

**ARTEX INDUSTRIAL INVESTMENT COMPANY
SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE THREE MONTHS PERIOD ENDED March 31, 2026**

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Independent auditor's review report for the interim condensed consolidated financial statements

To the Shareholders
Artex Industrial Investment Company
Saudi Joint-stock Company
Riyadh - Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of ARTEX Industrial Investment Co - a Saudi joint-stock company, and its subsidiaries (collectively referred to as the "Group") as at March 31, 2026, and the related interim condensed consolidated statement of profit or loss and other comprehensive income, interim condensed consolidated statement of changes in shareholders' equity, and interim condensed consolidated statement of cash flows for the three-month period then ended, including a summary of significant accounting policies.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Auditors and Accountants. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", as endorsed in the Kingdom of Saudi Arabia. The review of the interim condensed consolidated financial statements primarily involves directing inquiries to personnel responsible for financial and accounting matters within the Group, as well as applying analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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 the audit. Accordingly, we do not express any 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 of ARTEX Industrial Investment Co. and its subsidiaries as at March 31, 2026 have not been prepared in all material respects, in accordance with IAS 34 as "Interim Financial Reporting" endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements adopted by the Saudi Organization for Auditors and Accountants.

Riyadh on: 23 Dhu Al-Qi'dah 1447H
Corresponding to: 10 May 2026



For El Sayed El Ayouty & Co.



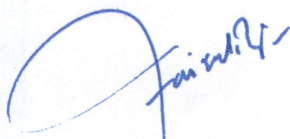
Abdullah A. Balamesh
Certified Public Accountant
License No. (345)

Artex Industrial Investment Company
Saudi Joint-stock Company
Riyadh - Kingdom of Saudi Arabia
The interim condensed consolidated statement of financial position as at March 31, 2026
(Expressed in thousand Saudi riyals)

	Note	31/03/2026 (unaudited)	31/12/2025 (audited)
Assets			
Non-current assets			
Property, plant and equipment	5	453,026	450,789
Investment properties - at cost	6	50,000	50,000
Right-of-use assets	7.1	10,082	10,491
Investment in an associate	8	97,972	91,613
Investments at fair value through other comprehensive income	9	-	-
Total non-current assets		611,080	602,893
Current assets			
Inventory		287,879	280,056
Assets held for sale	21	573	573
Trade receivables		531,108	507,838
Due from related parties	10.1	53,669	50,544
Prepayments and other debit balances		30,526	31,662
Investments at fair value through profit or loss	11	1,658	1,442
Cash and cash equivalent		25,617	32,464
Total current assets		931,030	904,579
Total assets		1,542,110	1,507,472
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	12	812,500	812,500
Reserve of valuation of investments at fair value		(50,287)	(50,287)
Surplus of revaluation of property, plant and equipment		261,806	261,806
Other reserves		(186)	(186)
Retained earnings		48,081	33,814
Total Shareholders' equity		1,071,914	1,057,647
Non-current liabilities			
Lease liabilities – non-current portion	7.2.2	9,550	9,504
Employees' defined benefit obligations	13	24,247	23,067
Total non-current liabilities		33,797	32,571
Current liabilities			
Banks- credit facilities	14	216,697	209,089
Lease liabilities – current portion	7.2.1	1,551	1,539
Trade payables		49,138	42,352
Due to related parties	10.2	90	1,823
Accrued expenses and other credit balances		28,726	27,754
Dividends payable		481	481
Provision for third-party guarantee obligations	9.1	111,923	111,923
Provision for zakat	15.2	27,793	22,293
Total current liabilities		436,399	417,254
Total liabilities		470,196	449,825
Total Shareholders' Equity and Liabilities		1,542,110	1,507,472

The accompanying notes from (1) to (23) form an integral part of these interim condensed consolidated financial statements which were approved by the Group's Board of Directors and signed on behalf of the following:

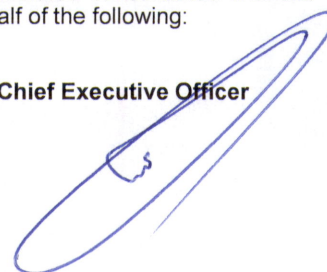
Chief Financial Officer



Authorized Board Member



Chief Executive Officer



Artex Industrial Investment Company
Saudi Joint-stock Company
Riyadh - Kingdom of Saudi Arabia
Interim condensed consolidated statement of profit or loss and other comprehensive income
For the three months period ended March 31, 2026
(Expressed in thousand Saudi riyals)

	Note	For the three-month period ended	
		31/03/2026 (unaudited)	31/03/2025 (unaudited) (Restated Note 19)
Revenue		151,404	172,320
Cost of revenue		(127,012)	(149,001)
Gross profit		24,392	23,319
Selling and marketing expenses		(3,508)	(4,764)
General and administrative expenses		(4,664)	(4,185)
Provision for expected credit loss		(500)	(500)
Other income		1,213	1,009
Profit from operating activities		16,933	14,879
Finance cost		(3,741)	(3,621)
Group's share in profits of an associate	8	6,359	6,044
Dividends income		-	20
Gains (losses) from valuation of investments at fair value through profits or losses	11	216	(79)
Profit for the period before Zakat		19,767	17,243
Zakat	15.2	(5,500)	(5,500)
Net profit for the period		14,267	11,743
Other comprehensive income:			
Other comprehensive income items		-	-
Total comprehensive income for the period		14,267	11,743
Profit attributable to:			
Group's shareholders		14,267	11,743
Net profit for the period		14,267	11,743
Basic and diluted earnings per share attributable to the Group's Shareholders from net profit for the period "Saudi riyals"	16	0,18	0,14

The accompanying notes from (1) to (23) form an integral part of these interim condensed consolidated financial statements which were approved by the Group's Board of Directors and signed on behalf of the following:

Chief Financial Officer

Authorized Board Member

Chief Executive Officer

Artex Industrial Investment Company
Saudi Joint-stock Company
Riyadh - Kingdom of Saudi Arabia
Interim condensed consolidated statement of changes in Shareholders' equity
For the three months period ended March 31, 2026
(Expressed in thousand Saudi riyals)

