



THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE
(Saudi Joint Stock Company)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025
And Independent Auditor's Review Report

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE
(Saudi Joint Stock Company)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
And The Independent Auditor's Review Report

Index	Page
INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	1-2
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	3
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	4
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	5
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	6
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	7-20

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**TO THE SHAREHOLDERS THIMAR DEVELOPMENT HOLDING COMPANY
SAUDI JOINT STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA**

(1/2)

REPORT ON THE REVIEW OF THE CONSOLIDATED FINANCIAL STATEMENTS

INTRODUCTION

We have reviewed the accompanying interim condensed consolidated statement of financial position of Thimar Development Holding Company ("The Company") and its subsidiaries (collectively referred to as the "Group") as at 30 September 2025, and the related interim condensed consolidated statements of profit or loss and other comprehensive income, and the interim condensed consolidated statements of changes in equity and cash flows for the three and nine month period then ended, and significant information about accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard (34) - "Interim Financial Reporting" ("IAS 34") that is 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 Engagement (2410), "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", that is 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 are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS (34) that is endorsed in the Kingdom of Saudi Arabia.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We would like to draw the attention to Note (4) to the accompanying interim condensed consolidated financial statements which indicates that the Group incurred losses of SAR (6,986,717), during the period ended 30 September 2025. The accumulated losses of the Group have reached SAR (89,886,670) as at 30 September 2025, which requires the implementation of Article (132) of the Regulations for Companies that the extraordinary general assembly be called for a meeting within one hundred and eighty (180) days from the date of awareness to consider the continuity of the Group as going concern and to take necessary actions to remedy or resolve such losses.

**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

**TO THE SHAREHOLDERS THIMAR DEVELOPMENT HOLDING COMPANY
SAUDI JOINT STOCK COMPANY
RIYADH - KINGDOM OF SAUDI ARABIA**

(2/2)

REPORT ON THE REVIEW OF THE CONSOLIDATED FINANCIAL STATEMENTS

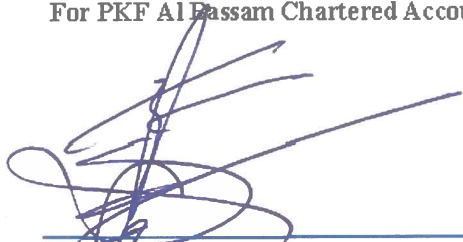
MATERIAL UNCERTAINTY RELATED TO GOING CONCERN (CONTINUED)

As a result of the Group's participation in the financial reorganization proposal and procedures outlined in Note (1) and in line with Article (45) of Chapter (4) of the Bankruptcy Law and its regulations, the Group does not have to follow the Regulations for the Companies when it comes to the set percentage of losses that the Group is required to incur by law. The continuity of the Group as a going concern is contingent upon the implementation of the financial reorganization proposal. As mentioned in Note (4), these events, or conditions, together with other matters described in Note (1), indicate a material uncertainty that may cast significant doubts about the Group's ability to continue as a going concern. Our conclusion has been unmodified in respect of this matter.

EMPHASIS OF MATTER

We would like to draw attention to Notes (1) and (17) to the accompanying interim condensed consolidated financial statements, which indicates that Thimar Development Holding Company is subject to a financial reorganization procedure in accordance with the ruling issued on 7 April 2021 (corresponding to 25 Shaaban 1442 H) in Case (1970) of 1442H, which judged the financial reorganization procedure of the Company and the appointment of Mr. Hani bin Saleh Al-Aqili as the Financial Reorganization Trustee. Consequently, the management announced on 8 March 2023 (corresponding to 16 Shaaban 1444 H) that the Commercial Court in Riyadh has approved the amendment to the Group's financial reorganization proposal.

For PKF Al-Bassam Chartered Accountants



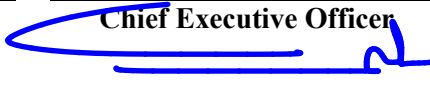
Ibrahim Ahmed Al Bassam
Certified Public Accountant
License No.: 337
Riyadh, Kingdom of Saudi Arabia
1 Jumada al-Awwal 1447 H
Corresponding to: 23 October 2025



THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE
(Saudi Joint Stock Company)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025
(All amounts in SAR unless otherwise stated)

	<u>Note</u>	30 September 2025 (Unaudited)	31 December 2024 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment, net		50,408,525	50,902,003
Right of use assets		693,507	996,897
Total Non-Current Assets		51,102,032	51,898,900
Current Assets			
Prepayments and other receivables, net		5,388,918	6,185,395
Accrued Revenues	18	6,762,690	-
Investments carried at FVTPL	6	13,794,000	13,794,000
Cash and cash equivalents		645,566	20,895,598
Total Current Assets		26,591,174	40,874,993
TOTAL ASSETS		77,693,206	92,773,893
EQUITY AND LIABILITIES			
EQUITY			
Share capital	7	65,000,000	65,000,000
Statutory reserve		2,883,376	2,883,376
Actuarial losses of end-of-service benefits		(9,254)	(9,254)
Revaluation Surplus		39,862,469	39,862,469
Accumulated losses		(89,886,670)	(82,899,953)
TOTAL EQUITY		17,849,921	24,836,638
LIABILITIES			
Non-Current Liabilities			
Employee benefit obligations		449,336	284,483
Islamic borrowings	8	8,847,816	11,580,080
Trade payables	9	8,521,333	19,705,624
Accrued expenses and other payables	10	73,591	205,293
Due to related parties	5-3	209,732	433,744
Zakat payable	11	2,211,963	2,778,720
Lease liabilities – non-current portion		212,522	414,943
Total Non-Current Liabilities		20,526,293	35,402,887
Current Liabilities			
Islamic borrowings	8	5,906,763	2,903,089
Trade payables	9	20,037,055	13,136,528
Accrued expenses and other payables	10	5,868,887	6,383,429
Due to related parties	5-3	209,732	576,620
Zakat payable	11	6,883,338	9,137,076
Lease liabilities –current portion		411,217	397,626
Total Current Liabilities		39,316,992	32,534,368
TOTAL LIABILITIES		59,843,285	67,937,255
TOTAL EQUITY AND LIABILITIES		77,693,206	92,773,893
Contingent liabilities and capital commitments		-	-


