

**ALMUNAJEM FOODS COMPANY**  
(A Saudi Joint Stock Company)

**CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**WITH**  
**INDEPENDENT AUDITOR'S REVIEW REPORT**  
FOR THE THREE MONTHS PERIOD  
ENDED MARCH 31, 2024

**ALMUNAJEM FOODS COMPANY****(A Saudi Joint Stock Company)****CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)****FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024**

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## KPMG Professional Services

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Kingdom of Saudi Arabia  
Commercial Registration No 1010425494

Headquarters in Riyadh

## كي بي إم جي للاستشارات المهنية

واجهة روشن ، طريق المطار  
صندوق بريد ٩٢٨٧٦  
الرياض ١١٦٦٣  
المملكة العربية السعودية  
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

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

To the Shareholders of AlMunajem Foods Company  
(A Saudi Joint Stock Company)

## Introduction

We have reviewed the accompanying condensed interim financial statements of **AlMunajem Foods Company** ("the Company"), which comprise:

- the condensed statement of financial position as at 31 March 2024,
- the condensed statement of profit or loss and other comprehensive income for the three-month ended 31 March 2024,
- the condensed statement of changes in equity for the three-month period ended 31 March 2024,
- the condensed statement of cash flows for the three-month period ended 31 March 2024,
- the notes to the condensed interim financial statements.

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

## Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' that is endorsed in the Kingdom of Saudi Arabia. A review of interim 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 31 March 2024 condensed interim financial statements of **AlMunajem Foods Company** are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

## KPMG Professional Services



Fahad Mubark Aldossari  
License No. 469



Al Riyadh, 8 Dhual-Qa'dah 1445H  
Corresponding to: 16 May 2024

**ALMUNAJEM FOODS COMPANY**

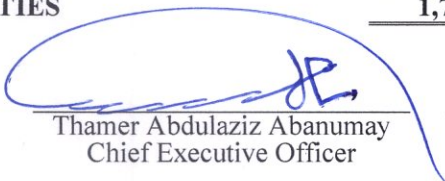
(A Saudi Joint Stock Company)

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS OF MARCH 31, 2024**

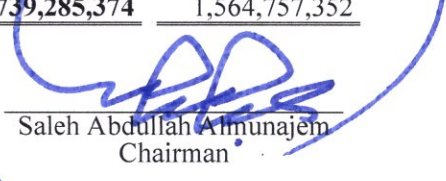
	Notes	March 31, 2024 SAR (Unaudited)	December 31, 2023 SAR (Audited)
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
Property, plant, and equipment	6	274,384,450	265,419,060
Right-of-use assets	7	40,634,032	42,293,830
Intangible assets		1,379,146	1,515,399
Investments in associate	8	134,987,027	-
<b>Total non-current assets</b>		<b>451,384,655</b>	<b>309,228,289</b>
<b>Current assets</b>			
Inventories	9	534,318,973	569,156,460
Trade receivables	10	346,532,119	251,006,879
Due from related parties	11-b	9,380,504	10,536,453
Prepayments and other assets	12	216,062,959	175,901,345
Cash and cash equivalents	13	181,606,164	248,927,926
<b>Total current assets</b>		<b>1,287,900,719</b>	<b>1,255,529,063</b>
<b>TOTAL ASSETS</b>		<b>1,739,285,374</b>	<b>1,564,757,352</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Equity</b>			
Share capital	14-a	600,000,000	600,000,000
Statutory reserve	14-b	96,818,580	96,818,580
Actuarial valuation reserve		(5,168,148)	(5,168,148)
Retained earnings		349,880,496	235,878,819
<b>Total equity</b>		<b>1,041,530,928</b>	<b>927,529,251</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Lease liabilities	7	33,353,567	37,014,636
Employees' benefit obligations		54,100,024	53,342,696
<b>Total non-current liabilities</b>		<b>87,453,591</b>	<b>90,357,332</b>
<b>Current liabilities</b>			
Lease liabilities	7	8,598,016	8,591,383
Zakat payable	16	26,311,422	19,541,041
VAT payable		35,326,980	23,585,712
Trade payables, accruals, and other liabilities	15	538,148,150	494,674,866
Due to related parties	11-c	1,916,287	477,767
<b>Total current liabilities</b>		<b>610,300,855</b>	<b>546,870,769</b>
<b>Total liabilities</b>		<b>697,754,446</b>	<b>637,228,101</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,739,285,374</b>	<b>1,564,757,352</b>



Mohammed Salman Mehmood  
Chief Financial Officer



Thamer Abdulaziz Abanumay  
Chief Executive Officer



Saleh Abdullah Almunajem  
Chairman

The accompanying notes from 1 to 24 form an integral part of these condensed interim financial statements.

