

Wafrah for Industry and Development Co.
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Interim condensed financial statements
For the three-month and six-month periods ended June 30, 2025 (unaudited)

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**INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE INTERIM CONDENSED FINANCIAL STATEMENTS**

To the Shareholders**Wafrah for Industry and Development Co.****A Saudi joint-stock company****Riyadh - Kingdom of Saudi Arabia****Introduction**

We have reviewed the accompanying interim condensed statement of financial position of Wafrah for Industry and Development Co. (a Saudi joint-stock company) (the "Company") as of June 30, 2025, the interim condensed statement of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2025, the interim condensed statements of changes in shareholders' equity and cash flows for the six-month period then ended, and a summary of significant accounting policies as well as other explanatory notes.

Management is responsible the preparation and presentation of these interim condensed financial statements in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting" as in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements have not been prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting," as endorsed in the Kingdom of Saudi Arabia.

Riyadh on: 25 Muharram 1447
Corresponding to: 20 July 2025

**For El Sayed El Ayouty & Co.**

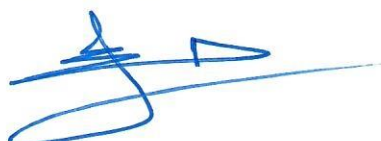
Abdullah A. Balamesh
Certified Public Accountant
License No. (345)

Wafrah for Industry and Development Co.
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Interim condensed statement of financial position
As at June 30, 2025 (unaudited)
(Expressed in Saudi Riyals)

	Note	30/06/2025 (unaudited)	31/12/2024 (audited)
Assets			
Non-current assets			
Property, plant and equipment - net	5	70,968,822	73,203,211
Capital work in progress	6	90,466,462	85,973,476
Right-of-use assets, net	7.1	3,795,341	4,127,280
Intangible assets - net		115,084	201,674
Investments at fair value through profit or loss- Net	8	21,352,421	16,546,504
Investments at fair value through other comprehensive income (FVOCI)	9	577,655	685,113
Total non-current assets		187,275,785	180,737,258
Current assets			
Inventory - net		56,174,537	43,899,868
Biological assets		-	6,397,573
Trade receivables - net	10	58,469,017	64,158,379
Due from related parties	11	967,409	967,409
Prepayments and other debit balances - net		12,038,729	13,615,492
Cash and cash equivalents		14,004,754	26,929,576
Total current assets		141,654,446	155,968,297
Total assets		328,930,231	336,705,555
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	12	231,511,050	231,511,050
Reserve of revaluation of investments at fair value		(880,990)	(857,098)
Re-measurement reserve of employees' defined benefit plans		863,001	863,001
Accumulated (losses)/ retained earnings		(3,533,517)	7,464,778
Total Shareholders' equity		227,959,544	238,981,731
Non-current liabilities			
Lease liabilities – non-current portion	7.2.1	3,704,113	3,783,341
Debt transfer obligation	8.3.1	7,027,598	7,027,598
Employees' defined benefit obligations	13	7,057,010	6,899,694
Total non-current liabilities		17,788,721	17,710,633
Current liabilities			
Financing agreement liabilities		-	8,000,000
Lease liabilities – current portion	7.2.2	291,292	548,649
Trade payables		41,143,597	30,912,897
Accrued expenses and other credit balances		11,082,761	8,554,068
Shareholders' accruals payable		25,779,622	25,814,733
Provision for zakat	14	3,439,731	4,185,792
Other provisions		1,444,963	1,997,052
Total current liabilities		83,181,966	80,013,191
Total liabilities		100,970,687	97,723,824
Total Shareholders' Equity and Liabilities		328,930,231	336,705,555

The accompanying notes from (1) to (19) form an integral part of these interim condensed financial statements, which were approved by the Company's Board of Directors and signed on behalf of the following:

Acting Chief Financial Officer
Mohammed Ibrahim Abu Ismail



Acting Chief Executive Officer
Abdullah Mohammed Al-Shehri



Authorized Board Member
Mohammed Yaqoub AlMokhdib

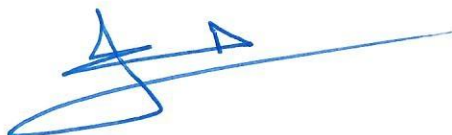


Wafrah for Industry and Development Co.
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Interim condensed statement of profit or loss and other comprehensive income
For the three-month and six-month periods ended June 30, 2025 (unaudited)
(Expressed in Saudi Riyals)

