SHALFA FACILITIES MANAGEMENT COMPANY
(A Saudi Joint Stock Company)

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

Shalfa Facilities Management Company
(A Saudi Joint Stock Company)

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

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Independent auditor's report on review of the interim condensed financial statements
To the Shareholders of Shalfa Facilities Management Company
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Shalfa Facilities Management Company, a Saudi joint stock company (the "company"), as at 30 June 2026, and the interim condensed statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the six-month period then ended, and the 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") that is 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 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 requires inquiries 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 statements are not been prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

For Maham Company for Professional Services

Abdulaziz Saud Al Shabeebi
Certified Public Accountant
License no. (339)
Date: 26 Safar 1448H
Corresponding to: 9 August 2026

شركة مهام للاستشارات المهنية
CR 2050240744
MAHAM Co. FOR PROFESSIONAL SERVICES

Shalfa Facilities Management Company
(A Saudi Joint Stock Company)

Interim condensed statement of financial position
As at 30 June 2026

	Note	30 June 2026 (Unaudited) ⃁	31 December 2025 (Audited) ⃁
Assets			
Non-current assets			
Property and equipment	4	**30,608,177**	31,285,469
Right-of-use assets	5	**21,819,472**	23,956,980
Intangible assets		**384,705**	384,705
Total non-current assets		**52,812,354**	55,627,154
Current assets			
Inventory		**3,898,733**	2,881,491
Prepayments and other current assets	6	**36,180,863**	37,167,798
Contract costs		**2,210,908**	2,665,142
Contract assets	7	**85,346,552**	59,858,023
Trade receivables	8	**149,108,467**	136,420,486
Amounts due from related parties	9	**25,919,235**	18,698,343
Cash and cash equivalents		**29,269,570**	62,819,989
Total current assets		**331,934,328**	320,511,272
Total assets		**384,746,682**	376,138,426
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	10	**42,000,000**	42,000,000
General reserve	11	**150,000**	150,000
Actuarial reserve		**552,969**	552,969
Retained earnings		**87,856,803**	69,883,752
Total shareholders' equity		**130,559,772**	112,586,721
Liabilities			
Non-current liabilities			
Defined employee benefit obligations		**19,152,118**	15,954,949
Long-term murabaha financing - non-current portion	12	**8,371,007**	3,900,772
Lease liabilities - non-current portion	5	**17,636,492**	20,532,170
Total non-current liabilities		**45,159,617**	40,387,891
Current liabilities			
Trade payables		**41,985,645**	34,371,930
Accrued expenses and other payables	13	**54,861,611**	52,635,743
Contract liabilities		**19,284,660**	25,023,279
Short-term murabaha financing	12	**82,017,580**	100,354,623
Long-term murabaha financing - current portion	12	**5,335,122**	3,248,894
Lease liabilities - current portion	5	**3,643,045**	4,856,046
Amounts due to related parties	9	**305,897**	98,042
Zakat payable	14	**1,593,733**	2,575,257
Total current liabilities		**209,027,293**	223,163,814
Total liabilities		**254,186,910**	263,551,705
Total shareholders' equity and liabilities		**384,746,682**	376,138,426

Talal Aldeek	Fahad Albrahim	Abdullah Albrahim
Chief Financial Officer	Chief Executive Officer	Chairman of the Board

The accompanying notes from 1 to 22 form an integral part of these interim condensed financial statements.

Shalfa Facilities Management Company
(A Saudi Joint Stock Company)

Interim condensed statement of profit or loss and other comprehensive income
For the six-month period ended 30 June 2026

	Note	For the six-month period ended 30 June 2026 (unaudited) ⃁	30 June 2025 (unaudited) ⃁
Revenue from contracts with customers	15	**282,723,740**	176,371,350
Cost of revenue	16	**(241,001,034)**	(150,880,459)
Gross profit		**41,722,706**	25,490,891
General and administrative expenses		**(17,346,306)**	(12,117,695)
Profit from operations		**24,376,400**	13,373,196
Finance costs, net		**(5,891,114)**	(5,183,837)
Other income		**1,083,129**	552,398
Profit before zakat		**19,568,415**	8,741,757
Zakat	14	**(1,595,364)**	(806,077)
Net profit for the period		**17,973,051**	7,935,680
Total comprehensive income for the period		**17,973,051**	7,935,680
Earnings per share			
Basic and diluted earnings per share	18	**4.28**	1.89

Talal Aldeek	Fahad Albrahim	Abdullah Albrahim
Chief Financial Officer	Chief Executive Officer	Chairman of the Board

The accompanying notes from 1 to 22 form an integral part of these interim condensed financial statements.

