

**AL-JOUF AGRICULTURAL DEVELOPMENT  
COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS (unaudited)  
For the three-months period ending on  
31 March 2026  
AND INDEPENDENT AUDITOR'S REVIEW  
REPORT**

**AL-JOUF AGRICULTURAL DEVELOPMENT COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)**  
**For the three-months period ending 31 March 2026**

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## INDEPENDENT AUDITOR'S REVIEW REPORT

To Shareholders  
Al-Jouf Agricultural Development Company  
Al-jouf - Kingdom of Saudi Arabia

### Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al-Jouf Agricultural Development Company ("the Company") and its subsidiary (together referred to as the "Group") as at March 31, 2026, and the interim condensed consolidated financial statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and other explanatory notes.

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

### Conclusion

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

For BDO Dr. Mohamed Al-Amri & Co.

Maher Al-Khatieb  
Certified Public Accountant  
License No. 514



Jeddah, on: 26/11/1447(H)  
Corresponding to: 13/05/2026(G)

**AL-JOUF AGRICULTURAL DEVELOPMENT COMPANY**  
(A SAUDI JOINT STOCK COMPANY)  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
(All amounts in ﷻ unless otherwise stated)

<u>Assets</u>	<u>Note</u>	<u>31 March 2026</u> <u>(Unaudited)</u>	<u>31 December 2025</u> <u>(Audited)</u>
<b>Non-Current Assets</b>			
Property, plant and equipment		804,248,029	797,391,063
Investments at fair value through Profit or Loss	5-1	8,179,027	6,681,535
Intangible assets		1,074,903	1,149,349
Right of use assets		5,762,161	6,106,682
<b>Total Non-Current Assets</b>		<b>819,264,120</b>	<b>811,328,629</b>
<b>Current Assets</b>			
Inventory		284,957,277	229,527,552
Biological assets		113,578,100	53,182,359
Trade Receivable		147,824,737	162,742,173
Prepayments and other receivables		24,128,512	15,888,354
Investments at fair value through Profit or Loss	5-2	11,126,000	11,126,000
Cash and cash equivalents		34,943,142	15,728,969
<b>Total Current Assets</b>		<b>616,557,768</b>	<b>488,195,407</b>
<b>Total Assets</b>		<b>1,435,821,888</b>	<b>1,299,524,036</b>
<b>Equity And Liabilities</b>			
<b>Equity</b>			
Share capital	6	300,000,000	300,000,000
Statutory reserve	7	150,000,000	150,000,000
Retained earnings		340,533,346	348,978,519
<b>Total Equity</b>		<b>790,533,346</b>	<b>798,978,519</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Loans and facilities - non-current portion	8	216,656,729	214,910,099
Lease liability - non-current portion		2,326,763	3,579,170
Employee defined benefit obligations		29,102,960	28,341,864
<b>Total Non-Current Liabilities</b>		<b>248,086,452</b>	<b>246,831,133</b>
<b>Current Liabilities</b>			
Loans and facilities - Current portion	8	173,509,879	116,416,215
Lease liability - Current portion		3,533,984	2,675,756
Trade payables		161,463,945	74,893,134
Accruals and other current liabilities		19,952,385	32,387,382
loan guarantee Provision		2,250,045	2,250,045
Dividends payable to shareholders		31,661,040	21,161,040
Zakat provision		4,830,812	3,930,812
<b>Total current liabilities</b>		<b>397,202,090</b>	<b>253,714,384</b>
<b>Total liabilities</b>		<b>645,288,542</b>	<b>500,545,517</b>
<b>Total Equity and Liabilities</b>		<b>1,435,821,888</b>	<b>1,299,524,036</b>

Authorized Board Member

Miqad Abdullah AlKhamis



Chief Executive Officer

Mazen Badawood



Chief Financial Officer

Ziad Atjaafreh



The accompanying notes from (1) to (15) are an integral part of these interim condensed consolidated financial statements

**AL-JOUF AGRICULTURAL DEVELOPMENT COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER**  
**COMPREHENSIVE INCOME**  
**(All amounts in Saudi Riyals unless otherwise stated)**

