LADUN

Document of Share Transfer of

Ladun Investment Company

from the Parallel Market to the Main Market

Document of Share Transfer of Ladun Investment Company from the Parallel Market to the Main Market

LADUN

The Company was established on 20/08/1425H (corresponding to 04/10/2004G) as a limited liability company under the name "Ajzala For Trading and Real Estate Investment Ltd." by converting some branches of "Ajzala For Trading and Contracting Establishment" owned by Saad bin Saud bin Saad Al-Arifi", which are: Ajzala Fuel Trading Establishment, Commercial Registration No. (000429) dated 10/30/1411 H (corresponding to 15/05/1991 G), headquartered at Al Muzahmiyah, (2) Jazala Real Estate Office, Commercial Registration No. (076827) dated 14/10/1410 H (corresponding to 09/05/1990 G), headquartered in Riyadh, (3) Saad Alarifi Factory for Blocks, Commercial Registration No. (132533) dated 09/08/1415 H (corresponding to 11/01/1995 G), headquartered in Riyadh, (4) Ajzala Real Estate Services Office, Commercial Registration No. (022785) dated 30/04/1419 H (corresponding to 23/08/1998 G), headquartered in Al Khobar, (5) Ajzala Furnished Apartments Establishment, Commercial Registration No. (025538), dated 28/07/1422 H (corresponding to 15/10/2001 G), headquartered in Al Khobar. The Company, with all its rights, obligations, assets, and liabilities, was converted to "Ajzala For Trading and Real Estate Investment Co.", a Limited Liability Company. Its capital is (SAR 2,142,000) two million, one hundred and forty-two thousand Saudi Riyals, divided into (8,568) eight thousand, five hundred and sixty-eight shares of equal value, with each share valued at (SAR 250) two hundred and fifty Saudi Riyals (determined depending on the valuation of the aforementioned establishments branches according to their book value). The Company was recorded in the Commercial Register in Al Khobar under number (2051030952) on 17/03/1426 H (corresponding to 26/04/2005 G). On 29/07/1431 H (corresponding to 06/07/2010 G), the partners unanimously approved to convert the Company into a closed joint-stock company under the name "Ajzala For Trading and Real Estate Investment Company". The partners also resolved to increase the Company's capital from (SAR 2,142,000) two million, one hundred and forty-two thousand Saudi Riyals to (SAR 10,000,000) ten million Saudi Riyals, divided into (1,000,000) one million fully paid-up ordinary shares through the issuance of (785,800) seven hundred and eighty-five thousand, eight hundred ordinary shares, each with a par value of (10) ten Saudi Riyals. The capital increase of ((SAR 7,858,000) seven million, eight hundred and fifty-eight thousand Saudi Riyals was fulfilled in the form of an in-kind contribution of buildings erected on leased land. On 25/08/1437 H (corresponding to 01/06/2016 G), the Extraordinary General Assembly approved the increase in the Company's capital from (SAR10,000,000) ten million Saudi Riyals to (SAR 368,114,200) three hundred and sixty-eight million, one hundred and fourteen thousand, two hundred Saudi Riyals, divided into (36,811,420) thirty-six million, eight hundred and eleven thousand, four hundred and twenty fully paid-up ordinary shares, each with nominal value of ten (10) Saudi Riyals, by issuing thirty-five million, eight hundred and eleven thousand, four hundred and twenty (35,811,420) ordinary shares, with a par value of ten (10) Saudi Riyals per each share. The capital increase valued at SAR (358,114,200) three hundred and fifty-eight million, one hundred and fourteen thousand, two hundred Saudi Riyals was fulfilled by capitalizing in-kind assets according to their average valuation conducted by external evaluators on 30/07/1437 H (corresponding to 07/05/2016 G). On 12/03/1440 H (corresponding to 20/11/2018 G), the Extraordinary General Assembly approved changing the Company's name from "Ajzala For Trading and Real Estate Investment Company" to "Ladun Investment Company". On 25/01/1443 H (corresponding to 02/09/2021 G), the Extraordinary General Assembly approved an increase in the Company's capital from (SAR 368,114,200) three hundred and sixty-eight million, one hundred and fourteen thousand, two hundred Saudi Riyals to (SAR 500,000,000) five hundred million Saudi Riyals, divided into (50,000,000) fifty million ordinary shares, each with a par value of ten (10) Saudi Riyals. The increase valued at SAR (131,885,800) one hundred and thirty-one million, eight hundred and eighty-five thousand, eight hundred Saudi Riyals was paid by capitalizing the entire statutory reserve amounting to (SAR 12,447,484) twelve million, four hundred and forty-seven thousand, four hundred and eighty-four Saudi Riyals, as well as capitalizing a portion of the retained earnings amounting to (SAR 119,438,316) one hundred and nineteen million, four hundred and thirty-eight thousand three hundred and sixteen Saudi Riyals. On 15/11/1443 H (corresponding to 14/06/2022 G), the Company was listed on the Parallel Market. On 11/11/1444 H (corresponding to 31/05/2023 G), the Extraordinary General Assembly approved the share split, reducing the nominal value of the share from (SAR 10) ten Saudi Riyals to (SAR 1) one Saudi Riyal, while maintaining the Company's capital unchanged. Accordingly, the number of shares increased from (50,000,000) fifty million to (500,000,000) five hundred million shares. On 08/04/1445 H (corresponding to 23/10/2023 G), the Company's Board of Directors approved the transition of the Company's shares from the Parallel Market to the Main Market.

All of the Company's shares are ordinary shares of one class. No shareholder shall have any preferential rights. Each shareholder (hereinafter referred to as "Shareholder"), regardless of the number of their shares, shall have the right to attend and vote at the meetings of the General Assembly of Shareholders (hereinafter referred to as "General Assembly").

According to its Articles of Association, the Company's activities are: (1) The purchase, sale and subdivision of land and real estate and off-plan sales activities; (2) The management and leasing of owned or leased residential real estate; (3) The management and leasing of owned or leased non-residential properties; (4)Real estate development of residential buildings using modern construction methods; (5) Real estate development of commercial buildings using modern construction methods; (6) Real estate contributions; (7) the purchase of land, erection of buildings thereon, and their investment through sale or lease for the Company; (8) Real estate brokerage; (9) The management of its subsidiaries or participation in the management of other companies in which it holds a stake, and providing the necessary support to them; (10) The investment of its funds in stocks and other securities; (11) The ownership of real estate and movable property necessary for conducting business; (12) The ownership, development, and investment of real estate through sale, purchase, lease, rental, management, operation, and maintenance; (13) The ownership, investment, management, operation, and maintenance of hotels, hospitals, all types of residential complexes, and recreational and tourist facilities; (14) Maintenance and operation works for public and private cities, facilities, and establishments; (15) Supervision of the execution of real estate projects; (16) The import of materials, devices, furniture, tools, and equipment related to the Company's business; (17) Manufacturing industries and their branches as per industrial licenses; (18) Construction and building; (19) Trade; (20) Financial, business, and other services; (21) Information technology; and (22) Security and safety services

According to the Company's shareholders' register dated 20/01/1448H (corresponding to 05/07/2026G), the Company has two (2) major shareholders who directly own 5% or more of the Company's shares. These shareholders are: Adiyat Investment Company, which holds sixty-seven million seven hundred ninety-six thousand three hundred seventy (67,796,370) shares, representing 13.56%; and His Royal Highness Prince Faisal bin Saad bin Saud Al Saud, who holds twenty-eight million, one hundred forty-three thousand, nine hundred and fifty (28,143,950) shares, representing 5.63% (hereinafter collectively referred to as the "Major Shareholders") of the Company's shares.

Investing in the shares subject to the transfer to the Main Market involves risks and uncertainties. Therefore, the "**Important Notice**" and "**Risk factors**" sections hereof should be carefully considered by investors before deciding to invest in the Company's shares following the transfer to the Main Market.

After the announcement of the Tadawul Group's approval of the transfer of the Issuer's shares to the Main Market, the Saudi Exchange Company ("Saudi Exchange") shall suspend trading in the Issuer's shares on the day following expiry of the transfer document publication period for a period not exceeding five trading sessions, and then the transfer procedures shall commence (please refer to the "**Timeline for the Transfer Process**" section on page (vi)).

Financial Advisor

الراجحي المالية
alrajhi capital

This Transfer Document contains information provided as part of the application for transfer to the Main Market in accordance with the requirements of the Listing Rules issued by the Saudi Exchange. The Directors whose names appear on page (iii) jointly and severally bear full responsibility for the accuracy of the information contained in this Transfer Document and confirm, having made all possible and reasonable inquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would render any statement contained herein misleading. The CMA and the Saudi Stock Exchange assume no responsibility for the contents of this Transfer Document, make no representations as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Transfer Document.

This document was issued on 28/02/1448 H (Corresponding to 11/08/2026 G)


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Important Notice

This Document contains full detailed information about Ladun Investment Company and its shares that are subject to transfer from the parallel market to the main market. Potential investors wishing to invest in the shares subject to transfer after the completion of their transfer, listing, and the commencement of their trading in the main market will be treated on the basis that their investment decision relies upon the information contained in this Document. This Document can be accessed by visiting the Company's website (https://www.ladun.sa), the Financial Advisor's website, Al Rajhi Capital (www.alrajhi-capital.com), or the website of the Saudi Exchange Company "Saudi Exchange" (www.saudiexchange.sa). Furthermore, the Financial Advisor, Al Rajhi Capital, will make an announcement on its page on the Saudi Exchange website regarding the publication of the Transfer Document and its availability for review by investors during the period specified according to the Listing Rules, which is ten (10) trading days preceding the date of transfer to the main market.

The Company must also, after the Saudi Exchange Company grants the application for transfer to the main market, publish the Transfer Document within three trading days following the announcement of Saudi Exchange Company's approval for the transfer request.

This Transfer Document contains information provided as part of the application for transfer to the Main Market in accordance with the requirements of the Listing Rules issued by the Saudi Exchange (referred to as "Saudi Exchange"). The Directors whose names appear on page (iii) jointly and severally bear full responsibility for the accuracy of the information contained in this Transfer Document and confirm, having made all possible and reasonable inquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would render any statement contained herein misleading. The CMA and the Saudi Stock Exchange assume no responsibility for the contents of this Transfer Document, make no representations as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Transfer Document.

Al Rajhi Capital has been appointed as the financial advisor ("**Financial Advisor**") in connection with the application for the transfer of the Company's shares from the Parallel Market to the Main Market.

The information contained in this Document on the date of its issuance is subject to change. In particular, the financial position of the Company and the value of its Shares may be adversely affected by future developments related to inflation, interest rates, taxes or any other economic or political factors beyond the control of the Company (please refer to Section (2) "**Risk factors**" of this Document). This Document and any oral, written or printed communications in relation to the Shares subject to the transfer to the Main Market should not be considered, interpreted, or relied upon in any way as a promise or statement regarding future profits, results, or events.

This Document may not and shall not be considered a recommendation by the Company, its Directors, or any of its advisors to participate in an investment in the shares subject to the transfer to the Main Market. The information contained in this Document is of a general nature and has been prepared without taking into account the individual investment objectives, financial situation or specific investment needs of the persons wishing to invest in the shares subject to the transfer to the Main Market. Before making any investment decision, each recipient of this Document should obtain independent professional advice regarding investing in the shares subject to the transfer to the Main Market after the commencement of trading from a financial advisor licensed by the CMA, in order to assess the suitability of the investment opportunity and the information contained in this Document for their specific investment objectives, circumstances and needs, including the advantages and risks associated with investing in the shares subject to the transfer to the Main Market. Investing in the shares subject to the transfer to the Main Market may be suitable for certain investors and not for others. Potential investors should not rely on another party's decision to invest or not to invest as the basis for their own investigation into their investment opportunity or the particular circumstances of those investors.

The Company and the financial advisor request that the recipient of this Document review all regulatory restrictions related to the purchase or sale of shares subject to the transfer and adhere to them.

Financial Information

The audited financial statements of the Company for the financial years ended December 31, 2023G, 2024G, and 2025G and the three-month period ending on March 31, 2026 have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted in the Kingdom of Saudi Arabia and other standards and publications approved by the Saudi Organization for Chartered and Professional Accountants (SOCPA). The audited financial statements for the financial years ended December 31, 2023G, 2024G, and 2025G and the three-month period ending on March 31, 2026 were reviewed by El Sayed El Ayouty & Co. Certified Public Accountants.

The figures contained in this Document are shown in Saudi riyals. The figures contained in the financial statements, if summed, may differ from those contained in this Document due to rounding. Therefore, the financial data contained in this Document may differ from the information contained in the financial statements. It should also be noted that some of the figures and percentages contained in this Document are approximate. Thus, figures shown for the same category presented in different tables may slightly vary, and figures shown as a sum in some tables may not represent an arithmetic mean or sum of the previous figures.

Forecasts and Forward-Looking Statements

The forecasts contained in this Document are prepared on the basis of specific assumptions stated herein. The Company's future circumstances may differ from the assumptions used. Therefore, there is no guarantee, assurance or representation regarding the accuracy or completeness of these forecasts.

Certain forecasts and statements contained in this Document constitute "forward-looking statements". Forward-looking statements can be generally identified by the use of words such as "plans", "intends", "aims", "estimates", "believes", "expects", "expected", "may", "possible", "likely", "could", "will", "might", and their negative forms and other words close or similar in meaning. These statements reflect the Company's current views on future events, but do not constitute a guarantee or confirmation of any actual future performance of the Company, as there are many factors that may affect the actual performance, achievements or results of the Company and lead to material differences from what is expressly or implicitly implied in these statements. The most important risks and factors that could lead to such an impact have been reviewed in more detail in other sections of this Document (please refer to Section 2 "**Risk factors**"). If one or more of these factors are realized, or if any of the forecasts or estimates contained in this Document are proven to be incorrect or inaccurate, the Company's actual results may significantly differ from those mentioned herein.

As a result of these risks, uncertainties and estimates, the future events, conditions and forecasts addressed in this Document may not occur as the Company anticipates or may not occur at all. Therefore, potential investors should examine all forward-looking statements in light of these clarifications while not primarily relying on them.

Company Handbook

<table>
<tr><th colspan="11">Based on the shareholders' register dated 20/01/1448 AH (corresponding to 05/07/2026 AD)</th></tr>
<tr><th rowspan="3">Name</th><th rowspan="3">Position</th><th rowspan="3">Nationality</th><th colspan="2" rowspan="2">Directorship Status</th><th rowspan="3">Date of Appoint-ment</th><th colspan="4">Shares Owned</th></tr>
<tr><th colspan="2">Directly Owned</th><th colspan="2">Indirectly Owned</th></tr>
<tr><th>Independent/ Non - Independent</th><th>Executive/ Non - executive</th><th>No.</th><th>%</th><th>No.</th><th>%</th></tr>
<tr><td>Eng. Nasser bin Saad Al-Arifi*</td><td>Chairman</td><td>Saudi</td><td>Non-independent</td><td>Non-executive</td><td>25/03/1447 H (Corresponding to 17/09/2025 G)</td><td>670,000</td><td>0.1340%</td><td>67,885,955</td><td>13.5772%</td></tr>
<tr><td>Mr. Suleiman bin Abdul Aziz Al-Batli</td><td>Vice Chairman & Managing Director</td><td>Saudi</td><td>Non-independent</td><td>Executive</td><td>25/03/1447 H (Corresponding to 17/09/2025 G)</td><td>15,414,750</td><td>3.0830%</td><td>None</td><td>None</td></tr>
<tr><td>Prince Faisal bin Saad bin Saud Al Saud</td><td>Board Director</td><td>Saudi</td><td>Non-independent</td><td>Non-executive</td><td>25/03/1447 H (Corresponding to 17/09/2025 G)</td><td>28,143,950</td><td>5.6288%</td><td>None</td><td>None</td></tr>
<tr><td>Dr. Hassan bin Shawqi bin Ahmed Al-Hazmi</td><td>Board Director& CEO</td><td>Saudi</td><td>Non-independent</td><td>Executive</td><td>25/03/1447 H (Corresponding to 17/09/2025 G)</td><td>100,000</td><td>0.0200%%</td><td>None</td><td>None</td></tr>
<tr><td>Mr. Adel bin Abdul Bin Nasir Al-Abdulsalam</td><td>Board Director</td><td>Saudi</td><td>Independent</td><td>Non-executive</td><td>25/03/1447 H (Corresponding to 17/09/2025 G)</td><td>2,222</td><td>0.0004%</td><td>None</td><td>None</td></tr>
<tr><td>Mr. Sultan Bin Abdullatif Bin Abdullah AlNaqli</td><td>Board Director</td><td>Saudi</td><td>Independent</td><td>Non-executive</td><td>25/03/1447 H (Corresponding to 17/09/2025 G)</td><td>79,892</td><td>0.0160%</td><td>None</td><td>None</td></tr>
<tr><td>Dr. Bandar bin Barjas Bin Hamidi Al-Abdulkarim</td><td>Board Director</td><td>Saudi</td><td>Independent</td><td>Non-executive</td><td>25/03/1447 H (Corresponding to 17/09/2025 G)</td><td>None</td><td>None</td><td>None</td><td>None</td></tr>
<tr><td>Total</td><td></td><td></td><td></td><td></td><td></td><td>44,410,814</td><td>8.88%</td><td>67,885,955</td><td>13.6%</td></tr>
</table>

Source: The Company

* The indirect ownership of Mr. Nasser bin Saad Al-Arifi is held through his ownership in Ashar Investment Single Person Company (Single Person) and Adiyat Investment Company, which hold shares in the Company.

Company's registered address

Ladun Investment Company
Riyadh
P.O BOX 6769, Postal Code 12312
Kingdom of Saudi Arabia
Tel: 920011560
Fax: 0114888657
Email: investor@ladun.sa
Website: https://www.ladun.sa

Company's Representatives		
Description	**First Representative**	**Second Representative**
Name	**Hassan bin Shawqi bin Ahmed Al-Hazmi**	**Abdulaziz bin Awjan bin Ayad Al-Rashidi**
Capacity	Chief Executive Officer	Chief Financial Officer
Address	Box 6769,Postal Code 12312, Riyadh, Kingdom of Saudi Arabia	Box 6769,Postal Code 12312, Riyadh, Kingdom of Saudi Arabia
Phone No.:	0555875317	0590303333
Fax No.:	0114888657	0114888657
E-mail	h.alhazmi@ladun.sa	a.alreshidi@ladun.sa
Website:	https://www.ladun.sa	

Source: The Company

Stock market

Saudi Exchange Company (Saudi Exchange)
King Fahd Road - Al-Ulaya 6897
Unit No.: 15
Riyadh 12211 - 3388
Kingdom of Saudi Arabia
Tel: +966920001919
Fax: +966112189133
E-mail: csc@saudiexchange.sa
Website: www.saudiexchange.sa

Advisors

Financial Advisor
Al Rajhi Capital Kingdom of Saudi Arabia, Head Office, King Fahd Road, Al Muruj District P.O. Box 5516 Riyadh 12263 Kingdom of Saudi Arabia Tel: +966920005856 Fax: +9661146000625 E-mail: InvestmentBankingTeam@alrajhi-capital.com Website: www.alrajhi-capital.com
The Chartered Accountant for the financial year ended December 31, 2023G, 2024G, and 2025G and the three-month period ended on March 31, 2026
El Sayed El Ayouty & Co. Certified Public Accountants 58 Al Watan Al Arabi Street, Al Hamra District, Jeddah 21421 Tel: +966126693478 Fax: +9661266602432 E-mail: Jeddah@elayouty.com Website: www.elayouty-cpas.com
Legal Advisor
SuhailPartners LLP Building No. (7); Home Offices Complex; Al-Oruba Road, Riyadh. P.O Box 7795 – Riyadh 12334 Kingdom of Saudi Arabia Tel: +966 (11) 2605555 Website: www.suhailpartners.sa E-mail: ProjectLotus@SuhailPartners.sa
Financial Professional Due Diligence Advisor
PricewaterhouseCoopers Chartered Accountants Kingdom Tower, 21st floor P.O. Box 8282 Riyadh 11482 Kingdom of Saudi Arabia Tel: +966112110400 Fax: +966112110401 E-mail: Mohamad.baydoun@pwc.com Website: Website: www.pwc.com/me

Notice: All of the above-mentioned advisors have given their written consent to the reference to their names, logos, and testimonials in this Document in the form and content contained herein, and this consent has not been withdrawn as at the date of this Document. It should be noted that all these entities and their employees or any of their relatives do not own shares or any interest of any kind in the Company.

Timeline for the Transfer Process

This section includes a timeline showing the important dates for the Issuer's shares to be transferred to the Main Market:

Event	Date
Board Approval of the Transfer from the Parallel Market to the Main Market	08/04/1445H (corresponding to 23/10/2023G).
Publication of the Board's Report	01/12/1447H (corresponding to 18/05/2026 G).
Submission of the Application for the Transfer to the Main Market	03/02/1448H (corresponding to 17/07/2026G).
Saudi Exchange Company Approval of the Transfer Application	On Sunday 26/02/1448H (Corresponding to 09/08/2026G)
Period for publishing the Transfer Document for review on the website of the Company, the market, and the financial advisor	Starting from Wednesday 29/02/1448H (Corresponding to 12/08/2026G) and ending on Tuesday 12/03/1448H (corresponding to 25/08/2026G) for a period of ten days
Suspension/pause of trading of the Company's shares for their Transfer to the Main Market	On Wednesday 13/03/1448H (Corresponding to 26/08/2026G)
Last day of the period of suspension/pause of trading of the Company's shares	Within a period not exceeding five trading days from the date of suspension of trading the shares
Expected date for listing and commencement of trading of the Company's shares on the Main Market	The date of Transfer to the Main Market will be announced on the Saudi Exchange Company website.

For more information, please visit the Saudi Exchange Company website (www.saudiexchange.sa), the Financial Advisor's website (www.alrajhi-capital.com), and the Company's website(https://www.ladun.sa).

Table of Contents

Index of Tables

1. Definitions and Terms

The following table lists definitions and abbreviations for terms used in this Document of Transfer to the Main Market:

Defined Term or Abbreviation	Definition
Company/Issuer	Ladun Investment Company, a public shareholding company, Commercial Registration No. (1010467355).
Subsidiaries	The Company's subsidiaries: – PAINITE Operation and Maintenance Co., Commercial Registration No. (2051047783) ("**PAINITE** Company") – Built Industrial Company, Commercial Registration No. (1010233574) ("**Built Company**") – IKTISSAB Human Resources Company, Commercial Registration No. (101077810) ("**IKTISSAB**")
Group	The Company and the Subsidiaries
Board or Board of Directors	Board of Directors of the Company
Management or Senior Management	Management of the Company
Articles of Association	Articles of Association of the Company
General Assembly	General Assembly of Shareholders of the Company
Ordinary General Assembly	Ordinary General Assembly of Shareholders of the Company
Extraordinary General Assembly	Extraordinary General Assembly of Shareholders of the Company
Government	Government of the Kingdom of Saudi Arabia
Kingdom	The Kingdom of Saudi Arabia
Ministry of Commerce (MoC)	Ministry of Commerce of the Kingdom of Saudi Arabia
ZATCA	Zakat, Tax and Customs Authority (formerly the General Authority of Zakat and Income)
Ministry of Human Resources and Social Development (MHRSD)	Ministry of Human Resources and Social Development of the Kingdom of Saudi Arabia
Ministry of Industry and Mineral Resources (MIMR)	Ministry of Industry and Mineral Resources of the Kingdom of Saudi Arabia
General Authority of Meteorology and Environmental Protection (GAMEP)	General Authority of Meteorology and Environmental Protection in the Kingdom of Saudi Arabia
General Authority for Competition (GAC)	The General Authority for Competition (formerly the Competition Council) is a financially and administratively independent government body established in 1439 H (corresponding to 2018 G). It aims to promote and encourage fair competition, combat unlawful monopolistic practices, ensure the availability and diversity of high-quality goods and services at competitive prices, and encourage innovation.
Companies Law	The Companies Law of the Kingdom of Saudi Arabia, issued by Royal Decree No. (M/132) dated 01/12/1443H (corresponding to 30/06/2022G), which entered into force on 26/06/1444H (corresponding to 19/01/2023G), and any amendments thereto.
Corporate Governance Regulations	The Corporate Governance Regulations issued by the CMA Board pursuant to Resolution No. (8-16-2017), dated 16/05/1438 H (corresponding to 13/02/2017 G), as amended by CMA Board Resolution No. (8-5-2023), dated 25/06/1444 H (corresponding to 18/01/2023 G), and any amendments thereto.
Rules on the Offer of Securities and Continuing Obligations	The Rules on the Offer of Securities and Continuing Obligations issued by the CMA Board Resolution No. (3-123-2017), dated 09/04/1439 H (corresponding to 27/12/2017 G), based on the Capital Market Law promulgated by Royal Decree No. (M/30) dated 02/06/1424 H, as amended by the decision of the Capital Market Authority Board No. (3-6-2026) dated 30/07/1447H (corresponding to 19/01/2026G), and any amendments thereto.
Listing Rules	The Listing Rules issued by the Saudi Exchange Company (Saudi Exchange), approved by the CMA Board Resolution No. (3-123-2017), dated 09/04/1439 H (corresponding to 27/12/2017 G), as amended by Resolution No. (2-53-2025) dated 21/11/1446 AH (corresponding to 19/05/2025 G), as amended by Resolution No. (01-46-2026), dated 13/10/1447 H (corresponding to 01/04/2026G) and any subsequent amendments thereto.

Defined Term or Abbreviation	Definition
Capital Market Authority or CMA	The Capital Market Authority in the Kingdom of Saudi Arabia.
Saudi Exchange Company, Capital Market, Stock Market, Market, or Tadawul	Saudi Exchange Company (formerly the Saudi Stock Exchange Company) Saudi Exchange Company "Saudi Stock Exchange" is a subsidiary of the Saudi Tadawul Group. It is established pursuant to a Council of Ministers Resolution, dated 29/02/1428H (corresponding to 19/03/2007G), in implementation of the Capital Market Law. It is a Saudi joint stock company, and the sole entity authorized to act as a stock exchange in the Kingdom of Saudi Arabia. It lists and trades in securities.
Main Market	The market of the Exchange in which securities, which have been registered and offered pursuant to Part 4 of the Rules on the Offer of Securities and Continuing Obligations and have been admitted to listing pursuant to Part 3 of the Listing Rules, are traded.
Parallel Market	The market of the Exchange in which shares that have been registered and offered pursuant to Part 7 of the Rules on the Offer of Securities and Continuing Obligations and have been admitted to listing pursuant to Part 8 of the Listing Rules, are traded.
Shares of Existing Shareholders prior to Transfer to the Main Market	100 % of the Company's total capital shares, which amount to five hundred million (500,000,000) ordinary shares.
Share	An ordinary share with a nominal value of one (1) Saudi riyal
Nominal Value	One (1) Saudi Riyal per share
Person	A natural or legal person
Shareholder or Shareholders	A shareholder or shareholders of the Company at any given time
Investor	Each person who invests in the shares to be transferred to the Main Market
Business Day	Any business day excluding Friday and Saturday, any day that is a public holiday in the Kingdom of Saudi Arabia, or any day on which banking institutions are closed for business in accordance with the applicable laws and other government procedures.
Labor Law	The Saudi Labor Law issued by Royal Decree No. M/51 dated 23/08/1426 H (corresponding to 27/09/2005 G) and its amendments.
Financial Statements	The audited financial statements of the Company for the financial year ended 31 December 2023 G, 2024 G, and 2025 G.
Financial Year(s)	The period for presenting the result of the entity's business, the beginning and end of which are determined in the memorandum of association or the articles of association of the relevant company. The Company's financial year ends on December 31 of each year.
AH	Hijri calendar
AD	Gregorian calendar
Listing	Listing securities on the Exchange, either on the Main Market or on the Parallel Market, or, where the context permits, the application to the Exchange for listing securities.
Transfer	Transfer of the Issuer's shares from the Parallel Market to the Main Market.
Document of Transfer to the Main Market / Document	This Transfer Document that is required under the Listing Rules for the transfer of shares to the Main Market.
Advisors	The Company's advisors whose names appear on page (v).
Financial Advisor	Al Rajhi Capital
The Company's Chartered Accountant for the financial years ended December 31, 2023G, 2024G, and 2025G and the three-month period ending on March 31, 2026	El Sayed El Ayouty & Co. Certified Public Accountants
Financial Professional Due Diligence Advisor	PricewaterhouseCoopers Chartered Accountants
Legal Professional Due Diligence Advisor	Suhail Partners Advocates and Legal Consultants (SuhailPartners LLP)
Tadawul	Automated system for trading Saudi stocks

Defined Term or Abbreviation	Definition
Control	According to the Glossary of Defined Terms Used in the Exchange Rules and the Glossary of Defined Terms Used in the Regulations and Rules of the Capital Market Authority issued by the Capital Market Authority, control means the ability to influence the actions or decisions of another person, whether directly or indirectly, alone or with a relative or Affiliate, through: 1. holding 30% or more of the voting rights in a company; or 2. having the right to appoint 30% or more of the members of the governing body.
Public	In the Glossary of Terms Used in the Market Rules, it means persons other than those listed below: 1. Affiliates of the Issuer, 2. Major shareholders of the Issuer, 3. Directors and senior executives of the Issuer, 4. Directors and senior executives of affiliates of the Issuer, 5. Directors and senior executives of the major shareholders of the Issuer, 6. Any relative of persons described in para (1), (2), (3), (4) or (5) above; 7. Any company controlled by any of the persons described in para (1), (2), (3), (4), (5), or (6) above; 8. Persons acting in concert and collectively holding 5% or more of the class of shares intended to be listed.
Risk factors	It is a set of potential influences that should be understood and hedged against before making the decision to invest in the shares subject to transfer to the Main Market.
International Financial Reporting Standards (IFRS)	A set of accounting standards and interpretations issued by the International Accounting Standards Board (IASB). (International Financial Reporting Standards) These are the International Financial Reporting Standards (IFRS) approved by the Saudi Organization for Chartered and Professional Accountants (SOCPA). These standards include the international standards, additional requirements and disclosures required by the SOCPA, and other standards and publications approved by the SOCPA, including the technical standards and publications relating to matters not covered by the international standards, such as the matter of Zakat.
Saudi Organization for Chartered and Professional Accountants (SOCPA)	The Saudi Organization for Chartered and Professional Accountants (SOCPA) in the Kingdom of Saudi Arabia.
Nationalization or Saudization	Labor regulations in the Kingdom of Saudi Arabia that require companies operating in the Kingdom to employ a certain percentage of Saudis and replace expatriate workers with Saudi citizens in private sector jobs.
Nitaqat	The Saudization Program (Nitaqat) was approved by the Resolution of the Minister of Human Resources and Social Development No. 4040, dated 12/10/1422H (corresponding to 10/09/2011G), based on the Council of Ministers Resolution No. 50, dated 12/05/1415H (corresponding to 27/10/1994G). The Ministry of Human Resources and Social Development (formerly the Ministry of Labor and Social Development) in the Kingdom launched the (Nitaqat) program to provide incentives for institutions to employ Saudi nationals. This program evaluates the performance of any institution on the basis of specific domains: platinum, green and red.
SAR	Saudi Riyal – the official currency of the Kingdom of Saudi Arabia
USD	US Dollar – the official currency of the United States of America
Vision 2030	The National Strategic Economic Program, which aims to reduce dependence on oil and the petrochemical industry, diversify the Saudi economy, and develop public services.
Value Added Tax (VAT)	On 02/05/1438H (corresponding to 30/01/2017G), the Council of Ministers approved the Unified Agreement for Value Added Tax (VAT) for the Gulf Cooperation Council (GCC) countries, which came into effect on January 1st, 2018. This new tax is added to the existing tax and fee system applicable to specific sectors in the Kingdom as well as in the GCC countries. The tax amounts to (5%). The Kingdom's government has decided to increase the value-added tax rate from 5% to (15%), starting from July 2020G. A number of products were exempted, including (basic foods and services related to health care and education).

2. Risk factors

An investment in the shares subject to the transfer to the Main Market involves high risks and may be appropriate only for those investors who are able to evaluate the benefits and risks of such investment, and who can bear any loss that may result therefrom.

Prospective investors wishing to invest in the Shares subject to transfer and trade on the Main Market should carefully consider all of the information provided in this Document, including the following risk factors, prior to deciding to invest in the Shares to be listed on the Main Market. The risks set out below do not include all the risks that the Group may face, as there may be additional factors not currently known to the Group that could affect its operations.

If any of the risks included in this section, which the Group's management currently believes to be material, occur or materialize, the Group's business, financial conditions, future prospects, results of operations, and cash flows may be materially adversely affected. There may be additional risks that the Board of Directors has not currently identified or classified as immaterial, but which may actually occur and become material. In the event that one of the risk factors that the Group Management currently believes to be material occurs or materializes, or in the event of any other risks that the Group Management has not been able to identify, or that it currently considers to be non-material, this may adversely and materially affect the Group's business, financial position, operation results, and future prospects. It may also lead to a decline in the share price, impair the Group's ability to distribute dividends to shareholders. It may result in investors losing all or part of their investments in the shares.

The Company's Board of Directors acknowledges that, to the best of their knowledge and belief, as of the date of this Document, there are no other material risks that can affect the investors' decisions to invest in the shares subject to transfer to the main market, other than those mentioned in this Section.

The risks described below are not presented in order of priority based on their importance or expected impact on the Group. There may be additional risks that the Group is currently unaware of, or that the Group currently believes are immaterial, which may in the future have the same effects or consequences stated in this Document. Accordingly, the risks described in this section or in any other section of this Document may not include all risks that could affect the Group or its operations, activities, assets, or the markets in which it operates, and/or do not indicate all risks involved in investing in the Shares.

2.1 Risks Related to the Issuer

2.1.1 Risks Related to the Inability to Implement the Group's Strategic Plan

The Group has developed a strategic plan aimed at expanding its services, enhancing its market share, and achieving sustainable growth in revenue and profitability. This plan includes entering new markets, signing additional contracts, developing technical infrastructure, improving operational efficiency, and diversifying income sources. The implementation of this plan depends on several factors, the most significant of which are: Availability of qualified human resources, obtaining the necessary licenses and regulatory approvals, securing the required financing in a timely manner under appropriate terms, and the Group's success in competing for new contracts. However, there is no guarantee that the Group will be able to implement its strategic plan as planned, as any delay or failure to implement these initiatives may result in growth, revenue, and profitability targets not being achieved within the expected timeframe. Changes in the market, regulatory, or technological ecosystem may also require a fundamental adjustment to the strategic plan, adding a degree of uncertainty about the Group's future. If the Group is unable to efficiently implement its strategy, this could lead to a decline in customer confidence, lost investment opportunities, or insufficient revenue to cover costs, which would negatively impact its business results, profitability, and future prospects.

2.1.2 Risks Related to Licenses, Permits, and Certifications

The Group is subject to a number of rules and regulations that require it to obtain the necessary licenses and permits from the competent regulatory authorities in the Kingdom to carry out its business. The Group has obtained most of the applicable licenses, certificates, permits and approvals related to its business activities as of the date of this Document, including, but not limited to: the commercial registration certificates issued by the Ministry of Commerce; trademark registration certificates issued by the Saudi Authority for Intellectual Property; Chamber of Commerce Membership Certificates; Civil Defense Permits; Saudization certificates issued by the Ministry of Human Resources and Social Development; Zakat certificates, a value-added tax registration certificate issued by the Zakat, Tax and Customs Authority, and social insurance certificates issued by the General Organization for Social Insurance; and the Real Estate Developer Qualification Certificate issued by the Ministry of Municipalities and Housing, and others. (For more information, please refer to Subsection (6.4) "**Licenses of the Company**" of Section (6) "**Legal Information and Declarations of Board Members**" of this Document.)

As at the date of this Document, the Group is renewing a number of these certificates and is proceeding with its procedures. However, if the Group is unable to renew its current licenses, permits and certificates or obtain any of the licenses necessary for its business, if any of its licenses are suspended or expired, if any of those licenses are renewed on terms that are not suitable for the Group, or if the Company is unable to obtain additional licenses, permits and certificates that may be required from it in the future, this may expose the Group to ceasing and being prevented from carrying out its business, such as closing the Company or freezing all services provided to the Company by the regulatory authorities (such as renewing licenses and certificates, issuing visas and residence permits, transferring sponsorships, etc.), or exposing it to financial fines imposed by the authorities related to licenses, permits and certificates, which will result in the group's operations being disrupted and it incurring additional costs, which in turn will negatively impact the Group's business, results of operations, financial position and future prospects.

2.1.3 Risks Related to the Company's Non-compliance with the Continuing Disclosure Obligation

The Company, being a publicly listed joint stock company, is obligated towards the market to disclose the matters that should be disclosed to the market in accordance with the provisions of the Rules on the Offer of Securities and Continuing Obligations, and any changes that occur therein.

The Company's obligation to disclose matters that should be disclosed is an ongoing obligation and duty to provide information to the market by presenting all matters that arise in the Company's activities and business, which in turn will have an impact on investors' decision to invest or not to invest in the Group's shares. The Company should adhere to the continuous disclosure of crucial matters that should be reported to the market immediately upon their occurrence.

The Company's failure to disclose or delay in disclosing matters that should be disclosed in accordance with the Rules on the Offer of Securities and Continuing Obligations constitutes a violation of the rules of the capital market, which may expose the Company to violations by the CMA, which will have a negative and material impact on the Company's reputation and share performance.

2.1.4 Risks Related to Facility Agreements

The Group has entered into eleven (11) credit facility agreements with several local banks, totaling SAR (2,313,567,143.84) (Two billion, three hundred and thirteen million, five hundred and sixty-seven thousand, one hundred and forty-three Saudi riyals and eighty-four halalas). The details of these credit facility agreements are as follows:

1. A Banking Facilities Agreement between the Company and Bank Albilad, dated 28/12/1447 H (corresponding to 14/06/2025 G) and extending until 16/01/1448 H (corresponding to 01/07/2026 G), whose repayment date varies depending on the specific facility, for an amount of nine hundred and fifteen million, three hundred and fifty-eight thousand Saudi Riyals (SAR 915,358,000).
2. A Banking Facilities Agreement concluded between the Company and Al Rajhi Bank on 19/02/1447 H (corresponding to 13/08/2025 G). Each facility has its specific repayment date. The total amount is (SAR 255,000,000) two hundred and fifty-five million Saudi Riyals.
3. An Islamic Finance Agreement concluded between the Company and Riyad Bank on 02/02/1447 H (corresponding to 27/07/2025 G). Each facility has its specific terms. The total amount is (SAR 148,416,000) one hundred and forty-eight million, four hundred and sixteen thousand Saudi Riyals.
4. A General Financing Agreement concluded between the Company and Banque Saudi Fransi on 12/08/1446 H (corresponding to 11/02/2025 G). Each facility has its specific payment date. The total amount is (SAR 216,000,000) two hundred and sixteen million Saudi Riyals.
5. A Facilities Agreement concluded between the Company and Saudi Awwal Bank (SAB) dated 30/11/1447H (corresponding to 17/05/2026G), with the repayment date varying for each facility individually. The total amount of the facilities is one hundred and fifty-four million, seven hundred and sixty-nine thousand, five hundred and seventy-five Saudi riyals and forty-one halalas (154,769,575.41).
6. A Facilities Agreement concluded by and between Built Company and **Saudi Awwal Bank (SAB)** dated 01/07/1447H (corresponding to 21/12/2025G). Each facility has its specific payment date. The total amount is SAR 12,998,242.30 (Twelve million, nine hundred and ninety-eight thousand, two hundred and forty-two Saudi Riyals and thirty halalas).
7. A Facility Agreement concluded by and between Built Company and Al Rajhi Bank dated 19/02/1447 H (corresponding to 13/08/2025 G). Each facility has its specific payment date. The total amount is (SAR 285,063,940) two hundred and eighty-five million, sixty-three thousand, nine hundred and forty Saudi Riyals.
8. A Credit Facility Agreement concluded by and between Built Company and Bank Albilad, dated 14/04/1447 H (corresponding to 06/10/2025 G), for an amount of (SAR 104,167,000) one hundred and four million, one hundred and sixty-seven thousand Saudi Riyals.

9. A Banking Facility Agreement concluded between Built Company and Arab National Bank, dated 05/12/1446 H (corresponding to 01/06/2025 G), for an amount of (43,445,000) forty-three million, four hundred and forty-five thousand Saudi Riyals.
10. A Credit Facility Agreement concluded between Built Company and Alinma Bank dated 30/03/1447 H (corresponding to 22/09/2025 G), extending until 07/02/1450 H (corresponding to 30/06/2028 G), for an amount of (SAR 163,577,460) one hundred and sixty-three million, five hundred and seventy-seven thousand, four hundred and sixty Saudi Riyals.
11. A Credit Facility Agreement concluded between Built Company and the National Commercial Bank (NCB) dated 13/08/1446 H (corresponding to 12/02/2025 G). Each facility has its specific repayment date. The total amount is (SAR 14,771,926.13) fourteen million, seven hundred and seventy-one thousand, nine hundred and twenty-six Saudi Riyals and thirteen halalas.

The existing credit facilities are secured by several guarantees, including promissory notes issued by the Company in an amount equal to the aforementioned facilities. Each bank involved may require additional guarantees against the credit facilities that the Company is unable to provide, which would place the Company in breach of the relevant agreement terms (for further information, please refer to subsection (6.7) "**Financing Agreements**" of Section 6 "**Legal Information and Declarations of Board Members**" of this document).

If the Company fails to meet its repayment obligations under any credit facility agreement, or fails to provide any other guarantees that the bank may require, or defaults in the future on any of its obligations or undertakings related to the outstanding debt, the lender may demand immediate repayment of the debt and seek to recover the guarantees provided by the Company. In this case, the Company may not be able to obtain sufficient alternative sources of financing to meet its debt repayment. Any of these factors will have a material adverse impact on the Company's business, financial position, and future prospects.

2.1.5 Risks Related to the Future Availability of Funding

In the future, the Group may need to obtain financing from commercial banks, government lenders, or other financiers to cover working capital requirements or implement future growth plans. The Group's ability to obtain loans and facilities from lenders at lower costs or on terms appropriate to its future financial position depends on global economic conditions, financial market conditions, interest rates, the availability of credit from banks or external lenders, and the confidence of lenders in the Group. The Group may not be able to obtain this financing at all or on reasonable terms for any reason, such as restrictions on financing or on the lenders' view of the Group or the Company's future results of operations, financial position and cash flows. Borrowing at variable interest rates may also make the Group vulnerable to increases in interest rates and/or commissions, which may be significantly affected by factors beyond the Group's control, such as monetary and tax policies and global economic and political conditions, and the Group may not be able to secure such financing on reasonable terms or at all when necessary. Any increase in interest rates and commission rates, whether fixed or variable, applied by banks will result in higher financing costs for the Group, which will negatively impact its future profits and its ability to pay and meet its obligations towards lenders. As a result, it may not be able to take advantage of business opportunities, such as acquisition opportunities, or respond to changes in market or sector conditions. The occurrence of any of the above-mentioned events will have a material adverse impact on the Group's business, financial position, operation results, and future prospects.

2.1.6 Risks Related to Reliance on Key Employees and Executive Management

The Group and its future plans for success rely on the expertise and competencies of its executive management and key employees. The Group aims to attract and employ qualified individuals to ensure the efficiency and quality of its business through effective management and sound operations. The Group will also need to increase its employees' salaries to retain them or to attract new staff with appropriate qualifications and experience. Accordingly, if the Group loses any of its senior executives or qualified employees and is unable to hire replacements with the same level of experience and qualifications at a cost appropriate to the Group, this will have a material adverse impact on the Group's business, results of operations, and future prospects.

2.1.7 Risks Related to Operations and Unexpected Business Interruption

For the continuity of its business, the Group relies on the regular and effective operation of its real estate projects and industrial facilities, and their associated supply chains, as well as the readiness of the technical systems and the technical and administrative personnel responsible for work performance. In view of the nature of the business, which requires the execution of simultaneous and complex projects, any sudden interruption in operation, whether due to major technical failures in equipment or production lines, malfunction in computer or communication systems, interruption in energy supplies, or accidents resulting from climatic conditions or natural disasters, may disrupt the Group's ability to complete projects on time and prevent it from fulfilling its contract obligations towards customers.

This unexpected interruption may lead to a decline in customer confidence in the Group's level of operational reliability, especially since its work is focused on strategic and vital projects. The persistence of any operational malfunction without immediate remediation may lead to broader repercussions on the Group's financial results and competitive position in the market, which may result in losses that adversely affect the Group's business, results of operations, and financial position, and the profitability of its shares.

2.1.8 Risks Related to Non-Adherence to Quality Standards and Specifications Required by Customers

The quality of implementation of real estate projects and related services is one of the fundamental pillars for maintaining the confidence of customers and investors and attracting new opportunities, especially in light of contracts concluded with governmental and private entities operating in strategic sectors that give great importance to adherence to technical specifications and contractual requirements, and performance standards. Although the Group is keen to establish control systems and procedures aimed at ensuring the quality of its work, the possibility of a breach in the level of quality remains, whether resulting from human errors, deficiencies in materials and equipment, or pressures arising from the implementation of simultaneous projects within limited timeframes.

Any breach of the quality level may lead to negative consequences, including reduced customer satisfaction, feedback in the reports of consulting bodies, the imposition of contract penalties, or the termination and non-renewal of some contracts. Furthermore, any decline in the level of quality may harm the Group's reputation in the market and weaken its competitive ability to win new projects or maintain its existing contracts, which could negatively impact its revenues, operation results, and financial position, and the profitability of its shares.

2.1.9 Risks Related to Litigation and Governmental Fines

The Group, its board members, or its officers may become involved in legal and regulatory proceedings with one or more parties, including its employees, competitors, customers, or any regulatory body. The Group may also be the plaintiff in such proceedings and legal actions.

As of the date herein, the Group is party to a total of (180) pending lawsuits as the Defendant, with total financial claims amounting to (25,960,090.35) twenty-five million, nine hundred and sixty thousand, ninety riyals and thirty-five halalas. The majority of these lawsuits are filed regarding claims related to penalty clauses and fines for delays in delivering residential units in the Group's projects, as well as claims from contractors and suppliers concerning completed contracting work, invoices, and supplied materials. A limited number of claims are of a procedural and civil nature.. (For more information, please refer to Sub-section (6.12) "**Disputes and Judicial Claims**" of Section (6) "**Legal Information and Declarations of Board Members**" in this Document).

Any adverse outcome regarding litigation and regulatory procedures would negatively affect the Group's business, financial position, results of operations, and future prospects. The Group cannot accurately predict the magnitude of the cost of lawsuits or legal proceedings that can be filed by or against it in the future, or the final outcome of those lawsuits or the judgments issued in them, including compensation and penalties. These lawsuits may include, without limitation, zakat and tax matters, the Labor Law, errors, complaints, and damages arising from negligence or fraud by persons or institutions in a way beyond the Group's control. Thus, any adverse outcome from such lawsuits will adversely and materially affect the Group's business, results of operations, financial position, and future prospects.

2.1.10 Risks of Related Party Dealings

The Company and its Subsidiaries conduct transactions with related parties in the course of their ordinary business. During the financial years ended 31 December 2023G, 2024G, and 2025G, they concluded several contracts and transactions with these parties, namely contracts for the provision of security guard services with Opal Al Jazeera Security Guard Services Company, and operation and maintenance contracts with Musharaka, in addition to an agreement related to the termination of the Company's acquisition of LAK Investment Company, all of which were carried out without discrimination or preferential terms. Eng. Nasser bin Saad Al-Arifi, Mr. Suleiman bin Abdul Aziz Al-Batli, and Mr. Ibrahim bin Fahad Alassaf are related parties to some of those dealings. (For more information, please refer to Sub-section (6.8) "**Competing Businesses and Material Transactions with Related Parties**" of Section (6) "**Legal Information and Declarations of Board Members**" of this Document).

The Company's dealings with related parties are subject to the provisions of Articles (27) and (71) of the Companies Law, which obligate a board director to disclose any direct or indirect interest he may have in the businesses and contracts that are for the benefit of the company, and to abstain from voting on the resolutions related thereto. The Company adhered to obtaining the approvals of the General Assemblies on the dealings with related parties for each financial year respectively. Approval for the dealings of the financial year ended 31 December 2023G pursuant to the General Assembly held on 27/11/1445 H (corresponding to 04/06/2024 G), and for the financial year ended 31 December 2024G pursuant to the General Assembly held on 29/11/1446 H (corresponding to 27/05/2025 G). For the dealings for the financial year ended 31 December 2025G, according to the General Assembly held on 02/12/1447H (corresponding to 19/05/2026).

In the event that the Company's General Assembly does not approve the renewal of the contracts with related parties, the Company will have to search for other parties to contract with to perform the works currently assigned to related parties. In the event that the Company is unable to find a suitable alternative to the currently contracted related parties within a reasonable period, or if the Company is forced to conclude alternative contracts on terms that may not be consistent with its strategic plan and objectives, this may incur additional costs for the Company to conclude those contracts. In the event that the dealings and agreements with related parties are not conducted on a purely commercial basis in the future, this will adversely and materially affect the Company's business, financial position, operation results, and future prospects.

2.1.11 Risks related to White Land and Vacant Properties Fees

The White Land and Vacant Properties Fees Law, as amended pursuant to Royal Decree No. (M/244) dated 07/11/1446 H (corresponding to 05/05/2025 G), imposes annual fees of up to 10% of the value of the land or property on undeveloped land and unused developed properties owned by non-governmental individuals or legal entities, in accordance with the urban zones and development priorities approved by the Ministry of Municipalities and Housing. An annual fee is also imposed on vacant properties at a percentage of the fair market rent, not exceeding (5%) of the property value.

White land refers to any vacant land designated for residential or mixed-use residential/commercial purposes within the urban zone, while vacant properties include developed buildings that are not occupied or actually not used. To be subject to the fee, the land area or total land area owned within the city must be at least 5,000 square meters, and the land or property must be ready for immediate development or use with the availability of basic services.

The implementing regulations specify the criteria for assessing value based on the land's location, use, building code, and the availability of public services. The Ministry has announced the geographical zones subject to fees in Riyadh, according to the following tiers:

- Tier 1 (Highest Priority): Annual fee of 10% of the land value.
- Tier 2 (High Priority): Annual fee of 7.5% of the land value.
- Tier 3 (Medium Priority): Annual fee of 5% of the land value.
- Tier 4 (Low Priority): Annual fee of 2.5% of the land value.
- Tier 5 (Outside the Priority Zone): No annual fee is imposed, but it is included in the total land owned by the taxpayer within the city.

The fee is not applied if the land is developed or built upon within one year of the decision's issuance. If payment is made before development, the amount will be refunded upon completion of construction. The regulations also require landowners to register their land with the Ministry of Municipalities and Housing through approved platforms within a specified timeframe. Owners are granted 60 days to appeal decisions issued before being obligated to pay. Additional fines, up to the same amount as the fee, may be imposed for late payment. It is worth noting that the Group has recently received several invoices for White Land Tax and vacant properties for the years 2023, 2024, 2025, and 2026, with total amount pf SAR 26,470,770.34 (twenty-six million, four hundred and seventy thousand, seven hundred and seventy Saudi Riyals and thirty-four halalas). Invoices totaling SAR 25,440,579.50 (twenty-five million, four hundred and forty thousand, five hundred and seventy-nine Saudi Riyals and fifty halalas) were cancelled, leaving a balance of SAR 1,030,190.84 (one million, thirty thousand, one hundred and ninety Saudi Riyals and eighty-four halalas). The Group is currently working to complete the necessary regulatory procedures to settle this remaining amount.

However, if the future exemption applications are not granted, the Group owns undeveloped lands to which the fee criteria are applied within the urban boundaries of the target cities, or such lands are not developed within specified statutory periods, it may result in imposing additional fees or fines, which may materially and adversely affect the Group's results of operations, financial position, and cash flows.

2.1.12 Risks Related to the Group's Reputation

The Group's reputation is one of its most important intangible assets, especially given the nature of its activity, which is based on the development and management of qualitative real estate projects in strategic and sensitive sectors. Reputation is a fundamental pillar in building confidence with customers, investors, financiers, and regulators. It is also a pivotal factor in sustaining growth and attracting new opportunities. The Group's reputation may be adversely affected by multiple factors, including, but not limited to:

- Delays in implementing and handing over projects at the specified times or according to the agreed-upon specifications.
- Breach of quality, sustainability, or occupational health and safety standards in the development, contracting, or subsidiary factory projects.
- Involvement in disputes, lawsuits, or regulatory violations.
- Negative media coverage related to defects in projects, operational practices, or individual incidents.
- Any failure to comply with regulations, contracts, or governance and disclosure standards.

Given the sensitivity of the business, any harm that may affect the Group's reputation, even if it is limited or temporary, may lead to a loss of customer confidence, or strategic contracts, or a decline in expansion opportunities, which may negatively impact the Group's business, financial position, results of operations, and the profitability of its shares.

2.1.13 Risks Related to Compliance with the Companies Law and Corporate Governance Regulations

In the management and conduct of its various operations and activities, the Company is subject to the provisions of the Companies Law. Following its transfer to the Main Market, the Company will be subject to the Corporate Governance Regulations. The Companies Law and Corporate Governance Regulations impose certain requirements that the Company must comply with. This means the Company will have to take certain measures to ensure actual compliance with such requirements. The Companies Law and the Corporate Governance Regulations also impose strict penalties for violating their mandatory provisions and rules. Accordingly, the Company may be subject to such penalties, including financial penalties and/or imprisonment. For example, the Companies Law stipulates that every manager, official, director, auditor or liquidator who records false or misleading data shall be punished with imprisonment for no more than three (3) years and a fine of not exceeding five million Saudi Riyals (SAR 5,000,000). It is worth noting that the Companies Law is promulgated by Royal Decree No. M/132, dated 01/12/1443H (corresponding to 30/06/2022G), and entered into force on 26/06/1444H (corresponding to 19/01/2023G). The extent of the impact of implementing the New Companies Law on companies in general and on the Company and its operations in particular may not be apparent at present, and the Company may incur additional costs in order to take the necessary steps to ensure compliance therewith. Failure by the Company to comply with such provisions and rules would have a material adverse effect on its business, results of operations, financial position and prospects.

The Company's Board of Directors adopted the Corporate Governance Regulation of the Company on 26/01/1447H (corresponding to 21/07/2025G). It incorporates provisions derived from the Corporate Governance Regulations issued by the CMA. The Company's success in properly implementing its governance regulation will depend on the extent to which the Board, its Committees, and the Senior Executives comprehend, understand, and properly execute such rules and procedures, particularly with regard to Board independence requirements, procedures of conflicts of interest, and disclosure requirements. Failure to comply with the mandatory provisions of the Corporate Governance Regulations issued by the CMA could subject the Company to regulatory penalties that may have a material adverse effect on the Company's business, results of operations, financial condition, and prospects. If the Company fails to comply with such provisions and rules, it may be subject to penalties and fines, which will have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

It is worth noting that Directors are obliged to uphold duties of care and loyalty to the Company and its Shareholders and ensure that their actions serve the best interests thereof. These duties require the Directors to exercise due diligence and prioritize the interests of the Company over their personal interests and those of other stakeholders, including in situations where a conflict of interest arises, such as when a director is involved in a transaction with a Related Party or engaged in a competing activity. Failure by Directors to fulfill their duties of care and loyalty could result in liability to the Company for their actions or inaction, as well as any associated claims. The occurrence of any of the above typically leads to the resignation or removal of the respective Director, leaving his seat vacant on the Board of Directors. This could impede the Board's capacity to discuss issues and make decisions effectively, as well as redirect the Company's resources towards locating and selecting a suitable replacement, which would have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

2.1.14 Risks Related to the Financial Reporting Environment and Financial Closing Procedures at Period Ends

The Group faces a number of challenges related to obtaining, reconciling, and verifying the completeness of the financial data, mainly due to the decentralized reporting structure adopted by the Group. Each Subsidiary operates according to different financial systems, procedures, and function. This independent nature of Subsidiaries has led to variations in the financial reporting practices and the inconsistency in the presentation of financial data among the Group companies. Further, some Subsidiaries rely on preparing manual reporting, which has complicated the processes of data mining, reconciliation, and accuracy and completeness verification. This has resulted in delays in fulfilling the timetables of financial reports. In addition, this decentralized approach had led to differences or incompleteness in the eliminations of intercompany dealings among the Group companies, and in some cases, has led adjustments pertaining to prior fiscal years.

Moreover, the Group typically relies on the draft financial statements of the Subsidiaries to prepare its consolidated financial statements to adhere to the specified timelines imposed on the companies listed on the financial market. Accordingly, consolidated financial statements may be issued before the preparation or audit of the Subsidiaries' separate financial statements is complete.

In some cases, adjustments or reclassifications are made to the drafts used in the consolidation process, leading to differences between the figures and classifications reflected in the separate financial statements and the consolidation processes used for preparing the financial statements published. For example, differences were observed in the reclassification between the segmental reports presented in the audited financial reports and management accounts during the fiscal year 2023G, as a result of preparing the consolidated financial statements before the issuance and audit of the segments' separate financial statements were finalized.

If the reliance on decentralized financial reporting ecosystem or incomplete drafts in the preparation of financial statements continues without control mechanisms and centralized review procedures, this will lead to the inclusion of inaccurate or inconsistent financial data, or the delay in the issuance of the financial statements. This may adversely affect the reliability of the Group's financial disclosures and the investors and supervisory authorities' confidence, which will negatively and materially affect the Group's operation results, financial position, and future prospects.

2.1.15 Risks Related to Declined Performance and Profitability and the Impact of Financing Costs on the Group's Results of Operations

During fiscal year 2025G, the Group recorded a net loss of approximately SAR 55.4 million and net losses of approximately SAR 39.8 million during the three-month period ended on 31st March, 2026, which is mainly attributed to a decline in the Company's operational performance. It resulted primarily from the completion of several major projects during the first quarter of the fiscal year 2025G without sufficient replacement projects to offset their contribution, leading to a reduced capacity for the Group to cover and absorb its operating expenses.

This impact was further exacerbated by the significant increase in financing costs by approximately 86%, as they rose from approximately SAR 42.1 million in fiscal year 2024G to approximately SAR 78.3 million in fiscal year 2025G. It is attributed to ceasing to capitalize the financing costs on the related projects after the completion of those projects, which led to charging these costs directly to the income statement and reflecting directly on the Group's results of operations.

These losses reflect a decline in performance, particularly in the real estate development sector, in addition to the increase in drawdowns from new loans to finance working capital and future projects, which led to a rise in financing costs in conjunction with the cessation of the capitalization of those costs. Additionally, a portion of the Group's future projects is still under negotiation or awaiting completion, which limits the clarity of the timing of realizing future revenues and associated cash flows.

During the three-month period which ended on 31st March, 2026, the Group experienced a sharp decline in revenue and profitability following the completion of all its real estate projects. The real estate development sector generated only rental income of approximately SAR 9.2 million during this period, with no revenue recorded from real estate development activities, property sales, or off-plan sales - activities that have historically been the Group's primary sources of income. Consequently, both operating profit and net profit decreased significantly, and the Group's overall performance became heavily dependent on the performance of its subsidiary, Built Company. While this reflects the completion of several major development projects, the Group still holds land plots and residential units classified as held-for-sale and development assets valued at approximately SAR 12.3 million. The sale of some properties during the second quarter of 2026 indicates continued sales activity, albeit at a limited pace, for the remaining units.

The Group's ability to improve its future performance and profitability will depend on its success in converting future projects under study or negotiation into actual development projects, improving its ability to cover operating costs, and efficiently managing its financing needs. This includes aligning financing sources with project implementation stages in a manner that supports the generation of cash flows and improves the Group's ability to service its debts and fulfill its financing obligations.

If the Group is unable to improve the profitability levels or manage the financing costs and associated liabilities effectively, or if the performance of future projects is delayed or their expected revenues were not realized, this may negatively and materially affect the Group's operation results, financial position, cash flows, and future business sustainability.

2.1.16 Risks Related to Revenue Concentration

Alosailiah is one of the primary sources of the Group's revenue during recent fiscal years. Its contribution to the Group's total consolidated revenue amounted to approximately 40% in fiscal year 2023G, approximately 21% in fiscal year 2024G, and approximately 3% in fiscal year 2025G, highlighting revenue concentration risks as the project nears completion. The Group received the revenues of this project in kind for their future development. However, the completion of the project during fiscal year 2025G led to a decrease in its contribution to revenue and profitability, given that the project was one of the main drivers for the growth of the Group's revenue and net profit during previous periods. Accordingly, the Management should address these concentration risks by developing a strategic plan to find alternative projects or revenue sources to offset the project's contribution and ensure the stability of future revenue flows.

Furthermore, the revenue of Built, a Subsidiary of the Group, primarily depends on a limited number of customers. Two major customers contributed more than 80% of the sector's revenue during the period from fiscal year 2023G to fiscal year 2025G. Built is committed to several projects with these customers, some of which date back to 2014G, most of which remain ongoing to date. This dependence poses risks to the Group's business, as its contracting activity relies heavily on these three quasi-governmental customers. The National Housing Company (NHC) is the largest customer of Built. It has continued to award new projects to the Company, despite the decrease in the degree of revenue concentration of Built Company during the period from the fiscal year 2023 to the three-month period which ended on March 31, 2026. Management attributes this to the extensive experience of Built and the historical success of previously executed projects, which strengthened the business relationship with the National Housing Company and contributed to obtaining additional future opportunities and projects.

In the event that the Group is unable to diversify its customer base or find alternative projects that achieve similar levels of revenue and profitability, it may lead to an increase in revenue concentration risks and materially affect the Group's business and results of operations in the event of a decrease in business volume, project delays, or the termination of contractual relationships with any of the major customers.

2.1.17 Risks Related to Concentration of Revenues in Contracts with the Ministry of Municipalities and Housing

The Group's revenues from off-plan unit sales are concentrated in contracts and projects belonging to the Ministry of Municipalities and Housing ("Ministry of Housing"), which has launched several supporting initiatives and programs to enable citizens to own their first homes. The most prominent of these programs is the "Sakani", which is concerned with providing affordable financing and housing solutions, and "Wafi", which allows real estate developers to sell off-plan real estate units before construction is complete. These programs are key initiatives in the real estate development sector in the Kingdom. The Ministry offers residential projects through public tenders available to all real estate developers in the Kingdom. The Company benefited from these programs by achieving several projects such as "Finan" and "Al-Rusaifa" which constituted material percentages of the Group's total revenues, amounting to approximately 13% for the financial year 2023G, 7% for the financial year 2024G, and 9% for the financial year 2025G. As a result, the Company's revenues generated from off-plan sales entirely depended on projects under the supervision of the Ministry of Housing. However, this concentration is of a historical nature, and its impact has decreased significantly following the completion or near completion of off-plan sales projects.

Despite the Company maintaining an excellent relationship with the Ministry of Housing, the level of competition in this sector remains high due to low barriers to entry for other developers into the market. Any developer with a license can list their projects on the Ministry of Housing's platform, which limits the Company's ability to control its market share.

Accordingly, any change in the Ministry of Housing's focus or in the size of government spending on housing programs or the reduction of incentives offered to real estate developers will adversely and materially affect the Group's performance and revenues. The severity of this impact may increase if the Ministry of Housing achieves its targets for raising home ownership rates and reducing current support programs, which will adversely affect the Group's future projects within this revenue stream, and thus impact its operation results, financial position, and future prospects.

2.1.18 Risks Related to Revenue Recognition for Alosailiah

The Group participates in the Alosailiah Project under an agreement that stipulates the development of raw land, whereby the Group undertakes the execution of development and infrastructure works at its own expense in consideration of 25% of the total developed land area as in-kind compensation. The Group recognizes revenue from this project on a percentage of completion (PoC) basis at the end of each financial period, relying for its measurement on the fair value of the land at the financial report date. It is noted that the agreed-upon consideration is in-kind, not cash. The development services provided by the Group are exchanged for partial ownership in the developed land. This requires special attention from Management to ensure sound accounting principles are used for revenue recognition in compliance with International Financial Reporting Standards and relevant zakat and tax requirements.

This contractual structure involves accounting complexities and valuation risks. However, these risks have been substantially reduced following the successful transfer of ownership to the Company's name, thus mitigating the uncertainty surrounding revenue recognition based on estimates. Nevertheless, the accounting treatment still requires careful attention to ensure compliance with International Financial Reporting Standards (IFRS) and zakat and tax requirements, given the nature of in-kind compensation.

If the Group is unable to effectively manage this imbalance or provide sufficient funding to cover development costs, this could lead to liquidity and financing pressures and a negative impact on the Group's ability to execute its future projects and sustain its financial position.

2.1.19 Risks Related to the Deviation of Revenues and Costs from Estimated Budgets

During the financial years 2023G, 2024G, and 2025G, the Group witnessed noticeable deviations between the actual revenues and costs and those included in the estimated budgets for a number of its projects, including "Al-Rusaifa" Project. In particular, the original estimated costs for "Al-Rusaifa" increased from SAR 443 million in 2023G to SAR 532 million during 2025G.

The reasons for these deviations are mainly due to the inaccuracy of the initial cost estimates, in addition to the absence of independent reviews for the remaining costs necessary to complete the projects. Although such volatilities are common in the construction and real estate development sector, the Group's ability to adjust prices or re-price contracts remains limited, especially in projects offered through the Ministry of Municipalities and Housing, making profit margins vulnerable to decline if actual costs exceed estimated budgets.

As a result, the project incurred losses in some years, despite achieving overall profitability at the project level. A significant portion of the recognized revenue was related to project progress, rather than new unit sales. In the final stages of the project, the Group incurred additional costs related to residual value obligations, which negatively impacted the project's profitability. Furthermore, the Group relies on one of its wholly owned Subsidiaries as the main contractor for development projects, granting it a high degree of operational efficiency and control on the implementation of projects. Nevertheless, this limits the possibility to verify independently the accuracy of costs and compare them with market prevailing prices, particularly in the cases of utilizing subcontractors. Although inter-group transactions are eliminated during the preparation of consolidated financial reporting and do not affect consolidated profitability, this structure may reduce transparency in relation to price competitiveness and cost optimization. Accordingly, independent benchmarking or external audits should be conducted periodically to verify the alignment of costs with the market levels.

As a result of fluctuations in estimated costs and delays in the execution of some projects ongoing since fiscal year 2021G, the Group experienced multiple delays in the handover of residential units to customers during fiscal years 2023G, 2024G, and 2025G. During fiscal years 2024G and 2025G, after certain projects were far behind their original schedules, the Group began receiving legal claims from customers, recording, consequently, settlement losses amounting to approximately SAR 2.3 million in fiscal year 2024G and approximately SAR 5.8 million in fiscal year 2025G, which directly affected the Group's profitability. Delays and costs associated with claims may continue if project handovers remain delayed or additional deviations in schedules occur, which could adversely affect the Group's future performance and require Management to continuously evaluate these risks and take appropriate measures to mitigate their impact.

If the Group continues to face material deviations between actual and estimated costs or delays in projects delivery without developing financial control systems and a rigorous review of estimated budgets and timelines, this will lead to erosion of profit margins and/or the incurring of operating losses and additional claims from the clients, which will negatively and materially impact the Group's operation results, financial position, and ability to generate stable and sustainable revenues in the future.

2.1.20 Risks Related to the Volatile Profitability in Built Company's Sectors

Built Company contributes to the Group's revenue generation through two main sectors: the contracting sector, which is the largest sector in terms of revenue volume, and the industrial sector. These two sectors differ in their operational nature, and each sector operates independently. The contracting sector is concerned with the execution of construction and real estate development projects, including residential units, government projects, and land development, while the industrial sector includes six sub-activities related to the factories and distribution of elevators.

Built Company's performance has shown noticeable volatility in profit margins during the financial years 2023G, 2024G, and 2025G. The Contracting Sector witnessed marginal losses of about 19% in the financial year 2023G before it witnessed an improvement to a total profit margin of about 3% in the financial year 2024G, and then to about 9% in the financial year 2025G. This improvement is attributed to: (1) the suspension of some projects during the financial year 2023G and the continuation of incurring costs, despite the limited revenues; (2) the non-existence of any long-term postponed projects since 2014G that experienced changes in the scope of works without charging all additional costs to the customers, which led previously to the incurring of material losses, and (3) obtaining new projects with Red Sea Markets Company.

As for the industrial sector, its profitability decreased from about of 30% during the financial year 2023G to about 21% in the financial year 2024G, then to about 19% in the financial year 2025G. This is mainly attributed to new factories bearing operating costs against limited revenues and weak demand for their products. Accordingly, the Company entered into contracts with low prices to acquire market share.

Moreover, during fiscal year 2025G, Built identified one loss-making contract in which the estimated costs to complete the project exceeded the remaining contract revenue, requiring treatment as an onerous contract. Accordingly, a provision of SAR 1.1 million was created and recognized within other operating expenses (operating contract losses) as a separate line item in the income statement of Built for fiscal year 2025G to cover the expected losses, without affecting the current gross profit for both sectors. Although there are currently no other specific contracts involving similar risks, the estimation of such provisions inherently involves judgments and estimates that may change according to the development of projects and actual costs, which may lead to the creation of additional provisions for onerous contracts in the future.

If the Group's Management fails to improve Built Company's financial performance or expand its external customer base to enhance profitability, or if the losing contracts or the projects' estimated costs increase, Built Company will face a decline in financial independence and difficulty in achieving operational sustainability, which will adversely and materially affect the Group's operation results, financial position, and future prospects.

2.1.21 Risks Related to the Ageing of the Group's Contract Assets and Accounts Receivable

The Group's accounts receivable primarily include balances due from the Group's Subsidiary, Built Company, which accounted for approximately 93% of the total accounts receivable during the period from December 2023G until December 2025G. An analysis of Built Company's accounts receivable ageing as in December 2025G showed that balances due for more than one year represented approximately 35% of the total accounts receivable of Built Company. Nevertheless, the evaluation of the Group's Expected Credit Losses (ECL) showed a provision not exceeding about 13% of the total accounts receivable as in December 2025G. The low provision percentage is attributed to the fact that most of Built Company's customers are government entities, against which limited provisions were applied.

However, the detailed analysis of the projects associated with these receivables shows that a number of them have been suspended or ongoing since 2014G and 2015G, which increases the likelihood of delayed collection of dues. Accordingly, the ECL assessment should take into account the age of the projects associated with such delayed receivables, in addition to any expected differences in the scope of works or unapproved costs from customers.

As for the Company's contract assets, they are primarily associated with Alosailia project, which was transferred to held properties for development and sale after the project's completion. The remaining balances of such contract assets do not include the any provision for the expected credit losses, which creates risks related to the possible exposure of such balances to credit losses that are not adequately assessed by the Group. Regarding Built Company, its contract assets undergo the ECL assessment with a provision rate ranging from 5% to 6% of the total balance, which is a justifiable level due to the nature of its governmental customer base. Nevertheless, the risks associated with the aging of the accounts receivable and contract assets, including the delay of projects or any differences or unapproved costs, apply also to Build Company's contact assets, and should be taken into consideration during the assessment of the expected credit losses.

If the Group fails to re-evaluate the adequacy of provisions based on the age of the receivables and contract assets and the actual collection risks, this will lead to inadequate accounting provisions to cover potential losses, which will have a materially negative impact on the Group's results of operations, financial position, cash liquidity, and future prospects.

2.1.22 Risks Related to Liquidity and Reliance on External Financing Amidst the Group's Declining Cash Position

The Group witnessed a decline in its cash position. Cash balance decreased from approximately SAR 73.7 million as in December 2023G to approximately SAR 39.0 million as in December 2025G. During the financial year 2023G, most of the Group's cash flows resulted from financing activities, while to the Group achieved positive operating cash flows during the financial years 2024G and 2025G.

The Group faces liquidity risks due to the nature of its core projects, which led to noticeable negative operating cash flows during the financial year 2023G, before improving and shifting to positive cash flows in the financial year 2024G due to the improvement of collection operations and the decrease of changes in the working capital. The pressure on liquidity is attributed to two main factors:

1. Alosailia, where revenue is recognized based on in-kind consideration (a share of developed land) rather than cash, leading to cash outflows to cover development costs without corresponding cash inflows, thus creating a cash deficit.
2. Delays in collections due to the nature of real estate projects that involve selling land and residential units before their complete finalization, in addition to delays in collection from some government entities, as payments are usually settled upon delivery or upon reaching specific completion milestones. This leaves a portion of revenue under contract assets and unbilled sales during the development period.

These factors formed significant pressures on the Group's liquidity. As such, it had to rely increasingly on external financing to mitigate such risks. The Group relied increasingly on external financing, as the drawn loans amounted to approximately SAR 590.1 million in the financial year 2023G, followed by approximately SAR 290.2 million in the financial year 2024G, and approximately SAR 407.8 million in the financial year 2025G. Such loans were primarily used during the financial years 2023G and 2024G for financing the existing projects. The financial year 2025G witnessed a rise in the financing activities due to the increase of loan drawings, compared to the financial year 2024G.

It entails several risks, including: (1) high financing costs, particularly the facilities granted to finance working capital which carry average interest rates of approximately 7%, leading to an increase in financing expenses in the statement of profit or loss and exerting pressure on the Group's profitability, due to the full recognition of these costs within the statement of profit or loss compared to previous years in which financing costs were partially capitalized on projects under construction and development, and (2) a high level of financial leverage, where the debt-to-equity (D/E) ratio reached approximately 1.9 times as of 31 December 2023G and approximately 1.8 times as of 31 December 2024G before decreasing to 1.4 times in June and 31 December 2025G, which may limit the Group's ability to obtain additional financing in the future, and (3) the wide reliance on the Group's assets as guarantees, which restricts the flexibility of disposal of such assets and reduces the strategic options available to the Group.

During previous financial periods, the Group presented bank collateral for loans and credit facilities granted to it, including the mortgage of a number of its land and buildings from investment properties. The total value mortgaged land amounted to approximately SAR 1.3 million, while the total value of the mortgaged buildings from the investment properties amounted to approximately SAR 168 thousand. These loans are typically associated with the projects to be financed through such mortgaged assets.

If the Group defaults on its loans or financing obligations on their due dates, this will lead to banks seizing or selling the mortgaged assets to settle the debt. This will negatively and materially impact its financial position, liquidity, and ability to finance its future operations. Furthermore, if the Group is unable to effectively manage its financing obligations or improve its operating liquidity cycle, it will face difficulties in meeting its financial obligations or be forced to increase reliance on short-term loans, which will adversely and materially affect its financial position, profitability, and future business sustainability.

2.1.23 Risks Related to Planned Capital Expenditures and the Group's Future Projects

The Group's future growth plan includes material capital obligations associated with executing development and investment projects within its expansion plan in development and lease sectors. The Group is currently working on a number of main projects that are under progress or planned to be executed, with a total value of approximately SAR 10.19 billion, of which approximately SAR 1.27 billion is specified remaining costs for completion of some of these projects. The main projects include:

1. Ladun Tower, with a total value of approximately SAR 389 million, while the remaining costs amount to approximately SAR 338.4 million, and it is expected to be completed within 26 months.
2. Afyaa Al Mashraqia project, with a total value of approximately SAR 465.4 million, while the remaining costs amount to approximately SAR 464.7 million, and it is expected to be completed within 42 months.
3. Al Sulaimaniyah, totaling approximately SAR 232.7 million, while the remaining costs amount to approximately SAR 232.4 million. It is expected to be completed within 25 months.
4. Al Maather Project, totaling approximately SAR 238.4 million, while the remaining costs represent almost the entire value of the project. It is expected to be completed within 24 months.
5. Al-Qayrawan and Al-Narjis Real Estate Balance Project, with a total project value of approximately SAR 1.79 billion, is expected to commence in the second half of 2026.

6. The Namar Real Estate Balance Project, with a total project value of approximately SAR 284.1 million, is also expected to commence in the second half of 2026.
7. Al-Khalidiyah Project in Makkah, with a total project value of approximately SAR 6.79 billion, has not yet commenced as of the date of this report.

These capital plans are also subject to risks related to the possibility of the Group requiring significant and continuous external financing for financing the existing and future projects, which may affect the Group's cash liquidity and the stability of its future financial position. These projects also may face risks of delays in execution or actual cost increases above the estimates, which may lead to exceeding the estimated budgets and the decrease of their expected returns.

In addition to the existing projects, the Group's Management is currently studying a number of future projects under consideration, initial development or negotiation, , with a total estimated value amounting to approximately SAR 1.38 billion, with expected execution periods ranging between 36 and 48 months. Al-Munsiyah project, with an estimated value of approximately 470.8 million Saudi Riyals, Al-Mughrizat project, with an estimated value of approximately 26.3 million Saudi Riyals, and Al-Nada development project, with an estimated value of approximately 883.7 million Saudi Riyals, are all located in the city of Riyadh. These projects, according to each project, are still in the stage of studying the proposed product or are awaiting the signing of the development agreement.

In the event that the Group is unable to manage the planned capital expenditures or direct them to ensure the realization of the expected returns and benefits, this will lead to a decline in the return on capital investments and a decrease in profitability, which will negatively and materially affect the Group's financial position and the sustainability of its growth in the long term.

2.1.24 Risks Related to Built Company's Future Contract Portfolio

The activities of the Group's Subsidiary, Built Company, focus on the execution of contractual projects. The Company possesses a future contract portfolio valued at approximately 5.5 billion Saudi Riyals, which includes a mix of projects from both the Contracting and Industrial sectors, with execution periods ranging between 15 and 60 months. This portfolio includes projects that have been awarded but not yet started, such as projects concluded with the Ministry of Municipalities and Housing and the Royal Commission for Jubail and Yanbu, signed during the first half of the financial year 2024G and expected to commence execution during the financial year 2026G in addition to other projects that are still in the bidding and submission phase.

This portfolio is subject to several material risks, the most prominent of which are the risks of non-award of contracts or Built Company's inability to win projects offered in future tenders; execution and operation risks, namely the Management's ability to efficiently manage projects and secure the necessary financing, human, and technical resources on schedule; and risks of maintaining profitability in awarded projects through effective resource management and the implementation of flexible outsourcing and operating strategies that ensure the achievement of operational efficiency and the avoidance of cost increases.

In the event that Built Company is unable to secure new contracts, manage awarded projects according to the specified schedule and budgets, or maintain targeted profit margins, this will lead to a slowdown in revenue growth and a decline in the Group's operational profitability, which will negatively and materially affect its operation results, future business sustainability, and financial position.

2.1.25 Risks Related to Lack of Experience in Managing Companies Listed on the Main Market

Although the Company's Senior Management has experience managing the Company as a joint-stock company listed on the Parallel Market for more than two years, their experience in managing it as a company listed in the Main Market may be somewhat limited because it has been recently listed. They may have insufficient experience when it comes to managing it as a company listed on the Main Market, particularly in terms of complying with the laws and regulations pertaining to joint-stock companies listed on the Main Market and the continuing disclosure requirements applicable to such companies. Accordingly, the Senior Management will need to exert further efforts to guarantee compliance with the rules and regulations applicable to companies listed on the Main Market. If the Company does not comply with such rules or governance and disclosure requirements, it will be exposed to regulatory sanctions, which would have a material adverse effect on its business, prospects, and financial condition.

2.1.26 Risks Related to Management Decisions

The Company's success and business sustainability depend on the management's ability to make informed and timely strategic and operational decisions that keep pace with market developments, meet customer needs, and achieve operational efficiency. These decisions cover many areas, such as geographic expansion, service pricing, partner selection, human resource management, and capital allocation. If management makes inappropriate decisions – due to incomplete information, inaccurate estimates, poor risk assessment, or delays in responding to changes – it would adversely affect the Group's financial and operational performance, as well as its competitiveness in the market, and the confidence of customers and investors in its ability to manage growth. Accordingly, any ineffective management decisions could lead to lost business opportunities, increased costs, or project failures. As a result, the Group's performance, operation results, and financial position would be adversely impacted.

2.1.27 Risks Related to Errors and Misconduct of Senior Management and Board Directors

The Group's senior management and Board Directors may commit acts that could adversely affect the Group, including misuse of the Group's information or systems, disclosure of confidential information, or dissemination of misleading information. The Group may not always be able to prevent Senior Management and Board Directors from committing any serious misconduct or ensure their compliance with the Group's internal regulations and policies. As a result, the Group may incur losses, fines, or financial liabilities, or its reputation may be damaged, leading to material adverse effects on its business, results of operations, financial condition, and prospects.

2.1.28 Risks Related to Potential Shari'ah Zakat Liabilities and Additional Claims

The Group is subject to Zakat and tax requirements applicable in the Kingdom. Any increase in Zakat and/or tax requirements applicable to the Group may adversely affect its profitability. The Kingdom issued the VAT Law, which came into effect on 14/04/1439H (corresponding to 01/01/2018G). This Law imposes a 5% value-added tax on several products and services. On 17/09/1441H (corresponding to 10/05/2020G), in response to the economic impact of the COVID-19 pandemic, the Kingdom announced an increase in VAT to 15%, which came into effect on 10/11/1441H (corresponding to 01/07/2020G). This increase or any future increases in Zakat liabilities or applicable tax requirements could adversely affect the Group's profitability. The Group may make errors in complying with regulatory requirements, which could lead to penalties being imposed by the Zakat, Tax, and Customs Authority (ZATCA) under the VAT Law. These penalties could have an adverse effect on the Group's business, results of operations, financial position, and prospects.

2.1.29 Risks Related to the Protection of Trademarks and Property Rights

The Group's ability to market its products and develop its business depends on the use of its name, logo, and trademarks, which support its business and competitive position and give it a clear distinction in the market among customers. The Group has registered its trademarks with the competent authorities, with the exception of IKTISSAB Company, if IKTISSAB Company uses a trademark without registering it, it may not be able to fully benefit from the legal protection afforded to registered trademarks, and its trademark may be subject to use or registration by others, or disputes may arise regarding its ownership or right to use it. (For further information, please refer to Subsection (6.10) "**Intellectual property (Intangible Assets)**" of Section 6 "**Legal Information and Declarations of Board Members**" of this Document). Any breach of intellectual property rights or unauthorized use of the Group's trademarks will affect its reputation and lead to the filing of lawsuits and claims before the competent courts to protect these rights. This is a costly process that requires significant time and effort on the part of Management to follow. If the Group fails to effectively protect its trademark when renewing its registration certificate or tracking similar trademarks, this will negatively impact its value; hence, its business, the results of its operations, financial position, and future prospects.

2.1.30 Risks Related to the Adequacy of Insurance Coverage

As of the date of this Document, the Group holds insurance coverage for its operations through several types of insurance policies. (For more information, please refer to Sub-section (6.11) "**Insurance**" of Section (6) "**Legal Information and Declarations of Board Members**" of this Document). However, the insurance policies held by the Group may not be sufficient to cover all risks to which the Group may be exposed, and the insurance coverage limits of those policies may not be sufficient to cover all the losses that the Group may incur in connection with the risks insured against, including material financial losses, personal injury claims from third parties, incidents that occur during operations, and losses incurred as a result of damage to the Group's property. The Group may be unable to prove its claims under its current insurance policies due to exclusions or limitations on insurance coverage, such as limiting insurance coverage to certain types of incidents. This would force the Group to bear the costs of any other incidents on its part. The Group may be affected by some risks that are not covered by insurance or that require insurance coverage of high cost or beyond the Group's ability to cover. It is also possible that future incidents may occur for which the Group has no insurance coverage, or may not be covered at all. This could have a material adverse effect on the Group's business, financial position, results of operations, and prospects.

The value of the Group's claims may exceed the value and scope of coverage of its insurance policies, or the damage may not be covered. The relevant insurance company may also reject claims submitted by the Group. In addition, the Group may not be able to obtain appropriate insurance coverage due to increased premiums or lack of coverage itself (due to increased premiums, deductibles, or co-insurance requirements), whether related to the Group's industry in particular or in general. Any of these factors could have a material adverse effect on the Group's business, financial condition, results of operations, and prospects.

2.1.31 Risks Related to Working Capital Management

Liquidity risk is the possibility that the Group will be unable to meet its financial liabilities on their due dates. The Group's financial liabilities consist of trade payables, accrued amounts, other current liabilities, accrued dividends, a traded portion of lease liabilities, and Zakat liabilities. The Group may not be able to meet its obligations on their due dates. Working capital management risks may also result from the inability to sell financial assets quickly at an amount close to their fair value. Unforeseen or sudden events requiring immediate liquidity may occur at any time, which could adversely affect the Group's business in a material aspect and, consequently, its operating and financial results.

2.1.32 Risks Related to Non-Compliance with the Capital Market Law and its Implementing Regulations

The Company is subject to all mandatory provisions stipulated in the Capital Market Law, the rules, regulations, and circulars issued by the Capital Market Authority, and the Companies Law issued by the Ministry of Commerce, except for the guiding or non-applicable provisions. If the Company fails to comply with any of the rules and regulations applicable thereto, it will incur costs and penalties, such as temporary suspension of trading in shares or delisting of the Company's shares in the event of non-compliance. This will adversely affect the Company's business, results of operations, financial performance, and profitability.

2.1.33 Risks Related to the Participation of Directors in Competing Businesses

Some of the Company's Directors, members of the Board's committees, or senior executives may compete with the Company through their directorship on the Board of Directors or through ownership of businesses that fall within the scope of the Company's business and that are similar to or directly or indirectly competitive with the Company's business. If a conflict of interest arises between the Company's business on the one hand and the business of the Board of Directors or senior executives on the other, the Company's business, financial position, results of operations, and prospects will be materially adversely affected.

2.1.34 Risks Related to the Existence of Some of the Group's Assets on Leased Properties

As of the date of this Document, the Group currently leases real estate property to conduct its business. It utilizes forty-eight (48) leased properties as of the date of this Document (for further information regarding the lease agreements concluded by the Group, please refer to Subsection 6.9 "**Real Estate**" of Section 6 "**Legal Information and Declarations of Board Members**" of this Document and the other information stated herein. The Group's leases have fixed terms. If the Group is unable to extend the leases beyond the specified term or to renew the leases on the same current terms, this will adversely affect its results of operations, as it may be difficult for the Group to find alternative properties with areas commensurate with the nature of its business. Furthermore, it is worth noting that compliance with the terms of these leases or the inability to renew the same with landlords will cause the Group to enter into legal disputes and evacuate the leased properties, which would have a material adverse impact on the Group's growth plans and, consequently, its results of operations and financial performance.

It cannot be assured that these parties will live up to the Group's expectations. If the Group or its contracting parties are unable to comply with the terms of these contracts, or if any future disputes or lawsuits arise and the Group loses these disputes, this would have a material adverse effect on the Group's financial position, cash flows and operational results.

2.1.35 Risks Related to Non-registration of Leases on Ejar platform

The Group concluded fifty-six (56) lease agreements as both tenant and landlord, (43) of which were registered on the Ejar platform and (13) of which were not. Accordingly, the Group registered most of its lease agreements on the Ejar platform, in accordance with Cabinet Resolution No. (292) dated 16/05/1438 H (corresponding to 13/02/2017 G), which stipulates that a lease agreement not registered on the electronic network is not considered a valid contract producing its legal effects. This is further supported by the fact that the electronic network for rental services was launched in cooperation between the Ministries of Justice and Housing. (Please refer to subparagraph (6.9) "**Real Estate**" of section (6) "**Legal Information and Declarations of Board Members**". Since the Group has not documented (13) of the concluded lease contracts, which may result in the Company being unable to protect its rights if it does not register those contracts, considering that the lease contract documented on the Ejar platform is considered an enforceable instrument and the two parties can request its enforcement directly, even by force through the enforcement courts, without the need to file a lawsuit if one of the parties breaches its essential obligations arising from the contract, and it also saves the Company from the risk of dismissing lawsuits before the general courts due to the non-registration of the contract.

2.1.36 Risks related to Operating Systems and Information Technology

The Group relies on information technology systems to manage its business and facilities. This exposes the Group to the risks of system failure, such as system collapse, security failure, hacking of the Group's systems, computer viruses, natural disasters, fires, communication errors, or the lack of skilled personnel necessary to operate and manage these systems. If the Group fails to maintain and develop its information technology systems, or if there are any malfunctions in their functions, a major malfunction, or repeated failures occur, this would adversely affect the Group's business and its financial and operational results.

2.1.37 Risks Related to Saudization Requirements and Foreign Labor

Compliance with Saudization requirements is a statutory requirement in the Kingdom under which all companies operating in the Kingdom, including the Group, are obliged to employ and maintain a certain percentage of Saudi employees among their total staff. If any of the Group companies are classified within the low green zone or below, according to the Saudization certificate issued by the Ministry of Human Resources and Social Development (for more information, please refer to Sub-section (6.13) "**Workforce**" of Section (6) "**Legal Information and Declarations of Board Members**" of this Document), this will result in the suspension of receiving applications for recruiting new foreign labor. Given the Group's heavy reliance on foreign labor due to the nature of its activities, this situation constitutes a material challenge to its operations and could have a material negative impact on the Group's business, financial position, results of operations, and prospects.

2.1.38 Risks Related to Government Fees Applied to Non-Saudi Employees

The Saudi Government has approved some decisions aimed at implementing comprehensive reforms to the labor market, including imposing additional fees on non-Saudi employees employed at Saudi entities, effective from 14/04/1439 H (corresponding to 01/01/2018 G). The fees will be 200 Saudi riyals per month for each non-Saudi employee in 2018, increasing to 400 Saudi Riyals per month in 2019, and then 600 Saudi riyals per month in 2020. This means an increase in the governmental fees paid by the Group for its non-Saudi employees; hence, an increase in the Group's expenses in general. This would adversely affect the Group's business, financial performance, and results of its operations.

In addition, the Government has also approved residency issuance and renewal fees for dependents and companions of non-Saudi employees (the "Dependent Fees"), effective from 03/04/1438 H (corresponding to 01/07/2017 G). These fees will gradually increase from 200 Saudi Riyals per month per dependent in 2017 to 400 Saudi Riyals per month per dependent in 2020. Therefore, the increase in residency issuance and renewal fees payable by non-Saudi employees for their families results in higher living costs, leading them to seek employment in other countries with lower living costs. If this occurs, the Group will face difficulty retaining its non-Saudi employees. If this occurs, the Group will face difficulty retaining its non-Saudi employees. It may be enforced to bear these costs, in whole or in part, directly or indirectly by raising the wages of its non-Saudi employees. This would lead to an increase in the Group's costs, which would have a material adverse impact on its business, financial performance, and results of operations.

2.1.39 Risks Related to Reliance on Non-Saudi Employees

Non-Saudi employees represent approximately 75% of the total employees in the Group as of the date of this Document. The Group's business results, financial position, and operational results would be adversely affected if it is unable to retain its non-Saudi workforce or find replacements with the required skills and experience, or upon the occurrence of any change in the policies, regulations, and systems of the Ministry of Human Resources and Social Development resulting in an increase in the Saudization rate in the sector. It would be difficult for the Group to maintain its non-Saudi workforce. This would result in increased financial costs for the Group, which would negatively and materially impact on its business, profits, and results of operations.

2.1.40 Risks Related to Infrastructure Development Agreements with the Royal Commission for Riyadh City (RCRC)

The Company is a party to two infrastructure development agreements with the Royal Commission for Riyadh City (RCRC), related to the execution of public works within approved scopes and timelines. Under these agreements, the Company assumes a number of contractual and operational obligations, the breach of which may have significant financial and operational consequences for the Company.

The agreements include provisions for imposing delay penalties on the Company in the event of failure to adhere to the agreed-upon deadlines for completing the works according to the approved schedule. The delay penalty is 10% of the value of the first delay incurred by the Company in the works scheduled for completion during the first quarter of the agreement term. This penalty increases to 20% of the value of any delayed works scheduled for completion during the second, third, and/or fourth quarters of the agreement term. Imposing these penalties may lead to an increase in the Company's contractual costs and a decrease in expected profit margins from these projects, particularly in the event of repeated or substantial delays in work execution.

The agreements also grant the RCRC the right, should the Company fail to comply with the instructions of the RCRC's representative or execute the work in accordance with the contractual requirements, to undertake the work itself or through another contractor at the Company's expense, deducting any additional costs incurred by the RCRC as a result. This may result in the Company incurring additional unforeseen costs, as well as potentially impacting its ability to manage the project or control its operational costs.

Furthermore, the RCRC reserves the right to terminate the agreements if deemed to be in the public interest, by providing only (30) days' written notice. The RCRC is not obligated to compensate the Company for such termination, except for payment of the Company's dues for accepted work completed on site, refund of any remaining balance of the advance payment, and payment for supplies and materials on site approved by the RCRC before the effective termination notice date. The advance payment and final guarantee will be released after any necessary adjustments are made. Exercising this right may result in the Company losing anticipated future revenue from the project, disrupting its operational plans, or being unable to recover certain indirect costs or expenses incurred in preparation for the work. (For further information, please refer to subsection (6.6) "**Substantial Agreements**" of section (6) "**Legal Information and Declarations of Board Members**" of this document.)

The two agreements also include provisions authorizing the RCRC to confiscate the Company's final performance bond, amounting to (5%) of the agreement's value, in certain termination cases, including the Company's delay in commencing work, its slow execution of the agreement, or its breach of any of its terms without rectifying the situation within the granted timeframe. This does not prejudice the RCRC's right to seek compensation from the Company for any damages exceeding the value of the final performance bond. Accordingly, any breach by the Company of its contractual obligations may lead to the forfeiture of the final guarantee and the incurrence of additional financial claims, which may negatively affect the Company's liquidity, profitability, operating results and financial position.

2.2 Risks Related to the Market and the Sector in which the Issuer Operates

2.2.1 Risks Related to the Global Economic Stability and Supply Chain Smoothness

The Group's financial and operational performance is closely linked to the stability of the global economy and the efficiency of international supply chains. The global economy has recently witnessed numerous challenges and fluctuations that directly and indirectly impact the Group's operations and strategic plans. The most prominent of these challenges is stringent trade policies, particularly the tariffs imposed by the United States on imports from many countries, including equipment on which the Group relies to perform its operations. It is worth noting that these tariffs could lead to a significant increase in the costs of equipment and spare parts needed by the Group, whether directly or indirectly. In addition, sudden and frequent changes in global trade policies create uncertainty that makes it difficult for the Group to develop long-term financial and operational plans, which could negatively impact the efficiency of resource management and capital investments.

Furthermore, the political and security instability in the Red Sea region and surrounding areas poses a significant challenge to global supply chains. Repeated attacks on commercial vessels, ongoing security threats, and geopolitical tensions in the region have led to significant disruptions to maritime shipping, impacting the regularity and cost of transporting goods through these vital waterways. These disruptions have caused significant delays in shipping schedules, significant increases in shipping and insurance costs, and difficulties in inventory and production planning, which could add additional financial burdens to the Group.

Under these circumstances, the Group may face difficulties in providing medical equipment, spare parts, or operational supplies on time or at the expected cost, which could lead to disruption or delays in service delivery or increased pressure on operational inventory. Continued uncertainty in global commodity and equipment prices could also erode profit margins, particularly if these additional costs cannot be passed on to customers due to market competition or contractual restrictions.

Given that these economic and geopolitical factors are largely beyond the Group's control, any further deterioration in global economic stability, escalation of trade tensions, or continuation or worsening of unrest in the Red Sea region would have a material adverse impact on the Group's operations, its ability to achieve its strategic objectives, financial results, financial position, and prospects.

2.2.2 Risks Related to the Economic Performance of the Kingdom

The Group's financial and operational performance is closely linked to the levels of stability and development in the Kingdom's macro-economy, particularly given the Group's reliance on development and operation contracts with entities that operate within the national economy system, or that depend directly or indirectly on levels of government spending. The Group's business environment is affected by several economic factors, such as inflation rates, GDP growth, per capita income, levels of demand for residential units and commercial real estate, employment rates, and related regulatory policies.

Since the Saudi economy largely depends on oil revenues, any unfavorable fluctuations in oil prices could materially affect levels of government spending, particularly in sectors related to infrastructure and real estate development. This may result in the postponement or cancellation of projects being contracted with the public and private sectors, including projects that the Group engages in developing or executing.

The continuation of economic growth in the Kingdom is linked to other factors, such as the pace of population growth, the continuation of government and private sector investments in strategic projects, and the success of national transformation programs and Saudi Vision 2030. Any slowdown in these indicators or a decline in the attractiveness of the local market may negatively impact the volume of demand for the Group's products and services, affecting its ability to expand, or impacting contractual price levels, or profit margins, thus posing a material risk to the Group's business, financial results, and future prospects.

2.2.3 Risks Related to Competition

The Group operates in a real estate market that is highly competitive, with an increasing number of local, regional, and international real estate developers and contracting companies seeking to win government and private projects in strategic sectors. This competition is escalating for qualitative projects that require strict adherence to technical specifications and quality of execution, in addition to offering competitive prices. Despite the Group possessing an operational track record with a number of strategic customers and entities, there is no guarantee of its continuous ability to maintain its market share or win new contracts under the same commercial and technical terms it previously secured.

The scope of competition also includes the real estate asset management sector, in which the Group competes with specialized local and international entities to attract tenants, maintain high occupancy levels, and stable rental revenues. More attractive offers from competitors, whether in terms of pricing or accompanying services or prime locations, may lead to a reduction in demand for the assets managed by the Group or put pressure on the terms of contracts with tenants.

The pricing policies adopted by competitors are a key factor in determining the Group's ability to compete. It may find itself compelled to offer bids at lower-than-usual prices to maintain its competitiveness, which may lead to the erosion of its profit margins. Furthermore, the entry of new competitors into the market, or the development of more efficient and flexible operating models by current competitors, may result in a decrease in demand for the Group's products and services or a reduction in its negotiation power with customers.

In the event that the Group fails to adapt to market changes or match the competition in terms of pricing, operational efficiency, or technical standards, this may result in the loss of existing contracts or the failure to win new projects, which may adversely and materially affect the Group's business, financial results, competitive position, and future prospects.

2.2.4 Risks Related to Natural Disasters

Given the nature of the Group's business in real estate development, asset management, construction, and building, it is still exposed to the risks of natural disasters such as floods, storms, earthquakes, fires, or other uncontrollable environmental events. The occurrence of such disasters may lead to direct damage to the Group's projects, facilities, or industrial plants, or to interruptions in supply and construction chains, which may disrupt the execution of projects or delay their completion according to the agreed-upon contractual schedules.

Although the Group endeavors to obtain adequate insurance coverage against some of these risks, there is no guarantee that sufficient coverage, or coverage on commercially acceptable terms, will be available for all types of potential losses. In the event of a natural disaster, the Group may be forced to incur significant financial costs to repair damages or rebuild damaged assets, in addition to potential losses of development contracts or a decline in the confidence of customers and investors.

Thus, any major natural disaster may adversely and materially affect the Group's continued operations, operational results, financial position, cash flows, and future prospects.

2.2.5 Risks Related to Political and Economic Instability in the Middle East Region

The Group's financial and operational performance is closely linked to the stability of the political and economic situation in the Kingdom of Saudi Arabia, which in turn may be adversely affected by geopolitical and regional developments in the Middle East. Some countries in the region are experiencing political, security, or economic instability. The expansion of this unrest or its spillover to neighboring countries could impact the business climate in the Kingdom of Saudi Arabia, either directly or indirectly, through fluctuations in the prices of goods and services, restrictions on supply flows, changes in government spending priorities, or disruptions in financial markets. Therefore, any adverse change in any of these conditions would have a material adverse impact on the Group's business, results of operations, financial condition, and prospects.

2.2.6 Risks Related to the Illiquidity of Real Estate Investments

Real estate investments are inherently long-term investments that are difficult to liquidate compared to other types of investments. Due to the cyclical fluctuations witnessed in the real estate sector in the Kingdom, the investment nature of these assets is relatively illiquid. In the event of a decline in demand rates for land or real estate units, the Issuer may not be able to sell those assets quickly or at suitable prices that reflect their fair value, which could negatively affect future financing or development plans.

The changing market conditions may place the Issuer's real estate portfolio in an unfavorable position at any time, making it difficult to liquidate properties or commercial units when there is a need to secure urgent cash liquidity. If the Issuer is compelled to sell under deteriorating economic or financial conditions, the realized price may not reflect the fair valuation of the project concerned, which could lead to additional losses.

Moreover, the Issuer may be forced to mortgage some of its projects or parts thereof to secure its financing obligations, which may expose those projects to the risk of forced sale in the event of any payment default under the financing arrangements. Therefore, limited liquidity and the associated risks of market value decline or the need to sell under unfavorable circumstances may collectively or individually negatively and materially affect the Issuer's business, results of operations, financial position, and future prospects.

2.2.7 Risks Related to the Impact of Demand for Residential and Commercial Real Estate in KSA

All of the Issuer's real estate investments are located within the Kingdom of Saudi Arabia. Its financial and operational performance is closely linked to the levels of demand for residential and commercial real estate in the local market. With the increasing number of real estate projects under development in the Kingdom, the supply of residential units and commercial spaces may exceed the actual demand level, leading to market saturation. If this occurs, the Issuer may be forced to sell its residential units or commercial units at discounted prices or even at a loss, and in some cases, may not be able to sell them at all.

Furthermore, the demand for residential and commercial real estate is subject to economic fluctuations beyond the Issuer's control, including inflation rates, unemployment levels, average wages, the availability of credit from banks and other financiers, their willingness to lend, as well as interest rates, tax rates, and related governmental policies. Given that the Issuer's revenues are largely derived from the sale and leasing of these properties, any noticeable decline in the level of demand, whether resulting from the reasons mentioned above or otherwise, may adversely and materially affect the Issuer's business, results of operations, financial position, and future prospects.

2.2.8 Real Estate Development Risks

The Issuer carries out and develops some real estate projects, intending to operate them within its main activities in development and asset management. The real estate development activity is associated with some risks and challenges, the most prominent of which are delays in issuing necessary regulatory licenses and permits or their non-issuance altogether, the increase in prices of materials and construction inputs and construction costs in general, difficulty in securing sufficient skilled labor, entering into disputes with executing contractors, in addition to the possibility of facing unexpected engineering, environmental, or geological problems.

Any or some of these risks may result in a delay in the completion of projects or the incurring of additional costs, which could negatively affect the economic feasibility of those projects or their operational start dates. Accordingly, the Issuer's exposure to these challenges may materially affect the profitability of its business, its financial position, and its future prospects.

2.2.9 Risks Related to Real Estate Expropriation

The Issuer's real estate remains exposed to the risk of expropriation for public benefit pursuant to the relevant regulations in the Kingdom of Saudi Arabia. In the event that any of its real estate is expropriated, there is no guarantee that the value of the compensation the Issuer receives will be equal to the market value of the property in dispute or even its purchase cost. This may result in an adverse and material impact on the Issuer's profitability, operation results, and future prospects.

Although the Law of Expropriation of Real Estate for Public Benefit and Temporary Taking of Property stipulates that expropriation must be in exchange for fair compensation. However, this compensation may not be sufficient to compensate the Issuer for the loss of income resulting from the cessation or reduction of revenues associated with those properties. Moreover, the estimation of the compensation and its disbursement procedures often takes long periods, and procedures for objecting to the compensation (if deemed unacceptable) may lead to further delays, which reflects negatively and materially on the Issuer's revenues, business, financial position, and future prospects.

2.2.10 Risks Related to the Implementation of the In-Kind Real Estate Registration

Some or all of the Issuer's real estate may be subject to the provisions of the Law of Real Estate Registration Promulgated by Royal Decree No. (M/91), dated 19/09/1443 H (corresponding to 20/04/2022 G), Council of Ministers Resolution No. (537) dated 18/09/1443 H (corresponding to 19/04/2022 G), and the Implementing Regulation issued by the General Real Estate Authority Resolution No. (1/20/T/22) dated 27/01/1444 H (corresponding to 25/08/2022 G), which came into force in August 2022 G

In the event that the Issuer is obliged to register its real estate or a part thereof in-kind during the specified period and is unable to complete the registration procedures, this may result in the imposition of fines or penalties as stipulated by the Law, which do not exceed one hundred thousand Saudi Riyals (SAR 100,000), in cases including, but not limited to, refraining from disclosing the necessary documents or data for the validity and integrity of the registration procedures, obstructing the work of the competent authority, or failing to submit the application for the first in-kind registration of the real estate within the specified statutory period.

If the Issuer submits registration applications for its real estate or a part thereof and the ownership deeds are not issued due to existing objections, for example, due to duplication or overlap between ownership deeds or for any other reasons, it may be unable to complete the in-kind registration of the real estate asset, which may prevent the issuance of the necessary licenses for its operation or disposal. This results in a material negative impact on the Issuer's ability to manage and operate its real estate assets, which may adversely affect its revenues, profits, operational activities, financial position, and future prospects.

2.2.11 Risks Related to the Saudi Building Code

The Law on Implementation of the Saudi Building Code was issued pursuant to Royal Decree No. (M/43) dated 26/04/1438 H (corresponding to 24/01/2017 G), and amended pursuant to Royal Decree No. (M/15) dated 19/01/1441 H (corresponding to 18/09/2019 G). The Saudi Building Code is an integrated framework of regulatory, technical, architectural, structural, electrical, mechanical, and health requirements, aiming to ensure the safety, sustainability, and efficiency of buildings, increase their useful life, reduce energy consumption, and enhance buildings' resistance to natural disasters.

On 21/11/1442 H (corresponding to 01/07/2021 G), the Code came into force and became applicable to all construction works in the public and private sectors, including the design, execution, operation, maintenance, and modification of new buildings. It also applies to existing buildings if they are renovated, their use is changed, or they are expanded. Adherence to the Code's provisions is an essential condition for obtaining construction, renovation, modification, or change of use licenses, and a building may not be occupied except under an occupancy certificate, which is a condition for connecting services according to the occupancy classification in the Code.

The Saudi Building Code is reviewed and reissued every five years. Any updates or revisions may entail new material obligations that the Issuer must comply with In the event of a breach of the Code's requirements, the Law stipulates that the violator is subject to penalties reaching a financial fine not exceeding one million Riyal (SAR 1,000,000) for each violation in a single building, and/or suspension of the practice license for a period not less than one month and not exceeding one year.

Accordingly, any breach by the Group of the Saudi Building Code requirements or its inability to adapt quickly to emerging amendments may expose it to financial and regulatory penalties that materially affect its operational business, profitability, financial position, and future prospects.

2.2.12 Risks Related to Non-Compliance with Current Laws and/or the Issuance of New Laws

The Group is subject to the supervision of several government authorities in the Kingdom, including, but not limited to: the Ministry of Commerce, the Zakat, Tax and Customs Authority, and the Capital Market Authority. As such, the Group is exposed to the risks of changes in the laws, regulations, circulars, and policies in the Kingdom. The legislative and regulatory environment in the Kingdom witnesses the issuance of several laws and regulations. It is subject to change and update. Any changes in this environment may result in the Group incurring costs of compliance. In the event of any changes be introduced to the current laws or regulations, or if new laws or regulations be issued, this will result in the Group incurring additional unforeseen financial expenses for purposes related to compliance with those laws and meeting the requirements of those regulations, or the Group may be subject to penalties and fines imposed by the competent supervisory authorities in the event of its continuous non-compliance with these regulations and laws, which could negatively affect its business, results of operations, financial position, and future prospects.

2.2.13 Risks Related to Taxation

The Kingdom issued the VAT Law, which came into effect on 1 January 2018 AD. This law imposes a 5% value-added tax on a number of products and services, as stipulated in the Law. The Kingdom's Government decided to increase the VAT from 5% to 15%, starting from July 2020. Hence, the related businesses must be aware of the nature of VAT and the method of its application and calculation. They also must submit their tax returns to the concerned governmental entities. The Kingdom issued the Real Estate Transaction Tax Law on 15 October 2020 G pursuant to which a tax of 5% was imposed on the value of the real estate supply. It also exempts real estate sales from the Value Added Tax and replaces it with the Real Estate Transaction Tax at 5% of the value of the real estate supply to be collected upon the documentation of the real estate transaction. Accordingly, in the event that the Saudi government decides to increase the rate of the Real Estate Transaction Tax or decides to cancel this support and reapply the Value Added Tax of 15% on real estate transactions, this will adversely affect the Issuer's operations results, financial position, and future prospects.

In addition to the foregoing, any future amendments to the tax laws, including value-added tax or real estate transaction tax, may lead to an increase in the Group's tax obligations, which could materially affect its financial positions and operation results. The Group's inability to pass on additional costs to customers due to market competition or contractual restrictions may limit its ability to maintain its profitability levels. In the event that fines or penalties are imposed by the Zakat, Tax and Customs Authority due to any difference in the interpretation of the provisions of the Value Added Tax Law or the Real Estate Transaction Tax Law, the Group will sustain additional amounts that may affect its financial position and results of operations. Therefore, the continued application, amendment, or increase of the value-added tax and the real estate transaction tax in the future may constitute a risk factor that could continue to negatively affect the Group's business, operation results, financial position, and customer profits

2.2.14 Risks Related to Consumer Spending Due to Poor Economic Conditions

The Group's business may be adversely affected by fluctuations in economic factors beyond its control, including consumers' ability to borrow, interest rates, unemployment rates, salary levels, tax levels (such as the VAT, which was increased from 5% to 15% effective 1 July 2020 G), in addition to water and electricity consumption costs. The cancellation of government support, whether as a whole or in part, for certain essential materials may lead to a decrease in the level of disposable income, which negatively impacts consumer spending levels, including discretionary spending on various products.

Thus, any decline in the number of consumers or their spending levels may lead to a decrease in demand for the Group's products, which may negatively and materially affect its business, results of operations, financial position, and future prospects.

2.2.15 Risks Related to the Competition Law and its Implementing Regulations

If the Company occupies a dominant position in the market or is so classified by the General Authority for Competition, the Company will be subject to the terms and conditions stipulated in the Competition Law issued pursuant to Royal Decree No. (M/75), dated 29/06/1440 H (corresponding to 06/03/2019 G), and its Implementing Regulations issued by the General Authority for Competition pursuant to Resolution No. (327), dated 25/01/1441 H (corresponding to 24/09/2019 G). The Competition Law aims at protecting legitimate competition in Saudi markets, as well as establishing and strengthening market rules along with free and transparent pricing. In the event that the Company violates the provisions of the Competition Law and a judgment is issued against it in relation to the said violation, it may be exposed to substantial fines subject to the discretion of the General Authority for Competition, not exceeding (10%) of the annual sales value (revenue), subject-matter of contract, or not exceeding ten million Saudi riyals in case the annual revenue could not be calculated.

In addition, the General Authority for Competition has the right to request a temporary or permanent suspension (whether partial or total) of the Company's activities in the event of repeated violations by the Company. Moreover, the litigation procedures in such cases would be lengthy and expensive for the Company. The occurrence of any of these risks could have a material adverse effect on the Company's business, financial position, operation results, and prospects.

2.2.16 Risks Related to the Outbreak of Infectious Diseases

Given the nature of the Group's business in the fields of real estate development, asset management, construction, and building, any wide-scale outbreak of infectious diseases, whether within the Kingdom or globally, may pose a material risk that affects the continuity of the Group's operations and its operational efficiency. These risks include epidemics or pandemics, such as Coronavirus (COVID-19) or any future diseases that may require wide-ranging health interventions or the imposition of regulatory restrictions on the movement of individuals and goods.

The outbreak of any infectious disease may lead to disruptions in supply chains, a shortage in the workforce due to infection or quarantine, or the suspension of certain project activities in the event of site closures or the imposition of government restrictions on movement. A decline in overall economic activity levels under these circumstances may adversely impact demand in the real estate market and affect occupancy rates and rents in the assets managed by the Group.

Although some health crises may temporarily lead to an increase in demand for specific types of real estate or services (such as medical or logistics facilities), the overall impact of such events is tied to regulatory and economic uncertainty, the potential for repeated lockdown or restrictive measures, and the resulting financial and operational pressures. Thus, any wide-scale outbreak of infectious diseases may negatively and materially affect the Group's business, operational results, financial position, and future prospects.

2.3 Risks Related to Securities Listed on the Main Market

2.3.1 Risks of Failing to Meet Liquidity Requirements in the Main Market after the Transfer

The Company must fulfill the liquidity requirements for transferring to the Main Market and ensure compliance with them following the transfer. The Company is continuously bound by liquidity requirements. This includes the requirements stipulated in Paragraph (b) of Article 7of the Listing Rules for the shares subject to the transfer request, as well as the additional criteria related to the availability of liquidity in the shares according to the market rules.

It is It should be noted that the Company currently satisfies these requirements. The number of public shareholders (as defined in the Glossary of Terms Used in the Market Rules) stands six hundred and seventy-eight (678) shareholders, holding three hundred and seventy-three million, five hundred and seventy-four thousand and six (373,574,006) shares, representing (74.71%) of the Company's total shares. Furthermore, the Company meets the additional criteria relating to the availability of liquidity in the shares subject to the transition application to the Main Market, in accordance with Tier three (3) of Criterion One of the Additional Criteria. The number of public shareholders holding (1,000) shares or more amounts to (480) four hundred and eighty shareholders, who collectively own three hundred and seventy-three million, five hundred and twenty-nine thousand, five hundred and fifty-eight (373,529,558) shares, representing (74.71%) of the Company's total shares. Additionally, The number of shares held by the fifteen (15) largest public shareholders amounts to one hundred seventy-four million six hundred ninety-nine thousand (174,699,000) shares, representing 46.77% of the total public shareholding.

Any failure in meeting the liquidity requirements could result in the suspension of trading of the Company's Shares. In the event of failing to meet such requirements, the Company is required to implement the necessary corrective measures to fulfill the requirements within the deadline specified by the Market, following coordination with the CMA. In addition, the Company must constantly notify the Market of any change regarding the corrective measures, which might be represented in, for example, the major shareholder's sale of a number of its shares to the Public, ensuring fulfilling the requirements. The failure to take corrective action has an adverse and material impact on the Company.

2.3.2 Risks Related to Potential Fluctuations in the Price of the Shares

The price of a share issued by the Company may be noticeably volatile following its transfer from the Parallel Market to the Main Market, and no guarantees may be made regarding the stability of the share's market price or keeping it within a specific range. This is attributed to several factors beyond the Company's control, which may negatively or positively affect the share's performance, including, without limitation: The general conditions of the financial market, fluctuations in investor confidence, and the Company's financial and operational performance, ability to execute its announced strategies, or delays in the execution of those strategies. Further, the external events, such as the entry of new competitors to the Market or the announcements regarding mergers, acquisitions or strategic partnerships by the Company or its competitors, may lead to unexpected price volatilities.

2.3.3 Risks Related to Future Data

This Document covers some forward-looking data and information, prepared on the basis of assumptions and future estimates related to the Company's performance, its strategic plans, and operating environment. It is worth mentioning that such forward-looking data is not considered a guarantee for achieving certain results, as the Company's actual performance might vary significantly from the expectations or prospects stated in this Document, due to several internal and external factors that cannot be precisely predicted or controlled. These factors include, without limitation, general economic conditions, regulatory developments, changes in demand for the Company's services, the availability of specialized personnel, and the Company's ability to execute its strategic plans efficiently and in a timely manner. Any unexpected change in these factors may lead to a deviation of the actual results from the anticipated ones.

Accordingly, the forward-looking data in this Document must not be interpreted as a confirmation or obligation by the Company or any of its consultants or shareholders to achieve certain results. Investors are recommended to take such risks into consideration while evaluating their investment decision, acknowledging that such data is subject to a high degree of uncertainty and may be affected by factors lying beyond the Company's control.

2.3.4 Risks Related to the Likelihood of New Share Issuance

The Company may issue new shares in the future within the prescribed statutory limits, whether for the purpose of increasing the capital, funding expansion plans, acquiring other assets or companies, or for other strategic purposes it may deem necessary. If additional shares are issued, while not all current shareholders exercise their subscription right, this may lead to a relative decrease in their ownership percentage in the Company, which results in the reduction of their voting rights and their rights to possible profits. Accordingly, the Company's resolution of issuing additional shares in the future, without an equal participation of all current shareholders, may adversely affect the value of their investments and their ownership percentage. This would constitute a risk, which must be taken into consideration by the shareholders and prospective investors while evaluating the Company's investment opportunities.

2.3.5 Risks Related to Non- Distribution of Dividends to Shareholders

The Company's distribution of dividends will depend on several factors, including the Company's financial and operational performance, availability of distributable profits, as stipulated by the Company's Articles of Association or other organizational directions or restrictions, in addition to the Company's future capital needs, the available liquidity level, its expansion plans, and general economic conditions. There is no guarantee that the Company will distribute dividends in any future fiscal period, whether in terms of the amount, frequency, or timing. Further, the Company's increase in its capital in the future may lead to a decrease in the share profitability due to the distribution of profits over a larger number of shares, which may adversely affect the return on investment of the current shareholders. The distribution of dividends resolution shall be made by the Ordinary General Assembly, as recommended by the Board of Directors, and as permitted under the Company's Articles of Association and any other organizational directions or restrictions. Accordingly, investors must be aware that their returns on investment in the Company's shares might not be realized through cash distributions, but might be mainly dependent on the share's performance in the Market.

2.3.6 Risks Related to Effective Control Post-Transfer by Current Shareholders

After completion of the transfer process, some or a group of the current shareholders will have the effective control over the Company's strategic decisions, owning collectively a large part of the Capital, which enables them to affect the resolutions that require the approval of the General Assembly of Shareholders, whether individually or together with other shareholders, including but not limited to, mergers and acquisitions, sale of assets, election of the Board Directors, increase or decrease of the Capital, issuance or non-issuance of additional shares, distribution of dividends, or any change in the Company. Such level of control may lead to a possible conflict of interest between such shareholders and the minority shareholders. In such case, the minority shareholders will be in an unequal situation, in terms of influencing the Company's directions or protecting their interests. Such control may also be used in a manner that adversely affects the transparency or governance, or leads to the adoption of resolutions against the Company's overall interest or against the minority shareholders' interest. Accordingly, the continuing control of some shareholders over the material resolutions in the Company after listing may constitute a material risk that affects the balance of the Company's governance, the results of its operations, its financial position, and prospects.

2.3.7 Risks Related to the Sale of a Substantial Number of Shares on the Exchange After Transferring to the Main Market

The sale of a substantial number of shares by one or more current Shareholders, especially those holding 5% or more of the Company's shares, after the completion of the process of Transfer to the Main Market, may lead to a negative price pressure on the share price due to the increase of supply, which may lead to the noticeable decrease of the share price. Further, if there is a mere expectation that some major shareholders will dispose of their market share, whether based on investment or strategic considerations or based on the end of the regulatory blackout periods, concerns would be raised among the investors, driving them to make early sale decisions or hesitate to purchase, which may adversely affect the level of liquidity and trading's, and accordingly the stability of the share's market price, which constitutes a material risk for the current or new investors, who may face significant volatility in the market value of their investments. Accordingly, any big sale of the Company's shares in the market, whether it is actual or expected, especially by the major shareholders, may have a material adverse effect on the share's price in the market and the investors' directions towards it.

2.3.8 Risks Related to the Suspension of Trading or Cancellation of the Company's Shares for Failure to Publish its Financial Statements within the Statutory Period

If the Company is unable to publish its financial information within the statutory period applicable to the Main Market (thirty (30) days from the end of the financial period for the interim financial statements and three (3) months from the end of the financial period for the annual financial statements), the procedures for suspending listed securities shall be applied in accordance with the Listing Rules issued by Saudi Exchange Company (Saudi Exchange), which stipulate that the Market shall suspend the trading of securities for one trading session following the expiration of the statutory period. In the event the Company's financial information is not published within twenty (20) trading sessions following the first suspended trading session, Saudi Exchange Company shall announce the re-suspension of the Company's securities until the Company announces its financial results. If the suspension of trading of the Company's shares continues for a period of six (6) months without the Company taking the appropriate measures to correct such suspension, the CMA may delist the Company's securities. The Saudi Exchange Company shall lift the suspension after one trading session following the announcement of the Company's financial results. However, if the Company delays in announcing its financial results or if it is unable to publish them within the said statutory period, this will result in the suspension or delisting of the Company's shares, which would have a material adverse effect on the interests of the Company's shareholders, the Company's reputation, and operation results.

2.3.9 Risks Related to Non-Publication of Research Related to the Company or Publication of Inaccurate or Inadequate Research about the Company

The trading price and volume of the Company's shares will depend in part on the research that securities or industry analysts publish about the Company and its business. If research analysts do not conduct or maintain adequate research coverage or if one or more of the analysts who cover the Company downgrade their recommendations on the Shares or publish inaccurate research regarding the Company's business or research with unfavorable findings, the share market price could decline. In addition, if one or more research analysts cease coverage of the Company or fail to publish reports on it regularly, the Company could lose its position and visibility in the financial markets, which, in turn, could cause the price of the shares in the Market to decline significantly.

3. Purpose for Transfer to Main Market

On 08/04/1445 H (corresponding to 23/10/2023 G), the Board of Directors approved the Company's Transfer to the Main Market, in accordance with the provisions of the Listing Rules issued by the Saudi Exchange Company, approved under CMA Board resolution No. (3-123-2017) dated 09/04/1439 H (corresponding to 27/12/2017 G), as amended, and in accordance with the provisions of the Rules on the Offer of Securities and Continuing Obligations issued by CMA Board Resolution No. (3-123-2017), dated 09/04/1439H (corresponding to 27/12/2017 G), based on the Capital Market Law promulgated by Royal Decree No. (M/30), dated 02/06/1424 H (corresponding to 31/07/2003 G), as amended by CMA Board Resolution No. (3-6-2026) dated 30/07/1447 H (corresponding to 19/01/2026 G), and any subsequent amendments thereto.

The Board of Directors of the Issuer considers it to be in the best interests of the Company and its shareholders to avail themselves of the options set forth in the Listing Rules regarding the transition from the Parallel Market to the Main Market, and the benefits accruing to the Issuer and its shareholders therefrom. The Company's shares were listed on the Parallel Market on 15/11/1443 AH (corresponding to 14/06/2022 AD), and accordingly, the Issuer has completed more than two calendar years as stipulated in Paragraph (a) of Article Forty-Six of the Listing Rules. Furthermore, the Issuer has satisfied all other regulatory requirements set forth in the said Article. Based on the shareholders' register dated 20/01/1448H (corresponding to 05/07/2026G), the Company satisfies the liquidity requirements pursuant to Paragraph (b) of Article Seven of the Listing Rules with respect to the shares subject to the transition application to the Main Market. The number of public shareholders (as defined in the Glossary of Terms Used in the Market Rules) stands six hundred and seventy-eight (678) shareholders, holding three hundred and seventy-three million, five hundred and seventy-four thousand and six (373,574,006) shares, representing (74.71%) of the Company's total shares. Furthermore, the Company meets the additional criteria relating to the availability of liquidity in the shares subject to the transition application to the Main Market, in accordance with Tier three (3) of Criterion One of the Additional Criteria. The number of public shareholders holding (1,000) shares or more amounts to (480) four hundred and eighty shareholders, who collectively own three hundred and seventy-three million, five hundred and twenty-nine thousand, five hundred and fifty-eight (373,529,558) shares, representing (74.71%) of the Company's total shares. Additionally, The number of shares held by the fifteen (15) largest public shareholders amounts to one hundred seventy-four million six hundred ninety-nine thousand (174,699,000) shares, representing 46.77% of the total public shareholding. Furthermore, the Company satisfies the aggregate market capitalization requirements during the twelve months preceding the date of submission of the transition application to the Main Market. The Company also satisfies the corporate governance requirements applicable to the Main Market.

4. About the Company

4.1 Introduction

The Company is a Saudi-listed shareholding company, Commercial Registration No. (2051030952) issued in Al Khobar on 17/03/1426 H (corresponding to 26/04/2005 G). It was listed on the parallel market on15/11/1443 H (corresponding to 14/06/2022 G).

The Company was established on 20/08/1425 H (corresponding to 04/10/2004 G) as a limited liability company under the name "Ajzala For Trading and Real Estate Investment Ltd." by converting some branches of "Ajzala For Trading and Contracting Establishment" owned by Saad bin Saud bin Saad Al-Arifi", which are: Agzalla Fuel Trading Establishment, Commercial Registration No. (000429) dated 10/30/1411 H (corresponding to 15/05/1991 G), headquartered at Al Muzahmiyah, (2) Jazala Real Estate Office, Commercial Registration No. (076827) dated 14/10/1410 H (corresponding to 09/05/1990 G), headquartered in Riyadh, (3) Saad Alarifi Factory for Blocks, Commercial Registration No. (132533) dated 09/08/1415 H (corresponding to 11/01/1995 G), headquartered in Riyadh, (4) Ajzala Real Estate Services Office, Commercial Registration No. (022785) dated 30/04/1419 H (corresponding to 23/08/1998 G), headquartered in Al Khobar, (5) Ajzala Furnished Apartments Establishment, Commercial Registration No. (025538), dated 28/07/1422 H (corresponding to 15/10/2001 G), headquartered in Al Khobar. The Company, with all its rights, obligations, assets, and liabilities, was converted to "Ajzala For Trading and Real Estate Investment Co., a Limited Liability Company. Its capital is (SAR 2,142,000) two million, one hundred and forty-two thousand Saudi Riyals, divided into (8,568) eight thousand, five hundred and sixty-eight shares of equal value, with each share valued at (SAR 250) two hundred and fifty Saudi Riyals (determined depending on the valuation of the aforementioned establishment's branches according to their book value). The Company was recorded in the Commercial Register in Al Khobar under number (2051030952) on 17/03/1426 H (corresponding to 26/04/2005 G). On 29/07/1431 H (corresponding to 06/07/2010 G), the partners unanimously approved to convert the Company into a closed joint-stock company under the name "Ajzala For Trading and Real Estate Investment Company". The partners also resolved to increase the Company's capital from (SAR 2,142,000) two million, one hundred and forty-two thousand Saudi Riyals to (SAR 10,000,000) ten million Saudi Riyals, divided into (1,000,000) one million fully paid-up ordinary shares through the issuance of (785,800) seven hundred and eighty-five thousand, eight hundred ordinary shares, each with a par value of (10) ten Saudi Riyals. The capital increase of (SAR 7,858,000) seven million, eight hundred and fifty-eight thousand Saudi Riyals was fulfilled in the form of an in-kind contribution of buildings erected on leased land. On 25/08/1437 H (corresponding to 01/06/2016 G), the Extraordinary General Assembly approved the increase in the Company's capital from (SAR 10,000,000) ten million Saudi Riyals to (SAR 368,114,200)three hundred and sixty-eight million, one hundred and fourteen thousand, two hundred Saudi Riyals, divided into (36,811,420) thirty-six million, eight hundred and eleven thousand, four hundred and twenty fully paid-up ordinary shares, each with nominal value of ten (10) Saudi Riyals, by issuing thirty-five million, eight hundred and eleven thousand, four hundred and twenty (35,811,420) ordinary shares, with a par value of ten (10) Saudi Riyals per each share. The capital increase valued at (SAR 358,114,200) three hundred and fifty-eight million, one hundred and fourteen thousand, two hundred Saudi Riyals was fulfilled by capitalizing in-kind assets according to their average valuation conducted by external evaluators on 30/07/1437 H (corresponding to 07/05/2016 G). On 18/04/1438 H corresponding to 16/1/2017 G, Register No. (1010467355) was opened in Riyadh as a sub-register (which is currently the main register). On 12/03/1440 H (corresponding to 20/11/2018 G), the Extraordinary General Assembly approved changing the Company's name from "Ajzala for Trading and Real Estate Investment Company" to "Ladun Investment Company". On 24/07/1442 H (corresponding to 8/3/2021 G), the Extraordinary General Assembly approved the transfer of the main office from Al-Khobar to Riyadh, so that the Register No. (1010467355) issued from Riyadh would be the main register and the Register No. (2051030952) issued from Al-Khobar would be the sub-register. On 25/01/1443 H (corresponding to 02/09/2021 G), the Extraordinary General Assembly approved an increase in the Company's capital from (SAR 368,114,200) three hundred and sixty-eight million, one hundred and fourteen thousand, two hundred Saudi Riyals to (SAR 500,000,000) five hundred million Saudi Riyals, divided into (50,000,000) fifty million ordinary shares, each with a par value of ten (10) Saudi Riyals. The increase valued at (SAR (131,885,800) one hundred and thirty-one million, eight hundred and eighty-five thousand, eight hundred Saudi Riyals was paid by capitalizing the entire statutory reserve amounting to (SAR 12,447,484) twelve million, four hundred and forty-seven thousand, four hundred and eighty-four Saudi Riyals, as well as capitalizing a portion of the retained earnings amounting to (SAR 119,438,316) one hundred and nineteen million, four hundred and thirty-eight thousand Three hundred and sixteen Saudi Riyals. On 15/11/1443 H (corresponding to 14/06/2022 G), the Company was listed on the Parallel Market. On 11/11/1444 H (corresponding to 31/05/2023 G), the Extraordinary General Assembly approved the share split, reducing the nominal value of the share from (SAR 10) ten Saudi Riyals to (SAR 1) one Saudi Riyal, while maintaining the Company's capital unchanged. Accordingly, the number of shares increased from (50,000,000) fifty million to (500,000,000) five hundred million shares. On 08/04/1445 H (corresponding to 23/10/2023 G), the Company's Board of Directors approved the transition of the Company's shares from the Parallel Market to the Main Market.

Ladun Investment Company is one of the leading Saudi companies in the development and management of real estate assets. Ladun and its Subsidiaries cover the complete real estate development value chain and possess specialized tools and expertise that enable them to develop high-quality, qualitative products. The Company is a distinguished model in combining deep real estate experience with a modern strategic vision based on the principles of sustainability, innovation, and operational excellence. Since its incorporation more than 55 years ago, Ladun has succeeded in building a solid position in the Saudi real estate market by developing qualitative projects that contribute to enhancing the quality of life and achieving added value for investors and society, in line with the objectives of Saudi Vision 2030 in empowering the real estate sector and boosting its contribution to the national economy.

4.2 Position and Role in the Market

The Group has a strong track record of achievements in developing diverse real estate projects, including residential, commercial, integrated communities, and mixed-use complexes. The Company enjoys close relationships with major financing and banking institutions in the Kingdom, which have enabled it to lead large, qualitative projects and achieve stable financial and operational performance. This success is the result of sound governance and an integrated operating model that ensures efficiency in resource management, the ability for measured expansion, and the achievement of sustainable growth objectives.

4.3 Vision

Being the preferred partner in the market for sustainable development and management of real estate assets.

