



NAQI WATER COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2025
WITH INDEPENDENT AUDITOR'S REVIEW REPORT

NAQI WATER COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2025

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

TO THE SHAREHOLDERS OF NAQI WATER COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTRODUCTION

We have reviewed the accompanying Interim Condensed Statement of Financial Position of **NAQI WATER COMPANY** (the "Company") as at 30 September 2025 and the related interim statement of Profit or Loss and Other Comprehensive Income for the three-month and nine-month periods then ended, and the related interim statements of changes in shareholders' equity and cash flows for the nine-month period then ended, and a summary of material accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") 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 International Standard on Review Engagement 2410, "Review of Interim Condensed 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 as endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

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

For PKF Al Bassam
Chartered Accountants



Ahmed A. Mohandis
Certified Public Accountant
License No. (477)
Al-Qassim: 20 Jumada Al-Awwal 1447 H
Corresponding to: 11 November 2025



NAQI WATER COMPANY
(A SAUDI JOINT STOCK COMPANY)

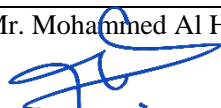
INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 30 SEPTEMBER 2025

(All amounts are in Saudi Riyal unless otherwise stated)

	Notes	30 September 2025 (Unaudited)	31 December 2024 (Audited)
<u>ASSETS</u>			
Non-current assets			
Property, plant and equipment, net	4	164,913,217	148,671,954
Biological assets, net	5	--	363,650
Right-of-use assets, net	6/1	4,314,553	3,504,089
Intangible assets, net	7	7,176,925	7,636,847
Total non-current assets		176,404,695	160,176,540
Current assets			
Trade receivables, net	8	17,885,138	21,584,944
Inventory, net	9	23,633,824	20,541,323
Due from related parties	10/2	13,358,317	13,886,061
Prepaid expenses and other receivables, net	11	6,954,424	3,903,121
Financial assets at fair value through Profit or loss	12	40,314,692	6,187,094
Cash and cash equivalents	13	38,003,635	77,594,661
Restricted cash	13	--	5,143,911
Total current assets		140,150,030	148,841,115
TOTAL ASSETS		316,554,725	309,017,655
<u>SHAREHOLDERS' EQUITY AND LIABILITIES</u>			
SHAREHOLDERS' EQUITY			
Share capital	14	200,000,000	200,000,000
Statutory reserve		19,911,805	19,911,805
Retained earnings		65,637,278	54,011,706
TOTAL SHAREHOLDERS' EQUITY		285,549,083	273,923,511
<u>LIABILITIES</u>			
Non-current liabilities			
Employees' end of service benefits		5,825,142	5,003,895
Lease liability – non-current portion	6/2	2,106,448	2,002,119
Total non-current liabilities		7,931,590	7,006,014
Current liabilities			
Trade payables		11,633,889	13,904,510
Lease liability – current portion	6/2	1,573,740	1,022,066
Islamic murabaha	15	1,188,917	4,654,469
Accrued expenses and other credit balances	16	5,649,379	5,313,870
Due to related parties	10/2	1,228,127	237,246
Zakat provision	17	1,800,000	2,955,969
Total current liabilities		23,074,052	28,088,130
TOTAL LIABILITIES		31,005,642	35,094,144
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		316,554,725	309,017,655

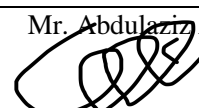
Chief Financial Officer

Mr. Mohammed Al Hawamdah



Chief Executive Officer

Mr. Abdulaziz Alsayegh



The accompanying notes form an integral part of these Interim Condensed Financial Statements

NAQI WATER COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(UNAUDITED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2025
(All amounts are in Saudi Riyal unless otherwise stated)

	Notes	For the three-month period ended		For the nine-month period for the period ended	
		30 September 2025 (Unaudited)	30 September 2024 (Unaudited)	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Revenues, net	18	48,774,582	61,001,729	144,414,194	174,737,421
Cost of revenues	19	(30,017,861)	(38,645,009)	(90,536,612)	(113,130,076)
Gross profit		18,756,721	22,356,720	53,877,582	61,607,345
Selling and distribution expenses		(9,894,097)	(8,537,823)	(28,536,217)	(25,851,928)
General and administrative expenses		(4,693,817)	(3,797,150)	(12,497,041)	(10,980,870)
Expected credit losses Provision	8,11	(830,391)	(375,000)	(2,518,852)	(825,000)
Profit from operation		3,338,416	9,646,747	10,325,472	23,949,547
Finance costs		(128,577)	(284,989)	(432,102)	(750,298)
Other income / (expenses), net	20	94,582	134,410	795,152	3,898,263
Time deposit income	21	219,750	821,475	2,463,445	3,111,701
Unrealized (loss) / gain from financial assets measured at FVTPL	12	(283,468)	460,846	(1,500,265)	530,070
Dividends from financial assets measured at FVTPL		823,424	106,890	2,012,925	106,890
Realized gain from financial assets measured at FVTPL		32,100	--	32,100	--
Profit before zakat		4,096,227	10,885,379	13,696,727	30,846,173
Zakat expense	17	(600,000)	(800,000)	(1,800,000)	(2,000,000)
Net profit for the period		3,496,227	10,085,379	11,896,727	28,846,173
Other comprehensive income:					
Items that will not be reclassified to interim statement of profit or loss in subsequent periods:					
Actuarial (loss) / gain from re-measurement of employees' end of service benefits		(178,975)	(85,099)	(271,155)	164,710
Total comprehensive income		3,317,252	10,000,280	11,625,572	29,010,883
Earnings per share:					
Basic and diluted (SAR)	22	0.17	0.50	0.59	1.44

