the comprehensive display of the Group's diverse product categories, enhancing the customer experience and better showcasing the breadth of its offerings. By enlarging store formats, the Group aims to improve product visibility, attract higher foot traffic, and drive increased sales conversion rates. For example, Nayomi store of a size of 350 sqm was renovated and increased to a size of 424 sqm (increase of 21%) resulting in sales increase by 22% for that store in a month like-for-like period.

The Group places significant importance on its store environments, which follows a strict policy of care, design, maintenance and operation, and this policy has delivered constantly measurable results, with successful new Nayomi and Mihyar store concept driving a 15% increase in gross sales during the like-for-like period before and after the renovation in the years 2023G/2024G.

4.4.3 Growth in E-Commerce and Hybrid shopping

The Group's digital strategy focuses on enhancing the user experience through a comprehensive re-platforming of its online presence. This initiative includes the integration of artificial intelligence to deliver personalized recommendations, optimize inventory forecasting, and align product offerings with customer preferences and demand patterns. By leveraging more advanced technologies, the Group aims to improve inventory management, increase conversion rates, and elevate overall customer satisfaction.

To strengthen its omnichannel capabilities, the Group is expanding features such as click-and-collect services, live shopping events, and exclusive online product launches. These initiatives seamlessly integrate physical and digital channels, offering customers a unified, convenient, and engaging shopping experience.

As part of its forward-looking strategy, the Group plans to launch a digital outlet platform to capitalize on the growing shift toward value-driven online shopping. This platform will provide access to discounted products, featuring exclusive promotions, limited-time offers, and personalized recommendations powered by artificial intelligence. Integrated with the Group's broader omnichannel approach, the digital outlet includes click-and-collect options and home delivery, ensuring a seamless customer journey. This strategic move is designed to expand the Group's reach, engage value-conscious customers, and optimize inventory utilization while meeting evolving consumer expectations.

The Company has two channels for sales - e-commerce and stores; the gross profit margin for stores is 10% more than e-commerce. The online shopping revenue percentage for the Company pre-Covid-19 is 0.8%, during Covid-19 this increased to 14.5% (which showcases that there is infrastructure available to support online sales), and post-Covid-19 this decreased to 0.9%. Currently, online shopping revenue represents approximately 2.4% of total revenue.

Overall, the Company anticipates continued growth in digital adoption as more customers blend hybrid shopping across the physical and online channels. This shift presents an opportunity to engage a broader audience, adapt to changing consumer behaviors, and maintain a competitive edge in an increasingly digital enabled retail landscape.

Some of the E-Commerce initiatives like live chat, which is used to provide technical support and to act as a personal shopper to support customers has resulted in a 97% customer satisfaction rate. Additionally, another E-Commerce initiative known as "Shop the Look" aims to provide easy visualization of outfits, and adds both cross-selling and up-selling opportunities, which resulted in a 39% higher average transaction quantities compared to stores.

4.4.4 Category Growth

The Group aims to leverage its concept-to-store expertise, broad product choice, competitive pricing, and accessibility-focused model to develop its smaller product segments into regional category leaders. By applying the same proven strategies that underpin its success in lingerie, nightwear, and national menswear, the Group will focus on scaling segments such as Men's underwear to address unmet market demand and enhance consumer engagement. As an example, the Pajamas category had a 20% CAGR from its introduction in September 2019 to September 2025 (estimated). Throughout the lifecycle of the Pajama category, they had over 100 choices & variety of styles (new styles per season), over 40 fabric choices, good value for money, and 13% cont. to brand sales (achieved in 6 years).

4.4.5 Internationalization

Nayomi specializes in a universal product category with a brand identity, design approach, and price-value proposition that resonate across borders. The global lingerie market is experiencing steady growth, a trend projected to continue in the coming years. By 2024, the market is expected to reach USD 94.78 billion, increasing to USD 142.44 billion by 2029 reflecting a CAGR of 8.49%, driven by rising demand across diverse product categories. Emerging markets in the Asia-Pacific, Eurasian, and broader Middle Eastern regions are anticipated to experience strong growth, supported by higher disposable incomes, and increasing urbanization. With its focus on culturally aligned designs and a reputation for quality, Nayomi is well-positioned to expand into these developing markets. The Group is evaluating market entry strategies for international growth, emphasizing consumer profiling, duty regimes, local market dynamics, price elasticity, and partnership alignment to ensure sustainable expansion. This strategy will integrate both physical and digital platforms to maximize accessibility and visibility of the brand. The Group is planning to have 100 franchised stores by the year 2030G.

4.5 KPIs

KPI	The year ended 30 September 2023G	The year ended 30 September 2024G	Growth	Quarter ended 31 December 2023G	Quarter ended 31 December 2024G	Growth
No. of stores as of year end	218	215	(1.4%)	217	216	-0.5%
Customers (no. transactions in 000s)	2,294	2,550	11.2%	563	597	6.0%
Average Revenue/SQM[25] (SAR 000s)	14.2	15.6	9.9%	3.2	3.7	15.6%
Gross profit margin (GPM)[26]	66.9%	68.8%	2.8%	65.5%	69.3%	5.8%
EBITDA[27] (SAR 000s)	188,602	208,574	10.6%	37,396	52,129	39.4%
Post-IFRS EBITDA Margin	33.3%	34.1%	2.4%	29.5%	35.7%	21.0%
Return on assets (ROA)[28]	18.7%	19.5%	4.3%	1.6%	3.0%	87.5%
Current ratio[29]	0.7	0.9	28.6%	0.9	0.8	-11.1%

Source: the Company

25 Total revenue / retail space in sqm.
26 Gross profit / revenue x 100.
27 Earnings before interest and tax, depreciation and amortization.
28 Net income / total assets x 100.
29 Current assets / current liabilities.

4.6 The Company and Historical Development

4.6.1 The Company

Jamjoom Fashion Trading Company is a single person closed joint stock company registered with the commercial register in the city of Jeddah with the commercial registration under the unified no. 7036573447 dated 04/12/1444H (corresponding to 22/06/2023G) with its registered address at 2532, Asma bint Umais, 6705, Ash Shati district, Jeddah, Saudi Arabia, 23513.

The Company's current capital is SAR 79,478,000 divided into 7,947,800 ordinary shares, each with a nominal value of SAR 10 each.

4.6.2 Capital and Shareholding Development

The Company was incorporated through the conversion of a branch of Kamal Osman Jamjoom Trading LLC into a single person closed joint stock company on with a capital of SAR 500,000 divided into 50,000 shares, each with a nominal value of SAR 10 each. The Company was incorporated and registered with the commercial register on 04/12/1444H (corresponding to 22/06/2023G).

On 20/07/1446H (corresponding to 20/01/2025G), the Company registered the increase of its capital from SAR 500,000 to SAR 79,478,000, and its shares from 50,000 shares to 7,947,800 shares, each with SAR 10 nominal value, through capitalizing the "other reserves" amounting to SAR 78,978,000. The Company remained 100% owned by KOJ Trading after the increase. Since its incorporation, the company's ownership has not changed, and it has not undergone any other change in capital.

4.6.3 Key Historical Milestones

Year	Milestone
1992	Journey began, with the opening of first Nayomi store in Jeddah Danya Mall, Saudi Arabia.
2000-2002	Opened the first international store in UAE. Nayomi continues international expansion with the opening of stores in Qatar & Bahrain.
2003	Nayomi expands to Kuwait and Oman.
2005	Nayomi KSA crosses 1M pieces sold annually, UAE reaches 0.5M pieces.
2008	Nayomi achieves sales of SAR 100 million in sales. Nayomi items sold surpass 2M pieces annually in KSA, and UAE reaches 1M pieces annually.
2012	Mihyar Brand established in Jeddah with the opening of the first store offering ready-to-wear thobes. Mihyar reaches 1k SKUs.
2015	Nayomi opens first 400 sqm flagship store in Mall of Arabia Jeddah. Nayomi KSA items sold exceed 5M pieces annually. Mihyar exceeds 2k SKUs.
2021	Nayomi achieves SAR 500 million in sales. Nayomi hits 1m Instagram followers. Mihyar exceeds 4k SKUs.
2022	Nayomi launches its first teens and tweens "Dream" Store Concept. Mihyar exceeds 5k SKUs.
2023	The Group is carved out from KOJ Trading KSA. The Company acquires Booty Parlor as a strategic entry into the beauty and creams segment.
2024	Mihyar achieves SAR 88 million in sales and exceeds 7k SKUs
2025[(1)]	The Company has reached a total of 218 stores across 6 GCC countries, comprising 165 Nayomi stores and 53 Mihyar stores.

(1) Store figures as of 31st March 2025

4.7 Overview of the Group

4.7.1 Shareholders Overview

The Company is wholly owned by Kamal Osman Jamjoom Trading, which is a limited liability company registered with the commercial register in the city of Jeddah under commercial registration number 4030043970 on 07/09/1404H (corresponding to 07/06/1984G). Kamal Osman Jamjoom Trading's current capital is SAR 145,318,000 divided into 100 shares, each with a nominal value of SAR 1,453,180 each. Kamal Osman Jamjoom Trading LLC is owned by Kamal Osman Salah Jamjoom (99%) and Jameel Kamal Osman Jamjoom (1%).

4.7.2 Subsidiaries

The Company has a branch in the UAE and six (6) Subsidiaries across the GCC and in the Philippines. Below is a brief about the purpose, key operations and key assets of each:

A- Jamjoom Fashion Trading Dubai Branch

Jamjoom Fashion Trading Dubai Branch is a branch of the Company registered under commercial license no. 1252509 and commercial register no. 2113384 dated 20/10/2023 in Dubai. Its registered address is offices 601 – 606, Dubai Hills Estate, Dubai, UAE.

This is a branch of the Issuer and its purpose is to act as a procurement office of the Saudi operations. It does not produce any revenue, and has no material assets.

B- Jamjoom Fashion Support Services Philippines Inc. (Philippines)

Jamjoom Fashion Support Services Philippines, Inc. is a stock corporation registered under no. 2024010132487-02 and incorporated on 22/01/2024G. Its registered address is Lot 1A Colours Town Center Alabang-Zapote Road Corner Marcos Alvarez Avenue Talon uno, City of Las Piñas, Fourth District, National Capital Region (NCR), 1747. The Philippines Subsidiary is owned 98.4% indirectly through the Issuer's UAE Subsidiary. The remaining 1.6% is owned legally by the five directors of the Philippines Subsidiary and they all signed nominee declarations granting the Company beneficiary ownership of their shares.

The Philippines Subsidiary provides support services including financial, HR and administrative services. It does not produce any revenue, and has no material assets.

C- Jamjoom Fashion Trading LLC (UAE)

Jamjoom Fashion Trading LLC is a limited liability registered under license no. 521309 and incorporated on 20 September 2000. Its registered address is Office Nos. 601–606, Mohammed Bin Rashid Gardens, Dubai Hills Estate Retail, Dubai, UAE. It is 100% owned by the Company, and has a capital of AED 300,000 divided into 300 shares.

This Subsidiary operates as a retailer of the brand Nayomi in the UAE. It is also a material Subsidiary of the Company as it contracts with all the key suppliers of the Company and employs certain key employees of the Group including the design team.

D- Jamjoom Fashion Trading SPC (Oman)

Jamjoom Fashion Trading SPC is a sole proprietor company registered under no. 1498791 and incorporated on 06 August 2023. Its registered address is P.O. Box 1278, 111, Muscat, Muscat Governorate, Sultanate of Oman. It is 100% owned by the Company, and has capital of OMR 5,000, divided into 5,000 shares.

This Subsidiary operates as a retailer of the brand Nayomi in Oman. It has no material assets.

E- Jamjoom Fashion Trading WLL (Bahrain)

Jamjoom Fashion Trading WLL is a company with limited liability registered under no. 166897 and incorporated on 09 August 2023. Its registered address is Manama, Al-Suwayfiyah, Block 351, Road 5122, Building 1036, Shop 24, Bahrain. It is 99% owned by the Company, and has a capital of BHD 5,000 divided into 5,000 shares.

This Subsidiary operates as a retailer of the brand Nayomi in Bahrain. It has no material assets.

F- Jamjoom Fashion Company for the Retail of Sale of Ready-Made Clothes and Children's Items (A One-Person Company) (Kuwait)

Jamjoom Fashion Company for the Retail of Sale of Ready-Made Clothes and Children's Items (A One-Person Company) is a one-person company registered under no. 484991 and incorporated on 04 September 2023. Its registered address is Beirut Street, Hawalli Governorate, Al-Ghazouri Complex, Unit S28, Floor 1, Kuwait. It is 100% owned by the Company, and has a capital of KD 1,000.

This Subsidiary operates as a retailer of the brand Nayomi in Kuwait. It has no material assets.

G- Nayomi WLL (Qatar)

Nayomi WLL is a company with limited liability registered under no. 97129 and incorporated on 13 April 2017. Its registered address is Al Khor Coastal Road in the Al Khor region street No. 390, Property No. 47, and has a capital of QAR 200,000 divided into 200 units, each with a nominal value of QAR 1,000.

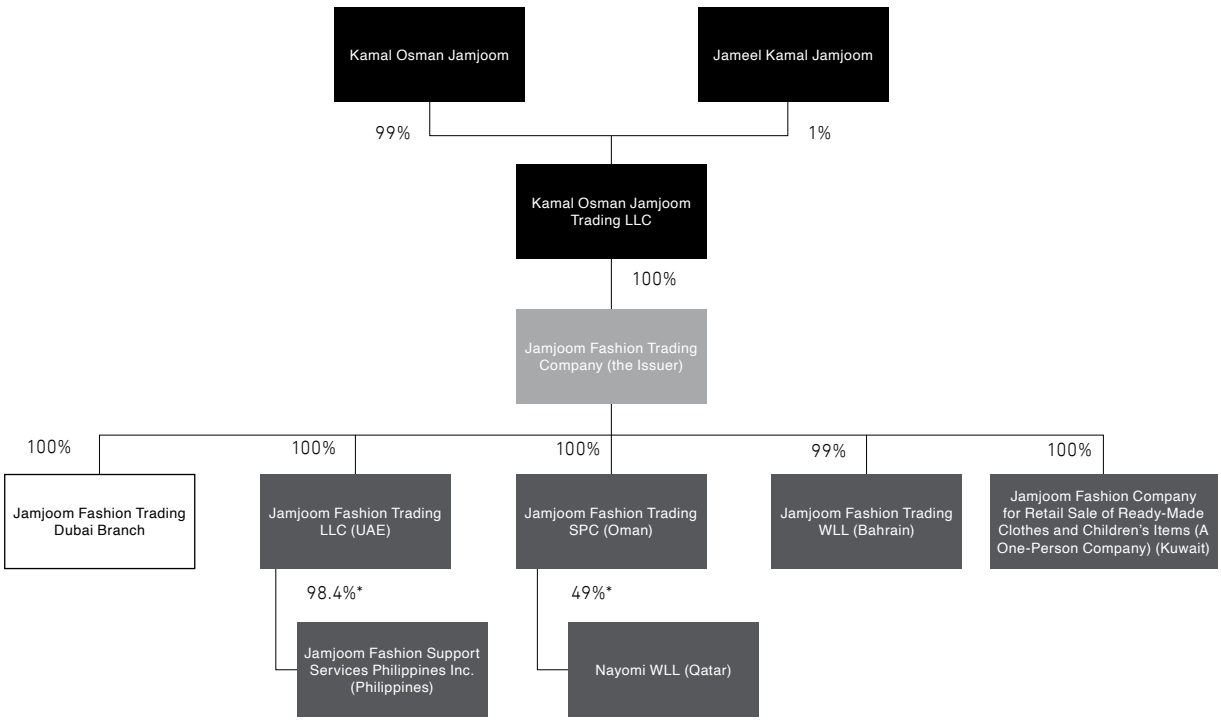
It is 49% owned by the Company. The other 51% is owned by a Qatari partner, which is a local sponsor entity that is holding this stake for the beneficial interest of the Company.

This Subsidiary operates as a retailer of the brand Nayomi in Qatar. It has no material assets.

4.7.3 Group Structure

The graph below shows the structure of the Group.

Exhibit (4.1): Group Structure



* The percentage shown is the legal ownership. The remaining percentage is owned beneficially by the Issuer.

Source: Company

4.8 Overview of the Brands: Nayomi

4.8.1 Overview and Key Data

Nayomi is a proven market leader in intimate apparel and nightwear in the Middle East. Founded in Jeddah, it has grown from a single-store into a category-defining powerhouse with stores across six GCC countries: Saudi Arabia, UAE, Qatar, Kuwait, Oman, and Bahrain.

The below table shows key information about Nayomi:

Table (4.6): Nayomi Key Data

	The year ended 30 September 2023G	The year ended 30 September 2024G	Growth	Quarter ended 31 December 2023G	Quarter ended 31 December 2024G	Growth
Total no. of stores	173	169	-2.3%	172	167	-2.9%
Average number of stores	185	177	-4.4%	177	172	-2.8%
Total SQM at period end	31,310	31,005	-1.0%	31,172	30,827	-1.1%
Sales (SAR million)	482.8	524.2	8.6%	110.8	127.1	14.7%
SKUs	9,809	11,719	19.5%	3,860	4,330	12.2%
Revenue contribution	85.4%	85.6%	0.2%	87.3%	87.0%	-0.4%

Source: the Company

For the period from 30 September 2023G to 30 September 2024G, the Company achieved like-for-like sales growth of 7% for Nayomi. For the quarter ended on 31 December 2023G and 31 December 2024G, respectively, the like-for-like sales growth reached 13.8%. Furthermore, the Company recorded revenues of SAR 110,797,947 during the first quarter of 2024G, compared to SAR 127,134,717 during the first quarter of 2025G.

Similarly, Nayomi gross margins are higher than Mihyar on average since it benefits from greater economies of scale due to larges sales and volumes compared to Mihyar.

4.8.2 Nayomi Dream

Launched in 2022, Nayomi Dream is a sub-brand designed for tweens and teens, offering culturally appropriate nightwear, underwear, and loungewear. It serves as a bridge to adulthood, blending international fashion trends with cultural relevance to help young girls feel confident and comfortable. Nayomi Dream is also a strategic recruitment tool, introducing new consumers to the Nayomi brand and fostering early loyalty. With a focus on digital-first engagement and community building, the sub-brand reinforces Nayomi's relevance for future generations while strengthening its market position as a brand that supports its customers at every stage of life.

Nayomi Dream sales contributed 3% and 3.2% of Nayomi sales for the years ended 30 September 2023 and 2024, Nayomi Dream products are sold at all Nayomi stores. For the quarter ended 31 December 2024G, Nayomi Dream sales contributed 2.2% of Nayomi sales.

As of 30 September 2024G, Nayomi Dream accounted for 3% of total revenues. Its profit margins increased from 54% in 2018 to 59% in 2024. Additionally, the number of stock keeping units (SKUs) rose from 13 in 2018G to 1,377 in 2024G, with 209 of those introduced during the year 2024G.

4.8.3 Booty Parlor

As of September 30, 2024, Booty Parlor accounted for 4% of total revenues, with a total of 26 stock keeping units (SKUs). For the quarter ended 31 December 2024G, Booty Parlor sales contributed 5.2% of total revenues.

4.8.4 Stores

As of 31 December 2024, Nayomi has 167 stores across the GCC. The following is a table showcasing the regions at which Nayomi stores are located.

Table (4.7): Nayomi Stores as of 31 December 2024

#	Country	Store Location	City
1.	KSA	Ghonaim Supermarket	Abha
2.	KSA	Al Rashid Mall	Abha
3.	KSA	Al Jouf Plaza	Al Jouf
4.	KSA	Al Qatif City Mall	Al Qatif
5.	KSA	Sahara Mall	Al Rass
6.	KSA	Othaim Arar Mall	Arar
7.	KSA	Al Baha Mall	Baha
8.	KSA	Ghonaim Supermarket	Baha
9.	KSA	Star Mall	Bisha
10.	KSA	Nakheel Mall	Buraidah
11.	KSA	Othaim Mall	Buraidah
12.	KSA	Dareen Mall	Dammam
13.	KSA	Marina Mall	Dammam
14.	KSA	Nakheel Mall Palace	Dammam
15.	KSA	Othaim Mall 2	Dammam
16.	KSA	Shatee Mall	Dammam
17.	KSA	Al Makan Mall	Dawadmi
18.	KSA	Dharan Mall Palace	Dhahran
19.	KSA	Al Makan Mall	Hafer Al Batin
20.	KSA	Sara Mall	Hafer Al Batin
21.	KSA	Garden Mall	Hail
22.	KSA	Grand Mall Palace	Hail
23.	KSA	Hofuf Mall	AlAhsa
24.	KSA	Othaim Mall Palace	AlAhsa
25.	KSA	Al Andalus Mall 2	Jeddah
26.	KSA	Al Salam Mall	Jeddah
27.	KSA	Al Salam Mall Palace	Jeddah
28.	KSA	Al Yasmin Mall	Jeddah
29.	KSA	Aziz Mall	Jeddah
30.	KSA	Event Mall	Jeddah
31.	KSA	Haifa Mall	Jeddah
32.	KSA	Heraa Inter. Mall 2	Jeddah
33.	KSA	Hijaz Plaza 2	Jeddah
34.	KSA	Jeddah Park	Jeddah

#	Country	Store Location	City
35.	KSA	Mall Of Arabia Palace	Jeddah
36.	KSA	Red Sea Mall	Jeddah
37.	KSA	Sairafi Mall	Jeddah
38.	KSA	Tahlia Flagship	Jeddah
39.	KSA	U Walk	Jeddah
40.	KSA	Kadi Mall 2	Jizan
41.	KSA	Rashid Mall	Jizan
42.	KSA	South Inter. Mall	Jizan
43.	KSA	Al Jubail Mall	Jubail
44.	KSA	Galleria Mall Jubail	Jubail
45.	KSA	Asdaf Mall	Khamis
46.	KSA	Khamis Avenue 2	Khamis
47.	KSA	Oasis Mall	Khamis
48.	KSA	Hudaithy	Kharj
49.	KSA	Oasis	Kharj
50.	KSA	Rashid Mall 2	Khobar
51.	KSA	Venicia Mall	Khobar
52.	KSA	Al Noor Mall Palace	Madinah
53.	KSA	Aliat Mall - 2	Madinah
54.	KSA	Manar Mall	Madinah
55.	KSA	Rashid Mega Mall 2	Madinah
56.	KSA	Mahayel Mall	Mahayel Aseer
57.	KSA	Al Tasan Plaza	Makkah
58.	KSA	Majaz Mall	Makkah
59.	KSA	Makkah Mall 2	Makkah
60.	KSA	Panda Al Sharaya	Makkah
61.	KSA	Souk Al Diyafa 2	Makkah
62.	KSA	Royal Centre	Najran
63.	KSA	Onaizah Mall	Onaizah
64.	KSA	Othaim Onaizah	Onaizah
65.	KSA	Bandar Mall	Qunfutha
66.	KSA	Qurrayat Souq	Qurrayat
67.	KSA	Rabigh Mall	Rabigh
68.	KSA	Al Makan Mall	Riyadh
69.	KSA	Al Hamra Mall Palace	Riyadh
70.	KSA	Al Qaser Mall 2	Riyadh
71.	KSA	Al Salam Plaza	Riyadh
72.	KSA	Atyaf Mall	Riyadh

#	Country	Store Location	City
73.	KSA	Abraj Al Bait Mall	Makkah
74.	KSA	Badiya Mall	Riyadh
75.	KSA	Gallery Mall 2	Riyadh
76.	KSA	Granada Centr Palace	Riyadh
77.	KSA	Hayat Mall	Riyadh
78.	KSA	Marina Mall 2	Riyadh
79.	KSA	Nakheel Mall Palace	Riyadh
80.	KSA	Othaim Mall Khurais	Riyadh
81.	KSA	Othaim Mall Rabwa	Riyadh
82.	KSA	Panorama Mall	Riyadh
83.	KSA	Park Avenue	Riyadh
84.	KSA	Royal Mall	Riyadh
85.	KSA	Tala Mall	Riyadh
86.	KSA	The View Mall	Riyadh
87.	KSA	Joury Mall	Taif
88.	KSA	Obaikan Mall	Taif
89.	KSA	Shihar Centre	Taif
90.	KSA	Taif Inter. Market	Taif
91.	KSA	Umluj Square	Umluj
92.	KSA	Wadi Dawaser Plaza	Wadi Dawasir
93.	KSA	Dana Mall - 2	Yanbu
94.	KSA	Yanbu Mall	Yanbu
95.	KSA	Lavanda park	Abha
96.	KSA	Hijaz Mall	Makkah
97.	KSA	Riyadh Park Mall	Riyadh
98.	KSA	The Village Mall	Jeddah
99.	KSA	Park mall	Tabouk
100.	UAE	Marina Mall	Abu Dhabi
101.	UAE	Abu Dhabi Mall	Abu Dhabi
102.	UAE	City Mall	Abu Dhabi
103.	UAE	Bawabat Al Sharq Mall	Abu Dhabi
104.	UAE	Dalma Mall	Abu Dhabi
105.	UAE	Mushrif Mal	Abu Dhabi
106.	UAE	Deerfields Town SQR	Abu Dhabi
107.	UAE	Yas Mall	Abu Dhabi
108.	UAE	Al Wahda Mall	Abu Dhabi
109.	UAE	Reem Mall	Abu Dhabi
110.	UAE	Al Forsan Central	Abu Dhabi

#	Country	Store Location	City
111.	UAE	Ajman City Center	Ajman
112.	UAE	Al Ain Mall	Al Ain
113.	UAE	Bawadi Mall	Al Ain
114.	UAE	Hili Mall	Al Ain
115.	UAE	Sharjah co-op	Dhaid
116.	UAE	Sharjah co-op	Dibba
117.	UAE	Century Mall	Dubai
118.	UAE	Bin Sougat Center	Dubai
119.	UAE	Outlet Mall	Dubai
120.	UAE	Arabian Center	Dubai
121.	UAE	Barsha Mall	Dubai
122.	UAE	Mirdif City Center	Dubai
123.	UAE	Mercato 2	Dubai
124.	UAE	Dubai Mall 2	Dubai
125.	UAE	Dubai Hills	Dubai
126.	UAE	Dubai Festival City 2	Dubai
127.	UAE	Mall of the Emirates	Dubai
128.	UAE	Fujairah City Center	Fujairah
129.	UAE	Century Mall	Fujairah
130.	UAE	Sharjah Co-op	Kalba
131.	UAE	Sharjah Co-op	Khorfakkan
132.	UAE	Al Naeem City Center	Rak
133.	UAE	Rak Mall	Rak
134.	UAE	Manar Mall	Rak
135.	UAE	Mega Mall	Sharjah
136.	UAE	Sahara Center	Sharjah
137.	UAE	Sharjah City Center	Sharjah
138.	UAE	Zahia City Center	Sharjah
139.	Kuwait	Awtad Mall	Fintas
140.	Kuwait	Awtad Mall	Jahara
141.	Kuwait	Dabbous Mall	Kuwait
142.	Kuwait	Magic Mall	Kuwait
143.	Kuwait	Marina Mall	Kuwait
144.	Kuwait	Sama Mall	Kuwait
145.	Kuwait	Al Kout Mall	Kuwait
146.	Kuwait	The Avenues Mall	Kuwait
147.	Kuwait	The Gate Mall	Kuwait
148.	Oman	Safeer Mall	Sohar

#	Country	Store Location	City
149.	Oman	Salalah Mall	Salalah
150.	Oman	The Avenues Mall	Muscat
151.	Oman	Barka Grand Center	Barka
152.	Oman	Muscat City Center	Muscat
153.	Oman	Oasis Center	Muscat
154.	Oman	Nizwah Grand Mall	Nizwah
155.	Oman	Mall of Oman	Muscat
156.	Qatar	Doha City Center	Doha
157.	Qatar	Lulu Al Khor Mall	Al Khor
158.	Qatar	Dar Al Salam	Doha
159.	Qatar	Ezdan Mall Gharafa	Doha
160.	Qatar	Mall of Qatar	Doha
161.	Qatar	Hyatt Plaza	Doha
162.	Bahrain	ISA Town Mall	Isa Town
163.	Bahrain	Ramli Mall	Manama
164.	Bahrain	Enma Mal	Manama
165.	Bahrain	Muharraq Seef Mall	Muharraq
166.	Bahrain	Seef Mall	Manama
167.	Bahrain	Bahrain City Center	Manama

Source: the Company

Nayomi stores serve as the ultimate touchpoint for Nayomi's brand experience. Each store is meticulously designed to reflect character, intending to create an unforgettable shopping experience. The brand strategy is to grow GLA in prime malls and further elevate the shopping experience with an upgraded flagship concept.

'Live Windows' Floating Palace – launched in 2024G:

The flagship stores feature "Live Windows," a pioneering concept in the Middle East, with a 3D immersive experience digital screens designed to engage and captivate passing footfall. Customers are welcomed to a Baroque inspired palace-environment with mirrored ceilings, chandeliers, and floating structures. Interactive screens allow browsing collections, sign up for the Amirah (Princess) Club loyalty program, and even collect their "click and collect" orders at the Group's signature C&C wardrobe lounges. As of 31 December 2024G, the Group has 4 stores with this concept.

The 'Floating' Concept – launched in 2019, rolled out to top stores.

The Floating concept is a next generation evolution of the original princess concept bringing Nayomi's unique architecturally rich style to A+ grade retail spaces. A concept that appears to float containing five tier glass chandeliers, custom brass-gold metalwork, and a modern interpretation of Nayomi's signature floral lace wallpaper. As of 31 December 2024G, the Group has 38 stores with this concept.

The 'Princess' concept – launched in 2012G:

The more compact Princess stores are designed to evoke the elegance of a palace, strategically located in B-tier malls to ensure Nayomi's accessibility across the region. As of 31 December 2024G, the Group has 125 stores with this concept or other concepts (except "Floating" concepts).

4.9 Overview of the Brands: Mihyar

4.9.1 Overview

The brand embodies the spirit of the modern national man—proud of his heritage yet forward-thinking—and combines traditional values with contemporary retail innovation. Mihyar was conceived to transform the way national men shop for apparel, positioning itself as a disruptor in the market.

The brand focuses on addressing the growing ready-to-wear segment with an "all categories under one roof" outfitting experience, offering a comprehensive range of thobes, headwear, footwear, accessories, and more. This approach simplifies the shopping process and ensures convenience for customers seeking complete national menswear solutions in a single location. In line with the concept to shelf capability Mihyar will strategically expand SKU count to strengthen its category killing credentials.

Mihyar offers a diverse range of products across several key categories. Thobes represent the largest portion of stock keeping units (SKUs), accounting for 32.2%, followed by apparel at 22.4%, 'Al Fares Al Sagheer' at 10.1%, and underwear at 8.4%. Accessories constitute 11.4% of total SKUs, while footwear represents 10.4%. (Ghutrah) and (Shemagh) items account for 5.1% of the total stock keeping units.

Mihyar is targeting a clear leadership position with plans to significantly expand its network of 49 stores across the Kingdom. The brand will focus on broadening its presence with new flagship locations in major cities, increased high-street coverage, and entry into Tier 2 cities and regional population centres.

For the period between 30 September 2023G and 30 September 2024G, the Company achieved a like-for-like sales growth of 3.6% for Mihyar. For the quarter periods ended 31 December 2023G, and 31 December 2024G, the Company recorded a like-for-like sales growth of 14.8%.

Furthermore, the Company reported revenues of SAR 16,100,869 during the first quarter of 2024G, compared to SAR 19,077,366 in the first quarter of 2025G.

The below table shows key information about Mihyar:

Table (4.8): Mihyar Key Data

	The year ended 30 September 2023	The year ended 30 September 2024	Growth	Quarter ended 31 December 2023G	Quarter ended 31 December 2024G	Growth
Total no. of stores	45	46	2.22%	45	49	8.9%
Avg. Number of stores	46	47	2.2%	46	49	6.5%
Total SQM at period end	7,836	7,953	1.5%	7,836	8,436	7.7%
Sales (SAR million)	82.8	88.1	6.3%	16.1	19.1	18.5%
SKUs	7,612	7,451	-2.1%	2,500	2,600	4.0%
Revenue contribution	14.6%	14.4%	-1.4%	12.7%	13.0%	2.4%

Source: the Company

4.9.2 Stores

As of 31 December 2024G, Mihyar has 49 stores across the Kingdom. The following is a table showcasing the city at which Mihyar stores are located.

Table (4.9): Mihyar Stores as of 31 December 2024G

#	Store Location	City
1.	Al Rashid Mall	Abha
2.	Kadi Mall	Jizan
3.	Rashid Mega Mall	Madinah
4.	Al Tahlia Street	Riyadh
5.	Park Avenue	Riyadh
6.	Milagro Mall	Tabuk
7.	Park Mall	Taif
8.	Buraidah St.	Buraidah
9.	Dareen Mall	Dammam
10.	Nakheel Mall	Dammam
11.	Mall Of Dhahran	Dhahran
12.	Al Gosaibi Village	Khobar
13.	Hofuf Mall	Hassah
14.	Al Salam Mall	Jeddah
15.	Al Yasmin Mall	Jeddah
16.	Andalus Mall	Jeddah
17.	Etoile Center	Jeddah
18.	Heraa International	Jeddah
19.	Mall Of Arabia	Jeddah
20.	Rawda Street	Jeddah
21.	Red Sea Mall	Jeddah
22.	The Village Mall	Jeddah
23.	U Walk	Jeddah
24.	Rashid Mall	Jizan
25.	Al Jubail Mall	Jubail
26.	Al Ghonaim Plaza	Khamis
27.	Al Noor Mall	Madinah
28.	Aliat Mall	Madinah
29.	Dakheel Centre - 1	Madinah
30.	Al Tasan Plaza	Makkah
31.	Dan Plaza	Makkah
32.	Hijaz Mall	Makkah
33.	Makkah Mall	Makkah
34.	Souk Al Diyafa	Makkah

#	Store Location	City
35.	Al Hamra Mall	Riyadh
36.	Al Malqa Plaza	Riyadh
37.	Al Salam Plaza	Riyadh
38.	Granada Centre	Riyadh
39.	Humaid Center	Riyadh
40.	Nakheel Mall	Riyadh
41.	Othaim Mall Rabwa	Riyadh
42.	Panorama Mall	Riyadh
43.	Park Mall Riyadh	Riyadh
44.	Tala Mall	Riyadh
45.	The View Mall	Riyadh
46.	Park Mall	Tabouk
47.	Joury Mall	Taif
48.	Shihar Centre	Taif
49.	Dana Mall	Yanbu

Source: the Company

Mihyar has no stores outside of the Kingdom. However, 2.5% and 3.2% of Mihyar's sales were made through online channels from outside of the Kingdom in the years ended 30 September 2023 and 2024 respectively.

4.10 Overview of the Cycle

4.10.1 Product Development and Manufacturing

The Group does not manufacture its products, but imports them as finished products from several manufacturers in different countries outside of the GCC. The table below showcases the top 5 manufacturers and their purchases:

Table (4.10): Group's Key Suppliers and their Purchase Amounts

Financial Year Ending 30 September 2023G

#	Manufacturers Country	Manufacturer	Purchases (SAR 000s)	Percentages of total purchases
			Financial year ended 30 September 2023G	Financial year ended 30 September 2023G
1.	China	Supplier 1	25,867	17.2%
2.	China	Supplier 2	18,719	12.4%
3.	China	Supplier 3	14,818	9.8%
4.	China	Supplier 4	14,403	9.6%
5.	China	Supplier 5	14,008	9.3%
Other Manufacturers			62,716	41.7%
Total			**150,531**	**100%**

Financial Year Ending 30 September 2024G

#	Manufacturers Country	Manufacturer	Purchases (SAR 000s)	Percentages of total purchases
			Financial year ended 30 September 2024G	Financial year ended 30 September 2024G
1.	China	Supplier 1	27,781	17.0%
2.	China	Supplier 2	18,878	11.6%
3.	China	Supplier 3	18,665	11.5%
4.	China	Supplier 4	14,500	8.9%
5.	Europe/France	Supplier 5	11,520	7.1%
Other Manufacturers			71,618	43.9%
Total			**162,961**	**100%**

Three-month Period ending 31 December 2024G

#	Manufacturers Country	Manufacturer	Purchases (SAR 000s)	Percentages of total purchases
			Quarter ended 31 December 2024G	Quarter ended 31 December 2024G
1.	China	Supplier 1	10,932	16.6%
2.	China	Supplier 2	9,668	14.7%
3.	China	Supplier 3	7,609	11.6%
4.	Hong Kong	Supplier 4	5,535	8.4%
5.	Bangladesh	Supplier 5	4,005	6.1%
Other Manufacturers			28,093	42.7%
Total			**65,843**	**100%**

Source: the Company

4.10.2 Inventory Strategy: Ensuring Availability and Excellence in Stock Management

The Group views product availability and its ability to control its inventory flow as a key competitive advantage, distinguishing it from regional competitors regularly constrained by supply chain inefficiencies typical of traditional franchise models. By leveraging a robust Oracle ERP system enhanced with AI-enabled operational planning tools, the Group targets 97% availability on continuity lines despite the SKU complexity and continues to invest in advanced predictive modeling to optimize lead times and cash flow. The Company has managed to achieve a high on-time delivery rate, even amidst disruptions such as the Red Sea crisis, while reducing costs by 12% through improved inventory management. The Company now holds over 15,000 different SKUs, managed through a precise system relying on over 4.5 million data points to efficiently control quantities.

During the year ended 30 September 2024, with respect to inventory coverage, Nayomi and Mihyar had slightly different forward months cover: Nayomi averaged 7 months forward cover and Mihyar averaged 8.9 months. As the Company continues to work with its suppliers, it is expected that both brands will improve their respective average Forward Months of Cover. Nayomi is expected to marginally improve over the next couple of years; however Mihyar is expected to reduce by a minimum of 0.5 months to approximately 8.4 months.

The Company employs robust inventory management practices to optimize stock levels and mitigate risks such as overstocking or obsolete inventory. Advanced demand forecasting tools and real-time sales data ensure that inventory remains aligned with market demand across all categories.

- **Efficient Lead Times:** Finished goods follow a structured replenishment cycle of 12–18 months, with regular reviews to maintain optimal stock levels.
- **Accelerated Replenishment:** A streamlined process enables quicker restocking within 3–5 months to meet immediate demand.
- **Dynamic Replenishment:** Phased product rollouts and continuous stock reviews ensure inventory remains fresh and aligned with evolving customer preferences.
- **Flexible Shipping Methods:** While sea freight is the primary shipping mode, air freight is utilized selectively to address high-demand situations, ensuring seamless product availability.

These capabilities enable the Company to maintain strong sell-through rates, minimize markdown risks, and enhance operational efficiency.

4.10.3 Warehousing and Distribution

The Group utilizes two warehouses, one in Jeddah and one in Dubai. These warehouses have over 4.5 million units capacity and ship over 11.5 million items per year. The Jeddah warehouse has a rated capacity of 2,500 pallets and 25,000 picking bins. Its average annual utilization ranges between 85% and 90%. When utilization peaks, it is mitigated through pre-planned third-party storage arrangements, and identified three months in advance. The Dubai warehouse has a rated capacity of 750 pallets and 19,000 picking bins, with an average annual utilization of between 85% and 90%. When utilization peaks, the Company leverages a flexible lease and rents additional space for a short period. After receiving the stock, stock is dispatched to stores through third party delivery companies. For flagship and high productivity stores, the Group has additional storage space and storage rooms within the mall, which are managed directly by the Group. This provides maximum selling space and efficient inventory flow and replenishment for key locations.

E-commerce orders are dispatched from the warehouses directly using unified picking supported by sophisticated allocation tools that allow planners to maximize inventory across physical and digital channels. Mihyar products are fulfilled solely from the Saudi warehouse while Nayomi from both warehouses (with Saudi being served by the Jeddah warehouse, and the GCC by the Dubai warehouse).

4.10.4 Marketing and Customer Engagement

The Group's brands demonstrate exceptional digital reach and engagement. Nayomi ranks among the top 5 global brands in its category on Instagram, with over 1 million followers and high engagement. In the year ended 30 September 2024, Nayomi recorded over 13 million combined views across Facebook and Instagram, 300,000 average monthly website sessions, an 8% increase in E-commerce traffic. As of 30 September 2024, Nayomi had 2.2m customer transactions, over 1M Facebook & Instagram views per month, 2.5M monthly Tik Tok impressions, 497K website and app sessions per month, 17,000 app downloads per month, and 350K Amirah Club CRM members. Amirah Club membership offers multiple benefits to the Company, including an increase in purchase volume, a 10% rise in e-commerce sales, as well as a higher frequency of repeat purchases, with 51% of members making at least two purchases. As of 31 March 2025, Amirah Club membership had grown to approximately 395,000 members, up 12.8% from 350,000 members as of the end of September 2024.

Nayomi sold 10m and 10.4m units for the year ending on 30 September 2023 and 2024, respectively.

Mihyar, despite being a younger brand, ranks first in its category for social platform penetration with 170,000 followers. Its e-commerce performance is similarly strong, attracting 295,000 monthly website sessions and achieving 117% traffic increase from the previous year. As of 30 September 2024, Mihyar also had 286K customer transactions, over 2M Facebook & Instagram views per month, 2.5M monthly Tik Tok and YouTube impressions since Oct 2024, 280K web platform and app sessions per month, 1m units sold per annum, 47% email open rate from CRM members, and 45K Mihyar Club CRM members. Mihyar sold 950k and 1.04m units for the year ending on 30 September 2023 and 2024, respectively.

Digital advertising forms a core pillar of the Group's marketing strategy, with over 30% of the marketing budget dedicated to active media. This is complemented by a targeted influencer strategy, driving traffic to both e-commerce platforms and physical stores. Many customers explore collections online before completing their purchases in-store.

The success of the Group's digital-first approach is exemplified by Nayomi's sub-brand, Dream. Dream's TikTok strategy has attracted 600,000 followers and 3.1 million engagements, positioning it among the top 3 TikTok pages globally in its category.

Customer engagement through CRM emails and newsletters is equally strong, with open rates of 33% and click-through rates of 2.4%, outperforming industry benchmarks and highlighting the effectiveness of the Group's content strategies in driving interaction and loyalty.

The below table shows sales from different sale channels.

Table (4.11): Group's Sales per Channel

#	Channel	Revenue for the year ended 30 September 2023 (SAR million)	Revenue contribution (%)	Revenue for the year ended 30 September 2024 (SAR million)	Revenue contribution (%)	Growth	Revenue for the quarter ended 31 December 2023	Revenue contribution (%)	Revenue for the quarter ended 31 December 2024	Revenue contribution (%)	Growth
1.	In-store	554.1	98.0%	597.4	97.6%	7.8%	123.3	97.2%	142.4	97.4%	15.4%
2.	E-commerce	11.5	2.0%	14.8	2.4%	28.7%	3.6	2.8%	3.8	2.6%	5.6%
Total		**565.6**	**100%**	**612.2**	**100%**	**8.2%**	**126.9**	**100%**	**146.2**	**100%**	**15.2%**

4.11 Sales per Country

The Group currently sells the Nayomi brand products across the GCC countries, including the Kingdom of Saudi Arabia, and Mihyar only in the Kingdom. The Group derives significant amount of its revenue from the Kingdom. The below tables show sales revenue break-down by geography.

Table (4.12): Group's Net Revenue Distribution per Country

#	Country	Revenue (SAR thousands)				Revenue contribution (%)			
		Year ended 30 September 2023	Year ended 30 September 2024	Quarter ended 31 December 2023G	Quarter ended 31 December 2024G	Year ended 30 September 2023	Year ended 30 September 2024	Quarter ended 31 December 2023G	Quarter ended 31 December 2024G
1.	Saudi Arabia	386,190	420,562	82,254	94,008	68.3%	68.7%	64.8%	64.3%
2.	UAE	102,182	111,096	26,449	30,233	18.1%	18.1%	20.8%	20.7%
3.	Others	77,278	80,588	18,196	21,971	13.7%	13.2%	14.3%	15.0%
4.	**Total**	**565,650**	**612,246**	**126,899**	**146,212**	**100%**	**100%**	**100%**	**100%**

Source: the Company

4.12 Quality Control

A best-in-class Quality Assurance (QA) and Quality Control (QC) process for the Group's brands are anchored in precision, accountability, and rigorous standards. It commences with sourcing premium materials from audited suppliers, validated through pre-production inspections for compliance with technical and aesthetic specifications. At every manufacturing stage—cutting, stitching, assembly, and finishing—QA protocols ensure adherence to design and performance benchmarks, with measurable criteria like tensile strength, colourfastness, and seam durability.

QC combines automated systems, such as AI-driven defect detection, with expert manual inspections to verify structural and aesthetic consistency. Final inspections involve randomized sampling to confirm alignment with brand standards for fit, function, and durability. Continuous feedback loops integrate customer insights, production data, and post-market performance to drive improvements. Comprehensive employee training and supplier collaboration sustain a culture of excellence, ensuring products consistently reflect superior craftsmanship, reliability, and style.

4.13 Sustainability

Aligned with the Kingdom's Vision 2030, the Group demonstrates a strong commitment to sustainability across its operations. A notable milestone is Mihyar's introduction of the region's first sustainable-inspired thobe, crafted with 95% recycled raw materials. The Group has also integrated organic cotton into many of its products, supporting eco-friendly agricultural practices. In 2026, the Group plans to incorporate recycled fabrics into selected Nayomi's product lines, furthering its commitment to circular fashion and sustainable sourcing.

The Group's distribution facilities are solar enabled, and feature water recycling systems that reduce resource consumption. The Group's facilities have implemented reuse and recycling programs for all cardboard packaging, and biodegradable items. The Group is now transitioning its hanger stock to fully recycled materials, reflecting a proactive approach to reducing waste and promoting recycling throughout its Product Lifecycle.

4.14 Research and Development

A strong commitment to innovation and excellence is reflected in the Group's comprehensive research and development process designed to deliver differentiated and aspirational concepts for brand launches. In-depth consumer research, including qualitative and quantitative usage and attitude surveys, provides valuable insights into evolving consumer needs and preferences. Advanced consumer segmentation analysis, along with brand awareness and perception studies, ensures that products resonate with diverse market expectations. Relevant macro market studies are incorporated to remain aligned with industry trends and market dynamics.

Innovative material developments and cutting-edge garment technologies are integral enablers in transforming consumer insights into impactful product solutions, underscoring the Group's ability to address key market needs through innovation. 2024 launches included increased fabric breathability for underwear and thobes, crinkle resistance for thobes, and four-way stretch for nightwear. Technology advances in fabric bonding and fusing have also been incorporated into thobes and bras and underwear segments. These advancements underscore a commitment to creating high-quality, functional, and sustainable products that align with consumer expectations and drive the success of differentiated brand launches.

4.15 Awards and Recognitions

Year	Award
2024	Dream, Most Admired Retail Launch of the year, 2024, Images Retail ME KSA.
2024	Mihyar, Most admired retailer of the year, Fashion; Images Retail ME KSA.
2024	Nayomi, Retail Store Design; 2024, Mecs+R Awards.
2024	Nayomi, Most Admired Retailer of the Year: Fashion; 2024, Images RetailME Awards.
2024	Jamjoom Fashion, Most Admired Retail Transformation of the Year; Images RetailME Awards.
2023	Mihyar, Retail Me Award for Most Admired Store Design.
2023	Dream, Most Admired Retailer of the Year: Children's Wear; Images RetailME Awards.
2023	Dream, Most Admired Store Design of the Year: Fashion and Lifestyle; Images RetailME Awards KSA.
2023	Nayomi, Most Admired Brand Campaign of the Year: Fashion and Lifestyle; Images RetailME Awards KSA.
2022	Nayomi, Most Admired Store Manager of the Year: Fashion; Images RetailME Awards.
2022	Mihyar, Most Admired Brand Campaigns of the Year; Images RetailME Awards.
2021	Nayomi, Most Admired Store Design of the Year: Fashion; Images RetailME Awards.
2020	Nayomi, Most Admired Retail Transformation of the Year: Fashion; Images RetailME Awards.
2019	Nayomi, Most Admired Retailer of the Year: Lingerie and Nightwear; Images RetailME Awards.
2019	Mihyar, Images Most Admired Retailer of the Year – Fashion; Images RetailME Awards.
2018	Nayomi, Most Admired Retailer of the Year: Lingerie and Nightwear; Images RetailME Awards.
2017	Nayomi, Most Admired Retailer of the Year: Lingerie and Nightwear; Images RetailME Awards.
2016	Nayomi, Most Admired Retailer of the Year: Lingerie and Nightwear; Images RetailME Awards.

Source: the Company

4.16 Business Continuation

There have been no interruptions in the Group's business within the past twelve (12) months which did, or could, materially impact the financial position of the Group.

4.17 Employees

To ensure that in-store employees are knowledgeable about products and provide the best in-store services, the Group implements a comprehensive employment training program that emphasizes product knowledge, customer engagement, and service excellence. New hires undergo an intensive onboarding process that includes hands-on training with the latest product offerings, interactive workshops, and role-playing scenarios to enhance their communication skills and customer service techniques. Ongoing training sessions are scheduled regularly to keep staff updated on new product launches, trends, and best practices in customer service. Additionally, employee performance is continuously monitored through customer feedback and sales metrics, allowing for targeted coaching and development. By fostering a culture of learning and empowerment, the Group ensures that its employees are well-equipped to deliver exceptional service, thereby enhancing the overall shopping experience for customers.

The Company is committed to Saudization, recognizing the importance of integrating local talent into its workforce to support national economic goals and community development. By prioritizing the recruitment and training of Saudi nationals, the Company aims to empower individuals with valuable skills and opportunities for career advancement in the retail sector. The Company's Saudization as of October 2024 stood at 68% placing it at Platinum level, the highest on Nitaqat.

The table below shows the distribution of employees within the Company in the different key departments as of 31 December 2024. All of these are employees of the Company.

Table (4.13): Company's Employees Overview

Department	as of 31st Dec 2023*		as of 31st Dec 2024	
	Saudis	Non-Saudis	Saudis	Non-Saudis
Retail/ front line	458	88	481	168
Brand back office	2	6	2	7
Share service	9	53	10	52
Senior Executives	2	2	2	3
Total	471	149	495	230
Saudization %	76%		68%	

* Estimated.

Source: the Company

The table below shows the number of employees of the Group as of 31 December 2023G and 2024G:

Table (4.14): Group's Employees Overview

Subsidiary	as of 31st Dec 2023	as of 31st Dec 2024
Jamjoom Fashion Trading LLC (UAE) and the Company's UAE branch	240	303
Jamjoom Fashion Trading SPC (Oman)	33	34
Jamjoom Fashion Trading WLL (Bahrain)	20	22
Jamjoom Fashion Company for the Retail of Sale of Ready-Made Clothes and Children's Items (A One-Person Company) (Kuwait)	25	38
Nayomi WLL (Qatar)	25	26
Jamjoom Fashion Support Services Philippines Inc. (Philippines)	19	24

Source: the Company

4.18 Changes in the Nature of the Business

As of the date of this Prospectus, except as disclosed in Section (4.4) ("**Growth Strategy**"), the Company has no intention of materially altering the nature of its and the Group's business.

Dream

5. Ownership and Organization Structure

5.1 Ownership Structure

The following table illustrates the ownership structure of the Company before and after the Offering:

Table (5.1): Ownership Structure of the Company Pre- and Post-Offering

Shareholder	Pre-Offering			Post-Offering		
	Directly owned shares	Indirectly owned shares*	Ownership (%)	Directly owned shares	Indirectly owned shares	Ownership (%)
Kamal Osman Jamjoom Trading LLC	7,947,800	N/A	100%	5,563,460	N/A	70%
Kamal Osman Salah Jamjoom(1)	N/A	7,868,322	99%	N/A	5,507,825	69.3%
Jameel Kamal Osman Jamjoom(2)	N/A	79,478	1%	N/A	55,635	0.7%
Public	N/A	N/A	N/A	2,384,340	N/A	30%
Total	**7,947,800**	**7,947,800**	**100%**	**7,947,800**	**5,563,460**	**100%**

Source: Company

(1) Kamal Osman Salah Jamjoom owns 99% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's Shares before the Offering and 70% after the Offering.

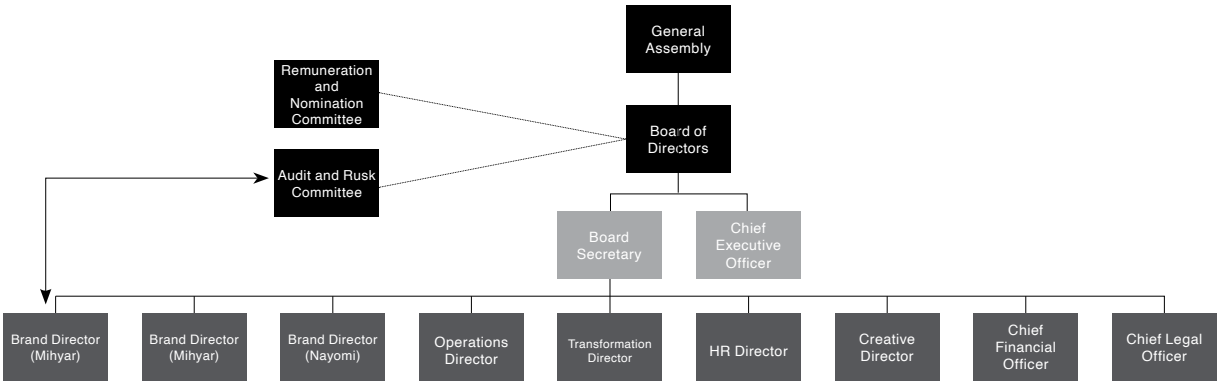
(2) Jameel Kamal Osman Jamjoom owns 1% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's Shares before the Offering and 70% after the Offering.

* Numbers are approximate.

5.2 Organisational Structure

5.2.1 Organisational Structure of the Company

Without prejudice to the powers of the General Assembly, the Board of Directors has all the powers necessary to manage the Company and achieve its purposes. To do so, the Board has delegated responsibility for the overall day-to-day management of the Company to the Executive Management of the Company and, in particular, the Chief Executive Officer. The following chart sets out the organisational structure of the Company:



Source: Company

5.3 Board of Directors and Secretary of the Board of Directors

5.3.1 Composition of the Board of Directors

The Board of Directors consists of six (6) Seats who are appointed by the General Assembly by straight voting. The term of the Board is four years, and the current term started on 01/07/1446H (corresponding to 01/01/2025G). The following table sets out the Directors as of the date of this prospectus:

Table (5.2): Company's Board of Directors

Name	Position	Nationality	Membership Nature	Direct Share Ownership		Indirect Share Ownership		Date of Appointment[4]
				Pre-Offering	Post-Offering	Pre-Offering	Post-Offering	
Kamal Osman Salah Jamjoom	Chairman	Saudi	Non-Executive	N/A	N/A	99%[1]	69.3%	01/07/1446H (corresponding to 01/01/2025G)
Stephen Graham Holbrook	Vice Chairman	British	Executive	N/A	N/A	N/A	N/A	01/07/1446H (corresponding to 01/01/2025G)
Jameel Kamal Osman Jamjoom	Member	Saudi	Non-Executive	N/A	N/A	1%[2]	0.7%	01/07/1446H (corresponding to 01/01/2025G)
Nadia Kamal Osman Jamjoom[3]	Member	Saudi	Non-Executive	N/A	N/A	N/A	N/A	01/07/1446H (corresponding to 01/01/2025G)
Selim Said Salim Chidiac	Member	Switzerland	Independent	N/A	N/A	N/A	N/A	01/07/1446H (corresponding to 01/01/2025G)
Vacant	-	-	-	-	-	-	-	-

Source: Company

(1) Kamal Osman Salah Jamjoom owns 99% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's Shares before the Offering and 70% after the Offering.

(2) Jameel Kamal Osman Jamjoom owns 1% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's Shares before the Offering and 70% after the Offering. He is the son of Kamal Osman Salah Jamjoom, who owns 99% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's shares before the Offering and 70% after the Offering.

(3) Nadia Kamal Osman Jamjoom is the daughter of Mr. Kamal Osman Salah Jamjoom, who owns 99% of the share capital of Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's shares before the Offering and 70% after the Offering.

(4) The date shown is the date of their appointment for the current term. For more details about their service on the Company's Board before the current term, please refer to Section (5.3.3) ("**Biographies of the Directors and the Secretary**").

5.3.2 Responsibilities of the Board of Directors

The Company is supervised by a Board of Directors consisting of professional and highly experienced individuals. The Board of Directors delegates responsibility for the overall day-to-day management of the Company to the Company's Executive Management. The Board formed two committees to ensure proper corporate governance, which are: the Audit and Risk Committee and the Remuneration and Nomination Committee (collectively, the "**Committees**"), and a number of administrative departments with responsibility for dealing with a range of operational and business matters. In addition, the Board of Directors has the power to form any number of committees it considers necessary for the effective governance, oversight and operation of the Company and to delegate some of its powers to one or more of the Directors or to third parties. The responsibilities of the Board of Directors, the Chairman and the Secretary can be summarized in this Section.

5.3.2.1 Board of Directors

Without prejudice to the competencies of the General Assembly as per the Companies Law and its implementing regulations and the Company's Bylaws, the Board shall have the broadest powers in managing the Company and guiding its activities to achieve its objectives. Among the main functions and competencies of the Board are the following:

1- Setting the plans, policies, strategies and main objectives of the Company, supervising their implementation and reviewing them periodically, and ensuring that the human and financial resources required to fulfil them are available, including:
   a- setting a comprehensive strategy for the Company, key business plans and policies and mechanisms of the risk management and review and guide them;
   b- determining the most appropriate capital structure for the Company, its strategies and financial objectives, and approving all kinds of estimated budgets;
   c- overseeing the main capital expenditures of the Company and the acquisition or disposal of assets;
   d- setting performance indicators, and monitoring the implementation thereof and the overall performance of the Company;
   e- reviewing and approving the organisational and human resources structures of the Company on a periodic basis; and
   f- ensuring that the financial and human resources required for achieving the objectives and main plans of the Company are available.

2- setting rules and procedures for internal control and generally overseeing them, including:
   a- developing a written policy to remedy actual and potential conflicts of interest scenarios. This includes misuse of the Company's assets and facilities and the mismanagement resulting from transactions with Related Parties;
   b- ensuring the integrity of the financial and accounting rules, including rules relating to the preparation of financial reports;
   c- ensuring the implementation of appropriate control procedures for risk assessment and management by generally forecasting the risks that the Company may encounter and creating an environment which is aware of the culture of risk management at the Company level and disclosing such risks transparently to the stakeholders and parties related to the Company; and
   d- reviewing the effectiveness of the Company's internal control procedures on an annual basis.

3- setting forth specific and explicit policies, standards and procedures for membership in the Board and implementing them following approval by the General Assembly;

4- developing a written policy that regulates the relationship with stakeholders pursuant to the provisions of the CGRs;

5- setting policies and procedures to ensure the Company's compliance with the laws and regulations and the Company's obligation to disclose material information to shareholders and stakeholders, and ensuring the compliance of the Executive Management with these policies and procedures;

6- supervising the management of the Company's finances, its cash flows as well as its financial and credit relationships with third parties;

7- providing recommendations to the Extraordinary General Assembly as to what it deems appropriate regarding increasing or decreasing the share capital of the Company

8- providing recommendation to the Ordinary General Assembly as to what it deems appropriate regarding:
   a- use of the Company's reserves, if they are not allocated for a specific purpose in the Company's Bylaws;
   b- forming additional financial allocations or reserves for the Company; and
   c- the method of distributing the net profits of the Company.

9- preparing the Company's interim and annual financial statements and approving them before publishing them;

10- preparing the Board report and approving it before publishing it;

11- ensuring the accuracy and integrity of the data and information which must be disclosed pursuant to the applicable policies and systems in respect of disclosure and transparency;

12- developing effective communication channels allowing shareholders to continuously and periodically review the various aspects of the Company's businesses as well as any material developments;

13- forming specialised committees of the Board pursuant to resolutions that shall specify the term, powers and responsibilities of such committees as well as the manner used by the Board to monitor such committees. Such resolutions shall also specify the names of the members and their duties, rights and obligations and shall evaluate the performance and activities of these committees and their members;

14- specifying the types of remunerations granted to the Company's employees, such as fixed remunerations, remunerations linked to performance and remunerations in the form of shares without prejudice to the Implementing Regulation of the Companies Law for Listed Joint Stock Companies;

15- notifying the Ordinary General Assembly when convened of the businesses and contracts in which any Board member has a direct or indirect interest, including a special report of the Company's external auditor; and

16- setting the values and standards that govern the work at the Company.

5.3.2.2 Chairman

The Chairman shall assume the following responsibilities:

1- ensuring that the Board members obtain complete, clear, accurate and non-misleading information in due course;

2- ensuring that the Board effectively discusses all fundamental issues in due course;

3- representing the Company before third parties in accordance with the Companies Law and its implementing regulations and the Company's Bylaws;

4- encouraging the Board members to effectively perform their duties in order to achieve the interests of the Company;

5- ensuring that there are actual communication channels with Shareholders and conveying their opinions to the Board;

6- encouraging constructive relationships and effective participation between the Board and the Executive Management on the one hand, and the executive, non-executive and independent directors on the other hand, and creating a culture that encourages constructive criticism;

7- preparing agendas of the Board meetings, taking into consideration any matters raised by Board members or the external auditor and consult with the Board members and the Chief Executive Officer upon preparing the Board's agenda; and

8- convening periodic meetings with the non-executive directors without the presence of any executive officers of the Company.

5.3.2.3 Secretary

The Secretary shall assume the following responsibilities:

1- documenting the Board meetings and preparing minutes therefore, which shall include the discussions and deliberations carried during such meetings, as well as the place, date, times on which such meetings commenced and concluded; and recording the decisions of the Board and voting results and retaining them in a special and organized register, and including the names of the attendees and any reservations they expressed (if any). Such minutes shall be signed by the chairman of the meeting, all of the attending members and the secretary;

2- retaining the reports submitted to the Board and the reports prepared by it;

3- providing the Board members with the agenda of the Board meeting and related worksheets, documents and information and any additional information, related to the topics included in the agenda items, requested by any Board member;

4- ensuring that the Board members comply with the procedures approved by the Board;

Founder & Chairman

5- notifying the Board members of the dates of the Board's meetings within sufficient time prior to the date specified for the meeting;
6- presenting the draft minutes to the Board members to provide their opinions on them before signing the same;
7- ensuring that the Board members receive, fully and promptly, a copy of the minutes of the Board's meetings as well as the information and documents related to the Company;
8- coordinating among the Board members;
9- regulating the disclosure register of the Board and Executive Management as and if required by applicable rules; and
10- providing assistance and advice to the Board members.

5.3.3 Biographies of the Directors and the Secretary

The experience, qualifications, and the current and other positions of each of the Directors and the Secretary are set out below:

5.3.3.1 Kamal Osman Salah Jamjoom, Chairman of the Board of Directors

Nationality:	Saudi
Age:	65 years
Position:	Chairman of the Board of Directors.
Capacity:	Non-Executive
Academic and Professional Qualifications:	• Bachelor's degree in science engineering, Coventry (Lanchester) Polytechnic, Coventry, United Kingdom, 1982G.
Appointment Date:	04/12/1444H (corresponding to 22/06/2023G).
Current Positions:	• Chairman of the Board of Directors, Jamjoom Fashion Support Services Co. Ltd. Philippines, Joint Stock Company (Philippines), Services Sector, since 2024G. • Board member, Jamjoom Fashion Company for the Retail of Sale of Ready-Made Clothes and Children's Items, a one-person company (Kuwait), retail sector, since 2023G; • Board member, Jamjoom Fashion Trading SPC, a sole proprietor company (Oman), retail sector, since 2023G; • Board member, Jamjoom Fashion Trading WLL, a limited liability company (Bahrain), retail sector, since 2023G; • Board member, Jamjoom Fashion Trading LLC, a single-shareholder limited liability company (UAE), retail sector, since 2023G; • Board member, Kamal Osman Jamjoom Food Group LLC, a limited liability company (UAE), food & beverage sector, since 2021G; • Board member, Kamal Osman Jamjoom Food Trading LLC, a limited liability company (UAE), food & beverage sector, since 2021G; • Board member, Kamal Osman Jamjoom Services Philippines inc., a stock corporation (Philippines), service sector, since 2019G; • Board member, Kamal Osman Jamjoom Tech Services India Private Limited, a limited liability company (India), service sector, since 2019G; • Board member, Nayomi WLL, a limited liability company (Qatar), retail sector, since 2017G; • Chairman of the Board, Kamal Osman Jamjoom Interiors LLC, a limited liability company (UAE), interior decoration sector, since 2010G; • Chairman of the Board, Kamal Osman Jamjoom Trading LLC, a limited liability company (UAE), trading sector, since 2009G; • Director, Kamal Osman Jamjoom Trading LLC Dubai Branch, a limited liability company (UAE), retail sector, since 2002G; and • Founder & Chairman of the Board, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, since 1987G.
Key Past Professional Experience:	• Production Line Manager/Process Manager/Assistant Brand Manager/Senior Brand Manager, Procter & Gamble, industry sector, from 1982G until 1989G.

5.3.3.2 Stephen Graham Holbrook, Vice Chairman of the Board of Directors

Nationality:	British
Age:	56 years
Position:	Vice Chairman of the Board of Directors.
Capacity:	Executive
Academic and Professional Qualifications:	• Bachelor's degree in industrial & business systems, De Montfort University, Leicester, United Kingdom, 1991G; and • Master's degree in science Air Transport, Cranfield Institute of Technology, College of Aeronautics, Cranfield, United Kingdom, 1992G.
Appointment Date:	04/12/1444H (corresponding to 22/06/2023G).
Current Positions:	• Chief Executive Officer, Jamjoom Fashion Trading Company, a joint stock company, retail sector, since 2023G.
Key Past Professional Experience:	• Deputy Chief Executive Officer, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2018G until 2023G; • Divisional Director, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2017G until 2018G; • Brand Director, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2013G until 2017; • Commercial Director, Courtaulds, a limited liability company (UK), retail sector, from 2010G until 2013G; • International Marketing Director, Slendertone, a limited liability company (UK, USA, and Ireland), retail sector, from 2007G until 2010G; • Commercial Director, Sara Lee Gossard, a listed joint stock company (UK, USA, EU, and Asia), retail sector, from 2003G until 2007G; • Marketing Director, Sara Lee Playtex, a listed joint stock company (UK, EU, and South Africa), retail sector, from 2001G until 2003G; • Marketing Manager, Sara Lee Playtex a listed joint stock company (UK), retail sector, from 1999G until 2001G; • Brand Manager, Sara Lee Playtex, a listed joint stock company (UK), retail sector, from 1996G until 1999G; and • Account Manager, Sara Lee Playtex, a listed joint stock company (UK), retail sector, from 1993G until 1996G.

