RAK

CERAMICS

Condensed Consolidated Interim Financial Information

30 June 2026

RAK Ceramics PJSC and its Subsidiaries

Condensed consolidated interim financial information
30 June 2026

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Dear Members,

It is our pleasure to present the business & operations report for the six months period ended 30 June 2026, along with the interim condensed consolidated financial information of RAK Ceramics PJSC, UAE (the "Group" or the "Company") as at 30 June 2026.

RAK Ceramics delivered a stable Q2 2026 performance despite a challenging quarter marked by regional geopolitical tensions, supply chain disruptions, and elevated logistics costs. Strong demand across the UAE, KSA, and Bangladesh, together with proactive management actions and disciplined execution, helped maintain business continuity and profitability.

Throughout this period, the priority was clear: increasing the market share across the region, while making every effort to support customers in other markets. Backed by the strong brand, product quality, and regional manufacturing footprint, the Company responded quickly to changing market conditions, leveraging locally sourced raw materials, alternative logistics routes, and other practical solutions to maintain reliable supply and service across its network.

Group Financial Highlights

- **Group Revenue:** reached AED 822.8 million in Q2 2026, demonstrating the Group's resilience and ability to effectively navigate a challenging operating environment.
- **Gross profit margin:** Gross profit margin increased to 41.0% in Q2 2026, compared to 40.6% in Q2 2025; supported by higher sales in the UAE and Bangladesh along with favorable product mix.
- **Net profit after tax**: increased by 2.9% YoY to AED 68.3 million in Q2 2026, from AED 66.4 million in Q2 2025.
- **EBITDA:** stood at AED 157.5 million in Q2 2026, from AED 160.8 million in Q2 2025.
- **Financial Health**: Net Debt decreased by 2.6% YoY to AED 1.52 billion in June 2026, Net debt to EBITDA stood at 2.48x, compared to 2.53x in March 2026.
- The Board of Directors proposed an interim dividend distribution of 10 fils per share (AED 99.3 million) for H1 2026.

Financial Highlights

The Group remained focused on strengthening its market share across the region while making every effort to support customers in other markets. As a regional manufacturer with strong production and distribution capabilities, RAK Ceramics maintained consistent product availability and reliable service delivery across its network, supporting customers, partners, and the wider ecosystem throughout the period. These efforts reinforced customer confidence and demonstrated the Group's ability to effectively navigate a challenging operating environment.

In Q2 2026, **total revenue** was AED 822.8 million, a marginal decline of 0.5% YoY from AED 826.8 million in Q2 2025. For H1 2026, total revenue stood at AED 1,583.5 million, down 1.2% compared to AED 1,603.3 million in H1 2025.

In Q2 2026, **Gross profit** margin increased to 41.0%, compared to 40.6% in Q2 2025. For H1 2026, Gross profit margin remained stable at 40.2%, in line with H1 2025.

In Q2 2026, **Profit before tax** declined marginally by 1.1% YoY to AED 85.7 million, compared to AED 86.7 million in Q2 2025. For H1 2026, Profit before tax declined by 8.3% YoY to AED 138.7 million, compared to AED 151.2 million in H1 2025

In Q2 2026, **Net profit after tax** increased by 2.9% YoY to AED 68.3 million, from AED 66.4 million in Q2 2025. For H1 2026, Net profit after tax declined by 7.6% YoY to AED 106.5 million, compared to AED 115.2 million in H1 2025

In Q2 2026, **EBITDA** declined marginally by 2.0% to AED 157.5 million from AED 160.8 million in Q2 2025. For H1 2026, EBITDA declined by 3.9% YoY to AED 284.8 million, compared to AED 296.4 million in H1 2025

Net debt position stood at AED 1.52 billion, down by 2.6% YoY. Net debt to EBITDA stood at 2.48x from 2.53x in March 2026.

Financial highlights

	Quarterly comparison					Yearly Comparison		
	Q2 25	Q1 26	Q2 26			6M 2025	6M 2026	
Amount in AED M	Amount	Amount	Amount	YoY Growth	QoQ Growth	Amount	Amount	YoY Growth
Revenue	826.8	760.7	**822.8**	-0.5%	8.2%	1,603.3	**1,583.5**	-1.2%
Gross margin (%)	40.6%	39.4%	**41.0%**	0.4%	1.7%	40.2%	**40.2%**	0.1%
EBITDA	160.8	127.3	**157.5**	-2.0%	23.8%	296.4	**284.8**	-3.9%
Profit before tax	86.7	53.0	**85.7**	-1.1%	61.8%	151.2	**138.7**	-8.3%
Profit after tax	66.4	38.2	**68.3**	2.9%	78.6%	115.2	**106.5**	-7.6%
Capital expenditure	59.6	42.8	**57.3**	-3.9%	33.9%	156.2	**100.1**	-35.9%
Net debt	1,555.6	1,556.3	**1,515.3**	-2.6%	-2.6%	1,555.6	**1,515.3**	-2.6%
Net debt / EBITDA	2.59x	2.53x	**2.48x**	-0.11x	-0.05x	2.59x	**2.48x**	-0.11x

Segment performance highlights

- **Tiles segment**: Revenue in the Tiles segment increased by 1.7% to AED 482.5 million in Q2 2026, on account higher sales in UAE, KSA and Bangladesh. Continued investment in product innovation and manufacturing technology supported portfolio enhancement and operating efficiency.
- **Sanitaryware:** Revenue decreased by 6.9% YoY to AED 113.1 million in Q2 2026, on account of lower sales in the India, Europe and other export markets. The Kludi-branded Sanitaryware is further driving growth by catering to premium projects.
- **Faucets (KLUDI):** Delivered revenue growth of 2.5% YoY to AED 125.4 million in Q2 2026, primarily driven by higher sales in all the markets except Asia and Africa due to the impact of ongoing regional conflicts. We remain committed to improving KLUDI's operational performance and are progressing with our cost-optimization strategy.
- **Tableware**: Revenue declined 13.3% YoY to AED 73.6 million in Q2 2026, driven by ongoing regional conflicts that weakened hospitality demand and tourism across the UAE and GCC markets. Export demand remained firm. During the quarter, Cookplay integration progressed well, supporting portfolio premiumization and design-led growth.

Tiles & Sanitaryware market highlights

- The **UAE** market remained strong during Q2 2026, with revenue up 22.7% YoY to AED 298.2 million, despite ongoing regional conflicts supported by robust real estate and construction activity. Import disruptions due to regional tensions are creating opportunities for market share gains.
- In **Saudi Arabia**, revenue increased by 11.6% YoY in Q2 2026 to AED 60.8 million, primarily on account of strategic shift from volume base (ceramic) to quality of sales (Gres Porcelain) supporting value-led growth. We are making steady progress on the Greenfield Tiles Project in Yanbu - expected completion by Q2 2027, to support long term capacity and cost competitiveness.
- In **Europe**, revenue declined by 35.7% YoY to AED 57.8 million in Q2 2026, primarily due to ongoing regional conflicts that disrupted supplies from the UAE and increased export freight costs. Despite these challenges, RAK Ceramics leveraged inventory buffers to maintain service levels.
- In **India,** revenue declined by 15.8% (in local currency -6.4%) YoY to AED 73.7 million in Q2 2026, mainly due to temporary production disruption caused by industry-wide gas shortages in Morbi. However, the industry demonstrated resilience with a rapid restart by June. We continue to advance strategic initiatives to improve profitability and accelerate market expansion in India
- In **Bangladesh**, revenue increased 20.7% YoY to AED 59.0 million in Q2 2026, supported by strong domestic demand despite the impact of Eid holidays in May. We have initiated targeted actions to increase market share through a focused value creation plan.

- In the **Middle East**, revenue in Q2 2026 declined 5.8% YoY to AED 35.4 million, driven by lower demand in the Gulf region due to ongoing regional conflicts. However, import disruptions from regional tensions are expected to support market share gains.

Strategic Highlights

Manufacturing and Operations:

- The Group is upgrading the UAE sanitaryware facility by adopting energy-efficient technologies, expanding the product portfolio, and implementing initiatives to reduce carbon emissions in line with our sustainability objectives.

Design Spotlight:

- Strengthened design leadership through participation in Milan Design Week and the launch of the Roberto Cavalli x RAK Ceramics collection

Awards & Recognition

- Recognized with multiple international design awards, including Red Dot, iF Design and German Brand Awards, across the RAK Ceramics, RAK Porcelain and KLUDI brands.
- Group CEO Abdallah Massaad named among Gulf Business' CXO 50 leaders, reinforcing RAK Ceramics' leadership position in the region
- Recognized at the MAJRA Federal Government Awards for excellence in ESG and CSR, reinforcing RAK Ceramics' sustainability leadership

Future Outlook

Looking ahead, the Group remains focused on driving value-led growth, capturing additional market share opportunities in its core markets, and delivering value creation initiatives across the European, India & Bangladesh operations. The Group remains confident in its ability to deliver sustainable long-term value for the stakeholders.

Financial Reporting

The interim condensed consolidated financial information of the Group, prepared in accordance with International Financial Reporting Standards (IFRSs), fairly presents its financial position, the result of its operations, cash flows and changes in equity. Appropriate accounting policies have been consistently applied and accounting estimates are based on reasonable and prudent judgments. There are no matters which call into question the Company's ability to continue as a going concern.

Vote of Thanks

The Board of Directors would like to take this opportunity to thank Government bodies, the shareholders, investors, bankers & employees for their continuous commitment, co-operation, confidence & support in achieving the Company's objectives.

