DAR AL MAJID REAL ESTATE COMPANY AND ITS SUBSIDIARIES
(A SAUDI CLOSED JOINT STOCK COMPANY)

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

31 December 2024

DAR AL MAJID REAL ESTATE COMPANY AND ITS SUBSIDIARIES
(A SAUDI CLOSED JOINT STOCK COMPANY)

THE CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
For the year ended 31 December 2024

Ernst & Young Professional Services (Professional LLC)
Paid-up capital (SR 5,500,000 – Five million five hundred thousand Saudi Riyal)
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Independent Auditor's Report
To the Shareholders of Dar Almajid Real Estate Company
(A Saudi Closed Joint Stock Company)

Opinion

We have audited the consolidated financial statements of Dar Al Majid Real Estate Company, (A Saudi Closed Joint Stock Company), (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants and the applicable provisions of the Regulations for Companies and the Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance i.e. Audit Committee, are responsible for overseeing the Group's financial reporting process.

Independent auditor's report
To the Shareholders of Dar Almajid Real Estate Company
(A Saudi Closed Joint Stock Company) (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

Independent auditor's report
To the Shareholders of Dar Almajid Real Estate Company
(A Saudi Closed Joint Stock Company) (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Ernst & Young Professional Services

Fahad M. Al-Toaimi
Certified Public accountant
License No. (354)

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سجل تجاري ١٠١٠٣٨٣٨٢١
CR. 1010383821
شركة إرنست ويونغ للخدمات المهنية
(مهنية ذات مسؤولية محدودة)
Ernst & Young Professional Services
(Professional LLC)

Riyadh: 1 Shawwal1446H
(30 March 2025)

DAR AL MAJID REAL ESTATE COMPANY AND ITS SUBSIDIARIES
(A SAUDI CLOSED JOINT STOCK COMPANY)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Note	2024 ⃁	2023 ⃁
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	5	**24,227,015**	24,791,171
Right-of-use assets	6	-	458,626
Investment properties	7	**161,652,792**	164,938,655
Inventory properties under development	8	**969,530,137**	905,003,482
Investment in an associate	9	-	120,847,554
Investments in equity instruments at fair value through other comprehensive income	10	**164,504,498**	-
Financial assets at fair value through profit or loss	11	**204,859,391**	74,115,169
TOTAL NON-CURRENT ASSETS		**1,524,773,833**	1,290,154,657
CURRENT ASSETS			
Inventory properties	8	**723,915,374**	589,582,975
Trade receivables	12-1	**73,762,743**	65,245,303
Contract assets	12-2	**88,607,303**	59,805,570
Prepayments and other current assets	13	**115,409,401**	130,370,909
Amounts due from related parties	14-1	**20,278,005**	21,831,231
Cash & cash equivalents and restricted cash	15	**153,251,322**	168,314,921
TOTAL CURRENT ASSETS		**1,175,224,148**	1,035,150,909
TOTAL ASSETS		**2,699,997,981**	2,325,305,566
EQUITY AND LIABILITES			
EQUITY			
Share capital	16	**300,000,000**	300,000,000
Statutory reserve	17	**44,598,701**	44,598,701
Fair value reserve on investments at fair value through other comprehensive income	10	**84,463,434**	-
Retained earnings		**447,231,690**	321,356,811
Equity attributable to shareholders of the Parent Company		**876,293,825**	665,955,512
Non-controlling interests	31-2	**36,391,862**	65,617,808
TOTAL EQUITY		**912,685,687**	731,573,320
LIABILITES			
NON-CURRENT LIABILITIES			
Loans and borrowings	18	**984,016,412**	388,925,000
Employees' defined benefit liabilities	19	**6,355,884**	4,984,678
Contract liabilities	21	**41,769,009**	50,155,000
TOTAL NON-CURRENT LIABILITES		**1,032,141,305**	444,064,678
CURRENT LIABILITIES			
Loans and borrowings	18	**165,000,000**	241,251,652
Lease liability	6	-	792,638
Trade and other payables	20	**266,288,265**	364,178,523
Contract liabilities	21	**129,907,985**	302,223,998
Amounts due to related parties	14-2	**178,083,810**	221,103,235
Zakat payable	22	**15,890,929**	20,117,522
TOTAL CURRENT LIABILITIES		**755,170,989**	1,149,667,568
TOTAL LIABILITIES		**1,787,312,294**	1,593,732,246
TOTAL EQUITY AND LIABILITIES		**2,699,997,981**	2,325,305,566

Chief Executive Financial Officer	Chief Executive Officer	Managing Director
Mohammed Salah	Sulaiman Al-Ayed	Abdelsalam Almajid

The accompanying notes 1 to 34 form an integral part of these consolidated financial statements.

DAR AL MAJID REAL ESTATE COMPANY AND ITS SUBSIDIARIES
(A SAUDI CLOSED JOINT STOCK COMPANY)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
For the year ended 31 December 2024

	Note	2024 ⃁	2023 ⃁
Revenue from sale of property units	23-1	**893,789,307**	853,853,381
Revenues from sale of lands	23-1	**392,733,152**	8,140,800
Cost of sales of property units	8, 23-2	**(694,994,116)**	(684,304,648)
Cost of sales of lands	8, 23-2	**(307,758,624)**	(7,180,108)
PROFIT FROM SALE OF PROPERTY AND LANDS		**283,769,719**	170,509,425
Real estate commission income	23-1	**53,337,945**	39,099,189
Real estate development income	23-1	**34,675,317**	55,506,639
Operating cost – development and commission	23-2	**(25,849,420)**	(48,106,847)
PROFIT FROM REAL ESTATE DEVELOPMENT AND COMMISSION		**62,163,842**	46,498,981
Revenue from sale of investment properties	23-1	**-**	11,290,864
Cost of sales – investment properties	23-2	**-**	(11,644,157)
(Losses) gains from valuation of investment properties	7	**(144,510)**	52,280,410
(LOSSES) GAINS ON INVESTMENT PROPERTIES		**(144,510)**	51,927,117
Rental income	23-1	**11,222,959**	5,307,605
Depreciation of right-of-use assets	6, 23-2	**(458,626)**	(457,373)
Cost of rent	23-2	**(1,748,978)**	(570,710)
RENTAL PROFIT		**9,015,355**	4,279,522
Maintenance income	23-1	**16,548,000**	14,625,333
Maintenance cost	23-2	**(14,393,076)**	(10,132,286)
MAINTENANCE PROFIT		**2,154,924**	4,493,047
GROSS PROFIT		**356,959,330**	277,708,092
General and administrative expenses	24	**(82,820,478)**	(92,513,645)
Selling and marketing expenses		**(6,947,344)**	(12,451,392)
OPERATING PROFIT		**267,191,508**	172,743,055
Finance costs	25	**(3,596,813)**	(13,108,440)
Share in results of an associate	9	**3,627,310**	6,723,115
Profit from sale of a portion of share in associate	9	**12,299,199**	-
Other income	26	**26,546,562**	4,505,693
PROFTI FOR THE YEAR BEFORE ZAKAT		**306,067,766**	170,863,423
Zakat	22	**(9,754,449)**	(3,895,562)
PROFIT FOR THE YEAR		**296,313,317**	166,967,861
PROFIT ATTRIBUTABLE TO:			
Shareholders of the Parent Company		**213,554,440**	147,380,874
Non-controlling interests	31-3	**82,758,877**	19,586,987
		296,313,317	166,967,861
Earnings per share of net profit for the year attributable to the shareholders of the Parent Company (⃁)			
Basic and diluted earnings per share from the profit for the year attributable to the Company's shareholders	32	**0.71**	0.49

Chief Executive Financial Officer	Chief Executive Officer	Managing Director
Mohammed Salah	Sulaiman Al-Ayed	Abdelsalam Almajid

The accompanying notes 1 to 34 form an integral part of these consolidated financial statements.

DAR AL MAJID REAL ESTATE COMPANY AND ITS SUBSIDIARIES
(A SAUDI CLOSED JOINT STOCK COMPANY)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2024

	Note	2024 ⃁	2023 ⃁
PROFIT FOR THE YEAR		**296,313,317**	166,967,861
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that will not be reclassified to profit or (loss) in subsequent periods			
(Losses) gains remeasurement on employees' defined benefits liability	19-2	**(168,829)**	298,099
Share in other comprehensive income of an associate	9	**6,703,533**	2,309,716
Unrealized profit from change in fair value on investment in equity instruments	10	**84,463,434**	-
Other comprehensive income for the year		**90,998,138**	2,607,815
Total comprehensive income for the year		**387,311,455**	169,575,676
Total comprehensive income attributable to:			
Shareholders of the Parent Company		**304,552,578**	149,988,689
Non-controlling interests	31-3	**82,758,877**	19,586,987
		387,311,455	169,575,676

Chief Executive Financial Officer Mohammed Salah	Chief Executive Officer Sulaiman Al-Ayed	Managing Director Abdelsalam Almajid

The accompanying notes 1 to 34 form an integral part of these consolidated financial statements.

DAR AL MAJID REAL ESTATE COMPANY AND ITS SUBSIDIARIES
(A SAUDI CLOSED JOINT STOCK COMPANY)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2024

	Share capital ⃁	*Statutory reserve* ⃁	*Fair value reserve on investments at fair value through other comprehensive income* ⃁	*Retained earnings* ⃁	*Total equity attributable to the Parent Company's shareholders* ⃁	*Non-controlling interests* ⃁	*Total equity* ⃁
Balance as at 1 January 2024	**300,000,000**	**44,598,701**	**-**	**321,356,811**	**665,955,512**	**65,617,808**	**731,573,320**
Profit for the year	**-**	**-**	**-**	**213,554,440**	**213,554,440**	**82,758,877**	**296,313,317**
Other comprehensive income	**-**	**-**	**84,463,434**	**6,534,704**	**90,998,138**	**-**	**90,998,138**
Total comprehensive income	**-**	**-**	**84,463,434**	**220,089,144**	**304,552,578**	**82,758,877**	**387,311,455**
Dividends (Note 29, 31.2)	**-**	**-**	**-**	**(94,214,265)**	**(94,214,265)**	**(111,984,823)**	**(206,199,088)**
Balance as at 31 December 2024	**300,000,000**	**44,598,701**	**84,463,434**	**447,231,690**	**876,293,825**	**36,391,862**	**912,685,687**
Balance as at 1 January 2023	300,000,000	44,598,701	-	171,368,122	515,966,823	137,848,195	653,815,018
Profit for the year	-	-	-	147,380,874	147,380,874	19,586,987	166,967,861
Other comprehensive income	-	-	-	2,607,815	2,607,815	-	2,607,815
Total comprehensive income	-	-	-	149,988,689	149,988,689	19,586,987	169,575,676
Dividends (Note 29, 31.2)	-	-	-	-	-	(91,817,374)	(91,817,374)
Balance as at 31 December 2023	300,000,000	44,598,701	-	321,356,811	665,955,512	65,617,808	731,573,320

Chief Executive Financial Officer
Mohammed Salah

Chief Executive Officer
Sulaiman Al-Ayed

Managing Director
Abdelsalam Almajid

The accompanying notes 1 to 34 form an integral part of these consolidated financial statements.

DAR AL MAJID REAL ESTATE COMPANY AND ITS SUBSIDIARIES
(A SAUDI CLOSED JOINT STOCK COMPANY)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Note	*2024* ⃁	*2023* ⃁
OPERATING ACTIVITIES			
Profit for the year before zakat		**306,067,766**	170,863,423
Adjustments to reconcile profit for the year before zakat to net cash flows:			
Depreciation on property and equipment	5	**1,030,354**	955,656
Depreciation on right-of-use assets	6	**458,626**	457,373
(Gains) losses on sale of property and equipment		**(641)**	26,815
Valuation loss (gains) from investment properties	7	**144,510**	(52,280,410)
Losses on sale of investment property		**-**	353,293
(Gain) loss from valuation of financial assets at FVTPL	11	**(10,191,337)**	2,459,955
Share in results of an associate	9	**(3,627,310)**	(6,723,115)
Profit from sale of a portion of share in associate	9	**(12,299,199)**	-
Provision (Reversal of) expected credit losses	12-1	**3,121,205**	(1,573,285)
Reversal of expected credit losses for due from related parties		**(3,933,558)**	-
Dividends	26	**(9,200,000)**	-
Finance cost		**33,726,385**	33,088,325
Provision for employees' defined benefit liabilities	19	**1,689,271**	1,658,568
		306,986,072	149,286,598
Working capital adjustments:			
Inventory property under development – non-current		**(76,771,988)**	387,498,426
Inventory properties		**(134,332,399)**	(313,794,990)
Contract assets		**(28,801,733)**	(41,549,085)
Trade receivables		**(11,638,645)**	(30,206,618)
Prepayments and other current assets		**14,961,508**	(21,534,339)
Amounts due from related parties		**5,486,784**	63,759,449
Trade and other payables		**(62,214,089)**	98,766,815
Contract liabilities		**(180,702,004)**	197,854,898
		(167,026,494)	490,081,154
Finance cost paid		**(73,725,863)**	(46,798,482)
Employee defined benefit liabilities paid	19	**(486,894)**	(620,753)
Zakat paid	22	**(13,981,042)**	(23,854,271)
Net cash flows (used in) from operating activities		**(255,220,293)**	418,807,648
INVESTING ACTIVITIES			
Addition to property and equipment	5	**(469,448)**	(1,391,826)
Proceeds from sale of property and equipment		**3,891**	8,000
Addition to investment properties	7	**(14,858,647)**	(7,860,842)
Proceeds from sale of investment property		**-**	11,290,864
Purchase of financial assets at FVTPL	11	**(946,822,612)**	(47,251,680)
Proceeds from sales of financial assets at FVTPL	11	**826,269,727**	5,291,187
Proceeds from sale of a portion of share in associate	9	**60,230,330**	-
Dividend received from an associate	9	**3,206,202**	1,785,186
Dividends received	26	**9,200,000**	-
Net cash flows used in investing activities		**(63,240,557)**	(38,129,111)

Chief Executive Financial Officer	Chief Executive Officer	Managing Director
Mohammed Salah	Sulaiman Al-Ayed	Abdelsalam Almajid

The accompanying notes 1 to 34 form an integral part of these consolidated financial statements.

