THE NATIONAL AGRICULTURAL DEVELOPMENT COMPANY (NADEC)

(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REVIEW
REPORT FOR THE THREE-MONTH AND SIX-MONTH
PERIODS ENDED 30 JUNE 2026

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

INDEX

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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 رقم١٠١٠٤٢٥٤٩٤

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 (A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying 30 June 2026 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 2026;
- the interim condensed consolidated statement of profit or loss for the three-month and six-month periods ended 30 June 2026;
- the interim condensed consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2026;
- the interim condensed consolidated statement of changes in equity for the six-month period ended 30 June 2026;
- the interim condensed consolidated statement of cash flows for the six-month period ended 30 June 2026; 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.

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

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2026 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.

KPMG Professional Services Company

Naif Abdulrahman Edrees
License No: 457

Al Riyadh, 7 Safar 1448 AH
Corresponding to: 21 July 2026

	Note	**30 June 2026** ⃁ **(Unaudited)**	31 December 2025 ⃁ (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	**2,100,873,267**	1,976,764,487
Right-of-use assets	8	**300,533,799**	281,304,185
Biological assets	9	**662,590,830**	678,660,652
Long term prepayments	16.2	**90,277,227**	102,087,292
Intangible assets		**18,658,278**	22,990,847
Goodwill	12	**6,123,813**	-
Investments in joint venture	10	**24,940,000**	124,628,841
Equity investments at FVOCI	11	**262,211,241**	212,423,335
TOTAL NON-CURRENT ASSETS		**3,466,208,455**	3,398,859,639
CURRENT ASSETS			
Biological assets	13	**111,165,519**	103,242,588
Inventories	14	**634,401,154**	638,182,320
Trade receivables and other receivables	15	**537,325,774**	318,147,130
Prepayments and other current assets	16.1	**160,844,104**	145,005,796
Term deposits	17	**200,000,000**	650,000,000
Cash and cash equivalents	18	**1,059,120,410**	1,080,353,087
TOTAL CURRENT ASSETS		**2,702,856,961**	2,934,930,921
TOTAL ASSETS		**6,169,065,416**	6,333,790,560
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	19	**3,016,400,000**	3,016,400,000
Share premium		**78,719**	78,719
Treasury shares	20	**(21,413,267)**	(21,413,267)
Other reserves	21	**(40,679,582)**	(90,462,463)
Retained earnings		**1,861,826,337**	1,703,560,535
TOTAL SHAREHOLDERS' EQUITY		**4,816,212,207**	4,608,163,524
NON-CURRENT LIABILITIES			
Islamic Murabaha loans and borrowings	22	**34,541,000**	46,938,707
Lease liabilities	8	**233,241,202**	221,690,743
Deferred income		**2,665,483**	2,934,109
Financial guarantee liability – non-current	24	**-**	77,332,296
Employee' defined benefits obligation		**121,068,521**	122,314,269
TOTAL NON-CURRENT LIABILITIES		**391,516,206**	471,210,124
CURRENT LIABILITIES			
Trade payables, accrued expenses and other payables	23	**669,697,464**	771,662,065
Islamic Murabaha loans and borrowings – short term	22	**-**	193,508,956
Islamic Murabaha loans and borrowings - current portion	22	**60,662,936**	42,034,186
Lease liabilities – current portion	8	**74,216,387**	67,156,611
Financial guarantee liability	24	**-**	4,803,248
Undistributed rights issue compensation	25	**81,356,560**	82,132,712
Dividend payables		**31,562,389**	31,752,299
Provision for Zakat	26	**43,841,267**	61,366,835
TOTAL CURRENT LIABILITIES		**961,337,003**	1,254,416,912
TOTAL LIABILITIES		**1,352,853,209**	1,725,627,036
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**6,169,065,416**	6,333,790,560

The accompanying notes from 1 to 32 are an integral part of these condensed consolidated interim financial statements
The condensed consolidated interim financial statements appearing on pages 3 to 23 were approved by the Board of Directors and were signed on its behalf by

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

	Note	**Three-month period ended 30 June 2026 ⃁ (Unaudited)**	Three-month period ended 30 June 2025 ⃁ (Unaudited)	**Six-month period ended 30 June 2026 ⃁ (Unaudited)**	Six-month period ended 30 June 2025 ⃁ (Unaudited)
Revenue	3	**876,443,807**	830,468,386	**1,794,304,446**	1,841,919,399
Cost of revenue	4	**(626,923,038)**	(517,312,373)	**(1,262,412,970)**	(1,203,011,009)
GROSS PROFIT		**249,520,769**	313,156,013	**531,891,476**	638,908,390
Selling and marketing expenses		**(148,277,122)**	(140,652,609)	**(306,273,250)**	(295,003,349)
General and administrative expenses		**(58,133,487)**	(60,746,892)	**(114,982,534)**	(116,460,281)
Reversal of impairment losses / (Impairment losses) on trade receivables and other receivables, net	15	**32,838,242**	(3,645,833)	**73,033,584**	(9,886,790)
Other income		**14,101,187**	4,940,094	**16,689,106**	8,764,910
Other expenses		**(11,405,128)**	(3,565,093)	**(24,097,777)**	(17,557,834)
OPERATING PROFIT		**78,644,461**	109,485,680	**176,260,605**	208,765,046
Financing income	5	**17,233,714**	26,424,042	**38,198,451**	51,326,926
Financing cost		**(12,576,242)**	(12,617,847)	**(22,026,188)**	(21,856,495)
Share of results of joint venture	10	**(9,117,066)**	(502,408)	**(15,017,066)**	(502,408)
PROFIT BEFORE ZAKAT		**74,184,867**	122,789,467	**177,415,802**	237,733,069
Zakat for current period	26	**(9,625,000)**	(11,225,000)	**(19,150,000)**	(22,750,000)
Zakat reversals for previous periods	26	**-**	3,700,000	**-**	3,700,000
PROFIT FOR THE PERIOD		**64,559,867**	115,264,467	**158,265,802**	218,683,069
EARNINGS PER SHARE, BASED ON THE PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY					
Basic	6	**0.21**	0.38	**0.53**	0.72
Diluted	6	**0.21**	0.38	**0.52**	0.72