**ALMUNAJEM FOODS COMPANY**  
(A SAUDI JOINT STOCK COMPANY)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024**

	Notes	For the three months period ended	
		March 31, 2024 SAR (Unaudited)	March 31, 2023 SAR (Unaudited)
Revenue	17	902,945,343	901,964,465
Cost of revenue		(707,190,279)	(746,252,468)
<b>Gross profit</b>		<b>195,755,064</b>	<b>155,711,997</b>
Other income	19	993,070	6,783,741
Selling and distribution expenses		(71,477,183)	(66,688,718)
General and administrative expenses		(7,043,247)	(6,445,158)
Impairment loss on financial assets	10	(400,000)	(844,066)
<b>Operating profit</b>		<b>117,827,704</b>	<b>88,517,796</b>
Finance income	18	2,398,632	1,418,229
Finance cost	18	(1,448,435)	(1,768,031)
<b>Finance income / cost, net</b>		<b>950,197</b>	<b>(349,802)</b>
Share of results of investments in associate	8	1,994,157	-
<b>Profit before zakat</b>		<b>120,772,058</b>	<b>88,167,994</b>
Zakat	16	(6,770,381)	(6,286,620)
<b>NET PROFIT FOR THE PERIOD</b>		<b>114,001,677</b>	<b>81,881,374</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement of employees' benefit obligations		-	-
<b>Other comprehensive income for the period</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>114,001,677</b>	<b>81,881,374</b>
<b>Basic and diluted earnings per share:</b>			
Basic and diluted earnings per share from net profit	20	1.90	1.36

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**ALMUNAJEM FOODS COMPANY**

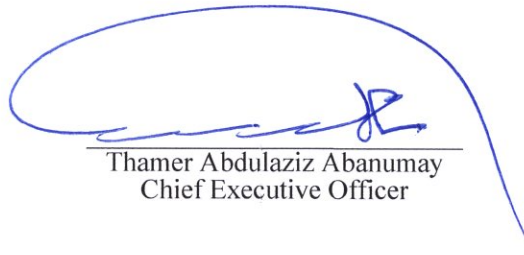
(A Saudi Joint Stock Company)

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024**

	Share capital SAR	Statutory reserve SAR	Actuarial valuation reserve SAR	Retained earnings SAR	Total SAR
As at January 1, 2023 (Audited)	600,000,000	68,597,256	(4,972,434)	236,886,901	900,511,723
Net profit for the period	-	-	-	81,881,374	81,881,374
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	81,881,374	81,881,374
As at March 31, 2023 (Unaudited)	600,000,000	68,597,256	(4,972,434)	318,768,275	982,393,097
<b>As at January 1, 2024 (Audited)</b>	<b>600,000,000</b>	<b>96,818,580</b>	<b>(5,168,148)</b>	<b>235,878,819</b>	<b>927,529,251</b>
Net profit for the period	-	-	-	114,001,677	114,001,677
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	114,001,677	114,001,677
<b>As at March 31, 2024 (Unaudited)</b>	<b>600,000,000</b>	<b>96,818,580</b>	<b>(5,168,148)</b>	<b>349,880,496</b>	<b>1,041,530,928</b>



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**ALMUNAJEM FOODS COMPANY**

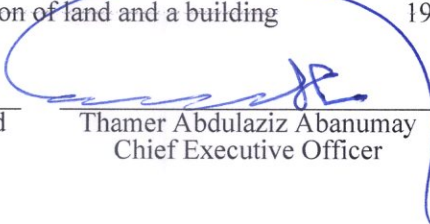
(A Saudi Joint Stock Company)

