

RIYADH CABLES GROUP COMPANY
(A Saudi Joint Stock Company)
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
Together with
INDEPENDENT AUDITOR'S REVIEW REPORT

RIYADH CABLES GROUP COMPANY
(A Saudi Joint Stock Company)
**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

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KPMG Professional Services Company

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P. O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

كي بي إم جي للاستشارات المهنية مساهمة مهنية

واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent Auditor's Report On review of condensed consolidated interim financial statements

To the Shareholders of Riyadh Cables Group Company (A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying 31 March 2026 condensed consolidated interim financial statements of Riyadh Cables Group Company ("the Company") and its subsidiaries (collectively referred to as "the Group") which comprises:

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

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the 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 condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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 31 March 2026 condensed consolidated interim financial statements of Riyadh Cables Group Company and its subsidiaries are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

KPMG Professional Services Company

Fahad Mubarak Al Dossari
License No. 469

Riyadh, 23 Dhul Qadah 1447H
Corresponding to: 10 May 2026



RIYADH CABLES GROUP COMPANY

(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**As at 31 March 2026***(All amounts are in Saudi Riyals (SR) unless otherwise stated)*

	Notes	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Assets			
Property, plant and equipment, net	7	1,518,278,754	1,491,863,120
Investment properties		10,030,841	10,030,841
Intangible assets, net		136,520,218	137,921,104
Right of use assets		72,641,245	68,978,523
Investments at fair value through other comprehensive income		10,362,132	10,369,799
Investment in joint venture		31,851,877	31,851,877
Total non-current assets		1,779,685,067	1,751,015,264
Inventories	8	3,045,362,912	2,411,049,305
Trade receivables	9	2,886,551,359	2,485,315,291
Contract assets		57,805,625	51,913,996
Advances and other current assets		316,662,622	175,447,826
Derivative financial instruments		99,419,189	170,797,004
Cash and cash equivalents		302,506,575	236,043,009
Total current assets		6,708,308,282	5,530,566,431
Total assets		8,487,993,349	7,281,581,695
Equity and liabilities			
Equity			
Share capital		1,500,000,000	1,500,000,000
Statuary reserve		288,326,294	288,326,294
Retained earnings		1,574,486,888	1,293,240,619
Treasury shares		(21,097,836)	(21,097,836)
Other reserves		178,089,581	185,667,858
Equity attributable to the shareholders of the Company		3,519,804,927	3,246,136,935
Non-controlling interests		62,743,962	62,737,156
Total equity		3,582,548,889	3,308,874,091
Liabilities			
Loans	10	40,893,127	24,601,242
End-of-service benefit obligations		136,210,635	134,809,948
Lease liabilities		12,997,674	9,396,988
Deferred tax liabilities		296,436	251,585
Total non-current liabilities		190,397,872	169,059,763
Islamic finance facilities and loans	10	655,382,051	585,175,559
Accrued expenses and other liabilities		553,285,802	537,652,337
Contract liabilities		84,846,191	68,655,062
Derivative financial instruments		35,615,247	38,068,228
Trade payables		2,373,877,096	1,584,160,094
Provisions		881,723,937	888,786,247
Provision for Zakat and income tax	11	128,007,418	99,107,886
Lease liabilities		2,308,846	2,042,428
Total current liabilities		4,715,046,588	3,803,647,841
Total liabilities		4,905,444,460	3,972,707,604
Total equity and liabilities		8,487,993,349	7,281,581,695



Chairman

Khalid Abdulrahman Al- Gwaiz


Chief Financial Officer

Baha Eissa


Chief Executive Officer

Borjan Sehovac

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

RIYADH CABLES GROUP COMPANY

(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)**For the three-month period ended 31 March 2026***(All amounts are in Saudi Riyals (SR) unless otherwise stated)*

