

**AL MASANE AL KOBRA MINING COMPANY
(A SAUDI JOINT STOCK COMPANY)**

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REVIEW REPORT**

FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2025

**AL MASANE AL KOBRA MINING COMPANY
(A SAUDI JOINT STOCK COMPANY)**

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025**

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Al Masane Al Kobra Mining Company (A Saudi Joint Stock Company) ("the Company") as at 31 March 2025, and the related interim condensed statement of profit or loss and other comprehensive income, interim condensed statement of changes in equity and interim condensed statement of cash flows for the three-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as endorsed in the Kingdom of Saudi Arabia. A review of interim financial statement 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 as endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

for Ernst & Young Professional Services

Hussain Saleh Asiri
Certified Public Accountant
License No. (414)

Jeddah: 7 Thul-Qi'dah 1446H
(05 May 2025G)



AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

	Notes	31 March 2025 (Unaudited)	31 December 2024 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Mine properties	4	302,534,665	302,108,648
Property, plant and equipment	5	724,775,482	741,554,652
Right-of-use assets		2,097,384	1,429,519
Long term deposits		30,854	30,854
Deferred tax	10.3	31,739,173	32,317,001
TOTAL NON-CURRENT ASSETS		1,061,177,558	1,077,440,674
CURRENT ASSETS			
Inventories		117,991,854	114,030,603
Trade and other receivables		223,463,497	248,568,697
Advances and prepayments		55,301,739	45,043,605
Cash and cash equivalents	6	1,955,369	14,015,883
TOTAL CURRENT ASSETS		398,712,459	421,658,788
TOTAL ASSETS		1,459,890,017	1,499,099,462
EQUITY AND LIABILITIES			
EQUITY			
Share capital	7.1	900,000,000	900,000,000
Share premium		268,589,751	268,589,751
Retained earnings		53,580,177	105,499,614
Share-based compensation reserve	7.4	2,203,607	1,807,951
Treasury shares	7.2	(14,256,001)	(23,766,975)
TOTAL EQUITY		1,210,117,534	1,252,130,341
NON-CURRENT LIABILITIES			
Loans and borrowings	8	29,215,946	28,699,601
Lease liabilities		1,274,249	505,452
Provision for mine closure cost		32,807,811	32,375,597
Employee benefits	9	17,587,913	15,716,418
TOTAL NON-CURRENT LIABILITIES		80,885,919	77,297,068
CURRENT LIABILITIES			
Loans and borrowings – current portion	8	15,000,000	15,000,000
Lease liabilities – current portion		634,734	670,969
Trade payables		77,502,407	69,158,449
Accruals and other non-financial liabilities		27,588,279	29,672,636
Provision for zakat and income tax	10	14,508,668	11,620,005
Short term borrowings		-	20,000,000
Provision for severance fees	11	33,652,476	23,549,994
TOTAL CURRENT LIABILITIES		168,886,564	169,672,053
TOTAL LIABILITIES		249,772,483	246,969,121
TOTAL EQUITY AND LIABILITIES		1,459,890,017	1,499,099,462


Finance Director


Chief Executive Officer


Chairman of the Board

The attached notes from 1 to 17 form an integral part of these interim condensed financial statements.

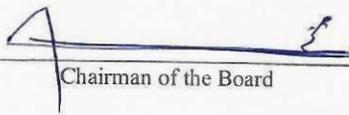
AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME (UNAUDITED)

For the three-month period ended 31 March 2025
 (All amounts in Saudi Riyals unless otherwise stated)

