KEIR INTERNATIONAL COMPANY
(A Listed Joint Stock Company)
INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 AND
INDEPENDENT AUDITOR'S REVIEW REPORT

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF KEIR INTERNATIONAL COMPANY
A LISTED JOINT STOCK COMPANY

INTRODUCTION

We have reviewed the accompanying interim condensed financial statements of Keir International Company (the "Company") as of 30 June 2026 which comprises:

- The interim condensed statement of financial position as at 30 June 2026;
- The interim condensed statement of profit or loss and other comprehensive income/(loss) for the six-month period then ended;
- The interim condensed statement of changes in equity for the six-month period then ended;
- The interim condensed statement of cash flows for the six-month period then ended; and
- The notes to the interim condensed financial statements.

Management is responsible for the preparation and presentation of these interim condensed 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 financial statements based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagement 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 condensed financial statements 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 financial statements are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2.5 to the accompanying interim condensed financial statements, which states that the Company has a net loss of SR 11.84 million (30 June 2025: 35.69 million) and an accumulated losses as of 30 June 2026 amounting to SR 86.42 million (31 December 2025: SR 129.93 million) representing 72.02% (December 31, 2025: 108.27%) of the share capital and, as of that date, the Company's current liabilities exceed its current assets by SR 32.61 million (31 December 2025: SR 23.52 million) which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our conclusion is not modified in respect of these matters.

PKF Al-Bassam
Chartered Accountants

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF KEIR INTERNATIONAL COMPANY
A LISTED JOINT STOCK COMPANY

OTHER MATTER

The financial statements of the Company for the year ended 31 December 2025 were audited by another auditor, who expressed a qualified opinion thereon on 25 Dhu al-Qi'dah 1447H, corresponding to 12 May 2026, in relation to the restatement of revenue and related accounts for prior years during 2024 without corresponding adjustments to cost of revenue for the year ended 31 December 2023 or accrued project costs as at that date. Consequently, the auditor was unable to obtain sufficient appropriate audit evidence regarding the comparative cost of revenue for the year ended 31 December 2024 and determine whether any adjustments to the financial statements for the year ended 31 December 2024 were necessary.

The interim condensed financial statements of the Company for the six-month period ended 30 June 2025 were reviewed by another auditor, who expressed a qualified review conclusion thereon on 13 Muharram 1448H, corresponding to 28 June 2026, in relation to the same matter described above. Consequently, the auditor was unable to obtain sufficient appropriate review evidence regarding the comparative cost of revenue for the six-month period ended 30 June 2024 and determine whether any adjustments to the interim condensed financial statements for the six-month period ended 30 June 2025 were necessary.

Based on the above, the matters giving rise to the qualified audit opinion on the financial statements for the year ended 31 December 2025 and the qualified review conclusion on the interim condensed financial statements for the six-month period ended 30 June 2025 relate to the respective prior-period comparative information and do not affect the financial information for the six-month period ended 30 June 2026. Accordingly, no corresponding qualification is required in our review conclusion for the current or comparative period in respect of these matters.

PKF Al-Bassam
Chartered Accountants

شركة بي كي اف البسام
محاسبون ومراجعون قانونيون
C. R. 1010385804
PKF Al Bassam
chartered accountants

Ibrahim Ahmed Al Bassam
Certified Public Accountant
License No. 337
Riyadh, Kingdom of Saudi Arabia
24 Rabi-al-Awwal 1448H
Corresponding to: 6 September 2026

KEIR INTERNATIONAL COMPANY
(A Listed Joint Stock Company)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026
(All amounts in Saudi Riyals unless otherwise stated)

	Note	30 June 2026 (Unaudited)	31 December 2025 (Audited) (Restated) Note -21	01 January 2025 (Audited) (Restated) Note-21
ASSETS				
Non-current assets				
Property and equipment	5	**47,603,717**	35,243,213	34,205,719
Investment properties	6	**34,400,000**	35,962,441	35,264,248
Intangible assets		**1,198,526**	1,300,315	2,658,777
Right-of-use assets		**1,031,676**	1,422,520	2,204,208
Total non-current assets		**84,233,919**	73,928,489	74,332,952
Current assets				
Inventories		**9,224,043**	10,397,517	7,388,349
Trade receivables		**71,035,661**	55,586,766	72,282,484
Contract assets		**167,490,421**	175,459,749	190,761,715
Prepayments and other receivables	7	**52,562,347**	49,429,956	54,020,949
Cash and cash equivalents	8	**10,195,606**	2,260,570	14,035,105
Total current assets		**310,508,078**	293,134,558	338,488,602
TOTAL ASSETS		**394,741,997**	367,063,047	412,821,554
EQUITY AND LIABILITIES				
EQUITY				
Share capital	9	**120,000,000**	120,000,000	120,000,000
Share premium	10	**-**	41,770,250	41,770,250
Statutory reserve	10	**-**	13,573,347	13,573,347
Revaluation surplus	5	**13,917,425**	-	-
Accumulated losses		**(86,422,153)**	(129,927,675)	(96,927,984)
TOTAL EQUITY		**47,495,272**	45,415,922	78,415,613
LIABILITIES				
Non-current liabilities				
Long-term borrowings	11	**-**	1,300,000	9,900,000
Employees' post-employment benefits		**4,127,641**	3,693,010	3,266,487
Total non-current liabilities		**4,127,641**	4,993,010	13,166,487
Current liabilities				
Long-term borrowings - current portion	11	**8,149,819**	9,678,542	7,683,972
Short term borrowings	11.1	**112,356,769**	91,548,279	62,198,662
Lease liabilities – current portion		**-**	-	588,788
Trade and other payables		**61,320,048**	50,004,680	54,084,224
Accrued expenses and other payables		**63,382,534**	60,117,898	104,079,435
Due to related parties	15	**32,990,540**	31,768,940	800,000
Contract liabilities	12	**62,906,525**	71,660,369	84,895,253
Provision for zakat	13	**2,012,849**	1,875,407	6,909,120
Total current liabilities		**343,119,084**	316,654,115	321,239,454
TOTAL LIABILITIES		**347,246,725**	321,647,125	334,405,941
TOTAL EQUITY AND LIABILITIES		**394,741,997**	367,063,047	412,821,554
Contingencies and commitments	14	**-**	-	-

The accompanying notes 1 to 23 form part of these interim condensed financial statements.

