

**ADES HOLDING COMPANY
(Listed Joint Stock Company)
AND ITS SUBSIDIARIES**

**UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE THREE-MONTH PERIOD ENDED
31 MARCH 2025 (UNAUDITED)**



Ernst & Young Professional Services (Professional LLC)
Paid-up capital (SR 5,500,000 – Five million five hundred thousand Saudi Riyal)
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INDEPENDENT AUDITORS' REVIEW REPORT ON THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF ADES HOLDING COMPANY (A LISTED JOINT STOCK COMPANY)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of ADES Holding Company (A Listed Joint Stock Company) (the "Company") and its subsidiaries (collectively referred to as the "Group") as at 31 March 2025 and the related interim condensed consolidated statements of comprehensive income, changes in equity and cash flows for the three-month period then ended, and explanatory notes (collectively referred to as "the interim condensed consolidated financial statements"). 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") endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" endorsed in the Kingdom of Saudi Arabia. A review of 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 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 endorsed in the Kingdom of Saudi Arabia.

For Ernst and Young Professional Services

Marwan S. AlAfaliq
Certified Public Accountant
License No. (422)



Alkhubar: 6 Dhu al-Qidah 1446H
4 May 2025

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

		<i>For the three-month period ended</i>	
		<i>31 March 2025 (Un-audited) SAR'000</i>	<i>31 March 2024 (Un-audited) SAR'000</i>
	<i>Notes</i>		
Revenues	4	1,470,138	1,532,070
Cost of revenue		(879,954)	(929,384)
GROSS PROFIT		590,184	602,686
General and administrative expenses		(114,579)	(108,555)
End of service employment benefits		(11,663)	(13,643)
Share-based payments expense		-	(40,663)
Finance costs, net		(217,718)	(199,453)
Other expenses, net		(9,307)	(9,015)
PROFIT FOR THE PERIOD BEFORE INCOME TAX AND ZAKAT		236,917	231,357
Income tax and zakat expenses	5	(40,238)	(30,509)
PROFIT FOR THE PERIOD		196,679	200,848
Attributable to:			
Equity holders of the Parent		194,155	197,361
Non-controlling interests		2,524	3,487
		196,679	200,848
Earnings per share basic and diluted attributable to equity holders of the parent (In SAR per share)	11	0.18	0.18
OTHER COMPREHENSIVE (LOSS)/INCOME			
<i>Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods (net of any tax):</i>			
Net (loss)/gain on cash flow hedge		(21,417)	66,537
<i>Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods (net of any tax):</i>			
Net loss on equity instruments designated at fair value through other comprehensive income		(4,422)	-
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD, NET OF TAX		(25,839)	66,537
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		170,840	267,385
Attributable to:			
Equity holders of the Parent		168,316	263,898
Non-controlling interests		2,524	3,487
		170,840	267,385

The attached notes 1 to 16 form an integral part of these unaudited interim condensed consolidated financial statements


ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES


INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

	Notes	31 March 2025 (Un-audited) SAR'000	31 December 2024 (Audited) SAR'000
ASSETS			
Non-current assets			
Property and equipment	8	17,682,385	17,567,622
Intangible assets		3,696	3,956
Right-of-use- assets		503,569	494,146
Derivative instruments	14-a,12	38,746	61,850
Prepayments and other receivables		238,517	215,186
Investments in joint venture		29,303	25,416
Total non-current assets		18,496,216	18,368,176
Current assets			
Inventories	7	562,580	527,273
Trade receivables		762,410	857,833
Contract assets		499,573	524,671
Due from related parties	12	1,223	1,223
Prepayments and other receivables		608,677	502,391
Investments at fair value through other comprehensive income (FVOCI)	14-b,12	98,165	102,936
Bank balances and cash	6,12	296,230	744,187
Total current assets		2,828,858	3,260,514
TOTAL ASSETS		21,325,074	21,628,690
EQUITY AND LIABILITIES			
Equity			
Share capital	10	1,129,063	1,129,063
Share premium	10	2,890,367	2,890,367
Treasury shares	10	(28,127)	(28,127)
Fair value reserve of financial assets at FVOCI		(2,041)	2,381
Cash flow hedge reserve		30,750	52,167
Share-based payment reserve		119	119
Retained earnings		2,398,770	2,446,821
Equity attributable to equity holders of the parent		6,418,901	6,492,791
Non-controlling interests		47,717	45,193
Total equity		6,466,618	6,537,984
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	9,12	10,559,823	10,725,356
Lease liabilities		376,419	352,374
Provisions		195,573	188,571
Deferred revenue		687,252	679,962
Deferred tax, net		103,254	94,068
Total non-current liabilities		11,922,321	12,040,331
Current liabilities			
Trade and other payables		1,252,776	1,270,308
Deferred revenue		262,781	358,976
Income tax accrual	5	96,665	82,468
Interest-bearing loans and borrowings	9,12	1,316,722	1,331,334
Provisions		7,191	7,289
Total current liabilities		2,936,135	3,050,375
Total liabilities		14,858,456	15,090,706
TOTAL EQUITY AND LIABILITIES		21,325,074	21,628,690


Dr. Mohamed Farouk
Vice Chairman


Hussein Badawy
Chief Financial Officer

The attached notes 1 to 16 form an integral part of these unaudited interim condensed consolidated financial statements

