UNITED CARTON INDUSTRIES COMPANY
(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2026
AND REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

UNITED CARTON INDUSTRIES COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2026

Report on review of condensed consolidated interim financial information

To the shareholders of United Carton Industries Company
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of United Carton Industries Company (the "Company") and its subsidiaries (together the "Group") as of June 30, 2026 and the related condensed consolidated interim statement 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 ended June 30, 2026 and other explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34"), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity", as 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, as endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

PricewaterhouseCoopers

Ali A. Alotaibi
License Number 379

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محاسبون قانونيون
ترخيص ٣٢٣/١١/٢٥/١
س.ت ٤٠٣٠٢٨٩٠٠٢
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July 27, 2026

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UNITED CARTON INDUSTRIES COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of financial position
(All amounts in Saudi Riyals unless otherwise stated)

	Note	As at June 30, 2026 (Unaudited)	As at December 31, 2025 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	4	**403,275,932**	397,852,759
Goodwill		**38,228,526**	38,228,526
Intangible assets		**5,244,471**	6,188,397
Right-of-use assets		**49,318,968**	53,738,337
Deferred tax assets		**5,947,374**	5,620,402
Total non-current assets		**502,015,271**	501,628,421
Current assets			
Inventories	5	**179,536,131**	200,782,993
Trade receivables	6	**296,510,172**	260,710,823
Advances, prepayments and other receivables		**33,169,461**	29,556,941
Cash and cash equivalents	7	**53,507,804**	85,159,556
Total current assets		**562,723,568**	576,210,313
Total assets		**1,064,738,839**	1,077,838,734
Equity and liabilities			
Equity			
Share capital		**400,000,000**	400,000,000
Retained earnings		**226,041,431**	188,835,558
Foreign currency translation reserve		**(498,494)**	(520,497)
Total equity		**625,542,937**	588,315,061
Liabilities			
Non-current liabilities			
Deferred tax liabilities		**109,118**	162,322
Lease liabilities		**43,690,265**	48,184,086
Employee benefit obligations		**68,939,851**	67,574,859
Total non-current liabilities		**112,739,234**	115,921,267
Current liabilities			
Trade payables		**232,294,645**	262,582,809
Accrued and other liabilities		**78,020,780**	69,166,152
Short-term borrowings	8	**2,553,570**	30,096,073
Current portion of lease liabilities		**9,227,968**	9,473,741
Zakat and income tax payable		**4,359,705**	2,283,631
Total current liabilities		**326,456,668**	373,602,406
Total liabilities		**439,195,902**	489,523,673
Total equity and liabilities		**1,064,738,839**	1,077,838,734

The accompanying notes form an integral part of this condensed consolidated interim financial information.

Adib Abdullah AlZamil	**Mohnish Rikhy**	**Abdul Ghani**
Chairman, Board of Directors	Chief Executive Officer	Chief Financial Officer

UNITED CARTON INDUSTRIES COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of profit or loss and other comprehensive income
(All amounts in Saudi Riyals unless otherwise stated)

	Note	For the three-month period ended June 30,		For the six-month period ended June 30,	
		2026 (Unaudited)	**2025 (Unaudited)**	**2026 (Unaudited)**	**2025 (Unaudited)**
Revenue	10	**384,090,465**	334,994,542	**737,579,853**	684,824,364
Cost of revenue		**(318,948,864)**	(293,613,623)	**(614,788,613)**	(592,088,699)
Gross profit		**65,141,601**	41,380,919	**122,791,240**	92,735,665
Selling and distribution expenses		**(7,879,536)**	(6,891,937)	**(15,210,723)**	(13,879,216)
General and administrative expenses		**(24,555,676)**	(23,112,043)	**(47,810,043)**	(45,932,047)
Impairment loss on financial assets	6	**(637,595)**	(476,358)	**(735,566)**	(540,852)
Fair value losses on financial assets		**(555,370)**	(596,697)	**(1,143,447)**	(1,290,521)
Other income		**789,575**	741,071	**1,601,050**	2,487,112
Other expenses		**-**	-	**(496)**	-
Operating profit		**32,302,999**	11,044,955	**59,492,015**	33,580,141
Finance income		**355,680**	2,216,842	**1,150,987**	2,216,842
Finance costs	8	**(1,071,615)**	(1,546,456)	**(2,481,383)**	(3,053,302)
Profit before zakat and income tax		**31,587,064**	11,715,341	**58,161,619**	32,743,681
Zakat expense	9	**(1,634,020)**	(1,062,450)	**(2,645,778)**	(1,976,441)
Income tax expense	9	**(1,168,454)**	(2,606,838)	**(2,578,486)**	(4,067,964)
Profit for the period		**28,784,590**	8,046,053	**52,937,355**	26,699,276
Other comprehensive income					
Items that will be reclassified to profit or loss:					
Exchange differences on translation of foreign operations		**22,003**	-	**22,003**	-
Other comprehensive income for the period		**22,003**	-	**22,003**	-
Total comprehensive income for the period		**28,806,593**	8,046,053	**52,959,358**	26,699,276
Earnings per share attributable to the shareholders of the Company					
Basic and diluted	11	**0.72**	0.20	**1.32**	0.67

The accompanying notes form an integral part of this condensed consolidated interim financial information.