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

KEIR INTERNATIONAL COMPANY
(A Listed Joint Stock Company)
INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME / (LOSS)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(All amounts in Saudi Riyals unless otherwise stated)

		For the six-month period ended 30 June	
		2026	**2025**
	Note	**(Unaudited)**	**(Unaudited) (Restated) Note -21**
Revenue		**76,007,634**	71,180,429
Cost of revenue		**(66,099,352)**	(77,966,934)
Gross profit / (loss)		**9,908,282**	(6,786,505)
General and administrative expenses		**(15,326,336)**	(15,850,311)
Expected credit losses and other provisions		**(1,976,353)**	(7,377,196)
Loss from operations		**(7,394,407)**	(30,014,012)
Other income	16	**2,084,917**	1,331,931
Finance cost	17	**(4,303,711)**	(4,215,078)
Fair valuation loss on investment property	6	**(1,562,441)**	(2,280,111)
Loss before zakat		**(11,175,642)**	(35,177,270)
Zakat	13	**(662,433)**	(512,314)
Net loss for the period		**(11,838,075)**	(35,689,584)
Other comprehensive income / (loss)			
Items that will not be reclassified to statement of profit or loss:			
Gain on revaluation of property and equipment	5	**13,917,425**	-
Total comprehensive income / (loss) for the period		**2,079,350**	(35,689,584)
Basic and diluted loss per share	18	**(0.10)**	(0.30)

The accompanying notes 1 to 23 form part of these interim condensed financial statements.

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

KEIR INTERNATIONAL COMPANY
(A Listed Joint Stock Company)
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(All amounts in Saudi Riyals unless otherwise stated)

For the six-month period ended 30 June 2025	**Note**	**Share capital**	**Share premium**	**Statuary reserves**	**Revaluation surplus**	**Accumulated losses**	**Total equity**
Balance as at 1 January 2025 – Audited		120,000,000	41,770,250	13,573,347	-	(114,441,576)	60,902,021
Impact of restatement due to change in accounting policy	21	-	-	-	-	17,513,592	17,513,592
Balance as at 1 January 2025 – Audited - (Restated)		120,000,000	41,770,250	13,573,347	-	(96,927,984)	78,415,613
Net loss for the period – (Restated)		-	-	-	-	(35,689,584)	(35,689,584)
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive loss for the period – (Restated)		-	-	-	-	(35,689,584)	(35,689,584)
Balance as at 30 June 2025 – (Unaudited) – (Restated)		120,000,000	41,770,250	13,573,347	-	(132,617,568)	42,726,029

For the six-month period ended 30 June 2026	**Note**	**Share capital**	**Share premium**	**Statuary reserves**	**Revaluation surplus**	**Accumulated losses**	**Total equity**
Balance as at 1 January 2026 – Audited		**120,000,000**	**41,770,250**	**13,573,347**	**-**	**(148,434,801)**	**26,908,796**
Impact of restatement due to change in accounting policy	21	**-**	**-**	**-**	**-**	**18,507,126**	**18,507,126**
Balance as at 1 January 2026 – Audited – (Restated)		**120,000,000**	**41,770,250**	**13,573,347**	**-**	**(129,927,675)**	**45,415,922**
Net loss for the period		**-**	**-**	**-**	**-**	**(11,838,075)**	**(11,838,075)**
Other comprehensive income for the period		**-**	**-**	**-**	**13,917,425**	**-**	**13,917,425**
Total comprehensive income / (loss) for the period		**-**	**-**	**-**	**13,917,425**	**(11,838,075)**	**2,079,350**
Transferred to accumulated losses	10	**-**	**(41,770,250)**	**(13,573,347)**	**-**	**55,343,597**	**-**
Balance as at 30 June 2026 – (Unaudited)		**120,000,000**	**-**	**-**	**13,917,425**	**(86,422,153)**	**47,495,272**

The accompanying notes 1 to 23 form part of these interim condensed financial statements.

Chairman of the Board of Directors

Chief Executive Officer

Chief Financial Officer

KEIR INTERNATIONAL COMPANY
(A Listed Joint Stock Company)
INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(All amounts in Saudi Riyals unless otherwise state)

	Note	For the six-month period ended 30 June 2026 (Unaudited)	30 June 2025 (Unaudited) (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Loss for the period before zakat		**(11,175,642)**	(35,177,270)
Adjustments for:			
Depreciation of property and equipment	5	**1,561,871**	1,648,815
Amortization of intangible assets		**101,789**	178,782
Depreciation of right-of-use assets		**390,844**	390,844
Provision for employee’s post-employment benefits		**740,667**	742,270
Expected credit losses and other provisions		**1,976,353**	7,377,196
Gain on disposal of property and equipment		**-**	(277,493)
Loss on fair valuation of investment properties	6	**1,562,441**	2,280,111
Finance cost	17	**4,303,711**	4,215,078
(Increase) / decrease in operating assets			
Inventories		**1,173,474**	(19,456)
Contract assets		**2,116,049**	34,950,204
Trade receivables		**(11,571,969)**	3,945,158
Prepayments and other receivables		**(3,132,391)**	(3,921,164)
Increase / (decrease) in operating liabilities			
Trade payables		**11,315,368**	4,237,584
Due to related parties		**120,000**	(938,941)
Accruals and other payables		**3,264,636**	(7,300,356)
Contract liabilities		**(8,753,844)**	(15,206,863)
Cash used in operating activities		**(6,006,643)**	(2,875,501)
Employees' defined benefits obligations paid		**(306,036)**	(511,970)
Zakat paid	13	**(524,991)**	(5,754,630)
Net cash used in operating activities		**(6,837,670)**	(9,142,101)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property and equipment	5	**(4,950)**	(3,707,463)
Proceeds from disposal of property and equipment		**-**	285,939
Net cash used in investing activities		**(4,950)**	(3,421,524)
CASH FLOW FROM FINANCING ACTIVITIES			
Lease liabilities paid		**-**	(484,768)
Proceeds from short-term borrowings	11	**212,074,636**	112,510,751
Repayment of short-term borrowings	11	**(191,019,122)**	(82,688,425)
Repayment of long-term borrowings	11	**(2,828,723)**	(3,127,276)
Loan from related parties	15	**1,101,600**	32,396,283
Finance cost paid	11	**(4,550,735)**	(3,692,786)
Net cash generated from financing activities		**14,777,656**	54,913,779
Net change in cash and cash equivalents during the period		**7,935,036**	42,350,154
Cash and cash equivalents at the beginning of the period	8	**2,260,570**	14,035,105
Cash and cash equivalents at the end of the period		**10,195,606**	56,385,259
Supplemental non-cash transactions			
Revaluation surplus	5	**13,917,425**	-

The accompanying notes 1 to 23 form part of these interim condensed financial statements.

Chairman of the Board of Directors | Chief Executive Officer | Chief Financial Officer

1. LEGAL STATUS AND OPERATIONS OF THE COMPANY

Keir International Company, a Listed Joint Stock Company, registered in Riyadh under the Commercial Register No. 1010237357 and unified number 7001539761 dated 12 Sha'ban 1428H (corresponding to 25 August 2007G). The share capital of the Company amounts to SAR 120 million divided into 120 million shares of SAR 1 per share.

The Company is licensed to carry out the following activities: repair, maintenance and overhaul of military command, control and communications systems and military surveillance systems; general construction of residential buildings; general construction of non-residential buildings (such as schools, hospitals and hotels, etc.); construction of roads, streets, pavements and related road works; installation/laying of pipelines of various types for electricity, telecommunications and other purposes; repair and maintenance of wired and wireless telecommunications stations and towers, radar systems; electrical wiring works; telecommunications cabling works; network installations; installation and maintenance of security systems and equipment; road freight transport; transportation of goods and equipment (heavy transport); and repair and maintenance of military communications equipment.

