

Mohammed Hassan Al Naqool Sons Company

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

AND INDEPENDENT AUDITOR'S REVIEW REPORT

Mohammed Hassan Al Naqool Sons Company
(A Saudi Joint Stock Company)

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

For the three-month period ended 31 March 2026

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF MOHAMMED HASSAN AL NAQOOL SONS COMPANY (A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Mohammed Hassan Al Naqool Sons Company (A Saudi Joint Stock Company) ("the Company") as at 31 March 2026, and the interim condensed consolidated statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

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

Conclusion

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

For Maham Company for Professional Services



Abdulaziz Saud Al Shabeebi
Certified Public Accountant
License no. (339)

Date: 25 Thul Qidah 1447 H
12 May 2026



Mohammed Hassan Al Naqool Sons Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

		<i>31 March</i>	<i>31 December</i>
		<i>2026</i>	<i>2025</i>
		<i>ﷲ</i>	<i>ﷲ</i>
ASSETS	<i>Note</i>	(Unaudited)	(Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	4	60,277,840	58,612,475
Intangible assets		143,212	159,124
Right-of-use assets		9,933,230	10,034,789
Investments in securities at fair value through profit or loss		13,852,241	13,852,241
TOTAL NON-CURRENT ASSETS		84,206,523	82,658,629
CURRENT ASSETS			
Properties held for development and sale	5	10,619,689	10,619,689
Inventories		1,010,540	1,280,671
Accounts receivable	6	19,546,315	18,999,033
Prepayments and other debit balances		7,179,538	3,983,959
Bank balances and cash		7,822,221	6,881,112
TOTAL CURRENT ASSETS		46,178,303	41,764,464
TOTAL ASSETS		130,384,826	124,423,093
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	7	29,000,000	29,000,000
Retained earnings		31,715,480	30,904,259
Foreign currency translation reserve		6,039	(5,040)
TOTAL SHAREHOLDERS' EQUITY		60,721,519	59,899,219
LIABILITIES			
NON-CURRENT LIABILITIES			
Employees' defined benefits liabilities		1,844,031	2,106,627
Murabaha term financing, non-current portion	9	9,663,436	9,254,384
Lease liabilities, non-current portion		9,320,995	9,494,516
TOTAL NON CURRENT LIABILITIES		20,828,462	20,855,527
CURRENT LIABILITIES			
Accounts payable		28,350,638	24,697,811
Accruals and other current liabilities		11,189,406	11,612,030
Lease liabilities, current portion		1,458,707	1,470,389
Short term murabaha financing and current portion of murabaha term financing	9	7,225,760	5,660,760
Zakat provision	10	610,334	227,357
TOTAL CURRENT LIABILITIES		48,834,845	43,668,347
TOTAL LIABILITIES		69,663,307	64,523,874
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		130,384,826	124,423,093

Chairman of Board of Directors

Majid Mohammed Hassan Al-Subaie



Chief Executive Officer

Turki Mohammed Hassan Al-Subaie



Chief Financial Officer

Haitham Al-Nabulsi



The attached notes 1 to 16 form an integral part of these interim condensed consolidated financial statements.

Mohammed Hassan Al Naqool Sons Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

For the three-month period ended 31 March 2026

	Note	For the three-months period ended 31 March	
		2026 S	2025 S
Revenue	13	18,882,460	15,970,701
Cost of revenue		(15,689,616)	(13,480,100)
GROSS PROFIT		3,192,844	2,490,601
General and administration expenses		(2,066,099)	(1,339,811)
OPERATING PROFIT		1,126,745	1,150,790
Finance cost		(346,745)	(313,435)
Dividends from investments in securities through profit or loss		324,728	-
Loss from investments in securities through profit or loss		-	(43,357)
Other income/(expenses), net		91,857	(27,564)
PROFIT BEFORE ZAKAT		1,196,585	766,434
Zakat	10	(385,364)	(31,897)
NET PROFIT FOR THE PERIOD		811,221	734,537
OTHER COMPREHENSIVE INCOME			
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>			
Foreign currency translation differences from a subsidiary		11,079	226,757
TOTAL COMPREHENSIVE INCOME		822,300	961,294
EARNINGS PER SHARE			
Basic and diluted earnings per share from net profit for the period	11	0.28	0.25