	Notes	Three-month period ended	
		31 March	
		2025	2024
Revenue, net	12	219,772,398	134,499,518
Direct costs		(135,817,934)	(99,487,533)
GROSS PROFIT		83,954,464	35,011,985
Selling and marketing expenses		(4,979,974)	(6,094,937)
General and administrative expenses		(10,859,448)	(11,049,516)
OPERATING PROFIT		68,115,042	17,867,532
Finance costs		(892,105)	(1,126,423)
Other income		-	576,083
PROFIT BEFORE ZAKAT, INCOME TAX AND SEVERANCE FEES		67,222,937	17,317,192
Zakat	10	(1,425,751)	(1,613,255)
Income tax	10	(2,638,657)	(579,060)
Severance fees	11	(7,918,878)	-
NET PROFIT FOR THE PERIOD		55,239,651	15,124,877
OTHER COMPREHENSIVE INCOME/LOSS			
<i>Items that will not be reclassified to statement of profit or loss in subsequent periods:</i>			
Re-measurement gain/(loss) on defined benefit plans	9	(1,558,050)	76,942
Deferred tax relating to actuarial gain/(loss)	10	60,522	71,185
		(1,497,528)	148,127
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		53,742,123	15,273,004
Earnings per share:			
Basic earnings and diluted earnings per share attributable to ordinary equity holders of the Company	15	0.62	0.17


 Finance Director


 Chief Executive Officer


 Chairman of the Board

The attached notes from 1 to 17 form an integral part of these interim condensed financial statements.

AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the three-month period ended 31 March 2025
 (All amounts in Saudi Riyals unless otherwise stated)

	Share capital	Share Premium	Share-based compensation reserve	Retained earnings	Treasury shares	Total
Balance as at 1 January 2024	900,000,000	268,589,751	5,591,482	61,305,053	(15,256,246)	1,220,230,040
Net Profit for the period	-	-	-	15,124,877	-	15,124,877
Other comprehensive loss for the period	-	-	-	148,127	-	148,127
Total comprehensive income for the period	-	-	-	15,273,004	-	15,273,004
Share-based compensation	-	-	1,555,652	-	-	1,555,652
Treasury shares issued to employees	-	-	(5,167,500)	4,532,269	635,231	-
Dividend	-	-	-	(57,485,288)	-	(57,485,288)
Loss on treasury shares	-	-	-	(781,960)	-	(781,960)
Purchase of treasury shares	-	-	-	-	(11,245,753)	(11,245,753)
Balance as at 31 March 2024	900,000,000	268,589,751	1,979,634	22,843,078	(25,866,768)	1,167,545,695
Balance as at 1 January 2025	900,000,000	268,589,751	1,807,951	105,499,614	(23,766,975)	1,252,130,341
Profit for the period	-	-	-	55,239,651	-	55,239,651
Other comprehensive loss for the period	-	-	-	(1,497,528)	-	(1,497,528)
Total comprehensive income for the period	-	-	-	53,742,123	-	53,742,123
Share-based compensation (note 7.4)	-	-	395,656	-	-	395,656
Dividend (note 7.3)	-	-	-	(104,478,681)	-	(104,478,681)
Loss on treasury shares (note 7.2)	-	-	-	(1,182,879)	-	(1,182,879)
Disposal of treasury shares (note 7.2)	-	-	-	-	9,510,974	9,510,974
Balance as at 31 March 2025	900,000,000	268,589,751	2,203,607	53,580,177	(14,256,001)	1,210,117,534

M. Shwakh
 Finance Director

[Signature]
 Chief Executive Officer

[Signature]
 Chairman of the Board

The attached notes from 1 to 17 form an integral part of these interim condensed financial statements.

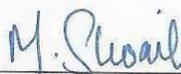
AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

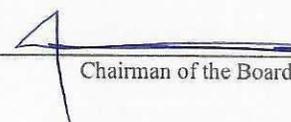
For the three-month period ended 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

