

The Fourth Milling Company
(A Saudi Joint Stock Company)

**INTERIM CONDENSED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REVIEW REPORT**

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

The Fourth Milling Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF THE FOURTH MILLING COMPANY (A SAUDI JOINT STOCK COMPANY)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of The Fourth Milling Company ("the Company") as at 31 March 2025, and the related interim condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-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 IAS 34 as endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young Professional Services

Hesham A. Alatiqi
Certified Public Accountant
License No. (523)


Riyadh: 10 Thul-Qi'dah 1446H
(8 May 2025)




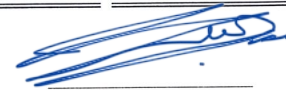
The Fourth Milling Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
At 31 March 2025

	Notes	31 March 2025 (Unaudited) SR	31 December 2024 (Audited) SR
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	500,009,389	504,554,482
Right-of-use assets	5	345,436,478	349,801,424
Intangible assets	6	57,456,632	57,668,007
TOTAL NON – CURRENT ASSETS		902,902,499	912,023,913
CURRENT ASSETS			
Inventories	7	56,481,024	56,935,999
Prepayments and other current assets	8	20,533,949	20,384,954
Amounts due from related parties	10	4,159,241	3,048,480
Accounts receivables	9	14,246,446	8,409,070
Murabaha deposits	11	55,927,419	74,060,069
Cash and cash equivalents	11	173,833,056	122,414,701
TOTAL CURRENT ASSETS		325,181,135	285,253,273
TOTAL ASSETS		1,228,083,634	1,197,277,186
EQUITY AND LIABILITIES			
EQUITY			
Share capital	12	540,000,000	540,000,000
Actuarial reserve		(513,731)	(596,990)
Retained earnings		167,265,843	173,970,022
TOTAL EQUITY		706,752,112	713,373,032
LIABILITIES			
NON-CURRENT LIABILITIES			
Non-current portion of lease liabilities	5	349,709,307	370,006,806
Deferred tax liabilities, net	14	6,430,644	8,789,489
Employees' defined benefits obligation		6,211,494	5,621,768
TOTAL NON-CURRENT LIABILITIES		362,351,445	384,418,063
CURRENT LIABILITIES			
Accounts payables		26,891,419	33,340,949
Accrued expenses and other liabilities	13	29,268,716	24,736,220
Amounts due to related parties	10	27,349	58,008
Current portion of lease liabilities	5	23,928,476	23,724,851
Advances from customers		8,054,495	9,858,000
Dividends payable	20	59,502,320	289,015
Zakat and income tax provision	14	11,307,302	7,479,048
TOTAL CURRENT LIABILITIES		158,980,077	99,486,091
TOTAL LIABILITIES		521,331,522	483,904,154
TOTAL EQUITY AND LIABILITIES		1,228,083,634	1,197,277,186


Chief Financial Officer
Rabih Abdul Kader Nahas


Chief Executive Officer
Khalid Abdul Aziz Al Maktary


Chairman Board of Directors
Bader Hamed Al Aujan


The attached notes 1 to 25 form an integral part of these interim condensed financial statements.

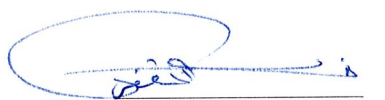
The Fourth Milling Company
(A Saudi Joint Stock Company)

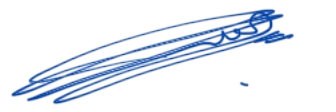
INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME

For the three-month period ended 31 March 2025

	Notes	For the three-month period ended	
		31 March 2025	31 March 2024
		(Unaudited) SR	(Unaudited) SR
Revenue	15	170,143,021	165,556,729
Direct costs	16	(88,166,954)	(86,145,880)
GROSS PROFIT		81,976,067	79,410,849
EXPENSES			
Selling and distribution	17	(13,469,711)	(11,485,922)
General and administration	18	(14,284,121)	(13,382,983)
TOTAL EXPENSES		(27,753,832)	(24,868,905)
OPERATING PROFIT		54,222,235	54,541,944
Finance costs		(2,796,754)	(2,843,761)
Finance income		2,708,806	1,381,036
Other income, net		30,943	69,359
PROFIT BEFORE ZAKAT AND INCOME TAX		54,165,230	53,148,578
Zakat	14	(1,587,951)	(1,547,916)
Deferred income tax	14	2,358,845	-
Income tax	14	(2,240,303)	(2,983,359)
PROFIT FOR THE PERIOD		52,695,821	48,617,303
OTHER COMPREHENSIVE INCOME			
Remeasurement gain on employees' defined benefit liabilities		83,259	139,121
TOTAL COMPREHENSIVE INCOME		52,779,080	48,756,424
Earnings per share (EPS)			
Basic and diluted earnings per share for the period	19	0.10	0.09


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Chairman Board of Directors
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The Fourth Milling Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

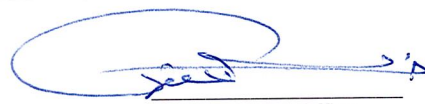
For the three-month period ended 31 March 2025

