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ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY

Saudi Joint Stock Company

FINANCIAL STATEMENTS

For the ended year December 31, 2025

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
A LISTED JOINT STOCK COMPANY
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Asas Makeen Real Estate Development and Investment Company (the "Company") as at 31 December 2025, and its financial performance and its cash flows for the year then ended, in accordance with the International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

We have audited the Company's financial statements of the company, which comprise the following:

- The statement of financial position as at 31 December 2025;
- The statement of profit or loss and other comprehensive income for the year then ended;
- The statement of changes in equity for the year then ended;
- The statement of cash flows for the year then ended; and
- The notes to the financial statements, Including material information on accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with the International Standards on Auditing as endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in ***the Auditor's Responsibilities for the Audit of the Financial Statements*** section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER – CHANGE IN ACCOUNTING POLICY

We draw attention to Note (7) to the financial statements, which explains that the Company has changed its accounting policy for measuring investment properties from the cost model to the fair value model. Accordingly, the comparative information presented as at and for the year ended 31 December 2024 has been restated. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
A LISTED JOINT STOCK COMPANY

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matter
Revenue Recognition	
The Company's revenue for the year ended 31 December 2025 amounted to SAR 405 million (2024: SAR 431 million). **Revenue is a key element of the Company's performance and profitability. Revenue recognition, which primarily includes the sale of completed units and properties under development during the development phase, in addition to construction contracts, third-party development contracts, rental income, and other administrative service revenues, involves significant inherent risks due to the related estimates and judgments.** **The audit of judgments relating to the percentage of completion of projects, including assessments of work performed to date, is one of the areas requiring significant attention during the audit.** **These considerations include the following:** - **Assessing whether contracts include one or more performance obligations.** - **Determining whether performance obligations are satisfied over time or at a point in time.** - **Estimating the total costs required to satisfy performance obligations under the contracts.** **Due to the inherent risks associated with revenue recognition, as well as the materiality of revenue in the Company's financial statements, revenue recognition has been considered a key audit matter.** - **Refer to Note (5) for significant accounting policies related to revenue recognition and Note (22) for details of revenue recognized during the year.**	Our audit procedures included the following: - Obtained an understanding of the key controls related to the revenue recognition process and management's estimates related to revenue recognition. - Evaluated, on a sample basis, contracts for the sale of completed units and properties under development to determine the Company's performance obligations under these contracts and whether they are satisfied over time or at a point in time. - Evaluated, on a sample basis, whether recognized rental income is in accordance with the Company's revenue recognition policy and the key terms of lease agreements. - Assessed, on a sample basis, the appropriateness of the percentage of completion by recalculating the stage of completion based on costs incurred to date compared to the total estimated costs. - Performed cut-off procedures to assess whether revenue was recognized and recorded in the appropriate accounting period. - Evaluated the appropriateness of accounting policies related to revenue recognition, compliance with relevant accounting standards, and the adequacy of disclosures in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
A listed Joint Stock Company
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

KEY AUDIT MATTERS (CONTINUED)

Key Audit Matters	How our audit addressed the key audit matter
Valuation of Investment Properties at Fair Value	
As at 31 December 2025, the Company holds investment properties with a fair value of SAR 417 million (31 December 2024: SAR 85 million), which are held to earn rental income or for capital appreciation. **During the year ended 31 December 2025, the Company changed its accounting policy for the subsequent measurement of investment properties from the cost model to the fair value model, resulting in the restatement of prior period comparative figures.** **The valuation of investment properties is considered a key audit matter as the valuation of the property portfolio involves significant judgment supported by a set of assumptions and is subject to a high degree of estimation uncertainty, with a wide range of reasonably possible outcomes.** **The Company engaged professionally qualified external valuers to determine the fair value of its property portfolio. These valuers perform their work in accordance with professional valuation standards and in compliance with the requirements of the Capital Market Authority, obtaining two valuations for each investment property.** **The property portfolio (excluding land) was valued using the discounted cash flow method. Land was valued using the comparable sales method.** **The key inputs used in the valuation process include discount rates, yield rates, estimated contracted rental values, expected occupancy rates, and costs to complete, all of which are influenced by prevailing market conditions and the specific characteristics of each property in the portfolio.** **Refer to Note (5) for significant accounting policies related to investment property and Note (7) For details of the effect of the change in the accounting policy.**	Our audit procedures included the following: - Assessed the experience and qualifications of the real estate valuation experts appointed by management, and whether the valuation methodology used was appropriate for determining the fair value of investment properties. - Verified the accuracy of underlying data by agreeing selected property details (such as area, location, and other relevant attributes) in the valuation reports to the Company's records and title deeds of the investment properties. - On a sample basis, verified whether the current information related to the properties provided by management to the external valuers was consistent with the underlying records maintained by the Company, which were tested during our audit. - Verified the calculation method applied by management in selecting the lower of the two valuations for each investment property in accordance with the requirements of the Capital Market Authority. - Involved a valuation specialist to assess the valuation methodology and determine whether key assumptions, including land market comparability, discount rates, annual growth rates, and rental yield rates, were within acceptable ranges. - Where assumptions and resulting, fair values were outside expected ranges or considered unusual, we made additional inquiries with the external valuers to corroborate the assumptions. - Evaluated the adequacy of the financial statement disclosures, including disclosures of key assumptions, judgments, and sensitivity analysis.

OTHER MATTER

The financial statements of the Company for the year ended 31 December 2024 were audited by another auditor, who expressed an unmodified opinion on those financial statements on 23 March 2025 (corresponding to 23 Ramadan 1446H).

OTHER INFORMATION

Other information consists of the information included in the Company's annual report for the year ended 31 December 2025, other than the financial statements and our auditor's report thereon, which is expected to be made available to us after the date of the auditor's report. Management is responsible for the other information in its annual report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the SOCPA and Regulations for Companies and the Company's Bylaws and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, i.e. the Board of Directors, are responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
A listed Joint Stock Company (5/6)
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with international Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

PKF Al-Bassam
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
A listed Joint Stock Company

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.

We also confirm to those charged with governance that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to affect our independence, as well as, where applicable, the actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the current period financial statements and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure, or in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PKF Al-Bassam
Chartered Accountants

شركة بي كي اف البسام
محاسبون ومراجعون قانونيون
C. R. 1010385804
PKF Al Bassam
chartered accountants

Abdulellah Hamad Al-Bassam
Certified Public Accountant
License No. 703
Riyadh, Kingdom of Saudi Arabia
Date: 11 Shawwal 1447H
Corresponding to: 30 March 2026

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ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
STATEMENTS OF FINANCIAL POSITION
For the year ended 31 December 2025

	Note	**December 31, 2025**	December 31, 2024	1 January 2024
			Restated (Note32)	Restated (Note32)
ASSETS		**SAR**	SAR	SAR
NON-CURRENT ASSETS				
Property and equipment, net	6	**1,781,448**	2,099,534	2,252,948
Investment properties	7	**417,176,205**	85,514,426	4,742,117
Right of use assets, net	8	**99,497**	488,803	793,850
Properties Under Development	11	**4,930,686**	-	-
TOTAL NON-CURRENT ASSETS		**423,987,836**	88,102,763	7,788,915
CURRENT ASSETS				
Financial investments at fair value through profit or loss	9	**-**	17,116,320	-
Properties under development	11-A	**180,285,085**	348,619,975	215,179,171
Properties held for sale	11-B	**271,098,554**	44,423,437	30,394,810
Advance Payments for Land Purchase	7	**-**	41,007,500	-
Construction Materials Inventory		**-**	-	985,399
Construction contract assets	12	**31,784,141**	2,683,163	10,665,238
Due from related parties	13	**-**	30,072	5,001,039
Trade receivable, net	14	**115,533,052**	488,559	23,264,037
Prepayments and Other Assets, net	15	**26,404,070**	15,816,002	30,576,400
Cash and Cash Equivalents	16	**7,907,163**	70,467,165	20,694,076
TOTAL CURRENT ASSETS		**633,012,065**	540,652,193	336,760,170
TOTAL ASSETS		**1,056,999,901**	628,754,956	344,549,085
EQUITY AND LIABILITIES				
SHAREHOLDERS' EQUITY				
Share capital	1	**100,000,000**	100,000,000	100,000,000
Statutory Reserve	17	**14,078,166**	14,078,166	14,078,166
Retained earnings		**336,470,478**	206,129,186	94,980,259
Contribution from a Shareholder	13-1	**19,028,439**	-	-
TOTAL SHAREHOLDERS' EQUITY		**469,577,083**	320,207,352	209,058,425
LIABILITIES				
NON-CURRENT LIABILITIES				
Credit Facilities – Non-Current Portion	18	**388,337,276**	151,604,500	-
Lease Liabilities - Non-Current Portion	8	**-**	17,782	372,751
Employee benefit obligations	19	**1,032,148**	1,036,858	670,459
Due to related parties - non-current	13-6	**60,990,900**	-	-
Obligations Related to Investment in Associate	10	**23,359**	-	-
TOTAL NON-CURRENT LIABILITIES		**450,383,683**	152,659,140	1,043,210
CURRENT LIABILITIES				
Credit Facilities - Current Portion	18	**11,442,029**	7,825,581	23,455,621
Lease Liabilities - Current Portion	8	**141,956**	419,560	341,386
Construction contract Liabilities	12	**4,555,804**	3,041,136	-
Due to related parties - Current	13-6	**25,001,750**	112,554,012	86,490,058
Accounts Payables and Contractors		**78,715,638**	6,480,062	8,400,566
Accrued Expenses and Other Liabilities	20	**11,128,327**	22,074,213	9,253,028
Zakat provision	21	**6,053,631**	3,493,900	6,506,791
TOTAL CURRENT LIABILITIES		**137,039,135**	155,888,464	134,447,450
TOTAL LIABILITIES		**587,422,818**	308,547,604	135,490,660
TOTAL EQUITY AND LIABILITIES		**1,056,999,901**	628,754,956	344,549,085

(Notes 1 to 36 form an integral part of these financial statements)

Chief Financial Officer	**Chief Executive Officer**	**Deputy Chairman**
Mohamed Saber	Abdelrahman Ibrahim Alhadlaq	Anas Saud Alhadlaq

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2025

	Note	**December 31, 2025**	December2024 Restated (Note 32)
		SAR	SAR
Revenue	22	**405,214,908**	431,066,358
Cost of revenue	23	**(315,141,058)**	(304,572,912)
Gross profit		**90,073,850**	126,493,446
Fair Value Gains on Investment Properties	7	**74,894,702**	3,170,877
Selling and Marketing Expenses	24	**(7,756,740)**	(9,250,645)
General and Administrative Expenses	25	**(13,108,154)**	(10,268,376)
Income from operations		**144,103,658**	110,145,302
Fair Value Losses on Investments through Profit or Loss	9	**(809,093)**	3,596,320
Finance Costs	26	**(457,727)**	(188,194)
Provision for Expected Credit Losses	14-12	**(1,505,532)**	-
Share of the Company in Losses of Investment in Associate	10	**(25,109)**	-
Finance Cost on Loan from a Shareholder	13-1	**(5,567,691)**	-
Other Income	27	**250,517**	1,244,449
Net Profit for the Year Before Zakat		**135,989,023**	114,797,877
Zakat	21	**(6,053,631)**	(3,493,900)
Net profit for the year		**129,935,392**	111,303,977
Basic and Diluted Earnings per Share on Net Profit for the Year	28	**12.99**	**11.13**
Other Comprehensive Income / Other Comprehensive Income			
Items That Will Not Be Reclassified Subsequently to Profit or Loss			
Remeasurement of Employee Benefits Obligations	19	**405,900**	(155,050)
Other Comprehensive Income / (Loss) for the Year		**405,900**	(155,050)
Total comprehensive income for the year		**130,341,292**	111,148,927

(Notes 1 to 36 form an integral part of these financial statements)

Chief Financial Officer	**Chief Executive Officer**	**Deputy Chairman**
Mohamed Saber	Abdelrahman Ibrahim Alhadlaq	Anas Saud Alhadlaq

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2025

	Share Capital	Reserves	Retained Earnings	Contribution from a Shareholder	Total Equity
	SAR	SAR	SAR	SAR	SAR
Balance as at 1 January 2024	100,000,000	14,078,166	94,329,001	-	208,407,167
Effect of Adjustments due to Change in Accounting Policy (Note 32)	-	-	651,258	-	651,258
Balance as at 1 January 2024 (Restated Note 32)	100,000,000	14,078,166	94,980,259	-	209,058,425
Total Comprehensive Income for the Year Restated					
Net Profit for the Year Restated (Note 32)	-	-	111,303,977	-	111,303,977
(Other Comprehensive Income / (Loss) for the Year	-	-	(155,050)	-	(155,050)
Balance as of December 31, 2024	100,000,000	14,078,166	206,129,186	-	320,207,352
Contribution from a Shareholder	**-**	**-**	**-**	**19,028,439**	**19,028,439**
Net Profit for the Year	**-**	**-**	**129,935,392**	**-**	**129,935,392**
Other Comprehensive Income	**-**	**-**	**405,900**	**-**	**405,900**
Balance as of December 31, 2025	**100,000,000**	**14,078,166**	**336,470,478**	**19,028,439**	**469,577,083**

(Notes 1 to 36 form an integral part of these financial statements)

Chief Financial Officer	**Chief Executive Officer**	**Deputy Chairman**
Mohamed Saber	Abdelrahman Ibrahim Alhadlaq	Anas Saud Alhadlaq

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
STATEMENT OF CASH FLOWS
For the year ended 31 December 2025