	Note	*2024* ⃁	*2023* ⃁
FINANCING ACTIVITES			
Proceeds from loans and borrowings	18	**2,884,254,291**	1,196,059,922
Repayments of loans and borrowings	18	**(2,365,414,531)**	(1,516,463,148)
Amounts due to related parties		**(8,443,421)**	(36,568,596)
Payment of a lease liability	6	**(800,000)**	(800,000)
Dividends paid	29	**(206,199,088)**	(91,817,374)
Net cash flows from (used in) financing activities		**303,397,251**	(449,589,196)
Net decrease in unrestricted cash and cash equivalents		**(15,063,599)**	(68,910,659)
Unrestricted cash and cash equivalent at 1 January		**168,314,921**	237,225,580
Restricted cash		**(31,473,210)**	-
Unrestricted cash and cash equivalent at 31 December	15	**121,778,112**	168,314,921
SIGNIFICANT NON-CASH TRANSACTIONS:			
Finance and transaction cost capitalized	25	**(30,245,333)**	(19,941,978)
Investment properties transferred (to) from inventory properties	7, 8	**(18,000,000)**	108,129,674
Investment in FVOCI transferred to investment in an associate	9, 10	**80,041,064**	-

Chief Executive Financial Officer	Chief Executive Officer	Managing Director
Mohammed Salah	Sulaiman Al-Ayed	Abdelsalam Almajid

The accompanying notes 1 to 34 form an integral part of these consolidated financial statements.

1 GROUP INFORMATION

Dar Al Majid Real Estate Company a Saudi Closed Joint Stock Company (referred to in the consolidated financial statements as the "Company" or the "Parent Company") under the companies' law in the Kingdom of Saudi Arabia under commercial register No. 1010417874 issued on 20 Shaaban 1435H (corresponding to 18 June 2014).

The Company commenced its real estate development and investment activities as a Limited Liability Company under the name of "Nasser and Abdul Salam Sons of Abdul Rahman Al Majid Real Estate Company" with a share capital of ⃁ 100,000. On 7 Rabi' al-Thani 1442H (corresponding to 22 November 2020), the Company increased its share capital to ⃁ 300,000,000 and was converted into a Closed Joint Stock Company. On 27 Thul-Qi'dah 1445H (corresponding to 4 June 2024), the Company's Board of Directors resolved to offer the Company for initial public offering (IPO), and the Company is still in the process of the IPO.

During the year 2024, the General Assembly of the Partners resolved to change the number of shares from 30 million shares to 300 million shares and to change the nominal value of the share from ⃁ 10 to ⃁ 1.

The Group and its subsidiaries are engaged in the general construction of residential buildings, construction of prefabricated buildings on sites, renovations of residential and non-residential buildings, purchase and sale of land and real estate, division and off-plan sales activities, management and rent of owned or leased real estate (residential and non-residential), management and operation of hotel apartments and real estate management activities for a commission.

(a) Consolidated Subsidiaries

These consolidated financial statements include the financial statements of the Company and the following subsidiaries (collectively referred to as the "Group"):

Name	*Country of incorporation*	*% of shareholding*	
		2024	*2023*
Mohammed and Khalid Sons of Abdul Rahman Al Majid Real Estate Company (1)	Saudi Arabia	**100 %**	100 %
Hossam and Majed Sons of Abdul Rahman Al Majed Real Estate Company (2)	Saudi Arabia	**100 %**	100 %
Fikra Estesmar for Real Estate Development Company (3)	Saudi Arabia	**100 %**	100 %
Nibras Al Amaken for Real Estate Development Company (4)	Saudi Arabia	**100 %**	100 %
Taj Al Hudo for Real Estate Development Company (5)	Saudi Arabia	**100 %**	100 %
Al Raayea Real Estate Company (6)	Saudi Arabia	**100 %**	100 %
Jadet Al Shatea Real Estate Company (7)	Saudi Arabia	**70 %**	70 %
Jadet Al Rabea Real Estate Company (8)	Saudi Arabia	**25 %**	25 %
Al Majdiah Investment Fund (9)	Saudi Arabia	**100 %**	100 %
Al Dar Investment Fund (10)	Saudi Arabia	**70 %**	70 %
Al Narjis Investment Fund (11)	Saudi Arabia	**64 %**	64 %
Burj Al Raayea Real Estate Company (12)	Saudi Arabia	**50 %**	-

1) During the year 2020, the Company acquired Mohammed and Khalid Sons of Abdul Rahman Al Majid Real Estate Company, a limited liability company under the companies' law in the kingdom of Saudi Arabia under commercial registration No. 1010159804 issued on 25 Rabi' al-Awwal 1421H (corresponding to 27 June 2000).

   The Company is engaged in the general construction of residential buildings, renovations of residential and non-residential buildings, ground transportation of goods, purchase and sale of lands and real estate, its division, off-plan sales activities, management, and rental of owned or leased residential real estate, rental of owned or leased non-residential real estate.

2) During the year 2020, the Company acquired Husam and Majid Sons of Abdul Rahman Al Majid Real Estate Company, a limited liability company under the companies' law in the kingdom of Saudi Arabia under commercial registration No. 1010425491 issued on 1 Thul-Hijjah 1435h (corresponding to 25 September 2014).

1 GROUP INFORMATION (continued)

(a) Consolidated Subsidiaries (continued)

The Company is engaged in the general construction of residential buildings, renovations of residential and non-residential buildings, purchase and sale of lands and real estate, division and off-plan sales activities, management and rental of owned or leased real estate (Residential), Management and rental of owned or leased real estate (non-residential), activities of real estate brokers (auctioneers offices), real estate management activities for a commission, non-Saudis are not entitled to practice real estate activities in Mecca and Medina.

3) During the 2020, the Company acquired Fikra Estesmar Company for Real Estate Development and Investment, a limited liability company under the companies' law in the kingdom of Saudi Arabia under commercial registration No. 1010569523 issued on 27 Rajab 1440H (corresponding to 3 April 2019).

   The Company is engaged in the construction of prefabricated buildings on sites, real estate development of residential buildings with modern construction methods, real estate development of commercial buildings with modern construction methods, purchase and sale of lands and real estate, division and off-plan sales activities, management and leasing of owned or leased real estate (Residential), Management and leasing of owned or leased real estate (non-residential), management and operation of hotel apartments, non-Saudis are not entitled to practice real estate activities in Mecca and Medina.

4) During the year 2020, the Company acquired Nibras Al Amaken for Real Estate Development Company, a limited liability company under the companies' law in the Kingdom of Saudi Arabia under commercial registration No.1010587134 issued on 10 Thul-Qi'dah 1440H (corresponding to 13 July 2019).

   The Company is engaged in the real estate development of residential buildings with modern construction methods, real estate development of commercial buildings with modern construction methods, purchase and sale of land and real estate, division and off-plan sales activities, management and leasing of owned or leased real estate (Residential), Management and leasing of owned or leased real estate (non-residential), non-Saudis are not entitled to practice real estate activities in Mecca and Medina.

5) During the year 2020, the Company acquired Taj Al Hudo for Real Estate Development Company, a limited liability company under the companies' law in the kingdom of Saudi Arabia under commercial registration No. 1010586987 issued on 8 Thul-Qi'dah 1440H (corresponding to 11 July 2019).

   The Company is engaged in real estate development of residential buildings with modern construction methods, real estate development of commercial buildings with modern construction methods, purchase and sale of real estate land, division and off-plan sales activities, management and leasing of owned or leased real estate (Residential), Management and leasing of leased owned real estate (non-residential), management and operation of hotel apartments non-Saudis are not entitled to practice real estate activities in Mecca and Medina.

6) During the year 2021, the Company incorporated Al Raayea Real Estate Company, a one-person limited liability company under the companies' law in the kingdom of Saudi Arabia under commercial registration No. 1010697309 issued on 18 Sha'ban1442H (corresponding to 31 March 2021).

   The Company is engaged in the general contracting of residential buildings with modern construction methods, buying and selling real estate land, its division and off-plan sales activities.

7) During 2021, the Company acquired 350 shares (out of a total of 500 shares) in Jadet Al Shatea Real Estate Company, a limited liability company under the companies' law in the kingdom of Saudi Arabia under commercial registration No. 4030381446 issued on 9 Shawwal 1441H (corresponding to 1 June 2020).

   The Company is engaged in general contracting of residential buildings with modern construction methods, purchase and sale of real estate land, division and off-plan sales activities of lands.

1 GROUP INFORMATION (continued)

(a) Consolidated Subsidiaries (continued)

8) During the year 2021, the Company participated in the establishment of Jadet Al Rabea Real Estate Company, a limited liability company under the companies' law in the kingdom of Saudi Arabia under commercial registration No. 1010662510 dated 3 Rabi' al-Awwal 1442H (corresponding to 20 October 2020). Dar Al Majid Real Estate Company owns 25 cash shares out of a total of 100 cash shares in Jadet Al Rabea Real Estate Company. The remaining shares are in name of other individual shareholder, The Group manages and controls all the operations, funds and financial and strategy of the company, therefore, it has been consolidated in these consolidated financial statements.

9) During the year 2022, the Company participated in the establishment of the Al Majdiah Investment Fund, a closed real estate investment fund that complies with Shariah standards and rules and was established by Jadwa Investment Company (the "Fund Manager"), which is a Saudi Closed Joint Stock Company under commercial registration No. 1010228782. Dar Al Majid Real Estate Company owns 1,000,000 units out of a total of 1,000,000 units in Al Majdiah Investment Fund. The Fund has a term of 3 periods, which is extendable two times for another one year for each extension, on the discretion of the Fund Manager after the approval of Capital Market Authority ("CMA").

10) During the year 2020, the Company subscribed in Al Dar Investment Fund, a closed real estate investment Fund that complies with Shariah standards and rules and was establish by Jadwa Investment Company which is a Saudi Closed Joint Stock Company under commercial registration No. 1010228782. As at 31 December 2024, the Company directly owns 27% and indirectly owns 43% through Al Majdiah Investment Fund. The Fund has a term of 3 periods, which is extendable two times for another one year for each extension, on the discretion of the Fund Manager after the approval of CMA. During 2024, the majority of the board of directors of Fund approved to extend the Fund term for one year which was about to expire in April 2024. Therefore, the separate financial statement of the Fund are prepared on basis other than going concern. The Group considers the impact of not consolidating this Fund to be immaterial.

11) During the year 2022, the Company subscribed in Al Narjis Investment Fund, a closed real estate investment Fund that complies with Shariah standards and rules and was establish by Jadwa Investment Company which is a Saudi Closed Joint Stock Company under commercial registration No. 1010228782. As at 31 December 2023, the Company indirectly owns 64% through Al Majdiah Investment Fund. The Fund has a term of 3 periods, which is extendable two times for another one year for each extension, on the discretion of the Fund Manager after the approval of CMA.

12) During 2024, Al Raayea Real Estate Company owned 50% share in Burj Al Raayea Real Estate Company, a limited liability company that was established in 2024 under the Companies Law in the Kingdom of Saudi Arabia under Commercial Registration No. 1009072138 issued on 11 Muharram1446H (corresponding to 17 July 2024).

2 MATERIAL ACCOUNTING POLICY INFORMATION

2.1 BASIS OF PREPARATION

2.1.1 STATEMENT OF COMPLIANCE

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) that are endorsed in kingdom of Saudi Arabia and other standards and pronouncement endorsed by Saudi Organization for Chartered and Professional Accountants (SOCPA) (referred to thereafter as "IFRS as endorsed in KSA").

2.1.2 Historical Cost Convention

The consolidated financial statements of the Group have been prepared on a historical cost basis, except for investment properties, financial assets at fair value through profit or loss, investment in equity instrument at fair value through other comprehensive income that have been measured at fair value, and end of service benefits that have been measured at Projected Unit Credit Method.

2.1.3 Basis of Measurement

These consolidated financial statements are presented in ⃁, which is the Company's functional and presentation currency. These consolidated financial statements have been rounded-off to the nearest ⃁ unless otherwise stated.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2024. Control is achieved when the Group is exposed to 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:

a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
b) Exposure, or rights, to variable returns from its involvement with the investee; and
c) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the 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:

a) The contractual arrangement(s) with the other voting holders of the investee;
b) Rights arising from other contractual arrangements; and
c) 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 control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the shareholders of the Parent Company of the Group and to the non-controlling interests (if any), 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 into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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 related assets (including goodwill), liabilities, non-controlling interests and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

2.3 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024. The Group has not early adopted any other standards, interpretations or amendments that has been issued but not yet effective. These amendments had no material impact on the Group and are as follows:

Standards	***Description***
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

2.4.1 Business Combination and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in general and administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments is measured at fair value with the changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognized in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date.

If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in the consolidated statement of profit or loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, regardless of whether the assets or other liabilities of the investee have been allocated to those units.

2.4.2 Investment in an Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Under the equity method, the investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the investee since the acquisition date. Goodwill relating to the investee is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss after operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4.2 Investment in an Associate (continued)

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss within 'Share in results of an associate' in the statement of profit or loss.

Upon loss of material influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

2.4.3 Current Versus Non-Current Classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in the normal operating cycle;
- Held primarily for the purpose of trading;
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

2.4.4 Fair Value Measurement

The Group measures financial instruments such as derivatives, and non-financial assets such as investment properties, at fair value at each statement of financial position.

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 in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4.4 Fair Value Measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted prices (unadjusted) in active markets for similar assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as investment properties and unquoted financial assets. Involvement of external valuers is determined annually by the Audit and Risk Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated regularly.

The investment team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the following items:

- Disclosures for valuation methods, significant estimates and assumptions.
- Quantitative disclosures of fair value measurement hierarchy.
- Investment properties.
- Financial instruments (including in carried at amortized cost).

