



**THE NATIONAL AGRICULTURAL
DEVELOPMENT COMPANY (NADEC)**
(A Saudi Joint Stock Company)

INTERIM CONDENSED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE-MONTH AND NINE-MONTH
PERIODS ENDED 30 SEPTEMBER 2024

**THE NATIONAL AGRICULTURAL DEVELOPMENT
COMPANY (NADEC)
INTERIM CONDENSED FINANCIAL STATEMENTS
(A SAUDI JOINT STOCK COMPANY)**

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF NATIONAL AGRICULTURAL DEVELOPMENT COMPANY (NADEC) (A SAUDI JOINT STOCK COMPANY)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of the National Agriculture Development Company ("the Company") as at 30 September 2024, and the related interim condensed statements of profit or loss and comprehensive income for the three-month and nine-month periods ended 30 September 2024, and the related interim condensed statements of changes in equity and cash flows for the nine-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as endorsed in the Kingdom of Saudi Arabia. A review of interim financial statement consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

for Ernst & Young Professional Services

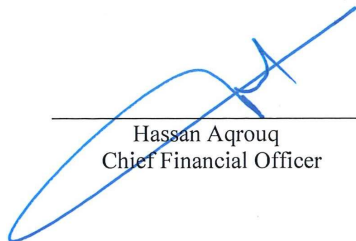

Ahmed Ibrahim Reda
Certified Public Accountant
License No. (356)

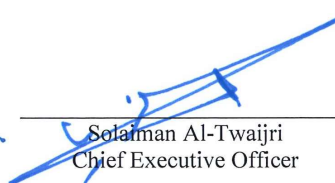


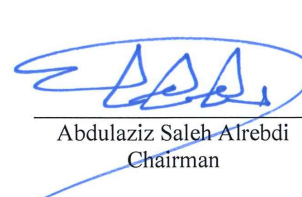
Riyadh: 19 Rabi Al-Thani 1446
22 October 2024

		30 September 2024 SAR (Unaudited)	31 December 2023 SAR (Audited)
	Note		
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9	1,750,481,406	1,760,547,868
Right-of-use assets		48,851,658	57,707,476
Biological assets		707,460,779	727,632,518
Intangible assets		27,209,662	23,851,662
Investment in joint venture	10	100,732,984	116,222,014
Equity investment at FVOCI		8,949,000	8,949,000
TOTAL NON-CURRENT ASSETS		2,643,685,489	2,694,910,538
CURRENT ASSETS			
Biological assets		82,456,540	56,574,175
Inventories		647,157,813	559,749,415
Trade receivables, prepayments, and other receivables		589,950,960	463,839,474
Investment in joint venture – held for sale	10	42,078,422	-
Term deposits		-	500,000,000
Cash and cash equivalents		1,695,248,302	834,686,320
TOTAL CURRENT ASSETS		3,056,892,037	2,414,849,384
TOTAL ASSETS		5,700,577,526	5,109,759,922
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	6	3,016,400,000	3,016,400,000
Share premium		78,719	78,719
Statutory reserve		193,787,812	193,787,812
Other reserves		41,235,408	38,985,456
Retained earnings		668,378,006	343,592,118
TOTAL SHAREHOLDERS' EQUITY		3,919,879,945	3,592,844,105
NON-CURRENT LIABILITIES			
Murabaha loans and borrowings	7	61,035,367	97,739,216
Lease liabilities		27,636,155	34,777,841
Deferred income		3,612,294	4,017,287
Employee' defined benefits obligation		145,480,767	147,947,099
TOTAL NON-CURRENT LIABILITIES		237,764,583	284,481,443
CURRENT LIABILITIES			
Trade and other payables		985,146,285	774,614,339
Murabaha loans and borrowings – short term	7	310,263,813	227,618,113
Murabaha loans and borrowings - current portion	7	50,447,963	51,035,972
Lease liabilities		14,108,630	17,894,034
Undistributed rights issue compensation	11	83,209,476	83,238,203
Dividend payables		32,003,136	32,340,192
Provision for Zakat		67,753,695	45,693,521
TOTAL CURRENT LIABILITIES		1,542,932,998	1,232,434,374
TOTAL LIABILITIES		1,780,697,581	1,516,915,817
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		5,700,577,526	5,109,759,922

