

ALMARAI COMPANY  
A SAUDI JOINT STOCK COMPANY

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
AND REVIEW REPORT  
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED  
30 JUNE 2025

**ALMARAI COMPANY**  
**A SAUDI JOINT STOCK COMPANY**

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## KPMG Professional Services Company

Roshn Front, Airport Road  
P.O. Box 92876  
Riyadh 11663  
Kingdom of Saudi Arabia  
Commercial Registration No 1010425494

Headquarters in Riyadh

## شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية

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

المركز الرئيسي في الرياض

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

To the Shareholders of Almarai Company (A Saudi Joint Stock Company)

## Introduction

We have reviewed the accompanying 30 June 2025 condensed consolidated interim financial statements of Almarai Company ("the Company") and its subsidiaries ("the Group") which comprises:

- the condensed consolidated statement of financial position as at 30 June 2025;
- the condensed consolidated statement of profit or loss for the three-month and six-month periods ended 30 June 2025;
- the condensed consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2025;
- the condensed consolidated statement of changes in equity for the six-month period ended 30 June 2025;
- the condensed consolidated statement of cash flows for the six-month period ended 30 June 2025; and
- 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 consolidated 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 condensed consolidated 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.



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

To the Shareholders of Almarai Company (A Saudi Joint Stock Company) (continued)

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2025 condensed consolidated interim financial statements of Almarai Company ("the Company") and its subsidiaries are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

## KPMG Professional Services Company

**Fahad Mubark Aldossari**  
License No: 469



Riyadh on 6 July 2025  
Corresponding to: 11 Muharram 1447 H

**ALMARAI COMPANY**  
**A SAUDI JOINT STOCK COMPANY**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2025**

		30 June 2025	31 December 2024
	Notes	(Unaudited)	(Audited)
		S '000	S '000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment		24,139,475	22,750,342
Long-term Prepayments		510,672	525,391
Right-of-Use Assets		489,573	504,066
Intangible Assets and Goodwill		1,124,022	1,130,692
Biological Assets		1,815,226	1,838,353
Investments in Associate	5	-	3,256
Derivative Financial Instruments		29,707	27,832
Deferred Tax Assets		8,051	3,858
		<u>28,116,726</u>	<u>26,783,790</u>
<b>Current Assets</b>			
Inventories		5,643,379	5,684,420
Biological Assets		164,562	136,551
Trade Receivables, Prepayments and Other Receivables		3,367,729	2,421,526
Derivative Financial Instruments		4,076	13,459
Cash and Cash Equivalents		458,725	528,214
		<u>9,638,471</u>	<u>8,784,170</u>
<b>TOTAL ASSETS</b>		<u>37,755,197</u>	<u>35,567,960</u>
<b>EQUITY AND LIABILITIES</b>			
Share Capital	6	10,000,000	10,000,000
Statutory Reserve		2,966,165	2,966,165
Treasury Shares		(528,578)	(538,024)
Other Reserves		(1,131,158)	(1,311,377)
Retained Earnings		8,056,848	7,673,972
<b>Equity Attributable to Equity Holders of the Company</b>		<u>19,363,277</u>	<u>18,790,736</u>
Non-Controlling Interests		971	396
<b>TOTAL EQUITY</b>		<u>19,364,248</u>	<u>18,791,132</u>
<b>Non-Current Liabilities</b>			
Loans and Borrowings	7	9,542,717	8,900,245
Lease Liabilities		381,151	397,701
Employee Retirement Benefits		1,486,506	1,396,542
Derivative Financial Instruments		19,299	181,812
Deferred Tax Liabilities		61,591	61,890
		<u>11,491,264</u>	<u>10,938,190</u>
<b>Current Liabilities</b>			
Bank Overdrafts		51,825	52,598
Loans and Borrowings	7	1,628,262	1,229,996
Lease Liabilities		83,127	87,249
Zakat		270,187	345,703
Income Tax Payable		58,010	36,226
Trade and Other Payables		4,771,564	4,048,921
Derivative Financial Instruments		36,710	37,945
		<u>6,899,685</u>	<u>5,838,638</u>
<b>TOTAL LIABILITIES</b>		<u>18,390,949</u>	<u>16,776,828</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>37,755,197</u>	<u>35,567,960</u>

The accompanying notes form an integral part of these Condensed Consolidated Interim Financial Statements, which have been authorised for issue by the Board of Directors on behalf of the Shareholders, and signed on its behalf by:

