

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
INTERIM CONDENSED FINANCIAL STATEMENTS
For the six-month period ended 30 June 2025
(unaudited)
Together with the Independent Auditor's Review Report

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the six-month period ended 30 June 2025

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INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY

SAUDI JOINT STOCK COMPANY

RIYADH - KINGDOM OF SAUDI ARABIA

(1/1)

THE INTRODUCTION

We have reviewed the accompanying interim condensed statement of financial position of Asas Makeen Real Estate Development and Investment Company ("the Company") as at 30 June 2025, and the interim condensed statement of profit or loss and other comprehensive income, the interim condensed statement of changes in equity and the interim condensed statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard No. (34) "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

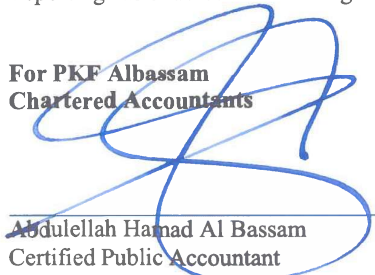
SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review contingencies (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 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, accordingly, does not enable us to obtain assurance that we would become aware of all significant matters that might be discovered during any of the audits. Accordingly, we do not express any audit opinion.

CONCLUSION

Based on our review, we are not aware that lead us to believe that the accompanying interim condensed financial statements are not prepared, in all material aspects, in accordance with International Accounting Standard No. (34) "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia.

For PKF Albassam
Chartered Accountants


Abdulillah Hamad Al Bassam
Certified Public Accountant
License No.: 703
Riyadh - Kingdom of Saudi Arabia
Date: 27 Safar 1447 H
Corresponding to: 21 August 2025

شركة بي كي اف البسام
محاسبون ومراجعون قانونيون

C. R. 1010385804

PKF Al Bassam
chartered accountants

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
As at 30 June 2025
(All amounts in SAR)

	Note	30 June 2025 (unaudited)	31 December 2024 (audited)
ASSETS			
Non-Current Assets			
Property and equipment, net	5	1,979,597	2,099,534
Investment properties, net	6	312,704,369	81,516,084
Right of use assets, net		293,689	488,803
Total Non-Current Assets		314,977,655	84,104,421
Current Assets			
Financial investments at fair value through profit or loss (FVTPL)	7	-	17,116,320
Investments in associate companies	8	5,000	-
Properties under development	9-A	394,042,499	348,619,975
Properties held for sale	9-B	2,588,783	44,423,437
Advance payments to purchase land	9	-	41,007,500
Construction contract assets	10	2,667,068	2,683,163
Due from related parties	11-B	39,485	30,072
Accounts receivable, prepaid expenses, and other assets, net	12	34,436,487	16,304,561
Cash at banks	13	54,766,085	70,467,165
Total Current Assets		488,545,407	540,652,193
TOTAL ASSETS		803,523,062	624,756,614
EQUITY AND LIABILITIES			
EQUITY			
Share capital	1	100,000,000	100,000,000
Reserves	14	14,078,166	14,078,166
Retained earnings		220,413,157	202,130,844
Contribution from a Shareholder	11	19,028,439	-
TOTAL EQUITY		353,519,762	316,209,010
LIABILITIES			
Non-Current Liabilities			
Credit Facilities – Non-Current Portion	15	304,843,300	151,604,500
Lease Liabilities - Non-Current Portion		-	17,782
Employee benefit obligations		1,143,387	1,036,858
Due to related parties - Non-Current	11-C	79,806,413	-
Total Non-Current Liabilities		385,793,100	152,659,140
Current Liabilities			
Credit Facilities - Current Portion	15	9,933,200	-
Lease Liabilities - Current Portion		227,768	419,560
Construction contract Liabilities	10	5,448,720	3,041,136
Due to related parties - Current	11-C	30,387,207	112,554,012
Accounts payable, accrued expenses, and other liabilities	16	17,339,830	36,379,856
Zakat provision	17	873,475	3,493,900
Total Current Liabilities		64,210,200	155,888,464
TOTAL LIABILITIES		450,003,300	308,547,604
TOTAL EQUITY AND LIABILITIES		803,523,062	624,756,614



Chief Financial Officer



Chief Executive Officer



Vice Chairman

(The accompanying notes from 1 to 27 an integral part of these interim condensed financial statements)

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY

(Saudi Joint Stock Company)

**INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(UNAUDITED)**

For the six-month period ended 30 June 2025

(All amounts in SAR)

