

Zahrat Al Waha For Trading Company

(A Saudi Joint Stock Company)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

AND INDEPENDENT AUDITOR'S REVIEW REPORT

For the three-month and nine-month periods ended 30 September 2025

Zahrat Al Waha For Trading Company
(A Saudi Joint Stock Company)
Interim Condensed Financial Statements
and Independent Auditor's Review Report
For the three-month and nine-month periods ended 30 September 2025

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KPMG Professional Services Company

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P.O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية

واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent auditor's report on review of interim condensed financial statements

To the Shareholders of Zahrat Al Waha Trading Company (A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying 30 September 2025 interim condensed financial statements, of Zahrat Al Waha Trading Company ("the Company"), which comprise:

- the condensed statement of financial position as at 30 September, 2025;
- the condensed statement of profit or loss and other comprehensive income for the three month and nine month periods ended 30 September, 2025;
- the condensed statement of changes in equity for the nine month period ended 30 September, 2025;
- the condensed statement of cash flows for the nine month period ended 30 September, 2025; and
- the notes to the interim condensed financial statements.

Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

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

Independent auditor's report on review of interim condensed financial statements (Continued)

To the Shareholders of Zahrat Al Waha Trading Company (A Saudi Joint Stock Company)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2025 interim condensed financial statements, of Zahrat Al Waha Trading Company are not prepared, in all material respects, in accordance with (IAS) 34, Interim Financial Reporting, as endorsed in the Kingdom of Saudi Arabia.

Other matter

The condensed financial statements for the three month and nine month periods ended 30 September 2024, and the three month period ended 31 March 2025, respectively, were reviewed by another auditor, who expressed an unmodified conclusion on those interim condensed statements on 25 Rabi Al Thani 1446H (corresponding to 28 October 2024) and 7 Dhul Qidah 1446H (corresponding to 5 May 2025) respectively in addition to that, The financial statements for the year ended 31 December 2024 were also audited by the same auditor, who expressed an unmodified opinion on those statements on 19 Ramadan 1446H (corresponding to 19 March 2025).

For KPMG Professional Services Company

Dr. Abdullah Hamad Al Fozan
License No: 348

Riyadh on 29 October 2025

Corresponding to: 7 Jumada al-Awal 1447H



Zahrat Al Waha For Trading Company
(A Saudi Joint Stock Company)
CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As of 30 September 2025

All amounts are stated in Saudi Riyals (ﷲ) unless otherwise indicated

	<i>Notes</i>	30 September 2025 (Unaudited)	31 December 2024 (Audited)
<u>ASSETS</u>			
Non-current assets			
Property, plant and equipment, net	5	202,035,457	213,631,458
Investment properties	6	1,674,000	1,674,000
Intangible assets, net		3,118,121	3,255,419
Total non-current assets		206,827,578	218,560,877
Current assets			
Inventories	7	113,726,132	134,096,525
Investments at fair value through profit or loss (FVTPL)	8	23,383,228	23,665,685
Trade receivables	9	178,281,861	164,076,424
Prepayments and other receivables		5,307,674	17,369,683
Cash and cash equivalents		5,798,302	5,365,322
Total current assets		326,497,197	344,573,639
Total Assets		533,324,775	563,134,516
<u>EQUITY AND LIABILITIES</u>			
EQUITY			
Share capital		225,000,000	225,000,000
Statutory reserve		30,498,741	30,498,741
Retained earnings		29,870,036	41,864,703
Other reserves		511,967	501,564
Total equity		285,880,744	297,865,008
Non-current Liabilities			
Long-term loans	10	3,510,000	5,850,000
Employees' end-of-service benefits		3,545,282	3,169,843
Total non-current liabilities		7,055,282	9,019,843
Current liabilities			
Short-term loans	10	200,816,172	196,294,717
Long-term loans – current portion	10	2,340,000	22,180,405
Trade payables		27,020,818	28,203,047
Accrued expenses and other payables		8,751,555	7,662,980
Zakat Provision		1,297,550	1,745,862
Dividend payables		162,654	162,654
Total current liabilities		240,388,749	256,249,665
Total liabilities		247,444,031	265,269,508
Total equity and liabilities		533,324,775	563,134,516

The accompanying notes from page (5) to (17) form an integral part of these interim condensed financial statements, which were approved for issuance by the Board of Directors and have been authorized by.

