THE NATIONAL AGRICULTURAL DEVELOPMENT COMPANY (NADEC)

(A SAUDI JOINT STOCK COMPANY)

THE CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED
31 DECEMBER 2025

THE NATIONAL AGRICULTURAL DEVELOPMENT COMPANY (NADEC)
(A SAUDI JOINT STOCK COMPANY)

INDEX

KPMG Professional Services Company
Roshn Front, Airport Road
P.O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية
واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent Auditor's Report

To the Shareholders of The National Agricultural Development Company (NADEC) (A Saudi Joint Stock Company)

Opinion

We have audited the consolidated financial statements of **The National Agricultural Development Company (NADEC)** ("the Company") and its subsidiaries ("the Group"), which comprise of the consolidated statement of financial position as at 31 December 2025, the consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with International Code of Ethics for Professional Accountants (including International Independence Standards), that is endorsed in the Kingdom of Saudi Arabia as applicable to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code's requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor’s Report

To the Shareholders of The National Agricultural Development Company (NADEC) (A Saudi Joint Stock Company) (continued)

Key Audit Matter

Revenue recognition

Revenue recognition – refer to note (4. Q) to the consolidated financial statements for the accounting policy relating to revenue recognition and note (7) to the consolidated financial statements for the related disclosures.

The key audit matter	How the matter was addressed in our audit
During the year ended 31 December 2025, the Group has recognized total revenues of ⃁ 3.527 billion (2024: ⃁ 3.220 billion). The Group’s sales arrangements are on a point-in-time basis with the right of return provided to customers in case of expiry of products sold. Revenue recognition is considered as a key audit matter since revenue is a key measure of the Group’s performance, and the Group may overstate its revenues by underestimating the expected sales returns given contractual right available to the Group’s customers.	Amongst the other, we performed the following procedures: − We obtained an understanding of the process followed by management for recognition of revenue, and assessed the design and implementation and tested the operating effectiveness of management's key internal controls over the revenue recognition process; − We evaluated the Group’s revenue recognition accounting policy, including method of estimating the sales return; − We evaluated key contractual arrangements with customers, including customer’s right to return products sold by considering relevant documentation and agreements with the customers; − We tested a sample of sales transactions during the year and inspected the underlying goods delivery and acceptance documents to assess compliance with Group's revenue recognition policy; − We tested a sample of actual sales return during the year and sales return provisions at the year end and assessed compliance with the Group’s policy for sales returns and terms agreed with the Group’s customers; − We inspected the sales returns subsequent to the year end and assessed if the sales returns were in line with the estimates and as per the terms of the contracts with the Group’s customers; and − We evaluated the adequacy and appropriateness of disclosures relating to revenue and the relevant accounting policies.

Independent Auditor's Report

To the Shareholders of The National Agricultural Development Company (NADEC) (A Saudi Joint Stock Company) (continued)

Other Matter

The consolidated financial statements of the Group as at and for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 2nd Ramadan 1446H (corresponding to 2nd March 2025).

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, when made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, the applicable requirements of the Regulations for Companies and Company's By-laws and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, the Audit Committee, are responsible for overseeing the Group's financial reporting process.

Independent Auditor's Report

To the Shareholders of The National Agricultural Development Company (NADEC) (A Saudi Joint Stock Company) (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Independent Auditor's Report

To the Shareholders of The National Agricultural Development Company (NADEC) (A Saudi Joint Stock Company) (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of **The National Agricultural Development Company (NADEC)** ("the Company") and its subsidiaries ("the Group").

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Professional Services Company

Naif

Naif Abdulrahman Edrees
License No: 457

Al Riyadh, 16 Sha'ban 1447 AH
Corresponding to: 4 February 2026

كي.بي.إم.جي للإستشارات المهنية
Lic No. 46
C.R. 1010425494
R : 2
KPMG
ترخيص رقم ٤٦
س.ت ١٠١٠٤٢٥٤٩٤
KPMG Professional Services

	Note	31 December 2025 ⃁	31 December 2024 ⃁
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	15	**1,976,764,487**	1,774,053,525
Right-of-use assets	16	**281,304,185**	45,911,025
Biological assets	17	**678,660,652**	695,858,509
Long term prepayments	23.2	**102,087,292**	11,151,641
Intangible assets	18	**22,990,847**	26,657,322
Investment in joint venture	19.1	**124,628,841**	2,550,000
Equity investments at FVOCI	19.2	**212,423,335**	273,026,552
TOTAL NON-CURRENT ASSETS		**3,398,859,639**	2,829,208,574
CURRENT ASSETS			
Biological assets	20	**103,242,588**	85,273,609
Inventories	21	**638,182,320**	662,169,811
Trade receivables and other receivables	22	**318,147,130**	378,551,058
Prepayments and other current assets	23.1	**145,005,796**	89,822,456
Term deposits	24	**650,000,000**	300,000,000
Cash and cash equivalents	25	**1,080,353,087**	1,365,364,080
TOTAL CURRENT ASSETS		**2,934,930,921**	2,881,181,014
TOTAL ASSETS		**6,333,790,560**	5,710,389,588
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	26	**3,016,400,000**	3,016,400,000
Share premium		**78,719**	78,719
Treasury shares	27	**(21,413,267)**	-
Statutory reserve	28	**-**	193,787,812
Other reserves	29	**(90,462,463)**	(29,760,699)
Retained earnings		**1,703,560,535**	1,116,424,086
TOTAL SHAREHOLDERS' EQUITY		**4,608,163,524**	4,296,929,918
NON-CURRENT LIABILITIES			
Murabaha loans and borrowings	30	**46,938,707**	1,667,414
Lease liabilities	16	**221,690,743**	25,636,302
Deferred income		**2,934,109**	3,475,813
Financial guarantee liability – non-current	35	**77,332,296**	-
Employee' defined benefits obligation	31	**122,314,269**	131,422,371
TOTAL NON-CURRENT LIABILITIES		**471,210,124**	162,201,900
CURRENT LIABILITIES			
Trade payables, accrued expenses and other payables	32	**771,662,065**	829,645,657
Murabaha loans and borrowings – short term	30	**193,508,956**	205,285,107
Murabaha loans and borrowings - current portion	30	**42,034,186**	833,707
Lease liabilities – current portion	16	**67,156,611**	13,411,899
Financial guarantee liability	35	**4,803,248**	-
Undistributed rights issue compensation	33	**82,132,712**	82,980,982
Dividend payables	34	**31,752,299**	31,946,723
Provision for Zakat	36	**61,366,835**	87,153,695
TOTAL CURRENT LIABILITIES		**1,254,416,912**	1,251,257,770
TOTAL LIABILITIES		**1,725,627,036**	1,413,459,670
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**6,333,790,560**	5,710,389,588

The accompanying notes 1 to 44 are an integral part of these Consolidated Financial Statements
These Consolidated Financial Statements appearing on pages (6) to (43) were approved by the Board of Directors and were signed on its behalf by

Hassan Aqrouq	Solaiman Al-Twaijri	Abdulaziz Saleh Alrebdi
Chief Financial Officer	Chief Executive Officer	Chairman

	Note	**31 December 2025** ⃁	31 December 2024 ⃁
Revenue	7	**3,526,978,695**	3,220,400,393
Cost of revenue	8	**(2,345,503,498)**	(2,028,078,279)
GROSS PROFIT		**1,181,475,197**	1,192,322,114
Selling and marketing expenses	9	**(576,421,560)**	(531,774,710)
General and administrative expenses	10	**(232,942,445)**	(234,790,471)
(Impairment losses) / reversal of impairment losses on trade receivables and other receivables, net	22	**(8,468,456)**	2,866,041
Other income	11	**36,828,659**	25,560,340
Other gains / (losses), net	12	**(23,532,983)**	(64,778,454)
OPERATING PROFIT		**376,938,412**	389,404,860
Financing income	13.1	**101,077,129**	91,415,685
Financing cost	13.2	**(36,131,004)**	(34,241,422)
Gain from the reclassification of a joint venture to an investment at FVOCI	19.1	**-**	356,513,453
Share of results of joint venture	19.1	**(4,758,652)**	24,039,392
PROFIT BEFORE ZAKAT AND TAX		**437,125,885**	827,131,968
Zakat for current year	36.1	**(47,200,000)**	(52,500,000)
Zakat reversal related to previous years	36.1	**3,700,000**	-
Income Tax	36.2	**(277,248)**	-
PROFIT FOR THE YEAR		**393,348,637**	774,631,968
EARNINGS PER SHARE, BASED ON THE PROFIT FOR THE YEAR ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY			
Basic	14	**1.31**	2.57
Diluted	14	**1.30**	2.57

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Hassan Aqrouq Chief Financial Officer	Solaiman Al-Twaijri Chief Executive Officer	Abdulaziz Saleh Alrebdi Chairman

	Note	31 December 2025 ⃁	31 December 2024 ⃁
PROFIT FOR THE YEAR		**393,348,637**	774,631,968
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS			
Actuarial gain on re-measurement of employees' defined benefit obligation	31	**3,359,355**	16,560,981
Movement in equity investment at fair value through other comprehensive income (FVOCI)	19.2	**(60,603,217)**	(87,429,338)
TOTAL ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS		**(57,243,862)**	(70,868,357)
ITEMS THAT ARE OR MAY BE RECLASSIFIED TO PROFIT OR LOSS			
Foreign operations – foreign currency translation differences		**112,569**	2,122,202
TOTAL ITEMS THAT ARE OR MAY BE RECLASSIFIED TO PROFIT OR LOSS		**112,569**	2,122,202
TOTAL OTHER COMPREHENSIVE LOSS		**(57,131,293)**	(68,746,155)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**336,217,344**	705,885,813

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Hassan Aqrouq Chief Financial Officer	Solaiman Al-Twaijri Chief Executive Officer	Abdulaziz Saleh Alrebdi Chairman

	Share capital ⃁	Share premium ⃁	Treasury Shares ⃁	Statutory reserve ⃁	Other reserves ⃁	Retained earnings ⃁	Total shareholders' equity ⃁
Balance as at 1 January 2025	**3,016,400,000**	**78,719**	**-**	**193,787,812**	**(29,760,699)**	**1,116,424,086**	**4,296,929,918**
Profit for the year	-	-	-	-	-	393,348,637	393,348,637
Other comprehensive loss for the year	-	-	-	-	(57,131,293)	-	(57,131,293)
Total comprehensive (loss)/income for the year	-	-	-	-	(57,131,293)	393,348,637	336,217,344
Transfer from statutory reserve (note 28)	-	-	-	(193,787,812)	-	193,787,812	-
Purchase of treasury Shares (note 27)	-	-	(21,413,267)	-	-	-	(21,413,267)
Reclassification of currency translation on closure of foreign operations	-	-	-	-	(3,570,471)	-	(3,570,471)
Balance as at 31 December 2025	**3,016,400,000**	**78,719**	**(21,413,267)**	**-**	**(90,462,463)**	**1,703,560,535**	**4,608,163,524**
Balance as at 1 January 2024	3,016,400,000	78,719	-	193,787,812	38,985,456	343,592,118	3,592,844,105
Profit for the year	-	-	-	-	-	774,631,968	774,631,968
Other comprehensive loss for the year	-	-	-	-	(68,746,155)	-	(68,746,155)
Total comprehensive (loss)/income for the year	-	-	-	-	(68,746,155)	774,631,968	705,885,813
Expenses relating to the issuance of new shares	-	-	-	-	-	(1,800,000)	(1,800,000)
Balance as at 31 December 2024	3,016,400,000	78,719	-	193,787,812	(29,760,699)	1,116,424,086	4,296,929,918

The accompanying notes 1 to 44 are an integral part of these Consolidated Financial Statements
These Consolidated Financial Statements appearing on pages (6) to (43) were approved by the Board of Directors and were signed on its behalf by

Hassan Aqrouq Chief Financial Officer	Solaiman Al-Twaijri Chief Executive Officer	Abdulaziz Saleh Alrebdi Chairman

