



شركة مهارة
للموارد البشرية
Maharah Human
Resources Company

Masterful Growth, Exceptional Distinction

Annual
Report **2024**

“ Every citizen in our beloved country, and every part of our homeland, is a subject of my concern and care. We aspire for everyone to contribute to the service of our nation ”



Custodian of the Two Holy Mosques,
King Salman bin Abdulaziz Al Saud

“ We have capabilities that we will enhance and expand to increase their contribution to shaping this future. ”



His Royal Highness
Prince Mohammed bin Salman Al Saud
Crown Prince and Prime Minister

Masterful Growth, Exceptional Distinction

On a promising path to even greater achievements, Maharah Human Resources Company continues to refine its business strategy with exceptional agility. This approach has successfully propelled the company to achieve high growth levels while ensuring sustainable progress that cements its leadership in the advanced human resources services and solutions sector in the Kingdom of Saudi Arabia.

By leveraging its deep expertise, comprehensive corporate governance, and strong financial position, along with its strategic internal and external network and partnerships with leading global companies in the field, Maharah strengthens its ability to be the top provider of human resources services and solutions, built on a solid foundation of continuous development and sustainable innovation.

Masterful



The company has successfully devised a range of innovative solutions to address challenges, leveraging its extensive expertise to transform obstacles into real opportunities for success.

Growth



Maharah has continued its growth journey across all aspects of the company, despite the challenges of market competition.

Exceptional



Maharah strives to be the leading company in the human resources sector, by achieving its goals with merit through a highly capable and distinguished team.

Distinction



Maharah has maintained its distinction by implementing a structured approach that fosters creativity and innovation across all its processes and operational channels.

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Growing Distinctive Leadership

A conceptual image featuring a large, textured map of the world composed of wooden puzzle pieces. Several small, dark-colored human figures are positioned across the map, interacting with the puzzle pieces. Some figures are standing on completed pieces, while others are reaching for or placing pieces. The scene is set against a warm, golden-brown background, suggesting a sunrise or sunset. The overall theme is one of global leadership, growth, and the interconnectedness of the world.

01 Overview

Figures & Facts

Promising Figures, Backed by Data

Key Financial Performance Highlights in 2024

ﷲ 2.24 billion Highest revenue achieved since inceptions	ﷲ 127.5 million Company profits in 2024G	ﷲ 65.25 million total profits distributed to shareholders in 2024G
Revenue growth rate 18% compared to 2023G	Profit growth rate 27% compared to 2023G	ﷲ 2.77 billion Market value
ﷲ 1.87 billion Total company assets in 2024	ﷲ 625 million Total Corporate Ownership Rights	ﷲ 0.28 per share Profit per share

Key Operational Performance Highlights in 2024

+48,000 workforce count in 2024G	+24% growth rate in workforce in the individual and corporate services sector in 2024G	91% clients' satisfaction rate with the hourly services provided by Maharah
+160,000 clients in the household services sector	+1,000 employees supported under the Saudi outsourcing Services - ESNAD	+500 clients in the corporate services sector
+20,000 workers hired during 2024G.	100% protection rate of the company's data and assets from security breaches	+600,000 increase in Maharah application downloads compared to 2023G
ﷲ +1,5 billion total value of contracts signed in 2024 and its impact over the next three years	+400 professions attracted since the establishment of Maharah to date	+1,000 additional beds added to the workforce housing capacity
+600 employees in Maharah	+160,000 workers since the establishment of Maharah to date	24 Maharah branches across the Kingdom
30% Female employees	+74 The country from which human resources are sourced	68% Saudization rate with a classification in the

Human Resources

Chairman's Message

Dear Esteemed Shareholders and Partners,

Peace be upon you,

Another year has passed at Maharah Human Resources Company, bringing further brilliance and excellence to our journey. I am pleased to share with you the numerous achievements detailed in our 2024 Annual Report, reflecting our ongoing commitment to distinction, growth, and success.

This successful journey would not have been possible without the grace of God, followed by the adoption of a comprehensive strategic vision by the company's management. Through this vision, Maharah has achieved a series of real success stories, granting it the high efficiency needed to lead the human resources market in the Kingdom of Arabia for decades.

