

TABUK AGRICULTURAL DEVELOPMENT COMPANY “TADCO”

A SAUDI JOINT STOCK COMPANY

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025
WITH THE INDEPENDENT AUDITOR’S REVIEW REPORT

TABUK AGRICULTURAL DEVELOPMENT COMPANY “TADCO”

A SAUDI JOINT STOCK COMPANY

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

WITH THE INDEPENDENT AUDITOR’S REVIEW REPORT

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

INDEX**Page**

- Independent auditor’s review report on the interim condensed consolidated financial statements	1 - 2
- Interim Condensed Consolidated Statement of financial position	3
- Interim Condensed Consolidated Statement of profit or loss and other comprehensive income	4
- Interim Condensed Consolidated Statement of changes in shareholders’ equity	5
- Interim Condensed Consolidated Statement of cash flows	6
- Notes to the Interim condensed Consolidated Financial Statements	7 - 21



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

TO THE SHAREHOLDERS OF

TABUK AGRICULTURAL DEVELOPMENT COMPANY "TADCO"

A SAUDI JOINT STOCK COMPANY

RIYADH, KINGDOM OF SAUDI ARABIA

INTRODUCTION

We have reviewed the accompanying interim condensed consolidated statement of financial position of Tabuk Agricultural Development Company "TADCO (a Saudi joint stock company) (the "Company") (and its subsidiaries together "the Group) as of 30 September 2025 and the interim condensed consolidated statements profit or loss and other comprehensive income for the three and nine-month periods then ended, and the interim condensed consolidated statements of changes in equity and cash flows for the nine -month period then ended, and other explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") 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 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 financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

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

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note (2-4) to the condensed consolidated interim financial statements, which indicate that the Group's accumulated losses amounted to SR 256,588,425 as of 30 September 2025, representing 65.5% of the share capital. The Group's current liabilities also exceeded its current assets, resulting in a working capital deficit of SR 155,492,717. In addition, the Group reported negative cash flows from operating activities of SR 14,697,809. We also draw attention to Notes (9) and (17), which disclose that the Company faced several legal cases filed against it, and during the period, enforcement judgments were issued that resulted in the seizure of the Company's bank accounts. These matters indicate the existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The accompanying interim condensed consolidated financial statements have been prepared based on the going concern assumption. Our conclusion has not been modified in respect of this matter.

**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)**

**TO THE SHAREHOLDERS OF
TABUK AGRICULTURAL DEVELOPMENT COMPANY "TADCO"**

A SAUDI JOINT STOCK COMPANY
RIYADH, KINGDOM OF SAUDI ARABIA

EMPHASIS OF MATTER

As disclosed in Note (3) to the interim condensed consolidated financial statements, the interim condensed consolidated financial statements of the Group include the financial information of Masader Agricultural Feed Company (a subsidiary). The ownership of the assets and all operational activities have not been transferred to Masader Agricultural Feed Company in accordance with the assignment agreement signed between the owner of the establishment (one of the partners) and Masader Agricultural Feed Company. Our conclusion has not been modified in respect of this matter.

Other Matters

- The interim condensed consolidated financial statements of the Group as of and for the nine-month period ended 30 September 2024, were reviewed by another auditor, who expressed an unmodified conclusion on those interim condensed consolidated financial statements on 11 Jumada Al Awal 1446H (corresponding to 13 November 2024). The consolidated financial statements of the Group for the year ended 31 December 2024, were also audited by the same auditor, who issued an unmodified opinion on those financial statements on 11 Shawwal 1446H (corresponding to 9 April 2025).
- The shareholders, in the Ordinary General Assembly meeting held on 28 Dhul-Hijjah 1446H (corresponding to 24 June 2025), did not approve the auditor's report on the Group's consolidated financial statements for the year ended 31 December 2024, which was issued on 11 Shawwal 1446H (corresponding to 9 April 2025).
- The Company's Articles of Association have not been amended to date to comply with the new Companies Law.

For Alzoman, Alfahad & Alhajjaj Professional Services

Zaher Abdullah Alhajjaj
Certified Public Accountant
License No. 562



Riyadh, Saudi Arabia

Date: 22 Jumada al Ula 1447H
Corresponding to: 13 November 2025

TABUK AGRICULTURAL DEVELOPMENT COMPANY "TADCO"

A SAUDI JOINT STOCK COMPANY

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)

AS AT 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Assets			
Non-Current Assets			
Property, plant and equipment, net	5	170,913,352	181,109,579
Investments in associate companies through equity method	6/1	146,190,307	131,385,313
Investments at fair value through OCI	6/2	1,131,600	1,131,600
Total Non-Current Assets		318,235,259	313,626,492
Current Assets			
Trade receivables, net	14	2,112,877	4,147,696
Inventory, net	7	12,933,888	20,285,480
Biological assets	8	18,773,685	23,826,006
Government grants		336,667	1,851,667
Property, plant and equipment held for sale		-	35,628
Prepayments and other receivables, net		4,171,812	2,721,922
Cash and cash balances	9	6,695,247	1,143,798
Total current assets from continued operations		45,024,176	54,012,197
Total assets from discontinued operations	10	18,058,647	20,509,115
Total Assets		381,318,082	388,147,804
Shareholders' Equity and Liabilities			
Shareholders' Equity			
Share capital	1	391,767,000	391,767,000
Other reserves		1,858,734	1,858,734
Re-measurement reserve of employee benefit obligations		453,513	(165,415)
Foreign currency translation reserve		(7,168,802)	(7,283,311)
Fair value reserve		718,800	718,800
Accumulated losses		(256,588,425)	(207,410,618)
Total equity attributable to shareholders of the Company		131,040,820	179,485,190
Equity for non-controlling interest		472,740	500,000
Total Shareholders' Equity		131,513,560	179,985,190
Liabilities			
Non-Current Liabilities			
Long term loan - non-current portion	11	15,977,156	3,381,366
Employee defined benefit obligations		15,251,826	14,821,030
Total Non-Current Liabilities		31,228,982	18,202,396
Current Liabilities			
Long-term loans - current portion	11	65,848,264	63,594,054
Trade payables		51,170,892	38,423,168
Provision for removal and transportation		1,277,200	1,277,200
Deferred revenues		336,667	1,851,667
Accrued expenses and other payables		46,707,077	35,569,996
Due to related parties	12	5,060,000	-
Dividends payable to shareholders		22,871,812	22,941,737
Provision Zakat	16	3,758,489	4,707,820
Total current liabilities from continued operations		197,030,401	168,365,642
Total liabilities from discontinued operations	10	21,545,139	21,594,576
Total liabilities		249,804,522	208,162,614
Total Shareholders' Equity and Liabilities		381,318,082	388,147,804