	Note	31 December 2025 ⃁	31 December 2024 ⃁
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		**393,348,637**	774,631,968
Adjustments for:			
Depreciation of property, plant and equipment	15	**171,998,990**	154,094,300
Depreciation of right-of-use assets	16	**56,460,647**	14,361,535
Depreciation of biological assets	17	**63,946,544**	67,298,643
Amortization of intangible assets	18	**12,249,732**	10,776,726
Amortization of deferred grants income		**(541,703)**	(541,474)
Provision for employee benefits obligation	31	**14,546,577**	24,927,575
Impairment losses / (reversal of impairment losses) on trade receivables and other receivables, net	22	**8,468,456**	(2,866,041)
Allowance for Inventories	21	**30,075,097**	37,341,265
Zakat provision	36.1	**47,200,000**	52,500,000
Zakat reversal	36.1	**(3,700,000)**	-
Income Tax		**277,248**	-
Finance income on term deposit		**(5,512,500)**	(16,171,667)
Interest on lease liabilities	13.2	**14,500,341**	1,755,963
Interest on loans	13.2	**13,900,743**	23,194,837
Financial Guarantee income	35	**(2,881,949)**	-
Share of results from joint venture	19.1	**4,758,652**	(24,039,392)
Dividend received from investments	11	**(4,333,810)**	(300,000)
Gain from the reclassification of joint venture to investment at FVOCI	19	**-**	(356,513,453)
Reclassification of currency translation on closure of foreign operations		**(3,570,471)**	-
Loss on sale of biological assets	12	**42,465,435**	53,022,256
(Gain) / loss on sale of property, plant and equipment	12	**(14,564,248)**	6,577,794
		839,092,418	820,050,835
Changes in:			
Inventories		**(6,091,053)**	(139,160,848)
Biological assets – current		**73,441,576**	62,928,784
Trade receivables and other receivables		**43,693,001**	(54,997,620)
Prepayments and other current assets		**(55,185,266)**	3,328,548
Trade payable, accrued expenses and other payables		**(57,947,609)**	106,428,465
		837,003,067	798,578,164
Zakat paid	36.1	**(61,046,138)**	(11,039,826)
Income Tax paid	36.2	**(277,248)**	-
Employee benefits paid	31	**(20,226,103)**	(24,329,052)
Net cash generated from operating activities		**755,453,578**	763,209,286
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment	15	**(376,763,890)**	(183,256,681)
Additions to long term prepayments	23.2	**(90,935,651)**	(11,151,641)
Additions to biological assets – non current	17	**(184,126,177)**	(184,870,737)
Additions to intangible assets	18	**(8,583,257)**	(7,836,115)
Proceeds from sales of property, plant and equipment		**16,618,233**	1,856,695
Proceeds from sales of biological assets		**3,501,500**	5,278,100
Interest proceeds from investment in term deposits		**5,512,500**	16,171,667
Proceeds from investment in term deposits	24	**300,000,000**	900,000,000
Investment in term deposit	24	**(650,000,000)**	(700,000,000)
Dividend received from investments	11	**4,333,810**	300,000
Proceed from sale of investment		**-**	145,267,969
Investment in joint venture	19.1	**(41,820,000)**	(2,550,000)
Net cash used in investing activities		**(1,022,262,932)**	(20,790,743)
CASH FLOWS FROM FINANCING ACTIVITIES			
Expenses relating to issue of new shares		**-**	(1,800,000)
Proceeds from Murabaha loans and borrowings	30	**1,062,798,806**	1,875,000,000
Repayment of Murabaha loans and borrowings	30	**(990,833,707)**	(2,037,726,903)
Interest paid	30	**(11,170,221)**	(29,075,007)
Principal elements of Lease payments		**(42,036,139)**	(15,824,239)
Interest elements of Lease payments	16	**(14,500,341)**	(1,755,963)
Purchases of treasury shares	27	**(21,413,267)**	-
Undistributed rights issue compensation	33	**(848,270)**	(257,221)
Dividend paid	34	**(194,424)**	(393,469)
Net cash used in financing activities		**(18,197,563)**	(211,832,802)
Net change in cash and cash equivalent		**(285,006,917)**	530,585,741
Cash and cash and cash equivalent at beginning of the year	25	**1,365,364,080**	834,686,320
Effect of exchange rates fluctuations on cash held		**(4,076)**	92,019
CASH AND CASH AND CASH EQUIVALENTS AT END OF THE YEAR	25	**1,080,353,087**	1,365,364,080
SIGNIFICANT NON-CASH TRANSACTIONS:			
Financial Guarantee liability	35	**82,135,544**	-
Conversion of non-current biological assets into current		**91,410,555**	91,045,747

The accompanying notes 1 to 44 are an integral part of these Consolidated Financial Statements

These Consolidated Financial Statements appearing on pages (6) to (43) were approved by the Board of Directors and were signed on its behalf by

Hassan Aqrouq
Chief Financial Officer

Solaiman Al-Twaijri
Chief Executive Officer

Abdulaziz Saleh Alrebdi
Chairman

1. THE COMPANY, ITS SUBSIDIARIES AND ITS OPERATIONS

The National Agricultural Development Company (NADEC) (the "Company") is a Saudi Joint Stock Company formed under the Royal Decree No. M/41 dated 17 Shawwal 1401H (corresponding to 17 August 1981). NADEC was formerly known as Haradh Agriculture and Livestock Company which was registered in Riyadh under Commercial Registration No. 1010018795 dated 26 Dhul-Hijjah 1398H (corresponding to 26 November 1978).

The Company and its subsidiaries (together, the "Group") are engaged in agricultural and livestock production, reclamation of agricultural land, food processing and marketing and distribution of its products.

The Group's financial year begins on January 1 and ends at the end of December of the same year.

The Company's Head office is located at the following address:
Building No. 7049, Sub No. 2467,
Prince Abdulrahman Bin Abdulaziz Road, Al Murabba District,
Riyadh 11461 – Kingdom of Saudi Arabia.

Details of subsidiary companies are as follows:

Name of the subsidiary	Country of incorporation	Business activity	Effective ownership interest		Share capital ⃁	Number of shares issued
			2025	2024		
The National Seeds Agricultural Production Company (NSPC)*	Saudi Arabia	Agricultural Seeds and production	**100%**	100%	5,000,000	500,000
NADEC Management Company**	Saudi Arabia	Management services and consultation	**100%**	100%	500,000	50,000

* The National Seeds Agricultural Production Company ("NSPC") was officially established in 2023, with NADEC initially proposing to hold a 51% ownership stake in the NSPC's capital. Later during 2024, NADEC decided for 100% shareholding. However, as of balance sheet date, the NSPC did not commence any operational activities.

**During 2024, the Group established NADEC Management Company as a fully owned subsidiary, to provide management services and consultation.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These annual Consolidated Financial Statements of the Group have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as endorsed in the Kingdom of Saudi Arabia (KSA) and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA"). Collectively referred as (International Financial Reporting Standards endorsed in the Kingdom of Saudi Arabia).

2.2 Basis of Measurement

These annual Consolidated Financial Statements have been prepared in accordance with historical cost except for the following significant items included in the Consolidated Statement of Financial Position:

- Equity Investments at FVOCI are valued at fair value in accordance with the requirements of IFRS 13 Level 1 and level 2 of valuation method wherever applicable.
- Biological assets are measured at fair value less cost to sell except when fair value cannot be measured reliably. In case the fair value of biological assets cannot be measured reliably, it is measured at historical cost less accumulated depreciation and accumulated impairment losses.

2. BASIS OF PREPARATION (continued)

2.2 Basis of Measurement (continued)

- The employee retirement benefit is recognized at the present value of future obligations using the Projected Unit Credit Method.
- Financial guarantee liability measured at fair value.

2.3 Functional and Presentation Currency

These annual Consolidated Financial Statements have been presented in Saudi Riyal ("⃁") unless otherwise stated, which is also the functional currency of the Company.

3. BASIS OF CONSOLIDATION

These Consolidated Financial Statements comprising the Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to the Consolidated Financial Statements of the Group include assets, liabilities and the results of the operations of the Company and its subsidiaries, as set out in note (1). The Company and its subsidiaries are collectively referred to as the "Group". Subsidiaries are entities controlled by the Group. Subsidiaries are consolidated from the date on which control commences until the date on which control ceases. The Group accounts for the business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identified net assets acquired and fair value of pre-existing equity interest in the subsidiary

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions, are eliminated. Accounting policies of subsidiaries are aligned, where necessary, to ensure consistency with the policies adopted by the Group. The Company and its subsidiaries have the same reporting periods.

4. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied by the Group in the preparation of these Consolidated Financial Statements are set out below:

A. Term Deposits

Term Deposits include placements with banks and other short-term highly liquid investments, with original maturities of more than three months but not more than one year from the date of placement. Time deposits are placed with financial institutions with investment grade rating which are considered to have low credit risk.

Investment income in time deposits is accrued on a timely basis by reference to the principal outstanding and at the applicable effective interest rate.

B. Cash and cash equivalents

Cash and cash equivalents consist of Cash on hand, Cash with banks and other short-term liquid investments/ deposits with original maturities of three months or less and are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

C. Trade Receivable and Other Receivables

Trade receivables are classified as financial assets at amortised cost. Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments.

D. Inventories

Inventories are measured at the lower of cost and net realisable value ("NRV"). Cost is determined using the weighted average method. Cost comprises all direct manufacturing expenditure based on the normal level of activity and transportation and handling costs. NRV comprises estimated selling price less further production costs to completion and appropriate selling and distribution costs. Cost of inventories is recognised as an expense and included in cost of sales. Agriculture produce harvested from biological assets are measured at fair value less cost to sell at the point of harvest.

4. MATERIAL ACCOUNTING POLICIES - (CONTINUED)

E. Property, Plant and Equipment

Property, Plant and Equipment are recognized as assets if, and only if:

a. It is probable that future economic benefits associated with the item will flow to the entity; and
b. The cost of the item can be measured reliably.

Property, Plant and Equipment are initially recognized at cost and subsequently stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Subsequent and additional costs to existing asset are included in the asset's carrying amount or recognized as a separate asset, as appropriate, when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Finance costs on borrowings, to finance the construction of the qualifying assets, are capitalized during the period that is required to substantially complete and prepare the qualifying asset for its intended use. Likewise, when a major maintenance is performed, its cost is recognized in the carrying amount of the plant and equipment if the recognition criteria is satisfied and depreciated till next major maintenance. All other repair and maintenance costs are recognized in the profit or loss when incurred.

The items of property, plant and equipment are subject to impairment test whenever there is a substantial evidence for impairment. The present value of the expected cost for the decommissioning of the asset after its use, is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets (except for land and capital work in progress) as follows:

Description	Number of years
Concrete Buildings	50 years
Pre-fabricated Building	5-10 years
Wells and Civil works	7-50 years
Machinery and Equipment	7-25 years
Tanks and Silos	7-30 years
Agricultural Equipment	8-25 years
Vehicles and Trucks	4-8 years
Capital spare parts	10 years
Tools	5-10 years
Office Furniture	5-10 years
Bearer Plants	20 years
Leasehold Improvements	As per lease agreement or useful life which is less

Property, Plant and Equipment are derecognized upon disposal or when no future economic benefits are expected from their use or disposal. The gain or loss arising on disposal of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss during the period when the asset is derecognized.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, where appropriate.

Capital Work in Progress is recorded according to acquisition cost plus all direct costs that are incurred on them to bring them to location and condition necessary to enable the Group to have these assets ready for intended use. These assets are transferred to relevant assets categories and are depreciated once they are available for their intended use.

F. Biological Assets

Biological Assets are the herd of productive and non-productive cows as well as the Biological Assets acquired for sale, including crops in the growth stage that have not yet reached the harvest point. Each of these items is presented separately in the Consolidated Statement of Financial Position.

Biological assets are measured at fair value less cost to sell except when fair value cannot be measured reliably. In case the fair value of biological assets cannot be measured reliably, it is measured at historical cost less accumulated depreciation and accumulated impairment losses. Depreciation for biological assets (Cows) is calculated on a straight-line basis over the estimated useful lives of 5 years.

4. MATERIAL ACCOUNTING POLICIES – (CONTINUED)

G. Intangible Assets

Intangible Assets are recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Amortization is calculated on a straight-line basis over the estimated useful lives of the assets 5 years.

Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Consolidated Statement of Profit or Loss in the expense category consistent with the function of the intangible assets. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit or Loss when the asset is derecognized.

Capital Work in Progress is recognized at acquisition cost, along with all direct costs incurred to prepare the assets for their intended use, including bringing them to the appropriate location and condition. Once these assets are ready for use, they are transferred to the relevant asset categories and begin to be amortized as intangible assets.

H. Investment joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group’s investment joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group’s share of net assets of joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The Consolidated Statement of Profit or Loss reflects the Group’s share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group’s OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the Consolidated Statement of Changes in Shareholders’ Equity.

I. Financial guarantees

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make a payment when it is due in accordance with the terms of a debt instrument. The financial guarantees issued are initially measured at fair value and subsequently at the higher of the amount of loss allowance determined in accordance with IFRS 9 and the amount initially recognised less the cumulative amount of income recognised. Such measurement has been determined using the Level 3. Where guarantees in relation to loans or other payables of associates or joint ventures are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment. The ECL calculation has been conducted using the general approach method.

J. Treasury Shares

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in additional paid-in capital.

4. MATERIAL ACCOUNTING POLICIES – (CONTINUED)

K. Provisions

Provision is recognized if, and only if a present obligation (legal or constructive) has arisen as a result of a past event (the obligating event), payment is probable ('more likely than not'), and when the amount can be estimated reliably. An obligating event is an event that creates a legal or constructive obligation and, therefore, results in an entity having no realistic alternative but to settle the obligation. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are reviewed at the end of each reporting year and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a Contingent Liability, unless the probability of outflow of economic benefits is unreliable. Contingent liabilities, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group, are not recognized in the Consolidated Financial Statements but are disclosed as Contingent Liabilities unless the possibility of an outflow of economic resources is considered unreliable.

L. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in Profit or Loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4. MATERIAL ACCOUNTING POLICIES – (CONTINUED)

M. Segment Reporting

An operating segment is a group of assets and processes that deliver products or services that are subject to risks and rewards that differ from those of other operating segments. Operating segments are segmented according to their geographical scope and each sector's performance is reviewed by the chief decision makers. These sectors may operate within a specific economic environment that is subject to risks and rewards different from those of sectors operating in other economic environments.

N. Government Grants

Government grants, including non-monetary grants at fair value, shall not be recognized until there is reasonable assurance that, the entity will comply with the conditions attaching to them; and the grants will be received. When the grant relates to an expense item, it is recognized in Consolidated Statement of Profit or Loss on a systematic basis over the periods that the costs which it is intended to compensate, are expensed. Where the grant relates to an asset, it is recognized on Consolidated Statement of Financial Position as Deferred Income and is amortized in equal amounts over the expected useful life of the related asset.

