

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 NINE MONTHS PERIODS ENDED SEPTEMBER 30, 2025

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE THREE AND NINE MONTHS PERIODS ENDED SEPTEMBER 30, 2025

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
TO THE SHAREHOLDERS OF TAMKEEN HUMAN RESOURCES COMPANY
JOINT STOCK COMPANY
RIYADH, KINGDOM OF SAUDI ARABIA**

(1/1)

INTRODUCTION

We have reviewed the accompanying 30 September 2025 interim condensed consolidated financial statements of Tamkeen Human Resources Company ("the Company") and its subsidiaries (collectively referred to as "the Group") which comprises:

- The interim condensed consolidated statement of financial position as at 30 September 2025;
- The interim condensed consolidated statements of profit or loss and other comprehensive income for the three-month and nine-month periods then ended;
- The interim condensed consolidated statement of changes in equity for the nine-month period then ended;
- The interim condensed consolidated statement of cash flows for the nine-month period then ended, and;
- The notes to the interim condensed consolidated financial statements.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

SCOPE OF REVIEW

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

CONCLUSION

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

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 nine month periods ended September 30, 2024, the auditor expressed an unmodified conclusion dated 3 Jumada al-Awwal 1446 AH (corresponding to November 5, 2024).

**For PKF Al-Bassam
Chartered Accountant**



Abdulillah Al Bassam
Certified Public Accountant
License No. 703
Riyadh: 13 Jumada al-Awwal 1447 AH
Corresponding to: 4 November 2025 AD



TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**AS AT SEPTEMBER 30, 2025**

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

	<u>Note</u>	<u>September 30, 2025</u> (Unaudited)	<u>December 31, 2024</u> (Audited)
ASSETS			
Non-current assets			
Property and equipment	5	36,960,102	40,489,810
Intangible assets	6	10,960,502	9,164,769
Right-of-use assets	7	17,048,540	16,223,444
Cash margin on letter of guarantee	24	10,300,000	10,000,000
Used visas - non-current portion	8	3,637,926	6,670,422
Prepaid recruitment expenses - non-current portion	9	7,727,225	4,751,780
Recoverable employees benefits from customers		2,791,654	1,387,945
Total non-current assets		89,425,949	88,688,170
Current assets			
Trade receivables, Net	10	217,362,471	156,462,652
Prepaid expenses and other receivables, Net	11	61,650,720	68,807,714
Used visas - current portion	8	13,036,444	14,815,120
Available visas	12	20,204,000	18,044,000
Investments at fair value through profit or loss		3,576,628	-
Cash and cash equivalents	14	165,770,983	208,856,207
Total current assets		481,601,246	466,985,693
TOTAL ASSETS		571,027,195	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 SEPTEMBER 30, 2025

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

	Note	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
EQUITY AND LIABILITIES			
Equity			
Share capital	1	265,000,000	265,000,000
Retained earnings		68,956,269	84,703,266
Equity attributable to the shareholders of the parent company		333,956,269	349,703,266
Non-controlling interests	19	2,828,535	1,872,741
Total equity		336,784,804	351,576,007
Liabilities			
Non-current liabilities			
Retained deposits - non-current portion		36,833,144	29,225,207
Lease liabilities - non-current portion	7	9,417,955	10,327,174
Employees' defined benefits obligation	15	27,876,809	21,593,726
Total non-current liabilities		74,127,908	61,146,107
Current liabilities			
Trade payables		4,468,966	7,127,523
Contract liabilities		27,669,928	25,677,505
Retained deposits - current portion		5,526,011	14,524,621
Accrued expenses and other accruals	16	105,964,625	77,796,498
Lease liabilities - current portion	7	6,156,772	5,216,217
Zakat payable	17	10,328,181	12,609,385
Total current liabilities		160,114,483	142,951,749
Total liabilities		234,242,391	204,097,856
TOTAL EQUITY AND LIABILITIES		571,027,195	555,673,863