	Share capital	Reserve of valuation of investments at fair value	Surplus of revaluation of property, plant and equipment	Other reserves	Retained earnings	Total Shareholders' equity
For the three-month period ended March 31, 2026						
Balance at January 01, 2025 (audited) - (restated)	812,500	(50,287)	249,845	257	17,445	1,029,760
Net profit for the period before restatement	-	-	-	-	5,699	5,699
Restatement (note 19)	-	-	-	-	6,044	6,044
Net profit for the period after restatement	-	-	-	-	11,743	11,743
Balance at March 31, 2026 (unaudited) - (restated)	812,500	(50,287)	249,845	257	29,188	1,041,503
For the three-month period ended March 31, 2026						
Balance at January 01, 2026 (audited)	812,500	(50,287)	261,806	(186)	33,814	1,057,647
Net profit for the period	-	-	-	-	14,267	14,267
Balance at March 31, 2026 (unaudited)	812,500	(50,287)	261,806	(186)	48,081	1,071,914

The accompanying notes from (1) to (23) form an integral part of these interim condensed consolidated financial statements which were approved by the Group's Board of Directors and signed on behalf of the following:

Chief Financial Officer

Authorized Board Member

Chief Executive Officer

Artex Industrial Investment Company
Saudi Joint-stock Company
Riyadh - Kingdom of Saudi Arabia
Interim condensed consolidated statement of cash flows
For the three months period ended March 31, 2026
(Expressed in thousand Saudi riyals)

	For the three-month period ended 31/03/2026 (unaudited)	31/03/2025 (unaudited) (Restated Note 19)
Cash flows from operating activities:		
Net profit for the period	14,267	11,743
Adjustment for net profit for the period:		
Dividends income	-	(20)
Depreciation on property, plant and equipment	8,235	10,160
Gains on disposal of assets held for sale	(199)	-
Depreciation on right-of-use assets	409	436
Gain (loss) on Valuation of Investments at Fair Value Through Profit or Loss	(216)	79
Group's share in profits of an associate	(6,359)	(6,044)
Finance cost	3,606	3,460
Interests on leases	135	161
Impairment of inventory	500	-
Provision for expected credit loss - provided	500	500
Employees' defined benefit obligations - provided	1,863	1,938
Zakat	5,500	5,500
	28,241	27,913
Changes during the period in:		
Inventory	(8,323)	19,543
Trade receivables	(23,770)	(4,392)
Due from related parties	(3,125)	242
Prepayments and other debit balances	1,136	(2,076)
Trade payables	6,786	3,145
Due to related parties	(1,733)	38
Accrued expenses and other credit balances	972	5,513
Employees' defined benefit obligations - paid	(683)	(549)
Net cash flows (used in) from operating activities	(499)	49,377
Cash flows from investing activities:		
Purchase of property, plant and equipment	(10,472)	(4,238)
Received from disposal of assets held for sale	199	-
Dividends income	-	20
Net cash flows (used in) investment activities	(10,273)	(4,218)
Cash flows from financing activities		
Banks - credit facilities received	50,005	72,970
Banks - credit facilities paid	(46,003)	(125,298)
Lease liabilities paid	(77)	(150)
Net cash flows from (used in) financing activities	3,925	(52,478)
Net (decrease) in cash and cash equivalents	(6,847)	(7,319)
Cash and cash equivalents at beginning of the period	32,464	59,127
Cash and cash equivalents at end of the period	25,617	51,808

The accompanying notes from (1) to (23) form an integral part of these interim condensed consolidated financial statements which were approved by the Group's Board of Directors and signed on behalf of the following:

Chief Financial Officer

Authorized Board Member

Chief Executive Officer

Artex Industrial Investment Company
Saudi Joint-stock Company
Riyadh - Kingdom of Saudi Arabia
Notes to the interim condensed consolidated financial statements
For the three months period ended March 31, 2026
(Expressed in thousand Saudi riyals)

1. General information

1.1 Artex Industrial Investment Company (formerly Al Abdullatif Industrial Investment Company) (“the company”) is a Saudi joint stock company incorporated in accordance with the Saudi Companies Law pursuant to Ministerial Resolution No. 3120 on 23/10/1427H (14/11/2006) and Ministerial Resolution No. 188 on 27/7/1427H (17/11/ 2007), upon which the Company received the approval to convert from a limited liability company to a Saudi joint stock company. The Company registered in the commercial registration of Riyadh under No. 1010073685 on 26/2/1410H (26/9/1989) valid until 06/3/1448H (19/8/2026).

On 15 Jumada Al-Akhirah 1445H, corresponding to December 28, 2023, the Extraordinary General Assembly approved amending the company’s Articles of Association to comply with the new Companies Law issued by Royal Decree No. M/132, dated 01/12/1443H.

On 24 Dhu al-Hijjah 1445H, corresponding to June 30, 2024, the Ordinary General Assembly approved an amendment to Article (2) of the company’s Articles of Association related to the company’s name, changing it to Artex Industrial Investment Company (a Saudi joint-stock company). The commercial registration and Articles of Association were updated on 2 Muharram 1446H, corresponding to July 8, 2024.

On 02 Safar 1446H, corresponding to August 6, 2024, the company’s name was updated on the Saudi Stock Exchange (Tadawul) website.

The address of its head office is Riyadh, P.O. Box: 859, Postal Code 11421.

1.2 Main activities of the Company

Rug manufacturing including (prayer and travel rugs) and carpet manufacturing under industrial license No. 411 on 13/2/1439 H.