The accompanying notes 1 to 15 are an integral part of these interim condensed financial statements
The interim condensed financial statements appearing on pages 2 to 12 were approved by the Board of Directors and were signed on its behalf by


Hassan Aqrouq
Chief Financial Officer


Solaiman Al-Twajri
Chief Executive Officer


Abdulaziz Saleh Alrebdi
Chairman



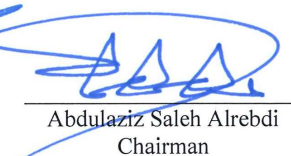
		Three month period ended 30 Sep 2024 SAR (Unaudited)	Three month period ended 30 Sep 2023 SAR (Unaudited)	Nine month period ended 30 Sep 2024 SAR (Unaudited)	Nine month period ended 30 Sep 2023 SAR (Unaudited)
	Note				
Revenue	8	791,085,343	861,099,329	2,438,727,292	2,396,370,473
Cost of sales		(500,757,808)	(537,492,833)	(1,527,125,029)	(1,498,734,929)
GROSS PROFIT		290,327,535	323,606,496	911,602,263	897,635,544
Selling and marketing expenses		(125,527,626)	(164,306,022)	(411,296,273)	(440,876,410)
General and administrative expenses		(56,247,343)	(56,557,509)	(173,605,620)	(141,454,980)
Impairment losses for trade receivables, and other receivables		201,066	(5,111,978)	(3,334,327)	(54,337,914)
Write off/impairment losses on property, plant and equipment		(207,448)	-	(207,448)	(10,911,076)
Other expenses, net		(8,747,816)	(5,372,397)	(27,794,714)	(21,807,324)
OPERATING PROFIT		99,798,368	92,258,590	295,363,881	228,247,840
Treasury income		22,956,978	-	65,695,380	-
Financing cost		(6,994,639)	(18,353,429)	(25,412,765)	(53,421,235)
Share of results of Joint Venture		6,715,425	7,610,000	24,039,392	14,006,737
PROFIT BEFORE ZAKAT		122,476,132	81,515,161	359,685,888	188,833,342
Zakat for current period		(9,100,000)	(6,250,000)	(33,100,000)	(10,750,000)
PROFIT FOR THE PERIOD		113,376,132	75,265,161	326,585,888	178,083,342
EARNINGS PER SHARE, BASED ON THE PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY					
Basic and diluted	5	0.38	0.48*	1.08	1.13*

*Restated for rights issue.

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signed on its behalf by


Hassan Aqrouq
Chief Financial Officer


Solaiman Al-Twajiri
Chief Executive Officer


Abdulaziz Saleh Alrebdi
Chairman



	Three month period ended 30 Sep 2024 SAR (Unaudited)	Three month period ended 30 Sep 2023 SAR (Unaudited)	Nine month period ended 30 Sep 2024 SAR (Unaudited)	Nine month period ended 30 Sep 2023 SAR (Unaudited)
PROFIT FOR THE PERIOD	113,376,132	75,265,161	326,585,888	178,083,342
Items that are or may be reclassified to profit or loss				
Foreign operations – foreign currency translation differences	14,447	(143,891)	2,249,952	(174,608)
Total items that are or may be reclassified to profit or loss	14,447	(143,891)	2,249,952	(174,608)
TOTAL OTHER COMPREHENSIVE INCOME	14,447	(143,891)	2,249,952	(174,608)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	113,390,579	75,121,270	328,835,840	177,908,734

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Hassan Agrouq
Chief Financial Officer

Solaiman Al-Twaijri
Chief Executive Officer

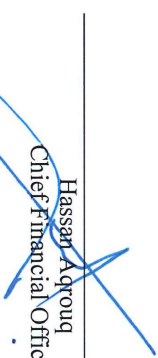
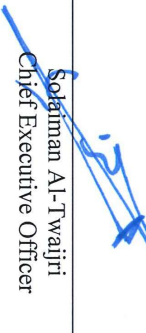
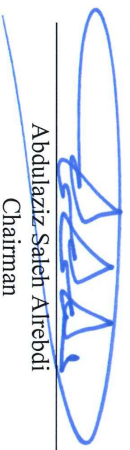
Abdulaziz Saleh Alrebbi
Chairman