DocuSigned by:

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Chairman

05 AUG 2026

Group Chief Executive Officer

R.A.K Ceramics P.J.S.C. and its subsidiaries

Condensed consolidated interim financial information

for the six months period ended 30 June 2026

R.A.K Ceramics P.J.S.C. and its subsidiaries

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30 June 2026

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Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Information

To the Shareholders of R.A.K Ceramics P.J.S.C

Introduction

We have reviewed the accompanying 30 June 2026 condensed consolidated interim financial information of R.A.K Ceramics P.J.S.C ("the Company") and its subsidiaries ("the Group"), consisting of:

- the condensed consolidated statements of profit or loss for the six-month and three-month periods ended 30 June 2026;
- the condensed consolidated statements of profit or loss and other comprehensive income for the six-month and three-month periods ended 30 June 2026;
- the condensed consolidated statement of financial position as at 30 June 2026;
- the condensed consolidated statement of cash flows for the six-month period ended 30 June 2026;
- the condensed consolidated statement of changes in equity for the six-month period ended 30 June 2026; and
- notes to the condensed consolidated interim financial information.

Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed consolidated interim financial information 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 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 30 June 2026 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited

Richard Ackland
Registration No.: 1015
Ras Al Khaimah, United Arab Emirates

Date: 5 August 2026

KPMG
KPMG Lower Gulf Limited
Ras Al Khaimah - UAE
License No.: RAKIA02FZ302070249

Condensed consolidated statement of profit or loss

For the six months period ended 30 June 2026

		Six months period ended 30 June		Three months period ended 30 June	
	Notes	**2026 AED'000 (unaudited)**	2025* AED'000 (unaudited)	**2026 AED'000 (unaudited)**	2025* AED'000 (unaudited)
Revenue	5	**1,583,508**	1,603,283	**822,822**	826,752
Cost of sales	6	**(946,428)**	(959,305)	**(485,109)**	(490,831)
Gross profit		**637,080**	643,978	**337,713**	335,921
Administrative and general expenses	7	**(127,424)**	(113,842)	**(66,037)**	(58,241)
Selling and distribution expenses	8	**(344,530)**	(357,016)	**(175,383)**	(182,863)
Impairment loss on financial assets	7(i)	**(10,685)**	(14,832)	**(6,698)**	(5,080)
Loss on net monetary position	26	**(815)**	(469)	**(87)**	29
Net foreign exchange gain		-	5,390	**810**	2,141
Net foreign exchange loss		**(3,968)**	-	**-**	-
Net change in fair value of derivatives		**2,550**	(5,977)	**(1,537)**	(2,620)
Other operating income	9	**21,758**	24,844	**17,306**	14,386
Operating profit		**173,966**	182,076	**106,087**	103,673
Share of profit in equity accounted investees	11	**405**	148	**75**	158
Income from investment properties		**21,191**	22,963	**10,271**	11,060
Finance income	10	**1,212**	2,666	**692**	1,972
Operating and maintenance expenses of investment properties		**(4,303)**	(2,960)	**(3,155)**	(1,509)
Depreciation on investment properties		**(5,699)**	(6,387)	**(2,858)**	(3,166)
Gain on sale of investment properties		**1,266**	4,501	**-**	1,351
Profit before financing and income tax		**188,038**	203,007	**111,112**	113,539
Finance cost	10	**(49,316)**	(51,794)	**(25,368)**	(26,866)
Profit before income tax		**138,722**	151,213	**85,744**	86,673
Tax expense	12	**(32,194)**	(35,978)	**(17,432)**	(20,309)
Net profit for the period		**106,528**	115,235	**68,312**	66,364
Profit attributable to:					
Owners of the Company		**102,210**	111,868	**66,312**	65,567
Non-controlling interests		**4,318**	3,367	**2,000**	797
Profit for the period		**106,528**	115,235	**68,312**	66,364
Earnings per share - basic and diluted (AED)	13	**0.103**	0.113	**0.067**	0.066

* The Group has early adopted IFRS 18 Presentation and Disclosure in Financial Statements with effect from 1 January 2026. Accordingly, the previous period numbers are re-grouped for the purpose of presentation and disclosures. (Refer note 32).

The accompanying notes form an integral part of the condensed consolidated interim financial information.

R.A.K Ceramics P.J.S.C. and its subsidiaries

Condensed consolidated statement of financial position

as at 30 June 2026

	Notes	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Assets			
Non-current assets			
Property, plant and equipment	14	1,446,435	1,432,506
Goodwill	15	139,346	124,925
Right-of-use assets		101,437	103,849
Intangible assets		8,456	10,368
Investment properties	16	896,500	896,574
Investments in equity accounted investees	11	10,554	10,326
Long-term receivables	17(i)	46,056	57,575
Derivative financial assets	20	77	241
Deferred tax assets	12	3,661	3,783
Total non-current assets		2,652,522	2,640,147
Current assets			
Inventories	18	1,396,591	1,444,232
Trade and non-trade receivables	17	1,045,154	968,013
Due from related parties	19	68,818	63,364
Derivative financial assets	20	1,844	1,363
Bank deposits with an original maturity of more than three months	21	2,822	855
Restricted cash	21	28,502	11,147
Cash and cash equivalents	21	208,068	184,094
Total current assets		2,751,799	2,673,068
Total assets		5,404,321	5,313,215
Equity and liabilities			
Capital and reserves			
Share capital	22	993,703	993,703
Reserves		1,275,366	1,250,609
Equity attributable to owners of the Company		2,269,069	2,244,312
Non-controlling interests		83,982	85,251
Total equity		2,353,051	2,329,563
Liabilities			
Non-current liabilities			
Islamic bank financing	23a(ii)	304,084	299,318
Interest bearing bank financing	23b(ii)	536,709	531,365
Due to related parties	19	1,426	3,004
Provision for employees' end of service benefits		120,936	119,874
Government grants		3,086	3,449
Lease liabilities		76,201	80,807
Deferred tax liabilities	12	14,678	16,637
Total non-current liabilities		1,057,120	1,054,454
Current liabilities			
Islamic bank financing	23a(i)	302,189	236,844
Interest bearing bank financing	23b(i)	610,328	619,332
Trade and non-trade payables	24	896,383	885,071
Government grants		380	402
Due to related parties	19	46,684	64,618
Derivative financial liabilities	20	-	1,539
Lease liabilities		40,509	37,386
Provision for taxation	12	97,677	84,006
Total current liabilities		1,994,150	1,929,198
Total liabilities		3,051,270	2,983,652
Total equity and liabilities		5,404,321	5,313,215

To the best of our knowledge, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34.

DocuSigned by:

05 AUG 2026

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Chairman

Chief Executive Officer

The accompanying notes form an integral part of the condensed consolidated interim financial information.

Condensed consolidated statement of profit or loss and other comprehensive income

For the six months period ended 30 June 2026

	Six months period ended 30 June		Three months period ended 30 June	
	2026	2025*	**2026**	2025*
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Net profit for the period	**106,528**	115,235	**68,312**	66,364
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Foreign exchange differences on translation of foreign operations	**(3,685)**	(47,845)	**(4,162)**	(35,101)
Cash flow hedges – effective portion of changes in fair value loss on hedging instruments	**234**	(199)	**61**	81
Cash flow hedges – effective portion of changes in fair value loss on hedging instruments – reclassified to profit and loss	**(929)**	(2,236)	**(401)**	(1040)
Effects of application of hyperinflation accounting (Note 26)	**24,299**	7,844	**18,688**	13,979
Total comprehensive income for the period	**126,447**	72,799	**82,498**	44,283
Total comprehensive income attributable to:				
Owners of the Company	**123,533**	71,484	**80,918**	44,211
Non-controlling interest	**2,914**	1,315	**1,580**	72
Total comprehensive income for the period	**126,447**	72,799	**82,498**	44,283

* The Group has early adopted IFRS 18 Presentation and Disclosure in Financial Statements with effect from 1 January 2026. Accordingly, the previous period numbers are re-grouped for the purpose of presentation and disclosures. (Refer note 32).

The accompanying notes form an integral part of the condensed consolidated interim financial information.

Condensed consolidated statement of cash flows
For the six months period ended 30 June 2026

	Six months period ended 30 June	
	2026	2025*
	AED'000	AED'000
	(unaudited)	(unaudited)
Operating activities		
Operating profit for the period	**173,966**	182,626
Adjustments for:		
Depreciation of property, plant and equipment	**80,737**	77,603
Amortisation of intangible assets	**2,015**	2,511
Depreciation of right-of-use assets	**19,508**	19,158
Gain on disposal of property, plant and equipment	**(5,516)**	(2,732)
Provision for employees' end-of-service benefits	**8,182**	9,458
Loss on net monetary position	**815**	469
Allowance for slow moving and obsolete inventories	**19,779**	20,644
Write-down of cost of finished goods	**9,197**	2,494
Impairment loss on trade receivables	**10,066**	7,707
Impairment loss on non-trade receivables	**619**	7,125
	319,368	327,063
Changes in:		
- Inventories	**18,665**	(98,363)
- trade and non-trade receivables (including long-term portion)	**(76,307)**	(208,442)
- due from related parties	**(5,454)**	(10,414)
- trade and non-trade payables	**17,451**	54,704
- due to related parties	**(17,934)**	(707)
Income tax paid	**(5,093)**	106,296
Employees' end-of-service benefits paid	**(6,529)**	(11,132)
Net cash generated from operating activities	**244,167**	159,005
Investing activities		
Additions to property, plant and equipment	**(100,057)**	(156,175)
Proceeds from disposal of property, plant and equipment	**9,678**	4,425
Additions to intangible assets	**(658)**	(5,677)
Proceeds from sale of investment properties	**2,040**	7,176
Dividend received from equity accounted investees	**335**	413
Interest received	**1,212**	2,666
Cash paid for acquisition of subsidiary	**(5,686)**	-
Additional bank deposits made with an original maturity of more than three months	**(22,160)**	(6,049)
Proceeds on maturity of bank deposits with an original maturity of more than three months	**2,838**	2,090
Net cash used in investing activities	**(112,458)**	(151,131)