1.3 The interim condensed consolidated financial statements as of March 31, 2026 include the interim condensed consolidated financial statements of the Parent Company and the following subsidiaries, collectively referred to as the “Group”:

Name of subsidiary	Legal form	Headquarters	Principal activity	Shareholding %
National Spinning Company	LLC	Riyadh	Yarn production	100%
Eastern Textiles Company	LLC	Riyadh	Polypropylene yarn production	100%
Western Textiles Company	LLC	Riyadh	Polypropylene yarn production	100%
Adfa Blanket Company	LLC	Riyadh	Production of blankets	100%
Nadeen Arabian Color Company	LLC	Riyadh	Masterbatch production	100%
Shahd Paper Tube Factory	LLC	Riyadh	PVC tubes	100%
First Carpet Company	LLC	Riyadh	Carpet backing production	100%
Retaj Al Waseel Company	LLC	Riyadh	Staff catering and transportation services	100%
Abdullatif Training Company	LLC	Riyadh	Training services	100%

1.4 The Group’s fiscal year begins on January 1st and ends on December 31st of each calendar year. The presented interim condensed consolidated financial statements are for the period from January 01, 2026 to March 31, 2026.

2. Basis of preparation of interim condensed consolidated financial statements

2.1 Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting” that is endorsed in Saudi Arabia and other standards by the Saudi Organization for Auditors and Accountants.

These interim condensed consolidated financial statements do not include all the information and notes required for the annual consolidated financial statements and should be read in conjunction with the Group’s annual consolidated financial statement for the year ended December 31, 2025.

Artex Industrial Investment Company
Saudi Joint-stock Company
Riyadh - Kingdom of Saudi Arabia
Notes to the interim condensed consolidated financial statements
For the three months period ended March 31, 2026
(Expressed in thousand Saudi riyals)

2. Basis of preparation of interim condensed consolidated financial statements (continued)

2.2 Basis for consolidation of financial statements

The interim condensed consolidated financial statements include the financial statements of the Parent Company and all subsidiaries, collectively referred to as the "Group". The interim condensed consolidated financial statements present financial information about the Group as a single economic entity at the same reporting date of the Parent Company, using consistent accounting policies.

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies so as to obtain benefits from its activities. Control is presumed to exist over the subsidiary when the Company owns, directly or indirectly, more than half of the voting power of an investee unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control. Control also exists when the Company owns half or less of the voting power of an investee but has other power to govern the financial and operating policies of the entity.

The assets, liabilities and results of the subsidiaries are consolidated in full from the date of acquisition, being the date when control is transferred to the Group. Consolidation continues until the date of such control ceases.

The Group applies the acquisition method to account for business combinations.

Inter-company transactions, balances, income, expenses, unrealized gains and losses on transactions and dividends are eliminated in full.

2.3 Basis of measurement

The interim condensed consolidated financial statements have been prepared in accordance with the accrual basis of accounting and the going concern principle, and on the basis of the historical cost principle except for financial assets that are measured at fair value and financial liabilities that are measured at the present value of future liabilities projections using the projected unit credit method.

2.4 Presentation currency

These interim condensed consolidated financial statements are presented in Saudi Riyals ("SR") which is the functional and presentation currency. All figures in the interim condensed consolidated financial statements have been rounded to nearest thousand Riyals unless otherwise stated.

2.5 Use of judgments, estimates and assumptions

The preparation of these financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenue, expenses, assets, liabilities, and disclosures of contingent liabilities at the reporting date. Although these estimates are based on the best current information and indicators available to Management, the final actual results, however, may differ from these estimates.

These estimates and assumptions are reviewed on an ongoing basis and the effects arising from adjustment of the accounting estimates are recognized in the period in which such adjustment is made and the subsequent periods. The assumptions and estimates are particularly represented in the application of accounting policies that have significant impact on the amounts recognized in the financial statements.

2.5.1 Going concern assumption

The interim condensed consolidated financial statements have been prepared on the going concern basis. Management has assessed the Group's ability to continue as a going concern in the foreseeable future, which is not less than 12 months from the date of the interim condensed consolidated financial statements.

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

3. Significant Accounting Policies

The accounting policies applied to these interim condensed consolidated financial statements are the same as those applied to the consolidated financial statements for the year ended December 31, 2025.

Artex Industrial Investment Company
Saudi Joint-stock Company
Riyadh - Kingdom of Saudi Arabia
Notes to the interim condensed consolidated financial statements
For the three months period ended March 31, 2026
(Expressed in thousand Saudi riyals)

4. Changes in significant accounting policies and new standards

4.1 New and revised IFRS Standards that are applicable and have no significant impact on the interim condensed consolidated financial statements:

No new IFRS standards have been applied; however, a number of IFRS amendments are effective as of January 1, 2026 but have no significant impact on the the Group's interim condensed consolidated financial statements. The following is a summary of the amendments applied by the Group:

Standard - Interpretation	Description	Effective date for financial statements beginning on or after
IFRS 9 and IFRS 7	Amendments to the "Financial Instruments" standard related to the classification and measurement of financial instruments in terms of timing and requirements for recognition and derecognition, with a new exception regarding obligations settled through electronic payment systems before actual settlement when certain conditions are met. With consequential amendment to Financial Instruments: Disclosures, relating to financial instruments with contractual terms that affect cash flows, particularly those linked to environmental, social and governance (ESG) objectives.	January 01, 2026

4.2 New and revised IFRS not yet effective and not applicable:

The following are standards and interpretations issued and not yet effective and not applicable as of the date of the interim condensed consolidated financial statements:

Standard - Interpretation	Description	Effective date for financial statements beginning on or after
IFRS 18 Replacing IAS 1 and Consequential Amendments to IAS 8	The Saudi Organization for Auditors and Accountants has adopted IFRS 18 "Presentation and Disclosure in Financial Statements," which supersedes IAS 1. The standard includes enhancements to the income statement structure to provide more relevant and clear information, and develops specific requirements related to management-defined performance measures. The issuance of this standard has resulted in consequential amendments to IAS 8 regarding the basis of preparation of financial statements and disclosure of significant accounting policy information and sources of estimation uncertainty. It has also led to amendments to IAS 7 concerning the presentation of cash flows from dividends and interest income and expense, with specific requirements for entities whose primary activities are investing or financing.	01 January 2027
IFRS 19	The Saudi Organization for Auditors and Accountants has adopted IFRS 19 "Subsidiaries without Public Accountability: Disclosures." This standard primarily aims to provide a reduced level of disclosures in the financial statements of subsidiaries without public accountability, as an alternative to the disclosure requirements in the full IFRS standards. The goal is to simplify the mechanisms and systems for preparing financial statements and reduce their cost. It should be noted that application of the standard is optional, and it may be discontinued in future periods after being applied.	01 January 2027

