ARABIAN FOOD AND DAIRY FACTORIES COMPANY (FADECO)

(A Saudi Joint Stock Company)

CONDENSED INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2026

ARABIAN FOOD AND DAIRY FACTORIES COMPANY (FADECO)
(A Saudi Joint Stock Company)

CONDENSED INTERIM FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2026

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

To the Shareholders of
Arabian Food and Dairy Factories Company (FADECO)
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying condensed interim financial statements of Arabian Food and Dairy Factories Company (FADECO) (the "Company") which comprises the condensed interim statement of financial position as at June 30, 2026 and the related condensed interim statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six months period then ended and other explanatory notes. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 – ("IAS 34") "Interim Financial Reporting" that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as endorsed in the Kingdom of Saudi Arabia. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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 condensed interim financial statements of the Company are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

Other matter

The condensed interim financial statements of the Company for the six months period ended June 30, 2025 were reviewed by another auditor who expressed an unmodified conclusion on those condensed interim financial statements on August 25, 2025. In addition, the financial statements of the Company as at and for the year ended December 31, 2025 were audited by the same auditor who expressed an unmodified opinion on those financial statements on March 29, 2026.

For Dr. Mohamed Al-Amri & Co.

د. محمد العمري وشركاه - محاسبون قانونيون
شركة مهنية رقم ٣٢٣/١١/٦٦/٢
س.ت ٢٠٥٠١٠٥٨٢٢
Dammam
Certified Public Accountants
Dr. Mohamed Al-Amri & Co.

Ahmed Al Jumah
Certified Public Accountant
Registration No. 621

Dammam, on 14 Rabi Al-Awwal, 1448 (H)
Corresponding to: 27 August, 2026 (G)

ARABIAN FOOD AND DAIRY FACTORIES COMPANY (FADECO)
(A Saudi Joint Stock Company)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026
Expressed in Saudi Riyals (⃁)

	Notes	June 30, 2026 (Unaudited)	December 31, 2025 (Restated note 13)
ASSETS			
Non-current assets			
Property, plant and equipment	3	**22,246,879**	22,725,136
Right-of-use assets		**6,898,448**	6,701,619
Intangible assets		**512,548**	543,884
Investment at fair value through profit or loss (FVTPL)	4	**1,512,770**	1,754,400
Prepayments and other receivables		-	50,500
Total non-current assets		**31,170,645**	31,775,539
Current assets			
Investment at fair value through profit or loss (FVTPL)	4	**3,236,100**	3,138,711
Inventories		**11,384,426**	12,420,673
Trade receivables	5	**12,899,771**	7,521,105
Prepayments and other receivables		**3,555,261**	3,092,890
Cash and cash equivalents		**6,517,479**	6,932,329
Total current assets		**37,593,037**	33,105,708
TOTAL ASSETS		**68,763,682**	64,881,247
EQUITY AND LIABILITIES			
Equity			
Share capital	1	**14,100,000**	14,100,000
Statutory reserve		**4,230,000**	4,230,000
Retained earnings		**14,389,835**	14,804,926
Total equity		**32,719,835**	33,134,926
LIABILITIES			
Non-current liabilities			
Decommissioning liability		**1,064,194**	1,044,608
Employees benefits obligations		**7,331,391**	6,898,010
Term loan	6	**5,557,737**	6,745,237
Lease liabilities		**5,188,282**	5,109,698
Total non-current liabilities		**19,141,604**	19,797,553
Current liabilities			
Trade payables		**4,546,833**	1,742,966
Due to related parties	7	**36,965**	-
Accrued and other liabilities		**6,774,618**	4,633,668
Term loan – current portion	6	**2,375,000**	2,375,000
Lease liabilities – current portion		**1,925,756**	1,681,022
Zakat payable	9	**1,243,071**	1,516,112
Total current liabilities		**16,902,243**	11,948,768
Total liabilities		**36,043,847**	31,746,321
TOTAL EQUITY AND LIABILITIES		**68,763,682**	64,881,247

The accompanying notes from 1 to 15 form an integral part of these unaudited condensed interim financial statements.