Chief Financial Officer

Husam Al-Din Abdulbaqi Mukhtar

Chief Executive Officer

Yahya Ahmed Al-Mobarki

Chairman

Nasser Dhaifallah Nada Al-Rahili

The accompanying notes are an integral part of these interim condensed consolidated financial statements

TABUK AGRICULTURAL DEVELOPMENT COMPANY "TADCO"

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE-AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

	Note	Three-month period ended 30 September		Nine-month period ended 30 September	
		2025	2024	2025	2024
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Continuing operation					
Revenue, net	15	7,631,748	14,767,354	33,061,549	36,864,410
Cost of Revenue		(17,389,938)	(18,409,478)	(59,934,794)	(40,454,811)
Gross (loss) / profit from continuing operations		(9,758,190)	(3,642,124)	(26,873,245)	(3,590,401)
Selling and distribution expenses		(6,142,774)	(6,602,000)	(13,480,948)	(16,318,051)
General and administrative expenses		(6,704,322)	(6,924,765)	(20,758,213)	(19,699,981)
Operating losses from continuing operations		(22,605,286)	(17,168,889)	(61,112,406)	(39,608,433)
Group's share of the gain from investments in associate companies through equity method	6	642,248	2,798,437	14,687,986	6,010,874
Provision for expected credit losses		(1,835,960)	(443,999)	(2,797,006)	(1,261,392)
Finance cost, net		(344,448)	(252,499)	(974,841)	(841,667)
Other (expenses) / income		55,401	(360,658)	909,368	(652,173)
Loss before zakat from continuing operations		(24,088,045)	(15,427,608)	(49,286,899)	(36,352,791)
Zakat		-	(879,225)	-	(1,159,949)
Net loss for the period from continuing operations		(24,088,045)	(16,306,833)	(49,286,899)	(37,512,740)
Discontinuing operations					
(Loss) / profit for the period from discontinuing operations		(22,019)	(797,767)	81,832	(6,835,515)
Net loss for the period		(24,110,064)	(17,104,600)	(49,205,067)	(44,348,255)
Other comprehensive income					
Items that may be reclassified later to profit or loss:					
Foreign currency translation differences		87,350	2,150,695	114,509	(3,110,466)
Items that will not be reclassified to profit or loss:					
Actuarial gains / (losses) on re-measurement of employee defined benefit obligations		-	-	616,429	(336,476)
Share of other comprehensive income of equity-accounted investees		2,499	-	2,499	-
Total other comprehensive income /(loss) items		89,849	2,150,695	733,437	(3,446,942)
Total comprehensive loss for the period		(24,020,215)	(14,953,905)	(48,471,630)	(47,795,197)
Basic loss per share from net (loss) for the period	13	(0.62) (0.61)	(0.43) (0.42)	(1.26) (1.26)	(1.11) (0.96)
Loss for the period attributable to:					
Shareholders of the parent company		(24,101,256)	(16,805,815)	(49,177,807)	(43,306,728)
non-controlling interest		(8,808)	(298,785)	(27,260)	(1,041,527)
		(24,110,064)	(17,104,600)	(49,205,067)	(44,348,255)
Comprehensive loss attributable to:					
Shareholders of the parent company		(24,011,407)	(14,655,120)	(48,444,370)	(46,753,670)
non-controlling interest		(8,808)	(298,785)	(27,260)	(1,041,527)
		(24,020,215)	(14,953,905)	(48,471,630)	(47,795,197)

Chief Financial Officer
Husam Al-Din Abdulbaqi Mukhtar

Chief Executive Officer
Yahya Ahmed Al-Mobarki

Chairman
Nasser Dhaifallah Naqa Al-Rahili

The accompanying notes are an integral part of these interim condensed consolidated financial statements

TABUK AGRICULTURAL DEVELOPMENT COMPANY "TADCO"

A SAUDI JOINT STOCK COMPANY

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)

AS AT 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Assets			
Non-Current Assets			
Property, plant and equipment, net	5	170,913,352	181,109,579
Investments in associate companies through equity method	6/1	146,190,307	131,385,313
Investments at fair value through OCI	6/2	1,131,600	1,131,600
Total Non-Current Assets		318,235,259	313,626,492
Current Assets			
Trade receivables, net	14	2,112,877	4,147,696
Inventory, net	7	12,933,888	20,285,480
Biological assets	8	18,773,685	23,826,006
Government grants		336,667	1,851,667
Property, plant and equipment held for sale		-	35,628
Prepayments and other receivables, net		4,171,812	2,721,922
Cash and cash balances	9	6,695,247	1,143,798
Total current assets from continued operations		45,024,176	54,012,197
Total assets from discontinued operations	10	18,058,647	20,509,115
Total Assets		381,318,082	388,147,804
Shareholders' Equity and Liabilities			
Shareholders' Equity			
Share capital	1	391,767,000	391,767,000
Other reserves		1,858,734	1,858,734
Re-measurement reserve of employee benefit obligations		453,513	(165,415)
Foreign currency translation reserve		(7,168,802)	(7,283,311)
Fair value reserve		718,800	718,800
Accumulated losses		(256,588,425)	(207,410,618)
Total equity attributable to shareholders of the Company		131,040,820	179,485,190
Equity for non-controlling interest		472,740	500,000
Total Shareholders' Equity		131,513,560	179,985,190
Liabilities			
Non-Current Liabilities			
Long term loan - non-current portion	11	15,977,156	3,381,366
Employee defined benefit obligations		15,251,826	14,821,030
Total Non-Current Liabilities		31,228,982	18,202,396
Current Liabilities			
Long-term loans - current portion	11	65,848,264	63,594,054
Trade payables		51,170,892	38,423,168
Provision for removal and transportation		1,277,200	1,277,200
Deferred revenues		336,667	1,851,667
Accrued expenses and other payables		46,707,077	35,569,996
Due to related parties	12	5,060,000	-
Dividends payable to shareholders		22,871,812	22,941,737
Provision Zakat	16	3,758,489	4,707,820
Total current liabilities from continued operations		197,030,401	168,365,642
Total liabilities from discontinued operations	10	21,545,139	21,594,576
Total liabilities		249,804,522	208,162,614
Total Shareholders' Equity and Liabilities		381,318,082	388,147,804

Chief Financial Officer

Husam Al-Din Abdulbaqi Mukhtar

Chief Executive Officer

Yahya Ahmed Al-Mobarki

Chairman

Nasser Dhaifallah Naqa Al-Rahili

The accompanying notes are an integral part of these interim condensed consolidated financial statements

TABUK AGRICULTURAL DEVELOPMENT COMPANY "TADCO"

A SAUDI JOINT STOCK COMPANY

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY (UNAUDITED)

FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

	Share capital	Other reserves	Remeasurement reserve of Employee benefit obligations	Foreign currency translation reserve	Fair value reserve	Accumulated losses	Total equity attributable to shareholders of the Parent Company	Equity for non-controlling interest	Total
30 September 2025									
Balance as of 1 January 2025 (Audited)	391,767,000	1,858,734	(165,415)	(7,283,311)	718,800	(207,410,618)	179,485,190	500,000	179,985,190
Net loss for the period	-	-	-	-	-	(49,177,807)	(49,177,807)	(27,260)	(49,205,067)
Other comprehensive Income	-	-	618,928	114,509	-	-	733,437	-	733,437
Total comprehensive loss for the period	-	-	618,928	114,509	-	(49,177,807)	(48,444,370)	(27,260)	(48,471,630)
Balance as of 30 September 2025 (Unaudited)	391,767,000	1,858,734	453,513	(7,168,802)	718,800	(256,588,425)	131,040,820	472,740	131,513,560
30 September 2024									
Balance as of 1 January 2024 (Audited)	391,767,000	1,858,734	(395,679)	(2,147,178)	376,720	(63,184,610)	328,274,987	500,000	328,774,987
Net loss for the period	-	-	-	-	-	(43,306,728)	(43,306,728)	(1,041,527)	(44,348,255)
Other comprehensive loss	-	-	(336,476)	(3,110,466)	-	-	(3,446,942)	-	(3,446,942)
Total comprehensive loss for the period	-	-	(336,476)	(3,110,466)	-	(43,306,728)	(46,753,670)	(1,041,527)	(47,795,197)
Balance as of 30 September 2024 (Unaudited)	391,767,000	1,858,734	(732,155)	(5,257,644)	376,720	(106,491,338)	281,521,317	(541,527)	280,979,790

Chief Financial Officer
Husam Al-Din Abdulbaqi Mukhtar



Chief Executive Officer
Yahya Ahmed Al-Moharki



Chairman
Nasser Dhaifallah Naqa Al-Rahili



TABUK AGRICULTURAL DEVELOPMENT COMPANY "TADCO"

A SAUDI JOINT STOCK COMPANY

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

1. COMPANY'S MAIN ACTIVITIES

The Tabuk Agricultural Development Company "TADCO" is a Saudi joint stock company registered under the company's commercial registration issued by the city of Tabuk under registration No 3550005403. On 15 Shaaban 1404 corresponded to 16 May 1984. The company was formed on 22 March 1983, by Royal Decree No. (11/M).

The Company's capital is 450 million Saudi riyals divided into 45 million shares, with a Par value of 10 Saudi riyals per share. On 18 March 2020, the capital was reduced to 241,767,000 Saudi riyals, with a Par value of 10 Saudi riyals per share, to cover the company's accumulated losses, and on 4 May 2021, the capital was increased amounted by 150 million SR to become SR 391,767,000 divided to SR 39,176,700 shares with a Par value of 10 Saudi riyals per share. This resulted in costs of issuing equity instruments amounting to SR 6.8 million that were deducted from equity.

The main activity of the Group is mixed farming (mixed production between crops and animals without specialized production of crops and animals), support activities for animal production, the manufacture of concentrated feed for animals, management and leasing of owned or leased real estate (residential), management and leasing of owned or leased real estate (non-residential).

The Group's fiscal year begins at the beginning of January of each calendar year and ends at the end of December of the same year.

The Company's head office is located in the Tabuk region PO Box 808 Tabuk 71421, and the Board of Directors may establish branches, offices or agencies for it inside and outside the Kingdom of Saudi Arabia.

The accounts of the parent company include the accounts of the following branches:

Branches	City	Commercial Registration	Commercial Registration Date
Sub-registry of Tabuk Company	Riyadh	1010439522	Safar 19, 1437 AH
Sub-registry of Tabuk Company	Dammam	2050107496	Safar 19, 1437 AH
Sub-registry of Tabuk Company	Jeddah	4030286243	Safar 19, 1437 AH
Tabuk Agricultural Development Company Cork Factory	Tabuk	3550033016	2 Rabi` al-Thani 1435 AH
North Factory for the extraction and packaging of oils	Tabuk	3550033015	2 Rabi` al-Thani 1435 AH
Tabuk Agricultural Development Company	Khamis Mushatt	5855069210	Safar 19, 1437 AH
Tabuk Agricultural Development Company Nursery	Tabuk	3550033301	24 Rabi` al-Thani 1435 AH

2. BASIS OF PREPARATION

2/1 Statement of compliance

The interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia and should be read in conjunction with the Group's latest annual consolidated financial statements for the year ended 31 December 2024. These financial statements do not typically include all the information required for a complete set of consolidated financial statements, but selected accounting policies and explanatory notes have been included to explain significant events and transactions in order to understand the changes in the Group's financial position and performance since 31 December 2024.

2/2 Basis of Measurement

The condensed interim consolidated financial statements have been prepared based on the historical cost principle, except for employee defined benefit obligations (end-of-service benefit provision), which are measured at the present value of future obligations using the projected unit credit method, and investments measured at fair value through other comprehensive income. The financial statements have been prepared using the accrual basis of accounting and the going concern assumption.

TABUK AGRICULTURAL DEVELOPMENT COMPANY “TADCO”

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

2. BASIS OF PREPARATION (CONTINUED)

2/3 Functional and Presentation Currency

The interim condensed consolidated financial statements are presented in Saudi Riyals, which is the functional and presentation currency of the Group.

2/4 Going Concern

As at 30 September 2025, the Group's accumulated losses amounted to SR 256,588,425, representing 65,5% of the share capital. Additionally, the Group's current liabilities exceeded its current assets, resulting in a working capital deficit of SR 155,492,717 (31 December 2024: SR 115,438,906). The Group also reported negative cash flows from operating activities amounting to SR 14,697,809 (31 December 2024: SR 48,755,259).

The Company intends to implement the Group's business plans to generate sufficient cash flows to meet its obligations as they fall due and to continue its operations, as well as to restructure its capital by reducing it to offset a portion of the accumulated losses.

The following are the key measures taken by management to reduce accumulated losses and address the working capital deficit:

- The Company has prepared a business plan extending to the year 2031. This plan assumes that the Group will not lose any of its production capacity over the coming years. The plan focuses on expanding the cultivation of the following crops and products:
 - a) Potatoes
 - b) Onions
 - c) Grapes
 - d) Olive oil
- On 3 April 2025, the Board of Directors recommended a reduction in the Company's share capital. On 24 June 2025, the Company announced the submission of a request file to the Capital Market Authority for approval of the proposed capital reduction. The proposed reduction amounts to SR 207,410,610, which would bring the share capital down to SR 184,356,390 through the cancellation of 20,741,061 shares, representing a reduction of 52.94%.
- On October 1, 2025, the Capital Market Authority issued its resolution approving the Company's request to reduce its share capital. Accordingly, on October 21, 2025, the Board of Directors invited the Company's shareholders to attend the Extraordinary General Assembly meeting scheduled to be held on November 12, 2025, to vote on the capital reduction proposal.

