

**HALWANI BROTHERS 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**

HALWANI BROTHERS COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REVIEW REPORT (UNAUDITED)

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For the three-month period ended 31 March 2026

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## INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE SHAREHOLDERS OF  
HALWANI BROTHERS COMPANY  
(A SAUDI JOINT STOCK COMPANY)  
Jeddah - Kingdom of Saudi Arabia

### Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Halwani Brothers Company - A Saudi Joint Stock Company - ("the Company") and its Subsidiaries ("collectively referred to as the "Group"), as of 31 March 2026, and the related interim condensed consolidated statements of profit or loss and other comprehensive income, changes in 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"), as 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 the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", as endorsed in the Kingdom of Saudi Arabia. A review of interim financial statements consists of making inquiries, primarily to the persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

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

For Dr. Mohamed Al-Amri & Co.

Maher Al-Khatieb  
Certified Public Accountant  
License Number 514



03/05/2026 (G)  
16/11/1447 (H)

HALWANI BROTHERS COMPANY (A SAUDI JOINT STOCK COMPANY)  
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
 COMPREHENSIVE INCOME (UNAUDITED)  
 For the three-month period ended 31 March 2026

		<i>For the three- months period ended 31 March 2026</i>	<i>For the three- months period ended 31 March 2025</i>
	<i>Note</i>	<i>ؔ</i> <b>Unaudited</b>	<i>ؔ</i> <b>Unaudited</b>
Revenue from contracts with customers	4	245,468,393	237,755,332
Cost of revenue		(171,898,244)	(168,216,350)
<b>GROSS PROFIT</b>		<b>73,570,149</b>	<b>69,538,982</b>
Selling and distribution expenses		(36,090,485)	(35,397,124)
General and administrative expenses		(14,659,044)	(14,814,998)
Other revenue, net		4,528,057	5,216,963
Impairment loss on property, plant and equipment		(1,532,916)	-
<b>PROFIT FROM OPERATIONS</b>		<b>25,815,761</b>	<b>24,543,823</b>
Finance costs		(4,576,684)	(8,252,405)
Loss on foreign currency differences		(3,942,023)	(808,423)
<b>PROFIT BEFORE ZAKAT AND INCOME TAX</b>		<b>17,297,054</b>	<b>15,482,995</b>
Zakat	5-b	(600,000)	(1,800,000)
Income tax	5-b	(1,291,987)	(2,175,568)
<b>PROFIT FOR THE PERIOD</b>		<b>15,405,067</b>	<b>11,507,427</b>
<b>OTHER COMPREHENSIVE INCOME :</b>			
<i>Items to be reclassified to profit or loss in subsequent periods:</i>			
Foreign currency differences		<b>(3,164,675)</b>	<b>374,398</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>12,240,392</b>	<b>11,881,825</b>
<b>EARNINGS PER SHARE</b>			
Basic and diluted earnings per share for the period attributable to ordinary shareholders from operating profit		<b>0.73</b>	<b>0.69</b>
Basic and diluted earnings per share for the period attributable to ordinary shareholders from net Profit for the period	6	<b>0.44</b>	<b>0.33</b>

Group Chief Financial officer  
 Fathy Mohamed Abdelhamid

Group Chief Executive officer  
 Mohamed Samir Abdelfattah

Authorized Member Of  
 The Board Directors  
 Sakhr Assad Jamjoom

The attached notes 1 to 12 form an integral part of these unaudited interim condensed consolidated financial statements.

HALWANI BROTHERS COMPANY (A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 31 March 2026

