

**TANMIAH FOOD COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL  
INFORMATION (UNAUDITED)**

**FOR THE THREE-MONTH AND NINE-MONTH PERIODS  
ENDED SEPTEMBER 30, 2021  
AND REPORT ON REVIEW OF CONDENSED  
CONSOLIDATED INTERIM FINANCIAL INFORMATION**

**TANMIAH FOOD COMPANY**  
**(A Saudi Joint Stock Company)**  
**Condensed consolidated interim financial information (Unaudited)**  
**For the three-month and nine-month periods ended September 30, 2021**

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## Report on review of Condensed Consolidated Interim Financial Information

To the shareholders of Tanmiah Food Company (A Saudi Joint Stock Company)

### Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Tanmiah Food Company (the “Company”) and its subsidiaries (together the “Group”) as of September 30, 2021 and the related condensed consolidated interim statement of comprehensive income for the three-month and nine-month periods then ended, and the condensed consolidated interim statements of changes in equity and cash flows for the nine-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information 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 this condensed consolidated interim financial information 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, as 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 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

**PricewaterhouseCoopers**

Ali A. Alotaibi  
License Number 379


November 8, 2021



**TANMIAH FOOD COMPANY**  
**(A Saudi Joint Stock Company)**  
**Condensed consolidated interim statement of financial position**  
(All amounts in Saudi Riyals unless otherwise stated)

	Note	As at September 30, 2021 (Unaudited)	As at December 31, 2020 (Audited)
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	226,190,544	155,299,479
Right-of-use assets	7	216,059,588	199,730,189
Intangible assets		1,186,494	1,602,184
Financial assets at fair value through other comprehensive income (FVOCI)		773,983	773,983
<b>Total non-current assets</b>		<b>444,210,609</b>	<b>357,405,835</b>
<b>Current assets</b>			
Inventories	8	168,854,461	138,997,671
Biological assets	9	80,866,102	82,232,958
Contract assets		4,331,334	1,969,388
Trade receivables and other debtors	10	210,582,512	472,357,282
Prepayments and other receivables	11	108,784,802	83,921,663
Cash and cash equivalents	12	270,077,391	60,459,134
<b>Total current assets</b>		<b>843,496,602</b>	<b>839,938,096</b>
<b>Total assets</b>		<b>1,287,707,211</b>	<b>1,197,343,931</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	13	200,000,000	200,000,000
Statutory reserve		14,523,655	14,523,655
Retained earnings		159,128,876	133,011,913
<b>Total equity</b>		<b>373,652,531</b>	<b>347,535,568</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Employee benefit obligations		93,896,971	82,555,204
Lease liabilities	7	136,715,361	124,023,286
Borrowings	14	8,769,089	-
<b>Total non-current liabilities</b>		<b>239,381,421</b>	<b>206,578,490</b>
<b>Current liabilities</b>			
Borrowings	14	314,912,498	313,440,367
Trade payables	15	163,012,987	161,394,704
Contract liabilities		1,322,974	-
Accrued and other liabilities	16	129,311,581	103,355,317
Lease liabilities	7	60,448,629	55,129,162
Provision for zakat	17	5,664,590	9,910,323
<b>Total current liabilities</b>		<b>674,673,259</b>	<b>643,229,873</b>
<b>Total liabilities</b>		<b>914,054,680</b>	<b>849,808,363</b>
<b>Total equity and liabilities</b>		<b>1,287,707,211</b>	<b>1,197,343,931</b>

The accompanying notes form an integral part of this condensed consolidated interim financial information.

  
Chairman of the Board of  
Directors

  
Chief Executive Officer

  
Chief Financial Officer


**TANMIAH FOOD COMPANY**  
**(A Saudi Joint Stock Company)**  
**Condensed consolidated interim statement of comprehensive income**  
(All amounts in Saudi Riyals unless otherwise stated)

		<u>For the three-month</u> <u>period ended September 30,</u>		<u>For the nine-month</u> <u>period ended September 30,</u>	
	Note	2021 (Unaudited)	2020 (Unaudited)	2021 (Unaudited)	2020 (Unaudited)
Revenue	19	389,938,746	304,291,569	1,124,793,862	880,052,956
Cost of sales		<u>(304,800,382)</u>	<u>(225,229,559)</u>	<u>(872,152,080)</u>	<u>(661,671,530)</u>
<b>Gross profit</b>		<b>85,138,364</b>	<b>79,062,010</b>	<b>252,641,782</b>	<b>218,381,426</b>
Selling and distribution expenses	20	<b>(50,654,125)</b>	(34,276,159)	<b>(140,536,669)</b>	(95,772,064)
General and administrative expenses	21	<b>(23,061,820)</b>	(18,442,434)	<b>(62,232,350)</b>	(51,056,005)
Impairment loss on financial assets	10	<b>(156,010)</b>	(1,299,257)	<b>(2,889,605)</b>	(4,272,719)
Other income		<b>163,432</b>	245,354	<b>714,984</b>	394,194
<b>Operating profit</b>		<b>11,429,841</b>	<b>25,289,514</b>	<b>47,698,142</b>	<b>67,674,832</b>
Finance costs		<b>(6,879,780)</b>	(6,492,431)	<b>(18,743,363)</b>	(19,485,319)
<b>Profit before zakat</b>		<b>4,550,061</b>	<b>18,797,083</b>	<b>28,954,779</b>	<b>48,189,513</b>
Zakat		<b>(836,945)</b>	(1,277,097)	<b>(3,033,852)</b>	(4,158,804)
<b>Profit for the period</b>		<b>3,713,116</b>	<b>17,519,986</b>	<b>25,920,927</b>	<b>44,030,709</b>
<b>Other comprehensive loss</b>					
<i>Items that will not be reclassified to profit or loss</i>					
Re-measurements of post-employment benefit obligations		-	(999,297)	-	(2,997,891)
<b>Total comprehensive income for the period</b>		<b>3,713,116</b>	<b>16,520,689</b>	<b>25,920,927</b>	<b>41,032,818</b>
<b>Basic and diluted earnings per share</b>	23	<b>0.19</b>	0.88	<b>1.30</b>	2.20

The accompanying notes form an integral part of this condensed consolidated interim financial information.