	Note	For the three-month period ended 31 March	
		2026 (Unaudited)	2025 (Unaudited)
Sales		167,675,292	170,593,172
Cost of sales		(140,330,292)	(102,232,012)
<b>Gross profit</b>		<b>27,345,000</b>	<b>68,361,160</b>
Selling and distribution expenses		(12,930,683)	(12,374,010)
General and administrative expenses		(10,296,395)	(14,371,495)
<b>Operating profit</b>		<b>4,117,922</b>	<b>41,615,655</b>
Financing Cost		(2,942,882)	(2,451,841)
Unrealized losses from investment at fair value through profit or loss		(378,108)	(3,171,031)
Other expenses and revenue, Net		2,157,895	(435,746)
<b>Profit before Zakat</b>		<b>2,954,827</b>	<b>35,557,037</b>
Zakat		(900,000)	(900,000)
<b>Net profit for the period</b>		<b>2,054,827</b>	<b>34,657,037</b>
<b>Other comprehensive income items</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Re-measurement of employees' defined benefit obligations		-	-
Total other comprehensive income items		-	-
<b>Total comprehensive income</b>		<b>2,054,827</b>	<b>34,657,037</b>
Basic and diluted earnings per share	9	<b>0.07</b>	<b>1.16</b>

**Authorized Board Member**

Miqad Abdullah AlKhamis

**Chief Executive Officer**

Mazen Badawood

**Chief Financial Officer**

Ziad AlJaafreh

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**AL-JOUF AGRICULTURAL DEVELOPMENT COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**(All amounts in Saudi Riyals unless otherwise stated)**

	Share Capital	Statutory Reserve	Retained Earnings	Total Equity
<b>For the three months ended 31 March 2025</b>				
Balance at 1 January 2025 (Audited)	300,000,000	150,000,000	304,941,616	754,941,616
Net profit for the period	-	-	34,657,037	34,657,037
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	34,657,037	34,657,037
Dividends	-	-	(15,000,000)	(15,000,000)
Balance at 31 March 2025 (Unaudited)	300,000,000	150,000,000	324,598,653	774,598,653
<b>For the three months ended 31 March 2026</b>				
Balance at 1 January 2026 (Audited)	300,000,000	150,000,000	348,978,519	798,978,519
Net profit for the period	-	-	2,054,827	2,054,827
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	2,054,827	2,054,827
Dividends	-	-	(10,500,000)	(10,500,000)
Balance at 31 March 2026 (Unaudited)	300,000,000	150,000,000	340,533,346	790,533,346

**Authorized Board Member**

Miqad Abdullah AlKhamis

**Chief Executive Officer**

Mazen Badawood

**Chief Financial Officer**

Ziad Aljaafreh

The accompanying notes from (1) to (15) are an integral part of these interim condensed consolidated financial statements

**AL-JOUF AGRICULTURAL DEVELOPMENT COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**(All amounts in Saudi Riyals unless otherwise stated)**

	<b>For the three-months period ended 31 March</b>	
	<b>2026 (Unaudited)</b>	<b>2025 (Unaudited)</b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>		
Profit for the period before zakat	2,954,827	35,557,037
<b>Adjustments for:</b>		
Depreciation and amortization	18,363,887	19,307,211
Provision for slow moving inventory	(267,503)	-
Provision/(Reversal) of expected credit losses	600,000	(1,114,660)
Finance cost	2,942,882	2,451,841
Provision for employees defined benefit obligations	1,121,553	1,068,739
Unrealized losses from investment at fair value through profit or loss	378,108	3,171,031
<b><u>Changes in operating assets and liabilities</u></b>		
Inventory	(55,162,222)	(9,374,106)
Biological assets	(60,395,741)	(74,926,233)
Trade receivables	14,317,436	(19,152,149)
Prepayments and other receivables	(7,160,297)	(2,866,605)
Trade payables	86,570,811	96,857,151
Accruals and other current liabilities	(12,434,997)	(24,288,296)
Cash (used in) / generated from operating activities	<b>(8,171,256)</b>	<b>26,690,961</b>
Employees defined benefit obligations paid	(360,457)	(188,113)
<b>Net cash (used in) / generated from operating activities</b>	<b>(8,531,713)</b>	<b>26,502,848</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Additions of property, plant, and equipment	(23,360,661)	(26,067,564)
Payment of investment at fair value through the profit and loss	(1,875,600)	(9,403,750)
Intangible asset additions	-	(120,966)
<b>Net cash used in investing activities</b>	<b>(25,236,261)</b>	<b>(35,592,280)</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Net movement in loans and facilities	53,737,690	7,802,415
Payments of lease liabilities	(755,543)	(932,466)
Dividends paid	-	(400)
<b>Net cash generated from financing activities</b>	<b>52,982,147</b>	<b>6,869,549</b>
Net change in cash and cash equivalents	19,214,173	(2,219,883)
Cash and cash equivalents as at the beginning of the period	15,728,969	13,601,660
<b>Cash and cash equivalents as at the end of the period</b>	<b>34,943,142</b>	<b>11,381,777</b>
<b>Non-cash Transaction</b>		
Additions to the assets of the right of use	361,364	-
Amortization of loan and facilities costs	1,079,861	1,840,530
Dividend declared	10,500,000	15,000,000

