SAUDI CABLE COMPANY
(A Saudi Joint Stock Company)
INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2026

SAUDI CABLE COMPANY
(A Saudi Joint Stock Company)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2026

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

To the Shareholders
Saudi Cable Company
(A Saudi Joint Stock Company)
Jeddah, Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Saudi Cable Company ("the Company") and its subsidiaries (together "the Group's") as of June 30, 2026,and the condensed consolidated interim statements of profit or loss and other comprehensive income for the three-month and six-month periods then ended, and the condensed consolidated interim statements of changes in equity and cash flows for the six-month period then ended., and other explanatory notes.

The Group's 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 this interim condensed consolidated financial information based on our review.

Scope of Review

Except as explained in the following paragraph, we conducted our review in accordance with the international standard on review engagements (ISA 2410), "Review of Interim Financial Information Performed by the Independents Auditor of the Entity" that is endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Material Uncertainty Related to Going Concern

We draw attention to Note (1) to the condensed consolidated interim financial statements, which indicates that the Group generated a net income of SAR 26 million for the period ended 30 June 2026 (30 June 2025: net profit of SAR 64 million) and accumulated losses reached SAR 248.7 million, representing 372.8% of the Group's share capital as of 30 June 2026 (31 December 2025: SAR 274.8 million, representing 412% of the Group's share capital). Furthermore, the Group's current liabilities exceeded its current assets by SAR 669.465 million as of 30 June 2026 (31 December 2025: SAR 670 million). These events or conditions, along with other matters, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and its ability to meet its obligations as they become due.

In this regard, management has prepared forecasts for 2026 that indicate net profit and positive cash flow. The plan includes certain assumptions related to cash injections through the issuance of rights issue instruments, as well as revenue growth based on future orders and tenders, these elements represent future events and therefore involve material uncertainty regarding their outcome. Our opinion has not been modified in respect of this matter.

Professional Consultants Company

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License No. (456)
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Professional Consultants

SAUDI CABLE COMPANY
(A Saudi Joint Stock Company)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2026
(Expressed in Thousands of Saudi Arabian Riyals)

	Note	June 30, 2026 (Unaudited)	December 31, 2025 Audited
ASSETS			
NON-CURRENT ASSETS			
Property, plant, and equipment	6	**32,928**	35,291
Right of use assets	7.1	**2,367**	2,642
Intangible assets	8	**734**	865
Investment in associates	9	**659,622**	604,738
Accounts receivable and retentions receivable	10	**5,736**	5,736
TOTAL NON-CURRENT ASSETS		**701,387**	649,272
CURRENT ASSETS			
Accounts receivable and retentions receivable	10	**52,667**	40,400
Inventories	11	**22,081**	21,381
Prepaid expenses and other debit balances	12	**82,649**	97,250
Unbilled contract asset	13	**24,569**	24,830
Cash and cash equivalents	15	**3,791**	36,537
TOTAL CURRENT ASSETS		**185,757**	220,398
TOTAL ASSETS		**887,144**	869,670
EQUITY AND LIABILITIES			
EQUITY			
Share capital		**66,729**	66,729
Hedging reserve		**41,464**	12,374
Foreign currency translation reserve		**(6,391)**	(6,340)
Actuarial valuation reserve		**(12,282)**	(12,282)
Accumulated losses		**(248,747)**	(274,832)
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY		**(159,227)**	(214,351)
Non-controlling interest		**--**	--
TOTAL EQUITY		**(159,227)**	(214,351)
NON-CURRENT LIABILITIES			
Retentions payable		**3,404**	3,404
Employees' benefit obligations	17	**51,792**	49,950
Lease liabilities – non-current portion	7.2	**2,083**	2,083
Provision for zakat and income tax	18	**102,089**	106,407
Deferred Interest	18	**31,781**	31,781
TOTAL NON-CURRENT LIABILITIES		**191,149**	193,625
CURRENT LIABILITIES			
Term loans and borrowings	16	**104,290**	104,290
Provision for zakat and income tax	18	**106,759**	111,077
Accounts payable, accrued expenses and other liabilities	20	**578,594**	565,426
Due to related parties	19	**63,861**	107,939
Lease liabilities – current portion	7.2	**1,718**	1,664
TOTAL CURRENT LIABILITIES		**855,222**	890,396
TOTAL LIABILITIES		**1,046,371**	1,084,021
TOTAL EQUITY AND LIABILITIES		**887,144**	869,670

Abdulaziz Bin Muhammad Batarfi	Khalid Bin Asaad Khashogji	Abdullah Bin Odah AlGhobain
Chief Financial Officer	**Chief Executive Officer**	**Chairman of the Board of Directors**

The accompanying notes form an integral part of these interim condensed consolidated financial statements

SAUDI CABLE COMPANY
(A Saudi Joint Stock Company)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2026
(Expressed in Thousands of Saudi Arabian Riyals)

		For the three months ended June 30,		For the six months ended June 30,	
		2026	2025	**2026**	2025
Continued operation	**Note**	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Revenue	21	**26,035**	**30,191**	**48,309**	**74,297**
Cost of revenue		**(35,684)**	**(44,818)**	**(66,206)**	**(93,173)**
GROSS LOSS		**(9,649)**	**(14,627)**	**(17,897)**	**(18,876)**
General and administrative expenses	22	**(22,812)**	**(26,618)**	**(41,215)**	**(35,071)**
Selling and distribution expenses	23	**(1,382)**	**(1,335)**	**(3,790)**	**(2,473)**
Reversal / (provision) for expected credit losses	24	**--**	**1,031**	**--**	**1,031**
OPERATING LOSS FOR THE PERIOD		**(33,843)**	**(41,549)**	**(62,902)**	**(55,389)**
Finance costs, net		**(288)**	**(297)**	**(576)**	**(592)**
Share of result from an associate		**44,112**	**60,208**	**98,660**	**121,137**
Reversal of provision of net assets of subsidiaries		**--**	**--**	**--**	**2,328**
Other (losses) / gains, net		**(7,510)**	**(134)**	**(8,265)**	**(270)**
PROFIT BEFORE ZAKAT AND INCOME TAX		**2,471**	**18,228**	**26,917**	**67,214**
Zakat and income tax	18	**-**	**-**	**(832)**	**-**
PROFIT FOR THE PERIOD FROM CONTINUED OPERATION		**2,471**	**18,228**	**26,085**	**67,214**
Discontinued operation					
Net loss from discontinued operating after tax	14	**--**	**--**	**--**	**(2,328)**
PROFIT FOR THE PERIOD		**2,471**	**18,228**	**26,085**	**64,886**
OTHER COMPREHENSIVE INCOME (LOSS) :					
Items that are or may be reclassified subsequently to profit or loss					
Hedging reserve		**10,854**	**163**	**29,090**	**(5,604)**
Changes in foreign currency translation reserve		**(5)**	**174**	**(51)**	**(9)**
		10,849	**337**	**29,039**	**(5,613)**
TOTAL COMPREHENSIVE PROFIT FOR THE PERIOD		**13,320**	**18,565**	**55,124**	**59,273**
Profit for the period attributable to					
Parent Company shareholders		**2,471**	**18,228**	**26,085**	**64,886**
Non-controlling interests		**--**	**--**	**--**	**--**
		2,471	**18,228**	**26,085**	**64,886**
Total comprehensive profit attributable to					
Parent Company shareholders		**13,320**	**18,565**	**55,124**	**59,273**
Non-controlling interests		**--**	**--**	**--**	**--**
		13,320	**18,565**	**55,124**	**59,273**
Earnings / (loss) per share (basic and diluted):					
Basic and diluted earnings per share from Continuing operations		**0.37**	**2.73**	**3.91**	**10.07**
Basic and diluted losses per share from discontinuing operations		**--**	**--**	**--**	**(0.35)**
Number of Shares		**6,673**	**6,673**	**6,673**	**6,673**

Abdulaziz Bin Muhammad Batarfi	Khalid Bin Asaad Khashogji	Abdullah Bin Odah AlGhobain
Chief Financial Officer	**Chief Executive Officer**	**Chairman of the Board of Directors**