Building on this legacy, Maharah has made significant progress across all aspects of its business, guided by its comprehensive development strategy. This included designing a dedicated strategy for Environmental, Social, and Governance (ESG) practices and launching a series of programs and initiatives aimed at integrating sustainability into every facet of its operations across various corporate services sectors.

Additionally, Maharah has implemented an advanced risk management strategy, establishing robust frameworks for its optimal application in collaboration with a renowned consulting firm. Furthermore, the company has remained committed to strengthening its relationship with shareholders, maintaining ongoing communication, keeping them informed of key developments, and engaging them in its activities and events throughout the year.

In the realm of governance and administrative organization, Maharah commenced the year with a strong focus on enhancing its governance framework by engaging a specialized consultant to implement best governance practices. This initiative aimed to implement best-in-class governance practices, leading to the revision of regulations and policies to align with the highest market standards. Additionally, the company appointed a dedicated consultant specializing in compliance and risk management, through whom a robust Compliance and Risk Management Department was established. This included the development

of comprehensive policies, the creation of a master risk register, and the implementation of compliance standards in strict adherence to the relevant regulatory frameworks.

Furthermore, the company restructured the ownership of several subsidiaries, defining a strategic roadmap for each entity while setting a unified direction. Furthermore, new leadership teams were appointed across most subsidiaries, and governance frameworks were refined to enhance operational efficiency. Efforts were also made to align Maharah with these subsidiaries in a manner that ensures the effective execution of the company's overarching strategy.

On the other hand, the company has achieved remarkable growth at both operational and financial levels. Total revenue reached 2.24 billion Saudi riyals, reflecting a 18% increase compared to 2023. This performance underscores the company's continued success in driving growth across all business segments. Meanwhile, net profit reached 127.5 million Saudi riyals, marking a significant increase compared to the previous year.

Maharah has intensified its efforts to collaborate with prestigious foreign companies attracted by the Ministry of Investment to establish their operations in the Kingdom. The company has provided these enterprises with specialized, professional solutions to support and enable them to attract and recruit local talent, adding real value to its leadership, increasing brand awareness, strengthening its market presence, and significantly expanding its client base. Additionally, Maharah has successfully forged strategic partnerships with leading international human resources firms, opening new avenues for delivering innovative services and solutions while enhancing its competitive advantages and reinforcing its market leadership in Saudi Arabia.

Leveraging its leadership role in the Saudi labor market and its active participation in relevant local and international forums, Maharah has further expanded its business by entering the government sector, offering premium workforce solutions that provide added value and benefits to its clients. This expansion has positioned the company to align with all key pillars of Saudi Vision 2030. Looking ahead, in line with its development strategy initiated in 2024, Maharah aims to continued grow its revenues and those of its subsidiaries.

Finally, I am honored to extend my deepest gratitude and appreciation to our wise leadership, represented by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, may God preserve him, and His Royal Highness Crown Prince Mohammed bin Salman bin Abdulaziz Al Saud, Prime Minister, may God protect him, for their unwavering support in driving comprehensive social and economic development.

I would also like to express my sincere thanks to all our esteemed shareholders and partners for their trust in us. My appreciation extends to the members of the Board of Directors for their continuous guidance, support, and oversight, working closely with the executive management to ensure the company's success. Additionally, I extend my heartfelt gratitude to all Maharah employees at every level for their dedication, loyalty, and relentless efforts in achieving the company's strategic objectives. May God grant us continued success.

Dr. Abdullah Bin Sulaiman Al-Amro

Chairman of the Board

**Significant
Progress Across
All Business
Segments,
Driven by Our
Development
Strategy**



CEO's Message

Peace be upon you,

In 2024, Maharah Human Resources Company achieved yet another set of remarkable successes, further enriching its legacy of major accomplishments with tangible facts and figures. These achievements have reinforced the company's leadership position in the human resources sector across the Kingdom of Saudi Arabia.

Despite various challenges faced throughout the year, Maharah successfully overcame them, transforming obstacles into real opportunities for future success through innovation and continuous adaptation. This was made possible by the effective and skillful execution of its development strategy, for which we are grateful. As recruiting skilled and qualified workers for the household services sector from certain foreign markets became increasingly difficult, the company responded by launching specialized and innovative training programs through its dedicated training academy. These programs delivered substantial added value to its workforce, enabling them to effectively meet the growing demands of both existing and new clients with high efficiency.