Chairman
Ahmed Hammoud Altheyab

Chief Executive Officer
George Abdulkarim
Moussa

Chief Financial Officer
Mahmoud Mohamad Zaky

Zahrat Al Waha For Trading Company
(A Saudi Joint Stock Company)
CONDENSED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 September 2025
All amounts are stated in Saudi Riyals (ﷲ) unless otherwise indicated

		For the three months ended		For the nine months ended	
		30 September	30 September	30 September	30 September
		2025	2024	2025	2024
	Notes	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Sales	14	121,851,436	146,451,434	379,349,735	428,917,936
Cost of sales	14	(105,202,708)	(130,817,121)	(345,142,369)	(384,906,354)
Gross profit		16,648,728	15,634,313	34,207,366	44,011,582
(Deduct) / Add					
Selling and distribution expenses		(4,155,123)	(4,156,086)	(13,318,506)	(11,998,866)
General and administrative expenses		(2,264,734)	(2,218,544)	(6,911,492)	(7,018,460)
Impairment of trade Receivables	9	919,536	--	(2,040,167)	(3,158,713)
Other income		71,204	420,910	147,893	742,959
Operating profit		11,219,611	9,680,593	12,085,094	22,578,502
Net changes in investments at fair value through profit or loss	8	(457,396)	1,181,530	(817,319)	3,518,588
Finance costs		(4,186,850)	(5,087,946)	(11,802,645)	(14,778,350)
(Loss) / Profit before Zakat		6,575,365	5,774,177	(534,870)	11,318,740
Zakat		(561,824)	(1,716,996)	(1,334,797)	(5,095,443)
(Loss) / Profit for the period		6,013,541	4,057,181	(1,869,667)	6,223,297
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Remeasurements of employees' end-of-service benefits		(76,636)	(268,066)	10,403	(131,681)
Total other comprehensive income / (Loss)		(76,636)	(268,066)	10,403	(131,681)
Total comprehensive (Loss) / income		5,936,905	3,789,115	(1,859,264)	6,091,616
Basic and diluted (Loss) / earnings per share (ﷲ)	12	0.27	0.18	(0.08)	0.28

The accompanying notes from page (5) to (17) form an integral part of these interim condensed financial statements, which were approved for issuance by the Board of Directors and have been authorized by.


Chairman
Ahmed Hammoud Altheyab


Chief Executive Officer
George Abdulkarim
Moussa


Chief Financial Officer
Mahmoud Mohamad Zaky

Zahrat Al Waha For Trading Company
(A saudi joint stock company)
CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the nine-month period ended 30 September 2025
All amounts are stated in Saudi Riyals (ﷲ) unless otherwise indicated

	Share capital	Statutory reserve	Retained earnings	Other reserves	Total
For the nine months ended 30 September 2024					
Balance as at 1 January 2024 (Audited)	225,000,000	29,291,002	61,370,049	434,347	316,095,398
Profit for the period	--	--	6,223,297	--	6,223,297
Other comprehensive Loss for the period	--	--	--	(131,681)	(131,681)
Total comprehensive income for the period	--	--	6,223,297	(131,681)	6,091,616
Cash Dividends (Note 11)	--	--	(30,375,000)	--	(30,375,000)
Balance as at 30 September 2024 (Unaudited)	<u>225,000,000</u>	<u>29,291,002</u>	<u>37,218,346</u>	<u>302,666</u>	<u>291,812,014</u>
For the nine months ended 30 September 2025					
Balance as at 1 January 2025 (Audited)	225,000,000	30,498,741	41,864,703	501,564	297,865,008
Loss for the period	--	--	(1,869,667)	--	(1,869,667)
Other comprehensive income for the period	--	--	--	10,403	10,403
Total comprehensive Loss for the period	--	--	(1,869,667)	10,403	(1,859,264)
Cash Dividends (Note 11)	--	--	(10,125,000)	--	(10,125,000)
Balance as at 30 September 2025 (Unaudited)	<u>225,000,000</u>	<u>30,498,741</u>	<u>29,870,036</u>	<u>511,967</u>	<u>285,880,744</u>

The accompanying notes from page (5) to (17) form an integral part of these interim condensed financial statements, which were approved for issuance by the Board of Directors and have been authorized by.



