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

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED 30 JUNE 2026**

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED 30 JUNE 2026

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

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Filling and Packing Materials Manufacturing Company (A Saudi Joint Stock Company) ("the Company") and its subsidiaries (collectively referred to as "the Group") as at 30 June 2026 and the interim condensed consolidated statements of profit or loss and the other comprehensive income for the three-month and six-month periods ended 30 June 2026 and the interim condensed consolidated statements for changes in shareholders' 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 consolidated financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review
We conducted our review in accordance with International Standards on Review Engagements (2410), "Review of interim financial information performed by the independent auditor of the entity", that is endorsed in the Kingdom of Saudi Arabia. A review of interim financial information requires inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

For Maham Company for Professional Services

شركة مهام للاستشارات المهنية
CR 2050240744
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MAHAM Co. FOR PROFESSIONAL SERVICES

Abdulaziz Saud Al Shabeebi
Certified Public Accountant
License no. (339)
26 Safar 1448H
9 August 2026

Interim Condensed Consolidated Statement of Financial Position
As at 30 June 2026

	Note	**30 June 2026 (Unaudited)** ⃁	31 December 2025 (Audited) ⃁
Assets			
Non-current assets			
Property, plant and equipment	4	**132,829,686**	137,679,872
Right-of-use assets		**4,713,417**	4,961,491
Intangible assets		**451,875**	542,250
Total non-current assets		**137,994,978**	143,183,613
Current assets			
Inventories	5	**73,699,009**	62,226,996
Trade receivables	6	**74,670,362**	49,981,424
Prepayments and other current assets	7	**17,735,579**	13,993,330
Cash and cash equivalents		**16,505,469**	15,871,618
Total current assets		**182,610,419**	142,073,368
Total assets		**320,605,397**	285,256,981
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	8	**115,000,000**	115,000,000
Retained earnings		**42,509,296**	36,566,278
Other reserves		**(25,358,702)**	(25,358,702)
Total shareholders' equity		**132,150,594**	126,207,576
Liabilities			
Non-current liabilities			
Term loans – non-current portion	10	**5,975,915**	7,302,639
Government grants - non-current portion	10	**306,773**	437,105
Lease liabilities – non-current portion		**5,128,764**	5,746,252
Employees' defined benefit obligations		**18,183,369**	17,065,529
Contingent liability for acquisition of non-controlling interest	9	**7,150,342**	6,782,075
Total non-current liabilities		**36,745,163**	37,333,600
Current liabilities			
Trade payables		**51,878,482**	23,905,809
Accrued expenses and other current liabilities		**17,338,162**	18,385,470
Accrued dividend		**5,147,236**	5,148,109
Term loans – current portion	10	**2,627,102**	2,460,929
Short-term loans	10	**73,534,877**	70,354,565
Government grants - current portion	10	**260,400**	346,059
Lease liabilities - current portion		**502,810**	478,867
Zakat provision	11	**420,571**	635,997
Total current liabilities		**151,709,640**	121,715,805
Total liabilities		**188,454,803**	159,049,405
Total shareholders' equity and liabilities		**320,605,397**	285,256,981

Ansar Mahmoud Hussein	Abdullah Mohammed Al-Harbi	Ahmed Abdulatif Al-Barak
Chief Financial Officer (CFO)	Chief Executive Officer (CEO)	Chairman of the Board

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

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the three-month and six-month period ended 30 June 2026