  
Danko Maras  
Chief Financial Officer


  
Abdullah Albader  
Chief Executive Officer

  
HH Prince Naif Bin Sultan Bin  
Mohammed Bin Saud Al Kabeer  
Chairman


**ALMARAI COMPANY**  
**A SAUDI JOINT STOCK COMPANY**  
**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2025**

		April - June 2025	April - June 2024	January - June 2025	January - June 2024
	Notes	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		ﷲ '000	ﷲ '000	ﷲ '000	ﷲ '000
Revenue	9	5,288,402	5,154,621	11,055,492	10,613,262
Cost of Sales		(3,575,223)	(3,452,286)	(7,573,658)	(7,202,466)
<b>Gross Profit</b>		<b>1,713,179</b>	<b>1,702,335</b>	<b>3,481,834</b>	<b>3,410,796</b>
Selling and Distribution Expenses		(766,224)	(726,777)	(1,520,319)	(1,422,531)
General and Administration Expenses		(130,036)	(124,305)	(259,329)	(245,912)
Other Income / (Expenses), net		11,991	(39,824)	619	(40,342)
Impairment Loss on Financial Assets		(15,667)	(18,475)	(15,426)	(40,191)
<b>Operating Profit</b>		<b>813,243</b>	<b>792,954</b>	<b>1,687,379</b>	<b>1,661,820</b>
Finance Cost, net		(124,962)	(142,658)	(224,653)	(284,233)
Share of Results of Associate	5	(323)	(112)	(1,222)	(1,060)
<b>Profit before Zakat and Income Tax</b>		<b>687,958</b>	<b>650,184</b>	<b>1,461,504</b>	<b>1,376,527</b>
Zakat		(27,981)	(22,949)	(55,445)	(47,818)
Income Tax		(12,867)	(6,125)	(27,422)	(14,218)
<b>Profit for the period</b>		<b>647,110</b>	<b>621,110</b>	<b>1,378,637</b>	<b>1,314,491</b>
<b>Profit for the period attributable to:</b>					
Shareholders of the Company		646,866	619,693	1,378,060	1,311,920
Non-Controlling Interests		244	1,417	577	2,571
		<b>647,110</b>	<b>621,110</b>	<b>1,378,637</b>	<b>1,314,491</b>
<b>Earnings per share (ﷲ), based on Profit for the period attributable to Shareholders of the Company</b>					
- Basic	8	0.65	0.63	1.39	1.33
- Diluted	8	0.65	0.62	1.38	1.31

The accompanying notes form an integral part of these Condensed Consolidated Interim Financial Statements, which have been authorised for issue by the Board of Directors on behalf of the Shareholders, and signed on its behalf by:

  
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Abdullah Albader  
Chief Executive Officer

  
HH Prince Naif Bin Sultan Bin  
Mohammed Bin Saud Al Kabeer  
Chairman

**ALMARAI COMPANY**  
**A SAUDI JOINT STOCK COMPANY**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2025**

	April - June 2025 (Unaudited) S '000	April - June 2024 (Unaudited) S '000	January - June 2025 (Unaudited) S '000	January - June 2024 (Unaudited) S '000
Profit for the period	647,110	621,110	1,378,637	1,314,491
Items that are or may be reclassified subsequently to profit or loss:				
Foreign Currency Translation Differences	4,977	2,637	3,478	(155,428)
Settlement of Cash Flow Hedges transferred to Profit or Loss	(2,770)	(4,488)	(5,187)	(7,265)
Movement in Fair Value on Cash Flow Hedges	8,472	(20,391)	184,634	(43,738)
Other Comprehensive Income/ (Loss) for the period	10,679	(22,242)	182,925	(206,431)
Total Comprehensive Income for the period	<u>657,789</u>	<u>598,868</u>	<u>1,561,562</u>	<u>1,108,060</u>
Total Comprehensive Income for the period attributable to:				
Shareholders of the Company	657,548	597,451	1,560,987	1,105,490
Non-Controlling Interests	241	1,417	575	2,570
	<u>657,789</u>	<u>598,868</u>	<u>1,561,562</u>	<u>1,108,060</u>

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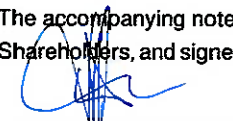
  
Abdullah Albader  
Chief Executive Officer

  
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Mohammed Bin Saud Al Kabeer  
Chairman

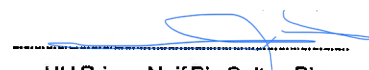
**ALMARAI COMPANY**  
**A SAUDI JOINT STOCK COMPANY**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