Chairman

Ahmed Hammoud Altheyab



Chief Executive Officer

George Abdulkarim Moussa



Chief Financial Officer

Mahmoud Mohamad Zaky

Zahrat Al Waha For Trading Company
(A Saudi Joint Stock Company)
CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)
For the nine-month period ended 30 September 2025
All amounts are stated in Saudi Riyals (ﷲ) unless otherwise indicated

	<i>Notes</i>	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / Profit before zakat		(534,870)	11,318,740
Adjustments for:			
Depreciation and amortization		24,371,526	22,931,430
Net changes in investments at fair value through profit or loss	8	991,348	(3,376,737)
Employees' end-of-service benefits		540,124	436,115
Finance costs		11,802,645	14,778,350
Impairment of trade receivables	9	2,040,167	3,158,713
Changes in:			
Inventories		20,370,393	5,728,898
Trade receivables		(16,245,604)	(31,357,448)
Prepayments and other receivables		12,062,009	36,197,063
Trade payables		(1,182,229)	30,202,090
Purchase of investments at fair value through profit or loss		(5,124,252)	(15,636,751)
Proceeds from the sale of investments at fair value through profit or loss		4,415,361	16,362,053
Accrued expenses and other payables		1,088,575	1,623,203
Employees' benefits Paid		(154,282)	(39,033)
Cash generated from operating activities		54,440,911	92,326,686
Finance costs paid	10	(349,595)	(1,517,531)
Zakat paid		(1,783,109)	(8,594,683)
Net cash flow generated from operating activities		52,308,207	82,214,472
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant, and equipment additions		(12,638,227)	(9,553,345)
Net cash flow used in investing activities		(12,638,227)	(9,553,345)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans	10	358,173,309	415,218,908
Repayments of loans	10	(387,285,309)	(457,496,016)
Dividends paid	11	(10,125,000)	(30,375,000)
Net cash used in financing activities		(39,237,000)	(72,652,108)
Net change in cash and cash equivalents		432,980	9,019
Cash and cash equivalents at the beginning of the period		5,365,322	6,793,011
Cash and cash equivalents at the end of the period		5,798,302	6,802,030

The accompanying notes from page (5) to (17) form an integral part of these interim condensed financial statements, which were approved for issuance by the Board of Directors and have been authorized by.


Chairman
Ahmed Hammoud Altheyab


Chief Executive Officer
George Abdulkarim Moussa


Chief Financial Officer
Mahmoud Mohamad Zaky

Zahrat Al Waha For Trading Company
(A Saudi Joint Stock Company)
NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the nine-month period ended 30 September 2025
All amounts are in (ﷲ) unless otherwise stated

1- REPORTING ENTITY

Zahrat Al Waha For Trading Company ("the Company") is a Saudi Joint Stock Company established under the Regulations for Companies in the Kingdom of Saudi Arabia on 10 Sha'aban 1424H (corresponding to 6 October 2003). The Company was converted from a sole proprietorship to a Limited Liability Company with a capital of (ﷲ) 50 million on 27 Safar 1437H (corresponding to 9 December 2015). In addition, it was converted from a Limited Liability Company to a Saudi Closed Joint Stock Company with a capital of (ﷲ) 80 million on 3 Rabi' II 1438H (corresponding to 1 January 2017). It was converted from a Saudi Closed Joint Stock Company to a Saudi Joint Stock Company with a capital of (ﷲ) 150 million on 26 Dhul-Hijjah 1438H, corresponding to 17 September 2017.

The Extraordinary general assembly meeting held on 9 May 2022 (corresponding to 8 shawwal 1443 H) approved the increase the company's capital from (ﷲ) 150 million to be (ﷲ) 225 million divided into 22.5 million ordinary shares with a nominal value of (ﷲ) 10 per share by granting free shares to the company's shareholders as a transfer from the retained earnings.

The Company operates under Commercial Registration No. 1010190390 and unified number 7009395554 issued in Riyadh on 10 Sha'aban 1424H (corresponding to 6 October 2003) in the Kingdom of Saudi Arabia.

The Saudi Capital Market Authority approved the listing of the Company in the Saudi Stock Exchange (Tadawul) on 26 Dhul-Hijjah 1438H (corresponding to 17 September 2017). Formal procedures to amend the Company's bylaws to convert it from a Saudi Closed Joint Stock Company into a Saudi Joint Stock Company were completed on 12 Rabi I 1439H (corresponding to 30 November 2017).

The principal activities of the Company include the manufacture of semi-finished products from plastics, the manufacture of cans and boxes from plastics, the manufacture of bottles of various forms from plastics, packaging & printing material, the manufacture of products from plastics using the Roto mold method, under the industrial license No. 421102107495 dated 28 Safar 1442H (corresponding to 15 October 2020).

The Company carries out its activities through its branch in Al-Kharj under Commercial Registration No. 1011014061 issued in Riyadh on 22 Jumada II 1431H (corresponding to 4 June 2010).