Chairman	**Chief Executive Officer**	**Finance Manager**
Khaled Hassan Al Qahtani	Mohammad Al Rassam	James Costa

FADECO
C.R 2050033520
ARABIAN FOOD & DAIRY FACTORIES CO.

ARABIAN FOOD AND DAIRY FACTORIES COMPANY (FADECO)
(A Saudi Joint Stock Company)

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2026
Expressed in Saudi Riyals (⃁)

	Notes	June 30, 2026 (Unaudited)	June 30, 2025 (Restated note 13) (Unaudited)
Revenue	8	**33,365,371**	31,658,808
Cost of revenue		**(17,746,850)**	(17,582,744)
Gross profit		**15,618,521**	14,076,064
Selling and marketing expenses		**(9,970,402)**	(9,748,575)
General and administrative expenses		**(3,883,205)**	(3,643,037)
Allowance for expected credit losses	5	**(172,570)**	(54,779)
Profit from operations		**1,592,344**	629,673
Finance cost		**(539,065)**	(616,530)
Other (expense) / income, net		**(1,168,370)**	424,000
(Loss) / profit before Zakat		**(115,091)**	437,143
Zakat	9	**(300,000)**	(300,000)
NET (LOSS)/ PROFIT FOR THE PERIOD		**(415,091)**	137,143
Other comprehensive income		**-**	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD		**(415,091)**	137,143
(LOSS)/ EARNINGS PER SHARE			
(Loss)/earnings per share - Basic and diluted	10	**(0.29)**	0.10

The accompanying notes from 1 to 15 form an integral part of these unaudited condensed interim financial statements.

Chairman	**Chief Executive Officer**	**Finance Manager**
Khaled Hassan Al Qahtani	Mohammad Al Rassam	James Costa

ARABIAN FOOD AND DAIRY FACTORIES COMPANY (FADECO)
(A Saudi Joint Stock Company)

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2026
Expressed in Saudi Riyals (⃁)

	Share capital	Statutory reserve	Fair value reserve of investment at FVOCI	Retained earnings	Total equity
At January 01, 2025 – as previously reported	14,100,000	4,230,000	595,741	15,388,714	34,314,455
Prior period adjustments (note 13)	-	-	(595,741)	595,741	-
At January 01, 2025 - restated (note 13)	14,100,000	4,230,000	-	15,984,455	34,314,455
Net profit for the period - restated (note 13)	-	-	-	137,143	137,143
Other comprehensive income - restated (note 13)	-	-	-	-	-
Total comprehensive income for the period - restated (note 13)	-	-	-	137,143	137,143
At June 30, 2025 (unaudited) - restated (note 13)	14,100,000	4,230,000	-	16,121,598	34,451,598
At January 01, 2026 – as previously reported	**14,100,000**	**4,230,000**	**754,400**	**14,050,526**	**33,134,926**
Prior period adjustments (note 13)			**(754,400)**	**754,400**	-
At January 01, 2026 - restated (note 13)	**14,100,000**	**4,230,000**	-	**14,804,926**	**33,134,926**
Net loss for the period	-	-		**(415,091)**	**(415,091)**
Other comprehensive income	-	-		-	-
Total comprehensive loss for the period	-	-	-	**(415,091)**	**(415,091)**
At June 30, 2026 (unaudited)	**14,100,000**	**4,230,000**	-	**14,389,835**	**32,719,835**

The accompanying notes from 1 to 15 form an integral part of these unaudited condensed interim financial statements.

Chairman	**Chief Executive Officer**	**Finance Manager**
Khaled Hassan Al Qahtani	Mohammad Al Rassam	James Costa

ARABIAN FOOD AND DAIRY FACTORIES COMPANY (FADECO)
(A Saudi Joint Stock Company)

CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2026
Expressed in Saudi Riyals (⃁)

