

**SAVOLA GROUP COMPANY**  
(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL  
STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT  
FOR THE THREE MONTHS AND SIX-MONTHS PERIODS ENDED  
JUNE 30, 2025**

**SAVOLA GROUP COMPANY**  
(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS' REVIEW REPORT  
FOR THE THREE MONTHS AND SIX-MONTHS PERIODS ENDED JUNE 30, 2025**

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

To the shareholders  
Savola Group Company  
(A Saudi Joint Stock Company)  
Jeddah, Saudi Arabia

### Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Savola Group Company ("the Company") and its subsidiaries (collectively referred to as "the Group") as of June 30, 2025, and the related interim condensed consolidated statement of profit or loss and other comprehensive income for the three and six months periods then ended, statements of changes in equity and cash flows for the six months period then ended, and a summary of material accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this interim condensed consolidated 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 consolidated financial statements based on our review.

### Scope of review

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

### Conclusion

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

### Other Matter

The consolidated financial statements of the Group for the year ended December 31, 2024, the interim condensed consolidated financial statements for the three month and six month periods ended June 30, 2024 and the interim condensed consolidated financial statements for the three month period ended March 31, 2025 were audited and reviewed by another auditor who expressed an unmodified opinion and an unmodified conclusion on those statements and that information on 13th Ramadan, 1446H (corresponding to March 13, 2025), 2nd Safar, 1446H (corresponding to August 6, 2024), and 9th Dhul Qadah, 1446H (corresponding to May 7, 2025) respectively.

**Deloitte and Touche & Co.**  
**Chartered Accountants**



Tariq Bin Mohammad Al Fattani  
Certified Public Accountant  
License No. 446

Safar 12, 1447H  
August 06, 2025



**SAVOLA GROUP COMPANY**  
(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2025**

(All amounts in thousands Saudi Riyal unless otherwise stated)

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		5,524,630	5,438,447
Right-of-use assets		3,259,280	3,058,060
Intangible assets and goodwill		1,408,654	1,399,693
Investment property		149,450	151,796
Equity-accounted investments	5	402,375	409,097
Investments at fair value through other comprehensive income	6	91,011	108,271
Deferred tax asset		32,490	25,308
Other non- current assets		18,062	17,845
<b>Total non-current assets</b>		<b>10,885,952</b>	<b>10,608,517</b>
<b>Current assets</b>			
Inventories		3,737,628	4,171,221
Trade receivables		1,934,825	1,956,952
Prepayments and other receivables		1,402,058	1,637,689
Investments at fair value through other comprehensive income	6	107,789	121,608
Investments at fair value through profit or loss	6	57,938	115,986
Term deposits	4	590,414	546,941
Cash and cash equivalents	4	965,097	2,235,328
<b>Total current assets</b>		<b>8,795,749</b>	<b>10,785,725</b>
<b>TOTAL ASSETS</b>		<b>19,681,701</b>	<b>21,394,242</b>
<b>EQUITY</b>			
Share capital	7	3,000,000	3,000,000
Share premium		342,974	342,974
Shares held under employees' share based payment plan	8	(23,097)	(37,459)
General reserve		4,000	4,000
Other reserves		(125,516)	(67,894)
Effect of transactions with non-controlling interests without change in control		(39,772)	(39,772)
Foreign currency translation reserve		(1,371,813)	(1,388,896)
Retained earnings		3,111,815	2,807,377
<b>Equity attributable to owners of the Company</b>		<b>4,898,591</b>	<b>4,620,330</b>
Non-controlling interests		960,804	958,733
<b>TOTAL EQUITY</b>		<b>5,859,395</b>	<b>5,579,063</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	10	30,149	29,435
Lease liabilities		3,289,519	3,166,786
Employee benefits liability		756,448	754,969
Provision against asset restoration		159,189	157,409
Deferred tax liability		123,397	116,564
<b>Total non-current liabilities</b>		<b>4,358,702</b>	<b>4,225,163</b>

The accompanying notes 1 to 19 form an integral part of these interim condensed consolidated financial statements.

**SAVOLA GROUP COMPANY**  
(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS OF JUNE 30, 2025**  
(All amounts in thousands Saudi Riyal unless otherwise stated)

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<b>Current liabilities</b>			
Loans and borrowings	10	2,485,103	3,374,142
Trade payables		2,543,708	3,679,328
Accrued and other liabilities		3,001,905	3,117,558
Lease liabilities		486,569	426,311
Put liability		343,328	343,328
Contract liabilities		167,514	139,401
Accrued income tax		75,646	106,080
Accrued zakat		359,831	403,868
<b>Total current liabilities</b>		<b>9,463,604</b>	<b>11,590,016</b>
<b>TOTAL LIABILITIES</b>		<b>13,822,306</b>	<b>15,815,179</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>19,681,701</b>	<b>21,394,242</b>

The accompanying notes 1 to 19 form an integral part of these interim condensed consolidated financial statements.

**SAVOLA GROUP COMPANY**  
(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT  
OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE MONTHS AND SIX-MONTHS PERIODS ENDED JUNE 30, 2025**  
(All amounts in thousands Saudi Riyal unless otherwise stated)

	Note	For the three months period ended June 30 (Unaudited)		For the six months period ended June 30 (Unaudited)	
		2025	2024	2025	2024
<b>Continuing Operations</b>					
Revenues	15	<b>6,061,629</b>	5,130,001	<b>13,658,915</b>	12,277,415
Cost of revenues	15	<b>(4,840,643)</b>	(3,997,029)	<b>(11,011,718)</b>	(9,645,054)
<b>Gross profit</b>		<b>1,220,986</b>	1,132,972	<b>2,647,197</b>	2,632,361
Share of results in equity-accounted investees, net of zakat and tax		<b>7,954</b>	207,364	<b>18,394</b>	405,721
Selling and distribution expenses		<b>(804,106)</b>	(734,660)	<b>(1,622,532)</b>	(1,498,396)
Administrative expenses		<b>(208,912)</b>	(207,673)	<b>(434,446)</b>	(427,822)
Net impairment loss on financial assets		<b>(5,229)</b>	(6,154)	<b>(12,749)</b>	(5,931)
Other operating income / (expenses), net		<b>44,972</b>	(7,103)	<b>57,369</b>	16,449
<b>Results from operating activities</b>		<b>255,665</b>	384,746	<b>653,233</b>	1,122,382
Finance income		<b>47,323</b>	18,876	<b>87,989</b>	49,747
Finance cost		<b>(178,019)</b>	(232,134)	<b>(345,430)</b>	(587,877)
<b>Profit before zakat and income tax</b>		<b>124,969</b>	171,488	<b>395,792</b>	584,252
Zakat expense	*	<b>(3,695)</b>	(19,731)	<b>(20,588)</b>	(30,257)
Income tax expense		<b>(10,571)</b>	(17,966)	<b>(64,153)</b>	(82,303)
<b>Profit for the period from continuing operations</b>		<b>110,703</b>	133,791	<b>311,051</b>	471,692
Profit from discontinued operations		<b>2,180</b>	27,915	<b>4,872</b>	70,829
<b>Profit for the period</b>		<b>112,883</b>	161,706	<b>315,923</b>	542,521
<b>Other comprehensive (loss) / income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Investments at fair value through other comprehensive income – net change in fair value		<b>(13,449)</b>	(10,157)	<b>(31,079)</b>	(8,884)
<b>Items that may be reclassified subsequently to profit or loss</b>					
Foreign operations - foreign currency translation differences		<b>17,994</b>	(7,663)	<b>19,747</b>	(312,856)
Discontinued operations – foreign currency translation differences		-	34,538	-	(2,004)
Equity accounted investees - share of other comprehensive loss		-	(6,903)	-	(52,788)
Cash flow hedges – effective portion of changes in fair value		<b>(15,277)</b>	70	<b>(15,940)</b>	28,291
<b>Other comprehensive (loss) / income for the period</b>		<b>(10,732)</b>	9,885	<b>(27,272)</b>	(348,241)
<b>Total comprehensive income for the period</b>		<b>102,151</b>	171,591	<b>288,651</b>	194,280

The accompanying notes 1 to 19 form an integral part of these interim condensed consolidated financial statements.