2.4.5 Property and Equipment

Capital work in progress is stated at cost, net of impairment losses. Property and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment and borrowing costs (if any) for long-term projects if the recognition criteria are met. When significant parts of property and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in consolidated statement of profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Buildings	20 years
Leasehold improvements	10 years
Motor vehicles	7 years
Furniture and office equipment	5 – 7 years
Computers, programs hardware electronic devices	6.67 – 10 years

An item of property and equipment is derecognized upon disposal (i.e the date the recipient obtains control) or when no future economic benefits are expected from its use. Any gains or losses arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4.6 Investment Properties

Investment property comprises completed property and property under development or re-development that is held, or to be held, to earn rentals or for capital appreciation or both. Property held under a lease is classified as investment property when it is held to earn rental income or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions.

Investment property comprises principally of properties that are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. This property is rented to tenants and not intended to be sold in the ordinary course of business.

Investment property is measured initially at cost, including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and (only in case of investment property held under a lease) initial leasing commissions to bring the property to the condition necessary for it to be capable of operating.

Subsequent to initial recognition, investment property is stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment property are included in profit or loss in the period in which they arise.

Transfers are made to (or from) investment property only when there is evidence of a change in use (such as commencement of development or inception of an operating lease to another party). For a transfer from investment property to investment property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If an inventory property becomes an investment property, the difference between the fair value of the property at the date of transfer and its previous carrying amount is recognized in profit or loss. The Group considers as evidence the commencement of development with a view to sale (for a transfer from investment property to inventories) or inception of an operating lease to another party (for a transfer from inventories to investment property).

Investment property is derecognised either when it has been disposed of (i.e., at the date the recipient obtains control of the investment property in accordance with the requirements for determining when a performance obligation is satisfied in IFRS (15) or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. The revenue and the cost of sales (carrying amount of the asset) is recognized in profit or loss in the period of derecognition. In determining the amount of consideration to be included in the gain or loss arising from the derecognition of investment property, the Group considers the effects of variable consideration, the existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any) in accordance with the requirements for determining the transaction price in IFRS 15.

2.4.7 Inventory Properties

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property, is measured at the lower of cost and net realizable value (NRV).

Principally, this is residential property that the Group develops and intends to sell before, or on completion of, development.

Cost incurred in bringing each property to its present location and condition includes:

- Freehold and leasehold rights for land.
- Amounts paid to contractors for development.
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, development overheads and other related costs.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs necessary to make the sale.

When a property for development and land is sold, the carrying amount of the property is recognized as an expense in the period in which the related revenue is recognized. The carrying amount of the inventory property recognized in profit or loss is determined with reference to the directly attributable costs incurred on the property sold and an allocation of any other related costs based on the relative size of the property sold.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4.8 Non-Current Assets Held for Sale

The Group classifies non-current assets (principally investment property) and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale (except for investment property measured at fair value) are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of the classification.

Investment property held for sale continues to be measured at fair value. Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

2.4.9 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets, or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Group as a lessee

The Group applies individual recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease Payment and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for accordance any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

Category of Right-of-use assets	*Lease term*
Building	4 years

The right-of-use assets are also subject to impairment.

b) Lease Liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the year on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of commission and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4.9 Leases (continued)

c) Short-Term Leases and Leases of Low-Value Assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

2.4.10 Impairment of Non-Financial Assets

Non-financial assets are reviewed at each reporting date to identify circumstances indicating occurrence of impairment loss or reversal of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-zakat discount rate (where applicable) that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group’s CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in consolidated statement of profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in consolidated statement of profit or loss.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4.11 Financial Instruments

Recognition and Initial Measurement
Account receivables issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes party to the contractual provisions of the instrument. A financial asset (unless it is an accounts receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Trade receivables without a significant financing component is initially measured at the transaction price.

On initial recognition, a financial asset is classified as measured at: mortised cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Accounts receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be measured at mortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at the instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date i.e. the date that the Group commits to purchase or sell the asset.

The Group has implemented following classifications for its financial assets:

Financial statement line item	***IFRS 9 classification***
Trade and other receivables	Amortized cost
Cash and cash equivalents	Amortized cost
Financial assets at fair value through profit or loss	Fair value

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost (debt instrument)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial Assets at Amortized Cost (debt instrument)
The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes accounts receivables and Murabaha assets.

Financial Assets Designated at Fair Value Through OCI (equity instruments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its investment in equity instruments and discretionary portfolios under this category.

Financial Assets at Fair Value Through Profit or Loss
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognized in the consolidated statement of profit or loss.

This category includes units of funds. Dividends from funds are also recognized as income in consolidated statement of profit or loss when the right of payment has been established.

Reclassifications
Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

Derecognition
The Group derecognizes a financial asset when the contractual rights to the cash flow from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Impairment of Financial Assets
The Group assesses all information available, including a forward-looking basis the expected credit loss associated with its assets carried at amortized cost and debt instruments measured at fair value through other comprehensive income. The impairment method applied depends on whether there has been a significant large increase in credit risk. To assess whether there is a material increase in credit risk, the Group compares the risk of a default occurring at the asset as at the reporting date with the risk of default at the date of initial recognition based on all information available, and reasonable and supportive forward looking information.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Expected Credit Loss Assessment for Accounts Receivables
For accounts receivable only, the Group recognizes expected credit losses on simplified approach under IFRS 9. The simplified approach to the recognition of expected credit losses does not require the Group to track the changes in credit risk; rather, the Group recognizes a loss allowance based on lifetime expected credit losses at each reporting date from the date of the accounts receivable.

Over the term of the Murabaha receivables, the Group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each borrower and adjusts for forward looking macroeconomic data.

Write-Off and Control
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Classification of Financial Liabilities
The Group classifies its financial liabilities including long term borrowings, Murabaha financings and trade payables, other than financial guarantees and loan commitments, all financial liabilities are recognized initially at fair value and in the cost of loans and borrowings and payables net of transactions cost. The group financial lability included other payables and borrowing and, subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the consolidated statement of profit or loss. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statement of profit or loss.

Accounts and other payables represent liabilities for goods or services provided to the Group prior to the end of the financial period which are unpaid. The amounts are unsecured. These are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of profit or loss.

Modifications Of Financial Assets and Financial Liabilities

Financial Assets
If the terms of the financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value.

If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset and recognizes the amount adjusting the gross carrying amount as modification gain or loss in the consolidated statement of profit or loss.

Financial Liabilities
The Group derecognizes a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognize at fair value. The difference between the carrying amount of the financial liability distinguished and the new financial liability with modified terms is recognized in the consolidated statement of profit or loss.

Offsetting Financial Instruments
Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, there is a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Cash and Cash Equivalents
Cash and cash equivalents in the consolidated statement of financial position comprise cash at banks and on hand, which are subject to non-material risks of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Group's cash management.

Restricted cash that is not available for use by the Group is excluded from cash and cash equivalents for the purpose of preparing the consolidated statement of cash flows. The restricted cash relates to amounts received from customers for the sale of off-plan residential units.

2.4.12 Employees' Benefits

Short Term Employee Benefits
Short term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Employee benefits are payable to all employees employed under the terms and conditions of the Labor Laws applicable on the Group and its subsidiaries, on termination of their employment contracts.

Defined benefit plans
In addition to the above, employees' defined benefit liabilities are provided for in accordance with the requirements of the Saudi Arabian Labor Law and the Group's policies. These employees' defined benefit liabilities represent a defined benefit plan. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The defined benefit liability recognized in the consolidated statement of financial position in respect of defined benefit post-employment plans is the present value of the projected defined benefit obligation (DBO) at the statement of financial position date. The defined benefit obligation is calculated annually by qualified actuaries using the projected unit credit method. Re-measurement amounts, if any, are recognized and reported within equity under the consolidated statement of changes in shareholders' equity with corresponding debit or credit to OCI that comprises of actuarial gains and losses on the defined benefits obligation.

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

If the effect of the time value of money is material, provisions are discounted using a current rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. If the Group has a contract that is onerous, the present obligation under the contract is recognized and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognizes any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

2.4.14 Contingent Assets and Liabilities
Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable. An assessment is made at each reporting date to recognize contingent liabilities which are probable obligations arising from past events whose existence is confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly under the control of the Group.

2.4.15 Borrowing costs
Borrowing costs that are directly attributed to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of finance and other costs that an entity incurs in connection with the borrowing of funds.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4.16 Revenue Recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amount collected on behalf of third parties. The Group recognizes revenue when it transfers control over a product or service to a customer.

The Group assess the goods or services promised in a contract with a customer and identifies as a performance obligation either:

a) Good or service that that can distinct; or
b) Series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer (i.e. each distinct good or service is satisfied over the time and the same method is used to measure progress).

The Group satisfies a performance obligation and recognizes revenue over time, if the following criteria is met:

a) The Group’s performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date؛ or
b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced؛ or
c) The customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs.

For the performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised services it creates a contract based asset on the amount of consideration earned by the performance. Where the amount consideration received from a customer exceeds the amount of services recognized, this gives rise to the contract liabilities.

Principal opposite Agent

Significant judgment is required to determine whether the Group is acting as a principal, reporting revenue on a gross basis, or as an agent, reporting revenue on a net basis. The Group assesses whether it controls the performance obligation for each service.

The Group evaluates different revenue categories; however, before concluding whether it acts as a principal or an agent, the Group exercises judgment, considering the nature of the product and solution provided, the complexity involved in delivering the product and solution, and the level of control the Group has over the process of delivering the product and solution.

Sales of products and services in which the Group acts as a principal are presented on a gross basis.

Sales of products and services where the Group does not participate in fulfilling the performance obligations are presented on a net basis.

Sale of Off-Plan Properties Under Development

The Group assesses whether there are promises within the contract that represent separate performance obligations to which a portion of the transaction price should be allocated. For contracts related to the sale of properties under development, the Group is responsible for the overall management of the project and determines the various goods and services to be provided, including design work, procurement of materials, site preparation and foundation casting, framing and plastering, mechanical and electrical works, installation of fixtures (e.g., windows, doors, cabinets, etc.), and finishing works.

The Group considers these elements to constitute a single performance obligation, as it provides a significant service of integrating the goods and services (inputs) into the completed property (combined output) that the customer has contracted to purchase.

For the sale of properties under development, the Group has determined, for its standard contracts for the sale of multi-unit properties off-plan, that its performance does not create an asset with an alternative use to the Group. It has concluded that, at all times, it has an enforceable right to payment for performance completed to date. Accordingly, control is transferred over time for these contracts, and therefore, revenue for these contracts is recognized over time.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4.16 Revenue Recognition (continued)

Sale of Off-Plan Properties Under Development (continued)
For contracts that meet the criteria for revenue recognition over time, the Group measures its performance using the input method, with reference to costs incurred to fulfill the performance obligation (e.g., resources consumed, labor hours spent, costs incurred, time elapsed, or machine hours used) relative to the total expected inputs required to complete the property. The Group excludes the effect of any costs incurred that do not contribute to the Group's performance in transferring control of the goods or services to the customer (such as unexpected amounts of wasted materials, labor, or other resources) and adjusts the input method for any costs incurred that are not proportionate to the Group's progress in fulfilling the performance obligation (such as uninstalled materials).

Rental Income
The Group earns revenue from acting as a lessor in operating lease contracts that do not substantially transfer all the risks and rewards incidental to ownership of an investment property. Rental income arising from operating leases on investment properties is recognized on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operational nature, except for contingent rental income, which is recognized when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognized as an expense over the lease term on the same basis as rental income.

Real Estate Commission Income
The Group has contracts with customers to provide marketing services for the sale of properties owned by customers on their behalf. Under these contracts, the Group provides marketing services for these properties (i.e., marketing properties to suitable buyers and managing the sale process). The Group does not obtain control of the properties before they are transferred to the buyer. The Group acts as an agent and recognizes revenue on a net basis for these arrangements. Revenue is recognized at a point in time (i.e., when the property is sold) as this is when the customer benefits from the marketing services provided by the Group.

Revenue From Development Services
The Group has contracts with customers to provide real estate development services for real estate projects owned by customers on their behalf. Under these contracts, the Group provides development services (i.e., coordinating the selection of suitable contractors, managing the development process, and delivering it to customers) in exchange for a percentage of the development costs incurred. The Group does not obtain control of the properties when developing them and before transferring them to the customer. The Group acts as an agent and recognizes revenue on a net basis for these arrangements.

The Group recognizes revenue from real estate development services over time, as the customer simultaneously receives and consumes the benefits provided.

The Group recognizes revenue based on a percentage of costs incurred on real estate development projects for customers.

Maintenance Income
The Group earns maintenance revenue from amounts received from customers upon the conditional exchange of contracts related to a five-year future maintenance obligation as part of the sale of real estate inventory. Maintenance income is recognized on a straight-line basis over the maintenance period and is included in revenue in the statement of profit or loss.

Significant Financing Component
The Group adjusts the promised amount of consideration, if any, for the time value of money if the contract contains a significant financing component.

Measuring Progress Towards Complete Satisfaction of A Performance Obligation
For each performance obligation that is satisfied over time, the Group applies a single method of measuring progress toward complete satisfaction of the obligation. The Group selects an appropriate input and output method and then applies it continuously to similar performance obligations and under similar conditions.

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.4.16 Revenue Recognition (continued)

Contract Costs
Incremental costs of obtaining a contract are recognized as an expense unless the Group expects, with reasonable certainty, to recover these costs from its customers and where such costs are clearly chargeable to customers.

2.4.17 Zakat
The Group is subject to zakat in accordance with the regulations of the Zakat, Tax and Customs Authority (“ZATCA”). Provision for zakat for the Company and zakat related to the Company’s ownership in the Saudi Arabian subsidiaries is charged to the consolidated statement of profit or loss. Additional amounts payable, if any, at the finalization of final assessments are accounted for when such amounts are determined.

2.4.18 Value added tax “VAT” and Real estate transaction tax
Expenses and assets are recognized net of the amount of value added tax, except:

- When the value of added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- When receivables and payables are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position

The disposal of real estate in the Kingdom of Saudi Arabia by way of certain transactions resulting in a transfer of legal ownership or possession will be VAT exempt and subject to a 5% real estate transaction tax (“RETT”). RETT is applicable on the transaction that took place on or after 4 October 2020. However, as per the RETT law, the licensed real estate developer can recover input VAT on the property sold after 4 October 2020.