	Notes	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited) (Restated note 13)
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / profit before Zakat		**(115,091)**	437,143
Adjustments for:			
Depreciation of property, plant and equipment	3	**1,744,172**	1,682,645
Amortization of intangible assets		**56,124**	8,975
Depreciation of right-of-use-assets		**931,099**	624,356
Allowance for expected credit losses	5	**172,570**	54,779
Change in fair value of investments at FVTPL	4	**144,241**	(249,401)
Gain on disposal of property, plant and equipment		**(368,914)**	-
Provision for employees' benefits		**449,160**	385,986
Finance cost		**539,065**	616,530
		3,552,426	3,561,013
Changes in:			
Inventories		**1,036,247**	339,716
Trade receivables		**(5,551,236)**	(3,647,206)
Prepayments and other receivables		**(411,871)**	(47,629)
Trade payables		**2,803,867**	569,866
Accrued and other liabilities		**2,140,950**	1,616,041
Due to related parties		**36,965**	(612,924)
Cash generated from operations		**3,607,348**	1,778,877
Employees' benefits paid		**(15,779)**	(60,852)
Zakat paid		**(573,041)**	(664,881)
Finance cost paid		**(519,479)**	(597,654)
Net cash generated from operating activities		**2,499,049**	455,490
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	3	**(1,265,915)**	(1,458,012)
Purchase of intangible assets		**(24,788)**	(159,586)
Proceeds from disposal of property, plant and equipment		**368,914**	-
Net cash used in investing activities		**(921,789)**	(1,617,598)
CASH FLOWS FROM FINANCING ACTIVITIES			
Term loan repayments		**(1,187,500)**	-
Repayment of lease liabilities		**(804,610)**	(507,753)
Net cash used in financing activities		**(1,992,110)**	(507,753)
Net change in cash and cash equivalents		**(414,850)**	(1,669,861)
Cash and cash equivalents at the beginning of the period		**6,932,329**	10,167,898
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		**6,517,479**	8,498,037
Significant non-cash transactions:			
Addition to right of use assets and lease liabilities		**1,127,928**	429,258

The accompanying notes from 1 to 15 form an integral part of these unaudited condensed interim financial statements.

Chairman	Chief Executive Officer	Finance Manager
Khaled Hassan Al Qahtani	Mohammad Al Rassam	James Costa

Expressed in Saudi Riyals (⃁)

1. CORPORATE INFORMATION AND COMPANY STRUCTURE

Arabian Food and Dairy Factories Company (FADECO) (the "Company") was previously registered as a Limited Liability Company in Saudi Arabia under commercial registration number 2050033520 having unified number 7001648216 on Dhu Al-Qadah 25, 1418H corresponding to March 24, 1998. On Muharram 11, 1442H corresponding to August 30, 2020, the shareholders of the Company resolved to convert it to a Closed Joint Stock Company. The ministerial decision (No 5) announcing the conversion of the Company was obtained on Muharram 29, 1442 corresponding September 17, 2020.

On Sha'ban 25, 1443H (corresponding to March 28, 2022), the Company obtained approval from the Capital Market Authority's (CMA) to offer 282,000 shares, representing 20% of the Company's share capital, in the parallel market. On Dhu al-Qi'dah 13, 1443 (corresponding to June 12, 2022) the Company obtained approval of listing from the CMA to trade the shares in the parallel market. The registered address of the Company is P.O. Box 195, Dammam/Industrial City 31952, Kingdom of Saudi Arabia.

The principal activities of the Company are to produce ice cream and marketing of the Company's products.

The share capital of the Company comprises of 1,410,000 shares as at June 30, 2026 (December 31, 2025: 1,410,000 shares) stated at ⃁ 10 per share. The Company has the following branches, which are registered under separate commercial registration numbers. The financial results of these branches are included in these condensed interim financial statements.

Location of Branches	CR number
Dammam	2050100527
Riyadh	1010246408
Jeddah	4030516507
Hasa	2250062831
Arar	3450015259
Narriaya	2056103924
Narriaya	2056102672
Buraydah	1131307418
Dammam	2050182713

2. BASIS OF PREPARATION AND BASIS OF MEASUREMENT

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA").

These condensed interim financial statements do not include all the information and disclosures required in annual financial statements prepared in accordance with International Financial Reporting Standards that are endorsed in KSA and therefore, should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2025.

The results for the six-months period ended June 30, 2026 are not necessarily indicative of the results that can be expected for the year ending December 31, 2026.