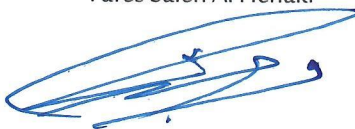
Chairman of Board of Directors

Abdullah Ahmed Al Shehri



Chief Executive Officer

Fares Saleh Al Henaki



Chief Financial Officer

Mohammad Ibrahim Al Basha



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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 NINE MONTHS PERIODS ENDED SEPTEMBER 30, 2025

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

	Note	For the three-months period ended September 30,		For the nine-months period ended September 30,	
		2025	2024 (Adjusted- Note 26)	2025	2024 (Adjusted- Note 26)
Revenues from contracts with customers	20	254,161,441	193,872,730	762,168,844	508,552,722
Cost of revenues from contracts with customers		(210,196,250)	(160,391,314)	(622,570,116)	(412,187,218)
Gross profit		43,965,191	33,481,416	139,598,728	96,365,504
Marketing expenses		(388,401)	(2,383,329)	(2,721,942)	(4,764,634)
General and administrative expenses		(16,050,685)	(14,022,121)	(48,096,542)	(38,648,565)
Expected credit losses provision	10	(2,880,563)	(1,462,796)	(11,894,612)	(3,114,795)
Operating profit		24,645,542	15,613,170	76,885,632	49,837,510
Other non-operating (loss) income	21	(311,305)	9,901,676	414,198	10,835,543
Finance income		2,438,253	2,647,695	7,680,433	8,834,918
Finance costs		(429,231)	(289,313)	(1,334,322)	(919,516)
Profit for the period before zakat		26,343,259	27,873,228	83,645,941	68,588,455
Zakat	17	(2,169,479)	(2,425,475)	(6,431,973)	(5,886,515)
Net profit for the period		24,173,780	25,447,753	77,213,968	62,701,940

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 NINE MONTHS PERIODS ENDED SEPTEMBER 30, 2025

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

	Note	For the three-months period ended September 30,		For the nine-months period ended September 30,	
		2025	2024 (Adjusted- Note 26)	2025	2024 (Adjusted- Note 26)
Net profit for the period		24,173,780	25,447,753	77,213,968	62,701,940
Other comprehensive income:					
Remeasurement of employees' defined benefits obligation	15	(907,035)	(143,392)	214,829	(534,049)
Other comprehensive income (loss) for the period		(907,035)	(143,392)	214,829	(534,049)
Total comprehensive income for the period		23,266,745	25,304,361	77,428,797	62,167,891
Net profit for the period attributable to:					
Shareholders of the parent company		23,932,722	25,184,908	76,258,174	62,405,300
Non-controlling interests	19	241,058	262,845	955,794	296,640
		24,173,780	25,447,753	77,213,968	62,701,940
Total comprehensive income for the period attributable to:					
Shareholders of the parent company		23,025,687	25,041,516	76,473,003	61,871,251
Non-controlling interests	19	241,058	262,845	955,794	296,640
		23,266,745	25,304,361	77,428,797	62,167,891
Earnings per share attributable to shareholders of the parent company:					
Basic and diluted	22	0.90	0.95	2.88	2.35

Chairman of Board of Directors

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TAMKEEN HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 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 nine-months period ended September 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		-	-	76,258,174	76,258,174	955,794	77,213,968
Other comprehensive income for the period		-	-	214,829	214,829	-	214,829
Total comprehensive income for the period		-	-	76,473,003	76,473,003	955,794	77,428,797
Dividends	18	-	-	(92,220,000)	(92,220,000)	-	(92,220,000)
As of September 30, 2025		265,000,000	-	68,956,269	333,956,269	2,828,535	336,784,804
For the nine-months period ended September 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)		-	-	62,405,300	62,405,300	296,640	62,701,940
Other comprehensive income for the period – (Adjusted)		-	-	(534,049)	(534,049)	-	(534,049)
Total comprehensive income for the period – (Adjusted)		-	-	61,871,251	61,871,251	296,640	62,167,891
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 September 30, 2024 – (Adjusted)		265,000,000	-	62,178,421	327,178,421	1,651,707	328,830,128