	Note	For the six-month period ended	
		30 June 2025 (unaudited)	30 June 2024 (unaudited)
Revenue	18	134,113,507	89,013,636
Cost of revenue	19	(99,173,324)	(58,058,244)
Gross profit		34,940,183	30,955,392
General and administrative expenses		(10,649,229)	(7,630,912)
Selling and marketing expenses		(1,998,744)	(838,212)
Income from operations		22,292,210	22,486,268
Finance cost and bank facilities		(8,551)	(613,553)
Interest cost of a loan from a shareholder	11	(2,393,343)	-
Unrealized profits from revaluation of financial investments at fair value through profit or loss	7	-	3,609,840
Realized losses from financial investments at fair value through profit or loss	7	(809,093)	-
other revenue		74,565	3,260,129
Net profit for the period before zakat		19,155,788	28,742,684
Zakat expense	17	(873,475)	(3,483,130)
Net profit for the period		18,282,313	25,259,554
Other comprehensive income		-	-
Total comprehensive income for the period		18,282,313	25,259,554
Basic and diluted earnings per share in net profit for the period	22	1.83	2.53



Chief Financial Officer



Chief Executive Officer



Vice Chairman

(The accompanying notes from 1 to 27 an integral part of these interim condensed financial statements)

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY

(Saudi Joint Stock Company)

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six-month period ended 30 June 2025

(All amounts in SAR)

	Note	Share Capital	Contribution from a Shareholder	Reserves	Retained Earnings	Total Equity
Balance as at 1 January 2024 (audited)		100,000,000	-	14,078,166	94,329,001	208,407,167
Net profit for the period		-	-	-	25,259,554	25,259,554
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	-	25,259,554	25,259,554
Balance as at 30 June 2024 (unaudited)		100,000,000	-	14,078,166	119,588,555	233,666,721
		Share Capital	Contribution from a Shareholder	Reserves	Retained Earnings	Total Equity
Balance as at 1 January 2025 (audited)		100,000,000	-	14,078,166	202,130,844	316,209,010
Net profit for the period		-	-	-	18,282,313	18,282,313
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	-	18,282,313	18,282,313
The effect of the present value on a loan from a shareholder	11	-	19,028,439	-	-	19,028,439
Balance as at 30 June 2025 (unaudited)		100,000,000	19,028,439	14,078,166	220,413,157	353,519,762



Chief Financial Officer



Chief Executive Officer



Vice Chairman

(The accompanying notes from 1 to 27 an integral part of these interim condensed financial statements)

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY

(Saudi Joint Stock Company)

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six-month period ended 30 June 2025

(All amounts in SAR)

	Note	For the six-month period ended 30 June 2025	For the six-month period ended 30 June 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the period before zakat		19,155,788	28,742,684
Adjustments to settle net profit before zakat:			
Depreciation of property and equipment	5	360,862	307,501
Depreciation of investment properties	6	129,288	66,274
Depreciation of right of use assets		195,114	201,899
The component of a provision for advance payments to contractors and suppliers		-	360,162
Provision for employee end-of-service benefits		200,029	205,791
Finance cost		8,551	613,553
Interest cost of a loan from a shareholder	11	2,393,343	-
Lease settlements		-	31,590
profits from sale of property and equipment		-	(523)
Unrealized profits from investments carried at fair value through profit or loss		-	(3,609,840)
Realized losses from investments carried at fair value through profit or loss	7	809,093	-
Investments in associate companies	8	(5,000)	-
		<u>23,247,068</u>	<u>26,919,091</u>
Changes in working capital items:			
Building Materials Inventory		-	985,399
Properties under development		(214,939,351)	(1,614,825)
Property held for sale		65,303,770	(85,923,663)
Due from related parties		(9,413)	4,532,247
Due to related parties	11	21,865,813	533,039
Construction contract assets		16,095	10,103,274
Accounts receivable, prepaid expenses, and other assets		(18,131,926)	1,176,227
Construction contract Liabilities		2,407,584	-
Accounts payable, accrued expenses, and other liabilities		(21,909,483)	5,036,618
Cash (used in) operating activities		<u>(142,149,843)</u>	<u>(38,252,593)</u>
Zakat paid during the period	17	(3,493,900)	-
Used from the end of service benefits provision		(93,500)	(61,705)
Provision for completed projects Paid		-	(2,142,653)
Financing transactions costs Paid		(6,871,501)	(594,530)
Net cash (used in) operating activities		<u>(152,608,744)</u>	<u>(41,051,481)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property and equipment	5	(240,925)	(269,115)
Proceeds from sale of property and equipment		-	2,415
Payments for Purchase of Investment Properties	6	(31,768,302)	(57,058,437)
Proceeds from investments carried at fair value through profit or loss	7	13,520,000	-
Net cash (used in) investing activities		<u>(18,489,227)</u>	<u>(57,325,137)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term loans	15	243,404,000	80,232,000
Payments of loans	15	(80,232,000)	(23,455,621)
Payments of Lease Liability		(184,000)	(218,115)
Due from related parties		-	45,341,697
Prepayment of a shareholder's loans	11	(7,591,109)	-
Net cash generated from financing activities		<u>155,396,891</u>	<u>101,899,961</u>
Net change in cash and cash equivalents		<u>(15,701,080)</u>	<u>3,523,343</u>
Cash and cash equivalents at beginning of the period		<u>70,467,165</u>	<u>20,694,076</u>
Cash and cash equivalents at end of the period		<u>54,766,085</u>	<u>24,217,419</u>