	Notes	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Revenue	14	2,767,664,798	2,489,050,435
Cost of revenue	12	(2,337,120,513)	(2,062,241,660)
Gross profit		430,544,285	426,808,775
Selling and distribution expenses		(39,014,792)	(32,128,740)
General and administrative expenses		(40,970,359)	(42,302,946)
Impairment losses on trade receivables	9	(27,446,879)	(58,713,347)
Other income / (expenses), net		4,228,686	(724,129)
Income from operations		327,340,941	292,939,613
Finance costs	13	(16,277,261)	(17,504,491)
Profit before Zakat and income tax		311,063,680	275,435,122
Zakat and income tax	11	(29,057,869)	(19,948,605)
Deferred tax		-	747,137
Net profit for the period		282,005,811	256,233,654
<i>Attributable to:</i>			
Shareholders of the Company		281,968,562	256,184,594
Non-controlling interests		37,249	49,060
Net profit for the period		282,005,811	256,233,654
Earnings per share			
Basic and diluted earnings per share	15	1.88	1.71



Chairman
Khalid Abdulrahman Al-
Gwaiz



Chief Financial Officer

Baha Eissa



Chief Executive Officer

Borjan Sehovac



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RIYADH CABLES GROUP COMPANY

(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPERHENSIVE INCOME
(UNAUDITED)****For the three-month period ended 31 March 2026***(All amounts are in Saudi Riyals (SR) unless otherwise stated)*

	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Profit for the period	282,005,811	256,233,654
Other comprehensive income		
Items that may be reclassified to profit or loss		
Foreign operations translation differences	(668,220)	135,431
Cash flow hedges – effective portion of change in fair value	(6,902,390)	22,388,497
	(7,570,610)	22,523,928
Items that will not be reclassified to profit or loss		
Investments at fair value through other comprehensive income - net change in fair value	(7,667)	(5,443,328)
Re-measurement of end-of-service benefit obligations	(722,293)	290,897
	(729,960)	(5,152,431)
Other comprehensive income for the period	(8,300,570)	17,371,497
Total comprehensive income	273,705,241	273,605,151
Comprehensive income attributable to:		
Shareholders of the Company	273,667,992	273,556,091
Non-controlling interests	37,249	49,060
Total comprehensive income for the period	273,705,241	273,605,151



Chairman
Khalid Abdulrahman Al-
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Chief Financial Officer

Baha Eissa



Chief Executive Officer

Borjan Sehovac

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RIYADH CABLES GROUP COMPANY

(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the three-month period ended 31 March 2026

(All amounts are in Saudi Riyals (SR) unless otherwise stated)

	Equity attributable to the shareholders of the Company											Non-controlling interests	Total equity
	Share capital	Statutory reserve	Retained earnings	Treasury shares	Acquisition reserve of a subsidiary	Reserve for valuation of investments at fair value through other comprehensive income	Employee share plan reserve	Cashflow hedge reserve	Foreign operations translation reserve	Total other reserves	Total		
For the three-month period ended 31 March 2025													
Balance as at 1 January 2025 (audited)	1,500,000,000	288,326,294	814,601,950	(21,097,836)	22,725,173	22,042,964	16,000,000	(17,304,578)	(940,317)	42,523,242	2,624,353,650	(476,754)	2,623,876,896
Net profit for the period	-	-	256,184,594	-	-	-	-	-	-	-	256,184,594	49,060	256,233,654
Other comprehensive income for the period	-	-	290,897	-	-	(5,443,328)	-	22,388,497	135,431	17,080,600	17,371,497	-	17,371,497
Total comprehensive income for the period	-	-	256,475,491	-	-	(5,443,328)	-	22,388,497	135,431	17,080,600	273,556,091	49,060	273,605,151
Share-based payments	-	-	-	-	-	-	2,000,000	-	-	2,000,000	2,000,000	-	2,000,000
Dividends	-	-	-	-	-	-	-	-	-	-	-	(30,413)	(30,413)
Balance as at 31 March 2025 (unaudited)	1,500,000,000	288,326,294	1,071,077,441	(21,097,836)	22,725,173	16,599,636	18,000,000	5,083,919	(804,886)	61,603,842	2,899,909,741	(458,107)	2,899,451,634
For the three-month period ended 31 March 2026													
Balance at 1 January 2026 (audited)	1,500,000,000	288,326,294	1,293,240,619	(21,097,836)	22,725,173	6,065,645	21,097,836	137,740,329	(1,961,125)	185,667,858	3,246,136,935	62,737,156	3,308,874,091
Net profit for the period	-	-	281,968,562	-	-	-	-	-	-	-	281,968,562	37,249	282,005,811
Other comprehensive loss for the period	-	-	(722,293)	-	-	(7,667)	-	(6,902,390)	(668,220)	(7,578,277)	(8,300,570)	-	(8,300,570)
Total comprehensive income for the period	-	-	281,246,269	-	-	(7,667)	-	(6,902,390)	(668,220)	(7,578,277)	273,667,992	37,249	273,705,241
Dividends	-	-	-	-	-	-	-	-	-	-	-	(30,443)	(30,443)
Balance as at 31 March 2026 (unaudited)	1,500,000,000	288,326,294	1,574,486,888	(21,097,836)	22,725,173	6,057,978	21,097,836	130,837,939	(2,629,345)	178,089,581	3,519,804,927	62,743,962	3,582,548,889