5.3.3.3 Jameel Kamal Osman Jamjoom, Member of the Board of Directors

Nationality:	Saudi.
Age:	40 years
Position:	Member of the Board of Directors.
Capacity:	Non-Executive
Academic and Professional Qualifications:	• Bachelor's degree in international management, Royal Holloway University, Egham, United Kingdom, 2006G; and • Master's degree in business administration (MBA), University of Bath, Bath, United Kingdom, 2014G.
Appointment Date:	04/12/1444H (corresponding to 22/06/2023G).
Current Positions:	• Deputy Chief Executive Officer – Toys & Business Development, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, since 2024G; • Board Member, Kamal Osman Jamjoom Trading LLC, a Limited Liability Company, trading sector, since 2017G.

Key Past Professional Experience:	• Early Learning Centre & LEGO Brand Director, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2017G until 2024G; • Business Development Director – Middle East & North Africa, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2015G until 2017G; • Brand Director – Neal's Yard Remedies, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2014G until 2015G; • Buying Manager – Mihyar, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2012G until 2013G; • Brand Manager – ULLA Popken, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2011G until 2012G; • Head of Business Development & Global Franchising, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2009G until 2011G; • Business Development Manager, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2008G until 2009G; and • Assistant Relationship Manager, HSBC Bank, banking sector, from 2007G until 2008G.

5.3.3.4 Nadia Kamal Osman Jamjoom, Member of the Board of Directors

Nationality:	Saudi
Age:	37 years
Position:	Member of the Board of Directors.
Capacity:	Non-Executive
Academic and Professional Qualifications:	• Bachelor's degree in accounting and finance, London School of Economics and Political Science, London, United Kingdom, 2009G; and • Associate Chartered Accountant, The Institute of Charted Accountants in England and Wales, London, United Kingdom, 2013G.
Appointment Date:	01/07/1446H (corresponding to 01/01/2025G).
Current Positions:	• Family Office Director, South Corniche Investments Limited, a limited liability company (DIFC, UAE), real estate sector, since 2022G.
Key Past Professional Experience:	• Group Finance Manager, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2018G until 2020G; • Treasury Manager, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2017G until 2018G; • Executive Training Program, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2016G until 2017G; • Group Accountant, Grosvenor Group, a limited liability company (UK), real estate sector, from 2013G until 2014G; • Assistant Manager, Deloitte, a limited liability partnership (UK), professional services sector, from 2012G until 2013G; • Senior Associate, Deloitte, a limited liability partnership (UK), professional services sector, from 2011G until 2012G; • Associate, Deloitte, a limited liability partnership (UK), professional services sector, from 2010G until 2011G; and • Junior Risk Analyst, LCH.Clearnet, a limited liability company (UK), financial services sector, from 2009G until 2010G.

5.3.3.5 Selim Said Salim Chidiac, Member of the Board of Directors

Nationality:	Switzerland.
Age:	54 years.
Position:	Member of the Board of Directors.
Capacity:	Independent.

Academic and Professional Qualifications:	• Master's degree in engineering, École Normale Supérieure for Chemistry, Physics and Electronics, Lyon, France, 1995G; • Executive education training from 2001G until 2010G from various universities including Harvard Business School, INSEAD Business School, IMD Business School, London Business School, University of California and GCC Board of Directors Institute.
Appointment Date:	01/07/1446H (corresponding to 01/01/2025G).
Current Positions:	• Member of the Board of Directors of Wecheer SA, limited liability company, Switzerland, since 2024G. • Board Member, Theeb, a listed joint stock company, car rental sector, since 2020G.
Key Past Professional Experience:	• Board Member, Lazurde Company for Jewelry, a listed joint stock company, jewelry and luxury goods sector, from 2018G until 2024G; • Chief Executive Officer, Lazurde Company for Jewelry, a listed joint stock company, jewelry and luxury goods sector, from 2010G until 2024G; • Chief Executive Officer, Red Bull North America, a limited liability company (US), retail sector, from 2006G until 2010G; • Chief Executive Officer and Regional Head, Red Bull Japan KK, a closed joint stock company (Asia and the Pacific, Middle East, and Africa), retail sector, from 2005G until 2006G; • Regional Head, Red Bull FZE, a limited liability company (Asia and the Pacific, Middle East, and Africa), retail sector, from 2004G until 2005G; • Area Manager, Red Bull GmbH, a limited liability company (Middle East, North Africa, and Greece), retail sector, from 1999G until 2004G; • Marketing Director, Procter & Gamble IG, a public joint stock company, retail sector, from 1997G until 1998G; and • Brand Manager, Procter & Gamble IG, a public joint stock company, retail sector, from 1994G until 1997G.

5.3.3.6 Georges Harb, Board Secretary

Nationality:	Canadian
Age:	46 years
Position:	Board Secretary.
Academic and Professional Qualifications:	• Master's degree in law (LLM), University of London, London, United Kingdom, since 2013G; • Certificate in Banking and Finance, American University of Technology in cooperation with University of London, Halat, Lebanon, 2013G; • Master's Degree, in Diplomacy and International Relations, La Sagesse University, Beirut, Lebanon, 2004G; • Master's Degree in Private Law Courses, La Sagesse University, Beirut, Lebanon, 2001G; and • Bachelor's Degree in Private Law, La Sagesse University, Beirut, Lebanon, 2001G.
Appointment Date:	01/07/1446H (corresponding to 01/01/2025G).
Current Positions:	• Board Secretary, Jamjoom Fashion Trading Company, a joint stock company, retail sector, since 2025G; and • Chief Legal Officer, Jamjoom Fashion Trading Company, a joint stock company, retail sector, since 2023G.
Key Past Professional Experience:	• Freelance Independent Legal Counsel, from 2021G until 2023G; • Senior Associate, EKP Law Firm (recently merged with BLK & Partners), a civil company (Dubai, Riyadh and Beirut), professional services sector, from 2020G until 2021G; • Partner, Alem & Associates, a civil company (Dubai, Riyadh and Beirut), professional services sector, from 2019G until 2020G; • Partner, Cabinet Abillama, a law office registered with the Beirut Bar Association (Lebanon), professional services sector, from 2015G until 2019G; • Partner, Abousleiman & Partners, a civil company (Lebanon), professional services sector, from 2006G until 2015G; and • Trainee/Legal Advisor, Abou Jaoude and Associates, a civil company (Lebanon), professional services sector, from 2003G until 2006G.

5.4 Board of Directors Committees

The Board of Directors has established the Committees to optimise the management of the Company and to align with best practices and regulatory requirements. The following is a summary of the structure, responsibilities and current members of each Committee:

5.4.1 Audit and Risk Committee

5.4.1.1 Responsibilities of the Audit and Risk Committee

A- Financial Reporting:

- reviewing the Company's interim and annual financial statements before presenting them to the Board and providing its opinion and recommendation thereon to the Board, to ensure their integrity, fairness and transparency;
- providing a technical opinion, upon the request of the Board, on whether the Board report and the Company's financial statements are fair, balanced, understandable, and contain information that allows shareholders and investors to assess the Company's financial position, performance, business model, and strategy, and whether they have been prepared in accordance with the regulatory requirements for preparing and presenting them;
- analyzing any important or non-familiar issues in the financial statements, and making recommendations thereon, if necessary;
- investigating the matters raised by the Company's chief financial officer (or whoever assumes such role), the compliance officer, or the external auditor;
- examining the accounting estimates in respect of significant matters that are contained in the financial reports; and
- examining the financial and accounting policies adopted by the Company and making recommendations thereon to the Board.

B- Internal Audit:

- supervising and monitoring the performance of the internal auditor or internal audit department, to ensure the availability of the necessary resources and verifying its effectiveness in carrying out its duties and responsibilities;
- examining and reviewing the Company's internal and financial control systems and risk management system;
- analysing and reviewing internal audit's regular reports and the results of any special investigations, and following up on the implementation of corrective actions pertaining to the issues indicated;
- providing a recommendation to the Board on appointing the manager of the internal audit function or the internal auditor and his/her remuneration; and
- review and approve the internal audit plan at least annually.

C- External Auditor:

- recommending to the Board the appointment or dismissal of external auditors and determining their fees, after assessing their performance, independence, scope of work, and terms of engagement;
- verifying the independence of the external auditor and their objectivity, fairness, and effectiveness in the light of the relevant regulations and standards;
- reviewing the external auditor's plan and work to ensure that they do not provide any technical or administrative work that are beyond its scope of work, and provides its opinion thereon;
- responding to queries of the external auditor and providing the auditor with the support necessary to perform its duties; and
- examining the external auditor's reports and its observations on the financial statements, and following up on the actions taken in this respect.

D- Compliance:

- reviewing reports from regulators on the Company's compliance with regulatory requirements, and ensuring that necessary actions in their respect are taken;
- ensuring that the Company complies with relevant laws, regulations, policies, and instructions;
- reviewing related parties' transactions and providing its opinion thereon to the Board; and
- reporting and recommending to the Board the actions to be taken in matters that the Committee deems necessary.

E- Whistleblowing:

- Establishing appropriate procedures for the Company's employees to report violations of the Company's internal control systems, including the systems relating to financial statement preparation, and ensuring that the whistle-blowers' rights are not prejudiced, and elevate such procedures for the Board for approval.

F- Risk Management:

- developing a strategy and comprehensive policies for risk management that are consistent with the nature and volume of the Company's activities, monitoring their implementation, and reviewing and updating them based on the Company's internal and external changing factors;
- determining and maintaining an acceptable level of risk that may be faced by the Company and ensuring that the Company does not go beyond such level;
- ensuring the feasibility of the Company continuation, the successful continuity of its activities and determining the risks that threaten its existence during the following twelve (12) months;
- overseeing the Company's risk management system and assessing the effectiveness of the systems and mechanisms for determining and monitoring the risks that threaten the Company in order to determine areas of inadequacy therein;
- regularly reassessing the Company's ability to take risks and be exposed to such risks (through stress tests as an example);
- preparing detailed reports on the exposure to risks and the recommended measures to manage such risks, and presenting them to the Board;
- providing recommendations to the Board on matters related to risk management;
- ensuring the availability of adequate resources and systems for risk management;
- reviewing the organisational structure for risk management and providing recommendations regarding the same before approval by the Board;
- verifying the independence of the risk management employees from activities that may expose the Company to risk; and
- ensuring that the risk management employees understand the risks threatening the Company and seeking to raise awareness of the culture of risk.

5.4.1.2 Audit and Risk Committee Members

The Audit and Risk Committee was formed, and its members were appointed by Board resolution dated 23/07/1446H (corresponding to 23/01/2025G) and 28\09\1446H (corresponding to 28\03\2025G), for a term corresponding to the Board's term. The Audit and Risk Committee is comprised of the following members:

Table (5.3): Audit and Risk Committee Members

Name	Role
Freddie Edward Cloete	Chairman
Nadia Kamal Osman Jamjoom	Member
Jameel Kamal Osman Jamjoom	Member

5.4.1.3 Biographies of the Members of the Audit and Risk Committee

The experience, qualifications, and the current and other positions of the members of the Audit and Risk Committee are set out below:

A- Freddie Edward Cloete, Audit and Risk Committee Chairman

Nationality:	South African.
Age:	64 years.
Position:	Audit and Risk Committee Member.
Academic and Professional Qualifications:	• Bachelor of Commerce in Accounting and Audit, University of the Western Cape, Cape Town, South Africa, 1981G; • Certificate in the Theory of Accounting, University of the Western Cape, Cape Town, South Africa, 1987G; • Chartered Accountant, South African Institute of Chartered Accountants, Johannesburg, South Africa, 1989G; and • Insurance Executive Program, Wharton, Philadelphia, Pennsylvania, United States, 2008G.
Appointment Date:	23/07/1446H (corresponding to 23/01/2025G).
Current Positions:	• Audit and Risk Committee Member, Jamjoom Fashion Trading Company, a joint stock company, retail sector, since 2024G; • Board Member, The Art of Serendipity Holdings Limited, a limited liability company (UAE), investment sector, since 2024G; and • Chief Financial Officer, The Art of Serendipity Holdings Limited, a limited liability company (UAE), investment sector, since 2024G.
Key Past Professional Experience:	• Consultant, KPMG Lower Gulf Limited, a limited liability company (UAE and Cayman Islands), audit and accounting sector, from 2021G until 2023G; • Partner, KPMG Lower Gulf Limited, a limited liability company (UAE and Cayman Islands), audit and accounting sector, from 2008G until 2021G; • Senior Executive, South African Institute of Chartered Accountants (SAICA), a non-profit organization (South Africa), professional services sector, from 2006G to 2008G; and • Partner, KPMG Inc., a limited liability company (South Africa), audit and accounting sector, from 2002G until 2006G.

B- Nadia Kamal Osman Jamjoom, Audit and Risk Committee Member

Please refer to Section 5.3.3.4 ("**Nadia Kamal Osman Jamjoom, Member of the Board of Directors**") for further details regarding the experience, qualifications, and the current and previous positions of Nadia Kamal Osman Jamjoom.

C- Jameel Kamal Osman Jamjoom, Audit and Risk Committee Member

Please refer to Section 5.3.3.3 ("**Jameel Kamal Osman Jamjoom, Member of the Board of Directors**") for further details regarding the experience, qualifications, and the current and previous positions of Jameel Kamal Osman Jamjoom.

5.4.2 The Remuneration and Nomination Committee

5.4.2.1 Duties and Responsibilities of the Remuneration and Nomination Committee

The duties and responsibilities of the Remuneration and Nomination Committee further include the following:

A- Remuneration:

- developing the Company's remunerations policy for Board members, Board committee members and senior executives and providing recommendations thereon to the Board for approval by the general assembly;
- reviewing the remuneration policy periodically to, among other items, ensure consistency with any changes in relevant legislation and regulations, the Company's strategic objectives, and the skills and qualifications required; and recommending proposed changes to the Board;
- recommending to the Board the remuneration of the members of the Board, Board committees and senior executives in accordance with the approved remuneration policy; and
- specifying and clarifying the relation between the paid remuneration and the adopted remuneration policy, and highlighting any material deviation from that policy.

B- Board of Directors:

- setting the board membership policy, and recommending the policy to the Board for approval by the general assembly;
- recommending to the Board nominees for Board membership according to the approved Board membership policy;
- conducting an annual review of the required skills and expertise for Board membership and updating, if needed, a description of the required capabilities and qualifications;
- examining the size and composition of the Board and recommending, if deemed appropriate, possible changes;
- establishing, if not addressed in existing policies or charters, procedures to address vacancies of the Board and Board committees and making recommendations to the Board thereon;
- providing recommendations to the Board on performance measures to evaluate the Board's activities, members, and Board committees; and
- evaluating the Board and Board Committees against the performance measures and reporting to the Board on the results of the evaluation and, where deemed appropriate by the Committee, proposing improvements in line with the Company's interest.

C- Board Members:

- defining the time that the Board member shall allocate for performing Board duties;
- verifying, annually, the independence of the independent directors and absence of conflict of interest;
- developing job descriptions of executive, non-executive, and independent directors; and
- recommending to the Board the re-nomination or dismissal of Board and committee members.

D- Orientation Program to New Board Members and Committee Members:

- recommending to the Board an orientation program for new Board members and committee members, addressing, among other items, the Company's activity, nature of its business, and its financial and legal aspects.

E- Senior Executives:

- recommending to the Board appropriate policies and standards for the appointment of senior executives and identifying the required capabilities and skills; and reviewing such policies and standards regularly to ensure their consistency with changes in the Company's strategic objectives and the required skills and qualifications to achieve them;
- developing job descriptions for senior executives, reviewing the Company's organizational structure, and making recommendations to the Board on possible changes;
- developing succession planning processes for senior executive positions and making recommendations to the Board thereon; and
- conducting an annual review of the skills and expertise required of the senior executives.

5.4.2.2 Remuneration and Nomination Committee Members

The Remuneration and Nomination Committee was formed, and its members were appointed by Board resolution dated 23/07/1446H (corresponding to 23/01/2025G), for a term corresponding to the Board's term. The Remuneration and Nomination Committee is comprised of the following members:

Table (5.4): Remuneration and Nomination Committee Members

Name	Role
Selim Said Salim Chidiac	Chairman
Jameel Kamal Osman Jamjoom	Member
Ian Scott Halliwell	Member

5.4.2.3 Biographies of the Members of the Remuneration and Nomination Committee

The experience, qualifications, and the current and other positions of the members of the Remuneration and Nomination Committee are set out below:

A- Selim Said Salim Chidiac, Remuneration and Nomination Committee Chairman

Please refer to Section 5.3.3.5 ("**Selim Said Salim Chidiac, Member of the Board of Directors**") for further details regarding the experience, qualifications, and the current and previous positions of Selim Said Salim Chidiac.

B- Jameel Kamal Osman Jamjoom, Remuneration and Nomination Committee Member

Please refer to Section 5.3.3.3 ("**Jameel Kamal Osman Jamjoom, Member of the Board of Directors**") for further details regarding the experience, qualifications, and the current and previous positions of Jameel Kamal Osman Jamjoom.

C- Ian Scott Halliwell, Remuneration and Nomination Committee Member

Nationality:	British.
Age:	53 years.
Position:	Remuneration and Nomination Committee Member.
Academic and Professional Qualifications:	General Certificate of Secondary Education, Manchester, the United Kingdom, 1988G.
Appointment Date:	23/07/1446H (corresponding to 13/01/2025G).
Current Positions:	• Deputy Chief Executive Officer, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, since 2016G.
Key Past Professional Experience:	• Group Human Resource and Property Management Director, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2013G until 2016G; • Fashion Director, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2011G until 2013G; • Group Human Resource Manager, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2008G until 2011G; • Sales Manager, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2005G until 2008G; • Operations Manager, Alshaya LLC, a limited liability company, retail sector, from 2002G until 2005G; • Area Manager, Arcadia Group London, a private limited company (UK), retail sector, from 2000G until 2002G; and • Regional Store Manager, Marks and Spencer London, a private limited company (UK), retail sector, from 1996G until 2000G.

5.5 Executive Management

5.5.1 Overview of the Executive Management

The Executive Management of the Company is comprised of qualified and experienced members with the necessary knowledge and expertise to run the Company's business in line with the objectives and directives of the Board of Directors. The Company has been successful in recruiting and retaining its Executive Management team, developing qualified employees and promoting them to senior positions in the Company. The following table sets out the details of the members of the Company's Executive Management:

Table (5.5): Details of Senior Executives

Name	Position	Appointment Date[1]	Nationality	Age	Shareholding (Pre-Offering)			Shareholding (Post-Offering)		
					Number of Shares Held Pre-Offering	Direct Ownership (%)	Indirect Ownership (%)	Number of Shares Held Post-Offering	Direct Ownership (%)	Indirect Ownership (%)
Stephen Graham Holbrook	Chief Executive Officer	08/01/2025	British	56	N/A	N/A	N/A	N/A	N/A	N/A
Scott Brian Bisset	Chief Financial Officer	18/10/2024	British	57	N/A	N/A	N/A	N/A	N/A	N/A
Georges Harb	Chief Legal Officer	14/11/2024	Canadian	46	N/A	N/A	N/A	N/A	N/A	N/A
Mohamed Hamed Jilani	Internal Audit Director	23/12/2024	Eritrean	52	N/A	N/A	N/A	N/A	N/A	N/A
Catherine Elizabeth Watson	Creative Director	14/10/2024	British	48	N/A	N/A	N/A	N/A	N/A	N/A
Naif Abdulaziz Awadh Dawood	Human Resource Director	02/11/2023	Saudi	43	N/A	N/A	N/A	N/A	N/A	N/A
Othman Kamal Osman Jamjoom[2]	Transformation Director	06/11/2023	Saudi	34	N/A	N/A	N/A	N/A	N/A	N/A
Humaida Mohammed Diyab	Operations Director	10/07/2024	Sudanese	56	N/A	N/A	N/A	N/A	N/A	N/A
Barbara Colarusso	Brand Director (Nayomi)	31/01/2024	Italian	47	N/A	N/A	N/A	N/A	N/A	N/A
Mobeena Rasheed Rasheed Ahmed	Brand Director (Mihyar)	20/08/2024	Indian	53	N/A	N/A	N/A	N/A	N/A	N/A

(1) The date of the current employment contract with the Group.

(2) Mr. Othman Kamal Osman Jamjoom is the son of Mr. Kamal Osman Salah Jamjoom and the brother of Mr. Jameel Kamal Osman Jamjoom, who together own 100% of the Company before the offering and 70% after the Offering. As such, he is indirectly interested in such ownership.

5.5.2 Biographies of the Senior Executives

The experience, qualifications, and the current and other positions of each Senior Executive are set out below:

5.5.2.1 Stephen Graham Holbrook, Chief Executive Officer

Please refer to Section 5.3.3.2 ("**Stephen Graham Holbrook, Vice Chairman of the Board of Directors**") for further details regarding the experience, qualifications, and the current and previous positions of Stephen Graham Holbrook.

5.5.2.2 Scott Brian Bisset, Chief Financial Officer

Nationality:	British
Age:	57 years
Position:	Chief Financial Officer.
Academic and Professional Qualifications:	• Bachelor's degree in commerce and finance, University of Canterbury, Christchurch, New Zealand, 2004G; and • Fellow of the Association of Chartered Certified Accountants (FCCA).
Current Positions:	• Chief Financial Officer, Jamjoom Fashion Trading Company, a joint stock company, retail sector, since 2024G.
Key Past Professional Experience:	• Chief Financial Officer, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2023G until 2024G; • Group Finance Director, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2021G until 2023G; • Finance and Administration Manager, West Coast District Health Board, a limited liability company (New Zealand), health sector, from 2020G until 2021G; • Chief Financial Officer, Rex Miller Machinery and Farm LLC, a limited liability company (New Zealand), agriculture and farming sector, from 2019G until 2020G; • Chief Restructuring Officer, Perfect Industries Group, a limited liability company (UAE), manufacturing sector, from 2018G until 2019G; • Group Finance Director, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2011G until 2017G; • Internal Audit Manager, Lloyds Banking Group PLC, a listed entity (UK), banking sector, from 2010G until 2011G; • Group Finance Manager, KD One, a listed entity (UK), toiletries manufacturer sector, from 2009G until 2010G; • Audit Supervisor, Ernst & Young LLP, a limited liability partnership (UK), accounting sector, from 2006G until 2009G; and • Contract Accountant, Lloyds Banking Group PLC, a listed entity (UK), banking sector, from 2005G until 2005G.

5.5.2.3 Georges Harb, Chief Legal Officer

Please refer to Section (5.3.3.6) ("**Georges Harb, Board Secretary**") for further details regarding the experience, qualifications, and the current and previous of positions Georges Harb.

5.5.2.4 Mohamed Hamed Jilani, Internal Audit Director

Nationality:	Eritrean
Age:	53 years
Position:	Internal Audit Director.
Academic and Professional Qualifications:	• Bachelor's degree in accounting, Applied Science University, Amman, Jordan, 1999G.
Current Positions:	• Internal Audit Director, Jamjoom Fashion Trading Company, a joint stock company, retail sector, since 2024G.
Key Past Professional Experience:	• Internal Audit Director, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2022G to 2024G; • Audit Manager, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2015G until 2022G; • Finance Manager, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2008G until 2015G; and • Chief Accountant, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2002G until 2008G.

5.5.2.5 Catherine Elizabeth Watson, Creative Director

Nationality:	British
Age:	48 years
Position:	Creative Director.
Academic and Professional Qualifications:	• Bachelor's Degree in Fashion, Nottingham Trent University, Nottingham, United Kingdom, 1999G.
Current Positions:	• Creative Director, Jamjoom Fashion Trading Company, a joint stock company, retail sector, since 2023G.
Key Past Professional Experience:	• Creative Director, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2009G until 2023G; • Fashion Stylist/Lingerie Designer, Self Employed (UK), fashion sector, from 2005G until 2009G; and • Lingerie Designer, Splendour, a private company (UK), retail sector, from 2001G until 2005G.

5.5.2.6 Naif Abdulaziz Awadh Dawood, Human Resource Director

Nationality:	Saudi
Age:	44 years
Position:	Human Resource Director.
Academic and Professional Qualifications:	• Bachelor's degree in administration management, King Abdulaziz University, Jeddah, Saudi Arabia, 2016G; and • Executive master's degree in business administration (EMBA), King Abdulaziz University, Jeddah, Saudi Arabia, 2021G.
Current Positions:	• Human Resource Director, Jamjoom Fashion Trading Company, a joint stock company, retail sector, since 2023G.
Key Past Professional Experience:	• Shipping Coordinator, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2008G to 2023G; • Sales Executive, Naqel LLC, a limited liability company, logistics sector, from 2005G until 2008G; and • Customer Service, Naqel LLC, a limited liability company, logistics sector, from 2003G until 2005G.

5.5.2.7 Othman Kamal Osman Jamjoom, Transformation Director

Nationality:	Saudi.
Age:	34 years.
Position:	Transformation Director.
Academic and Professional Qualifications:	• Bachelor's degree in business management, BPP University, Birmingham, United Kingdom, 2014G.
Current Positions:	• Transformation Director, Jamjoom Fashion Trading Company, a joint stock company, retail sector, since 2023G; and • Board Member, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, since 2022G.
Key Past Professional Experience:	• Group Head of Transformation, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2023G until 2024G; • Group Omnichannel and Innovation Manager, Kamal Osman Jamjoom Trading LLC, a limited liability company, a joint stock company, trading sector, from 2019G until 2023G; • Deputy Marketing Manager, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2017G until 2019G; and • ECommerce & Marketing Project Manager, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2016G until 2017G.

5.5.2.8 Humaida Mohammed Diyab, Operations Director

Nationality:	Sudanese.
Age:	56 years.
Position:	Operations Director.
Academic and Professional Qualifications:	• Master's Degree of Business Administration in Leadership and Sustainability, University of Cumbria, Carlisle, United Kingdom, 2019G.
Current Positions:	• Operations Director, Jamjoom Fashion Trading Company, a joint stock company, retail sector, since 2023G.
Key Past Professional Experience:	• Operations Director for (Nayomi - Mihyar - Lego - Early learning Center), Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2019G until 2023G; • Sales Director for Nayomi & Mihyar, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2016G until 2019G; • Nayomi Sales Director, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2013G until 2016G; • Head of Sales Operation for Nayomi, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2010G until 2013G; • Senior Country Manager, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2006G until 2010G; • Qatar General Manager & Regional Sales Manager for KSA, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2003G until 2006G; • Riyadh General Manager & Nayomi Sales Manager for KSA, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2000G until 2003G; • Body Shop Regional Manager, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 1998G until 2000G; • Area Sales Manager for Body Shop, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 1996 until 1998G; and • Senior Store Manager for Makkah Stores, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 1995G until 1996G.

5.5.2.9 Barbara Colarusso, Brand Director (Nayomi)

Nationality:	Italian.
Age:	47 years.
Position:	Brand Director (Nayomi).
Academic and Professional Qualifications:	• Master's Degree Business and Economics in Marketing, University of Genoa, Genoa, Italy, 2001G; • Digital Marketing Certificate, Paris Dauphine University, Paris, France, 2014G; and • Brand Strategy Course, NYU Stern Business School, New York, United States, 2021G.
Current Positions:	• Brand Director (Nayomi), Jamjoom Fashion Trading Company, a joint stock company, retail sector, since 2023G.
Key Past Professional Experience:	• Brand Director (Nayomi), Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2019G until 2023G; • Marketing Director, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2017G until 2019G; • Brand Manager, Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2015G until 2019G; • Global Marketing Director, Hanes Brands Apparel, a listed company (Italy), apparel & textile sector, from 2012G until 2015G; • International Marketing Manager, Hanes Brands Apparel, a listed company (France), apparel & textile sector, from 2008G until 2012G; • Business Development Manager Asia, Hanes Brands Apparel, a listed company (China), apparel & textile sector, from 2006G until 2008G; • Senior Product Manager, Hanes Brands Apparel, a listed company (Italy), apparel & textile sector, from 2003G until 2006G; and • Product Manager, Danone, a listed company (Italy), food & beverage sector, from 2001G until 2003G.

5.5.2.10 Mobeena Rasheed Rasheed Ahmed, Brand Director (Mihyar)

Nationality:	Indian.
Age:	53 years.
Position:	Brand Director (Mihyar).
Academic and Professional Qualifications:	• Bachelor's degree in physics, University of Madras, Chennai, India, 1999G.
Current Positions:	• Brand Director (Mihyar), Jamjoom Fashion Trading Company, a joint stock company, retail sector, since 2023G.
Key Past Professional Experience:	• Brand Director (Mihyar), Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2019G until 2023G; • Brand Manager (Mihyar), Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2014G until 2019G; • Product Development Manager (Nayomi), Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2012G until 2014G; • Technical Manager (Nayomi), Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2009G until 2012G; • Senior Technologist (Nayomi), Kamal Osman Jamjoom Trading LLC, a limited liability company, trading sector, from 2004G until 2009G; • Manager, Motif Design Studio, a private company (India), apparel production sector, from 1999G until 2004G; • Chief Merchandiser, Instyle Exports, a private company (India), exports sector, from 1997G until 1999G; and • Merchandiser, Ratha Overseas PVT LTD, a private limited company (India), exports sector, from 1995G until 1997G.

Nayomi

6. Management Discussion and Analysis

6.1 Introduction

The Group's Management Discussion and Analysis section provides an analytical view of the Group's operational performance and financial position for the years ended 30 September 2023G and 2024G, and the three-months ended on 31 December 2023G and 2024G. This section and the attached notes have been prepared based on the audited consolidated financial statements for the year ended 30 September 2024G and the Company's unaudited interim condensed consolidated financial statements for the three-month period ended 31 December 2024G which includes the comparative financial information for the three-month period ended 31 December 2023G.

On 1 October 2023G, Kamal Osman Jamjoom Trading LLC launched Jamjoom Fashion to form an independent group of entities for its fashion and clothing division, separating its existing Nayomi and Mihyar brand. This move allows the new business to focus on its own strategic and operational plans to maximize its full economic potential and achieve optimal growth.

Jamjoom Fashion Trading was registered under the laws of Kingdom of Saudi Arabia, and it is owned by the Company, Kamal Osman Jamjoom Trading LLC. As at 31 December 2024G, the Group is wholly owned by Kamal Osman Jamjoom Trading LLC, however, the ultimate controlling party is Mr. Kamal Osman Salah Jamjoom.

The principal activities of Jamjoom Fashion Trading SPJSC and its subsidiaries (the "**Group**") are the retail of fashion and intimate apparel. The Group has 216 stores in the Kingdom of Saudi Arabia and the Gulf Cooperative Council which are registered with the relevant authorities in the respective countries.

The consolidated financial statements for the year ended 30 September 2024G have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") that are 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**") (here in after referred to as "**International Financial Reporting Standards endorsed in the Kingdom of Saudi Arabia**") and have been audited by KPMG professional services (hereinafter referred to as "**KPMG**" or the "**Auditor**"). The Company's unaudited interim condensed consolidated financial statements for the three-month period ended 31 December 2023G and 2024G and their supplementary notes have been prepared in accordance with IAS 34 – Interim Financial Reporting as endorsed in the Kingdom of Saudi Arabia and have been reviewed by the Auditor. Neither KPMG, nor any of its subsidiaries, affiliates or any of their employees (from the engagement team serving the Group) or relatives, own any shares or shares of any kind in the Group, which may affect its independence as at the date of issuance of the independent auditor's report on the consolidated financial statements. As of the date of this Prospectus, the Auditor provided the written consent to the reference to their role as Auditors of the Group's accounts for the financial years ended on 30 September 2024G and the three-month period ended 31 December 2024G, and this approval has not been withdrawn or amended as at the date of this Prospectus.

All amounts in this section have been rounded to the nearest thousand Saudi Riyals unless stated otherwise, and numbers and percentages have been rounded to the nearest decimal place. Therefore, the sum of these numbers may differ from what is stated in the tables. Accordingly, all ratios, key performance indicators, annual expenditures, and compound annual growth rates are based on rounded figures.

This section may include statements in connection with the Group's future prospects, based on the executive management's current plans and expectations regarding the Group's growth and results of operations, and financial conditions, and therefore such statements may involve risks and unconfirmed expectations that may lead to material differences from the Group's actual results as a result of multiple factors and events, including the factors discussed in Section No. 2 "**Risk Factors**" in this Prospectus.

6.2 Directors' declaration for financial information

1- The Board of Directors declare that the financial information contained in this section was extracted without material change and is presented in accordance with the consolidated financial statements for the years ended 30 September 2024G and the accompanying notes that was prepared by the Group in accordance with International Financial Reporting Standards (IFRS) endorsed in the Kingdom of Saudi Arabia and have been audited by KPMG and the Company's unaudited interim condensed consolidated financial statements for the three-month period ended 31 December 2023G and 2024G, and their supplementary notes have been prepared in accordance with IAS 34 – Interim Financial Reporting as endorsed in the Kingdom of Saudi Arabia (Saudi Arabia) and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants ("**SOCPA**"). In addition, there were no material changes to the accounting policies during the financial years ended 31 September 2023G and 31 September 2024G and the three-month ended on 31 December 2024G.

2- The Board of Directors declare that the Group has sufficient working capital for a period of at least (12) months immediately following the date of publication of the Prospectus.

3- The Board of Directors declare that there has been no significant adverse change in the financial or commercial position of the Group in the two financial years immediately preceding the application for registration and offering of securities set out in this Prospectus and the period included in the audited report until the date of approval of this Prospectus.

4- The members of the Board of Directors confirm that all material facts related to the Group and its financial performance have been disclosed in this Prospectus, and that there are no other information, documents, or facts if they are omitted, the data contained in this Prospectus will become misleading.

5- The Board of Directors declare that the Group does not have any property, including any contractual securities or other assets, the value of which is subject to fluctuations or is difficult to ascertain, which significantly affects the assessment of its financial position.

6- The Board of Directors declare that the Group has not granted any commissions, discounts, brokerage fees, or any non-monetary compensation during the two years immediately preceding the date of submitting the application for registration and offering of securities subject to this Prospectus, in connection with the issuance or offering any securities to any of the members of the Board of Directors, senior executives, those presenting or offering securities, or experts who received any of these payments or benefits.

7- Other than what was stated in Section (10.7) ("**Financing Agreement**") of this Prospectus, the Board of Directors declare that the Group does not have any loans or other liabilities whether covered by a personal guarantee or other kind of guarantee or covered by a mortgage, including any overdrafts from bank accounts, and does not have any secured liabilities or liabilities under acceptance or acceptance credit or any lease purchase.

8- Other than what is stated in Section (2) ("**Risk Factors**") of this Prospectus, the Group does not have any information about any governmental, economic, financial, monetary, or political policies or any other factors that have influenced or may influence or could materially affect (directly or indirectly) operations.

9- Other than what is stated in Section (2) ("**Risk Factors**") of this Prospectus, the Group is not aware of any seasonal factors or economic cycles related to the activity that may have an impact on its business or financial condition.

10- Other than what was stated in Section **Table 6.49** and **Table 6.83** of section (**6.8.2.8** and **6.8.5.8**) ("**Contingent liabilities and commitments**") of this Prospectus, the Board of Directors declare that the Group do not have any contingent liabilities or guarantees as of the date of this Prospectus.

11- The Board of Directors declare that the Group has no intention of making any material change in its activity.

12- The Board of Directors declare that the Group's operations have not been interrupted in a way that have affected or significantly affected its financial position during the last twelve months.

13- The Board of Directors declare that none of the Company or its subsidiaries' capital are subject to any option right.

14- The Board of Directors declare that the Group has provided comprehensive details in this section of any potential liabilities and has accounted for and recorded a provision for the obligations contained in management's discussion and analysis of the financial position and results of operations (for more information, refer to Section No. 6 "**Management Discussion and Analysis**" of this Prospectus).

15- The Board of Directors declare that the Group's properties are not subject to any mortgages, rights, or encumbrances as at the date of this Prospectus.

16- The Board of Directors declare that the Group has provided comprehensive details in this section of all fixed assets and investments, including contractual securities and other assets whose value is volatile or difficult to estimate.

17- The Board of Directors declare that the Group has not issued debt instruments.

18- The Board of Directors declare that there was no qualification on the financial statements of the Company and its material subsidiaries in the past two years preceding the date of submitting the registration application and initial public offering application of this Prospectus.

19- The Board of Directors declare that there have been no material changes in the accounting policies of the Company and its material subsidiaries in the past two years preceding the date of submitting the registration application and initial public offering application of this Prospectus.

20- The Board of Directors declare that no material changes have been made/or obligated to make any material amendments to the published audited financial statements of the Company and its material subsidiaries in the past two years preceding the date of submitting the registration application and initial public offering application of this Prospectus.

21- The Board of Directors declare that other than the separation of the Company from Kamal Osman Jamjoom Trading LLC, there have been no material restructurings of the Company or its substantial subsidiaries that have been carried out in the two financial years preceding the date of filing the registration application and the initial public offering application for this prospectus.

22- The Board of Directors declare that except for what was disclosed in Section (5.1) ("**Ownership Structure**") of this Prospectus, neither the members of the Board of Directors nor any of their relatives have any shares or interest of any kind in the Company or any of its subsidiaries, if applicable.

6.3 Key Factors Affecting the Group's Operations

Below is a discussion of the most important factors that have affected or are expected to affect the Group's business, its financial position, and the results of operations thereof. These factors are based upon the information currently available to the Group and may not represent all the factors that could affect the Group's business. For further information please refer to Section 2 ("**Risk Factors**") of this Prospectus.

6.3.1 Revenue Concentration

The Group's revenue is predominantly concentrated in Saudi Arabia, which contributed 64.3% of total revenue in the three-month period ended 31 December 2024G, with a significant portion generated by its top-performing stores. This concentration increases sensitivity to economic and market conditions in the Kingdom, as well as the performance of individual stores. Factors such as mall footfall, accessibility, accompanying services, and seasonality, which are beyond the Group's control, can directly influence store sales. Such reliance on specific markets and locations exposes the Group to localized risks that may impact its business, financial position, and future prospects.

For more information on the risks related to revenue concentration please refer to section 2.1.3 ("**Risks related to revenue concentration in the Kingdom of Saudi Arabia and on main stores**") of this Prospectus

6.3.2 Economic Conditions

The Group's performance is significantly influenced by economic conditions in the Kingdom and its key markets. Fluctuations in GDP growth, inflation, interest rates, and individual income levels directly impact consumer purchasing behavior, operational costs, and pricing strategies. Economic downturns, rising costs of living, or increased unemployment can weaken consumer confidence, reducing spending on apparel, including the Group's products. Additionally, global economic factors, such as changes in commodity prices or trade dynamics, may indirectly affect the Group's financial results and overall business outlook.

For more information on the risks related to economic conditions, please refer to section 2.2.1("**Risks related to the general economic conditions**") of this Prospectus.

6.3.3 Changes in Existing Regulations and Government Regulations

The Group operates under a wide range of laws and regulations due to operations across the GCC, including those related to labor, tax, licensing, and health and safety, which impose substantial compliance costs. Future changes to these regulations or their interpretation could increase expenses, require operational adjustments, or lead to fines, penalties, or facility closures, harming the Group's business and financial position.

For more information on the risks related to changes in regulations, please refer to section 2.2.10 ("**Risks related to the changes in the regulatory regime, including in tax regulations, new Companies Law and new Civil Transactions Law**") of this Prospectus

6.3.4 Market Competition

The Group operates in a highly competitive market, where a diverse range of players, from local businesses to large multinational corporations with significant resources, striving for market share. Competitors may have advantages in areas such as pricing, quality, and innovation. Failure to keep up with technological advancements can result in loss of market share, especially as consumers increasingly expect seamless digital shopping experiences. Key competitive drivers include price, quality, and customer service, with some competitors benefiting from more cost-efficient operations. Given the rapid pace of industry changes, ongoing innovation is essential. A failure to adapt or compete effectively could result in reduced revenues, margins, and market share, ultimately affecting the Group's business performance and financial outlook.

For more information on the risks related to market competition, please refer to section 2.2.2 ("**Risks related to the intense competitive environment, including by e-commerce platforms**") of this Prospectus

6.3.5 Seasonal Factors

The Group's revenue is subject to seasonal variations, with higher sales typically recorded during Ramadan. For example, in 2023G, March and April revenue was SAR 53.9 million and SAR 97 million, respectively influenced by Ramadan timing, compared to SAR 77.5 million and SAR 77.1 million in 2024G. These seasonal factors, beyond the Group's control, affect revenue consistency and volume. Failure to effectively manage periods of lower demand could adversely impact the Group's business, financial position, and future prospects

For more information on the risks related to seasonal factors, please refer to section 2.1.21 ("**Risks related to seasonality affecting the Group's sales**") of this Prospectus

6.3.6 Overseas Manufacturing and Supply Chain

The Group relies entirely on overseas manufacturers for finished products, with a significant concentration in Asia, exposing it to supply chain disruptions, geopolitical risks, and cost fluctuations. Key risks include termination or unfavorable renewal of supplier agreements, price volatility due to variable cost structures, and manufacturers' operational challenges, such as material shortages or regulatory changes. Furthermore, geopolitical instability, changes in trade regulations, tariffs, import restrictions and natural disasters could disrupt supply chains and increase costs. Such factors may adversely affect the Group's operations, financial position, and growth prospects

For more information on the risks related to overseas manufacturing and supply chain, please refer to section 2.1.1 ("**Risks related to reliance on external suppliers to manufacture products and not manufacturing them by the Group**") and section 2.1.2 ("**Risks related to importing 'finished products, increase or variation of duties, geopolitical risks and other risks impacting the import of goods**")of this Prospectus.

6.3.7 Retail Store Performance and Expansion

The Group's success depends on securing suitable sites for new stores, driving growth in existing stores, and revitalizing older locations to maintain their relevance and appeal. Older stores may face declining performance due to shifting demographics, increased competition, or outdated designs, risking flat or reduced revenues. Coupled with challenges in finding optimal new sites and managing the cannibalization effect from new openings, these factors could impact the Group's revenue, operations, and overall financial performance.

For more information on the risks related to retail store performance and expansion, please refer to section 2.1.9 ("**Risks related to opening new retail stores and performance challenges in existing stores and cannibalization effect**") of this Prospectus

6.3.8 Renewal of Existing Leases

The Group's dependence on leased store premises exposes it to risks such as non-renewal, unfavorable lease terms, and disruptions tied to landlord or mall performance. Expired leases under renewal, unregistered leases, or those under related party names could disrupt operations if not renewed on time and under favorable terms. Mall closures, renovations, or reduced footfall can directly affect sales. These factors pose significant risks to the Group's business operations, financial position, and growth prospects.

For more information on the risks related to renewal of existing leases please refer to section 2.1.8 ("**Risks related to leasing the stores which the Group uses, leases including revenue sharing arrangement, and reliance on landlord premises and footfall**") of this Prospectus

6.3.9 Inventory Management

The Group faces potential risks related to inventory management and the promotional nature of the retail environment. Challenges in maintaining optimal inventory levels could lead to inefficiencies, including costs associated with excess stock or missed sales opportunities due to stockouts. A portion of slow-moving inventory remains un-provisioned, which could result in discounted sales or unsold stock impacting profitability.

For more information on the risks related to inventory management please refer to section 2.2.6 ("**Risks related to effectively managing inventory levels and the increasing pressure on margins in a highly promotional retail environment**") of this Prospectus.

6.4 Corporate information

Jamjoom Fashion Trading SPJSC – Saudia Arabia (the "Company), a Single Person Joint Stock Company incorporated in the Kingdom of Saudi Arabia under the Commercial Registration No. 4030515435 dated 1444H, Dhu al-Hijjah, 04 (22 June 2023G).

The principal activities of Jamjoom Fashion Trading SPJSC and its subsidiaries (the "**Group**") are the retail of fashion and intimate apparel. The Group has 216 at 31 December 2024G (2024: 215; 2023G: 227) stores in the Kingdom of Saudi Arabia and the Gulf Cooperative Council which are registered with the relevant authorities in the respective countries. On 30 September 2023G, the single shareholder of the Group is KOJ Trading, but the controlling party is Mr. Kamal Osman Salah Jamjoom.

The Group's subsidiaries are summarised as per the table below:

Table (6.1): Jamjoom Fashion Trading SPJSC subsidiaries

Subsidiary name	Country of incorporation	Effective holding of the Group	Principal activities
Jamjoom Fashion Trading SPJSC Dubai branch	UAE	100%	Support services
Jamjoom Fashion Trading LLC	UAE	100%	Retail
Jamjoom Fashion Trading SPC	Oman	100%	Retail
Nayomi Trading WLL*	Qatar	100%	Retail
Jamjoom Fashion Company for the retail sale of ready-made clothes and children's items (a one-person company).	Kuwait	100%	Retail
Jamjoom Fashion Trading WLL	Bahrain	100%	Retail
Jamjoom Fashion Support Services Philippines Inc.	Philippines	100%	Support services

Source: The consolidated financial statements for the year ended 30 September 2024G and the condensed consolidated interim financial statements (unaudited) for the three-month ended 31 December 2024G.

* Links Management Services LLC holds shares in this subsidiary for the beneficial interest of the Group.

There were no changes in the holding percentage and the subsidiaries of the Group during the year.

6.5 Basis of preparation

6.5.1 Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), Accounting Standards as issued by the International Accounting Standards Board ("**IFRS Accounting Standards**") and other standards and pronouncements that are endorsed in the Kingdom of Saudi Arabia issued by the Saudi Organization for Chartered and Professional Accountants ("**SOCPA**") collectively referred to as "**IFRS Accounting Standards**" as endorsed in the Kingdom of Saudi Arabia.

6.5.2 Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention, using the accrual basis of accounting and the going concern concept, unless stated otherwise.

6.5.3 Comparative Financial Statement

The comparative financial information have been prepared for the specific purpose of presenting the comparative results of Jamjoom Fashion Trading and its subsidiaries, prior to the start of operation of the entity on 1 October 2023G. However, the company was legally formed in 22 June 2023G. The results included in this report are directly extracted from Kamal Osman Jamjoom Trading LLC and its subsidiaries and are attributable to Jamjoom Fashion Trading and its subsidiaries.

6.5.4 Functional and presentation currency

The consolidated financial statements are presented in Saudi Arabian Riyals ("**SAR**") which is the Group's presentation currency. All financial information presented in SAR has been rounded to the nearest thousand.

6.5.5 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected by the revision.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements.

6.6 Material accounting policies

The Group has consistently applied the following material accounting policies to all periods presented in the financial statements.

In addition, the Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 October 2023G. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, they impacted on the accounting policy information disclosed in certain instances.

6.6.1 Basis of consolidation

6.6.1.1 Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain the benefits from the activities.

The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred, and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition related costs are expensed as incurred. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Intangible assets and goodwill

Intangible assets are recorded at fair value at the date of acquisition and amortised over their assessed economic useful life.

Identifiable intangible assets which fall within the definitions of IFRS 3, are recorded separately at their respective fair value. Examples of identifiable intangible assets include but not limited to, franchise agreement rights, intrinsic value of store locations, customer databases and loyalty programs. Valuation methods include multi-period discount cash flow modelling and market data analytics. Economic useful life assessment is conducted on each of the asset types separately and can range between specific finite and indefinite periods. In instances where the Group assesses an indefinite period is appropriate, the justification will be reviewed annually for impairment testing.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

In the case of subsidiaries acquired via common control business combination transactions, the acquired net assets are presented from the beginning of the earliest period in the consolidated financial statements pertaining to the year in which the acquisition is completed.

Transactions eliminated on consolidation

Intra-company balances and transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated.

Acquisition/disposal of entities under common control

Business combinations arising from transfer of interests in entities that are under the control of the Group are accounted for using book values of the entities on the date of acquisition/transfer of interest in these entities. Any gain or loss arising out of these transfers is recognised directly in retained earnings.

Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

6.6.1.2 Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances as well as other short-term highly liquid investments, if any, with original maturities of three months or less, which are available to the Group without any restrictions, except for funds held on security for loan repayments.

6.6.1.3 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost includes purchase price, import duties, nonrefundable taxes, transport and handling costs and any other directly attributable costs less trade discounts and similar items. Costs are assigned to individual items of inventory on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The amount of any write-down of inventories and all losses of inventories shall be recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs. Cost of inventories is recognised as an expense and included in cost of revenues.

6.6.1.4 Property and equipment

Property and equipment are carried at cost less accumulated depreciation and any recognised impairment losses.

Depreciation is charged to the consolidated statement of profit or loss and other comprehensive income on a straight-line basis over their estimated useful lives of each part of an item of property and equipment. Depreciable amount represents cost of an asset, less its residual value.

The estimated useful lives are as follows:

Assets	Life (years)
Leasehold improvements	7-10
Furniture and fixtures	3-5
Motor vehicles	3-5

Source: The consolidated financial statements for the year ended 30 September 2024G

Depreciation methods, useful lives and residual values are re-assessed at the reporting date.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as a gain or loss during the year.

6.6.1.5 Capital work in progress

Capital work in progress is carried at cost less impairment losses, if any. On completion, the cost of such assets is transferred to property and equipment.

6.6.1.6 Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised in the consolidated statement of profit or loss and other comprehensive income on a straight-line basis, over the estimated useful lives of intangible assets from the date they are available for use. .

Identifiable intangible assets from acquisition which fall within the definitions of IFRS 3, are recorded separately at their respective value. Economic useful life assessment is conducted on each of the asset types separately and can range between specific finite and indefinite periods. In instances where the Group assesses an indefinite period is appropriate, the justification will be reviewed annually for impairment testing.

Intangible assets	Life (years)
Leasehold key money	7-10
Software	3-5
Intellectual property:	
• Finite	7-10
• Indefinite	Unspecified

Source: The consolidated financial statements for the year ended 30 September 2024G

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the aggregated cash generating unit level. Amortisation methods, useful lives and residual values are re-assessed at the reporting date

Gains or losses arising from derecognizing an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognized.

6.6.1.7 Employment benefits

The provision for post-employment benefits is calculated in accordance with the local law. Management considers these as long-term obligations and accordingly this obligation has been classified as a long-term liability.

The Group operates unfunded post-employment defined benefit plans namely employees' end of service benefits for all employees as per local labour law for employees.

The liability recognised in the statement of financial position in respect of this benefit, is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The net finance cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the consolidated statement of profit or loss and other comprehensive income.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in the statement of other comprehensive income. In the statement of changes in equity and the statement of financial position, such re-measurement gains and losses are recognised as part of the retained earnings.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the consolidated statement of profit or loss and other comprehensive income as past service costs.

6.6.1.8 Impairment

Non-derivative financial assets

A financial asset not classified at fair value through profit or loss ("**FVTPL**") is assessed at each reporting date to determine whether there is objective evidence of impairment. The Group measures loss allowances for its financial assets measured at amortised cost at an amount equal to lifetime expected credit losses ("**ECLs**"). Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

Financial assets measured at amortised cost

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Assets that are individually significant are tested individually whereas others are grouped together with financial assets of similar credit risk characteristics and assessed collectively.

Impairment loss is reversed if the reversal can be objectively related to an event that have occurred after the impairment loss was recognised. For financial assets that are measured at amortised cost, the reversal is recognised in the consolidated statement of profit or loss and other comprehensive income.

Non-financial assets

The Group assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash generating unit's ("**CGU's**") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

For all assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

6.6.1.9 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

6.6.1.10 Zakat and income tax

Zakat

Zakat, computed in accordance with Saudi Arabian fiscal regulations, is accrued and charged to the consolidated statement of profit or loss and other comprehensive income.

The Group withheld taxes on transactions with non-resident parties in accordance with Zakat, Tax and Customs Authority (ZATCA) regulations, which is not recognised as expense being the obligation of the counter party on whose behalf the amounts are withheld. The Company is subject to Value Added Tax ("**VAT**") in accordance with the VAT regulations prevailing in the Kingdom of Saudi Arabia. The amount of VAT liability is determined by applying the applicable tax rate to the value of supply ("**Output VAT**") less VAT paid on purchases ("**Input VAT**"). The Company reports revenue and purchases net of VAT for all the periods presented in the statement of profit or loss and other comprehensive income.

Income tax

Income tax on the profit for the year comprises current tax and deferred tax in territories where corporation tax is due. Income tax is recognised in the consolidated statement of profit or loss and other comprehensive income.

The Group withholds taxes on transactions with non-resident parties and on dividends paid to foreign shareholders in accordance with ZATCA regulations.

6.6.1.11 Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue from contracts with customers when it transfers control over a good or service to a customer based on a five-step model as set out in IFRS 15:

- Step 1 - Identify the contract with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.
- Step 2 - Identify the performance obligations in the contract. A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3 - Determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4- Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- Step 5- Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is measured at the fair value of the consideration received or receivable net of returns and allowances, if any, for the sale of goods in the ordinary course of the Group's activities. The Group recognizes revenue when control of the goods has transferred, being when the products are delivered to the customer, the customer has full discretion over the use or sale of such goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

Delivery occurs when the goods have been acknowledged by the customer, the risks of obsolescence and loss have been transferred to the customer, the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Receivable is recognised when the goods are delivered or acknowledged by the customer as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. In determining the transaction price for the sale of goods, the Group considers the effects the existence of significant financing components, variable consideration, non-cash consideration and consideration payable to the customer (if any). The Group also considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (if any).

For revenue, the stated price is the transaction price, and the Group does not have contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year, and as a result, the Group does not adjust transaction prices for the time value of money.

Revenue from sale of goods

The Group operates a chain of retail outlets. Revenue from sale of goods is recognized when the Group sells a product to the customer i.e. customer takes possession of the goods in store (point in time). Payment of the transaction price is due immediately when the customer purchases the product.

Revenue is recognized upon transfer of control i.e. when the products are delivered to the customers. Payment of the transaction price is normally received upon or before placing online orders.

Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period, if the goods do not meet the quality criteria. Contracts in which a customer may return a defective product in exchange for a functioning product are evaluated by management.

It is the Group's policy to sell its products to the end customer with a right of return and right to exchange within 7 days, depending on the type of product with certain requirements and certain exceptions.

Refund liabilities

A refund liability is the obligation to refund some, or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities, if any (and the corresponding change in the transaction price) at the end of each reporting period.

The Group updates its assessment of provision for expected returns, if any annually and accordingly the provision and refund liabilities are adjusted respectively. Estimates of expected returns and sales discounts, if any, are sensitive to changes in circumstances and the Group's past experience regarding returns and discounts and may not be representative of customers' actual returns and rebate entitlements in the future.

Determining whether a customer will be likely entitled to sales discount will depend on the customer's entitlement. The Group applied the most likely amount method for estimating expected sales discounts for contracts. Any significant changes in experience as compared to historical purchasing patterns and rebate entitlements of customers will impact the expected rebate percentages estimated by the Group.

Revenue from customers, historical experience suggests that the amount of returns is immaterial, and accordingly, no refund liability is recognized at the time of sale. The validity of this conclusion is assessed at each reporting date. If the returns pattern changed, the Group would recognize a refund liability and corresponding asset (right to the returned goods) for products expected to be returned, with revenue and related cost of sales adjusted accordingly.

6.6.1.12 Cost of revenues

Cost of revenues includes the purchase price of the products sold and other costs incurred in bringing the inventories to the location and condition ready for sale. These costs include costs of purchasing; storing; and transporting products to the extent that it relates to bringing the inventories to the location and condition ready for sale. Overheads are allocated between cost of revenues, selling and distribution expenses and general and administrative expenses, when required, on a consistent basis.

6.6.1.13 Selling and distribution expenses

Selling and distribution expenses principally consist of costs incurred in the distribution and selling of the Group's products. Allocations between cost of revenues, selling and distribution expenses and general and administrative expenses, when required, on a consistent basis.

6.6.1.14 General and administrative expenses

General and administrative expenses include direct and indirect costs not specifically part of cost of revenue. Allocations between cost of revenues, selling and distribution expenses and general and administrative expenses, when required, on a consistent basis.

6.6.1.15 Financial charges

Financial charges comprise interest on bank borrowings, bank charges and exchange gains or losses on foreign currency transactions. Interest on bank borrowings is recognised using the effective interest rate method in the consolidated statement of profit or loss and other comprehensive of income.

6.6.1.16 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency ("**SAR**") at exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to SAR at the exchange rate prevailing at that date.

Foreign currency gains and losses are reported on a net basis.

6.6.1.17 Financial instruments

The Group classifies non-derivative financial assets and liabilities into financial assets at amortised cost and other financial liabilities category.

Non-derivative financial assets and financial liabilities – recognition and derecognition

Under IFRS 9, on initial recognition, a financial asset is classified as measured at amortised cost or fair value. The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Non-derivative financial liabilities are recognised initially at fair value less any directly attributable transaction costs. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

Non-derivative financial assets – measurement

Financial assets measured at amortised cost

Financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("**FVTPL**"):

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.

Financial assets at amortised cost comprise cash and cash equivalents, other receivables and related party receivables.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

6.6.1.18 Borrowings

Borrowings are initially recognised at the fair value (being proceeds received), net of eligible transaction costs incurred, if any. Subsequent to initial recognition, borrowings are measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

6.6.1.19 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Right-of-use asset

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments; and
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property and equipment' and lease liabilities in the statement of financial position.

Short-term leases and leases of low-value assets

The Group recognises right-of-use assets and lease liabilities for all remaining short-term leases on all existing stores in accordance with IFRS 16. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension option.

However, the Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

6.6.1.20 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("**CODM**") to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

The Board of Directors ("**BoD**") of the Group assesses the financial performance and position of the Group and makes strategic decisions. The BoD has been identified as being the CODM.

Segment results that are reported to the Group's CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

6.6.1.21 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

6.6.1.22 Standards, amendments and interpretations

Standards, amendments and interpretations issued

This table lists the recent changes to the Standards that are required to be applied for an annual period beginning after 1 January 2023G and that are available for early adoption in annual periods beginning on 1 January 2023G.

- IFRS 17 Insurance Contracts
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- International Tax Reform - Pillar Two Model Rules (Amendments to IAS 12)

New standards and interpretations issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2024G and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing the financial statements.

Of those standards that are not yet effective, none of them is expected to have a material impact on the Group's financial statements.

- Amendments to IAS 1 Presentation of Financial Statements relating to classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants
- Amendments to IFRS 16 Leases, Lease Liability in a Sale and Leaseback
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures, Supplier Finance Arrangements
- Amendment to IAS 21 Lack of Exchangeability

Following are the new IFRS sustainability disclosure standards effective for annual periods beginning on or after 1 January 2024G subject to endorsement of the standards by SOCPA.

- IFRS S1 General requirements for disclosure of sustainability-related financial information
- IFRS S2 Climate-related disclosures

6.7 Accounting estimates and judgements

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date.

These estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The key judgements, estimates, and assumptions that have a significant impact on the consolidated financial statements of the Group are discussed below:

6.7.1 Impairment of inventories

Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. The management makes a provision for slow moving and obsolete inventory items. Estimates of net realizable value of inventories are based on the most reliable evidence at the time the estimates are made. These estimates take into consideration fluctuations of price or cost directly related to events occurring subsequent to the financial position date to the extent that such events confirm conditions existing at the end of year.

6.7.2 Useful lives of property and equipment

Management determines the estimated useful lives of property and equipment for calculating depreciation. These estimates are determined after considering expected usage of the asset or physical wear and tear. Management believes that any residual value will not result in a significant change to the depreciation charge and carrying amount of the assets. Accordingly, the residual value is assumed to be zero. Management also believes that a straight-line depreciation policy reflects the pattern of consumption of economic benefits.

6.7.3 Impairment of non-current assets

Impairment of non-current assets occurs when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use is based on a Discounted Cash Flow ("**DCF**") model. For impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Management has determined each individual sales outlet as a separate CGU being the smallest group of assets generating the cash inflows.

Management has performed a sensitivity analysis around the estimates. For details on assumptions used and sensitivities of key assumptions.

6.7.4 Accounting for leases

Under IFRS 16, the Group assesses whether a contract is or contains a lease based on the lease definition which requires significant judgement. Further the recognition and measurement requirements of IFRS 16 also require management to apply judgements and estimates, particularly, when determining lease renewal options, purchase options at the end of a lease term, value of guaranteed residual values and deciding whether a lease meets the exemption criteria of a short-term or low value asset lease. Management has used the following significant judgements when applying the requirements of IFRS 16:

- Where lease rentals are based on market prevailing rates, latest agreed rentals are assumed over the entire lease term.
- Where lease periods are not deemed to reflect the assessed period of use, the assessed period of use is taken.
- Substantially all leasehold improvements are removeable and there are no other economic penalties for not exercising the renewal option, the lease term is taken equal to the contractual term.

6.7.5 Employee end of service benefits – Estimate

The cost of the employee end of service benefits plan and the present value of the obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates, and employee turnover rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the market yield on high-quality Corporate/Government bonds. The mortality rate is based on publicly available mortality tables for the country. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country. Further details about employees end of service benefits.

6.7.6 Acquisition of subsidiaries

The Group has used various judgements and assumptions when applying the accounting for acquisition of subsidiaries in the consolidated financial statements. The key accounting estimates and judgements include (a) identification and the recognition of intangible assets which were not previously recorded in acquiree's books; and (b) determination of the fair values of identified asset and liabilities as at the acquisition date. The accounting results arrived at by management are sensitive to the changes in underlying assumptions used. Any potential changes in the underlying assumptions would have an impact on the fair values of assets and liabilities recognised as at the acquisition date with a corresponding impact on the goodwill.

6.7.7 Going concern

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the consolidated financial statements have been prepared on a going concern basis.

6.8 Results of operations

6.8.1 Consolidated statement of profit or loss and other comprehensive income for the two years ended 30 September 2023G and 2024G

The following table summarizes the Consolidated statement of profit or loss and other comprehensive income for the two years ended 30 September 2023G and 2024G:

Table (6.2): Consolidated statement of profit or loss and other comprehensive income

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Revenue	565,650	612,246	8.2%
Cost of sales	(187,249)	(191,187)	2.1%
Gross profit	**378,401**	**421,059**	**11.3%**
Selling and marketing expenses	(261,394)	(278,428)	6.5%
General and administrative expenses	(25,424)	(27,920)	9.8%
Other operating expenses	(17,850)	(23,808)	33.4%
Operating profit	**73,733**	**90,903**	**23.3%**
Financial charges	(7,817)	(8,493)	8.6%
Other income	3,260	3,119	(4.3%)
Net profit before Zakat and income tax	**69,176**	**85,529**	**23.6%**
Zakat and income tax	(4,569)	(3,581)	(21.6%)
Net profit after Zakat and income tax	**64,607**	**81,948**	**26.8%**
Other comprehensive income for the year			
Re-measurement of defined benefit liability	-	(1,688)	N/A
Total comprehensive income for the year	**64,607**	**80,260**	**24.2%**

Source: The consolidated financial statements for the year ended 30 September 2024G.

The following table summarizes the key performance indicators for the two years ended 30 September 2023G and 2024G:

Table (6.3): Consolidated statement of profit or loss and other comprehensive income key performance indicators

	Year ended 30 September 2023G	Year ended 30 September 2024G	2023G-2024G
SAR in 000s			**Var.**
Operating income	73,733	90,903	23.3%
Other income	3,260	3,119	(4.3%)
Depreciation and amortisation	111,609	114,552	2.6%
Post-IFRS 16 EBITDA	**188,602**	**208,574**	**10.6%**
IFRS-16 adjustment*	90,216	95,145	5.5%
Pre-IFRS 16 EBITDA	**98,386**	**113,429**	**15.3%**
As a % of revenue			**Ppt.**
Gross margin	66.9%	68.8%	1.9
Operating profit	13.0%	14.8%	1.8
Pre-IFRS 16 EBITDA	17.4%	18.5%	1.1

	Year ended 30 September 2023G	Year ended 30 September 2024G	2023G-2024G
Post-IFRS 16 EBITDA	33.3%	34.1%	0.7
Net profit after Zakat and income tax	11.4%	13.4%	2.0
Operational KPIs			**Var.**
Average number of stores	231	224	(3.0%)
Average area (SQM)	39,941	39,282	(1.6%)
Area at year end (SQM)	39,146	38,958	(0.5%)
Average revenue per store p.a. (SAR in 000s)	2,449	2,733	11.6%
Average revenue per store per month (SAR in 000s)	204	228	11.8%
Average revenue per SQM (SAR in 000s)	14.2	15.6	9.9%
Operating profit / SQM (SAR in 000s)	1.8	2.3	27.8%

Source: The consolidated financial statements for the year ended 30 September 2024G.

*IFRS adjustment comprised of depreciation on right of use assets (SAR 91.2 million in 2024G) and interest (SAR 3.9 million in 2024G) incurred on lease liabilities.

Revenue

The Group sells its products mainly through its regular stores contributing c.98% of the total revenue and balance revenue are made through the e-commerce channel.

The Group has two primary brands namely 'Nayomi' and 'Mihyar'. Nayomi is a women's brand; products include women's nightwear and underwear. It represents c.86% of total revenue in 2024G.

Mihyar is a men's brand and products include men's thobes, shemaghs, and similar khaleeji style apparel. It contributed to c.14% of total revenue in 2024G.

While Nayomi has its presence across the different countries in the GCC, Mihyar has its operations only in Saudi Arabia.

Revenue increased by 8.2% from SAR 565.7 million in 2023G to SAR 612.2 million in 2024G mainly driven by the rollout of seven new stores in 2024G amounting to an increase of SAR 7.2 million, the ramp up of recently opened stores during 2022G by SAR 9.4 million from 20 stores and an increase by SAR 33.0 million from eight stores in 2023G. The growth was partially offset with revenue lost from discontinued stores. The Group had closed 22 stores in 2023G and 10 stores during 2024G.

While the average number of stores have decreased from 231 in 2023G to 224 in 2024G, the area (SQM) has largely remained same. Further the average revenue per SQM has increased from SAR 14.2 thousand in 2023G to SAR 15.6 thousand in 2024G which was mainly due to the impact of sales growth from bigger and newer format of stores.

Cost of sales

Cost of sales included product cost of SAR 168.1 million (27.5% of revenue in 2024G), freight and distribution cost (inward freight) of SAR 24.5 million (4.0% of revenue in 2024G), expiry damages and lost stock of SAR 3.9m (0.6% of revenue in 2024G) and a provision reversal of -SAR 5.3 million (-0.9% of revenue in 2024G).

