SAUDI LIME INDUSTRIES COMPANY

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2026

AND INDEPENDENT AUDITOR'S REVIEW REPORT

SAUDI LIME INDUSTRIES COMPANY

(A SAUDI JOINT-STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE SIX MONTHS ENDED JUNE 30, 2026

MOORE

El Sayed El Ayouty & Co.
Certified Public Accountants

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Independent Auditor's Review Report on the Interim Condensed Consolidated Financial Statements

To the Shareholders
Saudi Lime Industries Company
A Saudi Joint Stock Company
Riyadh - Kingdom of Saudi Arabia

Introduction

We have reviewed the interim condensed consolidated statement of financial position of Saudi Lime Industries Company (Saudi Joint Stock Company) as at June 30, 2026, the condensed consolidated interim statements of profit or loss and other comprehensive income, the interim condensed consolidated changes in shareholders' equity and the interim condensed consolidated cash flows for the six-month periods then ended, and other explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34 "Interim Financial Reporting. 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 the International Standard on Review Engagements 2410 "Review of Interim Financial Statements Information performed by the Independent Auditor of the Entity" approved in the Kingdom of Saudi Arabia. A review of interim financial statement consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that approved 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 "Interim Financial Reporting" approved in the Kingdom of Saudi Arabia.

FOR EL SAYED EL AYOUTY & CO.

A. Balamash

Abdullah Ahmad Balamash
Certified Public Accountant
License No. (345)

Riyadh: **August 25, 2026**
Rabi' al-Awwal 12, 1448H

SAUDI LIME INDUSTRIES COMPANY

(A SAUDI JOINT-STOCK COMPANY)
Riyadh - Kingdom of Saudi Arabia

INTERIM CONDENSED CONSOILDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

AS AT JUNE 30, 2026

(EXPRESSED IN SAUDI RIYALS)

	Note	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
ASSETS			
Non-current assets			
Property, plant, and equipment	4	327,956,683	326,287,808
Intangible Assets		8,267,650	8,688,112
Goodwill	5	18,563,815	18,563,815
Right of use assets		5,251,950	5,843,433
Total non-current assets		**360,040,098**	**359,383,168**
Current assets			
Inventory	6	40,085,473	43,250,559
Trade receivables	7	53,177,040	71,333,408
Prepaid expenses and other debit balances	8	11,441,295	14,507,168
Cash and cash equivalents	9	22,996,397	21,931,505
Total Current assets		**127,700,205**	**151,022,640**
TOTAL ASSETS		**487,740,303**	**510,405,808**
EQUITY AND LIABILITIES			
Equity			
Share capital	10	231,000,000	231,000,000
Share premium	10	9,194,337	9,194,337
Employees' defined benefit obligations re-measurement reserve		(5,517,971)	(5,517,971)
Retained earnings		75,176,680	81,091,633
Total Equity		**309,853,046**	**315,767,999**
LIABILITIES			
Non-current liabilities			
Employee-defined benefits obligations		10,800,673	9,597,146
Lease liabilities, non-current portion		4,382,646	4,247,695
Long-term loans, non-current portion	11	94,545,455	106,363,636
Derivative Financial Instruments	12	403,058	1,206,656
Deferred Income – Government Support	13	4,575,120	-
Total non-current liabilities		**114,706,952**	**121,415,133**
Current liabilities			
Lease liabilities, current portion		1,318,625	1,295,579
Long-term loans, current portion	11	23,636,364	23,636,364
Due to related party	14	44,427	44,427
Trade payables		19,697,211	23,409,548
Accrued expenses and other credit balances	15	15,701,697	20,429,777
Dividends due to shareholders		1,377,531	1,377,531
Zakat provision	16	1,404,450	3,029,450
Total Current liabilities		**63,180,305**	**73,222,676**
Total liabilities		**177,887,257**	**194,637,809**
TOTAL EQUITY AND LIABILITIES		**487,740,303**	**510,405,808**

Chief Financial Officer **Chief Executive Officer** **Chairman of the Board**

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

SAUDI LIME INDUSTRIES COMPANY

(A SAUDI JOINT-STOCK COMPANY)
Riyadh - Kingdom of Saudi Arabia

INTERIM CONDENSED CONSOILDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2026

(EXPRESSED IN SAUDI RIYALS)

	Note	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)
Revenue from Contracts with Customers	18	98,782,402	122,536,062
Cost of Revenues		(81,568,887)	(89,442,145)
Gross profit		**17,213,515**	**33,093,917**
Selling and distribution expenses		(2,610,408)	(2,704,402)
General and administrative expenses		(13,093,564)	(15,791,133)
Reversal / (Provided) of expected credit losses on trade receivables	7	960,347	(35,291)
Operating profit		**2,469,890**	**14,563,091**
Finance cost		(4,098,886)	(5,299,365)
Other income	19	689,018	1,968,128
(Loss)/Profit for the period before Zakat		**(939,978)**	**11,231,854**
Zakat	16	(354,975)	(1,268,795)
Net (loss) /profit for the period		**(1,294,953)**	**9,963,059**
Other Comprehensive Income (OCI)			
Items that will not be re-classified subsequently within profits or losses:			
Actuarial (losses) from remeasurement of employees' defined benefit obligations		-	(271,292)
Total comprehensive income		-	(271,292)
Total (Loss) comprehensive income for the period		**(1,294,953)**	**9,691,767**
Basic and diluted (loss) / earnings per share	20	**SR (0.06) per share**	**SR 0.43 per share**