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

	Three-month period ended 30 June 2026 ⃁ (Unaudited)	Three-month period ended 30 June 2025 ⃁ (Unaudited)	**Six-month period ended 30 June 2026 ⃁ (Unaudited)**	Six-month period ended 30 June 2025 ⃁ (Unaudited)
PROFIT FOR THE PERIOD	**64,559,867**	115,264,467	**158,265,802**	218,683,069
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS				
Movement in equity investment at fair value through other comprehensive income (FVOCI) - note 11	**41,881,672**	(37,714,873)	**49,787,906**	(37,981,975)
TOTAL ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS	**41,881,672**	(37,714,873)	**49,787,906**	(37,981,975)
ITEMS THAT ARE OR MAY BE RECLASSIFIED TO PROFIT OR LOSS				
Foreign operations – foreign currency translation differences	**33,234**	69,057	**(5,025)**	103,182
TOTAL ITEMS THAT ARE OR MAY BE RECLASSIFIED TO PROFIT OR LOSS	**33,234**	69,057	**(5,025)**	103,182
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS)	**41,914,906**	(37,645,816)	**49,782,881**	(37,878,793)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**106,474,773**	77,618,651	**208,048,683**	180,804,276

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

	Share capital ⃁	Share premium ⃁	Statutory reserve ⃁	Treasury Shares ⃁	Other reserves ⃁	Retained earnings ⃁	Total shareholders' equity ⃁
Balance as at 1 January 2026 (Audited)	**3,016,400,000**	**78,719**	**-**	**(21,413,267)**	**(90,462,463)**	**1,703,560,535**	**4,608,163,524**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**158,265,802**	**158,265,802**
Other comprehensive income for the period	**-**	**-**	**-**	**-**	**49,782,881**	**-**	**49,782,881**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**49,782,881**	**158,265,802**	**208,048,683**
Balance as at 30 June 2026 (Unaudited)	**3,016,400,000**	**78,719**	**-**	**(21,413,267)**	**(40,679,582)**	**1,861,826,337**	**4,816,212,207**
Balance as at 1 January 2025 (Audited)	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)
Total comprehensive income for the period	-	-	-	-	(37,878,793)	218,683,069	180,804,276
Transfer from statutory reserve	-	-	(193,787,812)	-	-	193,787,812	-
Purchase of Treasury Shares (note 20)	-	-	-	(21,213,267)	-	-	(21,213,267)
Balance as at 30 June 2025 (Unaudited)	3,016,400,000	78,719	-	(21,213,267)	(67,639,492)	1,528,894,967	4,456,520,927

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

	Six-month period ended 30 June 2026 ⃁ (Unaudited)	Six-month period ended 30 June 2025 ⃁ (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	**158,265,802**	218,683,069
Adjustments for:		
Depreciation of property, plant and equipment	**92,913,272**	82,198,214
Depreciation of right-of-use assets	**35,901,135**	25,717,671
Depreciation of biological assets	**31,311,552**	31,730,988
Amortization of intangible assets	**5,604,777**	5,728,103
Amortization of deferred income	**(268,626)**	(268,626)
Provision for employee benefits obligation	**10,709,691**	7,809,957
(Reversal of impairment losses) / Impairment losses on trade receivables and other receivables, net	**(73,033,584)**	9,886,790
Allowance for Inventories	**9,241,553**	5,451,396
Zakat provision	**19,150,000**	22,750,000
Zakat reversal	**-**	(3,700,000)
Finance income on term deposit	**(18,116,806)**	(5,512,500)
Interest on lease liabilities	**8,768,114**	7,273,625
Interest on loans	**4,158,669**	10,559,748
Financial guarantee income	**3,125,663**	-
Share of results from joint venture	**15,017,066**	502,408
Dividend income from investments	**(5,492,050)**	(3,358,210)
(Gain) on sale of property, plant and equipment	**-**	(4,074,170)
Loss on sale of biological assets	**20,926,585**	23,350,221
	318,182,813	434,728,684
Changes in:		
Inventories	**(5,145,862)**	62,366,668
Biological assets – current	**24,348,648**	1,889,544
Trade receivables and other receivables	**(146,138,204)**	(48,444,417)
Prepayments and other current assets	**(14,679,848)**	4,604,812
Trade payable, accrued expenses and other payables	**(148,550,917)**	55,293,749
	28,016,630	510,439,040
Zakat paid	**(37,660,085)**	(61,046,138)
Employee benefits paid	**(12,111,556)**	(10,137,771)
Net cash flow (used in) / generated from operating activities	**(21,755,011)**	439,255,131
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	**(180,507,785)**	(163,200,048)
Additions in long term prepayments	**(29,645,404)**	-
Proceed from refund of long term prepayments	**38,373,563**	-
Additions to biological assets – non current	**(52,304,409)**	(52,061,593)
Additions to intangible assets	**(1,272,208)**	(3,443,575)
Proceeds from sales of property, plant and equipment	**-**	3,099,760
Proceeds from sales of biological assets	**-**	3,506,628
Interest proceeds from investment in term deposits	**18,116,806**	5,512,500
Proceeds from investment in term deposits	**650,000,000**	300,000,000
Investment in term deposit	**(200,000,000)**	-
Dividend received from investments	**5,492,050**	3,358,210
Investment in joint venture	**(18,870,000)**	(35,700,000)
Net cash flow generated from investing activities	**229,382,613**	61,071,882
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Islamic Murabaha loans and borrowings	**228,991,000**	828,021,124
Repayment of Islamic Murabaha loans and borrowings	**(414,748,720)**	(760,833,707)
Interest paid	**(5,678,862)**	(8,542,846)
Principal elements of Lease payments	**(36,874,383)**	(27,592,765)
Interest elements of Lease payments	**(8,768,114)**	(7,273,625)
Purchase of treasury shares	**-**	(21,213,267)
Undistributed rights issue compensation	**(776,152)**	(341,389)
Dividend paid	**(189,910)**	(92,015)
Net cash (used in) / generated from financing activities	**(238,045,141)**	2,131,510
Net change in cash and cash equivalent	**(30,417,539)**	502,458,523
Cash and cash equivalent at beginning of the period	**1,080,353,087**	1,365,364,080
Effect of exchange rates fluctuations on cash held	**(3,018)**	18,433
Cash and cash equivalent acquired on business combination	**9,187,880**	-
CASH AND CASH EQUIVALENT AT END OF THE PERIOD	**1,059,120,410**	1,867,841,036
SIGNIFICANT NON-CASH TRANSACTIONS:		
Conversion of non-current biological assets into current	**32,271,579**	37,022,340
Transfer from non-current prepayment to Property, plant and equipment	**19,674,729**	-

The accompanying notes from 1 to 32 are an integral part of these condensed consolidated interim financial statements

The condensed consolidated interim financial statements appearing on pages 3 to 23 were approved by the Board of Directors and were signed on its behalf by

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

1. THE COMPANY, ITS SUBSIDIARIES AND ITS OPERATIONS

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

The Company and its subsidiaries (together, the "Group") are engaged in agricultural and livestock production, reclamation of agricultural land, food processing and marketing and distribution of its products. Management of companies and the administrative, professional, and operational activities of enterprises, provision of high-level management consulting services, and activities related to potato and vegetable cultivation and seed production.