Chairman of Board of Directors
Majid Mohammed Hassan Al-Subaie



Chief Executive Officer
Turki Mohammed Hassan Al-Subaie



Chief Financial Officer
Haitham Al-Nabulsi



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Mohammed Hassan Al Naqool Sons Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the three-month period ended 31 March 2026

	<i>Share capital</i> #	<i>Reserve</i> #	<i>Retained earnings</i> #	<i>Foreign currency translation reserve</i> #	<i>Total</i> #
As at 31 December 2024 (audited)	29,000,000	2,643,206	21,275,548	(196,554)	52,722,200
Net profit for the period	-	-	734,537	-	734,537
Other comprehensive income for the period	-	-	-	226,757	226,757
Total comprehensive income for the period	-	-	734,537	226,757	961,294
Balance at 31 March 2025 (unaudited)	<u>29,000,000</u>	<u>2,643,206</u>	<u>22,010,085</u>	<u>30,203</u>	<u>53,683,494</u>
As at 31 December 2025 (audited)	29,000,000	-	30,904,259	(5,040)	59,899,219
Net profit for the period	-	-	811,221	-	811,221
Other comprehensive income for the period	-	-	-	11,079	11,079
Total comprehensive income for the period	-	-	811,221	11,079	822,300
Balance at 31 March 2026 (unaudited)	<u>29,000,000</u>	<u>-</u>	<u>31,715,480</u>	<u>6,039</u>	<u>60,721,519</u>

Chairman of Board of Directors
Majid Mohammed Hassan Al-Subaie



Chief Executive Officer
Turki Mohammed Hassan Al-Subaie



Chief Financial Officer
Haitham Al-Nabulsi



The attached notes 1 to 16 form an integral part of these interim condensed consolidated financial statements.

Mohammed Hassan Al Naqool Sons Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2026

	For the three-months period ended 31 March	
	2026 S	2025 S
OPERATING ACTIVITIES	(Unaudited)	(Unaudited)
Profit before zakat	1,196,585	766,434
<i>Non-cash adjustments to reconcile profit before zakat to net cash flows from operating activities :</i>		
Depreciation for property, plant and equipment	1,244,167	1,102,949
Depreciation for right-of-use assets	73,666	58,819
Amortization of intangible assets	15,912	15,912
Foreign currency exchange (gains)/losses	(2,488)	37,664
(Reversal)/current service cost of employees' defined benefits	(246,704)	45,042
Charge for expected credit losses of receivables	50,000	-
Gain on sale of property, plant and equipment	(86,134)	-
Loss on investments in securities through profit or loss	-	43,357
Finance cost	346,746	313,435
	<u>2,591,750</u>	<u>2,383,612</u>
Working capital adjustments:		
Properties held for development and sale	-	(1,233,294)
Inventories	270,131	(58,035)
Accounts receivable	(597,282)	(719,011)
Prepayments and other debit balances	(3,195,579)	592,032
Accruals and other current liabilities	(422,624)	(663,885)
Accounts payable	<u>2,152,827</u>	<u>236,368</u>
Cash flows from operations	799,223	537,787
Employees' defined benefits liabilities paid	(15,892)	(14,365)
Zakat paid	(2,387)	(119,953)
Finance costs paid	<u>(335,947)</u>	<u>(225,832)</u>
Net cash flows from operating activities	<u>444,997</u>	<u>177,637</u>
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(1,443,398)	(2,607,064)
Proceeds from sale of property, plant and equipment	120,000	-
Net cash flows used in investing activities	<u>(1,323,398)</u>	<u>(2,607,064)</u>
FINANCING ACTIVITIES		
Long-term Murabaha financing	1,561,985	8,158,891
Short-term Murabaha financing	412,067	(8,636,042)
Payment of lease liabilities	<u>(165,621)</u>	<u>(292,316)</u>
Net cash flows from (used in) financing activities	<u>1,808,431</u>	<u>(769,467)</u>
CHANGE IN BANK BALANCES AND CASH	930,030	(3,198,894)
Bank balances and cash at the beginning of the period	6,881,112	9,692,025
Movement in foreign currency translation, net	11,079	226,757
BANK BALANCES AND CASH AT THE END OF PERIOD	<u>7,822,221</u>	<u>6,719,888</u>
NON-CASH TRANSACTIONS:		
Dividend income offset against liabilities related to investments in securities	324,728	-
Payable against additions to property, plant and equipment	<u>1,500,000</u>	-

