



**THE NATIONAL AGRICULTURAL  
DEVELOPMENT COMPANY (NADEC)**  
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS  
AND INDEPENDENT AUDITOR'S REVIEW REPORT  
FOR THE THREE-MONTH AND SIX-MONTH PERIODS  
ENDED 30 JUNE 2025

**THE NATIONAL AGRICULTURAL DEVELOPMENT  
COMPANY (NADEC)  
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(A SAUDI JOINT STOCK COMPANY)**

**INDEX**

	<b><u>PAGES</u></b>
Independent Auditor's Report on Review of Interim Condensed Consolidated Financial Statements	1-2
Interim Condensed Consolidated Statement of Financial Position as at 30 June 2025	3
Interim Condensed Consolidated Statement of Profit or Loss for the three-month and six-month periods ended 30 June 2025	4
Interim Condensed Consolidated Statement of Comprehensive Income for the three-month and six-month periods ended 30 June 2025	5
Interim Condensed Consolidated Statement of Changes in Shareholders' Equity for the six-month period ended 30 June 2025	6
Interim Condensed Consolidated Statement of Cash flows for the six-month period ended 30 June 2025	7
Notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2025	8-20



## 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 on review of interim condensed consolidated financial statements

To the Shareholders of The National Agricultural Development Company

## Introduction

We have reviewed the accompanying 30 June 2025 interim condensed consolidated financial statements of The National Agricultural Development Company ("the Company") and its subsidiaries ("the Group") which comprises:

- the interim condensed consolidated statement of financial position as at 30 June 2025;
- the interim condensed consolidated statement of profit or loss for the three-month and six-month periods ended 30 June 2025;
- the interim condensed consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2025;
- the interim condensed consolidated statement of changes in equity for the six-month period ended 30 June 2025;
- the interim condensed consolidated statement of cash flows for the six-month period ended 30 June 2025; and
- the notes to the interim condensed consolidated financial statements.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

## Scope of Review

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

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2025 interim condensed consolidated financial statements of The National Agricultural Development Company ("the Company") and its subsidiaries ("the Group") are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

# Independent auditor's report on review of interim condensed consolidated financial statements

To the Shareholders of The National Agricultural Development Company (continued)

## Other Matter

The interim condensed consolidated financial statements of the Group for the three-month and six-month periods ended 30 June 2024, and three-month ended 31 March 2025 were reviewed by another auditor who expressed an unmodified conclusion on those interim condensed consolidated financial statements on 18 Muharram 1446H corresponding to (24 July 2024) and 9 Thul-Qi'dah 1446H corresponding to (7 May 2025) respectively. In addition, 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 2 Ramadhan 1446H corresponding to (2 March 2025).

## KPMG Professional Services Company



**Hani Hamzah A. Bedairi**  
License No: 460



Al Riyadh, 3 Safar 1447 H  
Corresponding to: 28 July 2025



		30 June 2025 ٢٠٢٥ (Unaudited)	31 December 2024 ٢٠٢٤ (Audited)
	Note		
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	1,856,922,449	1,774,945,824
Right-of-use assets	7	288,702,234	45,911,025
Biological assets	8	676,527,618	695,858,509
Long term prepayments		13,984,912	10,259,342
Intangible assets		24,372,794	26,657,322
Investment in joint venture	9	122,765,085	2,550,000
Equity investment at FVOCI	10	235,044,577	273,026,552
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,218,319,669</b>	<b>2,829,208,574</b>
<b>CURRENT ASSETS</b>			
Biological assets	11	96,188,712	85,273,609
Inventories	12	594,358,037	662,169,811
Trade receivables and other receivables	13	410,682,353	372,091,260
Prepayments and other current assets	14	81,492,074	89,822,456
Term deposits	15	-	300,000,000
Cash and cash equivalents	16	1,867,841,036	1,365,364,080
<b>TOTAL CURRENT ASSETS</b>		<b>3,050,562,212</b>	<b>2,874,721,216</b>
<b>TOTAL ASSETS</b>		<b>6,268,881,881</b>	<b>5,703,929,790</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	17	3,016,400,000	3,016,400,000
Share premium		78,719	78,719
Statutory reserve	18	-	193,787,812
Treasury shares	19	(21,213,267)	-
Other reserves	20	(67,639,492)	(29,760,699)
Retained earnings		1,528,894,967	1,116,424,086
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>4,456,520,927</b>	<b>4,296,929,918</b>
<b>NON-CURRENT LIABILITIES</b>			
Murabaha loans and borrowings	21	833,707	1,667,414
Lease liabilities	7	225,066,886	25,636,302
Deferred grants income		3,207,187	3,475,813
Financial Guarantee liability	24	79,253,595	-
Employee' defined benefits obligation		129,075,352	131,422,371
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>437,436,727</b>	<b>162,201,900</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	22	878,089,682	822,821,340
Murabaha loans and borrowings – short term	21	275,323,133	205,285,107
Murabaha loans and borrowings - current portion	21	833,707	833,707
Lease liabilities	7	55,261,949	13,776,418
Financial Guarantee liability	24	5,763,898	-
Undistributed rights issue compensation	23	82,639,593	82,980,982
Dividend payables		31,854,708	31,946,723
Provision for Zakat	25	45,157,557	87,153,695
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,374,924,227</b>	<b>1,244,797,972</b>
<b>TOTAL LIABILITIES</b>		<b>1,812,360,954</b>	<b>1,406,999,872</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>6,268,881,881</b>	<b>5,703,929,790</b>

