

**NATIONAL METAL MANUFACTURING
AND CASTING COMPANY (MAADANIYAH)
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026
WITH INDEPENDENT AUDITOR'S REVIEW REPORT**

NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026

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

**TO THE SHAREHOLDERS OF NATIONAL METAL MANUFACTURING AND CASTING COMPANY
(MAADANIYAH)
(A SAUDI JOINT STOCK COMPANY)**

(1 / 1)

INTRODUCTION

We have reviewed the accompanying March 31, 2026 interim condensed consolidated financial statements of National Metal Manufacturing and Casting Company ("MAADANIYAH") (the "Company") which comprises:

- The interim consolidated statement of financial position as at March 31, 2026;
- The interim consolidated statements of profit or loss and other comprehensive income for the three-month period then ended;
- The interim consolidated statement of changes in equity for the three-month period then ended;
- The interim consolidated statement of cash flows for the three-month period then ended; and
- The notes to the interim consolidated condensed financial statements.

Management is responsible for the preparation and presentation of these interim condensed consolidated 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 consolidated financial statements based on our review.

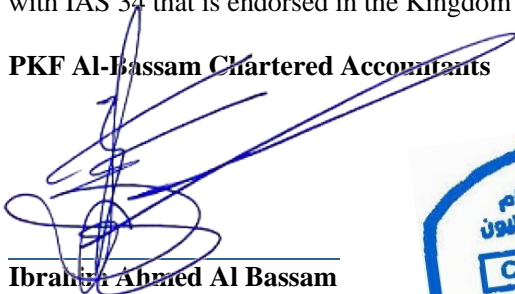
SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagement 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", that is endorsed in the Kingdom of Saudi Arabia. A review of interim condensed consolidated 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 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 consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

PKF AI-Bassam Chartered Accountants



Ibrahim Ahmed Al Bassam
Certified Public Accountant
License No. 337
Khobar, Kingdom of Saudi Arabia
Dhu al-Qadah 20, 1447H
Corresponding to: May 7, 2026



NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026
Expressed in Saudi Riyal (ﷲ)

		March 31, 2026	December 31, 2025
	Note	(Unaudited)	(Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	6	174,524,455	173,092,356
Intangible assets		22,062,207	21,657,415
Right-of-use assets		15,264,878	15,523,809
Investment properties	7	978,088	1,028,376
Equity instruments designated at fair value through other comprehensive income (FVOCI)		3,750,000	3,750,000
Total non-current assets		216,579,628	215,051,956
Current assets			
Inventories, net		61,730,084	70,797,517
Trade receivables, net		58,554,885	54,136,130
Prepayments and other assets		9,635,086	4,510,257
Cash and cash equivalents	9	20,337,462	19,416,142
Current assets excluding assets classified as held for sale		150,257,517	148,860,046
Assets classified as held for sale		776,000	776,000
Total current assets		151,033,517	149,636,046
TOTAL ASSETS		367,613,145	364,688,002
EQUITY AND LIABILITIES			
Equity			
Share capital		354,000,000	354,000,000
Accumulated losses		(134,078,943)	(128,390,243)
Total equity		219,921,057	225,609,757
Non-current liabilities			
Employees' benefit obligations		27,624,972	26,410,765
Lease liabilities – non current portion		14,747,959	14,975,899
Total non-current liabilities		42,372,931	41,386,664
Current liabilities			
Trade and other payables	11	30,889,247	35,343,176
Short term borrowings	10	56,620,723	44,750,830
Accrued expenses and other liabilities		15,513,185	15,391,624
Lease liabilities - current portion		346,002	705,951
Zakat provision		1,950,000	1,500,000
Total current liabilities		105,319,157	97,691,581
Total liabilities		147,692,088	139,078,245
TOTAL EQUITY AND LIABILITIES		367,613,145	364,688,002


Chief Executive Officer and Board Member
Shaker Nafil Al Otaibi

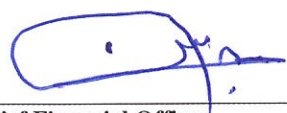
Chief Financial Officer
Fathalrahman Abdullah Othman

The accompanying notes from 1 to 20 form an integral part of these interim condensed consolidated financial statements.

NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026
Expressed in Saudi Riyal (ﷲ)

	Note	For the three-month period ended	
		2026 (Unaudited)	2025 (Unaudited)
Revenue	14	49,580,064	70,141,561
Cost of revenue		(46,449,972)	(64,326,648)
Gross profit		3,130,092	5,814,913
Selling and distribution expenses		(2,773,876)	(3,944,214)
Administrative expenses		(5,465,624)	(5,186,063)
(Allowance) / reversal for expected credit losses	8	(16,143)	1,055,801
Other income, net		514,530	455,586
Loss before finance cost and zakat		(4,611,021)	(1,803,977)
Finance cost		(640,300)	(678,197)
Finance income		12,621	78,796
Loss before zakat		(5,238,700)	(2,403,378)
Zakat		(450,000)	(700,000)
Loss from continuing operations		(5,688,700)	(3,103,378)
Loss from discontinued operations	16	-	(90,523)
Loss for the period		(5,688,700)	(3,193,901)
Other comprehensive income		-	-
Total comprehensive loss for the period		(5,688,700)	(3,193,901)
Loss per share			
Basic and diluted losses per share	15		
- From continuing operations		(0.16)	(0.09)
- From continuing and discontinued operations		(0.16)	(0.09)


 Chief Executive Officer and Board Member
 Shaker Nafil Al Otaibi


 Chief Financial Officer
 Fathalrahman Abdullah Othman

The accompanying notes from 1 to 20 form an integral part of these interim condensed consolidated financial statements.

**NATIONAL METAL MANUFACTURING AND CASTING COMPANY
(MAADANIYAH)
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026
Expressed in Saudi Riyal (ﷲ)**

	<u>Share capital</u>	<u>Accumulated losses</u>	<u>Total equity</u>
Balance at January 1, 2025 - (audited)	354,000,000	(108,521,913)	245,478,087
Loss for the period	-	(3,193,901)	(3,193,901)
Balance at March 31, 2025 - (unaudited)	<u>354,000,000</u>	<u>(111,715,814)</u>	<u>242,284,186</u>
Balance at January 1, 2026 - (audited)	354,000,000	(128,390,243)	225,609,757
Loss for the period	-	(5,688,700)	(5,688,700)
Balance at March 31, 2026 - (unaudited)	<u>354,000,000</u>	<u>(134,078,943)</u>	<u>219,921,057</u>



Chief Executive Officer and Board Member
Shaker Nafil Al Otaibi





Chief Financial Officer
Fathalrahman Abdullah Othman

The accompanying notes from 1 to 20 form an integral part of these interim condensed consolidated financial statements

NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026
Expressed in Saudi Riyal (ﷲ)

	Note	For the three-month period ended	
		2026	2025
		(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before zakat from continuing operations		(5,238,700)	(2,403,378)
Loss before zakat from discontinued operations		-	(90,523)
Loss before zakat		(5,238,700)	(2,493,901)
Adjustments for:			
Depreciation of property, plant and equipment		2,955,106	3,017,383
Depreciation of right-of-use assets		151,909	151,910
Depreciation of investment properties		50,288	50,289
Amortization of intangible assets		18,383	18,381
Finance cost		640,300	686,983
Finance income		(12,621)	(78,796)
Provision for employees' benefit obligations		1,515,482	587,065
Allowance / (reversal) for expected credit losses	8	16,143	(1,055,801)
Gain on disposal of property, plant and equipment		-	(28,259)
Reversal / (write down) inventory		60,976	(162,929)
		157,266	692,325
Working capital changes			
Inventories, net		9,006,457	7,883,532
Trade receivables, net		(4,434,898)	(4,061,014)
Prepayments and other assets		(5,125,697)	(4,122,427)
Trade and other payables		(4,453,929)	(837,052)
Accrued expenses and other liabilities		121,561	(2,418,291)
Cash used in operations		(4,729,240)	(2,862,927)
Employees' benefits obligations paid		(301,275)	(1,409,292)
Finance cost paid		(1,010,547)	(522,288)
Finance income received		13,489	119,774
Net cash used in operating activities		(6,027,573)	(4,674,733)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment	6	(4,194,901)	(4,387,356)
Additions to intangible assets		(423,175)	(382,596)
Proceeds from disposal of property, plant and equipment		-	28,261
Net cash used in investing activities		(4,618,076)	(4,741,691)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short term borrowings		56,042,399	23,791,300
Repayment of short term borrowings		(43,802,259)	(14,781,601)
Repayment of lease liability		(673,171)	(526,040)
Net cash generated from financing activities		11,566,969	8,483,659
Net change in cash and cash equivalents		921,320	(932,765)
Cash and cash equivalents at beginning of the period		19,416,142	25,587,396
Cash and cash equivalents at end of the period		20,337,462	24,654,631