	Share capital SR	Proposed increase in share capital SR	Actuarial reserve SR	Retained earnings SR	Total SR
At 31 December 2024 (audited)	540,000,000	-	(596,990)	173,970,022	713,373,032
Profit for the period	-	-	-	52,695,821	52,695,821
Other comprehensive income	-	-	83,259	-	83,259
Total comprehensive income	-	-	83,259	52,695,821	52,779,080
Dividends (note 20)	-	-	-	(59,400,000)	(59,400,000)
At 31 March 2025 (unaudited)	540,000,000	-	(513,731)	167,265,843	706,752,112

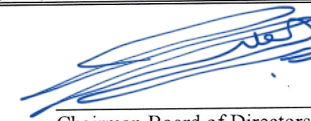
	Share capital SR	Proposed increase in share capital SR	Actuarial reserve SR	Retained earnings SR	Total SR
At 31 December 2023 (audited)	473,903,170	66,096,830	(425,315)	143,438,669	683,013,354
Profit for the period	-	-	-	48,617,303	48,617,303
Other comprehensive income	-	-	139,121	-	139,121
Total comprehensive income	-	-	139,121	48,617,303	48,756,424
Transfer to share capital (note 12)	66,096,830	(66,096,830)	-	-	-
Dividends (note 20)	-	-	-	(14,000,000)	(14,000,000)
At 31 March 2024 (unaudited)	540,000,000	-	(286,194)	178,055,972	717,769,778



Chief Financial Officer
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Chief Executive Officer
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Chairman Board of Directors
Bader Hamed Al Aujan

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The Fourth Milling Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2025

		For the three-month period ended	
		31 March 2025	31 March 2024
		(Unaudited)	(Unaudited)
	Notes	SR	SR
OPERATING ACTIVITIES			
Profit before zakat and income tax		54,165,230	53,148,578
Adjustments to reconcile profit before zakat and income tax to net cashflows:			
Depreciation for property, plant and equipment		9,201,544	8,928,737
Depreciation of right-of-use assets		4,233,641	4,074,950
Amortisation of intangible assets		211,375	8,755
Interest cost on lease liabilities		2,796,754	2,843,761
Provision for expected credit losses of account receivables		280,573	1,941,796
Provision for employees' defined benefit liabilities		696,735	620,020
Finance income		(2,708,806)	(1,381,036)
		68,877,046	70,185,561
Changes in operating assets and liabilities:			
Inventories		454,975	1,659,525
Prepayments and other current assets		437,433	(5,537,721)
Amounts due from related parties		(1,110,761)	(3,301,511)
Account receivables		(6,117,949)	(6,615,268)
Accounts payables		(6,449,530)	(1,419,643)
Accrued expenses and other liabilities		4,532,496	11,614,411
Amounts due to related parties		(30,659)	(1,490,643)
Advance from customers		(1,803,505)	(919,486)
Net cash from operations		58,789,546	64,175,225
Employees' defined benefit liabilities paid		(23,750)	(39,652)
Net cash flows from operating activities		58,765,796	64,135,573
INVESTING ACTIVITIES			
Additions of property, plant and equipment	4	(4,656,451)	(213,689)
Purchase of intangible assets	6	-	(919,688)
Murabaha deposits		(55,927,419)	-
Finance income received		2,122,378	1,202,350
Net cash flows (used in) from investing activities		(58,461,492)	68,973
FINANCING ACTIVITIES			
Payment of principal portion of lease liabilities		(19,962,569)	-
Finance costs paid on lease liabilities		(2,796,754)	-
Dividends paid	20	(186,695)	(11,574,740)
Net cash flows used in financing activities		(22,946,018)	(11,574,740)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(22,641,714)	52,629,806
Cash and cash equivalents at the beginning of the period		196,474,770	106,343,470
Cash and cash equivalents at the end of the period		173,833,056	158,973,276

Non-cash transactions:

Right-of-use assets and lease liabilities	5	131,305	3,767,142
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Chief Financial Officer
Rabih Abdul Kader Nahas

Chief Executive Officer
Khalid Abdul Aziz Al Maktary

Chairman Board of Directors
Bader Hamed Al Aujaan

The attached notes 1 to 25 form an integral part of these interim condensed financial statements.

The Fourth Milling Company (A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 31 March 2025

1. CORPORATE INFORMATION

The Fourth Milling Company is a Saudi Joint Stock Company (the “Company”) registered in Dammam, Kingdom of Saudi Arabia under commercial registration numbered 2050110856 dated 10 Safar 1438H (corresponding to 10 November 2016) and Unified Identification Number 7003698870.

The national address of the Company is Building no. 6729, King Saud Road, As Safa District, Dammam 34222, Kingdom of Saudi Arabia.

The Company’s licensed activities include the packing and milling of wheat, maize packing and milling, barley milling and packing, packing and milling of flour, meal and bulgur wheat, oats production, rice packing and milling, production of flour from rice, milling and packing of dried leguminous vegetables and edible nuts, manufacture of flour and dough for bakeries, manufacture of breakfast grain foods in flakes, including (cereals, chips etc.), popcorn manufacturing, manufacture of starch from corn, manufacture of starch from potatoes, corn milling, manufacture of domestic bread, manufacture of bread and bread products by automatic bakeries, manufacture of different kind of pies, manufacture of layer cake and all kinds of cakes, manufacture of all kinds of biscuits, manufacture of bread and pastry flakes, manufacture of frozen bakery products, making different kinds of eastern and traditional desserts, manufacture of concentrated fodder for animals, manufacture of cattle fodder, manufacture of second plant products as animal feed, preparation, milling and pressing of animal feed, production of salt lick stones for animal feed, manufacture of non-medicinal feed additives, manufacture of poultry fodder, manufacture of bird fodder, manufacture of pet feeds, freight transport by road, operation of storage facilities for all types of goods except food, loading and unloading of goods, animal food and feed stores, Storage in warehouses of grain silos, flour and agricultural products, public storages with a variety of goods, Storage of goods in foreign trade zones, dry food stores, wholesale of barley, grain wholesale except for barely, wholesale of livestock feed for pharmaceutical feed additives, wholesale of feed and non-medicinal feed additives, wholesale of bakery products, wholesale of food and beverage, retail sale of bakery products and sugar confectionery, retail sale of barley, trade of special and healthy food and combined office administrative service activities.

