ARABIAN PLASTIC INDUSTRIAL COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
AND
INDEPENDENT AUDITOR'S REVIEW REPORT

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

Content	**Page No.**

الدكتور محمد العمري وشركاه
Dr. Mohamed Al-Amri & Co.

P.O. Box 8736, Riyadh 11492
Tel: +966 11 278 0608
Fax: +966 11 278 2883
www.alamri.com

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE SHAREHOLDERS OF
ARABIAN PLASTIC INDUSTRIAL COMPANY
(A SAUDI JOINT STOCK COMPANY)
Jeddah - Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed statement of financial position of ARABIAN PLASTIC INDUSTRIAL COMPANY - A Saudi Joint Stock Company - ("the Company") , as at 30 JUNE 2026, and the related interim condensed statement of profit or loss and other comprehensive income for the six month period ended, interim condensed statements of changes in equity and cash flows for the six month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed 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", as endorsed in the Kingdom of Saudi Arabia. A review of interim financial statements consists of making inquiries, primarily to the 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, as 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 financial statements are not prepared, in all material respects, in accordance with International Accounting Standards (IAS) 34, that is endorsed in the Kingdom of Saudi Arabia.

For Dr. Mohamed Al-Amri & Co.

د. محمد العمري وشركاه - محاسبون قانونيون
شركة مهنية رقم ٣٢٣/١١/٩٦
س.ت ٤٠٣٠٢٧٥٣٣٠
Jeddah
Certified Public Accountants
Dr. Mohamed Al-Amri & Co.

Maher Al-Khatieb
Certified Public Accountant
License Number 514

Jeddah on: 31 August 2026(G)
Corresponding to: 18 Rabi' al-Awwal 1448(H)

ARABIAN PLASTIC INDUSTRIAL COMPANY
(SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
As at 30 June 2026
(Expressed in Saudi Riyals)

	Note	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant, and equipment	6	**138,631,120**	128,440,399
Right of use assets		5,892,961	2,031,349
TOTAL NON-CURRENT ASSETS		**144,524,081**	**130,471,748**
CURRENT ASSETS			
Trade receivables	7	64,696,698	52,582,639
Prepayments and Other Current Assets		9,033,174	12,004,550
Due from related parties	9-2	387,356	376,595
Inventory		50,720,328	47,206,883
Cash and cash equivalents		25,038,776	926,970
TOTAL CURRENT ASSETS		**149,876,332**	**113,097,637**
TOTAL ASSETS		**294,400,413**	**243,569,385**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	1	75,000,000	75,000,000
Additional capital		385,957	385,957
Retained earnings		53,483,084	49,548,442
TOTAL EQUITY		**128,869,041**	**124,934,399**
NON-CURRENT LIABILITIES			
Lease liabilities – non-current portion		3,834,240	2,225,348
Employees defined benefits obligations		3,891,977	3,989,754
TOTAL NON-CURRENT LIABILITIES		**7,726,217**	**6,215,102**
CURRENT LIABILITIES			
Loans- current portion	8	88,290,125	80,624,934
Lease liabilities - current portion		2,908,540	311,043
Trade payables		43,407,273	24,850,700
Due to related parties	9-1	367,339	242,339
Accrual and other current liabilities		11,249,036	5,627,462
Dividend payables	10	11,250,000	-
Zakat	11	332,842	763,406
TOTAL CURRENT LIABILITIES		**157,805,155**	**112,419,884**
TOTAL LIABILITIES		**165,531,372**	**118,634,986**
TOTAL EQUITY AND LIABILITIES		**294,400,413**	**243,569,385**

CFO CEO **Chairman of the Board of Directors**

T.K. Venugopal

The attached notes from (1) to (19) form an integral part of these interim condensed financial statements.