	Share Capital	Statutory Reserve	Treasury Shares	Other Reserves	Retained Earnings	Equity Attributable to Equity Holders	Non-Controlling Interests	Total Equity
	SAR 000							
<b>Balance as at 1 January 2024 (Audited)</b>	<b>10,000,000</b>	<b>2,966,165</b>	<b>(614,766)</b>	<b>(956,911)</b>	<b>6,403,231</b>	<b>17,797,719</b>	<b>11,106</b>	<b>17,808,825</b>
Profit for the period	-	-	-	-	1,311,920	1,311,920	2,571	1,314,491
Other Comprehensive Loss for the period	-	-	-	(206,430)	-	(206,430)	(1)	(206,431)
Total Comprehensive (Loss) / Income	-	-	-	(206,430)	1,311,920	1,105,490	2,570	1,108,060
Settlement of Cash Flow Hedges transferred to Inventory / Property, Plant and Equipment.	-	-	-	(4,285)	-	(4,285)	-	(4,285)
Directors' Remuneration	-	-	-	-	(5,477)	(5,477)	-	(5,477)
<b>Transactions with Owners in their Capacity as Owners</b>								
Dividend Declared SAR 1 per share	-	-	-	-	(988,277)	(988,277)	-	(988,277)
Share Based Payment Transactions	-	-	-	19,029	-	19,029	-	19,029
Settlement of Treasury Shares	-	-	19,683	(1,761)	3,698	21,620	-	21,620
Transactions with Non-Controlling Interests	-	-	-	-	-	-	(728)	(728)
<b>Balance as at 30 June 2024 (Unaudited)</b>	<b>10,000,000</b>	<b>2,966,165</b>	<b>(595,083)</b>	<b>(1,150,358)</b>	<b>6,725,095</b>	<b>17,945,819</b>	<b>12,948</b>	<b>17,958,767</b>
<b>Balance as at 1 January 2025 (Audited)</b>	<b>10,000,000</b>	<b>2,966,165</b>	<b>(538,024)</b>	<b>(1,311,377)</b>	<b>7,673,972</b>	<b>18,790,736</b>	<b>396</b>	<b>18,791,132</b>
Profit for the period	-	-	-	-	1,378,060	1,378,060	577	1,378,637
Other Comprehensive Income / (Loss) for the period	-	-	-	182,927	-	182,927	(2)	182,925
Total Comprehensive Income	-	-	-	182,927	1,378,060	1,560,987	575	1,561,562
Settlement of Cash Flow Hedges transferred to Inventory / Property, Plant and Equipment.	-	-	-	(23,205)	-	(23,205)	-	(23,205)
Directors' Remuneration	-	-	-	-	(7,390)	(7,390)	-	(7,390)
<b>Transactions with Owners in their Capacity as Owners</b>								
Dividend Declared SAR 1 per share (Refer Note 12)	-	-	-	-	(989,366)	(989,366)	-	(989,366)
Share Based Payment Transactions	-	-	-	21,255	-	21,255	-	21,255
Settlement of Treasury Shares	-	-	9,446	(758)	1,572	10,260	-	10,260
<b>Balance as at 30 June 2025 (Unaudited)</b>	<b>10,000,000</b>	<b>2,966,165</b>	<b>(528,578)</b>	<b>(1,131,158)</b>	<b>8,056,848</b>	<b>19,363,277</b>	<b>971</b>	<b>19,364,248</b>

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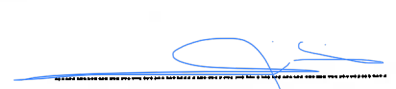
**ALMARAI COMPANY**  
**A SAUDI JOINT STOCK COMPANY**  
**CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS**  
**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