		31 March 2026 Unaudited	31 December 2025 Audited
	Note	S/	S/
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant, and equipment		313,218,384	325,940,836
Intangible assets		1,317,495	1,386,884
Right of use assets		12,610,388	14,415,663
Investment Properties		45,134,328	45,134,328
Deferred tax assets		1,592,773	1,109,619
<b>TOTAL NON-CURRENT ASSETS</b>		<b>373,873,368</b>	<b>387,987,330</b>
<b>CURRENT ASSETS</b>			
Inventories		148,245,832	179,106,243
Trade receivables and other current assets		175,345,545	139,277,382
Cash and cash equivalent	7	42,606,330	15,410,013
<b>TOTAL CURRENT ASSETS</b>		<b>366,197,707</b>	<b>333,793,638</b>
<b>TOTAL ASSETS</b>		<b>740,071,075</b>	<b>721,780,968</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		353,571,450	353,571,450
Retained earnings		301,381,629	285,976,562
Foreign currency translation reserve		(306,869,598)	(303,704,923)
<b>TOTAL EQUITY</b>		<b>348,083,481</b>	<b>335,843,089</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term islamic Murabaha Contracts	8	24,483,217	28,623,028
Defered tax liabilities		834,121	1,758,400
Lease liabilities		7,101,903	8,446,296
Employees defined benefits' obligations		27,802,474	27,366,700
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>60,221,715</b>	<b>66,194,424</b>
<b>CURRENT LIABILITIES</b>			
Current portion of Islamic Murabaha Contracts long term	8	16,466,434	16,497,371
Islamic Murabaha Contracts short term	8	117,830,794	107,732,326
Current portion of lease liabilities		7,055,766	7,455,804
Trade payables		61,332,710	65,291,535
Accrued expenses and other current liabilities		121,297,970	112,152,071
Zakat and income tax	5	7,782,205	10,614,348
<b>TOTAL CURRENT LIABILITIES</b>		<b>331,765,879</b>	<b>319,743,455</b>
<b>TOTAL LIABILITIES</b>		<b>391,987,594</b>	<b>385,937,879</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>740,071,075</b>	<b>721,780,968</b>

Group Chief Financial officer  
Fathy Mohamed Abdelhamid

Group Chief Executive officer  
Mohamed Samir Abdelfattah

Authorized Member Of  
The Board Directors  
Sakhr Assad Jamjoom

The attached notes 1 to 12 form an integral part of these unaudited interim condensed consolidated financial statements.

HALWANI BROTHERS COMPANY (A SAUDI JOINT STOCK COMPANY)  
 INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
 For the three-month period ended 31 March 2026

	<i>Share capital</i>	<i>Retained earnings</i>	<i>Foreign currency translation reserve</i>	<i>Total equity</i>
	#	#	#	#
As at 1 January 2025	353,571,450	242,339,560	(306,316,102)	289,594,908
Profit for the period	-	11,507,427	-	11,507,427
Other comprehensive income for the period	-	-	374,398	374,398
<b>Total comprehensive income</b>	-	11,507,427	374,398	11,881,825
<b>Balance at 31 March 2025 (Unaudited)</b>	<b>353,571,450</b>	<b>253,846,987</b>	<b>(305,941,704)</b>	<b>301,476,733</b>

	<i>Share capital</i>	<i>Retained earnings</i>	<i>Foreign currency translation reserve</i>	<i>Total equity</i>
	#	#	#	#
As at 1 January 2026	353,571,450	285,976,562	(303,704,923)	335,843,089
Profit for the period	-	15,405,067	-	15,405,067
Other comprehensive Loss for the period	-	-	(3,164,675)	(3,164,675)
<b>Total comprehensive income</b>	-	15,405,067	(3,164,675)	12,240,392
<b>Balance at 31 March 2026 (Unaudited)</b>	<b>353,571,450</b>	<b>301,381,629</b>	<b>(306,869,598)</b>	<b>348,083,481</b>

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**HALWANI BROTHERS COMPANY (A SAUDI JOINT STOCK COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**  
For the three-month period ended 31 March 2026

