LEAF GLOBAL ENVIRONMENTAL SERVICES COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2026
AND INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM CONDENSED FINANCIAL INFORMATION

LEAF GLOBAL ENVIRONMENTAL SERVICES COMPANY
(A Saudi Joint Stock Company)

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

RSM

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ص. ب ٨٣٣٥ ، الرياض - ١٢٣٣٣
هـاتف: ٩٣٦١ ٤١٦ ١١ ٩٦٦+
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Independent auditor's review report on interim condensed financial information

To the Shareholders of Leaf Global Environmental Services Company
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Leaf Global Environmental Services Company ("the Company") as of June 30, 2026 and the related interim condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Accounting Standard 34 – "Interim Financial Reporting" (IAS 34) that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim condensed financial information 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' that is endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Other matter

The interim condensed financial information of the Company for the six-month period ended June 30, 2025 was reviewed by another auditor who expressed an unmodified review conclusion on the interim condensed financial information on August 25, 2025. In addition, the Company's financial statements for the year ended December 31, 2025 were audited by another auditor who expressed an unmodified opinion on those financial statements on March 31, 2026.

RSM Allied Accountants Professional Services.

شركة ار اس ام المحاسبون المتحدون للاستشارات المهنية
س.ت: ٤٠٣٠٢٢٨٧٧٣
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Mohammad Abdulmajeed Mohandes
License No. 564
Jeddah, Kingdom of Saudi Arabia
Rabi'al-Awwal 19, 1448H(Corresponding to September 1, 2026)

LEAF GLOBAL ENVIRONMENTAL SERVICES COMPANY
(A Saudi Joint Stock Company)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026
(All amounts in Saudi Riyals unless otherwise stated)

	Note	**June 30, 2026**	December 31, 2025
		(Unaudited)	(Audited)
Assets			
Non-current assets			
Plant and equipment	5	**5,696,672**	6,476,560
Advance for purchase of property	6	**7,525,019**	-
Total non-current assets		**13,221,691**	6,476,560
Current assets			
Trade receivables	7	**18,366,237**	21,109,899
Contract assets	8	**2,198,991**	2,260,673
Contract cost		**432,160**	-
Financial assets at fair value through profit or loss	9	**1,730,285**	7,669,407
Due from related parties	11	**5,849,378**	6,124,590
Prepayments and other receivables		**1,949,413**	936,168
Cash and cash equivalents		**3,288,729**	1,780,336
Total current assets		**33,815,193**	39,881,073
Total assets		**47,036,884**	46,357,633
Equity and liabilities			
Equity			
Share capital		**25,000,000**	25,000,000
Statutory reserve		**90,000**	90,000
Retained earnings		**13,391,476**	12,193,517
Total equity		**38,481,476**	37,283,517
Non-current liabilities			
Employee benefit obligations	12	**3,963,776**	3,845,567
Total non-current liabilities		**3,963,776**	3,845,567
Current liabilities			
Trade payables		**964,624**	305,298
Accruals and other payables		**1,867,495**	2,479,529
Due to related parties	11	**1,309,513**	1,468,956
Provision for zakat	10	**450,000**	974,766
Total current liabilities		**4,591,632**	5,228,549
Total liabilities		**8,555,408**	9,074,116
Total equity and liabilities		**47,036,884**	46,357,633

Rizwan Babar Nasrullah	Petros Emmanouil	Abdullah Saleh Binladin
Chief Financial Officer	**Chief Executive Officer**	**Chairman**

The accompanying notes form an integral part of this interim condensed financial information.

LEAF GLOBAL ENVIRONMENTAL SERVICES COMPANY
(A Saudi Joint Stock Company)

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2026
(All amounts in Saudi Riyals unless otherwise stated)

		For the six-month period ended June 30,	
	Note	**2026 (Unaudited)**	2025 (Unaudited)
Revenue	14	**15,774,604**	23,612,901
Cost of revenue	15	**(10,085,745)**	(12,163,284)
Gross profit		**5,688,859**	11,449,617
General and administrative expenses	16	**(3,888,419)**	(4,326,341)
Impairment loss on financial assets	7	**(328,885)**	(797,953)
Operating profit		**1,471,555**	6,325,323
Fair value gain on financial assets at fair value through profit or loss	9	**169,117**	232,021
Other income		**7,295**	4,957
Profit before zakat		**1,647,967**	6,562,301
Zakat expense	10	**(450,008)**	(485,058)
Profit for the period		**1,197,959**	6,077,243
Other comprehensive income for the period		**-**	-
Total comprehensive income for the period		**1,197,959**	6,077,243
Earnings per share			
Basic and diluted	18	**0.24**	1.22

Rizwan Babar Nasrullah
Chief Financial Officer

Petros Emmanouil
Chief Executive Officer

Abdullah Saleh Binladin
Chairman

The accompanying notes form an integral part of this interim condensed financial information.