  
\_\_\_\_\_  
Chairman of the Board of  
Directors

  
\_\_\_\_\_  
Chief Executive Officer

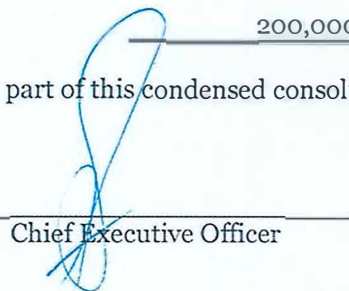
  
\_\_\_\_\_  
Chief Financial Officer

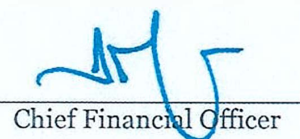
**TANMIAH FOOD COMPANY**  
**(A Saudi Joint Stock Company)**  
**Condensed consolidated interim statement of changes in equity**  
(All amounts in Saudi Riyals unless otherwise stated)

	<u>Share capital</u>	<u>Statutory reserve</u>	<u>Retained earnings</u>	<u>Total equity</u>
<b>Balance at January 1, 2021 (Audited)</b>	<b>200,000,000</b>	<b>14,523,655</b>	<b>133,011,913</b>	<b>347,535,568</b>
Profit for the period	-	-	25,920,927	25,920,927
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	25,920,927	25,920,927
Zakat reimburse by the shareholder	-	-	196,036	196,036
<b>Balance at September 30, 2021 (Unaudited)</b>	<b>200,000,000</b>	<b>14,523,655</b>	<b>159,128,876</b>	<b>373,652,531</b>
<b>Balance at January 1, 2020 (Audited)</b>	<b>200,000,000</b>	<b>7,082,296</b>	<b>79,808,555</b>	<b>286,890,851</b>
Profit for the period	-	-	44,030,709	44,030,709
Other comprehensive loss	-	-	(2,997,891)	(2,997,891)
Total comprehensive income for the period	-	-	41,032,818	41,032,818
<b>Balance at September 30, 2020 (Unaudited)</b>	<b>200,000,000</b>	<b>7,082,296</b>	<b>120,841,373</b>	<b>327,923,669</b>

The accompanying notes form an integral part of this condensed consolidated interim financial information.

  
\_\_\_\_\_  
Chairman of the Board of  
Directors

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Chief Financial Officer



**TANMIAH FOOD COMPANY**  
**(A Saudi Joint Stock Company)**  
**Condensed consolidated interim statement of cash flows**  
(All amounts in Saudi Riyals unless otherwise stated)

		<b>For the nine-month period ended September 30,</b>	
		<b>2021</b>	<b>2020</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>Note</b>		
<b>Cash flows from operating activities</b>			
Profit before zakat		<b>28,954,779</b>	48,189,513
<u>Adjustments for:</u>			
Depreciation of property, plant and equipment		<b>16,937,685</b>	15,384,346
Depreciation of right-of-use assets	7	<b>50,606,599</b>	38,784,917
Amortisation of intangible assets		<b>415,690</b>	398,816
Impairment loss on financial assets	10	<b>2,889,605</b>	4,272,719
Provision for slow-moving inventories	8	<b>3,420,723</b>	2,248,565
Provision for employee benefit obligations		<b>15,379,725</b>	11,267,633
Net gain on disposal of property, plant and equipment		<b>(592)</b>	-
Property, plant and equipment written-off		<b>6,041</b>	-
Government subsidy accrued	11	<b>(42,245,107)</b>	(54,330,935)
Loss / (gain) on termination of lease contracts	7	<b>100,259</b>	(994,747)
Finance costs		<b>10,261,258</b>	11,618,323
Interest on lease liabilities	7	<b>8,482,105</b>	7,866,996
<u>Changes in operating assets and liabilities:</u>			
Inventories		<b>(33,277,513)</b>	17,375,279
Trade receivables and other debtors		<b>258,885,165</b>	(41,036,729)
Biological assets		<b>1,366,856</b>	(9,841,328)
Contract assets		<b>(2,361,946)</b>	(271,878)
Prepayments and other receivables		<b>17,381,968</b>	40,034,555
Trade payable		<b>2,957,585</b>	28,494,928
Contract liabilities		<b>1,322,974</b>	1,643,564
Accrued and other liabilities		<b>25,956,264</b>	45,796,968
Cash generated from operations		<b>367,440,123</b>	166,901,505
Employee benefit obligations paid		<b>(4,125,312)</b>	(2,028,455)
Zakat paid		<b>(7,083,549)</b>	(5,200,330)
Finance cost paid		<b>(10,558,610)</b>	(11,833,087)
<b>Net cash generated from operating activities</b>		<b>345,672,652</b>	147,839,633
<b>Cash flows from investing activities</b>			
Payments for purchases of property, plant and equipment		<b>(87,837,199)</b>	(29,320,396)
Proceeds from disposal of property, plant and equipment		<b>3,000</b>	-
Payments for additions to intangible assets		<b>-</b>	(93,574)
<b>Net cash used in investing activities</b>		<b>(87,834,199)</b>	(29,413,970)
<b>Cash flows from financing activities</b>			
Lease payments		<b>(58,758,768)</b>	(48,971,222)
Short-term borrowings		<b>(9,568,828)</b>	(60,870,075)
Proceeds from long-term borrowings		<b>22,607,400</b>	-
Repayments of long-term borrowings		<b>(2,500,000)</b>	-
<b>Net cash used in financing activities</b>		<b>(48,220,196)</b>	(109,841,297)
Net changes in cash and cash equivalents		<b>209,618,257</b>	8,584,366
Cash and cash equivalents at the beginning of the period	12	<b>60,459,134</b>	23,918,830
<b>Cash and cash equivalents at the end of the period</b>	12	<b>270,077,391</b>	32,503,196

(continued)

**TANMIAH FOOD COMPANY**  
**(A Saudi Joint Stock Company)**  
**Condensed consolidated interim statement of cash flows**  
 (All amounts in Saudi Riyals unless otherwise stated)

**For the nine-month period  
 ended September 30,**

	<b>2021</b>	<b>2020</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>

**Supplemental schedule for non-cash information:**

Employee benefit obligations transferred to a related party	(3,517)	(6,136,073)
Employee benefit obligations transferred from a related party	90,871	189,465
Reimbursement of zakat by the shareholder	196,036	-
Lease liabilities written off due to termination of lease contracts	1,921,982	4,176,833
Right-of-use assets written off due to termination of lease contracts	(3,274,189)	(3,182,086)
Receivable recognised from a lessor on termination of lease contracts	1,251,948	-

The accompanying notes form an integral part of this condensed consolidated interim financial information.