The Company's registered head office is in the following address:

Zahrat Al Waha For Trading Company
7449 Al Ihsa Street, Al Rabwa
P.O. Box 2980, Riyadh 12814
Kingdom of Saudi Arabia.

Zahrat Al Waha For Trading Company
(A Saudi Joint Stock Company)
NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the nine-month period ended 30 September 2025
All amounts are in (ﷲ) unless otherwise stated

2- BASIS OF PREPARATION

2-1 Statement of compliance

These interim condensed Financial Statements have been prepared in accordance with IAS 34 that is endorsed in Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA) and should be read in conjunction with the Company's financial statements for the year ended 31 December 2024 ("last annual financial statements"). These financial statements do not include all the required information to prepare a full set of financial statements in accordance with International Financial Reporting Standards "IFRS" as endorsed by SOCPA in the Kingdom of Saudi Arabia. However, certain accounting policies and selected explanatory notes are included in explaining events and transactions that are significant during the period for understanding of the changes in the Company's financial position and performance since the previous year's financial statements. Further, the results for the nine-month period ended 30 September 2025 are not necessarily indicative of the results that may be expected for the year ending 31 December 2025.

2-2 Statement of preparation

These interim condensed financial statements have been prepared on a going concern basis and according to historical cost principle except for the employee defined benefit liabilities, which is measured at the present value of future obligations using the Projected Unit Credit Method and investments at fair value through profit or loss, which are measured at fair value.

2-3 Functional and presentation currency

These interim condensed financial statements are prepared in Saudi Riyals (ﷲ) which is Company's functional and presentation currency.

3- USE OF ESTIMATES, ASSUMPTIONS AND SIGNIFICANT JUDGMENTS

In preparing these interim condensed financial statements, management has made judgments, estimates, and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements for the year ended 31 December 2024.

4- MATERIAL ACCOUNTING POLICIES

The accounting policies used when preparing these interim condensed financial statements are in line with what is stated in the notes to the financial statements of the Company for the year ended 31 December 2024.

The principal accounting policies have been consistently applied to all periods presented in these interim condensed financial statements.

4-1 New Standards, Amendment to Standards and Interpretations

New standards and a set of amendments to existing standards became effective on 1 January 2025. However, they do not have a material impact on the Company's interim condensed financial statements.

Currently effective requirements: This table lists the recent changes to the standards that are required to be applied for an annual period beginning after 1 January 2025.

Zahrat Al Waha For Trading Company
(A Saudi Joint Stock Company)
NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the nine-month period ended 30 September 2025
All amounts are in (ﷲ) unless otherwise stated

4- MATERIAL ACCOUNTING POLICIES (CONTINUED)

4-1 New Standards, Amendment to Standards and Interpretations (Continued)

<u>Standards</u>	<u>Title</u>	<u>Effective date</u>
IAS 21	Lack of Exchangeability	1 January 2025
IFRS S1*	General requirement for disclosure of sustainability-related financial information	1 January 2025
IFRS S2*	Climate related disclosure	1 January 2025

*Subject to endorsement of the standards by SOCPA.

New requirements: The standards, interpretations and amendments issued, but not yet effective up to the date of issuance of the interim condensed financial statements, are disclosed below. The Company is currently assessing the implications on the interim condensed financial statements on adoption. The Company intends to adopt these standards, where applicable, when they become effective.

<u>Standards</u>	<u>Title</u>	<u>Effective date</u>
IFRS 9 & IFRS 7	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to IFRS Accounting Standards – Amendments to:	IFRS 1 First-time Adoption of International Financial Reporting Standards. IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7. IFRS 9 Financial Instruments. IFRS 10 Consolidated Financial Statements; and IAS 7 statement of cashflows	1 January 2026
IFRS 18	Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without public accountability: Disclosure	1 January 2027

5- PROPERTY, PLANT AND EQUIPMENT

The total cost of property, plant and equipment as of 30 September 2025, amounted to (ﷲ) 484.3 million. (31 December 2024:(ﷲ) 471.9 million) and the accumulated depreciation amounted to (ﷲ) 282.3 million (31 December 2024: (ﷲ) 258.3 million). During the nine months ending 30 September 2025, the company converted the printing and packaging factory buildings, machinery, and production lines from projects under construction into property, plant , and equipment for an amount of (ﷲ) 48.5 million, It also added machinery, equipment, means of transportation, and devices and project under construction in the amount of (ﷲ) 11.3 million (30 September 2024: (ﷲ) 9.55 million).

As of 30 September 2025, the loans referred to in notes (10) are secured by lands, buildings, and machinery, and their netbook value amounted to (ﷲ) 59.5 million (31 December 2024: (ﷲ) 70.1 million).