Chairman


Chief Executive Officer


Chief Financial Officer

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE

(Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

FOR THE THREE MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

(All amounts in SAR unless otherwise stated)

		For the three-month period ended		For the nine-month period ended	
		30 September	30 September	30 September	30 September
		2025	2024	2025	2024
	Note	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue		-	-	-	-
Unrealized gains from investments at fair value through profit or loss (FVTPL)		-	72,000	-	72,000
Cost of revenue		-	-	-	-
Gross profit		-	72,000	-	72,000
<u>Primary Operating Expenses</u>					
General and administrative expenses		(4,698,231)	(4,174,684)	(12,917,647)	(12,780,896)
Impact of financial liabilities modification and its cash flow expense	14	(441,172)	(565,024)	(1,447,368)	(1,695,072)
Operating losses from Operations		(5,139,403)	(4,667,708)	(14,365,015)	(14,403,968)
Finance costs		(8,735)	(12,230)	(26,207)	(13,946)
Other revenue	12	7,062,690	347,808	7,409,179	3,136,961
Net Income / (loss) before zakat		1,914,552	(4,332,130)	(6,982,043)	(11,280,953)
Zakat		-	-	(4,674)	-
Net Income / (loss) for the period		1,914,552	(4,332,130)	(6,986,717)	(11,280,953)
Basic and diluted Income / (loss) per share as per net Income / (loss) for the period attributable to the Company's shareholders	13	0.29	(0.67)	(1.07)	(1.74)
<u>Other comprehensive income:</u>					
Items that will not be reclassified subsequently to profit or loss:					
Revaluation surplus		-	-	-	-
Total comprehensive income / (comprehensive loss) for the period		1,914,552	(4,332,130)	(6,986,717)	(11,280,953)
Income / (loss) per share for the period	13				
Basic and diluted Income / (loss) per share based on net Income / (loss) for the period		0.29	(0.67)	(1.07)	(1.74)

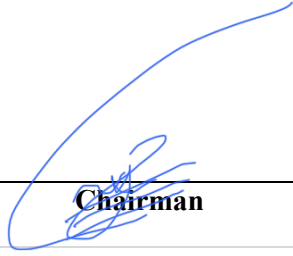
Chairman

Chief Executive Officer

Chief Financial Officer

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE
(Saudi Joint Stock Company)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the nine-month period ended 30 September 2025
(All amounts in SAR unless otherwise stated)

	<u>Notes</u>	<u>Share Capital</u>	<u>Statutory Reserve</u>	<u>Actuarial (Losses) of End-of-Service Benefits</u>	<u>Revaluation Surplus</u>	<u>Accumulated Losses</u>	<u>Total</u>
For the nine-month period ended 30 September 2024							
Balance as at 1 January 2024		250,000,000	2,883,376	26,673	38,115,834	(259,886,534)	31,139,349
Total comprehensive loss for the period		-	-	-	-	(11,280,953)	(11,280,953)
Capital reduction for absorption of accumulated losses		(185,000,000)	-	-	-	185,000,000	-
Balance as at 30 September 2024 (Unaudited)		<u>65,000,000</u>	<u>2,883,376</u>	<u>26,673</u>	<u>38,115,834</u>	<u>(86,167,487)</u>	<u>19,858,396</u>
For the nine-month period ended 30 September 2025							
Balance as at 1 January 2025		65,000,000	2,883,376	(9,254)	39,862,469	(82,899,953)	24,836,638
Total comprehensive loss for the period		-	-	-	-	(6,986,717)	(6,986,717)
Balance as at 30 September 2025 (Unaudited)		<u>65,000,000</u>	<u>2,883,376</u>	<u>(9,254)</u>	<u>39,862,469</u>	<u>(89,886,670)</u>	<u>17,849,921</u>

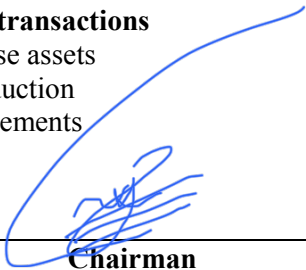

Chairman

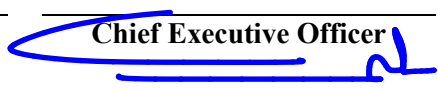

Chief Executive Officer


Chief Financial Officer

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE
(Saudi Joint Stock Company)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the nine-month period ended 30 September 2025
(All amounts in SAR unless otherwise stated)