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

	<i>Attributed to the equity holders of the parent</i>									
	<i>Share capital</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Fair value reserve of financial assets at FVOCI</i>	<i>Cash flow hedge reserve</i>	<i>Share based payment reserve</i>	<i>Retained earnings</i>	<i>Total</i>	<i>Non-controlling interest</i>	<i>Total equity</i>
	<i>SAR '000</i>	<i>SAR '000</i>	<i>SAR '000</i>	<i>SAR '000</i>	<i>SAR '000</i>	<i>SAR '000</i>	<i>SAR '000</i>	<i>SAR '000</i>	<i>SAR '000</i>	<i>SAR '000</i>
Balance at 1 January 2025 (Audited)	1,129,063	2,890,367	(28,127)	2,381	52,167	119	2,446,821	6,492,791	45,193	6,537,984
Profit for the period	-	-	-	-	-	-	194,155	194,155	2,524	196,679
Other comprehensive loss	-	-	-	(4,422)	(21,417)	-	-	(25,839)	-	(25,839)
Total comprehensive income	-	-	-	(4,422)	(21,417)	-	194,155	168,316	2,524	170,840
Dividends to shareholders (note 15)	-	-	-	-	-	-	(242,206)	(242,206)	-	(242,206)
Balance at 31 March 2025 (Un-audited)	1,129,063	2,890,367	(28,127)	(2,041)	30,750	119	2,398,770	6,418,901	47,717	6,466,618

The attached notes 1 to 16 form an integral part of these unaudited interim condensed consolidated financial statements

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

	<i>Attributed to the equity holders of the parent</i>							<i>Non-controlling interest</i>	<i>Total equity</i>
	<i>Share capital</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Cash flow hedge reserve</i>	<i>Retained earnings</i>	<i>Share based payment reserve</i>	<i>Total</i>	<i>SAR'000</i>	<i>SAR'000</i>
	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>	<i>SAR'000</i>
Balance at 1 January 2024 (Audited)	1,129,063	2,890,367	(33,872)	41,150	1,721,532	-	5,748,240	28,667	5,776,907
Profit for the period	-	-	-	-	197,361	-	197,361	3,487	200,848
Other comprehensive income	-	-	-	66,537	-	-	66,537	-	66,537
Total comprehensive income	-	-	-	66,537	197,361	-	263,898	3,487	267,385
Share-based payments	-	-	-	-	-	40,663	40,663	-	40,663
Balance at 31 March 2024 (Un-audited)	1,129,063	2,890,367	(33,872)	107,687	1,918,893	40,663	6,052,801	32,154	6,084,955

The attached notes 1 to 16 form an integral part of these unaudited interim condensed consolidated financial statements

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts with thousand Saudi Arabian Riyal (SAR), unless otherwise stated)

	Notes	31 March 2025 SAR'000 (Un-audited)	31 March 2024 SAR'000 (Un-audited)
OPERATING ACTIVITIES			
Profit for the period before income tax and zakat		236,917	231,357
Adjustments for:			
Depreciation of property and equipment	8	289,285	253,337
Amortisation of intangible assets	8	262	176
Depreciation of right of use assets	8	51,176	45,876
End of service employment benefits		11,663	13,643
Share-based payments expense		-	40,663
Finance costs, net		217,718	199,453
Share of results of investment in a joint venture		(3,887)	-
Dividends from investment in financial instruments		(1,215)	-
		801,919	784,505
Working capital changes:			
Inventories		(35,307)	(52,483)
Trade receivable		95,423	(17,397)
Contract assets		25,097	(113,561)
Prepayments and other receivables		(85,747)	21,165
Trade and other payables		(67,416)	143,760
Deferred revenue		(88,904)	383,614
Cash flows from operations		645,065	1,149,603
Income tax paid	5	(14,819)	(3,008)
Provisions paid		(4,759)	(5,172)
Net cash flows from operating activities		625,487	1,141,423
INVESTING ACTIVITIES			
Purchase of property and equipment		(457,485)	(774,228)
Payment of the consideration payable for acquisitions*		(18,222)	-
Dividends from investment in financial instruments	14-b	1,215	-
Net cash flows (used) in investing activities		(474,492)	(774,228)
FINANCING ACTIVITIES			
Proceeds from loans and borrowings	9	12,921	1,965
Repayment of loans and borrowings	9	(199,805)	(187,077)
Finance cost paid - net		(114,375)	(89,280)
Payment of lease liabilities		(55,487)	(50,478)
Dividend paid to shareholders	15	(242,206)	-
Net cash flows (used) in financing activities		(598,952)	(324,870)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at the beginning of period	6	744,187	432,282
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6	296,230	474,607

*This amount is related to the outstanding consideration payable for the acquisition of the Topaz rig and shares of Rig Finance Ltd that were purchased in 2024 and disclosed in the annual financial statements for the year ended 31 December 2024.

The attached notes 1 to 16 form an integral part of these unaudited interim condensed consolidated financial statements

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

1 BACKGROUND

Corporate information

ADES Holding Company (the “Company” or the “Parent Company”) was incorporated on 28 December 2022 as a mixed closed joint stock company limited under Saudi laws. ADES Investment Holding Ltd is the ultimate controlling party (the “ultimate controlling party”) of the Company. The Company and its subsidiaries together are referred as the “Group”.

The Group’s head office is located at 7429 Prince Turki Street, Corniche District, Al Khobar, Kingdom of Saudi Arabia.

The Company licensed under foreign investment license number 122114405178894 issued by the Ministry of Investment on 11 Jumada al-Awal 1444 H (corresponding to 5 December 2022 G) and operating under commercial registration number 2051245446 and unified identification number 7032464070 dated ٤ Jumada al-Thani 1444 H (corresponding to 28 December 2022 G).

On 1 Sha’ban 1445H (corresponding to 11 February 2024), the Company status changed from mixed joint company to listed joint stock company.

On 11 October 2023, the Company completed its Initial Public Offering (“IPO”), and its ordinary shares were listed on the Saudi Stock Exchange (“Tadawul”).

Shareholder	As of 31 December 2024			As of 31 March 2025		
	No. of shares’000	Ownership	Nominal value SAR’000	No. of shares’000	Ownership	Nominal value SAR’000
ADES Investments Holding Ltd	412,277	36.50%	412,277	412,277	36.50%	412,277
The Public Investment Fund of the Kingdom of Saudi Arabia	268,548	23.80%	268,548	268,548	23.80%	268,548
Zamil Group Investment Co	75,647	6.70%	75,647	75,647	6.70%	75,647
Free Float	344,464	30.5%	344,464	344,464	30.5%	344,464
Treasury Shares	28,127	2.5%	28,127	28,127	2.5%	28,127
	1,129,063	100%	1,129,063	1,129,063	100%	1,129,063

The Interim Condensed Consolidated Financial Statements were authorised for issue on 6 Dhu al-Qidah 1446H (corresponding to 4 May 2025) by the Board of Directors.