		<i>For the three-month period ended 31 March 2026</i>	<i>For the three-month period ended 31 March 2025</i>
	<i>Notes</i>	<i>Unaudited</i>	<i>Unaudited</i>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before zakat and income tax		17,297,054	15,482,995
<b>Adjustment to reconcile profit before zakat and income tax to net cash from operating activities:</b>			
Depreciation of property, plant, and equipment		7,852,163	7,753,136
Amortization of intangible assets		55,030	118,656
Depreciation of right of use		1,928,822	1,568,454
Impairment loss on property, plant and equipment		1,532,916	-
Employees defined benefits' obligations		805,600	874,458
Gain on disposal of property, plant, equipment		(198,682)	-
Adjustments on lease liabilities		-	647,473
Provision for expected credit losses		930,362	541,795
Provision for slow-moving inventory		146,775	241,107
Provision for local and foreign suppliers - debit Balances		18,354	259,700
Provisions used		(40,848)	-
Finance costs, net		4,576,684	8,252,405
Provisions no longer required		283,153	(46,773)
		<b>35,187,383</b>	<b>35,693,406</b>
<b>Changes in items of Working Capital:</b>			
Inventories		19,461,179	15,876,046
Trade receivables and other current assets		(37,016,879)	(45,562,826)
Trade payables and accrued expenses and other current liabilities		5,187,074	434,621
<b>Cash flows generated from Working Capital</b>		<b>22,818,757</b>	<b>6,441,247</b>
Zakat paid	5	(25,412)	-
Defined Employees benefits' obligations paid		(369,826)	(1,149,063)
<b>Net cash generated from operating activities</b>		<b>22,423,519</b>	<b>5,292,184</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(936,257)	(2,230,519)
Proceeds from sales of property, plant and equipment		204,710	-
<b>Net cash used in investing activities</b>		<b>(731,547)</b>	<b>(2,230,519)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Islamic Murabaha Contracts		86,452,069	156,161,324
Payment of Islamic Murabaha Contracts		(68,748,696)	(132,029,317)
Payment of lease liabilities		(2,348,889)	(1,313,268)
Payment of term loans		(4,124,971)	-
Payment of finance cost		(4,095,772)	(7,844,698)
<b>Net cash generated from financing activities</b>		<b>7,133,741</b>	<b>14,974,041</b>
Net changes in cash and cash equivalent		28,825,713	18,035,706
Net difference in foreign currency translation		(1,629,396)	123,553
Cash and cash equivalents at the beginning of the period		15,410,013	35,310,857
<b>CASH AND Cash and cash equivalent AT THE END OF 31 MARCH</b>	7	<b>42,606,330</b>	<b>53,470,116</b>
<b>SIGNIFICANT NON-CASH TRANSACTIONS:</b>			
Change effect in the differences of translation of foreign currencies		(3,164,675)	374,398
Transferred from projects under construction to property, plant and equipment		1,903,450	611,244
Transferred from intangible assets to prepaid expenses		-	1,053,169
Adjustment on lease contract obligation		-	320,500
Addition of right of use and lease contract obligation		757,809	6,432,376

Group Chief Financial officer

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Sakhr Assad Jamjoom

The attached notes 1 to 12 form an integral part of these unaudited interim condensed consolidated financial statements.

## **1. CORPORATE INFORMATION**

Halwani Brothers Company (“the Company” or “the Parent Company”), a Saudi Joint Stock Company established in accordance with Company’s regulations in the Kingdom of Saudi Arabia. It is registered in Jeddah city under Commercial Registration (CR) No. 4030005702 And Unified Number 7000447065. dated on 11 Rabi` al-Thani 1388H (corresponding to 7 July 1968).

The Company is listed in the Capital Market Authority (CMA) in the Kingdom of Saudi Arabia. It is also 51% owned by Aseer Al Arabiah for Industrial Investment Co., and 49% by other shareholders.

The Company is mainly engaged in the manufacturing, packaging, wholesale and retail trade of food products.

The registered address of the Company is in Jeddah, Industrial area, fourth stage, P. O. Box 690, Jeddah 21421, Kingdom of Saudi Arabia. The headquarters of the Company is located in Jeddah. The Parent Company operates in the Kingdom of Saudi Arabia, through its branches located in various regions of the Kingdom of Saudi Arabia

The Interim condensed consolidated financial statements comprise the financial statements of the Parent Company and the financial statements of Halwani Brothers Egypt - a closed Egyptian Joint Stock Company - a wholly owned Subsidiary of the Parent Company which is engaged in manufacturing, packaging and distribution of all foodstuffs (together referred as the "Group").

## **2. BASIS OF PREPARATION AND CHANGES IN SIGNIFICANT ACCOUNTING POLICIES FOR THE GROUP**

### **2.1 Basis of preparation**

The interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting” “IAS 34” which is endorsed in the Kingdom of Saudi Arabi,a and other standards and pronouncements that are issued 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 consolidated financial statements. They should be read in conjunction with the annual consolidated financial statements as at 31 December 2025. In addition, results for the interim period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

The interim condensed consolidated financial statements have been prepared on a historical cost basis except for financial derivatives that have been measured at fair value and for employee benefits, the projected unit credit method is used.

The interim condensed consolidated financial statements are presented in Saudi Riyals (“ﷲ”), which is the functional and presentational currency of the Group -(unless otherwise noted).

### **2.2 Going concern assessment**

The group’s management has made an assessment of the group’s ability to continue to carry out its business in accordance with the principle of going concern and the group is convinced that it has the resources to continue its business in the foreseeable future. Also, management is not aware of any material uncertainties that may affect the Group’s ability to continue its business. Accordingly, these consolidated financial statements have been prepared on a going concern basis.