The Company was formed by the Public Investment Fund (the “Former Owner”) pursuant to the resolution of the Council of Ministers no. (35) of 27 Muharram 1437H (corresponding to 9 November 2015) approving the adoption of the necessary actions to establish four Joint Stock Flour Milling Companies according to the proposed geographical distribution. The Public Investment Fund, in coordination with the General Food Security Authority (“GFSA”) (formerly Saudi Grains Organization (“SAGO")), completed so in accordance with Royal Decree no. 62 dated 4 Shawwal 1435H (corresponding to 31 July 2014).

On 17 Shawwal 1441H (corresponding to 9 July 2020), a Cabinet decision was issued to transfer the ownership of the Company to the National Center for Privatization and the National Center for Privatization carried out the tasks assigned to the Public Investment Fund by Cabinet resolution no. (118) dated 21 Safar 1440H (corresponding to 30 October 2018).

On 25 Rabi Al-Thani 1443H (corresponding to 30 November 2021), the Company’s share capital of 47,390,317 shares, the value of each share is 10 SR, were wholly sold to Gulf Flour Milling Industrial Company (“the Parent Company”) for the purchase price specified in the share sale and purchase agreement on the same date.

The Company has entered into a subsidised wheat purchase agreement with the General Food Security Authority (“GFSA”) (formerly Saudi Grains Organizations (“SAGO”)) as GFSA imports wheat to Saudi Arabia for the purpose of producing subsidised flour. This Agreement shall enter into force on 3 Rabi Al-Thani 1438H (corresponding to 1 January 2017) and shall be terminated when the Former Owner sells its shares in the Company. The agreement stipulates that the subsidised wheat subsidy price is calculated according to the monetary value per metric ton of subsidised wheat currently specified by the Government of the Kingdom of Saudi Arabia at SR 180 per metric ton. On 15 Rabi Al-Thani 1442H (corresponding to 30 November 2020), the agreement regulating the purchase and sale of subsidised and non-subsidised wheat has been renewed by GFSA, and this agreement is valid until the expiry date of the license of the main purchaser (the “Company”).

The Fourth Milling Company (A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 31 March 2025

1 CORPORATE INFORMATION (continued)

On 19 Ramadan 1445H (corresponding to 24 March 2024), the General Assembly of Shareholders decided to go for an Initial Public Offering ("IPO") on Saudi Stock Exchange ("Tadawul"), which was approved by Capital Market Authority ("CMA") on 20 Thul-Hijjah 1445H (corresponding to 26 June 2024). On 2 Rabi Al-Awwal 1446H (corresponding to 5 September 2024), formal announcement was published in this regard. The allotment of shares to new shareholders was completed and the Company's ordinary shares began trading on Tadawul on 24 Rabi Al-Thani 1446H (corresponding to 27 October 2024).

The Company operates through its Head Office in Dammam and three branches in the many cities in the Kingdom of Saudi Arabia listed as follows:

<i>City</i>	<i>Date</i>	<i>Commercial Registration Number</i>
Head Office (Dammam)	10 Safar 1438H (corresponding to 10 November 2016)	2050110856
Dammam	30 Jumada Al-Ula 1438H (corresponding to 27 February 2017)	2050111821
Madinah	30 Jumada Al-Ula 1438H (corresponding to 27 February 2017)	4650082090
Kharj	30 Jumada Al-Ula 1438H (corresponding to 27 February 2017)	1011024354

2 BASIS OF PREPARATION AND CHANGES TO ACCOUNTING POLICIES

2.1 Basis of preparation

These interim condensed financial statements of the Company for the three-month period ended 31 March 2025 have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. The Company has prepared the interim condensed financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

These interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2024. Although these interim condensed financial statements for the three-month period ended 31 March 2025 are not affected significantly by seasonality, the results shown in these interim condensed financial statements may not be indicative of the annual results of the Company's operations.

These interim condensed financial statements are prepared under the historical cost convention, using the accrual basis of accounting except for employees' defined benefit liabilities which is recognised at the present value of future obligations using the projected unit credit method. These interim condensed financial statements are presented in Saudi Riyals ("SR") which is the functional and presentation currency of the Company. All values are rounded to the nearest Saudi Riyal, except when otherwise indicated.

2.2 Material Accounting Policies Information and new standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. One amendment applies for the first time in 2025, but does not have an impact on the interim condensed financial statements of the Company.