The Group is a leading oil and gas drilling and production services provider in the Middle East and Africa. The Group services primarily include offshore and onshore contract drilling and production services. The Group currently operates in Egypt, Algeria, Malaysia, Kuwait, Tunisia, Qatar, India, Indonesia, Thailand and the Kingdom of Saudi Arabia. The Group’s offshore services include drilling and workover services and Mobile Offshore Production Unit (MOPU) production services, as well as accommodation, catering, and other barge-based support services. The Group’s onshore services primarily encompass drilling and work over services. The Group also provides projects services (outsourcing various operating projects for clients, such as maintenance and repair services).

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

1 BACKGROUND (continued)

Corporate information (continued)

The interim condensed consolidated financial statements of the Group include activities of the following subsidiaries:

<i>Name</i>	<i>Principal activities</i>	<i>Country of incorporation</i>	<i>As at 31 March 2025</i>	<i>As at 31 December 2024</i>
Advanced Energy Systems (ADES) (S.A.E) ¹	Oil & gas drilling and production services	Egypt	100%	100%
ADES Saudi Limited Company ¹	Oil and gas drilling and production services	KSA	100%	100%
Precision Drilling Company ²	Holding company	Cyprus	100%	100%
Kuwait Advanced Drilling Services	Leasing of rigs	Cayman	100%	100%
Prime innovations for Trade S.A. E	Trading	Egypt	100%	100%
ADES International for Drilling	Leasing of rigs	Cayman	100%	100%
AG training	Training	Egypt	70%	70%
Advanced Transport Services	Leasing of transportation Equipment	Cayman	100%	100%
Advanced Drilling Services	Trading	Cayman	100%	100%
ADES for Drilling Services Ltd ³	Extracting & Drilling Equipment & Machinery Rental	UAE	100%	100%
ADES International Holding Ltd	Holding Company	UAE	100%	100%
Emerald Driller Company ⁴	Production services oil and gas drilling and production services	Cayman	100%	100%
ADES Drilling Services I Ltd.	Leasing of rigs	Bermuda	100%	100%
ADES Drilling Services II Ltd.	Leasing of rigs	Bermuda	100%	100%
ADES Drilling Services III Ltd.	Leasing of rigs	Bermuda	100%	100%
ADES Advanced Drilling Services Ltd. ⁵	Leasing of rigs	Liberia	100%	100%
ADES Drilling Services IV Ltd.	Leasing of rigs	Bermuda	100%	100%
ADES Drilling Services V Ltd.	Leasing of rigs	Bermuda	100%	100%
ADES Drilling Services Ltd. ⁶	Leasing of rigs	Bermuda	100%	100%
ADES GCC For Drilling Ltd. ⁷	Oil and gas drilling and production services	Bermuda	100%	100%
ADES Drilling Services Cyprus Ltd.	Oil and gas drilling services	Cyprus	100%	100%
PT ADES Drilling Indonesia	Petroleum oil and natural gas mining supporting activities	Indonesia	100%	100%
RIG FINANCE LTD ⁸	Leasing of rigs	Bermuda	100%	100%
ADRES HR Solution LTD	HR Services	Egypt	60%	60%

The Company holds investment in Egyptian Chinese Drilling Company (ECDC) (Joint Venture) which is accounted for using the equity method of accounting in these Interim Condensed Consolidated Financial Statements.

- ¹ Advanced Energy Systems (ADES) (S.A.E) has branches in Algeria, India, UAE and Iraq. ADES Saudi limited Company acquired 8 subsidiaries from Seadrill.
- ² Precision Drilling Company holds a 47.5% interest in United Precision Drilling Company W.L.L, a Kuwait entity which handles the operations of the rigs in Kuwait.
- ³ ADES for Drilling Services Ltd set up a branch in Tunisia in 2021 and Thailand in 2024, and had changed its name from ADES Holding for Drilling Services Ltd.
- ⁴ Emerald Driller Company has a Branch in Qatar which handles operations in the country.
- ⁵ ADES Advanced Drilling Services Ltd has a branch in Congo.
- ⁶ ADES Drilling Services Ltd. has a branch in Indonesia.
- ⁷ ADES GCC For Drilling Ltd has a branch in KSA.
- ⁸ Rig Finance Ltd has a branch in Indonesia.

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

2 MATERIAL ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements of the Group have been prepared in accordance with the International Accounting Standard 34 'Interim Financial Reporting' (IAS 34) endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA) (collectively referred to "IFRS as endorsed in KSA").

The Interim Condensed Consolidated Financial Statements have been prepared under the historical cost basis, except for derivative financial instruments carried at fair value which includes interest rate swap contracts designated as hedging instruments and investment at fair value through other comprehensive income.

The Interim Condensed Consolidated Financial statements do not include all the information and disclosures required in the annual financial statement and should be read in conjunction with the Group's Consolidated Financial Statements for the year ended 31 December 2024.

The Interim Condensed Consolidated Financial Statements are presented in Saudi Arabian Riyal and all values are rounded to the nearest thousand ("SAR000"), except when otherwise indicated. Saudi Arabian Riyal ("SAR") is the functional currency of the Company and the presentation currency for the Group.

The Group has prepared the Interim Condensed Consolidated Financial Statements on the basis that it will continue to operate as a going concern.