### **2.3 New Standards Amendment to Standards and Interpretations**

There are no new standards issued by (IASB), however, there are number of amendments to standards which are effective from 1 January 2026 and has been explained in Group annual Consolidated Financial Statements, but they do not have a material effect on the Group’s Condensed Consolidated Interim Financial Statements.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month period ended 31 March 2026

2. BASIS OF PREPARATION AND CHANGES IN SIGNIFICANT ACCOUNTING POLICIES FOR THE GROUP (Continued)

2.4 Basis of consolidation

The interim condensed consolidated financial statements include the interim financial statements of the Company and the Subsidiary (the "Group") as of March 31, 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its transactions with the investee and has the ability to affect those returns through exercising its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

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

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

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

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a Subsidiary begins when the Group obtains control over the Subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a Subsidiary acquired or disposed of during the year are included in the interim condensed consolidated financial statements from the date the Group gains control until the date the it ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of the Subsidiaries to bring it's accounting policies in line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including Goodwill, if any), liabilities, non-controlling interest, and other components of equity, while any resultant gain or loss is recognized in the interim condensed consolidated statement of profit or loss and other comprehensive income. Any investment retained is recognized at fair value.

Below are the details of the subsidiaries:

Company name	Country of incorporation	Ownership percentage as at 31 March 2026	Ownership percentage as at 31 December 2025	Activity
Halwani Brothers Company (a closed Egyptian joint stock Company)	Alsharqia - Arab Republic of Egypt	100%	100%	Manufacturing, packaging, canning and distribution of all foods.
Fodco Limited*	Cayman Islands	100%	100%	Investment
Halegpt Limited*	Cayman Islands	100%	100%	Investment

\* Both companies haven't started their operations yet.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month period ended 31 March 2026

3. SEGMENT REPORTING

A segment is a distinguishable component of the Group that is engaged in providing products or specific services (business segment) or providing products or services within a particular economic environment (a geographic segment), which is subject to risks and rewards that are different from other segments. The Group uses the geographical segment only as it operates in the manufacturing, filling, whole, and retail trade of food products.

The financial information of assets and liabilities related to geographical segments after excluding the effect of balances among companies of the Group as at 31 March 2026 and 31 December 2025 as follows:

<u>Segments</u>	Kingdom of Saudi Arabia in thousands	Arab Republic of Egypt in thousands	Reconciliation in thousands	Total in thousands
<b><u>As per March 31, 2026 (Unaudited)</u></b>				
Total assets	595,669	165,875	(21,473)	740,071
Total liabilities	247,586	148,019	(3,617)	391,988
Capital Expenditures Incurred During the period	196	740	-	936
<b><u>As per 31 December 2025 (Audited)</u></b>				
Total assets	602,954	169,284	(50,458)	721,780
Total liabilities	267,110	122,240	(3,413)	385,937
Capital Expenditures Incurred During the Year	5,743	9,612	-	15,355

The financial information of revenue and profit/(loss) relating to the geographical segments excluding the effect of transactions between the Group's companies, For the three-month period ended 31 March 2026 and 31 March 2025 is as follows :

<u>Segments</u>	Kingdom of Saudi Arabia in thousands	Arab Republic of Egypt in thousands	Reconciliation in thousands	Total in thousands
<b><u>For the three months period ended March 31, 2026 (Unaudited)</u></b>				
Revenue from contracts with customers	133,917	111,662	(111)	245,468
Company's share in the results of the subsidiary	1,462	-	(1,462)	-
Segment profit for the period	15,405	1,462	(1,462)	15,405
<b><u>For the three months period ended 31 March 2025 (Unaudited)</u></b>				
Revenue from contracts with customers	131,651	107,689	(1,585)	237,755
Company's share in the results of the subsidiary	2,833	-	(2,833)	-
Segment profit for the period	11,507	2,833	(2,833)	11,507

Detailed revenue information from contracts with customers for geographical segments is shown in Note (4).

