MIDDLE EAST PHARMACEUTICAL INDUSTRIES COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
AND
INDEPENDENT AUDITOR'S REVIEW REPORT
For the three-month and six-month periods ended 30 June 2026

INDEX	**PAGE**

ERNST & YOUNG PROFESSIONAL SERVICES (PROFESSIONAL LLC)
PAID-UP CAPITAL (⃁5,500,000 - FIVE MILLION FIVE HUNDRED THOUSAND SAUDI RIYAL)

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Independent auditor's review report on the interim condensed consolidated financial statements
To the Shareholders of Middle East Pharmaceutical Industries Company
(A Saudi Joint Stock company)

Introduction:

We have reviewed the accompanying interim condensed consolidated statement of financial position of Middle East Pharmaceutical Industries Company – A Saudi Joint Stock Company ("the Company") and its subsidiary (collectively referred to as "the Group") as at 30 June 2026, and the related interim condensed consolidated statement of profit or loss and other comprehensive income for the three-month and six-month periods ended 30 June 2026, and the related interim condensed consolidated statements of changes in equity and cash flows for the six-month period then ended, and 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 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 of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion:

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

for Ernst & Young Professional Services

Waleed G. Tawfiq
Certified Public Accountant
License No. (437)

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CR.1010383821
شركة ارنست ويونغ للخدمات المهنية
(مهنية ذات مسؤولية محدودة)
Ernst & Young Professional Services
(Professional LLC)

Riyadh: 23 Safar 1448H
(6 August 2026)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 June 2026

(All amounts in ﷼ unless otherwise stated)

	Note	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	*10*	**135,898,336**	123,365,389
Intangible assets	*11*	**73,562,625**	62,362,549
Right-of-use asset		**455,722**	552,423
Total non-current assets		**209,916,683**	186,280,361
Current assets			
Trade receivables	*7*	**295,911,457**	264,633,974
Inventories	*9*	**115,686,710**	103,525,950
Prepayments and other current assets	*8*	**23,821,892**	18,515,178
Investment in Murabaha Fund	*6*	**28,558,056**	-
Cash and cash equivalents	*5*	**15,516,564**	26,574,921
Total current assets		**479,494,679**	413,250,023
Total assets		**689,411,362**	599,530,384
EQUITY AND LIABILITIES			
Equity			
Share capital	*18*	**350,000,000**	200,000,000
Other comprehensive loss		**(13,722,138)**	(13,726,442)
Retained earnings	*18*	**109,271,100**	229,970,452
Total equity		**445,548,962**	416,244,010
Liabilities			
Non-current liabilities			
Loans and borrowings	*13*	**32,962,415**	21,409,723
Employees' defined benefit liabilities		**32,480,765**	29,688,661
Other long-term Employee benefits	*16*	**510,030**	-
Lease liability – noncurrent portion		**186,073**	164,681
Total non-current liabilities		**66,139,283**	51,263,065
Current liabilities			
Short-term loans	*12*	**71,763,619**	37,389,182
Trade payables		**57,370,016**	44,021,213
Accruals and other current liabilities	*14*	**37,789,853**	38,040,008
Loans and borrowings – current portion	*13*	**6,365,368**	4,573,527
Zakat payable	*15*	**4,223,494**	7,692,809
Lease liability – current portion		**210,767**	306,570
Total current liabilities		**177,723,117**	132,023,309
Total liabilities		**243,862,400**	183,286,374
Total equity and liabilities		**689,411,362**	599,530,384

Ahmed Al Tabbaa Chairman	**Mohamed Maher Al Ghannam** Managing Director & CEO	**Moazam Ali Shah** Chief Financial Officer

The accompanying notes 1 to 32 form an integral part of these interim condensed consolidated financial statements

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

For the three-month and six-month periods ended 30 June 2026
(All amounts in ⃁ unless otherwise stated)

	Note	For the three-month period ended 30 June		For the six-month period ended 30 June	
		2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Revenue	20	**136,484,516**	117,655,794	**266,611,173**	215,016,901
Cost of revenue	21	**(50,989,774)**	(44,023,828)	**(100,499,703)**	(81,117,540)
Gross profit		**85,494,742**	73,631,966	**166,111,470**	133,899,361
Selling and distribution expenses	22	**(34,190,379)**	(30,373,900)	**(64,721,730)**	(53,751,343)
General and administrative expenses	23	**(16,873,374)**	(14,813,230)	**(34,273,982)**	(29,304,902)
Impairment loss on trade receivables	7	**(541,349)**	-	**(2,560,058)**	-
Other income/ (expenses), net		**268,265**	(184,757)	**322,329**	(280,369)
Operating profit		**34,157,905**	28,260,079	**64,878,029**	50,562,747
Finance costs	24	**(3,341,983)**	(1,207,861)	**(4,929,888)**	(2,572,327)
Profit before zakat		**30,815,922**	27,052,218	**59,948,141**	47,990,420
Zakat expense		**(2,014,256)**	(2,241,280)	**(4,247,493)**	(3,781,201)
Profit for the period		**28,801,666**	24,810,938	**55,700,648**	44,209,219
Other comprehensive loss					
Items that will not be reclassified to profit or loss:					
Re-measurements of defined benefit liability		**(702,909)**	**(2,245,206)**	**4,304**	**(2,245,206)**
Other comprehensive (loss) gain for the period		**(702,909)**	**(2,245,206)**	**4,304**	**(2,245,206)**
Total comprehensive income for the period		**28,098,757**	**22,565,732**	**55,704,952**	**41,964,013**
Basic and diluted earnings per share	27	**0.82**	**0.71**	**1.59**	**1.26**

Ahmed Al Tabbaa	**Mohamed Maher Al Ghannam**	**Moazam Ali Shah**
Chairman	Managing Director & CEO	Chief Financial Officer

The accompanying notes 1 to 32 form an integral part of these interim condensed consolidated financial statements

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Avalon Pharma
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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

As at 30 June 2026

(All amounts in ⃁ unless otherwise stated)