2.4.19 Dividends Distribution
The Group establishes the obligations related to paying the cash dividends to the Company’s Shareholders when approving the distribution. According to the Saudi Arabian Regulations for Companies, dividends are approved upon approval by the Shareholders. The corresponding amount is directly recognized in equity.

2.4.20 Selling, Distribution Expenses , and General and Administration Expenses
Selling, distribution, general and administration expenses include direct and indirect costs not specifically part of cost of revenues. Allocations between cost of revenues and selling, distribution, general and administration expenses, when required, are made on a consistent basis. The Group charges the payments, other than those related to volume-based rebates, made in respect of long-term agreements with customers and distributors to selling and distribution expense.

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of Group's consolidated financial statements, in conformity with IFRS as endorsed in KSA requires the use of judgements, estimates and assumptions. Such estimates and assumptions may affect the balances reported for certain assets and liabilities as well as the disclosure of certain contingent assets and liabilities as at the consolidated statement of financial position date. Any estimates or assumptions affecting assets and liabilities may also affect the reported revenues and expenses for the same reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Judgements

Information about judgement made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following note:

Property Lease Classification

Group as a lessor:
The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Going Concern

The Group's management has assessed the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the consolidated financial statements are prepared on a going concern basis.

Determining The Transfer of Control for Recognition of Revenue from Rendering of Services

Revenue from rendering of services is recognized when the services have been rendered to the customer. In making this assessment, the Group has exercised judgment based on the terms and conditions of the underlying contracts. Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2024 is included in the following notes.

Fair Valuation of Investment Properties

The Group carries its investment properties at fair value, with changes in fair value being recognized in the consolidated statement of profit or loss. The Group engaged an independent valuation specialist to assess fair values as at 31 December 2024 and 31 December 2023. Further where comparable market data is available, the Group revalue the property by relevance to transaction involving the properties of similar nature location and conditions. The Group engaged an independent valuation specialist to assess the fair values as at 31 December 2024 and 31 December 2023.

Defined benefit liabilities

The Group's net obligation in respect of defined benefit liability is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The present value of the obligation is determined based on actuarial valuation at the statement of financial position date by an independent actuary using the Projected Credit Unit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures. The obligation is measured at the present value of the estimated future cash flows. In Kingdom of Saudi Arabia, the discount rates used for determining the present value of the obligation under defined benefit plan are determined by reference to US bond yields, (as the ⃁ is pegged to the US dollar) adjusted for an additional risk premium reflecting the possibility of the linkage being broken. Other assumptions include mortality rate, future salary increase and future pension increase.

Revenue From the Sale of Real Estate Units Under Development

The Group recognizes revenue from the sale of real estate units under development over time based on management's assessment that its performance does not create an asset with an alternative use to the Group under the signed contracts with customers. Additionally, the Group has an enforceable right to receive payment for performance completed to date, based on the signed contracts with customers and in accordance with the laws and regulations of the Kingdom of Saudi Arabia.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

3.2 Assumptions and Estimation Uncertainties

Fair Value Measurement of Financial Instruments
When the fair values of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Net assets value ("NAV"). The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

Impairment Of Non-Financial Assets
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Estimation of net realizable value for inventory property
Inventory property is stated at the lower of cost and net realizable value (NRV). NRV for completed inventory property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions identified by the Group for property in the same geographical market serving the same real estate segment. NRV in respect of inventory property under development is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete the development and the estimated costs necessary to make the sale, taking into account the time value of money, if material.

Estimate Of Useful Lives and Residual Values
The useful life used to amortize or depreciate intangible assets or property and equipment respectively relates to the expected future performance of the assets acquired and management's judgement based on technical evaluation of the period over which economic benefit will be derived from the asset. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. An asset's expected life residual value has a direct effect on the depreciation charged in the consolidated statement of profit or loss. The useful lives and residual values of Group's assets are determined by management based on technical evaluation at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

Impairment Loss on Trade and Other Receivables
Accounts and other receivables are stated at their amortized cost as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience adjusted appropriately for the future expectations. Individual receivables are written off when management deems them not to be collectible.

Right-Of-Use Assets
The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section Impairment of non-financial assets.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

3.2 Assumptions and Estimation Uncertainties (continued)

Lease Liabilities
At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the Period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group’s lease liabilities are included in finance charges.

Short-Term Leases and Leases Of Low-Value Assets
The Group applies the short-term lease recognition exemption to its short-term leases of real estate (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

The preparation of the Group’s consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Provision For Expected Credit Losses of Trade Receivables And Contract Assets
The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group’s historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Provision For Foreseeable Losses
The Group recognizes an onerous contract provision (IAS 37 ‘Provisions, Contingent Liabilities and Contingent Assets’) for future losses on contracts where it is considered probable that contract costs are likely to exceed revenue at contract completion. Estimating future losses involves making a number of assumptions, (e.g. contractual position with the customer, vendors and subcontractors, negotiations with the customer, vendors and subcontractors, cost to complete estimates, past experience with the customer, vendors and subcontractors, etc.), about the achievement of contract performance targets and the likely levels of future cost escalations over time.

4 STANDARDS ISSUED BUT NOT YET EFFECTIVE AND OTHER AMENDMENTS

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Standards	***Description***	***Mandatory effective date***
Amendments to IAS 21	Lack of exchangeability	1 January 2025
Amendments to IFRS 9 and IFRS 7	Amendments to Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS 9 and IFRS 7	Contracts referring to nature-based electricity	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

5 PROPERTY AND EQUIPMENT

	Land (Note 5-1) ⃁	*Buildings* ⃁	*Leasehold improvements* ⃁	*Motor vehicles* ⃁	*Furniture and office equipment* ⃁	*Computers, software and electronic devices* ⃁	*Total* ⃁
Cost							
As at 1 January 2023	18,411,250	3,588,750	792,630	781,388	984,004	1,686,929	26,244,951
Additions	-	-	863,245	185,200	105,453	237,928	1,391,826
Disposal	-	-	-	(44,625)	-	-	(44,625)
As at 31 December 2023	**18,411,250**	**3,588,750**	**1,655,875**	**921,963**	**1,089,457**	**1,924,857**	**27,592,152**
Additions	**-**	**-**	**70,000**	**-**	**-**	**399,448**	**469,448**
Disposal	**-**	**-**	**-**	**-**	**-**	**(7,786)**	**(7,786)**
As at 31 December 2024	**18,411,250**	**3,588,750**	**1,725,875**	**921,963**	**1,089,457**	**2,316,519**	**28,053,814**
Accumulated depreciation							
As at 1 January 2023	-	272,254	100,263	431,792	607,221	443,605	1,855,135
Charge for the year	-	179,437	125,906	100,487	98,382	451,444	955,656
Disposal	-	-	-	(9,810)	-	-	(9,810)
As at 31 December 2023	**-**	**451,691**	**226,169**	**522,469**	**705,603**	**895,049**	**2,800,981**
Charge for the year	**-**	**179,438**	**165,586**	**118,731**	**109,888**	**456,711**	**1,030,354**
Disposal	**-**	**-**	**-**	**-**	**-**	**(4,536)**	**(4,536)**
As at 31 December 2024	**-**	**631,129**	**391,755**	**641,200**	**815,491**	**1,347,224**	**3,826,799**
Net book value							
As at 31 December 2023	18,411,250	3,137,059	1,429,706	399,494	383,854	1,029,808	24,791,171
As at 31 December 2024	**18,411,250**	**2,957,621**	**1,334,120**	**280,763**	**273,966**	**969,295**	**24,227,015**

5-1 The legal possession of land title deed is in the name of two shareholders, due to the inability to transfer the ownership of the property to Dar Al-Majid Real Estate Company (the "Parent Company") due to the suspension issued by the authorities for transferring the title deeds to the new owners relating to Al-Qirawan district. The shareholders have confirmed that this land is registered in their name for statutory purpose only and they confirmed the ownership of the land belongs to the Group.

6 RIGHT OF USE ASSETS AND LEASE LIABILITES

The Group has a lease contract for residential buildings, with a lease term of 4-5 years including rent grace period. Set out below are the carrying amount of right-of-use asset recognized and the movement during the year:

	2024	*2023*
	⃁	⃁
Cost		
At 1 January	**2,076,348**	2,076,348
At 31 December	**2,076,348**	2,076,348
Accumulated amortization:		
At 1 January	**1,617,722**	1,160,349
Depreciation expense	**458,626**	457,373
At 31 December	**2,076,348**	1,617,722
Carrying amount	**-**	458,626

Set out below are the carrying amount of lease liability recognized and the movement during the year:

	2024	*2023*
	⃁	⃁
At 1 January	**792,638**	1,551,193
Finance cost (Note 25)	**7,362**	41,445
Amounts paid	**(800,000)**	(800,000)
At 31 December	**-**	792,638
Current	**-**	792,638
Non-current	-	-

The following are the amounts recognized in the consolidated statement of profit or loss:

	2024	*2023*
	⃁	⃁
Depreciation expense of right-of-use assets (Note 23.2)	**458,626**	457,373
Commission expense on lease liabilities (note 25)	**7,362**	41,445
Total amount recognized in profit or loss	**465,988**	498,818

The Group had total cash outflows for lease of ⃁ 800,000 in 2024 (2023: ⃁ 800,000).

Group as a lessor:

The Group has entered into an operating lease for commercial leasing and two residential projects. These leases are short term leases. Rental income recognized by the Group during 2024 is ⃁ 11.2 million (2023: ⃁ 5.3 million) (note 23.1).

7 INVESTMENT PROPERTIES

	2024	*2023*
	⃁	⃁
Lands	**6,214,360**	25,029,719
Buildings	**155,438,432**	139,908,936
	161,652,792	164,938,655

7.1 Movement in investment properties

	2024			*2023*		
	⃁			⃁		
	Lands	***Buildings***	***Total***	*Lands*	*Buildings*	*Total*
At 1 January	**25,029,719**	**139,908,936**	**164,938,655**	79,532,866	-	79,532,866
Capital expense on owned properties	**31,597**	**14,827,050**	**14,858,647**	733,636	7,127,206	7,860,842
Transfer to related parties	**-**	**-**	**-**	(71,220,980)	-	(71,220,980)
Disposals (recognized within of sales) (note 23.2)	**-**	**-**	**-**	(11,644,157)	-	(11,644,157)
Remeasurement adjustment	**(846,956)**	**702,446**	**(144,510)**	8,164,930	44,115,480	52,280,410
Transferred (to) from inventory properties (note 8)	**(18,000,000)**	**-**	**(18,000,000)**	19,463,424	88,666,250	108,129,674
At 31 December	**6,214,360**	**155,438,432**	**161,652,792**	25,029,719	139,908,936	164,938,655

a) Description of significant observable inputs to valuation

The significant unobservable inputs used in the fair value measurements of investment properties categorized within Level 2 of the fair value hierarchy as at 31 December 2024 and 31 December 2023 are as follows:

Investment properties	***Valuation technique***	***Significant unobservable inputs***	***Range (weighted average)***	
			2024	*2023*
Lands	Comparable market approach	Price per Sqm	1250 per Sqm	1268.5 per Sqm
Building	Comparable market approach Income capitalization method (50% weighted each)	Price per Sqm Annual rental growth and long-term vacancy Restated	9,000 per Sqm (Land). 9,000 per Sqm (Building) 8%	6,893 per Sqm (Land) 6,893 per Sqm (Building) 8.5%
Building	Comparable market approach	Price per Sqm Annual rental growth and long-term vacancy Restated	10,450 per Sqm	-

The fair value of lands and buildings in Qassim, Al Yasmin District and Al Malga in Saudi Arabia is valued using the market comparable approach and income capitalization method.

Under market comparable approach, a property's fair value is estimated based on the market comparison between the property being valued and similar ones located in the same area and newly sold, and the value index of the property being value is derived from applying appropriate comparison units and making adjustments to the sale prices of similar properties based on comparative elements.

The valuations were performed by OPM by Olaat Real Estate, an independent valuer with a recognized and relevant professional qualification and recent experience of the location and category of the investment property being valued and accredited from Saudi Authority for Accredited Valuers ("TAQEEM") under membership number 1210000397. The valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied. The valuation model is consistent with the principles in IFRS 13. More information about the fair value measurement is set out in note 28.

8 INVENTORY PROPERTIES

The Group has subsidiaries that develop residential properties, which they sell in the ordinary course of business. The Group entered into contracts to sell some of these properties. The Group classified all properties as current asset which are expected to be completed and sold in the next 12 months, except for properties under development which are not expected to be completed in the next 12 months.

A summary of movement in inventory properties is set out below.

	2024	*2023*
	⃁	⃁
At 1 January	**1,494,586,457**	1,696,361,545
Development costs incurred	**1,153,366,461**	577,897,364
Borrowing cost capitalized (note 8.1, 25)	**30,245,333**	19,941,978
Transferred from (to) investment properties (note 7)	**18,000,000**	(108,129,674)
Disposals (recognized in cost of sales) (note 8.2, 23.2)	**(1,002,752,740)**	(691,484,756)
At 31 December	**1,693,445,511**	1,494,586,457
Inventory properties expected to be completed and sold within the next 12 months	**723,915,374**	589,582,975
Inventory properties under development not expected to be completed and sold within the next 12 months	**969,530,137**	905,003,482
	1,693,445,511	1,494,586,457

8.1 BORROWING COSTS CAPITALISED

The Group has 18 ongoing projects as at 31 December 2024 (2023: 14 projects). These projects are expected to be at different intervals ranging from form 1-4 years. The carrying amount of these project at 31 December 2024 was ⃁ 1,693,4 million (2023: ⃁ 1,494,6 million).

All these projects are financed by loans and borrowings available to the Group amounting to ⃁ 1,149 million at 31 December 2024 (2023: ⃁ 630,2 million). Real estate properties are secured as mortgage with a value of 133% (2023: 150%) of the financing amount with Riyad bank. One land in Narjis district is mortgaged with Banque Saudi Fransi (note 18).

The amount of borrowing costs capitalized during the year ended 31 December 2024 was ⃁ 30.2 million (2023: ⃁ 19.9 million). The rate used to determine the amount of borrowing costs eligible for capitalization for these projects ranges between 5.5% – 8.5% (2023: between 4.8% – 8.3%) which is the EIR of the specific borrowing.