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month period ended 31 March 2026

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

The following are the details of the Group's revenue from contracts with customers for the three-month period ending on March 31, 2026, and March 31, 2025:

<u>Segments</u> <u>For the three-month period</u> <u>ending March 31, 2026</u> <u>(Unaudited)</u>	Kingdom of Saudi Arabia in thousands ﷲ	Arab Republic of Egypt in thousands ﷲ	Reconciliation in thousands ﷲ	Total in thousands ﷲ
<b>Type of goods</b>				
Sesame products	75,206	12,706	-	87,912
Meat products	11,983	87,444	-	99,427
Other products	46,728	11,512	(111)	58,129
<b>Total</b>	<b>133,917</b>	<b>111,662</b>	<b>(111)</b>	<b>245,468</b>
<b>Type of customers</b>				
Key customers	35,665	20,630	-	56,295
Traditional Commerce	63,224	82,938	-	146,162
Others	17,684	-	-	17,684
Exports	17,344	8,094	(111)	25,327
<b>Total</b>	<b>133,917</b>	<b>111,662</b>	<b>(111)</b>	<b>245,468</b>
<u>Segments</u> <u>For the three-month period</u> <u>ending March 31, 2025</u> <u>(Unaudited)</u>	Kingdom of Saudi Arabia in thousands ﷲ	Arab Republic of Egypt in thousands ﷲ	Reconciliation in thousands ﷲ	Total in thousands ﷲ
<b>Type of goods</b>				
Sesame products	75,996	16,405	-	92,401
Meat products	9,513	80,465	-	89,978
Other products	46,142	10,819	(1,585)	55,376
<b>Total</b>	<b>131,651</b>	<b>107,689</b>	<b>(1,585)</b>	<b>237,755</b>
<b>Type of customers</b>				
Key customers	32,900	18,123	-	51,023
Traditional Commerce	67,210	77,327	-	144,537
Others	14,016	-	-	14,016
Exports	17,525	12,239	(1,585)	28,179
<b>Total</b>	<b>131,651</b>	<b>107,689</b>	<b>(1,585)</b>	<b>237,755</b>

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month period ended 31 March 2026

4. REVENUE FROM CONTRACTS WITH CUSTOMERS (Continued)

Geographical markets

	For the three-month period ended March 31	
	2026 thousands in # (Unaudited)	2025 thousands in # (Unaudited)
Kingdom of Saudi Arabia	116,573	114,126
Arab Republic of Egypt	103,568	95,450
Other markets	25,327	28,179
	<b>245,468</b>	<b>237,755</b>

5. ZAKAT AND INCOME TAX

a) Zakat and income tax provision as reported in the Group's Interim condensed consolidated statement of financial position is as follows:

	31 March 2026 # (Unaudited)	31 December 2025 # (Audited)
Zakat provision	3,451,837	6,677,249
Income tax provision	4,330,368	3,937,099
	<b>7,782,205</b>	<b>10,614,348</b>

b) Zakat charged to the interim condensed consolidated statement of profit or loss and other comprehensive income:

b-1) Zakat :-

	For the Three-months period ended March 31 2026 (Unaudited)	For the three-month period ended March 31 2025 (Unaudited)
Charge during the period	600,000	1,800,000

b-2) Income Tax:-

	For the Three-months period ended March 31 2026 (Unaudited)	For the three-month period ended March 31 2025 (Unaudited)
Charge during the period	1,500,653	2,225,133
Deferred tax - subsidiary	(658,666)	(634,565)
Deferred tax on undistributed dividends of the subsidiary	450,000	585,000
	<b>1,291,987</b>	<b>2,175,568</b>

c) Movement in zakat provision during the period/ year is as follows:

	31 March 2026 # (Unaudited)	31 December 2025 # (Audited)
Balance at the beginning of the period / year	6,677,249	5,275,157
Charge during the period / year	600,000	2,600,000
Paid during the period / year	(25,412)	(1,197,908)
Provision no longer Needed	(3,800,000)	-
<b>Balance at the end of the period / year</b>	<b>3,451,837</b>	<b>6,677,249</b>

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month period ended 31 March 2026

5. ZAKAT AND INCOME TAX (Continued)

d) Movement in Tax provision during the period / year is as follows:

	For the three-month period ended March 31 2026 (Unaudited)	For the year ended in December 31 2025 (Audited)
Balance at the beginning of the period / year	3,937,099	6,732,145
Charge during the period / year	1,500,653	7,432,932
Paid during the period / year	-	(7,177,699)
Foreign currency differences	(1,107,384)	(3,050,279)
Balance at the end of the period / year	<u>4,330,368</u>	<u>3,937,099</u>

e) The net deferred tax recognized in the interim condensed consolidated statement of profit or loss and other comprehensive income during the period is as follows:

	1 January 2026	Recognized in profit or loss	Foreign currency translation differences in other comprehensive income	Other adjustments	31 March 2026
Deferred tax - subsidiary (assets)	1,109,619	658,666	(175,512)	-	1,592,773
Deferred tax on undistributed dividends of the subsidiary - (liability)	(1,758,400)	(450,000)	-	1,374,279	(834,121)
Total tax giving rise to an asset / (liability)	<u>(648,781)</u>	<u>208,666</u>	<u>(175,512)</u>	<u>1,374,279</u>	<u>758,652</u>

- The amount recognized in profit or loss represents the tax expense charged to the statement of profit or loss and other comprehensive income. The amount under other adjustments represents withholding tax on actual dividend distributions during the year.

f) Zakat and tax assessment

**Zakat assessment (Halwani Brothers Company - Saudi Arabia)**

1) Zakat

- The Parent Company finalized its zakat status for the year 2024.

2) Value Added Tax

- The company's books and records were examined until 2024, and the tax due was paid.
- For the year 2025, the company pays the due from the declarations on time.
- For the year 2026, the company pays the due from the declarations on time.

**Tax assessment (Halwani Brothers Company - Egypt)**

1) Corporate taxation

- The Subsidiary was exempt from taxes according to Law No. 8 of 1997 until December 31, 2005.
- The Subsidiary's books and records were examined until 2022, and paid the accrued tax.
- The tax returns were submitted and the due taxes were paid for the years 2023 and 2024; the Subsidiary has not yet been notified of any tax audit for these years.

2) Value Added Tax

- The company's books and records were examined until 2022, and the tax due was paid.
- For the years 2023, 2024, 2025 and the first quarter of 2026, monthly tax returns are being submitted and the due taxes are paid within the legal deadlines; the company has not yet been notified of any tax examination for these years.

3) Payroll taxes

- The company's books and records were examined until 2022, and the tax due was paid.
- For the years 2023-2024-2025, the Company submits monthly tax returns, annual tax reconciliations, and pays the tax due on time in accordance with the legal deadlines, and the Company has not been notified of any examination.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month period ended 31 March 2026

5. ZAKAT AND INCOME TAX (Continued)

Tax assessment (Halwani Brothers Company - Egypt) (Continued)

4) Stamp taxes

- The Company's books and records were examined until 2022, and the tax due was paid.
- For the years 2023-2024-2025 and the first quarter of 2026, quarterly forms are submitted, and the Company pays the amounts due on time, and the Company has not been notified of any examination.

5) Deduction and addition tax

- The books and records were examined until 2022, and the tax due was paid. .
- For the years 2023-2024-2025 and the first quarter of 2026, quarterly forms are submitted, and the tax due is paid on time in accordance with the legal deadlines, and the Company has not been notified of any examination.

6) Real estate taxes

- Accounting has been completed and dues have been paid until 2021.
- There are no outstanding financial dues from the Company, and an exemption applies for the years from 2022 to 2026.

6. EARNINGS PER SHARE

Basic and diluted earnings per share (EPS) from net profit is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary outstanding shares on the date of the interim condensed consolidated statement of financial position.

The calculation of earnings per share as follows

	For the three-month period ended March 31 2026 (Unaudited)	For the three-month period ended March 31 2025 (Unaudited)
Net profit for the period attributable to shareholders of the Parent Company (ﷲ)	15,405,067	11,507,427
Weighted average number of shares during the period (per share)	35,357,145	35,357,145
Basic and diluted earnings per share (ﷲ)	0.44	0.33

There was no reduction component affecting the weighted average number of ordinary shares.

7. CASH AND CASH EQUIVALENT

	31 March 2026 ﷲ (Unaudited)	31 December 2025 ﷲ (Audited)
Cash on hand, on bank	40,526,405	13,345,534
Cheques under collections	2,079,925	2,064,479
	42,606,330	15,410,013

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month period ended 31 March 2026

8. ISLAMIC MURABAHA CONTRACTS

8.1 LONG TERM ISLAMIC MURABAHA CONTRACTS

The following is the carrying value of the Islamic Murabaha contracts as of March 31, 2026 and December 31, 2025

Rajhi Bank	31 March 2026 ﷲ (Unaudited)	31 December 2025 ﷲ (Audited)
Current portion	16,250,000	16,250,000
Non-current portion	24,375,000	28,437,500
Total Alrajhi Bank financing	<u>40,625,000</u>	<u>44,687,500</u>

The parent company signed an agreement during the year 2024 with Al Rajhi Bank to reclassify part of the existing bank facilities used to finance working capital into a medium-term financing amounting to ﷲ 65 million, based on the terms of the agreement, the financing is to be repaid in quarterly installments of ﷲ 4.06 million, with the first installment due on December 31, 2024, and the financing ending on September 30, 2028. The financing incurs financing fees (at the prevailing rate in the Saudi interbank market plus a profit margin), and the financing is secured by promissory notes issued to the bank.