The National Agricultural Development Company (NADEC)
(A Saudi Joint Stock Company)
Interim Condensed Statement of Changes in Shareholders' Equity for the nine month period ended 30 September 2024

	Share capital SAR	Share premium SAR	Statutory reserve SAR	Other reserves SAR	Retained earnings SAR	Total shareholders' equity SAR
Balance as at 1 January 2024 (Audited)	3,016,400,000	78,719	193,787,812	38,985,456	343,592,118	3,592,844,105
Profit for the period	-	-	-	-	326,585,888	326,585,888
Other comprehensive income for the period	-	-	-	2,249,952	-	2,249,952
Total comprehensive income for the period	-	-	-	2,249,952	326,585,888	328,835,840
Expenses relating to issue of new shares	-	-	-	-	(1,800,000)	(1,800,000)
Balance as at 30 September 2024 (Unaudited)	3,016,400,000	78,719	193,787,812	41,235,408	668,378,006	3,919,879,945
Balance as at 1 January 2023 (Audited)	1,016,400,000	78,719	193,787,812	29,045,753	55,833,425	1,295,145,709
Profit for the period	-	-	-	-	178,083,342	178,083,342
Other comprehensive income for the period	-	-	-	(174,608)	-	(174,608)
Total comprehensive income for the period	-	-	-	(174,608)	178,083,342	177,908,734
Balance as at 30 September 2023 (Unaudited)	1,016,400,000	78,719	193,787,812	28,871,145	233,916,767	1,473,054,443

The accompanying notes 1 to 15 are an integral part of these interim condensed financial statements
The interim condensed financial statements appearing on pages 2 to 12 were approved by the Board of Directors and were signed on its behalf by

 Hassan Agrouq Chief Financial Officer	 Soliman Al-Twaijri Chief Executive Officer	 Abdulaziz Sateh Alrebbi Chairman
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	Nine month period ended 30 Sep 2024 SAR (Unaudited)	Nine month period ended 30 Sep 2023 SAR (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before Zakat	359,685,888	188,833,342
Adjustments for:		
Depreciation of property plant and equipment, net	115,035,242	110,224,427
Depreciation of right-of-use assets	11,038,864	10,344,742
Depreciation of biological assets	50,504,120	46,478,574
Amortization of intangible assets	7,330,318	6,494,351
Deferred income	(404,993)	(405,176)
Employee benefits obligation	16,678,035	15,893,657
Write off/ Impairment losses on trade receivables and other receivables	3,334,327	42,788,056
Inventory provision	14,058,000	17,006,780
Treasury income on term deposit	(16,171,667)	-
Financing cost	25,412,765	53,421,235
Share of results from joint venture	(24,039,392)	(14,006,737)
Loss on sale of property plant and equipment and biological assets, net	39,284,140	37,279,436
Write off/ Impairment losses on property, plant and equipment	207,448	10,911,076
	601,953,095	525,263,763
Changes in:		
Inventories	(101,463,716)	(84,578,174)
Biological assets	(25,882,366)	(2,226,535)
Trade receivables, prepayments, and other receivables	(129,468,600)	(165,570,840)
Trade and other payables	210,887,538	195,503,075
	556,025,951	468,391,289
Zakat paid	(11,039,826)	(3,775,105)
Employee benefits paid	(17,348,386)	(16,419,863)
Net cash from operating activities	527,637,739	448,196,321
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment and biological assets	(233,080,096)	(219,254,461)
Proceeds from sales of property, plant and equipment and biological assets	47,598,099	64,979,928
Interest proceeds from investment in term deposits	16,171,667	-
Investment in joint venture	(2,550,000)	-
Proceeds from investment in term deposits	900,000,000	-
Investments in time deposit	(400,000,000)	-
Net cash from (used in) investing activities	328,139,670	(154,274,533)
CASH FLOWS FROM FINANCING ACTIVITIES		
Expenses relating to issue of new shares	(1,800,000)	-
Proceeds from Murabaha loans and borrowings	1,105,000,000	125,722,835
Repayment of Murabaha loans and borrowings	(1,055,584,046)	(339,148,440)
Finance cost paid	(28,127,109)	(51,930,870)
Payment of lease liabilities	(14,457,904)	(15,917,691)
Dividend paid	(337,056)	(120,569)
Undistributed rights issue compensation	(28,727)	-
Net cash from (used in) financing activities	4,665,158	(281,394,735)
Net change in cash and cash equivalent	860,442,567	12,527,053
Cash and cash equivalent at beginning of the period	834,686,320	112,761,952
Effect of exchange rates fluctuations on cash held	119,415	(571,065)
CASH AND CASH EQUIVALENT AT END OF THE PERIOD	1,695,248,302	124,717,940