The registered address of the Company is P.O. Box 87807, Riyadh 11652, Kingdom of Saudi Arabia.

These financial statements include the results and activities of the following branches:

Unified Number	Date	Location
7011855405	*20 Dhul-Qidah 1434H (corresponding to 26 September 2013)	Riyadh
7009292298	*17 Rabi II 1442H (corresponding to 2 December 2020)	Riyadh
7001539761	12 Sha'aban 1428H (corresponding to 25 August 2007)	Riyadh

* These CRs are expired and Company is in the process of renewing them.

2. BASIS OF PREPARATION

2.1. Statement of compliance

These interim condensed financial statements of the Company have been prepared in accordance with International Accounting Standard 34 ("IAS 34") “Interim Financial Reporting” that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and professional Accountants ("SOCPA") and should be read in conjunction with the Company’s last annual Financial statements for the year ended 31 December 2025.

These interim condensed financial statements do not include all of the information required for a complete set of Financial Statements; however, accounting policies and selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company’s financial position and performance since last annual Financial Statement.

The results for the six-month period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the year ending 31 December 2026.

2.2. Basis of measurement

These interim condensed financial statements are prepared under the historical cost method except for investment properties that are measured at fair value and land and building in property and equipment which are measured accordingly to revaluation model.

2.3. Functional and presentation currency

These interim condensed financial statements have been presented in Saudi Riyals (SAR) which is the Company’s functional and presentation currency. All financial information presented in Saudi Riyals has been rounded to the nearest Saudi Riyal, unless otherwise mentioned.

2.4. Significant accounting judgements, estimates and assumptions

In preparing these interim condensed financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

2. BASIS OF PREPARATION (CONTINUED)
2.4. Significant accounting judgements, estimates and assumptions (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements except for as mentioned below:

2.5. Going concern
During the period ended 30 June 2026, the Company has a net loss of SAR 11.84 million (30 June 2025: net loss of SAR 35.69 million) and, as of that date, the Company's accumulated losses amounted to SAR 86.42 million (2025: SAR 129.93 million), which exceeded 50% of its share capital. In addition, the Company's current liabilities exceeded its current assets by SAR 32.61 million (2025: SAR 23.52 million). The Company's ability to continue its operations is therefore highly dependent on improving operational performance and securing adequate financing to support its activities and growth. These events and conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Management has assessed the Company's financial performance and working capital requirements over a period of five years period from the reporting date. The five-year business plan and going concern assessment are highly dependent on the successful execution of the following key assumptions:

Financing plans to support working capital:

- The Company has obtained support letters from major shareholders confirming their willingness to participate in future capital restructuring initiatives through the conversion of a portion of outstanding debts into equity, subject to regulatory approvals.
- Availing of the unutilized limits of its existing financing facilities amounting to 170 million in the form of letters of credit and guarantees to support project execution.
- Agreement signed with one Company to secure additional working capital lines.
- Ongoing discussions with a financial advisor to evaluate capital-restructuring options, including a potential capital increase through a rights issue and/or sukuk issuance.

Operational forecasts

- Execution and delivery of the existing project backlog of approximately SAR 406 million, primarily with government and semi-government customers.
- Implementation of enhanced project monitoring processes to achieve cost efficiencies.
- Progress on expansion initiatives through submitted bids and new project opportunities.

Based on this assessment and the evidence available at the date of approval of these financial statements, management has concluded that the Company will be able to continue to meet its obligations as and when they fall due and that the going concern basis of preparation is appropriate. Accordingly, these financial statements have been prepared on a going concern basis.

Fair value measurement and valuation process
Company's Property and equipment (Land and building) and investment properties are measured at fair value for financial reporting purposes. The Company's management is responsible to determine the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of assets, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The related estimates and assumptions if any, are disclosed in note 5 (property and equipment), and note 6 (investment properties) to these interim condensed financial statements.

(All amounts in Saudi Riyals unless otherwise state)

3. MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies applied to these condensed interim financial statements are the same as those applied to the latest annual financial statements for the year ended 31 December 2025 except for the below:

Change in accounting policy

a) On 29 June 2026 board of directors approved the change in accounting policy and after the resolution of board of directors, the Company adopted the fair value model for the subsequent measurement of its investment properties in accordance with International Accounting Standard 40 ("IAS 40"), as it provides more relevant information by reflecting the volatility and changes in the fair value of investment properties.

The change in accounting policy was applied retrospectively in accordance with International Accounting Standard 8 ("IAS 8"). Accordingly, the comparative information as of 31 December 2025 and 1 January 2025 (the beginning of the earliest comparative period presented) has been restated.

Previously, investment properties were measured after initial recognition using the cost model, less accumulated depreciation (where applicable) and any accumulated impairment losses.

Following the change in accounting policy, investment properties are measured at fair value, with changes in fair value recognized in the statement of profit or loss. The fair value measurement of investment properties includes the use of unobservable inputs and significant assumptions. Further details regarding the significant judgments and assumptions applied are disclosed in Note 6.

b) During the current period, the Company changed its accounting policy for the subsequent measurement of land and buildings under property and equipment from the cost model to the revaluation model in accordance with IAS 16 – Property and equipment. Initial recognition is at cost, and subsequently, they are measured using the revaluation model based on fair value, with periodic assessments by a professionally qualified valuer. These revaluations are performed regularly enough to ensure that the carrying amount does not differ materially from what would be determined using fair value at the end of the reporting period. Changes in fair value are recognized in other comprehensive income and appear in the interim condensed statement of financial position under the heading of revaluation surplus, except to the extent that any decrease in value exceeds the revaluation surplus balance or reverses this decrease in profit or loss. Land is not depreciated. When an asset is disposed of, the revaluation surplus balance is transferred to retained earnings.

Previously, the affected class(es) of property and equipment were measured at cost less accumulated depreciation and accumulated impairment losses except the land, which was recorded at cost less accumulated impairment losses, if any. The effects of the revaluation on the carrying amounts of property and equipment are disclosed in Note 5. Comparative information has not been restated, as the change to the revaluation model is accounted for in accordance with the specific requirements of IAS 16, as permitted by IAS 8.

4. NEW AMENDED STANDARDS AND INTERPRETATIONS

4.1. A number of new amendments to standards, enlisted below, are effective during the period but they do not have a material effect on the Company's interim condensed financial statements:

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of the standards and amendments	Management's assessment
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026	The amendments clarify the recognition and derecognition of financial assets and financial liabilities, including settlement date accounting for certain electronic payment systems. They also provide additional guidance on assessing contractual cash flow characteristics of financial assets, including contingent cash flows arising from environmental, social and governance (ESG)-linked features. The amendments also introduce new and updated disclosure requirements in IFRS 7.	The amendments have been adopted during the current period. The adoption did not have a material impact on the Company's financial statements, as the Company's financial instruments and settlement arrangements were not significantly affected.