Chief Financial Officer

Mr. Mohammed Al Hawamdah



Chief Executive Officer

Mr. Abdulaziz Alsayegh



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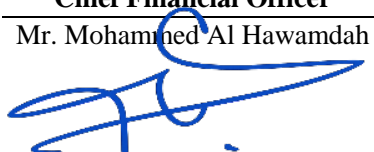
NAQI WATER COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025


(All amounts are in Saudi Riyal unless otherwise stated)

	Notes	Share capital	Statutory reserve	Retained earnings	Total
<u>2024:</u>					
Balance at 1 January 2024 (Audited)		200,000,000	16,893,318	36,238,434	253,131,752
Net profit for the period		--	--	28,846,173	28,846,173
Other comprehensive income		--	--	164,710	164,710
Total comprehensive income for the period		--	--	29,010,883	29,010,883
Dividends	26	--	--	(10,000,000)	(10,000,000)
Balance at 30 September 2024 (Unaudited)		<u>200,000,000</u>	<u>16,893,318</u>	<u>55,249,317</u>	<u>272,142,635</u>
<u>2025:</u>					
Balance at 1 January 2025 (Audited)		200,000,000	19,911,805	54,011,706	273,923,511
Net income for the period		--	--	11,896,727	11,896,727
Other comprehensive loss		--	--	(271,155)	(271,155)
Total comprehensive income for the period		--	--	11,625,572	11,625,572
Balance at 30 September 2025 (Unaudited)		<u>200,000,000</u>	<u>19,911,805</u>	<u>65,637,278</u>	<u>285,549,083</u>

Chief Financial Officer
Mr. Mohammed Al Hawamdah



Chief Executive Officer
Mr. Abdulaziz Alsayegh



The accompanying notes form an integral part of these Interim Condensed Financial Statements

INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(All amounts are in Saudi Riyal unless otherwise stated)

		30 September 2025	30 September 2024
	Notes	(Unaudited)	(Unaudited)
<u>Cash flows from operating activities</u>			
Profit for the period before zakat		13,696,727	30,846,173
Adjustments for:			
Depreciation of property, plant and equipment	4	15,584,376	15,269,342
Amortization of intangible assets	7	459,922	517,270
Amortization of biological assets	5	354,339	1,665,478
Depreciation of right-of-use assets	6/1	1,129,180	1,013,113
Reversal of provision for slow-moving inventory	9	(188,169)	--
Gain on the disposal of property, plant and equipment		--	(3,735,390)
Unrealized loss / (gain) from financial assets measured at FVTPL	12	1,500,266	(530,070)
Realized gains from financial assets measured at FVTPL		(32,100)	--
Provision for employees' end of service benefits – formed		1,007,242	945,431
Provision for expected credit losses – formed	8,11	2,518,852	825,000
Finance costs		432,102	750,296
(Gain) / loss from disposals of biological assets		(15,389)	214,662
		36,447,348	47,781,305
<u>Changes in operating assets and liabilities</u>			
Inventories		(2,904,332)	(3,365,594)
Trade receivables		1,210,954	(1,717,711)
Prepayments expenses and other receivables		(3,081,303)	1,278,117
Due from related party		527,744	192,641
Trade payable		(2,270,621)	6,656,494
Restricted cash		5,143,911	--
Accrued expenses and other payables		335,509	4,324,845
Due to related party		990,881	(1,923,016)
Cash generated from operating activities		36,400,091	53,227,081
Employees' defined benefits obligation paid		(630,513)	(110,701)
Zakat paid	17	(2,955,969)	(3,029,391)
Net cash generated from operating activities		32,813,609	50,086,989
<u>Cash flows from investing activities</u>			
Purchase of property, plant and equipment	4	(31,825,639)	(29,501,685)
Payments for purchase of biological assets	5	--	(981,856)
Proceeds from disposal of biological assets		24,700	--
Payments for purchase of intangible assets	7	--	(173,924)
Purchase of financial assets measured at FVTPL	12	(36,455,140)	(5,755,790)
Proceeds from sale of financial assets measured at FVTPL		859,376	--
Proceeds from disposal of property, plant and equipment		--	9,670,000
Net cash used in investing activities		(67,396,703)	(26,743,255)

Chief Financial Officer

Mr. Mohammed Al Hawamdah



Chief Executive Officer

Mr. Abdulaziz Alsayegh




The accompanying notes form an integral part of these Interim Condensed Financial Statements

INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025
(All amounts are in Saudi Riyal unless otherwise stated)

	Notes	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
<u>Cash flows from financing activities</u>			
Payment of Islamic Murabaha	15	(3,465,552)	(3,137,888)
Finance costs paid		(101,203)	(428,865)
Payment of lease liabilities	6	(1,441,177)	(1,313,860)
Dividends paid	26	--	(10,000,000)
Net cash used in financing activities		(5,007,932)	(14,880,613)
Net change in cash and cash equivalents		(39,591,026)	8,463,121
Cash and cash equivalent at the beginning of the period		77,594,661	78,797,294
Cash and cash equivalents at end of the period		38,003,635	87,260,415
<u>Non-cash transaction</u>			
Addition of Right-of-use assets and lease liability	6	(1,939,644)	392,477
Employees' end of service benefits		(271,155)	164,710
Finance costs paid		(330,899)	(321,431)
Intangible assets	4	--	7,060,314

Chief Financial Officer

Mr. Mohammed Al Hawamdah



Chief Executive Officer

Mr. Abdulaziz Alsayegh



The accompanying notes form an integral part of these Interim Condensed Financial Statements

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2025

(All amounts are in Saudi Riyal unless otherwise stated)

1. COMPANY AND MAIN ACTIVITIES

Naqi Water Company is a Saudi joint-stock company registered in the city of Unaizah in the Al-Qassim region of the Kingdom of Saudi Arabia under commercial registration number 1128018184 (Unified number 7011032112), issued on 27 Jumada Al-Akhirah 1435 AH, corresponding to April 27, 2014. and subsequent amendments to the commercial register and the company's articles of association.