8.2 The amounts recognized in cost of sales– property units for the year as follows:

	2024	*2023*
	⃁	⃁
Relating to property units (notes 8.2.1, 23.2)	**694,994,116**	684,304,648
Relating to sale of lands (note 8.2.1, 23.2)	**307,758,624**	7,180,108
	1,002,752,740	691,484,756

8.2.1 The cost of inventory of completed properties includes ⃁ 31.9 million cost of properties units off-plan sales (note 23.2).

8.2.2 This amount represents the cost of land held for sale purposes classified as inventory properties and sold during the year.

9 INVESTMENTS IN AN ASSOCIATE

The Group has an share in First Avenue Real Estate Development Company which is involved in real estate development activities in Saudi Arabia. The Group's share in First Avenue Development Company is accounted for using the equity method in the consolidated financial statements.

9.1 Effective 1 September 2021, the Group obtained 15% equity of First Avenue Real Estate Development Company for a total consideration ⃁ 60.75 million. On 22 November 2022, the Group entered into an agreement with the Investee to buy an additional 484,795 shares at a price of ⃁ 65 per share and total value of ⃁ 31.5 million in exchange for 2,442,578 units in Al Shorfa Investment Fund at a price of ⃁ 12.9 per unit shares and a total value of ⃁ 31.5 million resulting in the Group's total shareholdings of 17.57% as at year end.

9.2 On 7 June 2023, the Associate's Board members in the extraordinary meeting approved to issue 1 share for each 2 shares as a transfer at ⃁ 74,948,967 from share premium to share capital. Out of this, the amount of ⃁18,135,427 was given against the employee share incentive program. Therefore, the Group's total shareholdings decreased from 17.57 % to 15.79% as result of forfeiture of the respective shares towards employees of the associate resulting in a decrease in the ownership percentage in investment and recorded losses of ⃁3,167,828

9.3 On 27 August 2024, the Group sold a portion of its shares in First Avenue Real Estate Development Company, at a number of 10,911,411 shares, to Makkah Construction and Development Company. Consequently, the Group's ownership percentage of the shares decreased from 15.79% to 10% as a result of the sale of the shares. The sale of the shares resulted in a profit of ⃁12,299,199.

9.4 On 14 August 2024, First Avenue Real Estate Development Company announced in its prospectus the offering of 16.42 million new shares in the Parallel Market "Nomu". The offered shares represented 8.01% of the Group's share capital after the offering, bringing the total share capital to ⃁ 205,000,000 million. On 5 September 2024, the Saudi Capital Market Authority announced the issuance of its board resolution approving the offering and listing of the Group's shares on the Nomu - Parallel Market. The offering period for the Group's shares commenced on 10 September 2024, and lasted for five business days, and concluded on 16 September 2024. The Group's shares were subsequently listed on 16 October 2024. As a result, the Group's ownership percentage in the shares decreased from 10% to 9.2% following the offering. Consequently, the Group lost its significant influence over the associate company, leading to the reclassification of the investment to fair value through other comprehensive income (Note 10). The Group's ownership in the associate company before the offering and share reduction stood at 10% (2023: 15.79%).

The following table illustrates the summarized financial information of the Group's investment in First Avenue Real Estate Development Company:

	2024	*2023*
	⃁	⃁
Current assets	-	173,450,469
Non-current assets	-	318,499,675
Current liabilities	-	(131,010,111)
Non-current liabilities	-	(24,736,857)
Equity	-	336,203,176
The Group's share in equity – (transferred to investment at fair value, note 10) (2023: 15.79%)	-	120,847,554
Group's share in results	-	9,032,831

	2024	*2023*
	⃁	⃁
Revenue	**159,810,557**	237,845,342
Cost of revenue	**(103,541,897)**	(185,913,909)
Gross profit	**56,268,660**	51,931,433
Net operating profit	**22,073,284**	39,424,306
Net Profit before Zakat	**45,627,474**	53,083,906
Net profit for the year	**43,127,474**	51,603,906
Total comprehensive income	**85,673,545**	64,631,737
Group's share of income	**10,330,843**	9,032,831

9 INVESTMENTS IN ASSOCIATE (continued)

A summary of movement in investment in an associate is set out below:

	2024	*2023*
	⃁	⃁
At 1 January	**120,847,554**	113,599,909
Share in profit or loss	**6,795,138**	6,723,115
Share in other comprehensive income	**6,703,533**	2,309,716
Losses (Note 9.2)	**(3,167,828)**	-
Disposal (note 9.3)	**(47,931,131)**	-
Dividends	**(3,206,202)**	(1,785,186)
Transferred to investments in equity instruments at fair value through other comprehensive income (note 9.4, 10)	**(80,041,064)**	-
	-	120,847,554

10 INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

As at 31 December 2024, the Group holds a 9.2% share in First Avenue Real Estate Development Company, which is engaged in real estate development activities in the Kingdom of Saudi Arabia. As outlined in (note 9), the Group accounted for its share in First Avenue Real Estate Development using the equity method in the consolidated financial statements. However, following the listing of the investee company in the Nomu Parallel Market and the decrease in the Group's ownership percentage, the Group lost its significant influence over the investee company. Consequently, the Group reclassified the investment to fair value through other comprehensive income, which the Group has chosen to treat as irrevocable and to recognize changes in fair value through other comprehensive income, considering it a strategic investment.

The details of equity instruments at fair value through other comprehensive income are as follows:

Company	***Country of incorporation***	***% of shareholding***	
		2024	*2023*
First Avenue Real Estate Development Company	Saudi Arabia	**9,2 %**	(15.79% Investment in associate note 9)

The movement in investments in equity instruments at fair value through other comprehensive is as follows:

	2024	*2023*
	⃁	⃁
At 1 January	-	-
Transferred from investment in associate (note 9)	**80,041,064**	-
Unrealized profit of fair value changes	**84,463,434**	-
	164,504,498	-

The movement in fair value reserve is as follows:

	2024	*2023*
	⃁	⃁
At 1 January	-	-
Unrealized profit of fair value changes	**84,463,434**	-
	84,463,434	-

11 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	*2023*
	⃁	⃁
Real estate funds (note 11.1)	**204,859,391**	30,077,193
Murabaha (Note 11.2)	**-**	44,037,976
	204,859,391	74,115,169

The movements during the year were as follows:

	2024	*2023*
	⃁	⃁
At 1 January	**74,115,169**	34,614,631
Additions	**946,822,612**	47,251,680
Disposals	**(826,269,727)**	(5,291,187)
Valuation gain (Loss) (note 26)	**10,191,337**	(2,459,955)
At 31 December	**204,859,391**	74,115,169

The breakup of additions, disposal and valuation gains is as follows:

	2024	*2023*
	⃁	⃁
Additions		
Real estate funds	**946,822,612**	3,251,680
Murabaha (note 11.2)	**-**	44,000,000
	946,822,612	47,251,680
Disposals		
Real estate funds	**826,269,727**	-
Listed equity shares (note 11.3)	**-**	5,291,187
	826,269,727	5,291,187
Valuation gains / (loss)		
Real estate funds (note 11.1)	**10,191,337**	(4,358,766)
Listed equity shares (note 11.3)	**-**	1,860,835
Murabaha (note 11.2)	**-**	37,976
	10,191,337	(2,459,955)

11.1 The Group has investments in three real estate funds as at 31 December:

	2024	*2023*
	⃁	⃁
Fund 40	**160,000,000**	-
Al-Manzil Investment Fund	**21,800,000**	-
Al Dar Investment Fund 2	**12,701,750**	20,340,000
Al Dar Investment Fund 3	**9,504,162**	-
Al Shorfa Investment Fund	**853,479**	5,961,258
Bloom Investment Fund	**-**	3,775,935
At 31 December	**204,859,391**	30,077,193

11.1 The total unrealized profit on real estate funds above was ⃁ 10.2 million during the year ended 31 December 2024 (unrealized loss in 2023: ⃁4.4 million).

11.2 During the year 31 December 2023, the Group invested in 11,672 units of Dawnay Day & Co. Ltd. as Murabaha investment, with a cost amounting to ⃁ 44 million. The total unrealized gain on the above Murabaha investment amounted to ⃁ 40,000 at 31 December 2023.

11.3 The Group invested in four of the listed securities i.e. Elm Company, Power and Water Utility Company, Solutions by STC. In 2023, all the above listed equity shares amounting to ⃁ 5.3 million were sold. The total realized profit on the above listed equity shares amounted to ⃁1.9 million during the year ended 2023.

12 TRADE RECEIVABLES AND CONTRACT ASSETS

12.1 Trade Receivables

	2024	*2023*
	⃁	⃁
Trade Receivables	**80,797,260**	69,158,615
Less: Provision for expected credit losses	**(7,034,517)**	(3,913,312)
	73,762,743	65,245,303

Terms and conditions of the above financial assets are as follows:
Trade receivables are non-interest bearing and are generally settled within 30 days. It is not the practice of the Group to obtain collateral over receivables and the vast majority are, therefore, unsecured.

Movement in allowance for expected credit losses	*2024* ⃁	*2023* ⃁
At 1 January	**3,913,312**	5,486,597
Charge (reversal) for the year	**3,121,205**	(1,573,285)
At 31 December	**7,034,517**	3,913,312

12.2 Contract Assets

	2024	*2023*
	⃁	⃁
Contract assets - Real estate development (note 12.2.1)	**66,674,567**	59,805,570
Contract assets - off-plan sales (notes 12.2.2, 12.2.3)	**21,932,736**	-
	88,607,303	59,805,570

12.2.1 Contract assets are initially recognized for revenue earned from real estate development and management services rendered but yet to be billed to customers as at the year end. Upon billing of invoice, amounts that are recognized as contract assets are reclassified to trade receivables. The increase in contract assets in 2024 is mainly due to the increase in ongoing real estate development at the end of the current year compared to prior year. Subsequent to year end, the whole amount of ⃁ 66,6 million (2023: ⃁59.8 million) has been billed to customers.

12.2.2 The assets of off-plan sale contracts represent the total amounts expected to be collected from off-plan sale customers with whom contracts have been signed to sell properties units off-plan, in exchange for the executed contract works. These are measured based on the incurred costs plus recognized profits, minus any progress billings collected and recognized losses.

12.2.3 Contract Assets - off-plan sales

	2024	*2023*
	⃁	⃁
Value of Project Contracts	**101,860,000**	-
Less: Value of un-executed works	**(58,227,163)**	-
Value of executed works (note 23- 1)	**43,632,837**	-
Less: Progress billings and advances	**(21,700,101)**	-
	21,932,736	-

12 TRADE RECEIVABLES AND CONTRACT ASSETS (continued)

12.2.3 Contract Assets - off-plan sales (continued)

Following is the movement in the contract assets of off-plan sales during the year:

	2024	*2023*
	⃁	⃁
At the beginning of the year	**-**	-
Value of executed works during the year (note 23- 1)	**43,632,837**	-
Less: Progress billings and advances	**(21,700,101)**	-
	21,932,736	-

13 PREPAYMENTS AND OTHER CURRENT ASSETS

	2024	*2023*
	⃁	⃁
VAT receivable (note 13.1)	**49,479,114**	77,322,385
Advances to suppliers	**35,334,043**	36,890,053
Prepaid expenses	**16,121,527**	7,422,228
Cash margin against bank guarantees (note 13.2)	**11,140,243**	4,875,281
Real estate tax (note 13.3)	**1,852,735**	1,868,845
Employees receivable	**602,719**	1,012,590
Other	**879,020**	979,527
	115,409,401	130,370,909

13.1 The above VAT receivable is relating to inputs for purchase of good and services. Subsequent to year end, the Group has submitted its VAT declaration, the tax advisor and the management of the Group are confident that the above amounts will be reimbursed within the statutory time frame.

13.2 Cash deposits against letters of guarantee represent the balance held by bank in favor of one supplier by Al Rajhi Bank. The amount is restricted by the bank.

13.3 The above tax represents real estate tax collected from customers on selling of property units and it is computed based on 5% of the unit value. Subsequent to year end, the Group has submitted its declaration, the tax advisor and the management of the Group are confident that the above amounts will be reimbursed within the statutory time frame.

14 BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties represent the shareholders, key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management.

14.1 Amounts due from related parties

Related Parties	*Relationship*	*Nature of transaction*	*Amount of transaction*		*Balance*	
			2024	*2023*	***2024***	*2023*
			⃁	⃁	**⃁**	⃁
Related party to a Shareholder	Related party to shareholder	Collections received	**(7,950,817)**	-	**-**	7,950,817
Shareholders (note 14.1.1)	IPO recoverable debts	IPO expenses	**9,853,471**	2,393,041	**16,631,256**	6,777,785
First Avenue Real Estate Development Company	Affiliate (2023: Associate)	Collections received	**(2,748,183)**	(12,089,111)		
		Revenue from services rendered	**-**	12,646,543	**3,646,749**	6,394,932
Dar Almajid Holding Company	Majority shareholder	Collections received	**(704,259)**	704,259	**-**	704,259
Almajd Aloula Real Estate Company	Shareholder	Collections received	**(3,438)**	1,350	**-**	3,438
					20,278,005	21,831,231

14.1.1 This amount represents the IPO cost which is agreed to be reimbursed by the shareholders upon successful completion of listing process in the Capital Market.

14.1.2 The above balances are unsecured, interest free and have no fixed Date repayment. The management estimates the allowance on due from related party balance at the reporting date at an amount equal to lifetime ECL. No receivable balance from related parties at the reporting date are past due, taking into account the historical default experience and the future prospects of the industries in which the related parties operate, the management considers that related party balances are not impaired. There has been no change in estimation techniques or significant assumptions made during the current reporting period in assessing the allowances for balances due from related parties.