The accompanying notes from 1 to 31 are an integral part of these interim condensed consolidated financial statements  
The interim condensed consolidated financial statements appearing on pages 3 to 20 were approved by the Board of Directors  
and were signed on its behalf by

Hassan Aqrouq  
Chief Financial Officer

Solaiman Al-Twajri  
Chief Executive Officer

Abdulaziz Saleh Alrebdi  
Chairman



		Three-month period ended 30 June 2025 ﷲ (Unaudited)	Three-month period ended 30 June 2024 ﷲ (Unaudited)	Six-month period ended 30 June 2025 ﷲ (Unaudited)	Six-month period ended 30 June 2024 ﷲ (Unaudited)
Note					
Revenue	3	830,468,386	790,061,124	1,841,919,399	1,647,641,949
Cost of revenue	4	(517,312,373)	(491,493,999)	(1,203,011,009)	(1,026,367,221)
<b>GROSS PROFIT</b>		<b>313,156,013</b>	<b>298,567,125</b>	<b>638,908,390</b>	<b>621,274,728</b>
Selling and marketing expenses		(140,652,609)	(132,069,941)	(295,003,349)	(285,768,647)
General and administrative expenses		(60,746,892)	(58,394,967)	(116,460,281)	(117,358,277)
Impairment losses for trade and other receivables		(3,645,833)	(3,028,756)	(9,886,790)	(3,535,394)
Other income		4,940,094	3,584,271	8,764,910	9,125,688
Other expenses		(3,565,093)	(10,414,169)	(17,557,834)	(28,172,586)
<b>OPERATING PROFIT</b>		<b>109,485,680</b>	<b>98,243,563</b>	<b>208,765,046</b>	<b>195,565,512</b>
Finance income		26,424,042	21,517,901	51,326,926	42,738,403
Financing cost		(12,617,847)	(8,864,453)	(21,856,495)	(18,418,126)
Share of results of Joint Venture		(502,408)	8,385,472	(502,408)	17,323,967
<b>PROFIT BEFORE ZAKAT</b>		<b>122,789,467</b>	<b>119,282,483</b>	<b>237,733,069</b>	<b>237,209,756</b>
Zakat for current period		(11,225,000)	(7,400,000)	(22,750,000)	(24,000,000)
Zakat reversals for previous periods	25	3,700,000	-	3,700,000	-
<b>PROFIT FOR THE PERIOD</b>		<b>115,264,467</b>	<b>111,882,483</b>	<b>218,683,069</b>	<b>213,209,756</b>
<b>EARNINGS PER SHARE, BASED ON THE PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY</b>					
Basic and diluted	5	<u>0.38</u>	<u>0.37</u>	<u>0.72</u>	<u>0.71</u>

The accompanying notes from 1 to 31 are an integral part of these interim condensed consolidated financial statements  
The interim condensed consolidated financial statements appearing on pages 3 to 20 were approved by the Board of  
Directors and were signed on its behalf by

Hassan Aqrouq  
Chief Financial Officer

Solaiman Al-Twajri  
Chief Executive Officer

Abdulaziz Saleh Alrebdi  
Chairman





	Three-month period ended 30 June 2025	Three-month period ended 30 June 2024	Six-month period ended 30 June 2025	Six-month period ended 30 June 2024
	ﷲ (Unaudited)	ﷲ (Unaudited)	ﷲ (Unaudited)	ﷲ (Unaudited)
<b>PROFIT FOR THE PERIOD</b>	<b>115,264,467</b>	<b>111,882,483</b>	<b>218,683,069</b>	<b>213,209,756</b>
<b>ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS</b>				
Movement in equity investment at fair value through other comprehensive income (FVOCI)	(37,714,873)	-	(37,981,975)	-
<b>TOTAL ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS</b>	<b>(37,714,873)</b>	<b>-</b>	<b>(37,981,975)</b>	<b>-</b>
<b>ITEMS THAT ARE OR MAY BE RECLASSIFIED TO PROFIT OR LOSS</b>				
Foreign operations – foreign currency translation differences	69,057	689,476	103,182	2,235,505
<b>TOTAL ITEMS THAT ARE OR MAY BE RECLASSIFIED TO PROFIT OR LOSS</b>	<b>69,057</b>	<b>689,476</b>	<b>103,182</b>	<b>2,235,505</b>
<b>TOTAL OTHER COMPREHENSIVE (LOSS) / INCOME</b>	<b>(37,645,816)</b>	<b>689,476</b>	<b>(37,878,793)</b>	<b>2,235,505</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>77,618,651</b>	<b>112,571,959</b>	<b>180,804,276</b>	<b>215,445,261</b>

The accompanying notes from 1 to 31 are an integral part of these interim condensed consolidated financial statements  
The interim condensed consolidated financial statements appearing on pages 3 to 20 were approved by the Board of Directors and were signed on its behalf by

Hassan Aqrouq  
Chief Financial Officer

Solaiman Al-Twajri  
Chief Executive Officer

Abdulaziz Saleh Alrebdi  
Chairman

The National Agricultural Development Company (NADEC)  
(A Saudi Joint Stock Company)



The Interim Condensed Consolidated Statement of Changes in Shareholders' Equity for six-month period ended 30 June 2025