The Fourth Milling Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
At 31 March 2025

2 BASIS OF PREPARATION AND CHANGES TO ACCOUNTING POLICIES (continued)

2.2 Material Accounting Policies Information and new standards, interpretations and amendments adopted by the Company (continued)

Lack of exchangeability - Amendments to IAS 21

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information. The amendments did not have a material impact on the Company's interim condensed financial statements.

2.3 Significant accounting estimates

The preparation of the interim condensed financial statements in conformity with IAS 34 as endorsed in KSA requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim condensed financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and judgments used in the preparation of these interim condensed financial statements are consistent with those used in preparation of the Company's annual financial statements for the year ended 31 December 2024.

3 SEGMENT INFORMATION

The operations of the Company are mainly in the Kingdom of Saudi Arabia in three branches: Dammam, Madinah and Kharj. For management reporting purpose, the Company is organised into these business units which are identified as reportable segments. No operating segments have been aggregated to form the above reportable operating segments.

Chief Executive Officer ("CEO") is the Chief Operating Decision Maker ("CODM") who monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently in the interim condensed financial statements. Also, zakat and income tax are managed on a head office level and are not allocated to operating segments. All reportable segments have similar type of products. There are no inter-segment transfers during the period.

The selected financial information for these branches is as follows:

***For the three-month period ended
31 March 2025 (unaudited)***

	<i>Dammam SR</i>	<i>Madinah SR</i>	<i>Kharj SR</i>	<i>Head office SR</i>	<i>Total SR</i>
Revenue	62,029,950	58,565,163	49,547,908	-	170,143,021
Materials consumed	(20,344,943)	(19,075,166)	(17,840,781)	-	(57,260,890)
Employees' costs	(5,161,762)	(5,052,248)	(3,317,806)	(7,742,467)	(21,274,283)
Board and committees' expenses, rewards and allowances	-	-	-	(824,722)	(824,722)
Depreciation and amortisation	(3,958,490)	(5,600,825)	(3,506,785)	(580,460)	(13,646,560)
Other expenses	(6,198,960)	(5,925,420)	(8,793,103)	(1,996,848)	(22,914,331)
Finance costs	(1,448,825)	(1,091,285)	(115,431)	(141,213)	(2,796,754)
Finance income	-	-	-	2,708,806	2,708,806
Other income	2,029	(648)	422	29,140	30,943
Segment profit (loss) before zakat and income tax	24,918,999	21,819,571	15,974,424	(8,547,764)	54,165,230

The Fourth Milling Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
At 31 March 2025

3 SEGMENT INFORMATION (continued)

*For the three-month period ended
31 March 2024 (unaudited)*

	<i>Dammam SR</i>	<i>Madinah SR</i>	<i>Kharj SR</i>	<i>Head office SR</i>	<i>Total SR</i>
Revenue	66,663,272	53,500,058	45,393,399	-	165,556,729
Materials consumed	(22,833,319)	(16,667,985)	(15,884,945)	-	(55,386,249)
Employees' costs	(5,182,070)	(5,615,661)	(3,800,952)	(6,760,863)	(21,359,546)
Board and committees' expenses, rewards and allowances	-	-	-	(48,036)	(48,036)
Depreciation and amortisation	(3,876,430)	(5,774,266)	(3,159,418)	(202,328)	(13,012,442)
Other expenses	(6,258,953)	(8,489,462)	(4,803,572)	(1,656,525)	(21,208,512)
Finance costs	(1,519,377)	(1,123,470)	(118,484)	(82,430)	(2,843,761)
Finance income	-	-	-	1,381,036	1,381,036
Other income	31,465	14,828	23,043	23	69,359
Segment profit (loss) before zakat and income tax	27,024,588	15,844,042	17,649,071	(7,369,123)	53,148,578

As of 31 March 2025 (unaudited)

	<i>Dammam SR</i>	<i>Madinah SR</i>	<i>Kharj SR</i>	<i>Head office SR</i>	<i>Total SR</i>
Total assets	274,447,099	409,581,097	233,464,441	310,590,997	1,228,083,634
Total liabilities	177,058,171	206,794,682	35,463,261	102,015,408	521,331,522
Other disclosures:					
Property, plant and equipment	89,527,156	207,186,063	200,197,536	3,098,634	500,009,389
Capital expenditures	4,208,326	154,585	132,803	160,737	4,656,451
Right of use assets	148,766,886	171,120,689	17,903,175	7,645,728	345,436,478
Intangible assets	-	-	-	57,456,632	57,456,632
Inventories	27,300,430	21,137,744	8,042,850	-	56,481,024

As of 31 December 2024 (audited)

	<i>Dammam SR</i>	<i>Madinah SR</i>	<i>Kharj SR</i>	<i>Head office SR</i>	<i>Total SR</i>
Total assets	275,191,243	408,959,699	238,411,386	274,714,858	1,197,277,186
Total liabilities	192,656,197	213,974,481	33,661,005	43,612,471	483,904,154
Other disclosures:					
Property, plant and equipment	87,148,335	210,664,929	203,365,263	3,375,955	504,554,482
Additions to property plant and equipment	4,294,444	2,252,700	5,508,237	1,929,834	13,985,215
Right of use assets	150,743,130	173,087,594	18,108,959	7,861,741	349,801,424
Intangible assets	-	-	-	57,668,007	57,668,007
Inventories	27,967,743	20,128,913	8,839,343	-	56,935,999

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
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4 PROPERTY, PLANT AND EQUIPMENT