ARABIAN PLASTIC INDUSTRIAL COMPANY
(SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(Expressed in Saudi Riyals)

		For the six-month period ended 30 June	
		2026	**2025**
	Note	**(Unaudited)**	**(Unaudited)**
Revenue	5	112,139,131	99,527,506
Cost of revenue		(79,963,709)	(74,435,610)
GROSS PROFIT		**32,175,422**	**25,091,896**
Selling and distribution expenses		(9,312,037)	(6,711,310)
General and administrative expenses		(4,555,536)	(3,660,516)
Profit from Operating		**18,307,849**	**14,720,070**
Allowance for expected credit losses		(875,010)	(750,000)
Finance expenses		(2,180,283)	(2,978,774)
Other income		128,696	110,715
Net Profit before Zakat		**15,381,252**	**11,102,011**
Zakat expenses	11	(196,610)	(500,000)
NET PROFIT FOR THE PERIOD		**15,184,642**	**10,602,011**
ITEMS OF OTHER COMPREHENSIVE INCOME:			
Items will not be reclassified as profit or loss in subsequent periods			
Total other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		**15,184,642**	**10,602,011**
Basic and diluted earnings per share	12	**2.02**	**1.41**

CFO CEO **Chairman of the Board of Directors**

T.K. Venugopal

The attached notes from (1) to (19) form an integral part of these interim condensed financial statements.

ARABIAN PLASTIC INDUSTRIAL COMPANY
(SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2026
(Expressed in Saudi Riyals)

	Share capital	Statutory reserve	Additional capital	Retained earnings	Total Equity
Balance at 1 January 2025 *(Audited)*	**50,000,000**	**7,338,799**	**385,957**	**51,341,901**	**109,066,657**
Capital increase	25,000,000	-	-	(25,000,000)	-
Transfer statutory reserve to retained earnings (note13)	-	(7,338,799)	-	7,338,799	-
Net profit for the period	-	-	-	10,602,011	10,602,011
Total comprehensive income for the period	-	-	-	10,602,011	10,602,011
Balance at 30 June 2025 *(Unaudited)*	**75,000,000**	**-**	**385,957**	**44,282,711**	**119,668,668**
Balance at 1 January 2026 *(Audited)*	**75,000,000**	**-**	**385,957**	**49,548,442**	**124,934,399**
Net profit for the period	-	-	-	15,184,642	15,184,642
Total comprehensive income for the period	-	-	-	15,184,642	15,184,642
Dividend approved during the period (Note10)	-	-	-	(11,250,000)	**(11,250,000)**
Balance at 30 JUNE 2026 *(Unaudited)*	**75,000,000**	**-**	**385,957**	**53,483,084**	**128,869,041**

CFO

CEO

T.K. Venugopal

Chairman of the Board of Directors

The attached notes from (1) to (19) form an integral part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2026
(Expressed in Saudi Riyals)

	For the six-month period ended 30 June	
	2026	**2025**
	(Unaudited)	**(Unaudited)**
OPERATING ACTIVITIES		
Net Profit before zakat for the period	15,381,252	11,102,011
Adjustments to reconcile operating income:		
Depreciation of property, plant and equipment	8,087,895	6,240,003
Amortization on right-of-use assets	1,613,891	808,861
Expected credit losses	875,010	750,000
Provision for employees' benefits obligations	482,640	611,683
Impairment of inventory provision	999,990	750,000
Finance expenses	2,180,283	2,978,774
	29,620,961	**23,241,332**
CHANGES IN OPERATING ASSETS AND LIABILITIES		
Trade receivables	(12,989,069)	(1,854,862)
Other current assets	2,971,376	1,339,198
Inventory	(4,513,435)	(2,087,030)
Due from related parties	(10,761)	3,145
Trade payables	18,556,573	8,264,245
Other current liabilities	5,621,574	173,448
Due to related parties	125,000	(459,404)
	39,382,219	**28,620,072**
Employees' benefits paid	(580,417)	(386,315)
Zakat paid	(627,174)	(347,413)
Financing expense paid	(1,432,056)	(2,978,774)
Net cash generated from operating activities	**36,742,572**	**24,907,570**
INVESTING ACTIVITIES		
Additions to projects under construction	(18,278,616)	(12,330,157)
Net cash used in investing activities	**(18,278,616)**	**(12,330,157)**
FINANCING ACTIVITIES		
Payments for lease liabilities	(1,454,270)	(712,116)
Paid loan	(115,636,771)	(111,851,553)
Received loan	122,738,891	98,442,333
Net cash generated from / (used in) financing activities	**5,647,850**	**(14,121,336)**
NET CHANGE IN CASH AND CASH EQUIVALENTS	24,111,806	**(1,543,923)**
Cash and cash equivalents at the beginning of the period	926,970	7,000,598
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**25,038,776**	**5,456,675**
Non-cash transactions:		
Capital increase against retained earnings	-	25,000,000
Addition in right-of-use and lease liabilities	5,475,503	-
Dividends approved during the period	11,250,000	-
Transfers from Projects under construction to property, plant and equipment	(8,859,823)	(8,488,907)