The Group has elected to present the grant in the Consolidated Statement of Financial Position as deferred income, which is recognized in Consolidated Statement of Profit or Loss on a systematic and rational basis over the useful life of the asset. When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value and released to Consolidated Statement of Profit or Loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset.

O. Impairment of Non-Financial Assets

Non-financial assets (other than biological assets measured at fair value and inventories) are reviewed by the Group at each reporting date to identify circumstances indicating occurrence of impairment loss or reversal of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss or reversal of impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. It is determined for an individual asset, when it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of sell, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

P. Foreign Currency Transactions

Foreign currency transactions are initially recognised by the Group’s entities at their respective functional currencies’ spot rate at transaction date. At the reporting date, monetary assets and liabilities denominated in foreign currencies are converted into Saudi Riyal (‘⃁) at the exchange rates ruling on such date. Any resulting exchange differences are charged or credited to the Consolidated Statement of Profit or Loss as appropriate.

As at the reporting date, the assets and liabilities of the foreign branches are translated into Saudi Riyal (‘⃁), at the rate of exchange ruling at the Consolidated Statement of Financial Position date and their Consolidated Statement of Profit or Loss are translated at the weighted average exchange rates for the year. Components of equity, other than retained earnings, are translated at the rate ruling at the date of occurrence of each component. Translation adjustments in respect of these components of equity are recorded through Consolidated Statement of Other Comprehensive Income.

4. MATERIAL ACCOUNTING POLICIES – (CONTINUED)

Q. Revenue Recognition

The Group generates revenue from a number of product lines, these include:

- Dairy and Juice	Milk production, dairy, fruits juice, product processing and distribution
- Protein	Frozen and Fresh meat
- Agricultural	Agricultural related products

Revenue represents the fair value of the consideration received or receivable for goods sold, net of returns, trade discounts and volume rebates. The Group recognizes revenue when a customer obtains control of the goods at a point in time on acknowledgement of goods. Products are sold principally on a sale or return basis. Allowances for expected sales returns are calculated based on the forecasted return of expired products. Expected sales returns are netted off against revenue with the corresponding impact in Trade and Other Payables for cash sales.

The goods are often sold with retrospective volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts and revenue using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in trade and other payables) is recognized for expected volume discounts payable to customers in relation to sales made during the year.

Other income represents income earned from activities incidental to the principal business operations of the Company. Other income is recognized when it is probable that economic benefits will flow to the Company and the amount can be measured reliably. Other income is presented separately from revenue in the Consolidated Statement of Profit or Loss.

R. Share Capital

Shares are classified as equity and are recorded at their face value. Incremental costs, if any, directly attributable to the issue of new shares, are recognized in Equity as a deduction from the proceeds.

S. Dividends

Dividends are recognized in the Consolidated Financial Statements in the period in which it is approved by General Assembly Meeting.

T. Undistributed rights issue compensation

Undistributed rights issue compensation are recognized in the Consolidated Financial Statements in the period in which it is approved by General Assembly Meeting.

U. Expenses

Selling and marketing expenses are those expenses arising from the Group's efforts underlying the marketing, selling and distribution functions. All other expenses, excluding Cost of Sales, Finance Cost and Zakat are classified as General and Administrative Expenses. Allocations between Cost of Sales, Selling and Distribution and General and Administration Expenses, when required, are made on a consistent basis.

V. Zakat and Income Tax

The Group is subject to Zakat according to the regulations of the Zakat, Tax and Customs Authority "ZATCA". Income tax for foreign branches is provided for in accordance with the relevant income tax regulation of the countries incorporation. Zakat and income tax provision is estimated and charged to the Consolidated Statement of Profit of Loss. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Any differences in the estimates are recognized when the final assessment is approved by "ZATCA", such differences are recognized in the Consolidated Statement of Profit or Loss in the year in which the final assessment is approved by "ZATCA".

4. MATERIAL ACCOUNTING POLICIES – (CONTINUED)

W. Employee Retirement Benefits

Employee Retirement benefits are payable to all employees employed under the terms and conditions of the Labor Laws applicable on the Company and its subsidiaries, on termination of their employment contracts. The Group's obligation in respect of employee retirement benefits is calculated by estimating the amount of future benefits that employees have earned in current and prior periods and discounting that amount to arrive at present value. Group sets the assumptions used in determining the key elements of the costs of meeting such future obligations. These assumptions are set after consultation with the Group's actuaries and include those used to determine regular service costs and the financing elements related to the liabilities. The calculation of employee retirement benefit liability is performed by a qualified actuary using the projected unit credit method.

Re-measurement of employee retirement benefit liability, which comprise of actuarial gains and losses are recognised immediately in the Consolidated Statement of Comprehensive Income. The Group determines interest expense on the employee retirement benefit liability for the period by applying the discount rate used to measure the employee retirement benefit liability at the beginning of the annual period, taking into account any change in the net employee retirement benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to employee retirement benefits are recognised in the Consolidated Statement of Profit or Loss.

Other Long-Term Employee Benefits

The net obligation of the Group in respect of other long-term employee benefits is the amount of future benefits to which the employees are entitled in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in the Consolidated Statement of Profit or Loss in the period in which they arise.

X. Financial instruments

I. Non-Derivative Financial Instruments

a. <u>Non-Derivative Financial Assets</u>

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through OCI or through Profit or Loss), and
- Those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in Profit or Loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group initially recognizes financial assets on the date that they are originated. All other financial assets are recognized initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

4. MATERIAL ACCOUNTING POLICIES – (CONTINUED)

X. Financial instruments – (Continued)

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in the transferred financial asset that is created or retained by the Group is recognized as a separate asset or liability.

Financial assets and liabilities are offset, and the net amount is presented in the Consolidated Statement of Financial Position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. The Group has the following non-derivative financial assets;

Financial Assets at Amortized Cost

Financial assets held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest (SPPI), are measured at amortized cost. Gains or losses on debt investments are subsequently measured at amortized cost and are recognized in the Consolidated Statement of Profit or Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest method. The Group classifies its Trade and Other receivables and Cash and cash equivalent under this category.

Financial Assets at FVOCI

Financial assets held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI.

Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the Consolidated Statement of Profit or Loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the Consolidated Statement of Profit or Loss.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in Profit or Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to Profit or Loss. The Group has classified its Equity investment in other Companies as FVOCI.

b. Non-Derivative Financial Liabilities

Financial liabilities are recognized initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired. Financial assets and liabilities are offset and the net amount is presented in the Consolidated Statement of Financial Position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

Non-derivative financial liabilities of the Group comprise of bank borrowings, lease liabilities and trade and other payables.

II. Derivative Financial Instruments

All derivatives do not qualify as hedging instruments and are therefore held and accounted for as trading derivatives. These derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in the Consolidated Statement of Profit or Loss.

4. MATERIAL ACCOUNTING POLICIES – (CONTINUED)

Y. Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's Consolidated Financial Statements are disclosed below. However, the Group has not early adopted them in preparing these Consolidated Financial Statements. The Group is currently evaluating the impact of the adoption of these standards on the Consolidated Financial Statements.

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

These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

IFRS 18, 'Presentation and Disclosure in Financial Statements

This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of Profit or Loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of Profit or Loss;
- required disclosures in the financial statements for certain Profit or Loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

New and amended standards and interpretations

The Group has applied the following amendments, where applicable, for the first time for their annual reporting period beginning from 1 January 2025. These amendments do not have any material impact on the Consolidated Financial Statements during the year.

Amendments to IAS 27 – Lack of exchangeability:

An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose.

5. MATERIAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of these Consolidated Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of Revenues, Expenses, Assets and Liabilities, and the accompanying Disclosures, and the disclosure of Contingent Liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial years, are described below. The Group based its assumptions and estimates on parameters available when the Consolidated Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

5.1. Impairment of Non-Financial Assets

A non-financial asset is impaired when the carrying amount of the asset or cash-generating unit exceeds the asset's recoverable amount (which represents the fair value of the asset less costs to sell or its value in use, whichever is greater). The fair value of the asset is estimated through sales that are on a purely commercial basis for similar assets. Market prices are observable minus the incremental costs of selling the asset. The value in use is calculated based on the present value of the expected cash flows of the asset over the next five years. These expected cash flows do not include restructuring activities for which the Group is not yet committed or significant future investments that enhance the asset performance of the cash-generating unit under consideration. The recoverable amount is most sensitive to the discount rate used to calculate the cash flows as well as the expected future cash flows and the growth rate used to estimate the value in use.

5. MATERIAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS (continued)

5.2. Fair Value Measurement of Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the Consolidated Statement of Financial Position cannot be measured based on quoted prices in active markets, their fair value is determined using valuation techniques including the DCF (discounted cash flows) model that includes the use of the present value of expected cash flows from such assets or using other methods as provided for in IFRS 13. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as Liquidity risk, Credit risk and Volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

5.3. Impairment of Non-Derivative Financial Assets

The Group recognizes loss allowances for ECLs (Expected Credit Loss) on Financial Assets measured at amortized cost i.e. Trade Receivables of the Group. The Group assesses on a forward-looking basis the Expected Credit Losses (“ECL”) associated with its financial assets carried at amortized cost. For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables. To measure the expected credit losses, receivables have been grouped based on shared credit risk characteristics and the days past due. Expected loss rates were derived from historical information of the Group and are adjusted to reflect the expected future outcome which also incorporates forward looking information for macroeconomic factors such as inflation and gross domestic product growth rate. Other financial assets such as employees’ receivables, bank balances have low credit risk and the impact of applying ECL is immaterial.

5.4. Allowance for inventories

Management makes an allowance for inventories based on their nature, condition, and expiry date. Estimates of the net realizable value of inventories are made when the expected selling price is lower than cost and are based on the most reliable evidence available at the time the estimates are made. These estimates take into consideration fluctuations in price or cost directly related to events occurring subsequent to the consolidated Statement of Financial Position date, to the extent that such events confirm conditions existing at the end of the year.

5.5. Useful Lives of Property, Plant and Equipment

The management determines the estimated useful lives of Property, Plant and Equipment for calculating depreciation. This estimate is determined after considering expected usage of the assets and physical wear and tear. Management reviews the residual value and useful lives annually and change in depreciation charges are adjusted in current and future periods, if any.

5.6. Judgements

The Group is valuing its milk producing cows and heifers at cost rather than fair value. This is due to the fact that there is no active market available in the KSA which deals with such kind of herd, rather there is a market for meat producing herd in KSA. The Group feeds its herd for production of milk and milk related products. Further, the milk yield of the Group's dairy farm is different from international markets Milking cows. It is to be noted that value the cows based on milk is also impossible due to the fact the this is very sensitive factor that a minor change in price of milk creates a huge difference. Thereby, the price would be unreliable.

The Group also does not procure immature herd for milk production rather it depends upon internal growth. The only unregulated market in KSA is of herds for meat consumption that is not relevant for milking cows. Accordingly, there is no market price for similar assets. Neither there is any sector benchmarks. Hence, it is justified to use cost to measure the biological asset (Milking cows and heifers) at cost which is a reliable basis.

Provision of expected sales returns. (Note 7, policy 4.Q).

Measurement of employee retirement benefits liability - key actuarial assumptions: Estimates are applied when setting actuarial assumptions such as the discount rate, expected future salary increases, inflation and mortality. The actuarial assumptions vary from country to country, based on national economic and social conditions. They are set using available market data and compared with benchmarks to ensure consistency on an annual basis (Refer note 31 for sensitivity related to employee retirement benefits liability).

6. OPERATING SEGMENTS

The Group operates in three main business segments: Dairy and Foods, Agriculture, and Protein. Most of the Group's revenues, profits and assets relate to its operations in Saudi Arabia and arise from these reportable business segments. The Group Chief Executive Officer (CEO) monitors the operational results of these operating segments separately for making decisions about resource allocation and performance evaluation. The performance of the segment is evaluated on a profit or loss basis and is measured in a manner consistent with the profit or loss recognized in the Consolidated Financial Statements. Categorized by these business segments, is as follows:

Dairy and Foods	Milk production, dairy, fruits juice, product processing and distribution
Agriculture	Agricultural related products
Protein	Frozen and Fresh meat

The following is a summary of the operating segments as at and for the year ended 31 December 2025:

	Dairy and Beverages	Agriculture	Protein	Elimination of Inter-Segment Sales	Total
	⃁	⃁	⃁	⃁	⃁
Revenue					
External Revenue	**2,979,972,273**	**246,831,076**	**300,175,346**	**-**	**3,526,978,695**
Inter-Segment Revenue	**89,293,718**	**53,510,723**	**-**	**(142,804,441)**	**-**
Total Revenue	**3,069,265,991**	**300,341,799**	**300,175,346**	**(142,804,441)**	**3,526,978,695**
Expenses					
Depreciation and Amortization	**(265,346,494)**	**(37,738,943)**	**(1,028,773)**	**-**	**(304,114,210)**
(Impairment losses) / reversal of impairment losses on trade receivables and other receivables, net	**(7,712,045)**	**(756,411)**	**-**	**-**	**(8,468,456)**
Operating Profit /(Loss)	**461,974,696**	**(94,906,987)**	**9,870,703**	**-**	**376,938,412**
Financing income	**101,077,129**	**-**	**-**	**-**	**101,077,129**
Financing cost	**(30,721,484)**	**(4,280,716)**	**(1,128,804)**	**-**	**(36,131,004)**
Share of Results of Joint Venture	**-**	**-**	**(4,758,652)**	**-**	**(4,758,652)**
Profit /(loss) before Zakat and tax	**532,330,341**	**(99,187,703)**	**3,983,247**	**-**	**437,125,885**
Segment Assets as 31 December 2025	**5,189,661,174**	**953,934,415**	**190,194,971**	**-**	**6,333,790,560**
Equity accounted investee	**-**	**-**	**41,820,000**	**-**	**41,820,000**
Capital expenditures	**438,865,835**	**48,021,941**	**79,231,856**	**-**	**566,119,632**
Segment Liabilities as 31 December 2025	**1,217,271,407**	**153,166,636**	**355,188,993**	**-**	**1,725,627,036**

