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

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2026 WITH INDEPENDENT AUDITOR'S REVIEW REPORT

INDEX **PAGE**

Independent auditor's review report on the interim condensed consolidated financial statements	1
Interim consolidated statement of financial position	2
Interim consolidated statement of profit or loss and other comprehensive income	3
Interim consolidated statement of changes in equity	4
Interim consolidated statement of cash flows	5
Notes to the interim condensed consolidated financial statements	6 – 16

PKF Al Bassam
Chartered Accountants

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)

INTRODUCTION

We have reviewed the accompanying interim condensed consolidated financial statements of National Metal Manufacturing and Casting Company ("MAADANIYAH") (the "Company") and its subsidiaries (the "Group") as of September 30, 2026 which comprises:

- The interim consolidated statement of financial position as at September 30, 2026;
- The interim consolidated statement of profit or loss and other comprehensive income for the three-month and nine-month periods then ended;
- The interim consolidated statement of changes in equity for the nine-month period then ended;
- The interim consolidated statement of cash flows for the nine-month period then ended; and
- The notes to the interim condensed consolidated 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 Al-Bassam Chartered Accountants

شركة بي كي اف البسام
محاسبون ومراجعون قانونيون
C. R. 1010385804
PKF Al Bassam
chartered accountants

Ibrahim Ahmed Al Bassam
Certified Public Accountant
License No. 337
Khobar, Kingdom of Saudi Arabia
November 9, 2026G
Corresponding to: Jumada Al Awal 29, 1448H

[PKF Al Bassam chartered accountants] C.R. 1010385804 P.P. License 520/11/323 is a member of PKF Global, the network of member firms of PKF International Limited, each of which is a separate and independent legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm. Email: info.sa@pkf.com Web: www.pkfalbassam.com

NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2026
Expressed in Saudi Riyal (﷼)

	Note	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	6	**171,050,391**	173,092,356
Intangible assets		**22,951,331**	21,657,415
Right-of-use assets		**14,747,018**	15,523,809
Investment properties	7	**877,511**	1,028,376
Equity instruments designated at fair value through other comprehensive income (FVOCI)		**3,750,000**	3,750,000
Total non-current assets		**213,376,251**	215,051,956
Current assets			
Inventories		**72,850,574**	70,797,517
Trade receivables		**50,212,399**	54,136,130
Prepayments and other assets		**15,693,575**	4,510,257
Cash and cash equivalents	9	**17,430,191**	19,416,142
Current assets excluding assets classified as held for sale		**156,186,739**	148,860,046
Assets classified as held for sale		**776,000**	776,000
Total current assets		**156,962,739**	149,636,046
TOTAL ASSETS		**370,338,990**	364,688,002
EQUITY AND LIABILITIES			
Equity			
Share capital		**354,000,000**	354,000,000
Accumulated losses		**(137,762,152)**	(128,390,243)
Total equity		**216,237,848**	225,609,757
Non-current liabilities			
Employees' benefit obligations		**27,146,973**	26,410,765
Lease liabilities – non current portion		**14,463,623**	14,975,899
Total non-current liabilities		**41,610,596**	41,386,664
Current liabilities			
Trade and other payables	11	**28,130,753**	35,343,176
Short term borrowings	10	**56,262,863**	44,750,830
Accrued expenses and other liabilities		**26,230,315**	15,391,624
Lease liabilities - current portion		**372,282**	705,951
Zakat provision		**1,494,333**	1,500,000
Total current liabilities		**112,490,546**	97,691,581
Total liabilities		**154,101,142**	139,078,245
TOTAL EQUITY AND LIABILITIES		**370,338,990**	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 AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2026
Expressed in Saudi Riyal (﷼)