\_\_\_\_\_  
 Chairman of the Board of  
 Directors

\_\_\_\_\_  
 Chief Executive Officer

\_\_\_\_\_  
 Chief Financial Officer



**TANMIAH FOOD COMPANY**  
**(A Saudi Joint Stock Company)**  
**Notes to the condensed consolidated interim financial information**  
(All amounts in Saudi Riyals unless otherwise stated)

**1 Corporate information**

Tanmiah Food Company (the “Company”) and its subsidiaries (collectively the “Group”) is a Saudi Joint Stock Company registered under Commercial Registration Number 1010087483. The Company’s head office is located at P.O. Box 86909, Riyadh 11632, Kingdom of Saudi Arabia. The Group consists of the Company and its various subsidiaries registered in the Kingdom of Saudi Arabia as well as in United Arab Emirates and Bahrain.

The Group is principally engaged in manufacturing, wholesale and retail trading in foodstuff, preparation of animal and poultry feeds for commercial purposes and retail and wholesale trading in poultry equipment.

The Company’s application with the Capital Market Authority (“CMA”) for the Initial Public Offering (IPO) of 30% of its share capital on the Saudi Stock Exchange (Tadawul) in accordance with the Rules on the Offer of Securities and Continuing Obligations issued by CMA was approved and the Company’s shares started trading on Saudi Stock Exchange as of August 4, 2021.

At September 30, 2021 and December 31, 2020, the accompanying condensed consolidated interim financial information include the financial information of the Company and its subsidiaries operating under individual commercial registrations as disclosed in Note 4.

**Impact of COVID - 19**

The novel Coronavirus (COVID-19) pandemic has spread across various geographies globally, disrupting business and economic activities. COVID-19 has brought about uncertainties in the global economic environment. The fiscal and monetary authorities, both domestic and international, have announced various support measures across the globe to counter possible adverse implications.

In response to the spread of COVID-19 in Gulf Cooperation Council (“GCC”) and its resulting disruptions to the social and economic activities in those markets, the Group’s management has proactively assessed its impacts on its operations and has taken a series of preventive measures, including the creation of on-going crisis management teams and processes, to ensure the health and safety of its employees, customers, consumers and wider community as well as to ensure the continuity of supply of its products throughout its markets. Whilst it is challenging to predict the full extent and duration of business and economic impacts, the Group’s management has considered the potential impacts of COVID-19 on the Group’s operations and concluded that as of the issuance date of these condensed consolidated interim financial information, no significant changes are required to the judgements and key estimates as the food industry in general is exempted from any bans and constraints imposed by various regulatory authorities. Moreover, beginning October 17, 2021, social distancing requirements have been relaxed.

Although, it is challenging to assess the future impact of such an evolving condition with certainty at this stage, considering the limited economic information available to determine the impact of the outbreak on the economy, however, with the release of vaccinations, management expects that the uncertainty will come to an end and negative impact on the operation and performance, if any, will minimise. The Group is continuously monitoring the evolving scenario and any change in the judgements and key estimates will be reflected as part of the operating results and cash flows of the future reporting periods.

**2 Accounting policies**

The principal accounting policies applied in the preparation of this condensed consolidated interim financial information of the Group are consistent with those of the previous financial year and corresponding interim reporting period.

**2.1 Basis of preparation**

This condensed consolidated interim financial information of the Group has been prepared in compliance with International Accounting Standard 34 - Interim Financial Reporting (“IAS 34”) as endorsed by Saudi Organization for Chartered and Professional Accountants (“SOCPA”) in the Kingdom of Saudi Arabia as well as other standards and pronouncements issued by SOCPA.

**TANMIAH FOOD COMPANY**  
**(A Saudi Joint Stock Company)**  
**Notes to the condensed consolidated interim financial information**  
(All amounts in Saudi Riyals unless otherwise stated)

**2 Accounting policies** (continued)

**2.1 Basis of preparation** (continued)

This condensed consolidated interim financial information does not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2020. IAS 34 states that the condensed interim financial information is intended to provide an update on the latest complete set of annual financial statements. Hence, IAS 34 requires less disclosure in interim financial information than IFRS requires in annual financial statements.

The Group has elected to present a single condensed consolidated interim statement of comprehensive income and presents its expenses by function.

This condensed consolidated interim financial information has been prepared on a historical cost basis, except for the following material items in the condensed consolidated interim statement of financial position:

- The employee benefit obligation, which is recognised at the present value of future obligations using the Projected Unit Credit Method.
- Biological assets, where fair value is reliably measurable, are measured at fair value.
- Equity investments at fair value through other comprehensive income (“FVOCI”) are measured at fair value.

This condensed consolidated interim financial information is presented in Saudi Riyals, which is the functional currency of all the Group entities except for Perfect Foods Factory (“PFF”) and Supreme Food Bahrain. The functional currency of PFF and Supreme Food Bahrain is United Arab Emirates Dirhams and Bahraini Dinar, respectively. The presentation currency of the Group is Saudi Riyals. This condensed consolidated interim financial information has been rounded-off to the nearest Saudi Riyal, unless otherwise stated.

The activities of the Group are evenly spread throughout the year, therefore there is no seasonal or cyclical changes that affect the Group’s operations.

**2.2 New and amended standards adopted by the Group**

There are no new relevant IFRS or IFRS interpretations that are not yet effective that would be expected to have a material impact on the Group’s financial information. However, there are a number of amendments to IFRS which are effective from January 1, 2021 but they do not have any material effect on Group’s condensed consolidated interim financial information.