Adib Abdullah AlZamil	**Mohnish Rikhy**	**Abdul Ghani**
Chairman, Board of Directors	Chief Executive Officer	Chief Financial Officer

UNITED CARTON INDUSTRIES COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of changes in equity
(All amounts in Saudi Riyals unless otherwise stated)

	Note	Share capital	Retained earnings	Foreign currency translation reserve	Total
Balance as at January 1, 2025 (Audited)		400,000,000	146,069,391	(544,932)	545,524,459
Profit for the period		-	26,699,276	-	26,699,276
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		-	26,699,276	-	26,699,276
Transactions with shareholders in their capacity as shareholders:					
Reimbursement of income tax expense from a founding shareholder	12.3	-	7,370,128	-	7,370,128
Balance as at June 30, 2025 (Unaudited)		400,000,000	180,138,795	(544,932)	579,593,863
Balance as at January 1, 2026 (Audited)		**400,000,000**	**188,835,558**	**(520,497)**	**588,315,061**
Profit for the period		**-**	**52,937,355**	**-**	**52,937,355**
Other comprehensive income for the period		**-**	**-**	**22,003**	**22,003**
Total comprehensive income for the period		**-**	**52,937,355**	**22,003**	**52,959,358**
Transactions with shareholders in their capacity as shareholders:					
Reimbursement of income tax expense from a founding shareholder	12.3	**-**	**4,268,518**	**-**	**4,268,518**
Dividends	17	**-**	**(20,000,000)**	**-**	**(20,000,000)**
Balance as at June 30, 2026 (Unaudited)		**400,000,000**	**226,041,431**	**(498,494)**	**625,542,937**

The accompanying notes form an integral part of this condensed consolidated interim financial information.

Adib Abdullah AlZamil	**Mohnish Rikhy**	**Abdul Ghani**
Chairman, Board of Directors	Chief Executive Officer	Chief Financial Officer

UNITED CARTON INDUSTRIES COMPANY
(A Saudi Joint Stock Company)
Condensed consolidated interim statement of cash flows
(All amounts in Saudi Riyals unless otherwise stated)

	Note	For the six-month period ended June 30, 2026 (Unaudited)	2025 (Unaudited)
Operating activities			
Profit before zakat and income tax		**58,161,619**	32,743,681
Adjustments for:			
Depreciation of property, plant and equipment	4	**32,133,736**	35,139,037
Depreciation of right-of-use assets		**4,599,858**	4,781,656
Amortization of intangible assets		**1,203,026**	1,018,774
Provision for employee benefits obligations		**4,609,737**	4,833,999
Provision for slow-moving and damaged inventories	5	**1,416,182**	117,990
Gain on disposal of property, plant and equipment		**(28,342)**	(68,850)
Finance costs on short-term borrowings and others		**671,154**	1,393,376
Finance costs on lease liabilities		**1,810,229**	1,659,926
Exchange gain		**(5,487)**	-
Impairment loss on financial assets	6	**735,566**	540,852
Finance income		**(1,150,987)**	(2,216,842)
		104,156,291	79,943,599
Changes in working capital:			
Inventories		**19,830,680**	2,204,743
Trade receivables		**(36,534,915)**	(18,416,124)
Advances, prepayments and other receivables		**(7,549,278)**	(39,460)
Trade payables		**(30,288,164)**	43,488,363
Accrued and other liabilities		**8,854,628**	(1,099,969)
Cash generated from operations		**58,469,242**	106,081,152
Zakat and income tax paid		**(3,528,364)**	(9,930,826)
Employee benefit obligations paid		**(3,244,745)**	(2,561,001)
Finance costs paid		**(2,481,383)**	(3,053,302)
Net cash generated from operating activities		**49,214,750**	90,536,023
Cash flows from investing activities			
Purchase of property, plant and equipment	4	**(37,557,460)**	(31,929,101)
Purchase of assets classified as held for sale		**-**	(4,119,783)
Proceeds from disposal of property, plant and equipment		**28,893**	205,218
Purchase of intangible assets		**(259,100)**	(124,145)
Proceeds from insurance compensation		**4,031,990**	6,627,502
Finance income received		**1,095,647**	2,216,842
Net cash used in investing activities		**(32,660,030)**	(27,123,467)
Cash flows from financing activities			
Dividends paid	17	**(20,000,000)**	-
Repayment of principal portion of lease liabilities		**(4,932,488)**	(3,662,229)
Changes in short-term borrowings		**(27,542,502)**	(53,656,310)
Reimbursement of income tax from a founding shareholder	12.3	**4,268,518**	7,370,128
Net cash used in financing activities		**(48,206,472)**	(49,948,411)
Net change in cash and cash equivalents		**(31,651,752)**	13,464,145
Cash and cash equivalents at beginning of the period		**85,159,556**	38,005,164
Cash and cash equivalents at end of the period		**53,507,804**	51,469,309
Supplemental information for non-cash transactions			
Additions to right-of-use assets and lease liabilities		**180,489**	9,096,734

The accompanying notes form an integral part of this condensed consolidated interim financial information.