2.2 NEW STANDARDS AND INTERPRETATIONS

The accounting policies adopted in the preparation of the Interim Condensed Consolidated Financial Statements are consistent with those followed in the preparation of the ADES Holding Company's consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards and interpretations as of 1 January 2025 that did not have material impact on the interim condensed consolidated financial statements of the Group. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

3 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer (CEO) that are used to make strategic decisions. As operationally, the Group is only in the oil and gas production and drilling services, the CEO considers the business from a geographic perspective and has identified Ten geographical segments (31 March 2024: seven geographical segments). Management monitors the operating results of its segments separately for the purpose of making decisions about resource allocation and performance assessment.

Segment

	<i>Egypt SAR'000</i>	<i>Algeria & Tunisia SAR'000</i>	<i>Kingdom of Saudi Arabia SAR'000</i>	<i>Kuwait SAR'000</i>	<i>Qatar SAR'000</i>	<i>India SAR'000</i>	<i>Southeast Asia ***** SAR'000</i>	<i>Total Segments SAR'000</i>	<i>Corporate SAR'000</i>	<i>Adjustments and Eliminations*** SAR'000</i>	<i>Total SAR'000</i>
For the three month period ended 31 March 2025											
Revenue											
External customers	136,928	52,141	898,845	109,571	74,042	61,145	137,466	1,470,138	-	-	1,470,138
Inter-segment ***	102,258	-	33,585	-	18,309	-	-	154,152	-	(154,152)	-
Total Revenue	<u>239,186</u>	<u>52,141</u>	<u>932,430</u>	<u>109,571</u>	<u>92,351</u>	<u>61,145</u>	<u>137,466</u>	<u>1,624,290</u>	<u>-</u>	<u>(154,152)</u>	<u>1,470,138</u>
Income/(expenses)											
Cost of revenue*	(38,523)	(32,880)	(303,672)	(55,188)	(43,297)	(25,314)	(44,904)	(543,778)	-	-	(543,778)
General and administrative expenses	(9,517)	(5,092)	(60,820)	(9,526)	(3,508)	(3,953)	(3,587)	(96,003)	(18,576)	-	(114,579)
Finance costs (net)	(7,450)	(1,925)	(189,566)	(7,986)	(2,286)	(2,814)	(4,991)	(217,018)	(700)	-	(217,718)
Depreciation and amortization****	(26,092)	(9,147)	(226,043)	(39,837)	(10,192)	(8,960)	(15,905)	(336,176)	-	-	(336,176)
Other (expenses)/income (net) **	3,544	(3,291)	(26,153)	(4,260)	(951)	(2,564)	(11,635)	(45,310)	(15,898)	-	(61,208)
Segment Profit / (Loss)	<u>58,890</u>	<u>(194)</u>	<u>92,591</u>	<u>(7,226)</u>	<u>13,808</u>	<u>17,540</u>	<u>56,444</u>	<u>231,853</u>	<u>(35,174)</u>	<u>-</u>	<u>196,679</u>
Total Assets as at 31 March 2025 (i)	<u>3,935,118</u>	<u>692,904</u>	<u>11,807,531</u>	<u>2,503,615</u>	<u>1,079,006</u>	<u>142,502</u>	<u>972,321</u>	<u>21,132,997</u>	<u>192,077</u>	<u>-</u>	<u>21,325,074</u>
Total Liabilities as at 31 March 2025 (ii)	<u>2,273,694</u>	<u>395,376</u>	<u>8,744,709</u>	<u>1,359,436</u>	<u>1,056,424</u>	<u>105,272</u>	<u>836,808</u>	<u>14,771,719</u>	<u>86,737</u>	<u>-</u>	<u>14,858,456</u>
Other Segment information											
Capital expenditure as at 31 March 2025 (i)	<u>15,185</u>	<u>24,900</u>	<u>87,261</u>	<u>235,307</u>	<u>10,800</u>	<u>4,976</u>	<u>25,619</u>	<u>404,048</u>	<u>-</u>	<u>-</u>	<u>404,048</u>

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

3 SEGMENT INFORMATION (continued)

Segment

	Egypt SAR'000	Algeria & Tunisia SAR'000	Kingdom of Saudi Arabia SAR'000	Kuwait SAR'000	Qatar SAR'000	India SAR'000	Total Segments SAR'000	Corporate SAR'000	Adjustments and Eliminations*** SAR'000	Total SAR'000
For the three month period ended 31 March 2024										
Revenue										
External customers	117,479	29,720	1,105,806	152,004	87,245	39,816	1,532,070	-	-	1,532,070
Inter-segment ***	113,048	-	-	1,706	-	-	114,754	-	(114,754)	-
Total Revenue	230,527	29,720	1,105,806	153,710	87,245	39,816	1,646,824	-	(114,754)	1,532,070
Income/(expenses)										
Cost of revenue*	(39,884)	(22,617)	(441,576)	(70,758)	(43,439)	(15,811)	(634,085)	-	-	(634,085)
General and administrative Expenses	(6,871)	(3,532)	(65,881)	(9,908)	(5,085)	(2,880)	(94,157)	(14,398)	-	(108,555)
Finance costs (net)	(16,083)	(1,540)	(165,389)	(10,075)	(2,951)	(2,431)	(198,469)	(984)	-	(199,453)
Depreciation and amortization****	(22,062)	(6,928)	(210,206)	(41,062)	(9,151)	(5,890)	(295,299)	-	-	(295,299)
Other expenses (net) **	(1,473)	(1,022)	(21,093)	(6,077)	(3,291)	(2,565)	(35,521)	(58,309)	-	(93,830)
Segment Profit / (Loss)	31,106	(5,919)	201,661	14,124	23,328	10,239	274,539	(73,691)	-	200,848
Total Assets as at 31 March 2024 (i)	3,781,594	545,981	12,459,511	1,990,895	1,075,434	189,781	20,043,196	140,177	-	20,183,373
Total Liabilities as at 31 March 2024	1,418,520	122,580	11,592,150	558,135	225,442	133,219	14,050,046	48,372	-	14,098,418
Other Segment information:										
Capital expenditure as at 31 March 2024 (i)	7,946	48,333	533,514	71,712	3,086	67,167	731,758	-	-	731,758

* Excluding depreciation and amortisation.