Authorized Board Member  
Miqad Abdullah AlKhamis



Chief Executive Officer  
Mazen Badawood



Chief Financial Officer  
Ziad Aljaafreh



The accompanying notes from (1) to (15) are an integral part of these interim condensed consolidated financial statements

**AL-JOUF AGRICULTURAL DEVELOPMENT COMPANY**  
(A SAUDI JOINT STOCK COMPANY)  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE- MONTH PERIOD ENDING ON 31 March2026**  
(All amounts in ﷻ unless otherwise stated)

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**1. COMPANY’S MAIN ACTIVITIES:**

Al-Jouf Agricultural Development Company (“the Company”) is a Saudi Joint Stock Company registered under the commercial register issued by the Sakaka city with the number 3400004730 and issued on Jumada Al-Awwal 9, 1409H (corresponding to December 18, 1988G). The Company operates under Ministerial Resolution No. (63) Issued by the Ministry of Commerce and Investment on Rabi 'Al-Akher 24, 1409H (corresponding to December 3, 1988 G).

The company engaged in the agricultural of potatoes and sweet potatoes, palm agriculture, dates production, olive agriculture, beekeeping and honey production (apiaries) under license number 3130298379 dated 7/11/1437H issued by the Ministry of Environment, Water and Agriculture, installation of agricultural houses, rendering agricultural services, fresh olive and olive oil and pickled olives, cosmetic soap and charcoal.

Harvest Seeds Company - a single-member limited liability company - is a wholly owned subsidiary established on 17 July 2025 with a share capital of SAR 200,000. The subsidiary was established in line with the Company’s strategy to expand its agricultural activities. Its business activities include the cultivation of cereal crops excluding rice, leguminous crops, and oilseeds; cultivation of other non-perennial crops; plant propagation; mixed farming (combined crop and livestock production without specialization); support activities for crop production; post-harvest crop activities; seed processing for propagation; wholesale trade of agricultural raw materials and live animals; and storage.

The Company’s head office is located in Al-Jouf region - Buseita - Sakaka PO box 321.

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

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

These interim condensed consolidated financial statements have been prepared in 31 March 2026 accordance with International Accounting Standard 34, “Interim Financial Reporting” “IAS 34” that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”). The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements. They should be read in conjunction with the company’s annual consolidated financial statements as at 31 December 2025.

**2.2 BASIS OF MEASUREMENT**

The condensed interim consolidated financial statements have been prepared on the basis of historical cost, except where IFRS Accounting Standards require or permit measurement at other valuation methods.

**2.3 FUNCTIONAL CURRENCY**

The financial statements are presented in Saudi Riyal, which is also the functional and presentational currency of the Company.

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(All amounts in ﷲ unless otherwise stated)

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### **3. ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of the condensed interim consolidated financial statements requires management to use judgments and estimates that affect the application of accounting policies to the amounts recognized for assets, liabilities, revenues, and expenses. Actual results may differ from these estimates. The estimates and assumptions are based on past experience and factors that include expectations of future events considered relevant to the circumstances and used to assess the reporting period for assets and liabilities not independent of other sources.

Estimates and assumptions are continuously reviewed. Accounting estimates recorded in the period are reviewed during the review period and future periods if changes in estimates impact current and future periods.

The significant judgments made by management when applying the company's accounting policies are consistent with those disclosed in the previous year's consolidated financial statements in 31 December 2025.

#### **Going Concern**

The company's management has made an assessment of the company's ability to continue to carry out its business in accordance with the principle of going concern and the company is convinced that it has the resources to continue its business in the foreseeable future. Also, management is not aware of any material uncertainties that may affect the company's ability to continue its business. Accordingly, these financial statements have been prepared on a going concern basis.