The Group's financial year begins on 1 January and ends at the end of 31 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 ⃁	Number of shares issued
			30 June 2026	31 December 2025		
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
AlRaie National Livestock Company*	Saudi Arabia	Breeding Sheep and Goats	**100%**	51%	75,000,000	75,000

*On 31 May 2026, the Group acquired an additional 49% equity interest in AlRaie National Livestock Company, increasing its ownership from 51% to 100% and obtaining control of AlRaie.

Geopolitical Developments

The Group continues to monitor regional geopolitical developments and related supply chain conditions. During the period, certain disruptions to regional transportation networks resulted in inflationary pressures on transportation and logistics costs. The Group undertook appropriate operational measures, including the use of alternative transportation routes where necessary, to maintain continuity of supply and operations.

The Group will continue to assess the evolving situation and monitor any potential future impacts on its operations, supply chains, and cost structure at future reporting dates.

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 2025. 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 2025.

2.2 Preparation of the Financial Statements

These condensed consolidated Interim Financial Statements for the six-month period ended 30 June 2026 have been prepared under the historical cost principle except for the following items included in the Consolidated Statement of Financial Position:

- Equity Investments at FVOCI are valued at fair value in accordance with the requirements of IFRS 13 Level 1 and level 2 of valuation method wherever applicable.

2. BASIS OF PREPARATION (CONTINUED)

2.2 Preparation of the Financial Statements (continued)

- 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.

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

2.5 Material Accounting Policies

2.5.1 New standards, amendments to standards and interpretations

The new standards and amendments to standards disclosed in the Group's annual consolidated financial statements remain unchanged.

IFRS 18 Presentation and Disclosure in Financial Statements will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The Group has not early adopted the new accounting standard in preparing these interim financial statements; however, earlier application is permitted.

While the Group does not expect net profit or net assets to change as a result of adopting IFRS 18, the presentation of the Group's results is expected to be modified as follows:

a) Structure of the statement of profit or loss

IFRS 18 requires entities to classify all income and expenses into categories in the statement of profit or loss – namely operating, investing, financing, zakat income tax and discontinued operations. Classification of income and expenses depends on the main business activities of an entity. The Group has determined that it does not have a specified main business activity of investing in assets and/or providing financing to customers. The Group expects to present two newly defined subtotals: 'Operating Profit' and 'Profit or loss before financing and income taxes'. The Group is assessing how the new 'Operating Profit' subtotal will differ from the current subtotal.

Investing category:

Based on the Group's preliminary assessment, Interest income on term and time deposits, dividends received from investment and share of results from joint ventures will be included in investing category.

Financing Category:

The Group will classify income and expenses in the financing category based on the nature of the underlying liabilities:

- Liabilities arising only from the raising of finance: Expenses related to the Group's borrowings will be classified in the financing category.
- Interest on other liabilities: The interest cost component of the Employee Retirement Benefit obligations and the Interest Expense on Lease Liabilities will move to the financing category.

2. BASIS OF PREPARATION (CONTINUED)
2.5 Material Accounting Policies (continued)
2.5.1 New standards, amendments to standards and interpretations (continued)

Operating category:
The operating category remains the residual category for all other items. The Group receives grants related to feed imports. Preliminary assessment suggests these will be classified in the Operating Category. Further, gain/loss on disposal of biological assets will remain in Operating category.

b) Foreign Exchange:
Foreign exchange differences:
Based on the Group's preliminary assessment, Foreign exchange differences will be classified in the category where the related income and expenses from the item giving rise to the difference are classified:
- Operating: Foreign exchange differences on Trade receivables and Trade payables.
- Investing: Foreign exchange differences on cash and bank balances.

c) Management-defined performance measures
Management-defined performance measures (MPMs) are subtotals of income and expenses used in public communications outside the financial statements that communicate to users management’s view of an aspect of the financial performance of the entity as a whole. The Group will be required to disclose specific information about MPMs in a single note in the financial statements.

The Group is in process of establishing a process to determine which public communications should be considered when identifying MPMs. MPMs relate to the same reporting period as the financial statements. Therefore, MPMs disclosed by the Group following adoption of IFRS 18 will be determined based on public communications issued by the Group relating to the 2027 interim reporting period.

d) Principles of aggregation and disaggregation
IFRS 18 introduces enhanced principles for grouping information based on similar and dissimilar characteristics to provide a more useful structured summary of the Group’s assets and expenses.
Based on the Group's preliminary assessment:
- Goodwill will be presented as a separate line item on the face of the Statement of Financial Position
- Other Expenses, net - Items currently aggregated in this line will be disaggregated.
- Other Payables balance will be further disaggregated in the notes to provide specific clarity on the nature of related balances.

As the Group presents operating expenses by function (Cost of Sales, Selling and distribution, General and admin), it will provide a new mandatory note disclosing the total of five specified nature expenses (depreciation, amortization, employee benefits, impairments, and inventory write-downs) and their distribution across functional line items.

e) Consequential amendments
IFRS 18 introduces consequential amendments to IAS 7, which require entities to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Group currently uses profit for the year/period as the starting point of the reconciliation to cash flows from operating activities. Certain adjusting items included in the reconciliation will change as a result of the new starting point.

The consequential amendments also provide specific guidance on the classification of interest and dividend cash flows. The Group will classify cash flows from interest paid as financing activities rather than operating activities under this guidance. Cash flows from interest and dividends received and from dividends paid will continue to be classified as investing activities and financing activities, respectively.

2. BASIS OF PREPARATION (CONTINUED)
2.5 Material Accounting Policies (continued)

2.5.2 Business combinations:
The Group accounts for business combinations under the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a ‘concentration test’ that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.
The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree’s employees (acquiree’s awards), then all or a portion of the amount of the acquirer’s replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree’s awards and the extent to which the replacement awards relate to pre-combination service.