	Share capital ﷲ	Share premium ﷲ	Statutory reserve ﷲ	Treasury Shares ﷲ	Other reserves ﷲ	Retained earnings ﷲ	Total shareholders' equity ﷲ
<b>Balance as at 1 January 2025 (Audited)</b>	3,016,400,000	78,719	193,787,812	-	(29,760,699)	1,116,424,086	4,296,929,918
Profit for the period	-	-	-	-	-	218,683,069	218,683,069
Other comprehensive loss for the period	-	-	-	-	(37,878,793)	-	(37,878,793)
<b>Total comprehensive income for the period</b>	-	-	-	-	(37,878,793)	218,683,069	180,804,276
Transfer from statutory reserve (note 18)	-	-	(193,787,812)	-	-	193,787,812	-
Purchase of Treasury Shares (note 19)	-	-	-	(21,213,267)	-	-	(21,213,267)
<b>Balance as at 30 June 2025 (Unaudited)</b>	<u>3,016,400,000</u>	<u>78,719</u>	<u>-</u>	<u>(21,213,267)</u>	<u>(67,639,492)</u>	<u>1,528,894,967</u>	<u>4,456,520,927</u>
<b>Balance as at 1 January 2024 (Audited)</b>	3,016,400,000	78,719	193,787,812	-	38,985,456	343,592,118	3,592,844,105
Profit for the period	-	-	-	-	-	213,209,756	213,209,756
Other comprehensive income for the period	-	-	-	-	2,235,505	-	2,235,505
<b>Total comprehensive income for the period</b>	-	-	-	-	2,235,505	213,209,756	215,445,261
Expenses relating to the issuance of new shares	-	-	-	-	-	(1,800,000)	(1,800,000)
<b>Balance as at 30 June 2024 (Unaudited)</b>	<u>3,016,400,000</u>	<u>78,719</u>	<u>193,787,812</u>	<u>-</u>	<u>41,220,961</u>	<u>555,001,874</u>	<u>3,806,489,366</u>

The accompanying notes from 1 to 31 are an integral part of these interim condensed consolidated financial statements

The interim condensed consolidated financial statements appearing on pages 3 to 20 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



The National Agricultural Development Company (NADEC)  
(A Saudi Joint Stock Company)



The Interim Condensed Consolidated Statement of Cash flows for the six-month period ended 30 June 2025

	Six-month period ended 30 June 2025	Six-month period ended 30 June 2024
	ﷲ (Unaudited)	ﷲ (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period	218,683,069	213,209,756
<b>Adjustments for:</b>		
Depreciation of property plant and equipment	82,198,214	74,788,354
Depreciation of right-of-use assets	25,717,671	8,514,993
Depreciation of biological assets	31,730,988	33,286,543
Amortization of intangible assets	5,728,103	4,700,815
Amortization of deferred grants income	(268,626)	(268,512)
Provision for employee benefits obligation	7,809,957	7,483,845
Impairment losses on trade receivables and other receivables	9,886,790	3,535,394
Inventory provision	5,451,396	940,500
Zakat provision	22,750,000	24,000,000
Zakat reversal	(3,700,000)	-
Finance income on term deposit	(5,512,500)	(9,101,667)
Interest on lease liabilities	7,273,625	941,434
Interest on loans	10,559,748	11,870,323
Share of results from joint venture	502,408	(17,323,967)
Dividend received from investments	(3,358,210)	-
Loss on sale of biological assets	23,350,221	26,920,861
Gain on sale of property plant and equipment	(4,074,170)	-
	434,728,684	383,498,672
<b>Changes in:</b>		
Inventories	62,366,668	(104,777,798)
Biological assets – current	1,889,544	7,850,341
Trade receivables and other receivables	(48,444,417)	(15,467,440)
Prepayments and other current assets	4,604,812	(169,820,276)
Trade and other payables	55,293,749	258,875,468
	510,439,040	360,158,967
Zakat paid	(61,046,138)	(11,039,826)
Employee benefits paid	(10,137,771)	(13,269,847)
<b>Net cash generated from operating activities</b>	<b>439,255,131</b>	<b>335,849,294</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(163,200,048)	(62,757,121)
Acquisition of biological assets – non current	(52,061,593)	(63,998,857)
Acquisition of Intangible assets	(3,443,575)	(76,433)
Proceeds from sales of property, plant and equipment	3,099,760	-
Proceeds from sales of biological assets	3,506,628	2,982,150
Interest proceeds from investment in term deposits	5,512,500	9,101,667
Proceeds from investment in term deposits	300,000,000	500,000,000
Investment in term deposit	-	(400,000,000)
Dividend received from investments	3,358,210	-
Investment in joint venture (note 9)	(35,700,000)	-
<b>Net cash generated from / (used in) investing activities</b>	<b>61,071,882</b>	<b>(14,748,594)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Expenses relating to the issuance of new shares	-	(1,800,000)
Proceeds from Murabaha loans and borrowings	828,021,124	545,000,000
Repayment of Murabaha loans and borrowings	(760,833,707)	(492,845,577)
Interest paid	(8,542,846)	(12,994,170)
Principle elements of Lease payments	(27,592,765)	(9,730,403)
Interest elements of Lease payments	(7,273,625)	(941,433)
Purchases of treasury shares	(21,213,267)	-
Undistributed rights issue compensation	(341,389)	471,760
Dividend paid	(92,015)	(202,916)
<b>Net cash generated from financing activities</b>	<b>2,131,510</b>	<b>26,957,261</b>
<b>Net change in cash and cash equivalent</b>	<b>502,458,523</b>	<b>348,057,961</b>
Cash and cash equivalent at beginning of the period	1,365,364,080	834,686,320
Effect of exchange rates fluctuations on cash held	18,433	80,184
<b>CASH AND CASH EQUIVALENT AT END OF THE PERIOD</b>	<b>1,867,841,036</b>	<b>1,182,824,465</b>
<b>SIGNIFICANT NON-CASH TRANSACTIONS:</b>		
Financial Guarantee liability (note 24)	85,017,493	-
Biological assets – non current	12,804,647	13,789,048
Right-of-use assets	268,874,963	2,158,720
Lease liability on right of use assets	268,874,963	2,158,720

The accompanying notes from 1 to 31 are an integral part of these interim condensed consolidated financial statements

The interim condensed consolidated financial statements appearing on pages 3 to 20 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 Alrebbdi  
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 paid ﷲ	Number of shares issued
			30 June 2025	31 December 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 didn’t commence any operational activities.

