

**FILLING AND PACKING MATERIALS
MANUFACTURING COMPANY
(A Saudi Joint Stock Company)**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE-MONTH AND NINE-MONTH PERIODS
ENDED 30 SEPTEMBER 2025**

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(A SAUDI JOINT STOCK COMPANY)**

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FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025**

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF FILLING AND PACKING MATERIALS MANUFACTURING COMPANY
(A Saudi Joint Stock Company)**

Introduction

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

Scope of review

We conducted our review in accordance with International Standards 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 interim financial information requires inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

For Maham Company for Professional Services



Abdulaziz Saud Al Shabeebi
Certified Public Accountant
License no. (339)
20 Jumada Al-Ula 1447H
11 November 2025



Filling and Packing Materials Manufacturing Company

(A Saudi Joint Stock Company)

Interim condensed consolidated statement of financial position

As at 30 September 2025


	Note	30 September 2025 (Unaudited) ﷲ	31 December 2024 (Audited) ﷲ
Assets			
Non-current assets			
Property, plant and equipment	4	140,691,299	138,928,689
Right-of-use assets		5,085,530	5,457,641
Intangible assets		587,438	723,000
Total non-current assets		146,364,267	145,109,330
Current assets			
Inventory	5	63,729,944	60,878,946
Trade receivables	6	51,063,133	58,976,581
Prepayments and other current assets	7	10,219,978	7,663,101
Cash and cash equivalents		2,519,933	8,896,196
Total current assets		127,532,988	136,414,824
Total assets		273,897,255	281,524,154
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	8	115,000,000	115,000,000
Retained earnings		37,878,819	55,805,475
Other reserves		(25,358,702)	(25,358,702)
Total shareholders' equity		127,520,117	145,446,773
Liabilities			
Non-current liabilities			
Term loans – non-current portion	10	7,241,458	14,605,298
Government grants - non-current portion	10	523,165	612,637
Lease liabilities – non-current portion		5,544,271	6,023,138
Employees defined benefits liabilities		16,381,651	15,223,547
Contingent liability for acquisition of non-controlling interest	9	12,061,253	11,173,000
Total non-current liabilities		41,751,798	47,637,620
Current liabilities			
Trade payables		27,422,525	35,264,730
Accrued expenses and other current liabilities		17,158,183	16,034,262
Dividends payable		5,148,109	5,148,109
Term loans – current portion	10	3,622,949	25,436,228
Short term loans	10	49,684,414	3,746,219
Government grants - current portion	10	367,994	790,242
Leases liabilities - current portion		572,913	516,663
Zakat provision	11	648,253	1,503,308
Total current liabilities		104,625,340	88,439,761
Total liabilities		146,377,138	136,077,381
Total shareholders' equity and liabilities		273,897,255	281,524,154

Ansar Mahmoud

Abdullah Al Harbi

Ahmed Al Barrak

Chief financial Officer



Chief Executive Officer



Chairman



The accompanying notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements.

Filling and Packing Materials Manufacturing Company

(A Saudi Joint Stock Company)

Interim condensed consolidated statement of profit or loss and other comprehensive income

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

	Note	For the three-month period ended		For the nine-month period ended	
		30 September 2025 (Unaudited) ﷲ	30 September 2024 (Unaudited) ﷲ	30 September 2025 (Unaudited) ﷲ	30 September 2024 (Unaudited) ﷲ
Revenue	16	62,887,083	59,525,211	182,720,072	178,309,185
Cost of revenue		(52,267,866)	(48,524,245)	(154,748,319)	(142,745,437)
Gross profit		10,619,217	11,000,966	27,971,753	35,563,748
Expenses					
Selling and marketing expenses		(4,556,585)	(3,830,055)	(12,749,212)	(11,602,100)
General and administrative ex- penses	12	(6,482,183)	(5,081,850)	(20,662,756)	(15,298,621)
Provision for expected credit losses on trade receivables	6	(647,553)	(313,273)	(8,010,263)	(973,430)
(Loss) profit from operations		(1,067,104)	1,775,788	(13,450,478)	7,689,597
Finance costs		(1,775,376)	(1,405,266)	(5,030,213)	(4,312,636)
Other income, net	13	117,227	235,386	1,107,439	1,173,967
(Loss) profit before Zakat		(2,725,253)	605,908	(17,373,252)	4,550,928
Zakat	11	(69,396)	(307,753)	(553,404)	(1,110,028)
Net (loss) profit for the period		(2,794,649)	298,155	(17,926,656)	3,440,900
Total (comprehensive loss) comprehensive income for the period		<u>(2,794,649)</u>	<u>298,155</u>	<u>(17,926,656)</u>	<u>3,440,900</u>
(Loss) earnings per share					
Basic and diluted (loss) earnings per share from net (loss) profit for the period	14	(0.24)	0.03	(1.56)	0.30