CFO — CEO — **Chairman of the Board of Directors**

T.K. Venugopal

The attached notes from (1) to (19) form an integral part of these interim condensed financial statements.

1. CORPORATE INFORMATION

Arabian Plastic Industrial Company is a Saudi Joint Stock Company established in accordance with the Companies Law in the Kingdom of Saudi Arabia. The company operates under Commercial Registration No. 4030093238 issued in Jeddah on 4 Shaaban 1413 (corresponding to 27 January 1993). Address: Jeddah Industrial Zone, Phase 3. The company's unified number is 7001364004.

The company obtained the approval of the Capital Market Authority issued on 1 Jamadul Al Awwal 1443 (corresponding to 5 December 2021), to list one million shares representing 20% of the capital in Nomu (Parallel Market), and the approval of the Capital Market Authority on 30 Dhul Qadah1443 (corresponding to 29 June 2022) to register the company's shares for subscription in Nomu (Parallel Market), and the company's shares were listed and traded on 9 Rabi ul Awal1444 (corresponding to 5 October 2022).

On 23 Dhul Hijjah 1446 (corresponding to 19 June 2025), the Extraordinary General Assembly of the Company's shareholders approved an increase in the Company's share capital from ⃁ 50,000,000 divided into 5,000,000 shares to ⃁ 75,000,000 and the amendment of the number of shares so that the total number of shares after the increase becomes 7,500,000 shares. The nominal value per share at ⃁ 10 per share. This capital increase was executed through the transfer of ⃁ 25,000,000 from retained earnings to share capital.

The company's main activity is in the manufacture of plastics in its primary forms, the manufacture of cans and boxes from plastics, the manufacture of bottles in various forms of plastics, the manufacture of bags from plastics, the wholesale sale of primary plastics, rubber and synthetic fibers, the sale of tools and plastics (including bags), General stores that include a variety of goods. The company carries out its activities in accordance with the applicable regulations and after obtaining the necessary licenses from private authorities, if any.

The company's financial year starts from the beginning of January of each calendar year and ends at the end of December of the same year.

The company has branches in Jeddah and Riyadh under commercial registration numbers 4030402778 and 1010793227 respectively.

2. BASIS OF PREPARATION

2.1 Statement of commitment

The interim condensed financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" "IAS 34" as is endorsed in the Kingdom of Saudi Arabia.
The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements. It should be read in conjunction with the Company 's annual financial statements as at 31 December 2025. In addition, results for the interim period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

2.2 Measurement basis

The interim condensed financial statements have been prepared on a historical cost basis except for employee defined benefit obligations and lease liabilities, which are measured at the present value of future obligations using the projected unit credit method and present value of lease payments.

2.3 Functional currency and display currency

The interim condensed financial statements are presented in Saudi Riyals (⃁), which is the functional currency of the Company unless otherwise stated.

3. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS

The preparation of the interim condensed financial statements requires the Company's management to make judgments, estimates and assumptions that affect the amounts of revenues, expenses, assets and liabilities and the disclosure of potential liabilities. Actual results may differ from these estimates.The significant judgments made by management in applying the Company's uncertainty estimates were similar to those described in the Company's financial statements for the year ended 31 December 2025.