14 BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

14.2 Amounts due to related parties

Related Parties	***Relationship***	***Nature of transaction***	***Amount of transaction***		***Balance***	
			2024	*2023*	***2024***	*2023*
			⃁	⃁	⃁	⃁
Related party to a subsidiary	Partner in a subsidiary	Funding subsidiary's projects	**(56,000,000)**	(42,000,000)		
		Repayment	**101,124,790**	48,315,989		
		Balances transferred to other shareholders	**-**	560,471	**80,547,810**	125,672,600
Related party to a subsidiary	Partner in a subsidiary	Repayment	**-**	1,227,228		
		Balances transferred to other shareholders	**-**	560,471	**37,849,262**	37,849,262
First Foundation Real Estate Company	SPV of subsidiary	Repayment / Finance charges	**(12,398,029)**	12,398,029	**-**	12,398,029
Emmar Opportunities Real Estate	SPV of subsidiary	Finance charges	**9,268,531**	164,895	**9,433,426**	164,895
Jadwa Investment Company	Fund manager of subsidiary investment funds	Management fees (Note 24)	**4,232,734**	8,426,548		
		performance fees (note 24)	**15,893,955**	33,482,409		
		Repayment	**(53,363,924)**	-	**3,521,536**	36,758,771
Dar Almajid Real Estate Development Company	Related party to shareholder	Repayment	**(4,392,249)**	-	**-**	4,392,249
Albilad Investment Company	Custodian of subsidiary	Repayment	**59,729**	71,841	**70,058**	10,329
Related party to a subsidiary	Partner in a subsidiary	Project financing of subsidiary	**23,330,859**	-	**23,330,859**	-
Related party to a subsidiary	Partner in a subsidiary	Project financing of subsidiary	**23,330,859**	-	**23,330,859**	-
First Avenue Real Estate Development Company	Affiliate (2023: Associate)	Expenses on behalf	**(3,857,100)**	3,857,100	**-**	3,857,100
					178,083,810	221,103,235

14. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

14.3 Key management compensation

	2024	*2023*
	⃁	⃁
Short term employees' benefits	**23,241,229**	6,780,000
Termination benefits	**603,432**	1,130,000
	23,844,661	7,910,000
Board of Directors remuneration	**2,029,000**	1,823,000

15 CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

	2024	*2023*
	⃁	⃁
Cash and cash equivalents - unrestricted		
Cash at banks	**81,770,399**	141,235,237
Short term deposit (note 15.1)	**40,000,000**	27,000,000
Cash in hands	**7,713**	79,684
	121,778,112	168,314,921
Restricted cash		
Cash in bank (note 15.2)	**31,473,210**	-
Total cash and cash equivalents and restricted cash	**153,251,322**	168,314,921

15.1 Short-term deposits have been placed for varying periods ranging from one day to three months, based on the Group's immediate cash requirements, earning a commission at the rates applicable to the specific short-term deposits, with a yield rate of 5.5%.

15.2 Cash at banks includes restricted account balances amounting to ⃁ 31.4 million (2023: nil), related to amounts received from customers for the sale of off-plan residential units. The Company is required to obtain approval from "Wafi", Ministry of Municipal Rural Affairs and Housing's off-plan sales and leasing Committee, before withdrawing any amounts from these two bank accounts to finance the ongoing projects.

16 SHARE CAPITAL

The Group's authorized, issued and fully paid share capital at 31 December 2024 amounted to ⃁ 300 million (31 December 2023: ⃁ 300 million), consisting of 300 million shares of ⃁1 each at 31 December 2024 (31 December 2023: 30 million shares of ⃁10 each).

Name of the shareholder	*No. of shares*		*% of*		*TOTAL*	
	2024	*2023*	***2024***	*2023*	***2024***	*2023*
					⃁	⃁
Dar Almajid Holding Company	**173,250,000**	17,325,000	**57.75%**	57,75 %	**173,250,000**	173,250,000
AWJ Real Estate Development Company	**22,500,000**	2,250,000	**7.5%**	7,5 %	**22,500,000**	22,500,000
Modern Rufaid Investment Company	**22,500,000**	2,250,000	**7,5 %**	7,5 %	**22,500,000**	22,500,000
Almajd Aloula Real Estate Company	**14,850,000**	1,485,000	**4,95 %**	4,95 %	**14,850,000**	14,850,000
Khalid Abdulrahman Naser Almajid	**11,880,000**	1,188,000	**3.96%**	3.96%	**11,880,000**	11,880,000
Mohammed Abdulrahman Naser Almajid	**11,880,000**	1,188,000	**3.96%**	3.96%	**11,880,000**	11,880,000
Hussam Abdulrahman Nasser Al Majed	**8,910,000**	891,000	**2.97%**	2.97%	**8,910,000**	8,910,000
Abdussalam Abdul Rahman Nasser Al Majed	**8,910,000**	891,000	**2.97%**	2.97%	**8,910,000**	8,910,000
Majid Abdulrahman Naser Almajid	**8,910,000**	891,000	**2.97%**	2.97%	**8,910,000**	8,910,000
Naser Abdulrahman Naser Almajid	**8,910,000**	891,000	**2.97%**	2.97%	**8,910,000**	8,910,000
Abdullah Abdulrahman Naser Almajid	**4,500,000**	450,000	**1.5%**	1.5%	**4,500,000**	4,500,000
Nader Hassan Atallah Alomari	**3,000,000**	300,000	**1%**	1 %	**3,000,000**	3,000,000
	300,000,000	30,000,000	**100%**	100 %	**300,000,000**	300,000,000

17 STATUTORY RESERVE

In accordance with the new Companies' Law in the Kingdom of Saudi Arabia which became effective on 19 January 2023, the Group is no longer required to maintain a statutory reserve. During the year 2024, the Group amended its by-laws according to the new Companies' Law and according to the amended by-laws of the Company, there is no requirement to transfer a percentage of profits to the statutory reserve.

18 LOANS AND BORROWINGS

	Effective interest rate	*Maturity Date*	***2024***	*2023*
			⃁	⃁
Al Rajhi Bank - Murabaha	SAIBOR + 2%	2025-2027	**256,388,264**	362,140,878
Arab National Bank - Tawaruq	SAIBOR+2.4%	2027	**397,357,896**	26,784,122
Banque Saudi Fransi– Tawaruq	SIBOR+1.5%	2026	**209,737,252**	241,251,652
Masar Al Nomou Finance Company	5.5%	2026	**173,150,000**	-
Riyad Bank - Murabaha	SAIBOR+1.5%	2025-2029	**112,383,000**	-
			1,149,016,412	630,176,652
Current			**165,000,000**	241,251,652
Non-current			**984,016,412**	388,925,000

Set out below is the movement of Commission-bearing loans and borrowings:

	2024	*2023*
	⃁	⃁
At 1 January	**630,176,652**	950,579,878
Add: Proceeds	**2,884,254,291**	1,196,059,922
Less: Repayment	**(2,365,414,531)**	(1,516,463,148)
At 31 December	**1,149,016,412**	630,176,652

During 2022, the Group signed an agreement to obtain a loan from Al Rajhi bank amounting to ⃁ 720 million. The loan is for the purpose to finance of the acquisition of real estate lands and related development and construction. During 2022, ⃁ 145 million was withdrawn. During 2024, the Group extended the validity of the facilities and withdrew ⃁ 116 million. The terms of the loan span over a tenure of 3 years and to be repaid in one installment after 3 years. The loan carries a profit margin of SIBOR+2%. The loan is secured against the real estate guarantees of no less than 120% from the total finance.

During 2022, the Group signed an agreement to obtain a loan from Arab National Bank. The loan is for the purpose to finance Group's investment in assets and other development projects. The term of the loan span over a period of 5 years and to be repaid in 2027. The loan carries a margin of SAIBOR +2.4%. The loan is secured against promissory notes by ⃁ 200 million.

During 2023, the Group signed an agreement to obtain a loan from Banque Saudi Fransi. The loan is for the purpose to purchase a land in Riyadh city. The loan is repaid on one payment after 3 years. The loan carries a margin of SAIBOR +1.5%. The loan is secured against the real estate guarantees of no less than 110% from the total finance.

During April 2024, the Group signed an agreement to obtain a loan from Masar Al Nomou Finance Company. The loan aims to finance the development of three real estate projects. The loan term extends over 24 months from the date of execution, and it is to be repaid in the year 2026. The loan carries a profit margin of 5.5%. The loan is secured against the real estate guarantees of no less than 130% from the total finance.

During 2023, the Group signed an agreement to obtain a loan from Riyad Bank amounting to ⃁ 500 million. The loan is for the purpose to finance of the acquisition of real estate lands and related development and construction, In 2024, an amount of ⃁ 112 million was drawn, with ⃁ 25 million scheduled for repayment in 2025. The remaining balance is to be repaid in a single installment five years after the date the company became eligible for the loan. The loan carries a margin of SAIBOR +1.5%. The loan is secured against the real estate guarantees of no less than 133% from the total finance.

18 LOANS AND BORROWINGS (continued)

The finance charges and amortization of transaction costs related to loans for the year ended 31 December 2024, amounted to ⃁ 33.8 million (2023: ⃁ 33 million), out of which ⃁ 30.2 million (2023: ⃁19.9 million) was capitalized within inventory properties (notes 8, 25).

At 31 December 2024, the Group had ⃁1,146.6 million (31 December 2023: ⃁ 358 million) available undrawn loan facilities.

19 EMPLOYEES' DEFINED BENEFITS LIABILITIES

19.1 General description of benefits

The Group operates an unfunded end of service benefits plan in accordance with the labor laws prevailing in the Kingdom of Saudi Arabia. A Provision is made for the plan benefit on the basis of actuarial recommendations. The actuarial valuations are carried out using the Projected Unit Credit Method.

	2024	*2023*
	⃁	⃁
Net defined benefit liability	**6,355,884**	4,984,678

19.2 Movement in net defined benefit liability

	2024	*2023*
	⃁	⃁
As at 1 January	**4,984,678**	4,244,962
Charge for the year	**1,689,271**	1,658,568
Benefits paid	**(486,894)**	(620,753)
Losses (gains) actuarial on liability	**168,829**	(298,099)
As at 31 December	**6,355,884**	4,984,678

19.3 Net benefit expenses

	2024	*2023*
	⃁	⃁
Included in profit or loss		
Current service cost	**1,506,793**	1,484,392
Finance cost	**182,478**	174,176
	1,689,271	1,658,568

	2024	*2023*
	⃁	⃁
Included in other comprehensive income:		
Losses (gains) remeasurement due to:		
Financial assumptions	**168,829**	(298,099)
	168,829	(298,099)

19.4 Principal actuarial assumptions

The significant assumptions used in determining end of service benefit liabilities for the Group's plan are shown below:

	2024	*2023*
Discount rate	**5.59 %**	4.69%
Salary increase rates	**8%**	5.57%
Withdrawal rate per annum	**25%**	30 %

19 EMPLOYEES' DEFINED BENEFIT LIABILITIES (continued)

19.5 Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit liability by the amounts shown below:

	2024	*2023*
	⃁	⃁
Discount rate		
1% increase	**239,425**	157,199
1% decrease	**251,808**	267,870
Long term salary increases		
1% increase	**246,535**	265,267
1% decrease	**238,935**	158,730

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit liability as a result of reasonable changes in key assumptions occurring at the end of the reporting period. It is based on a change in a significant assumption, keeping all other assumptions constant and may not be representative of an actual change in the defined benefit liability as it is unlikely that changes in assumptions would occur in isolation of one another.

20 TRADE AND OTHER PAYABLES

	2024	*2023*
	⃁	⃁
Trade payables	**182,113,620**	220,289,391
Provision for onerous contracts (note 20.1)	**33,896,677**	35,865,231
Accrued expenses	**29,416,578**	54,557,800
Accrued finance expenses	**15,386,465**	13,096,328
Notes payable	**-**	20,164,348
VAT payable	**739,570**	13,752,271
Real estate tax payable	**4,735,355**	6,453,154
	266,288,265	364,178,523

20.1 A provision is recognized for certain contracts with contractors for which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received. It is anticipated that these costs will be incurred in the next financial year. The Group has decided to provide a provision based on the legal advisor's advice to pursue the legal claim of the same amount against the previous contractor due to its negligence (note 30.1).

21 CONTRACT LIABILITIES

	2024	*2023*
	⃁	⃁
Contract liabilities – customer deposits and advances	**171,676,994**	352,378,998
Current portion	**129,907,985**	302,223,998
Non-current portion	**41,769,009**	50,155,000

Contract liabilities include amounts received from customers on conditional exchange of contracts relating to future maintenance obligation as part of completed inventory properties sale contract. The Group received certain non-refundable deposits for a five-year maintenance service. Total contract liabilities relating to customer deposits amounted to ⃁ 33.6 million (31 December 2023: ⃁ 66.7 million).

Contract liabilities also include ⃁138,1 million (31 December 2023: ⃁285.7 million) advance payments from customers in exchange of real estate development and management services performed by the Group.

22 ZAKAT PAYABLE

Charge for the year
The zakat charge consists of the current year provision amounting to ⃁ 11.7 (31 Dec 2023: 12.7 ⃁).

Movement in the Zakat provision:

	2024	*2023*
	⃁	⃁
As at 1 January	**20,117,522**	40,076,231
Charge during the year	**9,754,449**	12,650,245
Reversal for previous year (note 22.1)	**-**	(8,754,683)
Paid during the year	**(13,981,042)**	(23,854,271)
As at 31 December	**15,890,929**	20,117,522

22.1 This represents the over accrual of zakat based on the respective separate financial statements of the Group. The over accrual has been reversed as a result of Group approval by ZATCA in 2022 after the approval of the consolidated financial statements to submit the zakat return on Group consolidated basis excluding the subsidiaries that are partially owned.

Status of zakat
During 2022, the Company has obtained approval from ZATCA to submit consolidated zakat return which included the results of the Parent Company and its wholly owned subsidiaries as mentioned in note 1. The Group has submitted consolidated Zakat returns to ZATCA for the year ended 2022, the Zakat assessment has not been issued by ZATCA yet. Below is the status of assessments of the Company's and its wholly owned subsidiaries for which separate returns have been filed by the respective companies up to the year 2023:

Dar Almajid Real Estate Company (Parent Company)
The Company has submitted zakat returns to ZATCA for all years up to the year ended 2023. The last final assessment received was in 2018 and has been settled.