The accompanying notes form an integral part of these interim condensed consolidated financial statements

SAUDI CABLE COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2026
(Expressed in Thousands of Saudi Arabian Riyals)

	Share capital	Hedging reserve	Foreign currency translation reserve	Employees' benefit obligation reserve	Accumulated losses	Total equity attributable to shareholders	Non-controlling interest	Total equity
Balance as of January 1, 2025	66,729	9,368	(6,550)	(12,231)	(476,757)	(419,441)	--	(419,441)
Profit for the period (unaudited)	--	--	--	--	64,886	64,886	--	64,886
Other comprehensive income	--	(5,604)	(9)	--	--	(5,613)	--	(5,613)
Total comprehensive income	--	(5,604)	(9)	--	64,886	59,273	--	59,273
Balance as of June 30, 2025(unaudited)	66,729	3,764	(6,559)	(12,231)	(411,871)	(360,168)	--	(360,168)
Balance as of January 1, 2026	**66,729**	**12,374**	**(6,340)**	**(12,282)**	**(274,832)**	**(214,351)**	**--**	**(214,351)**
Profit for the period (unaudited)	**--**	**--**	**--**	**--**	**26,085**	**26,085**	**--**	**26,085**
Other comprehensive loss	**--**	**29,090**	**(51)**	**--**	**--**	**29,039**	**--**	**29,039**
Total comprehensive income	**--**	**29,090**	**(51)**	**--**	**26,085**	**55,124**	**--**	**55,124**
Balance as of June 30, 2026 (unaudited)	**66,729**	**41,464**	**(6,391)**	**(12,282)**	**(248,747)**	**(159,227)**	**--**	**(159,227)**

Abdulaziz Bin Muhammad Batarfi	Khalid Bin Asaad Khashogji	Abdullah Bin Odah AlGhobain
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SAUDI CABLE COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2026
(Expressed in Thousands of Saudi Arabian Riyals)

	Note	For the six-month periods ended as of June 30, 2026 (Unaudited)	2025 (Unaudited)
OPERATING ACTIVITIES			
Profit for the period before zakat and income tax		**26,917**	67,214
Loss before income tax from discontinued operation		**--**	(2,328)
Profit before zakat and income tax		**26,917**	64,886
Adjustments for:			
Depreciation and amortization		**5,097**	7,082
Provision for employees' end of service benefits		**5,537**	3,935
Share of results from associates, net	9	**(98,660)**	(121,137)
Expected credit losses	24	**--**	(1,031)
Finance cost		**576**	592
		(60,533)	(45,673)
Changes in operating assets and liabilities:			
Accounts and retentions receivable		**(11,810)**	(39,758)
Prepaid expenses and other debit balances		**14,601**	2,809
Unbilled contract assets		**261**	(153)
Inventories		**(700)**	21,858
Due to related parties		**(44,078)**	(52,874)
Accounts payable, accrued expenses and other liabilities		**10,872**	37,208
Cash flows used in operating activities		**(91,387)**	(76,583)
Zakat paid		**(9,468)**	--
Employees' end of service benefits paid		**(1,398)**	--
Finance cost paid		**(576)**	(592)
Net cash used in from operating activities		**(102,829)**	(77,175)
INVESTING ACTIVITIES			
Additions to property, plant and equipment, and intangible assets	6	**(2,329)**	(3,275)
Proceeds from sale of investment property		**--**	--
Dividends received from an associate		**72,815**	76,743
Net cash generated from investing activities		**70,486**	73,468
FINANCING ACTIVITIES			
Net movement in long and short-term loans		**--**	--
Net changes in lease liabilities	7	**(403)**	(677)
Net cash (used in) / from financing activities		**(403)**	(677)
NET MOVEMENT IN CASH AND BANK BALANCES		**(32,746)**	(4,384)
Cash and bank balances at the beginning of the period		**36,537**	13,983
CASH AND BANK BALANCES AT THE END OF THE PERIOD		**3,791**	9,599
Additional information for non-cash items:			
Employees' benefit obligations transferred to outgoing members		**(2,297)**	(1,903)
Change in hedging reserve		**29,090**	(5,604)
Movement in foreign currency translation reserve		**(51)**	(9)

Abdulaziz Bin Muhammad Batarfi	Khalid Bin Asaad Khashogji	Abdullah Bin Odah AlGhobain
Chief Financial Officer	**Chief Executive Officer**	**Chairman of the Board of Directors**

The accompanying notes form an integral part of these interim condensed consolidated financial statements

(Expressed in Thousands of Saudi Arabian Riyals)

1. ORGANIZATION AND PRINCIPAL ACTIVITIES

Saudi Cable Company ("the Parent Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under Commercial Registration No. 4030009931 dated Rabi Al Thani 27, 1396H, (corresponding to April 27, 1976) under unified national Number 7000011424.

The Group's ("Parent Company" and its "subsidiaries") activities comprise manufacturing and supplying electrical and telecommunication cables, copper rod, PVC compounds, wooden reels and related products. The Group is also engaged in the contracting, trading, distribution and supply of cables, electronic products, information technology products and related accessories.

The registered head office of the Parent Company is located at the following address:
Saudi Cable Company
P. O. Box 4403, Jeddah 21491
Kingdom of Saudi Arabia

STRUCTURE OF THE GROUP

These interim condensed consolidated financial statements include assets, liabilities, and the results of the operations of the Parent Company and its following subsidiaries and associates collectively referred to as "the Group":

Company's name	Principal activities	Country of incorporation	Percentage of ownership As of June 30, 2026	Percentage of ownership As of December 31, 2025
Domestic				
Saudi Cable Company for Marketing Limited	Purchase and sale of electrical cables and related products	Saudi Arabia	**100%**	100%
Mass Projects for Power and Telecommunications Limited	Turnkey power and telecommunication projects	Saudi Arabia	**100%**	100%
Mass Centres for Distribution of Electrical Products Limited	Electrical and telecommunication distribution service	Saudi Arabia	**100%**	100%
Cable Advanced Company	Manufacture of insulated wires and cables made of steel, copper, and aluminum.	Saudi Arabia	**100%**	100%
Advanced Power Projects Company	Installation of industrial machinery and equipment, site preparation	Saudi Arabia	**100%**	--
International				
Saudi Cable Company (U.A.E)	Sale of cables and related products	United Arab Emirates	**100%**	100%
Saudi Cable for invstments company	Investment company	United Arab Emirates	**100%**	100%
Mass International Trading Company Limited (note b)	International trading	Ireland	**100%**	100%
Mass Kablo Yatirim Ve Ticaret Anonim Sirketi (note b)	Holding Company (Previously Mass Holding Company)	Turkey	**100%**	100%
Elimsan Salt Cihazlari ye Eletromeanik San ve Tic. A.S	Manufacturing and distribution of electronis gears and goods	Turkey	**94%**	94%
Masan Metallurgical and Mechanical S.A.	Manufacturing and supply of electronic equipment and goods	Turkey	**94%**	94%
Eliman Metalurji ve Makine San. Ve Tic A.S.	Manufacturing and distribution of electronis gears and goods	Turkey	**100%**	100%
Fairhaven Holding Limited	Holding	Seychelles	**100%**	100%
Kablat Holding Limited	Holding	Malta	**100%**	100%
Gozo Gayrimenkul Anonim Sirketi	Holding	Turkey	**100%**	100%
Valleta Gayrimenkul Anonim Sirketi	Holding	Turkey	**100%**	100%
Saudi Cable Company W.L.L *	Sale and trade of industrial chemicals, general trading, construction of utility projects, and electrical installations.	Bahrain	**100%**	100%

(Expressed in Thousands of Saudi Arabian Riyals)

1. ORGANIZATION AND PRINCIPAL ACTIVITIES (CONTINUED)

Saudi Cable Company W.L.L *

On 22 Dhu al-Hijjah 1447 AH, corresponding to June 8, 2026, AD, legal ownership of the company registered under Commercial Registration No. 50152, with a capital of BHD 30,000 (equivalent to SAR 300,000), was fully transferred from the General Manager to Advanced Energy Projects Company W.L.L., a wholly owned subsidiary of the Parent Company

The Group has the following investment in equity accounted investees:

Accosiates:				
Midal Cables B.S.C.(c)	Conductors & related products	Bahrain	**50%**	50%

The group has the following branches inside and outside Saudi Arabia

Branch	CR number
Saudi Cable Branch – Qatar	34948

a) All subsidiaries and equity accounted investees have the same year-end as the Parent Company.
b) Some subsidiaries are not operational (dormant).
c) The Group decided on Shabaan 22, 1445H, corresponding to March 3, 2024, to exit of its investments in Turkey, by disposing of them by sale or in any other way as permitted by Turkish law. As these companies did not achieve the desired returns and continued to achieve losses during the past years despite the solutions and treatments carried out by successive administrations to no avail and strengthening the opinion of local and international legal advisors to support the exiting decision.