	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period before zakat	(6,982,043)	(11,280,953)
Adjustments to reconcile net Income for the period before zakat to net cash flows generated from operating activities:		
Unrealized gains from investments at fair value through profit or loss (FVTPL)	-	(72,000)
Depreciation of property, plant and equipment	495,464	346,697
Employee benefit obligations	164,853	147,657
Losses on disposal of property, plant and equipment	8,085	-
Impact of financial liabilities modification and its cash flows	1,447,368	1,695,072
Finance cost on lease liabilities	26,207	13,946
Depreciation of right of use assets	303,390	115,095
	<u>(4,536,676)</u>	<u>(9,034,486)</u>
Changes in assets and liabilities:		
Prepayments and other receivables	(2,100,215)	(867,692)
Accrued Revenues	(6,762,690)	-
Trade payables	(5,218,621)	(369,917)
Accrued expenses and other payables	(795,728)	(4,785,727)
Due to related parties	(610,994)	-
Cash used in operating activities	<u>(20,024,924)</u>	<u>(15,057,822)</u>
Provision for end-of-service benefits paid	-	(11,832)
Net cash used in operating activities	<u>(20,024,924)</u>	<u>(15,069,654)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchasing of property, plant and equipment	(12,171)	(1,017,813)
Proceeds from disposal of property, plant and equipment	2,100	-
Paid for investments	-	(6,000,000)
Net cash used in investing activities	<u>(10,071)</u>	<u>(7,017,813)</u>
Cash flows from financing activities		
Due to related parties	-	(275,942)
Lease liabilities paid	(215,037)	(212,487)
Net cash used in financing activities	<u>(215,037)</u>	<u>(488,429)</u>
Net change in cash and cash equivalents	<u>(20,250,032)</u>	<u>(22,575,896)</u>
Cash and cash equivalents at beginning of the period	20,895,598	47,107,031
Cash and cash equivalents at end of the period	<u>645,566</u>	<u>24,531,135</u>
Non-cash transactions		
Right-of-use assets	-	1,199,173
Capital reduction	-	(185,000,000)
Zakat Settlements	(2,896,691)	-


Chairman


Chief Executive Officer


Chief Financial Officer

The accompanying notes from 1 to 20 an integral part of these interim condensed consolidated financial statements.

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE

(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2025

(All amounts in SAR unless otherwise stated)

1. LEGAL STATUS AND OPERATIONS

Thimar Development Holding Company (Formerly known as the National Agricultural Marketing Company – Thimar) was officially registered as a joint stock company under Commercial Register No. 1010068222, issued in Riyadh on 17 Jumada I 1408 H, (corresponding to 7 January 1988). As at 30 September 2025, the Group's capital is SAR 65,000,000, which is divided into 6,500,000 shares of SAR 10 each. (as at 31 December 2024: SAR 65,000,000 divided into 6,500,000 shares of SAR 10 each).

The group's activity is as follows:

- Management of subsidiaries of the Holding Companies.
- Investment of funds subsidiaries of the Holding Companies.
- Holding the underlying real estate and movable properties for the Holding Companies.
- Leasing industrial property rights to subsidiaries of holding companies.
- Owning industrial property rights of the subsidiaries of holding companies.
- Providing loans, guarantees, and financing for the subsidiaries of holding companies.

The interim condensed consolidated financial statements also include the accounts of Thimar Development Holding Company (the holding company) and the companies it directly owns (referred to as subsidiaries):

<u>Subsidiary</u>	<u>Incorporation Country</u>	<u>Legal Form</u>	<u>Effective Ownership Percentage (Direct)</u>
(1) Wasmi and Thimar Meat Company	KSA	LLC	100%
(2) Thimar Towers Development and Investment Company	KSA	LLC	100%

(1) Wasmi and Thimar Meat Company (the company) is a Single-Member Limited Liability Company. It was established in the Kingdom of Saudi Arabia under Commercial Register No. 1010848794, issued in Riyadh on 27 Jumada al-Awwal 1444 H, corresponding to 21 December 2022.

Its authorized capital has amounted to SAR 100,000. The capital has not been deposited, and the company has not commenced any activity until date.

The company's main activity is the production of fresh meat and the wholesale and retail sale of meat and meat products, and some activities require obtaining licenses from the Ministry of Industry and Mineral Resources.

(2) Thimar Towers Development and Investment Company (the company) is a Single-Member Limited Liability Company. It was established in the Kingdom of Saudi Arabia under Commercial Register No. 1009002193, issued on 3 Ramadan 1445 H, corresponding to 13 March 2024. Its authorized capital has amounted to SAR 25,000. The capital has not been deposited, and the company has not commenced any activity until date. The company's main activity is real estate development.

Financial Reorganization Procedures

As per the ruling handed down on Wednesday 7 April 2021, corresponding to 25 Shaaban 1442 H, in Case (1970), which mandated the financial reorganization of Thimar Development Holding Company (the “Company”) and appointed Mr. Hani bin Saleh Al-Aqili as the Financial Reorganization Trustee, in accordance with the following events:

The Company was given a 150-day to prepare the proposal from the initiation date of the procedure.

The Company's petition led to a 100-day extension of the timeframe, commencing on 5 October 2021, corresponding to 25 Muharram 1443 H.

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE
(Saudi Joint Stock Company)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the nine-month period ended 30 September 2025
(All amounts in SAR unless otherwise stated)

1. LEGAL STATUS AND OPERATIONS (CONTINUED)

Financial Reorganization Procedures (continued)

The court granted a 60-day extension to the timeframe, commencing on 10 December 2021, corresponding to 6 Jumada I 1443 H.

On 6 February 2022, corresponding to 5 Rajab 1443 H, the Company presented the proposal of Financial Reorganization Plan to the court via the Financial Reorganization Trustee.

The court accepted the proposal for deposit, and the dates for the shareholders and creditors' voting on the plan were approved.

On 14 April 2022, corresponding to 13 Ramadan 1443 H, the proposal was adopted by the shareholders with a majority of 99.57% of those in attendance.

On 18 April 2022, corresponding to 17 Ramadan 1443 H, the creditors gave their approval with an overwhelming majority of 99.73% of those in attendance.

The court officially approved the proposal on 14 August 2022, corresponding to 16 Muharram 1444 H.

On 19 October 2022, corresponding to 21 Rabi' al-Awwal 1444 H, the Company requested an 11-month delay in paying its creditors to the Financial Reorganization Trustee, as required by the Regulations' rescheduling rules. This is to provide an adequate time for the Company to make all the required preparations to execute the approved Financial Reorganization Plan.

On 16 November 2022, corresponding to 22 Rabi' al-Thani 1444 H, the Commercial Court in Riyadh granted approval to the Company's petition to reschedule the creditors repayment in the previously approved Financial Reorganization Plan.