	Notes	January - June 2025 (Unaudited) S'000	January - June 2024 (Unaudited) S'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the period		1,378,637	1,314,491
Adjustments for non-cash items:			
Depreciation and Amortisation		1,201,634	1,133,871
(Gain) / Loss Arising from Changes in Fair Value less Cost to Sell of Crops		(23,580)	11,019
Provision for Employee Retirement Benefits		127,673	100,634
Provision for Inventories and Trade Receivables		60,589	45,408
Share Based Payment Expense		21,255	19,029
Finance Cost, net		224,653	284,233
Other Income / (Expenses), net		(619)	40,342
Share of Results of Associate	5	1,222	1,060
Zakat		55,445	47,818
Income Tax		27,422	14,218
		<u>3,074,331</u>	<u>3,012,123</u>
Changes in working capital:			
Inventories		28,631	463,619
Biological Assets		(1,487)	11,300
Trade Receivables, Prepayments and Other Receivables		(1,018,713)	(665,140)
Trade and Other Payables		650,611	603,008
Cash (Used in) / Generated from Working Capital		<u>(340,958)</u>	<u>412,787</u>
Employee Retirement Benefits Paid		(37,667)	(32,547)
Zakat and Income Tax Paid		(142,633)	(19,663)
<b>Net Cash from Operating Activities</b>		<u><b>2,553,073</b></u>	<u><b>3,372,700</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Time Deposit		-	1,876,250
Proceeds from Disposal of Investment in Associate	5	88,529	-
Additions in Long-term Prepayments		(1,175)	(27,500)
Purchase of Warehouse Facilities		-	(186,969)
Additions to Property, Plant and Equipment		(2,096,984)	(1,588,020)
Proceeds from the Disposal of Property, Plant and Equipment		39,850	37,727
Additions to Intangible Assets		(10,666)	(19,340)
Additions to Biological Assets		(512,951)	(494,583)
Proceeds from the Disposal of Biological Assets		158,193	155,060
<b>Net Cash Used in Investing Activities</b>		<u><b>(2,335,204)</b></u>	<u><b>(247,375)</b></u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from Loans and Borrowings		12,523,157	6,923,759
Repayment of Loans and Borrowings		(11,428,674)	(8,658,061)
Finance Cost Paid		(326,216)	(280,007)
Dividend Paid		(985,446)	(986,864)
Settlement of Treasury Shares		10,260	21,620
Transactions with Non-Controlling Interests		-	(728)
Principal Element of Lease Payments		(71,584)	(60,034)
Interest Element of Lease Payments		(2,120)	(1,959)
Directors' Remuneration		(7,390)	(5,477)
<b>Net Cash Used in Financing Activities</b>		<u><b>(288,013)</b></u>	<u><b>(3,047,751)</b></u>
<b>Net Change in Cash and Cash Equivalents</b>		<u><b>(70,144)</b></u>	<u><b>77,574</b></u>
Cash and Cash Equivalents as at 1 January		528,214	666,336
Effect of Movements in Exchange Rates on Cash and Cash Equivalents		655	(6,545)
<b>Cash and Cash Equivalents as at 30 June</b>		<u><b>458,725</b></u>	<u><b>737,365</b></u>

The accompanying notes form an integral part of these Condensed Consolidated Interim Financial Statements, which have been authorised for issue by the Board of Directors on behalf of the Shareholders, and signed on its behalf by:

  
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**ALMARAI COMPANY**  
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**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

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**1. THE COMPANY, ITS SUBSIDIARIES AND ITS BUSINESS DESCRIPTION**

Almarai Company (the “Company”) is a Saudi Joint Stock Company, which was converted from a limited liability company to a joint stock company on 2 Rajab 1426 A.H. (8 August 2005). The Company initially commenced trading on 19 Dul Hijjah 1411 A.H. (1 July 1991) and operates under Commercial Registration No. 1010084223. Prior to the consolidation of activities in 1991, the core business was conducted between 1977 and 1991 under the Almarai brand name.

The Company’s Head Office is located at Exit 7, North Ring Road, Al Izdihar District, P.O. Box 8524, Riyadh 11492, Kingdom of Saudi Arabia (“Saudi Arabia”).

The Company and its subsidiaries (together, the “Group”) are a major integrated consumer food and beverage Group in the Middle East with leading market share in Saudi Arabia. It also operates in Egypt, Jordan and other Gulf Cooperation Council (“GCC”) countries.

Dairy, fruit juices and related food business is operated under the “Almarai”, “Beyti” and “Teeba” brand names. All raw milk production, Dairy and Fruit Juice product processing and related food product manufacturing activities are undertaken in Saudi Arabia, United Arab Emirates (“UAE”), Egypt and Jordan.

Dairy, fruit juices and related food business in Egypt and Jordan operates through a fully owned subsidiary International Dairy and Juice Limited (“IDJ”). The Group manages IDJ operations through the following key subsidiaries:

- Jordan - Teeba Investment for Developed Food Processing
- Egypt - International Company for Agricultural Industries Projects (Beyti) (SAE)

Bakery products are manufactured and traded by Western Bakeries Company Limited and Modern Food Industries Company Limited under the brand names “L’usine” and “7 Days”, respectively.

Poultry products are manufactured and traded by Hail Agricultural Development Company under the “Alyoum” and “AlBashayer” brand names.

Seafood products are traded under the “Seama” brand name.