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY

(Saudi Joint Stock Company)

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED) (CONTINUED)

For the six-month period ended 30 June 2025

(All amounts in SAR)

	Note	For the six-month period ended 30 June 2025	For the six-month period ended 30 June 2024
Non-cash transactions:			
Accrued financing costs sent to properties under development	9-A	5,688,238	1,759,127
Accrued financing costs sent to Investment properties	6	4,018,595	461,044
Addition to Right-of-Use Assets in exchange for lease Liabilities		-	122,593
Accrued Expenses for Lease Liabilities		34,125	-
Addition of financial investments at fair value through profit or loss in exchange for accrued revenues		-	13,520,000
Transferred from financial investments at fair value through profit or loss	7	2,787,227	-
Transferred from advance payments to purchase land	6	41,007,500	-
Transferred from properties under development to Investment properties	6	151,735,949	-
Transferred from properties under development to inventory	9-A	23,469,116	-
Contribution from a Shareholder	11	19,028,439	-



Chief Financial Officer



Chief Executive Officer



Vice Chairman

(The accompanying notes from 1 to 27 an integral part of these interim condensed financial statements)

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the six-month period ended 30 June 2025
(All amounts in SAR)

1. ORGANIZATION AND ACTIVITIES

Asas Makeen Real Estate Development and Investment Company ("the Company") is a Saudi joint stock company that was established and operates in the Kingdom of Saudi Arabia, and the company conducts its activities in accordance with Commercial Register No. 1010895854, Unified National Number 7010750482 issued on 29 Dhu al-Hijjah 1428 AH (corresponding to 20 September 2017 AD).

The company's registered address is Riyadh - Al-Nargis District - Anas Bin Malik Road.

The company's main activity is as follows:

General field of activities	Activity Name
construction	Building construction
	Completion and finishing of buildings
	Other specialized construction activities
Real Estate activities	Real estate activities in owned or leased property
	Real estate activities based on fees or contracts

- Share capital

The company's capital is set at 100,000,000 Saudi Riyals, divided into 10,000,000 shares of equal value, each worth 10 Saudi Riyals, all of which are ordinary shares, distributed and fully paid.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These interim condensed financial statements have been prepared in accordance with International Accounting Standard (34) "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (collectively referred to as "International Financial Reporting Standards as endorsed in the Kingdom of Saudi Arabia").

The interim condensed financial statements do not include all the information and disclosures required for the Company's full annual financial statements. It must be read with the financial statements as at 31 December 2024. However, selected explanatory notes have been included to explain significant events and transactions to help understand changes in the statement of financial position and its performance since the last annual financial statements. In addition, business results for the period ended 30 June 2025, are not necessarily an indicator of the results that may be achieved for the fiscal year ended 31 December 2025.

2.2 Basis of measurement

These interim condensed financial statements have been prepared on the historical cost basis, except for investments carried at fair value through the statement of income and other comprehensive income, which are measured at fair value, and the employee end-of-service benefits obligation, which is measured according to the present value of the defined benefit obligations, using the accrual accounting principle and the going concern concept.

Some comparative figures have been reclassified to align with the current period presentation.

2.3 Functional and presentation currency

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

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the six-month period ended 30 June 2025
(All amounts in SAR)

3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The accounting policies applied in preparing the interim condensed financial statements are consistent with those used in preparing the Company's annual financial statements for the year ended 31 December 2024, except for amendments that are required to be effective on 1 January 2024. The Company has not early applied any other standard, interpretation, or amendment that has been issued but is not yet effective. Several amendments and interpretations will be applied for the first time in 2024, but they will have no impact on the Company's interim condensed financial statements.

4. MATERIAL INFORMATION ABOUT ACCOUNTING POLICIES

Significant accounting estimates, assumptions and policies

The preparation of the interim condensed financial statements requires the use of judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, and accompanying notes. Uncertainty regarding these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of the affected assets and liabilities in future periods. The accounting policies applied to these interim condensed financial statements are the same as those applied to the Company's financial statements for the prior year ended 31 December 2024.

5. PROPERTY AND EQUIPMENT, NET

- During the period ended 30 June 2025, additions to property and equipment amounted to 240,925 Saudi riyals (the period ended 31 December 2024 amounted to 525,000 Saudi riyals).
- During the period ended 30 June 2025, depreciation on property and equipment amounted to SAR 360,862 (period ended 30 June 2024: SAR 307,000). The depreciation burden for the period was charged to general and administrative expenses.

