

ALMUNAJEM FOODS COMPANY
(A SAUDI JOINT STOCK COMPANY)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE- MONTH PERIOD
ENDED MARCH 31, 2025

ALMUNAJEM FOODS COMPANY**(A Saudi Joint Stock Company)****CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE -MONTH PERIOD ENDED MARCH 31, 2025 (UNAUDITED)**

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KPMG Professional Services Company

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Commercial Registration No 1010425494

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية

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

المركز الرئيسي في الرياض

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

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

Introduction

We have reviewed the accompanying condensed interim financial statements of **AIMunajem Foods Company** ("the Company") and its subsidiary ("the Group"), which comprise:

- the condensed consolidated statement of financial position as at 31 March 2025,
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month ended 31 March 2025,
- the condensed consolidated statement of changes in equity for the three-month period ended 31 March 2025,
- the condensed consolidated statement of cash flows for the three-month period ended 31 March 2025,
- the notes to the condensed consolidated interim financial statements.

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2025 condensed consolidated interim financial statements of **AIMunajem 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, 13 Dhual-Qa'dah 1446H
Corresponding to: 11 May 2025G

KPMG Professional Services Company, a professional closed joint stock company registered in the Kingdom of Saudi Arabia with a paid-up capital of SAR110,000,000 and a non-partner member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية، شركة مساهمة مهنية مقفلة مسجلة في المملكة العربية السعودية، رأس مالها (110,000,000) ريال سعودي مدفوع بالكامل، وهي عضو غير شريك في الشبكة العالمية لشركات كي بي إم جي المهنية والتابعة لـ كي بي إم جي العالمية المحدودة، شركة انجليزية خاصة محدودة بالضمان.

ALMUNAJEM FOODS COMPANY

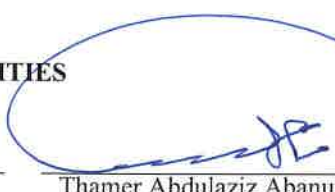
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF MARCH 31, 2025**

	Notes	March 31, 2025 SAR (Unaudited)	December 31, 2024 SAR (Audited)
<u>ASSETS</u>			
Non-current assets			
Property, plant and equipment	6	292,092,660	287,224,511
Right-of-use assets	7	102,344,657	95,393,398
Intangible assets		2,032,721	1,692,191
Investment in associate	8	337,368,422	335,008,358
Total non-current assets		733,838,460	719,318,458
Current assets			
Inventories	9	651,470,135	710,136,194
Trade receivables	10	382,361,708	306,724,085
Prepayments and other assets	12	199,749,342	157,437,829
Cash and cash equivalents	13	37,989,103	42,628,379
Total current assets		1,271,570,288	1,216,926,487
TOTAL ASSETS		2,005,408,748	1,936,244,945
<u>EQUITY AND LIABILITIES</u>			
Equity			
Share capital	14-a	600,000,000	600,000,000
Statutory reserve	14-b	96,818,580	96,818,580
Actuarial valuation reserve		(6,375,512)	(6,375,512)
Retained earnings		359,565,224	319,531,748
Total equity		1,050,008,292	1,009,974,816
Liabilities			
Non-current liabilities			
Lease liabilities	7	90,859,979	86,978,929
Employees' benefit obligations		59,164,915	59,587,226
Total non-current liabilities		150,024,894	146,566,155
Current liabilities			
Short term loans	16	92,000,000	92,000,000
Trade payables, accruals, and other liabilities	15	657,547,651	636,332,326
VAT payable		26,025,589	26,549,908
Zakat payable	17	16,650,838	12,603,459
Lease liabilities	7	13,151,484	12,218,281
Total current liabilities		805,375,562	779,703,974
Total liabilities		955,400,456	926,270,129
TOTAL EQUITY AND LIABILITIES		2,005,408,748	1,936,244,945



Mohamed Salman Mehmood
Chief Financial Officer



Thamer Abdulaziz Abanumay
Chief Executive Officer



Saleh Abdullah Almunajem
Chairman


The accompanying notes from 1 to 26 form an integral part of these condensed consolidated interim financial statements.