### **4. SIGNIFICANT ACCOUNTING POLICIES**

#### **4.1 Significant accounting policies**

The accounting policies applied in preparing the interim condensed consolidated financial statements are consistent with those used in preparing the Company's consolidated financial statements for the year ended December 31, 2025.

#### **4.2 New standards, amendments and interpretations applied by the Company**

New standards and a set of amendments to standards have been issued that are effective from January 1, 2026 and have been explained in the Company's annual financial statements, but they do not have a material impact on the Company's interim condensed consolidated financial statements.

### **5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS**

#### **5.1 Investments at Fair Value Through Profit or Loss (Non-Current)**

On March 10, 2025, Al Jouf Agricultural Development Company entered into a subscription agreement with the Korean company "E Green Global" for convertible debt instruments into equity shares, for a total amount of ﷲ 15 million, equivalent to USD 4 million. It was agreed that the debt instruments would be issued and subscribed for in three unequal tranches.

The first and second tranches, amounting to ﷲ 11.2 million, equivalent to USD 3 million, were subscribed for, and their fair value as at March 31, 2026 amounted to ﷲ 8.1 million.

The issuance of the remaining final tranche of the debt instruments will be completed in accordance with the progress of the stages of potato seed production at the Company's premises in Al Jouf region.

The Company classified this investment in debt instruments as an "investment at fair value through profit or loss", as the investment in the debt instruments did not meet the business model test required to apply measurement either at amortized cost or at fair value through other comprehensive income, in accordance with the requirements of IFRS 9 - Financial Instruments.

**AL-JOUF AGRICULTURAL DEVELOPMENT COMPANY**  
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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
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(All amounts in ﷲ unless otherwise stated)

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**5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)**

**5.2 Investments at Fair Value Through Profit or Loss (Current)**

- a. The company holds a direct ownership interest of 8.6% in Rakhaa Agricultural Investment and Development Company (unlisted). The fair value of the investment was estimated using the discounted cash flow model. The valuation required management to make certain assumptions regarding the model inputs, including expected cash flows, discount rate, credit risk, and volatility. The investment balance as of March 31, 2026, amounted to ﷲ 11.1 million (2025: ﷲ 11.1 million).
- b. In 2009, Rakhaa Agricultural Investment and Development Company obtained a loan of ﷲ 100 million from the Saudi Fund for Development, secured by guarantees provided by the partners. Due to Rakhaa's inability to repay the loan, Al-Jouf Agricultural Development Company recognized its share of the loan against the guarantee provided in favor of the Saudi Fund for Development. Subsequently, the loan balance was converted by the shareholders and used to support the company, with partners committing to continue repayment to the Saudi Fund for Development. Later, the partners of Rakhaa Agricultural Investment and Development Company agreed with the Saudi Fund for Development to transfer the debt to the companies. As of March 31, 2026, the outstanding balance amounted to ﷲ 2.2 million

**6. SHARE CAPITAL**

The company's share capital is 300 million Saudi riyals, divided into 30 million shares, with a nominal value of 10 Saudi riyals per share (December 31, 2025: 30 million shares).

**7. STATUARY RESERVE**

According to the previous company's regulations in the Kingdom of Saudi Arabia and the company's by laws, its required to transfer 10% of the net profit for the year to statutory reserve. The General Assembly may decide to suspend this allocation when the reserve reaches 30% of the paid-up capital. The General Assembly, in its meeting held on May 6, 2020, decided to suspend the allocation to the statutory reserve due to the reaching 50% of the capital.

**8. LOANS AND FACILITIES**

**Loans consist of the following:**

- On February 7, 2022, the Company entered into a long-term loan agreement with the Agricultural Development Fund to finance the construction of a French fries plant, in the amount of ﷲ 186 million. The installments are due for repayment starting from 2025 in equal annual installments and ending in 2034. On November 7, 2024, the Company signed a supplementary agreement to the original loan agreement with the Agricultural Development Fund to finance the same project for an additional amount of ﷲ 17.4 million. Repayment of this loan will commence in equal annual installments together with the original agreement, starting from 2025 and ending in 2034. An amount of ﷲ 14 million of the loan was received during 2025. The loan is secured by a mortgage over one of the land title deeds owned by the Company. The loan balance as at March 31, 2026 amounted to ﷲ 155 million (December 31, 2025: ﷲ 175.8 million).
- On October 8, 2025, the Company entered into a long-term loan agreement with the Agricultural Development Fund to finance the expansion of the French fries plant, in the amount of ﷲ 81.9 million. The installments are due for repayment starting from 2028 in equal annual installments and ending in 2037. The first tranche of the loan was received during the current period in the amount of ﷲ 20 million. The loan is secured by the same land title deed mortgaged to the Fund. The loan balance as at March 31, 2026 amounted to ﷲ 20.2 million.