(All amounts in Saudi Riyals unless otherwise state)

4. NEW AMENDED STANDARDS AND INTERPRETATIONS (CONTINUED)

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of the standards and amendments	Management's assessment
IFRS 9 and IFRS 7	Contracts Referencing Nature - dependent Electricity	1 January 2026	These amendments modify the 'own use' requirements and hedge accounting provisions in IFRS 9 for contracts that expose entities to variability in electricity prices due to uncontrollable natural conditions such as weather. Targeted disclosure requirements are introduced in IFRS 7.	The amendments have been adopted during the current period. The adoption did not have a material impact on the Company's financial statements, as the nature of the Company's operations and contractual arrangements did not result in any significant exposure to such contracts.

4.2 Standards and amendments issued but not yet effective

The following standards and amendments have been issued but are not yet effective for the reporting period ended 30 June 2026**,** and have not been early adopted by the Company:

International Financial Reporting Standard ("IFRS 18") application impact

IFRS 18 is the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals;
- the requirement to determine the most useful, structured summary for presenting expenses in the statement of profit or loss, including the classification of income and expenses into the operating, investing, financing, income taxes and discontinued operations categories;
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures ("MPMs")); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The adoption of IFRS 18 is not expected to affect the Company's reported net profit, total comprehensive income or equity and will only result in changes to the presentation and disclosure of the financial statements.

On 30 June 2026, the Capital Market Authority ("CMA") announced permitting the early adoption of IFRS 18 by companies listed on the Saudi Exchange (Tadawul). Mandatory application of IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027. The CMA announcement further requires listed companies to disclose a preliminary assessment of the expected impact of the initial application of IFRS 18 in their approved interim and annual financial statements for reporting periods beginning on or after 1 April 2026. Accordingly, the Company has performed a preliminary assessment of the expected impact of adopting IFRS 18, which is presented below.

The Company has not early adopted IFRS 18 in preparing these interim financial statements. The Company has prepared a transition plan and is on track to report its first IFRS 18-compliant interim financial statements for the period ending 31 March 2027 and annual financial statements for the period ending 31 December 2027. The Company has determined that it does not have a specified main business activity of investing in assets and or providing finance to customers as per the requirements of IFRS 18. The Company has performed an initial impact assessment to determine the appropriate classification of items in the statement of profit or loss in accordance with the requirements of IFRS 18 and expects the following changes in the presentation and disclosure of its financial statements upon adoption of IFRS 18:

4. NEW AMENDED STANDARDS AND INTERPRETATIONS (CONTINUED)

Structure of Statement of profit or loss
The Company will present the newly required subtotals "Operating profit or loss" and "Profit or loss before financing and income taxes" in the statement of profit or loss.

The Company will classify certain items under financing activities including but not limited to interest cost on short and long-term Islamic facilities, finance cost on lease liabilities and interest on deferred employee benefit obligations.

The Company will split other income in operating and investing categories based on its nature. Rental income and other related income / expenses arising from investment activities will be classified under the investing category, while the remaining items under other income will be classified under operating category. Currently, the entire other income is presented outside operating profit, which is expected to be changed upon adoption of IFRS 18.

Management-defined Performance Measures
The Company is in the process of determining 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 Company following the adoption of IFRS 18 will be determined based on public communications issued by the Company relating to the 2027 interim reporting period, and the Company will provide related disclosures in the notes to the financial statements as required under IFRS 18.

Principles of aggregation and disaggregation
The enhanced aggregation and disaggregation principles introduced by IFRS 18 are expected to result in changes to the presentation and grouping of financial statement line items. These requirements are intended to improve transparency by ensuring that material information is presented separately and dissimilar items are not obscured through aggregation. The Company also expects certain line-item descriptions currently used within the financial statements to be refined to enhance clarity and consistency with the objectives of IFRS 18. The Company is currently assessing whether line items currently labelled as "others” in the financial statements should be presented under more useful and informative labels in accordance with the requirements of IFRS 18, and will disclose additional information in the notes, if required.

Consequential amendments
IFRS 18 introduces consequential amendments to IAS 7, Statement of Cash Flows, requiring entities to use the newly defined operating profit or loss subtotal as the starting point for reconciling operating cash flows under the indirect method. The Company currently uses (loss) / profit for the year before zakat as the starting point for this reconciliation. Accordingly, the reconciliation of operating cash flows will be revised to reflect the newly required operating profit or loss subtotal upon adoption of IFRS 18.

In addition, as part of consequential amendments, the Company expects changes in the classification of finance cost cashflows and will classify cash flows from finance cost as financing activities rather than operating activities. The Company will continue to classify dividend cashflows under financing category.

The Company is also evaluating requirements relating to comparative information and retrospective application upon adoption of IFRS 18.

The assessment described above is preliminary and based on information available as of the reporting date. The Company continues to evaluate the impact of IFRS 18 on its financial statements, related disclosures and reporting processes. Accordingly, the impact assessment, including the classification and presentation of items within the financial statements, may change as the Company's IFRS 18 implementation progresses.

4. NEW AMENDED STANDARDS AND INTERPRETATIONS (CONTINUED)

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of the amendment	Management's assessment
IFRS 19	Subsidiaries without Public Accountability	1 January 2027	IFRS 19 permits eligible subsidiaries without public accountability to apply reduced disclosure requirements while continuing to apply full IFRS recognition and measurement principles. The standard affects disclosure requirements only and does not impact recognition or measurement.	Management will assess the applicability of IFRS 19 at the date of adoption. The standard is expected to affect disclosure requirements only and is not expected to have a material impact on the Company's financial position, financial performance or cash flows.

(All amounts in Saudi Riyals unless otherwise state)