	Note	December 31, 2025 SAR	December 31, 2024 Restated (Note 32) SAR
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the year before zakat		**135,989,023**	114,797,877
Adjustments to Reconcile Net Profit Before Zakat:			
Depreciation of property and equipment	6	**739,337**	651,648
Loss on disposal of property and equipment	6	**-**	2,318
Gain on disposal of investment properties	7	**(50,550)**	-
Fair value gains on investment properties	7	**(74,894,702)**	(3,170,877)
Adjustments for Lease Assets	8	**-**	27,348
Depreciation of Right-of-Use Assets	8	**389,306**	400,293
Interest on Lease Liabilities	26 – 8	**12,158**	32,718
Interest Cost on Loan from a Shareholder	13	**5,567,691**	-
Adjustments for Lease Liabilities	8	**-**	4,223
Loss/(gain) on remeasurement of financial assets at fair value through profit and loss (FVTPL)	9	**809,093**	(3,596,320)
Share of loss from investment in an associate (equity method)	10	**25,109**	-
Interest cost on employee benefit obligations	26 – 19	**55,368**	28,159
Reversal of provision for recoverable VAT	27 -15	**-**	(585,285)
Provision for employee benefit obligations	19	**354,751**	444,116
Provision for impairment of advances to suppliers	15	**-**	360,162
Provision for expected credit losses – Accounts receivable	14	**1,183,013**	-
Provision for expected credit losses – contract assets	12	**322,519**	-
Provision for completed projects	27 -20	**1,131,809**	(454,204)
		71,633,925	108,942,176
Changes in Working Capital:			
Properties Under Development	11	**(392,580,444)**	(384,372,162)
Properties Held for Sale	11	**192,799,318**	243,391,764
Advance Payments for Land Purchase		**-**	(41,007,500)
Construction materials inventory		**-**	985,399
Contract assets	12	**(29,423,497)**	(5,537,925)
Due from related parties	13	**30,072**	4,970,967
Due to a related party	13	**-**	(9,355)
Accounts receivable	14	**(116,227,506)**	22,775,478
Prepaid expenses and other assets	15	**(10,588,068)**	14,985,521
Contract liabilities	12	**1,514,668**	3,041,136
Accounts payable to suppliers and contractors		**72,235,576**	(1,920,504)
Accrued expenses and other liabilities	20	**(12,077,695)**	13,275,389
Cash Used in Operations			
Payments of Zakat Provision	21	**(3,493,900)**	(6,506,791)
Payments of Finance Costs	18	**(11,100,092)**	-
Payments of Employee Benefits Obligations	19	**(8,929)**	(260,926)
Net Cash Used in Operating Activities		**(237,286,572)**	(27,247,333)
Cash Flows from Investing Activities:			
Payments to Purchase Property and Equipment	6	**(421,251)**	(525,969)
Proceeds from Sale of Property and Equipment	6	**-**	25,417
Payments to Purchase Investment Properties	7	**(52,062,713)**	(76,264,884)
Proceeds from Sale of Investment Properties	7	**1,089,000**	-
Proceeds from Disposal of Fair Value Investments through Profit and Loss	9	**12,511,177**	-
Payments to Invest in a Subsidiary Company (Equity Method)	10	**(1,750)**	-
Net cash used in investing activities		**(38,885,537)**	(76,765,436)
Cash Flows from Financing Activities:			
Payments of Lease Liabilities	8	**(307,544)**	(436,330)
Proceeds from Credit Facilities	18	**238,820,265**	151,604,500
Repayments of Credit Facilities	18	**(11,800,000)**	(23,455,621)
Due to Related Parties	13	**(13,100,614)**	26,073,309
Net Cash Generated from Financing Activities		**213,612,107**	153,785,858
Net Change in Cash and Cash Equivalents:		**(62,560,002)**	49,773,089
Cash and Cash Equivalents at beginning of the year		**70,467,165**	20,694,076
Cash and Cash Equivalents at end of the year		**7,907,163**	70,467,165

Chief Financial Officer Mohamed Saber	**Chief Executive Officer** Abdelrahman Ibrahim Alhadlaq	**Deputy Chairman** Anas Saud Alhadlaq

Statement Of Cash Flows (CONTINUED)

	Note	December 31, 2025	December 31, 2024 Restated (Note 32)
		⃁	⃁
Non-cash transactions:			
Transfer of advance payments for land purchases to investment properties	7	**41,007,500**	-
Transfer of properties under development to investment properties	11 – 7	**151,448,312**	-
Transfer of fair value financial assets through profit or loss (FVTPL) to investment properties	7 – 9	**3,796,050**	-
Transfer of properties under development to properties held for sale	11	**419,474,435**	257,420,391
Capitalization of accrued finance costs on properties under development	11	**14,938,099**	6,489,033
Capitalization of accrued finance costs on investment properties	7	**9,490,952**	1,336,548
Actuarial gains/(losses) on remeasurement of employee benefit obligations	19	**(405,900)**	155,050
Impact of present value adjustment on loan from a shareholder	13	**(19,028,439)**	-
Share of loss from investment in an associate equity method	10	**23,359**	-
Fair value gains on investment properties	7	**(74,894,702)**	(3,170,877)
Additions to right-of-use assets and lease liabilities	8	**-**	122,594
Transfer of accrued revenue to fair value financial assets through profit and loss (FVTPL)	9	**-**	13,520,000

(Notes 1 to 36 form an integral part of these financial statements)

Chief Financial Officer	**Chief Executive Officer**	**Deputy Chairman**
Mohamed Saber	Abdelrahman Ibrahim Alhadlaq	Anas Saud Alhadlaq

1. ORGANIZATION AND ACTIVITIES

Asas Makin Real Estate Development and Investment Company (“The Company”) is a Saudi joint stock company established and operating in the Kingdom of Saudi Arabia. The Company conducts its activities in accordance with Commercial Registration No. 1010895854 and Unified National Number 7010750482, issued on 1 Muharram 1439H (corresponding to September 21, 2017).

- Capital:

The Company’s capital amounts to SAR 100,000,000, divided into 10,000,000 ordinary shares of equal value, with a nominal value of SAR 10 per share. All shares are fully issued and paid.
The Company’s registered office is located in Riyadh – Al Narjis District – Anas Bin Malik Road.
The principal activities of the Company include general construction of residential and non-residential buildings (such as schools, hospitals, and hotels), construction of prefabricated buildings on-site, and building finishing works. The Company also engages in the buying and selling of land and real estate, land subdivision, and off-plan sales activities.
In addition, the Company undertakes the management and leasing of owned or leased residential and non-residential real estate, real estate development of residential and commercial buildings using modern construction methods, real estate brokerage, and property management.
The Company’s activities further include the marketing of tourism real estate units under timeshare schemes, conducting real estate auctions, facilities management of real estate assets, real estate marketing and advertising, and real estate analysis.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements (“the Financial Statements”) have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

2-2Preparation of the Financial Statements

The financial statements have been prepared on the historical cost basis, except for certain items that are measured on other bases, particularly: Employee benefits obligations, which are measured at the present value of future obligations using the Projected Unit Credit Method; Investment properties and financial investments, which are measured at fair value.

2.3 Presentation and Functional Currency

Items in the financial statements are presented in Saudi Riyals (SAR), which is the Company’s functional and presentation currency.

3. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

Standards and Amendments Applied in the Current Period

Standard Amendment	Description	Effective for Annual Periods Beginning on or After	Summary of Amendments	Management Assessment
International Accounting Standard (IAS) 21	Lack of Exchangeability	1 January 2025	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments introduce new disclosures to help financial statement users assess the impact of using an estimated exchange rate.	Management has assessed the application of these amendments and concluded that they do not have a material impact on the Group's financial position, financial performance, or cash flows for the current reporting period.

Standards and Amendments Issued but Not Yet Effective

The following standards and amendments have been issued but were not yet effective for the financial period ended December 31, 2025, and the Company has not early adopted them:

Standard Amendment	Description	Effective for Annual Periods Beginning on or After	Summary of Amendments	Management Assessment
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026	These amendments clarify the requirements for the timing of recognition and derecognition of certain financial assets and liabilities settled through electronic payment systems before the settlement date. The amendments also provide guidance on assessing the contractual cash flow characteristics of financial assets, which applies to all potential cash flows, including those arising from environmental, social, and governance (ESG)-related objectives. In addition, these amendments will require new disclosures and updates to International Financial Reporting Standard (IFRS) 7.	Management has performed a preliminary assessment and does not expect that the adoption of these amendments will have a material impact on the Group's financial statements, as the Company's financial instruments and settlement arrangements are not expected to be significantly affected.

3. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS (CONTINUED)

Standards and Amendments Issued but Not Yet Effective
The following standards and amendments have been issued but were not yet effective for the financial period ended December 31, 2025, and the Company has not early adopted them:

Standard Amendment	Description	Effective for Annual Periods Beginning on or After	Summary of Amendments	Management Assessment
IFRS 9 and IFRS 7	Electricity-Related Contracts Dependent on Nature	1 January 2026	These amendments modify the "own use" requirements and hedge accounting provisions in IFRS 9 for contracts that expose entities to electricity price fluctuations due to uncontrollable natural factors, such as weather. Specific disclosure requirements have also been introduced in IFRS 7.	Based on the nature of the Company's operations and contractual arrangements, management does not expect these amendments to have any impact on the Group's financial statements upon initial application
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027	IFRS 18 replaces IAS 1, which sets the basic presentation and disclosure requirements for financial statements. The changes, mainly affecting the income statement, include requirements for classifying revenues and expenses into three new categories (operating, investing, and financing) and presenting sub-totals for operating profit or loss and profit or loss before financing and tax. The standard also provides guidance for aggregating and disclosing information in the financial statements, introduces new disclosure requirements for management-defined performance measures, and eliminates classification options for interest and gains in the statement of cash flows	Management is currently assessing the impact of International Financial Reporting Standard 18
IFRS 19	Subsidiaries without Public Accountability	1 January 2027	IFRS 19 permits reduced disclosures for qualifying subsidiaries that are not publicly accountable while continuing to apply full recognition and measurement principles in accordance with IFRS. The standard affects disclosure requirements only and does not impact recognition or measurement.	Management will assess the applicability of IFRS 19 at the date of adoption. The standard is expected to affect disclosure requirements only and is not expected to have a material impact on the Group's financial position, financial performance, or cash flows

4. ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

4-1 Use of Judgments and Estimates

The preparation of financial statements in accordance with IFRS as adopted in the Kingdom of Saudi Arabia requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. These estimates and the underlying assumptions are based on historical experience and other factors considered reasonable under current circumstances. The results form the basis for making judgments about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis, and adjustments to accounting estimates are recognized prospectively.

The following provides information on judgments that have a significant impact on the amounts recognized in the financial statements:

4-2 Going Concern

The Company's management has assessed the Company's ability to continue as a going concern and is confident that the Company has sufficient resources to continue its operations in the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis with no material uncertainties regarding the Company's ability to continue its operations.

4-3 Sale of Properties Under Development "Off-Plan"

The Company evaluates contracts for the sale of off-plan properties under development to determine whether performance obligations are satisfied over time or at a point in time, in accordance with the requirements of International Financial Reporting Standard (IFRS) 15 "Revenue from Contracts with Customers." The Company has concluded that the contracts entered into with customers do not result in an asset with an alternative use to the Company, as the residential units are developed according to specific contractual specifications agreed with each customer and cannot be redirected for alternative use during the development period.
Management also believes that the Company has an enforceable right to payment for performance completed to date in the event of contract termination or a dispute with the customer, including costs incurred plus a reasonable margin, based on the contractual terms and legal advice obtained by management.
Accordingly, the Company recognizes revenue from the sale of off-plan properties under development over time, and measures progress towards satisfaction of performance obligations based on the actual percentage of completion of the project.

4-4 Principal versus Agent Considerations

The significant accounting estimates and judgments exercised by management include determining whether the Company acts as a principal or as an agent in certain contractual arrangements with customers. This assessment affects the presentation of revenue, whereby revenue is recognized on a gross basis if the Company acts as a principal, or on a net commission basis if it acts as an agent.
The Company performs periodic evaluations of the relevant contractual arrangements, taking into account the terms of the contracts and the nature of the goods or services provided, in accordance with the requirements of International Financial Reporting Standard (IFRS) 15 – Revenue from Contracts with Customers. In determining whether the Company acts as a principal or an agent in a transaction, management considers a number of indicators, including but not limited to

whether the Company is primarily responsible for fulfilling the promise to provide the specified goods or services to the customer,
whether the Company bears inventory risk before transferring the goods or services to the customer, and
whether the Company has discretion in setting the price of the goods or services provided.

Based on the evaluation of these indicators, management determines whether the Company acts as a principal or an agent, and revenue is recognized accordingly.

4. ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS(CONTINUED)

4-5 Uncertainties in Estimates and Assumptions

The following estimates have been made by management in applying the Group's accounting policies and have a material effect on the amounts recognized in the financial statements:

4-6 Estimates of Variable Consideration

Management evaluates operational and market factors that may affect future project profits. This requires significant professional judgment to determine the likelihood of future revenue reversals. Management relies on independent valuation reports and updated market studies, and judgments are reviewed periodically to reflect actual project progress and current economic conditions.

4-7 Impairment of Non-Financial Assets

A non-financial asset is impaired when it carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal or value in use. Fair value is estimated based on arm's length transactions of identical assets or observable market prices of similar assets, less any additional selling costs. Value in use is calculated based on the present value of expected cash flows over the next five years. These cash flows do not include restructuring activities to which the Company is not yet committed or significant future investments that would enhance the performance of the asset or cash-generating unit being tested. The recoverable amount is particularly sensitive to the discount rate used to calculate cash flows, as well as to the expected future cash flows and the growth rate used for estimating value in use

4-8 Impairment of Non-Derivative Financial Assets

The Company recognizes loss allowances under the expected credit loss (ECL) model for financial assets measured at amortized cost, such as accounts receivable and Contract assets. The Company assesses the expected credit losses for financial assets measured at amortized cost. For accounts receivable and Contract assets, the Company applies the simplified approach, which requires recognition of lifetime expected credit losses from initial recognition of the receivables. To measure expected credit losses, receivables are grouped based on shared credit risk characteristics and the aging of the outstanding balances. Expected loss rates are derived from the Company's historical information and adjusted to reflect forward-looking expectations, including macroeconomic factors such as inflation and GDP growth. Other financial assets, such as employee receivables and bank balances, carry low credit risk, and applying the ECL model is considered immaterial.