Interim condensed statement of changes in shareholders' equity
For the six-month period ended 30 June 2026

	Share capital	General reserve	Actuarial reserve	Retained earnings	Total
	⃁	⃁	⃁	⃁	⃁
As at 31 December 2024 (audited)	42,000,000	150,000	458,831	44,798,900	87,407,731
Net profit for the period	-	-	-	7,935,680	7,935,680
Total comprehensive income for the period	-	-	-	7,935,680	7,935,680
As at 30 June 2025 (unaudited)	42,000,000	150,000	458,831	52,734,580	95,343,411
As at 31 December 2025 (audited)	42,000,000	150,000	552,969	69,883,752	112,586,721
Net profit for the period	-	-	-	17,973,051	17,973,051
Total comprehensive income for the period	-	-	-	17,973,051	17,973,051
As at 30 June 2026 (unaudited)	**42,000,000**	**150,000**	**552,969**	**87,856,803**	**130,559,772**

Talal Aldeek	Fahad Albrahim	Abdullah Albrahim
Chief Financial Officer	Chief Executive Officer	Chairman of the Board

The accompanying notes from 1 to 22 form an integral part of these interim condensed financial statements.

Shalfa Facilities Management Company
(A Saudi joint stock company)

Interim condensed statement of cash flows
For the six-month period ended 30 June 2026

	For the six-month period ended 30 June 2026 (unaudited) ⃁	30 June 2025 (unaudited) ⃁
Operating activities		
Profit before zakat	**19,568,415**	8,741,757
Adjustments for:		
Depreciation of property and equipment	**4,464,571**	3,812,797
Depreciation of right-of-use assets	**5,662,608**	3,648,623
Expected credit loss allowance, trade receivables and contract assets	**2,644,589**	370,200
Gain on disposal of property and equipment	**(758,194)**	-
Current service cost of defined employee benefit obligations	**4,947,034**	3,121,159
Finance costs	**5,891,114**	5,183,837
	42,420,137	24,878,373
Working capital adjustments:		
Inventory	**(1,017,242)**	(203,130)
Prepayments and other current assets	**986,935**	(2,840,871)
Contract costs	**454,234**	(510,817)
Contract assets	**(26,078,497)**	617,214
Trade receivables	**(14,742,602)**	(45,252,909)
Amounts due from / to related parties	**(7,013,037)**	(9,749,020)
Trade payables	**7,613,715**	8,777,933
Accrued expenses and other payables	**2,225,868**	15,940,109
Contract liabilities	**(5,738,619)**	5,013,876
Cash used in operations	**(889,108)**	(3,329,242)
Defined employee benefits paid	**(1,749,865)**	(2,840,205)
Finance costs paid	**(4,878,848)**	(4,478,944)
Zakat paid	**(2,576,888)**	(2,102,798)
Net cash used in operating activities	**(10,094,709)**	(12,751,189)
Investing activities		
Additions to property and equipment	**(5,054,663)**	(10,195,712)
Proceeds from disposal of property and equipment	**2,025,578**	-
Additions to intangible assets	**-**	(98,302)
Net cash used in investing activities	**(3,029,085)**	(10,294,014)
Financing activities		
Proceeds from murabaha financing	**145,219,036**	145,559,144
Repayment of murabaha financing	**(156,999,616)**	(118,358,334)
Lease liabilities paid	**(8,646,045)**	(4,917,453)
Net cash (used in) from financing activities	**(20,426,625)**	22,283,357
Net change in cash and cash equivalents	**(33,550,419)**	(761,846)
Cash and cash equivalents at the beginning of the period	**62,819,989**	40,327,624
Cash and cash equivalents at the end of the period	**29,269,570**	39,565,778
Significant non-cash transactions		
Additions to lease contracts and lease liabilities	**(3,525,100)**	(10,376,238)
Remeasurement of lease liabilities	**-**	(1,427,282)

Talal Aldeek	Fahad Albrahim	Abdullah Albrahim
Chief Financial Officer	Chief Executive Officer	Chairman of the Board

The accompanying notes from 1 to 22 form an integral part of these condensed interim financial statements.