**CONDENSED INTERIM STATEMENT OF CASH FLOWS  
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024**

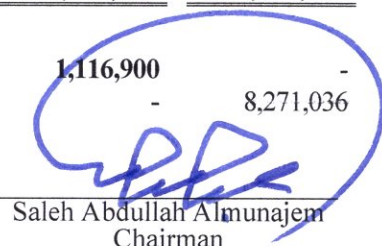
		March 31, 2024 SAR (Unaudited)	March 31, 2023 SAR (Unaudited)
	Notes		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before zakat		120,772,058	88,167,994
<i>Adjustments to reconcile profit before zakat to net cash flows from operating activities</i>			
Depreciation on right-of-use assets	7	2,331,717	1,210,599
Depreciation on property, plant, and equipment	6	6,888,464	7,093,864
Amortization of intangible assets		136,252	218,628
Interest on lease liabilities	7	423,556	1,768,031
Finance cost	18	1,024,879	-
Allowance for expected credit losses	10	400,000	844,066
Provision for slow moving & obsolete inventories	9	33,517	-
Share of results of associated	8	(1,994,157)	-
Loss / (gain) on disposal of property, plant, and equipment	19	4,863	(7,024,054)
Provision for employees' benefit obligations		1,446,695	1,440,627
		131,467,844	93,719,755
<i>Changes in working capital:</i>			
Trade receivables		(95,925,240)	(126,689,457)
Prepayments and other assets		(39,044,714)	(67,192,872)
Inventories		34,803,970	131,980,043
Trade payables, accruals, and other liabilities		43,473,284	59,838,000
VAT payable		11,741,268	20,235,701
Due from / to related parties		2,594,469	(2,044,494)
		89,110,881	109,846,676
Finance costs paid		(1,422,766)	(447,212)
Employees' benefit obligations paid		(689,367)	(325,013)
<b>Net cash generated from operating activities</b>		<b>86,998,748</b>	<b>109,074,451</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for purchases of property, plant, and equipment	6	(15,865,894)	(3,507,001)
Proceeds from disposal of property, plant, and equipment	6	7,178	1,632,687
Payments for purchases of intangible assets		-	(13,137)
Payments for purchase of investment in associate	8	(134,109,770)	-
<b>Net cash used in investing activities</b>		<b>(149,968,486)</b>	<b>(1,887,451)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of lease liabilities	7	(4,352,024)	(4,042,804)
<b>Net cash used in financing activities</b>		<b>(4,352,024)</b>	<b>(4,042,804)</b>
<b>Net increase in cash and cash equivalents</b>		<b>(67,321,762)</b>	<b>103,144,196</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>248,927,926</b>	<b>111,029,404</b>
<b>Cash and Cash Equivalents at the end of the period</b>	13	<b>181,606,164</b>	<b>214,173,600</b>
<b>NON-CASH TRANSACTIONS</b>			
Declared Dividends from equity investments in associate	8	1,116,900	-
Compensation for the expropriation of land and a building	19	-	8,271,036



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Chief Financial Officer



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Chief Executive Officer



Saleh Abdullah Almunajem  
Chairman

The accompanying notes from 1 to 24 form an integral part of these condensed interim financial statements.

# ALMUNAJEM FOODS COMPANY

(A Saudi Joint Stock Company)

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024

ALL AMOUNTS ARE IN SAUDI RIYALS UNLESS OTHERWISE STATED

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### 1. CORPORATE INFORMATION

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

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

On 11 October 2020, the shareholders decided to go for an IPO. The shareholders decided in their meeting dated 2 November 2020 to convert the Company from a limited liability Company to a Closed Joint Stock Company and the Company’s name was changed from “Almunajem Cold Stores Company” to “Almunajem Foods Company” (A Saudi Closed Joint Stock Company). Legal formalities were completed on 17 February 2021.

As of 20 December 2021, 30% of the company’s shares were listed in Saudi Stock Exchange market (Tadawul). Currently, 69.3% of the Company is owned by a main shareholder (Abdullah Al Ali Almunajem Sons Company) and 0.7% by another shareholder (AlKafaa Real Estate Company).

The new Companies Law issued through Royal Decree M/132 on 1/12/1443H (corresponding to 30 June 2022) (hereinafter referred as “the Law”) came into force on 26/6/1444 H (corresponding to 19 January 2023). For certain provisions of the Law, full compliance is expected not later than two years from 26/6/1444H (corresponding to 19 January 2023).

The management is in the process of assessing the impact of the new Companies Law and will amend its Articles of Association for any changes.

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

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

### 2. BASIS OF PREPARATION

#### 2.1 Statement of Compliance

These condensed interim financial statements for the three months period ended March 31, 2024 have been prepared in accordance with International Accounting Standard (34) “Interim Financial Reporting” that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants (SOCPA).



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)****FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024**ALL AMOUNTS ARE IN SAUDI RIYALS UNLESS OTHER WISE STATED

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**2. BASIS OF PREPARATION (Continued)**

The condensed interim financial statements should be read in conjunction with the Company's annual financial statement as at December 31, 2023 ("last annual financial statements"). These condensed interim financial statements do not include all the information and disclosures required to prepare a full set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements. In addition, the results for the three months periods ended March 31, 2024 are not necessarily indicative of the results that may be expected for the year ended December 31, 2024.

**2.2 Judgments and Estimates**

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

The significant estimates made by the management when applying the Company's accounting policies and the significant sources of uncertainties were similar to those shown in the Company's latest annual financial statements.

**2.3 Basis of measurement**

These condensed interim financial statements have been prepared under the historical cost basis except for the employees' benefit obligations, which have been measured in accordance with the projected unit credit method which is measured at fair value at the end of each reporting period.

**2.4 Going concern.**

The condensed interim financial statements have been prepared on the going concern basis.

**3. PRESENTATION AND FUNCTIONAL CURRENCY**

The financial statements are presented in Saudi Riyals (SAR) which is the functional currency of the Company.