4-9 Estimation of Useful Lives of Property, Plant, and Equipment

Management estimates the **useful lives** of property, plant, and equipment for the purpose of calculating depreciation. These estimates consider the expected use of the assets, wear and tear, and obsolescence. Residual values and useful lives are reviewed annually, and changes are adjusted **prospectively** in current and future periods, if applicable.

4-10 Fair Value Measurement of Financial Instruments, Including Derivatives

When fair value cannot be measured using quoted market prices in active markets, and IFRS requires such assets or liabilities to be measured at fair value, valuation techniques are applied. These may include using the present value of expected cash flows from the assets or other methods as prescribed by IFRS 13 – Fair Value Measurement. Inputs to these techniques are derived from active markets where possible. If not available, judgment is required to determine fair value, considering liquidity risk, credit risk, and volatility. Changes in assumptions related to these factors may materially affect the fair value of financial instruments reported.

4. ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS(CONTINUED)

4-11 Provision for Slow-Moving Inventory

Management establishes a provision for slow-moving and obsolete inventory items. Inventory is measured at the lower of cost and net realizable value (NRV). Estimates of NRV are based on the most reliable evidence available at the time of the assessment, taking into account price or cost fluctuations directly related to events occurring after the reporting date.

4-12 Employee Benefits Obligations

The cost of post-employment benefits and the present value of such obligations are estimated using actuarial valuations. These valuations involve assumptions that may differ from future actual developments, including:
Discount rate, Future salary increases, Mortality rates, Future pension increases Given the complexity and long-term nature of these assumptions, the estimated obligations are highly sensitive to changes in these assumptions. All actuarial assumptions are reviewed at each reporting date.

4-13 Estimation of Net Realizable Value of Properties Under Development and Held for Sale

Properties under development and held for sale are stated at cost or net realizable value (NRV), whichever is lower. NRV is the estimated selling price in the ordinary course of business, less estimated costs to complete and estimated costs to sell.
The net realizable value (NRV) is determined with reference to prevailing market conditions, the intended method of disposal, and the recoverable amount of the assets as at the reporting date, consistent with the planned manner of disposal.
The estimated selling price of land is determined with reference to market prices for similar land at the reporting date, adjusted for differences in location, size, development status, and quality. Estimated completion costs are deducted from the estimated selling price to arrive at NRV.

4-14 Derecognition

The Company derecognizes a financial asset only when the contractual rights to receive cash flows from the financial asset expire, or substantially all the risks and rewards of ownership are transferred to another entity.
If the Company retains substantially all the risks and rewards and continues to control the transferred asset, it recognizes its retained interest in the transferred asset and the related liability to the extent of amounts expected to be paid. If the Company retains substantially all the risks and rewards, the financial asset continues to be recognized in full.

4. ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS(CONTINUED)

4-15 Fair Value

The Company measures financial instruments such as investments at fair value through other comprehensive income (FVOCI) and investments at fair value through profit or loss (FVTPL) at fair value at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market available to the Company at that date. The fair value of a liability reflects non-performance risk.

The fair value of an asset or liability is determined using assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

For non-financial assets, fair value measurement considers the ability of market participants to generate economic benefits from using the asset in its highest and best use or by selling it to another market participant who can do so. The Company uses appropriate valuation techniques based on the available data, prioritizing observable inputs and minimizing the use of unobservable inputs wherever possible.

All assets and liabilities measured or disclosed at fair value in these financial statements are classified within the fair value hierarchy based on the lowest level of significant input used to measure fair value as a whole:

1. Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
2. Level 2: Valuation techniques using inputs that are observable, either directly or indirectly.
3. Level 3: Valuation techniques using unobservable inputs.

For assets and liabilities measured at fair value on a recurring basis, the Company assesses whether transfers occurred between levels in the hierarchy by re-evaluating classifications (based on the lowest level of significant input used to measure fair value) at the end of each reporting period.

External valuers are engaged to assess material assets, such as investment properties and non-current financial assets. Engagement of external valuers is approved by the Audit and Risk Committee. Selection criteria include market knowledge, reputation, independence, and professional experience. A schedule is agreed with external valuers for periodic assessments. At each reporting date, the Company analyzes changes in the values of assets and liabilities that require remeasurement or revaluation in accordance with the Group's accounting policies, by matching the information used in the valuation with relevant contracts and other supporting documentation.
Disclosures relating to the fair value of financial instruments and non-financial assets measured or disclosed at fair value are presented in the following notes: Investment Properties (Note 7)

5. SIGNIFICANT ACCOUNTING POLICIES

The following are the accounting policies used in the preparation of these financial statements.

Classification of Assets and Liabilities as Current and Non-Current

- The Company presents assets and liabilities in the Statement of Financial Position based on current/non-current classification.
- They are expected to be realized, sold, or consumed in the normal operating cycle.
- They are held primarily for trading purposes.
- They are expected to be realized within twelve months after the reporting period.
- They are cash or cash equivalents, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Liabilities are classified as current when:

- They are expected to be settled in the normal operating cycle.
- They are held primarily for trading purposes.
- They are due to be settled within twelve months after the reporting period.
- There is no unconditional right to defer settlement for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

5-1 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses, if any. The cost includes directly attributable expenses incurred to acquire the assets. When parts of an item of property, plant, and equipment have different useful lives, they are accounted for as separate components (major components) of the asset. Repair and maintenance expenses are recognized as Revenue expenses in the income statement, whereas improvement costs are capitalized.

Depreciation is calculated based on the estimated useful life of the asset using the straight-line method.
Assets that are sold or disposed of, together with their accumulated depreciation, are removed from the accounts at the date of sale or disposal.

The estimated annual depreciation rates for the major components of these assets are:

Item	Depreciation Rate
Computer	20%
Furniture and Fixtures	20%
Tools and Equipment	20%
Vehicles	20%
Electrical Appliances	20%
Leasehold Improvements	20% or the lease term, whichever is shorter

Depreciation methods and useful lives are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from property, plant, and equipment.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5-2 Investment Properties
5-2-1Change in Accounting Policy

During the year ended December 31, 2025, the Company adopted the fair value model for the subsequent measurement of its investment properties in accordance with IAS 40 – Investment Property, in order to provide more relevant financial information that better reflects changes in the economic value of investment properties, which include land and buildings.

This change in accounting policy has been applied retrospectively in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. Accordingly, comparative information for the periods ended December 31, 2024 and December 31, 2023 has been restated to reflect the impact of this change. Further details are disclosed in the relevant note (Note 32).

Previously, the Company measured investment properties at cost after initial recognition, less accumulated depreciation and any impairment losses.

From the date of applying the new policy, investment properties are measured at fair value, and any changes in fair value are recognized in the statement of profit or loss for the period in which they arise.
With respect to investment properties under construction, where fair value cannot be measured reliably, they are measured at cost less impairment, until fair value becomes reliably measurable or construction is substantially completed, whichever occurs earlier.
Investment properties consist of completed properties and properties under construction or redevelopment held to earn rental income, for capital appreciation, or both. Leased properties are classified as investment properties when held to earn rental income, for capital appreciation, or both, rather than for sale in the ordinary course of business or for administrative purposes.

Investment properties are initially recognized at cost, which includes the purchase price and any directly attributable transaction costs, if applicable. Transaction costs include property transfer fees, legal service fees, initial leasing commissions, and any other costs necessary to bring the properties to a condition suitable for operation. After initial recognition, investment properties are measured at fair value, reflecting prevailing market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment properties are recognized in profit or loss in the period in which they occur.

Investment properties acquired through a lease are initially measured at the lease liability amount, adjusted for any lease payments made at or before the commencement date (less any lease incentives received), plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset and restoring the site or asset to the condition required by the lease terms.

Subsequent to initial recognition, investment properties are carried at fair value. Investment properties under redevelopment for continued use as investment properties, or those with an active market, continue to be measured at fair value. Investment properties under construction are measured at fair value if it can be reliably determined

Investment properties under construction for which fair value cannot be reliably determined, but is expected to become reliably measurable upon completion, are measured at cost less impairment losses until fair value becomes reliably measurable or construction is completed, whichever is earlier.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5-2 Investment Properties (continued)

5-2-1 Change in Accounting Policy (continued)

It may sometimes be difficult to reliably determine the fair value of investment properties under construction. In assessing whether the fair value can be reliably determined, management considers, among other factors:

4. The terms of the construction contract;
5. The stage of completion;
6. Whether the project/property is standard (market typical) or non-standard;
7. The reliability of expected cash inflows after completion;
8. The risks associated with the property;
9. Previous experience with similar developments;
10. The status of construction permits.

Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location, or condition of the specific asset. If such information is not available, the Company applies alternative valuation techniques such as recent market prices in less active markets or discounted cash flow projections. Valuations are performed as of the reporting date by independent professional valuers with recognized qualifications and relevant professional experience in the location and category of the investment properties being valued. These valuations form the basis for the carrying amounts in the financial statements. The fair value of investment properties reflects, among other factors, rental income from current lease contracts and other assumptions that market participants would use when pricing the property under current market conditions. Subsequent expenditures are capitalized only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost can be measured reliably. All other repair and maintenance costs are charged to the statement of profit or loss as incurred. When part of an investment property is replaced, the cost of the replacement is included in the carrying amount of the investment property, and the property is subsequently remeasured at fair value.

If a valuation of a leased property is determined after deducting expected lease payments, any lease liability recognized separately in the statement of financial position is added back to arrive at the carrying amount of the investment property for accounting purposes. Changes in fair value are recognized in the statement of profit or loss.

Investment properties are derecognized upon disposal or when permanently withdrawn from use and no future economic benefits are expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit or loss in the period of derecognition.
Transfers to or from investment properties are made only when there is a change in use. For transfers from investment properties to owner-occupied properties, the deemed cost for subsequent accounting is the fair value at the date of change in use.

If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy for property, plant, and equipment up to the date of change in use.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5-3 Leases

5-3-1 Company as a Lessee

At the commencement of a lease, the Company recognizes a right-of-use asset, representing its right to use the underlying asset, and a lease liability, representing its obligation to make lease payments over the lease term, for all leases except short-term leases and leases of low-value assets.

The right-of-use asset is initially measured at cost, which includes the initial measurement of the lease liability, any lease payments made at or before the commencement date, any initial direct costs incurred, less any lease incentives received, and plus an estimate of the costs to dismantle and remove the asset and restore the site, where applicable.

The lease liability is initially measured at the present value of lease payments not paid at the commencement date, discounted using the interest rate implicit in the lease, if readily determinable, or otherwise the Company's incremental borrowing rate, and includes fixed payments (including in-substance fixed payments) less any lease incentives, variable payments that depend on an index or rate, amounts expected to be payable under residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise it, and termination penalties if the lease term reflects exercising the option to terminate. Subsequent to initial recognition, the right-of-use asset is measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability, while the lease liability is increased to reflect interest cost, reduced for lease payments made, and remeasured when there are changes in future lease payments, the lease term, or relevant indices or rates, as applicable.

The right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset, unless it is reasonably certain that ownership of the asset will transfer to the Company at the end of the lease term. In such cases, depreciation is calculated over the useful life of the asset.
For short-term leases and leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.

5-3-2 Company as a Lessor

The Company recognizes lease payments received under lease agreements as income in the statement of profit or loss on a straight-line basis over the lease term.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

Company as a Lessee (Continued)

Short-Term Leases and Leases of Low-Value Assets

Short-term leases are leases with a lease term of 12 months or less. Low-value assets represent items that do not meet the Company's capitalization threshold and are considered immaterial to the statement of financial position as a whole. Payments related to short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis in the statement of profit or loss.

5-4 Properties Held for Sale and Under Development

All properties held for sale and under development are initially measured at cost and subsequently measured at the lower of cost and net realizable value (NRV). This item mainly consists of projects under construction and land under development held for sale in the ordinary course of business, rather than held for rental or capital appreciation purposes. Cost includes all costs directly attributable to the properties, including direct materials, direct labor costs, borrowing costs, and relevant overheads incurred in bringing the properties to their present location and condition.
Impairment is assessed by comparing the carrying amount with the net realizable value, which represents the estimated selling price less estimated costs to complete and costs to sell.

5-5 Impairment of Assets

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount, and the impairment loss is recognized immediately in the statement of profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised recoverable amount, provided that it does not exceed the carrying amount that would have been determined had no impairment loss been recognized in prior years. The reversal of impairment loss is recognized immediately in the statement of profit or loss.

5-6 Accounts receivable and Expected Credit Losses

Accounts receivable and contract assets are initially recognized at the amount of unconditional consideration due to the Company and are subsequently measured at amortized cost, less any allowance for expected credit losses (ECL), if any. The Company recognizes loss allowances for expected credit losses on financial assets measured at amortized cost. For Accounts receivable and contract assets, the Company applies the simplified approach in accordance with IFRS 9, which requires recognition of lifetime expected credit losses from initial recognition.

For the purpose of measuring ECL, Accounts receivable and contract assets are grouped based on shared credit risk characteristics and the aging of balances. The allowance is calculated using a provision matrix based on historical default experience, adjusted for current conditions and forward-looking information, including relevant macroeconomic factors.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

Company as a Lessee (Continued)

5-6 Accounts receivable and Expected Credit Losses (Continued)

Accounts receivable or contract assets are written off when there is no reasonable expectation of recovery, whether in full or in part. The write-off decision is subject to management review based on the specific facts and circumstances of each balance. Any changes in the ECL allowance are recognized in the statement of profit or loss, and any amounts subsequently recovered from previously written-off balances are also recognized in the statement of profit or loss in the period of recovery.