Going concern

The condensed consolidated interim financial statements, which indicates that the Group generated a net income of SAR 26 million for the period ended 30 June 2026 (30 June 2025: net profit of SAR 64 million) and accumulated losses reached SAR 248.7 million, representing 372.8% of the Group's share capital as of 30 June 2026 (31 December 2025: SAR 274.8 million, representing 412% of the Group's share capital). Furthermore, the Group's current liabilities exceeded its current assets by SAR 669.465 million as of 30 June 2026 (31 December 2025: SAR 670 million). These events or conditions, along with other matters, indicate that material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and its ability to meet its obligations as they become due

The Group's management has prepared an assessment of going concern. The assessment assumes the possibilities of cash injection via rights issue, revenue growth based on pipeline orders and quotations and approval on the proposal of the Financial Restructuring Procedure (FRP). Consequently, the management has concluded that the going concern assumption is valid and has accordingly prepared these interim condensed consolidated financial statements on a going concern basis.

Geopolitical Developments

The Group continues to monitor regional geopolitical developments and related supply chain conditions. During the period, certain disruptions to regional transportation networks resulted in inflationary pressures on transportation and logistics costs. The Group undertook appropriate operational measures, including the use of alternative transportation routes where necessary, to maintain continuity of supply and operations.

Climate Change and Environmental Sustainability

The Group is exposed to both short-term and long-term risks associated with climate change, which are inherent to its manufacturing and industrial operations. These risks include increased regulatory requirements, rising energy costs, and potential disruptions to supply chains and production processes.

Climate-related factors may also indirectly affect the Group through supply chain dependencies, including the availability and cost of raw materials (such as copper and aluminum), which can be influenced by environmental regulations, resource scarcity, and global climate conditions.

1. ORGANIZATION AND PRINCIPAL ACTIVITIES (CONTINUED)

Climate Change and Environmental Sustainability (continued)

In response, the Group is progressively integrating sustainability considerations into its operations and strategic planning. This includes initiatives aimed at improving energy efficiency across production facilities, optimizing resource utilization, and reducing waste generation. The Group is also exploring opportunities to incorporate renewable energy sources, enhance recycling practices, and improve environmental compliance in line with applicable regulations within the Kingdom of Saudi Arabia.

The Group remains committed to strengthening its environmental governance and monitoring emerging climate-related risks to ensure operational resilience and long-term sustainability.

2. BASIS OF PREPARATION

Statement of compliance

The interim condensed consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards "IFRS" 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").

These interim condensed consolidated financial statements do not include all of the information required for full annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2025.

Basis of measurement

These interim condensed consolidated financial statements have been prepared under the historical cost basis using the accrual basis of accounting and the going concern concept except for the measurement at fair value of derivative financial instruments and Investment classified as fair value through other comprehensive income (FVOCI).

Preparation of interim condensed consolidated financial statements

The preparation of interim condensed consolidated 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 expense. Actual results may differ from these estimates. The significant judgments, estimates and assumptions were consistent with the Group's annual consolidated financial statements for the year ended December 31, 2025.

Functional and presentation currency

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

Material accounting policies

The accounting policies adopted by the Group for the preparation of this interim condensed consolidated financial statements are consistent with those followed in preparation of the Group's annual consolidated financial statement for the year ended December 31, 2025.

Significant accounting judgements, estimates and assumptions

The preparation of the Group's interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and accompanying disclosures.

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 period, were disclosed in annual consolidated financial statements for the year ended December 31, 2025.

3. BASIS OF CONSOLIDATION

These interim-condensed consolidated financial statements comprise the financial statements of the Company and its subsidiaries as set out in note 1. The financial statements of the subsidiaries are prepared for the same reporting period as that of the parent Company.

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. To meet the definition of control, all the following three criteria must be met:

i) The Group has power over an entity;
ii) The Group has exposure, or rights, to variable returns from its involvement with the entity; and
iii) The Group has the ability to use its power over the entity to affect the amount of the entity's returns.

The Group re-assesses whether or not it controls an investee in case facts and circumstances indicate that there are changes to one or more of the criteria of control.
Subsidiaries are consolidated from the date on which control commences until the date on which control ceases. The results of subsidiaries acquired or disposed of during the period, if any, are included in the interim condensed consolidated statement of profit or loss and other comprehensive income from the date of the acquisition or up to the date of disposal, as appropriate.

Non-controlling interests

Non-controlling interests represent the portion of net profit (loss) and net assets of subsidiaries not owned, directly or indirectly, by the Group in its subsidiaries and are presented separately in the interim condensed consolidated statement of profit of loss and other comprehensive income and within equity in the interim condensed consolidated statement of financial position, separately from the Group's equity. Any losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Transactions eliminated on consolidation

Balances between the Group entities, and any unrealized income and expenses arising from intragroup transactions, are eliminated in preparing the interim condensed consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Investment in associates and jointly controlled entities

The Group's interest in equity-accounted investee comprises interest in a joint venture and investments in associates.

Associates are entities over which the Group exercises significant influence. Investments in associates are initially recognized at cost and subsequently accounted for under the equity method of accounting and are carried in the interim condensed consolidated statement of financial position at the lower of the equity-accounted value or the recoverable amount.

A joint venture is an arrangement in which the Group has joint control whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Equity-accounted value represents the cost plus post-acquisition changes in the Group's share of net assets of the associate (share of the results, reserves and accumulated gains / (losses) based on the latest available financial information) less impairment, if any.

3. BASIS OF CONSOLIDATION (CONTINUED)

Investment in associates and jointly controlled entities (continued)

After application of the equity method, the Group determines whether it is necessary to recognize an additional impairment loss on its investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in 'share in net profit / (loss) of an associate' in the interim condensed consolidated statement of profit or loss and other comprehensive income.

The previously recognized impairment loss in respect of investment in associate can be reversed through the interim condensed consolidated statement of profit or loss and other comprehensive income, such that the carrying amount of the investment in the interim condensed consolidated statement of financial position remains at the lower of the equity-accounted (before allowance for impairment) or the recoverable amount.

Unrealized gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.

4. SUMMARY OF CHANGES IN MATERIAL ACCOUNTING POLICES DUE TO NEW STANDARDS

a) **New and revised standards with no material effect on the condensed consolidated interim financial**

The following revised IFRSs have been adopted. The application of these revised IFRSs did not have any material

- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 Financial Instruments and IFRS 7.
  Financial Instruments: Disclosures effective for annual periods beginning on or after 1 January 2026;
- Annual Improvements to IFRS Accounting Standards, effective for annual periods beginning on or after 1 January 2026 - Amendments to:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7
  - IFRS 9 Financial Instruments;

New standards, amendments and interpretations

- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash flows

b) New and revised standards issued but not yet effective

The amendments to existing standards that are issued, but not yet effective, up to the date of issuance of the Group's condensed consolidated interim financial statements are disclosed below. The Group intends to adopt these amendments to existing standards, if applicable, when they become effective:

- IFRS 19 Subsidiaries without Public Accountability: Disclosures, effective for annual periods beginning on or after 1 January 2027; and
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28, effective date deferred indefinitely.
- IFRS 18 Presentation and Disclosure in Financial Statements, effective for annual periods beginning on or after 1 January 2027.