	Note	For the three-month period ended		For the six-month period ended	
		30 June 2026 (Unaudited)	30 June 2025 (Unaudited)	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited)
		⃁	⃁	⃁	⃁
Revenue	16	**79,657,811**	66,077,904	**144,163,960**	119,832,989
Cost of revenue		**(62,470,309)**	(57,540,365)	**(112,051,566)**	(102,505,448)
Gross profit		**17,187,502**	8,537,539	**32,112,394**	17,327,541
Expenses					
Selling and marketing expenses		**(5,948,028)**	(4,471,133)	**(10,682,138)**	(8,192,627)
General and administrative expenses	12	**(6,345,643)**	(7,422,747)	**(12,606,652)**	(14,147,925)
Provision for expected credit losses on trade receivables	6	**(268,399)**	(6,839,484)	**(1,284,396)**	(7,362,710)
Profit (loss) from operations		**4,625,432**	(10,195,825)	**7,539,208**	(12,375,721)
Finance costs		**(1,798,390)**	(1,739,043)	**(3,463,252)**	(3,254,836)
Other income, net	13	**800,132**	590,166	**2,333,753**	982,566
Profit (loss) before zakat		**3,627,174**	(11,344,702)	**6,409,709**	(14,647,991)
Zakat	11	**(277,997)**	(180,013)	**(466,691)**	(484,008)
Net profit (loss) for the period		**3,349,177**	(11,524,715)	**5,943,018**	(15,131,999)
Total comprehensive income (comprehensive loss) for the period		**3,349,177**	(11,524,715)	**5,943,018**	(15,131,999)
Earnings (loss) per share					
Basic and diluted earnings (loss) per share from net profit (loss) for the period	14	**0.29**	(1.0)	**0.52**	(1.32)

Ansar Mahmoud Hussein	Abdullah Mohammed Al-Harbi	Ahmed Abdulatif Al-Barak
Chief Financial Officer (CFO)	Chief Executive Officer (CEO)	Chairman of the Board

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

Interim Condensed Consolidated Statement of Changes in Shareholders' Equity
For the six-month period ended 30 June 2026

	Share capital	Retained earnings	Other reserves	Total
	⃁	⃁	⃁	⃁
At 31 December 2025 (Audited)	115,000,000	36,566,278	(25,358,702)	126,207,576
Net profit for the period	-	5,943,018	-	5,943,018
Total comprehensive income for the period	-	5,943,018	-	5,943,018
At 30 June 2026 (Unaudited)	**115,000,000**	**42,509,296**	**(25,358,702)**	**132,150,594**
At 31 December 2024 (Audited)	115,000,000	55,805,475	(25,358,702)	145,446,773
Net loss for the period	-	(15,131,999)	-	(15,131,999)
Total comprehensive loss for the period	-	(15,131,999)	-	(15,131,999)
At 30 June 2025 (Unaudited)	115,000,000	40,673,476	(25,358,702)	130,314,774

Ansar Mahmoud Hussein	Abdullah Mohammed Al-Harbi	Ahmed Abdulatif Al-Barak
Chief Financial Officer (CFO)	Chief Executive Officer (CEO)	Chairman of the Board

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

Interim Condensed Consolidated Statement of Cash Flows
For the six-month period ended 30 June 2026

	For the six-month period ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
	⃁	⃁
OPERATING ACTIVITIES		
Profit (loss) before zakat	**6,409,709**	(14,647,991)
Adjustments for:		
Depreciation of property, plant and equipment	**6,247,298**	5,002,046
Depreciation of right-of-use assets	**248,074**	248,074
Amortization of intangible assets	**90,375**	90,375
Provision for slow-moving and obsolete inventory	**1,025,925**	1,626,561
Provision for expected credit losses - trade receivables	**1,284,396**	7,362,710
Provision for employees defined benefit obligations	**1,114,533**	1,080,140
Government grants	**(215,991)**	(376,925)
Finance cost	**3,463,252**	3,254,836
	19,667,571	3,639,826
Change in operating assets and liabilities:		
Inventories	**(12,887,931)**	(836,359)
Trade receivables	**(25,973,334)**	(840,443)
Prepayments and other current assets	**(3,742,249)**	(4,469,139)
Trade payables	**27,972,673**	(11,317,079)
Accrued expenses and other current liabilities	**(1,047,308)**	(302,329)
Accrued dividend	**(873)**	-
Cash from (used in) operations	**3,988,549**	(14,125,523)
Zakat paid	**(682,117)**	(1,408,459)
Finance cost paid	**(2,464,327)**	(2,003,204)
Employees defined benefits liabilities paid	**(440,872)**	(427,319)
Net cash from (used in) operating activities	**401,233**	(17,964,505)
INVESTING ACTIVITIES		
Additions to property, plant and equipment	**(1,007,119)**	(558,203)
Net cash used in investing activities	**(1,007,119)**	(558,203)
FINANCING ACTIVITIES		
Loans received	**48,999,877**	64,085,101
Loans paid	**(46,980,116)**	(47,597,824)
Payment of lease liabilities	**(780,024)**	(780,024)
Net cash from financing activities	**1,239,737**	15,707,253