** Other (expenses)/income (net) includes end of service employment benefits, other expenses, net, income and zakat tax expense and share based payment expense.

*** Inter-segment revenues and other adjustments are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column.

**** Depreciation and amortisation recorded under cost of revenue.

***** Southeast Asia includes (Indonesia, Thailand and Malaysia).

(i) Management presents the assets in the segment which holds such assets, while the capital expenditure is presented in the segment where such assets are utilised.

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

4 REVENUES

	<i>For the three-month period ended</i>	
	<i>31 March 2025 SAR'000 (Unaudited)</i>	<i>31 March 2024 SAR'000 (Unaudited)</i>
<i>Revenue from customer contracts</i>		
Units operations	1,350,682	1,479,221
Projects income*	46,222	1,983
Catering services	36,349	34,412
Others	15,355	15,379
<i>Revenue from lease</i>		
Revenue from lease	21,530	1,075
	1,470,138	1,532,070

Refer Note 3 for segment disclosure. The primary operational revenue stream is drilling services (units operations) and the revenue is recognised over the time of service.

*Projects income, which is recognized over time, represents services relating to outsourcing various operating projects for clients such as, early production facilities, manpower, maintenance, repair services and exploration and production.

5 INCOME TAX AND ZAKAT EXPENSES

Interim Condensed Consolidated Statement of Comprehensive Income:

	<i>For the three-month period ended</i>	
	<i>31 March 2025 SAR'000 (Unaudited)</i>	<i>31 March 2024 SAR'000 (Unaudited)</i>
Current income tax expense	14,056	13,794
Zakat expense	14,960	19,606
Deferred tax charge /(credit)	11,222	(2,891)
	40,238	30,509

Interim Condensed Consolidated Statement of Financial position:

	<i>31 March 2025 SAR'000 (Unaudited)</i>	<i>31 December 2024 SAR'000 (Audited)</i>
Current liabilities:		
Opening balance	82,468	30,218
Charge for the period/year	29,016	126,064
Paid during the period/year	(14,819)	(73,814)
Ending balance	96,665	82,468

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

6 BANK BALANCES AND CASH

	<i>31 March 2025 SAR'000 (Unaudited)</i>	<i>31 December 2024 SAR'000 (Audited)</i>
Bank balances	295,592	743,803
Cash on hand	638	384
Bank balances and cash in the Interim Condensed consolidated statement of financial position and cash and cash equivalent for the purpose of Interim Condensed consolidated statement of cash flows	<u>296,230</u>	<u>744,187</u>

7 INVENTORIES

	<i>31 March 2025 SAR'000 (Unaudited)</i>	<i>31 December 2024 SAR'000 (Audited)</i>
Spare parts, supplies and consumables at:		
Offshore rigs	418,240	387,356
Warehouse and yards	94,572	90,685
Onshore rigs	49,768	49,232
	<u>562,580</u>	<u>527,273</u>

As at 31 March 2025, the inventories are stated net of provision for impairment of inventory of SAR 98,253 thousand (31 December 2024: SAR 98,253 thousand).

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

8 PROPERTY AND EQUIPMENT

<i>31 March 2025</i>	<i>Rigs SAR'000</i>	<i>Furniture and fixtures SAR'000</i>	<i>Drilling pipes SAR'000</i>	<i>Tools SAR'000</i>	<i>Assets under construction SAR'000</i>	<i>IT equipment SAR'000</i>	<i>Motor vehicles SAR'000</i>	<i>Leasehold improvement SAR'000</i>	<i>Building SAR'000</i>	<i>Leasehold land SAR'000</i>	<i>Total SAR'000</i>
Cost:											
As at 1 January 2025	18,712,639	18,674	158,663	631,259	458,949	15,036	3,097	694,330	34,450	58,478	20,785,575
Additions	76,720	67	99	25,350	301,067	45	-	700	-	-	404,048
Transfers	25,291	-	-	9,821	(35,578)	200	266	-	-	-	-
As at 31 March 2025	18,814,650	18,741	158,762	666,430	724,438	15,281	3,363	695,030	34,450	58,478	21,189,623
Accumulated depreciation and impairment:											
As at 1 January 2025	(2,651,702)	(5,700)	(110,038)	(231,014)	(2,870)	(9,186)	(2,095)	(203,945)	(1,403)	-	(3,217,953)
Depreciation	(229,962)	(568)	(4,583)	(20,472)	-	(521)	(183)	(32,511)	(485)	-	(289,285)
As at 31 March 2025	(2,881,664)	(6,268)	(114,621)	(251,486)	(2,870)	(9,707)	(2,278)	(236,456)	(1,888)	-	(3,507,238)
Net book value:											
At 31 March 2025	15,932,986	12,473	44,141	414,944	721,568	5,574	1,085	458,574	32,562	58,478	17,682,385

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

8 PROPERTY AND EQUIPMENT (continued)

<i>31 March 2024</i>	<i>Rigs SAR'000</i>	<i>Furniture and fixtures SAR'000</i>	<i>Drilling pipes SAR'000</i>	<i>Tools SAR'000</i>	<i>Assets under construction SAR'000</i>	<i>IT equipment SAR'000</i>	<i>Motor vehicles SAR'000</i>	<i>Leasehold improvement SAR'000</i>	<i>Building SAR'000</i>	<i>Leasehold land SAR'000</i>	<i>Total SAR'000</i>
Cost:											
As at 1 January 2024	13,979,466	17,156	148,545	502,983	2,944,280	11,185	2,235	636,229	20,078	58,478	18,320,635
Additions	457,992	1,354	3,432	11,457	228,498	580	298	28,147	-	-	731,758
Transfers	2,671,612	-	-	11,290	(2,682,902)	-	-	-	-	-	-
As at 31 March 2024	17,109,070	18,510	151,977	525,730	489,876	11,765	2,533	664,376	20,078	58,478	19,052,393
Accumulated depreciation:											
As at 1 January 2024	(1,826,169)	(3,421)	(85,797)	(173,546)	(2,870)	(6,276)	(1,669)	(71,103)	-	-	(2,170,851)
Depreciation	(201,435)	(570)	(5,770)	(12,683)	-	(458)	(65)	(32,050)	(306)	-	(253,337)
As at 31 March 2024	(2,027,604)	(3,991)	(91,567)	(186,229)	(2,870)	(6,734)	(1,734)	(103,153)	(306)	-	(2,424,188)
Net book value:											
At 31 March 2024	15,081,466	14,519	60,410	339,501	487,006	5,031	799	561,223	19,772	58,478	16,628,205

Most of the rigs are pledged to the lenders (banks) against loans and borrowings (note 9).