(Expressed in Saudi Riyals)

4. MATERIAL ACCOUNTING POLICIES, NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

4.1 Accounting policies

The accounting policies applied when preparing the interim condensed financial statements are consistent with those used in preparing the Company's financial statements for the fiscal year ended on 31 December 2025.

4.2 New standards, interpretations and amendments

4.2.1 Standards and amendments issued and applied effective in current period

There are no new standards issued, however, there are amendments to the following standards, which are effective in the current period and have no material impact on the Company's interim condensed financial statements;

Amendments to standard	Description	Effective for annual years beginning on or after
IFRS 9 & IFRS 7	Amendments - Classification and Measurement of Financial Instruments	1 January 2026

4.2.2 Impact of accounting standards to be applied in future periods

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective for periods beginning subsequent to 31 December 2026 (the date of the Company's next annual financial statements) that the Company has decided not to adopt early.

The Company does not believe these standards and interpretations will have a material impact on the financial statements once adopted (except for future adoption of IFRS 18 as described in note 4.2.2.1 below).

4.2.2.1 IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements will supersede IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after 1 January 2027.

For entities with calendar year-ends, the 31 December 2027 annual financial statements (and any interim financial statements prepared during 2027, such as 31 March 2027 condensed interim financial statements) will reflect the effects of IFRS 18 on the primary financial statements and related notes.

The most significant effects of IFRS 18 (and consequential amendments to IFRS Accounting Standards other than IFRS 18) relate to the following:

- **Classification of income and expenses in the statement of profit or loss**

All income and expenses are classified into one of five categories:

- The investing category
- The financing category
- The operating category
- The income taxes category
- The discontinued operations category
- The presentation of two new mandatory subtotals, "operating profit or loss" and "profit or loss before financing and income taxes/zakat

4. MATERIAL ACCOUNTING POLICIES, NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (CONTINUED)

4.2 New standards, interpretations and amendments (continued)

4.2.2 Impact of accounting standards to be applied in future periods (continued)

4.2.2.1 IFRS 18 Presentation and Disclosure in Financial Statements (continued)

Income and expenses are generally classified based on the characteristic of the income or expense (i.e. the type of asset or liability to which the income or expense relates); however, certain exceptions exist for entities with specified main business activities, resulting in certain income and expenses being classified in the operating category that would otherwise be classified in the investing and/or financing categories.

IFRS 18 does not change the recognition or measurement requirements of any items in the financial statements; accordingly, its application will have no impact on the Company's net profit, earnings per share, financial position, or equity.

Based on the preliminary assessment performed by management, the expected impacts of the initial application of IFRS 18 on the Company's financial statements are as follows:

- **Totals and subtotals presented in the statement of profit or loss**

The statement of profit or loss will be structured into the operating, investing and financing categories, and the new mandatory subtotals will be presented. As the Company’s main business activity is the manufacturing of plastics therefore, it has determined that it does not provide financing to customers / investing in assets as main business activity and income and expenses arising from the sale of plastics will continue to be presented within the operating category.

The Company has determined that the following items, which were classified under the operating category:

- Finance cost related to loans and lease liabilities, and
- Gain on sale of property, plant and equipment.

These will now be classified within the investing category and financing category, which will be presented below operating profit. Apart from this reclassification, no material changes to the classification of income and expenses within profit or loss are expected. This reclassification will reduce the figures as appearing in the total of "operating profit" with no effect on profit before zakat and income tax or net profit for the period.

- **Principles of aggregation and disaggregation**

A new set of principles has been introduced for how assets, liabilities, equity, reserves, income, expenses and cash flows are aggregated and disaggregated. Applying these requirements results in aggregation and disaggregation of items being presented in the primary financial statements and disclosed in the notes.

The Company is reviewing the level of aggregation and disaggregation of line items presented in the primary financial statements and the notes, including the requirement to disclose specified expenses by nature, in light of the enhanced principles introduced by IFRS 18.