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

Interim Condensed Consolidated Statement of Cash Flows (Continued)
For the six-month period ended 30 June 2026

	For the six-month period ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
	⃁	⃁
Net increase (decrease) in cash and cash equivalents	**633,851**	(2,815,455)
Cash and cash equivalents at the beginning of the period	**15,871,618**	8,896,196
Cash and cash equivalents at the end of the period	**16,505,469**	6,080,741
Non-cash transactions		
Transferred from inventory to property, plant and equipment	**389,993**	1,132,298

Ansar Mahmoud Hussein	Abdullah Mohammed Al-Harbi	Ahmed Abdulatif Al-Barak
Chief Financial Officer (CFO)	Chief Executive Officer (CEO)	Chairman of the Board

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

1 GENERAL INFORMATION

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

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

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

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

Subsidiary	Capital (⃁)	**Ownership percentage direct and indirect %** **30 June 2026 (Unaudited)**	31 December 2025 (Audited)
FPC Industrial Company	70,000,000	**100%**	100%
Zilal Al Dana Tents Company	1,000,000	**100%**	**100%**

FPC Industrial Company

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

Zilal Al Dana Tents Company

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

Benaa Industrial Investments Holding Company

On 29 May 2025, the Group's management signed a non-binding memorandum of understanding (MoU) with Benaa Industrial Investments Holding Company ("Benaa Holding"), a related party due to the presence of a common Board member between the two companies, with the purpose of initiating discussions regarding the Group's acquisition of all shareholders' interests in Benaa Industrial Investments Holding Company ("Benaa Holding"). The MoU has a term of 180 days from the signing date, renewable upon mutual agreement of the parties. The MoU covers financial and legal due diligence, valuation of shares, and negotiations to reach a final binding agreement in respect of the potential transaction. The MoU also included provisions relating to confidentiality, exclusivity, and certain regulatory restrictions.

On 22 December 2025, the Group's management signed the acquisition agreement, with its value to be determined based on the average fair value of the shares of the acquiree during the last 30 trading days prior to 8 December 2025, which was estimated at 372 million⃁. The transaction will be financed through the issuance of new shares, while any differences will be covered through additional funding sources. Completion of the acquisition remains subject to fulfilling a number of conditions, including obtaining the approval of the Capital Market Authority regarding the capital increase, obtaining the approval of the Saudi Stock Exchange (Tadawul) for listing the new shares resulting from the capital increase, obtaining the approval of the Company's Extraordinary General Assembly, as well as any other necessary regulatory approvals in accordance with the acquisition agreement.

1 GENERAL INFORMATION (continued)

Geopolitical developments
The Group continues to monitor closely regional geopolitical developments and assess their potential impact on the Kingdom of Saudi Arabia and, more broadly, the Gulf Cooperation Council region. Given that the majority of the Group’s operations are conducted within the Kingdom of Saudi Arabia, and while the situation remains evolving and subject to uncertainty, the Group continues to maintain a robust operating framework and an effective risk management system to address potential risks arising from such developments.

As at and for the period ended 30 June 2026, these geopolitical developments had no material impact on the interim condensed consolidated financial statements. Nevertheless, due to the evolving nature of the situation, the Group will continue to assess any potential effects on its operations and financial results in future reporting periods.