Chairman
Khalid Abdulrahman Al-Gwaiz



Chief Financial Officer
Baha Eissa



Chief Executive Officer
Borjan Sehovac



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RIYADH CABLES GROUP COMPANY


(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)


For the three-month period ended 31 March 2026

(All amounts are in Saudi Riyals (SR) unless otherwise stated)

	For the three-month period ended	
	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Cash flows from operating activities:		
Profit for the period before Zakat and income tax	311,063,680	275,435,122
Adjustments:		
Depreciation	24,767,672	17,424,020
Share of investment in a joint venture	-	(54,846)
Depreciation of right-of-use of assets	1,088,869	380,591
Interest on lease liabilities	260,194	67,815
Impairment losses on trade receivables	27,446,879	58,713,347
(Reversal)/ provisions made during the period	(7,062,310)	157,291,617
Expected adjustments of net realizable value of inventory	1,336,672	(10,431,377)
Employees' end-of-service benefits	4,682,197	5,759,761
Loss on disposal of property, plant and equipment	-	112,812
(Loss)/gains on evaluation of financial derivatives	62,022,444	(81,443,917)
Share-based payments expenses	-	2,000,000
Finance costs	14,476,717	16,104,432
<i>Changes in working capital:</i>		
Inventories	(635,650,279)	30,382,399
Trade receivables	(428,682,947)	(302,379,086)
Contract assets	(5,891,629)	(6,399,071)
Contract liabilities	16,191,129	2,875,480
Advances and other current assets	(141,214,796)	(40,488,008)
Accrued expenses and other liabilities	45,833,357	24,446,626
Trade payables	789,717,002	(29,520,334)
Employees' end-of-service benefits paid	(4,003,691)	(1,545,698)
Net finance costs paid	(14,736,911)	(16,172,247)
Zakat and income tax paid	(158,337)	(42,575)
Net cash flows from operating activities	61,485,912	102,516,863
Cash flows from investing activities		
Payments for property, plant and equipment	(50,010,285)	(47,354,657)
Payments to purchase intangible assets	-	(644,103)
Additions to right-of-use assets	(566,779)	(60,136,601)
Remaining payments related to acquisition of subsidiary	(30,199,892)	-
Net cash flows used in investing activities	(80,776,956)	(108,135,361)
Cash flows from financing activities		
Repayment of Islamic financing facilities and loans during the period	(496,359,772)	(682,301,336)
Proceeds from Islamic financing facilities and loans during the period	582,884,990	735,836,225
Lease liabilities under right-of-use assets	(317,708)	(492,545)
Dividends paid	(30,443)	(30,413)
Net cash flows generated from financing activities	86,177,067	53,011,931
Net change in cash and cash equivalents during the period	66,886,023	47,393,433
Cash and cash equivalents at the beginning of the period	236,043,009	90,672,725
Effect of exchange rate change on cash and cash equivalents	(422,457)	-
Cash and cash equivalents at the end of the period	302,506,575	138,066,158
Non- cash transaction		
Remeasurement of employees' retirement benefits obligations	(722,293)	290,897
Change in the fair value of investments at fair value through other comprehensive income	(7,667)	(5,443,328)
Changes in the value of the hedging instruments recognized in other comprehensive income	(6,902,390)	22,388,497