Chief Executive Officer and Board Member
Shaker Nafil Al Otaibi


Chief Financial Officer
Fathalrahman Abdullah Othman

The accompanying notes from 1 to 20 form an integral part of these interim condensed consolidated financial statements.

NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026
Expressed in Saudi Riyal (ﷲ)

1. ORGANIZATION AND ACTIVITIES

National Metal Manufacturing and Casting Company (“MAADANIYAH”) (“the Company”) was incorporated pursuant to Council of Ministerial Resolution Number 253 dated 13 Rabi ‘I, 1411-H corresponding to October 2, 1990G and registered as a Saudi Joint Stock Company under Commercial Registration Number 2055002251 Unified Number (7001349310), dated 16 Jumada ‘I, 1411-H corresponding to December 3, 1990 G issued in Al-Jubail. The registered office of the Company is situated in Al-Jubail, Kingdom of Saudi Arabia.

The Company and its subsidiaries as disclosed below are collectively referred as “the Group”.

As at March 31, 2026 and December 31, 2025, the Group has the following branches:

Branch name	Commercial Registration Number	Date
Axles, Foundries and Spare Parts Factory	2050016156	29/5/1406-H
Wire Drawing and Related Products Factory (ASLAK)	2055013867	25/8/1432-H
Branch of National Metal Manufacturing and Casting Company (MAADANIYAH)	1010389002	25/11/1434-H
Gulf Baas Industries	2050116884	04/11/1439-H
Arabian Axles Manufacturing Co.	2056149638	01/03/1443-H

The financial results of these branches are included in these interim condensed consolidated financial statements. The Group and its branches objectives are as follows:

- Production of drawn steel wires, pre-stressed concrete strands, spring wires, steel structures for bed mattresses, aluminum conductor steel reinforce strand, galvanized reinforcement wires, concrete nails, common nails, bolts and nuts , welding wires.
- Production of castings and commercial, industrial, and military metal parts of various types.
- Manufacturing cars and trailers, assembling them, producing various types of axles, different suspension systems, truck parts, vehicles, and equipment.
- Manufacturing military ground and amphibious vehicles, military vehicle parts, armored vehicle plating, and manufacturing mobile military shelters.
- Manufacturing valves and accessories of all sizes.
- Repair and maintenance of company products.
- Wholesale and retail trade in company products, construction materials, and industrial materials, including their import and export.
- Ownership of lands and real estate and construction of buildings on them, and disposal of them in any form.
- Ownership of patents and benefiting from them to achieve its industrial purposes inside and outside the Kingdom.
- Commercial agencies and representation of local or foreign companies inside and outside the Kingdom.
- Commercial tenders and contracts.
- Establishing industrial, service, and commercial projects inside and outside the Kingdom of Saudi Arabia.

Structure of the Group

The interim condensed consolidated financial statements as at March 31, 2026 include the financial statements of the Company and its following subsidiaries:

<u>Name of subsidiaries</u>	<u>Principal activities</u>	<u>Effective ownership</u>	
		<u>2026</u>	<u>2025</u>
PC Strand Bahrain Co.WLL.	Manufacture of structural metal products – Factory	100%	100%
Vair National Casting Company	Non-ferrous metal casting including aluminum and zinc etc.	51%	51%

1. ORGANIZATION AND ACTIVITIES (Continued)

Structure of the Group (Continued)

- PC Strand Bahrain Co.WLL.