**SAVOLA GROUP COMPANY**  
(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT  
OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)  
FOR THE THREE MONTHS AND SIX-MONTHS PERIODS ENDED JUNE 30, 2025**  
(All amounts in thousands Saudi Riyal unless otherwise stated)

	Note	For the three months period ended June 30 (Unaudited)		For the six months period ended June 30 (Unaudited)	
		2025	2024	2025	2024
<b>Profit for the period attributable to:</b>					
Owners of the Company		<b>105,700</b>	135,392	<b>294,858</b>	484,101
Non-controlling interests		<b>7,183</b>	26,314	<b>21,065</b>	58,420
<b>Profit for the period</b>		<b>112,883</b>	161,706	<b>315,923</b>	542,521
<b>Profit attributable to owners of the Company:</b>					
Continuing operations		<b>103,620</b>	112,335	<b>290,209</b>	429,815
Discontinued operations		<b>2,080</b>	23,057	<b>4,649</b>	54,286
		<b>105,700</b>	135,392	<b>294,858</b>	484,101
<b>Total comprehensive income for the period attributable to:</b>					
Owners of the Company		<b>97,296</b>	147,565	<b>273,820</b>	163,633
Non-controlling interests		<b>4,855</b>	24,026	<b>14,831</b>	30,647
<b>Total comprehensive income for the period</b>		<b>102,151</b>	171,591	<b>288,651</b>	194,280
<b>Total comprehensive income attributable to owners of the Company:</b>					
Continuing operations		<b>95,216</b>	94,054	<b>269,171</b>	111,250
Discontinued operations		<b>2,080</b>	53,511	<b>4,649</b>	52,383
		<b>97,296</b>	147,565	<b>273,820</b>	163,633
<b>Earnings per share attributable to the Owners of the Company from continuing operations (in Saudi Riyal) (*Restated):</b>					
Basic	13	<b>0.35</b>	0.12*	<b>0.97</b>	0.47*
Diluted	13	<b>0.35</b>	0.12*	<b>0.97</b>	0.47*
<b>Earnings per share attributable to the Owners of the Company (in Saudi Riyal) (*Restated):</b>					
Basic	13	<b>0.35</b>	0.15*	<b>0.99</b>	0.53*
Diluted	13	<b>0.35</b>	0.15*	<b>0.99</b>	0.53*



The accompanying notes 1 to 19 form an integral part of these interim condensed consolidated financial statements.

**SAVOLA GROUP COMPANY**  
(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2025**

(All amounts in thousands Saudi Riyal unless otherwise stated)

	Equity attributable to the Owners of the Company										Total equity
	Share capital	Share premium	Shares held under employees' share based payment plan	General reserve	Other reserves	Effect of transactions with non-controlling interests without change in control	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	
<b>Balance as of January 1, 2025 (audited)</b>	<b>3,000,000</b>	<b>342,974</b>	<b>(37,459)</b>	<b>4,000</b>	<b>(67,894)</b>	<b>(39,772)</b>	<b>(1,388,896)</b>	<b>2,807,377</b>	<b>4,620,330</b>	<b>958,733</b>	<b>5,579,063</b>
<b><u>Total comprehensive income / (loss)</u></b>											
Profit for the period	-	-	-	-	-	-	-	294,858	294,858	21,065	315,923
Other comprehensive (loss) / income	-	-	-	-	(38,121)	-	17,083	-	(21,038)	(6,234)	(27,272)
	-	-	-	-	(38,121)	-	17,083	294,858	273,820	14,831	288,651
Charge for equity-settled employees' share based payment plan (Note 8)	-	-	-	-	3,106	-	-	-	3,106	-	3,106
Settlement of Treasury shares (Note 8)	-	-	14,362	-	(22,607)	-	-	9,580	1,335	-	1,335
Dividends	-	-	-	-	-	-	-	-	-	(12,760)	(12,760)
<b>Balance as of June 30, 2025 (Unaudited)</b>	<b>3,000,000</b>	<b>342,974</b>	<b>(23,097)</b>	<b>4,000</b>	<b>(125,516)</b>	<b>(39,772)</b>	<b>(1,371,813)</b>	<b>3,111,815</b>	<b>4,898,591</b>	<b>960,804</b>	<b>5,859,395</b>

*Wiauke*

The accompanying notes 1 to 19 form an integral part of these interim condensed consolidated financial statements.



**SAVOLA GROUP COMPANY**  
(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**  
**FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2025**

(All amounts in thousands Saudi Riyal unless otherwise stated)

	Equity attributable to the Owners of the Company											Total equity
	Share capital	Share premium	Shares held under employees' share based payment plan	Statutory reserve	General reserve	Other reserves	Effect of transactions with non-controlling interests without change in control	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interests	
Balance as of January 1, 2024 (audited)	5,339,807	342,974	(120,774)	1,774,085	4,000	(456,513)	(275,117)	(2,354,758)	4,143,441	8,397,145	1,137,375	9,534,520
<u>Total comprehensive income / (loss)</u>												
Profit for the period	-	-	-	-	-	-	-	-	484,101	484,101	58,420	542,521
Other comprehensive loss	-	-	-	-	-	(43,021)	-	(277,447)	-	(320,468)	(27,773)	(348,241)
	-	-	-	-	-	(43,021)	-	(277,447)	484,101	163,633	30,647	194,280
Charge for equity-settled employees' share based payment plan (Note 8)	-	-	-	-	-	7,843	-	-	-	7,843	201	8,044
Dividends	-	-	-	-	-	-	-	-	-	-	(42,648)	(42,648)
Transfer from statutory reserve to retained earnings (Note 9)	-	-	-	(1,774,085)	-	-	-	-	1,774,085	-	-	-
Balance as of June 30, 2024 (Unaudited)	5,339,807	342,974	(120,774)	-	4,000	(491,691)	(275,117)	(2,632,205)	6,401,627	8,568,621	1,125,575	9,694,196

*W. Alake*

*[Signature]*

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The accompanying notes 1 to 19 form an integral part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2025**  
(All amounts in thousands Saudi Riyal unless otherwise stated)