Ansar Mahmoud

Chief financial Officer



Abdullah Al Harbi

Chief Executive Officer



Ahmed Al Barrak

Chairman



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Filling and Packing Materials Manufacturing Company
(A Saudi Joint Stock Company)

Interim condensed consolidated statement of changes in shareholders' equity
For the nine-month period ended 30 September 2025

	Share capital ﷲ	Retained earnings ﷲ	Other reserve ﷲ	Total ﷲ
As at 1 January 2025 (Audited)	115,000,000	55,805,475	(25,358,702)	145,446,773
Net loss for the period	-	(17,926,656)	-	(17,926,656)
Total comprehensive loss for the period	-	(17,926,656)	-	(17,926,656)
As at 30 September 2025 (Unaudited)	115,000,000	37,878,819	(25,358,702)	127,520,117
As at 1 January 2024 (Audited)	115,000,000	54,060,522	(25,358,702)	143,701,820
Net profit for the period	-	3,440,900	-	3,440,900
Total comprehensive income for the period	-	3,440,900	-	3,440,900
As at 30 September 2024 (Unaudited)	115,000,000	57,501,422	(25,358,702)	147,142,720

Ansar Mahmoud
Chief financial Officer



Abdullah Al Harbi
Chief Executive Officer



Ahmed Al Barrak
Chairman



The accompanying notes from 1 to 22 form an integral part of these interim condensed consolidated financial statements.

Filling and Packing Materials Manufacturing Company
(A Saudi Joint Stock Company)

Interim condensed consolidated statement of cash flows

For the nine-month period ended 30 September 2025

	For the nine-month period ended 30 September 2025 (Unaudited) ﷲ	30 September 2024 (Unaudited) ﷲ
OPERATING ACTIVITIES		
(Loss) profit before zakat	(17,373,252)	4,550,928
Adjustments for:		
Depreciation of property, plant and equipment	7,528,771	7,281,646
Depreciation of a right-of-use asset	372,111	372,111
Amortization of intangible assets	135,562	135,564
Provision of slow-moving inventory provision	1,626,561	560,396
Provision for expected credit losses of trade receivables	8,010,263	973,430
Provision for impairment loss on advance payments to suppliers	-	64,045
Provision for employees defined benefit liabilities	1,487,381	1,452,798
Government grants	(511,720)	(892,601)
Finance cost	5,030,213	4,312,636
	6,305,890	18,810,953
Change in operating assets and liabilities:		
Inventory	(5,999,747)	(13,547,700)
Trade receivables	(96,815)	(3,348,324)
Prepayments and other current assets	(2,182,168)	1,942,893
Trade payables	(7,842,205)	(5,934,633)
Accrued expenses and other current liabilities	749,212	(1,364,172)
Accrued dividend	-	(979)
Cash used in operations	(9,065,833)	(3,441,962)
 Zakat paid	 (1,408,459)	 (2,897,465)
Finance costs paid	(3,164,628)	(696,489)
Employees defined benefits liabilities paid	(949,202)	(542,190)
Net cash used in operating activities	(14,588,122)	(7,578,106)
 INVESTING ACTIVITIES		
Additions to property, plant and equipment	(7,769,193)	(1,274,955)
Net cash used in investing activities	(7,769,193)	(1,274,955)
 FINANCING ACTIVITIES		
Loans received	78,654,823	41,765,919
Loans paid	(61,893,747)	(37,164,444)
Payment of lease liabilities	(780,024)	(780,024)
Net cash from financing activities	15,981,052	3,821,451

The accompanying notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements.