Adib Abdullah AlZamil	**Mohnish Rikhy**	**Abdul Ghani**
Chairman, Board of Directors	Chief Executive Officer	Chief Financial Officer

(All amounts in Saudi Riyals unless otherwise stated)

1 General information

United Carton Industries Company (the "Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under Commercial Registration number 4030065231 dated Ramadan 18, 1409H (corresponding April 24, 1989) and the unified number 7014502426. The Company's shares were listed on Saudi Exchange on May 27, 2025. The Company's registered office is located at Industrial Area- Phase No. 5, P.O. Box 31503, Jeddah 21418, Kingdom of Saudi Arabia.

The Company and its subsidiaries (together referred to as the "Group") are primarily engaged in the manufacturing and sale of corrugated carton containers and plates, folding carton (duplex) and pulp products, paper and packaging material.

This condensed consolidated interim financial information includes the financial information of the Company and the following subsidiaries in which the Group exercises control.

Subsidiary name	Country of incorporation	Principal business activity	Ownership interest percentage	
			June 30, 2026	**December 31, 2025**
Integrated Packaging Industries Company	Kingdom of Saudi Arabia	Manufacturing of folding cartons and pulp products	**100%**	100%
United Paper Industries Company FZCO	United Arab Emirates	Manufacturing of paper, packing and packaging material	**100%**	100%
Ras Al Khaimah Packaging Company LLC	United Arab Emirates	Manufacturing of corrugated cartons and sheets	**100%**	100%
Integrated Paper Industry Company	Kingdom of Saudi Arabia	Manufacturing of paper and paper-based containers	**100%**	100%

During the six-month period ended June 30, 2026, the increase in gross profitability is mainly due to increased sales volumes and sales price.

The Group continues to monitor the regional geopolitical developments and their potential impact on the Kingdom of Saudi Arabia and other Gulf Cooperation Council countries given that majority of the Group's operations are conducted within the Kingdom of Saudi Arabia. While the situation remains evolving the Group maintains a robust operational framework to manage associated risks. These developments have regionally impacted on the supply chain routes and related costs for which the Group has initiated sales price revisions. As a result, these have not had a material impact on Group's condensed consolidated interim financial information for the six-month period ended June 30, 2026. However, given the evolving nature of the conflict, the potential impact on the Group's business will continue to be assessed on future reporting dates.

2 Basis of preparation

This condensed consolidated interim financial information of the Group has been prepared in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34"), as endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

(All amounts in Saudi Riyals unless otherwise stated)

This condensed consolidated interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended December 31, 2025. IAS 34 states that the interim financial information is intended to provide an update on the latest complete set of annual financial statements. Hence, IAS 34 requires less disclosure in interim financial information than International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by SOCPA, require in annual financial statements. An interim period is considered as an integral part of the whole fiscal year, however, the results of operations for the interim periods may not be a fair indication of the results of the full year's operations.

The condensed consolidated interim financial information is prepared on a going concern basis.

2.1 Basis of measurement

This condensed consolidated interim financial information has been prepared under the historical cost basis, except as explained in the relevant accounting policies in the annual consolidated financial statements for the year ended December 31, 2025.

This condensed consolidated interim financial information is presented in Saudi Arabian Riyals ("Saudi Riyals"), which is the functional and presentation currency of the Company. The condensed consolidated interim financial information has been rounded-off to the nearest Saudi Riyals, unless otherwise stated.

2.2 New standards and amendments

a) New and amended standards adopted by the Group

Certain amendments to existing standards became applicable for the current reporting period. The amendments did not have any impact on the condensed consolidated interim financial information of the Group and accordingly, the Group did not have to change its accounting policies or make any retrospective adjustments.

Title	**Effective date**
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	January 1, 2026
Annual improvements to IFRS - Volume 11	January 1, 2026
Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity	January 1, 2026

b) Standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for June 30, 2026 reporting period and have not been early adopted by the Group. The standards, interpretations and amendments issued that are relevant to the Group, but are not yet effective are disclosed below.

Standard interpretation	**Effective date**
Amendments to IAS 21 - Translation to a Hyperinflationary Presentation Currency	January 1, 2027
IFRS 18 -Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19 -Subsidiaries without Public Accountability	January 1, 2027

Management is in the process of assessing the impact, if any, which amendments to IAS 21 and introduction of IFRS 19 may have in future reporting periods.

IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the International Accounting Standards Board issued IFRS 18 “Presentation and Disclosure in Financial Statements” (“IFRS 18”). IFRS 18 will replace IAS 1 “Presentation of Financial Statements” and introduces new requirements for the presentation and disclosure of information in the financial statements, particularly in relation to the structure of the statement of profit or loss and other comprehensive income, consequential amendments to IAS 7 ‘Statement of Cash Flows’ impacting statement of cash flows, principles for aggregation and disaggregation, and disclosures relating to management-defined performance measures.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively. The Group has not early adopted the new accounting standard in preparing this condensed consolidated interim financial information.

Based on the preliminary assessment, the expected impact of IFRS 18 is described below:

a) Structure of statement of profit or loss and other comprehensive income
IFRS 18 requires entities to classify all income and expenses in the statement of profit or loss to be categorized into one of the five categories i.e., operating, investing, financing, zakat and income tax and discontinued operations. Classification of income and expenses depends on the main business activities of an entity. The Group has determined that it does not have a specified main business activity of investing in assets and/or providing financing to customers. IFRS 18 also introduces the requirement to present two new defined sub-totals, i.e. 'operating profit' and 'profit before financing and zakat and income tax'. The Group currently presents an operating profit subtotal. The adoption of IFRS 18 will not result in any adjustment to the Group’s net profit for the year/period or retained earnings.

The Group expects changes to the current structure of the statement of profit or loss and other comprehensive income from the following:
- A new subtotal, 'profit before financing and zakat and income tax' will be presented to show the profit from operating category and investing category separately;
- ‘Finance income’ will be re-classified and presented under investing category.
- Bank charges not related to raising finance or changes in interest rates will be re-classified and presented under operating category;
- Finance cost on employee benefit obligations, which is currently presented within employee costs, will be classified and presented within finance costs;

b) Management- defined performance measures
Management-defined performance measures (MPMs) are subtotals of income and expenses used in public communications outside the financial statements that communicate to users management’s view of an aspect of the financial performance of the entity as a whole. The new change will require to disclose specific information about MPMs in the notes to the consolidated financial statements together with explanation and reconciliation.

The Group is in process to determine which public communications should be considered when identifying MPMs. MPMs relate to the same reporting period as the financial statements. Therefore, MPMs disclosed by the Group following adoption of IFRS 18 will be determined based on public communications issued by the Group relating to the 2027 reporting period. As per the initial assessment, the Group has not identified any MPMs for the current reporting period.

c) Principles of aggregation and disaggregation

IFRS 18 provides enhanced guidance on the principles of aggregation and disaggregation which focus on grouping items based on their shared characteristics, including specific presentation or disclosure matters identified through management’s assessment. These principles are applied across the financial statements, and they are used in defining which line items are presented in the primary financial statements and what information is disclosed in the notes.

The Group is assessing the grouping of items on the basis of similar and dissimilar characteristics. Based on this assessment, it will present line items in the primary financial statements that provide useful structured summaries and disclose additional material information in the notes.

d) Consequential amendments

IFRS 18 introduces consequential amendments to IAS 7, which require entities to use the newly defined "operating profit" subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Group currently uses "profit before zakat and income tax" for the year/period as the starting point of the reconciliation to cash flows from operating activities. Certain adjusting items included in the reconciliation will change as a result of the new starting point.

The consequential amendments also provide specific guidance on the classification of finance cost, finance income and dividend cash flows. The Group will classify cash flows from 'finance cost paid' as financing activities rather than operating activities under this guidance. Cash flows from 'finance income received' and 'dividends paid' will continue to be classified as investing activities and financing activities, respectively.

2.3 Material accounting policies

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

3 Critical accounting estimates and judgements

The preparation of the condensed consolidated interim financial information in conformity with IFRS requires the use of certain critical estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amount of revenue and costs during the reporting period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and judgments concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

These estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future periods.

Management has concluded that the Group's critical accounting judgements, estimates and assumptions remain appropriate under the current circumstances for the purpose of preparation of the condensed consolidated interim financial information. Management believes all sources of estimation uncertainty remain similar to those disclosed in the annual consolidated financial statements for the year ended December 31, 2025.

(All amounts in Saudi Riyals unless otherwise stated)