\*\*During 2024, the Group established NADEC Management Company as a fully owned subsidiary, to provide management services and consultation with paid capital amounting to ﷲ 500,000.

## 2. BASIS OF PREPARATION

### 2.1 Statement of Compliance

These Condensed Consolidated Interim Financial Statements have been prepared in accordance with International Accounting Standard IAS 34 ‘Interim Financial Reporting’ that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants (“SOCPA”) and should be read in conjunction with the Group’s last annual Consolidated Financial Statements for the year ended 31 December 2024. These do not include all of the information normally required for a complete set of Consolidated Financial Statements; however, accounting policies and selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since 31 December 2024.

### 2.2 Preparation of the Financial Statements

These Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2025 have been prepared under the historical cost except for the following items included in the Consolidated Statement of Financial Position

- Equity Investments at FVOCI are valued at fair value.
- 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.
- 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. BASIS OF PREPARATION (CONTINUED)

### 2.3 Significant accounting estimates, judgements and assumptions

The preparation of the Group's Condensed Consolidated Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of Revenues, Expenses, Assets and Liabilities. Actual results may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies are consistent with those disclosed in the last annual Consolidated financial statements.

### 2.4 Functional and Presentation Currency

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

### 2.5 Material Accounting Policies

#### New Standards, Amendment to Standards and Interpretations:

There are new standards and number of amendments to standards which are effective from 1 January 2025 and have been explained in Group's annual Consolidated Financial Statements, but they do not have a material effect on the Group's Condensed Consolidated Interim Financial Statements.

#### *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.

#### *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.



### 3. 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 Interim Condensed 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 six-month period ended 30 June 2025 (Unaudited):

	Dairy and Food	Agriculture	Protein	Elimination of Inter-Segment Sales	Total
	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ
<b>Revenue</b>					
External Revenue	1,543,571,828	143,700,532	154,647,039	-	1,841,919,399
Inter-Segment Revenue	45,013,972	25,761,839	-	(70,775,811)	-
<b>Total Revenue</b>	<b>1,588,585,800</b>	<b>169,462,371</b>	<b>154,647,039</b>	<b>(70,775,811)</b>	<b>1,841,919,399</b>
<b>Expenses</b>					
Depreciation and Amortization	(126,761,940)	(18,072,230)	(272,180)	-	(145,106,350)
Impairment losses for trade receivables	(9,886,790)	-	-	-	(9,886,790)
<b>Operating Profit / (Loss)</b>	<b>225,905,436</b>	<b>(22,295,518)</b>	<b>5,155,128</b>	<b>-</b>	<b>208,765,046</b>
Finance Income	51,326,926	-	-	-	51,326,926
Financing Cost	(18,469,212)	(2,589,228)	(798,055)	-	(21,856,495)
Share of results of Joint Venture	-	-	(502,408)	-	(502,408)
<b>Profit / (loss) before Zakat</b>	<b>258,763,150</b>	<b>(24,884,746)</b>	<b>3,854,665</b>	<b>-</b>	<b>237,733,069</b>
<b>Total Assets</b>					
As at 30 June 2025	5,102,797,942	946,167,700	219,916,239	-	6,268,881,881
As at 31 December 2024	4,742,670,747	892,719,617	68,539,426	-	5,703,929,790

The following is a summary of the operating segments as at and for the six-month period ended 30 June 2024 (Unaudited):

	Dairy and Food	Agriculture	Protein	Elimination of Inter-Segment Sales	Total
	ﷲ	ﷲ	ﷲ	ﷲ	ﷲ
<b>Revenue</b>					
External Revenue	1,516,377,322	38,482,045	92,782,582	-	1,647,641,949
Inter-Segment Revenue	25,928,729	21,761,836	-	(47,690,565)	-
<b>Total Revenue</b>	<b>1,542,306,051</b>	<b>60,243,881</b>	<b>92,782,582</b>	<b>(47,690,565)</b>	<b>1,647,641,949</b>
<b>Expenses</b>					
Depreciation and Amortization	(106,268,448)	(14,746,760)	(6,985)	-	(121,022,193)
Impairment losses for trade receivables	(3,535,394)	-	-	-	(3,535,394)
<b>Operating Profit / (Loss)</b>	<b>207,784,151</b>	<b>(9,134,293)</b>	<b>(3,084,346)</b>	<b>-</b>	<b>195,565,512</b>
Finance Income	42,738,403	-	-	-	42,738,403
Financing Cost	(16,432,578)	(1,466,415)	(519,133)	-	(18,418,126)
Share of results from joint venture	-	17,323,967	-	-	17,323,967
<b>Profit / (Loss) before Zakat</b>	<b>234,089,976</b>	<b>6,723,259</b>	<b>(3,603,479)</b>	<b>-</b>	<b>237,209,756</b>
<b>Total Assets</b>					
As at 30 June 2024	4,817,480,478	661,380,771	151,771,532	-	5,630,632,781
As at 31 December 2023	4,591,362,752	461,094,834	-	-	5,052,457,586



### 3. OPERATING SEGMENTS (Continued)

The revenue from business segments categorized by geographical region is as follows:

	Dairy and Food	Agriculture	Protein	Total
	ﷲ	ﷲ	ﷲ	ﷲ
<b>For the six-month period ended 30 June 2025</b>				
Saudi Arabia	1,380,359,649	143,700,532	154,647,039	1,678,707,220
Other Countries	163,212,179	-	-	163,212,179
<b>Total external revenue</b>	<b>1,543,571,828</b>	<b>143,700,532</b>	<b>154,647,039</b>	<b>1,841,919,399</b>
<b>For the six-month period ended 30 June 2024</b>				
Saudi Arabia	1,350,260,290	38,482,045	92,782,582	1,481,524,917
Other Countries	166,117,032	-	-	166,117,032
<b>Total external revenue</b>	<b>1,516,377,322</b>	<b>38,482,045</b>	<b>92,782,582</b>	<b>1,647,641,949</b>

### 4. COST OF REVENUE

	Three-month period ended 30 June 2025	Three-month period ended 30 June 2024	Six-month period ended 30 June 2025	Six-month period ended 30 June 2024
	ﷲ	ﷲ	ﷲ	ﷲ
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Material consumed	392,649,932	354,720,455	947,661,036	754,971,355
Government subsidies	(10,068,359)	-	(11,647,536)	-
	<b>382,581,573</b>	354,720,455	<b>936,013,500</b>	754,971,355
Employee benefits	42,510,835	42,207,826	83,866,584	81,227,981
Depreciation of property plant and equipment	36,110,968	32,341,229	70,870,925	64,414,351
Maintenance and repairs expenses	18,967,083	32,610,074	44,513,266	69,889,617
Depreciation of biological assets	15,941,496	16,538,987	31,730,988	33,286,543
Sub contracts charges*	5,313,223	1,201,515	10,198,978	1,313,468
Rent and lease expenses	1,976,110	1,933,927	5,246,538	2,438,018
Fees and government expenses**	4,435,959	4,293,095	3,978,476	7,845,726
Insurance expenses on property, plant and equipment	1,748,568	1,609,492	3,235,595	2,995,685
Utility expenses	1,201,920	670,350	2,162,643	1,469,121
Depreciation – right-of-use assets	1,212,096	215,948	2,145,294	431,896
Amortization of intangible assets	215,802	112,569	332,454	221,113
Other expenses	5,096,740	3,038,532	8,715,768	5,862,347
	<b>517,312,373</b>	<b>491,493,999</b>	<b>1,203,011,009</b>	<b>1,026,367,221</b>

\*Represent expenses to third-parties vendors for providing services.

\*\* Includes Iqama renewal charges and visa charges.

### 5. EARNINGS PER SHARE

	Three-month period ended 30 June 2025	Three-month period ended 30 June 2024	Six-month period ended 30 June 2025	Six-month period ended 30 June 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit for the period attributable to the shareholders of the Group (ﷲ)	115,264,467	111,882,483	218,683,069	213,209,756
Number of Shares	301,640,000	301,640,000	301,640,000	301,640,000
Earnings per share (ﷲ/Share)	0.38	0.37	0.72	0.71

Earnings per share has been calculated by dividing profit attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period.



## 6. PROPERTY, PLANT AND EQUIPMENT

The carrying amount of Property, Plant and Equipment as at 30 June 2025 amounted to **ﷲ** 1.86 billion (31 December 2024: **ﷲ** 1.77 Billion). During the six-month period ended 30 June 2025, the Group added Property, Plant and Equipment amounting to **ﷲ** 163.2 million (Six-month period ended 30 June 2024: **ﷲ** 62.7 million).

During the six-month ended 30 June 2025, AlRai National Livestock Company – joint venture - has signed a facility agreement amounting to **ﷲ** 1.1 billion from the Saudi Agricultural Development Fund to establish an intensive livestock farming project (sheep and goats) for breeding and meat production in Hail. NADEC has mortgaged one of its lands in the Wadi Al-Dawasir region.

### 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 **ﷲ** 2.5 million during year 2022.

## 7. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

During the six-month period ended 30 June 2025, the Group added leases amounting to **ﷲ** 268.9 Million related to Building amounting of **ﷲ** 76.4 million for new main warehouse in Riyadh and Vehicles amounting to **ﷲ** 172.7 (Six-month period ended 30 June 2024: **ﷲ** 2.2 Million).

## 8. 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. The carrying amount of Biological assets as at 30 June 2025 amounted to **ﷲ** 676.5 million (31 December 2024: **ﷲ** 695.8 million). During the six-month period ended 30 June 2025, the Group added biological assets amounting to **ﷲ** 52.1 million (Six-month period ended 30 June 2024: **ﷲ** 63.9 million).



## 9. INVESTMENT IN JOINT VENTURE

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 **ﷲ** 2,550,000.

	31 December 2024	Additions*	Share of Results	Financial guarantee**	30 June 2025
	<b>ﷲ</b>	<b>ﷲ</b>	<b>ﷲ</b>	<b>ﷲ</b>	<b>ﷲ</b>
AlRai National Livestock Company	2,550,000	35,700,000	(502,408)	85,017,493	122,765,085
<b>Total</b>	<b>2,550,000</b>	<b>35,700,000</b>	<b>(502,408)</b>	<b>85,017,493</b>	<b>122,765,085</b>

  

	31 December 2023	Additions	Share of Results	Disposal	Reclassification on to FVOCI	31 December 2024
	<b>ﷲ</b>	<b>ﷲ</b>	<b>ﷲ</b>	<b>ﷲ</b>	<b>ﷲ</b>	<b>ﷲ</b>
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
<b>Total</b>	<b>116,222,014</b>	<b>2,550,000</b>	<b>24,039,392</b>	<b>(42,078,422)</b>	<b>(98,182,984)</b>	<b>2,550,000</b>

\*During the six-month ended 30 June 2025, the Group has paid **ﷲ** 35,700,000 representing its ownership share of capital increase in the AlRai National Livestock Company. NADEC's ownership is 51% as of 30 June 2025 (31 December 2024: 51%).