	Note	For the three-month period ended September 30,		For the nine-month period ended September 30,	
		2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Revenue	14	**52,296,271**	46,211,562	**141,051,041**	180,225,336
Cost of revenue		**(42,833,398)**	(43,325,490)	**(122,730,498)**	(165,565,693)
Gross profit		**9,462,873**	2,886,072	**18,320,543**	14,659,643
Selling and distribution expenses		**(3,611,156)**	(2,960,830)	**(8,493,483)**	(10,924,524)
Administrative expenses		**(4,530,062)**	(4,840,099)	**(15,105,827)**	(16,830,850)
Impairment of non-financial assets	6	**(2,917,866)**	-	**(2,917,866)**	-
(Allowance) / reversal for expected credit losses	8	**(224,335)**	160,945	**(264,390)**	1,733,952
Other income, net		**1,248,636**	535,945	**2,420,711**	1,241,001
Loss before finance cost and zakat		**(571,910)**	(4,217,967)	**(6,040,312)**	(10,120,778)
Finance cost		**(713,863)**	(793,014)	**(2,044,227)**	(2,296,265)
Finance income		**4**	193	**12,630**	79,238
Loss before zakat		**(1,285,769)**	(5,010,788)	**(8,071,909)**	(12,337,805)
Zakat		**(400,000)**	(610,000)	**(1,300,000)**	(1,810,000)
Loss from continuing operations		**(1,685,769)**	(5,620,788)	**(9,371,909)**	(14,147,805)
Loss from discontinued operations	16	**-**	(23,731)	**-**	(92,682)
Loss for the period		**(1,685,769)**	(5,644,519)	**(9,371,909)**	(14,240,487)
Other comprehensive income		**-**	-	**-**	-
Total comprehensive loss for the period		**(1,685,769)**	(5,644,519)	**(9,371,909)**	(14,240,487)
Loss per share					
Basic and diluted losses per share	15				
- From continuing operations		**(0.05)**	(0.16)	**(0.26)**	(0.40)
- From continuing and discontinued operations		**(0.05)**	(0.16)	**(0.26)**	(0.40)

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 NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2026
Expressed in Saudi Riyal (﷼)

	Share capital	Accumulated losses	Total equity
Balance at January 1, 2025 - (Audited)	354,000,000	(108,521,913)	245,478,087
Loss for the period	-	(14,240,487)	(14,240,487)
Balance at September 30, 2025 - (Unaudited)	354,000,000	(122,762,400)	231,237,600
Balance at January 1, 2026 – (Audited)	**354,000,000**	**(128,390,243)**	**225,609,757**
Loss for the period	-	(9,371,909)	(9,371,909)
Balance at September 30, 2026 - (Unaudited)	**354,000,000**	**(137,762,152)**	**216,237,848**

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 NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2026
Expressed in Saudi Riyal (﷼)

		September 30, 2026 (Unaudited)	September 30, 2025 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before zakat from continuning operations		**(8,071,909)**	(12,337,805)
Loss before zakat from discontinued operations		**-**	(92,682)
Loss before zakat		**(8,071,909)**	(12,430,487)
Adjustments for:			
Depreciation of property, plant and equipment		**8,610,239**	9,023,069
Depreciation of right-of-use assets		**776,791**	455,731
Depreciation of investment properties		**150,865**	150,505
Amortization of intangible assets		**55,144**	55,143
Impairment of non-financial assets	6	**2,917,866**	-
Write-back of dormant trade payable		**(1,029,894)**	-
Finance income		**(12,630)**	(79,238)
Finance cost		**2,044,227**	2,305,051
Reversal of inventory write down		**(476,240)**	(819,465)
Provision for employees' benefit obligations		**2,163,111**	1,961,537
Allowance / (reversal) for expected credit losses	8	**264,390**	(1,733,952)
Write-off / (gain) on disposal of property, plant and equipment		**29**	(23,678)
		7,391,989	(1,135,784)
Working capital changes			
Inventories		**(1,576,817)**	6,363,767
Trade receivables		**3,659,341**	11,354,972
Prepayments and other assets		**(11,184,186)**	(1,245,239)
Trade and other payables		**(6,182,529)**	(19,908,646)
Accrued expenses and other liabilities		**10,838,691**	(1,544,246)
Cash generated from / (used) in operations		**2,946,489**	(6,115,176)
Zakat paid		**(1,305,667)**	(2,203,851)
Employees' benefits obligations paid		**(1,426,903)**	(3,152,460)
Finance cost paid		**(1,421,996)**	(1,654,103)
Finance income received		**13,498**	120,216
Net cash used in operating activities		**(1,194,579)**	(13,005,374)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		**(9,486,169)**	(17,214,065)
Additions to intangible assets		**(1,349,060)**	(1,221,620)
Proceeds from disposal of property, plant and equipment		**-**	79,876
Net cash used in investing activities		**(10,835,229)**	(18,355,809)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short term loans		**99,531,861**	101,477,623
Repayment of short-term loans		**(88,642,059)**	(66,762,741)
Repayment of long-term loan		**-**	(4,550,000)
Repayment of principal portion of lease liabilities		**(845,945)**	(1,258,858)
Net cash generated from financing activities		**10,043,857**	28,906,024
Net change in cash and cash equivalents		**(1,985,951)**	(2,455,159)
Cash and cash equivalents at beginning of the period		**19,416,142**	25,587,396
Cash and cash equivalents at end of the period		**17,430,191**	23,132,237