LEAF GLOBAL ENVIRONMENTAL SERVICES COMPANY
(A Saudi Joint Stock Company)

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2026
(All amounts in Saudi Riyals unless otherwise stated)

	Share capital	Statutory reserve	Retained earnings	Total
Balance as at January 1, 2025	25,000,000	90,000	15,902,277	40,992,277
Profit for the period	-	-	6,077,243	6,077,243
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	6,077,243	6,077,243
Transactions with shareholders in their capacity as shareholders:				
Dividend	-	-	(10,000,000)	(10,000,000)
Balance as at June 30, 2025 (Unaudited)	25,000,000	90,000	11,979,520	37,069,520
Balance as at January 1, 2026 (Audited)	**25,000,000**	**90,000**	**12,193,517**	**37,283,517**
Profit for the period	**-**	**-**	**1,197,959**	**1,197,959**
Other comprehensive income for the period	**-**	**-**	**-**	**-**
Total comprehensive income for the period	**-**	**-**	**1,197,959**	**1,197,959**
Balance as at June 30, 2026 (Unaudited)	**25,000,000**	**90,000**	**13,391,476**	**38,481,476**

Rizwan Babar Nasrullah
Chief Financial Officer

Petros Emmanouil
Chief Executive Officer

Abdullah Saleh Binladin
Chairman

The accompanying notes form an integral part of this interim condensed financial information.

LEAF GLOBAL ENVIRONMENTAL SERVICES COMPANY
(A Saudi Joint Stock Company)

CONDENSED INTERIM STATEMENT OF CASHFLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2026
(All amounts in Saudi Riyals unless otherwise stated)

		For the six-month period ended June 30,	
		2026	2025
	Note	**(Unaudited)**	(Unaudited)
Cash flows from operating activities:			
Profit before zakat		**1,647,967**	6,562,301
Adjustments for:			
Depreciation of plant and equipment	5	**923,257**	819,997
Provision for employee benefit obligation	12	**287,222**	495,139
Impairment loss on financial assets	7	**328,885**	797,953
Fair value gain on financial assets at fair value through profit or loss	9	**(169,117)**	(232,021)
		3,018,214	8,443,369
Changes in working capital			
Trade receivables	7	**2,414,777**	(4,500,768)
Contract assets	8	**61,682**	(1,892,654)
Contract cost		**(432,160)**	-
Prepayments and other receivables		**(1,013,245)**	(441,970)
Trade payables		**659,326**	667,385
Accruals and other payables		**(612,034)**	201,049
Due from related parties	11	**275,212**	(156,288)
Due to related parties	11	**(159,443)**	(532,202)
Cash generated from operations		**4,212,329**	1,787,921
Employee benefit obligations paid	12	**(169,013)**	(36,967)
Zakat paid	10	**(974,774)**	(1,112,281)
Net cash generated from operating activities		**3,068,542**	638,673
Cash flows from investing activities:			
Purchase of plant and equipment	5	**(143,369)**	(1,422,049)
Advance for purchase of property	6	**(7,525,019)**	-
Purchase of financial assets at FVTPL	9	**(2,200,000)**	(1,000,000)
Proceeds from disposal of financial assets at fair value through profit or loss	9	**8,308,239**	-
Net cash used in investing activities		**(1,560,149)**	(2,422,049)
Net cash generated from / (used in) financing activity		**-**	-
Net change in cash and cash equivalents		**1,508,393**	(1,783,376)
Cash and cash equivalents at the beginning of the period		**1,780,336**	4,475,024
Cash and cash equivalents at the end of the period		**3,288,729**	2,691,648

NON-CASH TRANSACTIONS

Non-cash transactions			
Bad debts written off		**368,432**	**-**
Dividend payable		**-**	10,000,000

Rizwan Babar Nasrullah	Petros Emmanouil	Abdullah Saleh Binladin
Chief Financial Officer	**Chief Executive Officer**	**Chairman**

The accompanying notes form an integral part of this interim condensed financial information.