5-7 Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than those measured at fair value through profit or loss) are added to or deducted from the fair value at initial recognition, as appropriate. Transaction costs directly attributable to financial assets and financial liabilities measured at fair value through profit or loss (FVTPL) are recognized immediately in the statement of profit or loss.

(a) Financial Assets at Amortized Cost

Receivables, including trade and other receivables, bank balances, and cash are measured at amortized cost using the effective interest method, less any impairment losses recognized in the statement of profit or loss. Interest income is recognized using the effective interest rate, except for short-term receivables where the effect of discounting is immaterial.

(b) Financial Assets at Fair Value through Profit or Loss (FVTPL)

Investments at FVTPL are carried at fair value. Unrealized gains and losses arising from remeasurement, as well as realized gains and losses on disposal, are recognized in the statement of profit or loss. Fair value is determined based on quoted market prices where an active market exists, or by using other valuation techniques. In limited circumstances where sufficient information is not available to reliably measure fair value, cost may represent the best estimate of fair value, in accordance with IFRS 13.

5-8 Financial Liabilities

Financial liabilities (including payables) are initially and subsequently measured at amortized cost using the effective interest method. The Company derecognizes financial liabilities when the obligation is discharged, cancelled, or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the statement of profit or loss.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Effective Interest Method

The effective interest method is a method of calculating the amortized cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs, and other premiums or discounts) over the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount at initial recognition.

5-9 Construction Materials Inventory

Inventory is valued at the lower of cost and net realizable value (NRV). Cost includes purchase cost and all direct and indirect costs incurred to bring the inventory to its present location and condition.
Inventory is valued using the weighted average method. A provision is made for slow-moving and obsolete items based on management's estimates at the reporting date.

5-10 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, bank balances held in current accounts, demand deposits, and highly liquid short-term investments with original maturities of three months or less. They also include cheques under collection, which represent amounts received and deposited with banks but not yet reflected in the bank statements as at the statement of financial position date. All such balances are subject to insignificant risk of changes in fair value.

5-11 Employees' End-of-Service Benefits

End-of-Service Benefits

End-of-service benefits are determined using the projected unit credit method, with an actuarial valuation performed at the end of each annual reporting period.
Remeasurements, comprising actuarial gains and losses, are recognized in the statement of financial position and immediately recognized in other comprehensive income (OCI).
Remeasurement components are transferred directly to retained earnings in the statement of changes in equity and are not reclassified to profit or loss in subsequent periods.

Post-Employment Benefits

The Company makes contributions to the General Organization for Social Insurance (GOSI) for its Saudi employees, which represents a defined contribution plan. These contributions are recognized as an expense when incurred.

Short-Term Employee Benefits

A liability is recognized for employee benefits related to wages and salaries, annual leave, and sick leave in the period in which the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service. The liabilities recognized for short-term employee benefits are measured at the amount expected to be paid for the services rendered.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5-12 Credit Facilities

Credit facilities are initially recognized at fair value (proceeds received), net of directly attributable transaction costs, if any. Subsequent to initial recognition, credit facilities are measured at amortized cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the statement of profit or loss over the term of the facilities using the effective interest method.

Credit facilities are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expires. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the statement of profit or loss as other finance income or costs.

Credit facilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Borrowing costs that are directly attributable to the acquisition, construction, or production of qualifying assets are capitalized during the period required to complete and prepare the asset for its intended use or sale. Qualifying assets are those that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized as an expense in the period in which they are incurred.

5-13 Related Party Transactions

Related Party

A related party is a person or entity that is related to the Company preparing its financial statements.

(a) A person or a close member of that person's family is related to the Company if that person:

1. Has control or joint control over the Company;
2. Has significant influence over the Company; or
3. Is a member of the key management personnel of the Company or of a parent of the Company.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5-13 Related Party Transactions (Continued)

Related Party (Continued)

(b) An entity is related to the Company if any of the following conditions applies:

1. The entity and the Company are members of the same group (which means that each parent, subsidiary, and fellow subsidiary is related to the others);
2. One entity is an associate or joint venture of the other entity (or of a member of a group of which the other entity is a member);
3. Both entities are joint ventures of the same third party;
4. One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
5. The entity is a post-employment benefit plan for the benefit of employees of either the Company or a related entity. If the Company itself is such a plan, the sponsoring employers are also related to the Company;
6. The entity is controlled or jointly controlled by a person identified in (a);
7. A person identified in (a)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
8. The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

Unbilled Revenue and Billings in Excess of Revenue

Unbilled revenue is presented at cost plus recognized profits or losses, less amounts received and receivable. Estimated revenues in excess of amounts billed on projects are recorded as unbilled revenue.
When amounts billed and collected on projects exceed the value of work performed, the excess is presented as a current liability under billings in excess of revenue.

Accounts Payable, Accrued Expenses, and Other Liabilities

Liabilities are recognized for amounts to be paid in the future for services received, whether or not billed by suppliers.

5-14 Value Added Tax (VAT)

Expenses and assets are recognized net of VAT, except:

When the VAT incurred on the purchase of assets or services is not recoverable from the tax authority, in which case VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as appropriate; When receivables and payables are stated inclusive of VAT

5-15 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss, net of any reimbursement.

Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5-16 Zakat Provision

Zakat is a statutory obligation on the Company and is provided for in the accompanying financial statements by charging it to the statement of profit or loss in accordance with the Zakat standard issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Zakat is calculated annually on the basis of the higher of adjusted net income or the Zakat base, in accordance with the regulations of the Zakat, Tax and Customs Authority (ZATCA) in the Kingdom of Saudi Arabia.
Differences between the provision and the final assessment are adjusted in the period in which the final assessment is received.

5-17 Dividends

Dividends to shareholders are recognized as a liability in the statement of financial position in the period in which they are approved by the Ordinary General Assembly.

These liabilities are settled upon cash distribution to shareholders according to their respective ownership interests.

5-18 Earnings per Share

Basic and diluted earnings per share are calculated by dividing the net profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. The weighted average number of shares outstanding for the current and comparative periods is adjusted retrospectively for bonus shares or share splits, to ensure comparability.

5-19 Board of Directors' Remuneration

Board of Directors' remuneration is recognized in the statement of profit or loss in the period in which it is approved.

5-20 Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, and for which financial information is available and regularly reviewed by the chief operating decision maker (CODM) for the purposes of resource allocation and performance evaluation.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5-21 Revenue

Revenue is recognized when the Company satisfies its performance obligations under contracts with customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services.

Specifically, the standard introduces a five-step model for revenue recognition:

Step 1: Identify the contract(s) with a customer;
Step 2: Identify the performance obligations in the contract;
Step 3: Determine the transaction price;
Step 4: Allocate the transaction price to the performance obligations in the contract;
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The Company generates its revenue primarily from a range of activities and services, and performance obligations are satisfied as follows:

Revenue Type	Nature and timing of fulfilling performance obligations
Revenue from Sale of Completed Units and Properties Under Development Sold During the Development Stage	The Company enters into contracts with customers to sell completed properties, completed residential units, or properties under development that are sold during the development phase. These developments typically span an operating cycle until completion. Revenue from the sale of such units is recognized in accordance with the contractual terms and conditions of each arrangement, at a point in time, when control is transferred in accordance with IFRS 15, paragraph 38. The sale of completed units represents a single performance obligation satisfied at a point in time. Management has exercised judgment and concluded that the indicators of transfer of control are met when customers obtain control over the economic benefits of the real estate units, which occurs upon delivery in accordance with the relevant contractual terms. All promises in the contract must be fulfilled, including ensuring that the units are ready for operational use.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5-21 Revenue (Continued)

Revenue Type	Nature and timing of fulfilling performance obligations
Revenue from Construction Contracts and Real Estate Development Contracts for Others	Construction Contracts: Construction contracts involve the execution of construction and development activities for customers. The Company evaluates each contract to determine whether performance obligations are satisfied over time or at a point in time in accordance with IFRS 15. Where performance obligations are satisfied over time, revenue is recognized based on the stage of completion using the input method, measured by reference to costs incurred to date relative to total estimated contract costs, as this best reflects the Company's performance in transferring control of services to the customer. Where progress toward completion cannot be reliably measured, revenue is recognized only to the extent of costs incurred that are expected to be recoverable until such time that the outcome can be reliably measured. When it is expected that total contract costs will exceed total contract revenue, the expected loss is recognized immediately in the statement of profit or loss. Real Estate Development Contracts for Others: The Company enters into real estate development contracts on behalf of third parties, which may include fixed fees and/or variable consideration based on project outcomes or achieved profitability in accordance with contractual terms. Each contract is assessed to identify performance obligations and whether they are satisfied over time or at a point in time in accordance with IFRS 15. Where performance obligations are satisfied over time, revenue is recognized based on the stage of completion using the input method, based on costs incurred to date relative to total estimated costs, excluding costs that do not reflect performance in transferring control of services. The transaction price in some contracts includes variable consideration, such as profit-sharing or incentives. This is estimated using the method that best predicts the expected consideration (either the expected value or the most likely amount), depending on the nature of the contract. Variable consideration is included in revenue only to the extent that it is highly probable that a significant reversal will not occur when the uncertainty is resolved. For prudence, the Company applies strict criteria before recognizing variable consideration, including obtaining required construction permits and achieving significant progress in development. Estimates are supported by objective evidence such as feasibility studies and independent property valuations. Revenue, cost, and variable consideration estimates are reviewed periodically, and any changes are recognized in the current and future periods, as appropriate. The Company's right to consideration for work performed but not yet unconditional is presented as contract assets, while amounts received in advance from customers in excess of recognized revenue are presented as contract liabilities.

5. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5-21 Revenue Recognition (Continued)

Revenue Type	Nature and timing of fulfilling performance obligations
Revenue from sale of off-plan units under development	The company enters into contracts with customers to sell off-plan units. Revenue is recognized over time, as the company has determined that its performance does not create an asset with an alternative use. Additionally, the company has an enforceable right to payment for performance completed to date, and it is entitled to receive an amount that at least compensates it for work performed to date (usually costs incurred plus a reasonable profit margin or percentage of completion based on the consultant's report). When measuring progress toward satisfying performance obligations, the company uses the output method, where revenue recognition is based on measuring the value of work completed to date compared to the total goods or services to be provided under the contract. The value of work completed is based on certified consultant reports.
Rental income	Revenue from leasing real estate units is recognized when the service is provided and is calculated on a straight-line basis over the lease term.
Management service income	This represents services related to Searching for potential real estate opportunities Negotiating with sellers and conducting internal feasibility studies to assess land acquisition opportunities
Other income	Other income is recognized when it is realized.

5-22 Expenses

All direct expenses and expenses related to generating revenue are charged to cost of revenue, while expenses related to selling and marketing activities are classified under selling and marketing expenses. All other expenses are classified under general and administrative expenses. Shared expenses are allocated between cost of revenue, selling and marketing expenses, and general and administrative expenses based on consistent allocation bases.

5-23 Finance Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset—one that necessarily takes a substantial period of time to get ready for its intended use or sale—are capitalized as part of the cost of that asset. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest costs and other costs incurred by the Company in connection with the borrowing of funds.

5-24 Foreign Currency Translation

Foreign currency transactions are translated into Saudi Riyals at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Saudi Riyals at the exchange rates prevailing at the statement of financial position date. Exchange gains and losses arising from settlement or translation of foreign currency transactions are recognized in the statement of profit or loss.

6. PROPERTY, PLANT, AND EQUIPMENT, NET

	Computer	**Furniture & Fixtures**	**Tools & Equipment**	**Vehicles**	**Electrical Devices**	**Leasehold Improvements**	**Total**
Cost							
Balance as at 1 Jan 2025	**837,563**	**503,654**	**314,958**	**206,458**	**576,684**	**1,071,859**	**3,511,176**
Additions during the year	**250,468**	**16,033**	**43,100**	**-**	**111,650**	**-**	**421,251**
Disposals during the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 31 Dec 2025	**1,088,031**	**519,687**	**358,058**	**206,458**	**688,334**	**1,071,859**	**3,932,427**
Accumulated depreciation							
Balance as at 1 Jan 2025	**313,692**	**221,428**	**130,716**	**114,919**	**206,761**	**424,126**	**1,411,642**
Depreciation for the year	**182,194**	**103,491**	**70,620**	**41,292**	**127,357**	**214,383**	**739,337**
Disposals during the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 31 Dec 2025	**495,886**	**324,919**	**201,336**	**156,211**	**334,118**	**638,509**	**2,150,979**
Net Book Value							
As at 31 Dec 2025,	**592,145**	**194,768**	**156,722**	**50,247**	**354,216**	**433,350**	**1,781,448**

	Computer	Furniture & Fixtures	Tools & Equipment	Vehicles	Electrical Devices	Leasehold Improvements	Total
Cost							
Balance as at 1 Jan 2024	762,960	521,459	274,674	201,508	514,349	764,796	3,039,746
Additions during the year	76,753	34,584	40,284	4,950	62,335	307,063	525,969
Disposals during the year	(2,150)	(52,389)	-	-	-	-	(54,539)
Balance as at 31 Dec 2024	837,563	503,654	314,958	206,458	576,684	1,071,859	3,511,176
Accumulated depreciation							
Balance as at 1 Jan 2024	147,315	146,764	75,719	72,888	95,082	249,030	786,798
Depreciation for the year	166,635	101,210	54,997	42,031	111,679	175,096	651,648
Disposals during the year	(258)	(26,546)	-	-	-	-	(26,804)
Balance as at 31 Dec 2024	313,692	221,428	130,716	114,919	206,761	424,126	1,411,642
Net Book Value							
As at 31 Dec 2024,	523,871	282,226	184,242	91,539	369,923	647,733	2,099,534

Depreciation expense is classified as follows:

	Note	**2025**	2024
		SAR	SAR
Selling and marketing expenses	**24**	**274,856**	345,374
General and administrative expenses	**25**	**464,481**	306,274
		739,337	651,648

7- INVESTMENT PROPERTIES

Property	Note	December 31, 2025 SAR	December 31, 2024 Restated 31-Note 36 SAR
Balance at beginning of the year (Before change accounting policy)	32	**85,514,426**	4,090,859
Adjustments resulting from a change in accounting policy	32	**-**	651,258
Balance at the beginning of the year (after adjustment)	32	**85,514,426**	4,742,117
Additions during the year (7-1)		**52,062,713**	76,264,884
Capitalized financing transaction costs (7-2)	18	**9,490,952**	1,336,548
Transferred from investments at fair value through profit or loss (3-7)	9	**3,796,050**	-
Transferred from advances for land purchases (7-4)		**41,007,500**	-
Transferred from properties under development during the year (5-7)	11	**151,448,312**	-
Disposals during the year (7-6)		**(1,038,450)**	-
Fair value increase		**74,894,702**	3,170,877
Balance at the end of the year		**417,176,205**	85,514,426

(1-7) The Company developed existing projects for investment and leasing purposes at a total construction cost of SAR 52.1 million.