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

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 September 30, 2026 and December 31, 2025, the Group has the following branches:

Branch name	Unified Number	Date
Axles, Foundries and Spare Parts Factory	7014228451	29/5/1406-H
Wire Drawing and Related Products Factory (ASLAK)	7012983487	25/8/1432-H
Branch of National Metal Manufacturing and Casting Company (MAADANIYAH)	7048846500	04/08/1446-H
Gulf Baas Industries	7004416942	04/11/1439-H
Arabian Axles Manufacturing Co.	7026060702	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 reinforced strands, galvanized reinforcement wires, concrete nails, common nails, bolts and nuts, welding wires and other related wire products
- Production of iron and steel castings and commercial, industrial, automotive and military metal parts of various types
- Manufacturing and assembly of automobiles, trailers, axles, suspension systems, truck parts, vehicles, equipment, bearings and other related automotive components.
- Manufacturing military land vehicles, military vehicle parts, armored vehicle plating, mobile military shelters and other specialized military platform components.
- Manufacturing pumps, compressors, valves, water stopcocks and related accessories of all sizes
- Repair and maintenance of the Group's products
- Wholesale and retail trade in the Group's products, including automotive, truck and heavy transport spare parts, construction materials and industrial materials, including their import and export
- Ownership of land and real estate, construction of buildings thereon and disposal thereof in any lawful manner
- Ownership of patents and intellectual property rights and utilization thereof in furtherance of the Group's industrial objectives within and outside the Kingdom
- Commercial agencies and representation of local and foreign companies within and outside the Kingdom
- Execution of commercial tenders and contracts
- Establishment of industrial, service and commercial projects within and outside the Kingdom of Saudi Arabia

Structure of the Group

The interim condensed consolidated financial statements as at September 30, 2026 include the financial statements of the Company and its following subsidiaries:

Name of subsidiaries	Principal activities	Effective ownership	
		2026	2025
PC Strand Bahrain Co.W.L.L.	Manufacturing / trading of steel wire strand (PC strand) products	**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.W.L.L**
  On November 29, 2021, a 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 (﷼ 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 September 30, 2026, the subsidiary is yet to commence its operations.

- **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 ﷼ 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. The subsidiary had not commenced its operations since its inception. During the period ended September 30, 2026, the Board of Directors approved the discontinuation of the project, and management initiated the necessary procedures to close the subsidiary and complete the related legal and regulatory requirements.

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 nine-month period ended September 30, 2026 are not necessarily indicative of the expected results for the full year ending December 31, 2026.

2.2 Going concern assessment

The Group has incurred a net loss of ﷼ 9.4 million during the nine-month ended September 30, 2026 (net loss of ﷼ 14.2 million during the nine-month period ended September 30, 2025) and having negative operating cash flows of ﷼ 1.19 million during the nine month ended September 30, 2026 (negative operating cash flows of ﷼ 13.01 million during nine month ended September 30, 2025). Further as of September 30, 2026, the Group's accumulated losses amounted to ﷼ 138 million.

