

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

AND INDEPENDENT AUDITOR'S REVIEW REPORT

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

TAMKEEN HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

<u>Index</u>	<u>Page</u>
Independent auditor's review report	1
Interim condensed consolidated statement of financial position	2 – 3
Interim condensed consolidated statement of profit or loss and other comprehensive income	4 – 5
Interim condensed consolidated statement of changes in equity	6
Interim condensed consolidated statement of cash flows	7 – 8
Notes to the interim condensed consolidated financial statements	9 – 23

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

**TO THE SHAREHOLDERS OF TAMKEEN HUMAN RESOURCES COMPANY
JOINT STOCK COMPANY**

(1 /1)

RIYADH, KINGDOM OF SAUDI ARABIA

INTRODUCTION

We have reviewed the accompanying condensed interim consolidated statement of financial position of Tamkeen Human Resources Company ("the Company") and its subsidiaries (collectively referred to as "the Group") as of 30 June 2025, and the condensed interim consolidated statement of profit or loss and other comprehensive income for the three month and six month periods then ended, and the condensed interim consolidated statements of changes in equity and cash flows for the six month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagement 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", that is endorsed in the Kingdom of Saudi Arabia. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

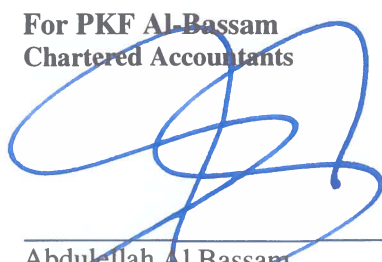
Other Matter

The financial statements of the Company for the year ended December 31, 2024, were audited by another auditor, who issued an unmodified audit report dated 27 Ramadan 1446 AH (corresponding to March 27, 2025). For the three month and six month periods ended June 30, 2024, the auditor expressed an unmodified conclusion dated 21 Rabi' al-Awwal 1446 AH (corresponding to September 24, 2024).

CONCLUSION

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

**For PKF Al-Bassam
Chartered Accountants**



Abdullah Al Bassam
Certified Public Accountant
License No. 703
Riyadh: 13 Safar 1447H
Corresponding to: 7August 2025G



TAMKEEN HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025
(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

	<u>Note</u>	<u>June 30, 2025</u> (Unaudited)	<u>December 31, 2024</u> (Audited)
ASSETS			
Non-current assets			
Property and equipment	5	38,092,995	40,489,810
Intangible assets	6	10,095,001	9,164,769
Right-of-use assets	7	16,401,971	16,223,444
Cash margin on letter of guarantee	24	10,000,000	10,000,000
Used visas - non-current portion	8	5,345,521	6,670,422
Prepaid recruitment expenses - non-current portion	9	8,239,792	4,751,780
Recoverable employees benefits from customers		2,245,474	1,387,945
Total non-current assets		90,420,754	88,688,170
Current assets			
Trade receivables, Net	10	184,275,820	156,462,652
Prepaid expenses and other receivables, Net	11	123,873,726	68,807,714
Used visas - current portion	8	14,822,889	14,815,120
Available visas	12	13,390,000	18,044,000
Investments at fair value through profit or loss		2,769,042	-
Cash and cash equivalents	14	196,800,817	208,856,207
Total current assets		535,932,294	466,985,693
TOTAL ASSETS		626,353,048	555,673,863

Chairman of Board of Directors
Abdullah Ahmed Al Shehri

Chief Executive Officer
Fares Saleh Al Henaki

Chief Financial Officer
Mohammad Ibrahim Al Basha

The accompanying notes form an integral part of these interim condensed consolidated financial statements

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – (CONTINUED)

AS AT JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

	<u>Note</u>	<u>June 30, 2025</u> (Unaudited)	<u>December 31, 2024</u> (Audited)
EQUITY AND LIABILITIES			
Equity			
Share capital	1	265,000,000	265,000,000
Retained earnings		83,030,582	84,703,266
Equity attributable to the shareholders of the parent company			
		348,030,582	349,703,266
Non-controlling interests	19	2,587,477	1,872,741
Total equity		350,618,059	351,576,007
Liabilities			
Non-current liabilities			
Retained deposits - non-current portion		26,555,660	29,225,207
Lease liabilities - non-current portion	7	9,174,332	10,327,174
Employees' defined benefits obligation	15	26,057,265	21,593,726
Total non-current liabilities		61,787,257	61,146,107
Current liabilities			
Trade payables		4,625,143	7,127,523
Contract liabilities		25,642,181	25,677,505
Retained deposits - current portion		16,039,163	14,524,621
Accrued expenses and other accruals	16	98,633,423	77,796,498
Dividend payables	18	55,120,000	-
Lease liabilities - current portion	7	5,729,118	5,216,217
Zakat payable	17	8,158,704	12,609,385
Total current liabilities		213,947,732	142,951,749
Total liabilities		275,734,989	204,097,856
TOTAL EQUITY AND LIABILITIES		626,353,048	555,673,863

Chairman of Board of Directors

Abdullah Ahmed Al Shehri



Chief Executive Officer

Fares Saleh Al Henaki



Chief Financial Officer

Mohammad Ibrahim Al Basha



The accompanying notes form an integral part of these interim condensed consolidated financial statements