(All amounts in Saudi Riyals unless otherwise stated)

1. General information

Leaf Global Environmental Services Company (the "Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under Commercial Registration ("CR") number 4030608537 issued in Jeddah on Jamad Thani 12, 1439H (corresponding to 28 February 2018) and the unified number 7002629736. The Company's shares were listed on Nomu on June 27, 2024. The Company's registered office address is 2nd Floor, Bin Commercial Building, Quraish Street, As Salama District, Jeddah 23719.

The Company is engaged in cleaning oil and other contaminants in land and surface waters and in oceans and seas, including coastal areas, testing and measuring environmental indicators and environmental consulting.

The financial information includes the results of following branches, which is registered under the following registration.

Branch Location	Commercial Registration
United Arab Emirates (UAE) – Abu Dhabi	101-2024-200002090

2. Basis of preparation

2.1. Statement of compliance

The interim condensed financial information of the Company has been prepared in accordance with International Accounting Standard 34 – "Interim Financial Reporting" ("IAS 34"), as endorsed in the Kingdom of Saudi Arabia, and other standards and announcements endorsed by Saudi Organization for Chartered and Professional Accountants ("SOCPA").

This interim condensed financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2025. IAS 34 states that the interim financial information is intended to provide an update on the latest complete set of annual financial statements. Hence, IAS 34 requires less disclosure in interim financial information than International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by SOCPA, require in annual financial statements. An interim period is considered as an integral part of the whole fiscal year, however, the results of operations for the interim periods may not be a fair indication of the results of the full year's operations.

The interim condensed financial information is prepared on going concern basis.

2.2. Basis of measurement

This interim condensed financial information has been prepared under historical cost basis, except as explained in the relevant accounting policies in the annual financial statements for the year ended December 31, 2025.

2.3. Functional currency and presentation currency

This interim condensed financial information is presented in Saudi Arabian Riyals ("Saudi Riyals"), which is the functional and presentation currency of the Company. The condensed interim financial information has been rounded off to the nearest Saudi Riyals, unless otherwise stated.

2.4. New standards and amendments

a) New and amended standards adopted by the Company

Certain amendments to existing standards became applicable for the current reporting period. The amendments did not have any impact on the interim condensed financial information of the Company and accordingly, the Company did not have to change its accounting policies or make any retrospective adjustments.

(All amounts in Saudi Riyals unless otherwise stated)

2. Basis of preparation (continued)

2.4. New standards and amendments (continued)

a) **New and amended standards adopted by the Company** (continued)

Title	Effective date
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of financial Instruments disclosures	January 1, 2026
Annual improvements to IFRS - Volume 11	January 1, 2026
Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity	January 1, 2026

b) **Standards and interpretations issued but not yet effective**

Certain new accounting standards and interpretations have been published that are not mandatory for June 30, 2026, reporting periods and have not been early adopted by the Company. The standards, interpretations and amendments issued that are relevant to the Company but are not yet effective are disclosed below.

Standard interpretation	Effective date
Amendments to IAS 21 - Translation to a Hyperinflationary Presentation Currency	January 1, 2027
IFRS 18 - Presentation and Disclosure in Financial Statements	January 1, 2027

Management is in the process of assessing the impact, if any, these pronouncements may have in future reporting periods.

IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the International Accounting Standards Board issued IFRS 18 “Presentation and Disclosure in Financial Statements” (“IFRS 18”). IFRS 18 will replace IAS 1 “Presentation of Financial Statements” and introduces new requirements for the presentation and disclosure of information in the financial statements, particularly in relation to the structure of the statement of profit or loss and other comprehensive income, consequential amendments to IAS 7 ‘Statement of Cash Flows’ impacting statement of cash flows, principles for aggregation and disaggregation, and disclosures relating to management-defined performance measures.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively. The Company has not adopted the new accounting standard in preparing this condensed interim financial information.