Condensed consolidated statement of cash flows (unaudited) *(continued)*
For the six months period ended 30 June 2026

	Six months period ended 30 June	
	2026	2025*
	AED'000	AED'000
	(unaudited)	(unaudited)
Financing activities		
Long-term bank financing availed	**110,541**	78,570
Long-term bank financing repaid	**(99,878)**	(96,558)
Long-term Islamic bank financing availed	**60,000**	50,000
Long-term Islamic bank financing repaid	**(69,315)**	(60,495)
Repayment of lease liabilities	**(21,647)**	(14,434)
Short-term bank financing availed	**602,103**	489,587
Short-term bank financing repaid	**(611,826)**	(394,079)
Short-term Islamic bank financing availed	**191,953**	165,070
Short-term Islamic bank financing repaid	**(112,526)**	(132,396)
Interest paid	**(29,532)**	(33,067)
Profit paid on Islamic bank financing	**(12,795)**	(11,719)
Loan from related parties	**(1,578)**	(41)
Dividend paid	**(99,370)**	(99,370)
Dividend paid to non-controlling interests	**(3,589)**	(12,132)
Net cash used in financing activities	**(97,459)**	(71,064)
Net increase / (decrease) in cash and cash equivalents	**34,250**	(63,190)
Cash and cash equivalents at the beginning of the period	**127,198**	129,050
Foreign exchange difference on cash and cash equivalents	**(5,673)**	(2,524)
Net cash and cash equivalents at the end of the period	**155,775**	63,336
Represented by:		
Cash and cash equivalents (refer Note 21)	**208,068**	153,295
Bank overdrafts (refer Note 23b(i))	**(52,293)**	(89,959)
	155,775	63,336

* The Group has early adopted IFRS 18 Presentation and Disclosure in Financial Statements with effect from 1 January 2026. Accordingly, the previous period numbers are re-grouped for the purpose of presentation and disclosures. (Refer note 32).

The accompanying notes form an integral part of the condensed consolidated interim financial information.

Condensed consolidated statement of changes in equity

for the six months period ended 30 June 2026

	Share capital AED'000	Share premium AED'000	Legal reserve AED'000	Translation reserve AED'000	Hyper-inflation reserve* AED'000	Hedging reserve AED'000	Non distributable reserve** AED'000	Retained earnings AED'000	Total reserves AED'000	Total AED'000	Non-controlling interests (NCI) AED'000	Total equity AED'000
Balance at 1 January 2026	**993,703**	**165,000**	**496,852**	**(230,980)**	**(158,497)**	**1,604**	**131,707**	**844,923**	**1,250,609**	**2,244,312**	**85,251**	**2,329,563**
Total comprehensive income/(loss) for the period (unaudited)												
Net profit for the period	-	-	-	-	-	-	-	**102,210**	**102,210**	**102,210**	**4,318**	**106,528**
Other comprehensive income/(loss)												
Foreign exchange differences on translation of foreign operations	-	-	-	**6,383**	**(8,664)**	-	-	-	**(2,281)**	**(2,281)**	**(1,404)**	**(3,685)**
Changes in cash flow hedges	-	-	-	-	-	**(695)**	-	-	**(695)**	**(695)**	-	**(695)**
Effects of application of IAS 29 (refer Note 26)	-	-	-	-	**24,299**	-	-	-	**24,299**	**24,299**	-	**24,299**
Total comprehensive income/(loss) for the period	-	-	-	**6,383**	**15,635**	**(695)**	-	**102,210**	**123,533**	**123,533**	**2,914**	**126,447**
Other equity movements (unaudited)												
Transaction with owners												
Acquisition of NCI	-	-	-	-	-	-	-	**594**	**594**	**594**	**(594)**	-
Dividend paid (refer Note 22(i))	-	-	-	-	-	-	-	**(99,370)**	**(99,370)**	**(99,370)**	-	**(99,370)**
Dividend paid to NCI	-	-	-	-	-	-	-	-	-	-	**(3,589)**	**(3,589)**
Balance at 30 June 2026 (unaudited)	**993,703**	**165,000**	**496,852**	**(224,597)**	**(142,862)**	**909**	**131,707**	**848,357**	**1,275,366**	**2,269,069**	**83,982**	**2,353,051**

* The hyperinflation reserve comprises of foreign currency differences arising from the translation of the financial statements of RAK Ceramics (PJSC) Limited, Iran and the effect of translating the financial statements at the corresponding inflation index in accordance with IAS 29: Financial Reporting in Hyperinflationary Economies.

** Non-distributable reserve includes (i) the Group's share worth AED 56.7 million in the share premium of its subsidiary in Bangladesh, and (ii) the Group's share of retained earnings worth AED 75.0 million of the retained earnings capitalised by certain Group subsidiaries through issuance of bonus shares from time to time.

The accompanying notes form an integral part of the condensed consolidated interim financial information.

Condensed consolidated statement of changes in equity *(continued)*
for the six months period ended 30 June 2026

	Share capital	Share premium	Legal reserve	Translation reserve	Hyper-inflation reserve*	Hedging reserve	Non distributable reserve**	Retained earnings	Total reserves	Total	Non-controlling interests (NCI)	Total equity
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Balance at 1 January 2025	993,703	221,667	496,852	(203,683)	(153,419)	5,599	75,040	799,948	1,242,004	2,235,707	95,335	2,331,042
Total comprehensive income/(loss) for the period (unaudited)												
Net profit for the period	-	-	-	-	-	-	-	111,868	111,868	111,868	3,367	115,235
Other comprehensive income/(loss)												
Foreign exchange differences on translation of foreign operations	-	-	-	(25,901)	(19,892)	-	-	-	(45,793)	(45,793)	(2,052)	(47,845)
Changes in cash flow hedges	-	-	-	-	-	(2,435)	-	-	(2,435)	(2,435)	-	(2,435)
Effects of application of IAS 29 (refer Note 26)	-	-	-	-	7,844	-	-	-	7,844	7,844	-	7,844
Total comprehensive income/(loss) for the period	-	-	-	(25,901)	(12,048)	(2,435)	-	111,868	71,484	71,484	1,315	72,799
Other equity movements (unaudited)												
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
Transaction with owners (unaudited)												
Dividend paid (refer Note 22(i))	-	-	-	-	-	-	-	(99,370)	(99,370)	(99,370)	-	(99,370)
Dividend paid to NCI	-	-	-	-	-	-	-	-	-	-	(12,132)	(12,132)
Balance at 30 June 2025 (unaudited)	993,703	221,667	496,852	(229,584)	(165,467)	3,164	75,040	812,446	1,214,118	2,207,821	84,518	2,292,339

* The hyperinflation reserve comprises of foreign currency differences arising from the translation of the financial statements of RAK Ceramics (PJSC) Limited, Iran and the effect of translating the financial statements at the corresponding inflation index in accordance with IAS 29: Financial Reporting in Hyperinflationary Economies.

** Non-distributable reserve includes (i) the Group's share worth AED 56.7 million in the share premium of its subsidiary in Bangladesh, and (ii) the Group's share of retained earnings worth AED 75.0 million of the retained earnings capitalised by certain Group subsidiaries through issuance of bonus shares from time to time.

The accompanying notes form an integral part of the condensed consolidated interim financial information.

1. General information

R.A.K Ceramics P.J.S.C. (the "Company" or the "Holding Company") was incorporated under Emiri Decree No. 6/89 dated 26 March 1989 as a limited liability company in the Emirate of Ras Al Khaimah, UAE. Subsequently, under Emiri Decree No. 9/91 dated 6 July 1991, the legal status of the Company was changed to a Public Shareholding Company. The registered address of the Company is P.O. Box 4714, Al Jazeerah Al Hamra City, Ras Al Khaimah, United Arab Emirates. The Company is listed on Abu Dhabi Securities Exchange, UAE.

The condensed consolidated interim financial information as at and for the six months period ended 30 June 2026 comprises the financial information of the Company and its subsidiaries (collectively referred to as the "Group" and individually as "Group entities") and the Group's interest in equity accounted investees.

The principal activities of the Group are the manufacturing and sale of a variety of ceramic products including tiles, bathroom sets, sanitary wares, table wares and faucets. The Company and certain Group entities are also engaged in investing in other entities; within the UAE as well as globally, that undertake similar or ancillary activities. Accordingly, the Company also acts as a Holding Company of the Group entities. The Group is also engaged in contracting and other industrial manufacturing activities.

2. Application of new and revised Financial Reporting Standards ("IFRS accounting standards")

The accounting policies used in the preparation of the condensed consolidated interim financial information are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, and the notes attached thereto, except for the adoption of certain new and revised standards, that became effective in the current period as set out below.

2.1 New and revised IFRSs Accounting Standards adopted by the Group

In the current financial period, the Group has applied the following amendments to IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") that are mandatorily effective for an accounting period that begins on or after 1 January 2026. The application of these amendments to IFRS Accounting Standards has not had any material impact on the amounts reported for the current period but may affect the accounting for the Group's future transactions or arrangements.

- Amendments to IFRS 7 & IFRS 9 on Financial Instruments with ESG-linked features, Classification and measurement of ESG-linked loans and bonds (e.g., interest rates tied to sustainability targets). (Effective Date: 1 January 2026).

- Annual Improvements to IFRS Accounting Standards — Volume 11 (effective on or after 1 January 2026):

IFRS 1: Hedge accounting by a first-time adopter
IFRS 7: Gain or loss on de-recognition
IFRS 7: Disclosure of deferred difference between fair value and transaction price
IFRS 7: Credit risk disclosures
IFRS 9: Lessee de-recognition of lease liabilities
IFRS 9: Transaction price
IFRS 10: Determination of a 'de facto agent'
IAS 7: Cost method

2. Application of new and revised Financial Reporting Standards ("IFRS accounting standards") *(continued)*

2.1 New and revised IFRSs Accounting Standards adopted by the Group *(continued)*

- IFRS 18 Presentation and disclosures in financial statements - The new standard contains requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements (effective 1 January 2027). The Group has early adopted with effect from 1 January 2026.