4.4 Mission

To be among the top 3 leading companies in real estate asset development and management in the Kingdom within the next five years, while achieving design quality, innovation, sustainability, and quality of life.

4.5 Core Values

The Group's corporate culture is based on a system of solid values that form the foundation of its success and distinctiveness, including:

- Corporate discipline
- Efficiency and effectiveness
- Continuous development
- Ethical dealing
- Participatory work.

4.6 Competitive Strengths

- Diverse and distinguished project portfolio: It includes residential, commercial, and mixed-use projects with high market value.
- Strong and stable real estate assets: The Company has a collection of qualitative assets that form a solid foundation for future growth and enhance market value.
- Established strategic relationships: Fruitful cooperation with major Saudi banks, financing institutions, and key investors and customers in the Kingdom, which enhances the Company's ability for long-term expansion and investment
- Integrated corporate governance: A managerial and organizational model that achieves operational efficiency and ensures clarity of authorities and transparency in decision-making.
- Specialized human capital: An integrated team of national competencies and regional and global expertise in real estate development, project management, and investment.
- Moving to digital transformation: Adoption of the latest digital technologies in asset management and operation, enhancing customer experience, and achieving technical integration in operations.
- Adherence to global sustainability standards: Application of Green Building principles (LEED) and ESG standards in our qualitative projects, which enhances the Company's competitiveness in the local and international market.
- Strong will for expansion and growth: A clear vision for expansion into new markets through acquisitions and strategic partnerships.

4.7 Future Outlook

The Group is moving steadily towards an advanced stage of growth and strategic expansion, supported by a growing track record of major qualitative projects, integrated executive and operational capabilities, and strategic partnerships with government entities and leading national organizations in the Kingdom. The growth of the Group's existing and new project portfolio and the Group's subsidiaries reflects the evolving scope and diversification of the Group's business across real estate development, land and infrastructure development, urban redevelopment, contracting, operation and maintenance.

The winning bid by the consortium of Ladun Investment Company and Al Ayuni Investment and Contracting Co. for projects under the Riyadh Real Estate Market Balance Program, specifically within the first and third packages encompassing Al-Qayrawan, Al-Narjis, and Namar lands, reflects the Group's growing role in large-scale land and infrastructure development projects. The estimated development costs for these two packages amount to approximately SAR 2.3 billion, including VAT. The Group anticipates that these projects will contribute to strengthening its portfolio in the coming years, expanding its expertise in land development and managing major development programs, and enhancing its competitiveness for similar projects related to urban development programs and increasing the real estate supply in the Kingdom.

The winning bid by the consortium of Ladun Investment Company and Al Ayuni Investment and Contracting Co. for Al-Khalidiyah redevelopment project in Makkah also strengthens the Group's presence in large-scale urban redevelopment projects. The project aims to redevelop an area of approximately 920,933 square meters through an integrated development model that includes urban planning, compensation and acquisition procedures, demolition of existing buildings, infrastructure development and land development and preparation for investment. The Group anticipates that the project will represent a qualitative shift in its portfolio and contribute to building specialized institutional expertise in urban redevelopment projects, potentially enhancing the Group's opportunities to participate in similar projects in the future.

In the real estate development and hospitality sector, the Group is continuing the development of the Cheval Ladun Living Tower project in Riyadh, with a total value of approximately SAR 389 million. This project represents one of the Group's flagship developments in the hospitality and long-term accommodation sector. The Group expects that the project's completion and commencement of operations will enhance its real estate portfolio and support its focus on developing hospitality projects with specialized operational brands. The project's value is listed among the major projects under development in the Transfer Document.

In parallel, the Group continues to develop and execute several major real estate projects, including the Afyaa Al Mashraqia project with a total value of approximately SAR 465.4 million, Al Sulaimaniyah project with a total value of approximately SAR 232.7 million, and Al Maathar project with a total value of approximately SAR 238.4 million. The Group expects these projects to contribute to diversifying its real estate portfolio across residential development, hospitality, long-term accommodation, and mixed-use projects, and to enhance its expertise in developing and managing diverse real estate projects in key urban locations.

At the subsidiary level, Built Industrial Company continues to strengthen its portfolio in the contracting and industrial sectors, with a future contract portfolio valued at approximately SAR 5.7 billion. Project execution periods within this portfolio range from 15 to 60 months. The portfolio includes projects that have been awarded but yet commenced, including projects contracted with the Ministry of Municipalities and Housing and the Royal Commission for Jubail and Yanbu, signed during the fiscal year 2025 and expected to begin during the fiscal year 2026. The Group anticipates that the commencement of these projects will contribute to supporting the growth of the contracting sector, strengthening Built's client base, and diversifying its revenue streams.

Among the most prominent existing and new projects undertaken by Built Company is the expansion of the Ministry of Municipalities and Housing headquarters in Riyadh, with a total value of approximately SAR 628.1 million including VAT. The project is expected to take four years to complete from the date of site takeover. The company is also executing a mixed-use project in Abha for Asir Red Sea Fund, with a total value of approximately SAR 645.7 million including VAT. The Group believes these projects reflect the growing scale and quality of Built Company's projects and reinforce its presence in executing major projects for government entities, as well as development and investment projects.

In the industrial sector, Built Industrial Company continues to develop its business through an industrial ecosystem comprising six activities: interior finishing and fittings, ductwork and air conditioning systems, aluminum, concrete formwork, precast concrete, woodwork, and elevators. The Group expects that the growth of its existing and new project portfolio will contribute to increasing the utilization of available industrial capacity, in line with Built's focus on expanding its external customer base and developing more profitable margin businesses. This will support improved operational efficiency and enhance the industrial sector's contribution to the Group's business in the coming years.

PAINITE Operations and Maintenance Company continues to develop its operations, maintenance, and asset management business, benefiting from the growth of the Group's asset and project portfolio. The company's revenues grew from approximately SAR 16.5 million in 2023 to approximately SAR 48.9 million in 2025. The Group expects that new and existing projects will support growth opportunities in operations and maintenance in the coming years, particularly as a number of the Group’s projects transition from the development and implementation phases to the operation and asset management phases.

The Group believes its portfolio of existing, new, and future projects reflects a gradual shift in its business model towards participating in larger, more integrated projects that combine real estate development, land development, infrastructure, urban redevelopment, contracting, and asset management and operation. In the next phase, the Group aims to enhance integration among its subsidiaries and leverage their operational and execution capabilities to support the Group’s projects and expand its business base with government entities and the private sector.

The Group anticipates that progress in implementing existing projects and commencing new ones will contribute to business growth and revenue diversification in the coming years. However, the timing of revenue and associated cash flows from these projects depends on several factors, including the progress of construction, obtaining regulatory approvals, securing financing, finalizing related agreements, and market conditions.

The Group seeks to continue expanding into high-quality projects with economic and developmental impact, and to strengthen its presence in the real estate development, infrastructure, urban redevelopment, contracting, operation, and maintenance sectors, in line with the objectives of the Kingdom’s Vision 2030 and urban development programs aimed at improving the quality of life, and in a way that supports the sustainability and growth of the Group and enhances added value for shareholders, partners, and stakeholders.

5. Organizational Structure and Corporate Governance

5.1 Background & Incorporation Date

5.1.1 History and Capital Development

The Company was established on 20/08/1425 H (corresponding to 04/10/2004 G) as a limited liability company under the name “Ajzala For Trading and Real Estate Investment Ltd.” by converting some branches of “Ajzala For Trading and Contracting Establishment” owned by Saad bin Saud bin Saad Al-Arifi”, which are: Agzalla Fuel Trading Establishment, Commercial Registration No. (000429) dated 10/30/1411 H (corresponding to 15/05/1991 G), headquartered at Al Muzahmiyah, (2) Jazala Real Estate Office, Commercial Registration No. (076827) dated 14/10/1410 H (corresponding to 09/05/1990 G), headquartered in Riyadh, (3) Saad Alarifi Factory for Blocks, Commercial Registration No. (132533) dated 09/08/1415 H (corresponding to 11/01/1995 G), headquartered in Riyadh, (4) Ajzala Real Estate Services Office, Commercial Registration No. (022785) dated 30/04/1419 H (corresponding to 23/08/1998 G), headquartered in Al Khobar, (5) Ajzala Furnished Apartments Establishment, Commercial Registration No. (025538), dated 28/07/1422 H (corresponding to 15/10/2001 G), headquartered in Al Khobar. The Company, with all its rights, obligations, assets, and liabilities, was converted to “Ajzala For Trading and Real Estate Investment Co., a Limited Liability Company. Its capital is (SAR 2,142,000) two million, one hundred and forty-two thousand Saudi Riyals, divided into (8,568) eight thousand, five hundred and sixty-eight shares of equal value, with each share valued at (SAR 250) two hundred and fifty Saudi Riyals (determined depending on the valuation of the aforementioned establishment’s branches according to their book value). The Company was recorded in the Commercial Register in Al Khobar under number (2051030952) on 17/03/1426 H (corresponding to 26/04/2005 G). On 29/07/1431 H (corresponding to 06/07/2010 G), the partners unanimously approved to convert the Company into a closed joint-stock company under the name “Ajzala For Trading and Real Estate Investment Company”. The partners also resolved to increase the Company’s capital from (SAR 2,142,000) two million, one hundred and forty-two thousand Saudi Riyals to (SAR 10,000,000) ten million Saudi Riyals, divided into (1,000,000) one million fully paid-up ordinary shares through the issuance of (785,800) seven hundred and eighty-five thousand, eight hundred ordinary shares, each with a par value of (10) ten Saudi Riyals. The capital increase of (SAR 7,858,000) seven million, eight hundred and fifty-eight thousand Saudi Riyals was fulfilled in the form of an in-kind contribution of buildings erected on leased land. On 25/08/1437 H (corresponding to 01/06/2016 G), the Extraordinary General Assembly approved the increase in the Company’s capital from (SAR10,000,000) ten million Saudi Riyals to (SAR 368,114,200)three hundred and sixty-eight million, one hundred and fourteen thousand, two hundred Saudi Riyals, divided into (36,811,420) thirty-six million, eight hundred and eleven thousand, four hundred and twenty fully paid-up ordinary shares, each with nominal value of ten (10) Saudi Riyals, by issuing thirty-five million, eight hundred and eleven thousand, four hundred and twenty (35,811,420) ordinary shares, with a par value of ten (10) Saudi Riyals per each share. The capital increase valued at (SAR 358,114,200) three hundred and fifty-eight million, one hundred and fourteen thousand, two hundred Saudi Riyals was fulfilled by capitalizing in-kind assets according to their average valuation conducted by external evaluators on 30/07/1437 H (corresponding to 07/05/2016 G). On 12/03/1440 H (corresponding to 20/11/2018 G), the Extraordinary General Assembly approved changing the Company’s name from “Ajzala For Trading and Real Estate Investment Company” to “Ladun Investment Company”. On 25/01/1443 H (corresponding to 02/09/2021 G), the Extraordinary General Assembly approved an increase in the Company’s capital from (SAR 368,114,200) three hundred and sixty-eight million, one hundred and fourteen thousand, two hundred Saudi Riyals to (SAR 500,000,000) five hundred million Saudi Riyals, divided into (50,000,000) fifty million ordinary shares, each with a par value of ten (10) Saudi Riyals. The increase valued at (SAR 131,885,800) one hundred and thirty-one million, eight hundred and eighty-five thousand, eight hundred Saudi Riyals was paid by capitalizing the entire statutory reserve amounting to (SAR 12,447,484) twelve million, four hundred and forty-seven thousand, four hundred and eighty-four Saudi Riyals, as well as capitalizing a portion of the retained earnings amounting to (SAR 119,438,316) one hundred and nineteen million, four hundred and thirty-eight thousand Three hundred and sixteen Saudi Riyals. On 15/11/1443 H (corresponding to 14/06/2022 G), the Company was listed on the Parallel Market. On 11/11/1444 H (corresponding to 31/05/2023 G), the Extraordinary General Assembly approved the share split, reducing the nominal value of the share from (SAR 10) ten Saudi Riyals to (SAR 1) one Saudi Riyal, while maintaining the Company’s capital unchanged. Accordingly, the number of shares increased from (50,000,000) fifty million to (500,000,000) five hundred million shares. On 08/04/1445 H (corresponding to 23/10/2023 G), the Company’s Board of Directors approved the transition of the Company’s shares from the Parallel Market to the Main Market.

5.1.2 Objectives

As stated in its Articles of Association, the Company’s activities are as follows:

1	Buy, sell and subdivide land and real estate, and off-plan sales activities	12	possess, develop, manage, operate, maintain and invest in real estate by sale, purchase, lease and rent
2	Manage and lease owned or rented residential properties	13	Possess, invest in, manage operate, and maintain hotels, hospitals, residential complexes of all types, and recreational and tourist facilities
3	Manage and lease owned or rented non residential properties	14	Conduct maintenance and operation works for public and private cities, facilities, and establishments
4	Real estate development of residential buildings using state-of-the-art construction methods	15	Supervise the implementation of real estate projects
5	Real estate development of commercial buildings using state-of-the-art construction methods	16	Import materials, appliances, furniture, tools, and equipment related to the Company’s operations
6	Real estate contributions	17	Manufacturing industries and its types according to the industrial licenses
7	Purchase land, construct buildings on the same, and invest in it by means of sale or lease for the company’s benefit	18	Building & Construction
8	Real estate brokerage	19	Trade
9	Manage or participate in the management of other companies in which it holds shares, and provide them with the necessary support	20	Financial, business and other services
10	Invest the company’s money in stocks and other securities	21	Information technology
11	Own the properties and movable assets necessary to conduct business	22	SECURITY AND SAFETY

The Company conducts its activities in accordance with the applicable laws and after obtaining the necessary licenses from the competent authorities, if any.

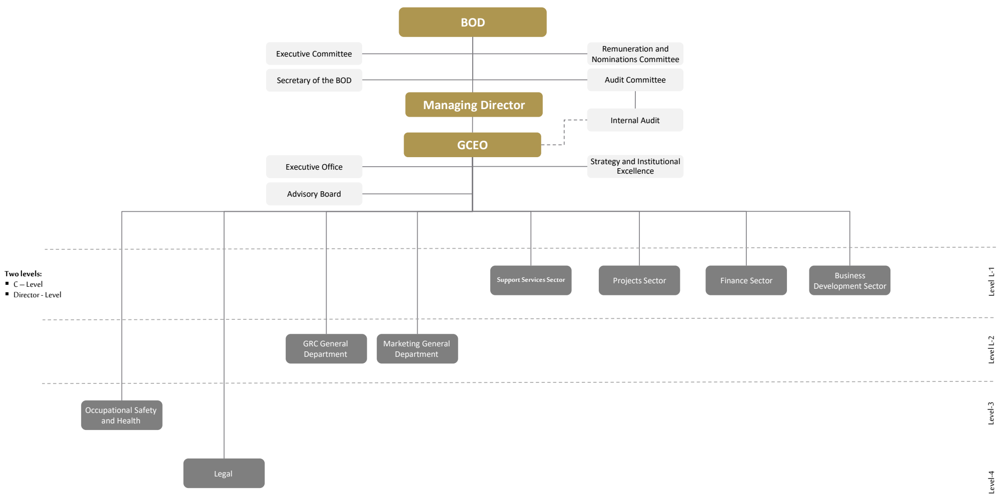
5.1.3 Term:

Article 10 of the Company’s Articles of Association states that the term of the Company is ninety-nine (99) calendar years, starting from the date of entry into the commercial register and/ or the issuance of a decision by His Excellency the Minister of Commerce and Investment announcing its establishment, and this period may be extended by a decision issued by the Extraordinary General Assembly at least one year before its expiration.

5.2 Management Structure

The Company’s organizational structure consists of the General Assembly, the Board of Directors, and its committees: the Audit Committee, the Nominations and Remuneration Committee, the Executive Committee, and the Investment Committee. These committees exercise the powers delegated to them by the Board of Directors. The Board of Directors is responsible for the overall guidance, supervision, and control of the Company, including the executive management team.

The following chart illustrates the Company’s organizational structure as at the date of this Document.



5.3 Board of Directors and Secretary

5.3.1 Board of Directors Composition

According to its Articles of Association, the Company's Board of Directors is composed of seven (7) directors appointed by the General Assembly of Shareholders. The duties and responsibilities of the Board of Directors are defined by the Companies Law, the Corporate Governance Regulations, the Company's Articles of Association, and the Company's internal governance manual. The term of directorship for each board director, including the Chairman, is a maximum of four (4) years.

As at the date of this Document, the Board of Directors comprises seven (7) directors appointed pursuant to the General Assembly meeting held on 25/03/1447 H (corresponding to 17/09/2025 G). Below are names of the Board Directors and other relevant information about them as of the date of this Document:

Table 5.1: The following table shows the names of the board directors and other relevant information about them as at the date of this Document:

Sr.	Name	Position	Directorship Status	Nationality	Date of Appointment
1	Eng. Nasser bin Saad Al-Arifi	Chairman	Non-executive	Saudi	25/03/1447 H (Corresponding to 17/09/2025 G)
2	Mr. Suleiman bin Abdul Aziz Al-Batli	Vice Chairman & Managing Director	Executive	Saudi	25/03/1447 H (Corresponding to 17/09/2025 G)
3	Prince Faisal bin Saad bin Saud Al Saud	Board Director	Non-executive	Saudi	25/03/1447 H (Corresponding to 17/09/2025 G)
4	Dr. Hassan bin Shawqi bin Ahmed Al-Hazmi	Board Director & CEO	Executive	Saudi	25/03/1447 H (Corresponding to 17/09/2025 G)
5	Mr. Adel bin Abdul Bin Nasir Al-Abdulsalam	Board Director	Independent	Saudi	25/03/1447 H (Corresponding to 17/09/2025 G)
6	Mr. Sultan Bin Abdullatif Bin Abdullah AlNaqli	Board Director	Independent	Saudi	25/03/1447 H (Corresponding to 17/09/2025 G)
7	Dr. Bandar bin Barjas Bin Hamidi Al-Abdulkarim	Board Director	Independent	Saudi	25/03/1447 H (Corresponding to 17/09/2025 G)

Source: Company

Table 5.2: Chairman of the Board, Vice Chairman, and Secretary

Sr.	Appointed Person's Name	Position
1	Eng. Nasser bin Saad Al-Arifi	Chairman
2	Mr. Suleiman bin Abdul Aziz Al-Batli	Vice Chairman & Managing Director
3	Mr. Hudhayfah Al-Qaidi	Board Secretary

Source: Company

Table 5.3: Shares Held by Members of the Board of Directors as per the Shareholders' Register Dated 20/01/1448 AH (Corresponding to 05/07/2026 AD)

Name	Position	Nationality	Membership Capacity		Date of Appointment	Shares Owned			
			Executive / non-executive	Independent / non-independent		Directly Owned		Indirectly Owned	
						Number	Percentage	Number	Percentage
Eng. Nasser bin Saad Al-Arifi*	Chairman	Saudi	Non-executive	Non-independent	25/03/1447 H (Corresponding to 17/09/2025 G)	670,000	0.1340%	67,885,955	13.5772%
Mr. Suleiman bin Abdul Aziz Al-Batli**	Vice Chairman & Managing Director	Saudi	Executive	Non-independent	25/03/1447 H (Corresponding to 17/09/2025 G)	15,414,750	3.0830%	None	None
Prince Faisal bin Saad bin Saud Al Saud	Board Director	Saudi	Non-executive	Non-independent	25/03/1447 H (Corresponding to 17/09/2025 G)	28,143,950	5.6288%	None	None
Dr. Hassan bin Shawqi bin Ahmed Al-Hazmi	Board Director & CEO	Saudi	Executive	Non-independent	25/03/1447 H (Corresponding to 17/09/2025 G)	100,000	0.0200%	None	None
Mr. Adel bin Abdul Bin Nasir Al- Abdulsalam	Board Director	Saudi	Non-executive	Independent	25/03/1447 H (Corresponding to 17/09/2025 G)	2,222	0.0004%	None	None
Mr. Sultan Bin Abdullatif Bin Abdullah AlNaqli	Board Director	Saudi	Non-executive	Independent	25/03/1447 H (Corresponding to 17/09/2025 G)	79,892	0.0160%	None	None
Dr. Bandar bin Barjas Bin Hamidi Al-Abdulkarim	Board Director	Saudi	Non-executive	Independent	25/03/1447 H (Corresponding to 17/09/2025 G)	None	None	None	None
Total						**44,410,814**	**8.88%**	**67,885,955**	**13.6%**

Source: The Company

* The indirect ownership of Mr. Nasser bin Saad Al-Arifi is held through his ownership in Ashar Investment Single Person Company (Single Person) and Adiyat Investment Company, which hold shares in the Company.

5.3.2 Responsibilities and Duties of the Board of Directors

Subject to the powers of the General Assembly under the Companies Law and its Implementing Regulations, and the Company's Articles of Association, the Board of Directors shall have the broadest authorities and powers to manage the Company in a way that achieves its objectives. The duties and terms of reference of the Board of Directors include the following:

- Developing and reviewing the Company's overall strategy, key business plans, and risk management policy in collaboration with the Executive Management.
- Determining the optimal capital structure for the Company, its strategy and financial objectives, and approving the annual budgets.
- Overseeing the Company's major capital expenditures and owning and disposing of fixed assets.
- Setting performance goals and monitoring implementation and overall Company's performance.
- Periodic review and approval of the Company's organizational and functional structures.
- Implementing control systems, managing risks, and conducting annual reviews of the effectiveness of the Company's internal control procedures.

- Ensuring the accuracy and integrity of the data and information that should be disclosed, in accordance with the applicable disclosure and transparency policies and regulations.
- Developing policies to regulate the relationship with the stakeholders in order to protect them and preserve their rights.

5.3.3 Powers of the Chairman, Vice-Chairman, Managing Director and Secretary

The Board of Directors shall appoint from among its members a Chairman and a Vice-Chairman, and may appoint a Managing Director and a Secretary. The position of Chairman of the Board of Directors may not be combined with any executive position in the Company. The Chairman of the Board of Directors or the Managing Director shall represent the Company in all powers and shall have the right to sign individually or jointly and to finalize all procedures with companies, individuals and government departments. The terms of reference of the Chairman or Managing Director include the following:

5.3.3.1 Powers of the Chairman or Managing Director

1. Full powers for all government departments according to the Ministry of Justice's Law. This includes referring to the Ministry of Commerce and Investment (MCI), the Chamber of Commerce, the Passport Office (for issuing an Mueaqib card), the Labor Office and the Visa Office (for obtaining entry and work visas), the Human Resources Development Fund (HRDF), the General Department of Traffic, security agencies, the Emirate, the Judgments Enforcement Department, police stations, the General Presidency of the National Guard, the General Directorate of Civil Defense, the General Directorate of Investigation (both administrative and criminal), the General Directorate of Narcotics Control (GDNC), the General Directorate of Border Guards, the Ministry of Justice (for notarizing documents), and all other relevant ministries and government departments. It also includes referring to the Ministry of Petroleum and Mineral Resources for negotiation and signing on behalf of the Company in all contracts with the Ministry. In addition, he shall have the right to refer to all embassies and consulates operating in the Kingdom and the Kingdom's embassies and consulates abroad, to conclude contracts with the institutions, companies and individuals, to refer to all ministries, authorities and directorates within the Kingdom and any related entity, with regard to the Company, to sign on behalf of the Company in matters requiring the Company's presence before the aforementioned entities, to negotiate and reach understandings, and to receive and deliver instruments and official documents. He shall also have the right to buy and sell cars in the name and for the benefit of the Company, to pay and receive the price and deposit it in any bank and in any account. He shall have the right to issue and renew forms and issue replacements for lost or damaged ones, to refer to the Periodic Technical Inspection in all its branches, to repair cars and issue a repair certificate in case of accidents, and to complete all procedures related to this. Further, he shall have the right to sign the Articles of Association, the Appointment Memorandum, and the Board's decisions and their amendments before a notary public, to follow up and take all necessary steps in the name of the Company for registration in the system, to refer to all related entities and complete all necessary procedures, and to sign where required, both by proxy and in person - and he shall have the right to delegate to others.
2. The banks-related powers include referring to all banks and banking financial institutions, issuing, modifying, and canceling orders, opening and closing accounts, requesting, canceling and signing banking facilities, opening and signing letters of credit, requesting and signing all types of bank guarantees, withdrawing funds from and depositing funds into accounts, transferring funds from accounts, issuing ATM cards, issuing Sharia-compliant credit cards, issuing and receiving checkbooks, issuing and receiving marked checks, issuing negotiable instruments and bonds, receiving and disbursing remittances, subscribing to trust funds and redeeming trust funds' units, requesting Sharia-compliant bank loans (all loan-related matters are subject to board approval), requesting loan exemptions, activating accounts, closing and settling accounts, cashing checks, objecting to checks, receiving bounced checks, updating subscription data for joint-stock companies, purchasing and selling Sharia-compliant shares, receiving share certificates, receiving share value, receiving dividends and surpluses, opening Sharia-compliant investment portfolios, and signing promissory notes and bank guarantees, and redeeming investment fund units. With respect to salaries, this includes receiving salaries, receiving retirement remunerations, receiving end-of-service benefits, authorizing leave, transferring salaries, settling entitlements, deducting an amount, receiving bonuses, receiving and delivering, referring to all relevant parties, completing all necessary procedures, and signing as required. Signing on behalf of the company, as well as on behalf of each manager, shareholder, or board member of the company in his personal and natural capacity, or as a joint and several guarantor of payment and performance bond, by signing the guarantee and surety for the facilities granted to the Company and/or the facilities granted to others, regardless of their size or variety, and for any period he deems appropriate for the debt maturity, signing treasury agreements, business, and products, and conducting all banking transactions necessary for the Company's activity, including mortgaging real estate, movable property, or shares. Signing loan agreements and any amendments thereto. Requesting and obtaining bank facilities for the companies in which the Company is a partner, and signing all necessary contracts and agreements related to the guarantees and sureties of the companies in which the company is a partner, and issuing such guarantees and all documents, instruments and appendices that may be necessary to enforce such guarantees and sureties. He also shall have the right to sign in of the above - by way of example and not limitation - both by proxy and in person - and he shall have the right to appoint others as his agents.

3. The real estate-related powers include - by way of example and not limitation - selling, buying, renting, transferring property and accepting the transfer, receiving the price, renting, receiving the rent, parceling, subdividing, mortgaging, releasing the mortgage, merging, updating deeds and entering them into the comprehensive system, accepting grants, delivering the price, renting, receiving the rent, signing contracts, referring to all relevant authorities, completing the necessary procedures, and signing where required, and he has the right to appoint others as his agents.
4. The full company-related powers include - by way of example and not limitation - the right to import and export, enter into tenders, auctions, procurements, and government contracts, and public and individual companies and institutions, conclude their contracts, sign all related documents, implement and supervise them, establish companies and institutions in which the company is a partner, refer to all relevant authorities, finalize the necessary procedures, approve and vote on behalf of the Company in founding assemblies or the partners' assembly and the board of directors, trade in all commercial activities, real estate, properties, equipment, movables, agricultural, commercial, residential lands, and others. The Chairman of the Board shall have all the powers and authorities necessary to run the company's business. The Chairman shall have the right to delegate or authorize others and give the agent the right to authorize. He shall also have the right to sign in all of the above by proxy or in person. The Chairman and the Managing Director shall have the right to jointly or severally sign all decisions and procedures.

5.3.3.2 Powers of the Secretary

The Board of Directors shall appoint a secretary, who shall be chosen from among or from outside its members, and who shall be competent to:

1. Draft invitations for the Board of Directors and General Assembly meetings, and participate with the Chairman in setting the agenda;
2. Draft and sign the minutes of the Board of Directors and General Assembly meetings with the Chairman;
3. Draft the Board's correspondence, receive incoming correspondence, and present the same to the Board;
4. Supervise the maintenance of administrative records and books;
5. Send the required documents to the Ministry on time; and
6. Keep all the papers and documents of the General Assembly and determine the remuneration thereof. The office term of the Chairman of the Board, the Vice-Chairman, the Managing Director, and the Secretary of the Board shall not exceed the term of membership of each of them in the Board. They may be re-elected, and the Board may at any time dismiss them or any of them without prejudice to the right of the dismissed person to compensation if the dismissal occurred for an illegitimate reason or was untimely.

5.3.4 Remuneration of the Board of Directors

- The Board of Directors' remuneration consists of a percentage of the net profits, in-kind benefits, attendance allowance for meetings, expense allowance, a specific amount, or whatever is determined by the Ordinary General Assembly.
- The Board of Directors' report to the Ordinary General Assembly at its annual meeting should include a comprehensive statement of all that each member of the Board of Directors received or was entitled to receive during the financial year in terms of bonuses, meeting attendance allowances, expense allowances, and other benefits. It should also include a statement of what the council members received in their capacity as employees or administrators, or what they received in return for technical, administrative, or consulting work, as well as a statement of the number of the Board's meetings attended by each member.

5.3.5 Attendance at the Board Meetings

- The Board of Directors shall meet at least (4) times a year at the invitation of its Chairman, either by recorded letters or via modern technology. The Chairman of the Board should invite the Board to a meeting if any member of the Board requests it in writing to discuss one or more topics.
- The Board of Directors shall determine the location for its meetings, and they may be held using modern technology.
- A Board's meeting shall only be valid if four members are present. A member of the Board of Directors may delegate another member to attend Board meetings on his behalf, in accordance with the following controls:

  a. A member of the Board of Directors may not be represented by more than one other member at such meeting.
  b. The delegation should be documented in writing and pertain to a specific meeting.
  c. A deputy may not vote on resolutions that the Law prohibits the deputy from voting on. The resolutions of the Board of Directors shall be issued by an absolute majority of the votes of the members of the Board present at the meeting. In the event of a tie, the opinion of the Board's Chairman, or the one who chairs the council in

his absence, shall prevail. The Board of Directors may issue resolutions by circulation by presenting them to all members individually, unless one of the members requests in writing a meeting of the Board to discuss them. Such resolutions shall be presented to the Board of Directors at its first subsequent meeting.

- The deliberations of the Board of Directors shall be recorded in minutes signed by the Chairman of the Board, the attending members of the Board of Directors, and the Secretary. Such minutes shall be recorded in a special register signed by the Chairman of the Board of Directors and the Secretary.

5.3.6 Curricula Vitae of the Board Members and Board Secretary

Table 5.4: Curricula Vitae of the Board Members and Board Secretary

Name:	Eng. Nasser bin Saad bin Saud Al-Arifi			Title:	Chairman
Age:	55	Year of Appointment:	2025	Nationality:	Saudi
Educational Qualifications	Bachelor of Science in Agricultural Engineering				
Current Position:	Chairman of the Board of Directors of Ladun Investment Company				
Key previous professional experience	– Chairman of the Board of Directors of Ladun Investment Company from 2022 to present – Managing Director of Ladun Investment Company from 2016 to 2022 – Member of the Board of Directors of Riyadh Development Company from 2016 to 2019 – Member of the Board of Directors of Ladun Investment Company from 2011 to 2016 – Executive Management at Ladun Investment Company from 1995 to 2011				

Source: Company

Name:	Mr. Suleiman bin Abdul Aziz Al-Batli			Title:	Vice Chairman & Managing Director
Age:	55	Year of Appointment:	2025	Nationality:	Saudi
Educational Qualifications	Bachelor of Science, Security				
Current Position:	Managing Director of Ladun Investment				
Key previous professional experience	– Managing Director of Ladun Investment Company from 2022 to present – CEO of Ladun Investment Company from 2018 to 2022 – Working in the establishment, foundation and management of companies and factories from 2009 to present – Director of Administrative and Financial Affairs in a government entity from 1994 to 2009				

Source: Company

Name:	Prince Faisal bin Saad bin Saud bin Mohammed Al Saud			Title:	Board Member
Age:	28	Year of Appointment:	2025	Nationality:	Saudi
Educational Qualifications	Bachelor of Business Administration (BBA) (Project Management)				
Current Position:	Businessman				
Key previous professional experience	– Private investments in real estate investment and development – Participation in various projects				

Source: Company

Name:	Dr. Hassan bin Shawqi bin Ahmed Al-Hazmi	Title:	Board Member & CEO
Age:	46 Year of Appointment: 2025	Nationality:	Saudi
Educational Qualifications	PhD in Engineering and Project Management, Master's in Construction and Building Engineering, and Bachelor's in Civil Engineering		
Current Position:	CEO of Ladun Investment		
Key previous professional experience	– CEO of Ladun Investment from 2022 to date – Advisor to the CEO of Ladun Investment from 2022 to date – General Supervisor of the Ministry's Agency for Lands and Survey and Undersecretary of the Ministry of Municipalities and Housing for Land and Technical Affairs from 2020 to 2021 – Undersecretary of the Ministry of Housing for Land and Technical Affairs from 2019 to 2021 – Undersecretary of the Ministry of Housing for Technical Affairs from 2016 to 2018		

Source: Company

Name:	Mr. Adel bin Abdulaziz bin Nasser Al-Abdulsalam	Title:	Board member and Chairman of the Audit Committee
Age:	56 Year of Appointment: 2025	Nationality:	Saudi
Educational Qualifications	Master of Business Administration and Bachelor of Administrative Sciences		
Current Position:	Chief Financial and Administrative Officer of Kingdom Holding Company		
Key previous professional experience	– Chief Financial Officer - Kingdom Holding Company from 2018 to present – Chief Financial Officer - National Water Company (NWC) from 2017 to 2018 – Chief Financial Officer - Nadec from 2009 to 2017 – Director of Finance and Shared Services (Business Sector) Al Faisaliah Group since 2008 – Director of Accounting and Corporate Affairs - AlSafi Danone Company from 2003 to 2008 – Information Technology Consultant / SAP System - Al Faisaliah Group from 2000 to 2003 – Financial accounting jobs in Al Faisaliah Group and Elseif Development Company from 1998 to 2000		

Source: Company

Name:	Mr. Sultan bin Abdullatif bin Abdullah AlNaqli	Title:	Board member and Chairman of the Remuneration and Nominations Committee
Age:	55 Year of Appointment: 2025	Nationality:	Saudi
Educational Qualifications	Master's degree in Financial Management and Bachelor's degree in Business Administration		
Current Position:	Founder and CEO of Future Goals Consultancy Company		
Key previous professional experience	– CEO - Future Goals Consultancy from 2022 to present – CEO - SICO Capital from 2021 to 2022 – Deputy CEO - Itqan Capital from 2018 to 2020 – Head of Asset Management - Albilad Capital from 2016 to 2018		

Source: Company

Name:	Dr. Bandar bin Barjas Bin Hamidi Al-Abdulkarim	Title:	Board Member
Age:	56 Year of Appointment: 2025	Nationality:	Saudi
Educational Qualifications	– Bachelor of Science in Urban Planning – Master's degree in Economics – Master's degree in Business Administration – PhD in Economics		
Current Position:	Assistant Governor for Financial Affairs – State Properties General Authority (SPGA)		
Key previous professional experience	– Assistant Governor for Financial Affairs – State Properties General Authority (SPGA) from 2023 to present – Chief Financial Officer - Private Government Establishment from 2021 to 2022 – Chief Financial Officer - Saudi Real Estate Company from 2019 to 2020 – Chief Financial and Investment Officer - Thakher Development Company from 2017 to 2018 – Advisor to the Minister of Municipal and Rural Affairs and Housing (MoMRAH) - Minister's Office from 2015 to 2016 – Group Assistant General Manager of Wholesale Banking Services - Banque Saudi Fransi from 2006 to 2015 – Assistant Professor at Prince Sultan University from 2005 to 2006		

Source: Company

Name:	Mr. Hudhayfah Al-Qaidi	Title:	Board Secretary
Age:	25 Year of Appointment: 2025	Nationality:	Saudi
Educational Qualifications	Bachelor's degree in Engineering Management for Production and Manufacturing (Industrial Engineering)		
Current Position:	Head of the Strategy Department Head of Investor Relations Department		
Key previous professional experience	– Secretariat of Ladun Investment Company for the previous session – Secretariat of the board committees of a joint-stock company – Participation in the implementation of the corporate governance framework of Ladun Investment Company in conjunction with the Governance Committee		

Source: Company

5.4 Board Committees

The Board of Directors shall be concerned with forming committees to improve the Company's management, as each committee has its own Charter that defines clear rules for its roles, powers, and responsibilities. The committees also hold regular meetings to perform their duties. The Board has formed all the committees required by law and has added to them. These committees consist of the Audit Committee, the Nominations and Remuneration Committee, and the Executive Committee.

Below is a summary of the structure of the committees above:

5.4.1 Audit Committee

5.4.1.1 Formation of Audit Committee

The Audit Committee consists of three (3) members. As of the date of this Document, on 29/03/1447 H (corresponding to 21/09/2025 G), the Board of Directors approved the formation of the Audit Committee for a term of four years, ending on 07/05/1451 H (corresponding to 16/09/2029 G) . The Company also prepared the Audit Committee's Rules of Procedure, which were approved by the Extraordinary General Assembly Resolution dated 01/02/1444 H (corresponding to 28/08/2022 G). The following table shows the names of the current Audit Committee members:

Table 5.5: Members of the audit committee as at the date of this Document

Sr.	Name	Position	Capacity
1	Mr. Adel Abdulaziz Al-Abdulsalam	Chairman of the Audit Committee	Independent
2	Mr. Sultan Abdul Latif Naqli	Audit Committee- Member	Independent
3	Dr. Bandar bin Barjas Al-Abdulkarim	Audit Committee- Member	Independent

Source: Company

5.4.1.2 Responsibilities of the Audit Committee

The Audit Committee is responsible for monitoring the Company's operations and verifying the soundness, integrity and accuracy of its financial reports, statements, and internal control systems. The Committee's tasks specifically include the following:

A. Financial Reports:

- Studying the Company's preliminary and annual financial statements before presenting them to the Board of Directors and providing an opinion and recommendation on them to ensure their integrity, fairness, and transparency.
- Providing a professionally technical opinion, at the request of the Board, on whether the Board of Directors' report and the Company's financial statements are fair, balanced, and understandable, and include the information that allows shareholders and investors to evaluate the Company's financial position, performance, business model, and strategy.
- Studying any important or unusual matters in the financial reports.
- Studying or raising any significant matters raised by the external auditor or the financial manager or compliance officer of the Company.
- Verifying the accounting estimates in the material matters in the financial reports.
- Studying the accounting policies adopted by the Company and providing an opinion to the Board regarding them.

B. Internal Audit:

- Studying and reviewing the Company's internal financial control and risk management systems.
- Examining internal audit reports and following up on the implementation of corrective actions for the remarks therein.
- Monitoring and supervising the performance and activities of the Internal Audit function within the Company.
- Recommending to the Board of Directors the appointment of the Head of Internal Audit and proposing the remuneration thereof.
- The Audit Committee shall meet periodically with the Head of Internal Audit.
- The Head of Internal Audit may request a meeting with the Audit Committee, as needed.

C. Auditor:

- Recommending to the Board of Directors the nomination, dismissal, determination of fees and evaluation of performance of the auditor, after verifying the auditor's independence and reviewing the scope of the auditor's work and the terms of contract thereof.
- Verifying the independence, objectivity, and fairness of the auditor, and the effectiveness of the audit work, taking into account the relevant rules and standards.
- Reviewing the auditor's plan and work, verifying that the auditor has not provided technical, administrative or consulting work that may affect the scope of the audit work, and expressing the auditor's insights on the same.
- Responding to the Company's auditor's inquiries.
- Examining the auditor's report and observations on the financial statements and following up on the actions taken regarding the same.
- The Audit Committee shall meet periodically with the auditor.
- The auditor may request a meeting with the Audit Committee, as needed.

D. Ensuring Compliance

- Reviewing the results of reports from regulatory authorities and verifying that the Company has taken the necessary actions regarding them.
- Verifying the Company's compliance with relevant laws, regulations, policies, and instructions.
- Reviewing proposed contracts and transactions that the Company intends to conduct with related parties and providing its opinion on them to the Board.
- Reporting to the Board any matters it deems necessary to take action on and giving its recommendations on the actions that should be taken.
- The Audit Committee should establish a mechanism that allows the Company's employees to submit their comments on any irregularities in financial or other reports in a confidential manner.

- The Audit Committee should verify the application of this mechanism by conducting an independent investigation commensurate with the size of the error or violation and following appropriate follow-up procedures.

In order to perform its duties, the Committee shall:

- Have the right to access the Company's records and documents
- Have the right to request any clarification or statement from members of the Board of Directors or the Executive Management
- Have the right to request the Board of Directors to call for a meeting of the Company's General Assembly if the Board of Directors obstructs its work or if the Company suffers significant damage or losses
- If there is a conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors, or if the Board refuses to adopt the Committee's recommendation regarding the appointment, dismissal, determination of fees, and evaluation of performance of the Head of Internal Audit and/or the Auditor, the Board of Directors' report should include the Committee's recommendations, the justifications for such recommendations, and the reasons for not adopting the same.

5.4.2 Nominations and Remuneration Committee

5.4.2.1 Formation of the Nominations and Remuneration Committee

The Nominations and Remuneration Committee consists of three (3) members. On 29/03/1447 H (corresponding to 21/09/2025 G), the Board of Directors approved the formation of the Nominations and Remuneration Committee for a term of four years, ending on 07/05/1451 H (corresponding to 16/09/2029 G) . The Company also prepared the Rules of Procedure for the Nominations and Remuneration Committee, which were approved by the Company pursuant to the Extraordinary General Assembly resolution dated 01/02/1444 H (corresponding to 28/08/2022 G). The following table shows the names of the members of the Nominations and Remuneration Committee:

Table 5.6: Members of the Nominations and Remuneration Committee as of the date of this Document

Sr.	Name	Position	Capacity
1	Mr. Sultan Abdullatif Abdullah AlNaqli	Chairman of the Nominations and Remuneration Committee	Independent
2	Mr. Adel bin Abdulaziz Al-Abdulsalam	Nomination and Remuneration Committee- Member	Independent
3	Dr. Bandar bin Barjas Al-Abdulkarim	Nomination and Remuneration Committee- Member	Independent

Source: Company

5.4.2.2 Responsibilities of The Nominations and Remuneration Committee:

The Nominations and Remuneration Committee is competent to:

- Prepare a clear policy for the remuneration of members of the Board of Directors, the committees of the Board of Directors and the Executive Management, and submit the same to the Board of Directors for consideration, in preparation for its adoption by the General Assembly, provided that this policy shall take into account the following of performance-related standards, disclosure of them, and verification of their implementation.
- Set out the relationship between the granted remuneration and the remuneration policy in effect and states any significant deviation from this policy.
- Conduct a periodic review of the remuneration policy and evaluating its effectiveness in achieving the desired objectives.
- Recommend to the Board of Directors the remuneration for Board members, its committees, and senior executives in the Company in accordance with the approved policy.
- Propose clear policies and criteria for membership on the Board and executive management.
- Recommend to the Board of Directors the nomination and re-nomination of its Members in accordance with the approved policies and criteria, while taking into account not to nominate any person who has previously been convicted of a crime involving a breach of trust.
- Prepare a description of the skills and qualifications required for membership of the Board of Directors and for holding Executive Management positions.
- Determine the time that a Board member should be assigned to Board business.

- Annually review the skills and experience required for Board membership and Executive Management positions
- Review the structure of the Board of Directors and the Executive Management and provide recommendations regarding changes that can be made
- Annually verify the independence of independent members and the absence of any conflict of interest if the member holds a board membership in another company
- Establish special procedures in case a position becomes vacant for a member of the Board of Directors or senior executives
- Identify the strengths and weaknesses of the Board of Directors and propose solutions to address them in accordance with the Company's interests by proposing appropriate evaluation mechanisms, in accordance with the Company's interests, as well as the possibility of proposing to the Board of Directors to obtain an evaluation of its performance from a competent external entity
- Annually review the skills and experience required for Board membership and Executive Management positions

5.4.3 Executive Committee

5.4.3.1 Formation of the Executive Committee

The Executive Committee consists of three (3) members. On 29/03/1447 H (corresponding to 21/09/2025 G), the Board of Directors approved the formation of the Executive Committee for a term of four years, ending on 07/05/1451 H (corresponding to 16/09/2029 G). The Company also prepared the Executive Committee's Rules of Procedure, which were approved by the Company under the Board of Directors' Resolution dated 19/3/1445 H (corresponding to 04/10/2023 G). The following table shows the names of the Executive Committee members:

Table 5.7: Members of the Executive Committee as of the date of this Document.

Sr.	Name	Position	Capacity
1	Eng. Nasser bin Saad bin Saud Al-Arifi	Chairman of the Executive Committee	Non-executive
2	Mr. Suleiman bin Abdul Aziz Al-Batli	Executive Committee- Member	Executive
3	Dr. Hassan bin Shawqi bin Ahmed Al-Hazmi	Executive Committee- Member	Executive

Source: Company

5.4.3.2 Terms of Reference of the Executive Committee

The Committee's terms of reference and responsibilities include the following:

1. **Strategic Planning:**

- Participating in and supervising the development of the Company's strategic plan and evaluating the proposals submitted by the executive management regarding the Company's vision, mission, strategic pillars, and strategic and financial goals and initiatives, and submitting them to the Board for approval.
- Ensuring the implementation of the Company's overall strategy and its effectiveness in achieving the desired goals.
- Supervising the preparation of the Company's annual budget, reviewing the proposals submitted by the executive management, and submitting recommendations to the Board for the approval of the annual budget.
- Reviewing financial and strategic performance reports for following up on the implementation of strategic plans and initiatives and submitting the Committee's recommendations to the Board.
- Examining strategic and important issues and projects with a financial impact and submitting them to the Board for approval.

2. **Investment:**

- Generally supervising the Company's investment activities and working with the Executive Management to develop the Company's investment strategy and policy, in line with the nature of its business, activities, and risks, and making recommendations regarding the same, and developing appropriate procedures for measuring and evaluating investment performance.
- Considering and evaluating investment opportunities proposed by the Company's management, including acquisition, merger, ownership, and partnership activities, and making recommendations to the Board of Directors regarding the

same, in accordance with the specified investment evaluation criteria and in light of the powers matrix approved by the Board of Directors in this regard.

- Reviewing the impact of proposed transactions and deals on the Group's financial position statement, including the required financing, assessing the impact on liquidity and debt ratios, and making a recommendation regarding the same to the Board.
- Reviewing the progress made in the integration procedures and programs that follow the merger or acquisition of the business being acquired, during the first three months following the completion of the procedures for completing any transaction, in order to ensure the successful integration of the acquired business.
- Reviewing the investment strategy and policy periodically to ensure its suitability to changes that may occur in the external ecosystem in which the Company operates, or in the legislation regulating its business, its strategic objectives, or other matters, and recommending to the Board of Directors the proposed changes to such regulation.

3. Projects of the Company:

- Reviewing the budget approved by the Board of Directors for each project and approving the detailed budgets for its implementation phases; in a way that achieves efficiency in implementation and does not negatively affect the financial indicators and feasibility of the project.
- Studying any other matters related to the Company's projects referred to it by the Board of Directors.

4. Other Duties:

- Reviewing the corporate social responsibility (CSR) policy and the media plan, and submitting the Committee's recommendations to the Board.
- Reviewing social work initiatives programs and submitting the Committee's recommendations to the Board.
- Submitting recommendations regarding the appointment of Board members and managers of subsidiary and affiliated companies to the Board for approval.
- Representing the Board of Directors in the general assemblies of subsidiary and affiliated companies.
- Receiving periodic reports from the Company's management on the Company's risk management operations, including risk assessment and the procedures put in place to address and monitor these risks.

5.5 Executive Management

5.5.1 Executive Management Members

The Executive Management consists of qualified and experienced members who possess the knowledge and expertise necessary to manage the Company's business in line with the objectives and directives of the Board of Directors and shareholders. The Company's Executive Management team, as at the date of this Document, consists of eight (8) members as shown in the following table:

Table 5.8: Members of the Executive Management as of the date of this Document.

Sr.	Name	Position	Nationality	Age	Date of joining the Company	Direct Shareholding	Indirect Shareholding
1	Mr. Suleiman bin Abdul Aziz bin Nasser Al-Batli	Managing Director of Ladun Investment	Saudi	55	11/10/1440H (corresponding to 14/06/2019G)	3.0830%	None
2	Dr. Hassan bin Shawqi bin Ahmed Al-Hazmi	The Group's CEO	Saudi	46	10/02/1444H (corresponding to 06/09/2022G)	0.0200%	None
3	Mr. Abdulaziz bin Awjan bin Ayad Al-Rashidi	CFO	Saudi	51	13/10/1440H (corresponding to 16/06/2019G)	0.0005%	None
4	Mr. Ali bin Saleh bin Haider Al Farhan	Head of Business Development Sector	Saudi	49	03/06/1438H (corresponding to 01/03/2017G)	0.0003%	None
5	Eng. Musab bin Saad bin Abdulaziz Al-Dakhil	Head of Projects Sector	Saudi	42	18/11/1445H (corresponding to 26/05/2024G)	None	None

Sr.	Name	Position	Nationality	Age	Date of joining the Company	Direct Shareholding	Indirect Shareholding
6	Mr. Mahmoud Mohamed Mahmoud Jadallah	Executive Director, Strategy and Business Transformation for the Group and the Acting Head of Support Services Sector	Egyptian	49	19/08/1443H (corresponding to 22/03/2022G)	None	None
7	Mr. Abdullah Hassan Ahmed Al-Zubaidi	Director of the Department of Marketing	Saudi	38	28/10/1443 (corresponding to 29/05/2022G)	None	None
8	Mr. Mahmoud Mohammed Al-Bagoury	Head of Group's Internal Audit	Egyptian	40	01/09/1445 (corresponding to 11/03/2024G)	None	None

The percentages mentioned are approximate.

5.5.1.1 Executive Management Members' CV Summary

Below is a summary of the experience, qualifications, current and previous positions for each of the senior executives above:

Table 5.9: Curricula Vitae of the Executive Management Members as at the Date of This Document:

Name	Mr. Suleiman bin Abdul Aziz Al-Batli
Age	55.
Nationality	Saudi
Position	Managing Director
Date of Appointment	11/10/1440H (corresponding to 14/06/2019G)
Educational Qualifications	Bachelor of Science, Security
Current Position	Managing Director of Ladun Investment
Key previous professional experience	– Managing Director of Ladun Investment Company from 2022 to present – CEO of Ladun Investment Company from 2018 to 2022 – Working in the establishment, foundation and management of companies and factories from 2009 to present – Director of Administrative and Financial Affairs in a government entity from 1994 to 2009

Source: Company

Name	Dr. Hassan bin Shawqi bin Ahmed Al-Hazmi
Age	46.
Nationality	Saudi
Position	CEO of Ladun Investment
Date of Appointment	10/02/1444 H (corresponding to 06/09/2022 G)
Educational Qualifications	– PhD in Engineering and Project Management from Griffith University - Australia, 2010 – Master's degree in Construction Engineering from Griffith University - Australia, 2006 – Bachelor of Science in Civil Engineering - King Fahd University of Petroleum and Minerals, 2003
Current Position	CEO of Ladun Investment
Key previous professional experience	– CEO of Ladun Investment from 2022 to date – Advisor to the CEO of Ladun Investment from 2022 to date – General Supervisor of the Ministry's Agency for Lands and Survey and Undersecretary of the Ministry of Municipalities and Housing for Land and Technical Affairs dating from 2020 to 2021 – Undersecretary of the Ministry of Housing for Land and Technical Affairs from January 2019 to June 2021 – Undersecretary of the Ministry of Housing for Technical Affairs from June 2016 to December 2018 – Assistant Professor at the College of Engineering, Jazan University, from 2010 till 2016

Source: Company

Name	Mr. Abdulaziz bin Awjan bin Ayad Al-Rashidi
Age	51.
Nationality	Saudi
Position	Chief Financial Officer
Date of Appointment	13/10/1440 H (corresponding to 16/06/2019 G)
Educational Qualifications	Bachelor of Accounting from King Saud University of the Kingdom of Saudi Arabia in 1998
Current Position	CFO
Key previous professional experience	– He held a number of senior and executive positions in the field of accounting and financial management in several companies and financial sectors. – He has (+24) years of experience in financial planning and analysis, financial management, finance and development of financial strategies. – He obtained the Saudi Fellowship Certificate for Chartered Accountants in the Kingdom of Saudi Arabia in 2020 (SOCPA). – He obtained the General Certificate in Securities Trading from the Capital Market Authority of the Kingdom of Saudi Arabia in 2020 (CME). – He obtained the American Fellowship Certificate for Management Accountants from the United States of America in 2017 (CMA). – CFO of Alnakhla National from November 2018 to May 2019 – Executive Vice President of Finance of Wataniya Finance Company from January 2018 to October 2018 – Head of the Corporate Finance Team at Al Rajhi Bank from March 2004 to March 2012 – Credit Manager at Riyad Bank from August 1998 to February 2004.

Source: Company

Name	Mr. Ali bin Saleh bin Haider Al Farhan
Age	49.
Nationality	Saudi
Position	Head of Business Development Sector
Date of Appointment	03/06/1438 H (corresponding to 01/03/2017 G)
Educational Qualifications	– Bachelor of International Trade from Leeuwarden University in the Netherlands in 2006 – Financing the Entrepreneurial Business – London Business School – 2009 – Credit Risk Management non-Retail – ABN AMRO Academy – 2007 – Certificate in Investment Principles – Institute of Banking – 2007 – Financial Analysis and Interpretation of Financial Statements – Institute of Banking – 2006 – Cash Flow Analysis – Institute of Banking – 2006
Current Position	Head of Business Development Sector
Key previous professional experience	– He has (+26) years of experience in planning, analysis, management and development of business strategies. – Owner and General Manager of Retail & Contracting in Security & Surveillance Systems for Bnaya Company, from March 1, 2013, to May 31, 2017 – Head of Operations, Commercial & Real Estate Investments, Al Mushghil Investments Company, from October 1, 2007, to February 1, 2013 – Assistant Manager, Structured Finance & Syndications, Saudi Hollandi Bank, from October 1, 1997, to September 30, 2007

Source: Company

Name	Eng. Musab bin Saad bin Abdulaziz Al-Dakhil
Age	42
Nationality	Saudi
Position	Head of Projects Sector
Date of Appointment	18/11/1445H (corresponding to 26/05/2024G)
Educational Qualifications	Bachelor's degree in Urban Planning and Design from King Saud University, 2007.

Current Position	Head of Projects Sector
Key previous professional experience	– Director of Engineering Management for major projects in the government sector – Project manager for planning and developing infrastructure for new cities – Consultant in urban planning and project management. – Led engineering teams in urban development projects. MEGA – +18 years of experience in urban planning and managing major projects. – Leading and managing engineering teams in complex infrastructure projects. – Supervising the design of housing projects, industrial cities, and infrastructure in the Kingdom. – Contributing to the development and adoption of design and organizational standards for the Ministry of Municipalities and Housing – Consulting engineer certified by the Saudi Council of Engineers – Holding several training certificates in project management, engineering contracts, international arbitration, urban planning and smart cities – Parsons Project Manager from 2013 to 2023 – Urban Planning Researcher and Supervisor of the Academic Affairs Unit from 2008 to 2013 – Urban Planner at the Riyadh Municipality from 2007 to 2008

Source: Company

Name	Mr. Mahmoud Mohamed Mahmoud Jadallah
Age	49.
Nationality	Egyptian
Position	Executive Director, Strategy and Business Transformation for the Group The Acting Head of Support Services Sector
Date of Appointment	19/08/1443H (corresponding to 22/03/2022G).
Educational Qualifications	Bachelor of Science in Information Systems from Ain Shams University/ Egypt, 1998
Current Position	– Executive Director, Strategy and Business Transformation for the Group – The Acting Head of Support Services Sector of the Group
Key previous professional experience	– He held a number of senior, advisory and executive positions in the real estate development sector, the government sector and the consulting sector (Big 4). – He has (+26) years of experience in the field of strategic planning and business transformation, program and project management and change management, including (8) years in the field of management and strategic consulting at EY International. – He led numerous business transformation projects in governmental, semi-governmental and private sector entities. – Senior Consultant and Head of Planning and Development at the National Housing Company from September 2020 to March 2022 – Principal Manager at EY from October 2019 to August 2020 – Project Management Office Manager and Senior Consultant at the National Housing Company from May 2018 to October 2019 – Senior Manager at EY from August 2012 to May 2018 – Program Management Office Manager at Saudi Binladin Group (SBG) from January 2009 to April 2012 – Senior Program Manager at Saudi Binladin Group (SBG) from April 2004 to December 2008 – Advanced Business NIT Project Manager from December 2000 to February 2004 – Blue Max Project Engineer from November 1998 to November 2000 – Key Professional Certifications: – Professional Project Management (PMP) – Business Maturity Assessment and Change Management – Primavera 8.2 (Advanced) – Program Management – Change Management – CRM (Customer Relation Management)

Source: Company

Name	Mr. Abdullah Hassan Ahmed Al-Zubaidi
Age	38.
Nationality	Saudi
Position	Director of the Department of Marketing
Date of Appointment	28/10/1443H (corresponding to 29/05/2022G).
Educational Qualifications	– Master of Communication in Public Relations and Advertising from the University of Queensland, Australia, 2015 – Bachelor of Public Relations and Applied Communication from King Abdulaziz University in 2010
Current Position	Director of the Department of Marketing
Key previous professional experience	– He held a number of executive positions in the fields of marketing, corporate communications, and public relations. – He has (+12) years of experience in the field of public relations, advertising, marketing strategies, sales and digital marketing. – Public Relations Supervisor at the National Aquaculture Group (NAQUA) from 01/02/2010 to 01/12/2011 – Digital Media Team Manager - Saudi Energy Efficiency Program from 06/01/2026 to 05/06/2019 – Digital Media Manager, Government Entity (Undisclosed) from 15/06/2019 to 20/05/2022

Source: Company

Name	Mr. Mahmoud Mohammed Hani Al-Bagoury
Age	40.
Nationality	Egyptian
Position	Head of Group's Internal Audit
Date of Appointment	01/09/1445 H (corresponding to 11/03/2024 G)
Educational Qualifications	– American Fellowship in Internal Auditing (CIA), Institute of Internal Auditors (IIA USA) – (the United States of America) – Australian Fellowship in Internal Auditing (PMIIA), Institute of Internal Auditors (IIA AUS) – (Commonwealth of Australia) – American Fellowship in Information Systems Auditing (CISA), Information Systems Audit and Control Association (ISACA) – (the United States of America) – American Fellowship in Risk and Information Systems Control (CRISC), Information Systems Audit and Control Association (ISACA) – (the United States of America) – American Fellowship of Certified Fraud Examiners (CFE), Association of Certified Fraud Examiners (ACFE) – (the United States of America) – Executive Diploma in Internal Auditing, Edinburgh Napier University – (the United Kingdom) – Executive Diploma in Environmental, Social and Corporate Governance, Glasgow Caledonian University – (the United Kingdom) – Executive Diploma in Direct Investment, American University in Cairo – (the Arab Republic of Egypt) – Executive program in anti-money laundering, University of Manchester – (the United Kingdom) – Executive program in finance and creditworthiness, Frankfurt School of Finance & Management – (Federal Republic of Germany) – Master of Business Administration, Arab Academy for Science, Technology and Maritime Transport – (Arab Republic of Egypt) – Bachelor of Science in Accounting, Faculty of Commerce, Al-Azhar University – (Arab Republic of Egypt)
Current Position	– Member of the Advisory Group, Institute of Internal Auditors (IIA), USA – Member of the Advisory Board, Association of Certified Fraud Examiners (ACFE), USA – Board Member, AJIL Financial Services Company, an Egyptian joint-stock company – Member of the Audit Committee, Thndr Technology Holding for Financial Investments, an Egyptian joint-stock company – Vice-Chairman of the Governance Committee, Egyptian Compliance Society (ECS), a non-profit Egyptian professional association
Key previous professional experience	– Board Member, Telda Financial Investments Company, an Egyptian joint-stock company – Member of the Advisory Committee of the Board of Directors of KPMG, a global consulting firm – Member of the Supervisory Committee for the Initial Public Offering in the Saudi Exchange, Tamkeen Human Resources Company, a Saudi public joint-stock company – Chief Internal Audit Officer, Tamkeen Human Resources Company, a Saudi public joint-stock company – Chief Internal Audit Officer, Egyptian Company for Investment Projects (ECIP), an Egyptian joint-stock company – Chief Executive Officer of Governance, Risk and Compliance, Union Group, an Egyptian joint-stock company – Executive Director of Internal Audit, Governance, Risk and Compliance Consulting, KPMG, a global consulting firm – Principal Internal Auditor, Telecom Egypt, an Egyptian public joint-stock company – Lead External Auditor, KPMG, a global consulting firm

Source: Company

5.6 Governance of the Company

The Company issued its Governance Bylaws, which were approved on 26/01/1447 H (corresponding to 21/07/2025 G) by the Board of Directors. Below is a summary of all internal governance bylaws as of the date of this Document:

a. The Financial and Accounting Policies Manual, approved by the Board of Directors on 23/06/1446 H (corresponding to 24/12/2024 G)

b. The Powers Matrix, approved by the Board of Directors on 19/03/1443 H (corresponding to 04/10/2023 G)

c. Delegation of Powers Policy, approved by the Board of Directors on 19/03/1445 H (corresponding to 04/10/2023 G)

d. Shareholders' Rights Protection Policy, approved by the Board of Directors on 19/03/1445 H (corresponding to 04/10/2023 G)

e. The Information Confidentiality Policy, approved by the Board of Directors on 19/03/1445 H (corresponding to 04/10/2023 G)

f. The Board Members Evaluation Policy, approved by the Board of Directors on 11/07/1445 H (corresponding to 23/01/2024 G)

g. Policies and Standards for Executive Management Nomination Procedures, adopted by the Board of Directors on 19/3/1445 H (corresponding to 04/10/2023 G)

h. The Professional Conduct and Ethical Values Policy, adopted on 19/3/1445 H (corresponding to 04/10/2023 G) by the Board of Directors meeting dated 19/03/1445 H (corresponding to 04/10/2023 G):

i. The Whistleblowing Policy, adopted by the Board of Directors on 19/03/1445 H (corresponding to 04/10/2023 G)

j. The Audit Committee's Rules of Procedure, adopted by the Extraordinary General Assembly on 01/02/1444 H (corresponding to 28/08/2022 G)

k. The Rules of Procedure for the Remuneration and Nominations Committee, adopted by the Extraordinary General Assembly on 01/02/1444 H (corresponding to 28/08/2022 G)

l. The Stakeholder Relationship Regulation Policy, adopted by the Board of Directors on 19/03/1445 H (corresponding to 04/10/2023 G)

m. The Policy for Remuneration of members of the Board of Directors, Its Committees and the Executive Management, approved by the Extraordinary General Assembly on 01/02/1444 H (corresponding to 28/8/2022 G)

n. Conflict of Interest Policy, adopted by the Board of Directors on 19/03/1445 H (corresponding to 04/10/2023 G)

o. The Corporate Social Responsibility (CSR) Policy, adopted by the Ordinary General Assembly on 27/11/1445 H (corresponding to 04/06/2024 G)

p. The Policy and Standards for Membership of the Board of Directors, adopted by the Extraordinary General Assembly on 01/02/1444 H (corresponding to 28/08/2022 G)

q. Disclosure Policy and Procedures, adopted by the Board of Directors on 19/03/1445 H (corresponding to 04/10/2024 G)

r. The Governance Bylaws, were adopted by the Board of Directors on 26/01/1447 H (corresponding to 21/07/2025 G)

s. Risk Management Policy, adopted by the Board of Directors on 26/01/1447 H (corresponding to 21/07/2025 G)

t. The Policy for Dealings with Related Parties, approved by the Board of Directors on 19/3/1445 H (corresponding to 04/10/2023 G)

u. The Dividend Distribution Policy, approved by the Board of Directors on 19/3/1445 H (corresponding to 04/10/2023 G)

v. The Executive Committee's Rules of Procedure, approved by the Board of Directors on 19/03/1445 H (corresponding to 04/10/2023 G)

w. Policies and Procedures of the Board of Directors and Its Committees, adopted by the General Assembly on 11/11/1444 H (corresponding to 31/05/2023 G)

x. Competition Standards Policy and Controls, adopted by the General Assembly on 25/03/1446 H (corresponding to 17/09/2025 G)

6. Legal Information and Declarations of Board Members

6.1 Company History and Capital Development

The Company was established on 20/08/1425 AH (corresponding to 04/10/2004 AD) as a limited liability company under the name "Ajzala For Trading and Real Estate Investment Ltd." by converting some branches of "Ajzala For Trading and Contracting Establishment" owned by Saad bin Saud bin Saad Al-Arifi", which are: Agzalla Fuel Trading Establishment, Commercial Registration No. (000429) dated 10/30/1411 AH (corresponding to 15/05/1991 AD), headquartered at Al Muzahmiyah, (2) Jazala Real Estate Office, Commercial Registration No. (076827) dated 14/10/1410 AH (corresponding to 09/05/1990 AD), headquartered in Riyadh, (3) Saad Alarifi Factory for Blocks, Commercial Registration No. (132533) dated 09/08/1415 AH (corresponding to 11/01/1995 AD), headquartered in Riyadh, (4) Ajzala Real Estate Services Office, Commercial Registration No. (022785) dated 30/04/1419 AH (corresponding to 23/08/1998 AD), headquartered in Al Khobar, (5) Ajzala Furnished Apartments Establishment, Commercial Registration No. (025538), dated 28/07/1422 AH (corresponding to 15/10/2001 AD),headquartered in Al Khobar. The Company, with all its rights, obligations, assets, and liabilities, was converted to "Ajzala for Trading and Real Estate Investment Co., a Limited Liability Company. Its capital is (SR (2,142,000) two million, one hundred and forty-two thousand Saudi Riyals, divided into (8,568) eight thousand, five hundred and sixty-eight shares of equal value, with each share valued at (SR 250) two hundred and fifty Saudi Riyals (determined depending on the valuation of the aforementioned establishment's branches according to their book value). The Company was recorded in the Commercial Register in Al Khobar under number (2051030952) on 17/03/1426 AH (corresponding to 26/04/2005 AD). On 29/07/1431 AH (corresponding to 06/07/2010 AD), the partners unanimously approved to convert the Company into a closed joint-stock company under the name "Ajzala for Trading and Real Estate Investment Company". The partners also resolved to increase the Company's capital from (SR 2,142,000) two million, one hundred and forty-two thousand Saudi Riyals to (SR 10,000,000) ten million Saudi Riyals, divided into (1,000,000) one million fully paid-up ordinary shares through the issuance of (785,800) seven hundred and eighty-five thousand, eight hundred ordinary shares, each with a par value of (10) ten Saudi Riyals. The capital increase of ((SR 7,858,000) seven million, eight hundred and fifty-eight thousand Saudi Riyals was fulfilled in the form of an in-kind contribution of buildings erected on leased land. On 25/08/1437 AH (corresponding to 01/06/2016 AD), the Extraordinary General Assembly approved the increase in the Company's capital from (SR10,000,000) ten million Saudi Riyals to (SR 368,114,200)three hundred and sixty-eight million, one hundred and fourteen thousand, two hundred Saudi Riyals, divided into (36,811,420) thirty-six million, eight hundred and eleven thousand, four hundred and twenty fully paid-up ordinary shares, each with nominal value of ten (10) Saudi Riyals, by issuing thirty-five million, eight hundred and eleven thousand, four hundred and twenty (35,811,420) ordinary shares, with a par value of ten (10) Saudi Riyals per each share. The capital increase valued at SAR (358,114,200) three hundred and fifty-eight million, one hundred and fourteen thousand, two hundred Saudi Riyals was fulfilled by capitalizing in-kind assets according to their average valuation conducted by external evaluators on 30/07/1437 AH (corresponding to 07/05/2016 AD). On 12/03/1440 AH (corresponding to 20/11/2018 AD), the Extraordinary General Assembly approved changing the Company's name from "Ajzala for Trading and Real Estate Investment Company" to "Ladun Investment Company". On 25/01/1443 AH (corresponding to 02/09/2021 AD), the Extraordinary General Assembly approved an increase in the Company's capital from (SR 368,114,200) three hundred and sixty-eight million, one hundred and fourteen thousand, two hundred Saudi Riyals to (SR 500,000,000) five hundred million Saudi Riyals, divided into (50,000,000) fifty million ordinary shares, each with a par value of ten (10) Saudi Riyals. The increase valued at (SR (131,885,800) one hundred and thirty-one million, eight hundred and eighty-five thousand, eight hundred Saudi Riyals was paid by capitalizing the entire statutory reserve amounting to (Saudi Riyals 12,447,484) twelve million, four hundred and forty-seven thousand, four hundred and eighty-four Saudi Riyals, as well as capitalizing a portion of the retained earnings amounting to (SR 119,438,316) one hundred and nineteen million, four hundred and thirty-eight thousand Three hundred and sixteen Saudi Riyals. On 15/11/1443 AH (corresponding to 14/06/2022 AD), the Company was listed on the Parallel Market. On 11/11/1444 AH (corresponding to 31/05/2023 AD), the Extraordinary General Assembly approved the share split, reducing the nominal value of the share from (SR 10) ten Saudi Riyals to (SR 1) one Saudi Riyal, while maintaining the Company's capital unchanged. Accordingly, the number of shares increased from (50,000,000) fifty million to (500,000,000) five hundred million shares. On 08/04/1445 AH (corresponding to 23/10/2023 AD), the Company's Board of Directors approved the transition of the Company's shares from the Parallel Market to the Main Market.

6.2 Purposes of the Company

As stated in its Articles of Association, the Company's activities are as follows:

1	Buy, sell and subdivide land and real estate, and off-plan sales activities	12	Own, develop, manage, operate, maintain and invest in real estate by sale, purchasing, leasing and renting
2	Manage and lease owned or rented residential properties	13	Own, invest in, manage operate, and maintain hotels, hospitals, residential complexes of all types, and recreational and tourist facilities
3	Manage and lease owned or rented non-residential properties	14	Conduct maintenance and operation works for public and private cities, facilities, and establishments
4	Develop residential buildings using state-of-the-art construction methods	15	Supervise the execution of real estate projects
5	Develop commercial buildings using state-of-the-art construction methods	16	Import materials, appliances, furniture, tools, and equipment related to the company's operations
6	Real estate contributions	17	Manufacturing industries and its types according to the industrial licenses
7	Purchase land, construct buildings on the same, and invest in it by means of sale or leasing for the company's benefit	18	building & construction
8	Real estate brokerage	19	Trading
9	Manage or participate in the management of other companies in which it holds shares, and provide them with the necessary support	20	Financial, business and other services
10	Invest the company's money in stocks and other securities	21	Information technology
11	Own the properties and movable assets necessary to conduct business	22	Security and safety

The Company shall conduct its activities in accordance with the applicable laws and after obtaining the necessary licenses from the competent authorities, if any.

6.3 Subsidiaries and Their Branches

The Company has one (1) branch and three (3) subsidiaries. Those subsidiaries have thirteen (13) branches and two (2) subsidiaries in the Kingdom. The following table provides the Group's details as of the date of this Document:

Table 6.1: Subsidiaries and Their Branches

Sr.	Company Name	Commercial Registration Number	Commercial Registration Date	Annual Commercial Registration Confirmation Date	Company Ownership Percentage	Other partners, if any
a	Ladun Company					
1	Ladun Investment Company	1010467355	21/05/1449 H (Corresponding to 21/10/2027)	18/04/1438 H (corresponding to 16/01/2017 G)	[100]	[0]
2	Branch of Ladun Investment Company	2051030952	09/11/1448 H (Corresponding to 16/04/2027 G)	17/03/1426 H (corresponding to 26/04/2005 G)	[100]	[0]
b	PAINITE Company					
1	PAINITE Operation and Maintenance Co.	2051047783	28/04/1448 H (Corresponding to 09/10/2026 G)	14/03/1433 H (corresponding to 06/02/2012 G)	[100]	[0]
2	PAINITE Operation and Maintenance Co.	1010633973	01/09/1446 H (Corresponding to 01/03/2025 G)	20/08/1441 H (corresponding to 13/04/2020 G)	[100]	[0]
3	PAINITE Operation and Maintenance Co.	4030380363	09/09/1446 H (Corresponding to 09/03/2025 G)	28/08/1441 H (corresponding to 21/04/2020 G)	[100]	[0]
4	loghz Construction and Building Limited Company	7054205047	12/11/1447H (corresponding to 29/04/2026G)	21/11/1448H (corresponding to 28/04/2027G)	[100]	[0]

Sr.	Company Name	Commercial Registration Number	Commercial Registration Date	Annual Commercial Registration Confirmation Date	Company Ownership Percentage	Other partners, if any
c	Built Company					
1	Built Industrial Company	1010233574	11/05/1428 H (Corresponding to 28/05/2007 G)	22/05/1447 H (corresponding to 13/11/2025 G)	[100]	[0]
2	Built Trading Company	1010395512	21/01/1435 H (Corresponding to 24/11/2013 G)	29/11/1446 H (corresponding to 27/05/2025 G)	[100]	[0]
3	Built for Safety and Fire Protection	1010808161	20/11/1443 H (Corresponding to 19/06/2022 G)	20/11/1446 H (corresponding to 18/05/2025 G)	[100]	[0]
4	BUILT FIT-OUT	1010820099	26/12/1443 H (Corresponding to 25/07/2022 G)	26/12/1446 H (corresponding to 22/06/2025 G)	[100]	[0]
5	BUILT TECHNOLOGY	1010441321	18/04/1437 H (Corresponding to 28/01/2016 G)	11/05/1447 H (corresponding to 02/11/2025 G)	[100]	[0]
6	BUILT Renewable Energy Company	1010691634	20/07/1442 H (Corresponding to 04/03/2021 G)	13/08/1447 H (corresponding to 01/02/2026 G)	[100]	[0]
7	Building Tech. Factory	1126106183	04/09/1440 H (Corresponding to 09/05/2019 G)	25/09/1447 H (corresponding to 14/03/2026 G)	[100]	[0]
8	Built Aluminum Factory (BAFCO Aluminum)	1018100305	01/03/1441 H (Corresponding to 29/10/2019 G)	20/02/1447 H (corresponding to 14/08/2025 G)	[100]	[0]
9	Built Precast Wall Factory	1126106377	15/07/1441 H (Corresponding to 10/03/2020 G)	04/07/1447 H (corresponding to 24/12/2025 G)	[100]	[0]
10	DAYMAT FACTORY	1010441318	18/04/1437 H (Corresponding to 28/01/2016 G)	18/04/1447 H (corresponding to 10/10/2025 G)	[100]	[0]
11	DAYMAT HVAC	7051393176	05/03/1447 H (Corresponding to 28/08/2025 G)	14/03/1448 H (corresponding to 27/08/2026 G)	[100]	[0]
d	IKTISSAB Company					
1	IKTISSAB Human Resources Company	1010778107	01/07/1447 H (Corresponding to 21/12/2025 G)	20/06/1443 H (corresponding to 23/01/2022 G)	[100]	[0]
2	First IKTISSAB Recruitment Company	1010903726	24/12/1447 H (Corresponding to 10/06/2026 G)	24/12/1444 H (corresponding to 12/07/2023 G)	[100]	[0]

Source: Company

6.4 Licenses of the Company

The Company has obtained most of the essential licenses required by the competent authorities that enable it to conduct its business. The following is a summary of the essential licenses issued to the Company in the Kingdom:

Table 6.2: Licenses issued as of the date of this document

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
The Company					
Commercial Register	The Company's Registration in the Commercial Register	1010467355	18/04/1438 H (Corresponding to 16/01/2017 G)	Annual confirmation date: 10/05/1448 H (corresponding to 21/10/2026 G)	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	460818625786	-	18/08/1448 H (Corresponding to 26/01/2027 G)	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	47-001799946-2	18/10/1447 H (Corresponding to 06/04/2026 G)	18/08/1448 H (Corresponding to 18/08/2027 G)	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	104329336112604178	04/11/1447 H (Corresponding to 21/04/2026 G)	05/02/1448 H (corresponding to 19/07/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	11112588-245270	10/10/1444 H (Corresponding to 30/04/2023G)	23/04/1448 H (corresponding to 04/10/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	56204600-213702	09/01/1448 H (Corresponding to 24/06/2026 G)	10/02/1448 H (corresponding to 24/07/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	543444	12/05/1441 H (Corresponding to 07/01/2020 G)	21/05/1449 H (corresponding to 21/10/2027 G)	Riyadh Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	1027014413	-	23/11/1448 H (Corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	3004836667	02/12/1438 H (Corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116490329	16/01/1448H (Corresponding to 01/07/2026 G)	17/02/1448H (corresponding to 31/07/2026 G)	General Organization for Social Insurance
City Service Providers Classification Certificate	To evaluate establishments and determine their technical, administrative, and financial capabilities to implement governmental and private projects.	2024010661	3/26/1446 H (Corresponding to 29/09/2024 G)	18/04/1448 H (corresponding to 29/09/2026 G)	Ministry of Municipalities and Housing
Real Estate Developer Qualification Certificate	To document the developer qualification, maintain the subscribers' rights, and obtain off-plan sale licenses	3202	03/11/1447 H (corresponding to 20/04/2026G)	06/12/1450 H (corresponding to 20/04/2029G)	Real Estate General Authority (REGA)
Company Branch					

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
Commercial Register	The Company's Registration in the Commercial Register	2051030952	17/03/1426 H (Corresponding to 26/04/2005 G)	Annual confirmation date 09/11/1448 H (corresponding to 16/04/2027 G)	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	-	-	-	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	112604076	04/11/1447 H (corresponding to 21/04/2026 G)	05/02/1448 H (corresponding to 19/07/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	13132890-184921	14/08/1447 H (Corresponding to 02/02/2026 G)	23/04/1448 H (corresponding to 04/10/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	16127124-135157	09/01/1448 H (Corresponding to 24/06/2026 G)	10/02/1448 H (corresponding to 24/07/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	72165	21/03/1426 H (Corresponding to 30/04/2005 G)	09/11/1448H (Corresponding to 16/04/2027 G)	Asharqia Chamber | Dammam
Zakat Certificate	The Company's compliance with the Zakat requirements	1027014413	-	23/11/1448 H (Corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	3004836667	02/12/1438 H (Corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116490222	16/01/1448 H (Corresponding to 01/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026 G)	General Organization for Social Insurance

Source: Company

6.5 Licenses for Subsidiaries and Their Branches

The subsidiaries and their branches have obtained most of the essential licenses required by the competent authorities that enable them to conduct their business. The following is a summary of the essential licenses issued to the subsidiaries and their branches in the Kingdom:

Table 6.3: Licenses issued as of the date of this document

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
Built Company and Its Branches and Subsidiaries					
Built Company					
Commercial Register	The Company's Registration in the Commercial Register	1010233574	11/05/1428 H (Corresponding to 28/05/2007 G)	Annual confirmation date 03/06/1448 H (Corresponding to 13/11/2026 G)	Ministry of Commerce (MoC)

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	460417221627	-	14/04/1448 H (corresponding to 25/09/2026 G)	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	47-001665945	30/03/1447 H (Corresponding to 22/09/2025 G)	14/04/1448 H (corresponding to 25/09/2026 G)	General Directorate of Civil Defense (Salamah)
GOSI Certificate	The Company's compliance with GOSI's requirements	116491030	16/01/1448 H (Corresponding to 01/07/2026 G)	16/02/1448 H (corresponding to 30/07/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	16123136-106588	03/12/1443 H (Corresponding to 02/07/2022 G)	23/04/1448 H (corresponding to 04/10/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	31786528-812923	16/01/1448 H (Corresponding to 01/07/2026 G)	18/02/1448 H (corresponding to 01/08/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	182238	11/05/1428 H (Corresponding to 28/05/2007 G)	03/06/1448 H (Corresponding to 13/11/2026 G)	Riyadh Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	1117248152	-	23/11/1448 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	300051545700003	02/12/1438 H (Corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
City Service Providers Classification Certificate	Contractor Classification	2024006482	12/18/1445 H (Corresponding to 24/06/2024 G)	09/01/1448 H (Corresponding to 24/06/2026 G)	Balady Platform
Local Content Certificate	To measure the local content	M203858	4/29/1447 H (Corresponding to 21/10/2025 G)	17/02/1448 H (corresponding to 31/07/2026 G)	The Local Content and Government Procurement Authority
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116491086	16/01/1448 H (Corresponding to 01/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026 G)	General Organization for Social Insurance
Contractor Membership Certificate	SCA – Contractor Membership Certificate	10003183	12/4/1445 H (Corresponding to 10/06/2024 G)	24/02/1448 H (corresponding to 07/08/2026 G)	Saudi Contractors Authority (SCA)
land transport license	A license that allows establishments to engage in the activity of transporting goods by land	11/00050537	5/1/1445 H (Corresponding to 15/11/2023 G)	01/05/1448 H (corresponding to 12/10/2026 G)	Transport General Authority (TGA)
Built Company Branch (Built Aluminum Factory (BAFCO Aluminum))					
Commercial Register	The Company's Registration in the Commercial Register	1018100305	01/03/1441 H (Corresponding to 29/10/2019 G)	Annual confirmation date 01/03/1448 H (corresponding to 14/08/2026 G)	Ministry of Commerce (MoC)
Zakat Certificate	The Company's compliance with the Zakat requirements	1117248152	-	23/11/1448 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	42065143792	-	15/06/1448 H (corresponding to 25/11/2026 G)	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	116491203	16/01/1448 H (Corresponding to 01/07/2026 G)	16/02/1448 H (corresponding to 30/07/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	17081260-943848	19/03/1444 H (Corresponding to 15/10/2022 G)	23/04/1448 H (corresponding to 04/10/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	26072744-201560	22/01/1447 H (Corresponding to 07/07/2026 G)	24/02/1448 H (corresponding to 07/08/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	530754	3/2/1441 H (Corresponding to 30/10/2019 G)	01/03/1448 H (corresponding to 14/08/2026 G)	Chamber of Commerce
VAT Registration Certificate	Registration of tax group in VAT	300051545700003	12/2/1438H (Corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Industrial Facility License	To conduct the industrial activity	451110133859	7/11/1445 H (Corresponding to 23/01/2024 G)	08/09/1450 H (Corresponding to 23/01/2029 G)	Ministry of Industry and Mineral Resources (MIMR)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116491265	16/01/1448 H (Corresponding to 01/07/2026 G)	17/02/1448 H (Corresponding to 31/07/2026 G)	General Organization for Social Insurance
Environmental permit	A permit granted to the establishments that demonstrate compliance with the environmental standards and requirements	(K) (M)/3889/1444H	26/05/1442 H (Corresponding to 10/01/2021 G)	26/05/1448 H (corresponding to 06/11/2026 G)	National Center for Environmental Compliance
Built Company's branch (Building Tech. Factory)					
Commercial Register	The Company's Registration in the Commercial Register	1126106183	04/09/1440 H (Corresponding to 09/05/2019 G)	Annual confirmation date 06/10/148 H (Corresponding to 14/03/2027 G)	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	-	-	-	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
GOSI Certificate	The Company's compliance with GOSI's requirements	116491345	16/01/1448 H (corresponding to 01/07/2026 G)	16/02/1448 H (corresponding to 30/07/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	13527822-175102	06/09/1444 H (corresponding to 28/03/2023 G)	23/04/1448 H (corresponding to 04/10/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	19139050-352689	22/01/1447 H (corresponding to 07/07/2026 G)	24/02/1448 H (corresponding to 07/08/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	102001110727	04/09/1440 H (corresponding to 09/05/2019 G)	29/10/1450 H (corresponding to 14/03/2029 G)	Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	11117248152	02/12/1438 H (corresponding to 24/08/2017 G)	23/11/1448 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	300051545700003	02/12/1438 H (corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Industrial Facility License	To conduct the industrial activity	431224981	05/04/1443 H (corresponding to 11/10/2021 G)	09/08/1451 H (Corresponding to 15/12/2029 G)	Ministry of Industry and Mineral Resources (MIMR)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116491353	16/01/1448 H (corresponding to 01/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026 G)	General Organization for Social Insurance
Operation license	Building operation and completion license	OLC-25-08-05002881	11/02/1447 H (corresponding to 05/08/2025 G)	22/02/1448 H (corresponding to 05/08/2026 G)	Saudi Authority for Industrial Cities and Technology Zones (MODON)
Environmental permit	A permit granted to the establishments that demonstrate compliance with the environmental standards and requirements	(K) (M)/10545/1444	25/07/1444 H (corresponding to 16/02/2023 G)	25/07/1447 H (corresponding to 14/01/2026 G) (expired)	National Center for Environmental Compliance
Built Company Branch (Built Precast Wall Factory)					
Commercial Register	The Company's Registration in the Commercial Register	1126106377	15/07/1441 H (Corresponding to 10/03/2020 G)	Annua confirmation date 15/07/1448 H (Corresponding to 24/12/2026 G)	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	-	-	-	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	116491255	16/01/1448 H (Corresponding to 01/07/2026 G)	16/02/1448 H (corresponding to 30/07/2026 G)	General Organization for Social Insurance

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
Saudization Certificate	The Company's compliance with the Saudization requirements	46795540-148216	06/06/1445 H (corresponding to 19/12/2023 G)	23/04/1448 H (corresponding to 04/10/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	10562683-148359	22/01/1447 H (corresponding to 07/07/2026 G)	24/02/1448 H (corresponding to 07/08/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	Certificate number is not shown	07/06/1445 H (corresponding to 20/12/2023 G)	15/07/1448 H (corresponding to 24/12/2026 G)	Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	1117248152	-	23/11/1448 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	300051545700003	02/12/1438 H (corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Industrial Facility License	To conduct the industrial activity	431225313	6/15/1443 H (Corresponding to 18/01/2022 G)	18/09/1451 H (Corresponding to 22/01/2030 G)	Ministry of Industry and Mineral Resources (MIMR)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116491325	16/01/1448 H (corresponding to 01/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026 G)	General Organization for Social Insurance
Operation license	Building operation and completion license	OLC-25-09-15003601	23/03/1447 H (corresponding to 15/09/2025 G)	04/04/1448 H (corresponding to 15/09/2026 G)	Saudi Authority for Industrial Cities and Technology Zones (MODON)
Environmental permit	A permit granted to the establishments that demonstrate compliance with the environmental standards and requirements	EPOPP-2023-003505	08/02/1445 H (corresponding to 24/08/2023 G)	11/03/1448 H (corresponding to 24/08/2026 G)	National Center for Environmental Compliance
Environmental permit	A permit granted to the establishments that demonstrate compliance with the environmental standards and requirements	EPC2-2023-002053	08/02/1445 H (corresponding to 24/08/2023 G)	11/03/1448 H (corresponding to 24/08/2026 G)	National Center for Environmental Compliance
Built Company Branch (Built Renewable Energy Company)					
Commercial Register	The Company's Registration in the Commercial Register	1010691634	20/07/1442 H (corresponding to 04/03/2021 G)	annual confirmation date 24/08/1448 H (corresponding to 01/02/2027G),	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	-	-	-	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
GOSI Certificate	The Company's compliance with GOSI's requirements	116493412	16/01/1448 H (corresponding to 01/07/2026 G)	18/04/1448 H (corresponding to 29/09/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	-	-	-	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	-	-	-	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	625273	03/08/1446 H (corresponding to 02/02/2025 G)	17/09/1450 H (corresponding to 01/02/2029 G)	Riyadh Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	1117248152	-	23/11/1448 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	300051545700003	02/12/1438 H (corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116493515	16/01/1448 H (corresponding to 01/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026 G)	General Organization for Social Insurance
Built Company Branch (DAYMAT FACTORY)					
Commercial Register	The Company's Registration in the Commercial Register	1010441318	18/04/1437 H (corresponding to 28/01/2016 G)	annual confirmation date 29/04/1448 H (corresponding to 10/10/2026 G),	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	39121529265	-	28/04/1447 H (corresponding to 20/10/2025 G) (Expired)	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	116491415	16/01/1448 H (corresponding to 01/07/2026 G)	16/02/1448 H (corresponding to 30/07/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	19770238-182552	07/03/1444 H (corresponding to 03/10/2023 G)	23/04/1448 H (corresponding to 04/10/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	37259808-450415	22/01/1447 H (corresponding to 07/07/2026 G)	24/02/1448 H (corresponding to 07/08/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	379908	08/03/1438 H (corresponding to 07/12/2016 G)	29/04/1448 H (corresponding to 10/10/2026 G)	Chamber of Commerce

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
Zakat Certificate	The Company's compliance with the Zakat requirements	1117248152	-	23/11/1448 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	300051545700003	02/12/1438 H (corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Industrial Facility License	To conduct the industrial activity	1438100190128	10/02/1438 H (corresponding to 10/11/2016 G)	02/06/1451 H (corresponding to 10/10/2029 G)	Ministry of Industry and Mineral Resources (MIMR)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116491471	16/01/1448 H (corresponding to 01/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026 G)	General Organization for Social Insurance
Built Company Branch (Built Trading Company)					
Commercial Register	The Company's Registration in the Commercial Register	1010395512	21/01/1435 H (corresponding to 24/11/2013 G)	annual confirmation date 21/12/1448 H (corresponding to 27/05/2027 G)	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	461119521205	-	08/11/1447 H (Corresponding to 25/04/2026 G) (expired)	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	46-001864448-1	08/11/1446 H (corresponding to 06/05/2025 G)	08/11/1447 H (corresponding to 25/04/2026 G) (expired)	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	116491573	16/01/1448 H (corresponding to 01/07/2026 G)	16/02/1448 H (corresponding to 30/07/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	15734653-205643	14/08/1447 H (corresponding to 02/02/2026 G)	30/04/1448 H (corresponding to 04/10/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	18373215-332381	22/01/1447 H (corresponding to 07/07/2026 G)	24/02/1448 H (corresponding to 07/08/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	53582	07/02/1435 H (corresponding to 10/12/2013 G)	03/01/1450 H (corresponding to 27/05/2028 G)	Riyadh Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	1117248152	-	23/11/148 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	300051545700003	02/12/1438 H (corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116491580	16/01/1448 H (corresponding to 01/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026G)	General Organization for Social Insurance
Built Company Branch (BUILT TECHNOLOGY)					
Commercial Register	The Company's Registration in the Commercial Register	1010441321	18/04/1437 H (corresponding to 28/01/2016 G)	annual confirmation date 22/05/1448 H (corresponding to 02/11/2026 G)	Ministry of Commerce (MoC)

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	471224371000	-	28/12/1452 H (corresponding to 20/04/2031 G)	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	002201683-1	22/12/1446 H (corresponding to 18/06/2025 G)	28/12/1452 H (corresponding to 20/04/2031 G)	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	116493146	16/01/1448 H (corresponding to 01/07/2026 G)	16/02/1448 H (corresponding to 30/07/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	21119514-150007	20/04/1446 H (corresponding to 23/10/2024 G)	23/04/1448 H (corresponding to 04/10/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	15216583-174671	22/01/1447 H (corresponding to 07/07/2026 G)	24/02/1448 H (corresponding to 07/08/2026 G	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	472330	19/04/1445 H (corresponding to 03/11/2023 G)	22/05/1448 H (corresponding to 02/11/2026 G)	Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	1117248152	-	23/11/1448 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	300051545700003	02/12/1438 H (corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116493212	16/01/1448 H (corresponding to 01/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026 G)	General Organization for Social Insurance
Built Company Branch (Built Fit-out Contracting Company)					
Commercial Register	The Company's Registration in the Commercial Register	1010820099	26/12/1443 H (corresponding to 25/07/2022 G)	annual confirmation date 17/01/1449H (corresponding to 22/06/2027 G)	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	-	-	-	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	116493272	16/01/1448 H (corresponding to 01/07/2026 G)	18/04/1448 H (corresponding to 29/09/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	-	-	-	Ministry of Human Resources and Social Development (MHRSD)

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	-	-	-	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	-	-	-	Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	1117248152	-	23/11/1448 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	300051545700003	02/12/1438 H (corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116493309	16/01/1448 H (corresponding to 01/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026 G)	General Organization for Social Insurance
Built Company Branch (Built for Safety and Fire Protection)					
Commercial Register	The Company's Registration in the Commercial Register	1010808161	11/20/1443 H (corresponding to 19/06/2022 G)	annual confirmation date 12/12/1448 H (corresponding to 18/05/2027 G)	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	-	-	-	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	116493445	16/01/1448 H (corresponding to 01/07/2026 G)	18/04/1448 H (corresponding to 29/09/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	-	-	-	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	-	-	-	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	-	-	-	Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	1117248152	-	23/11/1448 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	300051545700003	02/12/1438 H (corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116493474	16/01/1448 H (corresponding to 01/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026 G)	General Organization for Social Insurance
Subsidiary - Daimat Specialized Company					
Commercial Register	The Company's Registration in the Commercial Register	National Unified Number 7051393176	05/03/1447 H (corresponding to 28/08/2025 G)	annual confirmation date 14/03/1448 H (corresponding to 27/08/2026 G)	Ministry of Commerce
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	-	-	-	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	104330132	15/12/1447 H (corresponding to 01/06/2026 G)	18/03/1448 H (corresponding to 31/08/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	- 59157397-161180	- 16/08/1447 H (corresponding to 04/02/2026 G)	- 19/02/1447 H (corresponding to 02/08/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	- 56343301-436304	-20/12/1447 H (corresponding to 06/06/2026 G	-21/01/1448 H (corresponding to 06/07/2026 G	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	-	-	-	Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements		-		Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT				Zakat, Tax and Customs Authority (ZATCA)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	113388316	17/11/1447 H (corresponding to 04/05/2026 G)	14/12/1447 H (corresponding to 31/05/2026 G)	General Organization for Social Insurance
PAINITE Company and Its Branches and subsidiaries					
PAINITE Company					
Commercial Register	The Company's Registration in the Commercial Register	2051047783	14/03/1433 H (corresponding to 06/02/2012 G)	annual confirmation date 28/04/1448 H (corresponding to 09/10/2026 G)	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	-	-	-	Al Riyadh Municipality

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	116763576	21/01/1448 H (corresponding to 06/07/2026 G)	23/04/1448 H (corresponding to 04/10/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	412876-44424377	02/03/1446 H (corresponding to 05/09/2024 G)	23/04/1448 H (corresponding to 04/10/2026 G) (Expired)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	19756269-596340	09/01/ 1448 H (corresponding to 24/06/2026 G)	10/02/1448 H (corresponding to 24/07/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	152944	09/07/1433 H (corresponding to 30/05/2012 G)	28/04/1448 H (corresponding to 09/10/2026 G)	Riyadh Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	1047251029	-	23/11/1448 H (corresponding to 30/04/2027G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	100251131229129	02/12/1438 H (corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Fal License	Practicing real estate brokerage and marketing activities	3200000721	09/07/1446 H (corresponding to 09/01/2025 G)	05/09/1451 H (corresponding to 09/01/2030 G)	Real Estate General Authority (REGA)
Fal License	Practicing real estate brokerage and marketing activities	1200015571	22/60/1445 H (corresponding to 04/01/2024 G)	19/08/1450 H (corresponding to 04/01/2029 G)	Real Estate General Authority (REGA)
Local Content Certificate	To measure the local content	M223873	04/06/1446 H (corresponding to 25/11/2025 G)	15/02/1448 H (corresponding to 31/07/2026 G)	The Local Content and Government Procurement Authority
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116763521	21/01/1448 H (corresponding to 06/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026 G)	General Organization for Social Insurance
PAINITE's branch					
Commercial Register	The Company's Registration in the Commercial Register	4030380363	28/08/1441 H (corresponding to 21/04/2020 G)	annual confirmation date 01/10/1448 H (corresponding to 09/03/2027G)	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	-	-	-	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	116763788	21/01/1448H (corresponding to 06/07/2026G)	23/04/1448 H (corresponding to 04/10/2026 G)	General Organization for Social Insurance

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
Saudization Certificate	The Company's compliance with the Saudization requirements	170048-18625952	14/05/1445 H (corresponding to 28/11/2023 G)	23/04/1448 H (corresponding to 04/10/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	20373093-633389	09/01/1448 H (corresponding to 24/06/2026 G)	10/02/1448 H (corresponding to 24/07/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	359470	18/08/1446 H (corresponding to 17/02/2025 G)	01/10/1448 H (corresponding to 09/03/2027 G)	Riyadh Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	1047251029	-	23/11/1448 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	100251131229129	02/12/1438 H (corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116763690	21/01/1448 H (corresponding to 06/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026 G)	General Organization for Social Insurance
PAINITE's branch					
Commercial Register	The Company's Registration in the Commercial Register	1010633973	20/08/1441 H (corresponding to 13/04/2020 G)	annual confirmation date 2/09/1448 H (corresponding to 01/03/2027 G)	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	460818701121	-	17/08/1448 H (Corresponding to 25/01/2027 G)	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	47-001806032-2	14/10/1448 H (corresponding to 25/01/2027 G)	17/08/1447 H (corresponding to 05/02/2026 G)	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	116763877	21/10/1448 H (corresponding to 06/07/2026 G)	23/04/1448 H (corresponding to 04/10/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	76384043-318936	11/01/1447 H (corresponding to 06/07/2025 G)	23/04/1448 H (corresponding to 04/10/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	17023606-528372	09/01/1448 H (corresponding to 24/06/2026 G)	10/02/1448 H (corresponding to 24/07/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	559390	20/08/1441 H (corresponding to 13/04/2020 G)	22/09/1448 H (corresponding to 01/03/2027 G)	Riyadh Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	1047251029	-	23/11/1448 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
VAT Registration Certificate	Registration of tax group in VAT	100251131229129	02/12/1438 H (corresponding to 24/08/2017 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Membership certificate for engaging in real estate leasing activities	To engage in real estate leasing activities	EJAR_39280701	19/12/1442 H (corresponding to 29/07/2021 G)	15/02/1448 H (corresponding to 29/07/2026 G)	Real Estate General Authority (REGA) – EJAR Platform
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116763912	21/01/1448 H (corresponding to 06/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026 G)	General Organization for Social Insurance
Subsidiary – Loghz Construction and Building Limited Company					
Commercial Register	The Company's Registration in the Commercial Register	National Unified Number 7054205047	12/11/1447 H (corresponding to 29/04/2026 G)	annual confirmation date 21/11/1448 H (corresponding to 28/04/2027 G)	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	-	-	-	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements		-	-	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	-	-	-	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	-	-	-	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	-	-	-	Riyadh Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	-	-	-	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	-	-	-	Zakat, Tax and Customs Authority (ZATCA)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	-	-	- (Expired)	General Organization for Social Insurance
IKTISSAB Company and Its Branch					
IKTISSAB Company					
Commercial Register	The Company's Registration in the Commercial Register	1010778107	20/06/1443 H (corresponding to 23/01/2022 G)	annual confirmation date 12/07/1448 H (corresponding to 21/12/2026 G),	Ministry of Commerce (MoC)

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	-	-	-	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	116763940	21/01/1448 H (corresponding to 06/07/2026G)	23/04/1448 H (corresponding to 04/10/2026 G)	General Organization for Social Insurance
Saudization Certificate	The Company's compliance with the Saudization requirements	12355115-992122	24/10/1447 H (corresponding to 12/04/2026 G)	23/04/1448 H (corresponding to 04/10/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	14196784-137742	05/11/1447 H (corresponding to 22/04/2026 G)	05/12/1447 H (corresponding to 22/05/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	705655	05/07/1443 H (corresponding to 06/02/2022 G)	01/07/1447 H (corresponding to 21/12/2025 G)	Riyadh Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	1027249267	-	23/11/1448 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	3114327228	23/08/1444 H (corresponding to 15/03/2023 G)	-	Zakat, Tax and Customs Authority (ZATCA)
Media license	To practice commercial media work in a regulated way	149564	10/28/1444 H (corresponding to 5/18/2023 G)	28/10/1447 H (Corresponding to 16/04/2026 G)	General Authority for Media Regulation
Media license	To practice commercial media work in a regulated way	162213	16/04/1447 H (corresponding to 08/10/2025 G)	16/04/1450 H (corresponding to 06/09/2028 G)	General Authority for Media Regulation
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	116763928	21/01/1448 H (corresponding to 06/07/2026 G)	17/02/1448 H (corresponding to 31/07/2026 G)	General Organization for Social Insurance
IKTISSAB Company Branch					
Commercial Register	The Company's Registration in the Commercial Register	1010903726	24/12/1444 H (corresponding to 12/07/2023 G)	annual confirmation date 24/12/1447 H (corresponding to 10/06/2026 G)	Ministry of Commerce (MoC)
Commercial Activity License	The Company's commitment to obtain a municipal license in accordance with the regulatory requirements	-	-	-	Al Riyadh Municipality
Civil defense permit	The Company's commitment to obtain the civil defense permit in accordance with the regulatory requirements	-	-	-	General Directorate of Civil Defense
GOSI Certificate	The Company's compliance with GOSI's requirements	103262319	20/04/1447 H (corresponding to 12/10/2025 G)	26/06/1447 H (corresponding to 12/01/2026 G)	General Organization for Social Insurance

License Type	Purpose	License No.	Issuance Date	Expiry Date	Issuer
Saudization Certificate	The Company's compliance with the Saudization requirements	59161375-972289	25/03/1447 H (corresponding to 22/04/2026 G)	23/04/1448 H (corresponding to 04/10/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Wage Protection Commitment Certificate	The Company's compliance with the controls of the Wage Protection Program	19401474-126283	22/01/1448 H (corresponding to 07/07/2026 G)	24/02/1448H (corresponding to 07/08/2026 G)	Ministry of Human Resources and Social Development (MHRSD)
Chamber of Commerce subscription	The Company's commitment to subscribe with the Chamber of Commerce in accordance with the regulatory requirements	835791	24/12/1444 H (corresponding to 12/07/2023 G)	24/12/1447 H (corresponding to 10/06/2026 G)	Riyadh Chamber of Commerce
Zakat Certificate	The Company's compliance with the Zakat requirements	1027249267	-	23/11/1448 H (corresponding to 30/04/2027 G)	Zakat, Tax and Customs Authority (ZATCA)
VAT Registration Certificate	Registration of tax group in VAT	3114327228	23/08/1444H (corresponding to 15/03/2023G)	-	Zakat, Tax and Customs Authority (ZATCA)
Recruitment company license	To engage in the activity of Saudis' recruitment	489	16/03/1445 H (corresponding to 01/10/2023 G)	16/03/1450 H (corresponding to 07/08/2028 G)	Ministry of Human Resources and Social Development (MHRSD)
Occupational Safety and Health Certificate	The Company's compliance with the requirements of occupational safety and health	104428922	13/05/1447 H (corresponding to 04/11/2025 G)	09/06/1447 H (corresponding to 30/11/2025 G)	General Organization for Social Insurance

Source: Company

6.6 Substantial Agreements

The Company and its subsidiaries have concluded a number of key agreements and contracts with various parties. This section provides a summary of the agreements and contracts that the Board of Directors believes are material to the Company's business or may affect investors' decisions regarding the shares. The summary of agreements and contracts below does not include all terms and conditions and should not be considered a substitute for the terms and conditions in those agreements. The following table shows the key agreements concluded by the Company and its subsidiaries:

Table 6.4: Material Agreements Concluded by the Company as at the Date of This Document.

Property Management and Service Delivery Agreement	
Parties	Awal Al Malqa Real Estate Company and PAINITE Company
Description	An agreement between Awal Al Malqa Real Estate Company and PAINITE Company, under which PAINITE Co. shall provide property management and other services to Awal Al Malqa.
Start Date	30/10/1443 H (Corresponding to 01/06/2022 G)
Value	The value payable to PAINITE is divided into two parts: First: Marketing and Leasing 1. 7% of the value of the new agreement (for the first time) after collection 2. 2% of the value of the renewed agreement if renewed with the same lessee 3. No commission is due for agreements that are sourced from other marketing entities Second: Operation & Maintenance 1. SAR 150 per month × number of leased residential units 2. SAR 12,500 for supplies and consumables 3. Accounting settlement every 3 months if maintenance expenses exceed SAR 150 per unit 4. No additional claims or invoices will be submitted except under the written consent of Awal Al Malqa Real Estate Company 5. SAR 117,600 per month for operation team, security and maintenance contracts Total: SAR 2,411,920 (Two million four hundred and eleven thousand nine hundred and twenty Saudi Riyals) This value is an estimate and is subject to review and modification in accordance with the terms and conditions of the Agreement.
Expiration	This agreement shall expire on 14/12/1447H (corresponding to 31/05/2025G). The agreement was renewed for one year starting from 15/12/1447H (corresponding to 01/06/2026G) to 25/12/1448H (corresponding to 31/005/2027G).
Payment Mechanism	No clauses were mentioned in the agreement regarding the payment mechanism
Assignment	PAINITE Co. is not entitled to assign this Agreement in whole or in part, without obtaining a prior written consent from Awal Al Malqa Co.
Disputes	In the event a dispute arises between the Parties, it shall be settled amicably. If that is not possible, the dispute shall be referred to arbitration to be decided on in accordance with the Saudi Arbitration Law and its Executive Regulation. The arbitration shall be held in the Saudi Center for Commercial Arbitration in Jeddah.
Applicable Law	KSA laws

Source: Company

Support Services Agreement	
Parties	Al-Faraby Medical Group and PAINITE Company.
Description	An agreement between Al-Faraby Medical Group and PAINITE Operation and Maintenance Company
Start Date	16/03/1447 H (corresponding to 08/09/2025 G)
Value	The total monthly value is estimated at SAR 597,297.61 (five hundred ninety-seven thousand, two hundred ninety-seven riyals and sixty-one halalas) including VAT. This value is estimated and subject to review and modification in accordance with the terms and conditions of the Agreement.
Expiration	25/03/1448H (corresponding to 07/09/2026G)
Payment Mechanism	Al-Faraby Medical Group shall pay the price of services within (30) days (thirty days) from the submission date of all relevant documents.
Assignment	PAINITE Company is not entitled to assign this agreement, either partially or fully, except under the prior written consent of Al-Faraby Medical Group.
Disputes	When a dispute arises between the parties, it shall be resolved amicably within a period of no less than thirty (30) calendar days after one party has given written notice to the other party to report the existence of a dispute. If an amicable resolution is not possible, the dispute shall be referred to the competent courts in the Kingdom of Saudi Arabia, Riyadh, whose ruling shall be final on the subject matter.
Applicable Law	KSA laws

Source: Company.

Agreement for Aluminum & Glass Work for Rosewood Resort of Red Sea Project	
Parties	Amaala Company and Built Aluminum Factory (BAFCO Aluminum)
Description	It is an amendable construction agreement concluded between the parties, relating to the execution of construction works, where the agreement value was amended and the dates for agreement's review and final completion were set.
Start Date	24/03/1445 H (corresponding to 09/10/2023 G)
Value	The total estimated value of the Agreement, excluding VAT, is only (61,187,475.00) sixty-one million, one hundred and eighty-seven thousand, four hundred and seventy-five Saudi Riyals. This value is estimated and subject to review and amendment in accordance with the terms and conditions of the Agreement.
Expiration	08/03/1447 H (corresponding to 31/08/2025 G). The agreement was renewed. Renewal has been requested by the Employer and is pending approval.
Payment Mechanism	The Employer shall make an advance payment estimated at (20%) of the contract price to the Contractor upon signing the contract. Monthly payment applications submitted by the Contractor at a maximum of once per month in accordance with the form approved within the Contract provisions shall be paid, including the value of executed works, after deducting the retention and recovery of the advance payment, and disbursed after the Employer's approval. The preliminaries shall remain fixed throughout the project and shall not change upon the re-pricing of the contract.
Assignment	– The Contractor is not entitled to transfer or waive any right or obligation in the Contract to any third party except after the prior approval of the Employer. – The Employer is entitled to transfer or waive its rights or benefits in the Contract to any person or entity. The Contractor must sign an acknowledgment thereof within (10) business days from the request. The Employer is also entitled to share these rights with its Subsidiaries – The Employer is not entitled to transfer the entire Contract to a Subsidiary or to any Red Sea entities at any time. The Contractor must sign the transfer agreement within (10) business days. If the Contractor does not sign the required documents within the specified time limit, the Employer is not entitled to suspend any payable amounts due the Contractor until the signature is appended.
Disputes	When a dispute arises between the parties, they shall seek to resolve it amicably through a meeting held within (20) business days from the date of the dispute notice. If it is not settled within (40) business days from the date of the dispute notice, either party may refer the dispute to arbitration in accordance with the rules of the Saudi Center for Commercial Arbitration, before a tribunal of three arbitrators. The seat of arbitration shall be Riyadh. It shall be conducted in English
Applicable Law	The laws and regulations in force in the Kingdom

Source: Company.

Contract	
Parties	The Criminal Investigation Department and Built Industrial Company
Description	Execution of architectural, electrical and mechanical works for a security building belonging to the Criminal Investigation Department in Riyadh
Start Date	17/09/1445 H (corresponding to 27/03/2024 G).
Value	Total value including VAT: (only 348,480,352.25) only three hundred and forty-eight million, four hundred and eighty thousand, three hundred and fifty-two Saudi Riyals and twenty-five Halalas
Expiration	22/09/1447 H (corresponding to 11/03/2026 G). Renewal has been requested by the Criminal Investigation Department and is pending approval.
Payment Mechanism	Payments shall be made subject to the completed work
Assignment	The agreement, or any part thereof, may be assigned to any entity only after obtaining approval from the government agency and the Ministry of Finance.
Disputes	Subject to the competencies of the committees formed under the Government Tender and Procurement Law and any applicable or related law, any dispute, disagreement, or claim arising from this agreement or in relation thereto shall be subject to the jurisdiction of the KSA Administrative Courts, unless the agreement provides for referring to arbitration if any dispute occurs between the parties.
Applicable Law	The agreement shall be governed, construed and implemented in accordance with the Government Tender and Procurement Law and any other laws in force in the Kingdom of Saudi Arabia. Any claims arising out of this agreement shall be adjudicated under the same.

Source: Company.

Red Sea Four Season Aluminum & Glass Work Agreement	
Parties	Amaala Company and Built Aluminum Factory (BAFCO Aluminum)
Description	A construction agreement for the preparation of facades for villas, hotels, and palaces of the Four Seasons Resort at the Red Sea Project, executed by Built Aluminum Factory ("Contractor") for Amaala Company ("Employer").
Start Date	20/02/1445H (corresponding to 05/09/2023G)
Value	The estimated value of the Contract, excluding VAT, totals (SAR 67,417,517) only sixty-seven million four hundred and seventeen thousand five hundred and seventeen Riyal. This value is estimated and subject to review and amendment in accordance with the terms and conditions of the Agreement.
Expiration	(367) days as of site takeover. An extension was requested from the Employer and is pending approval.
Payment Mechanism	The Employer shall make to the Contractor an advance payment estimated at (20%) of the Agreement value upon signing the Agreement. Monthly payment requests submitted by the Contractor once per month as a maximum, in the form approved within the Agreement provisions, shall be paid, including the value of executed works after deducting the retention and recovery of the advance payment, and shall be disbursed after the Employer's approval. The preliminaries shall remain fixed throughout the project duration and shall not change upon the re-pricing of the Agreement.
Assignment	– The Contractor is not entitled to transfer or waive any right or obligation in the Agreement to any third party except after the prior approval of the Employer. – The Employer is entitled to transfer or waive its rights or benefits in the Agreement to any person or entity. The Contractor must sign an acknowledgment thereof within (10) business days from the request. The Employer is also entitled to share these rights with its Subsidiaries. – The Employer is entitled to transfer the entire Agreement to a Subsidiary or to any Red Sea entities at any time. The Contractor must sign the transfer agreement within (10) business days. – If the Contractor does not sign the required documents within the specified time limit, the Employer is entitled to suspend any amounts due to the Contractor until the signature is appended.
Disputes	When a dispute arises between the Parties, they shall seek to resolve it amicably through a meeting held within (20) business days from the date of the dispute notice. If it is not settled within (40) business days from the date of the dispute notice, either party may refer the dispute to arbitration in accordance with the rules of the Saudi Center for Commercial Arbitration before a tribunal of three arbitrators. The seat of arbitration shall be Riyadh, and the language of arbitration shall be English.
Applicable Law	The laws and regulations in force in the Kingdom

Source: Company

Red Sea Six Senses Aluminum & Glass Work Agreement	
Parties	Amaala Company and Built Aluminum Factory (BAFCO Aluminum)
Description	A construction agreement for the preparation of facades for villas, hotels, and palaces of the Six Senses Resort at the Red Sea Project, executed by Built Aluminum Factory ("Contractor") for Amaala Company ("Employer").
Start Date	20/02/1445H (corresponding to 05/09/2023G)
Value	The estimated value of the Contract, excluding VAT, totals (SAR 21,203,386) only twenty-one million two hundred and three thousand three hundred and eighty-six Riyal. This value is estimated and subject to review and amendment in accordance with the terms and conditions of the Agreement.
Expiration	(454) days as of site takeover. An extension was requested from the Employer and is pending approval.
Payment Mechanism	The Employer shall make to the Contractor an advance payment estimated at (20%) of the Agreement value upon signing the Agreement. Monthly payment requests submitted by the Contractor once per month as a maximum, in the form approved within the Agreement provisions, shall be paid, including the value of executed works after deducting the retention and recovery of the advance payment, and shall be disbursed after the Employer's approval. The preliminaries shall remain fixed throughout the project duration and shall not change upon the re-pricing of the Agreement.
Assignment	- The Contractor is not entitled to transfer or waive any right or obligation in the Agreement to any third party except after the prior approval of the Employer. - The Employer is entitled to transfer or waive its rights or benefits in the Agreement to any person or entity. The Contractor must sign an acknowledgment thereof within (10) business days from the request. The Employer is also entitled to share these rights with its Subsidiaries. - The Employer is entitled to transfer the entire Agreement to a Subsidiary or to any Red Sea entities at any time. The Contractor must sign the transfer agreement within (10) business days. - If the Contractor does not sign the required documents within the specified time limit, the Employer is entitled to suspend any amounts due to the Contractor until the signature is appended.
Disputes	When a dispute arises between the Parties, they shall seek to resolve it amicably through a meeting held within (20) business days from the date of the dispute notice. If it is not settled within (40) business days from the date of the dispute notice, either party may refer the dispute to arbitration in accordance with the rules of the Saudi Center for Commercial Arbitration before a tribunal of three arbitrators. The seat of arbitration shall be Riyadh, and the language of arbitration shall be English.
Applicable Law	The laws and regulations in force in the Kingdom

Source: Company.

Ministry Headquarters Expansion Agreement	
Parties	Ministry of Municipalities and Housing and Built Company
Description	Expansion of the headquarters of the Ministry of Municipalities and Housing in Riyadh
Start Date	25/12/1445 H (corresponding to 01/07/2024 G)
Value	Total value including VAT: (SAR 628,093,568.00) Six hundred and twenty-eight million, ninety-three thousand, five hundred and sixty-eight Saudi Riyals
Expiration	The agreement shall expire within a period of (4) years starting from the date of notification of site takeover, which is 03/04/1447 H (corresponding to 25/09/2025 G).
Payment Mechanism	The Contractor's dues shall be disbursed according to the work completed, after deducting any fines or other deductions imposed on the Contractor
Assignment	The Contractor may not assign this agreement, in whole or in part, to another contractor or subcontractor—even through merger, acquisition, division, liquidation, or any similar means—without obtaining approval from the government entity and the Ministry of Finance. If the contractor submits a request to assign the agreement, in whole or in part, to another contractor, the following conditions shall apply: A. The Contractor shall have justified reasons for the assignment of the Agreement or part thereof. The Contractor shall have not signed other assignments within the three years prior to signing this Agreement. B. The assignment shall be by virtue of an assignment agreement concluded by the assigning parties, endorsed by the Chamber of Commerce and determining their obligations towards the project and the government entity. The assignment agreement shall not be effective unless it is approved by the government entity. C. The assignee Contractor shall meet all the conditions for dealing with the government entity and shall be classified in the scope and degree of the assigned works. It shall meet all technical evaluation and qualifications (if the project requires qualification or the government entity deemed that a qualification shall be made) and the assignment shall not result in delaying or jeopardizing utilization of the project. D. Assignments shall be recorded in the contractor's record on the portal after approval.
Disputes	Subject to the competencies of the committees formed under the Government Tender and Procurement Law and any applicable or related law, any dispute, disagreement, or claim arising from this agreement or in relation thereto shall be subject to the jurisdiction of the KSA Administrative Courts, unless the agreement provides for referring to arbitration if any dispute occurs between the parties.
Applicable Law	The agreement shall be governed, construed and implemented in accordance with the Government Tender and Procurement Law and any other laws in force in the Kingdom of Saudi Arabia. Any claims arising out of this agreement shall be adjudicated under the same.

Source: Company.

Contracting Agreement	
Parties	The Company and Built Company
Description	Execution of construction, electromechanical (MEP) and architectural works for the Cheval Ladun Living Tower project
Start Date	26/01/1446 H (corresponding to 01/08/2024 G)
Value	Total value including VAT: (only 373,665,465.32) Only three hundred and seventy-three million, six hundred and sixty-five thousand, four hundred and sixty-five Saudi Riyals and thirty-two Halalas.
Expiration	01/06/1449 H (corresponding to 31/10/2027 G)
Payment Mechanism	Payment shall be made through monthly invoices submitted by Built Company to the Company, within (30) thirty days from the date of approval of the invoice by the Company, provided that the review and approval period shall not exceed (7) seven days.
Assignment	- Both parties agreed that the failure of either party to exercise its rights under this agreement shall not be considered a waiver of such rights, and that the failure or reluctance of either party to exercise a right shall not implicitly mean a waiver or abandonment of such right. The waiver by either party of any right shall not apply to any subsequent breach of the terms of this agreement unless such waiver expressly states otherwise. - Built Company shall not be entitled to assign this agreement or any part thereof to a third party without obtaining prior written consent from the First Party.
Disputes	The agreement shall be subject to the laws in force in the Kingdom of Saudi Arabia, and it shall be interpreted, implemented, and any claims arising from it shall be adjudicated thereunder. Any dispute, disagreement, or claim arising from or related to this agreement shall be referred to the competent courts in the Kingdom of Saudi Arabia in the city of Riyadh (place of establishment of the project), unless the agreement's conditions include a clause stipulating recourse to arbitration in the event of a dispute between the parties.
Applicable Law	Applicable laws of the Kingdom of Saudi Arabia

Source: Company.

Agreement for Supply and Implementation of Infrastructure Works for Madain Governorate Project	
Description	Agreement for the Construction of a Group(s) of Residential Buildings (Fully Finished Villas) on a Turnkey Basis - implementation of five hundred (500) units of the developmental housing project for the Madain governorate
Parties	The National Housing Company and Built Company
Start Date	06/12/1440H (Corresponding to 07/08/2019G)
Value	Total value including VAT: (only 223,397,557.15) only two hundred and twenty-three million, three hundred and ninety-seven thousand, five hundred and fifty-seven Saudi Riyals and fifteen Halalas
Expiration	On 18/06/1445H (corresponding to 31/12/2023G) - There is a letter from the National Housing Company indicating the extension of the projects and confirming that the projects are ongoing and the payments are being made without penalties.
Payment Mechanism	– An advance payment of 20% of the total value is payable upon signing the Agreement. – The Second Party's dues shall be made in payments after counting the work handed over to the First Party's representatives. – 5% of the work value shall be deducted as a performance bond, to be paid later upon completion and handover of all work to the relevant authorities.
Assignment	The Contractor may not assign the Agreement, in whole or in part, or any interest arising and resulting from the same, to a third party unless a prior written consent from the Employer is obtained. However, the Contractor shall remain jointly liable before the Employer and the assignee for the execution of the Agreement.
Disputes	The Agreement is subject to the laws and regulations in force in the Kingdom of Saudi Arabia. In the event of a dispute between the two parties relating to the Agreement or any of its clauses, it shall be resolved amicably. If this is not possible, the dispute shall be referred to the competent judicial authorities in the city of Riyadh.
Applicable Law	The laws and regulations in force in the Kingdom of Saudi Arabia.

Source: Company.

Agreement for Supply and Implementation of Infrastructure Works for Al-Kharj Project	
Description	Agreement for the Construction of a Group(s) of Residential Buildings (Fully Finished Villas) on a Turnkey Basis - implementation of two hundred (200) units of Al-Kharj developmental housing project
Parties	The National Housing Company and Built Company
Start Date	24/04/1443H (Corresponding to 29/11/2021G)
Value	Total value including VAT: (only 83,359,939.60) only eighty-three million, three hundred and fifty-nine thousand, nine hundred and thirty-nine Saudi Riyals and sixty Halalas
Expiration	On 16/04/1445H (corresponding to 31/10/2023G). There is a letter from the client, the National Housing Company, indicating the extension of the projects and confirming that the projects are ongoing and the payments is being paid without penalties.
Payment Mechanism	– The Second Party's dues shall be made in payments after counting the work handed over to the First Party's representatives. – 5% of the work value shall be deducted as a performance bond, to be paid later upon completion and handover of all work to the relevant authorities.
Assignment	The Contractor may not assign the Agreement, in whole or in part, or any interest arising and resulting from the same, to a third party unless a prior written consent from the Employer is obtained. However, the Contractor shall remain jointly liable before the Employer and the assignee for the execution of the Agreement.
Disputes	The Agreement is subject to the laws and regulations in force in the Kingdom of Saudi Arabia. In the event of a dispute between the two parties relating to the Agreement or any of its clauses, it shall be resolved amicably. If this is not possible, the dispute shall be referred to the competent judicial authorities in the city of Riyadh.
Applicable Law	The laws and regulations in force in the Kingdom of Saudi Arabia.

Source: Company.

Agreement for Supply and Implementation of Infrastructure Works for Riyadh Afif Project	
Description	Agreement for the Construction of a Group(s) of Residential Buildings (Fully Finished Villas) on a Turnkey Basis - Implementation of two hundred and twenty (220) units for Riyadh Afif project, number - developmental housing, third wave
Parties	The National Housing Company and Built Company
Start Date	24/03/1441H (Corresponding to 21/11/2019G)
Value	Total value including VAT: (only 90,080,735.56) only ninety million, eighty thousand, seven hundred and thirty-five Saudi Riyals and fifty-six Halalas
Expiration	On 16/05/1445H (corresponding to 30/11/2023G). There is a letter from the client, the National Housing Company, indicating the extension of the projects and confirming that the projects are ongoing and the payments is being paid without penalties.
Payment Mechanism	– The Second Party's dues shall be made in payments after counting the work handed over to the First Party's representatives. – 5% of the work value shall be deducted as a performance bond, to be paid later upon completion and handover of all work to the relevant authorities.
Assignment	The Contractor may not assign the Agreement, in whole or in part, or any interest arising and resulting from the same, to a third party unless the prior written consent from the Employer is obtained. However, the Contractor shall remain jointly liable before the Employer and the assignee for the execution of the Agreement.
Disputes	The Agreement is subject to the laws and regulations in force in the Kingdom of Saudi Arabia. In the event of a dispute between the two parties relating to the Agreement or any of its clauses, it shall be resolved amicably. If this is not possible, the dispute shall be referred to the competent judicial authorities in the city of Riyadh.
Applicable Law	The laws and regulations in force in the Kingdom of Saudi Arabia.

Source: Company.

Agreement for Supply and Implementation of Infrastructure Works for Buraidah Project	
Description	Agreement for the Construction of a Group(s) of Residential Buildings (Fully Finished Villas) on a Turnkey Basis - implementation of three hundred (300) developmental housing units for the Buraidah Al-Qassim project
Parties	The National Housing Company and Built Company
Start Date	06/12/1440H (Corresponding to 07/08/2019G)
Value	Total value including VAT: (only 115,566,847.22) only one hundred and fifteen million, five hundred and sixty-six thousand, eight hundred and forty-seven Saudi Riyals and twenty-two Halalas
Expiration	On 15/03/1445H (corresponding to 30/09/2023G). There is a letter from the client, the National Housing Company, indicating the extension of the projects and confirming that the projects are ongoing and the payments is being paid without penalties.
Payment Mechanism	– An advance payment of 20% of the total value is payable upon signing the Agreement. – The Second Party's dues shall be made in payments after counting the work handed over to the First Party's representatives. – 5% of the work value shall be deducted as a performance bond, to be paid later upon completion and handover of all work to the relevant authorities.
Assignment	The Contractor may not assign the Agreement, in whole or in part, or any interest arising and resulting from the same, to a third party unless the prior written consent from the Employer is obtained. However, the Contractor shall remain jointly liable before the Employer and the assignee for the execution of the Agreement.
Disputes	Any dispute or conflict arising in relation of the execution of this Agreement shall be settled amicably within (60) working days. If it is not possible to reach an amicable resolution, it shall be referred to the competent court in the Kingdom of Saudi Arabia.
Applicable Law	The laws and regulations in force in the Kingdom of Saudi Arabia.

Source: Company.

Agreement for Supply and Implementation of Infrastructure Works for Unaizah Project	
Description	Agreement for the Construction of a Group(s) of Residential Buildings (Fully Finished Villas) on a Turnkey Basis - Implementation of two hundred and eighty (280) units for Unaizah Al-Qassim developmental housing project
Parties	The National Housing Company and Built Company
Start Date	06/12/1440H (Corresponding to 07/08/2019G)
Value	Total value including VAT: (only 113,115,662.27) only one hundred and thirteen million, one hundred and fifteen thousand, six hundred and sixty-two Saudi Riyals and twenty-seven Halalas
Expiration	On 15/03/1445H (corresponding to 30/09/2023G). There is a letter from the client, the National Housing Company, indicating the extension of the projects and confirming that the projects are ongoing and the payments is being paid without penalties.
Payment Mechanism	– An advance payment of 20% of the total value is payable upon signing the Agreement. – The Second Party's dues shall be made in payments after counting the work handed over to the First Party's representatives. – 5% of the work value shall be deducted as a performance bond, to be paid later upon completion and handover of all work to the relevant authorities.
Assignment	The Contractor may not assign the Agreement, in whole or in part, or any interest arising and resulting from the same, to a third party unless the prior written consent from the Employer is obtained. However, the Contractor shall remain jointly liable before the Employer and the assignee for the execution of the Agreement.
Disputes	Any dispute or conflict arising in relation of the execution of this Agreement shall be settled amicably within 60 working days. If it is not possible to reach an amicable resolution, it shall be referred to the competent court in the Kingdom of Saudi Arabia.
Applicable Law	The laws and regulations in force in the Kingdom of Saudi Arabia.

Source: Company.

Agreement for Supply and Implementation of Infrastructure Works for Khumrah Housing Project	
Description	Agreement for the Construction of a Group(s) of Residential Buildings (Fully Finished Villas) on a Turnkey Basis - seven hundred and ninety-six (796) units for Al-Khumrah Housing Project
Parties	The National Housing Company and Built Company
Start Date	13/10/1444H (Corresponding to 03/05/2023G)
Value	Total value including VAT: (only 321,273,223.00) only three hundred and twenty-one million, two hundred and seventy-three thousand, two hundred and twenty-three Saudi Riyals
Expiration	On 20/04/1446H (corresponding to 23/10/2024G). There is a letter from the client, the National Housing Company, indicating the extension of the projects and confirming that the projects are ongoing and the payments is being paid without penalties.
Payment Mechanism	– An advance payment of 20% of the total value is payable upon signing the Agreement. – The Second Party's dues shall be made in payments after counting the work handed over to the First Party's representatives. – 5% of the work value shall be deducted as a performance bond, to be paid later upon completion and handover of all work to the relevant authorities.
Assignment	The Contractor may not assign the Agreement, in whole or in part, or any interest arising and resulting from the same, to a third party unless the prior written consent from the Employer is obtained. However, the Contractor shall remain jointly liable before the Employer and the assignee for the execution of the Agreement.
Disputes	Any dispute or conflict arising in relation of the execution of this Agreement shall be settled amicably within 60 working days. If it is not possible to reach an amicable resolution, it shall be referred to the competent court in the Kingdom of Saudi Arabia.
Applicable Law	The laws and regulations in force in the Kingdom of Saudi Arabia.

Source: Company.

Agreement for works of implementation of a mixed-use project in Abha City	
Description	Agreement for the implementation of the works of a mixed-use project in Abha, and repair of any defects appearing therein. The work includes offering and supplying the materials, workers, individuals, employees, and specialists, in addition to all matters necessary for the work completion.
Parties	Red Sea Aseer Fund and Built Company
Start Date	26/04/1446H (Corresponding to 09/10/2024G)
Value	– Total value including VAT: (only 645,664,422.60) only six hundred forty-five million, six hundred sixty-four thousand, four hundred twenty-two Saudi Riyals and sixty Halalas
Expiration	On 08/09/1448H (corresponding to 15/02/2027G).
Payment Mechanism	The Employer undertakes to pay the Agreement's value in the manner and on the dates specified in the Agreement terms, provided that the payment period shall not exceed (30) days.
Assignment	Not stated in the Agreement.
Disputes	The Agreement shall be interpreted, executed, and any claims arising therefrom shall be adjudicated in accordance with the laws in force in the Kingdom of Saudi Arabia and in accordance with the provisions stipulated in the Agreement terms and documents. .
Applicable Law	The laws and regulations in force in the Kingdom of Saudi Arabia.

Source: Company.

Agreement for Supply and Implementation of Infrastructure Works for Asir Abha Project	
Description	Agreement for the Construction of a Group(s) of Residential Buildings (Fully Finished Villas) on a Turnkey Basis - Implementation of three hundred and sixty-three (336) units for Asir Abha project - developmental housing, third wave
Parties	The National Housing Company and Built Company
Start Date	24/03/1441H (Corresponding to 21/11/2019G)
Value	Total value: (only 140,077,588.11) only one hundred and forty million, seventy-seven thousand, five hundred and eighty-eight Saudi Riyals and eleven Halalas
Expiration	On 12/04/1446H (corresponding to 15/10/2024G). There is a letter from the client, the National Housing Company, indicating the extension of the projects and confirming that the projects are ongoing and the payments is being paid without penalties.
Payment Mechanism	– An advance payment of 20% of the total value is payable upon signing the Agreement. – The Second Party's dues shall be made in payments after counting the work handed over to the First Party's representatives. – 5% of the work value shall be deducted as a performance bond, to be paid later upon completion and handover of all work to the relevant authorities.
Assignment	The Contractor may not assign the Agreement, in whole or in part, or any interest arising and resulting from the same, to a third party unless the prior written consent from the Employer is obtained. However, the Contractor shall remain jointly liable before the Employer and the assignee for the execution of the Agreement.
Disputes	Any dispute or conflict arising in relation of the execution of this Agreement shall be settled amicably within 60 working days. If it is not possible to reach an amicable resolution, it shall be referred to the competent court in the Kingdom of Saudi Arabia.
Applicable Law	The laws and regulations in force in the Kingdom of Saudi Arabia.