2 BASIS OF PREPARATION

2-1 Statement of compliance
These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard “Interim Financial Report” (“IAS 34”) that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2025.

2-2 Basis of measurement
The interim condensed consolidated financial statements have been prepared on the historical cost basis, except employee defined benefit liabilities which are measured under the projected unit credit method. Furthermore, these interim condensed consolidated financial statements have been prepared using the accrual basis of accounting and the going concern principle.

2-3 Functional and presentation currency
These interim condensed consolidated financial statements are presented in Saudi Riyals (⃁), which is the Group's functional and presentation currency.

2-4 Basis of consolidation
The interim condensed consolidated financial statements include the financial statements of the Company and its subsidiary as of 30 June 2026. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

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

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

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

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

2 BASIS OF PREPARATION (continued)

2-4 Basis of consolidation (continued)

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

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

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

All assets, liabilities, equity, income, expenses, and cash flows relating to transactions between Group companies are eliminated in full consolidation of the financial statements.

2-5 Material accounting policies

The accounting policies applied in these interim condensed consolidated financial statements are the same policies applied to the Group's annual consolidated financial statements as at and for the year ended 31 December 2025.

2-6 New and amended standards and interpretations

International Financial Reporting Standard (IFRS) 18, "Presentation and Disclosure in Financial Statements" (the "Standard"), will replace International Accounting Standard (IAS) 1, "Presentation of Financial Statements." The Standard is effective for reporting periods beginning on or after 1 January 2027, with earlier application permitted. The Group has not early adopted the Standard in preparing these condensed consolidated interim financial statements.
The Group is currently assessing the expected impact of the initial application of the Standard on its condensed consolidated interim financial statements for the three-month period ending 31 March 2027.

A. Structure of the Statement of Profit or Loss and Other Comprehensive Income

The Standard requires entities to classify all income and expenses into specified categories in the consolidated statement of profit or loss and other comprehensive income, namely: operating, investing, financing, and zakat, as applicable. The Standard also requires the presentation of certain specified subtotals, including operating profit or loss and profit or loss before financing and zakat.
The Group's activities include the weaving of textiles from synthetic yarns such as nylon, cutting and tailoring machine and cargo covers, manufacturing plastics (polymers) in their primary forms, manufacturing synthetic yarns, and producing plastic containers and bags.
The application of the Standard will not result in changes to the recognition and measurement requirements applicable to the Group's transactions. However, it is expected to have a significant impact on the presentation and classification of income and expenses within the consolidated statement of profit or loss and other comprehensive income and on the subtotals presented therein.
The Group is currently analyzing the income and expense items reported in the consolidated statement of profit or loss and other comprehensive income to determine their appropriate classification within the categories required by the Standard.
The Group is also evaluating the basis for presenting expenses in the consolidated statement of profit or loss and other comprehensive income, including whether presenting expenses by function, by nature, or through a mixed presentation would provide the most useful structured summary for users of the financial statements, in accordance with the requirements of the Standard.

2 BASIS OF PREPARATION (continued)

2-6 New and amended standards and interpretations (continued)

B. Management-Defined Performance Measures

The Standard introduces disclosure requirements relating to management-defined performance measures (MPMs). These are subtotals of income and expenses used by the entity in public communications outside the consolidated financial statements and reflect management's view of an aspect of the Group's financial performance as a whole.

Where management-defined performance measures exist, the Standard requires their disclosure in a single note within the consolidated financial statements, together with the information and reconciliations required by the Standard.

The Group is currently identifying and reviewing its public communications, including Board of Directors' reports, stock exchange announcements, investor presentations, and other public disclosures, to determine whether they include subtotals of income and expenses that meet the definition of management-defined performance measures.

C. Aggregation and Disaggregation Principles

The Standard provides enhanced principles and requirements regarding how information should be aggregated and disaggregated in the primary consolidated financial statements and related notes. It also includes guidance on the labeling and description of items presented in the primary financial statements or disclosed in the notes.