5. PROPERTY AND EQUIPMENT

	Land	*Buildings*	*Site tools and light equipment*	*Heavy equipment*	*Furniture & fixture*	*Leased hold improvements*	*Vehicles*	*Computers*	*Capital work in progress*	*Total*
Cost:										
As at 1 January 2025 – (Audited)	15,253,345	5,783,581	4,257,264	7,346,722	1,632,347	438,992	14,733,495	2,170,884	5,474,008	57,090,638
Additions during the period	-	-	383,789	195,000	7,774	-	861,710	22,787	2,855,974	4,327,034
Transfer from CWIP	-	8,329,982	-	-	-	-	-	-	(8,329,982)	-
Disposals during the period	-	-	-	(891,146)	-	-	(1,316,716)	(2,600)	-	(2,210,462)
As at 31 December 2025 – (Audited)	15,253,345	14,113,563	4,641,053	6,650,576	1,640,121	438,992	14,278,489	2,191,071	-	59,207,210
Additions during the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,950**	**-**	**4,950**
Elimination of accumulated depreciation (Note 5.4)	**-**	**(3,010,427)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3,010,427)**
Revaluation gain	**9,621,319**	**4,296,106**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**13,917,425**
Disposals during the period	**-**	**-**	**-**	**-**	**-**	**-**	**(60,750)**	**-**	**-**	**(60,750)**
As at 30 June 2026 – (Unaudited)	**24,874,664**	**15,399,242**	**4,641,053**	**6,650,576**	**1,640,121**	**438,992**	**14,217,739**	**2,196,021**	**-**	**70,058,408**
Accumulated Depreciation:										
As at 1 January 2025 – (Audited)	-	1,951,927	3,171,755	6,634,058	875,634	438,992	8,208,674	1,603,879	-	22,884,919
Charge during the period	-	705,667	514,702	242,141	128,884	-	1,466,075	221,458	-	3,278,927
Disposals during the period	-		-	(891,146)	-	-	(1,308,270)	(433)	-	(2,199,849)
As at 31 December 2025 – (Audited)	**-**	**2,657,594**	**3,686,457**	**5,985,053**	**1,004,518**	**438,992**	**8,366,479**	**1,824,904**	**-**	**23,963,997**
Charge during the period	**-**	**352,833**	**245,907**	**129,195**	**62,942**	**-**	**669,676**	**101,318**	**-**	**1,561,871**
Disposals during the period	**-**	**-**	**-**	**-**	**-**	**-**	**(60,750)**	**-**	**-**	**(60,750)**
Elimination against gross carrying amount (Note 5.4)	**-**	**(3,010,427)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3,010,427)**
As at 30 June 2026 – (Unaudited)	**-**	**-**	**3,932,364**	**6,114,248**	**1,067,460**	**438,992**	**8,975,405**	**1,926,222**	**-**	**22,454,691**
Net book value:										
As at 30 June 2026 – (Unaudited)	**24,874,664**	**15,399,242**	**708,689**	**536,328**	**572,661**	**-**	**5,242,334**	**269,799**	**-**	**47,603,717**
As at 31 December 2025 - (Audited)	**15,253,345**	**11,455,969**	**954,596**	**665,523**	**635,603**	**-**	**5,912,010**	**366,167**	**-**	**35,243,213**

(All amounts in Saudi Riyals unless otherwise state)

5. PROPERTY AND EQUIPMENT (CONTINUED)

Depreciation charge for the Period has been allocated as follows:	**For the six-month period ended 30 June 2026 (Unaudited)**	**For the six-month period ended 30 June 2025 (Unaudited)**
Cost of revenue	**301,191**	424,381
General and administrative expenses	**1,260,680**	1,224,434
	1,561,871	1,648,815

Properties	**Valuation methodology**	**Purpose**	**Carrying value at 30 June 2026**	**Fair value**	**Revaluation surplus / loss**
Land	Cost approach & Income approach	Enhancing the quality more reliable information for users	15,253,345	24,874,664	9,621,319
Building	Cost approach & Income approach	Enhancing the quality more reliable information for users	11,103,136	15,399,242	4,296,106

Key Assumptions:

The valuation was determined using the Income Approach (Discounted Cash Flow Method), with the Cost Approach used as a supporting valuation method. The valuation assumes continued operation under the current use of the property and is based on market evidence available as of the valuation date.

Key inputs include the following:

Discount Rate	11.29%,10.10%
Capitalization Rate	7.58%, 6.57%
Forecast Period	5 years
Occupancy/Vacancy Allowance	2%
Operating Expenses	2% of effective income
Net Leasable Area	1,520.19 sq.m
Market Rental Rate	SAR 1,168/sq.m, SAR 230/sq.m
Economic Life	40 years, 30 years
Effective Age	11 years, 1 year

Measurement data of fair value according to IFRS 13 as at 30 June 2026 is as follows:

The Company engaged two different valuers for valuations and adopted the lower valuation for their fair value assessment. The name and qualifications of the valuer performed evaluation of the property and equipment are as follows:

		License number
Name of valuer	1. Al-Nmaa Professional Consulting Co.	1210000930
	2. Menassat Appraisal Co.	13044
Valuer's qualifications	Licensed (TAQEEM).	

The valuer is independent to the Company and the valuation conforms to International Valuation Standards. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Taking into considering the valuation technique and key inputs utilized by the valuator, the valuation is categorized at Level 2 (for market approach) and Level 3 (for cost approach) of the fair value hierarchy of IFRS 13.

(All amounts in Saudi Riyals unless otherwise state)

5. PROPERTY AND EQUIPMENT (CONTINUED)

5.1 Property and equipment include assets having a gross carrying amount of SAR 16.051 million which are fully depreciated but are still in use.

5.2 Property and equipment include the land and building registered under title deed number 910146001462 is mortgage as collateral against Commodity Murabaha Financing from Yanal Financing Company amounting to SAR 6.30 million. Please refer the note 11.2.

5.3. Property and equipment include the land and building registered under title deed number 310124036488 is mortgage as collateral against Islamic financing facility from Saudi National Bank amounting to SAR 13 million. Please refer the note 11.2.

5.4. The amount represents the accumulated depreciation at the date of revaluation, which was eliminated against the gross carrying amount of the revalued asset.

6. INVESTMENT PROPERTIES

The following is a summary of the movement of investment properties as of:

	For the six-month period ended 30 June 2026 (Unaudited)	For the year ended 31 December 2025 (Audited) (Restated) Note - 21	For the year ended 31 December 2024 (Audited) (Restated) Note - 21
Fair value at the beginning of the period / year	**35,962,441**	35,264,248	17,750,656
Net fair value (loss)/gain on investments properties	**(1,562,441)**	698,193	17,513,592
Fair value at the end of the period / year	**34,400,000**	35,962,441	35,264,248

Investment properties include properties located in Al Yasmin district, Riyadh, comprising plots 1551 and 1552, and in Al Qadisiyah district, Riyadh, comprising plots 451 and 452, which are wholly owned by the Company.

The fair values of investment properties as of 30 June 2026 is presented below:

Location	Purpose	Name of the valuer	Valuation technique	Key inputs and percentages	Fair value amount as per valuation
Investment property – Al Yasmin district, Riyadh (land and building)	Rental income	AL NMAA	Cost approach	Land area - 1500 sqm Discount rate - 9.54% Terminal Capitalization Rate – 7.6% Holding period – 10 years Cost Approach Weighting- 100%	23,950,000
Investment property – Al Qadisiyah district, Riyadh (land and building)	Rental income	AL NMAA	Cost approach	Land area - 4800 sqm Discount rate - 9.54% Terminal Capitalization Rate - 4.5% Holding period – 10 years Cost Approach Weighting- 100%	10,450,000

(All amounts in Saudi Riyals unless otherwise state)

6. INVESTMENT PROPERTIES (CONTINUED)

The fair values of investment properties as of 31 December 2025 is presented below:

Location	Purpose	Name of the valuer	Valuation technique	Key inputs and percentages	Fair value amount as per valuation
Investment property – Al Yasmin district, Riyadh (land and building)	Rental income	Menassat Appraisal Co.	Income approach	Total lettable area- 1,744.15 sq.m. Vacancy allowance -2%. Operating expenses- 2% of effective gross income Discount rate- 11.1% Capitalization rate: 7.2%.	24,071,241
Investment property – Al Qadisiyah district, Riyadh (land and building)	Rental income	Menassat Appraisal Co.	Cost approach	Land area- 4,800 sq.m Adopted land rate- SAR 2,343.45 per sq.m. Effective age of improvements -11 years Economic life- 40 years	11,891,200

Taking into consideration the valuation technique and key inputs utilized by the valuators, the valuations are categorized at Level 2 (for market approach) and Level 3 (for income approach) of the fair value hierarchy of IFRS 13.