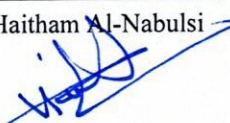
Chairman of Board of Directors
Majid Mohammed Hassan Al-Subaie



Chief Executive Officer
Turki Mohammed Hassan Al-Subaie



Chief Financial Officer
Haitham Al-Nabulsi



The attached notes 1 to 16 form an integral part of these interim condensed consolidated financial statements.

Mohammed Hassan Al Naqool Sons Company (A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

At 31 March 2026

1 GENERAL INFORMATION

1.1 Activities

Mohammed Hassan Al Naqool Sons Company ("the Company") is a Saudi Joint Stock Company registered in Dammam, Kingdom of Saudi Arabia under Commercial Registration number 2050108220 dated 24 Rabi' II 1437H (corresponding to 3 February 2016) with the following branch in the Kingdom of Saudi Arabia.

<i>Commercial registration number</i>	<i>Date</i>	<i>Location</i>
2050077332	26/8/1432H	Dammam

The Company conducts its industrial activity under the industrial license for the factory of Mohammed Hassan Al-Naqool Sons Co. Ltd. for Blocks and Ready-Mix Concrete, License No 1432100181717 dated 6/2/1432H (corresponding to 10/1/2011).

The Company's registered office is P.O.box 3112-32273, Second Industrial City, Dammam, Kingdom of Saudi Arabia.

These interim condensed consolidated financial statements include the financial statements of the Company and the following subsidiaries (referred to as the "Group"):

Name of subsidiary	Capital #	Country of incorporation	Percentage of ownership (direct and indirect)	
			31 March 2026	31 December 2025
Deer Real Estate Company	500,000	Saudi Arabia	100%	100%
Al Naqool for Cement Industries Company	12,000	Egypt	100%	100%
Sadan Industrial Company	1,000,000	Saudi Arabia	100%	100%
Sinan General Contracting Company	100,000	Saudi Arabia	100%	100%

The Group engages in the following main activities:

- Manufacturing hollow cement blocks and bricks, and producing ready-mix concrete;
- Buying and selling land and real estate, subdividing land for sale, and off-plan sales;
- Mining, quarrying, transportation and storage;
- Operating sewage treatment networks and facilities, general construction of residential and prefabricated buildings, renovation, demolition, and removal of residential and non-residential buildings, building finishing, including the installation of interior ceilings and partitions, wood cladding, ceramic, tile, marble, and stone installation, plastering and rendering, interior and exterior painting, glass and mirror installation, surveying, and post-construction cleaning of new buildings.

The legal status and commercial registrations of the subsidiaries are as follows:

- Deer Real Estate Company is a limited liability company that operates under Commercial Registration number 2050146126 dated 11/11/1442H (corresponding to 21/6/2021) issued in Dammam. The Company obtained an approval as a real estate developer on 15 June 2023, valid for 3 years from that date.
- Al Naqool for Cement Industries Company is a one person company incorporated in Egypt in accordance with the provisions of Law No. 72 of 2017 and its Executive Regulations of 2019 authenticating the companies on 30 December 2019. During 2022, the Group's management decided to sell all of the company's machinery and equipment, and the subsidiary company is not currently engaged in any commercial activity.
- Sadan Industrial Company is a limited liability company that operates under Commercial Registration number 2050149845 dated 8/3/1443H (corresponding to (14/10/2021) issued in Dammam.
- Sinan Contracting Company is a limited liability company that operates under Commercial Registration number 2050213160 dated 7/19/1446H (corresponding to (19/1/2025) issued in Dammam.