	Notes	Three-month period ended 31 March	
		2025	2024
OPERATING ACTIVITIES			
Profit before zakat and income tax		67,222,937	17,317,192
<i>Adjustment to reconcile profit before zakat and income tax to net cash inflow from operating activities:</i>			
Depreciation, depletion and amortisation	4&5	54,590,094	33,490,960
Amortisation of right-of-use assets		193,115	217,168
Provision for employee benefits	9	1,142,540	999,542
Provision for severance fees	11	2,183,604	1,430,882
Share-based compensation expense	7.4	395,656	1,555,652
Finance costs		892,105	1,126,423
		<u>126,620,051</u>	<u>56,137,819</u>
<i>Working capital adjustments:</i>			
Inventories		(3,961,251)	(1,201,316)
Trade and other receivables		25,105,199	(19,359,123)
Advances and prepayments		(10,258,134)	(3,245,954)
Trade payables		8,343,951	18,177,045
Accruals and other non-financial liabilities		(3,185,572)	8,735,033
		<u>142,664,244</u>	<u>59,243,504</u>
Cash from operations			
Income tax paid	10.2	(537,395)	-
Employee benefits paid	9	(829,095)	(803,444)
Finance costs paid		(414,479)	(432,864)
		<u>140,883,275</u>	<u>58,007,196</u>
Net cash flows from operating activities			
INVESTING ACTIVITIES			
Additions to mine properties	4	(28,456,030)	(67,813,394)
Additions to property, plant and equipment	5	(9,780,911)	(18,095,515)
		<u>(38,236,941)</u>	<u>(85,908,909)</u>
Net cash flows used in investing activities			
FINANCING ACTIVITIES			
Dividend paid		(102,884,945)	(57,485,288)
Disposal of Treasury shares		8,328,097	-
Repayment of principal portion of short-term borrowings		(20,000,000)	-
Payment of principal portion of lease liabilities		(150,000)	-
Purchase of treasury shares	7.2	-	(12,027,713)
		<u>(114,706,848)</u>	<u>(69,513,001)</u>
Net cash flows used in financing activities			
DECREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at the beginning of the period		(12,060,514)	(97,414,714)
		<u>14,015,883</u>	<u>110,940,021</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6	<u>1,955,369</u>	<u>13,525,307</u>
SUPPLEMENTARY SIGNIFICANT NON-CASH INFORMATION			
Addition in right of use assets		860,980	-
Provision for mine closure cost		432,214	428,637


Finance Director


Chief Executive Officer


Chairman of the Board

The attached notes from 1 to 17 form an integral part of these interim condensed financial statements.

AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

At 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

1. COMPANY INFORMATION

Al Masane Al Kobra Mining Company ("the Company" or "AMAK") is a Saudi Joint Stock Company approved by the Ministry of Commerce and Investment Decree Number 247/Q dated 9 Shawwal 1428H (corresponding to 21 October 2007) and registered in Jeddah Unified Number 7001558464 on 7 Muharram 1429H (corresponding to 16 January 2008). During 2015, the registered office of the Company was relocated from Jeddah to Najran. Accordingly, Najran Commercial Registration No. 5950017523 dated 3 Duh Al-Qi'dah 1431H (corresponding to 11 October 2010) was modified to be main Commercial Registration. During 2021, the Company obtained commercial registration number 5950123986 dated 22 Dhu Al-Hijjah 1442H (corresponding to 1 August 2021) of a new branch in Najran.

The registered office is located at P.O. Box 96, Najran, Kingdom of Saudi Arabia. The Company is engaged in mining of non-ferrous metal ores (aluminium, copper and lead), mining of ores of precious metals belonging to gold, silver and platinum group, and wholesaling precious metals and gemstones.

The Company commenced its commercial production on 1 July 2012. The principal activity of the Company is to produce zinc and copper concentrates and silver and gold ore as per the license Number 86/Q dated 13 Ramadhan 1429H (corresponding to 13 September 2008) issued by Ministry of Industry and Mineral Resources and renewed for further thirty years with license number 142941, starting from 30 June 2022 (corresponding to 1 Dhu Al-Hijjah 1443H).

In addition, the Company obtained the license number 9598/Q dated 24 Duh Al-Qi'dah 1436H (corresponding to 8 September 2015) for twenty years and expiring on 23 Duh Al-Qi'dah 1456H (corresponding to 2 February 2035) from the Ministry of Industry and Mineral Resources for the exploitation of gold and silver ores from accompanying site Mount Guyan Surface.

As at the reporting date, the Company has three operational mines namely Al Masane underground mine, Moyeath underground mine and Mount Guyan mine (on ground).

2. BASIS OF PREPARATION AND CHANGES TO THE COMPANY'S ACCOUNTING POLICIES

2.1 Statement of compliance

The interim condensed financial statements for the three-month period ended 31 March 2025 have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by Saudi Organization for Chartered and Professional Accountants ("SOCPA"). The Company has prepared the interim condensed financial statements on the basis that it will continue to operate as a going concern. The Board of Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements as at and for the year ended 31 December 2024. In addition, results of the interim period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

2.2 Basis of measurement

These interim condensed financial statements have been prepared on the historical cost basis, except for employee benefit obligation which is recognized at the present value of future obligations using the projected unit credit method. Further, the interim condensed financial statements are prepared using the accrual basis of accounting and going concern concept.