Based on the preliminary assessment, the expected impact of IFRS 18 is described below:

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

IFRS 18 requires entities to classify all income and expenses in the statement of profit or loss to be categorized into one of the five categories i.e. operating, investing, financing, income taxes and discontinued operations. Classification of income and expenses depends on the main business activities of an entity. The Company has determined that it does not have a specified main business activity of investing in assets and/or providing financing to customers. IFRS 18 also introduces the requirement to present two new defined sub-totals, i.e. 'operating profit' and 'profit before financing and income taxes. The Company currently presents an operating profit subtotal. Under IFRS 18, the Company’s other income amounting to Saudi Riyals 0.008 million will be classified within the operating category. Accordingly, the Company’s operating profit will increase from Saudi Riyals 1.471 million to Saudi Riyals 1.478 million. This reclassification will not result in any adjustment to the Company’s net profit for the year/period or retained earnings.

2. Basis of preparation (continued)

2.4 New standards and amendments (continued)

***b)* Standards and interpretations issued but not yet effective** (continued)

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

Upon initial application of IFRS 18, the comparative amounts will be retrospectively restated to reflect the revised classification and presentation requirements of the Standard. The Company currently presents certain operating expenses by function, and the additional disclosures required by IFRS 18 for specified expenses by nature are substantially consistent with information already disclosed in Notes 16 and 17. Accordingly, no significant additional disclosure is expected in this respect upon adoption of IFRS 18.

The adoption of IFRS 18 will not result in any adjustment to the Company's net profit for the year/period or retained earnings.

The Company expects changes to the current structure of the statement of profit or loss and other comprehensive income from the following:

(i) A new subtotal, 'profit before financing and income taxes' will be presented to show the profit from operating category and investing category separately;
(ii) Fair value gain on financial assets at fair value through profit or loss will be classified and presented separately within investing category;

b) Management-defined performance measures

Management-defined performance measures (MPMs) are subtotals of income and expenses used in public communications outside the financial statements that communicate to users' management's view of an aspect of the financial performance of the entity as a whole. The new change will require to disclose specific information about MPMs in the notes to the condensed financial statements together with explanation and reconciliation.

The Company is in process to determine which public communications should be considered when identifying MPMs. MPMs relate to the same reporting period as the financial statements. Therefore, MPMs disclosed by the Company following adoption of IFRS 18 will be determined based on public communications issued by the Company relating to the 2027 reporting period. As per the initial assessment, the Company has not identified any MPMs for the current reporting period.

c) Principles of aggregation and disaggregation

IFRS 18 provides enhanced guidance on the principles of aggregation and disaggregation which focus on grouping items based on their shared characteristics, including specific presentation or disclosure matters identified through management's assessment. These principles are applied across the financial statements, and they are used in defining which line items are presented in the primary financial statements and what information is disclosed in the notes.

The Company is assessing the grouping of items on the basis of similar and dissimilar characteristics. Based on this assessment, it will present line items in the primary financial statements that provide useful, structured summaries and disclose additional material information in the notes.

d) Consequential Amendments to IAS 7

IFRS 18 introduces consequential amendments to IAS 7, which require entities to use the newly defined "operating profit" subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Company currently uses "profit before zakat" for the year/period as the starting point of the reconciliation to cash flows from operating activities. Certain adjusting items included in the reconciliation will change as a result of the new starting point.

3. Significant accounting estimates, assumptions and judgments

The preparation of the interim condensed financial information requires the use of certain critical estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amount of revenue and costs during the reporting period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and judgments concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

These estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future periods.

Management has concluded that the Company’s critical accounting judgements, estimates and assumptions remain appropriate under the current circumstances for the purpose of preparation of the interim condensed financial information. Management believes that, except for the following significant sources of estimation uncertainty and judgements arising from or updated during the period, the other sources of estimation uncertainty remain consistent with those disclosed in the annual financial statements for the year ended December 31, 2025.

(i) Investment property

During the period, the Company paid an advance of Saudi Riyals 7,525,019 towards the acquisition of a property. Management exercised judgement in determining the intended use of the property and assessing whether the property meets the definition of investment property under International Accounting Standard 40 – “Investment Property” (IAS 40) or property, plant and equipment under International Accounting Standard 16 – “Property, Plant and Equipment” (IAS 16). Based on management’s assessment of the intended use, the property is intended to be held for rental income and will accordingly be classified as investment property upon completion of the acquisition. Refer Note 6.

(ii) Impairment of non-financial assets

At each reporting date, all non-financial assets are reviewed to determine whether there are any indications that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in the statement of profit or loss and other comprehensive income.

(iii) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company’s past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(iv) Employee benefit obligations

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial techniques. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and other factors. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed annually at each reporting date. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates.