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

RIYADH CABLES GROUP COMPANY

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(UNAUDITED)****For the three-month period ended 31 March 2026***(All amounts are in Saudi Riyals (SR) unless otherwise stated)***1. REPORTING ENTITY**

Riyadh Cables Group Company (“the Company”) was formed as a Saudi Joint Stock Company in accordance with the Regulations for Companies in the Kingdom of Saudi Arabia. The Company operates under the Commercial Registration no. 1010052927 issued on 24 Jumada II 1435H (corresponding to 24 April 2014) and unified number 7013527861. The Company operates under the Industrial License no. 396/R dated 12 Jumada II 1416H (corresponding to 25 November 1995) amended by Industrial License no. 36/R dated 5 Muharram 1418H (corresponding to 12 May 1997) amended by Industrial License no. 2572 dated 16 Rajab 1434H (corresponding to 26 May 2013). The Company’s registered office is located at Second Industrial Area, P.O. Box 26862 Riyadh 11496, Kingdom of Saudi Arabia.

The principal activities of the Group include the production of isolated and non-isolated cables made from aluminum and copper.

The financial year begins on 1 January and ends on 31 December of each calendar year.

The accompanying condensed consolidated interim financial statements include the financial statements of the Company and its subsidiaries listed below (collectively referred to as the “Group”).

Subsidiary	Legal Structure	Country of incorporation	Ownership percentage held by the Group (directly or indirectly)	
			2026	2025
1- Saudi Modern Company for Metals, Cables and Plastic Industry and its subsidiaries listed below:	Closed Joint Stock Company	Kingdom of Saudi Arabia	100%	100%
1.1 Qatar Cables Company LLC	LLC	Qatar	100%	100%
1.2 Arabian Gulf Company for Electrical Cables LLC	LLC	Kuwait	49%	49%
1.3 Gulf Company Electrical Works	LLC	Oman	100%	100%
1.4 Egyptian Riyadh Cable Company for Electrical Works	Joint Stock Company (E.S.C)	Egypt	49%	49%
2- Saudi Modern Company For Specialized Wires And Cables Industry	Closed Joint Stock Company	Kingdom of Saudi Arabia	100%	100%
3- Saudi Modern Company for Telephone Cables Industry	Closed Joint Stock Company	Kingdom of Saudi Arabia	100%	100%
4- Riyadh Cables Company and its subsidiaries are listed below:	Closed Joint Stock Company	Kingdom of Saudi Arabia	100%	100%
4.1 National Cables Industry Company	Single Shareholder Limited Liability Company	UAE	100%	100%
4.2 Alrowad Company for Production of Electrical Cables Limited	Single Shareholder Limited Liability Company	Iraq	100%	100%
4.3 Artikel Aziya Kabel JV LLC	LLC	Uzbekistan	51%	51%
5- Saudi Modern Company for Cables Limited	LLC	Kingdom of Saudi Arabia	100%	100%

RIYADH CABLES GROUP COMPANY

(A Saudi Joint Stock Company)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month period ended 31 March 2026

(All amounts are in Saudi Riyals (SR) unless otherwise stated)

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These condensed consolidated interim financial statements for the three-month period ended 31 March 2026 have been prepared in accordance with IAS 34 “Interim Financial Reporting” that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”) and should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 December 2025 (“last annual financial statements”).