2.3 Functional currency

These interim condensed financial statements are presented in Saudi Riyals (SR), which is also the Company's functional currency.

2. BASIS OF PREPARATION AND CHANGES TO THE COMPANY'S ACCOUNTING POLICIES (continued)

2.4 Significant accounting judgements, estimates and assumptions

The preparation of the Company's interim condensed financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The significant judgements made by management in applying the Company's accounting policies and the methods of computation and the key sources of estimation are the same as those that applied to the financial statements for the year ended 31 December 2024. Any future change in the assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future periods.

2.5 New Standards, Interpretations and Amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2.5.1 Lack of exchangeability - Amendments to IAS 21

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a material impact on the Company's financial statements.

3. SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief executive officer. An operating segment is group of assets and operations:

- (i) engaged in revenue producing activities;
- (ii) results of its operations are continuously analyzed by management in order to make decisions related to resource allocation and performance assessment; and
- (iii) financial information is separately available.

All of the Company's operations are located in Najran, Saudi Arabia. For management purposes, the Company is organized into business units based on the main types of activities and has three reportable operating segments, as follows:

- Al Masane mine segment represents extraction and production of the base metals i.e. copper and zinc concentrates and byproducts like precious metals i.e. gold and silver does;
- Mount Guyan mine segment represents extraction and production of the precious metals i.e. gold and silver does;
- Moyeath mine segment represents an expansion project of Al Masane mine and is involved in extraction and production of the base metals i.e. copper and zinc concentrates (refer note (a) below); and
- Corporate is responsible for effective management and governance including funding of the projects. The presentation of Corporate information does not represent an operating segment.

No operating segments have been aggregated to form the above reportable operating segments. The Chief Executive Officer monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment and is considered to be the Company's chief operating decision maker. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the interim condensed financial statements. However, the Company's severance fees, zakat and income taxes are managed on corporate basis and are not allocated to operating segments.

AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (continued)

At 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

3. SEGMENT REPORTING (continued)

	<i>Al Masane Mine</i>	<i>Mount Guyan Mine</i>	<i>Moyeath Mine</i>	<i>Corporate</i>	<i>Total</i>
<u>For the three-month period ended 31 March 2025:</u>					
Revenue					
Copper	41,892,673	-	25,658,673	-	67,551,346
Zinc	25,922,894	-	42,945,939	-	68,868,833
Gold	5,612,163	69,255,061	-	-	74,867,224
Silver	838,061	-	-	-	838,061
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total external customers revenue	74,265,791	69,255,061	68,604,612	-	212,125,464
Movement in provisional pricing	459,091	5,962,174	1,225,669	-	7,646,934
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Revenue, net	74,724,882	75,217,235	69,830,281	-	219,772,398
Direct costs	(58,532,967)	(39,851,625)	(36,807,790)	(625,552)	(135,817,934)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Gross profit	16,191,915	35,365,610	33,022,491	(625,552)	83,954,464
Selling and distribution expenses	(2,428,029)	(56,715)	(2,495,230)	-	(4,979,974)
General and administrative expenses	-	-	-	(10,859,448)	(10,859,448)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating profit	13,763,886	35,308,895	30,527,261	(11,485,000)	68,115,042
Finance costs	(124,371)	(586,908)	(180,826)	-	(892,105)
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Profit before zakat, income tax and severance fees	13,639,515	34,721,987	30,346,435	(11,485,000)	67,222,937
Zakat, income tax and severance fees	-	-	-	(11,983,286)	(11,983,286)
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Net profit for the period	13,639,515	34,721,987	30,346,435	(23,468,286)	55,239,651
Other comprehensive loss for the period	-	-	-	(1,497,528)	(1,497,528)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	13,639,515	34,721,987	30,346,435	(24,965,814)	53,742,123
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AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (continued)