On 11 December 2022, corresponding to 17 Jumada I 1444 H, the shareholders voted in favor of the proposal to reschedule the creditors repayment in the financial reorganization, with a majority of 99.77% of those in attendance.

On 12 December 2022, corresponding to 18 Jumada I 1444 H, the proposal for rescheduling debt payments in the financial reorganization was approved by the creditors, with a majority of 82.92% of those in attendance.

On 8 March 2023, corresponding to 16 Sha'ban 1444 H, the Company's management stated that the revised proposal for Thimar Development Holding Company's financial reorganization had been approved by the Riyadh Commercial Court.

Company's Financial Reorganization Trustee Information:

Name: Hani bin Saleh bin Abdullah Al-Aqili
Riyadh City
License No. 142126

Overview of the Financial Reorganization Proposal:

The Group formulated and presented a financial reorganization proposal to the Ninth Circuit of the Commercial Court in Riyadh. The proposal encompassed information about the Group, its activity, its financial position, the prevailing economic conditions, a comprehensive list of debts and potential claims, the proposed approach to address them, and the Group's intended course of action during the procedure and its future strategy.

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE
(Saudi Joint Stock Company)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the nine-month period ended 30 September 2025
(All amounts in SAR unless otherwise stated)

1. LEGAL STATUS AND OPERATIONS (CONTINUED)

Overview of the Financial Reorganization Proposal (continued)

The Group's plan is segmented into two distinct sections:

Section One: Entering into existing companies that consistently generate sustainable returns.

Section Two: Leveraging the Group's assets by engaging in non-monetary investments (in-kind shares) in the food industry.

The plan's funding sources: increasing the capital in several stages, based on future opportunities for the Group's activities.

The Group's schedule of indebtedness: claims that have been approved in the proposal, totaling SAR 117,039,035 is as follows:

<u>Class *</u>	<u>Total (SAR)</u>
Labor Claims	6,685,913
Suppliers	66,183,040
Financial Institutions	32,024,465
Government Entities	12,145,617
	117,039,035

These categories have been classified in accordance with the proposed Financial Reorganization. Please refer to (Note 16) for clarification of the classification of the interim condensed consolidated financial statements.

The Group's management has incorporated its strategic plan into the Financial Reorganization Proposal, with the objective of ensuring sufficient liquidity for the Company's regular operations.

Schedule for the plan implementation:

The following is a statement of the plan of the current status regarding the repayment of creditors:

Payment dates	31 October 2023	31 March 2025	31 March 2026	31March 2027	31March 2028	31 March 2029
percentage	%50	%16	%13	%13	%4	%4
Approved obligations under the plan	58,519,517	18,790,472	15,447,515	15,447,515	4,417,008	4,417,008
Settled amount	58,428,283	9,443,891	1,283,894	1,066,689	195,610	195,610
Remaining balance	91,234	9,346,581	14,163,621	14,380,826	4,221,398	4,221,398

During the period ended September 30, 2025, the Group settled and paid part of the payables due under the financial reorganization for the second installment relating to creditors' claims. The total value of the settlements amounted to SAR 9,443,891, leaving SAR 9,346,581 outstanding from the second installment. As disclosed in Note 19, during the subsequent period the Group paid SAR 9,179,664, bringing total payments on the second installment to SAR

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE

(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2025

(All amounts in SAR unless otherwise stated)

18,623,555, representing 99% of the total amount due for that installment. The Group continues to take the necessary steps to settle the remaining claims and remains confident in proceeding in line with the reorganization plan.

2. BASIS OF PREPARATION

2-1 Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (34) "Interim Financial Reporting" endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants (SOCPA), (collectively referred to as "IFRS endorsed in the Kingdom of Saudi Arabia"), which include the Financial Reporting Standard during Bankruptcy Proceedings: Preventive Settlement or Financial Reorganization endorsed in the Kingdom of Saudi Arabia. This standard requires the presentation of the impact of financial reorganization on financial statements and the disclosure of additional information due to entering the procedure.

The financial statements demonstrate the impact of transactions and events directly related to the Financial Reorganization Procedures, separate from the Company's commercial activities.

The significant accounting policies used in preparing these interim condensed consolidated financial statements have been consistently applied to all periods presented, unless otherwise stated.

2-2 Basis of consolidation

The interim condensed consolidated financial statements include the financial statements of the Holding Company and its subsidiaries as at 30 September 2025, as described in Note (1). Subsidiaries are entities which are controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns and when the Group maintains less than the majority of voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
 - The contractual arrangement with the other voting holders of the investee
 - Rights arising from other contractual arrangements
 - The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses its control over the subsidiary. Assets, liabilities, revenues and expenses of a subsidiary acquired or disposed of during the period are included in the interim condensed consolidated financial statements from the date that the Group obtains control until the date the Group ceases to control over subsidiary.

Profit or loss and each component of comprehensive income are attributable to shareholders of the Parent Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All inter-Group assets and liabilities, equity, revenues, expenses and cash flows relating to transactions between members of the Group are eliminated in full upon consolidation.

**THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE**

(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2025

(All amounts in SAR unless otherwise stated)

2. BASIS OF PREPARATION (CONTINUED)

2-2 Basis of consolidation (Continued)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary,
- Derecognizes the carrying amount of any non-controlling interests,
- Derecognizes the cumulative translation differences recorded in equity,
- Recognizes the fair value of the consideration received,
- Recognizes the fair value of any investment retained,
- Recognizes any surplus or deficit in consolidated statement of profit or loss,
- Reclassifies the Holding Company's share of components previously recognized in the comprehensive income to consolidated statement of profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2-3 Basis of measurement

These interim condensed consolidated financial statements have been prepared under the historical cost convention except for employee end-of-service benefits obligation which are recognized at present value of defined benefit obligations, and land within plant, property, and equipment, which is measured using the revaluation model, using the accounting accrual principle, and going concern basis.