**4. MATERIAL ACCOUNTING POLICIES**

**4.1** The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 31,2023.

Below is the accounting policies that were not included in the last annual financial statements:

**4.2 Investments in Associates**

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these Condensed Interim Financial Statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognised in the Condensed Interim Statement of Financial Position at cost and adjusted thereafter to recognise the Company 's share of the profit or loss and other comprehensive income of the associate.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024**  
ALL AMOUNTS ARE IN SAUDI RIYALS UNLESS OTHER WISE STATED

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**4. MATERIAL ACCOUNTING POLICIES (continued)**

**4.2 Investments in Associates(continued)**

When the Company's share of losses of an associate exceeds the Company's interest in that an associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate, the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Company resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of associate's identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in the Condensed Interim Statement of Profit or Loss in the period in which the investment is acquired.

**5. STANDARDS ISSUED BUT NOT YET EFFECTIVE AND OTHER AMENDMENTS**

There are no new standards issued, however, there are a number of amendments to current standards that are effective from January 1, 2024. These amendments do not have a significant impact on these financial statements.

Effective for annual periods beginning on or after	New standards and amendments
January 1, 2024	Non-Current Liabilities with Covenant - Amendments to IAS 1 and Classification of Liabilities as Current or Non-current - Amendments IAS1.
	Lease Liability in a Sale and Leaseback-Amendments to IFRS 16.
	Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7.

**Standards issued but not yet effective:**

The Company has not early adopted the following new and revised IFRSs that have been issued but are not yet effective:

Effective for annual periods beginning on or after	New standards and amendments
January 1, 2025	Lack of Exchangeability – Amendments to IAS 21.
Available for optional adoption/ effective date deferred indefinitely	Sale or contribution of assets between the investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28).

**ALMUNAJEM FOODS COMPANY**

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)****FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024**

ALL AMOUNTS ARE IN SAUDI RIYALS UNLESS OTHER WISE STATED

**6. PROPERTY, PLANT, AND EQUIPMENT**

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
<b>Cost:</b>		
At the beginning of the period/year	541,458,845	540,692,547
Additions during the period/year	15,865,894	24,036,909
Disposals during the period/year*	(54,173)	(15,286,170)
Write-off	-	(7,984,441)
At the end of the period/year	<u>557,270,566</u>	<u>541,458,845</u>
<b>Accumulated depreciation:</b>		
At the beginning of the period/year	276,039,785	268,385,182
Charge during the period/year	6,888,464	27,532,737
Write-off	-	(7,937,701)
Disposals during the period/year *	(42,133)	(11,940,433)
At the end of the period/year	<u>282,886,116</u>	<u>276,039,785</u>
<b>Net book value:</b>		
At the end of the period/year	<u>274,384,450</u>	<u>265,419,060</u>

\* For the year ended December 31, 2023, this item included the disposal of land and buildings in the city of Jeddah as a result of expropriation, with a net book value of SAR 2.7 million as at December 31, 2023. Refer (Note 19).

**7. LEASES**

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

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
<b>Right-of-use assets</b>		
At the beginning of the period/year	42,293,830	46,629,990
Additions	671,919	8,272,029
Adjustments *	-	(3,545,394)
Depreciation charge	(2,331,717)	(9,062,795)
At the end of the period/year	<u>40,634,032</u>	<u>42,293,830</u>
	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
<b>Lease liabilities</b>		
At the beginning of the period/year	45,606,019	48,954,192
Additions	671,919	8,272,029
Adjustments *	-	(3,179,891)
Accretion of interest	423,556	1,639,422
Payments	(4,749,911)	(10,079,733)
At the end of the period/year	<u>41,951,583</u>	<u>45,606,019</u>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2024**  
ALL AMOUNTS ARE IN SAUDI RIYALS UNLESS OTHER WISE STATED

**7. LEASES (continued)**

\* This adjustment is related to the year ended 31 December 2023, where the effect of adjustments was allocated in the statement of profit or loss and other comprehensive income between the depreciation charge of the right-of-use assets and the interest on lease liabilities with the amount of SAR 1.01 million and SAR 1.37 million, respectively. The classification of lease repayment is divided into capital repayment of lease liability of SAR 8.44 million as a cash flow from financing activities and finance cost paid of SAR 1.64 million as a cash flow from operating activities.

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

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Current	<b>8,598,016</b>	8,591,383
Non-current	<b>33,353,567</b>	37,014,636
	<b>41,951,583</b>	45,606,019

**8. INVESTMENT IN ASSOCIATE**

The Company has signed binding share purchase agreement on 25/8/1445H (corresponding to March 6, 2024G), to acquire shares in Balady Poultry Trading Company, The investee, in accordance with which the Company purchased 1,116,900 shares (representing 17% of Balady Company's shares) from existing shareholders in Balady Company through private transactions, at a purchase price of SAR 120 per share with total amount of SAR 134.11 million included transaction cost with an amount of SAR 81.78K. The Transaction has been self-financed by the Company.