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

The interim condensed financial statements appearing on pages 2 to 12 were approved by the Board of Directors and were signed on its behalf by

Hassan Agrouq
Chief Financial Officer

Solaiman Al-Twajri
Chief Executive Officer

Abdulaziz Saleh Alrebdi
Chairman



1. THE COMPANY AND ITS OPERATIONS

The National Agricultural Development Company (NADEC) (the “Company”) is a Saudi Joint Stock Company formed under the Royal Decree No. M/41 dated 17 Shawwal 1401H (corresponding to 17 August 1981). NADEC was formerly known as Haradh Agriculture and Livestock Company which was registered in Riyadh under Commercial Registration No. 1010018795 dated 26 Dhul Al-Hijjah 1398H (corresponding to 26 November 1978).

The Company is engaged in agricultural and livestock production, reclamation of agricultural land, food processing and marketing and distribution of its products. The Company’s financial year begins on January 1 and ends at the end of December of the same year.

The Company’s Head office is located at the following address:

Building No. 7049,

Sub No. 2467,

Prince Abdulrahman Bin Abdulaziz Road, Al Murabba District,

Riyadh 11461 – Kingdom of Saudi Arabia.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These Interim Condensed Financial Statements of the Company have been prepared in accordance with the requirements of the International Accounting Standard- IAS 34 - "Interim Financial Reporting" that is endorsed in the Kingdom of Saudi Arabia (KSA) and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”). Collectively referred as (International Financial Reporting Standards endorsed in the Kingdom of Saudi Arabia).

These Interim Condensed Financial Statements should be read in conjunction with the Financial Statements of the Company for the year ended 31 December 2023 (last annual financial statements). They do not include all the information required to present a complete set of financial statements prepared in accordance with International Financial Reporting Standards (IFRS) that are endorsed in the KSA. However, accounting policies and specific explanatory notes have been included to interpret significant events and transactions in order to understand the changes in the financial position and financial performance of the Company, since the last annual financial statements.

There is a new accounting policy apply for the first time in 2024, and have an impacted the interim condensed financial statements of the Company’s investment reclassification:

Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification. Assets and liabilities classified as held for sale are presented separately as current items in the statement of interim condensed statement of financial position.

2.2 Basis of Measurement

These Interim Condensed Financial Statements for the three month and nine month period ended 30 September 2024 have been prepared under the historical cost except for the following items included in the Statement of Financial Position

- Equity Investments at FVOCI are valued at fair value in accordance with the requirements of IFRS 13 second level of valuation method.
- Biological assets are measured at fair value less cost to sell except when fair value cannot be measured reliably. This assumption can be refuted by the lack of reliable declared market prices.
- Derivative financial instruments are measured at Fair Value through Profit or Loss.
- Employee defined benefit obligations is recognized at the present value of future obligations using the Projected Unit Credit method.

2. BASIS OF PREPARATION (continued)

2.3 Functional and Presentation Currency

These Interim Condensed Financial Statements have been presented in Saudi Riyal ("SAR") which is also the functional currency of the Company, unless stated otherwise.

2.4 Material Accounting Policies

New Standards, Amendment to Standards and Interpretations:

There are no new standards issued, however, there are number of amendments to standards which are effective from 1 January 2024 and has been explained in Company's annual Financial Statements, but they do not have a material effect on the Company's Interim Condensed Financial Statements. Material accounting policies are the same as those applied in Company's annual Financial Statements

3. SIGNIFICANT ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of the Company's Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of Revenues, Expenses, Assets and Liabilities, and the accompanying disclosures, and the disclosure of Contingent Liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are consistent with those disclosed in the last annual financial statements. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The significant judgments made by management in applying the Company's accounting policies are consistent with those disclosed in the last annual financial statements.