- **Disclosure of management-defined performance measures**

IFRS 18 requires entities to disclose information about management-defined performance measures (MPMs), which are a subtotal of income and expense that:

a) an entity uses in public communications outside financial statements;
b) an entity uses to communicate to users of financial statements management’s view of an aspect of the financial performance of the entity as a whole; and
c) is not listed in IFRS 18 or specifically required to be presented or disclosed by IFRS Accounting Standards.

(Expressed in Saudi Riyals)

4. MATERIAL ACCOUNTING POLICIES, NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (CONTINUED)

4.2 New standards, interpretations and amendments (continued)

4.2.2 Impact of accounting standards to be applied in future periods (continued)

4.2.2.1 IFRS 18 Presentation and Disclosure in Financial Statements (continued)

- **Disclosure of management-defined performance measures (continued)**

Company is assessing whether subtotals of income and expenses used in the Company's public communications outside the financial statements meet the definition of MPMs under IFRS 18 and which public communications should be considered when identifying MPMs, which would require disclosure in a single note including a reconciliation to the most directly comparable subtotal specified by IFRS Accounting Standards.

- **Consequential amendments to IAS 7 Statement of Cash flows**

For entities that use the indirect method to prepare their statement of cash flows, the starting point will typically be operating profit or loss. Prior to the adoption of IFRS 18, the starting point in the statement of cash flows was profit or loss before zakat and income tax.

IFRS 18 also eliminates the classification options for interest and dividend cash flows, which will increase consistency.

Finance costs paid, including interest paid on loans and lease liabilities, which are currently presented within operating and financing activities, will be classified within financing activities. Income received on bank deposits will be classified within investing activities. The effect of the financial liability cash flows adjustment will be classified within financing activities. These changes will affect the classification of cash flows between categories but will have no impact on the net increase or decrease in cash and cash equivalents.

The above assessment is preliminary and the actual impact of applying IFRS 18 may change as the Company progresses in its implementation plan. The Company will continue to monitor developments, including any implementation guidance and decisions issued by the IFRS Interpretations Committee, and will update its assessment in future financial statements

5. SEGMENT REPORTING

The company's revenues represent sales resulting from the sale of plastic and there are no other products of the company, and the company's products are sold within and outside the Kingdom of Saudi Arabia at one point in time.

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Geographical markets:		
Inside Kingdom of Saudi Arabia	104,587,928	94,605,753
Outside Kingdom of Saudi Arabia	7,551,203	4,921,753
	112,139,131	**99,527,506**
Client type:		
Corporate clients	112,139,131	99,527,506
	112,139,131	**99,527,506**

Revenues for the period ended 30 June 2026 from a key customers amounted to ⃁ 59.9 million representing 53% of total sales (30 June 2025: ⃁ 44.7 million) representing 45% of total sales.

(Expressed in Saudi Riyals)

6. PROPERTY, PLANT AND EQUIPMENT

For the purpose of preparing the condensed cash flow statemetnt, the movement of property, plant and equipment during the six-month period ended 30 June is as follows:

	For the Six-month period ended June 30	
	2026 (Unaudited)	2025 (Unaudited)
Depreciation	8,087,895	6,240,003
Additions to projects under construction	(18,278,616)	(12,330,157)

A.The Company's buildings are built on leased land from the Saudi Authority for Industrial Cities and Technology Zones in Jeddah.