Hossam and Majed Sons of Abdul Rahman Al Majed Real Estate Company
The subsidiary has submitted Zakat returns to ZATCA for all years up to the year ended 2023. However, no zakat assessment has been raised yet.

Mohammed and Khalid Sons of Abdul Rahman Al Majid Real Estate Company
The subsidiary has submitted Zakat returns to the ZATCA for all years up to the year ended 2023. However, no zakat assessment has been raised yet.

Fikra Estesmar For Real Estate Development Company
The subsidiary has submitted Zakat returns to ZATCA for all years up to the year ended 2023. However, no zakat assessment has been raised yet.

AL-Raayea Real Estate Company
The subsidiary has submitted Zakat returns to ZATCA for all years up to the year ended 2023. However, no zakat assessment has been raised yet.

Taj Al Hudo for Real Estate Development Company
The subsidiary has submitted Zakat returns to ZATCA for all years up to the year ended 2023. However, no zakat assessment has been raised yet.

Nibras Al Amaken For Real Estate Development Company
The subsidiary has submitted Zakat returns to ZATCA for all years up to the year ended 2023. However, no zakat assessment has been raised yet.

22 ZAKAT PAYABLE (continued)

Below is the status of the Zakat assessments for the subsidiaries not wholly owned by the Group and which file their returns separately:

Jadet AlShatea Real Estate Company
The subsidiary has submitted its separate Zakat returns to ZATCA for all years up to the year ended 2023. However, no zakat assessment has been raised yet.

Jadet Al Rabea Real Estate Company
The subsidiary has submitted its separate Zakat returns ZATCA for all years up to the year ended 2023. However, no zakat assessment has been raised yet.

Burj Al Raayea Real Estate Company
Burj Al Raayea Real Estate Company was incoporated during the year 2024 and has not filed any zakat return so far.

Al Majdiah Investment Fund, Al Dar Investment Fund and Al Narjis Investment Fund
Under the current Tax law in the Kingdom of Saudi Arabia the Funds are not liable to pay any Zakat or income tax as they are considered to be the obligation of the Unit holders and as such, these are not included in the separate financial statements of the funds. Therefore, the zakat has been considered in the financial statements of the Parent Company.

23. OPERATING INCOME AND COST

23.1 Operating income

	2024	*2023*
	⃁	⃁
Revenue from sale of property units	**850,156,470**	853,853,381
Revenue from sale of off-plan property units (note 12.2.3)	**43,632,837**	-
	893,789,307	853,853,381
Revenue from sale of lands	**392,733,152**	8,140,800
Real estate commission income (note 23.1.1)	**53,337,945**	39,099,189
Real estate development income (note 23.1.2)	**34,675,317**	55,506,639
Maintenance income (23.1.3)	**16,548,000**	14,625,333
Rental income (note 6)	**11,222,959**	5,307,605
Revenue from sale of investment property	**-**	11,290,864
	1,402,306,680	987,823,811

23.1.1 This represents the amounts charged to customers in respect of marketing services provided. The commission is charged at 2.5% of the each of the property sold for which marketing was done by the Group.

23.1.2 Real estate development income represents the construction and development services provided to customers.

23.1.3 Maintenance income represents the straight line revenue recorded against the amounts received from customers on conditional exchange of contracts relating to future maintenance obligation for five years as part of inventory properties sale contract.

Disaggregation of revenue from contracts with customers
In the following table, revenue from contracts with customers is disaggregated primarily by geographical market and timing of revenue recognition.

	2024	*2023*
	⃁	⃁
Timing of revenue recognition		
Services provided at a point in time	**1,296,227,567**	912,384,234
Service provided over time	**106,079,113**	75,439,577
All of these revenues were generated from projects in Saudi Arabia	**1,402,306,680**	987,823,811

23 OPERATING INCOME AND COST (continued)

23.2 Operating cost

	2024	*2023*
	⃁	⃁
Cost of sale of property units (note 8)	**663,055,285**	684,304,648
Cost of sale of off-plan property units (including the property units) (note 8)	**31,938,831**	-
	694,994,116	684,304,648
Cost of sale of Land (note 8)	**307,758,624**	7,180,108
Operating cost – development and commission	**25,849,420**	48,106,847
Cost of rent	**1,748,978**	570,710
Maintenance cost	**14,393,076**	10,132,286
Depreciation expense of right-of-use asset (note 6)	**458,626**	457,373
Cost of sale of investment property (note 7.1)	**-**	11,644,157
	1,045,202,840	762,396,129

24 GENERAL AND ADMINISTRATIVE EXPENSES

	2024	*2023*
	⃁	⃁
Salaries and other benefits	**45,141,979**	19,946,032
Performance fee (note 24.1, 14)	**15,893,955**	33,482,409
Professional fees	**7,914,282**	8,741,047
Management fees (note 24.2,14)	**4,232,734**	8,426,548
Depreciation (note 5)	**1,030,354**	955,656
Rent	**929,826**	2,732,556
Hospitality	**361,668**	311,368
Governmental fees	**198,026**	3,509,234
Donations and gifts	**156,965**	2,354,831
Maintenance and repair	**125,740**	1,709,621
Office improvements	**109,049**	177,461
Improvements	**15,993**	22,130
Utilities	**-**	455,912
Other	**6,709,907**	9,688,840
	82,820,478	92,513,645

23.1 Performance fees represent one off fee paid to the Fund manager in consideration of managing the funds’ assets if the overall completed projects of the fund generates an IRR of 12% or more in accordance with Funds’ terms and conditions.

24.2 Management fees represent an annual management fee paid to the Fund manager in consideration of managing the funds’ assets for a fee equal to 0.75% to 2% of the fund’s invested capital in accordance with Funds’ terms and conditions.

25 FINANCE COST- NET

	2024	2023
	⃁	⃁
Finance cost on loans and borrowings	**33,719,023**	30,956,790
Reversal of transaction cost	**-**	2,090,090
Finance income on Murabaha deposits	**-**	(42,507)
Bank charges	**115,761**	4,600
Finance cost on lease liability (note 6)	**7,362**	41,445
Total borrowing costs	**33,842,146**	33,050,418
Less: Finance and transaction cost capitalized (note 8 &18)	**(30,245,333)**	(19,941,978)
Total finance costs charged to profit or loss	**3,596,813**	13,108,440

26 OTHER INCOME

	2024	2023
	⃁	⃁
Gain (loss) from valuation of financial assets at fair value through profit or loss (note 11)	**10,191,337**	(2,459,955)
Dividends received	**9,200,000**	-
Revenue from bank deposits	**2,670,578**	1,043,257
Profits from sale of shares	**2,483,421**	-
Performance fee	**-**	3,981,824
Other	**2,001,226**	1,940,567
	26,546,562	4,505,693

27 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

27-1 Financial assets

	2024	2023
	⃁	⃁
Financial assets at fair value		
Financial assets at fair value through profit or loss		
Real estate funds	**204,859,391**	30,077,193
Murabaha fund	**-**	44,037,976
Total Financial assets at fair value through profit or loss	**204,859,391**	74,115,169
Investments in equity instruments at fair value through other comprehensive income	**164,504,498**	-
Total financial assets at fair value	**369,363,889**	74,115,169
Debt instruments at amortized cost		
Trade receivables	**73,762,743**	65,245,303
Amounts due from related parties	**20,278,005**	21,831,231
Total financial assets at amortized cost*	**94,040,748**	87,076,534
Total current	**94,040,748**	87,076,534
Total non-current	**369,363,889**	74,115,169

* Financial assets, other than cash and short-term deposits.

27 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

27.2 Financial liabilities

	Effective interest rate (EIR)	*Maturity*	***2024*** ⃁	*2023* ⃁
Loans and borrowings	5,5% to SAIBOR + 1.5%	2025 - 2029	**1,149,016,412**	630,176,652
Lease Liability	4.5 %	2024	**-**	792,638
Trade and other payables		On demand	**226,916,663**	308,107,868
Amounts due to related parties		On demand	**178,083,810**	221,103,235
Total financial liabilities			**1,554,016,885**	1,160,180,393

27.3 FAIR VALUE

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial assets and liabilities.

	2024 ⃁		*2023* ⃁	
	Carrying amount	***Fair value***	*Carrying amount*	*Fair value*
Financial assets:				
Trade receivables	**73,762,743**	**73,762,743**	65,245,303	65,245,303
Amounts due from related parties	**20,278,005**	**20,278,005**	21,831,231	21,831,231
Investments in equity instruments at fair value through other comprehensive income	**164,504,498**	**164,504,498**	-	-
Real estate funds	**204,859,391**	**204,859,391**	30,077,193	30,077,193
Murabaha fund	**-**	**-**	44,037,976	44,037,976
	463,404,637	**463,404,637**	161,191,703	161,191,703
Financial Liabilities				
Loans and borrowings	**1,149,016,412**	**1,149,016,412**	630,176,652	630,176,652
Trade and other payables	**226,916,663**	**226,916,663**	308,107,868	308,107,868
Amounts due to related parties	**178,083,810**	**178,083,810**	221,103,235	221,103,235
Lease Liability	**-**	**-**	792,638	792,638
	1,554,016,885	**1,554,016,885**	1,160,180,393	1,160,180,393

a) The fair value of unquoted instruments and other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

b) The fair values of investment in private investment funds are estimated using either the net assets value (NAV) or fair value provided by the private investment funds on monthly, quarterly or annual basis.

27 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

27.4 Financial instruments risk management objectives and policies

The Group’s principal financial liabilities comprise loans and borrowings, accounts and other payables. The main purpose of these financial liabilities is to finance the Group’s operations and to provide guarantees to support its operations. The Group’s principal financial assets include accounts and other receivables, financial assets held at amortized cost, financial assets held at FVTPL and cash that derive directly from its operations. The Group is exposed to market risk, credit risk and liquidity risk. The Group’s senior management oversees the management of these risks.

27.4.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and financial assets measured at FVTPL. The sensitivity analyses in the following sections relate to the financial positions as at 31 December 2024 and 31 December 2023.

27.4.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group’s exposure to the risk of changes in market interest rates relate primarily to the Group’s long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group’s profit before zakat is affected through the impact on floating rate borrowings, as follows:

		2024	*2023*
		⃁	⃁
Increase in basis points of interest rates	+10	**(1,149,017)**	(630,177)
Decrease in basis points of interest rates	-10	**1,149,017**	630,177

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly lower volatility than in prior periods.

27.3.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group’s exposure to the risk of changes in foreign exchange rates relates primarily to the Group’s operating activities (when revenue or expense is denominated in a foreign currency). The Group’s exposure to foreign currency changes for all currencies is not material.

27.4.4 Equity price risk

The Group’s listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group’s senior management on a regular basis. The Group’s Board of Directors reviews and approves all equity investment decisions. For unquoted equity instruments and investments in discretionary portfolios, the maximum risk is equal to the carrying amount of those investments.

27 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

27.4 Financial instruments risk management objectives and policies(continued)

27.4.5 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily accounts receivables) and from its financing activities, including deposits with banks and financial institutions, Murabaha and other receivables, foreign exchange transactions and other financial instruments. The Group is exposed to credit risk on its bank balances and trade receivables as follows:

	2024	*2023*
	⃁	⃁
Cash at bank	**81,770,399**	141,235,237
Cash at banks restricted	**31,473,210**	-
Short term deposits	**40,000,000**	27,000,000
Cash margin against bank guarantees	**11,140,243**	4,875,281
Trade Receivables	**73,762,743**	65,245,303
Amounts due from related parties	**20,278,005**	21,831,231
	258,424,600	260,187,052

The carrying amount of financial assets represent the maximum credit exposure. Credit risk on receivables and bank balances is limited as:

- Cash balances are held with banks with high credit ratings.
- The receivables are shown net of allowance for expected credit loss.
- Financial position of related parties is stable.

Impairment losses on financial assets recognized in the consolidated statement of profit or loss were as follows:

	2024	*2023*
	⃁	⃁
Provision (Reversal of) expected credit loss on trade receivables	**3,121,205**	(1,573,285)
Reversal of expected credit loss on related parties	**(3,933,558)**	-
	(812,353)	(1,573,285)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. The Group limits its exposure to credit risk from accounts receivables by establishing a maximum payment period of one and three months for individual and corporate customers respectively. In respect of loans provided by Group to related parties and other companies, the Group believes that the related parties and other companies have a strong financial position, and the loans will be fully recovered within stated timelines.

None of the Group's customers' balances have been written off at the reporting date. In monitoring customer credit risk, customers are categorized according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry, past history with the Group and existence of previous financial difficulties.

The Group's accounts receivable is from counterparties in the Kingdom of Saudi Arabia. The Group's exposure to credit risk in accounts receivable as per geographic basis is as follows:

	2024	*2023*
	⃁	⃁
Saudi Arabia	**73,762,743**	65,245,303

27 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

27.4 Financial instruments risk management objectives and policies(continued)

27.4.5 Credit risk (continued)

Expected credit loss assessment for accounts and other receivables

The Group applies the IFRS 9 simplified approach to measure expected credit losses, using a lifetime expected loss allowance for all accounts and other receivables.

The expected loss rates are based on the payment profiles of receivables over a period of 12 months before 31 December 2024 and 31 December 2023 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP of the countries in which it conducts transactions to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at 31 December 2024 and 31 December 2023 was determined as follows for accounts and other receivables.