<i>Net book value</i>	<i>At 31 December 2024 (audited) SR</i>	<i>Additions during the period SR</i>	<i>Depreciation charge for the period SR</i>	<i>Transfers SR</i>	<i>Disposals and write-off SR</i>	<i>At 31 March 2025 (unaudited) SR</i>
Buildings	179,531,655	-	(2,289,576)	-	-	177,242,079
Plant and machinery	315,000,297	396,200	(6,381,725)	873,330	-	309,888,102
Furniture and fittings	1,601,076	10,670	(119,779)	1,724,817	-	3,216,784
Computer equipment	4,488,198	187,951	(292,011)	-	-	4,384,138
Motor vehicle	172,914	-	(118,453)	-	-	54,461
Capital work in progress**	3,760,342	4,061,630	-	(2,598,147)	-	5,223,825
Total	504,554,482	4,656,451	(9,201,544)	-	-	500,009,389

<i>Net book value</i>	<i>At 31 December 2023 (audited) SR</i>	<i>Additions during the year SR</i>	<i>Depreciation charge for the year SR</i>	<i>Transfers SR</i>	<i>Disposals and write-off SR</i>	<i>At 31 December 2024 (audited) SR</i>
Buildings	187,646,425	-	(9,145,095)	1,329,299	(298,974)	179,531,655
Plant and machinery	330,547,810	4,109,106	(25,138,703)	6,089,544	(607,460)	315,000,297
Furniture and fittings	1,790,995	48,557	(331,476)	93,000	-	1,601,076
Computer equipment	3,844,876	945,178	(999,358)	697,504	(2)	4,488,198
Motor vehicle	646,741	-	(473,810)	-	(17)	172,914
Capital work in progress	7,490,252	8,882,374	-	(8,209,347)	(4,402,937)	3,760,342
Total	531,967,099	13,985,215	(36,088,442)	-	(5,309,390)	504,554,482

Buildings are built on lands leased from the General Food Security Authority ("GFSA") (formerly Saudi Grains Organization ("SAGO")) with an annual rental value of SR 12.7 million. The initial term of the land lease is 25 calendar years commencing from 3 Rabi Al-Thani 1438H (corresponding to 1 January 2017), which was adjusted in 2021 to match with the duration of flour milling license (30 November 2046). The lease is renewable automatically subject to renewal of Company's milling license.

** Capital work in progress as of 31 March 2025 mainly consist of:

- Project of implementing security and safety works in Dammam Branch, which is expected to be completed by September 2025. Further, during the year ended 31 December 2024, SR 4.4 million related to this project has been written off, as it did not meet requirements of High Commission for Industrial Security ("HCIS"), Kingdom of Saudi Arabia;
- Internal and external warehouse air-conditioning and improvements in Dammam, which is expected to be completed by December 2025; and
- Installation of elevator lifts in Dammam, which is expected to be completed by July 2025.

The capital commitments relating to the above projects is SR 20.2 million (31 December 2024: SR 17.6 million).

Depreciation has been allocated as follows:

	<i>31 March 2025 (Unaudited) SR</i>	<i>31 December 2024 (Audited) SR</i>
Direct costs for the period / year	8,275,193	32,452,068
Selling and distribution for the period / year	43,903	434,103
General and administration for the period / year	882,448	3,202,271
Total charge for the period / year	9,201,544	36,088,442

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5 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Company entered into lease agreements with the General Food Security Authority (“GFSA”) (formerly Saudi Grains Organization (“SAGO”)) for the rental of silos for the purpose of storing wheat, flour and feed. The term of the lease was 25 calendar years commencing from 3 Rabi Al-Thani 1438H (corresponding to 1 January 2017), which was adjusted in December 2021 to match with the duration of flour milling license upto 30 November 2046. and is renewable automatically subject to renewal of Company’s milling license. The estimated useful lives of leased assets for amortising right-of-use assets purposes are 25 years.

The Company has entered into land leases for business units. The initial term of the land lease was 25 calendar years commencing from 3 Rabi Al-Thani 1438H (corresponding to 1 January 2017), which was adjusted in 2021 to match with the duration of flour milling license (i.e., 30 November 2046). These leases do not transfer ownership of the assets to the lessor at the end of the lease. The estimated useful lives of right-of-use assets are 25 years and ending on 30 November 2046.

The Company’s obligations under its leases are secured by the lessor’s title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

Movement in right-of-use assets is presented below:

	31 March 2025 (Unaudited) SR	31 December 2024 (Audited) SR
At the beginning of the period / year	349,801,424	362,491,047
Addition during the period / year	-	3,767,142
Lease modification during the period / year	(131,305)	-
Depreciation charge for the period / year	(4,233,641)	(16,456,765)
At the end of the period / year	345,436,478	349,801,424

Movement in lease liabilities is presented below:

	31 March 2025 (Unaudited) SR	31 December 2024 (Audited) SR
At the beginning of the period / year	393,731,657	402,254,418
Addition during the period / year	-	3,767,142
Lease modification during the period / year	(131,305)	-
Accretion of interest for the period / year	2,796,754	11,434,948
Payments during the period / year	(22,759,323)	(23,724,851)
At the end of the period / year	373,637,783	393,731,657
Bifurcated into:		
Current portion	23,928,476	23,724,851
Non-current portion	349,709,307	370,006,806

Depreciation has been allocated as follows:

	31 March 2025 (Unaudited) SR	31 December 2024 (Audited) SR
Direct costs for the period / year	3,888,602	15,554,406
Selling and distribution for the period / year	25,724	95,990
General and administration for the period / year	319,315	806,369
Total charge for the period / year	4,233,641	16,456,765

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6 INTANGIBLE ASSETS

	31 March 2025 (Unaudited) SR	31 December 2024 (Audited) SR
At the beginning of the period / year	57,668,007	56,720,504
Additions during the period / year	-	1,578,350
Amortisation charge for the period / year	(211,375)	(630,847)
At the end of the period / year	57,456,632	57,668,007

Intangible assets include the following:

- Trademark amounting SR 50,102,500 which has indefinite useful life. The Company performs its annual impairment test in December and when circumstances indicate that the carrying value may be impaired. The Company has performed its impairment test for intangible asset with indefinite useful life on 31 December 2024. The recoverable amount of the asset of SR 86.8 million as at 31 December 2024 has been determined based on a value-in-use calculation using cash flow projections from financial budgets reviewed by Board of Directors covering a five-year discrete period and subsequent periods in perpetuity. The weighted average cost of capital ("WACC") applied to cash flow projections is 12.06%. As at 31 December 2024, the value-in-use of the asset was higher than its book value, indicating no impairment of trademark. The key assumptions used to determine the recoverable amount were disclosed in the annual financial statements for the year ended 31 December 2024. At 31 March 2025, management evaluated that there has been no significant change in assumptions as of the reporting date, compared to 31 December 2024 and there are no other internal or external indicator of impairment, consequently the value-in-use of the asset does not change materially from 31 December 2024.
- Software with net book value of SR 7,354,132 (31 December 2024: SR 7,565,507) which was implemented in April 2024.

7 INVENTORIES

	31 March 2025 (Unaudited) SR	31 December 2024 (Audited) SR
Spare parts and others	31,447,182	30,845,725
Raw materials	29,861,020	30,213,738
Finished goods *	7,846,746	8,575,096
Goods in transit	79,097	54,461
Less: provision for slow moving inventories	(12,753,021)	(12,753,021)
	56,481,024	56,935,999

- * The cost of finished goods includes direct costs and indirect costs, indirect costs are allocated based on the quantities produced.

8 PREPAYMENTS AND OTHER CURRENT ASSETS

	31 March 2025 (Unaudited) SR	31 December 2024 (Audited) SR
Advance to suppliers	12,857,630	12,325,107
Margin against letter of guarantees	3,447,914	3,447,914
Prepaid expenses	2,837,822	3,809,753
Accrued income on Short-term Murabaha deposits	1,302,854	716,426
Others	87,729	85,754
	20,533,949	20,384,954

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At 31 March 2025

9 ACCOUNTS RECEIVABLES

	31 March 2025 (Unaudited) SR	31 December 2024 (Audited) SR
Accounts receivables	15,194,843	9,076,894
Less: Provision for expected credit losses (note 18)	(948,397)	(667,824)
	14,246,446	8,409,070

10 RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties represent the Parent Company, ultimate shareholders and key management personnel of the Company, and entities controlled or significantly influenced by such parties. The terms of the transactions with related parties are approved by the Company's management and Parent Company.

Name of related party	Nature of relationship
Gulf Flour Milling Industrial Company	Parent Company
Abdullah Al-Othaim Markets Company	Partner in the Parent Company
United Feed Manufacturing Company	Partner in the Parent Company
Allana International Limited Company	Partner in the Parent Company
United Feed Company Limited	Affiliate
Riyadh Food Industries Company	Affiliate
Pure Food Corporations	Affiliate
Abdulaziz Al-Othaim Markets Company	Affiliate
Zod Factory for Pastries and Bakeries - a branch of Abdullah Al-Othaim Markets Company	Affiliate

Following table provides the total amount of transactions that have been entered into with related parties during the three-month period ended 31 March 2025:

Transactions for the three-month period ended 31 March 2025:

	Nature of transaction	Amount of transaction (SR) 31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Zod Factory for Pastries and Bakeries, a branch of Al-Othaim Markets Company	Sales	-	98,333
	Collections	85,612	169,864
Abdullah Al-Othaim Markets Company	Sales	3,133,563	5,067,603
	Collections	4,632,451	3,169,053
United Feed Manufacturing Company	Sales	10,745,078	12,496,471
	Collections	8,703,209	10,800,000
Pure Food Corporations	Sales	1,678,047	2,127,351
	Collections	623,678	858,687
Gulf Flour Milling Industrial Company	Collections	403,477	-
	Expenses	2,500	-
Abdulaziz Al-Othaim Markets Company	Sales	27,852	-
United Feed Company Limited	Payments	2,807	-

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
At 31 March 2025

10 RELATED PARTIES TRANSACTIONS AND BALANCES (continued)

	31 March 2025 (Unaudited) SR	31 December 2024 (Audited) SR
Amounts due from related parties		
United Feed Company Limited	2,041,869	-
Pure Food Cooperation	1,697,352	642,983
Abdullah Al-Othaim Markets Company	417,520	1,916,408
Gulf Flour Milling Industrial Company	2,500	403,477
Zod Factory for Pastries and Bakeries, a branch of Abdullah Al-Othaim Markets Company	-	85,612
	4,159,241	3,048,480
Amounts due to related parties		
Abdulaziz Abdullah Al-Othaim Markets Company	27,349	55,201
United Feed Company Limited	-	2,807
	27,349	58,008

Compensation of key management personnel of the Company

The compensation of the Company's key management personnel includes salaries and other benefits. Amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel. Board and committees' expenses, rewards and allowances during the period amounts to SR 824,722 (31 March 2024: SR 48,036).