Cost of sale increased by 2.1% in 2024G, from SAR 187.2 million in 2023G to SAR 191.2 million in 2024G, is primarily mainly due to the increase in revenue by 8.2% and the decrease in cost as a percentage of revenue from 33.1% in 2023G to 31.2% in 2024G which is mainly attributable to better negotiation with suppliers given that the retailers in North America exited the Asian manufacturing market which allowed the Group to increase their capacity, reversal of inventory provisions due to better sales volumes during 2024G which resulted in less aged inventory as at September 2024G as compared to September 2023G, and the closure of Morocco stores in 2024G which had lower profitability in 2023G compared to other territories. The latter have led to a reduction in the cost, which explains the modest 2.1% rise despite an 8.2% increase in revenue.

Gross profit

Gross profit increased by 11.3% from SAR 378.4 million in 2023G to SAR 421.1 million in 2024G mainly due to the increase in revenue by 8.2% and the decrease in cost as a percentage of revenue from 33.1% in 2023G to 31.2% in 2024G which is mainly attributable to better negotiation with suppliers given that USA retailers were exiting the Chinese manufacturing market allowing the Group to increase the capacity and negotiate better pricing, reversal of inventory provisions due to better sales volumes during 2024G which resulted in less aged inventory as at 30 September 2024G compared to 30 September 2023G and the closure of Morocco stores due to its lower performance compared to other geographies given that there were several import tariffs, duties and other market challenges such as customer shopping habits in Morocco. This has led to a reduction in the cost, which explains the modest 2.1% rise despite an 8.2% increase in revenue.

Selling and marketing expenses

Selling and marketing expenses of SAR 278.4 million in 2024G mainly consisted of (i) depreciation amounting to SAR 110.6 million, which largely includes depreciation on right of use asset of SAR 88.3 million and lease hold improvement of SAR 20.6 million, (ii) payroll and relates expenses of SAR 106.4 million, (iii) advertising and sales promotion amounting of SAR 20.1 million and (iv) other selling and marketing expenses of SAR 41.4 million.

Selling and marketing increased by 6.5% from SAR 261.4 million to SAR 278.4 million in 2024G mainly related to the increase in payroll and related expenses following the salary increment, end of service and incentive increases by SAR 7.5 million in 2024G, higher professional fees by SAR 1.9 million and higher other selling and marketing expenses by SAR 3.5 million in 2024G.

General and administrative expenses

General and administrative expenses of SAR 27.9 million in 2024G mainly comprised of payroll and related expenses of SAR 14.3 million, professional fee of SAR 5.6 million, depreciation of SAR 3.6 million (of which SAR 2.9 million relates to right of use asset), rent expense and other operating expenses SAR 4.4 million such as delivery charges, rent, travel, electricity and communication, office supplies, license fee, among others.

General and administrative expenses increased by 9.8% from SAR 25.4 million in 2023G to SAR 27.9 million in 2024G which was in line with the growth in the business in addition to the increase in professional fees in relation to the IPO, however as a percentage of revenue it remained stable at 4.5% in 2023G and 4.6% in 2024G.

Other operating expenses

Other expenses comprised of management recharges (at a mark-up) in relation to the indirect support services provided by Kamal Osman Jamjoom Trading LLC, Kamal Osman Jamjoom Trading tech services India Pvt Ltd., and Kamal Osman Jamjoom Trading services Philippines Inc., such as warehousing, logistics and distribution services, HR services, finance services, information technology and digital services, amongst other services.

Other operating expense increased by 33.4% from SAR 17.9 million in 2023G to SAR 23.8 million in 2024G mainly attributable to the increase in services over the period.

Operating profits

Operating profits increased by 23.3% from SAR 73.7 million in 2023G to SAR 90.9 million in 2024G in line with the increase in gross profit. Operating profit as a % of revenue increased from 13.0% in 2023G to 14.8% in 2024G in line with the increase in gross profit %.

Post-IFRS 16 EBITDA

Post-IFRS 16 EBITDA increased by 10.6% from SAR 188.6 million in 2023G to SAR 208.6 million in 2024G was driven by the revenue and gross profit growth partially offset with increase in operating expenses.

Financial charges

Financial charges of SAR 8.5 million in 2024G relates to financial charges on bank borrowings of SAR 4.4 million, interest on lease liabilities of SAR 3.9 million, and forex and bank service charges of SAR 117 thousand.

Financial charges increased by 8.6% from SAR 7.8 million in 2023G to SAR 8.5 million in 2024G mainly attributable to the increase on interest on lease liabilities by SAR 473 thousand which was in line with the increase in lease liability and the increase in forex and bank service charges by SAR 221 thousand in 2024G due to the fluctuations between received goods and the time of payment.

Other income

Other income of SAR 3.1 million in 2024G is comprised of the Human Resources Development Fund (HRDF) refund and income from sale of scrap.

Other income slightly decreased by 4.3% from SAR 3.3 million in 2023G to SAR 3.1 million in 2024G due to lower sale of scrap during the period.

Net profit before Zakat and income tax

Net profit before Zakat and income tax increased by 23.6% from SAR 69.2 million in 2023G to SAR 85.5 million in 2024G in line with the increase in operating profit by 23.3% from SAR 73.7 million in 2023G to SAR 90.9 million in 2024G.

Zakat and income tax

Zakat and income tax decreased by 21.6% from SAR 4.6 million in 2023G to SAR 3.6 million in 2024G given that the Zakat in 2023G was accrued on an ad hoc basis from sales, while in 2024G it reflects the actual calculated amount.

Other comprehensive loss

Other comprehensive loss of SAR 1.7 million represents the actuarial loss on the defined benefit obligation recognized at end of 2024G. It was nil in 2023G as the Group carried out actuarial valuation of employee end of service benefits at the end of 2024G.

6.8.1.1 Revenue

6.8.1.1.1 Revenue by brand

The following table summarizes the revenue by brand for the two years ended 30 September 2023G and 2024G:

Table (6.4): Revenue by brand

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Nayomi	482,811	524,175	8.6%
Mihyar	82,839	88,071	6.3%
Total	565,650	612,246	8.2%
As a % of revenue			**Percentage points**
Nayomi	85.4%	85.6%	0.2
Mihyar	14.6%	14.4%	(0.2)
Total	100%	100%	-

Source: The consolidated financial statements for the year ended 30 September 2024G.

The following table summarizes the key performance indicators by brand for the two years ended 30 September 2023G and 2024G:

Table (6.5): Key performance indicators by brand

	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Number of transactions			
Nayomi	2,039	2,264	11.0%
Mihyar	255	286	12.2%
Total	**2,294**	**2,550**	**11.2%**
Average number of SKU			
Nayomi	4,043	4,689	16.0%
Mihyar	1,478	1,750	18.4%
Total	**5,521**	**6,439**	**16.6%**
Total number of SKU			
Nayomi	9,809	11,719	19.5%
Mihyar	7,612	7,451	(2.1%)
Total	17,421	19,170	10.0%
Average number of stores			
Nayomi	185	177	(4.4%)
Mihyar	46	47	2.2%
Total	**231**	**224**	**(3.0%)**
Number of stores at year end			
Nayomi	173	169	(2.3%)
Mihyar	45	46	2.2%
Total	**218**	**215**	**(1.4%)**
Average SQM			
Nayomi	32,089	31,357	(2.3%)
Mihyar	7,852	7,925	0.9%
Total	**39,941**	**39,282**	**(1.6%)**
Year-end SQM			
Nayomi	31,310	31,005	(1.0%)
Mihyar	7,836	7,953	1.5%
Total	39,146	38,958	(0.5%)
Revenue per average SQM (SAR)			
Nayomi	15,046	16,716	11.1%
Mihyar	10,551	11,113	5.3%
Group	**14,162**	**15,586**	**10.1%**

Source: Management information

Nayomi

Nayomi revenue increased by 8.6% from SAR 482.8 million in 2023G to SAR 524.2 million in 2024G. The growth in revenue mainly came from ramp up of recently opened stores during 2023G (7 stores) and 2024G (5 stores). The growth was partially offset with closure of 20 stores and 9 stores in 2023G and 2024G respectively.

Mihyar

Mihyar revenue increased by 6.3% from SAR 82.8 million in 2023G to SAR 88.1 million in 2024G mainly due to growth from new stores. The Group opened 1 store in 2023G and 2 stores in 2024G.

6.8.1.1.2 Revenue by geography

The following table summarizes the revenue by geography for the two years ended 30 September 2023G and 2024G:

Table (6.6): Revenue by geography

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Saudi Arabia	386,190	420,562	8.9%
United Arab Emirates	102,182	111,096	8.7%
Others	77,278	80,588	4.3%
Total	**565,650**	**612,246**	**8.2%**
As a % of revenue			**ppt.**
Saudi Arabia	68.3%	68.7%	0.4
United Arab Emirates	18.1%	18.1%	0.1
Others	13.7%	13.2%	(0.5)
Total	**100%**	**100%**	**-**

Source: The consolidated financial statements for the year ended 30 September 2024G.

The following table summarizes the key performance indicators by geography for the two years ended 30 September 2023G and 2024G:

Table (6.7): Key performance indicators by geography

	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Average number of stores			
Saudi Arabia	158	154	(2.5%)
United Arab Emirates	42	42	0.0%
Others	31	28	(9.7%)
Total	**231**	**224**	**(3.0%)**
Average revenue per store per month (SAR in 000s)			
Saudi Arabia	204	228	11.8%
United Arab Emirates	202	220	8.9%
Others	208	240	15.5%
Total	**204**	**228**	**11.8%**

Source: Management information

Saudi Arabia

Revenue for Saudi Arabia increased by increased by 8.9% from SAR 386.2 million in 2023G to SAR 420.6 million in 2024G due to (i) the revenue generated from stores that opened prior to 2022G and are still open to date which increased by 4.4% in 2024G compared 2023G, and (ii) revenue generated by the new stores that opened during the period from 2022G to 2024G which amount to SAR 69.6 million. The growth was partially offset with closure of 13 stores and 7 stores in 2023G and 2024G respectively.

The revenue per store in Saudi Arabia increased by 11.8% from SAR 204 thousand in 2023G to SAR 228 thousand in 2024G due to the closure of stores with lesser revenue.

United Arab Emirates

Revenue for United Arab Emirates increased by 8.7% from SAR 102.2 million in 2023G to SAR 111.1 million in 2024G due to ramp up of sales for the opened stores during 2022G (5 stores) and 2023G (3 stores), and partially offset by the decrease by 0.3% in 2024G compared 2023G in the revenue generated from stores that opened prior to 2022G and are still open to date.

Others

Revenue from other countries increased by 4.3% from SAR 77.3 million in 2023G to SAR 80.6 million in 2024G mainly due to the closure of certain old stores with lesser revenue and opening of new stores in newer malls with higher footfall and thus generating higher sales (cannibalization effect).

6.8.1.1.3 Revenue by order channel

Table (6.8): revenue by order channel

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Regular Shop	554,100	597,471	7.8%
E-commerce	11,550	14,775	27.9%
Total	**565,650**	**612,246**	**8.2%**
As a % of revenue			**ppt.**
Regular Shop	98.0%	97.6%	(0.4)
E-commerce	2.0%	2.4%	0.4
Total	**100%**	**100%**	**-**

Source: Management information

Regular Shop

Regular shop contributes to c. 98% across both 2023G and 2024G.

Revenue from regular shops increased by 7.8% from SAR 554.1 million in 2023G to SAR 597.5 million in 2024G driven by the roll-out of 7 new stores in 2024G contributing to SAR 7.2 million and the ramp up of 20 recently opened stores during 2022G which contributed to SAR 9.4 million and 8 stores in 2023G contributing to SAR 33.0 million. The growth was partially offset with revenue lost from discontinued stores. The Group had closed 22 stores in 2023G and 10 stores during 2024G.

E-commerce

E-commerce revenue increased from SAR 11.6 million in 2023G to SAR 14.8 million in 2024G due to organic growth.

6.8.1.1.4 Vintage analysis

Table (6.9): Vintage analysis

SAR in 000s	Number of Stores	SQM	Revenue		Revenue/store p,m		SSSG*%	Revenue/SQM	
			Year ended 30 Sep. 23	Year ended 30 Sep. 24	Year ended 30 Sep. 23	Year ended 30 Sep. 24	2023G-2024G	Year ended 30 Sep. 23	Year ended 30 Sep. 24
Core stores**	180	29,885	452,058	468,085	209	217	3.5%	15.1	15.7
Opened in 2022G	20	3,591	61,422	70,833	256	295	15.3%	17.1	19.7
Opened in 2023G	8	2,597	10,237	43,217		450			16.6
Opened in 2024G	7	1,037	-	7,210					
Discontinued in 2022G	(9)	1,321	-	-					
Discontinued in 2023G	(22)	3,197	21,056	-					
Discontinued in 2024G	(10)	1,653	9,328	8,127					
E-commerce revenue			11,550	14,775					
Total			**565,650**	**612,246**					

Source: Management information

*SSSG means same store sales growth

**Core store is defined as stores that opened prior to 2022G and are still open

Core stores

Revenue per store per month for the core stores increased from SAR 209 thousand in 2023G to SAR 217 thousand in 2024G.

Stores opened in 2022G

Stores opened in 2022G had a same store sales growth ('SSSG') of 15.3% which was mainly attributed to the United Arab Emirates. The growth was driven by the expansion of stores, including the introduction of new concept stores and the opening of locations in newly renovated or new malls, which boosted in-store sales. Revenue per square meter is higher in the stores that were opened in 2022G than in the core stores due to the fact that the newer and renovated stores generate higher revenues. In 2024G, revenue per SQM for core stores was SAR 15.7 thousand, compared to SAR 19.7 thousand for stores opened in 2022G.

Stores opened in 2023G and 2024G

The group opened eight new stores in Saudi Arabia, three in United Arab Emirates, two in Kuwait and one in Oman and one in Bahrain during 2023G and 2024G periods. Revenue from stores opened in 2023G increased by SAR 33.0 million due to full year impact coming in 2024G.

Closed stores

The Group has closed nine stores in 2022G, 22 stores in 2023G and 10 stores in 2024G. Out of the total 41 closed stores, 24 were in Saudi Arabia, 10 in United Arab Emirates, 4 in Morocco and 3 in Oman and Bahrain.

The Group closed 24 stores in Saudi Arabia where 10 of these stores were loss making in 2023G. Stores are typically closed mainly when they are not generating profit or sometimes stores are closed due to redevelopment of the mall wherein the stores are located.

The Group discontinued its operation in Morocco. Morocco has several import tariffs and duties which creates an entry barrier. Further the market challenges and customer shopping habits made the market a tough environment to continue the operations in Morocco.

6.8.1.2 Selling and marketing expenses

The following table summarizes the selling and marketing expenses for the two years ended 30 September 2023G and 2024G:

Table (6.10): Selling and marketing expenses

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Depreciation	110,384	110,553	0.2%
Payroll and related expenses	98,961	106,411	7.5%
Advertising	17,974	20,080	11.7%
Credit card charges	5,753	6,325	9.9%
Professional fees	4,038	5,939	47.1%
Shop supplies	4,562	5,106	11.9%
Licenses	3,191	3,211	0.6%
Electricity	3,163	3,128	(1.1%)
Rent expenses	1,959	2,351	20.0%
Repairs and maintenance	2,104	2,280	8.4%
Communication	1,802	1,832	1.7%
Travelling and transportation expenses	1,394	1,710	22.7%
Delivery expense	837	874	4.4%
Amortisation	554	410	(26.0%)
Other expenses	4,718	8,218	74.2%
Total	**261,394**	**278,428**	**6.5%**
As a % of revenue			**Percentage points**
Depreciation	19.5%	18.1%	(1.5)
Payroll and related expenses	17.5%	17.4%	(0.1)
Advertising	3.2%	3.3%	0.1
Credit card charges	1.0%	1.0%	0.0
Professional fees	0.7%	1.0%	0.3
Shop supplies	0.8%	0.8%	0.0
Licenses	0.6%	0.5%	(0.0)
Electricity	0.6%	0.5%	(0.0)
Rent expenses	0.3%	0.4%	0.0
Repairs and maintenance	0.4%	0.4%	0.0
Communication	0.3%	0.3%	(0.0)

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Travelling and transportation expenses	0.2%	0.3%	0.0
Delivery expense	0.1%	0.1%	(0.0)
Amortisation	0.1%	0.1%	(0.0)
Other expenses	0.8%	1.3%	0.5
Total	**46.2%**	**45.5%**	**(0.7)**
Headcount			**Var.**
Average number of employees	994	990	(0.4%)
Average monthly cost per employee (SAR)	8.30	8.95	7.8%

Source: The consolidated financial statements for the year ended 30 September 2024G, Management information

Depreciation

Depreciation mainly relates to right of use assets, lease hold improvements and computer hardware.

Depreciation remained stable at approximately SAR 110 million in 2023G and 2024G

Payroll and related expenses

Payroll and related expenses include basic salaries, housing allowances, incentives, end-of-service benefits, transportation allowances, medical and social insurance, and other related costs which relates to store related employees, sales managers and directors.

Payroll and related expenses increased by 7.5% from SAR 99.0 million in 2023G to SAR 106.4 million in 2024G, primarily due to staff salary increments following business improved performance. Salary increments also led to a rise in end-of-service benefits and incentive.

Advertising

Advertising expenses include activities such as events, fashion shows, displays, media campaigns, giveaways, and store opening offers designed to attract and engage customers.

Advertising expense increased by 11.7%, rising from SAR 18.0 million in 2023G to SAR 20.1 million in 2024G, in line with the increase in revenue. This increase was primarily driven by higher spending on photoshoots and promotional displays related to the National Day advertising campaigns during 2024G which was not done in 2023G, but which the Group is planning on undertaking going forward. However, as a percentage of revenue, advertising costs slightly increased from 3.2% in 2023G to 3.3% in 2024G.

Credit card charges

Credit card charges increased by 9.9%, from SAR 5.8 million in 2023G to SAR 6.3 million in 2024G, in line with the growth in revenue. As a percentage of revenue, credit card charges remained stable at 1.0% in both 2023G and 2024G.

Professional fees

Professional fees pertain to legal fees, contract labour charges, audit fees and other professional fees.

Professional fees increased by 47.1% from SAR 4.0 million in 2023G to SAR 5.9 million in 2024G, mainly attributable to higher freelance design costs by SAR 0.3 million, enhancements to the "**Live Video**" shopping tool on the application by SAR 0.2 million, improvements to the websites by SAR 0.5 million, and new spending for advisory on corporate strategy for the brands, creating the separate Group loyalty program (Amirah Club), marketing campaigns for Saudi National Day (recurrent going forward), and developing store concepts, collectively amounting to SAR 800 thousand.

Shop supplies

Shop supplies comprise of shopping bags, non-consumables consumables, amongst others (display and packaging materials).

Shop supplies increased by 11.9% from SAR 4.6 million in 2023G to SAR 5.1 million in 2024G in line with the growth in revenue. As a percentage to sales, shop supplies expense remained stable at 0.8% in 2023G and 2024G.

Licenses

Licenses mainly relate to annual trade licenses costs for every store and any other associated costs.

License cost remained stable at c. SAR 3.2 million over the period of 2023G and 2024G.

Electricity

Electricity remained relatively stable between SAR 3.2 million in 2023G and SAR 3.1 million in 2024G.

Rent expenses

Rent expenses within selling and marketing expenses, mainly include rent for shops and store leases in various countries on a post-IFRS 16 basis. This also includes rental expenses for some spaces rented on a short-term basis, which led to an increase in rent expenses from SAR 2.0 million in 2023G to SAR 2.4 million in 2024G. The increase was attributable to higher demand for short-term rental spaces, which resulted in higher rental costs.

Repairs and maintenance

Repairs and maintenance pertain to external labor (for housekeeping, security, and repair & maintenance), machine and equipment, and leasehold improvements, among others.

Repairs and maintenance increased by 8.4%, from SAR 2.1 million in 2023G to SAR 2.3 million in 2024G, in line with the increase in operations. As a percentage of revenue repairs and maintenance remained flat at 0.4% in 2023G and 2024G.

Communication

Communication remained relatively stable at SAR 1.8 million in 2023G and 2024G, primarily relating to text message costs to customers and social media promotion costs.

Travelling and transportation expenses

Traveling and transportation expense pertains to the costs incurred while visiting specific stores, malls, and training conferences.

Traveling and transportation expense increased by 22.7% from SAR 1.4 million in 2023G to SAR 1.7 million in 2024G, following the growth in the business and due to the training program held for the sales team in Dubai during 2024G.

Delivery expenses

Delivery expenses consist of cost incurred when product transfers are made from one store to another and for e-commerce.

Delivery remained relatively stable throughout the period at SAR 837 thousand in 2023G and SAR 874 thousand in 2024G.

Amortisation

Amortisation pertains to intellectual property, key money and software. Amortisation slightly decreased from SAR 554 thousand in 2023G to SAR 410 thousand in 2024G.

Other expenses

Other expenses relate to fixed assets written off, miscellaneous expenses, insurance, commission expenses, and other costs.

Other expenses increased by 74.2% from SAR 4.7 million in 2023G to SAR 8.2 million in 2024G due to:

1- Write-off of fixed assets, which amounted to SAR 1.3 million in 2024G compared to SAR 372 thousand in 2023G.
2- Expenses related to the Group creation event and the Group independent launch for SAR 1.2 million.
3- Increase in training expenses, from SAR 245 thousand in 2023G to SAR 1.0 million in 2024G, due to the sales training event held in Dubai to coincide with the Group independent launch.
4- Higher miscellaneous expenses were recorded, as logistics department recharges to the brands department for the warehouse charges, which are to be eliminated on a group level, however, they were not offset in 2024G and instead were recorded in G&A. The net impact of this is nil on the Group's profit and loss, as these are inter-group recharges.

6.8.1.3 General and administrative expenses

The following table summarizes the general and administrative expenses for the two years ended 30 September 2023G and 2024G:

Table (6.11): General and administrative expenses

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Payroll and related expenses	15,724	14,337	(8.8%)
Professional fees	4,313	5,599	29.8%
Depreciation	671	3,589	434.9%
Rent expenses	1,962	1,091	(44.4%)
Travelling expenses	387	399	3.1%
Electricity	365	376	3.0%
Office supplies	261	268	2.7%
Licenses	160	165	3.1%
Communication	114	118	3.5%
Repairs and maintenance	93	95	2.2%
Other expenses	1,374	1,883	37.0%
Total	**25,424**	**27,920**	**9.8%**
As a % of revenue			**Percentage points**
Payroll and related expenses	2.8%	2.3%	(0.4)
Professional fees	0.8%	0.9%	0.2
Depreciation	0.1%	0.6%	0.5
Rent expenses	0.3%	0.2%	(0.2)
Travelling expenses	0.1%	0.1%	(0.0)
Electricity	0.1%	0.1%	(0.0)

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Office supplies	0.0%	0.0%	(0.0)
Licenses	0.0%	0.0%	(0.0)
Communication	0.0%	0.0%	(0.0)
Repairs and maintenance	0.0%	0.0%	(0.0)
Other expenses	0.2%	0.3%	0.1
Total	**4.5%**	**4.6%**	**0.1**
Headcount			**Var.**
Average number of employees	125	125	0.0%
Average monthly cost per employee (SAR in 000s)	10.48	9.56	(8.8%)

Source: The consolidated financial statements for the year ended 30 September 2024G.

Payroll and related expenses

Payroll and related expenses mainly relate to the basic salaries, incentives, housing allowance and amongst other expenses related to administrative employees.

Staff cost grouped under general and administrative expenses mainly relates to headcount and cost for corporate employees.

Payroll and related expenses decreased by 8.8% from SAR 15.7 million in 2023G to SAR 14.3 million in 2024G as the Group recorded the entire impact of actuarial assessment under general and administrative expenses.

Professional fees

Professional fees mainly comprise audit and consulting fees.

Professional fees increased by 29.8% from SAR 4.3 million in 2023G to SAR 5.6 million in 2024G, primarily driven by (i) the increase in audit fees, which increased by SAR 1.3 million for the 2023G comfort letter and for the additional audit related to the comparative year pre-IPO, and (ii) professional fees for the acquisition of Booty Parlor.

Depreciation

Depreciation pertains Right of use assets, leasehold improvements, computer hardware, amongst others.

Depreciation increased by 434.9% from SAR 671 thousand in 2023G to SAR 3.6 million in 2024G mainly due to the increase in right of use assets which amounted to 2.9 million in 2024G while was nil in 2023G, and which mainly relates to the new office located in Dubai.

Rent expenses

Rent expenses within general and administrative expenses mainly includes rent for offices and warehouses on a post-IFRS 16 basis.

The rent expenses decreased by 44.4% from SAR 2.0 million in 2023G to SAR 1.1 million in 2024G driven by the IFRS 16 adjustment.

Travelling expenses

Travelling expenses pertains to travel and transportation expenses incurred for business purposes by employees in corporate staff.

Travelling expenses remained relatively stable throughout the period at SAR 387 thousand in 2023G and SAR 399 thousand in 2024G.

Electricity

Electricity remained relatively stable throughout the period at SAR 365 thousand in 2023G and SAR 376 thousand in 2024G.

Office supplies

Office supplies remained relatively stable throughout the period at SAR 261 thousand in 2023G and SAR 268 thousand in 2024G.

Licenses

Licenses pertains to corporate commercial registration license and subsidiaries creation.

Licenses remained relatively stable throughout the period at SAR 160 thousand in 2023G and SAR 165 thousand in 2024G.

Communication

Communication pertains to telephone, internet for offices and warehouses.

Communication remained stable at SAR 114 thousand in 2023G and SAR 118 thousand in 2024G.

Repairs and maintenance

Relates to leasehold improvements, external labor, computer hardware and software, amongst other expenses.

Repairs and maintenance remained relatively stable throughout the period at SAR 93 thousand in 2023G and SAR 95 thousand in 2024G.

Other expenses

Other expenses comprise of travelling expenses, electricity, office supplies, licenses, communication, and other miscellaneous costs.

Other expenses increased by 37.0% from SAR 1.4 million in 2023G to SAR 1.9 million in 2024G, mainly due to:

1- Provision of SAR 1.3 million which was taken for an impairment related to non-performing stores based on their net book value. There were no underperforming stores in 2023G that qualified for impairment, resulting in no related expense for 2023G.
2- Withholding tax increased by SAR 300 thousand in 2024G due to amendments made to the treatments under Saudi Arabia withholding tax regulations.

This was partially offset by higher miscellaneous income, as warehouse recharge logistics costs to the brands, for which the counter-expense that is usually offset, was not offset in 2024G and instead recorded in selling and marketing. The net impact is nil on the Group's profit and loss as these are inter-group recharges.

6.8.1.4 Financial charges

The following table summarizes the financial charges for the two years ended 30 September 2023G and 2024G:

Table (6.12): Financial charges

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Financial charges on bank borrowings	4,467	4,449	(0.4%)
Interest on lease liabilities	3,454	3,927	13.7%
Forex and bank service charges	(104)	117	(212.5%)
Total	**7,817**	**8,493**	**8.6%**
As a % of revenue			**Percentage points**
Financial charges on bank borrowings	0.8%	0.7%	(0.1)
Interest on lease liabilities	0.6%	0.6%	0.0
Forex and bank service charges	(0.0%)	0.0%	0.0
Total	**1.4%**	**1.4%**	**0.0**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Financial charges on bank borrowings

Financial charges on bank borrowings remained relatively stable throughout the period at SAR 4.5 million in 2023G and SAR 4.4 million in 2024G.

Interest on lease liabilities

Interest on lease liabilities slightly increased by 13.7% from SAR 3.5 million in 2023G and SAR 3.9 million in 2024G in relation to the increase in lease liabilities throughout the period which increased from SAR 97.0 million as at 30 September 2023G to SAR 117.1 million as at 30 September 2024G.

Forex and bank service charges

Forex and bank service charges are associated with both FX impact and account fees which represent the cost of maintaining and using a bank account. Forex and bank service charges increased from -SAR 104 thousand in 2023G to +SAR 117 thousand in 2024G was mainly due to the fluctuations between the received goods and the time of payment, as well as the variance between the spot rate and the standard rate of the Group.

6.8.1.5 Other operating expenses

The following table summarizes the net other expenses for the two years ended 30 September 2023G and 2024G:

Table (6.13): Other expenses

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Management recharge	17,850	23,808	33.4%
Total	**17,850**	**23,808**	**33.4%**
As a % of revenue			**Percentage points**
Management recharge	3.2%	3.9%	0.7
Total	**3.2%**	**3.9%**	**0.7**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Other expenses comprised of management recharges (at a mark-up) in relation to the indirect support services provided by Kamal Osman Jamjoom Trading LLC, Kamal Osman Jamjoom Trading tech services India Pvt Ltd., and Kamal Osman Jamjoom Trading services Philippines Inc., such as warehousing, logistics and distribution services, HR services, finance services, information technology and digital services, amongst other services. Other operating expense increased by 33.4% from SAR 17.9 million in 2023G to in 2024G mainly attributable to the increase in services over the period. However, other operating expense as a % of revenue increased only from 3.2% in 2023G to 3.9% in 2024G.

6.8.1.6 Other income

Table (6.14): Other income

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Human Resources Development Fund (HRDF) refund	2,976	3,067	3.1%
Others	284	52	(81.7%)
Total	**3,260**	**3,119**	**(4.3%)**
As a % of revenue			**Percentage points**
Human Resources Development Fund (HRDF) refund	0.5%	0.5%	(0.0)
Others	0.1%	0.0%	(0.0)
Total	**0.6%**	**0.5%**	**(0.1)**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Human Resources Development Fund (HRDF) refund

The HRDF is an initiative by the Saudi government aimed at promoting the hiring and development of Saudi nationals in private companies. This income is recurrent as long as the Saudi employees meet the specified requirements.

Human Resources Development Fund (HRDF) refund increased by 3.1% from SAR 3.0 million in 2023G and SAR 3.1 million in 2024G.

Others

Mainly includes the sale of fixed asset scrap. Others income decreased by 81.7% from SAR 284 thousand in 2023G to SAR 52 thousand in 2024G due to the decrease in scrap sales.

6.8.1.7 Zakat and income tax

Table (6.15): Zakat and income tax

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Zakat	4,290	1,906	(55.6%)
Income tax	279	1,675	500.4%
Total	**4,569**	**3,581**	**(21.6%)**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Zakat and income tax

Zakat and income tax decreased from SAR 4.6 million in 2023G to SAR 3.6 million in 2024G given that the zakat of SAR 4.3 million in 2023G was accrued on an ad hoc basis from sales, while the SAR 1.9 million in 2024G reflect the actual calculated amount.

Status of Zakat assessments

Jamjoom Fashion Trading SPJSC will file its first tax return for the current year as the business is in its initial year of operations. The comparative period information relates the extracted Brand submissions from Kamal Osman Jamjoom Trading LLC, the former owners of the Brands.

Income tax by subsidiary

Jamjoom Fashion Trading SPC (Oman) will file its first tax return for the current year as the business is in its initial year of operations. The comparative period information relates the extracted Brand submissions from Kamal Osman Jamjoom and Partners LLC, the former owners of the Brands. The tax rate is 15% of taxable income.

On 9 December 2022G, the United Arab Emirates Ministry of Finance released the Federal Decree-Law No. 47 of 2022G on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the United Arab Emirates. The CT regime will become effective for accounting periods beginning on or after 1 June 2023G. The Group has assessed the deferred tax implications for the year ended 30 September 2024G and, after considering its interpretations of applicable tax law, official pronouncements, cabinet decisions and ministerial decisions (especially with the transition rules), it has been concluded that the impact is not material to the consolidated financial statements.

Jamjoom Fashion Support Services Philippines Inc. has not yet filed its tax returns for the year up to 30 September 2024G as it is completing its first year of operations. The tax rate is 25% of taxable income.

Nayomi Trading WLL was sold to Jamjoom Fashion Trading SPC during 2024G. As a result, the company no longer conforms to the Qatar Tax Authority requirements of a local partner regulations due to non-compliance with the residency criteria. Therefore, Nayomi Trading WLL is subject to local corporation tax for a GCC international owner. The tax rate is 10% of taxable income

6.8.1.8 Other comprehensive income for the year

The following table summarizes the other comprehensive income for the two years ended 30 September 2023G and 2024G:

Table (6.16): Other comprehensive income for the year

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G	Var. 2023G-2024G
Operating profit	73,733	90,903	23.3%
Financial charges	(7,817)	(8,493)	8.6%
Other income	3,260	3,119	(4.3%)
Net profit before Zakat and income tax	**69,176**	**85,529**	**23.6%**
Zakat and income tax	(4,569)	(3,581)	(21.6%)
Net profit after Zakat and income tax	**64,607**	**81,948**	**26.8%**
Other comprehensive income for the year			
Re-measurement of defined benefit liability	-	(1,688)	N/A
Total comprehensive income for the year	**64,607**	**80,260**	**24.2%**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Re-measurement of defined benefit liability

The Group has an employment defined benefit plan. The benefits are required by the local labour laws of the respective countries. The benefit is based on employees' final salaries and allowances and their cumulative years of service, as stated in the local laws.

Re-measurement of defined benefit liability increased from nil in 2023G to SAR 1.7 million in 2024G due to the transfer of employees from Kamal Osman Jamjoom Trading LLC to the Group.

Total comprehensive income for the year

Increased by 24.2% from SAR 64.6 million in 2023G to SAR 80.3 million in 2024G in line with the increase in net profit by 26.8% in 2024G.

6.8.1.9 Segmental analysis

The following table summarizes the statement of profit and loss by region for the two years ended 30 September 2023G and 2024G:

Table (6.17): Statement of comprehensive income for the year ended 30 September 2023G

SAR in 000s	KSA	UAE	Other geographies	Total
Revenue	386,190	102,182	77,278	565,650
Cost of sales	(131,453)	(28,957)	(26,839)	(187,249)
Gross profit	**254,737**	**73,225**	**50,439**	**378,401**
General, admin and selling expenses	(211,716)	(44,142)	(30,960)	(286,818)
Financial charges	(4,794)	(2,307)	(716)	(7,817)
Other income/(expense)	13,434	(18,220)	(9,804)	(14,590)
Net profit before zakat and income tax expense	**51,661**	**8,556**	**8,959**	**69,176**
Zakat and income tax expense	(4,290)	-	(279)	(4,569)
Net profit after zakat and income tax expense	**47,371**	**8,556**	**8,680**	**64,607**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Table (6.18): Statement of comprehensive income for the year ended 30 September 2024G

SAR in 000s	KSA	UAE	Other geographies	Total
Revenue	420,562	111,096	80,588	612,246
Cost of sales	(135,117)	(30,996)	(25,074)	(191,187)
Gross profit	**285,445**	**80,100**	**55,514**	**421,059**
General, admin and selling expenses	(228,486)	(49,955)	(27,907)	(306,348)
Financial charges	(5,501)	(2,355)	(637)	(8,493)
Other income/(expense)	13,689	(18,775)	(15,603)	(20,689)
Net profit before zakat and income tax expense	**65,147**	**9,015**	**11,367**	**85,529**
Zakat and income tax expense	(1,907)	(780)	(894)	(3,581)
Net profit after zakat and income tax expense	**63,240**	**8,235**	**10,473**	**81,948**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Revenue

Approximately 68.5% (on average) of the revenue in both 2023G and 2024G was related to Saudi Arabia. Apart from a stronger store footprint in Saudi Arabia, the Group also generates sales from the brand Mihyar which have its presence only in Saudi Arabia. United Arab Emirates contributed to 18.1% of total revenue in 2023G and 2024G. The growth in overall revenue came from all the regions except for Morocco wherein the operations were discontinued during 2023G.

Gross profit

The gross profit percentage during 2024G in the United Arab Emirates of 72.1%, was higher than in Saudi Arabia, where it stood at around 67.9%. This difference can be attributed to the varying VAT rates. While the selling price and cost base were largely similar in both markets, Saudi Arabia applies a 15% VAT (compared to 5% in the United Arab Emirates), resulting in a higher net revenue contribution after VAT in the United Arab Emirates.

Overall gross profit improved following better negotiation with suppliers as witnessed in Saudi Arabia and other countries while in United Arab Emirates this has been offset by higher costs. Other territories gross percentage also benefited owing to the exit from Morocco in 2024G.

Net profit after zakat and income tax expense

The profitability in the United Arab Emirates was comparatively lower than Saudi Arabia and other regions which is mainly due to the higher costs of rents and utilities, including electricity and water.

Overall Net profit after zakat and income tax expense improved following better negotiation with suppliers as witnessed in Saudi Arabia and other countries while in United Arab Emirates the profitability slightly decreased due to higher costs and inflation.

6.8.2 Consolidated statement of financial position as at 30 September 2023G and 2024G

The following table summarizes the consolidated statement of financial position as at 30 September 2023G and 2024G:

Table (6.19): Consolidated statement of financial position

SAR in 000s	30 September 2023G	30 September 2024G
Non-current assets		
Property and equipment	192,090	221,623
Intangible assets	1,390	8,708
Total non-current assets	**193,480**	**230,331**
Current assets		
Inventories	113,884	116,133
Prepayments and other receivables	36,942	35,962
Due from shareholder	-	29,196
Cash and cash equivalents	1,113	7,961
Total current assets	**151,939**	**189,252**
Total assets	**345,419**	**419,583**
Equity		
Share capital	500	500
Other reserve	78,978	78,978
Retained earnings	-	30,260
Total equity	**79,478**	**109,738**

SAR in 000s	30 September 2023G	30 September 2024G
Non-current liabilities		
Employment benefits	30,472	43,303
Lease liabilities	22,360	43,801
Loans and borrowings	2,179	727
Other non-current liabilities	-	3,769
Total non-current liabilities	**55,011**	**91,600**
Current liabilities		
Loans and borrowings	44,955	52,663
Lease liabilities	74,591	73,286
Trade and other payables	32,293	53,650
Accrued expenses and other liabilities	9,814	36,116
Due to shareholder	44,765	-
Zakat and income tax accrual	4,512	2,530
Total current liabilities	**210,930**	**218,245**
Total liabilities	**265,941**	**309,845**
Total liabilities and equity	**345,419**	**419,583**

Source: The consolidated financial statements for the year ended 30 September 2024G.

The following table summarizes the consolidated statement of financial position key performance indicators as at 30 September 2023G and 2024G:

Table (6.20): Key performance indicators

	30 September 2023G	30 September 2024G
DIO [(1)]	222	222
DPO [(2)]	(63)	(102)

Source: Management information

(1) DIO (days) is calculated using inventories / cost of goods sold * 365 days

(2) DPO (days) is calculated using trade and other payables / cost of goods sold * 365 days

Non-current assets

Non-current assets mainly include property and equipment and intangible assets.

Non-current assets increased from SAR 193.5 million as at 30 September 2023G to SAR 230.3 million as at 30 September 2024G due to (i) the increase in property and equipment by SAR 29.5 million mainly driven by capex for leasehold improvements mainly for the construction of 4 new stores and to the renovation of 4 stores in Saudi Arabia and the design and fit out of office space in Dubai office, and (ii) the increase in the additions related to right-of-use assets by SAR 115.0 million pertaining to new stores and renewed stores, partially offset by depreciation of SAR 91.2 million and (iii) increase in intangible asset by SAR 7.3 million mainly due to the Group acquiring the intellectual property of the brand name "**Booty Parlor**" for SAR 7.5 million and other intangible asset of SAR 0.2 million partially offset by amortization of software and key money of SAR 0.4 million.

Current assets

Current assets pertain to inventories, prepayments and other receivables, due from shareholder and cash and cash equivalents.

Current assets increased from SAR 151.9 million as at 30 September 2023G to SAR 189.3 million as at 30 September 2024G due to the increase in due from shareholder by SAR 29.2 million where the Group had transferred to the shareholder "**KOJ Trading and its subsidiaries**" funds as a result of cash pooling. The cash pooling was partially offset by dividends paid and partially offset by declared dividend of SAR 50.0 million and cost of shared services amounting to SAR 23.8 million. The cash pooling, dividend and cost of shared services resulted in a net receivable balance of SAR 29.2 million as at 30 September 2024G.

Equity

Equity pertains to share capital, other reserves and retained earnings. Equity increased from SAR 79.5 million as at 30 September 2023G to SAR 109.7 million as at 30 September 2024G due to the increase in retained earnings by SAR 30.3 million.

Non-current liabilities

Non-current liabilities pertain to employment benefits, lease liabilities, loans and borrowings, and other non-current liabilities.

Non-current liabilities increased from SAR 55.0 million as at 30 September 2023G to SAR 91.6 million as at 30 September 2024G due to the increase in lease liabilities by SAR 21.4 million and an increase in employee benefits by SAR 12.8 million.

Current liabilities

Current liabilities pertain to loans and borrowings, lease liabilities, trade and other payables, accrued expenses and other liabilities, due to shareholder, and Zakat and income tax accrual.

Current liabilities increased from SAR 210.9 million as at 30 September 2023G to SAR 218.2 million as at 30 September 2024G mainly due to the increase in trade and other payables by SAR 21.4 million, accrued expenses and other liabilities by SAR 26.3 million, and loans and borrowings by SAR 7.7 million partially offset by the decrease in due to shareholder by SAR 44.8 million following the Group settlement.

6.8.2.1 Non-current assets

The following table summarizes the non-current assets as at 30 September 2023G and 2024G:

Table (6.21): Non-current assets

SAR in 000s	30 September 2023G	30 September 2024G
Property and equipment	192,090	221,623
Intangible assets	1,390	8,708
Total	**193,480**	**230,331**

Source: The consolidated financial statements for the year ended 30 September 2024G.

6.8.2.1.1 Property and equipment

The following tables summarizes the property and equipment as at 30 September 2023G and 2024G:

Table (6.22): Property and equipment net book value

SAR in 000s	30 September 2023G	30 September 2024G
Leasehold improvements	88,545	94,875
Motor vehicles	-	16
Furniture and fixtures	2,520	5,544
Right-of- use asset	100,760	121,071
Capital work in progress	265	117
Total	**192,090**	**221,623**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Table (6.23): Additions on property and equipment

SAR in 000s	30 September 2023G	30 September 2024G
Leasehold improvements	28,900	26,909
Motor vehicles	-	-
Furniture and fixtures	1,623	4,639
Right-of- use asset	128,480	115,044
Capital work in progress	257	116
Total	**159,260**	**146,708**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Table (6.24): Accumulated depreciation of property and equipment at the year end

SAR in 000s	30 September 2023G	30 September 2024G
Leasehold improvements	248,553	269,104
Motor vehicles	304	598
Furniture and fixtures	18,080	21,371
Right-of- use asset	249,182	166,336
Capital work in progress	-	-
Total	**516,119**	**457,409**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Leasehold improvements

Leasehold improvements amounted to SAR 94.9 million as at 30 September 2024G, pertains to the permanent improvements executed in stores or in offices such as, construction work, renovation works, amongst others. Leasehold improvements increased from SAR 88.5 million as at 30 September 2023G to SAR 94.9 million as at 30 September 2024G due to store renovations and construction executed by the Group on different stores mainly in Saudi Arabia, in addition to office renovations in Dubai (collectively contributing to SAR 26.9 million). This is partially offset with depreciation of SAR 21.1 million.

Motor vehicles

Motor vehicles amount to SAR 16 thousand as at 30 September 2024G pertains to company-owned or leased cars, vans, or trucks that staff use for business-related activities, such as deliveries, transportation between stores, or attending meetings.

Furniture and fixtures

Furniture and fixtures amounted to SAR 5.5 million as at 30 September 2024G pertains to the movable items like shelves and display racks used to organize and showcase merchandise in stores, counters, carpet fittings, as well as office supplies that are used daily in the offices. Furniture and fixtures increased from SAR 2.5 million as at 30 September 2023G to SAR 5.5 million as at 30 September 2024G mainly due to the addition of new furniture for the new Dubai office, coupled with the addition of new shelves, fitting room carpet replacement, amongst others in stores in Saudi Arabia, and the addition of shopping baskets to stores in United Arab Emirates, Oman and Qatar (collectively contributing to SAR 4.6 million). This is partially offset with depreciation of SAR 1.8 million.

Right-of- use asset

The following table summarizes the movement in right-of-use asset for the two years ended 30 September 2023G and 2024G:

Table (6.25): Right-of-use asset

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G
Balance at 1 October	65,045	100,760
Additions	128,480	115,044
Lease modifications	5,492	17
Disposals	(11,495)	(3,532)
Depreciation charge for the year	(86,762)	(91,218)
Balance at the end of the year	**100,760**	**121,071**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Right-of-use asset is recognised in accordance with IFRS 16 and relates to lease contracts with terms extending over 1 year. The Group leases offices, warehouses, and retail spaces. The leases typically run for a period of one to three years, with an option to renew the lease after that date. The lease payments are renegotiated periodically.

The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease.

Right-of-use asset increased from SAR 100.8 million as at 30 September 2023G million to SAR 121.1 million as at 30 September 2024G mainly due to additions SAR 115.0 million pertaining to new and renewed stores partially offset with depreciation of SAR 91.2 million and disposals of SAR 3.5 million.

6.8.2.1.2 Intangible assets

The following tables summarizes the intangible assets as at 30 September 2023G and 2024G:

Table (6.26): Intangible assets net book value

SAR in 000s	30 September 2023G	30 September 2024G
Software	228	262
Key money	1,162	908
Intellectual property	-	7,538
Total	**1,390**	**8,708**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Table (6.27): Additions on intangible assets

SAR in 000s	30 September 2023G	30 September 2024G
Software	316	190
Key money	-	-
Intellectual property	-	7,538
Total	**316**	**7,728**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Table (6.28): Amortization of intangible assets

SAR in 000s	30 September 2023G	30 September 2024G
Software	211	156
Key money	343	254
Intellectual property	-	-
Total	**554**	**410**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Software

Software increased from SAR 228 thousand as at 30 September 2023G to SAR 262 thousand as at 30 September 2024G due to additions of SAR 190 thousand offset by an amortization of SAR 156 thousand.

Key money

Key money amounted to SAR 1.0 million as at 30 September 2024G relates to payment made to landlords in Kuwait to secure certain premises and vacate current tenants.

Intellectual property

Intellectual property amounted to SAR 7.5 million (equivalent of USD 2.0 million) as at 30 September 2024G, and pertained to the acquisition of "**Booty Parlor**" on 1 August 2024G from Booty Parlor Inc. The following assets were purchased under the Asset Purchase Agreement: (i) registered trademarks, (ii) registered copyrights, (iii) trade names, and (iv) logo and designs. The purchased assets do not include any real property or other tangibles assets. Also, the Group do not assume any liabilities, obligations or commitments from the seller.

6.8.2.2 Current assets

The following table summarizes the current assets as at 30 September 2023G and 2024G:

Table (6.29): Current assets

SAR in 000s	30 September 2023G	30 September 2024G
Inventories	113,884	116,133
Prepayments and other receivables	36,942	35,962
Due from shareholder	-	29,196
Cash and cash equivalents	1,113	7,961
Total	**151,939**	**189,252**

Source: The consolidated financial statements for the year ended 30 September 2024G.

6.8.2.2.1 Inventories

The following table summarizes the inventories as at 30 September 2023G and 2024G:

Table (6.30): Inventories

SAR in 000s	30 September 2023G	30 September 2024G
Goods for resale	100,375	95,981
Goods in transit	13,509	20,152
Total	**113,884**	**116,133**
DIO (days) [1]	222	222

Source: The consolidated financial statements for the year ended 30 September 2024G, Management information

(1) DIO (days) is calculated using inventories / cost of goods sold * 365 days

Inventories as at 30 September 2024G includes gross goods for resale amounted to SAR 107.6 million and goods in transit of SAR 20.2 million in 2024G aggregating to gross inventory amounting to SAR 127.8 million. The gross goods for resale were netted by the provision for slow moving stock of SAR 11.6 million.

Inventories are stated at the lower of cost or net realizable value. The cost of inventories is determined on the weighted average cost method and includes freight and other incidental charges incurred in acquiring and bringing inventories to their present location and condition. In transit inventories are valued at cost.

Despite the decrease in inventory of goods for resale from SAR 100.4 million as at 30 September 2023G to SAR 96.0 million as at 30 September 2024G due to higher sales in 2024G and better stock management, the overall inventory days (DIO) remained at 222 days at both 30 September 2023G and 30 September 2024G. This was offset by an increased in goods in transit which increased from SAR 13.5 million at 30 September 2023G to SAR 20.2 million as at 30 September 2024G as the Group was replenishing its stock to avoid shortages.

Goods for resale

Good for resale decreased from SAR 100.4 million as at 30 September 2023G to SAR 96.0 million as at 30 September 2024G driven by the increase in sales, prompting additional orders to support growth and meet customer needs

Goods in transit

Goods in transit increased from SAR 13.5 million as at 30 September 2023G to SAR 20.2 million as at 30 September 2024G. In anticipation of higher demand more orders were placed in order to avoid shortages and to refurbish store inventories.

6.8.2.2.2 Prepayments and other receivables

The following table summarizes the prepayments and other receivables as at 30 September 2023G and 2024G:

Table (6.31): Prepayments and other receivables

SAR in 000s	30 September 2023G	30 September 2024G
Supplier advances	21,047	15,850
Deposits	10,370	13,424
Prepaid rent	859	1,078
Advances to employees	165	819
Other prepayments	3,811	3,468
Other receivables	690	1,323
Total	**36,942**	**35,962**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Prepayments and other receivables amounted to SAR 36.0 million as at 30 September 2024G and comprised of supplier advances of SAR 15.9 million, deposits of SAR 13.4 million, prepaid rent of SAR 1.1 million, advances to employees of SAR 819 thousand, other prepayments of SAR 3.5 million and other receivables of SAR 1.3 million.

Prepayments and other receivables decreased from SAR 36.9 million as at 30 September 2023G to SAR 36.0 million as at 30 September 2024G. This was mainly attributable to decrease in supplier advances by SAR 5.2 million which was largely offset by increase in deposits SAR 3.1 million and advance to employees SAR 654 thousand.

Supplier advances

Supplier advances include advances to international and local vendors amounted to approximately SAR 15.8 million collectively and rental advances of SAR 68 thousand as at 30 September 2024G.

Supplier advances decreased from SAR 21.0 million as at 30 September 2023G to SAR 15.9 million as at 30 September 2024G is largely attributable to advances to international vendors for SAR 7.0 million. Payment terms were negotiated with some of the suppliers to change it from an advance payment to no advance payments. This was partially offset with the increase in advances to local vendors by SAR 2.0 million as the Group increased its procurement from local vendors for Mihyar.

Deposits

Deposits mainly included (i) rental deposits for the shops amounting to SAR 12.7 million, (ii) bank deposits placed as margin money against guarantees amounting to SAR 128 thousand, (iii) utility and labour deposits averaged SAR 122 thousand each. Deposits increased from SAR 10.4 million as at 30 September 2023G to SAR 13.4 million as at 30 September 2024G is mainly attributable to opening of newer and larger stores requiring higher rental deposits.

Prepaid rent

Prepaid rent increased from SAR 859 thousand as at 30 September 2023G to SAR 1.1 million as at 30 September 2024G due to opening of new stores during the year in addition to new stores rent being paid annually, quarterly and/or against cheques.

Advances to employees

Advances to employees increased from SAR 165 thousand as at 30 September 2023G to SAR 819 thousand as at 30 September 2024G primarily due to the timing of payments for staff advances and loans.

Other prepayments

Other prepayments mainly included labour card fees, prepaid insurance, prepaid trade licences and other prepaid expenses. Other prepayments decreased from SAR 3.8 million as at 30 September 2023G to SAR 3.5 million as at 30 September 2024G, mainly driven by a decrease in prepaid insurance by SAR 360 thousand.

Other receivables

Other receivables mainly pertained to E-commerce receivables and visa card receivables. Other receivables increased from SAR 690 thousand as at 30 September 2023G to SAR 1.3 million as at 30 September 2024G due to timing of cut-off vs. receipts.

6.8.2.2.3 Due from/to shareholder

The following table summarizes the due from/to shareholder as at 30 September 2023G and 2024G:

Table (6.32): Due from/to shareholder

SAR in 000s	30 September 2023G	30 September 2024G
Due from shareholder	-	29,196
Due to shareholder	(44,765)	-
Total	**(44,765)**	**29,196**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Due from shareholder amounted to SAR 29.2 million as at 30 September 2024G and due to shareholder amounted to SAR 44.8 million as at 30 September 2023G and both balances pertain to Kamal Osman Jamjoom Trading LLC Group.

Due to shareholder as at 30 September 2023G solely relates to the payment made by Kamal Osman Jamjoom Trading LLC on behalf the Group for normal operations of the business given Jamjoom Fashion Trading Company SPJSC did not exist on a standalone during 2023G.

During 2024G, the Group had transferred to Kamal Osman Jamjoom Trading LLC Group funds as a result of cash pooling of SAR 103.0 million and settled the due to shareholder balance of SAR 44.8 million. The cash pooling was partially offset by declared dividend of SAR 50.0 million and cost of shared services amounting to SAR 23.8 million. The cash pooling/settlement, dividend and cost of shared services resulted in a net receivable balance of SAR 29.2 million at as 30 September 2024G.

Kamal Osman Jamjoom Trading LLC has confirmed that all cash pooling transactions ceased by 28 February 2025. In addition, Kamal Osman Jamjoom Trading LLC is committed to settle the receivable balance to the Group post IPO from the proceed of the listing.

6.8.2.2.4 Cash and cash equivalents

The following table summarizes the cash and cash equivalents as at 30 September 2023G and 2024G:

Table (6.33): Cash and cash equivalents

SAR in 000s	30 September 2023G	30 September 2024G
Cash in hand	1,113	1,511
Cash at bank	-	6,450
Total	**1,113**	**7,961**

Source: The consolidated financial statements for the year ended 30 September 2024G.

The Group has bank accounts across the GCC and Philippines in different currencies. The Group has cash at bank in SAR and AED each with a balance of SAR 2.8 million and SAR 1.8 million as at 30 September 2024G respectively. Rest of the bank accounts in other currencies such as BHD, OMR, QAR, KWD, PHP and USD aggregating to a total of SAR 1.9 million as at 30 September 2024G.

6.8.2.3 Equity

The following table summarizes the equity as of 30 September 2023G and 2024G:

Table (6.34): Equity

SAR in 000s	30 September 2023G	30 September 2024G
Share capital	500	500
Other reserve	78,978	78,978
Retained earnings	-	30,260
Total	**79,478**	**109,738**

Source: The consolidated financial statements for the year ended 30 September 2024G.

6.8.2.3.1 Share capital

The following table summarizes the share capital as at 30 September 2023G and 2024G:

Table (6.35): Share capital

SAR in 000s	Country of incorporation	30 September 2023G	30 September 2024G
Kamal Osman Jamjoom Trading LLC	Kingdom of Saudi Arabia	500	500

Source: The consolidated financial statements for the year ended 30 September 2024G.

As at 30 September 2023G and 2024G, the Group's share capital amounted to SAR 500 thousand consists of 50,000 fully paid shares of SAR 10 each.

6.8.2.3.2 Other reserve

Other reserve pertained to SAR 79.0 million due to Kamal Osman Jamjoom Trading LLC and relates to assumed net assets of Nayomi and Mihyar which were transferred from Kamal Osman Jamjoom Trading LLC to the Group at the net book value at the transfer date 1 October 2023G and which were recorded at 1 October 2022G as retained earnings in order to present an opening balance assuming the transfer was effective as of 1 October 2022G. This was subsequently at 30 September 2023G transferred to other reserves. The Group has approved the transfer of SAR 79.0 million from retained earnings to other reserves for future capitalization.

6.8.2.3.3 Retained earnings

Retained earnings increased from nil as at 30 September 2023G to SAR 30.3 million as at 30 September 2024G, primarily due to the net profit for the year 2024G of SAR 81.9 million partially offset by actuarial loss of SAR 1.7 million and dividend distribution of SAR 50.0 million.

6.8.2.4 Non-current liabilities

The following table summarizes the non-current liabilities as at 30 September 2023G and 2024G:

Table (6.36): Non-current liabilities

SAR in 000s	30 September 2023G	30 September 2024G
Employment benefits	30,472	43,303
Lease liabilities	22,360	43,801
Loans and bank borrowings	2,179	727
Other non-current liabilities	-	3,769
Total	**55,011**	**91,600**

Source: The consolidated financial statements for the year ended 30 September 2024G.

6.8.2.4.1 Employment benefits

The following table summarizes the movement in post-employment benefits for the two years ended 30 September 2023G and 2024G:

Table (6.37): Employment benefits

SAR in 000s	30 September 2023G	30 September 2024G
Defined benefit obligation at 1 October	29,243	30,472
Service cost	4,250	3,901
Actuarial loss on the obligation recognised in other comprehensive income	-	1,688
Transfer Liability In – net	-	9,841
Post-employment benefits paid during the year	(3,021)	(2,599)
Defined benefit obligation at the end of the year	**30,472**	**43,303**

Source: The consolidated financial statements for the year ended 30 September 2024G.

The Group has a defined benefit plan. The benefits are required by the local labor laws of the respective countries. The benefit is based on employees' final salaries and allowances and their cumulative years of service, as stated in the local laws.

The Group's post-employment defined benefit plan is unfunded and was assessed by an external actuary as at 30 September 2024G, in line with IAS 19 (previously no actuarial assessment was done at the Group level but rather at Kamal Osman Jamjoom Trading LLC level given that Jamjoom Fashion Trading Company SPJSC and its subsidiaries did not exists as a standalone).

Summary of significant assumptions used in determining the employment defined benefit obligation as at end of the year are shown below:

Table (6.38): Summary of significant assumptions used in determining the employment defined benefit obligation

	30 September 2023G	30 September 2024G
Discount rate per annum	5.1%	4.5%
Future growth salary per annum	4.0%	3.5%
Resignation rate per annum	70.0%	70.0%
Termination rate per annum	30.0%	30.0%
Withdraw rate per annum	26.0%	21.0%
Mortality rates	**AM (80)**	**AM (80)**

Source: The consolidated financial statements for the year ended 30 September 2024G.

The average duration of the defined benefit obligation as at 30 September 2024G is 6.6 years and as at 30 September 2023G is 6.5 years.

The increase in defined benefit obligation from SAR 30.5 million as at 30 September 2023G to SAR 43.3 million as at 30 September 2024G is mainly due to (i) transfer of staff into the Group from Kamal Osman Jamjoom Trading LLC, which added liabilities of SAR 9.8 million, (ii) actuarial loss of SAR 1.7 million, (iii) additional service costs of SAR 3.9 million arising from salary increments. This was partially offset with benefits paid during the year amounting to SAR 2.6 million.

6.8.2.4.2 Lease liabilities

The following table summarizes lease liabilities as at 30 September 2023G and 2024G:

Table (6.39): Lease liabilities

SAR in 000s	30 September 2023G	30 September 2024G
Current portion of lease liabilities	74,591	73,286
Non-current portion of lease liabilities	22,360	43,801
Total	**96,951**	**117,087**

Source: The consolidated financial statements for the year ended 30 September 2024G.

The following table summarizes the movement in lease liabilities for the two years ended 30 September 2023G and 2024G:

Table (6.40): Lease liabilities movement

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G
Balance at 1 October	60,225	96,951
Additions	128,480	115,044
Lease modifications	9,212	(4,248)
Disposals	(11,017)	(1,526)
Interest on lease liabilities	3,454	3,927
Payment made against lease liabilities	(93,403)	(93,061)
Balance at the end of the year	**96,951**	**117,087**

Source: The consolidated financial statements for the year ended 30 September 2024G.

The Group leases offices, warehouses, and retail spaces. The leases typically run for a period of one to three years, with an option to renew the lease after that date. The lease payments are renegotiated periodically.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

Lease liabilities increased from SAR 97.0 million as at 30 September 2023G to SAR 117.1 million as at 30 September 2024G mainly due to the additions amounted to SAR 115.0 million pertaining to new and renewed stores as at 30 September 2024G which was partially offset by disposal amounted to SAR 1.5 million and payment made against lease liabilities of SAR 93.1 million.

6.8.2.4.3 Loans and borrowings

The following table summarizes bank borrowings as at 30 September 2023G and 2024G:

Table (6.41): Bank borrowings by bank details

SAR in 000s	Purpose	Tenor	Interest	30 September 2023G	30 September 2024G
Bank 1	General	3.25 years	EIBOR+1.90% to 3.00%	4,294	2,179
Over one year				**4,294**	**2,179**
Bank 2	Working capital	3 to 4 months	SAIBOR +2.0% TO 3.0%	17,220	19,930
Bank 3	Working capital	7 to 8 months	SAIBOR +2.0% TO 3.0%	-	15,655
Bank 4	Working capital	3 to 6 months	EIBOR +2.0% TO 3.5%	9,319	11,866
Bank 5	Working capital	4 to 8 months	SAIBOR +2.0% TO 3.0%	9,585	3,759
Bank 6	Working capital	2 months	EIBOR +2.0% TO 3.0%	228	-
Bank 7	Working capital	3 to 6 months	SAIBOR +2.0% TO 3.0%	6,488	-
Less than one year				**42,840**	**51,211**
Total				47,134	53,390
Current portion			44,955	52,663	
Non-current portion			2,179	727	

Source: Management information

As at 30 September 2024G, the Group does not have direct facilities with the region's banks. The Group facilities all remain with the Kamal Osman Jamjoom Trading LLC (Saudi Arabia and United Arab Emirates) and Kamal Osman Jamjoom Group LLC (United Arab Emirates). The Group has been named under the KOJ Trading's facilities and has an assignment of debts aligned to the business usage.

Borrowings include long and short-term facilities with banks in United Arab Emirates and short-term facilities with banks in the Kingdom of Saudi Arabia.

The credit facilities which are currently being utilised by the Group are in the process of being transferred to the Group, and one (with Bank 4) has already been transferred as at 31 December 2024G.

Short term loans

Short-term loans in the Kingdom of Saudi Arabia carry profits in the range of SAIBOR plus 2.0% to 3.0% with maturities up to 180 days (extendable up to 240 days). These are secured against corporate guarantees from Kamal Osman Jamjoom Group LLC and order notes in favor of the corresponding banks.

Short-term loans in the United Arab Emirates carry interest in the range of EIBOR plus 2.0% to 3.5% per annum.

Long term loans

Long term loans in the United Arab Emirates carries interest in the range of 1-to-3-month EIBOR plus 1.90% to 3.00% per annum with repayment periods not exceeding three years.

The bank borrowings in the United Arab Emirates are secured by corporate guarantees, assignment of risk insurance policy covering stocks, promissory note covering the full facility amount and hypothecation of stocks.

The Group had an outstanding debt of SAR 53.4 million as at 30 September 2024G which relates to the amount withdrawn for the business operations of the Group. Loans and borrowings increased from SAR 47.1 million as at 30 September 2023G to SAR 53.4 million 30 September 2024G following loan proceeds of SAR 137.3 million partially offset by payments of SAR 131.0 million during 2024G.

The facility agreements require that certain financial ratios are met at Group and Kamal Osman Jamjoom Trading LLC level, including maintenance of net worth. As at 30 September 2024, Kamal Osman Jamjoom Group LLC were temporarily not in compliance with certain bank covenants relating to total equity being under the required amount due to its restructure.

6.8.2.4.4 Other non-current liabilities

The Group acquired the IP rights for Booty Parlor from Booty Parlor Inc. for SAR 7.5 million on 1 August 2023G. The consideration is payable equally over 4 years. The initial instalment was made at the execution of the transfer. The 2nd instalment scheduled in 2025G is recorded under other current liability and amounted to SAR 1.9 million and the 3rd and 4th instalments scheduled in 2026G and 2027G are recorded under other non-current liabilities and collectively amounted to SAR 3.8 million.

6.8.2.5 Current liabilities

The following table summarizes the current liabilities as at 30 September 2023G and 2024G:

Table (6.42): Current liabilities

SAR in 000s	30 September 2023G	30 September 2024G
Loans and borrowings*	44,955	52,663
Lease liabilities*	74,591	73,286
Trade and other payables	32,293	53,650
Accrued expenses and other liabilities	9,814	36,116
Due to shareholder**	44,765	-
Zakat and income tax accrual	4,512	2,530
Total	**210,930**	**218,245**

Source: The consolidated financial statements for the year ended 30 September 2024G.

* The current portion of loans and borrowings and lease liabilities have been discussed under non-current liabilities.

** Due to shareholder has been discussed under current assets.

6.8.2.5.1 Trade and other payables

The following table summarizes the trade payables as at 30 September 2023G and 2024G:

Table (6.43): Trade payables

SAR in 000s	30 September 2023G	30 September 2024G
Accounts payable – Trade	10,720	37,994
Accrued purchases	21,573	15,656
Total	**32,293**	**53,650**
DPO (days) (1)	(63)	(102)

Source: The consolidated financial statements for the year ended 30 September 2024G, Management information

(1) DPO (days) is calculated using trade and other payables / cost of goods sold * 365 days

Accounts payable - Trade

Account payable – trade mainly included payables to marketing, consumables and products supply. Account payable increased from SAR 10.7 million as at 30 September 2023G to SAR 38.0 million as at 30 September 2024G primarily due to higher purchases and inventory levels as at 30 September 2024G compared to 30 September 2023G, along with a longer payment cycle to suppliers.

Accrued purchases

Accrued purchases mainly included accruals to marketing, consumables and products supply for which invoices have not been received yet. Accrued purchases decreased from SAR 21.6 million as at 30 September 2023G to SAR 15.7 million as at September 2024G due to a reduction in purchase orders under process.

The DPO rose from 63 days as at 30 September 2023G to 102 days as at 30 September 2024G, driven by a slight extension in supplier payment terms and a shift towards longer credit terms compared to previous years.

6.8.2.5.2 Accrued expenses and other current liabilities

The following table summarizes the accrued expenses and other current liabilities as at 30 September 2023G and 2024G:

Table (6.44): Accrued expenses and other current liabilities

SAR in 000s	30 September 2023G	30 September 2024G
VAT tax payable	-	9,202
Accrued marketing	3,079	5,150
Employee related accruals	656	4,456
Accrued utilities	2,436	4,199
Accrued rent and related accruals	2,661	3,174
Non-trade payables	565	2,878
Accrued professional fee	17	2,152
Other accruals and current liabilities	400	4,905
Total	**9,814**	**36,116**

Source: The consolidated financial statements for the year ended 30 September 2024G.