4. OPERATING SEGMENTS

IFRS 8 requires operating segments to be identified based on internal reports that are regularly reviewed by the Company's chief operating decision makers and used to allocate resources to segments and assess their performance. The operating segments described below has been prepared in accordance with IFRS 8. The Company operates in three main business segments: Dairy and Foods, Agriculture, and Protein. Most of the Company's revenues, profits and assets relate to its operations in Saudi Arabia and arise from these reportable business segments. The chief operating decision makers monitors the operational results of these operating segments separately for making decisions about resource allocation and performance evaluation. The performance of the segment is evaluated on a profit or loss basis and is measured in a manner consistent with the profit or loss recognized in the Interim Condensed Financial Statements. Protein segment has started its operating from 2024 hence no comparative information provided in previous period.

The following is a summary of the operating segments as at and for the nine month period ended 30 September 2024 (Unaudited):

	Dairy and Food	Agriculture	Protein	Elimination of Inter-Segment Sales	Total
	SAR	SAR	SAR	SAR	SAR
Revenue					
External Revenue	2,259,241,619	48,977,817	130,507,856	-	2,438,727,292
Inter-Segment Revenue	42,467,108	46,099,649	-	(88,566,757)	-
Total Revenue	2,301,708,727	95,077,466	130,507,856	(88,566,757)	2,438,727,292
Expenses					
Depreciation and Amortization	(160,425,111)	(23,467,707)	(15,725)	-	(183,908,543)
Impairment losses for trade receivables, and other receivables	(1,334,327)	(2,000,000)	-	-	(3,334,327)
Operating Profit (loss)	339,407,838	(17,982,274)	(26,061,683)	-	295,363,881
Treasury Income	65,695,380	-	-	-	65,695,380
Financing Cost	(22,712,052)	(1,842,885)	(857,828)	-	(25,412,765)
Share of results from joint venture	-	24,039,392	-	-	24,039,392
Profit (loss) before Zakat	382,391,166	4,214,233	(26,919,511)	-	359,685,888
Zakat for current period	(33,100,000)	-	-	-	(33,100,000)
Profit (loss) for the period	349,291,166	4,214,233	(26,919,511)	-	326,585,888
Total Assets					
As at 30 September 2024	4,888,231,131	628,222,426	184,123,969	-	5,700,577,526
As at 31 December 2023	4,648,665,088	461,094,834	-	-	5,109,759,922



4. OPERATING SEGMENTS (Continued)

The following is a summary of the operating segments as at and for the nine-month period ended 30 September 2023 (Unaudited)

	Dairy and Food	Agriculture	Elimination of Inter-Segment Sales	Total
	SAR	SAR	SAR	SAR
Revenue				
External Revenue	2,322,558,790	73,811,683	-	2,396,370,473
Inter-Segment Revenue	-	36,207,212	(36,207,212)	-
Total Revenue	2,322,558,790	110,018,895	(36,207,212)	2,396,370,473
Expenses				
Depreciation and Amortization	(154,283,316)	(19,258,778)	-	(173,542,094)
Impairment losses for trade receivables, and other receivables	(40,500,000)	-	-	(40,500,000)
Operating Profit	222,674,149	5,573,691	-	228,247,840
Financing Cost	(49,562,344)	(3,858,891)	-	(53,421,235)
Share of results from joint venture	-	14,006,737	-	14,006,737
Profit before Zakat	173,111,804	15,721,538	-	188,833,342
Zakat for current period	(10,750,000)	-	-	(10,750,000)
Profit for the period	162,361,804	15,721,538	-	178,083,342
Total Assets				
As at 30 September 2023	3,485,475,159	503,005,591	-	3,988,480,750
As at 31 December 2022	3,311,908,292	509,598,586	-	3,821,506,878

5. EARNINGS PER SHARE

	Three month period ended 30 Sep 2024 SAR (Unaudited)	Three month period ended 30 Sep 2023 SAR (Unaudited)	Nine month period ended 30 Sep 2024 SAR (Unaudited)	Nine month period ended 30 Sep 2023 SAR (Unaudited)
Profit for the period attributable to the shareholders of the company	113,376,132	75,265,161	326,585,888	178,083,342
Weighted average number of ordinary shares (number of shares)	301,640,000	157,635,915	301,640,000	157,635,915
Earnings per share	0.38	0.48*	1.08	1.13*

*Restated for rights issue.

