

**Almunajem Foods Company
(A Saudi Joint Stock Company)**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

With Independent Auditor's Review Report

**For the three-month period ended 31 March 2026
(unaudited)**

Almunajem Foods Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three-month periods ended 31 March 2026
(UNAUDITED)

<i>INDEX</i>	<i>PAGE</i>
Independent Auditor's Review Report	1
Interim Condensed Consolidated Statement of Financial Position	2
Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	3
Interim Condensed Consolidated Statement of Changes in Equity	4
Interim Condensed Consolidated Statement of Cash Flows	5
Notes to the Interim Condensed Consolidated Financial Statements	6 – 24



ERNST & YOUNG PROFESSIONAL SERVICES (PROFESSIONAL LLC)
PAID-UP CAPITAL (ﷲ5,500,000 - FIVE MILLION FIVE HUNDRED THOUSAND SAUDI RIYAL)

Head Office
Financial Boulevard 3126, Al Aqeeq Dist. 6717, Riyadh 13519
KAFD 1.11 B, South Tower, 8th Floor
P.O. Box 2732, Riyadh 11461
Kingdom of Saudi Arabia

C.R. No.: 1010383821
Unified No.: 7000117205

Tel: +966 11 215 9898
+966 11 273 4740
Fax: +966 11 273 4730

ey.ksa@sa.ey.com
ey.com

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

To the shareholders of Almunajem Foods Company
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Almunajem Foods Company (the "Company"), and its subsidiary (collectively with the Company referred to as the "Group") as at 31 March 2026, and the related interim condensed consolidated statement of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

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

Conclusion

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

Other Matter

The Group's the interim condensed consolidated financial statements of the Group for the three-month periods ended 31 March 2025 were reviewed by another auditor who expressed an unmodified review conclusion on those financial statements on 13 Thul-Qi'dah 1446 H (corresponding to 11 May 2025).

For Ernst & Young Professional Services

Abdullah A. Alshenaibir
Certified Public Accountant
License No. (583)



Riyadh: 25 Thul-Qi'dah 1447H
(12 May 2026)

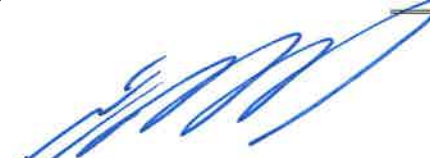
Almunajem Foods Company
(A Saudi Joint Stock Company)


INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	31 March 2026 (Unaudited) ﷲ	31 December 2025 (Audited) (ﷲ)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	405,037,289	383,801,624
Right-of-use assets	7	112,600,189	86,049,816
Intangible assets	8	94,508,122	1,765,942
Investment in an associate	9	351,869,606	347,147,544
Financial assets at fair value through other comprehensive income (FVOCI)	14	132,375,000	8,140,338
Long-term trade receivables	11	4,221,420	2,814,280
Advances to suppliers and contractors	13	36,458,786	19,708,806
TOTAL NON-CURRENT ASSETS		1,137,070,412	849,428,350
CURRENT ASSETS			
Inventories, net	10	553,376,160	643,471,675
Trade receivables, net	11	351,141,752	309,835,128
Prepayments and other assets	13	52,072,379	174,785,248
Short-term murabaha deposit – carried at amortised cost	15	-	100,000,000
Cash and cash equivalents	17	51,776,885	22,195,325
TOTAL CURRENT ASSETS		1,008,367,176	1,250,287,376
TOTAL ASSETS		2,145,437,588	2,099,715,726
EQUITY AND LIABILITIES			
EQUITY			
Share capital	18-a	600,000,000	600,000,000
Reserve	18-b	96,818,580	96,818,580
Actuarial valuation reserve		(11,324,940)	(11,274,700)
Fair value reserve of financial assets through FVOCI		17,830,042	114,552
Retained earnings		456,288,628	359,280,570
TOTAL EQUITY		1,159,612,310	1,044,939,002
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities	7	89,297,709	72,024,027
Employees' benefit obligations		66,162,204	67,399,487
Long term loans	16	19,709,103	11,321,764
Other long-term liabilities		1,581,101	1,153,523
TOTAL NON-CURRENT LIABILITIES		176,750,117	151,898,801
CURRENT LIABILITIES			
Short term loans	19	297,000,000	325,000,000
Trade payables, accruals, and other liabilities	20	456,148,072	522,856,188
VAT payable		18,252,998	25,934,523
Zakat payable	21	17,768,651	14,350,859
Lease liabilities	7	19,905,440	14,736,353
TOTAL CURRENT LIABILITIES		809,075,161	902,877,923
TOTAL LIABILITIES		985,825,278	1,054,776,724
TOTAL EQUITY AND LIABILITIES		2,145,437,588	2,099,715,726


Mohammed Salman Mehmood
Chief Financial Officer


Ali Hasan El Zein
Chief Executive Officer


Saleh Abdullah Almunajem
Chairman

The accompanying notes from 1 to 29 form an integral part of these interim condensed consolidated financial statements.

Almunajem Foods Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

For the three-month periods ended 31 March 2026

	Note	For the three-month period ended	
		31 March 2026	31 March 2025
		(Unaudited)	(Unaudited)
		ﷲ	ﷲ
Revenue	22	861,378,750	901,489,266
Cost of sales		(676,019,825)	(768,162,295)
GROSS PROFIT		185,358,925	133,326,971
Other expenses, net	23	(32,215)	(2,632,813)
Selling and distribution expenses		(73,743,291)	(76,103,672)
General and administrative expenses		(11,052,520)	(8,225,174)
Allowance for expected credit losses	11	(491,909)	(50,000)
OPERATING INCOME		100,038,990	46,315,312
Finance cost, net	24	(4,385,442)	(4,594,521)
Share in results of an associate	9	4,772,302	2,360,064
PROFIT BEFORE ZAKAT		100,425,850	44,080,855
Zakat	21	(3,417,792)	(4,047,379)
NET PROFIT FOR THE PERIOD		97,008,058	40,033,476
OTHER COMPREHENSIVE INCOME			
<i>Items that will not be reclassified to profit or loss</i>			
Share of other comprehensive loss of associate		(50,240)	-
Remeasurement of employees' defined benefit liabilities		-	-
Unrealized gain on Financial assets at fair value through other comprehensive income (FVOCI)		17,715,490	-
Other comprehensive income for the period		17,665,250	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		114,673,308	40,033,476
Earnings per share:			
Basic and diluted earnings per share from net profit	25	1.62	0.67