3. OPERATING SEGMENTS

The Group operates in three main business segments: Dairy and Beverages, 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 Condensed consolidated Interim Financial Statements. Categorized by these business segments, is as follows:

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

The following is a summary of the operating segments as at and for the six-month period ended 30 June 2026 (Unaudited):

	Dairy and Beverages	Agriculture	Protein	Elimination of Inter-Segment Sales	Total
	⃁	⃁	⃁	⃁	⃁
Revenue					
External Revenue	**1,496,216,549**	**56,146,945**	**241,940,952**	**-**	**1,794,304,446**
Inter-Segment Revenue	**63,892,775**	**20,824,238**	**-**	**(84,717,013)**	**-**
Total Revenue	**1,560,109,324**	**76,971,183**	**241,940,952**	**(84,717,013)**	**1,794,304,446**
Expenses					
Depreciation and Amortization	**(144,714,823)**	**(19,952,590)**	**(794,697)**	**-**	**(165,462,110)**
Reversal of impairment losses /(Impairment losses) on trade receivables and other receivables, net	**69,503,337**	**(369,753)**	**3,900,000**	**-**	**73,033,584**
Operating Profit /(Loss)	**183,826,161**	**(31,569,360)**	**24,003,804**	**-**	**176,260,605**
Financing income	**38,198,451**	**-**	**-**	**-**	**38,198,451**
Financing cost	**(16,790,154)**	**(4,228,997)**	**(1,007,037)**	**-**	**(22,026,188)**
Share of Results of Joint Venture	**-**	**-**	**(15,017,066)**	**-**	**(15,017,066)**
Profit /(loss) before Zakat	**205,234,458**	**(35,798,357)**	**7,979,701**	**-**	**177,415,802**
Segment Assets as 30 June 2026	**4,528,374,176**	**1,369,888,318**	**270,802,922**	**-**	**6,169,065,416**
Capital expenditures	**170,605,212**	**8,063,452**	**21,513,850**	**-**	**200,182,514**
Segment Liabilities as 30 June 2026	**726,027,285**	**104,250,062**	**522,575,862**	**-**	**1,352,853,209**

The following is a summary of the operating segments as at and for the six-month period ended 30 June 2025 (Unaudited):

	Dairy and Beverages	Agriculture	Protein	Elimination of Inter-Segment Sales	Total
	⃁	⃁	⃁	⃁	⃁
Revenue					
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)	-
Total Revenue	1,588,585,800	169,462,371	154,647,039	(70,775,811)	1,841,919,399
Expenses					
Depreciation and Amortization	(126,761,940)	(18,072,230)	(272,180)	-	(145,106,350)
Impairment losses on trade receivables and other receivables	(9,886,790)	-	-	-	(9,886,790)
Operating Profit /(Loss)	225,905,436	(22,295,518)	5,155,128	-	208,765,046
Financing 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)
Profit /(loss) before Zakat	258,763,150	(24,884,746)	3,854,665	-	237,733,069
Segment Assets as 30 June 2025	5,300,047,163	847,321,861	121,512,857	-	6,268,881,881
Capital expenditures	87,390,652	27,857,429	47,951,967	-	163,200,048
Segment Liabilities as 30 June 2025	1,398,210,886	156,872,815	257,277,253	-	1,812,360,954

3. OPERATING SEGMENTS (CONTINUED)

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

	Dairy and Beverages ⃁	Agriculture ⃁	Protein ⃁	Total ⃁
For the six-month period ended 30 June 2026 (Unaudited)				
Saudi Arabia	**1,250,750,105**	**56,146,945**	**241,940,952**	**1,548,838,002**
Other GCC Countries	**167,701,313**	**-**	**-**	**167,701,313**
Other Countries	**77,765,131**	**-**	**-**	**77,765,131**
Total external revenue	**1,496,216,549**	**56,146,945**	**241,940,952**	**1,794,304,446**
For the six-month period ended 30 June 2025 (Unaudited)				
Saudi Arabia	1,317,418,924	143,700,532	154,647,039	1,615,766,495
Other GCC Countries	163,212,179	-	-	163,212,179
Other Countries	62,940,725	-	-	62,940,725
Total external revenue	1,543,571,828	143,700,532	154,647,039	1,841,919,399

The total revenue for the three-month period ended 30 June 2026 amounting to ⃁ 876.4 million (for the three-month period ended 30 June 2025 ⃁ 830.4 million).

4. COST OF REVENUE

	Three-month period ended 30 June 2026 ⃁ (Unaudited)	Three-month period ended 30 June 2025 ⃁ (Unaudited)	**Six-month period ended 30 June 2026 ⃁ (Unaudited)**	Six-month period ended 30 June 2025 ⃁ (Unaudited)
Material consumed	**488,790,748**	392,649,932	**978,778,181**	947,661,036
Government subsidies	**(23,709,064)**	(10,068,359)	**(25,734,926)**	(11,647,536)
	465,081,684	382,581,573	**953,043,255**	936,013,500
Employee benefits	**45,627,428**	42,510,835	**91,696,695**	83,866,584
Depreciation of property plant and equipment	**40,046,280**	36,110,968	**78,409,132**	70,870,925
Maintenance and repairs expenses	**23,427,625**	18,967,083	**46,445,866**	44,513,266
Depreciation of biological assets	**15,333,338**	15,941,496	**31,311,552**	31,730,988
Sub contracts charges*	**12,257,136**	5,313,223	**19,241,581**	10,198,978
Fees and government expenses**	**3,917,572**	4,435,959	**7,034,947**	3,978,476
Utility expenses	**2,886,306**	1,201,920	**4,568,228**	2,162,643
Professional and consultancy expenses	**2,323,834**	1,036,977	**4,309,292**	1,908,925
Depreciation – right-of-use assets	**1,947,782**	1,212,096	**3,499,043**	2,145,294
Insurance expenses on property, plant and equipment	**1,490,102**	1,748,568	**3,057,312**	3,235,595
Short term rent and lease expenses	**1,469,539**	1,976,110	**2,289,039**	5,246,538
Amortization of intangible assets	**247,037**	215,802	**489,863**	332,454
Other expenses	**10,867,375**	4,059,763	**17,017,165**	6,806,843
	626,923,038	517,312,373	**1,262,412,970**	1,203,011,009

*Represent expenses to third-parties vendors for providing services.
** Includes Iqama renewal charges and visa charges.