Ice cream products are traded under the “Almarai” brand name.

Infant Nutrition products are manufactured by Almarai Baby Food Company Limited and traded by International Pediatric Nutrition Company under “Nuralac” and “Evolac” brand names.

In territories where the Group has operations, final consumer packed products are distributed from manufacturing facilities to local distribution centres by the Group’s long haul distribution fleet. The distribution centres in GCC countries are managed through subsidiaries in UAE, Sultanate of Oman (“Oman”) and Kingdom of Bahrain (“Bahrain”) and an agency agreements in Kuwait and Qatar as follows:

- UAE - Almarai Emirates Company LLC
- Oman - Arabian Planets for Trading and Marketing LLC
- Bahrain - Almarai Company Bahrain W.L.L.
- Kuwait - Al Kharafi Brothers Dairy Products Company Limited
- Qatar - Khalid for Foodstuff and Trading Company

In other territories, where permissible by law, export sales are made through other subsidiaries.

The Group owns and operates arable farms in Argentina and in United States of America (USA), collectively referred to as “Fondomonte”, through the following key subsidiaries:

- USA - Fondomonte Holdings North America LLC
- Argentina - Fondomonte South America S.A

The Group’s non-GCC business operations under IDJ and Fondomonte are managed through Almarai Investment Holding Company W.L.L., a company incorporated in the Kingdom of Bahrain.

Poultry grandparent farming operations are conducted by Pure Breed Poultry (Taseel) Company.

Value-added meat and poultry for the Middle East food services industry are manufactured and distributed by Premier Foods Industries Company LLC.

Frozen bakery products are produced and sold in the UAE and Bahrain by Bakemart FZ LLC, Bakemart L.L.C (UAE), and Bakemart W.L.L (Bahrain).

**ALMARAI COMPANY**  
**A SAUDI JOINT STOCK COMPANY**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

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**1. THE COMPANY, ITS SUBSIDIARIES AND ITS BUSINESS DESCRIPTION (Continued...)**

**Acquisition**

- On 19 Dhul-Hijjah 1446 (15 June 2025), the Company entered into a Share Purchase Agreement ("SPA") to acquire 100% shares in Pure Beverages Industry Company, a company based in the Kingdom of Saudi Arabia, for a total consideration of ~~SR~~1,040 million.

The completion of this acquisition is subject to certain conditions set forth in the SPA, including obtaining the necessary regulatory approvals from authorities in Kingdom of Saudi Arabia. The financial impact and results of this acquisition will be incorporated into the Group's Condensed Consolidated Interim Financial Statements upon successful completion of these conditions.

- On 3 Rabi Al Thani 1446 (6 October 2024), the Group, through its subsidiary Teeba Investment for Developed Food Processing Company, entered into a Share Purchase Agreement ("SPA") to acquire 100% shares in Hammoudeh Food Industries, a company based in the Hashemite Kingdom of Jordan, for a total consideration of ~~SR~~ 263 million.

The completion of this acquisition was subject to certain conditions set forth in the SPA, including obtaining the necessary regulatory approvals from authorities in both the Kingdom of Saudi Arabia and the Hashemite Kingdom of Jordan. However, as the seller was unable to meet certain critical conditions, the transaction has been discontinued. The non-completion of this transaction did not result in any impact to the Group's Condensed Consolidated Interim Financial statements.

**Devaluation of Egyptian Currency**

During the quarter ended 30 June 2025, the Egyptian Pound remained stable against the Saudi Riyal (~~SR~~), with no significant devaluation observed (30 June 2024: 35.6%). Accordingly, the currency translation adjustment arising from the translation of the Group's operations in Egypt was not material for the period.

**2. BASIS OF PREPARATION**

**2.1 Statement of Compliance**

These Condensed Consolidated Interim Financial Statements have been prepared in accordance with International Accounting Standard IAS 34 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA") and should be read in conjunction with the Group's last annual Consolidated Financial Statements for the year ended 31 December 2024. These do not include all of the information normally required for a complete set of Consolidated Financial Statements; however, accounting policies and selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since 31 December 2024.

**2.2 Preparation of the Financial Statements**

These Condensed Consolidated Interim Financial Statements have been prepared on the historical cost basis except for the following material items in the Condensed Consolidated Statement of Financial Position:

- Derivative financial instruments are measured at fair value.
- The employee retirement benefit is recognised at the present value of future obligations using the Projected Unit Credit Method.
- Biological Assets, where fair value is reliably measurable, have been measured at fair value.