	Note	Share capital	General reserve	Retained earnings	Other comprehensive loss	Total equity
Balance at 1 January 2026 (audited)		**200,000,000**	**-**	**229,970,452**	**(13,726,442)**	**416,244,010**
Profit for the period		-	-	**55,700,648**	-	**55,700,648**
Other comprehensive income		-	-	-	**4,304**	**4,304**
Total comprehensive income for the period		-	-	**55,700,648**	**4,304**	**55,704,952**
Transfer from retained earnings	*18*	**150,000,000**	-	**(150,000,000)**	-	-
Dividends	*19*	-	-	**(26,400,000)**	-	**(26,400,000)**
Balance at 30 June 2026 (unaudited)		**350,000,000**	**-**	**109,271,100**	**(13,722,138)**	**445,548,962**
Balance at 1 January 2025 (audited)		200,000,000	25,253,411	154,707,576	(11,751,592)	368,209,395
Profit for the period		-	-	44,209,219	-	44,209,219
Other comprehensive loss		-	-	-	(2,245,206)	(2,245,206)
Total comprehensive income for the period		-	-	44,209,219	(2,245,206)	41,964,013
Transfer from general reserve to retained earnings		-	(25,253,411)	25,253,411	-	-
Dividends	*19*	-	-	(25,000,000)	-	(25,000,000)
Balance at 30 June 2025 (unaudited)		200,000,000	-	199,170,206	(13,996,798)	385,173,408

Ahmed Al Tabbaa	**Mohamed Maher Al Ghannam**	**Moazam Ali Shah**
Chairman	**Managing Director & CEO**	**Chief Financial Officer**

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Avalon Pharma
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The accompanying notes 1 to 32 form an integral part of these interim condensed consolidated financial statements

MIDDLE EAST PHARMACEUTICAL INDUSTRIES COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
As at 30 June 2026
(All amounts in ﷼ unless otherwise stated)

	Note	For the six-month period ended 30 June (Unaudited) 2026	2025
Cash flows from operating activities:			
Profit before zakat		**59,948,141**	47,990,420
Adjustments to reconcile net income to net cash flows from operating activities:			
Depreciation	*10*	**6,587,162**	5,803,684
Amortization	*11*	**4,053,007**	3,774,137
Provision for employees' defined benefit liabilities		**2,606,952**	3,212,799
Provision for other long-term employee benefits		**510,030**	
Finance costs relating to borrowings	*24*	**4,929,888**	1,846,330
Provision for impairment loss on trade receivables		**2,560,058**	-
Provision for net realizable value loss on inventories, net of inventory destruction	*9*	**1,578,698**	3,162,595
Loss on disposal of intangible assets		**-**	55,435
Unrealized gain on Investment in Murabaha fund at FVTPL	*6*	**(277,556)**	-
Changes in operating assets and liabilities:			
Trade payables		**13,348,803**	25,009,348
Prepayments and other current assets		**(5,306,714)**	623,919
Trade receivables	*7*	**(33,837,541)**	(18,352,377)
Inventories		**(13,739,458)**	(7,649,901)
Accruals and other current liabilities		**(543,011)**	(4,372,591)
Cash generated from operating activities		**42,418,459**	61,103,798
Zakat paid		**(7,716,808)**	(5,905,668)
Employees' defined benefit liabilities paid		**(696,375)**	(1,958,433)
Net cash generated from operating activities		**34,005,276**	53,239,697
Cash flows from investing activities:			
Acquisition of property, plant and equipment	*10*	**(19,108,791)**	(13,309,156)
Additions to intangible assets	*11*	**(14,810,037)**	(6,814,902)
Purchase of Investment in Murabaha fund at FVTPL, net	*6*	**(28,280,500)**	-
Net cash used in investing activities		**(62,199,328)**	(20,124,058)
Cash flows from financing activities:			
Proceeds from short-term loans during the period	*12*	**71,777,924**	20,770,681
Repayments of short-term loans during the period	*12*	**(37,403,487)**	(34,792,502)
Proceeds from long-term loan during the year	*13*	**13,003,346**	13,950,000
Repayments of long-term loans during the period	*13*	**(457,272)**	(3,168,968)
Payments for lease liabilities		**(74,411)**	-
Dividends paid	*19*	**(26,400,000)**	(24,978,891)
Financing cost paid relating to Murabaha loans		**(3,310,405)**	(3,273,193)
Net cash from (used in) financing activities		**17,135,695**	(31,492,873)
Net changes in cash and cash equivalents		**(11,058,357)**	1,622,766
Cash and cash equivalents at the beginning of year		**26,574,921**	22,645,719
Cash and cash equivalents at end of the period	*5*	**15,516,564**	24,268,485

Ahmed Al Tabbaa
Chairman

Mohamed Maher Al Ghannam
Managing Director & CEO

Moazam Ali Shah
Chief Financial Officer

The accompanying notes 1 to 32 form an integral part of these interim condensed consolidated financial statements

1. REPORTING ENTITY

Middle East Pharmaceutical Industries Company ("the Company") was a Limited Liability Company incorporated in Riyadh, Kingdom of Saudi Arabia under Commercial Registration No. 1010150538 and Unified No. 7018055066 on 2 Rabi II 1419H (corresponding to 27 July 1998).

The Company applied to the Ministry of Commerce to convert the legal status of the Company from a limited liability company to a closed joint stock company, pursuant to shareholders' decision. On 21 Sha'ban 1443H (corresponding to 24 March 2022) the Ministry of Commerce approved the conversion from a limited liability company to a Saudi Closed Joint Stock Company. On 27 February 2024, the Company listed its shares in Saudi Stock Exchange ("Tadawul") and changed the legal status from "Saudi Closed Joint Stock Company" to "Saudi Joint Stock Company".

The Company's registered office is located at the following address:

8146 King Muhammad V, Sulaimaniyah,
P.O. Box 4180
Riyadh 11491
Kingdom of Saudi Arabia

The Company has ten (10) branches incorporated in the Kingdom of Saudi Arabia and one (1) branch in United Arab Emirates (UAE). The interim condensed consolidated financial statements include the results of the eleven (11) branches listed below:

Branch name	**Commercial registration number**
Middle East Pharmaceutical Industries Company Branch – Riyadh	1010274622
Middle East Pharmaceutical Industries Company Branch – Riyadh	1010560224
Middle East Pharmaceutical Industries Company Branch – Riyadh	1010728546
Middle East Pharmaceutical Industries Company Branch – Riyadh	1010653238
Factory of Middle East Pharmaceutical Industries Company – Riyadh Second Industrial City	1010394325
Middle East Distribution Branch – Riyadh	1010175025
Middle East Distribution Company Branch – Jeddah	4030278683
Middle East Distribution Company Branch – Jeddah	4030161826
Middle East Distribution Company Branch – Dammam	2050061104
Middle East Pharmaceutical Industries Company Branch – Dammam	2050168074
Middle East Pharmaceutical Industries (Listed Joint Stock Company)– Dubai, UAE Branch	100636

The Company and its subsidiaries, mentioned below, (collectively referred to as "the Group") are engaged in manufacturing medicines, medicated and non-medicated creams and gels.