Chief Financial Officer **Chief Executive Officer** **Chairman of the Board**

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

SAUDI LIME INDUSTRIES COMPANY

(A SAUDI JOINT-STOCK COMPANY)
Riyadh - Kingdom of Saudi Arabia

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2026
(EXPRESSED IN SAUDI RIYALS)

	Note	Shared Capital	Share premium	Employees' defined benefit obligations re-measurement reserve	Retained earnings	Total equity
Period ending June 30, 2025						
Balance as of June 1, 2025 (Audited)		220,000,000	9,194,337	(5,014,428)	73,414,518	297,594,427
Profit for the period		-	-	-	9,963,059	9,963,059
Other comprehensive income		-	-	(271,292)		(271,292)
Total comprehensive income for the period		-	-	(271,292)	9,963,059	9,691,767
Balance as of June 30, 2025 (Unaudited)		220,000,000	9,194,337	(5,285,720)	83,377,577	307,286,194
Period ending June 30, 2026,						
Balance as of January 1, 2026, (Audited)		231,000,000	9,194,337	(5,517,971)	81,091,633	315,767,999
Dividends distributed during the period	22				(4,620,000)	(4,620,000)
(Loss) for the period					(1,294,953)	(1,294,953)
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period					(1,294,953)	(1,294,953)
Balance as of June 30, 2026 (Unaudited)		231,000,000	9,194,337	(5,517,971)	75,176,680	309,853,046

Chief Financial Officer **Chief Executive Officer** **Chairman of the Board**

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

SAUDI LIME INDUSTRIES COMPANY

(A SAUDI JOINT-STOCK COMPANY)

Riyadh - Kingdom of Saudi Arabia

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2026

(EXPRESSED IN SAUDI RIYALS)

	Note	June 30, 2026	June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		(Unaudited)	(Unaudited)
(Loss) Profit for the period before zakat		(939,978)	11,231,854
Adjustments for Non-Cash Items:			
Depreciation of property, plant, and equipment	4	10,584,142	11,083,266
Depreciation of rights of use assets		591,483	283,300
Amortization of intangible assets		458,201	650,315
Employees defined benefits obligation		1,701,420	1,103,152
(Reversal) / provided of expected credit loss Allowance	7	(960,347)	35,291
Gain from disposal of property, plant, and equipment	19	(168)	-
Finance costs		4,098,886	5,299,365
Provision for obsolete and slow-moving inventory	6	198,750	-
Changes in operating assets and liabilities:			
Inventory	6	2,966,336	2,266,756
Trade receivables	7	19,116,716	(11,476,220)
Prepaid expenses and other debit balances	8	3,065,873	(644,567)
Trade payables		(3,712,337)	7,313,386
Accrued expenses and other credit balances	15	(4,664,616)	(1,694,566)
		32,504,361	25,451,332
Zakat paid	16	(1,979,975)	(1,934,996)
Employee defined benefits obligation paid		(497,893)	(1,513,390)
Net cash provided by from operating activities		30,026,493	22,002,946
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant, and equipment	4	(12,449,880)	(10,798,611)
Proceed from sales of property, plant, and equipment	4	197,031	-
Government support received for project construction	13	4,575,120	-
Purchase of Intangible Asset		(37,739)	(1,396,898)
Net cash (used in) investing activities		(7,715,468)	(12,195,509)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends	22	(4,620,000)	-
Repayment of loans	11	(11,818,181)	(2,000,000)
Finance Costs paid		(4,807,952)	(4,784,102)
Leases obligation paid		-	(97,690)
Net cash (used in) financing activities		(21,246,133)	(6,881,792)
Net changes in cash and cash equivalents		1,064,892	2,925,645
Cash and cash at equivalents at the beginning of the period/ year	9	21,931,505	17,020,875
Cash and cash at equivalents at the end of the period/ year	9	22,996,397	19,946,520
NON-CASH TRANSACTIONS			
Actuarial losses from remeasurement of employees' defined benefit obligations		-	(271,292)

Chief Financial Officer **Chief Executive Officer** **Chairman of the Board**

The accompanying notes from 1 to 25 form an integral part of these interim condensed consolidated financial statements.

1. ORGANAIZATION AND ACTIVITY

Saudi Lime Industries Company ("the Company" or "the Parent Company") is a Saudi joint stock company registered in Riyadh, Kingdom of Saudi Arabia under Commercial Registration No. 1010011738 dated 10 Rabi' Al-Thani 1397H (corresponding to March 29, 1997) and unified number 700020235, and the Company operates under Industrial License No. 11 dated 5 Rabi' Al-Thani 1441H (corresponding to December 02, 2019). The Company's head office is located in Riyadh, Al-Kharj Road - Second Industrial City, P.O. Box 355208, Riyadh 11383, Kingdom of Saudi Arabia.

The company's activities include managing and leasing self-storage warehouses, manufacturing chemical components, manufacturing sand bricks, floor blocks, roof tiles, and chimney pots, manufacturing quicklime, manufacturing slaked lime, manufacturing partitions, panels, frames, and prefabricated concrete buildings, purchasing, selling and dividing lands and real estate, selling off-plan activities, managing and leasing non-residential owned or leased real estate, retail sale of building materials, including (cement, blocks, gypsum, cement tiles, etc.).