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

8 PROPERTY AND EQUIPMENT (continued)

Allocation of depreciation charge:

Depreciation and amortization charge is allocated as follows:

	<i>For the three-month period ended</i>	
	<i>31 March 2025 SAR'000 (Unaudited)</i>	<i>31 March 2024 SAR'000 (Unaudited)</i>
Cost of revenue	336,176	295,299
General and administrative expenses	4,547	4,090
Total depreciation and amortization charge*	<u>340,723</u>	<u>299,389</u>

*Total depreciation and amortization charge for the period includes depreciation of property and equipment of SAR 289,285 thousand (31 March 2024: SAR 253,337 thousand), amortization of intangible assets and depreciation of right of use assets of SAR 262 thousand (31 March 2024: SAR 176 thousand) and SAR 51,176 thousand (31 March 2024: SAR 45,876 thousand) respectively.

Assets under construction and transfers:

Assets under construction represents the amounts that are incurred for the purpose of upgrading and refurbishing property and equipment until it is ready to be used in the operation and amount paid for new rigs purchased during the period that are not ready for use. Assets under construction will mainly be transferred to 'Rigs', 'Tools' of the property and equipment after completion. During the three months period ended 31 March 2025, the Group completed capital projects for the amount of SAR 35,578 thousand (31 December 2024: SAR 3,197,645 thousand) and transferred to the relevant asset categories.

During the three months period ended 31 March 2025, the Group capitalized borrowing costs of SAR 1,086 thousand (31 March 2024: SAR 3,683 thousand) that are related to the capital refurbishment projects of the rigs that require substantial time to prepare such rigs for their intended use. The rate used to determine the amount of borrowing costs eligible for capitalisation was 6.36% (31 March 2024: 7.49%; 31 December 2024: 7.35%) which is the effective interest rate of the related borrowings.

9 INTEREST BEARING LOANS AND BORROWINGS

	<i>31 March 2025 SAR'000 (Unaudited)</i>	<i>31 December 2024 SAR'000 (Audited)</i>
Opening balance	12,056,690	10,349,698
Borrowings drawn during the period/year	12,921	3,193,562
Borrowings repaid during the period/year	(199,805)	(1,427,773)
Amortised/(unamortised) arrangement fees	6,739	(58,797)
	<u>11,876,545</u>	<u>12,056,690</u>
Current	1,316,722	1,331,334
Non-current	10,559,823	10,725,356
	<u>11,876,545</u>	<u>12,056,690</u>

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

9 INTEREST BEARING LOANS AND BORROWINGS (continued)

<i>Type</i>	<i>Original tenor</i>	<i>31 March 2025 SAR'000 (Unaudited)</i>	<i>31 December 2024 SAR'000 (Audited)</i>
Current loans and borrowings			
Loan 1 Syndication Facility A	8 Years	295,237	295,086
Loan 1 Syndication Facility C	8 Years	180,000	180,000
Loan 1 Syndication Facility D	8 Years	77,000	77,000
Loan 2 BSF	7 Years	151,992	184,924
Loan 3 SNB	8 Years	145,158	133,888
Loan 4 AL Rajhi	8 Years	142,797	142,782
Loan 5 Al Inmaa	8 Years	266,302	266,157
Loan 6 Al Mashreq	5 Years	6,605	6,600
Credit Facility 2 – ABK		49,713	38,328
Credit Facility 6 – SAIB		-	4,651
Credit Facility 8 – EGB		1,918	1,918
Total current loans and borrowings		1,316,722	1,331,334
<i>Type</i>	<i>Original tenor</i>	<i>31 March 2025 SAR'000 (Unaudited)</i>	<i>31 December 2024 SAR'000 (Audited)</i>
Non-current loans and borrowings			
Loan 1 Syndication Facility A	8 Years	2,662,711	2,657,914
Loan 1 Syndication Facility C	8 Years	1,480,000	1,480,000
Loan 1 Syndication Facility D	8 Years	1,022,999	1,022,999
Loan 2 BSF	7 Years	1,315,341	1,336,875
Loan 3 SNB	8 Years	1,046,887	1,091,623
Loan 4 AL Rajhi	8 Years	1,099,620	1,135,328
Loan 5 Al Inmaa	8 Years	1,928,963	1,995,667
Loan 6 Al Mashreq	5 Years	3,302	4,950
Total non-current loans and borrowings		10,559,823	10,725,356
Total loans and borrowings		11,876,545	12,056,690

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

9 INTEREST BEARING LOANS AND BORROWINGS (continued)

*The Group's loans and borrowings comprise amount of SAR 10,741,532 thousand (31 December 2024: SAR 10,926,768 thousand) under Islamic Banking Facilities (Sharia compliant) and amount of SAR 1,135,013 thousand (31 December 2024: SAR 1,129,922 thousand) under conventional facilities.

The secured bank loans are subject to the specific covenants:

The Group existing debt facilities includes certain financial covenants. The financial covenants are tested semi-annually as of end of June and December for each year, while management is proactively monitoring the covenants on looking forward basis. As of 31 March 2025, there has not been any non-compliance observed in relation to the financial covenants.