On 7 Jumada Al-Awwal 1443 AH, corresponding to December 11, 2021, the Board of Directors approved the company's initial public offering (IPO) plan by offering 30% of the company's shares for the first-year subscription by applying and registering the securities with the Capital Market Authority and listing the company on the Saudi Stock Exchange (Tadawul). On 24 Shawwal 1443 AH, corresponding to May 25, 2022, the Capital Market Authority announced its approval to offer 6,000,000 shares for the first-year subscription, representing 30% of the company's shares. The Saudi Capital Market Authority approved the company's listing on the Saudi Stock Exchange (Tadawul) on 17 Muharram 1444 AH, corresponding to August 15, 2022.

The legal procedures for amending the Company's Articles of Association to transition into a listed joint stock company were completed on 26 Rabi Al-Awwal 1444 AH (corresponding to 26 October 2022), along with the update of Commercial Registration No. 1128018184.

The Company Activities are:

- Production and bottling of filtered pure water.
- Wholesaling of bottled water, soft drinks, and juices.
- Retailing of beverages in specialized stores.
- Land transportation of goods.
- Raising and producing broiler breeder hens, operating their hatcheries, and producing eggs.

Company Registered Head Office Address: Al-Obsah District, P.O. Box 5228, Qassim, Unaizah, Kingdom of Saudi Arabia.

The Company operates through its branches in cities within the Kingdom, and these branches operate under the following commercial registrations:

Branch	City	CR Number	Unified Number	Date of CR
Naqi Water Company joint-stock	Unaizah	1128183653	7016639382	12 January 2020
Naqi Water Company joint-stock	Dammam	2050180099	7037637753	24 December 2023
Naqi Water Company joint-stock	Hail	3550173509	7040605201	09 June 2024
Branch of Naqi Water	Jezan	5900145516	7037347213	28 November 2023
Branch of Naqi Water	Tabuk	3550163229	7042157227	17 October 2024
Naqi Water Company joint-stock	Unaizah	1128189986	7036846157	09 August 2023
Desert Nature Company	Riyadh	1010460840	7004779554	27 September 2018
Naqi Water Company joint-stock	Unaizah	1128184884	7009262168	29 November 2020
Naqi Water Company joint-stock	Jeddah	4030498557	7033606935	19 January 2023
Naqi Water Company joint-stock	Riyadh	1010603193	7016233111	10 November 2019

2. BASIS OF PREPARATION

2/1 Statement of compliance

These interim condensed financial statements have been prepared in accordance with the International Accounting Standards (IAS 34) "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and professional Accountants ("SOCPA") (collectively referred to as "IFRS as endorsed in KSA") and should be read in conjunction with the Company last annual financial statements as at and for the year ended 31 December 2024 ("last annual financial statements").

These interim condensed financial statements do not include all the information and disclosures required to prepare a complete set of financial statements in accordance with the International Financial Reporting Standards adopted in the Kingdom of Saudi Arabia. However, selected accounting policies and explanatory notes have been included to explain the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Company since the last annual financial statements.

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2025**

(All amounts are in Saudi Riyal unless otherwise stated)

2. BASIS OF PREPARATION (CONTINUED)

2/2 Basis of measurement

These interim condensed financial statements have been prepared on the basis of the historical cost basis, except for the following major items included in the condensed statement of financial position:

- Financial assets measured at fair value through Profit or loss (FVTPL) according to the prices announced in the Saudi Stock Market as of the financial position date.
- Employees' end-of service benefits obligations are recognized at the present value of the future obligations using the projected unit credit method.

2/3 Functional currency

The financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Saudi riyals, which is the functional and presentation currency.

2/4 Use of judgements and estimates

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and actual results may differ from these estimates.

Estimates and assumptions are based on previous experience and factors that may include expecting suitable future events which are used to extend book period of dependent assets and liabilities from other resources and estimates and assumptions are continuously being evaluated. Revised accounting estimates are reviewed in the period in which the estimates are revised in the audit period and future periods, if the changed estimates affect current and future periods.

Significant judgments made by the management upon the adopting the Company's accounting policies correspond to the disclosed policies in last year's financial statements.

2/5 Going Concern

The Company's management has assessed the Company's ability to continue as a going concern, and is convinced that the Company has sufficient resources to continue its business in the near future. In addition, the management does not have any material doubts about the Company's ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies applied in these interim condensed financial statements are in accordance with the International Financial Reporting Standards approved in the Kingdom of Saudi Arabia and other standards and publications issued by the Saudi Organization for Chartered and Professional Accountants, and they are the same policies applied in the annual financial statements of the Company for the year ending 31 December 2024. The principal accounting policies applied in the preparation of these interim condensed financial statements have been consistently applied to all the periods presented.

3/1 New Standards, Amendments, and Interpretations

New standards and amendments to standards effective from 1 January 2025, have been issued and disclosed in the annual financial statements, but they do not have a material impact on the Company's interim condensed financial statements.