2.2 Basis of preparation

These condensed interim financial statements have been prepared using the accrual basis of accounting under the historical cost basis, except for

- Employees' benefits obligations that have been measured at present value using Projected Unit Credit Method (PUCM),
- The remeasurement of investments at FVTPL which are measured at fair value, and
- Decommissioning liability which is measured at present value.

2. BASIS OF PREPARATION AND BASIS OF MEASUREMENT (CONTINUED)

2.3 Use of judgement and estimates

In preparing these condensed interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the latest Company's annual financial statements as at and for the year ended December 31, 2025.

2.4 Functional and presentation currency

These condensed interim financial statements are presented in Saudi Riyals (⃁), which is the functional and presentation currency of the Company. All the amounts have been rounded to the nearest Saudi Riyals (⃁) unless otherwise stated.

2.5 Material accounting policies

The accounting policies and methods of computation applied in these condensed interim financial statements are the same as those applied in the Company's annual financial statements as at and for the year ended December 31, 2025.

2.6 New accounting standards, amendments and interpretations

There are new standards and number of amendments to standards issued which are effective from January 01, 2026 and onwards and have been explained in Company's annual financial statements for the year ended December 31, 2025, but these do not have a material effect on the Company's condensed interim financial statements for the six months period ended June 30, 2026. The Company did not early adopt any such amendments.

2.6.1 IFRS 18 'Presentation and Disclosure in Financial Statements'

IFRS 18 'Presentation and Disclosure in Financial Statements' is effective for annual reporting periods beginning on or after January 1, 2027 and will replace IAS 1 'Presentation of Financial Statements'. The Company has not early adopted this accounting standard in preparing these condensed interim financial statements; however, earlier application is permitted. On adoption, the Company will apply IFRS 18 retrospectively.

IFRS 18 introduces new requirements for the presentation of the statement of profit or loss and other comprehensive income, disclosure requirements for management-defined performance measures and enhanced principles for the aggregation and disaggregation of information in the financial statements and notes. IFRS 18 does not change the recognition and measurement of items in the financial statements, accordingly net profit for the year, earnings per share and total equity will not be affected. The Company has performed an initial assessment of the expected impacts of IFRS 18 on its financial statements, the results of which are set out below. The assessment is ongoing and the expected impacts described below are preliminary and may change as the Company finalizes its implementation of IFRS 18.

2. BASIS OF PREPARATION AND BASIS OF MEASUREMENT (CONTINUED)

2.6 New accounting standards, amendments and interpretations (Continued)

2.6.1 IFRS 18 ‘Presentation and Disclosure in Financial Statements’ (Continued)

a) Structure of the statement of profit or loss and other comprehensive income

The key changes include the requirements to classify all income and expense into one of these categories: operating, investing, financing, zakat and taxation (as applicable) and discontinued operations. Classification of income and expenses depends on the main business activities of the Company. The Company has determined that it does not have a main business activity of investing in assets and/or providing financing to customers.

Based on the information currently available, the Company expects the following changes to the current structure of the statement of profit or loss and other comprehensive income:

- The Company will recognize another subtotal after the operating profit, named as “Profit or Loss before financing and zakat”.

- Interest on term loans, employees’ end of service benefits, decommissioning liability and lease liabilities are already presented within finance cost and will continue to be reported in finance cost within the financing category.

- Returns on the Company’s investments at FVTPL along with dividend income will be presented under the investing category.

- Bank charges and other charges not related to raising finance will be reclassified and presented under the operating category.

b) Principles of aggregation and disaggregation

IFRS 18 introduces enhanced principles for grouping and disaggregating information based on similar and dissimilar characteristics, resulting in a more structured and useful presentation of financial information. Based on the Company's preliminary assessment:

The presentation of certain line items, aggregations and subtotals in the statement of profit or loss may change to provide a more useful and structured summary of financial performance and to support enhanced disclosures in the notes to the financial statements. The Company is currently assessing the appropriate classification and presentation of these items in accordance with IFRS 18. As part of this assessment, line items currently presented as "Other" will be reviewed and, where appropriate, replaced with more descriptive labels that clearly reflect the nature of the underlying items. The Company is also evaluating the impact of the expanded aggregation and disaggregation disclosure requirements introduced by IFRS 18.