Despite the intensifying competition in the Saudi market due to the growing number of human resources companies, Maharah successfully developed an innovative marketing strategy while simultaneously enhancing service standards. Through its subsidiaries, the company delivered comprehensive, value-added services through its subsidiaries, the company gained a competitive edge, attracting new clients and significantly expanding its market share.

With the Ministry of Human Resources and Social Development imposing price caps on human resources services and wages across the Kingdom, cost management challenges have intensified. However, Maharah effectively navigated these challenges with remarkable expertise skill and efficiency. The company implemented a thorough cost restructuring initiative, optimized its operations, and improved the efficiency of its financial and human resources utilization. These measures provided the necessary flexibility to sustain strong profit margins successfully.

Additionally, as cybersecurity risks escalated with the growing reliance on digital solutions and advanced applications, Maharah significantly increased its investments in strengthening its integrated cybersecurity protocols. The company also prioritized training and empowering its workforce with cutting-edge global best practices in this field. These efforts substantially enhanced the efficiency of its digital systems and IT infrastructure, reinforcing customer confidence in the security and quality of its services and solutions on a broad scale.

One of the most significant milestones in Maharah's successful journey in 2024 was achieving the highest revenue in the company's history. Additionally, Maharah secured several strategic contracts with major companies in the Kingdom and set a new record in the number of its workforce. The company also focused on enhancing customer experience and increasing client satisfaction, which led to receiving a prestigious award for excellence in customer experience.

In addition to successfully executing numerous large-scale projects within the company's work environment, such as the full implementation of corporate governance, the compliance project, the risk management development project, and the integration of sustainability across all company operations through top-tier environmental, social, and corporate governance (ESG) initiatives and best practices in accordance with the highest UN-approved standards, the company has also undertaken key projects, including the development of internal policies and regulations, the strategy development project, the technical system integration and its linkage with subsidiaries, and the alignment project with subsidiaries. Additionally, it has launched the leadership training and future competencies project, all within

the broader framework of achieving the company's key future objectives, which focus on establishing sustainable strategic partnerships with major companies and institutions in both the public and private sectors, God willing.

I would like to take this opportunity to extend my deepest gratitude and appreciation to our wise leadership and esteemed government for their unwavering and unlimited support in driving comprehensive development across the Kingdom, particularly in advancing the human resources sector to achieve the highest levels of quality and well-being for Saudi society.

I also extend my sincere thanks to the esteemed Board of Directors for their guidance and support in fostering growth and progress within the company. My appreciation goes as well to the executive management team and all employees, at every level, for their dedication, commitment, and relentless efforts in ensuring the continued success of the company across its various sectors. Their contributions have been instrumental in achieving Maharah's strategic objectives with outstanding efficiency and excellence

May God grant us continued success.

Abdulaziz Al-Kathiri

Chief Executive Officer

**Enhancing
Capabilities,
Efficiency, and
Service Quality
While Unlocking
Promising New
Development
Opportunities**



About Maharah

18-19

“Maharah Human Resources” was established as a closed joint-stock company under Ministerial Decision No. (80/Q) dated 02/04/1434H (corresponding to 12/02/2013), according to Commercial Registration No. (1010364538) issued on 07/04/1434H (corresponding to 17/02/2013).

The company’s capital is 475,000,000 Saudi Riyals (Four hundred seventy-five million Saudi Riyals), divided into 475,000,000 shares of equal nominal value, with each share valued at 1 Saudi Riyal.

The company’s primary objectives, as outlined in its bylaws and commercial registration, are to provide labor recruitment intermediary services and offer workforce services to individuals and the public and private sectors, in line with the needs of the Saudi labor market across various fields and activities.

A Tale of Distinction and Sustainable Leadership

Maharah Human Resources Company commenced its operations in 2013 in Riyadh, aligning with the growing demand from various segments of clients in the Saudi market. With an openness to a variety of human resources specialties, the Company secured an additional competitive edge, positioning itself as a leader in workforce services. Maharah provides tailored solutions that cater to the varied needs of its clients across all sectors, whether in the corporate services sector for both public and private entities, or in household services. The Company employs a distinguished workforce of skilled professionals across more than 400 diverse professions, serving clients nationwide.