NAQI WATER COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)
FOR THE THREE-AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

(All amounts are in Saudi Riyal unless otherwise stated)

4. PROPERTY, PLANT AND EQUIPMENT, NET

	Land	Buildings & constructions on owned and leased lands	Trucks*	Vehicles	Furniture and fixtures	Machinery and equipment	Tools	Computers	Desalination plant and laboratory equipment	Projects under constructions	Total
Cost:											
As at 1 January 2024 (audited)	12,100,000	38,468,724	19,440,000	12,890,731	4,494,108	121,309,934	641,434	589,255	16,529,633	8,440,314	234,904,133
Additions during the year	--	1,433,113	--	3,514,199	704,315	1,140,217	558,932	248,813	537,691	24,631,548	32,768,828
Disposal during the year	--	(2,100,000)	--	(555,429)	--	--	--	--	--	--	(2,655,429)
Transfers to intangible assets	--	--	--	--	--	--	--	--	--	(7,060,314)	(7,060,314)
As at 31 December 2024 (audited)	12,100,000	37,801,837	19,440,000	15,849,501	5,198,423	122,450,151	1,200,366	838,068	17,067,324	26,011,548	257,957,218
Additions during the period	--	1,176	--	388,099	84,087	342,931	58,916	124,941	18,000	30,807,489	31,825,639
As at 30 September 2025 (Unaudited)	12,100,000	37,803,013	19,440,000	16,237,600	5,282,510	122,793,082	1,259,282	963,009	17,085,324	56,819,037	289,782,857
Accumulated depreciation:											
As at 1 January 2024 (audited)	--	5,434,385	4,392,747	8,202,787	3,172,102	55,061,456	124,875	354,104	12,537,662	--	89,280,118
Depreciation charged for the year	--	1,161,763	1,962,671	2,054,093	766,148	12,491,096	111,893	151,323	1,807,388	--	20,506,375
Disposals Depreciation	--	(43,780)	--	(457,449)	--	--	--	--	--	--	(501,229)
As at 31 December 2024 (audited)	--	6,552,368	6,355,418	9,799,431	3,938,250	67,552,552	236,768	505,427	14,345,050	--	109,285,264
Depreciation charge for the period	--	860,485	1,472,005	1,999,460	328,523	9,456,175	93,360	94,236	1,280,132	--	15,584,376
As at 30 September 2025 (Unaudited)	--	7,412,853	7,827,423	11,798,891	4,266,773	77,008,727	330,128	599,663	15,625,182	--	124,869,640
Net book value:											
As at 30 September 2025 (Unaudited)	12,100,000	30,390,160	11,612,577	4,438,709	1,015,737	45,784,355	929,154	363,346	1,460,142	56,819,037	164,913,217
As at 31 December 2024 (Audited)	12,100,000	31,249,469	13,084,582	6,050,070	1,260,173	54,897,599	963,598	332,641	2,722,274	26,011,548	148,671,954

* Trucks mortgaged to a commercial bank under an Islamic financing agreement as collateral for Islamic Murabaha (Note 15)

NAQI WATER COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2025

(All amounts are in Saudi Riyal unless otherwise stated)

4. PROPERTY, PLANT AND EQUIPMENT, NET (CONTINUED)

Projects currently under implementation as part of the expansion in the water and poultry sectors include the following:

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Water production line project with a capacity of 52,000 bottles	4/1	17,661,436	18,112,500
Water production line project with a capacity of 100,000 bottles	4/2	11,312,199	--
Poultry Expansion Project	4/3	11,018,399	--
Project for purchasing automatic battery chicken cage	4/4	12,054,332	4,801,376
Project to purchase egg sorting machines	4/5	2,650,491	2,650,048
Water bottle mold design		1,537,969	--
water bottle design		285,559	285,559
Project for developing and upgrading the sales system		142,500	142,500
Others		156,152	19,565
		56,819,037	26,011,548

4/1 During 2024, the Company entered into a contract with Middle East Machinery Factory Company Limited (a related party) for the installation of a new production line for water bottles (200 ml, 300 ml, and 600 ml), with a designed capacity of 52,000 bottles per hour. The total contract value amounts to SAR 20,125,000, including VAT. During the period, invoices totaling SAR 3,007,093 were received in respect of the project, which include VAT amounts that have been excluded from "Projects Under Implementation." Additionally, down payments of SAR 14,654,343 (including VAT) were made as of the reporting date (31 December 2024: SAR 18,112,500 including VAT) and the project is expected to be completed during 2025.

4/2 During 2025, the Company entered into a contract with Middle East Machinery Factory Co. Ltd. (a related party) for the installation of a new production line for water bottles (200 ml, 300 ml, and 600 ml), with a designed capacity of 100,000 bottles per hour. The total contract value amounts to 8,537,000 euros, excluding VAT and the project is expected to be completed during 2025.

4/3 The poultry expansion project comprises the construction of poultry pens, and related electrical, feeding, and drainage works, awarded to Bilad Al-Sham Contracting Company. The total contract value amounts to SAR 15,318,181, including VAT, and the project is expected to be completed during 2025.

4/4 The project involves the supply and installation of battery systems for laying poultry pens, awarded to Dutchman Company, with a total contract value of SAR 14,310,796. The project is expected to be completed during 2025.

4/5 The project for the supply and installation of egg sorting machines includes amounts paid to Brinsen Company for the procurement and installation of egg sorting equipment, with completion expected during 2025.

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5. BIOLOGICAL ASSETS, NET

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
<u>Cost:</u>			
Balance at the beginning of the period / year		2,724,487	2,230,242
Additions during the period / year		--	981,856
Disposals during the period / year		(2,724,487)	(487,611)
Balance at end of period / year		--	2,724,487
<u>Accumulated Amortization:</u>			
Balance at the beginning of the period/year		2,360,837	379,729
Amortization during the period / year	19	354,339	2,229,110
Amortization for disposal during the period / year		(2,715,176)	(248,002)
Balance at end of the period / year		--	2,360,837
<u>Net book value</u>			
Balance at end of the period / year		--	363,650

*The financial statements as of 30 September 2025 reflect the depletion of key asset balances as the Company prepares to implement its new production plan, which includes expanding operations to incorporate the poultry farming phase alongside the existing poultry production activities.

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6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The value of lease contracts for sales branches, warehouses for storing goods, and some of the company's new factories extend from three years to twenty years, and these contracts have been capitalized in accordance with the International Financial Reporting Standard No. (IFRS 16) using a discount rate of 5.5%.