5. FINANCING INCOME

	Three-month period ended 30 June 2026 ⃁ (Unaudited)	Three-month period ended 30 June 2025 ⃁ (Unaudited)	**Six-month period ended 30 June 2026 ⃁ (Unaudited)**	Six-month period ended 30 June 2025 ⃁ (Unaudited)
Financing income on term and time deposits	**17,233,714**	26,424,042	**38,198,451**	51,326,926
	17,233,714	26,424,042	**38,198,451**	51,326,926

6. EARNINGS PER SHARE

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

	Three-month period ended 30 June 2026 (Unaudited)	Three-month period ended 30 June 2025 (Unaudited)	**Six-month period ended 30 June 2026 (Unaudited)**	Six-month period ended 30 June 2025 (Unaudited)
Profit for the period attributable to the shareholders of the company (⃁)	**64,559,867**	115,264,467	**158,265,802**	218,683,069
Weighted average number of ordinary shares for the purposes of basic earnings	**301,133,151**	301,640,000	**301,133,151**	301,640,000
Weighted average number of ordinary shares for the purposes of diluted earnings	**301,640,000**	301,640,000	**301,640,000**	301,640,000
Earnings per share, based on the profit for the period attributable to the shareholders of the Company (⃁)				
Basic	**0.21**	0.38	**0.53**	0.72
Diluted	**0.21**	0.38	**0.52**	0.72

Weighted average number of shares adjusted to reflect the effect of Treasury Shares held under the NADEC Employee Equity Participation Program.

7. PROPERTY, PLANT AND EQUIPMENT

The carrying amount of Property, plant and equipment as at 30 June 2026 amounted to ⃁ 2.10 billion (31 December 2025: ⃁ 1.98 billion). During the six-month period ended 30 June 2026, the Group added Property, plant and equipment amounting to ⃁ 180.5 million (Six-month period ended 30 June 2025: ⃁ 163.2 million).

Some of the Group's owned lands is pledged as security under a mortgage for the facilities from ADF.

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 an impairment of ⃁ 2.5 million during year 2022.

8. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

During the six-month period ended 30 June 2026, the Group added leases amounting to ⃁ 55.12 million related to Building amounting of ⃁ 13.5 million and Vehicles amounting to ⃁ 41.6 million (Six-month period ended 30 June 2025: ⃁ 268.9 million).

9. 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), sheep and goats. 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 2026 amounted to ⃁ 662.6 million (31 December 2025: ⃁ 678.7 million). During the six-month period ended 30 June 2026, the Group added biological assets amounting to ⃁ 52.3 million (Six-month period ended 30 June 2025: ⃁ 52.1 million).

10. INVESTMENT IN JOINT VENTURE

	Ownership (%)	**1 January 2026 (Audited) ⃁**	**Additions ⃁**	**Share of Results ⃁**	**Disposal (Note 12) ⃁**	**30 June 2026 ⃁ (Unaudited)**
AlRaie National Livestock Company	**51%**	**118,558,841**	**-**	**(15,017,066)**	**(103,541,775)**	**-**
NADEC Hilton Company	**51%**	**6,070,000**	**18,870,000**	**-**	**-**	**24,940,000**
Total		**124,628,841**	**18,870,000**	**(15,017,066)**	**(103,541,775)**	**24,940,000**

	Ownership (%)	**1 January 2025 (Audited) ⃁**	**Additions ⃁**	**Share of Results ⃁**	**Financial Guarantee* ⃁**	**31 December 2025 ⃁ (Audited)**
AlRaie National Livestock Company	**51%**	2,550,000	35,700,000	(4,708,652)	85,017,493	**118,558,841**
NADEC Hilton Company	**51%**	-	6,120,000	(50,000)	-	**6,070,000**
Total		**2,550,000**	**41,820,000**	**(4,758,652)**	**85,017,493**	**124,628,841**

*During 2025, the Group has provided financial guarantee to Agricultural Development Fund (ADF) in respect of loan granted to AlRaie 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.

11. EQUITY INVESTMENTS AT FVOCI

	Ownership (%)	**Historical Cost ⃁**	**30 June 2026 ⃁ (Unaudited)**	31 December 2025 ⃁ (Audited)	**Change in Fair Value 30 June 2026 ⃁**	Change in Fair Value 31 December 2025 ⃁
Arabian Mills for Food Products Company	10.41%	351,506,809*	**256,525,241**	206,737,335	**49,787,906**	(55,290,217)
National Company for Seed Production (Seeds)	13.99%	4,128,000	**3,082,000**	3,082,000	**-**	(2,133,000)
United Dairy Farms Company	8.26%	600,000	**2,604,000**	2,604,000	**-**	(3,180,000)
Net Equity Investments at FVOCI			**262,211,241**	212,423,335	**49,787,906**	(60,603,217)

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

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

12. ACQUISITION OF SUBSIDIARY (PREVIOUSLY A JOINT VENTURE)

On 31 May 2026, the Group acquired an additional 49% equity interest in AlRaie National Livestock Company, increasing its ownership from 51% to 100% and obtaining control of the Company. Prior to the acquisition date, the investment was accounted for as a joint venture using the equity method.

Included in the identifiable assets and liabilities acquired at the date of acquisition of AlRaie National Livestock Company are inputs (biological assets mainly representing breeding sheep and goats for slaughtering, Property, plant and equipment mainly represent planning and design cost paid for the new factory, right-of-use assets mainly consisting of leased farm land, inventories include feed and other consumables for livestock operations and cash).

The Group has determined that together the acquired inputs and processes significantly contribute to the ability to create revenue. The Group has concluded that the acquired set is a business.

Taking control of the AlRaie will enable the Group to strengthen and scale its livestock production operations through access to its established biological asset base, farming infrastructure and organized operating processes. The acquisition is also expected to enhance the Group's position in the livestock and agricultural market through access to AlRaie's existing production capabilities and customer relationships. In addition, the Group expects to achieve operational efficiencies and cost reductions through improved resource utilization, optimization of herd management processes and economies of scale.