Source: Company

Construction Agreement	
Parties	The Royal Commission for Jubail and Yanbu and Built Company
Agreement Description	Agreement for the construction of prefabricated industrial buildings, including the provision of materials, equipment, labor, and all requirements necessary for the execution, completion, maintenance, and warranty of the works specified in the Agreement
Start Date	26/08/1445 H (corresponding to 07/03/2024 G)
Value	Total value including VAT: (169,495,074.63) One hundred and sixty-nine million, four hundred and ninety-five thousand, seventy-four Saudi Riyals and sixty-three Halalas
Expiration	All work shall be carried out and completed within a period of (730) days starting from the date of the notice to proceed and the date of handing over the site
Payment Mechanism	Not stated in the Agreement
Assignment	Not stated in the Agreement
Disputes	Any dispute, disagreement or claim arising out of or related to this Agreement and not settled between the parties shall be subject to final adjudication by the administrative courts in the Kingdom of Saudi Arabia.
Applicable Law	The Tender and Procurement Regulations in force in Jazan City for Basic and Transformative Industries. The Agreement is subject to the laws, regulations, decisions, circulars and instructions in force in the Kingdom of Saudi Arabia, and is interpreted, implemented and any claims arising therefrom are adjudicated accordingly.

Source: Company.

Construction Agreement	
Parties	Arabian Markets Trading Co. and Built Industrial Company
Agreement Description	Agreement for the full execution of Abha Walk project, including construction, architectural, electrical, and mechanical works
Start Date	11/01/1447H (corresponding to 06/07/2025G)
Value	Total value, including VAT: SAR 104,030,036 (one hundred and four million, thirty thousand, and thirty-six Saudi Riyals)
Expiration	All work shall be executed and completed within a period not exceeding eighteen (18) months from the receipt date of the advance payment.
Payment Mechanism	Not stated in the Agreement
Assignment	Built Industrial Company may not assign, in whole or in part, its obligations to any other party without the prior written consent of Arabian Markets Trading Co.
Disputes	Any dispute, disagreement or claim arising out of or related to this Agreement shall be adjudicated by an arbitration panel administered by the Saudi Center for Commercial Arbitration in accordance with its arbitration rules.
Applicable Law	The Agreement is subject to the laws in force in the Kingdom of Saudi Arabia, and shall be interpreted, implemented, and any claims arising therefrom shall be adjudicated accordingly.

Source: Company.

Al-Radwan Layout Development Agreement	
Description	Alrajhiekhwan and the Company
Parties	Al-Radwan Layout Development and Off-plan Sale Agreement between Alrajhiekhwan and the Company.
Start Date	11/07/1447H (corresponding to 31/12/2025G)
Value	The value, including development fees, totals (SAR 36,360,747.07) thirty-six million three hundred and sixty thousand seven hundred and forty-seven Riyal and 7 Halala.
Expiration	All works must be performed and completed within a period not exceeding twenty-seven (27) months from the date of signing the Agreement.
Payment Mechanism	1. Main Contractor's Invoices: The Contractor shall submit them to the supervision consultant for review and approval according to the performed works. Then they shall be submitted to the Developer, followed by the project management consultant to complete the approval. The review period for each party is a maximum of 5 business days from the date of receipt. 2. Service Providers' Invoices: Service providers shall submit their claims to the Developer for review. Then they shall be submitted to the project management consultant for approval. The review period for each party is a maximum of 3 business days from the date of receipt. 3. Issuance of Disbursement Document from the Escrow Account: After approving the invoices, a disbursement document shall be issued and approved by the supervision consultant and the certified accountant, and signed by the Developer. Then payment shall be made from the escrow account in accordance with the applicable regulations. 4. Measurement Method: Dues shall be calculated based on the works actually executed at the site in accordance with the unit of measurement for each item in the approved bill of quantities. 5. Changes and amendments: Any change in quantities or specifications requires an approval request to be submitted to the project management consultant explaining the reasons, cost, and its impact on the budget and schedule. It shall be finally approved in writing by the Employer. 6. Compliance with Escrow Account Provisions: All Parties shall abide by the provisions of the Escrow Account. Payment shall be made by a document submitted by the Developer to the bank and approved by the project management consultant and the certified accountant, including the amounts and reasons for payment
Assignment	Neither Party is entitled to transfer, assign, or waive this Agreement to third parties, nor any of the rights and obligations arising therefrom, as a whole or in part, except with the prior written approval of the other.
Disputes	Any dispute arising between the Parties, Allah forbid, over the interpretation of this Agreement or the application of its provisions shall be resolved amicably within 30 days. Failing to do so, either Party is entitled to refer the dispute to the competent judicial authority in Riyadh for adjudication. The existence of a dispute does not exempt any Party from performing its obligations outside the subject of the dispute under this Agreement, unless otherwise agreed in writing.
Applicable Law	The interpretation and performance of this Agreement shall be governed by the provisions of Islamic Sharia and the relevant laws, regulations, and decisions in force in the Kingdom.

Source: Company

Rimas Operation & Maintenance Agreement	
Parties	Affordable House and PAINITE
Description	An Agreement between Affordable House and PAINITE to provide operation and maintenance services by PAINITE to Affordable House
Start Date	05/12/1446H (corresponding to 01/06/2025G)
Value	The total annual value is estimated at SAR 2,910,447.60 (two million nine hundred and ten thousand four hundred and forty-seven Riyal and 60 Halala), including VAT.
Expiration	14/12/1447H (corresponding to 31/05/2026G). The Agreement was renewed for one year, starting from 15/12/1447H, corresponding to (01/06/2026G) to 25/12/1448H (corresponding to 31/0/5/2027G). The Parties agree that the term of this Agreement is one Gregorian year, renewable for a similar period under the same terms, unless a Party notifies the other of non-renewal (90) days prior to the expiration of the Agreement.
Payment Mechanism	Affordable House shall pay for the services within (30) days from the date of invoice receipt.
Assignment	PAINITE is not entitled to assign this Agreement, in part or in whole, except with the prior written approval of Affordable House.
Disputes	During any dispute, breach, claim, or disagreement, the Parties must continue to perform their obligations in this Agreement and the Annexes thereto until the dispute is settled or the Agreement is rescinded. Riyadh courts shall have jurisdiction over all disputes that may arise from the execution or application of this Agreement, regardless of the second party's place of residence within or outside the Kingdom, unless settled between the Parties amicably.
Applicable Law	The laws of the Kingdom

Source: Company

HVAC Subcontract Agreement (Supply, Installation, Testing & Commissioning)	
Parties	First Party: Lynx Contracting Company Second Party: Daymat Factory for Manufacturing
Description	A subcontract agreement for the execution of HVAC supply, installation, testing, and commissioning works for Jawharat Mall Project in Riyadh, including provision of materials, labor, equipment, maintenance, temporary works, additional works, and amendments requested by the First Party.
Start Date	19/08/1448H (corresponding to 29/02/2024G).
Value	SAR 59,445,943 (Fifty-Nine Million Four Hundred Forty-Five Thousand Nine Hundred Forty-Three Saudi Riyals), excluding VAT.
Expiration	12 months from the commencement date. The Agreement was subsequently extended based on the Parties' mutual agreement.
Payment Mechanism	The First Party shall pay: (i) an advance payment of 15% against an unconditional and irrevocable bank guarantee issued by a Saudi bank, recoverable from interim payments; (ii) an additional 5% advance payment upon approval of shop drawings against a bank guarantee; and (iii) monthly interim payments for executed works after deducting 5% retention and 20% recovery of advance payments from each certificate. Retention shall be released after final handover and expiry of the warranty period, unless substituted by a bank guarantee.
Assignment	The Contractor shall not assign the Agreement, in whole or in part, or transfer any rights, benefits, or interests arising therefrom to any third party.
Disputes	Any dispute arising out of this Agreement shall first be settled amicably. Failing settlement, the dispute shall be referred to the competent courts of the Kingdom of Saudi Arabia.
Applicable Law	The laws and regulations applicable in the Kingdom of Saudi Arabia.

Source: Company

Masat Mall Finishing Works Agreement (Al Huda Park – Makkah)	
Parties	First Party: Masat Real Estate Company Second Party: Built Fit Out Contracting Company
Description	An agreement for the execution of finishing works for Masat Mall (Al Huda Park) Project in Makkah.
Start Date	29/03/1447H (corresponding to 21/09/2025G).
Value	SAR 36,997,920 (Thirty-Six Million Nine Hundred Ninety-Seven Thousand Nine Hundred Twenty Saudi Riyals), excluding VAT.
Expiration	430 days.
Payment Mechanism	The First Party shall pay a 20% advance payment upon signing, recoverable through deductions from interim payments. Monthly progress payments shall be made for executed works after deducting 10% retention and 20% advance payment recovery from each interim certificate. The 10% retention shall be released after final handover and one Gregorian year from the handover date.
Assignment	Neither Party may assign the Agreement, in whole or in part, or any rights or interests arising therefrom without prior written approval of the other Party, except assignment of receivables in favor of a bank or financial institution.
Disputes	Any dispute, claim, or disagreement arising out of or in connection with this Agreement shall be resolved through arbitration administered by the Saudi Center for Commercial Arbitration in accordance with its arbitration rules.
Applicable Law	The laws and regulations applicable in the Kingdom of Saudi Arabia.

Source: Company

Skylight, Canopies & Aluminum Works Agreement	
Parties	Main Contractor: Al Afaq Contracting Company Subcontractor: Built Contracting Company
Description	A subcontract agreement for skylight systems, canopies, aluminum louvers, and aluminum cladding works, including design, engineering, fabrication, supply, and installation for Roof Grid 2 Shell, Cove Project façade, corridor skylight systems, canopies, aluminum louvers, and aluminum cladding works.
Start Date	28/09/1445H (corresponding to 07/04/2024G).
Value	SAR 47,188,754.10 (Forty-Seven Million One Hundred Eighty-Eight Thousand Seven Hundred Fifty-Four Saudi Riyals and Ten Halalas), excluding VAT.
Expiration	04/04/1446H (corresponding to 07/10/2024G). Extension of the Agreement has been requested by the Employer and remains pending approval.
Payment Mechanism	A 20% advance payment shall be released against an unconditional bank guarantee issued by a first-tier bank in Saudi Arabia and recovered proportionately from interim invoices. A further 10% shall be invoiced upon approval of shop drawings and material submittals against a bank guarantee. 60% shall be invoiced upon delivery of materials to site and project approval, while 40% shall be invoiced during erection and installation stages. A 10% retention shall be deducted from each invoice, with 5% released upon issuance of the Completion Certificate and the remaining 5% after expiry of the defect liability period and issuance of client approval. All invoices shall be payable within 30 days from issuance of the tax invoice.
Assignment	The Subcontractor shall not assign the Agreement or any rights or interests arising therefrom without prior approval, except assignment to its insurers where insurers have indemnified the Subcontractor against loss or liability.
Disputes	Any dispute arising out of or relating to the Agreement shall first be resolved amicably. Failing settlement, the Parties may jointly refer the dispute to arbitration in accordance with the applicable arbitration rules, and the dispute shall be finally settled through arbitration.
Applicable Law	The laws and regulations applicable in the Kingdom of Saudi Arabia.

Source: Company

Agreement for the execution of finishing works and aluminum works in the 22--villa project -Hills, Al-Basateen District, Al-Diriyah, Plan No. 186	
Parties	Employer : Jadwa Al-Basateen Real Estate Company Contractor : Built Fit Out Contracting Factory
Description	Implementation of finishing works and aluminum works - in the 22--villa project, Hills in Al-Basateen, Al-Diriyah , in addition to interior and exterior finishing works and aluminum works according to the approved drawings and plans, including moisture insulation and waterproofing works.
Start Date	11/04/1447H (corresponding to 03/10/2025G)
Value	(28,399,149.11) Twenty- eight million, three hundred and ninety-nine thousand, one hundred and forty-nine Saudi Riyals and 11 Halalas, excluding VAT
Expiration	30/01/2026G, Extension is being processed.
Payment mechanism	– The employer shall pay an advance payment estimated at (20%) of the agreement value to the contractor upon signing the Agreement, and shall be recovered by deducting 20% of the value of each interim certificate. – Current payments shall be made to the contractor through interim certificates for the actual executed work (after deducting the value of the performance bond at a rate of 10% and deducting the recovery of the advance payment at a rate of 20% from each interim certificate). Payment is made after (15) working days from the date of approval of the certificate. In the event of a delay in payment, the agreement term shall be extended to a period equal to the delay period, provided that the extension period does not exceed (30) days in any case. – 10% shall be deducted from the interim certificates until the work is completed and handed over to the owner's representative, and shall be released to the contractor one calendar year after the date of initial project handover.
Assignment	The Contractor shall not assign the Agreement, in whole or in part, or any profit or interest arising and resulting therefrom.
Disputes	The Parties shall comply with all applicable laws in KSA, and any dispute arising between the Parties shall first be resolved amicably. In case of failure of amicable settlement within (14) days, the dispute shall be referred to the competent court in Riyadh City, KSA.
Applicable Law	This Agreement shall be governed by the Islamic Shariah rules, and the applicable laws and regulations in KSA.

Source: Company

Agreement for infrastructure development of (Namar) land from the real estate balance program	
Parties	First Party: Royal Commission for Riyadh City ("Commission") Second Party: Ladun and Al Ayuni Investment and Contracting Co ("Contractor")
Description	The Agreement is entered into between the Royal Commission for Riyadh City and both Ladun Company and Al Ayuni Investment and Contracting Co for jointly executing the works of project of developing the whole infrastructure of Namar, including the (roads, electricity, water, sewage, lighting, and sidewalks), within the first phase of the real estate balance program, provided that the Second Party shall be the Contractor executing the works and technical specifications, in accordance with the off-plan sale and lease law.
Start Date	07/01/1448H (corresponding to 22/06/2026G)
Value	(326,699,471.44) Saudi Riyals (three hundred and twenty-six million, six hundred and ninety-nine thousand, four hundred and seventy-one Saudi Riyals and forty-four halalas), excluding VAT.
Expiration	This Agreement shall be effective for five years, starting from the site handover date under site handover report.
Payment mechanism	The contractor's financial dues are disbursed according to the payment schedule linked to the completion percentages approved in the agreement. after fulfilling the requirements of each phase, confirming the actual completion percentage, having the interim payment certificate issued by the supervising consultant, and issuing the necessary disbursement documents. The payment mechanism consists of eight installments linked to the completion phases, starting with site preparation and designs, and ending with final acceptance and the completion of the maintenance period. Disbursements shall be made through escrow accounts according to the documentation cycle approved by the "Wafi" program and the escrow agent.
Assignment	The contractor may not assign the agreement or any part thereof to another contractor or service provider—even through a merger, acquisition, division, liquidation, or any similar action—except after obtaining the necessary approvals from the first party and the Ministry of Finance. If the contractor submits a request to assign the agreement or any part thereof to another contractor, the following conditions must be met: – The contractor must have justifiable reasons for assigning the agreement or any part thereof, and the contractor must not have assigned any other contract within the three years preceding the conclusion of this agreement. – The assignment must be based on an assignment agreement concluded between the assigning parties and certified by the Chamber of Commerce, specifying the parties' obligations to the first party's project. The assignment agreement shall not be deemed valid until approved by the Commission. – The assignee must meet the requirements for dealing with the first party, be classified within the field and level of work for which the assignment is being made, and pass all technical evaluation and qualification requirements if the project requires qualification or if the Commission deems qualification necessary. The assignment must not result in disruption of making benefit of the project or cause it any damage.
Disputes	Any dispute, disagreement, or claim arising out of or related to this agreement shall be referred to the competent courts in Riyadh, Kingdom of Saudi Arabia. During the dispute resolution period, the contractor shall continue to fulfill its obligations and carry out the work covered by this agreement. The first party may solely resolve to suspend, in whole or in part, all works covered by this agreement, via a written notice, until the dispute is resolved.
Applicable Law	– This agreement shall be governed by the Royal Commission for Riyadh City's procurement and contracts regulations and the applicable laws of the Kingdom of Saudi Arabia. It shall be interpreted, implemented, and any disputes arising therefrom shall be adjudicated thereunder. – The regulations and directions of the Off-Plan Sales and Leasing Committee (Wafi) shall be deemed an integral part of this agreement and complementary to the same. In the event of any binding decisions issued by the Committee or other competent authorities that affect the progress or suspension of the project, both parties shall comply with such decisions immediately. Timeframes and costs shall be adjusted accordingly.

Source: Company

Agreement for infrastructure land development of (Kairouan - Nargis) from the real estate balance program	
Parties	First Party: Royal Commission for Riyadh City ("Commission") Second Party: Ladun and Al Ayuni Investment and Contracting Co ("Contractor")
Description	The Agreement is entered into between the Royal Commission for Riyadh City and both Ladun Company and Al Ayuni Investment and Contracting Co for jointly executing the works of project of developing the whole infrastructure of Kairouan and Nargis land, including the (roads, electricity, water, sewage, lighting, and sidewalks), within the first phase of the real estate balance program, provided that the Second Party shall be the Contractor executing the works and technical specifications, in accordance with the off-plan sale and lease law.
Start Date	07/01/1448H (corresponding to 22/06/2026G)
Value	(2,063,594,338.76) Saudi Riyals (two billion, sixty-three million, five hundred and ninety-four thousand, three hundred and thirty-eight Saudi Riyals and seventy-six halalas), excluding VAT.
Expiration	This Agreement shall be effective for five years, starting from the site handover date under site handover report.
Payment mechanism	The contractor's financial dues are disbursed according to the payment schedule linked to the completion percentages approved in the agreement. after fulfilling the requirements of each phase, confirming the actual completion percentage, having the interim payment certificate issued by the supervising consultant, and issuing the necessary disbursement documents. The payment mechanism consists of eight installments linked to the completion phases, starting with site preparation and designs, and ending with final acceptance and the completion of the maintenance period. Disbursements shall be made through escrow accounts according to the documentation cycle approved by the "Wafi" program and the escrow agent.
Assignment	The contractor may not assign the agreement or any part thereof to another contractor or service provider—even through a merger, acquisition, division, liquidation, or any similar action—except after obtaining the necessary approvals from the first party and the Ministry of Finance. If the contractor submits a request to assign the agreement or any part thereof to another contractor, the following conditions must be met: - The contractor must have justifiable reasons for assigning the agreement or any part thereof, and the contractor must not have assigned any other contract within the three years preceding the conclusion of this agreement. - The assignment must be based on an assignment agreement concluded between the assigning parties and certified by the Chamber of Commerce, specifying the parties' obligations to the first party's project. The assignment agreement shall not be deemed valid until approved by the Commission. - The assignee must meet the requirements for dealing with the first party, be classified within the field and level of work for which the assignment is being made, and pass all technical evaluation and qualification requirements if the project requires qualification or if the Commission deems qualification necessary. The assignment must not result in disruption of making benefit of the project or cause it any damage.
Disputes	Any dispute, disagreement, or claim arising out of or related to this agreement shall be referred to the competent courts in Riyadh, Kingdom of Saudi Arabia. During the dispute resolution period, the contractor shall continue to fulfill its obligations and carry out the work covered by this agreement. The first party may solely resolve to suspend, in whole or in part, all works covered by this agreement, via a written notice, until the dispute is resolved.
Applicable Law	- This agreement shall be governed by the Royal Commission for Riyadh City's procurement and contracts regulations and the applicable laws of the Kingdom of Saudi Arabia. It shall be interpreted, implemented, and any disputes arising therefrom shall be adjudicated thereunder. - The regulations and directions of the Off-Plan Sales and Leasing Committee (Wafi) shall be deemed an integral part of this agreement and complementary to the same. In the event of any binding decisions issued by the Committee or other competent authorities that affect the progress or suspension of the project, both parties shall comply with such decisions immediately. Timeframes and costs shall be adjusted accordingly.

Source: Company

Framework agreement for the Al-Khalidiyah slum development project in Makkah	
Parties	First Party: Royal Commission for Makkah City and Holy Sites (RCMC) Second Party: Ladun and Al Ayuni Investment and Contracting Co ("Developer")
Description	The Agreement is entered into between the Royal Commission for Makkah City and Holy Sites (RCMC) and both Ladun Company and Al Ayuni Investment and Contracting Co for jointly executing the works of establishing a closed-end real estate investment fund ("Fund") to execute the project, in accordance with the provisions of the Investment Funds Regulations issued by the Capital Market Authority, and the related laws and regulations. The project shall include implementing the infrastructure works for the project land, then subdividing the same into plots for sale.
Start Date	09/01/1448H (corresponding to 24/06/2026G)
Value	Establishing a real estate fund with a capital of no less than 4 billion riyals
Expiration	The Fund's term shall be five years, and may be extended for two additional years, from the start date of the fund's term, based on the fund's terms and conditions.
Payment mechanism	Not included in the agreement.
Assignment	It is agreed between the parties that the second party and the Fund, after its appointment, may contract with their affiliated persons or other companies through subcontracting after obtaining the approval of the Royal Commission, and this shall not relieve the second party or the Fund from any of their responsibilities or obligations under the agreement.
Disputes	Any dispute or disagreement arising between the Parties (the "dispute") shall first be referred for amicable settlement, and the Parties shall endeavor to resolve it within one hundred eighty (180) days from the date on which the dispute arises. If the Parties fail to reach an amicable settlement within such period, the dispute shall be referred to the competent courts in the City of Makkah, Kingdom of Saudi Arabia, for resolving the same. The pursuit of an amicable settlement shall not suspend or prejudice the Royal Commission's right to take urgent precautionary measures or to exercise its rights of intervention or suspension of the works where an imminent risk exists.
Applicable Law	This Agreement shall be governed by and construed in accordance with the applicable laws and regulations in KSA.

6.7 Financing Agreements

The Company and its subsidiaries concluded a number of financing agreements with the commercial banks in the Kingdom. Below is a summary of the concluded financing agreements.

Table No. 6.5 Financing Agreements: Material Agreements Concluded by the Group as at the Date of This Document.

Summary of the Bank Facilities Agreement with Bank Albilad	
Date	28/12/1447H (corresponding to 14/06/2026G)
Borrower	Ladun Company
Type of Facility/Loan/ Amount	Bank facilities
Term	This Agreement shall be effective from 28/12/1447H (corresponding to 14/06/2026G) to 21/12/1448H (corresponding to 07/05/2026G)
Facility value	Nine hundred fifteen million, three hundred fifty-eight thousand Saudi Riyals (SAR 915,358,000)
Payment Date	Each facility has its payment date.
Profit margin/ commission	Each facility has its profit margin.
Guarantee Documents	– Mortgage of the land of Al-Rimal project – Mortgage of the land of Al-Malqa development project in Mecca – Mortgage of the real estates desired to be financed – Mortgage of the financed offices – Mortgage of the financed As-Sulimaniyah land – Mortgage of stock portfolio – Guarantee by Ashar Investment Company- Sole – Company's assignment of a group of projects' revenues

Source: Company.

Summary of the Bank Facilities Agreement with Alrajhi Bank	
Date	19/02/1447 AH (Corresponding to 13/10/2025 AD)
Borrower	Ladun Company
Type of Facility/ Loan/Amount	Bank facilities
Term	Each facility has its term.
Facility value	Two hundred and fifty-five million Saudi Riyals (SAR 255,000,000)
Payment Date	Each facility has its payment date.
Profit margin/ commission	Each facility has its profit margin.
Guarantee Documents	– A promissory note for a value of two hundred and eighty-five million, nine hundred and fifty thousand Saudi Riyals (SAR 285,950,000) – Guarantee by Built Industrial Company- Sole – Guarantee by Ashar Investment Company- Sole – Guarantee by Adiyat Investment Company

Source: Company.

Islamic Finance Agreement with Riyadh Bank	
Date	02/02/1447H (Corresponding to 27/07/2025G)
Borrower	Ladun Company
Type of Facility/ Loan/Amount	Islamic Finance
Term	Each facility has its term.
Facility value	One hundred and forty-eight million, four hundred and sixteen thousand (148,416,000) Saudi Riyals
Payment Date	Each facility has its payment date.
Profit margin/ commission	Each facility has its profit margin.
Guarantee Documents	– Real estate guarantees – A promissory note of an amount of (SAR 152,328,000) – Joint payment and performance guarantee under a declaration of guarantee – Ladun Company submits to Riyadh Bank any other guarantees that may be requested by Riyadh Bank from time to time, without prejudice to any specified guarantee or security. Ladun Company authorizes Riyadh Bank to seize any amounts or negotiable securities or instruments, or any third-party funds or bonds due to Ladun Company in any of its branches. Hence, the bank shall have the right to obtain and freeze the same in Ladun Company's account as a guarantee collected by it for fulfilling the bank's due non-fulfilled rights, in accordance with what is established in the bank's books and documents.

Source: Company.

Summary of the Financing Agreement with Banque Saudi Fransi	
Date	12/08/1446H (corresponding to 11/02/2025G)
Borrower	Ladun Company
Type of Facility/ Loan/Amount	General Financing Agreement
Term	Each facility has its term.
Facility value	Two hundred and sixteen million Saudi Riyals (SAR 216,000,000)
Payment Date	Each facility has its payment date.
Profit margin/ commission	Each facility has its profit margin.
Guarantee Documents	– A promissory note for a value of two hundred and sixteen million Saudi Riyals (SAR 216,000,000) to be payable upon its submission, covering the total above-mentioned financing amount. – An assignment submitted by Built Industrial Company (Sole) to Banque Saudi Fransi for the financed project's proceeds with an acknowledgment of acceptance by the project owner.

Source: Company.

Summary of the Facilities Agreement with Saudi Awwal Bank (SAB)	
Date	30/11/1447H (corresponding to 17/05/2026G)
Borrower	Company
Type of Facility/Loan/Amount	General Financing Agreement
Term	11/12/1448H (corresponding to 17/05/2027G)
Facility value	One hundred and fifty-four million, seven hundred and sixty-nine thousand, five hundred and seventy-five Saudi riyals and forty-one halalas (SAR 154,769,575.41)
Payment Date	Each facility has its payment date.
Profit margin/ commission	Each facility has its profit margin.
Guarantee Documents	– A promissory note signed by the company, for a value of one hundred and fifty-four million, seven hundred and sixty-nine thousand, five hundred and seventy-six Saudi riyals(SAR 154,769,576) – Assignment & Acknowledgment of Contract Proceeds for the infrastructure development project, with the acknowledgment and confirmation of the project owner – A resolution issued by the Company's BOD/partners, approving the facilities, and determining the authorized signatories of guarantee documents – A letter of commitment and undertaking issued by a joint venture between the Company and Al Ayuni Investment and Contracting Co, signed by the authorized representative of each party, confirming their commitment to perform the contract awarded with the Royal Commission for Riyadh City.
Summary of the Facilities Agreement with Saudi Awwal Bank (SAB)	
Date	The facilities letter was concluded on 01/07/1446H (corresponding to 21/12/2025G).
Borrower	Built Company
Type of Facility/Loan/Amount	Bank facilities
Term	Each facility has its term.
Facility value	Twelve million, nine hundred and ninety-eight thousand, two hundred and forty-two Saudi Riyals and thirty halalas (SAR 12,998,242.30).
Payment Date	Each facility has its payment date.
Profit margin/ commission	Each facility has its profit margin.
Guarantee Documents	– A promissory note for a value of SAR 12,998,242.30 (Twelve million, nine hundred and ninety-eight thousand, two hundred and forty-two Saudi Riyals and thirty halalas). – Agreement for deferral of claiming the debt payment for a value of SAR 4,808,803 (Four million, eight hundred and eight thousand, eight hundred and three Saudi Riyals).

Source: Company.

Facilities Agreement with Alrajhi Bank	
Date	19/02/1447H (corresponding to 13/08/2025G)
Borrower	Built Company
Type of Facility/Loan/ Amount	Bank facilities
Term	Each facility has its term.
Facility value	Two hundred and eighty-five million, sixty-three thousand, and nine hundred and forty Saudi Riyals (SAR 285,063,940)
Payment Date	Each facility has its payment date.
Profit margin/ commission	Each facility has its profit margin.
Guarantee Documents	– A guarantee by Ladun Investment Company (public joint-stock) covering all facilities. – Built Company's submission to Alrajhi Bank of a confirmation of an assignment by the awarding entity of the agreement of establishing air defense forces housing project for a value of one hundred and eighty-seven million Saudi Riyals (SAR 187,000,000) in favor of the bank – A promissory note of an amount of (SAR 285,063,940)

Source: Company.

Facilities Agreement with Bank Albilad	
Date	14/04/1447H (corresponding to 06/10/2025G).
Borrower	Built Company
Type of Facility/Loan/ Amount	Bank facilities
Term	This Agreement shall be effective from 14/04/1447H (corresponding to 06/10/2025G) to 16/01/1448H (corresponding to 01/07/2026) (pending renewal)
Facility value	One hundred and four million, one hundred and sixty-seven thousand Saudi Riyals (SAR 104,167,000)
Payment Date	Each facility has its payment date.
Profit margin/ commission	Each facility has its profit margin.
Guarantee Documents	– A guarantee by Ladun Investment Company, a joint payment and performance guarantee for all facilities – An assignment by Built Company, and a confirmation of the assignment by the awarding entities of the dues of the projects financed by Bank Albilad

Source: Company.

Facilities Agreement with Arab National Bank	
Date	05/12/1446H (corresponding to 01/06/2025G)
Borrower	Built Company
Type of Facility/Loan/ Amount	Bank facilities
Term	14/12/1447H (corresponding to 31/05/2026G) (pending renewal)
Facility value	Forty-three million, four hundred and forty-five thousand (43,445,000) Saudi Riyals
Payment Date	Each facility has its payment date.
Profit margin/ commission	Each facility has its profit margin.
Guarantee Documents	– A promissory note for a value of only forty-three million, four hundred and forty-five thousand (43,445,000) Saudi Riyals, duly signed by Built Company and the guarantors in the manner accepted by the bank – A joint payment and performance guarantee duly signed by Ladun Investment Company

Source: Company.

Facility Agreement with Alinma Bank	
Date	30/03/1447H (Corresponding to 22/09/2025G)
Borrower	Built Company ("Client")
Type of Facility/Loan/ Amount	CREDIT FACILITIES AGREEMENT
Term	30/03/1447H (corresponding to 22/09/2025 G) and ends on 07/02/1450H (corresponding to 30/06/2028G)
Facility value	One hundred and sixty-three million, five hundred and seventy-seven thousand, four hundred and sixty (163,577,460) Saudi Riyals
Payment Date	Each facility has its payment date.
Profit margin/ commission	Each facility has its profit margin.
Guarantee Documents	– Payment and Performance Bond issued by Mr. Suleiman bin Abdulaziz bin Nasser Al-Batli and Mr. Nasser bin Saad bin Saud Al-Arifi in the amount of (SAR 163,577,460) one hundred and sixty-three million, five hundred and seventy-seven thousand, four hundred and sixty Saudi Riyals, covering all facilities. – Payment and Performance Bond issued by Ladun Investment Co., Public Joint-Stock, in the amount of (SAR 163,577,460) one hundred and sixty-three million, five hundred and seventy-seven thousand, four hundred and sixty Saudi Riyals, covering all facilities. – Extended waiver by the Client of its outstanding payments for the construction of (1345) units in the Buraidah Developmental Housing Project in Qassim Region, as approved by the National Housing Company. These funds shall be deposited into a special reserve account for the project at Alinma Bank, which shall be managed by the bank. – Extended waiver by the Client of its outstanding payments for the construction of (1000) units in the Al-Madain Developmental Housing Project in Hail Region, as approved by the National Housing Company. These funds shall be deposited into a special reserve account for the project at Alinma Bank, which shall be managed by the bank. – Extended waiver by the Client of its outstanding payments for the construction of (335) units in the Unaizah Developmental Housing Project in Qassim Region, as approved by the National Housing Company. These funds shall be deposited into a special reserve account for the project at Alinma Bank, which shall be managed by the bank. – Extended waiver by the Client of its outstanding payments for the construction of (250) units in the Dawadmi Developmental Housing Project in Riyadh Region, as approved by the National Housing Company. These funds shall be deposited into a special reserve account for the project at Alinma Bank, which shall be managed by the bank. – Extended waiver by the Client of its outstanding payments for the construction of (200) units in the Majmaah Developmental Housing Project in Riyadh Region, as approved by the National Housing Company. These funds shall be deposited into a special reserve account for the project at Alinma Bank, which shall be managed by the bank. – Pledge of a number of title deeds in favor of Alinma Bank. – Top of Form

Source: Company.

Facilities Agreement with the Saudi National Bank	
Date	13/08/1446 H (Corresponding to 12/02/2025 G)
Borrower	Built Company
Type of Facility/Loan/ Amount	Financing and Banking Services Agreement
Term	Each facility has its term.
Facility value	(SR (14,771,926.13) Fourteen million, seven hundred and seventy-one thousand, nine hundred and twenty-six Saudi Riyals and thirteen Halalas.
Payment Date	Each facility has its payment date.
Profit margin/ commission	Each facility has its profit margin.
Guarantee Documents	– A joint Payment and Performance Bond granted by Ladun Investment Company in the amount of (SR 14,771,926.13) fourteen million, seven hundred and seventy-one thousand, nine hundred and twenty-six Saudi Riyals and thirteen Halalas. – Built Company has waived to the Saudi National Bank of its outstanding payments for the government projects it is executing, covering the entire limits of the facilities.

Source: Company.

6.8 Competing Businesses and Material Transactions with Related Parties

As at the date of this Document, neither the members of the Company's Board of Directors nor any of its committee members engage in any business similar to or competing with the Company's business, or any business similar to or competing with the Company in any of its activity branches.

In the course of its normal business, the Company and its subsidiaries deal with shareholders of the Group and affiliated entities owned by shareholders and senior management. The Company and its subsidiaries enter into contracts to obtain services and pay expenses on behalf of the affiliated companies. These transactions are conducted in accordance with the terms agreed upon with the related parties. The following is a statement of the value of transactions that took place during the fiscal years ending December 31, 2023, 2024, and 2025:

Table 6.5: Transactions with Related Parties approved by the General Assembly during the Fiscal Years ending December 31, 2023, 2024, and 2025:

Company/ Subsidiaries	The Related Party	Nature of the Relationship	Nature of the transaction		Value of Transactions in 2023 (SR)	Value of Transactions in 2024 (SR)	Value of Transactions in 2025 (SR)
Built Company	Opal Al-Jazira for Security	An indirect interest with the two Board members, Eng. Nasser bin Saad Al-Arifi and Mr. Suleiman bin Abdul Aziz Al-Batli.	Security guard service contracts		SAR (1,354,083)	SAR (1.675.856)	SAR (221,113)
PAINITE Co.	Opal Al-Jazira for Security	An indirect interest with the two Board members, Eng. Nasser bin Saad Al-Arifi and Mr. Suleiman bin Abdul Aziz Al-Batli.	Security guard service contracts		SAR (1,880,408)	SAR (6.149.814)	SAR (5,376,830)
PAINITE Co.	Musharaka Capital Company	An indirect interest with Board member, Mr. Ibrahim bin Fahad Alassaf	Two Operation and Maintenance Agreements		SAR (4,362,111)	SAR (2.655.686)	N/A
The Company	Musharaka Capital Company	An indirect interest with Board member, Mr. Ibrahim bin Fahad Alassaf	Real Estate Fund Contribution Agreement		N/A	SAR (32.993.770)	N/A
The Company	Eng. Nasser bin Saad Al-Arifi and Mr. Suleiman bin Abdul Aziz Al-Batli.	An indirect interest with the two Board members, Eng. Nasser bin Saad Al-Arifi and Mr. Suleiman bin Abdul Aziz Al-Batli.	Revocation of the Company's Acquisition Agreement between Ladun Company and Lak Investment Company.		N/A	SAR (133.007,906)	N/A

Source: Company.

6.9 Real Estate

A. Real Estate owned by the Company

As at the date of this Document, the Company owns some real estate registered under its ownership in the Kingdom. Official documents issued by the Notary Public show that the number of deeds registered in the Company's name is (25) twenty-five. It is also found that a number of these deeds are mortgaged to four (4) parties, including two (2) deeds mortgaged to Al Rajhi Development Company, one (1) deed mortgaged to Alinma Bank, one (1) deed mortgaged to Riyad Bank and eleven (11) deeds mortgaged to Bank Albilad.

Table 6.6: Real Estate Owned by the Company

#	Deed No.	Owner	Deed Date	Area (Square Meter)	NOTE
1	693539000111	The Company	25/04/1441 H (Corresponding to 19/02/2020 G)	2,412.16	No restrictions
2	611610001473	The Company	08/03/1441 H (Corresponding to 05/11/2029 G)	10,134.05	No restrictions
3	499072001682	The Company	09/06/1443 H (Corresponding to 12/01/2022 G)	2,968.75	Mortgaged, and the Mortgagee is Bank Albilad
4	399072001684	The Company	09/06/1443 H Corresponding to 12/01/2022 G)	980	Mortgaged, and the Mortgagee is Bank Albilad
5	560002574055	The Company	27/04/1447 H (Corresponding to 19/10/2025 G)	29,092	Mortgaged, and the Mortgagee is Alinma Bank
6	399072001685	The Company	09/06/1443 H (corresponding to 12/01/2022 G).	2,320	Mortgaged, and the Mortgagee is Bank Albilad
7	310811006688	The Company	25/05/1443 H (Corresponding to 29/12/2021 G)	366.25	No restrictions
8	3893703701500000	The Company	11/03/1447 H (Corresponding to 03/09/2025 G)	3,000	Mortgaged and the Mortgagee is Alrajhi banking & Investment Corp.
9	310505002209	The Company	13/05/1442 H (Corresponding to 28/12/2020 G)	751,464.13	No restrictions
10	399072001683	The Company	09/06/1443 H (corresponding to 12/01/2022 G).	1,260	Mortgaged, and the Mortgagee is Bank Albilad
11	234002000477	The Company	10/07/1441 H (Corresponding to 05/03/2020 G)	485,400	No restrictions
12	220222005774	The Company	30/01/1443 H (corresponding to 07/09/2021 G).	29,395.5	Mortgaged, and the Mortgagee is Al Rajhi Development Company Limited-Sole proprietorship
13	993598010292	The Company	04/03/1445 H (Corresponding to 19/09/2023 G)	334,35	Mortgaged, and the Mortgagee is Bank Albilad
14	793598010291	The Company	04/03/1445 H (Corresponding to 19/09/2023 G)	297,14	Mortgaged, and the Mortgagee is Bank Albilad
15	393598010298	The Company	04/03/1445 H (Corresponding to 19/09/2023 G)	631,7	Mortgaged, and the Mortgagee is Bank Albilad
16	293598010301	The Company	04/03/1445 H (Corresponding to 19/09/2023 G)	456,31	Mortgaged, and the Mortgagee is Bank Albilad
17	293598010293	The Company	04/03/1445 H (Corresponding to 19/09/2023 G)	334،35	Mortgaged, and the Mortgagee is Bank Albilad

#	Deed No.	Owner	Deed Date	Area (Square Meter)	NOTE
18	993598010300	The Company	04/03/1445 H (Corresponding to 19/09/2023 G)	618،67	Mortgaged, and the Mortgagee is Bank Albilad
19	893598010299	The Company	04/03/1445 H (Corresponding to 19/09/2023 G)	573،94	Mortgaged, and the Mortgagee is Bank Albilad
20	710110043579	The Company	28/11/1440 H (corresponding to 31/07/2019 G)	455	No restrictions
21	710505002208	The Company	13/05/1442H (corresponding to 28/12/2020G)	415,698.31	No restrictions
22	311614000319	The Company	11/01/1444H (corresponding to 09/08/2022G)	400	No restrictions
23	372003015010	The Company	10/07/1444H (corresponding to 01/02/2023G)	65,242.98	Mortgaged, and the Mortgagee is Riyad Bank
24	372003015009	The Company	10/07/1444H (corresponding to 01/02/2023G)	80,198.33	Mortgaged, and the Mortgagee is Riyad Bank
25	3659918794100000	The Company	17/06/1446H (corresponding to 18/12/2024G)	10,000	Mortgaged, and the Mortgagee is Bank Albilad

Source: The Company.

B. Real Estate Leased and Rented by the Company

The Company has entered into (12) leases with various entities, (4) of them the Company has entered into as lessee and (8) of them as lessor, including operational sites and lands for investment, as well as leases for use as accommodation for the Company's employees/ workers. The Directors declare that all of the leases are in effect as of the date of this Document. The following table sets out the details of the real estate leased by and to the Company:

Table 6.7: Real Estate Leased to and by the Company:

	Lease Agreement
Lessee	Built Industrial Company
Lessor	Ladun Investment Company
Location	2751, Prince Sultan bin Abdul Aziz, 1231-6769
Property Use Type	Commercial
Lease Term and Renewal Mechanism	20 Hijri years, starting from 25/12/1445 H (corresponding to 01/07/2024 G)
Annual Rental Value	(SAR 796,228) Seven hundred and ninety-six thousand two hundred and twenty-eight Saudi Riyals.
Termination	The affected party shall have the right to revoke the Agreement, if the other party breaches any of its obligations under this Agreement. The breaching party shall notify the affected party by any of the means stipulated in Clause (15) describing the entitlement granted thereto, if the notified party fails to perform its obligations or remove the damage arising from the breach within (15) fifteen days from the date of its notification. – In the event of the Lessee's insolvency if the Lessee is an individual, or the Lessee's bankruptcy if the Lessee is a commercial establishment, or the Lessee's liquidation for any reason, this Agreement shall be considered terminated from the date the Lessor becomes aware of this – or the expiry of the original or renewed term of the Agreement, whichever is earlier. This shall not prejudice the Lessor's right to obtain its dues for the period prior to termination of the Agreement. – This Agreement shall be considered terminated in the following circumstances: – Expiration of the Agreement Term stated in Clause (1) hereof – Proof that the property is in danger of collapse, according to a report from the Civil Defense or from a person authorized by the approved government entity – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – In cases of force majeure.

Source: The Company.

Lease Agreement	
Lessee	Ladun Investment Company – "the Second Party"
Lessor	Saad bin Abdullah bin Ibrahim Al-Dayel – "the First Party"
Location	Riyadh - Al Narjis District
Property Use Type	Land for investment
Lease Term and Renewal Mechanism	(20) Hijri years, starting from 01/09/1440 H (corresponding to 06/05/2019 G) and ending on 31/08/1460 H (corresponding to 01/09/2038 G)
Rental Value	SAR 1,000,000 (One Million Saudi Riyals)
Termination	Within ten days of its due date, the Second Party shall pay the rent in one annual installment. If the Second Party is late in payment for over two months, the First Party may terminate the Agreement, provided that the Second Party shall be notified in writing a full month before termination. In addition, the Second Party shall not be entitled to claim any compensation, and title of the property and its facilities shall revert to the first party without charge.

Source: The Company.

Lease Agreement	
Lessee	Ladun Investment Company – "the Second Party"
Lessor	Saad bin Abdullah bin Ibrahim Al-Dayel – "the First Party"
Location	Riyadh - Al Narjis District
Property Use Type	Land for investment
Lease Term and Renewal Mechanism	20 Hijri years, starting from 01/09/1440 H (corresponding to 06/05/2019 G) and ending on 31/08/1460 H (corresponding to 01/09/2038 G)
Rental Value	SAR 470,000 (Four hundred and seventy thousand Saudi Riyals)
Termination	Within ten days of its due date, the Second Party shall pay the rent in one annual installment. If the Second Party is late in payment for over two months, the First Party may terminate the Agreement, provided that the Second Party shall be notified in writing a full month before termination. In addition, the Second Party shall not be entitled to claim any compensation, and title of the property and its facilities shall revert to the first party without charge.

Source: The Company.

Lease Agreement	
Lessee	Ladun Investment Company – "the Second Party"
Lessor	Saad bin Abdullah bin Ibrahim Al-Dayel – "the First Party"
Location	Riyadh - Al Narjis District
Property Use Type	Land for investment
Lease Term and Renewal Mechanism	20 Hijri years, starting from 01/09/1440 AH (corresponding to 06/05/2019 G) and ending on 31/08/1460 H (corresponding to 01/09/2038 G)
Rental Value	SAR 4,000 (Four thousand SAUID Riyals)
Termination	Within ten days of its due date, the Second Party shall pay the rent in one annual installment. If the Second Party is late in payment for over two months, the First Party may terminate the Agreement, provided that the Second Party shall be notified in writing a full month before termination. In addition, the Second Party shall not be entitled to claim any compensation, and title of the property and its facilities shall revert to the first party without charge.

Source: The Company.

Lease Agreement	
Lessee	Ladun Investment Company – "the Second Party"
Lessor	Mrs. Hind bint Mishari bin Faisal Al-Muammar Mr. Faisal bin Khalid bin Muhammad bin Sultan Mr. Fahd bin Khalid bin Muhammad bin Sultan Mr. Muhammad bin Khalid bin Muhammad bin Sultan. – "the First Party"
Location	Riyadh - Hittin District
Property Use Type	Land for showrooms and offices
Lease Term and Renewal Mechanism	15 Hijri years, starting from 01/08/1439 H (corresponding to 17/04/2018 G) and ending on 01/08/1454 H (corresponding to 04/11/2032 G)
Annual Rental Value	– (4,625,000) Four million six hundred and twenty-five thousand riyals, representing outstanding rent owed by the previous tenant, RAFAL Real Estate Development Co. / Mr. Abdulaziz Abdulrahman Al-Ammar, as detailed in the company's attached letter assigning the lease to the second party, Ajzala Trading and Real Estate Investment Company, Commercial Registration No. (2051030952), dated 17/3/1426 H. – (5,000,000) Five million riyals per year for the first three years, payable in two installments every six months on the first of Safar and the first of Sha'ban of each year. – (5,750,000) Five million seven hundred and fifty thousand riyals per year from the fourth to the eighth year, payable in two installments every six months on the first of Safar and the first of Sha'ban of each year. – (6,500,000) Six million five hundred thousand Saudi Riyals from the ninth year to the fifteenth year for each year to be paid in two installments every six months on the due date.
Termination	The contract shall be automatically terminated without recourse to the Second Party in any of the following cases: – Delayed payment of a due installment for a period of forty-five days from the due date. – The bankruptcy of the Second party, the liquidation of the Company, the issuance of a court judgment of bankruptcy, or the departure of the Managing Director, Nasser Saad Al-Arifi, from the Company for non-force majeure reasons, in which case he shall be substituted in this Agreement by one of the partners or members of the Company. – The delay in completing or finalizing the construction for a period not exceeding twelve months from the date of signing the Agreement.

Source: The Company.

Lease Agreement	
Lessee	Olayan Food Division
Lessor	Ladun Investment Company
Location	Al Khobar - Prince Hamoud Bin Abdul Aziz Street, Al Aqrabiyah District
Property Use Type	A piece of land for use in construction, conducting a business activity and establishing a restaurant
Lease Term and Renewal Mechanism	26/09/1440 H (corresponding to 01/05/2019 G) and ends on 07/04/1461 H (corresponding to 30/04/2039 G)
Annual Rental Value	(SAR 350,000) Three hundred and fifty thousand Saudi Riyals
Termination	The Lessee is entitled to terminate the Lease if, for any reason, it is unable to obtain all the necessary government approvals and licenses for the construction or operation of the restaurant. Furthermore, if either party breaches any of their essential obligations stipulated in this Agreement, the other party may terminate the Agreement after notifying the breaching party of the necessity to fulfill their obligations or rectify the breach, and granting them a grace period of thirty (30) days at least to correct the situation and remove the cause of the breach. It is agreed between the parties that the essential obligations, as defined in this article, exclusively include the obligations referred to in Articles 7, 4, 8, and 6 of the Agreement. In the event of bankruptcy or liquidation of the Second Party, this Agreement shall be promptly terminated. The Lessor shall also be entitled to terminate this Agreement if the circumstances of the Lessor's business activity so require, provided that the Lessor shall notify the Lessee at least (6) months prior to the end of the lease year.

Source: The Company.

Lease Agreement	
Lessee	PAINITE Operation & Maintenance Co. - "the Second Party"
Lessor	Ladun Investment Company - "the First Party"
Location	Jazalah Sweat, Al Aqrabiyah District, Al Khobar
Property Use Type	Management, operation, and leasing of a complex containing residential units.
Lease Term and Renewal Mechanism	One (1) renewable Gregorian year, starting from the Agreement execution date, 12/07/1446 H (corresponding to 01/01/2026 G)(60) days prior to expiration of the Agreement, both parties shall meet to agree on renewing the Agreement with the same terms, changing the terms, or not renewing the Agreement, unless one party notifies the other (60) days in advance of its unwillingness to renew the Agreement.
Annual Rental Value	(SAR 600,000) Six hundred thousand Saudi Riyals
Termination	Upon expiration of the Term of the Agreement or termination of the Agreement for any reason, the Second Party shall promptly vacate the premises and hand them over in full, along with the keys, to the First Party, its representative, or its substitute, in the same excellent condition in which they were received and free from any defects or damage. This handover shall be documented in a handover report signed after completion of all termination or expiration procedures within a maximum period of 30 days. Upon expiration or termination of the Agreement for any reason, the Second Party shall deliver to the First Party, or its representative or substitute, all documents proving payment of all utility bills, including electricity, telephone, water, internet, and gas ... In the event that the Second Party does not pay it, the First Party shall have the right to deduct all of that from any other amounts that may be in its possession for the Second Party or to collect it from the real security referred to in Clause (17) of the Agreement. Immediately upon termination or revocation of this Agreement for any reason, the Second Party shall hand over to the First Party any sums or advance rental payments received from lessees for rental terms that are wholly or partly following the date of termination or revocation of this Agreement. (30) days prior to the Agreement's expiration date, the Second Party shall notify the First Party of the date for handing over the premises to the First Party, provided that it does not exceed the Agreement's expiration date unless both parties agree on another specific date. In the event that the First Party does not attend on the agreed date, the Second Party shall have the right to terminate the handover procedure in the presence of a third party of its choice, who shall sign the handover report. This shall be considered a release and discharge of the Second Party's liability and termination of the Agreement, and the Second Party shall forfeit all its entitlements to claim compensation or otherwise until the date on which the First Party vacates and hands over the premises. Upon expiration of the Term of the Agreement or termination of the Agreement, the premises and their contents shall be handed over to the First Party undertaking over report prepared for this purpose and signed by the First Party or its representative. In the event of damage or defects in the premises or their contents that require repair or restoration, the Second Party shall remain liable to the First Party for all repair costs. If the Second Party leaves the premises without signing the hand over report, the hand over shall be considered to have taken place on the date and in the condition specified in a handover report signed by the First Party and two witnesses.

Source: The Company.

Lease Agreement	
Lessee	PAINITE Operation & Maintenance Co. - "the Second Party"
Lessor	Ladun Investment Company - "the First Party"
Location	Aqua Residential Complex 4919, Ajwad Bin Zamil Street, Al Fanar District, Jeddah 2347.
Property Use Type	Management, operation, and maintenance of residential units.
Lease Term and Renewal Mechanism	One (1) renewable Gregorian year, starting from the Agreement execution date, 12/07/1447 H (corresponding to 01/01/2026 G)(60) days prior to expiration of the Agreement, both parties shall meet to agree on renewing the Agreement with the same terms, changing the terms, or not renewing the Agreement, unless one party notifies the other (60) days in advance of its unwillingness to renew the Agreement.
Annual Rental Value	(SAR 1,500,000) One million five hundred thousand Saudi Riyals.
Termination	Upon expiration of the Term of the Agreement or termination of the Agreement for any reason, the Second Party shall promptly vacate the premises and hand them over in full, along with the keys, to the First Party, its representative, or its substitute, in the same excellent condition in which they were received and free from any defects or damage. This handover shall be documented in a handover report signed after completion of all termination or expiration procedures within a maximum period of 30 days. 15-3 Upon expiration or termination of the Agreement for any reason, the Second Party shall deliver to the First Party, or its representative or substitute, all documents proving payment of all utility bills, including electricity, telephone, water, internet, and gas ....till the date of evacuating and handing over the premises. In the event that the Second Party does not pay it, the First Party shall have the right to deduct all of that from any other amounts that may be in its possession for the Second Party or to collect it from the real security referred to in Clause (17) of the Agreement. Immediately upon termination or revocation of this Agreement for any reason, the Second Party shall hand over to the First Party any sums or advance rental payments received from lessees for rental terms that are wholly or partly following the date of termination or revocation of this Agreement. (30) days prior to the Agreement's expiration date, the Second Party shall notify the First Party of the date for handing over the premises to the First Party, provided that it does not exceed the Agreement's expiration date unless both parties agree on another specific date. In the event that the First Party does not attend on the agreed date, the Second Party shall have the right to terminate the handover procedure in the presence of a third party of its choice, who shall sign the handover report. This shall be considered a release and discharge of the Second Party's liability and termination of the Agreement, and the Second Party shall forfeit all its entitlements to claim compensation or otherwise until the date on which the First Party vacates and hands over the premises. Upon expiration of the Term of the Agreement or termination of the Agreement, the premises and their contents shall be handed over to the First Party undertaking over report prepared for this purpose and signed by the First Party or its representative. In the event of damage or defects in the premises or their contents that require repair or restoration, the Second Party shall remain liable to the First Party for all repair costs. If the Second Party leaves the premises without signing the hand over report, the hand over shall be considered to have taken place on the date and in the condition specified in a handover report signed by the First Party and two witnesses.

Source: The Company.

Lease Agreement	
Lessee	PAINITE Operation & Maintenance Co. - “the Second Party”
Lessor	Ladun Investment Company - “the First Party”
Location	Al-Narjis District - Riyadh
Property Use Type	Leasing, Management, and Supervision of a Residential Complex
Lease Term and Renewal Mechanism	One (1) renewable Gregorian year, starting from the Agreement execution date, 12/07/1447 H (corresponding to 01/01/2026 G) - (60) days prior to expiration of the Agreement, both parties shall meet to agree on renewing the Agreement with the same terms, changing the terms, or not renewing the Agreement, unless one party notifies the other (60) days in advance of its unwillingness to renew the Agreement.
Annual Rental Value	(SAR 4,800,000) Four million eight hundred thousand Saudi Riyals
Termination	Upon expiration of the Term of the Agreement or termination of the Agreement for any reason, the Second Party shall promptly vacate the premises and hand them over in full, along with the keys, to the First Party, its representative, or its substitute, in the same excellent condition in which they were received and free from any defects or damage. This handover shall be documented in a handover report signed after completion of all termination or expiration procedures within a maximum period of 30 days. Upon expiration or termination of the Agreement for any reason, the Second Party shall deliver to the First Party, or its representative or substitute, all documents proving payment of all utility bills, including electricity, telephone, water, internet, and gas ... In the event that the Second Party does not pay it, the First Party shall have the right to deduct all of that from any other amounts that may be in its possession for the Second Party or to collect it from the real security referred to in Clause (17) of the Agreement. Immediately upon termination or revocation of this Agreement for any reason, the Second Party shall hand over to the First Party any sums or advance rental payments received from lessees for rental terms that are wholly or partly following the date of termination or revocation of this Agreement. (30) days prior to the Agreement’s expiration date, the Second Party shall notify the First Party of the date for handing over the premises to the First Party, provided that it does not exceed the Agreement’s expiration date unless both parties agree on another specific date. In the event that the First Party does not attend on the agreed date, the Second Party shall have the right to terminate the handover procedure in the presence of a third party of its choice, who shall sign the handover report. This shall be considered a release and discharge of the Second Party’s liability and termination of the Agreement, and the Second Party shall forfeit all its entitlements to claim compensation or otherwise until the date on which the First Party vacates and hands over the premises. Upon expiration of the Term of the Agreement or termination of the Agreement, the premises and their contents shall be handed over to the First Party undertaking over report prepared for this purpose and signed by the First Party or its representative. In the event of damage or defects in the premises or their contents that require repair or restoration, the Second Party shall remain liable to the First Party for all repair costs. If the Second Party leaves the premises without signing the hand over report, the hand over shall be considered to have taken place on the date and in the condition specified in a handover report signed by the First Party and two witnesses.

Source: The Company.

Lease Agreement	
Lessee	Aldrees Petroleum and Transport Services Company - Aldrees
Lessor	Ali bin Saleh bin Haidar Al-Farhan (Representative and General Manager of PAINITE Operation & Maintenance)
Location	Riyadh - Al-Bat'ha - Al-Mansoura neighborhood.
Property Use Type	Commercial
Lease Term and Renewal Mechanism	01/06/1442H (corresponding to 14/01/2021G) and ending on 19/09/1452H (corresponding to 13/01/2031G) The Lease term shall expire upon the expiration of the Agreement's term, and if the Parties desire to renew the same, a new agreement shall be concluded between both Parties.
Rental Value	(SAR 13,800,000) Thirteen million, eight hundred thousand Saudi Riyals
TERMINATION	Expiration of the Agreement: – This Agreement shall be considered expired in the following events: – Expiration of the Agreement's term. – Proof that the property is in danger of collapse, according to a report from the Civil Defense or from a person authorized by the approved government entity. – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units. – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units. – In cases of compelling reasons.

Source: The Company.

Lease Agreement	
Lessee	Real Estate Development Fund - REDF
Lessor	Ladun Investment Company
Location	Riyadh - Hittin District - 4512
Property Use Type	Land for development of showrooms and offices
Lease Term and Renewal Mechanism	(5) Gregorian years starting from 05/05/1446H (corresponding to 07/11/2024G)
Rental Value	(21,592,160) Twenty-one million, five hundred and ninety-two thousand, one hundred and sixty Saudi Riyals
TERMINATION	The Lessee Government Entity may terminate, cancel, or vacate the property before the Lease expires in the following cases: – If the property becomes unusable due to a construction defect. – If the area surrounding the property poses a danger to the safety of the persons using the property. – If the Lessee Government Entity is dissolved. – If performance of the Lease becomes impossible due to force majeure or unforeseen circumstances. – If the lease process is proven to be fraudulent due to a reason attributable to the Lessor. – If the Government Entity acquires a government building that meets its needs and was not available at the time the Lease was signed, at the end of each contractual year. – The Government Entity shall notify the Lessor of its intention to terminate or cancel the Lease or vacate the property in accordance with paragraphs one and two of this Clause (Clause 26: Termination or Cancellation of the Lease at Least 180 Days Prior to Its Expiry Date). – The Lessor acknowledges that it is not entitled to compensation for the remaining term of the Lease after the property is vacated in accordance with paragraphs one and two of this Clause and shall be obligated to return any rent received from the Government Entity for the period following the termination of the Lease.

Source: The Company.

Lease Agreement	
Lessee	Al Jawharah bint Abdulmohsen bin Abdulaziz Al Saud
Lessor	Ladun Investment Company
Location	8306, 3791, 13327
Property Use Type	Family Residential
Lease Term and Renewal Mechanism	(729) days commencing on 29/05/1446H (corresponding to 01/12/2024G) and ending on 10/06/1448H (corresponding to 30/11/2026G). The Agreement shall expire upon the expiry of its term. In the event both Parties wish to renew the Agreement, renewal shall be made through the electronic platform.
Annual Rental Value	Two Million Four Hundred Thousand Saudi Riyals (SAR 2,400,000).
Termination	Termination of the Agreement: If the Lessee delays payment of the due rent for (30) or (60) days after the expiry of the payment grace period granted thereto pursuant to Clause Four of the Agreement, the Lessor shall have the right to terminate this Agreement through the electronic platform, unless the Parties agree to grant another payment period through the platform. The affected party shall have the right to terminate the Agreement pursuant to a judgment issued by the competent judicial authority if either the Lessor or the Lessee breaches any of its obligations arising under this Agreement and fails to perform such obligations or remedy the resulting damage within (30) thirty days from the date of breach, upon notice served through the electronic platform. Such cases include, without limitation: If the Lessee subleases the rental units or part thereof without being entitled to do so pursuant to Clause (10) of this Agreement. If the Lessee uses or permits others to use the rental units for unlawful or immoral activities. This Agreement shall automatically terminate upon the occurrence of one or more of the following events: Proof that the property is in danger of collapse pursuant to a report approved by the Civil Defense or the competent governmental authorities. Government decisions requiring amendments to building regulations resulting in the impossibility of using the rental units. The State acquires ownership of the property or part thereof, rendering the use of the rental units impossible. Occurrence of force majeure established before the competent court. If the Lessee makes modifications endangering the safety of the property such that it cannot be restored to its original condition, intentionally damages the property, causes damage due to gross negligence in taking proper precautionary measures, or permits others to cause such damage, as evidenced by an expert technical report. Expiry of the Agreement: This Agreement shall expire in the following cases: Expiry of the Agreement term stated in Clause Three of this Agreement. Agreement of the Parties to terminate the Agreement through the electronic platform. Issuance of a judicial ruling by the competent authority terminating the Agreement.

Source: The Company.

C. Real Estate Leased by Built:

The company and its subsidiaries have forty-five (45) lease agreements entered into as a lessee with a number of lessors. These leases are used for leasing residential purposes for the company's employees/workers and include operational sites and investment land. The board members acknowledge that all leases are valid as of the date of this document. The following tables show details of the properties leased by the company:

Table 6.8: Real Estate Leased by Built:

Lease Agreement	
Lessee	Built Company
Lessor	Hawi Saeed Mufreh Al-Yazidi.
Location	7710, Al Basateen Street, 4512, Al-Nozha, 62521, Abha
Property Use Type	Residential – Commercial
Lease Term and Renewal Mechanism	182 days starting from 19/10/1447 H (corresponding to 07/04/2026 G) and ending on 25/04/1448 H (corresponding to 06/10/2026 G) The Lease Agreement term shall be automatically renewed for a similar term, unless one party expresses the unwillingness thereof to renew the Agreement to the other party at least (60) days prior to expiration of the Agreement's term.
Annual Rental Value	(SAR 36,000) Thirty-six thousand Saudi Riyals
Termination	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them, if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, or the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: – This Agreement shall expire in the following circumstances: – Expiration of the Agreement Term stated in Clause (3) hereof – If both parties agree to terminate the Agreement through the network. – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Mohammed Saeed Muaid Al Qahtani
Location	Abha
Property Use Type	Commercial
Lease Term and Renewal Mechanism	22/10/1445 H (corresponding to 01/05/2025 G) and ending on 23/11/1448 H (corresponding to 30/04/2027 G) Lease term ends upon expiry of the Agreement If the Parties have the desire to renew the Agreement, a new agreement shall be drawn up and agreed upon by both parties.
Annual Rental Value	(SAR 172,500) (One hundred seventy-two thousand five hundred Saudi Riyals, including VAT.
Termination	Revocation of the Agreement: – The affected party shall have the right to revoke the Agreement if the other party breaches any of its obligations arising from this Agreement, after the breaching party has been notified by the affected party through: – The means stipulated in Clause (15) describing the entitlement granted thereto, if the notified party fails to perform its obligations or remove the damage arising from the breach within (15) fifteen days from the date of its notification. – In the event of the Lessee's insolvency if the Lessee is an individual, or the Lessee's bankruptcy if the Lessee is a commercial establishment, or the Lessee's liquidation for any reason, this Agreement shall be considered terminated from the date the Lessor becomes aware of this or the expiry of the original or renewed term of the Agreement, whichever is earlier. This shall not prejudice the Lessor's right to obtain its dues for the period prior to termination of the Agreement. Expiration of the Agreement: This Agreement shall be considered terminated in the following circumstances: – Expiry of the Agreement's term – Proof that the property is in danger of collapse, according to a report from the Civil Defense or from a person authorized by the approved government entity – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – In cases of force majeure.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Mohammed Saeed Muaid Al Qahtani
Location	Al Bajadya Abha
Property Use Type	Commercial
Lease Term and Renewal Mechanism	22/10/1445 H (corresponding to 01/05/2025 G) and ending on 23/11/1448 H (corresponding to 30/04/2027 G) Lease term ends upon expiry of the Agreement If the Parties have the desire to renew the Agreement, a new agreement shall be drawn up and agreed upon by both parties.
Rental Value	(SAR 172,000) One hundred and seventy-two thousand, five hundred Saudi Riyals, including VAT
Termination	Revocation of the Agreement: – The affected party shall have the right to revoke the Agreement, if the other party breaches any of its obligations under this Agreement. The breaching party shall notify the affected party by any of the following means: – The means stipulated in Clause (15) describing the entitlement granted thereto, if the notified party fails to perform its obligations or remove the damage arising from the breach within (15) fifteen days from the date of its notification. – In the event of the Lessee's insolvency if the Lessee is an individual, or the Lessee's bankruptcy if the Lessee is a commercial establishment, or the Lessee's liquidation for any reason, this Agreement shall be considered terminated from the date the Lessor becomes aware of this or the expiry of the original or renewed term of the Agreement, whichever is earlier. This shall not prejudice the Lessor's right to obtain its dues for the period prior to termination of the Agreement. Expiration of the Agreement: This Agreement shall be considered terminated in the following circumstances: – Expiry of the Agreement's term – Proof that the property is in danger of collapse, according to a report from the Civil Defense or from a person authorized by the approved government entity – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – In cases of force majeure.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Mohammed Saeed Muaid Al Qahtani
Location	Abha
Property Use Type	Commercial
Lease Term and Renewal Mechanism	22/10/1445 H (corresponding to 01/05/2025 G) and ending on 23/11/1448 H (corresponding to 30/04/2027 G) Lease term ends upon expiry of the Agreement If the Parties have the desire to renew the Agreement, a new agreement shall be drawn up and agreed upon by both parties.
Rental Value	(SAR 345,000) Three hundred and forty-five thousand Saudi Riyals, including VAT.
Termination	Revocation of the Agreement: The affected party shall have the right to revoke the Agreement, if the other party breaches any of its obligations under this Agreement. The breaching party shall notify the affected party by any of the following means: The means stipulated in Clause (15) describing the entitlement granted thereto, if the notified party fails to perform its obligations or remove the damage arising from the breach within (15) fifteen days from the date of its notification. In the event of the Lessee's insolvency if the Lessee is an individual, or the Lessee's bankruptcy if the Lessee is a commercial establishment, or the Lessee's liquidation for any reason, this Agreement shall be considered terminated from the date the Lessor becomes aware of this or the expiry of the original or renewed term of the Agreement, whichever is earlier. This shall not prejudice the Lessor's right to obtain its dues for the period prior to termination of the Agreement. Expiration of the Agreement: This Agreement shall be considered terminated in the following circumstances: Expiry of the Agreement's term Proof that the property is in danger of collapse, according to a report from the Civil Defense or from a person authorized by the approved government entity If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units The State acquires ownership of the property or part of it, rendering it impossible to use the rental units In cases of force majeure.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Mohammed Saeed Muaid Al Qahtani
Location	Abha
Property Use Type	Commercial
Lease Term and Renewal Mechanism	22/10/1445 H (corresponding to 01/05/2025 G) and ending on 23/11/1448 H (corresponding to 30/04/2027 G) Lease term ends upon expiry of the Agreement If the Parties have the desire to renew the Agreement, a new agreement shall be drawn up and agreed upon by both parties.
Annual Rental Value	(SAR 345,000) Three hundred and forty-five thousand Saudi Riyals; the amount includes value-added tax.
Termination	Revocation of the Agreement: The affected party shall have the right to revoke the Agreement, if the other party breaches any of its obligations under this Agreement. The breaching party shall notify the affected party by any of the following means: The means stipulated in Clause (15) describes the entitlement granted thereto, if the notified party fails to perform its obligations or remove the damage arising from the breach within (15) fifteen days from the date of its notification. In the event of the Lessee's insolvency if the Lessee is an individual, or the Lessee's bankruptcy if the Lessee is a commercial establishment, or the Lessee's liquidation for any reason, this Agreement shall be considered terminated from the date the Lessor becomes aware of this or the expiry of the original or renewed term of the Agreement, whichever is earlier. This shall not prejudice the Lessor's right to obtain its dues for the period prior to termination of the Agreement. Expiration of the Agreement: This Agreement shall be considered terminated in the following circumstances: Expiry of the Agreement's term Proof that the property is in danger of collapse, according to a report from the Civil Defense or from a person authorized by the approved government entity If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units The State acquires ownership of the property or part of it, rendering it impossible to use the rental units In cases of force majeure.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Ali Mohammed Sareh Al Hamlan
Location	7648, Horan, 5000, Sultana, 62561, Abha
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	91 days starting from 01/12/1447 H (corresponding to 18/05/2026 G) and ending on 04/03/1448 H (corresponding to 17/08/2026 G) The Lease Agreement term shall be automatically renewed for a similar term, unless one party expresses the unwillingness thereof to renew the Agreement to the other party at least (60) days prior to expiration of the Agreement's term.
Semi-annual Rental Value	(SAR 8,500) Eight thousand, five hundred Saudi Riyals.
Termination	Revocation of the Agreement: The affected party shall have the right to revoke the Agreement, if the other party breaches any of its obligations under this Agreement. The breaching party shall notify the affected party by any of the following means: The means stipulated in Clause (15) describing the entitlement granted thereto, if the notified party fails to perform its obligations or remove the damage arising from the breach within (15) fifteen days from the date of its notification. In the event of the Lessee's insolvency if the Lessee is an individual, or the Lessee's bankruptcy if the Lessee is a commercial establishment, or the Lessee's liquidation for any reason, this Agreement shall be considered terminated from the date the Lessor becomes aware of this or the expiry of the original or renewed term of the Agreement, whichever is earlier. This shall not prejudice the Lessor's right to obtain its dues for the period prior to termination of the Agreement. Expiration of the Agreement: This Agreement shall be considered expired in the following circumstances: Expiry of the Agreement's term Proof that the property is in danger of collapse, according to a report from the Civil Defense or from a person authorized by the approved government entity If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units The State acquires ownership of the property or part of it, rendering it impossible to use the rental units In cases of force majeure.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Fatima Hussein Bin Ali Asiri
Location	Abha
Property Use Type	Family accommodation
Lease Term and Renewal Mechanism	06/01/1447 H (corresponding to 01/07/2025 G) and ends on 15/01/1448 H (corresponding to 30/06/2026 G) The Lease Agreement term shall be automatically renewed for a similar term after fulfilling the network's renewal requirements, unless either party notifies the other of its unwillingness to renew the Agreement (60) days prior to expiration of the Agreement's term. The Agreement shall be considered terminated upon the expiry of its term.
Rental Value	(SAR 55,000) Fifty-five Saudi Riyals
Termination	Revocation of the Agreement: – The affected party shall have the right to revoke the Agreement, if the other party breaches any of its obligations under this Agreement. The breaching party shall notify the affected party by any of the following means: – The means stipulated in Clause (15) describing the entitlement granted thereto, if the notified party fails to perform its obligations or remove the damage arising from the breach within (15) fifteen days from the date of its notification. – In the event of the Lessee's insolvency if the Lessee is an individual, or the Lessee's bankruptcy if the Lessee is a commercial establishment, or the Lessee's liquidation for any reason, this Agreement shall be considered terminated from the date the Lessor becomes aware of this or the expiry of the original or renewed term of the Agreement, whichever is earlier. This shall not prejudice the Lessor's right to obtain its dues for the period prior to termination of the Agreement. Expiration of the Agreement: This Agreement shall be considered terminated in the following circumstances: – Expiry of the Agreement's term – Proof that the property is in danger of collapse, according to a report from the Civil Defense or from a person authorized by the approved government entity – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – In cases of force majeure.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Yahya ibn Mohammed ibn Hassan Al Qahtani
Location	Al Manhal, Abha
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	09/04/1447 H (corresponding to 01/10/2025 G) and ends on 19/04/1448 H (corresponding to 30/09/2026 G) The Lease Agreement term ends upon its expiry. If both parties wish to renew the Lease Agreement, this shall be done through the network.
Annual Rental Value	(SAR 16,800) Sixteen thousand eight hundred Saudi Riyals.
Termination	Revocation of the Agreement: – The affected party shall have the right to revoke the Agreement, if the other party breaches any of its obligations under this Agreement. The breaching party shall notify the affected party by any of the following means: – The means stipulated in Clause (15) describing the entitlement granted thereto, if the notified party fails to perform its obligations or remove the damage arising from the breach within (15) fifteen days from the date of its notification. – In the event of the Lessee's insolvency if the Lessee is an individual, or the Lessee's bankruptcy if the Lessee is a commercial establishment, or the Lessee's liquidation for any reason, this Agreement shall be considered terminated from the date the Lessor becomes aware of this or the expiry of the original or renewed term of the Agreement, whichever is earlier. This shall not prejudice the Lessor's right to obtain its dues for the period prior to termination of the Agreement. Expiration of the Agreement: This Agreement shall be considered terminated in the following circumstances: – Expiry of the Agreement's term – Proof that the property is in danger of collapse, according to a report from the Civil Defense or from a person authorized by the approved government entity – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – In cases of force majeure.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Mashrih Saeed Ahmed Al Qahtani
Location	Al Anbar, Al Manhal, Abha
Property Use Type	Residential - Commercial
Lease Term and Renewal Mechanism	23/03/1447 H (corresponding to 15/09/2025 G) and ends on 03/04/1448 H (corresponding to 14/09/2026 G) The Lease Agreement term ends upon its expiry. If both parties wish to renew the Lease Agreement, this shall be done through the network.
Rental Value	(SAR 31,000) Thirty-one thousand Saudi Riyals
Termination	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them, if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following circumstances: – Expiration of the Agreement Term stated in Clause (3) hereof – If both parties agree to terminate the Agreement through the network. – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Yahya ibn Mohammed ibn Hassan Al Qahtani
Location	Al-Manhal, Abha.
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	09/04/1447 H (corresponding to 01/10/2025 G) and ends on 19/04/1448 H (corresponding to 30/09/2026 G) The Lease Agreement term ends upon its expiry. If both parties wish to renew the Lease Agreement, this shall be done through the network.
Rental Value	(SAR 48,000) Forty-eight thousand and two hundred Saudi Riyals
Termination	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following circumstances: – Expiration of the Agreement Term stated in Clause (3) hereof – If both parties agree to terminate the Agreement through the network. – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	Built Industrial Company
Lessor	Saeed Masoud bin Ali Al-Yami
Location	Amr bin Al-Jamuh Street, Al-Badi’, Abha.
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	02/03/1447 H (corresponding to 25/08/2025 G) and ends on 11/03/1448 H (corresponding to 24/08/2026 G) The Lease Agreement term ends upon its expiry. If both parties wish to renew the Lease Agreement, this shall be done through the network.
Semi-annual Rental Value	(SAR36,000) Thirty-six thousand Saudi Riyals
Termination	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (660) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, the property is damaged due to the Lessee’s gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following circumstances: – Expiration of the Agreement Term stated in Clause (3) hereof – If both parties agree to terminate the Agreement through the network. – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Zaalah Eid Hazza AlAnzi
Location	Al-Kharj
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	28/07/1447 H (corresponding to 17/01/2026 G) and ends on 02/02/1448 H (corresponding to 16/07/2026 G) The Lease Agreement term ends upon its expiry. If both parties wish to renew the Lease Agreement, this shall be done through the network.
Semi-annual Rental Value	(SAR 8,400) Eight thousand four hundred Saudi Riyals
Termination	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following circumstances: – Expiration of the Agreement Term stated in Clause (3) hereof – If both parties agree to terminate the Agreement through the network. – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Abdullah Saleh Awad Al-Amri.
Location	Abha
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	The term of this Agreement is (180) days starting from 12/07/1447 H (corresponding to 01/01/2026 G) and ending on 25/02/1452 H (corresponding to 26/06/2030 G) The Lease term shall be automatically renewed for a similar period, unless one party notifies the other party that it does not wish to renew the same at least (60) days prior to the expiry date of the Lease term.
Semi-annual Rental Value	(SAR 8,400) Eight thousand four hundred Saudi Riyals
Termination	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following circumstances: – Expiration of the Agreement Term stated in Clause (3) hereof – If both parties agree to terminate the Agreement through the network. – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Rakan Mansour Assaf Al-Assaf
Location	Riyadh
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	25/09/1446 H (corresponding to 14/03/2026 G) and ends on 05/10/1448 H (corresponding to 13/03/2027 G) The Lease Agreement term shall be automatically renewed for a similar period after the network requirements for renewal are met, unless one party notifies the other through the network of its unwillingness to renew the Agreement (60) days before the expiry date of the Lease Agreement term, and the Agreement shall be considered expired after the expiry of its term.
Rental Value	(SAR 250,325) Two hundred and fifty thousand, three hundred and twenty-five Saudi Riyals
Termination	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following circumstances: – Expiration of the Agreement Term stated in Clause (3) hereof – If both parties agree to terminate the Agreement through the network. – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Abdullah Khalid Muhammad Alanzi.
Location	Abu Alaswad Al-Du'ali Street, 8834, 3266, Al-Naseem Al-Sharqi, 14243, Riyadh
Property Use Type	Residential - Commercial
Lease Term and Renewal Mechanism	(182) days starting from ending on 20/10/1447 H (corresponding to 08/04/2026 G) and ending on 26/04/1448H (corresponding to 07/10/2026G) The Lease term shall be automatically renewed for a similar period, unless one party notifies the other party that it does not wish to renew the same at least (60) days prior to the expiry date of the Lease term.
Semi-annual Rental Value	(SAR 32,000) Thirty-two thousand Saudi Riyals
Termination	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of this Agreement, the Lessor shall have the right to revoke this Agreement, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, under Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes to the property compromising the property's safety in a manner the property cannot be restored it to original condition; or – If the Lessee intentionally caused damage to the property, due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allowed others to cause such damage, according to a technical report from an expert. This Agreement shall expire in the following circumstances: – Expiration of the Agreement Term stated in Clause (3) hereof – If both parties agree to terminate the Agreement through the network. – If a court ruling is issued by the competent authority to terminate the contract.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Munir Fahidibn MunirAl Qahtani
Location	Riyadh
Property Use Type	Shared accommodation
Lease Term and Renewal Mechanism	(91) days, starting from 22/12/1447H (corresponding to /08/06/2026G) and ending on 25/03/1448H (corresponding to 07/09/2026G). The Lease Agreement shall expire upon the expiration of its term. If both parties wish to renew the Agreement, it shall be renewed through the network.
Rental Value	(SAR 54,000) Fifty-four thousand Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger the safety of the property in such a way that it cannot be restored to its original condition, the Lessee intentionally causes damage to the property, the property is damaged due to its grave negligence in taking the correct precautionary measures, or the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Zaid bin Faleh bin Zaid Al-Anzi
Location	5920, Hatib ibn AlHarith AlQurashi, 8344 Al-Madain, 55225, Hail.
Property Use Type	Family housing
Lease Term and Renewal Mechanism	(183) days, starting from 14/11/1447H (corresponding to 01/05/2026G) and ending on 20/05/1448H (corresponding to 31/10/2026G). The Lease term shall be automatically renewed for a similar period, unless one party notifies the other party through the network that it does not wish to renew the same at least (60) days prior to the expiry date of the Lease term.
Monthly Rental Value	(SAR 13,000) Thirteen thousand Saudi Riyals
TERMINATION	Cases of Revocation of the Agreement: – If the Lessee is late in paying the rent due by (15) or (30) days after the end of the payment period granted thereto according to Clause (4) of this Agreement, the Lessor shall have the right to terminate this Agreement through Ejar, unless both parties agree to set another payment period through Ejar. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through Ejar. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entity – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental unit – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger the safety of the property If the Lessee uses the property for purposes that are contrary to the purpose for which the property was rented, or if the property is used in a manner that violates the regulations relating to land use planning and construction, pursuant to a report or proof of status form submitted by the real estate broker who drafted the contract/approved appraiser, and is documented through Ejar. This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – both parties agree to terminate the Agreement through the network – If the Agreement is terminated in accordance with the provisions of Clause (10) hereof.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Salman bin Ahmed Ahmed Al Qahtani
Location	3682, King Abdullah Road, 7027, Al Safaa, 87323, Bish.
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	(91) days starting from 26/12/1447H (corresponding to 12/06/2026G) and ending on 29/03/1448H (corresponding to 11/09/2026G). The Lease term shall be automatically renewed for a similar period, unless one party notifies the other party through the network that it does not wish to renew the same at least (60) days prior to the expiry date of the Lease term.
Rental Value	(SAR 15,000) Fifteen thousand Saudi Riyals
TERMINATION	Cases of Revocation of the Agreement: – If the Lessee is late in paying the rent due by (15) or (30) days after the end of the payment period granted thereto according to Clause (4) of this Agreement, the Lessor shall have the right to terminate this Agreement through Ejar, unless both parties agree to set another payment period through Ejar. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entity – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental unit – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger the safety of the property – If the Lessee uses the property for purposes that are contrary to the purpose for which the property was rented, or if the property is used in a manner that violates the regulations relating to land use planning and construction. This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – both parties agree to terminate the Agreement through the network – If the Agreement is revoked in accordance with the provisions of Clause (10) hereof.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Mohammed Fahd Ahmed Al-Hamami
Location	Unaizah
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	14/08/1447H (corresponding to 06/02/2026G) and ending on 23/02/1448H (corresponding to 06/08/2026G) The Lease Agreement shall expire upon the expiration of its term. If both parties wish to renew the Agreement, it shall be renewed through the network.
Rental Value	(SAR 22,000) Twenty-two thousand Saudi Riyals.
TERMINATION	Cases of Revocation of the Agreement: – If the Lessee is late in paying the rent due by (15) or (30) days after the end of the payment period granted thereto according to Clause (4) of this Agreement, the Lessor shall have the right to terminate this Agreement through Ejar, unless both parties agree to set another payment period through Ejar. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entity – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental unit – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger the safety of the property – If the Lessee uses the property for purposes that are contrary to the purpose for which the property was rented, or if the property is used in a manner that violates the regulations relating to land use planning and construction. This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – both parties agree to terminate the Agreement through the network – If the Agreement is terminated in accordance with the provisions of Clause (10) hereof.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Ahmed ibn Saeed ibn Hussein Al Qahtani
Location	3369, Public Road, 7291, Al Safaa, 87522, Bish
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	(183) days, starting from 15/11/1447H (corresponding to 02/05/2026G) and ending on 21/05/1448H (corresponding to 01/11/2026G) The Lease term shall be automatically renewed for a similar period, unless one party notifies the other party that it wishes to terminate the Agreement at least (60) days prior to expiration of the Lease term.
Rental Value	(SAR 24,000) Twenty-four thousand Saudi Riyals.
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (15) or (30) days after the end of the payment period granted thereto according to Clause (4) of this Agreement, the Lessor shall have the right to terminate this Agreement through Ejar, unless both parties agree to set another payment period through Ejar. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through Ejar. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. – If the Lessee uses the property in purposes other than the purpose for which it is leased, or if it uses the property in contrary to the regulations related to the land planning, building and using, based on a report or form for establishment of facts submitted by the real estate broker, who drafted the agreement/ the certified appraiser, and documented through Ejar. Expiration of Agreement This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – Both parties agree to terminate the Agreement through the network – If the Agreement is terminated in accordance with the provisions of Clause (10) hereof.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Ahmed Saeed Hussein Al Mousa Al Qahtani
Location	3369, Public Road, 7291, Al Safaa, 87522, Bish
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	(183) days, starting from 15/11/1447 H (corresponding to 02/05/2026G) and ending on 21/05/1448 H (corresponding to 01/11/2026 G). The Lease term shall be automatically renewed for a similar period, unless one party notifies the other party that it wishes to terminate the Agreement at least (60) days prior to expiration of the Lease term.
Rental Value	(SAR 24,000) Twenty four thousand Saudi Riyals
TERMINATION	Revocation of Agreement: – If the Lessee delays the payment of the due rental for (15) or (30) days after the expiration of the granted time limit under Article (4) of this Agreement, the Lessor is entitled to terminate this Agreement through Ejar, unless the Parties agree on another time limit for payment through Ejar. – The affected Party is entitled to terminate the Agreement based on a judgment made by the competent judicial authority if the Lessor or the Lessee breaches any of their obligations arising from this Agreement and the breaching Party fails to fulfill their obligations or remedy the resulting damage within (30) days from the date of the breach pursuant to a notice sent through Ejar. The following events are provided by way of example without limitation: – If the Lessee sublets the rental units or any part thereof, if he is not entitled to do so. – If the Lessee uses or allows others to use the rental units for illegal or immoral activities. The Agreement shall be automatically terminated upon the occurrence of one or more of the following events: – Evidence that the property is liable to collapse pursuant to a report certified by the Civil Defense or the competent government authority. – Government decisions require an amendment to the building laws, resulting in the inability to use the rental unit. – The State acquires the property or part thereof such that the rental units cannot be used. – Evidence of a force majeure event before the competent court. – The Lessee makes alterations that jeopardize the safety of the property. – The Lessee uses the property for purposes in violation of the purpose for which the property was leased, or the Lessee uses the property in a manner that violates the regulations related to planning, building, and land use. This Agreement shall end in the following events: – The term of the Agreement in Article (3) hereof expires. – The Parties agree to terminate the Agreement through the Network. The Agreement is terminated pursuant to the provisions of Article (10) hereof.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Ahmed ibn Saeed ibn Hussein Al Qahtani
Location	3369, Public Road, 7291, Al Safaa, 87522, Bish
Property Use Type	Personnel accommodation
Lease Term and Renewal Mechanism	(182) days, starting from 23/10/1447H (corresponding to 11/04/2026G) and ending on 29/04/1448H (corresponding to 10/10/2026G).
Rental Value	(SAR 36,000) Thirty-six thousand Saudi Riyals
TERMINATION	Revocation of Agreement: – If the Lessee delays the payment of the due rental for (15) or (30) days after the expiration of the granted time limit under Article (4) of this Agreement, the Lessor is entitled to terminate this Agreement through Ejar, unless the Parties agree on another time limit for payment through Ejar. – The affected Party is entitled to terminate the Agreement based on a judgment made by the competent judicial authority if the Lessor or the Lessee breaches any of their obligations arising from this Agreement and the breaching Party fails to fulfill their obligations or remedy the resulting damage within (30) days from the date of the breach pursuant to a notice sent through Ejar. The following events are provided by way of example without limitation: – If the Lessee sublets the rental units or any part thereof, if he is not entitled to do so. – If the Lessee uses or allows others to use the rental units for illegal or immoral activities. The Agreement shall be automatically terminated upon the occurrence of one or more of the following events: – Evidence that the property is liable to collapse pursuant to a report certified by the Civil Defense or the competent government authority. – Government decisions require an amendment to the building laws, resulting in the inability to use the rental unit. – The State acquires the property or part thereof such that the rental units cannot be used. – Evidence of a force majeure event before the competent court. – The Lessee makes alterations that jeopardize the safety of the property. – The Lessee uses the property for purposes in violation of the purpose for which the property was leased, or the Lessee uses the property in a manner that violates the regulations related to planning, building, and land use. This Agreement shall end in the following events: – The term of the Agreement in Article (3) hereof expires. – The Parties agree to terminate the Agreement through the Network. The Agreement is terminated pursuant to the provisions of Article (10) hereof.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Ahmed ibn Saeed ibn Hussein Al Qahtani
Location	3369, Public Road, 7291, Al Safaa, 87522, Bish
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	(183) days, starting from 18/11/1447H (corresponding to 05/05/2026G) and ending on 24/05/1448H (corresponding to 04/11/2026G)
Semi-annual Rental Value	(SAR 36,000) Thirty-six thousand Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (15) or (30) days after the end of the payment period granted thereto according to Clause (4) of this Agreement, the Lessor shall have the right to terminate this Agreement through Ejar, unless both parties agree to set another payment period through Ejar. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through Ejar. – The following cases are examples, not an exhaustive list: – - If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government authority – - If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental unit – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property. – If the Lessee uses the property for purposes that are contrary to the purpose for which the property was rented, or if the property is used in a manner that violates the regulations relating to land use planning and construction, pursuant to a report or proof of status form submitted by the real estate broker who drafted the contract/approved appraiser, and is documented through Ejar. This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3)of the Agreement. – If both parties agree to terminate the Agreement through the network – If the Agreement is terminated in accordance with the provisions of Clause (10) hereof.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Ahmed Ibn Saeed Ibn Hussein Al Qahtani
Location	3369, Alam, 7291, Al Safaa, 87522, Bish
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	(182) days, starting from 23/10/1447H (corresponding to 11/04/2026 G) and ending on 29/04/1448H (corresponding to 10/10/2026G).
Rental Value	(SAR 30,000) Thirty thousand Saudi Riyals.
TERMINATION	Revocation cases: – If the Lessee is late in paying the rent due by (15) or (30) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through Ejar. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through Ejar. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entity. – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental unit. – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger the safety of the property – If the Lessee uses the property for purposes that are contrary to the purpose for which the property was rented, or if the property is used in a manner that violates the regulations relating to land use planning and construction, pursuant to a report or proof of status form submitted by the real estate broker who drafted the contract/approved appraiser, and is documented through Ejar. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network – Termination of the Agreement pursuant to the provisions of Clause ten of the Agreement.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Mohammed Omar bin Ali Al-Mahmoudi
Location	6742, 2323, Al Taawon, 22542, Jeddah
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	(180) days, starting from 22/08/1447H (corresponding to 10/02/2026G) and ending on 26/02/1448H (corresponding to 09/08/2026G) The Lease Agreement shall expire upon the expiration of its term. If both parties wish to renew the Agreement, it shall be renewed through the network
Rental Value	(SAR 23,000) twenty-three thousand Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, or the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Saleh Sulaiman Abdullah Al-Assaf Al-Awaji (residential units)
Location	Afif
Property Use Type	Workers' accommodation – engineers
Lease Term and Renewal Mechanism	15/10/1447H (corresponding to 03/04/2026G), ending on 22/04/1448H (corresponding to 03/10/2026G)
Rental Value	(SAR 5,500) Five thousand and five hundred Saudi Riyals
Termination	Not mentioned in the Agreement

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Hamza Mukhlid Al-Otaibi
Location	Afif
Property Use Type	Rest areas
Lease Term and Renewal Mechanism	Renewable (6) Six months, starting from 19/10/1447H (corresponding to 07/04/2026G) and ending on 25/04/1448H (corresponding to 06/10/2026G)
Rental Value	(SAR 20,000) Twenty thousand Saudi Riyals
TERMINATION	If the Second Party violates any condition mentioned in the Agreement, the First Party shall have the right to terminate the same.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Abdul Salam Abdullah Mohammed Al-Sulaiman.
Location	2751-6769 - 12312 - Prince Sultan Bin Abdul Aziz - Riyadh - Al-Mathar Al-Shamali District - Riyadh - Dr. Abdul Salam Al-Sulaiman Tower.
Property Use Type	Residential unit
Lease Term and Renewal Mechanism	Starting from 01/10/1447H (corresponding to 01/03/2026G) and ending on 25/04/1448H (corresponding to 01/09/2026G)
Rental Value	(SAR 161,000) One hundred and sixty-one thousand Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, or the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network – the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	Built Company
Lessor	Muraiziq bin Shuraid bin Dahidh AlRashidi
Location	822, Khalid bin Abdul Aziz, 4360, King Khalid, 56469 Unaizah.
Property Use Type	Residential, commercial
Lease Term and Renewal Mechanism	(183) days starting from 24/11/1447H (corresponding to 11/05/2026G) and ending on 30/05/1448H (corresponding to 10/11/2026G) The Lease Agreement term shall be automatically renewed for a similar term, unless either party notifies the other of its unwillingness to renew the Agreement to the other party at least (60) days prior to expiration of the Agreement's term.
Rental Value	(SAR 6,800) Six thousand and eight hundred Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through Ejar. The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entity. – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger the safety of the property. – If the Lessee uses the property for purposes that are contrary to the purpose for which the property was rented, or if the property is used in a manner that violates the regulations relating to land use planning and construction. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through Ejar. – Termination of the Agreement pursuant to the provisions of Clause Ten of the Agreement.

Source: The Company

Lease Agreement	
Lessee	Built Company
Lessor	Hamad Salman Hamad Al-Marri
Location	Ushayra Sudair 45, 15337, 7095, 5799.
Property Use Type	Car Parking
Lease Term and Renewal Mechanism	(364) days starting from 27/10/1447H (corresponding to 15/04/2026G) and ending on 07/11/1448H (corresponding to 04/09/2027G) The Lease Agreement term shall be automatically renewed for a similar term, unless either party notifies the other of its unwillingness to renew the Agreement to the other one at least (60) days prior to the expiration of the Agreement's term.
Rental Value	(SAR 45,540) Forty-five thousand five hundred and forty Saudi Riyals, including the rental value, value added tax on the rental value, the value of public services and the annual fee for gas, electricity, water and sewage.
TERMINATION	Revocation of the Agreement: – The affected party shall have the right to revoke the Agreement if the other party breaches any of its obligations arising from this Agreement, after the breaching party has been notified by the affected party through: – The means stipulated in Clause (15) describing the entitlement granted thereto, if the notified party fails to perform its obligations or remove the damage arising from the breach within (15) fifteen days from the date of its notification. – In the event of the Lessee's insolvency if the Lessee is an individual, or the Lessee's bankruptcy if the Lessee is a commercial establishment, or the Lessee's liquidation for any reason, this Agreement shall be considered terminated from the date the Lessor becomes aware of this or the expiry of the original or renewed term of the Agreement, whichever is earlier. This shall not prejudice the Lessor's right to obtain its dues for the period prior to termination of the Agreement. Expiration of the Agreement: – This Agreement shall be considered terminated in the following circumstances: – Expiry of the Agreement's term – Proof that the property is in danger of collapse, according to a report from the Civil Defense or from a person authorized by the approved government entity – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – In cases of force majeure.

Source: The Company

Lease Agreement	
Lessee	Built Aluminum Factory (BAFCO Aluminum)
Lessor	Mutab bin Attalllah bin Mohammed Refada
Location	7287, Al-Afraj, 3658, Al Nahda, 48722, Al-Wajh
Property Use Type	Accommodation
Lease Term and Renewal Mechanism	(183) days starting from 25/09/1447H (corresponding to 14/03/2026G) and ending on 02/04/1448H (corresponding to 13/09/2026G) The Lease Agreement term ends upon its expiry. If both parties wish to renew the Lease Agreement, this shall be done through the network.
Semi-annual Rental Value	(SAR 150,000) One hundred fifty thousand Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – - If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger the safety of the property in such a way that it cannot be restored to its original condition, the Lessee intentionally causes damage to the property, the property is damaged due to its grave negligence in taking the correct precautionary measures, or the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network – the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company

Lease Agreement	
Lessee	BUILDING TECH. FACTORY
Lessor	Mohammed bin Abdullah bin Hamad Al-Salloum
Location	Fatima Al Zahra Street, Sudair
Property Use Type	Residential – Commercial
Lease Term and Renewal Mechanism	28/03/1446H (corresponding to 01/10/2024G) and ending on 02/04/1449H (corresponding to 30/09/2027G)
Annual Rental Value	(SAR 70,000) Seventy thousand Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (66) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger the safety of the property in such a way that it cannot be restored to its original condition, the Lessee intentionally causes damage to the property, the property is damaged due to its grave negligence in taking the correct precautionary measures, or the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network – the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	BUILDING TECH. FACTORY
Lessor	Himmah Logistics
Location	1234, 1234, 12345
Property Use Type	Land/commercial
Lease Term and Renewal Mechanism	26/10/1447H (corresponding to 15/04/2026G) and ending on 07/11/1448H (corresponding to 14/04/2027G)
Annual Rental Value	(SAR 45,540) Forty-five thousand and five hundred and forty Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, or – The property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network – the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Table 6.9: Properties leased by Built Company branches:

Lease Agreement	
Lessee	DAYMAT FACTORY
Lessor	Ali Aaidh Al-Qarni
Location	Abha Al Ghalidh behind Aseer Mall
Property Use Type	Residential apartments
Lease Term and Renewal Mechanism	One month, starting from 14/11/1447H (corresponding to 01/05/2026G) and ending on 14/12/1447H (corresponding to 31/05/2026G). The Lease Period shall be automatically renewed on monthly basis. The First Party is not obligated to notify the Second Party of its willingness to renew the contract. The Company informed that the agreement was renewed.
Rental Value	(SAR 6,400) Six thousand and four hundred Saudi Riyals
TERMINATION	The First Party is entitled to immediately terminate the Lease Agreement upon receiving complaints from the neighbors or making noise or disturbance.

Source: The Company.

Lease Agreement	
Lessee	DAYMAT FACTORY
Lessor	Anas Saeed bin Mushabbab bin Dalmakh
Location	Abu Musa Al-Ghafiqi - Al-Qari - Abha.
Property Use Type	Family accommodation
Lease Term and Renewal Mechanism	26/02/1447H (corresponding to 20/08/2025G) and ending on 06/03/1448H (corresponding to 19/08/2026G) The Lease Agreement term shall be automatically renewed for a similar period after the network requirements for renewal are met, unless one party notifies the other through the network of its unwillingness to renew the Agreement (60) days before the expiry date of the Lease Agreement term, and the Agreement shall be considered expired after the expiry of its term.
Semi-annual Rental Value	(SAR 9,000) Nine thousand Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, or the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	DAYMAT FACTORY
Lessor	Saeed bin Nasser bin Saeed Al-qahtani
Location	Abdul Rahman Mohammad Al-Tabari - Tuwaiq – Riyadh
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	09/02/1447H (corresponding to 03/08/2025G) and ending on 19/02/1448H (corresponding to 02/08/2026G) The Lease Agreement term ends upon its expiry. If both parties wish to renew the Lease Agreement, this shall be done through the network.
Semi-annual Rental Value	(SAR 17,000) Seventeen thousand Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, or the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	DAYMAT FACTORY
Lessor	Awad bin Shuaifan bin Mubti Al-Mutairi
Location	Al-Waleed bin Abd Al-Malek - Tuwaiq – Riyadh
Property Use Type	Individual accommodation
Lease Term and Renewal Mechanism	08/04/1447H (corresponding to 30/09/2025G) and ending on 18/04/1448H (corresponding to 29/09/2026G) The Lease Agreement term ends upon its expiry. If both parties wish to renew the Lease Agreement, this shall be done through the network.
Semi-annual Rental Value	(SAR 12,000) Twelve thousand Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, or the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	DAYMAT FACTORY
Lessor	Fahd Saad Ali Al-Qarni
Location	Al Sahaba Road, 13225،3846،8304
Property Use Type	Family accommodation
Lease Term and Renewal Mechanism	(364) days, starting from 12/09/1447H (corresponding to 01/03/2026G) and ending on 21/09/1448H (corresponding to 28/02/2027G) The Lease Agreement term ends upon its expiry. If both parties wish to renew the Lease Agreement, this shall be done through the network.
Rental Value	(SAR 41,000) Forty One thousand Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – - If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, or the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	DAYMAT FACTORY
Lessor	Basamat Al-Khair Global Company LLC
Location	Imam Saud bin Abdul Aziz bin - Muhammad Road.
Property Use Type	Residential – Commercial
Lease Term and Renewal Mechanism	18/05/1447H (corresponding to 09/11/2025G) and ending on 28/05/1448H (corresponding to 08/11/2026G). The Lease Agreement was renewed. The Lease Agreement term shall be automatically renewed for a similar period after the network requirements for renewal are met, unless one party notifies the other through the network of its unwillingness to renew the Agreement (60) days before the expiry date of the Lease Agreement term, and the Agreement shall be considered expired after the expiry of its term.
Semi-annual Rental Value	(SAR 36,000) Thirty- Six thousand Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, or the property is damaged due to the Lessee’s gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	DAYMAT FACTORY
Lessor	Fahd Ali Hamdan Al-Mutairi
Location	Ghazi Mohammed Al-Joudi, Jeddah
Property Use Type	Residential – Commercial
Lease Term and Renewal Mechanism	(364) days starting from 12/09/1447H (corresponding to 01/03/2026G) and ending on 21/09/1448H (corresponding to 28/02/2027G) The Lease Agreement term shall be automatically renewed for a similar period after the network requirements for renewal are met, unless one party notifies the other through the network of its unwillingness to renew the Agreement (60) days before the expiry date of the Lease Agreement term, and the Agreement shall be considered expired after the expiry of its term.
Semi-annual Rental Value	(SAR 73,920) Seventy-three thousand and nine hundred and twenty Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, or the property is damaged due to the Lessee’s gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network – In the event of a court ruling from the competent authority to terminate the Agreement.

Source: The Company.

Lease Agreement	
Lessee	DAYMAT FACTORY
Lessor	Charitable Society for the Memorization of the Holy Quran in Huraymila
Location	Huraymila
Property Use Type	Residential – Commercial
Lease Term and Renewal Mechanism	12/09/1447H (corresponding to 01/03/2026G) and ending on 22/09/1448H (corresponding to 29/02/2027G) The Lease Agreement term shall be automatically renewed for a similar period, unless one party notifies the other of its unwillingness to renew the Agreement (60) days before the expiry date of the Lease Agreement term.
Semi-annual Rental Value	(SAR 4,250) Four thousand and two hundred and fifty Saudi Riyals
TERMINATION	Revocation of the Agreement: – If the Lessee is late in paying the rent due by (30) or (60) days after the end of the payment period granted thereto according to Clause (4) of the Agreement, the Lessor shall have the right to terminate this Agreement through the network, unless both parties agree to set another payment period through the network. – The affected party shall have the right to terminate the Agreement based on a ruling issued by the competent judicial authority, if the Lessor or Lessee breaches any of their obligations arising from this Agreement, and the breaching party does not fulfill its obligations, or remove the damage caused by it, within (30) thirty days from the date of its breach of the obligation, by means of a notice sent through the network. – The following cases are examples, not an exhaustive list: – - If the Lessee subleases the rental units or part of them if the Lessee is not entitled to do so, as stated in Clause (10) of this Agreement. – If the Lessee uses or allows others to use the rental units in illegal or immoral activities. – The Agreement shall be automatically revoked if one or more of the following conditions are met: – Proof that the property is in danger of collapse, according to a report approved by the Civil Defense or the competent government entities – - If it is required by government decisions to amend building regulations, resulting in the unavailability of rental units – The State acquires ownership of the property or part of it, rendering it impossible to use the rental units – Proof of the state of force majeure before the competent court – If the Lessee makes changes that endanger safety of the property in such a way that it cannot be restored to its original condition, or if the Lessee intentionally causes damage to the property, or the property is damaged due to the Lessee's gross negligence in taking the correct precautionary measures, or if the Lessee allows others to cause such damage, according to a technical report from an expert. Expiration of the Agreement: This Agreement shall expire in the following events: – Expiration of the Agreement Term stated in Clause (3) hereof. – If both parties agree to terminate the Agreement through the network

Source: The Company.

Lessee	DAYMAT FACTORY
Lessor	Abdul Rahman Nasser Al-Jumai'ah
Location	Al Hazm District, Huraymila
Property Use Type	Residential apartments
Lease Term and Renewal Mechanism	Starting from 10/05/1447H (01/11/2025G) and ending on 09/05/1447H 31/10/2026G. The Second Party undertakes to notify the First Party of its desire to vacate the residence at least one month prior to the expiration date of the Agreement. In the event of failure to notify the First Party, the Agreement shall be considered automatically renewed and valid.
Monthly Rental Value	(SAR 35,000) Thirty-five thousand Saudi Riyals.
TERMINATION	The Second Party undertakes to notify the First Party of its desire to vacate the residence at least one month prior to the expiration date of the Agreement.

Source: The Company

Lease Agreement	
Lessee	DAYMAT FACTORY
Lessor	Abdul Rahman Nasser Al-Jumai'ah
Location	Al Hazm District, Huraymila
Property Use Type	Residential apartments
Lease Term and Renewal Mechanism	17/04/1445H (corresponding to 01/11/2023G) and ending on 29/04/1446H (corresponding to 01/11/2024G) The Second Party undertakes to notify the First Party of its desire to vacate the residence at least one month prior to the expiration date of the Agreement. In the event of failure to notify the First Party, the Agreement shall be considered automatically renewed and valid. The Lease Agreement was renewed.
Monthly Rental Value	(SAR 7,000) Seven thousand Saudi Riyals
TERMINATION	The Second Party undertakes to notify the First Party of its desire to vacate the residence at least one month prior to the expiration date of the Agreement.

Source: The Company.

Lease Agreement	
Lessee	DAYMAT FACTORY
Lessor	Abdul Rahman Nasser Al-Jumai'ah
Location	Al Hazm District, Huraymila
Property Use Type	Residential apartments
Lease Term and Renewal Mechanism	10/05/1447H (corresponding to 01/11/2025G) and ending on 21/05/1448H (corresponding to 01/11/2026G) The Second Party undertakes to notify the First Party of its desire to vacate the residence at least one month prior to the expiration date of the Agreement. In the event of failure to notify the First Party, the Agreement shall be considered automatically renewed and valid.
Monthly Rental Value	(SAR 7,000) Seven thousand Saudi Riyals
TERMINATION	The Second Party undertakes to notify the First Party of its desire to vacate the residence at least one month prior to the expiration date of the Agreement.

Source: The Company.

Lease Agreement	
Lessee	Built Precast Wall Factory
Lessor	Saudi Authority for Industrial Cities and Technology Zones
Location	Sadir
Property Use Type	Industrial purposes
Lease Term and Renewal Mechanism	26/01/1444H (corresponding to 24/08/2022G) and ending on 25/01/1454H (corresponding to 05/05/2032G)
Rental Value	(SAR 113,443) One hundred thirteen thousand four hundred and forty-three Saudi Riyals
TERMINATION	The plans must be submitted and approved by MODON within a period not exceeding (6) months from the start date of this Lease Agreement, otherwise it shall be considered automatically void.

Source: Company.

6.10 Intellectual property (Intangible Assets)

The Company has (2) two trademarks registered with the Saudi Authority for Intellectual Property: the first one is registered under registration number (41441010245), dated 17/06/1441H (corresponding to 11/02/2020G), category (37). The trademark protection starts from 05/04/1441H (corresponding to 02/12/2019G) and ends on 04/04/1451H (corresponding to 14/08/2029G), as per the trademark registration certificate. The second trademark is registered under registration number (TM-01-00-44077-25), dated 12/07/1447H (corresponding to 01/01/2026G), category (37). The trademark protection starts from 05/04/1441H (corresponding to 02/12/2019G) and ends on 04/04/1457H (corresponding to 09/06/2035G), as per the trademark registration certificate.

PAINITE Company has (1) one trademark registered with the Saudi Authority for Intellectual Property under registration number (TM-01-00-24399-24), dated 23/03/1446H (corresponding to 26/09/2024G), category (37). The trademark protection starts from 25/12/1445H (corresponding to 01/07/2024G) and ends on 25/12/1455H (corresponding to 16/03/2034G), as per the trademark registration certificate.

Built Company has (1) one trademark registered with the Saudi Authority for Intellectual Property under registration number (TM-01-00-09966-24), dated 08/02/1446H (corresponding to 12/08/2024G), category (37). The trademark protection starts from 02/09/1445H (corresponding to 12/03/2024G) and ends on 02/09/1455H (corresponding to 24/11/2023G), as per the trademark registration certificate.

Except for the foregoing, the Board Members confirm that the Group does not own any other trademarks, patents, or intellectual property rights inside or outside the Kingdom as at the date of this Document. The tables below show the main details of the trademark registered by the Group:

Table 6.10: Trademarks registered in the name of the Company

Registration No.	Owner's Name	Category	Protection Expiry Date	Country of Registration	The Trademark
(1441010245)	The Company	(37)	04/04/1451H (Corresponding to 14/08/2029G)	Kingdom of Saudi Arabia	LADUN شركة لدن للاستثمار Ladun Investment Company

Source: Company

Registration No.	Owner's Name	Category	Protection Expiry Date	Country of Registration	The Trademark
(TM-01-00-44077-25)	Ladun Investment Co. PJSC	(37)	03/04/1457H (Corresponding to 09/06/2035G)	Kingdom of Saudi Arabia	

Source: Company

Table 6.11: Trademarks registered in the name of the subsidiaries

Registration No.	Owner's Name	Category	Protection Expiry Date	Country of Registration	The Trademark
(TM-01-00-09966-24)	Built Co.	(37)	02/09/1455H (Corresponding to 24/11/2033G)	Kingdom of Saudi Arabia	

Source: Company

Registration No.	Owner's Name	Category	Protection Expiry Date	Country of Registration	The Trademark
(TM-01-00-24399-24)	PAINITE Co.	(37)	25/12/1455H (Corresponding to 16/03/2034G)	Kingdom of Saudi Arabia	

Source: Company

6.11 Insurance

The Group maintains insurance policies that cover various types of risks associated with its business. The following table shows the main details of the insurance policies for the Company and its subsidiaries:

Table 6.12: Insurance policies of the Company and the subsidiaries:

Subscription Price	Insurance Term	Insurance Company	Policy number	The Company	Type of insurance
Five thousand, four hundred and seventy Saudi Riyals, and forty-two halalas (SAR 5,470.42)	From 07/03/1447H (corresponding to 29/08/2025G) to 15/03/1448H (corresponding to 28/08/2026G)	Al Rajhi Takaful	P0825-MTI-EDJZ-03885949	The Company	Vehicle Insurance
Twenty-one thousand, seven hundred and forty-two Saudi Riyals, and forty-two halalas (SAR 21,742.42)	From 12/02/1447H (corresponding to 06/08/2025G) to 22/02/1448H (corresponding to 05/08/2026G)	Al Rajhi Takaful	P0825-MTI-EDJZ-03404552	PAINITE Company	Vehicle Insurance
Ninety-two thousand eight hundred and seven riyals and sixty-three halalas (SAR 92,807.63)	From 14/10/1447H (corresponding to 02/04/2026G) to 24/10/1448H (corresponding to 01/04/2027G)	Arabian Shield Cooperative Insurance Company	P/ERO1/2024/PR/0000007/R01/001	The Company	All Risks Property Insurance
One thousand three hundred and sixty-six Saudi riyals and sixty-three halalas (1,366.63)	From 14/10/1447H (corresponding to 14/10/2025G) to 24/10/1448H (corresponding to 01/04/2027G)	Arabian Shield Cooperative Insurance Company	P/ERO1/2024/PR/0000007/R01/002	The Company	All Risks Property Insurance

Subscription Price	Insurance Term	Insurance Company	Policy number	The Company	Type of insurance
Sixty-five thousand, nine hundred and fifty Saudi Riyals, and twenty halalas (SAR 65,950.20)	From 20/10/1444H (corresponding to 10/05/2023G) to 06/07/1447H (corresponding to 26/12/2025G), followed by a 12-month maintenance period until 17/07/1448H (corresponding to 26/12/2026G)	Arabia Insurance Cooperative Company	P/310/5015/23/000005	Built Company	Professional Liability Insurance for Engineers and Architects
One hundred and fourteen thousand, nine hundred and forty-one Saudi Riyals and seven halalas (SAR 114,941.07)	From 20/10/1444H (corresponding to 10/05/2023G) to 06/07/1447H (corresponding to 26/12/2026G), followed by a 12-month maintenance period until 17/07/1448H (corresponding to 26/12/2026G)	Arabia Insurance Cooperative Company ("AICC")	P/310/2001/23/000002	Built Company	Contractor All Risks (CAR) Insurance
Thirty-seven thousand, one hundred and eighty-three Saudi Riyals, and thirty-five halalas (SAR 37,183,35)	From 28/06/1445H (corresponding to 10/01/2024G) to 06/10/1446H (corresponding to 04/04/2025G), followed by an 18-month maintenance period until 09/04/1448H (corresponding to 04/10/2026G)	Saudi Arabian Cooperative Insurance Company (SAICO)	P/102/24/4001/2024/401/35	Built Company	Contractor All Risks (CAR) Insurance
One hundred and fifty-three thousand, three hundred and sixty-one Saudi Riyals, and seventy-nine halalas (SAR 153,361,79)	From 26/12/1445H (corresponding to 01/08/2024G) to 06/01/1448H (corresponding to 31/07/2026G), followed by a 12-month maintenance period until 08/01/1449H (corresponding to 31/07/2027G)	Saudi Arabian Cooperative Insurance Company (SAICO)	P/102/24/4001/2024/401/82	Built Company	Contractor All Risks (CAR) Insurance
Benefits Table	From 13/10/1447H (Corresponding to 01/04/2026G), to 23/10/1448H (corresponding to 31/03/2027G)	The Company for Cooperative Insurance (Tawuniya)	54717815	The Company	Medical Insurance
As per the benefits table	From 13/10/1447H (corresponding to 01/04/2026G) to 23/10/1448H (corresponding to 31/03/2027G)	The Company for Cooperative Insurance (Tawuniya)	54717828	Company's branch	Medical Insurance
As per the benefits table	From 13/10/1446H (corresponding to 01/04/2026G) to 23/10/1448H (corresponding to 31/03/2027G)	The Company for Cooperative Insurance (Tawuniya)	54717814	PAINITE Company	Medical Insurance
As per the benefits table	From 13/10/1447H (corresponding to 01/04/2026G) to 23/10/1448H (corresponding to 31/03/2027G)	The Company for Cooperative Insurance (Tawuniya)	54717826	PAINITE Operation and Maintenance Co.	Medical Insurance

Subscription Price	Insurance Term	Insurance Company	Policy number	The Company	Type of insurance
As per the benefits table	From 13/10/1447H (corresponding to 01/04/2026G) to 23/10/1448H (corresponding to 31/03/2027G)	The Company for Cooperative Insurance (Tawuniya)	54717820	PAINITE Operation & Maintenance Co. (Branch)	Medical Insurance
As per the benefits table	From 13/10/1447H (corresponding to 01/04/2026G) to 23/10/1448H (corresponding to 31/03/2027G)	The Company for Cooperative Insurance (Tawuniya)	54717710	PAINITE Co. (Branch)	Medical Insurance
As per the benefits table	From 03/10/1446H (corresponding to 01/04/2025G) to 12/10/1447H (corresponding to 31/03/2026G)	The Company for Cooperative Insurance (Tawuniya)	45456164	Built Company	Medical Insurance
As per the benefits table	From 13/10/1447H (corresponding to 01/04/2026G) to 23/10/1448H (corresponding to 31/03/2027G)	The Company for Cooperative Insurance (Tawuniya)	54717819	DAYMAT FACTORY Co.	Medical Insurance
As per the benefits table	From 13/10/1447H (corresponding to 01/04/2026G) to 23/10/1448H (corresponding to 31/03/2027G)	The Company for Cooperative Insurance (Tawuniya)	54717825	Built Precast Wall Factory (Branch)	Medical Insurance
As per the benefits table	From 13/10/1447H (corresponding to 01/04/2026G) to 23/10/1448H (corresponding to 31/03/2027G)	The Company for Cooperative Insurance (Tawuniya)	54717824	Built Aluminum Factory (BAFCO Aluminum) (Branch)	Medical Insurance
As per the benefits table	From 13/10/1447H (corresponding to 01/04/2026G) to 23/10/1448H (corresponding to 31/03/2027G)	The Company for Cooperative Insurance (Tawuniya)	54717821	BUILDING TECH. FACTORY (Branch)	Medical Insurance
As per the benefits table	From 13/10/1447H (corresponding to 01/04/2026G) to 23/10/1448H (corresponding to 31/03/2027G)	The Company for Cooperative Insurance (Tawuniya)	54717822	Built Technology (IT Branch)	Medical Insurance
As per the benefits table	From 13/10/1447H (corresponding to 01/04/2026G) to 23/10/1448H (corresponding to 31/03/2027G)	The Company for Cooperative Insurance (Tawuniya)	54717816	Built Trading (Branch)	Medical Insurance
As per the benefits table	From 13/10/1447H (corresponding to 01/04/2026G) to 23/10/1448H (corresponding to 31/03/2027G)	The Company for Cooperative Insurance (Tawuniya)	54717827	IKTISSAB Company	Medical Insurance

Subscription Price	Insurance Term	Insurance Company	Policy number	The Company	Type of insurance
Seventy-two thousand two hundred and seventy-eight Saudi Riyals and ninety-eight halalas (72,278.98	From 03/10/1446H (corresponding to 01/04/2025G) to 15/01/1448H (corresponding to 30/06/2026G), followed by a 12-month maintenance period until 16/01/1448H (corresponding to 01/07/2026), ending on 25/01/1449H (corresponding to 30/06/2027G).	Arabia Insurance Cooperative Company ("AICC")	P/310/2001/22/000006	Built Company	Contractor All Risks (CAR) Insurance
Twenty-five thousand seven hundred and nineteen Saudi Riyals and seventy-five Halalas (25,719.75)	From 25/11/1447H (corresponding to 22/05/2026G) to 15/12/1448H (corresponding to 21/05/2027G)	Mutakamela Insurance	CPM/69294	Built Company	Contractors' machinery and equipment
One hundred and ninety-one thousand six hundred and eighty-one Saudi Riyals and forty-three halalas (191,681.43)	From 26/08/1447H (corresponding to 14/02/2026G) to 06/09/1448H (corresponding to 13/02/2027G)	Mutakamela Insurance	MFP/6348296	Built Company	Comprehensive Vehicle Insurance
Twenty-seven thousand six hundred and ninety-two (27,692) Saudi Riyals	From 25/11/1447H (corresponding to 22/05/2026G) to 15/12/1448H (corresponding to 21/05/2027G)	Mutakamela Insurance	MFT/6764492	Built Company	Compulsory Vehicle Insurance
One hundred and ninety-four thousand, two hundred and fifty-eight Saudi Riyals, seven hundred and forty-five halalas, and twenty-five hundredths (SAR 194,258.745.25)	From 24/02/1443H (corresponding to 01/10/2021G) to 15/01/1448H (corresponding to 30/06/2026G), followed by a 12-month maintenance period until 25/01/1448H (corresponding to 30/06/2027G)	Arabia Insurance Cooperative Company ("AICC")	P/310/2001/21/000006	Built Company	Contractor All Risks (CAR) Insurance
Fifty-four thousand four hundred and thirty-five Saudi Riyals (SAR 54,435.00)	From 18/10/1664H (corresponding to 16/04/2025G) to 15/01/1448H (corresponding to 30/06/2026G), followed by a 12-month maintenance period until 25/01/1449H (corresponding to 30/06/2027G)	Arabia Insurance Cooperative Company ("AICC")	P/310/2001/22/000005	Built Company	Contractor All Risks (CAR) Insurance
One hundred and seventeen thousand, one hundred and seventy-nine Saudi Riyals, and twenty-five halalas (SAR 117,179.25)	From 19/06/1445H (corresponding to 01/01/2024G) to 10/06/1447H (corresponding to 31/12/2025G), followed by a 12-month maintenance period until 12/06/1448H (corresponding to 31/12/2026G)	Arabia Insurance Cooperative Company ("AICC")	P/310/2001/24/000003	Built Company	Contractor All Risks (CAR) Insurance

Subscription Price	Insurance Term	Insurance Company	Policy number	The Company	Type of insurance
Ninety thousand, and nine hundred and seven Saudi Riyals, and fifty halalas (SAR 90,907.50)	From 04/07/1446H (corresponding to 14/01/2025G) to 22/03/1447H (corresponding to 25/09/2025G), followed by a 12-month maintenance period until 25/03/1448H (corresponding to 25/09/2026G)	Arabia Insurance Cooperative Company ("AICC")	P/310/5015/24/000004	Built Company	Professional Liability Insurance (PLI)
Eleven thousand three hundred and seventy Saudi Riyals (SAR 11,370.00)	From 24/06/1447H (corresponding to 15/12/2025G) to 03/07/1448H (corresponding to 14/12/2026G)	Mutakamela Insurance	WCI/16527	Built Company	Work Injury Compensation Insurance
Twelve thousand, six hundred and sixty-eight Saudi Riyals, and sixty-five halalas (SAR 12,668.65)	From 15/09/1446H (corresponding to 15/03/2025G) to 26/12/1446H (corresponding to 21/07/2025G), followed by a 12-month maintenance period until 28/12/1447H (corresponding to 21/07/2026G)	Salama Cooperative Insurance Company	7/ 23/ 47/ 2025	Built Company	Installation All Risk Insurance

Source: Company.

6.12 Disputes and Judicial Claims

The following tables show a summary for all existing judicial cases and claims filed by or against the Group, as at the date of this document.