Other than the above, there are no significant IFRS Accounting Standards and amendments that were effective for the first time for the financial year beginning on or after 1 January 2026.

2.2 New and revised IFRS Accounting Standards in issue but not yet effective and not early adopted

The Group has not early adopted the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

- IFRS 19 subsidiaries without Public Accountability: Disclosures – the new standard specifies reduced disclosure requirements to eligible entities instead of full disclosure requirements in other standards (effective 1 January 2027).

- Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (2011) relating to the treatment of the sale or contribution of assets from an investor to its associate or joint venture (effective date deferred indefinitely, early adoption permitted).

- IFRS 20 requires an entity that is subject to a regulatory agreement to provide information about its regulatory assets, regulatory liabilities, regulatory income and regulatory expense. IFRS 20 is effective for annual reporting periods beginning on or after 1 January 2029.

- IFRS for SMEs - Major update to align SME (Small & Medium Enterprises) reporting with key principles of:

IFRS 15 – Revenue from Contracts,
IFRS 13 – Fair Value, and
IFRS 3 – Business Combinations (effective 1 January 2027, early adoption allowed from 2025)

3. Summary of material accounting policies

Basis of preparation

The condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard ("IAS") No. 34 'Interim Financial Reporting'.

The condensed consolidated interim financial information is presented in U.A.E. Dirhams (AED) since that is the currency in which the majority of the Group's transactions are denominated and all values are rounded to the nearest thousand (AED '000) except when otherwise indicated.

The condensed consolidated interim financial information has been prepared on the historical cost basis, except for the revaluation of certain financial instruments.

The accounting policies, presentation and methods in the condensed consolidated interim financial information are consistent with those used in the audited annual consolidated financial statements for the year ended 31 December 2025, except early adoption of IFRS 18 with effect from 1 January 2026.

3. Summary of material accounting policies *(continued)*

Basis of preparation *(continued)*

The condensed consolidated interim financial information does not include all the information required for annual consolidated financial statements and should be read in conjunction with the Group's audited annual consolidated financial statements as at and for the year ended 31 December 2025. No income of a seasonal nature was recorded in the condensed consolidated statement of profit or loss for the six months period ended 30 June 2026 and 2025. In addition, results for the six months period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

4. Changes in judgements and estimation uncertainty

The critical judgements and estimates used in the preparation of the condensed consolidated interim financial information are consistent with those used in the preparation of the Group's audited annual consolidated financial statements for the year ended 31 December 2025.

5. Revenue

	Six months period ended 30 June		**Three months period ended 30 June**	
	2026 AED'000 (unaudited)	2025 AED'000 (unaudited)	**2026 AED'000 (unaudited)**	2025 AED'000 (unaudited)
Sale of goods	**1,579,435**	1,601,418	**819,725**	825,889
Supply of services	**4,073**	1,865	**3,097**	863
	1,583,508	1,603,283	**822,822**	826,752

The Group derives its revenue from contracts with customers for transfer of goods at a point in time.

6. Cost of sales

	Six months period ended 30 June		Three months period ended 30 June	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Raw materials consumed	**435,018**	480,537	**232,559**	253,468
Direct labor	**125,256**	137,760	**61,588**	67,589
Depreciation of property, plant and equipment	**63,800**	62,686	**31,671**	31,917
Power and fuel	**62,510**	69,258	**30,859**	33,349
LPG and natural gas	**61,707**	66,825	**33,835**	33,119
Repairs and maintenance expense	**54,129**	57,755	**26,630**	29,562
Change in inventory of finished goods	**42,380**	(22,736)	**15,421**	(15,709)
Packing material expenses	**42,476**	47,081	**21,310**	23,083
Allowance for slow moving inventories	**19,779**	20,644	**9,583**	14,658
Insurance	**2,592**	3,136	**1,109**	1,514
Clearing charges on trading goods	**805**	1,095	**416**	548
Hire charges on machinery and equipment	**620**	92	**535**	39
Amortisation of intangible assets	**392**	461	**194**	217
Depreciation of right-of-use assets	**249**	284	**124**	114
Other production expenses*	**34,715**	34,427	**19,275**	17,363
	946,428	959,305	**485,109**	490,831

* Other production expenses include research, development, waste disposal, travelling, telephone etc, across all subsidiaries of the Group.

7. Administrative and general expenses

	Six months period ended 30 June		Three months period ended 30 June	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Staff salaries and associated costs	**67,025**	58,776	**33,637**	29,181
Legal and professional fees	**11,814**	6,927	**5,326**	3,303
Information technology licenses and consultancy expenses	**10,177**	8,899	**5,720**	4,599
Depreciation of property, plant and equipment	**7,775**	5,934	**4,055**	3,097
Repairs and maintenance expenses	**4,282**	3,743	**2,324**	2,070
Telephone, postal and office supplies	**2,814**	3,107	**1,683**	1,693
Utility expenses	**2,615**	2,581	**1,378**	1,475
Directors' remuneration	**1,850**	1,850	**925**	925
Rental charges	**1,775**	1,884	**879**	1,142
Amortisation of intangible assets	**1,623**	2,050	**825**	1,051
Insurance	**1,553**	2,405	**750**	1,083
Security charges	**1,182**	616	**573**	404
Vehicles and equipment hire charges	**818**	726	**575**	425
Depreciation of right-of-use assets	**438**	384	**219**	136
Travelling expense	**340**	560	**23**	108
Other administrative expenses*	**11,343**	13,400	**7,145**	7,549
	127,424	113,842	**66,037**	58,241

* Other administrative expenses include fire, safety, environmental, licenses, certifications, training expenses etc. across all subsidiaries of the Group.

7(i) Impairment loss

	Six months period ended 30 June		Three months period ended 30 June	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Impairment loss on trade receivables	**10,066**	7,707	**6,079**	2,605
Impairment loss on non-trade receivables	**619**	7,125	**619**	2,475
	10,685	14,832	**6,698**	5,080

8. Selling and distribution expenses

	Six months period ended 30 June		Three months period ended 30 June	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Staff salaries and associated costs	**133,443**	127,340	**64,529**	66,802
Freight and transportation	**106,605**	119,338	**59,482**	60,269
Advertisement and promotions expense	**33,187**	41,026	**15,487**	19,359
Depreciation of right-of-use assets	**18,821**	18,490	**9,396**	9,591
Agents' commission	**13,507**	14,849	**5,919**	7,988
Depreciation of property, plant and equipment	**9,162**	8,983	**4,505**	4,496
Rental expenses	**3,767**	2,845	**2,071**	1,365
Travel and entertainment expenses	**3,251**	4,596	**1,487**	2,229
Repairs, maintenance & consumables	**1,539**	1,343	**768**	787
Royalty	**1,020**	1,020	**510**	510
Telephone & office supplies	**574**	584	**293**	316
Postal, courier charge and stationary	**137**	200	**70**	126
Other selling expenses*	**19,517**	16,402	**10,866**	9,025
	344,530	357,016	**175,383**	182,863

* Other selling expenses include inspection, certifications, customer claims, insurance, equipment hire charges etc. across all subsidiaries of the Group.

9. Other operating income

	Six months period ended 30 June		Three months period ended 30 June	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Net gain on disposal of property, plant and equipment	**5,516**	2,732	**5,475**	2,002
Sale of scrap and miscellaneous items	**3,455**	2,743	**1,778**	1,139
Government grant	**1,956**	-	**1,956**	-
Discounts earned on purchases and freight	**1,398**	3,840	**1,374**	3,870
Provisions written back	**3,156**	10,976	**2,076**	4,518
Insurance claims	**334**	300	**136**	107
Duty drawback	**93**	143	**93**	102
Other operating income	**5,850**	4,110	**4,418**	2,648
	21,758	24,844	**17,306**	14,386

* Other operating income include sales related services, design services, documentation services etc. across all subsidiaries of the Group.

10. Finance costs and income

	Six months period ended 30 June		Three months period ended 30 June	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Finance costs				
Interest on bank financing	**29,409**	32,922	**15,091**	17,412
Profit expense on Islamic bank financing	**12,795**	11,719	**6,908**	5,790
Interest expense on lease liabilities	**3,789**	4,643	**1,947**	2,439
Bank charges	**3,200**	2,365	**1,386**	1,152
Interest on amount due to related parties	**123**	145	**36**	73
Total (A)	**49,316**	51,794	**25,368**	26,866
Finance income				
Interest on bank deposits	**963**	2,666	**453**	1,972
Interest on amount due from related parties	**249**	-	**239**	-
Total (B)	**1,212**	2,666	**692**	1,972
Net finance costs (A-B)	**48,104**	49,128	**24,676**	24,894

11. Investments in equity accounted investees

The Group's share of profit in equity accounted investees for the six months period ended 30 June 2026 amounted to AED 0.40 million (unaudited) (six months period ended 30 June 2025 (unaudited): profit AED 0.15 million).

The Group has received AED 0.33 million as dividends during the current period from its equity accounted investees (six months period ended 30 June 2025 (unaudited) AED 0.41 million).

12. Corporate Income Tax

	Six months period ended 30 June		Three months period ended 30 June	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Current tax				
In respect of current period	**24,311**	27,270	**12,836**	15,422
DMTT	**9,940**	9,993	**5,300**	5,590
Deferred tax				
Reversal of temporary tax differences during the period	**(2,057)**	(1,285)	**(704)**	(703)
Tax expense for the year	**32,194**	35,978	**17,432**	20,309

12. Corporate Income Tax *(continued)*

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Provision for tax	**97,677**	84,006
Deferred tax liabilities	**14,678**	16,637
Deferred tax assets	**3,661**	3,783

Effective 1 January 2025, the UAE introduced the Domestic Minimum Top-up Tax (DMTT) as part of the implementation of the OECD's Pillar Two global tax framework. The Group falls within the scope of the DMTT regime based on the applicable revenue threshold and has recognised additional current income tax expense to ensure compliance with the 15% global minimum effective tax rate (ETR) requirement.