ALMUNAJEM FOODS COMPANY
(A SAUDI JOINT STOCK COMPANY)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPERHENSIVE INCOME
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2025**

		For the three months period ended	
	Notes	March 31, 2025 SAR (Unaudited)	March 31, 2024 SAR (Unaudited)
Revenue	18	901,489,266	902,945,343
Cost of revenue		(768,162,295)	(707,190,279)
Gross profit		133,326,971	195,755,064
Other (Expenses) / Income	20	(2,632,813)	993,070
Selling and distribution expenses		(76,103,672)	(71,477,183)
General and administrative expenses		(8,225,174)	(7,043,247)
Impairment loss on financial assets	10	(50,000)	(400,000)
Operating profit		46,315,312	117,827,704
Finance income	19	66,317	2,398,632
Finance cost	19	(4,660,838)	(1,448,435)
Finance (cost)/income, net		(4,594,521)	950,197
Share of results of investment in associate	8	2,360,064	1,994,157
Profit before zakat		44,080,855	120,772,058
Zakat	17	(4,047,379)	(6,770,381)
Net profit for the period		40,033,476	114,001,677
Other Comprehensive Income			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement of employees' benefit obligations		-	-
Investment in associate - share of OCI		-	-
Total other comprehensive income for the period		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		40,033,476	114,001,677
Basic and diluted earnings per share:			
Basic and diluted earnings per share from net profit	21	0.67	1.90


Mohammed Salman Mehmood
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ALMUNAJEM FOODS COMPANY

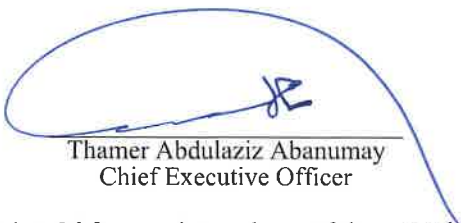
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE- MONTH PERIOD ENDED MARCH 31, 2025**

	Share capital SAR	Statutory reserve SAR	Actuarial valuation reserve SAR	Retained earnings SAR	Total SAR
As at January 1, 2024 (Audited)	600,000,000	96,818,580	(5,168,148)	235,878,819	927,529,251
Net profit for the period	-	-	-	114,001,677	114,001,677
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period (unaudited)	-	-	-	114,001,677	114,001,677
As at March 31, 2024 (Unaudited)	600,000,000	96,818,580	(5,168,148)	349,880,496	1,041,530,928
As at January 1, 2025 (Audited)	600,000,000	96,818,580	(6,375,512)	319,531,748	1,009,974,816
Net profit for the period	-	-	-	40,033,476	40,033,476
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period (unaudited)	-	-	-	40,033,476	40,033,476
As at March 31, 2025 (Unaudited)	600,000,000	96,818,580	(6,375,512)	359,565,224	1,050,008,292



Mohammed Salman Mehmood
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ALMUNAJEM FOODS COMPANY

(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE -MONTH PERIOD ENDED MARCH 31, 2025**