6. INVESTMENT PROPERTIES, NET

	<u>30 June 2025</u>	<u>31 December 2024</u>
<u>Cost</u>		
Land	229,409,431	50,193,788
Residential apartments and commercial shops	8,408,675	5,510,798
Projects in progress	74,886,263	25,811,498
Balance at the end of the period / year	312,704,369	81,516,084

- During the period, the company's board of directors decided to transfer some assets from " properties under development" to "investment properties" with the aim of using them for leasing or long-term holding purposes. These transfers included land valued at SAR 136.2 million, in addition to Projects in progress valued at SAR 15.5 million (Note 9).
- During the period, the item "Advance payments for the purchase of land" was transferred to the item "Investment properties" as the land ownership deed was emptied in favor of the company during the period ended in 30 June 2025, Note (9).
- The investment properties item includes lands registered in the company's name as at 30 June 2025, plots of land mortgaged to a local bank as collateral for credit facilities under the financing agreement, with the cost of the mortgaged lands amounting to SAR 162,800,845 (Note 15).
- During the period, financing costs related to Projects in progress were capitalized in the amount of 4,018,595 Saudi riyals (compared to 1,336,548 Saudi riyals as of 31 December 2024) (Note No. 15).
- During the period ended 30 June 2025, depreciation on property and equipment amounted to 129,000 Saudi riyals (the period ended 30 June 2024 amounted to 66,000 Saudi riyals), and the depreciation burden for the period was charged to the cost of revenues.

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the six-month period ended 30 June 2025
(All amounts in SAR)

6. INVESTMENT PROPERTIES, NET (CONTINUED)

The fair value of investment properties as at 30 June 2025, was determined based on valuation reports prepared by independent Valuers, namely Makeen Al-Qimah Real Estate valuation Company and Araa Real Estate valuation Company, both accredited by the Saudi Authority for Accredited Valuers ("Taqeem"). The Valuers have appropriate professional qualifications and previous experience in the locations and types of properties being valued. The fair value according to Makeen Al-Qimah Real Estate valuation Company was SAR 384,397,316, while the fair value according to Araa Real Estate valuation Company was SAR 356,673,113.

7. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2025 (unaudited)	31 December 2024 (audited)
Makeen Eastern Fund	-	17,116,320
	-	17,116,320

The movement made on investments at fair value through profit or loss is as follows:

	30 June 2025 (unaudited)	31 December 2024 (audited)
Balance at the beginning of the period / year	17,116,320	13,520,000
Disposals During the Period / Year	(16,307,227)	-
Unrealized gains during the period / year	-	3,596,320
Realized losses during the period / year	(809,093)	-
	-	17,116,320

- The company invested in the " Makeen Eastern Fund " by subscribing to 1,352,000 units in exchange for providing real estate development services worth SAR 13,520,000. The fund is managed by Al-Nefaie Investment Group Company. On 27 March 2025, the company received SAR 13,520,000 from the fund manager, representing the invested capital. On 29 April 2025, the fund's board of directors approved its liquidation, and the company's request for an in-kind exit was approved. Four real estate units valued at SAR 3,796,300 were allocated to the fund, with a commitment to repay SAR 1,009,073. The net outstanding balance amounted to SAR 2,787,227, and the realized losses amounted to SAR 809,093.

8. INVESTMENTS IN ASSOCIATE COMPANIES

During the period, the company invested in Al-Bunyan Al-Shamekh Real Estate Development and Investment Company in a 20% share, in exchange for providing operational expertise, without any cash financial obligation.

- Investments in associate companies are accounted for in the financial statements according to the equity method.

- Details of associate companies:

	30 June 2025			31 December 2024		
	(%)	Number of shares	Amount	(%)	Number of shares	Amount
Al-Bunyan Al-Shamekh Real Estate Development and Investment Company	20%	1250	5,000	-	-	-

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the six-month period ended 30 June 2025
(All amounts in SAR)

8. INVESTMENTS IN ASSOCIATE COMPANIES (CONTINUED)

Al-Bunyan Al-Shamekh Real Estate Development and Investment Company is a Saudi limited liability company established and operates in the Kingdom of Saudi Arabia. The company conducts its activities in accordance with Commercial Register No. 1009085657 issued on 10 Safar 1446 AH (corresponding to 14 August 2024 AD).

9. PROPERTIES UNDER DEVELOPMENT AND PROPERTIES HELD FOR SALE

	30 June 2025 (unaudited)	31 December 2024 (audited)
Properties Under Development (A)	394,042,499	348,619,975
Properties Prepared for Sale (B)	2,588,783	44,423,437
Advance payments to purchase land*	-	41,007,500

* During the period, the item "Advance payments for the purchase of land" was transferred to the item "Investment properties", as the land ownership deed was emptied in favor of the company during the period ended in 30 June 2025, note (6).

A- Properties Under Development

The movement on properties under development as at 30 June 2025 is as follows:

30 June 2025	Lands	Development costs	Financing costs	Total
Balance as at the beginning of the period	302,040,388	40,090,554	6,489,033	348,619,975
Additions during the period	137,177,038	77,762,313	5,688,238	220,627,589
Transferred to investment properties	(136,209,643)	(11,177,744)	(4,348,562)	(151,735,949)
Transferred to Properties Prepared for Sale	(13,975,000)	(9,494,116)	-	(23,469,116)
Balance as at the end of the period	289,032,783	97,181,007	7,828,709	394,042,499

The properties under development item includes lands registered in the company's name as at 30 June 2025, lands mortgaged to a local bank as collateral for credit facilities under the financing agreement, with the cost of the mortgaged lands amounting to SAR 229,340,559 (Note 15).