These condensed consolidated interim financial statements do not include all the required information to prepare a full set of the financial statements in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia; however, certain accounting policies and selected explanatory notes are included to explain significant events and transactions during the period to understand the changes in the Group’s financial position and financial performance since the prior year financial statements.

The results for the three-month period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the year ending 31 December 2026.

3. USE OF ESTIMATES AND JUDGEMENTS

The preparation of the condensed consolidated interim financial statements of the Group requires management to make judgments, estimates and assumptions that affect the amounts of revenues, costs, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. Actual results may differ from these estimates.

The significant estimates made by the management when applying the Group's accounting policies and the significant sources of uncertainties of the estimates were similar to those shown in the Group's annual consolidated financial statements as at 31 December 2025.

4. BASIS OF MEASUREMENT

The condensed consolidated interim financial statements have been prepared on the historical cost basis and the going concern concept, except for the following:

- Employees’ defined benefits obligations that have been actuarially evaluated and measured at their present value using the projected unit credit method.
- Investments at fair value through other comprehensive income (“FVOCI”)
- Derivative financial instruments at fair value.

5. PRESENTATION AND FUNCTIONAL CURRENCY

These condensed consolidated interim financial statements are prepared in Saudi Riyal (SR) which is the Company’s functional currency and Group’s presentation currency.

6. MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed consolidated interim financial statements are consistent with those adopted in preparing the Group’s annual financial statements for the year ended 31 December 2025.

The principal accounting policies have been consistently applied to all periods presented in these condensed consolidated interim financial statements.

New standards, amendments to standards, and interpretations

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

RIYADH CABLES GROUP COMPANY

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)****For the three-month period ended 31 March 2026***(All amounts are in Saudi Riyals (SR) unless otherwise stated)***6. MATERIAL ACCOUNTING POLICIES (CONTINUED)****New standards, amendments to standards, and interpretations (Continued)**

There are several amendments and interpretations that are applied for the first time in 2026, but do not have an impact on the condensed consolidated interim financial statements of the Group. The Company is currently working on identifying the expected amendments to the adoption of IFRS 18, which becomes effective on 1 January 2027.

7. PROPERTY, PLANT AND EQUIPMENT, NET

The total cost of property, plant and equipment as at 31 March 2026 amounted to SR 3.32 billion (31 December 2025: SR 3.26 billion). The depreciation expense as at 31 March 2026 amounted to SR 23.3 million (31 March 2025: SR 16 million), and the accumulated depreciation amounted to SR 1.80 billion (31 December 2025: SR 1.77 billion). During the three-month period ended 31 March 2026, the Group has added property, plant and equipment amounting to SR 50 million (31 December 2025: SR 188.8 million) (31 March 2025: SR 47.3 million) which are mainly represented in new plants for the Group's companies.

8. INVENTORIES

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Finished production	1,712,684,804	1,502,695,537
Work in progress	913,437,309	443,992,520
Raw materials	369,470,945	368,862,655
Spare parts	49,918,397	51,853,715
Packaging material	64,855,997	63,481,720
Goods in-transit	-	43,732,933
Projects' supplies	3,098,856	3,196,949
	3,113,466,308	2,477,816,029
Less: expected adjustments of net realizable value	(68,103,396)	(66,766,724)
	3,045,362,912	2,411,049,305

Movement in expected adjustments of inventory's net realizable value is as follows:

	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period	66,766,724	138,070,200	138,070,200
Provided/ (Reversal) during the period/ year	1,336,672	(10,431,377)	(71,303,476)
Balance at the end of the period/year	68,103,396	127,638,823	66,766,724

RIYADH CABLES GROUP COMPANY

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)****For the three-month period ended 31 March 2026***(All amounts are in Saudi Riyals (SR) unless otherwise stated)***9. TRADE RECEIVABLES**

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Trade receivables	3,176,674,028	2,747,991,081
Impairment loss on trade receivable	(290,122,669)	(262,675,790)
	<u>2,886,551,359</u>	<u>2,485,315,291</u>

The movement in provision of expected credit losses on trade receivables is as follows:

	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period	262,675,790	111,865,763	111,865,763
Impairment losses on trade receivables	27,446,879	58,713,347	150,810,027
Balance at the end of the period	<u>290,122,669</u>	<u>170,579,110</u>	<u>262,675,790</u>

10. ISLAMIC FINANCE FACILITIES AND LOANS

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Bank facilities	637,120,222	565,570,253
Short-term loans	18,261,829	19,605,306
Total Islamic finance facilities and current loans	655,382,051	585,175,559
Total non-current loans	40,893,127	24,601,242
	<u>696,275,178</u>	<u>609,776,801</u>

(a) Bank facilities

The Group entered into credit facilities agreements with several local banks to support the working capital during the period, with a total amount of SR 2.15 billion (2025: SR 2.4 billion). At variable Islamic Murabaha rates plus Saudi Interbank Offered Rate (SIBOR). All credit facilities were granted under promissory notes. The Murabaha rates of the short-term loans are based on the Saudi Interbank Offered Rate (SIBOR) plus a variable rate during the period/year.

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period/ year	565,570,253	433,053,112
Utilized during the period/ year	567,909,741	3,500,407,249
Paid during the period / year	(496,359,772)	(3,367,890,108)
Balance at the end of the period/ year	<u>637,120,222</u>	<u>565,570,253</u>

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(UNAUDITED)****For the three-month period ended 31 March 2026***(All amounts are in Saudi Riyals (SR) unless otherwise stated)***10. ISLAMIC FINANCE FACILITIES AND LOANS (CONTINUED)****(b) Long term loans**

The Group entered into financing agreements with a bank to support working capital during the period. The return on the Murabaha facility was determined at the five-year United States Dollar swap rate plus a margin of 5.25% per annum (2025: 5.25% per annum). The loans balance as at 31 March 2026 amounted to SR 59.2 million (2025: SR 44.2 million).

11. ZAKAT AND INCOME TAX***Zakat and income tax status***

The Company submitted the Zakat and tax return and repaid all Zakat and tax accruals for the financial year ended at 31 December 2025. As at 31 March 2026, there are no claims for Zakat differences from the ZATCA that would require creation of provisions.

The movement in Zakat and provision for income tax is as follows:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period/ year	99,107,886	67,410,011
Upon acquisition of a subsidiary	-	463,658
Charge during the period/ year	29,057,869	104,534,707
Paid during the period / year	(158,337)	(73,300,355)
Impact of foreign currency translation	-	(135)
Balance at the end of the period/ year	<u>128,007,418</u>	<u>99,107,886</u>

12. COST OF REVENUE

	For the three-month period ended	
	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Materials	2,213,170,010	1,952,276,394
Salaries and employees' related benefits	65,839,179	63,080,429
Depreciation expense	23,480,650	15,488,150
Repairs and maintenance	10,368,819	11,819,558
Electricity and other benefits	17,317,290	12,903,841
Others	6,944,565	6,673,288
	<u>2,337,120,513</u>	<u>2,062,241,660</u>

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	For the three-month period ended	
	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Bank interests	14,476,717	16,104,432
Interest on employees' defined benefits obligations	1,540,350	1,332,244
Interest on lease liabilities	260,194	67,815
	16,277,261	17,504,491

14. SEGMENT REPORTING

The Group's activities include a number of segments as follows:

Cables and wire segment: includes electrical cables.

High voltage cables segment: includes ready-made projects (turnkey projects).

Other: This includes telephone cables and services.