A. The Company:

Table 6.13: Summary of judicial claims filed by or against the Company as at the date of this document:

#	Plaintiff	Defendant	Summary of Dispute	Status	Total Claims
Company's cases:					
1	Plaintiff	The Company	The Plaintiff requests a ruling to terminate the lease agreement and obligate the company to pay a sum of (SAR 28,000) twenty-eight thousand Saudi riyals as a refund of the paid rent due to non-utilization of the property.	Considered	28,000
2	Plaintiff	The Company	The Plaintiff requests a ruling obligating the company to pay a sum of (SAR 2,250) Two thousand two hundred and fifty Saudi Riyals as a refunded guarantee.	Considered	2,250
3	Plaintiff	The Company	The Plaintiff requests a ruling to penalize the Company for falsifying a declaration against the Plaintiff.	Considered	No financial claim
4	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 186,592) One hundred and eighty-six thousand five hundred and ninety-two Saudi Riyals as compensation under the penalty clause.	Considered	(186,592)
5	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 57,692) Fifty-seven thousand six hundred and ninety-two Saudi Riyals as compensation under the penalty clause.	Considered	(57,692)
6	Plaintiff	The Company	The Plaintiff requests a ruling obligating the Company to pay the Plaintiff a sum of (112,357) One hundred and twelve thousand three hundred and fifty-seven Saudi Riyals, as compensation under the penalty clause.	Considered	(112,357)

#	Plaintiff	Defendant	Summary of Dispute	Status	Total Claims
7	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 71,404) Seventy-one thousand four hundred and four Saudi Riyals as compensation under the penalty clause.	Considered	(71,404)
8	Plaintiff	The Company	The Plaintiff requests a ruling obligating the Company to pay the Plaintiff a sum of (108,638) One hundred and eight thousand, six hundred and thirty-eight Saudi Riyals, as compensation under the penalty clause.	Considered	(108,638)
9	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 37,236) Thirty-seven thousand two hundred and thirty-six Saudi Riyals as compensation under the penalty clause.	Considered	(37,236)
10	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 98,349) Ninety-eight thousand three hundred and forty-nine Saudi Riyals as compensation under the penalty clause.	Considered	(98,349)
11	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 124,848) One hundred and twenty-four thousand eight hundred and forty-eight Riyals as compensation under the penalty clause.	Considered	(124,848)
12	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 66,700) sixty-six thousand and seven hundred Saudi Riyals as compensation for damage.	Considered	(66,700)
13	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 66,161) sixty-six thousand, one hundred and sixty-one Saudi Riyals as compensation under the penalty clause.	Considered	SAR 66,161
14	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 53,225) fifty-three thousand, two hundred and twenty-five Saudi Riyals as compensation in the form of penalty clause.	Considered	SAR 53,225
15	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 73,233) seventy-three thousand, two hundred and thirty-three Saudi Riyals as compensation under the penalty clause.	Considered	SAR 73,233
16	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 233,655 two hundred thirty-three thousand, six hundred and fifty-five Saudi Riyals as compensation for damage.	Considered	SAR 233,655
17	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 71,291) seventy-one thousand, two hundred and ninety-one Saudi Riyals as compensation under the penalty clause.	Considered	SAR 71,291
18	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 24,284) twenty-four thousand, two hundred and eighty-four Saudi Riyals as compensation under the penalty clause.	Considered	SAR 24,284
19	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 99,557) ninety-nine thousand, five hundred and fifty-seven Saudi Riyals as compensation under the penalty clause.	A preliminary ruling was issued dismissing the matter.	SAR 99,557
20	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 37,992) thirty-seven thousand, nine hundred and ninety-two Saudi Riyals as compensation under the penalty clause.	Considered	SAR 37,992
21	Plaintiff	The Company	Both Plaintiffs requests a ruling obliging the Company to pay a sum of (SAR 2,570,764) two million, five hundred seventy thousand, seven hundred and sixty-four Saudi Riyals as compensation under the penalty clause.	Considered	SAR 2,570,764
22	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 80,924) eighty thousand, nine hundred and twenty-four Saudi Riyals as compensation under the penalty clause.	Considered	SAR 80,924

#	Plaintiff	Defendant	Summary of Dispute	Status	Total Claims
23	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 101,487) one hundred one thousand, four hundred and eighty-seven Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 101,487)
24	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 67,935) sixty-seven thousand, nine hundred and thirty-five Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 67,935) .
25	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 76,845) seventy-six thousand, eight hundred and forty-five Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 76,845)
26	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 78,901) seventy-eight thousand, nine hundred and one Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 78,901)
27	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 109,478) one hundred nine thousand, four hundred and seventy-eight Saudi Riyals as compensation under the penalty clause.	A ruling is handed down thereon by the Court of First Instance in favour of the litigant	(SAR 109,478)
28	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 94,691) ninety-four thousand, six hundred and ninety-one Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 94,691) .
29	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 56,923) fifty-six thousand, nine hundred and twenty-three Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 56,923)
30	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 46,546) forty-six thousand, five hundred and forty-six Saudi Riyals as compensation under the penalty clause.	Considered	SAR 46,546
31	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 295,171) two hundred ninety-five thousand, one hundred and seventy-one Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 295,171)
32	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 60,896) sixty thousand, eight hundred and ninety-six Saudi Riyals as compensation under the penalty clause.	A ruling is handed down thereon by the Court of First Instance in favour of Ladun	(SAR 60,896)
33	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 106,909) one hundred six thousand, nine hundred and nine Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 106,909
34	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 108,305) one hundred eight thousand, three hundred and five Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 108,305)
35	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 72,852) seventy-two thousand, eight hundred and fifty-two Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 72,852)
36	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to continue executing the agreement (no financial claim)	Considered	No financial claim
37	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 82,248) eighty-two thousand, two hundred and forty-eight Saudi Riyals as compensation under the penalty clause.	The ruling has not yet become decisive	(SAR 82,248)
38	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to carry out the asphalt works of the sand project in Riyadh (No financial Claim)	Considered	No financial claim

#	Plaintiff	Defendant	Summary of Dispute	Status	Total Claims
39	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to carry out the asphalt works of the sand project in Riyadh (No financial Claim)	Considered	No financial claim
40	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 77,401Seventy-seven thousand four hundred and one Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 77,401)
41	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 98,741) ninety-eight thousand, seven hundred and forty-one Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 98,741) .
42	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 89,055) eighty-nine thousand, fifty-five Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 89,055)
43	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 41,072) Forty-one thousand seventy-two Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 41,072)
44	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 125,467) one hundred twenty-five thousand, four hundred and sixty-seven Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 125,467)
45	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 48,284) forty-eight thousand, two hundred and eighty-four Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 48,284)
46	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 102,880) one hundred two thousand, eight hundred and eighty Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 102,880)
47	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 20,000) twenty thousand Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 20,000)
48	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 70,116) seventy thousand, one hundred and sixteen Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 70,116)
49	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 39,656) thirty-nine thousand, six hundred and fifty-six Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 39,656)
50	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 111,721) one hundred eleven thousand seven hundred twenty-one Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 111,721)
51	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 112,623) one hundred twelve thousand, six hundred and twenty-three Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 112,623)
52	Plaintiff	The Company	The Plaintiff requests a ruling to terminate the agreement, and to obligate the Company to pay a sum of (SAR 422,049) four hundred twenty-two thousand and forty-nine Saudi Riyals as compensation under the penalty clause, and to return the paid amount of (100,000) one hundred thousand Saudi Riyals.	Considered	(SAR 522,049)
53	Plaintiff	The Company	The Plaintiff requests a judgment obliging the Company to pay a sum of (SAR 96,093) ninety-six thousand ninety-three Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 96,093)
54	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 149,000) one hundred forty-nine thousand Saudi Riyals as compensation under the penalty clause.	Considered	SAR 149,000
55	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 130,574) one hundred thirty thousand, five hundred and seventy-four Saudi Riyals as compensation under the penalty clause.	Considered	SAR 130,574
56	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 79,530) seventy-nine thousand, five hundred and thirty Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 79,530)

#	Plaintiff	Defendant	Summary of Dispute	Status	Total Claims
57	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 70,693) seventy thousand, six hundred and ninety-three Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 70,693)
58	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 127,693) one hundred twenty-seven thousand, six hundred and ninety-three Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 127,693)
59	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 501,126) five hundred one thousand, one hundred and twenty-six Saudi Riyals as compensation under the penalty clause.	Considered	(501,126)
60	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 120,435) one hundred twenty thousand, four hundred and thirty-five Saudi Riyals as compensation under the penalty clause.	Considered	SAR 120,435
61	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 179,265) one hundred seventy-nine thousand, two hundred and sixty-five Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 179,265)
62	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 74,899) seventy-four thousand, eight hundred and ninety-nine Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 74,899)
63	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR (52,888) fifty-two thousand eight hundred and eighty-eight Saudi Riyals as compensation under the penalty clause.	Considered	(52,888)
64	Plaintiff	The Company	The plaintiff requests a ruling confirming his ownership of the two properties located in Jazan, in Sahel Wadi and Manjarah districts. (no financial claims)	Considered	No financial claims
65	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 51,000) fifty-one thousand Saudi Riyals as compensation under the penalty clause.	The ruling has not been decisive yet	(51,000)
66	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 60,940) sixty thousand, nine hundred and forty Saudi Riyals as compensation under the penalty clause.	Considered	(60,940)
67	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 79,744) seventy-nine thousand, seven hundred and forty-four Saudi Riyals as compensation under the penalty clause.	Considered	(79,744)
68	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 74,000) seventy-four thousand Saudi Riyals as compensation under the penalty clause.	Considered	(74,000)
69	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 68,729) sixty-eight thousand, seven hundred and twenty-nine Saudi Riyals as compensation under the penalty clause.	Considered	(68,729)
70	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 61,380) sixty-one thousand, three hundred and eighty Saudi Riyals as compensation under the penalty clause.	Considered	(SAR 61,380)
71	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 67,644) sixty-seven thousand, six hundred and forty-four Saudi Riyals as compensation under the penalty clause.	The ruling has not been decisive yet	SAR 67,644
72	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 65,917) sixty-five thousand, nine hundred and seventeen Riyals as compensation under the penalty clause.	Considered	(65,917)
73	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 34,577) thirty-four thousand, five hundred and seventy-seven Saudi Riyals as compensation under the penalty clause.	Considered	(34,577)

#	Plaintiff	Defendant	Summary of Dispute	Status	Total Claims
74	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 54,999) fifty-four thousand, nine hundred and ninety-nine Saudi Riyals as compensation under the penalty clause.	Considered	(54,999)
75	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 78,406) seventy-eight thousand, four hundred and six Saudi Riyals as compensation under the penalty clause.	Considered	(78,406)
76	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 136,248) one hundred thirty-six thousand, two hundred and forty-eight Saudi Riyals as compensation under the penalty clause.	Considered	(136,248)
77	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 55,000) fifty-five thousand Saudi Riyals as compensation under the penalty clause.	Considered	(55,000)
78	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 475,955) four hundred seventy-five thousand, nine hundred and fifty-five Saudi Riyals as compensation under the penalty clause.	Considered	(475,955)
79	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 473,506) four hundred seventy-three thousand, five hundred and six Saudi Riyals as compensation under the penalty clause.	Considered	(473,506)
80	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 473,375) four hundred seventy-three thousand, three hundred and seventy-five Saudi Riyals as compensation under the penalty clause.	Considered	(473,375)
81	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 71,590) seventy-one thousand, five hundred and ninety Saudi Riyals as compensation under the penalty clause.	Considered	(71,590)
82	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 66,000) sixty-six thousand Saudi Riyals as compensation under the penalty clause.	Considered	(66,000)
83	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 82,794) eighty-two thousand, seven hundred and ninety-four Saudi Riyals as compensation under the penalty clause.	Considered	(82,794)
84	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 73,405) seventy-three thousand, four hundred and five Saudi Riyals as compensation under the penalty clause.	Considered	(73,405)
85	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 53,560) fifty-three thousand, five hundred and sixty Saudi Riyals as compensation under the penalty clause.	Considered	(53,560)
86	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 55,238.82) fifty-five thousand, two hundred and thirty-eight Saudi Riyals and eighty-two halalas as compensation under the penalty clause.	Considered	(55,238.82)
87	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 8,667) eight thousand, six hundred and sixty-seven Saudi Riyals as attorney's fees.	Considered	(8,667)
88	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 87,789.91) eighty-seven thousand, seven hundred and eighty-nine Saudi Riyals, and ninety-one halalas as compensation under the penalty clause.	Considered	(87,789.91)
89	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 89,735) eighty-nine thousand, seven hundred and thirty-five Saudi Riyals as compensation under the penalty clause.	Considered	(89,735)
90	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 36,129) thirty-six thousand, one hundred and twenty-nine Saudi Riyals as compensation under the penalty clause.	Considered	(36,129)
91	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 72,641.35) seventy-two thousand, six hundred and forty-one Saudi Riyals. and thirty-five halalas as compensation under the penalty clause.	Considered	(72,641.35)

#	Plaintiff	Defendant	Summary of Dispute	Status	Total Claims
92	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 200,000) two hundred thousand Saudi Riyals, as compensation for delay in unit handover	Considered	(200,000)
93	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 61,632) sixty-one thousand, six hundred and thirty-two Saudi Riyals as compensation under the penalty clause.	Considered	(61,632)
94	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 7,471.79) seven thousand, four hundred and seventy-one Saudi Riyals, and seventy-nine halalas as compensation for the delay in unit handover	Considered	(7,471.79)
95	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 75,000) seventy-five thousand Saudi Riyals as compensation under the penalty clause.	Considered	(75,000)
96	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 60,237) sixty thousand, two hundred and thirty-seven Saudi Riyals, as compensation for the delay in unit handover	Considered	(60,237)
97	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 75,690.19) seventy-five thousand, six hundred and ninety Saudi Riyals, and nineteen halalas, as compensation for the delay in unit handover	The ruling has not been decisive yet	(75,690.19)
98	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 52,750) fifty-two thousand, seven hundred and fifty Saudi Riyals, as compensation for the delay in unit handover	The ruling has not been decisive yet	(52,750)
99	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 129,550.51) one hundred twenty-nine thousand, five hundred and fifty Saudi Riyals, and fifty-one halalas as compensation under the penalty clause.	Considered	(129,550.51)
100	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 75,990) seventy-five thousand, nine hundred and ninety Saudi Riyals as compensation under the penalty clause.	Considered	(75,990)
101	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 106,252) one hundred six thousand, two hundred and fifty-two Saudi Riyals as compensation under the penalty clause.	Considered	(106,252)
102	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 40,205) forty thousand, two hundred and five Saudi Riyals as compensation under the penalty clause.	Considered	(40,205)
103	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 125,426) one hundred twenty-five thousand, four hundred and twenty-six Saudi Riyals as compensation under the penalty clause.	Considered	(125,426)
104	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 45,753) forty-five thousand, seven hundred and fifty-three Saudi Riyals as compensation under the penalty clause.	Considered	(45,753)
105	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 71,018.37) seventy-one thousand and eighteen Saudi Riyals, and thirty-seven halalas as compensation under the penalty clause.	Considered	(71,018.37)
106	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 104,862.24) one hundred four thousand, eight hundred and sixty-two Saudi Riyals, and twenty-four halalas as compensation under the penalty clause.	Considered	(104,862.24)
107	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 117,610.94) one hundred seventeen thousand, six hundred and ten Saudi Riyals, and ninety-four halalas as compensation under the penalty clause.	Considered	(117,610.94)
108	Plaintiff	The Company	The Plaintiff requests a ruling obligating the Company to pay the Plaintiff a sum of (127,157) one hundred and twenty-seven thousand, one hundred and fifty-seven riyals, as compensation under the penalty clause.	Considered	(127,157)

#	Plaintiff	Defendant	Summary of Dispute	Status	Total Claims
109	Plaintiff	The Company	The Plaintiff requests a ruling obligating the Company to pay the Plaintiff a sum of (54,162) fifty-four thousand, one hundred and sixty-two riyals, as compensation under the penalty clause.	Considered	(54,162)
110	Plaintiff	The Company	The Plaintiff requests a ruling obligating the Company to pay the Plaintiff a sum of (108,000) one hundred and eight thousand Saudi Riyals, as compensation under the penalty clause.	Considered	(108,000)
111	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 22,752) Twenty-two thousand seven hundred and fifty-two Saudi Riyals as compensation under the penalty clause.	Considered	(22,752)
112	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 7,658) Seven thousand six hundred and fifty-eight Saudi Riyals as compensation under the penalty clause.	Considered	(7,658)
113	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 43,005) Forty-three thousand and five Saudi Riyals as compensation under the penalty clause.	Considered	(43,005)
114	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 114,650) One hundred and fourteen thousand six hundred and fifty Riyals as compensation under the penalty clause.	Considered	(114,650)
115	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 47,251) Forty-seven thousand two hundred and fifty-one Saudi Riyals as compensation under the penalty clause.	Considered	(47,251)
116	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 40,740) Forty thousand seven hundred and forty Saudi Riyals as compensation under the penalty clause.	Considered	(40,740)
117	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 8,318) eight thousand three hundred and eighteen Saudi Riyals as attorney's fees.	Considered	(8,318)
118	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 26,930) Twenty-six thousand nine hundred and thirty Saudi Riyals as compensation under the penalty clause.	Considered	(26,930)
119	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 97,644) Ninety-seven thousand six hundred and forty-four Saudi Riyals as compensation under the penalty clause.	Considered	(97,644)
120	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 58,372) Fifty-eight thousand three hundred and seventy-two Saudi Riyals as compensation under the penalty clause.	Considered	(58,372)
121	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 46,655) Forty-six thousand six hundred and fifty-five Saudi Riyals as compensation under the penalty clause.	Considered	(46,655)
122	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 116,700) One hundred and sixteen thousand seven hundred Riyals as compensation under the penalty clause.	Considered	(116,700)
123	Two Plaintiffs	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 48,924) Forty-eight thousand nine hundred and twenty-four Saudi Riyals as compensation under the penalty clause.	Considered	(48,924)
124	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 84,925) Eighty-four thousand nine hundred and twenty-five Saudi Riyals as compensation under the penalty clause.	Considered	(84,925)
124	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 14,235) Fourteen thousand two hundred and thirty-five Saudi Riyals as attorney's fees.	Considered	(14,235)
125	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 90,229) Ninety thousand two hundred and twenty-nine Saudi Riyals as compensation under the penalty clause.	Considered	(90,229)

#	Plaintiff	Defendant	Summary of Dispute	Status	Total Claims
126	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 42,319) Forty-two thousand three hundred and nineteen Saudi Riyals as compensation under the penalty clause.	Considered	(42,319)
127	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 29,092) Twenty-nine thousand ninety-two Saudi Riyals as compensation under the penalty clause.	Considered	(29,092)
128	Plaintiff	The Company	The Plaintiff requests a ruling obligating the Company to pay the Plaintiff a sum of (12,000) twelve thousand Saudi Riyals, as compensation under the penalty clause.	Considered	(12,000)
130	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 154,941) One hundred and fifty-four thousand nine hundred and forty-one Riyals as compensation under the penalty clause.	Considered	(154,941)
131	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 8,225) Eight thousand two hundred and twenty-five riyals as compensation under the penalty clause.	Considered	(8,225)
132	Plaintiff	The Company	The Plaintiff requests a ruling obligating the Company to pay a sum of (10,000) ten thousand Saudi Riyals, as compensation for litigation damage.	Considered	(10,000)
133	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 55,091) Fifty-five thousand ninety-one Saudi Riyals as compensation under the penalty clause.	Considered	(55,091)
134	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 147,015) One hundred and forty-seven thousand and fifteen Saudi Riyals as compensation under the penalty clause.	Considered	(147,015)
135	Plaintiff	The Company	The Plaintiff requests a ruling obliging the Company to pay a sum of (SAR 40,591) Forty thousand five hundred and ninety-one Saudi Riyals as compensation under the penalty clause.	Considered	(40,591)
Total financial claims filed against the Company: 14,621,600.12) Fourteen million, six hundred and twenty-one thousand, six hundred Saudi Riyals and twelve Halalas					

Source: The Company

B. Built Company

Table 6.14: Summary of judicial claims filed by or against Built Company as at the date of this document:

#	Plaintiff	Defendant	Summary of Dispute	Status	Total Claims
Built Company's cases:					
1	Plaintiff	Built Company	The Plaintiff requests issuance of a ruling to obligate Built Company to pay a sum of (SAR 3,802,766.64) three million, eight hundred and two thousand, seven hundred and sixty-six riyals and sixty-four halalas, for the work that has been carried out in the developmental housing villa project in Al-Dawadmi Governorate, as claimed by the Plaintiff.	Considered	(3,802,766.64)
2	Plaintiff	Built Company	The Plaintiff requests issuance of a ruling to obligate Built Company to pay the sum of (343,931) three hundred and forty-three thousand, nine hundred and thirty-one Saudi Riyals, representing completed contracting works, and to pay the sum of (28,462) twenty-eight thousand, four hundred and sixty-two riyals, representing additional works.	Considered	(372,393)
3	Plaintiff	Built Company	The Plaintiff requests issuance of a ruling to obligate Built Company to pay the sum of (11,000) eleven thousand Saudi Riyals, which is the value of compensation for damages arising from traffic accident.	Considered	(11,000)
4	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (621,561.70) six hundred and twenty-one thousand, five hundred and sixty-one riyals and seventy halalas, as a guarantee for structural and electrical works for residential buildings in the Finan project.	Considered	(621,561.70)

#	Plaintiff	Defendant	Summary of Dispute	Status	Total Claims
5	Plaintiff	Built Company	The Plaintiff requests issuance of a ruling to obligate Built Company to pay the sum of (113,514) one hundred and thirteen thousand, five hundred and fourteen riyals, which is the sum of completed invoices, as claimed by the Plaintiff, and to pay the sum of (15,000) fifteen thousand riyals, which is the sum of the attorney's fees.	Considered	(128,514)
6	Plaintiff	Built Company	The Plaintiff requests issuance of a ruling to obligate Built Company to pay the sum of (201,434.66) two hundred and one thousand, four hundred and thirty-four riyals and sixty-six halalas, which is the sum of completed invoices, as claimed by the Plaintiff, and to pay the sum of (22,000) twenty-two thousand riyals, which is the sum of the attorney's fees.	Considered	(223,434.66)
7	Plaintiff	Built Company	The Plaintiff requests issuance of a ruling to obligate Built Company to pay the sum of (206,416.59) two hundred and six thousand, four hundred and sixteen riyals and fifty-nine halalas, which is the sum of completed invoices, as claimed by the Plaintiff, and to pay the sum of (26,000) twenty-six thousand riyals, which is the sum of the attorney's fees.	Considered	(232,416.59)
8	Plaintiff	Built Company	The Plaintiff requests issuance of a ruling to obligate Built Company to pay the sum of (281,000) two hundred and eighty-one thousand, which is the value of supplied materials, as claimed by the Plaintiff.	Considered	(281,000)
9	Plaintiff	Built Company	The Plaintiff requests issuance of a ruling to obligate Built Company to pay the sum of (142,999.52) one hundred and forty-two thousand nine hundred and ninety-nine riyals and fifty-two halalas, representing contracting work, as claimed by the Plaintiff.	Considered	(142,999.52)
10	Plaintiff	Built Company	The Plaintiff requests issuance of a ruling to obligate Built Company to pay the sum of (137,455.53) one hundred and thirty-seven thousand, four hundred and fifty-five riyals and fifty-three halalas, representing contracting work, as claimed by the Plaintiff.	Considered	(137,455.53)
11	Plaintiff	Built Company	The Plaintiff requests issuance of a ruling to obligate Built Company to pay the sum of (48,615.01) forty-eight thousand, six hundred and fifteen riyals and one halala, representing contracting work, as claimed by the Plaintiff.	Considered	(48,615.01)
12	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (6,060) six thousand and sixty riyals, which is an end-of-service bonus, to pay the sum of (9,800) nine thousand eight hundred riyals, which is unused leave, and to pay the sum of (40,833) forty thousand eight hundred and thirty-three riyals, which is compensation for wrongful termination.	Considered	(56,693)
13	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (78,000) seventy-eight thousand riyals, which is the amount of delayed wages.	Considered	(78,000)
14	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (34,398) thirty-four thousand, three hundred and ninety-eight riyals, which the Plaintiff claims is due for leave remuneration.	Considered	(34,398)
15	Plaintiff	Built Company	The Plaintiff requests a judgment obligating Built Company to pay the sum of (3,666.67) three thousand six hundred and sixty-six riyals and sixty-seven halalas, which the Plaintiff claims are unpaid wages, and to pay the sum of (3,333.33) three thousand three hundred and thirty-three riyals and thirty-three halalas, which the Plaintiff claims are due for leave remuneration.	Considered	(7,000)
16	Plaintiff	Built Company	The Plaintiff requests a judgment obligating Built Company to pay the sum of (117,021) one hundred and seventeen thousand and twenty-one riyals, as a guarantee for works.	Considered	(117,021)
17	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (30,311) thirty thousand, three hundred and eleven riyals, which is for contracting work, and to pay the sum of (3,000) three thousand riyals, as compensation for litigation expenses.	Considered	(33,311)

#	Plaintiff	Defendant	Summary of Dispute	Status	Total Claims
18	Plaintiff	Built Company	The Plaintiff requests issuance of a ruling to obligate Built Company to pay the sum of (208,610.91) two hundred and eight thousand six hundred and ten riyals and ninety-one halalas, which is the sum of completed invoices, as claimed by the Plaintiff.	Considered	(208,610.91)
19	Plaintiff	Built Company	The Plaintiff requests issuance of a ruling to obligate Built Company to pay the sum of (490,841.85) four hundred and ninety thousand eight hundred and forty-one riyals and eighty-five halalas, which is the sum of completed invoices, as claimed by the Plaintiff.	Considered	(490,841.85)
20	Plaintiff	Built Company	The Plaintiff requests issuance of a ruling to obligate Built Company to pay the sum of (10,000) ten thousand riyals, as compensation for litigation expenses.	Considered	(10,000)
21	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to enable the Plaintiff to perform the contract.	Considered	No financial claim
22	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (856,925) eight hundred and fifty-six thousand, nine hundred and twenty-five riyals, representing contracting work.	Considered	(856,925)
23	Plaintiff	Built Company	The Plaintiff requests a judgment obligating Built Company to pay the sum of (87,908) eighty-seven thousand, nine hundred and eight riyals, which the Plaintiff claims are due commissions.	Considered	(87,908)
24	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (51,896) fifty-one thousand, eight hundred and ninety-six riyals, which is the end-of-service bonus, and to pay the sum of (6,104) six thousand one hundred and four riyals, which is the unused leave, as claimed by the Plaintiff.	Considered	(58,000)
25	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (562,267) five hundred and sixty-two thousand two hundred and sixty-seven riyals and one halala, which is for work carried out in the Turtle Bay School project, and to pay the sum of (51,000) fifty-one thousand riyals, which is for attorney's fees.	Considered	(613,267)
26	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (358,305) three hundred and fifty-eight thousand, three hundred and five riyals, which is the remaining value of the work carried out in the Feynan Plus project.	The ruling has not yet been final.	(358,305)
27	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (298,460) two hundred and ninety-eight thousand, and four hundred and sixty riyals, which is the remaining value of the work carried out in the Feynan and Feynan Plus projects.	Considered	(298,460)
28	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (389,540) three hundred and eighty-nine thousand, five hundred and forty riyals, which is the remaining value of the work carried out in the Feynan project.	Considered	(389,540)
29	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (142,405) one hundred and forty-two thousand, four hundred and five riyals, which is the remaining value of the work carried out in the Feynan project.	Considered	(142,405)
30	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (52,552) fifty-two thousand, five hundred and fifty-two riyals, which is the remaining value of the work carried out in the Feynan project.	Considered	(52,552)
31	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (43,069) forty-three thousand and sixty-nine riyals, which is the value of the work carried out and the litigation expenses in the developmental housing project in Buraidah.	Considered	(43,069)
32	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (33,065) thirty-three thousand and sixty-five riyals, which is the value of the work carried out and the litigation expenses in the developmental housing project in Buraidah.	Considered	(33,065)
33	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (175,950) one hundred and seventy-five thousand, nine hundred and fifty riyals, representing the price of supply, and payment of an amount of (17,500) seventeen thousand, five hundred riyals, representing compensation for litigation damages.	Considered	(193,450)

#	Plaintiff	Defendant	Summary of Dispute	Status	Total Claims
34	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (161,163) one hundred and sixty-one thousand, one hundred and sixty-three riyals, which is the attorneys' fees in the original case.	The ruling has not yet been final.	(161,163)
35	Plaintiff	Built Company	. The Plaintiff requests a ruling obligating Built Company to pay the sum of (93,500) Ninety-three thousand five hundred riyals, representing the value of the work carried and litigation fees.	Considered	(93,500)
36	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (32,645) thirty-two thousand six hundred and forty-five riyals, which is the value of the work carried out in the Feynan project.	Considered	(32,645)
37	Plaintiff	Built Company	The Plaintiff requests the issuance of a payment order obligating Built Company to pay the sum of (52,652) fifty-two thousand six hundred and fifty-two riyals.	Considered	(52,652)
38	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (118,300) one hundred and eighteen thousand, three hundred riyals, which is the value of the supply as one of the suppliers to Sudair factories.	Considered	(118,300)
39	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (33,913) thirty-three thousand nine hundred and thirteen riyals, which is value of provided services.	Considered	(33,913)
40	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (245,269) two hundred and forty-five thousand, two hundred and sixty-nine riyals, which is the value of the work carried out in Al-Rusaifah Jewel project.	Considered	(245,269)
41	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (236,155) two hundred and thirty-six thousand, one hundred and fifty-five riyals, which is the value of the work carried out in Al-Rusaifah Jewel project.	Considered	(236,155)
42	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (40,217) forty thousand, two hundred and seventeen riyals, representing value of supplies and attorney's fees.	Considered	(40,217)
43	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (23,080.20) twenty-three thousand and eighty riyals and twenty halalas, which is the value of the work carried out in the Feynan project.	Considered	(23,080.20)
44	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (15,208.62) fifteen thousand, two hundred and eight riyals and sixty-two halalas, which is the amount of supplies in the Feynan project, and to pay the sum of (4,000) four thousand riyals, which is the amount of attorney's fees.	Considered	(19,208.62)
45	Plaintiff	Built Company	The Plaintiff requests a ruling obligating Built Company to pay the sum of (117,409) one hundred and seventeen thousand, four hundred and nine riyals, which is the price of equipment rental.	Considered	(117,409)
Total financial claims filed for Cases against Built Company: (11,338,490.23) Eleven million three hundred and thirty-eight thousand, four hundred and ninety riyals and twenty-three halalas.					

Source: The Company.

C. PAINITE Company:

As of the date of this document, PAINITE has no lawsuits or claims under consideration.

D. IKTISSAB Company:

As at the date of this Document, IKTISSAB Company has no pending cases or judicial claims.

Save for the foregoing, The members of the Board of Directors confirm that the Group, up to this document issuance date, is not a party to any judicial dispute, arbitration, administrative case, or an investigation, that would, individually or collectively, have an adverse impact on its financial situation, and the results of its operations. They also acknowledge that they are not aware of any cases or claims that might be filed.

6.13 Workforce

The Company (Ladun Investment Company- main branch), commercial registration No. (1010467355), has forty-seven (47) workers, divided into (28) Saudis and (19) non-Saudis. According to Nitaqat's classification of the company's Saudization Certificate No. (245270-11112588) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (64%), and therefore the company was classified within the (Platinum) category.

Ladun Company (Khobar), commercial registration No. (2051030952), has twenty-five (25) workers only, divided into (16) Saudis and (9) non-Saudis. According to Nitaqat's classification of the company's Saudization Certificate No. (184921-13132890) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (64%), and therefore the company was classified within the (Platinum) category.

PAINITE Company (PAINITE Operation & Maintenance Co. - main branch), commercial registration No. (2051047783), has seventy-seven (89) workers. The Company has (89) workers only, divided into (32) Saudis and (57) non-Saudis. According to Nitaqat's classification of the company's Saudization Certificate No. (44424377-412876) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (54%), and therefore the company was classified within the (Platinum) category.

PAINITE Company (Riyadh), commercial registration No. (1010633973), has twelve (15) subscribers only, divided into (7) Saudis and (8) non-Saudis. According to Nitaqat's classification of the company's Saudization Certificate No.(76384043-318936) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (46%), and therefore the company was classified within the (Medium Green) category.

PAINITE Company (Jeddah), commercial registration No. (4030380363), has one hundred and ninety-eight (170) workers, divided into (40) Saudis and (130) non-Saudis. According to Nitaqat's classification of the company's Saudization Certificate No. (18625952-170048) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (40%), and therefore the company was classified within the (Platinum) category.

Built Company (Built Industrial Company - main branch), commercial registration No. (1010233574), has Nine hundred and sixty-two (962) workers, divided into (119) Saudis and (843) non-Saudis. According to Nitaqat's classification of the company's Saudization Certificate No. (16123136-106588) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (19%), and therefore the company was classified within the (High Green) category.

Built Trading, commercial registration No. (1010395512), has eighty-seven (87) subscribers only, divided into (14) Saudis and (73) non-Saudis. According to Nitaqat's classification of the company's Saudization Certificate No. (205643-15734653) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (19%), and therefore the company was classified within the (High Green) category.

BUILDING TECH. FACTORY, commercial registration No. (1126106183), has eleven two hundred and seventy-eight (278) subscribers only, divided into (83) Saudis and (195) non-Saudis. According to Nitaqat's classification of the company's Saudization Certificate No. (13527822-175102) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (41%), and therefore the company was classified within the (High Green) category.

Built Technology (IT), commercial registration No. (1010441321), has eighteen (18) subscribers only, divided into (6) Saudis and (12) non-Saudis. According to Nitaqat's classification of the company's Saudization Certificate No. (21119514-150007) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (42%), and therefore the company was classified within the (Medium Green) category.

Built Aluminum Factory (BAFCO Aluminum), commercial registration No. (1018100305), has ninety (90) subscribers only, divided into (51) Saudis and (39) non-Saudis. According to Nitaqat's classification of the company's Saudization Certificate No. (17081260-943848) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (41%), and therefore the company was classified within the (High Green) category.

Built Precast Wall Factory, commercial registration No. (1126106377), has twenty-two (22) subscribers only, divided into (19) Saudis and (3) non-Saudis. According to Nitaqat's classification of the company's Saudization Certificate No. (46795540-148216) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (41%), and therefore the company was classified within the (High Green) category.

DAYMAT FACTORY, commercial registration No. (1010441318), has seven hundred and one (701) subscribers only, divided into (231) Saudis and (470) non-Saudis. According to Nitaqat's classification of the company's Saudization Certificate No. (19770238-182552) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (41%), and therefore the company was classified within the (High Green) category.

IKTISSAB Company (IKTISSAB Human Resources), commercial registration No. (1010778107), has a one (1) subscriber only. According to Nitara's classification of the company's Saudization Certificate No. (992122-12355115)) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (100%), and therefore the company was classified within the (Small Green A) category.

First IKTISSAB Recruitment Company), commercial registration No. (1010903726), has no subscribers. According to Nitaqat's classification of the company's Saudization Certificate No. () (59161375-972289) issued by the Ministry of Human Resources and Social Development, the Saudization rate of the company is (100%), and therefore the company was classified within the (Small Green A) category.

The Saudization program "Nitaqat" was approved by His Excellency Minister of Human Resources and Social Development (formerly the Minister of Labor) by Resolution No. (4040), dated 12/10/1432 H (corresponding to 10/09/2011 G), based on Cabinet Resolution No. (50), dated 21/05/1415 H (corresponding to 27/10/1994 G). The "Nitaqat" program was implemented on 12/10/1432 H (corresponding to 10/09/2011 G). The Ministry of Human Resources and Social Development began implementing the "Nitaqat" program to encourage institutions and provide incentives for them to hire Saudi citizens. Through the program, the performance of any company is evaluated based on specific categories (Nitaqat), which are the Platinum Category, the Green Category (divided into sub-categories: A, Low, Medium, and High), and the Yellow and Red Categories. Companies in the Platinum or Green Categories are considered to have met the Saudization requirements and are, thus, entitled to several privileges, which include obtaining and renewing work visas or otherwise changing the professions of foreign workers (except for the professions reserved exclusively for Saudi citizens). Establishments classified in the Yellow and Red Categories (based on their degree of non-compliance with the specified requirements) are considered to have violated the Saudization requirements and may be subject to certain punitive measures, including the limitation of their ability to renew foreign employees' work visas entirely or preventing foreign employees from obtaining or renewing work visas entirely.

6.14 Declarations of Board Members

The Board members declare the following:

1. The Transfer is without prejudice to any of the agreements to which the Company is a party.
2. All legal material information related to the Company is disclosed in the Transfer Document.
3. The Issuer is committed to the requirements of the Corporate Governance Regulations and the disclosure requirements in the Corporate Governance Regulations, the Companies Law, and the implementing regulatory controls and procedures of the Companies Law for listed joint stock companies
4. Except as stated in Subsection (6.12) "**Disputes and Judicial Claims**' of Section (6) "**Legal Information and Declarations of Board Members**" in this Document, neither the Issuer nor any of its subsidiaries is not subject to any lawsuits or legal proceedings that may, severally or collectively, affect the Issuer's or its subsidiaries, or on their business or financial position.
5. The Issuer's Board Members are not subject to any lawsuits or legal proceedings that may, severally or collectively, affect the Issuer's or its subsidiaries business or financial position.
6. There has been no interruption in the Issuer's or any of its subsidiaries business that could have or has had a significant impact on its financial position during the last twelve (12) months.
7. Except as stated in Subsection (6.8) "**Competing Businesses and Material Transactions with Related Parties**" of Section (6) "**Legal Information and Declarations of Board Members**" in this Document, the Board Members or any of their relatives do not have any shares or interests of any kind in the issuer or its subsidiaries.

7. Financial Information & Discussion and Analysis of the Management

Introduction

The Management's Discussion and Analysis of the Group's Financial Position section of this Document provides an analysis of Ladun Investment Company (the "Company" or "Ladun") and its subsidiaries (collectively referred to the "**Group**") operating performance and its financial position as of and for the financial years ended 31 December 2023G, 2024G, 2025G, and the three-month period ended 31 March 2025G and 2026G.

This Section and the accompanying notes have been prepared on the basis of the Group's audited consolidated financial statements for the financial years ended 31 December 2023G, 2024G and 2025G. These statements were prepared by the Group's management and reviewed in accordance with the International Standards on Auditing adopted in the Kingdom of Saudi Arabia by El Sayed El Ayouty & Co (Certified Public Accountants). The Company applied the International Financial Reporting Standards (IFRS) adopted in the Kingdom of Saudi Arabia, along with other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants (SOCPA), in preparing the financial statements for the years ended 31 December 2023G, 2024G and 2025G.

The consolidated interim financial statements for the three-month period ended 31 March 2026G were prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting," as endorsed in the Kingdom of Saudi Arabia, together with other standards and pronouncements endorsed by SOCPA, and were reviewed in accordance with the applicable International Standards on Auditing as endorsed in the Kingdom of Saudi Arabia by the Group's auditor, El Sayed El Ayouty & Co (Certified Public Accountants).

Neither El Sayed El Ayouty & Co (Certified Public Accountants), its subsidiaries, nor any of its employees who are part of the team providing services to the company, nor any of their relatives own any shares, stakes, or interest of any kind in the group that might affect its independence as of the date of issuance of the audited consolidated financial statements. El Sayed El Ayouty & Co (Certified Public Accountants) as of the date of this document, its written consent to refer in this document to its role as an independent entity to audit the Group's accounts for the financial year ending 31 December 2023G, 2024G and 2025G, and for the three-month periods ended 31 March 2025G and 2026G, and has not withdrawn that consent as of the date of issuance of this document.

The above-mentioned financial statements also form an integral part of this document and should be read in conjunction with those statements and the accompanying notes. These financial statements are included in Section 8 " **Auditor's Report**" of this document.

All amounts in this section have been rounded to the nearest thousand riyals unless otherwise stated, and figures and ratios have been rounded to the nearest decimal place. Therefore, the sum of these figures may differ from what is shown in the tables. Accordingly, all ratios, indicators, annual expenditures, and compound annual growth rates are based on rounded figures.

The financial information for the fiscal year ending 31 December 2023G, has been extracted from the comparative financial information presented in the Group's audited consolidated financial statements for the fiscal year ending 31 December 2024G. The financial information for the fiscal year ending 31 December 2024G, has been extracted from the comparative financial information presented in the Group's audited consolidated financial statements for the fiscal year ending 31 December 2025G. The financial information for the three-month period ended 31 March 2025G has been extracted from the comparative financial information presented in the Group's reviewed consolidated financial statements for the three-month period ending 31 March 2026G.

This section may contain hypothetical statements regarding the Group's future prospects, based on management's plans and expectations regarding the Group's growth, results of operations, and financial position, as well as the associated risks and uncertainties. The Group's actual results could differ materially from those projected due to numerous factors, risks, and future events, including those discussed in this section of the document or elsewhere, particularly Section 2 "**Risk factors**" of this document.

Directors' Declaration on the Financial Statements

The members of the Company's Board of Directors, to the best of their knowledge and belief, acknowledge the following:

1. The financial information contained in this section has been extracted without material change and is presented in accordance with the Group's audited consolidated financial statements for the financial years ending 31 December 2023G, 2024G and 2025G, which have been prepared in accordance with IFRS-KSA, issued by the International Accounting Standards Board (IASB) as endorsed in the Kingdom of Saudi Arabia. In addition to the reviewed consolidated financial statements for the three-month period ending 31 March 2025G and 2026G, which have been prepared in accordance with International Accounting Standard (IAS-34), "Interim Financial Reporting," as endorsed in the Kingdom of Saudi Arabia, together with other standards and pronouncements endorsed by SOCPA.
2. The Group has sufficient working capital for the 12 months immediately following the date of publication of this document.
3. That there have been no qualifications in the Auditor's reports on the Group's financial statements for any of the three fiscal years immediately preceding the date of this Document.
4. There have been no materially adverse changes in the Group during the three fiscal years immediately preceding the date of this Document and the offering of securities, in addition to the end of the period covered by the auditor's report and up to the date of this Document.
5. That the Group has no intention to make any material change to its business activities.
6. That the Group's operations have not been discontinued in a manner that significantly affected its financial position during the past twelve months.
7. The Board members acknowledge that all material facts related to the Group and its financial performance have been fully disclosed in this Document and that there are no additional information, documents, or facts that, if omitted, would render any statement misleading.
8. The Board members acknowledge that no commissions, discounts, brokerage fees, or non-cash compensation has been given by the Group during the three (3) years immediately preceding the date of filing the application for registration and offering of securities.
9. That the Group's share capital is not subject to any option agreements.
10. That the Group does not have any loans or liabilities, whether secured by personal or non-personal guarantees, or by mortgage, including any overdrafts, secured liabilities, acceptances, acceptance credits, or finance lease obligations as at 31 December 2025G and the date of this Document, except as disclosed in Section 6 "**Legal Information and Declarations of Board Members**".
11. That there have been no significant fixed assets scheduled to be purchased or leased by the company as at 31 December 2025G and the date of this Document, except as disclosed in this section.

Group Overview

Ladun Investment Company was established on 17/03/1426H (corresponding to 26/04/2005G) in accordance with the Saudi Companies Law and the Company's Articles of Association, last amended on 23/11/1444H (corresponding to 12/06/2023G). The Company is registered under the Unified National Number 7003761512 in the Commercial Register of Riyadh under number 1010467355 dated 18/04/1438H (corresponding to 16/01/2017G), valid until 21/05/1449H (corresponding to 21/10/2027G). The Company's headquarters is located in Riyadh, P.O. Box 395343, Postal Code: 12312.

The Company operates through its headquarters and the following branch:

Khobar Branch – Commercial Registration No. 2051030952 dated 17/03/1426H, valid until 09/11/1448H (formerly the main office*).

*In 2021G, the branch registration number 1010467355 was converted into the main registration, and the main registration number 2051030952 was converted into a branch registration.

The Company's activities include the purchase and sale of land and real estate, land subdivision, off-plan sales activities, management and leasing of owned or rented residential properties, management and leasing of owned or rented non-residential properties, and real estate development of residential and commercial buildings using modern construction methods.

The consolidated financial statements as at 31 March 2026G include the financial statements of the parent Company and the following subsidiaries:

Table 7.1: The Company's subsidiaries:

Subsidiary	Type	Location	Ownership percentage			
			2023G	2024G	2025G	2026G
Built Industrial Company ("Built")	Limited Liability Company	Riyadh	100%	100%	100%	100%
Painite for Operations and Maintenance ("Painite")	Limited Liability Company	Khobar	100%	100%	100%	100%
Ektisab Human Resources Company ("Ektisab")	Limited Liability Company	Riyadh	100%	100%	100%	100%
LAK Investment Trading Company ("Lak")*	Limited Liability Company	Mekkah	100%	-	-	-

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

* On 30 October 2024G, the contract for the parent company's acquisition of LAK Investment and Trading Company — originally signed on 04/08/1442H (corresponding to March 17, 2021G) — was terminated. The acquisition was valued at SAR 128,788,223 at the time of signing, and the company was subsequently sold for SAR 133,007,906.

The Group's financial year begins on January 1 and ends on December 31 of each Gregorian year.

Basis of preparation and key accounting policies

7.14.1 Basis of preparation

7.14.1.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants ("SOCPA").

7.14.1.2 Basis for consolidation of financial statements

The consolidated financial statements include the financial statements of the Parent Company and all subsidiaries, collectively referred to as the "Group". The consolidated financial statements present financial information about the Group as a single economic entity at the same reporting date of the Parent Company, using consistent accounting policies.

- Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies so as to obtain benefits from its activities. Control is presumed to exist over the subsidiary when the Company owns, directly or indirectly, more than half of the voting power of an investee unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control. Control also exists when the Company owns half or less of the voting power of an investee but has other power to govern the financial and operating policies of the entity.
- The financial statements of the subsidiaries are consolidated in full from the date of acquisition being the date when control is transferred to the Group. Consolidation continues until the date of such control ceases.

The Group applies the acquisition method to account for business combinations.

Inter-company transactions, balances, income, expenses, unrealized gains and losses on transactions and dividends are eliminated in full.

7.14.1.3 Basis of measurement

The consolidated financial statements were prepared according to the accrual basis of accounting and the principle of going concern and on the basis of the principle of historical cost except:

1. Financial Assets that are measured at fair value
2. Financial Liabilities that are measured at the present value of future liability projections using the projected unit credit method.

7.14.1.4 Presentation currency

These consolidated financial statements are presented in Saudi Riyals ("SAR") which is the functional and presentation currency. All amounts are presented in the consolidated financial statements in Saudi riyals, unless otherwise stated.

7.14.1.5 Use of judgments, estimates and assumptions

The preparation of these consolidated financial statements requires Management to make certain judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and disclosures of contingent liabilities at the reporting date. Although these estimates are based on the best current information and indicators available to Management, the final actual results may differ from these estimates.

These estimates and assumptions are reviewed on an ongoing basis and the effects arising from adjustment of the accounting estimates are recognized in the period in which such adjustment is made and the subsequent periods. The assumptions and estimates are particularly represented in the application of accounting policies that have significant impact on the amounts recognized in the financial statements.

The most significant accounting judgments, estimates and assumptions

Judgments

The following is an explanation to the significant judgments when applying the accounting policies that have a material impact on the amounts presented in the financial statements and the notes thereto:

Fulfillment of performance obligations

The Group evaluates each of its contracts with customers to determine whether performance obligations have been satisfied over time or at a point in time in order to determine the appropriate method for recognizing revenue under the provisions of the relevant laws and regulations.

Determination of transaction prices

The Group determines transaction prices in relation to each of its contracts with customers. When making such judgment, it assesses the impact of any variable consideration in the contract as a result of discounts or fines and the existence of a significant financing component within the contract, or any non-cash consideration within the contract.

Classification of investment properties

The Group determines whether the property qualifies as investment property under IAS 40: Investment properties. In making such judgment, the Group considers whether the property generates cash flows largely independently of other properties and equipment.

Assumptions and estimates

The following is an explanation of information to assumptions and estimates of uncertainty that have a significant impact on the amounts presented in the consolidated financial statements and the notes:

Going concern assumption

The consolidated financial statements have been prepared in accordance with the going concern principle. The Management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the necessary resources to continue in business for the foreseeable future. Furthermore, Management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern according to the going concern principle.

Useful lives of property and equipment

The Management determines the estimated useful lives of property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the assets, useful lives or physical wear and tear.

Management reviews the residual value of useful lives annually to verify that it reflects the expected benefit to be obtained. If it differs from previous estimates, changes in depreciation expense in current and future periods are adjusted, if any.

Fair value measurement

When the fair value of the financial assets and liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in the assumptions relating to these factors can affect the reported fair value of the financial instruments. The contingent consideration resulting from a business combination is assessed at the fair value on the acquisition date, part of the business combination. If the consideration meets the definition of a financial liability, it will be subsequently remeasured at the fair value in each reporting date. Fair value is determined based on discounted cash flows. Underlying assumptions take into account the possibility of fulfilling each objective of performance and discount factor.

Interest rate implicit in leases

The Group cannot readily determine the interest rate implicit in all leases. Therefore, it uses the Incremental Borrowing Rate (IBR) to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make Group-specific estimates.

Provision for expected credit losses

The Group applies the expected credit losses model to determine impairment losses in the value of trade and other receivables, and this requires the Group to take some factors to ensure that the receivables are not exaggerated as a result of the possibility of non-collection, such as aging of receivables and continuous credit evaluation. Provisions are recorded when there is objective evidence indicating the possibility of non-collection and in accordance with what is stipulated in IFRS (9).

Impairment of non-financial assets

(Except for inventory and investment properties separately assessed for impairment), Management reviews at each reporting date the carrying amounts of other non-financial assets and determine if there is any indicator that the value of non-financial assets may be impaired. In the event of such indication, the recoverable value is estimated, and the book value is reduced thereto and the impairment loss of those assets is recognized and charged to the statement of profit or loss. The recoverable amount is measured using the higher of fair value of the asset less the cost to sell it - or the present value of the cash flows expected to be derived from it according to the discount rate. Indicators of potential impairment of a non-financial asset may include information suggesting a significant decline in the non-financial asset's market value beyond what is expected due to normal use, or evidence of obsolescence or damage to the asset, or a decline in its expected economic performance, whether in terms of operating results or anticipated cash flows. When there are indications that a recognized impairment loss in prior periods may no longer exist or have decreased, impairment loss is reversed only to the extent that it does not exceed the previously recognized impairment loss.

7.14.2 Material Information on Accounting Policies

The management has consistently applied the significant accounting policies outlined below to all periods presented in these consolidated financial statements.

7.14.2.1 Current vs non-current classification of assets and liabilities

The Group presents its assets and rights in the balance sheet based on current/non-current classification as follows:

Assets

- An asset is classified as current when:
- It is expected to be realized or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realized within twelve months after the reporting period; or
- is 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

A liability is classified as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

7.14.2.2 Property, plant and equipment

Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss, (if any).

- The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Subsequent costs of acquisition

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of properties, plant and equipment are recognized in statement of profit or loss as incurred.

Depreciation

Depreciation is calculated based on the cost of assets less the residual value. The significant components of individual assets are estimated. If a component has a useful life different from the useful life of these assets, the useful life of that component is depreciated separately.

Depreciation is included in the profit or loss statement using the straight-line method over the expected useful life of each component of property, plant, and equipment - except for land, as it does not depreciate. Depreciation methods, useful lives, and residual values are reviewed at each financial reporting date and adjusted as appropriate. Depreciation of an asset begins when it is available for use. Depreciation of an asset ceases at the earlier of when the asset is classified as held for sale or is when the asset is derecognized.

The following are the estimated useful lives of property, plant and equipment:

Table 7.2: Useful life of property, plant and equipment

Asset	Useful life
Buildings and improvements	10 – 40 years
Computers	3 – 7 years
Property and equipment	4 – 10 years
Decorations	3 – 5 years
Vehicles	4 – 5 years
Furniture and fixtures	5 – 10 years
Construction and equipment	3 – 5 years

Source: Audited consolidated financial statements for the fiscal year ending 31 December 2025G.

Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within the consolidated statement of profit and loss.

7.14.2.3 Capital work in progress

Capital work in progress at year-end includes certain assets that have been acquired but are not ready for their intended use. Capital work in progress is stated at cost less any recorded impairment. These assets are transferred to relevant assets categories and are depreciated once they are available for their intended use.

7.14.2.4 Investment property

Investment properties represent land, buildings, or both held to earn rental income, for capital appreciation, or both, and include properties under construction or development intended for future use as investment properties. They do not include properties held for sale in the ordinary course of business or those used in the production or supply of goods or services or for administrative purposes.

Investment properties are initially recognized at cost, which includes the purchase price, directly attributable transaction costs, and any costs necessary to bring the asset to its intended location and condition for use. The Group applies the cost model, whereby investment properties are measured at cost less accumulated depreciation and impairment losses, if any. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. The fair value of investment properties is disclosed in accordance with IAS 40 and is determined based on periodic valuations, at least annually, performed by an independent valuer accredited by the Saudi Authority for Accredited Valuers (TAQEEM). Right-of-use assets arising from lease contracts and classified as investment properties are recognized and measured in accordance with IFRS 16 and the Group's lease accounting policy. Investment properties are derecognized upon disposal, when permanently withdrawn from use, or when no future economic benefits are expected from their disposal. Any difference between net disposal proceeds and the carrying amount is recognized in the statement of profit or loss in the period of derecognition. Management reviews useful lives, residual values, and depreciation methods on a periodic basis, at least annually, and any changes in accounting estimates are accounted for prospectively in accordance with the applicable standards

7.14.2.5 Leasing

Determining whether a contract is (or contains) a lease depends on the substance of the agreement at the inception of the lease. A contract is, or contains, a lease if the contract gives the right to control the use of an asset for a period of time in exchange for consideration.

A single recognition and measurement model is applied to all leases except for short-term or low-value leases.

The right to use assets and lease liabilities are recognized at the inception of the lease.

Right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- The amount of initial recognition of lease liabilities;
- Any lease payments made at or before the commencement date minus lease incentives received
- Any initial direct costs; and
- Restoration costs.
- Right-of-use assets are depreciated on a straight-line basis over the shorter of expected useful life or the lease term.

Lease liabilities

Lease liabilities are initially measured at the present value of lease payments that are not paid at the inception of the lease, which include:

- Fixed payments (including in-substance fixed payments) less any lease incentives receivable.
- Variable lease payments that depend on an index or a rate.
- Amounts expected to be paid under residual value guarantees.
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option.
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

If the lease payments are discounted using the incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. Each lease payment is apportioned between the finance cost and the reduction of the outstanding liability. Finance costs are charged to the statement of profit or loss over the term of the relevant lease so as to produce a constant periodic rate of interest on the remaining balance of liability for each period.

Short-term or low-value leases

Short-term leases are leases with a lease term of 12 months or less. Payments related to short-term leases and leases of low-value assets on a straight line basis are recognized as an expense in the statement of profit or loss.

7.14.2.6 Intangible assets

The separately acquired intangible assets are measured initially at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are classified as either definite or indefinite. Intangible assets with a definite life are amortized over their estimated useful lives, and they are reviewed to ensure impairment when there is evidence indicating such impairment. The amortization period and the amortization method for an intangible asset with a finite life are reviewed one time at least at the end of each reporting period. Changes in the expected useful life or the method of consumption of future economic benefits embodied in the asset are considered based on the latest amortization period or method, as appropriate, and are treated as changes in accounting estimates. The expenses related to the amortization of intangible assets with a definite life are listed in the profit or loss statement as an expense and are aligned with the function of the intangible assets.

The intangible assets with finite useful lives held by the company consist of computer software, which is amortized on a straight-line basis over five to seven years.

The useful life of intangible assets with a definite life is regularly reviewed to assess whether there are any indications that the originally determined useful life is still appropriate and valid. Otherwise, the change in the useful life calendar is made on a prospective basis. Intangible assets with indefinite life are not amortized but are tested for impairment annually either individually or at the cash-generating unit level.

The profits or losses resulting from discontinuing the recognition of intangible assets are measured as the difference between the net proceeds from disposal and the carrying amount of the asset. They are recognized in the statement of profit or loss upon discontinuation of the asset's recognition.

7.14.2.7 Investments in associates

Associates are entities over which the investor company has significant influence and which are neither subsidiaries nor interests in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the associate but is not control or joint control over those policies. Significant influence is presumed to exist over an associate when the investor company holds 20% or more of the voting power of the associate, unless there is evidence that significant influence does not exist. Conversely, significant influence is presumed not to exist if the investor company holds less than 20% of the voting power of the associate, unless there is evidence that significant influence does exist.

Accounting for investments using equity method of accounting

Investments in associates are accounted for using the equity method of accounting by which an equity investment is initially recorded at cost of acquisition and subsequently adjusted to reflect the investor's share of income and other comprehensive income of the investee.

If the Group's share of losses of an investee equals or exceeds its interest in the investee, the Group discontinues recognizing its share of further losses. However, after the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. If the investee subsequently reports profits, the Group resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

7.14.2.8 Properties for development and sale

Property acquired, constructed or under development for the purpose of sale is classified as development properties held for sale. These properties are measured at the lower of cost and net realizable value. The cost of development properties includes, but is not limited to, the cost of land acquisition and related rights, construction and development costs, design and engineering consultancy fees, borrowing costs related to qualifying projects, and all direct and indirect costs necessary to prepare the properties for sale, as well as any other costs directly attributable to bringing the properties to their present location and condition.

Net realizable value represents the estimated selling price in the ordinary course of business, less the estimated costs to complete the development, if any. Management reviews the carrying amounts of development properties periodically, at least annually, to assess whether any impairment exists Any resulting loss is recognized in the statement of profit or loss.

Upon sale, the carrying amount of the properties sold is recognized as an expense within cost of revenue. At each reporting date, development properties are classified as current or non-current assets based on the expected period of realization, in accordance with management's plans and the project execution schedule.

7.14.2.9 Inventorie

Inventories are measured at lower of cost and net realizable value.

The cost includes the costs of purchasing materials and all expenses incurred to bring them to their present location. The cost is measured using the weighted average method.

Net realizable value is the estimated selling price in the ordinary course of business, less any expected costs of completion and the estimated selling costs.

Impairment of inventory

An assessment is made at each reporting date whether any inventories are impaired by comparing the carrying amount of each inventory item (or a group of similar items) with the selling price less the cost of completion and sale. If the net selling price is less than the carrying amount, the impairment loss is recognized for the inventory.

7.14.2.10 Accounts receivable

Accounts receivable are initially recognized at fair value and subsequently measured at amortized cost using effective interest less any impairment losses.

Trade receivables arise when the Group provides products and services to a customer on credit. The Management of the Group does not impose any commissions on trade receivables.

7.14.2.11 Related party transactions

Transactions with related parties include the transfer of resources, services, obligations or financing between the Group and the related party, regardless of whether such transactions are conducted on terms equivalent to those prevailing in an arm's-length transaction.

A related party is a person that is related to the reporting entity, or a close member of that person's family is related to a reporting entity if that person:

a. is a member of the key management personnel of the reporting entity*.
b. has control or joint control over Group reporting entity.
c. has significant influence over the Group's decision-making process and policies.

*Key management personnel are those persons who have authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors whether executive or otherwise of the entity.

An entity is related to the Group if any of following conditions applies:

a. The entity and the reporting entity are members of the same group or both entities are jointly owned;
b. One entity is an associate or joint venture of the other entity;
c. The entity is controlled by the reporting entity or vice versa or the entity and the reporting entity are jointly controlled.

7.14.2.12 Statement of cash flows

Statement of cash flows is prepared according to the indirect method.

For the purpose of preparing the statement of cash flows, cash and cash equivalents comprise cash with banks, cash on hand and the above short-term deposits, less outstanding overdraft accounts that form an integral part of the Group's cash management.

7.14.2.13 Account payables and accrued expenses

Account payables and accrued expenses are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

Trade payables are liabilities that the Group has incurred during the ordinary course of business on the basis of normal credit terms and they are non-interest bearing.

7.14.2.14 Employee defined benefit obligations

Defined benefit plans (employee defined benefit obligations)

The Group operates a defined benefit plan for end-of-service benefits in line with the Labor Law requirement in the Kingdom of Saudi Arabia. The payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment. As defined by the conditions stated in the Labor Law of the Kingdom of Saudi Arabia, employees' end of service benefit plans are unfunded plans whereby the benefit payment obligations are met by concerned entities when they fall due.

The defined benefits obligation is periodically re-measured by an actuary using the projected credit unit method. The amount of obligation is calculated on the basis of the present value of the estimated future cash outflows discounted at the discount rate used.

The costs of the defined benefit obligations for the initial periods are calculated on an annual basis using the actuarially defined pensions cost rate at the end of the previous year, adjusted for significant market fluctuations and any significant onetime events, such as scheme adjustments or manpower cuts and reimbursements, Actuarial gains and losses arising from remeasurement of defined benefit plan obligation are recognized in the statement of other comprehensive income.

The Company calculates interest expense by applying the discount rate used to measure the net defined benefit obligation. The net interest expense and other expenses related to defined benefit plans recognized in the statement of profits or losses.

Short-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, non-cash benefits, annual leave, sick leave, air tickets and child education allowances during the period in which the employees render the related service. The liability is recorded at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognized in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

7.14.2.15 Zakat and tax

Zakat charge

The Group calculates Zakat for the parent company and its subsidiaries, whereby a consolidated return is submitted for the Group for each financial year separately in accordance with the provisions and rules of Zakat in the Kingdom of Saudi Arabia on an accrual basis. The Zakat provision is charged to the consolidated statement of profit or loss and other comprehensive income as a separate item. Any additional Zakat obligations resulting from any Zakat assessments, if any, are charged in the same financial year in which the Zakat assessment is approved.

Value Added Tax

The net amount of VAT recoverable from, or payable to the GAZT is included as for the part of receivables or payables in the statement of financial position.

Withholding Tax

Group withholds taxes on certain transactions with non-resident parties in the KSA, if any, as required under Saudi Arabian Income Tax Law. Withholding tax on foreign payments is recorded as a short-term liability.

7.14.2.16 Provisions

Provisions are recognized when the Group 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 can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If outflows to settle the provisions are no longer probable, reversal of the provision is recorded as income.

7.14.2.17 Contingent liabilities and assets

All contingent liabilities arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Group; or all present obligations arising from past events but not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability. A contingent liability will not be recognized, rather, it will be disclosed in the financial statements.

Contingent assets are not recognized in financial statements; however, a contingent asset is disclosed where an inflow of economic benefits is probable.

7.14.2.18 Foreign currency translation

Transactions in foreign currencies during the period are translated into Saudi Riyals and recorded at the rates of exchange prevailing at the transaction dates. The balances of assets and liabilities recorded in foreign currencies at the balance sheet date are translated into Saudi Riyals at the exchange rates prevailing at that date. Profits and losses arising from transactions are reported in the statement of income.

7.14.2.19 Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial asset or a financial liability is recognized and measured in accordance with measurement, recognition and disclosure requirements of IFRS 9.

Relevant detailed accounting policies are as follows:

Financial assets

Initial recognition and measurement

Trade receivables and deposits are recognized on the date they arise while all other financial assets are recognized on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

Financial assets are measured upon initial recognition at the transaction price attributable to the acquisition of the financial asset, including transaction costs, except for financial assets that are subsequently measured at fair value through the statement of profit or loss. If the arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest.

IFRS 9 has three major categories of financial assets as follows: Financial assets measured at amortized cost, assets measured at fair value through other comprehensive income and assets measured at fair value through profit or loss.

Under IFRS 9, financial derivatives embedded in contracts containing the basic instrument are financial assets within the scope of the standard and are not separated. The entire hybrid financial instrument is assessed for classification.

Subsequent measurement of financial assets depends on their classification as described below:

- ● **Financial assets at amortized cost**

These assets are measured upon initial recognition at fair value plus transaction costs directly attributable to the acquisition or issue of the financial asset. After initial recognition, they are measured at amortized cost using the effective interest method.

- ● **Financial assets at fair value through other comprehensive income**

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

Classification and subsequent measurement

Financial assets at fair value through profit or loss

Financial assets carried at fair value through profit or loss include financial assets held for trading and financial assets classified at initial recognition as fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. After initial recognition, they are re-measured at fair value.

Derecognition of financial assets

A financial asset is primarily derecognized when:

The contractual rights to the cash flows from the financial asset expire;

The Group transfers the rights to receive the contractual cash flows from the asset; Or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either the Company has transferred substantially all the risks and rewards of the asset, or it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets measured at cost or amortized cost

Under IFRS 9, an impairment review is made at each reporting date for financial assets measured at amortized cost or FVTOCI except investments in equity instruments as well as contract assets as per the expected future credit loss model, which requires a significant estimate of how changes in economic factors affect the expected credit loss models that are determined on a weighted probability basis. Loss provision will be measured on one of the following basis:

1. The expected credit loss over 12 months: This expected credit loss arises from default and potential default events within 12 months after the reporting date.
2. The expected credit loss over the life of the financial instrument: It is the expected credit loss that results from all default events over the expected life of the financial instrument.

As for the expected credit loss over 12 months، measurement is applied if the credit risks of financial assets have increased substantially at the reporting date since the initial recognition. The expected credit loss over 12 months measurement is applied if the credit risks have not increased substantially. The entity may determine that the credit risk does not increase substantially in case the instrument is exposed to low credit risks at the reporting date. However, the measurement of lifetime expected credit losses is always applied to trade receivables and contract assets without any significant financing components. The entity may choose to apply this policy also to trade receivables and contract assets with significant financing components.

Financial liabilities

Initial measurement

Upon initial measurement Except for financial liabilities that are subsequently measured at fair value through profit or loss, the financial liability is measured at the transaction price (including transaction costs), unless the arrangement forms actually financing transaction of the entity (for financial obligation) or a counter party (for financial asset) of the arrangement.

At initial measurement of financial liabilities that are subsequently measured at fair value through profit or loss, transaction costs are recognized in the statement of profit or loss.

The arrangement constitutes a financing transaction if payment is deferred beyond normal business terms. If the arrangement constitutes a financing transaction. The financial liability shall be measured at the present value of the future payments discounted at the market rate of interest for a similar debt instrument.

Trade payables that have a significant financing component or have a maturity of less than 12 months are measured at their transaction price (invoice).

Classification and subsequent measurement

Financial liabilities are measured at the amortized cost using the effective interest method if the above specified conditions have been met. Financial liabilities are subsequently measured at the amortized cost using the effective interest method. The amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate is included in the finance income within the statement of profit or loss. IFRS 9 introduces the change in fair value related to changes in the credit risk of liabilities in the comprehensive income statement while the remaining amount of the change in fair value is presented in the statement of profit or loss.

Debt instruments classified as current liabilities are measured at the undiscounted cash amount or other cash consideration expected to be paid unless the arrangement constitutes, in fact, a financing transaction.

Derecognition of financial liabilities

A financial liability is derecognized when and only when the obligations are discharged, canceled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms or when the terms of an existing obligation are substantially modified, such replacement or modification is treated as a derecognition of the original financial liability, along with recognizing the new obligation. The difference in respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when the Group currently has a legally enforceable right to set off the recognized amounts; and the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

7.14.2.20 Revenue recognition

The Group recognizes revenue in the statement of profit or loss and other comprehensive income when (or as) it satisfies performance obligations by transferring control of goods or services to the customer, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding amounts collected on behalf of third parties. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractual payment terms and any significant financing components, if applicable. The Group recognizes revenue from contracts with customers in accordance with IFRS 15 – Revenue from Contracts with Customers, applying the five-step model.:

- Step 1: Identifying the contract(s) with the customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out criteria that must be met.
- Step 2: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3: Determine the transaction price: It is the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4: Allocate the transaction price to the performance obligations. Where a contract has multiple performance obligations. the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.If the consideration promised in a contract includes a variable amount، the Group must estimate the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to a customer.

The Group assesses its role in each contract to determine whether it is acting as a principal or an agent;

- Principal: when acting as a principal, where it controls the goods or services before transfer to the customer, revenue is recognized on a gross basis.

Agent: where it arranges for the provision of goods or services, revenue is recognized on a net commission basis, taking into account indicators such as responsibility for fulfilling the obligation, inventory risk, and pricing discretion.

Where contracts include non-cash consideration, the Group measures such consideration at fair value when determining the transaction price, or indirectly by reference to the stand-alone selling price of the promised goods or services.

- Fair value is determined at the time of revenue recognition and not subsequently remeasured for revenue purposes; where entitlement to such consideration is contingent on future contractual conditions, it is recognized as a contract asset until those conditions are satisfied and control is transferred.

Revenue is recognized over time if any of the following criteria are met: The customer simultaneously receives and consumes the benefits as the Group performs, or the Group's performance creates or enhances an asset controlled by the customer. Or the asset has no alternative use to the Group and the Group has an enforceable right to payment for performance completed to date; in such cases: Progress is measured using the input method (cost-to-cost basis), Revenue is recognized based on the stage of completion at the reporting date.

If these criteria are not met, revenue is recognized at a point in time when control transfers to the customer. The transfer of control is determined based on indicators such as: Transfer of legal title, customer acceptance of the asset or service, the Group's right to payment, and the transfer of significant risks and rewards.

Revenue from real estate development, and off-plan sales

The Group recognizes revenue from real estate development and off-plan sales contracts over time, where: The asset has no alternative use to the Group; and the Group has an enforceable right to payment for performance completed to date. Progress toward completion is measured using the input method calculated as follows: Percentage of completion = costs incurred to date / total estimated costs.

Costs that do not reflect actual performance are excluded.

Presentation of contract balances:

A contract asset is recognized when recognized revenue exceeds billings. A contract liability is recognized when billings exceed recognized revenue. Where progress cannot be measured reliably, revenue is recognized only to the extent of recoverable costs.

- Revenue from Sale of Completed Properties and Land

Revenue is recognized at a point in time when control is transferred to the customer, which typically coincides with: Transfer of legal title; handover of the property; and

Construction contracts

Revenue from construction contracts is recognized over time using the cost-to-cost method (input method), which is the ratio of contract costs incurred for work performed to date to the estimated total contract costs. Profit is only recognized when the contract reaches a stage where the final profits can be estimated with reasonable certainty. Claims, change orders, and incentive payments are considered for the purpose of contract profit recognition upon approval by the contract owner, and expected contract losses are recognized in full as soon as they become apparent.

The difference between the revenue recognized based on the stage of completion and the amounts billed is presented as unbilled contract assets.

Management considers that the use of the input method (cost-to-cost method) provides a reliable measure of progress in satisfying performance obligations, as costs incurred directly reflect the work performed.

This method is consistent with the nature of construction contracts, which are executed in interrelated stages. Accordingly, it faithfully represents the pattern of satisfaction of performance obligations and the transfer of control of goods or services to the customer.

Rental income

The Group acts as a lessor under operating lease arrangements. Rental income is recognized on a straight-line basis over the lease term in accordance with IFRS 16 – Leases. Lease incentives are allocated over the lease term. Initial direct costs are recognized as an asset and amortized over the lease term. Compensation on lease termination is recognized when it becomes receivable.

Service rendering revenue

Service revenue is recognized: Over time, if the criteria for continuous recognition are met; or at a point in time, upon completion of the service. Where the outcome cannot be measured reliably, revenue is recognized to the extent of recoverable costs.

- Where a contract includes a significant financing component due to differences between payment timing and transfer of control: The transaction price is adjusted to reflect the time value of money.

- Incremental costs of obtaining a contract are capitalized if they are expected to be recoverable. These costs are amortized over the contract period or based on the pattern of transfer of services.

Measurement of Progress

The Group applies a single method of measuring progress for each performance obligation satisfied over time and applies it consistently to similar obligations under similar circumstances.

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset until it is ready for its intended use, in accordance with IAS 23 – Borrowing Costs.

Contract Assets and Contract Liabilities

The Company recognizes contract assets and contract liabilities in accordance with IFRS 15 – Revenue from Contracts with Customers, based on the extent of progress toward satisfaction of performance obligations, reflecting the difference between the timing of revenue recognition and billing.

Contract assets arise when recognized revenue exceeds billings and represent the Company's contractual right to consideration for work performed but not yet billed. This right is conditional upon meeting contractual requirements, including certification of work performed. Contract assets are reclassified to trade receivables once billing conditions are met. Contract assets are subject to impairment testing.

Contract liabilities arise from advance payments received from customers or when billings exceed recognized revenue. They represent the Company's obligation to transfer goods or services in the future and are recognized as revenue when performance obligations are satisfied and control is transferred.

- Contract assets and contract liabilities are presented separately in the statement of financial position as current or non-current, depending on the nature of the contract and timing of cash flows or transfer of consideration.

7.14.2.21 Cost of revenue and general and administrative expenses

Revenue costs comprise costs of development and other related service costs, including construction cost, direct labor, other capital costs and operating expenses associated with revenue. All other expenses are classified as general and administrative expenses.

7.14.2.22 Finance cost

Finance cost comprise interest expense and other costs incurred by the Group in connection with borrowings and finance facilities. All finance costs are charged to profit or loss in the period in which they are incurred, except for private financing costs.

7.14.2.23 Board of Directors' remunerations

Total remunerations paid to the Board of Directors represent fees for meeting attendance, bonuses and expenses. They are in line with the Companies Law requirements and the Capital Market Authority guidelines and the Company's Articles of Association.

7.14.2.24 Earnings per share

Basic earnings per share and diluted earnings per share (if any) are presented for ordinary shares. Basic earnings per share are calculated by dividing the Group's profit or loss attributable to common shareholders by the weighted average number of common shares outstanding during the year, after being adjusted by the number of ordinary shares repurchased or issued during the year. Diluted earnings per share is calculated by adjusting diluted profit or loss of the Group's ordinary shareholders and the weighted average number of shares outstanding during the year compared to dilutive potential ordinary shares.

7.14.2.25 Dividends

Dividends are distributed to the Shareholders when the General Assembly of Shareholders approves the dividends in line with the Saudi Companies Law.

7.14.2.26 Operating Sectors

A business segment is a company with assets and operations associated with providing products or services that are subject to different risks and returns than other business segments. The geographical sector includes the provision of products or services within a specific economic environment that is subject to different risks and returns than sectors operating in other economic environments.

7.14.3 Changes in significant accounting policies and new standards

7.14.3.1 New and revised IFRS Standards that are applicable and have no significant impact on the consolidated financial statements:

No new IFRS standards have been applied; however, a number of IFRS amendments are effective as of January 01, 2024 but have no significant impact on the Group's consolidated financial statements. The following is a summary of the amendments applied by the Group:

Standard- Interpretation	Description	Effective date for financial statements beginning on or after
IAS 21	Amendments to the standard "Effects of Changes in Foreign Exchange Rates" related to the definition of a convertible currency and the estimation of the spot exchange rate when the currency is non-convertible, and the related disclosures.	1 January 2025

7.14.3.2 New and revised IFRS not yet effective and not applicable:

The following are standards and interpretations issued and not yet effective and not applicable as of the date of the consolidated financial statements:

Standard-Interpretation	Description	Effective date for financial statements beginning on or after
IFRS 9 and IFRS 7	Classification and measurement of financial instruments: These amendments: A. Clarify the requirements related to the timing of recognition and derecognition of certain financial assets and liabilities, with a new exception for certain financial liabilities that are settled through electronic funds transfer systems; B. Clarify and provide additional guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; C. Add new disclosures for certain instruments that contain contractual terms that could change cash flows (such as certain instruments containing features linked to environmental, social, and governance (ESG) targets); D. Update disclosures related to equity instruments designated at fair value through other comprehensive income.	1 January 2026
IFRS 18 Replacing IAS 1 and Consequential Amendments to IAS 8	IFRS 18 Replacing IAS 1 The Saudi Organization for Chartered and Professional Accountants has adopted IFRS 18 "Presentation and Disclosure in Financial Statements," which replaces IAS 1. The standard includes improvements to the structure of the profit or loss statement to provide more relevant and clear information, and develops specific requirements related to performance measures defined by management. The issuance of this standard has resulted in consequential amendments to IAS 8 regarding the basis for preparing financial statements and disclosure of significant accounting policy information and sources of estimation uncertainty. It has also led to amendments to IAS 7 concerning the presentation of cash flows from profits and returns from interest income and expenses, with specific requirements for entities whose primary activities are focused on investment or financing.	1 January 2027
IFRS 19	The Saudi Organization for Chartered and Professional Accountants has adopted IFRS 19 "Subsidiaries without Public Accountability: Disclosures." This standard primarily aims to provide a reduced level of disclosures in the financial statements of subsidiary companies that do not have public accountability, as an alternative to the disclosure requirements in the full International Financial Reporting Standards. The objective is to simplify the mechanisms and systems for preparing financial statements and reduce their costs.	1 January 2027
IFRS 9 and IFRS 7	Amendments to the Standard "Financial Instruments" relating to nature-dependent electricity contracts and the related disclosure amendments.	1 January 2026

7.1 Results of Operations for the Financial Years Ended 31 December 2023G, 2024G and 2025G

7.1.1 Statement of Profit and Loss and Other Comprehensive Income

Table 7.3: Consolidated statement of profit or loss and other comprehensive income for the fiscal years ending 31 December 2023G, 2024G, and 2025G:

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
Revenue	1,436,020	1,505,276	1,158,181	4.8%	(23.1%)	(10.2%)
Cost of revenue	(1,137,928)	(1,233,170)	(972,562)	8.4%	(21.1%)	(7.55%)
Gross profit	**298,091**	**272,106**	**185,619**	**(8.7%)**	**(31.8%)**	**(21.1%)**
General and administrative expenses	(144,157)	(140,267)	(136,636)	(2.70%)	(2.6%)	(2.64%)
Losses on disposal of intangible assets	-	(1,483)	(165)	n.a	(88.9%)	n.a
Losses on disposal of investment properties	(11,752)	(2,125)	-	(81.9%)	(100.0%)	(100.0%)
Losses on disposal of property, plant and equipment	(753)	(423)	529	(43.8%)	(225.0%)	n.a
Losses from operational contracts	-	(7,000)	(1,134)	n.a	(83.8%)	n.a
Impairment loss on property, plant and equipment	-	(586)	-	n.a	(100.0%)	n.a
Reversal of impairment loss on property, plant and equipment	-	-	574	n.a	n.a	n.a
Impairment of customer contracts	-	(10,165)	(6,950)	n.a	(31.6%)	n.a
Obsolete and slow-moving inventory	-	-	(3,429)	n.a	n.a	n.a
Expected credit losses	-	(4,723)	(7,334)	n.a	55.3%	n.a
Gains on disposal of right-of-use assets	91	-	-	(100.0%)	n.a	(100.0%)
Operating profit	**141,520**	**105,334**	**31,073**	**(25.6%)**	**(70.5%)**	**(53.1%)**
Dividends from financial assets at fair value through other comprehensive income	665	1,900	2,280	185.7%	20.0%	85.2%
Dividends from investments at fair value through profit or loss	1,044	700	694	(33.0%)	(0.9%)	(18.5%)
Profit (loss) from re-valuation of investments at fair value	4,914	(6,235)	(2,235)	(226.9%)	(64.2%)	n.a
Legal claims	-	(2,327)	(5,756)	n.a	147.4%	n.a
Expenses related to the transition to the Main Market	-	(240)	(2,724)	n.a	1035.2%	n.a
Finance cost	(30,146)	(42,116)	(78,355)	39.7%	86.0%	61.2%
Other income	2,962	1,492	1,428	(49.6%)	(4.3%)	(30.6%)
Profit from investment in debt instruments	-	213	43	n.a	(79.8%)	n.a
Reversal of account receivable provision	-	1,957	-	n.a	(100.0%)	n.a
Reversal of provision for investment losses in an associate	126	-	-	(100.0%)	n.a	(100.0%)
Realized gains from sale of investments at fair value through profit or loss	455	-	-	(100.0%)	n.a	(100.0%)

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
Net (loss)/ profit for the year before zakat	121,541	60,679	(53,553)	(50.1%)	(188.3%)	n.a
Zakat	(12,174)	(1,708)	(1,844)	(85.97%)	8.0%	(61.08%)
Zakat provision reversal	-	2,756	-	n.a	(100.00%)	n.a
Net (loss)/ profit for the year from continued operations	109,367	61,728	(55,397)	(43.56%)	(183.8%)	n.a
Profit / loss from sale of associate	(26)	4,357	-	(16857.7%)	(100.0%)	(100.0%)
Net profit/(loss) for the year from non-continued operations	(26)	4,357	-	(16857.7%)	(100.0%)	(100.0%)
Net (loss)/profit for the year	**109,341**	**66,084**	**(55,397)**	**(39.6%)**	**(183.8%)**	**n.a**
Other comprehensive income						
Items that will not be reclassified to statement of profit or loss in future periods:						
.Unrealised profit (loss) from re-valuation of financial investments at fair value	(29,070)	(10,165)	(6,080)	(65.0%)	(40.2%)	(54.3%)
Actuarial profit (loss) from re-measurement of employee benefits	(1,613)	3,347	4,059	(307.5%)	21.3%	n.a
Total other comprehensive income	**78,658**	**59,266**	**(57,418)**	**(24.7%)**	**(196.9%)**	**n.a**
As a % of revenue					Ppt.	
Gross margin	20.8%	18.1%	16.00%	(2.7)	(2.1)	(4.8)
Operating profit margin	9.9%	6.8%	2.70%	(2.9)	(4.3)	(7.2)
Net profit margin	7.6%	4.4%	(4.80%)	(3.5)	(8.9)	(12.4)

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Revenue

Revenue is primarily composed of four segments: (i) the real estate segment, which contributes approximately 31% of total revenue in 2025G, derived from the sale of residential units and developed lands, as well as rental income from leases; (ii) the contracting segment, which contributes approximately 45%, generated from construction contracts under the Built Industrial subsidiary; (iii) the industrial segment, which contributes approximately 22%, stemming from manufacturing activities within Built; and (iv) the service segment, which contributes approximately 2%, generated through service activities such as facility management under the Painite and Ektisab subsidiaries.

Revenue slightly increased by approximately 5% from SAR 1,436.0 million in 2023G to SAR 1,505.3 million in 2024G, primarily driven by strong growth in the contracting segment by SAR 123.9 million and continued expansion in the industrial segment by SAR 87.9 million. This was partially offset by a decline in the real estate segment by SAR 152.6 million, due to a decrease in revenue from the sale and development of properties by SAR 83.9 million, largely impacted by the decline in revenues from the Ausseilah project upon the slight increase in PoC, reaching 98.4%.

Revenue decreased by approximately 23% from SAR 1,505.3 million in 2024G to SAR 1,158.2 million in 2025G, primarily driven by a decline in real estate segment revenue by SAR 535.2 million. The decrease mainly reflects lower contributions from development and sale activities, specifically from the Ausseilah (by SAR277.6m) and Al-Rimal projects (by SAR286.8m), both of which reached 100% completion in early 2025. This decline was partially offset by increased revenue from the contracting segment by SAR 140.6 million and the industrial segment by SAR 44.5 million, both driven by new contracts secured in 2025G with key customers such as Red Sea Global.

Cost of Revenue

Cost of revenue comprises direct costs associated with each segment, including subcontractor costs, approximately 31% in 2025G, incurred by the Built entity for construction projects (c.25%); costs of development and sale of real estate investments, approximately 13%, related to Ladun Investments' projects among other expenses.

Cost of revenue increased by approximately 8%, from SAR 1,137.9 million in 2023G to SAR 1,233.2 million in 2024G, primarily driven by an increase in the cost of development and sale of real estate projects by SAR 61.1 million. This was followed by higher subcontractor costs by SAR 38.4 million and construction material expenses by SAR 19.0 million, mostly related to increased activity in both the industrial and contracting segments. Overall, the increase in the cost base outpaced revenue growth, contributing to the decline in gross margins during the year.

Cost of revenue decreased by approximately 21% from SAR 1,233.2 million in 2024G to SAR 972.6 million in 2025G, primarily driven by (i) lower costs associated with the development and sale of real estate units by SAR 233.8 million, in line with the completion of key real estate projects, and (ii) a reduction in subcontractors' expenses from Built by SAR 144.3 million, reflecting increased reliance on in-house manpower. This was partially offset by higher construction material costs by SAR 52.8 million, in line with the growth in Built's activities, and an increase in the cost of developed housing units by SAR 43.1 million following the recognition of final costs upon completion.

Gross Profit

Gross profit decreased by approximately 9%, from SAR 298.1 million in 2023G to SAR 272.1 million in 2024G, primarily due to the increase in the cost of revenue, which outpaced topline growth, resulting in margin pressure across all segments.

Gross profit decreased by approximately 32% from SAR 272.1 million in 2024G to SAR 185.6 million in 2025G, primarily driven by lower real estate revenue as key projects neared completion, coupled with margin compression resulting from a higher contribution from the construction and industrial segments, which inherently carry lower margins compared to real estate development and sales, which improved from 2.9% in 2024G to 9.2% in 2025G due to new projects with better margins and the termination of old, unprofitable contracts.

General and administrative expenses

General and administrative expenses increased by approximately 9%, from SAR 144.2 million in 2023G to SAR 157.7 million in 2024G, primarily driven by increases in (i) salaries and benefits by SAR 16.0 million, despite the decrease in headcount due to the increase in basic salaries and other benefits such as housing and transportation, (ii) professional and consulting fees by SAR 7.2 million, and (iii) depreciation of property, plant and equipment by SAR 4.1 million. This was partially offset by decreases in expected credit losses by SAR 10.5 million and bank charges by SAR 6.1 million.

General and administrative expenses decreased by approximately 2.6% from SAR 140.3 million in 2024G to SAR 136.6 million in 2025G, mainly driven by a reduction in (i) professional and consulting fees by SAR 3.3 million, primarily due to lower spending in 2025G, (ii) software subscription costs by SAR 2.9 million, and (iii) salaries and wages by SAR 2.2 million, reflecting a reduction in management headcount. This was partially offset by higher bank charges by SAR 1.7 million, increased donations by SAR 1.5 million, and higher subscription and government fees by SAR 1.4 million, driven by increased expenditure on iqama fees for management.

Losses on disposal of intangible assets

Losses on disposal of intangible assets increased from SAR 165 thousand in 2023G to SAR 1.5 million in 2024G, before declining to nil in 2025G. These expenses relate to software programs acquired for Ektisab, which were subsequently disposed of in 2024G, as the related projects did not progress to a stage requiring their continued use.

Losses on disposal of investment properties

Losses on disposal of investment properties pertain to costs incurred on Jizan lands, where the Group initiated planning for a development project in FY23. However, the project was halted, and the costs, primarily related to studies and planning, were expensed in the same year. The losses decreased from SAR11.8m in FY23 to SAR2.1m in FY24 and then to nil in FY25.

Gain / (loss) from disposal of property, plant and equipment

The loss on disposal of property, plant and equipment decreased from a loss of SAR 753 thousand in 2023G to a loss of SAR 423 thousand in 2024G, before turning into a gain of SAR 529 thousand in 2025G. This movement is in line with the level of disposals during the period and the proceeds received relative to carrying values and mainly relates to the disposal of certain equipment used within the construction and industrial segments.

Losses from operational contracts

Losses from operational contracts decreased from SAR 7.0 million in 2024G to SAR 1.1 million in 2025G. These losses relate to Ladun in 2024G as a result of maintenance work performed on the residential complexes prior to their handover to the owners while in 2025G it relates to Built and reflect provisions recognised for certain loss-making contracts, where project costs exceeded revenues due to the nature of the projects, delays in delivery and customer acceptance, and the resulting execution losses incurred by the company.

Impairment loss on property, plant and equipment

Impairment loss on property, plant and equipment relates to the write-down of an administrative offices based on an independent real estate valuation in 2024G and amounted to SAR 586 thousand. An impairment reversal of SAR 574 thousand was recognised in 2025G following a subsequent revaluation.

Reversal of impairment loss on property, plant and equipment

The reversal of the impairment loss on property, plant and equipment amounted to SAR 574 thousand in 2025G and relates to the impairment loss of SAR 0.586 million recognized in 2024G.

Impairment of customer contracts

Impairment losses on customer contracts decreased by approximately 32% from SAR 10.2 million in 2024G to SAR 7.0 million in 2025G. In 2023G, impairment losses on customer contracts amounted to SAR 12.9 million and were presented within general and administrative expenses. In 2024G and 2025G, the Group decided to present impairment losses on customer contracts directly on the income statement, and these losses relate within the contract assets of the projects at Built.

Obsolete and slow-moving inventory

Obsolete and slow-moving inventory amounted to SAR 3.4 million in 2025G and related to a stock of contracting inventory aged longer than two years. Management considers this expense to be non-recurring in nature and recognised it for the first time in 2025G.

Expected credit loss

Expected credit loss was presented within general and administrative expenses in 2023G and amounted to SAR 15.2 million. In 2024G and 2025G, the Group decided to present expected credit loss directly on the income statement and it mainly related to Built.

Expected credit loss increased by approximately 55.3% from SAR 4.7 million in 2024G to SAR 7.3 million in 2025G, in line with the growth in trade receivables at Built. This increase primarily relates to receivable balances aged over one year, driven by delays in collections from NHC due to longer handover procedures and milestone inspection processes.

Gains on disposal of right-of-use assets

Gains on disposal of right-of-use assets amounted to SAR 91 thousand in 2023G. The Group did not recognise any gains on disposal of right-of-use assets in 2024G or 2025G. These gains relate to the termination of legacy lease contracts for the Group's office premises.

Dividends from financial assets at fair value through OCI

These dividends relate to investments measured at fair value through other comprehensive income in a Musharaka REIT. Dividends from financial assets at fair value through other comprehensive income increased by approximately 185.7% from SAR 665 thousand in 2023G to SAR 1.9 million in 2024G, and further increased by approximately 20.0% to SAR 2.3 million in 2025G. This increase was driven by higher cash collections from dividends distributed by these investments.

Dividends from financial assets at fair value through profit or loss

These dividends relate to investments measured at fair value through profit or loss within an investment portfolio held with Bank Al Bilad. Dividends from financial assets at fair value through profit or loss decreased by approximately 32.9% from SAR 1.0 million in 2023G to SAR 700 thousand in 2024G, and further declined by approximately 0.9% to SAR 694 thousand in 2025G. This decrease reflects lower cash collections from dividends distributed by these investments.

Profit realised from sale of investments at fair value through profit or loss

Realized profit from the sales of investments at FVPL relates to profit made through the sale of shares in the investment portfolio with Al Bilad Bank.

Realized profit from the sale of investments at FVPL decreased from SAR 0.5 million in 2023G to nil in 2024G and in 2025G, as no shares were sold during that period.

Unrealized gains / (losses) from sale of investments at fair value through profit or loss

Unrealised gains from investments at fair value through profit or loss relate to changes arising from the revaluation of investments measured at fair value through profit or loss within the investment portfolio held with Bank Al Bilad.

Unrealised gains decreased from a gain of SAR 4.9 million in 2023G to a loss of SAR 6.2 million in 2024G, followed by losses of SAR 2.2 million in 2025G, based on the latest valuation of share prices as of December 2024 and December 2025.

Legal claims

This provision relates to legal cases associated with delayed handover of units in the Venan and Rusaifa projects and increased based on management's assessment of expected future reimbursements to be made to customers.

Legal claims increased from SAR 2.3 million in 2024G to SAR 5.8 million in 2025G.

Expenses related to the transition to the Main Market

Expenses related to the transition to the Main Market represent costs incurred by the Group in connection with its transfer from the Nomu market to the Main Market. These expenses increased from SAR 240 thousand in 2024G to SAR 2.7 million in 2025G, primarily reflecting that the majority of transition-related costs were incurred during 2025G.

Finance cost

Finance costs increased by approximately 40%, from SAR 30.1 million in 2023G to SAR 42.1 million in 2024G, primarily due to higher borrowings and financing charges during the year.

Finance costs increased by approximately 86% from SAR 42.1 million in 2024G to SAR 78.4 million in 2025G, primarily driven by higher loan finance costs by SAR 35.2 million as a result of increased borrowings and related financing charges. This reflects the Group's continued reliance on external funding to support working capital requirements amid a slowdown in project activities.

Other income

Other income comprises scrap sales, marketing income, and recoverable value-added tax.

Other income decreased by approximately 49.6% from SAR 3.0 million in 2023G to SAR 1.5 million in 2024G, primarily due to a decline in marketing income by SAR 2.4 million, partially offset by higher scrap sales income by SAR 0.9 million.

Other income declined further by approximately 4.3% from SAR 1.5 million in 2024G to SAR 1.4 million in 2025G, mainly driven by a decrease in recoverable tax during the period.

Profit from investment in debt instruments

These returns relate to investments in debt instruments amounting to SAR 5.0 million, which the Group entered into in 2024G. Returns from investments in debt instruments decreased from SAR 0.213 million in 2024G to SAR 0.043 million in 2025G, following the closure of the investment during 2025G.

Reversal of account receivable provision

The reversal of the provision for impairment of other receivables amounted to SAR 2.0 million in 2024G, following the collection of receivable balances during the year.

Zakat

Zakat is provided in accordance with the regulations of the Zakat, Tax, and Customs Authority in the Kingdom of Saudi Arabia on an accrual basis.

Zakat expense decreased by approximately 86%, from SAR 12.2 million in 2023G to SAR 1.7 million in 2024G, as the Company began to calculate zakat on a consolidated level, in addition to benefiting from new zakat regulations.

Zakat expense slightly increased by approximately 8% from SAR 1.7 million in 2024G to SAR 1.8 million in 2025G with stable Zakat basis.

Zakat provision reversal

Zakat provision reversal increased from nil in 2023G to SAR 2.8 million in 2024G, relating to the zakat for 2023G. Zakat provision reversal amounted to nil in 2025G.

Net (loss)/ profit for the year from continued operations

Net profit decreased by approximately 44%, from SAR 109.4 million in 2023G to SAR 61.7 million in 2024G, primarily due to the decline in EBITDA by SAR 46.9 million, driven by lower gross profit, higher operating expenses, and unrealized investment losses. This was compounded by higher finance costs by SAR 12.0 million. The decrease was partially offset by lower zakat charges by SAR 10.5 million and a reversal of prior-year zakat provisions amounting to SAR 2.8 million.

Net income transitioned from a net profit of SAR 66.1 million in 2024G to a net loss of SAR 55.4 million in 2025G, primarily driven by a decline in gross profit by SAR 86.5 million following a reduction in real estate development segment revenue by SAR 534.7 million, as key projects such as Ausseilah and Al-Rimal reached 100% completion. This was further compounded by an increase in finance costs by SAR 36.2 million, mainly attributable to higher loan financing costs by SAR 35.2 million. These impacts were partially offset by higher revenue from the contracting segment by SAR 140.6 million and the industrial segment by SAR 44.5 million.

Profit / loss from sale of associate

The Group recognised a loss of SAR 26 thousand in 2023G and a gain of SAR 4.4 million arising from the disposal of its subsidiary, LAK Investment Trading Company. This transaction was classified as a discontinued operation and was presented separately in the financial statements.

7.1.1.1 Revenue

Table 7.4: Revenue for the years ending 31 December 2023G,2024G, and 2025G:

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
Sale of developed housing units off-plan	192,389	109,881	106,059	(42.9%)	(3.5%)	(25.8%)
Development and sale of real estate investments	847,275	742,926	207,740	(12.3%)	(72.0%)	(50.5%)
Operation and maintenance	11,508	20,993	24,256	82.4%	15.5%	45.2%
Renting malls	32,454	35,632	40,006	9.8%	12.3%	11.0%
Construction revenue	230,139	385,349	525,961	67.4%	36.5%	51.2%
Sale of construction materials	119,034	207,009	251,539	73.9%	21.5%	45.4%
Human capital services	3,219	3,485	2,620	8.3%	(24.8%)	(11.2%)
Total	**1,436,020**	**1,505,276**	**1,158,181**	**4.8%**	**(23.1%)**	**(10.2%)**

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
As a % of total					**Ppt.**	
Sale of developed housing units off-plan	13.4%	7.3%	9.2%	(6.1)	1.9	(4.2)
Development and sale of real estate investments	59.0%	49.4%	17.9%	(9.6)	(31.4)	(41.1)
Operation and maintenance	0.8%	1.4%	2.1%	0.6	0.7	1.3
Renting malls	2.3%	2.4%	3.5%	0.1	1.1	1.2
Construction revenue	16.0%	25.6%	45.4%	9.6	19.8	29.4
Sale of construction materials	8.3%	13.8%	21.7%	5.5	8.0	13.4
Human capital services	0.2%	0.2%	0.2%	0.0	(0.0)	0.0

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Sale of developed housing units off-plan

Revenue from the sale of developed housing units off-plan decreased by 42.9%, from SAR 192.4 million in 2023G to SAR 109.9 million in 2024G. The decline was primarily due to a decrease in realized revenue from the Venan project by SAR 66.1 million, in line with the significant progress in the project's percentage of completion, and a decrease in realized revenue from the Rusaifa project by SAR 16.4 million.

Revenue from the sale of off-plan developed residential units decreased from SAR 109.9 million in 2024G to SAR 106.1 million in 2025G, representing a decline of approximately 3.5%. This decrease was primarily driven by lower revenue from the Venan project by SAR 9.8 million, partially offset by higher revenue from the Rusaifa project by SAR 6.0 million, following the completion of the projects and recognition of the remaining revenue balances.

Development and sale of real estate investments

Revenue from the development and sale of real estate investments decreased by 12.3%, from SAR 847.3 million in 2023G to SAR 742.9 million in 2024G. The decrease was mainly due to lower revenue from the Ausseilah project by SAR 272.0 million, as the project reached a percentage of completion of 98%. This was partially offset by (i) an increase in revenue from the Rimal project by SAR 113.9 million, with the percentage of completion reaching 92% during the year, and (ii) the commencement of villa sales in the Al-Rabwa project in 2024G, where the Group sold 22 units during the year, generating revenue of SAR 76.1 million.

Revenue from the development and sale of real estate investments decreased by approximately 72.0% from SAR 742.9 million in 2024G to SAR 207.7 million in 2025G. This decline was primarily driven by (i) a decrease in revenue from the Ausseilah project by SAR 277.6 million, following the completion of the project and achievement of 100% progress during the year, (ii) a decrease in revenue from the Al-Rimal project by SAR 169.3 million due to the project reaching 100% completion during the year, and (iii) a drop in revenue from the Al-Rabwa project from SAR 77.2 million to nil, as the project was completed in 2024G. This was partially offset by new revenue of SAR 117.5 million relating to the sale of New Al-Rimal land, which was fully sold in 2025G.

Operation and maintenance

Revenue increased by approximately 82.6% from SAR 11.5 million in 2023G to SAR 21.0 million in 2024G, driven by the award of additional external projects.

Revenue then increased further by approximately 15.5% from SAR 21.0 million in 2024G to SAR 24.3 million in 2025G, following the transfer of compound management activities from the Company to Painite, whereby this income became part of Painite's revenues.

Renting malls

Revenue from renting malls increased by 9.8%, from SAR 32.5 million in 2023G to SAR 35.6 million in 2024G. This increase was mainly attributable to higher revenue from the Aqua complex by SAR 1.9 million, in line with the increase in occupancy rates during the year.

Revenue from renting malls increased by approximately 12.3% from SAR 35.6 million in 2024G to SAR 40.0 million in 2025G. This increase was primarily driven by higher revenue from Painite of SAR 5.3 million, in line with the transfer of compound management activities to Painite, as well as additional rental income of SAR 3.1 million from leasing out office spaces that were previously occupied by the Group.

Construction revenue

Revenue from construction activities increased by 67.4%, from SAR 230.1 million in 2023G to SAR 385.3 million in 2024G, mainly due to contributions from new projects, including (i) projects in the Red Sea, related to the construction of a school in Turtle Bay Village with a value of SAR 57.7 million in 2024G, and (ii) projects with the Royal Commission for Jubail and Yanbu, related to the construction of prefabricated buildings amounting to SAR 46.5 million in 2024G. This was partially offset by the completion of the College of Dentistry building at Jazan University with the Ministry of Higher Education, amounting to SAR 23.6 million in 2024G.

Revenue from construction activities increased by approximately 36.5% from SAR 385.3 million in 2024G to SAR 526.0 million in 2025G, primarily driven by contributions from newly awarded projects. These include (i) Red Sea Global, relating to the construction of a school in Turtle Bay Village as part of The Red Sea Project, amounting to SAR 57.7 million, and (ii) the Royal Commission for Jubail and Yanbu, relating to the construction of prefabricated buildings amounting to SAR 46.5 million. This increase was partially offset by the completion of construction works for the College of Dentistry at Jazan University with the Ministry of Education, amounting to SAR 23.6 million.

Sale of construction materials

Revenue from construction materials manufacturing segment increased by 73.9%, from SAR 119.0 million in 2023G to SAR 207.0 million in 2024G. The increase was primarily driven by higher revenue from the BAFCO factory by SAR 67.8 million, reflecting the full-year impact of projects that commenced in 2023G, including the Triple Bay Four Seasons project and the Triple Bay Six Senses project, in addition to the launch of new projects during the period. Furthermore, revenue from the Daymat factory increased by SAR 22.6 million, mainly due to projects in Riyadh.

Revenue from construction materials manufacturing segment sales increased by approximately 21.5% from SAR 207.0 million in 2024G to SAR 251.5 million in 2025G, primarily driven by higher revenue generated from BAFCO amounting to SAR 84.7 million. This increase mainly reflects continued progress on the Triple Bay Four Seasons Resort and Triple Bay Rosewood Resort projects, both executed with Red Sea Global. This was partially offset by lower revenue from Daymat, following the completion of several projects during 2024G and 2025G.

Human capital services

Revenue from human capital services increased by 8.3%, from SAR 3.3 million in 2023G to SAR 3.5 million in 2024G, in line with the growth of the Company's operations within this segment during the same period.

Revenue from human capital services decreased by approximately 24.8% from SAR 3.5 million in 2024G to SAR 2.6 million in 2025G.

7.1.1.2 Revenue by entity

Table 7.5: Revenue by entity for the years ending 31 December 2023G,2024G, and 2025G:

SAR in 000s	2023G (Management information)	2024G (Management information)	2025G (Management information)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
Ladun Investment Company (Parent Company)	1,072,119	888,836	348,426	(17.1%)	(60.8%)	(43.0%)
Built Industrial Company	843,221	876,461	846,473	3.9%	(3.4%)	0.2%
Painite for Operations and Maintenance	16,475	31,304	48,854	90.0%	56.1%	72.2%
Ektisab Human Resources Company	3,219	3,485	2,620	8.3%	(24.8%)	(9.8%)
Eliminations	(499,014)	(294,810)	(88,192)	(40.9%)	(70.1%)	(58.0%)
Total	**1,436,020**	**1,505,276**	**1,158,181**	**4.8%**	**(23.1%)**	**(10.2%)**

Source: Management information.

7.1.1.3 Revenue and profitability by segment

Table 7.6: Revenue and profitability by segment for the years ending 31 December 2023G,2024G, and 2025G:

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
Revenue						
Real estate investment	1,041,046	888,439	353,768	(14.7%)	(60.2%)	(41.7%)
Contracting	261,423	385,349	525,961	47.4%	36.5%	41.8%
Industrial	119,110	207,009	251,539	73.8%	21.5%	45.3%
Services	14,440	24,478	26,914	69.5%	10.0%	36.5%
Total	**1,436,020**	**1,505,276**	**1,158,181**	**4.8%**	**(23.1%)**	**(10.2%)**
Gross profit						
Real estate investment	305,336	211,292	79,128	(30.8%)	(62.6%)	(49.1%)
Contracting	(46,289)	10,993	48,441	(123.7%)	340.7%	n.a
Industrial	34,123	43,025	47,934	26.1%	11.4%	18.5%
Services	4,921	6,796	10,115	38.1%	48.8%	43.4%
Total	**298,091**	**272,106**	**185,619**	**(8.7%)**	**(31.8%)**	**(21.1%)**
Gross margin					**Ppt.**	
Real estate investment	29.3%	23.8%	22.4%	(5.5)	(1.4)	(6.9)
Contracting	(18.8%)	2.9%	9.2%	21.5	6.4	27.8
Industrial	29.9%	20.8%	19.1%	(9.6)	(1.7)	(11.4)
Services	40.2%	27.8%	37.6%	(12.7)	9.8	(2.9)
Total	**20.8%**	**18.1%**	**16.0%**	**(2.7)**	**(2.1)**	**(4.7)**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Real estate investment

Revenue from the real estate investment segment decreased by 14.7%, from SAR 1,041.0 million in 2023G to SAR 888.4 million in 2024G. This decrease was mainly attributable to (i) a decline in revenue from the development and sale of investment properties by SAR 83.9 million, due to lower revenue from the Ausseilah project by SAR 272.0 million, as the project's percentage of completion increased slightly from 77% to 98% with the project nearing completion; and (ii) a decrease in revenue from the sale of developed residential units off-plan by SAR 71.9 million, driven by lower sales from the Venan project by SAR 66.1 million, as the percentage of completion increased from 82% to 91% during the same period, and lower revenue from the Rusaifa project by SAR 16.4 million. This was partially offset by an increase in leasing revenue by SAR 3.2 million, mainly due to higher revenue from the Aqua compound by SAR 1.9 million, in line with the increase in occupancy rates during the year.

Revenue from the real estate investment segment decreased by approximately 60.2% from SAR 888.4 million in 2024G to SAR 353.8 million in 2025G, primarily driven by lower revenue from the development and sale of investment properties by SAR 535.2 million. This decline mainly reflects (i) a decrease in revenue from the Ausseilah project by SAR 277.6 million following the completion of the project and achievement of 100% progress during the year, (ii) a decrease in revenue from the Al-Rimal project by SAR 169.3 million as the project reached 100% completion during the year, and (iii) a reduction in revenue from the Al-Rabwa project from SAR 77.2 million to nil, as the project was completed in 2024G.

Contracting

Revenue from the contracting segment increased by 48.6%, from SAR 261.4 million in 2023G to SAR 385.3 million in 2024G, mainly due to contributions from new projects, including (i) projects in the Red Sea related to the construction of a school in Turtle Bay Village, with a value of SAR 57.7 million in 2024G, and (ii) projects with the Royal Commission for Jubail and Yanbu related to the construction of prefabricated buildings, amounting to SAR 46.5 million in 2024G.The contracting segment recorded a loss margin of 18.8% in 2023G, mainly due to the completion of major projects with the National Housing Company, resulting in slower revenue growth while fixed costs remained, leading to realized losses during the year. The gross profit margin increased to 2.9% in 2024G, as Built Industrial secured new projects and closed older projects with low margins or historical losses.

Revenue from the contracting segment increased by 36.5% from SAR 385.3 million in 2024G to SAR 526.0 million in 2025G, primarily driven by contributions from newly awarded projects. These include (i) Red Sea Global, relating to the construction of an entertainment village in Abha, which increased revenue by SAR 118.5 million, and (ii) Kadana, relating to a project for the development of power generators at The Jamarat pillars, amounting to SAR 26.6 million.

In addition, gross profit margin increased to 9.2% in 2025G, reflecting the award of new higher-margin projects at Built, such as the Kadana and Red Sea Global projects, alongside the completion of legacy projects with low margins or historical losses, including projects with the National Housing Company.

Industrial

Revenue from the industrial segment increased by 70.7%, from SAR 119.1 million in 2023G to SAR 207.0 million in 2024G. The increase was primarily driven by higher revenue from the BAFCO factory by SAR 67.8 million, reflecting the full-year impact of projects that commenced in 2023G, including the Triple Bay Four Seasons project and the Triple Bay Six Senses project, in addition to the launch of new projects during the period. Furthermore, revenue from the Daymat factory increased by SAR 22.6 million, mainly due to new projects. However, the segment's profitability declined from 29.9% in 2023G to 20.8% in 2024G, as the Company secured new projects with lower margins to capture market share and establish relationships with new clients.

Revenue from the industrial segment increased by 21.5% from SAR 207.0 million in 2024G to SAR 251.5 million in 2025G, primarily driven by higher revenue generated from BAFCO amounting to SAR 84.7 million. This increase mainly reflects continued progress on the Triple Bay Four Seasons Resort and Triple Bay Rosewood Resort projects, both executed with Red Sea Global. This was partially offset by lower revenue from Daymat, following the completion of a number of projects during 2024G and 2025G.

However, segment profitability declined slightly from 20.8% in 2024G to 19.1% in 2025G, driven by the award of new projects that generated relatively lower margins due to their longer duration and comparatively higher cost structures.

Services

Revenue increased by approximately 69.5% from SAR 14.4 million in 2023G to SAR 24.5 million in 2024G, primarily driven by growth at Painite following the award of contracts with customers outside the Group, which resulted in higher revenue generation.

Revenue then increased further by approximately 9.9% from SAR 24.5 million in 2024G to SAR 26.9 million in 2025G, The increase was driven by higher revenue generated from Painite, coupled with Painite's success in securing new external projects.

7.1.1.4 Cost of revenue

Table 7.7: Cost of revenue for the years ending 31 December 2023G,2024G, and 2025G:

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
Cost of development and sale of real estate investments	301,793	362,852	129,030	20.2%	(64.4%)	(34.6%)
Cost of developed housing units	54,752	12,004	55,143	(78.1%)	359.4%	0.4%
Sub-contractors	406,769	445,211	300,908	9.5%	(32.4%)	(14.0%)
Construction materials	166,917	185,952	238,788	11.4%	28.4%	19.6%
Salaries and benefits	113,418	111,997	110,815	(1.3%)	(1.1%)	(1.2%)
Depreciation of real estate investments	21,596	22,531	22,531	4.3%	n.a0.	2.1%
Lease	6,346	15,943	37,755	151.2%	136.8%	143.9%
Fees and subscriptions	10,665	14,733	15,815	38.1%	7.4%	21.7%

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
Maintenance and operational costs - housing complexes	18,886	11,536	9,371	(38.9%)	(18.8%)	(29.6%)
Bank charges	5,778	10,539	6,932	82.4%	(34.2%)	9.6%
Depreciation of property, plant and equipment	10,214	6,979	6,999	(31.7%)	0.3%	(17.2%)
Insurance	4,722	6,209	5,507	31.5%	(11.3%)	8.0%
Professional and consulting fees	1,068	5,131	5,309	380.3%	3.5%	122.9%
Travel and transportation	1,885	4,620	4,302	145.1%	(6.9%)	51.1%
Vehicle expenses and general maintenance	1,018	3,873	4,180	280.6%	7.9%	102.7%
Employee end of service benefits	3,956	3,396	3,607	(14.2%)	6.2%	(4.5%)
Utilities (Electric, water, phone, fax)	1,417	2,150	3,583	51.7%	66.7%	59.0%
Commissions	-	1,375	1,059	n.a	(23.0%)	n.a
Hospitality	810	1,311	2,043	61.9%	55.9%	58.8%
Amortisation of right-of-use assets	730	1,137	1,293	55.7%	13.7%	33.0%
Maintenance	4,001	184	3,213	(95.4%)	1646.2%	(10.4%)
Other expenses	1,186	3,509	4,381	195.9%	24.8%	92.2%
Total	**1,137,928**	**1,233,170**	**972,562**	**8.4%**	**(21.1%)**	**(7.6%)**
As a % of revenue					**Ppt.**	
Sub-contractors	28.3%	29.6%	26.0%	1.3	(3.6)	(2.3)
Cost of development and sale of real estate investments	21.0%	24.1%	11.1%	3.1	(13.0)	(9.9)
Construction materials	11.6%	12.4%	20.6%	0.7	8.3	9.0
Salaries and benefits	7.9%	7.4%	9.6%	(0.5)	2.1	1.7
Cost of developed housing units	3.8%	0.8%	4.8%	(3.0)	4.0	0.9
Depreciation of real estate investments	1.5%	1.5%	1.9%	(0.0)	0.4	0.4
Lease	0.4%	1.1%	3.3%	0.6	2.2	2.8
Fees and subscriptions	0.7%	1.0%	1.4%	0.2	0.4	0.6
Maintenance and operational costs - housing complexes	1.3%	0.8%	0.8%	(0.5)	0.0	(0.5)
Bank charges	0.4%	0.7%	0.6%	0.3	(0.1)	0.2
Depreciation of property, plant and equipment	0.7%	0.5%	0.6%	(0.2)	0.1	(0.1)
Insurance	0.3%	0.4%	0.5%	0.1	0.1	0.1
Professional and consulting fees	0.1%	0.3%	0.5%	0.3	0.1	0.4
Travel and transportation	0.1%	0.3%	0.4%	0.2	0.1	0.2
Vehicle expenses and general maintenance	0.1%	0.3%	0.4%	0.2	0.1	0.3
Employee end of service benefits	0.3%	0.2%	0.3%	(0.0)	0.1	0.0
Utilities (Electric, water, phone, fax)	0.1%	0.1%	0.3%	0.0	0.2	0.2
Commissions	0.0%	0.1%	0.1%	0.1	0.0	0.1
Hospitality	0.1%	0.1%	0.2%	0.0	0.1	0.1

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
Amortisation of right-of-use assets	0.1%	0.1%	0.1%	0.0	0.0	0.1
Maintenance	0.3%	0.0%	0.3%	(0.3)	0.3	(0.0)
Other expenses	0.1%	0.2%	0.4%	0.2	0.1	0.3
Total	**79.2%**	**81.9%**	**84.0%**	**2.7**	**2.1**	**4.7**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Cost of development and sale of real estate investments

The cost of development and sale of real estate investments increased by 20.2%, from SAR 301.8 million in 2023G to SAR 362.9 million in 2024G, due to higher costs related to the continued progress of the Ausseilah project and the new project in Al Rabwa, which commenced in 2023G and was completed in 2024G.

Costs related to the development and sale of real estate investments decreased by 64.4% from SAR 362.9 million in 2024G to SAR 129.3 million in 2025G, in line with the approximately 72% decline in revenue from properties developed for sale during the year. In addition, SAR 92.0 million of this balance related to Al-Rimal land that was newly acquired and fully sold within the same financial year.

Cost of developed housing units

The cost of developed housing units decreased by 78.1%, from SAR 54.8 million in 2023G to SAR 12.0 million in 2024G, as the Venan and Rusaifa projects neared completion.

The cost of developed housing units increased by 359.4% to from SAR 12.0 million in 2024G SAR 55.1 million in 2025G, primarily driven by costs incurred for the development of off-plan residential units, in addition to the recognition of land costs during 2025G following the completion of the project.

Sub-contractors

Sub-contractors are primarily associated with Built Industrial, which appoints sub-contractors for the execution of their major projects.

Sub-contractor expenses increased by 9.5%, from SAR 406.8 million in 2023G to SAR 445.2 million in 2024G, reflecting revenue growth and increased dependency on sub-contractors during the period.

Sub-contractor costs decreased by approximately 32.4% from SAR 445.2 million in 2024G to SAR 300.9 million in 2025G, reflecting increased reliance on in-house manpower for project execution during 2025G.

Construction materials

Construction materials increased by 11.4%, from SAR 166.9 million in 2023G to SAR 186.0 million in 2024G, due to growth in new projects awarded under Built.

Construction material costs increased by 28.4% from SAR186.0 million in 2024G to SAR 238.8 million in 2025G, driven by increased direct procurement of construction materials, in line with the reduced reliance on subcontractors during the year.

Salaries and benefits

Salaries and benefits decreased by 1.3%, from SAR 113.4 million in 2023G to SAR 112.0 million in 2024G.

Salaries and benefits decreased by 1.1% from SAR112.0 million in 2024G to SAR 110.8 million in 2025G, primarily driven by a reduction in headcount across the Group from 2,163 employees to 1,975 employees during the financial year.

Depreciation of real estate investments

Depreciation of real estate investments increased by 4.3%, from SAR 21.6 million in 2023G to SAR 22.5 million in 2024G, primarily due to additions to investment properties related to completed buildings.

Depreciation of real estate investments remained stable at SAR 22.5 million in 2025G.

Lease

Rental costs increased by 151.2% from SAR 6.3 million in 2023G to SAR 15.9 million in 2024G and continued to rise by 136.8% to reach SAR 37.8 million in 2025G. This increase was primarily driven by higher rental expenses associated with the contracting and industrial segments, mainly relating to accommodation and housing costs for workers deployed on Red Sea projects with Amaala.

Fees and subscriptions

Fees and subscriptions mainly relate to residency permit fees. Fees and subscriptions increased by 38.1%, from SAR 10.7 million in 2023G to SAR 14.7 million in 2024G, due to higher residency fees during the year.

Fees and subscriptions increased by 7.3% from SAR 14.7 million in 2024Gto SAR 15.8 million in 2025G, primarily driven by higher accommodation fees at Painite amounting to SAR 951 thousand, following an increase in the company's headcount.

Maintenance and operational costs - housing complexes

Maintenance and operational costs for housing complexes decreased by 38.9% from SAR 18.9 million in 2023G to SAR 11.5 million in 2024G, and continued to decline by 18.8% to SAR 9.4 million in 2025G. This decrease was primarily driven by the outsourcing of a larger portion of maintenance activities to Painite for leased properties, in addition to maintenance and refurbishment works performed on compounds that were disposed of prior to their handover to owners. The balance also includes SAR 5.0 million relating to non-recoverable value-added tax, which was settled during the same financial year.

Bank charges

Bank charges further increased by 82.4%, from SAR 5.8 million in 2023G to SAR 10.5 million in 2024G, due to an increase in banking transactions, including the issuance of letters of guarantee (LGs) for multiple projects.

Bank fees decreased from SAR10.5 million in 2024G to SAR 6.9 million in 2025G, primarily driven by a lower volume of banking transactions during the year. This reflects the settlement of remaining off-plan sales projects and the completion of the Group's key projects.

Depreciation of property, plant and equipment

Depreciation of property, plant, and equipment decreased by 31.7%, from SAR 10.2 million in 2023G to SAR 7.0 million, due to the reclassification of head office depreciation to general and administrative expenses.

Depreciation of property, plant and equipment remained stable at SAR 7.0 million in 2025G.

Insurance

Insurance expenses relate to medical, vehicle, and project insurance. Insurance increased by 31.5%, from SAR 4.7 million in 2023G to SAR 6.2 million in 2024G, mainly in relation to Built, due to higher vehicle and project insurance costs.

Insurance expenses decreased by 11.3% from SAR 6.2 million in 2024G to SAR 5.5 million in 2025G, primarily driven by a reduction in headcount In addition to the expiry of the required insurance for certain projects of Built Industrial Company.

Professional and consulting fees

Professional and consulting fees relate to management and engineering consultancy services for projects. Professional and consulting fees increased by 380.3%, from SAR 1.1 million in 2023G to SAR 5.1 million in 2024G, mainly due to (i) a management consultancy contract amounting to approximately SAR 2.0 million, and (ii) higher engineering consultancy costs for new projects compared to previous years.

Professional and consulting fees increased slightly by 3.5% from SAR5.1 million in 2024G to SAR 5.3 million in 2025G, primarily reflecting consultancy services related to newly awarded projects.

Travel and transportation

Travel and transportation increased by 145.1%, from SAR 1.9 million in 2023G to SAR 4.6 million in 2024G, driven by new projects awarded to Built, which required higher transportation costs for moving materials from warehouses and factories to new project sites. The increase was also due to the remote location of Red Sea projects, far from existing facilities.

Travel and transportation expenses decreased by 6.9% from SAR 4.6 million in 2024G to SAR 4.3 million in 2025G, driven by lower travel and transportation spending following the completion of the Group's major projects.

Vehicle expenses and general maintenance

Vehicle expenses and general maintenance increased by 280.6%, from SAR 1.0 million in 2023G to SAR 3.9 million in 2024G, due to higher activity in the contracting and manufacturing sectors. The increase was driven by higher maintenance costs for vehicles, machinery, and buildings, as well as a rise in fuel expenses amounting to approximately SAR 2.0 million due to the remote location of Red Sea projects, far from existing facilities.

Vehicle and general maintenance expenses increased by 7.9% from SAR3.9 million in 2024G to SAR 4.2 million in 2025G, primarily driven by increased utilisation of vehicles across newly awarded projects during the year.

Employee end of service benefits

Employee end of service benefits obligations decreased by 14.2% from SAR 4.0 million in 2023G to SAR 3.4 million in 2024G, before increasing by 6.2% to SAR 3.6 million in 2025G. These movements reflect changes in the Group's employee headcount and the outcomes of actuarial assessments performed during the respective periods.

Utilities (Electric, water, phone, fax)

Utilities increased by 51.7%, from SAR 1.4 million in 2023G to SAR 2.2 million in 2024G, driven by higher energy prices during the year.

Utility expenses increased by 66.7% to SAR 3.6 million in 2025G, primarily driven by higher energy prices during the period.

Commissions

Commissions relate to amounts paid to external parties to acquire new clients and amounted to SAR 1.4 million in 2024G.

Commissions decreased by 23.0% to SAR 1.1 million in 2025G.

Hospitality

Hospitality and cleaning costs increased by 61.9% from SAR 810 thousand in 2023G to SAR 1.3 million in 2024G, and continued to rise by 55.9% to SAR 2.0 million in 2025G, primarily driven by higher consumption across the Group's companies during the year.

Amortisation of right-of-use assets

Amortisation of right-of-use assets increased by 55.7% from SAR 730 thousand in 2023G to SAR 1.1 million in 2024G, and continued to rise by 13.7% to SAR 1.3 million in 2025G, primarily driven by the addition of new lease contracts relating to workers' accommodation for newly awarded projects.

Maintenance

Maintenance expenses decreased by 95.4%, from SAR 4.0 million in 2023G to SAR 184 thousand in 2024G, due to the transfer of more maintenance work to Painite, leading to its elimination from the consolidated financial statements.

Maintenance and repair expenses increased to SAR 3.2 million in 2025G

Other expenses

Other expenses comprise various operating expenses. Other costs increased by 195.9% from SAR 1.2 million in 2023G to SAR 3.5 million in 2024G, and further increased by 24.8% to SAR 4.4 million in 2025G.

7.1.1.5 General and administrative expenses

Table 7.8: General and administrative expenses for the years ending 31 December 2023G,2024G, and 2025G:

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
Salaries and benefits	74,391	90,350	88,156	21.5%	(2.4%)	8.9%
Professional and consulting fees	3,036	10,009	6,741	229.7%	(32.7%)	49.0%
Depreciation of property, plant and equipment	1,401	5,511	4,630	293.4%	(16.0%)	81.8%
Subscriptions and government fees	5,135	5,035	6,459	(1.9%)	28.3%	12.1%
Software subscriptions	3,614	4,733	1,870	31.0%	(60.5%)	(28.1%)
Employee end of service benefits	5,559	4,582	4,996	(17.6%)	9.0%	(5.2%)
Insurance	2,343	3,524	4,222	50.4%	19.8%	34.2%
Donations	589	2,486	4,001	322.0%	61.0%	160.6%
Advertisement	774	2,285	2,795	195.3%	22.3%	90.1%
Bank charges	8,183	2,116	3,846	(74.1%)	81.7%	(31.4%)
Board of directors' compensation	1,920	1,673	1,620	(12.9%)	(3.2%)	(8.1%)
Utilities	883	1,043	553	18.1%	(47.1%)	(20.9%)
Amortisation of intangible assets	613	437	243	(28.7%)	(44.4%)	(37.0%)
Amortisation of right-of-use assets	46	16	-	(65.2%)	(100.0%)	(100.0%)
Travel and transportation	1,070	1,488	1,578	39.0%	6.0%	21.4%
Maintenance	234	971	601	314.9%	(38.0%)	60.2%
Hospitality	165	105	150	(36.5%)	43.3%	(5.0%)
Rent	1,813	913	237	(49.6%)	(74.0%)	(63.8%)
Vehicle expenses and general maintenance	297	141	920	(52.6%)	552.5%	76.0%
Provision on other receivables	1,957	-	-	(100.0%)	n.a	(100.0%)
Expected credit losses	15,183	-	-	(100.0%)	n.a	(100.0%)
Provision on contract assets	12,908	-	-	(100.0%)	n.a	(100.0%)
Bad debts	406	-	-	(100.0%)	n.a	(100.0%)
Commissions	422	-	-	(100.0%)	n.a	(100.0%)
Other expenses	1,215	2,850	3,019	134.6%	5.9%	57.6%
Total	**144,157**	**140,267**	**136,636**	**(2.7%)**	**(2.6%)**	**(2.6%)**
As a % of revenue					**Ppt.**	
Salaries and benefits	5.2%	6.0%	7.6%	0.8	1.6	2.4
Professional and consulting fees	0.2%	0.7%	0.6%	0.5	(0.1)	0.4
Depreciation of property, plant and equipment	0.1%	0.4%	0.4%	0.3	0.0	0.3
Subscriptions and government fees	0.4%	0.3%	0.6%	n.a	0.2	0.2

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
Software subscriptions	0.3%	0.3%	0.2%	n.a	(0.2)	(0.1)
Employee end of service benefits	0.4%	0.3%	0.4%	(0.1)	0.1	n.a
Insurance	0.2%	0.2%	0.4%	0.1	0.1	0.2
Donations	0.0%	0.2%	0.3%	0.1	0.2	0.3
Advertisement	0.1%	0.2%	0.2%	0.1	0.1	0.2
Bank charges	0.6%	0.1%	0.3%	(0.4)	0.2	(0.2)
Other expenses	0.1%	0.2%	0.3%	0.1	0.1	0.2
Total	**10.0%**	**9.3%**	**11.8%**	**(0.7)**	**2.5**	**1.8**
KPIs					**Variance**	
Average headcount	2,871	845	738	(3.0%)	(12.7%)	(8.0%)
Average monthly salary per employee (in SAR)	7,117	8,910	9,954	25.2%	11.7%	18.3%

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Salaries and benefits

Salaries and benefits primarily relate to administrative employees and shared services staff within the Group.

Salaries and benefits further increased by 21.5%, from SAR 74.4 million in 2023G to SAR 90.4 million in 2024G, primarily due to increased hiring within Built in line with the growth in operations and active projects, which carried relatively higher average salary levels.

Salaries, wages, and related costs decreased from SAR90.4 million in 2024G to SAR 88.2 million in 2025G, primarily driven by a reduction at Built amounting to SAR 1.9 million, in line with a decrease in headcount from 744 employees in 2024G to 637 employees in 2025G. This was further supported by a reduction in headcount at Ladun, which declined from 81 employees in 2024G to 74 employees in 2025G.

Professional and consulting fees

Professional and consulting fees further increased by 227.6% from SAR 3.0 million in 2023G to SAR 10.2 million in 2024G, primarily due to legal expenses amounting to approximately SAR 5.0 million related to delayed unit handovers in the Venan and Rusaifa projects, in addition to approximately SAR 3.0 million incurred for zakat advisory services related to prior-year assessments.

Professional and consulting fees decreased from SAR 10.2 million in 2024G to SAR 6.7 million in 2025G, in line with lower expenditure following the completion of Zakat advisory projects in the prior period.

Depreciation of property, plant and equipment

Depreciation of property, plant, and equipment increased from SAR 1.4 million in 2023G to SAR 5.5 million in 2024G, in line with additions made to the head office.

Depreciation of property, plant and equipment decreased from SAR 5.5 million in 2024G to SAR 4.6 million in 2025G, primarily due to minor disposals recognised during the year.

Subscriptions and government fees

Government fees and subscriptions remained broadly stable at around SAR 5.1 million during the period from 2023G to 2024G, before increasing to SAR 6.5 million in 2025G. The increase was primarily driven by higher residency fees for certain administrative employees.

Software subscriptions

Software subscriptions further increased by 31.0% from SAR 3.6 million in 2023G to SAR 4.7 million in 2024G, mainly due to additional fees incurred during the year related to the increase in the number and cost of annual licenses.

Software subscription fees decreased from SAR 4.7 million in 2024G to SAR 1.9 million in 2025G, primarily driven by a reduction in the number of software licenses held by the Group, in line with management's cost-optimisation initiatives and efforts to rationalise subscriptions.

Employee end of service benefits

Employee end-of-service benefits decreased by 17.6% from SAR 5.6 million in 2023G to SAR 4.6 million in 2024G, mainly due to the settlement of certain payables and the absence of salary increases, which collectively contributed to the reduction in employee benefits.

Employee end-of-service benefits increased from SAR 4.6 million in 2024G to SAR 4.9 million in 2025G, driven by a higher provision required based on the actuarial valuation performed at year-end.

Insurance

Insurance primarily relates to employees' medical insurance.

Insurance further increased by 50.4% from SAR 2.3 million in 2023G to SAR 3.5 million in 2024G, in line with the increase in headcount during the period.

Insurance costs increased from SAR 3.5 million in 2024G to SAR 4.2 million in 2025G, with the increase attributed to changes in employees insurance policy.

Donations

Donations amounted to SAR 589 thousand in 2023G and SAR 2.5 million in 2024G, and SAR 4.0 million in 2025G. The increase relates to the Group's contributions to sponsoring Jazan City in the Jazan Winter Festival, as well as agreements to support and sponsor the Seen Endowment Foundation, Al-Othaim Association, Jood for Housing, and Smart Innovations.

Advertisement

Advertisement further increased by 195.3% from SAR 774 thousand in 2023G to SAR 2.3 million in 2024G as a result of intensified marketing efforts, including social media campaigns to promote new projects.

Advertising and marketing expenses increased from SAR 2.3 million in 2024G to SAR 2.8 million in 2025G, primarily driven by the Group's participation in several exhibitions to market newly launched projects.

Bank charges

Bank charges decreased by 74.1% from SAR 8.2 million in 2023G to SAR 2.1 million in 2024G, primarily driven by lower off-plan sales activity and the associated banking costs.

Bank charges increased from SAR 2.1 million in 2024G to SAR 3.8 million in 2025G, in line with The increase in letters of credit fees and bank facility agreement fees related to new projects.

Board of directors' compensation

Board of directors' compensation decreased by 12.9% from SAR 1.9 million in 2023G to SAR 1.7 million in 2024G due to the dismissal of a board member during the year.

Board of directors' remuneration amounted to SAR 1.6 million in 2025G and remained relatively stable compared to prior periods, with a slight decrease recorded during the year.

Utilities

Utilities increased by 18.1% from SAR 883 thousand in 2023G to SAR 1.0 million in 2024G, primarily due to higher electricity usage.

Utilities decreased from SAR 1.0 million in 2024G to SAR 553 thousand in 2025G, in line with management's decision to reduce operating costs.

Amortisation of intangible assets

Amortisation of intangible assets decreased from SAR 613 thousand in 2023G to SAR 437 thousand in 2024G, in line with disposals of intangible assets amounting to SAR 3.0 million. Amortisation decreased further to SAR 243 thousand in 2025G, reflecting the impact of intangible asset disposals recognised in 2024G.

Amortisation of right-of-use assets

Depreciation of right-of-use assets decreased by 65.2% from SAR 46 thousand in 2023G to SAR 16 thousand in 2024G, relating to the lease contract of the Group's head office. No depreciation was recognised in 2025G, following the relocation of all subsidiaries to the Group's owned building during the year.

Travel and transportation

Travel and transportation expenses increased by 39.0% from SAR 1.1 million in 2023G to SAR 1.5 million in 2024G and remained at SAR 1.5 million in 2025G. This increase was driven by, the award of new projects, such as the Red Sea projects, which required frequent travel and site visits by senior management for ongoing project supervision.

Maintenance

Maintenance subsequently increased by 314.9% from SAR 234 thousand in 2023G to SAR 971 thousand in 2024G, driven by the new offices purchased by the Group.

Maintenance and repair expenses decreased to SAR 601 thousand in 2025G, following the transfer of certain maintenance activities to the Group's subsidiary Painite.

Hospitality

Hospitality and cleaning expenses decreased by 36.5% from SAR 165 thousand in 2023G to SAR 105 thousand in 2024G, before increasing to SAR 150 thousand in 2025G, following the transfer of certain cleaning activities to the Group's subsidiary Painite.

Rent

Rent decreased by 49.6% from SAR 1.8 million in 2023G to SAR 913 thousand in 2024G as companies moved their offices to the Group's headquarters, with rent now accounted for as a finance lease.

Rental costs decreased to SAR 237 thousand in 2025G, primarily due to the consolidation of all Group companies into the Group's head office building.

Vehicle expenses and general maintenance

Vehicle maintenance and fuel expenses decreased by 52.6% from SAR 297 thousand in 2023G to SAR 141 thousand in 2024G. These expenses then increased to SAR 920 thousand in 2025G, driven by the expansion of the Group's operations at Built and the associated costs linked to this growth.

Provision on other receivables

A provision on other receivables amounting to SAR 2.0 million was recorded in 2023G, related to a VAT refund that had been previously recognized during the same year.

The provision on other receivables decreased to nil in 2024G and 2025G, in line with the Group's assessment of the recoverability of these balances.

Expected credit losses

Expected credit losses amounted to SAR 15.2 million in 2023G, relating to the provision for trade receivables recognised in accordance with IFRS 9. During the year, a previously recognised provision of SAR 15.5 million was utilised to write off doubtful debts, in addition to the recognition of a new provision within the same financial year.

The Group reclassified expected credit losses to be presented directly on the income statement. Accordingly, expected credit losses amounted to SAR 4.7 million in 2024G and SAR 7.3 million in 2025G.

Provision on contract assets

Impairment on contract assets amounted to SAR 12.9 million in 2023G, relating to the provision for expected credit losses on contract assets based on the Group's latest assessment. In 2024G and 2025G, the provision for contract assets was reclassified to be presented directly on the income statement. Accordingly, impairment of customer contracts amounted to SAR 10.2 million in 2024G and SAR 7.0 million in 2025G.

Bad debts

Bad debts amounted to SAR 406 thousand in 2023G, arising from the write-off of a previously incorrectly recorded balance.

Bad debts then decreased to nil in 2024G and remained at nil in 2025G.

Commissions

Commissions amounted to SAR 422 thousand in 2023G and relate to the contractual agreement associated with the Rabwa Milla Villas project, in exchange for 2.5% of sales.

Commissions then decreased to nil in 2024G and remained at nil in 2025G.

Other expenses

Other expenses increased from SAR 1.2 million in 2023G to SAR 2.9 million in 2024G, driven by additional costs related to government expenses, consultancy and feasibility studies.

Other expenses increased slightly to SAR 3.0 million in 2025G, primarily driven by higher petty cash and miscellaneous expenses during the year.

7.1.1.6 Finance costs

Table 7.9: Finance costs for the years ending 31 December 2023G,2024G, and 2025G:

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
Long-term loans	10,141	18,883	56,070	86.2%	196.9%	135.1%
Short-term loans	16,876	19,795	17,794	17.3%	(10.1%)	2.7%
Lease liabilities	3,129	3,438	4,491	9.9%	30.6%	19.8%
Total	**30,146**	**42,116**	**78,355**	**39.7%**	**86.0%**	**61.2%**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Finance costs increased by 39.7%, from SAR 30.1 million in 2023G to SAR 42.1 million in 2024G, mainly due to higher borrowing and financing charges during the year.

Finance costs increased more significantly by approximately 86% from SAR 42.1 million in 2024G to SAR 78.4 million in 2025G, driven by higher loan financing costs following the suspension of capitalizing borrowing costs on projects, resulting in these costs being fully recognized in the income statement.

7.1.1.7 Other income

Table 7.10: Other income for the years ending 31 December 2023G,2024G, and 2025G:

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
Refundable real estate transaction VAT	-	592	-	n.a	(100.0%)	n.a
Marketing commissions	2,443	-	-	(100.0%)	n.a	(100.0%)
Others	519	901	1,428	73.5%	58.5%	65.9%
Total	**2,962**	**1,493**	**1,428**	**(49.6%)**	**(4.3%)**	**(30.6%)**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Other income decreased by 49.6%, from SAR 3.0 million in 2023G to SAR 1.5 million in 2024G, primarily due to a decline in marketing commissions by SAR 2.4 million following the completion of related projects. This was partially offset by an increase in refunded real estate transaction tax of SAR 0.6 million, representing amounts received from the Zakat, Tax, and Customs Authority in relation to the Al-Munsiyah project, as the Authority had initially imposed higher real estate transaction taxes, and an increase in other income by SAR 0.4 million.

Other income decreased from SAR 1.5 million in 2024G to SAR 1.4 million in 2025G and comprised entirely by the sale of scrap, with the related revenue recognized under "Other". Also, refundable real estate transaction decreased, to zero over the same period.

7.1.2 Statement of Financial Position as of 31 December 2023G, 2024G and 2025G

Table 7.11: Consolidated statement of financial position as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Assets			
Non-current assets			
Property and equipment	68,835	104,957	101,570
Investment properties	586,305	412,154	514,358
Right-of-use assets	4,858	5,289	3,996
Intangible assets	2,823	903	1,857
Financial assets at fair value through other comprehensive income	55,005	44,840	38,760
Payments toward an investment in a real estate fund	-	32,994	32,994
Contract assets - noncurrent portion	658,028	969,519	65,287
Real estate for development and sale – noncurrent portion	95,852	16,080	61,979
Non-current assets	**1,471,706**	**1,586,737**	**820,801**
Current assets			
Contract assets - current portion	441,098	727,585	476,033
Real estate for development and sale - current portion	254,583	222,288	922,119
Inventory	38,958	32,853	53,412
Trade and other receivables - net	333,612	308,001	391,998
Due from related parties	945	1,370	3,292
Investments at fair value through P&L	31,888	25,653	23,418
Investment in debt instruments	-	5,000	0

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Restricted cash (escrow accounts)	121,132	22,123	26,827
Cash and cash equivalents	73,662	81,207	39,008
Current assets	1,295,878	1,426,079	1,936,108
Total assets	**2,767,584**	**3,012,816**	**2,756,909**
Liabilities and shareholder's equity			
Shareholder's equity			
Share capital	500,000	500,000	500,000
Statutory reserve	24,032	30,641	0
Retained earnings	114,652	154,128	129,372
Unrealized profit (loss) from re-valuation of financial assets at fair value	(39,989)	(50,154)	(56,234)
Actuarial profit (loss) from remeasurement of employee end of service benefits	(3,042)	305	4,364
Total shareholder's equity	**595,654**	**634,920**	**577,502**
Liabilities			
Non-current liabilities			
Long-term loans - noncurrent portion	784,767	879,109	272,070
Lease liabilities - noncurrent portion	71,916	66,896	64,998
Employees end of service benefits	23,587	23,434	24,846
Non-current liabilities	**880,269**	**969,439**	**361,914**
Current liabilities			
Long-term loans - current portion	159,696	72,283	479,189
Short-term loans	199,534	174,149	261,203
Lease liabilities - current portion	11,307	9,409	6,150
Due to related parties	2,555	1,931	1,759
Contract liabilities	173,864	230,761	184,335
Trade payables and other payables	733,319	909,682	874,724
Operating loss liabilities	-	5,000	1,134
Provision for legal cases	-	2,327	6,408
Zakat provision	11,386	2,917	2,592
Current liabilities	**1,291,662**	**1,408,457**	**1,817,494**
Total liabilities	**2,171,930**	**2,377,897**	**2,179,408**
Total shareholder's equity and liabilities	**2,767,584**	**3,012,816**	**2,756,909**
KPIs			
Return on assets	4.0%	2.2%	(2.0%)
Return on equity	18.4%	10.4%	(9.6%)
Debt to equity ratio	1.9	1.8	1.8

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Return on assets = Net profit for the year ÷ Total assets

Return on equity = Net profit for the year ÷ Total equity

Debt to equity ratio = Total borrowings ÷ Total equity

Assets

Non - current assets

Non-current assets further increased from SAR 1,471.7 million as at 31 December 2023G to SAR 1,586.7 million as at 31 December 2024G. The increase was mainly due to a rise in contract assets – non-current portion by SAR 311.5 million, reflecting the progress of the Ausseilah project reaching 98% completion, as well as an increase in land prices in Makkah, which led to higher fair values. This was partially offset by a decrease in investment properties by SAR 174.2 million, driven by depreciation charges on leased buildings and the disposal of the LAK Investment Company's land during 2024G.

Non-current assets decreased from SAR 1,586.7 million as at 31 December 2024G to SAR 820.8 million as at 31 December 2025G, primarily driven by a reduction in contract assets – non-current portion from SAR 969.5 million as at 31 December 2024 to SAR 65.3 million as at 31 December 2025, following the completion of the Ausseilah project and its subsequent transfer to properties held for development and sale under the current assets during the year. This was partially offset by an increase in investment properties by SAR 102.2 million, resulting from the reclassification of Al-Sulaymaniyah land from current assets for development purposes.