The company operates through its branches and its subsidiary companies listed below:

Branch name	City	CR. No.	Branch registration date
Saudi Factory for Lime Sand Bricks and Building Materials	Jeddah	4030038260	Jumada al-Akhirah 1, 1403H
Saudi Lime Industries Company	Riyadh	1010831123	Rabi` al-Awwal 6 ,1444 H
Saudi Lime Industries Company	Riyadh	1010839140	Rabi` al-Thani 12, 1444 H
Lime Factory Mining Company	Al Kharj	1011024065	Rajab 11, 1437 H

These condensed consolidated interim consolidated financial statements include the accounts of the Company and the following subsidiary in which the Parent Company directly owns 100% of the capital (together referred to as the "Group"):

		Country of	Direct ownership percentage	
Subsidiary name	CR. No.	establishment	June 30, 2026	December 31, 2025
Lime Factory Mining Company	1010318438	KSA	100%	100%

Astra Mining Limited is engaged in quarrying, gypsum and anhydrite mining, sand or gravel mining, and crushers.

2. BASIS OF PREPARATION

Statement of Commitment

The accompanying condensed consolidated interim financial statements have been prepared by International Accounting Standard No. (34) "Interim Financial Reporting" as adopted in the Kingdom of Saudi Arabia.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the full annual consolidated financial statements; therefore, they should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2025.

The results of operations for the period ended June 30, 2026, may not be considered an accurate indication of the expected results for the fiscal year ending December 31, 2026.

Functional and presentation currency

The condensed consolidated interim financial statements are presented in Saudi Riyals, which is the functional and reporting currency. All amounts are presented to the nearest Saudi Riyal unless otherwise indicated.

Basis for consolidation of condensed consolidated interim financial statements

The Group reassesses whether it exercises control over an investee when facts and circumstances indicate that there are changes in the elements of control. Consolidation of a subsidiary begins when control of the subsidiary is transferred to the Group and ceases when the Group loses such control. Assets, liabilities, income, and expenses of a subsidiary acquired during the period are included in the condensed consolidated interim financial statements from the date on which control is transferred to the Group until the Group ceases to exercise such control over the investee.

2. BASIS OF PREPARATION (CONTINUED)

Basis for consolidation of condensed consolidated interim financial statements (Continued)

In particular, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. rights that give the Group the current ability to direct the activities of the investee).
- Exposure to, or rights to, variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that most of the voting rights result in control. In support of this presumption, when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it exercises power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

Income and each item of other comprehensive income related to the Group's equity. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group.

All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between Group companies are eliminated in full on consolidation of the interim condensed consolidated financial statements.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies applied to these interim condensed consolidated financial statements are the same as those applied to the financial statements for the year ended December 31, 2025.

3.1. New Standards, Amendments to Standards and Interpretations

No new standards have been issued that are effective as of January 01, 2026. However, a number of amendments to existing standards became effective from that date, which were explained in the Company's 2025 annual financial statements. These amendments do not have a material impact on these interim condensed consolidated financial statements of the Company.

International Financial Reporting Standard 18 (IFRS 18)

IFRS 18 'Presentation and Disclosure in Financial Statements' will replace IAS 1 'Presentation of Financial Statements' and is effective for annual reporting periods beginning on or after January 01, 2027. The Company has not early adopted this standard in the preparation of these interim financial statements; however, early application is permitted.

The Company is currently assessing the expected impact of the initial application of IFRS 18 on its consolidated financial statements

A- Structure of the Statement of Profit or Loss

IFRS 18 requires entities to classify all income and expenses into specific categories within the statement of profit or loss, namely: operating, investing, financing, zakat and income tax, and discontinued operations. The classification of income and expenses is based on the entity's main business activities. The Company has determined that it does not have a specified main business activity of investing in assets and/or providing financing to customers. Consequently, most of the Company's income and expenses, except for the items described below, will be classified in the operating category by default, consistent with the nature of its industrial activities, which comprise the production of lime and related products.

The Company's net profit and net assets will not be affected by the application of IFRS 18. However, the Company will be required to present two new subtotals, namely "Operating Profit" and "Profit or Loss before Financing and Zakat." Nevertheless, the new Operating Profit subtotal differs from the current subtotal presented by the Company in its statement of profit or loss, which is currently calculated after deducting cost of revenue, selling and distribution expenses, general and administrative expenses, and the impact of the (component)/reversal of expected credit losses, and before finance costs, other income and zakat.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.1. New Standards, Amendments to Standards and Interpretations (Continued)

International Financial Reporting Standard 18 (IFRS 18) (Continued)

A- Structure of the Statement of Profit or Loss (Continued)

Based on the information currently available, the Company expects changes to the current structure of the statement of profit or loss arising from the following:

Term deposit commission is currently included within "Other Income" in accordance with the Company's existing accounting policy, without a separate classification. IFRS 18 provides specific guidance on income and expenses classified within the investing and financing categories. Accordingly, the Company expects to reclassify the term deposit commission, as it is considered to be of an investing nature, to the investing category rather than presenting it within the currently unclassified "Other Income" line item.

Currently, the Company presents the finance expense on employees' defined benefit obligations within 'Finance costs', which is already consistent with the requirements of IFRS 18 that mandate the classification of interest cost related to employees' defined benefit obligations within the financing category. Accordingly, no reclassification change is expected for this item.