Mohammed Salman Mehmood
Chief Financial Officer

Ali Hasan El Zein
Chief Executive Officer

Saleh Abdullah Almunajem
Chairman

Almunajem Foods Company
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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three-month period ended 31 March 2026

	Share capital S	Reserve S	Actuarial valuation reserve S	Share of other comprehensive loss of associate S	Fair value reserve of financial assets through FVOCI S	Retained earnings S	Total S
As at 31 December 2024 (Audited)	600,000,000	96,818,580	(6,375,512)	-	-	319,531,748	1,009,974,816
Net profit for the period	-	-	-	-	-	40,033,476	40,033,476
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	40,033,476	40,033,476
As at 31 March 2025 (Unaudited)	600,000,000	96,818,580	(6,375,512)	-	-	359,565,224	1,050,008,292
As at 31 December 2025 (Audited)	600,000,000	96,818,580	(11,274,700)	-	114,552	359,280,570	1,044,939,002
Net profit for the period	-	-	-	-	-	97,008,058	97,008,058
Other comprehensive income for the period	-	-	-	(50,240)	17,715,490	-	17,665,250
Total comprehensive income for the period	-	-	-	(50,240)	17,715,490	97,008,058	114,673,308
As at 31 March 2026 (Unaudited)	600,000,000	96,818,580	(11,274,700)	(50,240)	17,830,042	456,288,628	1,159,612,310


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Almunajem Foods Company
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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2026

	Notes	For the three-month period ended	
		31 March 2026 (Unaudited) ﷲ	31 March 2025 (Unaudited) ﷲ
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before zakat		100,425,850	44,080,855
Adjustments for:			
Depreciation of right-of-use assets	7	5,749,174	3,832,730
Depreciation of property, plant and equipment	6	8,809,765	7,764,292
Amortization of intangible assets		168,234	155,090
Interest on lease liabilities	7	1,571,178	1,184,246
Interest charged on short term loans	24	3,677,775	3,476,592
Allowance for expected credit losses	11	491,909	50,000
Inventory allowance	10	16,267	(228,700)
Share in results in an associate	9	(4,772,302)	(2,360,064)
Gain on disposal of property, plant, and equipment	23	(1,126)	(810)
Provision for employees' benefit obligations		1,635,551	1,698,376
		<u>117,772,275</u>	<u>59,652,607</u>
Changes in working capital:			
Trade receivables		(43,205,673)	(75,687,623)
Prepayments and other assets		122,712,869	(42,311,513)
Inventories		90,079,248	58,894,759
Trade payables, accruals, and other liabilities		(66,472,188)	21,215,324
VAT payable		(7,681,525)	(524,319)
		<u>213,205,006</u>	<u>21,239,235</u>
Finance costs paid		(3,677,775)	(4,761,226)
Employees' benefit obligations paid		(2,872,834)	(2,120,687)
Net cash generated from operating activities		<u>206,654,397</u>	<u>14,357,322</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchases of property, plant, and equipment	6	(30,046,909)	(12,633,728)
Proceeds from disposal of property, plant, and equipment		2,604	2,097
Payments for purchases of intangible assets		(92,910,413)	(495,619)
Payments for purchase of financial assets at OCI	14	(106,519,172)	-
Advances to suppliers and contractors	13	(16,749,980)	-
Net cash used in investing activities		<u>(246,223,870)</u>	<u>(13,127,250)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of principal portion of lease liabilities	7	(11,427,956)	(5,869,348)
Proceeds from short-term loans	19	165,000,000	700,000,000
Repayments of short-term loans	19	(193,000,000)	(700,000,000)
Proceeds from Short- term murabaha deposit – carried at amortised cost		100,000,000	-
Proceeds from long term loans	16	8,578,989	-
Net cash generated from (used in) financing activities		<u>69,151,033</u>	<u>(5,869,348)</u>
Net change in cash and bank balances		29,581,560	(4,639,276)
Cash and bank balances at the beginning of the period		22,195,325	42,628,379
Cash and bank balances at the end of the period	17	<u>51,776,885</u>	<u>37,989,103</u>
SIGNIFICANT NON-CASH TRANSACTIONS			
Right of use assets		33,311,246	18,858,475
Lease liabilities		33,311,246	18,858,475
Acquisition of intangible asset by offsetting advances to related party		89,899,076	-

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Chairman

The accompanying notes from 1 to 29 form an integral part of these interim condensed consolidated financial statements.

Almunajem Foods Company (A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

For the three-month period ended 31 March 2026

1 CORPORATE INFORMATION

Almunajem Foods Company (the “Company”) is a Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia (KSA) under commercial registration numbered 1010231822 and unified number 7018062989, dated 7 Rabie Al Thani 1428H (corresponding to 24 April 2007). The registered address of the Company is located at Riyadh, P O Box 1544, Riyadh 11441, KSA.

The Company is a subsidiary of Abdullah Al Ali Almunajem Sons Group (the “Ultimate Parent”) which is a Closed Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia under commercial registration number 1010000565 dated 11 Dhu Al-Qidah 1376H (corresponding to 10 June 1957). The registered address of the Company is located at Riyadh, P O Box 2395, Riyadh 11451, KSA.

Since 20 December 2021, 30% of the Company’s shares are listed in Saudi Stock Exchange market (Tadawul). Currently, 69.3% of the Company is owned by Abdullah Al Ali Almunajem Sons Group and 0.7% by AlKafaa Real Estate Company.