The Group is currently assessing items presented in its consolidated financial statements based on their similar and dissimilar characteristics to determine whether certain items should be presented separately in the primary financial statements or whether additional disclosures should be provided in the notes.

The Group is also reviewing items currently presented under labels that include the word "other," including other income, to determine whether more descriptive labels or additional details are required.

Upon adoption of the Standard, the Group will present items separately whenever necessary to provide a structured and useful summary for users of the consolidated financial statements, while avoiding the obscuring of material information through the aggregation of dissimilar items.

D. Consequential Amendments

The Standard introduces consequential amendments to a number of other standards, including IAS 7, "Statement of Cash Flows."

Among these amendments is the requirement to use operating profit or loss as the starting point when preparing cash flows from operating activities using the indirect method, instead of the starting point currently used. The consequential amendments also contain specific requirements for classifying cash flows related to financing costs, thereby reducing the classification options currently available under IAS 7.

The Group is currently evaluating the impact of these amendments on the presentation of the consolidated statement of cash flows, including the classification of cash flows related to financing costs, lease liabilities, and dividend payments, as applicable.

The application of these amendments is expected to change the starting point used in preparing cash flows from operating activities under the indirect method and may also result in the reclassification of certain cash flows between operating, investing, and financing activities.

3 SIGNIFICANT ASSUMPTIONS AND ESTIMATES

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

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those disclosed in the annual consolidated financial statements for the year ended 31 December 2025.

4 PROPERTY, PLANT AND EQUIPMENT

	For the six-month period ended 30 June 2026 (Unaudited) ⃁	For the year ended 31 December 2025 (Audited) ⃁
Cost		
At the beginning of the period/year	**347,051,662**	343,411,175
Additions	**1,007,119**	9,236,811
Transferred from inventory	**389,993**	1,600,218
Disposals	**-**	(7,196,542)
At the end of the period/year	**348,448,774**	347,051,662
Accumulated depreciation		
At the beginning of the period/year	**209,371,790**	204,482,486
Charged during the period/year	**6,247,298**	12,085,687
Disposals	**-**	(7,196,383)
At the end of the period/year	**215,619,088**	209,371,790
Net book value		
At the end of the period/year	**132,829,686**	137,679,872

Depreciation expense has been charged to the interim condensed consolidated statement of profit or loss and other comprehensive income as follows:

	For the six-month period ended	
	30 June 2026 (Unaudited) ⃁	30 June 2025 (Unaudited) ⃁
Cost of revenue	**6,169,341**	4,901,401
Selling and marketing expenses	**11,106**	34,065
General and administrative expenses	**66,851**	66,580
	6,247,298	5,002,046

5 INVENTORIES

	30 June 2026 (Unaudited) ⃁	31 December 2025 (Audited) ⃁
Raw materials	**28,616,024**	27,170,870
Finished goods	**23,964,225**	16,032,543
Work in progress	**13,614,590**	11,918,107
Other materials and supplies	**3,683,063**	2,905,778
Goods in transit	**3,621,447**	4,199,698
Goods held by a third party	**199,660**	-
	73,699,009	62,226,996

5 INVENTORIES (continued)

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

	For the six-month period ended 30 June 2026 (Unaudited)	For the year ended 31 December 2025 (Audited)
	⃁	⃁
Charged during the period/year	**1,025,925**	2,912,748
Written off during the period/year	**(1,025,925)**	(2,912,748)
Balance at the end of the period/year	**-**	-

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

6 TRADE RECEIVABLES

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
	⃁	⃁
Total trade receivables	**93,545,801**	67,572,467
Less: provision for expected credit losses	**(18,875,439)**	(17,591,043)
	74,670,362	49,981,424

- Trade receivables are non-interest bearing and are generally due within 30-90 working days. The carrying amount could be affected by changes in the credit risk of counterparties.
- The majority of the Group's trade receivables are concentrated in the Kingdom of Saudi Arabia.
- As at 30 June 2026, trade receivables decreased by 18,875,439⃁ (31 December 2025: 17,591,043⃁) and a provision has been recognized, as appropriate.

