

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

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

FOR THE THREE MONTH AND SIX-MONTH PERIOD ENDED 30 JUNE 2026

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

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

INDEX	PAGE
Independent Auditor’s Review Report	1
Interim Condensed Consolidated Statement of Financial Position	2
Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	3
Interim Condensed Consolidated Statement of Changes in Equity	4
Interim Condensed Consolidated Statement of Cash Flows	5-6
Notes to the Interim Condensed Consolidated Financial Statements	7 – 24

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED 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 consolidated statement of financial position of Al Masane Al Kobra Mining Company (A Saudi Joint Stock Company) (the "Company") and its subsidiary (together the "Group") as at 30 June 2026, and the related interim condensed consolidated statement of profit or loss and other comprehensive income for the three-month and six-month periods ended 30 June 2026, and the related interim condensed consolidated statements of changes in equity and cash flows for the six-month period then ended, and explanatory notes. 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") as 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 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 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 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 consolidated 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: 21 Safar 1448H
(4 August 2026G)



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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

(All amounts in Saudi Riyals unless otherwise stated)

	Notes	30 June 2026 (Unaudited)	31 December 2025 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Mine properties	4	390,838,018	344,846,866
Property, plant and equipment	5	745,255,892	682,846,641
Right-of-use assets		1,278,306	1,604,302
Long term deposits		30,854	30,854
Deferred tax asset	12.3	29,096,383	30,764,863
TOTAL NON-CURRENT ASSETS		1,166,499,453	1,060,093,526
CURRENT ASSETS			
Inventories		184,961,577	150,244,998
Trade receivables		301,094,565	194,406,042
Advances, other receivables and prepayments		88,211,701	128,903,152
Cash and cash equivalents	6	11,770,271	14,547,517
TOTAL CURRENT ASSETS		586,038,114	488,101,709
TOTAL ASSETS		1,752,537,567	1,548,195,235
EQUITY AND LIABILITIES			
EQUITY			
Share capital	7.1	900,000,000	900,000,000
Share premium		268,589,751	268,589,751
Retained earnings		264,245,839	169,480,257
Share-based compensation reserve	7.2	2,074,252	1,628,774
Treasury shares		(14,067,318)	(14,067,318)
TOTAL EQUITY		1,420,842,524	1,325,631,464
NON-CURRENT LIABILITIES			
Loans and borrowings	8	10,504,759	16,121,803
Lease liabilities		466,199	599,379
Provision for mine closure costs		34,594,066	34,104,454
Government grants - deferred income	9	6,099,460	-
Employee benefits	11	21,627,934	20,193,678
TOTAL NON-CURRENT LIABILITIES		73,292,418	71,019,314
CURRENT LIABILITIES			
Loans and borrowings – current portion	8	11,000,000	12,500,000
Short term borrowings	10	105,000,000	-
Lease liabilities – current portion		748,284	721,120
Trade payables		62,255,162	60,241,278
Accruals and other liabilities		35,356,598	35,755,665
Provision for zakat and income tax	12	5,029,006	10,113,783
Provision for severance fees	13	39,013,575	32,212,611
TOTAL CURRENT LIABILITIES		258,402,625	151,544,457
TOTAL LIABILITIES		331,695,043	222,563,771
TOTAL EQUITY AND LIABILITIES		1,752,537,567	1,548,195,235

M. Sawail

Finance Director

Chief Executive Officer

Chairman of the Board

The attached notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements.

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

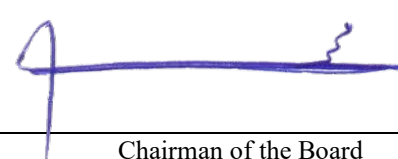
For the three month and six-month period ended 30 June 2026

(All amounts in Saudi Riyals unless otherwise stated)

	Note	<i>Three-month period ended</i> <i>30 June</i>		<i>Six-month period ended</i> <i>30 June</i>	
		2026	2025	2026	2025
Revenue, net	14	236,966,964	258,563,288	455,375,691	478,335,686
Cost of revenue		(171,401,006)	(148,137,630)	(302,004,582)	(283,955,565)
GROSS PROFIT		65,565,958	110,425,658	153,371,109	194,380,121
Selling and marketing expenses		(5,588,542)	(6,399,791)	(10,248,431)	(11,379,765)
General and administrative expenses		(15,663,662)	(13,007,716)	(26,664,777)	(23,867,164)
OPERATING PROFIT		44,313,754	91,018,151	116,457,901	159,133,192
Finance costs		(1,915,222)	(957,810)	(3,433,883)	(1,849,915)
PROFIT BEFORE ZAKAT, INCOME TAX AND SEVERANCE FEES		42,398,532	90,060,341	113,024,018	157,283,277
Zakat expense	12	(1,467,036)	(2,137,763)	(2,693,306)	(3,563,514)
Income tax expense	12	(2,798,326)	(2,891,431)	(4,479,619)	(5,530,089)
Severance fees	13	(3,475,382)	(11,983,526)	(11,089,257)	(19,902,404)
NET PROFIT FOR THE PERIOD		34,657,788	73,047,621	94,761,836	128,287,270
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	11	(182,331)	907,753	3,611	(650,297)
Deferred tax relating to actuarial movement	12.3	7,207	33,122	135	93,644
		(175,124)	940,875	3,746	(556,653)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		34,482,664	73,988,496	94,765,582	127,730,617
Earnings per share:					
Basic and diluted earnings per share attributable to ordinary equity holders of the Company	17	0.39	0.82	1.07	1.45


Finance Director


Chief Executive Officer


Chairman of the Board

The attached notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements.