	Note	For the six-months period ended	
		June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)
<b>Cash flows from operating activities</b>			
Profit for the period		315,923	542,521
<u>Adjustments for:</u>			
Depreciation and amortisation		592,479	571,786
Net finance cost		257,441	566,032
Share of results in equity-accounted investees, net of zakat and tax		(18,394)	(405,721)
Share based payment expense	8	3,106	8,044
Loss / (gain) on sale / write-off of property, plant and equipment		7,220	(1,219)
Loss on FVTPL investments		9,773	5,852
Net impairment loss on financial assets		12,749	5,643
Zakat expense		20,588	30,257
Income tax expense		64,153	98,744
		<b>1,265,038</b>	<b>1,421,939</b>
<u>Changes in:</u>			
Inventories		452,298	43,291
Trade receivables		18,303	(513,230)
Prepayments and other receivables		(211,599)	140,831
Trade payables		(1,141,536)	(310,603)
Employee benefits liability		1,156	15,736
Accrued and other liabilities		(232,547)	(275,167)
<b>Cash generated from operating activities</b>		<b>151,113</b>	<b>522,797</b>
Finance cost paid on loans and borrowings		(133,317)	(421,146)
Finance cost paid on lease liabilities		(98,489)	(94,958)
Zakat and income tax paid		(151,993)	(118,893)
<b>Net cash used in operating activities</b>		<b>(232,686)</b>	<b>(112,200)</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment, intangibles and investment property		(354,864)	(339,537)
Proceeds from sale of property, plant and equipment		4,637	3,100
Dividends received		-	368,539
Finance Income from bank deposits		87,989	88,841
Proceeds from sale of investments		473,577	-
Term deposits placed		(1,134,402)	(211,904)
Term deposits redeemed		1,098,320	87,083
<b>Net cash generated from / (used in) investing activities</b>		<b>175,257</b>	<b>(3,878)</b>
<b>Cash flows from financing activities</b>			
Proceeds from long-term loans and borrowings		-	975,484
Repayments of long-term loans and borrowings		(75,000)	(1,005,148)
Net change in short term loans and borrowings		(833,501)	295,832
Dividends paid		(1,761)	(702)
Payment of lease liabilities – principal		(276,266)	(256,112)
Dividends paid to non-controlling interests		(12,760)	(42,648)
<b>Net cash used in financing activities</b>		<b>(1,199,288)</b>	<b>(33,294)</b>

The accompanying notes 1 to 19 form an integral part of these interim condensed consolidated financial statements.

**SAVOLA GROUP COMPANY**  
(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2025**  
(All amounts in thousands Saudi Riyal unless otherwise stated)

	Note	For the six-months period ended	
		June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)
<b>Net change in cash and cash equivalents</b>		<b>(1,256,717)</b>	(149,372)
Effect of movement in exchange rates on cash and cash equivalents		<b>8,407</b>	(181,646)
Cash and cash equivalents at beginning of the period	4	<b>2,147,964</b>	1,132,459
<b>Cash and cash equivalents at end of the period</b>	4	<b>899,654</b>	801,441





The accompanying notes 1 to 19 form an integral part of these interim condensed consolidated financial statements.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2025**  
(All amounts in thousands Saudi Riyal unless otherwise stated)

**1. GENERAL INFORMATION**

Savola Group Company is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under Commercial Registration No. 4030019708 issued in Jeddah on Rajab 21, 1399H (corresponding to June 16, 1979). The Company was formed under the Regulations for Companies in the Kingdom of Saudi Arabia per Royal Decree number M/21 dated Rabi Al Awal 29, 1398H (March 9, 1978).

The Company's registered office is located at the following address:

Savola Tower,  
The Headquarter Business Park,  
Prince Faisal Bin Fahad Street,  
Jeddah 23511-7333,  
Kingdom of Saudi Arabia.

These accompanying interim condensed consolidated financial statements comprise the financial statements of Savola Group Company (the "Company" or the "Parent Company") and its local and foreign subsidiaries (collectively referred as the "Group"), collectively involved in the manufacturing and sale of vegetable oils and to set up related industries, retail outlets, fast foods, exports and imports, commercial contracting, trade agencies, development of agricultural products and real estate related investment activities.

As of June 30, 2025, the Company had investments in the following subsidiaries (collectively referred to as the "Group"):

**(I) Direct subsidiaries of the Company**

i) Operating subsidiaries

Subsidiary name	Country of incorporation	Principal business activity	Direct ownership interest (%)	
			June 30, 2025	December 31, 2024
Savola Foods Company ("SFC")	Saudi Arabia	Foods	<b>100</b>	100
Panda Retail Company ("Panda")	Saudi Arabia	Retail	<b>100</b>	100
Good Food Company ("GFC")	Saudi Arabia	Holding company	<b>100</b>	100
Al Matoun International for Real Estate Investment Holding Company	Saudi Arabia	Real Estate	<b>80</b>	80
Herfy Food Services Company ("Herfy")	Saudi Arabia	Restaurant & manufacturing bakery products	<b>49</b>	49

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2025**  
(All amounts in thousands Saudi Riyal unless otherwise stated)

ii) Holding and Dormant subsidiaries

Subsidiary name	Country of incorporation	Principal business activity	Direct ownership interest (%)	
			June 30, 2025	December 31, 2024
Adeem Arabia Company	Saudi Arabia	Holding company	100	100
Al Utur Arabian Company for Commercial Investment	Saudi Arabia	Holding company	100	100
Al Matana Holding Company	Saudi Arabia	Holding company	100	100
Madarek Investment Company	Jordan	Holding company	100	100
United Properties Development Company	Saudi Arabia	Dormant company	100	100
<u>Subsidiaries controlled through Al Matana Holding Company:</u>				
SGC Ventures Limited	Cayman Islands	Holding company	100	100
SGC Marketplace Venture	Cayman Islands	Holding company	100	100
SGC Agritech Ventures	Cayman Islands	Holding company	100	100

**(II) Savola Foods Company**

The Parent Company has a 100% (December 31, 2024: 100%) ownership interest in Savola Foods Company ("SFC"), which was incorporated as a closed Saudi joint stock company pursuant to Ministerial Resolution No. 236/G dated Dhul Qadah 21, 1435H (September 16, 2014). Prior to its conversion to a closed joint stock company, SFC was operating as a limited liability company registered in the Kingdom of Saudi Arabia under commercial registration number 4030180782 issued in Jeddah on Rajab 05, 1429H (July 08, 2008).

The principal objective of SFC is to deal in wholesale and retail trading of food items. SFC through its direct and indirect subsidiaries is engaged in the manufacturing, processing, marketing and distribution of products including edible oil, pasta, sugar, spices, nuts, pulses, seafood, confectionery, and agro cultivation, in the local and overseas market.