3. Significant accounting estimates, assumptions and judgments (continued)

(v) **Zakat**

The Company is subject to zakat in accordance with the regulations of the ZATCA. A provision for zakat is estimated at the end of each reporting period in accordance with the regulations of the ZATCA and on a yearly basis zakat returns are submitted to the ZATCA. Differences, if any, at the finalization of final assessments are accounted for when such amounts are determined.

4. Material accounting policy information

The accounting policies adopted in the preparation of the interim condensed financial information are consistent with those followed for the year ended December 31, 2025. The Company has not early adopted any standard, interpretation, or amendment that has been issued but is not yet effective.

(All amounts in Saudi Riyals unless otherwise stated)

5. Plant and equipment

	Machinery and equipment	Motor vehicles	Office equipment	Leasehold improvements	Total
Cost:					
At January 1, 2025	3,872,493	3,196,213	1,054,108	341,762	8,464,576
Additions	520,852	2,466,334	137,828	18,500	3,143,514
Disposals	-	(922,400)	-	-	(922,400)
At December 31, 2025	4,393,345	4,740,147	1,191,936	360,262	10,685,690
At January 1, 2026	**4,393,345**	**4,740,147**	**1,191,936**	**360,262**	**10,685,690**
Additions	**25,128**	**93,861**	**24,380**	**-**	**143,369**
At June 30, 2026	**4,418,473**	**4,834,008**	**1,216,316**	**360,262**	**10,829,059**
Accumulated depreciation:					
At January 1, 2025	1,055,300	1,381,161	361,250	307,537	3,105,248
Charge for the year	555,407	1,066,236	205,556	7,863	1,835,062
Accumulated depreciation on disposals	-	(731,180)	-	-	(731,180)
At December 31, 2025	1,610,707	1,716,217	566,806	315,400	4,209,130
At January 1, 2026	**1,610,707**	**1,716,217**	**566,806**	**315,400**	**4,209,130**
Charge for the period (note 15,16)	**292,502**	**526,422**	**100,269**	**4,064**	**923,257**
At June 30, 2026	**1,903,209**	**2,242,639**	**667,075**	**319,464**	**5,132,387**
Net Book Value:					
At December 31, 2025	2,782,638	3,023,930	625,130	44,862	6,476,560
At June 30, 2026	**2,515,264**	**2,591,369**	**549,241**	**40,798**	**5,696,672**

The depreciation charge for the period has been allocated between cost of sales and general and administrative expenses amounting to Saudi Riyals 735,723 and 187,534 (2025: Saudi Riyals 1,421,605 and 413,457).

(All amounts in Saudi Riyals unless otherwise stated)

6. Advance for purchase of property

This represents advance paid for purchase of residential villa located in the Obhur Al Janoubia District, Jeddah, with a land area of approximately 417.88 square meters. The property was acquired on May 18, 2026, through a public auction conducted by the Jeddah Enforcement Court for a purchase consideration of Saudi Riyals 7,000,000. The company incurred an additional cost of Saudi Riyals 525,019 for payment of commission and applicable tax related to this transaction.

As at June 30, 2026, the legal title of the property had not been transferred to the Company. Accordingly, the amount has been presented as advance for purchase of property. Subsequent to the reporting date, the legal title was transferred on 30 July 2026. (Refer to Note 20).

7. Trade receivables

	June 30, 2026	December 31,2025
	(Unaudited)	(Audited)
Contract receivables		
– third parties	**12,245,713**	14,496,522
– related parties (Note 11)	**7,870,519**	8,045,285
	20,116,232	22,541,807
Retention receivables – third parties	**110,000**	467,634
	20,226,232	23,009,441
Less: expected credit loss allowance	**(1,859,995)**	(1,899,542)
	18,366,237	21,109,899

The movement in allowance for expected credit losses on trade receivables is as follows:

	June 30, 2026	December 31,2025
	(Unaudited)	(Audited)
Opening balance	**1,899,542**	1,762,013
Impairment allowance for the period / year	**328,885**	1,585,309
Write offs during the period / year	**(368,432)**	(1,447,780)
Closing balance	**1,859,995**	1,899,542