The subsidiaries included in these interim condensed consolidated financial statements as of 30 June 2026 differ from those disclosed in the annual consolidated financial statements for the year ended 31 December 2025 and the interim condensed consolidated financial statements as of 30 June 2025 due to the dissolution of all UK subsidiaries during the period ended 30 June 2026 and the incorporation of Middle East Pharmaceutical Import & Export during the current period, as detailed below.

	Percentage of ownership			
Name of subsidiaries	*30 June 2026*		*30 June 2025*	
	Direct	*Indirect*	*Direct*	*Indirect*
Avalon Pharma UK Holdings Limited	-	-	100	-
Avalon Cosmetics Limited	-	-	-	100
Avalon Pharma Limited	-	-	-	100
Avalon Nutrition Limited	-	-	-	100
Middle East Pharmaceutical Import & Export.	100	-	-	-

On 27 January 2026 (corresponding to 8 Shaban 1447H) the Company's Board of Directors approved a resolution for the voluntary dissolution and winding-up of Avalon Pharma UK Holdings Limited and its subsidiaries (the "UK Company"). On 23 June 2026 (corresponding to 8 Muharram 1448H) the Avalon Pharma UK Holdings Limited and its subsidiaries (the "UK Company") were legally dissolved.

On 19 May 2026 (corresponding to 3 Dhu al-Hijjah 1447H), Middle East Pharmaceutical Import & Export, Egypt was legally incorporated and registered and became a wholly owned subsidiary of the Group, with an issued share capital of SR 151 thousand.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The interim condensed consolidated financial statements are prepared in accordance with International Accounting Standard 34 ("IAS 34") "Interim Financial Reporting" that is endorsed in KSA by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements prepared in accordance with International Financial Reporting Standards and therefore should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025.

2.2 Basis of measurement

These interim condensed consolidated financial statements have been prepared under the historical cost convention and going concern assumption, except for the following material items in the interim condensed consolidated statement of financial position.

- Employees' defined benefit liabilities which are measured using the projected unit credit method.
- Investment in a mutual fund classified as a financial asset at fair value through profit or loss ("FVTPL"), which are measured at fair value.

2.3 Functional and presentation currency

These interim condensed consolidated financial statements are presented in Saudi Riyal ⃁ (SR) which is the functional currency of the Company. All amounts rounded to the nearest Saudi Riyal.

2.4 Basis of consolidation

The Group re-assesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to the 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 financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

3. USE OF JUDGMENTS AND ESTIMATES

In preparing these interim condensed consolidated financial statements, we make estimates and judgments that affect the amounts recorded. Actual results could differ from our estimates. Our estimates and judgments are based on historical experience and other factors we consider reasonable, including expectations of future events. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates.

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

4. MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 New Standards, Amendments to Standards and Interpretations

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. *IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments)*, *Contracts Referencing Nature -dependent Electricity – Amendments to IFRS 9 and IFRS 7* and *Annual Improvements to IFRS Accounting Standards- Volume 11* apply for the first time on 1 January 2026. The Group assesses these amendments do not have material impact on the financial statements.

The standards and amendments that are issued, but not yet effective, as of 30 June 2026 are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

1 January 2027	IFRS 18 Presentation and Disclosure in Financial Statements IFRS 19 Subsidiaries without Public Accountability Disclosure IAS 21 The Effect of changes in Foreign Exchange Rates- Translation to a Hyperinflationary Presentation Currency.
Available for optional adoption / effective date deferred indefinitely	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

Expected impact of the initial application of IFRS 18 ("Presentation and Disclosure in Financial Statements")

In April 2024, the International Accounting Standards Board ("IASB") issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements and becomes effective for annual reporting periods beginning on or after 1 January 2027. The new standard introduces new requirements and updates to the statement of profit or loss, with the main objective of improving comparability in the statement of profit or loss and enhancing transparency over management-defined performance measures.

The key new concepts introduced by IFRS 18 include:

• A revised structure of the statement of profit or loss, requiring classification of income and expenses into 5 defined categories based on the entity's main business activities and presentation of mandatory subtotals;

• Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general; and

• Required disclosures in 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).

The Group is in the process of assessing the estimated impact that the initial application of IFRS 18 will have on its consolidated financial statements. Based on the assessment performed to date, IFRS 18 is expected to affect presentation and disclosure only and is not expected to change recognition or measurement of assets, liabilities, income or expenses, nor the Group's net profit or equity.

a) Structure of the Statement of Profit or Loss

The standard is expected to result in changes to the presentation of certain line items and subtotals in the statement of profit or loss namely operating, investing, financing, zakat/income tax and discontinued operations. This classification depends on the main business activities of the entity.

Based on the Group preliminary assessment and the nature of its main business activities, performed to date, the Group expects changes to the current structure of Statement of Profit or Loss to result in:

- Finance costs on short-term loans, long-term loans, lease liabilities, net interest cost on employee defined benefit obligations and similar financing arrangements are expected to be classified within the financing category.

4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.1 New Standards, Amendments to Standards and Interpretations (continued)

a) Structure of the Statement of Profit or Loss (continued)

- Foreign exchange differences will be presented within the same category as the underlying income or expense items from which they arise. Consequently, foreign exchange gains or losses related to trade receivables and trade payables are expected to be included within the operating category, whereas those arising from borrowings and other financing-related balances will be presented within the financing category
- Gains and losses on disposal of property, plant and equipment and other income will be classified under operating category. Income and expenses from assets that generate returns independently of the Group's operating activities, if material, will be classified within the investing category.
- Zakat expense will be presented separately below profit before financing and Zakat in the statement of profit or loss.

b) Aggregation and disaggregation

The new aggregation and disaggregation requirements will lead into changes to present the most useful structured summary. The Group is assessing how items are aggregated and disaggregated in the primary financial statements and the notes on the basis of similar and dissimilar characteristics.