1- COMPANY INFORMATION

Shalfa Facilities Management company (the "company") is a Saudi joint stock company registered in the kingdom of Saudi Arabia under commercial registration no. 1010257249 and unified number 7001570675, issued on 25 Shawwal 1429h (corresponding to 25 October 2008).

The company's principal activities comprise the provision of facilities management solutions and municipal services, including the operation and maintenance of wastewater networks and facilities, collection, transportation and treatment of municipal and hazardous waste, recycling, and the operation of waste disposal facilities. The company also carries out general construction and infrastructure works, including the construction and maintenance of roads, bridges, tunnels, water and wastewater networks and pumping stations, in addition to operation and maintenance services, facilities management, cleaning, landscaping and pest control. The company's activities also include construction projects for residential and non-residential buildings, maintenance and operation services for various facilities, and a range of ancillary service and commercial activities related to the nature of its business.

The company's address is Riyadh, prince Mohammed bin Saad bin Abdulaziz road 8370, al Malqa, 5698, postal code 13525.

The company also conducts its activities through the following branches:

Registry name	Commercial registration no.	Registration date	City
Branch of Shalfa Facilities Management Company	1010325440	21/2/1433 H	Riyadh
Branch of Shalfa Facilities Management Company	1010624157	3/6/1441 H	Riyadh
Branch of Shalfa Facilities Management Company	1010659295	21/2/1442 H	Riyadh
Branch of Shalfa Medical Services Company	1010852715	16/6/1444 H	Riyadh
Branch of Shalfa Facilities Management Company	1010463285	6/11/1437 H	Riyadh
Branch of Shalfa Facilities Management Company	1010789662	17/8/1443 H	Riyadh

Geopolitical developments

The company continues to closely monitor regional geopolitical developments and assess their potential impact on the kingdom of Saudi Arabia and the wider GCC region, as the majority of the company's operations are conducted within the kingdom of Saudi Arabia. While conditions remain fluid, uncertain and evolving, the company maintains a robust operating framework and an effective risk management system to address potential risks associated with these developments.

As at and for the period ended 30 June 2026, these geopolitical developments did not have a material impact on the company's interim condensed financial statements. However, given the evolving nature of these conditions, the company will continue to assess any potential long-term effects on its business and financial results in future reporting periods.

2- BASIS OF PREPARATION

2-1 Statement of compliance

These interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia and the other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants.

These interim condensed financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the company's annual financial statements as at 31 December 2025.

2-BASIS OF PREPARATION (CONTINUED)

2-2 Basis of measurement

These interim condensed financial statements have been prepared on the historical cost basis, except for employees' end-of-service benefits, which are measured using the projected unit credit method.

2-3 Functional and presentation currency

The interim condensed financial statements are presented in Saudi riyal (⃁), which is also the company's functional currency.

2-4 Significant accounting policies

The accounting policies applied in these interim condensed financial statements are consistent with those applied in the company's annual financial statements as at and for the year ended 31 December 2025.

2-5 New and amended standards and interpretations

New standards and amendments to standards effective from 1 January 2026 were issued and disclosed in the company's annual financial statements; however, they do not have a material impact on the company's interim condensed financial statements.

IFRS 18 "Presentation and Disclosure in Financial Statements" (the "Standard") will replace IAS 1 "Presentation of Financial Statements". The standard is effective for reporting periods beginning on or after 1 January 2027, with early application permitted. The company has not early adopted the standard in preparing these condensed interim financial statements. The Company is currently assessing the expected impact of the initial application of the standard on its condensed interim financial statements.

A. Structure of the statement of profit or loss and other comprehensive income

The standard requires entities to classify all income and expenses into specified categories in the statement of profit or loss and other comprehensive income, namely: operating, investing, financing and zakat, as applicable. The standard also requires the presentation of specified subtotals, including operating profit or loss and profit or loss before financing and zakat.