2-4 Functional and presentation currency

These interim condensed consolidated financial statements are presented in Saudi Arabian Riyal, which is the Company's functional and presentation currency.

2-5 New and amended standards and interpretations

The accounting policies applied in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the preparation of the group's financial statements for the period ended in 31 December 2024, except for the amendments that were required to be applied on 1 January 2025. The Group has not early adopted any new standards, interpretations, or amendments that have been issued but are not yet effective. Several amendments and interpretations are applied for the first time in 2024, but they do not have an impact on the interim condensed consolidated financial statements of the Group.

3. SIGNIFICANT INFORMATION ABOUT ACCOUNTING POLICIES

Significant accounting estimates, assumptions, and policies

Preparing the interim condensed consolidated financial statements requires the use of judgments, estimates, and assumptions that impact the reported amounts of revenues, expenses, assets, liabilities, and the accompanying notes. Uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the carrying values of the assets and liabilities affected in future periods. The accounting policies used for these interim condensed consolidated financial statements are consistent with those applied to the Group's financial statements for the prior year ended 31 December 2024.

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE

(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2025

(All amounts in SAR unless otherwise stated)

4. GOING CONCERN

According to the interim condensed consolidated financial statements, the Group experienced a net loss for the period ended in 30 September 2025, totaling SAR (6,986,717). Additionally, the accumulated losses of the Group as at 30 September 2025, amounted to SAR (89,886,670), exceeding the total capital of the Group. According to Article (132) of Regulations for the Companies, an extraordinary general assembly meeting must be called within 180 days from the date of awareness to consider the continuity of the Group as a going concern and to take any necessary actions to remedy or resolve these losses. Nevertheless, it is important to note that the Group's involvement in a proposal and financial reorganization procedures (Note 1) and the application of Article (42) of Chapter (4) of the Bankruptcy Law and its implementing regulations have resulted in the Group being exempted from adhering to the Regulations for the Companies concerning the specified percentage of losses incurred by the debtor.

The continuity of the Group as a going concern is contingent upon the implementation of the Financial Reorganization Plan, which is heavily reliant on increasing the Group's capital.

As disclosed in Notes (1) and (19), during the reporting period and the subsequent period, the Group settled 99% of the total creditor claims relating to the second installment according to the plan.

On 26 August 2024, the group's management submitted a request file for approval to increase the group's capital by offering priority rights worth SAR 195,000,000 to the Capital Market Authority. On 7 September 2025, the Capital Market Authority announced the issuance of its decision approving the request of Thimar Development Holding Company to increase its capital by offering priority rights shares worth (195,000,000) riyals, provided that the eligibility is for shareholders registered in a shareholders' register.

5. RELATED-PARTIES TRANSACTIONS

Related parties consist of the principal shareholders and key management personnel of the Group, along with the entities they own or manage. This also encompasses entities that have joint control or significant influence over these parties.

Related-parties Transactions are regularly conducted in the course of normal business under terms similar to those terms between other parties through contracts approved by the management.

The following is a statement of the most important transactions that completed during the period and a statement of the balances of related parties at the end of the financial period:

5-1 related parties transactions

Related parties	Nature of Transaction	For the period ended in 30 September 2025	For the period ended in 30 September 2024
Former board member	Receivables	4,057,254	-
* Senior executives	withdrawals	222,400	-

*CEO transactions include an amount classified under a prepayment account and other receivables.

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE

(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2025

(All amounts in SAR unless otherwise stated)

5. RELATED-PARTIES TRANSACTIONS (CONTINUED)

5-2 Due from related parties:

<u>Related parties</u>	<u>Nature of Relationship</u>	<u>Nature of Transaction</u>	<u>30 September 2025 (unaudited)</u>	<u>31 December 2024 (audited)</u>
Related Party	Partner in an associate company	Receivables	20,427,307	20,427,307
Less: related parties ECL provision			(20,427,307)	(20,427,307)
Due from related parties, net			-	-

During 2021, the Group's management decided to strengthen related-party ECL provision by SAR 22,184,085. This decision was made by the Board of Directors because the receivables were deemed uncollectible. and during the year ended in 31 December 2024, an amount of SAR 1,756,778 was collected of those amounts due.

5-3 Due to related parties:

<u>Related parties</u>	<u>Nature of Relationship</u>	<u>30 September 2025 (Unaudited)</u>	<u>31 December 2024 (Audited)</u>
Mr. Sari Al-Mayouf	Board member (Former)	275,703	794,698
Mr. Ibrahim Al-Mayouf	Chairman (former)	183,943	275,942
Impact of financial liabilities modification and its cash flow (Note 14)		(40,182)	(60,276)
		419,464	1,010,364
Divided into:			
Current		209,732	576,620
Non-Current		209,732	433,744

As part of the Financial Reorganization Procedures, the Company's Financial Reorganization Trustee received claims from related parties amounting to SAR 1,379,078, all of which were approved. The claims list was officially approved during the Financial Reorganization Procedures for the Company by the 9th Circuit of the Commercial Court in Riyadh on 23 February 2022, corresponding to 22 Rajab 1443 H.

During the period, the group paid an amount of SAR 518,994 to the former board member, which represents 67% of the total claims that must be paid in the first installment according to the Financial Reorganization plan.