Comprehensive Coverage for All Market Needs

Maharah’s services for the corporate services sector span various industries, including commercial activities, the government sector, healthcare, retail, hospitality, entertainment, industry, operations, contracting, and petrochemicals, as well as the Saudi Support Sector, among others. Additionally, Maharah offers a range of services for the household services sector with options such as resident labor solutions or hourly service plans, along with recruitment mediation, elite services, and many specialized solutions, including homecare for the elderly, and children with special needs, and nanny or sitter services, catering to the diverse requirements of its clients.

Always Close to Clients, Everywhere

Maharah has continuously evolved advanced methods and strategies sustainably to reach all segments of its target clients, providing them with a full range of services that meet their needs with utmost professionalism and commitment. Since its inception, the Company has deployed more than 160,000 workforce professionals from diverse nationalities and expertise from around the world, serving over 1,000 major corporate and government clients, as well as more than 160,000 individual clients. This is achieved through its outstanding integrated digital services and a network of 24 branches across the Kingdom of Saudi Arabia, in addition to its digital branches in Shaqra, Sakaka, Al-Baha, Al-Majma’ah, Jubail and Al-Dawadmi.

Strategic International and Local Partnerships

Maharah has successfully leveraged its deep expertise and extensive market knowledge, staying continuously informed about the latest global advancements in this sector across the world. It studies these innovations and aligns them with the requirements and needs of clients across all segments. In addition, Maharah has established a network of collaborative partnerships with the most prominent and reputable global human resources service providers, thereby enhancing its ability to innovate and develop and tailor additional services, solutions, and programs. This strategic approach addresses the growing demands of the major projects launched by our government—especially in the workforce services—and attracting professionals possessing diverse local and international expertise, knowledge and skills.

Leadership through a Sustainable Development Strategy

Reaffirming its leadership in delivering advanced services and innovative products, Maharah has obtained several global certifications of accreditation and excellence, including ISO 9001:2015 for Quality Management and ISO 45001:2018 for Occupational Health and Safety Management. These certifications reflect its commitment to the highest standards of quality and employee safety. The Company has further solidified its leadership in the human resources sector by winning the Best Human Resources Company Award and the Best Work Environment certificate in the Kingdom. Building on its ongoing successes, Maharah has begun implementing the first phase of its ambitious future strategy this year. The strategy focuses on empowering and investing in national talents and expanding its Saudi Outsourcing Services “Esnad Maharah”, positioning the Company as the largest in this field within the rapidly growing human resources sector. This approach reinforces Maharah leading role in supporting the Saudi labor market, contributing to achieving the Kingdom’s sustainable development goals.



Our Vision

Be on top of mind for premium multi-sector workforce provision in KSA to help achieve the country's long-term socio-economic objectives

Our Mission

Serving our clients' evolving needs across KSA by providing premium manpower solutions and growing sustainably via new ventures and strategic alliances

Our Geographic Presence

We aim to enhance the quality of our innovative services and solutions in the business sector—and ensuring smooth, efficient, and easy access to all our client segments—Maharah therefore, has expanded its presence through 24 branches across the Kingdom of Saudi Arabia, along with its digital branches in Shaqra, Sakaka, Al-Baha, Al-Majma'ah, Jubail, and Al-Dawadmi.

Our Values

Teamwork

We believe that by working as a team, we can achieve far more than as individuals. Our collaborative approach is fundamental to reaching our shared goals.

Visionary Thinking

We foster a forward-looking mindset by hiring ambitious individuals who think beyond the present. We support continuous planning, innovation, and growth while working constantly to achieve development, improvement and growth

Commitment

Commitment guides our actions and defines our culture. We consistently meet and exceed expectations, respect deadlines, and deliver the desired results.

Passion

Passion fuels our collective energy, driving us to achieve our goals and fuel our relentless pursuit for excellence and progress. We are deeply passionate about our work, which drives us to achieve exceptional outcomes.