Accordingly, the Group's management has prepared the interim condensed consolidated financial statements based on the going concern assumption.

2/5 New Standards, Amendments to Standards, and Interpretations

New standards and a set of amendments to existing standards became effective as of 1 January 2025 and were disclosed in the Group's annual consolidated financial statements. However, they do not have a material impact on these condensed interim consolidated financial statements of the Group.

3. BASIS OF CONSOLIDATION

The Interim condensed consolidated financial statements as at and for the nine-month period ended 30 September 2025 include the financial statements of Tabuk Agricultural Development Company “TADCO” (the “Company” or the “Parent Company”) and its subsidiaries (together referred to as the “Group”). The reporting date for all subsidiaries is also 30 September 2025.

Subsidiaries are those companies over which the parent company has control. The control is realized when the Group is exposed to or has the right to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns.

TABUK AGRICULTURAL DEVELOPMENT COMPANY "TADCO"

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

3. BASIS OF CONSOLIDATION (CONTINUED)

A parent Company controls an investee company if it has all three of the following elements:

- Power over the entity (has the rights that give it the current ability to direct the activities of the investee company)
- Exposure, or rights, to variable returns from its involvement with the entity; and
- The ability to use its power over the entity to influence the amount of the entity's returns.

When the Parent Company does not have a majority of the voting rights in an investee, the Parent Company considers other facts and factors when assessing control, including:

- Arrangement (or arrangements) with the other voting rights holders of the investee Company.
- The parent Company is voting rights.
- The Group is voting rights and any potential voting rights.

The interim condensed consolidated financial statements include the financial statements of subsidiaries acquired or sold from the date on which effective control commences until that control effectively ceases.

The financial statements of the subsidiaries are compiled on a line-by-line basis by adding similar items of assets, liabilities, income and expenses. All intercompany balances and transactions, including unrealized gains or losses

Arising from intra-group transactions, are eliminated in full. Consolidated financial statements should be prepared using uniform accounting policies for like transactions and other events in like circumstances.

The financial statements of the subsidiaries are prepared for the same date or within three months of the date of the parent company's financial statements period, using consistent accounting policies.

Adjustments are made to standardize any asymmetric accounting policies that may exist between the financial year date of the subsidiaries and the parent company's financial year date.

The non-controlling interests in the net assets of the consolidated subsidiaries are identified separately from the Group's equity in these companies. The non-controlling interest consists of the amount of those interests at the date of the actual combination of the business and the non-controlling interest's share of changes in equity since the date of the combination. Losses within a subsidiary accrue to the non-controlling interest even if this results in a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in a loss of control over these subsidiaries are accounted for as equity transactions. For purchases from non-controlling interests, the difference between any amount paid and the related purchased share of the fair value of the net assets of the subsidiary is recognized in equity. Gains or losses on disposals to the non-controlling interests are also recognized in equity.

When the Group ceases to have control or significant influence, any retained equity interest is re - measured to its fair value and the change in carrying amount is recognized in the income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture

Or financial asset. In addition, any amounts previously recognized in other comprehensive income relating to this entity are accounted for as if the Group had directly disposed of these assets or liabilities (that is, it is reclassified to profit or loss or transferred directly to retained earnings as determined by it). International Financial Reporting Standards.

Company Name	Commercial registration number	Legal Form	Country of incorporation	Direct ownership percentage as of		Activity
				2025	2024	
Masader Agricultural Feed Mill Ltd Company*	4030325647	A limited liability company	Kingdom of Saudi Arabia	60%	60%	Sales agents in live animals. Wholesale of grains and seeds, except for barley. Wholesale livestock feed.
Tabuk Agricultural Marketing Company**	3550123534	One person closed joint stock company	Kingdom of Saudi Arabia	100%	100%	Cultivation of pome and stone fruits, including apples, apricots, cherries, peaches, pears, and plums
Tabuk Nurseries Company**	3550123535	One person closed joint stock company	Kingdom of Saudi Arabia	100%	100%	Maintenance and care of parks and gardens for public housing purposes

TABUK AGRICULTURAL DEVELOPMENT COMPANY “TADCO”

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

3. BASIS OF CONSOLIDATION (CONTINUED)

* The group waived all its shares in the Fine Flour Mills Company “a subsidiary” amounting to 750 shares to a related party with its rights and obligations, in exchange for establishing a new company “Masader Agricultural Feed Mill Ltd Company” with a capital of 1,250,000 SR Provided that the group owns 60% of the capital at a value of 750,000 SR, and the commercial registration of the subsidiary company was issued on 24 February 2019. The Group management works with the management of the subsidiary company to finalize the procedures for transferring ownership of assets and transferring all operational financial operations in the name of the affiliated group to the waiver agreement signed between the owner of the establishment (one of the partners) and the group, where the total assets of the Masader Agricultural Feed Mill Ltd Company included in these condensed consolidated financial statements amounted to SR 18.06 million, In order to preserve the rights of the shareholders of Tabuk Agricultural Development Company, the company filed a lawsuit to claim the recovery of the sum of SR 18 million, which was presented to the subsidiary company in exchange for the Partner’s assignment of the factory’s assets, in the case that ownership could not be transferred to the subsidiary company. The lawsuit claim has been declined.

On September 25, 2024, Tabuk Agricultural Development Company obtained shareholder approval for the board's decision to divest from its investment in Masader Agricultural Feed Mill Ltd Company by selling all the shares owned by Tabuk Agricultural Development Company, which represents 60% of the company's total shares, to partner Ahmed Hussein Al-Omari. The divestment procedures have begun.

On October 21, 2025, the Board of Directors invited the company's shareholders to attend the Extraordinary General Assembly scheduled for November 12, 2025, to vote on rescinding the resolution of the Ordinary General Assembly held on September 25, 2024, regarding approval of the Board of Directors' recommendation to divest from the investment in Masader Agricultural Feed Mill Ltd Company.

** Based on the extraordinary general assembly decision on October 11, 2022, the liquidation of both Tabuk Nurseries and Landscaping Company and Tabuk Agricultural Marketing Company was approved, and the legal liquidation procedures have started.