5-4 Compensation to key management personnel

	<u>30 September 2025 (Unaudited)</u>	<u>30 September 2024 (Audited)</u>
Committee Fees and Meeting-related Expenses	4,141,834	4,237,250
Salaries and benefits of key management personnel	2,941,135	1,835,800
	7,082,969	6,073,050

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE

(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2025

(All amounts in SAR unless otherwise stated)

6. INVESTMENTS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Business Square Development Fund*	6,186,000	6,186,000
Osool and Bakheet Fund, the four directions for the	7,608,000	7,608,000
	13,794,000	13,794,000

*On 19 November 2023, the Group's management invested an amount of SAR 6,000,000 in the Business Square Development Fund ("the Fund"). It is a closed real estate development investment fund that was established in accordance with the investment funds regulations issued by the Capital Market Authority. For the construction development of a plot of land located in the city of Riyadh in the Al-Nakhil district. The fund aims to invest in real estate by establishing an office house project to achieve periodic returns for unit owners in the medium term by renting the project units after their completion. as of 31 December 2024, the group's management concluded that the carrying amount of the net assets value of the fund is considered an appropriate estimate of the fair value. The effect of the change in the unit carrying amount from SAR 10 to SAR 10.31 resulted in gains of SAR 186,000, bringing the investment balance as at 31 December 2024 to SAR 6,186,000.

** On 10 June 2024, the group's management invested an amount of SAR 6,000,000 in the Osool and Bakheet Fund, the four directions for the development of Al Yamama City Center ("the Fund"), which is a closed real estate development fund licensed by the Capital Market Authority, and was established in accordance with the investment funds regulations issued by the Capital Market Authority. The fund aims to invest in real estate by constructing a residential tower in the city of Riyadh in the Kingdom of Saudi Arabia and achieving capital returns for unit holders in the medium term through the sale of project units.

The fund also revalued the group's investment, which resulted in a change in the carrying amount of the unit from SAR 10 to SAR 12.68, which led to a total gain of 1,608,000 riyals, bringing the investment value to 7,608,000 riyals as at 31 December 2024.

On 25 May 2025, the Group entered into an agreement to transfer its entire investment in the Osool and Bakheet Fund, the four directions for the development of Al Yamama City Center ("the Fund"), with a total value of SAR 7,608,000, to the Four Directions International Co. Ltd. in exchange for acquiring a 22% ownership share in Yamama Plus for Serviced Apartments ("the Company"), a limited liability company registered in the Commercial register of Riyadh under number 1009156510.

The Fund Manager is obligated to complete the procedures for transferring the relinquished shares. As of the date of the interim condensed consolidated financial statements, the transfer process has not been completed. Additionally, the Group does not have the ability to dispose of these units until all the regulatory documents and legal procedures required to finalize the transfer process are fully completed.

The Group has not yet exercised the ability to direct the use of the economic resource arising from the acquisition of the shares. Accordingly, no adjustments have been made to the interim condensed consolidated financial statements as at 30 September 2025.

7. SHARE CAPITAL

The group's licensed and paid-up capital was set at SAR 65,000,000 as at 30 September 2025 (31 December 2024: SAR 65,000,000), divided into 6,500,000 shares (31 December 2024: 6,500,000 shares), the value of each share being SAR 10.

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE

(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2025

(All amounts in SAR unless otherwise stated)

8. ISLAMIC BORROWINGS

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Islamic borrowings	16,021,157	16,021,157
Impact of financial liabilities modification and its cash flow (Note 14)	(1,266,578)	(1,537,988)
Islamic borrowings, net	14,754,579	14,483,169
Divided into:		
Current	5,906,763	2,903,089
Non-current	8,847,816	11,580,080

As part of the Financial Reorganization Procedure, the Company's Financial Reorganization Trustee received claims from a local bank, amounting to SAR 37,071,930. A total of SAR 32,024,465 was approved, while SAR 5,047,465 was denied. The claims list was officially approved during the Financial Reorganization Procedures for the Company by the 9th Circuit of the Commercial Court in Riyadh on 23 February 2022, corresponding to 22 Rajab 1443 H.

9. TRADE PAYABLES

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Trade payables	30,428,103	35,646,724
Impact of financial liabilities modification and its cash flow (Note 14)	(1,869,715)	(2,804,572)
Trade payables, net	28,558,388	32,842,152
Divided into:		
Current	20,037,055	13,136,528
Non-current	8,521,333	19,705,624

The historical details of the outstanding trade payables are as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Outstanding payables to creditors that have filed their claims with the Financial Reorganization Trustee	27,248,572	32,290,625
Outstanding payables to creditors that haven't filed their claims with the Financial Reorganization Trustee	3,179,531	3,356,099
Impact of financial liabilities modification and its cash flow (Note 14)	(1,869,715)	(2,804,572)
	28,558,388	32,842,152

As part of the Financial Reorganization Procedure, the Company's Financial Reorganization Trustee received claims from creditors, amounting to SAR 68,529,529. Some of the claims were approved, totaling SAR 64,165,250, while the remaining SAR 4,517,279, were denied. The claims list was officially approved during the Financial Reorganization Procedures for the Group by the 9th Circuit of the Commercial Court in Riyadh on 23 February 2022, corresponding to 22 Rajab 1443 H.

During 2023, the Group made repayments to creditors as per the claims approved by the Financial Reorganization Trustee and the court's ruling. The total amount repaid was SAR 31,874,625.

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE

(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2025

(All amounts in SAR unless otherwise stated)

9. TRADE PAYABLES (CONTINUED)

As at 31 December 2024, the Group's management has uncertainties about the validity of obligations recognized in the interim condensed consolidated financial statements. These uncertainties arise from supplier balances totaling SAR 336,228. These balances are a result of transactions from prior years and have not been settled. The management has made efforts to reach out to the suppliers. The management believes this could result in a change in obligation or a potential effect on the outflow of expected economic benefits from these balances. the Group's management has not written off these balances, as they are still assessing the likelihood of these obligations being claimed in the future.