On November 29, 2021, a new subsidiary company has been registered with CR number 160515-1 issued in Bahrain under the name PC Strand Bahrain Co.WLL. The issued capital of the said subsidiary is 20,000 Bahrain Dinar (ﷲ 200,000) which was paid in fourth quarter of the year 2022. The activities of this subsidiary will be to manufacture structural metal products. As at March 31, 2026, the subsidiary is yet to commence its operation.

- Vair National Casting Company

On August 30, 2023, the Group has registered a new subsidiary company with CR number 2050174852 issued in the Kingdom of Saudi Arabia under the name of Vair National Casting Company – Limited Liability Company. The share capital of the subsidiary is ﷲ 7.5 million which is still to be paid by both Companies. The ownership of Maadaniyah is 51% of the share capital and IGL share is 49% of the share capital. The activities of this subsidiary will be the casting of non-ferrous metals and the production of finished products, including aluminum, zinc, and related materials. As at March 31, 2026, the subsidiary is yet to commence its operations.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard No.34 - “Interim Financial Reporting” (“IAS 34”) that are endorsed in Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants.

The disclosures in these interim condensed consolidated financial statements do not include the information reported for full annual consolidated financial statements and should, therefore, be read in conjunction with the annual consolidated financial statements of the Group for the year ended December 31, 2025. In addition, results for the three-month period ended March 31, 2026 are not necessarily indicative of the expected results for the full year ending December 31, 2026.

2.2 Going concern assessment

The Company has incurred a net loss of ﷲ 5.69 million during the three-month period ended March 31, 2026 (net loss of ﷲ 3.19 million during the three-month period ended March 31, 2025). The Company’s net operating cash outflow for the three-month period then ended amounted to ﷲ 6.03 million (net operating cash outflow of ﷲ 4.67 million for the three-month period ended March 31, 2025). Further, as of March 31, 2026, the Company’s accumulated loss amounted to ﷲ 134.08 million.

The losses incurred during the current period, as well as the accumulated losses, are primarily attributable to a decline in sales of the Company’s main products due to reduced demand in both local and export markets, coupled with competitive pricing pressures from similar imported products and fluctuations in the cost of imported raw materials. Additionally, the ongoing geopolitical situation in the Middle East has adversely impacted the Company’s operations, resulting in, among other factors, difficulties in procuring imported raw materials and increased freight costs.

In response to these challenges, management is implementing a transformation plan that includes, among other measures, restructuring initiatives, improving operational efficiency through cost optimization, and strengthening the sales and marketing function.

Management has performed an assessment of its going concern assumption and based on the detailed business plan of the Company and the expected impact of the matter mentioned above, management believes that the Company will be able to continue its operations and meet its obligations as they fall due within the next twelve months. Accordingly, management believes that the Company’s operations shall continue for the foreseeable future under the normal course of business and the going concern basis used in the preparation of these interim condensed consolidated financial statements remains appropriate.

2. BASIS OF PREPARATION (Continued)

2.3 Basis of measurement

These interim condensed consolidated financial statements are prepared under the historical cost convention, using the accruals basis of accounting, except for those required to be recorded on other basis of accounting as mentioned in annual consolidated financial statements of the Group for the year ended December 31, 2025.

2.4 Functional and presentation currency

These interim condensed consolidated financial statements are presented in Saudi Riyals (ﷲ) which is also the functional currency of the Group. Figures have been rounded off to nearest Saudi Riyals, unless otherwise stated.

3. USE OF ESTIMATES AND JUDGMENTS

In preparing these interim condensed consolidated financial statements, management has made judgments 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 judgments made by the management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those described in the annual consolidated financial statements of the Group for the year ended December 31, 2025.

4. MATERIAL ACCOUNTING POLICES

The material accounting policies, risk management policies and methods of computation adopted for the preparation of these interim condensed consolidated financial statements are same as those applied in the annual consolidated financial statements of the Group for the year ended December 31, 2025, except for the adoption of certain new standards / amendments that have become effective in the current period.

5. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

5.1 Standards and amendments issued and applied effective in current period

There are no new standards issued, however, there are amendments to the following standards, which are effective in current period and have no material impact on Group’s interim condensed consolidated financial statements;

Amendments to standard	Description	Effective for annual years beginning on or after	Summary of the amendment	Management Response
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026	The amendments clarify the recognition and derecognition of financial assets and financial liabilities, including settlement date accounting for certain electronic payment systems. They also provide additional guidance on assessing contractual cash flow characteristics of financial assets, including contingent cash flows arising from environmental, social and governance (ESG)-linked features. The amendments also introduce new and updated disclosure requirements in IFRS 7	Management has performed a preliminary assessment and does not expect the adoption of these amendments to have a material impact on the Group’s financial statements, as the Group’s financial instruments and settlement arrangements are not expected to be significantly affected.
IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	January 1, 2026	These amendments modify the ‘own use’ requirements and hedge accounting provisions in IFRS 9 for contracts that expose entities to variability in electricity prices due to uncontrollable natural conditions such as weather. Targeted disclosure requirements are introduced in IFRS 7.	Based on the nature of the Groups’s operations and contractual arrangements, management does not expect these amendments to have a material impact on the Group’s financial statements upon initial application.

5. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (Continued)

5.2 New standards, amendments and revised IFRS issued but not yet effective

Amendments to standard	Description	Effective for annual years beginning on or after	Summary of the amendment	Management assessment
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	IFRS 18 replaces IAS 1 and establishes a new framework for the presentation and disclosure of financial statements. The standard introduces new categories for income and expenses (operating, investing and financing) and requires presentation of new subtotals, including operating profit or loss before financing and income taxes. It also enhances guidance on aggregation and disaggregation, introduces disclosure requirements for management-defined performance measures, and removes classification options for interest and dividends in the statement of cash flows.	Management is currently expected to result in changes to presentation and disclosures, it is not expected to have a material impact on the recognition or measurement of the Group's assets, liabilities, income or expenses.
IFRS 19	Subsidiaries without Public Accountability	January 1, 2027	IFRS 19 permits eligible subsidiaries without public applicability to apply reduced disclosure requirements while continuing to apply full IFRS recognition and measurement principles. The standard affects disclosure requirements only and does not impact recognition or measurement.	Management will assess the applicability of IFRS 19 at the date of adoption. The standard is expected to affect disclosure requirements only and is not expected to have a material impact on the Company's financial position, financial performance or cash flows.

6. PROPERTY, PLANT AND EQUIPMENT

During the three-month period ended March 31, 2026 additions to property, plant and equipment were amounted to ﷲ 4.4 million (December 31, 2025: ﷲ 26 million).

7. INVESTMENT PROPERTIES

The investment properties were valued on December 31, 2025 at fair value, determined by an independent, professionally qualified valuer "Fair value Company for Professional Consultation" who is licensed by Saudi Authority for Accredited Valuers (License number "1210000841"). As at December 31, 2025, the fair valuation of the investment properties amounted to ﷲ 9.39 million using level 2 valuation techniques. Management believes that there has not been any material change in fair value of these investment properties as at March 31, 2026.

NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)

(A SAUDI JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026****Expressed in Saudi Riyal (ﷲ)****8. ALLOWANCE FOR EXPECTED CREDIT LOSSES**

The movement of the allowance for expected credit losses against trade receivables during the period / year is as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
As at beginning of the period / year	<u>5,194,003</u>	18,561,716
Charge/ (reversal) for the period / year	16,143	(2,527,560)
Write offs	-	(10,840,153)
As at end of the period / year	<u>5,210,146</u>	<u>5,194,003</u>

9. CASH AND CASH EQUIVALENTS

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Cash at banks	<u>20,312,991</u>	15,809,791
Term deposits	-	3,596,880
Cash in hand	<u>24,471</u>	9,471
	<u>20,337,462</u>	<u>19,416,142</u>

Term deposits with the local banks have original maturities of less than three months and carry profit at prevailing commercial rates 4.47 % per annum (2025: 5.21% to 5.29% per annum).

10. BORROWINGS

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Short term loans	<u>56,620,723</u>	<u>44,750,830</u>

10.1 The Group has obtained various facilities from local banks (“the Facilities”) which comprise of letter of credits, import finance, letter of guarantees and term finance facilities. The Facilities are secured by promissory notes and mortgage of properties. The Facilities carry charges at commercial rates.