The company's principal activities comprise the provision of facilities management solutions and municipal services, including the operation and maintenance of wastewater networks and facilities, collection, transportation and treatment of municipal and hazardous waste, recycling, and the operation of waste disposal facilities. The company also carries out general construction and infrastructure works, such as the construction and maintenance of roads, bridges, tunnels, water and wastewater networks and pumping stations, in addition to operation and maintenance services, facilities management, cleaning, landscaping and pest control. The company's activities also include construction projects for residential and non-residential buildings, maintenance and operation services for various facilities, and a number of ancillary service and commercial activities related to the nature of its business. The company does not carry on a main business activity that involves investing in assets or providing financing to customers.

The application of the standard will not change the recognition and measurement requirements for the company's transactions. However, it is expected to primarily affect the presentation and classification of income and expenses within the statement of profit or loss and other comprehensive income, and the subtotals presented therein.

The company is currently analyzing the income and expense line items included in the statement of profit or loss and other comprehensive income to determine their appropriate classification within the categories required by the standard.

2-BASIS OF PREPARATION (CONTINUED)

2-5 New and amended standards and interpretations (continued)

A. Structure of the statement of profit or loss and other comprehensive income (continued)

The company is also assessing the basis for presenting expenses in the statement of profit or loss, and whether presenting expenses by function, by nature, or using a mixed presentation, provides the most useful, structured summary for users of the financial statements, in accordance with the requirements of the standard.

Based on the preliminary assessment, the company expects that the application of the standard will result in changes to the presentation of the statement of profit or loss and other comprehensive income and in the classification of certain income and expenses.

B. Management-defined Performance Measures

The standard introduces disclosure requirements for management-defined performance measures, which are subtotals of income and expenses that an entity uses in public communications outside the financial statements and that reflect management's view of an aspect of the financial performance of the entity as a whole.

When management-defined performance measures exist, the standard requires them to be disclosed in a single note to the financial statements, together with the information and reconciliations required by the standard.

The company is currently identifying and reviewing its public communications, including board of directors' reports, announcements published in the financial market, investor presentations and any other public communications, to determine whether they include subtotals of income and expenses that meet the definition of management-defined performance measures.

C. Principles of aggregation and disaggregation

The standard provides enhanced principles and requirements on how information is aggregated and disaggregated in the primary financial statements and the notes. It also provides guidance on the naming and description of line items presented in the primary financial statements or disclosed in the notes.

The company is currently assessing the line items presented in its financial statements based on their similar and dissimilar characteristics to determine whether certain items need to be presented separately in the primary financial statements or whether additional information should be provided in the notes.

The company is also reviewing line items currently presented using labels that include the word "other", including other income, to determine whether clearer labels or additional details are required.

Upon applying the standard, the company will present items separately whenever necessary to provide a structured and useful summary for users of the financial statements, while avoiding the obscuring of material information as a result of aggregating items with dissimilar characteristics.

D. Consequential Amendments

The standard introduced consequential amendments to a number of other standards, including IAS 7 "statement of cash flows."

Among those amendments is the use of operating profit or loss as the starting point when preparing cash flows from operating activities using the indirect method, instead of the starting point currently used.

The consequential amendments also include specific requirements for the classification of cash flows related to finance costs, which reduce the classification alternatives currently available under IAS 7.

2-BASIS OF PREPARATION (CONTINUED)

2-5 New and amended standards and interpretations (continued)

D. Consequential Amendments (continued)

The company is currently assessing the impact of these amendments on the presentation of the statement of cash flows, including the classification of cash flows related to finance costs and lease liabilities, as applicable.

The application of these amendments is expected to change the starting point used to prepare cash flows from operating activities under the indirect method and may also result in the reclassification of certain cash flows between operating, investing and financing activities.

3- SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the company's interim condensed financial statements requires management to make estimates, assumptions and judgements at the reporting date that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent assets and liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that require significant adjustment to the carrying amounts of the affected assets or liabilities in future periods. Estimates and judgements are evaluated on an ongoing basis 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 assumptions concerning the future. The resulting accounting estimates may differ from the related actual results.