- The Company currently does not present significant foreign exchange differences separately in the statement of profit or loss, as the majority of its transactions are conducted in the local market in Saudi Riyals. If significant foreign exchange differences arise in the future, **IFRS 18** requires foreign exchange differences to be presented within the same category in which the income and expenses arising from the items giving rise to those differences are classified. For example, foreign exchange differences relating to **trade receivables** would likely be classified within the **operating category**.
- The Company holds an interest rate swap. Based on its accounting analysis, management has concluded that the instrument does not meet the requirements for hedge accounting qualification under IFRS 9. Accordingly, all changes in its fair value are currently recognized within "Finance Costs." Unlike designated cash flow hedges for qualifying exposures at certain other entities, for which the new Standard requires gains and losses to be classified in the same category as the hedged item, this non-qualifying hedging instrument is associated with interest rate risk arising from the Company's long-term financing. Accordingly, the Company expects to continue classifying changes in its fair value within the financing category under the new Standard, with no significant change in classification expected.

B- Management-Defined Performance Measures (MPMs).

Management-defined performance measures are subtotals of income and expenses that are used in public communications outside the financial statements, such as the annual report and investor presentations, and that reflect management's view of an aspect of the Company's financial performance as a whole. The Company will be required to disclose specific information about its management-defined performance measures, if any, in a single note to the financial statements. These measures relate to the same reporting period covered by the financial statements.

The Company is currently in the process of identifying the public communications that should be considered in determining whether it uses any Management-defined Performance Measures (MPMs) that require disclosure under the standard. Accordingly, the MPMs, if any, that the Company will disclose upon the adoption of IFRS 18 will be determined based on the public communications to be issued by the Company regarding the interim reporting period for the year 2027.

C- Aggregation and Disaggregation Principles

IFRS 18 provides enhanced principles on how information should be aggregated in the financial statements (i.e., the primary financial statements and the notes), and also provides guidance on the labelling and description of items presented therein. The Company is currently assessing the aggregation of items based on their similar and dissimilar characteristics. Based on this assessment, items in the primary financial statements will be presented in a manner that provides structured and useful summaries, while additional material information will be disclosed in the notes.

The Company is also assessing the items currently classified under "Other Income" and "Other Expenses" and will use more informative and descriptive labels where this is determined to provide additional material information that is useful to users of the financial statements.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.1. New Standards, Amendments to Standards and Interpretations (Continued)

International Financial Reporting Standard 18 (IFRS 18) (Continued)

D- Consequential Amendments

IFRS 18 introduces consequential amendments to IAS 7, "Statement of Cash Flows," requiring entities to use the new "Operating Profit" subtotal as the starting point for preparing the statement of cash flows when cash flows from operating activities are presented using the indirect method. The Company currently uses "Profit before Zakat" as the starting point for reconciling to net cash generated from operating activities. As a result of adopting the new starting point, "Operating Profit," certain reconciliation items currently presented will change. In particular, finance costs and Zakat paid will be excluded from the reconciliation items, as they will be presented directly below the new starting point.

The consequential amendments also provide specific guidance regarding the classification of cash flows related to interest and dividends. Pursuant to this guidance, the Company will continue to classify cash flows arising from finance costs paid within financing activities, consistent with its current presentation (currently presented under 'Finance costs paid' within financing activities in the accompanying statement of cash flows). Conversely, cash flows arising from term deposit commission received (currently included within operating activities as part of the 'Net profit before zakat' starting point) are expected to be classified under investing activities in the future, aligning with their reclassification to the investing category in the statement of profit or loss as detailed in section (A) above. The Company has no dividend income received from investments or associates affected by these amendments as of the date of these financial statements.

Summary of the Impact Assessment

Management continues to assess the expected presentation, and disclosure impacts of applying IFRS 18. The quantitative impact of these changes cannot reasonably be estimated as at the reporting date, as work is still ongoing to complete the necessary updates to the financial reporting systems, chart of accounts, and related internal controls, to ensure that transaction data can be appropriately classified into the new mandatory operating, investing and financing categories. The Company expects to provide a further update on the impact of IFRS 18 in its annual consolidated financial statements for the year ending December 31, 2026.

3.2. Business Aggregation and goodwill

The acquisition method of accounting is used to account for acquisitions of subsidiaries. The cost of an acquisition is measured at the fair value of the asset given or the liabilities incurred or assumed at the acquisition date, plus any costs directly attributable to the acquisition. The excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets acquired and liabilities assumed is recorded as goodwill. Goodwill is tested annually for impairment and is carried at cost less impairment losses, if any. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation by the contractual terms, economic circumstances, and pertinent conditions as of the acquisition date. This includes the separation of embedded derivatives from the host contracts during the acquisition.

Any contingent consideration transferred by the acquirer is recognized at fair value at the acquisition date. All contingent considerations (except for consideration classified as equity) are measured at fair value with changes in fair value recognized in profit or loss. Contingent consideration classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the cost of acquisition over the fair value of the Group's share of the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is more than the aggregate consideration transferred, the Group reassesses whether it has correctly identified all the assets acquired and all of the liabilities assumed, and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of the net assets acquired over the aggregate consideration transferred, the gain is recognized in the consolidated statement of comprehensive income as a bargain purchase gain.

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.2. Business Aggregation and goodwill (continued)

After initial recognition, goodwill is measured at a cost less than any accumulated impairment losses. For impairment testing, goodwill acquired in a business combination is allocated, from the acquisition date to each of the Group's cash-generating units ("cash-generating units") that are expected to benefit from the synergies of the combination, regardless of whether other assets or liabilities are allocated to those units.