The movement in investment in associate for the period ended March 31, 2024 is as follows:

	<b>March 31, 2024 (Audited)</b>
At the beginning of the period	-
Purchases during the period	134,109,770
Share of results for the period *	1,994,157
Dividends declared during the period	(1,116,900)
<b>At the end of the period</b>	<b>134,987,027</b>

\* The share in profit of associate was calculated from the date of acquisition up to 31 March 2024 based on management's accounts.

The invested in company declared dividends on March 28, 2024. The share of dividends for the Company amounting to SAR 1.1 million (2023: Nil). The company collected the dividends in April 2024.

Subsequent to the period end, on April 29, 2024 (corresponding to 20 Shawwal 1445 H) the Company signed a binding share purchase agreement between major shareholders of Baladi Poultry Company, under which Almunajem Foods Company will purchase 1,511,100 shares, which represents 23% of the Company's shares at a purchase price of a capacity of SAR 120 per share for a total of SAR 181.33 million. The transaction will be executed after obtaining the necessary approvals from the relevant authorities, including the General Authority for competition.



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**9. INVENTORIES**

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Goods for resale	<b>278,940,810</b>	318,050,021
Goods in transit	<b>226,107,839</b>	228,253,273
Raw Material and consumables	<b>26,693,020</b>	20,325,142
Spares and consumables	<b>4,389,297</b>	4,306,500
Less: Allowance for slow-moving and obsolete items*	<b>(1,811,993)</b>	(1,778,476)
	<b><u>534,318,973</u></b>	<u>569,156,460</u>

During the period ended March 31, 2024, SAR 711.3 million (March 31, 2023: SAR 748.7 million) of the Inventory was recognized as an expense in the cost of revenue. Cost of revenue also includes compensations and volume rebates from suppliers amounting to SAR 4.9 million (March 31, 2023: SAR 3.3 million)

\* The movement of allowance for slow-moving and obsolete inventories is as follows:

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
At the beginning of period/year	<b>1,778,476</b>	1,000,000
Provided during the period/year	<b>33,517</b>	778,476
At the end of period/year	<b><u>1,811,993</u></b>	<u>1,778,476</u>

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

**10. TRADE RECEIVABLES**

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Trade receivables	<b>350,751,482</b>	254,826,242
Less: Allowance for expected credit losses	<b>(4,219,363)</b>	(3,819,363)
	<b><u>346,532,119</u></b>	<u>251,006,879</u>

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

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

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
At the beginning of the period/year	<b>3,819,363</b>	13,781,430
Provided during the period/year	<b>400,000</b>	1,340,278
Written-off *	<b>-</b>	(11,302,345)
At the end of the period/year	<b><u>4,219,363</u></b>	<u>3,819,363</u>

\* The Board of Directors in their meeting dated August 15, 2023, approved to write-off certain balances which were 100% provided for in prior years.

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**11. RELATED PARTIES TRANSACTIONS AND BALANCES**

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

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

**a) Related parties' transactions**

<u>For the three months period ended March 31, 2024 (unaudited)</u>	<u>Relationship</u>	<u>Sales</u>	<u>Purchases</u>	<u>Expenses</u>	<u>PPE purchase / Selling</u>
France Poultry	Affiliate	-	143,259,935	-	-
Shawaya House Company	Affiliate	3,152,739	-	80,799	-
Gulf Catering Company	Affiliate	1,312,352	-	385,648	-
Nutrition and Diet Center Company	Affiliate	924,399	1,108,480	320,458	-
Az-Zad Saudi Company	Affiliate	91,044	-	39,284	-
Thati Limited Company	Affiliate	-	-	17,345	-
Bureida Trading and Refrigeration	Affiliate	-	-	78,389	5,737,000
Al-Kafa'a Real State Company	Affiliate	-	-	1,211,600	-
Abdullah Al Ali Almunajem Sons	The parent company	-	-	2,124,780	-
Four Steps International	Owned by a member of the BOD	-	-	16,000	-

<u>For the three months period ended March 31, 2023 (unaudited)</u>	<u>Relationship</u>	<u>Sales</u>	<u>Purchases</u>	<u>Expenses</u>	<u>PPE purchase / Selling</u>
France Poultry	Affiliate	-	114,468,440	-	-
Shawaya House Company	Affiliate	7,202,327	-	41,731	-
Gulf Catering Company	Affiliate	1,951,243	-	144,233	-
Nutrition and Diet Center	Affiliate	1,710,349	2,396,840	226,255	-
Az-Zad Saudi Company	Affiliate	182,386	-	11,115	-
Thati Limited Company	Affiliate	9,270	-	4,367	-
Bureida Trading and Refrigeration	Affiliate	-	-	85,624	140,000
Al-Kafa'a Real State Company	Affiliate	-	-	882,824	-
Abdullah Al Ali Almunajem Sons	The parent company	-	-	2,113,467	-
Four Steps International	Owned by a member of the BOD	-	-	25,000	-