The movement on properties under development as at 31 December 2024 (audited) is as follows:

31 December 2024	Lands	Development costs	Financing costs	Total
Balance as at the beginning of the year	124,292,888	90,886,283	-	215,179,171
Additions during the year	302,799,255	81,572,907	6,489,033	390,861,195
Transferred to Properties Prepared for Sale	(125,051,755)	(132,368,636)	-	(257,420,391)
Balance as at the end of the year	302,040,388	40,090,554	6,489,033	348,619,975

B- Properties held for Sale

The balance of properties prepared for sale on 30 June 2025 amounted to 2,588,783 Saudi riyals (31 December 2024 amounted to 44,423,437 Saudi riyals), and this value represents a number of residential units whose construction was completed during the period, and the units are located in the city of Riyadh. The company expects to complete its sale in the coming period.

ASAS MAKEEN REAL ESTATE DEVELOPMENT AND INVESTMENT COMPANY
(Saudi Joint Stock Company)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
For the six-month period ended 30 June 2025
(All amounts in SAR)

9. PROPERTIES UNDER DEVELOPMENT AND PROPERTIES HELD FOR SALE (CONTINUED)

B- Properties held for Sale (continued)

The properties held for sale are as follows:

	30 June 2025 (unaudited)	31 December 2024 (audited)
Balance at the beginning of the period / year	44,423,437	30,394,810
Transferred from properties under development	23,469,116	257,420,391
Transferred from investments at fair value	1,038,451	-
Cost of properties sold	(66,342,221)	(243,391,764)
	2,588,783	44,423,437

10. ASSETS AND LIABILITIES OF CONSTRUCTION CONTRACTS

The movement in outstanding Construction contracts as at 30 June is as follows:

	30 June 2025	31 December 2024
Actual cost		
Balance at the beginning of the period / year	356,854,631	303,102,000
Actual costs during the period / year	32,701,815	53,752,631
Balance at the end of the period / year	389,556,446	356,854,631
Realized Revenues according to the percentage of completion		
Balance at the beginning of the period / year	426,559,690	359,730,146
Realized Revenues according to the percentage of completion during the period / year	36,986,556	66,829,544
Balance at the end of the period / year	463,546,246	426,559,690
	30 June 2025	31 December 2024
Less the extracts issued from the completed works	(466,327,898)	(426,917,663)
Balance at the end of the period / year	(2,781,652)	(357,973)
Realized profits		
Balance at the beginning of the period / year	69,705,059	56,628,146
Realized profits during the period / year	4,284,741	13,076,913
Balance at the end of the period / year	73,989,800	69,705,059
Revenue from finished and unbilled works	2,667,068	2,683,163
Invoices issued in excess of Realized Revenues	(5,448,720)	(3,041,136)
Balance	(2,781,652)	(357,973)

11. RELATED-PARTY TRANSACTIONS AND BALANCES

Related parties include the company's shareholders, key management personnel, entities owned or managed by these parties, and entities over which they exercise joint control or significant influence. Transactions with related parties are conducted during the normal course of business through contracts approved by management. The following is a summary of the most significant transactions between the company and related parties during the year, as well as a statement of related party net balances:

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11. RELATED-PARTY TRANSACTIONS AND BALANCES (CONTINUED)

Transactions with related parties

A- The company deals, through its normal activities, with material related parties, and these transactions include providing financing services and other operational services.

Related parties	Nature of relationship	Nature of transaction	30 June 2025 (unaudited) Debit / (credit)	30 June 2024 (audited) Debit / (credit)
Mr / Abdul Rahman Saud Al-Hadlaq	shareholder	Financing	7,591,109	(38,341,697)
Beautat Real Estate Development & Investment Company	Affiliate	Expenses paid on behalf	9,413	10,597
Tasheid Hayat Contracting Company	Affiliate	operating	(21,865,813)	(1,535,014)

- An affiliated entity is a related party in which a shareholder or a member of the company's board of directors owns shares.

B- Due from related parties

- The balances due from related parties are as follows:

Related parties	30 June 2025 (unaudited)	31 December 2024 (audited)
Beautat Real Estate Development & Investment Company	39,485	30,072

C- Due to related parties

The balance due to a related party is as follows:

Related parties	30 June 2025 (unaudited)	31 December 2024 (audited)
Mr / Abdul Rahman Saud Abdul Rahman Al-Hadlaq*	88,327,807	112,554,012
Tasheid Hayat Contracting Company	21,865,813	-
	110,193,620	112,554,012

* On December 23, 2024, the Company entered into an agreement with Mr. Abdulrahman Saud Al-Hudlaq to convert the outstanding balance into a Qard Hasan (interest-free loan) that does not bear any interest or additional charges, with the objective of supporting the Company and facilitating its operations. The loan is repayable over five years in equal installments. On February 20, 2025, the Ordinary General Assembly approved the agreement to convert the outstanding balance due to a related party into financing for the Company.