The financial covenants include minimum tangible net worth, current ratio, debt service coverage ratio and maximum Gearing, leverage and net leverage ratios. The definitions used for calculating the financial covenants are based on the debt facilities documentations which may vary from IFRS and includes certain adjustments to the actual accounts.

10 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

	<i>31 March 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Authorised shares (in thousands / '000)	1,129,063	1,129,063
Issued shares (in thousands / '000)	1,129,063	1,129,063
Shares par value (SAR)	1	1
Issued capital in SAR'000	1,129,063	1,129,063
Treasury shares in SAR'000	(28,127)	(28,127)
Outstanding share capital in SAR'000	1,100,936	1,100,936
Share premium in SAR'000 *	2,890,367	2,890,367

* Share premium represents the excess amounts received over the par value of the shares issued.

The shareholding structure of the Company as at 31 March 2025 is as follows:

<i>Shareholders</i>	<i>Shareholding %</i>	<i>No. of shares '000</i>	<i>Value SAR '000</i>
ADES Investment Holding LTD	36.5	412,277	412,277
Public Investment Fund	23.8	268,548	268,548
Zamil Investments	6.7	75,647	75,647
Free Float	30.5	344,464	344,464
Treasury Shares	2.5	28,127	28,127
	100	1,129,063	1,129,063

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

10 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (continued)

The shareholding structure of the Company as at 31 December 2024 is as follows:

<i>Shareholders</i>	<i>Shareholding %</i>	<i>No. of shares '000</i>	<i>Value SAR '000</i>
ADES Investment Holding LTD	36.5	412,277	412,277
Public Investment Fund	23.8	268,548	268,548
Zamil Investments	6.7	75,647	75,647
Free Float	30.5	344,464	344,464
Treasury Shares	2.5	28,127	28,127
	<u>100</u>	<u>1,129,063</u>	<u>1,129,063</u>

11 EARNINGS PER SHARE

Basic earnings per share (EPS) amounts are calculated by dividing the profit for the period attributable to the equity holders of the Parent by the weighted average number of ordinary shares outstanding during the period after adjusting the number of ordinary shares by the treasury shares.

Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding assuming conversion of all dilutive potential ordinary shares. As at 31 March 2025, there were no potential dilutive shares and hence the basic and diluted EPS is same.

The information necessary to calculate basic and diluted earnings per share is as follows:

	<i>31 March 2025 (Unaudited)</i>	<i>31 March 2024 (Unaudited)</i>
Profit for the period attributable to the ordinary equity holders of the Parent for basic and diluted EPS (SAR'000)	<u>194,155</u>	<u>197,361</u>
Weighted average number of ordinary shares outstanding in thousands ('000) – basic and diluted	<u>1,100,936</u>	<u>1,095,191</u>
Earnings per share – basic and diluted (in SAR per share)	<u>0.18</u>	<u>0.18</u>

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

12 RELATED PARTIES TRANSACTIONS AND BALANCES

The immediate controlling party is ADES Investment Holding Ltd. Note 1 provides information about the Group structure. Related parties represent directors and key management personnel of the Company, the Shareholders and entities controlled, jointly controlled or significantly influenced by such parties.

The Public Investment Fund of the Kingdom of Saudi Arabia is one of the Shareholders which is ultimately controlled by the Government of the Kingdom of Saudi Arabia ("KSA Government"). The entities under the control of the KSA Government are included in the other related parties below.

The entities under common control represent the entities controlled by ADES Investment Holding Ltd or its shareholders.

The terms and conditions of the transactions entered into with the related parties are approved by the Group's management.

- (a) Following are the significant related party transactions recorded in the interim condensed consolidated statement of comprehensive income:

	<i>For the three-month period ended</i>	
	<i>31 March 2025 SAR'000 (Unaudited)</i>	<i>31 March 2024 SAR'000 (Unaudited)</i>
Revenue from other related parties	898,845	1,105,806
Revenue from the joint venture	-	1,075
Profit share from the investment in the joint venture	3,887	-
Finance cost from other related parties	(102,339)	(86,745)
Net (loss)/ gain on cash flow hedge with the other related parties	(17,820)	42,142
Loss from remeasurement equity instruments (FVOCI) with the other related parties	(4,771)	-
Dividends received from equity instruments (FVOCI) with the other related parties	1,215	-

- b) The balances with related parties other than the entities controlled by the KSA Government are reported as due to and from related parties on the face of interim condensed consolidated statement of financial position. The balances with the entities controlled by the KSA Government are disclosed in the notes (ii) below.

- i) Due from balances with the related parties:

	<i>31 March 2025 SAR'000 (Unaudited)</i>	<i>31 December 2024 SAR'000 (Audited)</i>
Entities under common control		
Innovative Energy Holding Ltd	1,223	1,223
	<u>1,223</u>	<u>1,223</u>

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

12 RELATED PARTIES TRANSACTIONS AND BALANCES (continued)

The above outstanding balances at the period-end are unsecured, interest free and settled in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 31 March 2025, the Group has not recorded any provision for expected credit losses relating to receivables and amounts owed by related parties. This assessment is undertaken each financial period by examining the financial position of the related party and the market in which the related party operates.

ii) Other significant balances are as follows:

	31 March 2025 SAR'000 (Unaudited)	31 December 2024 SAR'000 (Audited)
Bank balances and cash with other related parties	54,809	121,621
Interest-bearing loans and borrowings from other related parties	6,035,803	5,934,712
Trade receivables and contract assets from other related parties	527,469	650,518
Trade receivables and contract assets from joint venture	1,067	1,067
Derivative financial instrument with other related parties	18,040	35,860
Trade payables to other related parties	29,575	25,720
Investment in equity securities (FVOCI) of other related parties	98,165	102,936
Investment in joint venture	29,303	25,416

Compensation of key management personnel

The remuneration of key management personnel during the period was as follows:

	For the three-month period ended	
	31 March 2025 SAR'000 (Unaudited)	31 March 2024 SAR'000 (Unaudited)
Total benefits (including salary and other allowances)	4,238	2,601
Directors' remuneration	53	47

In addition, key management personnel have benefits from share-based payments vested during the three-month period ended 31 March 2025 amounting nil (31 March 2024: SAR 35,576 thousand).