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**11. RELATED PARTIES TRANSACTIONS AND BALANCES (Continued)**

Related parties balances included in the condensed interim statement of financial position are as follows:

**b) Due from related parties**

	<i>Relationship</i>	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Shawaya House Company	Affiliate	<b>7,229,569</b>	6,752,516
Gulf Catering Company	Affiliate	<b>1,372,854</b>	2,223,642
Nutrition and Diet Center Company	Affiliate	<b>778,081</b>	1,529,993
Az-Zad Saudi Company	Affiliate	<b>-</b>	30,302
		<b>9,380,504</b>	<b>10,536,453</b>

The above balances are unsecured, interest-free, and settlement term within 30-45 days. The management estimates the allowance on due from the related party balance at the reporting date at an amount equal to lifetime ECL. No receivable balances from related parties at the reporting date are past due, taking into account the historical default experience and the future prospects of the industries in which the related parties operate. Management considers that related party balances are not impaired. There has been no change in estimation techniques or significant assumptions made during the current reporting period in assessing the allowances for balances due from related parties.

**c) Due to related parties**

	<i>Relationship</i>	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Bureida Trading and Refrigeration	Affiliate	<b>1,665,671</b>	429,064
Abdullah Al Ali Almunajem Sons	The parent	<b>214,865</b>	46,330
Thati Limited Company	Affiliate	<b>22,320</b>	2,373
Az-Zad Saudi Company	Affiliate	<b>13,431</b>	-
		<b>1,916,287</b>	<b>477,767</b>

Outstanding balances at the period end are unsecured, interest free and settlement within 30-45. There have been no guarantees provided or received for any related party receivables or payables. Outstanding balances at period/year-end arise in the normal course of business.

**d) Key management compensation**

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

	<b>For the three months period ended</b>	
	<b>March 31, 2024 (Unaudited)</b>	<b>March 31, 2023 (Unaudited)</b>
Short-term employee benefits *	<b>2,337,434</b>	1,992,979
Post-employment benefits	<b>100,476</b>	86,572
	<b>2,437,910</b>	<b>2,079,551</b>

\*Short-term employee benefits include SAR 0.5 million (March 31, 2023: SAR 0.5 million) pertaining to the board of directors' remuneration.

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**12. PREPAYMENTS AND OTHER ASSETS**

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Advance to a related party *	185,361,639	147,582,501
Prepayments	12,817,255	13,789,491
Accrued compensation (Note 19)	8,271,036	8,271,036
Advances to suppliers and contractors **	5,195,071	3,601,741
Right of return assets	1,298,871	1,049,728
Employee receivables	779,594	998,570
Dividends receivable from associate	1,116,900	-
Others	1,222,593	608,278
	<b>216,062,959</b>	<b>175,901,345</b>

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

\*\* This includes advance payments to Burieda Trading with an amount of SAR 1,992,000 (a subsidiary to the Parent Company) for future deliveries of refrigeration trucks boxes. (note 11).

**13. CASH AND CASH EQUIVALENTS**

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Cash at banks	63,407,758	137,092,371
Short-term deposits*	115,000,000	110,000,000
Cash on hand	3,198,406	1,835,555
	<b>181,606,164</b>	<b>248,927,926</b>

\*Cash and cash equivalents include Murabaha Islamic short-term deposits with a maturity period within three months.

**14. SHARE CAPITAL AND STATUTORY RESERVE**

**(a) Share Capital**

The Company's share capital of SAR 600 million consisted of 60 million issued and fully paid shares of SAR 10 each on March 31, 2024 (December 31, 2023: 60 million shares of SAR 10 each).

**(b) Statutory Reserve**

In accordance the Company's by-law, the Company must transfer 10% of its net profit by the end of each year, until this reserve reaches 30% of the capital. This reserve is not available for distribution.

**15. TRADE PAYABLES, ACCRUALS, AND OTHER LIABILITIES**

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
Trade payables*	482,345,432	427,362,439
Accrued expenses	50,108,457	62,848,190
Refund liabilities	1,630,509	1,324,731
Advances from customers	1,103,662	1,199,945
Other payables	2,960,090	1,939,561
	<b>538,148,150</b>	<b>494,674,866</b>



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**15. TRADE PAYABLES, ACCRUALS, AND OTHER LIABILITIES (continued)**

\*Trade Payables include supply chain agreements compatible with Islamic Sharia granted from Saudi local banks during the period ended March 31, 2024, with an amount of SAR 179.2 million (December 31, 2023: SAR 128.4 million).