6. OPERATING SEGMENTS (CONTINUED)

The following is a summary of the operating segments as at and for the year ended 31 December 2024:

	Dairy and Beverages ⃁	Agriculture ⃁	Protein ⃁	Elimination of Inter-Segment Sales ⃁	Total ⃁
Revenue					
External Revenue	2,971,080,065	69,032,993	180,287,335	-	3,220,400,393
Inter-Segment Revenue	53,342,092	67,291,229	-	(120,633,321)	-
Total Revenue	3,024,422,157	136,324,222	180,287,335	(120,633,321)	3,220,400,393
Expenses					
Depreciation and Amortization	(213,112,639)	(32,853,708)	(23,383)	-	(245,989,730)
(Impairment losses) / reversal of impairment losses on trade receivables and other receivables, net	5,116,041	(2,250,000)	-	-	2,866,041
Operating Profit /(Loss)	439,420,769	(23,510,557)	(26,505,352)	-	389,404,860
Financing income	91,415,685	-	-	-	91,415,685
Financing cost	(29,740,705)	(4,074,261)	(426,456)	-	(34,241,422)
Gain from the reclassification of joint venture to investment at FVOCI	-	356,513,453	-	-	356,513,453
Share of Results of Joint Venture	-	24,039,392	-	-	24,039,392
Profit /(loss) before Zakat	501,095,749	352,968,027	(26,931,808)	-	827,131,968
Segment Assets as 31 December 2024	4,749,130,545	892,719,617	68,539,426	-	5,710,389,588
Equity accounted investee	-	-	2,550,000	-	2,550,000
Capital expenditures	227,387,369	32,407,850	24,540,096	-	284,335,315
Segment Liabilities as 31 December 2024	1,161,557,730	122,768,889	129,133,051	-	1,413,459,670

The following is the summary of revenue allocated to geographical segments:

	Dairy and Food ⃁	Agriculture ⃁	Protein ⃁	Total ⃁
For the year ended 31 December 2025				
Saudi Arabia	**2,511,383,526**	**246,831,076**	**300,175,346**	**3,058,389,948**
Other GCC Countries	**323,278,092**	**-**	**-**	**323,278,092**
Other Countries	**145,310,655**	**-**	**-**	**145,310,655**
Total external revenue	**2,979,972,273**	**246,831,076**	**300,175,346**	**3,526,978,695**
For the year ended 31 December 2024				
Saudi Arabia	2,532,856,461	69,032,993	180,287,335	2,782,176,789
Other GCC Countries	304,414,749	-	-	304,414,749
Other Countries	133,808,855	-	-	133,808,855
Total external revenue	2,971,080,065	69,032,993	180,287,335	3,220,400,393

7. REVENUE

	31 December 2025 ⃁	31 December 2024 ⃁
Dairy and beverages revenue	**2,979,972,273**	2,971,080,065
Protein revenue	**300,175,346**	180,287,335
Agricultural products revenue	**246,831,076**	69,032,993
	3,526,978,695	3,220,400,393

The main sources of the Group's revenues from contracts with customers include dairy and beverages sales as well as agricultural products, Protein sales of Heifers, Bulls and Others. The control of the products is transferred to the customer at a point in actual time of delivery and upon acknowledgment.

8. COST OF REVENUE

	31 December 2025	31 December 2024
	⃁	⃁
Material consumed*	**1,825,049,215**	1,492,535,719
Government subsidies **	**(18,342,190)**	(17,326,398)
	1,806,707,025	1,475,209,321
Employee benefits	**180,646,505**	156,389,136
Depreciation of property plant and equipment (note 15)	**146,402,444**	134,815,062
Maintenance and repairs expenses	**73,506,086**	147,843,591
Depreciation of biological assets (note 17)	**63,946,544**	67,298,643
Sub Contract Charges ***	**18,595,766**	2,751,382
Fees and government expenses ****	**9,089,144**	14,597,793
Rent and lease expenses	**6,888,061**	4,117,050
Insurance expenses on property, plant and equipment	**6,595,402**	6,115,234
Professional and consultancy expenses	**6,036,843**	3,283,714
Depreciation – right-of-use assets (note 16)	**4,265,761**	863,489
Utility expenses	**3,771,640**	2,886,524
Amortization of intangible assets (note 18)	**824,855**	452,673
Other expenses	**18,227,422**	11,454,524
	2,345,503,498	2,028,078,279

* Including inventories write off and provision net amounting to ⃁ 10.7 million for the year ended 31 December 2025 (2024: ⃁ 42.9 million).
** Government subsidies receivables for the acquisition of certain animal feed items which are supported by the Government of Saudi Arabia have been recognized against the cost of materials.
*** Represent expenses to third-party vendors for providing services.
**** Includes Iqama renewal charges and visa charges.

9. SELLING AND MARKETING EXPENSES

	31 December 2025	31 December 2024
	⃁	⃁
Employee benefits	**265,581,860**	220,351,262
Marketing and distribution expenses	**157,147,227**	189,629,548
Depreciation – right-of-use assets (note 16)	**52,029,877**	13,498,046
Fees and government expenses*	**29,269,322**	35,057,886
Depreciation of property plant and equipment (note 15)	**23,222,311**	17,488,951
Utility expenses	**15,738,365**	16,023,953
Rent and lease expenses	**13,329,854**	10,189,167
Maintenance and repairs expense	**12,575,940**	15,885,686
Amortization of intangible assets (note 18)	**207,325**	241,248
Insurance expenses on property, plant and equipment	**-**	4,496,584
Other expenses	**7,319,479**	8,912,379
	576,421,560	531,774,710

* Includes Iqama renewal charges and visa charges.

10. GENERAL AND ADMINISTRATIVE EXPENSES

	31 December 2025	31 December 2024
	⃁	⃁
Employee benefits	**131,429,575**	145,936,896
Information technology expenses	**46,412,987**	40,887,216
Professional and consultancy expenses	**26,517,880**	20,072,778
Amortization of intangible assets (note 18)	**11,217,552**	9,490,955
Fees and government expenses*	**3,712,499**	5,042,599
Utility expenses	**2,223,573**	1,789,959
Depreciation of property plant and equipment (note 15)	**1,832,532**	1,840,666
Insurance expenses on property, plant and equipment	**576,065**	602,566
Depreciation – right-of-use assets (note 16)	**165,009**	-
Other expenses	**8,854,773**	9,126,836
	232,942,445	234,790,471

* Includes Iqama renewal charges and visa charges.

11. OTHER INCOME

	31 December 2025 ⃁	31 December 2024 ⃁
Rental and services income	**8,632,091**	10,041,321
Government grant *	**6,000,000**	-
Dividend income from equity investments at FVOCI	**4,333,810**	300,000
Incentives income HRDF	**2,673,172**	2,847,253
Scrap sales	**2,543,891**	1,351,873
Insurance claims income	**1,095,403**	4,412,795
Miscellaneous income	**11,550,292**	6,607,098
	36,828,659	25,560,340

*During the year, the Group received a grant of ⃁ 6 million from Saudi Export Development Authority. This grant is received for the export sales and there are no conditions attached to it.

12. OTHER GAINS / (LOSSES), NET

	31 December 2025 ⃁	31 December 2024 ⃁
Loss on sale of biological assets	**42,465,435**	53,022,257
Net foreign exchange (gain) / loss	**(4,368,204)**	5,178,403
(Gain) / Loss on sale of property, plant and equipment, net	**(14,564,248)**	6,577,794
	23,532,983	64,778,454

13. FINANCING INCOME AND COST

13.1. FINANCING INCOME

	31 December 2025 ⃁	31 December 2024 ⃁
Financing income on term and time deposits	**98,195,180**	91,415,685
Amortization on financial guarantee	**2,881,949**	-
	101,077,129	91,415,685

13.2. FINANCING COST

	31 December 2025 ⃁	31 December 2024 ⃁
Interest expense on lease liabilities (note 16)	**14,500,341**	1,755,963
Interest expense on Murabaha loans (note 30)	**13,900,743**	23,194,837
Other finance charges	**7,729,920**	9,290,622
	36,131,004	34,241,422

14. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

	31 December 2025	31 December 2024
Profit for the year attributable to the shareholders of the company (⃁)	**393,348,637**	774,631,968
Weighted average number of ordinary shares for the purposes of basic earnings	**301,133,151**	301,640,000
Weighted average number of ordinary shares for the purposes of diluted earnings	**301,640,000**	301,640,000
Earnings per share, based on the profit for the year attributable to the shareholders of the Company (⃁)		
Basic	**1.31**	2.57
Diluted	**1.30**	2.57

Weighted average number of shares are retrospectively adjusted to reflect the effect of Bonus Shares and are adjusted to take account of Treasury Shares held under the NADEC Employee Equity Participation Program.

15. PROPERTY, PLANT AND EQUIPMENT

Description	Land*** ⃁	Concrete Buildings ⃁	Prefabricated Buildings ⃁	Wells and Civil works ⃁	Machinery and Equipment ⃁	Tanks and Silos ⃁	Agricultural Equipment ⃁	Vehicles and Trucks ⃁	Tools ⃁	Office Furniture ⃁	Bearer Plants Mature ⃁	Leasehold Improvements ⃁	Capital Parts ⃁	Bearer Plants Immature ⃁	Capital Work in Progress ⃁	Total ⃁
Cost																
As at 1 January 2024	294,800,790	741,499,354	293,897,558	412,585,748	2,031,388,076	73,379,614	169,916,718	205,867,789	353,169,655	174,062,273	185,965,294	4,991,407	1,670,352	18,403,497	15,012,339	4,976,610,464
Addition	-	1,083,849	10,198,815	4,121,046	71,755,127	176,950	12,366,745	111,950	6,259,294	2,655,821	-	1,710,000	-	7,101,129	65,715,955	183,256,681
Transfers	-	-	329,965	-	1,954,539	-	-	-	-	1,232,500	-	-	-	-	(3,517,004)	-
Disposals/ write off*	-	(10,014,584)	(4,443,013)	(83,198,725)	(65,582,789)	(2,376,214)	(22,474,288)	(15,945,771)	(3,648,320)	(16,396,664)	(10,122,716)	-	-	(1,226,539)	(138,351)	(235,567,974)
Foreign currency translation differences	-	5,591,994	2,519,918	27,651,465	24,155,076	1,165,489	12,316,536	4,466,706	390,674	483,958	5,685,396	-	-	-	-	84,427,212
As at 31 December 2024	294,800,790	738,160,613	302,503,243	361,159,534	2,063,670,029	72,345,839	172,125,711	194,500,674	356,171,303	162,037,888	181,527,974	6,701,407	1,670,352	24,278,087	77,072,939	5,008,726,383
Additions	**-**	**5,100,533**	**21,124,801**	**4,119,117**	**82,804,843**	**796,584**	**1,993,495**	**6,240,000**	**7,122,079**	**14,613,051**	**-**	**24,045,426**	**-**	**6,254,892**	**202,549,069**	**376,763,890**
Transfers	**-**	**10,154,520**	**-**	**-**	**16,991,131**	**-**	**-**	**-**	**27,343,071**	**4,499,429**	**5,743,166**	**2,531,016**	**-**	**(5,743,166)**	**(61,519,167)**	**-**
Disposals/ write off*	**-**	**-**	**-**	**(2,000,951)**	**(874,756)**	**(19,100)**	**(335,874)**	**(38,777,379)**	**(141,891,612)**	**(856,790)**	**(3,874,534)**	**-**	**-**	**(851,359)**	**(1,001,310)**	**(190,483,665)**
Foreign currency translation differences	**-**	**-**	**39**	**-**	**533**	**2**	**-**	**(12,829)**	**3,674**	**1,203**	**-**	**-**	**-**	**-**	**-**	**(7,378)**
As at 31 December 2025	**294,800,790**	**753,415,666**	**323,628,083**	**363,277,700**	**2,162,591,780**	**73,123,325**	**173,783,332**	**161,950,466**	**248,748,515**	**180,294,781**	**183,396,606**	**33,277,849**	**1,670,352**	**23,938,454**	**217,101,531**	**5,194,999,230**
Accumulated depreciation and impairment																
As at 1 January 2024	2,522,830	285,317,758	248,752,494	321,673,447	1,421,360,615	69,411,892	149,979,707	202,071,287	303,537,295	146,682,558	61,057,581	4,929,218	1,035,823	-	3,476,362	3,221,808,867
Depreciation during the year	-	13,342,780	11,928,631	7,507,064	82,846,769	702,375	5,643,665	1,594,003	13,235,920	9,497,583	8,094,923	80,227	212,212	-	-	154,686,152
Disposals/ write off*	-	(9,807,177)	(4,443,013)	(77,289,431)	(64,021,442)	(2,376,214)	(22,474,288)	(15,945,052)	(3,647,981)	(16,134,391)	(10,111,579)	-	-	-	-	(226,250,568)
Foreign currency translation differences	-	5,592,080	2,519,898	27,651,465	24,155,095	1,165,484	12,316,536	4,466,652	391,964	483,837	5,685,396	-	-	-	-	84,428,407
As at 31 December 2024	2,522,830	294,445,441	258,758,010	279,542,545	1,464,341,037	68,903,537	145,465,620	192,186,890	313,517,198	140,529,587	64,726,321	5,009,445	1,248,035	-	3,476,362	3,234,672,858
Depreciation during the year	**-**	**13,790,776**	**12,084,535**	**7,744,132**	**90,263,798**	**821,076**	**5,741,254**	**1,012,287**	**16,786,643**	**11,509,713**	**8,357,058**	**4,175,516**	**212,212**	**-**	**-**	**172,499,000**
Disposals/ write off	**-**	**-**	**-**	**(2,000,951)**	**(3,511,626)**	**(19,100)**	**(335,874)**	**(38,777,379)**	**(141,794,765)**	**(856,790)**	**(1,648,056)**	**-**	**-**	**-**	**-**	**(188,944,541)**
Foreign currency translation differences	**-**	**(43)**	**(40)**	**-**	**(533)**	**(2)**	**-**	**12,882**	**(3,819)**	**(1,019)**	**-**	**-**	**-**	**-**	**-**	**7,426**
As at 31 December 2025	**2,522,830**	**308,236,174**	**270,842,505**	**285,285,726**	**1,551,092,676**	**69,705,511**	**150,871,000**	**154,434,680**	**188,505,257**	**151,181,491**	**71,435,323**	**9,184,961**	**1,460,247**	**-**	**3,476,362**	**3,218,234,743**
Net Book Value																
As at 31 December 2025	**292,277,960**	**445,179,492**	**52,785,578**	**77,991,974**	**611,499,104**	**3,417,814**	**22,912,332**	**7,515,786**	**60,243,258**	**29,113,290**	**111,961,283**	**24,092,888**	**210,105**	**23,938,454**	**213,625,169**	**1,976,764,487**
As at 31 December 2024	292,277,960	443,715,172	43,745,233	81,616,989	599,328,992	3,442,302	26,660,091	2,313,784	42,654,105	21,508,301	116,801,653	1,691,962	422,317	24,278,087	73,596,577	1,774,053,525