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

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

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

	Note	For the three-month period ended June 30,		For the six-month period ended June 30,	
		2025	2024 (Adjusted- Note 26)	2025	2024 (Adjusted- Note 26)
Revenues from contracts with customers	20	265,191,033	169,308,032	508,007,403	314,679,992
Cost of revenues from contracts with customers		(218,591,282)	(136,954,472)	(412,373,866)	(251,795,904)
Gross profit		46,599,751	32,353,560	95,633,537	62,884,088
Marketing expenses		(176,144)	(1,626,216)	(2,333,541)	(2,381,305)
General and administrative expenses		(14,641,977)	(12,542,724)	(32,045,857)	(24,626,444)
Expected credit losses provision	10	(4,738,824)	(1,065,460)	(9,014,049)	(1,651,999)
Operating profit		27,042,806	17,119,160	52,240,090	34,224,340
Other non-operating income	21	198,389	409,714	725,503	933,867
Finance income		2,442,013	2,964,907	5,242,180	6,187,223
Finance costs		(701,025)	(486,313)	(905,091)	(630,203)
Profit for the period before zakat		28,982,183	20,007,468	57,302,682	40,715,227
Zakat	17	(1,945,395)	(1,265,518)	(4,262,494)	(3,461,040)
Net profit for the period		27,036,788	18,741,950	53,040,188	37,254,187

Chairman of Board of Directors

Abdullah Ahmed Al Shehri



Chief Executive Officer

Fares Saleh Al Henaki



Chief Financial Officer

Mohammad Ibrahim Al Basha



The accompanying notes form an integral part of these interim condensed consolidated financial statements

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED) – (CONTINUED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

	Note	For the three-month period ended June 30,		For the six-month period ended June 30,	
		2025	2024 (Adjusted- Note 26)	2025	2024 (Adjusted- Note 26)
Net profit for the period		27,036,788	18,741,950	53,040,188	37,254,187
Other comprehensive income:					
Remeasurement of employees' defined benefits obligation	15	1,121,864	(390,657)	1,121,864	(390,657)
Other comprehensive income (loss) for the period		1,121,864	(390,657)	1,121,864	(390,657)
Total comprehensive income for the period		28,158,652	18,351,293	54,162,052	36,863,530
Net profit for the period attributable to:					
Shareholders of the parent company		26,699,332	18,649,801	52,325,452	37,220,392
Non-controlling interests	19	337,456	92,149	714,736	33,795
		27,036,788	18,741,950	53,040,188	37,254,187
Total comprehensive income for the period attributable to:					
Shareholders of the parent company		27,821,196	18,259,144	53,447,316	36,829,735
Non-controlling interests	19	337,456	92,149	714,736	33,795
		28,158,652	18,351,293	54,162,052	36,863,530
Earnings per share attributable to shareholders of the parent company:					
Basic and diluted	22	1.01	0.70	1.97	1.40

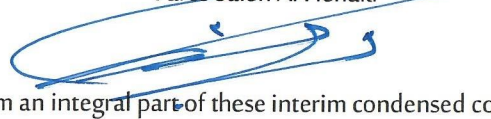
Chairman of Board of Directors

Abdullah Ahmed Al Shehri



Chief Executive Officer

Fares Saleh Al Henaki



Chief Financial Officer

Mohammad Ibrahim Al Basha



The accompanying notes form an integral part of these interim condensed consolidated financial statements

TAMKEEN HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025
(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

		Equity attributable to the shareholders of parent Company				Non-	
	Note	Share capital	Statutory reserve	Retained earnings	Total	controlling interests	Total equity
For the six-month period ended June 30, 2025:							
As of January 1, 2025		265,000,000	-	84,703,266	349,703,266	1,872,741	351,576,007
Net profit for the period		-	-	52,325,452	52,325,452	714,736	53,040,188
Other comprehensive income for the period		-	-	1,121,864	1,121,864	-	1,121,864
Total comprehensive income for the period		-	-	53,447,316	53,447,316	714,736	54,162,052
Dividends	18	-	-	(55,120,000)	(55,120,000)	-	(55,120,000)
As of June 30, 2025		265,000,000	-	83,030,582	348,030,582	2,587,477	350,618,059
For the six-month period ended June 30, 2024 – (Adjusted):							
As of January 1, 2024		200,000,000	13,976,311	86,330,859	300,307,170	1,355,067	301,662,237
Net profit for the period – (Adjusted)		-	-	37,220,392	37,220,392	33,795	37,254,187
Other comprehensive income for the period – (Adjusted)		-	-	(390,657)	(390,657)	-	(390,657)
Total comprehensive income for the period – (Adjusted)		-	-	36,829,735	36,829,735	33,795	36,863,530
Capital increase	1	65,000,000	(13,976,311)	(51,023,689)	-	-	-
Dividends	18	-	-	(35,000,000)	(35,000,000)	-	(35,000,000)
As of June 30, 2024 – (Adjusted)		265,000,000	-	37,136,905	302,136,905	1,388,862	303,525,767

Chairman of Board of Directors
Abdullah Ahmed Al Shehri

Chief Executive Officer
Fares Saleh Al Henaki

Chief Financial Officer
Mohammad Ibrahim Al Basha

The accompanying notes form an integral part of these interim condensed consolidated financial statements

TAMKEEN HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025
(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