VAT tax payable

VAT tax payable balance is nil on 30 September 2023G given that the Group was not yet incorporated separately and still reported under the Kamal Osman Jamjoom Trading LLC level. As of 30 September 2024G, the Group report VAT as a standalone from Kamal Osman Jamjoom Trading LLC. However, no accruals were associated with the Brands (Nayomi, and Mihyar), all VAT were associated with Kamal Osman Jamjoom Trading LLC entities only.

Accrued marketing

Accrued marketing represented accrued marketing expenses in relation to the Group's marketing campaigns including billboards, social media ads, etc. Accrued marketing increased from SAR 3.1 million as at 30 September 2023G to SAR 5.2 million as at 30 September 2024G primarily driven by marketing expenses related to social media and digital designs, as well as a higher increase of marketing campaigns for the Saudi Arabia national day in September 2024G.

Employee related accruals

Employee related accruals mainly represented the accrual for the employee's performance bonus and incentives that were fully paid in the subsequent period. Employee related accruals increased from SAR 656 thousand as at 30 September 2023G to SAR 4.5 million as at 30 September 2024G mainly due to improved performance of employees and achieving KPIs which increased performance bonuses and incentives.

Accrued utilities

Accrued utilities pertained telephone, fax expenses, and store utilities amounted to SAR 2.4 million as at 30 September 2023G and increased to SAR 4.2 million as at 30 September 2024G, primarily due to the addition of a new warehouse for the Group in 2024G, in addition to the market research payable of SAR 569 thousand as at 30 September 2024G.

Accrued rent and related accruals

Accrued rent and related accruals represented accrued rent payables for stores, and storages. Accrued rent and related accruals increased from SAR 2.7 million as at 30 September 2023G to SAR 3.2 million as at 30 September 2024G mainly due to increase in rent expenses linked to high sales and additional storage.

Non-trade payables

Non-trade payables increased from SAR 565 thousand as at 30 September 2023G to SAR 2.9 million as at 30 September 2024G due to the outstanding payment from the acquisition of the Booty Parlor IP rights amounting to SAR 1.9 million (current portion), coupled with the increase in other accruals for IT and online platform related vendors, insurances, and licences.

Accrued professional fee

Accrued professional fee represented mainly professional fees in relation to special purpose carve out, comfort letter for CMA submission and additional work for the IPO filing. Accrued professional fees increased from SAR 17 thousand as at 30 September 2023G to SAR 2.2 million as at 30 September 2024G, primarily due to accruals for the comfort letter related to the CMA submission and accruals for audit fees associated with the IPO filing and special purpose carve-out.

Other accruals and current liabilities

Other accruals and current liabilities included as at 30 September 2024G (i) store provisions of SAR 2.1 million for a closed store in 2024G with residual net book value, as the Group is awaiting the asset disposal form from the brand to proceed with the write-off, (ii) outstanding Kamal Osman Jamjoom Trading LLC billing service fees to Jamjoom Fashion Trading Company SPJSC of SAR 790 thousand (recorded under other accruals and current liabilities, not yet transferred to related party balances), (iii) an impairment provision of SAR 1.3 million for non-performing stores based on their net book value, and (iv) other accruals for IT and online platform-related vendors, insurance, and licenses.

Other accruals and current liabilities increased from SAR 400 thousand as at 30 September 2023G to SAR 4.9 million as at 30 September 2024G due to the store and impairment provisions amounting to SAR 3.4 million collectively, and the outstanding Kamal Osman Jamjoom Trading LLC billing service fees to Jamjoom Fashion Trading Company SPJSC of SAR 790 thousand.

6.8.2.5.3 Zakat and income tax

Zakat

The following table summarizes the movement in Zakat provisions for the two years ended 30 September 2023G and 2024G:

Table (6.45): Movement in Zakat provisions

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G
Balance at the beginning of the year	-	4,290
Zakat expense for the year	4,290	1,906
Zakat paid during the year	-	(5,303)
Balance at the end of the year	**4,290**	**893**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Zakat decreased from SAR 4.3 million as at 30 September 2023G to SAR 893 thousand as at 30 September 2024G mainly due to the zakat paid during the year amounted to SAR 5.3 million.

Income tax

The following table summarizes the movement in income tax provision for the two years ended 30 September 2023G and 2024G:

Table (6.46): Movement in income tax

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G
Balance at the beginning of the year	-	222
Provision during the year	279	1,675
Tax paid during the year	(57)	(260)
Balance at the end of the year	**222**	**1,637**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Income tax increased from SAR 222 thousand as at 30 September 2023G to SAR 1.6 million as at 30 September 2024G mainly due to the increase in provision during the year from SAR 279 thousand as at 30 September 2023G to SAR 1.7 million as at 30 September 2024G and offset by tax paid during the year amounted to SAR 260 thousand as at 30 September 2024G.

6.8.2.6 Working capital (Non-IFRS measures)

The following table summarizes the working capital as at 30 September 2023G and 2024G:

Table (6.47): Working capital

SAR in 000s	30 September 2023G	30 September 2024G
Current assets		
Inventories	113,884	116,133
Prepayments and other receivables	36,942	35,962
Due from shareholder	-	29,196
Cash and cash equivalents	1,113	7,961
Total current assets	**151,939**	**189,252**

SAR in 000s	30 September 2023G	30 September 2024G
Current liabilities		
Loans and borrowings	44,955	52,663
Lease liabilities	74,591	73,286
Trade and other payables	32,293	53,650
Accrued expenses and other liabilities	9,814	36,116
Due to shareholder	44,765	-
Zakat and income tax accrual	4,512	2,530
Total current liabilities	**210,930**	**218,245**
Net working capital	**(58,991)**	**(28,993)**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Net working capital is negative due to the Group's accounting for lease liability as per the IFRS 16.

Net working capital improved from -SAR 59.0 million as at 30 September 2023G to -SAR 29.0 million as at 30 September 2024G mainly to repayment of the due to shareholder of SAR 44.8 million and additional transfer of funds to the shareholder as a result of cash pooling partially offset by dividend partially offset by declared dividend and payments for shared services which resulted in a due from shareholder of SAR 29.2 million as at 30 September 2024G. This is partially offset by higher trade and other payable by SAR 21.4 million and higher accrued expenses and other liabilities by SAR 26.3 million.

6.8.2.7 Net Debt (Non-IFRS measures)

The following table summarizes the Net Debt as at 30 September 2023G and 2024G:

Table (6.48): Net Debt

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G
Loans and borrowings	(47,134)	(53,390)
Cash and cash equivalents	1,113	7,961
Lease liabilities	(96,951)	(117,087)
Net debt (post IFRS-16)	**(142,972)**	**(162,516)**
Add back: Lease liabilities	96,951	117,087
Net debt (pre IFRS-16)	**(46,021)**	**(45,429)**
Net debt/EBITDA (post IFRS-16)	**0.8x**	**0.8x**
Net debt/EBITDA (pre IFRS-16)	**0.5x**	**0.4x**

Source: Management information.

Net debt (post IFRS-16) increased from SAR 143.0 million as at 30 September 2023G to SAR 162.5 million as at 30 September 2024G mainly driven by the increase in lease liabilities. Net debt (pre IFRS-16) decreased from SAR 46.0 million as at 30 September 2023G to SAR 45.4 million as at 30 September 2024G.

6.8.2.8 Contingent liabilities and commitments

The following table summarizes the contingent liabilities and commitments as at 30 September 2023G and 2024G:

Table (6.49): Contingent liabilities and commitments

SAR in 000s	30 September 2023G	30 September 2024G
Letters of guarantee	-	635
Capital commitments	22,412	21,556

Source: The consolidated financial statements for the year ended 30 September 2024G.

Letters of guarantee

The Company currently has letters of guarantees worth SAR 635 thousand as at 30 September 2024G mainly in relation to Dubai Customs for logistics and for Public Authority of Manpower in Kuwait for labour visas.

Capital commitments

As at 30 September 2024G, the Company has SAR 21.6 million as outstanding capital commitment of which store related capex amounted to SAR 17.0 million and non-store related capex of SAR 4.6 million related to the new office.

6.8.3 Consolidated statement of cash flows

The following table summarizes the Consolidated statement of cash flows for the two years ended 30 September 2023G and 2024G:

Table (6.50): Consolidated statement of cash flows

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G
Cash flows from operating activities		
Net profit before Zakat and income tax expense for the year	69,176	85,529
Adjustments for:		
Depreciation – right of use assets	86,762	91,218
Depreciation	24,293	22,924
Loss on disposal of property and equipment	441	122
(Gain) / loss on derecognition of right-of-use assets	4,198	(2,259)
Amortisation	554	410
Financial charges – Loan interest	4,467	4,449
Financial charges – Lease interest	3,454	3,927
Provision for employment benefits	4,250	3,901
	197,595	**210,221**
Working capital changes		
Inventories	22,997	(2,249)
Prepayments and other receivables	5,291	980
Trade and other payables	5,443	21,357
Due to shareholder	(135,444)	(64,120)
Other non-current liability	-	3,769
Accrued expenses and other liabilities	(11,478)	26,302

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G
	84,404	**196,260**
Zakat and income tax paid	(57)	(5,563)
Employment benefits paid	(3,021)	(2,599)
Net cash generated from operating activities	**81,326**	**188,098**
Investing activities		
Acquisition of property and equipment	(30,780)	(32,268)
Acquisition of intangible asset	(316)	(7,728)
Proceeds from sale of property and equipment	6	-
Net cash used in investing activities	**(31,090)**	**(39,996)**
Financing activities		
Proceeds from loans and borrowings	47,134	137,260
Payment of principal portion of loans and borrowings	-	(131,004)
Payment of interest portion of loans and borrowings	(4,467)	(4,449)
Proceeds from issue of share capital	500	-
Dividends paid	-	(50,000)
Payment of principal portion of lease payments	(89,949)	(89,134)
Payment of interest portion of the lease payments	(3,454)	(3,927)
Net cash used in financing activities	**(50,236)**	**(141,254)**
Net increase /(decrease) in cash and cash equivalents during the year	-	6,848
Cash and cash equivalents at the beginning of the year	1,113	1,113
Cash and cash equivalents at the end of the year	**1,113**	**7,961**

Source: The consolidated financial statements for the year ended 30 September 2024G.

Net cash generated from operating activities

Net cash generated from operating activities increased from SAR 81.3 million in 2023G to SAR 188.1 million in 2024G largely driven by increase in net profit and movement in due from shareholder and increase in accrued expenses and other liabilities during the period.

Net cash used in investing activities

Net cash used in investing activities increased from SAR 31.1 million in 2023G to SAR 40.0 million in 2024G on the back of (i) leasehold improvements for construction of new stores and renovation of core stores; (ii) renovation of the new office space in Dubai; and (iii) acquisition of IP rights of 'Booty Parlor' amounting to SAR 7.5 million.

Net cash used in financing activities

Net cash used in financing activities increased from SAR 50.2 million in 2023G to SAR 141.3 million in 202G mainly driven by the dividend paid of SAR 50.0 million during the period.

The following table summarizes the Free cash flows for the two years ended 30 September 2023G and 2024G:

Table (6.51): Free cash flows

SAR in 000s	Year ended 30 September 2023G	Year ended 30 September 2024G
Free cash flows	185,680	212,222
Free cash flows conversion %	**98.5%**	**101.7%**

Source: Management information.

Note: Free cash flows presented above is a sum of cash generated from operating activities (except for the movement in balance for due to shareholders given it is largely financing in nature) and investing activities. Free cash flow conversion is calculated based on EBITDA post IFRS 16.

Free cash flows increased from SAR 185.7 million in 2023G to SAR 212.2 million in 2024G which was mainly driven by the increase in net profit and changes in working capital.

Free cash flows conversion increased from 98.5% in 2023G to 101.7% in 2024G driven by the impact of changes in working capital balances.

6.8.4 Consolidated statement of profit or loss and other comprehensive income for the three-month period ended 31 December 2023G and 2024G

The following table summarizes the condensed consolidated statement of profit or loss and other comprehensive income for the three-month period ended 31 December 2023G and 2024G:

Table (6.52): Consolidated statement of profit or loss and other comprehensive income

SAR in 000s	Three-month period ended 31 December 2023G	Three-month period ended 31 December 2024G	Var. 31 December 2023G- 31 December 2024G
Revenue	126,899	146,212	15.2%
Cost of sales	(43,816)	(44,946)	2.6%
Gross profit	**83,083**	**101,266**	**21.9%**
Selling and marketing expenses	(61,712)	(66,870)	8.4%
General and administrative expenses	(7,509)	(10,395)	38.4%
Other operating expenses	(3,720)	(3,873)	4.1%
Operating profit	**10,142**	**20,128**	**98.5%**
Financial charges	(2,026)	(2,402)	18.6%
Other income	-	911	N/A
Net profit before Zakat and income tax	**8,116**	**18,637**	**129.6%**
Zakat and income tax	(1,312)	(1,664)	26.8%
Net profit after Zakat and income tax	**6,804**	**16,973**	**149.5%**
Other comprehensive income for the period			
Re-measurement of defined benefit liability	-	-	N/A
Total comprehensive income for the period	**6,804**	**16,973**	**149.5%**

Source: The unaudited interim condensed consolidated financial statements for the three-month period ended 31 December 2024G.

Table (6.53): Consolidated statement of profit or loss and other comprehensive income key performance indicators

	Three-month period ended 31 December 2023G	Three-month period ended 31 December 2024G	Var. 31 December 2023G- 31 December 2024G
SAR in 000s			**Var.**
Operating income	10,142	20,128	98.5%
Other income	-	911	N.A
Depreciation and amortisation	27,254	31,090	14.1%
Post-IFRS 16 EBITDA	**37,396**	**52,129**	**39.4%**
IFRS-16 adjustment*	**22,592**	**25,739**	**13.9%**
Pre-IFRS 16 EBITDA	**14,804**	**26,390**	**78.3%**
As a % of revenue			**Ppt.**
Gross margin	65.5%	69.3%	3.8
Operating profit	8.0%	13.8%	5.8
Pre-IFRS 16 EBITDA	11.7%	18.0%	6.4
Post-IFRS 16 EBITDA	29.5%	35.7%	6.2
Net profit after Zakat and income tax	5.4%	11.6%	6.2
Operational KPIs			**Var.**
Average number of stores	223	221	(0.9%)
Average area (SQM)	39,100	39,234	0.3%
Average revenue per store per period (SAR in 000s)	570	661	15.9%
Average revenue per store per month (SAR in 000s)	190	220	15.9%
Average revenue per SQM (SAR in 000s)	3.2	3.7	15.6%
Operating profit / SQM (SAR in 000s)	0.3	0.5	66.7%
Average gross profit per store per month (SAR in 000s)	124	153	23.4%
Average operating profit per store per month (SAR in 000s)	15.2	30.3	99.3%

Source: The unaudited interim condensed consolidated financial statements for the three-month period ended 31 December 2023G and 2024G and Management information.

* IFRS adjustment comprised of depreciation on right of use assets (SAR 24.7 million in the three-month period ended 31 December 2024G) and interest (SAR 1.1 million in the three-month period ended 31 December 2024G) incurred on lease liabilities.

Revenue

Revenue increased by 15.2% from SAR 126.9 million in the three-month period ended 31 December 2023G to SAR 146.2 million in the three-month period ended 31 December 2024G mainly driven by the increase in revenue generated from core stores (opened prior to 2022G) in both Saudi Arabia and United Arab Emirates amounting to an increase of SAR 10.2 million attributable to: (i) temporary closure of competitor stores in Q2 2024G in Saudi Arabia, which drove an uptick in new customers, with a high retention rate in the three-month period ended 31 December 2024G, (ii) store refurbishments in prime locations which also contributed to the overall improvement in core stores performance in both Saudi Arabia and United Arab Emirates stores, and (iii) strong product categories mix that aligned with consumer preferences in United Arab Emirates core stores.

The increase in revenue was also driven the rollout of 11 new stores after the three-month period ended 31 December 2023G amounting to an increase of SAR 5.3 million, the ramp up of recently opened stores during 2022G by SAR 3.1 million from 20 stores and an increase by SAR 2.8 million from eight stores in 2023G. The growth was partially offset with revenue lost from discontinued stores. The Group had closed 3 stores in the three-month period ended 31 December 2024G and 10 stores during 2024G.

While the average number of stores have decreased slightly from 223 in the three-month period ended 31 December 2023G to 221 in the three-month period ended 31 December 2024G, the average revenue per SQM has increased from SAR 3.2 thousand in the three-month period ended 31 December 2023G to SAR 3.7 thousand in three-month period ended 31 December 2024G which was mainly due to sales growth driven by store refurbishments in prime locations, the proximity of stores to customers, and increased consumer usage needs with more women in the workforce.

Cost of sales

Cost of sales increased by 2.6%, from SAR 43.8 million in the three-month period ended 31 December 2023G to SAR 44.9 million in the three-month period ended 31 December 2024G, is primarily attributed to the increase in product costs by SAR 829 thousand, which was driven by the growth in demand leading to increased purchasing during the period. This increase was partially offset by the decrease in provision for inventory obsolescence by SAR 490 thousand, in line with the Group's provisioning policy on inventory.

Gross profit

Gross profit increased by 21.9% from SAR 83.1 million in the three-month period ended 31 December 2023G to SAR 101.3 million in the three-month period ended 31 December 2024G mainly due to improved pricing margins by offering less discounts to customers, which as a % of gross sales decreased from 33.4% in three-month period ended 31 December 2023G to 27.1% in the three-month period ended 31 December 2024G, and the decrease in product cost as a % of revenue from 30.1% in the three-month period ended 31 December 2023G to 26.7% in the three-month period ended 31 December 2024G due to improved purchasing and economies of scale in production, coupled with enhanced material purchasing.

Selling and marketing expenses

Selling and marketing increased by 8.4% from SAR 61.7 million in the three-month period ended 31 December 2023G to SAR 66.9 million in the three-month period ended 31 December 2024G was mainly due to higher payroll and related expenses following the salary increment in Q2 2024G for the brand support unit by 5%-6% and for store employees by 3%-4% in Q3 2024G, which was carried into the three-month period ended 31 December 2024G. Additionally, there was an increase in headcount by 38 full-time employees, an increase in incentives by SAR 1.1 million as stores and area managers achieved their sales budget targets, and higher depreciation expenses by SAR 2.1 million in the three-month period ended 2024G which was driven by the increase in depreciation on right-of-use assets and leasehold improvement due to new and relocated stores after the three-month period ended 31 December 2023G.

General and administrative expenses

General and administrative expenses increased by 38.4% from SAR 7.5 million in the three-month period ended 31 December 2023G to SAR 10.4 million in the three-month period ended 31 December 2024G. This increase was mainly due to higher payroll and related expenses by SAR 2.0 million, driven by an increase in incentives by SAR 690 thousand, end of service by SAR 574 thousand, and housing allowance by SAR 474 thousand, which was in line with net profit performance exceeding the budget, leading to the increase in incentives, coupled with a delay in moving indirect support headcount from KOJ Trading to JF Trading. The company received shared services from KOJ as the transfer of staff from JF to KOJ Trading was still in process. The cost of share services was presented in the general and administrative expenses for a like-for-like analysis.

Additionally, there were higher depreciation expenses by SAR 1.7 million, pertaining to right of use asset that increased by SAR 1.4 million and leasehold improvements by SAR 288 thousand, which was mainly related to the new office in Dubai, the new Jeddah office, and a Saudi Arabia warehouse.

The increase in depreciation was partially offset by the decrease in rent expenses by SAR 921 thousand, which mainly relates to the new Dubai office. The rent expense for this office was accrued in the three-month period ended 31 December 2024G but was moved to depreciation on right-of-use assets in the three-month period ended 31 December 2024G, in line with the new office being accounted for under IFRS 16 lease.

Other operating expenses

Other operating expenses increased by 4.1% from SAR 3.7 million in the three-month period ended 31 December 2023G to SAR 3.9 million in the three-month period ended 31 December 2024G mainly attributable to the CFO's salary been transferred from KOJ trading to JF trading following the expiry of his visa under KOJ trading. However, the service level agreement contract still needs to be amended to exclude finance services, reflecting the move of the finance function to in house. Other support services are in various stages of separation such as IT, HR and Logistics (United Arab Emirates warehouse only given that staff were transferred). As a result, the management recharges for services provided in the three-month period ended 31 December 2023G of SAR 8.4 million were higher than in the three-month period ended 31 December 2024G of SAR 3.9 million, based on the services provided and agreed upon rate card for each period. Out of the SAR 8.4 million management recharges incurred in the three-month period ended 31 December 2023G, the Group reclassified a total of SAR 4.7 million in management recharges to general and administrative expenses, to ensure a like-for-like comparability for general and administrative expenses and other operating expenses over the three-month period ended 31 December 2024G.

Operating profits

Operating profits increased by 98.5% from SAR 10.1 million in the three-month period ended 31 December 2023G to SAR 20.1 million in the three-month period ended 31 December 2024G, in line with the improvement in gross profit percentage for Nayomi and Mihyar brand. Operating profit as a % of revenue increased from 8.0% in the three-month period ended 31 December 2023G to 13.8% in the three-month period ended 31 December 2024G in line with the increase in gross profit percentage.

Post-IFRS 16 EBITDA

Post-IFRS 16 EBITDA increased by 39.4% from SAR 37.4 million in the three-month period ended 31 December 2023G to SAR 52.1 million in the three-month period ended 31 December 2024G was driven by the revenue and gross profit growth and the decrease of other operating expenses as a % revenue.

Financial charges

Financial charges increased by 18.6% from SAR 2.0 million in the three-month period ended 31 December 2023G to SAR 2.4 million in the three-month period ended 31 December 2024G mainly attributable to the increase in financial charges on bank borrowings by SAR 314 thousand which was in line with the increase in bank borrowings from SAR 35.6 million as at 31 December 2023G to SAR 86.2 million as at 31 December 2024G.

Other income

Other income increased from nil in the three-month period ended 31 December 2023G to SAR 911 thousand in the three-month period ended 31 December 2024G given the Group's employee were not yet enrolled eligible for the Human Resource Development fund by the KSA government given the transfer of visa from KOJ trading to JF Trading was under process.

Net profit before Zakat and income tax

Net profit before Zakat and income tax increased by 129.6% from SAR 8.1 million in the three-month period ended 31 December 2023G to SAR 18.6 million in the three-month period ended 31 December 2024G in line with the increase in operating profit by 98.5% from 10.1 million in the three-month period ended 31 December 2023G to SAR 20.1 million in the three-month period ended 31 December 2024G.

Zakat and income tax

Zakat and income tax increased by 26.8% from SAR 1.3 million in the three-month period ended 31 December 2023G to SAR 1.7 million in the three-month period ended 31 December 2024G in line with the increase in the Group's net income and Zakat base across the period. Zakat expense amounted to SAR 919 thousand in the three-month period ended 31 December 2023G and SAR 1.2 million in the three-month period ended 31 December 2024G.

6.8.4.1 Revenue

6.8.4.1.1 Revenue by brand

The following table summarizes the revenue by brand for the three-month period ended 31 December 2023G and 2024G:

Table (6.54): Revenue by brand

SAR in 000s	Three-month period ended 31 December 2023G	Three-month period ended 31 December 2024G	Var. 31 December 2023G- 31 December 2024G
Nayomi	110,798	127,135	14.7%
Mihyar	16,101	19,077	18.5%
Total	**126,899**	**146,212**	**15.2%**
As a % of revenue			**Percentage points**
Nayomi	87.3%	87.0%	(0.4)
Mihyar	12.7%	13.0%	0.4
Total	**100.0%**	**100.0%**	**-**

Source: The unaudited interim condensed consolidated financial statements for the three-month period ended 31 December 2024G.

The following table summarizes the key performance indicators by brand for the three-month period ended 31 December 2023G and 2024G:

Table (6.55): Key performance indicators by brand

	Three-month period ended 31 December 2023G	Three-month period ended 31 December 2024G	Var. 31 December 2023G- 31 December 2024G
Number of transactions			
Nayomi	504	536	6.4%
Mihyar	59	61	3.4%
Total	**563**	**597**	**6.1%**
Average number of SKU			
Nayomi	3,860	4,330	12.2%
Mihyar	2,500	2,600	4.0%
Total	**6,360**	**6,930**	**9.0%**
Total number of SKU			
Nayomi	3,860	4,330	12.2%
Mihyar	2,500	2,600	4.0%
Total	**6,360**	**6,930**	**9.0%**

	Three-month period ended 31 December 2023G	Three-month period ended 31 December 2024G	Var. 31 December 2023G- 31 December 2024G
Average number of stores			
Nayomi	177	172	(2.8%)
Mihyar	46	49	6.5%
Total	**223**	**221**	**(0.9%)**
Number of stores at period end			
Nayomi	172	167	(2.9%)
Mihyar	45	49	8.9%
Total	**217**	**216**	**(0.5%)**
Average SQM			
Nayomi	31,264	30,919	(1.1%)
Mihyar	7,836	8,315	6.1%
Total	**39,100**	**39,234**	**0.3%**
Year-end SQM			
Nayomi	31,172	30,827	(1.1%)
Mihyar	7,836	8,436	7.7%
Total	**39,008**	**39,263**	**0.7%**
Revenue per average SQM (SAR)			
Nayomi	3,544	4,112	16.0%
Mihyar	2,055	2,294	11.6%
Group	**3,245**	**3,727**	**14.9%**

Source: Management information

Nayomi

Nayomi revenue increased by 14.7% from SAR 110.8 million in the three-month period ended 31 December 2023G to SAR 127.1 million in the three-month period ended 31 December 2024G. The growth in revenue mainly came from an uptick in new customers, improved Average Transaction Value (ATV), enhanced renovation of Nayomi stores and increased product categories aligned with the Group strategy

Mihyar

Mihyar revenue increased by 18.5% from SAR 16.1 million in the three-month period ended 31 December 2023G to SAR 19.1 million in the three-month period ended 31 December 2024G mainly due to evolving customer shopping habits, growth in average store numbers and improved product ranges leading to a growing customer base.

6.8.4.1.2 Revenue by geography

The following table summarizes the revenue by geography for the three-month period ended 31 December 2023G and 2024G:

Table (6.56): Revenue by geography

SAR in 000s	Three-month period ended 31 December 2023G	Three-month period ended 31 December 2024G	Var. 31 December 2023G- 31 December 2024G
Saudi Arabia	82,254	94,008	14.3%
United Arab Emirates	26,449	30,233	14.3%
Others	18,196	21,971	20.7%
Total	**126,899**	**146,212**	**15.2%**
As a % of revenue			**ppt.**
Saudi Arabia	64.8%	64.3%	(0.5)
United Arab Emirates	20.8%	20.7%	(0.1)
Others	14.3%	15.0%	0.7
Total	**100.0%**	**100.0%**	**-**

Source: The unaudited interim condensed consolidated financial statements for the three-month period ended 31 December 2024G.

The following table summarizes the key performance indicators by geography for the three-month period ended 31 December 2023G and 2024G:

Table (6.57): Key performance indicators by geography

SAR in 000s	Three-month period ended 31 December 2023G	Three-month period ended 31 December 2024G	Var. 31 December 2023G- 31 December 2024G
Average number of stores			
Saudi Arabia	153	151	(1.3%)
United Arab Emirates	43	41	(4.7%)
Others	27	29	7.4%
Total	**223**	**221**	**(0.9%)**
Average revenue per store per month (SAR in 000s)			
Saudi Arabia	180	207	15.0%
United Arab Emirates	205	246	20.0%
Others	225	253	12.4%
Total	**190**	**220**	**15.8%**

Source: Management information

Saudi Arabia

Revenue for Saudi Arabia increased by 14.3% from SAR 82.3 million in the three-month period ended 31 December 2023G to SAR 94.0 million in three-month period ended 31 December 2024G due to increase in revenue generated from core stores by 12.6%, mainly driven by the temporary closure of competitor stores in the six-months period ended 31 March 2024G, which led to an uptick in new customers, and a high retention rate in three-months period ended 31 December 2024G. This was coupled with: (i) store refurbishments in prime locations which also contributed to the overall improvement in core stores performance; (ii) roll-out of 8 new stores after three-months period ended 31 December 2023G; and (iii) the ramp up of recently opened stores during 2022G with revenue from these 13 stores increasing by SAR 1.3 million. Additionally, stores opened in 2023G contributed to an additional revenue of SAR 1.7 million from 4 stores.

The growth was partially offset by revenue lost from discontinued stores. The Group closed 3 stores in the three-months period ended 31 December 2024G and 7 stores in 2024G.

The average revenue per store per month in Saudi Arabia increased by 15.0% from SAR 180 thousand in the three-month period ended 31 December 2023G to SAR 207 thousand in the three-month period ended 31 December 2024G due to the closure of stores with lesser revenue.

United Arab Emirates

Revenue for United Arab Emirates increased by 14.3% from SAR 26.4 million in the three-month period ended 31 December 2023G to SAR 30.2 million in the three-month period ended 31 December 2024G due to improved product offerings resonating with customers, increasing basket size of sales, refurbishment of prime locations, and strong performance of flagship stores.

Others

Revenue from other countries increased by 20.7% from SAR 18.2 million in the three-month period ended 31 December 2023G to SAR 22.0 million in the three-month period ended 31 December 2024G mainly due to the increase in (i) Kuwait (SAR 2.4 million) largely stemming from the stores that have opened in 2024G contributing to an increase of SAR 2.7 million, (ii) Oman (SAR 484 thousand), (iii) Qatar (SAR 457 thousand), and (iv) Bahrain (SAR 397 thousand).

6.8.4.1.3 Revenue by order channel

Table (6.58): revenue by order channel

SAR in 000s	Three-month period ended 31 December 2023G	Three-month period ended 31 December 2024G	Var. 31 December 2023G- 31 December 2024G
Regular Shop	123,344	142,364	15.4%
E-commerce	3,555	3,849	8.3%
Total	**126,899**	**146,212**	**15.2%**
As a % of revenue			**ppt.**
Regular Shop	97.2%	97.4%	0.2
E-commerce	2.8%	2.6%	(0.2)
Total	**100.0%**	**100.0%**	**-**

Source: Management information

Regular Shop

Regular shop contributes to c. 97% across both the three-month period ended 31 December 2023G and 2024G.

Revenue from regular shops increased by 15.4% from SAR123.3 million in the three-month period ended 31 December 2023G to SAR 142.4 million in the three-month period ended 31 December 2024G mainly driven by the ramp-up of core stores (opened prior to 2022G) by SAR 10.2 million, roll-out of 11 new stores after three-month period ended 31 December 2024G contributing to SAR 5.3 million and the ramp up of 20 recently opened stores during 2022G which contributed to SAR 3.1 million and 8 stores in 2023G contributing to SAR 2.8 million increase in revenue. The growth was partially offset with revenue lost from discontinued stores. The Group had closed 10 stores during 2024G and 3 stores in the three-month period ended 31 December 2024G.

E-commerce

E-commerce revenue increased slightly from SAR 3.6 million in the three-month period ended 31 December 2023G to SAR 3.8 million in the three-month period ended 31 December 2024G due to organic growth.

6.8.4.1.4 Vintage analysis

Table (6.59): Vintage analysis

SAR in 000s	Number of Stores	SQM	Revenue		Revenue/store p,m		SSSG*%	Revenue/SQM	
			Three-month period ended 31 Dec. 23	Three-month period ended 31 Dec. 24	Three-month period ended 31 Dec. 23	Three-month period ended 31 Dec. 24	Three-month period ended 31 December 2023G- 31 December 2024G	Three-month period ended 31 Dec. 23	Three-month period ended 31 Dec. 24
Core stores**	177	31,938	97,072	107,291	183	202	10.5%	3.0	3.4
Opened in 2022G	20	3,724	14,731	17,805	246	297	20.9%	4.0	4.8
Opened in 2023G	8	1,820	8,980	11,794	374	491	31.3%	4.9	6.5
Opened in 2024G	7	1,127		4,707		224			4.2
Opened in the three-month period ended 31 December 2024G	4	654		583		49			0.9
Discontinued in 2022G	9	1,321							
Discontinued in 2023G	22	3,197							
Discontinued in 2024G	10	1,504	2,175						
Discontinued in the three-month period ended 31 December 2024G	3	418	386	184					
E-commerce revenue			3,555	3,849					
Total			**126,899**	**146,212**					

Source: Management information

*SSSG means same store sales growth

**Core store is defined as stores that opened prior to 2022G and are still open

Core stores

Revenue per store per month for the core stores increased from SAR 183 thousand in the three-month period ended 31 December 2023G to SAR 202 thousand in the three-month period ended 31 December 2024G.

Stores opened in 2022G

Stores opened in 2022G had an SSSG of c.20.9% which was largely attributable to United Arab Emirates. The growth was driven by the continued ramping up of these stores, the stores being located in prime locations which are witnessing increased footfall, and strong product mix increasingly meeting consumer preferences.

Stores opened in 2023G, 2024G and three-month period ended 31 December 2024G

The Group opened 12 new stores in Saudi Arabia, three in United Arab Emirates, two in Kuwait and one store in Oman and Bahrain each during the period from 2023G to the three-month period ended 31 December 2024G.

Revenue from stores opened in 2023G increased by SAR 2.8 million, mainly derived from Abraj Al Bait Mall in Saudi Arabia contributing to an increase in revenue of SAR 1.3 million in the three-month period ended 31 December 2024G, coupled with Mall of Emirates in United Arab Emirates by SAR 500 thousand in the three-month period ended 31 December 2024G. The increase in revenue from Saudi Arabia 2023G store openings was further impacted by the improved Saudi Arabia Religious Tourism to the holy city of Mecca.

Closed stores

The Group has closed three stores in three-month period ended 31 December 2024G, all of which were located in Saudi Arabia under the Nayomi brand. This is part of Nayomi's ongoing evolution, as some satellite stores are being closed in response to the market shift towards newer and larger format malls.

6.8.4.2 Zakat and income tax

Table (6.60): Zakat and income tax

SAR in 000s	Three-month period ended 31 December 2023G	Three-month period ended 31 December 2024G	Var. 31 December 2023G- 31 December 2024
Zakat	919	1,229	33.7%
Income tax	393	435	10.7%
Total	**1,312**	**1,664**	**26.8%**

Source: The unaudited interim condensed consolidated financial statements for the three-month period ended 31 December 2024G.

Zakat and income tax

Zakat and income tax increased by 26.8% from SAR 1.3 million in the three-month period ended 31 December 2023G to SAR 1.6 million in the three-month period ended 31 December 2024G in line with the increase in the Group's net income and Zakat base across the period. Zakat expense amounted to SAR 919 thousand in the three-month period ended 31 December 2023G and SAR 1.2 million in the three-month period ended 31 December 2024G.

Status of Zakat assessments

Jamjoom Fashion Trading SPJSC is part of the parent Company's tax filing. The parent company filed its zakat return for the year ended 30 September 2024G.

Income tax by subsidiary

Jamjoom Fashion Trading SPC (Oman) has yet to file its first tax return for the year ended 30 September 2024G as the business is in its initial year of operations.

On 9 December 2022G, the United Arab Emirates Ministry of Finance released the Federal Decree-Law No. 47 of 2022G on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the United Arab Emirates. The CT regime will become effective for accounting periods beginning on or after 1 June 2023G. The Group has assessed the deferred tax implications for the three-month ended 31 December 2024G and, after considering its interpretations of applicable tax law, official pronouncements, cabinet decisions and ministerial decisions (especially with the transition rules), it has been concluded that the impact is not material to the consolidated financial statements. The Company has yet to file its first tax return for the year ended 30 September 2024G.

Jamjoom Fashion Support Services Philippines Inc. has not yet filed its tax returns for the year ended 30 September 2024G as it is completing its first year of operations. The tax rate is 25% of taxable income.

Nayomi Trading WLL was sold to Jamjoom Fashion Trading SPC during 2024G. As a result, the company no longer conforms to the Qatar Tax Authority requirements of a local partner regulations due to non-compliance with the residency criteria. Therefore, Nayomi Trading WLL is subject to local corporation tax for a GCC international owner. The tax rate is 10% of taxable income

6.8.4.3 Segmental analysis

The following table summarizes the statement of profit and loss by region for the three-month period ended 31 December 2023G and 2024G:

Table (6.61): Statement of comprehensive income for the three-month period ended 31 December 2023G

SAR in 000s	KSA	UAE	Other geographies	Total
Revenue	82,254	26,449	18,196	126,899
Cost of sales	(29,779)	(7,922)	(6,115)	(43,816)
Gross profit	**52,475**	**18,527**	**12,081**	**83,083**
General, admin and selling expenses	(51,591)	(11,584)	(6,046)	(69,221)
Financial charges	(1,227)	(639)	(160)	(2,026)
Other income/(expense)	3,960	(4,173)	(3,507)	(3,720)
Net profit before zakat and income tax expense	**3,617**	**2,131**	**2,368**	**8,116**
Zakat and income tax expense	(919)	(336)	(57)	(1,312)
Net profit after zakat and income tax expense	**2,698**	**1,795**	**2,311**	**6,804**

Source: The unaudited interim condensed consolidated financial statements for the three-month period ended 31 December 2023G.

Table (6.62): Statement of comprehensive income for the three-month period ended 31 December 2024G

SAR in 000s	KSA	UAE	Other geographies	Total
Revenue	94,008	30,233	21,971	146,212
Cost of sales	(29,952)	(8,413)	(6,581)	(44,946)
Gross profit	**64,056**	**21,820**	**15,390**	**101,266**
General, admin and selling expenses	(56,680)	(12,760)	(7,825)	(77,265)
Financial charges	(1,572)	(572)	(258)	(2,402)
Other income/(expense)	4,974	(4,339)	(3,597)	(2,962)
Net profit before zakat and income tax expense	**10,778**	**4,149**	**3,710**	**18,637**
Zakat and income tax expense	(1,229)	(353)	(82)	(1,664)
Net profit after zakat and income tax expense	**9,549**	**3,796**	**3,628**	**16,973**

Source: The unaudited interim condensed consolidated financial statements for the three-month period ended 31 December 2024G.

Revenue

Revenue was contributed mainly from Saudi Arabia 64.3% over the three-month period ended 31 December 2024G. Apart from a stronger store footprint in Saudi Arabia, the Group also generates sales from the brand Mihyar which have its presence only in Saudi Arabia. United Arab Emirates contributed to 20.7% of total revenue in the three-month period ended 31 December 2024G.

The growth in overall revenue came mainly from Saudi Arabia which accounted for 60.9% of the total revenue growth in the three-month period ended 31 December 2024G. The primary revenue drivers in Saudi Arabia were temporary closure of competitor stores in the six-month period ended 31 March 2024G, strong product mix aligning with consumer preferences, and store refurbishments.

Additionally, United Arab Emirates stores also contributed approximately 19.6% of total revenue growth, primarily driven by improved product offerings resonating with customers, increasing basket size of sales, etc.

Gross profit

The gross profit percentage during the three-month period ended 31 December 2024G in the United Arab Emirates of 72.2%, was higher than in Saudi Arabia, which stood at 68.1%. This difference is attributed to the varying VAT rates. While the selling price and cost base were largely similar in both markets, Saudi Arabia applies a 15% VAT (compared to 5% in the United Arab Emirates), resulting in a higher net revenue contribution after VAT in the United Arab Emirates. Furthermore, the margins in Saudi Arabia were lower as it also operated Mihyar which is a relatively lower margin brand as compared to Nayomi.

Overall, the gross profit improvement was driven by the lower discounts offered coupled with improved purchasing in the three-month period ended 31 December 2024G.

Net profit after zakat and income tax expense

The profitability in the United Arab Emirates was comparatively higher than Saudi Arabia and other regions which is mainly due to the higher gross profit and lower operating expenses from Saudi Arabia.

6.8.5 Consolidated statement of financial position as at 30 September 2024G and 31 December 2024G

The following table summarizes the consolidated statement of financial position as at 30 September 2024G and the unaudited condensed consolidated financial position as at 31 December 2024G:

Table (6.63): Consolidated statement of financial position

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Non-current assets		
Property and equipment	221,623	304,168
Intangible assets	8,708	8,610
Total non-current assets	**230,331**	**312,778**
Current assets		
Inventories	116,133	151,847
Prepayments and other receivables	35,962	34,334
Due from shareholder	29,196	55,885
Cash and cash equivalents	7,961	11,440
Total current assets	**189,252**	**253,506**
Total assets	**419,583**	**566,284**
Equity		
Share capital	500	500
Other reserve	78,978	78,978
Retained earnings	30,260	47,233
Total equity	**109,738**	**126,711**

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Non-current liabilities		
Employment benefits	43,303	45,115
Lease liabilities	43,801	64,962
Loans and borrowings	727	363
Other non-current liabilities	3,769	3,769
Total non-current liabilities	**91,600**	**114,209**
Current liabilities		
Loans and borrowings	52,663	84,787
Lease liabilities	73,286	107,151
Trade and other payables	53,650	97,625
Accrued expenses and other liabilities	36,116	31,607
Zakat and income tax accrual	2,530	4,194
Total current liabilities	**218,245**	**325,364**
Total liabilities	**309,845**	**439,573**
Total liabilities and equity	**419,583**	**566,284**

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

The following table summarizes the consolidated statement of financial position key performance indicators as at 30 September 2024G and the unaudited condensed consolidated financial position key performance indicators as at 31 December 2024G:

Table (6.64): Key performance indicators

	30 September 2024G	31 December 2024G
DIO [(1)]	222	308
DPO [(2)]	(102)	(198)

Source: Management information

(1) DIO (days) as at 30 September 2024G is calculated using inventories at year-end / cost of goods sold * 365 days, whereas, the DIO (days) as at 31 December 2024G is calculated using inventories at period end / cost of goods sold for the three-month period ended 31 December 2024G * 4 * 365 days

(2) DPO (days) as at 30 September 2024G is calculated using trade and other payables at year-end / cost of goods sold * 365 days, whereas, the DPO (days) as at 31 December 2024G is calculated using trade and other payables at period end / cost of goods sold for the three-month period ended 31 December 2024G * 4 * 365 days

Non-current assets

Non-current assets increased from SAR 230.3 million as at 30 September 2024G to SAR 312.8 million as at 31 December 2024G primarily due to an increase of SAR 82.5 million in property and equipment, mainly attributable to: (i) an increase of SAR 51.3 million in right-of-use assets, driven by the addition of six new stores and the renovation and reopening of two stores in Saudi Arabia, as well as lease renewals for existing stores in the United Arab Emirates and Qatar, (ii) capital work in progress additions of SAR 20.3 million, which was largely in Saudi Arabia (SAR 20.1 million) related to the renovation of 11 stores, construction of 8 new stores, and a new office in Jeddah. Additionally, leasehold improvements increased by SAR 17.6 million, primarily for the construction of 4 new stores and the renovation of 3 stores and minor work on 6 other stores. These increases were partially offset by depreciation charges during the period.

Current assets

Current assets increased from SAR 189.3 million as at 30 September 2024G to SAR 253.5 million as at 31 December 2024G due to:

1- An increase in inventory by SAR 35.7 million due the increase in purchasing during the three-month period ended 31 December 2024G, to avoid shortages and to refurbish store inventories in anticipation of the upcoming autumn collections and Ramadan sales period.

2- An increase in due from related parties by SAR 26.7 million where the Group had transferred to the shareholder "**KOJ Trading and its subsidiaries**" funds as a result of cash pooling amounting to SAR 67.2 million as at 31 December 2024G. The cash pooling was partially offset by construction and renovation costs paid by KOJ Trading amounting to SAR 36.6 million and cost of shared services amounting to SAR 3.9 million. The cash pooling, construction and renovation costs and cost of shared services resulted in a net receivable balance of SAR 55.9 million as at 31 December 2024G.

Equity

Equity increased from SAR 109.7 million as at 30 September 2024G to SAR 126.7 million as at 31 December 2024G due to the increase in retained earnings by SAR 17.0 million in line with the profits achieved in the three-month period ended 31 December 2024G, primarily due to the net profit for the year.

Non-current liabilities

Non-current liabilities increased from SAR 91.6 million as at 30 September 2024G to SAR 114.2 million as at 31 December 2024G due to the increase in lease liabilities by SAR 21.2 million and an increase in employee benefits by SAR 1.8 million.

Current liabilities

Current liabilities increased from SAR 218.2 million as at 30 September 2024G to SAR 325.4 million as at 31 December 2024G mainly due to the increase in: (i) trade and other payables by SAR 44.0 million primarily driven by higher purchases and inventory as well as stretch in payments to suppliers, (ii) lease liabilities by SAR 33.9 million in line with the addition of six new stores and the renovation and reopening of two stores in Saudi Arabia, and lease renewals for existing stores in the United Arab Emirates and Qatar, and (iii) loans and borrowings by SAR 32.1 million due to additional loan proceeds received during the period.

6.8.5.1 Non-current assets

The following table summarizes the non-current assets as at 30 September 2024G and 31 December 2024G:

Table (6.65): Non-current assets

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Property and equipment	221,623	304,168
Intangible assets	8,708	8,610
Total	**230,331**	**312,778**

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

6.8.5.1.1 Property and equipment

The following tables summarizes the property and equipment as at 30 September 2024G and 31 December 2024G:

Table (6.66): Property and equipment net book value

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Leasehold improvements	94,875	106,116
Motor vehicles	16	8
Furniture and fixtures	5,544	5,384
Right-of- use asset	121,071	172,353
Capital work in progress	117	20,306
Total	**221,623**	**304,168**

Source: The consolidated financial statements for the year ended 30 September 2024G and Management information for 31 December 2024G.

Table (6.67): Additions on property and equipment

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Leasehold improvements	26,909	17,612
Furniture and fixtures	4,639	243
Right-of- use asset	115,044	41,162
Capital work in progress	116	20,277
Total	**146,708**	**79,294**

Source: The consolidated financial statements for the year ended 30 September 2024G and Management information for 31 December 2024G.

Table (6.68): Accumulated depreciation of property and equipment

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Leasehold improvements	269,104	272,979
Motor vehicles	598	606
Furniture and fixtures	21,371	21,803
Right-of- use asset	166,336	130,124
Total	**457,409**	**425,512**

Source: The consolidated financial statements for the year ended 30 September 2024G and Management information for 31 December 2024G

Leasehold improvements

Leasehold improvements increased from SAR 94.9 million as at 30 September 2024G to SAR 106.1 million as at 31 December 2024G due to store renovations and construction executed by the Group on different stores mainly in Saudi Arabia; Nakheel Mall in Riyadh, Mall of Arabia in Jeddah, Al Noor Mall in Madinah addition to office renovations in Saudi Arabia amongst others (collectively contributing to SAR 13.9 million). This was partially offset with depreciation of SAR 3.8 million.

Motor vehicles

Motor vehicles amount to SAR 8 thousand as at 31 December 2024G pertains to company-owned or leased cars, vans, or trucks that staff use for business-related activities, such as deliveries, transportation between stores, or attending meetings.

Furniture and fixtures

Furniture and fixtures decreased from SAR 5.5 million as at 30 September 2024G to SAR 5.4 million as at 31 December 2024G mainly due to the addition of new furniture amounting to SAR 102 thousand partially offset by depreciation amounting to SAR 209 thousand.

Right-of-use asset

Right-of-use asset increased from SAR 121.1 million as at 30 September 2024G million to SAR 172.4 million as at 30 December 2024G driven by the addition of six new stores and the renovation and reopening of two stores in Saudi Arabia of SAR 41.2 million, as well as lease renewals for existing stores in the United Arab Emirates and Qatar of SAR 35.2 million partially offset with depreciation of SAR 24.7 million and disposals of SAR 390 thousand.

Capital work in progress

Capital work in progress increased from SAR 117 thousand as at 30 September 2024G to SAR 20.3 million as at 31 December 2024G mainly due to the renovation of eleven stores for SAR 14 million, construction of eight new stores for SAR 4.4 million, with three expected to open in the near future, addition of a new office in Jeddah for SAR 1.5 million, and minor updates at various sites for SAR 0.2 million.

6.8.5.2 Current assets

The following table summarizes the current assets as at 30 September 2024G and 31 December 2024G

Table (6.69): Current assets

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Inventories	116,133	151,847
Prepayments and other receivables	35,962	34,334
Due from shareholder	29,196	55,885
Cash and cash equivalents	7,961	11,440
Total	**189,252**	**253,506**

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

6.8.5.2.1 Inventories

The following table summarizes the inventories as at 30 September 2024G and 31 December 2024G:

Table (6.70): Inventories

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Goods for resale	95,981	124,850
Goods in transit	20,152	26,997
Total	**116,133**	**151,847**
DIO (days) [1]	222	308

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended31 December 2024G, and Management information

(1) DIO (days) as at 30 September 2024G is calculated using inventories at year-end / cost of goods sold * 365 days, whereas, the DIO (days) as at 31 December 2024G is calculated using inventories at period end / cost of goods sold for the three-month period ended 31 December 2024G * 4 * 365 days

The increase in overall inventory days (DIO) from 222 days as at 30 September 2024G to 308 days as at 31 December 2024G in line with the increase in inventories by 35.7 million was primarily attributable to the Group's proactive procurement and elevated stock levels aimed at ensuring optimal availability of key product lines across all channels, in anticipation of the upcoming autumn collections and the Ramadan sales period, given the seasonal spike in customer demand.

Goods for resale

Good for resale increased from SAR 96.0 million as at 30 September 2024G to SAR 124.9 million as at 31 December 2024G mainly due to improved inventory controls through the use of AI-assisted tool for stock rationalization, which enhanced product replenishment and lead times, alongside higher sales during the three-month period ended 31 December 2024G.

Goods in transit

Goods in transit increased from SAR 20.2 million as at 30 September 2024G to SAR 27.0 million as at 31 December 2024G. In anticipation of higher demand in the upcoming autumn collection and Ramadan sales period, more orders were placed in order to avoid shortages and to refurbish store inventories.

6.8.5.2.2 Due from shareholder

The following table summarizes the due from/to shareholder at 30 September 2024G and 31 December 2024G:

Table (6.71): Due from/to shareholder

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Due from shareholder	29,196	55,885
Total	**29,196**	**55,885**

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

The Group receivable balance from KOJ Trading increased to SAR 55.9 million as at 31 December 2024. The increase in receivable balance mainly related to cash pooling funds transferred from the Group to KOJ Trading amounting to SAR 67.2 million. The cash pooling was partially offset by construction and renovation costs in relation to the construction of 8 new stores (3 of which are scheduled to open in Q2 2025G, renovation for existing stores, and construction of new Jeddah office paid by KOJ Trading amounting to SAR 36.6 million and cost of shared services amounting to SAR 3.9 million. The cash pooling, construction and renovation costs and cost of shared services resulted in a net receivable balance of SAR 55.9 million as at 31 December 2024G.

KOJ Trading has confirmed that all cash pooling transactions was ceased by 28 February 2025. In addition, KOJ is committed to settle the receivable balance to the Group post IPO from the proceed of the listing.

6.8.5.2.3 Cash and cash equivalents

The following table summarizes the cash and cash equivalents at 30 September 2024G and 31 December 2024G:

Table (6.72): Cash and cash equivalents

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Cash in hand	1,511	1,623
Cash at bank	6,450	9,817
Total	**7,961**	**11,440**

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

The Group had 18 bank accounts across the GCC and Philippines in different currencies. The Group has cash at bank in SAR and AED each with a balance of SAR 4.6 million and SAR 2.5 million as at 31 December 2024G, respectively. Rest of the bank accounts in other currencies which are BHD, OMR, QAR, KWD, PHP and USD aggregating to a total of SAR 2.7 million as at 31 December 2024G.

6.8.5.3 Equity

Table (6.73): Equity

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Share capital	500	500
Other reserve	78,978	78,978
Retained earnings	30,260	47,233
Total	**109,738**	**126,711**

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

6.8.5.4 Non-current liabilities

The following table summarizes the non-current liabilities as at 30 September 2024G and 31 December 2024G:

Table (6.74): Non-current liabilities

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Employment benefits	43,303	45,115
Lease liabilities	43,801	64,962
Loans and bank borrowings	727	363
Other non-current liabilities	3,769	3,769
Total	**91,600**	**114,209**

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

6.8.5.4.1 Lease liabilities

The following table summarizes lease liabilities as at 30 September 2024G and 31 December 2024G:

Table (6.75): Lease liabilities

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Current portion of lease liabilities	73,286	107,151
Non-current portion of lease liabilities	43,801	64,962
Total	**117,087**	**172,113**

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

The following table summarizes the movement in lease liabilities at 30 September 2024G and 31 December 2024G:

Table (6.76): Lease liabilities movement

SAR in 000s	Year ended 30 September 2024G	Three-month period ended 31 December 2024G
Balance at 1 October	96,951	117,087
Additions	115,044	41,162
Lease modifications	(4,248)	35,177
Disposals	(1,526)	(405)
Interest on lease liabilities	3,927	1,072
Payment made against lease liabilities	(93,061)	(21,980)
Balance at the end of the year	**117,087**	**172,113**

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

Lease liabilities increased from SAR 117.1 million as at 30 September 2024G to SAR 172.1 million as at 31 December 2024G mainly due mainly due to the additions amounted to SAR 41.2 million pertaining to new and renewed stores in Saudi Arabia as at 31 December 2024G, lease modifications of SAR 35.2 million driven by lease renewals for existing stores in United Arab Emirates and Qatar, which was partially offset by disposal amounted to SAR 405 thousand and payment made against lease liabilities of SAR 22.0 million.

6.8.5.4.2 Loans and borrowings

The following table summarizes bank borrowings at 30 September 2024G and 31 December 2024G:

Table (6.77): Bank borrowings by bank details

SAR in 000s	Purpose	Tenor	Interest	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Bank 1	General	3.25 years	EIBOR+1.90% to 3.00%	2,179	1,816
Over one year				**2,179**	**1,816**
Bank 2	Working capital	3 to 4 months	SAIBOR +2.0% TO 3.0%	19,930	21,553
Bank 3	Working capital	7 to 8 months	SAIBOR +2.0% TO 3.0%	15,655	40,291
Bank 4	Working capital	3 to 6 months	EIBOR +2.0% TO 3.5%	11,866	9,806

SAR in 000s	Purpose	Tenor	Interest	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Bank 5	Working capital	4 to 8 months	SAIBOR +2.0% TO 3.0%	3,759	6,539
Bank 6	Working capital	2 months	EIBOR +2.0% TO 3.0%	-	5,146
Bank 7	Working capital	3 to 6 months	SAIBOR +2.0% TO 3.0%	-	-
Bank 8	Working capital	3 to 6 months	SAIBOR +2.0% TO 3.0%	-	-
Less than one year				**51,211**	**83,334**
Total				**53,390**	**85,150**
	Current portion			52,663	84,787
	Non-current portion			727	363

Source: Management information

As at 31 December 2024G, the Group has its own facility agreement under its name amounting to SAR 24.1 million. However, majority of the Group facilities still remains with the Kamal Osman Jamjoom Trading LLC (Saudi Arabia and United Arab Emirates) and Kamal Osman Jamjoom Group LLC (United Arab Emirates). The Group has been named under the parent entity's facilities and has an assignment of debts aligned to the business usage.

Borrowings include long and short-term facilities with banks in United Arab Emirates and short-term facilities with banks in the Kingdom of Saudi Arabia.

The credit facilities which are currently being utilised by the Group are in the process of being transferred to the Group, and one (with Bank 4) has already been transferred as at 31 December 2024G amounting to SAR 24.1 million.

Short term loans

Short-term loans in the Kingdom of Saudi Arabia carry profits in the range of SAIBOR plus 2.0% to 3.0% with maturities up to 180 days. These are secured against corporate guarantees from Kamal Osman Jamjoom Group LLC and order notes in favor of the corresponding banks.

Short-term loans in the United Arab Emirates carry interest in the range of EIBOR plus 2.0% to 3.5% per annum.

Long term loans

Long term loans in the United Arab Emirates carries interest in the range of 1-to-3-month EIBOR plus 1.9% to 3.0% per annum with repayment periods not exceeding three years.

The bank borrowings in the United Arab Emirates are secured by corporate guarantees, assignment of risk insurance policy covering stocks, promissory note covering the full facility amount and hypothecation of stocks.

The Group had an outstanding debt of SAR 85.2 million as at 31 December 2024G which relates to the amount withdrawn for the business operations of the Group. Loans and borrowings increased from SAR 53.4 million as at 30 September 2024G to SAR 85.2 million 31 December 2024G following loan proceeds of SAR 57.1 million partially offset by payments of SAR 25.3 million during the three-month period ended 31 December 2024G.

The facility agreements require that certain financial ratios are met at Group and Kamal Osman Jamjoom Trading LLC level, including maintenance of net worth. As at 31 December 2024G, Kamal Osman Jamjoom Group LLC were temporarily not in compliance with certain bank covenants relating to total equity being under the required amount due to its restructure.

6.8.5.5 Current liabilities

The following table summarizes the current liabilities as at 30 September 2024G and 31 December 2024G:

Table (6.78): Current liabilities

SAR in 000s	30 September 2024G	31 December 2024G
Loans and borrowings*	52,663	84,787
Lease liabilities*	73,286	107,151
Trade and other payables	53,650	97,625
Accrued expenses and other liabilities	36,116	31,607
Due to shareholder**	-	4,194
Zakat and income tax accrual	2,530	4,194
Total	**218,245**	**325,364**

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

* The current portion of loans and borrowings and lease liabilities have been discussed under non-current liabilities.

** Due to shareholder has been discussed under current assets.

6.8.5.5.1 Zakat and income tax

Zakat

The following table summarizes the movement in Zakat provisions for the year ended 30 September 2024G and the three-month period ended 31 December 2024G:

Table (6.79): Movement in Zakat provisions

SAR in 000s	Year ended 30 September 2024G	Three-month period ended 31 December 2024G
Balance at the beginning of the year	4,290	893
Zakat expense for the year	1,906	1,229
Zakat paid during the year	(5,303)	-
Balance at the end of the year	**893**	**2,122**

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

Zakat provisions increased from SAR 893 thousand as at 30 September 2024G to SAR 2.1 million as at 31 December 2024G driven by the movement in zakat base over the historical period.

Income tax

The following table summarizes the movement in income tax provision for the year ended 30 September 2023G and the three-month period ended 31 December 2024G:

Table (6.80): Movement in income tax

SAR in 000s	Year ended 30 September 2024G	Three-month period ended 31 December 2024G
Balance at the beginning of the year	222	1,637
Provision during the year	1,675	435
Tax paid during the year	(260)	-
Balance at the end of the year	**1,637**	**2,072**

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

Income tax increased from SAR 1.6 million as at 30 September 2024G to SAR 2.1 million as at 31 December 2024G mainly due to the additional provision of SAR 435 thousand during the three-month period ended 31 December 2024G.

6.8.5.6 Working capital (Non-IFRS measures)

The following table summarizes the working capital as at 30 September 2024G and 31 December 2024G:

Table (6.81): Working capital

SAR in 000s	30 September 2024G (Audited)	31 December 2024G (Unaudited)
Current assets		
Inventories	116,133	151,847
Prepayments and other receivables	35,962	34,334
Due from shareholder	29,196	55,885
Cash and cash equivalents	7,961	11,440
Total current assets	**189,252**	**253,506**
Current liabilities		
Loans and borrowings	52,663	84,787
Lease liabilities	73,286	107,151
Trade and other payables	53,650	97,625
Accrued expenses and other liabilities	36,116	31,607
Zakat and income tax accrual	2,530	4,194
Total current liabilities	**218,245**	**325,364**
Net working capital	**(28,993)**	**(71,858)**

Source: The consolidated financial statements for the year ended 30 September 2024G and the unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

Net working capital decreased from -SAR 29.0 million as at 30 September 2024G to SAR -71.9 million as at 31 December 2024G mainly due to higher overall inventory days attributable to higher purchases to avoid shortages and to refurbish store inventories in anticipation of the upcoming autumn collections and Ramadan sales period, higher trade and other payable by SAR 44.0 million, higher lease liabilities by SAR 33.9 million, and higher loans and borrowings by SAR 32.1 million. This was partially offset by additional transfer of funds to the shareholder as a result of cash pooling for SAR 67.2 million netted off by the construction and renovation costs paid by KOJ Trading amounting to SAR 36.6 million and payments for shared services which resulted in a due from shareholder of SAR 55.9 million as at 31 December 2024G.

6.8.5.7 Net Debt (Non-IFRS measures)

The following table summarizes the Net Debt as at 30 September 2024G and 31 December 2024G:

Table (6.82): Net Debt

SAR in 000s	30 September 2024G	31 December 2024G
Loans and borrowings	(53,390)	(85,150)
Cash and cash equivalents	7,961	11,440
Lease liabilities	(117,087)	(172,113)
Net debt (post IFRS-16)	**(162,516)**	**(245,823)**
Add back: Lease liabilities	117,087	172,113
Net debt (pre IFRS-16)	**(45,429)**	**(73,710)**
Net debt/EBITDA (post IFRS-16)	**0.8x**	**N.A**
Net debt/EBITDA (pre IFRS-16)	**0.4x**	**N.A**

Source: Management information.

Net debt (post IFRS-16) increased from SAR 162.5 million as at 30 September 2024G to SAR 245.8 million as at 31 December 2024G mainly driven by the increase in lease liabilities. Net debt (pre IFRS-16) increased from SAR 45.4 million as at 30 September 2024G to SAR 73.7 million as at 31 December 2024G mainly due to the increase in loans and borrowings and cash and cash equivalent.

6.8.5.8 Contingent liabilities and commitments

The following table summarizes the contingent liabilities and commitments as at 30 September 2024G and 31 December 2024G:

Table (6.83): Contingent liabilities and commitments

SAR in 000s	30 September 2024G	31 December 2024G
Letters of guarantee	635	6,260
Capital commitments	21,556	13,000

Source: Management information

Letters of guarantee

The Company currently has letters of guarantees worth SAR 6.3 million as at 31 December 2024G mainly in relation to Booty Parlor acquisition for SAR 5.6 million, Dubai Customs for logistics for SAR 513 thousand, and Public Authority of Manpower in Kuwait for labour visas for SAR 122 thousand.

Capital commitments

As at 31 December 2024G, the Company has SAR 13.0 million as outstanding capital commitment of which store related capex amounted to SAR 9.9 million and non-store related capex of SAR 3.1 million related to the new office and computer hardware.

6.8.6 Consolidated statement of cash flows for the three-month period ended 31 December 2023G and 2024G

The following table summarizes the unaudited condensed consolidated statement of cash flows for the three-month period ended 31 December 2023G and 2024G:

Table (6.84): Consolidated statement of cash flows

SAR in 000s	For the three-month period ended 31 December 2023G	For the three-month period ended 31 December 2024G
Cash flows from operating activities		
Net profit before Zakat and income tax expense for the year	8,116	18,637
Adjustments for:		
Depreciation – right of use assets	21,565	24,667
Depreciation	5,577	6,325
Loss on disposal of property and equipment	81	544
(Gain) / loss on derecognition of right-of-use assets	-	(15)
Amortisation	112	98
Financial charges	2,026	2,386
Provision for employment benefits	1,177	1,944
	38,654	**54,586**
Working capital changes		
Inventories	(16,998)	(35,714)
Prepayments and other receivables	(23,055)	1,628
Trade and other payables	95,098	43,975
Due from shareholder	(56,544)	(26,526)
Accrued expenses and other liabilities	13,409	(4,509)
	50,564	**33,440**
Zakat and income tax paid	(4,512)	-
Employment benefits paid	(409)	(295)
Net cash generated from operating activities	**45,642**	**33,145**
Investing activities		
Acquisition of property and equipment	(7,671)	(38,132)
Net cash used in investing activities	**(7,671)**	**(38,132)**
Financing activities		
Proceeds from loans and borrowings	-	57,103
Payment of principal portion of loans and borrowings	(11,520)	(25,343)
Payment of interest portion of loans and borrowings	(999)	(1,314)
Payment of principal portion of lease payments	(24,387)	(20,908)
Payment of interest portion of the lease payments	(1,027)	(1,072)
Net cash (used in)/ generated from financing activities	**(37,933)**	**8,466**
Net increase in cash and cash equivalents during the period	**39**	**3,479**
Cash and cash equivalents at the beginning of the period	1,113	7,961
Cash and cash equivalents at the end of the period	**1,152**	**11,440**

Source: The unaudited interim condensed consolidated financial statement for the three-month period ended 31 December 2024G.

Net cash generated from operating activities

Net cash generated from operating activities decreased from SAR 45.6 million in the three-month period ended 31 December 2023G to SAR 33.1 million in the three-month period ended 31 December 2024G largely driven by increase in net profit partially offset by the net cash outflow in working capital change amounting to SAR 21.1 million which was mainly attributable to an increase in inventories year-over-year and repayment of the due to shareholder and further transfers as part of cash pooling arrangements.

Net cash used in investing activities

Net cash used in investing activities increased from SAR 7.7 million in the three-month period ended 31 December 2023G to SAR 38.1 million in the three-month period ended 31 December 2024G on the back of (i) leasehold improvements for construction of new stores and renovation of stores; (ii) capital work in progress for construction of new stores and renovation of stores.

Net cash flow from/ (used in) financing activities

Net cash flow from/ (used in) financing activities changed from net cash flow used in financing activities from SAR 37.9 million in the three-month period ended 31 December 2023G to net cash flow from financing activities to SAR 8.5 million in the three-month period ended 31 December 2024G mainly as a result of proceeds from loan and borrowings amounting to SAR 57.1 million, offset by the repayment of loans and borrowing of SAR 26.7 million, and lease payments for SAR 22.0 million.

The following table summarizes the Free cash flows for the three-month period ended 31 December 2023G and 2024G:

Table (6.85): Free cash flows

SAR in 000s	For the three-month period ended 31 December 2023G	For the three-month period ended 31 December 2024G
Free cash flows	94,515	21,539
Free cash flows conversion %	**252.7%**	**41.3%**

Note: Free cash flows presented above is a sum of cash generated from operating activities (except for the movement in balance for due to shareholders given it is largely financing in nature) and investing activities. Free cash flow conversion is calculated based on EBITDA post IFRS 16.

Source: Management information.

Free cash flows decreased from SAR 94.5 million in the three-month period ended 31 December 2023G to SAR 21.5 million in the three-month period ended 31 December 2024G which was mainly driven mainly driven by changes in working capital and acquisition of property, plant and equipment, partly offset by increase in net profit. Free cash flows conversion decreased from 252.7% in the three-month period ended 31 December 2023G to 41.3% in three-month period ended 31 December 2024G driven by the impact of changes in working capital balances.

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7. Dividend Distribution Policy

The Shares entitle their holders to the right to receive any dividends that the Company declares from the date of this Prospectus and for subsequent financial year, depending on the entitlement date for each dividend.