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six-month period ended 30 June 2026

(All amounts in Saudi Riyals unless otherwise stated)

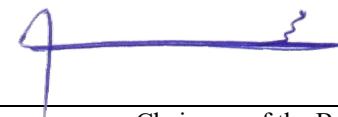
	<i>Share capital</i>	<i>Share Premium</i>	<i>Share-based compensation reserve</i>	<i>Retained earnings</i>	<i>Treasury shares</i>	<i>Total</i>
Balance as at 1 January 2025	900,000,000	268,589,751	1,807,951	105,499,614	(23,766,975)	1,252,130,341
Profit for the period	-	-	-	128,287,270	-	128,287,270
Other comprehensive loss for the period	-	-	-	(556,653)	-	(556,653)
Total comprehensive income for the period	-	-	-	127,730,617	-	127,730,617
Current period charge (note 7.2)	-	-	639,042	-	-	639,042
Treasury shares issued to employees	-	-	(405,450)	355,609	49,841	-
Dividend	-	-	-	(104,478,681)	-	(104,478,681)
Loss on treasury shares	-	-	-	(1,182,879)	-	(1,182,879)
Disposal of treasury shares	-	-	-	-	9,510,974	9,510,974
Balance as at 30 June 2025	900,000,000	268,589,751	2,041,543	127,924,280	(14,206,160)	1,284,349,414
Balance as at 1 January 2026	900,000,000	268,589,751	1,628,774	169,480,257	(14,067,318)	1,325,631,464
Profit for the period	-	-	-	94,761,836	-	94,761,836
Other comprehensive loss for the period	-	-	-	3,746	-	3,746
Total comprehensive income for the period	-	-	-	94,765,582	-	94,765,582
Current period charge (note 7.2)	-	-	445,478	-	-	445,478
Balance as at 30 June 2026	900,000,000	268,589,751	2,074,252	264,245,839	(14,067,318)	1,420,842,524



Finance Director



Chief Executive Officer



Chairman of the Board

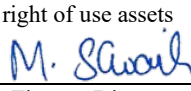
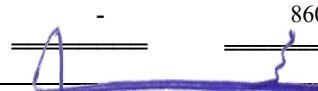
The attached notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements.

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six-month period ended 30 June 2026

(All amounts in Saudi Riyals unless otherwise stated)

		<i>Six-month period ended 30 June</i>	
	<i>Notes</i>	<i>2026</i>	<i>2025</i>
OPERATING ACTIVITIES			
Profit before zakat, income tax and severance fees		113,024,018	157,283,277
<i>Adjustment to reconcile profit before zakat and income tax to net cash inflow from operating activities:</i>			
Depreciation, depletion and amortisation	4&5	82,925,767	117,378,518
Amortisation of right-of-use assets		325,996	357,736
Provision for employee benefits	11	2,399,020	2,712,101
Provision for severance fees	13	3,711,869	3,586,128
Share-based compensation expense		445,478	639,042
Finance costs		3,433,883	1,849,915
		<u>206,266,031</u>	<u>283,806,717</u>
<i>Working capital adjustments:</i>			
Inventories		(34,716,579)	(17,391,721)
Trade receivables		(106,688,523)	(29,505,970)
Advances, other receivables and prepayments		(12,437,985)	(75,773,041)
Trade payables		2,013,884	3,304,499
Accruals and other liabilities		(2,232,247)	(3,377,188)
		<u>52,204,581</u>	<u>161,063,296</u>
Cash flows from operations			
Zakat paid	12.1	(5,889,041)	(4,087,320)
Income tax paid	12.2	(4,700,046)	(5,472,351)
Severance fees paid	13	(8,000,162)	(37,135,372)
Employee benefits paid	11	(961,153)	(1,340,497)
Finance costs paid		(730,612)	(714,580)
		<u>31,923,567</u>	<u>112,313,176</u>
Net cash flows from operating activities			
INVESTING ACTIVITIES			
Additions to mine properties	4	(68,134,107)	(55,845,843)
Additions to property, plant and equipment	5	(70,516,166)	(16,052,144)
Receipt of Government grants	9	6,099,460	-
		<u>(132,550,813)</u>	<u>(71,897,987)</u>
Net cash used in investing activities			
FINANCING ACTIVITIES			
Dividend paid	7.3	-	(104,478,681)
Repayment of principal portion of loans and borrowings		(7,000,000)	(8,000,000)
Payment of lease liabilities		(150,000)	(150,000)
Repayment of short term borrowings		(20,000,000)	(20,000,000)
Proceeds from short term borrowings		125,000,000	80,000,000
Proceeds from sale of treasury shares		-	8,328,095
		<u>97,850,000</u>	<u>(44,300,586)</u>
Net cash flows from / (used in) financing activities			
DECREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at the beginning of the period		14,547,517	14,015,883
		<u>11,770,271</u>	<u>10,130,487</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6		
SUPPLEMENTARY SIGNIFICANT NON-CASH INFORMATION			
Provision for mine closure cost		943,152	804,153
Additions to property, plant and equipment		53,129,436	-
Addition in right of use assets		-	860,980
		<u>53,129,436</u>	<u>860,980</u>
	Finance Director		Chief Executive Officer
			Chairman of the Board