\*\*During the six-month ended 30 June 2025, AlRai National Livestock Company – joint venture - has signed a facility agreement amounting to **ﷲ** 1.1 billion from the Saudi Agricultural Development Fund to establish an intensive livestock farming project (sheep and goats) for breeding and meat production in Hail. NADEC has provided a corporate guarantees in accordance with the format approved by the Agricultural Development Fund without any compensation, from joint venture accordingly fair values of guarantee accounted as part of the cost of investment.

## 10. EQUITY INVESTMENTS AT FVOCI

	Ownership (%)	Historical Cost	30 June 2025	31 December 2024	Change in Fair Value 30 June 2025	Change in Fair Value 31 December 2024
		<b>ﷲ</b>	<b>ﷲ</b>	<b>ﷲ</b>	<b>ﷲ</b>	<b>ﷲ</b>
Arabian Mills for Food Products Company	10.41%	98,182,984	224,045,577	262,027,552	(37,981,975)	(89,479,338)
National Company for Seed Production (Seeds)	13.99%	4,128,000	5,215,000	5,215,000	-	(468,000)
United Dairy Farms Company	8.26%	600,000	5,784,000	5,784,000	-	2,518,000
<b>Net Equity Investments at FVOCI</b>			<b>235,044,577</b>	<b>273,026,552</b>	<b>(37,981,975)</b>	<b>(87,429,338)</b>

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.



## 11. BIOLOGICAL ASSETS (CURRENT)

### 11.1 Crops

	30 June 2025	31 December 2024
	ﷵ	ﷵ
	(Unaudited)	(Audited)
Opening balance	29,793,740	27,644,670
Additions during the period/year	102,980,650	29,793,740
Harvested during the period/year	(96,552,267)	(27,644,670)
Ending balance	36,222,123	29,793,740

Current biological assets are representing crops including wheat, onion, potato and olive.

### 11.2 Biological assets – Bulls

	30 June 2025	31 December 2024
	ﷵ	ﷵ
	(Unaudited)	(Audited)
Biological Assets – Bulls	59,966,589	55,479,869
	59,966,589	55,479,869

The Group's biological assets-bulls represents the bulls that being consumed in the new business segment; Protein, which will be slaughtered and sold as Fresh Meat – as part of its normal course of business.

	30 June 2025	31 December 2024
	ﷵ	ﷵ
	(Unaudited)	(Audited)
Crops	36,222,123	29,793,740
Bulls	59,966,589	55,479,869
Total	96,188,712	85,273,609

## 12. INVENTORIES

The inventory mainly includes raw materials, finished goods, and spare parts and decreased in balance mainly on account of decrease animal feed, traded goods due to higher sales in protein.

	30 June 2025	31 December 2024
	ﷵ	ﷵ
	(Unaudited)	(Audited)
Raw materials	198,265,490	271,186,766
Finished goods	189,818,803	165,367,291
Agricultural products inventory	96,757,815	150,789,310
Spare parts	95,456,044	96,741,447
Packaging materials	67,299,993	55,952,224
Fuel and oil	12,485,626	8,467,731
Animal products (Manure)	7,627,610	7,627,610
	667,711,381	756,132,379
Provision for slow moving inventory	(73,353,344)	(93,962,568)
	594,358,037	662,169,811

### Movement in provision for slow moving inventory:

	Six-month period ended 30 June 2025	Six-month period ended 30 June 2024
	ﷵ	ﷵ
	(Unaudited)	(Unaudited)
Beginning balance	93,962,568	77,852,239
Provision made during the period	5,451,396	940,500
Provision utilized for write offs	(26,001,412)	(7,639,865)
Foreign Currency Translation difference	(59,208)	(733,536)
Ending balance	73,353,344	70,419,338

**13. TRADE RECEIVABLES AND OTHER RECEIVABLES**

	30 June 2025 ﷲ (Unaudited)	31 December 2024 ﷲ (Audited)
Trade receivables, net	450,720,587	411,332,367
Government subsidies due*	105,305,416	96,433,442
Receivable from a related party	6,399,227	6,172,209
	<b>562,425,230</b>	<b>513,938,018</b>
Impairment allowance for government subsidies due	(85,719,292)	(85,719,292)
Impairment allowance for trade receivables	(66,023,585)	(56,127,466)
	<b>410,682,353</b>	<b>372,091,260</b>

\* 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.

**14. PREPAYMENTS AND OTHER CURRENT ASSETS**

	30 June 2025 ﷲ (Unaudited)	31 December 2024 ﷲ (Audited)
Advances to suppliers	37,924,608	48,497,716
Prepaid expenses, net	13,249,166	11,042,466
Employees receivables	8,159,675	8,927,045
Other current assets	22,158,625	21,355,229
	<b>81,492,074</b>	<b>89,822,456</b>

**15. TERM DEPOSITS**

	30 June 2025 ﷲ (Unaudited)	31 December 2024 ﷲ (Audited)
Term Deposits *	-	300,000,000
	-	300,000,000

\* The average rate on time deposit (Murabaha) for the period was 6.30% per annum with a maturity of more than three-month and less than one year.