Artex Industrial Investment Company
Saudi Joint-stock Company
Riyadh - Kingdom of Saudi Arabia
Notes to the interim condensed consolidated financial statements
For the three months period ended March 31, 2026
(Expressed in thousand Saudi riyals)

5. Property, plant and equipment

	Lands*	Buildings and roads **	Plant, equipment and main spare parts	Furniture, fixture and office equipment	Vehicles	Capital work in progress***	Total
Cost:							
Balance at January 01, 2026	10,625	207,177	1,734,750	115,404	36,150	33,902	2,138,008
Additions during the period	-	-	128	158	-	10,186	10,472
Balance at March 31, 2026	10,625	207,177	1,734,878	115,562	36,150	44,088	2,148,480
Accumulated depreciation:							
Balance at January 01, 2026	-	(202,254)	(1,598,110)	(109,968)	(33,103)	-	(1,943,435)
Depreciation during the period	-	(541)	(7,051)	(336)	(307)	-	(8,235)
Balance at March 31, 2026	-	(202,795)	(1,605,161)	(110,304)	(33,410)	-	(1,951,670)
Provision for accumulated impairment:							
Balance at January 01, 2026	-	-	(5,590)	-	-	-	(5,590)
Balance at March 31, 2026	-	-	(5,590)	-	-	-	(5,590)
Revaluation surplus:							
Balance at January 01, 2026	261,806	-	-	-	-	-	261,806
Balance at March 31, 2026	261,806	-	-	-	-	-	261,806
Net book value as at March 31, 2026:							
As per the cost model	-	4,382	124,127	5,258	2,740	44,088	180,595
As per the revaluation model*	272,431	-	-	-	-	-	272,431
As at March 31, 2026 (unaudited)	272,431	4,382	124,127	5,258	2,740	44,088	453,026
As at December 31, 2025 (audited)	272,431	4,923	131,050	5,436	3,047	33,902	450,789

* Pursuant to the resolution of the Board of the Capital Market Authority dated December 31, 2019, permitting listed companies to use either the fair value model or the revaluation model for the measurement of real estate and investment properties effective from 2022, the Group adopted and applied the revaluation model for properties included within property, plant and equipment. The policy was approved by the Board of Directors upon the recommendation of the Audit Committee at its meeting held on May 8, 2022.

Artex Industrial Investment Company
Saudi Joint-stock Company
Riyadh - Kingdom of Saudi Arabia
Notes to the interim condensed consolidated financial statements
For the three months period ended March 31, 2026
(Expressed in thousand Saudi riyals)

5. Property, plant and equipment (continued)

The Group also conducted a valuation of the land located in the Industrial City in Riyadh through valuers accredited by the Saudi Authority for Accredited Valuers (TAQEEM), and the results of the latest valuation as at December 31, 2025 were as follows:

Valuation company	Valuer name	License No.	Basis for valuation	Valuation amount "in thousands SR" December 31, 2025
Current Value Real Estate Valuation Company	Abdulkareem Albaseer	1210000606	Comparable market value	272,431
Basmah & Sharekah Real Estate Valuation Company	Abdulrahman bin Khnein	1210001559	Comparable market value	278,275
Jassas Valuation Office	Ahmad Saad Al-Malki	1210001217	Comparable market value	-

The lower valuation has been adopted in accordance with the Capital Market Authority's requirements when using the revaluation model, and the revaluation surplus through other comprehensive income amounted to SR 11,96 million as at December 31, 2025.

** Some of the above-mentioned buildings are built on land leased from the Saudi Authority for Industrial Cities and Technology Zones (Modon) in the Second Industrial City, Riyadh, under a contract ending between 2028-2040.

*** Capital work in progress represents the value of buildings, plant and equipment during the construction and installation phase.

6. Investment properties - at cost

Lands*	31/03/2026 (unaudited)	31/12/2025 (audited)
Net carrying amount at end of the period/year	50,000	50,000

* Investment properties represent the following:

(a) Real estate contribution in a plot of land in Medina with a cost of 50 million Saudi Riyals (for the purpose of generating revenue or capital gains) at a percentage of 14.58% under a land participation contract between the Group and a local real estate investment company, which has registered the title deed of the land in its name. The company has the right to sell or dispose of the land without referring to the Group, and in that case, the sale value and profits will be distributed according to the participation percentage immediately after the sale.

The Group's share in its fair value as of December 31, 2025, amounted to 71.41 million Saudi Riyals, according to the evaluation of this land by (Al-Qima Al-Haliyah for Real Estate Valuation License No. 1210000606) as a certified appraiser during the year ended December 31, 2025.