The Company is engaged in wholesale and retail trading in fruits, vegetables, cold and frozen poultry and meat, bottled, food stuff, through its following branches:

<i>Commercial registration</i>	<i>Branch location</i>
1131026002	Burieda
2050059043	Dammam
4030176226	Jeddah
5855030212	Khamis Mushait
4650046753	Medina
3550027505	Tabuk
3350031238	Hail
2250045420	Al-Ahsa
4031067309	Makkah
4032032800	Taif
5900017953	Jizan
1010401313	Riyadh
1010465454	Riyadh
4030291805	Jeddah
1010653210	Riyadh
3400119907	Sakaka

For the period ended 31 March 2026, and for the year ended 31 December 2025, these consolidated financial statements included the financial information of the Company and its following subsidiary, “the Group”.

<i>Subsidiary</i>	<i>Year of incorporation</i>	<i>Ownership</i>		<i>Principal activity</i>	<i>Country of incorporation</i>
		<i>31 March 2026</i>	<i>31 December 2025</i>		
The Optimal Solutions Company for Logistics Services	2024	100%	100%	Activities of third-party logistics	Kingdom of Saudi Arabia

Optimal Solutions Company for logistics services is a limited liability company registered in the Kingdom of Saudi Arabia under commercial registration number 1009107581 dated on September 29, 2024 (corresponding/ to 26 Rab' al-Awwal1446 H), with a share capital of ~~SR~~ 1,000,000.

Geopolitical developments

During the period ended 31 March 2026, the geopolitical tensions in the Middle East has escalated, leading to a state of regional instability. As of the date of issuance of these interim condensed consolidated financial statements, the Group has not identified any material impact on its operations, supply chains, or financial position. Management continues to monitor the geopolitical situation in the Middle East to assess if any further escalation or continuation of the conflict could result in any impact on the Group’s operations and results.

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These interim condensed consolidated financial statements for the three -month period ended 31 March 2026, have been prepared in accordance with International Accounting Standard (34) “Interim Financial Reporting” that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

These condensed consolidated interim financial statements do not include all the information and disclosures required to prepare a full set of the consolidated financial statements prepared in accordance with IFRS Accounting Standards (“IFRS”) as endorsed in the Kingdom of Saudi Arabia and should be read in conjunction with the Group’s annual financial statement for the year ended 31 December 2025 (“last annual consolidated financial statements”). However, 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 the last annual consolidated financial statements. In addition, the results for the three -month period ended 31 March 2026, are not necessarily indicative of the results that may be expected for the year ending 31 December 2026.

2.2 Judgments and Estimates

The preparation of Group’s interim condensed consolidated financial statements in accordance with IFRS as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements as endorsed by Saudi Organization for Chartered and Professional Accountants require management to make judgements, estimates, and assumptions that affect the reported amounts of revenues, costs, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Actual results may differ from these estimates.

The significant estimates made by the management when applying the Group’s accounting policies and the significant sources of uncertainties were similar to those shown in the Group’s latest annual consolidated financial statements. See note 5 for further details.

2.3 Basis of measurement

These interim condensed consolidated financial statements have been prepared under the historical cost basis except for the employees’ benefit obligations, which have been measured in accordance with the projected unit credit method.

2.4 Going concern

These interim condensed consolidated financial statements have been prepared under the going concern basis. The Company’s management has made an assessment of the Group’s ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group’s ability to continue as a going concern.

2.5 Fair Value Measurement

A number of the Group’s accounting policies and disclosures require the measurement of fair value, for both financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values for financial assets and liabilities. This includes a team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Group’s audit committee.

When measuring the fair value of assets or liabilities, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in capital markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data. (unobservable inputs).

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

2. BASIS OF PREPARATION (continued)

2.5 Fair Value Measurement (continued)

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Management assessed that the fair values of cash and bank balances, trade receivables, prepayments and other assets, trade payables, accruals, and other liabilities, vat payable approximate their carrying values largely due to the short-term maturities of these financial instruments.

3. PRESENTATION AND FUNCTIONAL CURRENCY

These interim condensed consolidated financial statements are presented in Saudi Riyals (“**ﷲ**”) which is the presentation currency of the Group.

4. MATERIAL ACCOUNTING POLICIES

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss and other comprehensive income in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income.

Computer software

Computer software licenses are capitalised on the basis of the costs incurred when specific software was purchased and configured for use. Amortisation is charged to the statement of profit or loss on a straight-line basis over the useful life of 5 years.

Trademark

Trademark by names of “Doux” and “Supreme” was acquired and assessed as having indefinite useful life. It is stated at cost less accumulated impairment, if any.

The accounting policies used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the application of new accounting policies below effective from January 1, 2026.

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

4. MATERIAL ACCOUNTING POLICIES (continued)

STANDARDS ISSUED BUT NOT YET EFFECTIVE AND OTHER AMENDMENTS

New and amended standards and interpretations

Following are the standards and amendments effective on 1 January 2026 or after (unless otherwise stated) and do not have a material impact on the Group's interim condensed financial statements. The Group has not adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

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

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The amendments had no impact on the Group's interim condensed financial statements

Annual Improvements to IFRS accounting Standards – Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments had no impact on the Group's interim condensed financial statements

Contracts Referencing Nature -dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the 'own-use' requirements for in-scope contracts.
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in -scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a Group's financial performance and cash flows.

The amendments had no impact on the Group's interim condensed financial statements

New and amended standards and interpretations not yet effective

The new amended, issued standards and interpretations, which are not effective yet have not been adopted early by the Group and will be adopted on their effective date as applicable. The adoption of these standards and interpretations is not expected to have any material impact on the Group on the effective date, except IFRS 18, which the Group is currently evaluating the impact of its adoption on the financial statements.

Standard, Amendment or Interpretation

Effective date

- IFRS (18): Presentation and Disclosure in Financial Statements – Replaces IAS (1) Presentation of Financial Statements.	1 January 2027
- IFRS (19) - Subsidiaries without Public Accountability: Disclosures	1 January 2027
- IAS (21) The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency	1 January 2027
- Amendments to IFRS (10) and IAS (28): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The effective date of this amendment is postponed indefinitely.