The General Assembly approves the dividends distribution based on a recommendation by the Board, taking into consideration that the distributed amounts are suitable for the Company's circumstances do not harm the interests of the Shareholders, and are in line with the Company's policies, its bylaws, and relevant regulations. In accordance with the applicable rules and regulations issued by the CMA, the General Assembly may delegate to the Board, in a delegation renewed annually, the authority to distribute interim dividends to the shareholders. Any decision to distribute dividends depend on the Company's profits, financial position, restrictions on dividend distribution under financing and debt agreements, results of the Company's activities, current and future cash requirements, expansion plans, investment requirements and other factors, including the analysis of the Company's investment opportunities, monetary and capital requirements, trade expectations and the impact of any such distributions on any legal and regulatory considerations.

The Company does not guarantee the distribution of any dividends or the amounts to be distributed in any given year or financial period. The distribution of profits is subject to certain restrictions in accordance with the Company's Bylaws, the Company's net profits shall be distributed after deducting all general expenses and other costs as follows:

1- The General Assembly, when determining dividends, may decide to establish reserves, to the extent that serves the Company's interest or allows for such distributions where possible. The General Assembly may also deduct amounts from net profits to achieve social objectives for the Company's employees.
2- The General Assembly determine the percentage of dividend, if any, to be distributed from the net profits after deducting reserves, if any.
3- The Company may distribute dividends on a quarterly, semi-annual, or annual basis, with the date of entitlement and distribution set according to the rules and regulations issued by the relevant authority.
4- The decision of the General Assembly (or Board in case of delegation) regarding profit distribution shall specify the date of entitlement to the profits and the date of distribution. The Board must implement the General Assembly (or Board) resolution on profit distribution within the period specified by the Implementing Regulations of the Companies Law.

Investors who wish to invest in the Offer Shares should be aware that the Dividend Distribution Policy may change from time to time.

The Company distributed SAR 50 million dividends for the financial year ended 30 September 2024. This was declared and settled on 30 September 2024.

The Offer Shares are not entitled to any dividends announced prior to the date of this Prospectus, as the first entitlement of Offer Shares shall be dividends announced by the Company from the date of this Prospectus and the subsequent financial years. As of the date of this Prospectus, the Directors undertake that there are no declared or outstanding dividends.

8. Use of Proceeds

The total Offering Proceeds are estimated at SAR [•], of which approximately SAR 12,000,000 will be applied towards the Offering Expenses, which include the fees of the Financial Advisor, the Lead Manager, the Legal Advisor, the Financial Due Diligence Advisor, Market Consultant, as well as the regulatory fees, marketing, printing and distribution fees and other costs and expenses related to the Offering.

The Net Offering Proceeds of approximately SAR [•] will be distributed to the Selling Shareholder. The Company will not receive any part of the Net Offering Proceeds. The Selling Shareholder will bear all Offering Expenses.

9. Declarations

The Directors declare the following:

1- There has been no interruption in the business of the Issuer or any of its Subsidiaries that may significantly impact, or might have impact, notably the financial position during the last 12 months.

2- No commissions, discounts, brokerage fees or any non-monetary compensation with respect to the issuance or offering of any shares were granted by the Issuer or its Subsidiaries during the year preceding the date on which the application for registration and offering of Shares was submitted.

3- There has been no material negative change in the financial or commercial position of the Issuer or any of its Subsidiaries during the year preceding the date on which the application for registration and offering of Shares was submitted.

4- Except as disclosed in (5.1) ("**Ownership Structure**"), none of the Directors or their Relatives have any Shares or interest of any kind in the Issuer or any of its Subsidiaries.

5- The Director have not at any time been declared bankrupt or been subject to bankruptcy proceedings.

6- Except as disclosed in Section (2) ("**Risk Factors**"), and to the best of their knowledge and belief, there are no other material risks that may affect a prospective investor's decision to invest in the Offer Shares.

7- Except as disclosed in Section (2) ("**Risk Factors**"), all related party transactions, including the determination of financial consideration, have been conducted in a lawful and regulatory-compliant manner, and on appropriate and fair commercial basis similar to those conducted with third parties.

8- The Group is not a party to any ongoing disputes, claims, lawsuits, or investigative proceedings that may individually or as a whole materially affect the business of the Group or its financial position.

9- Except as disclosed in Section (10.8) ("**Material Agreements with Related Parties and Contracts Involving Interest for Directors**"), neither the Directors, the Secretary, nor any of their relatives or affiliates have any conflict of interest in any existing contracts or arrangements—whether written or oral—nor in any contracts or arrangements currently under consideration or proposed to be entered into with the Company as of the date of this Prospectus.

10- All transactions with Related Parties will be conducted on a commercial basis, and all business and contracts with Related Parties will be voted on at board meetings—and, if required by law—at the general assembly meeting, with the board member abstaining from voting on decisions related to business and contracts on behalf of the company in which they have a direct or indirect interest, whether in the board meeting or the general assembly, according to Article 71 of the Companies Law and Chapter 6 of the Corporate Governance Regulations.

11- No Director shall have any direct or indirect interest in the business or contracts undertaken on behalf of the Company except with the authorization of the General Assembly.

12- As of the date of this Prospectus, none of the Directors has engaged in any activities similar to or competitive with the activities of the Company. The Directors undertake to fulfil this regulatory requirement in the future as per Article 27 of the Companies Law.

13- Except as disclosed in Section (2.1.10) ("**Risks Related to Regulatory Licenses and Permits**"), the Group has all material licenses necessary to conduct its business.

14- the Company obtained all required approvals to offer and list its Shares on the Parallel Market (Nomu).

15- The Company undertakes to hold an Extraordinary General Assembly immediately after Admission to amend its bylaws to reflect its status as a listed public company, and updating the commercial register, as needed.

16- The Directors are not subject to any litigation or procedures which could, alone or as a whole, materially impact the Group's business and financial position.

17- The Directors do not have the right to vote on decisions related to their fees and remuneration at the General Assembly. The Directors shall not participate in voting on resolutions relating to business dealings or contracts in which they have a direct or indirect interest.

18- The Company is capable of preparing and submitting the required reports within the specified timelines in accordance with the implementing regulations issued by the Authority.

19- As of the date of this Prospectus, there are no employee share programs in place that would involve employees in the Company's share capital, nor are there any other similar arrangements currently in effect.

20- The Company does not hold any securities (contractual or otherwise) or assets whose values are subject to fluctuations that could have a material adverse impact on the assessment of its financial position.

21- Except as disclosed in Section (2) ("**Risk Factors**") and Section (6.3) ("**Key Factors Affecting Operating Results**"), the Company is not aware of any information regarding government, economic, fiscal, monetary, or political policies, or any other factors that have materially (directly or indirectly) affected, or may materially affect, its operations.

22- The Board of Directors acknowledges that there are no liens, rights, or encumbrances on the Company's assets as of the date of this Prospectus.

23- The statistical information used in Section (3) ("**Market and Sector Overview**") obtained from external sources represents the most up-to-date information available from the relevant source.

24- The Company's insurance policies provide adequate coverage for its business operations, and the Company renews its insurance documents and contracts periodically to ensure continuous insurance coverage.

25- All contracts and agreements that the Company considers material or significant, or that may influence investor decisions regarding the investment in the offering shares, have been disclosed, and there are no other material contracts or agreements that have not been disclosed.

26- All terms and conditions that may affect investor decisions regarding the investment in the offering shares have been disclosed.

27- As of the date of this Prospectus, there are no material contracts or transactions with related parties that significantly impact the Company's operations, and the Company has no intention of entering into any new agreements with related parties, except as outlined in Section (10.8) ("**Material Agreements with Related Parties and Contracts Involving Interest for Directors**").

28- The Company has established procedures, controls, and systems that enable it to comply with the requirements of the relevant regulations, laws, and instructions, including the Companies Law, the Capital Market Law, its executive regulations, the rules governing securities offerings, ongoing obligations, and listing rules.

29- All employees of the Company are under its sponsorship.

30- The legal and beneficial ownership, direct and indirect, of the shares in the Company as of the date of this Prospectus belongs to the individuals listed in Section (10.3) ("**Shareholding**").

31- All increases in the Company's capital are in compliance with the applicable laws and regulations in the Kingdom.

32- The Directors and Senior Executives have no right to obtain a loan from the Company, and the Company may not guarantee any loan entered into by a Director.

33- As of the date of this Prospectus, the Company does not have a policy regarding research and development, and the Company does not manufacture any products itself.

34- The Company is committed to all terms and conditions under the agreements entered into with the lenders of all loans, credit facilities, and financing.

35- As of the date of this Prospectus, and except as disclosed in Section (2.1.22) ("**Risks related to current financing arrangements and related to the Group's ability to obtain future financing**"), there has been no breach of the contractual terms and conditions under the agreements with the lenders of all loans, credit facilities, and financing, and the Company is in full compliance with all such terms and conditions.

36- The Board of Directors undertakes the following:

a- To record all board resolutions and deliberations in the form of written meeting minutes, duly signed by them;

b- To disclose details of any transactions with related parties in accordance with the requirements of the Companies Law and the Corporate Governance Regulations.

c- To notify the board of their direct or indirect personal interests in the business and contracts carried out on behalf of the company, and to ensure that this is recorded in the minutes of the board meeting.

37- The information and data contained in this Prospectus, obtained from third parties, including information from the market study report prepared by the market study consultant, can be relied upon, and there is no reason for the Company to believe that such information is materially inaccurate.

38- This Prospectus includes all information required to be included pursuant to the ROSCOs, and there are no other facts that could materially affect the registration and offering of securities that have not been included in this Prospectus.

39- The Company has submitted and will continue to submit all documents required by the Capital Market Law and the Securities Offering Rules and Continuous Obligations to the Authority.

40- The Company's internal control systems and procedures have been established on sound foundations, including a written policy governing conflicts of interest and addressing potential conflict situations, which include the misuse of the Company's assets and misconduct arising from dealings with related parties. Additionally, the Company has ensured the integrity of its financial and operational systems and the implementation of appropriate control systems to manage risks in compliance with the requirements of Chapter 5 of the CGRs. The Directors conducts periodic reviews of the Company's internal control procedures.

41- The internal audit, accounting, and information technology systems are adequate and appropriate.

42- The Company undertakes to submit the latest interim/annual financial statements (as applicable), provided that they are attached to the preliminary prospectus before initiating the process of offering the Company's shares, or in the final prospectus, or announced prior to the listing of the Company's shares (as applicable), in accordance with the periods specified in the continuing obligations applicable to listed companies.

10. Legal Information

10.1 The Company

Jamjoom Fashion Trading Company is a single person closed joint stock company registered in the commercial register under the unified no. 7036573447 dated 04/12/1444H (corresponding to 22/06/2023G) in the city of Jeddah, with its registered address at 2532, Asma bint Umais, 6705, Ash Shati district, Jeddah, Saudi Arabia, 23513.

The Company's current capital is (SAR 79,478,000) divided into (7,947,800) ordinary shares, each with a nominal value of (SAR 10) each.

10.2 Capital and Shareholding Development

The Company was incorporated through the conversion of a branch of Kamal Osman Jamjoom Trading LLC into a joint stock company with a capital of (SAR 500,000) divided into (50,000) shares, each with a nominal value of (SAR 10) each, wholly owned by Kamal Osman Jamjoom Trading. The Company was incorporated and registered with the commercial register on 04/12/1444H (corresponding to 22/06/2023G).

On 20/07/1446H (corresponding to 20/01/2025G), the Company registered the increased of its capital from (SAR 500,000) to (SAR 79,478,000), and its shares from (50,000) shares to (7,947,800) shares, each with (SAR 10) nominal value, through capitalizing the "other reserves" amounting to (SAR 78,978,000). The Company remained 100% owned by KOJ Trading after the increase.

10.3 Shareholding

The Company is wholly owned by Kamal Osman Jamjoom Trading, a limited liability company, registered in the commercial register under number 4030043970 dated 07/09/1404H (corresponding to 07/06/1984H) in the city of Jeddah, and a capital of (145,318,000) Saudi Riyals divided into (100) shares, the nominal value of each share is (1,453,180) Saudi Riyals. Kamal Osman Jamjoom Trading LLC is 99% owned by Kamal Osman Salah Jamjoom and 1% by Jameel Kamal Osman Jamjoom.

The following table summarizes the shareholding structure of the Company pre-and post-Offering.

Table (10.1): Ownership Structure of the Company Pre- and Post-Offering

Shareholder	Shareholding (Pre-Offering)						Shareholding (Post-Offering)					
	Direct Ownership			Indirect Ownership			Direct Ownership			Indirect Ownership*		
	Number of Shares	Ownership (%)	Nominal Value	Number of Shares	Ownership (%)	Nominal Value	Number of Shares	Ownership (%)	Nominal Value	Number of Shares	Ownership (%)	Nominal Value
Kamal Osman Jamjoom Trading LLC	7,947,800	100%	79,478,000	N/A	N/A	N/A	5,563,460	70%	55,634,600	N/A	N/A	N/A
Kamal Osman Salah Jamjoom[1]	N/A	N/A	N/A	7,868,322	99%	78,683,220	N/A	N/A	N/A	5,507,825	69.3%	55,078,250
Jameel Kamal Osman Jamjoom[2]	N/A	N/A	N/A	79,478	1%	794,780	N/A	N/A	N/A	55,635	0.7%	556,350
Public	N/A	N/A	N/A	N/A	N/A	N/A	2,384,340	30%	23,843,400	N/A	N/A	N/A
Total	**7,947,800**	**100%**	**79,478,000**	**7,947,800**	**100%**	**79,478,000**	**7,947,800**	**100%**	**79,478,000**	**5,563,460**	**70%**	**55,634,600**

Source: Company

(1) Kamal Osman Salah Jamjoom owns 99% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's Shares before the Offering and 70% after the Offering.

(2) Jameel Kamal Osman Jamjoom owns 1% of the share capital in Kamal Osman Jamjoom Trading LLC, which in turn owns 100% of the Company's Shares before the Offering and 70% after the Offering.

* Numbers are approximate.

10.4 Subsidiaries

The Company has a branch in the UAE and six (6) Subsidiaries across the GCC and in the Philippines. Below is a brief about the purpose, key operations and key assets of each:

A- Jamjoom Fashion Trading Dubai Branch

Jamjoom Fashion Trading Dubai Branch is a branch of the Company registered under commercial license no. 1252509 and commercial register number (2113384) dated 20/10/2023 in Dubai. Its registered address is offices 601 – 606, Dubai Hills Estate, Dubai, UAE.

This is a branch of the Issuer and its purpose is to function as a procurement office of the Saudi operations. It does not produce any revenue, and has no material assets.

B- Jamjoom Fashion Support Services Philippines Inc. (Philippines)

Jamjoom Fashion Support Services Philippines, Inc. is a stock corporation registered under no. 2024010132487-02 and incorporated on 22 January 2024G. Its registered address is Lot 1A Colours Town Center Alabang-Zapote Road Corner Marcos Alvarez Avenue Talon uno, City of Las Piñas, Fourth District, National Capital Region (NCR), 1747.

The Philippines Subsidiary is owned 98.4% indirectly through the Issuer's UAE Subsidiary. The remaining 1.6% is owned legally by the five directors of the Philippines Subsidiary and they all signed nominee declarations granting the Company beneficiary ownership of their shares.

The Philippines Subsidiary provides support services including financial, HR and administrative services. It does not produce any revenue, and has no material assets.

C- Jamjoom Fashion Trading LLC (UAE)

Jamjoom Fashion Trading LLC is a limited liability registered under license no. 521309 and incorporated on 20 September 2000. Its registered address is Office Nos. 601–606, Mohammed Bin Rashid Gardens, Dubai Hills Estate Retail, Dubai, UAE.

It is 100% owned by the Company, and has a capital of AED 300,000 divided into 300 shares. This Subsidiary operates as a retailer of the brand Nayomi in the UAE. It is also a material Subsidiary of the Company as it contracts with all the key suppliers of the Company and employes key employees of the Group including the design team.

D- Jamjoom Fashion Trading SPC (Oman)

Jamjoom Fashion Trading SPC is a sole proprietor company registered under no. 1498791 and incorporated on 06 August 2023. Its registered address is P.O. Box 1278, 111, Muscat, Muscat Governorate, Sultanate of Oman. It is 100% owned by the Company, and has capital of OMR 5,000, divided into 5,000 shares.

This Subsidiary operates as a retailer of the brand Nayomi in Oman. It has no material assets.

E- Jamjoom Fashion Trading WLL (Bahrain)

Jamjoom Fashion Trading WLL is a company with limited liability registered under no. 166897 and incorporated on 09 August 2023. Its registered address is Manama, Al-Suwayfiyah, Block 351, Road 5122, Building 1036, Shop 24, Bahrain. It is 99% owned by the Company, and has a capital of BHD 5,000 divided into 5,000 shares.

This Subsidiary operates as a retailer of the brand Nayomi in the Bahrain. It has no material assets.

F- Jamjoom Fashion Company for the Retail of Sale of Ready-Made Clothes and Children's Items (A One-Person Company) (Kuwait)

Jamjoom Fashion Company for the Retail of Sale of Ready-Made Clothes and Children's Items (A One-Person Company) is a one-person company registered under no. 484991 and incorporated on 04 September 2023G. Its registered address is Beirut Street, Hawalli Governorate, Al-Ghazouri Complex, Unit S28, Floor 1, Kuwait. It is 100% owned by the Company, and has a capital of KD 1,000.

This Subsidiary operates as a retailer of the brand Nayomi in the Kuwait. It has no material assets.

G- Nayomi WLL (Qatar)

Nayomi WLL is a company with limited liability registered under no. 97129 and incorporated on 13 April 2017G. Its registered address is Al Khor Coastal Road in the Al Khor region street No. 390, Property No. 47, and has a capital of QAR 200,000 divided into 200 units, each with a nominal value of QAR 1,000. It is 49% owned by the Company. The other 51% is owned by a Qatari partner, which is a local sponsor entity that is holding this stake for the beneficial interest of the Company.

This Subsidiary operates as a retailer of the brand Nayomi in the Qatar. It has no material assets.

10.5 Key Licenses

The following table summarizes the key licenses for the Group. The Company notes that certain commercial registration numbers reflect the previous system used by the Ministry of Commerce. The Ministry has since transitioned to the unified number system (which starts with "7"), therefore, the registrations listed below are subject to change to align with the new commercial registration framework. It is also worth noting that the new system will eliminate branch registrations (either actively by the Company itself or after the expiry of the five years grace period under the law), resulting eventually in a single unified registration for the Company within the Kingdom.

Table (10.2): Key Constitutional Licenses

#	Group Company	License Type	Issuing Entity	Jurisdiction	License No.	Issue Date
1.	The Company	Main commercial register	MOC	KSA	7036573447	04/12/1444H (corresponding to 22/06/2023G)
2.	The Company	Drugs/cosmetic products warehouse license	SFDA	KSA	WL-2023-CM-0033	25/10/1444H (corresponding to 10/03/2025G)
3.	UAE Subsidiary	Commercial license	Government of Dubai (Department of Economy and Tourism)	Dubai, UAE	521309	22/06/1421H corresponding to (20/09/2000G)
4.	UAE Branch	Commercial license	Government of Dubai (Department of Economy and Tourism)	Dubai, UAE	1252509	05/04/1445H corresponding to (20/10/2023G)
5.	Kuwait Subsidiary	License to practice	Ministry of Commerce and Industry	Kuwait	484991	19/02/1445H corresponding to (04/09/2023G)
6.	Bahrain Subsidiary	Commercial registration certificate	Ministry of Industry and Commerce	Bahrain	166897	22/01/1445H corresponding to (09/08/2023G)
7.	Qatar Subsidiary	Commercial license	Ministry of Commerce and Industry	Qatar	97129	16/07/1438H corresponding to (13/04/2017G)
8.	Oman Subsidiary	Economic activities license certificate	Ministry of Commerce, Industry, and Investment Promotion	Oman	1498791	19/01/1445H corresponding to (06/08/2023G)

The following tables show the key locations, offices and stores of the Group. For the stores, the Company listed the top 20 stores in terms of revenue. The list is not organized in the order of importance of revenue contribution.

Table (10.3): Licenses and Permits for Offices and Warehouse

#	Location / Store	City, Country	License Type	License No.	Issue Date	Expiry Date
1.	Headquarter	Jeddah, KSA	Commercial registration	7036573447	04/12/1444H (corresponding to 22/06/2023G)	N/A*
			Civil defence	1-001838928	25/09/1446H (corresponding to 25/03/2025G)	25/09/1447H (corresponding to 14/03/2026G)
			Municipality	450714589084	25/09/1446H (corresponding to 25/03/2025G)	25/09/1447H (corresponding to 14/03/2026G)
2.	KSA Warehouse	Jeddah, KSA	Commercial registration	7006327428	26/08/1433H (corresponding to 16/07/2012G)	N/ A*
3.	UAE Offices	Dubai, UAE	Trade License	1252509	26/07/1446H (corresponding to 20/10/2023G)	27/04/1447H (corresponding to 19/10/2025G)

* There is no expiry date under the new Commercial Registration Law. The annual renewal is required on 14/12/1446H (corresponding to 10/06/2025G).

Note: The Company also has a warehouse in Dubai, which is leased by KOJ Trading and is utilized through the Company's logistics SLA with KOJ Trading.

The following table outlines the licenses and approvals for the Group's key stores. The Company included the top (20) stores in terms of revenue in the list below; however, the list is not sorted based on revenue contribution and should not be read as such.

Table (10.4): Licenses and Permits for Top 20 Stores

#	Location / Store	City, Country	License Type	License No.	Issue Date	Expiry Date
1.	Nayomi - Dammam - Nakheel Mall Palace	Dammam, KSA	Municipality	41073466718	29/12/1441H (corresponding to 19/08/2020G)	29/12/1447H (corresponding to 15/06/2026G)
			Civil defence	1-001449775-45	09/01/1446H (corresponding to 15/07/2024G)	09/01/1448H (corresponding to 24/06/2026G)
			Commercial registration	2050139701	03/04/1442H (corresponding to 18/11/2020G)	03/04/1447H (corresponding to 25/09/2025G)
2.	Nayomi - Dhahran - Dhahran Mall Palace	Dhahran, KSA	Municipality	41032598287	07/03/1441H (corresponding to 04/11/2019G)	06/03/1447H (corresponding to 29/08/2025G)
			Civil defence	1-001543786-46	17/02/1446H (corresponding to 21/08/2024G)	17/02/1451H (corresponding to 29/06/2029G)
			Commercial registration	N\A(2)	N\A(2)	N\A(2)
3.	Nayomi - Doha - Hyatt Plaza 2	Doha, Qatar	Trade License	48912	03/01/1436H (corresponding to 23/12/2014G)	03/04/1447H (corresponding to 25/09/2025G)
4.	Nayomi - Dubai - Dubai Mall - 2	Dubai, UAE	Trade License	613252	27/06/1429H (corresponding to 1/7/2008G)	15/01/1448H (corresponding to 30/6/2026G)
5.	Nayomi - Dubai - Mall Of The Emirates 2	Dubai, UAE	Commercial registration	571413	14/06/1426H (corresponding to 20/7/2005G)	05/02/1448H (corresponding to 19/7/2026G)

#	Location / Store	City, Country	License Type	License No.	Issue Date	Expiry Date
6.	Nayomi - Dubai - Mirdiff CC Palace	Dubai, UAE	Commercial registration	635114	27/06/1429H (corresponding to 1/7/2008G)	28/08/1447H (corresponding to 16/02/2026G)
7.	Nayomi - Hassah - Othaim Mall Palace	Al Ahsa, KSA	Municipality	3909470637	19/11/1436H (corresponding to 03/09/2015G)	18/11/1447H (corresponding to 05/05/2026G)
			Civil defence	1-001400790-45	20/10/1445H (corresponding to 29/04/2024G)	19/11/1449H (corresponding to 14/04/2028G)(1)
			Commercial registration	2251053957	20/10/1434H (corresponding to 27/08/2013G)	05/01/1449H (corresponding to 10/07/2027G)
8.	Nayomi - Jeddah - Aziz Mall	Jeddah, KSA	Municipality	39111456568	16/02/1439H (corresponding to 05/11/2017G)	15/02/1447H (corresponding to 09/08/2025G)(1)
			Civil defence	1-001577848-46	15/02/1446H (corresponding to 19/08/2024G)	15/02/1447H (corresponding to 09/08/2025G)(1)
			Commercial registration	7012736679	27/08/1433H (corresponding to 17/07/2012G)	N\A(2)
9.	Nayomi - Jeddah - Mall of Arabia Palace	Jeddah, KSA	Municipality	39111423218	03/06/1439H (corresponding to 19/02/2018G)	02/06/1447H (corresponding to 23/11/2025G)
			Civil defence	1-001733593-46	16/06/1446H (corresponding to 17/12/2024G)	16/06/1447H (corresponding to 07/12/2025G)
			Commercial registration	7036573447	04/12/1444H (corresponding to 22/06/2023G)	N\A(2)
10.	Nayomi - Jeddah - Red Sea Mall	Jeddah, KSA	Municipality	39111342457	08/03/1439H (corresponding to 26/11/2017G)	07/03/1447H (corresponding to 30/08/2025G)
			Civil defence	1-001577906-46	01/03/1446H (corresponding to 04/09/2024G)	01/03/1447H (corresponding to 24/08/2025G)
			Commercial registration	7012736679	27/08/1433H (corresponding to 17/07/2012G)	N\A(2)
11.	Nayomi - Kuwait - Awtad Mall - Jahara	Jahara, Kuwait	Trade License	2024/1854	04/07/1445H (corresponding to 16/1/2024G)	18/08/1449H (corresponding to 15/1/2028G)
12.	Nayomi - Madinah - Al Noor Mall Palace	Madinah, KSA	Municipality	3909763319	14/06/1436H (corresponding to 03/04/2015G)	13/06/1447H (corresponding to 04/12/2025G)
			Civil defence	1-001724185-46	04/06/1446H (corresponding to 05/12/2024G)	04/06/1447H (corresponding to 25/11/2025G)
			Commercial registration	7036573447	04/12/1444H (corresponding to 22/06/2023G)	N\A(2)
13.	Nayomi - Makkah - Abraj Al Bait Mall 2	Makkah, KSA	Municipality	3909579702	29/06/1436H (corresponding to 18/04/2015G)	29/06/1447H (corresponding to 20/12/2025G)
			Civil defence	1-001-624872-46	04/06/1446H (corresponding to 05/12/2024G)	04/06/1447H (corresponding to 25/11/2025G)
			Commercial registration	7036573447	04/12/1444H (corresponding to 22/06/2023G	N/A

#	Location / Store	City, Country	License Type	License No.	Issue Date	Expiry Date
14.	Nayomi - Makkah - Makkah Mall - 2	Makkah, KSA	Municipality	3909567691	24/04/1439H (corresponding to 11/01/2018G)	23/04/1447H (corresponding to 15/10/2025G)
			Civil defence	1-001628345-46	13/04/1446H (corresponding to 16/10/2014G)	13/04/1447H (corresponding to 05/10/2025G)
			Commercial registration	7036573447	04/12/1444H (corresponding to 22/06/2023G	N\A
15.	Nayomi - Manama - Bahrain City Centre 2	Manama, Bahrain	Trade License	166897-1	14/07/1446H (corresponding to 9/8/2023G)	13/07/1447H (corresponding to 02/01/2026G)
16.	Nayomi - Riyadh - Al Hamra Mall Palace	Riyadh, KSA	Municipality	40031918370	29/11/1438H (corresponding to 21/08/2017G)	29/11/1447H (corresponding to 16/05/2026G)
			Civil defence	1-001568332-46	13/03/1446H (corresponding to 16/09/2024G)	13/03/1447H (corresponding to 05/09/2025G)
			Commercial registration	7036573447	04/12/1444H (corresponding to 22/06/2023G)	N\A(2)
17.	Nayomi - Riyadh - Al Salam Plaza	Riyadh, KSA	Municipality	40031756553	04/07/1427H (corresponding to 29/07/2006G)	04/07/1447H (corresponding to 24/12/2025G)
			Civil defence	1-001920333-47	02/02/1447H (corresponding to 27/07/2025G)	04/07/1447H (corresponding to 24/12/2025G)
			Commercial registration	7036573447	04/12/1444H (corresponding to 22/06/2023G)	N\A(2)
18.	Nayomi - Riyadh - Granada Centre 2	Riyadh, KSA	Municipality	40031756192	01/09/1426H (corresponding to 04/10/2005G)	01/09/1447H (corresponding to 18/02/2026G)
			Civil defence	1-001748255-46	28\07\1446H (corresponding 28\01\2025G)	28\07\1448H (corresponding 06\01\2027G)
			Commercial registration	7036573447	04/12/1444H (corresponding to 22/06/2023G)	N\A(2)
19.	Nayomi - Riyadh - Nakheel Mall Palace	Riyadh, KSA	Municipality	40092180153	30/12/1436H (corresponding to 13/10/2015G)	29/12/1447H (corresponding to 15/06/2026G)
			Civil defence	1-001756243-46	08/07/1446H (corresponding to 08/01/2025G)	29/12/1447H (corresponding to 15/06/2026G)
			Commercial registration	7036573447	04/12/1444H (corresponding to 22/06/2023G)	N\A(2)
20.	Nayomi - Taif - Joury Mall Palace	Taif, KSA	Municipality	3911855072	24/01/1439H (corresponding to 14/10/2017G)	23/01/1448H (corresponding to 08/07/2026G)
			Civil defence	1-001458085-45	16/02/1446H (corresponding to 20/08/2024G)	23/01/1448H (corresponding to 08/07/2026G)
			Commercial registration	4032050234	06/07/1437H (corresponding to 13/04/2016)	06/07/1447H (corresponding to 26/12/2025G)

(1) The Company is in the process of obtaining this permit.

(2) No expiry date, given the new Commercial Registration Law only requires annual confirmation.

10.6 Supplier Agreements

The Group's key contracts are, in addition to others listed in this section such as financing, insurance and Related Party transactions, are its agreements with its suppliers. The Group does not manufacture its products, but imports them as finished products from several manufacturers in different countries outside of the GCC. The table below showcases the top 5 manufacturers and their purchases:

Table (10.5): Group's Key Suppliers and their Purchase Amounts

Financial Year Ending 30 September 2023G

#	Manufacturers Country	Manufacturer	Purchases (SAR 000s)	Percentages of total purchases
			Financial year ended 30 September 2023G	Financial year ended 30 September 2023G
1.	China	Supplier 1	25,867	17.2%
2.	China	Supplier 2	18,719	12.4%
3.	China	Supplier 3	14,818	9.8%
4.	China	Supplier 4	14,403	9.6%
5.	China	Supplier 5	14,008	9.3%
Other Manufacturers			62,716	41.7%
Total			**150,531**	**100%**

Financial Year Ending 30 September 2024G

#	Manufacturers Country	Manufacturer	Purchases (SAR 000s)	Percentages of total purchases
			Financial year ended 30 September 2024G	Financial year ended 30 September 2024G
1.	China	Supplier 1	27,781	17.0%
2.	China	Supplier 2	18,878	11.6%
3.	China	Supplier 3	18,665	11.5%
4.	China	Supplier 4	14,500	8.9%
5.	Europe/France	Supplier 5	11,520	7.1%
Other Manufacturers			71,618	43.9%
Total			**162,961**	**100%**

Three-month Period ending 31 December 2024G

#	Manufacturers Country	Manufacturer	Purchases (SAR 000s)	Percentages of total purchases
			Quarter ended 31 December 2024G	Quarter ended 31 December 2024G
1.	China	Supplier 1	10,932	16.6%
2.	China	Supplier 2	9,668	14.7%
3.	China	Supplier 3	7,609	11.6%
4.	Hong Kong	Supplier 4	5,535	8.4%
5.	Bangladesh	Supplier 5	4,005	6.1%
Other Manufacturers			28,093	42.7%
Total			**65,843**	**100%**

Source: the Company

Generally, these agreements are entered into for a term of 6 months with the option of extending multiple times by the Company (in accordance with the terms and conditions of the agreements. The latest renewed contracts of the current suppliers' are entered into on 31 October 2024G. These contracts have no fixed value and are paid per purchase order. They serve as a framework agreement between the supplier, an apparel manufacturer, and the UAE Subsidiary as the buyer. It sets out the general terms and conditions applicable to all purchase orders placed by the buyer with the supplier. The supplier delivers the products upon the agreed schedule in the purchase order. The agreements include intellectual property protection, and can be terminated only by the buyer in case of supplier's breach. The governing law of the agreement, including non-contractual obligations, is English law. Disputes arising under or in connection with the agreement will be resolved exclusively through arbitration under the Rules of the DIFC-LCIA Arbitration Centre, seated in Dubai, UAE.

10.7 Financing Agreements

The Group is part to two financing arrangements, summarized below. As of 31 December 2024G, the Group has an outstanding debt of SAR 85.2 million which relates to the amounts withdrawn.

Table (10.6): HSBC Financing

Parties	HSBC Bank Middle East Limited (the Lender), and the UAE Subsidiary (the Borrower).
Date	05/11/2024G
Aggregate Limit	The aggregate principal amount of the facilities being offered (or outstanding thereunder) shall not exceed AED 23,508,750.
Type of financing, purpose, and sub- limits	The Borrower has been granted banking facilities comprising the following: 1- AED 2,000,000 for working capital requirements. 2- AED 1,000,000 for issuance of guarantees. 3- USD 1,500,000 for issuance of guarantees. 4- AED 1,500,000 (Commercial Cards). 5- AED 13,500,000 to facilitate import requirements. 6- AED 13,500,000 to facilitate import requirements. 7- AED 4,000,000 to facilitate import requirements. 8- AED 4,000,000 to facilitate local/domestic transactions. 9- AED 4,000,000 to facilitate local/domestic transactions. 10- AED 13,500,000 to facilitate TradePay transactions for core trading working capital requirements.
Borrower Undertaking	The Borrower undertakes to provide the following: 1- Cash collateral for each facility in the percentage set out in the facility offer letter. 2- Limited corporate guarantee from KOJ duly supported by board resolution covering the facilities to an extent of AED 23,508,750. 3- Notarized and Legalized Corporate Guaranteee from KOJ Trading KSA covering the facilities to an extent of AED 23,508,750 – duly supported by a board resolution supported by an external legal opinion in a format acceptable to the Lender from a legal firm on the Lender's approved list. 4- Hypothecation of Stocks and Receivables in favor of the Lender on pari passu basis.
Guarantees	The Guarantor (KOJ Trading), pursuant to a guarantee provided to the Lender, irrevocably and unconditionally: 1- Guarantees to the Lender punctual performance by Borrower of all its obligations under the Finance Documents. 2- Undertake to pay amounts due by the Borrower under the Finance Documents whenever the Borrower does not pay. 3- Agrees with the Lender that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will indemnify the Lender against any cost or liability it incurs as a result of the Borrower not paying any amount which would, but for such enforceability, have been payable under any Finance Documents. 4- The obligations of each Guarantor under the guarantee shall be in addition to and not in substitution for any other security which the Lender may now or hereafter hold in related to the Guaranteed Amount.

Financial / Non-Financial Covenants	1- The Borrower undertakes that the Debt Service Coverage Ratio (DSCR) shall not be lower than 1.25:1 at any time 2- The Borrower undertakes that the External Net Funded Debt / EBITDA Ratio of the Customer shall not be greater than 2:1 at any time. 3- Borrower shall maintain Minimum Net Worth (NW)/Equity of a certain ratio. 4- Total External Borrowings means the aggregate of (i) overdrafts, (ii) bank and other bank borrowings including trade finance (but excluding borrowing from other members of the group), (iii) any kind of bonds, including convertible bonds (notes) and (iv) redeemable preference shares. (Lease liabilities are excluded) EBITDA means the group's earnings before interest, Tax, depreciation, and amortization. 5- Debt Service means in respect of any relevant period, the aggregate of (a) all Finance Charges, (b) all scheduled voluntary and mandatory repayment of borrowings falling due during that relevant period; (c) the amount of the capital element of any payment in respect of that relevant period payable under any finance lease entered into by any member of the group. Finance Charges means, for any relevant period, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of borrowings paid or payable by any member of the group (calculated on a consolidated basis) in cash or capitalized in respect of that relevant period. EBITDA is defined above.
Further Conditions	1- Except with prior written consent of the Lender, the Borrower shall not make substantial change to the general nature of its business. 2- Borrower shall provide any information from time to time as requested by the Lender. 3- The Borrower shall immediately notify in writing the Lender in case there is a change in its ownership from the one existing as on the date of the facility offer letter. The Company informed HSBC of the Offering, the borrower submitted this notice on 11/23/2023G. 4- Borrower shall notify the Lender upon the occurrence of a material adverse effect (as defined in the documents).
Governing Law	The laws of the United Arab Emirates

For more details about the risks associated with financing, refer to Section (2.1.22) ("**Risks related to current financing arrangements and related to the Group's ability to obtain future financing**").

Table (10.7): ANB Financing

Parties	Arab National Bank (the Bank), and Jamjoom Fashion Trading Company (the Customer)
Term	Effective Date: 27/04/2025 Expiry Date: 30/04/2026
Aggregate Limit	The Bank grants the Customer total banking facilities in the amount of SAR 60,000,000.
Type of financing, purpose, and sub- limits	The Customer has been granted banking facilities, which include the following: 1- SAR 60,000,000 in short-term tawarruq financing for direct transfers, against invoices from bank-approved local/foreign suppliers. 2- SAR 15,000,000 in short-term tawarruq financing (a sub-limit of item 1 above) to cover working capital requirements related to sales and showroom lease contracts/commitments.
General Conditions of the Facilities	The Customer undertakes to provide the following: 1- To provide the Bank with an insurance policy issued by a company acceptable to the Bank, assigned in favor of the Bank as the first beneficiary, covering 100% of the facility amount at all times. 2- To deposit a minimum of 50% of their annual sales proceeds into their account with the Bank. 3- To maintain a leverage ratio (Total Liabilities / Total Shareholders' Equity) not exceeding 3x.
Guarantees	The Customer undertakes to provide the following guarantees: 1- A promissory note in the amount of SAR 60,000,000. 2- A joint and several guarantee, duly signed by Kamal Osman Jamjoom Trading Company (the Parent Company). 3- The same insurance policy referred to in Clause 1 of the Conditions above. 4- Any other guarantees that the Bank may require.

Undertakings	The Customer acknowledges and undertakes the following commitments to the Bank: 1- To provide the Bank, within a period not exceeding 120 days after the end of each financial year, with a copy of the audited financial statements of the entity for the relevant financial year, certified by an independent auditor acceptable to the Bank. 2- To notify the Bank immediately upon the occurrence of any default or potential default event. 3- To maintain its financial, administrative, and legal status, and the ownership of the entity, and not to change its business activity as of the date of this agreement, and to conduct its business in compliance with applicable laws, approvals, agreements, and obligations. 4- To provide any financial or other information related to the Customer or any of the guarantors as reasonably requested by the Bank from time to time, promptly upon the Bank's request. 5- To use the facilities only for the purposes specified in this agreement. 6- Not to merge with any other entity or take any steps towards the dissolution of the entity/company. 7- Not to declare or pay any profits or distributions to partners/shareholders or repay any loans to partners/shareholders in an event of default. 8- Not to incur any financial liabilities beyond the permissible obligations or take on any other financial burdens except in the ordinary course of its business. 9- Not to guarantee or become directly or indirectly liable for any loss, damage, or expenses resulting from the failure to settle any debt or obligation by any person, except as may be necessary in the ordinary course of its business operations. 10- To authorize the Bank to obtain the audited financial statements directly from its external auditor. 11- The Customer agrees to have the property/properties appraised by valuation firms approved by the Bank, with the property/properties being appraised by three different valuation firms in the first year and subsequently by one valuation firm annually, and the Customer agrees to pay the appraisal fees by charging any of its accounts with the Bank.
Events of Default	The following events and circumstances shall constitute an Event of Default under this Agreement, its annexes, and amendments: 1- If the Customer fails to pay any amount due to the Bank in accordance with this Agreement. 2- If the Customer or any of the guarantors fails to perform their obligations or comply with these obligations accurately and promptly under this Agreement or any of its annexes, and the Customer does not remedy the situation to the satisfaction of the Bank within the period specified by the Bank, starting from the date the Customer receives written notice from the Bank requesting the removal of the default. 3- If it is found that any declaration or guarantee provided by the Customer or any guarantor is false or inaccurate. 4- If any liability of the Customer or any guarantor becomes due or is deemed due before its specified maturity date, or if it is not paid when due, or if any attachment is made on all or part of the Customer's or any guarantor's business, assets, or properties, or if any bankruptcy proceedings are initiated against either of them, or if any guarantor dies or loses their legal capacity (if they are an individual). 5- If the Customer ceases to carry out any significant part of its business or significantly alters the scope of its business, or transfers a significant part of its business or assets, or proposes to undertake any of the actions mentioned above. 6- If any law, regulation, order, or amendment to any law, regulation, or order is issued that changes or is interpreted as changing, terminating, or exempting the Customer or any guarantor from any of their obligations under this Agreement or any guarantee document. Failure of the Customer to provide the required financial statements to the Bank. 7- If any change occurs in the ownership or control of the Customer. The Company obtained the consent on 05/12/1446H (Corresponding to 01/06/2025G).
Remedies for Events of Default	In the event of any occurrence of an event of default, the Bank shall have the right to take the following actions: 1- Cancel the facilities and consider the outstanding balance of the facilities, along with any accrued profits and all other amounts arising under the Agreement, to be immediately due and payable, without the need for any claim to the Customer to settle the amounts due, and without the need to give prior notice to the Customer or any other party. 2- Conduct set-off and use any credit balance in any of the Customer's accounts to settle the amounts due, without the need for prior notice to the Customer or any other party. 3- Enforce any pledge and use all or any part of the proceeds from the sale of the collateral to cover the amounts due to the Bank, as well as any commissions and expenses incurred from the sale process. The Customer will remain liable to the Bank for any shortfall remaining unpaid.
Governing Law	Laws of the Kingdom of Saudi Arabia

10.8 Material Agreements with Related Parties and Contracts Involving Interest for Directors

The Group deals with Related Parties in the ordinary course of its business, primarily KOJ Trading and its Subsidiaries. These include service level agreements whereby the Group is provided with IT services, warehousing logistics, admin services including HR and business development.

The balance of amounts due by the Group to Related Parties stood at SAR 44.8 million and SAR Nil as of 30 September 2023 and 2024 respectively; and SAR Nil as of 31 December 2024. The balance of amounts due to the Group from Related Parties stood at SAR Nil and SAR 29.2 million as of 30 September 2023 and 2024 respectively; and SAR 55.9 million as of 31 December 2024. For more details on the movement of balances for these periods, please see sections **6.8.2.2.3** and **6.8.5.2.2** ("**Due to/from Shareholders**").

The table below summarizes all key Related Party transactions for the financial year 2024 and to date; and the Company confirms that all disclosed service level agreements entered into with Related Parties have been executed on an arm's length basis, and that the termination or expiration of any such service level agreements will not have a material adverse effect on the Company or its operations.

Table (10.8): Related Party Transactions and Contracts Involving Conflict

#	Contract	Party	Counterparty	Date	Nature	Term	Value	Percentage of Revenue for the Financial Year Ended September 30, 2024	Conflict
Agreements with KOJ Trading KSA and its related entities									
1.	Prime Cost Agreement[1]	UAE Subsidiary [4]	KOJ Interiors (contractor)	31/12/2023G Renewed on 31/12/2024G	Yearly framework agreement for design, approvals, and fit-out works to retail stores.	Expires on 31/12/2025	Contractor is paid on a cost-plus basis with a fixed fee for specific services. For the financial year ended 30 September 2024, the amounts paid by the UAE Subsidiary under this contract was SAR 12,999,672.00.	2.12%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal OsmanJamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.

#	Contract	Party	Counterparty	Date	Nature	Term	Value	Percentage of Revenue for the Financial Year Ended September 30, 2024	Conflict
2.	Service Level Agreement (IT)	UAE Branch [4]	Kamal Osman Jamjoom Tech Services India Pvt Ltd (the service provider)[2]	30/09/2023G	Provision of services including enterprise solution, digital platform, IT, business system management and future readiness.	Initial term of two years, with automatic one-year renewals unless terminated.	A base operational cost of AED 76,514 (and a 15% markup totalling AED 11,477) monthly in addition to other variable costs charged by supplier/service provider. For the financial year ended 30 September 2024, the amounts paid by the UAE Branch under this contract was SAR 1,083,558.14.	0.18%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.
3.	Service Level Agreement[1]	UAE Subsidiary [4]	Kamal Osman Jamjoom Group LLC (UAE) (the service provider)	30/09/2023G	Provision of warehousing and logistics services.	Initial term of two years, with automatic one-year renewals unless terminated.	A base operation cost monthly in addition to other variable costs charged by supplier/service provider. The monthly cost from 1 February 2024G is AED 86,539 (and an 8% markup). For the financial year ended 30 September 2024G, the amounts paid by the UAE Subsidiary under this contract, and the contract listed below it (in this table) totalled SAR 21,066,204.00.	3.44%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.

#	Contract	Party	Counterparty	Date	Nature	Term	Value	Percentage of Revenue for the Financial Year Ended September 30, 2024	Conflict
4.	Service Level Agreement	UAE Branch [4]	Kamal Osman Jamjoom Group LLC (UAE) (the service provider)[2]	30/09/2023G	Provision of services including admin, legal services, finance services, IT and business development.	Initial term of two years, with automatic one-year renewals unless terminated.	A base operation cost monthly in addition to other variable costs charged by supplier/service provider. The monthly cost is different per service. For the financial year ended 30 September 2024G, the amounts paid by the UAE Branch under this contract was combined with the total amount listed in SLA #3 above (i.e., SAR 21,066,204.00.)	3.44%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.
5.	Service Level Agreement	UAE Branch [4]	Kamal Osman Jamjoom Services Philippines Inc. (the service provider)[2]	30/09/2023G	Provision of services including administrative services such as financial services, and IT services.	Initial term of two years, with automatic one-year renewals unless terminated.	A base operation cost monthly in addition to other variable costs charged by supplier/service provider. The monthly cost is different per service. For the financial year ended 30 September 2024, the amounts paid by the UAE Branch under this contract was SAR 1,658,297.67.	0.27%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.

#	Contract	Party	Counterparty	Date	Nature	Term	Value	Percentage of Revenue for the Financial Year Ended September 30, 2024	Conflict
6.	Trademark licensing agreement	The Company [4]	KOJ Trading[2]	16/01/2025G	Licensing the use of 96 trademarks outside of the Kingdom. It is worth noting that a significant number of these trademarks were transferred to the Company's name following the execution of the agreement.	Perpetual, until all trademarks are transferred.	No charge.	0.00%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.
7.	Shares transfer	The Company [4]	Kamal Osman Jamjoom	07/01/2025G	Transfer of 1 share in the Bahrain Subsidiary from the Company to Kamal Osman Jamjoom for compliance purposes post the IPO.	Not applicable	SAR 498	0.00%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an interest.
Intra-Group									
8.	Service Level Agreement	UAE Branch	Philippines Subsidiary (the service provider)[3]	31/01/2024G	Outsourcing services of HR and finance.	Initial term of two years, with automatic one-year renewals unless terminated.	A base operational cost of AED 114,746 (and a 5% markup totalling AED 5,737) for finance, and AED 44,585 (and a 5% markup totalling AED 2,229) for HR, monthly, in addition to other variable costs charged by supplier/service provider.	0.00%	N/A as they are in the same Group
9.	Management Agreement[4]	Qatar Subsidiary	Oman Subsidiary (as manager)	10/10/2023G	Management Agreement whereby the Oman Subsidiary manages the Qatar Subsidiary.	Perpetual, as long as the manager is the shareholder of the Qatar Subsidiary.	Qatar Subsidiary pays the manager an amount equal to 95% of its net profits for such yearly period.	0.00%	N/A as they are in the same Group
Carveout Related APAs and SPAs									

#	Contract	Party	Counterparty	Date	Nature	Term	Value	Percentage of Revenue for the Financial Year Ended September 30, 2024	Conflict
10.	Asset Purchase Agreement	The Company	Kamal Osman Jamjoom Trading LLC (KSA) (the transferor)[2]	01/10/2023G	Sale of the Nayomi business in KSA, all relating to the 147 stores, including the lease, licenses, inventory, IP, accounts, employees, etc, and associated liabilities.	N/A	The purchase price of the assets to be purchased is defined as an amount equal to the net book value of the sold business as of 02/10/2023G. This was SAR 35,174,463.88.	5.75%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.
11.	Asset Purchase Agreement[1]	Kuwait Subsidiary	Kamal Osman Jamjoom General Trading W.L.L (Kuwait) (the transferor)	02/10/2023G	Sale of the Nayomi business in Kuwait, all relating to the 7 stores, including the lease, licenses, inventory, IP, accounts, employees, etc, and associated liabilities.	N/A	The purchase price of the assets to be purchased is defined as an amount equal to the net book value of the sold business as of 02/10/2023G. This was SAR 4,183,063.99.	0.68%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.
12.	Asset Purchase Agreement[1]	Oman Subsidiary	Kamal Osman Jamjoom & Partners LLC (Oman) (the transferor)	30/09/2023G	Sale of the Nayomi business in Oman, all relating to the 8 stores, including the lease, licenses, inventory, IP, accounts, employees, etc, and associated liabilities.	N/A	The purchase price of the assets to be purchased is defined as an amount equal to the net book value of the sold business as of 30/09/2023G. This was SAR 5,061,555.79.	0.83%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.

#	Contract	Party	Counterparty	Date	Nature	Term	Value	Percentage of Revenue for the Financial Year Ended September 30, 2024	Conflict
13.	Asset Purchase Agreement[1]	UAE Subsidiary	Kamal Osman Jamjoom Trading LLC (UAE) (the transferor)	30/09/2023G	Sale of the Nayomi business in UAE, all relating to the 40 stores, including the lease, licenses, inventory, IP, accounts, employees, etc, and associated liabilities.	N/A	The purchase price of the assets to be purchased is defined as an amount equal to the net book value of the sold business as of 30/09/2023G. This was SAR 23,174,740.03.	3.79%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.
14.	Asset Purchase Agreement[1]	Bahrain Subsidiary	Kamal Osman Jamjoom Trading W.L.L (Bahrain) (the transferor)	05/10/2023G	Sale of the Nayomi business in Bahrain, all relating to the 6 stores, including the lease, licenses, inventory, IP, accounts, employees, etc, and associated liabilities.	N/A	The purchase price of the assets to be purchased is defined as an amount equal to the net book value of the sold business as of 05/10/2023G. This was SAR 4,107,944.63.	0.67%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.
15.	Asset Purchase Agreement[1]	Philippines Subsidiary	Kamal Osman Jamjoom Services Philippines INC (the transferor)	01/10/2023G	Transfer of all the assets in Philippines including IT equipment.	N/A	The purchase price of the assets to be purchased is defined as an amount equal to the net book value of the sold business as of 05/10/2023G. This was SAR 109,613.20.	0.02%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.

#	Contract	Party	Counterparty	Date	Nature	Term	Value	Percentage of Revenue for the Financial Year Ended September 30, 2024	Conflict
16.	Share Purchase Agreement[1]	Oman Subsidiary	Al Kuthban Company WLL (the seller)	15/10/2023G	Sale of the ownership in the Qatar Subsidiary, by transferring 49% of the legal ownership to Oman Subsidiary and 51% to Links Management.	N/A	The purchase price of the assets to be purchased is defined as an amount equal to the net book value of the sold business as of 15/10/2023G. This was SAR 7,166,417.85.	1.17%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.
17.	Share Purchase Agreement	The Company	Kamal Osman Jamjoom Trading W.L.L (Bahrain) (the seller)[2]	05/10/2023G	The sale of 100% of the shares of the Bahrain Subsidiary to the Company.	N/A	The nominal value of the capital, which was SAR 4,107,944.63.	0.67%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.
18.	Share Purchase Agreement	The Company	Kamal Osman Jamjoom Trading LLC (UAE) (the seller)[2]	26/09/2023G	The sale of 100% of the shares of the UAE Subsidiary to the Company.	N/A	The nominal value of the capital, which was SAR 23,174,740.03.	3.79%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.

#	Contract	Party	Counterparty	Date	Nature	Term	Value	Percentage of Revenue for the Financial Year Ended September 30, 2024	Conflict
19.	Share Purchase Agreement	The Company	Kamal Osman Jamjoom & Partners LLC (the seller)(2)	26/09/2023G	The sale of 100% of the shares of the Oman Subsidiary to the Company.	N/A	The nominal value of the capital, which was SAR 5,061,555.79.	0.83%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.
20.	Share Purchase Agreement	The Company	Kamal Osman Jamjoom General Trading W.L.L (the seller)(2)	02/10/2023G	The sale of 100% of the shares of the Kuwait Subsidiary to the Company.	N/A	The nominal value of the capital, which was SAR 4,183,063.99.	0.68%	Kamal Osman Salah Jamjoom, Nadia Kamal Osman Jamjoom, and Jameel Kamal Osman Jamjoom have an indirect interest in this agreement because Kamal Osman Salah Jamjoom owns the counterparty directly and he is a relative of both Jameel and Nadia.

(1) This agreement is not a transaction between the Issuer and a Related Party. However, it was included in this table because it includes a conflict of interest.

(2) Related Party because it is a company Controlled by Kamal Osman Salah Jamjoom (a board member and a Substantial Shareholder), an affiliate of the Company.

(3) Related Party because it is a Subsidiary of the Company that is not wholly legally owned.

(4) All members of the group benefit from these services, not just the UAE branch/the contracting company

In addition to the above, there are two arrangements between the Company and KOJ Trading which are (1) assignment of financing (Please see Section (2.1.22) ("**Risks related to current financing arrangements and related to the Group's ability to obtain future financing**") for more details) and (2) cash pooling (please see Section (2.1.26) ("**Risks related to Related Party transactions**") for more details). Both are Related Party transactions and involve conflict of interest for Kamal Jamjoom, Nadia Jamjoom, and Jameel Jamjoom because Kamal owns the counterparty and he is a relative of both Jameel and Nadia.

10.9 Insurance

The Company and its Subsidiaries maintain insurance policies that cover various types of risks to which they may be exposed. These policies were entered into with several insurance companies. The following table shows the key details of the material insurance policies held by the Company and its Subsidiaries as of 1 June 2025G, noting that the Company is working on obtaining an insurance policy related to the Offering.

Table (10.9): Material Insurance

#	Coverage type	Insurer	Insured Party	Country	Insurance Policy Number	Insurance Coverage End Date	Insurance Coverage \ Maximum Compensation
1.	Combined Material Damage - Property All Risks and Business Interruption	Buruj Cooperative Insurance	The Company	KSA	02/F/2025/000017	07/04/2026	(SAR745,750,347.53)
2.	Motor Commercial "Aman Plus" Insurance Policy Certificate	Gulf Union Al Ahlia Cooperative Insurance	The Company	KSA	34944	03/12/2025	(SAR 10,000,000) to cover bodily and material damages for each incident separately and for the total coverage.
3.	Group Medical Expenses Insurance	Tawuniya	The Company	KSA	44623446	28/2/2026	(SAR 1,000,000) per person annually for each document.
4.	Public, Pollution and Products Liability	Buruj Cooperative Insurance	The Company	KSA	02/PL/2025/000011	07/04/2026	For Section A - Public Liability - (SAR 10,200,000) for any single incident and unlimited in the annual aggregate For Section B - Sudden and Unexpected Pollution - (SAR 10,200,000) for any single incident and in the annual aggregate For Section C - Product Liability - (SAR 10,200,000) for any single incident and in the annual aggregate.
5.	Combined Material Damage - Property All Risks and Business Interruption	Co-insurers: Liva 50% / Orient Takaful 50%	UAE Subsidiary	UAE	P-10-1002-101-2025-239	07/04/2026	General Liability: (AED 189,373,784.28)
6.	Fidelity Guarantee	Orient Takaful PJSC	UAE Subsidiary	UAE, Qatar, Kuwait, Bahrain, Oman, and KSA	P-10-3705-371-2025-66	07/04/2026	A limit of (AED 1,000,000) applies for any single employee and (AED 2,000,000) in aggregate during any single insurance period.
7.	Loss of Money	Orient Takaful PJSC	UAE Subsidiary	UAE, Qatar, Kuwait, Bahrain, Oman, and KSA	P-10-3702-371-2025-90	07/04/2026	Estimated amount: (AED 150,000 to 240,000 any one loss).

#	Coverage type	Insurer	Insured Party	Country	Insurance Policy Number	Insurance Coverage End Date	Insurance Coverage \ Maximum Compensation
8.	Marine Cargo Open Policy	Orient Takaful PJSC	The Company, and UAE Subsidiary, Oman Subsidiary, Bahrain Subsidiary, Kuwait Subsidiary, and Qatar Subsidiary	United Arab Emirates	P-10-2010-201-2025-32	07/04/2026	Insured limit of: (AED 5,000,000)
9.	Combined Material Damage - Property All Risks and Business Interruption	Kuwait Islamic Takaful Insurance Company	Kuwait Subsidiary	Kuwait	PAR/P/01/3003/2025/00077	07/04/2026	(AED 47,508,081.23).
10.	Public, Pollution and Products Liability	Kuwait Islamic Takaful Insurance Company	Kuwait Subsidiary	GCC	GEN/P/01/5004/2025/00052	07/04/2026	For Section A - Public Liability - (AED 10,000,000) (or local equivalent) for any single incident and unlimited in the annual aggregate For Section B - Sudden and Unexpected Pollution - (AED 10,000,000) for any single incident and in the annual aggregate For Section C - Product Liability - (AED 10,000,000) for any single incident and in the annual aggregate.
11.	Public, Pollution and Products Liability	Orient Takaful PJSC	UAE Subsidiary	GCC	P-10-3802-381-2025-81	07/04/2026	For Section A - General Liability - (AED 10,000,000) (or local equivalent) for any single incident and unlimited in the annual aggregate For Section B - Sudden and Unexpected Pollution - (AED 10,000,000) for any single incident and in the annual aggregate For Section C - Product Liability - (AED 10,000,000) for any single incident and in the annual aggregate.
12.	Group Medical Insurance (Comprehensive Major Medical & Critical Illness Insurance Only)	American Life Insurance Company (MetLife)	UAE Subsidiary	Oman	6293630000	31\07\2026	Not listed.
13.	Group Medical Insurance (Comprehensive Major Medical & Critical Illness Insurance Only)	American Life Insurance Company (MetLife)	UAE Subsidiary	Qatar	6293640000	31/07/2026	Not listed.

#	Coverage type	Insurer	Insured Party	Country	Insurance Policy Number	Insurance Coverage End Date	Insurance Coverage \ Maximum Compensation
14.	Group Medical Insurance (Comprehensive Major Medical & Critical Illness Insurance Only)	American Life Insurance Company (MetLife)	UAE Subsidiary	United Arab Emirates Bahrain and Kuwait	62936	31/07/2026	Not listed.
15.	Group Life Insurance	American Life Insurance Company (MetLife)	UAE Subsidiary, Oman Subsidiary, Bahrain Subsidiary, Kuwait Subsidiary, and Qatar Subsidiary	United Arab Emirates. Oman, Bahrain, Kuwait and Qatar	62973	31/07/2026	Not listed.
16.	Workmen's Compensation Policy	Orient Insurance PJSC	UAE Subsidiary	GCC	P/01/6021/2024/4254	31/07/2026	Not listed.
17.	Workmen's Compensation Policy	Kuwait Qatar Insurance Company (K.S.C.C.)	Kuwait Subsidiary	Kuwait	P124500201000094	31/07/2026	Annual wages – (KWD 132,332,952).
18.	Passive War Risk Coverage on Group Life, Permanent Partial Disability & Permanent Total Disability	American Life Insurance Company (MetLife)	UAE Subsidiary	United Arab Emirates	62973	31/07/2026	Not listed.
19.	Combined Material Damage - Property All Risks and Business Interruption	Orient Insurance PJSC (Muscat Branch)	Oman Subsidiary	Oman	P/71/1002/2021/04	07/04/2026	AED 23,473,323.17
20.	Combined Material Damage - Property All Risks and Business Interruption	Orient Insurance PJSC (Bahrain Branch)	Bahrain Subsidiary	Bahrain	P/81/1002/2021/34/04	07/04/2026	AED 20,558,903.86
21.	Combined Material Damage - Property All Risks and Business Interruption	Seib Insurance & Reinsurance Company (Qatar) Branch)	Qatar Subsidiary	Qatar	01/PAR/2025/02614	07/04/2026	AED 33,495,416.49

#	Coverage type	Insurer	Insured Party	Country	Insurance Policy Number	Insurance Coverage End Date	Insurance Coverage \ Maximum Compensation
22.	Public, Pollution and Products Liability	Seib Insurance & Reinsurance Company (Qatar)	Qatar Subsidiary	GCC	01/PPL/2025/00379	07/04/2026	For Section A - Public Liability - (AED 10,000,000) (or local equivalent) for any single incident and unlimited in the annual aggregate For Section B - Sudden and Unexpected Pollution - (AED 10,000,000) for any single incident and in the annual aggregate For Section C - Product Liability - (AED 10,000,000) for any single incident and in the annual aggregate.
23.	Public, Pollution and Products Liability	Orient Insurance PJSC Sultanate of Oman	Oman Subsidiary	GCC	P/71/6002/2021/3/04	07/04/2026	For Section A - Public Liability - (AED 10,000,000) (or local equivalent) for any single incident and unlimited in the annual aggregate For Section B - Sudden and Unexpected Pollution - (AED 10,000,000) for any single incident and in the annual aggregate For Section C - Product Liability - (AED 10,000,000) for any single incident and in the annual aggregate
24.	Public, Pollution and Products Liability	Orient Insurance PJSC (Bahrain Branch)	Bahrain Subsidiary	GCC	N\A	07/04/2026	For Section A - Public Liability - (AED 10,000,000) (or local equivalent) for any single incident and unlimited in the annual aggregate For Section B - Sudden and Unexpected Pollution - (AED 10,000,000) for any single incident and in the annual aggregate For Section C - Product Liability - (AED 10,000,000) for any single incident and in the annual aggregate.
25.	Directors and Officers Liability Insurance	Tawuniya	The Company	KSA	N\A	31/05/2026	USD 15,000,000/- any one occurrence and in the annual aggregate

10.10 Real Estate

The Group does not own any real estate, but leases the premises it occupies. The below table summarizes the leases for the key locations and the top 20 stores in terms of revenue contribution. The list is not organized in the order of importance of revenue contribution.

Table (10.10): Key Leases

#	Location / Store	City, Country	Tenant	Landlord	Effective Date	Expiry Date
1.	Headquarters[1]	Jeddah, KSA	The Company	Al Eskan International Real Estate Development and Investment	15/09/2024G	14/03/2028G
2.	UAE Offices	Dubai, UAE	UAE Subsidiary	Dubai Hills Estate Retail L.L.C.	01/06/2024G	31/05/2027G
3.	KSA Warehouse	Jeddah, KSA	The Company	Al-Nokhba United Commercial Ltd.	16/05/2024G	31/08/2025G
4.	Nayomi - Dammam - Nakheel Mall Palace	Dammam, KSA	The Company	Arabian Centres Company	01/07/2024G	30/06/2027G
5.	Nayomi - Dhahran - Dhahran Mall Palace	Dhahran, KSA	The Company	Arabian Centres Company	01/07/2024G	09/02/2025G[1]
6.	Nayomi - Doha - Hyatt Plaza 2	Doha, Qatar	Nayomi WLL (Qatar)	Qatar Mall Company	01/05/2024G	30/04/2029G
7.	Nayomi - Dubai - Dubai Mall - 2	Dubai, UAE	Jamjoom Fashion Trading LLC (Nayomi)	Emaar Malls Management L.L.C	11/01/2022G	10/01/2028G
8.	Nayomi - Dubai - Mall Of The Emirates 2	Dubai, UAE	Nayomi (BR of Jamjoom Fashion Trading LLC)	Majid Al Futtaim Mall of the Emirates LLC	01/01/2023G	31/12/2025G
9.	Nayomi - Dubai - Mirdiff CC Palace	Dubai, UAE	Jamjoom Fashion Trading LLC - Single Owner	Majid Al Futtaim Investments Mirdif LLC	01/07/2024G	31/12/2025G
10.	Nayomi - Hassah - Othaim Mall Palace	Al-Ahsa, KSA	The Company	Abdullah Al-Othaim Company Closed Joint Stock	14/08/2024G	13/08/2025G
11.	Nayomi - Jeddah - Aziz Mall	Jeddah, KSA	The Company	Arabian Centres Company	01/07/2024G	30/06/2027G
12.	Nayomi - Jeddah - Mall of Arabia Palace	Jeddah, KSA	The Company	Arabian Centres Company	01/07/2024G	30/06/2027G
13.	Nayomi - Jeddah - Red Sea Mall	Jeddah, KSA	KOJ Trading KSA(1)	Red Sea Markets Company	05/05/2025G	04/05/2028G
14.	Nayomi - Kuwait - Awtad Mall - Jahara	Kuwait	Kuwait Subsidiary	Awtad Real Estate	01/01/2018G	31/12/2022G automatically renewed
15.	Nayomi - Madinah - Al Noor Mall Palace	Madinah, KSA	The Company	Arabian Centres Company	01/07/2024G	30/06/2027G
16.	Nayomi - Makkah - Abraj Al Bait Mall 2	Makkah, KSA	The Company	Al Bayt Construction & Building Co. Ltd.	29/07/2024G	28/07/2026G
17.	Nayomi - Makkah - Makkah Mall - 2	Makkah, KSA	The Company	Arabian Centres Company	01/07/2024G	30/06/2027G
18.	Nayomi - Manama - Bahrain City Centre 2	Manama, Bahrain	Bahrain Subsidiary	Majid Al Futtaim Properties Bahrain BSC Closed	13/08/2022G	12/08/2025G
19.	Nayomi - Riyadh - Al Hamra Mall Palace	Riyadh, KSA	The Company	Arabian Centres Company	01/07/2024G	30/06/2027G
20.	Nayomi - Riyadh - Al Salam Plaza	Riyadh, KSA	The Company	Arabian Centres Company	01/07/2024G	30/06/2026G
21.	Nayomi - Riyadh - Granada Centre 2	Riyadh, KSA	The Company	General Organization for Social Insurance	15/03/2025G	14/03/2028
22.	Nayomi - Riyadh - Nakheel Mall Palace	Riyadh, KSA	The Company	Arabian Centres Company	01/07/2024G	30/06/2027G
23.	Nayomi - Taif - Joury Mall Palace	Taif, KSA	The Company	Arabian Centres Company	01/07/2024G	30/06/2027G

(1) Under renewal.