Mohammed Hassan Al Naqool Sons Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

At 31 March 2026

1 GENERAL INFORMATION (continued)

1.2 Geopolitical developments

The Group continues to monitor regional geopolitical developments and assess their potential impact on the Kingdom of Saudi Arabia, as well as more broadly on the Gulf Cooperation Council (GCC) region and the Middle East. In light of the ongoing uncertainty associated with these developments, the Group continues to evaluate the related risks. Given the evolving nature of the situation, the Group will continue to assess the potential long-term implications on its operations in future reporting periods.

2 BASIS OF PREPARATION

2.1 Basis of preparation

These interim condensed consolidated financial statements for the three-months period ended 31 March 2026 have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' ("IAS 34") as endorsed in KSA and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

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

2.2 Basis of consolidation

The interim condensed consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2026. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies.

The Group controls an investee when it is exposed to, or has rights to, variable returns from its involvement with the investee and has ability to affect those returns through its power over the investee. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which the control is transferred from the Group. The results of subsidiaries acquired or disposed of during the period, if any, are included in the interim condensed consolidated statement of comprehensive income from the effective date of the acquisition or up to the effective date of disposal, as appropriate.

Non-controlling interests represent the portion of net income and of net assets attributable to interests which are not owned, directly or indirectly, by the Group or its subsidiaries and are presented separately in the interim condensed consolidated statement of comprehensive income and within shareholders' equity in the interim condensed consolidated statement of financial position, separately from equity attributable to the equity holders of the parent.

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

2.3 Basis of measurement

These interim condensed consolidated financial statements are prepared using historical cost convention, except for investments in securities measured at fair value, and employees' defined benefits liabilities measured in accordance with the expected credit unit method.

Mohammed Hassan Al Naqool Sons Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
At 31 March 2026

2 BASIS OF PREPARATION (Continued)

2.4 Functional and presentation currency

These interim condensed consolidated financial statements are presented in Saudi Riyals ("ﷲ"), which is also the functional currency of the Group and rounded to the nearest Saudi Riyal (except when otherwise indicated).

2.5 Significant accounting policies, new standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The Group has adopted the following relevant amendments to IFRS which are effective for periods beginning on and after 1 January 2026, and have no impact on the Group's transactions and balances for the current or prior periods:

- Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments
- Annual Improvements to IFRS accounting Standards – Volume 11
- Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-Dependent Electricity

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

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

Mohammed Hassan Al Naqool Sons Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

At 31 March 2026

4 PROPERTY, PLANT AND EQUIPMENT

Cost:	Buildings	Vehicles	Machinery and equipment	Office tools	Furniture and fixtures	Dismantling costs	Projects under construction	Total
	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ
At 1 January 2025	14,579,113	2,301,742	58,671,336	237,816	1,334,247	140,000	1,495,851	78,760,105
Additions	23,800	229,344	15,640,780	27,912	32,463	-	9,168,195	25,122,494
Transfers	6,481,494	-	-	-	-	-	(6,481,494)	-
Disposals	-	-	(455,000)	-	-	-	-	(455,000)
At 31 December 2025 (audited)	21,084,407	2,531,086	73,857,116	265,728	1,366,710	140,000	4,182,552	103,427,599
Additions	-	3,500	1,673,111	-	6,217	-	1,260,570	2,943,398
Disposals	-	-	(50,000)	-	-	-	-	(50,000)
At 31 March 2026 (unaudited)	21,084,407	2,534,586	75,480,227	265,728	1,372,927	140,000	5,443,122	106,320,997
Accumulated depreciation								
At 1 January 2025	3,452,477	1,805,183	33,725,099	116,076	932,894	140,000	-	40,171,729
Charge for the year	541,026	139,459	4,187,965	23,802	107,301	-	-	4,999,553
Disposals	-	-	(356,158)	-	-	-	-	(356,158)
At 31 December 2025 (audited)	3,993,503	1,944,642	37,556,906	139,878	1,040,195	140,000	-	44,815,124
Charge for the period	195,282	43,740	980,653	6,416	18,076	-	-	1,244,167
Disposals	-	-	(16,134)	-	-	-	-	(16,134)
At 31 March 2026 (unaudited)	4,188,785	1,988,382	38,521,425	146,294	1,058,271	140,000	-	46,043,157
At 31 March 2026 (unaudited)	16,895,622	546,204	36,958,802	119,434	314,656	-	5,443,122	60,277,840
At 31 December 2025 (audited)	17,090,904	586,444	36,300,210	125,850	326,515	-	4,182,552	58,612,475