At 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

3. SEGMENT REPORTING (continued)

	<i>Al Masane Mine</i>	<i>Mount Guyan Mine</i>	<i>Moyeath Mine</i>	<i>Corporate</i>	<i>Total</i>
<u>For the three-month period ended 31 March 2024:</u>					
Revenue					
Copper	44,858,648	-	-	-	44,858,648
Zinc	34,808,488	-	-	-	34,808,488
Gold	7,954,192	45,972,613	-	-	53,926,805
Silver	1,114,793	-	-	-	1,114,793
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total external customers revenue	88,736,121	45,972,613	-	-	134,708,734
Movement in provisional pricing	420,854	(630,070)	-	-	(209,216)
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Revenue, net	89,156,975	45,342,543	-	-	134,499,518
Direct costs	(62,833,254)	(35,146,455)	-	(1,507,824)	(99,487,533)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Gross profit	26,323,721	10,196,088	-	(1,507,824)	35,011,985
Selling and distribution expenses	(6,094,937)	-	-	-	(6,094,937)
General and administrative expenses	-	-	-	(11,049,516)	(11,049,516)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating profit	20,228,784	10,196,088	-	(12,557,340)	17,867,532
Finance costs	(797,696)	(328,727)	-	-	(1,126,423)
Other income	-	-	-	576,083	576,083
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Profit before zakat, income tax and severance fees	19,431,088	9,867,361	-	(11,981,257)	17,317,192
Zakat, income tax and severance fees	-	-	-	(2,192,315)	(2,192,315)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net profit for the period	19,431,088	9,867,361	-	(14,173,572)	15,124,877
Other comprehensive loss for the period	-	-	-	148,127	148,127
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	19,431,088	9,867,361	-	(14,025,445)	15,273,004
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At 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

3. SEGMENT REPORTING (continued)

	<i>Al Masane Mine</i>	<i>Mount Guyan Mine</i>	<i>Moyeath Mine</i>	<i>Corporate</i>	<i>Total</i>
<u>As at 31 March 2025</u>					
Segment assets	<u>601,798,537</u>	<u>258,942,489</u>	<u>503,216,979</u>	<u>95,932,012</u>	<u>1,459,890,017</u>
Segment liabilities	<u>29,360,644</u>	<u>49,572,095</u>	<u>-</u>	<u>170,839,744</u>	<u>249,772,483</u>
<u>As at 31 December 2024</u>					
Segment assets	<u>620,443,754</u>	<u>261,092,165</u>	<u>518,572,832</u>	<u>98,990,711</u>	<u>1,499,099,462</u>
Segment liabilities	<u>28,266,432</u>	<u>48,985,187</u>	<u>-</u>	<u>169,717,502</u>	<u>246,969,121</u>

At 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

4 MINE PROPERTIES

	<i>31 March 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Cost:		
At the beginning of the period/year	1,019,316,688	1,262,677,440
Additions during the period/year	28,456,030	180,341,222
Adjustment to deferred mine closure cost	-	(1,373,274)
Transfer to inventories	-	(3,661,366)
Written off during the year	-	(2,060,559)
Transfer to mine development	-	-
Transfers to property, plant and equipment	-	(416,606,776)
	<hr/>	<hr/>
At the end of the period/year	1,047,772,718	1,019,316,688
	<hr/>	<hr/>
Depreciation:		
At the beginning of the period/year	717,208,040	624,533,042
Charge for the period/year	28,030,013	92,674,997
	<hr/>	<hr/>
At the end of the period/year	745,238,053	717,208,040
	<hr/>	<hr/>
Net book amounts:		
At the end of the period/year	302,534,665	302,108,648
	<hr/> <hr/>	<hr/> <hr/>

The carrying amount of mine under construction included in mine properties as at 31 March 2025 was SR 13,774,591 (31 December 2024: SR 10,677,895) which represents exploration and evaluation expenses capitalized.

5 PROPERTY, PLANT AND EQUIPMENT

During the three-month period ended 31 March 2025, the Company purchased assets with a cost of SR 2,042,097 (31 March 2024: SR 5,207,508), excluding capital work in progress.