The opening balance of the loan amounted to SAR 112,554,012, while the present value of the loan amounted to SAR 89,315,355, resulting in a difference of SAR 19,028,439. This difference was recognized as a separate item within equity. Consequently, this accounting treatment led to a decrease in net profit for the period ended June 30, 2025, by SAR (2,393,343), representing the imputed financing cost calculated on the loan, being a Qard Hasan.

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11. RELATED-PARTY TRANSACTIONS AND BALANCES (CONTINUED)

Transactions with related parties (continued)

C- Due to related parties (continued)

Movement on the shareholder loan as at 30 June 2025:

	30 June 2025 (unaudited)	31 December 2024 (audited)
Balance at the beginning of the period / year	112,554,012	-
Present value effect	(19,028,439)	-
Financing cost	2,393,343	-
Prepayment of loan during the period / year	(7,591,109)	-
	88,327,807	-

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

	30 June 2025 (unaudited)	31 December 2024 (audited)
Current portion of the loan	8,521,394	-
Non-current portion of the loan	79,806,413	-

A company's key management personnel consist of key members of management who have the authority and responsibility for planning, directing and monitoring the activities of the company.

		For the six-month period ended 30 June 2025 (unaudited)	For the six-month period ended 30 June 2024 (unaudited)
Key management and executive personnel	Salaries and allowances	567,900	517,900
	End of service benefit	78,426	70,022
Members of the board of directors	Remuneration	650,000	-
Committees emanating from the Board of Directors	Allowances and remunerations	160,000	-
		1,456,326	587,922

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12. ACCOUNTS RECEIVABLE, PREPAID EXPENSES AND OTHER ASSETS, NET

	30 June 2025 (unaudited)	31 December 2024 (audited)
Accounts receivable (A)	1,410,015	488,559
VAT eligible for recovery (B)	18,010,012	11,217,112
Advance payments to contractors and suppliers	10,826,070	1,922,630
(less) Provision for impairment of advance payments to contractors and suppliers	(360,162)	(360,162)
Costs of listing in the financial market (C)	-	1,734,750
VAT Contracting	1,394,029	596,279
Letters of Guarantee Cover	2,000,000	-
Prepaid expenses	540,481	507,565
Employee covenant and advances	568,747	157,433
Others	47,295	40,395
	34,436,487	16,304,561

A- The following table shows the aging of the company's receivables:

	30 June 2025 (unaudited)	31 December 2024 (audited)
From 0 to 30 days	1,410,015	488,559

B- The company has submitted VAT recovery requests eligible for recovery for the first, second, third and fourth quarters of 2024, and the Zakat, Tax and Customs Authority has approved the recovery for the first, second and third quarters of 2024.

C- 10% of the company's total shares were offered in the parallel market (Nomu), by selling 1,000,000 shares at an offering price of 80 Saudi riyals per share, bringing the total offering value to 80,000,000 Saudi riyals. The transaction was carried out in the form of a secondary offering (direct sale of outstanding shares), without being accompanied by the issuance of new shares or an increase in the company's capital, and therefore did not affect the company's capital, equity, or financial position.

The offering and listing costs amounted to 5,000,000 Saudi riyals, and were deducted from the offering proceeds collected from subscribers before transferring the net proceeds to shareholders.

13. CASH AT BANKS

	30 June 2025 (unaudited)	31 December 2024 (audited)
Banks	54,766,085	65,848,015
Checks under collection	-	4,619,150
	54,766,085	70,467,165

14. RESERVES

The Ordinary General Assembly - when determining the share of shares in net profits - may decide to establish reserves, to the extent that it achieves the interest of the company or ensures the distribution of fixed profits - as much as possible - to shareholders. The aforementioned association may also deduct amounts from the net profits to achieve social purposes for the company's employees.

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15. CREDIT FACILITIES

Non-current liabilities	30 June 2025 (unaudited)	31 December 2024 (audited)
Non-current portion of long-term loans	304,843,300	151,604,500
Current liabilities	30 June 2025 (unaudited)	31 December 2024 (audited)
Current portion of long-term loans	9,933,200	-
Long-term loans	30 June 2025 (unaudited)	31 December 2024 (audited)
Balance as at the beginning of the period / year	151,604,500	23,455,621
Collected during the period / year	243,404,000	186,577,000
Paid during the period / year	(80,232,000)	(58,428,121)
Balance as at the end of the period / year	314,776,500	151,604,500

- On 31 January 2024, the company concluded a banking facilities agreement in the form of a Murabaha forward sale compatible with the provisions of Islamic Sharia with a local bank in the amount of 200,000,000 Saudi riyals, for the purpose of financing the purchase and development of lands. On 16 February 2025, the agreement was amended and the credit limit was increased by SAR 150,000,000, bringing the total facilities to SAR 350,000,000. The plot of land under financing was mortgaged as collateral for the facilities (note 6 and 9). The facilities are due in ten annual installments starting after the end of the grace period, which begins on 26 February 2026. The facilities are guaranteed by a promissory note, in addition to a promissory note submitted by the shareholders: Mr / Abdul Rahman bin Saud Al-Hadlaq, Mr / Anas bin Saud Al-Hadlaq The contract does not include a prepayment option. The balance of facilities as at: 30 June 2025: 177,004,500 Saudi Riyals 31 December 2024: 115,204,500 Saudi Riyals.