**2.3 Use of Judgments and Estimates**

In preparing these Condensed Consolidated Interim Financial Statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual Consolidated Financial Statement.

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**3. FUNCTIONAL AND PRESENTATION CURRENCY**

These Condensed Consolidated Interim Financial Statements are presented in Saudi Riyals ("ﷲ"), which is the Company's functional and Group's presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

**4. MATERIAL ACCOUNTING POLICIES**

**4.1 New Standards, Amendment to Standards and Interpretations**

There are new standards and number of amendments to standards which are effective from 1 January 2025 and have been explained in Group's annual Consolidated Financial Statements, but they do not have a material effect on the Group's Condensed Consolidated Interim Financial Statements.

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**5. INVESTMENT**

	<b>Nature</b>	<b>Principal activity</b>	<b>Place of Incorporation</b>	<b>30 June 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>	<b>30 June 2025 (Unaudited) S' '000</b>	<b>31 December 2024 (Audited) S' '000</b>
<b><u>Investments in Associate</u></b>							
Maria Fondomonte S.A. (Refer Note 5.1)	Associate	Source, Process and Sale of Forage Supplies to the Group	Romania	0%	49%	-	3,256

**5.1 Movement in Investment in Associate is as follows:**

	<b>30 June 2025 (Unaudited) S' '000</b>	<b>31 December 2024 (Audited) S' '000</b>
<b>Maria Fondomonte S.A.</b>		
Opening balance	3,256	5,030
Share of Results for the period / year	(1,222)	(1,774)
Disposal during the period	(2,034)	-
Closing balance	-	3,256

- 5.2** On 22 Safar 1441 A.H. (21 October 2019) the Group acquired 49% equity interest in Maria Fondomonte S.A. (the "Associate") for a cash consideration of S' 87.8 million to strengthen its dairy herd feed supply. The Group reviewed this investment for impairment on account of breach of certain clauses set forth in the shareholders' agreement (the "Agreement") dated 21 October 2019. Based on fair valuation of Group's equity stake in the Associate, an impairment loss of S' 82.9 million was recognised in 'Other Income / (Expenses), net' in the Consolidated Statement of Profit or Loss during the year ended 31 December 2022. The Group initiated the legal action under the Agreement, within the jurisdiction of Romania, to recover its investment in the Associate.

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**5. INVESTMENT (Continued...)**

On 30 April 2025, the Group entered into a settlement agreement and recovered its investment of ~~ﷲ~~ 88.5 million by disposing of its entire stake in the Associate to the remaining shareholders, in exchange for a cash consideration. The transaction resulted in a gain on disposal of ~~ﷲ~~ 43.6 million, determined after deducting the associated recovery costs (including legal and administrative expenses) and the carrying value of the investment as of the disposal date. The net gain is recognized in 'Other Income / (Expenses), net' in the Condensed Consolidated Statement of Profit or Loss for the period ended 30 June 2025.

The Group's share of results of the investment in associate for the six-month period ended 30 June 2024 amounted to a loss of ~~ﷲ~~ 1 million.

**6. SHARE CAPITAL**

The Company's share capital as at 30 June 2025 amounted to ~~ﷲ~~ 10,000 million (2024: ~~ﷲ~~ 10,000 million), consisting of 1,000 million (2024: 1,000 million) fully paid and issued shares of ~~ﷲ~~ 10 each.

The statutory reserve included in the condensed consolidated interim financial statements was required under the Company's previous by-laws. However, following amendments to the Company's by-laws during the year ended 31 December 2024, the requirement to set aside a statutory reserve has been removed.

**7. LOANS AND BORROWINGS**

		30 June 2025 (Unaudited) ﷲ '000	31 December 2024 (Audited) ﷲ '000
	Notes		
<b>Non-Current Liabilities</b>			
Islamic Banking Facilities (Murabaha)	7.1	6,277,228	5,551,280
Saudi Industrial Development Fund ("SIDF")		235,457	334,872
Banking Facilities of Non-GCC Subsidiaries		120,100	56,084
Supranational (Murabaha)		71,220	118,415
Agricultural Development Fund ("ADF")		36,579	38,263
International Sukuk		2,802,133	2,801,331
		<u>9,542,717</u>	<u>8,900,245</u>
<b>Current Liabilities</b>			
Islamic Banking Facilities (Murabaha)	7.1	1,081,804	418,203
Saudi Industrial Development Fund ("SIDF")		235,195	277,260
Banking Facilities of Non-GCC Subsidiaries		117,403	46,766
Supranational (Murabaha)		95,671	96,160
Agricultural Development Fund ("ADF")		26,415	327,787
International Sukuk		71,774	63,820
		<u>1,628,262</u>	<u>1,229,996</u>
Total Loans and Borrowings		<u>11,170,979</u>	<u>10,130,241</u>

**7.1** The borrowings under Islamic banking facilities (Murabaha) are secured by promissory notes given by the Group and are denominated in ~~ﷲ~~. The Islamic banking facilities (Murabaha) with a maturity period of less than two years are predominantly of a revolving nature. During the period ended 30 June 2025, the Group entered into new Islamic Banking facilities for ~~ﷲ~~3,300 million (30 June 2024: ~~ﷲ~~ 300 million).