**AL-JOUF AGRICULTURAL DEVELOPMENT COMPANY**  
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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
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(All amounts in ﷲ unless otherwise stated)

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**8. LOANS AND FACILITIES (CONTINUED)**

- On October 31, 2025, the Company entered into a loan agreement with the Saudi Industrial Development Fund to finance working capital in the amount of ﷲ 80 million. The loan amount is repayable in four equal installments; the first installment is due one year from the date of disbursement, and the remaining installments are due every four months from the repayment date of the first installment. The loan balance as at March 31, 2026 amounted to ﷲ 77.5 million .
- On January 2, 2025, the Company entered into Shariah-compliant credit facilities agreement with Banque Saudi Fransi in the amount of ﷲ 160 million, for the purposes of opening letters of credit, issuing letters of guarantee, and financing the expansion project of the frozen potato plant. The facilities bear a fixed commission rate in addition to SAIBOR. The loan balance as at March 31, 2026 amounted to ﷲ 116 million..
- On September 10, 2025, the Company entered into Shariah-compliant credit facilities agreement with Alinma Bank in the amount of ﷲ 20 million, for the purpose of financing working capital. The facilities bear a fixed commission rate in addition to SAIBOR.

**9. EARNING PER SHARE**

**9.1 Basic Earnings per Share**

Basic earnings per share has been calculated based on the profit distributable to shareholders of ordinary shares and the weighted average number of shares existing on the date of the interim condensed consolidated financial statements amounting to 30 million shares.

	<u>For the three months period ended 31 March (Unaudited)</u>	
	<u>2026</u>	<u>2025</u>
Profit for the period	2,054,827	34,657,037
Weighted average number of shares	30,000,000	30,000,000
Basic and diluted earnings per share (EPS) from net profit for the period	0.07	1.16

Basic and diluted earnings per share are calculated by dividing the net income attributable to the shareholders of the Company by the weighted average number of ordinary shares outstanding. During the period, there were no dilutive shares; therefore, diluted earnings per share is not different from basic earnings per share.

**10. DIVIDENDS**

During the period, the Company declared cash dividends to its shareholders for the third and fourth quarters of the financial year 2025, with a total amount of ﷲ 10.5 million, representing ﷲ 0.35 per share (March 31, 2025: ﷲ 15 million, representing ﷲ 0.50 per share).

**11. FINANCIAL INSTRUMENTS - RISK MANAGEMENT**

Financial instruments included in the interim condensed consolidated statement of financial position consist mainly of cash, trade receivables, other current assets, loans, trade payables, accrued expenses, and other current liabilities.

## 11. FINANCIAL INSTRUMENTS - RISK MANAGEMENT (CONTINUED)

### 11.1 Foreign currency

Currency risk arises from changes and fluctuations in the value of financial instruments due to changes in foreign exchange rates.

The Company did not conduct any material transactions in currencies other than Saudi Riyals and US Dollars. Since the Saudi Riyal exchange rate is fixed against the US Dollar, the Company's management believes that the Company is not materially exposed to currency risk.

### 11.2 Credit risk

Credit risk is the risk that one party will not be able to fulfill its obligations and cause the other party to incur a financial loss. The Company's financial instruments that are subject to credit risk include mainly cash and cash equivalents and trade receivables, and investment in debt instruments at fair value through profit or loss. The Company deposits its funds in banks with high reliability and creditworthiness. The Company has a policy regarding the size of funds deposited in each bank, and the management does not expect the existence of significant credit risks resulting from this. Management also does not expect significant credit risk to arise from customer accounts, as the Company has a diversified customer base operating across various activities and geographical locations. In addition, the Company periodically monitors outstanding trade receivables to provide for any amounts expected to be uncollectible. Furthermore, management does not expect significant credit risk to arise from investments in debt instruments at fair value through profit or loss, as the Company has legally binding agreements and scheduled repayment programs for collection of the outstanding amounts..