10.11 Intellectual Property

10.11.1 Trademarks

The Company owns most of its trademarks including the ones in the Kingdom, UAE, Kuwait, and Qatar. However, Group does not own all the trademarks it uses outside of the Kingdom, rather:

1- The Group is using 25 trademarks registered in the name of the Substantial Shareholder (KOJ Trading) or its other Subsidiaries. KOJ Trading and the Company are currently in the process of transferring those trademarks, and have signed a licensing agreement in the interim to enable the Group to use those trademarks.

2- There are 10 trademarks for Nayomi in Egypt, Jordan, Malaysia, and Tunisia which are in the name of the sole proprietorship of Kamal Osman Jamjoom (which then converted to KOJ Trading) and could not be transferred to KOJ Trading or the Company due to administrative issues. The Group does not sell in these countries and do not foresee the need to use such registration there. Nevertheless, those are included in the Licensing Agreement and the Group is the one with the right to use them.

The following are the main details of all the registered trademarks of the Company in the Kingdom.

Table (10.11): Owned Trademarks

#	Trademark	Registered owner	Country of Registration	Registration Number	Class	Registration Date	Expiration Date
1.	جمجوم فاشن JAMJOOM FASHION	The Company	Kuwait	KW1668589	35	24\12\2024G	24\12\2034G
2.	جمجوم فاشن JAMJOOM FASHION	The Company	Kuwait	KW1668736	25	25\01\2025G	29\01\2035G
3.	جمجوم فاشن JAMJOOM FASHION	The Company	The Kingdom of Saudi Arabia	TM-01-00-42246-24	25	12\10\1446H	24\04\1456H
4.	جمجوم فاشن JAMJOOM FASHION	The Company	The Kingdom of Saudi Arabia	TM-01-00-16876-25	35	25\01\1447H	29\10\1456H
5.	جمجوم فاشن JAMJOOM FASHION	The Company	Bahrain	145697	35	04/06/2025G	03/02/2035G
6.	جمجوم فاشن JAMJOOM FASHION	The Company	Bahrain	145696	25	04/06/2025G	03/02/2035G
7.	BOOTYPARLOR	The Company	Bahrain	145683	3	04/06/2025G	30/01/2035G
8.	مهيار	The Company	Saudi Arabia	143202711	25	17/06/1433H	15/03/1452H
9.	مهيار	The Company	Saudi Arabia	143202710	35	17/06/1433H	15/03/1452H

#	Trademark	Registered owner	Country of Registration	Registration Number	Class	Registration Date	Expiration Date
10.	مهيار	The Company	Saudi Arabia	143204606	3	15/07/1433H	01/05/1452H
11.	مهيار	The Company	Saudi Arabia	143204605	14	17/06/1433H	01/05/1452H
12.	مهيار	The Company	Saudi Arabia	143204603	18	17/06/1433H	01/05/1452H
13.	مهيار	The Company	Saudi Arabia	143204604	44	17/06/1433H	01/05/1452H
14.		The Company	Saudi Arabia	143204584	3	15/07/1433H	01/05/1452H
15.		The Company	Saudi Arabia	143204589	18	17/06/1433H	01/05/1452H
16.		The Company	Saudi Arabia	143204588	25	15/07/1433H	01/05/1452H
17.		The Company	Saudi Arabia	143204587	35	15/07/1433H	01/05/1452H
18.		The Company	Saudi Arabia	143204586	44	17/06/1433H	01/05/1452H
19.		The Company	Saudi Arabia	143204597	3	15/07/1433H	01/05/1452H
20.		The Company	Saudi Arabia	143204600	14	13/01/1434H	01/05/1452H
21.		The Company	Saudi Arabia	143204598	18	15/06/1433H	01/05/1452H

#	Trademark	Registered owner	Country of Registration	Registration Number	Class	Registration Date	Expiration Date
22.	مهيار فارس القمر	The Company	Saudi Arabia	143204602	25	17/06/1433H	01/05/1452H
23.	مهيار فارس القمر	The Company	Saudi Arabia	143204599	35	17/06/1433H	01/05/1452H
24.	مهيار فارس القمر	The Company	Saudi Arabia	143204601	44	17/06/1433H	01/05/1452H
25.		The Company	Saudi Arabia	143204585	14	17/06/1433H	01/05/1452H
26.	نعومي Nayomi	The Company	Saudi Arabia	142906745	25	15/04/1430H	17/06/1449H
27.	نعومي Dream	The Company	Saudi Arabia	1443013176	25	06/08/1443H	12/04/1453H
28.	نعومي Dream	The Company	Saudi Arabia	1443013179	35	06/08/1443H	12/04/1453H
29.	نعومي Little Dream	The Company	Saudi Arabia	1443013279	25	06/08/1443H	12/04/1453H
30.	نعومي Little Dream	The Company	Saudi Arabia	1443013182	35	12/08/1443H	12/04/1453H
31.	نعومي	The Company	Saudi Arabia	143403107	3	16/09/1434H	07/03/1454H
32.	نعومي	The Company	Saudi Arabia	143403108	25	16/09/1434H	07/03/1454H
33.	نعومي	The Company	Saudi Arabia	143403109	35	16/09/1434H	07/03/1454H
34.	نعومي	The Company	Saudi Arabia	143403110	44	19/09/1434H	07/03/1454H

#	Trademark	Registered owner	Country of Registration	Registration Number	Class	Registration Date	Expiration Date
35.	NAYOMI	The Company	Saudi Arabia	143404791	3	02/01/1435H	13/04/1454H
36.	NAYOMI	The Company	Saudi Arabia	143404790	3	02/01/1435H	13/04/1454H
37.	NAYOMI	The Company	Saudi Arabia	143404789	35	22/01/1435H	19/04/1454H
38.	Nayomi	The Company	Saudi Arabia	143405139	3	22/01/1435H	19/04/1454H
39.	Nayomi	The Company	Saudi Arabia	143405140	25	27/11/1434H	19/04/1454H
40.	Nayomi	The Company	Saudi Arabia	143405141	35	18/11/1434H	19/04/1454H
41.		The Company	Saudi Arabia	141600215	25	19/02/1419H	05/02/1456H
42.	BOOTYPARLOR	The Company	Saudi Arabia	1441018080	3	28/09/1441H	21/06/1451H
43.	Nayomi	The Company	United Arab Emirates	66802	3	07\09\2005G	29\01\2035G
44.	Nayomi	The Company	United Arab Emirates	66803	24	07\09\2005G	29\01\2035G
45.	Nayomi	The Company	United Arab Emirates	66801	35	07\09\2005G	29\01\2035G
46.	Nayomi Nayomi	The Company	United Arab Emirates	151098	25	27\09\2011G	27\12\2030G
47.	Nayoumi	The Company	United Arab Emirates	24686	25	03\06\1998G	15\12\2027G
48.	NAYOMI	The Company	United Arab Emirates	151094	3	27\09\2011G	27\12\2030G

#	Trademark	Registered owner	Country of Registration	Registration Number	Class	Registration Date	Expiration Date
49.	NAYOMI	The Company	United Arab Emirates	151095	25	27\09\2011G	27\12\2030G
50.	NAYOMI	The Company	United Arab Emirates	151096	35	27\09\2011G	27\12\2030G
51.	Dream	The Company	United Arab Emirates	364761	25	30\03\2022G	16\11\2031G
52.	Dream	The Company	United Arab Emirates	364763	35	30\03\2022G	16\11\2031G
53.	Little Dream	The Company	United Arab Emirates	364772	25	30\03\2022G	16\11\2031G
54.	Little Dream	The Company	United Arab Emirates	364774	35	30\03\2022G	16\11\2031G
55.	نعومي	The Company	United Arab Emirates	185121	3	23\06\2014G	16\01\2033G
56.	نعومي	The Company	United Arab Emirates	185122	25	23\06\2014G	16\01\2033G
57.	نعومي	The Company	United Arab Emirates	185123	35	23\06\2014G	16\01\2033G
58.	نعومي	The Company	United Arab Emirates	185124	44	23\06\2014G	16\01\2033G
59.	نعومي	The Company	Kuwait	110085	35	17\01\2013G	17\01\2033G
60.	نعومي	The Company	Kuwait	110083	3	17\01\2013G	17\01\2033G
61.	Nayomi	The Company	Kuwait	64466	24	03\04\2006G	03\04\2026G
62.	Nayomi	The Company	Kuwait	64670	3	03\04\2006G	03\04\2026G
63.	NAYOMI	The Company	Kuwait	95369	35	27\01\2011G	27\01\2031G
64.	NAYOMI	The Company	Kuwait	95368	25	27\01\2011G	27\01\2031G
65.	NAYOMI	The Company	Kuwait	96220	3	27\01\2011G	27\01\2031G

#	Trademark	Registered owner	Country of Registration	Registration Number	Class	Registration Date	Expiration Date
66.	نعومي	The Company	Kuwait	110084	25	17\01\2013G	17\01\2033G
67.	Nayomi	The Company	Kuwait	95370	25	27\01\2011G	27\01\2031G
68.	Nayomi	The Company	Kuwait	75523	35	03\04\2006G	03\04\2026G
69.	Nayomi	The Company	Qatar	66947	25	13\06\2013G	02\03\2031G
70.	NAYOMI	The Company	Qatar	66946	25	13\06\2013G	02\03\2031G
71.	NAYOMI	The Company	Qatar	66945	3	13\06\2013G	02\03\2031G
72.	NAYOMI	The Company	Qatar	66948	35	13\06\2013G	02\03\2031G
73.	Nayomi	The Company	Qatar	34800	3	12\12\2007G	30\01\2025G*
74.	Nayomi	The Company	Qatar	34801	24	12\12\2007G	30\01\2025G*
75.	Nayomi	The Company	Qatar	34802	35	12\12\2007G	30\01\2025G*
76.	مهيار	The Company	Qatar	88254	35	13\04\2016G	26\03\2034G
77.	نعومي	The Company	Qatar	78915	3	23\10\2022G	16\01\2033G
78.	نعومي	The Company	Qatar	78916	25	10\10\2022G	16\01\2033G
79.	نعومي	The Company	Qatar	78918	35	10\10\2022G	16\01\2033G
80.	نعومي	The Company	Qatar	78919	42	24\12\2015G	16\01\2033G
81.	مهيار	The Company	United Arab Emirates	208700	35	25\09\2014G	27\03\2034G
82.	مهيار	The Company	Kuwait	122607	35	27\03\2014G	26\03\2034G
83.	Nayomi	The Company	China	44376857	25	28\12\2021G	05\03\2030G

#	Trademark	Registered owner	Country of Registration	Registration Number	Class	Registration Date	Expiration Date
84.	Nayomi	The Company	Bahrain	43448	24	17\02\2007G	05\02\2035G
85.	Nayomi	The Company	Bahrain	43449	35	17\02\2007G	05\02\2035G
86.	Nayomi	The Company	Bahrain	43447	3	17\02\2007G	05\02\2035G
87.	NAYOMI	The Company	Bahrain	85529	3	07\03\2011G	07\03\2031G
88.	NAYOMI	The Company	Bahrain	85530	25	07\03\2011G	07\03\2031G
89.	NAYOMI	The Company	Bahrain	85531	35	07\03\2011G	07\03\2031G
90.	Nayomi	The Company	Bahrain	85526	25	07\03\2011G	07\03\2031G
91.	نعومي	The Company	Bahrain	95732	3	25\09\2014G	17\01\2033G
92.	نعومي	The Company	Bahrain	95733	25	25\09\2014G	17\01\2033G
93.	نعومي	The Company	Bahrain	95734	35	25\09\2014G	17\01\2033G
94.	مهيار	The Company	Bahrain	102888	35	08\09\2016G	30\03\2034G
95.	NAYOMI	The Company	Oman	66601	3	19/12/2011G	29/01/2031G
96.	NAYOMI	The Company	Oman	66600	25	11/01/2021G	29/01/2031G
97.	NAYOMI	The Company	Oman	66599	35	11/01/2012G	29/01/2031G
98.	Nayomi	The Company	Oman	66598	25	11/01/2012G	29/01/2031G
99.	نعومي	The Company	Oman	78502	3	02/09/2014G	20/01/2033G
100.	نعومي	The Company	Oman	78500	25	22/01/2015G	20/01/2033G
101.	نعومي	The Company	Oman	78503	35	02/09/2014G	20/01/2033G
102.	مهيار	The Company	Oman	86911	35	20/08/2015G	30/03/2034G

#	Trademark	Registered owner	Country of Registration	Registration Number	Class	Registration Date	Expiration Date
103.	Nayomi	The Company	Oman	35503	3	16/04/2006G	05/02/2035G
104.	Nayomi	The Company	Oman	35501	24	16/04/2006G	05/02/2035G
105.	Nayomi	The Company	Oman	35500	35	16/04/2006G	05/02/2035G

* Under renewal.

The trademark licensing agreement between the Company and KOJ Trading is summarized below:

Contract	Party	Counterparty	Date	Nature	Term	Value
Trademark licensing agreement	The Company	KOJ Trading KSA	16/01/2025G	Licensing the use of 96 trademarks (Mihyar and Nayomi) outside of the Kingdom. It is worth noting that a significant number of these trademarks were transferred to the Company's name following the execution of the agreement.	Perpetual, until all trademarks are transferred.	No charge.

For more details about the risks relating to trademarks, please refer to Section (2.1.7) ("**Risks related to intellectual property, maintenance of brand quality and reputation and protection of the Group's trademarks and designs**").

10.12 Litigation and Disputes

As at the date of this Prospectus, the Company and its Subsidiaries are not party to any judicial dispute or claim or an ongoing investigation, which could have, individually or collectively, a material impact on the business of the Group or its financial position.

10.13 Summary of bylaws

10.13.1 Company Name

Jamjoom Fashion Trading Company a single-person joint stock (joint stock company).

10.13.2 Headquarter of Company

The company's head office is located in Jeddah, and branches may be established inside or outside the Kingdom by a resolution of the Board of Directors.

10.13.3 Objectives of the Company

The company carries out and implements the following objectives:

1- Retail sale of clothing, shoes and leather goods in specialized stores
2- Retail sale of pharmaceutical and medical products, cosmetics and ornaments in specialized stores
3- Land transportation of goods
4- Warehousing
5- Activities of the main offices Supervising and managing other units in the company or institution

The company carries out its purposes in accordance with the applicable regulations and after obtaining the necessary licenses from the competent authorities, if any.

10.13.4 Company Term

The term of the company is indefinite.

10.13.5 Capital

The issued capital of the company was set at seventy-nine million, four hundred and seventy-eight thousand (SAR 79,478,000) Saudi Riyals, divided into (7,947,800) nominal shares of equal value, each with a value of (SAR 10) Saudi Riyals, all of which are ordinary shares in exchange for cash shares, and the value paid in cash is seventy-nine million, four hundred and seventy-eight thousand (SAR 79,478,000) Saudi Riyals. The cash amounts paid from the issued capital have been deposited with one of the licensed banks.

10.13.6 Shares Subscription

The shareholders subscribed to the entire issued share capital, amounting to (SAR 79,478,000) Saudi Riyals, fully paid.

10.13.7 Sale of shares with unpaid value

1- The shareholder is obliged to pay the remaining value of the share within the specified deadlines. If the shareholder fails to meet the payment within the set deadline, the Board of Directors may, after notifying the shareholder via modern technology or sending a registered letter, or by any other means of modern communication, sell the share in a public auction or on the financial market, as applicable.
2- The company shall collect the amounts due to it from the proceeds of the sale and refund the remaining balance to the shareholder. If the sale proceeds are insufficient to cover the owed amount, the company may recover the remaining balance from all of the shareholder's assets.
3- The rights associated with the shares of the shareholder who has failed to pay their value by the specified deadline shall be suspended until the share is sold or the outstanding amount is paid, as per paragraph (1) of this article. This includes the right to receive a share of the net profits to be distributed, the right to attend general assemblies, and the right to vote on their resolutions. However, the shareholder may, up until the sale date, pay the outstanding amount along with the expenses incurred by the company in this regard, in which case the shareholder is entitled to request the distribution of profits.
4- The company shall cancel the share certificate of the sold share in accordance with the provisions of this article and issue a new certificate to the buyer, retaining the same share number. The sale shall be recorded in the shareholders' register, and the necessary details of the new owner shall be updated.

10.13.8 Capital increase

1- The company's Board of Directors may, by resolution, increase the issued share capital within the limit of the authorized capital, provided that the issued capital has been fully paid.
2- The Extraordinary General Assembly may decide to increase the company's issued capital, provided that the issued capital has been fully paid. It is not required for the capital to be fully paid if the unpaid portion pertains to shares issued in exchange for the conversion of debt instruments or financial bonds into shares, and the conversion period has not yet expired.

10.13.9 Capital decrease

1- The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's needs or if the company has incurred losses. In the latter case only, the capital may be reduced below the limit set forth in Article 59 of the Companies Law. A resolution to reduce the capital shall not be issued unless a statement is read at the General Assembly, prepared by the Board of Directors, outlining the reasons for the reduction, the company's obligations, and the impact of the reduction on fulfilling those obligations. A report from the company's auditor shall be attached to this statement.

2- If the reduction in capital is due to excess capital beyond the company's needs, creditors must be invited to submit any objections, if any, to the reduction at least 45 days before the scheduled date for the Extraordinary General Assembly meeting to decide on the reduction. The invitation shall include a statement showing the amount of capital before and after the reduction, the date of the meeting, and the date when the reduction will take effect. If any creditor objects to the reduction and submits their documentation within the specified period, the company must repay their debt if due or provide adequate security to settle it if it is due at a later date.

3- The principle of equality must be observed among shareholders holding shares of the same type and class when reducing the capital.

10.13.10 Shareholders Register

The company's shares are traded through registration in the shareholders register, which is prepared by the company or outsourced to a third party, in accordance with the financial market regulations once the company becomes a listed joint-stock company. The shareholders register, if prepared by the company, must include the names, nationalities, residences, occupations of the shareholders, as well as the share numbers and the amounts paid on them. The registration shall reflect the ownership of the share. The transfer of ownership of the registered share shall not be valid against the company or third parties except from the date of registration in the aforementioned register.

10.13.11 Shares buyback

1- The company has the right to purchase, sell, pledge, and use its shares as collateral.

2- The purpose of the company's purchase of its shares may be to allocate them as treasury shares in accordance with applicable laws and regulations.

3- The company may adopt an employee share program and use treasury shares in this program, whether these treasury shares result from the company's purchase of its own shares or from shares issued as part of a capital increase under Article 15 of these Bylaws, for the benefit of the company's employees or its subsidiaries, in accordance with applicable laws and regulations.

10.13.12 Company management

a- The management of the company is entrusted to a Board of Directors consisting of (6) members, who must be natural persons. They are elected by the Ordinary General Assembly of shareholders for a term of (4) years.

b- The working procedures of the Board of Directors are as follows:

- The meetings shall be held at the company's headquarters, via modern technology, or any other location deemed appropriate by the Board.
- The quorum for a meeting is the presence of 50% of the Board members.
- The legal quorum for making decisions requires the approval of 51% of the members.
- Board members are not allowed to appoint proxies to attend meetings on their behalf.

10.13.13 Termination or Expiration of Board Membership

The membership of a board member ends upon the expiration of their term or when the member's eligibility expires in accordance with any applicable laws or regulations in the Kingdom. The General Assembly, based on the recommendation of the Board of Directors, may terminate the membership of any member who has been absent from attending (three) consecutive meetings or (five) separate meetings during their membership term without a valid excuse accepted by the Board of Directors.

10.13.14 Expiration of the Board of Directors' Term, Resignation of Members, or Vacancy of Membership

1- The Board of Directors must, before the expiration of its term, invite the Ordinary General Assembly to convene to elect a new Board for the next term. If it is not possible to conduct the election and the current board's term expires, its members will continue to perform their duties until the new Board is elected, provided that the duration of the current board's continuation does not exceed the period specified by the executive regulations of the Companies Law.

2- If the Chairman and members of the Board resign, they must invite the Ordinary General Assembly to convene to elect a new Board. The resignation will not be effective until the new Board is elected, and the duration of the Board's continuation after resignation shall not exceed the period specified by the executive regulations of the Companies Law.

3- A Board member may resign from the Board by submitting a written notice to the Chairman of the Board. If the Chairman resigns, the notice must be sent to the other members of the Board and the Board Secretary. The resignation will be effective in both cases from the date specified in the notice.

4- If a position on the Board becomes vacant due to the death or resignation of a member and this does not result in a violation of the quorum required for the Board to function due to a lack of members, the Board may appoint a temporary replacement with the required expertise and competence. The Commercial Register, and the Capital Market Authority if the company is listed, must be notified of the appointment within 15 days of the appointment date. The appointment must be presented for approval at the first Ordinary General Assembly meeting. The appointed member will complete the remainder of the term of the predecessor.

5- If the conditions for the valid convening of the Board are not met due to a lack of members below the minimum required under the Companies Law or these Bylaws, the remaining members must call the Ordinary General Assembly to convene within 60 days to elect the required number of members.

10.13.15 Powers of the Board

Subject to the powers of the General Assembly, the Board of Directors or those it delegates has the broadest authority to manage the company in a way that achieves its objectives. Specifically, it has the following powers:

1- To issue, renew, and cancel primary and subsidiary commercial registrations.

2- To sign contracts for companies in which the company is a partner, purchase shares, liquidate the company, sell shares, and represent the company in any company in which it holds shares.

3- To establish companies in the company's name, register them with the Ministry, represent them before a notary public, sign the company's contract and partner decisions, issue commercial registrations, renew them, and cancel them.

4- To open bank accounts, establish letters of credit, deposit and withdraw funds, issue checks, update accounts, request account statements, apply for facilities, request guarantees, sign loan contracts, sign commercial papers, sign promissory notes, submit any requests or services under the jurisdiction of the Communications and Information Technology Commission, and delegate any person, in accordance with the relevant regulations, to submit any requests or services under the jurisdiction of the Communications and Information Technology Commission.

5- To buy, sell, transfer properties, real estate, land, shares, pledge assets, create and release liens, and collect funds.

6- Approve and sign commercial papers, create, cancel, and close commercial papers.

7- Modify contracts of companies in which the company is a partner, approve decisions of the partners, change the legal structure, increase and decrease capital, accept share transfers, purchase shares, manage partner entry and exit, sign decisions on mergers, amend other provisions of the company's founding contract, liquidate the company, and convert the company into an institution.

8- Represent the company before notary public offices and courts, hear and respond to lawsuits, negotiate settlements, accept or reject arbitration, concede or deny, waive rights, argue in court, defend, make claims, initiate disputes, appoint arbitrators and lawyers, use and execute all electronic services of the Ministry of Justice, delegate others for the execution of these services, sign loan agreements and amendments, sign follow-up agreements, sign consultancy agreements, sign before the notary regarding industrial liens over all company assets, accept loans, waive loans, request loan exemptions, repay loans, sign documentary credit agreements, sign guarantee agreements, sign debt restructuring agreements for the company and partners, and issue, amend, or cancel disclaimers.

9- Provide services related to non-profit sectors, including intermediary services, volunteering services, non-profit entity establishment and management services, and the supply of goods and services to non-profit entities.

10- Use and execute all services of the "Etimad" platform, convert an institution branch, open commercial registry branches, purchase and sell institutions, sign documents with the Chamber of Commerce, review social insurance and tax authority documents, and engage with various government agencies, including the Ministry of Commerce and Investment, the Zakat, Tax, and Customs Authority, and others, managing commercial records, cancelling commercial records, reviewing the Civil Defense, modifying records, adding activities, reserving trade names, renewing membership with the Chamber of Commerce, modifying commercial records, transferring commercial records, extracting damaged or lost records, registering trademarks, assigning trademarks, and assigning trade names.

11- Obtain various licenses, purchase and register boats, obtain replacements for lost or damaged fishing permits, import boats, cancel boat licenses, renew permits, modify licenses, add activities, reserve names, cancel licenses, renew Chamber of Commerce subscriptions, open branches, review social insurance, review civil defense, review Zakat and Income Authority, issue fishing permits, issue boat licenses, renew boat licenses, transfer boat licenses, sell boats, renew fishing permits, cancel fishing permits, issue replacements for lost or damaged licenses, open branch for licensing, transfer licenses, establish companies, sign founding contracts and modification appendices, cancel founding contracts and modification appendices, sign partner resolutions, appoint and dismiss managers, amend company objectives, liquidate the company, convert the company from a joint-stock to a limited liability company, convert the company from a limited liability company to a joint-stock company, convert the company from a partnership to a limited liability company, increase capital, decrease capital, enter or exit partners, join existing companies, transfer shares, stocks, and bonds, determine capital, receive surplus allocation, sell shares and stocks and receive their value, transfer or sell capital shares, sell a company branch, amend a partner's nationality in the contract, accept transfers of shares and stocks in capital, purchase shares and stocks and make payments, close company accounts with banks, open company accounts with banks, sign agreements, register the company, register agencies and trademarks, attend general assemblies, open company branches, open company files, sign founding contracts and modification appendices at the notary public, issue and renew commercial records for the company, subscribe to and renew Chamber of Commerce membership, review General Investment Authority and sign before it, review Quality and Standards Authority, review Capital Market Authority, issue and renew licenses for the company, convert an institution to a company, convert a company branch into an institution, convert a company branch into a company, publish the founding contract, modification appendices, summaries, and bylaws in the official gazette, review telecom companies and establish fixed or mobile phone lines in the company's name, enter tenders and receive forms, sign contracts related to the company with third parties, transfer or cancel trademarks, amend company names, issue visas, convert company into institution, receive visa compensations, update employee data, open and renew basic and subsidiary files, cancel and liquidate employees, report runaway employees, cancel runaway employee reports, transfer sponsorships, amend job titles, transfer and liquidate business ownership, review private recruitment offices, review the labor force department's computer division, issue and renew work permits, receive Saudization certificates, issue data reports (printouts), add and delete Saudi employees, recruitment, open a file, activate the Saudi Gate, bring in foreign workers, complete procedures for workers with social insurance, cancel visas, reclaim visa fees, amend nationalities, issue family visit visas, issue family recruitment visas, review the embassy, extend exit and re-entry visas, extend visit visas, issue data reports (printouts), cancel visas, reclaim visa fees, amend arrival points, issue residencies, renew residencies, make exit and re-entry arrangements, process final exit, transfer sponsorships, issue residency replacements for lost or damaged documents, complete procedures for deceased employees, report runaway workers, cancel runaway reports, transfer data, update information, settle and transfer workers, review deportation and expatriates department, issue employee data reports (printouts), cancel workers, manage business affairs, transfer worker sponsorship to oneself, add newborns, complete procedures for deceased employees, manage port affairs, issue re-entry permits, add dependents, add children to the father's or mother's passport, separate children from the father's or mother's passport, issue visas for travel replacements, extend visit visas, amend job titles, issue Hajj permits, review housemaid affairs, register in the e-service, review the Ministry of Agriculture and Agriculture Directorate regarding the review of the notary public or court to accept its release, transfer agricultural decisions, manage property ownership and sale, receive salaries, receive retirement salaries, receive end-of-service benefits and leave compensations, transfer salaries, receive bonuses, issue salary certificates, receive entitlements, open accounts with Sharia-compliant regulations, close and settle accounts, withdraw from accounts, issue ATM cards, issue Sharia-compliant credit cards, receive and disburse remittances, disburse checks, issue certified

checks, issue checkbooks, transfer from accounts, request Sharia-compliant bank loans, open accounts with Sharia-compliant regulations, deposit into accounts, renew subscription in safe deposit boxes, open safe deposit boxes, subscribe to safe deposit boxes, request exemption from loans, object to checks, update data, activate accounts, receive checks, redeem safe deposit box units, review, reschedule installments, request point-of-sale systems, request bank accreditation, request bank guarantees, participate in share subscriptions, receive share certificates, buy Sharia-compliant stocks, sell Sharia-compliant stocks, receive stock values, receive profits, receive surpluses, open Sharia-compliant investment portfolios and amend, cancel orders, subscribe to and buy stocks, sell stocks, redeem units from investment funds, transfer stocks from portfolios, subscribe to units of Sharia-compliant investment funds, manage investment portfolios, issue debt proof certificates, liquidate investment portfolios, open stores, issue health cards, convert agricultural land to residential, review the General Urban Planning Department, open stores, issue licenses, renew licenses, cancel licenses, transfer licenses, issue building and renovation permits, plan lands, issue certificates of completed construction, issue construction permit renewals, issue demolition permits, sign lease contracts, transfer contracts, make land plans, review municipality, convert agricultural land to residential, supervise construction, sign contracts with building institutions and contractors, enter tenders and receive forms, sell and transfer to buyers, buy and accept transfer and pay the price, receive deeds, lease, receive rent, sign lease contracts, renew lease contracts, cancel and terminate lease contracts, mortgage, release mortgage, partition and subdivide, amend boundaries, lengths, areas, plot numbers, plans, deeds, and neighborhoods, sell, accept mortgage, update deeds and enter into the comprehensive system, sell shares, buy shares, rent, amend owner's name and ID number, gift and transfer, accept gift and transfer, waive deficiencies in area, merge deeds, accept gift and transfer, issue new deeds for lost property and data as follows: sale and transfer to heirs, waive ownership shares, verify buildings, issue replacement deeds, for properties located, convert agricultural land to residential or industrial, enter into real estate contributions, buy real estate contribution shares, sell real estate contribution shares, waive leased land, update deeds and enter them into the comprehensive system, issue replacement deeds, convert agricultural land to residential, build land, lease land, change the legal entity of the company, convert the company from a limited partnership to a limited liability company, divide stocks among heirs and transfer to their portfolios.

The Board of Directors is authorized to delegate these powers to individual board members or third parties. Furthermore, the Board must obtain the General Assembly's approval when selling assets valued at more than 50% of the company's total assets, whether in a single transaction or multiple transactions. The 50% threshold is calculated from the date of the first transaction within the preceding twelve months. The Board may delegate the execution of specific tasks or operations to one or more of its members or to third parties.

10.13.16 Board Members' Remuneration

1- The remuneration for the Board of Directors consists of a fixed amount, attendance fees for meetings, benefits in kind, a percentage of net profits, or any other remuneration determined by the General Assembly.

2- The Board of Directors' report to the General Assembly during its annual meeting must include a comprehensive statement detailing the remuneration received or entitled to each board member during the fiscal year. This should include meeting attendance fees, reimbursements, and any other benefits. It should also provide a report on amounts received by board members in their capacity as employees or executives, or for performing technical, administrative, or advisory services. Additionally, the report must include the number of board meetings held and the number of meetings attended by each member.

10.13.17 Powers of the Chairman, Vice Chairman, Managing Director, and Secretary

The Board of Directors shall appoint a Chairman from among its members at its first meeting. It may also appoint a Managing Director or Vice Chairman from among its members. The Board shall also appoint a CEO either from its members or externally.

The Chairman of the Board has the following powers and may exercise them individually, and may delegate these powers to others:

1- Issuing, renewing, and canceling main and branch commercial records.

2- Signing contracts for companies in which the company is a partner, purchasing shares, liquidating companies, selling shares, and representing the company in companies in which it is a shareholder.

3- Establishing companies in the name of the company, registering them with the Ministry, representing them before a notary, signing the company's contract and partners' resolutions, issuing commercial records, renewing them, and canceling them.

4- Opening bank accounts, establishing letters of credit, depositing, withdrawing, issuing checks, updating accounts, obtaining account statements, requesting facilities, requesting guarantees, signing loan contracts, signing commercial papers, signing promissory notes, submitting any request or service within the scope of the Communications and Information Technology Commission's mandate, and delegating any person—according to relevant regulations—to submit such requests or services.

5- Purchasing and selling property, real estate, land, shares, mortgaging assets, mortgage rights, releasing mortgages, and collecting payments.

6- Approving and signing commercial papers, creating, canceling, or closing commercial papers.

7- Amending the contracts of companies in which the company is a partner, approving partners' resolutions, changing the legal structure, increasing or reducing capital, accepting share transfers, purchasing shares, entering or exiting partners, signing merger resolutions, and modifying other founding contract provisions. This includes liquidating the company or transforming it into an institution.

8- Representing the company before notaries and courts, addressing lawsuits, negotiating settlements, accepting or rejecting arbitration and reconciliation, acknowledging, denying, relinquishing rights, litigating, defending, claiming, disputing, appointing arbitrators and lawyers, using and implementing all services from the Ministry of Justice electronically, delegating others to use these services, and signing loan agreements, modifications, attachments, and related documents.

9- Services related to brokers, collection, marketing, and other intermediary services in the nonprofit sector, volunteer services, and services related to the establishment and management of nonprofit entities, as well as providing goods and services to such entities.

10- Using and executing all services on the Etimad platform, transferring business branches, opening record branches, purchasing institutions, signing all documents with the Chamber of Commerce, selling institutions, reviewing records management, extracting records, transferring commercial records, managing records, canceling records, supervising records, and handling membership with the Chamber of Commerce, approving signatures with the Chamber of Commerce, cancelling signatures with the Chamber of Commerce, entering tenders and receiving forms, reviewing social insurance, reviewing the Zakat and Income Authority, managing commercial records, canceling commercial records, reviewing the Civil Defense, modifying records, adding activities, reserving trade names, renewing membership with the Chamber of Commerce, modifying commercial records, transferring commercial records, extracting damaged or lost records, registering trademarks, assigning trademarks, and assigning trade names.

11- Obtaining licenses, purchasing boats, obtain replacements for lost or damaged fishing permits, importing and canceling boat licenses, renew license, amend license, add activities, reserve names, cancel licenses, renew Chamber of Commerce subscriptions, open branches, review social insurance, review civil defense, review Zakat and Income Authority, issue fishing permits, issue boat licenses, renew boat licenses, transfer boat licenses, sell boats, renew fishing permits, cancel fishing permits, issue replacements for lost or damaged licenses, open branch for licensing, transfer licenses, establish companies, sign founding contracts and modification appendices, cancel founding contracts and modification appendices, sign partner resolutions, appoint and dismiss managers, amend company objectives, liquidate the company, convert the company from a joint-stock to a limited liability company, convert the company from a limited liability company to a joint-stock company, convert the company from a partnership to a limited liability company, increase capital, decrease capital, enter or exit partners, join existing companies, transfer shares, stocks, and bonds, determine capital, receive surplus allocation, sell shares and stocks and receive their value, transfer or sell capital shares, sell a company branch, amend a partner's nationality in the contract, accept transfers of shares and stocks in capital, purchase shares and stocks and make payments, close company accounts with banks, open company accounts with banks, sign agreements, register the company, register agencies and trademarks, attend general assemblies, open company branches, open company files, sign founding contracts and modification appendices at the notary public, issue and renew commercial records for the company, subscribe to and renew Chamber of Commerce membership, review General Investment Authority and sign before it, review Quality and Standards Authority, review Capital Market Authority, issue and renew licenses for the company, convert an institution to a company, convert a company branch into an institution, convert a company branch into a company, publish the founding contract, modification appendices, summaries, and bylaws in the official gazette, review telecom companies and

establish fixed or mobile phone lines in the company's name, enter tenders and receive forms, sign contracts related to the company with third parties, transfer or cancel trademarks, amend company names, issue visas, convert company into institution, receive visa compensations, update employee data, open and renew basic and subsidiary files, cancel and liquidate employees, report runaway employees, cancel runaway employee reports, transfer sponsorships, amend job titles, transfer and liquidate business ownership, review private recruitment offices, review the labor force department's computer division, issue and renew work permits, receive Saudization certificates, issue data reports (printouts), add and delete Saudi employees, recruitment, open a file, activate the Saudi Gate, bring in foreign workers, complete procedures for workers with social insurance, cancel visas, reclaim visa fees, amend nationalities, issue family visit visas, issue family recruitment visas, review the embassy, extend exit and re-entry visas, extend visit visas, issue data reports (printouts), cancel visas, reclaim visa fees, amend arrival points, issue residencies, renew residencies, make exit and re-entry arrangements, process final exit, transfer sponsorships, issue residency replacements for lost or damaged documents, complete procedures for deceased employees, report runaway workers, cancel runaway reports, transfer data, update information, settle and transfer workers, review deportation and expatriates department, issue employee data reports (printouts), cancel workers, manage business affairs, transfer worker sponsorship to oneself, add newborns, complete procedures for deceased employees, manage port affairs, issue re-entry permits, add dependents, add children to the father's or mother's passport, separate children from the father's or mother's passport, issue visas for travel replacements, extend visit visas, amend job titles, issue Hajj permits, review housemaid affairs, register in the e-service, review the Ministry of Agriculture and Agriculture Directorate regarding the review of the notary public or court to accept its release, transfer agricultural decisions, manage property ownership and sale, receive salaries, receive retirement salaries, receive end-of-service benefits and leave compensations, transfer salaries, receive bonuses, issue salary certificates, receive entitlements, open accounts with Sharia-compliant regulations, close and settle accounts, withdraw from accounts, issue ATM cards, issue Sharia-compliant credit cards, receive and disburse remittances, disburse checks, issue certified checks, issue checkbooks, transfer from accounts, request Sharia-compliant bank loans, open accounts with Sharia-compliant regulations, deposit into accounts, renew subscription in safe deposit boxes, open safe deposit boxes, subscribe to safe deposit boxes, request exemption from loans, object to checks, update data, activate accounts, receive checks, redeem safe deposit box units, review, reschedule installments, request point-of-sale systems, request bank accreditation, request bank guarantees, participate in share subscriptions, receive share certificates, buy Sharia-compliant stocks, sell Sharia-compliant stocks, receive stock values, receive profits, receive surpluses, open Sharia-compliant investment portfolios and amend, cancel orders, subscribe to and buy stocks, sell stocks, redeem units from investment funds, transfer stocks from portfolios, subscribe to units of Sharia-compliant investment funds, manage investment portfolios, issue debt proof certificates, liquidate investment portfolios, open stores, issue health cards, convert agricultural land to residential, review the General Urban Planning Department, open stores, issue licenses, renew licenses, cancel licenses, transfer licenses, issue building and renovation permits, plan lands, issue certificates of completed construction, issue construction permit renewals, issue demolition permits, sign lease contracts, transfer contracts, make land plans, review municipality, convert agricultural land to residential, supervise construction, sign contracts with building institutions and contractors, enter tenders and receive forms, sell and transfer to buyers, buy and accept transfer and pay the price, receive deeds, lease, receive rent, sign lease contracts, renew lease contracts, cancel and terminate lease contracts, mortgage, release mortgage, partition and subdivide, amend boundaries, lengths, areas, plot numbers, plans, deeds, and neighborhoods, sell, accept mortgage, update deeds and enter into the comprehensive system, sell shares, buy shares, rent, amend owner's name and ID number, gift and transfer, accept gift and transfer, waive deficiencies in area, merge deeds, accept gift and transfer, issue new deeds for lost property and data as follows: sale and transfer to heirs, waive ownership shares, verify buildings, issue replacement deeds, for properties located, convert agricultural land to residential or industrial, enter into real estate contributions, buy real estate contribution shares, sell real estate contribution shares, waive leased land, update deeds and enter them into the comprehensive system, issue replacement deeds, convert agricultural land to residential, build land, lease land, change the legal entity of the company, convert the company from a limited partnership to a limited liability company, divide stocks among heirs and transfer to their portfolios.

The Board of Directors will also appoint a Secretary, either from among its members or externally.

The Chairman of the Board has the authority to delegate (through a written decision) some of his powers to other board members or external individuals to perform specific tasks. The Vice Chairman shall substitute for the Chairman in cases of absence, provided a Vice Chairman has been appointed.

10.13.18 Board Meetings

1- The Board of Directors shall meet at least (4) four times a year, upon the invitation of the Chairman. The Chairman is obligated to call a meeting whenever any board member requests, in writing, the discussion of one or more specific topics.

2- The Board of Directors shall determine the location of its meetings, and it may hold meetings using modern technological means.

10.13.19 Board Meetings and its Resolutions

1- A Board of Directors meeting is valid only if attended by at least 50% of the members, either in person or by proxy.

2- Resolutions of the Board of Directors are passed by a majority vote of the members present, either in person or by proxy. In case of a tie, the vote of the Chairman of the meeting shall prevail.

3- The decision of the Board of Directors takes effect from the date of its issuance, unless otherwise specified in the resolution to take effect at a later time or upon the fulfillment of certain conditions.

10.13.20 Issuing Board Resolutions on Urgent Matters

The Board of Directors may issue resolutions on urgent matters by circulating them to all members, unless any member requests in writing for a meeting of the Board to discuss the matter. These resolutions are passed with the approval of the majority of the members, and they must be presented to the Board at its next meeting for ratification in the meeting minutes.

10.13.21 Board Deliberations

1- The deliberations and decisions of the Board of Directors are recorded in minutes prepared by the Secretary, and signed by the Chairman of the meeting, attending Board members, and the Secretary.

2- The minutes are recorded in a special register, signed by the Chairman of the Board and the Secretary.

3- Modern technological tools may be used to sign, document the deliberations and decisions, and record the minutes.

10.13.22 General Assembly Meeting of Shareholders

1- The meeting of the General Assembly of Shareholders is chaired by the Chairman of the Board, or by the Vice-Chairman in the absence of the Chairman, or by someone appointed by the Board of Directors from among its members in the event of their absence. If this is not possible, the General Assembly will be chaired by a person elected by the shareholders from among the members of the Board or from outside it through voting.

2- Every shareholder has the right to attend the meeting of the General Assembly, and may appoint another person, other than a Board member, to represent them at the meeting.

3- The meeting of the General Assembly, as well as the shareholder's participation in discussions and voting on decisions, may be conducted using modern technological tools.

10.13.23 Invitation to General Assemblies

1- General and special assemblies shall be convened upon the invitation of the Board of Directors. The Board is required to issue the invitation for the ordinary General Assembly to convene within thirty (30) days from the date of a request made by the auditor or by one or more shareholders collectively holding at least ten percent (10%) of the company's shares with voting rights. Should the Board fail to issue such an invitation within the aforementioned thirty (30) days, the auditor shall have the authority to convene the ordinary General Assembly.

2- The request referred to in paragraph (1) of this Article must clearly specify the matters that the shareholders are required to vote on.

3- The invitation to convene the assembly must be issued at least twenty-one (21) days prior to the scheduled date of the meeting, in accordance with the applicable legal provisions, with the following requirements:
   a- Notification of Shareholders: Shareholders must be notified by registered mail sent to their addresses as listed in the shareholder register, or through the announcement of the invitation via modern communication technologies.
   b- Submission to Relevant Authorities: A copy of the invitation and the agenda must be submitted to the commercial registry and, if applicable, to the Capital Market Authority, in the event that the company is listed on the stock exchange at the time of the invitation's issuance.
4- The invitation to the General Assembly must, at a minimum, include the following:
   a- A statement outlining the right of shareholders to attend the meeting, the right to appoint a proxy (who is not a member of the Board of Directors), and the right of shareholders to discuss the items on the agenda, pose questions, and the process for exercising their voting rights.
   b- The location, date, and time of the meeting.
   c- The type of the assembly, whether it is an ordinary or special assembly.
   d- A detailed agenda, including the items on which shareholder approval is required.

10.13.24 Voting in the General Assemblies

The election of the members of the Board of Directors shall be conducted by ordinary voting. Board members shall not participate in voting on decisions of the assembly related to business or contracts in which they have a direct or indirect interest, or that involve a conflict of interest.

10.13.25 Resolutions of the General Assemblies

1- Resolutions of the Ordinary General Assembly shall be passed by the approval of the majority of the voting rights represented at the meeting.
2- Resolutions of the Extraordinary General Assembly shall be passed by the approval of two-thirds (2/3) of the voting rights represented at the meeting, unless the resolution pertains to an increase in capital, a decrease in capital, an extension of the company's duration, its dissolution prior to the expiration of the term specified in its Articles of Association, or its merger with another company, or its division into two or more companies. In such cases, the resolution shall only be valid if approved by three-fourths (3/4) of the voting rights represented at the meeting.

10.13.26 Discussion in General Assemblies

Each shareholder has the right to discuss the items listed on the agenda of the General Assembly and to direct questions regarding them to the members of the Board of Directors and the external auditor. The Board of Directors or the external auditor shall respond to the shareholders' questions to the extent that it does not harm the company's interests. If any shareholder deems the response to their question insufficient, they may appeal to the General Assembly, and the decision made by the Assembly in this regard shall be final and binding.

10.13.27 Preparation of Assembly Minutes

A minutes record shall be prepared for the meeting of the assembly, which includes the number of shareholders present, either in person or by proxy, the number of shares held by them, either in person or by proxy, the number of votes assigned to them, the resolutions adopted, the number of votes in favor or against, and a comprehensive summary of the discussions that took place during the meeting. The minutes shall be regularly documented after each meeting in a special register, which shall be signed by the Chairman of the Assembly, the Secretary, and the vote counters.

10.13.28 Powers and Authorities

The capital owner shall have the powers and authorities of the shareholders' assemblies as prescribed in the Companies Law, and his decisions shall be made in writing without the need for convening the general assembly. These powers particularly include the following:

1- Appointing and dismissing members of the Board of Directors.
2- Appointing one or more auditors for the company, as required by the Companies Law, determining their fees, reappointing them, and dismissing them.
3- Reviewing and discussing the Board of Directors' report.
4- Reviewing and discussing the company's financial statements.
5- Discussing the auditor's report – if available – and deciding regarding it.
6- Deciding on the Board of Directors' proposals regarding the distribution of profits.
7- Establishing the company's reserves and determining their usage.
8- Amending the company's Articles of Association, except for matters prohibited by law.
9- Deciding on the continuation or dissolution of the company.
10- Transforming the company into another legal form.
11- Merging or dividing the company.
12- Releasing the members of the Board of Directors from liability.

10.13.29 Capital Owner's Decisions

The decision of the capital owner shall take effect from the date of its issuance, except in cases where the Companies Law, the company's Articles of Association, or the decision itself specifies a later effective date or upon the fulfilment of certain conditions.

10.13.30 Appointment and Dismissal of the Auditor

The company shall appoint one or more auditors from among those licensed to practice auditing in the Kingdom, as designated by the ordinary general assembly. The assembly shall determine the auditor's remuneration, term of service, and scope of work. The assembly may replace the auditor at any time, without prejudice to the auditor's right to compensation if the replacement occurs at an inappropriate time or for an unjustifiable reason. The reappointment of the auditor is permitted, provided that the term of appointment does not exceed the duration prescribed by the applicable regulations.

10.13.31 Company's Finances and Profit Distribution

The company's financial year shall consist of twelve (12) calendar months, commencing on the 1st day of October and ending at the close of business on the 30th day of September.

10.13.32 Financial Documents

1- At the end of each financial year, the Board of Directors shall prepare the company's financial statements and a report on its activities and financial position for the concluded financial year. This report shall include the proposed method for profit distribution. The Board shall make these documents available to the company's auditor, if any, at least forty-five (45) days prior to the scheduled date for the Annual General Assembly.
2- The Chairman of the Board of Directors, the Chief Executive Officer, and the Chief Financial Officer, if any, shall sign the documents referred to in paragraph (1) of this article. Copies of these documents shall be deposited at the company's main office for the shareholders' access.
3- The Chairman of the Board of Directors shall provide the shareholders with the company's financial statements, the Board of Directors' report, and the auditor's report, if any, once signed, unless these documents have been published via any of the modern technological means. This must be done at least twenty-one (21) days before the scheduled date for the Annual General Assembly. Additionally, the Chairman is required to file these documents in accordance with the provisions of the executive regulations of the Companies Law.

10.13.33 Formation of Reserves

1- The Ordinary General Assembly, when determining the allocation of shares in net profits, may decide to form reserves in such an amount as to serve the interests of the company or ensure the distribution of stable dividends, as far as possible, to the shareholders. Additionally, the Assembly may also allocate amounts from the net profits for social purposes benefiting the company's employees.

2- The Ordinary General Assembly shall determine the percentage of net profits, after deducting reserves, if any, to be distributed to the shareholders.

10.13.34 Entitlement to Dividends

A shareholder is entitled to their share of the profits in accordance with the decision of the General Assembly issued in this regard. The decision shall specify the entitlement date and the distribution date. The right to dividends is granted to the shareholders registered in the shareholders' register at the close of the business day on the entitlement date. The Board of Directors must implement the General Assembly's decision regarding the distribution of dividends to the shareholders.

10.13.35 Interim Dividends

The company may distribute interim dividends on a quarterly or semi-annual basis, and determine the entitlement and distribution dates in accordance with the regulations and procedures issued by the competent authority in this regard.

10.13.36 Dissolution of the Company

The company shall be dissolved for any of the reasons specified in Article (243) of the Companies Law, and upon its dissolution, it shall enter into the liquidation phase in accordance with the provisions of Chapter Twelve of the Companies Law. If the company is dissolved and its assets are insufficient to settle its debts, or if it is in a state of insolvency in accordance with the Bankruptcy Law, it must submit a request to the competent judicial authority to initiate any of the liquidation procedures under the Bankruptcy Law.

10.13.37 Final Provisions

The company is subject to the applicable laws and regulations in the Kingdom of Saudi Arabia. Any provision that contradicts the provisions of the Companies Law in these Bylaws shall be disregarded, and the relevant provisions of the Companies Law shall apply. In cases where no provision is specified in these Bylaws, the Companies Law and its executive regulations shall apply.

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11. Offering Expenses

The Selling Shareholder will be responsible for all costs and expenses associated with the Offering, which are estimated at approximately twelve million Saudi Riyals (SAR 12,000,000). This figure includes the fees of the Financial Advisor, the Lead Manager, the Legal Advisor, the Financial Due Diligence Advisor, and the market adviser, as well as the regulatory fees, marketing, printing and distribution fees and other costs and expenses related to the Offering. The Offering expenses will be deducted from the Offering Proceeds.

12. Waivers

The Company has not applied to the CMA for any waivers from any of the CMA's regulatory requirements.

13. Subscription Terms and Conditions

The Company has made an application to the CMA for the registration of its Shares and the offer of 30% of its Shares on the Parallel Market under the ROSCOs, and an application to the Saudi Exchange for the listing of the Shares on the Exchange in accordance with the Listing Rules.

All Qualified Investors must carefully read the Offering terms and conditions before completing the Subscription Application Form. Signing and submitting the Subscription Application Form through the electronic subscription system of the Lead Manager or any Receiving Agent is deemed an acceptance and approval of the Offering terms and conditions.

13.1 Subscription to Offer Shares

The Offering will consist of two million, three hundred eighty-four thousand, three hundred forty (2,384,340) Offer Shares with a fully paid nominal value of ten Saudi Riyals (SAR 10) per Share at an Offer Price of SAR [•] per Offer Share. The Offer Shares represent 30% of the Company's share capital. The Offering is limited to Qualified Investors, namely:

1- Capital Market Institutions acting for their own account.
2- Clients of a Capital Market Institution licensed to conduct managing activities provided that this Capital Market Institution has been appointed on terms which enable it to make decisions concerning the acceptance of an offer and investment on the Parallel Market, on the client's behalf, without obtaining prior approval from the client.
3- The Government of the Kingdom, any government body, any supranational authority recognized by the CMA or the Exchange, and any other stock exchange recognized by the CMA or Edaa.
4- Government-owned companies, either directly or through a portfolio managed by a Capital Market Institution authorized to carry out managing activities.
5- Companies and funds established in a member state of the Gulf Cooperation Council.
6- Investment funds.
7- Any other legal persons allowed to open an investment account in the Kingdom and an account with Edaa.
8- Natural persons allowed to open an investment account in the Kingdom and an account with Edaa, and fulfilling any of the following criteria:
    a- Has conducted transactions in securities markets with value not less than SAR 40 million in total, and not less than ten transactions in each quarter during the last twelve months.
    b- Holds net assets of not less than SAR 5 million.
    c- Works or has worked for at least three years in the financial sector.
    d- Holds the general securities qualification certificate which is recognized by the CMA.
    e- Holds a professional certificate that is related to securities business and accredited by an internationally recognized entity.
9- Any other persons as specified by the CMA.

13.2 Subscription Terms and Method

Subscription to the Offer Shares can be made through the electronic subscription system of the Lead Manager or any of the Receiving Agents during which the Qualified Investors will be able to subscribe to the Offer Shares during the Offering Period. Subscription Application Forms shall be completed in accordance with the instructions mentioned in this section. Applicants must complete all relevant items of the Subscription Application Form. The Company reserves the right to decline any Subscription Application, in part or in whole, in the event that any of the subscription terms and conditions are not met. Amendments to and withdrawal of the Subscription Application are not permitted once the Subscription Application Form is submitted. The submission of the Subscription Application Form is considered a binding agreement between the relevant subscriber and the Selling Shareholder.

Investors can obtain an electronic copy of this Prospectus and the Subscription Application Form from the Financial Advisor and Lead Manager via the contact details stated below or other Receiving Agents appearing on pages (vi) and (vii):

Financial Advisor and Lead Manager
EFG Hermes KSA Third Floor, North Tower, Sky Towers King Fahd Road, Al Olaya, Riyadh P.O Box 300189, Riyadh 11372 Kingdom of Saudi Arabia Tel.: +966 (11) 293 8048 Fax: +966 (11) 293 8032 Website: www.efghermesksa.com E-mail: contact-ksa@efg-hermes.com

13.3 Offering Period and Conditions

Subscription Application Forms will be received by the Lead Manager and Receiving Agents starting on 09/03/1447H (corresponding to 01/09/2025G) until 12/03/1447H (corresponding to 04/09/2025G). In the event that incomplete or incorrect information is provided in the Subscription Application Form, the Subscription Application Form will be deemed null and void. Each Subscriber is required to specify the number of Offer Shares applied for in the Subscription Application Form, and the total subscription amount will be equal to the number of Offer Shares applied for multiplied by the Offer Price of [•] per Offer Share. Each Qualified Investor who subscribes for the Offer Shares must apply for a minimum of (10) Offer Shares and a maximum of (396,595) Offer Shares. Subscribers must have an active portfolio with the Lead Manager or any of the Receiving Agents, and the Subscription Application Forms must be submitted during the Offering Period with the following documents, as applicable:

Table (13.1): Documents Required for Subscription to the Offer Shares:

Type of Investor		Documents Required for Subscription to the Offer Shares
Saudi Individual Investors	Individual	• Copy of the national ID. • Document that proves that the Subscriber is a Qualified Investor to invest in the Parallel Market (Nomu). • Copy of the inheritance deed if there are heirs (if applicable). • Copy of power of attorney (when submitting the Subscription Application by the agent on behalf of the investor) (if applicable).
	Investment portfolio managed through a Capital Market Institution	• Copy of the national ID. • A letter from the Capital Market Institution confirming the authority of the Capital Market Institution to invest on behalf of the investor's portfolio.
Non-Saudi Individual Investors (resident)	Individual	• Valid copy of residence identity card. • Copy of power of attorney (when submitting the Subscription Application by the agent on behalf of the investor) (if applicable). • Document that proves that the Subscriber is a Qualified Investor to invest in the Parallel Market (Nomu).
	Investment portfolio managed through a Capital Market Institution	• Valid copy of residence identity card. • A letter from the Capital Market Institution confirming the authority of the Capital Market Institution to invest on behalf of the investor's portfolio.

Type of Investor		Documents Required for Subscription to the Offer Shares
Companies	Saudi Company	• Valid copy of the commercial registration certificate. • Copy of the signed power of attorney or the authorization resolution from the shareholders or the board of directors that states authorization to submit the Subscription Application. • A copy from the articles of association, memorandum of association, partners' resolution, or shareholders' general assembly resolution stating that the company is permitted to invest in securities (for non-listed companies). • For listed companies, the board resolution making the decision per the CMA's rules and/or proof that the decision is made by a portfolio manager.
	Capital Market Institution	• Copy of the commercial registration • Copy of the identity card of the authorized signatory. • Copies of the CMA licenses of the (if the investor is a Capital Market Institution licensed by the CMA).
	Investment portfolio managed through a Capital Market Institution	• Valid copy of the commercial registration certificate. • Copy of the signed power of attorney or the authorization resolution from the shareholders or the board of directors that states authorization to submit the Subscription Application. • A letter from the Capital Market Institution confirming the authority of the Capital Market Institution to invest on behalf of the investor's portfolio.
Funds	Investment fund	• Copy of the signed power of attorney or the authorization resolution from the board of directors that states authorization to submit the Subscription Application. • Fund terms and conditions. • Letter from the fund manager confirming its compliance with the applicable CMA regulations in connection with the maximum number of Shares to be applied for.
GCC National	GCC Individual	• Copy of national identity card. • Document that proves that the Subscriber is a Qualified Investor to invest in the Parallel Market (Nomu).
	GCC Company	• Copy of the applicant's commercial registration certificate (or its equivalent), articles of association and bylaws, as needed and any other document that may be required to prove (in the case of companies) that the majority of the capital is owned by citizens of the GCC countries or by their government. • Copy of the signed power of attorney or the authorization resolution from the shareholders or the board of directors that states authorization to submit the Subscription Application. • Document that proves that the Subscriber is a Qualified Investor to invest in the Parallel Market (Nomu).
	GCC Investment Fund	• Copy of the signed power of attorney or the authorization resolution from the board of directors that states authorization to submit the Subscription Application. • Fund terms and conditions. • Document that proves that the Subscriber is a Qualified Investor to invest in the Parallel Market (Nomu). • Copy of any document that proves that the majority of the fund's unit holders are citizens of the GCC countries or their government. • Letter from the fund manager confirming its compliance with the applicable CMA regulations in connection with the maximum number of Shares to be applied for.
	Investment portfolio for a GCC national	• Copy of the commercial registration (for companies) or copy of national identity card (for individuals). • Copy of power of attorney (when submitting the Subscription Application by the agent on behalf of the investor) (if applicable). • Document that proves that the Subscriber is a Qualified Investor to invest in the Parallel Market (Nomu). • A letter from the Capital Market Institution confirming the authority of the Capital Market Institution to invest on behalf of the investor's portfolio.

Subscription amount must be paid immediately to the account shown in the Subscription Application Form. The Lead Manager and/or the Company may reject an application, in full or in part, and the Subscriber will be bound with the number of Shares allocated to him provided it does not exceed the number of shares he/she applied for.

13.4 Allocation and Refunds

The Lead Manager will open an escrow bank account to receive and collect the subscription amounts which it and Receiving Agents receive from Subscribers. Following the end of the Offering Period, the final allocation will be announced and notified to the Subscribers who receive allocation, no later than 17/03/1447H (corresponding to 09/09/2025G). The allocation of Offer Shares will be determined at the discretion of the Financial Advisor in consultation with the Company. Refund of excess subscription amounts, if any, will be made no later than 19/03/1447H (corresponding to 11/09/2025G). Excess subscription amounts, if any, will be refunded to Qualified Investors without any charge or commission being withheld by the Lead Manager or the relevant Receiving Agent. Each investor, by completing the Subscription Application, acknowledges that he has received and read this Prospectus, and accordingly wishes to subscribe to the Offer Shares as specified in the Subscription Application Form. Subscribers should communicate with the Financial Advisor and Lead Manager for any further information.

13.5 Miscellaneous

The Subscription Application Form and all related terms, conditions, provisions, covenants and undertakings shall be binding upon and inure to the benefit of their parties and their respective successors, permitted assigns, executors, administrators and heirs; provided that, neither the Subscription Application Form nor any of the rights, interests or obligations arising pursuant thereto shall be assigned or delegated by any of the parties to the subscription without the prior written consent of the other party.

These instructions and conditions and the receipt of any Subscription Application Forms or related contracts shall be governed, construed and enforced in accordance with the laws of the Kingdom.

This Prospectus has been published in both Arabic and English languages and the Arabic version is the only one approved by the CMA. In the event of a discrepancy between the English and the Arabic texts, the Arabic text of this Prospectus shall prevail.

Pursuant to the requirements of the ROSCOs, the Company shall submit a supplementary prospectus to the CMA if, at any time after the date of publication of this Prospectus and prior to the completion of the Offering, the Company becomes aware that:

a- there has been a significant change in material matters contained in this Prospectus, or

b- additional significant matters have become known which inclusion in this Prospectus would have been necessary.

Except for these two cases, the Company will not update or revise any information included in this Prospectus, whether as a result of new information, future events, updating its information or the information of contracts or licenses or otherwise. In case a supplementary prospectus is published, Subscribers will be permitted to amend and/or their subscription, as per ROSCOs.

13.6 Circumstances Where Trading and Listing May be Suspended or Cancelled

13.6.1 Power to Suspend Trading or Cancel Listing

A- The CMA may suspend trading in listed securities or cancel the listing at any time as it deems fit, in any of the following circumstances:

1- the CMA considers it necessary for the protection of investors or the maintenance of an orderly market;

2- the issuer fails, in a manner which the CMA considers material, to comply with the CML, its implementing regulations or the Listing Rules;

3- the issuer fails to pay on time any fees due to the CMA or the Saudi Exchange or any fines due to the CMA;

4- if it considers that the issuer or its business, the level of its operations or its assets are no longer suitable for the continued listing of its securities on the Exchange;

5- if a reverse takeover is announced, and such announcement does not contain sufficient information about the proposed transaction, and if the issuer announces sufficient information regarding the target and the CMA is satisfied, following the issuer's announcement, that there will be sufficient information available for the public about the proposed transaction of the reverse takeover, the CMA may decide not to suspend trading at this stage;

6- if information about the proposed transaction of reverse takeover is leaked and the issuer cannot accurately assess its financial position and the Saudi Exchange cannot be informed accordingly;

7- if the liquidity requirements set forth in Paragraph (b) of Article 41 of the Listing Rules are not met after the period specified in Subparagraph (1) of Paragraph (d) of Article 43 of the Listing Rules has elapsed;

8- if an application for the financial restructuring of the issuer in the event of its accumulated losses reaching fifty per cent. (50%) or more of its capital is registered with the court under the Bankruptcy Law;

9- if a request for liquidation procedure or the administrative liquidation of the issuer is registered with the court under the Bankruptcy Law;

10- upon the issuance of a final judgment closing the financial restructuring and initiating the liquidation procedure or the administrative liquidation procedure of the issuer in court under the Bankruptcy Law; or

11- upon issuance of a final judgment initiating the liquidation procedure or the administrative liquidation procedure of the issuer in court under the Bankruptcy Law.

B- Lifting of the trading suspension under paragraph above is subject to the following:

1- the issuer adequately addressing the conditions that led to the suspension and the lack of the need to continue the suspension for the protection of investors;

2- the lifting of the suspension is unlikely to affect the normal activity of the Exchange;

3- the issuer complies with any other conditions that the CMA may require;

4- upon the issuance of a final judgment initiating financial restructuring for the issuer under the Bankruptcy Law, unless it was suspended from its activities by the relevant competent authority, if the suspension is made in accordance with paragraph above; and

5- upon the issuance of a final judgment rejecting the commencement of liquidation procedure or administrative liquidation of the issuer under the Bankruptcy Law, unless the issuer was suspended from its activities by the relevant competent authority, if the suspension is made in accordance with paragraph above.

C- The Saudi Exchange shall suspend the trading of securities of the Company in any of the following cases:

1- if the issuer does not comply with the deadlines for the disclosure of its interim financial information within the periods specified in accordance with applicable implementing regulations;

2- if the external auditor's report on the financial statements of the issuer contains an adverse opinion or an abstention from expressing an opinion;

3- if the liquidity requirements in the Listing Rules are not satisfied after listing after the time limit set by the Saudi Exchange for the issuer to rectify its conditions, unless the CMA agrees otherwise; or

4- upon the issuance of a resolution by an Extraordinary General Assembly of the issuer to reduce its capital for the two trading days following the issuance of such resolution.

D- The Saudi Exchange shall remove the suspension referred to in subparagraphs and of paragraph above after one trading session has passed after the cause of suspension ceases to exist. In the event that over-the-counter trading of the issuer's shares is allowed, the Saudi Exchange shall lift the suspension within a period of not more than five trading sessions after the end of the suspension circumstances.

E- The Saudi Exchange may at any time propose to the CMA the suspension of trading of any listed security or cancel its listing where, in its opinion, it is likely that any of the circumstances set out in paragraph above were to occur.

F- The issuer whose securities are subject to a trading suspension must continue to comply with the Capital Market Law, its implementing regulations and the Listing Rules.

G- If the listing suspension continues for six (6) months with no appropriate procedure made by the issuer to correct such suspension, the CMA may cancel the listing.

H- Upon the issuer's completion of a reverse takeover, the issuer's shares shall be de-listed. If the issuer wishes to re-list its shares, it must submit a new application for the registration and admission to listing in accordance with the requirements stipulated in the ROSCOs and the Listing Rules.

I- These provisions shall not prejudice the suspension of trading and the cancellation of listing resulting from the losses of the issuer pursuant to the relevant implementing regulations of the CML and the Listing Rules.

13.6.2 Voluntary Cancellation of Listing

1- After its shares have been listed on the Exchange, an issuer may not cancel the listing without the prior approval of the CMA. To obtain CMA's approval, the issuer must submit a cancellation application to the CMA along with a simultaneous notice to the Saudi Exchange. The application must include the following:
   a- the specific reasons for the request for cancellation;
   b- a copy of the disclosure described in paragraph (4) below;
   c- a copy of the relevant documentation and a copy of all related communication to shareholders if the cancellation is to take place as a result of a takeover or another corporate action by the issuer; and
   d- the names and contact information of the financial advisor and legal advisor appointed according to the ROSCOs.
2- The CMA may, at its discretion, approve or reject the cancellation request.
3- The issuer must obtain the consent of the Extraordinary General Assembly for the cancellation of the listing after obtaining the CMA's approval.
4- Where cancellation is made at the issuer's request, it must disclose this to the public as soon as possible. The disclosure must include the reason for the cancellation, the nature of the event resulting in the cancellation, and the extent to which it affects the issuer's activities.

13.6.3 Temporary Trading Suspension

1- An issuer may request from the Saudi Exchange a temporary trading suspension of its securities upon the occurrence of an event during trading hours which requires immediate disclosure under the CML, its implementing regulations or the Listing Rules, and where the issuer cannot maintain the confidentiality of this information until the end of the trading period. The Saudi Exchange shall suspend the trading of the securities of that issuer immediately upon receiving such request.
2- When trading is temporarily suspended at the issuer's request, the issuer must disclose to the public as soon as possible the reason for the suspension, the nature of the event that gave rise to it, the anticipated length of the suspension and the extent to which it affects the issuer's activities.
3- The CMA may impose a temporary trading suspension without a request from the issuer where the CMA becomes aware of information or circumstances affecting the issuer's activities which the CMA considers would be likely to interrupt the operation of the Exchange or jeopardise the protection of investors. If its securities are subject to temporary trading suspension, the issuer must continue to comply with the CML, its implementing regulations and the Listing Rules.
4- The Saudi Exchange may propose to the CMA to exercise its powers in accordance with paragraph (3) above if it becomes aware of information or circumstances affecting the issuer's activities which would be likely to interrupt the operation of the Exchange or jeopardise the protection of investors.
5- A temporary trading suspension will be lifted following the elapse of the period referred to in paragraph (2) above, unless the CMA or the Saudi Exchange decides otherwise.