- The buildings are built on lands leased from municipalities and other government agencies for periods ranging from 5 to 50 years.

- Projects under construction include the costs of developing and improving the Group's plant in the Eastern Province, Kingdom of Saudi Arabia, expected to be completed by the end of 2026, as well as the costs of developing the Group's workshop in the Eastern Province, expected to be completed by the end of the second quarter of 2026.

Mohammed Hassan Al Naqool Sons Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

At 31 March 2026

5 PROPERTIES HELD FOR DEVELOPMENT AND SALE

Properties held for development and sale primarily include the cost of land and development costs incurred by the Group to develop the Deer Villa project, which comprises a total of 2 villas (31 December 2025: same) in Riyadh, for the purpose of sale. The movement in properties held for development and sale during the year is as follows:

	<i>31 March</i> <i>2026</i> #	<i>31 December</i> <i>2025</i> #
	<i>(Unaudited)</i>	<i>(Audited)</i>
At the beginning of the period/year	10,619,689	18,302,384
Additions (development and construction) during the period/year	-	3,420,471
Cost of properties sold during the period/year	-	(11,103,166)
At end of the period/year	<u>10,619,689</u>	<u>10,619,689</u>

The Group ceased to capitalize finance cost to properties held for development and sale during the period ended 31 March 2026, as the development of the villas was completed during 2025 (for the year ended 31 December 2025: capitalized financing costs amounted to # 730,901).

6 ACCOUNTS RECEIVABLE

	<i>31 March</i> <i>2026</i> #	<i>31 December</i> <i>2025</i> #
	<i>(Unaudited)</i>	<i>(Audited)</i>
Accounts receivable	20,408,156	19,810,874
Less: provision for expected credit losses	(861,841)	(811,841)
	<u>19,546,315</u>	<u>18,999,033</u>

Movement in the provision for expected credit losses were as follows:

	<i>31 March</i> <i>2026</i> #	<i>31 December</i> <i>2025</i> #
	<i>(Unaudited)</i>	<i>(Audited)</i>
At the beginning of the period/year	811,841	650,182
Charged during the period/year	50,000	161,659
At the end of the period/year	<u>861,841</u>	<u>811,841</u>

Mohammed Hassan Al Naqool Sons Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

At 31 March 2026

6 ACCOUNTS RECEIVABLE (continued)

The aging analysis of trade receivables was as follows:

	<i>31 March</i>	<i>31 December</i>
	<i>2026</i>	<i>2025</i>
	<i>ﷲ</i>	<i>ﷲ</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
0-30 Days	5,303,188	8,868,139
31-60 Days	4,584,181	3,726,354
61-90 Days	4,337,622	1,429,159
91-120 Days	940,458	810,064
121-180 Days	485,196	966,988
More than 180 Days	4,757,511	4,010,170
	<u>20,408,156</u>	<u>19,810,874</u>

7 SHARE CAPITAL

The Company share capital amounts to ﷲ 29,000,000 divided into 2,900,000 ordinary shares, with a nominal value of ﷲ 10 per share (31 December 2025: same).