	Note	For the three-month period ended		for the six-month period ended	
		30/06/2025	30/06/2024	30/06/2025	30/06/2024
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
Other revenue, net		12,439,356	31,762,215	69,932,783	85,876,906
Cost of revenue		(14,971,368)	(22,451,348)	(55,988,500)	(54,686,996)
Gross profit		(2,532,012)	9,310,867	13,944,283	31,189,910
Selling and marketing expenses		(9,946,781)	(5,385,972)	(17,391,157)	(11,446,037)
General and administrative expenses		(4,738,931)	(3,600,171)	(8,863,385)	(7,841,224)
Expected credit loss	10	(641,152)	(1,323,184)	(754,019)	(3,216,087)
Impairment of other receivables		-	-	(52,102)	-
(Loss) income from operating activities		(17,858,876)	(998,460)	(13,116,380)	8,686,562
Gains from valuation of investments at fair value through profits or losses	8	2,838,433	6,267,350	4,805,917	7,456,302
Losses from valuation of biological assets at fair value		(641,995)	-	(2,312,433)	-
Finance costs		(64,831)	(67,678)	(130,049)	(140,275)
Other income		255,144	1,835,709	556,930	2,537,624
(loss) profit for the period before Zakat		(15,472,125)	7,036,921	(10,196,015)	18,540,213
Zakat	14	-	(942,102)	(802,280)	(1,802,318)
Net (loss) profit for the period		(15,472,125)	6,094,819	(10,998,295)	16,737,895
Other comprehensive income:					
Items are not subsequently reclassified to profit or loss					
Losses from revaluation of investments at fair value through OCI		(28,277)	(3,691)	(23,892)	(6,854)
Total other comprehensive (loss) for the period		(28,277)	(3,691)	(23,892)	(6,854)
Total comprehensive (loss) income for the period		(15,500,402)	6,091,128	(11,022,187)	16,731,041
Basic and diluted (loss) earnings per share attributable to the Company's Shareholders out of net (loss) profit for the period "Saudi riyals"	15	(0.67)	0.26	(0.48)	0.72

The accompanying notes from (1) to (19) form an integral part of these interim condensed financial statements, which were approved by the Company's Board of Directors and signed on behalf of the following:

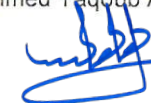
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Wafrah for Industry and Development Co.
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Interim condensed statement of changes in Shareholders' equity
For the six-month period ended June 30, 2025 (unaudited)
(Expressed in Saudi Riyals)

	Share capital	Reserve of revaluation of investments at fair value	Actuarial (losses)/ gains of re- measurement of employee defined benefits	Accumulated (losses)/ retained earnings	Total Shareholders' equity
For the Six-month Period ended 30 June 2024					
Balance as at 01 January 2024 (audited)	231,511,050	(854,462)	(612,489)	2,424,805	232,468,904
Net profit for the period	-	-	-	16,737,895	16,737,895
(Other) comprehensive loss for the period	-	(6,854)	-	-	(6,854)
Total comprehensive income for the period	-	(6,854)	-	16,737,895	16,731,041
Balance at June 30, 2024 (unaudited)	231,511,050	(861,316)	(612,489)	19,162,700	249,199,945
For the Six-month period ended 30 June 2025					
Balance as at 01 January 2025 (audited)	231,511,050	(857,098)	863,001	7,464,778	238,981,731
Net (loss) for the period	-	-	-	(10,998,295)	(10,998,295)
(Other) comprehensive loss for the period	-	(23,892)	-	-	(23,892)
Total comprehensive (loss) for the period	-	(23,892)	-	(10,998,295)	(11,022,187)
Balance at June 30, 2025 (unaudited)	231,511,050	(880,990)	863,001	(3,533,517)	227,959,544

The accompanying notes from (1) to (19) form an integral part of these interim condensed financial statements, which were approved by the Company's Board of Directors and signed on behalf of the following:

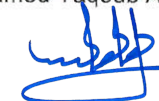
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Wafrah for Industry and Development Co.
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Interim condensed statement of cash flows
For the six-month period ended June 30, 2025 (unaudited)
(Expressed in Saudi Riyals)

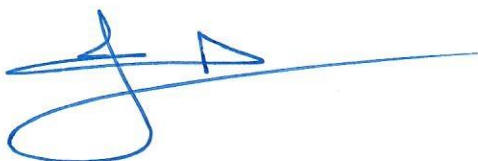
	30/06/2025 (unaudited)	30/06/2024 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) profit for the period	(10,998,295)	16,737,895
Adjustment for net (loss) profit for the period:		
Depreciation on property, plant and equipment	3,938,588	3,797,413
Depreciation on right-of-use assets	331,939	404,261
Amortization of intangible assets	86,590	86,591
Gains on investment valuation at fair value through profit or loss	(4,805,917)	(7,456,302)
Interests on leases	130,049	140,275
Expected credit losses	754,019	3,216,087
Impairment of other receivables	52,102	-
Employees' defined benefit obligations	658,469	568,618
Losses from valuation of biological assets at FV	2,312,433	-
Zakat	802,280	1,802,318
	(6,737,743)	19,297,156
Changes during the period in:		
Inventory	(12,274,669)	(10,547,325)
Provision for impairment of Inventory utilized	-	(543,490)
Biological assets	6,397,573	-
Trade receivables	2,622,910	(20,055,540)
Prepayments and other debit balances	1,524,661	4,120,575
Trade payables	10,230,700	(2,596,605)
Accrued expenses and other credit balances	2,528,693	(4,304,608)
Expensed from other provisions	(552,089)	(353,129)
Employees' defined benefit obligations paid	(501,153)	(717,040)
Provision for zakat paid	(1,548,341)	(2,876,789)
Net cash from (used in) operating activities	1,690,542	(18,576,795)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,704,199)	(1,543,878)
Expenditures on capital work in progress	(4,492,986)	(3,425,161)
Recovered from sale of investments at fair value through other comprehensive income (FVOCI)	83,566	-
Net cash (used in) investing activities	(6,113,619)	(4,969,039)
Cash flows from financing activities		
Payments from shareholders' accruals payables	(35,111)	(6,812)
Finance lease liabilities paid	(8,000,000)	(2,000,000)
Lease liabilities paid	(466,634)	(446,633)
Net cash (used in) financing activities	(8,501,745)	(2,453,445)
Net (decrease) increase in cash and cash equivalents	(12,924,822)	(25,999,279)
Cash and cash equivalents at beginning of the period	26,929,576	54,407,381
Cash and cash equivalents at end of the period	14,004,754	28,408,102
Supplemental information on non-cash transactions		
Right-of-use assets against lease liabilities	-	(740,863)
Disposal of leased assets against lease liabilities	-	95,314