Earnings per share has been calculated by dividing profit for the period attributable to the shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

6. SHARE CAPITAL

The Company has 301,640,000 shares as at 30 September 2024 (31 December 2023: 301,640,000) issued and fully paid with a value of SAR 10 per share.

7. MURABAHA LOANS AND BORROWINGS

	Currency	Interest Rate	Due Date	30 September 2024 (Unaudited)		31 December 2023 (Audited)	
				Nominal Value SAR'000	Book Value SAR'000	Nominal Value SAR'000	Book Value SAR'000
Islamic Banking Facilities (Murabaha) (7.1)	SAR	SIBOR + bank margin	2024-2026	317,143	319,246	366,737	372,903
Agricultural Development Fund Loan (7.2)	SAR	Fixed	2024-2027	102,501	102,501	3,490	3,490
Total Loans				419,644	421,747	370,227	376,393

*The weighted average interest rate on bank loans during the nine month period ended 30 September 2024 was 5.61% per annum (nine month period ended 30 September 2023: 5.95% per annum), however, the rates varied between medium and short-term loans. Loans from local banks were granted against promissory note given by the Company.

7. MURABAHA LOANS AND BORROWINGS (Continued)

Loans are presented in the Interim Condensed Financial Statements as follows:

	30 September 2024 (Unaudited) SAR'000	31 December 2023 (Audited) SAR'000
Non-current liabilities		
Agricultural Development Fund	2,501	2,501
Islamic Banking Facilities (Murabaha)	108,949	95,238
	111,450	97,739
Current liabilities		
Agricultural Development Fund	100,000	989
Islamic Banking Facilities (Murabaha)	210,297	277,665
	310,297	287,654

7.1 Islamic Banking Facilities (Murabaha) from Local Banks

The borrowing under Islamic banking facilities (Murabaha) from local banks against a promissory note issued by the Company. The maturity dates of these facilities are ranging between 2024 to 2026 as agreed with the respective banks and are mostly of a revolving nature. The amount of unused facilities as at 30 September 2024 amounted to SAR 1,065 Million (31 December 2023: SAR 828 Million).

7.2 Agricultural Development Fund Loan

During the nine month ended 30 September 2024, the Company was granted an additional loan from the Agricultural Development Fund with a total value of SAR 100 million. These loans are secured by a mortgage of specific assets owned by the Company. The maturity dates of these facilities are ranging between 2024 to 2027 as agreed with the Agricultural Development Fund. The balance of these loans from Agricultural Development Fund on 30 September 2024 amounted to SAR 102.5 million (31 December 2023: SAR 3.5 million).

8. REVENUE

	Nine month period ended 30 September 2024 SAR (Unaudited)	Nine month period ended 30 September 2023 SAR (Unaudited)
Saudi Arabia	2,206,086,538	2,118,537,360
Other Countries	232,640,754	277,833,113
	2,438,727,292	2,396,370,473

The main sources of the Company's revenues from contracts with customers includes dairy and food sales as well as the agricultural products, calves sales, raw milk, protein and others. The control of the products is transferred to the customer as soon as it is delivered to them, and the delivery has been acknowledged.

9. PROPERTY, PLANT AND EQUIPMENT

The carrying amount of Property, Plant and Equipment as at 30 September 2024 amounted to SAR 1.75 Billion (31 December 2023: SAR 1.76 Billion). During the nine month period ended 30 September 2024, the Company acquired Property, Plant and Equipment amounted to SAR 78.7 Million (Nine month period ended 30 September 2023: SAR 142 Million).

9.1 LAND

The following matters related to Land held by the Company as at date of Interim Condensed Financial Statements:

Land Used by Saudi Arabian Oil (Saudi Aramco)

As per the Royal Order No. (151) dated Ramadan 5, 1401H, NADEC was granted the Haradh project, which was invested by NADEC for Agricultural and Livestock Production, including agricultural land, facilities, fixed and movable assets, and energy sources, and it is considered among its properties starting from the date of issuance of Royal Decree No. (M/ 41) on Shawwal 17, 1401H approving its establishment.

The title deed was issued by Notary Public at Haradh with No. (87) on Jumada Al-Awwal 15, 1403H, with a length of seventy-five kilometers from north to south and five kilometers from east to west, with an area of 375 square kilometers.