4 Property, plant and equipment

	Land	Buildings	Machinery and equipment	Motor vehicles	Furniture, fixtures and office equipment	Capital work-in-progress ("CWIP")	Total
As at December 31, 2025 (Audited):							
Cost	5,427,488	326,922,272	1,055,125,565	2,688,106	101,240,132	43,568,363	1,534,971,926
Accumulated depreciation and impairment	-	(181,776,010)	(858,275,085)	(1,831,109)	(95,236,963)	-	(1,137,119,167)
Net book value	**5,427,488**	**145,146,262**	**196,850,480**	**856,997**	**6,003,169**	**43,568,363**	**397,852,759**
Six-month period ended June 30, 2026 (Unaudited)							
Opening net book value	5,427,488	145,146,262	196,850,480	856,997	6,003,169	43,568,363	397,852,759
Additions	-	573,551	5,605,660	180,000	1,065,006	30,133,243	37,557,460
Disposals	-	-	-	-	(551)	-	(551)
Transfers to/(from) capital work-in-progress	-	4,824,578	16,920,768	-	478,741	(22,224,087)	-
Depreciation charge	-	(8,676,251)	(21,606,166)	(274,043)	(1,577,276)	-	(32,133,736)
Closing net book value	**5,427,488**	**141,868,140**	**197,770,742**	**762,954**	**5,969,089**	**51,477,519**	**403,275,932**
As at June 30, 2026 (Unaudited):							
Cost	5,427,488	332,320,401	1,069,663,127	2,868,106	102,781,363	51,477,519	1,564,538,004
Accumulated depreciation and impairment	-	(190,452,261)	(871,892,385)	(2,105,152)	(96,812,274)	-	(1,161,262,072)
Net book value	**5,427,488**	**141,868,140**	**197,770,742**	**762,954**	**5,969,089**	**51,477,519**	**403,275,932**

(All amounts in Saudi Riyals unless otherwise stated)

5 Inventories

	June 30, 2026	December 31, 2025
	(Unaudited)	(Audited)
Raw materials	**136,934,626**	128,382,454
Spare parts	**56,787,161**	58,820,911
Work in progress	**3,393,734**	2,638,864
Finished goods	**1,119,149**	1,275,733
Goods-in-transit	**29,482,716**	56,680,219
	227,717,386	247,798,181
Less: provision for slow-moving and damaged inventories	**(48,181,255)**	(47,015,188)
	179,536,131	200,782,993

Movement in the provision for slow-moving and damaged inventories is as follows:

	June 30, 2026	December 31, 2025
	(Unaudited)	(Audited)
Opening balance	**47,015,188**	46,613,261
Provision for the period/year	**1,416,182**	401,927
Write off	**(250,115)**	-
Closing balance	**48,181,255**	47,015,188

6 Trade receivables

	Note	June 30, 2026	December 31, 2025
		(Unaudited)	(Audited)
At amortized cost			
Trade receivables - third parties		**285,413,813**	253,269,918
Trade receivables - related parties	12	**12,655,034**	12,388,845
		298,068,847	265,658,763
Less: allowance for impairment of trade receivables		**(10,244,495)**	(9,508,929)
		287,824,352	256,149,834
At fair value			
Trade receivables at fair value*		**8,685,820**	4,560,989
		296,510,172	260,710,823

*This represents trade receivables which are subject to factoring arrangement with commercial banks but are not factored at the period-end. The trade receivables portfolio subject to factoring is initially classified at fair value through profit or loss.

Due to the short-term nature of trade receivables at amortised cost, their carrying amount is considered to be the same as their fair value.

Movement in allowance for impairment of trade receivables is as follows:

	June 30, 2026	December 31, 2025
	(Unaudited)	(Audited)
Opening balance	**9,508,929**	9,341,824
Impairment allowance for the period/year	**735,566**	167,105
Closing balance	**10,244,495**	9,508,929

As at June 30, 2026, the top 30 customer balances accounted for approximately 42% (December 31, 2025: 44%) of the Group's total outstanding trade receivables.

7 Cash and cash equivalents

Cash and cash equivalents include bank deposits amounting to Saudi Riyals 49.0 million (December 31, 2025: Saudi Riyals 76.7 million), which represents shariah-compliant Murabaha and conventional deposits placed with commercial banks, with a maturity period of three months or less from date of placement. These deposits yield finance income at prevailing market rates.

8 Short-term borrowings

Short-term borrowings are obtained, under Islamic financing arrangements from local banks and under conventional financing arrangements from foreign banks, to finance the working capital of the Group.

These are denominated in Saudi Riyals and United Arab Emirates dirham, bear financial charges based on the prevailing market rates based on Saudi Interbank Offer Rate (SAIBOR) in the Kingdom of Saudi Arabia and Emirates Interbank Offer Rate ("EIBOR") in the UAE and are collaterised by demand promissory notes and corporate guarantees from the Company. The unused funded balance of the Group's facilities as at June 30, 2026 amounted to Saudi Riyals 291.8 million (December 31, 2025: Saudi Riyals 264.4 million). The facilities agreements contain covenants to maintain certain financial ratios and non-financial metrics.

The Group's management assessed that the fair value of the borrowings is approximately equal to their carrying amounts due to the short-term maturities of three months to six months and financial charges payable on those borrowings being at current market rates.

9 Zakat and income tax matters

9.1 Components of the zakat base

The Company and the subsidiaries file separate zakat and income tax declarations on an unconsolidated basis, including foreign subsidiaries where applicable. The significant components of the zakat base of each company under the zakat and income tax regulations are principally comprised of shareholder's equity, provisions and other adjustments, less deductions for the net book value of the deductible assets.