*During 2024, the Group has written off property, plant, and equipment with a net book value of ⃁ 7.2 million, primarily related to the Sudan and Qatar branches and non-functional wells with net book values of ⃁ 207 thousand and ⃁ 5.9 million, respectively.

**During 2025, the Group has written off property, plant, and equipment with cost of ⃁ 6 million, primarily related to vehicles and non-functional wells with zero net book values.

*** Some of the Group's owned lands is pledged as security under a mortgage for the new facility from SIDF (note 30.3) and for ADF (note 30.2)

Additions to immature bearer plants includes depreciation on assets value of ⃁ 500,010 (2024: ⃁ 591,852) used for plantation.

15. PROPERTY, PLANT AND EQUIPMENT – (CONTINUED)

Land

The following matters related to Lands held by the Group at the reporting date:

Land Used by Saudi Arabian Oil (Saudi Aramco)

As per the Royal Order No. (151) dated 5 Ramadan, 1401H (corresponding to 7 July 1981), NADEC was granted the Haradh project, which was invested by NADEC for Agricultural and Livestock Production, including agricultural land, facilities, fixed and movable assets, and energy sources, and it is considered among its properties starting from the date of issuance of Royal Decree No. (M/ 41) on 17 Shawwal, 1401H (corresponding to 17 August 1981) approving its establishment.

The title deed was issued by Notary Public at Haradh with No. (87) on 15 Jumada Al-Awwal, 1403H (corresponding to 28 February 1983), with a length of seventy-five kilometers from north to south and five kilometers from east to west, with an area of 375 square kilometers.

NADEC entered into a legal dispute with Saudi Arabian Oil (Saudi Aramco) in respect of some portion of the land and the Supreme Court issued its final judgment on 13 Muharram, 1442H (corresponding to 1 September, 2020) to cancel the title deed No. (87) issued to NADEC on Jumada Al-Awwal 15, 1403H (corresponding to 28 February 1983), and this decision did not oblige the Group to leave or vacate the revived areas which its operational business is located, no essential operations of the Group are located on the disputed land, and NADEC has raised its objections to the decision of the supreme court to the concerned authorities and clarified its position towards the decision.

Based on NADEC's assessment of its legal status and based on discussions with the concerned authorities, the management largely believes that the ownership of the revived lands that are subject to the use and control of the Group is valid, and it is expected that a new title will be issued to the Group for the revived lands which are under the Group control and use. It is also expected that this will lead to a reduction in the land area, which is currently used by Saudi Arabian Oil (Saudi Aramco) and a small piece of land in the southern region that is not suitable for agricultural production and is not currently used by the Group. Accordingly, the Group recorded a provision of ⃁ 2.5 million during year 2022.

16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

i. Right-of-use

The Group has leases for land, buildings, vehicles and machineries. The lease terms range from 2 to 10 years. The Group depreciates these contracts over the lease term on a straight-line basis. The Group also has some leases for residential buildings of 12 months or less and low-value leases. The Group applies for an exemption from recognition for these short-term leases and leases of low-value assets.

	Land & Buildings ⃁	Vehicles and Trucks ⃁	Machineries ⃁	Total ⃁
Carrying value as at 1 January 2024	16,643,800	34,124,429	6,939,247	57,707,476
Additions during 2024	3,365,866	-	-	3,365,866
Depreciation for 2024	(3,546,300)	(9,966,807)	(848,428)	(14,361,535)
Lease cancellations	(800,782)	-	-	(800,782)
Carrying value as at 31 December 2024	15,662,584	24,157,622	6,090,819	45,911,025
Additions during 2025	**85,053,509**	**207,735,057**	**-**	**292,788,566**
Depreciation for 2025	**(12,021,319)**	**(43,590,874)**	**(848,454)**	**(56,460,647)**
Lease cancellations	**(568,676)**	**(366,083)**	**-**	**(934,759)**
Carrying value as at 31 December 2025	**88,126,098**	**187,935,722**	**5,242,365**	**281,304,185**

ii. Lease liabilities

	31 December 2025 ⃁	31 December 2024 ⃁
Carrying value as at 1 January	**39,048,201**	52,671,875
Additions of new leases	**292,788,566**	3,365,866
Interest expense (note 13.2)	**14,500,341**	1,755,963
Lease cancellations	**(934,759)**	(800,782)
Payment of lease liability	**(56,554,995)**	(17,944,721)
Carrying value as at 31 December	**288,847,354**	39,048,201
Lease liability – Current portion	**67,156,611**	13,411,899
Lease liability – Non-current portion	**221,690,743**	25,636,302

17. BIOLOGICAL ASSETS (NON-CURRENT)

The Group's Biological Assets consist of the dairy herd, which are classified as milk producing cows (Cows) or non-milk producing cows (Heifers). The non-productive cows include milk cows, which are raised up to the production stage.

Their value increases as they age, based on milk production or production of offspring. The cattle breeding is exposed to disease risk. Therefore, the Group separates all the other farms and activities from cattle farms to prevent the transmission of diseases to the herd, and the herd is subject to very strict medical standards and precautionary measures are in place to prevent such diseases from transmission or infection. The Group's Biological Assets as at 31 December 2025 and their changes during the year, and the comparative amounts are as follows:

	Cows ⃁	Heifers ⃁	Total ⃁
Cost as at 1 January 2025	**501,862,262**	**308,584,972**	**810,447,234**
Additions through Birth/ Conversion	**177,585,349**	**188,868,736**	**366,454,085**
Exclusions as a result of Death	**(9,114,175)**	**(4,742,559)**	**(13,856,734)**
Exclusions as a result of Sale / Transfers to current	**(152,597,838)**	**(27,282,679)**	**(179,880,517)**
Exclusions as a result of Conversion	**-**	**(177,585,349)**	**(177,585,349)**
Cost as at 31 December 2025	**517,735,598**	**287,843,121**	**805,578,719**
Accumulated depreciation as at 1 January 2025	**114,588,725**	**-**	**114,588,725**
Depreciation for the year 2025	**63,946,544**	**-**	**63,946,544**
Depreciation on disposals during the year 2025	**(51,617,202)**	**-**	**(51,617,202)**
Accumulated depreciation as at 31 December 2025	**126,918,067**	**-**	**126,918,067**
Net book value as at 31 December 2025	**390,817,531**	**287,843,121**	**678,660,652**
Cost as at 1 January 2024	503,195,893	320,332,761	823,528,654
Additions through Birth/ Conversion	171,526,828	191,204,034	362,730,862
Exclusions as a result of Death	(28,364,848)	(6,333,297)	(34,698,145)
Exclusions as a result of Sale / Transfers to current	(144,495,611)	(25,091,698)	(169,587,309)
Exclusions as a result of Conversion	-	(171,526,828)	(171,526,828)
Cost as at 31 December 2024	501,862,262	308,584,972	810,447,234
Accumulated depreciation as at 1 January 2024	95,896,135	-	95,896,135
Depreciation for the year 2024	67,298,643	-	67,298,643
Depreciation on disposals during the year 2024	(48,606,053)	-	(48,606,053)
Accumulated depreciation as at 31 December 2024	114,588,725	-	114,588,725
Net book value as at 31 December 2024	387,273,537	308,584,972	695,858,509

18. INTANGIBLE ASSETS

	Software and licenses ⃁	Capital work in progress ⃁	Total ⃁
<u>**Cost**</u>			
Cost as at 1 January 2024	72,521,803	5,746,271	78,268,074
Additions during the year - 2024	3,409,517	1,427,187	4,836,704
Reclassification during the year - 2024	2,999,411	-	2,999,411
Transfers during the year - 2024	5,746,271	(5,746,271)	-
Cost as at 31 December 2024	84,677,002	1,427,187	86,104,189
Additions during the year - 2025	**6,582,715**	**2,000,542**	**8,583,257**
Transfers during the year - 2025	**3,427,729**	**(3,427,729)**	**-**
Cost as at 31 December 2025	**94,687,446**	**-**	**94,687,446**
<u>**Accumulated Amortization**</u>			
Accumulated Amortization at January 1, 2024	48,670,141	-	48,670,141
Amortization for the year - 2024	10,184,876	-	10,184,876
Reclassification during the year - 2024	591,850	-	591,850
Accumulated Amortization as at 31 December 2024	59,446,867	-	59,446,867
Amortization for the year - 2025	**12,249,732**	**-**	**12,249,732**
Accumulated Amortization as at 31 December 2025	**71,696,599**	**-**	**71,696,599**
<u>**Net Book Value:**</u>			
As at 31 December 2025	**22,990,847**	**-**	**22,990,847**
As at 31 December 2024	25,230,135	1,427,187	26,657,322

19. INVESTMENTS

19.1 INVESTMENT IN JOINT VENTURE

	1 January 2025	Additions*	Share of Results	Financial Guarantee***	31 December 2025
	⃁	⃁	⃁	⃁	⃁
AlRai National Livestock Company	2,550,000	35,700,000	(4,708,652)	85,017,493	**118,558,841**
NADEC Hilton Company*	-	6,120,000	(50,000)	-	**6,070,000**
Total	**2,550,000**	**41,820,000**	**(4,758,652)**	**85,017,493**	**124,628,841**

	1 January 2024	Additions*	Share of Results	Disposal **	Reclassification to FVOCI	31 December 2024
	⃁	⃁	⃁	⃁	⃁	⃁
Arabian Mills for Food Products Company	116,222,014	-	24,039,392	(42,078,422)	(98,182,984)	-
AlRai National Livestock Company	-	2,550,000	-	-	-	2,550,000
Total	116,222,014	2,550,000	24,039,392	(42,078,422)	(98,182,984)	2,550,000

*During 2025, the Group signed a partnership agreement with Hilton Food Group (global leader in the processing and packaging of protein products (red meat)) to establish NADEC Hilton Company ("a limited liability company) for food manufacturing in Haradh with ownership 51% of the company's capital and paid capital of ⃁ 6,120,000.

During 2024, the Group signed a partnership agreement with the United Feed Company (a limited liability company) (One of Al Muhaidib Group's companies) to establish a AlRai National Livestock Company (a limited liability company) for an intensive animal livestock project specializing in (sheep and goats) and meat production, where NADEC's ownership stake will be equivalent to 51% of the company's capital and paid capital of ⃁ 2,550,000. During 2025, the share capital of AlRai has been increased and accordingly, NADEC has paid an additional ⃁ 35,700,000 represents its ownership of 51%.

**During 2024, the Capital Market Authority "CMA" approved Arabian Mills for Food Products Company ("Arabian Mills") application of offering and listing of its 30% of the shares on the main financial market of Saudi Arabia. As part of offering process NADEC has agreed to sell 30% of shares held by NADEC in Arabian Mills. Accordingly, 30% of investment held in Arabian Mills has been disposed. Due to this the Group has lost joint control over Arabian Mills and accordingly equity method of accounting to be discontinued from the date loss of control and recognized gain of ⃁ 356,513,453 (⃁ 103,189,547 on sale of 30% shares and ⃁ 253,323,906) as day one fair value gain on remaining number shares on discontinuation of equity method of accounting.

***The Group has provided financial guarantee to Agricultural Development Fund (ADF) in respect of loan granted to AlRai National Livestock Company, joint venture, to the extent of its shareholding. The financial guarantee contracts has been accounted for under IFRS 9 as financial guarantee contract liabilities.