	Notes	March 31, 2025 SAR (Unaudited)	March 31, 2024 SAR (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before zakat		44,080,855	120,772,058
<u>Adjustments</u>			
Depreciation of right-of-use assets	7	3,832,730	2,331,717
Depreciation of property, plant, and equipment	6	7,764,292	6,888,464
Amortization of intangible assets		155,090	136,252
Interest on lease liabilities	7	1,184,246	423,556
Interest charged on short term loans	19	3,476,592	1,024,879
Allowance for expected credit losses	10	50,000	400,000
Inventory provision	9	(228,700)	33,517
Share in results of associate	8	(2,360,064)	(1,994,157)
(Gain) /Loss on disposal of property, plant, and equipment	20	(810)	4,863
Provision for employees' benefit obligations		1,698,376	1,446,695
		59,652,607	131,467,844
Changes in working capital:			
Trade receivables	24	(75,687,623)	(94,769,290)
Prepayments and other assets		(42,311,513)	(39,044,714)
Inventories		58,894,759	34,803,970
Trade payables, accruals, and other liabilities	24	21,215,324	44,911,803
VAT payable		(524,319)	11,741,268
		21,239,235	89,110,881
Finance costs paid		(4,761,226)	(1,422,766)
Employees' benefit obligations paid		(2,120,687)	(689,367)
Net cash generated from operating activities		14,357,322	86,998,748
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchases of property, plant, and equipment	6	(12,633,728)	(15,865,894)
Proceeds from disposal of property, plant, and equipment	6	2,097	7,178
Payments for purchases of intangible assets		(495,619)	-
Payments for purchase of investment in associate	8	-	(134,109,770)
Net cash used in investing activities		(13,127,250)	(149,968,486)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities	7	(5,869,348)	(4,352,024)
Proceeds from short-term loans	16	700,000,000	-
Repayments of short-term loans	16	(700,000,000)	-
Net cash used in financing activities		(5,869,348)	(4,352,024)
Net change in cash and cash equivalents		(4,639,276)	(67,321,762)
Cash and cash equivalents at the beginning of the period		42,628,379	248,927,926
Cash and Cash Equivalents at the end of the period	13	37,989,103	181,606,164
NON-CASH TRANSACTIONS			
Dividends from associate	8	-	1,116,900



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Chief Financial Officer



Thamer Abdulaziz Abanumay
Chief Executive Officer



Saleh Abdullah Almunajem
Chairman

The accompanying notes from 1 to 26 form an integral part of these condensed consolidated interim financial statements.

ALMUNAJEM FOODS COMPANY

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2025**

ALL AMOUNTS ARE IN SAUDI RIYALS UNLESS OTHERWISE STATED

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

On 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 Abdullah Al Ali Almunajem Sons Group and 0.7% by AlKafaa Real Estate Company.

During the year ended 31 December 2024, the Company has amended its Article of Association to align with the new Regulations for Companies issued through Royal Decree M/132 on 1/12/1443H (corresponding to 30 June 2022) (hereinafter referred as “the Law”) which came into force on 26/6/1444 H (corresponding to 19 January 2023).

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

For the period ended March 31, 2025, and for the year ended 31 December 2024, these consolidated financial statements included the financial information of the Company and its following subsidiary, “the Group”.

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

Optimal Solutions Company for logistics services is a limited liability company registered in the Kingdom of Saudi Arabia under commercial registration number 1009107581 dated on 29 September 2024 (Corresponding/ to 26 Rabi' al-Awwal 1446 H), with a share capital of SAR 1,000,000.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2025**

ALL AMOUNTS ARE IN SAUDI RIYALS UNLESS OTHERWISE STATED

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These condensed consolidated interim financial statements for the three months period ended March 31, 2025, 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).

The condensed consolidated interim financial statements should be read in conjunction with the Group's annual financial statement as at December 31, 2024 ("last annual financial statements"). These condensed consolidated interim financial statements do not include all the information and disclosures required to prepare a full set of the consolidated financial statements prepared in accordance with 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 Group's financial position and performance since the last annual consolidated financial statements. In addition, the results for the three months periods ended March 31, 2025, are not necessarily indicative of the results that may be expected for the year ended December 31, 2025.

2.2 Judgments and Estimates

The preparation of Group's condensed consolidated 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 Group's accounting policies and the significant sources of uncertainties were similar to those shown in the Group's latest annual consolidated financial statements.

2.3 Basis of measurement

These condensed consolidated 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.

2.4 Going concern

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

3. PRESENTATION AND FUNCTIONAL CURRENCY

The condensed consolidated interim financial statements are presented in Saudi Riyals (SAR) which is the functional currency of the Company and its subsidiary.

4. MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 31,2024.

ALMUNAJEM FOODS COMPANY

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2025**

ALL AMOUNTS ARE IN SAUDI RIYALS UNLESS OTHERWISE STATED

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, 2025. 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, 2025	Lack of Exchangeability – Amendments to IAS 21.

Standards issued but not yet effective:

The Group 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, 2026	Classification and measurement of financial instruments - Amendments to IFRS 9 and IFRS 7.
	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7.
	Annual improvements to IFRS accounting Standards - Volume 11.
January 1, 2027	IFRS 18 presentation and disclosure in financial statements.
	IFRS 19 Subsidiaries without Public Accountability Disclosures.
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).

6. PROPERTY, PLANT AND EQUIPMENT

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)	December 31, 2024 (Audited)
Cost:			
At the beginning of the period/year	569,701,487	541,458,845	541,458,845
Additions during the period/year	12,633,728	15,865,894	50,979,220
Disposals during the period/year	(8,715)	(54,173)	(22,736,578)
At the end of the period/year	582,326,500	557,270,566	569,701,487
Accumulated depreciation:			
At the beginning of the period/year	282,476,976	276,039,785	276,039,785
Charge during the period/year	7,764,292	6,888,464	28,760,888
Disposals during the period/year	(7,428)	(42,133)	(22,323,697)
At the end of the period/year	290,233,840	282,886,116	282,476,976
Net book value:			
At the end of the period/year *	292,092,660	274,384,450	287,224,511

*The Property, plant, and equipment balance as of March 31, 2025 includes construction work in progress related to construction works for new meat factory located in Jeddah with an amount of SAR 4.6 million (December 31, 2024: SAR 3.9 million).

ALMUNAJEM FOODS COMPANY

(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2025**

ALL AMOUNTS ARE IN SAUDI RIYALS UNLESS OTHERWISE STATED

7. LEASES

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

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)	December 31, 2024 (Audited)
Right-of-use assets			
At the beginning of the period/year	95,393,398	42,293,830	42,293,830
Adjustments	(3,167,364)	-	-
Additions **	18,858,475	671,919	63,128,286
Depreciation charge	(3,832,730)	(2,331,717)	(10,028,718)
Disposals	(4,907,122)	-	-
At the end of the period/year	102,344,657	40,634,032	95,393,398
	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)	December 31, 2024 (Audited)
Lease liabilities			
At the beginning of the period/year	99,197,210	45,606,019	45,606,019
Adjustments*	(3,411,001)	-	-
Additions **	18,858,475	671,919	63,128,286
Accretion of interest	1,427,883	423,556	2,326,978
Payments	(7,153,982)	(4,749,911)	(11,864,073)
Disposals	(4,907,122)	-	-
At the end of the period/year	104,011,463	41,951,583	99,197,210

* The effect of adjustments was distributed in the statement of financial position between of the right-of-use assets and lease liabilities with the amount of SAR 3.16 million in addition to the statement of profit or loss and other comprehensive income with an amount of 243.6K.

** Building leased includes a lease from the Al-Kafa'a Real State Company, Subsidiary of ultimate Parent Company. Refer to (note 11) for further details on related parties' transactions and balances.

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

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Current	13,151,484	12,218,281
Non-current	90,859,979	86,978,929
	104,011,463	99,197,210

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 investee's shares) from existing shareholders in Balady Poultry Trading Company through a private transactions, at a purchase price of SAR 120 per share with total amount of SAR 134.1 million including transaction costs of SAR 397.90 thousand, the transaction was self-financed by the Company.