### 11.3 Interest rate risk

Interest rate risk is the risk that the value of financial instruments or the associated cash flows will fluctuate due to changes in interest rates. The company's exposure to the risk of changes in interest rates in the market is mainly related to the company's long-term debt with changes in interest rates, and since all long-term obligations carry at fixed interest rates, the company is not exposed to the risk of higher interest rates on obligations, especially loans granted by the Agricultural Development Fund and the Saudi Industrial Development Fund.

### 11.4 Liquidity risk

Liquidity risk is the inability of the Company to meet its liabilities related to financial liabilities as they fall due. Liquidity needs are monitored on a monthly basis and the management works to ensure that sufficient funds are available to meet any commitments when they are due.

The Company's financial liabilities consist of loans, trade payables, and other credit balances, and the Company works to reduce liquidity risk by ensuring that the necessary cash is available, in addition to making a harmonization between collection periods of trade receivables, loan repayment periods, trade and other credit balances.

### 11.5 Fair Value

The fair value is the price that is received to sell an asset or paid to transfer any of the liabilities in a transaction under regular conditions between market participants at the measurement date. As such, differences can arise between the carrying values and the fair value estimates. The definition of fair value is based on market-based measurement and assumptions used by market participants.

Fair values are classified into different levels in the fair value hierarchy based on the inputs used in the valuation methods as follows:

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(A SAUDI JOINT STOCK COMPANY)  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
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(All amounts in ﷲ unless otherwise stated)

**11. FINANCIAL INSTRUMENTS - RISK MANAGEMENT (CONTINUED)**

**11.5 Fair Value (Continued)**

**Level 1:** Quoted market prices in active markets for the same financial instrument.

**Level 2:** Valuation techniques that depend on inputs that affect the fair value and can be directly or indirectly observable in the market.

**Level 3:** Valuation techniques that rely on inputs that affect the fair value and are not directly or indirectly observable in the market.

All financial assets and liabilities of the Company are stated at amortized cost, except for investments at fair value through profit or loss. Management believes that the fair values of the Company's current financial assets and liabilities do not differ materially from their carrying amounts.

**11.6 Agricultural Risk Management**

Severe Operational Disruption (Fire, Flood, etc.) The Company is prepared to respond to operational disruptions to minimize losses and maintain continuity. The effective Business Continuity Plan is reviewed periodically and made flexible to the changing nature of operational disruptions. Risk assessment is conducted continuously to identify potential events that could cause significant disruptions. The risk of business disruption due to flooding is avoided through the design of the farms. The agricultural buildings are constructed in areas that are not subject to flash floods and are also elevated above ground level.

**12. SEGMENT REPORTING**

The main activity of the company consists of segments that include agricultural production, both plant and manufacturing, and marketing of plant and industrial products. The following is a list of the selected segments information on March 31, 2026, and March 31, 2025 for each segment:

	Agricultural activity - Plants	Agricultural activity - Manufacturing	Total
<b>31 March 2026 (Unaudited)</b>			
Revenue	5,039,097	162,636,195	167,675,292
Depreciation and amortization	5,640,141	12,723,746	18,363,887
Net (loss) / profit for the period	(4,101,691)	6,156,518	2,054,827
Total Assets	319,369,040	1,116,452,848	1,435,821,888
	Agricultural activity - Plants	Agricultural activity - Manufacturing	Total
<b>31 March 2025 (Unaudited)</b>			
Revenue	7,249,280	163,343,892	170,593,172
Depreciation and amortization	7,288,777	12,018,434	19,307,211
Net (loss) / profit for the period	(820,602)	35,477,639	34,657,037
Total Assets	330,685,243	945,309,125	1,275,994,368

**13. CONTINGENT LIABILITIES**

As at March 31, 2026, the Company had contingent liabilities in the form of outstanding letters of guarantee and letters of credit amounting to approximately ﷲ 31.8 million (December 31, 2025: ﷲ 42.2 million).

**AL-JOUF AGRICULTURAL DEVELOPMENT COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE- MONTH PERIOD ENDING ON 31 March2026**  
**(All amounts in ﷲ unless otherwise stated)**

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**14. COMPARISON FIGURES**

Certain comparative figures for the prior period have been reclassified to conform to the presentation of the current period's figures.

**15. APPROVAL OF THE FINANCIAL STATEMENTS**

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on 18 Dhul Qadah 1447H, corresponding to May 5, 2026.