As the Company presents operating expenses by function (e.g., cost of revenue, selling and marketing expenses, general and administrative expenses, and finance cost), IFRS 18 requires the Company to provide a new mandatory disclosure of specified expenses by nature such as depreciation, amortization, employee benefits, impairment losses, and inventory write-downs and their allocation across the relevant functional line items.

2. BASIS OF PREPARATION AND BASIS OF MEASUREMENT (CONTINUED)

2.6 New standards, amendments to standards, and interpretations (Continued)

2.6.1 IFRS 18 'Presentation and Disclosure in Financial Statements' (Continued)

c) Management defined performance measures

IFRS 18 introduces disclosure requirements for management-defined performance measures (MPMs), which are subtotals of income and expenses that management uses in public communications outside the financial statements to explain its view of the Company's financial performance. For each MPM, the standard requires disclosure of reconciliation to the most directly comparable subtotal specified by IFRS Accounting Standards, together with the related Zakat effects. These disclosures are required to be presented in a single note within the financial statements.

The Company is currently assessing the financial performance measures communicated in its public reporting and is developing a framework to identify those measures that meet the definition of an MPM under IFRS 18. This assessment will consider public communications issued in respect of the relevant reporting period after the date of initial application of the standard.

The Company expects to provide the required MPM disclosures for the first time in its annual financial statements for the year ending December 31, 2027. The disclosures will also be included in the Company's condensed interim financial statements for interim reporting periods within that financial year, where applicable.

d) **Consequential amendments**

IFRS 18 introduces consequential amendments to "IAS 7 – Statement of Cash Flows", which require the Company to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows using the indirect method. The Company currently uses "profit/loss for the year before Zakat" as the starting point of the reconciliation of operating activities. Certain adjusting items included in the reconciliation will change as a result of this amendment.

IFRS 18 also introduces specific guidance on the classification of interest cash flows. Accordingly, finance costs paid, which are currently classified within operating activities, will be reclassified to financing activities in the statement of cash flows.

Cashflows from dividends paid will continue to be classified as financing activities.

3. PROPERTY, PLANT AND EQUIPMENT

During the six-months period ended June 30, 2026, the Company purchased property, plant and equipment with a cost of ⃁ 1.27 million (June 30, 2025: ⃁ 1.46 million) including additions to capital work in progress amounting to ⃁ 0.39 million (June 30, 2025: ⃁ 1.38 million) and disposed-off assets with a cost of ⃁ 2.94 million (June 30, 2025: Nil). The depreciation charge for the six months period ended June 30, 2026 amounted to ⃁ 1.74 million (June 30, 2025: ⃁ 1.68 million). Included within the property, plant and equipment are fully depreciated assets with total cost amounting to ⃁ 92.35 million as at June 30, 2026 (June 30, 2025: ⃁ 92.8 million). Capital work in progress represents mainly the construction of cold store in Riyadh. Management is expecting the construction works to be completed by the end of the year 2026.

Expressed in Saudi Riyals (⃁)

4. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

	June 30, 2026 (Unaudited)	December 31, 2025 (Restated note 13)
Investments at FVTPL - non-current (note 4.1)	**1,512,770**	1,754,400
- current (note 4.2)	**3,236,100**	3,138,711
	4,748,870	4,893,111

Movement in investments at fair value through profit or loss is as follows:

	2026	2025
At January 01, restated (note 13)	**4,893,111**	4,554,856
Change in fair value - restated (note 13)	**(144,241)**	338,255
At period / year end - restated (note 13)	**4,748,870**	4,893,111

4.1 It represents an investment made by the Company in a private equity fund managed by MEFIC Capital in the Kingdom of Saudi Arabia having a redemption date of October 2027.