7. Leases

7.1 Right-of-use assets

Right-of-use lands

Cost:	31/03/2026 (unaudited)	31/12/2025 (audited)
Balance at beginning of period/year	16,229	17,742
Additions during the period/year	-	410
Disposals during the period/year	-	(573)
Transferred to assets held for sale	-	(1,350)
Balance at end of the period/ year	16,229	16,229
Accumulated depreciation:		
Balance at beginning of period/year	5,738	5,029
Depreciation for the period / year	409	1,687
Disposals during the period/year	-	(220)
Transferred to assets held for sale	-	(758)
Balance at end of the period/ year	6,147	5,738
Net carrying amount at end of the period / year	10,082	10,491

Artex Industrial Investment Company
Saudi Joint-stock Company
Riyadh - Kingdom of Saudi Arabia
Notes to the interim condensed consolidated financial statements
For the three months period ended March 31, 2026
(Expressed in thousand Saudi riyals)

7. Leases... (Continued)

7.2 Lease liabilities

	31/03/2026	31/12/2025
	(unaudited)	(audited)
Balance at beginning of period/year	11,043	13,283
Additions during the period/year	-	410
Paid during the period/year	(77)	(2,345)
Disposals during the period/year	-	(374)
Transferred to assets held for sale	-	(550)
Financing costs during the period / year	135	619
Present value of obligations	11,101	11,043

Lease liabilities were presented in the statement of financial position based on the current portion - within the current liabilities (which represents the payable portion within a year) and the non-current portion - within the non-current liabilities (which represents the remaining liability less the current portion) as follows:-

	31/03/2026	31/12/2025
	(unaudited)	(audited)
7.2.1 Lease liabilities - current portion	1,551	1,539
7.2.2 Lease liabilities - non-current portion	9,550	9,504
	11,101	11,043

8. Investment in an associate

Red Sea Cables Company is a Saudi closed joint stock company, registered under Commercial Registration No. 1010250764 in Riyadh, with a share capital of SR 148 million. The cost of the investment amounted to SR 50 million. The Group holds an equity interest of 27.027% in Red Sea Cables Company, and its investment in the associate is accounted for using the equity method in these consolidated financial statements, as the Group exercises significant influence over the associate.

- On 24/07/2025, the Group's Board of Directors resolved to approve an increase in the share capital of Red Sea Cables Company from SR 148 million to SR 180 million, through the subscription to 864 thousand shares at a nominal value of SR 10 per share and a share premium of SR 8 per share, amounting to SR 15,567 thousand. The Group's ownership interest in the company will remain at 27.027%.

Movement in investment during the period/year	31/03/2026	31/12/2025
	(unaudited)	(audited)
Balance at beginning of period/year	91,613	61,040
Additions during the period/year	-	15,568
Group's share in net profits	6,359	27,610
Group's share in other comprehensive income	-	(443)
Dividends received	-	(12,162)
Balance at end of the period/ year	97,972	91,613

9. Investments at fair value through other comprehensive income (FVOCI)

- The Group does not have any control or significant influence over participation in the financial and operational decisions of the investees.

Unquoted investments	Headquarters	Shareholding	Cost	31/03/2026	31/12/2025
		%		(unaudited)	(audited)
Al-Reef Sugar Refining Company	Jeddah	15%	45,000	-	-

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9. Investments at fair value through other comprehensive income (FVOCI). (Continued)

Al-Reef Sugar Refining Company is a Saudi closed joint stock company registered under Commercial Registration No. 4030282069 in Jeddah. The company is developing a sugar refinery project in Jazan Economic City (which is still under construction). The project has been financed through the company's capital of SR 300 million and additional contributions from shareholders amounting to SR 31.2 million, in addition to a loan obtained by the company from the Saudi Industrial Development Fund with an irrevocable and unconditional guarantee from the shareholders of Al-Reef Sugar Refining Company, with all project assets pledged in favor of the Fund.

The fair value of the investment as at December 31, 2024 was measured based on discounted future cash flows assuming going concern and commencement of trial operations during 2026 amounting to SR 32 million by Abdul Majeed Mangal Valuation Office - a certified valuer by the Saudi Authority for Accredited Valuers, license No. 3912000002.

On 17 November 2024, the Group received an official notice dated 13 November 2024 from the Saudi Industrial Development Fund (SIDF) requiring the settlement of SR 100.8 million in respect of the guarantee provided by the Group under a loan agreement granted to Al-Reef Sugar Refining Company, with a total loan value of SR 672 million, of which the Company bears 15% of this loan.

On 26 January 2025, the Group received a final formal warning dated 22 January 2025 from SIDF requiring settlement within no more than 15 business days, in accordance with Article (14) of the State Revenue Law.

On 28 October 2025, the Group received a demand letter from SIDF for the settlement of monitoring fees related to the Al-Reef Sugar Refining Company loan, of which the Group's share up to 12/03/1446H (16 September 2024) amounted to SR 11.122 million.

Management has reviewed the fair value assessment of the investment in light of the developments referred to above, taking into consideration the following:

- Al-Reef's failure to commence operational activities, and the need for additional financing that has not been secured to date to complete the remaining work, representing 37% of the project.
- Insufficient information about the ability or willingness of other shareholders in Al-Reef Sugar Company to fulfill their obligations toward the Fund, which increases the risks to the Group.
- The probability that the Group will not be able to recover the value of its investment or realize future returns from it.

Based on the above, management concluded that the fair value of the investment has become significantly impaired, with insufficient indicators of recoverability under current circumstances. Accordingly, a full impairment provision of SR 42 million representing the entire carrying value of the investment was recognized, and the effect was included under "Losses on revaluation of investments at fair value" in other comprehensive income for the year ended 31 December 2024.

On 21 June 2025, the Group signed a memorandum of understanding with Ethraa Holding Company, under which Ethraa intends to acquire all shares of Al-Reef Sugar Refining Company and assume its liabilities, subject to obtaining the required regulatory approvals from the Saudi Industrial Development Fund. Management believes that this step, if completed, may significantly contribute to reducing the Group's exposure to Al-Reef's obligations. On 20/08/2025, the term of the memorandum previously signed with Athraa Holding Company on 21/06/2025 was extended for an additional 70 days until 30/10/2025. Subsequently, on 02/11/2025, the term was further extended until 31/01/2026 based on the request of Athraa Holding Company.

The Group periodically reassesses this investment, and continues to evaluate the status and developments related to the memorandum of understanding. Appropriate decisions will be taken accordingly.

On 03/07/1447H (corresponding to 23 December 2025), the Group announced the termination of the memorandum of understanding (MoU) between Al Reef Sugar Refining Company and Ethraa Holding Company, due to the non-fulfillment of the conditions required to complete the acquisition as stipulated in the MoU, with no resulting financial or legal obligations on either party.