The significant judgements made by management in applying the company's accounting policies and the key sources of estimation uncertainty were consistent with those disclosed in the annual financial statements as at and for the year ended 31 December 2025.

4- PROPERTY AND EQUIPMENT

	For the six-month period ended 30 June 2026 (unaudited) ⃁	For the year ended 31 December 2025 (audited) ⃁
Cost		
At beginning of the period/year	**58,367,204**	42,111,488
Additions	**5,054,663**	16,633,050
Disposals	**(3,025,200)**	(377,334)
At end of the period/year	**60,396,667**	58,367,204
Accumulated depreciation		
At beginning of the period/year	**27,081,735**	18,424,812
Charge	**4,464,571**	8,969,535
Disposals	**(1,757,816)**	(312,612)
At end of the period/year	**29,788,490**	27,081,735
Net book value		
At end of the period/year	**30,608,177**	31,285,469

5- LEASES

A) right-of-use assets

Right-of-use assets represent lease contracts relating to the head office, land, warehouses, workers' accommodation, waste landfill and vehicles used in the company's operations. Lease terms range from 2 to 11 years. The movement in right-of-use assets was as follows:

	For the six-month period ended 30 June 2026 (unaudited) ⃁	For the year ended 31 December 2025 (audited) ⃁
At beginning of the period/year	**23,956,980**	15,392,321
Additions	**3,525,100**	20,169,547
Remeasurement	**-**	(1,427,282)
Disposals	**-**	(120,574)
Depreciation	**(5,662,608)**	(10,057,032)
At end of the period/year	**21,819,472**	23,956,980

B) lease liabilities

	For the six-month period ended 30 June 2026 (unaudited) ⃁	For the year ended 31 December 2025 (audited) ⃁
At beginning of the period/year	**25,388,216**	14,759,069
Additions	**3,525,100**	20,169,547
Remeasurement	**-**	(1,427,282)
Disposal	**-**	(154,168)
Finance costs	**1,012,266**	1,925,525
Amounts paid	**(8,646,045)**	(9,884,475)
At end of the period/year	**21,279,537**	25,388,216
Current portion	**3,643,045**	4,856,046
Non-current portion	**17,636,492**	20,532,170
	21,279,537	25,388,216

6- PREPAYMENTS AND OTHER CURRENT ASSETS

	30 June 2026 (unaudited) ⃁	31 December 2025 (audited) ⃁
Prepaid visa and iqama expenses	**17,019,228**	16,668,677
Advances to suppliers	**6,260,307**	3,909,880
Prepaid expenses	**1,329,655**	3,984,783
Letters of guarantee margins	**6,843,238**	8,048,840
Employee custodies	**3,243,602**	2,736,327
Deposits with others	**1,274,594**	1,998,971
Employee advances	**1,123,665**	758,584
Others	**177,993**	153,155
Total before impairment allowance	**37,272,282**	38,259,217
Less: impairment allowance		
Advances to suppliers	**(707,119)**	(707,119)
Employee custodies	**(384,300)**	(384,300)
Total impairment allowance	**(1,091,419)**	(1,091,419)
	36,180,863	37,167,798

7- CONTRACT ASSETS

Contract assets comprise revenue earned from services provided during the period/year for which invoices had not been issued as at the date of the condensed interim statement of financial position.

	30 June 2026 (unaudited) ⃁	31 December 2025 (audited) ⃁
Contract assets	**86,474,088**	60,395,591
Less: expected credit loss allowance	**(1,127,536)**	(537,568)
	85,346,552	59,858,023

The movement in the expected credit loss allowance during the period/year was as follows:

	For the six-month period ended 30 June 2026 (unaudited) ⃁	For the year ended 31 December 2025 (audited) ⃁
At beginning of the period/year	**537,568**	-
Charge for the period/year	**589,968**	537,568
At end of the period/year	**1,127,536**	537,568

Most contract assets relate to government and semi-government entities and have low credit risk.