19.2 EQUITY INVESTMENTS AT FVOCI

	Ownership (%)	Historical Cost	31 December 2025	31 December 2024	Change in Fair Value 2025	Change in Fair Value 2024
		⃁	⃁	⃁	⃁	⃁
Arabian Mills for Food Products Company	10.41%	351,506,809*	**206,737,335**	262,027,552	**(55,290,217)**	(89,479,338)
National Company for Seed Production (Seeds)	13.99%	4,128,000	**3,082,000**	5,215,000	**(2,133,000)**	(468,000)
United Dairy Farms Company	8.26%	600,000	**2,604,000**	5,784,000	**(3,180,000)**	2,518,000
Net Equity Investments at FVOCI			**212,423,335**	273,026,552	**(60,603,217)**	(87,429,338)

*Represent the fair value of investment on date of reclassification of investment from investment joint venture to investment at Fair Value through Other Comprehensive Income (FVOCI).

Equity Investments at Fair Value through Other Comprehensive Income (FVOCI) are measured in accordance with IFRS 9 Financial Instruments and IFRS 13 Fair Value Measurement.

20. BIOLOGICAL ASSETS (CURRENT)

	31 December 2025 ⃁	31 December 2024 ⃁
Crops (20.1)	**32,570,895**	29,793,740
Biological assets held for sale (20.2)	**70,671,693**	55,479,869
Total biological assets - current	**103,242,588**	85,273,609

Current biological assets are fair valued. The fair value less cost to sell is determined by quote received from an external and independent third party and are classified under Level 2 using other observable inputs. Accordingly, the fair value movements has been recognized in the Consolidated Statement of Profit or Loss.

20.1 Crops

	31 December 2025 ⃁	31 December 2024 ⃁
Balance as at 1 January	**29,793,740**	27,644,670
Harvested to Inventories	**(175,007,998)**	(110,985,614)
Additions during the year	**178,041,506**	114,270,114
Loss arising from changes in fair value less cost to sell	**(256,353)**	(1,135,430)
Balance as at 31 December	**32,570,895**	29,793,740

Current biological assets are representing crops including wheat, onion, potato and olive. The cost of the crops is approximately equal to their fair value.

20.2 Biological assets held for sale

	31 December 2025 ⃁	31 December 2024 ⃁
Balance as at 1 January	**55,479,869**	28,929,505
Additions through birth during the year	**127,002,262**	109,095,968
Exclusions as a result of death	**(3,757,722)**	(4,076,866)
Exclusions as a result of sale	**(108,052,716)**	(78,468,738)
Balance as at 31 December	**70,671,693**	55,479,869

21. INVENTORIES

	31 December 2025 ⃁	31 December 2024 ⃁
Raw materials	**254,194,512**	271,186,766
Finished goods*	**207,462,208**	163,784,935
Spare parts	**98,825,500**	96,741,447
Packaging materials	**64,891,129**	55,952,224
Agricultural products inventory**	**59,158,131**	152,371,666
Fuel and oil	**19,703,451**	8,467,731
Animal products (Manure)	**-**	7,627,610
	704,234,931	756,132,379
Allowance for inventories	**(66,052,611)**	(93,962,568)
	638,182,320	662,169,811

Movement in allowance for inventories	31 December 2025 ⃁	31 December 2024 ⃁
Balance as at 1 January	**93,962,568**	77,852,238
Provision made during the year	**30,075,097**	37,341,265
Write offs	**(57,985,054)**	(20,365,263)
Foreign Currency Translation difference	**-**	(865,672)
Balance as at 31 December	**66,052,611**	93,962,568

*The cost of finished goods includes direct costs and indirect costs, indirect costs are allocated based on the quantities produce.

**Agricultural products inventory is mainly including olive oil bulk, potato and other agricultural products.

The new facility obtained from ADF is secured by a mortgage over a specified percentage of the Group's inventory balance as per the facility agreement. (refer to note 30.2).

22. TRADE RECEIVABLES AND OTHER RECEIVABLES

	31 December 2025	31 December 2024
	⃁	⃁
Trade receivables	**352,574,853**	417,792,165
Government subsidies due*	**87,741,208**	96,433,442
Receivable from related parties (note 41)	**7,197,652**	6,172,209
	447,513,713	520,397,816
Impairment allowance for government subsidies due	**(85,719,292)**	(85,719,292)
Impairment allowance for trade receivables	**(43,647,291)**	(56,127,466)
	318,147,130	378,551,058

* Government subsidies due represents amounts claimed from the Government and are considered recoverable from Government as these meet the criteria provided by Government Agencies and the Group it is reasonably certain that the subsidies will be received.

	31 December 2025	31 December 2024
Movement in impairment allowance for government subsidies due	**⃁**	⃁
Opening balance	**85,719,292**	94,719,292
Reversed during the year	**-**	(9,000,000)
Ending balance	**85,719,292**	85,719,292

	31 December 2025	31 December 2024
Movement in impairment allowance for trade receivables	**⃁**	⃁
Opening balance	**56,127,466**	49,994,188
Charge during the year	**8,468,456**	6,133,959
Written off during the year	**(20,948,631)**	-
Foreign Currency Translation difference	**-**	(681)
Ending balance	**43,647,291**	56,127,466

	31 December 2025	31 December 2024
Ageing of Trade Receivables	**⃁**	⃁
Up to 3 months	**303,818,928**	354,703,025
3-6 months	**10,988,025**	8,343,561
More than 6 months	**37,767,900**	54,745,579
	352,574,853	417,792,165

23. PREPAYMENTS

23.1 PREPAYMENTS AND OTHER CURRENT ASSETS

	31 December 2025	31 December 2024
	⃁	⃁
Advances to suppliers	**100,491,833**	48,497,716
Prepaid expenses	**9,685,903**	28,870,790
Staff receivables	**6,754,850**	8,927,045
Other current assets	**28,073,210**	21,355,229
	145,005,796	107,650,780
Impairment allowance for prepayments	**-**	(17,828,324)
	145,005,796	89,822,456

	31 December 2025	31 December 2024
Movement in impairment allowance for prepayments	**⃁**	⃁
Opening balance	**17,828,324**	17,828,324
Written off during the year	**(17,828,324)**	-
Ending balance	**-**	17,828,324

23.2 LONG TERM PREPAYMENTS

Long-term prepayments, presented within non-current assets, represent advances paid to suppliers in relation to capital expenditure projects. These prepayments will be made through the receipt of goods or services upon completion of the respective projects. The assets are carried at cost and are reviewed periodically to assess recoverability based on the status of the underlying capital projects.

24. TERM DEPOSITS

	31 December 2025	31 December 2024
	⃁	⃁
Term Deposits *	**650,000,000**	300,000,000
	650,000,000	300,000,000

* The average rate on time deposit (Murabaha) for the year was 5.60% per annum with a maturity of more than three months and less than one year.

25. CASH AND CASH EQUIVALENTS

	31 December 2025	31 December 2024
	⃁	⃁
Cash at banks - Time Deposits *	**700,000,000**	1,050,000,000
Cash at banks - Current accounts	**372,979,176**	306,487,567
Cash in hand	**7,373,911**	8,876,513
	1,080,353,087	1,365,364,080

*Time deposit represents short-term deposits with local banks with average original maturities of less than three months. The average rate on outstanding bank deposits during 2025 was between 5.10% and 6.35% per annum for a period of three months or less. Bank deposits are placed in Islamic Murabaha accounts.

26. SHARE CAPITAL

The Company has 301,640,000 shares as at 31 December 2025 (31 December 2024: 301,640,000) issued and fully paid with a value of ⃁ 10 per share.

27. TREASURY SHARES

During the year ended 31 December 2025, the Group has purchased of its own shares with an amount of ⃁ 21.4 million to be allocated to the Employees' Long-term Incentives Program.

28. STATUTORY RESERVE

The Extraordinary General Assembly (EGA) approved in its meeting on 19 Shawwal 1446H (corresponding to 17 April 2025) transferring the balance of the statutory reserve as at 31 December 2024 amounting to ⃁ 193,787,812 to the retained earnings.

29. OTHER RESERVES

	⃁
Balance as at 1 January 2025	**(29,760,699)**
Changes	
Change in Fair value of Equity Investment at FVOCI	**(60,603,217)**
Actuarial Valuation adjustments to Other Reserves	**3,359,355**
Foreign currency translation differences	**112,569**
Reclassification of currency translation on closure of foreign operations	**(3,570,471)**
Total adjustments to Other Components of Equity	**(60,701,764)**
Balance as at 31 December 2025	**(90,462,463)**
Balance as at 1 January 2024	38,985,456
Changes	
Change in Fair value of Equity Investment at FVOCI	(87,429,338)
Actuarial Valuation adjustments to Other Reserves	16,560,981
Foreign currency translation differences	2,122,202
Total adjustments to Other Components of Equity	(68,746,155)
Balance as at 31 December 2024	(29,760,699)

30. MURABAHA LOANS AND BORROWINGS

				31 December 2025		31 December 2024	
	Currency	**Interest Rate**	**Due Date**	**Nominal Value ⃁'000**	**Book Value ⃁'000**	Nominal Value ⃁'000	Book Value ⃁'000
Islamic Banking Facilities (Murabaha) (30.1)	⃁	SIBOR + bank margin*	-	-	-	205,000	205,285
Agricultural Development Fund Loan (30.2)	⃁	Fixed	2026-2027	**192,251**	**195,176**	2,501	2,501
Saudi Industrial Development Fund (30.3)	⃁	Fixed	2026-2028	**87,215**	**87,306**	-	-
Total Loans				**279,466**	**282,482**	207,501	207,786

*The weighted average interest rate on bank loans during the year ended 31 December 2025 was 6.2% per annum (31 December 2024: 5.97% per annum), however, the rates varied between medium and short-term loans. Loans from local banks were granted against promissory notes given by the Group.

Loans are presented in the Consolidated Statement of Financial Position as follows:

	31 December 2025 ⃁	31 December 2024 ⃁
Non-current liabilities		
Agricultural Development Fund (ADF)	**833,707**	1,667,414
Saudi Industrial Development Fund (SIDF)	**46,105,000**	-
	46,938,707	1,667,414
Current liabilities		
Current portion of long term		
Agricultural Development Fund (ADF)	**833,707**	833,707
Saudi Industrial Development Fund (SIDF)	**41,200,479**	-
	42,034,186	833,707
Short term loans		
Agricultural Development Fund (ADF)	**193,508,956**	-
Islamic Banking Facilities (Murabaha)	**-**	205,285,107
	193,508,956	205,285,107

The Loan movement during the year was as follows:

	31 December 2025 ⃁	31 December 2024 ⃁
Opening balance	**207,786,228**	376,393,301
Proceed during the year	**1,062,798,806**	1,875,000,000
Interest cost incurred	**13,900,743**	23,194,837
Repayment during the year	**(990,833,707)**	(2,037,726,903)
Interest cost paid	**(11,170,221)**	(29,075,007)
Ending balance	**282,481,849**	207,786,228

30.1 Islamic Banking Facilities (Murabaha) from Local Banks

The borrowing under Islamic banking facilities (Murabaha) from local banks against a promissory note issued by the Group. All the loans with Islamic Banks have been settled during the year and are mostly of a revolving nature, the renewal of facility is subject to bank prior approval. The amount of unused facilities as at 31 December 2025 amounted to ⃁ 2 billion (31 December 2024: ⃁ 2.1 billion). The entire facilities are less than 12 months. The balance of loans from Islamic banking as of 31 December 2025 amounted to ⃁ Nil (31 December 2024: ⃁ 205.3 million).

30.2 Agricultural Development Fund Loans

During the year ended 31 December 2025, the Group was granted a new facility agreement with the Agricultural Development Fund with a total facility amounting to ⃁ 220 million to financing Yellow Corn and Soyabean purchases. The amount of unused facility as at 31 December 2025 amounted to ⃁ 24.5 million. The new facility is secured by a mortgage of specific assets (inventory and Land) owned by the Group. The balance of loans from Agricultural Development Fund as of 31 December 2025 amounted to ⃁ 195.2 million (31 December 2024: ⃁ 2.5 million).

30. MURABAHA LOANS AND BORROWINGS (CONTINUED)

30.3 Saudi Industrial Development Fund Loans

During the year ended 31 December 2025, the Group was granted two new facilities agreement with the Saudi Industrial Development Fund with a total facility amounting to ⃁ 32 million for agreement number 9428 for financing specific project, and ⃁ 75 million for agreement number 11809 for working capital financing. The amount of unused facility as at 31 December 2025 amounted to ⃁ 16.2 million. The new facilities is secured by a mortgage of Wadi AlDawasir Land owned by the Group. The balance of loans from Saudi Industrial Development Fund as of 31 December 2025 amounted to ⃁ 87.3 million (31 December 2024: ⃁ nil).

30.4 Covenants

The loans contain certain covenants. A future breach of covenants may lead to renegotiation. The covenants are monitored on a monthly basis by management. In case of potential breach, actions are taken by management to ensure compliance. During the year ended 31 December 2025, there has been no non-compliance with any of the covenants.

31. EMPLOYEE BENEFITS OBLIGATION

The entity operates a defined benefit plan (as defined in IAS 19) to provide a lump-sum compensation when the employee leaves the service, in line with the current labor law in the Kingdom of Saudi Arabia. The plan and its obligations are therefore more sensitive to changes in future salary increases, future withdrawal rates and the discount rate used to assess commitments, and the Group is not required to finance the plan, the plan's liabilities have been assessed using the projected credit unit method in accordance with IAS 19. Since the amount and timing of future maturities are not known currently, assumptions have been made to value the obligations relating to the past service. These assumptions have been derived using methodologies consistent with the requirements of IAS 19. Any changes in assumptions in financial, economic and demographic conditions over time, where future experience does not match established assumptions, that change is included in Other Comprehensive Income in the future financial year.