7. TRADE RECEIVABLES

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Trade receivables	69,478,402	56,638,562
Due from related parties (Note 9)	1,176,306	1,027,077
Total	**70,654,708**	**57,665,639**
Less: Allowance for expected credit losses	(5,958,010)	(5,083,000)
	64,696,698	**52,582,639**

8. LOANS

Loans- Current portion	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Saudi Industrial Development Fund Loan (A)	-	5,548,750
The Saudi Investment Bank (B)	58,290,125	75,076,184
Saudi National Bank (C)	30,000,000	-
	88,290,125	**80,624,934**

(A) Saudi Industrial Development Fund

During the year 2023, the Company requested credit facilities from the Saudi Industrial Development Fund to finance the planned investment expansions by establishing a factory in the Riyadh region. On 17 January 2024, the Company announced the signing of a working capital financing facility worth ⃁ 23 million from the Saudi Industrial Development Fund No. (8803), while maintaining the over the land title deed No. (2978) until the full installments of loan No. (8803) are paid. A facility amounting to ⃁ 22.2 million was obtained on 13 March 2024 to be repaid in 4 quarterly installments from the date of disbursement of the first installment, On 13 March 2025, the facility was renewed for an additional year under the same terms and conditions.

This loan is secured by a mortgage on all existing or future buildings at the factory located on land in the First Industrial City in Jeddah, leased from the Saudi Authority for Industrial Cities and Technology Zones. The factory is established on a 20,377 square meter plot and includes all project assets, equipment, machinery, and all related attachments or those acquired for the project.

On 9 March 2026, the Company paid off the entire outstanding balance of the loan and the mortgage was released from all the existing or future buildings at the factory.

8. LOANS (CONTINUED)

(B) Loan from The Saudi Investment Bank

On 5 May 2019, the Company signed a banking facilities agreement with The Saudi Investment Bank for ⃁ 42 million, with a financing limit of ⃁ 42 million. These facilities were obtained in the form of short-term loans financed by a term sale with a profit margin estimated at the Saudi Interbank Internal Borrowing Rate plus a profit margin. an addendum to the contract was signed and the financing limit was amended under the annexure in the amount of ⃁ 45 million.

The Company has issued a promissory note of ⃁ 52.6 million in addition to an irrevocable continuous Takaful and solidarity guarantee provided independently by: the shareholder Omar Abu Bakr Balubaid Company Ltd., the shareholder Khalid Omar Abu Bakr Balubaid and the shareholder Ahmed Omar Abu Bakr Balubaid (covering all facilities), Note that the terms of the loan agreement dated 5 May 2019, its amendment dated 15 December 2021, and the annexure to its second amendment dated 8 March 2023, according to which the personal guarantees were canceled and the guarantee provided by Omar Abu Bakr Balubaid Company Ltd – one person company, was approved, and the agreement also includes other financial commitments, including maintaining certain financial ratios.

On 8 March 2023, the company signed a banking facilities agreement with The Saudi Investment Bank for ⃁ 19.8 million, with a financing limit of ⃁ 22 million. These facilities were obtained in the form of short-term loans with a forward sale financing with a profit margin estimated at the Saudi Interbank Internal Borrowing Rate plus a profit margin. This is under guarantees provided by Omar Abu Bakr Balubaid Company Ltd- one person comapny, unconditional and irrevocable as a guarantee for all credit facilities provided to the Arabian Plastic Industrial Company.

On 8 March 2023, the company signed a banking facility with The Saudi Investment Bank for ⃁ 30.1 million, with a financing limit of ⃁ 33.5 million. These facilities were obtained in the form of short-term loans to finance a future sale with a profit margin estimated according to the Saudi interbank internal borrowing rate plus a profit margin, this is secured by guarantees provided by Arabian Plastic Industrial Company, consisting of all-risk insurance policies covering the warehouses and factory in favor of the Bank, with the Bank designated as the second beneficiary after the Saudi Industrial Development Fund (SIDF).

It should be noted that the Company has ceased to rely on the guarantees provided by Omar Abu Bakr Balubaid Company. Accordingly, the guarantees provided by Arabian Plastic Industrial Company, as referred to above, are the guarantees under which the Company continues to utilize and deal with the Saudi Investment Bank up to the date of these financial statements, in accordance with the terms and conditions set out in each agreement and its related appendixes

(C) Saudi National Bank

On 17 January 2024 the company signed a banking facility with The Saudi National Bank for ⃁ 25 million, with a financing limit of ⃁ 25 million. These facilities were obtained in the form of short-term loans under deferred sale financing with a profit margin estimated according to the Saudi interbank internal borrowing rate plus a profit margin this is secured by guarantees provided by Arabian Plastic Industrial Company, consisting of insurance policies issued in favor of the Bank for an amount of ⃁ 30 million, covering the facility limits. On 18 January 2026, an addendum to the agreement was signed, pursuant to which the financing limit was amended to ⃁ 60 million.