10. ACCRUED EXPENSES AND OTHER PAYABLES

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Employee salaries and benefits payable	920,443	5,968,387
Other accrued expenses	5,562,090	3,382,789
Employee end-of-service benefits provided to those who have completed their service.	1,508,250	1,563,334
Remuneration payable to Board and related committees	2,633,000	504,999
Provision for lawsuits *	275,000	275,000
Stock offerings surplus payable **	164,524	164,526
Impact of financial liabilities modification and its cash flow (Note 14)	(94,802)	(244,286)
Withdrawals - enforcement court ***	(5,026,027)	(5,026,027)
Net accrued expenses and other payables	5,942,478	6,588,722
Divided into:		
Current	5,868,887	6,383,429
Non-current	73,591	205,293

The historical details of the outstanding accrued expenses and other payables are as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Outstanding accrued expenses and other payables to creditors that have filed their claims with the Financial Reorganization Trustee	411,459	5,492,636
Outstanding accrued expenses and other payables to creditors that haven't filed their claims with the Financial Reorganization Trustee	5,625,821	1,340,372
Impact of financial liabilities modification and its cash flow (Note 14)	(94,802)	(244,286)
	5,942,478	6,588,722

-As part of the Financial Reorganization Procedure, the Group's Financial Reorganization Trustee received claims from various creditors, including (labor and employees, other creditors, and government entities), totaling SAR 16,583,646. Some of the claims were approved, totaling SAR 11,019,550, while the remaining, SAR 5,564,096 was denied. The claims list was officially approved during the Financial Reorganization Procedures for the Group by the 9th Circuit of the Commercial Court in Riyadh on 23 February 2022, corresponding to 22 Rajab 1443 H.

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE

(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2025

(All amounts in SAR unless otherwise stated)

10. ACCRUED EXPENSES AND OTHER PAYABLES (CONTINUED)

As at 30 September 2025, the line item for employee salaries and benefits payable amounted to SAR 493,200 (as at 30 September 2024, it amounted to SAR 4,004,060). This represents the salaries and benefits due to the former and current Executive Director (Related Parties, Note 5). during the period ended in 30 September 2025, the group also made a payment from the claims of the former board member amounting to SAR 3,570,000, which represents the full payment according to the Financial Reorganization plan

-During 2023, the Group made repayments to creditors in accordance with the claims approved by the Financial Reorganization Trustee and the court's ruling. The total amount repaid was SAR 5,198,324.

* As at 31 December 2023, the Company's management has made a provision for legal matters arising from (enforcement orders related to unpaid checks) due to the effects of the loss of documents in the past years. The management lacks significant information regarding the supporting documents of these enforcements. Due to the previous events (court enforcement orders), the management has assessed the probability of the outflow of expected economic benefits to resolve these issues and has a reliable estimate of the outstanding amounts (checks issued in court).

** The amount is remaining compensations payable to unsubscribed priority rights-issue holders in total.

*** The balance reflects the funds that have been withdrawn from the Group's bank accounts by the Enforcement Court in response to lawsuits filed against the Group. The Group's management lacks sufficient information regarding these lawsuits, which are currently being pursued with the relevant authorities. during the year ended 31 December 2024, the Financial Reorganization Trustee submitted a letter addressed to the Enforcement Court requesting the lifting of the seizure of the amounts withheld by the Enforcement Court. The administration is still continuing its efforts to recover, follow up and repay these amounts. the group management does not have any sufficient information to allocate these amounts to date.

11. ZAKAT PAYABLE

Zakat assessment

-As part of the Financial Reorganization Procedure, the Group's Financial Reorganization Trustee received claims from ZATCA, totaling SAR 17,199,377. Some of the claims were approved, totaling SAR 8,450,692, while the remaining, SAR 8,748,685 was denied. The claims list was officially approved during the Financial Reorganization Procedures for the Company by the 9th Circuit of the Commercial Court in Riyadh on 22 Rajab 1443 H, corresponding to 23 February 2022, and was accounted for in the outstanding balance.

-During the year ended in 31 December 2024, the group supported the provision with an amount of SAR 87,708 for the purpose of sufficiency of the zakat provision with the company's actual obligations in favor of the Zakat and Income Authority.

-During the financial period ended in 31 March 2025, the Group conducted a financial settlement with the Zakat, Tax and Customs Authority, which included offsetting the claims owed by the Group in favor of the Authority with the claims owed by the Group to the Authority. The total value of this settlement was SAR 2,896,691.

-During the financial period ended 30 September 2025, the Zakat, Tax and Customs Authority (ZATCA) completed the examination of the company's zakat returns for the years 2019, 2020, 2021, and 2022. The final result of the examination works in the Authority's approval of the previously submitted zakat returns without any amendments. Consequently, no additional obligations were imposed on the company.

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE

(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2025

(All amounts in SAR unless otherwise stated)

12. OTHER REVENUES

	30 September 2025 (Unaudited)	30 September 2024 (Audited)
Revenues arising from court's rulings (Note18)	6,762,690	1,735,903
Bank returns **	150,489	1,395,701
Gains from negotiated receivables	496,000	-
Miscellaneous revenues	-	5,357
	7,409,179	3,136,961

*The Group has collected SAR 150,489, representing banking returns obtained from a local Islamic bank (Albilad Bank).

13. BASIC AND DILUTED LOSS PER SHARE

	30 September 2025 (Unaudited)	30 September 2024 (Audited)
Net loss for the period	(6,986,717)	(11,280,953)
Number of shares	6,500,000	6,500,000
Basic loss per share	(1.07)	(1.74)

The basic and diluted share loss was calculated based on the number of shares outstanding at the end of the period after taking into account retrospective adjustments, and the comparison figure was adjusted accordingly.