When goodwill is allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in these circumstances is measured based on the relative values of the operation disposed of and the part of the cash-generating unit retained.

(EXPRESSED IN SAUDI RIYALS)

4. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings and construction	Machinery and equipment	Electronic Devices	Strategic spare parts	Other (Motor vehicles – Tools and equipment – Furniture and fixtures)	Capital work in progress	Total
<u>Cost</u>								
January 1, 2026	30,289,061	145,064,724	486,053,042	4,858,108	4,083,992	17,740,923	11,243,981	699,333,831
Additions	-	-	3,621,503	11,716	-	1,414,668	7,401,993	12,449,880
Transfers from capital work-in-progress	-	-	180,282	-	-	1,012,842	(1,193,124)	-
Disposals	-	-	(311,494)		(15,614)	(38,582)	-	(365,690)
As at June 30, 2026	30,289,061	145,064,724	489,543,333	4,869,824	4,068,378	20,129,851	17,452,850	711,418,021
<u>Accumulated depreciation</u>								
January 1, 2026	-	74,187,912	282,101,786	1,866,858	1,267,098	13,622,369	-	373,046,023
Charged to the period	-	1,868,762	6,716,278	403,159	203,036	1,392,907	-	10,584,142
Disposals	-	-	(127,039)	-	(3,212)	(38,576)	-	(168,827)
As at June 30, 2026	-	76,056,674	288,691,025	2,270,017	1,466,922	14,976,700	-	383,461,338
<u>Net book value</u>								
As at June 30, 2026(Unaudited)	30,289,061	69,008,050	200,852,308	2,599,807	2,601,456	5,153,151	17,452,850	327,956,683
As at December 31, 2025(Audited)	30,289,061	70,876,812	203,951,256	2,991,250	2,816,894	4,118,554	11,243,981	326,287,808

(EXPRESSED IN SAUDI RIYALS)

4. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

4.2. Capital work-in-progress

Capital work in progress comprises the following, as shown in the table below:

	June 30, 2026 (UNAUDITED)	December 31, 2025 (AUDITED)
Natural gas conversion project	**6,617,346**	4,512,877
Storage silos	**4,188,347**	3,936,027
Overhaul of one of the kilns	**4,247,414**	187,035
Jeddah plant rehabilitation	**1,016,236**	595,661
New laboratory	**980,732**	746,730
Trucks under preparation	**-**	1,012,842
Others	**402,775**	252,809
	17,452,850	11,243,981

5. GOODWILL

5.1. Recognition of goodwill

Goodwill was recognized as a result of the acquisition of Lime Factory Mining Company (formerly Astra Mining Company Limited), considered as a cash-generating unit. It was measured as the excess of the purchase consideration over the fair value of the Group's share in the identifiable net assets acquired and liabilities assumed.

The goodwill arising from the acquisition is primarily attributable to:

- Expected profitability from distributing the Group's products in new markets.
- Expected operational synergies to be achieved from integrating the subsidiary's operations within the Group.
- Expected operational efficiencies resulting from the integration of the operating activities of both companies.

5.2. Impairment test of goodwill

During the six-month period ended June 30, 2026, Group management reviewed the operational performance of the cash-generating unit (CGU) to which goodwill is allocated, as well as the surrounding economic and operational conditions. Management identified no internal or external indicators pointing to a potential drop in the unit's recoverable amount below its carrying amount. Consequently, management did not perform a detailed formal impairment test during this financial period, provided that the annual test will be performed as at the end of the financial year 2026, or earlier if new indicators arise that necessitate testing.

6. INVENTORY

	June 30, 2026 (UNAUDITED)	December 31, 2025 (AUDITED)
Finished production	**17,289,760**	23,254,595
Raw materials	**7,307,500**	6,652,512
Production in progress	**3,087,509**	2,398,468
Spare parts	**15,909,398**	14,254,928
	43,594,167	46,560,503
Less: Impairment of inventory	**(3,508,694)**	(3,309,944)
	40,085,473	43,250,559

(EXPRESSED IN SAUDI RIYALS)

6. INVENTORY (CONTINUED)

The movement in the provision for impairment is as follows:

	June 30, 2026 (UNAUDITED)	December 31, 2025 (AUDITED)
Balance at January 01,	**3,309,944**	4,564,934
Charged to period / year	**198,750**	-
Written off during the period / year	-	(1,254,990)
Balance at the end of the period / year	**3,508,694**	3,309,944

7. TRADE RECEIVABLES

	June 30, 2026 (UNAUDITED)	December 31, 2025 (AUDITED)
Trade receivables	**61,422,463**	80,565,143
Provision for expected credit losses	**(8,245,423)**	(9,231,735)
	53,177,040	71,333,408

The movement in the provision for expected credit losses during the period / year is as follows:

	June 30, 2026 (UNAUDITED)	December 31, 2025 (AUDITED)
Balance at the beginning of the period/year	**9,231,735**	4,897,439
Written off during the period / year	**(25,965)**	(1,880,607)
(Reversal of) provision during the period / year	**(960,347)**	6,214,903
Balance at the end of the period/year	**8,245,423**	9,231,735

	1 to 90 days	91 to 180 days	181 to 365 days	Over 365 days	Total
30/06/2026	36,518,222	6,787,432	7,079,803	11,037,006	61,422,463
31/12/2025	54,651,724	9,527,355	8,519,082	7,866,982	80,565,143