The accompanying notes from (1) to (19) form an integral part of these interim condensed financial statements, which were approved by the Company's Board of Directors and signed on behalf of the following:

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Authorized Board Member
Mohammed Yaqoub AlMokhdib





Wafrah for Industry and Development Co.
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Notes to the interim condensed financial statements
For the six-month period ended June 30, 2025 (unaudited)
(Expressed in Saudi Riyals)

1. General Information

1.1 Wafrah for Industry and Development Co. ("the Company") is a Saudi joint-stock company, incorporated under the Saudi Companies Law. The company is registered under unified number 7001345425 and commercial registration number 1010076996, issued in Riyadh on 24/10/1410 H (18/5/1990), valid until 22/10/1446 H (20/04/2025). The head office is located in Riyadh at PO Box 131.

1.2 Principal activities of the Company

Production of fresh, chilled, and frozen meat, manufacturing food products made from potatoes including (potato chips), producing breakfast cereals in the form of flakes including (cornflakes, chips, etc.), and manufacturing all types of pasta.

1.3 The condensed interim financial statements as of June 30, 2025, include the condensed interim financial statements of the company and its branches.

Name of branch	City	CR number	Date
Wafrah for Industry and Development Co.	Jeddah	4030108227	03/07/1415H
Wafrah for Industry and Development Co.	Dammam	2050028895	11/06/1415H
Wafrah for Industry and Development Co.	Khamis Mushait	5855339110	21/05/1439H
Wafrah Pasta and Noodles Factory	Riyadh	1010320947	02/01/1433H
Branch of Wafrah for Industry and Development Co.	Al-Kharj	1011016029	02/01/1433H
Wafrah Foods Factory	Riyadh	1010320946	02/01/1433H
Wafrah Cereal Products Factory	Riyadh	1010320952	02/01/1433H
Wafrah Foods Factory	Riyadh	1010320955	02/01/1433H
Wafrah Frozen Vegetables Factory	Riyadh	1010320956	02/01/1433H
Branch of Wafrah for Industry and Development Co.	Al-Kharj	1011016028	02/01/1433H
Wafrah Foods Factory, a branch of Wafrah for Industry and Development Co.	Riyadh	1010320953	02/01/1433H
Wafrah for Industry and Development Co.	Tabuk	3550151951	10/11/1444H

1.4 The company's financial year starts on the first of January and ends at the end of December each calendar year. The interim condensed financial statements presented are for the period from January 1, 2025, to June 30, 2025.

2. Basis of preparation of interim condensed financial statements

2.1 Statement of compliance

These interim condensed financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" that is endorsed in Saudi Arabia and other standards by the Saudi Organization for Auditors and Accountants.

These interim condensed financial statements do not include all the information and notes required for the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2024.

2.2 Basis of measurement

The interim condensed financial statements have been prepared in accordance with the accrual basis of accounting and the going concern principle, and on the basis of the historical cost principle except for financial assets that are measured at fair value and financial liabilities that are measured at the present value of future liabilities projections using the projected unit credit method.

2.3 Presentation currency

These interim condensed financial statements are presented in Saudi Riyals, which is the functional currency. All amounts in the interim condensed financial statements are included in Saudi Riyals.

Wafrah for Industry and Development Co.
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Riyadh - Kingdom of Saudi Arabia
Notes to the interim condensed financial statements
For the six-month period ended June 30, 2025 (unaudited)
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3. Material accounting policies

The accounting policies applied to these interim condensed consolidated financial statements are the same as those applied to the financial statements for the year ended 31 December 2024.

4. Changes in significant accounting policies and new standards

4.1 New and revised IFRS Standards that are applicable and have no significant impact on the interim condensed financial statements

There are no new standards that have been applied; however, a number of amendments to standards have been effective from January 1, 2025, but they have no material impact on the company's interim condensed financial statements. The following is a summary of the amendments applied by the Company:

Standard - Interpretation	Description	Effective date for financial statements beginning on or after
IAS 21	Amendments to the standard "Effects of Changes in Foreign Exchange Rates" related to the definition of a convertible currency and the estimation of the spot exchange rate when the currency is non-convertible, and the related disclosures.	1 January 2025
IFRS 9 and IFRS 7	Classification and measurement of financial instruments: These amendments: (a) Clarify the requirements related to the timing of recognition and derecognition of certain financial assets and liabilities, with a new exception for certain financial liabilities that are settled through electronic funds transfer systems; (b) Clarify and provide additional guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; (c) Add new disclosures for certain instruments that contain contractual terms that could change cash flows (such as certain instruments containing features linked to environmental, social, and governance (ESG) targets); (d) Update disclosures related to equity instruments designated at fair value through other comprehensive income.	1 January 2025