4. SUMMARY OF CHANGES IN MATERIAL ACCOUNTING POLICIES DUE TO NEW STANDARDS (CONTINUED)

b) New and revised standards issued but not yet effective (continued)

IFRS 18 Presentation and Disclosure in Financial Statements will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The Group has not early adopted the new accounting standard in preparing these interim financial statements; however, earlier application is permitted.

The Group is in the process of assessing the estimated impact that the initial application of IFRS 18 will have on its consolidated financial statements.

a) Statement of Profit or Loss

IFRS 18 requires all income and expenses to be classified into five categories: operating, investing, financing, Zakat and income tax, and discontinued operations, based on the entity's main business activities.

The Group's main business activities comprise the manufacturing, supply, and execution of contracts for electrical cables, telecommunication cables, and related products. The Group has concluded that its main business activities do not involve investing in assets or providing financing to customers.

Under the standard, the Group will present new subtotals in the statement of profit or loss, namely:

- Operating profit or loss; and
- Profit or loss before financing and Zakat and income tax.

The operating profit or loss subtotal is expected to differ from the currently presented operating result due to the reclassification of certain items between different categories, as detailed below:

- **Investing activities:**

The Group’s share of results from the associate, Midal Cables Company B.S.C. (Closed)—which is currently presented below the operating result—will be classified within the investing category in accordance with the standard's requirements. This item is material, as it represents one of the key drivers impacting the Group's profitability.

- **Financing activities:**

Finance costs, in addition to the interest cost arising from the unwinding/discounting of employee benefit obligations (currently included within employee costs), as well as finance charges related to lease liabilities, will be classified within the financing category.

- **Operating activities:**

Net other income, reversal of allowance for net assets of subsidiaries, and foreign exchange gains/losses resulting from operating activities (such as trade receivables and payables) will be reclassified to be categorized under the operating category. Conversely, foreign exchange differences related to financing facilities and loans will be classified within the financing category.

- **Zakat and Income Tax Item:**

Zakat and income tax will be presented within a separate category after the subtotal "Profit or loss before financing and Zakat and income tax" and the financing category, in compliance with the requirements of the standard.

The application of IFRS 18 is not expected to result in any change to the recognized Zakat and income tax expense amount, as the impact of the standard is limited to presentation and disclosure, and does not extend to recognition or measurement.

Furthermore, in July 2026, the International Accounting Standards Board (IASB) issued an exposure draft proposing to allow taxes or other levies that are in lieu of income tax—such as Zakat in the Kingdom of Saudi Arabia—to be classified within the income tax category. Given that the Group is subject to both Zakat and income tax, it monitors developments related to this proposal and will reflect on any resulting amendments once the final requirements are issued and become effective.

4. SUMMARY OF CHANGES IN MATERIAL ACCOUNTING POLICIES DUE TO NEW STANDARDS (CONTINUED)

b) New and revised standards issued but not yet effective (continued)

- **Discontinued Operations:**

The presentation of the Group's results from discontinued operations (represented by its investments in Turkey) will continue to be presented within a separate category in the statement of profit or loss.
Additionally, the Group’s share of items of other comprehensive income of the associate, which includes movements in the hedging reserve and foreign currency translation reserve, as well as the remeasurement of employee benefit obligations—will continue to be presented within the statement of other comprehensive income.

b) Management-defined performance measures

IFRS 18 defines Management-defined Performance Measures (MPMs) as subtotals of income and expenses used in public communications outside financial statements, that reflect management’s view of an aspect of the financial performance of the Group as a whole and are not subtotals specified by IFRS 18 or explicitly required by IFRS Accounting Standards.
As of the date of preparation of these condensed consolidated interim financial statements, the Group has not completed its review of relevant public communications to identify whether there are any performance measures that qualify as Management-defined Performance Measures under the requirements of the standard.

b) Aggregation and Disaggregation of Information:

IFRS 18 introduces enhanced principles for the aggregation and disaggregation of information based on the shared or differing characteristics of items.
The Group is currently reviewing items presented under generic labels, such as "Other income", "Other receivables", "Other payables", and "Other" within general and administrative expenses and selling and distribution expenses, with the objective of using more descriptive labels or providing a higher level of detail in the notes to the financial statements.
Since the Group presents its expenses by function, it will also provide the new mandatory disclosure requiring the disclosure of specified expenses by nature. These include depreciation, amortization, employee benefits, impairment losses on financial assets, and write-downs of inventories to net realizable value, along with an explanation of how these expenses are allocated across line items presented by function.

c) Consequential Amendments to IAS 7 Statement of Cash Flows

When using the indirect method, the starting line item used in reconciling cash flows from operating activities will change from "Profit for the period before Zakat, income tax, and discontinued operations" to the subtotal "Operating profit or loss".
Additionally, cash flows related to interest paid will be classified under financing activities (instead of operating activities as currently practiced), while dividends received from the associate will continue to be classified under investing activities. Dividends paid, if there are any, will also be classified under financing activities.
The impact of applying IFRS 18 is expected to be limited to the presentation of the Group’s financial performance and cash flows, without having any impact on net profit, earnings per share (EPS), total equity, or net cash flows.
The main expected impact consists of changes to the components of operating profit or loss and the representation of the reconciliation of cash flows from operating activities.
This assessment is preliminary as the Group continues to complete its analysis, including determining the quantitative impact of reclassifying comparative information that will be presented upon initial application of the standard. Accordingly, the final impact may differ from the assessment set out above.

(Expressed in Thousands of Saudi Arabian Riyals)

5. EARNINGS PER SHARE

Earnings per share for the three and six-month periods ending June 30, 2026, were calculated by dividing the Net income for each period by weighted average number of shares outstanding during the period.

6. PROPERTY, PLANT, AND EQUIPMENT

June 30, 2026 (Unaudited)	**Buildings**	**Machinery, equipment, and vehicles**	**Furniture, fixtures, and office equipment**	**Capital work in progress**	**Total**
Cost					
At the beginning of the period	194,314	678,732	109,054	4,439	986,539
Additions during the period	--	580	101	720	1,401
Transfer/Utilized the unsold*	--	36,849	--	--	36,849
At the end of the period	**194,314**	**716,161**	**109,155**	**5,159**	**1,024,789**
Accumulated depreciation					
At the beginning of the period	166,515	676,421	108,312	--	951,248
Charge for the period	893	3,665	133	--	4,691
Transfer/Utilized the unsold	--	35,922	--	--	35,922
At the end of the period	**167,408**	**716,008**	**108,445**	**--**	**991,861**
Net book value					
June 30, 2026 (Unaudited)	**26,906**	**153**	**710**	**5,159**	**32,928**

*On June 30, 2026, the Company declassified non-current assets held for sale and reclassified them back to Property, Plant, and Equipment at a cost of SAR 36,849 million, accumulated depreciation of SAR 35,922 million, and a net book value of SAR 927 thousand. This action was taken as they no longer met the criteria for classification as assets held for sale, as disclosed in Note (14-2).

December 31, 2025	**Buildings**	**Machinery, equipment, and vehicles**	**Furniture, fixtures, and office equipment**	**Capital work in progress**	**Total**
Cost					
At the beginning of the year	194,314	677,457	108,712	1,710	982,193
Additions during the year	--	956	342	3,048	4,346
Disposal during the year	--	--	--	--	--
Transfers during the year	--	319	--	(319)	--
At the end of the year	**194,314**	**678,732**	**109,054**	**4,439**	**986,539**
Accumulated depreciation					
At the beginning of the year	163,462	667,201	108,100	--	938,763
Charge for the year	3,053	9,220	212	--	12,485
At the end of the year	**166,515**	**676,421**	**108,312**	**--**	**951,248**
Net book value					
December 31, 2025	**27,799**	**2,311**	**742**	**4,439**	**35,291**

*As of June 30, 2026, pledged assets with a net carrying amount of SAR 32.928 million (2025: SAR 35.291 million) served as collateral for loans from the Saudi Industrial Development Fund (Note 16-c).