For the six-month period ended 30 June 2026, the Group recognised an amount of AED 9.94 million in current income tax expense relating to the DMTT, specifically for UAE-based subsidiaries. The inclusion of DMTT has contributed to an increase in the consolidated effective tax rate (ETR), which is 23.34% for the six-month period ended 30 June 2026 (six-month period ended 30 June 2025: (24.0%). Excluding the impact of DMTT, the underlying ETR is 16.2% for the six-month period ended 30 June 2026 (six-month period ended 30 June 2025: 17.18%)

13. Earning per share

	Six months period ended 30 June		**Three months period ended 30 June**	
	2026 AED'000 (unaudited)	2025 AED'000 (unaudited)	**2026 AED'000 (unaudited)**	2025 AED'000 (unaudited)
Profit attributable to the owners of the Company (AED'000)	**102,210**	111,868	**66,312**	65,567
Weighted average number of ordinary shares ('000s)	**993,703**	993,703	**993,703**	993,703
Basic and diluted earnings per share (AED)	**0.103**	0.113	**0.067**	0.066

There was no dilution effect on the basic earnings per share as the Company does not have any such outstanding share commitments as at the reporting date.

14. Property, plant and equipment

Additions, disposals and depreciation (unaudited)

During the six months period ended 30 June 2026, the Group acquired property, plant and equipment and made additions to capital work in progress amounting to AED 100.0 million (six months period ended 30 June 2025: AED 156.1 million).

Property, plant and equipment with a carrying amount of AED 4.2 million was disposed during the six months period (six months period ended 30 June 2025: AED 1.6 million) resulting in a gain on disposal of AED 5.5 million (gain on disposal, six months period ended 30 June 2025: AED 2.7 million) which is included in other operating income in the condensed consolidated statement of profit or loss. Borrowings are secured against certain property, plant and equipment.

14. Property, plant and equipment *(continued)*

Depreciation of property, plant and equipment for the six months period amounted to AED 80.7 million (six months period ended 30 June 2025: AED 77.6 million). Below is the breakdown of property, plant and equipment inside and outside the U.A.E:

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Inside U.A.E	**1,058,053**	1,055,028
Outside U.A.E	**388,382**	377,478
	1,446,435	1,432,506

15. Goodwill

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Opening balance	**124,925**	120,122
Goodwill recognised during the year	**14,671**	4,462
Effects of movements in exchange rate	**(250)**	341
Closing balance	**139,346**	124,925

As at 30 June 2026, Goodwill comprises AED 50.4 million, AED 5.5 million, AED 5.9 million, AED 58.5 million, AED 4.4 million, AED 14.6 million recognised on acquisition of Ceramin FZ LLC, UAE, distribution entities in UK, Italy, Saudi Arabia, Spain and newly acquired entity, Tebra Al Arabia in Saudi respectively (refer note 27).

During the period, management performed sensitivity analysis over the key assumptions used in determining the recoverable amounts of the cash-generating units to which goodwill is allocated and concluded that no impairment is required against Goodwill.

16. Investment properties

	Inside UAE		Outside UAE		Total	
	30 June 2026 (unaudited) AED'000	31 December 2025 (audited) AED'000	**30 June 2026 (unaudited) AED'000**	31 December 2025 (audited) AED'000	**30 June 2026 (unaudited) AED'000**	31 December 2025 (audited) AED'000
Land						
Net book value	**708,840**	708,840	**14,970**	15,085	**723,810**	723,925
Fair value	**708,840**	708,840	**18,464**	18,464	**727,304**	727,304
Building						
Net book value	**157,054**	162,896	**15,636**	9,753	**172,690**	172,649
Fair value	**377,707**	377,707	**21,625**	21,625	**399,332**	399,332
Total Net book value	**865,894**	871,736	**30,606**	24,838	**896,500**	896,574
Total Fair value	**1,086,547**	1,086,547	**40,089**	40,089	**1,126,636**	1,126,636

16. Investment properties *(continued)*

Investment properties comprise land and buildings that are located in the United Arab Emirates, Bangladesh, Lebanon and Iran.

The fair value of the Group's investment properties as at 31 December 2025 (audited) amounted to AED 1,126.63 million and was arrived at on the basis of valuations carried out by external valuers who have appropriate market experience in the valuation of properties. Management has assessed the impact of ongoing geopolitical developments and prevailing market conditions on the valuation of the Group's investment properties and concluded that the key valuation assumptions and estimates applied as at 31 December 2025 remain appropriate as at 30 June 2026.

Management based on their discussion with the independent external valuer is of the view that the current geopolitical environment may influence market sentiment, investor appetite, and the timing of development decisions. For land assets, particularly those of significant scale, these factors are typically reflected through changes in absorption assumptions, development phasing, and required returns rather than through immediate shifts in headline land values. At present, for land asset in UAE, management is of the view that no sufficient transactional evidence have been observed within the Ras Al Khaimah land market to support a definitive adjustment to underlying land values. Market activity, particularly for large-scale waterfront development plots, remains relatively limited, and there have been no recent arm's length transactions of a comparable nature that would provide a clear basis for revising benchmark land rates. Based on the assessment performed, management determined that there has been no material change in the fair value of the investment properties during the six-month period ended 30 June 2026. Management continues to closely monitor evolving geopolitical and macroeconomic conditions and will assess the potential impact on the Group's financial position and asset valuations, if any.

The fair value measurement has been categorised as a Level 3 fair value based on the inputs to the valuation technique used and in estimating the fair value, the highest and best use of the properties in their current use (31 December 2025: Level 3).

17. Trade and non-trade receivables

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Trade receivables	**917,686**	887,228
Less: Allowance for expected credit loss	**(123,475)**	(123,017)
Subtotal (A)	**794,211**	764,211
Non-trade receivables	**144,552**	129,154
Less: Allowance for expected credit loss	**(96,987)**	(96,368)
Subtotal (B)	**47,565**	32,786
Advances and prepayments (C)	**172,548**	138,755
Deposits (D)	**30,830**	32,261
Total (A+B+C+D)	**1,045,154**	968,013

17. Trade and non-trade receivables *(continued)*

(i) Long-term receivables

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Trade receivables	**94,238**	107,978
Less: Allowance for expected credit loss	**(34,387)**	(28,017)
	59,851	79,961
Less: current portion included in trade receivables	**(14,518)**	(24,670)
Long-term trade receivables (A)	**45,333**	55,291
Non-trade receivables	**723**	2,284
Long-term non-trade receivables (B)	**723**	2,284
Long-term receivables (A+B)	**46,056**	57,575

18. Inventories

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Finished goods (net of net realizable value adjustments)	**996,165**	1,029,513
Less: Allowance for slow moving inventories	**(141,066)**	(133,834)
Subtotal (A)	**855,099**	895,679
Raw materials	**235,408**	238,738
Stores and spares	**345,397**	332,188
	580,805	570,926
Less : Allowance for slow-moving inventories	**(115,655)**	(109,386)
Subtotal (B)	**465,150**	461,540
Goods-in-transit (C)	**27,057**	34,068
Work-in-progress (D)	**49,285**	52,945
Total (A+B+C+D)	**1,396,591**	1,444,232

At 30 June 2026, the Group recognised a cumulative loss due to write-down of finished goods inventories of AED 110.2 million against cost of AED 587.1 million (31 December 2025 (audited): AED 119.4 million against cost of AED 408.9 million) to bring it to its net realizable value which was lower than the cost. The difference in the write down of AED 9.2 million (unaudited) (six months period ended 30 June 2025 (unaudited): AED (2.4) million) is included in cost of sales in the condensed consolidated statement of profit or loss with a currency loss of AED 0.9 million for the period (unaudited) (six months period ended 30 June 2025 (unaudited): AED 0.2 million).

Certain inventories are subject to a charge in favour of banks against facilities obtained by the Group.

19. Related party balances and transactions

The Group, in the normal course of business, enters into transactions with individuals and other entities that fall within the definition of related party as per IAS 24. The transactions of the Group with its related parties are at arm's length. The related parties include equity accounted investees and the parties where members of the board or key management personnel have interest and can exercise control or significant influence. The significant transactions entered into by the Group with related parties during the period, other than those disclosed elsewhere in this condensed consolidated interim financial information are as follows:

Transactions with related parties

(A) Equity accounted investees

	Six months period ended 30 June		**Three months period ended 30 June**	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Sale of goods and services	**2,060**	1,236	**1,168**	552
Royalty	**236**	208	**104**	81

(B) Other related parties

	Six months period ended 30 June		**Three months period ended 30 June**	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Sale of goods and services	**65,804**	57,265	**34,419**	39,785
Purchase of goods and rendering of services	**78,233**	71,810	**36,106**	37,282
Interest received (refer note 10)	**249**	-	**239**	-
Interest expense (refer note 10)	**112**	145	**25**	73

Key management personnel compensation

The remuneration of Directors and other key management personnel of the Group during the period were as follows:

	Six months period ended 30 June		**Three months period ended 30 June**	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Short-term benefits	**5,511**	6,624	**2,756**	3,312
Staff terminal benefits	**107**	116	**54**	58
Board of Directors' remuneration accrued (Refer note 7)	**1,850**	1850	**925**	925

19. Related party balances and transactions *(continued)*

(B) Other related parties *(continued)*

Due from related parties

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Equity accounted investees	**7,679**	6,178
Other related parties	**65,867**	61,725
	73,546	67,903
Less : Allowance for expected credit loss	**(4,728)**	(4,539)
	68,818	63,364

Due to related parties

Long-term loan

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Other related parties	**1,426**	3,004
	1,426	3,004

Current liabilities

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Other related parties *	**46,684**	64,618
	46,684	64,618

Carrying amount of due to related parties subject to supplier finance arrangement	**30 June 2026 AED'000**	31 December 2025 AED'000
Presented within due to related parties	**40,689**	60,556
- of which supplier has received the payment from the bank	**28,255**	48,620
Range of payment due dates		
Due to related parties subject to supplier finance arrangement (days after invoice date)	**140-160**	140-150

* In order to ensure easy access to credit for its suppliers, the Group has entered into reverse factoring arrangements. Due to related parties include AED 40.7 million (31 December 2025: AED 60.5 million) owed under this arrangement.