	<u>June 30, 2025</u>	<u>June 30, 2024</u> (Adjusted)
OPERATING ACTIVITIES		
Profit for the period before zakat	57,302,682	40,715,227
Adjustments for:		
Depreciation of property and equipment	3,672,747	2,544,415
Amortization of intangible assets	569,593	285,644
Depreciation of right-of-use assets	3,202,822	2,641,676
Amortization of used visas	12,039,132	5,937,370
Amortization of recruitment expenses	13,670,596	12,059,134
Expected credit losses provision	9,014,049	1,651,999
Advances to suppliers' provision	1,778,870	418,664
Finance costs	905,091	630,203
Employees' defined benefits obligation	6,532,539	4,168,482
Loss (Gain) from sale of property and equipment	68,966	(81,173)
Profit from Murabaha term deposits	(5,242,180)	(6,019,822)
Gain from sale of investments at fair value through profit or loss	(364,835)	(164,152)
Unrealized loss of investments at fair value through profit or loss	102,433	-
Changes in working capital:		
Trade receivables	(36,827,217)	(48,622,708)
Prepaid expenses and other receivables	(19,454,935)	(16,051,235)
Available visas	(6,068,000)	(8,970,000)
Retained deposits	(1,155,005)	7,680,508
Trade payables	(2,502,380)	2,157,380
Accrued expenses and other accruals	20,836,925	24,675,751
Contract liabilities	(35,324)	(1,630,414)
Cash generated from operating activities	58,046,569	24,026,949
Zakat paid	(8,713,175)	(7,155,718)
Employees' defined benefit obligation paid	(2,328,505)	(2,025,586)
Net cash generated from operating activities	47,004,889	14,845,645

Chairman of Board of Directors

Abdullah Ahmed Al Shehri



Chief Executive Officer

Fares Saleh Al Henaki



Chief Financial Officer

Mohammad Ibrahim Al Basha



The accompanying notes form an integral part of these interim condensed consolidated financial statements

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) – (CONTINUED)
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025**

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

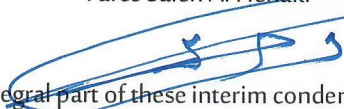
	<u>June 30, 2025</u>	<u>June 30, 2024</u> (Adjusted)
INVESTING ACTIVITIES		
Purchase of property and equipment	(1,487,977)	(6,386,930)
Additions on intangible assets	(1,499,825)	(1,643,012)
Proceeds from sale of property and equipment	143,079	237,500
Proceeds from Murabaha term deposits	5,813,625	5,441,892
Purchase of investments at fair value through profit or loss	(4,154,391)	(798,940)
Proceeds from investments at fair value through profit or loss	1,647,751	963,092
Net cash generated from (used in) investing activities	<u>462,262</u>	<u>(2,186,398)</u>
FINANCING ACTIVITIES		
Paid of lease liabilities	(4,402,541)	(4,214,013)
Dividends paid	(55,120,000)	(35,000,000)
Net cash used in financing activities	<u>(59,522,541)</u>	<u>(39,214,013)</u>
Net change in cash and cash equivalents	<u>(12,055,390)</u>	<u>(26,554,766)</u>
Cash and cash equivalents at the period beginning	<u>208,856,207</u>	<u>216,624,639</u>
Cash and cash equivalents as of June 30,	<u><u>196,800,817</u></u>	<u><u>190,069,873</u></u>
Non-cash transactions:		
Transferred from available visas to used visas (Notes 8, 12)	(10,722,000)	(8,464,000)
Recoverable employees' benefits from customers (Note 15)	857,529	336,495
Right-of-use assets (Note 7)	(3,918,771)	(2,082,540)
Lease liabilities (Note 7)	3,918,771	2,082,540
Dividends (Note 18)	55,120,000	-
Share capital increase (Note 1)	-	65,000,000

Chairman of Board of Directors

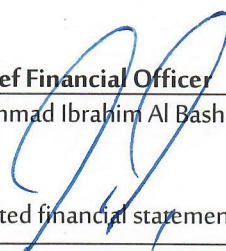
Abdullah Ahmed Al Shehri


Chief Executive Officer

Fares Saleh Al Henaki


Chief Financial Officer

Mohammad Ibrahim Al Basha



The accompanying notes form an integral part of these interim condensed consolidated financial statements

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

1. ORGANIZATION AND ACTIVITIES

Tamkeen Human Resources Company (the "Company") is a Saudi joint stock company registered in the Kingdom of Saudi Arabia, under Commercial Registration No. 1010451749 dated on Ramadan 23, 1439H (corresponding to June 7, 2018G). The Company's capital consists of 26,500,000 shares of SAR 10 per share.

The Extraordinary General Assembly, in its meeting held on Sha'ban 25, 1445H (corresponding to March 6, 2024G), approved the increase of the Company's capital from SAR 200,000,000, divided into 20,000,000 ordinary shares, with a fully paid nominal value of SAR 10 per share, to SAR 265,000,000, divided into 26,500,000 ordinary shares, with a fully paid nominal value of SAR 10 per share, by capitalizing SAR 51,023,689 from the retained earnings balance, in addition to capitalizing SAR 13,976,311 from the statutory reserve balance, as stated in the consolidated financial statements for the financial year ended December 31, 2023.

The Company's main activity is in labour recruitment and providing manpower services in respect of labour, manpower for public and private sectors and local contracting according to the letter of the Ministry of Labor and Social Development No. (184162) dated on Ramadan 15, 1439H.

The Company's headquarter is located in Riyadh, North Ring Road, Al-Nafl District, P.O. Box 4143, Postal Code 12333.

The Company didn't complete the procedures for amending the commercial register and the bylaws until the issuance date of these interim condensed consolidated financial statements.