Current Assets

Current assets further increased from SAR 1,295.9 million as at 31 December 2023G to SAR 1,426.1 million as at 31 December 2024G, mainly driven by an increase in contract assets – current portion by SAR 286.5 million, due to accelerated revenue recognition despite the longer billing cycles typically associated with real estate projects, as well as new projects under Built Industrial. This was partially offset by (i) a decrease in restricted cash by SAR 99.0 million due to negative financing cash flows during the year, (ii) a decrease in properties under development and sale – current portion by SAR 32.3 million following the sale of part of the Rimal lands, and (iii) a decrease in trade receivables by SAR 25.6 million resulting from collections, alongside a reduction in advances to suppliers and the collection of VAT receivable balances.

Current assets increased from SAR 1,426.1 million as at 31 December 2024G to SAR 1,936.1 million as at 31 December 2025G, primarily driven by an increase in properties held for development and sale from SAR 238.4 million as at 31 December 2024 to SAR 984.1 million as at 31 December 2025. This increase mainly reflects the transfer of the Ausseilah project amounting to SAR 938.1 million from long-term contract assets to properties held for development and sale following project completion and the transfer of land ownership to the Group. This was partially offset by the reclassification of Al-Sulaymaniyah land amounting to SAR 83.9 million to investment properties in line with the Group's development plans, as well as the sale of New Al-Rimal land amounting to SAR 80.6 million during the same period.

Shareholders' Equity

Total shareholders' equity further increased from SAR 595.7 million as at 31 December 2023G to SAR 634.9 million as at 31 December 2024G, mainly due to (i) an increase in retained earnings by SAR 39.5 million, in line with the rise in net income for the year, and (ii) an increase in the statutory reserve by SAR 6.6 million. This was partially offset by an increase in unrealized losses from the revaluation of financial investments at fair value of SAR 10.2 million, in addition to the distribution of dividends amounting to SAR 20 million during 2024G.

Total shareholders' equity decreased from SAR 634.9 million as at 31 December 2024G to SAR 577.5 million as at 31 December 2025G, primarily driven by the transfer of statutory reserve by SAR 30.6 million to retained earnings following the cancellation of the statutory reserve requirement under the Saudi Companies Law, and a decrease in retained earnings by SAR 24.8 million due to the Group recording a net loss in 2025G. This was further impacted by higher unrealised losses from the revaluation of financial investments measured at fair value through other comprehensive income by SAR 6.1 million during the same period. These impacts were partially offset by an increase in actuarial gains arising from the remeasurement of employee end-of-service benefits amounting to SAR 4.1 million.

Liabilities

Non-Current Liabilities

Non-current liabilities further increased from SAR 880.3 million as at 31 December 2023G to SAR 969.4 million as at 31 December 2024G, mainly due to an increase in the non-current portion of long-term loans by SAR 94.3 million, obtained to finance ongoing projects.

Non-current liabilities decreased from SAR 969.4 million as at 31 December 2024G to SAR 361.9 million as at 31 December 2025G, primarily driven by a reduction in the non-current portion of long-term loans from SAR 879.1 million to

SAR 272.1 million over the same period. This decrease reflects loan repayments made by the Group exceeding additional borrowings obtained during the period from 2023G to 2025G.This was further impacted by the reclassification of the Al-Ausseilah loan from non-current long-term borrowings to the current portion of borrowings.

Current Liabilities

Current liabilities further increased from SAR 1,291.7 million as at 31 December 2023G to SAR 1,408.5 million as at 31 December 2024G, primarily due to an increase in trade payables by SAR 176.4 million, reflecting slower payment cycles, particularly within Built Industrial, resulting from delays and suspensions in certain projects that extended payment terms. In addition, there was an increase in customer advances and contract liabilities due to additional advance payments recorded for Construction and Manufacturing segments. These increases were partially offset by (i) a decrease in the current portion of long-term loans by SAR 87.4 million and (ii) a decrease in short-term loans by SAR 25.4 million, due to additional repayments and a lower level of new loan additions during 2024G.

Current liabilities increased from SAR 1,408.5 million as at 31 December 2024G to SAR 1,817.5 million as at 31 December 2025G, primarily driven by an increase in the current portion of long-term loans from SAR 72.3 million to SAR 479.2 million over the same period. This increase reflects the reclassification of Al-Ausseilah loan balance from the non-current portion to the current.

7-1-2-7-1 Non-current assets

Table 7.12: Non-current assets as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Property and equipment	68,835	104,957	101,570
Investment properties	586,305	412,154	514,358
Right-of-use assets	4,858	5,289	3,996
Intangible assets	2,823	903	1,857
Financial assets at fair value through other comprehensive income	55,005	44,840	38,760
Payments toward an investment in a real estate fund	-	32,994	32,994
Contract assets - noncurrent portion	658,028	969,519	65,287
Real estate for development and sale – noncurrent portion	95,852	16,080	61,979
Total non-current assets	**1,471,706**	**1,586,737**	**820,801**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Property and equipment

Table 7.13: Property and equipment as of 31 December 2023G, 2024G, and 2025G:

SAR in 000s	Land	Leasehold improvements	Computers	Vehicles	Furniture and fixture	Machinery and equipment	Construction and equipment	Capital work under process	Total
Cost									
1 January 2023G	2,730	2,324	8,816	15,955	13,816	47,135	2,717	27,876	121,369
Additions during the year	7,385	3,028	1,020	1,151	753	2,757	559	-	16,654
Transferred from real estate for development and sale	-	-	-	-	101	-	-	-	101

SAR in 000s	Land	Leasehold improvements	Computers	Vehicles	Furniture and fixture	Machinery and equipment	Construction and equipment	Capital work under process	Total
Transferred from capital work under process	-	27,876	-	-	-	-	-	(27,876)	-
Transferred from intangible assets	-	-	(82)	-	-	-	-	-	(82)
Disposals	-	(632)	(30)	(1,392)	(45)	(5,652)	(3)	-	(7,754)
31 December 2023G	**10,115**	**32,597**	**9,724**	**15,714**	**14,625**	**44,240**	**3,274**	**-**	**130,288**
Accumulated depreciation									
1 January 2023G	-	413	5,295	11,693	8,822	27,929	1,374	-	55,526
Depreciation for the year	-	1,995	1,778	1,342	1,692	4,928	480	-	11,615
Transferred to intangible assets	-	-	(69)	-	-	-	-	-	(69)
Disposals	-	(322)	(22)	(1,160)	(34)	(4,078)	(2)	-	(5,619)
31 December 2023G	**-**	**(2,086)**	**6,382**	**11,875**	**10,480**	**28,778**	**1,852**	**-**	**61,454**
Cost									
1 January 2024G	10.115	32,597	9,742	15,714	14,625	44,240	3,274	-	130,288
Reclassification	(792)	2,045	(134)	(629)	(1,118)	1	628	-	-
Additions during the year	-	5,572	2,024	2,279	2,723	6,190	1,136	-	19,924
Transferred from investment properties	21,216	8,717	-	-	-	-	-	-	29,933
Transferred from real estate for development and sale	-	-	-	-	187	-	-	-	187
Disposals	-	-	(3,280)	(826)	(4,538)	(2,335)	(450)	-	(11,428)
31 December 2024G	**30,539**	**48,931**	**8,334**	**16,538**	**11,879**	**48,095**	**4,588**	**-**	**168,904**
Accumulated depreciation									
1 January 2024G	-	2,086	6,382	11,845	10,480	28,778	1,852	-	61,453
Depreciation for the year	-	3,298	1,391	1,767	1,969	3,427	638	-	12,490
Transferred from investment properties	-	67	-	-	-	-	-	-	67
Reclassification	-	368	(129)	(601)	(239)	1	599	-	-
Disposals	-	-	(3,035)	(806)	(4,087)	(2,337)	(386)	-	(10,650)
31 December 2024G	**-**	**5,819**	**4,609**	**12,236**	**8,124**	**29,869**	**2,704**	**-**	**63,360**
Cost									
1 January 2025G	30,539	48,931	8,334	16,538	11,879	48,095	4,588	-	168,904
Reclassification	-	-	(70)	-	(239)	(210)	253	265	-
Additions during the year	-	-	553	308	467	5,448	517	502	7,795
Disposals	-	-	(573)	67	825	(3,293)	(999)	-	(5,758)

SAR in 000s	Land	Leasehold improve-ments	Computers	Vehicles	Furniture and fixture	Machinery and equip-ment	Construc-tion and equipment	Capital work under process	Total
31 December 2025G	**30,539**	**48,931**	**8,244**	**16,778**	**11,283**	**50,040**	**4,358**	**767**	**170,941**
Accumulated depreciation									
1 January 2025G	-	5,819	4,609	12,236	8,125	29,869	2,704	-	63,360
Reclassification	-	-	29	-	(237)	(43)	251	-	-
Depreciation for the year	-	2,217	1,280	1,513	1,073	4,901	646	-	11,629
Disposals	-	-	(554)	(68)	(795)	(3,261)	(953)	-	(5,631)
31 December 2025G	-	8,036	5,363	13,682	8,164	31,465	2,648	-	69,359
Net book value:									
31 December 2023G	**10,115**	**30,511**	**3,342**	**3,839**	**4,144**	**15,462**	**1,422**	**-**	**68,835**
31 December 2024G	**29,953**	**43,112**	**3,725**	**4,302**	**3,755**	**18,227**	**1,884**	**-**	**104,957**
31 December 2025G	**30,527**	**40,895**	**2,881**	**3,096**	**3,118**	**18,575**	**1,710**	**767**	**101,570**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Property and equipment mainly comprise land, leasehold improvements, computers, vehicles, furniture and fixtures, machinery and equipment, and capital work in progress.

Property and equipment further increased from SAR 68.8 million as at 31 December 2023G to SAR 105.0 million as at 31 December 2024G, mainly driven by (i) additions to land amounting to SAR 21.2 million related to the head office purchased in 2023G and reclassified to property and equipment in 2024G, (ii) additions to buildings and improvements amounting to SAR 14.3 million, (iii) additions to machinery and equipment amounting to SAR 6.2 million, and (iv) other additions of SAR 8.2 million. These increases were partially offset by depreciation charges for the year amounting to SAR 12.5 million.

Property and equipment decreased from SAR 105.0 million as at 31 December 2024G to SAR 101.6 million as at 31 December 2025G, primarily driven by depreciation expenses of SAR 11.6 million recognized during the year. This was partially offset by additions of SAR 7.8 million relating to new projects that required additional machinery and equipment for execution.

Land

Land further increased from SAR 10.1 million as at 31 December 2023G to SAR 30.0 million as at 31 December 2024G, mainly due to a transfer from investment properties amounting to SAR 21.2 million, partially offset by a reclassification of SAR 792 thousand during the same period.

The land balance remained stable at SAR 30.5 million as at 31 December 2025G, unchanged compared to SAR 30.5 million as at 31 December 2024G.

Leasehold improvements

Leasehold improvements increased from SAR 30.5 million as at 31 December 2023G to SAR 43.1 million as at 31 December 2024G, primarily due to additions of SAR 5.6 million and transfers from investment properties amounting to SAR 8.7 million, partially offset by depreciation of SAR 3.4 million during the same year.

Leasehold improvements decreased from SAR 43.1 million as at 31 December 2024G to SAR 40.9 million as at 31 December 2025G, primarily due to depreciation expenses recognised during the year.

Computers

Computers increased from SAR 3.3 million as at 31 December 2023G to SAR 3.7 million as at 31 December 2024G, mainly due to additions of SAR 2.0 million, partially offset by depreciation of SAR 1.4 million during the same period.

Computer balance decreased from SAR 3.7 million as at 31 December 2024G to SAR 2.9 million as at 31 December 2025G, primarily driven by depreciation expenses of SAR 1.3 million recognised during the year, in addition to disposals recorded during the same period.

Vehicles

Vehicles increased from SAR 3.8 million as at 31 December 2023G to SAR 4.3 million as at 31 December 2024G, primarily due to additions of SAR 2.3 million, partially offset by depreciation of SAR 1.8 million during the period.

Vehicles decreased from SAR 4.3 million as at 31 December 2024G to SAR 3.1 million as at 31 December 2025G, primarily driven by depreciation expenses of SAR 1.5 million recognised during the year. This was partially offset by additions of SAR 0.3 million recorded over the same period.

Furniture and Fixture

Furniture and fixtures decreased from SAR 4.1 million as at 31 December 2023G to SAR 3.8 million as at 31 December 2024G, primarily due to disposals amounting to SAR 4.5 million and depreciation of SAR 2.0 million, partially offset by additions of SAR 2.7 million.

The balance of furniture and fixtures decreased from SAR 3.8 million as at 31 December 2024G to SAR 3.1 million as at 31 December 2025G, primarily due to depreciation expenses recognised during the year.

Machinery and Equipment

Machinery and equipment increased from SAR 15.5 million as at 31 December 2023G to SAR 18.2 million as at 31 December 2024G, mainly driven by additions of SAR 6.2 million, partially offset by depreciation of SAR 3.4 million during the same period.

The balance of machinery and equipment increased from SAR 18.2 million as at 31 December 2024G to SAR 18.6 million as at 31 December 2025G, despite depreciation expenses recognised during the year. This increase was driven by additions recorded during the year relating to newly awarded projects, partially offset by limited disposals over the same period.

Construction and Equipment

Construction and Equipment further increased from SAR 1.4 million as at 31 December 2023G to SAR 1.8 million as at 31 December 2024G, primarily due to additions of SAR 1.1 million, offset by depreciation of SAR 638 thousand during the same period.

The balance of construction and equipment increased from SAR 1.9 million as at 31 December 2024G to SAR 1.7 million as at 31 December 2025G, despite depreciation expenses recognised during the year. This increase was primarily driven by additions relating to newly awarded projects, partially offset by limited disposals over the same period.

Capital work under process

Capital work in progress increased from nil as at 31 December 2024G to SAR 0.8 million as at 31 December 2025G, relating to capital expenditure incurred for Expansion works for the warehouses of the factories sector at Built Industrial Company.

Investment properties

Table 7.14: Investment properties as of 31 December 2023G, 2024G, and 2025G:

SAR in 000s	Land	Buildings	Real estate under development	Right-of-use assets	Total
Cost					
1 January 2023G	526,530	233,420	46,325	141,702	947,977
Additions during the year	22,7692	11,747	3,249	-	37,757
Interest on capitalized lease liabilities	-	-	329	-	329
Reclassification	(8,608)	8,608	-	-	-
Transferred to real estate for development and sale	(270,404)	(8,093)	-	-	(278,497)
Transferred from real estate under development	-	46,619	(46,619)	-	-
Disposals	-	-	-	(47,198)	(47,198)
31 December 2023G	**270,280**	**292,301**	**3,283**	**94,505**	**660,369**
Accumulated depreciation					
1 January 2023G	-	35,413	-	64,252	99,665
Depreciation for the year	-	14,947	-	6,650	21,596
Disposals	-	-	-	(47,198)	(47,198)
31 December 2023G	-	50,360	-	23,704	74,064
Cost					
1 January 2024G	270,280	292,301	3,283	94,505	660,369
Additions during the year	-	99	9,061	-	9,160
Transferred to property and equipment	(21,219)	(8,717)	-	-	(29,933)
Disposals	(128,788)	-	(2,125)	-	130,913
31 December 2024G	**120,276**	**283,683**	**10,219**	**94,505**	**508,683**
Accumulated depreciation					
1 January 2024G	-	50,360	-	23,704	74,064
Depreciation for the year	-	15,882	-	6,650	22,531
Transferred to property and equipment	-	(67)	-	-	(67)
31 December 2024G	**-**	**66,175**	**-**	**30,354**	**96,529**
Cost					
1 January 2025G	120,276	283,683	10,219	94,505	508,683
Additions during the year	-	304	37,546	-	37,850
Interest on capitalized lease liabilities	-	-	3,035	-	3,035
Reclassification	83,850	-	-	-	83,850
Transferred to real estate for development and sale	204,126	283,987	50,800	94,505	633,418
Disposals	120,276	283,683	10,219	94,505	508,683
31 December 2025G	**-**	**304**	**37,546**	**-**	**37,850**
Accumulated depreciation					
1 January 2025G	-	66,175	-	30,354	96,529
Depreciation for the year	-	16,318	-	6,213	22,531
31 December 2025G	-	82,493	-	36,567	119,059
Net book value:					
31 December 2023G	**270,280**	**241,941**	**3,283**	**70,801**	**586,305**
31 December 2024G	**120,276**	**217,508**	**10,219**	**64,151**	**412,154**
31 December 2025G	**204,126**	**201,495**	**50,800**	**57,938**	**514,358**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Investment properties comprise land amounting to SAR 185,4 million and buildings with a net carrying value of SAR 152,8 million, which are pledged against long-term loans under agreements with local banks.

The investment properties, with a net carrying value of SAR 514.4 million, were revalued at a fair value of SAR 684.8 million as at 31 December 2025G. The valuation was conducted by an accredited independent valuer, Imam Real Estate Valuation Company (license number 1210000030, commercial registration number 1010611939).

Investment properties decreased from SAR 586.3 million as at 31 December 2023G to SAR 412.2 million as at 31 December 2024G, primarily due to depreciation charges on buildings held for leasing purposes and to the sale of the LAK Investment Company land for SAR 133.0 million in cash, resulting in a gain of SAR 4.4 million.in addition to the reclassification of offices to property, plant and equipment amounting to SAR 30 million. This was offset by additions of SAR 9.2 million during the same period.

Investment properties increased from SAR 412.2 million as at 31 December 2024G to SAR 514.4 million as at 31 December 2025G, primarily driven by the reclassification of Al-Sulaymaniyah land from properties held for development and sale, amounting to SAR 83.9 million, in line with the Group's plan to develop the land into a residential compound in future periods. This was further supported by additions of SAR 40.6 million relating to projects under development, mainly associated with the Ladun Tower project.

Right of use assets

Table 7.15: Right of use assets as of 31 December 2023G, 2024G, and 2025G:

SAR in 000s	Land	Equipment	Total
Cost			
1 January 2023G	1,712	-	1,712
Additions during the year	1,317	4,052	5,369
Disposals	(1,712)	-	(1,712)
31 December 2023G	**1,317**	**4,052**	**5,369**
Accumulated depreciation			
1 January 2023G	813	-	813
Depreciation for the year	372	405	776
Disposals	(1,078)	-	(1,078)
31 December 2023G	**106**	**405**	**511**
Cost			
1 January 2024G	1,317	4,052	5,369
Additions during the year	1,584	-	1,584
Disposals	-	-	-
31 December 2024G	2,900	4,052	6,952
Accumulated depreciation			
1 January 2024G	106	405	511
Depreciation for the year	342	810	1,153
Disposals	-	-	-
31 December 2024G	**448**	**1,216**	**1,664**
Cost			
1 January 2025G	2,900	4,052	6,952
Additions during the year	-	-	-

SAR in 000s	Land	Equipment	Total
Disposals	-	-	-
31 December 2025G	**2,900**	**4,052**	**6,952**
Accumulated depreciation			
1 January 2025G	448	1,216	1,664
Depreciation for the year	77	1,216	1,293
31 December 2025G	525	2,431	2,956
Net book value:			
31 December 2023G	**1,211**	**3,647**	**4,858**
31 December 2024G	**2,452**	**2,836**	**5,289**
31 December 2025G	**2,375**	**1,621**	**3,996**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Right-of-use assets increased from SAR 4.9 as at 31 December 2023G to SAR 5.3 million as at 31 December 2024G, and further to SAR 4.0 million in 2025G. The increase was mainly due to the Group entering into three lease contracts for equipment and two lease contracts for land during 2023G, coinciding with the commencement of operations at two new factories during the period. These contracts contributed to an increase in right-of-use assets and the corresponding lease liabilities recognized in the Group's financial statements.

In contrast, Ladun did not enter into any new operating lease agreements during 2023G, as the Group had purchased its head office building in 2023G, which was subsequently reclassified from a lease to property and equipment.

The balance of right-of-use assets decreased from SAR 5.3 million as at 31 December 2024G to SAR 4.0 million as at 31 December 2025G, primarily due to amortisation expenses of SAR 1.3 million recognized during the year, with no additions recorded over the same period.

Lease liabilities

Table 7.16: Lease liabilities as of 31 December 2023G, 2024G, and 2025G:

SAR in 000s	Total
Cost	
1 January 2023G	124,885
Additions during the year	6,060
Paid during the year	(24,527)
Disposals	(747)
31 December 2023G	**105,671**
Deferred tax	
1 January 2023G	25,238
Additions during the year	691
Allocated to finance costs	(3,129)
Capitalized on real estate investments under development	(329)
Disposals	(23)
31 December 2023G	**22,449**
Cost	
1 January 2024G	105,671

SAR in 000s	Total
Additions during the year	2,018
Paid during the year	(11,938)
31 December 2024G	**95,751**
Deferred tax	
1 January 2024G	22,449
Additions during the year	434
Allocated to finance costs	(3,438)
31 December 2024G	**19,445**
Cost	
1 January 2025G	95,751
Additions during the year	-
Paid during the year	(9,649)
31 December 2025G	**86,102**
Deferred tax	
1 January 2025G	19,445
Additions during the year	-
Allocated to finance costs	(4,491)
31 December 2024G	14,954
Net book value:	
31 December 2023G	**83,222**
31 December 2024G	**76,306**
31 December 2025G	**71,148**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Table 7.17: Lease liabilities as presented on the financial position as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Lease liabilities – current portion	11,307	9,410	6,150
Lease liabilities – noncurrent position	71,916	66,896	64,998
Total	**83,222**	**76,306**	**71,148**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Lease liabilities decreased from SAR 83.2 million as at 31 December 2023G to SAR 76.3 million as at 31 December 2024G, and further to SAR 71.1 million as at 31 December 2025G. The decrease was mainly due to the expiration of several lease contracts and the settlement of lease installments due during the period.

Intangible assets

Table 7.18: Intangible assets as of 31 December 2023G, 2024G, and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Cost			
Balance at the beginning of the year	3,371	4,418	1,444
Additions during the year	165	-	1,362
Transferred from real estate under development	800	-	-
Transferred from property and equipment	82	-	-
Disposals	-	(2,973)	(165)
Balance at the end of the year	**4,418**	**1,444**	**2,642**
Accumulated amortization			
Balance at the beginning of the year	913	1,595	541
Amortization expense for the year	613	437	243
Transferred from property and equipment	69	-	-
Disposals	-	(1,491)	-
Balance at the end of the year	**1,595**	**541**	**784**
Total	**2,823**	**903**	**1,857**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Intangible assets decreased from SAR 2.8 million as at 31 December 2023G to SAR 903 thousand as at 31 December 2024G, primarily due to disposals amounting to SAR 1.5 million, in addition to amortisation charges of SAR 437 thousand recorded during the year.

The balance of intangible assets increased from SAR 903 thousand as at 31 December 2024G to SAR 1.9 million as at 31 December 2025G, primarily driven by an addition of SAR 1.4 million relating to a silica sand mining exploitation license obtained from the Ministry of Industry and Mineral Resources, in preparation for the commencement of commercial operations at Built.

Financial assets at fair value through other comprehensive income

Table 7.19: Financial assets at fair value through other comprehensive income as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Balance at the beginning of the year	84,075	55,005	44,840
Losses from revaluation	(29,070)	(10,165)	(6,080)
Total	**55,005**	**44,840**	**38,760**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Financial assets at fair value through other comprehensive income decreased from SAR 55.0 million as at 31 December 2023G to SAR 44.8 million as at 31 December 2024G, This was driven by losses resulting from the revaluation of investments.

Financial assets at fair value through other comprehensive income decreased from SAR 44.8 million as at 31 December 2024G to SAR 38.8 million as at 31 December 2025G, primarily driven by losses arising from fair value remeasurement during the period.

Payments toward an investment in a real estate fund

Table 7.20: Payments toward an investment in a real estate fund as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Haram view fund	-	32,994	32,994

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

On 7 November 2024G, the Company signed a partnership agreement with Musharaka Capital Company to establish an investment fund (Etlalat Al-Haram Fund) for the acquisition of land in the Jabal Omar area. The purpose of the fund is to develop residential and commercial towers on the land to generate capital gains. Under the agreement, Musharaka Capital Company will act as the fund manager, while Ladun Investment Company will serve as the real estate developer of the project.

The fund's capital amounts to SAR 525 million, and the value of the land intended for acquisition is valued at SAR 718,099,000 million (Excluding Real Estate Transaction Tax and brokerage commission). The ownership of the land was transferred to the name of the Custodian Company on 7 July 2025. Accordingly, the nominal value of the Fund's units was set at SAR 1,000 per unit.

The paid instalments were also converted into interests represented by units in the Fund, with the total number of subscribed units amounting to 32,993.77 units.

Investment in debt instruments

Table 7.21: Investment in debt instruments as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Investment in debt instrument	-	5,000	5,000

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

On 15 February 2024G, the Group purchased 5,000 Mudaraba Sukuk with a total value of SAR 5.0 million, carrying an annual profit rate of 5.1% until the first revaluation date on 15 February 2025G. The Sukuk are callable by the issuer in accordance with the specified terms and conditions, The sukuk were subsequently redeemed during the financial year 2025.

Contract assets

Table 7.22: Contract assets as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Balance at the beginning of the year	427,580	938,170	1,489,417
Revenue during the year	1,388,838	1,363,661	971,293
Billed revenue during the year	(878,248)	(812,415)	(1,140,313)
Transferred to real estate for development and sale	-	-	(938,140)
Gross contract assets	**938,170**	**1,489,417**	**382,257**
Provision for devaluation of client contracts	(12,908)	(23,073)	(25,271)
Total	**925,262**	**1,466,344**	**356,985**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Table 7.23: Contract assets as presented on the financial position as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Contract assets – current portion	441,098	727,585	476,033
Contract assets – noncurrent position	658,028	969,519	65,287

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Contract liabilities	(173,864)	(230,761)	(184,335)
Total	**925,262**	**1,466,344**	**356,985**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Table 7.24: Movement on provision for devaluation of client contracts as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Balance at the beginning of the year	-	12,908	23,073
Accumulated provision	12,908	10,165	6,950
Allowance utilized during the year	-	-	(4,751)
Total	**12,908**	**23,073**	**25,272**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2023G and 2024G.

Contract assets – non-current portion increased from SAR 658.0 million as at 31 December 2023G to SAR 969.5 million as at 31 December 2024G, reflecting the progress of the Ausseilah project, which reached 98% completion, as well as an increase in fair value following higher land prices in the Makkah region.

Contract assets – non-current portion decreased from SAR 969.5 million as at 31 December 2024G to SAR 65.3 million as at 31 December 2025G, in line with the completion of the Ausseilah project and its subsequent transfer to properties held for development and sale during the year. The remaining balance relates to a portion of the same land for which title deeds have not yet been transferred to the Group, and accordingly this balance was retained within non-current contract assets until full ownership is transferred.

Contract assets – current portion further increased from SAR 441.1 million as at 31 December 2023G to SAR 727.6 million as at 31 December 2024G, reflecting accelerated revenue recognition and higher revenues recorded by Ladun and Built, which are initially recognized under contract assets and later transferred to trade receivables upon invoicing in line with PoC.

Contract assets – current portion decreased from SAR 727.6 million as at 31 December 2024G to SAR 476.0 million as at 31 December 2025G, primarily driven by the collections mainly relating to the Al-Rimal project amounting to SAR 319.3 million and the Nimar project amounting to SAR 26.3 million.

Contract liabilities increased from SAR 173.9 million as at 31 December 2023G to SAR 230.8 million as at 31 December 2024G, primarily due to additional balances recorded for the Rimal project landowners in accordance with their profit-sharing ratios.

Contract liabilities decreased from SAR 230.8 million as at 31 December 2024G to SAR 184.3 million as at 31 December 2025, primarily driven by higher revenue recognition in line with project progress and the completion of key construction milestones during the year, as well as the settlement of parts of the landowners' balances relating to amounts due.

Real estate for development and sale

Table 7.25: Real estate for development and sale as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Land in Al Rimal – Riyadh	243,179	99,606	2,513
Land in Rabi – Jazan	19,334	19,334	19,396
Land in Nimar – Riyadh	13,101	6,482	3,405
Land in Al Minjarah – Jazan	15,227	15,227	15,295
Land in Rabwah – Riyadh	43,870	-	-
Land in Suleimaniyah – Riyadh	-	83,850	-

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Two projects (Venan & Jawharat AlRusaifa) – Jeddah	15,723	13,016	4,700
Afyaa Al Mashriqiyah	-	-	649
Transferred from contract assets	-	-	938,140
Others	-	853	-
Total	**350,435**	**238,368**	**984,098**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Table 7.26: Real estate for development and sale as presented on the financial position as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Real estate for development and sale – current portion	254,583	222,288	922,119
Real estate for development and sale – noncurrent position	95,852	16,080	61,979
Total	**350,435**	**238,368**	**984,098**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Real estate for development and sale decreased from SAR 350.4 million as at 31 December 2023G to SAR 238.4 million as at 31 December 2024G, primarily due to the sale of several properties and the completion of a number of major projects under Ladun during the period including the Hassi Al Rimal and Namar lands, and Al Rabwah Project.

Real estate for development and sale increased from SAR 238.4 million as at 31 December 2024G to SAR 984.1 million as at 31 December 2025G, primarily driven by the transfer of the Ausseilah project amounting to SAR 938.1 million from contract assets to properties held for development and sale following its completion. This was partially offset by the reclassification of Al-Sulaymaniyah land amounting to SAR 83.9 million to investment properties in line with the Group's development plans, as well as the sale of New Al-Rimal land amounting to SAR 80.6 million during the same period.

7.1.2.1 Current assets

Table 7.27: Current assets as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Contract assets - current portion	441,098	727,585	476,033
Real estate for development and sale - current portion	254,583	222,288	922,119
Inventory	38,958	32,853	53,412
Trade and other receivables - net	333,612	308,001	391,998
Due from related parties	945	1,370	3,292
Financial assets at fair value through P&L	31,888	25,653	23,418
Investment in debt instruments	-	5,000	-
Restricted cash (escrow accounts)	121,132	22,123	26,827
Cash and cash equivalents	73,662	81,207	39,008
Total current assets	**1,295,878**	**1,426,079**	**1,936,108**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Inventory

Table 7.28: Inventory as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Construction materials and supplies	38,958	32,853	56,841
Less: Provision for obsolete and slow-moving inventory	-	-	(3,429)
Total	**38,958**	**32,853**	**53,412**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Inventory primarily consists of materials within the Built Industrial entity, including civil and architectural materials, electrical materials, mechanical materials, and others.

Inventory is by Built Contracting for use in construction and contracting projects.

Inventory decreased from SAR 39.0 million as at 31 December 2023G to SAR 32.9 million as at 31 December 2024G. This decline was primarily driven by the consumption of construction materials by Built Contracting, and the shift in strategy for management to reduce the consumable materials to direct purchase upon demand or outsourcing to subcontractors.

Inventory increased from SAR 32.9 million as at 31 December 2024G to SAR 53.4 million as at 31 December 2025G, primarily driven by higher purchases in line with newly awarded projects during the period. The Group also recognised a one-off provision of SAR 3.4 million, relating to obsolete electrical materials that had been aged for more than two years.

Trade and other receivables

Table 7.29: Trade and other receivables as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Trade receivables	121,421	87,810	171,664
Less: expected credit loss	(13,314)	(15,462)	(22,346)
Net trade receivables	**108,107**	**72,348**	**149,318**
Prepayments to contractors and suppliers	84,164	81,458	72,398
Letters of guarantees	39,253	31,144	27,161
Performance retentions	37,927	73,879	105,160
VAT receivables	59,315	38,740	21,815
Prepayments	3,894	5,948	11,232
Receivables from employees	2,648	4,213	4,108
Others	262	271	807
Subtotal	**335,570**	**308,001**	**391,998**
Less: expected credit loss on other receivables	(1,957)	-	-
Total	**333,612**	**308,001**	**391,998**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Trade and other receivables decreased SAR 333.6 million as at 31 December 2023G to SAR 308.0 million as at 31 December 2024G. The decrease was mainly driven by collections, in addition to a reduction in advances to suppliers and the collection of VAT receivables. The slowdown in the billing process also contributed to the delay in converting contract assets, especially for long-term and ongoing projects. The decrease further reflects lower advances paid to contractors and suppliers, as well as collections from the Zakat, Tax, and Customs Authority and other receivables.

Trade and other receivables increased from SAR 308.0 million as at 31 December 2024G to SAR 392.0 million as at 31 December 2025G, primarily driven by an increase in trade receivables of SAR 77.0 million, in line with revenue growth at Built and the expansion of Painite's operations. This was further supported by an increase in prepaid expenses of SAR 5.3 million, mainly relating to accommodation and insurance payments at Built. These increases were partially offset by a decrease in VAT receivable balances of SAR 16.9 million, a reduction in advances paid to contractors and suppliers of SAR 9.1 million, and a decrease in bank guarantees of SAR 4.0 million following the completion of projects for which these guarantees had been issued. These guarantees were issued in its favor, and the related letter of guarantee deposits were subsequently recovered.

Trade receivables

Trade receivables represent receivables from direct billings across all Group entities. Built Industrial holds the largest portion, representing approximately 95% of the total balance, primarily related to its contracting business, while Painite and Ladun account for approximately 3% and 2%, respectively.

Trade receivables decreased from SAR 108.1 million as at 31 December 2023G to SAR 72.3 million, primarily due to the collection of balances from completed projects by Built Industrial, while newly awarded projects during the year were still in early stages and had not yet reached the billing phase.

Trade receivables increased from SAR 72.3 million as at 31 December 2024G to SAR 149.3 million as at 31 December 2025G, primarily driven by higher trade receivable balances at Built Industrial, in line with its revenue growth. This was further supported by an increase in receivables at Painite following business expansion, as well as an extension of the collection period at Built from 42 days to 65 days over the same period.

Prepayments to contractors and suppliers

Prepayments to contractors and suppliers primarily relate to advances made by Built Industrial to suppliers and subcontractors.

The balance of decreased from SAR 84.2 million as at 31 December 2023G to SAR 81.5 million as at 31 December 2024G. This decrease primarily reflects the utilization of previously paid advances against purchases and future works, in addition to a reduction in new advance payments during the year as a result of Built's liquidity position.

Prepayments to contractors and suppliers decreased from SAR 81.5 million as at 31 December 2024G to SAR 72.4 million as at 31 December 2025G, primarily due to the utilization of advance payments at Built Industrial in relation to newly awarded projects, alongside growth in procurement and construction activities during the period.

Letters of guarantees

Letters of guarantee relate to guarantees issued for Built Industrial's ongoing projects. The balance remained decreased from SAR 39.3 million as at 31 December 2023G to SAR 31.1 million as at 31 December 2024G, driven by the collection of guarantees related to completed projects.

Letters of guarantee decreased from SAR 31.1 million as at 31 December 2024G to SAR 27.2 million as at 31 December 2025G, primarily due to the release of certain guarantee letters relating to Built Industrial following the completion of several projects.

Performance retentions

Performance retentions relate to retentions on Built Industrial's ongoing projects. Performance retentions increased from SAR 37.9 million as at 31 December 2023G to SAR 73.9 million as at 31 December 2024G, in line with the increase in the size and value of contracts awarded to Built Industrial, resulting in higher retentions.

Performance retentions increased from SAR 73.9 million as at 31 December 2024G to SAR 105.2 million as at 31 December 2025G, primarily driven by the increase in the volume and value of contracts awarded to Built Industrial, alongside higher levels of work executed during the period. This resulted in higher guarantees retained by customers as security for the execution of contracted works.

VAT receivables

VAT receivables decreased from SAR 59.3 million as at 31 December 2023G to SAR 38.7 million as at 31 December 2024G. The decrease was mainly due to collections made by the Group from the Zakat, Tax, and Customs Authority (ZATCA).

VAT receivables decreased from SAR 38.7 million as at 31 December 2024G to SAR 21.8 million as at 31 December 2025G, primarily driven by the collection of value-added tax refunds from ZATCA during the period.

Prepayments

Prepayments relate to prepaid expenses, including medical insurance and subscription fees. The balance increased from SAR 3.9 million as at 31 December 2023G to SAR 5.9 million as at 31 December 2024G following higher prepayments made by Built Industrial, mainly related to employee expenses.

Prepaid expenses increased from SAR 5.9 million as at 31 December 2024G to SAR 11.2 million as at 31 December 2025G, primarily driven by higher advance payments made by the contracting segment at Built Industrial. These payments mainly relate to banking expenses, including fees for the issuance of bank guarantees and banking facility agreements with tenures exceeding one fiscal year, which will be amortized over the respective guarantee periods and the duration of the banking facilities.

Receivables from employees

Receivables from employees represent advances provided to employees. The balance decreased from SAR 2.6 million as at 31 December 2023G to SAR 4.2 million as at 31 December 2024G due to higher cash advances for project petty expenses.

Receivables from employees decreased slightly from SAR 4.2 million as at 31 December 2024G to SAR 4.1 million as at 31 December 2025G.

Others

Other receivables amounted to SAR 807 thousand as at 31 December 2025G and mainly comprise miscellaneous balances such as bank fee and other advances. The balance increased from SAR 262 thousand as at 31 December 2023G to SAR 271 thousand as at 31 December 2024G due to higher petty cash and other small receivable balances.

Other receivables increased from SAR 271 thousand as at 31 December 2024G to SAR 807 thousand as at 31 December 2025G, primarily driven by higher miscellaneous expenses at Built Industrial.

Investments at fair value through profit and loss

Table 7.30: Investments at fair value through profit and loss as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Traded stocks in Bank Al Bilad's portfolio	31,888	25,653	23,418

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Investments at fair value through profit and loss decreased from SAR 31.9 million as at 31 December 2023G to SAR 25.7 million as at 31 December 2024G. The decrease was mainly driven by a decline in the market valuation of investments, in addition to the absence of income from the sale of shares amounting to SAR 11.7 million that was recognized in 2023G.

During the periods under review, the Group received dividends of SAR 1.0 million in 2023G, SAR 0.7 million in 2024G, and SAR 0.7 million in 2025G.

In addition, the investment portfolio includes shares that are pledged in favor of Bank Al Bilad as collateral against long-term loans. The fair value of the pledged assets amounted to SAR 17.7 million as at 31 December 2025G.

Cash and cash equivalents

Table 7.31: Cash and cash equivalents as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Banks – current accounts	194,794	108,057	70,673
Banks – investment portfolios	-	273	163
Gross	**194,794**	**108,330**	**70,836**
Restricted cash (escrow accounts)	(121,132)	(22,123)	(26,827)
Overdrafts	-	(5,000)	(5,000)
Total	**73,662**	**81,207**	**39,008**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Cash and cash equivalents decreased from SAR 194.8 million as at 31 December 2023G to SAR 108.3 million as at 31 December 2024G, primarily due to negative cash flows from financing activities as a result of loan repayments amounting to SAR 397.8 million. dividend distributions of SAR 20.0 million, in addition to lease liability repayments of SAR 12.0 million. This was partially offset by new loan proceeds of SAR 290.2 million received during the year.

Cash and cash equivalents decreased from SAR 81.1 million as at 31 December 2024G to SAR 39.0 million as at 31 December 2025G. This decline was primarily driven by higher cash outflows in investing activities amounting to SAR 38.3 million, in line with increased expenditure on the acquisition of property and equipment and intangible assets. In addition, cash outflows in financing activities increased by SAR 60.1 million, reflecting the Group's continued repayment of borrowings at elevated levels. These outflows were partially offset by higher cash inflows from operating activities amounting to SAR 117.8 million in 2025G, mainly driven by the completion of the Ausseilah project.

Restricted cash (escrow accounts)

Table 7.32: Restricted cash (escrow accounts) as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Restricted cash (escrow accounts)	121,132	22,123	26,827

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Restricted cash represents amounts collected from the sale of off-plan residential units, which are held in escrow accounts to be utilized exclusively for expenditure on off-plan sales projects.

Restricted cash decreased from SAR 121.1 million as at 31 December 2023G to SAR 22.1 million as at 31 December 2024G, primarily due to the use of funds for the development of the Ausseilah and Rimal projects.

Restricted cash increased from SAR 22.1 million as at 31 December 2024G to SAR 26.8 million as at 31 December 2025G, primarily driven by collections from project sales during the period.

7.1.2.2 Shareholder's equity

Table 7.33: Shareholder's equity as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Share capital	500,000	500,000	500,000
Statutory reserve	24,032	30,6471	-
Retained earnings	114,652	154,128	129,372
Unrealized profit (loss) from re-valuation of financial assets at fair value	(39,989)	(50,154)	(56,234)

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Actuarial profit (loss) from remeasurement of employee end of service benefits	(3,042)	305	4,364
Total shareholder's equity	**595,654**	**634,920**	**577,502**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Share capital

Table 7.34: Share capital as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Adiyat Investment Company	93,195	67,795	67,795
A'shar Investment Company	71,100	-	-
H.H Prince Faisal bin Saad bin Saud Al Saud	-	-	28,145
Others	335,705	432,205	404,060
Total	**500,000**	**500,000**	**500,000**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

The Company's issued share capital is set at SAR 500 million, divided into 500 million ordinary shares of equal value, with each share having a nominal value of SAR 1. All shares are ordinary shares.

Statutory reserve

Table 7.35: Statutory reserve as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Balance at the beginning of the year	13,098	24,032	30,641
Transferred from net profit of the year	10,934	6,608	-
Transferred to Retained earnings	-	-	(30,641)
Balance at the end of the year	**24,032**	**30,640**	-

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

In accordance with the Company's Articles of Association, the Company is required to transfer 10% of its annual net income to the statutory reserve until the total balance of the reserve reaches 30% of the share capital. This reserve is not available for distribution to shareholders.

The statutory reserve increased from SAR 24.0 million as at 31 December 2023G to SAR 30.6 million as at 31 December 2024G, mainly due to transfers made from retained earnings during the year.

The statutory reserve decreased from SAR 30.6 million as at 31 December 2024G to nil as at 31 December 2025G, following the Extraordinary General Assembly's approval on 27 May 2025 to transfer the full statutory reserve balance reported in the consolidated financial statements for the year ended 31 December 2024 (amounting to SAR 30.6 million) to retained earnings.

Retained earnings

Table 7.36: Retained earnings as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Retained earnings	114,652	154,128	129,372

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Retained earnings increased from SAR 114.7 million as at 31 December 2023G to SAR 154.1 million as at 31 December 2024G, in line with the profits generated during the financial year 2024G.This was offset by dividend distributions of SAR 20.0 million during the same period.

Retained earnings decreased from SAR154.1 million as at 31 December 2024G to SAR 129.4 million as at 31 December 2025G, primarily driven by the Group recording net losses during 2025G.

Unrealized (loss) from re-valuation of financial assets at fair value

Table 7.37: Unrealized profit (loss) from re-valuation of financial assets at fair value as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Balance at the beginning of the year	(10,919)	(39,989)	(50,154)
Losses from revaluation	(29,070)	(10,165)	(6,080)
Balance at the end of the year	**(39,989)**	**(50,154)**	**(56,234)**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Unrealized (loss) from re-valuation of financial assets at fair value increased from SAR 40.0 million as at 31 December 2023G to SAR 50.2 million as at 31 December 2024G, mainly due to losses arising from the revaluation of financial assets during the same period.

Unrealized (loss) from re-valuation of financial assets at fair value increased from SAR 50.2 million as at 31 December 2024G to SAR 56.2 million as at 31 December 2025G, primarily driven by losses arising from the fair value remeasurement of these financial assets during the period.

Actuarial profit (loss) from remeasurement of employee end of service benefits

Table 7.38: Actuarial profit (loss) from remeasurement of employee end of service benefits as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Actuarial profit (loss) from remeasurement of employee end of service benefits	(3,042)	305	4,364

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Actuarial (loss) from remeasurement of employee end of service benefits decreased from SAR 3.0 million as at 31 December 2023G to a gain of SAR 305 thousand as at 31 December 2024G, mainly due to the annual revaluation of the employee benefits provision based on updated actuarial studies.

Actuarial profit (loss) from remeasurement of employee end of service increased from SAR 305 thousand as at 31 December 2024Gto SAR 4.4 million as at 31 December 2025G, reflecting gains recognized from the remeasurement of defined employee benefit obligations during the period.

7.1.2.3 Non-current liabilities

Table 7.39: Non-current liabilities as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Long-term loans - noncurrent portion	784,767	879,109	272,070
Lease liabilities - noncurrent portion	71,916	66,896	64,998
Employees end of service benefits	23,587	23,434	24,846
Total non-current liabilities	**880,269**	**969,439**	**361,914**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Long-term loans

Table 7.40: Long-term loans as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Balance at the beginning of the year	660,656	944,463	951,391
Proceeds	419,930	100,300	163,930
Repayments	(106,895)	(162,689)	(423,167)
Less deferred interest	(29,229)	-	-
Charged to financing costs	-	18,883	56,070
Financing costs of loans charged to cost of revenues	-	30,655	-
Financing costs of loans capitalized on real estate for development and sale	-	19,780	-
Financing costs capitalized on investment properties	-	-	3,035
Balance at the end of the year	**944,463**	**951,391**	**751,259**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Table 7.41: Long-term loans as presented on the financial position as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Long-term loans – current portion	159,696	72,283	479,189
Long-term loans – noncurrent position	784,767	879,109	272,070
Total	**944,463**	**951,391**	**751,259**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

The Group obtained total bank facilities from local banks amounting to SAR 1.6 billion, comprising general credit facilities, deferred sale financing, project financing, and letters of guarantee. All facilities are Shariah-compliant. The movement in loans obtained under these facilities is summarized as follows:

- The Group obtained a long-term Sharia-compliant financing facility from Al Rajhi Bank to finance 80% of the total cost of the new Ladun Residential Tower project in Riyadh, against the annual lease amount. The facility has a tenor of 10 years, including a grace period of 36 months.
- The Group obtained a long-term Sharia-compliant financing facility from Bank Albilad with a tenor of five years, repayable at maturity, amounting to SAR 94.6 million for the settlement of the Venan Project incentive, in addition to SAR 44.2 million for the settlement of the Venan land value.

The loan balances referred to above were granted at prevailing market rates as of the grant date, based on the following guarantees:

1. Joint and several guarantees and personal guarantees from shareholders and board members.
2. A real estate mortgage over the properties to be financed under property, plant and equipment, investment properties, contract assets, and properties held for development and sale.
3. Pledge of an investment portfolio or real estate assets with a coverage ratio of 125% for long-term financing.
4. Assignment of revenue from the Jeddah–Venan project and the Ausseilah master plan development project in favor of the bank.
5. Pledge of an investment portfolio or real estate assets with a coverage ratio of 125% for long-term financing.
6. Corporate guarantees from Ladun Company, Built Company, Aadiyat Company, and A'shar Investment Company
7. Signing of promissory notes
8. The Group undertakes, under the Al Rajhi Bank agreements, to maintain a current ratio of not less than 1.0 time throughout the financing period, a leverage ratio not exceeding 1.25 times throughout the financing period, and a debt service coverage ratio of not less than 1.25 times throughout the financing period.

The loan agreements also include additional covenants. Breach of these covenants in the future may result in renegotiation with the lenders. Management monitors compliance with all covenants on a regular basis and takes necessary measures to ensure adherence. During 2024G, the Group was in full compliance with all loan covenants.

Long-term loans decreased from SAR 951.4 million as at 31 December 2024G to SAR 751.3 million as at 31 December 2025G, as the Group repaid SAR 423.2 million during the period following the completion of several real estate projects that had been financed by these facilities. This was partially offset by new drawdowns of SAR 163.9 million, which were utilised to finance future projects or settle liabilities relating to prior projects.

Employees end of service benefits

Table 7.42: Employees end of service benefits as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Balance at the beginning of the year	13,713	23,587	23,434
Service cost	8,751	6,860	7,366
Finance costs	764	1,117	1,236
Charged on profit and loss	**9,515**	**7,977**	**8,602**
Repayments	(1,255)	(4,783)	(3,131)
Actuarial gain / loss from the remeasurement of defined employee benefits	1,613	(3,347)	(4,059)
Balance at the end of the year	**23,587**	**23,434**	**24,846**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Table 7.43: Charged on profit and loss as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Charged on profit and loss	3,956	3,396	3,607
Charged on general and administrative expenses	5,559	4,582	4,996
Total	**9,515**	**7,977**	**8,602**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

The Group provides a defined end-of-service benefit plan to its employees in accordance with the requirements of the Saudi Arabian Labor Law. Payments under the plan are based on the employees' final salaries, allowances, and accumulated years of service at the date of termination. The employees' benefits plan is unfunded, and the Group meets its obligations as they become due.

Employees' end-of-service benefits balance remained relatively stable at SAR 23.6 million as at 31 December 2023G and SAR 23.4 million as at 31 December 2024G, in line with the increase in the percentage of new employees.

Defined benefit employee obligations increased from SAR 23.4 million as at 31 December 2024G to SAR 24.8 million as at 31 December 2025G, primarily driven by the accumulated employee benefit obligations.

7.1.2.4 Current liabilities

Table 7.44: Current liabilities as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Long-term loans - current portion	159,696	72,283	479,189
Short-term loans	199,534	174,149	261,203
Lease liabilities - current portion	11,307	9,409	6,150
Due to related parties	2,555	1,931	1,759

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Contract liabilities	173,864	230,761	184,335
Trade payables and other payables	733,319	909,682	874,724
Operating loss liabilities	-	5,000	1,134
Provision for legal cases	-	2,327	6,408
Zakat provision	11,386	2,917	2,592
Total current liabilities	**1,291,662**	**1,408,457**	**1,817,494**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Short-term loans

Table 7.45: Short-term loans as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Balance at the beginning of the year	162,779	199,534	174,149
Proceeds	269,516	189,920	243,885
Repayments	(222,077)	(235,100)	(174,625)
Total	**210,218**	**174,149**	**243,409**
Deferred interest			
Balance at the beginning of the year	1,796	10,684	-
Additions	25,763	15,196	-
Charged to financing costs	(16,876)	(19,795)	(17,794)
Total	**10,684**	**6,084**	-
Balance at the end of the year	**199,534**	**174,149**	**261,203**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

The Group obtained bank facilities from local banks totaling SAR 1.016 billion, comprising Tawarruq financing, direct credit alternatives, letter of guarantee facilities, and working capital financing. All facilities are Shariah-compliant and provided at prevailing market rates. The facilities are secured by the following:

- Joint and several guarantees and personal guarantees from shareholders and board members.
- Mortgages over real estate properties.
- Promissory notes signed in favor of the banks.
- Other terms and conditions as stipulated in the facility agreements.

Short-term borrowings decreased from SAR 199.5 million as at 31 December 2023G to SAR 174.1 million as at 31 December 2024G, primarily due to higher repayments made during 2024G.

Short-term borrowings increased from SAR 174.1 million as at 31 December 2024G to SAR 261.2 million as at 31 December 2025G, primarily driven by the Group securing new financing facilities from Banque Saudi Fransi with a total value of SAR 55.4 million to support working capital requirements, in addition to loan facilities from other banks to fund projects.

Related party transactions

Table 7.46: Related party transactions as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	Nature of transaction	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Opal Al-Jazeera Security Services Company	Payments and expenses on behalf of others	4,820	8,251	7,520
	Provision of security guarding services	(3,243)	(7,826)	(5,598)
Musharaka Capital Company	Closure and settlement of prepaid rental revenue for Jazla 1 and Sea Shore residential compound	966	315	922
	Expenses for executed operation and maintenance	(4,362)	(2,656)	-
	Payments for services received	4,966	2,966	(750)
	Amounts transferred to Musharaka Capital Company as an investment in a real estate fund	-	32,994	-
LAK Investment Trading Company	Proceeds from the cancellation of the agreement to acquire LAK Investment Company	-	133,008	-

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Table 7.47: Due From related parties as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	Nature of relation	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Opal Al-Jazirah Security Services Company	Owned by the Chairman and the Vice Chairman of the Board of Directors.	945	1,370	3,292

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

The balance due from related parties pertains to Opal Al-Jazirah Security Services, a company owned by the Chairman of the Board and the vice chairman of the board at Ladun. The balance increased from SAR 945 thousand as at 31 December 2023G to SAR 1.4 million as at 31 December 2024G, mainly due to higher commercial transactions with the Opal Al-Jazirah during the year.

Amounts due from related parties increased from SAR 1.4 million as at 31 December 2024G to SAR 3.3 million as at 31 December 2025G, in line with higher payments and expenses incurred on behalf of Opal Al-Jazirah Security Services Establishment.

Table 7.48: Due to related parties as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	Nature of relation	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Musharaka Capital Company	The Chief Executive Officer of Musharaka, who also served as Vice Chairman of Ladun's Board of Directors in the previous term, which ended on 17 September 2025.	2,555	1,931	-
Total		**2,555**	**1,931**	-

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

The balance due to related parties decreased from SAR 2.6 million as at 31 December 2023G to SAR 1.9 million as at 31 December 2024G, primarily due to partial settlements of these balances during the year.

Amounts due to related parties decreased from SAR 1.9 million as at 31 December 2024G to SAR 1.8 million as at 31 December 2025G, following the payment and settlement of outstanding balances with Musharaka Financial Company.

Trade and other payables

Table 7.49: Trade and other payables as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Suppliers and subcontractors	124,572	227,802	266,275
Real estate investments purchase creditors	105,000	105,000	105,000
National housing company (NHC)*	230,730	209,254	79,216
Advances from customers	157,309	241,873	291,291
Accrued bonuses	6,644	1,673	1,622
VAT payable	19,389	25,336	35,500
Performance retentions	55,466	53,612	46,242
Employee payables	8,078	17,316	20,251
Unearned lease revenue	19,111	20,861	20,500
Guarantees of units	2,611	1,781	1,302
Other guarantees	759	1,134	1,718
Accrued interest	2,349	1,997	3,818
Others	1,300	2,044	1,988
Total	**733,319**	**909,682**	**874,724**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

*The balance represents amounts due to the National Housing Company, which are considered a benevolent loan to finance Ministry of Housing projects. It is provided in the form of an incentive, with half of the amount to be repaid upon collecting 80% of the total value of units for each project, and the other half when collections exceed 90% of the total value of units for each project.

Trade and other payables increased from SAR 733.3 million as at 31 December 2023G to SAR 909.7 million as at 31 December 2024G, reflecting slower payments—particularly from Built Industrial—resulting from delays and suspensions in some projects, which affected and extended payment terms, in addition to higher advances received from customers.

Trade and other payables decreased from SAR 909.7 million as at 31 December 2024G to SAR 874.7 million as at 31 December 2025G, primarily driven by the settlement of balances with the National Housing Company amounting to SAR 130.0 million following the completion of the Venan and Rasifa projects. This decrease was partially offset by higher advance payments from customers of SAR 49.4 million and an increase in payables to suppliers and subcontractors of SAR 38.5 million during the same period.

Suppliers and subcontractors

Suppliers and subcontractors primarily relate to Built Industrial, including balances due to subcontractors and material suppliers for factory and contracting activities.

The balance from SAR 124.6 million as at 31 December 2023G to SAR 227.8 million as at 31 December 2024G, mainly due to higher costs associated with new projects and greater reliance on subcontractors.

As at 31 December 2024G, Built Industrial suppliers represented approximately 69% of the total balance, while Ladun suppliers accounted for 31%. The average payment period for Built Industrial suppliers indicates delays in payments during 2024G, driven by newly awarded projects where payment terms are linked to project milestones.

Suppliers and subcontractors increased from SAR 227.8 million as at 31 December 2024G to SAR 266.3 million as at 31 December 2025G, primarily driven by outstanding balances due to suppliers and subcontractors following payment delays. The Group is working to structure payment schedules in line with contractual terms.

As at 31 December 2025G, Built Industrial suppliers represented approximately 95% of the total balance, while suppliers of Ladun represented the remaining 5%. The average payment period for Built Industrial suppliers decreased from 152 days as at 31 December 2024 to 138 days as at 31 December 2025. Similarly, the average payment period for Ladun suppliers declined from 54 days to 17 days over the same period, reflecting the substantial completion and closure of several Group projects.

Real estate investments purchase creditors

Real estate investment creditors represent a single balance owed to the previous owners of the Rimal land. The balance has been outstanding since the start of the project in 2022G and is scheduled for settlement upon the sale of all project units, in accordance with the agreement with the Group. The balance is debit-like in nature and has been adjusted accordingly in the net debt analysis.

Real estate investment creditors amounted to SAR 105.0 million as at 31 December 2024G and 31 December 2025G. Settlement of these balances is contractually linked to the completion of the project and the collection of the full sales proceeds.

National housing company (NHC)*

The National Housing Company (NHC) balance represents financial support provided by NHC at the initiation of the Venan and Rusaifa projects to fund their construction and sales. The balance does not have a scheduled repayment plan, as it was originally intended to be offset against sales made to NHC; however, NHC has not yet utilized this balance. The balance is debit-like in nature, and the Group is in the process of settling it as the Venan project nears completion. Additionally, a portion of this balance was settled in the second half of 2025G.

The balance due to the National Housing Company decreased from SAR 209.3 million as at 31 December 2024G to SAR 79.2 million as at 31 December 2025G, primarily reflecting repayments settled during the period.

Advances from customers

Advances from customers increased from SAR 158.1 million as at 31 December 2023G to SAR 241.9 million as at 31 December 2024G, and further to SAR 291.3 million as at 31 December 2025G, mainly driven by advances received for new projects with Amaala and Kadana.

Accrued bonuses

Accrued bonuses represent unpaid performance-related bonuses. The balance decreased from SAR 6.6 million as at 31 December 2023G to SAR 1.7 million as at 31 December 2024G, then further to SAR 1.6 million as at 31 December 2025G, reflecting the payment of most accrued bonuses during the period.

VAT payable

VAT payable represents amounts due to the Zakat, Tax, and Customs Authority (ZATCA) for VAT invoiced to customers by Built Industrial. The balance increased from SAR 19.4 million as at 31 December 2023G to SAR 25.3 million as at 31 December 2024G. The increase reflects the agreement between Built and ZATCA to settle accrued VAT over a one-year period.

VAT payable increased from SAR 25.3 million as at 31 December 2024G to SAR 35.5 million as at 31 December 2025G, in line with revenue growth at Built Industrial during the period.

Performance retentions

Performance retentions primarily represent amounts withheld by the Group from subcontractors, which are released upon project completion or upon achieving specific contractual milestones. The balance decreased slightly from SAR 55.5 million as at 31 December 2023G to SAR 53.6 million as at 31 December 2024G, with the majority of prior-year retentions remaining outstanding.

Performance retentions decreased from SAR 53.6 million as at 31 December 2024G to SAR 46.2 million as at 31 December 2025G, primarily due to the closure of legacy projects for which Built had pledged guarantees to subcontractors. These guarantees were released and settled upon project completion.

Employee payables

Employees' payables primarily consist of provisions for vacation and air ticket entitlements. The balance increased from SAR 8.1 million as at 31 December 2023G to SAR 17.3 million as at 31 December 2024G. The increase was mainly driven by higher employee-related provisions recognized by the Company during 2024G.

Employees' payables increased from SAR 17.3 million as at 31 December 2024G to SAR 20.3 million in 2025G. This balance includes provisions relating to employees' accrued leave and airfare entitlements.

Unearned lease revenue

Unearned lease revenue increased from SAR 19.1 million as at 31 December 2023 to SAR 20.9 million as at 31 December 2024, in line with the increase in rental revenue during the period.

Unearned lease revenue then decreased from SAR 20.9 million as of 31 December 2024G to SAR 20.5 million as at 31 December 2025G in line with the decline in rental revenue during the period.

Guarantees of units

Guarantees of units represent payments collected from Venan and Rusaifa customers to reserve units. The balance decreased from to SAR 2.6 million as at 31 December 2023G to SAR 1.8 million as at 31 December 2024G, primarily due to refunds made to customers after full payment and completion of ownership transfers.

Guarantees of units decreased from SAR 1.8 million as at 31 December 2024G to SAR 1.3 million as at 31 December 2025G, primarily driven by the refund of reservation amounts received from owners of Venan and Rusaifa units following the transfer of ownership to them.

Other guarantees

Other guarantees pertain to insurance amounts received from tenants. The balance increased from SAR 759 thousand as at 31 December 2023G to SAR 1.1 million as at 31 December 2024G.

Other guarantees increased from SAR 1.1 million as at 31 December 2024G to SAR 1.7 million as at 31 December 2025G, primarily driven by guarantees obtained by Painite from newly onboarded tenants during the period.

Accrued interest

Accrued interest represents unpaid profit charges on loans and facilities. The balance decreased from SAR 2.3 million as at 31 December 2023G to SAR 2.0 million as at 31 December 2024G, reflecting partial interest settlements made during the year.

Accrued interest increased from SAR 2.0 million as at 31 December 2024G to SAR 3.8 million as at 31 December 2025G, primarily driven by an increase in short-term borrowings from Al Rajhi Bank during the period.

Others

Other payables primarily comprise accrued expenses, including professional, legal, and consultancy fees, among other items. The balance increased from SAR 1.3 million as at 31 December 2023G to SAR 2.0 million as at 31 December 2024G and as at 31 December 2025G. The increase was mainly driven by higher professional fees that remained unpaid as at year-end.

Operating loss liabilities

Table 7.50: Operating loss liabilities as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Operating loss liabilities	-	5,000	1,134

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Operating loss liabilities relate to a provision recorded by the Group in 2024G for losses incurred on the delivery of residential complexes, amounting to SAR 5.0 million as at 31 December 2024G.

Operational loss liabilities decreased from SAR 5.0 million as at 31 December 2024G to SAR 1.1 million as at 31 December 2025G. In 2024G, these obligations relate to accruals recognised by the Group in connection with the disposal of certain properties, where lease periods for some residential compounds had expired and the Group was required to reinstate the buildings to their original condition. The provision was recognised to cover the ongoing expenses incurred on these properties. In 2025G, the balance was related exclusively to Built in relation to loss-making projects.

Provision for legal cases

Table 7.51: Provision for legal cases as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Provision for legal cases	-	2,327	6,408

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Provision for legal cases amounted to SAR 2.3 million as at 31 December 2024G and relates to cases associated with delays in the delivery of residential units to customers of the Venan and Rusaifa projects.

The provision for legal claims increased from SAR 2.3 million as at 31 December 2024G to SAR 6.4 million as at 31 December 2025G, as an additional provision was required beyond the revised balance.

Zakat provision

Table 7.52: Zakat provision as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Balance at the beginning of the year	8,605	11,386	2,917
Paid during the year	(9,399)	(4,915)	(2,169)
Zakat differences from previous years	8,587	-	-
Settlements during the year	-	(2,500)	-
Disposal of zakat from associate company	-	(6)	-
Reversal of zakat provision	-	(2,756)	-
Reversal of zakat differences from previous years	-	-	-
Charge for the year	3,593	1,708	1,844
Balance at the end of the year	**11,386**	**2,917**	**2,592**

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Zakat provision decreased from SAR 11.4 million as at 31 December 2023G to SAR 2.9 million as at 31 December 2024G. The decrease was based on the zakat assessment conducted during the period, in addition to the Group filing its tax and zakat returns on a consolidated basis starting from the 2023G financial year, which resulted in lower zakat expenses, in addition to benefitting from new zakat regulations.

The zakat provision decreased from SAR 2.9 million as at 31 December 2024G to SAR 2.6 million as at 31 December 2025G, based on the zakat assessment performed during the period, in addition to payments made during the year.

7.1.3 Consolidated Statement of Cash Flows

Table 7.53: Consolidated statement of cash flows as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Operating activities			
Net profit (loss) for the year	109,341	66,084	(55,397)
Adjustments:			
Depreciation of property, plant and equipment	11,615	12,490	11,629
Depreciation of real estate investments	21,596	22,531	22,531
Profit (loss) on disposal of property, plant and equipment	753	423	(529)
Losses from devaluation of property, plant and equipment	-	586	-
Losses on investment properties under development	11,752	2,125	-
Reversal of impairment loss on property, plant and equipment	-	-	(574)
Losses from operational contracts	-	7,000	1,134
Amortization of intangible assets	613	437	243
Losses on disposal of intangible assets	-	1,483	165
Amortization of right-of-use assets	776	1,153	1,293
Loss (profit) on disposal of right-of-use assets	(91)	-	-
Realised profits from sale of investments at fair value through profit and loss	(455)	-	-
Employee benefits – accumulated	9,515	7,977	8,602
Disposal of provision for losses on investments in an associate company	(126)	-	-
Reversal of provision for zakat	-	(2,756)	-
Reversal of provision for devaluation in other receivables	-	(1,957)	-
Share of profit from operations of associated company	-	-	-
Provision for lawsuits	-	2,327	5,756
Income from investments in debt instruments		(213)	(43)
Dividends from financial assets at fair value through other comprehensive income	(665)	(1,900)	(2,280)
Dividends from investments at fair value through profit and loss	(1,044)	(700)	(694)
Provision for expected credit losses – accumulated	15,183	4,723	7,334
Provision for devaluation of client contracts	12,908	10,165	6,950
Obsolete and slow-moving inventory	-	-	3,429
Provision for devaluation in other receivables	1,957	-	-
Finance costs - long-term loans	10,141	18,883	56,070
Finance costs - short-term loans	16,876	19,795	17,794
Finance costs - lease liabilities	3,129	3,438	4,491
Finance costs - Assilah project	26,210	30,655	-
Zakat – accumulated	12,174	1,708	1,844
Unrealised profit (loss) from re-valuation of investments at fair value through profit and loss	(4,914)	6,235	2,235

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Profit (loss) of discontinued operations	26	(4,357)	-
Total	**257,270**	**208,547**	**91,984**
Changes in assets and liabilities:			
Used from provision for expected credit losses	(15,536)	(2,575)	(450)
Used from provision for lawsuit	-	-	(1,675)
Used from Provision for devaluation of client contracts	-	-	(4,751)
Client contracts	(510,590)	(551,247)	169,021
Inventory	27,542	6,105	(23,988)
Real estate for development and sale	42,009	131,660	108,560
Trade and other receivables - net	10,934	25,422	(90,882)
Related parties	(6)	(1,050)	(2,094)
Restricted cash (escrow account)	90,743	99,009	(4,704)
Trade and other payables	(10,623)	176,363	(34,958)
Paid from losses of operational contracts	-	(2,000)	(5,000)
Amounts settled from employee end of service benefits	(1,255)	(4,783)	(2,131)
Zakat paid	(9,399)	(4,915)	(2,169)
Zakat settlements	-	(2,500)	-
Disposal of associated Company	(20)	131	-
Net cash generated from/(used in) operating activities	**(118,932)**	**78,167**	**195,762**
Investing activities			
Additions to property, plant and equipment	(16,654)	(19,924)	(7.795)
Proceeds from sale of property, plant and equipment	1,382	355	656
Additions to real estate investments	(37,757)	(9,160)	(37,840)
Proceeds from the sale of real estate investments	-	133,008	-
Additions to intangible assets	(165)	-	-
Additions to debt instrument investments	-	(5,000)	-
Proceeds from sale of investments in debt instruments	-	-	5,000
Proceeds from returns on investments in debt instruments	-	213	43
Paid from real estate investment fund	-	(32,994)	-
Dividends from financial assets at fair value through other comprehensive income	665	1,900	2,280
Dividends received from investments at fair value through profit and loss	1,044	700	694
Proceeds from sale of investments at fair value through profit and loss	11,665	-	-
Net cash generated from/(used in) investing activities	**(39,820)**	**69,098**	**(38,334)**
Financing activities			
Lease liabilities paid	(24,527)	(11,938)	(9,649)
Loans received	590,059	290,219	407,815

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Loans paid	(328,972)	(397,790)	(597,792)
Dividends paid	(34,999)	(20,000)	-
Net cash generated from/(used in) financing activities	**201,560**	**(139,508)**	**(199,627)**
Net change in cash and cash equivalents	42,807	7,545	(42,199)
Cash and cash equivalents the beginning of the year	30,855	73,662	81,207
Cash and cash equivalents at the end of the year	**73,662**	**81,207**	**39,008**
Other non-cash transactions:			
Transferred from real estate investments to property, plant and equipment	-	29,867	-
Transferred from real estate investments to real estate for development and sale	278,497	-	-
Transferred from real estate for development and sale to property, plant and equipment	101	187	-
Transferred from real estate for development and sale to real estate investments	-	-	(83,850)
Transferred from contract assets to real estate for development and sale	-	-	(938,140)
Transferred from real estate for development and sale to intangible assets	800	-	-
Transferred from property, plant and equipment to intangible assets	(13)	-	-
Dividends paid on investments at fair value through other comprehensive income	-	-	-
Additions on lease contracts	5,369	1,584	-
Lease liabilities finance costs	3,129	-	-
Interests on capitalized lease contracts on real estate for development and sale	20,314	19,780	-
Interests on capitalized lease contracts on real estate investments under development	329	-	-
Unrealised (losses) on re-valuation of financial assets at fair value	(29,070)	(10,165)	(6,080)
Interests on capitalized lease contracts on real estate investments	-	-	(3,035)
Actuarial (losses) on remeasurement of employee end of service benefits	(1,613)	3,347	4,059

Source: Audited consolidated financial statements for the fiscal years ending 31 December 2024G and 2025G.

Net cash flow from operating activities

Net cash from operating activities turned from an outflow of SAR 118.9 million in 2023G to an inflow of SAR 78.2 million in 2024G, mainly driven by collections from property sales and development activities, as well as non-cash adjustments. This improvement was partially offset by lower profit before zakat during the year due to reduced land sales.

Net cash flows generated from operating activities increased from SAR 78.0 million in 2024G to SAR 195.8 million in 2025G. This increase was primarily driven by the positive impact of changes in contract assets amounting to SAR 720.3 million, following the addition of new projects under Built. This was partially offset by negative impacts, including a decrease in trade and other payables of SAR 211.3 million resulting from settlements with the National Housing Company, a reduction in restricted cash of SAR 103.7 million, and an increase in trade receivables of SAR 116.3 million in line with the Group's operational growth. Net operating cash flows were further negatively affected by a decrease in profit before zakat of SAR 121.5 million, as the Group recorded net losses in 2025G due to lower revenues and higher finance costs.

Net cash flow from / (used in) investing activities

Net cash from investing activities increased from an outflow of SAR39.8 million in 2023G to an inflow of SAR 69.1 million in 2024G, mainly due to proceeds from the sale of LAK Investment Company's land in November 2024, which was sold for SAR 133.0 million. This was partially offset by a payment of SAR 33.0 million made toward the Itlalat Al-Haram investment fund, in which the Group partnered with Musharaka Capital for a future project in Makkah.

Net cash from investing activities shifted from an inflow of SAR 69.1 million in 2024G to an outflow of SAR 38.3 million in 2025G. This was primarily driven by additions to investment properties amounting to SAR 28.7 million, mainly relating to expenditure incurred on the Ladun Tower project, in addition to additions to intangible assets of SAR 1.4 million related to the acquisition of a silica mining license during 2025G. This was partially offset by the absence of payments to the REIT fund in 2025G (no payments made), compared to payments of SAR 33.0 million in 2024G.

Net cash flow from / (used in) financing activities

Net cash used in financing activities turned from an inflow of SAR 201.6 million in 2023G to an outflow of SAR 139.5 million in 2024G, primarily due to higher repayments of existing loans that exceeded the value of new borrowings obtained during the year.

Net cash used in financing activities increased from SAR 139.5 million in 2024G to SAR 199.6 million in 2025G, primarily driven by higher loan repayments amounting to SAR 200.0 million during 2025G. This was partially offset by loan proceeds of SAR 117.6 million, in addition to the absence of dividend distributions during 2025G (no dividends), compared to dividend payments of SAR 20.0 million in 2024G.

7.2 Results of Built Industrial Company Operations for the Financial Years Ended 31 December 2023G, 2024G and 2025G

Table 7.54: Statement of profit or loss and other comprehensive income for the fiscal years ending 31 December 2023G, 2024G, and 2025G.

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
Revenue	843,221	876,461	846,473	3.9%	(3.4%)	0.2%
Cost of revenue	(749,044)	(809,181)	(771,476)	8.0%	(4.7%)	1.5%
Gross profit	**94,176**	**67,280**	**74,998**	**(28.6%)**	**11.5%**	**(10.8%)**
General and administrative expenses	(73,841)	(78,430)	(82,839)	6.2%	5.6%	5.9%
Provision for obsolete and slow-moving inventory	-	-	(3,429)	n.a	n.a	n.a
Expected credit losses (ECL)	-	(4,587)	(6,545)	n.a	42.7%	n.a
Impairment of customer contracts	-	(10,165)	(6,950)	n.a	(31.6%)	n.a
Operating profit	**20,335**	**(25,903)**	**(24,764)**	**(227.4%)**	**(4.4%)**	**n.a**
Losses from the sale of property, plant and equipment	(753)	(27)	529	(96.4%)	(2039.3%)	n.a
Other income	57	411	1,413	616.4%	243.7%	396.2%
Finance cost	(10,107)	(11,921)	(9,942)	18.0%	(16.6%)	n.a
Loss operational contracts	-	-	(1,134)	n.a	n.a	n.a
Net profit for the year before zakat	**9,532**	**(37,440)**	**(33,898)**	**(492.8%)**	**(9.5%)**	**n.a**
Zakat	(5,497)	(1,029)	(1,590)	(81.3%)	54.5%	(46.2%)
Net profit for the year	**4,035**	**(38,469)**	**(35,487)**	**(1053.3%)**	**(7.8%)**	**n.a**
Other comprehensive income						
Items that will not be reclassified to statement of profit or loss in future periods:						
Actuarial profit (loss) from re-measurement of employee benefits	(1,217)	2,162	4,569	(277.6%)	111.3%	n.a
Total other comprehensive income	**2,819**	**(36,307)**	**(30,919)**	**(81.3%)**	**54.5%**	**n.a**
As a % of revenue					**Ppt.**	
Gross margin	11.2%	7.7%	8.9%	(3.5)	1.2	(2.3)

SAR in 000s	2023G (Audited)	2024G (Audited)	2025G (Audited)	Variance 2023G - 2024G	Variance 2024G - 2025G	CAGR 2023G - 2025G
General and administrative expenses	(8.8%)	(8.9%)	(9.8%)	(0.2)	(0.8)	(1.0)
Finance costs	(1.2%)	(1.4%)	(1.2%)	(0.2)	0.2	0.0
Zakat	(0.7%)	(0.1%)	(0.2%)	0.5	(0.1)	0.5
Net profit margin	1.1%	(4.3%)	(4.0%)	(5.4)	0.3	(5.1)

Source: Built Industrial standalone audited financial statements for the fiscal years ending 31 December 2024G and 2025G.

Revenue

Revenue is generated from activities across construction, contracting, manufacturing, and industrial services, in addition to providing import services for essential materials and supplies used in real estate development projects. The Company's revenues are reported under two primary segments:

- Contracting Segment: The Group's contracting activities include construction and development services executed under contractual agreements, with payments structured based on project progress. These projects mainly involve contracts with government and semi-government entities, as well as projects carried out for other subsidiaries within the Group. Revenues generated from these internal projects are eliminated upon consolidation.
- Industrial Segment: This segment comprises six factories operated by the Group, covering (i) interior fit-outs, air ducts, and HVAC systems (marketed under "Daymat"); (ii) aluminum works; (iii) concrete molds; (iv) precast concrete; (v) carpentry and woodworks; and (vi) elevators.

Revenue further increased by 3.9%, from SAR 843.2 million in 2023G to SAR 876.5 million in 2024G, driven by higher manufacturing revenues by SAR 88.2 million, primarily due to (i) increased revenues from the BAFCO factory by SAR 67.8 million, supported by newly awarded projects, and (ii) higher revenues from the Daymat factory by SAR 22.6 million, reflecting strong market demand from external clients. This growth was partially offset by a decline in contracting revenues by SAR 54.9 million as several old projects were completed and new projects remained in early stages.

Revenue decreased by 3.4% from SAR 876.5 million in 2024G to SAR 846.5 million in 2025G, primarily driven by a decline in real estate activities executed for Ladun amounting to SAR 212.5 million. These activities represent a third sub-segment of revenue and are fully eliminated upon consolidation. This decline was partially offset by higher revenue from the contracting segment by SAR 140.6 million and an increase in revenue from the industrial segment by SAR 41.9 million, mainly driven by projects related to the Red Sea.

Cost of revenue

Cost of revenue mainly comprises subcontractor expenses (55.5% in 2024G), material costs (23.2%), and salaries and wages (11.8%), among other items.

Cost of revenue increased by 8.0%, from SAR 749.0 million in 2023G to SAR 809.2 million in 2024G, mainly due to higher subcontractor expenses by SAR 21.9 million, material costs by SAR 16.5 million, and rental expenses by SAR 9.4 million, partially offset by lower salaries and wages by SAR 8.3 million and reduced depreciation of property, plant, and equipment by SAR 2.1 million.

Cost of revenue decreased by 4.7% from SAR 809.2 million in 2024G to SAR 771.5 million in 2025G, primarily driven by lower subcontractor costs by SAR 129.4 million as a result of increased reliance on Built Industrial's inhouse workforce in project execution. This was partially offset by higher material costs by SAR 63.7 million, reflecting direct procurement of materials, as well as an increase in rental expenses by SAR 21.6 million, driven by higher accommodation costs associated with newly awarded Red Sea projects.

Gross profit

Gross profit decreased by 28.6%, from SAR 94.2 million in 2023G to SAR 67.3 million in 2024G, mainly due to higher cost of revenue by SAR 60.1 million resulting from the completion of older projects with lower margin.

Gross profit increased by 11.5% from SAR 67.3 million in 2024G to SAR 75.0 million in 2025G, primarily driven by lower subcontractor costs, alongside the execution of higher-margin projects during the period. This was further supported by increased activity from newly awarded projects within the contracting and industrial segments.

General and administrative expenses

General and administrative expenses mainly consist of salaries and wages (61.4% in 2024G), contract impairments (10.9%), and expected credit loss (ECL) provisions (4.9%), among other items.

General and administrative expenses further increased by 26.2%, from SAR 73.8 million in 2023G to SAR 93.2 million in 2024G, mainly due to higher salaries and wages by SAR 23.6 million despite the rise in headcount from 895 to 876 employees, due to the increase in average cost per employee in line with the increase in basic salaries. In addition, the increased depreciation of lease contracts by SAR 1.0 million, and higher consulting fees by SAR 0.6 million. These were partially offset by lower expected credit loss provisions by SAR 3.4 million and a decrease in utility expenses by SAR 0.3 million.

General and administrative expenses increased by 5.6% from SAR 78.4 million in 2024G to SAR 82.8 million in 2025G, primarily driven by higher bank charges of SAR 2.1 million. This was further supported by an increase in fees and subscriptions of SAR 1.8 million due to higher residency fees, as well as higher depreciation of right-of-use assets by SAR 1.1 million. These increases were partially offset by lower salaries and wages by SAR 1.9 million, in line with a reduction in general and administrative headcount at Built Industrial from 744 employees in 2024G to 637 employees in 2025G.

Inventory provision expenses

The provision for obsolete and slow-moving inventory amounted to SAR 3.4 million in 2025G and relates to legacy contracting inventory that had been held for more than two years.

Provision provided for accounts receivable

Provision provided for accounts receivable were reclassified from general and administrative expenses in 2023G and presented separately on the income statement in 2024G and 2025G.

Provision provided for accounts receivable increased by 42.7% from SAR 4.6 million in 2024G to SAR 6.5 million in 2025G, broadly in line with the expansion of Built's operations and extended collection periods for certain balances relating to legacy projects. These delays were mainly attributable to the acceptance and handover process, which in some cases extended beyond one year due to delays in obtaining collection approvals. Accordingly, the Group recognised these provisions as a precaution against potential credit losses.

\Provision provided for contract Assets

Provision provided for contract assets was reclassified from general and administrative expenses in 2023G and presented separately on the income statement in 2024G and 2025G.

The provision decreased by 31.6% from SAR 10.2 million in 2024G to SAR 7.0 million in 2025G, based on management's assessment of overdue billing balances. These balances mainly relate to projects with government customers, where delays in project handover and approval of progress billings resulted in contract asset balances remaining outstanding for periods exceeding one year. Accordingly, management recognised provisions for these balances based on progress in billing and execution of works.

Losses from the sale of property, plant and equipment

Losses from the sale of property, plant and equipment represents the difference between the proceeds from the sale of property and equipment and their carrying amount. The Company recorded a loss of SAR 753 thousand in 2023G and a loss of SAR 27 thousand in 2024G.

Losses from the sale of property, plant and equipment shifted from a loss of SAR 27 thousand in 2024G to a gain of SAR 529 thousand in 2025G, primarily driven by the sale of certain machinery as part of replacement activities undertaken for renewal and refurbishment purposes.

Other income

Other income primarily consists of scrap sales.

Other income increased from SAR 57 thousand in 2023G to SAR 411 thousand in 2024G, mainly due to higher scrap sales by SAR 354 thousand during the year.

Other income increased from SAR 411 thousand in 2024G to SAR 1.4 million in 2025G, primarily driven by higher revenue generated from the sale of scrap during the period.

Finance cost

Finance costs mainly consist of loan-related expenses (95.1% in FY24) and lease liability expenses (4.9%).

Finance costs further increased by 18.0%, from SAR 10.1 million in 2023G to SAR 11.9 million in 2024G, mainly due to higher loan expenses by SAR 1.4 million in line with an increase in short-term borrowings by SAR 4.6 million, in addition to an increase in lease liability expenses by SAR 0.5 million.

Finance costs decreased by 16.6% from SAR 11.9 million in 2024G to SAR 9.9 million in 2025G, primarily driven by lower loan finance expenses by SAR 2.2 million, in line with a reduction in short-term borrowings of SAR 9.5 million during the period.

Project operational losses

Project operational losses relate to a provision recognised for the first time in 2025G in respect of certain contracts within the manufacturing segment, where actual costs exceeded the originally estimated revenues. Accordingly, the Group recognised operational contract losses of SAR 1.1 million in 2025G to reflect the expected loss on these contracts.

Zakat

Zakat is calculated based on the Group's consolidated zakat base (the parent company and its subsidiaries). Each entity is charged its respective share of the zakat expense in accordance with the Group's policy for redistributing zakat among subsidiaries, based on management's estimates of each entity's zakat base.

Net profit for the year

Net profit decreased by 1,053.3%, from SAR 4.0 million in 2023G to a net loss of SAR 38.5 million in 2024G, primarily due to a decline in operating income by SAR 46.2 million, resulting from higher general and administrative expenses and lower gross profit, in addition to higher finance costs by SAR 1.8 million. This was partially offset by a decrease in zakat expenses by SAR 4.5 million and an improvement in other income by SAR 0.4 million.

Net loss improved from a loss of SAR 38.5 million in 2024G to a loss of SAR 35.5 million in 2025G, primarily driven by an improvement in gross profit following lower subcontractor costs and the execution of higher-margin projects, in addition to lower finance costs during the period. This improvement was partially offset by higher general and administrative expenses.

Table 7.55: Statement of financial position as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Property, plant and equipment	51,315	55,457	52,528
intangible assets	-	-	1,343
Right-of-use assets, net	4,858	16,003	12,330
Non-current assets	**56,173**	**71,461**	**66,201**
Contract assets	242,763	378,598	380,799
Inventory	38,958	32,853	53,412
Trade and other receivables, net	265,600	262,902	354,421
Due from related parties	-	25,551	7,459
Cash and cash equivalents	17,690	56,707	17,805
Current assets	**565,011**	**756,611**	**813,895**
Total assets	**621,185**	**828,072**	**880,097**
Share capital	500	100,000	100,000
Statutory reserve	654	654	654
Retained earnings	91,129	52,660	17,173

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Actuarial losses from remeasurement of employee end of service benefits	(2,407)	(245)	4,323
Shareholder's equity	**89,875**	**153,069**	**122,150**
Lease liabilities - noncurrent portion	2,493	9,714	6,221
Employees end of service benefits	17,083	18,933	19,358
Non-current liabilities	**19,576**	**28,647**	**25,579**
Short-term loans	74,247	78,879	69,397
Lease liabilities – current portion	1,687	3,913	2,577
Due to related parties	64,798	4,809	10,218
Contract liabilities	13,899	1,398	-
Provision for losses on operating contracts	-	-	1,134
Trade and other payables	354,494	555,449	646,574
Zakat provision	2,608	1,908	2,468
Current liabilities	**511,733**	**646,356**	**732,368**
Total liabilities	**531,309**	**675,003**	**757,947**
Total liabilities and shareholders' equity	**621,185**	**828,072**	**880,097**

Source: Built Industrial standalone audited financial statements for the fiscal years ending 31 December 2024G and 2025G.

Assets

Non-current assets

Non-current assets comprise property, plant, and equipment amounting to SAR 55.5 million as at 31 December 2024G, and right-of-use assets amounting to SAR 16.0 million.

Non-current assets increased from SAR 56.2 million as at 31 December 2023G to SAR 71.5 million as at 31 December 2024G, mainly due to an increase in right-of-use assets by SAR 11.1 million, primarily from the addition of administrative offices amounting to SAR 11.8 million, and an increase in the net book value of property, plant, and equipment by SAR 4.1 million, resulting from additions to machinery, tools, vehicles, construction and installation works, computers, furniture, and fixtures.

Non-current assets decreased from SAR 71.5 million as at 31 December 2024G to SAR 66.2 million as at 31 December 2025G, primarily driven by a decrease in property, plant and equipment by SAR 2.9 million and a reduction in right-of-use assets by SAR 3.7 million, reflecting annual depreciation charges. This was partially offset by an increase in intangible assets by SAR 1.3 million, relating to a newly issued silica mine license, which the Company plans to utilise in its operations.

Current assets

Current assets comprise contract assets amounting to SAR 378.6 million as at 31 December 2024G, trade and other receivables amounting to SAR 262.9 million, and cash and cash equivalents amounting to SAR 56.7 million, among other items.

Current assets increased from SAR 565.0 million as at 31 December 2023G to SAR 756.6 million as at 31 December 2024G, mainly due to (i) an increase in contract assets by SAR 135.8 million, driven by new contracts signed during the year, (ii) an increase in cash and cash equivalents by SAR 39.0 million, in line with an additional capital injection of SAR 39.5 million, and (iii) an increase in related party receivables by SAR 25.6 million, primarily related to new projects with Ladun executed through Built. These increases were partially offset by a decrease in inventory by SAR 6.1 million and a decrease in trade and other receivables by SAR 2.7 million.

Current assets increased from SAR 756.6 million as at 31 December 2024G to SAR 813.9 million as at 31 December 2025G, primarily driven by (i) an increase in trade and other receivables of SAR 91.5 million, reflecting management's efforts to accelerate billing to customers in order to limit the build-up of contract assets, and (ii) higher inventory balances of

SAR 20.6 million, in line with the expansion of Built's operations. These increases were partially offset by a decrease in cash and cash equivalents of SAR 38.9 million, driven by higher cash utilisation in operations, loan repayments, and settlements with suppliers. Cash balances were further impacted by slower collections from customers, given that the Group's major customers are government-related entities, which typically exhibit longer collection cycles. In addition, amounts due from related parties decreased by SAR 18.1 million, in line with lower real estate revenues from Ladun's standalone projects.

Equity

Equity comprises share capital amounting to SAR 100.0 million as at 31 December 2024G, retained earnings of SAR 52.7 million, statutory reserve, and the impact of remeasurement of employee end-of-service benefits.

Equity increased from SAR 89.9 million as at 31 December 2023G to SAR 153.1 million as at 31 December 2024G, mainly due to a capital increase of SAR 99.5 million and a reduction in actuarial losses by SAR 2.2 million. This was partially offset by a decrease in retained earnings of SAR 38.5 million.

Equity decreased to SAR 122.2 million as at 31 December 2025G, primarily driven by a reduction in retained earnings of SAR 35.5 million, in line with the loss recorded for the year. This was partially offset by higher actuarial gains arising from the remeasurement of employee end-of-service benefits amounting to SAR 4.6 million.

Liabilities

Non-current liabilities

Non-current liabilities comprise employee end-of-service benefits amounting to SAR 18.9 million as at 31 December 2024G and the non-current portion of lease liabilities amounting to SAR 9.7 million.

Non-current liabilities further increased from SAR 19.6 million as at 31 December 2023G to SAR 28.6 million as at 31 December 2024G, mainly driven by an increase in lease liabilities by SAR 7.2 million and a rise in employee end-of-service benefits by SAR 1.9 million.

Non-current liabilities decreased from SAR 28.6 million as at 31 December 2024G to SAR 25.6 million as at 31 December 2025G, primarily driven by a reduction in lease liabilities amounting to SAR 3.5 million over the same period.

Current liabilities

Current liabilities comprise trade and other payables amounting to SAR 555.4 million as at 31 December 2024G, short-term borrowings of SAR 78.9 million, and due to related parties amounting to SAR 4.8 million, among other items.

Current liabilities increased from SAR 511.7 million as at 31 December 2023G to SAR 646.4 million as at 31 December 2024G, mainly due to (i) an increase in trade and other payables by SAR 201.0 million, (ii) higher short-term borrowings by SAR 4.6 million, and (iii) an increase in the current portion of lease liabilities by SAR 2.2 million. These increases were partially offset by a decrease in amounts due to related parties by SAR 60.0 million, a decline in contract liabilities by SAR 12.5 million, and a reduction in zakat provisions by SAR 0.7 million.

Current liabilities increased from SAR 646.4 million as at 31 December 2024G to SAR 732.4 million as at 31 December 2025G, primarily driven by (i) an increase in trade payables and other payables of SAR 91.1 million, reflecting higher balances due to suppliers and subcontractors, in addition to advance payments received from customers in respect of newly awarded projects during the period, and (ii) an increase in amounts due to related parties of SAR 5.4 million, mainly relating to service charges payable to Painite. These increases were partially offset by a reduction in short-term borrowings of SAR 9.5 million following repayments made during the year.

Table 7.56: Consolidated statement of cash flows as of 31 December 2023G, 2024G and 2025G:

SAR in 000s	31 December 2023G (Audited)	31 December 2024G (Audited)	31 December 2025G (Audited)
Net profit/(loss) for the year before zakat	**9,532**	**(37,440)**	**(33,898)**
Adjustments:			
Depreciation of property, plant and equipment	9,139	9,017	10.193
Losses from disposal of property, plant and equipment	753	27	(529)
Amortization of right-of-use assets	511	2,275	3,674
Employee end of service benefits	7,535	6,060	7,053
Finance costs	10,107	11,921	9,942
Provision for obsolete and slow-moving inventory	-	-	3,429
Provision for expected credit losses	7,979	4,587	6,545
Provision for devaluation of client contracts	12,908	10,165	6,950
Provision for losses on operating contracts	-	-	1,134
Changes in assets and liabilities:			
Used from provision for expected credit losses	(8,934)	-	(4,751)
Contract assets	(7,657)	(158,501)	(5,797)
Inventory	27,542	6,105	(23,988)
Trade and other receivables	(4,526)	(1,889)	(98,064)
Due from related parties	925	(25,551)	18,092
Trade and other payables	21,484	200,955	91,125
Due to related parties	(131,519)	11	5,410
Amounts settled from employee end of service benefits	(814)	(2,047)	(2,060)
Zakat paid	(7,769)	(1,729)	(1,029)
Net cash generated from/(used in) operating activities	**(52,804)**	**23,965**	**(6,570)**
Additions to property, plant and equipment	(5,421)	(13,496)	(7,388)
Proceeds from sale of property, plant and equipment	1,072	310	653
Payments for additions to intangible assets	-	-	(1,343)
Net cash used in investing activities	**(4,349)**	**(13,186)**	**(8,079)**
Additional capital	-	39,500	-
Lease liabilities paid	(1,316)	(4,559)	(5,667)
Loans proceeds	108,612	101,170	133,471
Loans paid	(87,811)	(107,873)	(152,058)
Net cash generated from financing activities	**19,485**	**28,238**	**(24,253)**
Net change in cash and cash equivalents	(37,668)	39,017	(38,902)
Cash and cash equivalents the beginning of the year	55,358	17,690	56,707
Cash and cash equivalents at the end of the year	**17,690**	**56,707**	**17,805**

Source: Built Industrial standalone audited financial statements for the fiscal years ending 31 December 2024G and 2025G.

Net Cash Flow from Operating Activities(

Net cash flows from operating activities increased from an outflow of SAR 52.8 million in 2023G to an inflow of SAR 24.0 million in 2024G. This improvement was mainly driven by an increase in net working capital of SAR 122.6 million, primarily resulting from higher trade payables (+SAR 179.5 million), and a decrease in balances due to related parties (-SAR 131.5 million). These changes were further offset by an increase in client contracts (+SAR 150.8 million) and a decrease in profit before zakat (-SAR 47.0 million).

Net cash flows from operating activities declined from a cash inflow of SAR 24.0 million in 2024G to a cash outflow of SAR 6.6 million in 2025G, primarily driven by changes in net working capital amounting to SAR 38.0 million. This was mainly attributable to a decrease in trade payables and other payables of SAR 109.8 million, alongside a reduction in trade receivables of SAR 96.2 million. These impacts were partially offset by an increase in contract assets of SAR 152.7 million during the period.

Net Cash Flow from Investing Activities

Net cash used in investing activities increased from an outflow of SAR 4.3 million in 2023G to an outflow of SAR 13.2 million in 2024G, primarily driven by higher purchases of property and equipment by SAR 8.1 million, coupled with a decrease in proceeds from the sale of property and equipment by SAR 0.8 million.

Net cash used in investing activities decreased from a cash outflow of SAR 13.2 million in 2024G to an outflow of SAR 8.1 million in 2025G, primarily driven by a reduction in additions to property, plant and equipment amounting to SAR 6.1 million. This was partially offset by additions to intangible assets of SAR 1.3 million during the period.

Net Cash Flow from Financing Activities

Net cash flows from financing activities increased from SAR 19.5 million in 2023G to SAR 28.2 million in 2024G, primarily driven by a capital injection of SAR 39.5 million. This was partially offset by higher loan repayments by SAR 20.1 million and an increase in lease liability payments by SAR 3.2 million.

Net cash flows from financing activities decreased from a cash inflow of SAR 28.2 million in 2024G to a cash outflow of SAR 24.3 million in 2025G, primarily driven by higher loan repayments of SAR 44.2 million during the year, in addition to the absence of capital increases amounting to SAR 39.5 million. These outflows were partially offset by higher loan drawdowns of SAR 32.3 million during 2025G.

7.3 Results of Operations for the three-month period ending 31 March 2025G and 2026G

7.3.1 Consolidated interim Statement of Profit and Loss and Other Comprehensive Income

Table 7.57: Consolidated statement of profit or loss and other comprehensive income for the three-month period ending 31 March 2025G and 2026G:

SAR in 000s	Three-month period ended 31 March 2025G (Unaudited)	Three-month period ended 31 March 2026G (Unaudited)	Variance Q1'25G-Q1'26G
Revenue	325,357	163,282	(49.8%)
Cost of revenue	(276,032)	(143,558)	(48.0%)
Gross profit	**49,326**	**19,724**	**(60.0%)**
General and administrative expenses	(32,757)	(31,525)	(3.8%)
Impairment of customer contracts	-	(1,737)	n.a
Expected credit losses	-	(1,636)	n.a
Profit/ (loss) on disposal of property, plant and equipment	(2)	(24)	945.8%
Operating profit/ (loss)	**16,567**	**(15,199)**	**(191.7%)**
Dividends from financial assets at fair value through other comprehensive income	1,330	950	(28.6%)
Unrealized gain / (loss) from investment at FVPL	1,256	(2,897)	(330.8%)
Profit from investment in debt instruments	43	-	(100.0%)
Other income	81	125	(8.5%)
Finance cost	(24,588)	(22,496)	(8.5%)
Net loss for the period before zakat	**(5,313)**	**(39,516)**	**643.8%**
Zakat	(255)	(250)	(2.0%)
Net loss for the period	**(5,568)**	**(39,766)**	**614.2%**
Other comprehensive income			
Items that will not be reclassified to statement of profit or loss in future periods:			
.Unrealised profit (loss) from re-valuation of financial investments at fair value	(2,755)	1,425	(151.7%)
Total other comprehensive loss	**(2,755)**	**1,425**	**(151.7%)**
As a % of revenue			**Ppt.**
Gross margin	15.2%	12.1%	(3.1)
Operating profit/(loss) margin	5.1%	(9.3%)	(14.4)
Net loss margin	(1.7%)	(24.4%)	(22.6)

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Revenue

Revenue decreased by 49.8% from SAR 32.4 million during the three-month period ended 31 March 2025G to SAR 163.3 million during the three-month period ended 31 March 2026G mainly driven by the decrease in revenue from the real estate segment, as key projects such as Venan by SAR 16.4 million and Ausseilah by SAR 11.8 million were completed during FY25, coupled with the absence of the one-time sale of the new Al-Rimal land by SAR 117.5 million which was sold in opportunistic sale in FY25. This decline in revenue was further supported by a decrease in Built's manufacturing segment by SAR 24.8 million, mainly driven by the completion of several projects during the period, coupled with differences in project lifecycle stages, with the majority of revenue during the period being recognised at the mid-stage of projects rather than during the commencement or completion phases. In addition to the decrease from the services segment by SAR 2.5 million in line with the decline in the real estate segment which represents a source of income for the services segment on sales and commissions basis.

Cost of revenue

Cost of revenue decreased by 48.0% from SAR 276.0 million during the three-month period ended 31 March 2025G to SAR 143.6 million during the three-month period ended 31 March 2026G, in line with the decline in revenue over the period. The decrease was primarily driven by lower cost of development and sale of real estate investment by SAR 85.3 million, following the purchase of Al-Rimal land during the three-month period ended 31 March 2025G, coupled with reductions in construction materials by SAR 24.7 million and sub-contractor costs by SAR 15.2 million in line with the completion of key real estate projects during 2025G.

Gross profit

Gross profit decreased by 60.0% from SAR 49.3 million during the three-month period ended 31 March 2025G to SAR 19.7 million during the three-month period ended 31 March 2026G in line with the decrease in revenue due to the completion of key real estate projects in FY25. Additionally, gross margins decreased from 15.2% to 12.1% in the same period, due to the completion of all real estate projects which usually have higher margins than contracting and manufacturing which led to margins compression and high influence of low margins projects from Built.

General and administrative expenses

General and administrative expenses decreased by 3.8% from SAR 32.8 million during the three-month period ended 31 March 2025G to SAR 31.5 million during the three-month period ended 31 March 2026G primarily driven by the decrease in donations by SAR 2.1 million driven by lower spending by the Group, and other expenses by SAR 836 thousand owing to a decrease in employee training costs and staff entertainment expenses. This was partially offset by the increase in professional and consulting fees by SAR 766 thousand due to legal fees in relation to delays in unit handover to clients for projects Venan and Rusaifah, salaries and benefits by SAR 465 thousand in line with salary adjustment made during the three-month period ended 31 March 2026G, and employees' end of service benefits by SAR 455 thousand.

Impairment of customer contracts

Impairment of customer contracts increased from nil during the three-month period ended 31 March 2025G to SAR 1.7 million during the three-month period ended 31 March 2026G which related to onerous contract which the Group expecting losses at the completion under Built and assessed and recorded provision for such losses.

Expected credit losses

Expected credit losses increased from nil during the three-month period ended 31 March 2025G to SAR 1.6 million during the three-month period ended 31 March 2026G due to charges made by the Group on receivables balances under Built and related to long outstanding receivables from National Housing Company and Ministry of Defense.

Profit/ (loss) on disposal of property, plant and equipment

Profit / (loss) on disposal of property, plant and equipment increased from a loss of SAR 2 thousand during the three-month period ended 31 March 2025G to a loss of SAR 24 thousand during the three-month period ended 31 March 2026G in line with the disposals during the period.

Dividends from financial assets at fair value through other comprehensive income

Dividends from financial assets at fair value through OCI decreased from SAR 1.3 million during the three-month period ended 31 March 2025G to SAR 1.0 million during the three-month period ended 31 March 2026G due to lower divided distributed by the investment in Al-Bilad fund.

Unrealized gain / (loss) from investment at FVPL

Unrealized gain / (loss) from investment at FVPL decreased from a gain of SAR 1.3 million during the three-month period ended 31 March 2025G to a loss of SAR 2.9 million during the three-month period ended 31 March 2026G due to change in valuation of the investments held by the Group.

Profit from investment in debt instruments

Profit from investment in debt instruments decreased from SAR 43 thousand during the three-month period ended 31 March 2025G to nil during the three-month period ended 31 March 2026G as the Group sold its investment in the debt instruments in 2025G.

Finance cost

Finance costs decreased by 8.5% from SAR 24.6 million during the three-month period ended 31 March 2025G to SAR 22.5 million during the three-month period ended 31 March 2026G in line with the decrease in loans during the period.

Other income

Other income increased from SAR 81 thousand during the three-month period ended 31 March 2025G to SAR 125 thousand during the three-month period ended 31 March 2026G owing to increased scrap sales during the period from completed projects under Built.

Zakat

Zakat remained relatively stable at SAR 0.26 million during the three-month period ended 31 March 2025G and SAR 0.25 million during the three-month period ended 31 March 2026G.

Net loss for the period

Net loss increased from SAR 5.6 million during the three-month period ended 31 March 2025G to SAR 39.8 million during the three-month period ended 31 March 2026G, primarily driven by a decline in gross profit by SAR 29.6 million in line with the decrease in revenue during the period, coupled with a decline in unrealized gain from investments at FVPL by SAR 4.2 million, recognition of losses from operational contracts by SAR 1.7 million, and expected credit losses by SAR 1.6 million. This was partially offset by lower finance costs by SAR 2.1 million and a reduction in G&A expenses by SAR 1.2 million.

7.3.1.1 Revenue

Table 7.58: Revenue for the three-month period ending 31 March 2025G and 2026G:

SAR in 000s	Three-month period ended 31 March 2025G (Unaudited)	Three-month period ended 31 March 2026G (Unaudited)	Variance Q1'25G-Q1'26G
Sale of developed housing units off-plan	16,446	-	(100.0%)
Development and sale of real estate investments	129,254	-	(100.0%)
Operation and maintenance	8,144	5,651	(30.6%)
Renting malls	9,000	9,163	1.8%
Construction revenue	100,381	111,073	10.7%
Sale of construction materials	61,401	36,635	(40.3%)

SAR in 000s	Three-month period ended 31 March 2025G (Unaudited)	Three-month period ended 31 March 2026G (Unaudited)	Variance Q1'25G-Q1'26G
Human capital services	731	468	(36.0%)
Others	-	293	Na
Total	**325,357**	**163,282**	**(49.8%)**
As a % of total			**Ppt.**
Sale of developed housing units off-plan	5.1%	0.0%	(1.0)
Development and sale of real estate investments	39.7%	0.0%	(1.0)
Operation and maintenance	2.5%	3.5%	0.4
Renting malls	2.8%	5.6%	1.0
Construction revenue	30.9%	68.0%	1.2
Sale of construction materials	18.9%	22.4%	0.2
Human capital services	0.2%	0.3%	0.3
Others	0.0%	0.2%	Na

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Sale of developed housing units off-plan

Revenue from the sale of off-plan developed residential units decreased from SAR 16.4 million during the three-month period ended 31 March 2025G to nil during the three-month period ended 31 March 2026G following the completion of Venan and Rusaifa projects during 2025G.

Development and sale of real estate investments

Development and sale of real estate investments decreased from SAR 129.3 million during the three-month period ended 31 March 2025G to nil during the three-month period ended 31 March 2026G following the completion of Ausseilah project, coupled with the absence of the sale of the Al-Rimal land during the three-month period ended 31 March 2025G.

Operation and maintenance

Revenue from operation and maintenance from SAR 8.1 million during the three-month period ended 31 March 2025G to SAR 5.7 million during the three-month period ended 31 March 2026G in line with the decrease in real estate revenue in Ladun standalone.

Renting malls

Revenue from renting malls increased from SAR 9.0 million during the three-month period ended 31 March 2025G to SAR 9.2 million during the three-month period ended 31 March 2026G driven by the increase in rental revenue from Painite in line with the Group's strategy to shift the management activities of compounds to Painite.

Construction revenue

Revenue from construction increased from SAR 100.4 million during the three-month period ended 31 March 2025G to SAR 111.1 million during the three-month period ended 31 March 2026G due to the contribution from existing projects including (i) NHC, in relation to housing projects SAR2.6 million, (ii) Red Sea Markets Company in relation to "The Point" project by SAR22.4 million, (iii) Presidency of State in relation to the execution of a security control building in Riyadh by SAR13.5 million, and (iv) Al-Arabia Trading Markets in relation to "Abha Walk" project by SAR7.6 million.

This was partially offset by the completion of several projects including (i) Red Sea Real Estate development in relation to the construction of a school in the Turtle Bay Village by SAR 25.5 million, and (ii) Ministry of Defense in relation to the construction of housing for bachelor officers by SAR 7.7 million.

Sale of construction materials

Revenue for construction materials decreased from SAR 61.4 million during the three-month period ended 31 March 2025G to SAR 36.6 million during the three-month period ended 31 March 2026G, mainly driven by BAFCO by SAR 23.5 million as a result of the slowdown of works in existing projects as well as the completion of several projects such as Red Sea projects. This was coupled with a decline from Daymat by SAR 2.1 million mainly from the completion of existing projects such as several Riyad bank projects.

Human capital services

Revenue from human capital services decreased from SAR 731 thousand during the three-month period ended 31 March 2025G to SAR 468 thousand during the three-month period ended 31 March 2026G driven by the decline in real estate segment which represents a source of revenue for human capital services.

Others

Other revenue mainly comprised of scrap sales, and it increased from nil during the three-month period ended 31 March 2025G to SAR 293 thousand during the three-month period ended 31 March 2026G as a result of increase scrap sales under Built from completed projects.

7.3.1.2 Revenue by entity

Table 7.59: Revenue by entity for the three-month period ending 31 March 2025G and 2026G:

SAR in 000s	Three-month period ended 31 March 2025G (Management information)	Three-month period ended 31 March 2026G (Management information)	Variance Q1'25G-Q1'26G
Ladun Investment Company (Parent Company)	154,020	7,735	(95.0%)
Built Industrial Company	193,784	149,422	(22.9%)
Painite for Operations and Maintenance	12,768	11,539	(9.6%)
Ektisab Human Resources Company	468	731	56.2%
Eliminations	**669**	**(923)**	**(238.0%)**
Total	**361,708**	**168,504**	**(53.4%)**

Source: Management information.

7.3.1.3 Revenue and profitability by segment

Table 7.60: Revenue and profitability by segment for the three-month period ending 31 March 2025G and 2026G:

SAR in 000s	Three-month period ended 31 March 2025G (Unaudited)	Three-month period ended 31 March 2026G (Unaudited)	Variance Q1'25G-Q1'26G
Revenue			
Real estate investment	154,700	9,163	(94.1%)
Contracting	100,381	111,073	10.7%
Industrial	61,401	36,635	(40.3%)
Services	8,875	6,411	(27.8%)
Total	**325,357**	**163,282**	**(49.8%)**
Gross profit			
Real estate investment	27,997	2,069	(92.6%)
Contracting	8,588	9,224	7.4%
Industrial	10,826	7,030	(35.1%)

SAR in 000s	Three-month period ended 31 March 2025G (Unaudited)	Three-month period ended 31 March 2026G (Unaudited)	Variance Q1'25G-Q1'26G
Services	2,272	1,401	(38.3%)
Total	**49,683**	**19,724**	**(60.3%)**
Gross margin			
Real estate investment	18.1%	22.6%	24.8%
Contracting	8.6%	8.3%	(2.9%)
Industrial	17.6%	19.2%	8.8%
Services	25.6%	21.9%	(14.6%)
Total	**15.3%**	**12.1%**	**(20.9%)**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Real estate investment

Revenue from the real estate investment segment decreased by 94.1%, from SAR 154.7 million during the three-month period ended 31 March 2025G to SAR 9.2 million during the three-month period ended 31 March 2026G. This decrease was mainly attributable to (i) a decline in revenue from the development and sale of investment properties from SAR16.5m during the three-month period ended 31 March 2025G to nil during the three-month period ended 31 March 2026G, following the completion of the Ausseilah project, coupled with the absence of the sale of Al-Rimal land; and (ii) a decrease in revenue from the sale of developed residential units off-plan from SAR 129.3 million to nil, driven by the completion of both projects Venan and Rusaifa during 2025G. This was partially offset by an increase in leasing revenue by SAR 0.2 million, mainly due to higher revenue from Painite in line with the Group's strategy to shift the management of compounds to Painite.

Contracting

Revenue from contracting increased from SAR 100.4 million during the three-month period ended 31 March 2025G to SAR 111.1 million during the three-month period ended 31 March 2026G mainly driven by the contribution from existing projects including (i) NHC, in relation to housing projects by SAR 2.6 million, (ii) Red Sea Markets Company in relation to "The Point" project by SAR 22.4 million, (iii) Presidency of State in relation to the execution of a security control building in Riyadh by SAR 13.5 million, and (iv) Al-Arabia Trading Markets in relation to "Abha Walk" project by SAR 7.6 million.

This was partially offset by the completion of several projects including (i) Red Sea Real Estate development in relation to the construction of a school in the Turtle Bay Village by SAR 25.5 million, and (ii) Ministry of Defense in relation to the construction of housing for bachelor officers by SAR 7.7 million.

Industrial

Revenue for the industrial segment decreased from SAR 61.4 million during the three-month period ended 31 March 2025G to SAR 36.6 million during the three-month period ended 31 March 2026G, mainly driven by BAFCO by SAR 23.5 million as a result of the slowdown of works in existing projects as well as the completion of several projects such as Red Sea projects. This was coupled with a decline from Daymat by SAR 2.1 million mainly from the completion of existing projects such as several Riyad bank projects.

Services

Revenue from services decreased from SAR 8.9 million during the three-month period ended 31 March 2025G to SAR 6.4 million during the three-month period ended 31 March 2026G in line with the decrease in revenue from the real estate segment during the period.

7.3.1.4 Cost of revenue

Table 7.61: Cost of revenue for the three-month period ending 31 March 2025G and 2026G:

SAR in 000s	Three-month period ended 31 March 2025G (Unaudited)	Three-month period ended 31 March 2026G (Unaudited)	Variance Q1'25G-Q1'26G
Sub-contractors	81,264	66,055	(18.7%)
Construction materials	49,903	25,185	(49.5%)
Cost of developed housing units	1,025	-	(100.0%)
Cost of development and sale of real estate investments	85,265	-	(100.0%)
Amortisation of right-of-use assets	323	323	0.0%
Depreciation of real estate investments	5,577	5,586	0.2%
Salaries and benefits	29,861	25,714	(13.9%)
Employee end of service benefits	1,159	1,221	5.4%
Depreciation of property, plant and equipment	2,023	2,183	7.9%
Fees and subscriptions	3,818	3,151	(17.5%)
Leases	4,781	3,549	(25.8%)
Maintenance	4,480	5,813	29.7%
Insurance	1,464	1,467	0.2%
Travel and transportation	1,948	750	(61.5%)
Utilities (Electric, water, phone, fax)	670	452	(32.5%)
Professional and consulting fees	800	638	(20.3%)
Hospitality	418	346	(17.2%)
Commissions	364	20	(94.6%)
Other expenses	890	1,107	24.5%
Total	**276,032**	**143,558**	**(48.0%)**
As a % of revenue			**Ppt.**
Sub-contractors	25.0%	40.5%	15.5
Construction materials	15.3%	15.4%	0.1
Cost of developed housing units	0.3%	0.0%	(0.3)
Cost of development and sale of real estate investments	26.2%	0.0%	(26.2)
Amortisation of right-of-use assets	0.1%	0.2%	0.1
Depreciation of real estate investments	1.7%	3.4%	1.7
Salaries and benefits	9.2%	15.7%	6.6
Employee end of service benefits	0.4%	0.7%	0.4
Depreciation of property, plant and equipment	0.6%	1.3%	0.7
Fees and subscriptions	1.2%	1.9%	0.8
Leases	1.5%	2.2%	0.7
Maintenance	1.4%	3.6%	2.2
Insurance	0.5%	0.9%	0.4

SAR in 000s	Three-month period ended 31 March 2025G (Unaudited)	Three-month period ended 31 March 2026G (Unaudited)	Variance Q1'25G-Q1'26G
Travel and transportation	0.6%	0.5%	(0.1)
Utilities (Electric, water, phone, fax)	0.2%	0.3%	0.1
Professional and consulting fees	0.2%	0.4%	0.1
Hospitality	0.1%	0.2%	0.1
Commissions	0.1%	0.0%	(0.1)
Other expenses	0.3%	0.7%	0.4
Total	**84.8%**	**87.9%**	**3.1**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Sub-contractors

Sub-contractors decreased by 18.7% from SAR 81.3 million during the three-month period ended 31 March 2025G to SAR 66.1 million during the three-month period ended 31 March 2026G in line with the decrease in real estate revenue following the completion of key real estate projects.

Construction materials

Construction materials decreased by 49.5% from SAR 49.9 million during the three-month period ended 31 March 2025G to SAR 25.2 million during the three-month period ended 31 March 2026G in line with the decline in real estate revenue.

Cost of developed housing units

Cost of developed housing units decreased from SAR 1.0 million during the three-month period ended 31 March 2025G to nil during the three-month period ended 31 March 2026G due to the completion of Venan and Rusaifa projects during 2025G.

Cost of development and sale of real estate investments

Cost of development and sale of real estate investments decreased from SAR 85.3 million during the three-month period ended 31 March 2025G to nil during the three-month period ended 31 March 2026G as the amount was related to the new Al-Rimal land which was sold in 2025G.

Amortisation of right-of-use assets

Amortisation of right-of-use assets remained stable at SAR 323 thousand during the three-month period ended 31 March 2025G and during the three-month period ended 31 March 2026G.

Depreciation of real estate investments

Depreciation of real estate investments remained stable at SAR 5.6 million during the three-month period ended 31 March 2025G and the three-month period ended 31 March 2026G.

Salaries and benefits

Salaries and benefits decreased by 13.9% from SAR 29.9 million during the three-month period ended 31 March 2025G to SAR 25.7 million during the three-month period ended 31 March 2026G driven by the decrease in headcount from 2,173 employees to 1,913 employees during the same period.

Employee end of service benefits

Employee end of service benefits remained relatively stable at SAR 1.2 million during the three-month period ended 31 March 2025G and the three-month period ended 31 March 2026G.

Depreciation of property, plant and equipment

Depreciation of property, plant and equipment increased by 7.9% from SAR 2.0 million during the three-month period ended 31 March 2025G to SAR 2.2 million during the three-month period ended 31 March 2026G due to reclassification between general and administrative expenses and cost of revenue depreciation costs, primarily within Built.

Fees and subscriptions

Fees and subscriptions decreased by 17.5% from SAR 3.8 million during the three-month period ended 31 March 2025G to SAR 3.2 million during the three-month period ended 31 March 2026G in line with the decrease in Built's headcount during the same period, which in turn decreased government-related expenses.

Leases

Lease decreased by 25.8% from SAR 4.8 million during the three-month period ended 31 March 2025G to SAR 3.5 million during the three-month period ended 31 March 2026G owing to the reduction in employee accommodation costs associated with the Red Sea projects, which are nearing completion.

Maintenance

Maintenance increased by 29.7% from SAR 4.5 million during the three-month period ended 31 March 2025G to SAR 5.8 million during the three-month period ended 31 March 2026G driven by the increase in maintenance costs incurred by Painite's compounds as part of efforts to improve occupancy rates.

Insurance

Insurance remained stable at SAR 1.5 million during the three-month period ended 31 March 2025G and the three-month period ended 31 March 2026G.

Travel and transportation

Travel and transportation decreased by 61.5% from SAR 1.9 million during the three-month period ended 31 March 2025G to SAR 750 thousand during the three-month period ended 31 March 2026G in line with the completion of key projects in Ladun standalone.

Utilities (Electric, water, phone, fax)

Utilities decreased by 32.5% from SAR 670 thousand during the three-month period ended 31 March 2025G to SAR 452 thousand during the three-month period ended 31 March 2026G driven by the decrease in Built's revenue during the period.

Professional and consulting fees

Professional and consulting fees decreased by 20.3% from SAR 800 thousand during the three-month period ended 31 March 2025G to SAR 638 thousand during the three-month period ended 31 March 2026G due to Built's projects being near completion.

Hospitality

Hospitality decreased by 17.2% from SAR 418 thousand during the three-month period ended 31 March 2025G to SAR 346 thousand during the three-month period ended 31 March 2026G.

Commissions

Commissions decreased by 94.6% from SAR 364 thousand during the three-month period ended 31 March 2025G to SAR 20 thousand during the three-month period ended 31 March 2026G in line with the decline in residential unit and land sales during the period.

Other expenses

Other expenses increased by 24.5% from SAR 890 thousand during the three-month period ended 31 March 2025G to SAR 1.1 million during the three-month period ended 31 March 2026G owing to the decline in Built's revenue and its related costs.

7.3.1.5 General and administrative expenses

Table 7.62: General and administrative expenses for the three-month period ending 31 March 2025G and 2026G:

SAR in 000s	Three-month period ended 31 March 2025G (Management information)	Three-month period ended 31 March 2026G (Management information)	Variance Q1'25G-Q1'26G
Salaries and benefits	21,622	22,087	2.2%
Professional and consulting fees	1,021	1,787	(42.8%)
Government fees and subscriptions	1,781	1,756	1.4%
Defined employee benefit obligations	1,099	1,554	41.4%
Insurance	771	943	(18.3%)
Advertising and publicity	812	773	(4.8%)
Depreciation of property, plant and equipment	873	628	39.1%
Computer software subscription fees	428	482	(11.3%)
Board of Directors' remuneration	413	413	0.0%
Repairs and maintenance	352	356	1.2%
Travel and transportation	354	236	(33.3%)
Electricity, water, telephone and internet	155	161	3.3%
Rent	5	130	2643.9%
Hospitality	9	65	618.3%
Amortisation of intangible assets	61	62	1.2%
Bank charges	562	10	(98.2%)
Donations	2,075	-	(100.0%)
Other expenses	919	83	(91.0%)
Total			
As a % of revenue			**Ppt.**
Salaries and benefits	6.6%	13.5%	6.9
Professional and consulting fees	0.3%	1.1%	0.8
Government fees and subscriptions	0.5%	1.1%	0.5
Defined employee benefit obligations	0.3%	1.0%	0.6
Insurance	0.2%	0.6%	0.3
Advertising and publicity	0.2%	0.5%	0.2
Depreciation of property, plant and equipment	0.3%	0.4%	0.1

SAR in 000s	Three-month period ended 31 March 2025G (Management information)	Three-month period ended 31 March 2026G (Management information)	Variance Q1'25G-Q1'26G
Computer software subscription fees	0.1%	0.3%	0.2
Board of Directors' remuneration	0.1%	0.3%	0.1
Repairs and maintenance	0.1%	0.2%	0.1
Travel and transportation	0.1%	0.1%	0.0
Electricity, water, telephone and internet	0.0%	0.1%	0.1
Rent	0.0%	0.1%	0.1
Hospitality	0.0%	0.0%	0.0
Amortisation of intangible assets	0.0%	0.0%	0.0
Bank charges	0.0%	0.0%	0.0
Donations	0.6%	0.0%	(0.6)
Other expenses	0.3%	0.1%	(0.2)
Total			
KPIs			**Var.**
Average headcount	603	418	(185)
Average monthly salary per employee (in SAR)	11,952	17,613	5,661

Source: Management information.

Salaries and benefits

Salaries and benefits increased by 2.2% from SAR 21.6 million during the three-month period ended 31 March 2025G to SAR 22.1 million during the three-month period ended 31 March 2026G mainly driven by the increase in salaries in Built and Painite driven by the annual increase in basic salary.

Professional and consulting fees

Professional and consulting fees increased by 75.0% from SAR 1.0 million during the three-month period ended 31 March 2025G to SAR 1.8 million during the three-month period ended 31 March 2026G driven by legal expenses in relation to delays in the handover of units to customers for the Venan and Rusaifah projects.

Subscriptions and government fees

Subscription and government fees remained relatively stable at SAR 1.8 million during the three-month period ended 31 March 2025G and the three-month period ended 31 March 2026G.

Employee end of service benefits

Employee end of service benefits increased by 41.4% from SAR 1.1 million during the three-month period ended 31 March 2025G to SAR 1.6 million during the three-month period ended 31 March 2026G due the actuarial assessments made on the Group's workforce.

Insurance

Insurance increased by 22.3% from SAR 771 thousand during the three-month period ended 31 March 2025G to SAR 943 thousand during the three-month period ended 31 March 2026G in line with new insurance policy purchased by the Group for employees.

Advertisement

Advertisement remained relatively stable at SAR 812 thousand during the three-month period ended 31 March 2025G and SAR 773 thousand during the three-month period ended 31 March 2026G.

Depreciation of property, plant and equipment

Depreciation of property, plant and equipment decreased by 28.1% from SAR 873 thousand during the three-month period ended 31 March 2025G to SAR 628 thousand during the three-month period ended 31 March 2026G due to disposals of office assets during the period.

Software subscriptions

Software subscriptions remained relatively stable at SAR 428 thousand during the three-month period ended 31 March 2025G and SAR 482 thousand during the three-month period ended 31 March 2026G.

Board of directors' compensation

Board of directors' compensation remained stable at SAR 413 thousand during the three-month period ended 31 March 2025G and the three-month period ended 31 March 2026G.

Maintenance

Maintenance remained stable at SAR 352 thousand during the three-month period ended 31 March 2025G and SAR 356 thousand during the three-month period ended 31 March 2026G.

Travel and transportation

Travel and transportation decreased by 33.3% from SAR 354 thousand during the three-month period ended 31 March 2025G to SAR 236 thousand during the three-month period ended 31 March 2026G in line with the completion of most projects in Ladun.

Utilities

Utilities remained relatively stable at SAR 155 thousand during the three-month period ended 31 March 2025G and SAR 161 thousand during the three-month period ended 31 March 2026G.

Rent

Rent increased from SAR 5 thousand during the three-month period ended 31 March 2025G to SAR 130 thousand during the three-month period ended 31 March 2026G driven by the lease of vehicles for administrative staff.

Hospitality

Hospitality increased from SAR 9 thousand during the three-month period ended 31 March 2025G to SAR 65 thousand during the three-month period ended 31 March 2026G in line with business needs.

Amortisation of intangible assets

Amortisation of intangible assets remained stable at SAR 62 thousand during the three-month period ended 31 March 2025G and the three-month period ended 31 March 2026G.

Bank charges

Bank charges remained stable at SAR 7 thousand during the three-month period ended 31 March 2025G and SAR 10 thousand during the three-month period ended 31 March 2026G.

Donations

Donations decreased from SAR 2.1 million during the three-month period ended 31 March 2025G to nil during the three-month period ended 31 March 2026G in line with lower spending made during the period.

Other expenses

Other expenses decreased from SAR 919 thousand during the three-month period ended 31 March 2025G to SAR 83 thousand during the three-month period ended 31 March 2026G as a result of a decrease in employee training and staff entertainment expenses.

7.3.1.6 Finance costs

Table 7.63: Finance costs for the three-month period ending 31 March 2025G and 2026G:

SAR in 000s	Three-month period ended 31 March 2025G (Management information)	Three-month period ended 31 March 2026G (Management information)	Variance Q1'25G-Q1'26G
Long-term loans	16,884	12,336	(26.9%)
Short-term loans	5,160	5,159	(0.0%)
Employees' end of service benefits	804	684	(14.9%)
Bank fees	554	3,277	491.3%
Bank charges	1,187	1,040	(12.4%)
Total	**24,588**	**22,496**	**(8.5%)**

Source: Management information.

Finance costs decreased from SAR 24.6 million during the three-month period ended 31 March 2025G to SAR 22.5 million during the three-month period ended 31 March 2026G primarily due to the decrease in long-term finance costs by SAR 4.5 million in line with the decrease in loans during the period. This was partially offset by the increase in bank fees by SAR 2.7 million.

7.3.1.7 Other income

Table 7.64: Other income for the three-month period ending 31 March 2025G and 2026G:

SAR in 000s	Three-month period ended 31 March 2025G (Management information)	Three-month period ended 31 March 2026G (Management information)	Variance Q1'25G-Q1'26G
Others	77	125	62.2%
Total	**77**	**125**	**62.2%**

Source: Management information.

Other income increased from SAR 77 thousand during the three-month period ended 31 March 2025G to SAR 125 thousand during the three-month period ended 31 March 2026G due to the increase in scrap sales during the period.

7.3.2 Consolidated interim Statement of Financial Position as of 31 December 2025G and 31 March 2026G

Table 7.65: Consolidated statement of financial position as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Assets		
Non-current assets		
Property and equipment	101,570	100,270

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Investment properties	514,358	512,412
Right-of-use assets	3,996	3,673
Intangible assets	1,857	2,019
Financial assets at fair value through other comprehensive income	38,760	40,185
Payments toward an investment in a real estate fund	32,994	32,994
Contract assets - noncurrent portion	65,287	65,287
Real estate for development and sale – noncurrent portion	61,979	61,990
Non-current assets	**820,801**	**818,830**
Current assets		
Contract assets - current portion	476,033	515,043
Real estate for development and sale - current portion	922,119	923,503
Inventory	53,412	39,140
Trade and other receivables - net	391,998	317,402
Due from related parties	3,292	3,075
Investments at fair value through P&L	23,418	20,521
Restricted cash (escrow accounts)	26,827	20,941
Cash and cash equivalents	39,008	20,484
Current assets	1,936,108	1,860,110
Total assets	**2,756,909**	**2,678,940**
Liabilities and shareholder's equity		
Shareholder's equity		
Share capital	500,000	500,000
Retained earnings	129,372	89,605
Unrealized loss from re-valuation of financial assets at fair value	(56,234)	(54,809)
Actuarial profit from remeasurement of employee end of service benefits	4,364	4,364
Total shareholder's equity	**577,502**	**539,160**
Liabilities		
Non-current liabilities		
Long-term loans - noncurrent portion	272,070	301,541
Lease liabilities - noncurrent portion	64,998	60,707
Employees end of service benefits	24,846	26,775
Non-current liabilities	**361,914**	**389,024**
Current liabilities		
Long-term loans - current portion	479,189	436,027
Short-term loans	261,203	249,781
Lease liabilities - current portion	6,150	6,519
Due to related parties	1,759	1,759

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Contract liabilities	184,335	187,881
Trade payables and other payables	874,724	859,584
Operating loss liabilities	1,134	821
Provision for legal cases	6,408	5,542
Zakat provision	2,592	2,842
Current liabilities	**1,817,494**	**1,750,756**
Total liabilities	**2,179,408**	**2,139,779**
Total shareholder's equity and liabilities	**2,756,909**	
KPIs		
Return on assets	(2.0%)	(1.5%)
Return on equity	(9.6%)	(7.4%)
Debt to equity ratio	1.8	1.8

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Return on assets = Net loss for the year/period ÷ Total assets

Return on equity = Net loss for the year/period ÷ Total equity

Debt to equity ratio = Total borrowings ÷ Total equity

Assets

Non - current assets

Non-current assets decreased by SAR 2.0 million from SAR 820.8 million as of 31 December 2025G to SAR 818.8 million as of 31 March 2026G primarily driven by the decrease in: (i) investment properties by SAR 1.9 million and property and equipment by SAR 1.3 million due to the depreciation expense recognized during the period. This was partially offset by an increase in financial assets at fair value through other comprehensive income by SAR 1.4 million over the same period.

Current Assets

Current assets decreased by SAR 76.0 million from SAR 1,936.1 million as of 31 December 2025G to SAR 1,860.1 million as of 31 March 2026G mainly driven by the decrease in: (i) trade and other receivables by SAR 74.6 million due to the decline in trade receivables and and performance retention in line with the completion of several projects under Built Industrial Company during the period, (ii) cash and cash equivalents by SAR 18.5 million, and (iii) inventory by SAR 14.3 million in line with increased material consumption over the same period.

Shareholders' Equity

Total equity decreased by SAR 38.3 million from SAR 577.5 million as of 31 December 2025G to SAR 539.2 million as of 31 March 2026G driven by the decline in retained earnings by SAR 39.8 million in line with the net losses recorded for the period.

Liabilities

Non-Current Liabilities

Non-current liabilities increased by SAR 27.1 million from SAR 361.9 million as of 31 December 2025G to SAR 389.0 million as of 31 March 2026G primarily attributable to the increase in: (i) the non-current portion of long-term loans by SAR 29.5 million in line with loan drawdowns during the period, and (ii) employees end of service benefits by SAR 1.9 million.

Current Liabilities

Current liabilities decreased by SAR 66.7 million from SAR 1,817.5 million as of 31 December 2025G to SAR 1,750.8 million as of 31 March 2026G primarily driven by the decrease in: (i) current portion of long-term loans by SAR 43.2 million in line with repayments made during the period, (ii) trade and other payables by SAR 15.1 million, and (iii) short-term loans by SAR 11.4 million.

7.3.2.1 Non-current assets

Table 7.66: Non-current assets as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Property and equipment	101,570	100,270
Investment properties	514,358	512,412
Right-of-use assets	3,996	3,673
Intangible assets	1,857	2,019
Financial assets at fair value through other comprehensive income	38,760	40,185
Payments toward an investment in a real estate fund	32,994	32,994
Contract assets - noncurrent portion	65,287	65,287
Real estate for development and sale – noncurrent portion	61,979	61,990
Total non-current assets	**820,801**	**818,830**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Property and equipment

Table 7.67: Netbook value of property and equipment as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Management information)
Land	30,527	30,527
Buildings and leasehold improvements	40,895	40,231
Computers	2,881	2,618
Vehicles	3,096	3,083
Furniture and fixture	3,118	3,032
Machinery and equipment	18,575	18,130
Construction and equipment	1,710	1,882
Capital work in progress	767	767
Netbook value	**101,570**	**100,270**

Source: Audited consolidated financial statement for the fiscal year ending 31 December 2025G and management information.

Land

The balance remained stable at SAR 30.5 million as of 31 December 2025G and 31 March 2026G.

Leasehold improvements

The balance decreased from SAR 40.9 million as of 31 December 2025G to SAR 40.2 million as of 31 March 2026G as a result of the depreciation expense of SAR 665 thousand recognized during the period.

Computers

The balance decreased from SAR 2.9 million as of 31 December 2025G to SAR 2.6 million as of 31 March 2026G mainly due to the depreciation expense of SAR 291 thousand and disposals amounting to SAR 179 thousand recognized during the period. This was partially offset by additions of SAR 208 thousand over the same period.

Vehicles

The balance remained relatively stable at approximately SAR 3.1 million as of 31 December 2025G and 31 March 2026G.