Chairman of Board of Directors

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

	September 30, 2025	September 30, 2024 (Adjusted)
OPERATING ACTIVITIES		
Profit for the period before zakat	83,645,941	68,588,455
Adjustments for:		
Depreciation of property and equipment	5,562,261	4,079,984
Amortization of intangible assets	854,390	536,446
Depreciation of right-of-use assets	4,830,183	4,040,507
Amortization of used visas	18,743,172	10,476,667
Amortization of recruitment expenses	23,113,020	19,241,984
Expected credit losses provision	11,894,612	3,114,795
Advances to suppliers' provision	1,778,870	837,327
Finance costs	1,334,322	919,516
Employees' defined benefits obligation	8,258,359	6,476,539
Loss (Gain) from sale of property and equipment	97,174	(9,631,877)
Profit from Murabaha term deposits	(7,680,433)	(8,667,517)
Gain from sale of investments at fair value through profit or loss	(369,607)	-
Unrealized loss of investments at fair value through profit or loss	502,543	-
Changes in working capital:		
Trade receivables	(72,794,431)	(52,420,450)
Prepaid expenses and other receivables	(21,216,841)	(32,600,512)
Available visas	(16,092,000)	(19,750,000)
Retained deposits	(1,390,673)	6,748,902
Trade payables	(2,658,557)	(1,221,451)
Accrued expenses and other accruals	28,168,127	27,782,145
Contract liabilities	1,992,423	15,431,211
Cash generated from operating activities	68,572,855	43,982,671
Zakat paid	(8,713,177)	(7,193,717)
Cash margin on letter of guarantee	(300,000)	-
Employees' defined benefit obligation paid	(3,920,552)	(2,895,349)
Net cash generated from operating activities	55,639,126	33,893,605

Chairman of Board of Directors
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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 NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2025**

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

	September 30, 2025	September 30, 2024 (Adjusted)
INVESTING ACTIVITIES		
Purchase of property and equipment	(2,436,432)	(10,020,652)
Additions on intangible assets	(2,650,123)	(3,024,746)
Proceeds from sale of property and equipment	306,705	13,226,305
Proceeds from Murabaha term deposits	8,186,933	8,023,850
Purchase of investments at fair value through profit or loss	(5,362,087)	(85,021)
Proceeds from investments at fair value through profit or loss	1,652,523	-
Net cash (used in) generated from investing activities	(302,481)	8,119,736
FINANCING ACTIVITIES		
Paid of lease liabilities	(6,201,869)	(5,155,334)
Dividends paid	(92,220,000)	(35,000,000)
Net cash used in financing activities	(98,421,869)	(40,155,334)
Net change in cash and cash equivalents	(43,085,224)	1,858,007
Cash and cash equivalents at the period beginning	208,856,207	216,624,639
Cash and cash equivalents as of September 30,	165,770,983	218,482,646
<u>Non-cash transactions:</u>		
Recoverable employees' benefits from customers (Note 15)	1,403,709	384,447
Right-of-use assets (Note 7)	(6,288,040)	(5,807,092)
Lease liabilities (Note 7)	6,288,040	5,807,092
Share capital increase (Note 1)	-	65,000,000

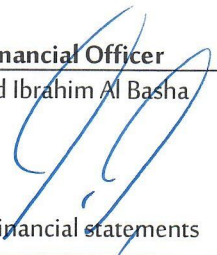
Chairman of Board of Directors
Abdullah Ahmed Al Shehri



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 NINE MONTHS PERIODS ENDED SEPTEMBER 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 September 30, 2025 (collectively referred to as the "Group") as following:

Subsidiary company	Country of incorporation	Percentage ownership as of	
		September 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 NINE MONTHS PERIODS ENDED SEPTEMBER 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 September 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 NINE MONTHS PERIODS ENDED SEPTEMBER 30, 2025