6/1 Right of use assets

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
<u>Cost:</u>		
Balance at the beginning of the period / year	7,016,466	6,623,989
Additions during the period / year	1,939,644	392,477
Disposals during the period / year	(1,561,378)	--
Balance at end of period / year	7,394,732	7,016,466
<u>Accumulated Amortization:</u>		
Balance at the beginning of the period / year	3,512,377	2,161,559
Depreciation during the period / year	1,129,180	1,350,818
Disposals during the period / year	(1,561,378)	--
Balance at end of period / year	3,080,179	3,512,377
<u>Net book value</u>		
Balance at end of the period / year	4,314,553	3,504,089

6/2 The movement in the lease liabilities is as follows:

	30 September 2025(Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period/year	3,024,185	3,942,318
Additions during the period /year	1,939,644	392,477
Finance cost during the period / year	157,536	203,327
Payment made during the period /year	(1,441,177)	(1,513,937)
Balance at end of the period / year	3,680,188	3,024,185
Lease liabilities – current portion	1,573,740	1,022,066
Lease liabilities – non-current portion	2,106,448	2,002,119
	3,680,188	3,024,185

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7. INTANGIBLE ASSETS, NET

	software and computer licenses	Right-of- use leased land	30 September 2025 (Unaudited)	31 December 2024 (Audited)
<u>Cost</u>				
Balance at the beginning of the period/year	1,363,731	7,234,238	8,597,969	5,366,036
Additions during the period/ year	--	--	--	7,281,933
Disposal during the period / year	--	--	--	(4,050,000)
Balance at end of the period / year	1,363,731	7,234,238	8,597,969	8,597,969
<u>Accumulated Amortization</u>				
Balance at the beginning of the period/year	561,442	399,680	961,122	462,156
Amortization during the period/year	100,210	359,712	459,922	670,576
Disposal during the period / year	--	--	--	(171,610)
Balance at end of the period / year	661,652	759,392	1,421,044	961,122
<u>Net book value</u>				
Balance at end of the period / year	702,079	6,474,846	7,176,925	7,636,847

8. TRADE RECEIVABLES, NET

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Trade receivables		23,271,244	24,482,198
Less:			
Expected credit loss provision	8/1	(5,386,106)	(2,897,254)
		17,885,138	21,584,944

8/1 The movement in allowance for expected credit losses during the period is as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance, at beginning of the period / year	2,897,254	1,767,773
Provided during the year period / year	2,488,852	1,129,481
Balance at end of period / year	5,386,106	2,897,254

8/2 The following is an analysis of the aging of trade receivables:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Not due	8,955,324	8,744,858
Overdue from 0 to 90 days	4,585,823	4,086,880
Overdue from 91 to 180 days	1,596,724	4,045,474
Overdue from 181 to over 365 Days	8,133,373	7,604,986
	23,271,244	24,482,198
Expected credit loss provision	(5,386,106)	(2,897,254)
	17,885,138	21,584,944

Collections in the subsequent period amounted to 6.7 million Saudi riyals from the balances of the Company's existing trade payables as of 30 September 2025, which were excluded from trade receivable when calculating expected credit losses, resulting in a net balance subject to calculation of 16.5 Saudi riyal classified according to their age (As of 31 December 2024, collections in the subsequent period amounted to 6 million Saudi Riyals.).

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9. INVENTORIES

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Inventory of water:			
Raw materials-Water		12,568,741	12,296,622
Finished goods-Water		3,198,514	1,760,368
Chemicals		583,478	527,500
Biological inventory:			
Raw materials-Table eggs		361,488	894,300
Finished goods- Table eggs		--	198,481
Spare parts:			
Spare parts		7,531,604	6,564,324
Vehicle spare parts		272,079	430,548
		24,515,904	22,672,143
Less:			
Obsolete inventory	9/1	(882,080)	(2,130,820)
		23,633,824	20,541,323

9/1 The following is an obsolete inventory provision movement:

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance, at beginning of the period / year		2,130,820	--
Used during the period / year		(1,060,571)	--
No longer required provision during the period / year	19	(188,169)	--
Provided during the period / year		--	2,130,820
Balance at end of period / year		882,080	2,130,820

10. RELATED PARTY

10/1 TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties mainly consist of purchases of raw materials and provision of services, which are carried out according to agreed and approved terms by management. The following is a statement of transactions with related parties during the period:

Name of related parties	Nature of Relation	Nature of transaction	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Seqa United Company (formerly Al-Sadd Modern Company)	Shareholder	Raw material purchases	40,226,620	50,497,243
		Payments of raw material invoices	(36,443,175)	(55,734,789)
		Discount on purchases	(2,239,446)	(1,219,284)
		Logistic services revenue	(1,016,255)	--
		Returns	--	(132,339)
Zulal Water Factory Company	Affiliate company	Payment for creating packaging molds	1,537,969	--
		Other expenses	--	(2,341)
Middle East Machinery Factory Co. Ltd.	Affiliate company	Payments	(14,044,941)	(14,493,599)
		Spare parts purchases	1,925,195	2,206,805
		Other expenses	101,597	410,747
		Projects under construction	13,009,029	16,732,500

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10. RELATED PARTY TRANSACTIONS AND BALANCES (COUNTINUED)

10/2 BALANCES WITH RELATED PARTIES

The following is a statement of balances with related parties during the period/year:

A- Due from Related parties:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Seqa United Company	<u>13,358,317</u>	<u>13,886,061</u>

B- Due to related parties

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Middle East Machinery Factory Co., Ltd	<u>1,228,127</u>	<u>237,246</u>