(2-7) Financing transaction costs amounting to SAR 9.5 million were capitalized (Note 18).

(3-7) Residential apartments and commercial centers were added following the exit from investments in Makin Al Sharq Fund, amounting to SAR 3.8 million (Note 9).

(4-7) During the year ended 31 December 2025, the item "advances paid for land purchase" was transferred to "investment properties", as the title deed of the land was transferred in the name of the Company. Accordingly, the land was classified during the year as owned land held within investment properties.

(5-7) During the year, the Board of Directors approved the transfer of certain assets from "properties under development" to "investment properties", with the objective of leasing them or holding them for capital appreciation. These transfers included land amounting to SAR 136.2 million and projects under construction amounting to SAR 15.2 million (Note 11-a).

(6-7) During the year, a residential apartment classified under investment properties was disposed of through sale. The resulting gain on disposal amounting to SAR 50 thousand was recognized under other income in the statement of profit or loss and other comprehensive income.

(7-7) Investment properties include land registered in the name of the Company as at 31 December 2025. Certain lands have been pledged in favor of a local bank as collateral for credit facilities under a financing agreement (Note 18).

7- INVESTMENT PROPERTIES (CONTINUED)

The carrying amount at the reporting date includes the fair value as follows:	**Fair value as of December 31, 2025**	Fair value as of December 31, 2024
	SAR	SAR
Existing commercial complexes on owned land	**129,198,708**	-
Projects under construction – fair value	**192,507,260**	78,132,010
Owned land held as investment properties	**87,366,087**	1,802,928
Residential units	**8,104,150**	5,579,488
	417,176,205	85,514,426

Fair Value of Investment Properties

Fair Value of Hierarchy

The fair value measurement of investment properties amounting to SAR 417 million as at December 31, 2025 (December 31, 2024: SAR 85 million) has been classified within Level 3 of the fair value hierarchy. This classification is based on significant unobservable inputs used by valuation experts in the applied valuation methodology, including future rental payment terms, discount rates, capitalization rates (yields), expected occupancy rates, and project completion costs.

As of the financial statement dates, the fair value of all investment properties is determined by independent external valuation experts with appropriate qualifications and experience in real estate valuation (the independent valuers are certified by the Saudi Authority for Accredited Valuers "Taqeem"). Due to the change in the accounting policy for the subsequent measurement of investment properties, the effective valuation dates are 1 January 2024, December 31, 2024, and December 31, 2025.

Relationship between Key Unobservable Inputs and Fair Value Measurement:

December 31, 2025:

Property	**Fair Value (SAR)**	**Valuation Method**	**Significant Unobservable Inputs**	**Range**
Existing commercial complexes on owned land	**129,198,708**	Discounted Cash Flows – Residual Value Method	Occupancy rate % Discount rate %	"48% - 90% 7%-8.2%"
Projects under construction	**192,507,260**	Comparable Transaction – Residual Value Method	Average price (SAR/sqm)	1275 - 461.4
Owned land held as investment properties	**87,366,087**	Comparable Transaction	Average price (SAR/sqm)	1551 -6650
Residential units	**8,104,150**	Discounted Cash Flows	Occupancy rate % Discount rate % Average rental price	Zero% - 100% 7.5% 77,886

7-INVESTMENT PROPERTIES (CONTINUED)

December 31, 2024:

Property	**Fair Value (SAR)**	**Valuation Method**	**Significant Unobservable Inputs**	**Range**
Projects under construction	78,132,010	Comparable Transaction – Residual Value Method	Average price (SAR/sqm)	7500
Owned land held as investment properties	1,802,928	Comparable Transaction	Average price (SAR/sqm)	795-12072
Residential units	5,579,488	Discounted Cash Flows	Occupancy rate % Discount rate % Average rental price	Zero% - 100% 7.5% 77,886

-The valuation methodology applied in valuing investment properties is in compliance with the International Valuation Standards (IVS) and the guidelines of the Saudi Authority for Accredited Valuers (Taqeem)

The following are the details of the appraisers who carried out the valuation of the investment properties:

Valuer Name	**License Number**	**Valuer Qualifications**
Araa Real Estate Valuation Company	1210001611	Licensed by the Saudi Authority for Accredited Valuers (Taqeem)
Makin Al Qimah Real Estate Valuation Company	1210001150	Licensed by the Saudi Authority for Accredited Valuers (Taqeem)

8- RIGHT-OF-USE ASSETS AND LEASE LIABILITIES, NET

Right-of-use assets represent lease contracts for the company's administrative headquarters. These assets are depreciated on a straight-line basis over the lease term of 5 years. Interest on lease liabilities is amortized. Lease payments are discounted using the Group's incremental borrowing rate at the commencement date of the contract.

The following table shows the movement during the year for both right-of-use assets and lease liabilities as follows

A) Movement in the right-of-use assets, net, during the year, is as follows:

	Note	**December 31, 2025**	December 31, 2024
		SAR	SAR
COST			
Balance at the beginning of the year		**1,449,009**	1,353,763
Additions during the year		**-**	122,594
Adjustments during the year		**-**	(27,348)
Balance at the end of the year		**1,449,009**	1,449,009
Accumulated Depreciation			
Balance at the beginning of the year		**960,206**	559,913
Depreciation for the year	25	**389,306**	400,293
Balance at the end of the year		**1,349,512**	960,206
Net Book Value			
As at end of the year		**99,497**	488,803

8- RIGHT-OF-USE ASSETS AND LEASE LIABILITIES, NET (CONTINUED)

B) Movement in Lease Liabilities

		December 31, 2025	December 31, 2024
		SAR	SAR
Balance at the beginning of the year		**437,342**	714,137
Additions during the year		**-**	122,594
Interest amortization during the year	26	**12,158**	32,718
Adjustments during the year		**-**	4,223
Payments during the year		**(307,544)**	(436,330)
Balance as at December 31, 2025		**141,956**	437,342

Lease liabilities presented above are disclosed in the statement of financial position as follows:

	December 31, 2025	December 31, 2024
	SAR	SAR
Current portion of lease liabilities	**141,956**	419,560
Non-Current portion of lease liabilities	**-**	17,782

9- FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

During 2024, the Company invested in “Makeen Al Sharq Fund” through subscribing to 1,352,000 units in exchange for providing real estate development services amounting to SAR 13,520,000. The Fund is managed by Al Nefaie Investment Group. On 27 March 2025, the Company received an amount of SAR 13,520,000 from the Fund manager, representing the invested capital. On 29 April 2025, the Fund’s Board approved the liquidation of the Fund and the Company’s request for an in-kind exit, whereby four real estate units were allocated to the Company with a value of SAR 3,796,050, along with a commitment to settle an amount of SAR 1,008,823. The net balance payable amounted to SAR 2,787,227, and realized losses amounted to SAR 809,093. The Company retained these assets within investment properties.

Financial investments at fair value through profit or loss consist of an investment in an investment fund as follows:

	December 31, 2025	December 31, 2024
	SAR	SAR
Makin Al Sharq Fund	**-**	17,116,320
	-	17,116,320

The movement in financial investments at fair value through profit or loss is as follows:

	Note	**December 31, 2025**	December 31, 2024
		SAR	SAR
Balance at beginning of the year		**17,116,320**	-
Additions during the year		**-**	13,520,000
(losses) / gains from changes in fair value during the year		**(809,093)**	3,596,320
Transferred to investment properties	7	**(3,796,050)**	-
Disposals during the year		**(12,511,177)**	-
		-	17,116,320

10- INVESTMENT IN AN ASSOCIATE

During the year, the Company acquired a 35% ownership interest in an entity operating in the real estate development sector (the "associate"). The investment has been classified as an investment in an associate and is accounted for in accordance with IAS 28 using the equity method.
The investment was initially recognized at cost amounting to 1,750 SAR, against a liability due from the Company and a balance in the current account with the associate. Subsequently, the carrying amount is adjusted for the Company's share of the associate's profit or loss, after taking into account any dividends received (if any).
The Company's share of the associate's losses for the year ended December 31, 2025 amounted to (25,109) SAR.

11- PROPERTIES HELD FOR SALE AND UNDER DEVELOPMENT

Properties under development represent real estate projects that are still under construction or development for sale in the ordinary course of the Company's business. These include the cost of land, direct development costs, and capitalized borrowing costs related to qualifying projects. Properties held for sale represent completed real estate units that are ready for sale. Transfers are made from properties under development to properties held for sale upon completion of construction and when the asset is in a condition ready for sale. Transfers to investment properties are made when there is a substantiated change in use, in accordance with the requirements of IAS 40 Investment Property

The following table shows the balance of properties held for sale and under development:

	Note	**December 31, 2025**	December 31, 2024
		SAR	SAR
Properties under development (A)		**185,215,771**	348,619,975
Properties held for sale (B)		**271,098,554**	44,423,437
Advances for purchase of land - Transferred to investment properties	**7**	**41,007,500**	-

(A) Properties Under Development

Movement in properties under development as of December 31, 2025:

	Land	**Development Costs**	**Finance Cost**	**Total**
Balance as at 1 Jan 2025	302,040,392	40,090,550	6,489,033	348,619,975
Additions during the year	189,908,525	202,671,919	14,938,099	407,518,543
Transferred to investment properties (Note 7)	(136,209,642)	(10,890,108)	(4,348,562)	(151,448,312)
Transferred to properties held for sale (Note 10-B)	(214,052,958)	(192,215,901)	(13,205,576)	(419,474,435)
Balance as at December 31, 2025	141,686,317	39,656,460	3,872,994	185,215,771

Properties under development include land registered in the company's name.
Land has been pledged in favor of a local bank as collateral for credit facilities under a financing agreement.
The cost of the pledged land amounted to SAR 14,9 (2024:6,4) (Note 18).

Movement in properties under development as of December 31, 2024:

	Land	Development Costs	Finance Cost	Total
Balance as at 1 Jan 2024	124,292,888	90,886,283	-	215,179,171
Additions during the year	302,799,259	81,572,903	6,489,033	390,861,195
Transferred to properties held for sale (Note 11-B)	(125,051,755)	(132,368,636)	-	(257,420,391)
Balance as at December 31, 2024	302,040,392	40,090,550	6,489,033	348,619,975

11- PROPERTIES HELD FOR SALE AND UNDER DEVELOPMENT (CONTINUED)

(A) Properties Under Development (Continued)

	December 31, 2025	December 31, 2024
	SAR	SAR
Properties Under Development – Current Portion	**180,285,085**	348,619,975
Properties Under Development – Non-Current Portion	**4,930,686**	-
	185,215,771	348,619,975

(B) Properties Held for Sale

Properties are transferred from properties under development to properties held for sale upon completion of construction and when the asset reaches a condition that makes it ready for sale in the ordinary course of business.

The balance of properties held for sale as of December 31, 2025 amounted to SAR 271,098,555 (December 31, 2024: SAR 44,423,437). This amount represents a number of residential units completed during the year, located in Riyadh. The company expects to complete their sale in the upcoming period.

Management has conducted an assessment of the net realizable value of the ongoing projects based on expected selling prices less costs to complete and sell. The assessment concluded that the net realizable value exceeds the carrying cost, and accordingly, no impairment provision has been recorded.

Movement in properties held for sale and under development for the year ended December 31, 2025:

	Note	**Properties Under Development**	**Properties Held for Sale**	**Total**
Balance of properties held for sale and under development at the beginning of the year		**348,619,975**	**44,423,437**	**393,043,412**
Land		**189,908,525**	**-**	**189,908,525**
Development costs		**202,671,919**	**-**	**202,671,919**
Capitalized finance costs	18	**14,938,099**	**-**	**14,938,099**
Transferred to investment properties	7	**(151,448,312)**	**-**	**(151,448,312)**
Transferred to properties held for sale	11-A	**(419,474,435)**	**419,474,435**	**-**
Cost of properties sold	23	**-**	**(192,799,318)**	**(192,799,318)**
Balance of properties held for sale and under development at the end of the year		**185,215,771**	**271,098,554**	**456,314,325**

Movement in properties held for sale and under development for the year ended December 31, 2024:

	Note	Properties Under Development	Properties Held for Sale	Total
Balance of properties held for sale and under development at the beginning of the year		215,179,171	30,394,810	245,573,981
Land		302,799,259	-	302,799,259
Development costs		81,572,903	-	81,572,903
Capitalized finance costs	18	6,489,033	-	6,489,033
Transferred to properties held for sale	11-A	(257,420,391)	257,420,391	-
Cost of properties sold	23	-	(243,391,764)	(243,391,764)
Balance of properties held for sale and under development at the end of the year		348,619,975	44,423,437	393,043,412

12- CONSTRUCTION CONTRACTS

The company recognizes revenue from construction contracts over time using the input method, whereby the percentage of completion is measured based on the actual costs incurred up to the reporting date compared to the total estimated contract costs. This method appropriately reflects the stage of completion of the work performed. The movement in ongoing construction contracts as of December 31 is as follows:

	Note	**December 31, 2025**	December 31, 2024
		SAR	SAR
Actual Costs			
Balance at beginning of the year		**356,854,631**	303,102,000
Costs incurred during the year	23	**122,341,740**	53,752,631
Balance at end of the year		**479,196,371**	356,854,631
Revenue Recognized Over Time			
Balance at beginning of the year		**426,559,690**	359,730,146
Revenue recognized during the year based on percentage of completion	22	**145,200,447**	100,398,375
Balance at end of the year		**571,760,137**	460,128,521
Realised gains			
Realized gains as at beginning of the year		**69,705,059**	56,628,146
Gains recognized during the year		**22,858,707**	46,645,744
Realized gains as at end of the year		**92,563,766**	103,273,890
Less: progress billings for completed work		**(544,209,281)**	(460,486,494)
balances arising from construction contracts at year-end		**27,550,856**	(357,973)
Presented in statement of financial position as follows:			
Contract assets (construction contracts)		**32,106,660**	2,683,163
Contract liabilities (construction contracts)		**(4,555,804)**	(3,041,136)
		27,550,856	(357,973)

Contract Assets

Contract assets are initially recognized for revenue earned over time from development contracts, as the receipt of consideration is conditional upon achieving specified milestones. Upon completion of a billing milestone and its acceptance by the customer, the amounts previously recognized as contract assets are reclassified to Accounts receivable.