Movement in the provision for expected credit losses:

	For the six-month period ended 30 June 2026 (Unaudited)	For the year ended 31 December 2025 (Audited)
	⃁	⃁
At the beginning of the period/year	**17,591,043**	4,524,697
Charged during the period/year	**1,284,396**	13,071,306
Written off during the period/year	**-**	(4,960)
At the end of the period/year	**18,875,439**	17,591,043

6 TRADE RECEIVABLES AND CONTRACT ASSETS (continued)

The following is the aging analysis of receivables:

Description	Total	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days
30 June 2026 (Unaudited)	**93,545,801**	**61,593,874**	**10,256,467**	**6,883,047**	**1,668,415**	**13,143,998**
31 December 2025 (Audited)	67,572,467	47,266,204	6,071,248	2,720,007	2,590,424	8,924,584

7 PREPAYMENTS AND OTHER CURRENT ASSETS

	30 June 2026 (Unaudited) ⃁	31 December 2025 (Audited) ⃁
Advances to suppliers	**10,046,022**	7,202,126
Prepaid expenses	**2,934,818**	1,579,912
Accrued revenue from Human Resources Development Fund (*)	**2,835,167**	2,835,167
Staff receivables	**2,159,485**	2,394,078
Accrued incentives from suppliers	**174,020**	174,020
Letters of credit	**164,736**	386,696
Others	**26,217**	26,217
Less: Allowance for impairment (**)	**(604,886)**	(604,886)
	17,735,579	13,993,330

(*) Accrued revenue from the Human Resources Development Fund that is still under settlement procedures as per the Ministry of Human Resources and Social Development Platform.

(**) The allowance for impairment has been recorded against advances to suppliers amounting to 504,823 ⃁and staff receivables amounting to 100,063⃁.

8 SHARE CAPITAL

The Company's authorized, issued and fully paid-up share capital consists of 11.5 million shares with a nominal value of 10⃁ each (31 December 2025: 11.5 million shares with a nominal value of 10 ⃁ each).

9 ACQUISITION OF NON-CONTROLLING INTEREST IN FPC INDUSTRIAL COMPANY

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

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

9 ACQUISITION OF NON-CONTROLLING INTEREST IN FPC INDUSTRIAL COMPANY (continued)

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

	For the six-month period ended 30 June 2026 (Unaudited)	For the year ended 31 December 2025 (Audited)
	⃁	⃁
At the beginning of the period/year	**6,782,075**	11,173,000
Change in revaluation result during the period/year	**-**	(5,575,263)
Financial costs during the period/year	**368,267**	1,184,338
At the end of the period/year	**7,150,342**	6,782,075

10 BANK FACILITIES

The Group has entered into agreements with the Saudi Industrial Development Fund (SIDF) amounting to 50.4 million ⃁ to finance the expansion of the Group's factories and the purchase of machinery and equipment to increase production capacity. The guarantees for the SIDF loans consist of pledging most of the properties, machinery and equipment in favor of the Fund. The outstanding balance payable amounted to 8.8 million ⃁ as at 30 June 2026.

The Group has signed a renewable credit facility agreement consisting of loans from a local bank, with an outstanding balance of 528 thousand ⃁ payable over varied periods and in unequal installments. The loans bear commission at prevailing interbank commercial rates in the Kingdom of Saudi Arabia and are secured by promissory notes.

The Group has obtained short-term loans with a maximum limit of 75 million ⃁ from local banks to finance the Group's working capital. The outstanding balance amounted to 54.5 million ⃁ in the form of loans maturing within periods ranging from 3 to 12 months as at 30 June 2026. The unutilized balance amounted to 20.5 million ⃁. These loans bear commission at prevailing interbank commercial rates in the Kingdom of Saudi Arabia and are secured by promissory notes.