8. PREPAID EXPENSES AND OTHER DEBIT BALANCES

	June 30, 2026 (UNAUDITED)	December 31, 2025 (AUDITIED)
Advances to suppliers	**3,019,240**	8,161,674
Prepaid expenses	**1,595,188**	2,455,339
Accrued Income from Competitiveness Support *	**6,352,105**	3,337,550
Employee advances	**138,830**	169,828
Margins on letters of guarantee	**252,457**	252,457
Refundable deposits	**26,570**	26,570
Other	**56,905**	103,750
	11,441,295	14,507,168

* This balance represents the amount receivable by the Company from the Ministry of Industry under the Saudi Industrial Sector Competitiveness Program, which aims to mitigate the impact of energy price adjustments, particularly diesel and other liquid fuels, on eligible industrial companies.

(EXPRESSED IN SAUDI RIYALS)

9. CASH AND CASH EQUIVALENTS

	June 30, 2026 (UNAUDITED)	December 31, 2025 (AUDITIED)
Cash at banks	**12,996,397**	10,931,505
Short-term deposits (maturing within three months or less)	**10,000,000**	11,000,000
	22,996,397	21,931,505

10. SHARE CAPITAL

On Dhu al-Qi'dah 30, 1443H, corresponding to June 29, 2022, the General Assembly of Shareholders approved an increase in the Company's capital from SR. 200 million to SR. 220 million through the issuance of 2 million shares and their initial public offering. The offering of 2 million shares at a par value of SR. 10 per share was completed on April 27, 2023, with proceeds from the offering amounting to SR. 34 million, at SR. 17 per share. Transaction costs for the issuance of the new shares amounted to SR. 4,805,663, which were deducted from the share premium account. Consequently, the share premium amounted to SR. 9,194,337.

- Accordingly, the Company's capital became SR. 220 million, consisting of 22 million shares as of December 31, 2024, with a value of SR. 10 each (December 31, 2023: 22 million shares).
- On July 14, 2025, the Company's Extraordinary General Assembly approved a capital increase by distributing bonus shares to shareholders at a rate of 5%, equivalent to SR. 11 million, representing an increase of 1.1 million shares at a rate of one share for every 20 shares held. Following the increase, the capital became SR. 231 million, comprising 23.1 million shares, and the Company's Articles of Association were updated accordingly.

Share issuance premium

The share issuance premium represents the difference between the issue price and the nominal value price of the share. This account is adjusted when new shares are issued or previous shares are cancelled or amended, taking into account any changes in the share value or the number of shares issued. The issuance premium is measured by the cash value or any other compensation collected from investors when shares are issued in 2022.

11. LOANS

11.1. Long-Term Loans

In 2024, the Group entered into Sharia-compliant term loan credit facility agreements with local banks for the purpose of financing acquisition activities and operating expenses, amounting to SR. 162 million. The utilized portion of the facility was SR. 135 million, fully secured by promissory notes. The facility agreements have an 18-month grace period, an interest margin plus SAIBOR, and semi-annual instalments over five years, commencing after an 18-month grace period.

The following table sets out the drawn-down facilities and the outstanding loan balances:

	June 30, 2026 (UNAUDAITED)	December 31, 2025 (AUDITED)
Long term loans - current portion	**23,636,364**	23,636,364
Long term loans - non-current portion	**94,545,455**	106,363,636
	118,181,819	130,000,000

The movement in loans during the year was as follows:

	June 30, 2026 (UNAUDITIED)	December 31, 2025 (AUDITIED)
Balance at the beginning of the period/year	**130,000,000**	132,000,000
Payments during the period/year	**(11,818,181)**	(2,000,000)
Balance at the end of the period/year	**118,181,819**	130,000,000

11. LOANS (CONTINUED)

11.2. Short-term loan

The Company signed a financing agreement with Emirates NBD Bank, compliant with Sharia principles, for SR. 25 million to support its working capital. The agreement was signed, and the company received its copy on Sunday, 08/07/1447H (corresponding to 28/12/2025). No fees will be charged on the unused portion of the facility. Financing costs will only be calculated upon utilization of the facility, based on the SAIBOR rate plus a margin of 1.70% per annum on the drawn amounts .not use the facility up to financial statement date.

12. DERIVATIVE FINANCIAL INSTRUMENTS

During the year ended December 31, 2024, the Group entered into an interest rate swap agreement with a local bank, where the Group pays a fixed interest rate of 5.35% and receives a variable interest rate based on the 6-month SAIBOR rate.

This financial instrument has been classified as a derivative financial instrument in accordance with International Financial Reporting Standards (IFRS). It is measured at fair value, with changes in its fair value recognized in the condensed interim consolidated statement of profit or loss and other comprehensive income, (under finance costs). This derivative financial instrument is classified within Level 2 of the fair value hierarchy, as it is measured using valuation models that incorporate observable market inputs, such as SAIBOR rates.

The following table presents the principal amount and fair value as at:

	Principal amount (SR)	Fair value (USD)	Fair value (Saudi Riyals)
30/06/2026 **(UNAUDITIED)**	59,090,910	107,482	403,058
31/12/2025 **(AUDITED)**	65000,000	321,775	1,206,656

* The impairment of fair value of derivative financial instruments for the six-month period ended June 30, 2026, amounted to SR. 803,598 (June 30, 2025: nil), and was recognized under finance costs in the interim condensed consolidated statement of profit or loss and other comprehensive income.