(Expressed in Thousands of Saudi Arabian Riyals)

6. PROPERTY, PLANT, AND EQUIPMENT (CONTINUED)

6.1 Depreciation charge for the period / year has been allocated as follows:

	Note	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Cost of goods sold		**4,090**	11,447
Cost of contract revenue		**444**	746
General and administrative expenses	22	**144**	266
Selling and distribution expenses	23	**13**	26
		4,691	12,485

7. LEASES

7.1 Right of use assets

Set below are the carrying amounts of right-of-use assets recognized and the movements during the period / year:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Cost		
At the beginning of the period / year	**8,592**	8,135
Disposals during the period / year	**--**	457
At the end of the period / year	**8,592**	8,592
Depreciation		
At the beginning of the period / year	**5,950**	5,193
Charge for the period / year	**275**	757
At the end of the period / year	**6,225**	5,950
Net book value at the end of the period / year	**2,367**	2,642

The depreciation expense was charged to the consolidated statement of profit and loss within costs of revenue.

7.2 Lease liabilities

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Lease liabilities (a)	**3,801**	3,747
Less: non -current portion	**(2,083)**	(2,083)
Lease liability- current portion	**1,718**	**1,664**

a) Set out below are the carrying amounts of lease liabilities and the movements during the period / year:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
At the beginning of the period / year	**3,747**	4,674
Disposals during the period / year	**--**	511
Unwinding lease liability during the period / year	**54**	185
Payments made during the period / year	**--**	(1,623)
At the end of the period / year	**3,801**	3,747
Less: non -current portion	**(2,083)**	(2,083)
Lease liability- current portion	**1,718**	1,664

The weighted average incremental borrowing rate applied to lease liabilities was 4.0% (2025: 4.0%).

(Expressed in Thousands of Saudi Arabian Riyals)

7. LEASES (CONTINUED)

7.3 The following are the amounts recognized in Statement of profit or loss

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Depreciation expense of right-of-use assets	**275**	757
Financial charges on lease liabilities	**54**	185
Total amount recognized in profit or loss	**329**	942

8. INTANGIBLE ASSETS

	Development costs	**Rights and Licenses**	**Total**
June 30, 2026 (Unaudited)			
Cost			
At the beginning of the period	27,791	8,070	35,861
At the end of the period	**27,791**	**8,070**	**35,861**
Depreciation			
At the beginning of the period	27,791	7,205	34,996
Charge for the period	--	131	131
At the end of the period	**27,791**	**7,336**	**35,127**
Net book value	**--**	**734**	**734**

	Development costs	**Rights and Licenses**	**Total**
December 31, 2025			
Cost			
At the beginning of the year	27,791	8,070	35,861
Transferred from capital work in progress	--	--	--
At the end of the year	**27,791**	**8,070**	**35,861**
Depreciation			
At the beginning of the year	27,791	6,942	34,733
Charge for the year	--	263	263
At the end of the year	**27,791**	**7,205**	**34,996**
Net book value	**--**	**865**	**865**

The amortisation expense charged to the consolidated statements of profit or loss within general and administrative expenses.

(Expressed in Thousands of Saudi Arabian Riyals)

9. INVESTMENT IN ASSOCIATES

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
At the beginning of the period / year	**604,738**	486,038
Share of results, net *	**98,660**	237,726
Hedging reserve	**29,090**	3,006
Foreign currency translation	**(51)**	210
Dividend received during the period / year	**(72,815)**	(122,242)
	659,622	604,738

* Share of results of an associate (net) after considering accounting policies differences. Net increase considering those differences is SAR 4.9 thousand (2025: Increase of SAR 9.7 thousand).

a) Summarized financial information of the associate is as follows:

Midal Cable B.S.C. (C)	**Ownership %**	**Assets**	**Liabilities**	**Revenues**	**Net profit**
June 2026	**50%**	**3,527,617**	**2,204,872**	**3,084,705**	**197,310**
2025	50%	2,624,539	1,411,856	5,678,051	475,433

b) The Parent Company does not have control over management and operations of "Midal Cables B.S.C.(C)". Accordingly, it is classified as investment in an associate and accounted for as such.

10. ACCOUNTS RECEIVABLE AND RETENTIONS RECEIVABLE

	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Accounts receivable, net	10.1	**30,664**	18,304
Retentions receivable, net	10.2	**27,739**	27,832
		58,403	46,136
Less: non-current retentions receivable		**(5,736)**	(5,736)
		52,667	40,400

10.1 The accounts receivable, net comprised of as follows:

	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Gross accounts receivable		**178,909**	166,549
Less: allowance for expected credit losses	10.1 a	**(148,245)**	(148,245)
Accounts receivable, net		**30,664**	18,304

a) The movement in allowance for expected credit losses against accounts receivable is as follows:

	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
At the beginning of the period / year		**148,245**	156,166
Charge during the year	24	**--**	1,000
(Reversal) during the year		**--**	(8,921)
At the end of the period / year		**148,245**	148,245

(Expressed in Thousands of Saudi Arabian Riyals)

10. ACCOUNTS RECEIVABLE AND RETENTIONS RECEIVABLE (CONTINUED)

10.2 The retentions receivable, net comprised of:

	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Gross Retentions receivable		**75,711**	75,804
Less: allowance for expected credit losses	10.2 a	**(47,972)**	(47,972)
Retentions receivable, net		**27,739**	27,832

a) The movement in allowance for expected credit losses against retentions receivable, net is as follows:

	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
At the beginning of the period / year		**47,972**	43,057
Charge during the year	24	**--**	5,134
Reversal during the year		**--**	(219)
At the end of the period / year		**47,972**	**47,972**

11. INVENTORIES

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Raw materials	**27,158**	26,308
Finished goods	**9,959**	13,017
Work in process	**7,979**	5,114
Spare parts and wooden reels	**31,449**	31,406
	76,545	75,845
Less: allowances for slow moving and obsolete inventories	**(54,464)**	(54,464)
	22,081	21,381

The movement in allowance for slow moving and obsolete inventories are as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
At the beginning of the period / year	54,464	57,962
(Reverse) during the period / year	**--**	(3,498)
At the end of the period / year	**54,464**	54,464

(Expressed in Thousands of Saudi Arabian Riyals)

12. PREPAID EXPENSES AND OTHER DEBIT BALANCES

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Advances to suppliers	**79,835**	57,135
Compensation receivable*	**--**	44,078
Guarantee margins and deposits	**15,080**	8,967
Prepayments	**8,022**	7,248
Other receivables	**11,762**	11,872
	114,699	129,300
Provision for prepaid expenses and other debit balances	**(32,050)**	(32,050)
	82,649	97,250

a) This amount includes cash deposited amounting to SAR 15 million (2025: SAR 8.9 million) with financial institutions to issue guarantees on behalf of the Group.

13. UNBILLED CONTRACT ASSET

	Note	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Gross unbilled contract asset	13.a	**31,587**	31,848
Less: allowance for expected credit losses	13.b	**(7,018)**	(7,018)
Unbilled contract asset, net		**24,569**	24,830

This represents projects in Saudi Arabia and outside Saudi Arabia.

a) The movement in gross unbilled contract assets is as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Cost incurred plus profit recognized	**1,217,615**	1,195,632
Less: progress billings	**(1,186,028)**	(1,163,784)
Unbilled contract asset	**31,587**	31,848

b) The movement in allowance for expected credit losses is as follows:

	June 30, 2026 (Unaudited)	December 31, 2024 (Audited)
At the beginning of the period / year	**7,018**	6,471
Reversal during the period / year	**--**	547
At the end of the period / year	**7,018**	**7,018**

(Expressed in Thousands of Saudi Arabian Riyals)

14. DISCONTINUED OPERATION AND ASSETS CLASSIFIED HELD FOR SALE

The Board of Directors of the Group decided on 22 Shabaan 1445H, corresponding to March 3, 2024, to exit its investments in Turkey, by disposing of them by sale or in any other way as permitted by Turkish law. As these companies did not achieve the desired returns and continued to achieve losses during the past years despite the solutions and treatments carried out by successive administrations to no avail supported by the opinions of local and international legal advisors endorsing the exit decision

On June 5, 2024, the court in Turkey issued a ruling subjecting Almasan Saglik Cihazlari ve Elektromekanik San. ve Tic. A.S. and Almasan Metalurji ve Makine San. ve Tic. A.S. to liquidation. Subsequently, the assets were put up for public auction, and the auction procedures commenced on June 11, 2026. Given that these events are beyond the Company's control, management decided to continue classifying these investments as discontinued operations.