Subsequent to the above agreement, on 20 Shawwal 1445 H (corresponding to April 29, 2024G) the Company signed another binding share purchase agreement with the major shareholders of Balady Poultry Trading Company, under which the Company purchased an additional 1,511,100 shares, which represents in additional 23% of the investee's shares at a purchase price of SAR 120 per share for a total of SAR 181.33 million including transaction costs of SAR 367.9 thousands. The transaction was partially self-financed, and the remaining was from external sources. The transaction was approved by the relevant authorities and completed on 18 Safar 1446 H (corresponding to 22 August 2024G), and the Company's ownership increased from 17% to 40% of the total shares of Balady Poultry Trading Company.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS PERIOD ENDED MARCH 31, 2025
ALL AMOUNTS ARE IN SAUDI RIYALS UNLESS OTHER WISE STATED

8. INVESTMENT IN ASSOCIATE (CONTINUED)

The movement in investment in associate is as follows:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)	December 31, 2024 (Audited)
At the beginning of the period/year	335,008,358	-	-
Purchases during the period/year	-	134,109,770	316,125,799
Share of results for the period /year	2,360,064	1,994,157	22,157,010
Dividends declared during the period/year	-	(1,116,900)	(3,350,700)
Share of OCI	-	-	76,249
At the end of the period/year	337,368,422	134,987,027	335,008,358

9. INVENTORIES

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Goods for resale	304,295,984	385,465,396
Goods in transit	299,887,355	298,924,291
Raw Material and consumables	44,747,940	23,487,713
Spares and consumables	4,403,420	4,352,058
Less: Inventory provision*	(1,864,564)	(2,093,264)
	651,470,135	710,136,194

* The movement of inventory provision is as follows:

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)	December 31, 2024 (Audited)
At the beginning of period/year	2,093,264	1,778,476	1,778,476
(Reversed) / Provided during the period/year *	(228,700)	33,517	314,788
At the end of period/year	1,864,564	1,811,993	2,093,264

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

During the period ended March 31, 2025, SAR 770 million (March 31, 2024: SAR 711.3 million) of the Inventory was recognized as an expense in the cost of revenue. Other items in the cost of revenue include supplier's volume rebates with an amount of SAR 3.2 million (March 31, 2024: SAR 4.9 million)

10. TRADE RECEIVABLES

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade receivables	376,205,245	302,171,385
Other trade receivables - Due from related parties (note 11-b)	11,427,690	9,773,927
	387,632,935	311,945,312
Less: Allowance for expected credit losses	(5,271,227)	(5,221,227)
	382,361,708	306,724,085

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.

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10. TRADE RECEIVABLES (CONTINUED)

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

	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)	December 31, 2024 (Audited)
At the beginning of the period/year	5,221,227	3,819,363	3,819,363
Provided during the period/year	50,000	400,000	1,401,864
At the end of the period/year	5,271,227	4,219,363	5,221,227

11. RELATED PARTIES TRANSACTIONS AND BALANCES

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

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

a) Related parties' transactions**For the three months period
ended March 31, 2025****(unaudited)**

	<u>Relationship</u>	<u>Sales</u>	<u>Purchases</u>	<u>Expenses*</u>	<u>PPE purchase/ Selling</u>
France Poultry	Subsidiary of ultimate Parent Company	-	219,966,184	-	-
Shawaya House Company	Subsidiary of ultimate Parent Company	5,815,313	-	37,023	-
Gulf Catering Company	Subsidiary of ultimate Parent Company	1,871,709	-	503,268	-
Nutrition & Diet Center Company	Subsidiary of ultimate Parent Company	1,412,565	1,905,542	185,051	-
Az-Zad Saudi Company	Subsidiary of ultimate Parent Company	320,465	-	35,385	-
Thati Limited Company	Subsidiary of ultimate Parent Company	6,235	-	390	-
Bureida Trading and Refrigeration	Subsidiary of ultimate Parent Company	-	-	4,976	3,695,200
Al-Kafa'a Real State Company	Subsidiary of ultimate Parent Company	-	-	2,115,800	-
Abdullah Al Ali Almunajem Sons	The ultimate Parent Company	-	-	1,216,082	-
Four Steps International	Owned by a member of the BOD	-	-	21,000	-
Entertainment Mine Company Ltd	Owned by a closed family member	47,453	-	-	-
Balady Poultry Trading Company	Associate Company	-	8,937,930	-	-
Others	Shareholder in the ultimate Parent Company	-	-	27,000	-