**3 Critical accounting estimates and judgments**

Preparation of the Group’s condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period were the same as those described in the latest annual consolidated financial statements. The Group based its assumptions and estimates on parameters available when the condensed consolidated interim financial information was prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**TANMIAH FOOD COMPANY**  
**(A Saudi Joint Stock Company)**  
**Notes to the condensed consolidated interim financial information**  
(All amounts in Saudi Riyals unless otherwise stated)

**4 Interests in other entities**

The Group's principal subsidiaries at September 30, 2021 and December 31, 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

<b>Subsidiary</b>	<b>Country of incorporation</b>	<b>Effective ownership at September 30, 2021</b>	<b>Effective ownership at December 31, 2020</b>	<b>Principal activities</b>
Agricultural Development Company Limited ("ADC")	Saudi Arabia	100%	100%	Wholesale trading in poultry products and agricultural produce
Supreme Foods Processing Company Limited ("SFPC")	Saudi Arabia	100%	100%	Manufacturing, preparation and sales of various types of meat products.
Desert Hills Veterinary Services Company Limited ("DHV")	Saudi Arabia	100%	100%	Wholesale and retail trading in machines and equipment in the field of animal care, animal shelters, animal feed, chicks and hatching eggs, veterinary lab equipment and medicines, along with marketing and import and export of related items.
Perfect Foods Factory LLC ("PFF")	United Arab Emirates	100%	100%	Manufacturing and sale of meat and poultry products
Supreme Foods Bahrain W.L.L.("SFB")	Kingdom of Bahrain	100%	100%	General trading in poultry meat
Al Tanmiah International General Trading L.L.C (Formerly Dabbagh International (UAE) (L.L.C))	United Arab Emirates (UAE)	100%	100%	Currently there are no activities
Gulf Brands for Fast Food Company ("GBFFC")	Saudi Arabia	100%	-	Currently there are no activities

**5 Fair value measurement of financial instruments**

**a) Recognised fair value measurements**

Fair value is the price that would be received upon selling 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.

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: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**TANMIAH FOOD COMPANY**  
**(A Saudi Joint Stock Company)**  
**Notes to the condensed consolidated interim financial information**  
(All amounts in Saudi Riyals unless otherwise stated)

**5 Fair value measurement of financial instruments** (continued)

**b) Fair value hierarchy**

<b>September 30, 2021 (Unaudited)</b>						
	<b>FVOCI</b>	<b>Amortised cost</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Financial assets</b>						
Unlisted equity securities	<b>773,983</b>	-	<b>773,983</b>	-	-	<b>773,983</b>
Trade receivables and other debtors	-	<b>210,582,512</b>	<b>210,582,512</b>	-	-	-
Contract assets	-	<b>4,331,334</b>	<b>4,331,334</b>	-	-	-
Cash at banks	-	<b>261,576,262</b>	<b>261,576,262</b>	-	-	-
Government subsidy, employee and other receivables	-	<b>27,922,668</b>	<b>27,922,668</b>	-	-	-
<b>Total financial assets</b>	<b>773,983</b>	<b>504,412,776</b>	<b>505,186,759</b>	-	-	<b>773,983</b>

Financial assets at FVOCI comprise equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

<b>December 31, 2020 (Audited)</b>						
	<b>FVOCI</b>	<b>Amortised cost</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Financial assets</b>						
Unlisted equity securities	773,983	-	773,983	-	-	773,983
Trade receivables and other debtors	-	472,357,282	472,357,282	-	-	-
Contract assets	-	1,969,388	1,969,388	-	-	-
Cash at banks	-	55,809,239	55,809,239	-	-	-
Government subsidy, employee and other receivables	-	24,318,980	24,318,980	-	-	-
<b>Total financial assets</b>	<b>773,983</b>	<b>554,454,889</b>	<b>555,228,872</b>	-	-	<b>773,983</b>

All financial liabilities as of September 30, 2021 and December 31, 2020 are measured at amortised cost. Due to their short-term nature, the carrying values of the financial liabilities and financial assets under amortised cost approximate their fair values on each reporting date.

**c) Valuation techniques used to determine fair values**

Unlisted equity securities are valued using discounted cash flow analysis.

**d) Valuation process**

The finance department of the Group includes a team that performs the valuations of financial instruments required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO). The main level 3 inputs used by the Group are derived and evaluated based on the earnings growth factor for unlisted equity securities based on the actual growth rate of the investee.

**6 Property, plant and equipment**

The additions during the three-month and nine-month periods ended September 30, 2021 amounting to Saudi Riyals 57.7 million and Saudi Riyals 87.8 million (December 31, 2020: Saudi Riyals 38.5 million), mainly represent additions to capital work-in-progress for expansion of the current capacity of the processing plant, tree plantation project and the construction of wastewater recycling plant.

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**7 Leases**

(i) The Group's leasing activities and how these are accounted for:

The Group leases various accommodations, warehouses, buildings, poultry processing plants, farms, vehicles and offices. Rental contracts are typically made for fixed periods of 2 to 45 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

At September 30, 2021 and December 31, 2020, the Group did not have any lease contracts classified as right-of-use asset that are variable in nature. Also, at September 30, 2021 and December 31, 2020 no leases contain extension options exercisable solely by the Group before the end of the non-cancellable contract period. The Group does not provide residual value guarantees in relation to any of its leases.

(ii) Amounts recognised in the condensed consolidated interim statement of financial position:

	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
<b>Right-of-use assets</b>		
Buildings	156,615,587	156,109,008
Vehicles	<u>59,444,001</u>	<u>43,621,181</u>
	<b><u>216,059,588</u></b>	<b><u>199,730,189</u></b>
	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
<b>Lease liabilities</b>		
Current	60,448,629	55,129,162
Non-current	<u>136,715,361</u>	<u>124,023,286</u>
	<b><u>197,163,990</u></b>	<b><u>179,152,448</u></b>

The additions to the right-of-use assets during nine-month period ended September 30, 2021 was Saudi Riyals 70.21 million (December 31, 2020: Saudi Riyals 69.68 million).

(iii) Amounts recognised in the condensed consolidated interim statement of comprehensive income:

	<b>September 30, 2021 (Unaudited)</b>	<b>September 30, 2020 (Unaudited)</b>
Depreciation charge on right-of-use assets – buildings	37,075,350	29,398,450
Depreciation charge on right-of-use assets – vehicles	<u>13,531,249</u>	<u>9,386,467</u>
	<b><u>50,606,599</u></b>	<b><u>38,784,917</u></b>
Interest expense (included in finance costs)	<u>8,482,105</u>	<u>7,866,996</u>
Expense relating to short-term leases (included in cost of sales and selling and distribution expenses)	<b><u>10,080,760</u></b>	<b><u>8,519,413</u></b>

Depreciation charge on right-of-use assets for the nine-month period ended September 30, 2021 and 2020 has been allocated as follows:

	<b>Note</b>	<b>September 30, 2021 (Unaudited)</b>	<b>September 30, 2020 (Unaudited)</b>
Cost of sales		34,718,862	29,163,684
Selling and distribution expenses	20	14,875,274	8,283,570
General and administrative expenses	21	<u>1,012,463</u>	<u>1,337,663</u>
		<b><u>50,606,599</u></b>	<b><u>38,784,917</u></b>

The total cash outflow for leases during the nine-month period ended September 30, 2021 was Saudi Riyals 58.76 million (September 30, 2020: Saudi Riyals 48.97 million).