**SAVOLA GROUP COMPANY**  
(A Saudi Joint Stock Company)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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(All amounts in thousands Saudi Riyal unless otherwise stated)

Subsidiaries controlled through Savola Foods Company:

Subsidiary name	Country of incorporation	Principal business activity	Ownership interest (%)	
			June 30, 2025	December 31, 2024
Afia International Company ("AIC")	Saudi Arabia	Manufacturing of edible oils	95.19	95.19
Savola Industrial Investment Company ("SIIC")	Saudi Arabia	Holding company	99	99
El Maleka for Food Industries Company	Egypt	Manufacturing of pasta	100	100
International Foods Industries Company ("IFI")	Saudi Arabia	Manufacturing of specialty fats	100	100
Snacking and Ingredients Food Holding Company Limited ("SIFCO")	UAE	Holding Company	100	100
Commodities Sourcing Company for Trading	Saudi Arabia	Trading Company	100	100
Seafood International Two FZCO	UAE	Seafood products trading and distribution	100	100
Savola Industrial Sustainable Development Company	Saudi Arabia	Renewable energy	100	100
Savola Foods Emerging Markets Company Limited	British Virgin Islands (BVI)	Holding company	95.43	95.43
Savola Foods for Sugar Company	Cayman Islands	Dormant company	95	95
Seafood International Holdco	Cayman Islands	Holding company	100	100
Al Maoun International Holding Company	Saudi Arabia	Holding company	100	100
Marasina International Real Estate Investment Limited	Saudi Arabia	Holding company	100	100
Afia Arabia for Foods	Saudi Arabia	Holding company	100	100
<b>SIFCO</b>				
Bayara Holding Limited	Cayman Islands	Holding company	100	100
Bayara FZE Limited	UAE	Holding Company	100	100
Savola Snacks	Egypt	Manufacturing of snacks	99	99

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a) Subsidiaries controlled through Afia International Company:

Subsidiary name	Country of incorporation	Principal business activity	Ownership interest (%)	
			June 30, 2025	December 31, 2024
KUGU Gida Yatım Ve Ticaret A.Ş. ("KUGU")	Turkey	Holding company	100	100
Savola Foods Limited ("SFL")	BVI	Holding company	100	100
Inveskz Inc.	BVI	Dormant company	90	90
Aseel Food – Hold Co.	Cayman Islands	Holding company	100	100
Afia International Company – Jordan (under liquidation)	Jordan	Dormant company	98.57	98.57
Afia Trading International	BVI	Dormant company	100	100
Savola Foods International	BVI	Dormant company	100	100
<b><u>SFL</u></b> Afia International Company, Egypt ("AICE")	Egypt	Manufacturing of edible oils	99.95	99.95
<b><u>AICE</u></b> Savola For Export and Import	Egypt	Trading and distribution	49	49
<b><u>KUGU</u></b> Savola Gıda Sanayi Ve Ticaret Anonim Şirketi	Turkey	Manufacturing of edible oils	100	100

b) Subsidiaries controlled through Savola Industrial Investment Company:

Subsidiary name	Country of incorporation	Principal business activity	Direct ownership interest (%)	
			June 30, 2025	December 31, 2024
United Sugar Company ("USC")	Saudi Arabia	Manufacturing of sugar	74.48	74.48
<b><u>USC</u></b> United Sugar Company ("USCE")*	Egypt	Manufacturing of sugar	39.73	39.73
Alexandria Sugar Company, Egypt ("ASCE")**	Egypt	Manufacturing of sugar	62.13	62.13
Beet Sugar Industries	Cayman Islands	Dormant company	100	100
<b><u>ASCE</u></b> Alexandria United Company for Land Reclamation	Egypt	Agro cultivation	100	100

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c) Subsidiaries controlled through Savola Foods Emerging Markets Company Limited:

Subsidiary name	Country of incorporation	Principal business activity	Direct ownership interest (%)	
			June 30, 2025	December 31, 2024
Savola Edible Oils (Sudan) Ltd.	Sudan	Manufacturing of edible oils	100	100
Afia International Company – Algeria	Algeria	Manufacturing of edible oils	100	100

d) Subsidiaries controlled through Al Maoun and Marasina

Alofog Trading DMMC	UAE	Trading and distribution	100	100
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e) Subsidiaries controlled through Seafood International Two FZCO

Seafood International One FZCO***	UAE	Seafood products distribution	80	80
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\* The Group's effective ownership interest in USCE is 43.14% (December 31, 2024: 43.14%).

\*\*The Group's effective ownership interest in ASCE is 73.44% (December 31, 2024: 73.44%).

\*\*\* The Group's effective ownership interest in Seafood International One FZCO is 100% (December 31, 2024: 100%).

f) Subsidiaries controlled through Bayara Holding Limited:

Subsidiary name	Country of incorporation	Principal business activity	Direct ownership interest (%)	
			June 30, 2025	December 31, 2024
Kandoo Worldwide Limited	BVI	Managing trademarks	100	100

g) Subsidiaries controlled through Bayara FZE

GYMA Food Industries LLC	UAE	Processing of spices, nuts and pulses	100	100
Bayara Saudi Arabia Limited Group	Saudi Arabia	Processing of spices, nuts and pulses	100	100
GYMA Trading LLC	UAE	Trading of spices, nuts and pulses	100	100

**(III) Panda Retail Company**

The Parent Company has a 100% (December 31, 2024: 100%) ownership interest in Panda Retail Company ("Panda"), which was incorporated as a closed Saudi joint stock company pursuant to Ministerial Resolution No. 235/G dated Rajab 22, 1431H (July 3, 2010). Prior to its conversion to a closed joint stock company, Panda was operating as a limited liability company registered in the



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Kingdom of Saudi Arabia under commercial registration number 1010137417 issued in Riyadh on Rabi-ul-Awal 1, 1416H (July 28, 1995).

Panda together with its subsidiaries is principally engaged in wholesale and retail trading in food supplies and consumable materials. Panda Group operates through its network of hypermarkets and supermarkets.

Subsidiaries controlled through Panda:

Subsidiary name	Country of incorporation	Principal business activity	Direct ownership interest (%)	
			June 30, 2025	December 31, 2024
Giant Stores Trading Company	Saudi Arabia	Retail	100	100
Panda for Operations, Maintenance and Contracting Services	Saudi Arabia	Services and maintenance	100	100
Panda International for Retail Trading	Egypt	Retail	100	100
Panda Bakeries Company	Saudi Arabia	Dormant company	100	100
Atabet Al Bab Communications and Information Technology LLC	Saudi Arabia	E-commerce	100	100
<b><u>Giant</u></b>				
Lebanese Sweets and Bakeries	Saudi Arabia	Dormant company	95	95

**(IV) Good Food Company**

The Parent Company has a 100% (December 31, 2024: 100%) ownership interest in Good Food Company ("GFC"), which was incorporated as a limited liability company registered in the Kingdom of Saudi Arabia under commercial registration number 4030603674 issued in Jeddah on Rabi-ul-Thani 21, 1439H (January 8, 2018).

GFC through its direct and indirect subsidiaries is principally engaged in the processing, wholesale, retail and distribution of frozen food and seafood in the local and overseas markets.

Subsidiary name	Country of incorporation	Principal business activity	Ownership interest (%)	
			June 30, 2025	December 31, 2024
Variety Food Factory Company	Saudi Arabia	Manufacturing of frozen food	51	51
Al Ahsan Trading Company	Saudi Arabia	Trading and distribution	51	51
Al Helal Imports and Exports Company	Bahrain	Trading and distribution	51	51
Al Kabeer Holding Limited	UAE	Holding Company	51	51

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Subsidiaries controlled through Al Kabeer Holding Limited

Subsidiary name	Country of incorporation	Principal business activity	Ownership interest (%)	
			June 30, 2025	December 31, 2024
Sahar Enterprises Company	UAE	Trading and distribution	100	100
Sahar Food Industry Company	UAE	Manufacturing of frozen food	100	100
Best Foodstuff Trading Company	UAE	Trading and distribution	100	100
Cascade Investments Limited	UAE	Investment company	100	100
Cascade Marine Foods Company	UAE	Manufacturing frozen food	100	100
Al Sabah Foodstuff Enterprises Company	UAE	Trading and distribution	100	100
Best Foods Company	Oman	Trading and distribution	100	100

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

The interim condensed consolidated financial statements of the Group for the six-months period ended June 30, 2024 have been prepared in accordance with International Accounting Standard 34 - *"Interim Financial Reporting"* ("IAS 34"), as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS" Accounting Standards) and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountant ("IFRS endorsed in the Kingdom"). Therefore, these interim condensed consolidated financial statements should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2024.