	For the nine-month period ended	
	30 September	30 September
	2025	2024
	(Unaudited)	(Unaudited)
	ﷲ	ﷲ
Net decrease in cash and cash equivalents	(6,376,263)	(5,031,610)
Cash and cash equivalent at the beginning of the period	8,896,196	14,142,894
Cash and cash equivalents at the end of the period	2,519,933	9,111,284
Non cash transaction		
Transferred from inventory to property, plant and equipment	1,522,188	584,878
Written off the provision for expected credit losses of trade receivables	4,960	76,910
Written off the provision for slow-moving inventory	1,626,561	560,396

Ansar Mahmoud

Chief financial Officer



Abdullah Al Harbi

Chief Executive Officer



Ahmed Al Barrak

Chairman



The accompanying notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements.

1 GENERAL INFORMATION

Filling and Packing Materials Manufacturing Company (“the Company”) is A Saudi Joint Stock Company formed in accordance with the Companies Regulation and is registered in the Kingdom of Saudi Arabia (“KSA”) under the Commercial Registration No. 1010084155 dated 4 Dhul-Hijjah 1411H (corresponding to 17 September 1991).

The main activities of the Group are weaving textiles from industrial threads such as nylon, cutting and detailing covers for machines and goods, manufacturing plastics in their primary forms, manufacturing industrial threads, and manufacturing containers and bags from plastics.

The registered address of the group is 7305 - Second Industrial Area - Unit No. 7306 Riyadh - Kingdom of Saudi Arabia P.O. Box: 14335 Riyadh 2483.

These condensed consolidated financial statements include the financial statements of the company and the following subsidiaries (collectively referred to as the 'Group')

Subsidiary	Ownership percentage direct and indirect %	
	30 September 2025 (unaudited)	31 December 2024 (audited)
FPC Industrial Company	100%	100%
Zilal Al Dana Tents Company	100%	-

FPC Industrial Company

FPC Industrial Company - is a Saudi Closed Joint Stock Company and registered under the Commercial Registration No. 1010468446 dated 2 Jumada al-Thani 1438H corresponding to 1 March 2017. The Company is the engaged in the cutting and detailing tents and sails, car and furniture covers, machinery and goods covers, and the manufacture of bags, flags, banners, umbrellas, and tents.

Zilal Al Dana Tents Company

On 11 Rajab 1446H (corresponding to 11 January 2025), the branch of FPC Industrial Company (Zilal Al Dana Tents Company) was converted into a Limited Liability Company wholly owned by the Packaging Materials Manufacturing Company (FIPCO), under the name “Zilal Al Dana Tents Company” registered under Commercial Registration No. 1010822409 dated 1 Safar 1444H (corresponding to 28 August 2022). The Company is engaged in metal workshop activities, general construction of residential buildings, general construction of non-residential buildings (such as schools, hospitals, hotels, etc.), construction of airports and their facilities, general construction of government buildings, on-site construction of prefabricated buildings, and general sports construction including stadiums and the construction of military yards, installation of canopies and barriers, interior fittings for shops, mobile buildings, and boats.

Benaa Industrial Investments Holding Company

On 29 May 2025, the Group’s management signed a non-binding memorandum of understanding with Benaa Industrial Investments Holding Company (“Benaa Holding”), which is considered a related party due to the presence of a common board member between the two companies. The memorandum of understanding aims to initiate discussions regarding the Group’s potential acquisition of all ownership interests in Benaa Industrial Investments Holding Company (“Benaa Holding”). The memorandum of understanding is valid for 180 days from the date of signing and is renewable upon mutual agreement by both parties.

The memorandum of understanding includes provisions for conducting financial and legal due diligence, share valuation, and negotiations to reach a final binding agreement on the potential transaction. It also includes confidentiality, exclusivity, and certain regulatory restrictions.

2 BASIS OF PREPARATION

2-1 Statement of compliance

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

These condensed consolidated interim financial statements should be read in conjunction with the annual audited consolidated financial statements of the Group as at and for the year ended 31 December 2024. These statements do not include all the information required for a complete set of financial statements under the International Financial Reporting Standards that is endorsed in the Kingdom of Saudi Arabia. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's interim condensed consolidated financial position and financial performance since the last reviewed annual consolidated financial statements.

2-2 Basis of measurement

The interim condensed consolidated financial statements have been prepared on the historical cost basis, except employee defined benefit liabilities which are measured under the projected unit credit method. Furthermore, these interim condensed consolidated financial statements have been prepared using the accrual basis of accounting and the going concern principle.