4.2 It represents an investment made by the Company in a private equity fund managed by Yaqeen Capital.

5. TRADE RECEIVABLES

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Trade receivables	**14,504,518**	8,953,282
Less: Allowance for expected credit losses	**(1,604,747)**	(1,432,177)
	12,899,771	7,521,105

Movement in the allowance for expected credit losses (“ECL”) is as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
At January 01,	**1,432,177**	861,358
Charge for expected credit losses	**172,570**	570,819
At period / year end	**1,604,747**	1,432,177

6. TERM LOAN

The Company secured an Islamic borrowing facility with an overall limit of ⃁ 21.35 million from a local bank to finance its expansion plan for establishing distribution centers in Riyadh and import of raw materials. As of June 30, 2026, ⃁ 7.93 million of the Islamic borrowing facility was utilized. The facility is primarily secured by a promissory note and Kafalah guarantee and is repayable by the year 2029. The facilities include covenants which among other things , require certain financial ratios to be maintained by the Company as at each year-end.

Expressed in Saudi Riyals (⃁)

7. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties include shareholders, key management personnel and the entities controlled, jointly controlled or significantly influenced by such parties and entities having common directorship.

The details of significant transactions and balances with related parties are as follows:

Related party	Relationship	Nature of transactions	For the six- months period ended June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)
Gahtani International Maritime Agency	Affiliate	Purchases	**70,106**	63,231
Rikaz Real Estate Company	Affiliate	Interest on loan	**-**	49,081
Haka for Industries (Haka Motors) Company	Affiliate	Purchases	**1,437**	-

7.1 Due to related parties

Related parties	Balances as at June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Gahtani International Maritime Agency	**35,528**	-
Haka for Industries (Haka Motors) Company	**1,437**	-
	36,965	-

Terms and conditions of transactions with related parties

Transactions with related parties are made in the ordinary course of business. Outstanding balances at June 30, 2026 and December 31, 2025 are unsecured and settled in cash. No guarantees have been provided or received in respect of related party balances.

7.2 Compensation of key management personnel

Key management includes the Board of Directors (executive and non-executive) and members of Company's top management. The compensation paid or payable to key management for employee services is shown below:

	For the six-months period ended June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)
Board of directors and Board committees' remuneration	**634,998**	652,998
Short term employment benefits	**1,077,777**	877,042
Post employment benefits	**57,631**	53,519
	1,770,406	1,583,559

Expressed in Saudi Riyals (⃁)

8. REVENUE AND SEGMENT INFORMATION

The Company operates as a single business segment, principally engaged in the manufacturing and sale of ice cream products in the Kingdom of Saudi Arabia and international markets. Revenue is derived from the sale of ice cream products and is recognised at a point in time when control of the products is transferred to the customer, generally upon delivery.

	For the six-months period ended	
	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)
Type of customers		
Retail outlet customers	**29,824,463**	28,205,484
Corporate customers	**3,540,908**	3,453,324
Total revenue	**33,365,371**	31,658,808

	For the six-months period ended	
	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)
Geographical markets		
Eastern region	**16,212,743**	16,756,371
Central region	**9,317,678**	8,066,309
North region	**2,838,330**	2,606,668
South region	**2,319,552**	2,152,155
Western region	**2,239,648**	1,920,145
Exports	**437,420**	157,160
Total revenue	**33,365,371**	31,658,808

9. ZAKAT

Status of assessment

The Company has submitted its Zakat returns to Zakat, Tax and Customs Authority (ZATCA) up to the year 2025 and have obtained the required certificates

During the six-months period ended June 30, 2026, the Company received a Zakat assessment from ZATCA for the year 2024, resulting in an additional Zakat liability of ⃁ 17,360, which has been fully paid.

10. (LOSS)/ EARNINGS PER SHARE

Basic (loss)/earnings per share amounts are calculated by dividing net (loss)/profit for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

The following reflects the net (loss)/profit and share capital data used in the basic and diluted earnings per share computations:

	For the six months period ended	
	June 30, 2026 (Unaudited)	June 30, 2025 (Restated note 13) (Unaudited)
Net (loss) / profit attributable to the shareholders of the Company	**(415,091)**	137,143
Number of shares outstanding	**1,410,000**	1,410,000
(Loss)/earnings per share in (⃁) - Basic and diluted	**(0.29)**	0.10

There has been no item of dilution affecting the weighted average number of ordinary shares.

Expressed in Saudi Riyals (⃁)

11. CONTINGENCIES AND COMMITMENTS

As at June 30, 2026, the Company had no material capital commitments (December 31, 2025: ⃁ 0.26 million) and contingencies related to the Company.