8- TRADE RECEIVABLES

	30 June 2026 (unaudited)	31 December 2025 (audited)
	⃁	⃁
Trade receivables	**153,401,438**	138,658,836
Less: expected credit loss allowance	**(4,292,971)**	(2,238,350)
	149,108,467	136,420,486

The movement in the expected credit loss allowance during the period/year was as follows:

	For the six-month period ended 30 June 2026 (unaudited)	For the year ended 31 December 2025 (audited)
	⃁	⃁
At beginning of the period/year	**2,238,350**	1,012,775
Charge for the period/year	**2,054,621**	1,225,575
At end of the period/year	**4,292,971**	2,238,350

The following is an aging analysis of trade receivables as at 30 June 2026 and 31 December 2025:

	30 June 2026 (unaudited)	31 December 2025 (audited)
Past due periods	**⃁**	⃁
Less than 30 days	**55,375,553**	78,652,104
31-60 days	**54,766,236**	30,113,772
61-120 days	**28,577,468**	18,524,157
121-365 days	**12,319,535**	11,096,482
More than 365 days	**2,362,646**	272,321
Total	**153,401,438**	138,658,836

Based on past experience, the company expects to collect all receivables that are not impaired. It is not the company's policy to obtain collateral for receivables; therefore, most receivables are unsecured and outstanding balances do not carry financing costs.

Trade receivables include an amount of ⃁ 146,457,154 (31 December 2025: ⃁ 132,319,348) due from government and semi-government entities, and ⃁ 6,944,284 (31 December 2025: ⃁ 6,339,488) due from private sector entities.

9- RELATED PARTY TRANSACTIONS AND BALANCES

Related party transactions and terms are approved in accordance with the company's approved policy and the authorities granted under the bylaws. The following sets out related party transactions and balances:

Related party	Relationship
Shalfa International Establishment for Security Services	Sister company owned by shareholders
Shalfa International Facilities Management Company	Sister company owned by shareholders
Beit Al-Khibra for Engineering Consultants Company	Sister company owned by shareholders
Beit Al-Khibra Al-Oula Limited Company	Sister company owned by shareholders
Madfu Limited Company	Sister company owned by shareholders

9 .A) the following sets out the transactions with related parties:

		Transaction amount for the six-month period ended	
Related party	**Nature of transaction**	**30 June 2026 (unaudited) ⃁**	30 June 2025 (unaudited) ⃁
Shalfa International Establishment for Security Services*	Payments on behalf of the company	**27,042**	12,047
	Transfers	**6,650,000**	4,677,691
	Services	**12,251,553**	1,424,774
Shalfa International Facilities Management Company	Payments on behalf of the company	**182,265**	336,196
	Payments on behalf to the company	**86,164**	-
	Transfers	**3,450,000**	9,200,000
	Services	**2,450,097**	6,093,220
Beit Al-Khibra for Engineering Consultants Company	Payments on behalf of the company	**180,508**	11,132
	Payments on behalf to the company	**119,639**	-
	Services	**435,424**	177,529
Beit Al-Khibra Al-Oula Limited Company	Payments on behalf to the company	**207,855**	-
Madfu Limited Company	Payments on behalf of the company	-	2,869

* Most transactions with Shalfa International Establishment for Security Services relate to joint projects with Shalfa International Establishment for Security Services. As at 30 June 2026, the value of these contracts amounted to ⃁ 56.5 million, of which the company's share was 50% (31 December 2025: ⃁ 183.1 million, of which the company's share was 50%).

9. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

9. B) amounts due from related parties are presented within current assets in the condensed interim statement of financial position and comprise the following:

	30 June 2026 (unaudited) ⃁	31 December 2025 (audited) ⃁
Shalfa International Establishment for Security Services	**22,959,932**	17,331,337
Shalfa International Facilities Management Company	**2,462,779**	1,366,775
Beit Al-Khibra for Engineering Consultants Company	**496,524**	231
	25,919,235	18,698,343

9. C) amounts due to related parties are presented within current liabilities in the condensed interim statement of financial position and comprise the following:

	30 June 2026 (unaudited) ⃁	31 December 2025 (audited) ⃁
Beit Al-Khibra Al-Oula Limited Company	**305,897**	98,042

Amounts due from/to related parties are unsecured, do not bear financing costs and are payable on demand.