National Bank of Egypt	Financing Currency	Amount in Original Currency	31 March 2026 ﷲ (Unaudited)	31 December 2025 ﷲ (Audited)
Current portion	EGP	3,150,000	216,434	247,371
Non-current portion	EGP	1,575,000	108,217	185,528
Total National Bank of Egypt financing			<u>324,651</u>	<u>432,899</u>

The subsidiary has a long-term Islamic Murabaha contract with National Bank of Egypt in the Arab Republic of Egypt to finance the environmental compliance initiative. The subsidiary pays financing costs in accordance with the initiative, and the financing matures on August 3, 2027. The financing is secured by promissory notes issued to the bank. As of March 31, 2026, the outstanding balance of this contract amounted to 0.3 million (December 31, 2025: 0.4 million).

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month period ended 31 March 2026

8. ISLAMIC MURABAHA CONTRACTS (Continued)

8.2 ISLAMIC MURABAHA CONTRACTS SHORT TERM

The carrying value of the Islamic Murabaha contracts as at 31 March 2026 and 31 December 2025 is as follows:

Finance type	Notes	Currency	Amount in original currency		Amount in Saudi Riyals	
			As at March 31, 2026 <i>(Unaudited)</i>	As at 31 March 2025 <i>(Unaudited)</i>	As at March 31, 2026 <i>(Unaudited)</i>	As at 31 December 2025 <i>(Audited)</i>
Tawaruq	A	Saudi Riyals	15,000,000	67,000,000	15,000,000	25,000,000
Tawaruq	A	Saudi Riyals	16,386,569	22,731,681	16,386,569	18,173,504
Tawaruq	A	Saudi Riyals	21,882,718	28,379,068	21,882,718	32,065,718
Murabah	B	Egyptian Pound	420,342,583	699,315,313	28,881,386	12,413,973
Murabah	B	Egyptian Pound	51,544,586	149,724,345	3,541,585	-
Murabah	B	Egyptian Pound	159,223,113	172,628,254	10,940,087	3,229,365
Murabah	B	Egyptian Pound	-	96,903,250	-	6,775,900
Murabah	B	Egyptian Pound	22,500,000	32,041,370	1,545,956	-
Murabah	B	Egyptian Pound	153,827,370	96,158,410	10,569,350	4,749,056
Murabah	B	US Dollar	1,587,783	-	5,963,514	5,324,810
Murabah	B	US Dollar	421,390	-	1,582,687	-
Murabah	B	US Dollar	409,210	-	1,536,942	-
Total facilities					<b>117,830,794</b>	<b>107,732,326</b>

- a) The parent company has a number of short-term Islamic Murabaha (Tawarruq) contracts with local banks in the Kingdom of Saudi Arabia, secured by promissory notes issued to these banks. These Murabaha contracts are settled within a period ranging from three to eight months, and the parent company pays financing costs on the financing based on the prevailing Saudi interbank market rate plus a profit margin. As of March 31, 2026, the outstanding balance of these contracts amounted to ₪ 53.3 million (December 31, 2025: ₪ 75.2 million).
- b) The subsidiary also has a number of short-term Islamic Murabaha contracts with local banks in the Arab Republic of Egypt to finance its operations, and the subsidiary pays financing costs based on the prevailing market rate. As of March 31, 2026, the outstanding balance of these contracts amounted to 64.6 million (December 31, 2025: ₪ 32.5 million).

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)  
For the three-month period ended 31 March 2026

9. RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent major shareholders, board members, and key management personnel of the Group and entities controlled or significantly influenced by such parties. The Groups' major-related parties are described as follows:

Name	Relationship
Al Baraka Bank	A party to a member of the board of directors
Halwani & Al-Tahan Company	A party to a member of the board of directors
Halwani Global Limited Company	A party to a member of the board of directors & one of the company's senior executives
Al Wasta Food Services Company	A party to a member of the board of directors
Aquat Food Industries Company	A party to a member of the board of directors
Express food Company	A party to a member of the board of directors
Dallah Taiba Hotel	A party to a member of the board of directors
Dallah Hospital	A party to a member of the board of directors
Dallah Trading Company	A party to a member of the board of directors
Affiliates of the Parent Company	Related parties
Senior Management and Key Executives	Related parties
Board of Directors Members	Related parties