4.2 New and revised IFRS not yet effective and not applicable

The following are the standards and interpretations issued that are not yet effective and have not been applied as of the date of issuance of the interim condensed financial statements for the Company:

Standard - Interpretation	Description	Effective date for financial statements beginning on or after
IFRS 18 Replacing IAS 1 and Consequential Amendments to IAS 8	IFRS 18 Replacing IAS 1 The Saudi Organization for Chartered and Professional Accountants has adopted IFRS 18 "Presentation and Disclosure in Financial Statements," which replaces IAS 1. The standard includes improvements to the structure of the profit or loss statement to provide more relevant and clear information, and develops specific requirements related to performance measures defined by management. The issuance of this standard has resulted in consequential amendments to IAS 8 regarding the basis for preparing financial statements and disclosure of significant accounting policy information and sources of estimation uncertainty. It has also led to amendments to IAS 7 concerning the presentation of cash flows from profits and returns from interest income and expenses, with specific requirements for entities whose primary activities are focused on investment or financing.	1 January 2027
IFRS 19	The Saudi Organization for Chartered and Professional Accountants has adopted IFRS 19 "Subsidiaries without Public Accountability: Disclosures." This standard primarily aims to provide a reduced level of disclosures in the financial statements of subsidiary companies that do not have public accountability, as an alternative to the disclosure requirements in the full International Financial Reporting Standards. The objective is to simplify the mechanisms and systems for preparing financial statements and reduce their costs.	1 January 2027

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Notes to the interim condensed financial statements
For the six-month period ended June 30, 2025 (unaudited)
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5. Property, plant and equipment

	Buildings on leased lands *	Property and equipment	Tools	Vehicles	Air conditions	Fittings and installation	Furniture and office equipment	Artesian wells	Total
Cost:									
Balance at 01 January 2025	79,936,843	203,014,299	24,220,455	7,826,787	6,815,800	6,067,002	5,439,179	220,816	333,541,181
Additions during the period	-	604,764	968,922	48,000	-	-	82,513	-	1,704,199
Balance as of 30 June 2025	79,936,843	203,619,063	25,189,377	7,874,787	6,815,800	6,067,002	5,521,692	220,816	335,245,380
Accumulated depreciation:									
Balance at 01 January 2025	54,455,693	162,879,722	20,337,930	6,965,668	6,167,954	4,930,317	4,451,021	149,665	260,337,970
Depreciation during the period	1,329,479	1,673,754	515,042	152,375	69,388	84,972	109,766	3,812	3,938,588
Balance as at 30 June 2025	55,785,172	164,553,476	20,852,972	7,118,043	6,237,342	5,015,289	4,460,787	153,477	264,276,558
Net book value on:									
As at 30 June 2025	24,151,671	39,065,587	4,336,405	756,744	578,458	1,051,713	960,905	67,339	70,968,822
As of 31 December 2024	25,481,150	40,134,577	3,882,525	861,119	647,846	1,136,685	988,158	71,151	73,203,211

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6. Capital work in progress

	30/06/2025 (unaudited)	31/12/2024 (audited)
Production lines under construction		
Balance at beginning of the period/year	85,973,476	75,467,151
Additions during the period	4,790,889	10,789,243
Add: Materials consumed on pre-production testing	2,055,347	-
Less: Income from pre-production testing	(2,353,250)	-
Transferred to property and equipment	-	(282,918)
	90,466,462	85,973,476

- During the period, pre-production testing of construction work in progress commenced, with materials consumed of SR 2,055,347, while proceeds from pre-production output amounted to SR 2,353,250.

7. Leases

7.1 Right-of-use assets

	30/06/2025 (unaudited)	31/12/2024 (audited)
Cost		
Balance at beginning of the period/year	6,123,550	5,640,636
Additions during the period/year	-	768,855
Disposals during the period/year	-	(285,941)
Balance at end of the period/ year	6,123,550	6,123,550

Accumulated amortization

Balance at beginning of the period/year	1,996,270	1,405,933
Amortization during the period/year	331,939	780,964
Disposals during the period/year	-	(190,627)
Balance at end of the period/ year	2,328,209	1,996,270
Net carrying amount	3,795,341	4,127,280

7.2 Lease liabilities

	30/06/2025 (unaudited)	31/12/2024 (audited)
Balance at beginning of the period/year	4,331,990	4,166,175
Additions during the period	-	768,855
Less: Paid during the period/year	(466,634)	(787,023)
Less: Disposal	-	(95,314)
Charged to finance cost	130,049	279,297
	3,995,405	4,331,990

Lease obligations were presented in the statement of financial position based on the current portion - within the current liabilities (which represents the payable portion within a year) and the non-current portion - within the non-current liabilities (which represents the remaining liability less the current portion) as follows:-

	30/06/2025 (unaudited)	31/12/2024 (audited)
7.2.2 Lease liabilities - current portion	291,292	548,649
7.2.1 Lease liabilities - non-current portion	3,704,113	3,783,341
	3,995,405	4,331,990

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8. Investments at fair value through profit or loss