The accompanying interim condensed consolidated financial statements includes the activities of the Company and its subsidiaries as at June 30, 2025 (collectively referred to as the "Group") as following:

Subsidiary company	Country of incorporation	Percentage ownership as of	
		June 30, 2025	December 31, 2024
Open Technologies Company for Communications and Information Technology	Kingdom of Saudi Arabia	100%	100%
Elaf Specialized Contracting Company	Kingdom of Saudi Arabia	100%	100%
Eraf Medical Company	Kingdom of Saudi Arabia	60%	60%

The Group controls the Company when it has the right to variable returns from its participation in the Company and can influence those returns through its ability to control the investee company. The financial statements of the subsidiary are included in the interim condensed consolidated financial statements from the date from which control commenced until the date of loss of control.

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

2. BASIS OF PREPARATION AND CHANGES IN THE ACCOUNTING POLICIES

2.1 Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Report" as endorsed in the Kingdom of Saudi Arabia. These interim-condensed consolidated financial statements do not include all the information required to prepare a complete set of annually financial statements prepared in accordance with International Financial Reporting Standards. These interim condensed consolidated financial statements should be read along with the company's financial statements for the previous year ended on December 31, 2024.

The interim period is considered as an integral part of the full fiscal year, however, the results of operations for the interim periods may not be a fair indication of the results for the full year's operations.

2.2 General considerations

The accounting policies and methods of computation adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the annual financial statements of the Group for the year ended December 31, 2024, except for the adoption of the new standards which became effective as at January 1, 2025. The Group has not early-adopted any standards, interpretations, or amendments that have been issued but are not yet effective. Some amendments to International Financial Reporting Standards became effective from January 1, 2025, and none of those amendments had an impact on the Group's interim condensed consolidated financial statements.

These interim condensed consolidated financial statements have been prepared on the historical cost basis in accordance with the accrual accounting principle and the going concern concept, except for financial investments at fair value through profit or loss and defined employee benefits obligation, which are measured at the present value of future benefits obligation using the projected unit credit method.

2.3 Functional and presentation currency

The interim condensed consolidated financial statements are presented in Saudi Riyal, which is the functional currency for the Group, all amounts are rounded to the nearest Saudi Riyal unless otherwise indicated.

3. USE OF JUDGMENTS AND ESTIMATES

The Group makes certain judgments and estimates regarding the future. Judgments and estimates are continually evaluated based on past experience and other factors, including anticipation of future events that are believed to be reasonable in the circumstances. In the future, actual results may differ from these estimates and assumptions.

The significant estimates made by management in applying the Group's accounting policies and the primary sources of estimation of uncertainty were the same as those that were applied in the financial statements for the year ended December 31, 2024.

4. BASIS OF CONSOLIDATION FINANCIAL STATEMENTS

The interim condensed consolidated financial statements include the financial statements of the Company and its subsidiaries for the period ended June 30, 2025. As mentioned in Note (1).

The Group reassesses whether or not it exercises control over an investee when facts and circumstances indicate that there is a change in the elements of control. Consolidation of a subsidiary begins when control of the subsidiary is transferred to the Group and ceases when the Group loses such control. The assets, liabilities, income and expenses of the acquired subsidiary during the year are included in the interim condensed consolidated financial statements from the date on which control is transferred to the Group until the Group ceases to exercise such control in the investee.

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

5. PROPERTY AND EQUIPMENT

The additions for the six-month period ended June 30, 2025, amounted to SR 1,487,977 (June 30, 2024: SR 6,386,930) and depreciation expense during the period amounted to SR 3,672,747 (June 30, 2024: SR 2,544,415) and the disposals cost for the six-month period ended June 30, 2025, amounted to SR 461,855 (June 30, 2024: SR 237,500) and the accumulated depreciation amounted to SR 249,810 (June 30, 2024: SR 81,173) .

6. INTANGIBLE ASSETS

The additions for the six-month period ended June 30, 2025, amounted to SR 1,499,825 (June 30, 2024: SR 1,643,012) and amortization expense during the period amounted to SR 569,593 (June 30, 2024: SR 285,644).

7. RIGHT OF USE ASSETS AND LEASE LIABILITIES**Right of use assets**

	June 30, 2025	December 31, 2024
As at January 1,	16,223,444	13,037,354
Additions	3,918,771	9,297,751
Disposals, Net	(537,422)	(442,502)
Depreciation during the period / year	(3,202,822)	(5,669,159)
Balance at the end of period / year	16,401,971	16,223,444

Lease Liabilities

	June 30, 2025	December 31, 2024
As at January 1,	15,543,391	12,439,234
Additions	3,918,771	9,297,751
Disposals, Net	(537,422)	(172,127)
Finance costs	381,251	681,944
Paid during the period / year	(4,402,541)	(6,703,411)
Balance at the end of period / year	14,903,450	15,543,391
Less: Current portion	(5,729,118)	(5,216,217)
Non-current portion	9,174,332	10,327,174

8. USED VISAS

The movement of used visas during the period / year is as follows:

	June 30, 2025	December 31, 2024
As at January 1,	21,485,542	12,049,606
Transferred from available visas (Note 12)	10,722,000	24,448,000
Amortization during the period / year	(12,039,132)	(15,012,064)
Balance at the end of period / year	20,168,410	21,485,542
Less: Current portion	(14,822,889)	(14,815,120)
Non-current portion	5,345,521	6,670,422