2-3 Functional and presentation currency

These interim condensed consolidated financial statements are presented in Saudi Riyals (ﷲ), which is the Group's functional and presentation currency.

2-4 Basis of consolidation

The interim condensed consolidated financial statements include the financial statements of the Company and its subsidiary as of 30 September 2025. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

Control is achieved when the Group is exposed to, or has rights to, variable returns from its relationship with the investee, and has the ability to affect the returns by exercising its power over the investee. In particular, the Group controls an investee only when the Group has:

- Control over the investee company;
- Exposure to risks, and has rights to obtain different returns through its relationship with the investee company.
- The ability to use its power over the investee company to affect its returns.

The Group conducts a reassessment to ascertain whether or not it exercises control over an investee when facts and circumstances indicate that there is a change in one or more of the three elements of control mentioned above.

When the Group has less than a majority of the voting rights of an investee, it has control over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee individually.

The Group considers all relevant facts and circumstances when determining whether it exercises control over an investee, including:

2 BASIS OF PREPARATION (continued)

2-4 Basis of consolidation (continued)

- The size of the Group's voting rights in proportion to the size of the voting rights owned by other parties.
- Potential voting rights owned by the Group or voting rights owned by other parties.
- Rights arising from other contractual arrangements.
- Any additional facts and circumstances indicating that the Group has, or does not have, the current ability to direct the relevant activities when decisions need to be made, including voting methods at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group ceases to exercise such control. Specifically, the income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date on which control is transferred to the Group until such control ceases.

All assets and liabilities, as well as equity, revenues, expenses and cash flows relating to intra-group transactions are eliminated in full when consolidating the financial statements.

2-5 Material accounting policies

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

2-6 Changes in material accounting policies

New accounting standards, along with a series of amendments to existing ones, became effective as of 1 January 2025. These have been disclosed in the Group's annual consolidated financial statements; however, they do not have a material impact on the Group's condensed interim consolidated financial statements.

3 SIGNIFICANT ASSUMPTIONS AND ESTIMATES

In preparing these interim condensed consolidated financial statements, requires management to make judgments, estimates, and assumptions as of the date of the interim condensed consolidated financial statements, which affect the reported amounts of revenue, expenses, assets, and liabilities, as well as the disclosure of contingent assets and liabilities. However, due to the inherent uncertainty of these assumptions and estimates, actual results may differ and may require a material adjustment to the carrying amounts of the affected assets or liabilities in future periods. Estimates and judgments are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future, and as a result, the accounting estimates may differ from the actual outcomes related to those estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those disclosed in the annual consolidated financial statements for the year ended 31 December 2024.

4 PROPERTY, PLANT AND EQUIPMENT

	For the nine-month period ended 30 September 2025 (Unaudited)	For the year ended 31 December 2024 (Audited)
	ﷲ	ﷲ
Cost:		
At the beginning of the period/year	343,411,175	340,199,818
Additions	7,769,193	3,211,357
Transferred from inventory	1,522,188	-
At 30 September 2025 (Unaudited)	<u>352,702,556</u>	<u>343,411,175</u>
Accumulated depreciation		
At the beginning of the period/year	204,482,486	192,774,958
Depreciation for the period/year	7,528,771	11,707,528
At the end of the period/year	<u>212,011,257</u>	<u>204,482,486</u>
Net book value		
At the end of the period/year	<u><u>140,691,299</u></u>	<u><u>138,928,689</u></u>

5 INVENTORY

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
	ﷲ	ﷲ
Raw materials	29,922,319	26,118,030
Finished goods	18,095,180	17,783,715
Work in progress	11,239,510	12,115,052
Other materials and supplies	2,906,928	2,435,350
Goods in transit	1,566,007	2,426,799
	<u>63,729,944</u>	<u>60,878,946</u>

The movement of provision for slow-moving and obsolete inventory:

	For the nine-month period ended 30 September 2025 (Unaudited)	For the year ended 31 December 2024 (Audited)
	ﷲ	ﷲ
At the beginning of the period/year	-	-
Charged during the period/year	1,626,561	20,714
Written off during the period/year	<u>(1,626,561)</u>	<u>(20,714)</u>
Balance at the end of the period/year	<u>-</u>	<u>-</u>

5 INVENTORY (continued)

According to the Group's accounting policy, the Group identifies inventory items that are considered to be impaired due to obsolescence or other factors that have reduced their recoverable value. A provision for impairment is recorded to reduce the carrying amount of these items to their net realizable value. At the end of each financial period, the Group writes off the provision for inventory impairment.