13 CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities

	31 March 2025 SAR'000 (Unaudited)	31 December 2024 SAR'000 (Audited)
Letter of guarantees*	1,693,808	1,544,234

Contingent liabilities represent letters of guarantee issued in favour of Saudi Customs, Egyptian General Petroleum Corporation, Suze Abu Zenima Petroleum Company (Petro Zenima), Kuwait Oil Company, The Gulf of Suez Petroleum Company and others. The cover margin on such guarantees amounted to SAR 15,227 thousand (31 December 2024: SAR 15,005 thousand).

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

13 CONTINGENT LIABILITIES AND COMMITMENTS (continued)

* The Group has the following related party balances included in letter of guarantees above:

- The Group entered into a bilateral agreement with Saudi National Bank in KSA (SNB) dated May 2019 in SAR equivalent to SAR 10,999 thousand available to issuance of letters of guarantees. As of 31 March 2025, the Group utilized letter of guarantees for a total amount of SAR 9,519 thousand (31 December 2024: SAR 9,519 thousand).
- The Group entered into a bilateral agreement with Alinma Bank dated April 2019 in SAR equivalent to SAR 37,500 thousand available to cover working capital needs including issuance of letters of guarantees. As of 31 March 2025, the Group utilized letter of guarantees for a total amount of SAR 24,364 thousand (31 December 2024: SAR 24,364 thousand).
- The Group entered into a bilateral agreement with Gulf International Bank dated Nov 2023 in SAR equivalent to SAR 250,000 thousand available to cover working capital needs including issuance of letters of guarantees. As of 31 March 2025, the Group utilized letter of guarantees for a total amount of SAR 207,525 thousand (31 December 2024: SAR 196,602 thousand).

Capital commitment

The Group has a capital commitment for SAR196 million as at 31 March 2025 (31 December 2024: SAR 229 million).

14 FINANCIAL INSTRUMENTS AT FAIR VALUES

14- a DERIVATIVE FINANCIAL INSTRUMENTS

Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data.

The fair values of derivative financial instruments are as follows:

	<i>31 March 2025 SAR'000 (Unaudited)</i>	<i>31 December 2024 SAR'000 (Audited)</i>
Non-current		
Derivative financial instruments designated as hedging instruments – cash flow hedges		
Interest rate swaps	<u>38,746</u>	<u>61,850</u>

14- b INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<i>Number of shares</i>	<i>Fair value of each share 31 March 2025 SAR</i>	<i>Cost SAR'000</i>	<i>As at 31 March 2025 SAR'000</i>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Saudi Arabian Oil Company (Saudi Aramco)	3,669,724	26.75	<u>100,368</u>	<u>98,165</u>

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

14 FINANCIAL INSTRUMENTS AT FAIR VALUES (continued)

14- b INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (continued)

The movement of investment with fair value through other comprehensive income during the period/year:

	<i>31 March 2025 (Unaudited) SAR'000</i>	<i>31 December 2024 (Audited) SAR'000</i>
Opening balance	102,936	-
Additions during the period/year	-	100,368
Unrealized (loss)/gain during period/year (before tax)	(4,771)	2,568
	<u>98,165</u>	<u>102,936</u>

During the period ended 31 March 2025, the Group received cash dividends of SAR 1,215 thousand (31 March 2024: nil) from Saudi Arabian Oil Company (Saudi Aramco).

The investment is classified as fair value through other comprehensive income basis irrevocable policy choice.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

	<i>Total SAR'000 (Unaudited)</i>	<i>Level 1 SAR'000 (Unaudited)</i>	<i>Level 2 SAR'000 (Unaudited)</i>	<i>Level 3 SAR'000 (Unaudited)</i>
31 March 2025				
<i>Fair value through other comprehensive income</i>				
Derivative financial instrument:				
Interest rate swap	38,746	-	38,746	-
<i>Fair value through other comprehensive income</i>				
Equity investment in Shares of other related party	98,165	98,165	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<i>Total SAR'000 (Audited)</i>	<i>Level 1 SAR'000 (Audited)</i>	<i>Level 2 SAR'000 (Audited)</i>	<i>Level 3 SAR'000 (Audited)</i>
31 December 2024				
<i>Fair value through other comprehensive income</i>				
Derivative financial instrument:				
Interest rate swap	61,850	-	61,850	-
<i>Fair value through other comprehensive income</i>				
Equity investment in Shares of other related party	102,936	102,936	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

During the three-month period ended 31 March 2025, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 at fair value measurements. (31 December 2024: Nil).

ADES HOLDING COMPANY (Listed Joint Stock Company) AND ITS SUBSIDIARIES

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025 (Unaudited)

(All amounts in thousands Saudi Arabian Riyal (SAR), unless otherwise stated)

15 DIVIDENDS TO SHAREHOLDERS

During the three-month period ended 31 March 2025, the Company's Board of Directors approved cash dividends of SAR 0.22 per share totalling to SAR 242,206 thousand (31 March 2024: Nil). It has been fully paid during the current period.

16 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current period presentation. The following table summarises the effect of prior period reclassifications on the interim condensed consolidated financial position. Such reclassifications have not impacted the previously reported profit or equity.

	31 March 2024 (Unaudited)		
	<i>As previously reported SAR '000</i>	<i>Reclassification SAR '000</i>	<i>As reported now SAR '000</i>
Interim condensed consolidated Statement of comprehensive income			
Other taxes	(5,277)	5,277	-
Other expenses	(6,674)	(2,341)	(9,015)
Other income	2,936	(2,936)	-