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

9. PREPAID RECRUITMENT EXPENSES

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
As at January 1,	18,404,557	20,035,250
Additions	20,880,273	22,693,180
Amortization during the period / year	(13,670,596)	(24,323,873)
Balance at the end of period / year	25,614,234	18,404,557
Less: Current portion (Note 11)	(17,374,442)	(13,652,777)
Non-current portion	<u>8,239,792</u>	<u>4,751,780</u>

10. TRADE RECEIVABLES, NET

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Trade receivables - Corporate	156,322,640	145,317,198
Trade receivables – Related parties (Note 13)	42,355,094	17,335,298
Trade receivables – Individuals	2,687,714	2,333,035
	<u>201,365,448</u>	<u>164,985,531</u>
Less: Expected credit losses provision	(17,089,628)	(8,522,879)
	<u>184,275,820</u>	<u>156,462,652</u>

The aging of trade receivables is as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Less than 31 days	84,758,672	73,232,228
31 – 90 days	64,612,721	65,609,324
91 – 120 days	10,749,593	6,163,340
121 – 365 days	28,229,667	8,393,530
More than 365 days	13,014,795	11,587,109
	<u>201,365,448</u>	<u>164,985,531</u>

The movement on expected credit losses provision is as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
As at January 1,	8,522,879	3,345,173
Additions during the period / year	9,014,049	5,177,706
Adjustments during the period / year	(447,300)	-
Balance at the end of period / year	17,089,628	8,522,879

11. PREPAID EXPENSES AND OTHER RECEIVABLES, NET

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Dividends Transfers to the Edaa (Note 18)	55,120,000	-
Prepaid expenses	44,361,008	43,641,343
Prepaid recruitment fees (Note 9)	17,374,442	13,652,777
Staff receivables	2,782,208	1,973,257
Advances to suppliers *	2,517,081	5,909,803
Others	1,718,987	3,630,534
	<u>123,873,726</u>	<u>68,807,714</u>

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

11. PREPAID EXPENSES AND OTHER RECEIVABLES, NET – (CONTINUED)

* The movement on advance to suppliers is as follows:

	June 30, 2025	December 31, 2024
Advances to suppliers	7,013,520	8,627,372
Less: Advances to suppliers provision **	(4,496,439)	(2,717,569)
	2,517,081	5,909,803

** The movement in advances to suppliers provision was as follows:

	June 30, 2025	December 31, 2024
As at January 1,	2,717,569	1,255,009
Charged during the period / year	1,778,870	1,462,560
Balance at the end of period / year	4,496,439	2,717,569

12. AVAILABLE VISAS

Available visas represent the balance of unused visas as on June 30, 2025 (December 31, 2024). The available visa amounts are transferred to the used visas upon stamping the visas for the manpower recruited at the border ports of the Kingdom of Saudi Arabia and the arrival of manpower to the Kingdom of Saudi Arabia. The movement of available visas is as follows:

	June 30, 2025	December 31, 2024
As at January 1,	18,044,000	16,622,000
Issued visas, net	8,336,000	34,494,000
Transferred to used visas (Note 8)	(10,722,000)	(24,448,000)
Returned visas	(2,268,000)	(8,624,000)
Balance at the end of period / year	13,390,000	18,044,000

13. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The significant transactions with related parties and the approximate amounts related to are as follows:

Related party	Nature of transaction	For the six month period ended June 30,	
		2025	2024 (Adjusted)
Dr. Sulaiman Al Habib Medical Services	Sales	31,558,280	5,959,857
Group Company	Purchases	(463,194)	-
Masah Contracting Company	Sales	4,700,516	9,933,142
Four Twins Company Limited	Sales	2,082,215	1,261,952
Burger Map Restaurants for Fast Food	Sales	1,187,806	1,324,936
Future Classification Real Estate Company	Sales	55,340	-
Rawafid Health International Company	Sales	39,222	-
Namara Investment Company	Sales	35,862	-
Tasheel Real Estate Company	Sales	5,979	12,601

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

13. BALANCES AND TRANSACTIONS WITH RELATED PARTIES – (CONTINUED)

The balances due from related parties consist of the following (Note 10):

Related party	Nature of relationship	June 30, 2025	December 31, 2024
Dr. Sulaiman Al Habib Medical Services Group Company	Shareholder	37,457,486	10,808,786
Masah Contracting Company	Related to shareholder	3,537,016	5,670,811
Burger Map Restaurants for Fast Food Company	Related to shareholder	493,683	483,749
Four Twins Company Limited	Related to shareholder	866,909	368,538
Namara Investment Company	Related to shareholder	-	1,474
Rawafid Health International Company	Related to shareholder	-	1,940
		42,355,094	17,335,298

Compensation of senior management personnel

Key management personnel of the Group include senior management personnel who have the authority and responsibility for planning, directing and controlling the Group's activities. Benefits paid to the Group's key management personnel include salaries, cash and non-cash benefits, and contributions to a post-employment defined benefits plan.

Related party	Nature of transaction	For the six month period ended June 30, 2025	2024 (Adjusted)
Senior executive management	Salaries and remunerations	4,656,341	2,899,112
Senior employees' defined benefits obligation	Employee benefits	210,753	453,077

The accrued Board of Directors' remuneration amounted to SR 1,325,000 as of June 30, 2025 (Note 16).