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

5. PROPERTY AND EQUIPMENT

The additions for the nine-months period ended September 30, 2025, amounted to SR 2,436,432 (September 30, 2024: SR 10,020,652) and depreciation expense during the period amounted to SR 5,562,261 (September 30, 2024: SR 4,079,984) and the currying amount of assets disposed for the nine-months period ended September 30, 2025, amounted to SR 573,481 (September 30, 2024: SR 3,737,500) and the accumulated depreciation amounted to SR 169,602 (September 30, 2024: SR 143,072).

6. INTANGIBLE ASSETS

The additions for the nine-months period ended September 30, 2025, amounted to SR 2,650,123 (September 30, 2024: SR 3,024,746) and amortization expense during the period amounted to SR 854,390 (September 30, 2024: SR 536,446).

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

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
As at January 1,	16,223,444	13,037,354
Additions	6,288,040	9,297,751
Disposals, Net	(632,761)	(442,502)
Depreciation during the period / year	(4,830,183)	(5,669,159)
Balance at the end of period / year	<u>17,048,540</u>	<u>16,223,444</u>

Lease Liabilities

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
As at January 1,	15,543,391	12,439,234
Additions	6,288,040	9,297,751
Disposals, Net	(632,761)	(172,127)
Finance costs	577,926	681,944
Paid during the period / year	(6,201,869)	(6,703,411)
Balance at the end of period / year	<u>15,574,727</u>	<u>15,543,391</u>

Less: Current portion

(6,156,772)**(5,216,217)**

Non-current portion

9,417,955**10,327,174****8. USED VISAS**

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

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
As at January 1,	21,485,542	12,049,606
Transferred from available visas (Note 12)	13,932,000	24,448,000
Amortization during the period / year	(18,743,172)	(15,012,064)
Balance at the end of period / year	<u>16,674,370</u>	<u>21,485,542</u>
Less: Current portion	<u>(13,036,444)</u>	<u>(14,815,120)</u>
Non-current portion	<u>3,637,926</u>	<u>6,670,422</u>

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND NINE MONTHS PERIODS ENDED SEPTEMBER 30, 2025

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9. PREPAID RECRUITMENT EXPENSES

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
As at January 1,	18,404,557	20,035,250
Paid during the period / year	29,337,585	22,693,180
Amortization during the period / year	(23,113,020)	(24,323,873)
Balance at the end of period / year	24,629,122	18,404,557
Less: Current portion (Note 11)	(16,901,897)	(13,652,777)
Non-current portion	7,727,225	4,751,780

10. TRADE RECEIVABLES, NET

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Trade receivables – Corporate	192,576,458	145,317,198
Trade receivables – Related parties (Note 13)	41,697,911	17,335,298
Trade receivables – Individuals	3,058,293	2,333,035
	237,332,662	164,985,531
Less: Expected credit losses provision	(19,970,191)	(8,522,879)
	217,362,471	156,462,652

The aging of trade receivables is as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Less than 31 days	80,351,671	73,232,228
31 – 90 days	85,413,991	65,609,324
91 – 120 days	33,044,567	6,163,340
121 – 365 days	22,577,659	8,393,530
More than 365 days	15,944,774	11,587,109
	237,332,662	164,985,531

The movement on expected credit losses provision is as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
As at January 1,	8,522,879	3,345,173
Additions during the period / year	11,894,612	5,177,706
Adjustments during the period / year	(447,300)	-
Balance at the end of period / year	19,970,191	8,522,879

11. PREPAID EXPENSES AND OTHER RECEIVABLES, NET

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Prepaid expenses	37,035,262	43,641,343
Prepaid recruitment fees (Note 9)	16,901,897	13,652,777
Staff receivables	3,255,557	1,973,257
Advances to suppliers *	2,470,621	5,909,803
Others	1,987,383	3,630,534
	61,650,720	68,807,714