The movement in the present value of the liability for the benefits of the end of service plan of the enterprise is as follows:

	31 December 2025 ⃁	31 December 2024 ⃁
Opening balance	**131,422,371**	147,947,099
Interest Cost	**6,329,250**	6,449,927
Current Service Cost	**8,217,327**	18,477,648
Benefits Paid	**(20,226,103)**	(24,329,052)
FCTR Adjustment	**(69,221)**	(562,270)
Actuarial gain in Other Comprehensive Income	**(3,359,355)**	(16,560,981)
Closing Balance	**122,314,269**	131,422,371

The value of the amounts that have been adjusted for the year ended 31 December 2025 and 31 December 2024 are as follows, according to the Actuarial study conducted:

	31 December 2025 ⃁	31 December 2024 ⃁
Current Service cost	**8,217,327**	18,477,648
Interest cost	**6,329,250**	6,449,927
Expense charged to Consolidated Statement of Profit or Loss for the year	**14,546,577**	24,927,575

Other comprehensive income related to the Employee Benefits Plan for the years 2025 and 2024 consists of the following items:

	31 December 2025 ⃁	31 December 2024 ⃁
Actuarial gain resulting from changes in financial assumptions	**2,166,361**	(16,566,255)
Actuarial gain resulting from demographic adjustment	**(1,089,487)**	-
Actuarial gain resulting from experience adjustment	**(4,436,229)**	5,274
Actuarial gain in Other Comprehensive Income	**(3,359,355)**	(16,560,981)

31. EMPLOYEE BENEFITS OBLIGATION (continued)

The significant assumptions used to determine the defined benefit obligations of the employees' end of service plan are as follows:

	31 December 2025	31 December 2024
	⃁	⃁
Discount rate	**5.00%**	5.25%
Expected salary increase rate	**4.00%**	4.00%
Withdrawal from work	**Age: Ratio**	Age: Ratio
(Average Ratio)	**18-25:18.75%**	18-25:18.75%
	26-30:15.00%	26-30:15.00%
	31-50:7.50%	31-50:7.50%
	+51:3.75%	+51:3.75%

Sensitivity in Employee Retirement Benefits Liability:

		31 December 2025	31 December 2024
		⃁	⃁
Discount Rate	1% Increase	**113,676,141**	122,105,302
	Base	**122,314,269**	131,422,371
	1% Decrease	**132,299,563**	142,093,982
Salary Inflation	1% Increase	**132,294,288**	142,121,205
	Base	**122,314,269**	131,422,371
	1% Decrease	**113,525,011**	121,915,201

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the employee retirement benefits to significant actuarial assumptions, the same method (present value of the employee retirement benefits calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the employee retirement benefits recognised in the Consolidated Statement of Financial Position.

Demographic Assumptions

	31 December 2025	31 December 2024
Number of employees	**4,595**	4,852
Weighted Average duration of liabilities (years)	**8.0**	7.5
Weighted average age of employees (years)	**38.4**	38.1
Retirement age (years)	**65**	65

The following are the expected payments or contributions to the defined benefit plan in future years

	31 December 2025	31 December 2024
	⃁	⃁
Within the next 12 months (next annual reporting period)	**19,065,683**	17,530,411
Between 2 and 5 years	**41,575,192**	42,514,881
Beyond 6 years	**136,990,983**	149,975,205

32. TRADE PAYABLES, ACCRUED EXPENSES AND OTHER PAYABLES

	31 December 2025 ⃁	31 December 2024 ⃁
Accrued expenses *	**293,958,705**	376,803,959
Trade creditors	**400,395,767**	343,996,547
Employee benefits	**53,917,519**	66,901,742
Advances from customers	**10,079,571**	22,572,431
Payable to related parties (note 41)	**-**	273,721
Other payables	**13,310,503**	19,097,257
	771,662,065	829,645,657

* Accrued expenses include accrual against volume discounts and rental accrual costs amounting to ⃁ 29.3 million (2024: ⃁ 39.9 million), selling and distribution related accrual amounting to ⃁ 137.3 million (2024: ⃁ 158.8 million), and other accruals.

33. UNDISTRIBUTED RIGHTS ISSUE COMPENSATION

This represents the undistributed rights issue compensation to eligible investors who have not exercised their right to subscribe to new shares. The Group were unable to transfer these amounts of compensation to the beneficiaries as a result of the lack of sufficient information about the beneficiaries' account numbers.

	31 December 2025 ⃁	31 December 2024 ⃁
Balance as at 1 January	**82,980,982**	83,238,203
Paid during the year	**(848,270)**	(257,221)
Balance as at 31 December	**82,132,712**	82,980,982

34. DIVIDEND PAYABLES

Below table represents the movement in the Dividend Payables.

	31 December 2025 ⃁	31 December 2024 ⃁
Balance as at 1 January	**31,946,723**	32,340,192
Paid during the year	**(194,424)**	(393,469)
Balance as at 31 December	**31,752,299**	31,946,723

35. FINANCIAL GUARANTEE LIABILITIY

The Group has provided financial guarantee to Agricultural Development Fund (ADF) in respect of loan granted to AlRai National Livestock Company, joint venture, to the extent of its shareholding. The financial guarantee contracts has been accounted for under IFRS 9 as financial guarantee contract liabilities.

	31 December 2025 ⃁	31 December 2024 ⃁
Non-current portion of financial guarantee contract liability	**77,332,296**	-
Current portion of financial guarantee contract liability	**4,803,248**	-
Total financial guarantee	**82,135,544**	-

	31 December 2025 ⃁	31 December 2024 ⃁
Recognizing during the year	**85,017,493**	-
Amortized during the year	**(2,881,949)**	-
Closing balance	**82,135,544**	-

36. ZAKAT AND INCOME TAX

36.1. Zakat

	31 December 2025 ⃁	31 December 2024 ⃁
Opening balance	**87,153,695**	45,693,521
Zakat provision for current year	**47,200,000**	52,500,000
Zakat reversal for previous years	**(3,700,000)**	-
Total charged to Consolidated Statement of Profit or Loss	**43,500,000**	52,500,000
Zakat paid during the Year	**(61,046,138)**	(11,039,826)
Zakat paid by customer on behalf NADEC	**(8,240,722)**	-
Closing Balance	**61,366,835**	87,153,695

The Group filed its Zakat return for all years up to 2024 and obtained Zakat certificates for the years up to 2024 from the Zakat, Tax and Customs Authority ("ZATCA" or "the Authority").

During the year ended 31 December 2025, The Group has received final assessments for the years 2019 and 2020 and based on these final assessments the Group has reversed provision of ⃁ 3.7 million.

The key elements of zakat base primarily include equity components, net income and liabilities adjusted for zakat purpose.

The zakat base is as follows:

	31 December 2025 ⃁	31 December 2024 ⃁
Equity	**4,215,777,890**	3,925,533,162
Adjusted profit	**392,830,437**	777,868,061
Liabilities	**689,663,696**	242,757,251
Deductible – Non-current assets	**(3,399,521,062)**	(2,818,056,932)
Deductible – current assets	**(74,967,010)**	(201,642,475)
Zakat base	**1,823,783,951**	1,926,459,067

36.2. Income Tax

Income tax represents tax on profit in NADEC UAE branch.

37. CASH FLOWS INFORMATION

37.1 Net Debt Reconciliation

	Liabilities from financing activities (A)	Assets (B)			Net total (A)-(B) ⃁
	Loans and Borrowings ⃁	Cash and Cash Equivalents ⃁	Term Deposit ⃁	Total assets ⃁	
Opening balance as at 1 January 2025	**207,786,228**	1,365,364,080	300,000,000	**1,665,364,080**	**(1,457,577,852)**
Net cash flows	**71,965,099**	(285,006,917)	-	**(285,006,917)**	**356,972,016**
Redemption in term deposit	**-**	-	(305,512,500)	**(305,512,500)**	**305,512,500**
Investment in term deposit	**-**	-	650,000,000	**650,000,000**	**(650,000,000)**
Finance Cost/Income	**13,900,743**	-	-	**-**	**13,900,743**
Finance Cost/Income Paid/Received	**(11,170,221)**	-	5,512,500	**5,512,500**	**(16,682,721)**
Currency Translation Adjustment	**-**	(4,076)	-	**(4,076)**	**4,076**
Closing balance as at 31 December 2025	**282,481,849**	1,080,353,087	650,000,000	**1,730,353,087**	**(1,447,871,238)**
Opening balance as at 1 January 2024	376,393,301	834,686,320	500,000,000	1,334,686,320	(958,293,019)
Net cash flows	(162,726,903)	530,585,741	-	530,585,741	(693,312,644)
Redemption in term deposit	-	-	(916,171,667)	(916,171,667)	916,171,667
Investment in term deposit	-	-	700,000,000	700,000,000	(700,000,000)
Finance Cost/Income	23,194,837	-	-	-	23,194,837
Finance Cost/Income Paid/Received	(29,075,007)	-	16,171,667	16,171,667	(45,246,674)
Currency Translation Adjustment	-	92,019	-	92,019	(92,019)
Closing balance as at 31 December 2024	207,786,228	1,365,364,080	300,000,000	1,665,364,080	(1,457,577,852)

38. COMMITMENT AND CONTINGENCIES

Capital commitments

Capital commitments amounted to ⃁ 110.3 million against contracts for the supply of property, plant and equipment as at 31 December 2025 (31 December 2024: ⃁ 140.6 million)

Letters of credit

The contingent liabilities against letters of credit are ⃁ 281.3 million as at 31 December 2025 (31 December 2024: ⃁ 120.5 million).

Letters of guarantee

The contingent liabilities against letters of guarantee are ⃁ 45.5 million as at 31 December 2025(31 December 2024: ⃁ 46.5 million).

39. FAIR VALUE

Financial Assets and Liabilities are measured at amortized cost except for Equity Investments at Fair value through Other Comprehensive Income (FVOCI) which are measured at fair value. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under market conditions. In the absence of an active market, the asset or liability is measured in the most advantageous market for the asset or liability and relies on the perceptions of market participants to maximize the benefits of using the asset. The Group relied on valuation methods for Equity Investments at FVOCI based on Equity securities at fair value level 2 is using market comparison technique, The valuation model is based on market multiples derived from quoted prices of companies comparable to the investee, adjusted for the effect of the non-marketability of the equity securities, and the revenue and EBITDA of the investee. The estimate is adjusted for the net debt of the investee.

The book value and the fair value of all the disclosed financial assets and financial liabilities does not vary significantly.

	31 December 2025						
	Carrying Amount			**Fair Value**			
	Amortized cost	**Fair Value**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
	⃁ 000	⃁ 000	⃁ 000	⃁ 000	⃁ 000	⃁ 000	⃁ 000
Financial Assets							
Equity Investment at FVOCI	**-**	**212,423**	**212,423**	**206,737**	**5,686**	**-**	**212,423**
Trade and Other Receivables	**318,147**	**-**	**318,147**	**-**	**-**	**-**	**-**
Term deposit	**650,000**	**-**	**650,000**	**-**	**-**	**-**	**-**
Cash and cash equivalent	**1,080,353**	**-**	**1,080,353**	**-**	**-**	**-**	**-**
	2,048,500	**212,423**	**2,260,923**	**206,737**	**5,686**	**-**	**212,423**
Financial Liabilities							
Trade and Other Payables	**735,643**	**-**	**735,643**	**-**	**-**	**-**	**-**
Loans	**282,482**	**-**	**282,482**	**-**	**-**	**-**	**-**
Lease Liabilities	**288,847**	**-**	**288,847**	**-**	**-**	**-**	**-**
Financial guarantee	**82,136**	**-**	**82,136**	**-**	**-**	**-**	**-**
	1,389,108	**-**	**1,389,108**	**-**	**-**	**-**	**-**

	31 December 2024						
	Carrying Amount			Fair Value			
	Amortized cost	Fair Value	Total	Level 1	Level 2	Level 3	Total
	⃁ 000	⃁ 000	⃁ 000	⃁ 000	⃁ 000	⃁ 000	⃁ 000
Financial Assets							
Equity Investment at FVOCI	-	273,027	273,027	262,028	10,999	-	273,027
Trade and Other Receivables	378,551	-	378,551	-	-	-	-
Term deposit	300,000	-	300,000	-	-	-	-
Cash and cash equivalent	1,365,364	-	1,365,364	-	-	-	-
	2,043,915	273,027	2,316,942	262,028	10,999	-	273,027
Financial Liabilities							
Trade and Other Payables	781,824	-	781,824	-	-	-	-
Loans	207,786	-	207,786	-	-	-	-
Lease Liabilities	39,048	-	39,048	-	-	-	-
	1,028,658	-	1,028,658	-	-	-	-

40. FINANCIAL RISK MANAGEMENT

The Group is exposed to the following risks through its use of financial instruments:

A. Credit Risk.
B. Liquidity Risk.
C. Market Risk
D. Climate change

This note provides information on the Group's exposure to each of the above risks, the Group's objectives, policies and procedures for measuring and managing risks, and the Group's capital management. Further quantitative disclosures are included in these Consolidated Financial Statements. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimize the potential negative impact on the financial performance of the Group.