14. CASH AND CASH EQUIVALENTS

	June 30, 2025	December 31, 2024
Cash at banks	29,800,817	18,856,207
Short term deposits *	167,000,000	190,000,000
	196,800,817	208,856,207

*Murabaha short term deposits maturing within 90 days or less are maintained with commercial banks and generate financing income compatible at prevailing market rates.

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

15. EMPLOYEES' DEFINED BENEFITS OBLIGATION

The movement of the provision for employees' defined benefits obligation is as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
As at January 1,	21,593,726	14,822,720
Current service costs for the period / year	6,532,539	7,731,485
Finance costs	523,840	667,022
Recoverable employees benefits from customers	857,529	1,387,945
Paid during the period / year	(2,328,505)	(4,127,554)
Actuarial re-measurement	(1,121,864)	1,112,108
Balance at the end of period / year	26,057,265	21,593,726

16. ACCRUED EXPENSES AND OTHER ACCRUALS

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Accrued salaries and other benefits	35,121,157	28,380,933
Accrued vacations	23,779,316	19,206,514
Accrued tickets	19,038,785	16,187,265
Value added tax payable	11,014,489	8,309,522
Board of Directors' remuneration	1,325,000	400,000
Accrued professional fees	1,008,082	448,869
Advances from customers	669,977	666,367
IPO accrued expenses	340,093	2,166,935
Others	6,336,524	2,030,093
	98,633,423	77,796,498

17. ZAKAT**Zakat status**

The company has submitted its Zakat returns up to the year end of 2024 to the Zakat, Tax and Customs Authority (ZATCA) and obtained Zakat certificates. The company finalized its zakat position and received a final assessment up to the financial year ended December 31, 2021. The years from 2022 to 2024 are still under review by the Zakat, Tax and Customs Authority (ZATCA).

Movement of zakat payable is as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
As at January 1,	12,609,385	11,174,891
Zakat expense charged for the period / year	4,262,494	8,628,212
Paid during the period / year	(8,713,175)	(7,193,718)
Balance at the end of period / year	8,158,704	12,609,385

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

18. DIVIDENDS

- On 29 Dhul-Hijjah 1446H (corresponding to June 25, 2025G), the Ordinary General Assembly approved the distribution of cash dividends to shareholders for the financial year ended December 31, 2024, in the amount of SR 55,120,000, at SR 2.08 per share, based on a total of 26,500,000 shares as of the end of the trading day on the date of the assembly meeting. The dividend distribution is scheduled to commence on July 6, 2025.

On June 29, 2025, the company transferred the dividends amounted to SR 55,120,000 to the Securities Depository Center (Edaa), which in turn distributed the dividends to the eligible shareholders on July 6, 2025.

- On 25 Sha'ban 1445H (corresponding to 6 March 2024G), The Extraordinary General Assembly approved the distribution of cash dividends to shareholders for the financial year ended December 31, 2023 amounted to SR 35,000,000, at a rate of SR 1.75 per share, for the total number of shares amounting to 20,000,000 shares as of December 31, 2023 which were distributed during the second quarter of 2024..

19. NON-CONTROLLING INTERESTS

The following is a summary of the total financial information related to the group's subsidiary (Eraf Medical Company), representing amounts before intercompany eliminations:

<u>Summary of the financial position statement</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Non-current assets	451,362	602,843
Current assets	7,476,065	5,621,503
Non-current liabilities	153,566	152,352
Current liabilities	1,305,169	1,390,141
Net assets	6,468,691	4,681,853
Non-controlling interests	2,587,477	1,872,741
<u>Summary of the profit or loss and other comprehensive income statement</u>		
Revenues from contracts with customers	6,441,618	6,390,878
Expenses	(4,654,778)	(5,096,693)
Net profit for the period / year	1,786,840	1,294,185
Other comprehensive income	-	-
Total comprehensive profit for the period / year	1,786,840	1,294,185
Non-controlling interests	714,736	517,674
<u>Summary of the cash flow statement</u>		
Cash generated from operating activities	620,969	398,849
Cash generated from investing activities	-	-
Cash (used in) financing activities	(153,562)	(168,918)

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

20. REVENUES FROM CONTRACTS WITH CUSTOMERS

Detailed information of revenues

Sectors	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2025	2024 (Adjusted)	2025	2024 (Adjusted)
Contracting, operation and maintenance	165,928,225	80,878,858	317,012,028	138,709,478
Individuals	54,919,473	48,968,091	105,909,492	97,539,462
Medical and home health care	18,175,454	18,294,051	35,885,965	34,570,031
Restaurants and food	11,745,093	11,975,768	23,076,020	25,110,437
Retail	7,057,242	7,049,144	13,342,817	14,775,528
Technology and information systems	2,190,378	2,142,120	4,524,207	3,975,056
Others	5,175,168	-	8,256,874	-
Total revenues from contracts with customers	265,191,033	169,308,032	508,007,403	314,679,992

Customer type	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2025	2024 (Adjusted)	2025	2024 (Adjusted)
Corporate	210,271,560	120,339,941	402,097,911	217,140,530
Individuals	54,919,473	48,968,091	105,909,492	97,539,462
Total revenues from contracts with customers	265,191,033	169,308,032	508,007,403	314,679,992