Zahrat Al Waha For Trading Company
(A Saudi Joint Stock Company)
NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the nine-month period ended 30 September 2025
All amounts are in (ﷲ) unless otherwise stated

6- INVESTMENT PROPERTIES

Investment properties comprise plots of land in Muzahimiyah, with a total area of 12,113 square meters (2024: 12,113 square meters). The value of the investment property as of 30 September 2025 amounted to (ﷲ) 1.7 million (31 December 2024: (ﷲ) 1.7 million). The fair value of these lands as of 31 December 2024 amounted to (ﷲ) 6.8 million the management does not expect a material difference in the fair value of the land compared to what was estimated on 31 December 2024.

The fair value of the real estate investment was determined at the year ended 31 December 2024 by an external real estate valuer independent from the Company.

<u>Independent valuer</u>	<u>City</u>	<u>Qualifications</u>	<u>Fair value as at 31 December 2024</u>
Shayeg Saleh Alshayeg	Riyadh	An approved valuer from the Saudi Authority for Accredited Valuers and the Ministry of Investment (License no 1210001415)	(ﷲ) 6.8 million

7- INVENTORIES

	<u>30 September 2025 (Unaudited)</u>	<u>31 December 2024 (Audited)</u>
Raw, and packaging materials	66,257,283	76,638,909
Finished goods	42,188,040	45,218,069
Spare parts, supplies, and oils	5,280,809	4,496,304
Goods in transit	--	7,743,243
	<u>113,726,132</u>	<u>134,096,525</u>

8- INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>30 September 2025 (Unaudited)</u>	<u>31 December 2024 (Audited)</u>
Investments in shares of listed companies	9,507,570	13,074,480
Investments in an investment fund	13,875,658	10,591,205
Total investments	<u>23,383,228</u>	<u>23,665,685</u>

During the previous years, the Company invested in a portfolio of investment shares that are traded in the Saudi Stock Exchange (Tadawul), represented by investing in the equity of a diversified group of companies. The portfolio is managed by the Investment Company for Securities and Brokerage - Alistithmar Capital, in accordance with the concluded management contract.

Equity investments are valued at fair value based on the traded prices of shares on the Saudi Stock Exchange (Tadawul).

The investment movement for the nine months ending 30 September 2025 is as follows:

	<u>30 September 2025 (Unaudited)</u>	<u>31 December 2024 (Audited)</u>
Cost of investment at the beginning of the period / year	23,665,685	23,350,382
Purchase of investment units	5,124,252	17,340,079
Sale of invested units	(4,415,361)	(18,767,298)
Realized gains on sale of investments	11,629	1,529,694
Fair value differences for units	(1,002,977)	212,828
Balance as at period-end / year-end	<u>23,383,228</u>	<u>23,665,685</u>

Zahrat Al Waha For Trading Company
(A Saudi Joint Stock Company)
NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the nine-month period ended 30 September 2025
All amounts are in (ﷲ) unless otherwise stated

9- TRADE RECEIVABLES

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Trade receivables	189,170,029	167,384,171
Due from related parties (note 13)	22,026,012	27,566,266
	211,196,041	194,950,437
Less: Expected credit loss of trade receivables	(32,914,180)	(30,874,013)
	178,281,861	164,076,424

The movement in impairment of trade receivables is as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	30,874,013	27,527,809
Adjustments during the period / year	2,040,167	3,346,204
Balance at the end of the period / year	32,914,180	30,874,013

10- LOANS

(a) Short-term loans

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Short-term loans	200,816,172	196,294,717
	200,816,172	196,294,717

These short-term loans are mainly used to finance the working capital requirements of the Company. The Company did not use these loans to finance capital expansions.

(b) Long-term loans

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Saudi Industrial Development Funds (SIDF)	6,325,000	28,855,000
Less: deferred interests	(475,000)	(824,595)
	5,850,000	28,030,405

Presented in the condensed statement of financial position as follows:

Non-current portion	3,510,000	5,850,000
Current portion	2,340,000	22,180,405
	5,850,000	28,030,405

Zahrat Al Waha For Trading Company
(A Saudi Joint Stock Company)
NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the nine-month period ended 30 September 2025
All amounts are in (ﷲ) unless otherwise stated

10. LOANS (CONTINUED)

The Company has obtained a loan from the Saudi Industrial Development Fund dated 13 January 2021, for an amount of (ﷲ) 12.6 million. The balance amounted to (ﷲ) 6.3 million as of 30 September 2025. The loan is repayable in semi-annual installments over 5 years.