The Group has obtained short-term loans with a maximum limit of 19 million ⃁ from Saudi Export-Import Bank facilities obtained for financing working capital related to export activities. the Group's working capital. The outstanding balance amounted to 19 million ⃁ in the form of loans maturing within periods ranging from 3 to 12 months as at 30 June 2026. These loans bear commission at prevailing interbank commercial rates in the Kingdom of Saudi Arabia and are secured by promissory notes.

The Group's banking facilities include financial covenants related to financing arrangements with the Saudi Industrial Development Fund (SIDF) and the Saudi Export-Import Bank. Any future breach of these covenants may result in a renegotiation of the related financing terms. Management monitors compliance with these covenants on a monthly basis and takes appropriate actions whenever there are indications of potential non-compliance. As of the reporting date, the Group was in compliance with all such covenants.

10 BANK FACILITIES (continued)

The following is a summary of loans as at 30 June 2026 and 31 December 2025:

	30 June 2026 (Unaudited) ⃁	31 December 2025 (Audited) ⃁
Short-term loans	**73,534,877**	70,354,565
Current portion of term loans	**2,627,102**	2,460,929
Non-current portion of term loans	**5,975,915**	7,302,639
	82,137,894	80,118,133

In accordance with International Financial Reporting Standard (IAS) 20 – accounting for Government Grants and Disclosure of Government Assistance as adopted in the Kingdom of Saudi Arabia, loans bearing interest rates below market rates are measured at fair value. The difference between the carrying amount of the loan from the Saudi Industrial Development Fund (SIDF) and the proceeds received is treated as a government grant. Government grants were as follows:

	30 June 2026 (Unaudited) ⃁	31 December 2025 (Audited) ⃁
Government grants – current portion	**260,400**	346,059
Government grants - non-current portion	**306,773**	437,105
At the end the period / year	**567,173**	783,164

11 ZAKAT

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

The Group submitted its zakat returns to the Zakat, Tax, and Customs Authority for all years up to 2025, and the Group obtained the final zakat assessments for the years up to 2024.

Zakat provision movement:

	For the six-month period ended 30 June 2026 (Unaudited) ⃁	For the year ended 31 December 2025 (Audited) ⃁
At the beginning of the period/year	**635,997**	1,503,308
Charged during the period/year	**466,691**	541,148
Paid during the period/year	**(682,117)**	(1,408,459)
At the end of the period/year	**420,571**	635,997

12 GENERAL AND ADMINISTRATIVE EXPENSES

	For the six-month period ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
	⃁	⃁
Employees' salaries and related benefits	**7,321,644**	8,782,014
Board of Directors' allowances	**1,263,848**	1,161,883
Research and development expenses	**1,098,823**	568,279
Consulting and professional fees	**954,132**	2,187,876
Training expenses	**245,893**	151,905
Bank charges	**233,081**	84,888
Insurance expenses	**220,333**	82,027
Security and safety expenses	**124,847**	126,616
Telephone and postage	**116,979**	152,367
Fees and subscriptions	**98,951**	128,862
Amortization of intangible assets	**90,375**	90,375
Electricity and water	**84,222**	105,231
Depreciation of property, plant and equipment	**66,851**	66,580
Others	**686,673**	459,022
	12,606,652	14,147,925

13 OTHER INCOME, NET

	For the six-month period ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
	⃁	⃁
Bad debts recovered	**1,318,170**	-
Technical consulting income	**600,000**	-
Export Development Authority support	**527,490**	110,037
Sale of scrap and other materials	**56,110**	135,520
Murabaha Deposit Profits	**5,917**	6,525
Support from the Higher Institute of Plastics	**-**	50,400
Foreign exchange differences	**(269,811)**	596,108
Others	**95,877**	83,976
	2,333,753	982,566