9.2 Charge for the period

	For the three-month period ended June 30,		**For the six-month period ended June 30,**	
	2026 (Unaudited)	**2025 (Unaudited)**	**2026 (Unaudited)**	**2025 (Unaudited)**
Zakat charge	**1,634,020**	1,062,450	**2,645,778**	1,976,441
Income tax charge	**1,362,515**	297,943	**2,958,661**	2,013,762
Deferred tax (credit)/charge	**(194,061)**	2,308,895	**(380,175)**	2,054,202
	1,168,454	2,606,838	**2,578,486**	4,067,964
	2,802,474	3,669,288	**5,224,264**	6,044,405

9.3 Status of final assessments

There are no changes to the status of open zakat assessments, as at June 30, 2026, as disclosed in the annual consolidated financial statements for the year ended December 31, 2025.

The Company and its subsidiaries based in the Kingdom of Saudi Arabia have submitted their respective zakat and income tax returns for the year ended December 31, 2025 to ZATCA and have obtained the certificates valid up to April 30, 2027. The subsidiaries in the United Arab Emirates have submitted their corporate tax returns for the year ended December 31, 2025.

(All amounts in Saudi Riyals unless otherwise stated)

10 Revenue

The Group derives revenue from the following streams:

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2026	**2025**	**2026**	**2025**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Revenue from:				
- Corrugated cartons and plates	**316,446,680**	270,398,272	**608,285,994**	557,606,768
- Duplex cartons	**23,896,698**	23,211,019	**46,905,972**	45,673,999
- Paper and packaging material	**29,624,861**	28,065,624	**54,345,489**	54,130,385
- Transportation services	**14,122,226**	13,319,627	**28,042,398**	27,413,212
	384,090,465	334,994,542	**737,579,853**	684,824,364

The revenue for the Group by geographical region is as follows:

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2026	**2025**	**2026**	**2025**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Kingdom of Saudi Arabia	**331,096,463**	292,538,626	**642,409,294**	604,497,877
United Arab Emirates	**45,811,862**	36,450,043	**83,939,515**	70,419,713
Other countries	**7,182,140**	6,005,873	**11,231,044**	9,906,774
	384,090,465	334,994,542	**737,579,853**	684,824,364

Timing of revenue recognition

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2026	**2025**	**2026**	**2025**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Over-time revenue recognition	**354,465,604**	306,928,918	**683,234,364**	630,693,979
Point-in-time	**29,624,861**	28,065,624	**54,345,489**	54,130,385
	384,090,465	334,994,542	**737,579,853**	684,824,364

11 Earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to the shareholders of the Company, by the weighted average number of ordinary shares outstanding during the financial period. As the Company does not have any diluting potential shares, the diluted earnings per share is the same as the basic earnings per share. The basic and diluted earnings per share is computed as follows:

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2026	**2025**	**2026**	**2025**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Profit for the period	**28,784,590**	8,046,053	**52,937,355**	26,699,276
Weighted average number of ordinary shares	**40,000,000**	40,000,000	**40,000,000**	40,000,000
Basic and diluted earnings per share	**0.72**	0.20	**1.32**	0.67

(All amounts in Saudi Riyals unless otherwise stated)

12 Related party transactions and balances

Related parties comprise the shareholders, directors and key management personnel of the Group and entities controlled or jointly controlled by the shareholders, who have significant influence on the Group (other related party). The following are the details of the major related parties during the period:

12.1 Related party transactions

Significant transactions with related parties in the ordinary course of business included in the condensed consolidated interim financial information are summarized below:

			For the three-month period ended June 30,		For the six-month period ended June 30,	
Related party	**Relationship**	**Nature of transaction**	**2026 (Unaudited)**	**2025 (Unaudited)**	**2026 (Unaudited)**	**2025 (Unaudited)**
National Food Industries Company	Other related party	Sale of goods	**2,826,206**	2,554,206	**5,857,402**	5,670,866
		Staff and accommodation expenses reimbursement	**356,851**	444,694	**677,868**	828,473
National Biscuits and Confectionary Company	Other related party	Purchase of goods	**4,047**	-	**4,047**	-
		Sale of goods	**10,253,857**	8,028,843	**18,917,066**	15,088,816
		Staff and accommodation expenses reimbursement	**392,207**	401,294	**710,037**	792,787
Zamil Air Conditioner and Home Appliances	Other related party	Sale of goods	**103,681**	734,611	**133,167**	1,815,724
Zamil Plastic Industries Company	Other related party	Sale of goods	**380,991**	353,236	**907,756**	889,101
Modern Plastics Industry Company	Other related party	Sale of goods	**-**	540,575	**-**	883,243
Zamil Central and Air Conditioner Company	Other related party	Sale of goods	**-**	3,042	**37,470**	44,798
Zamil Food Industries Limited	Other related party	Sale of goods	**1,190,500**	956,347	**3,234,851**	2,471,040
Zamil Group Company for Trading and Services	Other related party	Purchase of goods	**-**	7,590	**-**	7,590
Techno Val Information System	Other related party	IT services	**41,250**	438,451	**247,500**	770,196
United Warehouse Company	Other related party	Purchase of goods	**100,800**	-	**200,300**	-
Founding shareholders of the Company	Shareholders	IPO related expenses *	**-**	8,671,040	**-**	10,216,749