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**7 Leases** (continued)

During the nine-month period ended September 30, 2021, the Group has terminated a few lease contracts and resultant lease liabilities and right-of-use assets were written off and a net loss of Saudi Riyals 0.1 million (September 30, 2020: Net gain of Saudi Riyals 0.99 million), was realised in the condensed consolidated interim statement of comprehensive income.

**8 Inventories**

	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
Raw materials	68,552,463	55,080,699
Poultry meats and other food stuff	32,289,389	19,777,310
Finished goods	22,385,610	17,531,797
Animal health products	15,564,926	15,204,345
Spare parts	12,847,765	10,347,237
Packaging materials	12,778,040	12,170,293
Equipment for sale	6,365,546	5,492,862
Goods-in-transit	315,888	3,803,952
Work in process	289,086	78,550
Other	5,361,743	6,333,534
Less: provision for slow-moving inventories	(7,895,995)	(6,822,908)
	<b>168,854,461</b>	<b>138,997,671</b>

Movement in provision for slow-moving inventories is as follows:

	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
Opening balance	6,822,908	5,243,589
Additions	3,420,723	3,214,630
Write-offs	(2,347,635)	(1,635,311)
Closing balance	<b>7,895,996</b>	<b>6,822,908</b>

**9 Biological assets**

	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
Broiler birds	24,285,941	24,841,479
Breeder birds – rearing & production	43,898,278	43,509,076
Hatchery eggs	12,681,883	13,882,403
	<b>80,866,102</b>	<b>82,232,958</b>

The fair value measurements for the broiler birds and hatchery eggs have been categorised as Level 3 in the fair value hierarchy based on the inputs to the valuation techniques used. Valuation techniques and significant unobservable inputs used for valuation of biological assets are as below:

<b>Biological assets</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between key unobservable inputs and fair value measurement</b>
Broiler birds	The valuation model considers the average weight of bird, mortality and the estimated selling price less cost to sell [including the additional cost required to bring the birds as ready to sell (i.e. feed cost, medicines and overheads)].	<ul style="list-style-type: none"> <li>- Mortality of birds</li> <li>- Average weight of birds</li> <li>- Sales price of fully-grown bird less cost to sell</li> </ul>	<p>The estimated fair value would increase/ (decrease) if:</p> <ul style="list-style-type: none"> <li>- Mortality was lower / (higher).</li> <li>- Average weight of birds higher/ (lower)</li> <li>- Selling price of fully-grown bird less cost to sell was higher/ (lower).</li> </ul>
Hatchery eggs	The valuation model considers the actual selling price less cost to sell [including the additional cost required to bring the eggs as ready to sell (i.e. overhead and vaccine cost)].	<ul style="list-style-type: none"> <li>- Hatchability of the eggs</li> </ul>	<p>The estimated fair value would increase/ (decrease) if the hatchability was higher / (lower).</p>

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**9 Biological assets (continued)**

The Group's finance department includes a team that performs valuations of the Group's biological assets for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least on each reporting date.

The main level 3 inputs used for valuation of biological assets by the Group are derived and evaluated as follows:

- Mortality rate of the birds have been determined based on the historical rate and environmental factors.
- The broiler birds grow at different rates and there can be a considerable spread in the quality and weight of broiler birds that affects the price achieved. An average weight is assumed for the slaughter broiler livestock that are not yet at marketable weight.

Hatchery eggs before incubation can be sold at a uniform price that does not fluctuate materially since the quality and weight of the eggs is not relevant at the stage of hatchery.

**10 Trade receivables and other debtors**

	<b>Note</b>	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
Trade receivables		<b>222,198,985</b>	173,992,231
Due from related parties	18	<b>2,825,030</b>	310,128,679
		<b>225,024,015</b>	484,120,910
Less: provision for impairment of trade receivables and other debtors		<b>(14,441,503)</b>	(11,763,628)
		<b>210,582,512</b>	472,357,282

Movement in provision for impairment of trade receivables and other debtors is as follows:

	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
Opening balance	<b>11,763,628</b>	7,759,728
Charge for the period / year	<b>2,889,605</b>	4,405,605
Write-offs during the period / year	<b>(211,730)</b>	(401,705)
Closing balance	<b>14,441,503</b>	11,763,628

Due from related parties as at September 30, 2021 comprises of trade receivables amounting to Saudi Riyals 2.3 million (December 31, 2020: Saudi Riyals 284.5 million) and other receivables amounting to Saudi Riyals 0.5 million (December 31, 2020: Saudi Riyals 25.6 million).

For trade receivables, the Group applies the simplified approach to determine the expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables based on a provision matrix. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The provision matrix takes into account historical credit loss experience and is adjusted for average historical recovery rates. The historical loss rates are also considered to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified inflation rate, GDP growth rate and unemployment rate of the countries in which it sells its goods to be the most relevant macro-economic factors of forward looking information that would impact the credit risk of the customers, and accordingly adjusts the historical loss rates based on expected changes in these factors.

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**10 Trade receivables and other debtors** (continued)

The trade receivables and other debtors balance from the related parties are from the affiliates of the Group having the same ultimate shareholder. Based on management's impairment assessment, there is no provision required in respect of these balances for all the periods presented as they are considered to have low credit risk.