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

* The movement on advance to suppliers is as follows:

	September 30, 2025	December 31, 2024
Advances to suppliers	6,967,060	8,627,372
Less: Advances to suppliers provision **	(4,496,439)	(2,717,569)
	2,470,621	5,909,803

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

	September 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 September 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:

	September 30, 2025	December 31, 2024
As at January 1,	18,044,000	16,622,000
Issued visas, net	18,542,000	34,494,000
Transferred to used visas (Note 8)	(13,932,000)	(24,448,000)
Returned visas	(2,450,000)	(8,624,000)
Balance at the end of period / year	20,204,000	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 relationship	Nature of transaction	For the nine months period ended September 30,	
			2025	2024
				(Adjusted)
Dr. Sulaiman Al Habib Medical Services Group Company	Shareholder	Sales	48,738,404	8,710,901
		Purchases	(583,022)	(194,572)
Masah Contracting Company	Related to shareholder	Sales	7,013,590	14,925,261
Four Twins Company Limited	Related to shareholder	Sales	3,125,600	2,537,590
Burger Map Restaurants for Fast Food	Related to shareholder	Sales	1,887,419	1,712,148
Future Classification Real Estate Company	Related to shareholder	Sales	55,340	-
Rawafid Health International Company	Related to shareholder	Sales	58,300	-
Namara Investment Company	Related to shareholder	Sales	50,274	-
Tasheel Real Estate Company	Shareholder	Sales	5,979	21,900

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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	September 30, 2025	December 31, 2024
Dr. Sulaiman Al Habib Medical Services Group Company	Shareholder	37,469,341	10,808,786
Masah Contracting Company	Related to shareholder	3,537,743	5,670,811
Burger Map Restaurants for Fast Food Company	Related to shareholder	264,500	483,749
Four Twins Company Limited	Related to shareholder	413,220	368,538
Namara Investment Company	Related to shareholder	6,203	1,474
Rawafid Health International Company	Related to shareholder	6,904	1,940
		41,697,911	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 nine months period ended	
		September 30, 2025	September 30, 2024
			(Adjusted)
Senior executive management	Salaries and remunerations	6,817,679	4,830,799
Senior employees' defined benefits obligation	Employee benefits	317,877	532,660

14. CASH AND CASH EQUIVALENTS

	September 30, 2025	December 31, 2024
Cash at banks	17,770,983	18,856,207
Short term deposits *	148,000,000	190,000,000
	165,770,983	208,856,207

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

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15. EMPLOYEES' DEFINED BENEFITS OBLIGATION

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

	<u>September 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	8,258,359	7,731,485
Finance costs	756,396	667,022
Recoverable employees benefits from customers	1,403,709	1,387,945
Paid during the period / year	(3,920,552)	(4,127,554)
Actuarial re-measurement	(214,829)	1,112,108
Balance at the end of period / year	27,876,809	21,593,726

16. ACCRUED EXPENSES AND OTHER ACCRUALS

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Accrued salaries and other benefits	38,306,154	28,380,933
Accrued vacations	25,544,715	19,206,514
Accrued tickets	19,771,261	16,187,265
Value added tax payable	11,196,221	8,309,522
Board of Directors' remuneration	1,387,500	400,000
Accrued professional fees	1,125,230	448,869
Advances from customers	608,667	666,367
IPO accrued expenses	-	2,166,935
Others	8,024,877	2,030,093
	105,964,625	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 has finalized its Zakat position and received the final assessment up to the financial year ended December 31, 2021. The Zakat, Tax and Customs Authority (ZATCA) has requested additional information for the year ended December 31, 2024, which is still under review by the Authority. The years 2022, 2023, and 2024 are still under review by ZATCA.