The results for the interim period of six-months ended June 30, 2025 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2025.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX-MONTHS PERIOD ENDED JUNE 30, 2025**  
(All amounts in thousands Saudi Riyal unless otherwise stated)

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**2.2 Basis of measurement**

The interim condensed consolidated financial statements have been prepared on the historical cost basis, except for the following item which are measured as follows:

<b>Items</b>	<b>Measurement basis</b>
Investments designated as at fair value through profit or loss and other comprehensive income	Fair value (refer note 6)
Employees benefits obligation	Present value of the defined benefit obligation using projected credit unit method
Derivative financial instrument	Fair value
Firm commitments and inventory under fair value hedging relationship	Fair value

These interim condensed consolidated financial statements have been prepared under the going concern basis.

Certain comparative amounts have been reclassified to conform to the current period's presentation and do not have a material effect on these interim condensed consolidated financial statements. The significant reclassifications pertain to impact of discontinued operations

**2.3 Functional and presentation currency**

The interim condensed consolidated financial statements are presented in Saudi Riyals (SAR), which is the functional and presentation currency of the Group. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES**

The accounting policies applied in these interim condensed consolidated financial statements are the same as those applied in the Group's last annual financial statement as at and for the year ended December 31, 2024.

Accounting policies adopted in preparation of these interim condensed consolidated financial statements are described in note 3 of the Group's consolidated financial statements for the year ended December 31, 2024.

**3.1 New and amended International Financial Reporting Standards ("IFRS Accounting Standards") that are effective for the current period**

In the current period, the Group has applied a number of amendments to IFRS Accounting Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are effective for an annual period that begins on or after January 1, 2025.

The following new and revised IFRS Accounting Standards, which became effective for annual periods beginning on or after January 1, 2025, have been adopted in these interim condensed consolidated financial statements.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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The adoption has not had any material impact on the disclosures or on the amounts reported in these interim condensed consolidated financial statements.

<b>New and revised IFRS Accounting Standards</b>	<b>Summary</b>
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates relating to Lack of Exchangeability	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

Other than the above, there are no other significant IFRS Accounting Standards and amendments that were effective for the first time for the financial year beginning on or after January 1, 2025.

**3.2 New and revised IFRS Accounting Standards in issue but not yet effective and not early adopted**

At the date of authorization of these interim condensed consolidated financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

<b>New and revised IFRS Accounting Standards</b>	<b>Effective for annual periods beginning on or after</b>
<b>Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments</b> The amendments address matters identified during the post implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments	January 1, 2026
<b>IFRS 18 Presentation and Disclosure in Financial Statements</b> IFRS 18 sets out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. IFRS 18 replaces IAS 1 Presentation of Financial Statements	January 1, 2027
<b>IFRS 19 Subsidiaries without Public Accountability: Disclosures</b> IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.	January 1, 2027
<b>IFRS S1, 'General requirements for disclosure of sustainability-related financial information'</b> This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain. Applicability is subject to endorsement from SOCPA.	Subject to SOCPA endorsement
<b>IFRS S1, 'General requirements for disclosure of sustainability-related financial information'</b> This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain. Applicability is subject to endorsement from SOCPA.	Subject to SOCPA endorsement

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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**3.3 Critical accounting estimates and judgments**

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are consistent with those used in the preparation of the annual financial statements as at and for the year ended December 31, 2024.

**4. CASH AND CASH EQUIVALENTS**

	<b>June 30, 2025 (Unaudited)</b>	<b>December 31, 2024 (Audited)</b>
Cash in hand	<b>18,443</b>	20,632
Cash at bank- current account	<b>580,794</b>	948,448
<b>Cash and bank balances</b>	<b>599,237</b>	969,080
Deposits with maturity less than three months	<b>365,860</b>	1,266,248
<b>Cash and cash equivalents presented in statement of financial position</b>	<b>965,097</b>	2,235,328
Bank overdrafts	<b>(65,443)</b>	(87,364)
<b>Cash and cash equivalents for cash flow purposes</b>	<b>899,654</b>	2,147,964
Term deposits (Note 4.1)	<b>590,414</b>	546,941

- 4.1 Term deposits are deposits with commercial banks, with an original maturity of more than three months and yield commission income at prevailing market rates. The management expects to realize these deposits within 12 months from the reporting date.

Cash and cash equivalents include the following for the purposes of the interim condensed consolidated statement of cash flows:

	<b>June 30, 2025 (Unaudited)</b>	<b>June 30, 2024 (unaudited)</b>
Cash and bank balances	<b>1,555,511</b>	1,700,599
Less: Term deposits	<b>(590,414)</b>	(808,822)
Less: Bank overdraft	<b>(65,443)</b>	(90,336)
<b>Cash and cash equivalents for cash flow purposes</b>	<b>899,654</b>	801,441

**SAVOLA GROUP COMPANY**  
(A Saudi Joint Stock Company)

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**FOR THE THREE MONTHS AND SIX-MONTHS PERIOD ENDED JUNE 30, 2025**  
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**5. EQUITY ACCOUNTED INVESTEEES**

The details of the Group's equity accounted investees are as follows:

Name	Relationship	Country of incorporation	Principal business sector	Ownership interest (%)		Amount	
				June 30, 2025 (Unaudited)	December 31, 2024 (Audited)	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Kinan International for Real Estate Development Company ("Kinan")	Associate	Saudi Arabia	Real estate	29.9	29.9	402,375	409,097
Intaj Capital Limited	Associate	Republic of Tunisia	Fund management	49	49	-	-
						<b>402,375</b>	<b>409,097</b>

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**6. INVESTMENTS**

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<b>Non – current Investments</b>		
Investments at fair value through other comprehensive income (Note 6.1)	91,011	108,271
<b>Current Investments</b>		
Investments at fair value through other comprehensive income (Note 6.1)	107,789	121,608
Investments at fair value through profit or loss	57,938	115,986
	<b>165,727</b>	<b>237,594</b>

**6.1 Investments at fair value through other comprehensive income**

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Quoted investments (Note 6.1.1)	158,046	188,233
Unquoted investments	40,754	41,646
	<b>198,800</b>	<b>229,879</b>

6.1.1 The Group has applied an appropriate market participant discount factor in valuing one of its quoted investments due to the security-specific restrictions on disposal. Accordingly, the investments have been classified as level 2 securities.

**7. SHARE CAPITAL AND DIVIDEND DECLARATION**

As of June 30, 2025 and December 31, 2024, the Group's share capital of SR 3 billion consists of 300 million fully paid shares of SR 10 each.