	Equity percentage	30/06/2025 (unaudited)	31/12/2024 (audited)
East Asia Agricultural Development and Investment Company (8.1)	14.29%	5,677,979	2,839,546
Jannat Agricultural Investment Company - under liquidation (8.2)	11.10%	-	-
Rakhaa Agricultural Investment Company (Note 8.3)	8.628%	15,674,442	13,706,958
		21,352,421	16,546,504

Below is the movement of changes in fair value:

	30/06/2025 (unaudited)	31/12/2024 (audited)
Balance at beginning of the period/year	16,546,504	15,018,528
Additions during the period/year	-	209,164
Profits from revaluation of investments at fair value	4,805,917	1,318,812
Balance at end of the period/ year	21,352,421	16,546,504

8.1 East Asia Agricultural Development and Investment Company

The cost of the investment in East Asia Agricultural Development and Investment Company (a closed Saudi joint stock company established in 2013) amounted to 10 million Saudi Riyals, representing 14.285% of the paid-up capital of 70 million Saudi Riyals. During 2018 and 2019, impairment losses were recognized for the full value of the investment, which made the fair value of this investment reach zero Riyals from the end of 2019 until the end of 2023.

During 2024, due to East Asia Company collecting part of the amounts due to it, for which a court ruling was issued in its favor, the management saw the need to re-evaluate the fair value of the investment. Accordingly, the fair value of the investment was estimated using the discounted expected cash flow model, resulting in revaluation gains as of December 31, 2024, amounting to 2,839,546 Saudi Riyals. The Company engaged Estidama Valuation Office (an accredited valuer by the Saudi Authority for Accredited Valuers) with license number 4112000060 in the Economic Entities Valuation branch to prepare the fair value measurement study as of December 31, 2024. In Q2 2025, East Asia Company received the remaining receivables, leading to an investment revaluation gain of SR 2,838,433, with management using the same valuation methodology.

The movement of changes in the fair value of East Asia Agricultural Development and Investment Company was as follows:

	30/06/2025 (unaudited)	31/12/2024 (audited)
Balance at beginning of the period/year	2,839,546	-
Profits from revaluation of investments at fair value through the period/year	2,838,433	2,839,546
Fair value at the end of the period/year	5,677,979	2,839,546

8.2 Jannat Agricultural Investment Company - under liquidation

The cost of the investment in Jannat Agricultural Investment Company (a Saudi limited liability company) amounted to 7.05 million Saudi Riyals, of which 7 million Riyals represent 11.1% of the paid-up capital of 63 million Saudi Riyals, in addition to 50 thousand Saudi Riyals as the company's share in incorporation expenses. During 2016 and 2017, valuation losses were recognized for the full value of the investment, which reduced the fair value of this investment to zero SR from the end of 2017 until now, as a result of the company's default. The legal counsel has advised that work is in progress to issue a declaration announcing the completion of the liquidation of Jannat Agricultural Investment Company and that there are no additional obligations due from the company.

The entry of Jannat Agricultural Investment Company into the liquidation stage led the partners in it to make a decision on March 6, 2018, to waive the investment in Rakhaa Agricultural Investment and Development Company, which owned 77.73% of its capital.

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8. Investments at fair value through profit or loss... (Continued)

8.3 Rakhaa Agricultural Investment Company (an unlisted Egyptian joint stock company)

- On December 31, 2019, and as a result of the decision to liquidate Jannat Agricultural Investment Company (Note 7.2), Jannat Agricultural Investment Company waived in favor of the company a number of 6.902 shares of Rakhaa Agricultural Investment Company (an unlisted Egyptian joint stock company) and they were proven at an amount of 1,612,717 Saudi Riyals and represent 8.628% of the capital of Rakhaa Agricultural Investment Company, which amounts to 80 million Egyptian pounds. Due to the lack of sufficient financial information and difficulty in determining the fair value of Rakhaa Agricultural Investment Company from the date of assignment until the end of 2022, management recognized valuation losses for the full value of the investment, which reduced the fair value of this investment to zero SR from the end of 2019 until the end of 2022. As a result of the availability of financial information for Rakhaa Agricultural Investment Company, management deemed it necessary to reassess the fair value of the investment at each financial reporting date since that time.

On May 07, 2024, the Board of Directors of Rakhaa Agricultural Investment Company approved an increase in the company's capital to become 100 million Egyptian pounds instead of 80 million Egyptian pounds, with an increase of 20 million Egyptian pounds through bank deposits from each shareholder according to their contribution to the capital before the increase. The Company has paid its share in the capital increase through its current account receivable from the related party.

As of December 31, 2025, the fair value of the investment was estimated using the discounted cash flow model, resulting in a revaluation loss of SR 1,967,484 compared to revaluation gains (2024: SR 1,188,952). The Company engaged an external consultant (Prime Capital for Promotion and Underwriting - an Egyptian company specialized in financial valuation and registered in the financial consultants registry at the Egyptian Financial Regulatory Authority) to prepare fair value measurement studies. Management considers that no significant changes occurred during the current period that would impact the investment's fair value measurement.