13.6.4 Re-Registering and Listing After Cancellation of Listing

After the cancellation of an issuer's securities listing, if the issuer wishes to re-list such securities, it must submit new applications in accordance with the procedures set out in the ROSCOs and the Listing Rules.

13.7 Approvals and Decisions under Which the Shares are Offered

The following are the decisions and approvals under which the Offer Shares are publicly offered:

a- the Company's Board of Directors' resolution recommending the Offering dated 23/07/1446H (corresponding to 23/01/2025G);

b- the Company's shareholder resolution approving the Offering dated 23/07/1446H (corresponding to 23/01/2025G);

c- the CMA's approval of the Offering dated 27/12/1446H (corresponding to 23/06/2025G); and

d- the conditional approval of the Saudi Exchange to list the Shares dated 17\09\1446H (corresponding to 17\03\2025G).

13.8 Lock-up Period

The Selling Shareholder, KOJ Trading, being the only Substantial Shareholder before and after the Offering is subject to a Lock-up Period of twelve (12) months from the date on which trading of the Offer Shares on the Exchange commences. The Selling Shareholder may not dispose of any of its Shares during such period. Following the end of the Lock-up Period, the Selling Shareholder may dispose of its Shares. The Shares are otherwise not subject to restrictions except the ordinary restrictions applicable to listed securities on the Parallel Market (Nomu).

Nayomi

14. Subscription Undertakings

14.1 Acknowledgments and Declarations by Subscribers

By completing and delivering the Subscription Application Form, each Subscriber:

a- agrees to subscribe to the number of Offer Shares specified in the Subscription Application Form;

b- warrants that they have read this Prospectus and has understood all of its content;

c- accepts the Bylaws and all Offering instructions and terms mentioned in this Prospectus and the Subscription Application Form, and subscribes to the Offer Shares accordingly;

d- confirms that they will not waive their right to have recourse against the Company for any damage arising from any incorrect or inadequate material information in the Prospectus, or for any material information missing therefrom which would directly impact the Subscriber's acceptance of the subscription had it been contained in the Prospectus;

e- declares that neither they nor any of their included family members have previously submitted a Subscription Application Form for any Shares and that the Company has the right to reject any or all duplicate applications;

f- accepts the number of Offer Shares allocated to them (up to the maximum of the amount subscribed for) as per the Subscription Application Form and all other Subscription instructions and terms mentioned in the Prospectus and the Subscription Application Form; and

g- warrants not to cancel or amend the Subscription Application Form after submitting it

14.2 Shares' Register and Trading Arrangements

Edaa will keep a shareholders' register containing the Shareholder's names, details and the Shares held by them and the amounts paid for these Shares.

14.3 Saudi Exchange

In 1990G, full electronic trading of shares in the Kingdom was introduced. The Tadawul system was founded in 2001G as a successor to the Electronic Securities Information System. Trading in shares occurs on the "Tadawul" system through a fully integrated trading system covering the entire trading process from the execution of the trade transaction through to settlement. Trading occurs on each Business Day of the week between 10:00 a.m. and 3:00 p.m. from Sunday to Thursday, during which orders are executed.

Transactions take place through the automatic matching of orders. Each valid order is accepted and generated according to the price level. In general, market orders (orders placed at the best price) are executed first, followed by limit orders (orders placed at a price limit), provided that, if several orders are generated at the same price, they are executed according to the time of entry.

Tadawul distributes a comprehensive range of information through various channels, including, in particular, the "Tadawul" website and the "Tadawul" Information Link, which supplies trading data in real time to information providers such as Reuters. Exchange transactions are settled on a T+2 basis.

Listed companies are required to disclose all material information that are important for the investors through the website of the Saudi Exchange. Surveillance and monitoring are the responsibility of the Saudi Exchange, as the operator of the market, to ensure fair trading and an orderly market.

14.4 Trading of the Company's Shares on the Parallel Market

An application was submitted to the CMA to register the Shares and offer two million, three hundred and eighty-four thousand, three hundred and forty (2,384,340) of the Company's Shares on the Parallel Market, and an application was submitted to the Exchange to list the Company's Shares on the Parallel Market (Nomu). It is expected that trading in the Company's Shares will commence upon the final allocation of those Shares and after all relevant statutory procedures are met. The dates and times included in this Prospectus are only indicative and may change or be extended with the approval of the CMA.

Furthermore, Offer Shares can only be traded after all allocated Shares have been deposited in the Shareholders' portfolios on the Exchange, the Company has been registered and its Shares have been listed on the Exchange. Pre-trading is strictly prohibited and investors entering into any pre-trading activities will be acting at their own risk. The Company and its advisers shall bear no legal responsibility in connection with pre-trading activities.

14.5 Post-Listing Undertakings

Following Listing, the Company undertakes to provide the CMA with the date on which the first General Assembly will be held following Listing so that a representative thereof may attend. To the extent needed, the Company undertakes to amend its bylaws and commercial register after listing to reflect its status as a public company.

15. Procedures for Not Completing the Offering

If the Offering is not completed on the date specified for the end of the Offering process stated in this Prospectus (please refer to ("**Key Dates and Subscription Procedures**") of this Prospectus), the Financial Advisor will, within ten (10) days from the end of the Offering Period, notify the CMA in writing of the non-completion of the Offering and then notify the Subscribers. The amounts collected from the Subscribers (if any) will be refunded without deducting any commissions or fees.

The Company confirms that it will comply with any decisions, instructions and procedures issued by the CMA in the event that the Offering is not completed.

16. Documents Available for Inspection

The following documents will be available for inspection at the Company's head office located at 2532, Asma bint Umais, 6705, Ash Shati district, Jeddah, Saudi Arabia, 23513, between 9:00 a.m. and 5:00 p.m. from 23/02/1447H (corresponding to 17/08/2025G) until 12/03/1447H (corresponding to 04/09/2025G) (provided this is not less than seven (7) days prior to the end of the Offering Period):

1- The CMA announcement of the approval of the Offering;
2- the Exchange's conditional approval on the listing of the Company's Shares;
3- the Company's Board of Directors' resolution recommending the Offering dated 23/07/1446H (corresponding to 23/01/2025G);
4- the Company's shareholder's approval of the Offering dated 23/07/1446H (corresponding to 23/01/2025G);
5- the Company's Bylaws (and all amendments thereto);
6- the Company's commercial registration certificate;
7- the Financial Statements of the year ended 30 September 2024 and the interim financials for the three months ended 31 December 2024, and the nine months ended 30 June 2025;
8- the market study prepared by the Market Consultant;
9- the valuation report prepared by the Financial Advisor;
10- A document outlining forward-looking statements and projections concerning the Company's expected financial performance.
11- Letters of consent from:
    a- the Financial Advisor and Lead Manager (EFG Hermes KSA) for the inclusion of its name, logo, and statements in this Prospectus;
    b- the Legal Advisor (Zeyad Sameer Khoshaim Law Firm (Professional Limited Liability Company)), for the inclusion of its name, logo and statements, in this Prospectus;
    c- the Financial Due Diligence Advisor (PricewaterhouseCoopers Professional Services) for the inclusion of its name, logo and statements in this Prospectus;
    d- the Market Consultant (Euromonitor International) for the inclusion of its name, logo and statements in this Prospectus; and
    e- the Auditor (KPMG Professional Services) for the inclusion of its name, logo and statements in this Prospectus.

مهيار

17. Financial Statements and Independent Auditors' Reports

This Section contains the Company's consolidated financial statements for the year ended 30 September 2024G and the interim financials for the three months ended 31 December 2024G, and the nine months ended 30 June 2025G.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Consolidated Financial Statements

For the year ended 30 September 2024

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Consolidated Financial Statements

For the year ended 30 September 2024

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KPMG Professional Services Company
Zahran Business Center
Prince Sultan Street
P. O. Box 55078
Jeddah 21534
Kingdom of Saudi Arabia
Commercial Registration No 403029792

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية
مركز زهران للأعمال
شارع الأمير سلطان
ص. ب. 55078
جده 21534
المملكة العربية السعودية
سجل تجاري رقم ٤٠٣٠٢٩٠٧٩٢

المركز الرئيسي في الرياض

Independent Auditor's Report

To the Shareholders of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company

Opinion

We have audited the consolidated financial statements of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 30 September 2024, the consolidated statements of profit or loss and other comprehensive income, cash flows and changes in equity for the year then ended, and notes to the consolidated financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 September 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), that is endorsed in the Kingdom of Saudi Arabia, that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code's requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG Professional Services Company, a professional closed joint stock company registered in the Kingdom of Saudi Arabia with a paid-up capital of SAR100,000,000 and a non-partner member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.
Commercial Registration of the headquarters in Riyadh is 1010425494.

(ريال سعودي مدفوع بالكامل، وهي عضو غير شريك في الشبكة العالمية لشركات كي 100,000,000شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية، شركة مساهمة مهنية مقفلة مسجلة في المملكة العربية السعودية، رأس ماله ١
بي إم جي المستقلة والتابعة لـ كي بي إم جي العالمية المحدودة، شركة انجليزية خاصة محدودة بالضمان.
١٠١٠٤٢٥٤٩٤ رقم السجل التجاري للمركز الرئيسي في الرياض هو.

KPMG

Independent Auditor's Report

To the Shareholders of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company (continued)

Impairment of non-financial assets

Refer to note 3 to the consolidated financial statements for the material accounting policy, note 4 and note 6 for the critical accounting estimates and assumptions of **Impairment of non-financial assets**.

The key audit matter	How the matter was addressed in our audit
As at September 30, 2024, the Group has property and equipment of Saudi Riyals 221.6 million and intangible assets of Saudi Riyals 8.7 million (collectively referred to as "non-current assets"). Management identifies the cash-generating units ("CGUs") and at each reporting date assesses whether there are any events or changes in circumstances ("impairment indicators") which may indicate that the carrying amount of the CGUs may not be recoverable. If any impairment indicators are identified, management performs a detailed impairment assessment and compares recoverable amounts of the respective CGUs against their carrying amounts. For the purpose of the accompanying consolidated financial statements for the year ended 30 September 2024, management considered the decline in the CGU's operating profits as an impairment indicator. Accordingly, management performed a detailed impairment assessment as at 30 September 2024. Management estimated the value-in-use of each CGU as the recoverable amount based on the approved business plan. Management has also discount rate and revenue as key assumption. In addition, management also performed sensitivity analysis over key assumptions used in the value-in-use calculations to assess the potential impact of a range of possible outcomes on the recoverable amounts and has accordingly disclosed the results in the accompanying consolidated financial statements along with the other required disclosures. Management has concluded that the recoverable amounts of all of the Group's CGUs were higher than their respective carrying amounts, and accordingly, there was no impairment loss incurred for the year ended 30 September 2024. We considered this as a key audit matter due to the inherent estimation uncertainty and significant judgment and subjectivity around assumptions used to determine the forecasted cash flows and discount rate for the assessment of the recoverable amounts.	Our audit procedures included the following: • Assessed the reasonableness of management's identification of the Group's CGUs. • Evaluated management's assessment of the identification of impairment indicators, including the conclusions reached. • Evaluated the design and implementation of controls over the impairment assessment process. • Tested the mathematical accuracy of the underlying calculations. • Tested the accuracy and appropriateness of the input data used by management. • Engaged our internal valuation experts to: a) Assess the appropriateness of the methodology used by management to estimate the recoverable amounts of the CGUs; and b) Assess the reasonableness of discount rate. • Assessed the potential impact of a range of possible outcomes by performing sensitivity analyses over key assumptions in the discounted cash flow model. • Assessed the adequacy and appropriateness of the related disclosures in the accompanying consolidated financial statements

KPMG

Independent Auditor's Report

To the Shareholders of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company (continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, when made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the SOCPA, the applicable requirements of the Regulations for Companies and Company's By-laws and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, Board of Directors, are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

KPMG

Independent Auditor's Report

To the Shareholders of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company and its subsidiaries.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Professional Services

Abdullah Oudah Althagafi
License No. 455

Jeddah, 9 January 2025
Corresponding to 9 Rajab1446H

Docusign Envelope ID: 214C7397-D9B1-42CE-879F-B4C9A78C736B

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Consolidated statement of financial position

At 30 September 2024

	Notes	**2024**	2023
		SR 000	SR 000
Non-current assets			
Property and equipment	*6*	221,623	192,090
Intangible assets	*7*	8,708	1,390
Total non-current assets		**230,331**	**193,480**
Current assets			
Inventories	*8*	116,133	113,884
Prepayments and other receivables	*9*	35,962	36,942
Due from shareholder	*18*	29,196	-
Cash and cash equivalents	*10*	7,961	1,113
Total current assets		**189,252**	**151,939**
Total assets		**419,583**	**345,419**
Equity			
Share capital	*17*	500	500
Other reserve	*17*	78,978	78,978
Retained earnings		30,260	-
Total equity		**109,738**	**79,478**
Non-current liabilities			
Employment benefits	*11*	43,303	30,472
Lease liabilities	*12*	43,801	22,360
Loans and borrowings	*13*	727	2,179
Other non-current liabilities	28	3,769	-
Total non-current liabilities		**91,600**	**55,011**
Current liabilities			
Loans and borrowings	*13*	52,663	44,955
Lease liabilities	*12*	73,286	74,591
Trade and other payables	*14*	53,650	32,293
Accrued expenses and other liabilities	*15*	36,116	9,814
Due to shareholder	*18*	-	44,765
Zakat and income tax accrual	*16*	2,530	4,512
Total current liabilities		**218,245**	**210,930**
Total liabilities		**309,845**	**265,941**
Total liabilities and equity		**419,583**	**345,419**

These consolidated financial statements on pages 5 - 49 were approved by the Directors on 9 January 2025.

Kamal Osman Jamjoom	Stephen Holbrook	Scott Brian Bisset
Chairman of the Board	**Chief Executive Officer**	**Chief Financial Officer**

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 September 2024

	Notes	**2024** **SR 000**	2023 SR 000
Revenue	20	612,246	565,650
Cost of sales		(191,187)	(187,249)
Gross profit		**421,059**	**378,401**
Selling and marketing expenses	21	(278,428)	(261,394)
General and administrative expenses	22	(27,920)	(25,424)
Other operating expenses	23	(23,808)	(17,850)
Operating profit		**90,903**	**73,733**
Financial charges	24	(8,493)	(7,817)
Other income	25	3,119	3,260
Net profit before Zakat and income tax expense		**85,529**	**69,176**
Zakat and income tax expense	16	(3,581)	(4,569)
Net profit after Zakat and income tax expense		**81,948**	**64,607**
Other comprehensive income for the year			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit liability	11	(1,688)	-
Total comprehensive income for the year		**80,260**	**64,607**
Earnings per share (EPS):			
Basic and diluted, net profit for the period attributable to ordinary shareholders (in Saudi Riyals)		**1,638.96**	1,292.14

These consolidated financial statements on pages 5 - 49 were approved by the Directors on 9 January 2025.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Consolidated statement of cash flows

For the year ended 30 September 2024

	Notes	**2024**	2023
		SR 000	SR 000
Cash flows from operating activities			
Net profit before Zakat and income tax expense for the year		85,529	69,176
Adjustments for:			
Depreciation – right-of-use assets	6	91,218	86,762
Depreciation	6	22,924	24,293
Loss on disposal of property and equipment	6	122	441
(Gain) / loss on derecognition of right-of-use assets		(2,259)	4,198
Amortisation	7	410	554
Financial charges – Loan interest	24	4,449	4,467
Financial charges – Lease interest	24	3,927	3,454
Provision for employment benefits	11	3,901	4,250
		210,221	**197,595**
Working capital changes			
Inventories		(2,249)	22,997
Prepayments and other receivables		980	5,291
Trade and other payables		21,357	5,443
Due to shareholder		(64,120)	(135,444)
Other non-current liability	28	3,769	-
Accrued expenses and other liabilities		26,302	(11,478)
		196,260	**84,404**
Zakat and income tax paid	16	(5,563)	(57)
Employment benefits paid	11	(2,599)	(3,021)
Net cash generated from operating activities		**188,098**	**81,326**
Cash flows from investing activities			
Acquisition of property and equipment	6	(32,268)	(30,780)
Acquisition of intangible asset	7	(7,728)	(316)
Proceeds from sale of property and equipment		-	6
Net cash used in investing activities		**(39,996)**	**(31,090)**
Cash flows from financing activities			
Proceeds from loans and borrowings	13	137,260	47,134
Payment of principal portion of loans and borrowings	13	(131,004)	-
Payment of interest portion of loans and borrowings	24	(4,449)	(4,467)
Proceeds from issue of share capital		-	500
Dividends paid	17	(50,000)	-
Payment of principal portion of lease payments	12	(89,134)	(89,949)
Payment of interest portion of the lease payments	12	(3,927)	(3,454)
Net cash used in financing activities		**(141,254)**	**(50,236)**
Net increase in cash and cash equivalents during the year		**6,848**	-
Cash and cash equivalents at the beginning of the year		1,113	1,113
Cash and cash equivalents at the end of the year	10	**7,961**	**1,113**

These consolidated financial statements on pages 5 - 49 were approved by the Directors on 9 January 2025.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Consolidated statement of changes in equity

For the year ended 30 September 2024

	Share capital SR 000	Other reserve SR 000	Retained earnings SR 000	Total SR 000
Balance at 1 October 2022	-	-	78,978	78,978
Capital contribution as at 23 June 2023	500	-	-	500
Net profit for the year	-	-	64,607	64,607
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**64,607**	**64,607**
Transactions with shareholders directly recorded in equity				
Dividends (Note 17)	-	-	(64,607)	(64,607)
Transfer to other reserve (Note 17)	-	78,978	(78,978)	-
At 30 September 2023	**500**	**78,978**	**-**	**79,478**
Net profit for the year	-	-	81,948	81,948
Other comprehensive income for the year	-	-	(1,688)	(1,688)
Total comprehensive income for the year	**-**	**-**	**80,260**	**80,260**
Transactions with shareholders directly recorded in equity				
Dividends (Note 17)	-	-	(50,000)	(50,000)
At 30 September 2024	**500**	**78,978**	**30,260**	**109,738**

These consolidated financial statements on pages 5 - 49 were approved by the Directors on 9 January 2025.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes to the consolidated financial statements

For the year ended 30 September 2024

1 Reporting Entity

Jamjoom Fashion Trading – Saudia Arabia (the "Company), a Single Person Joint Stock Company incorporated in the Kingdom of Saudi Arabia under the Commercial Registration No. 4030515435 dated 1444H, Dhu al-Hijjah, 04 (22 June 2023).

The principal activities of Jamjoom Fashion Trading and its subsidiaries (the "Group") are the retail of fashion and intimate apparel. The Group has 215 (2023: 227) stores in the Kingdom of Saudi Arabia and the Gulf Cooperative Council (GCC) which are registered with the relevant authorities in the respective countries. At 30 September 2023, the Group's parent entity is Kamal Osman Jamjoom Trading LLC ("KOJ"), however, the ultimate controlling party is Mr. Kamal Osman Jamjoom.

	Shareholding
Kamal Osman Jamjoom Trading LLC	100%

The registered address of the Company is 7051 Prince Sultan – As Salamah Dist., Unit No 1105, Jeddah 23525 – 2661, Short Address JEMA7051, Kingdom of Saudi Arabia.

The accompanying consolidated financial statements include assets, liabilities, results of the operations and the cash flows of the following subsidiaries:

Name of entity	**Country of incorporation**	**Effective holding of the Group**	**Principal activities**
Jamjoom Fashion Trading SPJSC Dubai branch	UAE	100%	Support services
Jamjoom Fashion Trading LLC	UAE	100%	Retail
Jamjoom Fashion Trading SPC	Oman	100%	Retail
Nayomi Trading WLL**	Qatar	100%	Retail
Jamjoom Fashion Company for the retail sale of ready-made clothes and children's items (a one-person company).	Kuwait	100%	Retail
Jamjoom Fashion Trading WLL	Bahrain	100%	Retail
Jamjoom Fashion Support Services Philippines Inc.	Philippines	100%	Support services

For further details about the above-mentioned subsidiaries, please refer to Note 29.

**Links Management Services LLC, a Company based in Qatar, holds shares in this subsidiary for the beneficial interest of the Company.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

2 Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and other standards and pronouncements that are endorsed in the Kingdom of Saudi Arabia issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") collectively referred to as "IFRS Accounting Standards" as endorsed in the Kingdom of Saudi Arabia.

Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention, using the accrual basis of accounting and the going concern concept, unless stated otherwise.

Comparative financial information

The comparative financial information have been prepared for the specific purpose of presenting the comparative results of Jamjoom Fashion Trading and its subsidiaries, prior to the start of operation of the entity on 1 October 2023. However, the company was legally formed in 22 June 2023. The results included in this report are directly extracted from Kamal Osman Jamjoom Trading LLC and its subsidiaries, and are attributable to Jamjoom Fashion Trading and its subsidiaries.

Functional and presentation currency

These consolidated financial statements are presented in Saudi Arabian Riyals ("SR") which is the Group's presentation currency. All financial information presented in SR has been rounded to the nearest thousand.

Use of estimates and judgements

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected by the revision.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in Note 4.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

3 Material accounting policies

The Group has consistently applied the following material accounting policies to all periods presented in these financial statements.

In addition, the Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 October 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, they impacted on the accounting policy information disclosed in certain instances.

Basis of consolidation

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain the benefits from the activities.

The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred, and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition related costs are expensed as incurred. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Intangible assets and goodwill

Intangible assets are recorded at fair value at the date of acquisition and amortised over their assessed economic useful life.

Identifiable intangible assets which fall within the definitions of IFRS 3, are recorded separately at their respective fair value. Examples of identifiable intangible assets include but not limited to, franchise agreement rights, intrinsic value of store locations, customer databases and loyalty programs. Valuation methods include multi-period discount cash flow modelling and market data analytics. Economic useful life assessment is conducted on each of the asset types separately and can range between specific finite and indefinite periods. In instances where the Group assesses an indefinite period is appropriate, the justification will be reviewed annually for impairment testing.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

3 Material accounting policies (continued)

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

In the case of subsidiaries acquired via common control business combination transactions, the acquired net assets are presented from the beginning of the earliest period in the consolidated financial statements pertaining to the year in which the acquisition is completed.

Transactions eliminated on consolidation

Intra-company balances and transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated.

Acquisition/disposal of entities under common control

Business combinations arising from transfer of interests in entities that are under the control of the Group are accounted for using book values of the entities on the date of acquisition/transfer of interest in these entities. Any gain or loss arising out of these transfers is recognised directly in retained earnings.

Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

3 Material accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances as well as other short-term highly liquid investments, if any, with original maturities of three months or less, which are available to the Group without any restrictions, except for funds held on security for loan repayments.

Inventories

Inventories are stated at the lower of cost and net realisable value. The cost includes purchase price, import duties, nonrefundable taxes, transport and handling costs and any other directly attributable costs less trade discounts and similar items. Costs are assigned to individual items of inventory on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The amount of any write-down of inventories and all losses of inventories shall be recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs. Cost of inventories is recognised as an expense and included in cost of revenues.

Property and equipment

Property and equipment are carried at cost less accumulated depreciation and any recognised impairment losses.

Depreciation is charged to the consolidated statement of profit or loss and other comprehensive income on a straight-line basis over their estimated useful lives of each part of an item of property and equipment. Depreciable amount represents cost of an asset , less its residual value.

The estimated useful lives are as follows:

Assets	**Life (years)**
Leasehold improvements	7 - 10
Furniture and fixtures	3 - 5
Motor vehicles	3 - 5

Depreciation methods, useful lives and residual values are re-assessed at the reporting date.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as a gain or loss during the year.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

3 Material accounting policies (continued)

Property and equipment (continued)

Capital work in progress

Capital work in progress is carried at cost less impairment losses, if any. On completion, the cost of such assets is transferred to the appropriate category of property and equipment.

Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised in the consolidated statement of profit or loss and other comprehensive income on a straight-line basis, over the estimated useful lives of intangible assets from the date they are available for use.

Identifiable intangible assets from acquisition which fall within the definitions of IFRS 3, are recorded separately at their respective value. Economic useful life assessment is conducted on each of the asset types separately and can range between specific finite and indefinite periods. In instances where the Group assesses an indefinite period is appropriate, the justification will be reviewed annually for impairment testing.

The estimated useful lives are as follows:

Intangible assets	**Life (years)**
Leasehold key money	7 - 10
Software	3 - 5
Intellectual Property	
Finite	7 – 10
Indefinite	unspecified

Intangible assets with indefinite useful lives are not amortized but are tested for impairment annually either individually or at the aggregated cash generating unit level. Amortisation methods, useful lives and residual values are re-assessed at the reporting date

Gains or losses arising from derecognizing an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognized.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

3 Material accounting policies (continued)

Employment benefits

The provision for post-employment benefits is calculated in accordance with the local law. Management considers these as long-term obligations and accordingly this obligation has been classified as a long-term liability.

The Group operates unfunded post-employment defined benefit plans namely employees' end of service benefits for all employees as per local labour law for employees.

The liability recognised in the statement of financial position in respect of this benefit, is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The net finance cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the consolidated statement of profit or loss and other comprehensive income.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in the statement of other comprehensive income. In the statement of changes in equity and the statement of financial position, such re-measurement gains and losses are recognised as part of the retained earnings.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the consolidated statement of profit or loss and other comprehensive income as past service costs.

Impairment

Non-derivative financial assets

A financial asset not classified at fair value through profit or loss ("FVTPL") is assessed at each reporting date to determine whether there is objective evidence of impairment. The Group measures loss allowances for its financial assets measured at amortised cost at an amount equal to lifetime expected credit losses ("ECLs"). Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

Financial assets measured at amortised cost

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Assets that are individually significant are tested individually whereas others are grouped together with financial assets of similar credit risk characteristics and assessed collectively.

Jamjoom Fashion Trading
(A Single Shareholder Closed Joint Stock Company)
Notes (continued)

3 Material accounting policies (continued)

Impairment (continued)

Financial assets measured at amortised cost (continued)

Impairment loss is reversed if the reversal can be objectively related to an event that have occurred after the impairment loss was recognised. For financial assets that are measured at amortised cost, the reversal is recognised in the consolidated statement of profit or loss and other comprehensive income.

Non-financial assets

The Group assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's ("CGU's") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset.

For all assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

3 Material accounting policies (continued)

Zakat and income tax

Zakat

Zakat, computed in accordance with Saudi Arabian fiscal regulations, is accrued and charged to the consolidated statement of profit or loss and other comprehensive income.

The Group withheld taxes on transactions with non-resident parties in accordance with Zakat, Tax and Customs Authority (ZATCA) regulations, which is not recognised as expense being the obligation of the counter party on whose behalf the amounts are withheld. The Company is subject to Value Added Tax ("VAT") in accordance with the VAT regulations prevailing in the Kingdom of Saudi Arabia. The amount of VAT liability is determined by applying the applicable tax rate to the value of supply ("Output VAT") less VAT paid on purchases ("Input VAT"). The Company reports revenue and purchases net of VAT for all the periods presented in the statement of profit or loss and other comprehensive income.

Income tax

Income tax on the profit for the year comprises current tax and deferred tax in territories where corporation tax is due. Income tax is recognised in the consolidated statement of profit or loss and other comprehensive income.

The Group withholds taxes on transactions with non-resident parties and on dividends paid to foreign shareholders in accordance with ZATCA regulations.

Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue from contracts with customers when it transfers control over a good or service to a customer based on a five-step model as set out in IFRS 15:

- Step 1 - Identify the contract with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.
- Step 2 - Identify the performance obligations in the contract. A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3 - Determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4- Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- Step 5- Recognise revenue when (or as) the entity satisfies a performance obligation.

Jamjoom Fashion Trading

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Notes (continued)

3 Material accounting policies (continued)

Revenue (continued)

Revenue is measured at the fair value of the consideration received or receivable net of returns and allowances, if any, for the sale of goods in the ordinary course of the Group's activities. The Group recognizes revenue when control of the goods has transferred, being when the products are delivered to the customer, the customer has full discretion over the use or sale of such goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

Delivery occurs when the goods have been acknowledged by the customer, the risks of obsolescence and loss have been transferred to the customer, the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Receivable is recognised when the goods are delivered or acknowledged by the customer as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. In determining the transaction price for the sale of goods, the Group considers the effects the existence of significant financing components, variable consideration, non-cash consideration and consideration payable to the customer (if any). The Group also considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (if any).

For revenue, the stated price is the transaction price, and the Group does not have contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year, and as a result, the Group does not adjust transaction prices for the time value of money.

Revenue from sale of goods

The Group operates a chain of retail outlets. Revenue from sale of goods is recognized when the Group sells a product to the customer i.e. customer takes possession of the goods in store (point in time). Payment of the transaction price is due immediately when the customer purchases the product.

Revenue is recognized upon transfer of control i.e. when the products are delivered to the customers. Payment of the transaction price is normally received upon or before placing online orders.

Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period, if the goods do not meet the quality criteria. Contracts in which a customer may return a defective product in exchange for a functioning product are evaluated by management.

It is the Group's policy to sell its products to the end customer with a right of return and right to exchange within 7 days, depending on the type of product with certain requirements and certain exceptions.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

3 Material accounting policies (continued)

Revenue (continued)

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities, if any (and the corresponding change in the transaction price) at the end of each reporting period.

The Group updates its assessment of provision for expected returns, if any annually and accordingly the provision and refund liabilities are adjusted respectively. Estimates of expected returns and sales discounts, if any, are sensitive to changes in circumstances and the Group's past experience regarding returns and discounts and may not be representative of customers' actual returns and rebate entitlements in the future.

Determining whether a customer will be likely entitled to sales discount will depend on the customer's entitlement. The Group applied the most likely amount method for estimating expected sales discounts for contracts. Any significant changes in experience as compared to historical purchasing patterns and rebate entitlements of customers will impact the expected rebate percentages estimated by the Group.

Revenue from customers, historical experience suggests that the amount of returns is immaterial, and accordingly, no refund liability is recognized at the time of sale. The validity of this conclusion is assessed at each reporting date. If the returns pattern changed, the Group would recognize a refund liability and corresponding asset (right to the returned goods) for products expected to be returned, with revenue and related cost of sales adjusted accordingly.

Cost of revenues

Cost of revenues includes the purchase price of the products sold and other costs incurred in bringing the inventories to the location and condition ready for sale. These costs include costs of purchasing; storing; and transporting products to the extent that it relates to bringing the inventories to the location and condition ready for sale. Overheads are allocated between cost of revenues, selling and distribution expenses and general and administrative expenses, when required, on a consistent basis.

Selling and distribution expenses

Selling and distribution expenses principally consist of costs incurred in the distribution and selling of the Group's products. Allocations between cost of revenues, selling and distribution expenses and general and administrative expenses, when required, on a consistent basis.

General and administrative expenses

General and administrative expenses include direct and indirect costs not specifically part of cost of revenue. Allocations between cost of revenues, selling and distribution expenses and general and administrative expenses, when required, on a consistent basis.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

3 Material accounting policies (continued)

Financial charges

Financial charges comprise interest on bank borrowings, bank charges and exchange gains or losses on foreign currency transactions. Interest on bank borrowings is recognised using the effective interest rate method in the consolidated statement of profit or loss and other comprehensive of income.

Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency ("SR") at exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to SR at the exchange rate prevailing at that date.

Foreign currency gains and losses are reported on a net basis.

Financial instruments

The Group classifies non-derivative financial assets and liabilities into financial assets at amortised cost and other financial liabilities category.

Non-derivative financial assets and financial liabilities – recognition and derecognition

Under IFRS 9, on initial recognition, a financial asset is classified as measured at amortised cost or fair value. The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Non-derivative financial liabilities are recognised initially at fair value less any directly attributable transaction costs. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

Jamjoom Fashion Trading
(A Single Shareholder Closed Joint Stock Company)
Notes (continued)

3 Material accounting policies (continued)

Financial instruments (continued)

Non-derivative financial assets – measurement

Financial assets measured at amortised cost

Financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"):

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.

Financial assets at amortised cost comprise cash and cash equivalents, other receivables and related party receivables.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Borrowings

Borrowings are initially recognised at the fair value (being proceeds received), net of eligible transaction costs incurred, if any. Subsequent to initial recognition, borrowings are measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

3 Material accounting policies (continued)

Borrowings (continued)

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Right-of-use asset

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments; and
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

3 Material accounting policies (continued)

Leases (continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property and equipment' and lease liabilities in the statement of financial position.

Short-term leases and leases of low-value assets

The Group recognises right-of-use assets and lease liabilities for all remaining short-term leases on all existing stores in accordance with IFRS 16. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension option.

However, the Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

The Board of Directors ("BoD") of the Group assesses the financial performance and position of the Group, and makes strategic decisions. The BoD has been identified as being the CODM.

Segment results that are reported to the Group's CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

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Notes (continued)

3 Material accounting policies (continued)

Standards, amendments and interpretations

Standards, amendments and interpretations issued

This table lists the recent changes to the Standards that are required to be applied for an annual period beginning after 1 January 2023 and that are available for early adoption in annual periods beginning on 1 January 2023.

- IFRS 17 Insurance Contracts
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- International Tax Reform - Pillar Two Model Rules (Amendments to IAS 12)

New standards and interpretations issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements.

Of those standards that are not yet effective, none of them is expected to have a material impact on the Group's financial statements.

- Amendments to IAS 1 Presentation of Financial Statements relating to classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants
- Amendments to IFRS 16 Leases, Lease Liability in a Sale and Leaseback
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures, Supplier Finance Arrangements
- Amendment to IAS 21 Lack of Exchangeability

Following are the new IFRS sustainability disclosure standards effective for annual periods beginning on or after 1 January 2024 subject to endorsement of the standards by SOCPA.

- IFRS S1 General requirements for disclosure of sustainability-related financial information
- IFRS S2 Climate-related disclosures

4 Accounting estimates and judgements

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date.

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Notes (continued)

4 Accounting estimates and judgements (continued)

These estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The key judgements, estimates, and assumptions that have a significant impact on the consolidated financial statements of the Group are discussed below:

Impairment of inventories

Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. The management makes a provision for slow moving and obsolete inventory items. Estimates of net realizable value of inventories are based on the most reliable evidence at the time the estimates are made. These estimates take into consideration fluctuations of price or cost directly related to events occurring subsequent to the financial position date to the extent that such events confirm conditions existing at the end of year.

Useful lives of property and equipment

Management determines the estimated useful lives of property and equipment for calculating depreciation. These estimates are determined after considering expected usage of the asset or physical wear and tear. Management believes that any residual value will not result in a significant change to the depreciation charge and carrying amount of the assets. Accordingly, the residual value is assumed to be zero. Management also believes that a straight-line depreciation policy reflects the pattern of consumption of economic benefits.

Impairment of non-current assets

Impairment of non-current assets occurs when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use is based on a Discounted Cash Flow ("DCF") model. For impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Management has determined each individual sales outlet as a separate CGU being the smallest group of asset generating the cash inflows.

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Notes (continued)

4 Accounting estimates and judgements (continued)

Impairment of non-current assets (continued)

Management has performed a sensitivity analysis around the estimates. For details on assumptions used and sensitivities of key assumptions refer Note 6

Accounting for leases

Under IFRS 16, the Group assesses whether a contract is or contains a lease based on the lease definition which requires significant judgement. Further the recognition and measurement requirements of IFRS 16 also require management to apply judgements and estimates, particularly, when determining lease renewal options, purchase options at the end of a lease term, value of guaranteed residual values and deciding whether a lease meets the exemption criteria of a short-term or low value asset lease. Management has used the following significant judgements when applying the requirements of IFRS 16:

- Where lease rentals are based on market prevailing rates, latest agreed rentals are assumed over the entire lease term.
- Where lease periods are not deemed to reflect the assessed period of use, the assessed period of use is taken.
- Substantially all leasehold improvements are removeable and there are no other economic penalties for not exercising the renewal option, the lease term is taken equal to the contractual term.

Employee end of service benefits – Estimate

The cost of the employee end of service benefits plan and the present value of the obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates, and employee turnover rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the market yield on high-quality Corporate/Government bonds. The mortality rate is based on publicly available mortality tables for the country. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country. Further details about employees end of service benefits are provided in Note 11.

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Notes (continued)

4 Accounting estimates and judgements (continued)

Acquisition of subsidiaries

The Group has used various judgements and assumptions when applying the accounting for acquisition of subsidiaries in the consolidated financial statements. The key accounting estimates and judgements include (a) identification and the recognition of intangible assets which were not previously recorded in acquiree's books; and (b) determination of the fair values of identified asset and liabilities as at the acquisition date. The accounting results arrived at by management are sensitive to the changes in underlying assumptions used. Any potential changes in the underlying assumptions would have an impact on the fair values of assets and liabilities recognised as at the acquisition date with a corresponding impact on the goodwill.

Going concern

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the consolidated financial statements have been prepared on a going concern basis.

5 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, Group objectives, policies and processes for measuring and managing risk, and Group's management of capital.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations. The majority of Group revenue is generated through stores sales on a cash basis and hence the incidence of credit risk is low.

Trade and other receivables

The exposure to credit risk on trade and other receivables is monitored on an ongoing basis and these are considered recoverable by Group management.

Cash at bank

The Group places its cash with banks of good repute.

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Notes (continued)

5 Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations arising from its financial liabilities.

The Group manages liquidity by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. The Group has unutilised facilities for overdraft, term loan, project finance and financial guarantees from different banks amounting to SR 2.17 million (2023: SR 4.29 million). Additionally, the group plan to manage the liquidity through generation of the profit from the operation which is positive in the current and the previous year as well.

Market risk

Currency risk

The Group is exposed to currency risk on financial instruments that are denominated in a currency other than the SR. The currencies in which these transactions are primarily denominated are US Dollars (USD), Euro (EUR) and British Pound (GBP). The Group is not exposed to currency risk in respect of transactions in USD as the SR and AED is currently pegged to the USD. The Group periodically uses forward foreign exchange contracts to hedge anticipated settlement of liabilities due in foreign currencies, mainly GBP. No forward foreign exchange contracts were undertaken at the years ending 30 September 2024 and 30 September 2023.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate exposure arises mainly on bank borrowings, which are at floating rates of interest. All debts are subject to re-pricing on a regular basis. Management monitors the changes in interest rates and believes that the fair value and cash flow interest rate risks to the Group are not significant.

Capital management

It is Group policy to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. Apart from these requirements and requirements of certain provisions of the local law, the Group is not subject to any other externally imposed capital requirements apart from those detailed in Note 13.

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Notes (continued)

6 Property and equipment

	Leasehold improvements SR 000	Motor vehicles SR 000	Furniture and fixtures SR 000	Right-of- use asset SR 000	Capital work in progress SR 000	Total SR 000
Cost						
At 1 October 2022	330,713	304	20,028	291,617	72	642,734
Additions	28,900	-	1,623	128,480	257	159,260
Lease modification	-	-	-	(21,854)	-	(21,854)
Disposals	(22,551)	-	(1,079)	(48,301)	-	(71,931)
Transfer from CWIP	36	-	28	-	(64)	-
At 30 September 2023	**337,098**	**304**	**20,600**	**349,942**	**265**	**708,209**
At 1 October 2023	337,098	304	20,600	349,942	265	708,209
Additions	26,909	-	4,639	115,044	116	146,708
Transfer	2,558	452	1,769	-	(49)	4,730
Disposals	(2,716)	(142)	(178)	(178,496)	-	(181,532)
Lease modification	-	-	-	917	-	917
Transfer from CWIP	130	-	85	-	(215)	-
At 30 September 2024	**363,979**	**614**	**26,915**	**287,407**	**117**	**679,032**
Depreciation						
At 1 October 2022	248,075	304	17,448	226,572	-	492,399
Depreciation for the year	22,482	24	1,787	86,762	-	111,055
Adjustment	(488)	(24)	(158)	-	-	(670)
Lease modification	-	-	-	(27,346)	-	(27,346)
Disposals	(21,516)	-	(997)	(36,806)	-	(59,319)
At 30 September 2023	**248,553**	**304**	**18,080**	**249,182**	**-**	**516,119**
Depreciation						
At 1 October 2023	248,553	304	18,080	249,182	-	516,119
Depreciation for the year	21,106	24	1,794	91,218	-	114,142
Transfer	2,083	412	1,631	-	-	4,126
Disposals	(2,638)	(142)	(134)	(174,964)	-	(177,878)
Lease modification	-	-	-	900	-	900
At 30 September 2024	**269,104**	**598**	**21,371**	**166,336**	**-**	**457,409**
Net book value						
At 30 September 2023	88,545	-	2,520	100,760	265	192,090
At 30 September 2024	**94,875**	**16**	**5,544**	**121,071**	**117**	**221,623**

Depreciation expense has been allocated as follows:

	2024 SR 000	2023 SR 000
Selling and marketing expenses (Note 21)	110,553	110,384
General and administrative expenses (Note 22)	3,589	671
	114,142	**111,055**

The charge for the year includes SR 91.22 million (2023: SR 86.76 million) depreciation for right-of-use assets.

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Notes (continued)

6 Property and equipment (continued)

Impairment indicators and assessment

Management identified the decline in the CGU's operating profits as an impairment indicator. Accordingly, management performed a detailed impairment assessment as at 30 September 2024 of its non- current assets at the respective CGU level based on the value-in-use calculation using the latest approved business plan. As a result of such assessment, management concluded that as at 30 September 2024, the recoverable amount of the non-current assets was higher than the carrying amount.

The key estimates and assumptions used by the Group's management for the value-in-use calculations were as follows:

- Projected cash flows; and
- The discount rate used was approximately 9%.

The Group management has performed a sensitivity analysis around the key assumptions used in the discounted cash flow models and believes that the recoverable amount of the CGUs will be equal to their respective carrying amounts based on the following changes in key assumptions:

- Forecasted sales decreased by 1%; or
- Discount rate increased by 100 basis points

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant in the respective CGUs. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

7 Intangible assets

	Software SR 000	Key money SR 000	Intellectual Property SR 000	Total SR 000
Cost				
At 1 October 2022	4,378	4,708	-	9,086
Additions	316	-	-	316
Disposal	(121)	(500)	-	(621)
At 30 September 2023	**4,573**	**4,208**	**-**	**8,781**
At 1 October 2023	4,573	4,208	-	8,781
Additions	190	-	7,538	7,728
Disposal	(8)	-	-	(8)
At 30 September 2024	**4,755**	**4,208**	**7,538**	**16,501**

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Notes (continued)

7 Intangible assets (continued)

	Software SR 000	Key money SR 000	Intellectual Property SR 000	Total SR 000
Amortisation				
At 1 October 2022	4,255	3,203	-	7,458
Amortisation	211	343	-	554
Disposal	(121)	(500)	-	(621)
At 30 September 2023	**4,345**	**3,046**	**-**	**7,391**
At 1 October2023	4,345	3,046	-	7,391
Amortisation	156	254	-	410
Disposal	(8)	-	-	(8)
At 30 September 2024	**4,493**	**3,300**	**-**	**7,793**
Net book value				
At 30 September 2023	228	1,162	-	1,390
At 30 September 2024	**262**	**908**	**7,538**	**8,708**

8 Inventories

	2024 SR 000	2023 SR 000
Goods for resale	95,981	100,375
Goods in transit	20,152	13,509
	116,133	**113,884**

In 2024, inventories of SR 191.18 million (2023: SR 187.25 million) were recognised as an expense during the year and included in 'cost of sales'.

9 Prepayments and other receivables

	2024 SR 000	2023 SR 000
Supplier advances	15,850	21,047
Deposits	13,424	10,370
Prepaid rent	1,078	859
Advances to employees	819	165
Other prepayments	3,468	3,811
Other receivables	1,323	690
	35,962	**36,942**

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Notes (continued)

10 Cash and cash equivalents

	2024	2023
	SR 000	SR 000
Cash in hand	1,511	1,113
Cash at bank	6,450	-
	7,961	**1,113**

At each reporting date, all bank balances are assessed to have low credit risk as they are held with reputable and high credit rating domestic banking institutions and there has been no history of default with any of the Group's bank balances. Therefore, the probability of default based on forward-looking factors and any loss given defaults are considered to be negligible.

11 Employment benefits

The Group has a employment defined benefit plan. The benefits are required by the local labour laws of the respective countries. The benefit is based on employees' final salaries and allowances and their cumulative years of service, as stated in the local laws.

The following table summarises the components of the net benefit expense recognised in the statement of profit or loss and other comprehensive income and amounts recognised in the statement of financial position.

Net benefit expense recognised in statement of profit or loss and other comprehensive income:

	2024	2023
	SR 000	SR 000
Service cost	3,901	4,250
	3,901	**4,250**

Movement in the present value of defined benefit obligation recognised in statement of financial position:

	2024	2023
	SR 000	SR 000
Defined benefit obligation at 1 October	30,472	29,243
Service cost	3,901	4,250
Actuarial loss on the obligation recognised in other comprehensive income	1,688	-
Transfer Liability In - net	9,841	-
Post-employment benefits paid during the year	(2,599)	(3,021)
Defined benefit obligation at the end of the year	**43,303**	**30,472**

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Notes (continued)

11 Employment benefits (continued)

Significant assumptions used in determining the employment defined benefit obligation as at end of the year are shown below:

	2024	2023
Discount rate per annum	4.50%	5.10%
Future salary growth per annum	3.50%	4.00%
Resignation rate per annum	70%	70%
Termination rate per annum	30%	30%
Withdrawal rate per annum	21%	26%
Mortality rates (table)	AM (80)	AM (80)

A quantitative sensitivity analysis for the significant assumptions as at end of the year is, as shown below:

	2024 SR 000
Discount rate:	
1% increase	40,628
1% decrease	46,329
Future salary growth	
1% increase	46,444
1% decrease	40,477

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The average duration of the defined benefit obligation at 30 September 2024 is 6.62 years (2023:6.5 years).

12 Right-of-use assets and lease liabilities

The Group leases offices, warehouses and retail spaces. The leases typically run for a period of one to three years, with an option to renew the lease after that date. Lease payments are renegotiated periodically. For certain lease, the company is restricted from entering into any sub-lease arrangement.

Information on how the Group's management has applied judgements and has used assumptions in applying the accounting for leases, is presented in Note 4. Quantitative information about leases for which the Group is a lessee is presented below.

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Notes (continued)

12 Right-of-use assets and lease liabilities (continued)

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property and equipment (see Note 6).

Right-of-use assets

	2024	2023
	SR 000	SR 000
Balance at 1 October	100,760	65,045
Additions	115,044	128,480
Lease modifications	17	5,492
Disposals	(3,532)	(11,495)
Depreciation charge for the year	(91,218)	(86,762)
Balance at the end of the year	**121,071**	**100,760**

Lease liabilities

Lease liabilities included in the consolidated statement of financial position:

	2024	2023
	SR 000	SR 000
Balance at 1 October	96,951	60,225
Additions	115,044	128,480
Lease modifications	(4,248)	9,212
Disposals	(1,526)	(11,017)
Interest on lease liabilities (Note 24)	3,927	3,454
Payment made against lease liabilities	(93,061)	(93,403)
Balance at the end of the year	**117,087**	**96,951**

Related lease liabilities have been disclosed in the consolidated statement of financial position as follows:

	2024	2023
	SR 000	SR 000
Current portion of lease liabilities	73,286	74,591
Non-current portion of lease liabilities	43,801	22,360
Balance at the end of the year	**117,087**	**96,951**

Amounts recognised in consolidated statement of profit and loss

	2024	2023
	SR 000	SR 000
Interest on lease liabilities (Note 24)	3,927	3,454
Depreciation charge for the year – right of use assets (Note 6)	91,218	86,762
Short-term lease expenses recognised as operating expense (Note 21 and Note 22 Rent expense)	3,442	3,921

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Notes (continued)

12 Right-of-use assets and lease liabilities (continued)

Amounts recognised in consolidated statement of cash flows

	2024	2023
	SR 000	SR 000
Total cash outflow for leases		
Payment of principal amounts	89,134	89,949
Payment of interest	3,927	3,454

13 Loans and borrowings

	2024	2023
	SR 000	SR 000
Balance at 1 October	47,134	-
Loan proceeds	137,260	47,134
Payment of loans	(131,004)	-
Balance at 30 September	**53,390**	**47,134**

	2024	2023
	SR 000	SR 000
Short-term loans and borrowings	51,211	42,840
Current portion of long-term loans and borrowings	1,452	2,115
	52,663	**44,955**
Long term loans and borrowings	2,179	4,294
Less: current portion of long-term loans and borrowings	(1,452)	(2,115)
	727	**2,179**

As at the reporting date, Jamjoom Fashion does not have direct facilities agreements with the regional banks. The Group facility agreements all remain with the Kamal Osman Jamjoom Trading LLC (KSA and UAE) and Kamal Osman Jamjoom Group LLC (UAE). Jamjoom Fashion Trading has been named under the parent entity's facilities agreements and has an assignment of debts aligned to the business usage.

Borrowings include long and short-term facilities with banks in United Arab Emirates and short-term facilities with banks in the Kingdom of Saudi Arabia.

Short-term loans in the Kingdom of Saudi Arabia carry profits in the range of SIBOR plus 2.0% to 3.0% with maturities up to 180 days. These are secured against corporate guarantees from Kamal Osman Jamjoom Group LLC and order notes in favour of the corresponding banks.

Short-term loans in the United Arab Emirates carry interest in the range of EIBOR plus 2.0% to 3.5% per annum.

Long term loans in the United Arab Emirates carries interest in the range of 1 to 3 month EIBOR plus 1.90% to 3.00% per annum with repayment periods not exceeding three years.

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Notes (continued)

13 Loans and borrowings (continued)

The bank borrowings in the United Arab Emirates are secured by corporate guarantees, assignment of risk insurance policy covering stocks, promissory note covering the full facility amount and hypothecation of stocks.

The facility agreements require that certain financial ratios are met at Group and Kamal Osman Jamjoom Trading LLC level, including maintenance of net worth. As at 30 September 2024, the Group were temporarily not in compliance with certain bank covenants relating to total Equity being under the required amount due to the Group Restructure.

14 Trade and other payables

	2024	2023
	SR 000	SR 000
Accounts payable – Trade	37,994	10,720
Accrued purchases	15,656	21,573
	53,650	**32,293**

15 Accrued expenses and other liabilities

	2024	2023
	SR 000	SR 000
VAT tax payable	9,202	-
Accrued marketing	5,150	3,079
Employee related accruals	4,456	656
Accrued rent and related accruals	3,174	2,661
Accrued professional fee	2,152	17
Non-trade payables	2,878	565
Accrued utilities	4,199	2,436
Other accruals and current liabilities	4,905	400
	36,116	**9,814**

Included in the other accruals as of 30 September 2024 is current liability from the acquisition of the Booty Parlor Intellectual Property Rights amounting to SR 1.85 million.

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Notes (continued)

16 Zakat and income tax

Zakat accrual

The movement in the Zakat accrual is attributable to the following:

	2024	2023
	SR 000	SR 000
Balance at the beginning of the year	4,290	-
Zakat expense for the year	1,906	4,290
Zakat paid during the year	(5,303)	-
	893	**4,290**

Zakat expense for the year ended 30 September has been calculated on the adjusted equity base, the significant components of which are as follows:

	2024	2023
	SR 000	SR 000
Share capital	500	500
Adjusted net income	81,948	64,607
Provisions at the beginning of the year	-	-
Deduction tangible and intangible assets	230,331	193,480
Dividend	50,000	64,607

Status of Zakat assessments

Jamjoom Fashion Trading

The Company will file its first tax return for the current year as the business is in its initial year of operations. The comparative period information relates the extracted Brand submissions from Kamal Osman Jamjoom Trading LLC, the former owners of the Brands.

Income tax

	2024	2023
	SR 000	SR 000
Balance at the beginning of the year	222	-
Provision during the year	1,675	279
Tax paid during the year	(260)	(57)
Income tax accrual	**1,637**	**222**

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Notes (continued)

16 Zakat and income tax (continued)

Income tax (continued)

Jamjoom Fashion Trading SPC (Oman)

The Company will file its first tax return for the current year as the business is in its initial year of operations. The comparative period information relates the extracted Brand submissions from Kamal Osman Jamjoom and Partners LLC, the former owners of the Brands.

The tax rate is 15% of taxable income.

Jamjoom Fashion Trading LLC (UAE)

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023.

The Group has assessed the deferred tax implications for the year ended 30 September 2024 and, after considering its interpretations of applicable tax law, official pronouncements, cabinet decisions and ministerial decisions (especially with the transition rules), it has been concluded that the impact is not material to the consolidated financial statements.

Jamjoom Fashion Support Services Philippines Inc.

The company has not yet filed its tax returns for the year up to 30 September 2024 as it is completing its first year of operations.

The tax rate is 25% of taxable income.

Nayomi Trading WLL

During the year, the company was sold to Jamjoom Fashion Trading SPC. As a result, the company no longer conforms to the Qatar Tax Authority requirements of a local partner regulations due to non-compliance with the residency criteria. Therefore, Nayomi Trading WLL is subject to local corporation tax for a GCC international owner.

The tax rate is 10% of taxable income

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Notes (continued)

17 Share capital, other reserve and dividend

At 30 September 2024, the Company's share capital of SR 0.50 million (2023: SR 0.50 million) consists of 50,000 fully paid shares of SR 10 each.

Shareholder	Country of incorporation	**2024**	2023
		SR 000	SR 000
Kamal Osman Jamjoom Trading LLC	Kingdom of Saudi Arabia	500	500

Other reserve

The shareholder has approved to transfer SR 78.97 million from retained earnings to other reserve for future capitalization.

Dividend

During the year ended 30 September 2024, the shareholders approved to distribute SR 50.00 million (per share SR 1,000.00) (2023: SR 64.61 million) (per share SR 1,292.14) as dividend to the shareholders.

18 Due from / to shareholder

	2024	2023
	SR 000	SR 000
Due from shareholder	29,196	-
Due to shareholder	-	44,765

During the year ended 30 September 2024, the Group had transferred to the shareholder (parent company) funds as a result of cash pooling during the first year of operations whilst independent banking arrangements were set up. This has resulted in a residual balance due to be settled by the shareholder in the next year. The balances due to / due from the shareholder is presented on net basis.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

19 Related party transactions and balances

Related party transactions were undertaken in the ordinary course of business at commercially agreed terms and were approved by the management. For the purpose of these consolidated financial statements, related parties are identified as affiliates of the Group include entities which are subsidiaries including subsidiaries and associates of Kamal Osman Jamjoom Trading LLC Group and key management personnel.

In addition to the disclosures set out in note 18, significant related party transactions and balances for the year ended and balances arising there-from are described as under:

Name	Nature of transaction	Amount of transactions: For the year ended September 30		Due from / (Due to) Related parties	
		2024	2023	**2024**	2023
		SR 000	SR 000	**SR 000**	SR 000
Kamal Osman Jamjoom Trading LLC Group	Management services (shared-service cost, support on opening of new stores and others)	**23,808**	17,850		
	Dividend	**50,000**	64,607	**29,196**	(44,765)

Key management personnel compensation

Compensation to Group's key management personnel includes salaries, non-cash benefits, dividends and contributions to post-employment defined benefit plan. The Group has recognised an expense of SR 13.20 million for the year ended 30 September 2024 (2023: SR 12.50 million).

The Group has a recognised cumulative End of Service liability of SR 9.30 million as at the year ended 30 September 2024 (2023 SR 7.40 million). There are no staff loans or outstanding receivables for Key Management Personnel.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

20 Revenue

	2024	2023
	SR 000	SR 000
Sale of goods	**612,246**	565,650

The Group operates a chain of retail stores selling its two brands. Revenues from sale of goods (i.e. readymade clothes and consumables) is recognised at a point in time when control is transferred to the customer, generally on delivery of the goods.

The Group does not expect to have any contracts where the period between the transfer of goods to the customer and payment by the customer exceeds one year, and accordingly, the transaction prices are not adjusted for the time value of money.

As per the contracts with the customers, there is no financing, non-cash consideration or consideration payable to customer involved in transaction price.

There were no material returns, refunds, advances and, therefore, no contract balances for the years ended 30 September 2024 and 2023.

There are no warranties provided by the Group on sale of its products and, accordingly, no contract liabilities recorded for the years ended 30 September 2024.

Cost of revenue mainly includes material cost includes purchase price of clothes and other goods sold, import duties, non-refundable taxes, transport and handling costs.

Revenue brand wise is as follows, additionally the Mihyar only operates in KSA.

	2024	2023
	SR 000	SR 000
Nayomi	524,175	482,811
Mihyar	88,071	82,839
	612,246	**565,650**

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

21 Selling and marketing expenses

	2024	2023
	SR 000	SR 000
Depreciation (Note 6)	110,553	110,384
Payroll and related expenses	106,411	98,961
Advertising	20,080	17,974
Credit card charges	6,325	5,753
Professional fees	5,939	4,038
Shop supplies	5,106	4,562
Licenses	3,211	3,191
Electricity	3,128	3,163
Rent expenses	2,351	1,959
Repairs and maintenance	2,280	2,104
Communication	1,832	1,802
Travelling and transportation expenses	1,710	1,394
Delivery expense	874	837
Amortisation (Note 7)	410	554
Other expenses	8,218	4,718
	278,428	**261,394**

22 General and administrative expenses

	2024	2023
	SR 000	SR 000
Payroll and related expenses	14,337	15,724
Professional fees	5,599	4,313
Depreciation (Note 6)	3,589	671
Rent expenses	1,091	1,962
Travelling expenses	399	387
Electricity	376	365
Office supplies	268	261
Licenses	165	160
Communication	118	114
Repairs and maintenance	95	93
Other expenses	1,883	1,374
	27,920	**25,424**

23 Other operating expenses

	2024	2023
	SR 000	SR 000
Management recharge	**23,808**	17,850

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

24 Financial charges

	2024 SR 000	2023 SR 000
Financial charges on bank borrowings	4,449	4,467
Interest on lease liabilities (Note 12)	3,927	3,454
Forex and bank service charges	117	(104)
	8,493	**7,817**

25 Other income

	2024 SR 000	2023 SR 000
Human Resources Development Fund (HRDF) refund	3,067	2,976
Others	52	284
	3,119	**3,260**

26 Contingent liabilities and commitments

	SR 000	SR 000
Contingent liabilities:		
- letters of guarantee	**635**	-
Capital commitments	**21,556**	22,412

27 Financial instruments

Financial assets of the Group include receivables from HRDF and other receivables, and cash and cash equivalents. Financial liabilities of the Group include bank borrowings, trade payables, lease liabilities and accrued expenses. Material accounting policies for financial assets and liabilities are set out in Note 3.

Credit risk

At the balance sheet date, the carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	SR 000	SR 000
Other receivables	14,747	11,060
Due from shareholder	29,196	-
Cash at bank	6,450	-
	50,393	**11,060**

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

27 Financial instruments (continued)

Liquidity risk

The following are the undiscounted contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount SR 000	Contractual cash flows SR 000	Less than one year SR 000	More than one year SR 000
Non-derivative financial liabilities				
Trade and other payables	53,650	53,650	53,650	-
Accrued expenses and other liabilities	26,914	26,914	26,914	-
Lease liabilities	117,087	124,670	77,928	46,742
Loans and borrowings	53,390	55,294	54,545	749
At 30 September 2024	**251,041**	**260,528**	**213,037**	**47,491**

	Carrying amount SR 000	Contractual cash flows SR 000	Less than one year SR 000	More than one year SR 000
Non-derivative financial liabilities				
Trade and other payables	32,293	32,293	32,293	-
Accrued expenses and other liabilities	9,814	9,814	9,814	-
Lease liabilities	96,951	101,114	77,141	23,973
Loans and borrowings	47,134	48,774	46,437	2,337
At 30 September 2023	**186,192**	**191,995**	**165,685**	**26,310**

Currency risk

The Group's exposure to currency risk comprises exposure to the Euro (EUR) and British Pound (GBP). At the reporting date the exposure to EUR and GBP was as follows based on notional amounts:

	2024 GBP 000	**2024 EUR 000**	2023 GBP 000	2023 EUR 000
Trade and other payables	**645**	**1,199**	703	484

Jamjoom Fashion Trading

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Notes (continued)

27 Financial instruments (continued)

Currency risk (continued)

The following significant exchange rates were applied during the year:

	2024 Average rate	**2024 Reporting date spot rate**	2023 Average rate	2023 Reporting date spot rate
GBP	4.753	**5.019**	4.598	4.574
EUR	4.068	**4.191**	4.006	3.971

A 10 percent strengthening of the SR against the above currencies at 30 September 2024 would have increased profit or loss as shown below. The analysis assumes that all other variables, in particular interest rates, remain constant.

	2024 SR 000	2023 SR 000
GBP	**324**	322
EUR	**502**	192

A 10 percent weakening of the SR against the above currencies at 30 September 2024 would have had an equal but opposite effect on the basis that all other variables remain constant.

Interest rate risk

The Group is exposed to interest rate risk on its interest-bearing liabilities. At the reporting date the interest rate profile of the interest-bearing financial instruments was as follows:

	SR 000	SR 000
Variable rate instruments		
Term loans	**2,179**	4,294
Short-term loans	**51,211**	42,840

The Group is only exposed to interest rate risk on variable rate instruments. A change of 100 basis points in interest rates at the reporting date would have increased or decreased profit or loss for the year ended 30 September 2024 by SR 0.53 million (2023: SR 0.47 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Capital risk management

The Group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

Jamjoom Fashion Trading
(A Single Shareholder Closed Joint Stock Company)
Notes (continued)

27 Financial instruments (continued)

Capital risk management (continued)

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio 'Net debt divided by Total equity'. The Group includes within debt, current and non-current portion of borrowings.

	2024	2023
Gearing ratio	**0.49**	0.59

Fair Value

The fair values of financial assets and liabilities approximate their carrying values.

28 Acquisitions

Identifiable intangible assets acquired

Booty Parlor

On the 1st of August 2024, Jamjoom Fashion Trading LLC entered into an Asset Purchase Agreement to purchase the intellectual property of the Brand, Booty Parlor with the company Booty Parlor Inc.

The following assets were purchased:

- Registered Trademarks
- Registered Copyrights
- Trade Names
- Logo and Designs

The purchased assets do not include any real property or other tangibles assets. Also, the Group do not assume any liabilities, obligations or commitments from the seller.

The purchase price was agreed at USD 2.00 million (SR 7.53 million) paid in 4 installments over 4 years. The initial installment was made at the point of execution of the transfer and the remaining balance is recognised as a liability on the balance sheet, as follows:

	SR 000
Other current liability	1,885
Other non-current liability	3,769
	5,654

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

29 New Legal Entity Transfer

On 1 October 2023, Kamal Osman Jamjoom Trading LLC (the Parent company) launched Jamjoom Fashion to form an independent group of entities for its fashion and clothing division, separating its existing Nayomi and Mihyar brand. This move allows the new business to focus on its own strategic and operational plans to maximize its full economic potential and achieve optimal growth.

Jamjoom Fashion Trading was registered under the laws of Kingdom of Saudi Arabia, and it is owned by the Company, Kamal Osman Jamjoom Trading LLC. The parent company invested SR 0.50 million in the newly established subsidiary.

During the year, the subsidiaries mentioned in Note 1 were established.

A. Identifiable assets acquired and liabilities assumed

The management decided to transfer its net assets equal to the book value as of transfer date.

The carrying amount of identifiable assets and liabilities acquired as at the transfer date follow.

Carrying value of net assets	**2024 SR 000**
Property and equipment	193,251
Intangible assets	229
Inventories	113,107
Prepayments and other receivables	41,797
Cash and cash equivalents	1,478
Loans and borrowings	(47,134)
Employment benefits	(30,472)
Lease liabilities	(96,951)
Trade payables and other current liabilities	(96,327)
Total carrying value of acquired net assets	**78,978**

30 Earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to shareholders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period. As the company does not have any dilutive potential shares, the dilutive earnings per share are the same as basic earnings per share.

The basic and dilutive earnings per share is computed as follows:

	2024 SR 000	**2023 SR 000**
Profit for the year	81,948	64,607
Weighted average number of ordinary shares outstanding and used in in calculating basic and diluted earnings per share	50,000 shares	50,000 shares
Basic and diluted earnings per share	1,638.96	1,292.14

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

31 Operating segment

The Group is required to determine and present its operating segments based on the way in which financial information is organised and reported to the chief operating decision-maker (CODM). The CODM has been identified as the Board of Directors, as this makes the key operating decisions of the Group and is responsible for allocating resources and assessing performance. Key internal reports received by the CODM, primarily the management accounts, focus on the performance of the Group based on regions. CODM measure the profit or loss for each segment based on geography.

The following summary describes the operations, performance and resource allocation of each reportable segment based on geographical location.