8. Contract assets

	June 30, 2026	December 31,2025
	(Unaudited)	(Audited)
Opening balance	**2,324,598**	2,820,751
Billed during the period / year	**(2,324,598)**	(2,820,751)
Unbilled during the period / year	**2,262,916**	2,324,598
	2,262,916	2,324,598
Less: expected credit loss allowance	**(63,925)**	(63,925)
Closing balance	**2,198,991**	2,260,673

The movement in the provision of expected credit loss is as follows:

	June 30, 2026	December 31,2025
	(Unaudited)	(Audited)
Opening balance	**63,925**	50,859
Impairment allowance for the period / year	**-**	13,066
Closing balance	**63,925**	63,925

(All amounts in Saudi Riyals unless otherwise stated)

9. Financial assets at fair value through profit or loss

	June 30, 2026	December 31,2025
	(Unaudited)	(Audited)
Murabaha fund	**1,730,285**	7,669,407

The movement in financial assets at fair value through profit or loss is as follows:

	June 30, 2026	December 31,2025
	(Unaudited)	(Audited)
Opening balance	**7,669,407**	8,192,505
Purchased during the period / year	**2,200,000**	8,600,000
Disposals during the period / year	**(8,308,239)**	(9,416,287)
Realized gains on sale of investments	**141,954**	232,021
Unrealized gains	**27,163**	61,168
Closing balance	**1,730,285**	7,669,407

10. Zakat

The significant components of the zakat base of the Company under the zakat and income tax regulations are principally comprised of shareholder's equity, provisions and other adjustments, less deductions for the net book value of deductible assets.

	June 30, 2026	December 31,2025
	(Unaudited)	(Audited)
Opening balance	**974,766**	1,112,281
Charged for the period / year	**450,008**	974,766
Paid during the period / year	**(974,774)**	(1,112,281)
Closing balance	**450,000**	974,766

10.1 Status of assessments

The Company has submitted its Zakat returns to the Zakat, Tax and Customs Authority ("ZATCA") up to the year ended December 31, 2025, and has obtained the relevant Zakat certificates. The Company received additional Zakat assessments for the years 2020, 2022 and 2023, which were paid and fully settled. The Company has not received any Zakat assessment for the year 2021, 2024 and 2025.

During the period, ZATCA requested additional information in respect of FY 2025, including a payroll expense breakdown, revenue reconciliation, trial balance and details of purchases by vendor. The Company submitted the requested information to ZATCA. As of the date of these financial statements, the Company has not received any Zakat assessment for FY 2025.

(All amounts in Saudi Riyals unless otherwise stated)

11. Related party transactions and balances

Related parties comprise the shareholders, board of directors and key management personnel of the Company and entities controlled or jointly controlled by the shareholders, who have significant influence on the Company (other related party). Significant related party transactions for the period and balances are as follows:

Related parties	Relationship	Nature of transactions	For the six-month period ended June 30, 2026	2025
			(Unaudited)	(Unaudited)
Biohazards Solutions Innovators Company Limited (BIOSI)	Other related party	Expenses paid on behalf of the Company	**-**	150,846
		Rendering of services	**560,000**	-
		Expense paid by related party on behalf of the Company	**20,100**	-
Al Fateh Limited	Other related party	Payments on behalf of the Company	**-**	5,442
Bin Limited/Nadd	Other related party	Rent charge by related party	**(198,984)**	(198,984)
Smooth Landing Co Ltd	Other related party	Expenses paid on behalf of the related party	**4,688**	-
Huta Hegerfeld Environmental Works Limited	Other related party	Expenses paid on behalf of Company	**436**	-
Ace One Marine Limited	Other related party	Expenses paid on behalf of Company	**3,757**	114,322
		Invoices against boat rent	**(1,057,425)**	(856,635)
Huta Marine Works Limited	Other related party	Funds received	**-**	100,000
Modern Building Leaders (MBL)	Other related party	Rendering services to related party	**4,221,578**	4,105,962
		Amount received	**(4,763,663)**	(4,657,395)
		Provision for doubtful debts	**(165,917)**	-
The Fundamental Installation for Electrical Works (FIRST FIX)	Other related party	Rendering services to related party	**260,600**	600,900
		Amount received	**(399,691)**	(750,000)

11.1 Related party balances

Significant period-end balances arising from transactions with related parties are as follows:

(i) **Due from related parties**

	June 30, 2026	December 31, 2025
	(Unaudited)	(Audited)
Biohazards Solutions Innovators Company Limited (BIOSI)*	**5,808,148**	6,088,048
Smooth Landing Company	**20,022**	15,334
Ace Property Limited	**7,266**	7,266
Modern Innovative Works Limited	**6,000**	6,000
Al-Fateh Limited	**5,442**	5,442
Alam Thaqafa	**2,500**	2,500
	5,849,378	6,124,590

(All amounts in Saudi Riyals unless otherwise stated)

11. Related party transactions and balances (continued)

11.1. Related party balances (continued)

(i) Due from related parties (continued)

*This represents amounts advanced by the Company to support BIOSI's operations, including amounts incurred on behalf of BIOSI in connection with the acquisition of a waste treatment plant during 2023. The advances were provided to facilitate the acquisition and related operational requirements of the plant.

The balance is interest-free, repayable on demand and secured by a personal guarantee provided by the shareholder of BIOSI. Management has assessed the recoverability of the outstanding balance by reviewing BIOSI's financial statements and cash flow projections and expects the amount to be recoverable.

(ii) Due from related parties – classified within trade receivables

	June 30, 2026	December 31, 2025
	(Unaudited)	(Audited)
HUTA Marine Works Limited	**256,500**	256,500
Modern Building Leaders	**7,257,200**	7,331,965
The Fundamental Installation for Electrical Works	**356,819**	456,820
	7,870,519	8,045,285

11.2. Due to related parties

	June 30, 2026	December 31, 2025
	(Unaudited)	(Audited)
HUTA Hegerfeld Environmental Works Limited	**1,306,378**	1,306,814
Ace One Marine Limited	**3,135**	162,142
	1,309,513	1,468,956

Sales and purchases (including services) carried out to/from related parties during the period are based on the prices in force and terms that would be available to third parties in the normal course of business. Outstanding balances are unsecured except for the balance due from BIOSI which is secured against personal guarantee of shareholders as explained in note 11.1 above, is interest free and settled in cash.

11.3. Key management personnel and Board of Directors' remuneration

Key management personnel comprise chief executive officer, chief financial officer and certain heads of departments. Compensation of the Company's key management personnel includes salaries and contributions to other employee benefits.

	For the six-month period ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
Salaries and short-term benefits	**1,803,300**	1,714,815
Post employment benefits	**129,915**	108,047
	1,933,215	1,822,862
Board of Directors' ("BoD") remuneration	**150,000**	-

As at June 30, 2026, the outstanding balance due to key management personnel amount to Saudi Riyals 150,000 (December 31, 2025: Saudi Riyals 300,000).

(All amounts in Saudi Riyals unless otherwise stated)

12. Employee benefit obligations

	June 30, 2026 (Unaudited)	December 31,2025 (Audited)
Employee benefit obligations	**3,963,776**	3,845,567

12.1. The movement in employee benefit obligations is as follows:

	June 30, 2026 (Unaudited)	December 31,2025 (Audited)
Opening balance	**3,845,567**	3,392,128
Current service cost	**287,222**	551,279
Finance cost	**-**	179,818
	287,222	731,097
Actuarial re-measurement gain	**-**	(20,363)
Payments made during the period / year	**(169,013)**	(257,295)
Closing balance	**3,963,776**	3,845,567

13. Commitments and contingencies

At June 30, 2026, the Company has outstanding letters of guarantees amounting to Saudi Riyals 4.02 million (December 31, 2025: Saudi Riyals 4.61 million) issued in the normal course of business.

14. Revenue

The Company derives revenue from the following streams:

	For the six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)
Revenue from:		
- Environmental services	**11,648,005**	15,544,645
- Mangrove transplantation	**2,689,955**	7,107,256
- Coral Reef development	**1,436,644**	961,000
	15,774,604	23,612,901

The revenue for the Company by geographical region is as follows:

	For the six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)
Western region	**14,410,516**	22,790,495
Central region	**698,488**	624,483
Eastern region	**665,600**	197,923
	15,774,604	23,612,901

(All amounts in Saudi Riyals unless otherwise stated)

14. Revenue (continued)

The revenue for the Company by revenue recognition pattern is as follows:

	For the six-month period ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
Over-time revenue recognition	**10,239,435**	16,959,443
Point-in-time	**5,535,169**	6,653,458
	15,774,604	23,612,901