10.2 The Group is required to comply with certain covenants. As at March 31, 2026, it is complying with all the covenants.

11. TRADE AND OTHER PAYABLES

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Trade payables	<u>9,404,560</u>	7,951,377
Note payables	20,071,640	25,328,822
Bills Payable	<u>1,413,047</u>	2,062,977
	<u>30,889,247</u>	<u>35,343,176</u>

12. CONTINGENCIES AND COMMITMENTS

(a) The Group’s outstanding contingencies and commitments were as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Letter of credits	<u>20,082,397</u>	20,717,343
Letter of guarantees	<u>404,567</u>	404,567

(b) As at March 31, 2026, the Group has outstanding capital commitments amounted to ﷲ 17.02 million (December 31, 2025: ﷲ 20.31 million) related to expansion projects and development of production lines.

NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026****Expressed in Saudi Riyal (ﷲ)****13. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

The related parties consist of major shareholders, parties controlled and influenced by them, Board of Directors and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. The transactions are dealt with on mutually agreed terms and the terms and conditions on these transactions are approved by the Group's management. The Group have no significant transaction with any of its related parties except for key management personnel and Directors.

Transactions with key management personnel:

	For the three- month period ended March 31, 2026 (unaudited)	For the three- month period ended March 31, 2025 (unaudited)
Key management executive' remuneration	1,677,911	1,426,535
Directors' allowances and expenses	376,500	366,500

Payable to key management personnel in respect of the remuneration, allowances and other expenses classified under accrued and other liabilities are as follows:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Nature of balance		
Board of directors	1,578,500	1,379,000

14. SEGMENT INFORMATION

As at March 31, 2026, the Group has the following three strategic divisions disclosed as reportables segments. These reportable segments provide distinct products and services and are managed independently due to the need for unique marketing strategies.

The Group's Chief Financial Officer (CFO) reviews internal management reports on at least a quarterly basis.

The following table describes the operations of each reportable segments.

Reportable segments	Activities
Transformation industries	Manufacture and sells PC Strand wires, single wires and spring wire.
Engineering and metal forming industries	Assembly of axles for trailers, spare parts and metal casting.
Industrial valves	Manufactures high pressure industrial valves.

NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026

Expressed in Saudi Riyal (ﷲ)

14. SEGMENT INFORMATION (Continued)

All of the Group's operations are located in the Kingdom of Saudi Arabia.

2026	Transformation industries	Engineering and metal forming industries	Industrial valves	Corporate	Total
For the three-month period ended March 31, 2026					
(Unaudited)					
Revenue	31,241,137	18,338,927	-	-	49,580,064
Cost of revenue	(29,148,515)	(17,301,457)	-	-	(46,449,972)
Gross profit	2,092,622	1,037,470	-	-	3,130,092
Selling and distribution expenses	(1,785,905)	(987,971)	-	-	(2,773,876)
General and administrative expenses	(1,590,113)	(2,257,309)	(743,624)	(874,578)	(5,465,624)
Charge for expected credit losses	-	(16,143)	-	-	(16,143)
Other income, net	547,244	(32,714)	-	-	514,530
Operating loss	(736,152)	(2,256,667)	(743,624)	(874,578)	(4,611,021)
Finance cost	(563,446)	(64,309)	(12,545)	-	(640,300)
Finance income	12,621	-	-	-	12,621
Loss before zakat	(1,286,977)	(2,320,976)	(756,169)	(874,578)	(5,238,700)
Zakat expense	(150,000)	(300,000)	-	-	(450,000)
Loss from continuing operations	(1,436,977)	(2,620,976)	(756,169)	(874,578)	(5,688,700)
As at March 31, 2026	Transformation industries	Engineering and metal forming industries	Industrial valves	Corporate	Total
(Unaudited)					
Total assets	174,668,798	96,918,276	85,789,719	10,236,352	367,613,145
Total liabilities	74,720,464	26,273,572	36,096,376	10,601,676	147,692,088

NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026

Expressed in Saudi Riyal (ﷲ)