Contract Liabilities

Contract liabilities include amounts received in advance from customers for performance obligations that have not yet been completed. A contract liability represents the obligation to complete the project for which the company has received consideration (or an amount is due) from the customer. If a customer pays consideration before the company completes the project, a contract liability is recognized at the earlier of payment or when payment becomes due.

Contract liabilities are recognized as revenue when the company satisfies its performance obligations in accordance with the contract terms. Management expects that a significant portion of contract liabilities amounting to SAR 4.6 million (31 December, 2024: SAR 2.7 million) will be recognized as revenue in the next financial year.

12- CONSTRUCTION CONTRACTS (CONTINUED)

Contract Assets (Continued)
(B) Expected Credit Losses – Construction Contract Assets

	December 31, 2025	December 31, 2024
	SAR	SAR
\Construction contract assets (12-A)	**32,106,660**	2,683,163
Expected credit loss allowance	**(322,519)**	-
	31,784,141	2,683,163

Movement in Expected Credit Losses – Construction Contract Assets:

	December 31, 2025	December 31, 2024
	SAR	SAR
Opening balance	-	-
Charge for the year	**322,519**	-
Closing balance	**322,519**	-

The following table shows the aging of construction contract assets as of December 31:

	December 31, 2025	December 31, 2024
	SAR	SAR
From 1 day to 30 days	**32,106,660**	2,683,163

13- RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent the company's shareholders, key management personnel, and entities owned or managed by these parties, as well as entities over which these parties exercise joint control or significant influence. Transactions with related parties are carried out in the normal course of business under contracts approved by management. The following is a summary of the most significant transactions that took place between the company and related parties during the year, as well as the balances with related parties:

December 31, 2025			**Transactions during the year**			**Balances as at December 31**	
Related Party Name	**Note**	**Nature of Relationship**	**Financing**	**Works & Services**	**Expenses on Behalf**	**Due From**	**Due To**
Abdulrahman Saud Al-Hedlaq	13-1	**Shareholder**	**(13,102,364)**	**-**	**-**	**-**	**85,990,900**
Tasheed Hayat Contracting Co.	13-2	**Common Ownership**	**-**	**195,739,020**	**2,324,466**	**-**	**-**
Watheeq Marketing Co.	13-3	**Common Ownership**	**-**	**3,718,252**	**2,345,838**	**-**	**-**
Awtad Al-Thiqa Contracting Co.		**Common Ownership**	**-**	**-**	**8,765**	**-**	**-**
Asas Al-Tamasok Aluminum Co		**Common Ownership**	**-**	**1,142,577**	**90,649**	**-**	**-**
Thra Holding Co.		**Common Ownership**	**-**	**-**	**83,524**	**-**	**-**
Al-Ghar Hospitality Services Co.	13-4	**Common Ownership**	**-**	**3,650,000**	**-**	**-**	**-**
Buyutat Real Estate Development Co.		**Associate**	**-**	**8,737,486**	**39,485**	**-**	**1,750**
Bareeq Integrated Operations Co.		**Common**	**-**	**-**	**121,496**	**-**	**-**
			(13,102,364)	**212,987,335**	**5,014,223**	**-**	**85,992,650**

13- RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

December 31, 2024		Nature of Relationship	Transactions during the year			Balances as at December 31	
Related Party Name	Note		Financing	Works & Services	Expenses on Behalf	Due From	Due To
Abdulrahman Saud Al-Hedlaq	13-1	Shareholder	26,073,309	-	-	-	112,554,012
Tasheed Hayat Contracting Co.	13-2	Common Ownership	-	1,535,013	1,327,365	-	-
Watheeq Marketing Co.	13-3	Common Ownership		10,605,760	587,387	-	-
Awtad Al-Thiqa Contracting Co.		Common Ownership	-	3,463,182	529,602	-	-
Asas Al-Tamasok Aluminum Co		Common Ownership	-	2,870,799	66,352	-	-
Buyutat Real Estate Development Co..		Common Ownership	-	-	14,046	30,072	-
Maskan Mateen Real Estate Co.		Common Ownership	7,000,000	3,549,073	74,205	-	-
Araya Real Estate Development Co.		Common Ownership	-	3,450,000	1,942,169	-	-
			33,073,309	25,473,827	4,541,126	30,072	112,554,012

13-1 Shareholder Abdulrahman Saud Al-Hedlaq:

On 23 December 2024, the Company entered into an agreement with the shareholder, Mr. Abdulrahman Saud Al-Hudlaq – Chairman of the Board, to convert the outstanding balance into a Qard Hasan (interest-free loan) with no additional returns or fees, for the purpose of supporting the Company and facilitating its operations. The loan is repayable over five years in equal installments. The agreement was approved by the Ordinary General Assembly on 20 February 2025.

The nominal value of the loan at the beginning of the year amounted to 112,554,012, while its present value at initial recognition was 89,315,355 SAR. The difference of 19,028,439 was recognized within equity as a contribution from the principal shareholder. During the year, an amount of 5,567,691 SAR was recognized within finance costs, representing the imputed cost calculated on the loan as it is an interest-free loan.

Movement on the shareholder loan / Abdulrahman Saud Al-Hedlaq as of December 31, 2025:

	December 31, 2025
	SAR
Balance at beginning of the year	**112,554,012**
Effect of present value	**(19,028,439)**
Financing cost	**5,567,691**
Repayments of interest-free loan during the year	**(13,102,364)**
Total due from related parties	**85,990,900**

The shareholder loan is presented in the statement of financial position as follows:

	December 31, 2025
	SAR
Current portion of the loan	**25,000,000**
Non-current portion of the loan	**60,990,900**

13- RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

13-2 Tasheed Hayat Contracting Company:

The Company entered into an agreement with Tasheed Hayat Contracting Company to act as the main contractor for the execution of construction and building works relating to a number of the Company's projects. The contract was concluded on a cost-plus basis, whereby the final contract value is determined based on the actual costs of the works performed plus an agreed fee margin. The estimated contract value amounts to approximately SAR 300 million (excluding value added tax), with an expected execution period of approximately 18 months from the commencement date. Costs associated with the contract are recognized within real estate development costs in line with the progress of work. At the end of the year, the outstanding balance due to Tasheed Hayat Contracting Company amounted to (SAR 71,634,751) and has been classified under accounts payable to suppliers and contractors.

13-3 Watheeq Marketing Co.

The Company entered into an agreement with Watheeq Marketing Company to provide marketing services for the sale and leasing of the Company's real estate units. These services include managing marketing campaigns, promoting the projects, attracting customers, and completing sales and leasing transactions. Under the agreement, the marketing company is entitled to a commission of 2.5% of the selling price of each real estate unit (excluding value added tax). The estimated contract value amounts to approximately SAR 10 million based on the expected sales volume, for a term of one year, renewable.

13-4 Al-Ghar Hospitality Services Co.

The company leased an investment property to Al-Ghar Hospitality Services for hotel operations. The lessee is granted the right to use the property in exchange for periodic lease payments as per contract terms.

13-5 Buyutat Real Estate Development and Investment Company:

The Company entered into a development agreement with Buyutat Real Estate Development and Investment Company for the development of a land plot owned by Buyutat. Under the agreement, the Company undertakes the role of the project's real estate developer in accordance with the agreed scope of work and the contractual terms approved between the parties.
The consideration and payment terms have been determined in line with the contract provisions. Revenue and related costs are recognized based on the progress of work performed. The outstanding balance includes amounts due to the Company for development works executed, which have been presented under contract assets (SAR 8,737,486).

13-6 Classification of Related Party Balances

Amounts due from related parties are presented in the statement of financial position as follows:

	December 31, 2025	31 December 2024
	SAR	SAR
Current portion	**25,001,750**	112,554,012
Non-current portion	**60,990,900**	-

-

13- RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

Transactions with key management personnel, members of the Board of Directors, and its committees

Transactions with key management personnel and members of the Board of Directors represent dealings with the Company and entities that are controlled by, or over which significant influence is exercised by, such parties. Key management personnel are those individuals having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Members of the Board of Directors and executive management are considered key management personnel for the purposes of IAS 24 "Related Party Disclosures". Transactions for the year ended 31 December are as follows:

	Nature of Transaction	2025	2024
Senior Management & Key Executives	Salaries & Allowances	**3,077,626**	3,183,748
	End-of-Service Benefits	**592,588**	140,045
Board of Directors Members	Remuneration	**1,800,000**	200,000
Board Committees	Allowances & Remunerations	**529.500**	90,000

14. Accounts receivable – NET

	December 31, 2025	December 31, 2024
	SAR	SAR
Accounts receivable	**116,716,065**	488,559
Expected Credit Loss Allowance	**(1,183,013)**	-
	115,533,052	488,559

Aging analysis of Accounts receivable from external parties is as follows:

	December 31, 2025	December 31, 2024
	SAR	SAR
From one day to 30 days	**116,716,065**	488,559

The Company measures the expected credit loss (ECL) allowance for Accounts receivable using the simplified approach in accordance with IFRS 9, recognizing lifetime expected credit losses. These losses are measured using a provision matrix based on historical default or loss rates of Accounts receivable, adjusted to reflect the aging of receivables, historical loss experience, and forward-looking information that considers economic conditions and the creditworthiness of counterparties. The matrix rates are updated at each reporting date.

Movement in expected credit losses for Accounts receivable is as follows:

	December 31, 2025	December 31, 2024
	SAR	SAR
Opening balance	**-**	-
Charged for the year	**1,183,013**	-
Write-offs during the year	**-**	-
Closing balance	**1,183,013**	-

The Company retains guarantees to ensure the quality of these properties; whereby legal title is not transferred to the customer until the full contract amount has been settled. In view of the adequacy of these guarantees and the absence of any material change in their nature, management considers that the existing provision for expected credit losses is adequate to cover any potential risks.

15- PREPAYMENTS AND OTHER RECEIVABLES

	December 31, 2025	December 31, 2024
	SAR	SAR
VAT recoverable (15-1)	**24,283,017**	11,217,112
Less: Allowance for impairment of recoverable VAT (15-1)		
Accrued revenue	**525,406**	-
Advances to contractors and suppliers	**1,611,564**	1,922,630
Less: Impairment allowance on advances to contractors and suppliers (15-2)	**(360,162)**	(360,162)
Listing costs in the capital market (15-3)	**-**	1,734,750
VAT on contracting activities	**-**	596,279
Prepayments	**-**	507,565
Employee advances and loans	**296,950**	157,433
Guarantees and refundable amounts	**47,295**	40,395
	26,404,070	15,816,002

15-1 During 2025, the Company successfully recovered recoverable value-added tax (VAT) relating to the following periods (second, third and fourth quarters of 2024 and the first quarter of 2025). The Company has also submitted refund claims for the following periods (second and third quarters of 2025). In a subsequent period, the Zakat, Tax and Customs Authority approved the refund relating to the second quarter of 2025, while the third quarter of 2025 remains under review by the Authority as at the date of approval of these financial statements. The movement in the allowance for impairment of recoverable VAT is as follows:

	Note	**December 31, 2025**	December 31, 2024
		SAR	SAR
Opening Balance		**-**	585,285
Charged for the year		**-**	-
Reverse during the year	26	**-**	(585,285)
Closing Balance		**-**	-

15-2 Allowance for impairment of advances to contractors and suppliers:
The movement in the allowance for impairment of advances to contractors and suppliers is as follows:

	December 31, 2025	December 31, 2024
	SAR	SAR
Opening Balance	**360,162**	-
Charged for the year	**-**	360,162
Closing Balance	**360,162**	360,162

15-3 Listing costs in the Capital Market:
During the year, the Company completed the listing of its shares on the Parallel Market (Nomu). The offering and listing costs amounted to SAR 6,450,000, which were deducted from the gross proceeds received from subscribers prior to the distribution of the net proceeds to the shareholders.

16- CASH AND CASH EQUIVALENTS

	December 31, 2025	December 31, 2024
	SAR	SAR
Bank balances – current accounts	**6,300,863**	65,848,015
Cheques under collection (16-1)	**1,606,300**	4,619,150
	7,907,163	70,467,165

Cash at banks is deposited with local banks in the Kingdom of Saudi Arabia with high credit ratings.

(16-1) Represents cheques received from customers of real estate units, which were under collection with banks and had not been reflected in the bank statements as at the statement of financial position date. All such cheques were subsequently collected after the reporting date.

17- STATUTORY RESERVE

On 21 Sha'ban 1446H (corresponding to 20 February 2025), the Company's General Assembly resolved to retain the statutory reserve amounting to SAR 14,078,166 and not to appropriate any additional statutory reserve for the year 2024. Accordingly, no reserve was recognized during 2024 and 2025.