A. Credit Risk

Credit risk is the risk that the counter party will not meet its obligations under a financial instrument or a business contract resulting in a financial loss. The Group is exposed to credit risk from its operating activities (mainly trade receivables) and from financing activities. The financial assets subject to credit risk are set out in table below:

	31 December 2025	31 December 2024
	⃁ 000	⃁ 000
Term deposit	**650,000**	300,000
Cash and cash equivalent	**1,080,353**	1,365,364
Trade and other receivables	**318,233**	378,551
	2,048,586	2,043,915

- **Trade Receivables**

Customer credit risk is managed by each business segment in accordance with the Group's business policy, procedures and control related to business risk management. The credit quality of the customer is assessed on the basis of an evaluation card for each customer based on the date of the customer's dealings with the Group and the extent of his obligation to pay by setting a grace period and credit limit for each customer. The Group calculates impairment losses on the basis of its estimate of losses incurred in respect of trade receivables. The main components of this impairment are the expected loss element of specific customers as well as the aggregate loss element that is estimated for a group of similar customers in respect of losses that may be incurred, and which have not yet been determined. The consolidated loss impairment is determined based on historical data of collection statistics for similar customers. Management believes that there is no additional allowance for credit risk required in excess of the normal decrease in receivables.

Trade Receivables consist of 90% of the balances in Saudi Arabia and 10% of the outstanding balances in the GCC as at 31 December 2025 (31 December 2024: 95% and 5% respectively).

Bank balances are kept with banks of BBB rating or higher rating banks.

The total amount of the guaranteed loan is ⃁ 754,558,608 and has been classified as Stage 1. As there is no publicly available credit rating for the borrower, the Group has internally assessed the credit risk and estimated the credit rating to be in the BBB– range.

B. Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting obligations associated with financial liabilities settled through the delivery of cash or other financial assets. The Group's approach to liquidity management is to ensure, as far as possible, that it always has sufficient liquidity to meet its obligations when due in normal and difficult circumstances without incurring unacceptable losses or risking the Group's reputation. Liquidity risk may result from the inability to sell the financial asset quickly near its fair value. A significant portion of the Group's funds are in Cash and Bank balances and are readily available to cover expected operating expenses, including servicing of financial obligations. In order to improve the liquidity of the Group, the Group will develop a plan to develop working capital performance and restructure its capital components.

40. FINANCIAL RISK MANAGEMENT (CONTINUED)

B. Liquidity Risk (continued)

Payable as of 31 December 2025	**Carrying amount** ⃁	**On demand or less than 1 year** ⃁	**1 year to 5 years** ⃁	**Greater than 5 years** ⃁	**Total** ⃁
Murabaha & Government Loans	**282,481,849**	**238,555,976**	**49,826,207**	**-**	**288,382,183**
Trade Payables	**771,662,065**	**771,662,065**	**-**	**-**	**771,662,065**
Lease Liability repayment	**288,847,354**	**79,068,058**	**224,947,478**	**21,752,660**	**325,768,196**
Total	**1,342,991,268**	**1,089,286,099**	**274,773,685**	**21,752,660**	**1,385,812,444**

Payable as of 31 December 2024	Carrying amount ⃁	On demand or less than 1 year ⃁	1 year to 5 years ⃁	Greater than 5 years ⃁	Total ⃁
Murabaha & Government Loans	207,786,228	207,618,829	1,667,414	-	209,286,243
Trade Payables	829,645,657	829,645,657	-	-	829,645,657
Lease Liability repayment	39,048,201	12,849,661	25,189,690	3,382,680	41,422,031
Total	1,076,480,086	1,050,114,147	26,857,104	3,382,680	1,080,353,931

- **Capital Management**

Equity includes the equity of the Group's shareholders. The main objective of the Group's Capital Management is to ensure that it maintains a strong credit rating and decent capital ratios to support the Group's business and increase the value of the Group. The Group manages and adjusts the capital structure in light of changes in economic conditions and the requirements of financial commitments. To maintain or adjust the capital structure, the Group may amend dividend payments to shareholders, return capital to shareholders or issue new shares. The Group monitors leverage ratio which is total debt / Shareholders' Equity. The Group's policy is to maintain a leverage ratio below 2.5.

	31 December 2025 ⃁	31 December 2024 ⃁
Islamic and Government Murabaha Loans	**282,481,849**	207,786,228
Trade payables, accrued expenses and other payables	**771,662,065**	829,645,657
Employee Benefit Obligations	**122,314,269**	131,422,371
Provision for Zakat	**61,366,835**	87,153,695
Dividend Payable	**31,752,299**	31,946,723
Lease Liabilities	**288,847,354**	39,048,201
Total Debt	**1,558,424,671**	1,327,002,875
Shareholders' Equity	**4,608,163,524**	4,296,929,918
Leverage Ratio	**0.35**	0.34

To achieve this objective, the Group's capital management aims, among other things, to ensure that the financial commitments associated with interest bearing loans and advances that meet the requirements of the capital structure are met. In the event of a breach of compliance with these financial commitments, banks may be allowed to claim loans and bank facilities granted to the Group. There have been no violations of the financial commitments contracted with banks that lend to those loans, and in the event of such irregularities, the Group gets exemptions from banks for periods to be determined by those banks. No changes were made in the objectives, policies and processes for capital management during the year ended 31 December 2025 and the year ended 31 December 2024.

C. Market Risk

Market risk is the risk of changes in market prices such as foreign exchange rates, commodity price profit rates and equity prices. These risks affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable limits, while improving returns.

The Group's exposure to market risk arises from:

- Currency risk
- Interest rate risk
- Other market risk

40. FINANCIAL RISK MANAGEMENT – (CONTINUED)

C. Market Risk (continued)

- **Currency Risk**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates

Foreign Currency	% Change	Fx Rate (Foreign Currency/ ⃁) 2025	Fx Rate (Foreign Currency/ ⃁) 2024	Currency Movement vs. Saudi Riyal (⃁) Upward 2025 ⃁	Downward 2025 ⃁	Upward 2024 ⃁	Downward 2024 ⃁
Price for € 1	1.00%	**4.41**	3.89	**(419,254)**	**419,254**	(27,056)	27,056

The Group mainly trades in Saudi Riyal ⃁ and US Dollars. The exchange rate fluctuations are closely monitored by management. Based on its experience, management does not believe it is necessary to hedge against the impact of foreign currency risk as most transactions are in Saudi Riyal ⃁ and US Dollars. The Saudi Riyal ⃁ is pegged to the US Dollar and there are no other significant foreign currency instruments other than the US Dollar and thus foreign currency risk is mitigated.

- **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to market risk of changes in interest rates mainly relates to the Group's borrowed loans to finance working capital requirements and capital expenditures. These loans are repriced periodically, and the Group is exposed to interest rate risk related to cash flows. The Group's practice is to manage bank interest costs by improving available cash flow and reducing borrowing. When borrowing is necessary, the loan term is matched with the expected repayments. There is a regular review of bank interest rates to ensure that these risks are mitigated.

The following table shows the impact on finance cost of the Group based on interest rate movement:

	Change %	Interest Rate Upward Movement ⃁	Interest Rate Downward Movement ⃁
31 December 2025	-	**-**	**-**
31 December 2024	1%	2,077,862	(2,077,862)

- **Other market risk**

The primary goal of the Group's investment in equity securities is to hold the investments for the long term for strategic purposes.

Commodity Price Risk is the risk associated with changes in prices to certain commodities including corn, sugar and soya etc. that the Group is exposed to and its unfavorable effect on the Group's costs and cash flow. This commodity price risk arises from forecasted purchases of certain commodities that the Group uses as raw material.

D. Climate change

The Group is subject to short-term and long-term climate change related risks. These risks are inherent part of operating in a food industry. NADEC continually works to reduce the environmental footprint of the business, in part, due to the inherent risks. Climate change also creates risks for agricultural production through droughts, pests, diseases, etc. that pose challenges for sustaining and increasing production levels. The Group has developed a sustainability strategy, outlining how it will improve its energy performance through efficient energy consumption and generation from sustainable sources. The strategy focuses on solar power generation, water and energy efficiency, sustainable arable farming practices, landfill waste reduction, commitment to 100% chlorofluorocarbon free cold storage at its sales depot, and fuel efficiency measures including trailing alternative fuel vehicles.

41 KEY RELATED PARTIES, TRANSACTIONS AND BALANCES

The Group is a government related entity since Public Investment Fund (PIF) being the sovereign wealth fund of the Kingdom of Saudi Arabia has significant influence on the Group. The Group transacts business with related parties which include transactions with entities which are either controlled or jointly controlled by PIF. The Group has used the partially exceptions in respect of related party disclosure for government related entities in IAS 24 “Related Party Disclosures”.

For the year ended 31 December 2025, the Group had recorded revenue by ⃁ 189.5 million from government entities (for the year ended 31 December 2024: ⃁ Nil). As of 31 December 2025, receivable included ⃁ Nil from government entities (31 December 2024: ⃁ Nil), and Payable loans amounting to ⃁ 282.4 million (31 December 2024: ⃁ 102.5 million). For government subsidy income refer note 8 and subsidy receivable refer note 22.

Related parties in the Group including details of key transactions as follows:

			Receivables/ (Payables) Balance	***Sales/ (purchases)***	***Payments/ (collections)***	***Receivables/ (Payables) Balance***
Company	***Relationship with NADEC***	***Nature of Transaction***	***1 January 2025*** ⃁	***Movement during 2025*** ⃁		***31 December 2025*** ⃁
AlRai National Livestock Company	Joint Venture	Expenses paid on behalf	6,172,209	64,895	825,173	**7,062,277**
NADEC Hilton Company	Joint Venture	Expenses paid on behalf	-	-	49,125	**49,125**
The Saudi Agricultural and Livestock Investment Company (SALIC)	Shareholder	Secondment agreement	**-**	(573,034)	573,034	**86,250**
				86,250	-	
Company	***Relationship with NADEC***	***Nature of Transaction***	***1 January 2024*** ⃁	***Movement during 2024*** ⃁		***31 December 2024*** ⃁
AlRai National Livestock Company	Joint Venture	Expenses paid on behalf	-	-	6,172,209	6,172,209
Arabian Mills for Food Products Company (formerly: The Second Milling Company)	Investment FVOCI	Purchases of Raw Material	(1,578,865)	(24,191,049)	25,496,193	(273,721)

Transactions with Key Management Personnel:

	31 December 2025 ⃁	31 December 2024 ⃁
Short term benefits	**32,360,544**	27,897,078
Long-term benefits	**1,523,370**	1,931,419
Total Benefits of Senior Management Personnel	**33,883,914**	29,828,497

Remuneration to members of the Board of Directors and other committees of the Board

On 9th Rajab 1447H (corresponding to 29th December 2025), amount of ⃁ Five Million and Eight Hundred and Sixty-Seven Thousand and Five hundred were paid as remuneration to the members of the Board of Directors and other committees.

42 SUBSEQUENT EVENTS

In the opinion of the management, there have been no significant subsequent events since the year-end and up to the approval of these Consolidated Financial Statements that require disclosure or adjustment in these Consolidated Financial Statements.

43 RECLASSIFICATION IN COMPARATIVES

In accordance with the requirements of IAS 8, "Accounting Policies, Changes in Accounting Estimates and errors" ("IAS 8"), management has reclassified the comparative figures to adjust prior years' financial statements. The note below sets out the details of reclassifications and the impact on the line items in the Consolidated Statement of Financial Position, Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income. During the year ended 31 December 2025, the Group identified the following prior year reclassifications for the year ended 31 December 2024:

A) Capex advance reclassified from CWIP to long term prepayments.
B) Management has reclassified the current long term prepayments to non-current.
C) Prepayments and other receivables were reclassified from trade and other receivables and shown separately.
D) Lease liabilities accruals were reclassified from Trade and other payables to lease liabilities – current portion.
E) Other income and expenses were presented in net in previous year, now other income and other gains/ losses.
F) Write off/ impairment losses on property, plant and equipment reclassified to other gains/ losses.

Balances of financial position statement have been reclassified:

	31 December 2024 (before reclassification) ⃁	Reclassified balances ⃁	31 December 2024 (after reclassification) ⃁
Assets			
Property, plant and equipment (A)	1,774,945,824	(892,299)	1,774,053,525
Long term prepayments (B)	-	11,151,641	11,151,641
Prepayments and other current assets (B)	-	89,822,456	89,822,456
Trade receivables and other receivables (C)	472,173,058	(93,622,000)	378,551,058
Liabilities			
Trade and other payables (D)	822,821,340	6,824,317	829,645,657
Lease liabilities – current portion (D)	13,776,418	(364,519)	13,411,899

Amounts of statement of cash flows been reclassified:

	31 December 2024 (before reclassification) ⃁	Reclassified amounts ⃁	31 December 2024 (after reclassification) ⃁
Net cash generated from operating activities	670,020,048	93,189,238	763,209,286
Net cash (used in) / generated from investing activities	81,689,117	(102,479,860)	(20,790,743)
Net cash used in financing activities	(221,123,424)	9,290,622	(211,832,802)

Amounts of statement of profit and loss been reclassified:

	31 December 2024 (before reclassification) ⃁	Reclassified amounts ⃁	31 December 2024 (after reclassification) ⃁
Other income (expenses), net (E)	(31,987,545)	31,987,545	-
Write off/ impairment losses on property, plant and equipment (F)	(7,230,569)	7,230,569	-
Other income (E)	-	25,560,340	25,560,340
Other gains / (losses), net (E)	-	(64,778,454)	(64,778,454)

44 APPROVAL BY THE BOARD OF DIRECTORS

These Consolidated Financial Statements of the Company and its subsidiaries for the year ended 31 December 2025 were approved by the Board of Directors on 1 February 2026 (corresponding to 13 Sha'aban 1447H).