Alignment

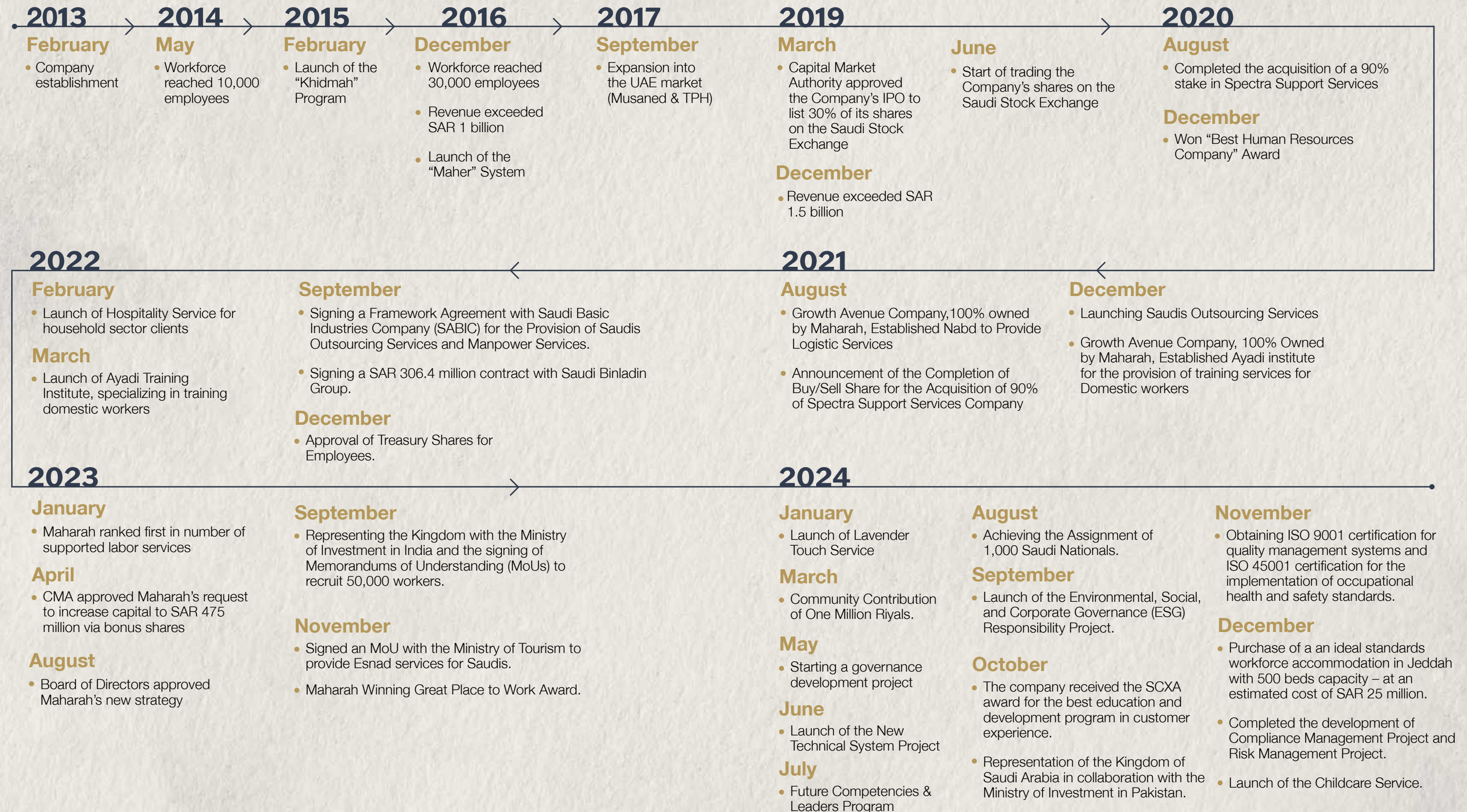
We operate as a group, ensuring an optimal business model and aligning the added values of our companies. By leveraging diverse expertise and resources, we expand our scope of work and market presence, drive innovation, and deliver exceptional value to our clients.