18- CREDIT FACILITIES

		Maturity Date	**December 31, 2025**	December 31, 2024
Facility No. (1)	**SAIBOR +(2,25%: 2.5%)**	2027 - 2034	246,052,765	115,204,500
Facility No. (2)	**SAIBOR +(2,25%)**	2027 - 2036	132,572,000	36,400,000

Facility No. (1):

On January 31, 2024, the Company entered into a Sharia-compliant Murabaha deferred sale financing agreement with a local bank for an amount of SAR 200 million, for the purpose of financing the acquisition and development of land. On February 16, 2025, the agreement was amended and the credit facility limit was increased by SAR 150 million, bringing the total facilities to SAR 350 million.
The financed land has been pledged as collateral for the facilities (Notes 7 and 11), in addition to promissory notes and personal guarantees provided by certain shareholders. The agreements also include an early settlement option.
The agreement contains covenants primarily related to maintaining certain financial ratios. Under the terms of the agreement, the bank has the right to demand immediate repayment in the event of a breach of these covenants.
The Company was in compliance with these covenants as at December 31, 2025. The outstanding balance of the facilities as at December 31, 2025 amounted to SAR 246,052,765 (December 31, 2024: SAR 115,204,500).

Facility No. (2):

On August 14, 2024, the Company entered into a Sharia-compliant credit facilities agreement structured as a deferred sale leading to Tawarruq with a local bank for an amount of SAR 150 million.
On October 29, 2025, the agreement was amended and the credit facility limit was increased by SAR 50 million, bringing the total facilities to SAR 200 million, for the purpose of financing the acquisition and development of land.
The financed land has been pledged as collateral for the facilities (Notes 7 and 11), in addition to promissory notes and personal guarantees provided by certain shareholders. The agreements also include an early settlement option.
The agreement contains covenants primarily related to maintaining certain financial ratios. Under the terms of the agreement, the bank has the right to demand immediate repayment in the event of a breach of these covenants. The Company was in compliance with these covenants as at December 31, 2025. The outstanding balance of the facilities amounted to SAR 132,572,000 as at December 31, 2025 (December 31, 2024: SAR 36,400,000).

18. Credit Facilities (continued)

The movement in credit facilities, including accrued financing costs, as at December 31, 2025 is as follows:

	December 31, 2025	December 31, 2024
Current portion of credit facilities	**11,442,029**	7,825,581
Non-current portion of credit facilities	**388,337,276**	151,604,500

*** The movement in total credit facilities is as follows:**

	December 31, 2025	December 31, 2024
Balance at the beginning of the year	**151,604,500**	23,455,621
Drawdowns / new facilities during the year	**238,820,265**	151,604,500
Repayments during the year	**(11,800,000)**	(23,455,621)
Total loans	**378,624,765**	151,604,500
Add: Net accrued financing transaction costs	**21,154,540**	7,825,581
Balance at the end of the year	**399,779,305**	159,430,081

The movement in financing transaction costs is as follows:

	December 31, 2025	December 31, 2024
Balance at the beginning of the year	**7,825,581**	-
Additions during the year	**24,429,051**	7,825,581
Financing costs paid during the year	**(11,100,092)**	-
Balance at the end of the year	**21,154,540**	7,825,581

During the year ended December 31, 2025, the Company made an early settlement of a portion of the outstanding credit facilities amounting to SAR 11,800,000.

The Company has restated the cash flows related to credit facilities for the comparative period by presenting, on a net basis, Tawarruq rollovers that occur over short intervals for the purpose of repricing the profit rate. This presentation reflects the economic substance of the transactions, as they are characterized by rapid turnover and short maturities. The restatement had no impact on the net cash flows from financing activities or on the Company's financial position. Total financing transaction costs for the year ended December 31, 2025 amounted to SAR 24,429,051, compared to SAR 7,825,581 as at December 31, 2024. A portion of these costs was capitalized as follows:
To investment properties as at December 31, 2025: SAR 9,490,952 (December 31, 2024: SAR 1,336,548).
To properties under development as at December 31, 2025: SAR 14,938,099 (December 31, 2024: SAR 6,489,033).

19- EMPLOYEES' BENEFITS OBLIGATIONS

The Company determines the present value of employees' benefits obligations by performing an actuarial valuation using the projected unit credit method, taking into account the following assumptions:

Key actuarial assumptions:

		Annual Value %	
		December 31, 2025	December 31, 2024
Financial assumptions:		**SAR**	SAR
6	Discount rate	**5.34 %**	4.20%
7	Salary increase rate	**2 %**	2%
8	Employee turnover rate	**5 %**	5%

Movement in the present value of employees' benefits obligations:

	Note	December 31, 2025	December 31, 2024
		SAR	SAR
Opening balance – present value of defined benefit obligation		**1,036,858**	670,459
Recognized in profit or loss:			
Current service cost		**354,751**	444,116
Interest cost	26	**55,368**	28,159
Recognized in other comprehensive income:			
Remeasurement of employees' benefits obligations		**(405,900)**	155,050
Benefits paid during the year		**(8,929)**	(260,926)
Closing balance – present value of defined benefit obligation		**1,032,148**	1,036,858

Sensitivity analysis:

The following table illustrates the estimated present value of the obligation under changes in the key assumptions set out below:

	December 31, 2025	December 31, 2024
	SAR	SAR
Discount rate +1%	**914,296**	960,946
Discount rate -1%	**1,174,974**	1,121,212
Salary increase rate +1%	**1,178,623**	1,055,552
Salary increase rate -1%	**909,666**	1,017,690
Average employee age (years)	**34.3**	32.9
Average past service years	**4.0**	1.8

The above sensitivity analysis has been determined based on a method that estimates the impact on employees' end-of-service benefits resulting from reasonably possible changes in key assumptions at the reporting date. The analysis assumes a change in one assumption while holding all other assumptions constant. However, such sensitivity analysis may not be indicative of actual changes in the employees' benefits obligation, as it is unlikely that changes in assumptions would occur independently of one another.

20- ACCRUED EXPENSES AND OTHER LIABILITIES

	December 31, 2025	December 31, 2024
	SAR	SAR
Advances from customers	**7,147,526**	19,958,429
Accrued board of directors and committee remuneration	**1,620,000**	800,000
Employee accruals	**784,605**	641,455
Accrued expenses	**30,000**	204,378
Provision for completed projects (20-1)	**1,131,809**	-
Others	**414,387**	469,951
	11,128,327	22,074,213

20-1 Provision for Completed Projects:
This balance represents the estimated future expenditures to be incurred by the Company in respect of real estate projects held for sale, which have been executed and developed with the Company's participation. Based on management's best estimates, a provision was recognized for certain completed projects during the year ended 2025. During the current year, a portion of the previously recognized provision was reversed accordingly.

The movement in the Provision for Completed Projects is as follows:

	Note	December 31, 2025	December 31, 2024
		SAR	SAR
Balance at beginning of the year		**-**	3,797,126
Charged for the year		**1,240,968**	-
Provision Reverse during the year	**26**	**(109,159)**	(454,204)
Used during the year		**-**	(3,342,922)
Closing Balance		**1,131,809**	-

21- ZAKAT PROVISION

21.1 Zakat base:

	December 31, 2025	December 31, 2024
	SAR	SAR
Restated Net Profit	**129,935,392**	107,956,892
Total Additions	**995,724,963**	613,627,632
Total Deductions	**(760,877,247)**	(490,848,216)
Zakat Base	**234,847,716**	122,779,416
Zakat Payable	**6,053,631**	3,493,900

21.2 Movement in Zakat provision:

	December 31, 2025	December 31, 2024
	SAR	SAR
Balance at beginning of the year	**3,493,900**	6,506,791
Charge for the year	**6,053,631**	3,493,900
Payments during the year	**(3,493,900)**	(6,506,791)
Balance at end of the year	**6,053,631**	3,493,900

21.3 Zakat status:

The Company has filed its Zakat returns for all prior years up to 2024, settled the amounts due accordingly, and obtained the required certificates. There are no outstanding Zakat assessments as of the date of these financial statements.

22- REVENUE

The detailed breakdown of revenue is as follows:

	Note	December 31, 2025	December 31, 2024
		SAR	SAR
Real estate sales revenue		**253,978,051**	327,261,956
Construction and development contracts revenue for others	12	**145,200,447**	100,398,375
Administrative services and property rental income		**6,036,410**	3,406,027
Total		**405,214,908**	431,066,358

Timing of revenue recognition:

	Real Estate Sales	Construction & Development	Leasing	Total
For the year ended December 31, 2025:				
At a point in time	**253,978,051**	**-**	**-**	**253,978,051**
Over time	**-**	**145,200,447**	**6,036,410**	**151,236,857**
Total	**253,978,051**	**145,200,447**	**6,036,410**	**405,214,908**
For the year ended December 31, 2024:				
At a point in time	327,261,956	-	-	327,261,956
Over time	-	100,398,375	3,406,027	103,804,402
Total	327,261,956	100,398,375	3,406,027	431,066,358

Revenue from the sale of real estate represents revenue recognized at a point in time when control is transferred to the customer. Revenue from development contracts for third parties is recognized over time using the input method of measuring progress. Rental income relates to operating lease contracts and is recognized on an accrual basis over the lease term. The line item “Revenue from construction and development contracts for others” includes revenue recognized based on the percentage of completion method for ongoing contracts (see Note 12).

23- COST OF REVENUE

	Note	December 31, 2025	December 31, 2024 (Restated – Note 32)
		SAR	SAR
Cost of real estate sales (23-1)	11-b	**192,799,318**	243,391,764
Cost of construction and development contracts (23-2)	12	**122,341,740**	53,752,631
Others		**-**	7,428,517
Total		**315,141,058**	304,572,912

23-1 Represents the carrying value of land and real estate units for which control was transferred to customers during the year. The cost includes land value, construction and development costs, and capitalized financing costs up to the date of development completion.
23-2 Costs are recognized based on the input method (refer to Note 12), whereby costs are measured in accordance with the actual work performed

24- SELLING AND MARKETING EXPENSES

	December 31, 2025	December 31, 2024
	SAR	SAR
Marketing expenses	**7,115,110**	8,054,976
Design and marketing expenses	**366,774**	850,295
Depreciation of property and equipment	**274,856**	345,374
Total	**7,756,740**	9,250,645

25- GENERAL AND ADMINISTRATIVE EXPENSES

	Note	**December 31, 2025** **SAR**	December 31, 2024 SAR
Salaries, wages and related benefits		**3,464,555**	4,171,939
Board of Directors and committee members' remuneration	13	**2,329,500**	290,000
Government fees		**1,396,595**	727,276
Bonuses and incentives		**1,106,093**	492,166
Professional fees and consultancy (25-1)		**1,083,076**	592,452
Social insurances		**701,041**	808,606
Depreciation of property and equipment	6	**464,481**	306,274
Amortization of right-of-use assets	8	**389,306**	400,293
Provision for employee benefits obligations	19	**354,751**	444,116
Hospitality and cleaning		**353,464**	300,850
Vehicles rental		**151,107**	148,654
Bank charges		**45,005**	350,927
Provision for impairment of advances to suppliers	15	**-**	360,162
Others		**1,269,180**	874,661
Total		13,108,154	10,268,376

25-1 Professional Fees and Consultancy:
The audit fees for the annual financial statements and the review of the interim financial statements amounted to SAR 300,000.

26- FINANCE COST

	Note	**December 31, 2025** **SAR**	December 31, 2024 SAR
Finance costs – credit facilities	8	**390,201**	127,317
Interest on lease liabilities	19	**12,158**	32,718
Interest on employee benefit obligations		**55,368**	28,159
Total		**457,727**	188,194

Total financing costs incurred during the year amounted to SAR 24,604,990, of which SAR 24,214,789 was capitalized to properties under development and investment properties (Notes 7 and 11), while the remaining amount was charged to the statement of profit or loss.
In addition to the above, an amount of SAR 5,567,691 was recognized as imputed financing cost arising from measuring the shareholder's loan at present value (Note 13-1).

27- OTHER INCOME

	Note	**December 31, 2025** **SAR**	December 31, 2024 SAR
Revenue from sale of construction waste materials		**72,788**	-
Revenue from architectural design services		**68,000**	-
Gain on disposal of investment property		**50,550**	-
Government grant (27-1)		**36,777**	154,382
Reversal of impairment provision for recoverable VAT	15	**-**	585,285
Reversal of provision for completed projects	19	**-**	454,204
Other miscellaneous income		**22,402**	50,578
Total		**250,517**	1,244,449

(27-1) Government Support represents amounts received from the Ministry of Human Resources under the Ministry's support programs.

28- BASIC AND DILUTED EARNINGS PER SHARE FOR THE YEAR

Basic and diluted earnings per share are calculated by dividing the profit for the year by the weighted average number of outstanding shares at year end, as follows:

	December 31, 2025	December 31, 2024
		Restated
	SAR	SAR
Profit for the year	**129,935,392**	111,303,977
Weighted average number of outstanding shares at year end	**10,000,000**	10,000,000
Basic and diluted earnings per share in net profit for the year	**12.99**	11.13

29- FINANCIAL RISK MANAGEMENT

29-1 Objectives and Policies for Financial Instruments Risk Management:

The Company's main financial liabilities comprise bank facilities, accounts payable, accrued expenses, and other payables. The primary purpose of these financial liabilities is to finance the Company's operations and provide the necessary guarantees to support its activities. The Company's main financial assets include accounts receivable, other receivables, financial assets held at amortized cost, and cash, which arise directly from its operations.
The Company is exposed to market risk, credit risk, and liquidity risk. Senior management oversees the management of these risks.

29-2 Market Risk:

Market risk is the risk arising from changes in the fair value or future cash flows of financial instruments due to changes in market prices. Market prices include three main types: interest rate risk, currency risk, and other price risks, such as equity price risk and commodity price risk. Financial liabilities affected by market price risk include facilities, accounts receivable, and accounts payable.