14 EARNINGS (LOSS) PER SHARE

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

14 EARNINGS (LOSS) PER SHARE (continued)

	For the three-month period ended		**For the six-month period ended**	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited)
	⃁	⃁	⃁	⃁
Net profit (loss) for the period attributable to shareholders	**3,349,177**	(11,524,715)	**5,943,018**	(15,131,999)
Weighted average number of shares	**11,500,000**	11,500,000	**11,500,000**	11,500,000
Basic and diluted earnings (loss) per share from net profit (loss) for the period	**0.29**	(1.0)	**0.52**	(1.32)

15 RELATED PARTY TRANSACTIONS AND BALANCES

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

Transactions with related parties include salaries, bonuses and allowances of the Board of Directors and senior executives that were carried out during the period between the Group and key management personnel. Related party transactions were as follows:

	For the six-month period ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
	⃁	⃁
Short-term salaries and benefits for the executive management	**2,221,584**	1,526,433
Allowances and rewards for the Board of Directors and other Committees	**1,263,848**	1,161,883
Defined employee benefit obligations	**158,931**	116,317
	3,644,363	2,804,633

16 SEGMENT REPORTING

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

Packing and packaging

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

Technical textiles

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

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

16 SEGMENT REPORTING (continued)

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

For the six-month period ended 30 June 2026 (Unaudited)	**Filling and packaging** (⃁)	**Technical textiles** (⃁)	**Settlements** (⃁)	**Total** (⃁)
Revenues	**105,715,482**	**38,448,478**	**-**	**144,163,960**
Cost of revenue	**(80,195,834)**	**(31,981,152)**	**125,420**	**(112,051,566)**
Gross profit	**25,519,648**	**6,467,326**	**125,420**	**32,112,394**

For the six-month period ended 30 June 2025 (Unaudited)	Filling and packaging (⃁)	Technical textiles (⃁)	Settlements (⃁)	Total (⃁)
Revenues	96,963,597	23,278,161	(408,769)	119,832,989
Cost of revenue	(79,282,296)	(23,757,341)	534,189	(102,505,448)
Gross profit	17,681,301	(479,180)	125,420	17,327,541

REVENUES

	For the six-month period ended	
	30 June 2026 (Unaudited) ⃁	30 June 2025 (Unaudited) ⃁
Revenue from sale of packaging and packaging products	**105,715,482**	96,963,597
Revenue from sale of technical textiles	**38,448,478**	22,869,392
Revenue recognized at a point of time	**144,163,960**	119,832,989

Revenue geographical analysis

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

	For the six-month period ended	
	30 June 2026 (Unaudited) ⃁	30 June 2025 (Unaudited) ⃁
Kingdom of Saudi Arabia	**87,346,675**	75,496,217
Other countries	**56,817,285**	44,336,772
Total revenue	**144,163,960**	119,832,989

16 SEGMENT REPORTING (continued)

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

As at 30 June 2026 (Unaudited)	**Packing and packaging**	**Technical textiles**	**Settlements**	**Total**
	⃁	⃁	⃁	⃁
Total assets	**334,962,334**	**141,991,341**	**(156,348,278)**	**320,605,397**
Total liabilities	**173,058,986**	**82,597,485**	**(67,201,668)**	**188,454,803**

As at 31 December 2025 (Audited)	Packing and packaging	Technical textiles	Settlements	Total
	⃁	⃁	⃁	⃁
Total assets	296,498,271	139,221,961	(150,463,251)	285,256,981
Total liabilities	144,931,997	75,308,633	(61,191,225)	159,049,405

17 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

During the period ended 30 June 2026 and the year ended 31 December 2025, there were no transfers between Level 1 and Level 2 of the fair value hierarchy, nor were there any transfers into or out of Level 3 of the fair value hierarchy.

18 CONTINGENCIES

As at 30 June 2026, the Group had outstanding letters of credit and guarantees amounting to 615,000 ⃁ (31 December 2025: 958,767⃁).

19 INTERIM RESULTS

The results of operations for the three-month and six-month period ended 30 June 2026 are not necessarily indicative of the Group’s annual results.

20 SUBSEQUENT EVENTS

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

21 APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved by the board of directors 22 Safar 1448H (corresponding to 5 August 2026).