The losses incurred during the current period, as well as the accumulated losses, are primarily attributable to a decline in sales of the Group'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 material. Additionally, the ongoing geopolitical situation in the Middle East has adversely impacted the Group's operations, resulting in, among other factors, difficulties in procuring imported raw materials and increased freight costs.

In responses to these challenges, management is implementing a transformational plan that includes, among the 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 Group and the expected impact of the matter mentioned above, management believes that the Group will be able to continued its operations and meets its obligation as they fall due within in the next twelve months. Accordingly, management believes that the Group'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.

2.3 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. BASIS OF PREPARATION (Continued)

2.4 Functional and presentation currency

These interim condensed consolidated financial statements are presented in Saudi Riyals (﷼) 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 Group'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 (Continued)

Amendments to standard	Description	Effective for annual years beginning on or after	Summary of the amendment	Management Response
IFRS 19	Subsidiaries without Public Accountability	January 1, 2027	IFRS 19 permits eligible subsidiaries without public accountability 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 Group's financial position, financial performance or cash flows.

IFRS 18 PRESENTATION AND DISCLOSURE

IFRS 18 Presentation and Disclosures in Financial Statements will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after January 1, 2027. The Group has not early adopted the new accounting standard in preparing these interim condensed consolidated financial statements; however earlier application is permitted.

The Group is in the process of assessing the estimated impact that the initial application of IFRS 18 will have on its consolidated financial statements. Below is the initial assessment.

a) Structure of the Statement of Profit or Loss

IFRS 18 requires entities to classify all income and expenses into categories in the statement of profit or loss – namely operating, investing, financing, zakat and income tax and discontinued operations. Classification of income and expenses depends on the main business activities of the entity. Based on the initial assessment of management the Group has determined that it doesn't have a specified main business activity of investing in assets and/or providing finance to customers.

Neither net profit, nor net assets will change as a result of the Group's adoption of IFRS 18. The Group will be required to present two newly defined subtotals, which are 'operating profit' and profit or loss before financing and zakat expense. However, operating profit subtotals differs from the currently available information and the Group expects changes to the current structure of the statement of profit or loss to result from the following.

- Interest income and expenses are generally included in finance income and finance costs under the Group's current accounting policy and are presented in the 'net finance costs' subtotal. IFRS 18 provides specific guidance on the income and expenses classified in the investing and financing categories.
- Interest cost on employee benefit obligations, which is currently presented within employee costs, will be classified and presented within finance costs.
- Net foreign exchange losses are currently included in finance costs and presented in net finance costs. Under IFRS 18, foreign exchange differences are required to be presented in the same category as the income and expenses from the items that gave rise to the differences. The Group has determined that it has foreign exchange differences to be classified in the operating and financing categories. For example, foreign exchange differences on trade payables and trade receivables will be classified in the operating category.
- Depreciation relating to investment properties is currently included within operating expenses, while rental income from investment properties is presented within other income. Under IFRS 18, where holding investment properties is not a main business activity of the Group, the related income and expenses are required to be classified within the investing category. Accordingly, the rental income and the related depreciation expense arising from investment properties will be presented within the investing category.

5. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (Continued)

IFRS 18 PRESENTATION AND DICLOSURE (Continued)

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 user's management's view of an aspect of the financial performance of the entity as a whole. The Group will be required to disclose specific information about MPMs in a single note in the financial statements.

The Group 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 Group following adoption of IFRS 18 will be determined based on public communications issued by the Group relating to the 2027 interim reporting period.

c) Principles of aggregation and disaggregation

IFRS 18 provides enhanced principles on how to group information in the financial statements (i.e. the primary financial statements and the notes). It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

The Group 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.

The Group is also assessing line items currently labelled as 'other' and will use more informative labels.

d) Consequential amendments

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 Group currently uses profit 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. The consequential amendments also provide specific guidance on the classification of interest and dividend cash flows. The Group will classify cash flows from interest paid as financing activities rather than operating activities under this guidance. Cash flows from interest and dividends received and from dividends paid will continue to be classified as investing activities and financing activities, respectively.