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

5. SIGNIFICANT JUDGEMENTS, ASSUMPTIONS AND ESTIMATES

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

The estimates and underlying assumptions are reviewed on an ongoing basis. The differences arising on revisions to estimates are recognized prospectively.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the Group's annual financial statements.

Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., customer type and rating).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Useful lives and residual values of property and equipment

The useful life of each item of the Group's property and equipment is estimated based on the period during which the asset is expected to be available for use. This estimate is based on a collective evaluation of practices in similar businesses, internal technical evaluation, past experience with similar assets and application of judgments when the asset becomes available for use and computation of the depreciation cost.

The estimated useful life of each asset is periodically reviewed and updated in the event that expectations differ from previous estimates as a result of normal depreciation of the asset, technical and commercial obsolescence, legal or other restrictions on the use of the asset. Any change in the estimated useful life or depreciation pattern will be accounted for prospectively.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

6. PROPERTY, PLANT AND EQUIPMENT

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
Cost:		
At the beginning of the period/year	689,134,272	569,377,667
Additions during the period/year	30,046,909	131,640,557
Disposals during the period/year	(9,699)	(11,883,952)
At the end of the period/year	<u>719,171,482</u>	<u>689,134,272</u>
Accumulated depreciation:		
At the beginning of the period/year	305,332,648	282,476,976
Charge during the period/year	8,809,765	32,501,272
Disposals during the period/year	(8,220)	(9,645,600)
At the end of the period/year	<u>314,134,193</u>	<u>305,332,648</u>
Net book value:		
At the end of the period/year *	<u>405,037,289</u>	<u>383,801,624</u>

* The property, plant, and equipment balance as of 31 March 2026 includes construction work in progress related to construction works for new meat factory located in Jeddah with an amount of ﷲ 112 million (31 December 2025: ﷲ 94.1 million) and borrowing cost capitalized during the period amounting to ﷲ 3.46 million (31 December 2025: 2 million). Capital commitments related to property, plant, and equipment are disclosed in note 27.

7. LEASES

Set out below are the carrying amounts of the right-of-use assets and lease liabilities and the movements during the period/year:

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
Right-of-use assets		
At the beginning of the period/year	86,049,816	95,393,398
Adjustments*	(1,009,493)	(15,876,679)
Additions **	33,311,246	54,473,153
Depreciation charge	(5,749,174)	(16,838,811)
Disposals	(2,206)	(31,101,245)
At the end of the period/year	<u>112,600,189</u>	<u>86,049,816</u>
	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
Lease liabilities		
At the beginning of the period/year	86,760,380	99,197,210
Adjustments*	(1,009,493)	(15,876,679)
Additions **	33,311,246	54,473,153
Accretion of interest	1,571,178	1,280,452
Payments	(11,427,956)	(21,212,511)
Disposals	(2,206)	(31,101,245)
At the end of the period/year	<u>109,203,149</u>	<u>86,760,380</u>

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

7. LEASES (Continued)

* During 2025, the Group reassessed lease term for one contract by reducing the non-cancellable period from 10 years to 5 years and updating the interest rate. As a result of this change, the lease liability and the related right-of-use asset were remeasured, resulting in a further reduction of ﷲ 21.1 million in the consolidated statement of financial position. Further, during 2025 the Group updated the rent payments for two other contracts, which resulted in an increase of ﷲ 5.3 million in both the right of use assets and the related lease liabilities.

** During 2026 the Group entered into lease agreement facility in Jeddah Dry Port, with a total lease value of ﷲ 33.311 million. The lease term spans 60 months, expiring on 28 February 2031. The facility is intended for the storage of food products of all types, pharmaceuticals, medical supplies, and similar items.

** Building leased includes a lease from the Al-Kafa'a Real State Company, a subsidiary of ultimate Parent Company. Refer to (note 12) for further details on related parties' transactions and balances.

Lease liabilities are classified in the interim condensed consolidated statement of financial position as follows:

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
Current	19,905,440	14,736,353
Non-current	89,297,709	72,024,027
	<u>109,203,149</u>	<u>86,760,380</u>

8. INTANGIBLE ASSETS

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
Software and licenses	3,677,021	1,765,942
Trademarks*	90,831,101	-
	<u>94,508,122</u>	<u>1,765,942</u>

* Trademarks assets represent two trademarks of "Doux" and "Supreme" which the Group acquired from its related party, France Poultry Refer to (note 12) as per the signed agreement at March 11, 2026 for the amount of EUR 20,500, 000.and related expenses for ﷲ932K.

9. INVESTMENT IN AN ASSOCIATE

This represents the investment in Balady Poultry Trading Company, in which the Group holds a 40% ownership interest, comprising 2,628,000 shares as of the reporting date. The investment is accounted for using the equity method.

The movement in investment in associate is as follows:

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
At the beginning of the period/year	347,147,544	335,008,358
Share of results for the period /year	4,772,302	12,275,546
Share of OCI	(50,240)	(136,360)
At the end of the period/year	<u>351,869,606</u>	<u>347,147,544</u>

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

10. INVENTORIES

	<i>31 March 2026 (Unaudited)</i> ﷲ	<i>31 December 2025 (Audited)</i> ﷲ
Goods for resale	261,461,414	384,627,052
Goods in transit	252,038,371	208,546,921
Raw material and consumables	37,972,900	48,424,574
Spares and consumables	4,183,382	4,136,768
Less: Inventory allowance *	<u>(2,279,907)</u>	<u>(2,263,640)</u>
	<u>553,376,160</u>	<u>643,471,675</u>

* The movement of inventory allowance is as follows:

	<i>31 March 2026 (Unaudited)</i> ﷲ	<i>31 December 2025 (Audited)</i> ﷲ
At the beginning of period/year	2,263,640	2,093,264
Provided during the period/year *	16,267	550,603
Write off	-	(380,227)
At the end of period/year	<u>2,279,907</u>	<u>2,263,640</u>

* This pertains to specifically identified spares that are no longer useable and slow-moving items.

During the period ended 31 March 2026, ﷲ 677 million (31 March 2025: ﷲ 770 million) of inventory was recognized as an expense in the cost of revenue. Other items in the cost of revenue include supplier's volume rebates with an amount of ﷲ 5.5 million (31 March 2025: ﷲ 3.2 million).