The carrying amount of capital work in progress as at 31 March 2025 was SR 14,764,889 (31 December 2024: SR 7,026,072).

The depreciation charge for the three-month period ended 31 March 2025 amounted to SR 26,560,081 (31 March 2024: SR 12,909,043).

Property, plant and equipment are subject to a pledge as collateral against a long-term loan (note 8).

6 CASH AND CASH EQUIVALENTS

	<i>31 March 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Bank balances	1,868,478	12,130,555
Cash in hand	86,891	86,640
Restricted cash (refer note 7.2)	-	1,798,688
	<hr/>	<hr/>
	1,955,369	14,015,883
	<hr/> <hr/>	<hr/> <hr/>

7 EQUITY**7.1 Share capital**

Share capital of the Company is divided into 90 million shares of SR 10 each as at 31 March 2025 and 31 December 2024.

At 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

7 EQUITY (continued)**7.2 Treasury shares**

- (a) The Company had 1,599,361 treasury shares at the start of the current period. It includes 140,616 market-making shares which have disposed off during the period. The treasury shares are held by the Company as treasury shares for the purposes of issuing them to the Company's employees upon vesting of the shares in employee share plans, including those that the Company may adopt in the future. The number of treasury shares issued to employees during the period were nil (31 December 2024: 102,350).
- (b) During the year ended 31 December 2024, the Company entered into market making arrangement with Al Rajhi Capital to provide continuous buying and selling of the Company shares in order to support Company's liquidity in shares trading. The agreement was expired during the period. The Company recorded a loss of SR 1,182,879 for the period relating to the market making activity.

7.3 Dividends

On 23 February 2025, the Board of Directors announced the distribution of SR 104.5 million (SR 1.18 per share) for the second half of the year 2024 which represents 11.8% of the nominal value of the shares. On 23 March 2025, the Company distributed the cash dividend.

7.4 Share based compensation reserve

During the year ended 31 December 2023, the Company approved new share-based compensation incentive plan for certain key employees applicable from 01 May 2023G. The plan entitles the eligible employees to receive specific number of shares on the dates specified in the plan. The award for grant was granted for nil consideration. The fair value of the grant was determined by reference to the market value of the Company's ordinary shares on the date of grant for equity-settled awards i.e., 30 April 2023.

During the year ended 31 December 2024, the Company entered into agreement for appointment of new Chief Executive Officer. As per the appointment contract, the Chief Executive Officer is entitled to long term equity settled incentives. These incentives are based on performance based vesting condition entitling 20,000 shares per annum. The fair value of the grant was determined by reference to the market value of the Company's ordinary shares on the date of grant for equity-settled awards i.e., 1 September 2024.

The Company recognized the following share-based compensation expense in the statement of profit or loss, as an employee benefit expense during the period/year:

	<i>31 March 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
<i>Equity settled share-based compensation expense:</i>		
Share-based compensation reserve at beginning of the period/year	1,807,951	5,591,482
Share-based compensation expense for the period/year	395,656	4,353,294
Shares issued during the period/year	-	(8,136,825)
	<hr/>	<hr/>
Share-based compensation reserve at the end of the period/year	2,203,607	1,807,951
	<hr/>	<hr/>

8 LOANS AND BORROWINGS

	<i>31 March 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Saudi Industrial Development Fund (SIDF) (note 5)	44,215,946	43,699,601
Less: Current portion shown under current liabilities	(15,000,000)	(15,000,000)
	<hr/>	<hr/>
Loans and borrowings under non-current liabilities	29,215,946	28,699,601
	<hr/>	<hr/>

- i) The Company obtained loan facility amounting to SR 94.3 million from Saudi Industrial Development Fund (SIDF) agreement dated 28 June 2020 for its new Mount Guyan Project payable in thirteen semi-annual installments starting from May 2022 to March 2028. This loan is also secured by mortgage on the Company's property, plant and equipment.

At 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

8 LOANS AND BORROWINGS (continued)

- ii) The commission is payable on the amount of the borrowing drawdowns and is mainly calculated at a market rate plus a margin.
- iii) The loans and borrowings of the Company are shariah compliant. The loans contain certain covenants. A future breach of covenants may lead to renegotiation. The covenants are monitored on a monthly basis by management. In case of potential breach, actions are taken by management to ensure compliance. During the period ended 31 March 2025, there has been no non-compliance with any of the covenants.