4. USE OF JUDGMENT, ESTIMATES

The preparation the interim condensed consolidated financial statements requires management to make judgments and estimates that affect the application of accounting policies to the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

The estimates and assumptions are based on previous experience and factors including expectations of future events that are considered appropriate in the circumstances and are used to extend the carrying period of assets and liabilities that are not independent of other sources. Estimates and assumptions are evaluated on an ongoing basis. The accounting estimates proven in the period in which the estimates are revised are reviewed in the review period and future periods in the event that the changed estimates affect the current and future periods.

The significant judgments made by the management when applying the company's accounting policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2024.

TABUK AGRICULTURAL DEVELOPMENT COMPANY “TADCO”

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

5. PROPERTY, PLANT AND EQUIPMENT, NET

The carrying amount of Property, Plant and Equipment as at 30 September 2025 amounted to SR 170,913,352 (31 December 2024: SR 181,109,579). During the nine-month period ended 30 September 2025, the Company acquired property, plant, and equipment amounting to SR 1,256,342 and depreciation of SR 11,452,569 (September 30, 2024: additions of SR 2,009,845 and depreciation of SR 14,737,289).

6. INVESTMENTS**6/1 Investments in companies using the equity method**

The Group has investments in the following companies using the equity method:

	<u>Sharing percentage</u>	<u>30 September 2025</u> <u>(Unaudited)</u>	<u>31 December 2024</u> <u>(Audited)</u>
Horizon Food Company *	40%	125,029,180	121,600,000
East Asia Agricultural Investment and Development Company **	28,57%	11,308,390	1,505,608
Rakha Company for Agricultural Investment and Development ***	21,61%	9,852,737	8,279,705
Gulf Sustainable Energy Technology Company ****	50%	-	-
		146,190,307	131,385,313

	<u>Balance on 01</u> <u>January 2025</u>	<u>Group's share of</u> <u>profit/(loss)</u>	<u>Group's share of</u> <u>OCI</u>	<u>Total</u>
Horizon Food Company	121,600,000	3,429,180	-	125,029,180
East Asia Agricultural Investment and Development Company	1,505,608	9,802,782	-	11,308,390
Rakha Company for Agricultural Investment and Development	8,279,705	1,456,024	117,008	9,852,737
	131,385,313	14,687,986	117,008	146,190,307

* On March 15, 2023, Tabuk Agricultural Development Company announced the sale of 10% of its total shares in Horizon Food Company (formerly a subsidiary), amounting to 800,000 shares, for a total value of SR 29.6 million. This was carried out through the listing of Horizon Food Company shares on the Nomu Parallel Market. The book value of these shares, as of September 30, 2022, based on Horizon Food's approved but unaudited financial statements, was SR 9.1 million. The transaction resulted in cash inflows of SR 29.6 million for the company and an exceptional reduction in accumulated losses amounting to SR 19.1 million (after deducting offering costs). It is worth noting that Tabuk Agricultural Development Company did not lose control over Horizon Food Company on that date, based on the Board of Directors' resolution dated May 22, 2023.

On September 3, 2023, the Board of Directors announced that Tabuk Agricultural Development Company had lost control over Horizon Food Company, following Horizon Food's announcement on August 6, 2023, regarding the resignation of the Chairman and two board members. From that date, the Group lost control over the subsidiary, and it has since been classified as an associate and accounted for using the equity method. Accordingly, the assets and liabilities of Horizon Food Company have ceased to be consolidated in the Group's consolidated financial statements from that date.

TABUK AGRICULTURAL DEVELOPMENT COMPANY "TADCO"

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

6. INVESTMENTS (CONTINUED)

6/1 Investments in companies using the equity method (Continued)

****** East Asia Agricultural Investment Company was established on May 7, 2013, in the Kingdom of Saudi Arabia with a capital of SR 70,000,000. Its activities include agricultural investment and the establishment of agricultural projects for the production of crops, grains, rice, barley, fruits, olives, fodder, and all types of agricultural products and field crops. The company also engages in the establishment, management, and maintenance of food industry factories, as well as livestock production projects, including the raising of livestock and poultry, and the establishment and management of dairy, meat, and fodder product factories.

In prior years, the Group recognized expected credit losses on its share of the receivable balance from related parties associated with East Asia Agricultural Investment Company in the amount of SR 45,500,000, of which the Group's share amounted to SR 12,999,350.

On May 8, 2024, an amount of SR 8,936,499 was collected from the receivable balance from related parties through judicial enforcement. Accordingly, part of the previously recognized provision was reversed, representing the Group's share of the collected amount, which totaled SR 2,553,158.

On May 26, 2025, and May 27, 2025, amounts of SR 34,503,299 and SR 2,060,202, respectively, were collected from the receivable balance from related parties through judicial enforcement. Consequently, the remaining portion of the provision was reversed, representing the Group's share of the collected amount, which totaled SR 10,446,192. Accordingly, the full amount of the outstanding debt totaling SR 45,500,000 has been collected, including the Group's full share amounting to SR 12,999,350.

******* The Group owns a 27.8% investment amounting to 17,500,000 SR in Janat Agricultural Investment Company - a Saudi limited liability company - under liquidation. The entire investment losses were previously recognized with the entire share invested in it.

- Janat Agricultural Investment Company owns a 78% share of the capital of Rakhaa Agricultural Investment and Development Company - an Egyptian joint stock company - and due to the liquidation procedures, the company waived its 78% share in favor of the partners, and the shares were transferred to their names, each according to his share, and accordingly the group's ownership became 21.61% share. Directly in Rakhaa Agricultural Investment and Development Company.
- During the year 2009, Rakhaa Agricultural Investment and Development Company obtained a loan in the amount of 100 million SR, with guarantees provided by the partners in Jannat Agricultural Investment Company. Due to the deficit in the financial statements and the inability of Rakhaa Agricultural Investment and Development Company to pay, the group recorded its share in the loan against the guarantee provided for the benefit of the Saudi Fund for Development in the amount of 16,5 million SR.
- During the year of 2022, the shareholders of Rakhaa Agricultural Investment and Development Company agreed to transfer the balance of the loan registered in the records of Rakhaa Agricultural Investment and Development Company to become a shareholder loan without any financial returns and in the Egyptian pound, and a transfer to extinguish the company's accumulated losses for the purpose of supporting it. The general assembly of Rakhaa Agricultural Investment and Development Company was held and approved by the assembly. Ordinary General Assembly was held on July 18, 2022.
- On August 15, 2023, the company's Board of Directors decided unanimously to use the amount of 207,401,325 Egyptian pounds to increase the company's capital, which is the classified amount set aside under the capital increase account in the amount of 10,902,266 Egyptian pounds and the value of financing from shareholders amounting to 196,499,059 Egyptian pounds. An extraordinary general assembly will be called to increase the company's capital by this amount. Therefore, the group's management included the current account in the investment cost as payment under the investments account until the procedures for increasing the associate company's capital are completed.