13. DEFERRED INCOME - GOVERNMENT SUPPORT

	June 30, 2026 (UNAUDITIED)	December 31, 2025 (AUDITIED)
Ministry of Mineral Resources – Quarry Exploitation Fees	**4,575,120**	-
	4,575,120	-

The Company received government support amounting to SR. 4.5 million to finance part of the project to convert its energy source from diesel to natural gas.

The estimated cost of the project is SR. 7 million, while the costs incurred on the project as at June 30, 2026 amounted to SR. 6.6 million, which are included under capital work in progress (Note 2.4).

The Company received this amount after confirming its compliance with the conditions required to obtain the support, following an inspection and approval by a government committee from the Ministry.

The Company will reduce the deferred income and recognize income in the statement of profit or loss and other comprehensive income on a systematic basis over the useful life of the related assets, concurrently with the recognition of depreciation expense. This will commence from the date on which the project is ready for use, which the Company expects to be at the beginning of the second half of 2027.

(EXPRESSED IN SAUDI RIYALS)

14. TRANSACTIONS WITH RELATED PARTIES

A- Amounts Due to Related Parties

	Nature of the Relationship	June 30, 2026 (UNAUDITIED)	December 31, 2025 (AUDITIED)
Saudi Insulating Bricks Company	Associate	44,427	44,427
		44,427	**44,427**

B- Allowances and Remuneration of Board Members, Committee Members and Senior Executives

The Group's senior management comprises senior management personnel and executives, as well as members of the Board of Directors, who have the authority and responsibility for planning, directing and controlling the activities of the Group. The total salaries and remuneration of senior management and senior executives were as follows:

	June 30, 2026 (UNAUDITED)	June 30, 2025 (UNAUDITIED)
Short-term benefits	**1,669,660**	1,696,573
Attendance Allowances and Remuneration of Board and Committee Members	**1,418,022**	1,948,426
Employees' defined benefit obligations	**264,679**	262,613

15. ACCRUED EXPENSES AND OTHER PAYABLES

	June 30, 2026 (UNAUDITED)	December 31, 2025 (AUDITIED)
Accrued employee benefits	**4,295,182**	6,849,057
Advances from customers	**3,067,651**	3,327,924
Accrued taxes	**3,389,335**	3,450,789
Remuneration of members of the board of directors and committees	**1,140,023**	2,280,000
Accrued expenses	**1,855,144**	1,944,757
Accrued loan interest	**1,313,786**	1,377,250
Ministry of Mineral Resources – Quarry Exploitation Fees	**640,576**	1,200,000
	15,701,697	20,429,777

16. ZAKAT PROVISION

The movement of zakat provision is as follows:

	June 30, 2026 (UNAUDITIED)	December 31, 2025 (AUDITIED)
Balance at January 01,	**3,029,450**	2,195,648
Provided during the period/year	**354,975**	2,768,798
Payments during the period/year	**(1,979,975)**	(1,934,996)
Balance at the end of the period/year	**1,404,450**	3,029,450

(EXPRESSED IN SAUDI RIYALS)

16. ZAKAT PROVISION (CONTINUED)

Status of Zakat

Parent Company

The Company has filed zakat returns for all prior years up to the year ending December 31, 2025. It has obtained a zakat certificate valid until April 30, 2027.

The review of the years up to the year ended December 31, 2024, have been finalized, and all zakat assessments conducted by the Zakat, Tax and Customs Authority ("ZATCA") have been approved, with no outstanding liabilities against the Company relating to those years.

Subsidiary Company

The Company has filed its zakat returns for all prior years up to the year ended December 31, 2025 and has obtained a valid zakat certificate until April 30, 2027.

The Zakat, Tax and Customs Authority ("ZATCA") has finalized the assessment of zakat returns up to the year ended December 31, 2018.

No correspondence or assessments have been received from ZATCA, and there are no ongoing examinations or audits of the Company.

17. SEGMENT INFORMATION

The segment is a distinct and separate part of the Group engaged in business activities that result in the generation of revenue or incurrence of expenses. Operating segments are disclosed based on internal reports that are reviewed by the chief operating decision maker, who is responsible for allocating resources, assessing performance, and making strategic decisions regarding operating segments. Operating segments that exhibit similar economic characteristics and serve similar products, services, and customer categories are grouped together, where possible, as reportable segments.

Basis of segmentation

The Group has the following strategic segments, which are considered its strategic sectors. These segments offer distinct services and are managed separately due to differences in economic characteristics, such as sales growth trends, return rates, and capital investment levels, as well as different marketing strategies.

The following is a summary of operations for each sector:

Reportable segment	Operations
Limestone sector	Includes the production of quicklime in various sizes, hydrated lime in all types of packaging, and dolomite in various sizes.
Carbonate sector	Includes supplying various sizes through crushing and grinding processes, as well as milling and sorting for use in the glass and filtration industries.
Bricks sector	Includes the production of sand-lime blocks and facade-facing bricks for building facades made of sandstone.

Due to the nature of the Group's operations and its organizational structure, it is practically impossible to allocate current assets and liabilities to the different operating segments, as all of the Group's assets are located within the Kingdom of Saudi Arabia.