Certain profit or loss line items description, aggregations and subtotals may change to provide useful structured summaries and disclose additional material information in the notes. The Group is performing a detailed assessment to determine the appropriate classification of items. The Group expects significant changes in this regard especially as a result of reclassifying foreign exchange gains and losses, within operating profit. The Group also expects expanded disclosure requirements relating to the aggregation and disaggregation of information.

The Group is also assessing line items currently labeled as “other” and will use more informative labels that describes the aggregated items as precisely as possible.

c) Management-defined performance measures

Management-defined performance measures (MPMs) are subtotals of income and expenses that entity uses in public communications outside the financial statements that communicate to users management's view of an aspect of the financial performance of the entity as a whole. Where applicable, these measures may require quantitative reconciliation to IFRS-defined subtotals together with expanded explanatory disclosures.
The Group is currently assessing whether performance measures communicated to investors, analysts and other stakeholders constitute MPMs within the scope of IFRS 18. Such measures currently include EBITDA, which are used by management to monitor and communicate the Group's financial performance. If these measures meet the definition of an MPM, the Group will disclose them in accordance with IFRS 18, including a reconciliation to the most directly comparable IFRS-defined subtotal and the related explanatory disclosures.

d) Consequential amendments

The Group is evaluating the consequential amendments arising from IFRS 18, including amendments to IAS 7 Statement of Cash Flows and IAS 34 Interim Financial Reporting.

The consequential amendments also provide specific guidance on the classification of interest and dividend cash flows. The Group assessment remains ongoing and further refinements to the expected impact may arise as implementation activities progress and additional industry and regulatory guidance becomes available.

5. CASH AND CASH EQUIVALENTS

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Cash on hand	**204,876**	418,360
Cash at banks – current accounts	**15,311,688**	26,156,561
Cash and cash equivalents	**15,516,564**	26,574,921

Cash on hand includes petty cash funds at period-end. The management believes that there is no need for any significant impairment loss against the carrying value of cash at bank because the bank balances are kept with banks having sound credit rating. Also, there are no deposits and restricted cash.

6. INVESTMENT IN MURABAHA FUND

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Opening balance	**-**	-
Additions	**69,280,500**	-
Redemptions	**(41,000,000)**	-
	28,280,500	-
Unrealized gain	**277,556**	-
	28,558,056	-

The investment comprises units held in a quoted mutual fund and is classified as a financial asset at fair value through profit or loss ("FVTPL"). The investment is initially recognised at fair value and subsequently remeasured to fair value at each reporting date. Changes in fair value, including realised and unrealised gains and losses, are recognised in the statement of profit or loss in the period in which they arise. The fair value of the investment is determined based on the net asset value ("NAV") published by the fund manager at the reporting date. Realized gain on redemption amounted to SR 40,851.

7. TRADE RECEIVABLES

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Trade receivables	**300,475,710**	268,221,706
Trade receivables (collection in transit) *	**9,379,070**	7,795,533
Less: Impairment loss on trade receivables	**(13,943,323)**	(11,383,265)
	295,911,457	264,633,974

* Trade receivables (collection in transit) include customer wire transfer payments that were initiated and remitted by customers on or prior to the reporting date but were received in the Company's bank accounts after the reporting date due to normal banking processing and settlement timelines. These balances represent amounts for which customers had fulfilled their payment obligations; however, the related funds had not yet been credited to the Company's bank accounts as at the reporting date.
The Company has subsequently verified that these balances were received and settled in full shortly after the reporting date.

7. TRADE RECEIVABLES (continued)

Movement in the allowance for impairment as per expected credit loss (ECL) model in respect to trade receivables is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Opening balance	**11,383,265**	10,064,577
Charge for the period/year	**2,560,058**	1,465,747
Write-off during the period/year	**-**	(147,059)
Closing balance	**13,943,323**	11,383,265

Management believes that for financial assets measured at amortized cost (cash, cash equivalents and trade receivables), the fair value approximates the carrying amount due to the short-term maturity of these instruments.

During the period, the Company transferred certain trade receivables to a financial institution under a non-recourse receivables purchase arrangement. Management applied judgment in assessing whether the transfer qualified for derecognition under IFRS 9. In making this assessment, management evaluated whether the contractual rights to receive cash flows had been transferred and whether substantially all risks and rewards associated with ownership of the receivables had passed to the purchaser. Based on the contractual terms of the arrangement, including the transfer of collection rights and the absence of recourse for ordinary customer default, management concluded that substantially all risks and rewards of ownership had been transferred. Consequently, the specific receivables were derecognized upon transfer and the related factoring costs were recognized in the interim condensed statement of profit or loss.

8. PREPAYMENTS AND OTHER CURRENT ASSETS

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Advances to suppliers	**9,425,927**	3,800,246
Due from employees	**6,984,993**	5,453,968
Prepaid insurance	**1,832,235**	3,099,890
Prepaid subscription fees	**1,344,730**	1,354,650
Prepaid employee tickets	**1,328,273**	-
VAT refundable	**1,065,893**	2,043,232
Margin deposit on letters of guarantees	**339,051**	409,559
Prepaid rent	**244,562**	572,850
Others	**1,256,228**	1,780,783
	23,821,892	18,515,178

9. INVENTORIES

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Raw materials	**48,681,885**	28,380,696
Finished products	**32,441,989**	36,864,616
Packaging materials	**31,377,658**	33,490,756
Consumable supplies	**6,904,583**	6,814,531
Spare parts inventory	**2,847,935**	2,807,429
Work-in-progress	**403,844**	560,408
	122,657,894	108,918,436
Less: Provision for Net Realizable Value (NRV)	**(6,971,184)**	(5,392,486)
Inventories, net	**115,686,710**	103,525,950

Movement in provision for NRV loss is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Opening balance	**5,392,486**	8,107,250
Add: Provision for NRV loss during the period/year	**3,611,131**	7,175,093
Less: Destruction made during the period/year	**(2,032,433)**	(9,889,857)
	1,578,698	(2,714,764)
Balance as at period/year ended	**6,971,184**	5,392,486