The loan is secured by the lands, buildings and machines Company's plant 2025 with a net book value as of 30 September (ﷲ) 59.53 million (31 December 2024: (ﷲ) 70.1 million) – Note (5)

(c) Total movement in loans

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	224,325,122	250,922,184
Proceeds from loans	358,173,309	549,713,731
Repayment of loans	(387,285,309)	(594,186,884)
Finance costs	11,802,645	19,994,576
Finance costs (paid)	(349,595)	(2,118,485)
Balance at the end of the period / year	206,666,172	224,325,122

(d) Bank facility agreements

The Company obtained credit facilities from local banks, long-term and short-term loans, and letters of credit with a financing ceiling of (ﷲ) 305 million. These facilities were obtained under Murabaha and Tawarruq agreements to finance working capital and some expansions and capital expenditure requirements (ﷲ) 20 million to finance public investments, and facilities amounting to (ﷲ) 120 million to finance real estate investments. The company did not use the limit of capital expenditure and real estate investments.

These facilities were obtained under Murabaha and Tawarruq agreements to finance working capital and some expansions, capital expenditure, general, and real estate requirements.

As of 30 September 2025, unused facilities and open letters of credit amounted to (ﷲ) 216.2 million (31 December 2024: (ﷲ) 360.1 million). The credit facility agreements are secured by promissory notes issued by the Company. The facility agreements include covenants relating to restrictions on dividends and other matters that require a minimum net worth and certain financial ratios that must be maintained accordingly.

The borrowings include certain covenants. Breach of these covenants in the future may lead to renegotiation. The management monitors covenants monthly, and in the event of a breach expected in the future, the management takes the necessary measures to ensure compliance.

All the borrowings mentioned above are borrowings that comply with the provisions of Islamic Sharia.

11- DIVIDENDS

The extraordinary general assembly meeting held on 4 June 2025 (corresponding to 8 Dul-Alhaji 1446) based on the recommendation of the Company's Board of Directors held on 19 Mar 2025 (corresponding to 19 Ramadan 1446), approved to distribute cash dividends of (ﷲ) 10.1 million for the financial year 2024, amounting to (ﷲ) 0.45 per share. It is due to the shareholders who own shares at the end of trading on the day of the assembly meeting and who are registered in the Company's shareholders' register with the Depository Center Company at the end of the second trading day following the due date. It was paid in full on 19 June 2025.

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12- LOSS / EARNING PER SHARE

Basic and diluted Loss / earnings per share

Basic earnings per share are calculated by dividing loss / income for the period attributable to the Company's ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

	For the three months ended		For the nine months ended	
	30 September	30 September	30 September	30 September
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
(Loss) / Profit for the period	6,013,541	4,057,181	(1,869,667)	6,223,297
No. of shares				
Weighted average number of shares	22,500,000	22,500,000	22,500,000	22,500,000
Basic and diluted (Loss) / earnings per share (ﷲ)	0.27	0.18	(0.08)	0.28

The diluted (Loss) / earnings per share are the same as the basic (Loss) / earnings per share, as the Company has no diluted instruments.

13- RELATED PARTY TRANSACTIONS

In the ordinary course of its activities, the Company transacts with related parties, including companies owned by certain shareholders, members of its Board of Directors, and senior management.

The most significant transactions with related parties during the nine months ended 30 September 2025, and the related balances included in the statement of financial position, relate to the sale of finished goods and products, including Plastic bottles perform, Plastic caps of various sizes and weights, Printing, and Packing(Stretch and Shrink films) with Hana Food Industries Company.

The following are related party transactions and balances:

RELATED PARTY TRANSACTIONS

	30 September	30 September
	2025	2024
<u>Transactions:</u>	(Unaudited)	(Unaudited)
Net Sales to Hana Water Company (including VAT)	16,170,043	22,674,746
Salaries, allowances, and remuneration of Key Management Personnel	2,872,292	2,510,582
Allowance to attend meetings of the Company's Board Directors and Committees	323,000	176,000
Board members and other Committees remuneration	810,000	130,000
End-of-service allowance for senior management employees	145,265	344,256

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13. RELATED PARTY TRANSACTIONS (CONTINUED)

<u>Balances</u>	<u>30 September 2025 (Unaudited)</u>	<u>31 December 2024 (Audited)</u>
Related parties' due is included in trade receivables. (Hana Water Company) (note 9)	22,026,012	27,566,266
Expected credit loss balance in trade receivables of (Hana Company for Food Industries)	623,675	1,311,997
Key Management Personnel included in other receivables	284,508	319,485
Key Management Personnel End-of-Service Benefits	1,741,487	1,596,222
Allowance to attend meetings of the Company's Board of Directors and Committees included under accrued expense	163,000	332,000
Board of Directors and Committees' remuneration is included under accrued expenses	742,500	810,000

14- SEGMENTAL INFORMATION

14.1 Segmental information

Basis for segmentation

The Company has the following strategic sectors, which are its reportable segments. These segments offer different products and services and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations of each reporting segment.