Geographical distribution	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2025	2024 (Adjusted)	2025	2024 (Adjusted)
Central region	129,193,865	75,600,115	238,100,813	142,335,549
Eastern region	100,314,614	67,290,924	202,446,691	121,101,544
Western region	19,727,600	16,495,824	37,315,958	33,013,318
Northern region	8,697,587	3,468,522	16,566,735	5,193,740
Southern region	7,257,367	6,452,647	13,577,206	13,035,841
Total revenues from contracts with customers	265,191,033	169,308,032	508,007,403	314,679,992

TAMKEEN HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) – (CONTINUED)
FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025
(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

20. REVENUE FROM CONTRACTS WITH CUSTOMERS –(CONTINUED)

	For the three-month period ended June 30,		For the six-month period ended June 30,	
<u>Revenue recognition timing</u>	2025	2024 (Adjusted)	2025	2024 (Adjusted)
Over a period of time	260,141,694	166,797,782	500,788,661	310,700,267
At a point of time	5,049,339	2,510,250	7,218,742	3,979,725
Total revenues from contracts with customers	265,191,033	169,308,032	508,007,403	314,679,992
	For the three-month period ended June 30,		For the six-month period ended June 30,	
<u>Collection type</u>	2025	2024 (Adjusted)	2025	2024 (Adjusted)
Cash Revenues	54,919,473	48,968,091	105,909,492	97,539,462
Deferred Revenues	210,271,560	120,339,941	402,097,911	217,140,530
Total revenues from contracts with customers	265,191,033	169,308,032	508,007,403	314,679,992
<u>Contract balances</u>		June 30, 2025		June 30, 2024 (Adjusted)
Trade receivables (Note 10)		201,365,448		125,902,359
Contract liabilities		25,642,181		8,260,469

The Group's revenue includes five key customers, accounting for 57.8% of total revenue for the period ended June 30, 2025 (June 30, 2024: 39.6%).

21. OTHER NON-OPERATING INCOME

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2025	2024 (Adjusted)	2025	2024 (Adjusted)
Realized gain from sales of investments at fair value through profit or loss	1,933	-	367,676	-
Others	196,456	409,714	357,827	933,867
	198,389	409,714	725,503	933,867

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

22. BASIC AND DILUTED EARNINGS PER SHARE RELATED TO THE SHAREHOLDERS OF PARENT COMPANY

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2025	2024 (Adjusted)	2025	2024 (Adjusted)
Net profit for the period – Company's shareholders	26,699,332	18,649,801	52,325,452	37,220,392
Number of shares	26,500,000	26,500,000	26,500,000	26,500,000
Earnings per share – basic and diluted	1.01	0.70	1.97	1.40

There is no dilutive effect on the Company's basic earnings per share.

Basic earnings per share is calculated by dividing the profit for the period attributable to shareholders by the weighted average number of ordinary shares outstanding during the period.

23. SEGMENTS REPORTING

The Group engages in mediating the recruitment of human resources and providing labour and logistical services and support to the public sector and the private sector. The group is mainly divided into the corporate and individual sectors, and the group has one geographical sector, which is the Kingdom of Saudi Arabia. The following are the financial details of these sectors:

The following tables present revenue and profit information for the Group's operating segments for the three and six months periods ended June 30, 2025 and June 30, 2024:

	For the three-month period ended June 30, 2025			
	Corporate sector	Individuals sector	Others	Total
Revenues from contracts with customers	210,271,560	54,919,473	-	265,191,033
Cost of revenues from contracts with customers	(170,593,018)	(47,998,264)	-	(218,591,282)
Gross profit	39,678,542	6,921,209	-	46,599,751
Marketing expenses	(6,444)	(169,700)	-	(176,144)
General and administrative expenses	(1,785,620)	(1,894,050)	(10,962,307)	(14,641,977)
Expected credit losses provision	(4,639,672)	(99,152)	-	(4,738,824)
Operating profit (loss)	33,246,806	4,758,307	(10,962,307)	27,042,806

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

23. SEGMENTS REPORTING – (CONTINUED)

	For the six-month period ended June 30, 2025			
	Corporate sector	Individuals sector	Others	Total
Revenues from contracts with customers	402,097,911	105,909,492	-	508,007,403
Cost of revenues from contracts with customers	(321,150,697)	(91,223,169)	-	(412,373,866)
Gross profit	80,947,214	14,686,323	-	95,633,537
Marketing expenses	(6,444)	(2,327,097)	-	(2,333,541)
General and administrative expenses	(3,471,450)	(5,657,825)	(22,916,582)	(32,045,857)
Expected credit losses provision	(8,768,119)	(245,930)	-	(9,014,049)
Operating profit (loss)	68,701,201	6,455,471	(22,916,582)	52,240,090
For the three-month period ended June 30, 2024 – (Adjusted)				
	Corporate sector	Individuals sector	Others	Total
Revenues from contracts with customers	120,339,941	48,968,091	-	169,308,032
Cost of revenues from contracts with customers	(93,111,782)	(43,842,690)	-	(136,954,472)
Gross profit	27,228,159	5,125,401	-	32,353,560
Marketing expenses	-	(1,395,008)	(231,208)	(1,626,216)
General and administrative expenses	(797,628)	(1,504,025)	(10,241,071)	(12,542,724)
Expected credit losses provision	(888,813)	(176,647)	-	(1,065,460)
Operating profit (loss)	25,541,718	2,049,721	(10,472,279)	17,119,160
For the six-month period ended June 30, 2024 – (Adjusted)				
	Corporate sector	Individuals sector	Others	Total
Revenues from contracts with customers	217,140,530	97,539,462	-	314,679,992
Cost of revenues from contracts with customers	(167,859,115)	(83,936,789)	-	(251,795,904)
Gross profit	49,281,415	13,602,673	-	62,884,088
Marketing expenses	-	(2,120,212)	(261,093)	(2,381,305)
General and administrative expenses	(2,096,292)	(3,108,190)	(19,421,962)	(24,626,444)
Expected credit losses provision	(1,577,069)	(74,930)	-	(1,651,999)
Operating profit (loss)	45,608,054	8,299,341	(19,683,055)	34,224,340

24. COMMITMENTS AND CONTINGENT LIABILITIES**Commitments for capital expenditure**

Capital expenditure contracted by the Group but not incurred till June 30, 2025, amounted to SR 4,646,300 (December 31, 2024: SR 4,120,030).