Statement of comprehensive income for the year ended 30 September 2024

	KSA	UAE	Other geographies	Total
	SR 000	SR 000	SR 000	SR 000
Revenue	420,562	111,096	80,588	612,246
Cost of sales	(135,117)	(30,996)	(25,074)	(191,187)
Gross profit	285,445	80,100	55,514	421,059
General, admin and selling expenses	(228,486)	(49,955)	(27,907)	(306,348)
Financial charges	(5,501)	(2,355)	(637)	(8,493)
Other income / (expense)	13,689	(18,775)	(15,603)	(20,689)
Net profit before Zakat and income tax expense	65,147	9,015	11,367	85,529
Zakat and income tax expense	(1,907)	(780)	(894)	(3,581)
Net profit after Zakat and income tax expense	63,240	8,235	10,473	81,948

Statement of comprehensive income for the year ended 30 September 2023

	KSA	UAE	Other geographies	Total
	SR 000	SR 000	SR 000	SR 000
Revenue	386,190	102,182	77,278	565,650
Cost of sales	(131,453)	(28,957)	(26,839)	(187,249)
Gross profit	254,737	73,225	50,439	378,401
General, admin and selling expenses	(211,716)	(44,142)	(30,960)	(286,818)
Financial charges	(4,794)	(2,307)	(716)	(7,817)
Other income / (expense)	13,434	(18,220)	(9,804)	(14,590)
Net profit before Zakat and income tax expense	51,661	8,556	8,959	69,176
Zakat and income tax expense	(4,290)	-	(279)	(4,569)
Net profit after Zakat and income tax expense	47,371	8,556	8,680	64,607

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes (continued)

31 Operating segment (continued)

Statement of financial position as at 30 September 2024

	KSA	UAE	Other geographies	Total
	SR 000	SR 000	SR 000	SR 000
Property & equipment and Intangible assets	57,245	37,047	14,968	109,260
Right-of-use assets	69,517	28,980	22,574	121,071
Inventories	81,985	23,068	11,080	116,133
Other assets	56,288	9,524	7,307	73,119
Due from/to within JF Group	40,268	(18,026)	(22,242)	-
Total assets	**305,303**	**80,593**	**33,687**	**419,583**
Lease liabilities	66,695	28,125	22,267	117,087
Loans and borrowings	39,345	14,045	-	53,390
Employment benefits	27,214	13,813	2,276	43,303
Other liabilities	70,145	23,166	2,753	96,064
Total liabilities	**203,399**	**79,149**	**27,296**	**309,844**

Statement of financial position as at 30 September 2023

	KSA	UAE	Other geographies	Total
	SR 000	SR 000	SR 000	SR 000
Property & equipment and Intangible assets	58,874	23,774	10,072	92,720
Right-of-use assets	55,804	30,391	14,565	100,760
Inventories	82,036	22,583	9,265	113,884
Other assets	24,073	10,809	3,173	38,055
Due from/to within JF Group	(176)	(143)	319	-
Total assets	**220,611**	**87,414**	**37,394**	**345,419**
Lease liabilities	52,826	29,608	14,517	96,951
Loans and borrowings	33,293	13,841	-	47,134
Employment benefits	18,716	9,847	1,909	30,472
Other liabilities	80,522	10,635	227	91,384
Total liabilities	**185,357**	**63,931**	**16,653**	**265,941**

32 Subsequent events

There have been no significant events since the year end, that would require disclosures or adjustments in these financial statements.

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Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

with

INDEPENDENT AUDITOR'S REPORT

For the three-month period ended 31 December 2024

Docusign Envelope ID: FEF944E2-C761-40E6-8DE9-D958B7781D80

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three-month period ended 31 December 2024

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P. O. Box 55078
Jeddah 21534
Kingdom of Saudi Arabia
Commercial Registration No 4030290792

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية
مركز زهران للأعمال
شارع الأميرسلطان
ص. ب. 55078
جده 21534
المملكة العربية السعودية
سجل تجاري رقم 4030290792

المركز الرئيسي في الرياض

Independent auditor's report on review of condensed consolidated interim financial statements

To the Shareholders of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company

Introduction

We have reviewed the accompanying 31 December 2024 condensed consolidated interim financial statements of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company ("the Company") and its subsidiaries ("the Group") which comprises:

- the condensed consolidated statement of financial position as at 31 December 2024;
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month period ended 31 December 2024;
- the condensed consolidated statement of changes in equity for the three-month period ended 31 December 2024;
- the condensed consolidated statement of cash flows for the three-month period ended 31 December 2024; and
- the notes to the condensed consolidated interim financial statements.

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' that is endorsed in the Kingdom of Saudi Arabia. A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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.

KPMG Professional Services Company, a professional closed joint stock company registered in the Kingdom of Saudi Arabia with a paid-up capital of SAR110,000,000 and a non-partner member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.
Commercial Registration of the headquarters in Riyadh is 1010425494.

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية، شركة مهنية مساهمة مقفلة، مسجلة في المملكة العربية السعودية، رأس مالها (110,000,000) ريال سعودي مدفوع بالكامل، وهي عضو غير شريك في الشبكة العالمية لشركات كي بي إم جي المستقلة والتابعة لـ كي بي إم جي العالمية المحدودة، شركة انجليزية محدودة بضمان.
رقم السجل التجاري للمركز الرئيسي في الرياض هو 1010425494.

KPMG

Independent auditor's report on review of condensed consolidated interim financial statements (continued)

To the Shareholders of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 December 2024 condensed consolidated interim financial statements of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company and its subsidiaries are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

For KPMG Professional Services Company

Abdullah Oudah Althagafi
License No. 455

Jeddah, 27 March 2025
Corresponding to 27 Ramadan 1446H

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Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	**31 December 2024 SR 000 (Unaudited)**	30 September 2024 SR 000 (Audited)
Non-current assets			
Property and equipment	*4*	304,168	221,623
Intangible assets		8,610	8,708
Total non-current assets		**312,778**	**230,331**
Current assets			
Inventories	*5*	151,847	116,133
Prepayments and other receivables		34,334	35,962
Due from shareholder	*8*	55,885	29,196
Cash and cash equivalents	*6*	11,440	7,961
Total current assets		**253,506**	**189,252**
Total assets		**566,284**	**419,583**
Equity			
Share capital		500	500
Other reserve		78,978	78,978
Retained earnings		47,233	30,260
Total equity		**126,711**	**109,738**
Non-current liabilities			
Employment benefits		45,115	43,303
Lease liabilities	*7*	64,962	43,801
Loans and borrowings	*9*	363	727
Other non-current liabilities		3,769	3,769
Total non-current liabilities		**114,209**	**91,600**
Current liabilities			
Loans and borrowings	*9*	84,787	52,663
Lease liabilities	*7*	107,151	73,286
Trade and other payables		97,625	53,650
Accrued expenses and other liabilities		31,607	36,116
Zakat and income tax accrual	*10*	4,194	2,530
Total current liabilities		**325,364**	**218,245**
Total liabilities		**439,573**	**309,845**
Total liabilities and equity		**566,284**	**419,583**

These condensed consolidated interim financial statements on pages 3 - 21 were approved by the Directors on 27 March 2025.

Kamal Osman Jamjoom	Stephen Holbrook	Scott Brian Bisset
Chairman of the Board	**Chief Executive Officer**	**Chief Financial Officer**

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Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the three-month period ended 31 December 2024

	Notes	**31 December 2024 SR 000**	31 December 2023 SR 000
Revenue	*11*	146,212	126,899
Cost of sales		(44,946)	(43,816)
Gross profit		**101,266**	**83,083**
Selling and marketing expenses		(66,870)	(61,712)
General and administrative expenses		(10,395)	(7,509)
Other operating expenses		(3,873)	(3,720)
Operating profit		**20,128**	**10,142**
Financial charges		(2,402)	(2,026)
Other income		911	-
Net profit before Zakat and income tax expense		**18,637**	**8,116**
Zakat and income tax expense	*10*	(1,664)	(1,312)
Net profit after Zakat and income tax expense		**16,973**	**6,804**
Other comprehensive income for the period		-	-
Total comprehensive income for the period		**16,973**	**6,804**
Earnings per share (EPS):			
Basic and diluted, net profit for the period attributable to ordinary shareholders (in Saudi Riyal)	*12*	**2.14**	0.86

These condensed consolidated interim financial statements on pages 3 - 21 were approved by the Directors on 27 March 2025.

Kamal Osman Jamjoom	Stephen Holbrook	Scott Brian Bisset
Chairman of the Board	**Chief Executive Officer**	**Chief Financial Officer**

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Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS (UNAUDITED)

For the three-month period ended 31 December 2024

	31 December 2024 SR 000	31 December 2023 SR 000
Cash flows from operating activities		
Net profit before Zakat and income tax expense for the year	18,637	8,116
Adjustments for:		
Depreciation – right-of-use assets	24,667	21,565
Depreciation	6,325	5,577
Loss on disposal of property and equipment	544	81
Gain on derecognition of right-of-use assets	(15)	-
Amortisation	98	112
Financial charges	2,386	2,026
Provision for employment benefits	1,944	1,177
	54,586	**38,654**
Working capital changes		
Inventories	(35,714)	(16,998)
Prepayments and other receivables	1,628	(23,055)
Trade and other payables	43,975	95,098
Due from shareholder	(26,526)	(56,544)
Accrued expenses and other liabilities	(4,509)	13,409
	33,440	**50,564**
Zakat and income tax paid	-	(4,512)
Employment benefits paid	(295)	(409)
Net cash generated from operating activities	**33,145**	**45,642**
Cash flows from investing activities		
Acquisition of property and equipment	(38,132)	(7,671)
Net cash used in investing activities	**(38,132)**	**(7,671)**
Cash flows from financing activities		
Proceeds from loans and borrowings	57,103	-
Payment of principal portion of loans and borrowings	(25,343)	(11,520)
Payment of interest portion of loans and borrowings	(1,314)	(999)
Payment of principal portion of lease payments	(20,908)	(24,387)
Payment of interest portion of the lease payments	(1,072)	(1,027)
Net cash generated from / (used in) financing activities	**8,466**	**(37,933)**
Net increase in cash and cash equivalents during the period	**3,479**	**39**
Cash and cash equivalents at the beginning of the period	7,961	1,113
Cash and cash equivalents at the end of the period	**11,440**	**1,152**

These condensed consolidated interim financial statements on pages 3 - 21 were approved by the Directors on 27 March 2025.

Kamal Osman Jamjoom	Stephen Holbrook	Scott Brian Bisset
Chairman of the Board	**Chief Executive Officer**	**Chief Financial Officer**

Docusign Envelope ID: FEF944E2-C761-40E6-8DE9-D958B7781D80

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the three-month period ended 31 December 2024

	Share capital SR 000	Other reserve SR 000	Retained earnings SR 000	Total SR 000
Balance at 1 October 2023	500	78,978	-	79,478
Net profit for the three-month period	-	-	6,804	6,804
Other comprehensive income for the three-month period	-	-	-	-
Total comprehensive income for the three-month period	**-**	**-**	**6,804**	**6,804**
At 31 December 2023 (Unaudited)	**500**	**78,978**	**6,804**	**86,282**
Balance as at 1 October 2024	500	78,978	30,260	109,738
Net profit for the three-month period	-	-	16,973	16,973
Other comprehensive income for the three-month period	-	-	-	-
Total comprehensive income for the three-month period	**-**	**-**	**16,973**	**16,973**
At 31 December 2024 (Unaudited)	**500**	**78,978**	**47,233**	**126,711**

These condensed consolidated interim financial statements on pages 3 - 21 were approved by the Directors on 27 March 2025.

Kamal Osman Jamjoom
Chairman of the Board

Stephen Holbrook
Chief Executive Officer

Scott Brian Bisset
Chief Financial Officer

Docusign Envelope ID: FEF944E2-C761-40E6-8DE9-D958B7781D80

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024

1 Reporting Entity

Jamjoom Fashion Trading – Saudia Arabia (the "Company), a Single Person Joint Stock Company incorporated in the Kingdom of Saudi Arabia under the Commercial Registration No. 4030515435 dated 1444H, Dhu al-Hijjah, 04 (22 June 2023).

The principal activities of Jamjoom Fashion Trading and its subsidiaries (the "Group") are the retail of fashion and intimate apparel. The Group has 216 (September 2024: 215; December 2023: 218) stores in the Kingdom of Saudi Arabia and the Gulf Cooperative Council (GCC) which are registered with the relevant authorities in the respective countries. At 31 December 2024, the Group's parent entity is Kamal Osman Jamjoom Trading LLC ("KOJ"), however, the ultimate controlling party is Mr. Kamal Osman Jamjoom.

	Shareholding
Kamal Osman Jamjoom Trading LLC	100%

The registered address of the Company is 7051 Prince Sultan – As Salamah Dist., Unit No 1105, Jeddah 23525 – 2661, Short Address JEMA7051, Kingdom of Saudi Arabia.

The accompanying condensed consolidated interim financial statements include assets, liabilities, results of the operations and the cash flows of the following subsidiaries:

		Effective Shareholding of the Group		
Name of entity	**Country of incorporation**	**31 December 2024**	30 September 2024	**Principal activities**
Jamjoom Fashion Trading SPJSC Dubai branch	UAE	100%	100%	Support services
Jamjoom Fashion Trading LLC	UAE	100%	100%	Retail
Jamjoom Fashion Trading SPC	Oman	100%	100%	Retail
Nayomi Trading WLL**	Qatar	100%	100%	Retail
Jamjoom Fashion Company for the retail sale of ready-made clothes and children's items (a one-person company	Kuwait	100%	100%	Retail
Jamjoom Fashion Trading WLL	Bahrain	100%	100%	Retail
Jamjoom Fashion Support Services Philippines Inc.	Philippines	100%	100%	Support services

**Links Management Services LLC, a Company based in Qatar, holds shares in this subsidiary for the beneficial interest of the Company.

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Jamjoom Fashion Trading

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

2 Basis of preparation

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (IAS) 34 "Interim Financial Reporting" that is endorsed in Kingdom of Saudi Arabia and should be read in conjunction with the Group's annual consolidated financial statements as at and for the period ended 30 September 2024 ("last annual Financial Statements").

These condensed consolidated interim financial statements do not include all of the information required for a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards ('IFRS') as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") (collectively referred to "IFRSs endorsed in KSA"). However, selected accounting policies and explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements. In addition, results for the interim period ended 31 December 2024, are not necessarily indicative of the results that may be expected for the financial year ending 30 September 2025.

Basis of measurement

These condensed consolidated interim financial statements have been prepared under the historical cost convention, using the accrual basis of accounting and the going concern concept, unless stated otherwise.

Functional and presentation currency

These consolidated financial statements are presented in Saudi Arabian Riyals ("SR") which is the Group's presentation currency. All financial information presented in SR has been rounded to the nearest thousand unless otherwise indicated.

Use of estimates and judgements

The preparation of these condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses, accompanying disclosures, including disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future periods. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

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Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

2 Basis of preparation (continued)

Use of estimates and judgements (continued)

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

Standards, amendments and interpretations

Standards, amendments and interpretations issued

This table lists the recent changes to the Standards that are required to be applied for an annual period beginning after 1 January 2024

- Amendments to IAS 1 Presentation of Financial Statements relating to classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants
- Amendments to IFRS 16 Leases, Lease Liability in a Sale and Leaseback
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures, Supplier Finance Arrangements

New standards and interpretations issued but not yet effective

A number of new standards are effective for annual periods beginning on or after 1 January 2025 and earlier application is permitted. However, the Group has not early adopted the new or amended standards in preparing these financial statements. The Group is currently evaluating the impact of the adoption of these standards on the condensed consolidated interim Financial Statements

- Amendments to IFRS 7 and IFRS 9, Classification and measurement of Financial Instruments (amendments to IFRS 9 and IFRS 7)
- Amendments to IFRS 18, Presentation and disclosure in financial statements
- Amendments to IFRS 19, Subsidiaries without Public Accounting
- Amendment to IAS 21 Lack of Exchangeability
- Amendment to IFRS 10 and IAS 28, Sales or Contribution of Assets between an Investor and its Associate or Joint Venture (amendments to IFRS 10 and IAS 28)

3 Material accounting policies

The accounting policies applied in these condensed consolidated interim financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 30 September 2024. New IFRS pronouncements, effective January 1, 2024 (refer note 2) did not have any material effect on the Group's condensed consolidated interim financial statements.

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Jamjoom Fashion Trading

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

4 Property and equipment

	For the three-month period ended 31 December 2024 SR 000	For the year ended 30 September 2024 SR 000	For the three-month period ended 31 December 2023 SR 000
Carrying amount at beginning of the period/year	221,623	192,090	192,090
Additions during the period/year	79,294	146,708	24,763
Disposals during the period/year	(934)	(3,654)	(1,582)
Lease modification	35,177	621	-
Depreciation charge for the period/year	(30,992)	(114,142)	(27,142)
Carrying amount at the end of the period/year	**304,168**	**221,623**	**188,129**

Included in this note is Right-of-use assets with details separately disclosed in Note 7.

5 Inventories

	31 December 2024 SR 000	30 September 2024 SR 000
Goods for resale	124,850	95,981
Goods in transit	26,997	20,152
	151,847	**116,133**

During the three-month period ended 31 December 2024, inventories of SR 44.95 million (31 December 2023: SR 43.82 million) were recognised as an expense and included in 'cost of sales'.

6 Cash and cash equivalents

	31 December 2024 SR 000	30 September 2024 SR 000
Cash in hand	1,623	1,511
Cash at bank	9,817	6,450
	11,440	**7,961**

At each reporting date, all bank balances are assessed to have low credit risk as they are held with reputable and high credit rating domestic banking institutions and there has been no history of default with any of the Group's bank balances. Therefore, the probability of default based on forward-looking factors and any loss given defaults are considered to be negligible.

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Jamjoom Fashion Trading

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

6 Cash and cash equivalents *(continued)*

Credit risk

At the balance sheet date, the carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31 December 2024 SR 000	30 September 2024 SR 000
Other receivables	15,437	14,747
Due from shareholder	55,885	29,196
Cash at bank	9,817	6,450
	81,139	**50,393**

Liquidity risk

The following are the undiscounted contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount SR 000	**Contractual cash flows SR 000**	**Less than one year SR 000**	**More than one year SR 000**
Non-derivative financial liabilities				
Trade and other payables	97,625	97,625	97,625	-
Accrued expenses and other liabilities	27,514	27,514	27,514	-
Lease liabilities	172,113	181,503	113,063	68,440
Loans and borrowings	85,150	88,129	87,758	371
At 31 December 2024	**385,402**	**394,771**	**325,960**	**68,811**
Trade and other payables	53,650	53,650	53,650	-
Accrued expenses and other liabilities	26,914	26,914	26,914	-
Lease liabilities	117,087	124,670	77,928	46,742
Loans and borrowings	53,390	55,294	54,545	749
At 30 September 2024	**251,041**	**260,528**	**213,037**	**47,491**

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

7 Right-of-use assets and lease liabilities

The Group leases offices, warehouses and retail spaces. The leases typically run for a period of one to three years, with an option to renew the lease after that date. Lease payments are renegotiated periodically. For certain lease, the company is restricted from entering into any sub-lease arrangement.

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property and equipment.

	For the three-month period ended 31 December 2024		For the year ended 30 September 2024		For the three-month period ended 31 December 2023	
	Right-of-use assets	Lease liabilities	Right-of-use assets	Lease liabilities	Right-of-use assets	Lease liabilities
	SR 000	**SR 000**	SR 000	SR 000	SR 000	SR 000
Balance at the beginning of the period/year	121,071	117,087	100,760	96,951	100,760	96,951
Additions	41,162	41,162	115,044	115,044	17,092	17,092
Lease modifications	35,177	35,177	17	(4,248)	-	-
Disposals	(390)	(405)	(3,532)	(1,526)	(1,501)	(1,501)
Depreciation expense	(24,667)	-	(91,218)	-	(21,565)	-
Accretion of interest	-	1,072	-	3,927	-	1,027
Gross payments	-	(21,980)	-	(93,061)	-	(25,414)
Principal portion of payments	-	(20,908)	-	(89,134)	-	(24,387)
Balance at the end of the period/year	**172,353**	**172,113**	**121,071**	**117,087**	**94,786**	**88,155**

Related lease liabilities have been disclosed in the condensed consolidated statement of financial position as follows:

	31 December 2024	30 September 2024
	SR 000	SR 000
Current portion of lease liabilities	107,151	73,286
Non-current portion of lease liabilities	64,962	43,801
Balance at the end of the year	**172,113**	**117,087**

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

7 Right-of-use assets and lease liabilities *(continued)*

Amounts recognised in condensed consolidated statement of profit and loss

	For the three-month period ended 31 December 2024 SR 000	For the three-month period ended 31 December 2023 SR 000
Interest on lease liabilities	1,072	1,027
Depreciation charge for the year – right of use assets	24,667	21,565
Short-term lease expenses recognised as operating expense	510	1,272

Amounts recognised in condensed consolidated statement of cash flows

	For the three-month period ended 31 December 2024 SR 000	For the three-month period ended 31 December 2023 SR 000
Total cash outflow for leases		
Payment of principal amounts	20,908	24,387
Payment of interest	1,072	1,027

8 Due from shareholder and related party transactions and balances

Related party transactions were undertaken in the ordinary course of business at commercially agreed terms and were approved by the management. For the purpose of these condensed consolidated financial statements, related parties includes Parent, associates and subsidiaries of Kamal Osman Jamjoom Trading LLC Group and their key management personnel.

Significant related party transactions and balances for the period ended and balances arising therefrom are described as under:

Name	**Nature of transaction**	**Amount of transactions: Three-month period ended 31 December**		**Balances: Due from Related parties**		
		2024 SR 000	2023 SR 000	**31 December 2024 SR 000**	**30 September 2024 SR 000**	31 December 2023 SR 000
Kamal Osman Jamjoom Trading LLC (KSA)	Management services (shared-service cost)	**3,873**	3,720	**55,885**	29,196	13,066

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

8 Due from shareholder and related party transactions *(continued)*

The Group had transferred to the shareholder (parent company) funds as a result of cash pooling during the first year of operations whilst independent banking arrangements were set up. This has resulted in a residual balance due to be settled by the shareholder in the next year. The balances due to / due from the shareholder is presented on net basis.

Key management personnel compensation

Compensation to Group's key management personnel includes salaries, non-cash benefits, dividends and contributions to post-employment defined benefit plan. The Group has recognised an expense of SR 3.62 million for the three-month period ended 31 December 2024 (*31 December 2023: SR 3.20 million*).

The Group has a recognised cumulative End of Service liability of SR 9.83 million as at the period ended 31 December 2024 (*31 December 2023 SR 7.82 million*). There are no staff loans or outstanding receivables for Key Management Personnel.

9 Loans and borrowings

	For the three-month period ended 31 December 2024 SR 000	For the year ended 30 September 2024 SR 000	For the three-month period ended 31 December 2023 SR 000
Balance at the beginning of the Period/year	53,390	47,134	47,134
Loan proceeds	57,103	137,260	-
Payment of loans	(25,343)	(131,004)	(11,520)
Balance at the end of the Period/year	**85,150**	**53,390**	**35,614**

	31 December 2024 SR 000	30 September 2024 SR 000	31 December 2023 SR 000
Short-term loans and borrowings	83,334	51,211	32,330
Current portion of long-term loans and borrowings	1,453	1,452	1,105
	84,787	**52,663**	**33,435**
Long term loans and borrowings	1,816	2,179	3,284
Less: current portion of long-term loans and borrowings	(1,453)	(1,452)	(1,105)
	363	**727**	**2,179**

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

9 Loans and borrowings *(continued)*

As at the reporting date, the Group has its own facility agreement under its name amounting to SAR 24.1 million. However, majority of the Group facility agreements still remain with the Kamal Osman Jamjoom Trading LLC (KSA and UAE) and Kamal Osman Jamjoom Group LLC (UAE). Jamjoom Fashion Trading has been named under the parent entity's facilities agreements and has an assignment of debts aligned to the business usage.

Borrowings include long and short-term facilities with banks in United Arab Emirates and short-term facilities with banks in the Kingdom of Saudi Arabia.

Short-term loans in the Kingdom of Saudi Arabia carry profits in the range of SIBOR plus 2.0% to 3.0% with maturities up to 180 days. These are secured against corporate guarantees from Kamal Osman Jamjoom Group LLC and order notes in favour of the corresponding banks.

Short-term loans in the United Arab Emirates carry interest in the range of EIBOR plus 2.0% to 3.5% per annum.

Long term loans in the United Arab Emirates carries interest in the range of 1 to 3 month EIBOR plus 1.90% to 3.00% per annum with repayment periods not exceeding three years.

The bank borrowings in the United Arab Emirates are secured by corporate guarantees, assignment of risk insurance policy covering stocks, promissory note covering the full facility amount and hypothecation of stocks.

The facility agreements for the short-term loan require that certain financial ratios are met at Group and Kamal Osman Jamjoom Trading LLC level, including maintenance of net worth. As at 31 December 2024, the Group was temporarily not in compliance with certain bank covenants relating to total Equity being under the required amount due to the Group Restructure. The group expects to comply with the covenants within 12 months after the reporting date.

10 Zakat and income tax

Zakat accrual

The movement in the Zakat accrual is attributable to the following:

	For the three-month period ended 31 December 2024 SR 000	For the year ended 30 September 2024 SR 000	For the three-month period ended 31 December 2023 SR 000
Balance at the beginning of the Period/year	893	4,290	4,290
Zakat expense for the year	1,229	1,906	919
Zakat paid during the year	-	(5,303)	(4,290)
Balance at the end of the period/year	**2,122**	**893**	**919**

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

10 Zakat and income tax *(continued)*

Zakat expense for the three-month period ended 31 December has been calculated on the adjusted equity base, the significant components of which are as follows:

	31 December 2024 SR 000	30 September 2024 SR 000	31 December 2023 SR 000
Share capital	500	500	500
Adjusted net income	16,973	81,948	6,804
Deduction tangible and intangible assets	312,778	230,331	189,407
Dividend	-	50,000	-

Status of Zakat assessments

Jamjoom Fashion Trading

The Company is part of the parent company's tax filing. The parent company filed its zakat return for the year ended 30 September 2024.

Income tax

	For the three-month period ended 31 December 2024 SR 000	For the year ended 30 September 2024 SR 000	For the three-month period ended 31 December 2023 SR 000
Balance at the beginning of the period / year	1,637	222	222
Provision during the period/year	435	1,675	393
Tax paid during the period/year	-	(260)	(222)
Balance at the end of the period/year	**2,072**	**1,637**	**393**

Jamjoom Fashion Trading SPC (Oman)

The Company has yet to file its first tax return for the year ended 30 September 2024.

The tax rate is 15% of taxable income.

Jamjoom Fashion Trading LLC (UAE)

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime has become effective for accounting periods beginning on or after 1 June 2023.

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Jamjoom Fashion Trading

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

10 Zakat and income tax *(continued)*

Jamjoom Fashion Trading LLC (UAE) (continued)

The Group has assessed the deferred tax implications for the period ended 31 December 2024 and, after considering its interpretations of applicable tax law, official pronouncements, cabinet decisions and ministerial decisions (especially with the transition rules), it has been concluded that the impact is not material to the condensed consolidated interim financial statements.

The Company has yet to file its first tax return for the year ended 30 September 2024.

Jamjoom Fashion Support Services Philippines Inc.

The Company has yet to file its first tax return for the year ended 30 September 2024.

The tax rate is 25% of taxable income.

Nayomi Trading WLL

During the year ended 30 September 2024, the company was sold to Jamjoom Fashion Trading SPC. As a result, the company no longer conforms to the Qatar Tax Authority requirements of a local partner regulations due to non-compliance with the residency criteria. Therefore, Nayomi Trading WLL is subject to local corporation tax for a GCC international owner.

The tax rate is 10% of taxable income

11 Revenue

	For the three-month period ended 31 December 2024 SR 000	For the three-month period ended 31 December 2023 SR 000
Sale of goods	146,212	126,899

The Group operates a chain of retail stores selling its two brands. Revenue from sale of goods (i.e. readymade clothes and consumables) is recognised at a point in time when control is transferred to the customer, generally on delivery of the goods.

The Group does not expect to have any contracts where the period between the transfer of goods to the customer and payment by the customer exceeds one year, and accordingly, the transaction prices are not adjusted for the time value of money.

As per the contracts with the customers, there is no financing, non-cash consideration or consideration payable to customer involved in transaction price.

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

11 Revenue *(continued)*

There were no material returns, refunds, advances and, therefore, no contract balances for the three-month period ended 31 December 2024 and 2023.

Cost of revenue mainly includes material cost includes purchase price of clothes and other goods sold, import duties, non-refundable taxes, transport and handling costs.

Revenue brand wise is as follows, additionally the Mihyar only operates in KSA.

	For the three-month period ended 31 December 2024 SR 000	For the three-month period ended 31 December 2023 SR 000
Nayomi	127,135	110,798
Mihyar	19,077	16,101
	146,212	**126,899**

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Jamjoom Fashion Trading

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

12 Earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to shareholders of the Company, excluding any costs of servicing equity other than ordinary shares, by the adjusted number of ordinary shares. As the company does not have any dilutive potential shares, the dilutive earnings per share are the same as basic earnings per share.

The basic and dilutive earnings per share is computed as follows:

	For the three-month period ended 31 December 2024 SR 000	For the three-month period ended 31 December 2023 SR 000
Profit for the period	**16,973**	6,804
Adjusted number of ordinary shares outstanding and used in calculating basic and diluted earnings per share (refer 12.1)	**7,947,800 shares**	7,947,800 shares
Basic and diluted earnings per share	**2.14**	0.86

12.1 The number of shares has been adjusted for the calculation of the EPS due to change in share capital subsequently (refer note 14).

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

13 Operating segment

The Group is required to determine and present its operating segments based on the way in which financial information is organised and reported to the chief operating decision-maker (CODM). The CODM has been identified as the Board of Directors, as this makes the key operating decisions of the Group and is responsible for allocating resources and assessing performance. Key internal reports received by the CODM, primarily the management accounts, focus on the performance of the Group based on regions. CODM measure the profit or loss for each segment based on geography.

The following summary describes the operations, performance and resource allocation of each reportable segment based on geographical location.

Statement of comprehensive income for three-month period ended 31 December 2024 (unaudited)

	KSA SR 000	UAE SR 000	Other geographies SR 000	Total SR 000
Revenue	94,008	30,233	21,971	146,212
Cost of sales	(29,952)	(8,413)	(6,581)	(44,946)
Gross profit	64,056	21,820	15,390	101,266
General, admin and selling expenses	(56,680)	(12,760)	(7,825)	(77,265)
Financial charges	(1,572)	(572)	(258)	(2,402)
Other income / (expense)	4,974	(4,339)	(3,597)	(2,962)
Net profit before Zakat and income tax expense	10,778	4,149	3,710	18,637
Zakat and income tax expense	(1,229)	(353)	(82)	(1,664)
Net profit after Zakat and income tax expense	9,549	3,796	3,628	16,973

Statement of comprehensive income for the three-month period ended 31 December 2023 (unaudited)

	KSA SR 000	UAE SR 000	Other geographies SR 000	Total SR 000
Revenue	82,254	26,449	18,196	126,899
Cost of sales	(29,779)	(7,922)	(6,115)	(43,816)
Gross profit	52,475	18,527	12,081	83,083
General, admin and selling expenses	(51,591)	(11,584)	(6,046)	(69,221)
Financial charges	(1,227)	(639)	(160)	(2,026)
Other income / (expense)	3,960	(4,173)	(3,507)	(3,720)
Net profit before Zakat and income tax expense	3,617	2,131	2,368	8,116
Zakat and income tax expense	(919)	(336)	(57)	(1,312)
Net profit after Zakat and income tax expense	2,698	1,795	2,311	6,804

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Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month period ended 31 December 2024 (continued)

13 Operating segment *(continued)*

Statement of financial position as at 31 December 2024 (unaudited)

	KSA SR 000	UAE SR 000	Other geographies SR 000	Total SR 000
Property & equipment and Intangible assets	83,427	39,116	14,411	136,954
Right-of-use assets	123,985	27,809	24,030	175,824
Inventories	109,745	31,858	10,244	151,847
Other assets	80,959	11,923	8,777	101,659
Due from/to within JF Group	22,603	(6,665)	(15,938)	-
Total assets	420,719	104,041	41,524	566,284
Lease liabilities	118,057	29,759	24,297	172,113
Loans and borrowings	68,382	16,768	-	85,150
Employment benefits	28,301	14,456	2,358	45,115
Other liabilities	94,671	37,455	5,069	137,195
Total liabilities	309,411	98,438	31,724	439,573

Statement of financial position as at 30 September 2024 (audited)

	KSA SR 000	UAE SR 000	Other geographies SR 000	Total SR 000
Property & equipment and Intangible assets	57,245	37,047	14,968	109,260
Right-of-use assets	69,517	28,980	22,574	121,071
Inventories	81,985	23,068	11,080	116,133
Other assets	56,288	9,524	7,307	73,119
Due from/to within JF Group	40,268	(18,026)	(22,242)	-
Total assets	**305,303**	**80,593**	**33,687**	**419,583**
Lease liabilities	66,695	28,125	22,267	117,087
Loans and borrowings	39,345	14,045	-	53,390
Employment benefits	27,214	13,813	2,276	43,303
Other liabilities	70,145	23,166	2,754	96,065
Total liabilities	**203,399**	**79,149**	**27,297**	**309,845**

14 Subsequent events

There have been no significant events since the period end, that would require disclosures or adjustments in these financial statements except for the increase in share capital from SR 0.5 to SR 79.5 million due to transfer from other reserve, which was approved by the shareholder on 24 December 2024 and the legal formalities were completed on 20 January 2025.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

with

INDEPENDENT AUDITOR'S REPORT

For the three-month and nine-month periods ended 30 June 2025

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three-month and nine-month periods ended 30 June 2025

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KPMG Professional Services Company
Zahran Business Center
Prince Sultan Street
P. O. Box 55078
Jeddah 21534
Kingdom of Saudi Arabia
Commercial Registration No 4030290792

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية
مركز زهران للأعمال
شارع الأميرسلطان
ص. ب. 55078
جده 21534
المملكة العربية السعودية
سجل تجاري رقم ٤٠٣٠٢٩٠٧٩٢

المركز الرئيسي في الرياض

Independent auditor's report on review of condensed consolidated interim financial statements

To the Shareholder of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company

Introduction

We have reviewed the accompanying 30 June 2025 condensed consolidated interim financial statements of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company ("the Company") and its subsidiaries ("the Group") which comprises:

- the condensed consolidated statement of financial position as at 30 June 2025;
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 June 2025;
- the condensed consolidated statement of changes in equity for the nine-month period ended 30 June 2025;
- the condensed consolidated statement of cash flows for the nine-month period ended 30 June 2025; and
- the notes to the condensed consolidated interim financial statements.

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' that is endorsed in the Kingdom of Saudi Arabia. A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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.

KPMG Professional Services Company, a professional closed joint stock company registered in the Kingdom of Saudi Arabia with a paid-up capital of SAR110,000,000 and a non-partner member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.
Commercial Registration of the headquarters in Riyadh is 1010425494.

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية، شركة مهنية مساهمة مقفلة، مسجلة في المملكة العربية السعودية، رأس مالها (110,000,000) ريال سعودي مدفوع بالكامل، وهي عضو غير شريك في الشبكة العالمية لشركات كي بي إم جي المستقلة والتابعة لـ كي بي إم جي العالمية المحدودة، شركة انجليزية محدودة بضمان.
رقم السجل التجاري للمركز الرئيسي في الرياض هو ١٠١٠٤٢٥٩٤.

KPMG

Independent auditor's report on review of condensed consolidated interim financial statements (continued)

To the Shareholder of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2025 condensed consolidated interim financial statements of Jamjoom Fashion Trading - A Single Shareholder Closed Joint Stock Company and its subsidiaries are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

For KPMG Professional Services Company

Abdullah Oudah Althagafi
License No. 455

Jeddah, 10 August 2025
Corresponding to 16 Safar 1447H

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Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	**30 June 2025 SR 000 (Unaudited)**	30 September 2024 SR 000 (Audited)
Non-current assets			
Property and equipment	*4*	299,644	221,623
Intangible assets		9,624	8,708
Total non-current assets		**309,268**	**230,331**
Current assets			
Inventories	*5*	141,448	116,133
Prepayments and other receivables		75,680	35,962
Due from shareholder	*8*	62,359	29,196
Cash and cash equivalents	*6*	16,694	7,961
Total current assets		**296,181**	**189,252**
Total assets		**605,449**	**419,583**
Equity			
Share capital	*13*	79,478	500
Other reserve	*13*	-	78,978
Retained earnings		124,553	30,260
Total equity		**204,031**	**109,738**
Non-current liabilities			
Employment benefits		48,749	43,303
Lease liabilities	*7*	82,578	43,801
Loans and borrowings	*9*	-	727
Other non-current liabilities		3,769	3,769
Total non-current liabilities		**135,096**	**91,600**
Current liabilities			
Loans and borrowings	*9*	79,576	52,663
Lease liabilities	*7*	83,727	73,286
Trade and other payables		52,319	53,650
Accrued expenses and other liabilities		44,129	36,116
Zakat and income tax accrual	*10*	6,571	2,530
Total current liabilities		**266,322**	**218,245**
Total liabilities		**401,418**	**309,845**
Total liabilities and equity		**605,449**	**419,583**

These condensed consolidated interim financial statements on pages 3 - 21 were approved by the Directors on 10 August 2025.

Kamal Osman Jamjoom	Stephen Holbrook	Scott Brian Bisset
Chairman of the Board	**Chief Executive Officer**	**Chief Financial Officer**

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Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the three-month and nine-month periods ended 30 June 2025

	Notes	Three-month period ended 30 June		Nine-month period ended 30 June	
		SR 000 2025	SR 000 2024	**SR 000 2025**	SR 000 2024
Revenue	*11*	165,196	181,976	540,361	472,566
Cost of sales		(50,701)	(55,942)	(162,169)	(146,340)
Gross profit		**114,495**	**126,034**	**378,192**	**326,226**
Selling and marketing expenses		(76,766)	(72,552)	(226,765)	(204,993)
General and administrative expenses		(13,102)	(9,678)	(35,010)	(23,004)
Other operating expenses		(3,280)	(3,006)	(10,556)	(9,840)
Operating profit		**21,347**	**40,798**	**105,861**	**88,389**
Financial charges		(3,796)	(2,107)	(9,138)	(6,326)
Other income		1,084	840	2,977	2,097
Net profit before Zakat and income tax expense		**18,635**	**39,531**	**99,700**	**84,160**
Zakat and income tax expense	*10*	(2,009)	(1,479)	(5,407)	(3,627)
Net profit after Zakat and income tax expense		**16,626**	**38,052**	**94,293**	**80,533**
Other comprehensive income for the period		-	-	-	1,562
Total comprehensive income for the period		**16,626**	**38,052**	**94,293**	**82,095**
Earnings per share (EPS): Basic and diluted, net profit for the period attributable to ordinary shareholders (in Saudi Riyal)	*12*	**2.09**	4.79	**11.86**	10.13

These condensed consolidated interim financial statements on pages 3 - 21 were approved by the Directors on 10 August 2025.

Kamal Osman Jamjoom	Stephen Holbrook	Scott Brian Bisset
Chairman of the Board	**Chief Executive Officer**	**Chief Financial Officer**

Docusign Envelope ID: 3F36F830-DC04-4A5E-A327-C244FAFCF846

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS (UNAUDITED)

For the nine-month period ended 30 June 2025

	30 June 2025 SR 000	30 June 2024 SR 000
Cash flows from operating activities		
Net profit before Zakat and income tax expense for the period	99,700	84,160
Adjustments for:		
Depreciation – right-of-use assets	74,941	67,187
Depreciation of property and equipment	21,092	17,039
Loss on disposal of property and equipment	557	120
Loss/(gain) on derecognition of right-of-use assets	255	(942)
Amortisation of intangible assets	328	318
Financial charges	8,211	6,341
Provision for employment benefits	6,573	4,814
	211,657	**179,037**
Working capital changes		
Inventories	(25,315)	655
Prepayments and other receivables	(39,718)	(15,921)
Trade and other payables	(1,331)	22,752
Due from shareholder	(33,163)	(123,385)
Accrued expenses and other liabilities	8,013	47,988
	120,143	**111,126**
Zakat and income tax paid	(1,367)	(4,548)
Employment benefits paid	(1,127)	(1,448)
Net cash generated from operating activities	**117,649**	**105,130**
Cash flows from investing activities		
Acquisition of property and equipment	(60,524)	(26,507)
Acquisition of intangible asset	(1,244)	(7)
Net cash used in investing activities	**(61,768)**	**(26,514)**
Cash flows from financing activities		
Proceeds from loans and borrowings	146,604	96,774
Payment of principal portion of loans and borrowings	(120,417)	(104,018)
Payment of interest portion of loans and borrowings	(4,160)	(3,421)
Payment of principal portion of lease payments	(65,124)	(56,921)
Payment of interest portion of the lease payments	(4,051)	(2,920)
Net cash used in financing activities	**(47,148)**	**(70,506)**
Net increase in cash and cash equivalents during the period	**8,733**	**8,110**
Cash and cash equivalents at the beginning of the period	7,961	1,113
Cash and cash equivalents at the end of the period	**16,694**	**9,223**

These condensed consolidated interim financial statements on pages 3 - 21 were approved by the Directors on 10 August 2025.

Kamal Osman Jamjoom	Stephen Holbrook	Scott Brian Bisset
Chairman of the Board	**Chief Executive Officer**	**Chief Financial Officer**

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Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the nine-month period ended 30 June 2025

	Share capital SR 000	Other reserve SR 000	Retained earnings SR 000	Total SR 000
Balance at 1 October 2023	500	78,978	-	79,478
Net profit for the nine-month period	-	-	80,533	80,533
Other comprehensive income for the nine-month period	-	-	1,562	1,562
Total comprehensive income for the nine-month period	**-**	**-**	**82,095**	**82,095**
At 30 June 2024 (Unaudited)	**500**	**78,978**	**82,095**	**161,573**
Balance as at 1 October 2024	500	78,978	30,260	109,738
Net profit for the nine-month period	-	-	94,293	94,293
Other comprehensive income for the nine-month period	-	-	-	-
Total comprehensive income for the nine-month period	**-**	**-**	**94,293**	**94,293**
Transaction with the owners of the Company:				
Transfer to share capital (note 13)	78,978	(78,978)	-	-
At 30 June 2025 (Unaudited)	**79,478**	**-**	**124,553**	**204,031**

These condensed consolidated interim financial statements on pages 3 - 21 were approved by the Directors on 10 August 2025.

Kamal Osman Jamjoom	Stephen Holbrook	Scott Brian Bisset
Chairman of the Board	**Chief Executive Officer**	**Chief Financial Officer**

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025

1 Reporting Entity

Jamjoom Fashion Trading – Saudia Arabia (the "Company), a Single Person Joint Stock Company incorporated in the Kingdom of Saudi Arabia under the Commercial Registration No. 4030515435 dated 1444H, Dhu al-Hijjah, 04 (22 June 2023).

The principal activities of Jamjoom Fashion Trading and its subsidiaries (the "Group") are the retail of fashion and intimate apparel. The Group has 218 (September 2024: 215; June 2024: 220) stores in the Kingdom of Saudi Arabia and the Gulf Cooperative Council (GCC) which are registered with the relevant authorities in the respective countries. At 30 June 2025, the Group's parent entity is Kamal Osman Jamjoom Trading LLC ("KOJ"), however, the ultimate controlling party is Mr. Kamal Osman Jamjoom.

	Shareholding
Kamal Osman Jamjoom Trading LLC	100%

The registered address of the Company is Ash Shati Trio Boulevard, Level 3, Gate 2 King Abdul Aziz Road, Jeddah, Kingdom of Saudi Arabia.

The accompanying condensed consolidated interim financial statements include assets, liabilities, results of the operations and the cash flows of the following subsidiaries:

		Effective Shareholding of the Group		
Name of entity	**Country of incorporation**	**30 June 2025**	30 September 2024	**Principal activities**
Jamjoom Fashion Trading SPJSC Dubai branch	UAE	100%	100%	Support services
Jamjoom Fashion Trading LLC	UAE	100%	100%	Retail
Jamjoom Fashion Trading SPC	Oman	100%	100%	Retail
Nayomi Trading WLL**	Qatar	100%	100%	Retail
Jamjoom Fashion Company for the retail sale of ready-made clothes and children's items (a one-person company	Kuwait	100%	100%	Retail
Jamjoom Fashion Trading WLL	Bahrain	100%	100%	Retail
Jamjoom Fashion Support Services Philippines Inc.	Philippines	100%	100%	Support services

**Links Management Services LLC, a Company based in Qatar, holds shares in this subsidiary for the beneficial interest of the Company.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025 (continued)

2 Basis of preparation

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (IAS) 34 "Interim Financial Reporting" that is endorsed in Kingdom of Saudi Arabia and should be read in conjunction with the Group's annual consolidated financial statements as at and for the period ended 30 September 2024 ("last annual Financial Statements").

These condensed consolidated interim financial statements do not include all of the information required for a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards ('IFRS') as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") (collectively referred to "IFRSs endorsed in KSA"). However, selected accounting policies and explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements. In addition, results for the interim period ended 30 June 2025, are not necessarily indicative of the results that may be expected for the financial year ending 30 September 2025.

Basis of measurement

These condensed consolidated interim financial statements have been prepared under the historical cost convention, using the accrual basis of accounting and the going concern concept, unless stated otherwise.

Functional and presentation currency

These consolidated financial statements are presented in Saudi Arabian Riyals ("SR") which is the Group's presentation currency. All financial information presented in SR has been rounded to the nearest thousand unless otherwise indicated.

Use of estimates and judgements

The preparation of these condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses, accompanying disclosures, including disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future periods. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025 (continued)

2 Basis of preparation (continued)

Use of estimates and judgements (continued)

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

Standards, amendments and interpretations

Standards, amendments and interpretations issued

This table lists the recent changes to the Standards that are required to be applied for an annual period beginning after 1 January 2024

- Amendments to IAS 1 Presentation of Financial Statements relating to classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants
- Amendments to IFRS 16 Leases, Lease Liability in a Sale and Leaseback
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures, Supplier Finance Arrangements

New standards and interpretations issued but not yet effective

A number of new standards are effective for annual periods beginning on or after 1 January 2025 and earlier application is permitted. However, the Group has not early adopted the new or amended standards in preparing these financial statements. The Group is currently evaluating the impact of the adoption of these standards on the condensed consolidated interim Financial Statements

- Amendments to IFRS 7 and IFRS 9, Classification and measurement of Financial Instruments (amendments to IFRS 9 and IFRS 7)
- Amendments to IFRS 18, Presentation and disclosure in financial statements
- Amendments to IFRS 19, Subsidiaries without Public Accounting
- Amendment to IAS 21 Lack of Exchangeability
- Amendment to IFRS 10 and IAS 28, Sales or Contribution of Assets between an Investor and its Associate or Joint Venture (amendments to IFRS 10 and IAS 28)

3 Material accounting policies

The accounting policies applied in these condensed consolidated interim financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 30 September 2024. New IFRS pronouncements, effective January 1, 2024 (refer note 2) did not have any material effect on the Group's condensed consolidated interim financial statements.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025 (continued)

4 Property and equipment

	For the nine-month period ended 30 June 2025 SR 000	For the year ended 30 September 2024 SR 000	For the nine-month period ended 30 June 2024 SR 000
Carrying amount at beginning of the period/year	221,623	192,090	192,090
Additions during the period/year	152,725	146,708	102,123
Disposals during the period/year	(3,721)	(3,654)	(3,312)
Lease modification	25,050	621	221
Depreciation charge for the period/year	(96,033)	(114,142)	(84,226)
Carrying amount at the end of the period/year	**299,644**	**221,623**	**206,896**

Included in this note is Right-of-use assets with details separately disclosed in Note 7.

5 Inventories

	30 June 2025 SR 000	30 September 2024 SR 000
Goods for resale	124,824	95,981
Goods in transit	16,624	20,152
	141,448	**116,133**

During the nine-month period ended 30 June 2025, inventories of SR 162.17 million (30 June 2024: SR 146.34 million) were recognised as an expense and included in 'cost of sales'.

6 Cash and cash equivalents

	30 June 2025 SR 000	30 September 2024 SR 000
Cash in hand	1,806	1,511
Cash at bank	14,888	6,450
	16,694	**7,961**

At each reporting date, all bank balances are assessed to have low credit risk as they are held with reputable and high credit rating domestic banking institutions and there has been no history of default with any of the Group's bank balances. Therefore, the probability of default based on forward-looking factors and any loss given defaults are considered to be negligible.

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025 (continued)

6 Cash and cash equivalents *(continued)*

Credit risk

At the balance sheet date, the carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	30 June 2025 SR 000	30 September 2024 SR 000
Other receivables	49,370	14,747
Due from shareholder	62,359	29,196
Cash at bank	14,888	6,450
	126,617	**50,393**

Liquidity risk

The following are the undiscounted contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount SR 000	**Contractual cash flows SR 000**	**Less than one year SR 000**	**More than one year SR 000**
Non-derivative financial liabilities				
Trade and other payables	52,319	52,319	52,319	-
Accrued expenses and other liabilities	39,101	39,101	39,101	-
Lease liabilities	166,305	176,859	91,374	85,485
Loans and borrowings	79,576	82,251	82,251	-
At 30 June 2025	**337,301**	**350,530**	**265,045**	**85,485**
Trade and other payables	53,650	53,650	53,650	-
Accrued expenses and other liabilities	26,914	26,914	26,914	-
Lease liabilities	117,087	124,670	77,928	46,742
Loans and borrowings	53,390	55,294	54,545	749
At 30 September 2024	**251,041**	**260,528**	**213,037**	**47,491**

Jamjoom Fashion Trading

(A Single Shareholder Closed Joint Stock Company)

Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025 (continued)

7 Right-of-use assets and lease liabilities

The Group leases offices, warehouses and retail spaces. The leases typically run for a period of one to three years, with an option to renew the lease after that date. Lease payments are renegotiated periodically. For certain lease, the company is restricted from entering into any sub-lease arrangement.

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property and equipment.

	For the nine-month period ended 30 June 2025		For the year ended 30 September 2024		For the nine-month period ended 30 June 2024	
	Right-of-use assets	Lease liabilities	Right-of-use assets	Lease liabilities	Right-of-use assets	Lease liabilities
	SR 000	**SR 000**	SR 000	SR 000	SR 000	SR 000
Balance at the beginning of the period/year	121,071	117,087	100,760	96,951	100,760	96,951
Additions	92,200	92,200	115,044	115,044	75,616	75,616
Lease modifications	25,050	25,095	17	(4,248)	221	(516)
Disposals	(3,163)	(2,953)	(3,532)	(1,526)	(3,192)	(3,397)
Depreciation expense	(74,941)	-	(91,218)	-	(67,187)	-
Accretion of interest	-	4,051	-	3,927	-	2,920
Gross payments	-	(69,175)	-	(93,061)	-	(59,841)
Principal portion of payments	-	(65,124)	-	(89,134)	-	(56,921)
Balance at the end of the period/year	**160,217**	**166,305**	**121,071**	**117,087**	**106,218**	**111,733**

Related lease liabilities have been disclosed in the condensed consolidated statement of financial position as follows:

	30 June 2025	30 September 2024
	SR 000	SR 000
Current portion of lease liabilities	83,727	67,419
Non-current portion of lease liabilities	82,578	44,314
Balance at the end of the year	**166,305**	**111,733**

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025 (continued)

7 Right-of-use assets and lease liabilities *(continued)*

Amounts recognised in condensed consolidated statement of profit and loss

	For the nine-month period ended 30 June 2025	For the nine-month period ended 30 June 2024
	SR 000	SR 000
Interest on lease liabilities	4,051	2,920
Depreciation charge for the year – right of use assets	74,941	67,187
Loss/(gain) on derecognition of right-of-use assets	255	(942)
Short-term lease expenses recognised as operating expense	2,112	2,112

Amounts recognised in condensed consolidated statement of cash flows

	For the nine-month period ended 30 June 2025	For the nine-month period ended 30 June 2024
	SR 000	SR 000
Total cash outflow for leases		
Payment of principal amounts	65,124	56,921
Payment of interest	4,051	2,920

8 Due from shareholder and related party transactions and balances

Related party transactions were undertaken in the ordinary course of business at commercially agreed terms and were approved by the management. For the purpose of these condensed consolidated financial statements, related parties includes parent, associates and subsidiaries of Kamal Osman Jamjoom Trading LLC Group and their key management personnel.

Significant related party transactions and balances for the period ended and balances arising there-from are described as under:

Name	**Nature of transaction**	**Amount of transactions: Nine-month period ended 30 June**		**Balances: Due from Related parties**		
		2025 SR 000	2024 SR 000	**30 June 2025 SR 000**	**30 September 2024 SR 000**	30 June 2024 SR 000
Kamal Osman Jamjoom Trading LLC (KSA)	Management services (shared-service cost)	**10,556**	16,948	**62,359**	29,196	87,948

The Group had transferred to the shareholder (parent company) funds as a result of cash pooling during the first year of operations whilst independent banking arrangements were set up. This has resulted in a residual balance due to be settled by the shareholder in the next year. The balances due to/due from the shareholder is presented on net basis.

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For the three-month and nine-month periods ended 30 June 2025 (continued)

8 Due from shareholder and related party transactions *(continued)*

As of 28 February 2025, the cash pooling arrangement with the parent company was discontinued. This follows the establishment of independent banking facilities under the company's name, enabling it to manage its cash flows and banking operations independently.

Key management personnel compensation

Compensation to Group's key management personnel includes salaries, non-cash benefits, dividends and contributions to post-employment defined benefit plan. The Group has recognised an expense of SR 11.01 million for the nine-month period ended 30 June 2025 (*30 June 2024: SR 10.28 million*).

The Group has a recognised cumulative End of Service liability of SR 10.61 million as at the period ended 30 June 2025 (*30 June 2024 SR 8.65 million*). There are no staff loans or outstanding receivables for Key Management Personnel.

9 Loans and borrowings

	For the nine-month period ended 30 June 2025 SR 000	For the year ended 30 September 2024 SR 000	For the nine-month period ended 30 June 2024 SR 000
Balance at the beginning of the period/year	53,390	47,134	47,134
Loan proceeds	146,603	137,260	96,775
Payment of loans	(120,417)	(131,004)	(104,018)
Balance at the end of the Period/year	**79,576**	**53,390**	**39,891**

	For the nine-month period ended 30 June 2025 SR 000	For the year ended 30 September 2024 SR 000	For the nine-month period ended 30 June 2024 SR 000
Short-term loans and borrowings	78,486	51,211	37,334
Current portion of long-term loans and borrowings	1,090	1,452	1,452
	79,576	**52,663**	**38,786**
Long term loans and borrowings	1,090	2,179	2,557
Less: current portion of long-term loans and borrowings	(1,090)	(1,452)	(1,452)
	-	**727**	**1,105**

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025 (continued)

9 Loans and borrowings *(continued)*

As at the reporting date, the Group has its own facility agreement under its name amounting to SAR 24.1 million. However, majority of the Group facility agreements still remain with the Kamal Osman Jamjoom Trading LLC (KSA and UAE) and Kamal Osman Jamjoom Group LLC (UAE). Jamjoom Fashion Trading has been named under the parent entity's facilities agreements and has an assignment of debts aligned to the business usage.

Borrowings include long and short-term facilities with banks in United Arab Emirates and short-term facilities with banks in the Kingdom of Saudi Arabia.

Short-term loans in the Kingdom of Saudi Arabia carry profits in the range of SIBOR plus 2.0% to 3.0% with maturities up to 180 days. These are secured against corporate guarantees from Kamal Osman Jamjoom Group LLC and order notes in favour of the corresponding banks.

Short-term loans in the United Arab Emirates carry interest in the range of EIBOR plus 2.0% to 3.5% per annum.

Long term loans in the United Arab Emirates carries interest in the range of 1 to 3 month EIBOR plus 1.90% to 3.00% per annum with repayment periods not exceeding three years.

The bank borrowings in the United Arab Emirates are secured by corporate guarantees, assignment of risk insurance policy covering stocks, promissory note covering the full facility amount and hypothecation of stocks.

The facility agreements for the short-term loan require that certain financial ratios are met at Group and Kamal Osman Jamjoom Trading LLC level, including maintenance of net worth. As at 30 June 2025, the Group was temporarily not in compliance with certain bank covenants relating to total Equity being under the required amount due to the Group Restructure. The group expects to comply with the covenants within 12 months after the reporting date.

10 Zakat and income tax

Zakat accrual

The movement in the Zakat accrual is attributable to the following:

	For the nine-month period ended 30 June 2025 SR 000	For the year ended 30 September 2024 SR 000	For the nine-month period ended 30 June 2024 SR 000
Balance at the beginning of the Period/year	893	4,290	4,290
Zakat expense for the year	3,800	1,906	2,413
Zakat paid during the year	-	(5,303)	(4,290)
Balance at the end of the period/year	**4,693**	**893**	**2,413**

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025 (continued)

10 Zakat and income tax *(continued)*

Zakat expense for the nine-month period ended 30 June has been calculated on the adjusted equity base, the significant components of which are as follows:

	30 June 2025 SR 000	30 September 2024 SR 000	30 June 2024 SR 000
Share capital	79,478	500	500
Adjusted net income	94,293	81,948	80,533
Deduction tangible and intangible assets	313,247	230,331	207,975
Dividend	-	50,000	-

Status of Zakat assessments

Jamjoom Fashion Trading

The Company is part of the parent company's tax filing. The parent company filed its zakat return for the year ended 30 September 2024.

Income tax

	For the nine-month period ended 30 June 2025 SR 000	For the year ended 30 September 2024 SR 000	For the nine-month period ended 30 June 2024 SR 000
Balance at the beginning of the period / year	1,637	222	222
Provision during the period/year	1,607	1,675	1,214
Tax paid during the period/year	(1,366)	(260)	(258)
Balance at the end of the period/year	**1,878**	**1,637**	**1,178**

Jamjoom Fashion Trading SPC (Oman)

The Company has yet to file its first tax return for the year ended 30 September 2024.

The tax rate is 15% of taxable income.

Jamjoom Fashion Trading LLC (UAE)

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime has become effective for accounting periods beginning on or after 1 June 2023.

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025 (continued)

10 Zakat and income tax *(continued)*

Jamjoom Fashion Trading LLC (UAE) (continued)

The Group has assessed the deferred tax implications for the period ended 30 June 2025 and, after considering its interpretations of applicable tax law, official pronouncements, cabinet decisions and ministerial decisions (especially with the transition rules), it has been concluded that the impact is not material to the condensed consolidated interim financial statements.

The Company filed its first tax return for the year ended 30 September 2024.

Jamjoom Fashion Support Services Philippines Inc.

The Company filed its first tax return for the year ended 30 September 2024.

The tax rate is 25% of taxable income.

Nayomi Trading WLL

During the year ended 30 September 2024, the company was sold to Jamjoom Fashion Trading SPC. As a result, the company no longer conforms to the Qatar Tax Authority requirements of a local partner regulations due to non-compliance with the residency criteria. Therefore, Nayomi Trading WLL is subject to local corporation tax for a GCC international owner.

The tax rate is 10% of taxable income

11 Revenue

	Three-month period ended 30 June		**Nine-month period ended 30 June**	
	SR 000 2025	SR 000 2024	**SR 000 2025**	SR 000 2024
Sale of goods	**165,196**	181,976	**540,361**	472,566

The Group operates a chain of retail stores selling its two brands. Revenue from sale of goods (i.e. readymade clothes and consumables) is recognised at a point in time when control is transferred to the customer, generally on delivery of the goods.

The Group does not expect to have any contracts where the period between the transfer of goods to the customer and payment by the customer exceeds one year, and accordingly, the transaction prices are not adjusted for the time value of money.

As per the contracts with the customers, there is no financing, non-cash consideration or consideration payable to customer involved in transaction price.

There were no material returns, refunds, advances and, therefore, no contract balances for the nine-month period ended 30 June 2025 and 2024.

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025 (continued)

11 Revenue *(continued)*

Cost of revenue mainly includes material cost includes purchase price of clothes and other goods sold, import duties, non-refundable taxes, transport and handling costs.

Revenue brand wise is as follows, additionally the Mihyar only operates in KSA.

	Three-month period ended 30 June		Nine-month period ended 30 June	
	SR 000 2025	SR 000 2024	**SR 000 2025**	SR 000 2024
Nayomi	144,356	155,280	453,580	401,361
Mihyar	20,840	26,696	86,781	71,205
	165,196	181,976	**540,361**	472,566

12 Earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to shareholders of the Company, excluding any costs of servicing equity other than ordinary shares, by the adjusted number of ordinary shares. As the company does not have any dilutive potential shares, the dilutive earnings per share are the same as basic earnings per share.

The basic and dilutive earnings per share is computed as follows:

	Three-month period ended 30 June		Nine-month period ended 30 June	
	SR 000 2025	SR 000 2024	**SR 000 2025**	SR 000 2024
Profit for the period	**16,626**	38,052	**94,293**	80,533
Adjusted number of ordinary shares outstanding and used in calculating basic and diluted earnings per share	**7,947,800 shares**	7,947,800 shares	**7,947,800 shares**	7,947,800 shares
Basic and diluted earnings per share	**2.09**	4.79	**11.86**	10.13

13 Share capital and other reserve

On 20 January 2025, the Company transferred SAR 78.9 million from Other Reserves to Share Capital, pursuant to the approval granted by the Ministry of Commerce in the Kingdom of Saudi Arabia. This conversion was carried out in compliance with local regulatory requirements and represents a strategic move to enhance the company's capital structure through the capitalisation of internal reserves. As of 30 June 2025, the Company's share capital totaled SAR 79.48 million, comprising 7.95 million shares with a par value of SAR 10 each.

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025 (continued)

14 Operating segment

The Group is required to determine and present its operating segments based on the way in which financial information is organised and reported to the chief operating decision-maker (CODM). The CODM has been identified as the Board of Directors, as this makes the key operating decisions of the Group and is responsible for allocating resources and assessing performance. Key internal reports received by the CODM, primarily the management accounts, focus on the performance of the Group based on regions. CODM measure the profit or loss for each segment based on geography.

The following summary describes the operations, performance and resource allocation of each reportable segment based on geographical location.

Statement of comprehensive income for three-month period ended 30 June 2025 (unaudited)

	KSA SR 000	UAE SR 000	Other geographies SR 000	Total SR 000
Revenue	107,466	32,818	24,912	165,196
Cost of sales	(34,173)	(9,164)	(7,364)	(50,701)
Gross profit	**73,293**	**23,654**	**17,548**	**114,495**
General, admin and selling expenses	(69,298)	(12,470)	(8,100)	(89,868)
Financial charges	(2,406)	(1,134)	(256)	(3,796)
Other income / (expense)	7,053	(5,402)	(3,847)	(2,196)
Net profit before Zakat and income tax expense	**8,642**	**4,648**	**5,345**	**18,635**
Zakat and income tax expense	(1,286)	(353)	(370)	(2,009)
Net profit after Zakat and income tax expense	**7,356**	**4,295**	**4,975**	**16,626**

Statement of comprehensive income for the three-month period ended 30 June 2024 (unaudited)

	KSA SR 000	UAE SR 000	Other geographies SR 000	Total SR 000
Revenue	124,844	33,136	23,996	181,976
Cost of sales	(39,494)	(9,206)	(7,242)	(55,942)
Gross profit	**85,350**	**23,930**	**16,754**	**126,034**
General, admin and selling expenses	(61,530)	(13,239)	(7,461)	(82,230)
Financial charges	(1,397)	(587)	(123)	(2,107)
Other income / (expense)	5,493	(4,495)	(3,164)	(2,166)
Net profit before Zakat and income tax expense	**27,916**	**5,609**	**6,006**	**39,531**
Zakat and income tax expense	(1,050)	(335)	(94)	(1,479)
Net profit after Zakat and income tax expense	**26,866**	**5,274**	**5,912**	**38,052**

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025 (continued)

14 Operating segment *(continued)*

Statement of comprehensive income for nine-month period ended 30 June 2025 (unaudited)

	KSA	UAE	Other geographies	Total
	SR 000	SR 000	SR 000	SR 000
Revenue	372,979	96,261	71,121	540,361
Cost of sales	(114,973)	(26,153)	(21,043)	(162,169)
Gross profit	**258,006**	**70,108**	**50,078**	**378,192**
General, admin and selling expenses	(198,173)	(39,198)	(24,404)	(261,775)
Financial charges	(6,010)	(2,352)	(776)	(9,138)
Other income / (expense)	17,869	(14,936)	(10,512)	(7,579)
Net profit before Zakat and income tax expense	**71,692**	**13,622**	**14,386**	**99,700**
Zakat and income tax expense	(3,800)	(1,060)	(547)	(5,407)
Net profit after Zakat and income tax expense	**67,892**	**12,562**	**13,839**	**94,293**

Statement of comprehensive income for the nine-month period ended 30 June 2024 (unaudited)

	KSA	UAE	Other geographies	Total
	SR 000	SR 000	SR 000	SR 000
Revenue	326,372	86,170	60,024	472,566
Cost of sales	(103,432)	(23,884)	(19,024)	(146,340)
Gross profit	**222,940**	**62,286**	**41,000**	**326,226**
General, admin and selling expenses	(170,614)	(37,101)	(20,282)	(227,997)
Financial charges	(4,067)	(1,844)	(415)	(6,326)
Other income / (expense)	14,717	(12,794)	(9,666)	(7,743)
Net profit before Zakat and income tax expense	**62,976**	**10,547**	**10,637**	**84,160**
Zakat and income tax expense	(2,413)	(1,006)	(208)	(3,627)
Net profit after Zakat and income tax expense	**60,563**	**9,541**	**10,429**	**80,533**

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Notes to the condensed consolidated interim financial statements (Unaudited)

For the three-month and nine-month periods ended 30 June 2025 (continued)

14 Operating segment *(continued)*

Statement of financial position as at 30 June 2025 (unaudited)

	KSA SR 000	UAE SR 000	Other geographies SR 000	Total SR 000
Property & equipment and Intangible assets	98,704	37,068	13,279	149,051
Right-of-use assets	105,480	33,449	21,288	160,217
Inventories	100,078	29,243	12,127	141,448
Other assets	107,856	15,565	31,312	154,733
Due from/to within JF Group	33,173	(6,717)	(26,456)	-
Total assets	**445,291**	**108,608**	**51,550**	**605,449**
Lease liabilities	105,275	38,328	22,702	166,305
Loans and borrowings	63,962	15,614	-	79,576
Employment benefits	30,753	15,509	2,487	48,749
Other liabilities	74,481	25,153	7,154	106,788
Total liabilities	**274,471**	**94,604**	**32,343**	**401,418**

Statement of financial position as at 30 September 2024 (audited)

	KSA SR 000	UAE SR 000	Other geographies SR 000	Total SR 000
Property & equipment and Intangible assets	57,245	37,047	14,968	109,260
Right-of-use assets	69,517	28,980	22,574	121,071
Inventories	81,985	23,068	11,080	116,133
Other assets	56,288	9,524	7,307	73,119
Due from/to within JF Group	40,268	(18,026)	(22,242)	-
Total assets	**305,303**	**80,593**	**33,687**	**419,583**
Lease liabilities	66,695	28,125	22,267	117,087
Loans and borrowings	39,345	14,045	-	53,390
Employment benefits	27,214	13,813	2,276	43,303
Other liabilities	70,145	23,166	2,754	96,065
Total liabilities	**203,399**	**79,149**	**27,297**	**309,845**

15 Subsequent events

There have been no significant events since the year end, that would require disclosures or adjustments in these financial statements.

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