	For the three-month period ended 31 March 2025 (Unaudited) SR	31 March 2024 (Unaudited) SR
Short-term employee benefits	1,611,507	1,571,429
Long-term employee benefits	55,995	66,209

11 CASH AND CASH EQUIVALENTS

	31 March 2025 (Unaudited) SR	31 December 2024 (Audited) SR
Short-term Murabaha deposits*	94,571,628	108,161,974
Cash at bank	79,135,344	14,179,459
Cash in hand	126,084	73,268
	173,833,056	122,414,701

* Short-term Murabaha deposits are deposited with banks for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earns interest at floating rate based on daily bank deposit rate. Effective interest rate is 5.49% (31 December 2024: 5.54%).

Murabaha deposits (exceeding 90 days duration)

Deposits with period exceeding 90 days amounting SR 55,927,419 (31 December 2024: SR 74,060,069) are presented separately from cash and cash equivalents in the interim condensed statement of financial position.

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12 SHARE CAPITAL

The Company's authorised, issued and paid-up share capital is divided into 540,000,000 shares of SR 1 each (31 December 2024: 540,000,000 shares of SR 1 each), held as follows:

	2025 Percentage	2024	31 March 2025 SR	31 December 2024 SR
Gulf Flour Milling Industrial Company	70%	70%	378,000,000	378,000,000
Public	30%	30%	162,000,000	162,000,000
	100%	100%	540,000,000	540,000,000

Increase in share capital

On 14 Jumada Al-Akhirah 1445H (corresponding to 27 December 2023), the Parent Company passed a resolution of the Extraordinary General Assembly of the Company to increase the Company's share capital from SR 473,903,170 to SR 540,000,000 through the transfer of SR 40,017,406 from the account of "retained earnings" and SR 26,079,424 from the account of "statutory reserve" respectively and to split the nominal value of the share from SR 10 per share to SR 1 per share. Legal formalities in this regard have been completed on 27 Jumada Al-Akhirah 1445H (corresponding to 9 January 2024).

13 ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	31 March 2025 (Unaudited) SR	31 December 2024 (Audited) SR
Accrued employees' costs	7,062,887	11,591,805
Accrued customer rebates	6,320,785	1,209,322
Value added tax ("VAT") payable	4,048,557	226,129
Accrual for penalties and fines	4,000,000	4,000,000
Accrued transport costs	3,769,603	1,848,832
Accrued utilities expense	1,401,387	1,386,041
Accrued Board and committees' expenses, rewards and allowances	818,962	2,975,952
Accrual for professional fees	513,000	308,000
Accrued marketing and promotion	491,985	227,566
Accrued rent	21,735	12,420
Accrual for legal cases	6,017	339,632
Other accruals	813,798	610,521
	29,268,716	24,736,220

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At 31 March 2025

14 ZAKAT, INCOME TAX AND DEFERRED TAX

Movement in zakat and income tax provision during the period were as follows:

	31 March 2025 (Unaudited) SR	31 December 2024 (Audited) SR
At the beginning of the period / year	7,479,048	919,583
Charge for the period / year	3,828,254	12,215,556
Payments during the period / year	-	(5,656,091)
At the end of the period / year	11,307,302	7,479,048

Deferred tax

Deferred taxes are recognised for all taxable temporary differences and all deductible temporary differences, carry forward of unused tax credits and unused tax losses only to the extent that it is probable that taxable profit will be available against which these assets can be utilised.

Status of zakat and income tax assessment

The Company was subject to zakat and income tax from 1 December 2021 as previously its share capital was from public funds in accordance with the decision of the Zakat, Tax and Customs Authority ("ZATCA"). The Company has submitted its zakat and income tax return for a period from 1 December 2021 to 31 December 2021 and for the year ended 31 December 2022, 31 December 2023 and 31 December 2024, however assessment has not been raised by ZATCA.

15 REVENUE

	For the three-month period ended 31 March 2025 (Unaudited) SR	31 March 2024 (Unaudited) SR
Flour	124,082,060	118,713,634
Bran	47,158,087	46,866,234
Feed	15,581,800	10,656,168
	186,821,947	176,236,036
Less: Discount and promotions	(16,678,926)	(10,679,307)
	170,143,021	165,556,729

The Company's revenues are from sales in the Kingdom of Saudi Arabia. The Company sells its goods based on sale orders from customers, majority of which is secured by the advance receipts of value of goods. The sale of goods by the Company is recognised at a point in time basis.

