

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

**INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS (UN-AUDITED)  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024  
WITH INDEPENDENT AUDITOR'S REVIEW REPORT**

**NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)**  
**(A JOINT STOCK COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024**

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## INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**TO THE SHAREHOLDERS OF NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)  
(A JOINT STOCK COMPANY)**

(1 / 1)

### INTRODUCTION

We have reviewed the accompanying interim consolidated statement of financial position of National Metal Manufacturing and Casting Company ("MAADANIYAH") (the "Company"), A Joint Stock Company, and its subsidiaries (collectively referred to as the "Group") as at March 31, 2024 and the related interim consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and a summary of material accounting policies and other 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") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagement 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", that is endorsed in the Kingdom of Saudi Arabia. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### CONCLUSION

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

**For Al-Bassam & Co.**



**Ibrahim Ahmed Al Bassam**  
Certified Public Accountant  
License No. 337


Khobar: Dhu'l Qadah 11, 1445H  
Corresponding to: May 19, 2024



**NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)**  
**(A JOINT STOCK COMPANY)**  
**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2024**  
**Expressed in Saudi Riyal**

		March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>	<b>Note</b>		
Property, plant and equipment	6,12	162,277,293	161,789,821
Intangible assets		18,517,385	18,269,457
Right-of-use assets		9,475,215	9,686,206
Investment properties	7	1,380,395	1,430,684
Equity instruments designated at fair value through other comprehensive income (FVOCI)		3,750,000	3,750,000
<b>Total non-current assets</b>		<b>195,400,288</b>	<b>194,926,168</b>
<b>Current assets</b>			
Inventories		72,666,729	84,210,697
Trade receivables		74,988,682	67,359,682
Cash and cash equivalents	9	54,633,427	47,017,690
Prepayments and other assets		9,634,558	4,704,478
<b>Total current assets</b>		<b>211,923,396</b>	<b>203,292,547</b>
<b>TOTAL ASSETS</b>		<b>407,323,684</b>	<b>398,218,715</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		354,000,000	354,000,000
Statutory reserve		27,173,232	27,173,232
Accumulated losses		(104,281,454)	(96,892,869)
<b>Total equity</b>		<b>276,891,778</b>	<b>284,280,363</b>
<b>Non-current liabilities</b>			
Employees' benefit obligations		33,568,104	32,966,242
Long term loans – non current portion	10	4,522,170	4,522,170
Lease liabilities – non current portion		8,058,502	8,326,462
<b>Total non-current liabilities</b>		<b>46,148,776</b>	<b>45,814,874</b>
<b>Current liabilities</b>			
Trade and other payables	11	36,316,203	30,870,478
Accrued expenses and other liabilities		15,594,039	16,297,870
Short term borrowings	10	17,808,495	8,160,269
Long term loans - current portion	10	7,046,367	7,027,568
Zakat provision		6,350,000	5,000,000
Lease liabilities - current portion		1,168,026	767,293
<b>Total current liabilities</b>		<b>84,283,130</b>	<b>68,123,478</b>
<b>Total liabilities</b>		<b>130,431,906</b>	<b>113,938,352</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>407,323,684</b>	<b>398,218,715</b>

  
**Chief Executive Officer and Board Member**  
**Shaker Nafil Al Otaibi**

  
**Chief Financial Officer**  
**Fathallahman Abdullah Othman**

The accompanying notes from 1 to 19 form an integral part of these interim condensed consolidated financial statements.

**NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)**  
**(A JOINT STOCK COMPANY)**  
**INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE**  
**INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024**  
**Expressed in Saudi Riyal**

	Note	For the three-month period ended March 31,	
		2024 (Unaudited)	2023 (Unaudited)
Revenue	14	64,305,990	65,748,681
Cost of revenue		(62,692,927)	(61,843,932)
<b>Gross profit</b>		<b>1,613,063</b>	<b>3,904,749</b>
Selling and distribution expenses		(3,722,089)	(3,171,729)
Administrative expenses		(4,668,908)	(5,020,342)
Reversal of / (allowance for) expected credit losses	8	829,414	(119,591)
Other income, net		230,892	991,031
<b>Loss before finance cost and zakat</b>		<b>(5,717,628)</b>	<b>(3,415,882)</b>
Finance cost		(570,469)	(739,674)
Finance income		249,512	606,207
<b>Loss before zakat</b>		<b>(6,038,585)</b>	<b>(3,549,349)</b>
Zakat		(1,350,000)	(1,350,000)
<b>Loss of the period</b>		<b>(7,388,585)</b>	<b>(4,899,349)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the period</b>		<b>(7,388,585)</b>	<b>(4,899,349)</b>
<b>Loss per share</b>			
Basic and diluted	15	(0.21)	(0.14)



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Chief Financial Officer  
Fathalrahman Abdullah Othman

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**NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)**


(A JOINT STOCK COMPANY)

**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024**

**Expressed in Saudi Riyal**

	<b>Share capital</b>	<b>Statutory reserve</b>	<b>Accumulated losses</b>	<b>Total equity</b>
Balance at January 1, 2023 - (audited)	354,000,000	27,173,232	(65,608,236)	315,564,996
Loss for the period	-	-	(4,899,349)	(4,899,349)
Balance at March 31, 2023 - (unaudited)	354,000,000	27,173,232	(70,507,585)	310,665,647
Balance at January 1, 2024 - (audited)	354,000,000	27,173,232	(96,892,869)	284,280,363
Loss for the period	-	-	(7,388,585)	(7,388,585)
Balance at March 31, 2024 - (unaudited)	354,000,000	27,173,232	(104,281,454)	276,891,778


  
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**NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)**  
**(A JOINT STOCK COMPANY)**  
**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024**  
**Expressed in Saudi Riyal**

	Note	For the three-month period ended March 31,	
		2024 (Unaudited)	2023 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before zakat		(6,038,585)	(3,549,349)
<b>Adjustments for:</b>			
Depreciation of property, plant and equipment		3,472,049	3,459,642
Depreciation of right-of-use assets		210,991	187,726
Depreciation of investment properties		50,289	50,289
Amortization of intangible assets		13,722	12,596
Finance cost		570,469	739,674
Finance income		(249,512)	(606,207)
Provision for employees' benefit obligations		822,485	997,658
Reversal of / allowance for expected credit losses	8	(829,414)	119,591
Gain on disposal of property, plant and equipment		-	(6,955)
Allowance for obsolete inventories		-	55,219
		(1,977,506)	1,459,884
<b>Working capital changes</b>			
Inventories		11,543,968	1,636,914
Trade receivables		(6,799,586)	(2,995,302)
Prepayments and other assets		(5,039,825)	(2,635,698)
Trade and other payables		5,445,725	1,140,288
Accrued expenses and other liabilities		(756,331)	(299,151)
<b>Cash generated from / (used in) operations</b>		2,416,445	(1,693,065)
Employees' benefits obligations paid		(220,623)	(230,791)
Finance cost paid		(471,333)	(421,761)
Finance income received		359,257	716,678
<b>Net cash generated from / (used in) operating activities</b>		2,083,746	(1,628,939)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to property, plant and equipment	6	(3,904,579)	(480,785)
Additions to intangible assets		(261,650)	(1,595,808)
Proceeds from disposal of property, plant and equipment		-	6,957
Short term deposits		-	30,325,683
<b>Net cash (used in) / generated from investing activities</b>		(4,166,229)	28,256,047
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of lease liability		-	(243,402)
Proceeds from short term borrowings		18,698,220	15,000,000
Repayment of short term borrowings		(9,000,000)	(13,000,000)
<b>Net cash generated from financing activities</b>		9,698,220	1,756,598
<b>Net change in cash and cash equivalents</b>		7,615,737	28,383,706
Cash and cash equivalents at beginning of the period		47,017,690	47,459,439
<b>Cash and cash equivalents at end of the period</b>		54,633,427	75,843,145

  
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The accompanying notes from 1 to 19 form an integral part of these interim condensed consolidated financial statements.

**NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)**  
**(A JOINT STOCK COMPANY)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024**  
**Expressed in Saudi Riyal**

**1. ORGANIZATION AND ACTIVITIES**

National Metal Manufacturing and Casting Company ("MAADANIYAH") ("the Company") was incorporated pursuant to Council of Ministerial Resolution Number 253 dated 13 Rabi 'I, 1411-H corresponding to October 2, 1990G and registered as a Saudi Joint Stock Company under Commercial Registration Number 2055002251 dated 16 Jumada 'I, 1411-H corresponding to December 3, 1990 G issued in Al-Jubail. The registered office of the Company is situated in Al-Jubail, Kingdom of Saudi Arabia.

The Company and its subsidiaries as disclosed below are collectively referred as "the Group".

As at March 31, 2024 and December 31, 2023, the Group has the following branches:

<b>Branch name</b>	<b>Commercial Registration Number</b>	<b>Date</b>
Axles, Foundries and Spare Parts Factory	2050016156	29/5/1406-H
Wire Drawing and Related Products Factory (ASLAK)	2055013867	25/8/1432-H
Branch of National Metal Manufacturing and Casting Company (MAADANIYAH)	1010389002	25/11/1434-H
Gulf Baas Industries	2050116884	04/11/1439-H
Arabian Axles Manufacturing Co.	2056149638	01/03/1443-H

The financial results of these branches are included in these interim condensed consolidated financial statements. The Group and its branches objectives are as follows:

- Manufacturing of drawn steel wire rod, pre-stressed concrete steel wire strand (PC strand), spring wire, mattress spring wire, strengthening wire strand for electrical power and high and low galvanized steel wire, fasteners, nails, bolts and welding wire.
- Manufacturing of metal castings of various types.
- Manufacturing of axles, various qualities of suspensions and spare parts for trucks, vehicles and equipment.
- Manufacturing of spindles (Roman blie and bearings)
- Wholesale and retail trade in the Group's products, building materials, industrial materials, including the import and export.
- Ownership of land and property and constructing buildings thereon.
- Ownership of patents and benefiting from them to achieve industrial objectives inside and outside the Kingdom of Saudi Arabia.
- Commercial agencies and representation of local or foreign companies inside and outside the Kingdom of Saudi Arabia.
- Tenders and contracting business.
- Construction of industrial, service and commercial projects inside and outside the Kingdom of Saudi Arabia.

**Structure of the Group**

The interim condensed consolidated financial statements as at March 31, 2024 include the financial statements of the Company and its following subsidiaries:

<b><u>Name of subsidiaries</u></b>	<b><u>Principal activities</u></b>	<b><u>Effective ownership</u></b>	
		<b><u>2024</u></b>	<b><u>2023</u></b>
PC Strand Bahrain Co.WLL.	Manufacturing / trading of steel wire strand (PC strand) products	<b>100%</b>	100%
Vair National Casting Company	Non-ferrous metal casting including aluminum and zinc etc.	<b>51%</b>	51%

**1. ORGANIZATION AND ACTIVITIES (Continued)**

**Structure of the Group (Continued)**

**- PC Strand Bahrain Co.WLL.**

On November 29, 2021, a new Subsidiary Company has been registered with CR number 149926 issued in Bahrain under the name PC Strand Bahrain Co.WLL. The issued capital of the said Company is 20,000 Bahrain Dinar (SR 200,000) which was paid in fourth quarter of the year 2022. The activities of this Company will be to manufacture / trade steel wire strand (PC strand) products. As at March 31, 2024, the Company is yet to commence its operation and has no assets and liabilities except for share capital and bank balance. The Company will establish a plant specialized in PC Stranding with estimated cost of SR 55.5 million.