The name and qualifications of the valuer performed evaluation of the investment properties are as follows:

		License number
Name of valuer	1. Al-Nmaa Professional Consulting Co.	1210000930
	2. Menassat Appraisal Co.	13044
Valuer's qualifications	Licensed (TAQEEM).	

The Company engaged two different valuers for investment properties valuations and adopted the lower valuation for their fair value assessment. The valuers are independent to the Company and the valuation conforms to International Valuation Standards. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

6.1. Investment properties include the land and building registered under title deed number 998528001051 is mortgage as collateral mortgage as collateral against Islamic financing facility from Saudi National Bank amounting to SAR 13 million. Please refer the note 11.2.

6.2. Investment properties include the land and building registered under title deed number 310107042458 is mortgage as collateral mortgage as collateral against the Islamic financing facility from Sukuk Capital. Please refer note 11.2.

6.3. The property rental income earned by the Company from its investment property amounted to SAR 0.798 million (2025: SAR 0.768 million). Direct operating expenses arising on the investment property, all of which generated rental income during the period, amounted to SAR Nil (2025: SAR Nil).

(All amounts in Saudi Riyals unless otherwise state)

7. PREPAYMENTS AND OTHER RECEIVABLES

	Note	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Advance payments to suppliers		**48,612,254**	37,135,959
Prepaid expenses		**1,324,287**	1,181,894
Value-added tax		**-**	1,370,492
Deposits		**34,500**	34,500
		49,971,041	39,722,845
Less: Impairment	7.1	**(16,403,513)**	(16,403,513)
		33,567,528	23,319,332
Financial Asset at Amortized Cost – Unsecured			
Margin on the letter of credits and guarantees		**18,489,874**	25,719,348
Employee receivables		**504,945**	391,276
Total		**52,562,347**	49,429,956

7.1. The movement in the allowance for expected credit losses is as follows:

	For the six-month period ended 30 June 2026 (Unaudited)	For the year ended 31 December 2025 (Audited)
At the beginning of the period / year	**16,403,513**	9,181,674
Provision for the period /year	-	7,221,839
At the end of the period / year	**16,403,513**	16,403,513

8. CASH AND CASH EQUIVALENTS

Financial Asset at Amortized Cost	Note	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Cash at banks	8.1	**10,195,606**	2,260,570

8.1. Cash in banks are maintained in current accounts and clearance accounts and does not yield any income.

9. SHARE CAPITAL

As of 30 June 2026, the authorized, issued, subscribed and paid-up capital of the Company is SAR 120 million, which is divided into 120 million shares of SAR 1 per share (31 December 2025: SAR 120 million, which is divided into 120 million shares of SAR 1 per share) (note 1).

10. SHARE PREMIUM AND STATUTORY RESERVES

On 26 March 2026, the Company's shareholders, at the Annual General Assembly meeting, approved the transfer of the statutory reserve amounting to SAR 13,573,347 and share premium amounting to SAR 41,770,250 to accumulated losses. These transfers reduced the accumulated losses to below 50% of the Company's share capital. The shareholders further approved the continuation of the Company's operations in accordance with the Saudi Companies Law.

11. BORROWINGS

Financial Liabilities at Amortized Cost - Secured	Note	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Short term borrowings	11.1	**111,429,158**	90,373,644
Long term borrowings	11.2	**8,149,819**	10,978,542
		119,578,977	101,352,186
Accrued finance cost		**927,611**	1,174,635
		120,506,588	102,526,821

(All amounts in Saudi Riyals unless otherwise state)

11. BORROWINGS (CONTINUED)

Maturity profile	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Non-current portion	**-**	1,300,000
Current portion	**120,506,588**	101,226,821
	120,506,588	102,526,821

11.1 During the period 2026, the Company obtained various short-term Islamic financing facilities from local banks amounting in aggregate to SAR 330.437 million (2025: SAR 252.8 million). These facilities were mainly used to finance working capital and ongoing projects. All of the financing is repayable within periods ranging from 3 to 12 months.

11.2. During 2022, the Company obtained Commodity Murabaha financing from a financing company amounting to SAR 6.30 million. The loan is repayable over sixty monthly installments of SAR 136,975 each, with repayments commencing on 5 July 2022. The loan is secured by a mortgage over land and building registered under deed No. 910146001462 as collateral (note 5), in addition to personal guarantees provided by the shareholder (former chairman of the Board of Directors). During the period ended 30 June 2026, the Company repaid SAR 828,724 and the outstanding balance as of 30 June 2026 amounted to SAR 1,549,818.

Additionally, during 2022, the Company obtained a Murabaha financing facility from a local bank amounting to SAR 13 million for the purpose of purchase of land and construction of warehouse. The loan is repayable over 12 semi-annual installments of SAR 1.3 million each with repayments commencing on 29 December 2022. The loan is secured by mortgages over land and buildings registered under deed No.310124036488 (note 5) and deed No. 998528001051 (note 6) as collateral together with personal guarantees provided by the directors. The Company did not pay any amount during the period ended 30 June 2026 and the outstanding balance as of 30 June 2026 amounted to SAR 2.6 million.

Furthermore, during 2024, the Company obtained Murabaha financing facility from a local financing company amounting to SAR 30 million the outstanding balance as of 30 June 2026 amounted to SAR 4 million which is due in 2026. The loan is secured by mortgages over land registered under deed No.310107042458 (note 6).

The above bank facilities require the Company to comply with certain financial covenants. As at 30 June 2026, the Company was not in compliance with the debt-to-equity ratio and the current ratio covenants under the financing arrangements. Accordingly, the entire loans have been reclassified to current portion.

12. CONTRACT LIABILITIES

Contract liabilities primary relates to the advance consideration received from the customers for which revenue is recognized over time.

	For the six-month period ended 30 June 2026 (Unaudited)	For the year ended 31 December 2025 (Audited)
Balance at the beginning of the period / year	**71,660,369**	84,895,253
Cash received in advance	**3,088,178**	10,376,975
Utilized against the executed work during the period / year	**(11,842,022)**	(23,611,859)
Balance at the end of the period / year	**62,906,525**	71,660,369

(All amounts in Saudi Riyals unless otherwise state)

13. PROVISION FOR ZAKAT

The movement in the provision for zakat is as follows:

	For the six-month period ended 30 June 2026 (Unaudited)	For the year ended 31 December 2025 (Audited)
Balance at the beginning of the period / year	**1,875,407**	6,909,120
Charged during the period / year	**633,816**	720,917
Additional provision for the prior periods	**28,617**	151,855
Paid during the period / year	**(524,991)**	(5,906,485)
Balance at the end of the period / year	**2,012,849**	1,875,407

13.1. Status of Assessment

The Company has submitted its zakat returns up to the year ended 31 December 2025 and has obtained the zakat certificate which is valid until 13 Dhu'l-Qi'dah 1447H corresponding to 30 April 2026. The Company has still not obtained the renewed zakat certificate from the Authority. There is no material impact of non-renewal on the Company's operations.