9. D) key management personnel are defined as those people who have authority and responsibility for planning, directing and controlling the activities of the company. Key management personnel comprise executives, members of the board of directors and the committees emanating from the board. The following is a summary of the compensation incurred in this regard:

	Transaction amount for the six-month period ended	
	30 June 2026 (unaudited) ⃁	30 June 2025 (unaudited) ⃁
Executive management salaries, bonuses and benefits	**2,294,597**	2,257,317
Remuneration of board members and board committees	**340,000**	265,000
	2,634,597	2,522,317

10- SHARE CAPITAL

The company's share capital as at 30 June 2026 amounted to ⃁ 42,000,000, divided into 4,200,000 shares with a nominal value of ⃁ 10 per share, fully paid (31 December 2025: ⃁ 42,000,000, divided into 4,200,000 shares with a nominal value of ⃁ 10 per share, fully paid).

11- GENERAL RESERVE

During 2023, the company amended its bylaws to comply with the provisions of the new Saudi companies' law issued pursuant to royal decree no. M/132 dated 30 June 2022. The statutory reserve balance of ⃁ 150,000 was transferred to the general reserve based on the resolution of the extraordinary general assembly held on 29 Shawwal 1445H, corresponding to 8 May 2024. The new law does not require the establishment of a statutory reserve.

12- MURABAHA FINANCING

The company obtained term financing and banking facilities from local banks for the purpose of financing the company's working capital. The utilized balance amounted to ⃁ 95.7 million (31 December 2025: ⃁ 107.5 million), in the form of short-term loans maturing within a period not exceeding 12 months, in addition to long-term loans for periods ranging from 24 months to 48 months. Murabaha financing bears finance costs calculated based on SAIBOR plus a margin determined in accordance with prevailing commercial market rates.

The term financing agreements include certain covenants. Any future breach of these covenants may result in the renegotiation of the financing terms. The covenants are monitored periodically by management. In the event of any potential breach, management takes the necessary actions to ensure compliance. The company was in compliance with these covenants as at 30 June 2026.

These facilities are secured by promissory notes signed by the company and personal guarantees signed by certain shareholders of the company.

	30 June 2026 (unaudited) ⃁	31 December 2025 (audited) ⃁
Short-term murabaha financing	**82,017,580**	100,354,623
Long-term murabaha financing - current portion	**5,335,122**	3,248,894
	87,352,702	103,603,517
Long-term murabaha financing - non-current portion	**8,371,007**	3,900,772
	95,723,709	107,504,289

Finance costs charged to the condensed interim statement of profit or loss and other comprehensive income for the six-month period ended 30 June 2026 amounted to ⃁ 5,020,553 (30 June 2025: ⃁ 4,592,030).

13- ACCRUED EXPENSES AND OTHER PAYABLES

	30 June 2026 (unaudited) ⃁	31 December 2025 (audited) ⃁
Accrued expenses	**23,043,164**	22,970,976
Accrued employee salaries and benefits	**25,869,521**	21,974,125
Value added tax	**5,948,926**	7,690,642
	54,861,611	52,635,743

14- ZAKAT

The company's zakat expense for the period is estimated in accordance with the requirements of the zakat, tax and customs authority ("ZATCA") and is charged to the interim condensed statement of profit or loss and other comprehensive income. Differences arising from the final zakat assessment, if any, are adjusted in the period in which such differences are determined, in accordance with IAS 8 "Accounting Policies, changes in accounting estimates and errors."

14. ZAKAT (CONTINUED)

14.1 Movement in Zakat Provision:

	For the six-month period ended 30 June 2026 (unaudited)	For the year ended 31 December 2025 (audited)
	⃁	⃁
At beginning of the period/year	**2,575,257**	2,096,721
Provided	**1,593,733**	2,575,257
Differences in zakat expense calculation	**1,631**	-
Charged to the statement of profit or loss and other comprehensive income	**1,595,364**	2,575,257
Less: paid	**(2,576,888)**	(2,096,721)
At end of the period/year	**1,593,733**	2,575,257

14.2 Zakat Status:

The company has submitted its zakat returns to ZATCA for all years up to 2025, paid the zakat due under those returns and obtained zakat certificates. Zakat assessments with ZATCA have been finalized for all years up to 2018 and also for 2024, and the company has paid the zakat due thereon. The company is not aware of any additional zakat assessments or obligations relating to the remaining years.