14. IMPACT OF FINANCIAL LIABILITIES MODIFICATION AND ITS CASH FLOW

During 2023, the Company's management remeasured its financial liabilities due to the rescheduling of the payment of these liabilities in accordance with the financial reorganization plan. Consequently, the present value of those claims was recalculated according to the financial instruments standard, resulting in an adjustment impact on cash flows amounting to SAR 7,312,523, which was included in the profit and loss statement for the year 2023. During the period ended in 30 September 2025, the company charged an amount of SAR 1,447,368 as an expense resulting from the impact of financial liabilities modification and its cash flow within the statement of profit or loss in accordance with the financial instruments standard. (31 December 2024: SAR 2,260,096)

	30 September 2025 (Unaudited)	Expense charged for the period ended 30 September 2025	31 December 2024 (Audited)
Due to related parties (Note 5-3)	40,182	(20,094)	60,276
Islamic borrowings (Note 8)	1,266,578	(271,410)	1,537,988
Trade payables (Note 9)	1,869,715	(934,857)	2,804,572
Accrued expenses and other payables (Note 10)	94,802	(149,484)	244,286
Zakat payable (Note 11)	333,782	(71,523)	405,305
Total	3,605,059	(1,447,368)	5,052,427

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE

(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2025

(All amounts in SAR unless otherwise stated)

15. FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement is based on the presumption that the transaction to sell the assets or transfer the liabilities takes place either:

- In the principal market for the assets or liabilities, or
- In the absence of a principal market, in the most advantageous market for the assets or liabilities.

The principal or most advantageous market must be accessible by the Group, the fair value of the assets or liabilities are measured using the assumptions that market participants would use when pricing the assets or liabilities, assuming that all parties to the business transaction act in accordance with their own economic interests.

The fair value definition is based on the presumption that the Group continues as going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. 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.

There were no transfers between the different levels of fair value during the nine-month period ended 30 September 2025.

16. CURRENT AND NON-CURRENT LIABILITIES RELATED TO THE CLAIMS ACCEPTED IN THE COMPANY'S FINANCIAL REORGANISATION PROPOSAL:

Based on the Financial Reorganization Proposal (Note 1) and pursuant to the approval of the Commercial Court in Riyadh on the amendment of the Financial Reorganization Proposal for Thimar Development Holding Company, the proposal includes a timeline for implementing the plan, which is primarily based on the Group obtaining an increase in capital. Subsequently, the implementation of the plan and repayment of creditors will commence from November 2023 until the end of March 2029, for the total accepted claims in the proposal amounting to SAR 117,039,035. Considering that the proposal is based on forecasts, a plan, and expected cash flows during the creditor's repayment period, and for the purpose of disclosing the amounts of liabilities expected to be settled after more than 12 months for the liability items within the statement of financial position as at 31 December 2022, related to the accepted claims, they are as follows:

Settlement scheduling for financial claims accepted according to the Financial Reorganization Proposal plan	Outstanding claims According to the Financial Reorganization	Settlement of claims up to the period ended in 30 September 2025	Expected to be settled within 1 year	Expected to be settled within more than 1 year
Claims for the statement of financial position items:				
Islamic borrowings	32,024,465	16,012,233	6,404,893	9,607,339
Accrued expenses and other payables	11,019,550	10,608,081	336,694	74,775
Trade payables	64,165,250	36,916,678	18,169,348	9,079,224
Due to related parties	1,379,078	919,432	229,823	229,823
Zakat provision	8,450,692	6,157,553	-	2,293,139
Total	117,039,035	70,613,977	25,140,758	21,284,300

THIMAR DEVELOPMENT HOLDING COMPANY
SUBJECTED TO A FINANCIAL REORGANIZATION PROCEDURE

(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended 30 September 2025

(All amounts in SAR unless otherwise stated)

16. CURRENT AND NON-CURRENT LIABILITIES RELATED TO THE CLAIMS ACCEPTED IN THE COMPANY'S FINANCIAL REORGANISATION PROPOSAL (CONTINUED):

As at 30 September 2025, the management of the group has divided the outstanding claims as follows:

Claims for the statement of financial position items:

	<u>Outstanding claims</u>	<u>Current</u>	<u>Non - Current</u>
Claims	<u>46,425,058</u>	<u>25,140,758</u>	<u>21,284,300</u>
Total	<u>46,425,058</u>	<u>25,140,758</u>	<u>21,284,300</u>

17. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The group has legal claims related to balances that were rejected by the financial regulator in the financial reorganization proposal. The group's management considers that these claims are unlikely to require an outflow of economic resources, and the group's management will continue to update concerning them.

The Group is facing legal proceedings, litigation and other claims that are not expected to have a material impact on the Group's financial position or results of operations, as shown in these interim condensed consolidated financial statements.

18. SIGNIFICANT EVENTS

On 18 September 2025 (corresponding to 26 Rabi Al-Awwal 1447H), the First Circuit for Banking Violations and Disputes – Riyadh decided to uphold the decision issued on 10 February 2025, corresponding to 11 Sha'ban 1446 H, which stipulates obligating a local bank to pay the group an amount of SAR 6,762,690 in exchange for court rulings. During the subsequent period, the group was able to collect the due amount.

On 26 August 2024, the Group's management submitted a file requesting approval to increase the Group's capital by offering priority rights amount of SAR 195,000,000 to the Capital Market Authority. On 7 September 2025, the Capital Market Authority announced the issuance of its decision approving the request of Thimar Development Holding Company to increase its capital by offering priority rights shares amount of (195,000,000) riyals, provided that the right is for shareholders registered in the shareholders' register.

19. SUBSEQUENT EVENTS

On 8 October 2025 (corresponding to 16 Rabi al-Thani 1447 H), Thimar Development Holding Group announced the completion of the sale of its property located in the First Industrial Area district of Riyadh, with a land area of 4,982 square meters, for a total consideration of SAR 8,299,200 (inclusive of the Real Estate Transaction Tax), via public auction.

During the subsequent period, the Group paid part of the second installment due under the financial reorganization plan. Total payments during the period amounted to SAR 9,179,664, bringing cumulative payments on the installment to SAR 18,623,555, representing 99% of the total amount due for the second installment.

20. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements have been approved for the period ended in 30 September 2025, on 23 October 2025 corresponding to 1 Jumada- Alwal 1447 H