Furniture and Fixture

The balance decreased from SAR 3.1 million as of 31 December 2025G to SAR 3.0 million as of 31 March 2026G primarily due to depreciation expense of SAR 269 thousand recognized during the period. This was partially offset by additions of SAR 183 thousand.

Machinery and Equipment

The balance decreased from SAR 18.6 million as of 31 December 2025G to SAR 18.1 million as of 31 March 2026G mainly due to depreciation expense of SAR 1.2 million recognized during the period. This was partially offset by additions of SAR 784 thousand.

Construction and Equipment

The balance increased from SAR 1.7 million as of 31 December 2025G to SAR 1.8 million as of 31 March 2026G driven by the additions of SAR 172 thousand made during the period.

Capital work under process

The balance amounted to SAR 767 thousand as of 31 December 2025G and 31 March 2026G relating mainly to the development of factory buildings for Built.

Investment properties

Table 7.68: Investment properties as of 31 December 2025G and 31 March 2026G:

SAR in 000s	Land	Buildings	Real estate under development	Right-of-use assets	Total
Cost					
1 January 2025G	120,276	283,683	10,219	94,505	508,683
Additions during the year	-	304	37,546	-	37,850
Interest on capitalized lease liabilities	-	-	3,035	-	3,035
Reclassification	83,850	-	-	-	83,850
Transferred to real estate for development and sale	204,126	283,987	50,800	94,505	633,418
Disposals	120,276	283,683	10,219	94,505	508,683
31 December 2025G	-	**304**	**37,546**	-	**37,850**
Accumulated depreciation					
1 January 2025G	-	66,175	-	30,354	96,529
Depreciation for the year	-	16,318	-	6,213	22,531
31 December 2025G	-	**82,493**	-	**36,567**	**119,059**

SAR in 000s	Land	Buildings	Real estate under development	Right-of-use assets	Total
Cost					
1 January 2026G	204,126	283,987	50,800	94,505	633,418
Additions during the period	-	-	2,685	-	2,685
Interest on capitalized lease liabilities	-	-	955	-	955
31 March 2026G	**204,126**	**283,987**	**54,440**	**94,505**	**637,058**
Accumulated depreciation					
1 January 2026G	-	82,493	-	36,567	119,060
Depreciation for the period	-	3,901	-	1,685	5,586
31 March 2026G	**-**	**86,394**	**-**	**38,251**	**124,645**
Net book value:					
31 December 2025G	**204,126**	**201,495**	**50,800**	**57,938**	**514,358**
31 March 2026G	**204,126**	**197,593**	**54,440**	**56,254**	**512,412**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Investment properties decreased from SAR 514.4 million as of 31 December 2025G to SAR 512.4 million as of 31 March 2026G primarily driven by the depreciation expense of SAR 5.6 million recognized during the period, partially offset by the additions of SAR 2.7 million to real estate under development relating to Ladun Tower.

Right of use assets

Table 7.69: Right of use assets as of 31 December 2025G and 31 March 2026G:

SAR in 000s	Land	Equipment	Total
Cost			
1 January 2025G	2,900	4,052	6,952
31 December 2025G	**2,900**	**4,052**	**6,952**
Accumulated depreciation			
1 January 2025G	448	1,216	1,664
Depreciation for the year	77	1,216	1,293
31 December 2025G	**525**	**2,431**	**2,956**
Cost			
1 January 2026G	2,900	4,052	6,952
31 March 2026G	**2,900**	**4,052**	**6,952**
Accumulated depreciation			
1 January 2026G	930	2,026	2,956
Depreciation for the period	121	203	323
31 March 2026G	**1,051**	**2,229**	**3,279**
Netbook value:			
31 December 2025G	2,375	1,621	3,996
31 March 2026G	66,968	258	67,226

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Right-of-use assets decreased from SAR 4.0 million as of 31 December 2025G to SAR 3.7 million as of 31 March 2026G primarily due to the amortization expense of SAR 323 thousand recognized during the period, with no additions recorded over the same period.

Lease liabilities

Table 7.70: Lease liabilities as of 31 December 2025G and 31 March 2026G:

SAR in 000s	Total
Cost	
1 January 2025G	95,751
Paid during the year	(9,649)
31 December 2025G	**86,102**
Deferred tax	
1 January 2025G	19,445
Allocated to finance costs	(4,491)
31 December 2025G	**14,954**
Cost	
1 January 2026G	86,102
Paid during the period	(4,606)
31 March 2026G	**81,496**
Deferred tax	
1 January 2026G	14,954
Allocated to finance costs	(684)
31 March 2026G	**14,270**
Net book value:	
31 December 2025G	71,148
31 March 2026G	67,226

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Table 7.71: Lease liabilities as presented on the financial position as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Lease liabilities – current portion	6,150	6,519
Lease liabilities – noncurrent position	64,998	60,707
Total	**71,148**	**67,226**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Lease liabilities decreased from SAR 71.1 million as of 31 December 2025G to SAR 67.2 million as of 31 March 2026G in line with the decline in the right-of-use asset balance during the period.

Intangible assets

Table 7.72: Intangible assets as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Management information)
Cost		
Balance at the beginning of the year/period	1,444	
Additions during the year/period	1,362	
Disposals	(165)	
Balance at the end of the year/period	**2,642**	
Accumulated amortization		
Balance at the beginning of the year/period	541	
Amortization expense for the year/period	243	
Balance at the end of the year/period	784	
Total	**1,857**	

Source: Audited consolidated financial statement for the fiscal year ending 31 December 2025G and management information.

Intangible assets increased from SAR 1.9 million as of 31 December 2025G to SAR 2.0 million as of 31 March 2026G driven by the additions pertaining to the silica sand mining exploitation license.

Financial assets at fair value through other comprehensive income

Table 7.73: Financial assets at fair value through other comprehensive income as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Balance at the beginning of the year	44,840	38,760
Losses from revaluation	(6,080)	1,425
Total	**38,760**	**40,185**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Financial assets at fair value through other comprehensive income increased from SAR 38.8 million as of 31 December 2025G to SAR 40.2 million as of 31 March 2026G in line with the profits recognized from revaluation amounting to SAR 1.4 million over the period. As of 31 March 2026G, the Group recorded dividends receivable amounting to SAR 950 thousand.

Payments toward an investment in a real estate fund

Table 7.74: Payments toward an investment in a real estate fund as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Haram view fund	32,994	32,994

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

The balance amounted to SAR 33.0 million as of 31 December 2025G and 31 March 2026G.

Contract assets

Table 7.75: Contract assets as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Balance at the beginning of the year/period	1,489,417	382,257
Revenue during the year/period	971,293	141,290
Billed revenue during the year/period	(1,140,313)	(104,089)
Transferred to real estate for development and sale	(938,140)	-
Gross contract assets	**382,257**	**419,458**
Provision for devaluation of client contracts	(25,271)	(27,009)
Total	**356,985**	**392,449**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Table 7.76: Contract assets as presented on the financial position as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Contract assets – current portion	476,033	515,043
Contract assets – noncurrent position	65,287	65,287
Contract liabilities	(184,335)	(187,881)
Total	**356,985**	**392,449**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Table 7.77: Movement on provision for devaluation of client contracts as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Balance at the beginning of the year/period	23,073	25,272
Accumulated provision	6,950	1,737
Allowance utilized during the year/period	(4,751)	-
Total	**25,272**	**27,009**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Contract assets – non-current portion

The balance increased from SAR 467.0 million as of 31 December 2025G to SAR 515.0 million as of 31 March 2026G primarily driven by an increase in unbilled revenue during the period.

Contract assets – current portion

The balance amounted to SAR 65.3 million as of 31 December 2025G and 31 March 2026G and pertains to a few area plots under Ausseilah that have not yet been transferred to the Group's name.

Contract liabilities

The balance increased from SAR 184.3 million as of 31 December 2025G to SAR 187.9 million as of 31 March 2026G driven by advances received upon the completion of projects during the period.

Real estate for development and sale

Table 7.78: Real estate for development and sale as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Land in Al Rimal – Riyadh	2,513	2,513
Land in Rabi – Jazan	19,396	19,396
Land in Nimar – Riyadh	3,405	3,405
Land in Al Minjarah – Jazan	15,295	15,295
Two projects (Venan & Jawharat AlRusaifa) – Jeddah	4,700	4,889
Transferred from contract assets	938,140	938,140
Afyaa Al Mashriqiyah	649	1,855
Total	**984,098**	**985,494**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Table 7.79: Real estate for development and sale as presented on the financial position as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Real estate for development and sale – current portion	922,119	923,503
Real estate for development and sale – noncurrent position	61,979	61,990
Total	**984,098**	**985,494**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Real estate for development and sale increased from SAR 984.1 million as of 31 December 2025G to SAR 985.5 million as of 31 March 2026G driven by the additions of SAR 1.2 million to the Afyaa Al Mashriqiyah relating to the new Al Sulaymaniyah project.

7.3.2.2 Current assets

Table 7.80: Current assets as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Contract assets - current portion	476,033	515,043
Real estate for development and sale - current portion	922,119	923,503
Inventory	53,412	39,140
Trade and other receivables - net	391,998	317,402
Due from related parties	3,292	3,075
Financial assets at fair value through P&L	23,418	20,521
Restricted cash (escrow accounts)	26,827	20,941
Cash and cash equivalents	39,008	20,484
Total current assets	**1,936,108**	**1,860,110**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Inventory

Table 7.81: Inventory as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Management information)
Construction materials and supplies	56,841	39,140
Less: Provision for obsolete and slow-moving inventory	(3,429)	-
Total	**53,412**	**39,140**

Source: Audited consolidated financial statement for the fiscal year ending 31 December 2025G and management information.

Inventory decreased from SAR 53.4 million as of 31 December 2025G to SAR 39.1 million as of 31 March 2026G in line with higher material consumption during the period.

Trade and other receivables

Table 7.82: Trade and other receivables as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Trade receivables	171,664	117,915
Less: expected credit loss	(22,346)	(23,982)
Net trade receivables	**149,318**	**93,933**
Prepayments to contractors and suppliers	72,398	70,509
Letters of guarantees	27,161	27,197
Performance retentions	105,160	99,431
VAT receivables	21,815	9,739
Prepayments	11,232	9,931
Dividends receivable	-	950
Receivables from employees	4,108	3,984
Others	807	1,728
Total	**391,998**	**317,402**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Trade receivables

Trade receivables decreased from SAR 149.3 million as of 31 December 2025G to SAR 93.9 million as of 31 March 2026G primarily due to a reduction in Built receivables following the collection of balances from completed projects.

Prepayments to contractors and suppliers

Prepayments to contractors and suppliers decreased from SAR 72.4 million as of 31 December 2025G to SAR 70.5 million as of 31 March 2026G driven by lower subcontractors' expenses, coupled with the faster utilization of previously made prepayments.

Letters of guarantees

Letter of guarantee remained relatively stable around an average of approximately SAR 27.2 million as of 31 December 2025G and 31 March 2026G.

Performance retentions

Performance retentions decreased from SAR 105.2 million as of 31 December 2025G to SAR 99.4 million as of 31 March 2026G primarily driven by the collections made during the period.

VAT receivables

VAT receivables decreased from SAR 21.8 million as of 31 December 2025G to SAR 9.7 million as of 31 March 2026G in line with the VAT collections made by the Group from ZATCA.

Prepayments

Prepayments decreased from SAR 11.2 million as of 31 December 2025G to SAR 9.9 million as of 31 March 2026G primarily due to the expiry and non-renewal of the medical insurance policy during the period.

Dividends receivable

Dividend receivables amounted to SAR 950 thousand as of 31 March 2026G and relate to declared but unpaid dividends from the Musharaka REIT Fund.

Receivables from employees

Receivables from employees remained relatively stable at approximately SAR 4.0 million as of 31 December 2025G and 31 March 2026G.

Others

Other receivables increased from SAR 807 thousand as of 31 December 2025G to SAR 1.7 million as of 31 March 2026G primarily driven by higher prepaid bank charges recorded by Ladun.

Investments at fair value through profit and loss

Table 7.83: Investments at fair value through profit and loss as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Traded stocks in Bank Al Bilad's portfolio	23,418	20,521

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Investments at fair value through profit and loss decreased from SAR 23.4 million as of 31 December 2025G to SAR 20.5 million as of 31 March 2026G as a result of the losses amounting to SAR 2.9 million recognized from revaluation over the period.

Cash and cash equivalents

Table 7.84: Cash and cash equivalents as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Banks – current accounts	70,673	46,262
Banks – investment portfolios	163	163
Gross	**70,836**	**46,425**
Restricted cash (escrow accounts)	(26,827)	(20,941)
Overdrafts	(5,000)	(5,000)
Total	**39,008**	**20,484**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Cash and cash equivalents decreased from SAR 39.0 million as of 31 December 2025G to SAR 20.4 million as of 31 March 2026G primarily driven by the cash flow used in financing activities amounting to SAR48.2m in line with the loan repayments made during the period, coupled with the cash flow used in investing activities (SAR4.4m) driven by additions to property and equipment and real estate investments. This was partially offset by the cash flow from operating activities (SAR34.1m) mainly driven by the positive impact of trade and other receivables in line with the collections made during the period.

Restricted cash (escrow accounts)

Table 7.85: Restricted cash (escrow accounts) as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Restricted cash (escrow accounts)	26,827	20,941

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Restricted cash decreased from SAR 26.8 million as of 31 December 2025G to SAR 20.9 million as of 31 March 2026G as the Group did not collect amounts from the sale of off-plan residential units during the period.

7.3.2.3 Shareholder's equity

Table 7.86: Shareholder's equity as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Share capital	500,000	500,000
Retained earnings	129,372	89,605
Unrealized loss from re-valuation of financial assets at fair value	(56,234)	(54,809)
Actuarial profit from remeasurement of employee end of service benefits	4,364	4,364
Total shareholder's equity	**577,502**	**539,160**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Share capital

Table 7.87: Share capital as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Adiyat Investment Company	67,795	67,795
H.H Prince Faisal bin Saad bin Saud Al Saud	28,145	28,145
Others	404,060	404,060
Total	**500,000**	**500,000**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

The Group's issued share capital is set at SAR 500 million, divided into 500 million ordinary shares of equal value, with each share having a nominal value of SAR 1. All shares are ordinary shares.

Retained earnings

Table 7.88: Retained earnings as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Retained earnings	129,372	89,605

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Retained earnings decreased from SAR 129.4 million as of 31 December 2025G to SAR 89.6 million as of 31 March 2026G in line with the net loss recognized during the period.

Unrealized loss from re-valuation of financial assets at fair value

Table 7.89: Unrealized loss from re-valuation of financial assets at fair value as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Management information)
Balance at the beginning of the year/ period	(50,154)	(56,234)
Losses from revaluation	(6,080)	-
Other comprehensive income	-	1,425
Balance at the end of the year/ period	**(56,234)**	**(54,809)**

Source: Audited consolidated financial statement for the fiscal year ending 31 December 2025G and management information.

The unrealized loss from the revaluation of financial assets at fair value decreased from SAR 56.2 million as of 31 December 2025G to SAR 54.8 million as of 31 March 2026G primarily due to a gain of SAR 1.4 million recognized in other comprehensive income during the period.

Actuarial profit from remeasurement of employee end of service benefits

Table 7.90: Actuarial profit from remeasurement of employee end of service benefits as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Actuarial profit from remeasurement of employee end of service benefits	4,364	4,364

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Actuarial profit from remeasurement of employee end of service benefits amounted to SAR 4.4 million as of 31 December 2025G and 31 March 2026G.

7.3.2.4 Non-current liabilities

Table 7.91: Non-current liabilities as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Long-term loans - noncurrent portion	272,070	301,541
Lease liabilities - noncurrent portion	64,998	60,707
Employees end of service benefits	24,846	26,775
Total non-current liabilities	**361,914**	**389,024**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Long-term loans

Table 7.92: Long-term loans as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Management information)
Balance at the beginning of the year/period	951,391	751,259
Proceeds	163,930	6,852
Repayments	(423,167)	(33,834)
Charged to financing costs	56,070	12,336
Financing costs capitalized on investment properties	3,035	955
Balance at the end of the year/period	**751,259**	**737,568**

Source: Audited consolidated financial statement for the fiscal years ending 31 December 2025G and Management information.

Table 7.93: Long-term loans as presented on the financial position as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Long-term loans – current portion	479,189	436,027
Long-term loans – noncurrent position	272,070	301,541
Total	**751,259**	**737,568**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Long-term loans decreased from SAR 751.3 million as of 31 December 2025G to SAR 737.7 million as of 31 March 2026G primarily due to the repayments of SAR 33.8 million during the period. This was partially offset by SAR 6.9 million of loan drawdowns received to finance the Ladun Tower.

Employees end of service benefits

Table 7.94: Employees end of service benefits as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Management information)
Balance at the beginning of the year/period	23,434	24,846
Service cost	7,366	2,964
Finance costs	1,236	-
Charged on profit and loss	**8,602**	**2,964**
Repayments	(3,131)	(1,035)
Actuarial gain from the remeasurement of defined employee benefits	(4,059)	-
Balance at the end of the year/period	**24,846**	**26,775**

Source: Audited consolidated financial statement for the fiscal year ending 31 December 2025G and management information.

Table 7.95: Charged on profit and loss as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Management information)
Charged on profit and loss	3,607	1,221
Charged on general and administrative expenses	4,996	1,554
Total	**8,602**	**2,776**

Source: Audited consolidated financial statement for the fiscal year ending 31 December 2025G and Management information.

Employees' end-of-service benefit obligations increased from SAR 24.8 million as of 31 December 2025G to SAR 26.8 million as of 31 March 2026G in line with the accumulation of end of service benefits during the period.

7.3.2.5 Current liabilities

Table 7.96: Current liabilities as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Long-term loans - current portion	479,189	436,027
Short-term loans	261,203	249,781
Lease liabilities - current portion	6,150	6,519
Due to related parties	1,759	1,759
Contract liabilities	184,335	187,881
Trade payables and other payables	874,724	859,584
Operating loss liabilities	1,134	821
Provision for legal cases	6,408	5,542
Zakat provision	2,592	2,842
Total current liabilities	**1,817,494**	**1,750,756**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Short-term loans

Table 7.97: Short-term loans as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Balance at the beginning of the year/ period	174,149	261,203
Proceeds	243,885	78,211
Repayments	(174,625)	(94,792)
Charged to financing costs	(17,794)	5,159
Balance at the end of the year/ period	**261,203**	**249,781**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Short-term loans decreased from SAR 261.2 million as of 31 December 2025G to SAR 249.8 million as of 31 March 2026G primarily driven by the repayments of SAR 94.8 million during the period. This was partially offset by the proceeds of SAR 78.2 million received during the same period.

Related party transactions

Table 7.98: Due From related parties as of 31 December 2025G and 31 March 2026G:

SAR in 000s	Nature of relation	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Opal Al-Jazirah Security Services Company	Owned by the Chairman and the Vice Chairman of the Board of Directors.	3,292	3,075

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Due from related parties from SAR 3.3 million as of 31 December 2025G to SAR 3.1 million as of 31 March 2026G in line with collections received from Opal Al Jazirah Security Services Company during the period.

Table 7.99: Due to related parties as of 31 December 2025G and 31 March 2026G:

SAR in 000s	Nature of relation	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Musharaka Capital Company	The Chief Executive Officer of Musharaka, who also served as Vice Chairman of Ladun's Board of Directors in the previous term, which ended on 17 September 2025.	1,759	1,759
Total		1,759	

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Due to related parties amounted to SAR 1.8 million as of 31 December 2025G and 31 March 2026G representing amounts payable to Musharaka Capital Company.

Trade and other payables

Table 7.100: Trade and other payables as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Suppliers and subcontractors	266,275	259,527
Real estate investments purchase creditors	105,000	105,000
National housing company (NHC)*	79,216	75,716
Advances from customers	291,291	292,086
Accrued bonuses	1,622	2,035
VAT payable	35,500	33,029
Performance retentions	46,242	46,623
Employee payables	20,251	20,876
Unearned lease revenue	20,500	15,626
Guarantees of units	1,302	2,240
Other guarantees	1,718	1,715
Accrued interest	3,818	2,016
Others	1,988	3,096
Total	**874,724**	**859,584**

Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Suppliers and subcontractors

Suppliers and subcontractors decreased from SAR 266.3 million as of 31 December 2025G to SAR 259.5 million as of 31 March 2026G driven by settlements made during the period.

Real estate investments purchase creditors

Real estate investments purchase creditors amounted to SAR 105.0 million as of 31 December 2025G and 31 March 2026G.

National housing company (NHC)

The balance decreased from SAR 79.2 million as of 31 December 2025G to SAR 75.7 million as of 31 March 2026G in line with settlements made during the period.

Advances from customers

Advances from customers increased from SAR 291.3 million as of 31 December 2025G to SAR 292.1 million as of 31 March 2026G in line with advances received for the new projects such as Amaala and Kidana.

Accrued bonuses

Accrued bonuses increased from SAR 1.6 million as of 31 December 2025G to SAR 2.0 million as of 31 March 2026G mainly attributable to the different payment cycle, as bonuses are typically distributed at year-end.

VAT payable

VAT payable decreased from SAR 35.5 million as of 31 December 2025G to SAR 33.0 million as of 31 March 2026G due to lower billings as several projects approached completion during the period.

Performance retentions

Performance retention remained relatively stable at approximately SAR 46.4 million as of 31 December 2025G and 31 March 2026G.

Employee payables

Employees payable increased from SAR 20.3 million as of 31 December 2025G to SAR 20.9 million as of 31 March 2026G mainly due to: (i) higher accumulated vacation allowance balances, and (ii) an increase in air ticket prices over the same period.

Unearned lease revenue

Unearned lease revenue decreased from SAR 20.5 million as of 31 December 2025G to SAR 15.6 million as of 31 March 2026G in line with lease revenue recognized during the period.

Guarantees of units

Guarantees of units increased from SAR 1.3 million as of 31 December 2025G to SAR 2.2 million as of 31 March 2026G primarily due to customer deposits received as guarantees for land plots in Ladun.

Other guarantees

Other guarantees remained relatively stable at approximately SAR 1.7 million as of 31 December 2025G and 31 March 2026G.

Accrued interest

Accrued interest decreased from SAR 3.8 million as of 31 December 2025G to SAR 2.0 million as of 31 March 2026G reflecting partial interest payments made during the period.

Others

The balance increased from SAR 2.0 million as of 31 December 2025G to SAR 3.1 million as of 31 March 2026G primarily due to the recognition of a SAR 100 thousand provision for white land tax during the period.

Operating loss liabilities

Table 7.101: Operating loss liabilities as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Operating loss liabilities	1,134	

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Operations loss liabilities decreased from SAR 1.1 million as of 31 December 2025G to SAR 821 thousand as of 31 March 2026G and mainly relate to Built's loss-making projects.

Provision for legal cases

Table 7.102: Provision for legal cases as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Provision for legal cases	6,408	

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Provision for legal cases decreased from SAR 6.4 million as of 31 December 2025G to SAR 5.5 million as of 31 March 2026G primarily driven by management's reassessment of the expected outcomes of the Venan and Russiefah legal cases.

Zakat provision

Table 7.103: Zakat provision as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Unaudited)
Balance at the beginning of the year/period	2,917	2,520
Paid during the year/period	(2,169)	-
Charge for the year/period	1,844	250
Balance at the end of the year/period	**2,592**	**2,770**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Zakat provision increased from SAR 2.6 million as of 31 December 2025G to SAR 2.8 million as of 31 March 2026G as no payments were made to ZATCA during the period.

7.3.3 Consolidated interim Statement of Cash Flows

Table 7.104: Consolidated statement of cash flows for the three-month period ending 31 March 2025G and 2026G:

SAR in 000s	Three-month period ended 31 March 2025G (Unaudited)	Three-month period ended 31 March 2026G (Unaudited)
Operating activities		
Net loss for the period	(5,568)	(39,766)
Adjustments:		
Depreciation of property, plant and equipment	2,896	2,810
Depreciation of real estate investments	5,577	5,586
Losses on disposal of property, plant and equipment	2	24
Amortization of intangible assets	61	62
Amortization of right-of-use assets	323	323
Employee benefits – accumulated	2,257	2,776
Provision for devaluation of client contracts	-	1,737
Provision for expected credit losses – accumulated	-	1,636
Dividends from financial assets at fair value through other comprehensive income	(1,330)	(950)
Finance costs - long-term loans	16,884	12,336

SAR in 000s	Three-month period ended 31 March 2025G (Unaudited)	Three-month period ended 31 March 2026G (Unaudited)
Finance costs - short-term loans	5,160	5,159
Finance costs - lease liabilities	804	684
Zakat – accumulated	255	250
Unrealised profit (loss) from re-valuation of investments at fair value through profit and loss	(1,256)	2,897
Total		
Changes in working capital:		
Used from provision for lawsuit	(33)	(866)
Client contracts	41,910	(37,201)
Inventory	(6,569)	14,272
Real estate for development and sale	83,632	(1,395)
Trade and other receivables - net	(66,343)	73,910
Related parties	(226)	217
Restricted cash (escrow account)	3,669	5,886
Trade and other payables	(43,666)	(15,140)
	12,374	39,683
Amounts settled from employee end of service benefits	(376)	(847)
Zakat paid	(8)	-
Net cash flow from operating activities	**37,055**	**34,087**
Investing activities		
Additions to property, plant and equipment	(1,597)	(1,535)
Additions to real estate investments	(6,282)	(2,685)
Additions to intangible assets	-	(224)
Proceeds from sale of investments in debt instruments	5,000	-
Net cash flow used in investing activities	**(2,879)**	**(4,444)**
Financing activities		
Lease liabilities paid	(3,245)	(4,606)
Loans received	181,572	85,063
Loans paid	(266,448)	(128,625)
Net cash flow used in financing activities	**(88,121)**	**(48,168)**
Net change in cash and cash equivalents	(53,945)	(18,525)
Cash and cash equivalents the beginning of the period	81,207	39,008
Cash and cash equivalents at the end of the period	**27,262**	**20,484**

Source: Unaudited consolidated interim financial statement for the three-month period ending 31 March 2026G.

Net cash flow from operating activities

Net cash flow from operating activities decreased from SAR 37.1 million for the three-month period ended 31 March 2025G to SAR 34.1 million for the three-month period ended 31 March 2026G primarily driven by: (i) the negative impact of real estate for development and sale by SAR 85.0 million, (ii) the negative impact of contract assets by SAR 79.1 million, and (iii) the increase in net loss for the period by SAR 34.2 million. This was partially offset by the positive impact of trade and other receivables by SAR 140.3 million driven by higher collections made over the same period.

Net cash flow used in investing activities

Net cash flow used in investing activities increased from SAR 2.9 million for the three-month period ended 31 March 2025G to SAR 4.4 million for the three-month period ended 31 March 2026G primarily due to the absence of proceeds from the sale of investments in debt instruments (SAR 5.0 million in the three-month period ended 31 March 2025G compared to nil in the three-month period ended 31 March 2026G). This was partially offset by lower additions to real estate investments by SAR 3.6 million over the same period.

Net cash flow used in financing activities

Net cash flow used in financing activities decreased from SAR 88.1 million for the three-month period ended 31 March 2025G to SAR 48.2 million for the three-month period ended 31 March 2026G primarily due to lower loan repayments by SAR 137.8 million, partially offset by lower loan proceeds by SAR 96.5 million over the same period.

7.4 Results of Built Industrial Company Operations for the three-month period ending 31 March 2025G and 2026G

7.4.1 Statement of profit or loss

Table 7.105: Statement of profit or loss for the three-month period ending 31 March 2025G and 2026G:

SAR in 000s	Three-month period ended 31 March 2025G (Management information)	Three-month period ended 31 March 2026G (Management information)	Variance Q1'25G-Q1'26G
Revenue	193,784	149,422	(22.9%)
Cost of revenue	(181,663)	(133,731)	(26.4%)
Gross profit	**12,121**	**15,691**	**329.4%**
General and administrative expenses	(18,424)	(21,273)	15.5%
Other income	77	50	(35.5%)
Capital loss	(2)	-	(100.0%)
Expected credit losses	-	(1,636)	N/A
Impairment of customer contracts	-	(1,737)	N/A
Finance cost	(4,920)	(5,741)	16.7%
Net loss for the period	**(11,148)**	**(14,647)**	**31.4%**
As a % of revenue			
Gross margin	6.3%	10.5%	4.2
General and administrative expenses	9.5%	14.2%	4.7
Finance costs	2.5%	3.8%	1.3
Net profit margin	(5.8%)	(9.8%)	(4.0)

Source: Management information.

Revenue

Revenue decreased by 22.9% from SAR 193.8 million for the three-month period ended 31 March 2025G to SAR 149.4 million for the three-month period ended 31 March 2026G primarily attributable to the completion of several key projects during FY2025G, resulting in lower revenue recognition during the current period. The decrease was further impacted by delays in the commencement of newly awarded projects, as revenue recognition remains contingent upon contract execution and project handover. Accordingly, these projects had not yet contributed to revenue during the three-month period ended 31 March 2026G.

Cost of revenue

Cost of revenue decreased by 26.4% from SAR 181.7 million for the three-month period ended 31 March 2025G to SAR 133.7 million for the three-month period ended 31 March 2026G in line with the decline in revenue during the same period.

Gross profit

Gross profit increased by 29.4% from SAR 12.1 million (and a gross profit margin of 6.3%) for the three-month period ended 31 March 2025G to SAR 15.7 million (and a gross profit margin of 10.5%) for the three-month period ended 31 March 2026G primarily driven by the decline in cost of revenue outpacing the decrease in revenue, reflecting management's ongoing efforts to optimize the cost base through reducing fixed costs, lowering reliance on subcontractors, and increasing the utilization of in-house resources.

General and administrative expenses

General and administrative expenses increased by 15.8% from SAR 18.4 million for the three-month period ended 31 March 2025G to SAR 21.3 million for the three-month period ended 31 March 2026G primarily driven by the increases in: (i) salaries and wages by SAR 2.1 million, and (ii) defined employee benefits by SAR 742 thousand. Whereas other expense items remained broadly in line with the comparable period of the previous year. The Company is currently implementing cost rationalization initiatives aimed at reducing general and administrative expenses in light of the absence of new project awards and delays in the commencement of related operations.

Other income

Other income amounted to SAR 77 thousand for the three-month period ended 31 March 2025G and SAR 50 thousand for the three-month period ended 31 March 2026G.

Capital loss

Capital losses amounted to SAR 2 thousand for the three-month period ended 31 March 2025G, with no capital losses recorded during the three-month period ended 31 March 2026G.

Expected credit losses

Expected credit losses increased from nil for the three-month period ended 31 March 2025G to SAR 1.6 million for the three-month period ended 31 March 2026G, representing approximately 25% of the total provision recognized during FY2025G, based on the credit assessment of aged outstanding receivable balances.

Impairment of customer contracts

Impairment of customer contracts increased from nil for the three-month period ended 31 March 2025G to SAR 1.7 million for the three-month period ended 31 March 2026G, representing approximately 25% of the total provision recognized during FY2025G, based on the credit assessment of aged outstanding balances.

Finance cost

Finance costs increased by 16.7% from SAR 4.9 million for the three-month period ended 31 March 2025G to SAR 5.7 million for the three-month period ended 31 March 2026G primarily attributable to the increase in banking charges relating to letters of credit and letters of guarantee.

Net loss for the period

Net loss increased by 31.4% from SAR 11.1 million (and a net loss margin of 5.8%) for the three-month period ended 31 March 2025G to SAR 14.6 million (and a net loss margin of 9.8%) for the three-month period ended 31 March 2026G primarily attributable to the overall increase in the Company's cost base. This was partially offset by an improvement in gross profit margin of 4.2 percentage points during the period.

7.4.2 Statement of financial position

Table 7.106: Statement of financial position as of 31 December 2025G and 31 March 2026G:

SAR in 000s	31 December 2025G (Audited)	31 March 2026G (Management information)
Property, plant and equipment	52,528	51,215
intangible assets	1,343	1,567
Right-of-use assets, net	12,330	11,411
Non-current assets	**66,201**	**64,193**
Contract assets	380,799	443,607
Inventory	53,412	39,140
Trade and other receivables, net	354,421	289,898
Due from related parties	7,459	11,205
Cash and cash equivalents	17,805	18,658
Current assets	**813,895**	**802,508**
Total assets	**880,097**	**866,701**
Share capital	100,000	100,000
Statutory reserve	654	654
Retained earnings	17,173	2,526
Actuarial losses from remeasurement of employee end of service benefits	4,323	4,323
Shareholder's equity	**122,150**	**110,876**
Lease liabilities - noncurrent portion	6,221	6,331
Employees end of service benefits	19,358	20,885
Non-current liabilities	**25,579**	**27,216**
Short-term loans	69,397	71,820
Lease liabilities – current portion	2,577	2,198
Due to related parties	10,218	12,146
Contract liabilities	-	1,061
Provision for losses on operating contracts	1,134	821
Trade and other payables	646,574	641,468
Zakat provision	2,468	2,468
Current liabilities	**732,368**	**731,982**
Total liabilities	**757,947**	**759,199**
Total liabilities and shareholders' equity	**880,097**	**866,701**

Source: Built Industrial standalone audited financial statements for the fiscal year ending 31 December 2025G and management information.

Assets

Non-current assets

Noncurrent assets decreased by SAR 2.0 million from SAR 66.2 million as of 31 December 2025G to SAR 64.2 million as of 31 March 2026G primarily attributable to the decreases in property, plant and equipment by SAR 1.3 million and right-of-use assets by SAR 918 thousand, reflecting depreciation expense recognized during the period. This was partially offset by an increase in intangible assets by SAR 224 thousand relating to additions associated with the silica sand mining exploitation license.

Current assets

Current assets decreased by SAR 11.4 million from SAR 813.9 million as of 31 December 2025G to SAR 802.5 million as of 31 March 2026G primarily driven by decreases in: (i) trade and other receivables by SAR 64.5 million in line with collections made during the period, and (ii) inventory by SAR 14.3 million reflecting higher inventory consumption during the period. This was partially offset by an increase in contract assets by SAR 62.8 million in line with the increase in unbilled revenue during the same period.

Equity

Equity decreased by SAR 14.6 million from SAR 122.2 million as of 31 December 2025G to SAR 107.5 million as of 31 March 2026G primarily due to the decline in retained earnings in line with the net loss recorded during the period.

Liabilities

Non-current liabilities

Noncurrent liabilities increased by SAR 1.6 million from SAR 25.6 million as of 31 December 2025G to SAR 27.2 million as of 31 March 2026G primarily attributable to an increase in employees end of service benefits by SAR 1.5 million reflecting the provision recognized during the period.

Current liabilities

Current liabilities decreased by SAR 386 thousand from SAR 732.4 million as of 31 December 2025G to SAR 732.0 million as of 31 March 2026G primarily attributable the decrease in trade and other payables by SAR 5.1 million driven by lower accrued project costs (a decrease by SAR 10.8 million) in line with the decline in suppliers and subcontractors balances and VAT payables during the period. This was partially offset by the increase in: (i) short-term loans by SAR 2.4 million reflecting higher loan drawdowns and deferred interest during the period, (ii) amounts due to related parties by SAR 1.9 million primarily attributable to maintenance, operations, and security services provided by Painite; and (iii) contract liabilities by SAR 1.0 million as advance payments received from customers exceeded revenue recognized during the period.

7.4.3 Consolidated statement of cash flows

Table 7.107: Consolidated statement of cash flows for the three-month period ending 31 March 2025G and 2026G:

SAR in 000s	Three-month period ended 31 March 2025G (Management information)	Three-month period ended 31 March 2026G (Management information)
Net loss for the period	**(11,148)**	**(14,647)**
Adjustments:		
Depreciation of property, plant and equipment	2,534	2,494
Gains from disposal of property, plant and equipment	2	-
Amortization of right-of-use assets	918	918
Employee end of service benefits	1,359	2,169
Finance costs	3,467	3,539
Provision provided for accounts receivables	-	1,636
Provision provided for contract assets	-	1,737
Changes in working capital:		
Contract assets	(11,981)	(63,485)
Inventory	(6,569)	14,272
Trade and other receivables	(66,099)	62,887

SAR in 000s	Three-month period ended 31 March 2025G (Management information)	Three-month period ended 31 March 2026G (Management information)
Related parties	81,363	(1,818)
Trade and other payable	(21,308)	(5,106)
Operations loss obligations	-	(313)
Employee end of service benefits - paid	(328)	(642)
Net cash flow from/(used in) operating activities	**(27,787)**	**3,641**
Additions to property, plant and equipment	(1,702)	(1,180)
Additions to intangible assets	-	(224)
Proceeds from sale of property, plant and equipment	151	-
Net cash flow used in investing activities	**(1,551)**	**(1,404)**
Paid from lease liabilities	(370)	(421)
Proceeds from loans	82,029	57,735
Loan repayments	(84,273)	(58,697)
Net cash flow used in financing activities	**(2,614)**	**(1,383)**
Increase (decrease) in cash and cash equivalents	(31,952)	854
Cash and cash equivalents the beginning of the period	56,707	17,805
Cash and cash equivalents at the end of the period	**24,755**	**18,658**

Source: Management information.

Net cash flow from/ (used in) operating activities

Net cash flow from / (used in) operating activities improved from a net cash outflow of SAR 27.8 million for the three-month period ended 31 March 2025G to a net cash inflow of SAR 3.6 million for the three-month period ended 31 March 2026G primarily attributable to the positive impact of movements in: (i) trade and other receivables by SAR 129.0 million in line with collections received during the period; (ii) inventory by SAR 20.8 million reflecting higher inventory consumption during the period, and (iii) trade and other payables by SAR 16.2 million due to the decline in balances of suppliers and subcontractors. This was partially offset by the negative impact of movements in: (i) related party balances by SAR 83.2 million in line with repayments made to Painite during the period, and (ii) contract assets by SAR 51.5 million reflecting the increase in unbilled revenue during the period.

Net cash flow used in investing activities

Net cash flow used in investing activities decreased from SAR 1.6 million for the three-month period ended 31 March 2025G to SAR 1.4 million for the three-month period ended 31 March 2026G primarily due to lower additions to property, plant and equipment by SAR 521 thousand. This was partially offset by additions to intangible assets by SAR 224 thousand and lower proceeds from the sale of property, plant and equipment by SAR 151 thousand during the same period.

Net cash flow used in financing activities

Net cash flow used in financing activities decreased from SAR 2.6 million for the three-month period ended 31 March 2025G to SAR 1.4 million for the three-month period ended 31 March 2026G primarily driven by lower loan repayments by SAR 25.6 million. This was partially offset by lower loan proceeds by SAR 24.3 million during the same period.

8. Auditor's Report

8.1 Audited financial statements for the financial year ended 31 December 2023G

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA

CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR’S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA

CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2023

MOORE

El Sayed El Ayouty & Co.
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS
LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Ladun Investment Company, a Saudi joint-stock company, (the "Company") and its subsidiaries (collectively referred to as the "Group") which comprise the consolidated statement of financial position as of December 31, 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in Shareholders' equity and the consolidated statement of cash flows for the year then ended and the accompanying notes (1) to (37) to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2023, and its financial performance and its cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) as endorsed in the Kingdom Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization of Auditors and Accountants.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are 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 consolidated financial statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), 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 the conduct. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. The following describes each of key audit matters and how we addressed them:

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El Sayed El Ayouty & Co.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS
LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA

Report on the Audit of the Consolidated Financial Statements... (Continued)

Revenue	
Key Audit Matter	**How our audit addresses the key audit matter**
The Group's revenues for the year ended December 31, 2023 amounted to SR 1,436,019,591 (2022: SR 881,179,374). Revenue is considered an important component of the Group's performance and profitability. Revenue recognition, which includes mainly the sale and leasing of properties including villas, residential apartments, and land plots involves significant inherent risks due to related judgments and estimates. Audit of judgements around the percentage of projects completions, including surveys of performance completed to date, is one of the elements that requires significant attention during the audit, with a focus on the following matters: Analyzing 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 fulfill the performance obligations under contracts made with customers. Due to the inherent risks in the revenue recognition process and the significance of revenue value, revenue recognition was considered a key audit matter.	We have performed the following audit procedures: • Obtained an understanding of the key control elements surrounding the revenue recognition process. • Performed walkthrough of relevant key controls to determine whether their design, implementation, and execution are effective. • Reviewed on a sample basis, the contracts for the sale of properties and plots of land to identify the performance obligations of the Group under the contracts and assess whether these performance obligations are satisfied over a period of time or at point in time. • Assessed the completeness of the rental income recognized during the year by matching the data used in revenue recognition with the rental contracts concluded with customers. • Recalculated the revenue on sample basis in accordance with the progress towards fulfilling the performance obligation, using the input method and compared with the computation made by management. • performed a test of details of a sample of recorded revenue transactions and compared with supporting documents to verify the existence of recorded revenues. • Assessed the appropriateness of the disclosures made in the consolidated financial statements.
With reference to note no. (3.20) on the accounting policy related to revenues, as well as note (25) on disclosures related to revenues.	

2

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS
LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA

Report on the Audit of the Consolidated Financial Statements... (Continued)

Properties for development and sale	
Key Audit Matter	**How our audit addresses the key audit matter**
The Group holds development properties amounted to SR 350,435,337 as of December 31, 2023 (2022: SR 106,286,465). Development properties are recorded at cost or net realizable value, whichever is lower, principally including completed and under-development residential units and unsold land plots. The Group estimates the net realizable value based on the expected sales price in the ordinary course of business less the estimated costs to complete and the estimated cost to make the sale. For the purpose of estimating the net realizable value, management has performed an assessment of estimating the future selling price with reference to recent sales transactions of comparable properties. We considered this matter a key audit matter due to the significance of the estimates and judgments involved in determining the net realizable value of the development properties, such as the Group's estimate of the sales price warrants specific audit focus in this area, as any significant change in these estimates could have a material impact on the book value of the Group's development properties.	We performed the following audit procedures in relation to the Group's valuation of development properties: • Examined the validity of measuring properties for development and sale at cost or net realizable value, whichever is less. • Evaluated the reasonableness of the Group's estimated sales prices and the estimated costs to complete and the estimated costs to make the sale through discussions with management, test of details, and analysis based on past experience and actual sales prices in the subsequent period. • Assessed the adequacy and appropriateness of the related disclosures in the accompanying consolidated financial statements.
With reference to Note (3.8) on the accounting policy related to properties for development and sale, as well as Note (12) on disclosures related to properties for development and sale.	

3

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS
LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA

Report on the Audit of the Consolidated Financial Statements... (Continued)

Impairment of investment properties	
Key Audit Matter	**How our audit addresses the key audit matter**
As of December 31, 2023, investment properties amounted to SR 586,305,062 (2022: SR 848,312,076), which are stated at cost after deducting accumulated depreciation and any impairment loss, if any. For the purposes of impairment assessment testing and the disclosure of the fair value in the Company's financial statements, investment properties are evaluated by an accredited independent external valuer properties expert ("the valuer"), who performs the valuation using generally accepted valuation approaches and methodologies based on assumptions and estimates related to several factors affecting the fair value of the investment properties. We considered this matter a key audit matter as impairment assessment testing of the investment properties requires significant judgments by management and also involves key estimates, in addition to the materiality of the amounts involved.	Our audit procedures included, among others, the following: • Assessed the Valuers' objectivity, independence, and experience. • Compared the fair value of the investment properties at year end with the valuation amounts indicated in the valuation reports provided by the Valuers. • Assessed the valuation approaches and methodologies used by the Valuers. • Checked the title deeds for the investment properties. • Assessed the adequacy of the related disclosures in the financial statements.
With reference to Note (3.4) on the accounting policy related to investment properties, as well as Note (6) on disclosures related to investment properties.	

Other information

Other information consists of the information included in the Group's annual report for the year ended December 31, 2023 other than the consolidated financial statements and the independent auditor's report thereon. The Group's Management is responsible for the other information mentioned in its annual report. It is expected that the annual report will be available to us subsequent to the date of this report.

Our opinion on the consolidated financial statements does not include the other information nor does or will it express any form of assurances in this regard.

With regard to our audit of the consolidated financial statements, it is our responsibility to read the information stated above, and in doing so, we consider whether the other information is materially inconsistent with the consolidated financial statements or the information we obtained during the audit process, or otherwise appears to contain a material misstatement.

When we read the other information and find material misstatement in it، we have to inform those charged with governance.

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El Sayed El Ayouty & Co.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS
LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA

Report on the Audit of the Consolidated Financial Statements... (Continued)

Responsibilities of Management and those charged with governance for the consolidated financial statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the IFRSs as endorsed in the Kingdom Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Auditors and Accountants (SOCPA), and the provisions of the Companies Law and the Company's Articles of Association and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Group'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 consolidated 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 report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves a fair presentation.

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El Sayed El Ayouty & Co.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS
LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA

Report on the Audit of the Consolidated Financial Statements... (Continued)

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible our audit opinion.

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 that we identify during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 significant in the audit of the consolidated financial statements of the current period, and are therefore the key audit matters. We describe these matters in our report unless a law or regulations precludes public disclosure of a matter, or when, 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 communications.

For El Sayed El Ayouty & Co.

A. Balamesh

Abdullah A. Balamesh
Certified Public Accountant
License No. (345)

Riyadh on: 18 Ramadan 1445 H
Corresponding to: 28 March 2024

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2023
(SAUDI RIYALS)

	Note	31 December 2023	31 December 2022
Assets			
Non-current assets			
Property, plant and equipment - net	5	68,834,516	65,843,203
Investment properties - net	6	586,305,062	848,312,076
Right-of-use assets - net	7.1	4,858,154	899,341
Intangible assets - net	8	2,823,051	2,457,270
Financial assets at fair value through other comprehensive income	10.1	55,005,000	84,075,000
Contracts assets - non-current portion	11.2	658,028,412	183,860,759
Properties for development and sale - non-current portion	12.2	95,852,165	48,406,098
Total non-current assets		**1,471,706,360**	**1,233,853,747**
Current assets			
Contracts assets - current portion	11.1	441,097,940	329,301,427
Properties for development and sale - current portion	12.1	254,583,172	57,880,367
Inventory	13	38,957,974	66,500,141
Trade receivables and other debit balances- Net	14	333,612,293	346,149,824
Due from related parties	15.1	944,733	-
Investments at fair value through profit or loss	16	31,887,750	38,183,750
Cash and cash equivalents	17	194,793,697	242,729,230
Total current assets		**1,295,877,559**	**1,080,744,739**
Total assets		**2,767,583,919**	**2,314,598,486**
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	18	500,000,000	500,000,000
Statutory reserve	19	24,032,182	13,098,085
Retained earnings		114,651,943	51,244,562
Unrealized (losses) from revaluation of financial investments at fair value	10.2	(39,988,946)	(10,918,946)
Actuarial (losses) of re-measurement of employee defined benefits		(3,041,678)	(1,428,486)
Total shareholders' equity		**595,653,501**	**551,995,215**
Non-current liabilities			
Long term loans - non-current portion	20.2	784,766,518	598,308,312
Lease liabilities - non-current portion	7.2.2	71,915,632	73,693,079
Employees' defined benefit obligations	22	23,586,653	13,713,436
Total non-current liabilities		**880,268,803**	**685,714,827**
Current liabilities			
Long term loans - current portion	20.1	159,696,431	49,368,811
Short-term loans	21	199,534,256	161,693,165
Lease liabilities - current portion	7.2.1	11,306,514	25,953,850
Due to related parties	15.2	2,555,469	1,616,860
Contracts liabilities	11.3	173,863,966	85,582,212
Trade payables and other credit balances	23	733,318,926	743,942,311
Provision for investment (losses) in an associate company	9.1.1	-	126,393
Zakat provision	24	11,386,053	8,604,842
Total current liabilities		**1,291,661,615**	**1,076,888,444**
Total liabilities		**2,171,930,418**	**1,762,603,271**
Total shareholders' equity and liabilities		**2,767,583,919**	**2,314,598,486**

The financial statements shown on pages (1) to (46) are approved by the Board of Directors and signed on their behalf by

Chief Financial Officer **Chief Executive Officer** **Authorized BOD's Member**

The accompanying notes (1) to (37) form an integral part of these consolidated financial statements.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023
(Saudi Riyals)

	Note	2023	2022
Revenue	25	1,436,019,591	881,179,374
Cost of revenue	26	(1,137,928,372)	(714,116,168)
Gross profit		**298,091,219**	**167,063,206**
General and administrative expenses	27	(144,177,280)	(89,632,080)
Income from operating activities		**153,913,939**	**77,431,126**
Other revenue (expenses)			
Company's share in investment losses of an associate company		-	(131,976)
Disposal of provision for investment losses in an associate company	9.1	126,393	-
Dividends from financial assets at fair value through other comprehensive income		665,000	4,750,000
Dividends from investments at fair value through profit or loss	16	1,043,750	1,405,000
Realized gains on sale of investments at fair value through profit or loss	16.1	455,368	5,059,468
Profits /(losses) from revaluation of investments at fair value	16.1	4,914,000	(4,601,448)
Losses from investment properties under development	12	(11,751,545)	-
Losses from sale of property, plant and equipment		(753,366)	-
Other income	28	3,053,006	2,206,979
Finance costs	29	(30,145,827)	(24,924,952)
Zakat provisions reversal	24.1	-	5,507,743
Net profit for the year before Zakat		**121,520,718**	**66,701,940**
Zakat	24	(12,179,752)	(6,511,730)
Net profit for the year		**109,340,966**	**60,190,210**
Other comprehensive income:			
Items that will not be re-classified to profit or loss:			
Unrealized (losses) from revaluation of financial investments at fair value	10.1	(29,070,000)	(10,165,000)
Actuarial (losses) / gains of re-measurement of employee defined benefits	22	(1,613,192)	279,430
Total other comprehensive income items		**(30,683,192)**	**(9,885,570)**
Comprehensive income for the year		**78,657,774**	**50,304,640**
profit and diluted earnings per share from net profit for the year	**30**	**0.22**	**0.12**

The financial statements shown on pages (1) to (46) are approved by the Board of Directors and signed on their behalf by

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LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

	Note	Share capital	Statutory reserve	Retained earnings	Unrealized (losses) from revaluation of financial assets at fair value through other comprehensive income	Actuarial (losses) of re-measurement of employee defined benefits	Total shareholders' equity
For the year ended 31 December 2022							
Balance at 01 January 2022		500,000,000	7,155,243	11,996,739	(753,946)	(1,707,916)	516,690,120
Net profit for the year		-	-	60,190,210	-	-	60,190,210
Other comprehensive income items		-	-	-	(10,165,000)	279,430	(9,885,570)
Total comprehensive income for the year		**-**	**-**	**60,190,210**	**(10,165,000)**	**279,430**	**50,304,640**
Dividends during the year		-	-	(14,999,545)	-	-	(14,999,545)
Transferred to the statuary reserve	**19**	-	5,942,842	(5,942,842)	-	-	-
Balance at 31 December 2022		**500,000,000**	**13,098,085**	**51,244,562**	**(10,918,946)**	**(1,428,486)**	**551,995,215**
For the year ended 31 December 2023							
Balance at 01 January 2023		500,000,000	13,098,085	51,244,562	(10,918,946)	(1,428,486)	551,995,215
Net profit for the year		-	-	109,340,966	-	-	109,340,966
Other comprehensive income items		-	-	-	(29,070,000)	(1,613,192)	(30,683,192)
Total comprehensive income for the year		**-**	**-**	**109,340,966**	**(29,070,000)**	**(1,613,192)**	**78,657,774**
Dividends during the year	**33**	-	-	(34,999,488)	-	-	(34,999,488)
Transferred to the statuary reserve	**19**	-	10,934,097	(10,934,097)	-	-	-
Balance at 31 December 2023		**500,000,000**	**24,032,182**	**114,651,943**	**(39,988,946)**	**(3,041,678)**	**595,653,501**

The financial statements shown on pages (1) to (46) have been approved by the Board of Directors and signed on their behalf by

Chief Financial Officer **Chief Executive Officer** **Authorized BOD's Member**

The accompanying notes (1) to (37) form an integral part of these consolidated financial statements.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

	Note	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the year before Zakat		121,520,718	66,701,940
Net Income adjusted to net cash flows from operating activities			
Depreciation of property, plant and equipment		11,615,161	8,188,455
Depreciation of investment properties		21,596,288	28,565,619
Losses /(profits) of disposals of property, plant and equipment		753,366	(3,500)
Losses from disposal of properties for development and sale		11,751,545	-
Amortization of intangible assets		612,880	472,297
Depreciation of right-of-use assets		776,429	1,005,775
(Gains) from disposal of right-of-use assets		(90,597)	-
Realized losses on sale of investments at fair value through profit or loss		(455,368)	(5,059,468)
Dividends from financial assets at fair value through other comprehensive income		(665,000)	(4,750,000)
Dividends from investments at fair value through profit or loss		(1,043,750)	(1,405,000)
Unrealized (losses)/ gains from revaluation of investments at fair value through profit or loss		(4,914,000)	4,601,448
Company's share in results of associate companies		-	131,976
Disposal of provision for investment losses in an associate company		(126,393)	-
Zakat provisions reversal		-	(5,507,743)
Provision for employee benefit obligations - provided		9,514,615	6,384,360
Provision for impairment of customers contracts		12,907,975	-
Provision for expected credit loss - provided		15,182,665	7,564,458
Provision for impairment of other debit balances		1,957,368	-
Finance costs		30,145,827	24,924,952
		231,039,729	**131,815,569**
Change in assets and liabilities			
Utilized from provision of expected credit loss utilized		(15,536,053)	-
Customers contracts		(510,590,387)	(302,002,366)
Inventory		27,542,167	(7,133,857)
Properties for development and sale		21,695,023	(38,972,931)
Trade receivables and other debit balances- Net		10,933,551	(67,300,031)
Related Parties		(6,124)	25,506,797
Trade payables and other credit balances		(10,623,385)	128,743,532
Employees' defined benefit obligations paid		(1,254,590)	(4,405,023)
Finance costs paid		(27,016,803)	(20,847,636)
Zakat paid		(9,398,541)	(7,388,079)
Net cash flows (used in) operating activities		**(283,215,413)**	**(161,984,025)**
Cash flows from investing activities			
(Additions) property, plant and equipment		(16,654,290)	(17,380,461)
Proceeds from sale property, plant and equipment		1,382,002	3,500
(Additions) investment property		(37,757,266)	(254,541,708)
Proceeds from sale of investment properties		-	17,099,075
(Additions) intangible assets		(165,000)	(380,275)
(Additions) Investments at fair value through profit or loss		-	(20,213,060)
Proceeds from dividends from financial assets at fair value through other comprehensive income		665,000	2,850,000
Proceeds from dividends from investments at fair value through profit or loss		1,043,750	1,405,000
Proceeds from sale of investments at fair value through profit or loss		11,665,368	27,839,548
Net cash flows (used in) investing activities		**(39,820,436)**	**(243,318,381)**
Cash flows from financing activities			
Lease obligations paid		(24,527,114)	(69,433,460)
Proceeds from loans		932,175,120	412,673,420
Loans repaid		(597,548,202)	(216,413,811)
Dividends		(34,999,488)	(14,999,545)
Net cash flows from financing activities		**275,100,316**	**111,826,604**
Net (decrease) in cash and cash equivalents		**(47,935,533)**	**(293,475,802)**
Cash and cash equivalents at beginning of year		242,729,230	536,205,032
Cash and cash equivalents at year end	19	**194,793,697**	**242,729,230**

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

	2023	2022
Additional information on non-cash finance operations		
Transferred from investment properties to property, plant and equipment	-	952.983
Transferred from investment properties to properties for development and sale	278,496,653	-
Transferred from properties for development and sale to property, plant and equipment	100,750	-
Transferred from properties for development and sale to intangible assets	800,463	-
Transferred from property, plant and equipment to intangible assets	(13,198)	-
Accrued dividends from investments at fair value through other comprehensive income	-	1,900,000
Additions of leases	5,368,973	782,500
Finance costs of lease liabilities	3,129,024	4,077,316
Capitalized interest lease agreements of investment properties under development	328,662	725،434
Unrealized (losses) from revaluation of financial assets at fair value	(29,070,000)	(10,165,000)
(Actuarial losses)/ gains of re-measurement of employee defined benefits	(1,613,192)	279,430

The financial statements shown on pages (1) to (46) are approved by the Board of Directors and signed on their behalf by

Chief Financial Officer **Chief Executive Officer** **Authorized BOD's Member**

The accompanying notes (1) to (37) form an integral part of these consolidated financial statements.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1. General information

1.1 Ladun Investment Company, a public joint stock company ("the Company") - a Saudi joint stock company - was established on 17/03/1426H (corresponding to 26/04/2005) according to the Saudi Companies Law and the company's bylaws, which were last amended on 23/11/1444H (corresponding to 12/06/2023) to align with the new Companies Law issued by Royal Decree No. M/132 on 1/12/1443H. The company is registered in the commercial registry in Riyadh under number 1010467355 on 18/04/1438H (corresponding to 16/01/2017), valid until 18/05/1449H (corresponding to 18/10/2027) – with its principal office address in Riyadh, P.O. Box: 395343, Postal Code: 12312.

1.2 The company operates through the head office and the following branch:
Al-Khobar branch registration number 2051030952 issued on 17/03/1426 H valid until 07/10/1445 H (former head office).
* During 2021, the subsidiary commercial register No. 1010467355 was converted into a main commercial register, and the main commercial register No. 2051030952 was converted into a subsidiary one.

1.3 The company's activities include purchasing, selling, and subdividing lands and properties, off-plan sales activities, managing and leasing owned or leased residential properties, managing and leasing owned or leased non-residential properties, developing residential buildings using modern construction methods, and developing commercial buildings using modern construction methods.

1.4 The consolidated financial statements as of December 31, 2023 include the financial statements of the Parent Company and the following subsidiaries, collectively referred to as the “Group":

Subsidiaries	Type	Headquarters	Shareholding % 2023	2022
Built Industrial Company	LLC	Riyadh	100%	100%
Painite Operations and Maintenance Company	LLC	Khobar	100%	100%
Lak Investment and Trade Company	LLC	Mecca	100%	100%
Iktisaab Human Resources Company*	LLC	Riyadh	100%	100%

* Ladun Investment Company, a public Joint-stock, (the Parent Company) established Iktisaab Human Resources Company on 20/06/1443 H corresponding to 23/01/2022 under registration No. 101077817.

1.5 The Company’s fiscal year begins on January 1st and ends on December 31st of each calendar year. The presented consolidated financial statements are for the year ended December 31, 2023 compared to the year ended December 31, 2022.

1.6 New companies law

Pursuant to Royal Decree No. M/132 dated 01/12/1443 H corresponding to 30/06/2022, the new Companies Law was approved, which will enter into force on 26/06/1444 H corresponding to 19/01/2023. The new Companies Law replaces the old one issued by Royal Decree No. M/3 dated 28/01/1437 H and cancels all provisions that conflict with it. The Company amended its situation as per the provisions of the new Companies Law on 23/11/1444 H corresponding to 12/06/2023.

2. Basis of preparation

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants (“SOCPA”).

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

2.2 Basis for consolidation of financial statements
The consolidated financial statements include the financial statements of the Parent Company and all subsidiaries, collectively referred to as the "Group". The consolidated financial statements present financial information about the Group as a single economic entity at the same reporting date of the Parent Company, using consistent accounting policies.

- Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies so as to obtain benefits from its activities. Control is presumed to exist over the subsidiary when the Company owns, directly or indirectly, more than half of the voting power of an investee unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control. Control also exists when the Company owns half or less of the voting power of an investee but has other power to govern the financial and operating policies of the entity.

- The financial statements of the subsidiaries are consolidated in full from the date of acquisition being the date when control is transferred to the Group. Consolidation continues until the date of such control ceases.
The Group applies the acquisition method to account for business combinations.
Inter-company transactions, balances, income, expenses, unrealized gains and losses on transactions and dividends are eliminated in full.

2.3 Basis of measurement
The consolidated financial statements were prepared according to the accrual basis of accounting and the principle of going concern and on the basis of the principle of historical cost except:
1- Investments in subsidiaries and associates are accounted for using the equity method.
2- Investments at fair value through other comprehensive income.
3- Investments at fair value through profit or loss
4- Employee benefits obligations are measured at the present value of the future obligations

2.4 Presentation currency
These consolidated financial statements are presented in Saudi Riyals ("SR") which is the functional and presentation currency. All amounts are presented in the consolidated financial statements in Saudi riyals, unless otherwise stated.

2.5 Use of judgments, estimates and assumptions
The preparation of these consolidated financial statements requires Management to make certain judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and disclosures of contingent liabilities at the reporting date. Although these estimates are based on the best current information and indicators available to Management, the final actual results may differ from these estimates.

These estimates and assumptions are reviewed on an ongoing basis and the effects arising from adjustment of the accounting estimates are recognized in the period in which such adjustment is made and the subsequent periods. The assumptions and estimates are particularly represented in the application of accounting policies that have significant impact on the amounts recognized in the financial statements.

The most significant accounting judgments, estimates and assumptions

2.5.1 Judgments
The following is an explanation to the significant judgments when applying the accounting policies that have a material impact on the amounts presented in the financial statements and the notes thereto:

Fulfillment of performance obligations
The Group evaluates each of its contracts with customers to determine whether performance obligations have been satisfied over time or at a point in time in order to determine the appropriate method for recognizing revenue under the provisions of the relevant laws and regulations.

Determination of transaction prices
The Group determines transaction prices in relation to each of its contracts with customers. When making such a judgment, it assesses the impact of any variable consideration in the contract as a result of discounts or fines and the existence of a significant financing component within the contract, or any non-cash consideration within the contract.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

2.5.1 Judgments... (Continued)

Classification of investment properties
The Group determines whether the property qualifies as investment property under IAS 40: Investment properties. In making such a judgment, the Group considers whether the property generates cash flows largely independently of other properties and equipment.

The following notes include information about other judgments:
Note (3.5) classification of leases.
Note (7.3) whether the Company has significant influence on the investee.

2.5.2 Assumptions and estimates
The following is an explanation of information to assumptions and estimates of uncertainty that have a significant impact on the amounts presented in the consolidated financial statements and the notes:

Going concern assumption
The consolidated financial statements have been prepared in accordance with the going concern principle. The Management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the necessary resources to continue in business for the foreseeable future. Furthermore, Management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern according to the going concern principle.

Useful lives of property and equipment
The Management determines the estimated useful lives of property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the assets, useful lives or physical wear and tear.
Management reviews the residual value of useful lives annually to verify that it reflects the expected benefit to be obtained. If it differs from previous estimates, changes in depreciation expense in current and future periods are adjusted, if any.

Fair value measurement
When the fair value of the financial assets and liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in the assumptions relating to these factors can affect the reported fair value of financial instruments. The contingent consideration resulting from a business combination is assessed at the fair value on the acquisition date, part of the business combination. If the consideration meets the definition of financial liability, it will be subsequently remeasured at the fair value in each reporting date. Fair value is determined based on discounted cash flows. Underlying assumptions take into account the possibility of fulfilling each objective of performance and discount factor.

Interest rate implicit in leases
The Group cannot readily determine the interest rate implicit in all leases. Therefore, it uses the Incremental Borrowing Rate (IBR) to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make Group-specific estimates.

Provision for expected credit losses
The Group applies the expected credit losses model to determine impairment losses in the value of trade and other receivables, and this requires the Group to take some factors to ensure that the receivables are not exaggerated as a result of the possibility of non-collection, such as aging of receivables and continuous credit evaluation. Provisions are recorded when there is objective evidence indicating the possibility of non-collection and in accordance with what is stipulated in IFRS (9).

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

2.5.2 Assumptions and estimates... (Continued)

Impairment of non-financial assets
(Except for inventory and investment properties separately assessed for impairment), Management reviews at each reporting date the carrying amounts of other non-financial assets and determine if there is any indicator that the value of non-financial asses may be impaired. In the event of such an indication, the recoverable value is estimated, and the book value is reduced thereto, and the impairment loss of those assets is recognized and charged to the statement of profit or loss.

The recoverable amount is measured using the higher of fair value of the asset less the cost to sell it - or the present value of the cash flows expected to be derived from it according to the discount rate.

Indications of impairment of a non-financial asset may be information that a material impairment has occurred to the market value of the asset and is more than expected because of normal use or the availability of evidence of obsolescence, damage or deterioration of its expected economic performance whether in its operating results or in the expected cash flows from it.

When there are indications that a recognized impairment loss in prior periods may no longer exist or have decreased, impairment loss is reversed only to the extent that it does not exceed the previously recognized impairment loss.

The following notes include information on assumptions and other estimates of uncertainty:
- Note (3.9) Impairment of inventory
- Note (3.14): Measurement of employee defined benefit obligations
- Note (3.16) Provisions
- Note (3.19.1) impairment of financial assets measured at cost or amortized cost

3. Significant accounting policies

3.1 Current vs non-current classification of assets and liabilities
The Group presents its assets and rights in the balance sheet based on current/non-current classification as follows:

Assets
• An asset is classified as current when:
• It is expected to be realized or intended to be sold or consumed in normal operating cycle;
• It is held primarily for the purpose of trading;
• It is expected to be realized within twelve months after the reporting period; or
• is 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
A liability is classified as current when:
• It is expected to be settled in normal operating cycle;
• It is held primarily for the purpose of trading;
• It is due to be settled within twelve months after the reporting period;
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

3.2 Property, plant and equipment

Recognition and measurement
Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss, (if any).
- The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located.
When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment،

Subsequent costs of acquisition
The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of properties, plant and equipment are recognized in statement of profit or loss as incurred.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

3.2 Property, plant and equipment (Continued)

Deprecation
Depreciation is calculated based on the cost of assets less than the residual value. The significant components of individual assets are estimated. If a component has a useful life different from the useful life of these assets, the useful life of that component is depreciated separately.

Depreciation is included in the profit or loss statement using the straight-line method over the expected useful life of each component of property, plant, and equipment - except for land, as it does not depreciate. Depreciation methods, useful lives, and residual values are reviewed at each financial reporting date and adjusted as appropriate. Depreciation of an asset begins when it is available for use. Depreciation of an asset ceases at the earlier of when the asset is classified as held for sale or is when the asset is derecognized.

The following are the estimated useful lives of property, plant, and equipment:

Buildings and improvements	10-50 years	Vehicles	4 years
Computers	7-10 years	Furniture and Fixtures	7 years
Property and equipment	5 years	Construction and equipment	5 years
Decorations	5 years		

Derecognition
An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.
Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within the **consolidated** statement of profit and loss.

3.3 Capital work in progress
Capital work in progress at year-end includes certain assets that have been acquired but are not ready for their intended use. Capital work in progress is stated at cost less any recorded impairment. These assets are transferred to relevant assets categories and are depreciated once they are available for their intended use.

3.4 Investment property
Investment properties are properties that are acquired or leased for the purpose of earning rental income, capital appreciation, or both, in addition to properties under construction being developed for future use as investment properties, as well as those acquired for future unspecified uses but not with the intention of sale within the ordinary course of business or for use in the production or supply of goods or services.

At initial recognition, investment properties acquired are measured at cost (including transaction costs), and at subsequent measurement, the group uses the cost model, under which investment properties are carried at cost less accumulated depreciation and/or accumulated impairment losses, if any, with depreciation charged on a straight-line basis over the estimated useful life of the assets.

The fair value of investment properties is disclosed in accordance with the disclosure requirements of International Accounting Standard (IAS) 40, and the fair value is determined based on an annual valuation by an independent valuer certified by the Saudi Authority for Accredited Valuers.

The measurement of right-of-use assets classified as investment properties is in accordance with International Financial Reporting Standard (IFRS) 16, as summarized in the lease policy overview.
An investment property should be derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the consolidated statement of profits or losses in the year of derecognition.

The residual values, useful lives and methods of depreciation of investment properties are reviewed at the end of the financial year, and adjusted prospectively if appropriate.

3.5 Leasing
Determining whether a contract is (or contains) a lease depends on the substance of the agreement at the inception of the lease. A contract is, or contains, a lease if the contract gives the right to control the use of an asset for a period of time in exchange for consideration.

A single recognition and measurement model is applied to all leases except for short-term or low-value leases.
The right to use assets and lease liabilities are recognized at the inception of the lease.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

3.5 Leasing... (Continued)

Right-of-use assets
Right-of-use assets are measured at cost comprising the following:
- The amount of initial recognition of lease liabilities;
- Any lease payments made at or before the commencement date minus lease incentives received;
- Any initial direct costs;
- Restoration costs.

Right-of-use assets are depreciated on a straight-line basis over the shorter of expected useful life or the lease term.

Lease obligations
Lease obligations are initially measured at the present value of lease payments that are not paid at the inception of the lease, which include:
- Fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate;
- Amounts expected to be paid under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

If the lease payments are discounted using the incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Each lease payment is divided between the finance cost and the reduction of the outstanding liability. Finance costs are charged to the statement of profit or loss over the term of the relevant lease so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Short-term or low-value leases
Short-term leases are leases with a lease term of 12 months or less. Payments related to short-term leases and leases of low-value assets on a straight-line basis are recognized as an expense in the statement of profits or losses.

3.6 Intangible assets
The separately acquired intangible assets are measured initially at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.
The useful lives of intangible assets are classified as either definite or indefinite. Intangible assets with a definite life are amortized over their estimated useful lives, and they are reviewed to ensure impairment when there is evidence indicating such impairment. The amortization period and the amortization method for an intangible asset with a finite life are reviewed one time at least at the end of each reporting period. Changes in the expected useful life or the method of consumption of future economic benefits embodied in the asset are considered based on the latest amortization period or method, as appropriate, and are treated as changes in accounting estimates. The expenses related to the amortization of intangible assets with a definite life are listed in the profit or losses statement as an expense and are aligned with the function of the intangible assets.
The intangible assets with finite useful lives held by the company consist of computer software, which is amortized on a straight-line basis over five to seven years.
The useful life of intangible assets with a definite life is regularly reviewed to assess whether there are any indications that the originally determined useful life is still appropriate and valid. Otherwise, the change in the useful life calendar is made on a prospective basis. Intangible assets with indefinite life are not amortized but are tested for impairment annually either individually or at the cash-generating unit level.
The profits or losses resulting from discontinuing the recognition of intangible assets are measured as the difference between the net proceeds from disposal and the carrying amount of the asset. They are recognized in the income statement upon discontinuation of the asset's recognition.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

3.7 Investments in associates
Associates are those entities over which the investor has significant influence, and which is not considered a subsidiary or a share in a joint venture. Significant influence means the power to participate in the financial and operating policy decisions of the associate but is not control or joint control of those policies.

Significant influence on an associate exists when the investor holds 20% or more of the voting power of the associate, unless it can be clearly demonstrated that this is not the case.

If the holding is less than 20%, the entity will be presumed not to have significant influence unless such influence can be clearly demonstrated.

3.7.1 Accounting for investments using equity method of accounting
Investments in associates are accounted for using the equity method of accounting by which an equity investment is initially recorded at cost of acquisition and subsequently adjusted to reflect the investor's share of income and other comprehensive income of the investee.

If the Group's share of losses of an investee equals or exceeds its interest in the investee, the Group discontinues recognizing its share of further losses. However, after the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. If the investee subsequently reports profits, the Group resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

3.8 Properties for development and sale
Property acquired, constructed or in the course of construction and development for sale is classified as properties for development and sale and is stated at the lower of cost or net realizable value. The cost of property development generally includes the cost of land, construction and other expenditures related to preparing property for sale. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The Management reviews the carrying amounts of property development on an annual basis.
- At each reporting date, Management classifies the developed properties as current or non-current assets based on the expected date of realization.

3.9 Inventories
Inventories are measured at lower of cost and net realizable value.
The cost includes the costs of purchasing materials and all expenses incurred to bring them to their present location. The cost is measured using the weighted average method.
Net realizable value is the estimated selling price in the ordinary course of business, less any expected costs of completion and the estimated selling costs.

Impairment of inventory
An assessment is made at each reporting date whether any inventories are impaired by comparing the carrying amount of each inventory item (or a group of similar items) with the selling price less the cost of completion and sale. If the net selling price is less than the carrying amount, the impairment loss is recognized for the inventory.

3.10 Accounts receivable
Accounts receivables are initially recognized at fair value, and subsequently measured at amortized cost using the effective interest less any impairment losses.

Trade receivables arise when the Group provides products and services to a customer on credit. The Management of the Group does not impose any commissions on trade receivables.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

3.11 Related party transactions
Transactions with related parties include the transfer of resources, services, obligations or financing between the Group and the related party, regardless of whether such transactions are conducted on terms equivalent to those prevailing in an arm's-length transaction.

A related party is a person that is related to the reporting entity or a close member of that person's family is related to a reporting entity if that person:
a- Is a member of the key management personnel of the reporting entity*;
b- Has control or joint control over Group reporting entity;
c- Has significant influence over the Group's decision-making process and policies.
* Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors whether executive or otherwise of the entity.

An entity is related to the Group if any of following conditions applies:
a- The entity and the reporting entity are members of the same group or both entities are jointly owned;
b- One entity is an associate or joint venture of the other entity;
c- The entity is controlled by the reporting entity or vice versa or the entity and the reporting entity are jointly controlled.

3.12 Statement of cash flows
Statement of cash flows is prepared according to the indirect method.
For the purpose of preparing the statement of cash flows, cash and cash equivalents comprise cash with banks, cash on hand and the above short-term deposits less outstanding overdraft accounts that form an integral part of the Group's cash management.

3.13 Account payables and accrued expenses
Account payables and accrued expenses are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company.
Trade payables are liabilities that the Group has incurred during the ordinary course of business on the basis of normal credit terms and they are non-interest bearing.

3.14 Employee defined benefit obligations

Defined benefit plans (employee defined benefit obligations)
The Group operates a defined benefit plan for end-of-service benefits in line with the Labor Law requirement in the Kingdom of Saudi Arabia. The payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment. As defined by the conditions stated in the Labor Law of the Kingdom of Saudi Arabia, employees' end of service benefit plans are unfunded plans whereby the benefit payment obligations are met by concerned entities when they fall due.

The defined benefits obligation is periodically re-measured by an actuary using the projected credit unit method. The amount of obligation is calculated on the basis of the present value of the estimated future cash outflows discounted at the discount rate used.

The costs of the defined benefit obligations for the initial periods are calculated on an annual basis using the actuarially defined pensions cost rate at the end of the previous year, adjusted for significant market fluctuations and any significant onetime events, such as scheme adjustments or manpower cuts and reimbursements,
Actuarial gains and losses arising from remeasurement of defined benefit plan obligation are recognized in the statement of other comprehensive income.

The Group calculates interest expense by applying the discount rate used to measure the net defined benefit obligation. The net interest expense and other expenses related to defined benefit plans recognized in the statement of profits or losses.

Short-term employee benefits
A liability is recognized for benefits accruing to employees in respect of wages and salaries, non-cash benefits, annual leave, sick leave, air tickets and child education allowances during the period in which the employees render the related service. The liability is recorded at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

3.15 Zakat and tax

Zakat charge
The Group is subject to zakat which is determined in accordance with the regulations of the Zakat, Tax and Customs Authority applicable in Kingdom of Saudi Arabia.

- Zakat is calculated at the higher of the zakat base including zakat income or adjusted net income, which is calculated through the consolidated financial statements of the Parent Company and its subsidiaries, according to which a consolidated return is submitted for the Group in accordance with the laws and regulations issued by the Zakat, Tax and Customs Authority. The share of zakat payable of each subsidiary is determined on the basis of estimation.
The zakat provision is computed on the higher of the zakat base that includes zakat income or the adjusted net income, according to the requirements of the zakat standard. Adjustments, if any, are recorded in the period when the final assessment has been approved.

Value Added Tax
The net amount of VAT recoverable from, or payable to, the GAZT is included as for the part of receivables or payables in the statement of financial position.

Withholding Tax
Group withholds taxes on certain transactions with non-resident parties in the KSA, if any, as required under Saudi Arabian Income Tax Law. Withholding tax on foreign payments is recorded as a short-term liability.

3.16 Provisions
Provisions are recognized when the Group 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 can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If outflows to settle the provisions are no longer probable, reversal of the provision is recorded as income.

3.17 Contingent liabilities and assets
All contingent liabilities arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Group; or all present obligations arising from past events but not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability. Contingent liability will not be recognized, rather, it will be disclosed in the financial statements.
Contingent assets are not recognized in financial statements; however, a contingent asset is disclosed where an inflow of economic benefits is probable.

3.18 foreign currency translation
Transactions in foreign currencies during the year are translated into Saudi Riyals and recorded at the rates of exchange prevailing at the transaction dates. The balances of assets and liabilities recorded in foreign currencies at the balance sheet date are translated into Saudi Riyals at the exchange rates prevailing at that date. Profits and losses arising from transactions are reported in the statement of income.

3.19 Financial Instruments
A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.
A financial asset or a financial liability is recognized and measured in accordance with measurement, recognition and disclosure requirements of IFRS 9.

Relevant detailed accounting policies are as follows:

3.19.1 Financial assets
Initial recognition and measurement
Trade receivables and deposits are recognized on the date they arise while all other financial assets are recognized on the trade date at which the Group becomes a party to the contractual provisions of the instrument.
Financial assets are measured upon initial recognition at the transaction price attributable to the acquisition of the financial asset, including transaction costs, except for financial assets that are subsequently measured at fair value through the statement of profit or loss. If the arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest.

3.19.1 Financial assets… (Continued)

Classification and subsequent measurement
IFRS 9 has three major categories of financial assets as follows: Financial assets measured at amortized cost, assets measured at fair value through other comprehensive income and assets measured at fair value through profit or loss. Under IFRS 9, financial derivatives embedded in contracts containing the basic instrument are financial assets within the scope of the standard and are not separated. The entire hybrid financial instrument is assessed for classification. Subsequent measurement of financial assets depends on their classification as described below:

● Financial assets at amortized cost
These assets are measured upon initial recognition at fair value plus transaction costs directly attributable to the acquisition or issue of the financial asset. After the initial recognition, these are measured at depreciated cost using the effective interest method.

● Financial assets at fair value through other comprehensive income
On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies.
Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

● Financial assets at fair value through profit or loss
Financial assets carried at fair value through profit or loss include financial assets held for trading and financial assets classified at initial recognition as fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. After initial recognition, they are re-measured at fair value.

Derecognition of financial assets
A financial asset is primarily derecognized when:
The contractual rights to the cash flows from the financial asset expire;
The Group transfers the rights to receive the contractual cash flows from the asset; Or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either the Company has transferred substantially all the risks and rewards of the asset, or it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets measured at cost or amortized cost
Under IFRS 9, an impairment review is made at each reporting date for financial assets measured at amortized cost or FVTOCI except investments in equity instruments as well as contract assets as per the expected future credit loss model, which requires a significant estimate of how changes in economic factors affect the expected credit loss models that are determined on a weighted probability basis. This requires a significant estimate of how changes in economic factors affect the expected credit loss models that are determined on a weighted probability basis. Loss provision for loss will be measured on one of the following basis:

1- The expected credit loss over 12 months: This expected credit loss arises from default and potential default events within 12 months after the reporting date.
2- The expected credit loss over the life of the financial instrument: It is the expected credit loss that results from all default events over the expected life of the financial instrument.

As for the expected credit loss over 12 months, measurement is applied if the credit risks of financial assets have increased substantially at the reporting date since the initial recognition. The expected credit loss over 12 months measurement is applied if the credit risks have not increased substantially. The entity may determine that the credit risk does not increase substantially in case the instrument is exposed to low credit risks at the reporting date. However, the measurement of lifetime expected credit losses is always applied to trade receivables and contract assets without any significant financing components. The entity may choose to apply this policy also to trade receivables and contract assets with significant financing components.

3.19.2 Financial liabilities

Initial measurement
Upon initial measurement, except for financial liabilities that are subsequently measured at fair value through profit or loss, the financial liabilities are measured at the transaction price (including transaction costs), unless the arrangement forms actually financing transaction of the entity (for financial obligation) or a counter party (for financial asset) of the arrangement.

At initial measurement of financial liabilities that are subsequently measured at fair value through profit or loss, transaction costs are recognized in the statement of profit or loss.

The arrangement constitutes a financing transaction if payment is deferred beyond normal business terms. If the arrangement constitutes a financing transaction. The financial liability shall be measured at the present value of the future payments discounted at the market rate of interest for a similar debt instrument.
Trade payables that have a significant financing component or have a maturity of less than 12 months are measured at their transaction price (invoice).

Classification and subsequent measurement
Financial liabilities are measured at the amortized cost using the effective interest method if the above specified conditions have been met. Financial liabilities are subsequently measured at the amortized cost using the effective interest method. The amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate is included in the finance income within the statement of profit or loss. IFRS 9 introduces the change in fair value related to changes in the credit risk of liabilities in the comprehensive income statement while the remaining amount of the change in fair value is presented in the statement of profit or loss.

Debt instruments classified as current liabilities are measured at the undiscounted cash amount or other cash consideration expected to be paid unless the arrangement constitutes, in fact, a financing transaction.

Derecognition of financial liabilities
Financial liability is derecognized when and only when the obligations are discharged, canceled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms or when the terms of an existing obligation are substantially modified, such replacement or modification is treated as a derecognition of the original financial liability, along with recognizing the new obligation. The difference in respective carrying amounts is recognized in the statement of profit or loss.

3.19.3 Offsetting of financial instruments
Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when the Group currently has a legally enforceable right to set off the recognized amounts; and the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3. 20 Revenue recognition
Revenue is measured at the fair value of the consideration received or receivable taking into account specific payment terms.

Revenue is recognized in the statement of profit or loss and other comprehensive income to the extent that probable economic benefits will be generated to the Group and when the revenue and costs, if any, can be measured reliably.
The Group recognizes revenue from contracts with customers based on a five step model accordance IFRS 15:

Step 1: Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out criteria that must be met.
Step 2: Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
Step 3: Determine the transaction price: It is the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

If the consideration promised in a contract includes a variable amount، the Group must estimate the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to a customer.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

3.20 Revenue recognition ... (Continued)
The promised consideration can vary if the Group's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event. The amount of consideration can vary due to discounts, rebates, refunds, credits, incentives, other similar items. The change related to the consideration promised to the customer, if any, is expressly stated in the contract. Accordingly, the Group estimates the amount of the variable consideration using the most likely amount in accordance with the terms of the contract.

Revenue from construction contracts, real estate development, and off-plan sales
Revenue from construction contracts, real estate development, and off-plan sales is recognized according to the input method based on the extent of the group's progress towards fulfilling its performance obligation. This is measured by the group's efforts or costs incurred to meet the performance obligation relative to the total expected inputs required to fulfill that obligation.

When the costs incurred are not proportionate to the group's progress in fulfilling its performance obligation, the group adjusts the input method to recognize revenue only to the extent of the costs that have been incurred.
The progress of the group in fulfilling its performance obligation that has not been invoiced is recognized as an asset, and the excess of invoicing over the group's progress in fulfilling its performance obligation is recognized as a liability.

Rental income
Revenue from leasing investment properties is recognized using the straight-line method over the lease term.

Rendering of services
Revenue from rendering of services is recognized when services are performed provided that the amount of revenue and related costs can be reliably measured, and economic benefits associated with the transaction will probably flow to the Group.

Revenue from the sale of goods, land, and completed properties
The revenue resulting from the sale of goods and the issuance of an invoice is recognized when the significant risks and benefits of ownership of the goods are transferred to the buyer، with the Group not retaining the right of continuous administrative intervention to the degree that is usually associated with ownership nor the right of actual control over the sold goods. The revenue is recognized net of the allowed discount.

3.21 Cost of revenue and general and administrative expenses
Revenue costs comprise costs of development and other related service costs, including construction cost, direct labor, other capital costs and operating expenses associated with revenue. All other expenses are classified as general and administrative expenses.

3.22 Finance cost
Finance cost comprises interest expense and other costs on borrowings and finance facilities. All finance costs are charged to profits or losses as incurred except finance costs related to owning or establishing an asset that may need some time to be ready for the intended use. It is added to the cost of the asset to be ready for the intended use according to IAS 23.

3.23 Board of Directors' remunerations
Total remuneration paid to the Board of Directors represent fees for meeting attendance, bonuses and expenses. They are in line with the Companies Law requirements and the Capital Market Authority guidelines and the Company's Articles of Association.

3.24 Earnings per share
Basic earnings per share and diluted earnings per share (if any) are presented for ordinary shares. Basic earnings per share are calculated by dividing the Group's profit or loss attributable to common shareholders by the weighted average number of common shares outstanding during the year, after being adjusted by the number of ordinary shares repurchased or issued during the year. Diluted earnings per share is calculated by adjusting diluted profit or loss of the Group's ordinary shareholders and the weighted average number of shares outstanding during the year compared to diluted potential ordinary shares.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

3.25 Dividends
Dividends are distributed to the Shareholders when the General Assembly of Shareholders approves the dividends in line with the Saudi Companies Law.

3.26 Operating Sectors
A business segment is a company with assets and operations associated with providing products or services that are subject to different risks and returns than other business segments. The geographical sector includes the provision of products or services within a specific economic environment that is subject to different risks and returns than sectors operating in other economic environments.

4. Changes in significant accounting policies and new standards

4.1 New and revised IFRS Standards that are applicable and have no significant impact on the financial statements
No new IFRS standards have been applied; however, a number of IFRS amendments are effective as of January 1, 2023 but have no significant impact on the Company's consolidated financial statements. The following is a summary of the amendments applied by the Company:

Standard– Interpretation	Description	Effective date
IAS 1	Disclosure initiative: Accounting policies IFRS Practice Statement 2 "Making Materiality Judgments".	01 January 2023
IAS 8	Amendments to "Accounting Policies" and changes in accounting estimates and errors related to definition of accounting estimates.	01 January 2023
IAS 12	Amendments to "Income Taxes" of deferred Tax related to Assets and Liabilities arising from a Single Transaction.	01 January 2023
IFRS 17	Amendments to initial application of insurance contracts.	01 January 2023

4.2 New and revised IFRS not yet effective and not applicable:
The following are standards and interpretations issued and not yet effective and not applicable as of the date of the consolidated financial statements:

Standard– Interpretation	Description	Effective date
IAS 1	Amendments to "Presentation of Financial Statements" to clarify classification of liabilities as current or non-current.	01 January 2024
IAS 7 and IFRS 7	Amendments to the "Statement of Cash Flows" standard related to financing arrangements for transactions with suppliers, along with a subsequent amendment to the Statandard of Financial Instruments - Disclosures.	01 January 2024
IFRS 16	Amendments to the Leases Standard relating to sale and leaseback transactions and the assessment of whether a transfer of assets is a sale.	01 January 2024
The International Financial Reporting Standards (IFRS) - Sustainability 1, Sustainability 2	The International Accounting Standards Board has approved the issuance of the Sustainability Reporting Standards 1, related to the general requirements for disclosing financial information regarding sustainability, and Sustainability 2, related to climate-related disclosures. The Board has set the effective date for these standards for fiscal years beginning on or after January 1, 2024, or later.	Subject to the approval of the Saudi Organization for Auditors and Accountants.
IAS 21	Amendments to the standard "Effects of Changes in Foreign Exchange Rates" related to the definition of a convertible currency and the estimation of the spot exchange rate when the currency is non-convertible, and the related disclosures.	01 January 2025

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

5. Property, plant and equipment – net

5.1 For the year ended December 31, 2023

	Lands	Buildings and improvements	Computers	Vehicles	Furniture and Fixtures	Property and equipment	Construction and equipment	Capital work in progress	Total
Cost:									
Balance at 01 January 2023	2,730,000	2,324,284	8,816,014	15,954,918	13,815,673	47,134,804	2,717,184	27,876,481	121,369,358
Additions during the year	7,384,908	3,028,184	1,020,298	1,151,301	753,403	2,756,918	559,278	-	16,654,290
Transferred from properties for development and sale (note 12)	-	-	-	-	100,750	-	-	-	100,750
Transferred from capital work in progress	-	27,876,481	-	-	-	-	-	(27,876,481)	-
Transferred to intangible assets (note 8)	-	-	(81,853)	-	-	-	-	-	(81,853)
Disposals during the year	-	(631,878)	(30,393)	(1,392,047)	(45.260)	(5,651,948)	(2.880)	-	(7,754,406)
Balance at 31 December 2023	**10,114,908**	**32,597,071**	**9,724,066**	**15,714,172**	**14,624,566**	**44,239,774**	**3,273,582**	**-**	**130,288,139**
Accumulated depreciation:									
Balance at 01 January 2023	-	412,678	5,294,864	11,693,448	8,822,273	27,928,566	1,374,326	-	55,526,155
Depreciation for the year	-	1,995,342	1,177,829	1,341,899	1,692,383	4,927,542	480,166	-	11,615,161
Transferred to intangible assets (note 8)	-	-	(68,655)	-	-	-	-	-	(68,655)
Disposals during the year	-	(322,114)	(21,850)	(1,160,459)	(34.247)	(4,077,922)	(2,446)	-	(5,619,038)
Balance at 31 December 2023	**-**	**2,085,906**	**6,382,188**	**11,874,888**	**10,480,409**	**28,778,186**	**1,852,046**	**-**	**61,453,623**
Net book value:									
As of 31 December 2023,	**10,114,908**	**30,511,165**	**3,341,878**	**3,839,284**	**4,144,157**	**15,461,588**	**1,421,536**	**-**	**68,834,516**

- Property, plant and equipment include Land amounting to SR 7,384,908 and buildings amounting to SR 3,010,944 are mortgaged against long-term loans (note 20) under an agreement in favor of local banks.

- The depreciation is distributed as follows:	**2023**	**2022**
Charged to cost of revenue (note 26)	10,214,089	6,325,187
Charged to general and administrative expenses (note 27)	1,401,072	1,863,268
	1,1615,161	**8,188,455**

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

5. Property, plant and equipment - net
5.2 For the year ended December 31, 2022

	Lands	Buildings and improvements	Computers	Vehicles	Furniture and Fixtures	Property and equipment	Construction and equipment	Capital work in progress	Total
Cost:									
Balance at 01 January 2022	2,730,000	2,324,284	6,789,463	13,363,654	11,798,296	40,732,891	1,854,380	23,492,946	103,085,914
Additions during the year	-	-	2,014,438	2,641,264	1,076,507	6,401,913	862,804	4,383,535	17,380,461
Transferred from investment properties (note 6.2)	-	-	12,113	-	940,870	-	-	-	952,983
Disposals during the year	-	-	-	(50,000)	-	-	-	-	(50,000)
Balance at 31 December 2022	**2,730,000**	**2,324,284**	**8,816,014**	**15,954,918**	**13,815,673**	**47,134,804**	**2,717,184**	**27,876,481**	**121,369,358**
Accumulated depreciation:									
Balance at 01 January 2022	-	308,642	4,549,413	10,540,992	7,336,947	23,643,008	1,008,698	-	47,387,700
Depreciation for the year	-	104,036	745,451	1,202,456	1,485,326	4,285,558	365,628	-	8,188,455
Disposals during the year	-	-	-	(50,000)	-	-	-	-	(50,000)
Balance at 31 December 2022	**-**	**412,678**	**5,294,864**	**11,693,448**	**8,822,273**	**27,928,566**	**1,374,326**	**-**	**55,526,155**
Net book value:									
As of 31 December 2022	**2,730,000**	**1,911,606**	**3,521,150**	**4,261,470**	**4,993,400**	**19,206,238**	**1,342,858**	**27,876,481**	**65,843,203**

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

6. Investment properties - net
6.1 For the year ended December 31, 2023

	Lands	Buildings	Investment properties under development	Right-of-use assets	Total
Cost:					
Balance at 01 January 2023	526,529,698	233,419,955	46,325,281	141,702,447	947,977,381
Additions during the year	22,761,971	11,746,687	3,248,607	-	37,757,265
Lease interest (note 7.2)	-	-	328,662	-	328,662
Reclassification	(8,608,116)	8,608,116	-	-	-
Transferred to properties for development and sale (note 12)	(270,403,565)	(8,093,088)	-	-	(278,496,653)
Transferred from investment properties under development	-	46,619,498	(46,619,498)	-	-
Disposals during the year	-	-	-	(47,197,518)	(47,197,518)
Balance at 31 December 2023	**270,279,988**	**292,301,168**	**3,283,052**	**94,504,929**	**660,369,137**
Accumulated depreciation:					
Balance at 01 January 2023	-	35,413,206	-	64,252,099	99,665,305
Depreciation for the year (note 26)	-	14,946,629	-	6,649,659	21,596,288
Disposals during the year	-	-	-	(47,197,518)	(47,197,518)
Balance at 31 December 2023	**-**	**50,359,835**	**-**	**23,704,240**	**74,064,075**
Net value at December 31, 2023	**270,279,988**	**241,941,333**	**3,283,052**	**70,800,689**	**586,305,062**

- Investment properties include a land amounting to SR 220,138,301 and buildings amounting to SR 118،506،473 against a mortgage for long-term loans (note 20) under an agreement in favor of local banks.
- The net book value of the investment properties, totaling SR 551,285,661, excluding the additions acquired on 19/09/2023, which include five offices in the Sultan Business Center in Riyadh with a net book value of SR 32,042,556, and the Mahdiya rest building, which was converted from investment properties under development at the end of 2023 with a net book value of SR 2,976,845, was assessed. The fair value as of 31 December 2023 amounted to SR 626,443,009. The valuation was conducted by a certified appraiser named Amam for Real Estate Valuation, with membership number 1210000030 and commercial registration number 1010611939.

Impairment investment properties test
The management of the Group conducts an annual impairment test on investment properties and has engaged Amam for Real Estate Valuation, with membership number 1210000030 and commercial registration number 1010611939, to ensure there is no impairment in their value and to determine whether the book value of the properties is less than their recoverable value or not. The recoverable value is determined based on assumptions related to future sales volumes, discount rates, and other factors relevant to rental properties. For non-rental properties, the market value assumption has been used.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

6. Investment properties - net (continued)
4.2 For the year ended December 31, 2022

	Lands	Buildings	Investment properties under development	Right-of-use assets	Total
Cost:					
Balance at 01 January 2022	315,022,076	232,412,629	21,625,145	141,702,447	710,762,297
Additions during the year	228,606,697	1,007,326	24,927,685	-	254,541,708
Lease interest (note 7.2)	-	-	725,434	-	725,434
Cost of sold units during the year	(17,099,075)	-	-	-	(17,099,075)
Transferred to property, plant and equipment (note 5.2)	-	-	(952,983)	-	(952,983)
Balance at 31 December 2022	**526,529,698**	**233,419,955**	**46,325,281**	**141,702,447**	**947,977,381**
Accumulated depreciation:					
Balance at 01 January 2022	-	22,276,163	-	48,823,523	71,099,686
Depreciation for the year (note 26)	-	13,137,043	-	15,428,576	28,565,619
Balance at 31 December 2022	**-**	**35,413,206**	**-**	**64,252,099**	**99,665,305**
Net value at December 31, 2022	**526,529,698**	**198,006,749**	**46,325,281**	**77,450,348**	**848,312,076**

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

7. Leases

The Group has entered into a number of lease agreements as a lessee for usage purposes and for the purpose of earning rental income, as follows:

	31 December 2023	31 December 2022
Right-of-use assets for usage purposes (note 7.1)	4,858,154	899,341
Right-of-use assets for leasing purposes (Investment properties - Note 6)	70,800,689	77,450,348
	75,658,843	**78,349,689**

7.1 Right-of-use assets - net

	Land	Equipment	31 December 2023	31 December 2022
Cost:				
Balance at beginning of year	1,712,096	-	1,712,096	3,684,106
Additions during the year	1,316,973	4,052,000	5,368,973	782,500
Disposals during the year	(1,712,126)	-	(1,712,126)	(2,754,510)
Balance at year end	**1,316,943**	**4,052,000**	**5,368,943**	**1,712,096**
Accumulated amortization:				
Balance at beginning of year	812,755	-	812,755	2,561,490
Deprecation charged during the year	371,229	405,200	776,429	1,005,775
Disposals during the year	(1,078,395)	-	(1,078,395)	(2,754,510)
Balance at year end	**105,589**	**405,200**	**510.789**	**812,755**
Net carrying amount at end of the year	**1,211,354**	**3,646,800**	**4,858,154**	**899,341**

The depreciation is distributed as follows:	2023	2022
Charged to cost of revenue (note 26)	730,218	1,005,775
Charged to general and administrative expenses (note 27)	46,211	-
	776,429	**1,005,775**

7.2 Lease liabilities - net

	Land	Equipment	31 December 2023	31 December 2022
Cost:				
Balance at beginning of year	124,885,401	-	124,885,401	193,521,847
Additions during the year	1,532,264	4,527,300	6,059,564	797,014
Paid during the year	(23,423,738)	(1,103,376)	(24,527,114)	(69,433,460)
Disposals during the year	(746,951)	-	(746,951)	-
Balance at year end	**102,246,976**	**3,423,924**	**105,670,900**	**124,885,401**
Less: Deferred interest				
Balance at beginning of year	25,238,472	-	25,238,472	30,026,708
Additions during the year	215,291	475,300	690,591	14,514
Charged to financing expenses (note 29)	(3,022,528)	(106,496)	(3,129,024)	(4,077,316)
Capitalized on investment properties under development	(328,662)	-	(328,662)	(725,434)
Disposals during the year	(22,623)	-	(22,623)	-
Balance at year-end	**22,079,950**	**368,804**	**22,448,754**	**25,238,472**
Present value of obligation Net carrying amount at end of the year	**80,167,026**	**3,055,120**	**83,222,146**	**99,646,929**

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

7.2 Lease liabilities - net ...(Continued)

Lease liabilities were presented in the statement of financial position based on the current portion - within the current liabilities (which represents the payable portion within a year) and the non-current portion - within the non-current liabilities (which represents the remaining liability net of the current portion) as follows:

	2023	2022
7.2.1 Lease liabilities - current portion	11,306,514	25,953,850
7.2.2. Lease liabilities - non-current portion	71,915,632	73,693,079
	83,222,146	**99,646,929**

8. Intangible assets - net

	31 December 2023	31 December 2022
Software		
Cost:		
Balance at beginning of year	3,370,554	2,990,279
Additions during the year	165,000	380,275
Transferred from properties for development and sale (note 12)	800,463	-
Transferred from property, plant, and equipment (note 5.1)	81,853	-
Balance at year-end	**4,417,870**	**3,370,554**
Accumulated amortization:		
Balance at beginning of year	913,284	440,987
Amortization during the year (note 27)	612,880	472,297
Transferred from property, plant, and equipment (note 5.1)	68,655	-
Balance at year-end	**1,594,819**	**913,284**
Net carrying amount at end of the year	**2,823,051**	**2,457,270**

9. Investments in associates

	Shareholding percentage as at			
	31 December 2023	**31 December 2022**	**31 December 2023**	**31 December 2022**
Ahmed Abdullah Altwijri and Partners Company *(note 9.1)	0%	30%	-	-
Ladun Logistics Company** (Note 9.2)	0%	0%	-	-
			-	**-**

Below is the movement in investments in associates

9.1 Ahmed Abdullah Altwijri and Partners Company*

	31 December 2023	31 December 2022
Acquiring 30 % of the company's share capital	-	7،500
Group's share of equity on date of acquisition	-	(319،417)
Group's share of profits in the associate	-	185،524
Provision for investment loss (note 9.1.1)	-	126،393
	-	**-**

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

9.1.1 Provision for investment losses in associates

	31 December 2023	31 December 2022
Balance at beginning of the year	126,393	-
Provided during the year	-	126,393
Provision no longer required	(126,393)	-
Year-end balance	**-**	**126,393**

9.2 Ladun Logistics Company**

	31 December 2023	31 December 2022
Balance at beginning of year	-	5,583
Group's share in results	-	-
Liquidation of investments in an associate	-	(5,583)
Balance at year-end	**-**	**-**

* The investment contract was signed in the office of Ahmed Abdullah Abdul Mohsen Al-Tuwijri for Engineering Consulting on 19/04/2021. It was agreed that entering into this partnership would be in return for bearing 30% of the losses of the existing establishment before the beginning of the year 2022 and it was transformed from an establishment into a professional company 02/09/1443 H corresponding to 03/04/2022 in the name of Ahmed Abdullah Al-Tuwijri and Partners Company. On June 12, 2023, the exit was completed without incurring any obligations.

The Company has invested in Ladun Logistics Company 60% of its share capital amounting to SR100,000. The value of the investment was paid by related parties.

On 26/02/1443 H corresponding to 03/10/2022, the Shareholders of Ladun Logistics Services Company met and resolved to dissolve and liquidate the company. Financial statements (under liquidation) were issued on 13/06/1443 H corresponding to 16/01/2022. The company was deregistered by the Ministry of Commerce and Investment on 15/02/1444H, corresponding to 11/09/2022.

	31 December 2023	31 December 2022
10. Financial assets at fair value through other comprehensive income		
10.1 Musharaka REIT Fund stock		
Balance at beginning of the year	84,075,000	94,240,000
Losses from revaluation of investments at fair value through other comprehensive income	(29,070,000)	(10,165,000)
Year end balance	**55,005,000**	**84,075,000**

10.2 Below is the movement in unrealized losses on sale of revaluation of investments at fair value through other comprehensive income:

	31 December 2023	31 December 2022
Balance, beginning of the year	(10,918,946)	(753,946)
Revaluation (losses)	(29,070,000)	(10,165,000)
Balance at end of the year	**(39,988,946)**	**(10,918,946)**

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

11. Customers contracts

The movement in contracts assets and liabilities during the year is as follows:

	31 December 2023	31 December 2022
Balance at beginning of year	427,579,974	125,577,608
Revenue during the year	1,388,838,096	837,644,065
Billed during the year	(878,247,709)	(535,641,699)
Balance at end of the year	**938,170,361**	**427,579,974**
Less: Provision for impairment of customer contracts (note 11.4)	(12,907,975)	-
	925,262,386	**427,579,974**

The customer contracts were presented in the statement of financial position as follows:

	31 December 2023	31 December 2022
11.1 Contracts assets - current portion	441,097,940	329,301,427
11.2 Contracts assets - non-current portion*	658,028,412	183,860,759
11.3 Contracts liabilities	(173,863,966)	(85,582,212)
	925,262,386	**427,579,974**

	31 December 2023	31 December 2022
11.4 Provision for impairment of customer contracts		
Provided during the year (note 27)	12,907,975	-
	12,907,975	**-**

* On 25/12/2019 and subsequently on 04/02/2021, the Company concluded a partnership agreement to develop the Alusyla District Land in Makkah on a total land area of 2,867,222,21 square meters (the developed land area is 1,593,354 square meters). The land is to be divided with 25.844% allocated to Ladun Company and 74.156% to the other party. In the light of the signed agreement, the company obtained long-term Islamic financing from Al Bilad Bank with the guarantee of a full mortgage.

12. Properties for development and sale

The properties for development and sale represent the following projects:

	31 December 2023	31 December 2022
Development of Alrimal land in Riyadh	243,178,967	28,106,195
Development of Almanjara land in Jazan, Rawabi	15,227,174	1,439,910
Development of Alrabwah District land in Riyadh	43,870,351	-
Development of Ruba District land in Jizan	19,334,381	-
Development of Nimar District land in Riyadh	13,101,449	18,859,993
Vinan and Jawharat Al Rusaifah projects	15,723,015	57,880,367
	350,435,337	**106,286,465**

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

12. Properties for development and sale... (Continued)

The properties under development were presented in the statement of financial position based on the current portion - within the current liabilities (which represents the payable portion within a year) and the non-current portion - within the non-current liabilities (which represents the remaining liability less the current portion) as follows:

	31 December 2023	31 December 2022
12.1 Properties for development and sale - current portion	254,583,172	5,788,0367
12.2 Properties for development and sale - non-current portion	95,852,165	48,406,098
	350,435,337	**106,286,465**

The movement on properties for development and sale was as follows:

- For the year ended 31 December 2023

	Developed lands	Work in progress	Total
Balance at beginning of year	-	106,286,465	106,286,465
Additions during the year	80,625,000	328,782,606	409,407,606
Transferred from investment properties (note 6)	270,403,565	8,093,088	278,496,653
Cost of sold units during the year	(83,615,941)	(347,486,688)	(431,102,629)
Transferred to property, plant, and equipment (note 5.1)	-	(100,750)	(100,750)
Transferred to intangible assets (note 8)	-	(800,463)	(800,463)
Disposals during the year	-	(11,751,545)	(11,751,545)
Balance at year end	**267,412,624**	**83,022,713**	**350,435,337**

- For the year ended 31 December 2022

Cost:	Developed lands	Work in progress	Total
Balance at beginning of year	-	67,313,534	67,313,534
Additions during the year	-	418,383,418	418,383,418
Cost of sold units during the year	-	(379,410,487)	(379,410,487)
Balance at year-end	**-**	**106,286,465**	**106,286,465**

The properties for sale and development include developed lands valued at SR 251,272,254 are mortgaged against long-term loans (Note 20) under an agreement in favor of local banks.

- On 09/07/2021, the Company concluded a development agreement for a plot of land in Alrimal neighborhood in Riyadh, with an area of 501,885,65 square meters, in accordance with the off-plan sales system. The agreement is valid for 4 years from the date of signing it. The share of Ladun Company must be 30% of the net profit of the project, after recovering the investor's capital. The company obtained Islamic financing from Bank Al Bilad, secured by the land, and received the off-plan sales license for the project.

On 16/10/2023, the company entered into a partnership and development agreement for land plot number (3) in Al-Rimal district in Riyadh, under the ownership document number (3935980101415) dated 16/03/1445H (corresponding to 01/10/2023), with total project costs (project capital) amounting to SR 92.5 million, divided into 60% for Ladun Company and 40% for the other party. In the light of the signed agreement, the company obtained long-term Islamic financing from Al Bilad Bank with the guarantee of a full mortgage.

13. Inventories	31 December 2023	31 December 2022
Materials and construction supplies	**38,957,974**	**66،500،141**

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

14. Trade - receivables and other debit balances- Net	**31 December 2023**	**31 December 2022**
Customers (note 14.1)	121,421,326	110,569,050
Less: Provision for expected credit loss (note 14.2)	(13,314,393)	(13,667,781)
Trade receivables - net	**108,106,933**	**96,901,269**
Advances to contractors and suppliers	84,164,339	108,987,083
Margin on letters of guarantee (note 31)	39,253,008	38,843,169
Letters of credit	-	1,043,130
Good performance retentions	37,927,448	23,264,278
Zakat, Tax and Customs Authority	59,314,761	65,018,400
Prepayments	3,893,937	6,440,808
Employees' accounts and custodies	2,647,589	2,643,682
Accrued dividends	-	1,900,000
Other	261,646	1,108,005
	335,569,661	**346,149,824**
Provision for impairment of other debit balances (note 14.3)	(1,957,368)	-
	333,612,293	**346,149,824**

14.1 Aging of customers' debts	**31 December 2023**	**31 December 2022**
Up to a month	32,991,903	16,110,800
1-2 months	24,154,405	14,148,905
2-3 months	2,031,073	7,591,325
Over 3 months	18,769,843	27,359,404
More than a year	43,474,102	45,358,616
	121,421,326	**110,569,050**

14.2 Provision for expected credit losses	**31 December 2023**	**31 December 2022**
Balance at beginning of year	13,667,781	6,103,323
Provided during the year (note 27)	15,182,665	7,564,458
Utilized during the year	(15,536,053)	-
	13,314,393	**13,667,781**

14.3 Provision for impairment of other debit balances	**31 December 2023**	**31 December 2022**
Provided during the year (note 27)	1,957,368	-
	1,957,368	**-**

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

15. Related party transactions
15.1 Due from related parties

Related parties	Nature of relationship	31 December 2023	31 December 2022
Opal Aljazirah Security Guards Establishment	Affiliate	**944,733**	**-**

15.2 Due to related parties

Related parties	Nature of relationship	31 December 2023	31 December 2022
Opal Aljazirah Security Guards Establishment	Affiliate	-	631,278
Musharaka Financing Company	The CEO and a Board Member in the Parent Company	2,555,469	985,582
		2,555,469	**1,616,860**

15.3 Related party key transactions

Company	Nature of relationship	31 December 2023	31 December 2022
Saba International Factory Company	Settlement of the balance due from the amount of Ashaar Investment Company.	-	(6,196,824)
Opal Aljazirah Security Guards Establishment	Payment of expenses on behalf	(4,819,502)	(631,278)
	Rendering security guard services	3,243,491	-
	Settlement of Opal Company's balance due to Painite Company from the amount of Ashaar Investment Company.	-	(10,177,302)
Saud Abdulaziz Al-Oraifi	Settlement of the balance due from the amount of Ashaar Investment Company.	-	(7,500,000)
Ashaar Investment Company	Amounts transferred to Ladun Investment Company from sale of Ashaar Investment Company's shares	-	87,067,500
	Amounts transferred from Ladun Investment Company, a public Joint-stock,to Ashaar Investment Company	-	(28,567,472)
	Expenses paid on behalf of the Ashaar Investment Company	-	(6,307,447)
	Settlement of Opal Company's balance due to Painite Operation and Maintenance Company	-	(12,245,757)
	Settlement of the balance of Saud Abdulaziz Al-Oraifi	-	(7,500,000)
	Settlement of the balance of Saba International Factory Company	-	(6,196,824)
	Payment for purchasing Irqa properties on behlaf of Shareholder Khalid Al-Oraifi	-	(26,250,000)
Ladun Logistics Company	Settlement and balancing closing	-	(16,545)
Musharaka Financing Company	Closing and settlement of rental income for Jazla and C-Shore Residential Complex	965,933	2,311,750
	Expenses of executed operation and maintenance works	(4,362,111)	(1,326,168)
	Payments for acquired services	4,966,065	-

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

15. Related party transactions... (Continued)

15.4 Salaries, allowances, and remunerations of seniors' executives

	2023	2022
Salaries, benefits, and bonuses (note 27)	14,559,145	20,293,254
Remunerations of Board of Directors (note 27)	1,919,874	1,975,303
	16,479,019	**22,268,557**

16. Investments at fair value through profit or loss	31 December 2023	31 December 2022
Al Bilad Bank shares (note 16.1)	**31,887,750**	**38,183,750**

16.1 Al Bilad Bank shares		
Balance at beginning of year	38,183,750	45,352,218
Additions during the year	-	20,213,060
Disposals during the year	(11,665,368)	(27,839,548)
Realized gains from sale	455,368	5,059,468
Profit/(loss) from revaluation during the year	4,914,000	(4,601,448)
Balance at year end	**31,887,750**	**38,183,750**

Dividends during the year ended December 31, 2023 amounted to SR 1,043,750 (2022: SR 1,405,000).

17. Cash and cash equivalents	31 December 2023	31 December 2022
Banks - current accounts	73,662,162	76,312,899
Restricted cash (escrow accounts) *	121,131,535	155,975,219
Banks - investment portfolio	-	10,441,112
	194,793,697	**242,729,230**

* Restricted cash represents the value of the amounts collected from the sale of off-map housing units. The amounts are reserved for the escrow account for the purpose of disbursing them on off-map sales projects.

18. Share capital
The company's issued capital is determined to be five hundred million Saudi Riyals (500 million), divided into (500 million) shares of equal value, each valued at (1) Saudi Riyal, all of which are ordinary shares fully paid in exchange for in-kind shares.

	31 December 2023	31 December 2022
Balance at beginning/end of year	**500,000,000**	**500,000,000**

* The Extraordinary General Assembly, held as meeting no. 1 of 2023 on 11 Dhu al-Qidah 1444 H, corresponding to May 31, 2023, decided to split the company's shares from 50 million shares to 500 million shares with a nominal value of (10) Saudi Riyals per share to (1) Riyal per share, and the company's Articles of Association were amended accordingly.

19. Statutory reserve	31 December 2023	31 December 2022
Balance at beginning of year	13,098,085	7,155,243
Transferred from income of the year	10,934,097	5,942,842
Balance at year end	**24,032,182**	**13,098,085**

In accordance with the articles of association, the Company must establish a statutory reserve by the appropriation of 10% of net profit until the reserve equals 30% of the share capital. The reserve is not available for distribution as dividends to Shareholders.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

	31 December 2023	31 December 2022
20. Long-term loans		
Balance at beginning of year	647,677,123	527،917،496
Obtained during the year	612,273,594	181،587،479
Paid during the year	(374,239,578)	(79،061،418)
Accrued interests	58,751,810	17،233،566
	944,462,949	**647،677،123**
20.1 Long term loans - current portion	159,696,431	49,368,811
20.2 Long-term loans - non-current portion	784,766,518	598,308,312
	944,462,949	**647،677،123**

- The Ladun investment Company (Parent Company) obtained bank facilities from local banks totaling SR1,480 million, including general facilities, term sale financing, capital requirements financing, financing of existing projects and letters of guarantee. These facilities are compatible with the provisions of Islamic Shariah.

The Ladun Investment Company (Parent Company) obtained long-term financing compliant with Islamic Sharia provisions on March 24, 2021, from Bank Al Bilad, in the amount of 300 million Riyals, with a duration of 3 years, and the first installment is due on March 8, 2022, for the purpose of financing the infrastructure of the Al-Asilah project in Makkah.

The Ladun Investment Company (Parent Company) secured Sharia-compliant long-term financing on December 22, 2022, amounting to SR 132 million, and on January 25, 2023, amounting to SR 102 million from Bank AlBilad, with a tenure of 4 years and the first installment due on June 22, 2023, intended for the financing of the acquisition and development of the Al-Ramal land.

Ladun investment Company (Parent Company) secured Sharia-compliant long-term financing on April 12, 2023, in the amount of 82 million from Al Bilad Bank for a duration of 5 years, with the first installment due on March 8, 2024, for the purpose of financing the infrastructure of the Al-Asilah project plan in Makkah.

Ladun Investment Company (the parent company) obtained Sharia-compliant long-term financing on September 14, 2023, in the amount of 42.6 million from Al Bilad Bank for a duration of 5 years, with the first installment due on September 15, 2024, for the purpose of financing the purchase of 5 offices as investment properties and 3 administrative offices at Sultan Business Center in Riyadh.

Additionally, on September 21, 2023, Ladun Investment Company received Sharia-compliant long-term financing in the amount of 80.6 million Riyals from Al Bilad Bank, with a term of 5 years and the first installment due on September 19, 2024, intended for the purchase and development of Al Remal land.

Furthermore, Ladun Investment Company (the parent company) and its subsidiaries have obtained other loans during the current year and previous years, with a balance of 205.3 million Riyals as of December 31, 2023. These loans are also in compliance with Islamic Sharia principles.

According to the prevailing interests in the market and the following guarantees:

- Mortgage for Al-Usailah land for a coverage at least 130%.
- Mortgage for Al-Rimal land for a coverage at least 100%.
- Signing the promissory notes
- Mortgage of an investment portfolio or property with a percentage covering 125% of long-term financing.
- Transfer of the Jeddah-Venan Project and Al-Usailah Development project revenues in favor of the bank.
- Others as per the agreement of bank facilities

The loans include specific covenants. Any breach of these covenants in the future may lead to renegotiation. Management regularly monitors commitments, and in the event of a potential breach, necessary actions are taken to ensure compliance within the year 2023. The company did not have any breaches of these commitments.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

	31 December 2023	31 December 2022
21. Short-term loans		
Balance at beginning of year	161,693,165	85,193,185
Obtained during the year	261,149,715	213,852,373
Paid during the year	(223,308,624)	(137,352,393)
	199,534,256	**161,693,165**

- The Ladun investment Company (Parent Company) and its subsidiaries obtained bank facilities from local banks totaling SR 994 million, representing Tawarruq financing, direct credit alternatives, secured letters of guarantee. These facilities are compatible with the provisions of Islamic Sharia.

According to the prevailing interests in the market and the following guarantees:
- Mortgage of real estate
- Signing the promissory notes
- Others as per the agreement of bank facilities

22. Employee defined benefit obligations

The company operates an end-of-service plan for its employees in line with the Labor Law requirements in the Kingdom of Saudi Arabia. The EOS payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment. Employee benefit plans are unfunded plans, and the Group meets benefit payment obligations when they fall due. The movement during the period was as follows:

	31 December 2023	31 December 2022
Balance at beginning of year	13,713,436	12،013،529
Service cost during the year	8,750,552	6,140,821
Finance costs	764,063	243,539
Charged to profits / losses (note 22.1)	**9,514,615**	**6،384،360**
Paid during the year	(1,254,590)	(4،405،023)
Actuarial (gains)/ losses of re-measurement of employee defined benefits	1,613,192	(279،430)
Balance at year-end	**23,586,653**	**13،713،436**

	2023	2022
22.1 Charged to profits and losses:		
Charged to cost of revenue (note 26)	3,956,092	5،315،841
Charged to general and administrative expenses (note 27)	5,558,523	1،068،519
	9,514,615	**6،384،360**

An actuarial valuation was performed using the projected unit credit method to measure the present value of the employee defined benefit obligations on December 31, 2023 in relation to the end-of-service benefits accrued to employees under the Saudi Labor Law. This valuation was based on principal actuarial assumptions that included the following:-

	2023	2022
22.2 Significant actuarial assumptions used		
Retirement age	60	60
Discount rate	4.6%	3.1%
Rate of salary increase	5%	3%

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

22. Employee defined benefits obligations… (Continued)

Sensitivity analysis
The sensitivity analysis is based on a method that measures the effect on employee defined benefit obligations when a change occurs in one of the principal actuarial assumptions، while keeping all other assumptions constant، here is a quantitative sensitivity analysis of the assumptions used to measure defined employee benefit obligations:

	31 December 2023	31 December 2022
Basis according to actuarial assumptions used	23,586,653	13،713،436
Sensitivity of employees benefit obligations to a change in one of the assumptions		
Discount rate (increase by 1%)	22,258,455	12,438,178
Discount rate (decrease by 1%)	25,057,612	15,148,172
Turnover rate (increase by 1%)	24,798,089	15,137,999
Turnover rate (decrease by 1%)	22,468,472	12,422,691

A sensitivity analysis may not represent the actual change in the defined employee benefit obligations but rather provide an approximate estimation of the sensitivity of the assumptions. It is unlikely that the assumptions will change independently of each other.

23. Trade payables and other credit balances	31 December 2023	31 December 2022
Suppliers	124,572,119	93،503،981
Payables - Purchase of investment properties	105,000,000	105،000،000
National Housing Company *	230,730,068	266,028,542
Customers - advance payments	158,068,472	192,201,588
Good performance retentions	55,465,951	44,779,077
Accrued bonuses	6,643,954	508,575
Value Added Tax (VAT)	19,389,034	4,993,887
Employees' receivables	8,077,751	10,023,747
Advance rental income	19,110,593	21,906,103
Deposits - reservation of units	2,611,155	1,732,674
Accrued interests	2,349,463	1،532،496
Others	1,300,366	1,731,641
	733,318,926	**743,942,311**

* The balance represents the amounts due to the National Housing Company, which is an interest-free loan to finance the projects of the Ministry of Housing, in the form of an incentive to finance the Group, provided that the half amount is paid when 80% of the total units for each project are collected. The other half will be paid when the collection of total units for each project exceeds 90%.

24. Zakat provision

24.1 Calculation of zakat
- The Group submits a consolidated zakat return for the entire Group (the Parent Company and its subsidiaries) from the year end of 2023 under the consolidated financial statements:
- The approximate components of the Group's Zakat base are as follows:

	31 December 2023
Total components subject to zakat	1,479,401,497
Components not subject to zakat	(1,507,265,177)
Zakat base (354 days)	**(27,863,680)**
Zakat base (365 days)	**(28,729,500)**
Net adjusted profit	**143,728,671**
Total zakat base	**143,728,671**
Zakat	**3,593,217**

Zakat computes at 2.5% higher of the zakat base or the net adjusted income.
Zakat was computed on the basis of 2،5% of net Zakat base.

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

24. Zakat provision... (Continued)

24.2 Zakat provision is as follows:

	31 December 2023	31 December 2022
Balance, beginning of the year	8,604,842	14،988،934
Paid during the year	(9,398,541)	(7،388،079)
Zakat provisions reversal	-	(5،134،353)
Reverses of zakat differences for prior years	-	(373،390)
Zakat differences for prior years	8,586,535	-
Provided for the year	3,593,217	6،511،730
Balance at end of the year	**11,386,053**	**8،604،842**

24.3 Zakat status

Ladun Company was issued a Zakat certification for the fiscal year ending on December 31, 2022, which remains valid until April 30, 2023, by the Zakat, Tax, and Customs Authority. Additionally, the Company received Zakat assessments for the fiscal years 2015 and 2016.

For the fiscal year 2017, Ladun Company received Zakat assessments valued at SR 5,134,353 from the Zakat, Tax, and Customs Authority. The Company filed objections against these assessments, prompting the Authority to submit a supplementary appeal petition requesting dismissal of its appeal and related outcomes. The appellate division ruled in favor of dismissing the dispute in the appeal upon the Authority's request, thereby finalizing the corporation's fiscal stance for 2017 and resolving any ongoing disputes.

Furthermore, Ladun Company was assessed for Zakat for the fiscal year 2018 in the amount of SR 8,928,145 and lodged objections against these assessments. The objections were denied, leading to a subsequent appeal and re-evaluation under the secretariat's procedural guidelines.

Audits for fiscal years 2019 and 2020 are currently underway, with all examination requirements fully complied with by the Zakat, Tax, and Customs Authority. A preliminary valuation dated October 15, 2023, indicated net Zakat discrepancies of SR 9,646,970 for 2019 and SR 11,287,382 for 2020, which have been duly addressed by the Company.

A Zakat advisor was engaged to evaluate the Company's fiscal posture, recommending an increment to the provision derived from previous years to mitigate potential liabilities for 2018, 2019, and 2020, culminating in a provision of SR 5,296,525 by the end of 2023.

Belt Industrial Company obtained a Zakat certification for the fiscal year concluding on December 31, 2022, effective until April 30, 2023, from the Zakat, Tax, and Customs Authority. It also received Zakat assessments from the Authority for the years from 2015 to 2018, leading to discrepancies amounting to SR 2,884,459. The Company contested these Zakat assessments, and the matter was adjudicated in favor of the Zakat, Tax, and Customs Authority, resulting in settlement during 2023.

The Company submitted its zakat returns for 2022 and settled its zakat and obtained a zakat certificate valid until April 30, 2024.

The Panet Company submitted its zakat returns for 2022 and received a certificate valid until April 30, 2024.

The Company submitted its zakat returns until 2022 and received a valid certificate until April 30, 2024.

25. Revenues

	2023	2022
Revenue from sale of residential units - on the map	192,389,271	405,398,772
Revenue from development and sale of investment properties	847,275,239	109,663,916
Revenue from construction	230,139,494	236,106,268
Sales revenue from construction materials sector	119,034,092	86,475,109
Revenue from maintenance and operating	11,508,179	3,731,340
Revenue from rental complexes	32,454,367	39,803,969
Revenue from human resources service	3,218,949	-
	1,436,019,591	**881,179,374**

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

	2023	2022
26. Cost of revenue		
Cost of subcontractors	406,769,297	276,313,207
Cost of construction materials	166,917,310	182,775,222
Salaries, wages and related expenses	113,235,999	95,513,624
Employee defined benefit obligations (note 22.1)	3,956,092	5,315,841
Cost of developed residential units	54,751,511	20,554,734
Cost of development and sale of investment properties	301,793,260	55,309,439
Depreciation on right-of-use assets (note 7.1)	730,218	1,005,775
Depreciation on investment properties (note 6)	21,596,288	28,565,619
Depreciation of property, plant and equipment (note 5)	10,214,089	6,325,187
Maintenance and operation expenses for residential complexes	18,886,078	5,267,867
Bank charges	5,778,437	4,326,359
Rents	6,346,245	5,167,357
Maintenance and repair	4,001,316	8,644,358
Travel and transportation	1,884,698	2,193,720
Electricity, water, phone, and fax	1,416,992	1,925,663
Other costs	19,650,542	14,912,196
	1,137,928,372	**714,116,168**

	2023	2022
27. General and administrative expenses		
Salaries, wages, and related expenses	73,337,459	52,830,237
Employee defined benefit obligations (note 22.1)	5,558,523	1,068,519
Remunerations of Board of Directors (note 15.4)	1,919,874	1,975,303
Bank charges	8,183,426	2,263,264
Expected credit loss (note 14.3)	15,182,665	7,564,458
impairment of customer contracts (Note 11.4)	12,907,975	-
Provision for impairment of other debit balances (note 14.3)	1,957,368	-
Fees and subscriptions for computer software	3,546,039	2,611,406
Consulting and professional fees	3,056,069	1,832,491
Government fees and Subscriptions	5,061,427	7,449,192
Telephone, post, Internet, electricity and water	882,949	1,186,845
Amortization of intangible assets (note 8)	612,880	472,297
Donations	588,993	-
Depreciation of property, plant, and equipment (note 5)	1,401,072	1,863,268
Depreciation on right-of-use asset (note 7.1)	46,211	-
Bad debts	406,309	-
Insurance	2,342,834	990,331
Advertising	205,446	148,720
Travel and transportation	1,070,455	952,254
Rents	1,812,957	1,107,566
Repair and maintenance	774,130	271,532
Other expenses	3,322,219	5,044,397
	144,177,280	**89,632,080**

Salaries, wages, and similar expenses included benefits and bonuses for seniors executives (Note 15.4).

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

	2023	2022
28. Other income		
Marketing commissions	2,443,447	-
Property transferred	-	700,000
Gains from disposal of right-of-use assets	90,597	-
Others	518,962	1,506,979
	3,053,006	**2،206،979**

	2023	2022
29. Finance costs		
Finance costs of lease liabilities (note 7.2)	3,129,024	4,077,316
Finance costs for loans	27,016,803	20,847,636
	30,145,827	**24,924,952**

30. Basic and diluted earnings per share

Basic and diluted earnings per share is calculated by dividing the annual profit attributable to the Company's Shareholders by the weighted average number of shares issued as follows:

	2023	2022
Profit for the year	109,340,966	60,190,210
Weighted average number of shares issued	500,000,000	500,000,000
Basic and diluted earnings per share (SR)	0.22	0.12

31. Contingent liabilities

	2023	2022
Total letters of guarantee	761,580,255	555,100,653
Letters of guarantee covered (note 14)	(39,253,008)	(38,843,169)
	722,327,247	**516,257,484**

32. Segment reporting

For the year ended 31 December 2023

	Investment properties Segment	Construction Segment	Industrial Segment	Service Segment	Total
Revenue	1,072,118,877	230,139,494	119,034,092	14,727,128	1,436,019,591
Gross profit	222,085,713	34,498,697	35,660,525	5,846,284	298,091,219
Net profit / loss	131,081,477	(49,297,436)	25,021,794	2,535,131	109,340,966
Total assets	2,182,233,899	462,071,397	115,699,077	7,579,546	2,767,583,919
Total liabilities	1,695,316,220	416,972,183	54,067,754	5,574,261	2,171,930,418

For the year ended 31 December 2022

	Investment properties Segment	Construction Segment	Industrial Segment	Service Segment	Total
Revenue	554،866،657	236،106،268	86،475،109	3،731،340	881،179،374
Gross profit	118،099،566	21،750،651	26،933،995	278،994	167،063،206
Net profit / loss	41،478،134	(3،310،050)	22،135،067	(112،941)	60،190،210
Total assets	1،636،008،454	543,368,721	129،987،206	5،234،105	2,314,598,486
Total liabilities	1،367،990،396	322,592,600	69،250،607	2،769،668	1,762,603,271

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

33. Dividends

On March 23, 2023, the Board of Directors of Ladun Investment Company approved the distribution of cash dividends to the company's shareholders for the second half of 2022, amounting to SR 15 million (of which SR 14,999,488 was disbursed) at a rate of 30 halalas/share. The entitlement was for shareholders owning shares on the record date and registered in the company's shareholder registry at the Depository Center at the end of the second trading day following the company's assembly meeting (record date), based on the authorization of the extraordinary general assembly held on May 31, 2023.

On November 6, 2023, the Board of Directors of Ladun Investment Company approved the distribution of cash dividends to the company's shareholders for the first half of 2023, amounting to SR 20 million at a rate of 40 halalas/share. The entitlement was for shareholders owning shares on the record date and registered in the company's shareholder registry at the Depository Center at the end of the second trading day, based on the authorization of the extraordinary general assembly held on May 31, 2023.

34. Financial Instruments

Share capital management

The Group's objectives when managing the share capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for the Shareholders and benefits for other stakeholders, as well as maintaining an optimal capital structure that reduces the cost of share capital.

The Group, like other companies operating in the same field, monitors the share capital on the basis of the debt ratio. This ratio is calculated by dividing the net debt by the total Shareholders' equity. The net debt is calculated on the basis of total loans, as shown in the statement of financial position, less cash and cash equivalents. The debt ratio was as follows:

	2023	2022
Total borrowings	1,143,997,205	809،370،288
Less: Cash and bank balances	(194,793,697)	(242،729،230)
Net debt	**949,203,508**	**566،641،058**
Total Shareholders' equity	595,653,501	551،995،215
Debt ratio	159.35%	102،65%

Categories of Financial Instruments:

The accounting policies related to financial instruments were applied to the below items:

	2023	2022
Financial assets at fair value		
Investments in financial instruments through other comprehensive income	55,005,000	84،075،000
Investments in financial instruments through profit or loss	31,887,750	38،183،750
	86,892,750	**122،258،750**

	2023	2022
Financial assets at amortized cost		
Trade receivables and other debit balances	333,612,293	346,149,824
Contracts assets	1,099,126,352	513,162,186
Amounts due from related parties	944,733	-
Cash and cash equivalent	194,793,697	242،729،230
Total	**1,628,477,075**	**1,102,041,240**

	2023	2022
Financial liabilities at amortized cost		
Term loans	1,143,997,205	809,370,288
Amounts due to related parties	2,555,469	1,616,860
Lease liabilities	173,863,966	85,582,212
Trade payables and other credit balances	733,318,926	743,942,311
Lease obligations	83,222,146	99,646,929
Total	**2,136,957,712**	**1,740,158,600**

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

34. Financial Instruments... (Continued)

Financial instruments and risk management

The Group's activities are exposed to various financial risks including: Liquidity risk, credit risk, and market risk (include currency risk, fair value risk, cash flow of commission rate and price risk). The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Group's financial instruments comprise financial assets (cash and cash equivalents, trade receivables, investments at fair value through profit or loss, and other receivables) and financial liabilities (banks, credit facilities, trade and other payables) and include the following risks:

- Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from the inability to sell a financial asset at an amount close to its fair value. The Group manages and monitors liquidity risks on a regular basis to ensure that sufficient funds are available through bank facilities to meet any future commitments.