For the six months ended 30 June 2026, AlRaie contributed revenue of ⃁ 4.5 million and loss of ⃁ 0.8 million to the Group's results. If the acquisition had occurred on 1 January 2026, management estimates that consolidated revenue for the group ("NADEC") for the six months period would have been ⃁ 1,798 million (After including first five months of AlRaie revenue of ⃁ 4 million) , and consolidated profit for the period ended would have been ⃁ 149.5 million (After including first five months of AlRaie net loss ⃁ 8.8 million). In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been roughly the same if the acquisition had occurred on 1 January 2026.

12.1 Consideration transferred

The consideration transferred and the fair value of the previously held interest are as follows:

	31 May 2026 ⃁ (Unaudited)
Cash consideration agreed to be paid for additional 49% interest	23,687,497
Fair value of previously held 51% interest	18,280,568
Total consideration	**41,968,065**

12.2 Identifiable assets acquired and liabilities assumed

The provisional fair values of the identifiable assets acquired, and liabilities assumed at the acquisition date are as follows:

	31 May 2026 ⃁ (Unaudited)
Property, plant and equipment	16,839,806
Right of use assets	2,183,127
Biological assets	16,135,485
Unamortized transaction cost	16,592,823
Inventory	312,516
Prepayment and other current assets	1,756,324
Cash and cash equivalent	9,187,880
Lease liabilities	(2,485,717)
Employee benefits obligation	(296,936)
Trade and other payables	(13,761,475)
Due to related parties	(9,635,064)
Zakat payable	(984,517)
Total identifiable net assets acquired	**35,844,252**

12. ACQUISITION OF SUBSIDIARY (PREVIOUSLY A JOINT VENTURE) – (CONTINUED)

12.2 Identifiable assets acquired and liabilities assumed (continued)

Prior to obtaining control of Al Rai National Livestock Company, the Group had recognized a financial guarantee liability in respect of the guarantee provided for AlRaie's financing obtained from the Agricultural Development Fund ("ADF"). The financing was secured by shareholder guarantees provided by the Group for its 51% interest and by the seller for the remaining 49% interest. The fair value of the Group's financial guarantee was initially recognized as an increase in the carrying amount of its investment in the joint venture, with a corresponding financial guarantee liability.

As part of the business combination, management assessed the acquisition-date fair value of the ADF financing in accordance with IFRS 3. The assessment concluded that the ADF financing was obtained on terms more favorable than those available in the market and that the favorable terms were supported by the shareholder guarantees. As the facility remained undrawn at the acquisition date, the related economic benefit was recognized as a right to obtain financing at below-market interest rates, rather than solely through the measurement of the borrowing liability.

Accordingly, the previously recognized financial guarantee liability relating to the Group's existing 51% interest, amounting to ⃁ 80.7 million, together with the financial guarantee liability assumed from the seller in respect of the additional 49% interest, amounting to ⃁ 81.4 million, were derecognized against the fair value of the right to obtain ADF financing at below-market interest rates, amounting to ⃁ 166.7 million. The net difference of ⃁ 4.566 million was recognized as a loss within the financing cost in the condensed consolidated statement of profit or loss. Consequently, these financial guarantee-related balances did not affect the identifiable net assets recognized as of business combination date.

No separate financial guarantee liability is recognized in the consolidated financial statements following the acquisition of control.

12.3 Goodwill

Goodwill arising from the acquisition has been recognized as follows.

	31 May 2026 ⃁ (Unaudited)
Total consideration	**41,968,065**
Less: Net identifiable assets acquired	**(35,844,252)**
Goodwill	**6,123,813**

The purchase price allocation is provisional and significant judgements are involved in determining the fair values of certain identifiable assets and liabilities. The Group expects to finalize the allocation within 12 months from the acquisition date.

13. BIOLOGICAL ASSETS (CURRENT)

	30 June 2026 ⃁ (Unaudited)	31 December 2025 ⃁ (Audited)
Crops (13.1)	**39,511,010**	32,570,895
Biological assets held for sale (13.2)	**71,654,509**	70,671,693
Total biological assets - current	**111,165,519**	103,242,588

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

13.1 Crops

	30 June 2026 ⃁ (Unaudited)	31 December 2025 ⃁ (Audited)
Beginning balance	**32,570,895**	29,793,740
Harvested to Inventories	**(84,619,378)**	(175,007,998)
Additions during the period/year	**91,559,493**	178,041,506
Loss arising from changes in fair value less cost to sell	**-**	(256,353)
Ending balance	**39,511,010**	32,570,895

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

13.2 Biological assets held for sale

	30 June 2026 ⃁ (Unaudited)	31 December 2025 ⃁ (Audited)
Beginning balance	**70,671,693**	55,479,869
Additions through birth during the period/year	**56,370,196**	127,002,262
Exclusions as a result of death	**(1,829,285)**	(3,757,722)
Exclusions as a result of sale	**(53,558,095)**	(108,052,716)
Ending balance	**71,654,509**	70,671,693

14. INVENTORIES

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

	30 June 2026 ⃁ (Unaudited)	31 December 2025 ⃁ (Audited)
Raw materials	**229,903,985**	254,194,512
Finished goods	**199,330,479**	207,462,208
Spare parts	**99,090,521**	98,825,500
Packaging materials	**73,312,730**	64,891,129
Agricultural products inventory	**67,575,159**	59,158,131
Fuel and oil	**18,945,575**	19,703,451
	688,158,449	704,234,931
Less: Allowance for inventory	**(53,757,295)**	(66,052,611)
	634,401,154	638,182,320

Movement in allowance for inventory:

	Six-month period ended 30 June 2026 ⃁ (Unaudited)	Six-month period ended 30 June 2025 ⃁ (Unaudited)
Beginning balance	**66,052,611**	93,962,568
Provision made during the period	**9,241,553**	5,451,396
Written offs	**(13,951,156)**	(26,001,412)
Transfer to accumulated depreciation – Property, plant and equipment	**(7,585,713)**	(59,208)
Ending balance	**53,757,295**	73,353,344

The facility obtained from ADF is secured by a mortgage over a specified percentage of the Group's inventory balance as per the facility agreement.