Movement of zakat payable is as follows:

	<u>September 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	6,431,973	8,628,212
Paid during the period / year	(8,713,177)	(7,193,718)
Balance at the end of period / year	10,328,181	12,609,385

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18. DIVIDENDS

- On 13 Safar 1447H (corresponding to August 7, 2025G), the company's Board of Directors approved the distribution of cash dividends to shareholders for the first half of the current year 2025G, amounting to SR 37,100,000, at rate of SR 1.40 per share out of a total of 26,500,000 shares. The dividend distribution commenced on September 1, 2025G.
- 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 commenced 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>September 30, 2025</u>	<u>December 31, 2024</u>
Non-current assets	1,520,866	602,843
Current assets	8,171,571	5,621,503
Non-current liabilities	167,598	152,352
Current liabilities	2,453,501	1,390,141
Net assets	7,071,338	4,681,853
Non-controlling interests	2,828,535	1,872,741

**Summary of the profit or loss and other
comprehensive income statement**

Revenues from contracts with customers	9,310,037	6,390,878
Expenses, Net	(6,920,551)	(5,096,693)
Net profit for the period / year	2,389,486	1,294,185
Other comprehensive income	-	-
Total comprehensive profit for the period / year	2,389,486	1,294,185
Non-controlling interests	955,794	517,674

Summary of the cash flow statement

Cash generated from operating activities	3,235,881	398,849
Cash generated from investing activities	-	-
Cash (used in) financing activities	(529,349)	(168,918)

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20. REVENUES FROM CONTRACTS WITH CUSTOMERS

Detailed information of revenues

Sectors	For the three-months period ended September 30,		For the nine-months period ended September 30,	
	2025	2024 (Adjusted)	2025	2024 (Adjusted)
Contracting, operation and maintenance	154,280,554	108,886,057	471,292,582	247,595,535
Individuals	53,768,762	47,205,816	159,678,254	144,745,278
Medical and home health care	18,380,940	18,713,809	54,266,905	53,283,840
Restaurants and food	12,141,975	10,875,489	35,217,995	35,985,926
Retail	7,738,357	5,974,514	21,081,174	20,750,042
Technology and information systems	1,785,963	2,217,045	6,310,170	6,192,101
Others	6,064,890	-	14,321,764	-
Total revenues from contracts with customers	254,161,441	193,872,730	762,168,844	508,552,722

Customer type	For the three-months period ended September 30,		For the nine-months period ended September 30,	
	2025	2024 (Adjusted)	2025	2024 (Adjusted)
Corporate	200,392,679	146,666,914	602,490,590	363,807,444
Individuals	53,768,762	47,205,816	159,678,254	144,745,278
Total revenues from contracts with customers	254,161,441	193,872,730	762,168,844	508,552,722

Geographical distribution	For the three-months period ended September 30,		For the nine-months period ended September 30,	
	2025	2024 (Adjusted)	2025	2024 (Adjusted)
Central region	156,060,397	81,886,242	394,161,210	224,221,791
Eastern region	69,639,488	80,879,168	272,086,179	201,980,712
Western region	18,524,021	16,717,726	55,839,979	49,731,044
Northern region	1,860,661	6,438,517	18,427,396	11,632,257
Southern region	8,076,874	7,951,077	21,654,080	20,986,918
Total revenues from contracts with customers	254,161,441	193,872,730	762,168,844	508,552,722

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20. REVENUE FROM CONTRACTS WITH CUSTOMERS –(CONTINUED)

<u>Revenue recognition timing</u>	<u>For the three-months period ended September 30,</u>		<u>For the nine-months period ended September 30,</u>	
	<u>2025</u>	<u>2024</u> (Adjusted)	<u>2025</u>	<u>2024</u> (Adjusted)
Over a period of time	243,713,380	191,048,553	744,502,041	501,748,821
At a point of time	10,448,061	2,824,177	17,666,803	6,803,901
Total revenues from contracts with customers	254,161,441	193,872,730	762,168,844	508,552,722