**- Vair National Casting Company**

On February 28, 2021, the Group has signed a MOU with IGL Group to establish a plant for Aluminum Foundry, as part of the Group's plans to develop its projects. The duration of MOU was initially six months from the date of signing which was subsequently extended till end of August 2023. On August 30, 2023, the Group has registered a new Subsidiary Company with CR number 2050174852 issued in the Kingdom of Saudi Arabia under the name of Vair National Casting Company – Limited Liability Company. The share capital of the said company is SR 7.5 million which is still to be paid by both Companies. The ownership of Maadaniyah is 51% of the share capital and IGL share is 49% of the share capital.

**Projects**

The Board of Directors of the Group, in its meeting held on October 3, 2021, has approved the cancellation of Memorandum of Understanding ("MoU") signed with Valco Group to establish a factory / plant specialized in manufacturing valves used in Oil, Gas and Petrochemical due to the lack of an agreement between the two parties. The said MoU was signed on May 01, 2016. Now the project is 100% owned by the Group. The Group will run this project through its branch, Gulf Baas Industries (Baas). On December 28, 2021, the Company, Baas and Valvospain Solutions and Licenses S.L. (Valvospain) (a Spanish company) have entered into "License and Technology Transfer Agreement" as per which Valvospain will technically support Baas with the design for the operations of the plant by virtue of transferring technological know-how, industrial knowledge, trade database and licensing the rights to use its brand names. The expected date of completion of this project is last quarter of 2024. Further, on April 20, 2023, the Group has signed an agreement with Gulf Triple Contracting Company amounting to SR 34 million for the construction of the project of Valves Factory in King Salman Energy Park (SPARK). The construction duration is 12 months from the beginning of the July 2023.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard No.34 - "Interim Financial Reporting" ("IAS 34") that are endorsed in Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants.

The disclosures in these interim condensed consolidated financial statements do not include the information reported for full annual consolidated financial statements and should, therefore, be read in conjunction with the annual consolidated financial statements of the Group for the year ended December 31, 2023. In addition, results for the three-month period ended March 31, 2024 are not necessarily indicative of the expected results for the full year ending December 31, 2024.

**2.2 Basis of measurement**

These interim condensed consolidated financial statements are prepared under the historical cost convention, using the accruals basis of accounting, except for those required to be recorded on other basis of accounting as mentioned in annual consolidated financial statements of the Group for the year ended December 31, 2023.

**2.3 Functional and presentation currency**

These interim condensed consolidated financial statements are presented in Saudi Riyals (SR) which is also the functional currency of the Group. Figures have been rounded off to nearest Saudi Riyals, unless otherwise stated.

### **3. USE OF ESTIMATES AND JUDGMENTS**

In preparing these interim condensed consolidated financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the annual consolidated financial statements of the Group for the year ended December 31, 2023.

### **4. MATERIAL ACCOUNTING POLICES**

The material accounting policies, risk management policies and methods of computation adopted for the preparation of these interim condensed consolidated financial statements are same as those applied in the annual consolidated financial statements of the Group for the year ended December 31, 2023, except for the adoption of certain new standards / amendments that have become effective in the current period.

### **5. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS**

#### **5.1 Standards and amendments issued and applied effective in current period**

There are no new standards issued, however, there are amendments to the following standards, which are effective in current period and have no material impact on Group's interim condensed consolidated financial statements;

<b>Amendments to standard</b>	<b>Description</b>	<b>Effective for annual years beginning on or after</b>	<b>Summary of the amendment</b>
IAS 1	Classification of liabilities as current or non-current	January 1, 2024	The amendment has clarified what is meant by a right to defer settlement, that a right to defer must exist at the end of the reporting period, that classification is unaffected by the likelihood that an entity will exercise its deferral right, and that only if an embedded derivative in a convertible liability is itself an equity instrument the terms of liability would not impact its classification.
IFRS 16	Leases on sale and leaseback	January 1, 2024	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted
IAS 7 and IFRS 7	Supplier finance arrangements	January 1, 2024	These amendments require to add disclosure requirements to enhance transparency of supplier finance arrangements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.

**NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)**

(A JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024****Expressed in Saudi Riyal****5. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (Continued)****5.2 New standards, amendments and revised IFRS issued but not yet effective**

<b>Amendments to standard</b>	<b>Description</b>	<b>Effective for annual years beginning on or after</b>	<b>Summary of the amendment</b>
IAS 21	Lack of Exchangeability	January 1, 2025	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

Management anticipates that these new interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and adoption of these interpretations and amendments are expected to have no material impact on the consolidated financial statements of the Group in the period of initial application.

**6. PROPERTY, PLANT AND EQUIPMENT**

During the three-month period ended March 31, 2024 additions to property, plant and equipment were amounted to SR 4 million (December 31, 2023: SR 19.4 million).

**7. INVESTMENT PROPERTIES**

The investment properties were valued on December 31, 2023 at fair value, determined by an independent, professionally qualified valuer "Fair value Company for Professional Consultation" who is licensed by Saudi Authority for Accredited Valuers (License number "1210000841"). As at December 31, 2023, the fair valuation of the investment properties amounted to SR 7.18 million using level 2 valuation techniques. Management believes that there has not been any material change in fair value of these investment properties as at March 31, 2024.

**8. ALLOWANCE FOR EXPECTED CREDIT LOSSES**

The movement of the allowance for expected credit losses against trade receivables during the period / year is as follows:

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
As at beginning of the period / year	<b>18,977,956</b>	18,582,434
(Reversal) / charge for the period / year	<b>(829,414)</b>	397,975
Write offs	<b>-</b>	(2,453)
As at end of the period / year	<b>18,148,542</b>	18,977,956

**9. CASH AND CASH EQUIVALENTS**

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Cash in hand	<b>57,500</b>	21,000
Cash at banks	<b>34,285,554</b>	26,386,383
Term / call deposits	<b>20,290,373</b>	20,610,307
	<b>54,633,427</b>	47,017,690

Term deposits with the local banks have original maturities of less than three months and carry profit at prevailing commercial rates.

**NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)**

(A JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024****Expressed in Saudi Riyal****10. BORROWINGS**

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Saudi Industrial Development Fund (SIDF)	<b>11,650,000</b>	11,650,000
Less: deferred financial charges	<b>(81,463)</b>	(100,262)
Less: current portion	<b>(7,046,367)</b>	(7,027,568)
Long term loans –non current portion	<b>4,522,170</b>	4,522,170
Long term loans –current portion	<b>7,046,367</b>	7,027,568
Short term loans	<b>17,808,495</b>	8,160,269
	<b>29,377,032</b>	19,710,007

**10.1** The Group has obtained various facilities from local banks (“the Facilities”) which comprise of letter of credits, import finance, letter of guarantees and term finance facilities. The Facilities are secured by promissory notes and mortgage of properties. The Facilities carry charges at commercial rates.

**10.2** The Group is required to comply with certain covenants. As at March 31, 2024, it is complying with all the covenants.

**11. TRADE AND OTHER PAYABLES**

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Trade payables	<b>12,222,626</b>	7,815,384
Note payables	<b>24,093,577</b>	23,055,094
	<b>36,316,203</b>	30,870,478

**12. CONTINGENCIES AND COMMITMENTS**

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

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Letter of credits	<b>31,632,889</b>	16,394,617
Letter of guarantees	<b>376,870</b>	376,870

(b) As at March 31, 2024, the Company has outstanding capital commitments amounted to SR 48.55 million (December 31, 2023: SR 52.67 million) related to expansion projects and development of production lines.