**7.2** The loans contain certain covenants. A future breach of covenants may lead to renegotiation. The covenants are monitored on a monthly basis by management. In case of potential breach, actions are taken by management to ensure compliance. During the period ended 30 June 2025, there has been no non-compliance with any of the covenants.

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**8. EARNINGS PER SHARE**

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

	April - June 2025 (Unaudited)	April - June 2024 (Unaudited)	January - June 2025 (Unaudited)	January - June 2024 (Unaudited)
	ﷲ '000	ﷲ '000	ﷲ '000	ﷲ '000
Profit for the period attributable to the Shareholders of the Company	646,866	619,693	1,378,060	1,311,920
<b>Number of shares '000'</b>				
Weighted average number of ordinary shares for the purpose of basic earnings	989,326	987,552	989,280	987,456
Weighted average number of ordinary shares repurchased	10,674	12,448	10,720	12,544
Weighted average number of ordinary shares for the purpose of diluted earnings	1,000,000	1,000,000	1,000,000	1,000,000
	<b>April - June 2025 (Unaudited)</b>	<b>April - June 2024 (Unaudited)</b>	<b>January - June 2025 (Unaudited)</b>	<b>January - June 2024 (Unaudited)</b>
<b>Earnings per Share (ﷲ), based on Profit for the period attributable to Shareholders of the Company</b>				
- Basic	0.65	0.63	1.39	1.33
- Diluted	0.65	0.62	1.38	1.31

Weighted average number of shares are retrospectively adjusted to reflect the effect of Bonus Shares and are adjusted to take account of Treasury Shares held under the Almarai Employee Equity Participation Program.

**9. SEGMENT REPORTING**

The Group's principal business activities involve manufacturing and trading of dairy and juice products under Almarai, Beyti and Teeba brands, bakery products under L'usine and 7 Days brands and poultry products under Alyoum and AlBashayer brands. Other activities include Arable, Horticulture, Infant Nutrition, Seafood and Value added meat products. Selected financial information as at 30 June 2025 and 30 June 2024, and for the period then ended, categorised by these business segments, is as follows:

Dairy and Juice	Milk production, dairy, fruits juice, ice cream product processing and distribution
Bakery	Bakery products manufacturing and distribution
Poultry	Poultry products manufacturing and distribution
Other Activities	Arable, Horticulture, Infant Nutrition, Seafood and Value added meat products.

	Dairy and Juice	Bakery	Poultry	Other Activities	Total
	ﷲ '000	ﷲ '000	ﷲ '000	ﷲ '000	ﷲ '000
<b>30 June 2025</b>					
Revenue	7,578,629	1,327,445	1,949,988	753,534	11,609,596
Third Party Revenue	7,533,771	1,327,445	1,949,988	244,288	11,055,492
Depreciation and Amortisation	(725,836)	(94,266)	(303,569)	(77,963)	(1,201,634)
Share of Results of Associate	-	-	-	(1,222)	(1,222)
Profit for the period	905,237	191,600	275,500	6,300	1,378,637
Profit attributable to Shareholders of the Company	904,660	191,600	275,500	6,300	1,378,060
Total Assets	21,277,872	2,024,637	10,761,410	3,691,278	37,755,197
Total Liabilities	12,957,944	434,581	4,259,028	739,396	18,390,949
<b>31 December 2024</b>					
Total Assets	21,120,578	1,982,800	9,074,896	3,389,686	35,567,960
Total Liabilities	12,799,436	427,890	2,886,540	662,962	16,776,828

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**9. SEGMENT REPORTING (Continued...)**