19. Related party balances and transactions *(continued)*

(B) Other related parties *(continued)*

Due to related parties *(continued)*

Current liabilities *(continued)*

In order to facilitate efficient payment processing as well as facilitating payment to suppliers, the Group participates in a supplier finance arrangement under which its suppliers elect to receive early payment of their invoices from the bank. The bank agrees to pay the underlying amount to the suppliers and the Group pays the bank at an agreed date later. This arrangement does not result in any material extension of initially agreed payment term with the suppliers. All payables under this arrangement are classified due to related parties at the balance sheet date as payment to the supplier by the banks does not release the Group from its legal liability to the suppliers.

The Group has not derecognised the original due to related parties relating to the arrangement because neither a legal release was obtained nor was the original liability substantially modified on entering into the arrangement.

20. Derivative financial instruments

The Group uses derivative financial instruments for risk management purposes. The Group classifies interest rate swaps as cash flow hedges in accordance with the recognition criteria of IFRS 9, as it is mitigating the risk of cash flow variations due to movements in interest rates and commodity prices.

The table below shows the fair values of derivative financial instruments, which are equivalent to the market values.

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Non-current		
Derivative financial assets		
Interest rate swaps used for hedging	**77**	241
	77	241

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Current		
Derivative financial assets		
Interest rate swaps used for hedging	**330**	1,363
Forward exchange contracts	**1,514**	-
	1,844	1,363

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Current		
Derivative financial liabilities		
Forward exchange contracts	**-**	1,539
	-	1,539

21. Bank balances and cash

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Cash in hand	**2,816**	1,140
Cash at bank		
- in current accounts	**202,185**	179,874
- in call accounts	**3,153**	3,263
Bank deposits with an original maturity of less than three months	**97**	-
Cash and cash equivalents	**208,251**	184,277
Less: Allowance for expected credit loss	**(183)**	(183)
Cash and cash equivalents (A)	**208,068**	184,094
Bank deposits with an original maturity of more than three months (B)	**2,822**	855
Deposits under lien-restricted cash (C)	**28,502**	11,147
Bank balances and cash (A+B+C)	**239,392**	196,096

Cash in hand and cash at bank includes AED 1.0 million (31 December 2025 (audited): AED 0.3 million) and AED 78.5 million (31 December 2025 (audited): AED 91.9 million) respectively, held outside the UAE.

Current accounts are non-interest bearing accounts.

22. Share capital

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Authorised, issued and paid up		
170,000,000 shares of AED 1 each paid up in cash	**170,000**	170,000
823,703,958 shares of AED 1 each issued as bonus shares	**823,703**	823,703
	993,703	993,703

(i) Dividend

Below are the details of dividend distribution:

- During the current period, the Company paid an annual dividend of 10 fils per share (AED 99,370.5 thousand) in respect of 2025. The Board of Directors recommend an interim dividend of 10 fils per share (AED 99,370.5 thousand) for the first half of 2026.

- During year ended 2025, the Company paid an annual dividend of 10 fils per share (AED 99,370.5 thousand) in respect of the year ended 2024 and an interim dividend of 10 fils per share (AED 99,370.5 thousand) for the first half of 2025, resulting in a total dividend distribution of 20 fils per share amounting to AED 198,741 thousand.

22. Share capital *(continued)*

(ii) Directors' remuneration

At the Annual General Meeting (AGM) held on 17 March 2026, the shareholders approved the Directors' remuneration amounting to AED 3,700 thousand for the year ended 31 December 2025, (for the year ended 31 December 2024: approved AED 3,700 thousand. (Refer note 7).

23. Bank financing arrangements

(a) Islamic bank financing

(i) Short-term

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Mudaraba facilities (refer A)	**157,171**	61,643
Commodity Murabaha facilities (refer B)	**33,474**	49,576
Current portion of long-term financing (refer note (ii) below)	**111,544**	125,625
	302,189	236,844

(ii) Long-term – Islamic bank financing

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Mudaraba facilities (refer A)	**308,794**	288,333
Commodity Murabaha facilities (refer B)	**76,014**	84,804
Ijarah facilities (refer C)	**30,820**	51,806
Less : current portion of long-term financing	**(111,544)**	(125,625)
	304,084	299,318

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Movement:		
Balance as at 1 January	**424,943**	364,781
Availed during the period/ year	**60,000**	179,062
Repaid during the period/ year	**(69,315)**	(118,900)
Balance as at end of the period/ year	**415,628**	424,943
Less : current portion included in short-term (refer 23 (a)(i))	**(111,544)**	(125,625)
	304,084	299,318

23. Bank financing arrangements *(continued)*

(a) Islamic bank financing *(continued)*

(ii) Long-term – Islamic bank financing *(continued)*

During the six-month period ended 30 June 2025, the Group availed long term-Islamic bank financing AED 50.0 million and repaid AED 60.49 million. The securities provided against these facilities are the same as those mentioned in the consolidated financial statements of the Group for the year ended 31 December 2025.

(A) Mudaraba is a mode of Islamic financing where a contract is entered into by two parties whereby one party (Bank) provides funds to the other party (the Group) who then invest in an activity deploying its experience and expertise for a specific pre-agreed share in the resultant profit.

(B) In Murabaha Islamic financing, a contract is entered into between two parties whereby one party (Bank) purchases an asset and sells it to another party (the Group), on a deferred payment basis at a pre-agreed profit.

(C) Ijarah is another mode of Islamic financing where a contract is entered into between two parties whereby one party (Bank) purchases/acquires an asset, either from a third party or from the Group, and leases it to the Group against certain rental payments and for a specific lease period.

(b) Interest bearing bank financing

(i) Short-term

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Bank overdrafts	**52,293**	56,896
Short-term loan	**356,282**	366,002
Current portion of long-term financing (refer note (ii) below)	**201,753**	196,434
	610,328	619,332

(ii) Long-term – bank loans

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Balance as at 1 January	**727,799**	826,480
Availed during the period/ year	**110,541**	98,572
Repaid during the period/ year	**(99,878)**	(197,253)
Balance as at end of the period/ year	**738,462**	727,799
Less : current portion of long-term financing (refer 23 (b)(i))	**(201,753)**	(196,434)
	536,709	531,365

23. Bank financing arrangements *(continued)*

(b) Interest bearing bank financing *(continued)*

(ii) Long-term – bank loans *(continued)*

During the six month period ended 30 June 2025, the Group had availed long term-interest bearing bank financing amounting to AED 98.5 million and repaid AED 197.2 million.

During the current period, the Group's subsidiary in India issued 3-year 10.6% non-convertible debentures. The debentures are repayable in instalments from December 2027 to June 2029. These debentures are listed at the Bombay Stock Exchange (BSE) in India. The debentures contain covenants that are subject to annual testing. These require the Group's subsidiary in India to maintain a minimum debt service coverage ratio of 1.2 times and a positive tangible net worth. Compliance with these covenants will be tested annually, commencing in December 2026. Transaction costs incurred in connection with the issuance have been capitalised and are being amortised over the term of the debentures using the effective interest method. As at 30 June 2026, interest-bearing long-term borrowings include AED 76.80 million (31 December 2025: AED nil) relating to these debentures.

Except the above, the details of the bank financing arrangements, including terms of repayment, interest rate and security provided are set out in the consolidated financial statements of the Group for the year ended 31 December 2025.

24. Trade and non-trade payables

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Trade payables*	**326,170**	352,821
Accrued expenses	**353,486**	308,745
Advance from customers	**81,220**	75,041
Commission payable	**72,404**	59,670
Non-trade payables	**63,103**	88,794
	896,383	885,071

* Trade payables and accrued expenses principally comprise amounts outstanding for trade purchases and ongoing costs. No interest is charged on the trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. The carrying amount of trade payables approximates their fair value.

25. Contingent liabilities and commitments

	30 June 2026 AED'000 (unaudited)	31 December 2025 AED'000 (audited)
Contingent liabilities		
Letters of guarantee	**65,881**	66,531
Letters of credit	**62,626**	27,465
Value added tax and other tax contingencies	**46,062**	56,370
Commitments		
Capital commitments	**113,324**	185,091

In some jurisdictions, the tax returns for certain years have not been reviewed by the tax authorities and there are unresolved disputed corporate tax assessments and VAT claims by the authorities. However, the Group's management believes that adequate provisions have been made for potential tax contingencies.

26. Hyperinflationary economy

The Group has a subsidiary in the Islamic Republic of Iran, which did not have material operations during the year ended 31 December 2025 or during the six months period ended 30 June 2026. The total assets of the Iranian subsidiary were 0.61 % of the Group's consolidated total assets as at 30 June 2026 (31 December 2025 (audited): 0.56%).