The attached notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements.

AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (continued)

At 30 June 2026

(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 registered in the Kingdom of Saudi Arabia. The Group consists of the Company and its wholly owned subsidiary (collectively the "Group").

AMAK was 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 under Commercial Registration No. 4030175345 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 and Unified No 7001558464 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 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).

The registered office is located at P.O. Box 96, Najran, Kingdom of Saudi Arabia. The Group 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.

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.

Furthermore, the Company obtained the license number 144745 dated 21 Juamada Alawal 1447H (corresponding to 12 November 2025) for ten years and expiring on 21 Juamada Alawal 1457H (corresponding to 26 July 2035) from the Ministry of Industry and Mineral Resources for the exploitation of gold ore from Kutainah site.

The Group registered a new wholly owned subsidiary, Advance Drilling Company ("the subsidiary"), a simplified joint stock company, registered in Najran, Kingdom of Saudi Arabia, under Unified National Number 7054426049, dated 21 May 2026. The subsidiary was established to carry out drilling services, with a paid up capital of SAR 23 million.

As at 30 June 2026, the subsidiary had not commenced commercial operations. Accordingly, the accompanying consolidated financial statements include the financial position of the subsidiary as at that date, comprising the share capital contributed by the Company, with no results of operations for the period.

As at the reporting date, the Group has four operational mines namely Al Masane underground mine, Moyeath underground mine, Mount Guyan mine and Kutainah mine.

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

2.1 Statement of compliance

The interim condensed consolidated financial statements for the six-month period ended 30 June 2026 have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA") and should be read in conjunction with the Company's last annual financial statements as at and for the year ended 31 December 2025 ("last annual Financial Statements").

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements prepared in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA), and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2025 (last annual financial statements) except for the policies defined below. In addition, results of the interim period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

2.2 Basis of consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The interim condensed consolidated financial statements have been prepared on a line-by-line basis by consolidating like items of assets, liabilities, income and expenses. All intra-group transactions, balances, income and expenses and cash flows relating to transactions between the members of the Group are eliminated in full on consolidation. Unrealized gains and losses arising from transactions with subsidiaries are eliminated against the investment to the extent of the Group's interest in the investee.

2.3 Basis of measurement

These interim condensed consolidated 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.

2.4 Functional currency

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

2.5 Significant accounting judgements, estimates and assumptions

The preparation of the Group's interim condensed consolidated 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 consolidated financial statements for the year ended 31 December 2025. 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. BASIS OF PREPARATION AND CHANGES TO THE COMPANY'S ACCOUNTING POLICIES (continued)

2.6 New Standards, interpretations and amendments adopted by the Company

The material accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2025, except for the accounting policy on the basis of consolidation (note 2.2) and the adoption of new standards effective as of 1 January 2026. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2.6.1 Amendments to the Classification and Measurement of Financial Instruments-Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and the introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The amendments had no impact on the Group's interim condensed consolidated financial statements.

2.6.2 Annual Improvements to IFRS Accounting Standards - Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments are effective for reporting periods beginning on or after 1 January 2026. Earlier application is permitted and must be disclosed.

The amendments had no impact on the Group's interim condensed consolidated financial statements.

2.6.3 Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity; the amendments:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a Company's financial performance and cash flow.

The amendments will take effect for annual reporting periods starting on or after 1 January 2026. Early adoption is allowed, but it must be disclosed. The amendments concerning the own-use exception are to be applied retrospectively, while the hedge accounting amendments should be applied prospectively to new hedging relationships designated from the initial application date. Additionally, the IFRS 7 disclosure amendments must be implemented alongside the IFRS 9 amendments. If an entity does not restate comparative information, it cannot present comparative disclosures.

The amendments had no impact on Group's interim condensed consolidated financial statements.

2.7 Standards, interpretations and amendments issued but not yet effective

The standards, interpretations and amendments that are issued, but not yet effective, up to the date of issuance of the Group's interim condensed consolidated financial statements are disclosed below. The Group intends to adopt these standards, interpretations and amendments if applicable, when they become effective. Management do not anticipate material impact on the interim condensed consolidated financial statements on adopting the standards, interpretations and amendments if applicable.