**For the three months period
ended March 31, 2024****(unaudited)**

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

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

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11. RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED)**b) Amounts due from related parties classified under trade receivables**

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Shawaya House Company	8,862,255	5,519,489
Nutrition and Diet Center Company	1,560,295	2,374,561
Gulf Catering Company	834,183	1,832,701
Entertainment Mine Company Ltd	13,173	32,325
Azzad Saudi Company	148,790	12,233
Thati Limited Company	8,994	2,618
	<u>11,427,690</u>	<u>9,773,927</u>

The above balances are unsecured, interest-free, and have settlement terms 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 prospects of the industries in which the related parties operate. Management considers that related party balances as not impaired. There has been no change in estimation techniques or significant assumptions made during the current reporting period in assessing the allowances for balances due from related parties.

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

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Burieda Trading and Refrigeration Company	72,595	94,241
Abdullah Al Ali Al Munajem Sons Company	284,032	29,788
Balady Company	1,531,863	2,187,461
	<u>1,888,490</u>	<u>2,311,490</u>

Land leases include a lease with the ultimate parent Company, Abdullah Al Ali Almunajem Sons Company. Right of use assets amounting to SAR 19,870,823 (Dec,31 2024: SAR 20,202,741) and lease liability amounting to SAR 21,448,369 (Dec,31 2024: SAR 23,240,204) pertain to this lease (note 7). The payment of this land lease amounting to SAR 1.99 million (Dec,31 2024: SAR 1.99 million).

d) Key management compensation

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

	For the three months period ended	
	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Short-term employee benefits *	2,345,618	2,337,434
Post-employment benefits	84,994	100,476
	<u>2,430,612</u>	<u>2,437,910</u>

*Short-term employee benefits include SAR 0.5 million (March 31, 2024: SAR 0.5 million) pertaining to the board of directors' remuneration.

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12. PREPAYMENTS AND OTHER ASSETS

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Advance to a related party *	147,308,935	127,647,019
Prepayments	22,097,783	16,389,962
Advances to suppliers and contractors **	26,632,551	9,696,537
Right of return assets	1,123,063	1,253,863
Employee receivables	727,044	647,826
Others	1,859,966	1,802,622
	<u>199,749,342</u>	<u>157,437,829</u>

*This amount 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 and Refrigeration Company (a subsidiary to the Parent Company) with an amount of SAR 1.9 million, (31 December 2024: SAR 2.5 million) for future deliveries of refrigeration trucks boxes (note 11).

13. CASH AND CASH EQUIVALENTS

	March 31, 2024 (Unaudited)	December 31, 2024 (Audited)
Cash at banks	35,791,531	40,961,264
Cash on hand	2,197,572	1,667,115
	<u>37,989,103</u>	<u>42,628,379</u>

14. SHARE CAPITAL AND STATUTORY RESERVE**(a) Share Capital**

Authorized, issued and paid-up capital is divided into 60,000,000 shares of SAR 10 each (December 31, 2024: 60,000,000 shares of SAR 10 each).

(b) Statutory Reserve

The Company transferred 10% of its profits to statutory reserve annually based on the previous regulations of Companies and Company's bylaws. During 2024, the Company updated its bylaws based on the new Regulations for the Company, which doesn't require the transfer of profits to reserve, accordingly no transfers were made to the reserves during the period.

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15. TRADE PAYABLES, ACCRUALS, AND OTHER LIABILITIES

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade payables*	584,551,736	577,518,439
Accrued expenses	44,432,874	44,437,263
Other trade payables- related parties (note 11-c)	1,888,490	2,311,490
Advances from customers	1,246,092	1,272,336
Other payables	25,428,459	10,792,798
	<u>657,547,651</u>	<u>636,332,326</u>

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

* Trade Payables include supply chain agreements compatible with Islamic Sharia granted from Saudi local bank during the period ended March 31, 2025, with an amount of SAR 224 million (December 31, 2024: SAR 169.7 million).