<u>Segment</u>	<u>Nature of the segment's businesses</u>
Plastic bottles perform	The principal activity includes the manufacturing and selling of plastic preforms.
Plastic caps	The principal activity includes the manufacturing and selling of plastic caps.
Printing	The principal activity includes the manufacturing and selling of Packaging labels (flexible packaging) and self-adhesive stickers.
Packing and packaging	The principal activity includes the manufacturing and selling of packing.

The Company's chief executive officer reviews the internal management reports monthly for each segment.

Information related to each reportable segment is set out below. Segment profit / (Loss) before Zakat is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries:

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14. SEGMENTAL INFORMATION (CONTINUED)

14.1 Information about reporting segments

(ﷲ)	Reporting segments				Total
	Plastic bottles perform segment	Plastic caps segment	Printing segment*	Packing segment*	
For the nine months ended 30 September 2025 (Unaudited)					
Sales	293,215,161	79,742,320	2,346,256	4,045,998	379,349,735
Cost of sales	(272,677,439)	(63,281,978)	(3,974,368)	(5,208,584)	(345,142,369)
Gross profit / (loss)	20,537,722	16,460,342	(1,628,112)	(1,162,586)	34,207,366
Other income	117,889	28,413	920	671	147,893
Selling and distribution expenses	(9,201,056)	(3,400,161)	(253,491)	(463,798)	(13,318,506)
General and administrative expenses	(5,435,345)	(1,278,884)	(86,207)	(111,056)	(6,911,492)
Expected credit losses on trade receivables	(1,701,003)	(339,164)	0	0	(2,040,167)
Operating (loss) / profit	4,318,207	11,470,546	(1,966,890)	(1,736,769)	12,085,094
Finance costs	(9,884,628)	(1,692,176)	(77,714)	(148,127)	(11,802,645)
(Loss) / profit before zakat	(5,566,421)	9,778,370	(2,044,604)	(1,884,896)	282,449
As at 30 September 2025 (Unaudited)					
Segments net assets	63,637,103	22,293,081	15,396,388	16,920,358	118,246,930

* Printing segment and packing started operation in 2025.

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14. SEGMENTAL INFORMATION (CONTINUED)

14.1 Information about reporting segments (continued)

(ﷲ)	Reporting segments				Total
	Plastic bottles perform segment	Plastic caps segment	Printing segment*	Packing segment*	
For the nine months ended 30 September 2024 (Unaudited)					
Sales	352,053,327	76,864,609	--	--	428,917,936
Cost of sales	(326,361,311)	(58,545,043)	--	--	(384,906,354)
Gross profit	25,692,016	18,319,566	--	--	44,011,582
Other income	606,827	136,132	--	--	742,959
Selling and distribution expenses	(8,733,803)	(3,265,063)	--	--	(11,998,866)
General and administrative expenses	(5,941,963)	(1,076,497)	--	--	(7,018,460)
Expected credit losses on trade receivables	(2,715,694)	(443,019)	--	--	(3,158,713)
Operating profit	8,907,383	13,671,119	--	--	22,578,502
Finance costs	(12,505,733)	(2,272,617)	--	--	(14,778,350)
(Loss) / profit before zakat	(3,598,350)	11,398,502	--	--	7,800,152
As at 30 September 2024 (Unaudited)					
Segments net assets	77,541,742	30,509,009	--	--	108,050,751

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14. SEGMENTAL INFORMATION AND REVENUE (CONTINUED)

14.1 Information about reporting segments (continued)

The balance of the Company's customers in the local and export markets is as follows:

Customers balance as at	Local customers	Export customers	Total
30 September 2025 (Unaudited)	171,927,405	39,268,636	211,196,041
31 December 2024 (audited)	159,526,693	35,423,744	194,950,437

14.2 The main customer and supplier

As of 30 September 2025, the Company's sales to the Company's two largest customers represent 34.9% of the Company's net sales by (ﷲ) 132.53 million (30 September 2024: 33% of the Company's net sales by (ﷲ) 142.9 million).