15- REVENUE

	For the six-month period ended	
	30 June 2026 (unaudited)	30 June 2025 (unaudited)
Revenue is disaggregated by type of service/product as follows:	**⃁**	⃁
Facilities management services	**270,301,255**	156,867,511
Environmental services	**6,367,592**	16,942,717
Sales of recycled materials	**6,054,893**	2,561,122
	282,723,740	176,371,350
Revenue is disaggregated by timing of revenue recognition as follows:		
Over time	**276,668,847**	173,810,228
At a point in time	**6,054,893**	2,561,122
	282,723,740	176,371,350
Revenue is disaggregated by customer type as follows:		
Government and semi-government entities	**248,571,068**	167,365,855
Private sector	**34,152,672**	9,005,495
	282,723,740	176,371,350
Geographical markets		
Within the kingdom of Saudi Arabia	**282,723,740**	176,371,350

16- COST OF REVENUE

	For the six-month period ended	
	30 June 2026	30 June 2025
	(unaudited)	(unaudited)
	⃁	⃁
Salaries, wages and related costs	**105,794,614**	61,453,906
Spare parts and consumables	**36,451,595**	23,472,083
Government expenses and fees	**29,379,487**	21,841,535
Outsourced labor	**14,461,119**	2,008,621
Maintenance works	**12,423,314**	7,257,378
Joint project contract costs	**9,211,880**	11,059,667
Vehicle and fuel expenses	**9,198,255**	5,914,343
Depreciation of right-of-use assets	**5,538,898**	3,524,914
Depreciation of property and equipment	**4,444,276**	3,775,447
Workers' accommodation expenses	**3,273,618**	2,810,187
Services	**2,252,282**	2,006,731
Medical insurance	**1,651,344**	1,384,167
Others	**6,920,352**	4,371,480
	241,001,034	150,880,459

17- COMMITMENTS AND CONTINGENT LIABILITIES

The company has outstanding letters of guarantee amounting to ⃁ 125,896,098. Margin deposits against letters of guarantee amounted to ⃁ 6,843,238 (31 December 2025: outstanding letters of guarantee amounting to ⃁ 179,760,617 and margin deposits against letters of guarantee amounting to ⃁ 8,048,840).

18- BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing the company's net profit for the period by the weighted average number of ordinary shares outstanding during the period, amounting to 4,200,000 shares. Diluted earnings per share are the same as basic earnings per share as the company has no dilutive shares issued.

	For the six-month period ended	
	30 June 2026	30 June 2025
	(Unaudited)	(Unaudited)
	⃁	⃁
Net profit for the period attributable to shareholders	**17,973,051**	7,935,680
Number of Shares Outstanding	**4,200,000**	4,200,000
Basic and diluted earnings per share	**4.28**	1.89

19- FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged or a liability settled between willing parties in an arm's length transaction. Financial instruments comprise financial assets and financial liabilities. The company's financial assets comprise cash and cash equivalents, trade receivables, other current assets and amounts due from related parties. Financial liabilities comprise trade payables, other current liabilities, murabaha financing, lease liabilities and amounts due to related parties.

19. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

Management has assessed that the fair values of the company's financial assets and liabilities approximate their carrying amounts, largely due to the short-term maturities of these instruments.

The company recognizes transfers between levels of the fair value hierarchy at the end of the financial period during which the change occurs. There were no transfers between levels 1, 2 or 3 during the six-month period ended 30 june 2026 (31 december 2025: same). As at the reporting date, there were no assets or liabilities classified within levels 1, 2 or 3.

20- INTERIM RESULTS

The results of operations for the six-month period ended 30 June 2026 are not necessarily indicative of the company's annual results.

21- SUBSEQUENT EVENTS

Management believes that there have been no significant subsequent events since the period end that would require disclosure in or adjustment to these interim condensed financial statements.

22- APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The company's interim condensed financial statements for the six-month period ended 30 june 2026 were approved by the board of directors on 23 Safar 1448H (corresponding to 6 August 2026).