6. PROPERTY, PLANT AND EQUIPMENT

During the three-month and nine-month periods ended September 30, 2026, additions to property, plant and equipment were amounted to ﷼ 2.03 million and ﷼ 9.49 million, respectively (three-month and nine-month periods ended September 30, 2025: ﷼ 4.88 million and ﷼ 17.78 million, respectively). During the three-month and nine-month periods ended September 30, 2026, the Group has written off costs amounting to SAR 2.92 million relating to the BASS project and the Vair National Casting project. The write-off relating to the Vair National Casting project followed management's decision to discontinue the project (refer to Note 1).

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 ﷼ 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 September 30, 2026.

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:

	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)
As at beginning of the period / year	**5,194,003**	18,561,716
Charge / (reversal) for the period / year	**264,390**	(2,527,560)
Write offs	**-**	(10,840,153)
As at end of the period / year	**5,458,393**	5,194,003

9. CASH AND CASH EQUIVALENTS

	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Cash at banks	**17,412,224**	15,809,791
Cash in hand	**17,967**	9,471
Term deposits	**-**	3,596,880
	17,430,191	19,416,142

Term deposits with the local banks have original maturities of less than three months and carry profit at prevailing commercial rate 4.47 % per annum during the nine-month period ended September 30, 2026 (September 30, 2025: 5.21 % to 5.29% per annum).

10. BORROWINGS

	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Short term borrowings	**56,262,863**	44,750,830

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 September 30, 2026, it is complying with all the covenants.

11. TRADE AND OTHER PAYABLES

	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Note payables	**19,212,397**	25,328,822
Trade payables	**7,665,471**	7,951,377
Bill payables	**1,252,885**	2,062,977
	28,130,753	35,343,176

12. CONTINGENCIES AND COMMITMENTS

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

	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Letter of credits	**13,008,995**	20,717,343
Letter of guarantees	**404,567**	404,567

(b) As at September 30, 2026, the Group has outstanding capital commitments amounted to ﷼ 14.93 million (December 31, 2025: ﷼ 20.31 million) related to property, plant and equipment and intangible assets.

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 September 30, 2026 (Unaudited)	For the three-month period ended September 30, 2025 (Unaudited)	**For the nine-month period ended September 30, 2026 (Unaudited)**	For the nine-month period ended September 30, 2025 (Unaudited)
Key management executive' remuneration	**1,496,404**	1,269,141	**4,754,682**	4,216,258
Directors' allowances and expenses	**396,863**	367,500	**1,149,863**	1,102,500

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

	Nature of balance	**September 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Board of Directors	Board remuneration	**1,027,537**	1,379,000

14. SEGMENT INFORMATION

As at September 30, 2026, the Group has the following three strategic divisions disclosed as reportable 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.

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

As at September 30, 2026 (Unaudited)	**Transformation industries**	**Engineering and metal forming industries**	**Industrial valves**	**Corporate**	**Total**
Total assets	**166,822,492**	**93,398,968**	**101,158,877**	**8,958,653**	**370,338,990**
Total liabilities	**66,499,730**	**25,799,013**	**51,230,946**	**10,571,453**	**154,101,142**

As at December 31, 2025 (Audited)	Transformation industries	Engineering and metal forming industries	Industrial valves	Corporate	Total
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