The movement in the fair value changes of the investment in Al-Reef Sugar Refining Company was as follows:

	31/03/2026	31/12/2025
	(unaudited)	(audited)
Balance at beginning of period/year	-	-
Revaluation (losses)	-	-
Fair value at the end of the period/year	-	-

- The Group does not have any control or significant influence over participation in the financial and operational decisions of the investee.

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	31/03/2026	31/12/2025
	(unaudited)	(audited)
9.1 Provision for third-party guarantee liabilities		
Balance at beginning of period/year	111,923	100,000
Provided during the period/year	-	11,923
Balance at end of the period/year	111,923	111,923

Guarantee for Saudi Industrial Development Fund Loan provided to Al-Reef Sugar Refining Company

On 17 November 2024, the Group received an official notice dated 13 November 2024 from the Saudi Industrial Development Fund (SIDF) requiring the settlement of SR 100.8 million in respect of the guarantee provided by the Group under a loan agreement granted to Al-Reef Sugar Refining Company, with a total loan value of SR 672 million, of which the Company bears 15 percent. On 26 January 2025, the Group received a final formal warning dated 22 January 2025 from SIDF requiring settlement within no more than 15 business days, in accordance with Article (14) of the State Revenue Law. The Group recognized a provision of SR 100 million in its consolidated financial statements as at 31 December 2024.

On 28 October 2025, the Group received a demand letter from SIDF for the settlement of monitoring fees related to the Al-Reef Sugar Refining Company loan, of which the Group's share up to 12/03/1446H (16 September 2024) amounted to SR 11.122 million.

Based on this confirmed development, and given the high probability of an outflow of economic benefits arising from the enforcement of the guarantee and the monitoring fees, the Group recognized a provision for obligations equal to the total claimed amount of SR 111.923 million, bringing the total claims to SR 111.922 million, in accordance with the requirements of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets.

- This provision will be periodically reassessed based on developments related to the settlement with the Fund or the results of negotiations with investors in Al-Reef Sugar Refining Company and the potential investor.

10. Related party transactions

10.1 Due from related parties

Related parties	Nature of relationship	31/03/2026	31/12/2025
		(unaudited)	(audited)
Al Abdullatif Furniture Company	Related to one of the directors of the Board	54,343	51,220
Red Sea Cables Company	Associate	2	-
Provision for expected credit losses (note 10.1.1)		(676)	(676)
		53,669	50,544

10.1.1 Movement in provision for expected credit losses

	31/03/2026	31/12/2025
	(unaudited)	(audited)
Balance at beginning of period/year	676	-
Provided for the period / year	-	676
Balance at end of the period/year	676	676

10.2 Due to related parties

Related parties	Nature of relationship	31/03/2026	31/12/2025
		(unaudited)	(audited)
Natural Gas Distribution Company	Related to one of the directors of the Board	90	241
Red Sea Cables Company	Associate	-	1,582
		90	1,823

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10. Related party transactions... (Continued)

10.3 Significant transactions with related parties

Type and volume of related party transactions for the three months period ended in March 31, 2026

Related parties	Nature of relationship	Sales and services rendered	Purchases and services received	Payments and repayments
Al Abdullatif Furniture Company	Related to one of the directors of the Board	13,900	(438)	(10,340)
Red Sea Cables Company	Associate	37	(35)	1,582
Natural Gas Distribution Company	Related to one of the directors of the Board	-	(680)	831

Type and volume of related party transactions for the three months period ended in March 31, 2025

Related parties	Nature of relationship	Sales and services rendered	Purchases and services received	Payments and repayments
Al Abdullatif Furniture Company	Related to one of the directors of the Board	16,399	(163)	(16,508)
Red Sea Cables Company	Associate	37	(7)	37
Natural Gas Distribution Company	Related to one of the directors of the Board	-	(642)	604

The Group performs an assessment of the impairment of receivables due from related parties by examining the financial position of the related parties and the markets in which they operate in each financial period. The Management believes that there are no indications of impairment in the value of the balances due as of March 31, 2026.

11. Investments at fair value through profit or loss

	31/03/2026 (unaudited)	31/12/2025 (audited)
Balance at beginning of period/year	1,442	1,697
Profits (losses) from revaluation of investments at fair value	216	(255)
Balance at end of the period/ year	1,658	1,442

* The investments consist of shares in a listed company (Saudi Arabian Oil Company - Aramco), representing less than 1% of the invested company's capital. The number of shares held as of March 31, 2026, was 60,500 shares (compared to 60,500 shares as of December 31, 2025). The fair value was measured according to the announced share price as of March 31, 2026, and the gains and losses from the revaluation were recognized through profit and loss.

12. Share capital

The Group's share capital is SR 812,500 thousand divided into 81,250 thousand shares at a nominal value of SR10 each. The Shareholders subscribed to the entire share capital of the Group. There were no changes in the share capital during the current financial year.

	31/03/2026 (unaudited)	31/12/2025 (audited)
Balance at end of the period/ year	812,500	812,500

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13. Employee defined benefit obligations

The company operates an end-of-service plan for its employees in line with the Labor Law requirements in the Kingdom of Saudi Arabia. The EOS payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment. Employee benefit plans are unfunded plans and the Group meets benefit payment obligations when they fall due.

Below is the movement during the period/ Year:	31/03/2026	31/12/2025
	(unaudited)	(audited)
Balance at beginning of period/year	23,067	17,489
Cost of current service for the period / year	1,863	3,128
Cost of interest	-	830
Charged to the profit or loss	1,863	3,958
Paid during the period/year	(683)	(3,329)
Actuarial losses "charged to other comprehensive income"	-	4,949
Balance at end of the period/ year	24,247	23,067

The Group performed an actuarial valuation of employee future benefits on December 31, 2025. It proved the impact of that valuation. The Group's Management has not carried out an actuarial valuation of the employee benefit obligations for the three months period ended March 31, 2026, as it expects that there will be no significant changes in the present value of the obligations.