* *The founding shareholders of the Company have reimbursed the Company for IPO related expenses.*

(All amounts in Saudi Riyals unless otherwise stated)

12.2 Related party balances

Significant period-end balances arising from transactions with related parties are as follows:

(i) Due from related parties - classified within trade receivables

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
National Biscuits and Confectionary Company	**10,467,035**	9,431,969
National Food Industries Company	**1,492,852**	2,075,913
Zamil Plastic Industries Company	**577,260**	711,843
Zamil Air Conditioner and Home Appliances	**104,713**	-
Zamil Food Industries Limited	**12,456**	126,740
Modern Plastics Industry Company	**718**	950
Zamil Central and Air Conditioner Company	**-**	41,430
	12,655,034	12,388,845

Sales and purchases (including services) carried out to/from related parties during the period are based on the prices in force and terms that would be available to third parties in the normal course of business. Outstanding balances are unsecured, interest free and settled in cash. There have been no guarantees provided or received for any related party receivables or payables. The balances are payable/receivable within normal commercial terms up to 3 months.

12.3 Related party commitment

During 2024, the Company and its founding shareholders have entered into an agreement wherein the foreign founding shareholder has committed to reimburse the Company for the increased income tax burden due to the foreign shareholding, effective from January 1, 2024 onwards. During the six-month period ended June 30, 2026, such foreign founding shareholder has reimbursed the amount of Saudi Riyals 4.3 million relating to the year ended December 31, 2025 (December 31, 2025: Saudi Riyals 7.4 million relating to the year ended December 31, 2024).

12.4 Key management personnel and Board of Directors' compensation

Key management personnel comprise chief executive officer, chief financial officer, vice presidents and certain heads of departments. Compensation of the Group's key management personnel includes salaries and contributions to other employee benefits.

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)	2026 (Unaudited)	2025 (Unaudited)
Short-term employee benefits (salaries and other allowances)	**2,870,243**	2,429,686	**5,587,100**	5,393,478
Post-employment benefit (end-of-service benefit)	**222,419**	164,109	**365,752**	342,578
	3,092,662	2,593,795	**5,952,852**	5,736,056
Board of Directors' ("BoD") remuneration*	**(338,750)**	700,000	**302,500**	1,400,000

* During the three-month period ended June 30, 2026, the Group has reversed the accrual no longer required, amounting to Saudi Riyals 1.0 million, related to the BoD remuneration for prior year.

As at June 30, 2026, the outstanding balance due from key management personnel amount to Saudi Riyals 1.68 million (December 31, 2025: Saudi Riyals 1.56 million) and is secured by the end of service benefits.

(All amounts in Saudi Riyals unless otherwise stated)

13 Segment information

An operating segment is a component of an entity:

(a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
(b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
(c) for which discrete financial information is available.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). For management purposes, the Group is organised into business units based on their products and has the following reportable segments:

Corrugated
Corrugated segment which manufactures and sells corrugated boxes, digital printing products, retail boxes etc.

Duplex
Duplex segment involves manufacturing of folding cartons and pulp products.

Paper and packaging material
Paper segment involves manufacturing of paper, packing and packaging material.

The Group's CODM (CEO and BoD) 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 profit/(loss) before zakat and tax for each segment. The management has identified that revenue from transportation services is not an operating segment, and such revenue has been allocated to corrugated and duplex segments.

The Group's consolidated assets and liabilities by business segments, were as follows:

	Corrugated	Duplex	Paper and packaging material	Total
June 30, 2026 (Unaudited)				
Total assets	**797,112,811**	**127,689,268**	**139,936,760**	**1,064,738,839**
Total liabilities	**366,392,253**	**32,915,689**	**39,887,960**	**439,195,902**
December 31, 2025 (Audited)				
Total assets	804,745,336	121,348,671	151,744,727	1,077,838,734
Total liabilities	382,227,458	65,590,344	41,705,871	489,523,673

	For the six-month period ended June 30, 2026 (Unaudited)			
	Corrugated	Duplex	Paper and packaging material	Total
Segment revenue	**635,690,713**	**48,556,907**	**55,754,965**	**740,002,585**
Inter-segment revenue	**(1,013,256)**	**-**	**(1,409,476)**	**(2,422,732)**
Revenue from external customers	**634,677,457**	**48,556,907**	**54,345,489**	**737,579,853**
Gross profit	**111,328,366**	**5,583,896**	**5,878,978**	**122,791,240**
Depreciation and amortization	**29,297,299**	**5,605,442**	**3,033,879**	**37,936,620**
Finance income	**997,836**	**-**	**153,151**	**1,150,987**
Finance costs	**1,399,164**	**498,818**	**583,401**	**2,481,383**
Profit/ (loss) before zakat and income tax	**57,376,354**	**(1,098,893)**	**1,884,158**	**58,161,619**
Additions to property, plant and equipment	**18,251,011**	**14,582,550**	**4,723,899**	**37,557,460**