(Expressed in Saudi Riyals)

9. RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent major shareholders, board members, and key management personnel of the Company and entities controlled or significantly influenced by such parties. Details of the main transactions carried out by the Company with related parties during the period are as follows:

Name	Nature of the transaction	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Arabian Plant For Lubricants & Grease Limited	Customer	125,000	69,797
Hijaz Mall Trading Company	Payment On Behalf	242,339	242,339
Balubaid Holding Group Companies Limited	Payment On Behalf	10,761	99,571
Al Rakaaz 3 Company	Supplier	36,502	-

9.1 Due to related parties

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Arabian Plant For Lubricants and Greases Limited	125,000	-
Hijaz Mall Trading Company	242,339	242,339
	367,339	**242,339**

9.2 Due from related parties

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Balubaid Holding Group Companies Limited	110,332	99,571
Omar Abu Bakr Balubaid Company	277,024	277,024
	387,356	**376,595**

9.3 Amounts due from a related party (Receivables) are as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Arabian Plant For Lubricants and Greases Limited (Note 7)	1,176,306	1,027,077
	1,176,306	**1,027,077**

9.4 Amounts due to a related party (Payables) are as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Al Rakaaz 3 Company	762,040	798,542
	762,040	**798,542**

(Expressed in Saudi Riyals)

9. RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED)

9.5 Board of directors and key management's allowances and remunerations

The compensation of senior executive management and the Board of Directors during the period is as follows:

	For the six-month period ended June 30	
	2026 (Unaudited)	2025 (Unaudited)
Salaries and other benefits	633,377	424,200
End of service benefits	332,930	30,350
Rewards and allowances for attending the meetings	60,000	81,000
	1,026,307	**535,550**

10. Dividend payables

On 13 Muharram 1448 (corresponding to 28 June 2026), in the Ordinary General Assembly Meeting, the shareholders approved the distribution of cash dividends of ⃁ 11,250,000 for the fiscal year ended on 31 December 2025 at ⃁ 1.50 per share.

11. ZAKAT

Movement in zakat provision as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period /year	763,406	680,770
Charge during the period /year	196,610	459,161
Paid during the period /year	(627,174)	(376,525)
Balance at the end of the period/year	**332,842**	**763,406**

Zakat was calculated for the period ending on 30 June 2026 according to management's estimates, which may not represent an accurate indication of Zakat for the year ending 31 December 2026.

The Company has submitted its zakat returns to the Zakat, Tax and Customs Authority ("the Authority") up to the year ended 31 December 2025.

The Company received a revised Zakat assessment from the Zakat, Tax and Customs Authority (ZATCA) following the examination of its Zakat return for the year ended 31 December 2024. The assessment resulted in additional Zakat differences amounting to ⃁ 9,262.62 which have been fully settled by the Company.

In addition, ZATCA examined the Company's withholding tax return for the year ended 31 December 2024. The assessment resulted in an additional withholding tax liability of ⃁ 4,006.47 and a late payment penalty of ⃁ 600.97. The Company has settled both the withholding tax and the related penalty, amounting to a total of ريال 4,607.44.

The Zakat, Tax and Customs Authority is still in the process of reviewing the Company's zakat return for the financial year ended 31 December 2025, and no final assessment has been issued as of the date of this certificate.

The Company holds a valid zakat certificate that is valid until 30 April 2027.

(Expressed in Saudi Riyals)

12. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share are calculated based on the profit attributable to ordinary shareholders divided by the weighted average number of outstanding ordinary shares.