The Group's terms of sales stipulate that payments are made in cash upon delivery of the goods or on a credit sale basis according to credit terms whose payment term usually ranges between 30 to 180 days.

All current liabilities are expected to be settled within 12 months as of the date of the financial statements. Trade payables are usually settled within 30-60 days as of the purchase date.

Liquidity risks		**31 December 2023**		
	On demand or less than a year	**More than a year**	**More than 5 years**	**Carrying amount**
Long-term loans	159,696,431	784,766,518	-	944,462,949
Short-term loans	199,534,256	-	-	199,534,256
Lease liabilities	173,863,966	-	-	173,863,966
Trade payables and other credit balances	733,318,926	-	-	733,318,926
Lease obligations	11,306,514	71,915,632	-	83,222,146
	1,277,720,093	**856,682,150**	**-**	**2,134,402,243**

Liquidity risks		**31 December 2022**		
	On demand or less than a year	**More than a year**	**More than 5 years**	**Carrying amount**
Long-term loans	49,368,811	598,308,312	-	647,677,123
Short-term loans	161,693,165	-	-	161,693,165
Lease liabilities	85,582,212	-	-	85,582,212
Trade payables and other credit balances	743,942,311	-	-	743,942,311
Lease obligations	25,953,850	73,693,079	-	99,646,929
	1,066,540,349	**672,001,391**	**-**	**1,738,541,740**

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

34. Financial Instruments... (Continued)

Credit risk
A credit risk refers to the risk that a customer or a counter party in a financial instrument will default on its contractual obligations resulting in financial loss to the Group and arises principally from the cash at banks and receivables. The Group minimizes credit risks associated with receivables by establishing procedures for credit limits for each customer and monitoring outstanding receivables in line with a set of procedures and policies. Cash is deposited with high credit rated banks.

Market risk
Market risk is the risk of fluctuations in a financial instrument due to changes in prevailing market prices such as foreign exchange rates, interest rates, and equity rates, which affect the Group's income or the value of its financial instruments. Market risk management aims to manage and control market risk exposure within acceptable parameters while maximizing returns.
The Group is exposed to the following market risks:

Currency risk
Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates affecting foreign currency payments and receipts along with assessment of assets and liabilities in foreign currencies.
The Group is subject to fluctuations in foreign exchange rates in the normal course of its business. The Management regularly monitors changes in foreign exchange rates and manages the impact on the financial statements.

Fair value risk
Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. Since the Group's financial statements are prepared under the historical cost principle، differences may arise between the carrying amount and the fair value estimates. The Group's Management believes that the fair value of the Group's financial assets and liabilities approximates their balances carried forward.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When measuring fair value, the Group uses observable market information whenever possible. Fair values are categorized into different levels in the fair value hierarchy based on the inputs used in the valuation methods as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
If multiple inputs used to measure fair value are categorized into different levels of the fair value hierarchy, the Fair Value Measurement is categorized in its entirety in the level of the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period in which the change occurred. During the period there were no transfers between the fair value levels of Level 1 and Level 2.

Where the Group's financial instruments are grouped according to the historical cost principle, except for investments and derivative financial instruments charged at the fair value, differences may arise between the carrying amount and the fair value estimates. The management believes that the fair value of the Group's financial assets and liabilities are not materially different from their carrying amount.

The financial assets measured at fair value are as follows:

31 December 2023

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through other comprehensive income	55,005,000	-	-	55,005,000
Investments at fair value through profit or loss	31,887,750	-	-	31,887,750

31 December 2022

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through other comprehensive income	84,075,000	-	-	84,075,000
Investments at fair value through profit or loss	38,183,750	-	-	38,183,750

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023
(SAUDI RIYALS)

35. Comparative figures
Certain figures for the previous year have been reclassified to conform to the presentation of the financial statements in the current year. They are as follows:

Consolidated statement of financial position as at 31 December 2023

	31 December 2022 Before reclassification	Reclassification	31 December 2022 After reclassification
Non-current assets			
Property, plant and equipment	37,966,722	27,876,481	65,843,203
Projects under construction	93,061,755	(93,061,755)	-
Investment properties - net	724,536,447	123,775,629	848,312,076
Right-of-use assets – net	78,349,689	(77,450,348)	899,341
Contracts assets - non-current portion	-	183,860,759	183,860,759
Properties for development and sale - non-current	213,406,864	(165,000,766)	48,406,098
Intangible assets - net	2,457,270	-	2,457,270
Financial assets at fair value through other comprehensive income	84,075,000	-	84,075,000
	1,233,853,747	**-**	**1,233,853,747**
Current assets			
Contracts assets - current portion	-	329,301,427	329,301,427
Properties for development and sale - current portion	57,880,367	-	57,880,367
Inventory	66,500,141	-	66,500,141
Trade receivables and other debit balances-Net	675,451,251	(329,301,427)	346,149,824
Investments at fair value through profit or loss	38,183,750	-	38,183,750
Cash and cash equivalents	242,729,230	-	242,729,230
	1,080,744,739	**-**	**1,080,744,739**
Current liabilities			
Long-term loans - current portion	49,368,811	-	49,368,811
Short-term borrowings	161,693,165	-	161,693,165
Lease liability – current portion	25,953,850	-	25,953,850
Due to related parties	1,616,860	-	1,616,860
Contracts liabilities	-	85,582,212	85,582,212
Trade payables and other credit balances	529,011,224	214,931,087	743,942,311
Incentive recovered from Ministry of Housing	300,513,299	(300,513,299)	-
Provision for investment (losses) in an associate	126,393	-	126,393
Zakat provision	8,604,842	-	8,604,842
	1,076,888,444	**-**	**1,076,888,444**

36. SUBSEQUENT EVENTS
Management believes that there have been no significant subsequent events since the date of the statement of financial position on December 31, 2023, up to the date of preparation of these financial statements that could have a material impact on the consolidated financial position of the Group.

37. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS
The consolidated financial statements for the year ended December 31, 2023 were approved by the Board of Directors on 28 March 2024 G.

8.2 Audited financial statements for the financial year ended 31 December 2024G

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA
CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

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El Sayed El Ayouty & Co.
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF
LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Ladun Investment Company, a Saudi joint-stock company, (the "Company") and its subsidiaries (collectively referred to as the "Group") which comprise the consolidated statement of financial position as of December 31, 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in Shareholders' equity and the consolidated statement of cash flows for the year then ended and the accompanying notes (1) to (37) to the financial statements, Including material information about accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2024, and its financial performance and its cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) as endorsed in the Kingdom Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization of Auditors and Accountants.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), in the Kingdom of Saudi Arabia that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with the conduct. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our overall audit of the consolidated financial statements as a whole and in forming our opinion thereon, we do not provide a separate opinion on those matters. The following describes each of the key audit matters and how we addressed them:

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El Sayed El Ayouty & Co.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF
LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA

Report on the Audit of the Consolidated Financial Statements... (Continued)

Revenue	
Key Audit Matter	**How our audit addresses the key audit matter**
The Group's revenues for the year ended December 31, 2024, amounted to SR 1,505,275,867 (2023: SR 1,436,019,591). Revenue is considered an important component of the Group's performance and profitability. Revenue recognition, which includes mainly the sale and leasing of properties including villas, residential apartments, and land plots, involves significant inherent risks due to related judgments and estimates. Audit of judgments around the percentage of projects completions, including surveys of performance completed to date, is one of the elements that requires significant attention during the audit, with a focus on the following matters: Analyzing 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 fulfill the performance obligations under contracts made with customers. Due to the inherent risks in the revenue recognition process and the significance of revenue value, revenue recognition was considered a key audit matter.	We have performed the following audit procedures: • Obtained an understanding of the key control elements surrounding the revenue recognition process. • Performed walkthrough of relevant key controls to determine whether their design, implementation, and execution are effective. • Reviewed on a sample basis the real estate and land sale contracts to identify the performance obligations of the Group under these contracts and to assess whether these performance obligations are fulfilled over a period of time or at point in time. • Assessed the completeness of the rental income recognized during the year by matching the data used in revenue recognition with the rental contracts concluded with customers. • Recalculated the revenue on sample basis in accordance with the progress towards fulfilling the performance obligation, using the input method and compared with the computation made by management. • Performed a test of details of a sample of recorded revenue transaction and compared them with supporting documents to verify the existence of recorded revenues. • Assessed the appropriateness of the related disclosures in the consolidated financial statements.
With reference to note no. (3.20) on the accounting policy related to revenues, as well as note (25) on disclosures related to revenues.	

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF
LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA

Report on the Audit of the Consolidated Financial Statements... (Continued)

Properties for development and sale	
Key Audit Matter	**How our audit addresses the key audit matter**
The Group holds development properties amounted to SR 238,368,384 as of December 31, 2024 (2023: SR 350,435,337). Development properties are recorded at cost or net realizable value, whichever is lower, principally including completed and under-development residential units and unsold land plots. The Group estimates the net realizable value based on the expected sales price in the ordinary course of business less the estimated costs to complete and the estimated cost to make the sale. For the purpose of estimating the net realizable value, management has performed an assessment of the future selling price with reference to recent sales transactions of comparable properties. We considered this matter a key audit matter due to the significance of the estimates and judgments involved in determining the net realizable value of the development properties, such as the Group's estimate of the sales price warrants specific audit focus in this area, as any significant change in these estimates could have a material impact on the book value of the Group's development properties.	We performed the following audit procedures in relation to the Group's valuation of properties under development: • Examined the validity of measuring properties for development and sale at cost or net realizable value, whichever is less. • Evaluated the reasonableness of the group's estimated sales prices and the estimated costs to complete and the estimated costs to make the sale through discussions with management, test of details, and analysis based on past experience and actual sales prices in the subsequent period. • Assessed the adequacy and appropriateness of the related disclosures in the accompanying consolidated financial statements.
Please refer to Note (3.8) regarding the accounting policy related to properties for development and sale, as well as Note (12) for related disclosures on properties for development and sale.	

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El Sayed El Ayouty & Co.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF
LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
A SAUDI JOINT-STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA

Report on the Audit of the Consolidated Financial Statements... (Continued)

Impairment of investment properties	
Key Audit Matter	**How our audit addresses the key audit matter**
As of December 31, 2024, investment properties amounted to SR 412,154,215 (2023: SR 586,305,062), which are stated at cost after deducting accumulated depreciation and any impairment loss, if any. For the purposes of impairment assessment testing and the disclosure of the fair value in the company's financial statements, investment properties are evaluated by an independent accredited external valuer properties expert ("the valuer"), who performs the valuation using generally accepted valuation approaches and methodologies based on assumptions and estimates related to several factors affecting the fair value of the investment properties. We considered this matter a key audit matter as impairment assessment testing of investment properties requires significant judgments by management and also involves key estimates, in addition to the materiality of the amounts involved.	Our audit procedures included, among others, the following: • Assessed the Valuers' objectivity, independence, and experience. • Compared the fair value of the investment properties at year-end with the valuation amounts indicated in the valuation reports provided by the Valuers. • Assessed the valuation approaches and methodologies used by the Valuers. • Checked the title deeds of the investment properties. • Assessed the adequacy of the related disclosures in the financial statements.
Please refer to Note (3.4) regarding the accounting policy for investment properties and Note (6) for the disclosures related to investment properties.	

Other information

Other information consists of the information included in the Group's annual report for the year ended December 31, 2024 other than the consolidated financial statements and the independent auditor's report thereon. The Group's Management is responsible for the other information mentioned in its annual report.

Our opinion on the consolidated financial statements does not include the other information nor does or will it express any form of assurance in this regard.

With regard to our audit of the consolidated financial statements, it is our responsibility to read the information stated above and, in doing so, we consider whether the other information is materially inconsistent with the consolidated financial statements or the information we obtained during the audit process, or otherwise appears to contain a material misstatement. If we conclude that there is a material misstatement in this other information, based on the work we have performed, we are required to report that fact. We have no information to communicate in this regard.

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El Sayed El Ayouty & Co.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the shareholders of
Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia

Report on the Audit of the Consolidated Financial Statements... (Continued)

Responsibilities of Management and those charged with governance for the consolidated financial statements:
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the IFRS as endorsed in the Kingdom Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Auditors and Accountants, and the provisions of the Companies Law and Articles of Association and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group 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 Group's financial reporting.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit performed in accordance with International Standards on Auditing as endorsed in the Kingdom of Saudi Arabia we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of consolidated 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the consolidated financial statements or, if those disclosures are inadequate, modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Grouop to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

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El Sayed El Ayouty & Co.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the shareholders of
Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia

Report on the Audit of the Consolidated Financial Statements... (Continued)

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible our audit opinion.

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 controls that we identify during our audit.

We also communicate with 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 bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Among the matters communicated to those charged with governance, we determine those matters that were of most significant in the audit of the consolidated financial statements for the current year, and are therefore, the key audit matters. We describe these matters in our report unless a law or regulations preclude public disclosure of a matter, or when, 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 communications.

For El Sayed El Ayouty & Co.

A. Balamesh

Abdullah A. Balamesh
Certified Public Accountant
License No. (345)

Riyadh on: 26 Ramadan 1446 H
Corresponding to: 26 March 2025

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Consolidated statement of financial position as at 31 December 2024
(Expressed in Saudi Riyals)

	Note	31 December 2024	31 December 2023
Assets			
Non-current assets			
Property, plant and equipment - net	5	104,957,396	68,834,516
Investment properties - net	6	412,154,215	586,305,062
Right-of-use assets - net	7.1	5,288,818	4,858,154
Intangible assets - net	8	903,356	2,823,051
Financial assets at fair value through other comprehensive income	10.1	44,840,000	55,005,000
Payments under investment account in a real estate fund	9	32,993,770	-
Contract assets - non-current portion	11.2	969,519,157	658,028,412
Properties for development and sale - non-current portion	12.2	16,080,441	95,852,165
Total non-current assets		1,586,737,153	1,471,706,360
Current assets			
Contracts assets - current portion	11.1	727,585,204	441,097,940
Properties for development and sale - current portion	12.1	222,287,943	254,583,172
Inventory	13	32,652,772	38,957,974
Trade receivables and other debit balances- Net	14	308,000,746	333,612,293
Due from related parties	15.1	1,369,682	944,733
Investments at fair value through profit or loss	16	25,653,000	31,887,750
Investments in debt instruments	16.2	5,000,000	-
Restricted cash (escrow accounts)	17	22,122,906	121,131,535
Cash and cash equivalents	17	81,207,035	73,662,162
Total current assets		1,426,079,288	1,295,877,559
Total assets		3,012,816,441	2,767,583,919
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	18	500,000,000	500,000,000
Statutory reserve	19	30,640,628	24,032,182
Retained earnings		154,127,954	114,651,943
Unrealized (losses) from revaluation of investments at fair value	10.2	(50,153,946)	(39,988,946)
Actuarial gains / (loss) of re-measurement of employee defined benefits		305,008	(3,041,678)
Total Shareholders' equity		634,919,644	595,653,501
Non-current liabilities			
Long term loans - non-current portion	20/2	879,108,535	784,766,518
Lease liabilities - non-current portion	7.2.2	66,896,461	71,915,632
Employees' defined benefit obligations	22	23,434,350	23,586,653
Total non-current liabilities		969,439,346	880,268,803
Current liabilities			
Long-term loans - current portion	20.1	72,282,753	159,896,431
Short-term loans	21	174,148,806	199,534,256
Lease liabilities - current portion	7.2.1	9,409,451	11,306,514
Due to related parties	15.2	1,930,595	2,555,469
Contracts liabilities	11.3	230,760,819	173,863,966
Trade accounts payable and other credit balances	23	909,681,915	733,318,926
Operating loss obligations		5,000,000	-
Legal cases provision		2,326,553	-
Provision for zakat	24.2	2,916,559	11,386,053
Total current liabilities		1,408,457,451	1,291,661,615
Total liabilities		2,377,896,797	2,171,930,418
Total Shareholders' equity and liabilities		3,012,816,441	2,767,583,919

The financial statements shown on pages (1) to (45) have been approved by the Board of Directors and signed on their behalf by:

Chief Financial Officer	Chief Executive Officer	Authorized BOD's Member
عبدالعزيز الرشيدي	د. حسن شوقي الحازمي	سليمان عبدالعزيز الباتلي
Abdulaziz Al-Rashidi	Dr. Hassan Alhazmi	Suliman A. Al-Batli

The accompanying notes (1) to (37) form an integral part of these consolidated financial statements.

7

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Statement of profit or loss and other comprehensive income
for the year ended 31 December 2024
(Expressed in Saudi Riyals)

Continued operations	Note	2024	2023
Revenue	25	1,505,275,867	1,436,019,591
Cost of revenue	26	(1,233,169,952)	(1,137,928,372)
Gross profit		272,105,915	298,091,219
General and administrative expenses	27	(157,721,485)	(144,157,180)
(Losses) from disposal of intangible assets		(1,482,554)	-
Gains from disposal of right-of-use assets		-	90,597
Losses from investment properties under development		(2,124,860)	(11,751,545)
(Loss) disposal of property, plant, and equipment		(423,343)	(753,366)
Operating contract losses		(7,000,000)	-
Losses from impairment of property, plant and equipment		(586,128)	-
Income from operating activities		102,767,545	141,519,725
Other revenue (expenses)			
Disposal of provision for investment losses in an associate	9.1	-	126,393
Dividends from financial assets at fair value through other comprehensive income		1,900,000	665,000
Dividends from investments at fair value through profit or loss	16.1	700,000	1,043,750
Realized gains on sale of investments at fair value through profit or loss	16.1	-	455,368
(Loss) / profit from revaluation of investments at fair value	16.1	(6,234,750)	4,914,000
Finance costs	28	(42,115,683)	(30,145,827)
Other income	29	1,492,428	2,962,409
Investment returns on debt instruments		212,500	-
Reversal of provision for impairment of other debit balances		1,957,368	-
Net profit for the year from continued operations before Zakat		60,679,408	121,540,818
Zakat	24.2	(1,707,778)	(12,174,123)
Zakat provisions reversal	24.2	2,756,254	-
Net profit for the year from continued operations after Zakat		61,727,884	109,366,695
Discontinued operations			
Gain / (loss) on sale of investment in a subsidiary	30	4,356,572	(25,729)
Net profit from discontinued operations		4,356,572	(25,729)
Net profit for the year		66,084,456	109,340,966
Other comprehensive income:			
Items that will not be re-classified to profit or loss:			
Unrealized (losses) from revaluation of investments at fair value	10.1	(10,165,000)	(29,070,000)
Actuarial gains / (loss) of re-measurement of employee defined benefits	22	3,346,686	(1,613,192)
Total other comprehensive income items		(6,818,314)	(30,683,192)
Comprehensive income for the year		59,266,142	78,657,774
profit and diluted earnings per share from net profit for the year	31	0.13	0.22

The financial statements shown on pages (1) to (45) have been approved by the Board of Directors and signed on their behalf by:

Chief Financial Officer	Chief Executive Officer	Authorized BOD's Member
عبدالعزيز الرشيدي	د. حسن شوقي الحازمي	سليمان عبدالعزيز الباتلي
Abdulaziz Al-Rashidi	Dr. Hassan Alhazmi	Suliman A. Al-Batli

The accompanying notes (1) to (37) form an integral part of these consolidated financial statements.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Consolidated statement of changes in shareholders' equity
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

	Note	Share capital	Statutory reserve	Retained earnings	Unrealized (loss) from revaluation of financial assets at fair value through other comprehensive income	Actuarial (loss) / gain of re-measurement of employee defined benefits	Total Shareholders' equity
For the year ended 31 December 2023							
Balance at 01 January 2023		500,000,000	13,098,085	51,244,562	(10,918,946)	(1,428,486)	551,995,215
Net profit for the year		-	-	109,340,966	-	-	109,340,966
Other comprehensive income items		-	-	-	(29,070,000)	(1,613,192)	(30,683,192)
Total comprehensive income for the year		-	-	**109,340,966**	**(29,070,000)**	**(1,613,192)**	**78,657,774**
Dividends during the year		-	-	(34,999,488)	-	-	(34,999,488)
Transferred to the statuary reserve	19	-	10,934,097	(10,934,097)	-	-	-
Balance at 31 December 2023		**500,000,000**	**24,032,182**	**114,651,943**	**(39,988,946)**	**(3,041,678)**	**595,653,501**
For the year ended 31 December 2024							
Balance at 01 January 2024		500,000,000	24,032,182	114,651,943	(39,988,946)	(3,041,678)	595,653,501
Net profit for the year		-	-	66,084,456	-	-	66,084,456
Other comprehensive income items		-	-	-	(10,165,000)	3,346,686	(6,818,314)
Total comprehensive income for the year		-	-	**66,084,456**	**(10,165,000)**	**3,346,686**	**59,266,142**
Dividends during the year	34	-	-	(19,999,999)	-	-	(19,999,999)
Transferred to the statuary reserve	19	-	6,608,446	(6,608,446)	-	-	-
Balance at 31 December 2024		**500,000,000**	**30,640,628**	**154,127,954**	**(50,153,946)**	**305,008**	**634,919,644**

The financial statements shown on pages (1) to (45) have been approved by the Board of Directors and signed on their behalf by:

Chief Financial Officer | Chief Executive Officer | Authorized BOD's Member

The accompanying notes (1) to (37) form an integral part of these consolidated financial statements.

9

عبدالعزيز الرشيدي
Abdulaziz Al-Rashid

د. حسن شوقي الحازمي
Dr. Hassan Alhazmi

سليمان عبدالعزيز الباتلي
Suliman A. Al-Batli

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Consolidated statement of cash flows for the year ended 31 December 2024
(Expressed in Saudi Riyals)

	Note	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the year		66,084,456	109,340,966
Net income adjusted to net cash flows from operating activities			
Depreciation on property, plant and equipment		12,469,718	11,615,161
Depreciation on investment properties		22,531,494	21,596,288
Losses from sale of property, plant and equipment		423,343	753,366
Losses from impairment of property, plant and equipment		586,128	-
Losses from investment properties under development		2,124,860	11,751,545
Operating contract losses		7,000,000	-
Amortization of intangible assets		437,141	612,880
Losses from disposal of intangible assets		1,482,554	-
Depreciation of right-of-use assets		1,152,869	776,429
Disposal of (gains) of right-of-use assets		-	(90,597)
Realized (gains) on sale of investments at fair value through profit or loss		-	(455,368)
Employees' benefit obligations - provided		7,977,090	9,514,615
Disposal of provision for investment losses in an associate		-	(126,393)
Zakat provisions reversal		(2,756,254)	-
Reversal of provision for impairment of other debit balances		(1,957,368)	-
Legal cases provision - provided		2,326,553	-
Dividends from financial assets at fair value through other comprehensive income		(1,900,000)	(665,000)
Dividends from investments at fair value through profit or loss		(700,000)	(1,043,750)
Provision for expected credit loss - provided		4,722,616	15,182,665
Provision for impairment of customer contracts- provided		10,165,362	12,907,975
Provision for impairment of other debit balances		-	1,957,368
Financing costs of long-term loans		18,882,761	10,141,201
Financing costs of short-term loans		19,795,121	16,875,602
Finance costs for lease obligations		3,437,781	3,129,024
Finance costs of Al-Usayla Suburb project		30,654,937	26,210,045
Zakat - provided		1,707,778	12,174,123
Unrealized losses/(gains) from revaluation of investments at fair value through profit or loss		6,234,750	(4,914,000)
Net (profit)/loss from discontinued operations		(4,356,572)	25,729
		208,547,138	**257,269,874**
Change in assets and liabilities			
Provision for expected credit loss utilized		(2,575,354)	(15,536,053)
Customer contracts		(551,246,518)	(510,590,387)
Inventory		6,105,202	27,542,167
Properties for development and sale		131,660,144	42,008,744
Trade receivables and other debit balances- Net		25,421,653	10,933,551
Related Parties		(1,048,823)	(6,124)
Restricted cash (escrow accounts)		99,008,629	90,742,672
Trade accounts payable and other credit balances		176,362,969	(10,623,365)
Operating contract loss liabilities - paid		(2,000,000)	-
Employees' defined benefit obligations paid		(4,782,707)	(1,254,590)
Zakat paid		(4,915,389)	(9,398,541)
Zakat settlements		(2,500,000)	-
Disposal of a subsidiary		131,260	(20,100)
Net cash flows from (used in) operating activities		78,167,224	(118,932,172)

عبدالعزيز الرشيدي
Abdulaziz Al-Rashidi

10

د. حسن شوقي الحازمي
Dr. Hassan Alhazmi

سليمان عبدالعزيز الباتلي
Suliman A. Al-Batli

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Consolidated statement of cash flows
for the year ended 31 December 2024
(Expressed in Saudi Riyals)

	Note	2024	2023
Cash flows from investing activities			
(Additions to) property, plant and equipment		(19,923,821)	(16,654,290)
Proceeds from sale property, plant and equipment		355,269	1,382,002
(Additions) to investment property		(9,160,237)	(37,757,266)
Proceeds from sale of investment properties		133,007,906	-
(Additions) to intangible assets		-	(185,000)
(Additions) to investments in debt instruments		(5,000,000)	-
Amounts paid to real estate investment fund		(32,993,770)	-
Proceeds from dividends from financial assets at fair value through other comprehensive income		1,900,000	665,000
Proceeds from dividends from investments at fair value through profit or loss		700,000	1,043,750
Proceeds from sale of investments at fair value through profit or loss		-	11,665,386
Net cash flows from (used in) investing activities		**68,885,347**	**(39,820,418)**
Cash flows from financing activities			
Lease obligations paid		(11,937,548)	(24,527,114)
Proceeds from loans		295,431,729	590,058,590
Loans repaid		(403,001,880)	(328,972,259)
Dividends - paid		(19,999,999)	(34,999,488)
Net cash flows (used in) from finance activities		**(139,507,698)**	**201,559,729**
Net increase in cash and cash equivalents		**7,544,873**	**42,807,139**
Cash and cash equivalents at beginning of year		73,662,162	30,855,023
Cash and cash equivalents at year-end	17	**81,207,035**	**73,662,162**
Additional information on non-cash finance operations			
Transfered from investment properties to property, plant and equipment - net		29,866,507	-
Transferred from investment properties to properties for development and sale		-	278,496,653
Transfered from properties for development and sale to property, plant and equipment		187,010	100,750
Transferred from properties for development and sale to intangible assets		-	800,463
Transferred from property, plant and equipment to intangible assets		-	(13,198)
Additions to leases		1,583,533	5,368,973
Capitalized finance cost on properties for development and sale		19,780,201	20,313,721
Capitalized finance cost on investment properties under development		-	328,662
Unrealized (losses) from revaluation of financial assets at fair value		(10,165,000)	(29,070,000)
(Actuarial losses)/ gains of re-measurement of employee defined benefits		3,346,686	(1,613,192)

The financial statements shown on pages (1) to (45) have been approved by the Board of Directors and signed on their behalf by:

Chief Financial Officer	Chief Executive Officer	Authorized BOD's Member
عبدالعزيز الرشيدي Abdulaziz Al-Rashidi	د. حسن شوقي الحازمي Dr. Hassan Alhazmi	سليمان عبدالعزيز الباتلي Suliman A. Al-Batli

The accompanying notes (1) to (37) form an integral part of these consolidated financial statements.

11

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024

1. General information

1.1 Ladun Investment Company, a public joint stock company ("the Company") - a Saudi joint stock company - was established on 17/03/1426H (corresponding to 26/04/2005) according to the Saudi Companies Law and the company's bylaws, which were last amended on 23/11/1444H (corresponding to 12/06/2023) to align with the new Companies Law issued by Royal Decree No. M/132 on 1/12/1443H. The company is registered under Unified National number 7003761512 in the commercial registry in Riyadh under number 1010467355 on 18/04/1438H (corresponding to 16/01/2017), valid until 21/05/1449H (corresponding to 21/10/2027) – with its principal office address in Riyadh, P.O. Box: 395343, Postal Code: 12312.

1.2 The company operates through the head office and the following branch:
Al-Khobar branch registration number 2051030952 issued on 17/03/1426 H valid until 09/11/1448 H (former head office*).
***** During 2021, the subsidiary commercial register No. 1010467355 was converted into a main commercial register, and the main commercial register No. 2051030952 was converted into a subsidiary one.

1.3 The company's activities include purchasing, selling, and subdividing lands and properties, off-plan sales activities, managing and leasing owned or leased residential properties, managing and leasing owned or leased non-residential properties, developing residential buildings using modern construction methods, and developing commercial buildings using modern construction methods.

1.4 The consolidated financial statements as of December 31, 2024 include the financial statements of the Parent Company and the following subsidiaries, collectively referred to as the "Group":

Subsidiaries	Type	Headquarters	Shareholding %	
			2024	2023
Built Industrial Company	LLC	Riyadh	100%	100%
Painite Operations and Maintenance Compan	LLC	Khobar	100%	100%
Lak Investment and Trade Company	LLC	Mecca	-	100%
Iktisaab Human Resources Company	LLC	Riyadh	100%	100%

1.5 On October 30, 2024, the contract for the parent company's acquisition of LAK Investment Trading Company, which was concluded on 04/08/1442H corresponding to 17/03/2021G with a value of SR 128,788,223 at that date, was terminated. The company was sold for SR 133,007,906 (Note 30).

1.6 The Company's fiscal year begins on January 1st and ends on December 31st of each calendar year. The presented consolidated financial statements are for the year ended December 31, 2024 compared to the year ended December 31, 2023.

1.7 New Companies Law

According to Royal Decree No. M/132 dated 01/12/1443H corresponding to 30/06/2022, the new Companies Law was approved and came into effect on 26/06/1444H corresponding to 19/01/2023. The new Companies Law replaced the old Companies Law issued by Royal Decree No. M/3 dated 28/01/1437H and canceled all conflicting provisions. Accordingly, the Company adjusted its status in accordance with the provisions of the new Companies Law on 23/11/1444H corresponding to 12/06/2023.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants ("SOCPA").

2.2 Basis for consolidation of financial statements

The consolidated financial statements include the financial statements of the Parent Company and all subsidiaries, collectively referred to as the "Group". The consolidated financial statements present financial information about the Group as a single economic entity at the same reporting date of the Parent Company, using consistent accounting policies.

- Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies so as to obtain benefits from its activities. Control is presumed to exist over the subsidiary when the Company owns, directly or indirectly, more than half of the voting power of an investee unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control. Control also exists when the Company owns half or less of the voting power of an investee but has other power to govern the financial and operating policies of the entity.
- The financial statements of the subsidiaries are consolidated in full from the date of acquisition being the date when control is transferred to the Group. Consolidation continues until the date of such control ceases.

The Group applies the acquisition method to account for business combinations.

Inter-company transactions, balances, income, expenses, unrealized gains and losses on transactions and dividends are eliminated in full.

2.3 Basis of measurement

The consolidated financial statements were prepared according to the accrual basis of accounting and the principle of going concern and on the basis of the principle of historical cost except:

1- Investments in subsidiaries and associates are accounted for using the equity method.
2- Investments at fair value through other comprehensive income.
3- Investments at fair value through profit or loss
4- Employee benefits obligations are measured at the present value of the future obligations

2.4 Presentation currency

These consolidated financial statements are presented in Saudi Riyals ("SR") which is the functional and presentation currency. All amounts are presented in the consolidated financial statements in Saudi riyals, unless otherwise stated.

2.5 Use of judgments, estimates and assumptions

The preparation of these consolidated financial statements requires Management to make certain judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and disclosures of contingent liabilities at the reporting date. Although these estimates are based on the best current information and indicators available to Management, the final actual results may differ from these estimates.

These estimates and assumptions are reviewed on an ongoing basis and the effects arising from adjustment of the accounting estimates are recognized in the period in which such adjustment is made and the subsequent periods. The assumptions and estimates are particularly represented in the application of accounting policies that have significant impact on the amounts recognized in the financial statements.

The most significant accounting judgments, estimates and assumptions

2.5.1 Judgments

The following is an explanation to the significant judgments when applying the accounting policies that have a material impact on the amounts presented in the financial statements and the notes thereto:

Fulfillment of performance obligations

The Group evaluates each of its contracts with customers to determine whether performance obligations have been satisfied over time or at a point in time in order to determine the appropriate method for recognizing revenue under the provisions of the relevant laws and regulations.

Determination of transaction prices

The Group determines transaction prices in relation to each of its contracts with customers. When making such judgment, it assesses the impact of any variable consideration in the contract as a result of discounts or fines and the existence of a significant financing component within the contract, or any non-cash consideration within the contract.

2.5.1 Judgments... (Continued)

Classification of investment properties

The Group determines whether the property qualifies as investment property under IAS 40: Investment properties. In making such judgment, the Group considers whether the property generates cash flows largely independently of other properties and equipment.

The following notes include information about other judgments:

Note (3.5) classification of leases

Note (3.7) whether the Company has significant influence on the investee.

2.5.2 Assumptions and estimates

The following is an explanation of information to assumptions and estimates of uncertainty that have a significant impact on the amounts presented in the consolidated financial statements and the notes:

Going concern assumption

The consolidated financial statements have been prepared in accordance with the going concern principle. The Management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the necessary resources to continue in business for the foreseeable future. Furthermore, Management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern according to the going concern principle.

Useful lives of property and equipment

The Management determines the estimated useful lives of property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the assets, useful lives or physical wear and tear.

Management reviews the residual value of useful lives annually to verify that it reflects the expected benefit to be obtained. If it differs from previous estimates, changes in depreciation expense in current and future periods are adjusted, if any.

Fair value measurement

When the fair value of the financial assets and liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in the assumptions relating to these factors can affect the reported fair value of the financial instruments. The contingent consideration resulting from a business combination is assessed at the fair value on the acquisition date, part of the business combination. If the consideration meets the definition of a financial liability, it will be subsequently remeasured at the fair value in each reporting date. Fair value is determined based on discounted cash flows. Underlying assumptions take into account the possibility of fulfilling each objective of performance and discount factor.

Interest rate implicit in leases

The Group cannot readily determine the interest rate implicit in all leases. Therefore, it uses the Incremental Borrowing Rate (IBR) to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make Group-specific estimates.

Provision for expected credit losses

The Group applies the expected credit losses model to determine impairment losses in the value of trade and other receivables, and this requires the Group to take some factors to ensure that the receivables are not exaggerated as a result of the possibility of non-collection, such as aging of receivables and continuous credit evaluation. Provisions are recorded when there is objective evidence indicating the possibility of non-collection and in accordance with what is stipulated in IFRS (9).

2.5.2 Assumptions and estimates... (Continued)

Impairment of non-financial assets

(Except for inventory and investment properties separately assessed for impairment), Management reviews at each reporting date the carrying amounts of other non-financial assets and determine if there is any indicator that the value of non-financial asses may be impaired. In the event of such indication, the recoverable value is estimated and the book value is reduced thereto and the impairment loss of those assets is recognized and charged to the statement of profit or loss.

The recoverable amount is measured using the higher of fair value of the asset less the cost to sell it - or the present value of the cash flows expected to be derived from it according to the discount rate.

Indications of impairment of a non-financial asset may be information that a material impairment has occurred to the market value of the asset and is more than expected as a result of normal use or the availability of evidence of obsolescence, damage or deterioration of its expected economic performance whether in its operating results or in the expected cash flows from it.

When there are indications that a recognized impairment loss in prior periods may no longer exist or have decreased, impairment loss is reversed only to the extent that it does not exceed the previously recognized impairment loss.

The following notes include information on assumptions and other estimates of uncertainty:

- Note (3.9) Impairment of inventory
- Note (3.14) Measurement of employee defined benefit obligations
- Note (3.16) Provisions
- Note (3.19.1) impairment of financial assets measured at cost or amortized cost

3. Material Information on Accounting Policies

The management has consistently applied the significant accounting policies outlined below to all periods presented in these consolidated financial statements.

3.1 Current vs non-current classification of assets and liabilities

The Group presents its assets and rights in the balance sheet based on current/non-current classification as follows:

Assets

• An asset is classified as current when:
• It is expected to be realized or intended to be sold or consumed in normal operating cycle;
• It is held primarily for the purpose of trading;
• It is expected to be realized within twelve months after the reporting period; or
• is 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

A liability is classified as current when:
• It is expected to be settled in normal operating cycle;
• It is held primarily for the purpose of trading;
• It is due to be settled within twelve months after the reporting period;
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

3.2 Property, plant and equipment

Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss, (if any).

- The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment،

Subsequent costs of acquisition

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of properties, plant and equipment are recognized in statement of profit or loss as incurred.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024

3.2 Property, plant and equipment (Continued)

Deprecation
Depreciation is calculated based on the cost of assets less the residual value. The significant components of individual assets are estimated. If a component has a useful life different from the useful life of these assets, the useful life of that component is depreciated separately.

Depreciation is included in the profit or loss statement using the straight-line method over the expected useful life of each component of property, plant, and equipment - except for land, as it does not depreciate. Depreciation methods, useful lives, and residual values are reviewed at each financial reporting date and adjusted as appropriate. Depreciation of an asset begins when it is available for use. Depreciation of an asset ceases at the earlier of when the asset is classified as held for sale or is when the asset is derecognized.

The following are the estimated useful lives of property, plant and equipment:

Buildings and improvements	10-40 years	Vehicles	4-5 years
Computers	3-7 years	Furniture and Fixtures	5-10 years
machine and equipment	4-10 years	Construction and installations	3-5 years
Decorations	3-5 years		

Derecognition
An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.
Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within the consolidated statement of profit and loss .

3.3 Capital work in progress
Capital work in progress at year-end includes certain assets that have been acquired but are not ready for their intended use. Capital work in progress is stated at cost less any recorded impairment. These assets are transferred to relevant assets categories and are depreciated once they are available for their intended use.

3.4 Investment property
Investment properties are properties that are acquired or leased for the purpose of earning rental income, capital appreciation, or both, in addition to properties under construction being developed for future use as investment properties, as well as those acquired for future unspecified uses but not with the intention of sale within the ordinary course of business or for use in the production or supply of goods or services.

At initial recognition, investment properties acquired are measured at cost (including transaction costs), and at subsequent measurement, the group uses the cost model, under which investment properties are carried at cost less accumulated depreciation and/or accumulated impairment losses, if any, with depreciation charged on a straight-line basis over the estimated useful life of the assets.

The fair value of investment properties is disclosed in accordance with the disclosure requirements of International Accounting Standard (IAS) 40, and the fair value is determined based on an annual valuation by an independent valuer certified by the Saudi Authority for Accredited Valuers.

The measurement of right-of-use assets classified as investment properties is in accordance with International Financial Reporting Standard (IFRS) 16, as summarized in the lease policy overview.
An investment property should be derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the consolidated statement of profits or losses in the year of derecognition.

The residual values, useful lives and methods of depreciation of investment properties are reviewed at the end of the financial year, and adjusted prospectively if appropriate.

3.5 Leasing
Determining whether a contract is (or contains) a lease depends on the substance of the agreement at the inception of the lease. A contract is, or contains, a lease if the contract gives the right to control the use of an asset for a period of time in exchange for consideration.
A single recognition and measurement model is applied to all leases except for short-term or low-value leases.
The right to use assets and lease liabilities are recognized at the inception of the lease.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024

3.5 Leasing... (Continued)

Right-of-use assets
Right-of-use assets are measured at cost comprising the following:- -
- The amount of initial recognition of lease liabilities;
- Any lease payments made at or before the commencement date minus lease incentives received
- Any initial direct costs; and
- Restoration costs.

Right-of-use assets are depreciated on a straight-line basis over the shorter of expected useful life or the lease term.

Lease obligations
Lease obligations are initially measured at the present value of lease payments that are not paid at the inception of the lease, which include:
- Fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate;
- Amounts expected to be paid under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

If the lease payments are discounted using the incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Each lease payment is apportioned between the finance cost and the reduction of the outstanding liability. Finance costs are charged to the statement of profit or loss over the term of the relevant lease so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Short-term or low-value leases
Short-term leases are leases with a lease term of 12 months or less. Payments related to short-term leases and leases of low-value assets on a straight line basis are recognized as an expense in the statement of profit or loss.

3.6 Intangible assets
The separately acquired intangible assets are measured initially at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.
The useful lives of intangible assets are classified as either definite or indefinite. Intangible assets with a definite life are amortized over their estimated useful lives, and they are reviewed to ensure impairment when there is evidence indicating such impairment. The amortization period and the amortization method for an intangible asset with a finite life are reviewed one time at least at the end of each reporting period. Changes in the expected useful life or the method of consumption of future economic benefits embodied in the asset are considered based on the latest amortization period or method, as appropriate, and are treated as changes in accounting estimates. The expenses related to the amortization of intangible assets with a definite life are listed in the profit or loss statement as an expense and are aligned with the function of the intangible assets.

The intangible assets with finite useful lives held by the company consist of computer software, which is amortized on a straight-line basis over five to seven years.

The useful life of intangible assets with a definite life is regularly reviewed to assess whether there are any indications that the originally determined useful life is still appropriate and valid. Otherwise, the change in the useful life calendar is made on a prospective basis. Intangible assets with indefinite life are not amortized, but are tested for impairment annually either individually or at the cash-generating unit level.
The profits or losses resulting from discontinuing the recognition of intangible assets are measured as the difference between the net proceeds from disposal and the carrying amount of the asset. They are recognized in the statement of profit or loss upon discontinuation of the asset's recognition.

3.7 Investments in associates

Associates are entities over which the investor company has significant influence and which are neither subsidiaries nor interests in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the associate, but is not control or joint control over those policies. Significant influence is presumed to exist over an associate when the investor company holds 20% or more of the voting power of the associate, unless there is evidence that significant influence does not exist. Conversely, significant influence is presumed not to exist if the investor company holds less than 20% of the voting power of the associate, unless there is evidence that significant influence does exist.

3.7.1 Accounting for investments using equity method of accounting

Investments in associates are accounted for using the equity method of accounting by which an equity investment is initially recorded at cost of acquisition and subsequently adjusted to reflect the investor's share of income and other comprehensive income of the investee.

If the Group's share of losses of an investee equals or exceeds its interest in the investee, the Group discontinues recognizing its share of further losses. However, after the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. If the investee subsequently reports profits, the Group resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

3.8 Properties for development and sale

Property acquired, constructed or in the course of construction and development for sale is classified as properties for development and sale and is stated at the lower of cost or net realizable value. The cost of property development generally includes the cost of land, construction and other expenditures related to preparing property for sale. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
The Management reviews the carrying amounts of property development on an annual basis
- At each reporting date, Management classifies the developed properties as current or non-current assets based on the expected date of realization.

3.9 Inventories

Inventories are measured at lower of cost and net realizable value.
The cost includes the costs of purchasing materials and all expenses incurred to bring them to their present location. The cost is measured using the weighted average method.

Net realizable value is the estimated selling price in the ordinary course of business, less any expected costs of completion and the estimated selling costs.

Impairment of inventory

An assessment is made at each reporting date whether any inventories are impaired by comparing the carrying amount of each inventory item (or a group of similar items) with the selling price less the cost of completion and sale. If the net selling price is less than the carrying amount, the impairment loss is recognized for the inventory.

3.10 Accounts receivable

Accounts receivable are initially recognized at fair value, and subsequently measured at amortized cost using the effective interest less any impairment losses.

Trade receivables arise when the Group provides products and services to a customer on credit. The Management of the Group does not impose any commissions on trade receivables.

3.11 Related party transactions

Transactions with related parties include the transfer of resources, services, obligations or financing between the Group and the related party, regardless of whether such transactions are conducted on terms equivalent to those prevailing in an arm's-length transaction.

A related party is a person that is related to the reporting entity or a close member of that person's family is related to a reporting entity if that person:

a- is a member of the key management personnel of the reporting entity*;
b- has control or joint control over Group reporting entity;
c- has significant influence over the Group's decision-making process and policies.
* Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors whether executive or otherwise of the entity.

An entity is related to the Group if any of following conditions applies:

a- The entity and the reporting entity are members of the same group or both entities are jointly owned;
b- One entity is an associate or joint venture of the other entity;
c- The entity is controlled by the reporting entity or vice versa or the entity and the reporting entity are jointly controlled.

3.12 Statement of cash flows

Statement of cash flows is prepared according to the indirect method.
For the purpose of preparing the statement of cash flows, cash and cash equivalents comprise cash with banks, cash on hand and the above short-term deposits less outstanding overdraft accounts that form an integral part of the Group's cash management.

3.13 Account payables and accrued expenses

Account payables and accrued expenses are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company.
Trade payables are liabilities that the Group has incurred during the ordinary course of business on the basis of normal credit terms and they are non-interest bearing.

3.14 Employee defined benefit obligations

Defined benefit plans (employee defined benefit obligations)

The Group operates a defined benefit plan for end-of-service benefits in line with the Labor Law requirement in the Kingdom of Saudi Arabia. The payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment. As defined by the conditions stated in the Labor Law of the Kingdom of Saudi Arabia, employees' end of service benefit plans are unfunded plans whereby the benefit payment obligations are met by concerned entities when they fall due.
The defined benefits obligation is periodically re-measured by an actuary using the projected credit unit method. The amount of obligation is calculated on the basis of the present value of the estimated future cash outflows discounted at the discount rate used.
The costs of the defined benefit obligations for the initial periods are calculated on an annual basis using the actuarially defined pensions cost rate at the end of the previous year, adjusted for significant market fluctuations and any significant onetime events, such as scheme adjustments or manpower cuts and reimbursements,
Actuarial gains and losses arising from remeasurement of defined benefit plan obligation are recognized in the statement of other comprehensive income.
The Company calculates interest expense by applying the discount rate used to measure the net defined benefit obligation. The net interest expense and other expenses related to defined benefit plans recognized in the statement of profits or losses.

Short-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, non-cash benefits, annual leave, sick leave, air tickets and child education allowances during the period in which the employees render the related service. The liability is recorded at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognized in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

3.15 Zakat and tax

Zakat charge
The Group calculates Zakat for the parent company and its subsidiaries, whereby a consolidated return is submitted for the Group for each financial year separately in accordance with the provisions and rules of Zakat in the Kingdom of Saudi Arabia on an accrual basis. The Zakat provision is charged to the consolidated statement of profit or loss and other comprehensive income as a separate item. Any additional Zakat obligations resulting from any Zakat assessments, if any, are charged in the same financial year in which the Zakat assessment is approved.

Value Added Tax
The net amount of VAT recoverable from, or payable to, the Zakat, Tax, Customs Authority is included as for the part of receivables or payables in the statement of financial position.

Withholding Tax
Group withholds taxes on certain transactions with non-resident parties in the KSA, if any, as required under Saudi Arabian Income Tax Law. Withholding tax on foreign payments is recorded as a short-term liability.

16.3 Provisions
Provisions are recognized when the Group 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 can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.
Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If outflows to settle the provisions are no longer probable, reversal of the provision is recorded as income.

3.17 Contingent liabilities and assets
All contingent liabilities arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Group; or all present obligations arising from past events but not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability. A contingent liability will not be recognized, rather, it will be disclosed in the financial statements.
Contingent assets are not recognized in financial statements; however, a contingent asset is disclosed where an inflow of economic benefits is probable.

3.18 FOREIGN CURRENCY TRANSLATION
Transactions in foreign currencies during the period are translated into Saudi Riyals and recorded at the rates of exchange prevailing at the transaction dates. The balances of assets and liabilities recorded in foreign currencies at the balance sheet date are translated into Saudi Riyals at the exchange rates prevailing at that date. Profits and losses arising from transactions are reported in the statement of income.

3.19 Financial Instruments
A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.
A financial asset or a financial liability is recognized and measured in accordance with measurement, recognition and disclosure requirements of IFRS 9.

Relevant detailed accounting policies are as follows:

3.19.1 Financial assets

Initial recognition and measurement
Trade receivables and deposits are recognized on the date they arise while all other financial assets are recognized on the trade date at which the Group becomes a party to the contractual provisions of the instrument.
Financial assets are measured upon initial recognition at the transaction price attributable to the acquisition of the financial asset, including transaction costs, except for financial assets that are subsequently measured at fair value through the statement of profit or loss. If the arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest.

3.19.1 Financial assets… (Continued)

Classification and subsequent measurement

IFRS 9 has three major categories of financial assets as follows: Financial assets measured at amortized cost, assets measured at fair value through other comprehensive income and assets measured at fair value through profit or loss.
Under IFRS 9, financial derivatives embedded in contracts containing the basic instrument are financial assets within the scope of the standard and are not separated. The entire hybrid financial instrument is assessed for classification.
Subsequent measurement of financial assets depends on their classification as described below:

● Financial assets at amortized cost

These assets are measured upon initial recognition at fair value plus transaction costs directly attributable to the acquisition or issue of the financial asset. After initial recognition, they are measured at amortized cost using the effective interest method.

● Financial assets at fair value through other comprehensive income

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies.
Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.
Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

Financial assets at fair value through profit or loss

Financial assets carried at fair value through profit or loss include financial assets held for trading and financial assets classified at initial recognition as fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. After initial recognition, they are re-measured at fair value.

Derecognition of financial assets

A financial asset is primarily derecognized when:
The contractual rights to the cash flows from the financial asset expire;
The Group transfers the rights to receive the contractual cash flows from the asset; Or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either the Company has transferred substantially all the risks and rewards of the asset, or it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets measured at cost or amortized cost

Under IFRS 9, an impairment review is made at each reporting date for financial assets measured at amortized cost or FVTOCI except investments in equity instruments as well as contract assets as per the expected future credit loss model, which requires a significant estimate of how changes in economic factors affect the expected credit loss models that are determined on a weighted probability basis. This requires a significant estimate of how changes in economic factors affect the expected credit loss models that are determined on a weighted probability basis. Loss provision for loss will be measured on one of the following basis:
1- The expected credit loss over 12 months: This expected credit loss arises from default and potential default events within 12 months after the reporting date.
2- The expected credit loss over the life of the financial instrument: It is the expected credit loss that results from all default events over the expected life of the financial instrument.
As for the expected credit loss over 12 months، measurement is applied if the credit risks of financial assets have increased substantially at the reporting date since the initial recognition. The expected credit loss over 12 months measurement is applied if the credit risks have not increased substantially. The entity may determine that the credit risk does not increase substantially in case the instrument is exposed to low credit risks at the reporting date. However, the measurement of lifetime expected credit losses is always applied to trade receivables and contract assets without any significant financing components. The entity may choose to apply this policy also to trade receivables and contract assets with significant financing components.

3.19.2 Financial liabilities

Initial measurement

Upon initial measurement Except for financial liabilities that are subsequently measured at fair value through profit or loss, the financial liability is measured at the transaction price (including transaction costs), unless the arrangement forms actually financing transaction of the entity (for financial obligation) or a counter party (for financial asset) of the arrangement.

At initial measurement of financial liabilities that are subsequently measured at fair value through profit or loss, transaction costs are recognized in the statement of profit or loss.

The arrangement constitutes a financing transaction if payment is deferred beyond normal business terms. If the arrangement constitutes a financing transaction. The financial liability shall be measured at the present value of the future payments discounted at the market rate of interest for a similar debt instrument.

Trade payables that have a significant financing component or have a maturity of less than 12 months are measured at their transaction price (invoice).

Classification and subsequent measurement

Financial liabilities are measured at the amortized cost using the effective interest method if the above specified conditions have been met. Financial liabilities are subsequently measured at the amortized cost using the effective interest method. The amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate is included in the finance income within the statement of profit or loss. IFRS 9 introduces the change in fair value related to changes in the credit risk of liabilities in the comprehensive income statement while the remaining amount of the change in fair value is presented in the statement of profit or loss.

Debt instruments classified as current liabilities are measured at the undiscounted cash amount or other cash consideration expected to be paid unless the arrangement constitutes, in fact, a financing transaction.

Derecognition of financial liabilities

A financial liability is derecognized when and only when the obligations are discharged, canceled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms or when the terms of an existing obligation are substantially modified, such replacement or modification is treated as a derecognition of the original financial liability, along with recognizing the new obligation. The difference in respective carrying amounts is recognized in the statement of profit or loss.

3.19.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when the Group currently has a legally enforceable right to set off the recognized amounts; and the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3. 20 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable taking into account specific payment terms.

Revenue is recognized in the statement of profit or loss and other comprehensive income to the extent that probable economic benefits will be generated to the Group and when the revenue and costs, if any, can be measured reliably.

The Group recognizes revenue from contracts with customers based on a five-step model accordance IFRS 15:

Step 1: Identifying the contract(s) with the customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out criteria that must be met.

Step 2: Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: It is the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to a customer. Except for amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation. The Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

If the consideration promised in a contract includes a variable amount، the Group must estimate the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to a customer.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024

3.20 Revenue recognition ... (Continued)

The promised consideration can vary if the Group's entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event. The amount of consideration can vary due to discounts, rebates, refunds, credits, incentives, other similar items. The change related to the consideration promised to the customer, if any, is expressly stated in the contract. Accordingly, the Group estimates the amount of the variable consideration using the most likely amount in accordance with the terms of the contract.

Revenue from construction contracts, real estate development, and off-plan sales

Revenue from construction contracts, real estate development, and off-plan sales is recognized according to the input method based on the extent of the group's progress towards fulfilling its performance obligation. This is measured by the group's efforts or costs incurred to meet the performance obligation relative to the total expected inputs required to fulfill that obligation.

When the costs incurred are not proportionate to the group's progress in fulfilling its performance obligation, the group adjusts the input method to recognize revenue only to the extent of the costs that have been incurred.
The progress of the group in fulfilling its performance obligation that has not been invoiced is recognized as an asset, and the excess of invoicing over the group's progress in fulfilling its performance obligation is recognized as a liability.

Rental income

Revenue from leasing investment properties is recognized using the straight-line method over the lease term.

Rendering of services

Revenue from rendering of services is recognized when services are performed provided that the amount of revenue and related costs can be reliably measured and economic benefits associated with the transaction will probably flow to the Group.

Revenue from the sale of goods, land, and completed properties

The revenue resulting from the sale of goods, land, and completed properties, are recognized when the significant risks and benefits of ownership of the goods are transferred to the buyer، with the Group not retaining the right of continuous administrative intervention to the degree that is usually associated with ownership nor the right of actual control over the sold goods. The revenue is recognized net of the allowed discount.

3.21 Cost of revenue and general and administrative expenses

Revenue costs comprise costs of development and other related service costs, including construction cost, direct labor, other capital costs and operating expenses associated with revenue. All other expenses are classified as general and administrative expenses.

3.22 Finance cost

Finance cost comprises interest expense and other costs on borrowings and finance facilities. All finance costs are charged to profits or losses as incurred except finance costs related to owning or establishing an asset that may need some time to be ready for the intended use. It is added to the cost of the asset to be ready for the intended use according to IAS 23.

3.23 Board of Directors' remunerations

Total remunerations paid to the Board of Directors represent fees for meeting attendance, bonuses and expenses. They are in line with the Companies Law requirements and the Capital Market Authority guidelines and the Company's Articles of Association.

3.24 Earnings per share

Basic earnings per share and diluted earnings per share (if any) are presented for ordinary shares. Basic earnings per share are calculated by dividing the Group's profit or loss attributable to common shareholders by the weighted average number of common shares outstanding during the year, after being adjusted by the number of ordinary shares repurchased or issued during the year. Diluted earnings per share is calculated by adjusting diluted profit or loss of the Group's ordinary shareholders and the weighted average number of shares outstanding during the year compared to dilutive potential ordinary shares.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024

3.25 Dividends
Dividends are distributed to the Shareholders when the General Assembly of Shareholders approves the dividends in line with the Saudi Companies Law.

3.26 Operating Sectors
A business segment is a company with assets and operations associated with providing products or services that are subject to different risks and returns than other business segments. The geographical sector includes the provision of products or services within a specific economic environment that is subject to different risks and returns than sectors operating in other economic environments.

4. Changes in significant accounting policies and new standards
4.1 New and revised IFRS Standards that are applicable and have no significant impact on the consolidated financial statements:
No new IFRS standards have been applied; however, a number of IFRS amendments are effective as of January 01, 2024 but have no significant impact on the Group's consolidated financial statements. The following is a summary of the amendments applied by the Group:

Standard-Interpretation	Description	Effective date for financial statements beginning on or after
IAS 1	Amendments to "Presentation of Financial Statements" to clarify classification of liabilities as current or non-current	01 January 2024
IAS 7 and IFRS 7	Amendments to the "Statement of Cash Flows" standard related to financing arrangements for transactions with suppliers, along with a subsequent amendment to the Statandard of Financial Instruments - Disclosures.	01 January 2024
IFRS 16	Amendments to the Leases Standard relating to sale and leaseback transactions and the assessment of whether a transfer of assets is a sale.	01 January 2024
The International Financial Reporting Standards (IFRS) - Sustainability 1, Sustainability 2	The International Accounting Standards Board has approved the issuance of the Sustainability Reporting Standards 1, related to the general requirements for disclosing financial information regarding sustainability, and Sustainability 2, related to climate-related disclosures. The Board has set the effective date for these standards for fiscal years beginning on or after January 1, 2024, or later.	Subject to the approval of the Saudi Organization for Auditors and Accountants.

4.2 New and revised IFRS not yet effective and not applicable:
The following are standards and interpretations issued and not yet effective and not applicable as of the date of the consolidated financial statements:

Standard-Interpretation	Description	Effective date for financial statements beginning on or after
IAS 21	Amendments to the standard "Effects of Changes in Foreign Exchange Rates" related to the definition of a convertible currency and the estimation of the spot exchange rate when the currency is non-convertible, and the related disclosures.	01 January 2025
IFRS 18 and Consequential Amendments to IAS 8 and IAS 7 & IAS 8	The Saudi Organization for Auditors and Accountants has adopted IFRS 18 "Presentation and Disclosure in Financial Statements," which supersedes IAS 1. The standard includes enhancements to the income statement structure to provide more relevant and clear information, and develops specific requirements related to management-defined performance measures. The issuance of this standard has resulted in consequential amendments to IAS 8 regarding the basis of preparation of financial statements and disclosure of significant accounting policy information and sources of estimation uncertainty. It has also led to amendments to IAS 7 concerning the presentation of cash flows from dividends and interest income and expense, with specific requirements for entities whose primary activities are investing or financing.	01 January 2027
IFRS 19	The Saudi Organization for Auditors and Accountants has adopted IFRS 19 "Subsidiaries without Public Accountability: Disclosures." This standard primarily aims to provide a reduced level of disclosures in the financial statements of subsidiaries without public accountability, as an alternative to the disclosure requirements in the full IFRS standards. The goal is to simplify the mechanisms and systems for preparing financial statements and reduce their cost.	Elective

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

5. Property, plant and equipment - net
5.1 For the year ended December 31, 2024

	Lands	Buildings and improvements	Computers	Vehicles	Furniture and Fixtures	Machine and equipment	Construction and installations	Capital work in progress	Total
Cost:									
Balance at 01 January 2024	10,114,908	32,597,071	9,724,066	15,714,172	14,624,566	44,239,774	3,273,582	-	130,288,139
Reclassification	(791,700)	2,044,740	(134,537)	(629,747)	(1,117,743)	1,035	627,952	-	-
Additions during the year	-	5,572,366	2,023,791	2,279,301	2,722,877	6,189,611	1,135,875	-	19,923,821
Transferred from investment properties (note 6.1)	21,216,187	8,716,951	-	-	-	-	-	-	29,933,138
Transferred from properties for development and sale (note 12)	-	-	-	-	187,010	-	-	-	187,010
Disposals during the year	-	-	(3,279,786)	(826,213)	(4,537,606)	(2,335,055)	(449,686)	-	(11,428,346)
Balance at 31 December 2024	**30,539,395**	**48,931,128**	**8,333,534**	**16,537,513**	**11,879,104**	**48,095,365**	**4,587,723**	**-**	**168,903,762**
Impairment:	586,128	-	-	-	-	-	-	-	586,128
Impairment during the year	**586,128**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**586,128**
Accumulated depreciation:									
Balance at 01 January 2024	-	2,085,906	6,382,188	11,874,888	10,480,409	28,778,186	1,852,046	-	61,453,623
Depreciation for the year	-	3,297,840	1,390,792	1,767,249	1,969,247	3,426,657	637,933	-	12,489,718
Transferred from investment properties (note 6)	-	66,631	-	-	-	-	-	-	66,631
Reclassification	-	368,443	(129,234)	(600,712)	(238,960)	1,035	599,428	-	-
Disposals during the year	-	-	(3,034,716)	(805,560)	(4,086,530)	(2,337,143)	(385,785)	-	(10,649,734)
Balance at 31 December 2024	**-**	**5,818,820**	**4,609,030**	**12,235,865**	**8,124,166**	**29,868,735**	**2,703,622**	**-**	**63,360,238**
Net carrying amount:									
As of 31 December 2024	**29,953,267**	**43,112,308**	**3,724,504**	**4,301,648**	**3,754,938**	**18,226,630**	**1,884,101**	**-**	**104,957,396**

- Property, plant and equipment include lands amounting to SR 28,014,967 and buildings with net book value amounting to SR 16,951,556 mortgage against long-term loans (note 20) under an agreement in favor of local banks.

- The depreciation is distributed as follows:	**2024**	**2023**
Charged to cost of revenue (note 26)	6,978,544	10,214,089
Charged to general and administrative expenses (note 27)	5,511,174	1,401,072
	12,489,718	**11,615,161**

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

5. Property, plant and equipment - net
5.2 For the year ended December 31, 2023

	Lands	Buildings and improvements	Computers	Vehicles	Furniture and Fixtures	Machine and equipment	Construction and installations	Capital work in progress	Total
Cost:									
Balance at 01 January 2023	2,730,000	2,324,284	8,816,014	15,954,918	13,815,673	47,134,804	2,717,184	27,876,481	121,369,358
Additions during the year	7,384,908	3,028,184	1,020,298	1,151,301	753,403	2,756,918	559,278	-	16,654,290
Transferred from properties for development and sale (note 12)	-	-	-	-	100,750	-	-	-	100,750
Transferred from capital work in progress	-	27,876,481	-	-	-	-	-	(27,876,481)	-
Transferred to intangible assets (note 8)	-	-	(81,853)	-	-	-	-	-	(81,853)
Disposals during the year	-	(631,878)	(30,393)	(1,392,047)	(45,260)	(5,651,948)	(2,880)	-	(7,754,406)
Balance at 31 December 2023	**10,114,908**	**32,597,071**	**9,724,066**	**15,714,172**	**14,624,566**	**44,239,774**	**3,273,582**	**-**	**130,288,139**
Accumulated depreciation:									
Balance at 01 January 2023	-	412,678	5,294,864	11,693,448	8,822,273	27,928,566	1,374,326	-	55,526,155
Depreciation for the year	-	1,995,342	1,177,829	1,341,899	1,692,383	4,927,542	480,166	-	11,615,161
Transferred to intangible assets (note 8)	-	-	(68,655)	-	-	-	-	-	(68,655)
Disposals during the year	-	(322,114)	(21,850)	(1,160,459)	(34,247)	(4,077,922)	(2,446)	-	(5,619,038)
Balance at 31 December 2023	**-**	**2,085,906**	**6,382,188**	**11,874,888**	**10,480,409**	**28,778,186**	**1,852,046**	**-**	**61,453,623**
Net carrying amount:									
As of 31 December 2023	**10,114,908**	**30,511,165**	**3,341,878**	**3,839,284**	**4,144,157**	**15,461,588**	**1,421,536**	**-**	**68,834,516**

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

6. Investment properties - net
6.1 For the year ended December 31, 2024

	Lands	Buildings	Investment properties under development	Right-of-use assets	Total
Cost:					
Balance at 01 January 2024	270,279,988	292,301,168	3,283,052	94,504,929	660,369,137
Additions during the year	-	99,003	9,061,234	-	9,160,237
Transferred to property and equipment (note 5.1)	(21,216,187)	(8,716,951)	-	-	(29,933,138)
Disposals during the year	(128,788,223)	-	(2,124,860)	-	(130,913,083)
Balance at 31 December 2024	**120,275,578**	**283,683,220**	**10,219,426**	**94,504,929**	**508,683,153**
Accumulated depreciation:					
Balance at 01 January 2024	-	50,359,835	-	23,704,240	74,064,075
Depreciation for the year (note 26)	-	15,881,836	-	6,649,658	22,531,494
Transferred to property and equipment (note 5.1)	-	(66,631)	-	-	(66,631)
Balance at 31 December 2024	**-**	**66,175,040**	**-**	**30,353,898**	**96,528,938**
Net value at December 31, 2024	**120,275,578**	**217,508,180**	**10,219,426**	**64,151,031**	**412,154,215**

Investment properties include land amounting to SR 37,868,337 and buildings with a net book value of SR 105,912,338 that are mortgaged against long-term loans (Note 20) under an agreement in favor of local banks.
Investment properties with a net book value of SR 412,154,215 have been valuated, and their fair value as of December 31, 2024, amounted to SR 505,874,371. The valuation was performed by an accredited valuer, Amam Real Estate Valuation Company, membership number 1210000030 and commercial registration number 1010611939.
- Net investment properties represent the following:

	31 December 2024	31 December 2023
Investment properties held for rental	377,224,154	420,334,571
Investment properties held for capital appreciation	34,930,061	165,970,491
	412,154,215	**586,305,062**

Impairment investment properties test
The Group's management tests investment properties for impairment at each financial reporting date and has engaged Amam Real Estate Valuation Company with membership number 1210000030 and commercial registration number 1010611939 to verify that there is no impairment in their value and to determine whether the carrying value of the properties is less than the recoverable value or not. The recoverable value is determined based on assumptions related to future sales volumes, discount rates, and other factors relevant to rental properties. For non-rental properties, the market value assumption has been used.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

6. Investment properties - net... (Continued)
6.2 For the year ended December 31, 2023

	Lands	Buildings	Investment properties under development	Right-of-use assets	Total
Cost:					
Balance at 01 January 2023	526,529,698	233,419,955	46,325,281	141,702,447	947,977,381
Additions during the year	22,761,971	11,746,687	3,248,607	-	37,757,265
Lease interest capitalized (note 7.2)	-	-	328,662	-	328,662
Reclassification	(8,608,116)	8,608,116	-	-	-
Transferred to properties for development and sale (note 12)	(270,403,565)	(8,093,088)	-	-	(278,496,653)
Transferred from investment properties under development	-	46,619,498	(46,619,498)	-	-
Disposals during the year	-	-	-	(47,197,518)	(47,197,518)
Balance at 31 December 2023	**270,279,988**	**292,301,168**	**3,283,052**	**94,504,929**	**660,369,137**
Accumulated depreciation:					
Balance at 01 January 2023	-	35,413,206	-	64,252,099	99,665,305
Depreciation for the year (note 26)	-	14,946,629	-	6,649,659	21,596,288
Disposals during the year	-	-	-	(47,197,518)	(47,197,518)
Balance at 31 December 2023	**-**	**50,359,835**	**-**	**23,704,240**	**74,064,075**
Net value at December 31, 2023	**270,279,988**	**241,941,333**	**3,283,052**	**70,800,689**	**586,305,062**

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

7. Leases

The Group has entered into a number of lease agreements as a lessee for usage purposes and for the purpose of earning rental income, as follows:

	31 December 2024	31 December 2023
Right-of-use assets for usage purposes (note 7.1)	5,288,818	4,858,154
Right-of-use assets for leasing purposes (Investment properties - Note 6)	64,151,031	70,800,689
	69,439,849	**75,658,843**

7.1 Right-of-use assets - net

	Lands	Equipment	31 December 2024	31 December 2023
Cost:				
Balance at beginning of year	1,316,943	4,052,000	5,368,943	1,712,096
Additions during the year	1,583,533	-	1,583,533	5,368,973
Disposals during the year	-	-	-	(1,712,126)
Balance at year-end	**2,900,476**	**4,052,000**	**6,952,476**	**5,368,943**
Accumulated depreciation:				
Balance at beginning of year	105,589	405,200	510,789	812,755
Deprecation charged during the year	342,469	810,400	1,152,869	776,429
Disposals during the year	-	-	-	(1,078,395)
Balance at year-end	**448,058**	**1,215,600**	**1,663,658**	**510,789**
Net carrying amount at end of the year	**2,452,418**	**2,836,400**	**5,288,818**	**4,858,154**

The depreciation is distributed as follows:

	2024	2023
Charged to cost of revenue (note 26)	1,136,799	730,218
Charged to general and administrative expenses (note 27)	16,070	46,211
	1,152,869	**776,429**

7.2 Lease liabilities - net

	Lands	Equipment	31 December 2024	31 December 2023
Cost:				
Balance at beginning of year	102,246,976	3,423,924	105,670,900	124,885,401
Additions during the year	2,017,500	-	2,017,500	6,059,564
Paid during the year	(10,622,773)	(1,314,775)	(11,937,548)	(24,527,114)
Disposals during the year	-	-	-	(746,951)
Balance at year-end	**93,641,703**	**2,109,149**	**95,750,852**	**105,670,900**
Less: Deferred interest				
Balance at beginning of year	22,079,950	368,804	22,448,754	25,238,472
Additions during the year	433,967	-	433,967	690,591
Charged to financing expenses (note 28)	(3,195,535)	(242,246)	(3,437,781)	(3,129,024)
Capitalized on properties under development	-	-	-	(328,662)
Disposals during the year	-	-	-	(22,623)
Balance at year-end	**19,318,382**	**126,558**	**19,444,940**	**22,448,754**
Present value of liabilities at year-end	**74,323,321**	**1,982,591**	**76,305,912**	**83,222,146**

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

7.2 Lease liabilities - net … (Continued)

Lease liabilities were presented in the statement of financial position based on the current portion - within the current liabilities (which represents the payable portion within a year) and the non-current portion - within the non-current liabilities (which represents the remaining liability net of the current portion) as follows:-

	2024	2023
7.2.1 Lease liabilities - current portion	9,409,451	11,306,514
7.2.2. Lease liabilities - non-current portion	66,896,461	71,915,632
	76,305,912	**83,222,146**

8. Intangible assets - net

	31 December 2024	31 December 2023
Software		
Cost:		
Balance at beginning of year	4,417,870	3,370,554
Additions during the year	-	165,000
Transferred from properties for development and sale (note 12)	-	800,463
Transferred from property, plant and equipment (note 5.1)	-	81,853
Disposals during the year	(2,973,466)	-
Balance at year-end	**1,444,404**	**4,417,870**
Accumulated amortization:		
Balance at beginning of year	1,594,819	913,284
Amortization during the year (note 27)	437,141	612,880
Transferred from property, plant and equipment (note 5.2)	-	68,655
Disposals during the year	(1,490,912)	-
Balance at year-end	**541,048**	**1,594,819**
Net carrying amount at end of the year	**903.356**	**2,823,051**

9. Payments under investment account in a real estate fund

	31 December 2024	31 December 2023
Itlalat Al-Haram Fund*	**32,993,770**	**-**

* On November 7, 2024, the Company signed a partnership agreement with Musharaka Capital Company (a related party, Note 15) to establish a real estate fund for purchasing land in Jabal Omar (Itlalat Al-Haram Fund) to build residential and commercial towers to achieve capital gains. Musharaka Capital Company will be the fund manager and Ladun Investment will be the real estate developer of the project. The fund's capital is SR 525 million, and the value of the land planned to be acquired is estimated at SR 660 million. The Company has paid an advance payment under the investment account to Musharaka Capital Company as a non-refundable deposit to begin the procedures for establishing the fund. Musharaka Capital Company is working on attracting investors to establish the fund and determine the number of its units. The payment made by the Company will be converted into participation shares in the fund.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

10. Financial assets at fair value through other comprehensive income

10.1 Musharaka REIT Fund stock

	31 December 2024	31 December 2023
Balance at beginning of the year	55,005,000	84,075,000
Loss from revaluation	(10,165,000)	(29,070,000)
Year-end balance	**44,840,000**	**55,005,000**

Dividends during the year ended December 31, 2024 amounted to SR 1,900,000 (2023: SR 665,000).

10.2 Below is the movement in unrealized losses of revaluation of investments at fair value through other comprehensive income:

	31 December 2024	31 December 2023
Balance, beginning of the year	(39,988,946)	(10,918,946)
(Loss) from revaluation	(10,165,000)	(29,070,000)
Balance at end of the year	**(50,153,946)**	**(39,988,946)**

11. Customer contracts

The movement in contract assets and liabilities during the year is as follows:

	31 December 2024	31 December 2023
Balance at beginning of year	938,170,361	427,579,974
Revenue during the year	1,445,165,300	1,388,838,096
Billed during the year	(893,918,782)	(878,247,709)
Balance at end of the year	**1,489,416,879**	**938,170,361**
Less: Provision for impairment of customer contracts (note 11.4)	(23,073,337)	(12,907,975)
	1,466,343,542	**925,262,386**

The customer contracts were presented in the statement of financial position as follows:

	31 December 2024	31 December 2023
11.1 Contracts assets - current portion	727,585,204	441,097,940
11.2 Contracts assets - non-current portion*	969,519,157	658,028,412
11.3 Contract liabilities	(230,760,819)	(173,863,966)
	1,466,343,542	**925,262,386**

11.4 Provision for impairment of customer contracts	31 December 2024	31 December 2023
Balance, beginning of the year	12,907,975	-
Provided during the year (note 27)	10,165,362	12,907,975
	23,073,337	**12,907,975**

* On 25/12/2019 and subsequently on 04/02/2021, the Company concluded a partnership agreement to develop the Alasila District Land in Makkah on a total land area of 2,867,222,21 square meters (the developed land area is 1,593,354 square meters). With the land to be divided at a ratio of 25.844% for Ladun Company and 74.156% for the other party. In the light of the signed agreement, the company obtained long-term Islamic financing from Al Bilad Bank secured by a mortgage on the entire land.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

12. Properties for development and sale

The properties for development and sale represent the following projects:

	31 December 2024	31 December 2023
Development of Alremal land in Riyadh	99,605,848	243,178,967
Development of Ruba District land in Jizan	19,334,381	19,334,381
Development of Nimar District land in Riyadh	6,481,567	13,101,449
Development of Alminjara land in Jazan, Rawabi	15,227,174	15,227,174
Development of Alrabwah District land in Riyadh	-	43,870,351
Development of Al-Sulaimaniyah District land in Riyadh	83,850,000	-
Venan and Jawharat AlRusaifah projects	13,016,148	15,723,015
Development of other projects	853,266	-
	238,368,384	**350,435,337**

The properties under development were presented in the statement of financial position based on the current portion - within the current assets (which represents the portion that will be sold within a year) and the non-current portion - within the non-current assets (which represents the portion that will be sold after one year) as follows:-

	31 December 2024	31 December 2023
12.1 Properties for development and sale - current portion	222,287,943	254,583,172
12.2 Properties for development and sale - non-current portion	16,080,441	95,852,165
	238,368,384	**350,435,337**

The movement on properties for development and sale was as follows:

- For the year ended 31 December 2024

	Developed lands	Work in progress	Total
Cost:			
Balance at beginning of year	267,412,624	83,022,713	350,435,337
Additions during the year	83,850,000	320,314,442	404,164,442
Additions of capitalized finance cost during the year (Note 20)	-	19,780,201	19,780,201
Cost of sold units during the year	(133,334,072)	(402,490,514)	(535,824,586)
Transferred to property, plant and equipment (note 5.1)	-	(187,010)	(187,010)
Balance at year-end	**217,928,552**	**20,439,832**	**238,368,384**

- For the year ended 31 December 2023

	Developed lands	Work in progress	Total
Cost:			
Balance at beginning of year	-	106,286,465	106,286,465
Additions during the year	80,625,000	428,414,033	509,039,033
Additions of capitalized finance cost during the year (Note 20)	-	20,313,721	20,313,721
Transferred from investment properties (note 6)	270,403,565	8,093,088	278,496,653
Cost of sold units during the year	(83,615,941)	(467,431,836)	(551,047,777)
Transferred to property, plant and equipment (note 5.1)	-	(100,750)	(100,750)
Transferred to intangible assets (note 8)	-	(800,463)	(800,463)
Disposals during the year	-	(11,751,545)	(11,751,545)
Balance at year-end	**267,412,624**	**83,022,713**	**350,435,337**

Properties for development and sale include developed lands with works under development amounting to SR 218,017,404 that are mortgaged against long-term loans (Note 20) under an agreement in favor of local banks.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

13. Inventories

	31 December 2024	31 December 2023
Materials and construction supplies	**32,852,772**	**38,957,974**

14. Trade receivables and other debit balances - Net

	31 December 2024	31 December 2023
Trade receivables (note 14.1)	87,809,793	121,421,326
Less: Provision for expected credit loss (note 14.2)	(15,461,655)	(13,314,393)
Trade receivables - net	**72,348,138**	**108,106,933**
Advances to contractors and suppliers	81,458,191	84,164,339
Margin on letters of guarantee (note 32)	31,143,744	39,253,008
Good performance retentions	73,878,547	37,927,448
Zakat, Tax and Customs Authority	38,739,842	59,314,761
Prepayments	5,948,098	3,893,937
Accounts receivable and employees custody	4,213,479	2,647,589
Other	270,707	261,646
	308,000,746	**335,569,661**
Provision for impairment of other debit balances (note 27)	-	(1,957,368)
	308,000,746	**333,612,293**

14.1 Aging of customers' debts

	31 December 2024	31 December 2023
Up to a month	13,151,826	32,991,903
1-2 months	8,520,497	24,154,405
2-3 months	1,138,538	2,031,073
Over 3 months	11,693,305	18,769,843
More than a year	53,305,627	43,474,102
	87,809,793	**121,421,326**

14.2 Movement of provision for expected credit losses

	31 December 2024	31 December 2023
Balance at beginning of year	13,314,393	13,667,781
Provided during the year (note 27)	4,722,616	15,182,665
Utilized during the year	(2,575,354)	(15,536,053)
	15,461,655	**13,314,393**

15. Related party transactions

15.1 Due from related parties

Related parties	Nature of relationship	31 December 2024	31 December 2023
Opal Aljazirah Security Guards Establishment	Owned by the Chairman of the Board and Managing Director	**1,369,682**	**944,733**

15.2 Due to related parties

Related parties	Nature of relationship	31 December 2024	31 December 2023
Musharaka capital Company	Chief Executive Officer of Musharaka, who is the Vice Chairman of the Ladun's Board of Directors	1,930,595	2,555,469
		1,930,595	**2,555,469**

15.3 Related party key transactions

Company	Nature of relationship	31 December 2024	31 December 2023
Opal Aljazirah Security Guards Establishment	Payment of expenses on behalf	8,250,619	4,819,502
	Rendering security guard services	(7,825,670)	(3,243,491)
Musharaka capital Company	Closing and settlement of rental income for Jazla and sea-Shore Residential Complex	315,038	965,933
	Expenses of executed operation and maintenance works	(2,655,686)	(4,362,111)
	Payments for executed services	2,965,522	4,966,065
	Amounts transferred to Musharaka Capital Company under the account of investment in a real estate fund (Note 9)	32,993,770	-

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

15. RELATED-PARTY transactions … (continued)

15.4 Salaries, allowances and remunerations of Senior Executives and the Board of Directors

	2024	2023
Salaries, benefits, and bonuses (note 27)	19,846,048	17,438,978
Remunerations of Board of Directors (note 27)	1,672,500	1,919,874

	31 December 2024	31 December 2023
16. Investments at fair value through profit or loss		
Shares traded in Bank Albilad portfolio (note 16.1)	**25,653,000**	**31,887,750**

16.1 Shares traded in Bank Albilad portfolio

Balance at beginning of year	31,887,750	38,183,750
Disposals during the year	-	(11,665,368)
Realized gains from sale	-	455,368
(Loss)/gains from revaluation during the year	(6,234,750)	4,914,000
Balance at year-end	**25,653,000**	**31,887,750**

Dividends during the year ended December 31, 2024 amounted to SR 700,000 (2023: SR 1,043,750).

16.2 Investments in debt instruments
On February 15, 2024, the Group purchased 5,000 Mudaraba sukuk with a total value of SR 5,000,000 and an annual yield rate of 5.1% until the first revaluation date on February 15, 2025, with the possibility of being called by the issuer according to specified conditions.

	31 December 2024	31 December 2023
17- Cash and cash equivalents		
Banks - current accounts	108,057,385	194,793,697
Banks - investment portfolio	272,556	-
	108,329,941	**194,793,697**
Less:		
Restricted cash (escrow accounts)*	(22,122,906)	(121,131,535)
Banks - Overdraft	(5,000,000)	-
	81,207,035	**73,662,162**

* Restricted cash represents the value of the amounts collected from the sale of off-map housing units. The amounts are reserved for the escrow account for the purpose of disbursing them on off-map sales projects.

18. Share capital
The issued capital of the company is set at five hundred million Saudi Riyals (SR 500 million) divided into (500 million) shares of equal value. The value of each share is one (1) Saudi Riyal, and all of them are ordinary shares, as follows:

	Shareholding %		Number of shares Share / Thousand		31 December 2024	31 December 2023
Shareholder's shares	2024	2023	2024	2023		
Adiyat Investment Company	13.559%	18.639%	67,795	93,195	67,795,000	93,195,000
Ashar Investment Company	-	14.22%	-	71,100	-	71,100,000
Other shareholders	86.441%	67.141%	432,205	335,705	432,205,000	335,705,000
	100%	**100%**	**500,000**	**500,000**	**500,000,000**	**500,000,000**

	31 December 2024	31 December 2023
19. STATUTORY RESERVE		
Balance at beginning of year	24,032,182	13,098,085
Transferred from income of the year	6,608,446	10,934,097
Balance at year-end	**30,640,628**	**24,032,182**

In accordance with the articles of association, the Company has to establish a statutory reserve by the appropriation of 10% of net profit until the reserve equals 30% of the share capital. The reserve is not available for distribution as dividends to Shareholders.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

	31 December 2024	31 December 2023
20. Long-term loans		
Balance at beginning of year	973,691,609	660,656,398
Obtained during the year	173,818,670	419,930,417
Paid during the year	(167,901,449)	(106,895,206)
	979,608,830	**973,691,609**

Less: Deferred interest	**31 December 2024**	**31 December 2023**
Balance at beginning of the year	29,228,660	12,979,275
Additions to revolving loans	61,511,403	50,462,213
Additions to loans received during the year	6,795,398	22,452,139
Transferred to properties for development and sale (note 12)	(19,780,201)	(20,313,721)
Charged to cost of revenue (note 26)	(30,654,937)	(26,210,045)
Charged to financing costs (note 28)	(18,882,781)	(10,141,201)
	28,217,542	**29,228,660**
Balance at year-end	**951,391,288**	**944,462,949**
20.1 Long term loans - current portion	72,282,753	159,696,431
20.2 Long-term loans - non-current portion	879,108,535	784,766,518
	951,391,288	944,462,949

- The Group obtained bank facilities from local banks totaling SR1,686 million, including general facilities, term sale financing, capital requirements financing, financing of existing projects and letters of guarantee. These facilities are compatible with the provisions of Islamic Shariah. The movement of loans obtained under the banking facilities was as follows:

- The Group obtained long-term financing compliant with Islamic Sharia principles from Bank Albilad on March 24, 2021, for an amount of SR 300 million, and on April 12, 2023, for the purpose of financing the infrastructure of the Al-Usayla Development project in Makkah. After extension in the subsequent period, repayment is due on March 8, 2026.

- The Group obtained long-term financing compliant with Islamic Sharia principles on December 22, 2022, for an amount of SR 132 million, and on January 25, 2023, for an amount of SR 102 million from Bank Albilad with a term of 4 years. The first installment was due on June 22, 2023, for the purpose of financing the purchase and development of Al-Rimal land.

- The Group obtained long-term financing compliant with Islamic Sharia principles on September 14, 2023, for an amount of SR 42.6 million from Bank Albilad with a term of 5 years. The first installment is due on September 15, 2024, for the purpose of financing the purchase of 5 offices as investment properties and 3 administrative offices at Sultan Business Center in Riyadh.

- The Group obtained long-term financing compliant with Islamic Sharia principles on September 21, 2023, for an amount of SR 80.6 million from Bank Albilad with a term of 5 years. The first installment is due on September 19, 2024, for the purpose of purchasing and developing Al-Rimal land.

- The Group obtained long-term financing compliant with Islamic Sharia principles on December 12, 2024, from Bank Albilad with a term of 5 years, due at the end of the term, for an amount of SR 81 million for the purpose of purchasing the land of Al-Yamamah Complex in Al-Sulaimaniyah district in Riyadh.

- The Group also obtained other loans during the current period and previous years with a balance of SR 130.8 million as of December 31, 2024, According to the prevailing interests in the market and the following guarantees:

1- A performance and payment bond and a personal guarantee from Shareholders and the directors of the Board.
2- Mortgage for Al-Asila land for a coverage at least 130%.
3- Mortgage for Al-Remal land for a coverage at least 100%.
4- Signing the promissory notes.
5- Mortgage of an investment portfolio or property with a percentage covering 125% of long-term financing.
6- Transfer of the Jeddah-Venan Project and Al-Usaylah Development project revenues in favor of the bank.
7- Pledge to assign rental returns and all operating revenues of Al-Narjis Complex.
8- The Group's commitment to maintain a current ratio of not less than 1 time throughout the financing period.
9- The Group's commitment to maintain a leverage ratio not exceeding 1.25 times throughout the financing period.
10- The Group's commitment to maintain a debt service coverage ratio of not less than 1.25 times throughout the financing period.
11- Others as per the agreement of bank facilities.

The loans include specific covenants. Any breach of these covenants in the future may lead to renegotiation. Management regularly monitors commitments, and in the event of a potential breach, necessary actions are taken to ensure compliance within the year 2024. The company did not have any breaches of these commitments.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

	31 December 2024	31 December 2023
21. Short-term loans		
Balance at beginning of year	210,218,177	162,779,135
Obtained during the year	205,115,364	269,516,095
Paid during the year	(235,100,431)	(222,077,053)
	180,233,110	**210,218,177**

Less: Deferred interest	31 December 2024	31 December 2023
Balance at beginning of the year	10,683,921	1,796,365
Additions	15,195,504	25,763,158
Charged to financing costs (note 28)	(19,795,121)	(16,875,602)
Balance at year-end	**6,084,304**	**10,683,921**

Balance at year-end	**174,148,806**	**199,534,256**

- The Group obtained bank facilities from local banks totaling SR1.016 million, representing Tawarruq financing, direct credit alternatives secured letters of guarantee. These facilities are compatible with the provisions of Islamic Shariah. According to the prevailing interests in the market and the following guarantees:

A performance and payment bond and a personal guarantee from Shareholders and Board of Directors.
- Mortgage of real estate
- Signing the promissory notes
- Others as per the agreement of bank facilities

22. Employee defined benefit - obligations

The company operates an end-of-service plan for its employees in line with the Labor Law requirements in the Kingdom of Saudi Arabia. The EOS payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment. Employee benefit plans are unfunded plans and the Group meets benefit payment obligations when they fall due. The movement during the period was as follows:

	31 December 2024	31 December 2023
Balance at beginning of year	23,586,653	13,713,436
Service cost during the year	6,860,387	8,750,552
Finance costs	1,116,703	764,063
Charged to profits / losses (note 22.1)	**7,977,090**	**9,514,615**
Paid during the year	(4,782,707)	(1,254,590)
Actuarial (gains) / losses of re-measurement of employee defined benefits	(3,346,686)	1,613,192
Balance at year-end	**23,434,350**	**23,586,653**

	2024	2023
22.1 Charged to profits / losses:		
Charged to cost of revenue (note 26)	3,395,589	3,956,092
Charged to general and administrative expenses (note 27)	4,581,501	5,558,523
	7,977,090	**9,514,615**

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

22. Employee defined benefits - obligations. (Continued)

An actuarial valuation was performed using the projected unit credit method to measure the present value of the employee defined benefit obligations on December 31, 2024 in relation to the end-of-service benefits accrued to employees under the Saudi Labor Law. This valuation was based on principal actuarial assumptions that included the following:-

	2024	2023
22.2 Significant actuarial assumptions used		
Retirement age	60	60
Discount rate	5.5%	4.6%
Rate of salary increase	4.6%	5%

Sensitivity analysis

The sensitivity analysis is based on a method that measures the effect on employee defined benefit obligations when a change occurs in one of the principal actuarial assumptions، while keeping all other assumptions constant، Here is a quantitative sensitivity analysis of the assumptions used to measure defined employee benefit obligations:

	31 December 2024	31 December 2023
Basis according to actuarial assumptions used	23,434,350	23,586,653
Sensitivity of employees benefit obligations to a change in one of the assumptions		
Increase in salary rate at 1%	26,234,188	24,798,089
Decrease in salary rate at 1%	21,059,234	22,468,472
Increase in discount rate at 1%	21,226,468	22,258,455
Decrease in discount rate at 1%	26,067,593	25,057,612

A sensitivity analysis may not represent the actual change in the defined employee benefit obligations but rather provide an approximate estimation of the sensitivity of the assumptions. It is unlikely that the assumptions will change independently of each other.

	31 December 2024	31 December 2023
23. Trade accounts payable and other credit balances		
Trade payables	227,802,127	124,572,119
Payables - Purchase of investment properties	105,000,000	105,000,000
National Housing Company *	209,253,777	230,730,068
Advances from customers	241,872,740	157,309,131
Accrued bonuses	1,672,500	6,643,954
Value Added Tax (VAT)	25,336,410	19,389,034
Performance bond	53,612,287	55,465,951
Employees' receivables	17,315,511	8,077,751
Advance rental income	20,860,999	19,110,593
Deposits - reservation of units	1,781,356	2,611,155
Insurance for others	1,134,012	759,341
Accrued interests	1,996,621	2,349,463
Other	2,043,575	1,300,366
	909,681,915	**733,318,926**

* The balance represents the amounts due to the National Housing Company, which is an interest-free loan to finance the projects of the Ministry of Housing, in the form of an incentive, provided that the half amount is paid when 80% of the total units for each project are collected. The other half will be paid when the collection of total units for each project exceeds 90%.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

24. Zakat Provision

24.1 Calculation of zakat

- The Group submits a consolidated zakat return for the entire Group (the Parent Company and its subsidiaries) as per the consolidated financial statements:
- The approximate components of the Group's Zakat base are as follows:

	31 December 2024 According to the new executive regulations	31 December 2023 According to the old executive regulations
Additions of components subject to zakat	1,687,262,940	1,479,401,497
Ductions of components not subject to zakat	(1,625,103,911)	(1,507,265,177)
Total zakat base	**62,159,029**	**27,863,680**
Minimum zakat base	66,071,430	N/A
Maximum zakat base	640,323,644	N/A
Zakat base (354 days)	**66,071,430**	**-**
Zakat base (366 days)	**68,311,139**	**-**
Zakat base	**68,311,139**	**143,728,671**
Zakat for the year	**1,707,778**	**3,593,217**

According to the new executive regulations, zakat is calculated on the zakat base taking into consideration the minimum and maximum limits of the base. If the total base is less than the minimum zakat base, then zakat is calculated on the minimum limit; and if the total base is greater than the maximum zakat base, then zakat is calculated on the maximum limit.
Zakat was computed on the basis of 2،5% of net Zakat base.

24.2 Zakat provision is as follows:

	31 December 2024	31 December 2023
Balance, beginning of the year	11,386,053	8,604,842
Paid during the year	(4,915,389)	(9,398,541)
Zakat differences for prior years	-	8,586,535
Settlements during the year	(2,500,000)	-
Exclusion of subsidiary's Zakat	(5,629)	-
Zakat provisions reversal	(2,756,254)	-
Provided for the year	1,707,778	3,593,217
Balance at end of the year	**2,916,559**	**11,386,053**

24.3 Zakat status

The parent company (Ladun Investment Company) submitted the consolidated Zakat return for the group for the year ended December 31, 2023. The parent company also submitted information returns for the subsidiaries for the same year and obtained a valid certificate until April 30, 2025.

The parent company received final Zakat assessments up to the end of 2020 and made the required payments.
The parent company submitted Zakat returns for the years 2021 and 2022 and paid the Zakat due according to the returns. No final assessments have been issued to date.

The parent company submitted the Zakat return for 2023 and paid the Zakat due according to the return. The Zakat examination is currently being conducted by the Zakat, Tax and Customs Authority. According to the Zakat consultant, no Zakat provisions have been established related to examination differences for 2023.

Built Industrial Company received Zakat assessments from the Zakat, Tax and Customs Authority for the years from 2015 to 2018, which resulted in Zakat differences amounting to SR 2,884,459. The company made the payment during 2024.

25. Revenues

	2024	2023
Revenue from sale of residential units - on the map	109,880,790	192,389,271
Revenue from development and sale of investment properties	742,925,592	847,275,239
Maintenance and operating revenue	20,992,883	11,508,179
Rental income from compounds	35,632,362	32,454,367
Revenue from construction	385,349,441	230,139,494
Sales revenue from construction materials manufacturing sector	207,009,477	119,034,092
Human resources service revenue	3,485,322	3,218,949
	1,505,275,867	**1,436,019,591**

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidate

	2024	2023
26. Cost of revenue		
Subcontractors cost	445,210,745	406,769,297
Cost of development and sale of investment properties*	362,851,716	301,793,260
Cost of construction materials	185,951,757	166,917,310
Salaries, wages and related expenses	111,996,710	113,418,340
Depreciation on investment properties (note 6)	22,531,494	21,596,288
Rent	15,943,283	6,346,245
Fees and subscriptions	14,732,798	10,664,858
Cost of developed residential units	12,004,053	54,751,511
Maintenance and operation expenses for residential complexes	11,535,991	18,886,078
Bank charges	10,538,744	5,778,437
Depreciation of property, plant and equipment (note 5)	6,978,544	10,214,089
Insurance	6,208,512	4,721,783
Consultancy fees	5,130,559	1,068,189
Travel and transportation	4,620,240	1,884,698
Cars maintenance and fuel	3,873,475	1,017,770
Employee defined benefit obligations (note 22.1)	3,395,589	3,956,092
Electricity, water and telephone	2,149,520	1,416,992
Commissions	1,375,315	-
Hospitality and cleaning	1,310,764	809,738
Depreciation on right-of-use assets (note 7.1)	1,136,799	730,218
Maintenance and repair	184,152	4,001,316
Other costs	3,509,192	1,185,863
	1,233,169,952	**1,137,928,372**

Cost of development and sale of investment properties included financing costs for loans related to the Al-Usayla Suburb project amounting to SR 30,654,937 (2023: SR 26,210,045)

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

27. General and administrative expenses

	2024	2023
Salaries, wages and related expenses	90,349,552	74,390,872
Consulting and professional fees	10,249,447	3,035,969
impairment of customer contracts (Note 11.4)	10,165,362	12,907,975
Depreciation of property, plant and equipment (note 5)	5,511,174	1,401,072
Government fees and Subscriptions	5,035,488	5,135,416
Fees and subscriptions for computer software	4,733,010	3,614,172
Expected credit loss (note 14.2)	4,722,616	15,182,665
Employee defined benefit obligations (note 22.1)	4,581,501	5,558,523
Insurance	3,524,463	2,342,834
Legal cases provision	2,326,553	-
Donations	2,485,775	588,993
Advertising	2,284,658	773,646
Bank charges	2,116,054	8,183,426
Remunerations of Board of Directors (note 15.4)	1,672,500	1,919,874
Electricity, water, telephone and Internet	1,042,637	882,949
Amortization of intangible assets (note 8)	437,141	612,880
Depreciation on right-of-use assets (note 7.1)	16,070	46,211
Travel and transportation	1,488,427	1,070,455
Repair and maintenance	970,898	234,020
Hospitality and cleaning	104,749	164,912
Rent	913,051	1,812,957
Cars maintenance and fuel	140,731	296,947
Bad debts	-	406,309
Commissions	-	421,504
Provision for impairment of other debit balances (note 14)	-	1,957,368
Other expenses	2,849,628	1,215,231
	157,721,485	**144,157,180**

28. Finance costs

	2024	2023
Long-term loans (note 20)	18,882,781	10,141,201
Short-term loans (Note 21)	19,795,121	16,875,602
Finance costs of lease liabilities (note 7.2)	3,437,781	3,129,024
	42,115,683	**30,145,827**

29. Other income

	2024	2023
Marketing commissions	-	2,443,447
Real estate disposal taxes recovered	591,842	-
Others	900,586	518,962
	1,492,428	**2,962,409**

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

30. Discontinued Operations

On October 30, 2024, the Company's Board of Directors approved signing an agreement to terminate the contract for the Company's acquisition of LAK Investment Trading Company, which was concluded on 04/08/1442H corresponding to 17/03/2021G. The original contract value was SR 128,788,223 and was signed with a related party (Eng. Nasser bin Saad Al-Arifi) in his capacity as an agent for the controlling parties of LAK Investment Trading Company prior to the acquisition. An amount of SR 133,007,906 was recovered, representing the original acquisition value plus the present value difference of the recovered amount as agreed upon. The agreement or contract did not include any preferential terms. The statutory procedures for transferring the company's ownership are still in progress.

Gains from disposal of investments in a subsidiary consist of the following items:

	2024	2023
Net profit from discontinued operations		
General and administrative expenses	(31,500)	(20,100)
(loss) from operating activities	**(31,500)**	**(20,100)**
Zakat	(5,000)	(5,629)
Gain on sale and disposal of discontinued operations (Note 30.1)	4,393,072	-
	4,356,572	**(25,729)**

30.1 Gain on disposal of investment in a subsidiary

Selling price of the subsidiary	133,007,906	-
Less:		
Investment properties at cost	(128,788,223)	-
Add:		
Accrued expenses and other credit balances	30,000	-
Due to related parties	132,760	-
Provision for zakat	10,629	-
	4,393,072	**-**

31. Basic and diluted earnings per share

Basic and diluted earnings per share is calculated by dividing the annual profit attributable to the Company's Shareholders by the weighted average number of shares issued as follows:

	2024	2023
Profit for the year	66,084,456	109,340,966
Weighted average number of shares issued	500,000,000	500,000,000
Basic and diluted earnings per share (SR)	**0.13**	**0.22**

32. Contingent Liabilities

	2024	2023
Total letters of guarantee	886,101,798	761,580,255
Letters of guarantee covered (note 14)	(31.143.744)	(39.253.008)
	854,958,054	**722,327,247**

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

33. Segment reporting

FOR THE YEAR ENDED 31 DECEMBER 2024

	Real Estate Segment	Construction Segment	Industrial Segment	Service Segment	Total
Revenue	888,438,744	385,349,441	207,009,477	24,478,205	1,505,275,867
Gross profit	211,291,778	10,993,291	43,024,736	6,796,110	272,105,915
Net profit / loss from continued operations	80,069,664	(41,819,082)	20,846,383	2,630,919	61,727,884
Net profit from discontinued operations	4,356,572	-	-	-	4,356,572
Net profit /loss for the year	**84,426,236**	**(41,819,082)**	**20,846,383**	**2,630,919**	**66,084,456**
Total assets	2,309,922,082	460,124,418	234,057,522	8,712,419	3,012,816,441
Total liabilities	1,709,037,609	519,779,664	139,988,993	9,090,531	2,377,896,797

FOR THE YEAR ENDED 31 DECEMBER 2023

	Real Estate Segment	Construction Segment	Industrial Segment	Service Segment	Total
Revenue	1,041,046,156	261,423,054	119,110,107	14,440,274	1,436,019,591
Gross profit / loss	305,336,003	(46,289,223)	34,122,811	4,921,628	298,091,219
Net profit / loss from continued operations	166,006,520	(81,918,896)	22,853,442	2,425,629	109,366,695
Net loss from discontinued operations	(25,729)	-	-	-	(25,729)
Net profit /loss for the year	**165,980,791**	**(81,918,896)**	**22,853,442**	**2,425,629**	**109,340,966**
Total assets	2,182,547,521	460,337,574	117,131,224	7,567,600	2,767,583,919
Total liabilities	1,699,894,330	420,384,626	46,126,974	5,524,488	2,171,930,418

34. Dividends

- As of June 04, 2024, the Ordindary General Assembly No. (1) for the year 2024 approved the authorization of the Board of Directors to distribute semi-annual interim dividends for the fiscal year 2024.
- The Board of Directors decided on June 04, 2024 to distribute cash dividends to the company's shareholders for the second half of 2023 amounting to SR 10 million, which were paid to shareholders during the period ended June 30, 2024 (at the rate of 2 halalas per share).
- The Board of Directors decided on November 10, 2024 to distribute cash dividends to the company's shareholders for the first half of 2024 amounting to SR 10 million, which were paid to shareholders during the period ended December 31, 2024 (at the rate of 2 halalas per share).

35. Financial Instruments

Share capital management

The Group's objectives when managing the share capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for the Shareholders and benefits for other stakeholders, as well as maintaining an optimal capital structure that reduces the cost of share capital.
The Group, like other companies operating in the same field, monitors the share capital on the basis of the debt ratio.
This ratio is calculated by dividing the net debt by the total Shareholders' equity. The net debt is calculated on the basis of total loans, as shown in the statement of financial position, less cash and cash equivalents. The debt ratio was as follows:

	2024	2023
Total borrowings	1,125,540,094	1,143,997,205
Less: Cash and bank balances	(81,207,035)	(73,662,162)
Net debt	**1,044,333,059**	**1,070,335,043**
Total Shareholders' equity	634,919,644	595,653,501
Debt ratio	164.48%	179.69%

(Expressed in Saudi Riyals)

35. Financial Instruments ... (Continued)

Categories of Financial Instruments:
The accounting policies related to financial instruments were applied to the below items:

	2024	2023
Financial assets at fair value		
Investments at fair value through other comprehensive income	44,840,000	55,005,000
Investments in financial instruments through profit or loss	25,653,000	31,887,750
	70,493,000	**86,892,750**

	2024	2023
Financial assets at amortized cost		
Trade receivables and other debit balances	308,000,746	333,612,293
Contract assets	1,697,104,361	1,099,126,352
Amounts due from related parties	1,369,682	944,733
Investments in debt instruments	5,000,000	-
Cash and cash equivalent	81,207,035	73,662,162
Total	**2,092,681,824**	**1,507,345,540**

	2024	2023
Financial liabilities at amortized cost		
Term loans	1,125,540,094	1,143,997,205
Amounts due to related parties	1,930,595	2,555,469
Lease liabilities	230,760,819	173,863,966
Trade accounts payable and other credit balances	909,681,915	733,318,926
Lease obligations	76,305,912	83,222,146
Total	**2,344,219,335**	**2,136,957,712**

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Group's activities are exposed to various financial risks including: Liquidity risk, credit risk, and market risk (include currency risk, fair value risk, cash flow of commission rate and price risk). The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Group's financial instruments comprise financial assets (cash and cash equivalents, trade receivables, investments at fair value, and other receivables) and financial liabilities (banks, credit facilities, trade and other payables) and include the following risks:

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from the inability to sell a financial asset at an amount close to its fair value. The Group manages and monitors liquidity risks on a regular basis to ensure that sufficient funds are available through bank facilities to meet any future commitments.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

All current liabilities are expected to be settled within 12 months as of the date of the financial statements. Trade payables are usually settled within 30-60 days as of the purchase date.

Liquidity risks		**31 December 2024**	
	On demand or less than a year	**More than a year**	**Carrying amount**
Long term loans	72,282,753	879,108,535	951,391,288
Short-term borrowings	174,148,806	-	174,148,806
Lease liability	9,409,451	66,896,461	76,305,912
Accounts payable and Other credit balances	909,681,915	-	909,681,915
Lease liabilities	230,760,819	-	230,760,819
Due to related parties	1,930,595	-	1,930,595
Liabilities from operating contract losses	5,000,000	-	5,000,000
Legal cases provision	2,326,553	-	2,326,553
Provision for zakat	2,916,559	-	2,916,559
	1,408,457,451	**946,004,996**	**2,354,462,447**

Liquidity risks		**31 December 2023**	
	On demand or less than a year	**More than a year**	**Carrying amount**
Long term loans	159,696,431	784,766,518	944,462,949
Short-term borrowings	199,534,256	-	199,534,256
Lease liability	11,306,514	71,915,632	83,222,146
Accounts payable and Other credit balances	733,318,926	-	733,318,926
Lease liabilities	173,863,966	-	173,863,966
Due to related parties	2,555,469	-	2,555,469
Provision for zakat	11,386,053	-	11,386,053
	1,291,661,615	**856,682,150**	**2,148,343,765**

Credit risk

A credit risk refers to the risk that a customer or a counter party in a financial instrument will default on its contractual obligations resulting in financial loss to the Group and arises principally from the cash at banks and receivables. The Group minimizes credit risks associated with receivables by establishing procedures for credit limits for each customer and monitoring outstanding receivables in line with a set of procedures and policies. Cash is deposited with high credit rated banks.

Market risk

Market risk is the risk of fluctuations in a financial instrument due to changes in prevailing market prices such as foreign exchange rates, interest rates, and equity rates, which affect the Group's income or the value of its financial instruments. Market risk management aims to manage and control market risk exposure within acceptable parameters while maximizing returns.
The Group is exposed to the following market risks:

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates affecting foreign currency payments and receipts along with assessment of assets and liabilities in foreign currencies.
The Group is subject to fluctuations in foreign exchange rates in the normal course of its business. The Management regularly monitors changes in foreign exchange rates and manages the impact on the financial statements.

Ladun Investment Company (Public Joint-stock)
A Saudi joint-stock company
Riyadh - Kingdom of Saudi Arabia
Notes to the consolidated financial statements
for the year ended December 31, 2024
(Expressed in Saudi Riyals)

35. Financial Instruments ... (Continued)

Fair value risk

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. Since the Group's financial statements are prepared under the historical cost principle، differences may arise between the carrying amount and the fair value estimates. The Group's Management believes that the fair value of the Group's financial assets and liabilities approximates their balances carried forward.
A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When measuring fair value, the Group uses observable market information whenever possible. Fair values are categorized into different levels in the fair value hierarchy based on the inputs used in the valuation methods as follows:

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

If multiple inputs used to measure fair value are categorized into different levels of the fair value hierarchy, the Fair Value Measurement is categorized in its entirety in the level of the lowest level input that is significant to the entire measurement. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period in which the change occurred. During the period, there were no transfers between Level 1 and Level 2 fair value measurements.

Where the Group's financial instruments are grouped according to the historical cost principle, except for investments and derivative financial instruments charged at the fair value, differences may arise between the carrying amount and the fair value estimates. The management believes that the fair value of the Group's financial assets and liabilities are not materially different from their carrying amount.

The financial assets measured at fair value are as follows:

31 December 2024

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through other comprehensive income	44,840,000	-	-	44,840,000
Investments at fair value through profit or loss	25,653,000	-	-	25,653,000

31 December 2023

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through other comprehensive income	55,005,000	-	-	55,005,000
Investments at fair value through profit or loss	31,887,750	-	-	31,887,750

36. Subsequent events

Management believes that there have been no significant subsequent events since the date of the statement of financial position on December 31, 2024, up to the date of preparation of these financial statements that could have a material impact on the consolidated financial position of the Group.

33. Approval of the consolidated financial statements

The consolidated financial statements for the year ended December 31, 2024 were approved by the Board of Directors on 26 March 2025.

8.3 Audited financial statements for the financial year ended 31 December 2025G

LADUN INVESTMENT COMPANY (PUBLIC JOINT-STOCK)
SAUDI JOINT STOCK COMPANY - LISTED
KINGDOM OF SAUDI ARABIA - RIYADH
CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

MOORE

El Sayed El Ayouty & Co.
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

To the shareholders of
Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Ladun Investment Company, a Saudi listed joint-stock company, (the "Company") and its subsidiaries (collectively referred to as the "Group") which comprise the consolidated statement of financial position as of December 31, 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in Shareholders' equity and the consolidated statement of cash flows for the year then ended and the accompanying notes to the consolidated financial statements, including material information about accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2025, and its financial performance and its cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRS) as endorsed in the Kingdom Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization of Auditors and Accountants.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), in the Kingdom of Saudi Arabia that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with the conduct. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

The Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current year. These matters were addressed in the context of our overall audit of the consolidated financial statements, and in forming our opinion thereon, we did not provide a separate opinion on those matters. The following describes each of the key audit matters and how we addressed them:

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INDEPENDENT AUDITOR'S REPORT

To the shareholders of
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Report on the Audit of the Consolidated Financial Statements... (Continued)

Revenue recognition	
Key Audit Matter	**During the audit, we addressed the key audit matters as follows:**
The Group's revenues for the year ended December 31, 2025, amounted to SR 1,158,181,192 (2024: SR 1,505,275,867). Revenue is a fundamental element in the performance and profitability of the Group. The recognition of revenue, which primarily includes the sale and leasing of properties such as villas, residential apartments, and land plots, entails significant inherent risks due to related judgments and estimates. Reviewing estimates regarding the percentage of project completions, including surveys of work completed to date, is one of the elements that require significant attention during the audit, with a focus on the following matters: Analyzing 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 fulfill the performance obligations under contracts made with customers. Given the inherent risks in the revenue recognition process and the importance of revenue value, revenue recognition has been considered a key audit matter.	We conducted the following audit procedures: • Obtained an understanding of the key control elements surrounding the revenue recognition process. • Inspected the key control elements to determine whether their design, implementation, and execution are effective. • Reviewed a sample of real estate and land sale contracts to identify the performance obligations of the Group under these contracts and to ascertain whether these performance obligations have been fulfilled over a period of time or at a specific point in time. • Assessed the completeness of the rental income recognized during the year by matching the data used in revenue recognition with the rental contracts concluded with customers. • Recalculated a sample of the revenues recognized based on the progress towards fulfilling the performance obligation, using the input method and comparing it to the calculations made by management. • Examined a sample of recorded revenue transactions and compared them with supporting documents to verify the existence of recorded revenues. • Evaluated the appropriateness of the related disclosures in the consolidated financial statements.
With reference to note no. (3.20) on the accounting policy related to revenues, as well as note (25) on disclosures related to revenues.	

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Report on the Audit of the Consolidated Financial Statements... (Continued)

Properties for development and sale	
Key Audit Matter	**During the audit, we addressed the key audit matters as follows:**
The Group retains Properties for development and sale valued at SR 984,098,303 as of December 31, 2025 (2024: SR 238,368,384). Properties for development and sale are recorded at cost or net realizable value, whichever is lower, primarily including completed and under-development residential units and unsold land plots. The Group estimates the net realizable value based on the expected sales price in the ordinary course of business less the estimated costs to complete and the estimated cost to make the sale. For the purpose of estimating the net realizable value, management conducted an assessment of the future sales price by referring to recent sales transactions of similar properties. We considered this matter a key audit matter due to the significance of the estimates and judgments involved in determining the net realizable value of the properties for development and sale, such as the Group's estimate of the sales price, which requires specific audit focus in this area. Any significant change in these estimates could have a material impact on the book value of the Group's properties for development and sale.	We implemented the following audit procedures in relation to the Group's valuation of properties for development and sale: • We tested the validity of measuring properties for development and sale at cost or net realizable value, whichever is less. • We evaluated the reasonableness of the group's estimated sales prices and the estimated costs to complete and the estimated costs of making the sale through discussions with management, detail testing, and analysis based on past experience and actual sales prices in the subsequent period. • We assessed the adequacy and appropriateness of the related disclosures in the accompanying consolidated financial statements.
Please refer to Note (3.8) regarding the accounting policy related to properties for development and sale, as well as Note (12) for related disclosures on properties for development and sale.	

3

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INDEPENDENT AUDITOR'S REPORT

To the shareholders of
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Kingdom of Saudi Arabia - Riyadh

Report on the Audit of the Consolidated Financial Statements... (Continued)

Impairment of investment properties	
Key Audit Matter	**During the audit, we addressed the key audit matters as follows:**
As of December 31, 2025, the value of investment properties amounted to SR 514,358,259 (2024: SR 412,154,215), which is shown at cost after deducting accumulated depreciation and any impairment loss, if any. For the purposes of impairment testing and disclosing fair value in the company's financial statements, investment properties are evaluated by an independent certified external valuation expert ("the valuer"), who conducts the valuation using recognized valuation methods and methodologies based on assumptions and estimates related to several factors affecting the fair value of the investment properties. We considered this matter a key audit matter because testing the impairment of investment properties requires significant judgments by management and also involves key estimates, in addition to the materiality of the amounts involved.	Our audit procedures included, among others, the following: • We evaluated the objectivity, independence, and expertise of the valuers. • We compared the fair value of the investment properties at year-end with the values indicated in the valuation reports provided by the valuers. On a sample basis, and with the assistance of our independent expert, we performed the following procedures: • We evaluated the appropriateness of the valuation methodologies, assumptions, and estimates used by management in the valuation process. • We held discussions with management and assessed the relevant assumptions with reference to market data, where available. • We tested the reasonableness of the key assumptions used by the valuer in determining the recoverable amount / fair value of investment properties, including market values, projected future cash flows, discount rates, and other relevant market factors. • We evaluated the sensitivity analysis, which considered the impact of changes in key assumptions on the resulting fair value measurement. • We reviewed the property ownership deeds of the investment properties. • We ensured that the consolidated financial statements include adequate disclosures regarding the valuation methods and assumptions used in determining fair value, including sensitivity analysis.
Please refer to Note (3.4) regarding the accounting policy for investment properties and Note (6) for the disclosures related to investment properties.	

Other information

Other information consists of the information included in the annual report for the year ended December 31, 2025 other than the consolidated financial statements and the independent auditor's report thereon. The Group's Management is responsible for the other information received in its annual report. It is expected that the annual report will be available to us subsequent to the date of this auditor's report.

Our opinion on the consolidated financial statements does not include the other information nor does or will it express any form of assurances in this regard.

With respect to our audit of the consolidated financial statements, our responsibilities include reading the other information identified above and, in doing so, considering whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

If we conclude that there is a material misstatement in this other information, based on the work we have performed, we are required to report that fact to those charged with governance.

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INDEPENDENT AUDITOR'S REPORT

To the shareholders of
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Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh

Report on the Audit of the Consolidated Financial Statements... (Continued)

Responsibilities of Management and those charged with governance for the consolidated financial statements:
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the IFRS as endorsed in the Kingdom Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Auditors and Accountants, and the provisions of the Companies Law and Articles of Association and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the consolidated financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group 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 Group's financial reporting.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit performed in accordance with International Standards on Auditing as endorsed in the Kingdom of Saudi Arabia we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- • Identify and assess the risks of material misstatement of consolidated 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the consolidated financial statements or, if those disclosures are inadequate, modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Grouop to cease to continue as a going concern.
- • Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

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INDEPENDENT AUDITOR'S REPORT

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Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh

Report on the Audit of the Consolidated Financial Statements... (Continued)

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the the Group's audit. We remain solely responsible our audit opinion.

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 controls that we identify during our audit.

We also communicate with 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 bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Among the matters communicated to those charged with governance, we identify those matters that we considered significant when auditing the consolidated financial statements for the current year, and therefore, these matters are considered the key audit matters. We explain these matters in our report unless a law or regulations prevent public disclosure of a matter, or when we see, in extremely rare circumstances, matters that should not be reported in our report because the adverse consequences of doing so are reasonably expected to outweigh the public interest of this reporting.

For El Sayed El Ayouty & Co.

A. Balamesh

Abdullah A. Balamesh
Certified Public Accountant
License No. (345)

Riyadh on: 11 Shawal 1447H
Corresponding to: 30 March 2026

السيد العيوطي وشركاه
محاسبون ومراجعون قانونيون
CERTIFIED PUBLIC ACCOUNTANTS
P.R.4030291245
EL SAYED EL AYOUTY & CO.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Consolidated statement of financial position as at 31 December 2025
(Expressed in Saudi Riyals)

	Note	31 December 2025	31 December 2024
Assets			
Non-current assets			
Property, plant and equipment	5	101,569,848	104,957,396
Investment properties	6	514,358,259	412,154,215
Right-of-use assets	7.1	3,996,240	5,288,818
Intangible assets	8	1,857,039	903,356
Financial assets at fair value through other comprehensive income	10.1	38,760,000	44,840,000
Investment in a real estate fund	9	32,993,770	32,993,770
Contract assets - non-current portion	11.2	65,286,828	969,519,157
Properties for development and sale - non-current portion	12.2	61,978,902	16,080,441
Total non-current assets		**820,800,886**	**1,586,737,153**
Current assets			
Contracts assets - current portion	11.1	476,033,437	727,585,204
Properties for development and sale - current portion	12.1	922,119,401	222,287,943
Inventory	13	53,411,654	32,852,772
Trade receivables and other debit balances	14	391,998,328	308,000,746
Due from related parties	15.1	3,291,687	1,369,682
Financial assets at fair value through profit or loss:	16.1	23,418,250	25,653,000
Investments in debt instruments	16.2	-	5,000,000
Restricted cash (escrow accounts)	17	26,827,249	22,122,906
Cash and cash equivalents	17	39,008,408	81,207,035
Total current assets		**1,936,108,414**	**1,426,079,288**
Total assets		**2,756,909,300**	**3,012,816,441**
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	18	500,000,000	500,000,000
Statutory reserve	19	-	30,640,628
Retained earnings		129,371,710	154,127,954
Unrealized (losses) from revaluation of financial assets at fair value	10.2	(56,233,946)	(50,153,946)
Actuarial gains of re-measurement of employee defined benefits		4,363,879	305,008
Total Shareholders' equity		**577,501,643**	**634,919,644**
Non-current liabilities			
Long term loans - non-current portion	20.2	272,069,904	879,108,535
Lease liabilities - non-current portion	7.2.2	64,997,710	66,896,461
Employees' defined benefit obligations	22	24,846,468	23,434,350
Total non-current liabilities		**361,914,082**	**969,439,346**
Current liabilities			
Long term loans - current portion	20/1	479,189,118	72,282,753
Short-term loans	21	261,202,887	174,148,806
Lease liabilities – current portion	7.2.1	6,149,943	9,409,451
Due to related parties	15.2	1,758,900	1,930,595
Contract liabilities	11.3	184,335,338	230,760,819
Trade accounts payable and other credit balances	23	874,724,160	909,681,915
Operating loss obligations		1,133,804	5,000,000
Provision for legal claims		6,407,914	2,326,553
Provision for zakat	24.2	2,591,511	2,916,559
Total current liabilities		**1,817,493,575**	**1,408,457,451**
Total liabilities		**2,179,407,657**	**2,377,896,797**
Total Shareholders' equity and liabilities		**2,756,909,300**	**3,012,816,441**

The financial statements shown on pages (1) to (45) have been approved by the Board of Directors and signed on their behalf by:

Chief Financial Officer **Chief Executive Officer** **Authorized BOD's Member**

The accompanying notes (1) to (38) form an integral part of these consolidated financial statements.

7

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Statement of profit or loss and other comprehensive income for the year ended 31 December 2025
(Expressed in Saudi Riyals)

	Note	2025	2024
Continued operations			
Revenue	25	1,158,181,192	1,505,275,867
Cost of revenue	26	(972,562,308)	(1,233,169,952)
Gross profit		**185,618,884**	**272,105,915**
General and administrative expenses	27	(136,636,333)	(140,266,954)
(Losses) from disposal of intangible assets		(165,000)	(1,482,554)
(Losses) from disposal of investment properties	6.2	-	(2,124,860)
Profit/(loss) from disposal of property, plant, and equipment		529,223	(423,343)
Operating contract (loss)		(1,133,804)	(7,000,000)
Losses from impairment of property, plant and equipment	5.2	-	(586,128)
Reversal of loss from impairment of property, plant and equipment	5	573,660	-
Impairment of customer contracts	11.4	(6,949,761)	(10,165,362)
Obsolete and slow-moving inventories	13	(3,429,067)	-
Expected credit losses	14.2	(7,334,317)	(4,722,616)
Income from operating activities		**31,073,485**	**105,334,098**
Other revenue (expenses)			
Dividends from financial assets at fair value through other comprehensive income	10.1	2,280,000	1,900,000
Dividends from financial assets at fair value through profit or loss (FVTPL)	16.1	693,750	700,000
Unrealized (losses) from revaluation of financial assets at fair value	16.1	(2,234,750)	(6,234,750)
Legal claims		(5,756,092)	(2,326,553)
Expenses related to the transition to the main market		(2,724,376)	(240,000)
Finance costs	28	(78,355,241)	(42,115,683)
Other income	29	1,427,917	1,492,428
Investment returns on debt instruments		42,500	212,500
Reversal of provision for impairment of other debit balances		-	1,957,368
Net (loss) profit for the year from continued operations before Zakat		**(53,552,806)**	**60,679,408**
Zakat	24.2	(1,844,066)	(1,707,778)
Zakat provisions reversal	24.2	-	2,756,254
Net (loss) profit for the year from continued operations after Zakat		**(55,396,872)**	**61,727,884**
Discontinued operations			
Gain on sale of investment in a subsidiary	30	-	4,356,572
Net profit from discontinued operations		-	**4,356,572**
Net (loss) profit for the year		**(55,396,872)**	**66,084,456**
Other comprehensive income:			
Items that will not be re-classified to profit or loss:			
Unrealized (losses) from revaluation of financial assets at fair value	10.2	(6,080,000)	(10,165,000)
Actuarial gains from re-measurement of employees' defined benefits	22	4,058,871	3,346,686
Total other comprehensive income items		**(2,021,129)**	**(6,818,314)**
Comprehensive (loss) income for the year		**(57,418,001)**	**59,266,142**
(Loss) and diluted earnings per share from net profit for the year	31	**(0.11)**	**0.13**

The financial statements shown on pages (1) to (45) have been approved by the Board of Directors and signed on their behalf by:

Chief Financial Officer **Chief Executive Officer** **Authorized BOD's Member**

The accompanying notes (1) to (38) form an integral part of these consolidated financial statements.

8

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Consolidated statement of changes in shareholders' equity for the year ended December 31, 2025
(Expressed in Saudi Riyals)

	Note	Share capital	Statutory reserve	Retained earnings	Unrealized (loss) from revaluation of financial assets at fair value through other comprehensive income	Actuarial (loss) / gain of re-measurement of employee defined benefits	Total Shareholders' equity
For the year ended 31 December 2024							
Balance at 01 January 2024		500,000,000	24,032,182	114,651,943	(39,988,946)	(3,041,678)	595,653,501
Net profit for the year		-	-	66,084,456	-	-	66,084,456
Other comprehensive income items		-	-	-	(10,165,000)	3,346,686	(6,818,314)
Total comprehensive income for the year		-	-	**66,084,456**	**(10,165,000)**	**3,346,686**	**59,266,142**
Dividends during the year		-	-	(19,999,999)	-	-	(19,999,999)
Transferred to the statuary reserve	19	-	6,608,446	(6,608,446)	-	-	-
Balance at 31 December 2024		**500,000,000**	**30,640,628**	**154,127,954**	**(50,153,946)**	**305,008**	**634,919,644**
For the year ended 31 December 2025							
Balance at 01 January 2025		500,000,000	30,640,628	154,127,954	(50,153,946)	305,008	634,919,644
Net (loss) for the year		-	-	(55,396,872)	-	-	(55,396,872)
Other comprehensive income items		-	-	-	(6,080,000)	4,058,871	(2,021,129)
Total comprehensive income for the year		-	-	**(55,396,872)**	**(6,080,000)**	**4,058,871**	**(57,418,001)**
Transferred to retained earnings	19	-	(30,640,628)	30,640,628	-	-	-
Balance at 31 December 2025		**500,000,000**	-	**129,371,710**	**(56,233,946)**	**4,363,879**	**577,501,643**

The financial statements shown on pages (1) to (45) have been approved by the Board of Directors and signed on their behalf by:

Chief Financial Officer **Chief Executive Officer** **Authorized BOD's Member**

The accompanying notes (1) to (38) form an integral part of these consolidated financial statements.

9

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Consolidated statement of cash flows for the year ended 31 December 2025
(Expressed in Saudi Riyals)

	Note	2025	2024
Cash flows from operating activities			
Net (loss) profit for the year		(55,396,872)	66,084,456
Net (loss)/ income adjusted to net cash flows from operating activities			
Depreciation on property, plant and equipment		11,629,182	12,489,718
Depreciation on investment properties		22,530,606	22,531,494
(Profits)/ losses from disposal of property, plant and equipment		(529,223)	423,343
Losses from impairment of property, plant and equipment		-	586,128
(Losses) from disposal of investment properties		-	2,124,860
Reversal from impairment of property, plant and equipment		(573,660)	-
Operating contract losses		1,133,804	7,000,000
Amortization of intangible assets		243,436	437,141
Losses from disposal of intangible assets		165,000	1,482,554
Depreciation of right-of-use assets		1,292,578	1,152,869
Employees' benefit obligations - provided		8,602,273	7,977,090
Zakat provisions reversal		-	(2,756,254)
Provision for impairment of other debit balances		-	(1,957,368)
Legal claims - provided		5,756,092	2,326,553
Investment returns on debt instruments		(42,500)	(212,500)
Dividends from financial assets at fair value through other comprehensive income		(2,280,000)	(1,900,000)
Dividends from financial assets at fair value through profit or loss (FVTPL)		(693,750)	(700,000)
Expected credit loss - provided		7,334,317	4,722,616
Provision for impairment of customer contracts- formed		6,949,761	10,165,362
Obsolete and slow-moving inventories- provided		3,429,067	-
Financing costs of long-term loans		56,070,161	18,882,781
Financing costs of short-term loans		17,794,349	19,795,121
Finance costs for lease obligations		4,490,731	3,437,781
Finance costs of Al-Usayla Suburb project		-	30,654,937
Zakat - provided		1,844,066	1,707,778
Unrealized losses from revaluation of investments at fair value through profit or loss		2,234,750	6,234,750
Net (profit) from discontinued operations		-	(4,356,572)
		91,984,168	**208,334,638**
Changes in working share capital			
Provision for expected credit loss utilized		(449,663)	(2,575,354)
Provision for legal claims		(1,674,731)	-
Provision for impairment of customer contracts - utilized		(4,751,370)	-
Customer contracts		169,020,613	(551,246,518)
Inventory		(23,987,949)	6,105,202
Properties for development and sale		108,559,692	131,660,144
Trade receivables and other debit balances		(90,882,236)	25,421,653
Related Parties		(2,093,700)	(1,049,823)
Restricted cash (escrow accounts)		(4,704,343)	99,008,629
Trade accounts payable and other credit balances		(34,957,755)	176,362,989
Cash flows from working capital		**206,062,726**	**92,021,560**
Operating contract loss liabilities - paid		(5,000,000)	(2,000,000)
Employees' defined benefit obligations paid		(3,131,284)	(4,782,707)
Zakat paid		(2,169,114)	(4,915,389)
Zakat settlements		-	(2,500,000)
Disposal of a subsidiary		-	131,260
Net cash flows from operating activities		**195,762,328**	**77,954,724**

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Consolidated statement of cash flows for the year ended 31 December 2025
(Expressed in Saudi Riyals)

	Note	2025	2024
Cash flows from investing activities			
(Additions to) property, plant and equipment		(7,795,108)	(19,923,621)
Proceeds from sale property, plant and equipment		656,357	355,269
(Additions) to investment property		(37,849,735)	(9,160,237)
Proceeds from sale of investment properties		-	133,007,906
(Additions) to intangible assets		(1,362,119)	-
(Additions) investments in debt instruments		-	(5,000,000)
Proceeds from the sale of investments in debt instruments		5,000,000	-
Proceeds from investment returns on debt instruments		42,500	212,500
Amounts paid to real estate investment fund		-	(32,993,770)
Proceeds from dividends from financial assets at fair value through other comprehensive income		2,280,000	1,900,000
Proceeds from dividends from investments at fair value through profit or loss		693,750	700,000
Net cash flows (used in) from investments activities		**(38,334,355)**	**69,097,847**
Cash flows from financing activities			
Lease liabilities paid		(9,648,990)	(11,937,548)
Proceeds from loans		407,814,649	290,219,374
Loans repaid		(597,792,259)	(397,789,525)
Dividends		-	(19,999,999)
Net cash flows (used in) financing activities		**(199,626,600)**	**(139,507,698)**
Net (decrease) increase in cash and cash equivalents		**(42,198,627)**	**7,544,873**
Cash and cash equivalents at beginning of year		81,207,035	73,662,162
Cash and cash equivalents at year-end	17	**39,008,408**	**81,207,035**
Additional information on non-cash finance operations			
Transfered from investment properties to property, plant and equipment		-	29,866,507
Transfered from properties for development and sale to property, plant and equipment		-	187,010
Transferred from properties for development and sale to investment properties		(83,850,000)	-
Transferred from contract assets to properties for development and sale		(938,139,611)	-
Additions to leases		-	1,583,533
Capitalized finance cost on properties for development and sale		-	19,780,201
Capitalized finance cost on investment properties		(3,034,915)	-
Unrealized (losses) from revaluation of financial assets at fair value		(8,080,000)	(10,165,000)

The financial statements shown on pages (1) to (45) have been approved by the Board of Directors and signed on their behalf by:

Chief Financial Officer	Chief Executive Officer	Authorized BOD's Member

The accompanying notes (1) to (38) form an integral part of these consolidated financial statements.

11

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

1. General information

1.1 Ladun Investment Company, a public joint stock company (the 'Company') — a listed joint stock company — was incorporated on 17/03/1426H, corresponding to 26 April 2005, in accordance with the Saudi Companies Law and the Company's Articles of Association, the latest amendment of which was published on 18/01/1447H (corresponding to 13 July 2025). The Company is registered under the Unified National Number 7003761512 in the Commercial Register of the City of Riyadh under Commercial Registration No. 1010467355, dated 18/04/1438H (corresponding to 16 January 2017), valid until 21/05/1449H (corresponding to 21 October 2027). The Company's head office is located in Riyadh, P.O. Box 395343, Postal Code 12312.

1.2 The company operates through the head office and the following branch:
Al-Khobar branch registration number 2051030952 issued on 17/03/1426 H valid until 09/11/1448 H (former head office*).
* During 2021, the branch commercial register No. 1010467355 was converted into a main commercial register, and the main commercial register No. 2051030952 was converted into a branch one.

1.3 The company's activities include purchasing, selling, and subdividing lands and properties, off-plan sales activities, managing and leasing owned or leased residential properties, managing and leasing owned or leased non-residential properties, developing residential buildings using modern construction methods, and developing commercial buildings using modern construction methods.