10. PROPERTY, PLANT AND EQUIPMENT

30 June 2026	Land	Buildings	Machineries	Furniture and office equipment	Motor vehicles	Computers	Tools	Assets under construction	Total
Cost:									
At 1 January 2026	**15,828,842**	**96,604,284**	**50,954,587**	**8,506,174**	**7,553,250**	**10,689,901**	**15,985,846**	**9,742,999**	**215,865,883**
Additions	**5,250,000**	**530,435**	**696,882**	**226,568**	**208,640**	**407,758**	**1,758,311**	**10,030,197**	**19,108,791**
Transferred to Intangible Assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(85,383)**	**(85,383)**
Disposals	**-**	**-**	**-**	**(1,685)**	**-**	**(227,430)**	**-**	**-**	**(229,115)**
Transfers	**-**	**-**	**418,663**	**-**	**-**	**162,682**	**53,489**	**(634,834)**	**-**
At 30 June 2026	**21,078,842**	**97,134,719**	**52,070,132**	**8,731,057**	**7,761,890**	**11,032,911**	**17,797,646**	**19,052,979**	**234,660,176**
Accumulated depreciation:									
At 1 January 2026	**-**	**33,335,001**	**31,484,285**	**6,294,097**	**4,923,713**	**5,735,914**	**10,727,484**	**-**	**92,500,494**
Charges for the period	**-**	**2,348,139**	**1,675,578**	**403,713**	**472,713**	**932,497**	**657,821**	**-**	**6,490,461**
Disposals	**-**	**-**	**-**	**(1,685)**	**-**	**(227,430)**	**-**	**-**	**(229,115)**
At 30 June 2026	**-**	**35,683,140**	**33,159,863**	**6,696,125**	**5,396,426**	**6,440,981**	**11,385,305**	**-**	**98,761,840**
Net book value:									
At 30 June 2026(Unaudited)	**21,078,842**	**61,451,579**	**18,910,269**	**2,034,932**	**2,365,464**	**4,591,930**	**6,412,341**	**19,052,979**	**135,898,336**

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

31 December 2025	Land	Buildings	Machineries	Furniture and office equipment	Motor vehicles	Computers	Tools	Assets under construction	Total
Cost:									
At 1 January 2025	15,828,842	96,357,495	47,859,355	7,717,075	6,760,994	7,225,747	14,722,935	4,901,704	201,374,147
Additions	-	246,789	3,043,250	677,967	1,092,256	3,464,154	1,011,814	5,255,506	14,791,736
Disposals	-	-	-	-	(300,000)	-	-	-	(300,000)
Transfers	-	-	51,982	111,132	-	-	251,097	(414,211)	-
At 31 December 2025	15,828,842	96,604,284	50,954,587	8,506,174	7,553,250	10,689,901	15,985,846	9,742,999	215,865,883
Accumulated depreciation:									
At 1 January 2025	-	28,667,128	28,398,058	5,557,808	4,299,688	4,192,211	9,494,539	-	80,609,432
Charges for the year	-	4,667,873	3,086,227	736,289	924,025	1,543,703	1,232,945	-	12,191,062
Disposals	-	-	-	-	(300,000)	-	-	-	(300,000)
At 31 December 2025	-	33,335,001	31,484,285	6,294,097	4,923,713	5,735,914	10,727,484	-	92,500,494
Net book value:									
At 31 December 2025 (Audited)	15,828,842	63,269,283	19,470,302	2,212,077	2,629,537	4,953,987	5,258,362	9,742,999	123,365,389

10.1 Depreciation has been allocated as follows:

	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2026	2025	**2026**	2025
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Cost of revenue (Note 21)	**1,932,691**	1,805,674	**3,765,093**	3,554,714
Selling and distribution expenses (Note 22)	**380,307**	364,804	**844,060**	718,276
General and administrative expenses (Note 23)*	**1,051,542**	826,524	**1,978,009**	1,530,694
	3,364,540	2,997,002	**6,587,162**	5,803,684

*Includes depreciation of Right to use Asset of SR 96,701 as of 30 June 2026 & NIL as of 30 June 2025.

10.2 Assets under construction include expansion of existing factory, machinery under commissioning process to increase the production capacity expected to be completed by Q4 2026 and construction of new factory is expected to be completed in 2027.

10.3 During the period the Group acquired land of 2,500 Sq mt for SR 5.25m for construction of warehouse and expansion of Avalon 1 facilities.

10.4 The Group’s land title deeds number 910121016951, 310112020258 and 3819430000100 are currently mortgaged to Saudi Industrial Development Fund (SIDF) as loan security (Note 13).

11. INTANGIBLE ASSETS

	Software and licenses	*Registered developed products*	*Formulation in progress (*)*	*Total*
Cost:				
1 January 2026	**10,763,065**	**46,005,266**	**38,158,784**	**94,927,115**
Additions	**345,704**	**1,008,096**	**13,813,900**	**15,167,700**
Transfer from Property, plant and equipment	**85,383**	**-**	**-**	**85,383**
Transfers	**-**	**171,450**	**(171,450)**	**-**
At 30 June 2026	**11,194,152**	**47,184,812**	**51,801,234**	**110,180,198**
Accumulated amortization:				
1 January 2026	**6,693,677**	**25,870,889**	**-**	**32,564,566**
Charge for the period	**527,201**	**3,525,806**	**-**	**4,053,007**
At 30 June 2026	**7,220,878**	**29,396,695**	**-**	**36,617,573**
Net book value:				
At 30 June 2026 (Unaudited)	**3,973,274**	**17,788,117**	**51,801,234**	**73,562,625**
Cost:				
1 January 2025	9,576,514	33,469,504	32,326,485	75,372,503
Additions	1,186,551	928,105	17,510,053	19,624,709
Write-offs during the year	-	-	(70,097)	(70,097)
Transfers	-	11,607,657	(11,607,657)	-
At 31 December 2025	10,763,065	46,005,266	38,158,784	94,927,115
Accumulated amortization:				
1 January 2025	5,739,401	19,040,735	-	24,780,136
Charge for the year	954,276	6,830,154	-	7,784,430
At 31 December 2025	6,693,677	25,870,889	-	32,564,566
Net book value:				
At 31 December 2025 (Audited)	4,069,388	20,134,377	38,158,784	62,362,549

11.1 Amortization has been allocated as follows:

	For the three-month period ended 30 June		**For the six-month period ended 30 June**	
	2026	2025	**2026**	2025
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Cost of revenue (Note 21)	**1,798,391**	1,803,668	**3,525,806**	3,317,932
Selling and distribution expenses (Note 22)	**705**	705	**1,403**	1,403
General and administrative expenses (Note 23)	**283,881**	228,657	**525,798**	454,802
	2,082,977	2,033,030	**4,053,007**	3,774,137

(*) As at 30 June 2026, borrowing costs amounting to SR 357,663 (31 December 2025: SR 387,182) were capitalised in respect of the products under formulation in progress.