As at and for the period ended 31 March 2026	Cables and wires	High voltage cables	Other	Total
Revenue	2,660,409,613	98,965,975	8,289,210	2,767,664,798
Cost of revenue	(2,244,410,946)	(87,580,115)	(5,129,452)	(2,337,120,513)
Expenses	(79,169,342)	(403,589)	(412,220)	(79,985,151)
Impairment losses on trade receivables	(23,896,079)	(3,338,204)	(212,596)	(27,446,879)
Other income / (expenses), net	4,059,967	174,389	(5,670)	4,228,686
Finance costs	(16,455,718)	229,242	(50,785)	(16,277,261)
Profit before Zakat	300,537,495	8,047,698	2,478,487	311,063,680
Total assets	7,897,417,024	480,497,941	110,078,384	8,487,993,349
Total liabilities	4,607,786,370	267,665,446	29,992,644	4,905,444,460

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As at and for the period ended 31 March 2025	Cables and wires	High voltage cables	Other	Total
Revenue	2,446,972,993	35,865,493	6,211,949	2,489,050,435
Cost of revenue	(2,025,076,604)	(33,779,034)	(3,386,022)	(2,062,241,660)
Expenses	(73,606,764)	(418,761)	(406,161)	(74,431,686)
Losses/ reversal of impairment losses on trade receivables	(60,045,248)	324,480	1,007,421	(58,713,347)
Other income / (expenses), net	(1,547,743)	743,361	80,253	(724,129)
Finance costs	(17,277,694)	(39,258)	(187,539)	(17,504,491)
Profit before Zakat and tax	<u>269,418,940</u>	<u>2,696,281</u>	<u>3,319,901</u>	<u>275,435,122</u>
As at 31 December 2025				
Total assets	<u>6,815,532,676</u>	<u>394,334,181</u>	<u>71,714,838</u>	<u>7,281,581,695</u>
Total liabilities	<u>3,654,796,342</u>	<u>288,266,126</u>	<u>29,645,136</u>	<u>3,972,707,604</u>

The information by geographical distribution is as follows:

As at and for the period ended 31 March 2026	Within Saudi Arabia	Outside Saudi Arabia	Total
Revenue*	<u>1,789,837,995</u>	<u>977,826,803</u>	<u>2,767,664,798</u>
Total non-current assets	<u>1,391,670,292</u>	<u>388,014,775</u>	<u>1,779,685,067</u>
As at and for the period ended 31 March 2025			
Revenue*	<u>1,882,830,893</u>	<u>606,219,542</u>	<u>2,489,050,435</u>
Total non-current assets	<u>1,358,834,586</u>	<u>392,180,678</u>	<u>1,751,015,264</u>

* The majority of revenue generated outside the Kingdom of Saudi Arabia is derived from the United Arab Emirates, amounting to SR 692 million, from Iraq amounting to SR 126 million, and from Uzbekistan amounting to SR 51 million.

15. EARNINGS PER SHARE – BASIC AND DILUTED

Basic and diluted earnings per share is calculated by dividing the profit for the period attributable to the shareholders of the Company by the weighted average number of ordinary and diluted shares outstanding during the period.

	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Net profit for the period	<u>281,968,562</u>	<u>256,184,594</u>
Weighted average number of shares	<u>149,717,500</u>	<u>149,717,500</u>
Basic and dilutive earnings per share	<u>1.88</u>	<u>1.71</u>

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The diluted earnings per share is not significantly different from the basic earnings per share for the periods ended 31 March 2026 and 31 March 2025. The calculation of weighted-average of the ordinary shares and diluted shares is as follows:

	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Outstanding ordinary shares	150,000,000	150,000,000
Treasury shares	(282,500)	(282,500)
Weighted average ordinary shares	149,717,500	149,717,500
	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Weighted average number of ordinary shares for the purpose of basic earnings per share	149,717,500	149,717,500
Weighted average number of ordinary shares for the purpose of diluted earnings per share	149,717,500	149,838,064