During 2024, the Group's Board had recommended to increase the Group's share capital by SR 6 billion, from SR 5.3 billion to SR 11.3 billion, through a right issue of shares. The Extraordinary General Assembly (EGM) approved the right issue of shares on August 25, 2024 (corresponding to 21 Safar 1446H), to increase the Group's share capital. Consequently, all relevant regulatory formalities were completed during the 2024.

On September 26, 2024 (corresponding to 23 Rabi Alawal 1446H) the Group's Board recommended to reduce the Group's share capital by SR 8.3 billion, from SR 11.3 billion to SR 3 billion and distribute the Group's entire stake in Almarai Company as an in-kind distribution. On December 12, 2024 (corresponding to 11 Jumada Althani 1446H) the Extraordinary General Assembly (EGM) approved the Capital reduction of the Group through cancelling (833,980,684) ordinary shares with a reduction ratio of approximately 0.7354 shares for each 1 share against the distribution of a number of Almarai Company ("Almarai") shares, to Savola's eligible shareholders, having fair value equivalent to the par value of the Group's cancelled shares. The EGM also approved to distribute Savola Group's entire stake in Almarai to Savola's eligible Shareholders partially in lieu of reduction in share capital and remaining as in-kind distribution. Consequently, all relevant regulatory formalities were completed during the 2024.

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As of June 30, 2025, the Company is holding Almarai shares on behalf of certificate shareholders in a fiduciary capacity. The legal formalities of the transfer of these shares are in progress.

**8. SHARE BASED PAYMENT PLAN**

On April 29, 2020, the shareholders of the Company approved the Employees Long Term Incentive Program ("Plan") for the benefit of certain eligible senior executives of the Group (the "Participants"). The Plan entitles the Participants a conditional right to receive a number of restricted share units (each unit equal to the value of one share of the Company at the Grant date), following the satisfaction of service condition.

Significant features of the Plans are as follows:

<b>Grant date / employees entitled</b>	<b>Total number of shares granted</b>	<b>Service / vesting period</b>	<b>Fair value per share on grant date</b>
August 20, 2024	468,637	3 years	SR 43.0
September 10, 2023	700,176	3 years	SR 34.8
September 10, 2022	645,549	3 years	SR 31.2

Fair value per share on grant date is the closing price per share on Tadawul as at the grant date.

During 2024, the Group carried out capital restructuring (refer to Note 7), which included a rights issue and a capital reduction through the distribution of Almarai shares. Under the granted plans, employees are entitled to all corporate actions affecting the Company's share capital. As a result of the rights issue, the allocated shares increased by 1,613,727 with the Company to claim an exercise price of SR 10 per share from employees. Meanwhile, the capital reduction led to a decrease of 2,337,416 allocated shares, resulting in the grant of 967,551 Almarai shares. The liability for settling Almarai shares is recorded under "Accrued and Other Liabilities." In relation to the above transaction, certain key executives were also granted/awarded additional shares under employee share-based payment plan, that has been settled during the period.

The number of shares under share base payment plans after rights issue, capital reduction and distribution are as follows:

<b>Grant date / employees entitled</b>	<b>Total number of shares allocated</b>	<b>Rights issue shares</b>	<b>Shares cancelled due to Capital reduction</b>	<b>Remaining Savola shares to be vested</b>	<b>Almarai Shares to be vested</b>
August 20, 2024	468,637	470,982	(682,067)	257,552	282,335
September 10, 2023	700,176	640,674	(924,851)	415,999	382,833
September 10, 2022	645,549	502,071	(730,498)	417,122	302,383
	<b>1,814,362</b>	<b>1,613,727</b>	<b>(2,337,416)</b>	<b>1,090,673</b>	<b>967,551</b>



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The total expense recognised for employees' services received during the period ended June 30, 2025, under the Plan amounted to SR 3.1 million (June 30, 2024: SR 8 million) and is included in 'salaries and employee related expenses' with a corresponding increase in the condensed consolidated statement of changes in equity under the 'Other reserves'.

As of June 30, 2025, the number of shares to be vested are 840,816 (December 31, 2024: 840,816), after forfeiture of 249,857 shares (December 31, 2024: 249,857 shares) due to the non-completion of service condition of certain employees.

**9. STATUTORY RESERVE**

On May 7, 2024 (corresponding to 28 Shawwal 1445H), in accordance with the Company's amended By-laws, the General Assembly of the Group's shareholders resolved to transfer the previous statutory reserve, amounting to SR 1.8 billion to retained earnings.

**10. LOANS AND BORROWINGS**

The following information reflects the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortized cost:

	<b>June 30, 2025 (Unaudited)</b>	December 31, 2024 (Audited)
<b>Non-current liabilities</b>		
Unsecured bank loans	<b>30,149</b>	29,435
<b>Current liabilities</b>		
Current portion of unsecured bank loans	<b>153,037</b>	229,445
Unsecured bank loans	<b>2,244,085</b>	3,030,427
Bank overdraft	<b>65,443</b>	87,364
	<b>2,462,565</b>	3,347,236
Accrued financial charges	<b>22,538</b>	26,906
	<b>2,485,103</b>	3,374,142

10.1 These represent borrowings obtained from commercial banks and other financial institutions by the Parent Company and its subsidiaries. These borrowings are mainly in Saudi Riyals, Egyptian Pounds, US Dollars, Algerian Dinar, Turkish Lira and United Arab Emirates Dirhams. Certain loan agreements include covenants which, amongst other things, require certain financial ratios to be maintained. Some of the borrowings of subsidiaries are secured by corporate guarantees of the Parent Company. As at June 30, 2025, loans and borrowings include sharia-compliant financing facilities amounting to SR 1.3 billion (December 31, 2024: SR 2.1 billion).

10.2 As of June 30, 2025, the Group has unused bank financing facilities amounting to SR 6.1 billion (December 31, 2024: SR 5.3 billion) to manage short term and long-term liquidity requirements.

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**11. ZAKAT AND INCOME TAXES**

**(a) Zakat status**

The Company has received final zakat certificates from the Zakat, Tax and Customs Authority ("ZATCA") for all periods until 2012. Moreover, the years from 2013 to 2018 were also finalized based on the disclosure initiative. The Group settled additional liability of SR 5.4 million as per the amended returns. During the year 2020, the ZATCA issued a revised claim, for the previously finalized years from 2014 to 2018 claiming additional zakat difference of SR 59.5 million. The management had escalated the Company's objection against the said claim to the level of General Secretariat of Tax Committees (GSTC). The GSTC issued the official decision showing a reduction of Zakat difference to SR 27.5 million. The management had transferred the case to the Appeal Committee, which supported the preliminary decision. The Company has filed a petition against the appeal decision.

ZATCA has finalized the assessment on the Company's accounts for the years 2019 to 2023 . The Company filed the zakat return for the year 2024 and obtained the zakat certificate. ZATCA did not finalize the review of the Company's accounts for the said year to date.

Certain subsidiaries have also received final or provisional zakat certificates until the year 2024. Accordingly, payment plans have been pursued as per the agreement with ZATCA and liabilities have been adjusted against the final settlement amounts. Also, the Group has pending appeals against additional claims and assessments of certain subsidiaries with total Zakat differences of SR 35.7 million (December 31, 2024: SR 33.2 million).