	31/03/2026	31/12/2025
	(unaudited)	(audited)
14. Banks - credit facilities		
Business facility finance and short-term Murabaha	220,125	214,117
(Less): Deferred finance interests	(3,428)	(5,028)
	216,697	209,089

* Through facility agreements signed with local banks, the Company received short-term facilities at a credit limit SR 451.75 million for the following purposes:

- | | |
|--|--|
| - Finance to purchase and import raw materials for production | - Finance for the operational cycle of |
| the Company and working capital | |
| - Purchase of materials via the opening account of Sabic Company | - Letters of credit and guarantees |

The above are under the following guarantees:

- | | |
|--|------------------------|
| - Promissory notes with maximum amount of the facilities | - Agreement to finance |
| Islamic trade | |

15. Zakat provision

15.1 Calculation of zakat

The Group submits a consolidated zakat assessment for the entire Group (the Parent Company and its subsidiaries) as per the consolidated financial statements:

	31/03/2026	31/12/2025
	(unaudited)	(audited)
15.2 Movement in zakat provision		
Balance at beginning of period/year	22,293	18,000
Paid during the period/year	-	(25,074)
Zakat for the period/year	5,500	18,233
Provision for expected Zakat claims	-	11,134
Charged to profit or loss during the period/year	5,500	29,367
Balance at end of the period/ year	27,793	22,293

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15. Zakat provision... (Continued)

15.3 Zakat status

The consolidated Zakat return for the year ended December 31, 2025 has been filed, and the Group has obtained a Zakat certificate valid until 30 April 2027.

Zakat has been calculated for the subsidiaries mentioned in note (1) within the consolidated financial statements of the Group. The Group is committed to accounting for it before the Zakat, Tax and Customs Authority, and each subsidiary is charged with its due Zakat in accordance with the Group's policy of redistributing Zakat among the subsidiaries.

- The group has finalized its Zakat status with the Zakat, Tax and Customs Authority for the year ended 31/12/2023.

15.4 Value Added Tax

The Group submits consolidated VAT returns every month.

16. Earnings per share

Basic earnings per share have been calculated by dividing the net profit for the period attributable to the company's shareholders by the weighted average number of shares issued. The diluted earnings per share are equal to the basic earnings per share as follows:

	31/03/2026 (unaudited)	31/03/2025 (unaudited) (Restated Note 19)
Net profit attributable to Company's Shareholders	14,267	11,743
Weighted average number of shares issued "in thousand of shares"	81,250	81,250
Basic and diluted earnings per share attributable to the Company's Shareholders	0.18	0.14

17. Segment information

The Group's operating segments are represented in two main sectors (the carpet, rugs and related products sector, and the blankets sector). Below is a summary of some of the financial information for the primary business sectors for the three-month period ended March 31, 2026 (compared to the three-month period ended March 31, 2025).

Description / Sector	Sector carpet, rugs and related products	Blanket sector	Total
For the three-month period ended march 31, 2026 (Unaudited)			
Revenue	135,127	16,277	151,404
Cost of revenue	(111,013)	(15,999)	(127,012)
Gross profit	24,114	278	24,392
Net profit for the period	15,456	(1,189)	14,267
Property, plant and equipment	434,723	18,303	453,026
Total assets	1,399,875	142,234	1,542,109
Total liabilities	354,124	116,072	470,196

Description / Sector	Sector carpet, rugs and related products	Blanket sector	Total
For the three-month period ended march 31, 2026 (Unaudited) (restated)			
Revenue	148,554	23,766	172,320
Cost of revenue	(126,531)	(22,470)	(149,001)
Gross profit	22,023	1,296	23,319
Net profit for the period	12,532	(789)	11,743
Property, plant and equipment	415,678	19,070	434,748
Total assets	1,325,433	127,360	1,452,793
Total liabilities	399,575	6,227	405,802

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	31/03/2026 (unaudited)	31/12/2025 (audited)
18. Contingent liabilities and capital commitments		
Letters of credit	43,940	44,390

19. Restatements of the previous financial statements

During the year ended 31/12/2025, the Group reassessed the accounting treatment of its investment in Red Sea Cables Company, in which it holds an interest of 27.027%. The investment had previously been classified as fair value through other comprehensive income (FVOCI), based on an earlier assessment that the Group did not have a significant influence over the investee.

During the year, management performed a detailed assessment of the nature of its relationship with the investee. In light of additional information available, indicators of significant influence were identified. These included, among others, the fact that both the Group and the investee are subject to common control by the same ultimate parent company, as well as the existence of representation on the board of directors.

Accordingly, the Group reclassified this investment as an investment in an associate and accounted for it using the equity method, in accordance with the requirements of IAS 28.

As a result, the comparative consolidated financial statements have been restated to reflect this change as if it had been applied from the beginning, in accordance with IAS 8. In addition, certain other items within the consolidated financial statements have been reclassified to better reflect their nature. The following sets out the effect of these adjustments on the comparative consolidated financial statements:

19.1 Consolidated statement of profit or loss and other comprehensive income for the year ended March 31, 2025

	31/03/2025 (Before restatement)	Effect of restatement	Reclassification	31/03/2025 (After restatement)
General and administrative expenses	(4,685)	-	500	(4,185)
Provision for expected credit losses	-	-	(500)	(500)
Group's share in profits of an associate	-	6,044	-	6,044
Net profit for the period	5,699	6,044	-	11,743
Earnings per share	0,07	0,07	-	0,14

19.2 Consolidated statement of cash flows for the year ended March 31, 2025

	31/03/2025 (Before restatement)	Effect of restatement	Reclassification	31/03/2025 (After restatement)
Net profit for the period	5,699	6,044	-	11,743
Group's share in results of associates	-	(6,044)	-	(6,044)

20. Financial instruments and risk management

The Group's activities are exposed to various financial risks including: Liquidity risk, credit risk, and market risk (include currency risk, fair value risk, cash flow of commission rate and price risk). The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Group's financial instruments comprise financial assets (cash and cash equivalents, trade receivables, investments at fair value through profit or loss, and other receivables) and financial liabilities (banks, credit facilities, trade and other payables) and include the following risks:

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20. Financial instruments and risk management... (Continued)

20.1 Liquidity risks

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from the inability to sell a financial asset quickly at an amount close to its fair value. The Group manages and monitors liquidity risks on a regular basis to ensure that sufficient funds are available through bank facilities to meet any future commitments.