	For the three-month period ended 31 March 2025 (Unaudited) SR	31 March 2024 (Unaudited) SR
Type of sector		
Corporate sector	157,577,132	155,226,800
Individual sector	7,064,521	5,195,060
Hypermarkets	5,501,368	5,134,869
	170,143,021	165,556,729

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At 31 March 2025

16 DIRECT COSTS

	<i>For the three-month period ended</i>	
	<i>31 March 2025</i>	<i>31 March 2024</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>SR</i>	<i>SR</i>
Material consumed	57,260,890	55,386,249
Employees' costs	10,321,615	11,006,160
Depreciation of property, plant and equipment (note 4)	8,275,193	7,950,583
Fuel and power	4,320,672	4,309,046
Depreciation of right-of-use assets (note 5)	3,888,602	3,841,878
Transportation	1,044,341	1,733,583
Insurance	689,297	745,599
Maintenance	782,966	587,524
Subscriptions	458,649	425,387
Rent	172,000	172,000
Other direct costs	224,379	441,697
	87,438,604	86,599,706
Finished goods at the beginning of the period	8,575,096	7,636,514
Total production cost during the period	96,013,700	94,236,220
Finished goods at the end of the period	(7,846,746)	(8,090,340)
	88,166,954	86,145,880

17 SELLING AND DISTRIBUTION EXPENSES

	<i>For the three-month period ended</i>	
	<i>31 March 2025</i>	<i>31 March 2024</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>SR</i>	<i>SR</i>
Transportation and shipping charges	8,243,227	5,953,247
Employees' costs	2,341,937	2,020,987
Marketing and advertising costs	2,093,083	2,216,500
Sales support services	381,140	318,342
Insurance	106,672	100,974
Fuel and power	76,275	283,761
Depreciation of property, plant and equipment (note 4)	43,903	302,393
Depreciation of right-of-use assets (note 5)	25,724	133,863
Rent	9,315	9,055
Other expenses	148,435	146,800
	13,469,711	11,485,922

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
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18 GENERAL AND ADMINISTRATION EXPENSES

	<i>For the three-month period ended</i>	
	<i>31 March 2025</i>	<i>31 March 2024</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>SR</i>	<i>SR</i>
Employees' costs	8,610,731	8,332,399
Depreciation of property, plant and equipment (note 4)	882,448	675,761
Board and committees' expenses, rewards and allowances (note 10)	824,722	48,036
Maintenance	759,225	215,333
Professional and consultancy services	539,965	610,808
Fuel and power	503,740	176,387
Insurance	468,026	344,312
Depreciation of right-of-use assets (note 5)	319,315	99,209
Expected credit losses of accounts receivables	280,573	1,941,796
Communication	269,348	163,170
Amortisation of intangible assets (note 6)	211,375	8,755
Other expenses	614,653	767,017
	14,284,121	13,382,983

19 EARNINGS PER SHARE

Basic Earnings per share ("EPS") is computed using net profit for the period attributable to Shareholders of the Company based on the weighted average number of shares outstanding for the period. The diluted earnings per share are the same as the basic earnings per share as the Company does not have any dilutive instruments in issue.

Following table reflects the income and share data used in the basic and diluted EPS computations:

	<i>For the three-month period ended</i>	
	<i>31 March 2025</i>	<i>31 March 2024</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>SR</i>	<i>SR</i>
Profit for the period	52,695,821	48,617,303
Weighted average number of ordinary shares for basic and diluted EPS	540,000,000	540,000,000
Earnings per share – basic and diluted	0.10	0.09

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of the interim condensed financial statements.

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 31 March 2025

20 DIVIDENDS

In its meeting held on 4 Thul-Qi'dah 1445H (corresponding to 12 May 2024), the Ordinary General Assembly of the Company has authorised the Board of Directors to distribute interim dividends on a quarterly or semi-annual basis.

31 March 2025

On 7 Ramadan 1446H (corresponding to 7 March 2025), the Board of Directors resolved to distribute interim cash dividend of SR 0.11 per share amounting to SR 59.4 million for the second half of the year ended 31 December 2024. The amount has been paid subsequent to period-end on 9 April 2025.

31 March 2024

On 27 Rajab 1445H (corresponding to 8 February 2024), the Board of Directors resolved to distribute interim cash dividends of SR 0.03 per share amounting to SR 14 million for the first quarter of 2024. Out of SR 14 million, SR 11,574,740 has been paid during the period while SR 2,425,260 was paid subsequent to 31 March 2024.

21 CONTINGENT LIABILITIES

The Company has contingent liabilities from time to time relating to certain disputed matters, including claims from and against customers, contractors, litigation and arbitration proceedings involving a variety of cases. These contingent liabilities arose in the normal course of business. No additional significant obligations are expected to be incurred from these potential claims, apart from the amount recorded under accrued expenses.

As of 31 March 2025, the Company had contingent liabilities arose during its normal business cycle and related to letters of credit and letters of guarantee of SR 3.45 million (31 December 2024: SR 3.45 million).

22 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's capital and financial risk management strategies have not changed significantly since the last year end. All financial assets and financial liabilities of the Company are classified and measured at amortised cost.

23 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial asset consists of cash and cash equivalents, accounts receivables, amounts due from related parties and other receivables. Its financial liabilities consist of accounts payables, amounts due to a related party, dividends payable and lease liabilities.

Management believes that the fair value of the financial instruments of the Company at the reporting date approximate their carrying value.

24 EVENTS AFTER THE REPORTING DATE

Management believes that no significant subsequent event since the three-month period ended 31 March 2025 that would have a material impact on the financial position of the Company as reflected in these interim condensed financial statements.

25 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements were authorised for issuance by the Company's Board of Directors on 2 Thul-Qi'dah 1446H (corresponding to 30 April 2025).