**(b) Income tax status**

The Group's foreign subsidiaries are obliged to pay income tax as per applicable tax laws of their countries of incorporation. Tax paying foreign subsidiaries determine their liabilities based on applicable corporate rates to the adjusted taxable income for the year. Certain foreign subsidiaries are also obliged to pay quarterly advance tax determined on prior year tax liability bases.

Certain foreign subsidiaries have received final tax assessments for certain years and provisional tax assessments for other years. They have also received queries from departments of income tax after their assessment or inspections for open years, for which replies have been filed.

The Group management believes that there are no significant amounts under protest with departments of income tax in any foreign operation.

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**12. CONTINGENCIES AND COMMITMENTS**

	<b>June 30, 2025</b>	December 31, 2024
	<b>(Unaudited)</b>	(Audited)
	<b>Amounts in millions of Saudi Riyals</b>	
Letters of credits	<b>30</b>	21
Bank guarantees	<b>78</b>	78
Commitments to buy raw sugar	<b>1,187</b>	577
Commitments to sell refined sugar	<b>1,158</b>	1,563
Capital commitments	<b>565</b>	384
	<b>Quantity in Metric tonnes</b>	
Commitments to buy raw sugar	<b>725,313</b>	321,566
Commitments to sell refined sugar	<b>558,574</b>	598,420

- 12.1 As of June 30, 2025, a subsidiary of the Group held non-current assets of SR 35.7 million related to a property leased from a government authority. Following delays in achieving operational readiness, grace periods were granted by the authority to submit a corrective plan. Management is currently addressing the matter and has assessed that no adjustment is required.

- 12.2 Commitments and contingent liabilities in respect of equity accounted investees:

During 2024, the title deed of an investment property of the equity-accounted investee amounting to SR 402.8 million was suspended. Management of the investee company has filed an application for review with the competent authorities, which is still under consideration. Based on legal opinion, management of the investee company is confident in maintaining beneficial rights to the land. Accordingly, the potential outcome is not expected to have a material impact on the interim condensed consolidated financial statements of the Group.

**13. EARNINGS PER SHARE**

Basic earnings per share for the six-month period ended June 30, 2025 and June 30, 2024 have been computed by dividing the net profit attributable to shareholders of the Parent Company for such periods by the weighted average number of shares outstanding amounting to 298.721 million (June 30, 2024: 905.598 million) during such periods.

Diluted earnings per share for the six-month period ended June 30, 2025 and June 30, 2024, have been computed by dividing the profit attributable to shareholders of the Parent Company for such periods by the weighted average number of shares outstanding, adjusted for the effects of all dilutive potential ordinary shares, amounting to 299.310 million (June 30, 2024: 906.560 million).

Weighted average number of ordinary shares for the purpose of computing earnings per share are as follows:

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	<b>For the six months period ended</b>	
	<b>June 30,</b>	<b>June 30,</b>
	<b>2025</b>	<b>2024</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
		<b>(Restated*)</b>
<b><u>For Basic EPS calculation</u></b>		
Issued ordinary shares	<b>300,000,000</b>	911,168,539
Effect of treasury shares	<b>(1,278,866)</b>	(5,570,362)
Weighted average number of shares outstanding	<b>298,721,134</b>	905,598,177
<b><u>For Diluted EPS calculation</u></b>		
Weighted average number of ordinary shares outstanding (for basic EPS)	<b>298,721,134</b>	905,598,177
Effect of shares under employee share based option plan	<b>589,012</b>	962,015
Weighted average number of shares outstanding	<b>299,310,146</b>	906,560,192
<i>*Restated for the effect of rights issue (Note 7)</i>		

**14. RELATED PARTIES**

Related parties include the Group's shareholders, associates and affiliated companies, other entities related to certain consolidated subsidiaries and key management personnel of the Group. Terms and conditions of these transactions are approved by the Group's management.

***Key management personnel compensation***

Compensation to the Group's key management personnel includes salaries, non-cash benefits, and post-employment benefits, in relation to which, the Group has recognized an expense of SR 18.6 million for the year ended June 30, 2025 (June 30, 2024: SR 17.6 million).

Board of Directors' remuneration the six-month period ended June 30, 2025, amounting to SR 2.3 million (June 30, 2024: SR 1.1 million) has been calculated in accordance with the Company's By-laws and is charged to the condensed consolidated statement of profit or loss and other comprehensive income. Attendance allowances and other expenses to the directors and members of various board committees amounting to SR 1.6 million (June 30, 2024: SR 1.5 million) are charged to expenses and included under administrative expenses.

**15. OPERATING SEGMENTS**

The Group has five reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's Chief Executive Officer (Chief Operating Decision Maker) reviews internal management reports on at least quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

**Food processing** - includes manufacturing, sale and distribution of Edible oils, Sugar, Pasta, Spices, Nuts, Pulses and other food products.

**Retail** - includes hyper markets, supermarkets and convenience stores operations.

**Food services** - includes food products and fast food restaurants' chain operated by Herfy.

**Frozen Food** - includes manufacturing, wholesale and retail distribution of frozen food products operated by Good Food Company.

**Investments** - includes real estate activities, investments in equity-accounted investees and other investments.

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The segments which do not meet any of the quantitative thresholds for determining reportable segments, are classified as “Others / Eliminations”, which mainly include the eliminations.

Performance is measured based on segment profit net of income tax and zakat, as included in the internal management reports. Management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm’s length basis. Information regarding the results of each reportable segment is included below:

<b>June 30, 2025 (Unaudited)</b>	<b>Reportable Segments</b>					<b>Others / Eliminations</b>	<b>Total</b>
	<b>Food Processing</b>	<b>Retail</b>	<b>Food Services</b>	<b>Frozen Food</b>	<b>Investments</b>		
External revenues	6,875,690	5,849,404	541,543	392,278	-	-	13,658,915
Inter segment revenue	156,139	2,311	11,567	24,877	15,290	(210,184)	-
Segment revenue	7,031,829	5,851,715	553,110	417,155	15,290	(210,184)	13,658,915
Cost of revenues	(6,083,199)	(4,438,967)	(415,278)	(272,504)	(7,927)	206,157	(11,011,718)
Share of results of equity- accounted investees, net of zakat and tax	-	-	-	-	18,394	-	18,394
Net finance cost	(171,583)	(72,477)	(16,112)	(3,543)	6,274	-	(257,441)
Depreciation and amortisation	(106,052)	(376,912)	(85,760)	(11,236)	(12,519)	-	(592,479)
Profit / (loss) from continuing operations	221,817	48,557	(17,696)	27,702	30,671	-	311,051
Profit from discontinued operation	4,872	-	-	-	-	-	4,872
Segment net profit / (loss) before non-controlling interests	226,689	48,557	(17,696)	27,702	30,671	-	315,923
Segment net profit / (loss)	211,359	48,557	(17,696)	27,702	30,671	(5,735)	294,858
Investment in equity-accounted Investees	-	-	-	-	402,375	-	402,375
Segment assets	8,296,804	7,426,434	1,675,573	1,101,042	6,182,222	(5,000,374)	19,681,701
Segment liabilities	6,009,866	6,078,843	768,280	312,400	1,006,878	(353,961)	13,822,306