The Group's sales conditions stipulate that payments are to be made in cash upon delivery of the goods or on a credit basis.

All current liabilities are expected to be settled within 12 months as of the date of the financial statements.

20.2 Credit risks

A credit risk refers to the risk that a customer or a counter party in a financial instrument will default on its contractual obligations resulting in financial loss to the Group and arises principally from the cash at banks and receivables. The Group minimizes credit risks associated with receivables by establishing procedures for credit limits for each customer and monitoring outstanding receivables in line with a set of procedures and policies. Cash is deposited with high credit rated banks.

The Group's activities are exposed to various financial risks including: Liquidity risk, credit risk, and market risk (include currency risk, fair value risk, cash flow of commission rate and price risk). The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Group's financial instruments comprise financial assets (cash and cash equivalents, trade receivables, investments at fair value through profit or loss, and other receivables) and financial liabilities (banks, credit facilities, trade and other payables) and include the following risks:

20.3 Market risks

- Market risk is the risk of fluctuations in a financial instrument due to changes in prevailing market prices such as foreign exchange rates, interest rates, and equity rates, which affect the Group's income or the value of its financial instruments. Market risk management aims to manage and control market risk exposure within acceptable parameters while maximizing returns.

The Group is exposed to the following market risks:

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates affecting foreign currency payments and receipts along with assessment of assets and liabilities in foreign currencies.

The Group is subject to fluctuations in foreign exchange rates in the normal course of its business. The Management regularly monitors changes in foreign exchange rates and manages the impact on the financial statements.

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20. Financial instruments and risk management... (Continued)

20.3 Market risks... (Continued)

Fair value risk

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. Since the Group's financial statements are prepared under the historical cost in which case differences may arise between the carrying amount and the fair value estimates. The Group's Management believes that case fair value of financial assets and liabilities approximates book balances.

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

When measuring fair value, the Group uses observable market information whenever possible. Fair values are categorized into different levels in the fair value hierarchy based on the inputs used in the valuation methods as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

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

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

If the inputs used to measure the fair value of the asset or liability fall into different levels of the hierarchy, the fair value measurement is categorized entirely in the same level of the fair value hierarchy as the lowest level input is considered material to the full measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period in which the change occurred. During the period there were no transfers between the fair value levels of Level 1 and Level 2.

The Group's financial instruments are grouped using the historical cost principle except investments and the derivative financial instruments that are charged according to the fair value. Differences between the carrying amount and the fair value estimates might arise. The Management believes that the fair value of the Group's financial assets and liabilities are not materially different to the carrying amount.

The financial assets measured at fair value are as follows:

Assets	Level 1	Level 2	Level 3	Total
Investments at fair value through profits or losses	1,658	-	-	1,658
Total assets at fair value	1,658	-	-	1,658

Interest rate risk (currencies)

Interest rate risk (commissions) represents the risk related to the effects of fluctuations in interest rates (commissions) prevailing in the market to the Group's financial position and its cash flows.

Commodity price risk

Commodity price risk is the risk associated with changes to the prices of certain commodities to which the Group is exposed as a result of adverse impact on the Group's costs and cash flows. This commodity price risk arises from the expected purchases of commodities or the services which the Group is expected to receive.

21. Assets held for sale

	Property, plant and equipment	Right-to-use lease assets	31/03/2026 (unaudited)	31/12/2025 (audited)
Balance at beginning of year	573	-	573	573
Net carrying amount of the derecognized assets (Note 21.1)	-	-	-	-
Balance at year-end	573	-	573	573

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21. Assets held for sale (Continued)

21.1 Assets sold during the period ended March 31, 2026:

	31/03/2026 (unaudited)
Cost	1,829
Accumulated depreciation	(1,829)
Net carrying amount	-
Selling price	199
Gain on sale	199

21.2 Additions to assets held for sale during 2025:

On 09/11/1446H, corresponding to 07/05/2025, one of the Group companies, National Spinning Company, entered into a binding agreement to assign the lease contract of a land plot owned by the Saudi Authority for Industrial Cities and Technology Zones ("MODON") located in the Second Industrial City in Riyadh, together with the factory constructed thereon, including all related facilities, warehouses, civil defense systems, electricity and gas infrastructure, at their current operational capacity and existing condition, to Lamina Limited Company for a consideration of SR 41 million. Accordingly, management transferred the machinery and equipment related to the site to another operating location and determined which assets would continue to be used in operations and which assets would be disposed of and offered for sale. Consequently, the related property, plant and equipment were reclassified as assets held for sale.

Management, when preparing the annual consolidated financial statements 2025, assessed the impact of classifying these assets as held for sale and concluded that the transaction does not represent a disposal of a major line of business or a separate operating segment in accordance with the requirements of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations." Rather, it represents an operational restructuring and enhancement, with the underlying operations continuing.

Accordingly, the results of National Spinning Company have been presented within continuing operations in the annual consolidated financial statements.

In the interim financial statements for the second and third quarters of 2025, the Group had presented the results of National Spinning Company as discontinued operations, as the assessment of the impact of classifying the assets as held for sale had not yet been finalized. Based on management's final assessment, these results are no longer presented as discontinued operations.

22. Subsequent events

Management believes that there are no subsequent significant events as of the date of the interim condensed consolidated statement of financial position at March 31, 2026 until the date of approval of these financial statements that may have a material impact on the interim condensed consolidated financial statements.

23. Approval of interim condensed consolidated financial statements

The interim condensed consolidated financial statements for the period ended March 31, 2026 were approved by the Group's Board of Directors on 23 Dhu al-Qi'dah 1447H corresponding to 10 May 2026.