15. Cost of revenue

		For the six-month period ended June 30,	
	Note	**2026**	2025
		(Unaudited)	(Unaudited)
Employee costs		**4,917,099**	5,607,843
Subcontracts and services		**2,355,897**	3,899,610
Depreciation of plant and equipment	5	**735,723**	657,052
Materials and supplies		**421,111**	757,417
Rent		**375,265**	277,004
Insurance		**334,888**	36,294
Repair and maintenance		**241,755**	153,163
Fuel expenses		**222,898**	234,772
Staff welfare		**98,887**	197,131
Utilities		**83,357**	77,689
IT and computer services		**76,890**	13,367
Travelling		**34,605**	61,739
Printing and stationery		**12,740**	92,713
Others		**174,630**	97,490
		10,085,745	12,163,284

16. General and administrative expenses

		For the six-months period ended June 30,	
	Note	**2026**	2025
		(Unaudited)	(Unaudited)
Employee costs		**2,301,589**	2,529,429
Travelling		**335,377**	222,237
Depreciation of plant and equipment	5	**187,534**	162,945
Rent		**173,030**	227,365
Insurance		**163,523**	175,445
Director’s remuneration		**150,000**	-
Bank charges		**94,886**	134,289
Professional fees		**80,000**	90,726
IT and computer services		**77,414**	172,130
Staff welfare		**44,630**	90,949
Utilities		**24,871**	35,203
Printing and stationery		**24,722**	30,235
Penalties		**7,015**	28,974
Fuel expenses		**2,999**	13,543
Repair and maintenance		**-**	24,777
Others		**220,829**	388,094
		3,888,419	4,326,341

(All amounts in Saudi Riyals unless otherwise stated)

17. Segment information

An operating segment is a component of an entity:

a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
c) for which discrete financial information is available.

The Company analyses the financial information of its operations as a whole. Accordingly, segmental analysis of the statement profit or loss and other comprehensive income and statement of financial position is not presented. The chief operating decision maker (CODM) considers the Company to be a single operating segment based on the nature of its operations. In addition, all of the Company's activities are concentrated in the Kingdom of Saudi Arabia.

Information about major customers

As the Company operates as a single operating segment, all such revenue is reported within that one segment. The Company's top 5 customers accounted for Saudi Riyals 12.4 million (June 30, 2025: Saudi Riyals 17.9 million), representing 78.5% (June 30, 2025: 75.8%) of total revenue for the period.

During the period, revenue from a single customer, which is a related party of the Company, represented approximately 25.4% of the Company's total revenue (2025: 20.0%). Revenue from this customer amounted to Saudi Riyals 4.2 million (2025: Saudi Riyals 4.1 million) and was reported within the Company's single operating segment.

18. Earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to the shareholders of the Company, by the weighted average number of ordinary shares outstanding during the financial period. As the Company does not have any diluting potential shares, the diluted earnings per share is the same as the basic earnings per share. The basic and diluted earnings per share is computed as follows:

	For the six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)
Net profit for the period	**1,197,959**	6,077,243
Weighted average number of ordinary shares	**5,000,000**	5,000,000
Basic and diluted earnings per share	**0.24**	1.22

19. Fair value measurement of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Fair value			
	Level 1	**Level 2**	**Level 3**	**Total**
June 30, 2026 (Unaudited)				
Murabaha fund	**-**	**1,730,285**	**-**	**1,730,285**
December 31, 2025 (Audited)				
Murabaha fund	-	7,669,407	-	7,669,407

During the period, there were no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy for financial assets and financial liabilities measured at fair value.

20. Subsequent event

a) The legal title related to the property acquired on May 18, 2026 (Note 6) was transferred to the Company on July 30, 2026 (corresponding to 16 Safar 1448H), subsequent to the reporting date. Accordingly, the property will be recognized as an investment property from the date the legal title was transferred.

b) The ongoing geopolitical tensions in the Middle East due to military operations has affected countries in the region. Management is continuously monitoring the situation, as the volatile geopolitical climate may increase risks associated with logistics operations and supply chain routes. As at the report date, no impact on the Company’s operations has been identified.

Given the fast-paced nature of these events, it is not possible at this stage to reliably quantify any potential financial impact, whether negative or positive. Accordingly, no adjustments have been made to the financial information as at the reporting date, as these are considered non-adjusting subsequent events.

21. Approval of the financial information

These interim condensed financial information was approved by the Company’s Board of Directors on August 31, 2026G (corresponding to Rabi’ul-Awwal 18,1448H).