15. TRADE RECEIVABLES AND OTHER RECEIVABLES

	30 June 2026 ⃁ (Unaudited)	31 December 2025 ⃁ (Audited)
Trade receivables and other receivables	**593,650,677**	447,513,713
Impairment allowance for trade and other receivables	**(56,324,903)**	(129,366,583)
	537,325,774	318,147,130

16. PREPAYMENTS

16.1 PREPAYMENTS AND OTHER CURRENT ASSETS

	30 June 2026 ⃁ (Unaudited)	31 December 2025 ⃁ (Audited)
Advances to suppliers	**95,460,260**	100,491,833
Prepaid expenses	**29,658,842**	9,685,903
Interest receivable on Murabaha deposits	**8,699,891**	11,208,502
Staff receivables	**6,411,990**	6,754,850
Other current assets	**20,613,121**	16,864,708
	160,844,104	145,005,796

16.2 LONG TERM PREPAYMENTS

Long-term prepayments, presented within non-current assets, represent advances paid to suppliers in relation to capital expenditure projects amounted to ⃁ 73.68 million (31 December 2025: ⃁ 102 million). These prepayments will be made through the receipt of goods or services upon completion of the respective projects. The assets are carried at cost and are reviewed periodically to assess recoverability based on the status of the underlying capital projects.

Long-term prepayments also include unamortized transaction costs amounted to ⃁ 16.59 million (31 December 2025: Nil) related to an ADF loan facility, including loan processing fees acquired in a business combination.

17. TERM DEPOSITS

	30 June 2026 ⃁ (Unaudited)	31 December 2025 ⃁ (Audited)
Term Deposits *	**200,000,000**	650,000,000
	200,000,000	650,000,000

* The average rate on time deposit (Murabaha) for the period was 5.15% per annum with a maturity of more than three-month and less than one year.

18. CASH AND CASH EQUIVALENTS

	30 June 2026 ⃁ (Unaudited)	31 December 2025 ⃁ (Audited)
Cash at banks – Time Deposits *	**880,000,000**	700,000,000
Cash at banks - Current accounts	**170,532,295**	372,979,176
Cash in hand	**8,588,115**	7,373,911
	1,059,120,410	1,080,353,087

*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 at 30 June 2026 was between 4.77% and 5.15% (31 December 2025: between 5.10% and 6.35%) per annum for a period of three months or less. Bank deposits are placed in Islamic Murabaha accounts.

19. SHARE CAPITAL

The Company has 301,640,000 shares as at 30 June 2026 (31 December 2025: 301,640,000) issued and fully paid with a value of ⃁ 10 per share.

20. TREASURY SHARES

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

21. OTHER RESERVES

	⃁
Balance as at 1 January 2026 (Audited)	**(90,462,463)**
Changes	
Change in Fair value of Equity Investment at FVOCI	**49,787,906**
Foreign currency translation differences	**(5,025)**
Total adjustments to other components of equity	**49,782,881**
Balance as at 30 June 2026 (Unaudited)	**(40,679,582)**
Balance as at 1 January 2025 (Audited)	(29,760,699)
Changes	
Change in Fair value of Equity Investment at FVOCI	(60,603,217)
Actuarial Valuation adjustments to Other Reserves	3,359,355
Foreign currency translation differences	112,569
Reclassification of currency translation on closure of foreign operations	(3,570,471)
Total adjustments to other components of equity	(60,701,764)
Balance as at 31 December 2025 (Audited)	(90,462,463)

22. ISLAMIC MURABAHA LOANS AND BORROWINGS

			30 June 2026 (Unaudited)		31 December 2025 (Audited)	
	Currency	**Due Date**	**Nominal Value ⃁'000**	**Book Value ⃁'000**	Nominal Value ⃁'000	Book Value ⃁'000
Agricultural Development Fund Loan (22.1)	⃁	-	-	-	192,251	195,176
Saudi Industrial Development Fund (22.2)	⃁	2026-2028	**93,709**	**95,204**	87,215	87,306
Total Islamic Loans			**93,709**	**95,204**	279,466	282,482

The SIDF Islamic loans are interest free and fixed processing fee charged for the entire facility term of 7.5% and 3.7% charged by SIDF loans.

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

	30 June 2026 ⃁ (Unaudited)	31 December 2025 ⃁ (Audited)
Non-current liabilities		
Agricultural Development Fund (ADF)	**-**	833,707
Saudi Industrial Development Fund (SIDF)	**34,541,000**	46,105,000
	34,541,000	46,938,707
Current liabilities		
Current portion of long term		
Agricultural Development Fund (ADF)	**-**	833,707
Saudi Industrial Development Fund (SIDF)	**60,662,936**	41,200,479
	60,662,936	42,034,186
Short term loans		
Agricultural Development Fund (ADF)	**-**	193,508,956
	-	193,508,956

22. ISLAMIC MURABAHA LOANS AND BORROWINGS (CONTINUED)

The Islamic loan movement during the period was as follows:

	Six-month period ended 30 June 2026 ⃁ **(Unaudited)**	Six-month period ended 30 June 2025 ⃁ (Unaudited)
Opening balance	**282,481,849**	207,786,228
Proceed during the period	**228,991,000**	828,021,124
Interest cost incurred	**4,158,669**	10,559,748
Repayment during the period	**(414,748,720)**	(760,833,707)
Interest cost paid	**(5,678,862)**	(8,542,846)
Ending balance	**95,203,936**	276,990,547

22.1 Agricultural Development Fund Loans

During 2025, the Group granted a new facility agreement with the Agricultural Development Fund with a total facility amounting to ⃁ 220 million to financing Yellow Corn and Soyabean purchases. The amount of unused facility as at 30 June 2026 amounted to ⃁ Nill. The new facility is secured by a mortgage of specific assets owned by the Group. The balance of Islamic loans from Agricultural Development Fund as of 30 June 2026 amounted to ⃁ Nill and loan has been fully settled and close during the period ended 30 June 2026 (31 December 2025: ⃁ 195.2 million).

22.2 Saudi Industrial Development Fund Loans

During 2025, the Group granted two new facilities agreement with the Saudi Industrial Development Fund with a total facility amounting to ⃁ 32 million for agreement number 9428 for financing specific project, and ⃁ 75 million for agreement number 11809 for working capital financing. The amount of unused facility as at 30 June 2026 amounted to ⃁ 6.5 million. The new facilities is secured by a mortgage of specific assets owned by the Group. The balance of Islamic loans from Saudi Industrial Development Fund as of 30 June 2026 amounted to ⃁ 95 million (31 December 2025: ⃁ 87.3 million).

22.3 Covenants

The Islamic 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 2026, there has been no non-compliance with any of the covenants.