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

The Group has not derecognized the original trade payables relating to the arrangement because neither a legal release was obtained nor was the original liability substantially modified on entering into the arrangement. From the Group's perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating; however, the arrangement does provide willing suppliers with the benefit of early payment. Additionally, the Group has incurred interest towards the bank due to the suppliers with an amount of SAR 2,601,904 for the period ended 31 March 2025 (31 March 2024: 1,024,879). The Group therefore includes the amounts subject to the arrangement within trade payables because the nature and function of these payables remains the same as those of other trade payables. All payables under the arrangement are classified as current as at period ended 31 March 2025 and 31 December 2024.

** Other payables include deferred customs duties by SAR 20.2 million (December 31, 2024: SAR 7.2 million).

16. SHORT-TERM LOANS

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

As at March 31, 2025, the Group had total loan facilities amounting to SAR 780,000,000 (December 31, 2024: SAR 500,000,000).

The movement in short-term loans is as follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Opening balance	92,000,000	-
Proceeds from short-term loans	700,000,000	791,000,000
Payments of short-term loans	(700,000,000)	(699,000,000)
	<u>92,000,000</u>	<u>92,000,000</u>

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17. ZAKAT PAYABLE

Movement in the Zakat Provision is as follows:

	March 31, 2024 (Unaudited)	December 31, 2024 (Audited)
At the beginning of the period/year	12,603,459	19,541,041
Provided during the period/year	4,047,379	12,278,692
Prior year adjustment	-	(500,000)
Paid during the period/year	-	(18,716,274)
At the end of the period/year	16,650,838	12,603,459

Status of assessments:

- Zakat assessments for 2021 and 2022 were completed with no additional claims or settlements required.
- Zakat assessment for 2023 was completed on 23 April 2025 and the Company paid the difference amounting to SAR 193K.
- The Company filed its Zakat return for the year 2024 and paid Zakat based on it during April 2025.
- The Company has finalized its Value-added tax (VAT) inspections up to the year 2023 and paid all the differences.
- VAT assessment for 2024 is still under processing till the date of the issuance of these condensed consolidated interim financial statements.

18. REVENUE

	For the three-months period ended March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Revenue recognized at a point in time		
Non-retail - goods transferred	457,749,562	478,615,985
Retail - goods transferred	439,225,049	421,698,105
Revenue recognized over-time		
Storage rent revenue	4,514,655	2,631,253
	901,489,266	902,945,343

Revenue is generated inside the Kingdom of Saudi Arabia.

19. FINANCE COST / INCOME, NET

	For the three-months period ended March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
<u>Finance Cost</u>		
Bank Interest	3,476,592	1,024,879
Interest on lease liabilities	1,184,246	423,556
	4,660,838	1,448,435
<u>Finance Income</u>		
Income from short-term deposits	(66,317)	(2,398,632)
	4,594,521	(950,197)

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20. OTHER EXPENSES / (INCOME)

	For the three-months period ended	
	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Gain /(Loss) on disposal of property, plant, and equipment	810	(4,863)
Foreign currencies difference	(2,770,469)	787,988
Other income	136,846	209,945
	(2,632,813)	993,070

21. EARNING PER SHARE

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

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

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

Basic and diluted earnings per share from net profit.

	For the three months period ended	
	March 31, 2025 (Unaudited)	March 31, 2024 (Unaudited)
Net profit for the period	40,033,476	114,001,677
Weighted average number of ordinary shares	60,000,000	60,000,000
Basic and diluted earnings per share	0.67	1.90