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

24. COMMITMENTS AND CONTINGENT LIABILITIES – (CONTINUED)**Guarantees**

As at June 30, 2025, the Group had a letter of guarantee amounted of SR 10 million secured by a cash margin of SR 10 million (December 31, 2024: SR 10 million) in relation to the company's license issued by the Ministry of Human Resources and Social Development.

25. FINANCIAL INSTRUMENTS – FAIR VALUE

The fair values of financial instruments are not materially different from their carrying values at reporting date.

26. PRIOR PERIODS ADJUSTMENTS

In accordance with the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", the Group's management found accounting errors related to the period ended June 30, 2024, and accordingly the Group's management corrected those errors on the annual financial statements ended December 31, 2024.

A. The Group's management found an error in the calculation of certain items of the consolidated financial position as at June 30, 2024, specifically with regard to governmental prepaid expenses for employees and the provision for ticket allowance. Accordingly, the Group has revalued these balances and addressed the errors.

B. The Group's management found an error in the recognition of revenue generated by contracts, to misinterpret contract considerations for the period ended June 30, 2024, resulting in an error in the calculation of income and contract obligations. Accordingly, the Group reevaluated these contracts and addressed the errors.

C. The Group's has remeasured its defined benefit obligations for employees for the period ended June 30, 2024.

D. The Note of balances and transactions with related parties (Note 13) has been amended.

The impact of the amendments to the condensed interim statement of financial position as at June 30, 2024 as the following:

	Note	June 30, 2024 (Before adjustment)	Re-measurement	June 30, 2024 (Adjusted)
Non-current assets				
Recoverable employees benefits from customers	C	-	336,495	336,495
Current assets				
Trade receivables, Net	C	121,241,682	(336,495)	120,905,187
Prepaid expenses and other receivables	A	68,942,756	(6,492,843)	62,449,913
Non-current liabilities				
Employees' defined benefits obligation	C	17,671,370	21,398	17,692,768
Current liabilities				
Accrued expenses and other accruals	A	80,059,654	(1,310,434)	78,749,220
Contract liabilities	B	10,932,174	(2,671,705)	8,260,469
Equity				
Retained earnings	A,B,C	39,669,007	(2,532,102)	37,136,905

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) – (CONTINUED)
FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

26. PRIOR PERIODS ADJUSTMENTS – (CONTINUED)

The impact of adjustments to the condensed interim consolidated statement of profit or loss and other comprehensive income for the three and six month periods ended June 30, 2024:

	Note	For the three-month period ended June 30, 2024			For the six-month period ended June 30, 2024		
		June 30, 2024	Re- measurement	June 30, 2024	June 30, 2024	Re-measurement	June 30, 2024
		(Before adjustment)		(Adjusted)	(Before adjustment)		(Adjusted)
Revenues from contracts with customers	B	166,636,327	2,671,705	169,308,032	312,008,287	2,671,705	314,679,992
Cost of revenues from contracts with customers	A	(132,448,921)	(4,505,551)	(136,954,472)	(247,290,353)	(4,505,551)	(251,795,904)
Gross profit	A,B,C	34,187,406	(1,833,846)	32,353,560	64,717,934	(1,833,846)	62,884,088
Finance costs	C	(178,714)	(307,599)	(486,313)	(322,604)	(307,599)	(630,203)
Net profit for the period	A,B,C	20,883,395	(2,141,445)	18,741,950	39,395,632	(2,141,445)	37,254,187
Other comprehensive income:							
Remeasurement of employees' defined benefits obligation	C	-	(390,657)	(390,657)	-	(390,657)	(390,657)
Other comprehensive income (loss) for the period	C	-	(390,657)	(390,657)	-	(390,657)	(390,657)
Total comprehensive income for the period	C	20,883,395	(2,532,102)	18,351,293	39,395,632	(2,532,102)	36,863,530
EPS attributable to shareholders:							
Basic and diluted	A,B,C	0.78		0.70	1.49		1.40

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND SIX MONTHS PERIODS ENDED JUNE 30, 2025

(ALL AMOUNTS ARE PRESENTED IN SAUDI RIYALS UNLESS OTHERWISE STATED)

27. COMPARATIVE FIGURES

Comparative figures have been reclassified to conform to the current year presentation.

28. SUBSEQUENT EVENTS

On 13 Safar 1447H (corresponding to August 7, 2025), the Company's Board of Directors has decided to distribute cash dividends to the shareholders for the first half of the fiscal year 2025 in the amount of SR 37,100,000, at a rate of SR 1.40 per share.

29. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements have been approved for issuance by the Company's Board of Directors on 13 Safar 1447H (corresponding to August 7, 2025G).