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

2.7 Standards, interpretations and amendments issued but not yet effective (continued)

2.7.1 IFRS 18 Presentation and Disclosure in Financial Statements (continued)

In April 2024, the International Accounting Standards Board ("IASB") issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements and becomes effective for annual reporting periods beginning on or after 1 January 2027. The new standard introduces new requirements and updates to the statement of profit or loss, with the main objective of improving comparability in the statement of profit or loss and enhancing transparency over management-defined performance measures.

The key new concepts introduced by IFRS 18 include:

- A revised structure of the statement of profit or loss, requiring classification of income and expenses into 5 defined categories based on the entity's main business activities and presentation of mandatory subtotals;
- Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general; and
- Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures).

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

Structure of the Statement of Profit or Loss

The standard is expected to result in changes to the presentation of certain line items and subtotals in the statement of profit or loss namely operating, investing, financing, zakat/income tax and discontinued operations. This classification depends on the main business activities of the entity.

Based on the Group's preliminary assessment, and the nature of its main business activities, performed to date, the Group expects changes to the current structure of Statement of Profit or Loss to result in:

- Interest expense on employee benefit obligations, currently presented within employee costs in the operating category, will be reclassified to the financing category.
- Bank charges, currently presented within finance costs, will be reclassified to other operating expenses within the operating category

Aggregation and disaggregation

The new aggregation and disaggregation requirements will lead into changes to present the most useful structured summary. The Group is assessing how items are aggregated and disaggregated in the primary financial statements and the notes on the basis of similar and dissimilar characteristics.

Certain profit or loss line items description and aggregations may change to provide useful structured summaries and disclose additional material information in the notes. The Group is performing a detailed assessment to determine the appropriate classification of items

Management Performance Measures "MPMs"

Management-defined Performance Measures (MPMs) is a subtotal of income and expenses that entity uses in public communication outside the financial statements that communicates management's view of an aspect of the financial performance of the entity as a whole. Where applicable, these measures may require quantitative reconciliation to IFRS-defined subtotals together with expanded explanatory disclosures.

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

2.7 Standards, interpretations and amendments issued but not yet effective (continued)

2.7.1 IFRS 18 Presentation and Disclosure in Financial Statements (continued)

Management Performance Measures "MPMs" (continued)

The Group is in the process of identifying which measures used in its public communications (including investor presentations, earnings releases and the offering documents filed with the Capital Market Authority) will meet the definition of an MPM under IFRS 18 and accordingly, the Group will comply with the IFRS 18 disclosure requirements in this regard.

Consequential amendments

The Group is also evaluating the consequential amendments arising from IFRS 18, including amendments to IAS 7 Statement of Cash Flows and IAS 34 Interim Financial Reporting.

The Group currently uses profit for the year / period as a 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 IFRS 18. Cash flows from interest received and dividends paid will continue to be classified as investing and financing activities, respectively. The Group assessment remains ongoing and further refinements to the expected impact may arise as implementation activities progress and additional industry and regulatory guidance becomes available.

2.7.2 IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a company as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

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 Groups's operations are located in Najran, Saudi Arabia. For management purposes, the Group 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.
- Advance Drilling Company as a new wholly-owned subsidiary to provide drilling-related services; however, the segment has not yet commenced commercial operations and, accordingly, no operating results have been reported for the current period.

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 Group'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 consolidated financial statements. However, the Group'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 CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (continued)

At 30 June 2026

(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 six-month period ended 30 June 2026:</u>					
Revenue					
Copper	33,665,329	-	111,542,623	-	145,207,952
Zinc	17,452,946	-	93,660,329	-	111,113,275
Gold	11,742,169	180,564,056	-	-	192,306,225
Silver	4,192,346	-	-	-	4,192,346
Total external customers revenue	67,052,790	180,564,056	205,202,952	-	452,819,798
Movement in provisional pricing	(3,744,982)	1,151,798	5,149,077	-	2,555,893
Revenue, net	63,307,808	181,715,854	210,352,029	-	455,375,691
Cost of revenue	(97,414,102)	(91,139,112)	(113,451,368)	-	(302,004,582)
Gross (loss)/profit	(34,106,294)	90,576,742	96,900,661	-	153,371,109
Selling and marketing expenses	(2,145,137)	(166,421)	(7,936,873)	-	(10,248,431)
General and administrative expenses	-	-	-	(26,664,777)	(26,664,777)
Operating (loss)/profit	(36,251,431)	90,410,321	88,963,788	(26,664,777)	116,457,901
Finance costs	(375,744)	(378,620)	(375,744)	(2,303,775)	(3,433,883)
Profit/(loss) before zakat, income tax and severance fees	(36,627,175)	90,031,701	88,588,044	(28,968,552)	113,024,018
Zakat, income tax and severance fees	-	-	-	(18,262,182)	(18,262,182)
Net profit/(loss) for the period	(36,627,175)	90,031,701	88,588,044	(47,230,734)	94,761,836
Other comprehensive loss for the period	-	-	-	3,746	3,746
Total comprehensive (loss)/income for the period	(36,627,175)	90,031,701	88,588,044	(47,226,988)	94,765,582