Impairment losses on financial assets recognised in the condensed consolidated interim statement of comprehensive income are summarised as follows:

	<b>Weighted average loss rate</b>	<b>Gross carrying amount</b>	<b>Loss allowance</b>
<b>September 30, 2021 (Unaudited)</b>	<b>6.50%</b>	<b>222,198,985</b>	<b>14,441,503</b>
<b>December 31, 2020 (Audited)</b>	<b>6.76%</b>	<b>173,992,231</b>	<b>11,763,628</b>

**11 Prepayments and other receivables**

	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
Advances to suppliers	56,142,154	35,589,022
Prepaid expenses	24,719,980	24,013,661
Government subsidy receivable	12,540,942	11,892,836
Employee receivables	3,670,118	4,580,930
Other receivables	11,711,608	7,845,214
	<b>108,784,802</b>	<b>83,921,663</b>

Movements in government subsidy receivable is as follows:

	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
Opening balance	11,892,836	18,962,577
Additions during the period / year	42,245,107	59,887,301
Collections during the period / year	(41,597,001)	(66,957,042)
Closing balance	<b>12,540,942</b>	<b>11,892,836</b>

**12 Cash and cash equivalents**

	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
Cash at banks	261,576,262	55,809,239
Cash in hand	8,501,129	4,649,895
	<b>270,077,391</b>	<b>60,459,134</b>

The cash is held in current accounts with banks having sound credit ratings and does not carry any mark-up. The carrying value at each reporting date is considered to be the same as fair value.



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**13 Share capital**

At September 30, 2021 and December 31, 2020, the Company's share capital of Saudi Riyals 200 million consisted of 20 million issued and fully paid shares of Saudi Riyals 10 each. Also, see Note 1.

**14 Borrowings**

	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
<i>Non-Current</i>		
Long-term bank loans	<b>20,107,400</b>	-
Less: Current portion of long-term bank loans	<b>(11,338,311)</b>	-
	<b>8,769,089</b>	-
<i>Current</i>		
Short-term bank loans	<b>301,754,789</b>	311,323,617
Current portion of long-term bank loans	<b>11,338,311</b>	-
Interest payable	<b>1,819,398</b>	2,116,750
	<b>314,912,498</b>	313,440,367

The Group has short-term loan facilities from commercial banks of Saudi Riyals 699 million (December 31, 2020: Saudi Riyals 583 million). Also, during the three-month period ended September 30, 2021, the Group obtained long-term loan facilities from commercial banks of Saudi Riyals 53 million (December 31, 2020: Nil). The unused balance of these facilities as at September 30, 2021 amounted to Saudi Riyals 226 million and Saudi Riyals 30 million respectively (December 31, 2020: Saudi Riyals 234 million and Nil). These facilities bear finance costs at market rates, which are generally based on Saudi Inter Bank Offered Rate ("SIBOR"). Short-term loan facilities are collateralised by promissory notes signed by the borrowing entities of the Group, and by corporate guarantees from Al Dabbagh Group Holding Company ("ADGHC"), and cross and corporate guarantees from the entities of the Group. Long-term facilities are secured by a letter of undertaking to pledge a parcel of land held by ADC. The average interest rates during the nine-month period ended September 30, 2021 on these facilities varied between 2.7% - 5.3% per annum (December 31, 2020: 3.2% - 5.9% per annum).

Management assessed that fair value of short-term bank loans is approximately equal to their carrying amounts due to the short-term maturities and interest payable on those borrowings being at current market rates.

**15 Trade payables**

	<b>Note</b>	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
Trade payables		<b>162,924,889</b>	161,394,704
Due to related parties	18	<b>88,098</b>	-
		<b>163,012,987</b>	161,394,704

**16 Accrued and other liabilities**

	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
Accrued expenses	<b>56,910,018</b>	45,494,011
Accrued employee-related costs	<b>51,524,722</b>	44,645,348
Advances from customers	<b>7,773,354</b>	1,703,034
Utilities payable	<b>4,458,450</b>	4,145,500
Other	<b>8,645,037</b>	7,367,424
	<b>129,311,581</b>	103,355,317

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**17 Zakat matters**

The Company and its subsidiaries registered in the Kingdom of Saudi Arabia file zakat declaration on consolidation basis in accordance with the regulations of the Zakat, Tax and Customs Authority (the "ZATCA").

The Company finalised its zakat assessments with the ZATCA up to 2010. From 2011 to 2013 the Company has accrued for zakat on consolidated basis and had obtained an approval from ZATCA to file consolidated zakat declaration. During 2014, due to the transfer of its shares in subsidiaries, the Company no more held effectively 100% of the shares in its subsidiaries, and therefore filed an unconsolidated zakat return for the years ended 2014 through 2018. ADC, DHV, and SFPC filed separate zakat returns for the years 2014 to 2018.

ZATCA has finalized the assessment for the year 2015 for ADC by assessing additional liability of Saudi Riyals 0.2 million and Company has paid the additional liability under protest and recharge it to ADGHC as per the undertaking. During September 2021, ZATCA has finalized the assessment for the years 2016 and 2017 by assessing additional liability of Saudi Riyals 0.4 million and Saudi Riyals 0.2 million respectively. The Company has sufficient provision as at September 30, 2021 against this liability. No other assessment has yet been issued for ADC.

SFPC received final zakat assessment for the years from 2015 to 2018 with an additional zakat liability of Saudi Riyals 4.1 million. SFPC has filed an appeal with the General Secretariat of Tax Committees ("GSTC") against the assessment and expects this assessment to be set aside in the favor of the Company. Management has recorded a provision of Saudi Riyals 2.1 million in this respect and believes that the Group has sufficient provisions for any possible outflow as a result this assessment for SFPC.

Further, DHV has also received final zakat assessments for the years 2017 and 2018 with an additional zakat liability of Saudi Riyals 0.45 million and Saudi Riyals 0.16 million respectively. Company's appeal in both cases are currently pending with the GSTC.

ZATCA has issued the final assessment for the Company for the year 2015 amounting to Saudi Riyals 1.12 million and the Company has filed an appeal, and it is likely that this assessment would be set aside in the favour of the Company.

Since 2019, the Company has reverted to accruing zakat on a consolidated basis after obtaining approval from ZATCA since all subsidiaries are now fully owned by the Company.

Further, the Company entered into an agreement during 2019 with its majority shareholder namely ADGHC, whereby all liabilities relating to assessments up to the year ended December 31, 2018 will be reimbursed by ADGHC.

**18 Related party transactions and balances**

The Company is a member of an affiliated Group of companies, which are directly or indirectly controlled by ADGHC, the ultimate majority shareholder.