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June 30, 2024 (Unaudited)	Reportable Segments					Others / Eliminations	Total
	Food Processing	Retail	Food Services	Frozen Food	Investments		
External revenues	5,810,601	5,514,600	578,952	373,262	-	-	12,277,415
Inter segment revenue	228,311	2,195	11,211	26,011	14,603	(282,331)	-
Segment Revenue	6,038,912	5,516,795	590,163	399,273	14,603	(282,331)	12,277,415
Cost of revenues	(4,980,682)	(4,207,288)	(452,526)	(264,775)	(8,490)	268,707	(9,645,054)
Share of results of equity- accounted investees, net of zakat and tax	(20,232)	-	-	-	425,953	-	405,721
Net finance cost	(265,780)	(71,264)	(17,463)	(2,887)	(180,736)	-	(538,130)
Depreciation and amortisation	(99,172)	(338,484)	(84,794)	(10,265)	(13,166)	-	(545,881)
Profit / (loss) from continuing operations	244,046	39,172	(23,250)	29,819	181,905	-	471,692
Profit from discontinued operation	70,829	-	-	-	-	-	70,829
Segment net profit / (loss) before non-controlling interests	314,875	39,172	(23,250)	29,819	181,905	-	542,521
Segment net profit / (loss)	261,400	39,172	(23,250)	29,819	181,905	(4,945)	484,101
<u>December 31, 2024 (Audited)</u>							
Investment in equity-accounted Investees	-	-	-	-	409,097	-	409,097
Segment assets	9,217,570	7,723,961	1,717,620	1,084,530	6,130,519	(4,479,958)	21,394,242
Segment liabilities	7,147,797	6,425,314	792,630	323,592	1,261,782	(135,936)	15,815,179

- 15.1 The Revenue of the Group is contributed by Arabia (which represents GCC and Levant), Egypt and other geographical locations amounting to SR 9.8 billion, SR 2.7 billion and SR 1.2 billion, respectively (June 30, 2024: SR 9.4 billion, SR 2.1 billion and SR 0.8 billion).

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**16. FINANCIAL RISK MANAGEMENT**

**a) Accounting classification and fair values**

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 in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. The quoted market price incorporates the market's assumptions with respect to changes in economic climate such as rising interest rates and inflation, as well as changes due to ESG risk. These instruments are included in level.
- Level 2: The fair value of financial instruments that are not traded in an active market (e.g. over-the counter derivatives) is determined using valuation techniques that maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and for instruments where ESG risk gives rise to a significant unobservable adjustment.

If the inputs used to measure the fair value of an asset or liability falls into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest input level that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

As the Group's financial instruments are compiled under the historical cost convention, except for FVOCI investments, FVTPL investments, inventory and firm commitments under fair value relationships and derivative financial instruments which are carried at fair values, differences can arise between the book values and fair value estimates. Management believes that the fair values of the Group's financial assets and liabilities are not materially different from their carrying values.

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The following table shows the carrying amount and fair values of the financial assets and financial liabilities, including their levels and fair value hierarchy. It doesn't include fair value information for financial assets and financial liabilities not measured at fair value if the carrying value is a reasonable approximation of fair value.

	Carrying amount				Fair Value			
	Mandatorily at FVTPL - others	Designated at fair value	Hedging instruments	FVOCI	Level 1	Level 2	Level 3	Total
<b>June 30, 2025 (Unaudited)</b>								
<i><b>Financial assets measured at fair value</b></i>								
Investment at fair value through profit or loss	57,938	-	-	-	53,649	-	4,289	57,938
Future exchange contracts and options used for hedging	-	-	326,993	-	-	326,993	-	326,993
Equity securities (Note 6)	-	-	-	198,800	116,507	41,539	40,754	198,800
	<b>57,938</b>	<b>-</b>	<b>326,993</b>	<b>198,800</b>	<b>170,156</b>	<b>368,532</b>	<b>45,043</b>	<b>583,731</b>
<i><b>Financial liabilities measured at fair value</b></i>								
Future exchange contracts and options used for hedging	-	-	266,929	-	-	266,929	-	266,929
	<b>-</b>	<b>-</b>	<b>266,929</b>	<b>-</b>	<b>-</b>	<b>266,929</b>	<b>-</b>	<b>266,929</b>
	Carrying amount				Fair Value			
	Mandatorily at FVTPL - others	Designated at fair value	Hedging instruments	FVOCI	Level 1	Level 2	Level 3	Total
<b>December 31, 2024 (Audited)</b>								
<i><b>Financial assets measured at fair value</b></i>								
Investment at fair value through profit or loss	115,986	-	-	-	111,612	-	4,374	115,986
Future exchange contracts and options used for hedging	-	-	144,377	-	-	144,377	-	144,377
Investment at fair value through other comprehensive income (Note 6)	-	-	-	229,879	129,590	58,643	41,646	229,879
	<b>115,986</b>	<b>-</b>	<b>144,377</b>	<b>229,879</b>	<b>241,202</b>	<b>203,020</b>	<b>46,020</b>	<b>490,242</b>
<i><b>Financial liabilities measured at fair value</b></i>								
Future exchange contracts and options used for hedging	-	-	151,571	-	-	151,571	-	151,571
	<b>-</b>	<b>-</b>	<b>151,571</b>	<b>-</b>	<b>-</b>	<b>151,571</b>	<b>-</b>	<b>151,571</b>



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**b) Measurement of fair values**

**Valuation technique and significant unobservable inputs**

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair value, as well as significant unobservable input used.

**Financial instruments measured at fair value**

<b>Type</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between significant unobservable inputs and fair value measurements</b>
Equity securities	Market comparison technique, PE multiple, Price to Book value.	Price Earnings Multiples, Discount factor, Price to Book value and Price to Tangible Book Value.	Not applicable
Future contracts	Broker quotes	Not applicable	Not applicable

**17. CAPITAL MANAGEMENT**

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.

The Group manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares. The Group also monitors capital using a leverage ratio, which is calculated as total liabilities (as shown in the condensed consolidated statement of financial position) less Cash and cash equivalents.

Adjusted equity comprises all components of equity other than amounts accumulated in the hedging reserves. The leverage ratio as follows:

	<b>June 30, 2025 (Unaudited)</b>	<b>December 31, 2024 (Audited)</b>
Total liabilities	<b>13,822,306</b>	15,815,179
Less: Cash and cash equivalents	<b>(965,097)</b>	(2,235,328)
<b>Adjusted net debt</b>	<b>12,857,209</b>	13,579,851
Total equity	<b>5,859,395</b>	5,579,063
Hedging reserve	<b>9,671</b>	2,629
<b>Adjusted equity</b>	<b>5,869,066</b>	5,581,692
<b>Adjusted net debt to adjusted equity ratio</b>	<b>2.19</b>	2.43

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**18. NON-CASH TRANSACTIONS**

The statement of cash flows has been affected by the impact of non-cash transactions as follows:

	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)
<b>Supplemental schedule of non-cash financial information:</b>		
Other reserves	(47,019)	(33,381)
Foreign currency translation reserve	19,747	(314,860)

**19. DATE OF AUTHORISATION FOR ISSUE**

These interim condensed consolidated financial statements were authorized for issue by the Company's Board of Directors on Safar 12, 1447H corresponding to August 06, 2025.