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

At 30 June 2026

(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 six-month period ended 30 June 2025:</u>					
Revenue					
Copper	95,829,802	-	61,116,142	-	156,945,944
Zinc	49,659,296	-	83,835,478	-	133,494,774
Gold	19,004,309	167,100,646	-	-	186,104,955
Silver	2,706,154	-	-	-	2,706,154
Total external customers revenue	167,199,561	167,100,646	144,951,620	-	479,251,827
Movement in provisional pricing	(3,397,942)	7,463,075	(4,981,274)	-	(916,141)
Revenue, net	163,801,619	174,563,721	139,970,346	-	478,335,686
Cost of revenue	(118,821,713)	(85,705,092)	(79,428,760)	-	(283,955,565)
Gross profit/(loss)	44,979,906	88,858,629	60,541,586	-	194,380,121
Selling and marketing expenses	(5,444,378)	(495,012)	(5,440,375)	-	(11,379,765)
General and administrative expenses	-	-	-	(23,867,164)	(23,867,164)
Operating profit/(loss)	39,535,528	88,363,617	55,101,211	(23,867,164)	159,133,192
Finance costs	(907,161)	(611,240)	(331,514)	-	(1,849,915)
Profit / (loss) before zakat, income tax and severance fees	38,628,367	87,752,377	54,769,697	(23,867,164)	157,283,277
Zakat, income tax and severance fees	-	-	-	(28,996,007)	(28,996,007)
Net profit/(loss) for the period	38,628,367	87,752,377	54,769,697	(52,863,171)	128,287,270
Other comprehensive loss for the period	-	-	-	(556,653)	(556,653)
Total comprehensive income for the period	38,628,367	87,752,377	54,769,697	(53,419,824)	127,730,617
<u>As at 30 June 2026</u>					
Segment assets	626,446,492	302,209,914	520,599,093	303,282,068	1,752,537,567
Segment liabilities	27,223,941	28,874,884	-	275,596,218	331,695,043
<u>As at 31 December 2025</u>					
Segment assets	610,674,592	228,127,106	484,442,432	224,951,105	1,548,195,235
Segment liabilities	29,857,116	34,189,640	-	158,517,015	222,563,771

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

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

At 30 June 2026

(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 30 June 2026:</u>					
Revenue					
Copper	33,665,329	-	51,149,928	-	84,815,257
Zinc	17,452,946	-	53,434,830	-	70,887,776
Gold	3,549,423	74,707,024	-	-	78,256,447
Silver	2,058,172	-	-	-	2,058,172
Total external customers revenue	56,725,870	74,707,024	104,584,758	-	236,017,652
Movement in provisional pricing	(2,211,449)	(4,372,361)	7,533,122	-	949,312
Revenue, net	54,514,421	70,334,663	112,117,880	-	236,966,964
Cost of revenue	(58,895,175)	(47,156,487)	(65,349,344)	-	(171,401,006)
Gross (loss)/profit	(4,380,754)	23,178,176	46,768,536	-	65,565,958
Selling and marketing expenses	(1,666,395)	(166,421)	(3,755,726)	-	(5,588,542)
General and administrative expenses	-	-	-	(15,663,662)	(15,663,662)
Operating (loss)/profit	(6,047,149)	23,011,755	43,012,810	(15,663,662)	44,313,754
Finance costs	(179,326)	35,720	(179,326)	(1,592,290)	(1,915,222)
Profit/(loss) before zakat, income tax and severance fees	(6,226,475)	23,047,475	42,833,484	(17,255,952)	42,398,532
Zakat, income tax and severance fees	-	-	-	(7,740,744)	(7,740,744)
Profit/(loss) for the period	(6,226,475)	23,047,475	42,833,484	(24,996,696)	34,657,788
Other comprehensive loss for the period	-	-	-	(175,124)	(175,124)
Total comprehensive income for the period	(6,226,475)	23,047,475	42,833,484	(25,171,820)	34,482,664

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

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

At 30 June 2026

(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 30 June 2025:</u>					
Revenue					
Copper	53,937,127	-	35,457,468	-	89,394,595
Zinc	23,736,402	-	40,889,539	-	64,625,941
Gold	13,392,147	97,845,585	-	-	111,237,732
Silver	1,868,095	-	-	-	1,868,095
Total external customers revenue	92,933,771	97,845,585	76,347,007	-	267,126,363
Movement in provisional pricing	(3,857,033)	1,500,901	(6,206,943)	-	(8,563,075)
Revenue, net	89,076,738	99,346,486	70,140,064	-	258,563,288
Direct costs	(61,174,281)	(44,970,844)	(41,992,505)	-	(148,137,630)
Gross profit	27,902,457	54,375,642	28,147,559	-	110,425,658
Selling and marketing expenses	(3,016,348)	(438,296)	(2,945,147)	-	(6,399,791)
General and administrative expenses	-	-	-	(13,007,716)	(13,007,716)
Operating profit	24,886,109	53,937,346	25,202,412	(13,007,716)	91,018,151
Finance costs	(782,790)	(24,332)	(150,688)	-	(957,810)
Profit before zakat, income tax and severance fees	24,103,319	53,913,014	25,051,724	(13,007,716)	90,060,341
Zakat, income tax and severance fees	-	-	-	(17,012,720)	(17,012,720)
Net profit for the period	24,103,319	53,913,014	25,051,724	(30,020,436)	73,047,621
Other comprehensive loss for the period	-	-	-	940,875	940,875
Total comprehensive income for the period	24,103,319	53,913,014	25,051,724	(29,079,561)	73,988,496