<u>Collection type</u>	<u>For the three-months period ended September 30,</u>		<u>For the nine-months period ended September 30,</u>	
	<u>2025</u>	<u>2024</u> (Adjusted)	<u>2025</u>	<u>2024</u> (Adjusted)
Cash Revenues	53,768,762	47,205,816	159,678,254	144,745,278
Deferred Revenues	200,392,679	146,666,914	602,490,590	363,807,444
Total revenues from contracts with customers	254,161,441	193,872,730	762,168,844	508,552,722

<u>Contract balances</u>	<u>September 30, 2025</u>	<u>September 30, 2024</u> (Adjusted)
Trade receivables (Note 10)	237,332,662	129,026,632
Contract liabilities	27,669,928	27,993,799

The Group's revenue includes five key customers, presenting of 69.3% of total revenue for the period ended September 30, 2025 (September 30, 2024: 63.9%).

21. OTHER NON-OPERATING (LOSS) INCOME

	<u>For the three-months period ended September 30,</u>		<u>For the nine-months period ended September 30,</u>	
	<u>2025</u>	<u>2024</u> (Adjusted)	<u>2025</u>	<u>2024</u> (Adjusted)
Realized gain from sales of investments at fair value through profit or loss	1,931	-	369,607	-
Unrealized losses from investments at fair value through profit or loss	(400,110)	-	(502,543)	-
(Loss) Gain from sale of property and equipment	(28,208)	9,550,704	(97,174)	9,631,877
Others	115,082	350,972	644,308	1,203,666
	(311,305)	9,901,676	414,198	10,835,543

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

	For the three-months period ended September 30,		For the nine-months period ended September 30,	
	2025	2024 (Adjusted)	2025	2024 (Adjusted)
Net profit for the period – Company's shareholders	23,932,722	25,184,908	76,258,174	62,405,300
Number of shares	26,500,000	26,500,000	26,500,000	26,500,000
Earnings per share – basic and diluted	0.90	0.95	2.88	2.35

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 nine months periods ended September 30, 2025 and September 30, 2024:

	For the three-months period ended September 30, 2025			
	Corporate sector	Individuals sector	Others	Total
Revenues from contracts with customers	200,392,679	53,768,762	-	254,161,441
Cost of revenues from contracts with customers	(162,260,558)	(47,935,692)	-	(210,196,250)
Gross profit	38,132,121	5,833,070	-	43,965,191
Marketing expenses	(3,941)	(384,460)	-	(388,401)
General and administrative expenses	(2,570,787)	(2,319,966)	(11,159,932)	(16,050,685)
Expected credit losses provision	(2,743,274)	(137,289)	-	(2,880,563)
Operating profit (loss)	32,814,119	2,991,355	(11,159,932)	24,645,542

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23. SEGMENTS REPORTING – (CONTINUED)

	For the nine-months period ended September 30, 2025			
	Corporate sector	Individuals sector	Others	Total
Revenues from contracts with customers	602,490,590	159,678,254	-	762,168,844
Cost of revenues from contracts with customers	(483,411,255)	(139,158,861)	-	(622,570,116)
Gross profit	119,079,335	20,519,393	-	139,598,728
Marketing expenses	(10,386)	(2,711,556)	-	(2,721,942)
General and administrative expenses	(6,042,237)	(7,977,791)	(34,076,514)	(48,096,542)
Expected credit losses provision	(11,511,393)	(383,219)	-	(11,894,612)
Operating profit (loss)	101,515,319	9,446,827	(34,076,514)	76,885,632
For the three-months period ended September 30, 2024 – (Adjusted)				
	Corporate sector	Individuals sector	Others	Total
Revenues from contracts with customers	146,666,914	47,205,816	-	193,872,730
Cost of revenues from contracts with customers	(115,776,753)	(44,614,561)	-	(160,391,314)
Gross profit	30,890,161	2,591,255	-	33,481,416
Marketing expenses	-	(2,187,458)	(195,871)	(2,383,329)
General and administrative expenses	(537,572)	(1,528,610)	(11,955,939)	(14,022,121)
Expected credit losses provision	(1,516,380)	53,584	-	(1,462,796)
Operating profit (loss)	28,836,209	(1,071,229)	(12,151,810)	15,613,170
For the nine-months period ended September 30, 2024 – (Adjusted)				
	Corporate sector	Individuals sector	Others	Total
Revenues from contracts with customers	363,807,444	144,745,278	-	508,552,722
Cost of revenues from contracts with customers	(283,635,868)	(128,551,350)	-	(412,187,218)
Gross profit	80,171,576	16,193,928	-	96,365,504
Marketing expenses	-	(4,307,670)	(456,964)	(4,764,634)
General and administrative expenses	(2,633,864)	(4,636,800)	(31,377,901)	(38,648,565)
Expected credit losses provision	(3,093,449)	(21,346)	-	(3,114,795)
Operating profit (loss)	74,444,263	7,228,112	(31,834,865)	49,837,510