NADEC entered into a legal dispute with Saudi Arabian Oil (Saudi Aramco) in respect of some portion of the land and the Supreme Court issued its final judgment on Muharram 13, 1442H (corresponding to September 1, 2020) to cancel the title deed No. (87) issued to NADEC on Jumada Al-Awwal 15, 1403H, and this decision did not oblige the Company to leave or vacate the revived areas which its operational business is located, no essential operations of the Company are located on the disputed land, and NADEC has raised its objections to the decision of the supreme court to the concerned authorities and clarified its position towards the decision.

Based on NADEC's assessment of its legal status and based on discussions with the concerned authorities, the management largely believes that the ownership of the revived lands that are subject to the use and control of the Company is valid, and it is expected that a new title will be issued to the Company for the revived lands which are under the Company control and use. It is also expected that this will lead to a reduction in the land area, which is currently used by Saudi Arabian Oil (Saudi Aramco) and a small piece of land in the southern region that is not suitable for agricultural production and is not currently used by the Company. Accordingly, the Company recorded a provision of SR 2.5 million during year 2022.

10. INVESTMENT IN JOINT VENTURE – HELD FOR SALE

On 18 Thu Alhijja 1445H (corresponding to 24 June 2024), the Capital Market Authority “CMA” approved Arabian Mills for Food Products Company (“Arabian Mills”) application of offering and listing of its 30% of the shares on the main financial market of Saudi Arabia. As part of offering process NADEC has agreed to sell 30% of shares held by NADEC in Arabian Mills. Accordingly, 30% of investment held in Arabian Mills classified as investment in joint venture held for disposal. The offering and listing process was completed on 8 October 2024.

11. UNDISTRIBUTED RIGHTS ISSUE COMPENSATION

This represents the undistributed rights issue compensation to eligible investors who have not exercised their right to subscribe to new shares. The Company were unable to transfer these amounts of compensation to the beneficiaries as a result of the lack of sufficient information about the beneficiaries' account numbers.

12. FINANCIAL INSTRUMENTS

Financial Assets and Liabilities are measured at amortized cost except for Equity Investments at Fair value through Other Comprehensive Income (FVOCI) which are measured at fair value. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under market conditions. In the absence of an active market, the asset or liability is measured in the most advantageous market for the asset or liability and relies on the perceptions of market participants to maximize the benefits of using the asset. The Company relied on valuation methods for Equity Investments at FVOCI based on the performance of similar financial assets in an active market considering the performance of the asset itself to maximize benefits from the asset.

12. FINANCIAL INSTRUMENTS (Continued)

The book value and the fair value of all financial assets and financial liabilities does not vary significantly.

	30 September 2024 SAR (in thousand) (Unaudited)	31 December 2023 SAR (in thousand) (Audited)	FV level
Financial Assets at Fair Value			
Equity Investment at FVOCI	8,949	8,949	Level 2
Total Financial Assets at Fair Value	8,949	8,949	
Financial Assets at Amortized Cost			
Trade and Other Receivables	421,413	374,259	
Term deposit	-	500,000	
Cash and Bank Balances	1,695,248	834,686	
Total Financial Assets at Amortized Cost	2,116,661	1,708,945	
Total Financial Assets	2,125,610	1,717,894	
Financial Liabilities at Amortized Cost			
Trade and Other Payables	934,534	732,702	
Loans	421,747	376,393	
Lease Liabilities	41,745	52,672	
Total Financial Liabilities at Amortized Cost	1,398,026	1,161,767	
Total Financial Liabilities	1,398,026	1,161,767	

13. RECLASSIFICATION IN COMPERATIVE NUMBERS

Certain of the last period amounts have been reclassified to conform to the presentation in the current period.

14. SUBSEQUENT EVENT

In the opinion of the management, other than note (10), there have been no significant subsequent events of the period ended 30 September 2024 that would have a material impact and would require adjustments or disclosure in these interim condensed financial statements.

15. APPROVAL BY THE BOARD OF DIRECTORS

These Interim Condensed Financial Statements for the three month and nine month periods ended 30 September 2024 were approved by the Board of Directors on 15 Rabi Al-Thani 1446 H (corresponding to 18 October 2024).