- On 14 August 2024, the company concluded a credit facilities agreement in the form of a forward sale leading to Tawarruq, compatible with the provisions of Islamic Sharia, with a local bank in the amount of 150,000,000 Saudi riyals, in order to finance the purchase and development of lands. A number of plots of land under financing were mortgaged as collateral for the facilities (note 6 and 9). The facilities are due in five annual installments starting after the grace period on 8 September 2027. The facilities are guaranteed by a promissory note, and by a personal guarantee declaration from the shareholders: Mr / Abdulrahman bin Saud Al-Hadlaq Mr / Anas bin Saud Al-Hadlaq The balance of the facilities as at: 30 June 2025: 137,772,000 Saudi Riyals 31 December 2024: 36,400,000 Saudi Riyals.

- Financing costs: The total financing costs during the period ended 30 June 2025 amounted to 9,706,833 Saudi riyals. Compared to 7,952,898 Saudi riyals on 31 December 2024. Part of these costs are capitalized as follows:

On the investment properties item: 30 June 2025: 4,018,595 Saudi riyals 31 December 2024: 1,336,548 Saudi riyals.

On the item of properties under development: 30 June 2025: 5,688,238 Saudi riyals 31 December 2024: 6,489,033 Saudi riyals.

Financing costs due as at: 30 June 2025: 10,660,913 Saudi riyals 31 December 2024: 7,825,581 Saudi riyals.

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16. ACCOUNTS PAYABLE, ACCRUED EXPENSES AND OTHER LIABILITIES

	30 June 2025 (unaudited)	31 December 2024 (audited)
Suppliers and contractors' payables	4,001,569	6,480,062
Accrued financing costs (note 15)	10,660,913	7,825,581
Advance payments from customers	1,028,849	19,958,429
Accrued remunerations to members of the Board of Directors and Committees emanating	810,000	800,000
Employees' Payables	505,389	641,455
Accrued expenses	333,110	204,378
Others	-	469,951
	17,339,830	36,379,856

17. ZAKAT PROVISION

17-1 the movement of the Zakat provision

	30 June 2025 (unaudited)	31 December 2024 (audited)
Balance at the beginning of the period / year	3,493,900	6,506,791
Charged during the period / year	873,475	3,493,900
Paid during the period / year	(3,493,900)	(6,506,791)
Balance at the end of the period / year	873,475	3,493,900

17-2 Zakat status:

The company submitted the zakat declaration for the fiscal year ended 31 December 2024 and obtained a temporary certificate, which is effective until 13 Dhul-Qi'dah 1447 H, corresponding to 30 June 2026.

18. REVENUES

	For the six-month period ended	
	30 June 2025 (unaudited)	30 June 2024 (unaudited)
Properties sales revenue	93,788,780	46,354,840
Contracting revenues	36,986,556	22,117,596
Administrative services and properties rental revenues	1,502,125	114,183
Development revenues for others	1,333,933	20,427,017
Brokerage revenue	502,113	-
Total	134,113,507	89,013,636

Below is a table of the company's revenue recognition point as follows:

	For the six-month period ended	
	30 June 2025 (unaudited)	30 June 2024 (unaudited)
At point in time	95,624,826	62,050,020
Over time	38,488,681	26,963,616
Total	134,113,507	89,013,636

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19. COST OF REVENUE

	For the six-month period ended	
	30 June 2025	30 June 2024
	(unaudited)	(unaudited)
Cost of selling properties	66,342,221	38,241,778
Cost of contracting contracts	32,701,815	19,378,985
Depreciation of investment properties	129,288	66,274
Others	-	371,207
Total	99,173,324	58,058,244

20. FINANCIAL RISK MANAGEMENT

Capital management

The Board of Directors' policy is to maintain effective capital in order to maintain the confidence of investors, creditors and the market and to continue future developments of its business. The Board of Directors monitors the return on capital employed and the level of dividends to ordinary shareholders.

The company's objectives when managing capital are:

- Maintaining the entity's ability to continue operating in accordance with the going concern principal and continuing to achieve returns for shareholders and benefits for other beneficiaries.
- providing a return to shareholders.

21. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair Value Hierarchy

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Inputs that are quoted (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Management has determined that the fair values of cash and cash equivalents, trade receivables, investments carried at FVTPL, other current assets, trade payables, borrowings and other current liabilities are a close approximation of their carrying amounts. This is primarily because these financial instruments have short-term maturity.