(EXPRESSED IN SAUDI RIYALS)

17. SEGMENT INFORMATION (CONTINUED)

The following tables present information on revenues and total profits for the Group's operating segments for the six months ended June 30, 2026, and 2025:

	For the six months ended June 30, 2026 (unaudited)					
	Limestone segment	Carbonate segment	Block segment	Total	Disposals segment	Total
Revenues	75,228,757	23,874,553	10,546,734	109,650,044	(10,867,642)	98,782,402
Cost of revenues	(67,669,421)	(17,434,115)	(6,851,547)	(91,955,083)	10,386,196	(81,568,887)
Gross profit	7,559,336	6,440,438	3,695,187	17,694,961	(481,446)	17,213,515

	For the six months ended June 30, 2025 (unaudited)					
	Limestone segment	Carbonate segment	Block segment	Total	Disposals segment	Total
Revenues	105,788,030	13,872,512	8,397,280	128,057,822	(5,521,760)	122,536,062
Cost of revenues	(77,265,117)	(12,843,367)	(4,742,687)	(94,851,171)	5,409,026	(89,442,145)
Gross profit	28,522,913	1,029,145	3,654,593	33,206,651	(112,734)	33,093,917

(EXPRESSED IN SAUDI RIYALS)

18. REVENUE

The performance obligation is satisfied upon delivery of goods, and payment is generally due in advance or upon demand. Revenue is recognized at a point in time in accordance with the nature of the performance obligations.

- Revenue includes the following categories:

– Classification by Customers

	June 30, 2026 (UNAUDITIED)	June 30, 2025 (UNAUDITIED)
Government Customers	**6,628,068**	5,506,622
Private Sector Customers	**92,154,334**	117,029,440
	98,782,402	122,536,062

– Classification by Markets

	June 30, 2026 (UNAUDITIED)	June 30, 2025 (UNAUDITIED)
Domestic Revenue	**86,342,027**	109,947,339
Export Revenue	**12,440,375**	12,588,723
	98,782,402	122,536,062

19. OTHER INCOME

	June 30, 2026 (UNAUDITIED)	June 30, 2025 (UNAUDITIED)
Term Deposit Commission	**549,072**	323,639
Scrap Sales	**139,778**	1,644,489
Gain on derecognition of property, plant and equipment	**168**	-
	689,018	**1,968,128**

20. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit attributable to the Company's shareholders by the weighted average number of common shares outstanding during the period.

On July 14, 2025, the company increased its share capital by issuing bonus shares to its shareholders, resulting in an increase in the number of shares from 22,000,000 to 23,100,000. The weighted average number of shares for the current and comparative periods has been adjusted retrospectively, and earnings per share for the comparative period have also been restated.

The Company does not have any dilutive financial instruments; therefore, basic and diluted earnings per share are identical.

	June 30, 2026 (UNAUDITIED)	June 30, 2025 (UNAUDITIED)
(Loss) / profit for the period attributable to the shareholders of the parent company	**(1,294,953)**	9,963,059
Weighted-average number of outstanding ordinary shares	**23,100,000**	23,100,000
Basic (loss) earnings per share from net (loss) profit for the period attributable to the shareholders of the parent company	**SR. (0.06) per share**	SR. 0.43 per share

(EXPRESSED IN SAUDI RIYALS)

21. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the assumption that the transaction to sell the asset or transfer the liability takes place in either of the following:

- the principal market for the asset or liability; or
- in the absence of a principal market, the most advantageous market for the asset or liability.

Management believes that the fair values of all financial assets and financial liabilities measured at amortized cost as at the reporting date of the interim condensed consolidated financial statements approximate their respective carrying amounts.

Fair value hierarchy

The Group uses the following hierarchy to determine and disclose the fair value of financial instruments based on the valuation technique:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Other valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Other valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Group holds the following financial instrument at fair value in the consolidated statement of financial position:

30/06/2026 (UNAUDITED)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial liabilities at fair value:				
Derivative financial instruments unlisted in an active market	-	403,058	-	403,058
	-	403,058	-	403,058

31/12/2025 (AUDITIED)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial liabilities at fair value:				
Derivative financial instruments unlisted in an active market	-	1,206,656	-	1,206,656
	-	1,206,656	-	1,206,656

22. DIVIDENDS

Based on the resolution of the Ordinary General Assembly of the Company held on 14/11/1446H (corresponding to 20/04/2025), authorizing the Board of Directors of the Company to distribute interim profits on a quarterly/semi-annual basis for the year 2025, the Board of Directors of the Company resolved in its meeting on 10-10-1447H corresponding to 29-03-2026, to distribute cash profits to the shareholders for the second half of the year 2025 amounting to SR. 4,620,000, at a rate of SR. 0.2 per share.

23. CONTINGENT LIABILITIES

The banks with which the Group deals, on its behalf, issued financial guarantees and letters of credit amounting to SR. 8 million as of June 30, 2026, and SR. 7.5 million as of December 31, 2025, on the execution of contracts, during the ordinary business cycle.

There is Capital Commitments related to Project under Construction as of financial statement by total amount SR 6.18 million as of June 30, 2026.

24. SUBSEQUENT EVENTS

In management's opinion, no significant subsequent events after the period ended on June 30, 2026, could have a material impact on the Group's interim condensed consolidated financial statement.

25. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The issuance of these interim condensed consolidated financial statements was authorized and approved by the Group's Board of Directors on Rabi' al-Awwal 12, 1448H (corresponding to August 25, 2026).