6 TRADE RECEIVABLES

	30 September 2025 (Unaudited) ﷲ	31 December 2024 (Audited) ﷲ
Total trade receivables	63,593,133	63,501,278
Less: provision for expected credit losses	(12,530,000)	(4,524,697)
Trade receivables, net	51,063,133	58,976,581

- Trade receivables are commission-free and are generally due within 30-90 working days. The carrying amount may be affected by changes in the credit risk of counterparties.
- The majority of the Group's trade receivables are concentrated in the Kingdom of Saudi Arabia.
- As at 30 September 2025, impaired trade receivables totaled ﷲ 12,530,000 (31 December 2024 totaled ﷲ 4,524,697) and a provision for impairment was made, as appropriate.

Movement in the provision for expected credit losses:

	For the nine- month period ended 30 September 2025 (Unaudited) ﷲ	For the year ended 31 December 2024 (Audited) ﷲ
At the beginning of the period/year	4,524,697	2,517,588
Charged during the period/year	8,010,263	2,084,019
Written off during the period/year	(4,960)	(76,910)
At the end of the period/year	12,530,000	4,524,697

The following is the aging analysis of receivables:

	Total	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days
30 September 2025 (Unaudited)	63,593,133	41,689,326	5,617,392	3,863,449	2,693,728	9,729,238
31 December 2024 (Audited)	63,501,278	46,473,837	9,566,151	1,020,998	4,954,951	1,485,341

7 PREPAYMENTS AND OTHER CURRENT ASSETS

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
	ﷲ	ﷲ
Advance payments to suppliers	5,316,411	2,696,401
Prepaid expenses	2,630,444	1,253,371
Employees receivables	2,491,313	2,268,342
Margin on letter of guarantees	386,696	1,998,035
Other	-	51,838
Less: provision for impairment loss	(604,886)	(604,886)
	10,219,978	7,663,101

8 SHARE CAPITAL

The authorized, issued and fully paid ordinary share capital of the Company consists of 11.5 million shares of ﷲ 10 each (31 December 2024: 11.5 million ordinary shares of ﷲ 10 each).

9 ACQUISITION OF NON-CONTROLLING INTEREST IN FPC INDUSTRIAL COMPANY

During 2020, the Company acquired the non-controlling stake of 20% in FPC Industrial Company (the subsidiary) and therefore it became a wholly owned subsidiary of the Group. According to the acquisition agreement, the selling party is entitled to 20% of the annual net profit of the subsidiary, calculated according to the audited financial statements for a period of ten years only, which ends on 31 December 2029. Accordingly, the Company conducted an assessment for the potential commitment in accordance with the aforementioned agreement. Management believes that the calculation of this potential liability reflects the best estimate in light of the available data and is reassessed annually.

The consideration amount due in respect of the acquisition exceeded the fair value of the stake as at the acquisition date by an amount of SAR 25,358,702, which was classified under "Other reserves" within shareholders' equity.

The movement of contingent liability the for acquisition of non-controlling interest is as follows:

	For the nine- month period ended 30 September 2025 (Unaudited)	For the year ended 31 December 2024 (Audited)
	ﷲ	ﷲ
At the beginning of the period/year	11,173,000	13,999,000
Change as a result of re-estimation	-	(4,319,693)
Financial costs during the period/year	888,253	1,493,693
At the end of the period/year	12,061,253	11,173,000

10 TERM LOANS

The Group entered into an agreement with the Saudi Industrial Development Fund for a gross financing of ﷲ 50.4 million in order to finance the expansion of the plant and for the purpose of purchasing new production lines to increase production capacity. The Industrial Development Fund's loan guarantees include the pledge of majority of the Group's property, plant and equipment. The due amount for payment reached to ﷲ 10.1 million as of 31 September 2025.

The Group obtained short-term credit facilities amounting to ﷲ 126.6 million from a local bank for the purposes of financing the Group's activities. The utilized balance amounted to ﷲ 49.7 million in the form of loans maturing within a period not exceeding 3 to 12 months as of 30 September 2025. The loans carries a commission according to the prevailing commercial rates between banks in the Kingdom of Saudi Arabia.