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

11. TRADE RECEIVABLES

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
Trade receivables *	<u>4,221,420</u>	<u>2,814,280</u>
TOTAL – Non current	<u>4,221,420</u>	<u>2,814,280</u>
Trade receivables	<u>351,819,124</u>	<u>312,658,754</u>
Other trade receivables - Due from related parties (note 12-b)	<u>9,943,385</u>	<u>7,305,222</u>
	361,762,509	319,963,976
Less: Allowance for expected credit losses	<u>(10,620,757)</u>	<u>(10,128,848)</u>
	<u>351,141,752</u>	<u>309,835,128</u>

Trade receivables are non-interest bearing and are generally on terms from 15 to 60 days, it is not the company's policy to obtain collateral for receivables.

Movement in the allowance for expected credit losses is as follows:

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
At the beginning of the period/year	<u>10,128,848</u>	<u>5,221,227</u>
Provided during the period/year	<u>491,909</u>	<u>4,907,621</u>
At the end of the period/year	<u>10,620,757</u>	<u>10,128,848</u>

12. RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent major shareholders, directors, and key management personnel of the Group and entities controlled, jointly controlled, or significantly influenced by such parties. Pricing policies and the terms of these transactions are approved by the Group's management.

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

12. RELATED PARTIES TRANSACTIONS AND BALANCES (continued)

Transactions with related parties included in the interim condensed consolidated financial statement are as follows:

a) Related parties' transactions

<i>For the three -month period ended 31 March 2026 (unaudited)</i>	<i>Relationship</i>	<i>Sales ﷲ</i>	<i>Purchases ﷲ</i>	<i>Expenses* ﷲ</i>	<i>Trademark and PPE purchase/ Selling ﷲ</i>
France Poultry (*)	Subsidiary of the ultimate Parent Company		76,842,130		- 89,899,076
Shawaya House Company	Subsidiary of the ultimate Parent Company	4,305,660	-	33,755	-
Gulf Catering Company	Subsidiary of the ultimate Parent Company	2,543,280	-	587,527	-
Nutrition & Diet Center Company	Subsidiary of the ultimate Parent Company	1,476,494	984,724	113,352	-
Az-Zad Saudi Company	Subsidiary of the ultimate Parent Company	565,985	-	16,957	-
Thati Limited Company	Subsidiary of the ultimate Parent Company	1,450	-	18,748	-
Bureida Trading and Refrigeration	Subsidiary of the ultimate Parent Company	-	-	6,232	1,674,800
Al-Kafa'a Real State Company Abdullah Al Ali Almunajem Sons	Fellow Subsidiary of the ultimate Parent Company	-	-	1,944,733	-
Balady Poultry Trading Company **	The ultimate Parent Company	-	-	1,980,584	-
Entertainment Mine Company Ltd	Associate Company	-	55,484,775	3,073,870	-
	Owned by a closed family member	49,626			
Others	Shareholder in the ultimate Parent Company	-	-	27,000	-

(*) At March 11, 2026 (corresponding to 22-09-1447 H), The group has signed a binding agreement with France Poultry (a French company headquartered in Châteaulin) to acquire the intellectual property rights of the two globally recognized trademarks "Doux" and "Supreme" in the Kingdom of Saudi Arabia, the Gulf Cooperation Council (GCC) countries, and the Republic of Yemen, for the amount of EUR 20,500,000 (twenty million five hundred thousand euros). This transaction does not include any special conditions, and the agreement is self-funded by the Group.

(**) On 18 January 2026, Almunajem Foods Company announced on Tadawul that it had entered into a strategic partnership agreement dated 15 January 2026 with Balady Poultry Company (Related Party). Under the agreement, Balady Poultry Company undertakes the production and packaging of poultry products, while the Group is responsible for marketing and distribution of these products inside and outside the Kingdom of Saudi Arabia under the brands owned by both parties, based on a profit-sharing arrangement. The agreement has a contractual term of seven years. During the first quarter, the value of purchases made under this agreement amounted to ﷲ 55 million.

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

12. RELATED PARTIES TRANSACTIONS AND BALANCES (continued)

Related parties' transactions (continued)

<i>For the three months period ended</i>						
<i>31 March</i>	<i>2025 (unaudited)</i>	<i>Relationship</i>	<i>Sales</i>	<i>Purchases</i>	<i>Expenses*</i>	<i>PPE purchase/ Selling</i>
France Poultry		Subsidiary of the ultimate Parent Company	-	112,544,284	-	-
Shawaya House Company		Subsidiary of the ultimate Parent Company	5,815,313	-	37,023	-
Gulf Catering Company		Subsidiary of the ultimate Parent Company	1,871,709	-	503,268	-
Nutrition & Diet Center Company		Subsidiary of the ultimate Parent Company	1,412,565	1,905,542	185,051	-
Az-Zad Saudi Company		Subsidiary of the ultimate Parent Company	320,465	-	35,385	-
Thati Limited Company		Subsidiary of the ultimate Parent Company	6,235	-	390	-
Bureida Trading and Refrigeration		Fellow Subsidiary of the ultimate Parent Company	-	-	4,976	3,695,200
Al-Kafa'a Real State Company		Subsidiary of ultimate Parent Company	-	-	2,115,800	-
Abdullah Al Ali Almunajem Sons		The ultimate Parent Company	-	-	1,216,082	-
Balady Poultry Trading Company		Associate Company	-	8,937,930	-	-
Entertainment Mine Company Ltd		Owned by a closed family member	47,453	-	-	-
Four Steps International		Owned by a member of the BOD	-	-	13,000	-
Others		Shareholder in the ultimate Parent Company	-	-	27,000	-

* These expenses generally include expenses paid on behalf of the entity or its related parties, shared services centers, leases and other expenses within the normal course of business.

b) Amounts due from related parties are classified under trade receivables

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
	<i>ﷲ</i>	<i>ﷲ</i>
Shawaya House Company	6,457,400	5,682,367
Nutrition and Diet Center Company	700,258	732,738
Gulf Catering Company	2,355,128	551,085
Azzad Saudi Company	360,379	305,376
Entertainment Mine Company Ltd	57,070	19,579
Thati Limited Company	13,150	14,077
	9,943,385	7,305,222

The above balances are unsecured, interest-free, and have settlement terms less than 360 days. The management estimates the allowance on due from the related party balance at the reporting date at an amount equal to lifetime ECL. No receivable balances from related parties at the reporting date are past due, taking into account the historical default experience and the prospects of the industries in which the related parties operate. Management considers that related party balances as not impaired. There has been no change in estimation techniques or significant assumptions made during the current reporting period in assessing the allowances for balances due from related parties.