The following are the main transactions relating to related parties during the three months ended March 31, 2026 and March 31, 2025, and related party balances as of March 31, 2026, and December 31, 2025:

a) Due from related parties (trade receivables and other current asstes)

	(Nature of transaction)	Transaction for the three-month period ended		As at	As at
		March 31, 2026	March 31, 2025	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Express food Company	Selling finished goods	2,211,331	2,322,043	1,657,040	1,828,703
Aquat Food Industries Company	Selling finished goods	361,289	422,017	163,618	264,536
Al Wasta Food Services Co.	Selling finished goods	228,150	305,194	171,868	48,760
Halwani Global Limited Company	Selling finished goods	6,666	15,957	1,863	6,394
Halwani & Al-Tahan Company	Selling finished goods	6,500	-	-	-
Dallah Taiba Hotel	Selling finished goods	16,155	28,689	14,170	10,304
Dallah hospital	Selling finished goods	66,994	101,371	77,043	54,374
Dallah Trading Company	Purchases	26,226	-	3,674	29,900
				<b>2,089,276</b>	<b>2,242,971</b>

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month period ended 31 March 2026

9. RELATED PARTIES TRANSACTIONS AND BALANCES (Continued)

b) Other related parties (Islamic Murabaha and current accounts):

	(Nature of transaction)	Transaction for the three-month period ended		As at	As at
		March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Albaraka Bank*	Finance charges	105	170	-	-
	Finance revenue	-	939	-	-

\*AlBaraka Bank balance is allocated as follows:

	As at March 31, 2026 (Unaudited)	As at December 31, 2025 (Audited)
Current accounts	5,374	6,097
	<u>5,374</u>	<u>6,097</u>

c) Board of directors and key management's allowances and remunerations

Compensation of key management personnel and Board of Directors recognized as an expense during the period is as follows:

	For the three-month period ended March 31 2026 (Unaudited)	For the three-month period ended March 31 2025 (Unaudited)
Salaries and other benefits	4,883,215	3,754,071
End of service benefits	85,342	78,192
Rewards and allowances for attending the meetings	1,302,424	1,540,485
	<u>6,270,981</u>	<u>5,372,748</u>

10. FAIR VALUES OF FINANCIAL INSTRUMENTS

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

The Group's financial assets consist of cash in hand and at banks, trade and other receivables and due from related parties, while its financial liabilities consist of suppliers' trade payables, Islamic Murabaha Contracts, term loans, obligations under finance leases, and due to related parties, as below:

10.1 Financial assets

	As at March 31, 2026 (Unaudited)	As at December 31, 2025 (Audited)
Trade receivables and other current assets	175,345,545	139,277,382
Cash and cash equivalent	42,606,330	15,410,013
	<u>217,951,875</u>	<u>154,687,395</u>

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month period ended 31 March 2026

10. FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

10.2 Financial liability

	<i>As at March 31, 2026 (Unaudited)</i>	<i>As at December 31, 2025 (Audited)</i>
Trade payables	61,332,710	65,291,535
Accrued expenses and other current liabilities	121,297,970	112,152,071
Islamic Murabaha Contracts	158,780,445	152,852,725
Lease liabilities	14,157,669	15,902,100
	<u>355,568,794</u>	<u>346,198,431</u>

Financial assets and liabilities were measured at amortized cost and no financial instruments or amounts of the Group were measured at fair value other than derivatives. The financial derivatives in the interim condensed consolidated financial statements have been classified within the fair values hierarchy shown below based on the lower level data that is material for the measurement of fair values as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The fair value of financial assets as at March 31, 2026, and December 31, 2025 is the carrying value due to the fact that the balances of these receivables are short-term in nature.

There were no transfers between Level 1, Level 2, and Level 3 during the period ending on March 31, 2026, and March 31, 2025, 31 December 2025.

11. CONTINGENT LIABILITIES

The commitments and contingent liabilities are as follows:

	<i>As of 31 March 2026 (Unaudited)</i>	<i>As of 31 December 2025 (Audited)</i>
Letters of guarantee and documents for collection issued by banks	<u>34,560,961</u>	<u>29,914,249</u>

12. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT

These interim condensed consolidated financial statements for the Group for the three month period ended 31 March 2026, were approved by the Board of Directors on 27/04/2026.