12. SHORT-TERM LOANS

During the period the Group obtained additional Murabaha financing from commercial banks in the normal course of business to meet the working capital requirements. Financial charges rates on loans range between 1.25% to 2.50%+SAIBOR.

The movement of loans at end of the period is as follows:

Islamic banking facilities (Murabaha)	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Opening balance	**37,389,182**	60,088,833
Proceeds from loans	**71,777,924**	42,389,183
Repayments	**(37,403,487)**	(65,088,834)
	71,763,619	37,389,182

13. LOANS AND BORROWINGS

The Group obtained long-term financing from Saudi Industrial Development Fund (SIDF) and a commercial bank at agreed commercial rates.

In July 2025, the Group obtained a long-term loan facility from a commercial bank amounting SR 3,823,511. The loan is repayable in quarterly instalments and carries an effective interest rate of SIBOR + 1.5% payable in twenty equal instalments beginning 22 October 2025.

On 2 January 2024, the Management Credit Committee of SIDF approved a post financing facility amounting to SR 30,000,000 in relation to the Group's Manufacturing Plants No. 2 & 3, and its Central Warehouse. To compensate the Fund for the expenses associated with evaluating and presenting the Group's loan application, SR 2,100,000 will be deducted on a pro-rata basis from the full loan amount plus follow-up charges as billed by SIDF. The semi-annual follow-up fees shall not exceed the amount of SR 300,000 semi-annually, and in all cases the total of these costs will not exceed the amount of SR 3,840,000 throughout the course of this agreement. On 28 April 2025, SR 15,000,000 from the facility amount was received. On 18 August 2025, an additional SR 9,000,000 was received. As of the end of the period, out of the SR 30,000,000 approved loans, the Group has received SR 24,000,000, equivalent to 80% of the approved loan. From this amount, SR 1,680,000 was deducted as deferred financial charges (upfront fees). This loan carries an effective interest rate of 3.13%-5.49%.

On 4 January 2026, the Group obtained a new long-term loan facility from a commercial bank amounting to SR 1,498,431. The loan is repayable in quarterly instalments and carries an effective interest rate of SIBOR + 1.5% payable in twenty equal instalments beginning 2 April 2026.

On 19 February 2026, the Group obtained a new long-term loan facility from a commercial bank amounting to SR 5,000,000. The loan is repayable in quarterly instalments and carries an effective interest rate of SIBOR + 1.5% payable in 12 equal instalments from 9 May 2028.

On 30 April 2026, the Group obtained two new long-term loan facilities from a commercial bank amounting to SR 4,298,208 and SR 2,206,707, both carrying an effective interest rate of SIBOR + 1.5%. The loans are repayable in quarterly instalments payable in twenty equal instalments beginning 10 July 2026 and 29 July 2026, respectively.

The Group's outstanding loan balance at the end of the period is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Opening balance	**25,983,250**	3,168,968
Proceeds from loans	**13,003,346**	26,143,488
Repayment of commercial bank loan	**(457,272)**	(3,360,143)
	38,529,324	25,952,313
Amortized deferred financial charges	**798,459**	30,937
	39,327,783	25,983,250

Based on the loan repayment schedules, the outstanding balances as at period end are as follows:

Current portion	**6,365,368**	4,573,527
Non-current portion	**32,962,415**	21,409,723
	39,327,783	25,983,250

14. ACCRUALS AND OTHER CURRENT LIABILITIES

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Salaries and related benefits	**13,242,832**	17,532,522
Provision for sales return	**12,838,793**	10,429,876
Board and committee members remuneration	**1,675,000**	2,700,000
Professional fees	**1,383,968**	825,074
Due to employees	**1,358,755**	517,837
Finance cost accrued	**1,343,396**	1,071,931
Customers advanced payments	**1,310,103**	640,758
Marketing and advertising	**1,036,872**	2,733,545
Transit Insurance	**972,000**	571,000
Others	**2,628,134**	1,017,465
	37,789,853	38,040,008

15. ZAKAT PAYABLE

Zakat returns have been submitted to the Zakat, Tax and Customs Authority ("ZATCA") for the years up to 31 December 2025, and the liability has been settled. ZATCA has issued the final assessment up to the year ended 31 December 2024, and the Company has paid all the amounts based on the final assessment.

16. OTHER LONG-TERM EMPLOYEE BENEFITS

During the period, the Board of Directors approved a cash-based Long-Term Incentive Plan ("LTIP") for certain executives of the Group, effective from 1 January 2026. The LTIP comprises three separate performance cycles, each covering a three-year performance and vesting period. The cycles commence on 1 January 2026 and conclude on 31 December 2028, 31 December 2029, and 31 December 2030, respectively. Vesting of awards under each cycle is subject to the achievement of specified performance conditions including financial and non-financial key performance indicators (KPIs) and the continued employment of participants on the vesting date.

Long-term incentive plan (LTIP) costs are recognised over the vesting period as employee benefit expenses within general and administrative expenses with a corresponding liability recognised based on an actuarial valuation. As at 30 June 2026, the Group recognised an LTIP liability amounting to SR 510,030.