Following is the list of related parties with whom the Group has significant transactions and balances:

<b>Name of related party</b>	<b>Nature of relationship</b>
ADGHC	Ultimate Parent
National Scientific Company Limited (NSCL)	Affiliate
Saed International for Istiqdam Company (SAED Istiqdam)	Affiliate
Advanced Petroleum Services Limited (APSL)	Affiliate
Qeemah and Dukan Groceries Limited (Dukan)	Affiliate
Petromin Corporation (Petromin)	Affiliate

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**18 Related party transactions and balances (continued)**

During the three-month and nine-month periods ended September 30, 2021 and 2020, a number of transactions were conducted in the ordinary course of business with the affiliated companies, which are based on prices and contractual terms that are mutually agreed by management of the Group. The aggregate values of such transactions with affiliated companies are mentioned as follows:

**18.1 Transactions with key management personnel**

	<b>Three-month period ended</b>		<b>Nine-month period ended</b>	
	<b>September 30, 2021 (Unaudited)</b>	<b>September 30, 2020 (Unaudited)</b>	<b>September 30, 2021 (Unaudited)</b>	<b>September 30, 2020 (Unaudited)</b>
Remuneration	<b>3,195,385</b>	2,398,834	<b>10,167,993</b>	8,333,841
Provision for employee benefit obligations	<b>225,143</b>	147,949	<b>696,125</b>	455,946

Key management personnel include the Board of Directors, Chief Executive Officer and heads of departments. Compensation of the Group's key management personnel includes salaries, non-cash benefits and contributions to a post-employment defined benefit plan.

**18.2 Other related party transactions**

	<b>Three-month period ended</b>		<b>Nine-month period ended</b>	
	<b>September 30, 2021 (Unaudited)</b>	<b>September 30, 2020 (Unaudited)</b>	<b>September 30, 2021 (Unaudited)</b>	<b>September 30, 2020 (Unaudited)</b>
Sales to an affiliate	<b>3,099,616</b>	5,052,480	<b>9,919,736</b>	21,882,997
Payments / (adjustment) on behalf of an affiliate	<b>(300,769)</b>	7,068,794	<b>3,338,103</b>	12,868,794
Employee cost paid to an affiliate	<b>399,845</b>	737,248	<b>2,224,263</b>	2,918,274
Purchases from affiliates	<b>81,998</b>	89,024	<b>584,903</b>	374,511
Employee benefit obligations transferred to a related party	<b>(1,166)</b>	(6,136,073)	<b>(3,517)</b>	(6,136,073)
Employee benefit obligations transferred from a related party	-	-	<b>90,871</b>	189,465
Zakat reimburse by the shareholder	-	-	<b>196,036</b>	-

**18.3 Related party balances**

Significant period/year end balances arising from transactions with related parties, are as follows:

(i) Due from related parties (Note 10)

	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
Dukan	<b>1,329,588</b>	284,470,920
SAED Istiqdam	<b>863,255</b>	-
ADGHC	<b>497,529</b>	25,625,485
APSL	<b>32,204</b>	2,678
NSCL	<b>102,454</b>	29,596
	<b>2,825,030</b>	310,128,679

(ii) Due to related parties (Note 15)

	<b>September 30, 2021 (Unaudited)</b>	<b>December 31, 2020 (Audited)</b>
Petromin	<b>88,098</b>	-

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**19 Revenues**

<b>Three-month period ended September 30, 2021 (Unaudited)</b>	<b>Food and agriculture</b>				<b>Construction of poultry farms</b>	<b>Total</b>
	<b>Kingdom of Saudi Arabia</b>	<b>United Arab Emirates</b>	<b>Kingdom of Bahrain</b>	<b>Other GCC countries</b>	<b>Kingdom of Saudi Arabia</b>	
<b>Revenue from external customers</b>						
<i>Timing of revenue recognition</i>						
At a point in time	<b>327,590,207</b>	<b>20,345,531</b>	<b>21,733,615</b>	<b>14,811,635</b>	-	<b>384,480,988</b>
Over time	-	-	-	-	<b>5,457,758</b>	<b>5,457,758</b>
	<b>327,590,207</b>	<b>20,345,531</b>	<b>21,733,615</b>	<b>14,811,635</b>	<b>5,457,758</b>	<b>389,938,746</b>

<b>Three-month period ended September 30, 2020 (Unaudited)</b>	<b>Food and agriculture</b>				<b>Construction of poultry farms</b>	<b>Total</b>
	<b>Kingdom of Saudi Arabia</b>	<b>United Arab Emirates</b>	<b>Kingdom of Bahrain</b>	<b>Other GCC countries</b>	<b>Kingdom of Saudi Arabia</b>	
<b>Revenue from external customers</b>						
<i>Timing of revenue recognition</i>						
At a point in time	252,761,676	15,858,727	24,055,291	9,047,473	-	301,723,167
Over time	-	-	-	-	2,568,402	2,568,402
	<b>252,761,676</b>	<b>15,858,727</b>	<b>24,055,291</b>	<b>9,047,473</b>	<b>2,568,402</b>	<b>304,291,569</b>

The revenue for the three-month period ended September 30, 2021 from top five customers in the food and agriculture business represents 18% of the Group's revenues (Three-month period ended September 30, 2020: 16%).

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**19 Revenues** (continued)

<b>Nine-month period ended September 30, 2021 (Unaudited)</b>	<b>Food and agriculture</b>			<b>Other GCC countries</b>	<b>Construction of poultry farms</b>	<b>Total</b>
	<b>Kingdom of Saudi Arabia</b>	<b>United Arab Emirates</b>	<b>Kingdom of Bahrain</b>		<b>Kingdom of Saudi Arabia</b>	
<b>Revenue from external customers</b>						
<i>Timing of revenue recognition</i>						
At a point in time	<b>944,659,480</b>	<b>65,435,949</b>	<b>67,620,658</b>	<b>35,155,706</b>	-	<b>1,112,871,793</b>
Over time	-	-	-	-	<b>11,922,069</b>	<b>11,922,069</b>
	<b>944,659,480</b>	<b>65,435,949</b>	<b>67,620,658</b>	<b>35,155,706</b>	<b>11,922,069</b>	<b>1,124,793,862</b>
<b>Nine-month period ended September 30, 2020 (Unaudited)</b>	<b>Food and agriculture</b>			<b>Other GCC countries</b>	<b>Construction of poultry farms</b>	<b>Total</b>
	<b>Kingdom of Saudi Arabia</b>	<b>United Arab Emirates</b>	<b>Kingdom of Bahrain</b>		<b>Kingdom of Saudi Arabia</b>	
<b>Revenue from external customers</b>						
<i>Timing of revenue recognition</i>						
At a point in time	736,817,284	36,654,714	76,604,538	21,278,146	-	871,354,682
Over time	-	-	-	-	8,698,274	8,698,274
	<b>736,817,284</b>	<b>36,654,714</b>	<b>76,604,538</b>	<b>21,278,146</b>	<b>8,698,274</b>	<b>880,052,956</b>

The revenue for the nine-month period ended September 30, 2021 from top five customers in the food and agriculture stream represents 18% of the Group's revenues (Nine-month period ended September 30, 2020: 14%).