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16. FINANCIAL INSTRUMENTS

Fair value of financial instruments

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

	Carrying amount			Fair Value			
	Hedging instruments	Investments at fair value through other comprehensive income	Total	Level 1	Level 2	Level 3	Total
31 March 2026 (unaudited)							
<i>Financial assets</i>							
Derivative financial instruments	99,419,189	-	99,419,189	-	99,419,189	-	99,419,189
Investments at fair value through other comprehensive income	-	10,362,132	10,362,132	10,349,991	-	12,141	10,362,132
<i>Financial liabilities</i>							
Derivative financial instruments	35,615,247	-	35,615,247	-	35,615,247	-	35,615,247
31 December 2025 (audited)							
<i>Financial assets</i>							
Derivative financial instruments	170,797,004	-	170,797,004	-	170,797,004	-	170,797,004
Investments at fair value through other comprehensive income	-	10,369,799	10,369,799	10,357,658	-	12,141	10,369,799
<i>Financial liabilities</i>							
Derivative financial instruments	38,068,228	-	38,068,228	-	38,068,228	-	38,068,228

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17. EMPLOYEES SHARE PLAN RESERVE

On 12 March 2026, the Board of Directors held a meeting and resolved to approve the settlement and distribution of shares to eligible employees in accordance with the approved list. The necessary procedures and approvals for the transfer of shares to the employees are currently under progress.

At the same meeting, the Board also resolved to approve the purchase of up to 300,000 shares of the Company's shares for allocation to its employees. The completion of the share purchase is subject to approval by the General Assembly at its next meeting.

18. MEMORANDUM OF UNDERSTANDING WITH SYRIAN SOVEREIGN FUND

On 14 January 2026, Riyadh Cables Group Company entered into a memorandum of understanding with the Syrian Sovereign Fund regarding the operation, management, and development of the Syrian Modern Cables Company through a subsidiary of the Group (Riyadh Cables Company). The agreement provides for the rehabilitation, operation, and development of the Syrian Modern Cables Company, with a capital investment of SR 60 million over the term of the agreement. The term of the agreement is 18 years from the date of signing, renewable upon the mutual agreement of the parties. The agreement shall be executed in four primary phases, each with specified primary objectives and procedures. Progression to the next phase shall not take place until the operational, technical, and financial aspects have been evaluated and formal approval has been obtained from both parties. Pursuant to the agreement, the annual profits or losses arising from the project shall be shared between Riyadh Cables Group Company and the Syrian Sovereign Fund, with 40% allocated to the Syrian Sovereign Fund.

The agreement has not been executed up to the date of the condensed consolidated interim financial statements as at 31 March 2026, due to the non-fulfillment of two conditions precedent stipulated therein. Specifically, the Syrian Sovereignty Fund shall provide a bank guarantee in the amount of USD 10 million in favor of Riyadh Cables Company and shall hand over the factory, together with all related assets, to Riyadh Cables Company in accordance with an approved site handover report, prior to the effective date of the agreement. As at 31 March 2026, these conditions have not been fulfilled.

19. GEOPOLITICAL DEVELOPMENTS

Recent regional geopolitical escalations have led to the emergence of a high-risk environment in the Gulf region. The conditions remain highly volatile, with the potential for rapid changes in events and scenarios. These developments have contributed to an increased level of uncertainty in the Group's operating environment, including its operations in the United Arab Emirates.

According to management's assessment, there is no material impact on the consolidated financial statements for the period ended 31 March 2026, nor any impact on the Group's going concern assessment. The Group's management continues to closely monitor the impact of these developments on its operations and may, when necessary, take appropriate precautionary measures to address any developments.

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20. CONTINGENT LIABILITIES AND COMMITMENTS

Capital commitments

As at 31 March 2026, the Group has capital commitments amounting to SR 151.77 million (31 December 2025: SR 170 million) relating to capital expenditures of the expansion of the Group's factories.

Contingent Liabilities

As at 31 March 2026, the contingent liabilities amounted to SR 1.49 billion (31 December 2025: SR 1 billion) against bank facilities in the form of letters of credit and letters of guarantee obtained by the Group from several local banks against a commission for granting facilities without any bank cover.

21. SUBSEQUENT EVENTS

There are no significant events since the period-end that require disclosure or adjustment in the condensed consolidated interim financial statements of the Group.

22. APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The condensed consolidated interim financial statements have been approved by the Board of Directors on 17 Dhul-Qaeda 1447H (corresponding to 4 May 2026).