8 RELATED PARTIES' TRANSACTIONS AND BALANCES

Related parties include the major shareholders, board members, and key management personnel of the Group and entities controlled by or over which they exert significant influence. The terms and conditions of transactions with related parties are governed by the Group's policies and the articles of incorporation and bylaws of the Group's companies. The following is a statement of related party transactions and their associated balances:

8.1 Compensation of key management personnel:

		For the three-months period ended	
		31 March	
		<i>2026</i>	<i>2025</i>
		<i>ﷲ</i>	<i>ﷲ</i>
		<i>(Unaudited)</i>	<i>(Unaudited)</i>
Senior executives	Salaries and short-term rewards	252,000	237,000
	End of service gratuity	17,202	171,102

Mohammed Hassan Al Naqool Sons Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
At 31 March 2026

9 MURABAHA FINANCING

The following is a summary of the murabaha financing:

	<i>31 March</i>	<i>31 December</i>
	<i>2026</i>	<i>2025</i>
	<i>ﷲ</i>	<i>ﷲ</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Current portion of long-term Murabaha financing	4,559,094	3,406,161
Short-term Murabaha financing	<u>2,666,666</u>	<u>2,254,599</u>
	7,225,760	5,660,760
Non-current portion of long-term Murabaha financing	<u>9,663,436</u>	<u>9,254,384</u>
	<u><u>16,889,196</u></u>	<u><u>14,915,144</u></u>

Murabaha financing carries a Murabaha commission at prevailing commercial rates, and the facilities are personally guaranteed by certain members of the Board of Directors and through the Kafala program (a government program to support small and medium entities).

10 ZAKAT

10.1 Charge for the period

The zakat provision charged for the interim period is calculated on the basis of the estimated zakat expected for the entire year (31 December 2025: Zakat provision charged of ﷲ 388,966).

	For the three-month period ended 31 March	
	<i>2026</i>	<i>2025</i>
	<i>ﷲ</i>	<i>ﷲ</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Zakat charge for the current period	92,501	31,897
Zakat charge related to prior year	<u>292,863</u>	<u>-</u>
Total charge for the period	<u><u>385,364</u></u>	<u><u>31,897</u></u>

10.2 Movements in provision during the period/year

The movement in the zakat provision was as follows:

	<i>31 March</i>	<i>31 December</i>
	<i>2026</i>	<i>2025</i>
	<i>ﷲ</i>	<i>ﷲ</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
At the beginning of the period/year	227,357	459,090
Provided during the period/year	385,364	388,966
Payments during the period/year	<u>(2,387)</u>	<u>(620,699)</u>
At the end of the period/year	<u><u>610,334</u></u>	<u><u>227,357</u></u>

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At 31 March 2026

10 ZAKAT (continued)

10.3 Status of assessments

10.3.1 Mohammed Hassan Al Naqool Sons Company

The Company submitted its zakat declarations for all years up to and including the year ended 31 December 2025 and obtained the required certificates. During 2026, the Company received an assessment related to 2024 which has resulted in additional liability from ZATCA amounting to ₪ 292,863, which has been accepted by the Company.

10.3.2 Deer Real Estate Company

The company submitted its zakat declarations for all years up to and including the year ended 31 December 2025 and obtained the required certificates. The company is not aware of any additional liabilities related to these years.

10.3.3 Sadan Industrial Company

The company submitted its zakat declarations for all years up to and including the year ended 31 December 2025 and obtained the required certificates. The company is not aware of any additional liabilities related to these years.

10.3.4 Sinan General Contracting Company

The company submitted its first zakat declaration for the period ended 31 December 2025 and obtained the required certificates. The company is not aware of any additional liabilities related to this period.

10.3.5 Al-Naqool Cement Industries Company - Egypt

The company has submitted all its tax returns up to the year ended 31 December 2025. The company is not aware of any additional liabilities related to these years.

11 EARNINGS PER SHARE (EPS)

Basic and diluted earnings per share (EPS) are calculated by dividing the Group's profit attributable to shareholders for the period by the weighted average number of ordinary shares outstanding during the period.

The following information regarding profit and ordinary shares is used to calculate basic and diluted earnings per share attributable to the Group's shareholders:

	For the three-month period ended 31 March	
	2026	2025
	₪	₪
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Net profit attributable to shareholders of the parent	811,221	734,537
Weighted average number of ordinary shares outstanding	2,900,000	2,900,000
Basic and diluted earnings per share from profit for the year	<u>0.28</u>	<u>0.25</u>

12 CAPITAL COMMITMENTS

As of 31 March 2026, the Group's management has approved future capital expenditures for projects under construction relating to the development of the Group's plant and workshop amounting to ₪ 21.5 million (31 December 2025: ₪ 18 million).