The hyperinflation impact has been calculated by means of conversion factors derived from the Consumer Price Index (CPI). The conversion factors used to restate the financial statements of the subsidiary are as follows:

	Index	**Conversion factor**
30 June 2026	**6,595.13**	**1.9197**
31 December 2025	3,435.46	2.1600
31 December 2024	1,590.28	1.9326
31 December 2023	822.86	1.4616
31 December 2022	563.00	1.4847
31 December 2021	379.20	1.3514
31 December 2020	280.60	1.4479

The above-mentioned restatement is affected as follows:

- Hyperinflation accounting was applied as of 1 January 2020;
- The condensed consolidated statement of profit or loss is adjusted at the end of each reporting period using the change in the general price index and is converted at the closing exchange rate of each period, thereby restating the year to date condensed consolidated statement of profit or loss accounts both for inflation index and currency conversion;
- Monetary assets and liabilities are not restated because they are already expressed in terms of the monetary unit current at the date of the condensed consolidated statement of financial position. Monetary items are money held and items to be recovered or paid in money; and
- Non-monetary assets and liabilities are stated at historical cost (e.g. property plant and equipment, investment properties etc.) and equity of the subsidiary is restated using an inflation index. The hyperinflation impact resulting from changes in the general purchasing power until 31 December 2025 were reported in Hyperinflation reserve directly as a component of equity and the impacts of changes in the general purchasing power from 1 January 2026 are reported through the condensed consolidated statement of profit or loss in a separate line as a loss on net monetary position, besides having the impact on depreciation charge for the period.

26. Hyperinflationary economy *(continued)*

The impact of hyperinflationary accounting on the condensed consolidated interim financial information relating to the subsidiary in Iran is as follows:

	1 January 2026 AED'000 (unaudited)	1 January 2025 AED'000 (unaudited)
Impact on condensed consolidated statement of financial position		
Increase in property, plant and equipment	**9,435**	2,717
Increase in investment properties- Net	**8,972**	2,720
Increase in other items of assets	**5,892**	2,407
Increase in equity	**24,299**	7,844
Allocated to:		
Increase in opening equity due to cumulative hyperinflation	**24,299**	7,844

	Six months period ended 30 June		**Three months period ended 30 June**	
	2026 AED'000 (unaudited)	2025 AED'000 (unaudited)	**2026 AED'000 (unaudited)**	2025 AED'000 (unaudited)
Impact on condensed consolidated statement of profit or loss				
Increase in depreciation charge for the period	**527**	1,566	**412**	580
Loss on net monetary position	**815**	469	**87**	(29)
	1,342	2,035	**499**	551

27. Acquisition of subsidiary

During February 2026, the Group's subsidiary in Kingdom of Saudi Arabia, has acquired 100% stake in Tebra AlArabia in the Yanbu industrial area for a purchase consideration of AED 16.6 million, with an intent to set up its manufacturing facility in KSA. The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	30 June 2026 **AED'000** (unaudited)
Assets	
Property, plant and equipment	7,117
Right-of use assets	4,738
Trade and other receivables	1,919
Total assets acquired	**13,774**
Liabilities	
Lease Liabilities	(5,134)
Trade and other payables	(6,644)
Total liabilities assumed	**(11,778)**
Net assets acquired (A)	**1,996**
Net consideration paid (B)	**16,667**
Goodwill recognised (B-A)	**14,671**

Recognised goodwill represents the excess of the purchase consideration paid over the fair value of the net assets acquired. The accounting for the acquisition has been determined provisionally at the reporting date due to the ongoing assessment of the fair values of certain assets acquired and liabilities assumed. Accordingly, the goodwill recognised on acquisition is provisional and may be adjusted within the measurement period as permitted under IFRS 3. The Group continues to evaluate the fair values of identifiable assets and liabilities, including customer relationships / property, plant and equipment / contingent liabilities / tax exposures, and any resulting adjustments will be recognised retrospectively as if the accounting had been completed at the acquisition date.

During the period from the date of being accounted for as subsidiary to 30 June 2026, the acquired unit did not contribute to revenue or net profit or loss as it is yet to start its commercial operations since the civil construction and machinery erection is in progress.

27. Operating lease

As Lessor:

Certain Group entities lease out their investment properties under operating leases. The leases typically run for a period of one year to five years, with an option to renew the lease after that date. Lease rentals are usually reviewed periodically to reflect market rentals. Below are the lease rents receivable in future:

	30 June 2026 **AED'000** **(unaudited)**	31 December 2025 AED'000 (audited)
Less than one year	**8,786**	8,760
One to two years	**8,127**	7,773
Two to three years	**7,500**	7,500
Three to four years	**4,375**	7,500
Four to five years	**-**	625
	28,788	32,158

28. Segment reporting

Basis for segmentation

An operating segment is a component of the Group which engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's remaining components.

Segment results which are reported to the Company's CEO (chief operating decision maker) include items directly attributable to a segment as well as those which can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets except goodwill.

The Group has broadly three reportable segments as discussed below, which are the Group's strategic business units. The strategic business units operate in different sectors and are managed separately because they require different strategies. The following summary describes the operation in each of the Group's reportable segments:

Ceramics products	includes manufacture and sale of ceramic wall and floor tiles, gres porcellanato, bath-ware and table ware products.
Faucets	includes manufacture and sale of Taps and Faucets.
Power, paints and Minerals	includes manufacturing and distribution of power, paints, plastics, mines. (erstwhile called, 'Other industrial' segment)
Real estate leasing	includes material movement, real estate, construction projects and civil works. (erstwhile called, 'Others' segment)

Information regarding the operations of each separate segment is included below. Performance is measured based on segment profit as management believes that profit is the most relevant factor in evaluating the results of certain segments relative to the entities that operate within these industries. There are regular transactions between the segments and any such transactions are at arm's length price.

28. Segment reporting *(continued)*

Basis for segmentation *(continued)*

	Ceramic products AED'000	**Faucets AED,000**	**Power, paints & minerals AED'000**	**Real estate leasing AED'000**	**Elimination AED'000**	**Total AED'000**
Six months period ended 30 June 2026 (unaudited)						
External revenue	**1,293,839**	**247,601**	**37,995**	**4,073**	**-**	**1,583,508**
Intersegment revenue	**220,570**	**55,165**	**68,839**	**1,080**	**(345,654)**	**-**
Segment revenue	**1,514,409**	**302,766**	**106,834**	**5,153**	**(345,654)**	**1,583,508**
Segment profit/(loss)	**170,879**	**(21,298)**	**6,070**	**3,191**	**(52,314)**	**106,528**
Segment operating profit/(loss)	**240,839**	**(17,651)**	**6,298**	**(141)**	**(55,379)**	**173,966**
Segment adjusted EBITDA	**327,569**	**(1,758)**	**9,589**	**6,101**	**(56,701)**	**284,800**
Segment assets	**7,216,745**	**659,891**	**151,061**	**158,965**	**(2,782,341)**	**5,404,321**
Segment liabilities	**3,758,988**	**593,271**	**49,068**	**96,601**	**(1,446,658)**	**3,051,270**
Six months period ended 30 June 2025 (unaudited)						
External revenue	1,328,810	230,841	41,767	1,865	-	1,603,283
Intersegment revenue	234,904	52,110	67,292	1,060	(355,366)	-
Segment revenue	1,563,714	282,951	109,059	2,925	(355,366)	1,603,283
Segment profit/(loss)	212,361	(19,984)	5,306	9,274	(91,722)	115,235
Segment operating profit/(loss)	245,450	(10,803)	8,111	140	(60,823)	182,076
Segment adjusted EBITDA	374,886	(2,319)	9,969	10,040	(96,174)	296,402
As at 30 June 2025 (unaudited)						
Segment assets	7,029,918	622,667	152,255	151,197	(2,663,849)	5,292,188
Segment liabilities	3,713,728	522,595	54,570	104,139	(1,395,183)	2,999,849

28. Segment reporting *(continued)*

Basis for segmentation *(continued)*

Adjusted EBITDA is earnings for the period before net interest expense, net profit expense on Islamic financing, income tax expense, depreciation, amortisation, gain or loss on sale of assets, impairment loss of investment properties and impairment loss of property, plant and equipment, if any.

	Six months period ended 30 June	
	2026	2025
	AED'000	AED'000
	(unaudited)	(unaudited)
Total profit for reportable segments	**158,438**	206,809
Elimination of inter-segment profits	**(52,315)**	(91,722)
Share of profit of equity accounted investees	**405**	148
Reported profit	**106,528**	115,235

29. Financial instruments

Accounting classifications and fair values

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

	Fair value Hedging instruments AED'000	Mandatory at FVTPL* AED'000	Financial assets at amortised cost AED'000	Financial liabilities at amortised cost AED'000	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
30 June 2026 (unaudited)									
Financial assets measured at fair value									
Interest rate swaps used for hedging	910	-	-	-	910	-	910	-	910
Forward exchange contracts / Options	1,011	-	-	-	1,011	-	1,011	-	1,011
	1,921	-	-	-	1,921	-	1,921	-	1,921
Financial assets measured at amortised cost									
Long-term receivables	-	-	46,056	-	46,056	-	-	-	-
Trade and non-trade receivables	-	-	872,606	-	872,606	-	-	-	-
Due from related parties	-	-	68,818	-	68,818	-	-	-	-
Bank balances and cash	-	-	239,392	-	239,392	-	-	-	-
	-	-	1,226,872	-	1,226,872	-	-	-	-
Financial liabilities measured at fair value									
Forward exchange contracts / Options	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Financial liabilities measured at amortised cost									
Islamic bank financing	-	-	-	606,273	606,273	-	-	-	-
Interest bearing bank financing	-	-	-	1,147,037	1,147,037	-	-	-	-
Due to related parties Long Term Loans	-	-	-	1,426	1,426	-	-	-	-
Trade and non-trade payables	-	-	-	815,163	815,163	-	-	-	-
Due to related parties	-	-	-	46,684	46,684	-	-	-	-
Lease Liabilities	-	-	-	116,710	116,710	-	-	-	-
	-	-	-	2,733,293	2,733,293	-	-	-	-