11. PREPAID EXPENSES AND OTHER RECEIVABLES, NET

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Prepaid expenses		2,767,719	2,344,949
Advance payment to suppliers		2,745,993	785,862
Employee's loans		127,314	574,167
Employee's custody		866,344	457,789
Accrued commission from time deposit		882,229	144,264
Other debit balances		892,821	894,086
		<u>8,282,420</u>	5,201,117
Less:			
Provision for other debit balances		(892,821)	(892,821)
Provision for employee's custody	11/1	(435,175)	(405,175)
		<u>6,954,424</u>	<u>3,903,121</u>

11/1 the following is the movement of the provision for doubtful accounts and employee custody:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	<u>405,175</u>	252,175
Provided during Period / year	<u>30,000</u>	153,000
Balance at end of the period / year	<u>435,175</u>	<u>405,175</u>

12. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

It consists of the investment value in shares of companies traded in the Saudi stock market for the purpose of trading. The company retains this portfolio with a licensed local brokerage firm in the Kingdom of Saudi Arabia. The investments are proven at fair value as of September 30, 2025, according to the closing prices at the end of trading on the financial center's date. The movement of the assets is as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	<u>6,187,094</u>	--
Additions during the period / year	36,455,140	5,755,790
Disposals during the period / year	(827,277)	--
Unrealized fair value (loss) / gain during the period / year	(1,500,265)	431,304
Balance at end of the period / year	<u>40,314,692</u>	<u>6,187,094</u>

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13. CASH AND CASH EQUIVALENTS

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Cash at banks		17,112,020	35,281,158
Time deposits – short term	13/1	20,000,000	42,067,060
Cash in the investment portfolio		54,281	4,457,990
Cash on hand		710,768	920,482
Cash via credit cards		126,566	11,882
		38,003,635	82,738,572
Less:			
Restricted cash	13/2	--	(5,143,911)
Cash and cash equivalents as shown in the statement of cash flows		38,003,635	77,594,661

13/1 The maturity period of the deposits is less than three months from the date of acquisition, and according to Islamic law, they are distributed among commercial banks. The Company earned commission income during the period of 2,463,445 Saudi riyals (30 September 2024: 3,111,701 Saudi riyals).

13/2 The cash withheld is part of the last installment of the project for the supply and installation of laying hens coops, which was due on November 15, 2024. The terms of the contract include payment of the last payment to the supplier to Dutchman with a covered letter of facilities. The company worked to complete the procedures for the implementation of the letter worth 1,736,341 euros during the month of December 2024 and January 2025, and the amount of the letter of facilities covered in euros, which was transferred at an exchange rate equivalent to 6,859,946 Saudi Riyals, which was paid during the period ending on 30 September 2025.

13/3 All balances are estimated to be of low credit risk as they are deposited with well-known institutions with high credit ratings. There were no indications of default at any time on any of the company's bank balances. Therefore, the probability of default based on future factors or any default cases resulting from losses is almost negligible or non-existent.

14. SHARE CAPITAL

The Company's subscribed and paid-up capital amounted to 200 million Saudi riyals, fully distributed, divided into 20 million shares of equal value, each share valued at 10 Saudi riyals.

Major shareholders as follows:

	30 September 2025 (Unaudited)		31 December 2024 (Audited)	
	No. of shares	Ratio	No. of shares	Ratio
Mr. Amin bin Abdullah bin Ali				
Al mallah	7,000,000	35%	7,000,000	35%
Seqa United Company	7,000,000	35%	7,000,000	35%

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15. ISLAMIC MURABAHAH

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Islamic Murabaha	1,188,917	4,755,669
Deferred costs	--	(101,200)
	1,188,917	4,654,469

The movement in Islamic Murabaha consists of the following :

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period /year	4,654,469	8,913,639
Payment during the period /year	(3,465,552)	(4,259,170)
Balance at end of period /year	1,188,917	4,654,469

During 2020, the Company entered into an Islamic financing agreement with Riyadh Bank for an amount of 20,500,000 Saudi riyals. The Company used this loan to finance the purchase of cars. The loan is subject to a profit rate of SAIBOR plus 4% per annum, and is to be repaid in 20 quarterly installments over a period of 5 years. The value of the trucks, amounting to 20,250,000 Saudi riyals, was pledged as collateral for the financing, in addition to promissory notes in favor of the lending bank amounting to 24,600,000 Saudi riyals, which were signed by the company's shareholders. The loan does not include any financial covenants.

The total financing cost charged to the interim statement of profit or loss for the loan during the period was 101,203 Saudi riyals (30 September 2024: 428,865 Saudi riyals)

16. ACCRUED EXPENSES AND OTHER CREDIT BALANCES

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Accrued expenses	3,699,853	3,987,999
Value added tax (VAT)	791,062	1,184,916
customers - advance payments	1,155,327	137,818
Other	3,137	3,137
	5,649,379	5,313,870

17. ZAKAT PROVISION

The movement of the zakat provision of the period is as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the period / year	2,955,969	3,029,391
Charge for the period / year	1,800,000	2,955,969
payments during the period / year	(2,955,969)	(3,029,391)
Balance at the end of the period / year	1,800,000	2,955,969

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18. REVENUES, NET

	For the three-months period ended		For the nine-months period ended	
	30 September 2025	30 September 2024	30 September 2025	30 September 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<u>Water sales revenue:</u>				
Local retail sales – bottled water	38,205,679	37,153,338	106,221,704	104,526,587
Local wholesale sales – bottled Water	8,951,002	18,474,984	30,162,817	55,799,546
Export sales – bottled water	607,380	867,461	2,335,221	2,590,588
<u>Poultry sales revenue:</u>				
Local retails sales – egg production	--	2,320,490	1,788,455	6,799,439
Local wholesale Sales – egg production	--	--	206,307	--
<u>Services revenue:</u>				
Logistics services revenue	1,010,521	2,185,456	3,699,690	5,021,261
	48,774,582	61,001,729	144,414,194	174,737,421

All of the Company's sales are at a specific point in time, and there are no contracts with customers to supply products over long periods of time.