During the six-month period ended 30 June 2026, the Al Masane Mine segment incurred a net loss of SR 36,627,168 (30 June 2025: net profit of SR 38,792,987 million). The decline in profitability was principally attributable to the temporary suspension of operations at the Al Masane processing plant during the period from January to April 2026. The Group has resumed operations at the Al Masane processing plant and continues to execute its mine planning and operational optimization initiatives. Management continues to monitor the operational and financial performance of the segment and assess the recoverability of the related mining assets in accordance with the requirements of IFRS Accounting Standards.

AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (continued)
At 30 June 2026
(All amounts in Saudi Riyals unless otherwise stated)

4 MINE PROPERTIES

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Cost:		
At the beginning of the period/year	1,187,370,197	1,019,316,688
Additions during the period/year	68,134,107	168,053,509
Adjustment to deferred mine closure cost	(453,540)	-
Transfers to property, plant and equipment	7,792,239	-
	<u>1,262,843,003</u>	<u>1,187,370,197</u>
Depreciation:		
At the beginning of the period/year	842,523,331	717,208,040
Charge for the period/year	29,481,654	125,315,291
	<u>872,004,985</u>	<u>842,523,331</u>
Net book amounts:		
At the end of the period/year	<u><u>390,838,018</u></u>	<u><u>344,846,866</u></u>

The carrying amount of mine under construction included in mine properties as at 30 June 2026 was SR 87,867,552 (31 December 2025: SR 58,263,507) which represents exploration and evaluation expenses capitalized.

5 PROPERTY, PLANT AND EQUIPMENT

During the six-month period ended 30 June 2026, the Group purchased assets with a cost of SR 14,048,338 (30 June 2025: SR 16,052,144), excluding capital work in progress. As at 30 June 2026, capital work-in-progress amounted to SR 127,613,362 (31 December 2025: SR 25,808,335). The balance primarily relates to the capitalization of costs incurred on the electricity grid project amounting to SR 83,199,644, drilling machinery amounting to SR 16,419,168, and other equipment amounting to SR 27,994,550.

The depreciation charge for the six-month period ended 30 June 2026 amounted to SR 53,444,113 (30 June 2025: SR 58,955,958).

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

6 CASH AND CASH EQUIVALENTS

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Bank balances	11,678,631	14,450,877
Cash in hand	91,640	96,640
	<u><u>11,770,271</u></u>	<u><u>14,547,517</u></u>

AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (continued)
At 30 June 2026
(All amounts in Saudi Riyals unless otherwise stated)

7 EQUITY

7.1 Share capital

Share capital of the Group is divided into 90 million shares of SR 10 each as at 30 June 2026 and 31 December 2025.

7.2 Share based compensation reserve

During the year ended 31 December 2023, the Group 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 Group's ordinary shares on the date of grant for equity-settled awards i.e. 30 April 2023G.

During the year ended 31 December 2024, the Group 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 Group's ordinary shares on the date of grant for equity-settled awards i.e., 1 September 2024.

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

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
<i>Equity settled share-based compensation expense:</i>		
Share-based compensation reserve at beginning of the period/year	1,628,774	1,807,951
Share-based compensation expense for the period/year	445,478	1,355,730
Shares issued during the period/year	-	(1,534,907)
Share-based compensation reserve at the end of the period/year	2,074,252	1,628,774

7.3 Issuance of right shares

During the period ended 30 June 2026, the Board of Directors resolved to recommend to the shareholders, through an General Assembly, an increase in the Company's share capital by way of a rights issue with intended gross proceeds of approximately SR 680 million. The proposed capital increase is aimed at supporting the Company's strategic growth initiatives, providing funding for its long-term sustainability and expansion plans. The implementation of the rights issue remains subject to obtaining approval of the relevant regulatory authorities.

8 LOANS AND BORROWINGS

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Saudi Industrial Development Fund (SIDF) (note 5)	21,504,759	28,621,803
Less: Current portion shown under current liabilities	(11,000,000)	(12,500,000)
Loans and borrowings under non-current liabilities	10,504,759	16,121,803

- i) The Group 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 Group's property, plant and equipment.
- 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 Group 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 30 June 2026, there has been no non-compliance with any of the covenants.

AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (continued)
At 30 June 2026
(All amounts in Saudi Riyals unless otherwise stated)

9 GOVERNMENT GRANTS

The Group entered into an agreement under the Liquid Fuel Displacement Program (the “Program”) to undertake a project involving the construction of an electricity transmission station and installation of internal connectivity infrastructure to connect its operational site to the national transmission grid.