23. TRADE PAYABLES, ACCRUED EXPENSES AND OTHER PAYABLES

	30 June 2026 ⃁ **(Unaudited)**	31 December 2025 ⃁ (Audited)
Trade creditors	**337,024,924**	400,395,767
Accrued expenses*	**237,064,328**	293,958,705
Employee benefits	**32,944,586**	53,917,519
Advances from customers	**19,941,947**	10,079,571
Other payables	**42,721,679**	13,310,503
	669,697,464	771,662,065

* Accrued expenses include accrual against volume discounts and rental accrual costs, selling and distribution related accrual and other accruals.

24. FINANCIAL GUARANTEE LIABILITY

During 2025, the Group provided financial guarantee to Agricultural Development Fund (ADF) in respect of loan granted to AlRaie National Livestock Company (Al Raie), joint venture- previously, to the extent of its shareholding. The financial guarantee contract was accounted for under IFRS 9 as financial guarantee contract liabilities. During the period, this financial guarantee liability has been derecognized after obtaining the control over Al Raie. (Refer to note 12)

	30 June 2026 ⃁ **(Unaudited)**	31 December 2025 ⃁ (Audited)
Non-current portion of financial guarantee contract liability	-	77,332,296
Current portion of financial guarantee contract liability	-	4,803,248
Total financial guarantee	-	82,135,544

25. 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.

26. PROVISION FOR ZAKAT

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

The Zakat movement during the period/year was as follows:

	30 June 2026 **⃁** **(Unaudited)**	31 December 2025 ⃁ (Audited)
Opening balance	**61,366,835**	87,153,695
Zakat provision for current period/year	**19,150,000**	47,200,000
Zakat reversal for previous years	**-**	(3,700,000)
Total charged to Consolidated Statement of Profit or Loss	**19,150,000**	43,500,000
Zakat paid during the period/year	**(37,660,085)**	(61,046,138)
Zakat paid by customer on behalf NADEC	-	(8,240,722)
Liability acquired on the business combination (note 12)	**984,517**	-
Closing Balance	**43,841,267**	61,366,835

27. KEY RELATED PARTIES, TRANSACTIONS AND BALANCES

The Group is a government related entity since Public Investment Fund (PIF) being the sovereign wealth fund of the Kingdom of Saudi Arabia has significant influence on the Group. The Group transacts business with related parties which include transactions with entities which are either controlled or jointly controlled by PIF. The Group has used the 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 2026, the Group had recorded revenue by ⃁ 27.2 million from government entities (For the six -month period ended 30 June 2025: ⃁ 105.6 Million). As of 30 June 2026, receivable included ⃁ 31.25 million from government entities (31 December 2025: ⃁ Nil), and Payable Islamic loans amounting to ⃁ 95.2 million to government entities (31 December 2025: ⃁ 282.4 million).

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

			Receivables/ (Payables) Balance	***Sales/ (purchases)***	***Payments/ (collections)***	***Receivables/ (Payables) Balance***
Company	***Relationship with NADEC***	***Nature of Transaction***	***1 January 2026 ⃁ (Audited)***	***Movement during 2026 ⃁***		***30 June 2026 ⃁ (Unaudited)***
NADEC Hilton Company	Joint Venture	Expenses paid on behalf	**49,125**	**(1,676,019)**	**1,626,894**	**-**
The Saudi Agricultural and Livestock Investment Company (SALIC)	Shareholder	Secondment agreement	**86,250**	**(494,916)**	**494,916**	**86,250**

Company	***Relationship with NADEC***	***Nature of Transaction***	***1 January 2025 ⃁ (Audited)***	***Movement during 2025 ⃁***		***31 December 2025 ⃁ (Audited)***
AlRaie National Livestock Company	Joint Venture	Expenses paid on behalf	6,172,209	64,895	825,173	7,062,277
NADEC Hilton Company	Joint Venture	Expenses paid on behalf	-	-	49,125	49,125
The Saudi Agricultural and Livestock Investment Company (SALIC)	Shareholder	Secondment agreement	-	(573,034) 86,250	573,034 -	86,250

Transactions with Key Management Personnel:

	Six-month period ended 30 June 2026 **⃁** **(Unaudited)**	Six-month period ended 30 June 2025 ⃁ (Unaudited)
Short-term benefits	**19,648,442**	21,818,582
Long-term benefits	**563,147**	742,542
Total Benefits of Senior Management Personnel	**20,211,589**	22,561,124

28. 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 do not vary significantly.

	30 June 2026 ⃁ **(Unaudited)**	31 December 2025 ⃁ (Audited)	**FV level**
Financial Assets at Fair Value			
Equity Investments at FVOCI - Arabian Mills for Food Products Company	**256,525,241**	206,737,335	Level 1
Equity Investment at FVOCI – Other investment	**5,686,000**	5,686,000	Level 2
Total Financial Assets at Fair Value	**262,211,241**	212,423,335	
Financial Assets at Amortized Cost			
Trade receivable and other receivables	**537,325,774**	318,147,130	
Term deposit	**200,000,000**	650,000,000	
Cash and cash equivalents	**1,059,120,410**	1,080,353,087	
Total Financial Assets at Amortized Cost	**1,796,446,184**	2,048,500,217	
Total Financial Assets	**2,058,657,425**	2,260,923,552	
Financial Liabilities at Amortized Cost			
Trade payables, accrued expenses and other payables	**598,866,435**	735,643,467	
Islamic Murabaha loans	**95,203,936**	282,481,849	
Lease liabilities	**307,457,589**	288,847,354	
Financial guarantee liability	**-**	82,135,544	
Total Financial Liabilities at Amortized Cost	**1,001,527,960**	1,389,108,214	
Total Financial Liabilities	**1,001,527,960**	1,389,108,214	

29. CLIMATE CHANGE

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

30. COMMITMENT AND CONTINGENCIES

Capital commitments

Capital commitments amounted to ⃁ 171.1 million against contracts for the supply of property, plant and equipment as at 30 June 2026 (31 December 2025: ⃁ 110.3 million).

Letters of credit and Letters of guarantee

The Group has not issued any letters of credit and guarantees on behalf of third parties during the six-month period ended 30 June 2026.

31. 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 Interim Financial Statements that require disclosure or adjustment in these Condensed consolidated Interim Financial Statements.

32. APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements for the six-month period ended 30 June 2026 were approved by the Board of Directors and authorized for issue on 5 Safar 1448H (corresponding to 19 July 2026).