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22. SEGMENT INFORMATION

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

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

<u><i>For the three-months period ended</i></u> <u><i>31 March 2025 (Unaudited)</i></u>	Central region	Eastern& Northern regions	Western& Southern regions	Total
Revenue	374,619,327	180,307,683	346,562,256	901,489,266
Cost of revenue	320,496,845	155,001,284	292,664,166	768,162,295
Depreciation and amortization	5,688,385	1,815,484	4,248,243	11,752,112
Segment profit before zakat	13,455,613	9,841,417	20,783,825	44,080,855
Total assets as of March 31, 2025 (Unaudited)	1,132,889,098	303,481,545	569,038,105	2,005,408,748
Total liabilities as of March 31, 2025 (Unaudited)	877,983,729	34,313,971	43,102,756	955,400,456
<u><i>For the three-months period ended</i></u> <u><i>31 March 2024 (Unaudited)</i></u>	Central region	Eastern& Northern regions	Western& Southern regions	Total
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

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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22. SEGMENT INFORMATION (CONTINUED)

<u>For the three-months period ended</u> <u>31 March 2025 (Unaudited)</u>	<i>Central Region</i>	<i>Eastern & Northern Regions</i>	<i>Western & Southern Regions</i>	<i>Total</i>
Revenue				
Non-retail	181,230,480	90,827,818	185,691,264	457,749,562
Retail	191,084,286	88,863,027	159,277,736	439,225,049
Storage rent revenue	2,304,561	616,838	1,593,256	4,514,655
Total revenues	374,619,327	180,307,683	346,562,256	901,489,266
Cost of revenues				
Non-retail	(156,782,857)	(80,358,024)	(160,306,951)	(397,447,832)
Retail	(161,011,091)	(74,600,595)	(131,961,779)	(367,573,465)
Storage rent revenue	(2,702,897)	(42,665)	(395,436)	(3,140,998)
Total Cost of revenues	(320,496,845)	(155,001,284)	(292,664,166)	(768,162,295)
Total Gross profit	54,122,482	25,306,399	53,898,090	133,326,971
<u>For the three-months period ended</u> <u>31 March 2024 (Unaudited)</u>	<i>Central Region</i>	<i>Eastern & Northern Regions</i>	<i>Western & Southern Regions</i>	<i>Total</i>
Revenue				
Non-retail	193,243,550	101,897,234	183,475,201	478,615,985
Retail	191,360,806	84,559,639	145,777,660	421,698,105
Storage rent revenue	946,236	539,724	1,145,293	2,631,253
Total revenues	385,550,592	186,996,597	330,398,154	902,945,343
Cost of revenues				
Non-retail	(154,961,162)	(81,258,543)	(144,749,364)	(380,969,069)
Retail	(147,616,016)	(65,513,228)	(112,092,033)	(325,221,277)
Storage rent revenue	(544,867)	(113,571)	(341,495)	(999,933)
Total Cost of revenues	(303,122,045)	(146,885,342)	(257,182,892)	(707,190,279)
Total Gross profit	82,428,547	40,111,255	73,215,262	195,755,064

23. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Group has letters of credit as of March 31, 2025, amounting to SAR 11.53 million (December 31, 2024: SAR 13.85 million). There are capital commitments as of March 31, 2025, amounting to SAR 38.9 million (December 31, 2024: SAR 30.47 million) related to property, plant, and equipment.

24. CHANGE IN COMPARITIVE FIGURES

Certain prior year amounts have been reclassified to conform to the presentation in the current year.

The comparative figures for the fiscal year ending on 31 December 2024 have been reclassified as follows:

- Increasing the balance of trade receivables in the Statement of financial position with an amount of SAR 9,773,927 and decreasing the Due from related parties with an amount of SAR (9,773,927) in the Statement of financial position.
- Increasing the balance of trade payables in the Statement of financial position with an amount of SAR 124,029 and decreasing the Due to related parties with an amount of SAR (124,029) in the Statement of financial position.

25. SUBSEQUENT EVENTS

No other matter has occurred up to and including the date of the approval of these condensed consolidated interim financial statements by the management which could materially affect these interim condensed financial statements and the related disclosures for the period ended 31 March 2025.

26. APPROVAL OF CONDENSED INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements were approved for issuance by the Board of Directors on 8 May 2025G (corresponding to 10 Dhual-Qa'dah 1446H).