Number of Branches

- Riyadh Region
- Eastern Region
- Jeddah Region
- Makkah Region
- Tabuk Region
- Hail Region
- Asir Region
- Al Qassim Region
- AL Madinah Region



Milestones in Our Journey



Maharah in 2024G

A Year of Distinction and Growth



January

- Received the “Great Place to Work” award.



August

- Reached 1,000 Saudi employees in Esnad Maharah (Saudi Support Sector.)



October

- Represented the Kingdom in Pakistan, in collaboration with the Ministry of Investment.



- Received the Golden Award for Customer Experience at the national level in the Kingdom.



- Secured a significant market share in the Saudi Support Sector, making Maharah the first Company in the market to hold a Saudi support license.

December



- Activated the 500-beds model workforce housing in South Jeddah.



- Launched several new services for the individual sector, including the “Lavender Touch,” Babysitter Service, and “Madar” Service.

March



- Under the theme “Maharah’s Decade,” the Company celebrated its 10th anniversary in the presence of all employees, showcasing its achievements over the past ten years and honoring outstanding employees.

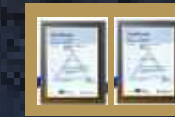


- Contributed SAR 1 million to the “Ehsan” charitable platform.

September



- Launched the Environmental, Social, and Governance (ESG) initiative.



November

- Maharah Human Resources obtained ISO 9001 for Quality Management and ISO 45001 for Occupational Health and Safety.

Active Participation

In line with the Company's strategic direction, Maharah is continuing to strengthening its active presence at leading events. This effort aims to promote its innovative services and share its successful experience in advanced human resources services and leverage global best practices to meet the demands of the local market. Additionally, Maharah seeks to foster and build more strategic partnerships to expand its client's base and sustainably grow its investment portfolio.

February

- Participated as a Golden Sponsor at the "BIG5," largest construction and building exhibition, reaffirming its commitment to support and develop this vital sector. Maharah aimed to strengthen its market presence, build strategic relationships with industry partners, and present its latest innovations, solutions, and services.



April

- Participated in the "Aramco Partners" Exhibition in Dhahran, showcasing the Company's latest services, promotional offers, engaging with visitors, and addressing their inquiries.



May

- Participated in the "Dhiba International Building Exhibition 2024" in Tabuk, reaffirming its commitment to supporting and developing this crucial sector.



October

- Participated in the "Global Health Forum," showcasing the Company's latest human resources services and establishing sustainable strategic partnerships in the healthcare sector.



Subsidiaries and Affiliates

28-29

Subsidiaries

Maharah continues its unwavering efforts to develop all work methodologies in line with its ambitious strategy, aiming to expand its project portfolio and broaden its client's base. This is achieved by innovating a range of advanced services and programs that seamlessly integrate with those offered by its subsidiaries and affiliates—thereby enhancing its competitive advantages, diversifying its revenue streams, increasing its market share, and ensuring long-term business sustainability of its operations.

Growth Avenue Investment Company



This company operates in financial services activities, investing in equities in other companies, and executing Maharah's project development initiatives. Growth Avenue owns six subsidiaries and shares in three affiliates.

Sustainable Operations Company Ltd



The company offers a variety of maintenance and operations services, including home maintenance and deep cleaning, utilizing innovative technological solutions and exceptional quality standards. It aims to improve the daily lifestyle of its customers through reliable, innovative, and easily accessible services, with a strong focus on efficiency and attention to detail. This company is a key initiative in the Group's service diversification initiatives.

Spectra Support Services Company



A leading company in the field of operations and maintenance in the Kingdom of Saudi Arabia, Spectra aims to provide outstanding and comprehensive services to its clients in both government and private sectors. The company's mission is to deliver sustainable and efficient solutions to ensure the highest-quality facility operations and maintenance efficiency. Its services also include provision of operation and maintenance of public facilities of all types, biomedical, medical equipment maintenance, cleaning, pest control, landscaping, swimming pool maintenance, and call center services.

Professional Development Training Company



This company specializes in providing professional training for domestic workers. It owns "Ayadi Training Academy," dedicated to training new domestic workers in housekeeping, cooking, childcare, elder care, and other specializations. The academy adopts a real-life simulation approach through dedicated labs that mimic different sections of a typical Saudi home, in addition to lectures highlighting Saudi culture and other topics which are considered important for domestic workers.