As of the reporting date, the judicial proceedings related to the liquidation are still ongoing and no final judgment has been issued. The outcome of these legal proceedings remains outside the control of the Company. Accordingly, management continues to classify these operations as discontinued operations."

14.1 Discontinued operation

The statement of profit or loss for discontinued operations is as follows:

	For the six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)
Cost of revenue	--	(1,264)
General and administrative expenses	--	(482)
Selling and distribution expenses	--	(7)
Finance costs, net	--	(575)
Net loss from discontinued operating before tax	--	(2,328)
Income tax	--	--
Net loss from discontinued operating after tax	--	(2,328)

The major classes of assets and liabilities of Mass Kablo Yatirim Ve Ticaret Anonim Sirketi classified as held for sale are, as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
ASSETS		
Property, plant, and equipment, net	**153,395**	153,395
Investment properties	**2,420**	2,420
Financial assets at fair value through other comprehensive income	**45**	45
Inventories	**21,437**	21,437
Account and retention receivables	**614**	614
Prepaid expenses and other debit balances	**48,042**	48,042
Cash and cash equivalents	**99**	99
TOTAL ASSETS	**226,052**	226,052
LIABILITIES		
Term loans and borrowings	**57,478**	57,478
Accounts payable, accrued expenses, other liabilities	**168,553**	168,553
Employees' benefit obligation	**21**	21
TOTAL LIABILITIES	**226,052**	226,052
NET ASSETS DIRECTLY ASSOCIATED WITH DISPOSAL MASS KABLO GROUP	--	-

(Expressed in Thousands of Saudi Arabian Riyals)

14. DICCONTINUED OPERATION AND ASSETS CLASSIFIED HELD FOR SALE (CONTINUED)

14.2 Assets classified held for sale

The Board of Directors of the Group decided on 1 Safar 1445H, corresponding to August 17, 2023, to sale part of Property, plant, and equipment related to telecommunication and fiber optics plants and waiver the leased lands related to these plants. On August 31, 2023, the company signed agreements with a third party to waiver the above leased lands with total amount SAR 20.7 million and agreement was subject to Modon approval.

On June 30, 2026, the Company discontinued the classification of certain equipment as non-current assets held for sale and reclassified them to property, plant, and equipment at a net carrying amount of SAR 927 thousand. This was due to no longer meeting the criteria for classification as held for sale, as the assets are pledged, thereby preventing the completion of the sale within the specified timeframe.

15. CASH AND CASH EQUIVALENTS

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Cash in hand	**39**	251
Cash at banks*	**3,752**	36,286
	3,791	36,537
Cash and cash equivalents from discontinued operation	**99**	99
	3,890	36,636

* Included within Cash and cash equivalents is an amount of SAR 190 thousand (December 31, 2025: 1.3 million) which is restricted for use at the option of the Group's management.

16. TERM LOANS AND BORROWINGS

	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Loan from a SIDF	16.a	**104,290**	104,290
Current portion of term loans		**104,290**	104,290

16.a) The loan from the Saudi Industrial Development Fund ("SIDF"), was restructured in December 2019. The loan is repayable in 5 unequal installments over the period of 3 years starting December 2020 and carries a fee charged biannually. This loan is secured by certain plant buildings and machinery. As of December 31, 2023, the Group was in default due to the non-repayment of the loan installments on time. Consequently, the remaining outstanding balance is classified as current liability as per the agreement and included in the list of creditors subject to the proposal of the Financial Restructuring Procedure (FRP). The Company has reached an agreement with the Fund granting a grace period until the end of 2026 to settle this debt. In this regard, the Company provided a bank guarantee from the Saudi Investment Bank for the full debt amount, secured by Mr. Ibrahim Al-Rajhi

(Expressed in Thousands of Saudi Arabian Riyals)

17. EMPLOYEES' BENEFIT OBLIGATIONS

The movement in the provision of employee benefit obligations are summarized below:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
At the beginning of the period / year	**49,950**	47,172
Included in statement of profit or loss		
Current service cost	**5,537**	3,818
Interest cost	**--**	2,281
	5,537	6,099
Included in statement of other comprehensive income		
Actuarial gain	**--**	51
Benefits paid	**(1,398)**	(1,573)
Benefits payable to outgoing members	**(2,297)**	(1,799)
At the end of the period / year	**51,792**	49,950

18. ZAKAT AND INCOME TAX

A. Provision for zakat and income tax

Movement in provision for zakat and income tax is as follows:

		June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
At the beginning of the year		249,265	264,372
Charge for the year	18.b	832	(15,107)
Amounts paid during the year		(9,468)	-
At the end of the year		**240,629**	**249,265**
Current portion of zakat provision		106,759	111,077
Non-current portion of zakat provision		102,089	106,407
Deferred Interest		31,781	31,781
		240,629	**249,265**

B. Charge for the period / year

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Zakat (reversal) for the year related to Saudi shareholders	--	(15,107)
Income tax charge	832	--
Zakat and income tax charge for the year	**832**	**(15,107)**

Zakat computation for the years ended December 31, 2025, was based on the financial statements of the Parent Company and its subsidiaries and submitted a combined tax return. Foreign subsidiaries are subject to income tax in accordance with the tax laws of the countries of their incorporation.

18. ZAKAT AND INCOME TAX (CONTINUED)

C. Components of zakat base

In March 2025, the approval of the Zakat, Tax and Customs Authority on the installment plan for the Zakat dues of Zakat assessments and the accrued Zakat for the years (2012-2015-2016-2017-2018-2019-2020-2021-2023), which amounts to a total of SAR 155,462,082.66 over a period of 9 years in quarterly installments represented in 36 installments from February 2026 through October 2034, under which the Company is required to settle the liability in quarterly installments of approximately SAR 4.3 million

In March 2024, The Minister of Finance issued a decision No. (1007) entailing approval of issuing the implementing Regulations of Zakat collection (V. 1445H). The decision clarifies that the regulations shall be effective starting from the financial years beginning on 1 January 2024 and beyond, which illustrate all treatment related to Zakat collection, and facilitates the collection procedures within all business sectors, in a way that contributes to raising Zakat payers' voluntary commitments.

The new implementing Zakat regulations included 128 articles, which provide detailed clarifications of many articles, to include more details that raise awareness about Zakat procedures, and to address the challenges facing Zakat payers.

The issuance of New Implementing Regulations for Zakat collection is part of ZATCA's endeavor in enhance the efficiency of Zakat and tax laws , streamline compliance, and address the challenges faced by Zakat payers across various business sectors, contribute to raising compliance and commitment achieving financial sustainability and supporting the national economy, as well as its ongoing endeavor to raise the awareness of all Zakat payers and customers on Zakat, Tax, and customs, provide them with the best possible experience and ensure ease of doing business and facilitating procedures.

Notably, in January 2025 an amendment extended the application period for certain provisions until April 30, 2025, allowing taxpayers additional time to align with the new requirements. These developments underscore the Kingdom's commitment to refining the Zakat system, ensuring clarity and efficiency for all stakeholders.

The Company made a final settlement with the Zakat, Tax and Customs Authority (ZATCA) for the years from 2005 to 2012. Resolution issued on January 29, 2020, by the Zakat and Tax Disputes Settlement Committee in the amount of SAR 65.7 million, provided that the due zakat amounts are paid within 30 days from the settlement date mentioned above, and the Company submitted a request for installments for a period of 12 months and it was approved by the Authority in 10 installments.