14. SEGMENT INFORMATION (Continued)

	Transformation industries	Engineering and metal forming industries	Industrial valves	Corporate	Total
For the three-month period ended March 31, 2025 (Unaudited)					
Revenue	49,847,014	20,294,547	-	-	70,141,561
Cost of revenue	(44,063,667)	(20,262,981)	-	-	(64,326,648)
Gross profit	5,783,347	31,566	-	-	5,814,913
Selling and distribution expenses	(2,527,949)	(1,416,265)	-	-	(3,944,214)
General and administrative expenses	(1,605,233)	(2,182,284)	(598,119)	(800,427)	(5,186,063)
Reversal of expected credit losses	800,000	255,801	-	-	1,055,801
Other income, net	480,543	(24,957)	-	-	455,586
Operating loss	2,930,708	(3,336,139)	(598,119)	(800,427)	(1,803,977)
Finance cost	(576,700)	(99,925)	(1,240)	(332)	(678,197)
Finance income	78,796	-	-	-	78,796
Loss before zakat	2,432,804	(3,436,064)	(599,359)	(800,759)	(2,403,378)
Zakat expense	(250,000)	(450,000)	-	-	(700,000)
Loss from continuing operations	2,182,804	(3,886,064)	(599,359)	(800,759)	(3,103,378)

	Transformation industries	Engineering and metal forming industries	Industrial valves	Corporate	Total
As at December 31, 2025 (Audited)					
Total assets	175,791,580	98,411,708	80,322,331	10,162,383	364,688,002
Total liabilities	71,027,006	26,790,964	31,001,324	10,258,951	139,078,245

15. LOSS PER SHARE

	Three-month period ended	
	March 31, 2026 (Un-audited)	March 31, 2025 (Un-audited)
Loss for the period from continuing operations	(5,688,700)	(3,103,378)
Weighted average number of ordinary shares	35,400,000	35,400,000
Basic and diluted loss per share	(0.16)	(0.09)
Loss for the year from continuing and discontinued operations	(5,688,700)	(3,193,901)
Weighted average number of ordinary shares	35,400,000	35,400,000
Basic and diluted loss per share	(0.16)	(0.09)

NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026****Expressed in Saudi Riyal (ﷲ)****16. DISCONTINUED OPERATIONS**

In prior year, the Group classified one of its production line of engineering and metal forming division as a discontinued operation in accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations. This decision was based on the formal approval of the Board and the satisfaction of the classification criteria under IFRS 5.

The results of the discontinued operations for the three-month period ended March 31, 2026 and the comparative period ended March 31, 2025 are as follows

	Three-month period ended	
	March 31, 2026 (Un-audited)	March 31, 2025 (Un-audited)
Revenue	-	510,259
Cost of revenue	-	(394,456)
Gross loss	-	115,803
Selling and distribution expenses	-	(71,269)
General and administrative expenses	-	(126,271)
Operating loss	-	(81,737)
Finance cost	-	(8,786)
Loss before zakat	-	(90,523)
Zakat expense	-	-
Loss from discontinued operation	-	(90,523)
Loss per share		
– basic and diluted	-	(0.00)

17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

As of March 31, 2026 and December 31, 2025, the carrying values of the financial assets and financial liabilities of the Group approximate to their fair values. Regarding equity investment at FVOCI, the management believes that cost is the best estimates of its fair value as the investee company is in formation stages as of March 31, 2026. The management also believes that the fair value of investment property is not materially different with that disclosed in annual consolidated financial statements of the Group for the year ended December 31, 2025.

18. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to comply with the current period presentation of the interim condensed consolidated financial statements.

19. NON-CASH TRANSACTIONS:

Following are the non-cash transactions:

	March 31, 2026 (Un-audited)	March 31, 2025 (Un-audited)
Depreciation expense related to right of use assets transferred to capital work in progress	107,022	57,918
Finance cost related to lease liability transferred to capital work in progress	85,282	55,092
Rental paid in advance against modon factory against capital work in progress	-	150,000

20. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements have been approved and authorized for issue by the Board of Directors on May 6, 2026 G corresponding to Dhu al-Qadah 19, 1447H.