1.4 The consolidated financial statements as of December 31, 2025 include the financial statements of the Parent Company and the following subsidiaries, collectively referred to as the "Group":

Subsidiaries	Type	Headquarters	Shareholding %	
			2025	2024
Built Industrial Company	LLC	Riyadh	100%	100%
Painite Operations and Maintenance Compan	LLC	Khobar	100%	100%
Lak Investment and Trade Company*	LLC	Mecca	-	-
Iktisaab Human Resources Company	LLC	Riyadh	100%	100%

* On October 30, 2024, the contract for the parent company's acquisition of LAK Investment Trading Company, which was concluded on 04/08/1442H corresponding to 17/03/2021 with a value of SR 128,788,223 at that date, was terminated. The company was sold for SR 133,007,906 (Note 30).

1.5 The Company's fiscal year begins on January 1st and ends on December 31st of each calendar year. The presented consolidated financial statements are for the year ended December 31, 2025 compared to the year ended December 31, 2024.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants ("SOCPA").

2.2 Basis for consolidation of financial statements

The consolidated financial statements include the financial statements of the Parent Company and all subsidiaries, collectively referred to as the "Group". The consolidated financial statements present financial information about the Group as a single economic entity at the same reporting date of the Parent Company, using consistent accounting policies.
- Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies so as to obtain benefits from its activities. Control is presumed to exist over the subsidiary when the Company owns, directly or indirectly, more than half of the voting power of an investee unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control. Control also exists when the Company owns half or less of the voting power of an investee but has other power to govern the financial and operating policies of the entity.
- The financial statements of the subsidiaries are consolidated in full from the date of acquisition being the date when control is transferred to the Group. Consolidation continues until the date of such control ceases.
The Group applies the acquisition method to account for business combinations.
Inter-company transactions, balances, income, expenses, unrealized gains and losses on transactions and dividends are eliminated in full.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

2.3 Basis of measurement
The financial statements have been prepared in Consolidated accordance with the accrual basis of accounting and the going concern principle, and on the basis of the historical cost except for financial assets that are measured at fair value and financial liabilities that are measured at the present value of future liability projections using the projected unit credit method.

2.4 Presentation currency
These consolidated financial statements are presented in Saudi Riyals ("SR") which is the functional and presentation currency. All amounts are presented in the consolidated financial statements in Saudi riyals, unless otherwise stated.

2.5 Use of judgments, estimates and assumptions
The preparation of these consolidated financial statements requires Management to make certain judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and disclosures of contingent liabilities at the reporting date. Although these estimates are based on the best current information and indicators available to Management, the final actual results may differ from these estimates.
These estimates and assumptions are reviewed on an ongoing basis and the effects arising from adjustment of the accounting estimates are recognized in the period in which such adjustment is made and the subsequent periods. The assumptions and estimates are particularly represented in the application of accounting policies that have significant impact on the amounts recognized in the financial statements.

The most significant accounting judgments, estimates and assumptions

2.5.1 Judgments
The following is an explanation to the significant judgments when applying the accounting policies that have a material impact on the amounts presented in the financial statements and the notes thereto:

Fulfillment of performance obligations
The Group evaluates each of its contracts with customers to determine whether performance obligations have been satisfied over time or at a point in time in order to determine the appropriate method for recognizing revenue under the provisions of the relevant laws and regulations.
Determination of transaction prices
The Group determines transaction prices in relation to each of its contracts with customers. When making such judgment, it assesses the impact of any variable consideration in the contract as a result of discounts or fines and the existence of a significant financing component within the contract, or any non-cash consideration within the contract.

Classification of investment properties
The Group determines whether the property qualifies as investment property under IAS 40: Investment properties. In making such judgment, the Group considers whether the property generates cash flows largely independently of other properties and equipment.

The following notes include information about other judgments:
Note (3.5) classification of leases
Note (7.3) whether the Company has significant influence on the investee.

2.5.2 Assumptions and estimates
The following is an explanation of information to assumptions and estimates of uncertainty that have a significant impact on the amounts presented in the consolidated financial statements and the notes:

Going concern assumption
The consolidated financial statements have been prepared in accordance with the going concern principle. The Management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the necessary resources to continue in business for the foreseeable future. Furthermore, Management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern according to the going concern principle.

Useful lives of property and equipment
The Management determines the estimated useful lives of property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the assets, useful lives or physical wear and tear.
Management reviews the residual value of useful lives annually to verify that it reflects the expected benefit to be obtained. If it differs from previous estimates, changes in depreciation expense in current and future periods are adjusted, if any.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

2.5.2 Assumptions and estimates ... (continued)

Fair value measurement
When the fair value of the financial assets and liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from

observable markets where possible, but where this is not feasible, a degree of judgment is required in

establishing fair values. Judgments include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in the assumptions relating to these factors can affect the reported fair value of the financial instruments. The contingent consideration resulting from a business combination is assessed at the fair value on the acquisition date, part of the business combination. If the consideration meets the definition of a financial liability, it will be subsequently remeasured at the fair value in each reporting date. Fair value is determined based on discounted cash flows. Underlying assumptions take into account the possibility of fulfilling each objective of performance and discount factor.

Interest rate implicit in leases
The Group cannot readily determine the interest rate implicit in all leases. Therefore, it uses the Incremental Borrowing Rate (IBR) to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make Group-specific estimates.

Provision for expected credit losses
The Group applies the expected credit losses model to determine impairment losses in the value of trade and other receivables, and this requires the Group to take some factors to ensure that the receivables are not exaggerated as a result of the possibility of non-collection, such as aging of receivables and continuous credit evaluation. Provisions are recorded when there is objective evidence indicating the possibility of non-collection and in accordance with what is stipulated in IFRS (9).

Impairment of non-financial assets
(Except for inventory and investment properties separately assessed for impairment), Management reviews at each reporting date the carrying amounts of other non-financial assets and determine if there is any indicator that the value of non-financial asses may be impaired. In the event of such indication, the recoverable value is estimated and the book value is reduced thereto and the impairment loss of those assets is recognized and charged to the statement of profit or loss.

The recoverable amount is measured using the higher of fair value of the asset less the cost to sell it - or the present value of the cash flows expected to be derived from it according to the discount rate.
Indicators of potential impairment of a non-financial asset may include information suggesting a significant decline in the non-financial asset's market value beyond what is expected due to normal use, or evidence of obsolescence or damage to the asset, or a decline in its expected economic performance, whether in terms of operating results or anticipated cash flows.
When there are indications that a recognized impairment loss in prior periods may no longer exist or have decreased, impairment loss is reversed only to the extent that it does not exceed the previously recognized impairment loss.

Impairment of non-financial assets
(Except for inventory and investment properties separately assessed for impairment), Management reviews at each reporting date the carrying amounts of other non-financial assets and determine if there is any indicator that the value of non-financial asses may be impaired. In the event of such indication, the recoverable value is estimated and the book value is reduced thereto and the impairment loss of those assets is recognized and charged to the statement of profit or loss.
The recoverable amount is measured using the higher of fair value of the asset less the cost to sell it - or the present value of the cash flows expected to be derived from it according to the discount rate.
Indications of impairment of a non-financial asset may be information that a material impairment has occurred to the market value of the asset and is more than expected as a result of normal use or the availability of evidence of obsolescence, damage or deterioration of its expected economic performance whether in its operating results or in the expected cash flows from it.
When there are indications that a recognized impairment loss in prior periods may no longer exist or have decreased, impairment loss is reversed only to the extent that it does not exceed the previously recognized impairment loss.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

2.5.2 Assumptions and estimates... (Continued)
The following notes include information on assumptions and other estimates of uncertainty:
- Note (3.9) Impairment of inventory
- Note (3.14) Measurement of employee defined benefit obligations
- Note (3.16) Provisions
- Note (3.19.1) impairment of financial assets measured at cost or amortized cost

3. Material Information on Accounting Policies
The management has consistently applied the significant accounting policies outlined below to all periods presented in these consolidated financial statements.

3.1 Current vs non-current classification of assets and liabilities
The Group presents its assets and rights in the balance sheet based on current/non-current classification as follows:

Assets
• An asset is classified as current when:
• It is expected to be realized or intended to be sold or consumed in normal operating cycle;
• It is held primarily for the purpose of trading;
• It is expected to be realized within twelve months after the reporting period; or
• is 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
A liability is classified as current when:
• It is expected to be settled in normal operating cycle;
• It is held primarily for the purpose of trading;
• It is due to be settled within twelve months after the reporting period;
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
All other liabilities are classified as non-current.

3.2 Property, plant and equipment

Recognition and measurement
Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss, (if any).
- The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located.
When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment،

Recognition and measurement
Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss, (if any).
- The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located.
When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment،

Subsequent costs of acquisition
The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized.
The costs of the day-to-day servicing of properties, plant and equipment are recognized in statement of profit or loss as incurred.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

3.2 Property, plant, and equipment... (Continued)

Deprecation
Depreciation is calculated based on the cost of assets less the residual value. The significant components of individual assets are estimated. If a component has a useful life different from the useful life of these assets, the useful life of that component is depreciated separately.
Depreciation is included in the profit or loss statement using the straight-line method over the expected useful life of each component of property, plant, and equipment - except for land, as it does not depreciate. Depreciation methods, useful lives, and residual values are reviewed at each financial reporting date and adjusted as appropriate.
Depreciation of an asset begins when it is available for use. Depreciation of an asset ceases at the earlier of when the asset is classified as held for sale or is when the asset is derecognized.

The following are the estimated useful lives of property, plant and equipment:

Buildings and improvements	10-40 years	Vehicles	4-5 Cars
Computers	3-7 years	Furniture and Fixtures	5-10 Cars
Machines and equipment	4-10 Cars	Construction and equipment	3-5 years
Decorations	3-5 years		

Derecognition
An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.
Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within the consolidated statement of profit and loss .

3.3 Capital work in progress
Capital work in progress at year-end includes certain assets that have been acquired but are not ready for their intended use. Capital work in progress is stated at cost less any recorded impairment. These assets are transferred to relevant assets categories and are depreciated once they are available for their intended use.

3.4 Investment properties
Investment properties represent land, buildings, or both held to earn rental income, for capital appreciation, or both, and include properties under construction or development intended for future use as investment properties. They do not include properties held for sale in the ordinary course of business or those used in the production or supply of goods or services or for administrative purposes.
Investment properties are initially recognized at cost, which includes the purchase price, directly attributable transaction costs, and any costs necessary to bring the asset to its intended location and condition for use. The Group applies the cost model, whereby investment properties are measured at cost less accumulated depreciation and impairment losses, if any. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets. The fair value of investment properties is disclosed in accordance with IAS 40 and is determined based on periodic valuations, at least annually, performed by an independent valuer accredited by the Saudi Authority for Accredited Valuers (TAQEEM). Right-of-use assets arising from lease contracts and classified as investment properties are recognized and measured in accordance with IFRS 16 and the Group's lease accounting policy. Investment properties are derecognized upon disposal, when permanently withdrawn from use, or when no future economic benefits are expected from their disposal. Any difference between net disposal proceeds and the carrying amount is recognized in the statement of profit or loss in the period of derecognition. Management reviews useful lives, residual values, and depreciation methods on a periodic basis, at least annually, and any changes in accounting estimates are accounted for prospectively in accordance with the applicable standards.

3.5 Leasing
Determining whether a contract is (or contains) a lease depends on the substance of the agreement at the inception of the lease. A contract is, or contains, a lease if the contract gives the right to control the use of an asset for a period of time in exchange for consideration.
A single recognition and measurement model is applied to all leases except for short-term or low-value leases.
The right to use assets and lease liabilities are recognized at the inception of the lease.
Right-of-use assets
Right-of-use assets are measured at cost comprising the following:-
- The amount of initial recognition of lease liabilities;
- Any lease payments made at or before the commencement date minus lease incentives received
- Any initial direct costs; and
- Restoration costs.

Right-of-use assets are depreciated on a straight-line basis over the shorter of expected useful life or the lease term.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

3.5 Leases... (Continued)

Lease liabilities
Lease liabilities are initially measured at the present value of lease payments that are not paid at the inception of the lease, which include:
- Fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate;
- Amounts expected to be paid under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

If the lease payments are discounted using the incremental borrowing rate, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.
Each lease payment is apportioned between the finance cost and the reduction of the outstanding liability. Finance costs are charged to the statement of profit or loss over the term of the relevant lease so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Short-term or low-value leases
Short-term leases are leases with a lease term of 12 months or less. Payments related to short-term leases and leases of low-value assets on a straight line basis are recognized as an expense in the statement of profit or loss.

3.6 Intangible assets
The separately acquired intangible assets are measured initially at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.
The useful lives of intangible assets are classified as either definite or indefinite. Intangible assets with a definite life are amortized over their estimated useful lives, and they are reviewed to ensure impairment when there is evidence indicating such impairment. The amortization period and the amortization method for an intangible asset with a finite life are reviewed one time at least at the end of each reporting period. Changes in the expected useful life or the method of consumption of future economic benefits embodied in the asset are considered based on the latest amortization period or method, as appropriate, and are treated as changes in accounting estimates. The expenses related to the amortization of intangible assets with a definite life are listed in the profit or loss statement as an expense and are aligned with the function of the intangible assets.
The intangible assets with finite useful lives held by the company consist of computer software, which is amortized on a straight-line basis over five to seven years.
The useful life of intangible assets with a definite life is regularly reviewed to assess whether there are any indications that the originally determined useful life is still appropriate and valid. Otherwise, the change in the useful life calendar is made on a prospective basis. Intangible assets with indefinite life are not amortized, but are tested for impairment annually either individually or at the cash-generating unit level.
The profits or losses resulting from discontinuing the recognition of intangible assets are measured as the difference between the net proceeds from disposal and the carrying amount of the asset. They are recognized in the statement of profit or loss upon discontinuation of the asset's recognition.

3.7 Investments in associates
Associates are entities over which the investor company has significant influence and which are neither subsidiaries nor interests in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the associate, but is not control or joint control over those policies. Significant influence is presumed to exist over an associate when the investor company holds 20% or more of the voting power of the associate, unless there is evidence that significant influence does not exist. Conversely, significant influence is presumed not to exist if the investor company holds less than 20% of the voting power of the associate, unless there is evidence that significant influence does exist.

3.7.1 Accounting for investments using equity method of accounting
Investments in associates are accounted for using the equity method of accounting by which an equity investment is initially recorded at cost of acquisition and subsequently adjusted to reflect the investor's share of income and other comprehensive income of the investee.

If the Group's share of losses of an investee equals or exceeds its interest in the investee, the Group discontinues recognizing its share of further losses. However, after the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. If the investee subsequently reports profits, the Group resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

3.8 Properties for development and sale
Properties acquired, constructed, or under development for the purpose of sale are classified as development properties held for sale. These properties are measured at the lower of cost and net realizable value. The cost of development properties includes, but is not limited to, the cost of land acquisition and related rights, construction and development costs, design and engineering consultancy fees, borrowing costs related to qualifying projects, and all direct and indirect costs necessary to prepare the properties for sale, as well as any other costs directly attributable to bringing the properties to their present location and condition.

Net realizable value represents the estimated selling price in the ordinary course of business, less the estimated costs to complete the development, if any. Management reviews the carrying amounts of development properties periodically, at least annually, to assess whether any impairment exists Any resulting loss is recognized in the statement of profit or loss.
Upon sale, the carrying amount of the properties sold is recognized as an expense within cost of revenue. At each reporting date, development properties are classified as current or non-current assets based on the expected period of realization, in accordance with management's plans and the project execution schedule.
At each reporting date, development properties are classified as current or non-current assets based on the expected period of realization, in accordance with management's plans and the project execution schedule.

3.9 Inventories
Inventories are measured at lower of cost and net realizable value.
The cost includes the costs of purchasing materials and all expenses incurred to bring them to their present location. The cost is measured using the weighted average method.

Net realizable value is the estimated selling price in the ordinary course of business, less any expected costs of completion and the estimated selling costs.

Impairment of inventory
An assessment is made at each reporting date whether any inventories are impaired by comparing the carrying amount of each inventory item (or a group of similar items) with the selling price less the cost of completion and sale. If the net selling price is less than the carrying amount, the impairment loss is recognized for the inventory.

3.10 Accounts receivable
Accounts receivable are initially recognized at fair value, and subsequently measured at amortized cost using the effective interest less any impairment losses.
Trade receivables arise when the Group provides products and services to a customer on credit. The Management of the Group does not impose any commissions on trade receivables.

3.11 Related party transactions
Transactions with related parties include the transfer of resources, services, obligations or financing between the Group and the related party, regardless of whether such transactions are conducted on terms equivalent to those prevailing in an arm's-length transaction.

A related party is a person that is related to the reporting entity or a close member of that person's family is related to a reporting entity if that person:
a- is a member of the key management personnel of the reporting entity*;
b- has control or joint control over Group reporting entity;
c- has significant influence over the Group's decision-making process and policies.
* Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors whether executive or otherwise of the entity.

An entity is related to the Group if any of following conditions applies:
a- The entity and the reporting entity are members of the same group or both entities are jointly owned;
b- One entity is an associate or joint venture of the other entity;
c- The entity is controlled by the reporting entity or vice versa or the entity and the reporting entity are jointly controlled.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

3.12 Statement of cash flows

Statement of cash flows is prepared according to the indirect method.

For the purpose of preparing the statement of cash flows, cash and cash equivalents comprise cash with banks, cash on hand and the above short-term deposits less outstanding overdraft accounts that form an integral part of the Group's cash management.

3.13 Account payables and accrued expenses

Account payables and accrued expenses are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

Trade payables are liabilities that the Group has incurred during the ordinary course of business on the basis of normal credit terms and they are non-interest bearing.

3.14 Employee defined benefit obligations

Defined benefit plans (employee defined benefit obligations)

The Group operates a defined benefit plan for end-of-service benefits in line with the Labor Law requirement in the Kingdom of Saudi Arabia. The payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment. As defined by the conditions stated in the Labor Law of the Kingdom of Saudi Arabia, employees' end of service benefit plans are unfunded plans whereby the benefit payment obligations are met by concerned entities when they fall due.

The defined benefits obligation is periodically re-measured by an actuary using the projected credit unit method. The amount of obligation is calculated on the basis of the present value of the estimated future cash outflows discounted at the discount rate used.

The costs of the defined benefit obligations for the initial periods are calculated on an annual basis using the actuarially defined pensions cost rate at the end of the previous year, adjusted for significant market fluctuations and any significant onetime events, such as scheme adjustments or manpower cuts and reimbursements,

Actuarial gains and losses arising from remeasurement of defined benefit plan obligation are recognized in the statement of other comprehensive income.

The Company calculates interest expense by applying the discount rate used to measure the net defined benefit obligation. The net interest expense and other expenses related to defined benefit plans recognized in the statement of profits or losses.

Short-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, non-cash benefits, annual leave, sick leave, air tickets and child education allowances during the period in which the employees render the related service. The liability is recorded at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognized in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

3.15 Zakat and tax

Zakat charge

The Group calculates Zakat for the parent company and its subsidiaries, whereby a consolidated return is submitted for the Group for each financial year separately in accordance with the provisions and rules of Zakat in the Kingdom of Saudi Arabia on an accrual basis. The Zakat provision is charged to the consolidated statement of profit or loss and other comprehensive income as a separate item. Any additional Zakat obligations resulting from any Zakat assessments, if any, are charged in the same financial year in which the Zakat assessment is approved.

Value Added Tax

The net amount of VAT recoverable from, or payable to, the GAZT is included as for the part of receivables or payables in the statement of financial position.

Withholding Tax

Group withholds taxes on certain transactions with non-resident parties in the KSA, if any, as required under Saudi Arabian Income Tax Law. Withholding tax on foreign payments is recorded as a short-term liability.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

16.3 Provisions

Provisions are recognized when the Group 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 can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If outflows to settle the provisions are no longer probable, reversal of the provision is recorded as income.

3.17 Contingent liabilities and assets

All contingent liabilities arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Group; or all present obligations arising from past events but not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability. A contingent liability will not be recognized, rather, it will be disclosed in the financial statements.

Contingent assets are not recognized in financial statements; however, a contingent asset is disclosed where an inflow of economic benefits is probable.

3.18 FOREIGN CURRENCY TRANSLATION

Transactions in foreign currencies during the period are translated into Saudi Riyals and recorded at the rates of exchange prevailing at the transaction dates. The balances of assets and liabilities recorded in foreign currencies at the balance sheet date are translated into Saudi Riyals at the exchange rates prevailing at that date. Profits and losses arising from transactions are reported in the statement of income.

3.19 Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A financial asset or a financial liability is recognized and measured in accordance with measurement, recognition and disclosure requirements of IFRS 9.

Relevant detailed accounting policies are as follows:

3.19.1 Financial assets

Initial recognition and measurement

Trade receivables and deposits are recognized on the date they arise while all other financial assets are recognized on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

Financial assets are measured upon initial recognition at the transaction price attributable to the acquisition of the financial asset, including transaction costs, except for financial assets that are subsequently measured at fair value through the statement of profit or loss. If the arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest.

IFRS 9 has three major categories of financial assets as follows: Financial assets measured at amortized cost, assets measured at fair value through other comprehensive income and assets measured at fair value through profit or loss.

Under IFRS 9, financial derivatives embedded in contracts containing the basic instrument are financial assets within the scope of the standard and are not separated. The entire hybrid financial instrument is assessed for classification.

Subsequent measurement of financial assets depends on their classification as described below:

● Financial assets at amortized cost

These assets are measured upon initial recognition at fair value plus transaction costs directly attributable to the acquisition or issue of the financial asset. After initial recognition, they are measured at amortized cost using the effective interest method.

● Financial assets at fair value through other comprehensive income

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

3.19.1 Financial assets. (Continued)

Classification and subsequent measurement
Financial assets at fair value through profit or loss
Financial assets carried at fair value through profit or loss include financial assets held for trading and financial assets classified at initial recognition as fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. After initial recognition, they are re-measured at fair value.

Derecognition of financial assets
A financial asset is primarily derecognized when:
The contractual rights to the cash flows from the financial asset expire;
The Group transfers the rights to receive the contractual cash flows from the asset; Or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either the Company has transferred substantially all the risks and rewards of the asset, or it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets measured at cost or amortized cost
Under IFRS 9, an impairment review is made at each reporting date for financial assets measured at amortized cost or FVTOCI except investments in equity instruments as well as contract assets as per the expected future credit loss model, which requires a significant estimate of how changes in economic factors affect the expected credit loss models that are determined on a weighted probability basis. This requires a significant estimate of how changes in economic factors affect the expected credit loss models that are determined on a weighted probability basis. Loss provision for loss will be measured on one of the following basis:
1- The expected credit loss over 12 months: This expected credit loss arises from default and potential default events within 12 months after the reporting date.
2- The expected credit loss over the life of the financial instrument: It is the expected credit loss that results from all default events over the expected life of the financial instrument.
As for the expected credit loss over 12 months، measurement is applied if the credit risks of financial assets have increased substantially at the reporting date since the initial recognition. The expected credit loss over 12 months measurement is applied if the credit risks have not increased substantially. The entity may determine that the credit risk does not increase substantially in case the instrument is exposed to low credit risks at the reporting date. However, the measurement of lifetime expected credit losses is always applied to trade receivables and contract assets without any significant financing components. The entity may choose to apply this policy also to trade receivables and contract assets with significant financing components.

3.19.2 Financial liabilities

Initial measurement
Upon initial measurement, except for financial liabilities that are subsequently measured at fair value through profit or loss, the financial liabilities are measured at the transaction price (including transaction costs), unless the arrangement forms actually financing transaction of the entity (for financial obligation) or a counter party (for financial asset) of the arrangement.
At initial measurement of financial liabilities that are subsequently measured at fair value through profit or loss, transaction costs are recognized in the statement of profit or loss.
The arrangement constitutes a financing transaction if payment is deferred beyond normal business terms. If the arrangement constitutes a financing transaction. The financial liability shall be measured at the present value of the future payments discounted at the market rate of interest for a similar debt instrument..
Trade payables that have a significant financing component or have a maturity of less than 12 months are measured at their transaction price (invoice).

Classification and subsequent measurement
Financial liabilities are measured at the amortized cost using the effective interest method if the above specified conditions have been met. Financial liabilities are subsequently measured at the amortized cost using the effective interest method. The amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate is included in the finance income within the statement of profit or loss. IFRS 9 introduces the change in fair value related to changes in the credit risk of liabilities in the comprehensive income statement while the remaining amount of the change in fair value is presented in the statement of profit or loss.
Debt instruments classified as current liabilities are measured at the undiscounted cash amount or other cash consideration expected to be paid unless the arrangement constitutes, in fact, a financing transaction.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

3.19.2 Financial liabilities...(continued)

Derecognition of financial liabilities
A financial liability is derecognized when and only when the obligations are discharged, canceled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms or when the terms of an existing obligation are substantially modified, such replacement or modification is treated as a derecognition of the original financial liability, along with recognizing the new obligation. The difference in respective carrying amounts is recognized in the statement of profit or loss.

3.19.3 Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when the Group currently has a legally enforceable right to set off the recognized amounts; and the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3. 20 Revenue recognition
The Group recognizes revenue in the statement of profit or loss and other comprehensive income when (or as) it satisfies performance obligations by transferring control of goods or services to the customer, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding amounts collected on behalf of third parties. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractual payment terms and any significant financing components, if applicable. The Group recognizes revenue from contracts with customers in accordance with IFRS 15 – Revenue from Contracts with Customers, applying the five-step model.
Step 1: Identifying the contract(s) with the customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out criteria that must be met.
Step 2: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
Step 3: Determine the transaction price: It is the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4: Allocate the transaction price to the performance obligations. Where a contract has multiple performance obligations. the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
Step 5: Revenue is recognized when (or as) performance obligations are satisfied. Where a contract includes variable consideration (such as discounts, incentives, penalties, or refunds), the Group estimates the consideration using either the expected value or the most likely amount method, applying the constraint on variable consideration to avoid significant reversal of revenue in the future.

The Group assesses its role in each contract to determine whether it is acting as a principal or an agent;
- Principal: when acting as a principal, where it controls the goods or services before transfer to the customer, revenue is recognized on a gross basis.
Agent: where it arranges for the provision of goods or services, revenue is recognized on a net commission basis, taking into account indicators such as responsibility for fulfilling the obligation, inventory risk, and pricing discretion.
Where contracts include non-cash consideration, the Group measures such consideration at fair value when determining the transaction price, or indirectly by reference to the stand-alone selling price of the promised goods or services.
- Fair value is determined at the time of revenue recognition and not subsequently remeasured for revenue purposes; where entitlement to such consideration is contingent on future contractual conditions, it is recognized as a contract asset until those conditions are satisfied and control is transferred.
Revenue is recognized over time if any of the following criteria are met: The customer simultaneously receives and consumes the benefits as the Group performs, or the Group's performance creates or enhances an asset controlled by the customer. Or the asset has no alternative use to the Group and the Group has an enforceable right to payment for performance completed to date; in such cases: Progress is measured using the input method (cost-to-cost basis), Revenue is recognized based on the stage of completion at the reporting date.
If these criteria are not met, revenue is recognized at a point in time when control transfers to the customer. The transfer of control is determined based on indicators such as: Transfer of legal title, customer acceptance of the asset or service, the Group's right to payment, and the transfer of significant risks and rewards.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

3.20 Revenue recognition ... (Continued)

- Revenue from Real Estate Development and Off-Plan Sales
The Group recognizes revenue from real estate development and off-plan sales contracts over time, where: The asset has no alternative use to the Group; and the Group has an enforceable right to payment for performance completed to date. Progress toward completion is measured using the input method calculated as follows: Percentage of completion = costs incurred to date / total estimated costs.
Costs that do not reflect actual performance are excluded.

Presentation of contract balances:

A contract asset is recognized when recognized revenue exceeds billings. A contract liability is recognized when billings exceed recognized revenue. Where progress cannot be measured reliably, revenue is recognized only to the extent of recoverable costs.

- Revenue from Sale of Completed Properties and Land
Revenue is recognized at a point in time when control is transferred to the customer, which typically coincides with: Transfer of legal title; handover of the property; and

- Construction contracts
Revenue from construction contracts is recognized over time using the cost-to-cost method (input method), which is the ratio of contract costs incurred for work performed to date to the estimated total contract costs. Profit is only recognized when the contract reaches a stage where the final profits can be estimated with reasonable certainty. Claims, change orders, and incentive payments are considered for the purpose of contract profit recognition upon approval by the contract owner, and expected contract losses are recognized in full as soon as they become apparent.
The difference between the revenue recognized based on the stage of completion and the amounts billed is presented as unbilled contract assets.

Management considers that the use of the input method (cost-to-cost method) provides a reliable measure of progress in satisfying performance obligations, as costs incurred directly reflect the work performed.

This method is consistent with the nature of construction contracts, which are executed in interrelated stages. Accordingly, it faithfully represents the pattern of satisfaction of performance obligations and the transfer of control of goods or services to the customer.

- Rental Income:
The Group acts as a lessor under operating lease arrangements. Rental income is recognized on a straight-line basis over the lease term in accordance with IFRS 16 – Leases. Lease incentives are allocated over the lease term. Initial direct costs are recognized as an asset and amortized over the lease term. Compensation on lease termination is recognized when it becomes receivable.

- Service rendering revenue
Service revenue is recognized: Over time, if the criteria for continuous recognition are met; or at a point in time, upon completion of the service. Where the outcome cannot be measured reliably, revenue is recognized to the extent of recoverable costs.
- Where a contract includes a significant financing component due to differences between payment timing and transfer of control: The transaction price is adjusted to reflect the time value of money.
- Incremental costs of obtaining a contract are capitalized if they are expected to be recoverable. These costs are amortized over the contract period or based on the pattern of transfer of services.

Measurement of Progress
The Group applies a single method of measuring progress for each performance obligation satisfied over time and applies it consistently to similar obligations under similar circumstances.
Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset until it is ready for its intended use, in accordance with IAS 23 – Borrowing Costs.

- Contract Assets and Contract Liabilities
The Company recognizes contract assets and contract liabilities in accordance with IFRS 15 – Revenue from Contracts with Customers, based on the extent of progress toward satisfaction of performance obligations, reflecting the difference between the timing of revenue recognition and billing.
Contract assets arise when recognized revenue exceeds billings and represent the Company's contractual right to consideration for work performed but not yet billed. This right is conditional upon meeting contractual requirements, including certification of work performed. Contract assets are reclassified to trade receivables once billing conditions are met. Contract assets are subject to impairment testing.
Contract liabilities arise from advance payments received from customers or when billings exceed recognized revenue. They represent the Company's obligation to transfer goods or services in the future and are recognized as revenue when performance obligations are satisfied and control is transferred.
- Contract assets and contract liabilities are presented separately in the statement of financial position as current or non-current, depending on the nature of the contract and timing of cash flows or transfer of consideration.

3.21 Cost of revenue and general and administrative expenses
Revenue costs comprise costs of development and other related service costs, including construction cost, direct labor, other capital costs and operating expenses associated with revenue. All other expenses are classified as general and administrative expenses.

3.22 Finance cost
Finance costs comprise interest and other costs incurred by the Group in connection with borrowings and financing facilities. All finance costs are charged to profit or loss in the period in which they are incurred, except for private financing costs.

3.23 Board of Directors' remunerations
Total remunerations paid to the Board of Directors represent fees for meeting attendance, bonuses and expenses. They are in line with the Companies Law requirements and the Capital Market Authority guidelines and the Company's Articles of Association.

3.24 Earnings per share
Basic earnings per share and diluted earnings per share (if any) are presented for ordinary shares. Basic earnings per share are calculated by dividing the Group's profit or loss attributable to common shareholders by the weighted average number of common shares outstanding during the year, after being adjusted by the number of ordinary shares repurchased or issued during the year. Diluted earnings per share is calculated by adjusting diluted profit or loss of the Group's ordinary shareholders and the weighted average number of shares outstanding during the year compared to dilutive potential ordinary shares.

3.25 Dividends
Dividends are distributed to the Shareholders when the General Assembly of Shareholders approves the dividends in line with the Saudi Companies Law.

3.26 Operating Sectors
A business segment is a company with assets and operations associated with providing products or services that are subject to different risks and returns than other business segments. The geographical sector includes the provision of products or services within a specific economic environment that is subject to different risks and returns than sectors operating in other economic environments.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements for the year ended December 31, 2025

4. Changes in significant accounting policies and new standards

4.1 New and revised IFRS Standards that are applicable and have no significant impact on the financial statements

No new IFRS standards have been applied; however, a number of IFRS amendments are effective as of January 1, 2025 but have no significant impact on the Group's consolidated financial statements. The following is a summary of the amendments applied by the Group:

Standard - Interpretation	Description	Effective date for financial statements beginning on or after
IAS 21	Amendments to the standard "Effects of Changes in Foreign Exchange Rates" related to the definition of a convertible currency and the estimation of the spot exchange rate when the currency is non-convertible, and the related disclosures.	1 January 2025

4.2 New and revised IFRS not yet effective and not applicable:

The following are standards and interpretations issued and not yet effective and not applicable as of the date of the consolidated financial statements:

Standard - Interpretation	Description	Effective date for financial statements beginning on or after
IFRS 9 and IFRS 7	Classification and measurement of financial instruments: These amendments: (a) Clarify the requirements related to the timing of recognition and derecognition of certain financial assets and liabilities, with a new exception for certain financial liabilities that are settled through electronic funds transfer systems; (b) Clarify and provide additional guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; (c) Add new disclosures for certain instruments that contain contractual terms that could change cash flows (such as certain instruments containing features linked to environmental, social, and governance (ESG) targets); (d) Update disclosures related to equity instruments designated at fair value through other comprehensive income.	1 January 2026
IFRS 18 Replacing IAS 1 and Consequential Amendments to IAS 8	IFRS 18 Replacing IAS 1 The Saudi Organization for Chartered and Professional Accountants has adopted IFRS 18 "Presentation and Disclosure in Financial Statements," which replaces IAS 1. The standard includes improvements to the structure of the profit or loss statement to provide more relevant and clear information, and develops specific requirements related to performance measures defined by management. The issuance of this standard has resulted in consequential amendments to IAS 8 regarding the basis for preparing financial statements and disclosure of significant accounting policy information and sources of estimation uncertainty. It has also led to amendments to IAS 7 concerning the presentation of cash flows from profits and returns from interest income and expenses, with specific requirements for entities whose primary activities are focused on investment or financing.	1 January 2027
IFRS 19	The Saudi Organization for Chartered and Professional Accountants has adopted IFRS 19 "Subsidiaries without Public Accountability: Disclosures." This standard primarily aims to provide a reduced level of disclosures in the financial statements of subsidiary companies that do not have public accountability, as an alternative to the disclosure requirements in the full International Financial Reporting Standards. The objective is to simplify the mechanisms and systems for preparing financial statements and reduce their costs.	1 January 2027
IFRS 9 and IFRS 7	Amendments to the Standard "Financial Instruments" relating to nature-dependent electricity contracts and the related disclosure amendments.	1 January 2026

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements for the year ended December 31, 2025
(Expressed in Saudi Riyals)

5. Property, plant and equipment
5.1 For the year ended December 31, 2025

	Lands	Buildings and improvements	Computers	Vehicles	Furniture and Fixtures	Machines and equipment	Construction and equipment	Capital work in progress	Total
Cost:									
Balance at 01 January 2025	30,539,395	48,931,128	8,333,534	16,537,513	11,879,104	48,095,365	4,587,723	-	168,903,762
Reclassification	-	-	(69,616)	-	(238,618)	(209,623)	252,767	265,090	-
Additions during the year	-	-	553,328	308,181	467,293	5,448,059	516,520	501,727	7,795,108
Disposals during the year	-	-	(572,942)	(67,500)	(825,262)	(3,293,352)	(998,899)	-	(5,757,955)
Balance at 31 December 2025	**30,539,395**	**48,931,128**	**8,244,304**	**16,778,194**	**11,282,517**	**50,040,449**	**4,358,111**	**766,817**	**170,940,915**
Impairment:									
Balance at 01 January 2025	586,128	-	-	-	-	-	-	-	586,128
Reversal of impairment during the year	(573,660)	-	-	-	-	-	-	-	(573,660)
Balance at 31 December 2025	**12,468**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**12,468**
Accumulated depreciation:									
Balance at 01 January 2025	-	5,818,820	4,609,030	12,235,865	8,124,166	29,868,735	2,703,622	-	63,360,238
Reclassification	-	-	29,286	-	(237,317)	(43,107)	251,138	-	-
Depreciation for the year	-	2,216,976	1,279,542	1,513,492	1,072,698	4,900,582	645,892	-	11,629,182
Disposals during the year	-	-	(554,377)	(67,500)	(795,494)	(3,260,791)	(952,659)	-	(5,630,821)
Balance at 31 December 2025	**-**	**8,035,796**	**5,363,481**	**13,681,857**	**8,164,053**	**31,465,419**	**2,647,993**	**-**	**69,358,599**
Net carrying amount:									
As of 31 December 2025	**30,526,927**	**40,895,332**	**2,880,823**	**3,096,337**	**3,118,464**	**18,575,030**	**1,710,118**	**766,817**	**101,569,848**

- Property, plant and equipment include lands amounting to SR 27,227,331 and buildings amounting to SR 15,549,368 against a mortgage for long-term loans (note 20) under an agreement in favor of local banks.

	2025	2024
- The depreciation is distributed as follows:		
Charged to cost of revenue (note 26)	6,999,016	6,978,544
Charged to general and administrative expenses (note 27)	4,630,166	5,511,174
	11,629,182	**12,489,718**

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements for the year ended December 31, 2025
(Expressed in Saudi Riyals)

5. Property, plant and equipment
5.2 For the year ended December 31, 2024

	Lands	Buildings and improvements	Computers	Vehicles	Furniture and Fixtures	Machines and equipment	Construction and equipment	Capital work in progress	Total
Cost:									
Balance at 01 January 2024	10,114,908	32,597,071	9,724,066	15,714,172	14,624,566	44,239,774	3,273,582	-	130,288,139
Reclassification	(791,700)	2,044,740	(134,537)	(629,747)	(1,117,743)	1,035	627,952	-	-
Additions during the year	-	5,572,366	2,023,791	2,279,301	2,722,877	6,189,611	1,135,875	-	19,923,821
Transferred from investment properties (note 6.2)	21,216,187	8,716,951	-	-	-	-	-	-	29,933,138
Transferred from properties for development and sale (note 12)	-	-	-	-	187,010	-	-	-	187,010
Disposals during the year	-	-	(3,279,786)	(826,213)	(4,537,606)	(2,335,055)	(449,686)	-	(11,428,346)
Balance at 31 December 2024	**30,539,395**	**48,931,128**	**8,333,534**	**16,537,513**	**11,879,104**	**48,095,365**	**4,587,723**	**-**	**168,903,762**
Impairment:	586,128	-	-	-	-	-	-	-	586,128
Impairment during the year	**586,128**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**586,128**
Accumulated depreciation:									
Balance at 01 January 2024	-	2,085,906	6,382,188	11,874,888	10,480,409	28,778,186	1,852,046	-	61,453,623
Reclassification	-	368,443	(129,234)	(600,712)	(238,960)	1,035	599,428	-	-
Depreciation for the year	-	3,297,840	1,390,792	1,767,249	1,969,247	3,426,657	637,933	-	12,489,718
Transferred from investment properties (note 6.2)	-	66,631	-	-	-	-	-	-	66,631
Disposals during the year	-	-	(3,034,716)	(805,560)	(4,086,530)	(2,337,143)	(385,785)	-	(10,649,734)
Balance at 31 December 2024	**-**	**5,818,820**	**4,609,030**	**12,235,865**	**8,124,166**	**29,868,735**	**2,703,622**	**-**	**63,360,238**
Net carrying amount:									
As of 31 December 2024	**29,953,267**	**43,112,308**	**3,724,504**	**4,301,648**	**3,754,938**	**18,226,630**	**1,884,101**	**-**	**104,957,396**

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements for the year ended December 31, 2025
(Expressed in Saudi Riyals)

6. Investment property
6.1 For the year ended December 31, 2025

	Lands	Buildings	Investment properties under development	Right-of-use assets	Total
Cost:					
Balance at 01 January 2025	120,275,578	283,683,220	10,219,426	94,504,929	508,683,153
Additions during the year	-	304,145	37,545,590	-	37,849,735
Capitalized interests during the period (note 20)	-	-	3,034,915	-	3,034,915
Transferred from properties for development and sale (note 12)	83,850,000	-	-	-	83,850,000
Balance at 31 December 2025	**204,125,578**	**283,987,365**	**50,799,931**	**94,504,929**	**633,417,803**
Accumulated depreciation:					
Balance at 01 January 2025	-	66,175,040	-	30,353,898	96,528,938
Depreciation for the year (note 26)	-	16,317,675	-	6,212,931	22,530,606
Balance at 31 December 2025	**-**	**82,492,715**	**-**	**36,566,829**	**119,059,544**
Net value at December 31, 2025	**204,125,578**	**201,494,650**	**50,799,931**	**57,938,100**	**514,358,259**

- Property investments include lands amounting to SR 185,457,101 and buildings with book value amounting to SR 152,822,105 against a mortgage for long-term loans (note 20) under an agreement in favor of local banks.

Investment properties with a net carrying amount of SR 514,358,259 were valued, and the fair value as of December 31, 2025 amounted to SR 684,796,270. The valuation was performed by an accredited valuer named Amam Real Estate Valuation Company with membership number 1210000030 and commercial registration number 1010611939.

- Net investment properties represent the following:

	31 December 2025	31 December 2024
Investment properties held for rental	482,476,415	377,224,154
Investment properties held for capital appreciation	31,881,844	34,930,061
	514,358,259	**412,154,215**

Impairment test for investment properties

The Group's management tests investment properties for impairment at each financial reporting date and has engaged Amam Real Estate Valuation Company with membership number 1210000030 and commercial registration number 1010611939 to verify that there is no impairment in their value and to determine whether the carrying value of the properties is less than the recoverable value or not. The recoverable value is determined based on assumptions related to future sales volumes, discount rates, and other factors relevant to rental properties. For non-rental properties, the market value assumption has been used.

(Expressed in Saudi Riyals)

6. Investment properties... (Continued)

6.2 For the year ended December 31, 2024

	Lands	Buildings	Investment properties under development	Right-of-use assets	Total
Cost:					
Balance at 01 January 2024	270,279,988	292,301,168	3,283,052	94,504,929	660,369,137
Additions during the year	-	99,003	9,061,234	-	9,160,237
Transferred to property and equipment (note 5.2)	(21,216,187)	(8,716,951)	-	-	(29,933,138)
Disposals during the year	(128,788,223)	-	(2,124,860)	-	(130,913,083)
Balance at 31 December 2024	**120,275,578**	**283,683,220**	**10,219,426**	**94,504,929**	**508,683,153**
Accumulated depreciation:					
Balance at 01 January 2024	-	50,359,835	-	23,704,240	74,064,075
Depreciation for the year (note 26)	-	15,881,836	-	6,649,658	22,531,494
Transferred to property and equipment (note 5.2)	-	(66,631)	-	-	(66,631)
Balance at 31 December 2024	**-**	**66,175,040**	**-**	**30,353,898**	**96,528,938**
Net value at December 31, 2024	**120,275,578**	**217,508,180**	**10,219,426**	**64,151,031**	**412,154,215**

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

7. Leases

The Group has entered into a number of lease agreements as a lessee for usage purposes and for the purpose of earning rental income, as follows:

	31 December 2025	31 December 2024
Right-of-use assets for usage purposes (note 7.1)	3,996,240	5,288,818
Right-of-use assets for leasing purposes (Investment properties - Note 6)	57,938,100	64,151,031
	61,934,340	**69,439,849**

7.1 Right-of-use assets

	Lands	Equipment	31 December 2025	31 December 2024
Cost:				
Balance at beginning of year	2,900,476	4,052,000	6,952,476	5,368,943
Additions during the year	-	-	-	1,583,533
Balance at year-end	**2,900,476**	**4,052,000**	**6,952,476**	**6,952,476**
Accumulated depreciation:				
Balance at beginning of year	448,058	1,215,600	1,663,658	510,789
Deprecation charged during the year	76,978	1,215,600	1,292,578	1,152,869
Balance at year-end	**525,036**	**2,431,200**	**2,956,236**	**1,663,658**
Net carrying amount at end of the year	**2,375,440**	**1,620,800**	**3,996,240**	**5,288,818**

The depreciation is distributed as follows:	**2025**	**2024**
Charged to cost of revenue (note 26)	1,292,578	1,136,799
Charged to general and administrative expenses (note 27)	-	16,070
	1,292,578	**1,152,869**

7.2 Lease liabilities

Cost:	**Lands**	**Equipment**	**31 December 2025**	**31 December 2024**
Balance at beginning of year	93,641,703	2,109,149	95,750,852	105,670,900
Additions during the year	-	-	-	2,017,500
Paid during the year	(8,170,273)	(1,478,717)	(9,648,990)	(11,937,548)
Balance at year-end	**85,471,430**	**630,432**	**86,101,862**	**95,750,852**
Less: Deferred interest				
Balance at beginning of year	19,318,382	126,558	19,444,940	22,448,754
Additions during the year	-	-	-	433,967
Charged to financing expenses (note 28)	(4,367,326)	(123,405)	(4,490,731)	(3,437,781)
Balance at year-end	**14,951,056**	**3,153**	**14,954,209**	**19,444,940**
Present value of obligations at year-end	**70,520,374**	**627,279**	**71,147,653**	**76,305,912**

Lease liabilities were presented in the statement of financial position based on the current portion - within the current liabilities (which represents the payable portion within a year) and the non-current portion - within the non-current liabilities (which represents the remaining liability net of the current portion) as follows:-

	2025	2024
7.2.1 Lease liabilities - current portion	6,149,943	9,409,451
7.2.2 Lease liabilities - non-current portion	64,997,710	66,896,461
	71,147,653	**76,305,912**

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

8 Intangible assets

	Costs of Mining Exploitation License Under Development	Software	31 December 2025	31 December 2024
Cost:				
Balance at beginning of year	-	1,444,404	1,444,404	4,417,870
Additions during the year	1,362,119	-	1,362,119	-
Disposals during the year	-	(165,000)	(165,000)	(2,973,466)
Balance at year-end	**1,362,119**	**1,279,404**	**2,641,523**	**1,444,404**
Accumulated amortization:				
Balance at beginning of year	-	541,048	541,048	1,594,819
Amortization during the year (note 27)	-	243,436	243,436	437,141
Disposals during the year	-	-	-	(1490912)
Balance at year-end	**-**	**784,484**	**784,484**	**541,048**
Net carrying amount at end of the year	**1,362,119**	**494,920**	**1,857,039**	**903,356**

The Group obtained a silica sand mining exploitation license from the Ministry of Industry and Mineral Resources on 20/11/1446H for a period of 20 years. The Group is currently undertaking development and project preparation activities in anticipation of commencing commercial operations. Costs directly attributable to the license are capitalized under "Mining exploitation license costs under development." Such costs will be amortized over the useful life of the mine or the license term, whichever is shorter.

9. Investment in a real estate fund

	31 December 2025	31 December 2024
Itlalat Al-Haram Fund*	**32,993,770**	**32,993,770**

* On 7 November 2024, the Company entered into a partnership agreement with Musharaka Financial Company (a related party – see Note 15) to establish a real estate investment fund under the name "Itlalat Al-Haram", with the objective of acquiring land in the Jabal Omar area and developing it into a mixed-use residential and commercial tower for the purpose of generating capital gains.
Under the agreement, Musharaka Financial Company acts as the fund manager; and LADUN Investment Company acts as the real estate developer for the project. The fund's capital amounted to SR 525 million, while the value of the acquired land was appraised at SR 718,099,700 (excluding real estate transaction tax and brokerage commission).
Title to the land was formally transferred to the custodian company on 7 July 2025. Accordingly, the par value of the fund units was determined at SR 1,000 per unit.
Amounts paid were converted into equity units in the fund, with a total of 32,993.77 units subscribed.

10. Financial assets at fair value through other comprehensive income

10.1 Musharaka REIT Fund stock	**31 December 2025**	**31 December 2024**
Balance at beginning of the year	44,840,000	55,005,000
Loss from revaluation	(6,080,000)	(10,165,000)
Year-end balance	**38,760,000**	**44,840,000**

The number of units in Musharaka REIT Fund as at 31 December 2025 amounted to 9,500,000 units (2024: 9,500,000 units).
Dividends distributed during the year ended 31 December 2025 amounted to SR 2,280,000 (2024: SR 1,900,000).
The investment portfolio is pledged to Bank Albilad as collateral against short-term borrowings (see Note 21).

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

10. Financial assets at fair value through other comprehensive income... (Continued)

10.2 Below is the movement in unrealized losses on sale of revaluation of investments at fair value through other comprehensive income:

	31 December 2025	31 December 2024
Balance, beginning of the year	(50,153,946)	(39,988,946)
(Loss) from revaluation	(6,080,000)	(10,165,000)
Balance at end of the year	**(56,233,946)**	**(50,153,946)**

11. Customer contracts

The movement in contract assets and liabilities during the year is as follows:

	31 December 2025	31 December 2024
Balance at beginning of year	1,489,416,879	938,170,361
Revenue during the year	971,292,657	1,363,661,186
Billed during the year	(1,140,313,270)	(812,414,668)
Transferred to properties for development and sale (note 12)	(938,139,611)	-
Balance at end of the year	**382,256,655**	**1,489,416,879**
Less: Provision for impairment of customer contracts (note 11.4)	(25,271,728)	(23,073,337)
	356,984,927	**1,466,343,542**

The customer contracts were presented in the statement of financial position as follows:

	31 December 2025	31 December 2024
11.1 Contract assets - current portion	476,033,437	727,585,204
11.2 Contract assets - non-current portion*	65,286,828	969,519,157
11.3 Contract liabilities	(184,335,338)	(230,760,819)
	356,984,927	**1,466,343,542**

	31 December 2025	31 December 2024
11.4 Provision for impairment of customer contracts		
Balance beginning of the year	23,073,337	12,907,975
Provided during the year	6,949,761	10,165,362
Utilized during the year	(4,751,370)	-
	25,271,728	**23,073,337**

* Contract assets include developed land in Al-Asilah Suburb, which is pledged as collateral against long-term borrowings, with a net carrying amount of SR 65,286,828 (see Note 20).

12. Properties for development and sale

The properties for development and sale represent the following projects:

	31 December 2025	31 December 2024
Development of Alremal land in Riyadh	2,513,478	99,605,848
Development of Ruba District land in Jizan	19,396,454	19,334,381
Development of Nimar District land in Riyadh	3,404,702	6,481,567
Development of Alminjara land in Jazan, Rawabi	15,295,084	15,227,174
Development of Al-Sulaimaniyah District land in Riyadh	-	83,850,000
venan and Jawharat AlRusaifah projects	4,700,474	13,016,148
Transferred from contract assets (Al-Usaylah Project)(note 12)	938,139,611	-
Development of Afiya Almashreqiyah land in Riyadh	648,500	-
Development of other projects	-	853,266
	984,098,303	**238,368,384**

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements for the year ended December 31, 2025
(Expressed in Saudi Riyals)

12. Properties for development and sale... (Continued)

The properties under development were presented in the statement of financial position based on the current portion - within the current assets (which represents the portion expected to be sold within a year) and the non-current portion - within the non-current assets (which represents the portion expected to be sold within more than one year) as follows:-

	31 December 2025	31 December 2024
12.1 Properties for development and sale - current portion	922,119,401	222,287,943
12.2 Properties for development and sale - non-current portion	61,978,902	16,080,441
	984,098,303	238,368,384

The movement on properties for development and sale was as follows:

- For the year ended 31 December 2025

	Lands	Work in progress	Total
Cost:			
Balance at beginning of year	217,928,552	20,439,832	238,368,384
Additions during the year	19,568,949	70,576,451	90,145,400
Settlements during the year	-	(853,266)	(853,266)
Cost of sold units during the year	(117,739,562)	(80,112,264)	(197,851,826)
Transferred from contract assets (note 11)	938,139,611	-	938,139,611
Transferred to investment properties (note 6.1)	(83,850,000)	-	(83,850,000)
Balance at year-end	**974,047,550**	**10,050,753**	**984,098,303**

- For the year ended 31 December 2024

	Lands	Work in progress	Total
Cost:			
Balance at beginning of year	267,412,624	83,022,713	350,435,337
Additions during the year	83,850,000	320,314,442	404,164,442
Additions of capitalized finance cost during the year (Note 20)	-	19,780,201	19,780,201
Cost of sold units during the year	(133,334,072)	(402,490,514)	(535,824,586)
Transferred to property, plant and equipment (note 5.2)	-	(187,010)	(187,010)
Balance at year-end	**217,928,552**	**20,439,832**	**238,368,384**

The properties for development and sale include lands valued at SR 972,831,155, mortgaged against long-term loans (Note 20) under an agreement for local banks.

	31 December 2025	31 December 2024
13. Inventories		
Materials and construction supplies	56,840,721	32,852,772
Less: Provision for obsolete and slow moving inventories	(3,429,067)	-
	53,411,654	**32,852,772**

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

14. Trade receivables and other debit balances	**31 December 2025**	**31 December 2024**
Trade receivables (note 14.1)	171,664,279	87,809,793
Less: Provision for expected credit loss (note 14.2)	(22,346,309)	(15,461,655)
	149,317,970	**72,348,138**
Advances to contractors and suppliers	72,397,580	81,458,191
Margin on letters of guarantee (note 32)	27,160,792	31,143,744
Good performance retentions	105,160,256	73,878,547
Zakat, Tax and Customs Authority	21,815,187	38,739,842
Prepaid expenses	11,232,009	5,948,098
Employees custody and loans	4,107,712	4,213,479
Other	806,822	270,707
	391,998,328	**308,000,746**

14.1 Aging of customers' debts	**31 December 2025**	**31 December 2024**
Up to a month	91,236,761	13,151,826
1-2 months	13,241,477	8,520,497
2-3 months	852,773	1,138,538
Over 3 months	9,185,651	11,693,305
More than a year	57,147,617	53,305,627
	171,664,279	**87,809,793**

14.2 Movement of provision for expected credit losses	**31 December 2025**	**31 December 2024**
Balance at beginning of year	15,461,655	13,314,393
Provided during the year	7,334,317	4,722,616
Utilized during the year	(449,663)	(2575354)
	22,346,309	**15,461,655**

15. Related party transactions
15.1 Due from related parties

Related parties	**Nature of relationship**	**31 December 2025**	**31 December 2024**
Opal Aljazirah Security Guards Establishment	Owned by Chairman and Deputy Chairman, Board of Directors	**3,291,687**	**1,369,682**

15.2 Due to related parties

Related parties	**Nature of relationship**	**31 December 2025**	**31 December 2024**
Musharaka Financial Company	The Chief Executive Officer of Musharaka Financial Company, who previously served as the Vice Chairman of the Board of Directors of LADUN Investment Company during the prior board term, which ended on 17 September 2025.	1,758,900	1,930,595
		1,758,900	**1,930,595**

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

15.3 Significant transactions with related parties

Company	**Nature of relationship**	**31 December 2025**	**31 December 2024**
Opal Aljazirah Security Guards Establishment	Payment of expenses on behalf	7,519,948	8,250,619
	Rendering security guard services	(5,597,943)	(7,825,670)
Musharaka Financing Company	Closing and settlement of rental income for Jazla and C-Shore Residential Complex	921,695	315,038
	Expenses of executed operation and maintenance works	-	(2,655,686)
	Payments for acquired services	(750,000)	2,965,522
	Amounts transferred to Musharaka Capital Company under the account of investment in a real estate fund	-	32,993,770
Lak Investment and Trade Company	Proceeds received from the termination of the agreement related to the Company's acquisition of Lak Investment Company, which was entered into with a related party (Eng. Nasser bin Saad Al-Arifi – Chairman of the Board of Directors) acting in his capacity as an authorized agent (see Note 9).In addition, Mr. Sulaiman Abdulaziz Al-Batli, Authorized Board Member is considered a related party to the agreement in his capacity as one of the owners of Lak Investment Company (see Note 30).	-	133,007,906

15.4 Salaries, allowances and remunerations of Senior Executives and the Board of Directors	**2025**	**2024**
Salaries, benefits and remunerations of senior executives (note 27)	17,552,913	19,846,048
Remunerations of Board of Directors (note 27)	1,620,000	1,672,500

	31 December 2025	**31 December 2024**
16. Financial assets at fair value through profit or loss		
Shares traded in Bank Albilad portfolio (note 16.1)	**23,418,250**	**25,653,000**
16.1 Shares traded in Bank Albilad portfolio		
Balance at beginning of year	25,653,000	31,887,750
(Loss)/revaluations during the year	(2,234,750)	(6,234,750)
Balance at year-end	**23,418,250**	**25,653,000**

- Dividends during the year ended December 31, 2025 amounted to SR 693,750 (2024: SR 700,000).
- The shares include pledged shares with a fair value as at 31 December 2025 amounting to SR 17,688,500, held as collateral against long-term borrowings (Note 20).

16.2 Investments in debt instruments

On February 15, 2024, the Group purchased 5,000 Mudaraba sukuk with a total value of SR 5,000,000 and an annual yield rate of 5.1% until the first revaluation date on February 15, 2025, with the possibility of being called by the issuer according to specified conditions. And the sukuk was redeemed during 2025

17. Cash and cash equivalents	**31 December 2025**	**31 December 2024**
Banks - current accounts	70,672,679	108,057,385
Banks - investment portfolio	162,978	272,556
	70,835,657	**108,329,941**
Less:		
Restricted cash (escrow accounts)*	(26827249)	(22,122,906)
Banks - Overdraft	(5,000,000)	(5,000,000)
	39,008,408	**81,207,035**

* Restricted cash represents the value of the amounts collected from the sale of off-map housing units. The amounts are reserved for the escrow account for the purpose of disbursing them on off-map sales projects.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

18. Share capital

The issued capital of the company is set at five hundred million Saudi Riyals (SR 500 million) divided into (500 million) shares of equal value. The value of each share is one (1) Saudi Riyal, and all of them are ordinary shares, as follows:

	Shareholding %		Number of shares Share / Thousand		31 December 2025	31 December 2024
Shareholder's shares	**2025**	**2024**	**2025**	**2024**		
Adiyat Investment Company	13.559%	13.559%	67,795	67,795	67,795,000	67,795,000
Prince Faisal bin Saad bin Saud Al-Saud	5.629%	-	28,145	-	28,145,000	-
Other shareholders	80.812%	86.441%	404,060	432,205	404,060,000	432,205,000
	100%	**100%**	**500,000**	**500,000**	**500,000,000**	**500,000,000**

19. Statutory reserve	**31 December 2025**	**31 December 2024**
Balance at beginning of year	30,640,628	24,032,182
Transferred from income of the year	-	6,608,446
Transferred to retained earnings	(30,640,628)	-
Balance at year-end	**-**	**30,640,628**

On 29/11/1447H, corresponding to 27 May 2025, the Extraordinary General Assembly, pursuant to Resolution No. (1) of 2025, approved the transfer of the entire statutory reserve as presented in the consolidated financial statements for the year ended 31 December 2024, amounting to SR 30,640,628, to retained earnings.

20. Long-term loans	**31 December 2025**	**31 December 2024**
Balance at beginning of year	951,391,288	944,462,949
Obtained during the year	163,929,871	100,299,514
Paid during the year	(423,167,213)	(162,689,094)
Charged to financing costs (note 28)	56,070,161	18,882,781
Finance costs on borrowings charged to cost of revenue (Note 26)	-	30,654,937
Finance costs on borrowings charged to properties for development and sale (note 12)	-	19,780,201
Finance costs charged to investment properties (note 6)	3,034,915	-
	751,259,022	**951,391,288**

20.1 Long term loans - current portion	479,189,118	72,282,753
20.2 Long-term loans - non-current portion	272,069,904	879,108,535
	751,259,022	**951,391,288**

- The Group obtained bank facilities from local banks totaling SR1.579 million, including general facilities, term sale financing, financing of existing projects and letters of guarantee. These facilities are compatible with the provisions of Islamic Shariah. Additions to the movement of borrowings obtained during the year under bank financing facilities were as follows:
- The Group obtained a long-term Shariah-compliant financing facility from Al Rajhi Bank to finance 80% of the total cost of the LADUN Residential Tower Project in Riyadh. The facility is structured against annual lease payments, with a tenure of 10 years, including a grace period of 36 months.
- The Group also obtained a long-term Shariah-compliant financing facility from Bank Albilad with a tenure of 5 years, repayable at maturity, amounting to SR 94.6 million to settle obligations related to the Finan Project, and SR 44.2 million to finance the acquisition of Venan land.

In addition, the Group had other borrowings obtained in prior years, with an outstanding balance of SR 587 million as at 31 December 2025.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements for the year ended December 31, 2025
(Expressed in Saudi Riyals)

20. Long-term loans …(Continued)

The above borrowings were obtained at prevailing market rates and are secured by the following collateral and guarantees:

1. A performance and payment bond and a personal guarantee from Shareholders and the directors of the Board.
2. Mortgage over real estate assets being financed, including items classified under property, plant and equipment, investment properties, contract assets, and properties held for development and sale.
3. Mortgage of an investment portfolio with a coverage ratio of 125% in respect of long-term financing.
4. Transfer of the Jeddah-Venan Project and Al-Usaylah Development project revenues to the bank.
5. Corporate guarantees provided by Ludun Company, Built Company, Adiyat Company, and Ashar Investment Company.
6. Signing the promissory notes
7. The Group has undertaken, under agreements with Al Rajhi Bank, that the current ratio shall not be less than 1.0 throughout the financing period, the leverage ratio shall not exceed 1.25 throughout the financing period, and the debt service coverage ratio shall not be less than 1.25 throughout the financing period.
8. Others as per the agreement of bank facilities

The loans include specific covenants. Any breach of these covenants in the future may lead to renegotiation. Management regularly monitors commitments, and in the event of a potential breach, necessary actions are taken to ensure compliance within the year 2025. The Group did not have any breaches of these commitments.

	31 December 2025	31 December 2024
21. Short-term loans		
Balance at beginning of year	174,148,806	199,534,256
Obtained during the year	243,884,778	189,919,860
Paid during the year	(174,625,046)	(235,100,431)
Charged to financing costs (note 28)	17,794,349	19,795,121
	261,202,887	**174,148,806**

- The Group obtained bank facilities from local banks totaling SR818 million, representing Tawarruq financing, direct credit alternatives and secured letters of guarantee and financing working capital. These facilities are compatible with the provisions of Islamic Shariah.

According to the prevailing interests in the market and the following guarantees:

A performance and payment bond and a personal guarantee from Shareholders and Board of Directors.

- Mortgage of real estate
- Signing the promissory notes
- Others as per the agreement of bank facilities

22. Employee defined benefit obligations

The company operates an end-of-service plan for its employees in line with the Labor Law requirements in the Kingdom of Saudi Arabia. The EOS payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment. Employee benefit plans are unfunded plans and the Group meets benefit payment obligations when they fall due. The movement during the period was as follows:

	31 December 2025	31 December 2024
Balance at beginning of year	23,434,350	23,586,653
Service cost during the year	7,366,033	6,860,387
Finance costs	1,236,240	1,116,703
Charged to profits / losses (note 22.1)	**8,602,273**	**7,977,090**
Paid during the year	(3,131,284)	(4,782,707)
Actuarial (gains) from re-measurement of employees' defined benefits	(4,058,871)	(3,346,686)
Balance at year-end	**24,846,468**	**23,434,350**

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements for the year ended December 31, 2025
(Expressed in Saudi Riyals)

22. Employee defined benefit obligations... (Continued)

	2025	2024
22.1 Charged to profits / losses:		
Charged to cost of revenue (note 26)	3,606,513	3,395,589
Charged to general and administrative expenses (note 27)	4,995,760	4,581,501
	8,602,273	**7,977,090**

An actuarial valuation was performed using the projected unit credit method to measure the present value of the employee defined benefit obligations on December 31, 2025 in relation to the end-of-service benefits accrued to employees under the Saudi Labor Law. This valuation was based on principal actuarial assumptions that included the following:-

	2025	2024
22.2 Significant actuarial assumptions used:		
Retirement age	60	60
Discount rate	5.1%	5.5%
Rate of salary increase	4%	4.6%

Sensitivity analysis

The sensitivity analysis is based on a method that measures the effect on employee defined benefit obligations when a change occurs in one of the principal actuarial assumptions، while keeping all other assumptions constant، Here is a quantitative sensitivity analysis of the assumptions used to measure defined employee benefit obligations:

	31 December 2025	31 December 2024
Basis according to actuarial assumptions used	24,846,468	23,434,350
Sensitivity of employees benefit obligations to a change in one of the assumptions		
Increase in salary rate at 1%	27,490,226	26,234,188
Decrease in salary rate at 1%	22,653,513	21,059,234
Increase in discount rate at 1%	22,832,173	21,226,468
Decrease in discount rate at 1%	27,303,918	26,067,593

A sensitivity analysis may not represent the actual change in the defined employee benefit obligations but rather provide an approximate estimation of the sensitivity of the assumptions. It is unlikely that the assumptions will change independently of each other.

	31 December 2025	31 December 2024
23. Trade accounts payable and other credit balances		
Trade payables	266,275,436	227,802,127
Payables - Purchase of investment properties	105,000,000	105,000,000
National Housing Company *	79,216,409	209,253,777
Advances from customers	291,290,638	241,872,740
Accrued bonuses	1,622,157	1,672,500
Value Added Tax (VAT)	35,499,577	25,336,410
Performance retention	46,242,379	53,612,287
Employees' payable	20,250,754	17,315,511
Deferred rental income	20,499,840	20,860,999
Deposits - reservation of units	1,301,986	1,781,356
Insurance for others	1,718,119	1,134,012
Accrued interests	3,818,385	1,996,621
Other	1,988,480	2,043,575
	874,724,160	**909,681,915**

* The balance represents the amounts due to the National Housing Company, which is an interest-free loan to finance the projects of the Ministry of Housing, in the form of an incentive, provided that the half amount is paid when 80% of the total units for each project are collected. The other half will be paid when the collection of total units for each project exceeds 90%.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

24. Zakat provision

24.1 Calculation of zakat

- The Group submits a consolidated zakat assessment for the entire Group (the Parent Company and its subsidiaries) as per the consolidated financial statements:
- The approximate components of the Group's Zakat base are as follows:

	31 December 2025	31 December 2024
Additions of components subject to zakat	1,769,285,535	1,687,262,940
Discounts of components not subject to zakat	(1,697,745,856)	(1,625,103,911)
Total zakat base	**71,539,679**	**62,159,029**
Minimum zakat base	(51,568,376)	66,071,430
Maximum zakat base	583,261,017	640,323,644
Zakat base (354 days)	**71,539,679**	**66,071,430**
Zakat base (365 days)	73,762,663	68,311,139
Zakat base	**73,762,663**	**68,311,139**
Zakat for the year	**1,844,066**	**1,707,778**

According to the new executive regulations, zakat is calculated on the zakat base taking into consideration the minimum and maximum limits of the base. If the total base is less than the minimum zakat base, then zakat is calculated on the minimum limit; and if the total base is greater than the maximum zakat base, then zakat is calculated on the maximum limit.
Zakat was computed on the basis of 2،5% of net Zakat base.

24.2 Zakat provision is as follows:

	31 December 2025	31 December 2024
Balance, beginning of the year	2,916,559	11,386,053
Paid during the year	(2,169,114)	(4,915,389)
Settlements during the year	-	(2,500,000)
Exclusion of subsidiary's Zakat	-	(5,629)
Zakat provisions reversal	-	(2,756,254)
Provided for the year	1,844,066	1,707,778
Balance at end of the year	**2,591,511**	**2,916,559**

24.3 Zakat status

The parent company (Ladun Investment Company) submitted the consolidated Zakat return for the group for the year ended December 31, 2024. The parent company also submitted information returns for the subsidiaries for the same year and obtained a valid certificate until April 30, 2026.
The parent company received final Zakat assessments for 2023 and made the required payments.
The parent company submitted Zakat returns for the years 2021 and 2022 and paid the Zakat due according to the returns. No final assessments have been issued to date.
The parent company submitted the Zakat return for 2024 and paid the Zakat due according to the return. The Zakat examination is currently being conducted by the Zakat, Tax and Customs Authority. According to the Zakat consultant, no Zakat provisions have been established related to examination differences for 2024.
BUILT Industrial Company received Zakat assessments from the Zakat, Tax and Customs Authority for the years from 2015 to 2018, which resulted in Zakat differences amounting to SR 2,884,459. The company made the payment during 2023.

25. Revenues

	2025	2024
Revenue from sale of developed residential units - on the map	106,059,353	109,880,790
Revenue from development and sale of investment properties	207,740,124	742,925,592
Maintenance and operating revenue	24,255,613	20,992,883
Rental income from compounds	40,005,931	35,632,362
Revenue from construction	525,960,853	385,349,441
Sales revenue from construction materials Manufacturing sector	251,539,182	207,009,477
Human resources service revenue	2,620,136	3,485,322
	1,158,181,192	**1,505,275,867**
Revenue over time	1,035,031,860	1,419,747,793
Revenue at a specific point in time	123,149,332	85,528,074
	1,158,181,192	**1,505,275,867**

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

25. Revenues... (Continued)

25.1 Remaining Performance Obligations	**2025**	**2024**
Total Contract Value	8,451,702,953	7,640,359,763
Less: Revenue Recognized to Date	(5,884,762,254)	(4,905,197,853)
	2,566,940,699	**2,735,161,910**

25.2 Expected Timing of Recognition	**2025**	**2024**
During one year	661,843,597	921,179,491
More than a year	1,905,097,102	1,813,982,419
	2,566,940,699	**2,735,161,910**

Revenue is recognized over time or at a point in time, depending on the nature of each contract and the pattern of satisfaction of performance obligations.
- Contracts typically include payment terms linked to the achievement of specified contractual milestones, whereby invoices are issued upon fulfillment of such milestones and customer approval. Contracts generally do not contain a significant financing component.
- Certain contracts may include warranty clauses related to the quality of work performed. These do not represent separate performance obligations but are considered assurance-type warranties, consistent with the nature of the Company's operations.
- As at 31 December 2025, the aggregate transaction price allocated to remaining performance obligations (unsatisfied or partially unsatisfied) amounted to SR 2,566,940,699 (2024: SR 2,735,161,910).

26. Cost of revenue	**2025**	**2024**
Cost of development and sale of investment properties*	129,029,807	362,851,716
Cost of developed residential units	55,143,423	12,004,053
Subcontractors cost	300,908,019	445,210,745
Cost of construction materials	238,787,737	185,951,757
Salaries, wages and related expenses	110,815,141	111,996,710
Depreciation on investment properties (note 6)	22,530,606	22,531,494
rents	37,755,069	15,943,283
Fees and subscriptions	15,814,633	14,732,798
Maintenance and operation expenses for residential compounds	9,370,717	11,535,991
Bank fees	6,932,297	10,538,744
Depreciation of property, plant and equipment (note 5)	6,999,016	6,978,544
Insurance	5,507,355	6,208,512
Consultancy fees	5,309,268	5,130,559
Travel and transportation	4,301,875	4,620,240
Car maintenance and fuel expenses	4,180,077	3,873,475
Employee defined benefit obligations (note 22.1)	3,606,513	3,395,589
Electricity, water and telephone	3,582,717	2,149,520
Commissions	1,058,919	1,375,315
Hospitality and cleaning	2,042,873	1,310,764
Depreciation on right-of-use assets (note 7.1)	1,292,578	1,136,799
Maintenance and repair	3,212,949	184,152
Other costs	4,380,719	3,509,192
	972,562,308	**1,233,169,952**

* Cost of development and selling of investment properties for the year 2024 included financing costs for loans related to the Al-Usayla Suburb project amounting to SR 30,654,937 (Note 20).

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

27. General and administrative expenses	**2025**	**2024**
Salaries, wages and related expenses	88,155,567	90,349,552
Consulting and professional fees	6,740,549	10,009,447
Depreciation of property, plant and equipment (note 5)	4,630,166	5,511,174
Government fees and Subscriptions	6,458,564	5,035,488
Fees and subscriptions for computer software	1,870,308	4,733,010
Employee defined benefit obligations (note 22.1)	4,995,760	4,581,501
Insurance	4,222,470	3,524,463
Donations	4,001,316	2,485,775
Advertising	2,794,977	2,284,658
Bank charges	3,845,538	2,116,054
Remunerations of Board of Directors (note 15.4)	1,620,000	1,672,500
Electricity, water, telephone and Internet	552,599	1,042,637
Amortization of intangible assets (note 8)	243,436	437,141
Depreciation on right-of-use assets (note 7.1)	-	16,070
Travel and transportation	1,578,493	1,488,427
Repair and maintenance	601,467	970,898
Hospitality and cleaning	149,865	104,749
Rent	236,545	913,051
Car maintenance and fuel expenses	919,881	140,731
Other expenses	3,018,832	2,849,628
	136,636,333	**140,266,954**

	2025	**2024**
28. Finance costs		
Long-term loans (note 20)	56,070,161	18,882,781
Short-term loans (Note 21)	17,794,349	19,795,121
Finance costs of lease liabilities (note 7.2)	4,490,731	3,437,781
	78,355,241	**42,115,683**

	2025	**2024**
29. Other income		
Real estate disposal taxes recovered	-	591,842
Other	1,427,917	900,586
	1,427,917	**1,492,428**

30- Discontinued Operations

On October 30, 2024, the Company's Board of Directors approved signing an agreement to terminate the contract for the Company's acquisition of LAK Investment Trading Company, which was concluded on 04/08/1442H corresponding to 17/03/2021. The original contract value was SR 128,788,223 and was signed with a related party (Eng. Nasser bin Saad Al-Arifi) in his capacity as an agent for the controlling parties of LAK Investment Trading Company prior to the acquisition. An amount of SR 133,007,906 was recovered, representing the original acquisition value plus the present value difference of the recovered amount as agreed upon. The agreement or contract did not include any preferential terms. The ownership transfer was finalized on 26/01/1447 H (21/07/2025).

Gains from disposal of investments in a subsidiary consist of the following items:

	2025	**2024**
Net profit from discontinued operations		
General and administrative expenses	-	(31,500)
(loss) from operating activities	-	**(31,500)**
Zakat	-	(5,000)
Gain on sale and disposal of discontinued operations (Note 30.1)	-	4,393,072
		4,356,572

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

30. Discontinued Operations... (Continued)

30.1 Gain on disposal of investment in a subsidiary	**2025**	**2024**
Selling price of the subsidiary	-	133,007,906
Less:		
Investment properties at cost	-	(128788223)
Add:		
Accrued expenses and other credit balances	-	30,000
Due to related parties	-	132,760
Provision for zakat	-	10,629
	-	**4,393,072**

31. Basic and diluted earnings per share

Basic and diluted earnings per share is calculated by dividing the annual profit attributable to the Company's Shareholders by the weighted average number of shares issued as follows:

	2025	**2024**
(Loss) profit for the year	(55,396,872)	66,084,456
Weighted average number of shares issued	500,000,000	500,000,000
Basic and diluted (loss) / earnings per share (SR)	**(0.11)**	**0.13**

32. Contingent Liabilities

	2025	**2024**
Total letters of guarantee	831,515,660	886,101,798
Letters of guarantee covered margin (note 14)	(27,160,792)	(31,143,744)
	804,354,868	**854,958,054**

33. Segment reporting

For the year ended 31 december 2025

	Investment segment	**Contracting segment**	**Industrial Segment**	**Service Segment**	**Total**
Revenue	353,767,614	525,960,853	251,539,182	26,913,543	1,158,181,192
Gross profit	79,128,004	48,441,169	47,934,293	10,115,418	185,618,884
Net (loss)/ (profit) for the year	**(55,389,453)**	**(27,781,766)**	**22,917,359**	**4,856,987**	**(55,396,872)**
Total assets	1,878,358,698	584,097,656	274,346,883	20,106,063	2,756,909,300
Total liabilities	1,428,250,132	485,131,611	255,309,403	10,716,511	2,179,407,657

For the year ended 31 december 2024

	Investment segment	**Contracting segment**	**Industrial Segment**	**Service Segment**	**Total**
Revenue	888,438,744	385,349,441	207,009,477	24,478,205	1,505,275,867
Gross profit / loss	211,291,778	10,993,291	43,024,736	6,796,110	272,105,915
Net profit / loss from continued operations	80,069,664	(41,819,082)	20,846,383	2,630,919	61,727,884
Net profit from discontinued operations	4,356,572	-	-	-	4,356,572
Net profit /loss for the year	**84,426,236**	**(41,819,082)**	**20,846,383**	**2,630,919**	**66,084,456**
Total assets	2,309,922,082	460,124,418	234,057,522	8,712,419	3,012,816,441
Total liabilities	1,709,037,609	519,779,664	139,988,993	9,090,531	2,377,896,797

34. Dividends

- No dividends were declared by the shareholders' general assemblies during the financial year ended 31 December 2025.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

35. Financial Instruments

Share capital management

The Group's objectives when managing the share capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for the Shareholders and benefits for other stakeholders, as well as maintaining an optimal capital structure that reduces the cost of share capital.

The Group, like other companies operating in the same field, monitors the share capital on the basis of the debt ratio.

This ratio is calculated by dividing the net debt by the total Shareholders' equity. The net debt is calculated on the basis of total loans, as shown in the statement of financial position, less cash and cash equivalents. The debt ratio was as follows:

	2025	2024
Total debt	1,083,609,562	1,201,846,006
Less: Cash and bank balances	(39,008,408)	(81207035)
Net debt	**1,044,601,154**	**1,120,638,971**
Total Shareholders' equity	577,501,643	634,919,644
Debt ratio	180.88%	176.5%

Categories of Financial Instruments:

The accounting policies related to financial instruments were applied to the below items:

	2025	2024
Financial assets at fair value		
Investments at fair value through other comprehensive income	38,760,000	44,840,000
Investments in financial instruments through profit or loss	23,418,250	25,653,000
	62,178,250	**70,493,000**

	2025	2024
Financial assets at amortized cost		
Trade receivables and other debit balances	391,998,328	308,000,746
Contract assets	541,320,265	1,697,104,361
Amounts due from related parties	3,291,687	1,369,682
Investments in debt instruments	-	5,000,000
Cash and cash equivalent	39,008,408	81,207,035
Total	**975,618,688**	**2,092,681,824**

	2025	2024
Financial liabilities at amortized cost		
Term loans	1,012,461,909	1,125,540,094
Amounts due to related parties	1,758,900	1,930,595
Contract liabilities	184,335,338	230,760,819
Trade accounts payable and other credit balances	874,724,160	909,681,915
Lease obligations	71,147,653	76,305,912
Total	**2,144,427,960**	**2,344,219,335**

Financial instruments and risk management

The Group's activities are exposed to various financial risks including: Liquidity risk, credit risk, and market risk (include currency risk, fair value risk, cash flow of commission rate and price risk). The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Group's financial instruments comprise financial assets (cash and cash equivalents, trade receivables, investments at fair value through loss, and other receivables) and financial liabilities (banks, credit facilities, trade and other payables) and include the following risks:

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

- Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from the inability to sell a financial asset at an amount close to its fair value. The Group manages and monitors liquidity risks on a regular basis to ensure that sufficient funds are available through bank facilities to meet any future commitments.

All current liabilities are expected to be settled within 12 months as of the date of the financial statements. Trade payables are usually settled within 30-60 days as of the purchase date.

Liquidity risks		31 December 2025	
	On demand or less than a year	More than a year	Carrying amount
Long term loans	479,189,118	272,069,904	751,259,022
Short-term loans	261,202,887	-	261,202,887
Lease liability	6,149,943	64,997,710	71,147,653
Accounts payable and Other credit balances	874,724,160	-	874,724,160
Contract liabilities	184,335,338	-	184,335,338
Due to related parties	1,758,900	-	1,758,900
Provision for legal claims	6,407,914	-	6,407,914
Liabilities from operating contract losses	1,133,804	-	1,133,804
Provision for zakat	2,591,511	-	2,591,511
	1,817,493,575	**337,067,614**	**2,154,561,189**

Liquidity risks		31 December 2024	
	On demand or less than a year	More than a year	Carrying amount
Long term loans	72,282,753	879,108,535	951,391,288
Short-term loans	174,148,806	-	174,148,806
Lease liability	9,409,451	66,896,461	76,305,912
Accounts payable and Other credit balances	909,681,915	-	909,681,915
Contract liabilities	230,760,819	-	230,760,819
Due to related parties	1,930,595	-	1,930,595
Liabilities from operating contract losses	5,000,000	-	5,000,000
Provision for legal claims	2,326,553	-	2,326,553
Provision for zakat	2,916,559	-	2,916,559
	1,408,457,451	**946,004,996**	**2,354,462,447**

Credit risk

A credit risk refers to the risk that a customer or a counter party in a financial instrument will default on its contractual obligations resulting in financial loss to the Group and arises principally from the cash at banks and receivables. The Group minimizes credit risks associated with receivables by establishing procedures for credit limits for each customer and monitoring outstanding receivables in line with a set of procedures and policies. Cash is deposited with high credit rated banks.

Market risk

Market risk is the risk of fluctuations in a financial instrument due to changes in prevailing market prices such as foreign exchange rates, interest rates, and equity rates, which affect the Group's income or the value of its financial instruments. Market risk management aims to manage and control market risk exposure within acceptable parameters while maximizing returns.

The Group is exposed to the following market risks:

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates affecting foreign currency payments and receipts along with assessment of assets and liabilities in foreign currencies.

The Group is subject to fluctuations in foreign exchange rates in the normal course of its business. The Management regularly monitors changes in foreign exchange rates and manages the impact on the financial statements.

Ladun Investment Company (Public Joint-stock)
Saudi joint stock company - Listed
Kingdom of Saudi Arabia - Riyadh
Notes to the consolidated financial statements
for the year ended December 31, 2025

Fair value risk
Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. Since the Group's financial statements are prepared under the historical cost principle، differences may arise between the carrying amount and the fair value estimates. The Group's Management believes that the fair value of the Group's financial assets and liabilities approximates their balances carried forward.
A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When measuring fair value, the Group uses observable market information whenever possible. Fair values are categorized into different levels in the fair value hierarchy based on the inputs used in the valuation methods as follows:
Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If multiple inputs used to measure fair value are categorized into different levels of the fair value hierarchy, the Fair Value Measurement is categorized in its entirety in the level of the lowest level input that is significant to the entire measurement. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period in which the change occurred. During the period, there were no transfers between Level 1 and Level 2 fair value measurements.
Where the Group's financial instruments are grouped according to the historical cost principle, except for investments and derivative financial instruments charged at the fair value, differences may arise between the carrying amount and the fair value estimates. The management believes that the fair value of the Group's financial assets and liabilities are not materially different from their carrying amount.

The financial assets measured at fair value are as follows:
31 December 2025

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through other comprehensive income	38,760,000	-	-	38,760,000
Investments at fair value through profit or loss	23,418,250	-	-	23,418,250

31 December 2024

Assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through other comprehensive income	44,840,000	-	-	44,840,000
Investments at fair value through profit or loss	25,653,000	-	-	25,653,000

36. Comparative figures
Certain figures for the previous year have been reclassified to conform to the presentation of the consolidated financial statements in the current year. They are as follows:
Consolidated profit or loss and other comprehensive income for the year ended 31 December 2024

	Before reclassification	**Reclassification**	**After reclassification**
General and administrative expenses	155,154,932	(14,887,978)	140,266,954
Impairment of customer contracts	-	10,165,362	10,165,362
Expected credit losses	-	4,722,616	4,722,616

37. Subsequent events
There were no significant subsequent events since the year-end that require disclosure or adjustment in these consolidated financial statements, except for the rapid geopolitical and security developments in the Middle East, which have contributed to increased instability in certain regional markets.
Management has evaluated these developments in accordance with the requirements of IAS 10 – Events after the Reporting Period. Based on this assessment, these events have been classified as non-adjusting subsequent events, as they arose from conditions that did not exist at the reporting date. Accordingly, no adjustments to the balances or disclosures in the consolidated financial statements for the year ended 31 December 2025 are required.
Based on the information available up to the date of approval of these consolidated financial statements, management has not identified any material indicators that may cast significant doubt on the Company's ability to continue as a going concern. Management will continue to monitor relevant developments and take appropriate actions as necessary.

38. Approval of the consolidated financial statements
The consolidated financial statements for the year ended December 31, 2025 were approved by the Board of Directors on 11 Shawal 1447 H corresponding to 30 March 2026.

8.4 Audited financial statements for the three-month period ended 31 March 2026G

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)

MOORE

El Sayed El Ayouty & Co.
Certified Public Accountants

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Paid Capital One Million Saudi Riyals
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INDEPENDENT AUDITOR'S REVIEW REPORT FOR THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the shareholders of
Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Ladun Investment Company (a listed joint-stock company) (the "Company") and its subsidiaries (collectively referred to as the "Group") as of March 31, 2026, the interim condensed consolidated statement of profit or loss and other comprehensive income for the three-month period ended March 31, 2026, the interim condensed consolidated statements of changes in Shareholders' equity and cash flows for the three-month periods then ended, and material information on significant accounting policies and other explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements of Ladun Investment Company and its subsidiaries as at 31 March 2026 are not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements endorsed by the Saudi Organization of Auditors and Accountants.

For El Sayed El Ayouty & Co.

A. Balamesh

Abdullah A. Balamesh
Certified Public Accountant
License No. (345)

Riyadh on: 02 Dhul Heja 1447 H
Corresponding to: 19 May 2026

CERTIFIED PUBLIC ACCOUNTANTS
C.R. 4030291245
EL AYOUTY & CO.

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Interim condensed consolidated statement of financial position as at March 31, 2026 (unaudited)
(Expressed in Saudi Riyals)

	Note	31 March 2026 (unaudited)	31 December 2025 (audited)
Assets			
Non-current assets			
Property and equipment		100,270,468	101,569,848
Investment properties	5	512,412,216	514,358,259
Right-of-use assets	6.1	3,673,092	3,996,240
Intangible assets		2,018,648	1,857,039
Financial assets at fair value through other comprehensive income	7	40,185,000	38,760,000
Investment in a real estate fund		32,993,770	32,993,770
Contract assets - non-current portion	8.2	65,286,828	65,286,828
Properties for development and sale - non-current portion	9.2	61,990,130	61,978,902
Total non-current assets		**818,830,152**	**820,800,886**
Current assets			
Contracts assets - current portion	8.1	515,043,336	476,033,437
Properties for development and sale - current portion	9.1	923,503,438	922,119,401
Inventory		39,139,641	53,411,654
Trade receivables and other debit balances	10	317,402,015	391,998,328
Due from related parties	11.1	3,075,105	3,291,687
Financial assets at fair value through profit or loss	12	20,521,000	23,418,250
Restricted cash (escrow accounts)	13	20,941,197	26,827,249
Cash and cash equivalents	13	20,483,815	39,008,408
Total current assets		**1,860,109,547**	**1,936,108,414**
Total assets		**2,678,939,699**	**2,756,909,300**
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	14	500,000,000	500,000,000
Retained earnings		89,605,346	129,371,710
Unrealized (losses) from revaluation of financial assets at fair value		(54,808,946)	(56,233,946)
Actuarial gains of re-measurement of employees' defined benefits		4,363,879	4,363,879
Total Shareholders' equity		**539,160,279**	**577,501,643**
Non-current liabilities			
Long term loans - non-current portion	16.2	301,540,767	272,069,904
Lease liabilities - non-current portion	6.2.2	60,707,292	64,997,710
Employees' defined benefit obligations		26,775,463	24,846,468
Total non-current liabilities		**389,023,522**	**361,914,082**
Current liabilities			
Long term loans - current portion	16.1	436,026,824	479,189,118
Short-term loans	17	249,781,449	261,202,887
Lease liabilities - current portion	6.2.1	6,518,508	6,149,943
Due to related parties	11.2	1,758,900	1,758,900
Contract liabilities	8.3	187,881,492	184,335,338
Trade accounts payable and other credit balances	18	859,584,447	874,724,160
Operating loss obligations		820,922	1,133,804
Legal cases provision		5,541,845	6,407,914
Provision for zakat	19	2,841,511	2,591,511
Total current liabilities		**1,750,755,898**	**1,817,493,575**
Total liabilities		**2,139,779,420**	**2,179,407,657**
Total Shareholders' Equity and Liabilities		**2,678,939,699**	**2,756,909,300**

The accompanying notes (1) to (27) form an integral part of these interim condensed consolidated financial statements (unaudited)

Chief Financial Officer **Chief Executive Officer** **Authorized BOD's Member**

2

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Interim condensed consolidated statement of profit or loss and other comprehensive income
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

	Note	For the three-month period ended 31 March 2026 (unaudited)	31 March 2025 (unaudited)
Revenue	20	163,281,856	325,357,368
Cost of revenue	21	(143,558,213)	(276,031,553)
Gross profit		**19,723,643**	**49,325,815**
General and administrative expenses		(31,524,624)	(32,756,924)
Impairment of customer contracts	8,4	(1,737,440)	-
Expected credit losses	10.2	(1,636,135)	-
(Losses) from sale of property and equipment		(24,032)	(2,298)
(Loss) income from operating activities		**(15,198,588)**	**16,566,593**
Other revenue (expenses)			
Dividends from financial assets at fair value through other comprehensive income		950,000	1,330,000
Unrealized (losses)/ gains from revaluation of investments at fair value		(2,897,250)	1,255,500
Investment returns on debt instruments		-	42,500
Finance costs		(22,495,523)	(24,588,425)
Other income		124,997	81,015
Net (loss) for the period before zakat		**(39,516,364)**	**(5,312,817)**
Zakat	19.1	(250,000)	(255,000)
Net (loss) for the period after zakat		**(39,766,364)**	**(5,567,817)**
Other comprehensive income items:			
Unrealized profit/(loss) from revaluation of financial assets at fair value through other comprehensive income		1,425,000	(2,755,000)
Other comprehensive income/ (loss)		**1,425,000**	**(2,755,000)**
Comprehensive (loss) for the period		**(38,341,364)**	**(8,322,817)**
Basic and diluted (loss) per share	22	**(0.08)**	**(0.01)**

The accompanying notes (1) to (27) form an integral part of these interim condensed consolidated financial statements (unaudited)

Chief Financial Officer	Chief Executive Officer	Authorized BOD's Member

3

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Interim condensed consolidated statement of changes in shareholders' equity
For the three-month period ended 31 march 2026 (unaudited)
(Expressed in Saudi Riyals)

	Share capital	Statutory reserve	Retained earnings	Unrealized (losses) from revaluation of financial assets at fair value through other comprehensive income	Actuarial gains / (losses) of re-measurement of employee defined benefits	Total Shareholders' equity
For The Three-Month Period Ended 31 March 2025						
Balance at January 01, 2025 (audited)	500,000,000	30,640,628	154,127,954	(50,153,946)	305,008	634,919,644
Net (loss) for the period	-	-	(5,567,817)	-	-	(5,567,817)
Other comprehensive (loss)	-	-	-	(2,755,000)	-	(2,755,000)
Comprehensive (loss) for the period	-	-	(5,567,817)	(2,755,000)	-	(8,322,817)
Balance at 31 March 2025 (unaudited)	500,000,000	30,640,628	148,560,137	(52,908,946)	305,008	626,596,827
For the Three-Month Period Ended 31 March 2026						
Balance at January 01, 2026 (audited)	500,000,000	-	129,371,710	(56,233,946)	4,363,879	577,501,643
Net (loss) for the period	-	-	(39,766,364)	-	-	(39,766,364)
Other comprehensive income	-	-	-	1,425,000	-	1,425,000
Comprehensive (loss) for the period	-	-	(39,766,364)	1,425,000	-	(38,341,364)
Balance at 31 March 2026 (unaudited)	500,000,000	-	89,605,346	(54,808,946)	4,363,879	539,160,279

The accompanying notes (1) to (27) form an integral part of these interim condensed consolidated financial statements (unaudited)

Chief Financial Officer | **Chief Executive Officer** | **Authorized BOD's Member**

4

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Interim condensed consolidated statement of cash flows
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026 (UNAUDITED)
(Expressed in Saudi Riyals)

	Note	For the three-month period ended 31 March 2026 (unaudited)	31 March 2025 (unaudited)
Cash Flows From Operating Activities			
Net (loss) for the period		(39,766,364)	(5,567,817)
Net adjusted (loss) to net cash flows from operating activities			
Depreciation on property, plant and equipment		2,810,446	2,895,750
Depreciation on investment properties		5,585,797	5,576,616
Losses from sale of property, plant and equipment		24,032	2,298
Amortization of intangible assets		61,891	61,152
Depreciation on right-of-use assets		323,148	323,144
Employees' benefit obligations - provided		2,775,602	2,257,422
Impairment of customer contracts		1,737,440	-
Expected credit losses		1,636,135	
Dividends from financial assets at fair value through other comprehensive income		(950,000)	(1,330,000)
Financing costs of long-term loans		12,335,648	16,883,954
Financing costs of short-term loans		5,158,918	5,160,024
Finance costs for lease obligations		684,123	803,709
Zakat - provided		250,000	255,000
Unrealized losses (profits) from revaluation of financial assets at fair value through profit or loss		2,897,250	(1,255,500)
		(4,435,934)	**26,065,752**
Changes in working share capital			
Provision for legal claims utilized		(866,069)	(32,960)
Customer contracts		(37,201,165)	41,909,749
Inventory		14,272,013	(6,568,714)
Properties for development and sale		(1,395,265)	83,631,947
Trade receivables and other debit balances		73,910,178	(66,342,764)
Related Parties		216,582	(226,169)
Restricted cash (escrow accounts)		5,886,052	3,668,286
Trade accounts payable and other credit balances		(15,139,713)	(43,666,273)
Cash flows from working capital		**35,246,659**	**38,438,854**
Operating contract loss liabilities - paid		(312,882)	(1,000,000)
Employees' defined benefit obligations paid		(846,607)	(375,703)
Zakat paid		-	(8,143)
Net cash flows from operating activities		**34,087,170**	**37,055,008**

The accompanying notes (1) to (27) form an integral part of these interim condensed consolidated financial statements (unaudited)

Chief Financial Officer	Chief Executive Officer	Authorized BOD's Member

5

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Interim condensed consolidated statement of cash flows
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

	Note	For the three-month period ended 31 March 2026 (unaudited)	31 March 2025 (unaudited)
Cash flows from investing activities			
(Additions to) property, plant and equipment		(1,535,098)	(1,596,946)
(Additions) to investment property		(2,685,215)	(6,281,982)
(Additions) to intangible assets		(223,500)	-
Investments in debt instruments recovered		-	5,000,000
Net cash flows (used in) investing activities		**(4,443,813)**	**(2,878,928)**
Cash flows from financing activities			
Lease liabilities paid		(4,605,976)	(3,244,679)
Proceeds from loans		85,063,429	181,571,793
Loans repaid		(128,625,403)	(266,448,464)
Net cash flows (used in) financing activities		**(48,167,950)**	**(88,121,350)**
Net (decrease) in cash and cash equivalents		**(18,524,593)**	**(53,945,270)**
Cash and cash equivalents at the beginning of the period		**39,008,408**	**81,207,035**
Cash and cash equivalents at end of the period	13	**20,483,815**	**27,261,765**

The accompanying notes (1) to (27) form an integral part of these interim condensed consolidated financial statements (unaudited)

Chief Financial Officer **Chief Executive Officer** **Authorized BOD's Member**

6

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)

1. General

1.1 Ladun Investment Company, a public joint stock company (the 'Company') — a listed joint stock company — was incorporated on 17/03/1426H, corresponding to 26 April 2005, in accordance with the Saudi Companies Law and the Company's Articles of Association, the latest amendment of which was published on 18/01/1447H (corresponding to 13 July 2025). The Company is registered under the Unified National Number 7003761512 in the Commercial Register of the City of Riyadh under Commercial Registration No. 1010467355, dated 18/04/1438H (corresponding to 16 January 2017), valid until 21/05/1449H (corresponding to 21 October 2027). The Company's head office is located in Riyadh, P.O. Box 395343, Postal Code 12312.

1.2 The company operates through the head office and the following branch:

Al-Khobar branch registration number 2051030952 issued on 17/03/1426 H valid until 19/11/1448 H (former head office*).

* During 2021, the subsidiary commercial register No. 1010467355 was converted into a main commercial register, and the main commercial register No. 2051030952 was converted into a subsidiary one.

1.3 The company's activities include purchasing, selling, and subdividing lands and properties, off-plan sales activities, managing and leasing owned or leased residential properties, managing and leasing owned or leased non-residential properties, developing residential buildings using modern construction methods, and developing commercial buildings using modern construction methods.

1.4 The consolidated financial statements as of March 31, 2026 include the financial statements of the Parent Company and the following subsidiaries, collectively referred to as the "Group":

Subsidiaries	**Type**	**Headquarters**	**Shareholding %**	
			2025	**2024**
Built Industrial Company	LLC	Riyadh	100%	100%
Painite Operations and Maintenance Company	LLC	Khobar	100%	100%
Iktisaab Human Resources Company	LLC	Riyadh	100%	100%
Lak Investment and Trade Company*	LLC	Mecca	-	-

* On 30 October 2024, the agreement relating to the Parent Company's acquisition of Lak Investment Trading Company, which was entered into on 04/08/1442H, corresponding to 17/03/2021G, was terminated. The value of the agreement at that date amounted to SAR 128,788,223. The company was sold for SAR 133,007,906, and the ownership transfer procedures were completed on 21 July 2025.

1.5 The financial year of the Group begins on January 1st of each year and ends at the end of December, and the interim condensed consolidated financial statements presented are for the period from January 1, 2026, to March 31, 2026.

2. Basis of preparation

2.1 Statement of compliance

These interim condensed consolidated financial statements were prepared in accordance with International Accounting Standard - IAS 34 "Interim Financial Reporting as adopted in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Auditors and Accountants."

These interim condensed consolidated financial statements do not include all the information and notes required in the annual consolidated financial statements, therefore, It should be read in conjunction with the Group's latest consolidated financial statements for the year ended December 31, 2025.

2.2 Basis for consolidating the financial statements

The interim condensed consolidated financial statements include the financial statements of the Parent Company and all subsidiaries, collectively referred to as the "Group". The consolidated financial statements present financial information about the Group as a single economic entity at the same reporting date of the Parent Company, using consistent accounting policies.

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies so as to obtain benefits from its activities. Control is presumed to exist over the subsidiary when the Company owns, directly or indirectly, more than half of the voting power of an investee unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control.

Control also exists when the Company owns half or less of the voting power of an investee but has other power to govern the financial and operating policies of the entity. The assets, liabilities and results of the subsidiaries are consolidated in full from the date of acquisition, being the date when control is transferred to the Group. Consolidation continues until the date of such control ceases.

The Group applies the acquisition method to account for business combination. Inter-company transactions, balances, income, expenses, unrealized gains and losses on transactions and dividends are eliminated in full.

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)

2. Basis of preparation... (Continued)

2.3 Basis of measurement

The interim condensed consolidated financial statements have been prepared in accordance with the accrual basis of accounting and the going concern principle, and on the basis of the historical cost principle except for financial assets that are measured at fair value and financial liabilities that are measured at the present value of future liabilities projections using the projected unit credit method.

2.4 Presentation currency

These interim condensed consolidated financial statements are presented in Saudi Riyals ("SR") which is the functional and presentation currency. All amounts are presented in the interim condensed consolidated financial statements in Saudi riyals، unless otherwise stated.

2.5 Use of judgments, estimates and assumptions

The preparation of these interim condensed consolidated financial statements requires Management to make certain judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and disclosures of contingent liabilities at the reporting date. Although these estimates are based on the best current information and indicators available to Management, the final actual results may differ from these estimates.

These estimates and assumptions are reviewed on an ongoing basis and the effects arising from adjustment of the accounting estimates are recognized in the period in which such adjustment is made and the subsequent periods. The assumptions and estimates are particularly represented in the application of accounting policies that have significant impact on the amounts recognized in the consolidated financial statements.

The significant judgments made by Management in applying the Group's accounting policies and the significant sources of estimation uncertainties were the same as those applied to the consolidated financial statements for the year ended December 31, 2025 except for:

Going concern assumption

The consolidated financial statements have been prepared in accordance with the going concern principle. The Management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the necessary resources to continue in business for the foreseeable future. Furthermore, Management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern according to the going concern principle.

3. Material Information on Accounting Policies

The accounting policies applied to these interim condensed consolidated financial statements are the same as those applied to the consolidated financial statements for the year ended December 31, 2025.

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)

4. Changes in significant accounting policies and new standards

4.1 New and revised IFRS Standards that are applicable and have no significant impact on the consolidated financial statements
No new IFRS standards have been applied; however, a number of IFRS amendments are effective as of January 1, 2026 but have no significant impact on the Group's consolidated financial statements. The following is a summary of the amendments applied by the Group:

Standard - Interpretation	Description	Effective date for financial statements beginning on or after
IFRS 9 and IFRS 7	Amendments to the "Financial Instruments" standard related to the classification and measurement of financial instruments in terms of timing and requirements for recognition and derecognition, with a new exception regarding obligations settled through electronic payment systems before actual settlement when certain conditions are met. With consequential amendment to Financial Instruments: Disclosures, relating to financial instruments with contractual terms that affect cash flows, particularly those linked to environmental, social and governance (ESG) objectives.	01 January 2026

4.2 New and revised IFRS not yet effective and not applicable:
The following are standards and interpretations issued and not yet effective and not applicable as of the date of the financial statements:

Standard - Interpretation	Description	Effective date for financial statements beginning on or after
IFRS 18 Replacing IAS 1 and Consequential Amendments to IAS 8	The Saudi Organization for Auditors and Accountants has adopted IFRS 18 "Presentation and Disclosure in Financial Statements," which supersedes IAS 1. The standard includes enhancements to the income statement structure to provide more relevant and clear information, and develops specific requirements related to management-defined performance measures. The issuance of this standard has resulted in consequential amendments to IAS 8 regarding the basis of preparation of financial statements and disclosure of significant accounting policy information and sources of estimation uncertainty. It has also led to amendments to IAS 7 concerning the presentation of cash flows from dividends and interest income and expense, with specific requirements for entities whose primary activities are investing or financing.	01 January 2027
IFRS 19	The Saudi Organization for Auditors and Accountants has adopted IFRS 19 "Subsidiaries without Public Accountability: Disclosures." This standard primarily aims to provide a reduced level of disclosures in the financial statements of subsidiaries without public accountability, as an alternative to the disclosure requirements in the full IFRS standards. The goal is to simplify the mechanisms and systems for preparing financial statements and reduce their cost. It should be noted that application of the standard is optional, and it may be discontinued in future periods after being applied.	01 January 2027

(Expressed in Saudi Riyals)

5. Investment properties
5.1 The period ended March 31, 2026

	Lands	Buildings	Investment properties under development	Right-of-use assets	Total
Cost:					
Balance at 01 January 2026	204,125,578	283,987,365	50,799,931	94,504,929	633,417,803
Additions during the period	-	-	2,685,215	-	2,685,215
Capitalized interests during the period (note 16)	-	-	954,539	-	954,539
Balance at 31 March 2026	**204,125,578**	**283,987,365**	**54,439,685**	**94,504,929**	**637,057,557**
Accumulated depreciation:					
Balance at 01 January 2026	-	82,492,715	-	36,566,829	119,059,544
Depreciation for the period (note 21)	-	3,901,267	-	1,684,530	5,585,797
Balance at 31 March 2026	**-**	**86,393,982**	**-**	**38,251,359**	**124,645,341**
Net amount at 31 March 2026	**204,125,578**	**197,593,383**	**54,439,685**	**56,253,570**	**512,412,216**

Investment properties include lands amounting to SR 185,482,497 and buildings with a net book value of SR 155,572,732 that are mortgaged against long-term loans (Note 16) under an agreement in favor of local banks.

Investment properties with a net carrying amount of SR 512,412,216 were valued, and the fair value as of December 31, 2025 amounted to SR 684,796,270. The valuation was performed by an accredited valuer named Amam Real Estate Valuation Company with membership number 1210000030 and commercial registration number 1010611939. No material change has occurred in the fair value of the investment properties up to that date.

	31 March 2026 (unaudited)	31 December 2025 (audited)
Investment properties held for rental	480,530,372	482,476,415
Investment properties held for capital appreciation	31,881,844	31,881,844
	512,412,216	**514,358,259**

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

5. Investment properties... (Continued)
5.2 Year ended December 31, 2025

	Lands	Buildings	Investment properties under development	Right-of-use assets	Total
Cost:					
Balance at 01 January 2025	120,275,578	283,683,220	10,219,426	94,504,929	508,683,153
Additions during the year	-	304,145	37,545,590	-	37,849,735
Borrowing costs capitalized during the year	-	-	3,034,915	-	3,034,915
Transferred from properties held for development and sale	83,850,000	-	-	-	83,850,000
Balance at 31 December 2025	**204,125,578**	**283,987,365**	**50,799,931**	**94,504,929**	**633,417,803**
Accumulated depreciation:					
Balance at 01 January 2025	-	66,175,040	-	30,353,898	96,528,938
Depreciation for the year	-	16,317,675	-	6,212,931	22,530,606
Balance at 31 December 2025	**-**	**82,492,715**	**-**	**36,566,829**	**119,059,544**
Net amount at 31 December 2025	**204,125,578**	**201,494,650**	**50,799,931**	**57,938,100**	**514,358,259**

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

6. Leases

The Group has entered into a number of lease agreements as a lessee for usage purposes and for the purpose of earning rental income, as follows:

	31 March 2026 (unaudited)	31 December 2025 (audited)
Right-of-use assets for usage purposes (note 6.1)	3,673,092	3,996,240
Right-of-use assets for leasing purposes (Investment properties - Note 5)	56,253,570	57,938,100
	59,926,662	**61,934,340**

6.1 Right-of-use assets

	Lands	Equipment	31 March 2026 (unaudited)	31 December 2025 (audited)
Cost:				
Balance at beginning of period/year	2,900,476	4,052,000	6,952,476	6,952,476
Balance at end of the period/year	**2,900,476**	**4,052,000**	**6,952,476**	**6,952,476**
Accumulated depreciation:				
Balance at beginning of period/year	930,236	2,026,000	2,956,236	1,663,658
Deprecation charged during the period/year (note 21)	120,548	202,600	323,148	1,292,578
Balance at end of the period/year	**1,050,784**	**2,228,600**	**3,279,384**	**2,956,236**
Net carrying amount at end of the period / year	**1,849,692**	**1,823,400**	**3,673,092**	**3,996,240**

6.2 Lease liabilities

	Lands	Equipment	31 March 2026 (unaudited)	31 December 2025 (audited)
Cost:				
Balance at beginning of period/year	85,471,430	630,432	86,101,862	95,750,852
Paid during the period/year	(4,236,299)	(369,677)	(4,605,976)	(9,648,990)
Balance at end of the period/year	**81,235,131**	**260,755**	**81,495,886**	**86,101,862**
Less: Deferred interest				
Balance at beginning of the period/year	14,951,056	3,153	14,954,209	19,444,940
Charged to finance expenses	(684,123)	-	(684,123)	(4,490,731)
Balance at end of the period/year	**14,266,933**	**3,153**	**14,270,086**	**14,954,209**
Present value of obligation				
Net carrying amount at end of the period / year	**66,968,198**	**257,602**	**67,225,800**	**71,147,653**

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

6. Leases... (Continued)

6.2 Lease liabilities

Lease liabilities were presented in the statement of financial position based on the current portion - within the current liabilities (which represents the payable portion within a year) and the non-current portion - within the non-current liabilities (which represents the remaining liability less the current portion) as follows:-

	31 March 2026 (unaudited)	31 December 2025 (audited)
6.2.1 Lease liabilities – current portion	6,518,508	6,149,943
6.2.2. Lease liabilities - non-current portion	60,707,292	64,997,710
	67,225,800	**71,147,653**

	31 March 2026 (unaudited)	31 December 2025 (audited)
7. Financial assets at fair value through other comprehensive income		
7.1 Musharaka REIT Fund stock		
Balance beginning of period/year	38,760,000	44,840,000
Gains / losses from remeasurement of financial assets at fair value through other comprehensive income	1,425,000	(6,080,000)
Balance at end of the period/year	**40,185,000**	**38,760,000**

7.2 Below is the movement in unrealized losses from remeasurement:

	31 March 2026 (unaudited)	31 December 2025 (audited)
Balance beginning of period/year	(56,233,946)	(50,153,946)
Gains/(Losses) from revaluation for the period / year	1,425,000	(6,080,000)
Balance at end of the period/year	**(54,808,946)**	**(56,233,946)**

- Dividends during the three-month period ended 31 March 2026 amounted to SR950.000 (31 March 2025: SR 1,330,000).

Investments measured at fair value through other comprehensive income (FVOCI) are pledged as collateral against short-term loans (Note 17) under agreements in favor of local banks.

8. Customer contracts

The movement in contract assets and liabilities during the period/year is as follows:

	31 March 2026 (unaudited)	31 December 2025 (audited)
Balance at beginning of period/year	382,256,655	1,489,416,879
Revenue during the period/year	141,290,221	971,292,657
Billed during the period/year	(104,089,036)	(1,140,313,270)
Transferred to properties for development and sale (note 9)	-	(938,139,611)
Balance at end of the period/year	**419,457,840**	**382,256,655**
Less: Provision for impairment of customer contracts (note 8.4)	(27,009,168)	(25,271,728)
	392,448,672	**356,984,927**

The customer contracts were presented in the statement of financial position as follows:

	31 March 2026 (unaudited)	31 December 2025 (audited)
8.1 Contract assets - current portion	515,043,336	476,033,437
8.2 Contract assets - non-current portion*	65,286,828	65,286,828
8.3 Contract liabilities	(187,881,492)	(184,335,338)
	392,448,672	**356,984,927**

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

8. Customer contracts... (Continued)

8.4 Provision for impairment of customer contracts	**31 March 2026 (unaudited)**	**31 December 2025 (audited)**
Balance beginning of period/year	25,271,728	23,073,337
Provided during the period/year	1,737,440	6,949,761
Utilized during the year	-	(4,751,370)
	27,009,168	**25,271,728**

* Contract assets include developed land in Al-Asilah Suburb, which is pledged as collateral against long-term borrowings, with a net carrying amount of SR 65,286,829.

9. Properties for development and sale
The properties for development and sale represent the following projects:

	31 March 2026 (unaudited)	**31 December 2025 (audited)**
Development of Alremal land in Riyadh	2,513,478	2,513,478
Development of Ruba District land in Jizan	19,396,454	19,396,454
Development of Nimar District land in Riyadh	3,404,702	3,404,702
Development of Alminjara land in Jazan, Rawabi	15,295,084	15,295,084
Finan and Jawharat AlRusaifah projects	4,888,864	4,700,474
Transferred from contract assets (Al-Usaylah Project) (note 8)	938,139,611	938,139,611
Development of Afiya Almashreqiyah land in Riyadh	1,855,375	648,500
	985,493,568	**984,098,303**

The properties under development were presented in the statement of financial position based on the current portion - within the current assets (which represents portion expected to be sold/realized within one year) and the non-current portion - within the non-current assets (which represents portion expected to be sold/realized within more than year) as follows:

	31 March 2026 (unaudited)	**31 December 2025 (audited)**
9.1 Properties for development and sale - current portion	923,503,438	922,119,401
9.2 Properties for development and sale - non-current portion	61,990,130	61,978,902
	985,493,568	**984,098,303**

The movement on properties for development and sale was as follows:
For the period ended 31 March 2026

	Developed lands	**Work in progress**	**Total**
Opening balance for the period	974,047,550	10,050,753	984,098,303
Additions during the period	-	1,395,265	1,395,265
Balance at the end of the period	**974,047,550**	**11,446,018**	**985,493,568**

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

9. Properties for development and sale...(continued)
- For the year ended 31 December 2025

	Lands	Work in progress	Total
Cost:			
Balance at beginning of year	217,928,552	20,439,832	238,368,384
Additions during the year	19,568,949	70,576,451	90,145,400
Settlements during the year	-	(853,266)	(853,266)
Cost of sold units during the year	(117,739,562)	(80,112,264)	(197,851,826)
Transferred from contract assets (note 8)	938,139,611	-	938,139,611
Transferred to investment properties (note 5.2)	(83,850,000)	-	(83,850,000)
Balance at year-end	**974,047,550**	**10,050,753**	**984,098,303**

The properties for sale and development include lands valued at SR 972,831,155, mortgaged against long-term loans under an agreement for local banks.

	31 March 2026 (unaudited)	31 December 2025 (audited)
10. Trade receivables and other debit balances		
Customers (note 10.1)	117,915,119	171,664,279
Less: Provision for expected credit loss (note 10.2)	(23,982,444)	(22,346,309)
Trade receivables	**93,932,675**	**149,317,970**
Advances to contractors and suppliers	70,508,577	72,397,580
Margin on letters of guarantee	27,197,404	27,160,792
Good performance retentions	99,430,773	105,160,256
Zakat, Tax and Customs Authority	9,739,433	21,815,187
Prepaid expenses	9,931,382	11,232,009
Dividends receivable	950,000	-
Employees' accounts and custodies	3,984,027	4,107,712
Other	1,727,744	806,822
	317,402,015	**391,998,328**

	31 March 2026 (unaudited)	31 December 2025 (audited)
10.1 Aging of customers' debts		
Up to a month	24,000,949	91,236,761
1-2 months	8,451,418	13,241,477
From 2-3 months	6,787,892	852,773
Over 3 months	19,868,144	9,185,651
More than a year	58,806,716	57,147,617
	117,915,119	**171,664,279**

	31 March 2026 (unaudited)	31 December 2025 (audited)
10.2 Movement of provision for expected credit losses		
Balance at beginning of period/year	22,346,309	15,461,655
Provided during the period/year	1,636,135	7,334,317
Utilized during the period/year	-	(449,663)
	23,982,444	**22,346,309**

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

11. Related party transactions

11.1 Due from related parties

Related parties	**Nature of relationship**	**31 March 2026 (unaudited)**	**31 December 2025 (audited)**
Opal Aljazirah Security Guards Company	Owned by Chairman and Deputy Chairman, Board of Directors	**3,075,105**	**3,291,687**

11.2 Due to related parties

Related parties	**Nature of relationship**	**31 March 2026 (unaudited)**	**31 December 2025 (audited)**
Musharaka Financing Company	The Chief Executive Officer of Musharaka Financial Company, who previously served as the Vice Chairman of the Board of Directors of LADUN Investment Company during the prior board term, which ended on 17 September 2025.	**1,758,900**	**1,758,900**

11.3 Significant transactions with related parties

		For the three-month period ended	
Related parties	**Nature of transaction**	**31 March 2026 (unaudited)**	**31 March 2025 (unaudited)**
Opal Aljazirah Security Guards Establishment	Payment of expenses on behalf	-	2,087,471
	Rendering security guard services	(216,582)	(1,339,399)
Musharaka Financing Company	Payments and transfers for services received	-	(539,153)

	For the three-month period ended	
11.4 Salaries, allowances and remunerations of Senior Executives and the Board of Directors	**31 March 2026 (unaudited)**	**31 March 2025 (unaudited)**
Salaries, benefits and remunerations	4,300,473	4,194,893
Board of Directors remunerations	412,500	412,500

12. Financial assets at fair value through profit or loss	**31 March 2026 (unaudited)**	**31 December 2025 (audited)**
Portfolio of investments in listed companies' shares (Note 12.1)	**20,521,000**	**23,418,250**

12.1 Movement in the portfolio of investments in listed companies' shares

Balance at beginning of period/year	23,418,250	25,653,000
Loss from revaluation during the period/year	(2,897,250)	(2,234,750)
Balance at end of the period/ year	**20,521,000**	**23,418,250**

- The shares include pledged shares with a fair value as at 31 March 2026 amounting to SR 14,594,500, held as collateral against long-term borrowings.

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

	31 March 2026 (unaudited)	31 December 2025 (audited)
13. Cash and cash equivalents		
Banks - current accounts	46,262,034	70,672,679
Banks - investment portfolio	162,978	162,978
	46,425,012	**70,835,657**
Less:		
Restricted cash (escrow accounts)*	(20,941,197)	(26,827,249)
Banks - Overdraft	(5,000,000)	(5,000,000)
	20,483,815	**39,008,408**

* Restricted cash represents the value of the amounts collected from the sale of off-plan residential units. The amounts are reserved for the escrow account for the purpose of disbursing them on off-plan sales projects.

14. Share capital
The Company's issued share capital is SR 500 million, divided into 500 million shares of equal value, SR 1 per share, all of which are ordinary shares, as follows:

	Shareholding %		Number of shares Share / Thousand		31 March 2026 (unaudited)	31 December 2025 (audited)
Shareholder's shares	**2026**	**2025**	**2026**	**2025**		
Adiyat Investment Company	13.559%	13.559%	67,795	67,795	67,795,000	67,795,000
Prince Faisal bin Saad bin Saud Al-Saud	5.629%	5.629%	28,145	28,145	28,145,000	28,145,000
Other shareholders	80.812%	80.812%	404,060	404,060	404,060,000	404,060,000
	100%	**100%**	**500,000**	**500,000**	**500,000,000**	**500,000,000**

15. Statutory reserve
On 29/11/1447H, corresponding to 27 May 2025, the Extraordinary General Assembly, pursuant to Resolution No. (1) of 2025, approved the transfer of the entire statutory reserve as presented in the consolidated financial statements for the year ended 31 December 2025, amounting to SR 30,640,628, to retained earnings.

	31 March 2026 (unaudited)	31 December 2025 (audited)
16. Long-term loans		
Balance beginning of period/year	751,259,022	951,391,288
Proceeds during the period/year	6,852,165	163,929,871
Repayments during the period/year	(33,833,783)	(423,167,213)
Charged to finance costs	12,335,648	56,070,161
Finance costs charged to investment properties	954,539	3,034,915
	737,567,591	**751,259,022**

	31 March 2026 (unaudited)	31 December 2025 (audited)
16.1 Current portion	436,026,824	479,189,118
16.2 Non-current portion	301,540,767	272,069,904
	737,567,591	**751,259,022**

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

16. Long-term loans... (Continued)

- The Group obtained bank facilities from local banks totaling SR1,443 million, including general facilities, term sale financing, capital requirements financing, financing of existing projects and letters of guarantee. These facilities are compatible with the provisions of Islamic Shariah. The movement of loans obtained under the banking facilities was as follows:
- On 15 March 2026, the Group obtained a Shariah-compliant long-term financing facility from Al Rajhi Bank with a term of 10 years in the amount of SR 1.4 million, for the purpose of constructing the Ladun Tower project in Riyadh.

In addition, the Group had other borrowings obtained in prior years, with an outstanding balance of SR 737 million as at 31 March 2026.

At prevailing market rates and subject to the following collateral/security arrangements:

1. A performance and payment bond and a personal guarantee from Shareholders and the directors of the Board.
2. Mortgage for Al-Asila land for a coverage at least 130%.
2- Mortgage for Al-Remal land for a coverage at least 100%.
3- Signing the promissory notes
4- Mortgage of an investment portfolio or property with a percentage covering 125% of long-term financing.
5- Transfer of the Jeddah-Venan Project and Al-Usaylah Development project revenues in favor of the bank.
6- Pledge to assign rental returns and all operating revenues of Al-Narjis Complex
7- The Group's commitment to maintain a current ratio of not less than 1 time throughout the financing period.
8- The Group's commitment to maintain a leverage ratio not exceeding 1.25 times throughout the financing period.
9- The Group's commitment to maintain a debt service coverage ratio of not less than 1.25 times throughout the financing period.
7- Others as per the agreement of bank facilities

The loans include specific covenants. Any breach of these covenants in the future may lead to renegotiation. Management monitors the covenants on a regular basis and, in the event of any potential breach, takes the necessary actions to ensure compliance. During the period ended 31 March 2026, the Group did not breach any of these covenants.

	31 March 2026 (unaudited)	31 December 2025 (audited)
17. Short-term loans		
Balance beginning of period/year	261,202,887	174,148,806
Proceeds during the period/year	78,211,264	243,884,778
Repayments during the period/year	(94,791,620)	(174,625,046)
Charged to finance costs	5,158,918	17,794,349
Balance at end of the period/year	**249,781,449**	**261,202,887**

- The Company obtained bank facilities from local banks totaling SR954 million, representing Tawarruq financing, direct credit alternatives secured letters of guarantee. These facilities are compatible with the provisions of Islamic Shariah.

At prevailing market rates and subject to the following collateral/security arrangements:

1- A performance and payment bond and a personal guarantee from Shareholders and the directors of the Board.
2- Mortgage of real estate (note 5).
3- Signing the promissory notes
4- Others as per the agreement of bank facilities

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

	31 March 2026 (unaudited)	31 December 2025 (audited)
18. Trade accounts payable and other credit balances		
Trade payables	259,526,913	266,275,436
Payables - Purchase of investment properties	105,000,000	105,000,000
National Housing Company *	75,716,409	79,216,409
Advances from customers	292,085,729	291,290,638
Accrued bonuses	2,034,657	1,622,157
Value Added Tax	33,028,724	35,499,577
Performance bond	46,622,927	46,242,379
Employees' accounts	20,876,479	20,250,754
Advance rental income	15,625,967	20,499,840
Deposits - reservation of units	2,239,506	1,301,986
Insurance for others	1,714,917	1,718,119
Accrued interests	2,016,478	3,818,385
Other	3,095,741	1,988,480
	859,584,447	**874,724,160**

* The balance represents the amounts due to the National Housing Company, which is an interest-free loan to finance the projects of the Ministry of Housing, in the form of an incentive to finance the Group, provided that the half amount is paid when collections reach 80% of the total value of the units for each project. The other half will be paid when collections exceed 90% of the total value of the units for each project.

19. Zakat provision	31 March 2026 (unaudited)	31 December 2025 (audited)
19-1 Movement in zakat provision		
Balance at beginning of the period/year	2,591,511	2,916,559
Paid during the period/year	-	(2,169,114)
Provided for the period/year	250,000	1,844,066
Balance at end of the period/year	**2,841,511**	**2,591,511**

19.2 Zakat status

The parent company (Ladun Investment Company) submitted the consolidated Zakat return for the group for the year ended December 31, 2025. The parent company also submitted information returns for the subsidiaries for the same year and obtained a valid certificate until April 30, 2027.
The parent company received final Zakat assessments up to the end of 2023 and made the required payments.
The parent company submitted Zakat returns for the years 2021 and 2022 and paid the Zakat due according to the returns. No final assessments have been issued to date.
The parent company submitted the Zakat return for 2024 and paid the Zakat due according to the return. The Zakat examination is currently being conducted by the Zakat, Tax and Customs Authority. According to the Zakat consultant, no Zakat provisions have been established related to examination differences.
BELT Industrial Company received Zakat assessments from the Zakat, Tax and Customs Authority for the years from 2015 to 2018, which resulted in Zakat differences amounting to SR 2,884,459. The company made the payment during 2023.

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

	For the three-month period ended	
	31 March 2026 (unaudited)	**31 March 2025 (unaudited)**
20- Revenues		
Revenue from the sale of off-plan residential units	-	16,445,732
Revenue from development and sale of investment properties	-	129,254,386
Operation and maintenance revenue	5,650,501	8,143,625
Rental income from complexes	9,162,753	9,000,000
Revenue from construction	111,072,613	100,380,840
Sales revenue from construction materials sector	36,635,005	61,401,480
Human resources service revenue	468,164	731,305
Other revenue	292,820	-
	163,281,856	**325,357,368**

	For the three-month period ended	
	31 March 2026 (unaudited)	**31 March 2025 (unaudited)**
21. Cost of revenue		
Subcontractors cost	66,054,819	81,263,625
Cost of construction materials	25,184,564	49,902,971
Cost of developed residential units	-	1,024,633
Cost of development and sale of investment properties	-	85,265,476
Depreciation on right-of-use assets (note 6.1)	323,148	323,144
Depreciation on investment properties (note 5)	5,585,797	5,576,616
Salaries, wages and related expenses	25,713,649	29,861,151
Defined employee benefit obligations	1,221,233	1,158,524
Depreciation on property, plant and equipment	2,182,790	2,022,859
Fees and subscriptions	3,151,187	3,817,869
Rental expense	3,549,245	4,781,203
Maintenance and repair	5,812,856	4,480,270
Insurance	1,467,056	1,464,274
Travel and transportation	749,808	1,948,028
Electricity, water, phone, fax and post	451,724	669,672
Consultancy fees	637,539	800,031
Hospitality and cleaning	345,722	417,677
Commissions	19,690	363,810
Other costs	1,107,386	889,720
	143,558,213	**276,031,553**

Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

22. (Loss) per share

Basic and diluted loss per share was calculated by dividing the net loss for the period attributable to the shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, as follows:

	For the three-month period ended	
	31 March 2026 (unaudited)	**31 March 2025 (unaudited)**
Net loss for the period	(39,766,364)	(5,567,817)
Weighted average number of shares issued	500,000,000	500,000,000
Basic and diluted (loss) per share	**(0,08)**	**(0,01)**

23. Segment reporting

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026

	Real Estate Investment Segment	**Construction Segment**	**Industrial Segment**	**Service Segment**	**Total**
Revenue	9,162,753	111,072,613	36,635,005	6,411,485	163,281,856
Gross profit	2,068,963	9,223,526	7,030,064	1,401,090	19,723,643
Net (loss) / profit for the period	(25,584,750)	(15,501,565)	1,471,156	(151,205)	(39,766,364)
Total assets	1,803,748,995	530,701,291	324,795,079	19,694,334	2,678,939,699
Total liabilities	1,396,466,378	510,900,473	221,032,571	11,379,998	2,139,779,420

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

	Real Estate Investment Segmen	**Construction Segment**	**Industrial Segment**	**Service Segment**	**Total**
Revenue	154,700,118	100,380,840	61,401,480	8,874,930	325,357,368
Gross profit	27,996,650	8,587,579	10,825,788	1,915,798	49,325,815
Net (loss) / profit for the period	(5,666,464)	(5,544,177)	4,855,275	787,549	(5,567,817)
Total assets	2,170,766,397	466,191,039	242,644,101	12,798,052	2,892,399,589
Total liabilities	1,612,789,739	456,589,454	191,163,241	5,260,328	2,265,802,762

FOR THE YEAR ENDED 31 DECEMBER 2025

Total assets	1,878,358,698	584,097,656	274,346,883	20,106,063	2,756,909,300
Total liabilities	1,428,250,132	485,131,611	255,309,403	10,716,511	2,179,407,657

24. Financial Instruments

Capital management

The Company's objectives when managing the share capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for the Shareholders and benefits for other stakeholders, as well as maintaining an optimal capital structure that reduces the cost of capital. The company, like other companies operating in the same field, monitors the share capital on the basis of the debt ratio.

Financial instruments and risk management

The Group's activities are exposed to various financial risks including: Liquidity risk, credit risk, and market risk (include currency risk, fair value risk, cash flow interest/commission rate risk and price risk). The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.
Group's financial instruments comprise financial assets (cash and cash equivalents, trade receivables, investments at fair value through profit or loss, and other receivables) and financial liabilities (banks, credit facilities, trade and other payables).

Liquidity risks

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from the inability to sell a financial asset quickly at an amount close to its fair value. The Group manages and monitors liquidity risks on a regular basis to ensure that sufficient funds are available through bank facilities to meet any future commitments.
All current liabilities are expected to be settled within 12 months as of the date of the financial statements. Trade payables are typically settled within 30 to 60 days from the date of purchase or service delivery.

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Ladun Investment Company (Public Joint-stock)
(A listed joint stock company)
Kingdom of Saudi Arabia - Riyadh
Notes to the interim condensed consolidated financial statements
For the three-month period ended 31 March 2026 (unaudited)
(Expressed in Saudi Riyals)

24. Financial Instruments... (Continued)

Credit risk
Credit risk is the risk that a customer or a counter party in a financial instrument will default on its contractual obligations resulting in financial loss to the Group and arises principally from the cash at banks and receivables. The Group minimizes credit risks associated with receivables by establishing procedures for credit limits for each customer and monitoring outstanding receivables in line with a set of procedures and policies. Cash is deposited banks with high credit ratings.

Market risk
Market risk is the risk of fluctuations in a financial instrument due to changes in prevailing market prices such as foreign exchange rates, interest rates, and equity prices / share prices, which affect the Group's income or the value of its financial instruments. Market risk management aims to manage and control market risk exposure within acceptable parameters while maximizing returns.

Currency risk
Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates affecting foreign currency payments and receipts along with assessment of assets and liabilities in foreign currencies.
The Group is subject to fluctuations in foreign exchange rates in the normal course of its business. The Management regularly monitors changes in foreign exchange rates and manages the impact on the financial statements.

Fair value risk
Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. Since the Group's financial statements are prepared under the historical cost principle, differences may arise between the carrying amount and the fair value estimates. The Group's Management believes that the fair value of the Group's financial assets and liabilities approximates their balances carried forward.
A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When measuring fair value, the Group uses observable market information whenever possible. Fair values are categorized into different levels in the fair value hierarchy based on the inputs used in the valuation methods as follows:
Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
If multiple inputs used to measure fair value are categorized into different levels of the fair value hierarchy, the fair value measurement is categorized in its entirety in the level of the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period in which the change occurred. During the period there were no transfers between the fair value levels of Level 1 and Level 2.
Where the Group's financial instruments are grouped according to the historical cost principle, except for investments and derivative financial instruments charged at the fair value, differences may arise between the carrying amount and the fair value estimates. The management believes that the fair value of the Group's financial assets and liabilities are not materially different from their carrying amount.

The financial assets measured at fair value are as follows	Level 1	Level 2	Level 3	Total
For the period ended 31 March 2026				
Assets				
Financial assets at fair value through other comprehensive income	40,185,000	-	-	40,185,000
Financial assets at fair value through profit or loss:	20,521,000	-	-	20,521,000

The financial assets measured at fair value are as follows	Level 1	Level 2	Level 3	Total
31 December 2025				
Assets				
Financial assets at fair value through other comprehensive income	38,760,000	-	-	38,760,000
Financial assets at fair value through profit or loss:	23,418,250	-	-	23,418,250

25. Comparative figures

Certain figures for the comparative period have been reclassified to conform to the presentation of the consolidated financial statements for the period.

26. Events subsequent to financial statements date

Management believes that there are no subsequent events since the date of the statement of financial position as at March 31, 2026, and up to the date of preparation of these interim condensed consolidated financial statements that would have a material impact on the financial position of the company.

27. Approval of interim condensed consolidated financial statements

The interim condensed consolidated financial statements for the three-month period ended March 31, 2026 were approved by the Company's Board of Directors on 02 Dhul Heja 1447 H corresponding to 19 May 2026.

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