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

At 31 March 2026

13 SEGMENT INFORMATION

For management purposes, the Group is organized into business units based on its products and services and has the following reportable segments:

- **Sale of concrete and cement blocks:** Sale of hollow concrete blocks and ready-mix concrete.
- **Real estate activities:** Purchase and sale of plots of lands and real estate.
- **Logistics and others:** Mining, quarrying, transportation and storage services.

The Board of directors monitor 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 income and is measured consistently in the interim condensed consolidated financial statements.

The following tables present revenue and profit information for the Group's operating segments for the three-months period ended 31 March 2026 and 2025, respectively:

	<i>Sale of concrete and cement blocks</i>	<i>Real estate activities</i>	<i>Logistics and others</i>	<i>Total segments</i>
	ﷲ	ﷲ	ﷲ	ﷲ
Three-months period ended 31 March 2026 (unaudited)				
Revenue				
External customers	18,312,248	-	570,212	18,882,460
Gross profit	2,932,941	-	259,903	3,192,844
Three-months period ended 31 March 2025 (unaudited)				
Revenue				
External customers	15,333,526	637,175	-	15,970,701
Gross profit	2,351,993	138,608	-	2,490,601

The following table presents assets and liabilities information for the Group's operating segments as at 31 March 2026 and 31 December 2025, respectively:

Total Assets

	<i>Sale of concrete and cement blocks</i>	<i>Real estate activities</i>	<i>Logistics and others</i>	<i>Total segments</i>
	ﷲ	ﷲ	ﷲ	ﷲ
31 March 2026 (unaudited)	98,317,554	12,043,433	20,023,839	130,384,826
31 December 2025 (audited)	93,780,424	11,491,678	19,150,991	124,423,093

Total Liabilities

	<i>Sale of concrete and cement blocks</i>	<i>Real estate activities</i>	<i>Logistics and others</i>	<i>Total segments</i>
	ﷲ	ﷲ	ﷲ	ﷲ
31 March 2026 (unaudited)	55,724,175	145,449	13,793,683	69,663,307
31 December 2025 (audited)	53,416,582	102,486	11,004,806	64,523,874

The Group had ﷲ 1,058,103 of intercompany transactions that were eliminated for the purpose of preparation of these interim condensed consolidated financial statements (for the period ended 31 March 2025: none).

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14 FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. Financial instruments consist of financial assets and financial liabilities. The Group's financial assets consist of accounts receivable, bank balances, and investments in securities. Financial liabilities consist of accounts payable, accruals and other current liabilities, lease obligations and Murabaha financing.

Management has determined that the fair value of its financial assets and liabilities approximates their carrying values, largely due to the short maturity period of these financial instruments.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between Levels 1, 2 or 3 during the three-months period ended 31 March 2026 (31 December 2025: same).

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

	<i>Carrying value</i>	<i>Fair value measurement using</i>		
		<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
31 March 2026 (unaudited)				
	ﷲ	ﷲ	ﷲ	ﷲ
Investments in securities at fair value through profit or loss	<u>13,852,241</u>	<u>-</u>	<u>-</u>	<u>13,852,241</u>
31 December 2025 (audited)				
	ﷲ	ﷲ	ﷲ	ﷲ
Investments in securities at fair value through profit or loss	<u>13,852,241</u>	<u>-</u>	<u>-</u>	<u>13,852,241</u>

Management believes there have been no significant changes in the underlying assumptions or circumstances during the three-month period ended 31 March 2026 that would result in a material change in the fair value of the investment.

15 SUBSEQUENT EVENTS

In the opinion of management, there have been no significant subsequent events since the period ended 31 March 2026, that would require disclosures or would materially affect the Group's interim condensed consolidated financial statements.

16 APPROVAL OF THE FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved for issuance by the Board of Directors on 25 Thul Qidah 1447 H (corresponding to 12 May 2026).