17. RELATED PARTIES TRANSACTIONS

Related parties include subsidiary companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Transactions with related parties carried out during the period/year, in the normal course of business, are approved by the Board. The transactions and balances with related parties are as follows:

17.1 Compensation and benefits to key managements personnel:

	For the three-month period ended		**For the six-month period ended**	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited)
Short-term employee benefits	**4,371,343**	3,857,395	**8,629,768**	7,578,139
Board and other committee members remuneration	**837,500**	1,059,500	**1,675,000**	1,687,000
Employees defined benefits obligations	**161,546**	874,754	**644,518**	1,162,970
Other long term employee benefits (Note 16)	**256,328**	-	**506,960**	-
Total compensation and benefits to key managements personnel	**5,626,717**	5,791,649	**11,456,246**	10,428,109

18. SHARE CAPITAL

	No. of shares	**Par value**	**Total value**
30 June 2026	**35,000,000**	**10**	**350,000,000**
31 December 2025	20,000,000	10	200,000,000

On 29 January 2026 (corresponding to 10 Sha'ban 1447H), the Board of Directors announced its recommendation to the Extraordinary General Assembly to increase the Company's capital from SR 200 million (20 million shares) to SR 350 million (35 million shares) through a bonus share issuance at a ratio of 3 shares for every 4 shares held. The proposed increase was to be effected through the capitalization of SR 150 million from the Company's retained earnings balance.

On 11 May 2026 (corresponding to 24 Dhu al-Qadah 1447H), the Extraordinary General Assembly approved the recommended capital increase. Accordingly, the Company completed the capitalization of SR 150 million from retained earnings through the issuance of 15 million bonus shares to existing shareholders. As of the date of these financial statements, the amendment of the Company's Commercial Registration to reflect the increase in share capital remains under process with the relevant regulatory authorities.

19. DIVIDENDS

On 8 March 2026 (corresponding to 19 Ramadan 1447H) the Company's Board of Directors approved the distribution of interim cash dividends for the second half of 2025 amounting to SR 26.4 million (SR 1.32 per share) to eligible shareholders as of 29 March 2026.

On 10 April 2025 (corresponding to 12 Shawwal 1446H), the Company's Board of Directors approved to distribute cash dividend for the second half of 2024 to the Company's shareholders amounting to SR 25 million (SR 1.25 per share) to eligible shareholders as at 1 May 2025.

20. REVENUE

The breakdown of revenue by **customer type** is as follows:

	For the three-month period ended		**For the six-month period ended**	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited)
Revenue from:				
Private customers	**99,783,686**	78,232,188	**191,686,724**	144,509,457
Public customers	**18,737,934**	23,368,854	**52,331,393**	49,500,143
Export customers	**17,962,896**	16,054,752	**22,593,056**	21,007,301
	136,484,516	117,655,794	**266,611,173**	215,016,901

Revenue is recognised at a point in time at which the performance obligation is satisfied.
The table below represents the segregation of revenue by **geographical market.**

	For the three-month period ended		**For the six-month period ended**	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited)
Revenue from:				
Kingdom of Saudi Arabia	**118,521,620**	101,601,042	**244,018,117**	194,009,600
UAE	**4,976,581**	3,009,999	**7,580,350**	4,218,036
Kuwait	**5,187,926**	2,431,665	**5,766,550**	4,024,948
Iraq	**2,506,829**	3,734,659	**3,319,587**	3,734,659
Oman	**1,593,228**	1,083,386	**1,593,228**	1,828,405
Qatar	**1,086,033**	27,520	**1,440,854**	235,766
Yemen	**1,182,594**	1,288,068	**1,182,594**	1,349,937
Other export market	**1,429,705**	4,479,455	**1,709,893**	5,615,550
	136,484,516	117,655,794	**266,611,173**	215,016,901

21. COST OF REVENUE

	For the three-month period ended		For the six-month period ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)	**30 June 2026** (Unaudited)	30 June 2025 (Unaudited)
Beginning inventory finished goods	**28,181,812**	40,234,733	**36,864,616**	39,200,968
Add: Direct purchases	**3,391,245**	2,062,606	**4,662,064**	2,062,606
Add: Cost of goods manufactured:				
Packing materials cost	**15,699,479**	13,076,724	**28,538,669**	24,250,944
Raw materials cost	**14,426,934**	14,504,843	**27,053,365**	24,897,669
Less: Ending inventory finished goods	**(32,441,989)**	(40,585,416)	**(32,441,989)**	(40,585,416)
Cost of inventory consumed during the period	**29,257,481**	29,293,490	**64,676,725**	49,826,771
Indirect labor	**7,993,299**	5,533,696	**14,689,643**	11,387,561
Direct labor	**4,011,934**	2,776,168	**6,814,231**	5,701,783
Depreciation (Note 10.1)	**1,932,692**	1,805,674	**3,765,093**	3,554,714
Amortization (Note 11.1)	**1,798,391**	1,803,668	**3,525,806**	3,317,932
Other Overheads	**5,995,977**	2,811,132	**7,028,205**	7,328,779
	50,989,774	44,023,828	**100,499,703**	81,117,540

22. SELLING AND DISTRIBUTION EXPENSES

	For the three-month period ended		For the six-month period ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited)
Salaries and other related benefits	**17,098,950**	13,926,039	**29,046,537**	23,514,645
Marketing and advertising expenses	**6,745,774**	6,772,327	**13,020,590**	11,410,748
Housing and accommodation expenses	**3,108,129**	2,691,763	**6,146,797**	5,179,168
Freight	**1,347,870**	1,635,596	**3,234,091**	3,535,223
Travelling expenses	**990,475**	1,097,769	**2,419,649**	1,877,402
Employees’ vacation expenses	**638,776**	290,783	**2,132,821**	687,408
Employees' transportation allowance	**936,564**	847,807	**1,862,448**	1,878,671
Employees' GOSI expenses	**657,229**	543,646	**1,300,109**	1,040,927
Employees' medical insurance	**685,296**	554,173	**1,282,506**	1,143,413
Depreciation (Note 10.1)	**380,307**	364,804	**844,060**	718,276
Employees' visa and iqama expenses	**185,543**	162,630	**486,659**	519,974
Legal and government fees	**64,108**	228,690	**209,740**	406,038
Amortization (Note 11.1)	**705**	705	**1,403**	1,403
Others	**1,350,653**	1,257,168	**2,734,320**	1,838,047
	34,190,379	30,373,900	**64,721,730**	53,751,343