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

12. RELATED PARTIES TRANSACTIONS AND BALANCES (continued)

c) *Amounts due to related parties are classified under trade payables, accruals, and other liabilities*

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
Balady Poultry Trading Company	8,830,367	7,206,493
Abdullah Al Ali Al Munajem Sons Company	361,678	51,436
Burieda Trading and Refrigeration Company	1,051,093	43,736
	<u>10,243,138</u>	<u>7,301,665</u>

d) *Key management compensation*

Key management personnel of the Group comprise of key members of the management having authority and responsibility for planning, directing, and controlling the activities of the Group. The compensation to key management is shown below:

	For the three-month period ended	
	<i>31 March 2026 (Unaudited)</i>	<i>31 March 2025 (Unaudited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
Short-term employee benefits *	2,358,732	2,345,618
Employees defined benefit liabilities	60,267	84,994
	<u>2,418,999</u>	<u>2,430,612</u>

* Short-term employee benefits for the three -month period ended include ﷲ 0.49 million (31 March 2025: ﷲ .05 million) related to the board of directors' remuneration.

13. PREPAYMENTS AND OTHER ASSETS

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
Advances to suppliers and contractors **	36,458,786	19,708,806
TOTAL – Non current	<u>36,458,786</u>	<u>19,708,806</u>
Advance to a related party *	25,784,291	146,933,032
Prepayments	14,922,250	17,173,852
Advances to suppliers and contractors	4,152,016	3,135,581
Right of return assets	950,783	1,192,351
Employee receivables	678,357	753,346
Others	5,584,682	5,597,086
TOTAL - Current	<u>52,072,379</u>	<u>174,785,248</u>

* This amount represents advance payments to France Poultry (a subsidiary to the Parent Company) for future deliveries of goods (note 11).

** Non-current portion of the advances to suppliers and contractors represented payments made to contractors for procurements of equipment and other items that will be subsequently classified under property, plant and equipment.

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)

		<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
		<u>ﷲ</u>	<u>ﷲ</u>
<i>Company</i>	<i>Country of Incorporation</i>		
Al-Jouf Agriculture Development Co	Kingdom of Saudi Arabia	132,375,000	8,140,338
		<u>132,375,000</u>	<u>8,140,338</u>

The movement of the financial assets at FVTPL is as follows:

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
At the beginning of the year	8,140,338	-
Investments payments	106,519,172	8,025,786
Unrealized gain from investment at FVOCI	17,715,490	114,552
At the end of the year	<u>132,375,000</u>	<u>8,140,338</u>

On 2 February 2026, Almunajem Foods Company announced on Tadawul that it had received a consent letter dated 1 February 2026 from Al-Jouf Agricultural Development Company to enter into preliminary, non-binding discussions to become a strategic investor. Based on management's strategic intention, the related investment was reclassified from profit or loss to fair value through other comprehensive income (FVOCI).

15. SHORT- TERM MURABAHA DEPOSIT CARRIED AT AMORTISED COST

During 2025, the Group invested in short- term Murabaha deposits inside the Kingdom of Saudi Arabia with an amount of ﷲ 100 million. The deposit matured on 17 February 2026.

16. LONG TERM LOANS

On 08 September 2025, corresponding to (3 Rabi' al-Awwal 1447) , the Group signed a loan agreement with the Saudi Industrial Development Fund, where the value of credit facilities amounted to ﷲ 97.3 million, in order to build the Factory to produce Marinated White Meat, Franks, Mozzarella Cheese, Breaded Chicken and Seafood, which is being built on the plot of land located in Jeddah City, leased from the Saudi Authority for Industrial Cities and Technology Zones ("MODON") under lease contract no. (12151).

The loan agreement is subject to all buildings constructed or to be built on the plot of land with all the project's property, equipment and accessories related to it or obtained for the project.

At the date of the interim consolidated financial statements, ﷲ 21.8 million of the value of the credit facilities was used. The loan is due in unequal installments on a semi-annual basis starting from 15 August 2027 and the last installment is due on 15 February 2033.

The above facilities agreements include several commitments, including some conditions that stipulate the need to maintain some of the financial ratios committed by the Group until the preparation of these consolidated financial statements.

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

16. LONG TERM LOANS (continued)

Movement in the present value of Saudi Industrial Development Fund' s loan is as follows:

	<i>31 March 2026 (Unaudited) ﷲ</i>	<i>31 December 2025 (Audited) ﷲ</i>
At the beginning of the year	11,321,764	-
Present value of amounts received during the year	8,178,202	11,321,764
Financial charges amortized	209,137	-
At the end of the year	<u>19,709,103</u>	<u>11,321,764</u>

Current and non-current Saudi Industrial Development Fund' s loan are as follows:

	<i>31 March 2026 (Unaudited) ﷲ</i>	<i>31 December 2025 (Audited) ﷲ</i>
Current	-	-
Non-current	19,709,103	11,321,764
	<u>19,709,103</u>	<u>11,321,764</u>

17. CASH AND BANK BALANCES

	<i>31 March 2026 (Unaudited) ﷲ</i>	<i>31 December 2025 (Audited) ﷲ</i>
Cash at banks	49,513,053	18,139,564
Cash on hand	2,182,376	2,073,068
Cash on investment	81,456	1,982,693
	<u>51,776,885</u>	<u>22,195,325</u>

18. SHARE CAPITAL AND STATUTORY RESERVE

(a) Share Capital

Authorized, issued and paid-up capital is divided into 60,000,000 shares of ﷲ 10 each (31 December 2025: 60,000,000 shares of ﷲ 10 each).