The Parent Company

The company paid the down payment of 10% of the amount, in addition to 6 payments, and the remaining amount of SAR 22.5 million.

The company submitted its Zakat declaration for the year 2013, and no Zakat assessment was issued by the Zakat, Tax and Customs Authority. In accordance with the Zakat Regulations, the case is considered time barred.

The ZATCA issued the final assessment for the years from 2015 to 2018 with additional zakat liability of SAR 148 million. It was escalated and filed with the General Secretariat of Zakat, Tax and Customs Committees (GSTC), in which a decision was issued by accepting the objection partially, where the differences amounting to SAR 143 million. The Company filed an appeal against the said GSTC's decision with the Tax Violation and Disputes Resolution Committees (ACTVDR). Then Company submitted a request for settlement of the differences to the Settlement Committee and the offer was received on December 5, 2023, amounting to SAR 103 million for these years, where the basic amount is SAR 144.9 million and the reduction is SAR 41 million.

18. ZAKAT AND INCOME TAX (CONTINUED)

d) Assessment status (Continued)

The Company submitted its financial statements and Zakat declarations for the years 2019 to 2023 to the Zakat, Tax and Customs Authority (ZATCA). In 2025, ZATCA issued the final Zakat assessments for those years, resulting in additional Zakat differences amounting to SAR 1.6 million related to the years 2019 and 2020. The Company reviewed the final assessments and accepted the differences as issued. No additional Zakat differences were issued for the years 2021, 2022, and 2023.

The Company submitted its Zakat declaration for the year 2024, and no Zakat assessment has been issued by the Zakat, Tax and Customs Authority (ZATCA) to date.

Mass Projects for Power & Telecommunications Limited

For the years 1999 to 2004, the Authority issued an assessment claiming an additional Zakat liability amounting to SAR 3.2 million. The Company filed an objection against this assessment with the

Authority. Subsequently, the Authority issued an amended Zakat assessment. The Company escalated the objection to the Preliminary Objection Committee, which issued a decision reducing the Zakat liability by SAR 2.1 million. A final decision was issued requiring the Company to pay SAR 1.5 million to the Authority.

The Authority issued Zakat assessments claiming an additional Zakat liability of SAR 34.7 million, in addition to withholding tax and delay penalties. The Company objected to the Authority's assessment, and the Zakat, Tax and Customs Authority issued an amended assessment, reducing the additional Zakat liability by SAR 6.9 million. The objection was subsequently escalated to the Preliminary Objection Committee under the Tax Violations and Disputes Resolution Committees.

The Company submitted its Zakat returns for the years 2013 and 2014, and the statutory Zakat was duly paid. The Company obtained a restricted Zakat certificate.
On 28 April 2021, the Authority issued a final assessment amounting to SAR 7.4 million for the year 2015. The Company filed an objection and escalated the case to the General Secretariat of the Tax Committees. The Dispute Resolution Committee issued a decision rejecting the objection. The Company then filed an appeal against the decision, and the Appeals Committee issued a decision partially accepting the objection.

The Authority issued an assessment for 2016 with an additional Zakat liability of SAR 2.7 million. The Company objected before the Authority; however, the objection was rejected. The Company then escalated the objection to the Dispute Resolution Committees at the General Secretariat of the Zakat and Tax Committees, where the objection was partially accepted. The Company subsequently filed an appeal before the Appeals Committee at the General Secretariat of the Tax Committees; however, the case was dismissed on procedural grounds.

On 28 June 2021, the Authority issued a final assessment amounting to SAR 6.98 million. The Company objected to the assessment; however, the objection was rejected by the Authority. The Company escalated the objection to the Committee for Resolution of Tax Violations and Disputes, which issued a decision rejecting the objection. The Company subsequently filed an appeal before the Appeals Committees, and the appeal was also rejected.

The Company submitted its financial statements, and Zakat returns to the Zakat, Tax and Customs Authority (ZATCA). A payment plan was arranged for the Zakat liability for the year 2020. As of the date of this report, no final assessments have been issued by the Authority for these years.

18. ZAKAT AND INCOME TAX (CONTINUED)

d) Assessment status (Continued)

Saudi Cable Company for Marketing Limited

ZATCA issued the Zakat assessment for the years from 1996 to 2004 with additional zakat liability of SAR 17 million. The Company filed an appeal which is still under review by ZATCA.

The Company submitted its financial statements and zakat declarations for the years 2005 to 2008 to the Zakat, Tax and Customs Authority (ZATCA). The Authority has not issued a final assessment for these years. According to the Zakat regulations, these years are considered time barred.

The Company filed the financial statements and Zakat declarations for the years 2009 to 2013 with the ZATCA. ZATCA issued a final assessment on the Company for the years from 2009 to 2013, and zakat differences of SAR 1.25 million.

The Zakat, Tax and Customs Authority (ZATCA) issued Zakat assessments for the years 2014 to 2018, requiring an additional Zakat liability amounting to SAR 23 million. The Company escalated its objection to the Tax Violations and Disputes Resolution Committee.

With respect to the 2014 and 2015 cases, the Committee at the General Secretariat for Zakat and Tax Committees fully accepted the Company's claims. ZATCA appealed the Committee’s decision, and the Appeals Committee subsequently issued its decision in favor of the Company, upholding the First-Instance Committee’s ruling.

Regarding the cases for the years 2016 to 2018, the First-Instance Committee partially accepted the Company’s claims. The Company then appealed the decision. Thereafter, the proceedings were suspended to allow the Company to submit a settlement request to ZATCA’s Settlement Committee; however, the proposed settlement was not accepted. Accordingly, the appeal process was resumed by both the Company and ZATCA. The Appeals Committee ultimately issued a decision accepting ZATCA’s appeal.

The Company submitted its financial statements and Zakat declarations for the years 2019 to 2023.
With respect to the years 2020, 2021, and 2022, the Zakat, Tax and Customs Authority (ZATCA) issued estimated Zakat assessments amounting to SAR 250 thousand for each year.

Regarding the year 2019, no assessment has yet been issued by the Authority, and in accordance with the Zakat Regulations, the assessment for that year is considered to have lapsed due to the statute of limitations.

As for the year 2023, the Zakat declaration was submitted as part of the unified consolidated return of Saudi Cable Company.

ZATCA issued the Zakat assessment for the years from 1998 to 2007 with additional Zakat liability of SAR 1 million. The Company filed an appeal with Higher Appeal Committee ("HAC") which has not been decided to date.

The Company filed its Zakat returns for the years 2008 to 2010. The ZATCA did not issue the final Zakat assessment for the said years till to date. The subsidiary is dormant.

The Company is currently inactive and has suspended its operations.

(Expressed in Thousands of Saudi Arabian Riyals)

19. RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent the shareholders, Directors and key management personnel of the Parent Company, and entities controlled, jointly controlled, or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the parent Company's management.

Due to related party

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Ibrahim Alrajhi	**63,861**	107,939
	63,861	107,939

Significant related party transactions as of June 30, 2026, are summarized as below:

Transactions and balances with	**Relationship**	**Nature of transactions**	**June 30,2026 (Unaudited)**	December 31,2025 (Audited)
Midal Cables B.S.C.(c)	Associate	Dividends declared and received	**(72,815)**	**(19,454)**
		Purchase Raw material	**1,573**	**--**
Ibrahim Alrajhi	Shareholder	Pay off debt	**(44,078)** -	107,939

a) Remuneration of Board of Directors

Key management includes personnel / executive directors and members of the Board of Directors.

	For the six-month period ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
Meeting attendance fees	**322**	317
Other remuneration	**2,625**	6,198
	2,947	6,515

b) The compensations of the key management personnel during the year were as follows:

	For the six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)
Short-term benefits	**3,679**	5,246
Post-employment benefit	**522**	523
	4,201	5,769

Short-term benefits include the basic salaries, allowances, and other incentives.