The details of unpaid amount of the provision is as follows:

	As at 30 June 2026 (Unaudited)
Unpaid provision for the year ended 31 December 2024	**946,497**
Unpaid provision for the year ended 31 December 2025	**432,550**

For the year 2024 the Company recorded an additional assessment of SAR 28,617 upon issuance of final assessment by ZATCA and also paid 20% of the total liability amounting to SAR 1,183,121 for the year ended 31 December 2024.

The zakat assessments for the years 2021, 2022 and 2025 remain under review by ZATCA.

14. CONTINGENCIES AND COMMITMENTS

14.1. Commitments and guarantees:

As at 30 June 2026, the Company had outstanding contingent liabilities in the form of letters of credit and guarantees issued by bank on behalf of Company. Below is the breakdown of contingencies as of the reporting date:

	30 June2026 (Unaudited)	31 December 2025 (Audited)
Letter of credits	**33,457,719**	42,234,877
Letter of guarantees	**126,434,713**	157,660,906
	159,892,432	199,895,783

14.2. Legal cases status:

As at 30 June 2026, the Company is a defendant in a number of legal cases and claims arising in the normal course of business, including commercial, contractual and labour-related disputes.

The aggregate amount claimed under these cases is approximately SAR 26,309,254. A provision of SAR 4,747,726 has been recognized in respect of those cases for which management, based on the assessment of the Company's legal advisers, believes that an outflow of resources embodying economic benefits is probable. In addition, an amount of SAR 13,216,948 related to certain legal claims has been recorded within suppliers' balances as at 30 June 2026.

For the remaining exposure, management, supported by the opinion of its legal advisers, believes that it is not probable that a material outflow of resources will be required to settle these matters. Accordingly, no additional provision has been recognized. Management believes that the ultimate outcome of these cases will not have a material adverse impact on the Company's financial position.

(All amounts in Saudi Riyals unless otherwise state)

15. RELATED PARTIES' TRANSACTIONS AND BALANCES

Related parties represent major shareholders, affiliates, members of the Board of Directors and the senior executive management of the Company and companies of which they are principal owners and any other entities controlled, jointly controlled or significantly influenced by them. All the related party transactions are under normal course of business. Prices and terms related to these transactions are approved by the management and the Board of Directors.

Related parties	Nature of relationship
Eirad Holding Company Limited	Shareholder
Mohammad Ali Bin Saleh Al Dhalaan	Shareholder
New Generation Mission System Arabia	Affiliate

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the Company directly or indirectly, including any director (whether executive or otherwise).

Compensation for the key management is as follows:

	For the six-month period ended 30 June 2026 (Unaudited)	For the six-month period ended 30 June 2025 (Unaudited)
Short term benefits	**2,693,033**	3,379,422
End of service benefits	**263,695**	399,255
	2,956,728	3,778,677

15.1. Transactions during the Period

Name of related party	Nature of relationship	Nature of transactions	For the six-month period ended 30 June 2026 (Unaudited)	For the six-month period ended 30 June 2025 (Unaudited)
New generation mission System Arabia	Affiliate	Purchases	-	15,664,630
		Finance cost	-	602,608
		Expense charged on letter of credit	-	166,417
Eirad Holding company Limited	Shareholder	Loan received*	**901,600**	3,000,000
Mohammed Ali Bin Saleh Al Dhalan	Shareholder	Loan received*	**200,000**	15,963,168
		Consultant fees	**120,000**	-
		Payments	-	(3,000,000)

*These are interest free loans provided to the Company by the shareholders. These loans are to be repaid not later than 30 June 2027.

15.2. Balance as at the period / year end

Name of related party	Nature of relationship	Nature of Balance	30 June 2026 (Unaudited)	31 December 2025 (Audited)
New Generation Mission System Arabia	Affiliate	Due to related party	**15,250,325**	15,250,325
Eirad Holding Company Limited	Shareholder	Due to related party	**3,901,600**	3,000,000
Mohammad Ali Bin Saleh Al Dhalaan	Shareholder	Due to related party	**13,638,615**	13,318,615
Ali Bin Mohammad Ali Bin Saleh Al Dhalaan	Key executive employees	Due to related party	**200,000**	200,000

(All amounts in Saudi Riyals unless otherwise state)

16. OTHER INCOME

	Note	For the six-month period ended 30 June 2026 (Unaudited)	For the six-month period ended 30 June 2025 (Unaudited)
Scrap sales	16.1	**1,286,517**	285,877
Rental income	6.3	**798,400**	768,562
Gain or loss on sale / disposal of asset		**-**	277,492
		2,084,917	1,331,931

16.1. During the period, the company has sold the fiber cables and recorded the proceeds as scrap income.

17. FINANCE COST

	For the six-month period ended 30 June 2026 (Unaudited)	For the six-month period ended 30 June 2025 (Unaudited)
Finance cost by facilities – Murabaha	**3,901,465**	3,413,211
Finance charges – others - Murabaha	**402,246**	784,371
Lease liabilities	**-**	17,496
	4,303,711	4,215,078

18. BASIC AND DILUTED LOSS PER SHARE

The basic and diluted share of loss is calculated by dividing the loss for the period attributable to the shareholders of the Company by the weighted average number of ordinary shares outstanding at the end of 30 June 2026, which amounted to 120,000,000 shares (30 June 2025: 120,000,000 shares).

	For the six-month period ended 30 June 2026 (Unaudited)	For the six-month period ended 30 June 2025 (Unaudited) Restated
Net loss of the period	**(11,838,075)**	(35,689,584)
Weighted average number of shares outstanding during the period	**120,000,000**	120,000,000
Loss per share (SAR)	**(0.10)**	(0.30)
- Basic	**(0.10)**	(0.30)
- Diluted	**(0.10)**	(0.30)

19. SEGMENTS REPORTING

The operating segments are recorded in a manner consistent with the internal reporting structure. The Management monitors the operating results of its segments independently for the purpose of performance evaluation. For management purposes, the Company is organized into business units based on its products and services and has three reportable segments, as follows:

Segment	Operations / activities
Telecom	Supply and installation of telecommunications equipment, implementation of communication networks (wired and wireless), and maintenance.
Power	Supply and installation of electrical equipment, implementation of electrical switches, transmission lines, civil work and maintenance.
Software	Specialised in software development, designing and building portals and e-services.

(All amounts in Saudi Riyals unless otherwise state)

19. SEGMENTS REPORTING (CONTINUED)

Information on segment reporting

The Company's segment information is presented below. Segment performance is evaluated based on revenue, which is the primary measure used by management to assess the results of each operating segment. Management believes that revenue provides the most relevant and comparable indicator of segment performance, particularly in relation to other entities operating within the same industry.