	For the six-month period ended June 30	
	2026	**2025**
Net profit for the period (Unaudited)	**15,184,642**	**10,602,011**
Weighted average number of outstanding ordinary shares at the end of the period	**7,500,000**	**7,500,000**
Basic diluted earnings per share (Unaudited)	**2.02**	**1.41**

13. STATUTORY RESERVE

On 19 June 2025 the Extraordinary General Assembly approved the transfer of the statutory reserve balance amounting to ⃁ 7,338,799 as of 31 December 2024 to retained earnings.

14. FAIR VALUES OF FINANCIAL INSTRUMENTS

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.

The Company’s financial assets consist of cash and cash equivalents, Trade receivables and other current assets, and due from related parties, while its financial liabilities consist of trade payables and accrued expenses and other current liabilities, due to related parties, lease liabilities and loans as below:

14.1 Financial assets

Amortized cost	**As at 30 June 2026 (Unaudited)**	**As at 31 December 2025 (Audited)**
Trade receivables	64,696,698	52,582,639
Prepayments and other current assets	9,033,174	12,004,550
Due from related parties	387,356	376,595
Cash and cash equivalents	25,038,776	926,970
	99,156,004	**65,890,754**

14.2 Financial liabilities

Amortized cost	**As at 30 June 2026 (Unaudited)**	**As at 31 December 2025 (Audited)**
Trade payables	43,407,273	24,850,700
Due to related parties	367,339	242,339
Other current liabilities	11,249,036	5,627,462
Loan	88,290,125	80,624,934
Lease liabilities	6,742,780	2,536,391
	150,056,553	**113,881,826**

The fair value of trade receivables as of 30 June 2026 is the book value because the balances of these receivables are short-term in nature. The Company does not carry any financial assets or liabilities at fair value as at 31 December 2025.

(Expressed in Saudi Riyals)

15. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Company has potential obligations represented in letter of credits:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Letter of credits	761,350	1,001,449
	761,350	**1,001,449**

The company has capital contractual commitments under existing contracts for the supply of fixed assets, the details of the capital commitments are as follows:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Total Capital Contracts	6,811,502	14,488,196
(Less) advance payments for the purchase of Property, plant and equipment/projects under construction	(6,050,152)	(13,486,747)
	761,350	**1,001,449**

16. TRANSACTIONS WITH A MAJOR SUPPLIER

Purchases for the Period ended 30 JUNE 2026 from Saudi Basic Industries Corporation (SABIC) amounted to ⃁ 32.3 million, representing 58% of total purchases (30 June 2025: ⃁ 31.7 million, representing 60% of total purchases).

17. SIGNIFICANT EVENTS

On 26 Ramadan 1447H (corresponding to 15 March 2026), the Board of Directors' recommended to the Extraordinary General Assembly to increase the company's capital by granting bonus shares to existing shareholders, with a portion of the shares allocated to employee incentive programs, to support the company's expansion plans, strengthening its financial position, and supporting long-term employee incentive programs that enhance attracting and retaining talent and motivating performance. The share capital will be increased from ⃁ 75,000,000 to ⃁ 102,000,000, the total number of issued shares will increase from 7,500,000 to 10,200,000. The approval is in process with the Ordinary General Assembly meeting.

The geopolitical tensions in the Middle East have escalated due to military operations and recent reactions thereto, including sporadic incidents affecting countries in the region. Management continues to closely monitor the situation, as the volatile geopolitical climate may increase risks associated with logistics operations and supply chain routes. As at the report date, no impact on the Company's operations has been identified. Given the fast-paced nature of these events, it is not possible at this stage to reliably quantify any potential financial impact, whether negative or positive. Accordingly, no adjustments have been made to the interim condensed financial statements as at the reporting date.

18. SUBSEQUENT EVENTS

There have been no significant subsequent events since the period end that would require disclosures or adjustments in these interim condensed financial statements.

19. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements for the Company for the period ended 30 June 2026 were approved by the Board of Directors on 11 Rabi' al-Awwal1448H (24 August 2026G).