(All amounts in Saudi Riyals unless otherwise stated)

	For the six-month period ended June 30, 2025 (Unaudited)			
	Corrugated	**Duplex**	**Paper and packaging material**	**Total**
Segment revenue	584,329,105	47,198,853	57,336,420	688,864,378
Inter-segment revenue	(833,979)	-	(3,206,035)	(4,040,014)
Revenue from external customers	583,495,126	47,198,853	54,130,385	684,824,364
Gross profit	84,081,307	5,332,927	3,321,431	92,735,665
Depreciation and amortization	30,905,422	6,626,179	3,407,866	40,939,467
Finance income	2,080,714	-	136,128	2,216,842
Finance costs	1,210,399	1,254,445	588,458	3,053,302
Profit (loss) before zakat and income tax	34,491,836	(941,260)	(806,895)	32,743,681
Additions to property, plant and equipment	16,902,439	7,094,817	7,931,845	31,929,101

	For the three-month period ended June 30, 2026 (Unaudited)			
	Corrugated	**Duplex**	**Paper and packaging material**	**Total**
Segment revenue	**329,727,821**	**24,737,783**	**30,795,866**	**385,261,470**
Inter-segment revenue	**-**	**-**	**(1,171,005)**	**(1,171,005)**
Revenue from external customers	**329,727,821**	**24,737,783**	**29,624,861**	**384,090,465**
Gross profit	**56,777,826**	**3,185,260**	**5,178,515**	**65,141,601**
Depreciation and amortization	**14,669,240**	**2,766,585**	**1,591,391**	**19,027,216**
Finance income	**345,263**	**-**	**10,417**	**355,680**
Finance costs	**718,972**	**62,006**	**290,637**	**1,071,615**
Profit/ (loss) before zakat and income tax	**28,679,127**	**(103,322)**	**3,011,259**	**31,587,064**
Additions to property, plant and equipment	**13,669,394**	**5,027,820**	**1,199,057**	**19,896,271**

	For the three-month period ended June 30, 2025 (Unaudited)			
	Corrugated	**Duplex**	**Paper and packaging material**	**Total**
Segment revenue	283,344,738	24,018,489	29,059,929	336,423,156
Inter-segment revenue	(434,309)	-	(994,305)	(1,428,614)
Revenue from external customers	282,910,429	24,018,489	28,065,624	334,994,542
Gross profit	36,740,947	2,752,105	1,887,867	41,380,919
Depreciation and amortization	15,459,444	3,260,942	1,741,735	20,462,121
Finance income	2,080,714	-	136,128	2,216,842
Finance costs	661,485	583,471	301,500	1,546,456
Profit/ (loss) before zakat and income tax	12,251,590	(247,344)	(288,905)	11,715,341
Additions to property, plant and equipment	9,005,899	820,430	6,894,225	16,720,554

Refer to Note 10 for the geographical analysis of revenue.

(All amounts in Saudi Riyals unless otherwise stated)

14 Commitments

The capital expenditure contracted by the Group but not incurred until June 30, 2026 was Saudi Riyals 44.3 million (December 31, 2025: Saudi Riyals 15.6 million).

15 Contingencies

At June 30, 2026, the Group has outstanding letters of guarantees amounting to Saudi Riyals 3.4 million (December 31, 2025: Saudi Riyals 3.6 million) and bills of exchange amounting to Saudi Riyals 1.3 million (December 31, 2025: 3.1 million) issued in the normal course of business.

16 Fair value measurement of financial instruments

At June 30, 2026 and December 31, 2025, the fair values of all financial assets and liabilities, measured at amortised cost, are considered to approximate their carrying amounts. There were no transfers into or out of Level 3 fair value measurements.

The table below presents the financial assets measured at their fair values as at June 30, 2026 and December 31, 2025, based on the fair value hierarchy:

June 30, 2026 (Unaudited)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss	**-**	**-**	**8,685,820**	**8,685,820**
	-	**-**	**8,685,820**	**8,685,820**

December 31, 2025 (Audited)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss	-	-	4,560,989	4,560,989
	-	-	4,560,989	4,560,989

17 Dividend

During six-month period ended June 30, 2026, the Board of Directors approved a cash dividend of Saudi Riyals 0.5 per share, amounting to Saudi Riyals 20 million, relating to the fourth quarter of the year ended December 31, 2025. The dividend was paid on April 30, 2026.

18 Approval of the condensed consolidated interim financial information

This condensed consolidated interim financial information was authorised for issue by the Group’s Board of Directors on July 23, 2026.