For the period ended 30 June 2026:

	Telecom	**Power**	**Software**	**Total**
Revenue	**15,910,565**	**57,418,069**	**2,679,000**	**76,007,634**
Cost of revenue	**(18,185,708)**	**(45,106,682)**	**(2,806,962)**	**(66,099,352)**
Gross (loss) / profit	**(2,275,143)**	**12,311,387**	**(127,962)**	**9,908,282**
Type of Customers				
Semi-governmental entities	**2,739,170**	**57,418,069**	**-**	**60,157,239**
Government	**11,731,296**	**-**	**-**	**11,731,296**
Private entities	**1,440,099**	**-**	**2,679,000**	**4,119,099**
Total	**15,910,565**	**57,418,069**	**2,679,000**	**76,007,634**
Timing of revenue recognition				
Recognized over time	**14,427,565**	**57,418,069**	**2,679,000**	**74,524,634**
At the point in time	**1,483,000**			**1,483,000**
Total	**15,910,565**	**57,418,069**	**2,679,000**	**76,007,634**

For the period ended 30 June 2025:

	Telecom	Power	Software	Total
Revenue	14,449,864	53,336,708	3,393,857	71,180,429
Cost of revenue	(20,773,729)	(56,701,842)	(491,363)	(77,966,934)
Gross profit	(6,323,865)	(3,365,134)	2,902,494	(6,786,505)
Type of Customers				
Semi-governmental entities	8,917,046	51,831,008	-	60,748,054
Government	5,532,818	-	399,570	5,932,388
Private entities	-	1,505,700	2,994,287	4,499,987
Total	14,449,864	53,336,708	3,393,857	71,180,429
Timing of revenue recognition				
Recognized over time	9,776,344	53,336,708	3,393,857	66,506,909
At the point in time	4,673,520			4,673,520
Total	14,449,864	53,336,708	3,393,857	71,180,429

Disclosure of information related to the property and equipment, right-of-use assets, total assets, total liabilities, general and administrative, and other expenses are not allocated to individual segments as they are managed on the Company basis.

Geographical Information

The Company's operations are entirely concentrated within the Kingdom of Saudi Arabia. Accordingly, no geographical segment disclosures are presented.

19. SEGMENTS REPORTING (CONTINUED)

Major Customers

Revenue from three major customers amounted to SAR 71,888,536 for the period ended 30 June 2026, representing 95% of total revenue for the year (2025: SAR 61,154,000 representing 86% of total revenue).

20. 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. Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry Company, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When measuring the fair value, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial assets consist of cash and bank balances, trade receivables, its financial liabilities consist of trade payables, borrowings, due to related party and other payables.

The Company's management determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement.

All financial assets and liabilities are measured at amortized cost. The carrying amounts of all other financial assets and financial liabilities measured at amortized cost approximate to their fair values.

21. RESTATEMENT AND RECLASSIFICATION OF PRIOR YEAR FIGURES

21.1. On 29 June, 2026, the Company's board of directors approved a change in the accounting policy for the subsequent measurement of the Company's property and equipment (land and building) from cost model to revaluation model and investment properties from the cost model to the fair value model. The impact of the change in accounting policy for investment properties was recorded by adjusting each relevant item in the financial statements for previous periods in accordance with International Accounting Standard 8, "Accounting Policies, Changes in Accounting Estimates and Errors," adopted in the Kingdom of Saudi Arabia. The impact of change in accounting policy for property and equipment (land and building) was taken prospectively. The following table summarizes the impact on the Company's interim condensed financial statements for the current period and the presented previous periods (including the nearest period presented):

21.2. During the period management has decided to reclass the accrued finance cost from trade and other payables for better presentation as result the balance for prior period was also reclassed for the better understanding of the user of financial statements.

(All amounts in Saudi Riyals unless otherwise state)

21. RESTATEMENT AND RECLASSIFICATION OF PRIOR YEAR FIGURES (CONTINUED)

The summary of the restatements and reclassifications has been shown below:

Impact of adjustments on statement of financial position as at 01 January 2025:

	Balance as previously reported as at 1 January 2025	Effect of prior period adjustment	Reclassification	Balance after reclassification / Adjustment
Non-current assets				
Investment properties	17,750,656	17,513,592	-	35,264,248
Equity				
Accumulated losses	(114,441,576)	17,513,592	-	(96,927,984)

Impact of adjustments on the interim condensed statement of profit or loss and other comprehensive income / (loss) for the six-month period ended 30 June 2025:

	Balance as previously reported for the period ended 30 June 2025	Effect of prior period adjustment	Balance restated for the period ended 30 June 2025
General and Administrative expenses	**(15,997,981)**	**147,670**	**(15,850,311)**
Net fair value loss on investment properties	**-**	**(2,280,111)**	**(2,280,111)**
Net loss for the year	**(33,557,143)**	**(2,132,441)**	**(35,689,584)**
Total comprehensive loss for the year	**(33,557,143)**	**(2,132,441)**	**(35,689,584)**
Basic loss per share - adjusted	**(0.28)**	**-**	**(0.30)**

Impact of adjustments on statement of financial position as at 31 December 2025:

	Balance as previously reported as at 31 December 2025	Effect of prior period adjustment	Reclassification	Balance after reclassification / Adjustment
Non-current assets				
Investment properties	**17,455,315**	**18,507,126**	**-**	**35,962,441**
Equity and liabilities				
Accumulated losses	**(148,434,801)**	**18,507,126**	**-**	**(129,927,675)**
Accrued expenses and other payables	**61,292,533**	**-**	**(1,174,635)**	**60,117,898**
Short-term borrowings	**90,373,644**	**-**	**1,174,635**	**91,548,279**

Impact of adjustments on interim condensed statement of cash flows:

Impact of adjustments on interim condensed statement of cash flows for the period ended 30 June 2025

	Balance as previously reported for the period ended 30 June 2025	Effect of prior period adjustment	Balance restated for the period ended 30 June 2025
Net loss before zakat	(33,044,829)	2,132,441	(35,177,270)
Net cash used in operating activities	12,834,887	3,692,786	(9,142,101)
Net cash generated from financing activities	58,606,565	(3,692,786)	54,913,779

(All amounts in Saudi Riyals unless otherwise state)

21. RESTATEMENT AND RECLASSIFICATION OF PRIOR YEAR FIGURES (CONTINUED)

Reconciliation of accumulated losses as at 1 January 2025 and 31 December 2025:

	31 December 2025	1 January 2025
Accumulated losses (audited)	**(148,434,801)**	**(114,441,576)**
Prior year adjustment	**18,507,126**	**17,513,592**
Accumulated losses as at	**(129,927,675)**	**(96,927,984)**

22. SUBSEQUENT EVENTS

There have been no significant subsequent events since the period-end that require disclosure or adjustment in these financial statements

23. DATE OF AUTHORIZATION FOR ISSUE

These interim condensed financial statements were approved and authorized for issue on 14 Rabi-al-Awwal 1448H (corresponding 27 August 2026) by the Board of Directors of the Company.