**16. CASH AND CASH EQUIVALENTS**

	30 June 2025 ﷲ (Unaudited)	31 December 2024 ﷲ (Audited)
Cash at banks – Time Deposits *	1,450,000,000	1,050,000,000
Cash at banks - Current accounts	407,169,527	306,487,567
Cash on hand	10,671,509	8,876,513
	<b>1,867,841,036</b>	<b>1,365,364,080</b>

\*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 as 30 June 2025 was between 5.70% and 5.82% (31 December 2024: between 5.50% and 6.35%) per annum for a period of three months or less. Bank deposits are placed in Islamic Murabaha accounts.

**17. SHARE CAPITAL**

The Company has 301,640,000 shares as at 30 June 2025 (31 December 2024: 301,640,000) issued and fully paid with a value of ﷲ 10 per share.

**18. 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 ﷲ 193,787,812 to the retained earnings.

**19. TREASURY SHARES**

During the period ended 30 June 2025, the Group has completed the purchases of its own shares with an amount of ﷲ 21.2 million to be allocated to the Employees' Long-term Incentives Program.

**20. OTHER RESERVES**

	ﷲ
<b>Balance as at 1 January 2024</b>	38,985,456
<b>Changes</b>	
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)
<b>Balance as at 31 December 2024</b>	(29,760,699)
<b>Changes</b>	
Change in Fair value of Equity Investment at FVOCI	(37,981,975)
Foreign currency translation differences	103,182
Total adjustments to Other Components of Equity	(37,878,793)
<b>Balance as at 30 June 2025</b>	(67,639,492)

**21. MURABAHA LOANS AND BORROWINGS**

	Currency	Interest Rate	Due Date	30 June 2025 (Unaudited)		31 December 2024 (Audited)	
				Nominal Value	Book Value	Nominal Value	Book Value
				ﷲ'000	ﷲ'000	ﷲ'000	ﷲ'000
Islamic Banking Facilities (Murabaha) (21.1)	ﷲ	SIBOR + bank margin*	2025	150,000	152,022	205,000	205,285
Agricultural Development Fund Loan (21.2)	ﷲ	Fixed	2025-2027	124,688	124,968	2,501	2,501
<b>Total Loans</b>				<b>274,688</b>	<b>276,990</b>	<b>207,501</b>	<b>207,786</b>

\*The weighted average interest rate on bank loans during the six-month period ended 30 June 2025 was 6.2% per annum (six-month period ended 30 June 2024: 5.97% per annum), however, the rates varied between medium and short-term loans. Loans from local banks were granted against promissory note given by the Group.

Loans are presented in the Interim Condensed Consolidated Financial Statements as follows:

	30 June 2025 ﷲ (Unaudited)	31 December 2024 ﷲ (Audited)
<b>Non-current liabilities</b>		
Agricultural Development Fund	833,707	1,667,414
	<b>833,707</b>	<b>1,667,414</b>
<b>Current liabilities</b>		
Agricultural Development Fund – current portion of long term	833,707	833,707
Agricultural Development Fund – short term loan	123,301,069	-
Islamic Banking Facilities (Murabaha) – short term loans	152,022,064	205,285,107
	<b>276,156,840</b>	<b>206,118,814</b>





## 21. MURABAHA LOANS AND BORROWINGS (continued)

The Loan movement during the period was as follows:

	30 June 2025 ﷲ (Unaudited)	30 June 2024 ﷲ (Unaudited)
Opening balance	207,786,228	376,393,301
Proceed during the period	828,021,124	545,000,000
Interest cost incurred	10,559,748	11,870,323
Re-payment during the period	(760,833,707)	(492,845,577)
Interest cost paid	(8,542,846)	(12,994,170)
Ending balance	276,990,547	427,423,877

### 21.1 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. The maturity dates of these facilities is 2025 as agreed with the respective banks and are mostly of a revolving nature. The amount of unused facilities as at 30 June 2025 amounted to ﷲ 1.7 billion (31 December 2024: ﷲ 2.1 billion). The entire facilities are less than 12 months.

### 21.2 Agricultural Development Fund Loans

During the six-month ended 30 June 2025, the Group was granted a new facility agreement with the Agricultural Development Fund with a total facility amounting to ﷲ 220 million. The amount of unused facility as at 30 June 2025 amounted to ﷲ 93.8 million. The new facility is secured by a mortgage of specific assets owned by the Group. The balance of loans from Agricultural Development Fund as of 30 June 2025 amounted to ﷲ 124.9 million (31 December 2024: ﷲ 2.5 million).

### 21.3 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 period ended 30 June 2025, there has been no non-compliance with any of the covenants.

## 22. TRADE PAYABLES, ACCRUED EXPENSES AND OTHER PAYABLES

	30 June 2025 ﷲ (Unaudited)	31 December 2024 ﷲ (Audited)
Trade creditors	399,265,890	343,996,547
Accrued expenses	380,859,255	376,803,959
Employee benefits	43,166,743	66,374,408
Advances from customers	18,692,653	16,112,633
Other payables	36,105,141	19,533,793
	878,089,682	822,821,340

## 23. 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 was unable to transfer this amount of compensation to the beneficiaries as a result of the lack of sufficient information about the beneficiaries' account numbers.

## 24. FINANCIAL GUARANTEE LIABILITY

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.

	30 June 2025 ﷲ (Unaudited)	31 December 2024 ﷲ (Audited)
Non-Current portion of financial guarantee contract liability	79,253,595	-
Current portion of financial guarantee contract liability	5,763,898	-
Total financial guarantee	85,017,493	-



## 25. PROVISION FOR ZAKAT

During the six-month period ended 30 June 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 ﷲ 3.7 million.