9 EMPLOYEE BENEFITS**General description of the plan**

The Company operates an unfunded employees' end of service benefits plan ("EOSB") for its employees as required by the Saudi Arabian Labor Law. The movement in EOSB for the period/year ended is as follows:

	<i>31 March</i> <i>2025</i> <i>(Unaudited)</i>	<i>31 December</i> <i>2024</i> <i>(Audited)</i>
Balance at the beginning of the period/year	15,716,418	13,951,422
<i>Included in interim condensed statement of profit or loss</i>		
Current service cost	941,703	3,354,558
Interest cost	200,837	616,387
	<u>1,142,540</u>	<u>3,970,945</u>
<i>Included in interim condensed statement of other comprehensive income/(loss)</i>		
Actuarial loss/(gain)	1,558,050	(256,240)
Benefits paid	(829,095)	(1,949,709)
	<u>17,587,913</u>	<u>15,716,418</u>
	<u><i>Three-month period ended 31 March</i></u>	<u><i>2025</i></u>
	<i>2025</i>	<i>2024</i>
Current service cost	941,703	838,639
Interest cost on defined benefits obligation	200,837	160,903
Actuarial (gain)/loss	1,558,050	(76,942)

Significant assumptions used in determining defined benefits obligation for the Company are shown below:

	<i>31 March</i> <i>2025</i> <i>(Unaudited)</i>	<i>31 December</i> <i>2024</i> <i>(Audited)</i>
Discount rate	4.75%	5.25%
Salary increase rate	5.00%	5.00%

10 ZAKAT, INCOME TAX AND DEFERRED TAX**10.1 Zakat**

	<u><i>Three-month period ended 31 March</i></u> <i>2025</i> <i>(Unaudited)</i>	<u><i>2024</i></u> <i>(Unaudited)</i>
Zakat relating to current period	<u>1,425,751</u>	<u>1,613,255</u>

At 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

10 ZAKAT, INCOME TAX AND DEFERRED TAX (continued)

The movement in the zakat provision during the period/year is as follows:

	<i>31 March 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Balance at the beginning of the period/year	6,951,264	6,459,374
Net charge for the period/year	1,425,751	7,575,961
Payments during the period/year	-	(7,084,071)
Balance at the end of the period/year	8,377,015	6,951,264

10.2 Income tax

	<i>Three-month period ended 31 March</i>	
	<i>2025 (Unaudited)</i>	<i>2024 (Unaudited)</i>
Income tax relating to current period	2,000,307	176,942

The movement in the income tax provision for the period/year is as follows:

	<i>31 March 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Balance at the beginning of the period/year	4,668,741	(1,542,792)
Net charge for the period/year	2,000,307	7,351,941
Payments during the period/year	(537,395)	(1,140,408)
Balance at the end of the period/year	6,131,653	4,668,741

10.3 Deferred tax

	<i>Three-month period ended 31 March</i>	
	<i>2025 (Unaudited)</i>	<i>2024 (Unaudited)</i>
Deferred tax charge/(credit) relating to current period	(638,350)	402,118
Deferred tax credit relating to other comprehensive income	60,522	(71,185)
	(577,828)	330,933

The movement of the deferred tax asset for the period/year ended is as follows:

	<i>31 March 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Balance at the beginning of the period/year	32,317,001	28,511,219
Deferred tax credit/(debit) during the period/year recognised in interim condensed statement of profit or loss	(638,350)	3,737,399
Deferred tax credit to other comprehensive income	60,522	68,383
Balance at the end of the period/year	31,739,173	32,317,001

At 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

10 ZAKAT, INCOME TAX AND DEFERRED TAX (continued)**Status of assessments**

Zakat and income tax assessments have been agreed with the Zakat, Tax and Customs Authority (“ZATCA”) up to 2012 and for the years 2021 and 2022. The Company submitted the zakat and income tax return for the year 2024 and obtained the zakat certificate which is valid till 30 April 2026.