The movement of changes in the fair value of Rakhaa Agricultural Investment Company was as follows:

	30/06/2025	31/12/2024
	(unaudited)	(audited)
Balance at beginning of the period/year	13,706,958	15,018,528
Addition to (Share capital increase)	-	209.164
(Losses) Profits from revaluation of investments at fair value through the period/year	1,967,484	(1,520,734)
Fair value at the end of the period/year	15,674,442	13,706,958

8.3.1 Debt transfer obligation

In 2009, Rakhaa Agricultural Investment and Development Company obtained a loan of 100 million Saudi Riyals from the Saudi Development Fund under a financing agreement secured by guarantees provided by its shareholders. On December 30, 2024, and according to a debt transfer agreement, an arrangement was made between the Saudi Development Fund, Rakhaa Agricultural Investment Company, and the shareholders of Rakhaa Agricultural Investment Company (including Wafrah Industry and Development Company with its 8.628% stake), with their approval to transfer all obligations arising from the financing agreement and the entire debt to the shareholders of Rakhaa Agricultural Investment Company, each according to their ownership percentage in the company's capital. Accordingly, the Company committed to pay an amount of 7,027,598 Saudi Riyals to the Saudi Development Fund, due on 01/01/2027. Consequently, the entire obligation has been presented under non-current liabilities.

	30/06/2025	31/12/2024
	(unaudited)	(audited)
Movement of changes in liability was as follows:		
Balance at beginning of period/year	7,027,598	-
Transferred from loan guarantee provision	-	6,717,888
Debt transfer expenses	-	309,710
	7,027,598	7,027,598

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9. Investments at fair value through other comprehensive income (FVOCI)

Quoted investments	Headquarters	Number of shares		30/06/2025 (unaudited)	31/12/2024 (audited)
		2025	2024		
Yanbu National Petrochemical Company (YANSAB)	Kingdom of Saudi Arabia	10,545	10,545	318,459	398,601
Al Mousa Health Company	Kingdom of Saudi Arabia	1,598	1,598	259,196	286,512
				577,655	685,113

9.1 Movement of changes in fair value was as follows:

	30/06/2025 (unaudited)	31/12/2024 (audited)
Balance at beginning of the period/year	685,113	401,237
Additions during the period/year	-	286,512
Recovered from subscription in Al-Mousa Health Company	(83,566)	-
(Losses) from revaluation of investments at fair value through the period/year	(23,892)	(2,636)
Fair value at the end of the period/year	577,655	685,113

10. Trade receivables

	30/06/2025 (unaudited)	31/12/2024 (audited)
Customers	72,199,573	77,134,916
(Less): Provision for expected credit loss	(13,730,556)	(12,976,537)
	58,469,017	64,158,379

Below is the movement on provision for expected credit loss:

	30/06/2025 (unaudited)	31/12/2024 (audited)
Balance at the beginning of the period / year	12,976,537	10,784,924
Provided during the period/year	754,019	2,191,613
Balance at end of the period/ year	13,730,556	12,976,537

* The Company does not charge any penalties or interest on late payments from customers.

** The provision for impairment of trade receivables was calculated based on their aging and historical experience.

11. Related party transactions

Due from related parties

Company Name	Nature of relationship	30/06/2025 (unaudited)	31/12/2024 (audited)
Rakhaa Agricultural Investment Company	Affiliate	967,409	967,409

The following are the details of compensation and rewards for non-executive Board members and senior management:

	30/06/2025 (unaudited)	30/06/2024 (unaudited)
Non-executive Board members and senior management		
Salaries and compensation allowances	1,885,395	810,912
Annual and periodic bonuses	963,541	507,188
	2,848,936	1,318,100

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12. Share capital

The Company's capital amounts to SR 231,511,050 divided into 23,151,105 shares with a nominal value of SR 10 per share, as follows:

Shareholder's shares	Percentage %	Number of shares	Value of share SR	30/06/2025 (unaudited)	31/12/2024 (audited)
Miras Al Sharqiya Investment Company (Single-shareholder company)	25.57%	5,919,274	10	59,192,740	59,192,740
Different shareholders	74.43%	17,231,831	10	172,318,310	172,318,310
	100%	23,151,105		231,511,050	231,511,050

13. Employee defined benefit obligations

The company operates an end-of-service plan for its employees in line with the Labor Law requirements in the Kingdom of Saudi Arabia. The EOS payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment. Employee benefit plans are unfunded plans and the Company meets benefit payment obligations when they fall due. The movement during the period was as follows:

	30/06/2025 (unaudited)	31/12/2024 (audited)
Balance at beginning of the period/year	6,899,694	7,964,501
Cost of current service for the period / year	658,469	1,053,579
Financing costs during the period / year	-	363,181
Charged to profit or loss during the period/year	658,469	1,416,760
Paid during the period/year	(501,153)	(1,006,077)
Actuarial losses "charged to other comprehensive income"	-	(1,475,490)
Balance at end of the period/ year	7,057,010	6,899,694

The company prepared an actuarial study for future employee benefits as of December 31, 2024, and recognized the impact of that study. The company's management did not conduct an actuarial valuation of the employee benefits obligations for the six-month period ending June 30, 2025, as they expect no significant changes in the present value of the obligations.