As of 30 September 2025, the Company's purchases from the Company's largest supplier represented 72.74 % of the total purchases of raw materials, amounting to (ﷲ) 203.9 million (30 September 2024: 85.28% with an amount of (ﷲ) 280.3 million) of the Company's total purchases.

14.3 Revenue

	For the three months ended		For the Nine months ended	
	30 September 2025	30 September 2024	30 September 2025	30 September 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Plastic bottles	90,877,427	117,848,762	293,215,161	352,053,327
Plastic caps	27,109,905	28,602,672	79,742,320	76,864,609
Printing segment	1,638,372	--	2,346,256	--
Packing segment	2,225,732	--	4,045,998	--
	121,851,436	146,451,434	379,349,735	428,917,936

The company's sales in the local market and export sales are as follows:

Sales for the period ended	Local sales	Export sales	Total sales
30 September 2025 (Unaudited)	323,490,390	55,859,345	379,349,735
30 September 2024 (Unaudited)	362,285,186	66,632,750	428,917,936

Timing of revenue recognition

Revenue is recognized when customers obtain control of goods when the goods are delivered to customers and have been accepted. Invoices are generated, and the revenue is recognized at a point in time.

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15- FAIR VALUE

Financial instruments comprise financial assets and financial liabilities. Financial assets consist of cash and cash equivalents, investments at FVTPL, and trade receivables. Financial liabilities consist of long-term loans, short-term loans, trade payables, other liabilities, dividend payables, and zakat payable.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of financial instruments are not materially different from their carrying values. The fair value hierarchy for the investments at FVTPL is as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
30 September 2025				
(Unaudited)				
Investments at FVTPL	<u>9,507,570</u>	<u>13,875,658</u>	<u>--</u>	<u>23,383,228</u>
Total	<u>9,507,570</u>	<u>13,875,658</u>	<u>--</u>	<u>23,383,228</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
31 December 2024				
(Audited)				
Investments at FVTPL	<u>13,074,480</u>	<u>10,591,205</u>	<u>--</u>	<u>23,665,685</u>
Total	<u>13,074,480</u>	<u>10,591,205</u>	<u>--</u>	<u>23,665,685</u>

16- CAPITAL COMMITMENTS, CONTINGENT LIABILITIES AND OTHER LIABILITIES

Contingent liability is disclosed where the existence of the obligation will only be confirmed by future events or where the amount of the obligation cannot be reasonably measured. Contingent assets are not recognized but are disclosed where an inflow of economic benefits is probable.

As of 30 September 2025, contingent liabilities related to uncovered letters of credit for purchasing raw materials amounted to (ﷲ) 26.4 million (31 December 2024: (ﷲ) 6.6 million).

As of 30 September 2025, the capital commitments related to projects under construction amounted to (ﷲ) 5.4 million, mainly represented in contracting printing lines, backing lines, machines and equipment (31 December 2024: (ﷲ) 2.7 million).

The loans referred to in (note 10) are secured by promissory notes by the Company with the full value of the funds granted to the Company.

17- SEASONAL CHANGES

The revenues of the Company are affected by seasonal factors based on the variation of consumption and demand between the seasons. The Company's management seeks to reduce the seasonal impact on the Company's revenues, and the results of the current period should not be taken as an indicator of the Company's annual results.

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18- COMPARATIVE FIGURES

During the period ending 30 September 2025, the company has reclassified some comparative figures to align with the presentation of the current period. The reclassification had no impact on the profit or loss or on equity.

The reclassification of purchase of investments at fair value through profit or loss and proceeds from the sale of investments at fair value through profit or loss from investment activities to operating activities.

The table below illustrates the impact on the cash flow statement for the period ended 30 September 2024:

<u>Statement of Cash flows</u>	<u>Impact of reclassification</u>		
	<u>Issued financial statements</u>	<u>Adjustments</u>	<u>Amended financial statements</u>
Net cash flow generated from operating activities	81,489,170	725,302	82,214,472
Net cash flow used in investing activities	(8,828,043)	(725,302)	(9,553,345)

19- SUBSEQUENT EVENTS

The Extraordinary General Assembly will be held on 18 November 2025, based on the Board of Directors' recommendation, to vote on the company's stock split by reducing the nominal value of the share from 10 ﷲ to 1 ﷲ per share, The paid-up capital remains unchanged at 225 million ﷲ.

20- APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements were approved by the Board of Directors on 5 Jumada al-Awwal 1447 AH, corresponding to 27 October 2025.