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

Capital expenditure contracted by the Group but not incurred till September 30, 2025, amounted to SR 3,412,148 (December 31, 2024: SR 4,120,030).

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

As at September 30, 2025, the Group had a letter of guarantee amounted of SR 10.3 million secured by a cash margin of SR 10.3 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 identified accounting errors related to the period ended September 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 identified an error in the calculation of certain items of the consolidated financial position as at September 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 corrected the errors.

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

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

	Note	September 30, 2024 (Before restatement)	Restatements	September 30, 2024 (Restated)
Non-current assets				
Recoverable employees benefits from customers	C	-	384,447	384,447
Current assets				
Trade receivables, Net	C	126,296,284	(384,447)	125,911,837
Prepaid expenses and other receivables	A	77,863,021	(10,059,177)	67,803,844
Non-current liabilities				
Employees' defined benefits obligation	C	19,628,211	142,216	19,770,427
Current liabilities				
Accrued expenses and other accruals	A	83,933,152	(2,220,987)	81,712,165
Contract liabilities	B	29,028,669	(1,034,870)	27,993,799
Equity				
Retained earnings	A,B,C	69,123,957	(6,945,536)	62,178,421

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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 nine months periods ended September 30, 2024:

	Note	For the three-months period ended September 30, 2024			For the nine-months period ended September 30, 2024		
		September 30, 2024	Restatements	September 30, 2024	September 30, 2024	Restatements	September 30, 2024
		(Before restatement)		(Restated)	(Before restatement)		(Restated)
Revenues from contracts with customers	B	195,894,012	(2,021,282)	193,872,730	507,902,299	650,423	508,552,722
Cost of revenues from contracts with customers	A	(158,282,973)	(2,108,341)	(160,391,314)	(405,573,326)	(6,613,892)	(412,187,218)
Gross profit	A,B,C	37,611,039	(4,129,623)	33,481,416	102,328,973	(5,963,469)	96,365,504
Finance costs	C	(148,894)	(140,419)	(289,313)	(471,498)	(448,018)	(919,516)
Net profit for the period	A,B,C	29,717,795	(4,270,042)	25,447,753	69,113,427	(6,411,487)	62,701,940
Other comprehensive income:							
Remeasurement of employees' defined benefits obligation	C	-	(143,392)	(143,392)	-	(534,049)	(534,049)
Other comprehensive income (loss) for the period	C	-	(143,392)	(143,392)	-	(534,049)	(534,049)
Total comprehensive income for the period	C	29,717,795	(4,413,434)	25,304,361	69,113,427	(6,945,536)	62,167,891
EPS attributable to shareholders:							
Basic and diluted	A,B,C	1.11		0.95	2.60		2.35

TAMKEEN HUMAN RESOURCES COMPANY

(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED) – (CONTINUED)

FOR THE THREE AND NINE MONTHS PERIODS ENDED SEPTEMBER 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

Based on management's opinion, there are no significant events subsequent to the reporting date that would require adjustment or disclosure in these interim condensed consolidated financial statements.

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 12 Jumada al-Awwal 1447H (corresponding to November 3, 2025G).