



nadec Q3 2026 Revenue Up 7.8%

as Protein Sales Double

Key Highlights

- ❖ **Revenue:** Q3 2026 revenue grew **7.8% year-on-year to SAR 909.72 million**; nine-month revenue reached SAR 2,704.03 million, up 0.7%.
- ❖ **Protein:** Revenue grew **100.2% in Q3 and 69.1% in 9M 2026**, supporting *nadec*'s diversification into higher-value food categories.
- ❖ **Profitability:** Q3 net profit was **SAR 30.40 million**, down **72.5%**; **9M net profit was SAR 188.66 million**, down 42.7%, reflecting higher external costs and distribution expenses.
- ❖ **Execution:** The Haradh slaughterhouse is operational and *nadec*-branded packaged red meat products remain targeted for launch across major retail channels by **year-end 2026**.

Riyadh, Kingdom of Saudi Arabia, 18 October 2026 – National Agricultural Development Company ("*nadec*" or the "Company"), one of Saudi Arabia's leading essential food companies, today announced its interim condensed consolidated financial results for the third quarter and nine months ended **30 September 2026**.

***nadec* recorded higher third-quarter revenue**, driven by continued growth in Protein and a modest increase in Dairy and Food Processing, more than offsetting lower Agriculture revenue. However, ongoing regional geopolitical developments and associated supply chain disruptions contributed to higher feed and freight-related costs and additional shipping surcharges, while increased distribution expenses placed further pressure on margins and earnings. Across the first nine months, revenue remained broadly stable, supported by Protein growth, while the higher cost base affected profitability.

Commenting on the results, Dr. Solaiman bin Abdulaziz Al-Twaijri, Chief Executive Officer of *nadec*, said:

"Our third-quarter results demonstrate the progress we are making in developing a broader Saudi food platform. Protein continues to grow strongly, while our established Dairy and Food Processing business provides scale, a trusted brand and broad consumer reach. The next priority is to translate these strengths and our investments into sustainable, profitable growth.

We are operating in a fluid regional environment that has increased feed, freight and distribution costs and put pressure on margins. Some of these cost pressures – which are outside of our control - may persist until the external environment normalizes. In the meantime, we remain focused on operating discipline, prudent capital allocation, supply-chain resilience and working-capital management. Based on our current assessment, we do not expect this environment to alter *nadec*'s mid- to long-term strategic plans.

Our operational priorities remain clear: prepare for the launch of *nadec*-branded, retail-ready red meat products, build on the capabilities of our Haradh slaughterhouse and Hilton Foods joint venture, and develop a more technology-enabled, higher-value Agriculture business. This is central to our long-term commitment to serving consumers, creating sustainable value for shareholders and supporting the Kingdom's food security priorities."

Financial Performance

SAR million unless otherwise indicated	Q3 2026	Q3 2025	9M 2026	9M 2025
Revenue	909.72	843.61	2,704.03	2,685.52
Gross profit	242.61	291.67	774.51	930.57
Gross margin	26.7%	34.6%	28.6%	34.7%
Operating profit	23.82	105.91	200.08	314.68
Operating margin	2.6%	12.6%	7.4%	11.7%
Net profit attributable to shareholders	30.40	110.67	188.66	329.35
Net margin	3.3%	13.1%	7.0%	12.3%

Revenue and Segment Performance

Q3 revenue increased 7.8% year-on-year to SAR 909.72 million. Protein revenue more than doubled (+100.2%) and Dairy and Food Processing grew 1.2%, more than offsetting a 12.3% decline in Agriculture. On a sequential basis, revenue increased 3.8% from Q2 2026, with Dairy and Food Processing and Protein up 5.3% and 6.3%, respectively.

For 9M 2026, revenue increased 0.7% to SAR 2,704.03 million. Protein grew 69.1%, partly offset by declines of 1.7% in Dairy and Food Processing and 49.8% in Agriculture. The year-to-date performance therefore reflects differing dynamics across the Company's food businesses.

Profitability

Q3 gross profit declined 16.8% to SAR 242.61 million, with gross margin narrowing to 26.7% from 34.6% a year earlier, a decrease of 7.9 percentage points. The decline primarily reflected higher feed and shipping costs and related surcharges associated with regional maritime disruptions. The financial impact of these cost increases was SAR 56 million during the quarter. Selling and marketing expenses increased 12.9%, primarily due to higher distribution costs.

Operating profit was SAR 23.82 million, down 77.5%, while net profit was SAR 30.40 million, down 72.5%. Net profit was also affected by a SAR 10.93 million reduction in treasury income, partly offset by higher revenue and a SAR 9.23 million reversal of a zakat provision relating to 2021–2023.

During Q3 2026, a SAR 55.13 million loss arising from the fair value movement of the Arabian Mills investment was recognized in other comprehensive income. Accordingly, total comprehensive loss attributable to shareholders amounted to SAR 24.70 million, despite a net profit of SAR 30.40 million.

For 9M 2026, gross profit fell 16.8% to SAR 774.51 million, operating profit declined 36.4% to SAR 200.08 million and net profit decreased 42.7% to SAR 188.66 million. Higher feed, shipping and related costs had a financial impact of SAR 107.10 million over the nine months. Other factors included higher distribution expenses, SAR 24.06 million lower treasury income and a SAR 15.02 million share of losses from the Al Raie National Livestock Company joint venture. These factors were partly offset by a SAR 73.03 million non-recurring reversal of impairment losses on previously outstanding receivables collected during the period, together with the Q3 zakat provision reversal.



Operational and Strategic Progress

- ❖ | **Dairy and Food Processing:** *nadec* continued to prioritize brand strength, product availability, innovation, portfolio relevance and route-to-market execution across its established core business.
- ❖ | **Protein:** Following commissioning, the Haradh slaughterhouse is operational. Together with the Hilton Foods joint venture and *nadec*'s existing distribution capabilities, it supports preparation for the targeted year-end 2026 launch of *nadec*-branded packaged red meat products across major retail channels.
- ❖ | **Agriculture:** *nadec* continued its transition toward higher-value, technology-enabled agriculture. During Q3, the Company entered into an agreement to acquire a six-hectare, high-tech hydroponic and climate-controlled greenhouse facility at its Haradh farm for SAR 85 million, with handover targeted on or around 1 November 2026, subject to fulfillment of the agreed conditions.

Outlook

nadec continues to operate in a fluid regional environment that may keep certain feed, freight and distribution costs elevated for longer. The Company remains focused on cost mitigation, working-capital discipline, supply-chain resilience and prudent capital deployment. Based on its current assessment, *nadec* does not expect these conditions to alter its mid- to long-term strategic plans and remains focused on execution.

The Company's priorities continue to include strengthening its core Dairy and Food Processing business, scaling Protein and developing a higher-value Agriculture platform, while supporting Saudi Arabia's food security priorities through commercially disciplined growth.

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Investor Enquiries

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About *nadec*

Established in 1981, National Agricultural Development Company (*nadec*) was founded with a mission to support Saudi Arabia's food security and has evolved into a diversified food company serving millions of consumers across the Kingdom every day.

nadec's integrated value chain spans farming, livestock operations, advanced greenhouses, manufacturing, processing, distribution and delivery. The operating model supports trusted Saudi-made quality, operational excellence and broad market reach, to meet the evolving needs of the modern customer and consumer.

The Company's strategy is focused on strengthening its Dairy & Beverages leadership, scaling Protein and Agriculture, expanding across channels and markets, improving supply-chain and digital capabilities to support Saudi Arabia's food security priorities through commercially disciplined growth.