11 PROVISION FOR SEVERANCE FEES

	<i>31 March 2025 (Unaudited)</i>	<i>31 March 2024 (Unaudited)</i>
Severance fees relating to current year	10,102,482	1,430,882
Less: Classified under direct costs	(2,183,604)	(1,430,882)
	<u>7,918,878</u>	<u>-</u>

The movement of the severance fees for the period ended is as follows:

	<i>31 March 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Balance at the beginning of the period/year	23,549,994	2,431,448
Net charge for the period / year	10,102,482	36,278,547
Paid during the year	-	(15,160,001)
	<u>33,652,476</u>	<u>23,549,994</u>

12 REVENUE, NET

	<i>Three-month period ended 31 March</i>	
	<i>2025 (Unaudited)</i>	<i>2024 (Unaudited)</i>
Revenue from contracts with customers:		
Copper concentrate	67,551,347	44,858,648
Zinc concentrate	68,868,834	34,808,488
Precious metals	75,705,283	55,041,597
	<u>212,125,464</u>	<u>134,708,733</u>
Movement in provisional pricing adjustments during the period	7,646,934	(209,215)
	<u>219,772,398</u>	<u>134,499,518</u>

At 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

13 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent the shareholders, directors and key management personnel of the Company. Pricing policies and terms of these transactions are approved by the Company's management. The following are the details of major related party transactions during the period:

<u>Related party</u>	<u>Relationship</u>	<u>Nature of transaction</u>	<u>Transactions</u>	
			<u>Three-month period ended 31 March</u>	
			<u>2025</u>	<u>2024</u>
Najran Mineral Water Company Limited	Other related party	Water charges	17,077	29,066
Najran Cement Company	Other related party	Cement supplies	-	126,262

Key management compensations

Compensation for key management is as follows:

	<u>Three-month period ended 31 March</u>	
	<u>2025</u>	<u>2024</u>
Salaries and other benefits	2,388,093	1,738,750
End of service benefits	28,296	8,847
	<u>2,416,389</u>	<u>1,747,597</u>

At 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

14 CONTINGENCIES AND COMMITMENTS**Contingencies:**

- a) The Company has bank guarantees of SR 15,311,484 as at 31 March 2025 (31 December 2024: SR 9,311,484).
- b) During the year ended 31 December 2024, a labor case was filed against the Company by a former employee. The management is of the opinion that this case will not have a significant adverse impact on the financial position of the Company or its future results.
- c) During 2024, a dispute was raised for reconciliation by a contactor. After considering all the facts about the legal claim and dispute and having obtained appropriate legal advice, management is of the opinion that this matter will not have a significant adverse impact on the financial position of the Company or its future results.

Commitments

At 31 March 2025, the Company has future commitments amounting to SR 160 million (31 December 2024: SR 143 million).

15 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period. The earnings per share calculation is given below:

	<i>Three-month period ended 31 March</i>	
	<i>2025</i>	<i>2024</i>
Net profit for the period attributable to ordinary shareholders	55,239,651	15,124,877
Weighted average number of ordinary shares for the purposes of calculating basic earnings per share	88,541,255	88,246,975
Basic and diluted earnings per ordinary share	0.62	0.17

Potential ordinary shares during the period ended 31 March 2025 relates to employees' share-based compensation in respect of employee share plans that were awarded to the Company's eligible employees under those plans terms (note 7.4). These share plans did not have a significant dilution effect on basic earnings per share for the periods ended 31 March 2025 and 2024.

16 FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

At 31 March 2025

(All amounts in Saudi Riyals unless otherwise stated)

16 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

If the inputs used to measure the fair value of an asset or liability falls into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest input level that is significant to the entire measurement.

The management assessed that cash and cash equivalents, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. During the period ended 31 March 2025 and year ended 31 December 2024, there were no movements between the levels.

Fair values of the Company's loans and borrowings are determined by using DCF method using discount rate that reflects the borrowing rate as at the end of the reporting period. As at 31 March 2025 and 31 December 2024, the carrying amounts of loans and borrowings were not materially different from their calculated fair values.

17 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements have been authorized by the Board of Directors on 5 May 2025G, corresponding to 7 Thul-Qi'dah 1446H.