Loans include certain covenants. Any future breach of commitments may lead to renegotiation. certain are monitored on a monthly basis by management. In the event of any potential violation, management takes measures to ensure compliance.

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
	ﷲ	ﷲ
Short term loans	49,684,414	3,746,219
Current portion of term loans	3,622,949	25,436,228
Non-current portion of term loans	7,241,458	14,605,298
	<u>60,548,821</u>	<u>43,787,745</u>

According to IFRS 20 government grants and other forms of government assistance, the interest rate on loans that carry an interest rate below the market rate is measured at fair value. The difference between the book value of the loan from the Saudi Industrial Development Fund and the amount received is also treated as government grants. The government grants were as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
	ﷲ	ﷲ
Government grants – current portion	367,994	790,242
Government grants - non-current portion	523,165	612,637
At the end of the period / year	<u>891,159</u>	<u>1,402,879</u>

11 ZAKAT

Zakat expense for the year is determined in accordance with the requirements of the Zakat, Tax and Customs Authority ("ZATCA") and charged to the consolidated statement of profit or loss and comprehensive income. Differences resulting from the final zakat calculation, if any, are adjusted in the period in which the final assessments are received. The provision for the period was calculated based on the zakat base of the Company and its wholly-owned subsidiaries as a whole, as the Group submits a consolidated zakat return.

The Group submitted its zakat returns to the Zakat, Tax, and Customs Authority for all years up to 2024, and the Group obtained the final zakat assessments for the years up to 2023 and paid related zakat on it. ZATCA has not yet issued the zakat assessment for the year 2024.

11 ZAKAT (continued)

Zakat provision movement:

	For the nine-month period ended 30 September 2025 (Unaudited)	For the year ended 31 December 2024 (Audited)
	ﷲ	ﷲ
At the beginning of the period / year	1,503,308	2,988,120
Charged during the period / year	553,404	1,412,653
Paid during the period / year	(1,408,459)	(2,897,465)
At the end of the period / year	648,253	1,503,308

12 GENERAL AND ADMINISTRATIVE EXPENSES

	For the nine-month period ended 30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
	ﷲ	ﷲ
Salaries, wages and its equivalence	13,984,491	9,938,574
Consulting and professional fees	2,622,981	979,261
Board of directors' and other committees' allowances and remunerations	904,500	823,500
Research and development expenses	712,055	906,768
Training expenses	226,686	102,518
Telephone and postage	216,840	92,820
Security and safety expenses	189,579	188,889
Bank expenses	173,195	357,773
Amortization of intangible assets	135,562	135,564
Electricity and water	129,627	143,689
Insurance expenses	116,385	95,345
Depreciation of property, plant and equipment	100,296	85,365
Subscriptions and fees	99,528	228,032
Provision for impairment loss on advance payments to suppliers	-	64,045
Others	1,051,031	1,156,478
	20,662,756	15,298,621

13 OTHER INCOME, NET

	For the nine-month period ended	
	30 September	30 September
	2025	2024
	(Unaudited)	(Unaudited)
	ﷲ	ﷲ
Currency translation differences	547,277	103,480
Support of the Export Development Authority	246,843	80,553
Scrap sales and other supplies	146,127	83,075
Support the Higher Institute of Plastics	50,400	226,434
Murabaha deposit income	6,525	344,240
Customs refund	-	123,331
Other	110,267	212,854
	1,107,439	1,173,967

14 BASIC AND DILUTED (LOSS) EARNINGS PER SHARE

Basic and diluted (loss) earnings per share is calculated by dividing the net (loss) profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period. Diluted (loss) earnings per share is the same as basic (loss) earnings per share since the Company has no diluted shares issued.

	For the three-month period ended		For the nine-month period ended	
	30 September	30 September	30 September	30 September
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	ﷲ	ﷲ	ﷲ	ﷲ
Net (loss) profit for the period attributable to shareholders	(2,794,649)	298,155	(17,926,656)	3,440,900
Weighted average number of shares	11,500,000	11,500,000	11,500,000	11,500,000
Basic and diluted (loss) earnings per share from net (loss) profit for the period	(0.24)	0.03	(1.56)	0.30

15 RELATED PARTY TRANSACTIONS AND BALANCES

Senior management employees are defined as people who have the authority and responsibility to plan, direct and control the Group's activities (directly or indirectly)