## 26. RELATED PARTIES

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 exceptions in respect of related party disclosure for government related entities in IAS 24 "Related Party Disclosures".

For the six-month period ended 30 June 2025, the Group had recorded revenue by ﷲ 105.6 million from government entities (For the six-month period ended 30 June 2024: ﷲ Nil). As of 30 June 2025, receivable included ﷲ 4.6 million from government entities (31 December 2024: ﷲ Nil), and Payable loan amounting to ﷲ 124.9 million (30 June 2024: ﷲ 2.5 million).

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

<i>Company</i>	<i>Relationship with NADEC</i>	<i>Nature of Transaction</i>	<i>Receivables Balance 31 December 2024</i> ﷲ	<i>Sales Movement</i> ﷲ	<i>Payments</i> ﷲ	<i>Receivables Balance 30 June 2025</i> ﷲ
AlRai National Livestock Company	Joint Venture	Expenses paid on behalf / Sales	6,172,209	64,895	121,373	6,358,477
<i>Company</i>	<i>Relationship with NADEC</i>	<i>Nature of Transaction</i>	<i>Receivables Balance 31 December 2023</i> ﷲ	<i>Sales Movement</i> ﷲ	<i>Payments</i> ﷲ	<i>Receivables Balance 31 December 2024</i> ﷲ
AlRai National Livestock Company	Joint Venture	Expenses paid on behalf	-	-	6,172,209	6,172,209

**27. FINANCIAL INSTRUMENTS**

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 the performance of similar financial assets in an active market considering the performance of the asset itself to maximize benefits from the asset.

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

	30 June 2025 ﷲ (Unaudited)	31 December 2024 ﷲ (Audited)	FV level
<b>Financial Assets at Fair Value</b>			
Equity Investment at FVOCI - Arabian Mills for Food Products Company	224,045,577	262,027,552	Level 1
Equity Investment at FVOCI – Other investment	10,999,000	10,999,000	Level 3
<b>Total Financial Assets at Fair Value</b>	<b>235,044,577</b>	<b>273,026,552</b>	
<b>Financial Liabilities at Fair Value</b>			
Financial Guarantee liability	85,017,493	-	Level 3
<b>Total Financial Liabilities at Fair Value</b>	<b>85,017,493</b>	<b>-</b>	
<b>Financial Assets at Amortized Cost</b>			
Trade receivable and Other Receivables	410,682,353	372,091,260	
Term deposit	-	300,000,000	
Cash and cash equivalents	1,867,841,036	1,365,364,080	
<b>Total Financial Assets at Amortized Cost</b>	<b>2,278,523,389</b>	<b>2,037,455,340</b>	
<b>Total Financial Assets</b>	<b>2,278,523,389</b>	<b>2,037,455,340</b>	
<b>Financial Liabilities at Amortized Cost</b>			
Trade payables, accrued expenses and Other Payables	819,356,493	781,824,620	
Loans	276,990,547	207,786,228	
Lease Liabilities	280,328,835	39,412,720	
<b>Total Financial Liabilities at Amortized Cost</b>	<b>1,376,675,875</b>	<b>1,029,023,568</b>	
<b>Total Financial Liabilities</b>	<b>1,376,675,875</b>	<b>1,029,023,568</b>	

**28. COMMITMENT AND CONTINGENCIES****Capital commitments**

Capital commitments amounted to ﷲ 84.9 million against contracts for the supply of property, plant and equipment as at 30 June 2025 (31 December 2024: ﷲ 140.6 million).

**Letters of credit and Letters of guarantee**

The Group has not issued any letters of credit and guarantees on behalf of third parties except as mentioned in the note 9.

**29. EVENTS AFTER THE REPORTING PERIOD**

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



### 30. RECLASSIFICATION IN COMPARATIVES

During the period ended 30 June 2025, the Group reclassified some balances as shown below which management considers a more accurate presentation to reflect their related nature:

**Balances of consolidated financial position statement have been reclassified:**

	31 December 2024 (before reclassification)	Reclassified balances	31 December 2024 (after reclassification)
	ﷲ	ﷲ	ﷲ
<b>Assets</b>			
Long term prepayments	-	10,259,342	10,259,342
Trade receivables, prepayments and other receivables	472,173,058	(472,173,058)	-
Trade receivables and other receivables	-	372,091,260	372,091,260
Prepayments and other current assets	-	89,822,456	89,822,456

**Amounts of statement of consolidated profit or loss have reclassified:**

	Six-month period ended 30 June 2024 (before reclassification)	Reclassified amounts	Six-month period ended 30 June 2024 (after reclassification)
	ﷲ	ﷲ	ﷲ
Other income (expenses), net	(19,046,898)	(19,046,898)	-
Other income	-	8,764,910	8,764,910
Other expenses	-	(17,557,834)	(17,557,834)

**Amounts of consolidated statement of cash flow have reclassified:**

	Six-month period ended 30 June 2024 (before reclassification)	Reclassified amounts	Six-month period ended 30 June 2024 (after reclassification)
	ﷲ	ﷲ	ﷲ
Net cash generated from operating activities	327,666,615	8,182,679	335,849,294
Net cash generated from / (used in) investing activities	(959,546)	(13,789,048)	(14,748,594)
Net cash generated from financing activities	21,350,892	5,606,369	26,957,261

### 31. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements for the six-month period ended 30 June 2025 were approved by the Board of Directors and authorized for issue on 1 Safar 1447H (corresponding to 26 July 2025).