29. Financial instruments *(continued)*

	Fair value Hedging instruments AED'000	Mandatory at FVTPL* AED'000	Financial assets at amortised cost AED'000	Financial liabilities at amortised cost AED'000	Total AED'000	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
31 December 2025 (audited)									
Financial assets measured at fair value									
Interest rate swaps used for hedging	1,604	-	-	-	1,604	-	1,604	-	1,604
Other currency and interest rate swaps	-	-	-	-	-	-	-	-	-
	1,604	-	-	-	1,604	-	1,604	-	1,604
Financial assets measured at amortised cost									
Long-term receivables	-	-	57,575	-	57,575	-	-	-	-
Trade and non-trade receivables	-	-	829,258	-	829,258	-	-	-	-
Due from related parties	-	-	63,364	-	63,364	-	-	-	-
Bank balances and cash	-	-	196,096	-	196,096	-	-	-	-
	-	-	1,146,293	-	1,146,293	-	-	-	-
Financial liabilities measured at fair value									
Forward exchange contracts / Options									
Other currency and interest rate swaps	-	1,539	-	-	1,539	-	1,539	-	1,539
	-	1,539	-	-	1,539	-	1,539	-	1,539
Financial liabilities measured at amortised cost									
Islamic bank financing	-	-	-	536,162	536,162	-	-	-	-
Interest bearing bank financing	-	-	-	1,150,697	1,150,697	-	-	-	-
Due to related parties Long Term Loans	-	-	-	3,004	3,004	-	-	-	-
Trade and non-trade payables	-	-	-	810,030	810,030	-	-	-	-
Due to related parties	-	-	-	64,618	64,618	-	-	-	-
Lease Liabilities	-	-	-	118,193	118,193	-	-	-	-
	-	-	-	2,682,704	2,682,704	-	-	-	-

* Fair Value Through Profit & Loss

30. Management defined performance measures (MPMs)

Management performance measures (MPMs) reflect management's view of the Group's financial performance and may not be directly comparable with similarly titled measures presented by other entities. The Group's management measures the business performance using the following parameter.

EBITDA adjusted for extra-ordinary gains or losses

	Six months period ended		**Three months period ended**	
	30 June 2026	30 June 2025	**30 June 2026**	30 June 2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Profit for the period	**106,528**	115,235	**68,312**	66,364
Tax	**32,194**	35,978	**17,432**	20,309
Depreciation and amortisation	**107,959**	105,659	**53,847**	53,785
Interest	**44,904**	46,763	**23,218**	23,596
Gain on sale of property, plant, equipment and investment properties	**(6,782)**	(7,233)	**(5,475)**	(3,353)
	284,803	296,402	**157,334**	160,701

Reconciliation of adjusted EBITDA to operating profit

	Six months period ended		**Three months period ended**	
	30 June 2026	30 June 2025	**30 June 2026**	30 June 2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Adjusted EBITDA	**284,803**	296,402	**157,334**	160,701
Depreciation and amortisation	**(102,260)**	(99,272)	**(50,917)**	(50,473)
Finance cost	**3,200**	2,365	**1,386**	1,152
Operating and maintenance expenses of investment properties	**4,303**	2,960	**3,155**	1,509
Income from investment properties	**(21,191)**	(22,963)	**(10,271)**	(11,060)
Share of profit/(loss) in equity accounted investees	**(405)**	(148)	**(75)**	(158)
Gain on sale of property, plant and equipment	**5,516**	2,732	**5,475**	2,002
Operating profit	**173,966**	182,076	**106,087**	103,673

Extra-ordinary gains or losses pertain to gain/loss on sale of property, plant, equipment and investment properties.

31. Comparative information on IFRS 18 and IAS 1 for condensed consolidated interim statement of profit or loss

IFRS 18, issued in April 2024, replaces IAS 1 Presentation of Financial Statements and will be effective for annual reporting periods beginning on or after 1 January 2027. Early adoption is permitted, and the Group has elected to apply IFRS 18 from 1 January 2026, with retrospective application in accordance with the standard's requirements. The adoption of IFRS 18 introduces a revised presentation structure, whereby income and expenses are classified into operating, investing, financing, income tax and discontinued operations categories. Also, as permitted by the standard, the Group has incorporated subtotals in addition to Operating Profit and Profit or Loss before Financing and Income Taxes, to enhance financial statement transparency and provide a more structured summary. To ensure consistency with current period presentation, comparative figures for the previous period have been re-presented, where necessary. Such re-presented figures did not affect the previously reported comprehensive income, total equity, total assets, total liabilities and total cash flows. The comparative financial information has been re-presented to reflect the early adoption of IFRS 18.

31. Comparative information on IFRS 18 and IAS 1 for condensed consolidated interim statement of profit or loss *(continued)*

IFRS 18 description and category	**Six months ended 30 June 2025 AED'000 (unaudited)**	**Three months ended 30 June 2025 AED'000 (unaudited)**	**IAS 1 classification**
Revenue	1,603,283	826,752	Revenue
Cost of sales	(959,305)	(490,831)	Cost of sales
Gross profit	**643,978**	**335,921**	
Administrative and general expenses	(113,842)	(58,241)	Administrative and general expenses
Selling and distribution expenses	(357,016)	(182,863)	Selling and distribution expenses
Impairment loss on financial assets	(14,832)	(5,080)	Impairment loss on trade and other receivables
Loss on net monetary position	(469)	29	Loss on net monetary position
Net foreign exchange gain	5,390	2,141	Finance income
Net change in fair value of derivatives	(5,977)	(2,620)	Finance cost
Other operating income	24,844	14,386	Other income
Operating profit	**182,076**	**103,673**	
Share of profit/(loss) in equity accounted investees	148	158	Share of profit/(loss) in equity accounted investees
Income from investment properties	22,963	11,060	Other operating income
Finance income	2,666	1,972	Finance income
Depreciation on investment properties	(6,387)	(3,166)	Administrative and general expenses
Operating and maintenance expenses of investment properties	(2,960)	(1,509)	Administrative and general expenses
Gain on sale of investment properties	4,501	1,351	Other income
Profit / (loss) before financing and income tax	**203,007**	**113,539**	
Finance costs	(51,794)	(26,866)	Finance cost
Profit before income tax	**151,213**	**86,673**	
Tax expense	(35,978)	(20,309)	Tax expense
Net profit for the period	**115,235**	**66,364**	

31. Comparative information on IFRS 18 and IAS 1 for condensed consolidated interim statement of profit or loss *(continued)*

Other comprehensive income

IFRS 18 description and category	**Six months ended 30 June 2025 (unaudited)**	**Three months ended 30 June 2025 (unaudited)**	**IAS 1 classification**
Foreign exchange differences on translation of foreign operations	(47,845)	(35,101)	Foreign exchange differences on translation of foreign operations
Effects of application of hyperinflation accounting	7,844	13,979	Effects of application of hyperinflation accounting
Cash flow hedges – effective portion of changes in fair value loss on hedging instruments	(199)	81	Cash flow hedges – effective portion of changes in fair value loss on hedging instruments
Cash flow hedges – effective portion of changes in fair value loss on hedging instruments- Reclassified to profit and loss	(2,236)	(1,040)	Cash flow hedges – effective portion of changes in fair value loss on hedging instruments

32. Specified expenses by nature

The Group discloses expenses by function in the condensed consolidated interim statement of profit or loss. Below are the details of specified expense by nature:

Depreciation

	Six months period ended 30 June		**Three months period ended 30 June**	
Included in:	**2026 AED’000 (unaudited)**	2025 AED’000 (unaudited)	**2026 AED’000 (unaudited)**	2025 AED’000 (unaudited)
Cost of sales	**64,049**	62,970	**31,795**	32,031
Administrative expenses	**8,213**	6,318	**4,274**	3,233
Selling expenses	**27,983**	27,473	**13,901**	14,087
Depreciation on investment property	**5,699**	6,387	**2,858**	3,166
	105,944	103,148	**52,828**	52,517

32. Specified expenses by nature *(continued)*

Amortisation

	Six months period ended 30 June		Three months period ended 30 June	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
Included in:	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)
Cost of sales	**392**	461	**194**	217
Administrative expenses	**1,623**	2,050	**825**	1,051
	2,015	2,511	**1,019**	1,268

Employee benefits

	Six months period ended 30 June		Three months period ended 30 June	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
Included in:	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)
Cost of sales	**125,256**	137,760	**61,588**	67,589
Administrative expenses	**67,025**	58,776	**33,637**	29,181
Selling expenses	**133,443**	127,340	**64,529**	66,802
	325,724	323,876	**159,754**	163,572

Impairment losses

	Six months period ended 30 June		Three months period ended 30 June	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Administrative expenses	**10,685**	14,832	**6,698**	5,080

Write down of inventories

	Six months period ended 30 June		Three months period ended 30 June	
	2026	2025	**2026**	2025
	AED'000	AED'000	**AED'000**	AED'000
Included in:	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)
Cost of sales	**19,779**	20,644	**9,583**	14,658

33. Geopolitical Developments

Ongoing regional geopolitical developments have increased uncertainty in the Group's operating environment and contributed to disruptions in certain supply chains and shipping routes, as well as volatility in energy prices and logistics costs, which may adversely impact operating margins. The Group continues to closely monitor these developments and has implemented various mitigation measures, including production optimisation initiatives, inventory and working capital management, selective shipment re-routing through ports in the Kingdom of Saudi Arabia, and maintaining strategic inventory buffers to support continuity of supply. Management also notes potential market share opportunities within the UAE and GCC markets arising from disruption to certain import flows; however, market conditions and pricing dynamics remain uncertain.

Management also continues to assess the impact of these developments on the Group's operations and on significant accounting estimates and judgements applied in the preparation of the condensed consolidated interim financial information.

34. Approval of the condensed consolidated interim financial information

This condensed consolidated interim financial information was approved by the Board of Directors and authorised for issue on 5 August 2026.