19. COST OF REVENUE

		For the three-month period ended		For the nine-month period ended	
		30 September 2025	30 September 2024	30 September 2025	30 September 2024
	Note	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Consumed raw materials		17,579,407	22,322,402	51,777,532	68,885,519
Depreciation of property plant and equipment		4,263,813	4,332,754	12,769,583	12,711,368
Salaries, wages and equivalents		3,383,124	3,918,147	10,597,880	11,067,727
Operating expenses – egg production lines		26,481	2,183,670	1,407,365	5,474,289
Operating expenses		2,107,532	1,584,840	5,462,657	4,230,038
Consumed spare parts		670,661	1,363,826	2,517,903	2,913,376
Electricity and water		913,396	1,034,167	2,606,138	2,735,829
Cost of pallets of customer		509,592	--	1,595,358	--
Logistics expenses		403,613	694,189	934,927	2,218,420
Chemical used		304,372	261,290	560,688	785,168
Maintenance and insurance		44,039	366,436	140,411	442,864
Reversal of Provision for Slow-Moving Inventory	9/1	(188,169)	--	(188,169)	--
Amortization of biological assets	5	--	583,288	354,339	1,665,478
		30,017,861	38,645,009	90,536,612	113,130,076

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20. OTHER INCOME / (EXPENSE), NET

	Note	For the three-month period ended		For the nine-month period ended	
		30 September 2025	30 September 2024	30 September 2025	30 September 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Foreign exchange gain		16,641	--	533,869	104,393
Gain / (loss) from disposal of biological assets		--	(35,590)	15,389	(214,661)
Scrap sales revenue		77,941	--	245,894	273,141
Gain on disposal of property, plant, and equipment		--	170,000	--	3,735,390
		94,582	134,410	795,152	3,898,263

21. DEPOSIT INCOME

		For the three-month period ended		For the nine-month period ended	
		30 September 2025	30 September 2024	30 September 2025	30 September 2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Short-term Murabaha deposit return		225,657	821,475	1,676,926	3,111,701
Foreign exchange (losses) / gains on Euro deposits		(5,907)	--	786,519	--
		219,750	821,475	2,463,445	3,111,701

22. EARNINGS PER SHARE

The Calculation of Basic earnings per share was calculated based on the distributable profit to shareholders from ordinary shares and the weighted average number of ordinary shares outstanding as of the financial statement date.

	For the three-month period ended		For the nine-month period ended	
	30 September 2025	30 September 2024	30 September 2025	30 September 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net profit for the period	3,496,227	10,085,379	11,896,727	28,846,173
Number of shares	20,000,000	20,000,000	20,000,000	20,000,000
Earnings per share	0.17	0.50	0.59	1.44

Diluted loss per share

The calculation of diluted earnings per share is based on the profit available for distribution to shareholders for ordinary shares and the weighted average number of ordinary shares outstanding after adjusting for the potential dilution effects of ordinary shares, if any.

During the period, there were no issued/diluted shares; therefore, the diluted earnings per share do not differ from the basic earnings per share.

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23. FINANCIAL RISK MANAGEMENT

The company's activities expose it to a variety of financial risks: Market risk (including currency risk, fair value and cash flow, interest rate risks and price risk), credit risk and liquidity risk.

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

23/1 Financial risk management framework

Risk management is carried out by senior management under policies approved by the Board of Directors. Senior management identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The most important types of risk are credit risk, currency risk and fair value risk, and cash flow interest rate risk.

The Board of Directors has overall responsibility for establishment and oversight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk

management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees compliance by management with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Financial instruments carried on the balance sheet include cash and cash equivalents, trade and other receivables, Financial assets at fair value through Profit or loss, loans, trade payables and accrued expenses and other payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

23/2 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: Interest rate risk, currency risk and other price risk.

23/2/1 Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is not significantly exposed to fluctuations in foreign exchange rates during its normal course of business, as the Company's core transactions during the period were denominated in Saudi Riyals, UAE Dirhams, US Dollars, and Euros. Since the exchange rate of the Saudi Riyal is fixed against both the UAE Dirham and the US Dollar, and the Company's transactions in Euros are not material, there are no significant risks associated with transactions and balances denominated in these currencies.

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23.FINANCIAL RISK MANAGEMENT (CONTINUED)

23/2 Market risk (continued)

23/2/1 Foreign currency risk (continued)

The following is an analysis of the net exposure to foreign currency risk as of the financial statement date:

As at 30 September 2025 (unaudited) :

	<u>UAE Dirham</u>	<u>USD</u>	<u>Euro</u>	<u>Total</u>
	<u>In Saudi Riyals</u>			
<u>Assets</u>				
Cash and cash equivalents	--	--	4,805,865	4,805,865
Prepayments and other receivables	--	--	322,015	322,015
<u>Liabilities</u>				
Trade Payables	(111,479)	--	--	(111,479)
Net risk on the statement of financial position	(111,479)	--	5,127,880	5,016,401

As at 31 December 2024 (audited):

	<u>UAE Dirham</u>	<u>USD</u>	<u>Euro</u>	<u>Total</u>
	<u>In Saudi Riyals</u>			
<u>Assets</u>				
Cash and cash equivalents	--	--	12,492,899	12,492,899
Restricted cash	--	--	5,143,911	5,143,911
<u>Liabilities</u>				
Trade Payables	(1,038,970)	(28,440)	(43,469)	(1,110,879)
Net risk on the statement of financial position	(1,038,970)	(28,440)	(17,593,341)	(16,525,931)

23/2/2 Risks of change in other purchasing prices

These are the risks associated with changes in the prices of some commodities, which the company is exposed to, which may have an undesirable impact on the company's costs and cash flows. These commodity price risks arise from anticipated purchases of certain goods from the raw materials used by the company.