******** The Group owns a 50% stake in Gulf Sustainable Energy Technology Company (under liquidation) at a value of 250 thousand SR. Impairment losses have been generated in the total value of the investment, and the necessary legal procedures for liquidating the company have been initiated.

TABUK AGRICULTURAL DEVELOPMENT COMPANY “TADCO”

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

6. INVESTMENTS (CONTINUED)**6/2 Investments at fair value through OCI**

Investments at fair value represent the value of the Group’s investment in the National Company for Seed Production and Trade in the amount of 1,131,600 SR (2024: 1,131,600 SR), which represents 1.4% of the company’s total capital.

7. INVENTORY, NET

	30 September 2025	31 December 2024
	(Unaudited)	(Audited)
Fruits	6,782,806	9,783,163
Seeds	1,822,664	586,705
Fertilizers and chemicals	1,055,380	901,150
Wheat	323,430	13,684,709
Other spare parts and consumables materials	10,107,714	10,825,301
	20,091,994	35,781,028
Less: Provision for inventories	(7,158,106)	(15,495,548)
	12,933,888	20,285,480

7/1 Below is the movement on the inventory provision

	30 September 2025	31 December 2024
	(Unaudited)	(Audited)
Opening balance at the beginning of the year	15,495,548	10,575,118
Provision for inventory write-down	3,844,825	11,135,843
Provision recorded during the period/year related to spare parts and other consumables	-	298,968
Reversal during the year/period	(12,182,267)	(6,514,381)
Balance at the end of the year/period	7,158,106	15,495,548

8. BIOLOGICAL ASSET, NET

Biological assets are the costs of seasonal crops at the end of the period / year but not harvested.

	30 September 2025	31 December 2024
	(Unaudited)	(Audited)
Biological assets – Crops	18,773,685	23,826,006
	18,773,685	23,826,006

The crops were measured at cost less accumulated depreciation or impairment, in accordance with International Accounting Standard (IAS) 41, based on the inputs used. This approach was adopted due to the inability to measure the crops at fair value, given the absence of an active market for farm crops in the Kingdom of Saudi Arabia, the difficulty in accurately determining the quantities planted, and the lack of observable market data due to significant variations in location, environment, associated costs, and average yield per crop. Additionally, the discounted cash flow method could not be applied due to the seasonal nature and variability of these crops.

- During the nine-month period ended 30 September 2025, management recognized impairment losses totaling SR 4,785,456, comprising SR 1,202,308 for the onion crop and SR 3,583,148 for the potato crop, due to prolonged drought, outbreaks of fungal diseases, and severe pest infestations.

All biological assets have been classified as current assets, as the harvesting process is completed within a single operating cycle of one year, and the crops are harvested for sale through the Group’s operating activities.

TABUK AGRICULTURAL DEVELOPMENT COMPANY “TADCO”

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

9. CASH AND CASH BALANCES

	30 September 2025	31 December 2024
	(Unaudited)	(Audited)
Balance at banks	6,696,787	1,150,688
Cash on hands	5,350	-
Less: expected credit losses	(6,890)	(6,890)
Cash and bank balances	6,695,247	1,143,798
Less: cash restricted at banks pursuant to enforcement judgments	(6,689,897)	-
Cash and cash equivalents per the statement of cash flows	5,350	1,143,798

* The Company is subject to a number of legal cases filed by various parties in relation to certain commercial transactions and operating contracts. During the nine-month period ended 30 September 2025, enforcement judgments were issued against the Company, resulting in the attachment of the Company's bank account balances pursuant to those judgments. These amounts and related balances are covered, and the balances are positive (Note 17).

10. DISCONTINUED OPERATION

On July 23, 2024, the company received an offer to buy its shares in Masadr Agricultural Feed Mill Ltd Company (the subsidiary), which represents 60% of the total shares of the subsidiary from Ahmed Al-Omari Trading Est. for 7 million Saudi Riyals.

On September 25, 2024, the shareholders of Tabuk Agricultural Development Company approved the sale of their entire shares in Masader Agricultural Feed Mill Ltd Company, which account for 60% of the total shares of the company, to partner Ahmed Hussain Al-Amri for an amount of 7 million SR, including the factory affiliated with Ahmed Hussain Al-Amri Foundation, in which the group holds a 60% stake.

On September 30, 2024, the Board of Directors of Tabuk Agricultural Development Company decided to approve the recommendation of the Strategy and Investment Committee to sell and liquidate the sheep project and authorized the executive management to obtain price offers for the sale of the sheep project. The price offers were obtained, and the Sheep project has been sold.

A) The following table presents the discontinued operations of assets and liabilities as of 30 September 2025:

	30 September 2025	31 December 2024
Assets		
Property, plant and equipment, net	13,257,172	13,257,172
Right of use assets, net	71,563	81,786
Inventory, net	1,000	1,000
Due from related party	4,713,188	4,779,952
Prepayments and other receivables, net	15,724	15,724
Biological assets	-	2,373,481
Total Assets	18,058,647	20,509,115
Liabilities		
Lease liabilities -non- current portion	62,925	74,531
Employee defined benefit obligations	282,036	282,036
Long term loan -Current portion	5,500,000	5,500,000
Lease liabilities -current portion	14,463	14,463
Trade payables	160,049	160,049
Due to related party	12,512,654	12,512,654
Accrued expenses and other payables	2,894,393	2,932,224
Provision Zakat	118,619	118,619
Total Liabilities	21,545,139	21,594,576

TABUK AGRICULTURAL DEVELOPMENT COMPANY "TADCO"

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

10. DISCONTINUED OPERATION (CONTINUED)**B) As follows, the total profits / (losses) from discontinued operations:**

	<u>30 September 2025</u>	<u>31 December 2024</u>
Total losses of the year from Masadr Agricultural Feed Mill Ltd Company	(68,149)	(2,603,817)
Total profits / (losses) from the Sheep project	149,981	(4,231,698)
	81,832	(6,835,515)

C) The following table summarizes the net losses for the period from the discontinued operations of Masader Agricultural Feed Mill Ltd Company:

	<u>30 September 2025</u>	<u>31 December 2024</u>
Revenue, net	-	212,866
Cost of revenue	-	(2,538,902)
General and administrative expenses	(68,149)	(291,001)
Other income	-	13,220
losses for the period from discontinued operations	(68,149)	(2,603,817)

D) The following table summarizes the profit/(loss) for the period attributable to the discontinued operations of the Sheep Project:

	<u>30 September 2025</u>	<u>31 December 2024</u>
Revenue, net	2,758,131	684,890
Cost of revenue	(2,608,150)	(612,276)
Impairment on valuation of sheep	-	(4,304,312)
Profit / (loss) for the period from discontinued operations	149,981	(4,231,698)

11. LOANS

Loans consist of the following:

	<u>30 September 2025</u>	<u>31 December 2024</u>
	(Unaudited)	(Audited)
Agricultural Development Fund (11/1)	65,350,000	50,500,000
Saudi Fund for Development (11/2)	16,475,420	16,475,420
	81,825,420	66,975,420
Non-current portion	15,977,156	3,381,366
Current portion	65,848,264	63,594,054
	81,825,420	66,975,420

11/1 On November 7, 2023, the Group obtained a loan from the Agricultural Development Fund in the amount of SR 50,500,000, which was fully drawn. The loan was granted to finance the Company's operating activities and is secured by land deed No. 550107011639, which is recorded under property, plant and equipment with a carrying value of SR 43 million. The loan is scheduled to be repaid in a single installment on November 7, 2025.