14. SEGMENT INFORMATION (Continued)

	Transformation industries	**Engineering and metal forming industries**	**Industrial valves**	**Corporate**	**Total**	Transformation industries	Engineering and metal forming industries	Industrial valves	Corporate	Total
	For the three-month period ended September 30, 2026 (Unaudited)					For the three-month period ended September 30, 2025 (Unaudited)				
Revenue	**35,543,746**	**14,406,120**	**2,346,405**	**-**	**52,296,271**	31,650,751	14,560,811	-	-	46,211,562
Cost of revenue	**(27,429,330)**	**(13,363,774)**	**(2,040,294)**	**-**	**(42,833,398)**	(27,734,713)	(15,590,777)	-	-	(43,325,490)
Gross profit	**8,114,416**	**1,042,346**	**306,111**	**-**	**9,462,873**	3,916,038	(1,029,966)	-	-	2,886,072
Selling and distribution expenses	**(1,333,219)**	**(2,096,054)**	**(181,883)**	**-**	**(3,611,156)**	(1,688,235)	(1,272,595)	-	-	(2,960,830)
Administrative expenses	**(1,576,040)**	**(2,277,838)**	**336,151**	**(1,012,335)**	**(4,530,062)**	(1,114,694)	(2,202,798)	(636,030)	(886,577)	(4,840,099)
Impairment of non-financial	**-**	**-**	**(1,751,842)**	**(1,166,024)**	**(2,917,866)**					
(Allowance) / reversal for expected credit losses	**(229,410)**	**5,075**	**-**	**-**	**(224,335)**	150,000	10,945	-	-	160,945
Other income / (expense), net	**255,889**	**1,022,697**	**(29,950)**	**-**	**1,248,636**	109,091	426,881	(27)	-	535,945
Profit / (loss) before finance cost and zakat	**5,231,636**	**(2,303,774)**	**(1,321,413)**	**(2,178,359)**	**(571,910)**	1,372,200	(4,067,533)	(636,057)	(886,577)	(4,217,967)
Finance cost	**(341,510)**	**(87,814)**	**(203,098)**	**(81,441)**	**(713,863)**	(686,340)	(104,598)	(2,076)	-	(793,014)
Finance income	**4**	**-**	**-**	**-**	**4**	193	-	-	-	193
Profit / (loss) before zakat	**4,890,130**	**(2,391,588)**	**(1,524,511)**	**(2,259,800)**	**(1,285,769)**	686,053	(4,172,131)	(638,133)	(886,577)	(5,010,788)
Zakat expense	**(100,000)**	**(300,000)**	**-**	**-**	**(400,000)**	(150,000)	(460,000)	-	-	(610,000)
Profit / (loss) from continuing operations	**4,790,130**	**(2,691,588)**	**(1,524,511)**	**(2,259,800)**	**(1,685,769)**	536,053	(4,632,131)	(638,133)	(886,577)	(5,620,788)

14. SEGMENT INFORMATION (Continued)

	Transformation industries	**Engineering and metal forming industries**	**Industrial valves**	**Corporate**	**Total**	Transformation industries	Engineering and metal forming industries	Industrial valves	Corporate	Total
	For the nine-month period ended September 30, 2026 (Unaudited)					For the nine-month period ended September 30, 2025 (Unaudited)				
Revenue	**91,524,848**	**46,788,538**	**2,737,655**	**-**	**141,051,041**	124,727,777	55,497,559	-	-	180,225,336
Cost of revenue	**(76,391,830)**	**(43,938,123)**	**(2,400,545)**	**-**	**(122,730,498)**	(109,911,718)	(55,653,975)	-	-	(165,565,693)
Gross profit	**15,133,018**	**2,850,415**	**337,110**	**-**	**18,320,543**	14,816,059	(156,416)	-	-	14,659,643
Selling and distribution expenses	**(4,103,045)**	**(4,208,555)**	**(181,883)**	**-**	**(8,493,483)**	(6,952,507)	(3,972,017)	-	-	(10,924,524)
Administrative expenses	**(4,516,714)**	**(6,650,034)**	**(1,213,916)**	**(2,725,163)**	**(15,105,827)**	(4,382,403)	(8,098,474)	(1,904,722)	(2,445,251)	(16,830,850)
Impairment of non-financial assets	**-**	**-**	**(1,751,842)**	**(1,166,024)**	**(2,917,866)**	-	-	-	-	-
(Allowance) / reversal for expected credit losses	**(99,410)**	**(164,980)**	**-**	**-**	**(264,390)**	1,200,000	533,952	-	-	1,733,952
Other income / (expense),	**1,068,532**	**1,382,129**	**(29,950)**	**-**	**2,420,711**	837,300	400,047	3,654	-	1,241,001
Profit / (loss) before finance cost and zakat	**7,482,381**	**(6,791,025)**	**(2,840,481)**	**(3,891,187)**	**(6,040,312)**	5,518,449	(11,292,908)	(1,901,068)	(2,445,251)	(10,120,778)
Finance cost	**(1,466,811)**	**(235,094)**	**(260,881)**	**(81,441)**	**(2,044,227)**	(1,962,326)	(328,787)	(4,820)	(332)	(2,296,265)
Finance income	**12,630**	**-**	**-**	**-**	**12,630**	79,238	-	-	-	79,238
Profit / (loss) before zakat	**6,028,200**	**(7,026,119)**	**(3,101,362)**	**(3,972,628)**	**(8,071,909)**	3,635,361	(11,621,695)	(1,905,888)	(2,445,583)	(12,337,805)
Zakat expense	**(400,000)**	**(900,000)**	**-**	**-**	**(1,300,000)**	(550,000)	(1,260,000)	-	-	(1,810,000)
Profit / (loss) from continuing operations	**5,628,200**	**(7,926,119)**	**(3,101,362)**	**(3,972,628)**	**(9,371,909)**	3,085,361	(12,881,695)	(1,905,888)	(2,445,583)	(14,147,805)