29-2-1 Interest Rate Risk:

Interest rate risk is the risk arising from changes in the fair value or future cash flows of financial instruments due to fluctuations in market interest rates. As of the statement of financial position date, the Company's financial assets and liabilities, excluding credit facilities, are not exposed to interest rate risk. Credit facilities carry interest plus a credit margin based on prevailing market interest rates.

Sensitivity to Commission Rates

December 31, 2025	**Increase / (Decrease) in Interest Rate**	**Balance**	**Potential impact on Comprehensive income**
Non-Current Portion of Credit Facilities – Principal Amount	**+1%**	**378,624,765**	**3,786,248**
	-1%	**378,624,765**	**(3,786,248)**

December 31, 2024	Increase / (Decrease) in Interest Rate	Balance	Potential impact on Comprehensive income
Non-Current Portion of Credit Facilities – Principal Amount	+1%	151,604,500	1,516,045
	-1%	151,604,500	(1,516,045)

The assumed movement in basis points for the commission rate sensitivity analysis is based on the current observable market environment, which shows significantly lower volatility compared to previous periods.

29- FINANCIAL RISK MANAGEMENT(CONTINUED)

29-2-2 Currency Risk

Currency risk arises from fluctuations in exchange rates that may affect future profits or the fair value of financial instruments. The Company monitors changes in exchange rates and believes that the impact of currency risk is not significant.

29-2-3 Equity Price Risk

The Company's listed and unlisted equity securities are exposed to uncertainties arising from market price risk, due to the unpredictability of the future values of investment securities. The Company manages equity price risk through diversification and by setting limits for each financial instrument individually and in aggregate. Reports on the equity portfolio are regularly submitted to the Company's senior management. The Board of Directors reviews and approves all decisions related to equity investments. For investments and equity instruments held in unrestricted portfolios, the maximum exposure to risk is limited to the carrying amount of these investments.

29-3 Credit Risk

Credit risk represents the risk that one party to a financial instrument will fail to discharge its contractual obligations, resulting in a financial loss to the Company. The Company deals with banks of high creditworthiness. Credit risk arises from bank balances, cheques under collection, amounts due from related parties, and Accounts receivable as follows:

	December 31, 2025	December 31, 2024
	SAR	SAR
Cash at banks and cheques under collection	**7,907,163**	70,467,165
Accounts receivable	**116,716,065**	488,559
Due from related parties	**-**	30,072
	124,623,228	70,985,796

As at December 31, 2025, the balance due from the top 5 customers represents 85% of total receivables (2024: 1%). Management considers these balances to be of high credit quality (or secured by approved bank financing).

High Risk Concentrations

Risk concentrations arise when a number of other parties engage in similar business activities or operate in the same geographical area, or possess economic characteristics that may affect their ability to fulfill contractual obligations impacted by economic, political, or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

To mitigate high risk concentrations, the Company's policies and procedures include specific guidelines aimed at maintaining a diversified portfolio. Identified credit risk concentrations are monitored and managed accordingly.

29- FINANCIAL RISK MANAGEMENT(CONTINUED)

29-4 Liquidity Risk

Liquidity risk refers to the risk that the Company may face in meeting its obligations related to financial instruments it is committed to on behalf of third parties. To mitigate liquidity risk and the potential losses associated with it on the Company's operations, the Company maintains, wherever possible, sufficient highly liquid current assets under all operating conditions. The Company also has a policy for estimating highly dynamic cash flows and a system that allows it to assess the timing of its obligations and to develop appropriate plans to ensure the necessary resources are available to settle these obligations when due.

(A) Maturity profile of liabilities as at December 31, 2025:

	Less than 1 year	**More than 1 year**	**Undiscounted amount**	**Carrying amount**
December 31, 2025				
Employees' benefits obligations	**54,363**	**1,316,690**	**1,371,053**	**1,032,148**
Credit facilities	**11,442,029**	**461,288,024**	**472,730,053**	**399,779,305**
Lease liabilities	**154,114**	**-**	**154,114**	**141,956**
Contract liabilities	**4,555,804**	**-**	**4,555,804**	**4,555,804**
Due to related parties	**25,000,000**	**74,451,648**	**99,451,648**	**85,992,650**
Trade payables (suppliers & contractors)	**78,715,638**	**-**	**78,715,638**	**78,715,638**
Accrued expenses and other liabilities	**2,848,992**	**-**	**2,848,992**	**2,848,992**
Zakat provision	**6,053,631**	**-**	**6,053,631**	**6,053,631**
Total	**128,824,571**	**537,056,362**	**665,880,933**	**579,120,124**

	Less than 1 year	More than 1 year	Undiscounted amount	Carrying amount
December 31, 2024				
Employees' benefits obligations	26,191	2,121,832	2,148,023	1,036,858
Credit facilities	7,825,581	154,213,278	162,038,859	159,430,081
Lease liabilities	431,764	17,988	449,752	437,342
Contract liabilities	3,041,136	-	3,041,136	3,041,136
Due to related parties	112,554,012	-	112,554,012	112,554,012
Trade payables (suppliers & contractors)	6,480,062	-	6,480,062	6,480,062
Accrued expenses and other liabilities	2,115,784	-	2,115,784	2,115,784
Zakat provision	3,493,900	-	3,493,900	3,493,900
Total	135,968,430	156,353,098	292,321,528	288,589,175

29- FINANCIAL RISK MANAGEMENT (CONTINUED)

29-5 Capital Management Risk
The Company's policy is to maintain a strong capital base in order to sustain investors', creditors', and market confidence and to support the future development of the business. The Company monitors its capital structure using the net debt to equity ratio. Net debt is calculated as credit facilities less cash at banks. The Company's net debt to equity ratio at the end of the year is as follows:

	December 31, 2025	December 31, 2024
	SAR	SAR
Credit facilities	**399,779,305**	159,430,081
Less: Cash and cash equivalents	**7,907,163**	70,467,165
Net debt	**407,686,468**	229,897,246
Total shareholders' equity	**469,577,083**	320,207,352
Net debt to equity ratio	**86.8%**	%71.8

29-6 Fair Value
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between willing parties at the measurement date. The definition assumes that the Company is a going concern with no intention or requirement to significantly curtail its operations or undertake transactions on adverse terms.

Fair values are categorized into different levels within the fair value hierarchy based on the inputs used in valuation techniques, as follows:

Level 1: Quoted prices in active markets for identical financial instruments or investment properties.
Level 2: Valuation techniques using inputs that are observable, either directly or indirectly, in the market.
Level 3: Valuation techniques using inputs that are not observable in the market.

December 31, 2025	**Level 1**	**Level 2**	**Level 3**
Investment properties	-	-	**417,176,205**

December 31, 2024	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss	-	17,116,320	-
Investment properties	-	-	85,514,426

30- SEGMENT INFORMATION

Segment information relates to the Company's activities and operations, which management uses as the basis for preparing its financial information, in line with internal reporting methods. Transactions between segments are conducted under the same terms as transactions with other parties.
The Company discloses information on revenue, expenses, and operating results for each reportable segment based on internal reports regularly provided to the chief operating decision maker (CODM) for the purpose of evaluating performance and allocating resources. Since total assets and liabilities for each segment are not regularly reported to the CODM, disclosure is limited to the measurement of profit or loss for each segment, and segment assets and liabilities are not disclosed in accordance with International Financial Reporting Standard (IFRS) 8 – Operating Segments.
The Company's segments are as follows:

Real Estate Sales Segment: Activities include the purchase, sale, and subdivision of land and real estate.
Construction and Development for Others Segment: Activities include general construction of residential and non-residential buildings for the Company and third parties.
Management and Leasing Services Segment: Activities include the management and leasing of owned or leased properties (residential).

All operations and services are conducted within the Kingdom of Saudi Arabia, and all of the Company's business segments are located within the Kingdom.

The following is a summary of the financial segment information in Saudi Riyals as of December 31, 2025, presented by nature of activity:

The Company's segments are as follows:

Real Estate Sales Segment: Activities include the purchase, sale, and subdivision of land and real estate.
Construction and Development for Others Segment: Activities include general construction of residential and non-residential buildings for the Company and third parties.

Management and Leasing Services Segment: Activities include the management and leasing of owned or leased properties (residential).

All operations and services are conducted within the Kingdom of Saudi Arabia, and all of the Company's business segments are located within the Kingdom.

The following is a summary of the financial segment information in Saudi Riyals as of December 31, 2025, presented by nature of activity:

For the year ended December 31, 2025	**Real Estate Sales Segment**	**Construction and Development for Others Segment**	**Management and Leasing Services Segment**	**Total**
Revenue	**253,978,051**	**145,200,447**	**6,036,410**	**405,214,908**
Cost of Revenue	**(192,799,318)**	**(122,341,740)**	**-**	**(315,141,058)**
Gross Profit	**61,178,733**	**22,858,707**	**6,036,410**	**90,073,850**

For the year ended December 31, 2025	Real Estate Sales Segment	Construction and Development for Others Segment	Management and Leasing Services Segment	Total
Revenue	327,261,956	100,398,375	3,406,027	431,066,358
Cost of Revenue	(243,391,764)	(61,181,148)	-	(304,572,912)
Gross Profit	83,870,192	39,217,227	3,406,027	126,493,446

31- CAPITAL COMMITMENTS

As at December 31, 2025, the Company had outstanding capital commitments relating to contracting activities, investment properties, and properties under development amounting to SAR 329,849,545 (2024: SAR 55,329,613)

Idle Lands Tax

The Company received, subsequent to the financial year-end, a number of invoices amounting to SAR 9,685,137 relating to lands owned by the Company. Management has assessed these claims in consultation with the legal advisor and concluded that certain invoices pertain to lands associated with completed and finalized projects for which completion certificates have been issued. Other invoices relate to lands that may qualify for statutory exemptions due to regulatory and technical constraints beyond the Company's control, which prevented the development of such lands during the period in which the regulations were applicable. Formal objections have been submitted in this regard.

Given the current uncertainty surrounding the final outcome, and in the absence of sufficient evidence to confirm the existence of a present obligation or to assess the likelihood of an outflow of economic resources, no provision has been recognized. Accordingly, these matters have been disclosed as contingent liabilities.

32- EFFECT OF CHANGE IN ACCOUNTING POLICY

During the year ended December 31, 2025, the Company's Board of Directors approved a change in accounting policy for the subsequent measurement of investment properties from the cost model to the fair value model, as management believes that this model provides more relevant and reliable information regarding the Company's financial position and performance. This change has been applied retrospectively in accordance with the requirements of IAS 8 and IAS 40. The effect of the change has been recorded by adjusting each affected line item in the financial statements for prior periods.

The following table summarizes the impact on the Company's financial statements for the current year and prior periods presented (including the earliest comparative period presented):

Adjustment (1): Impact of change in accounting policy to fair value of investment properties

Statement of The Financial Position

December 31, 2024	As previously reported	Adjustment (1)	As restated
Investment properties	81,516,084	3,998,342	85,514,426
Total assets	624,756,614	3,998,342	628,754,956
Retained earnings	202,130,844	3,998,342	206,129,186
Total shareholders' equity	316,209,010	3,998,342	320,207,352

31 December 2023	As previously reported	Adjustment (1)	As restated
Investment properties	4,090,859	651,258	4,742,117
Total assets	343,897,827	651,258	344,549,085
Retained earnings	94,329,001	651,258	94,980,259
Total shareholders' equity	208,407,167	651,258	209,058,425

32- EFFECT OF CHANGE IN ACCOUNTING POLICY(CONTINUED)

Statement of Profit or Loss and Other Comprehensive Income

	As previously reported	Adjustment (1)	As restated
Prior period: December 31, 2024			
Cost of revenue	(304,749,119)	176,207	(304,572,912)
Depreciation of investment properties	(176,207)	176,207	-
Fair value gains on investment properties	-	3,170,877	3,170,877
Profit for the year	107,956,893	3,347,084	111,303,977
Basic and diluted earnings per share	10.80	0.33	11.13

There is no impact on total operating, investing, or financing cash flows for the year ended December 31, 2025.

33- COMPARATIVE FIGURES

The Company has reclassified certain comparative figures for the prior period to align with the presentation and classification of the current period, in order to enhance the quality of presentation and disclosure in the financial statements. The main reclassifications include:

1. Accounts receivable have been separated from prepaid expenses and each is presented under a separate line item.
2. Accounts payable have been separated from accrued expenses and each is presented under a separate line item.
3. Accrued finance transaction costs have been reclassified from accrued expenses to credit facilities.

Prior period: December 31, 2024	As previously reported	Adjustment (1)	As restated
Trade receivables, net	-	488,559	**488,559**
Prepayments and other assets, net	16,304,561	(488,559)	**15,816,002**
Total current assets	540,652,193	-	**540,652,193**
Total assets	540,652,193	-	**540,652,193**
Credit facilities – current portion	-	7,825,581	**7,825,581**
Trade payables to suppliers and contractors	-	6,480,062	**6,480,062**
Accrued expenses and other liabilities	36,379,856	(14,305,643)	**22,074,213**
Total current liabilities	155,888,464	-	**155,888,464**
Total liabilities	308,547,604	-	**308,547,604**
Total equity and liabilities	628,754,956	-	**628,754,956**

34- SIGNIFICANT EVENTS

The actual subscription took place on 21 Dhu al-Qi'dah 1446H (corresponding to 19 May 2025), and the Company's listing as a Saudi joint-stock company under the trading symbol 9640 was approved.

The Company's shares began trading on the parallel market "Nomu" on 20 Dhu al-Qi'dah 1446H (corresponding to 16 June 2025).

35- SUBSEQUENT EVENTS

The Company obtained approval from the relevant regulatory authority to increase its capital from SAR 100 million to SAR 300 million through capitalization of a portion of retained earnings, by issuing bonus shares to shareholders. The implementation of this increase remains subject to approval by the Extraordinary General Assembly as of the date of these financial statements.

36- APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Company's Board of Directors on 30 March 2026

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Thank you

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