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22. BASIC AND DILUTED EARNINGS PER SHARE IN NET PROFIT FOR THE YEAR

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

	30 June 2025 (unaudited)	30 June 2024 (unaudited)
Net profit for the period	18,282,313	25,259,554
Weighted average number of outstanding shares	10,000,000	10,000,000
Basic and diluted earnings per share in net profit for the period	1.83	2.53

23. SEGMENT INFORMATION

Segment information relates to the company's activities and business, which the company's management relied on as a basis for preparing its financial information, in accordance with internal reporting methods. Transactions between segments take place on the same terms as dealing with other parties.

Segment assets, liabilities, and operating activities include items directly related to a specific segment and items that can be allocated to different segments on a reasonable basis. Items that cannot be allocated among segments are classified under common assets and liabilities. The company's segments are as follows:

- Properties sales segment: activities of buying, selling and dividing lands and Properties.
- Contracting segment: General construction activities for residential and non-residential buildings.
- Properties rental segment: activities of renting owned or rented properties (residential).
- All operations and services are conducted in the Kingdom of Saudi Arabia and all of the company's business segments are located in the Kingdom of Saudi Arabia.

The following is a summary of the financial segment information in Saudi Riyals as at 30 June 2025, according to the nature of the activity:

As at 30 June 2025	Properties sales sector	Contracting sector	Properties rental sector	Common assets and liabilities	Total
Total current assets	446,897,237	13,222,091	-	28,426,079	488,545,407
Total non-current assets	-	-	312,704,369	2,273,286	314,977,655
Total assets	446,897,237	13,222,091	312,704,369	30,699,365	803,523,062
Total current liabilities	42,111,686	1,619,043	-	20,479,471	64,210,200
Total non-current liabilities	304,843,300	-	-	80,949,800	385,793,100
Total liabilities	346,954,986	1,619,043	-	101,429,271	450,003,300

The following is a summary of the financial segment information in Saudi Riyals as at 31 December 2024, according to the nature of the activity:

As at 31 December 2024 (audited)	Properties sales sector	Contracting sector	Properties rental sector	Common assets and liabilities	Total
Total current assets	490,336,944	12,529,884	-	37,785,365	540,652,193
Total non-current assets	-	-	5,510,798	78,593,623	84,104,421
Total assets	490,336,944	12,529,884	5,510,798	116,378,988	624,756,614
Total current liabilities	42,163,673	91,857,555	-	21,867,236	155,888,464
Total non-current liabilities	151,604,500	-	-	1,054,640	152,659,140
Total liabilities	193,768,173	91,857,555	-	22,921,876	308,547,604

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23. SEGMENT INFORMATION (CONTINUED)

For the period ended 30 June 2025 (unaudited)	Properties sales sector	Contracting sector	Properties rental sector and Striving	Development sector for others	Total
Revenue	93,788,780	36,986,556	2,004,238	1,333,933	134,113,507
Cost of revenue	(66,342,221)	(32,701,815)	(129,288)	-	(99,173,324)
Gross profit	27,446,559	4,284,741	1,874,950	1,333,933	34,940,183
For the period ended 30 June 2024 (unaudited)	Properties sales sector	Contracting sector	Properties rental sector and Striving	Development sector for others	Total
Revenue	46,354,840	22,117,596	114,183	20,427,017	89,013,636
Cost of revenue	(38,241,778)	(19,378,985)	(66,274)	(371,207)	(58,058,244)
Gross profit	8,113,062	2,738,611	47,909	20,055,810	30,955,392

24. CAPITAL CONTINGENCIES AND CONTINGENT COMMITMENTS

As at 30 June 2025, the Company's outstanding capital contingencies related to contracting, investment properties and properties under development amounted to SAR 75,752,360 (SAR 55,329,613 as at 30 June 2024).

The company also issued a bank guarantee letter in the amount of SAR 18,038,295 to the National Housing Company, related to the Taleaa Al-Mashreqiya project, through a local bank. This guarantee represents a bank pledge under the credit facilities granted to the company, with no actual cash withdrawals at the date of preparing these financial statements.

25. SIGNIFICANT EVENTS

The actual subscription took place on 21 Dhul-Qi'dah 1446 AH (corresponding to 19 May 2025), and the company was approved to be listed as a Saudi joint stock company under the trading symbol (9640).

Trading of the company's shares in the parallel market "Nomu" began on 20 Dhul-Qi'dah 1446 AH (corresponding to 16 June 2025).

26. SUBSEQUENT EVENTS

On 1 July 2025, the company's Board of Directors approved entering into a direct investment by owning (35) shares representing 35% of the capital of Beautat Real Estate Development and Investment Company, without financial consideration.

There were no significant subsequent events after 30 June 2025 and up to the date of approval of the interim financial statements that could have a material impact on the interim financial statements.

27. APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements were approved by the Company's Board of Directors on 27 Safar 1447H corresponding to 21 August 2025.