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

**16. ZAKAT Payable**

Movement in the zakat provision is as follows:

	<b>March 31, 2024 (Unaudited)</b>	December 31, 2023 (Audited)
At the beginning of the period/year	<b>19,541,041</b>	18,840,788
Provided during the period/year	<b>6,770,381</b>	19,416,472
Paid during the period/year	<b>-</b>	(18,716,219)
At the end of the period/year	<b><u>26,311,422</u></b>	<u>19,541,041</u>

**Status of assessments:**

- Combined Zakat returns have been filed by the Parent Company, including the Company, with the Zakat, Tax and Customs Authority (ZATCA) for the years from 2008 to 2020.
- The Company filed the Zakat declaration for the year 2021, the Zakat payable has been paid based on this declaration. A Zakat certificate was issued for the year 2021, In addition, Zakat assessment for 2021 was completed on 5th October 2022 and the Company paid Zakat differences for 2021 by SAR 36,894.
- The Company filed the Zakat declaration for the year 2022, the Zakat payable has been paid based on this declaration. A Zakat certificate was issued for the year 2022. Zakat assessment for 2022 has been completed at 13<sup>th</sup> December 2023 without any adjustments vs. Zakat declaration.
- The Company was inspected for the value-added tax (VAT) for 2022, completed on 6 November 2023 with adjustments vs. VAT returns and the Company paid differences for 2022 by SAR 37,994.
- The Company filed the Zakat declaration for the year 2023, the Zakat payable has been paid based on this declaration and A Zakat certificate has issued for the year 2023, during April 2024.

**17. REVENUE**

	<b>For the three months period ended</b>	
	<b>March 31, 2024 (Unaudited)</b>	March 31, 2023 (Unaudited)
<b>Revenue recognized at a point in time</b>		
Non-retail - goods transferred	<b>478,615,985</b>	485,632,234
Retail - goods transferred	<b>421,698,105</b>	412,856,532
<b>Revenue recognized over-time</b>		
Storage rent revenue	<b><u>2,631,253</u></b>	<u>3,475,699</u>
	<b><u>902,945,343</u></b>	<u>901,964,465</u>

Revenue is generated inside the Kingdom of Saudi Arabia.

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**18. FINANCE INCOME / COST, NET**

	<b>For the three months period ended</b>	
	<b>March 31, 2024</b>	March 31, 2023
	<b>(Unaudited)</b>	(Unaudited)
<u>Finance Cost</u>		
Bank Interest	<b>1,024,879</b>	-
Interest on lease liabilities	<b>423,556</b>	1,768,031
	<b>1,448,435</b>	1,768,031
<u>Finance Income</u>		
Income from short-term deposits	<b>(2,398,632)</b>	(1,418,229)
	<b>(950,197)</b>	349,802

**19. OTHER INCOME**

	<b>For the three months period ended</b>	
	<b>March 31, 2024</b>	March 31, 2023
	<b>(Unaudited)</b>	(Unaudited)
(Loss) / Gain on disposal of property, plant, and equipment*	<b>(4,863)</b>	7,024,054
Foreign currencies difference	<b>787,988</b>	(428,633)
Other income	<b>209,945</b>	188,320
	<b>993,070</b>	6,783,741

\* During the period ending March 31, 2023, the Company realized and booked a net gain of SAR 5.5 million resulting from insured government compensation for a building owned by the Company located in the city of Jeddah. The property was having a net book value of SAR 2.7 million (note 6).

Subsequent to the date of these financial statements and during April 2024, the formal procedure of collecting the compensation amount was finalized and the Company received an amount of SAR 11.1 million.

**20. EARNING PER SHARE**

Basic and diluted earnings per share ("EPS") is calculated by dividing the net profit for the period attributable to equity holders with the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is the same as the basic earnings per share as the Company does not have any convertible securities or diluted instruments to exercise.

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

	<b>For the three months period ended</b>	
	<b>March 31, 2024</b>	March 31, 2023
	<b>(Unaudited)</b>	(Unaudited)
Net profit for the period	<b>114,001,677</b>	81,881,374
Weighted average number of ordinary shares	<b>60,000,000</b>	60,000,000
Basic and diluted earnings per share	<b>1.90</b>	1.36

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**21. SEGMENT INFORMATION**

The Senior Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The Company operates in three regions in the Kingdom of Saudi Arabia, which are its reportable segments. These regions are identified as a separate reportable segment because the company managed them separately. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

For management purposes, the Company is into business units based on its geographical regions, as follows:

<u><i>For the three-months period ended</i></u> <u><i>31 March 2024 (Unaudited)</i></u>	<b>Central region</b>	<b>Eastern&amp; Northern regions</b>	<b>Western&amp; Southern regions</b>	<b>Total</b>
Revenue	385,550,592	186,996,597	330,398,154	902,945,343
Cost of revenue	303,122,045	146,885,342	257,182,892	707,190,279
Depreciation and amortization	3,884,727	1,639,503	3,832,203	9,356,433
Segment profit before zakat	51,652,627	25,727,747	43,391,684	120,772,058
Total assets as of March 31, 2024 (Unaudited)	983,099,721	264,292,708	491,892,945	1,739,285,374
Total liabilities as of March 31, 2024 (Unaudited)	626,459,393	25,212,835	46,082,218	697,754,446

<u><i>For the three-months period ended</i></u> <u><i>31 March 2023 (Unaudited)</i></u>	<b>Central region</b>	<b>Eastern&amp; Northern regions</b>	<b>Western&amp; Southern regions</b>	<b>Total</b>
Revenue	381,808,219	187,336,982	332,819,264	901,964,465
Cost of revenue	316,977,462	154,248,670	275,026,336	746,252,468
Depreciation and amortization	3,735,473	1,750,211	4,042,779	9,528,463
Segment profit before zakat	30,727,924	20,353,508	37,086,562	88,167,994
Total assets as of March 31, 2023 (Unaudited)	960,411,331	261,492,838	425,559,780	1,647,463,949
Total liabilities as of March 31, 2023 (Unaudited)	621,591,593	13,137,342	30,341,917	665,070,852

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

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**21. SEGMENT INFORMATION (Continued)**

<i>For the three-months period ended 31 March 2024 (Unaudited)</i>	<i>Central Region</i>	<i>Eastern &amp; Northern Regions</i>	<i>Western &amp; Southern Regions</i>	<i>Total</i>
<b>Revenue</b>				
Retail	191,360,806	84,559,639	145,777,660	421,698,105
Non-retail	193,243,550	101,897,234	183,475,201	478,615,985
Storage rent revenue	946,236	539,724	1,145,293	2,631,253
<b>Total revenues</b>	<b>385,550,592</b>	<b>186,996,597</b>	<b>330,398,154</b>	<b>902,945,343</b>
<b>Cost of revenues</b>				
Retail	(147,616,016)	(65,513,228)	(112,092,033)	(325,221,277)
Non-retail	(154,961,162)	(81,258,543)	(144,749,364)	(380,969,069)
Storage rent revenue	(544,867)	(113,571)	(341,495)	(999,933)
<b>Total Cost of revenues</b>	<b>(303,122,045)</b>	<b>(146,885,342)</b>	<b>(257,182,892)</b>	<b>(707,190,279)</b>
<b>Total Gross profit</b>	<b>82,428,547</b>	<b>40,111,255</b>	<b>73,215,262</b>	<b>195,755,064</b>

<i>For the three-months period ended 31 March 2023 (Unaudited)</i>	<i>Central Region</i>	<i>Eastern &amp; Northern Regions</i>	<i>Western &amp; Southern Regions</i>	<i>Total</i>
<b>Revenue</b>				
Retail	186,481,149	83,492,291	142,883,092	412,856,532
Non-retail	194,434,781	102,990,429	188,207,024	485,632,234
Storage rent revenue	892,289	854,262	1,729,148	3,475,699
<b>Total revenues</b>	<b>381,808,219</b>	<b>187,336,982</b>	<b>332,819,264</b>	<b>901,964,465</b>
<b>Cost of revenues</b>				
Retail	(152,514,200)	(67,718,287)	(117,687,091)	(337,919,578)
Non-retail	(163,784,544)	(86,443,495)	(156,767,394)	(406,995,433)
Storage rent revenue	(678,718)	(86,888)	(571,851)	(1,337,457)
<b>Total Cost of revenues</b>	<b>(316,977,462)</b>	<b>(154,248,670)</b>	<b>(275,026,336)</b>	<b>(746,252,468)</b>
<b>Total Gross profit</b>	<b>64,830,757</b>	<b>33,088,312</b>	<b>57,792,928</b>	<b>155,711,997</b>

**22. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

The Company has letters of credit as of March 31, 2024 amounting to SAR 5.6 million (December 31, 2023: SAR 3.5 million). There are capital commitments as of March 31, 2024 amounting to SAR 14.8 million (December 31, 2023: SAR 1.3 million) related to property, plant, and equipment.

**23. SUBSEQUENT EVENTS**

No other matter has occurred up to and including the date of the approval of these interim condensed financial statements by the management which could materially affect these interim condensed financial statements and the related disclosures for the period ended 31 March 2024, except for what mentioned in (note. 8) above.

**24. APPROVAL OF CONDENSED INTERIM FINANCIAL STATEMENTS**

These condensed interim financial statements were approved for issuance by the Board of Directors on 12 May 2024 (corresponding to 4 Dhual-Qa'dah 1445H).