(b) Reserve

This balance represents the total amounts appropriated from net income for prior years, as statutory reserves in accordance with the requirements of the previous Companies Law and the company's By-Law prior to alignment with the new Companies Law. The utilization of these reserves is subject to the decisions of the shareholders' assembly. The Company updated its bylaws based on the new Regulations for the Company, the Company is currently studying and reviewing the balance of statutory reserve, and it will be raised to the Company's General Assembly with the recommendations.

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

19. SHORT-TERM LOANS

The Group has obtained Murabaha loans from local banks to finance the Group's working capital requirements and carry interest at commercial rates at SIBOR + 0.8% and have a maturity of less than a month.

As at 31 March 2026, the Group has total loan facilities amounting to **ﷲ** 820 million (31 December 2025: **ﷲ** 500 million).

The movement in short-term loans is as follows:

	<i>31 March 2026 (Unaudited) ﷲ</i>	<i>31 December 2025 (Audited) ﷲ</i>
Opening balance	325,000,000	92,000,000
Proceeds from short-term loans	165,000,000	667,000,000
Payments of short-term loans	(193,000,000)	(434,000,000)
	297,000,000	325,000,000

20. TRADE PAYABLES, ACCRUALS, AND OTHER LIABILITIES

	<i>31 March 2026 (Unaudited) ﷲ</i>	<i>31 December 2025 (Audited) ﷲ</i>
Trade payables*	387,836,320	450,210,304
Accrued expenses	44,371,041	50,125,486
Other trade payables- related parties (note 11-c)	10,243,138	7,301,665
Advances from customers	1,324,101	1,886,651
Other payables**	12,373,472	13,332,082
	456,148,072	522,856,188

Trade and other payables are non-interest bearing and have a term of 30 to 90 days.

* Trade Payables include supply chain agreements compatible with Islamic Sharia granted from Saudi local bank during the period ended 31 March 2026, with an amount of **ﷲ** 57.6 million (31 December 2025: **ﷲ** 71.5 million).

The Group participates in a supplier finance arrangement referred to above, under which its suppliers may elect to receive early payment of their invoices from a bank. Under the arrangement, the bank agrees to pay amounts due to participating suppliers in respect of invoices owed by the Group and the Group repays the bank at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and provide the willing suppliers early payment terms, compared with the related invoice payment due date.

The Group has not derecognized the original trade payables relating to the arrangement because neither a legal release was obtained nor was the original liability substantially modified on entering into the arrangement. From the Group's perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating; however, the arrangement does provide willing suppliers with the benefit of early payment. Additionally, the Group has incurred interest towards the bank due to the suppliers with an amount of **ﷲ** 1.15 million for the period ended 31 March 2026 (31 March 2025: **ﷲ** 2.6 million). The Group therefore includes the amounts subject to the arrangement within trade payables because the nature and function of these payables remains the same as those of other trade payables. All payables under the arrangement are classified as current as at period ended 31 March 2026 and 31 December 2025.

** Other payables include deferred customs duties by **ﷲ** 6.99 million (31 December 2025: **ﷲ** 9.07 million).

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

21. ZAKAT PAYABLE

Movement in the Zakat Provision is as follows:

	<i>31 March 2026 (Unaudited)</i>	<i>31 December 2025 (Audited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
At the beginning of the period/year	14,350,859	12,603,459
Provided during the period/year	3,417,792	13,490,829
Paid during the period/year	-	(11,743,429)
At the end of the period/year	<u>17,768,651</u>	<u>14,350,859</u>

Status of assessments for the Company:

The Company has submitted its zakat declarations up to the year 2025 and has paid the zakat due accordingly. The years 2021 and 2023 were subject to review by the Zakat, Tax and Customs Authority (ZATCA), and final assessments were issued. As a result, the Company was required to pay additional zakat liabilities amounting to ﷲ 193 thousand for 2023.

The Company has finalized its Value-added tax (VAT) inspections up to the year 2024 and paid all the differences.

22. REVENUE

	<i>For the three-month period ended</i>	
	<i>31 March 2026 (Unaudited)</i>	<i>31 March 2025 (Unaudited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
Revenue recognized at a point in time		
Non-retail - goods transferred	443,687,320	457,749,562
Retail - goods transferred	410,666,018	439,225,049
Revenue recognized over-time		
Storage rent revenue	7,025,412	4,514,655
	<u>861,378,750</u>	<u>901,489,266</u>

Revenue is generated inside the Kingdom of Saudi Arabia.

23. OTHER EXPENSES, NET

	<i>For the three-month period ended</i>	
	<i>31 March 2026 (Unaudited)</i>	<i>31 March 2025 (Unaudited)</i>
	<u>ﷲ</u>	<u>ﷲ</u>
Gain on disposal of property, plant, and equipment	1,126	810
Foreign currencies exchange losses	(186,566)	(2,770,469)
Other income	153,225	136,846
	<u>(32,215)</u>	<u>(2,632,813)</u>

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

24. FINANCE COST, NET

	<i>For the three-month period ended</i>	
	<i>31 March 2026 (Unaudited)</i>	<i>31 March 2025 (Unaudited)</i>
	<i>ﷲ</i>	<i>ﷲ</i>
<u>Finance Cost</u>		
Bank interest	3,677,775	3,476,592
Interest on lease liabilities	1,571,178	1,184,246
	<u>5,248,953</u>	<u>4,660,838</u>
<u>Finance Income</u>		
Income from short-term deposits (note 15)	(863,511)	(66,317)
	<u>4,385,442</u>	<u>4,594,521</u>

25. EARNING PER SHARE

Basic and diluted earnings per share ("EPS") is calculated by dividing the net profit for the period attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are the same as the basic earnings per share as the Company does not have any convertible securities or diluted instruments to exercise.