12. GEOPOLITICAL DEVELOPMENTS

The Company continues to monitor the regional geopolitical developments and their potential impact on Saudi Arabia given that the majority of the Company's operations are conducted within Saudi Arabia. These developments have not had a material impact on Company's condensed interim financial statements for the six-months period ended June 30, 2026; however, given the evolving nature of the conflict, the potential long-term impact on the Company's business will continue to be assessed on future reporting dates.

13. COMPARATIVE FIGURES

During the current period, the Company identified an error as outlined below, which has been corrected in accordance with the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates, and Errors, as adopted in the Kingdom of Saudi Arabia. The correction of the error resulted in retrospective adjustments to the comparative figures as of December 31, 2025, June 30, 2025 and January 01, 2025.

In previous years, the Company classified investments in MEFIC Private Equity Opportunities Fund 6 as investments at fair value through other comprehensive income. However, after assessing the nature of the investment and its compliance with the requirements of International Financial Reporting Standard 9 "Financial Instruments" and International Accounting Standard 32 "Financial Instruments: Presentation", it was determined that this investment do not meet the criteria for classification as investment at fair value through other comprehensive income (FVOCI). Accordingly, the Company amended the classification of the investment to be presented as investments at fair value through profit or loss (FVTPL). In addition, the Company adjusted the previously recognized remeasurement gain recorded under other comprehensive income to be presented within profit or loss. Accordingly, the Company corrected the error retrospectively and restated the comparative information as at January 01, 2025, June 30, 2025 and December 31, 2025. The said restatement has no effect on the total carrying amount of the investments, total assets and total equity as of December 31, 2025 and January 01, 2025 and total comprehensive income for the six months period ended June 30, 2025.

The following tables summarize the impact of these adjustments on the condensed interim statements of financial position and changes in equity as of December 31, 2025, and January 1, 2025, in addition to the condensed interim statements of profit or loss and other comprehensive income and cash flows for the six-months period ended June 30, 2025:

Condensed interim statement of financial position items

As at December 31, 2025	**As previously reported**	**Adjustments**	**Restated**
Investment at FVOCI – non current	1,754,400	(1,754,400)	-
Investment at FVTPL – non current	-	1,754,400	1,754,400
Fair-value reserve of investment at FVOCI	754,400	(754,400)	-
Retained earnings	14,050,526	754,400	14,804,926

Condensed interim statement of profit or loss and other comprehensive income items

For the six months period ended June 30, 2025	**As previously reported**	**Adjustments**	**Restated**
Other income	265,343	158,657	424,000
Profit before Zakat	278,486	158,657	437,143
Net (loss)/profit for the period	(21,514)	158,657	137,143
Change in fair value of investment at FVOCI	158,657	(158,657)	-
(Loss) / earnings per share in (⃁) - Basic and diluted – round-off	(0.02)	0.11	0.10

Expressed in Saudi Riyals (⃁)

13. COMPARATIVE FIGURES (CONTINUED)

Condensed interim statement of changes in equity items

As at January 01, 2025	**As previously reported**	**Adjustments**	**Restated**
Fair-value reserve of investment at FVOCI	595,741	(595,741)	-
Retained earnings	15,388,714	595,741	15,984,455

As at June 30, 2025	**As previously reported**	**Adjustments**	**Restated**
Fair-value reserve of investment at FVOCI	754,398	(754,398)	-
Retained earnings	15,367,200	754,398	16,121,598

Condensed interim statement of cash flows items

For the six-months period ended June 30, 2025	**As previously reported**	**Adjustments**	**Restated**
Profit before Zakat	278,486	158,657	437,143
Change in fair value of investment at FVTPL	(90,744)	(158,657)	(249,401)

14. SUBSEQUENT EVENT

In the opinion of the management, there have been no significant subsequent events since the period-end that require adjustment or disclosure in these condensed interim financial statements.

15. APPROVAL OF CONDENSED INTERIM FINANCIAL STATEMENTS

These condensed interim financial statements were approved by the Board of Directors of the Company on 25 August, 2026.