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**20 Selling and distribution expenses**

	Three-month period ended		Nine-month period ended	
	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)
Employee related costs	22,854,315	15,330,496	62,638,339	44,905,743
Transport and travel	8,688,775	6,994,973	24,848,922	18,850,373
Depreciation of right-of-use assets	6,087,829	3,141,496	14,875,274	8,283,570
Advertising and sales promotion	3,969,574	580,828	11,959,128	1,212,371
Rent	1,282,040	1,129,214	3,507,888	3,017,077
Utilities	758,085	623,445	2,082,257	1,646,829
Depreciation of property, plant and equipment	773,608	524,745	1,998,761	1,456,160
Insurance	260,851	307,329	814,137	956,440
Repairs and maintenance	329,633	243,212	823,717	623,986
Other	5,649,415	5,400,421	16,988,246	14,819,515
	<b>50,654,125</b>	<b>34,276,159</b>	<b>140,536,669</b>	<b>95,772,064</b>

**21 General and administrative expenses**

	Three-month period ended		Nine-month period ended	
	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)	September 30, 2021 (Unaudited)	September 30, 2020 (Unaudited)
Employee related costs	18,750,622	14,586,809	51,443,687	41,850,631
Professional fees	1,312,754	1,453,465	2,730,118	2,810,256
IT infrastructure cost	588,989	368,529	1,342,520	900,574
Depreciation of right-of-use assets	298,336	449,143	1,012,463	1,337,663
Transport and travel	378,836	219,576	927,291	1,055,186
Utilities	373,789	188,703	794,210	519,038
Depreciation of property, plant and equipment	108,857	130,922	300,795	294,617
Other	1,249,637	1,045,287	3,681,266	2,288,040
	<b>23,061,820</b>	<b>18,442,434</b>	<b>62,232,350</b>	<b>51,056,005</b>

**22 Commitments**

**22.1 Commitments**

- The capital expenditure contracted by the Group but not incurred until September 30, 2021 was Saudi Riyals 28.32 million (December 31, 2020: Saudi Riyals 15.91 million).
- Local commercial banks have issued guarantees on behalf of the Group amounting to Saudi Riyals 6.1 million (December 31, 2020: Saudi Riyals 7.7 million). The Group also has letters of credit issued on its behalf in the normal course of business amounting to Saudi Riyals 165.6 million at September 30, 2021 (December 31, 2020: Saudi Riyals 29.8 million).

**22.2 Short-term leases**

The short-term lease commitments as of September 30, 2021 amount to Saudi Riyals 0.08 million (December 31, 2020: Saudi Riyals 1.97 million).

**TANMIAH FOOD COMPANY**  
**(A Saudi Joint Stock Company)**  
**Notes to the condensed consolidated interim financial information**  
(All amounts in Saudi Riyals unless otherwise stated)

**23 Earnings per share**

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

	<b>Three-month period ended</b>		<b>Nine-month period ended</b>	
	<b>September 30, 2021</b> <b>(Unaudited)</b>	<b>September 30, 2020</b> <b>(Unaudited)</b>	<b>September 30, 2021</b> <b>(Unaudited)</b>	<b>September 30, 2020</b> <b>(Unaudited)</b>
Net profit attributable to owners of the Company	<b>3,713,116</b>	17,519,986	<b>25,920,927</b>	44,030,709
Weighted average number of shares	<b>20,000,000</b>	20,000,000	<b>20,000,000</b>	20,000,000
Basic / diluted earnings per share (Saudi Riyals per share)	<b>0.19</b>	0.88	<b>1.30</b>	2.20

**24 Segment information**

The Group operates principally in a single business segment i.e. Agriculture and Food Business which includes manufacturing and distribution of fresh and processed poultry and poultry products. This is line with the operating segment that is regularly reported to the Chief Operating Decision Maker. This is also the measure reported to the Group's Board of Directors for the purpose of resource allocation and assessment of segment performance.

	<b>September 30, 2021 (Unaudited)</b>			
	<b>Kingdom of Saudi Arabia</b>	<b>United Arab Emirates</b>	<b>Kingdom of Bahrain</b>	<b>Total</b>
Property, plant and equipment	<b>186,527,290</b>	<b>39,523,310</b>	<b>139,944</b>	<b>226,190,544</b>
Right-of-use assets	<b>195,551,447</b>	<b>19,070,363</b>	<b>1,437,778</b>	<b>216,059,588</b>
Intangible assets	<b>1,138,872</b>	<b>47,622</b>	-	<b>1,186,494</b>
Financial assets at FVOCI	<b>773,983</b>	-	-	<b>773,983</b>

	<b>December 31, 2020 (Audited)</b>			
	<b>Kingdom of Saudi Arabia</b>	<b>United Arab Emirates</b>	<b>Kingdom of Bahrain</b>	<b>Total</b>
Property, plant and equipment	114,424,345	40,706,689	168,445	155,299,479
Right-of-use assets	178,583,776	20,140,688	1,005,725	199,730,189
Intangible assets	1,471,240	130,944	-	1,602,184
Financial assets at FVOCI	773,983	-	-	773,983

See Note 19 for the concentration of customers and revenue generated within Kingdom of Saudi Arabia and outside the Kingdom of Saudi Arabia for the three-month and nine-month periods ended September 30, 2021 and 2020.

**25 Approval of financial information**

This condensed consolidated interim financial information for the three-month and nine-month periods ended September 30, 2021 was approved for issuance by the Board of Directors of the Group on Rabi-ul-Awwal 29, 1443 (November 4, 2021).