14. Zakat provision

14.1 Movement in Zakat

	30/06/2025 (unaudited)	31/12/2024 (audited)
Balance beginning of period/year	4,185,792	5,881,171
Paid during the period/year	(1,548,341)	(4,348,618)
Provided for during the period/year	802,280	2,653,239
Balance at end of the period/ year	3,439,731	4,185,792

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14. Zakat provision... (Continued)

14.2 Zakat status

The Company submitted its Zakat declaration for the year ended December 31, 2024, and has not received a certificate as of the date of approval of the condensed interim financial statements.

- During 2018, the Authority issued preliminary assessments for the years from 2008 to 2011. Based on these assessments, the Company objected to them and received the revised Zakat assessment, which resulted in Zakat differences amounting to SR 4,021,425. The Zakat differences were recognized within the estimated Zakat provision for 2018.

During 2020, the Zakat, Tax and Customs Authority issued preliminary assessments for the years from 2014 to 2018. Based on these assessments, the Company objected to them and received the revised Zakat assessment, which resulted in Zakat differences amounting to SR 3,582,039. The Company objected to the revised Zakat assessment and received a revised Zakat assessment of SR 2,728,946. The Company objected to it and filed a case with the General Secretariat of Tax Committees "Primary Committee for Resolution of Tax Violations and Disputes" and a decision was issued by the committee. The Company filed an appeal for the years 2014 to 2018. During 2023, a decision was issued by the First Appellate Division for Income Tax Violations and Disputes rejecting the Company's appeal and upholding the decision of the Resolution Division. This decision is considered final in accordance with the provisions of (Articles 47, 48) of the rules of work of the committees for resolution of tax violations and disputes. The Zakat differences were recognized within the estimated Zakat provision for 2021. During 2024, an amount of SR 1,680,605 was paid from the Zakat due for the years from 2014 to 2018 and an amount of SR 2,668,013 from Zakat for 2023.

- During 2021, a Zakat assessment was issued by the Zakat, Tax and Customs Authority for the years 2019 to 2020, which resulted in Zakat differences amounting to SR 483,478, and the differences were paid during the same year.

14.3 Value Added Tax

The Company filed VAT returns on a monthly basis. It submitted June 2025 return and paid the amount later.

15. Basic and diluted (loss) earnings per share

The basic (loss) earnings per share was calculated on the basis the net (loss) earning attributable to the Shareholders of the Company by the weighted average number of issued shares. The reduced (loss) earning per share equaled the basic (loss) earning per share as follows:

	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2025 (unaudited)	2024 (unaudited)	2025 (unaudited)	2024 (unaudited)
Net (loss) earning attributable to Company's Shareholders	(15,472,125)	6,094,819	(10,998,295)	16,737,895
Weighted average number of shares issued in "Saudi Riyal"	23,151,105	23,151,105	23,151,105	23,151,105
Basic and diluted (loss) earning per share attributable to the Company's Shareholders	(0.67)	0.26	(0.48)	0.72

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16. Segment information

The company's primary business activities consist of segments that include the manufacturing and sale of various types of pastries, the sale of vegetables, the manufacturing of breakfast cereals, and the manufacturing and sale of meat products. The company operates within the Kingdom of Saudi Arabia.

The following is a summary of key financial information for the main business segments for the six-month period ended June 30, 2025 (compared to the six-month period ended June 30, 2024):

Interim statement of profit or loss for the period ended 30 June 2025 (unaudited)

Statement of profit or loss line items	Pastries Sector	Vegetables Sector	Breakfast Cereal Sector	Meat Sector	Other activities	Total
Sales, net	18,370,452	36,725,107	2,760,025	12,077,199	-	69,932,783
Cost of sales	(11,445,744)	(30,167,002)	(2,445,553)	(11,930,201)	-	(55,988,500)
Gross profit	6,924,708	6,558,105	314,472	146,998	-	13,944,283
Selling and marketing expenses	(4,419,711)	(8,835,623)	(664,029)	(3,471,794)	-	(17,391,157)
General and administrative expenses	(2,252,502)	(4,503,065)	(338,422)	(1,769,396)	-	(8,863,385)
Expense for expected credit loss	(198,071)	(395,972)	(29,759)	(130,217)	-	(754,019)
Operating profit /(loss)	54,424	(7,176,555)	(717,738)	(5,224,409)	-	(13,064,278)
Gains on investment valuation at fair value through profit or loss	-	-	-	-	4,805,917	4,805,917
Impairment of biological assets	-	(2,312,433)	-	-	-	(2,312,433)
Finance costs	(33,049)	(66,072)	(4,966)	(25,962)	-	(130,049)
Other income	141,535	282,950	21,265	111,180	-	556,930
Net profit (loss) for the period before Zakat	162,910	(9,272,110)	(701,439)	(5,139,191)	4,805,917	(10,143,913)
Zakat charge	(203,888)	(407,600)	(30,633)	(160,159)	-	(802,280)
Net (loss) for the period	(40,978)	(9,679,710)	(732,072)	(5,299,350)	4,805,917	(10,946,193)

Interim statement of profit or loss for the period ended 30 June 2024 (unaudited)