14. SEGMENT INFORMATION (Continued)

The sales within the Kingdom of Saudi Arabia for the three-month and nine-month periods ended September 30, 2026 amounted to ﷼ 43.65 million and ﷼ 119.79 million, respectively (three-month and nine-month periods ended September 30, 2025: ﷼ 40.60 million and ﷼ 134.94 million, respectively). Export sales for the three-month and nine-month periods ended September 30, 2026 amounted to ﷼ 8.65 million and ﷼ 21.26 million, respectively (three-month and nine-month periods ended September 30, 2025: ﷼ 5.60 million and ﷼ 45.70 million, respectively).

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

15. PROFIT / (LOSS) PER SHARE

	For three-month period ended		**For nine-month period ended**	
	September 30, 2026 (Unaudited)	September 30, 2025 (Unaudited)	**September 30, 2026 (Unaudited)**	September 30, 2025 (Unaudited)
Profit / (loss) for the period from continuing operations	**(1,685,769)**	(5,620,788)	**(9,371,909)**	(14,147,805)
Weighted average number of ordinary shares	**35,400,000**	35,400,000	**35,400,000**	35,400,000
Basis / diluted profit / (loss) per share	**(0.05)**	(0.16)	**(0.26)**	(0.40)
Profit / (loss) for the period from continuing and discontinued operations	**(1,685,769)**	(5,644,519)	**(9,371,909)**	(14,240,487)
Weighted average number of ordinary shares	**35,400,000**	35,400,000	**35,400,000**	35,400,000
Basis / diluted profit / (loss) per share	**(0.05)**	(0.16)	**(0.26)**	(0.40)

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 and nine-month periods ended September 30, 2026 and the comparative periods ended September 30, 2025 are as follows

	For three-month period ended		**For nine-month period ended**	
	September 30, 2026 (Unaudited)	September 30, 2025 (Unaudited)	**September 30, 2026 (Unaudited)**	September 30, 2025 (Unaudited)
Revenue	-	(8,664)	-	414,352
Cost of revenue	-	(3,604)	-	(276,908)
Gross profit / (loss)	-	(12,268)	-	137,444
Selling and distribution expenses	-	(11,463)	-	(95,069)
Administrative expenses	-	-	-	(126,271)
Loss before finance cost and zakat	-	(23,731)	-	(83,896)
Finance cost	-	-	-	(8,786)
Loss before zakat	-	(23,731)	-	(92,682)
Zakat expense	-	-	-	-
Loss from discontinued operation	-	(23,731)	-	(92,682)
Loss per share				
– basic and diluted	-	(0.00)	-	(0.00)

17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

As of September 30, 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 September 30, 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:

	September 30, 2026 (Unaudited)	September 30, 2025 (Unaudited)
Transfer from capital work in progress to fixed assets	**593,601**	-
Finance cost related to lease liability transferred to capital work in progress	-	281,234
Depreciation expense related to right of use assets transferred to capital work in progress	-	280,045
Additions to right of use assets and lease liabilities	-	1,808,547
Prepaid rent adjusted against the right of use assets	-	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 November 9, 2026G corresponding to Jumada Al Awal 29, 1448H.