23/3 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Concentration risk arises when a number of counterparties engaged in similar business activities or activities in the same geographical region or have economic features that would cause them to fail their contractual obligations. To reduce exposure to credit risk, the Company has developed a formal approval process whereby credit

limits are applied to its customers, which are based on comprehensive customer ratings and past repayment rates. The management also continuously monitors the credit exposure related to its customers and makes provision against the expected credit losses. Standing balances of customers are continuously monitored. Cash and cash equivalents are placed with national banks with sound credit ratings. Trade and other receivables are mainly due from local customers and the company's trade receivables are due from eight main customers. Trade receivables are stated at their estimated realizable values.

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

NAQI WATER COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2025

(All amounts are in Saudi Riyal unless otherwise stated)

23/3 Credit risk (continued)

The following is the total maximum credit risk that the company is exposed to:

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Trade receivable	8	17,885,138	21,584,944
Due from related party	10	13,358,317	13,886,061
Cash and cash equivalents and restricted cash	13	37,292,867	81,818,090
Other Debit balances	11	1,440,712	771,045
		69,977,034	118,060,140

23/4 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell financial assets quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available. The concentrations of liquidity risk may arise from the repayment terms of financial liabilities, sources of borrowings or reliance on a particular market in which to realize liquid assets. The following is the contractual maturities for financial liabilities at the end of the period, which are presented in gross and undiscounted amounts:

As at 30 September 2025 (Unaudited)	Less than a year	From 1 to 5 years	More than 5 years	Total
Trade payable	11,633,889	--	--	11,633,889
Accrued expenses and other credit balances	5,649,379	--	--	5,649,379
Due to related party	1,228,127	--	--	1,228,127
Islamic murabahah	1,188,917	--	--	1,188,917
Lease liabilities	1,573,740	1,586,534	519,914	3,680,188
	21,274,052	1,586,534	519,914	23,380,500

As at 31 December 2024 (Audited)	Less than year	From 1 to 5 years	More than 5 years	Total
Trade payable	13,904,510	--	--	13,904,510
Accrued expenses and other credits balances	5,313,870	--	--	5,313,870
Islamic murabahah	4,654,469	--	--	4,654,469
Due to related party	237,246	--	--	237,246
Lease liabilities	1,022,066	1,465,979	536,140	3,024,185
	25,132,161	1,465,979	536,140	27,134,280

The company manages liquidity risk by maintaining adequate reserves, bank facilities and loans, by continuously monitoring future cash flows, and by matching the maturities of assets and cash liabilities.

24. CONTINGENCIES AND CAPITAL COMMITMENTS

NAQI WATER COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2025

(All amounts are in Saudi Riyal unless otherwise stated)

The following are the details of the capital commitments:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Total capital commitments	76,993,576	34,435,796
Total executed and paid installments	(41,359,365)	(25,169,649)
	35,634,211	9,266,147

25. SEGMENTAL INFORMATION

Operating segment

The presentation of key segments is determined on the basis that the risks and rewards of the Company are substantially affected by the differences in the products of those segments. These segments are organized and managed separately according to the nature of the services and products, each forming a separate unit. The operational segments set out below are determined by distinguishing business activities from which the Company generates revenues and incurs costs.

The economic characteristics are reviewed and the operating segments are aggregated on the basis of the organization made by the Chief Operating Decision Maker at least every quarter and reviewed by Company's senior management.

The Company is operating its activities in the Kingdom of Saudi Arabia through the following main business sectors:

Revenue for the period ending at	Local Water Sales	Export Water Sales	Logistic services revenue	Egg sales	Total
30 September 2025 (Unaudited)	136,382,630	2,335,221	3,699,690	1,996,653	144,414,194
30 September 2024 (Unaudited)	160,326,133	2,590,588	5,021,261	6,799,439	174,737,421

Trade receivables as at	Local Water Customers	Export Water Customers	Egg customers	Total
30 September 2025 (Unaudited)	23,194,987	25,150	51,107	23,271,244
30 September 2024 (Unaudited)	25,529,492	245,684	378,212	26,153,388

Geographical Segment

Revenue by region are as follows:

	For the three-month period ended		For the nine-month period ended	
	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Central Region	34,036,042	40,638,898	100,017,093	119,117,752
Western Region	4,869,291	7,292,001	15,271,390	20,244,372
Eastern Region	5,253,479	5,473,983	13,663,770	12,357,810
Northern Region	2,577,197	3,539,763	7,610,168	11,723,054
Logistics Services revenue	1,010,521	2,185,456	3,699,690	5,021,261
External export	607,380	867,461	2,335,221	2,590,588
Southern Region	420,672	1,004,167	1,816,862	3,682,584
	48,774,582	61,001,729	144,414,194	174,737,421

26. DIVIDENDS

NAQI WATER COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)
FOR THE THREE AND NINE MONTH PERIODS ENDED 30 SEPTEMBER 2025

(All amounts are in Saudi Riyal unless otherwise stated)

2025:

There was no recommendation from the Board of Directors for distributions of dividend during the period.

2024:

On 27 June 2024, the Ordinary General Assembly, based on the recommendation of the Board of Directors, approved cash dividends of SAR 10,000,000, representing 5% of the company's capital, to shareholders for the third and fourth interim periods of 2023, at SAR 0.5 per share.

27. COMPARATIVE FIGURES

Some comparative figures have been reclassified to conform with the presentation of the interim condensed financial statements for the current period.

28. SUBSEQUENT EVENTS

There are no events that have occurred after the date of the interim statement of financial position that require adjustment or disclosure in these interim condensed financial statements.

29. APPROVAL OF THE FINANCIAL STATEMENTS

These interim condensed financial statements for the period ended 30 September 2025 were authorized for issue by the Board of Directors, on 15 Jumada Al-Awwal 1447H (corresponding to 6 November 2025)