The Group also obtained a loan from the Agricultural Development Fund on May 22, 2025, in the amount of SR 15,000,000, which was fully drawn. The loan was granted to finance the Company's operating activities and is secured by land deed No. 160002826436, which is recorded under property, plant and equipment with a carrying value of SR 43 million. In addition, 800,000 shares from the Group's investment portfolio in Horizon Food Company (the associate - Note 6) were pledged as collateral. The loan is scheduled to be repaid in a single installment on May 22, 2027.

TABUK AGRICULTURAL DEVELOPMENT COMPANY “TADCO”

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

11. LOANS (CONTINUED)

11/2 On December 30, 2024, according to the debt assignment contract, the Saudi Fund for Development agreed to the request of the shareholders in the Rakhaah Agricultural Investment and Development Company to transfer the debt to the partners instead of the company. Therefore, the balance of the share of Tabuk Agricultural Development Company was transferred from the loan guarantee provision in an affiliated company to loans, and approval was obtained from the fund on 31 December 2024, in the name of Tabuk Agricultural Development Company.

12. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties include key management personnel such as members of the Board of Directors and senior management employees of the Company. Senior management employees refer to individuals who have the authority and responsibility for planning, directing, and managing the Group's activities, either directly or indirectly, including the directors.

A) Transactions and balances with a related party are as follows:

Related party	Nature of relationship	Nature of transactions	Volume of transactions during the period/year			
			30 September 2025		31 December 2024	
			(Unaudited)		(Audited)	
			Debit	Credit	Debit	Credit
East Asia Agricultural Investment Company	Investee company	Advance payment for the sale and marketing of agricultural crops	-	5,060,000	-	-

B) remunerations of the Board of Directors and Executive Management is as follows:

	30 September 2025	30 September 2024
	(Unaudited)	(Unaudited)
Board of directors' rewards and allowances	3,454,963	3,847,024
Senior management salaries and allowances	3,791,941	3,126,235
	7,246,904	6,973,259

13. LOSS PER SHARE

Basic and diluted earnings per share are calculated by dividing the loss attributable to the Company's shareholders by the weighted average number of outstanding shares during the period.

There were no items affecting the dilution of earnings per share; therefore, basic earnings per share equals diluted earnings per share.

	30 September 2025	30 September 2024	30 September 2025	30 September 2024
	(Three months)	(Three months)	(Nine months)	(Nine months)
Loss attributable to the Company's shareholders	(24,101,256)	(16,805,815)	(49,177,807)	(43,306,728)
Loss from continuing operations attributable to owners of the Parent	(24,088,045)	(16,306,833)	(49,286,899)	(37,512,740)
Weighted average number of ordinary shares	39,176,700	39,176,700	39,176,700	39,176,700
Basic and diluted earnings per ordinary share	(0.62)	(0.43)	(1.26)	(1.11)
Basic and diluted loss per share from continuing operations	(0.61)	(0.42)	(1.26)	(0.96)

14. FINANCIAL RISK MANAGEMENT

Market risk

The Group is exposed to market risk in the form of interest rate risk as shown below. During the review period, there were no changes in these conditions from the previous year.

Foreign currency risk management

Most of the group transactions using Saudi riyals and US dollars, and the US dollar is tied to the Saudi riyal at a fixed exchange rate. The group did not have any significant cash assets or liabilities in foreign currency at the date of the consolidated financial statements. Therefore, the foreign currency sensitivity analysis was not presented.

Agricultural risk management

Severe operational disruption (fire, flood, etc.) The company is prepared to respond to operational disruptions to minimize losses and remain viable. An effective business continuity plan is continually reviewed and adapted for the changing nature of operational disruptions. Risk assessments are continually performed to identify possible events that could cause significant disruption. Risk of business disruption from floods has been removed through farm design. Farm buildings are constructed in areas that don't have flash floods and are also elevated above ground level.

Climate Change

The Group is subject to short-term and long-term climate change-related risks. These risks are inherent part of operating agriculture. The group continually works to reduce the environmental footprint of the business, in part, due to the inherent risks.

Rising fuel costs and the greenhouse gas emissions associated with fuel and electricity consumption have an impact not only on the environment but also on Company's net profit. 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, the group management has monitored water consumption by installing special meters on wells to monitor water consumption.

Liquidity risk

Liquidity risk represents the difficulties an entity may face in providing funds to meet obligations related to financial instruments. Liquidity risk may arise from the inability to quickly sell a financial asset at an amount close to its fair value. The primary responsibility for managing liquidity risk lies with the Board of Directors, which has established an appropriate framework for managing liquidity risk to address the Group's short-, medium-, and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining sufficient balances and continuously monitoring both expected and actual cash flows, as well as matching the maturities of financial assets and liabilities. Liquidity risk is managed through ongoing monitoring of liquidity levels and ensuring that adequate financial resources are available. Liquidity risk concentration may arise from the repayment terms of financial obligations, sources of funding and borrowing, or reliance on a specific market to obtain liquid assets. Note 2-4 related to going concern.

TABUK AGRICULTURAL DEVELOPMENT COMPANY "TADCO"

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

14. FINANCIAL RISK MANAGEMENT (CONTINUED)**Credit risk management**

Credit risk is the risk that a counterparty will fail to meet its contractual obligations, resulting in a financial loss to the other party. Concentration of credit risk arises when several counterparties are engaged in similar activities, operate in the same geographic areas, or have similar economic characteristics that could cause them to be unable to meet their contractual obligations. To mitigate credit risk, the Group has implemented procedures to manage exposure to credit risk, including assessing the creditworthiness of customers, credit approvals, setting credit limits, and continuously monitoring and following up on the aging of receivables.

Management also continues to monitor the credit risk related to its customers and establishes a provision for expected credit losses. Customer balances are continuously reviewed, and credit limits are adjusted as necessary. Trade and other receivables are primarily due from customers in the local market and have been stated at their estimated recoverable amounts. The Group maintains its cash with local banks that have high credit ratings.