The project forms part of the broader Liquid Fuel Substitution Program and is intended to enable the supply of electrical power to the Group’s facilities. Under the terms of the arrangement, eligible project costs are reimbursable by the Government, subject to the conditions and approval requirements specified in the Program.

The total estimated cost of the project is approximately SAR 87 million. During the six-month period ended 30 June 2026, the Group received government grant funding of SAR 6.1 million, which has been recognised as deferred government grant in the interim condensed consolidated statement of financial position and will be recognised in profit or loss over the useful life of the related assets in accordance with the Group’s accounting policy.

As at 30 June 2026, the carrying amount of deferred government grants amounted to SAR 6,099,460.

There are no unfulfilled conditions or contingencies attached to the government grants recognised as at 30 June 2026. Any remaining project costs will be assessed for recognition as and when the relevant recognition criteria are met..

10 SHORT TERM BORROWINGS

The Group has short term working capital facilities from local banks consisting of short-term loans. The short-term facilities are guaranteed by promissory notes on demand. The commission is payable on the amount of the borrowing drawdowns and is mainly calculated at a market rate plus a margin.

11 EMPLOYEE BENEFITS

General description of the plan

The Group 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:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period/year	20,193,678	15,716,418
<i>Included in interim condensed statement of profit or loss</i>		
Current service cost	1,906,192	4,333,768
Interest cost	492,828	765,099
	2,399,020	5,098,867
<i>Included in interim condensed statement of other comprehensive income/(loss)</i>		
Actuarial loss	(3,611)	1,664,611
Benefits paid	(961,153)	(2,286,218)
Balance at the end of the period/year	21,627,934	20,193,678

	Three-month period ended 30 June		Six-month period ended 30 June	
	2026	2025	2026	2025
Current service cost	996,906	1,375,436	1,906,192	2,317,140
Interest cost on defined benefits obligation	244,151	194,125	492,828	394,962
Actuarial (gain)/loss	182,331	(907,753)	(3,611)	650,297

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

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Discount rate	5.00%	5.00%
Salary increase rate	5.00%	5.00%

AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (continued)

At 30 June 2026

(All amounts in Saudi Riyals unless otherwise stated)

12 ZAKAT, INCOME TAX AND DEFERRED TAX

12.1 Zakat

	<i>Three-month period ended 30 June</i>		<i>Six-month period ended 30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Zakat relating to current period	1,431,087	5,001,707	2,657,357	6,427,458
Zakat adjustment relating to previous year	35,949	(2,863,944)	35,949	(2,863,944)
	1,467,036	2,137,763	2,693,306	3,563,514

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

	<i>30 June</i>	<i>31 December</i>
	<i>2026</i>	<i>2025</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Balance at the beginning of the period/year	5,853,093	6,951,264
Net charge for the period/year	2,693,306	3,015,260
Payments during the period/year	(5,889,041)	(4,113,431)
Balance at the end of the period/year	2,657,358	5,853,093

12.2 Income tax

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Income tax relating to current period	751,421	1,941,639	2,371,649	3,941,947
Income tax adjustment relating to previous year	439,355	266,215	439,355	266,215
	1,190,776	2,207,854	2,811,004	4,208,162

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

	<i>30 June</i>	<i>31 December</i>
	<i>2026</i>	<i>2025</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Balance at the beginning of the period/year	4,260,690	4,668,741
Net charge for the period/year	2,811,004	9,974,657
Payments during the period/year	(4,700,046)	(10,382,708)
Balance at the end of the period/year	2,371,648	4,260,690

AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (continued)
At 30 June 2026
(All amounts in Saudi Riyals unless otherwise stated)

12 ZAKAT, INCOME TAX AND DEFERRED TAX (continued)

12.3 Deferred tax

	<i>Three-month period ended</i>		<i>Six-month period ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Deferred tax relating to current period	(1,614,757)	683,577	(1,668,750)	1,321,927
Deferred tax relating to other comprehensive income	7,207	(33,122)	135	(93,644)
	(1,607,550)	650,455	(1,668,615)	1,228,283

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

	<i>30 June</i>	<i>31 December</i>
	<i>2026</i>	<i>2025</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Balance at the beginning of the period/year	30,764,863	32,317,001
Charge during the period/year	(1,668,615)	(1,615,445)
Credit to other comprehensive income	135	63,307
Balance at the end of the period/year	29,096,383	30,764,863

Components of deferred tax are as follows:

	<i>30 June</i>	<i>31 December</i>
	<i>2026</i>	<i>2025</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
Carryforward tax losses	21,505,592	22,263,462
Difference in accounting and tax base of property, plant and equipment	4,038,058	5,176,068
Provisions	2,743,647	2,574,972
Employee benefits	811,481	761,154
Right of use and lease Liabilities	(2,395)	(10,793)
Net deferred tax asset	29,096,383	30,764,863

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, 2022 and 2023. The Group submitted the zakat and income tax return for the year 2025 and obtained the zakat certificate which is valid till 30 April 2027.

AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (continued)
At 30 June 2026
(All amounts in Saudi Riyals unless otherwise stated)

13 PROVISION FOR SEVERANCE FEES

	<i>Three-month period ended 30 June</i>		<i>Six-month period ended 30 June</i>	
	2026	2025	2026	2025
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Severance fees relating to current year	5,869,997	9,952,681	14,741,297	20,055,163
Severance fees relating to prior year	59,829	3,433,369	59,829	3,433,369
Less: classified under cost of revenue	(2,454,444)	(1,402,524)	(3,711,869)	(3,586,128)
	3,475,382	11,983,526	11,089,257	19,902,404

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

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period/year	32,212,611	23,549,994
Net charge for the period / year, net	14,801,126	74,041,579
Paid during the period / year	(8,000,162)	(65,378,962)
	39,013,575	32,212,611

14 REVENUE, NET

	<i>Three-month period ended 30 June</i>		<i>Six-month period ended 30 June</i>	
	2026	2025	2026	2025
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Revenue from contracts with customers:				
Copper concentrate	84,815,257	89,394,595	145,207,952	156,945,943
Zinc concentrate	70,887,776	64,625,941	111,113,275	133,494,774
Precious metals	80,314,619	113,105,827	196,498,571	188,811,110
	236,017,652	267,126,363	452,819,798	479,251,827
Movement in provisional pricing adjustments during the period	949,312	(8,563,075)	2,555,893	(916,141)
	236,966,964	258,563,288	455,375,691	478,335,686

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

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

At 30 June 2026

(All amounts in Saudi Riyals unless otherwise stated)

15 RELATED PARTY TRANSACTIONS AND BALANCES

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

<i>Related party</i>	<i>Relationship</i>	<i>Nature of transaction</i>	<i>Transactions Three-month period ended 30 June</i>		<i>Transactions Six-month period ended 30 June</i>	
			<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
Najran Mineral Water Company Limited	Other related party	Water charges	30,446	28,808	60,294	45,884

Due to Related Party

	<i>30 June 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Najran Mineral Water Company Limited	10,062	-
	10,062	-

Key management compensations

Compensation for key management is as follows:

	<i>Three-month period ended 30 June</i>		<i>Six-month period ended 30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
Salaries and other benefits	757,675	1,806,038	2,600,925	3,612,076
End of service benefits	32,134	11,862	59,598	40,158
	789,809	1,817,900	2,660,523	3,652,234

AL MASANE AL KOBRA MINING COMPANY (A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (continued)
At 30 June 2026
(All amounts in Saudi Riyals unless otherwise stated)

16 CONTINGENCIES AND COMMITMENTS

Contingencies

- The Group has bank guarantees of SR 25,511,484 as at 30 June 2026 (31 December 2025: SR 26,011,484).
- During the period ended 30 June 2026, two legal cases were initiated in the court by a contractor against the Group. Based on the assessment of management and the Company's legal advisors, it is not considered probable that these matters will result in a material outflow of economic resources.

Commitments

At 30 June 2026, the Group has future commitments amounting to SR 73 million (31 December 2025: SR 161 million).

17 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the Group 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</i> <i>30 June</i>		<i>Six-month period ended</i> <i>30 June</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>
Net profit for the period attributable to ordinary shareholders	34,657,788	73,047,621	94,761,836	128,287,270
Weighted average number of ordinary shares for the purposes of calculating basic earnings per share	88,560,562	88,544,036	88,560,562	88,544,036
Basic and diluted earnings per ordinary share	0.39	0.82	1.07	1.45

18 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 Group.

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 Group 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.

18 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

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 30 June 2026 and year ended 31 December 2025, there were no movements between the levels.

Fair values of the Group'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 30 June 2026 and 31 December 2025, the carrying amounts of loans and borrowings were not materially different from their calculated fair values.

19 GEOPOLITICAL DEVELOPMENTS

During the period, geopolitical tensions in certain parts of the Middle East region intensified, resulting in disruptions to regional transportation networks and consequent inflationary pressure on transportation and logistics costs. In response, the Group implemented appropriate operational measures, including the use of alternative transportation routes where necessary, to maintain continuity of supply and operations.

The Group has assessed the potential implications of these developments on its operations, financial position, and financial performance. Based on information available as at the reporting date, and considering the continued and uninterrupted conduct of the Group's core business activities, management has concluded that these developments did not have a material impact on the Group's results for the period ended 30 June 2026.

The Group will continue to monitor the situation and assess any potential future effects on its operating conditions, supply chain arrangements, and cost structure in subsequent reporting periods, and will reflect any material impact in future financial statements as appropriate.

Management has further evaluated the impact of these developments on the Group's ability to continue as a going concern and has concluded that the going concern basis of preparation remains appropriate.

20 SUBSEQUENT EVENTS

There have been no significant subsequent events since the period ended 30 June 2026, which would have a material impact on the financial position of the Group as reflected in these financial statements.

21 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements have been authorized by the Board of Directors on 28 July 2026G, corresponding to 14 Safar 1448H.