(Expressed in Thousands of Saudi Arabian Riyals)

20. ACCOUNTS PAYABLE, ACCRUED EXPENSES AND OTHER LIABILITIES

		June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Accounts payable		**399,407**	387,261
Accrued expenses for employee related obligations		**44,042**	55,698
Billing in excess of work performed*	A	**31,021**	31,493
Advances from customers		**26,849**	27,068
Provision for net assets of subsidiaries		**8,191**	8,191
Accrued finance charges		**5,546**	5,024
Current portion of retentions payable		**3,937**	3,972
Other payables	B	**59,601**	46,719
		578,594	**565,426**

A -This represents billing in excess of work performed related to projects in progress. The amount of SAR 2,823 has been recognized from the opening balances as revenue during the current period.

B -Includes an amount of SAR 8.369 million resulting from the assessment of Value Added Tax (VAT) returns for the year 2022.

21. REVENUE

	For the three-month period ended June 30,		**For the six-month period ended June 30,**	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Sale of goods	**11,108**	26,208	**23,732**	63,617
Contract revenue	**14,927**	3,983	**24,577**	10,680
	26,035	30,191	**48,309**	74,297

In the following table, revenue is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

	For the three-month period ended June 30,		**For the six-month period ended June 30,**	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Primary geographic markets				
Saudi Arabia	**11,108**	26,208	**23,719**	63,617
Foreign countries	**14,927**	3,983	**24,590**	10,680
	26,035	30,191	**48,309**	74,297
Major products/service lines				
Sales of cables and goods	**11,108**	26,208	**23,732**	63,617
Contract revenues	**14,927**	3,983	**24,577**	10,680
	26,035	30,191	**48,309**	74,297
Timing of revenue recognition				
Revenue recognized at a point in time	**11,108**	26,208	**23,732**	63,617
Revenue recognized over time	**14,927**	3,983	**24,577**	10,680
	26,035	30,191	**48,309**	74,297

(Expressed in Thousands of Saudi Arabian Riyals)

22. GENERAL AND ADMINISTRATIVE EXPENSES

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Salaries and benefits*	**8,116**	15,168	**19,937**	21,592
Legal and professional fees	**10,663**	7,715	**12,581**	7,965
Repairs and maintenance	**1,253**	602	**2,809**	864
Other	**2,780**	3,133	**5,888**	4,650
	22,812	26,618	**41,215**	35,071

*On 3 Muharram 1448H (corresponding to June 18, 2026)، an enforcement order was issued against the Company for an amount of SAR 9,315,000.

23. SELLING AND DISTRIBUTION EXPENSES

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Salaries and related benefits	**1,244**	1,278	**2,600**	2,337
Depreciation and amortization	**7**	7	**13**	14
Others	**131**	50	**1,177**	122
	1,382	1,335	**3,790**	2,473

24. PROVISION FOR EXPECTED CREDIT LOSSES

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Expected credit loss for accounts and retention receivables	--	(1,031)	--	(1,031)
	--	(1,031)	--	(1,031)

(Expressed in Thousands of Saudi Arabian Riyals)

25. SUBSEQUENT EVENTS

On 2026-07-21 Corresponding to 1448-02-07 The Saudi Cable Company signing of a Shariah-compliant credit facility agreement (Murabaha for the financing of the purchase and sale of goods) with The Saudi Investment Bank with amount 20,000,000 Saudi riyals. The Credit Facility Agreement expires on 31/05/2027 and can be renewed under a written agreement signed by both parties.
Guarantees provided for the financing include:

First: Bonds for an order submitted by:

1. Mr. Turki bin Ibrahim bin Mansour Al-Rajhi. (Non-Executive Board Member).
2. Eng. Faris bin Mansour bin Mohammed Al-Rajhi. (Executive Board Member).

Second:

Assign to the Saudi Investment Bank the future dividend proceeds payable to Saudi Cable Company from Medal Cable Company as collateral in the event of failure to pay the outstanding amount within the limits of the value of the credit facilities

26. COMMITMENTS AND CONTINGENCIES

	2026	2025
Letters of Guarantee	**9,801**	3,591

a) In addition to providing guarantees in respect of bank facilities available to certain subsidiaries, the Parent Company has also provided undertakings to support such subsidiaries in meeting their liabilities as they fall due.

b) During the previous year, a court in Turkey issued a verdict in favor of Mass Kablo Yatırım ve Tic. A.Ş for a case filed by the minority shareholders of its subsidiary. An appeal against the verdict has been presented by said minority shareholders. However, based on a legal opinion obtained from an independent counsel which is of view that the decision of Court of Appeal will not be different from the original decision issued by court of first instance. In addition, the Group assessed and recorded a contingent liability amounting to SAR 52.5 million. Further the group has taken full provision on net assets of Mass Kablo Yatırım ve Tic. A.Ş.

c) For Elimsan Group, within the scope of the financial restructuring process the committee of commissioners are currently reconciling the current balances between the Company and the third parties. The process will be completed once the court appointed experts review and finalize the debts owed to those third parties. In order to account for the same, the Group has recognized a contingent liability of SAR 25.50 million as of the reporting date.

d) Five bank who lent funds to “Elimsan Salt Cihazlari ye Elektromekanik San ve Tic. A.S” have initiated legal action on taking over the lands of the company kept as a mortgage against the loans obtained. The Subsidiary "Mass Kablo Yatirim Ve Ticaret Anonim Sirketi" has made the necessary objections on the legal cases.

e) “Elimsan Salt Cihazlari ye Elektromekanik San ve Tic. A.S” currently has three bankruptcy cases against for which the final hearing is expected to be held in November 2023. The subsidiary "Mass Kablo Yatirim Ve Ticaret Anonim Sirketi" has made the necessary objections on the legal cases.

(Expressed in Thousands of Saudi Arabian Riyals)

27. SEGMENTAL INFORMATION

Operating Segment

The Group has the following main business segments:

- Sale of manufactured goods.
- Turnkey power and telecommunication projects (based on the contracts).

These form the basis of internal management reporting of main business segments.

	Sale of goods		Contract revenue		Total	
	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Assets	**804,159**	798,615	**82,985**	71,055	**887,144**	869,670
Liabilities	**923,873**	964,162	**122,498**	119,859	**1,046,371**	1,084,021
Net sales	**23,732**	102,796	**24,577**	53,156	**48,309**	155,952
Net profit (loss)	**22,617**	198,686	**3,468**	3,239	**26,085**	201,925

	Sale of goods		Contract revenue		Total	
	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)	**June 30, 2026 (Unaudited)**	June 30, 2025 (Unaudited)
Assets	**804,159**	748,323	**82,985**	38,036	**887,144**	786,359
Liabilities	**923,873**	1,072,877	**122,498**	73,650	**1,046,371**	1,146,527
Net sales	**23,732**	63,617	**24,577**	10,680	**48,309**	74,297
Net profit (loss)	**22,617**	63,270	**3,468**	1,616	**26,085**	64,886

Geographic Information

The Group's operations are conducted in Kingdom of Saudi Arabia, Turkey, and others. Selected financial information summarized by geographic area, is as follows:

June 30, 2026 (Unaudited)	**Saudi Arabia**	**Turkey**	**Other**	**Total**
Assets	**818,232**	**--**	**68,912**	**887,144**
Liabilities	**1,011,539**	**--**	**34,832**	**1,046,371**
Net sales	**23,732**	**--**	**24,577**	**48,309**
Net profit (loss)	**22,617**	**--**	**3,468**	**26,085**

June 30, 2025 (Unaudited)	Saudi Arabia	Turkey	Other	Total
Assets	785,367	--	992	786,359
Liabilities	1,144,018	--	2,509	1,146,527
Net sales	63,617	--	10,680	74,297
Net profit (loss)	63,270	--	1,616	64,886

December 31, 2025 (Audited)	Saudi Arabia	Turkey	Other	Total
Assets	765,340	--	104,330	869,670
Liabilities	1,018,704	--	65,317	1,084,021
Net sales	102,796	--	53,156	155,952
Net profit (loss)	193,846	--	8,079	201,925

28. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been approved by the Board of Directors on 19 Safar 1448H, (corresponding to 02 August 2026).