2024	***Expected credit Loss rate***	***Gross carrying amount at default*** ⃁	***Provision for expected credit losses*** ⃁
0-90 days past due	**0 %**	**22,500,416**	**-**
90-180 days past due	**4 %**	**33,311,271**	**(1,445,673)**
180-270 days past due	**10 %**	**11,359,296**	**(1,174,242)**
270-360 days past due	**0 %**	**-**	**-**
More than 360 days past due	**48 %**	**13,626,277**	**(4,414,602)**
		80,797,260	**(7,034,517)**

2023	*Expected Credit loss rate*	*Gross carrying amount at default* ⃁	*Provision for expected credit losses* ⃁
0-90 days past due	0%	47,020,067	-
90-180 days past due	0%	-	-
180-270 days past due	0%	-	-
270-360 days past due	0%	-	-
More than 360 days past due	18 %	22,138,548	(3,913,312)
		69,158,615	(3,913,312)

Impairment losses on accounts and other receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

The ageing for the contract assets for the year ended 31 December, was as follows:

	Total carrying amount	
	2024 ⃁	*2023* ⃁
0-90 days past due	**74,922,889**	47,066,167
90-180 days past due	**13,684,414**	12,739,403
180-270 days past due	**-**	-
270-360 days past due	**-**	-
More than 360 days past due	**-**	-
	88,607,303	59,805,570

27 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

27.4 Financial instruments risk management objectives and policies(continued)

27.4.5 Credit risk (continued)

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

27-4-6 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group's approach to managing liquidity is to ensure, as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

31 December 2024:	***Less than 3 months*** ⃁	***3 to 12 months*** ⃁	***1-5 years*** ⃁	***More than 5 years*** ⃁	***Total*** ⃁
Loans and borrowings	**-**	**165,000,000**	**984,016,412**	**-**	**1,149,016,412**
Trade and other payables	**226,916,663**	**-**	**-**	**-**	**226,916,663**
Amounts due to related parties	**-**	**178,083,810**	**-**	**-**	**178,083,810**
	226,916,663	**343,083,810**	**984,016,412**	**-**	**1,554,016,885**

31 December 2023:	*Less than 3 months* ⃁	*3 to 12 months* ⃁	*1-5 years* ⃁	*More than 5 years* ⃁	*Total* ⃁
Loans and borrowings	-	241,251,652	388,925,000	-	630,176,652
Trade and other payables	308,107,868	-	-	-	308,107,868
Lease Liability	800,000	-	-	-	800,000
Amounts due to related parties	-	221,103,235	-	-	221,103,235
	308,907,868	462,354,887	388,925,000	-	1,160,187,755

27 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

27.4 Financial instruments risk management objectives and policies(continued)

27.4.7 Capital management

For the purpose of the Group's capital management, capital includes issued capital, and all other equity reserves attributable to the shareholders of the Parent Company. The primary objective of the Group's capital management is to maximize the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, wherever applicable for the Group entities. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using multiple leverage ratios including gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, long term borrowings, trade payables and accrued expense, due to shareholders less cash and cash equivalents, excluding discontinued operations.

	2024	*2023*
	⃁	⃁
Loans and borrowings	**1,149,016,412**	630,176,652
Amounts due to related parties	**178,083,810**	221,103,235
Trade and other payables	**263,589,741**	364,178,523
Less: Cash and cash equivalents - restricted	**(153,251,322)**	(168,314,921)
Net debt	**1,437,438,641**	1,047,143,489
Equity	**910,715,260**	731,573,320
Equity and net debt	**2,348,153,901**	1,778,716,809
Gearing ratio	**61%**	59%

28 FAIR VALUE MEASUREMENT

The following table provides the fair value measurement hierarchy of the Group's assets:

	Level 1	***Level 2***	***Level 3***	***Total***
	⃁	⃁	⃁	⃁
31 December 2024				
Investment property				
Lands	**-**	**6,214,360**	**-**	**6,214,360**
Building	**-**	**155,438,432**	**-**	**155,438,432**
Investment at fair value through other comprehensive income				
Equity instruments	**-**	**-**	**164,504,498**	**164,504,498**
Financial assets at fair value through profit or loss				
Real estate funds	**-**	**-**	**204,859,391**	**204,859,391**
Total	**-**	**161,652,792**	**369,363,889**	**531,016,681**

	Level 1	*Level 2*	*Level 3*	*Total*
	⃁	⃁	⃁	⃁
31 December 2023				
Investment property				
Lands	-	25,029,719	-	25,029,719
Building	-	139,908,936	-	139,908,936
Financial assets at fair value through profit or loss				
Real estate funds	-	-	30,077,193	30,077,193
Murabaha fund	-	-	44,037,976	44,037,976
Total	-	164,938,655	74,115,169	239,053,824

The fair values of other financial instruments are not significantly different from the carrying values included in the consolidated financial statements.

29. DIVIDENDS DISTRIBUTION

On 27 Thul-Qi'dah 1445H (corresponding to 4 June 2024), the Board of Directors recommended distributing dividends at an amount of ⃁ 44,214,265 to the partners for the fiscal year ended 31 December 2023, which was approved by the partners at the Extraordinary General Assembly meeting held on 27 Dhu al-Qi'dah 1445H (corresponding to 4 June 2024). The dividend distribution date is 7 Thul-Hijjah 1445H (corresponding to 13 June 2024).

On 4 Rabi' al-Thani 1446H (corresponding to 7 October 2024), the Board of Directors recommended distributing dividends at an amount of ⃁ 50,000,000 to the partners for the first half of 2024, which was approved by the partners at the Extraordinary General Assembly meeting held on 4 Rabi' al-Thani 1446H (corresponding to 7 October 2024). The dividend distribution date is 5 Rabi' al-Thani 1446H (corresponding to 8 October 2024).

Dividends were distributed to non-controlling interests for a total amount of ⃁ 111,984,823 during the year ended 31 December 2024 (31 December 2023: ⃁ 91,817,374) (Note 31.2).

30 CONTINGENCIES AND COMMITMENTS

30.1 Contingencies

a) The Group has provided letters of guarantee, i.e. financial guarantees, bid bonds and performance guarantees through its local banks for its own business activities and on behalf of certain subsidiaries, limited to ⃁ 256 million as at 31 December 2024 (31 December 2023: ⃁ 362 million).

b) During 2023, the Group has made a provision amounting to ⃁ 30 million in respect of the additional cost expected to arise in future as a result of appointing a new contractor to reperform the development of one project to meet the Group standards. Group management has decided to pursue a legal case against the previous contractor for the same amount on account their negligence. (note 20.1)

30.2 Capital commitments

At 31 December 2024, the Group has future capital commitments amounting to ⃁ 1,100 million (31 December 2023: ⃁550 million) in respect of inventory property under development.

31 MATERIAL PARTIALLY OWNED SUBSIDIARIES

31.1 Accumulated balances of non-controlling interests

	2024	*2023*
	⃁	⃁
Al Dar Investment Fund	**463,841**	18,667,007
Jadet Al Rabea Real Estate Company	**35,869,386**	(1,097,965)
Jadet Al-Shatea Real Estate Company	**2,645,889**	2,716,404
Al Narjis Investment Fund	**(2,582,976)**	45,332,362
Burj Al Raayea Real Estate Company	**(4,278)**	-
	36,391,862	65,617,808

31.2 Movement in non-controlling interests

	2024	*2023*
	⃁	⃁
At 1 January	**65,617,808**	137,848,195
Share in profits	**82,758,877**	19,586,987
Dividends (note 29)	**(111,984,823)**	(91,817,374)
At 31 December	**36,391,862**	65,617,808

31 MATERIAL PARTIALLY OWNED SUBSIDIARIES (continued)

31.3 Total comprehensive income allocated to material non-controlling interests

	2024	*2023*
	⃁	⃁
Al Narjis Investment Fund	**39,873,598**	(2,039,720)
Jadet Al Rabea Real Estate Company	**36,967,352**	(334,942)
Al Dar Investment Fund	**5,992,970**	21,948,612
Jadet Al-Shatea Real Estate Company	**(70,515)**	13,037
Burj Al Raayea Real Estate Company	**(4,528)**	-
	82,758,877	19,586,987

31.4 Summarized financial information

The summarized financial information of these subsidiaries are provided below. This information is based on mounts before inter-company eliminations.

Summarized statement of profit or loss for the year ended 31 December 2024

	Al Dar Investment Fund	***Jadet AL-Rabea***	***Jadet AL-Shatea***	***Al Narjis Investment Fund***	***Burj Al Raayea***
	⃁	⃁	⃁	⃁	⃁
Revenue	**80,109,786**	**381,266,733**	**-**	**497,702,877**	**-**
Gain from sales of a financial asset at fair value through profit or loss /other income	**859,714**	**-**	**-**	**-**	**-**
Operating costs	**(59,538,549)**	**(327,433,175)**	**-**	**(350,075,916)**	**-**
General and administrative expenses	**(1,523,436)**	**(346,380)**	**(999)**	**(38,301,398)**	**(9,056)**
Profit (Loss) before zakat	**19,907,515**	**53,487,178**	**(999)**	**109,325,563**	**(9,056)**
Zakat	**-**	**(4,197,376)**	**(234,051)**	**-**	**-**
Profit / (loss) for the year	**19,907,515**	**49,289,802**	**(235,050)**	**109,325,563**	**(9,056)**
Attributable to non-controlling interests	**5,992,970**	**36,967,352**	**(70,515)**	**39,873,598**	**(4,528)**

Summarized statement of profit or loss for the year ended 31 December 2023

	Al Dar Investment Fund Investment	*Jadet AL-Rabea*	*Jadet AL-Shatea*	*Al Narjis Investment Fund*
	⃁	⃁	⃁	⃁
Revenue	726,960,971	-	-	-
Gain from sales of a financial asset at fair value through profit or loss / other income	319,268	343,378	344,931	-
Operating costs	(584,092,248)	-	-	-
General and administrative expenses	(70,278,842)	(789,967)	(55,321)	(5,592,511)
Profit (Loss) before zakat	72,909,149	(446,589)	289,610	(5,592,511)
Zakat	-	-	(246,152)	-
Profit (loss) for the year	72,909,149	(446,589)	43,458	(5,592,511)
Attributable to non-controlling interest	21,948,612	(334,942)	13,037	(2,039,720)

31 MATERIAL PARTIALLY OWNED SUBSIDIARIES (continued)

31.4 Summarized financial information (continued)

Summarized statement of financial position as at 31 December 2024

	Al Dar Investment Fund ⃁	*Jadet AL-Rabea* ⃁	*Jadet AL-Shatea* ⃁	*Al Narjis Investment Fund* ⃁	*Burj Al Raayea* ⃁
Property under development	-	**33,590,529**	-	**39,875,020**	-
Inventory properties	-	-	-	-	**47,948,700**
Amounts due from related parties	-	**120,254,732**	**8,836,248**	-	**250**
Investments at fair value through profit or loss	-	-	-	-	-
Trade and other receivables	**1,232,019**	**8,909,155**	**61,792**	**6,857,343**	-
Cash and cash equivalents	**1,052,140**	**9,477,683**	**179,533**	**23,720,121**	-
Long-term loans	-	-	-	**(1,251,652)**	-
Accounts payable, accruals and other payables	**(175,000)**	**(1,841,803)**	**(22,500)**	**(74,014,134)**	-
Amounts due to related parties	**(568,367)**	**(118,367,072)**	-	**(2,268,711)**	**(47,957,506)**
Zakat provision	-	**(4,197,376)**	**(235,444)**	-	-
Total equity	**1,540,792**	**47,825,848**	**8,819,629**	**(7,082,013)**	**(8,556)**
Attributable to:					
Shareholders of the Parent Company	**1,076,951**	**11,956,462**	**6,173,740**	**(4,499,037)**	**(4,278)**
Non-controlling interests	**463,841**	**35,869,386**	**2,645,889**	**(2,582,976)**	**(4,278)**

Summarized statement of financial position as of 31 December 2023:

	Al Dar Investment Fund ⃁	*Jadet AL-Rabea* ⃁	*Jadet AL-Shatea* ⃁	*Al Narjis Investment Fund* ⃁
Property under development	51,197,451	300,655,087	-	382,745,104
Amounts due from related parties	-	14,559,374	9,373,625	-
Investments at fair value through profit or loss	44,037,976	-	-	-
Trade and other receivables	17,114,651	22,038,950	54,367	4,247,406
Cash and cash equivalents	43,737,418	28,759,857	99,971	3,218,195
Long-term loans	-	-	-	(241,251,652)
Accounts payable, accruals and other payables	(26,613,043)	(203,985,359)	(63,374)	(329,575)
Amounts due to related parties	(67,466,176)	(163,491,863)	-	(24,337,054)
Zakat provision	-	-	(409,910)	-
Total equity	62,008,277	(1,463,954)	9,054,679	124,292,424
Attributable to:				
Shareholders of the Parent Company	43,341,270	(365,989)	6,338,275	78,960,062
Non-controlling interests	18,667,007	(1,097,965)	2,716,404	45,332,362

Summarized cash flow information for the year ended 31 December 2024

	Al Dar Investment Fund ⃁	*Jadet AL-Rabea* ⃁	*Jadet AL-Shatea* ⃁	*Al Narjis Investment Fund* ⃁	*Burj Al Raayea* ⃁
Operating	**(7,207,968)**	**(19,282,174)**	**79,562**	**119,750,580**	**(500)**
Investment	**44,897,690**	-	-	**381,451,346**	-
Financing	**(80,375,000)**	-	-	**(480,700,000)**	-

31 MATERIAL PARTIALLY OWNED SUBSIDIARIES (continued)

31.4 Summarized financial information (continued)

Summarized cash flow information for the year ended 31 December 2023

	Al Dar Investment Fund ⃁	*Jadet AL-Rabea* ⃁	*Jadet AL-Shatea* ⃁	*Al Narjis Investment Fund* ⃁
Operating	46,342,766	28,495,162	(79,741)	(35,679,848)
Investment	475,904,188	-	-	-
Financing	(550,828,569)	-	-	15,000,000

32 EARNINGS PER SHARE

Basic earnings per share are calculated based on the dividend distributed to the shareholders of the Parent Company and the weighted average number of ordinary shares as at 31 December 2024: 300 million shares (2023: 300 million shares).

32-1 Profit attributable to ordinary shareholders (Basic)

	2024 ⃁	*2023* ⃁
Profit attributable to the Company's shareholders	**211,584,013**	147,380,874
Weighted average number of shares outstanding during the year	**300,000,000**	300,000,000
Earnings per share attributable to Company's shareholders	**0.71**	0.49

33 SUBSEQUENT EVENTS

33.1 A disclosure has been made for certain subsequent events and disclosed to its relevant notes. The management believes there have been no any other significant subsequent events since the year ended 31 December 2024 that would have material impact on the consolidated statement of financial position of the Group.

34. DATE OF AUTHORIZATION

These consolidated financial statements were authorized for issue on 24 Ramadhan 1446H (corresponding to 24 March 2025) by the board of directors of the Group.