The following table reflects the profit for the period attributable to ordinary equity holders and the weighted average number of ordinary shares outstanding during the period used in the basic and diluted EPS computations:

Basic and diluted earnings per share from net profit.

	<i>For the three-month period ended</i>	
	<i>31 March 2026 (Unaudited)</i>	<i>31 March 2025 (Unaudited)</i>
	<i>ﷲ</i>	<i>ﷲ</i>
Net profit for the period	97,008,058	40,033,476
Weighted average number of ordinary shares	60,000,000	60,000,000
Basic and diluted earnings per share	<u>1.62</u>	<u>0.67</u>

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

26. SEGMENT INFORMATION

The Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The Group's Chief Operating Decision Makers (CODM) are the executive directors, who monitor net profit to evaluate the performance of each operating segment reported.

The Group operates in three regions in the Kingdom of Saudi Arabia, which are its reportable segments. These regions are identified as a separate reportable segment because the Group manages them separately. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the interim condensed consolidated financial statements.

For management reporting purposes, the Group is divided into business units based on their geographical regions, as follows:

<i>For the three-month period ended 31 March 2026 (Unaudited)</i>	<i>Central region ﷲ</i>	<i>Eastern & Northern regions ﷲ</i>	<i>Western & Southern regions ﷲ</i>	<i>Total ﷲ</i>
Revenue	374,126,952	162,600,578	324,651,220	861,378,750
Cost of revenue	292,698,847	128,083,595	255,237,383	676,019,825
Depreciation and amortization	6,715,844	1,866,829	6,144,500	14,727,173
Segment profit before zakat	47,469,083	19,540,198	33,416,569	100,425,850
Total assets as of 31 March 2026 (Unaudited)	1,225,484,638	258,037,758	661,915,192	2,145,437,588
Total liabilities as of 31 March 2026 (Unaudited)	850,192,057	21,619,895	114,013,326	985,825,278

<i>For the three-month period ended 31 March 2025 (Unaudited)</i>	<i>Central region ﷲ</i>	<i>Eastern & Northern regions ﷲ</i>	<i>Western & Southern regions ﷲ</i>	<i>Total ﷲ</i>
Revenue	374,619,327	180,307,683	346,562,256	901,489,266
Cost of revenue	320,496,845	155,001,284	292,664,166	768,162,295
Depreciation and amortization	5,688,385	1,815,484	4,248,243	11,752,112
Segment profit before zakat	13,455,613	9,841,417	20,783,825	44,080,855
Total assets as of 31 March 2025 (Unaudited)	1,132,889,098	303,481,545	569,038,105	2,005,408,748
Total liabilities as of 31 March 2025 (Unaudited)	877,983,729	34,313,971	43,102,756	955,400,456

All the operating segments revenue and non-current assets are generated and based in the Kingdom of Saudi Arabia. There is no customer contributing 10% or more of the total revenue.

Almunajem Foods Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) (Continued)

For the three-month period ended 31 March 2026

26. SEGMENT INFORMATION (continued)

<i>For the three-month period ended 31 March 2026 (Unaudited)</i>	<i>Central Region</i>	<i>Eastern & Northern Regions</i>	<i>Western & Southern Regions</i>	<i>Total</i>
	ﷲ	ﷲ	ﷲ	ﷲ
Revenue				
Non-retail	176,556,887	85,775,235	181,355,198	443,687,320
Retail	191,993,513	76,301,014	142,371,491	410,666,018
Storage rent revenue	5,576,552	524,329	924,531	7,025,412
Total revenues	<u>374,126,952</u>	<u>162,600,578</u>	<u>324,651,220</u>	<u>861,378,750</u>
Cost of revenues				
Non-retail	(170,957,124)	(83,583,719)	(170,299,468)	(424,840,311)
Retail	(118,337,666)	(44,365,921)	(84,315,000)	(247,018,587)
Storage rent revenue	(3,404,057)	(133,955)	(622,915)	(4,160,927)
Total Cost of revenues	<u>(292,698,847)</u>	<u>(128,083,595)</u>	<u>(255,237,383)</u>	<u>(676,019,825)</u>
Total Gross profit	<u>81,428,105</u>	<u>34,516,983</u>	<u>69,413,837</u>	<u>185,358,925</u>

<i>For the three-month period ended 31 March 2025 (Unaudited)</i>	<i>Central Region</i>	<i>Eastern & Northern Regions</i>	<i>Western & Southern Regions</i>	<i>Total</i>
	ﷲ	ﷲ	ﷲ	ﷲ
Revenue				
Non-retail	181,230,480	90,827,818	185,691,264	457,749,562
Retail	191,084,286	88,863,027	159,277,736	439,225,049
Storage rent revenue	2,304,561	616,838	1,593,256	4,514,655
Total revenues	<u>374,619,327</u>	<u>180,307,683</u>	<u>346,562,256</u>	<u>901,489,266</u>
Cost of revenues				
Non-retail	(156,782,857)	(80,358,024)	(160,306,951)	(397,447,832)
Retail	(161,011,091)	(74,600,595)	(131,961,779)	(367,573,465)
Storage rent revenue	(2,702,897)	(42,665)	(395,436)	(3,140,998)
Total Cost of revenues	<u>(320,496,845)</u>	<u>(155,001,284)</u>	<u>(292,664,166)</u>	<u>(768,162,295)</u>
Total Gross profit	<u>54,122,482</u>	<u>25,306,399</u>	<u>53,898,090</u>	<u>133,326,971</u>

27. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Group has letters of credit as of 31 March 2026 amounting to ﷲ 14.95 million (31 December 2025: ﷲ 30 million). There are capital commitments as of 31 March 2026 amounting to ﷲ 62.1 million (31 December 2025: ﷲ 51 million) related to property, plant, and equipment.

28. SUBSEQUENT EVENTS

Management believes that no matter has occurred up to and including the date of the approval of these interim condensed consolidated financial statements by the management which could materially affect these interim condensed financial statements and the related disclosures for the period ended 31 March 2026.

29. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved for issuance by the Board of Directors on 24 Thul-Qi'dah 1447H (corresponding to Monday 11 May 2026).