Statement of profit or loss line items	Pastries Sector	Vegetables Sector	Breakfast Cereal Sector	Meat Sector	Other activities	Total
Sales, net	24,885,969	52,249,451	2,865,119	5,876,367	-	85,876,906
Cost of sales	(11,280,756)	(34,519,553)	(2,923,729)	(5,962,958)	-	(54,686,996)
Gross profit (loss)	13,605,213	17,729,898	(58,610)	(86,591)	-	31,189,910
Selling and marketing expenses	(3,316,907)	(6,964,028)	(381,875)	(783,227)	-	(11,446,037)
General and administrative expenses	(2,272,281)	(4,770,778)	(261,607)	(536,558)	-	(7,841,224)
Expense for expected credit loss	(993,142)	(2,085,153)	(114,341)	(23,451)	-	(3,216,087)
Operating profit /(loss)	7,022,883	3,909,939	(816,433)	(1,429,827)	-	8,686,562
Unrealized gains from investments at fair value through profit or loss	-	-	-	-	7,456,302	7,456,302
Finance costs	(4,065)	(85,346)	(468)	(9,599)	(40,797)	(140,275)
Other income	735,369	1,543,948	84,663	173,644	-	2,537,624
Net profit (loss) for the period before Zakat	7,754,187	5,368,541	(732,238)	(1,265,782)	7,415,505	18,540,213
Zakat charge	(522,287)	(1,096,571)	(60,131)	(123,329)	-	(1,802,318)
Net profit (loss) for the period	7,231,900	4,271,970	(792,369)	(1,389,111)	7,415,505	16,737,895

17. Financial instruments and risk management

The Company's activities are exposed to various financial risks including: Liquidity risk, credit risk, and market risk (include currency risk, fair value risk, cash flow of commission rate and price risk). The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Company's financial instruments comprise financial assets (cash and cash equivalents, trade receivables, investments at fair value through profit or loss, and other receivables) and financial liabilities (banks, credit facilities, trade and other payables) and include the following risks:

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17. Financial instruments and risk management... (Continued)

17.1 Liquidity risks

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from the inability to sell a financial asset quickly at an amount close to its fair value. The Company manages and monitors liquidity risks on a regular basis to ensure that sufficient funds are available to meet the Company's future commitments.

The company's sales conditions stipulate that payments are to be made in cash upon delivery of goods or on a credit basis as per specific credit conditions.

All current liabilities are expected to be settled within 12 months as of the date of the financial statements.

17.2 Credit risks

A credit risk refers to the risk that a customer or a counter party in a financial instrument will default on its contractual obligations resulting in financial loss to Company and arises principally from the cash placed at banks and receivables. The Company minimizes credit risks associated with receivables by establishing procedures for credit limits for each customer and monitoring outstanding receivables in line with a set of procedures and policies. Cash is deposited with high credit rated banks.

17.3 Market risk

Market risk is the risk of fluctuations in a financial instrument due to changes in prevailing market prices such as foreign exchange rates, interest rates, and equity rates, which affect the Company's income or the value of its financial instruments. Market risk management aims to manage and control market risk exposure within acceptable parameters while maximizing returns.

The Company is exposed to the following market risks:

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates affecting foreign currency payments and receipts along with assessment of assets and liabilities in foreign currencies. The Company is subject to fluctuations in foreign exchange rates in the normal course of its business. The Management regularly monitors changes in foreign exchange rates and manages the impact on the financial statements.

Fair value

Fair value is the obligation for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. Since the Company's financial statements are prepared under the historical cost principle differences may arise between the carrying amount and the fair value estimates. The Company's Management believes that the fair value of the Company's financial assets and liabilities approximates their carrying balances.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When measuring fair value, the Company uses observable market information whenever possible. Fair values are categorized into different levels in the fair value hierarchy based on the inputs used in the valuation methods as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If multiple inputs used to measure fair value are categorized into different levels of the fair value hierarchy, the Fair Value Measurement is categorized in its entirety in the level of the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period when the change has occurred. During the period, there were no transfers between Level 1 and Level 2 fair value measurements.

The company's financial instruments are aggregated based on the historical cost principle, except for investments and financial derivatives, which are carried at fair value. Differences may arise between the carrying value and the estimated fair value. Management believes that the fair values of the company's financial assets and liabilities do not differ materially from their carrying values.

The financial assets measured at fair value are as follows:

Assets	Level 1	Level 2	Level 3	Total
Investments at fair value through profits or losses	-	-	21,352,421	21,352,421
Investments at fair value through other comprehensive income	577,655	-	-	577,655
Total assets at fair value	577,655	-	21,352,421	21,930,076

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17. Financial instruments and risk management... (Continued)

Interest rate risk (currencies)

Interest rate risk (commissions) represents the risk related to the effects of fluctuations in interest rates (commissions) prevailing in the market to the Company's financial position and its cash flows.

Commodity price risk

Commodity price risk is the risk associated with changes to the prices of certain commodities to which the Company is exposed as a result of adverse impact on the Company's costs and cash flows. This commodity price risk arises from the expected purchases of commodities or the services which the Company is expected to receive.

18. Subsequent events

Management believes that there have been no significant subsequent events since the date of the interim condensed statement of financial position as of June 30, 2025, up to the date of approval of these interim condensed financial statements that would have a material impact on these interim condensed financial statements.

19. Approval of interim condensed financial statements

The interim condensed financial statements for the period ended June 30, 2025 were approved by the Board of Directors on 25 Muharram 1447 Corresponding to 20 July 2025.