	Dairy and Juice	Bakery	Poultry	Other Activities	Total
	ﷲ '000	ﷲ '000	ﷲ '000	ﷲ '000	ﷲ '000
<b>30 June 2024</b>					
Revenue	7,246,093	1,270,256	1,890,687	659,233	11,066,269
Third Party Revenue	7,211,721	1,270,256	1,890,687	240,598	10,613,262
Depreciation and Amortisation	(675,522)	(105,900)	(266,169)	(86,280)	(1,133,871)
Share of Results of Associate	-	-	-	(1,060)	(1,060)
Profit / (loss) for the period	892,978	184,027	271,245	(33,759)	1,314,491
Profit / (loss) attributable to Shareholders of the Company	892,352	184,027	269,300	(33,759)	1,311,920
Total Assets	21,798,648	1,984,230	8,002,358	3,381,207	35,166,443
Total Liabilities	12,556,527	484,655	3,398,290	768,204	17,207,676
<b>31 December 2023</b>					
Total Assets	23,977,931	1,985,481	7,260,844	2,969,759	36,194,015
Total Liabilities	12,999,332	492,391	4,160,985	732,482	18,385,190

The Group's revenue is derived from contracts with customers for sale of consumer products. Control of products is transferred at a point in time and directly sold to customers.

Segment assets are measured in the same way as in the Financial Statements. These assets are allocated and analysed based on the operations of the segment. The Group's management does not analyse total assets based on its geographical location and therefore country-wise total assets are not disclosed in these Condensed Consolidated Interim Financial Statements.

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

	Dairy and Juice	Bakery	Poultry	Other Activities	Total
	ﷲ '000	ﷲ '000	ﷲ '000	ﷲ '000	ﷲ '000
<b>For the six-month period ended 30 June 2025</b>					
Saudi Arabia	4,714,068	956,088	1,569,629	151,204	7,390,989
Other GCC Countries	1,623,283	356,389	323,743	18,054	2,321,469
Other Countries	1,196,420	14,968	56,616	75,030	1,343,034
Total Third Party Revenue	7,533,771	1,327,445	1,949,988	244,288	11,055,492
<b>For the six-month period ended 30 June 2024</b>					
Saudi Arabia	4,424,974	918,325	1,544,539	128,225	7,016,063
Other GCC Countries	1,534,688	338,173	282,414	25,373	2,180,648
Other Countries	1,252,059	13,758	63,734	87,000	1,416,551
Total Third Party Revenue	7,211,721	1,270,256	1,890,687	240,598	10,613,262

**10. FAIR VALUE MEASUREMENT**

Financial assets and financial liabilities measured at fair value are derivative financial instruments that include forwards, commission rate swaps and commodity derivatives. These derivatives are classified as Level 2 fair value measurements, based on valuations provided by counterparties using widely recognised valuation models. The valuation techniques applied by the counterparties include the use of forward pricing standard models using present value calculations and mid-market valuations. Where applicable, these models project future cash flows and discount the future amounts to present value using market-based observable inputs including interest rate curves, credit spreads, foreign exchange rates, and forward and spot prices.

The classification methodology used in line with the annual consolidated financial statements for the year ended 31 December 2024. No transfers were recorded between Level I, Level II or Level III for the six months period ended 30 June 2025 (30 June 2024: Nil).



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**11. COMMITMENT AND CONTINGENCIES**

- 11.1. The Contingent Liabilities against letters of credit are ~~ﷲ~~ 388.2 million at 30 June 2025 (31 December 2024: ~~ﷲ~~ 485 million).
- 11.2. The Contingent Liabilities against letters of outward guarantee and corporate guarantee are ~~ﷲ~~ 869.7 million at 30 June 2025 (31 December 2024: ~~ﷲ~~ 815 million).
- 11.3. The Group had capital commitments amounting to ~~ﷲ~~ 3,245 million at 30 June 2025 in respect of ongoing projects (31 December 2024: ~~ﷲ~~ 4,440 million).

**12. DIVIDENDS**

On 15 Shawwal 1446 A.H. (13 April 2025) the shareholders in their Extraordinary General Assembly Meeting approved dividends of ~~ﷲ~~ 1,000 million (~~ﷲ~~ 1 per share) for the year ended 31 December 2024 out of which ~~ﷲ~~ 985.4 million was paid during the quarter.

No dividend was paid relating to treasury shares amounted to ~~ﷲ~~ 10.6 million.

**13. SUBSEQUENT EVENTS**

In the opinion of the management, there have been no significant subsequent events since the period-end that require adjustment of or disclosure in these Condensed Consolidated Interim Financial Statements.

**14. BOARD OF DIRECTORS APPROVAL**

These Condensed Consolidated Interim Financial Statements were approved by the Board of Directors on behalf of the Shareholders on 11 Muharram 1447 A.H. (6 July 2025).