**13. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

The related parties consist of major shareholders, parties controlled and influenced by them, Board of Directors and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. The transactions are dealt with on mutually agreed terms and the terms and conditions on these transactions are approved by the Group’s management. The Group have no significant transaction with any of its related parties except for key management personnel and Directors.

Transactions with key management personnel:

	<b>For the three- month period ended March 31, 2024 (unaudited)</b>	<b>For the three- month period ended March 31, 2023 (unaudited)</b>
Key management executive’ remuneration	<b>1,649,015</b>	1,576,099
Directors’ allowances and expenses	<b>367,500</b>	376,500

**NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)**

(A JOINT STOCK COMPANY)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024****Expressed in Saudi Riyal****14. SEGMENT INFORMATION**

Consistent with the Group's internal reporting process, business segments have been approved by management in respect of the Group's activities. The Group's sales, gross profit, assets and liabilities, by business segment, are as follows:

	<b>Transformation industries</b>	<b>Engineering and metal forming industries</b>	<b>Total</b>
<b>2024</b>			
<b>For the three-month period ended March 31, 2024 (Unaudited)</b>			
Revenue	<b>38,927,838</b>	<b>25,378,152</b>	<b>64,305,990</b>
Gross profit	<b>366,857</b>	<b>1,246,206</b>	<b>1,613,063</b>
<b>As at March 31, 2024 (Unaudited)</b>			
Total assets	<b>286,328,611</b>	<b>120,995,073</b>	<b>407,323,684</b>
Total liabilities	<b>97,033,731</b>	<b>33,398,175</b>	<b>130,431,906</b>
<b>2023</b>			
<b>For the three-month period ended March 31, 2023 (Unaudited)</b>			
Revenue	34,553,475	31,195,206	65,748,681
Gross (loss) / profit	(111,721)	4,016,470	3,904,749
<b>As at December 31, 2023 (Audited)</b>			
Total assets	276,488,754	121,729,961	398,218,715
Total liabilities	81,677,896	32,260,456	113,938,352

The sales within the Kingdom of Saudi Arabia for the three-month period ended March 31, 2024 amounted to SR 47.1 million (three-month period ended March 31, 2023: SR 55.1 million). Export sales for the three-month period ended March 31, 2024 amounted to SR 17.2 million (three-month period ended March 31, 2023: SR 10.6 million). All of the Company's operations are located in the Kingdom of Saudi Arabia.

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

**15. LOSS PER SHARE**

	<b>Three-month period ended</b>	
	<b>March 31, 2024 (Un-audited)</b>	<b>March 31, 2023 (Un-audited)</b>
Loss for the period	<b>(7,388,585)</b>	(4,899,349)
Weighted average number of ordinary shares	<b>35,400,000</b>	35,400,000
Basis / diluted loss per share	<b>(0.21)</b>	(0.14)

**16. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS**

As of March 31, 2024 and December 31, 2023, the carrying values of the financial assets and financial liabilities of the Group approximate to their fair values. Regarding equity investment at FVOCI, the management believes that cost is the best estimates of its fair value as the investee company is in formation stages as of March 31, 2024. The management also believes that the fair value of investment property is not materially different with that disclosed in annual consolidated financial statements of the Group for the year ended December 31, 2023.

**NATIONAL METAL MANUFACTURING AND CASTING COMPANY (MAADANIYAH)****(A JOINT STOCK COMPANY)****NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)****FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024****Expressed in Saudi Riyal**

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**17. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to comply with the current period presentation of the interim condensed consolidated financial statements.

**18. NON-CASH TRANSACTIONS:**

Following are the non-cash transactions:

	<b>2024</b>	<b>2023</b>
Finance cost related to lease liability transferred to capital work in progress	<b>54,492</b>	-
Depreciation expense related to right of use assets transferred to capital work in progress	<b>56,831</b>	-

**19. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

These interim condensed consolidated financial statements have been approved and authorized for issue by the Board of Directors on May 15, 2024 G corresponding to Dhu'l Qadah 7, 1445.