The maximum credit exposure as of the reporting date of the group interim condensed consolidated financial statement is as follows:

Financial assets	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Cash and cash equivalents	6,695,247	1,143,798
Trade receivables, net	2,112,877	4,147,696
	8,808,124	5,291,494

Trade receivables aging at the reporting date is as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Less than three months	1,542,984	656,886
More than three months and less than six months	782,159	1,850,053
More than nine months and less than a year	877,878	1,841,835
More than a year	14,218,221	12,310,281
Total before deducting expected credit losses	17,421,242	16,659,055
Provision for expected credit losses	(15,308,365)	(12,511,359)
Trade receivables, Net	2,112,877	4,147,696

Movement for expected credit loss provision as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at the beginning of the period / year	12,511,359	11,524,146
Provided during the period / year	2,797,006	1,351,244
Transfer to discontinued operations	-	(364,031)
Balance at the end of the period	15,308,365	12,511,359

TABUK AGRICULTURAL DEVELOPMENT COMPANY "TADCO"

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

14. FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair value of financial instruments

For the purposes of financial reporting, the group used the fair value hierarchy categorized in levels 1, 2, and 3 based on the degree of observance of the inputs in the fair value measurement and the importance of these inputs in measuring the fair value in its entirety, as shown below:

- **Level 1** - Prices traded in an active market for similar assets or liabilities that the company can value at the measurement date (without modification).
- **Level 2** - Inputs other than prices included in Level 1 that can be considered as a value for an asset or liability, either directly (for example, prices) or indirectly (for example, derived from prices).
- **Level 3** - Inputs for assets and liabilities that are not based on observable market information (unobservable inputs).

The Group does not have financial instruments measured at fair value except investment at fair value through OCI, Employee defined benefit obligations, and other financial instruments are carried at amortized cost. As of the date of the consolidated financial statements, the fair value of these instruments approximates the amortized cost that has been taken into account in the financial reports and related disclosures.

15. SEGMENT REPORTING

The information provided to the decision maker responsible for operations for the purpose of allocating resources and evaluating the performance of sectors focuses on the types of goods or services provided. The management of the Group decided to organize the Group according to the differences in the structure of the internal financial report. The Group's operating segments are as follows:

Operational segment	Activities
Feeds	Manufacturing Feed
Vegetable	Planting Vegetables
Fruit	Planting Seasonal fruits
Grains	Grain trading
Other products	Production of olive oil, honey and other products

TABUK AGRICULTURAL DEVELOPMENT COMPANY “TADCO”

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

15. SEGMENT REPORTING (CONTINUED)

30 September 2025 (Unaudited)	Feeds	Vegetable	Fruits	Grains	Other products	Total
Revenue*	2,929,252	2,439,670	9,334,436	17,108,853	1,249,338	33,061,549
Depreciation	(1,013,135)	(843,804)	(3,228,485)	(5,917,408)	(449,737)	(11,452,569)
Net loss for the period**	(4,359,567)	(3,630,929)	(13,892,319)	(25,462,879)	(1,859,373)	(49,205,067)
Total Assets	33,784,768	28,138,135	107,659,487	197,326,351	14,409,341	381,318,082
Total liabilities	22,132,671	18,433,517	70,528,590	129,270,069	9,439,675	249,804,522
30 September 2024 (Unaudited)	Feeds	Vegetable	Fruits	Grains	other products	Total
Revenue*	3,766,839	6,553,007	15,204,982	6,031,345	5,308,237	36,864,410
Depreciation	(1,505,870)	(2,619,696)	(6,078,497)	(2,411,151)	(2,122,075)	(14,737,289)
Net (loss) / profit for the period**	(4,531,545)	(7,883,333)	(18,291,746)	(7,255,768)	(6,385,863)	(44,348,255)
Total Assets	39,661,295	68,997,046	160,094,259	63,504,428	55,890,775	388,147,803
Total liabilities	37,002,929	85,858,117	34,057,252	29,974,071	208,162,614	37,002,929

* The group revenue from contracts with customers is through the sale of consumable products. Product control is transferred at a point in time and is sold directly to customers.

** The cost of financing and zakat expenses has not been analyzed at the sector level, as they are linked to the central treasury function, which manages the cash position at the Group level.

TABUK AGRICULTURAL DEVELOPMENT COMPANY “TADCO”

A SAUDI JOINT STOCK COMPANY

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

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

(ALL AMOUNTS IN SAUDI RIYALS UNLESS OTHERWISE STATED)

16. ZAKAT STATUS

- The Company has tax obligations, and they are as follows:

	Years	Amount
Final assessment resulting from the decisions of appellate committees.	2014 to 2018	2,925,684
Final assessment from the Zakat and tax authority	2021 and 2022	806,916
Total		<u>3,732,600</u>

- As of September 30, 2025, the outstanding payable amount related to the above-mentioned claims to the parent company amounted to SR 3,732,600, while the zakat payable by the subsidiaries amounted to SR 25,889.
- The zakat return submitted to the Authority for the year 2023 was reviewed and examined by the Authority. On July 2, 2025, a notice of completion of the examination was received, indicating that no adjustments were required by the Authority.
- The Company submitted its zakat return for the year 2024 based on the financial statements for the year ended December 31, 2024. According to this return, no zakat is payable by the Company. The same year is currently under review by the Authority, and no preliminary or final assessments have been issued to date. The zakat certificate has not been obtained due to outstanding balances.
- Based on the interim condensed consolidated financial statements for the nine-month period ended September 30, 2025, zakat has been calculated and resulted in no zakat payable by the Company.

17. LAWSUITS, LEGAL CASES, AND ENFORCEMENT JUDGMENTS

As at the date of preparation of these condensed consolidated interim financial statements, the Company is involved in several legal cases filed against it by various parties related to certain commercial transactions and operating contracts, the most significant of which are court judgments amounting to SR 7,278,952.

During the nine-month period ended 30 September 2025, certain enforcement judgments were issued against the Company, resulting in the seizure of the Company's bank account balances pursuant to those judgments. These amounts and related balances are covered, and the balances are positive.

The Group's management is following up on these cases and taking the necessary legal actions to address their implications. Management will continue to monitor developments related to these matters and update the disclosure in subsequent financial reporting periods in accordance with the relevant laws, regulations, and accounting standards.

18. SUBSEQUENT EVENTS

In management's opinion, there were no events after the date of the Interim condensed consolidated financial statement that would require adjustment or disclosure in these interim condensed consolidated financial statements.

19. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved by the Board of Directors on 20 Jumada Al-awal 1447 H (corresponding to 11 November 2025).