Transactions with related parties include salaries, bonuses and allowances of members of the Board of Directors and senior executives that took place during the year between the Group and senior management. Transactions with related parties were as follows:

	For the nine-month period ended	
	30 September	30 September
	2025	2024
	(Unaudited)	(Unaudited)
	ﷲ	ﷲ
Short-term salaries and benefits	3,243,316	3,028,891
Allowances and rewards for the Board of Directors and other committees	904,500	823,500
Defined employee benefit obligations	174,231	159,130
	4,322,047	4,011,521

16 SEGMENT REPORTING

The Group's management has determined the operating segments based on the reports reviewed by the Board of Directors, on the basis of which strategic decisions are taken. For management purposes, the Group is organized into two segments. The following are the operating segments of the Group:

Packing and packaging

The Packing and packaging sector is engaged in weaving textiles from industrial threads such as nylon, manufacturing bags from plastics, manufacturing plastics (plastics) in their primary forms, spinning and preparing plant fibers such as hemp and staple.

Technical textiles

The technical textiles sector is engaged in cutting and detailing tents and sails, car and furniture covers, machinery and goods covers, and the manufacture of bags, flags, banners, umbrellas and awnings.

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

Below represents the summary of Groups revenue from contracts with customers:

For the nine-month period ended 30 September 2025 (Unaudited)	Packing and packaging	Technical textiles	Eliminations	Total
	ﷲ	ﷲ	ﷲ	ﷲ
Revenues	147,230,212	35,898,629	(408,769)	182,720,072
Cost of revenue	(118,892,551)	(36,452,667)	596,899	(154,748,319)
Gross profit	28,337,661	(554,038)	188,130	27,971,753
For the nine-month period ended 30 September 2024 (Unaudited)	Packing and packaging	Technical textiles	Eliminations	Total
	ﷲ	ﷲ	ﷲ	ﷲ
Revenues	135,563,873	42,745,312	-	178,309,185
Cost of revenue	(107,967,242)	(34,966,325)	188,130	(142,745,437)
Gross profit	27,596,631	7,778,987	188,130	35,563,748

Revenue geographical analysis

The geographical analysis of the Group's revenue is as follows:

	For the nine-month period ended 30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
	ﷲ	ﷲ
Kingdom of Saudi Arabia	111,486,808	118,987,903
Other countries	71,233,264	59,321,282
Total revenue	182,720,072	178,309,185

16 SEGMENT REPORTING (continued)

The details of the assets and liabilities of the Group's segments are as follows:

As 30 September 2025 (Unaudited)	Packing and packaging ﷲ	Technical tex- tiles ﷲ	Eliminations ﷲ	Total ﷲ
Total assets	302,338,072	141,183,671	(169,624,488)	273,897,255
Total liabilities	127,983,613	122,324,457	(103,930,932)	146,377,138

As of 31 December 2024 (Audited)	Packing and packaging ﷲ	Technical tex- tiles ﷲ	Eliminations ﷲ	Total ﷲ
Total assets	283,214,667	146,569,128	(148,259,641)	281,524,154
Total liabilities	117,204,832	106,898,998	(88,026,449)	136,077,381

17 FAIR VALUE MEASUREMENT

Fair value is the value at which assets are exchanged or liabilities are settled between willing parties in an arm's length transaction. Financial instruments consist of financial assets and financial liabilities. Financial assets include cash and cash equivalents and trade receivables. Financial liabilities include term loans, trade payable and lease liabilities.

The management has assessed that the fair value of cash and cash equivalents and trade receivables, term loans, trade payable, and lease liabilities approximates their carrying amounts. This is mainly due to the short-term maturity of these instruments.

During the period ended 30 September 2025 and the year ended 31 December 2024, there were no transfers between Level 1 and Level 2 of the fair value hierarchy, nor were there any transfers into or out of Level 3 of the fair value hierarchy.

18 CONTINGENCIES

As at 30 September 2025, the Group had outstanding letters of credit and letters of guarantee amounted to ﷲ 386,696 (at 31 December 2024: ﷲ 3,352,086).

19 INTERIM RESULTS

The results of operations for the three-month and nine-month period ended 30 September 2025 are not necessarily indicative of the Group's annual results.

20 SUBSEQUENT EVENTS

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

21 APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved by the board of directors on 15 Jumada Al-Ula 1447H (corresponding to 6 November 2025).