23. GENERAL AND ADMINISTRATIVE EXPENSES

	For the three-month period ended		For the six-month period ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited)
Salaries and other related benefits	**6,608,724**	5,004,662	**13,181,482**	9,818,535
Professional fees	**1,485,306**	1,294,634	**3,539,609**	2,840,287
Housing and accommodation expenses	**1,498,674**	1,233,569	**2,944,478**	2,402,331
Communication expenses	**1,012,618**	896,618	**2,273,066**	2,363,793
Depreciation (Note 10.1)	**1,051,542**	826,524	**1,978,009**	1,530,694
Board and committee members remuneration	**837,500**	1,059,500	**1,675,000**	1,687,000
Office expenses	**526,127**	582,110	**877,536**	1,004,674
Employees' transportation allowance	**441,189**	352,912	**868,209**	695,431
Employees' medical insurance	**386,955**	440,801	**743,296**	755,798
Employee GOSI expenses	**355,533**	298,761	**704,759**	582,723
Legal and government fees	**460,484**	605,245	**663,869**	1,190,645
Repairs and maintenance	**367,222**	291,064	**634,094**	464,639
Amortization (Note 11.1)	**283,881**	228,657	**525,798**	454,802
Travelling expenses	**168,985**	435,392	**428,039**	850,435
Others	**1,388,634**	1,262,781	**3,236,738**	2,663,115
	16,873,374	14,813,230	**34,273,982**	29,304,902

24. FINANCE COSTS

	For the three-month period ended		For the six-month period ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited)
Finance cost related to borrowings	**2,859,239**	731,864	**4,022,666**	1,846,330
Net interest cost: Employees' defined benefits obligations	**461,353**	475,997	**885,831**	725,997
Lease Interest	**21,391**	-	**21,391**	-
	3,341,983	1,207,861	**4,929,888**	2,572,327

25. CONTINGENCIES

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Letters of credits	**2,586,360**	11,682,662
Letters of guarantees	**18,733,879**	12,876,128
	21,320,239	24,558,790

26. SEGMENT DISCLOSURE

The following table presents information for the Group's operating segments for the period ended 30 June 2026 and 30 June 2025, respectively.

30 June 2026 (Unaudited)	**Private customers**	**Public customers**	**Export customers**	**Total**
Revenue	**191,686,724**	**52,331,393**	**22,593,056**	**266,611,173**
Cost of revenue	**(59,677,698)**	**(29,266,173)**	**(11,555,832)**	**(100,499,703)**
Gross profit	**132,009,026**	**23,065,220**	**11,037,224**	**166,111,470**
Unallocated expenses				
Selling and distribution expenses				**(64,721,730)**
General and administrative expenses				**(34,273,982)**
Impairment loss on trade receivables				**(2,560,058)**
Other income, net				**322,329**
Finance costs				**(4,929,888)**
Profit before zakat				**59,948,141**
Zakat expense				**(4,247,493)**
Profit for the period				**55,700,648**

30 June 2025 (Unaudited)	Private customers	Public customers	Export customers	*Total*
Revenue	144,509,457	49,500,143	21,007,301	215,016,901
Cost of revenue	(40,504,328)	(30,058,268)	(10,554,944)	(81,117,540)
Gross profit	104,005,129	19,441,875	10,452,357	133,899,361
Unallocated expenses				
Selling and distribution expenses				(53,751,343)
General and administrative expenses				(29,304,902)
Other expense, net				(280,369)
Finance costs				(2,572,327)
Profit before zakat				47,990,420
Zakat expense				(3,781,201)
Profit for the period				44,209,219

27. EARNINGS PER SHARE

Basic and diluted earnings per share are based on the net profit for the periods ended 30 June 2026 and 30 June 2025 divided by weighted average number of shares.

	For the three-month period ended		**For the six-month period ended**	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)	**30 June 2026 (Unaudited)**	30 June 2025 (Unaudited)
Profit for the period	**28,801,666**	24,810,938	**55,700,648**	44,209,219
Weighted average number of shares outstanding during the period	**35,000,000**	35,000,000	**35,000,000**	35,000,000
Basic and diluted earnings per share	**0.82**	0.71	**1.59**	1.26

The basic and diluted earnings per share is calculated by dividing the profit of the period for ordinary shareholders of the company by the weighted average number of ordinary shares in place during the period. The calculation of the basic and diluted earnings per share for the three-month and six-month periods ended 30 June 2026 and 30 June 2025 was restated retrospectively based on the number of shares issued after the increase of the Company's capital shares to 35,000,000 (note 18).

28. FAIR VALUE MEASUREMENT

The Group measures its financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset for the asset or liability or the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement 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 following table provides the fair value measurement hierarchy of the Group's financial assets as at 30 June 2026 and 31 December 2025.

		Fair value measurement using		
	Total	***Quoted prices in active markets (Level 1)***	***Significant observable inputs (Level 2)***	***Significant unobservable inputs (Level 3)***
As at 30 June 2026				
Financial instrument measured at fair value				
Investment in Murabaha Fund	**28,558,056**	**28,558,056**	-	**-**
As at 31 December 2025				
Financial instrument measured at fair value				
Investment in Murabaha Fund	-	-	-	-

29. RECENT GEOPOLITICAL DEVELOPMENT IN THE MIDDLE EAST

The Group continues to monitor the regional geopolitical developments and their potential impact on the region. While the situation remains evolving, the Group maintains a robust operational framework to manage associated risks. These developments have not had a material impact on Group's interim condensed consolidated financial statements for the six-months period ended 30 June 2026; however, given the evolving nature of the tension, the potential long-term impact on the Group’s business will continue to be monitored and assessed by management.

30. COMPARATIVE AMOUNTS

Certain comparative figures related to Cash in transit and Trade receivables have been reclassified to conform with the presentation in the current year. These reclassifications have no impact on net profit, total assets, total liabilities, equity, or net cash flows. The effect of these reclassifications on the comparative figures for the year ended 31 December 2025 is summarized below:

	As previously reported	*Reclassification*	*As reported currently*
31 December 2025			
Cash, cash equivalents and cash in transit	7,795,533	(7,795,533)	-
Trade receivables	-	7,795,533	7,795,533

31. EVENTS AFTER THE REPORTING DATE

There have been no significant subsequent events since the reporting date that would have a material impact on these interim condensed consolidated financial statements.

32. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved by the Board of Directors for issuance on 22 Safar 1448H corresponding to 5 August 2026.