Nabd Logistic Services Company Ltd

Nabd provides logistics and delivery services through innovative solutions and advanced technologies to meet the rising demand for on-demand delivery services. Its goal is to enhance service quality for customers by offering dynamic, flexible logistics solutions during peak and seasonal periods. Nabd delivers food to customers through specialized platforms, and provides parcels and shipments via third-party applications. In 2024G, the company received its final light transport license, and increased the number of technical staff (drivers) and vehicles dedicated to deliveries.



TPH Group

Operating in the United Arab Emirates, TPH Group offers a range of diverse services through its subsidiaries. These services include the following:

TPH Assistant Domestic Services: Providing assistant domestic services in various professions to meet individual needs.

TPH Pest Control Services: Offering hourly cleaning services in Dubai and Abu Dhabi, where clients can choose cleaning hours according to their needs, whether for their homes or businesses, while ensuring the service is delivered with the highest quality and flexibility.

Yalla Fix It: The company provides outstanding maintenance and operation services, in addition to individuals' homes and businesses inspection services. For companies, Yalla Fix It has a specialized team that provides data center cleaning services, ensuring the highest standards of quality and operational efficiency.



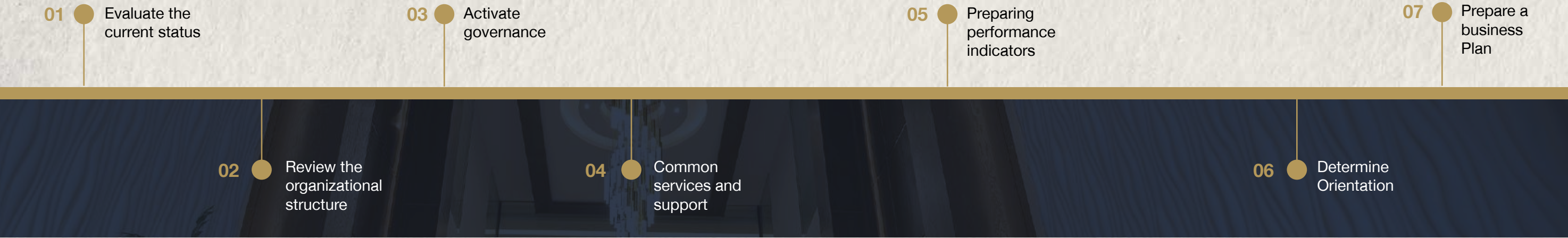
Arabian Shifa Medical Company

The company is a leader specialized in healthcare and hospital management and operations in the Kingdom, in alignment with Saudi Vision 2030 goals to reform and restructure the healthcare sector. It seeks to provide healthcare services across all regions of the Kingdom, improve service quality for citizens and residents, and develop healthcare infrastructure through public-private partnerships. In 2024G, the company increased its technical staff in response to the growing demand for its services.



Subsidiaries Management Roadmap

The subsidiaries and affiliates management roadmap aims to establish a clear strategic direction for the growth and development of Maharah’s subsidiaries. It provides a structured approach that aligns subsidiaries with Maharah’s objectives, enhances financial performance, and ensures operational excellence.



Scope



Subsidiary	Activity	Share Capital	Headquarters	Ownership Percentage
Growth Avenue Investment Co. (LLC)	Investment Holding Company	SAR 5,000,000	Riyadh	100%
Professional Development Training Co. (LLC)	Professional Training Company	SAR 2,000,000	Riyadh	100%
Nabd Logistic Services Co. (LLC)	Providing Logistics Services	SAR 100,000	Riyadh	100%
Sustainable Operations Co. Ltd. (LLC)	Maintenance and Operations	SAR 100,000	Riyadh	100%
Spectra Support Services Co. (LLC)	Facilities Management	SAR 30,000,000	Riyadh	100%
Arabian Shifa Medical Company (LLC)	Healthcare & Telemedicine Services	SAR 833,340	Riyadh	100%
TPH Group	Domestic workers support	AED 300,000	United Arab Emirates	100%

Affiliates

KABI Technology for Information Technology



KABI offers innovative and intelligent Saudi support and recruitment solutions designed to assist both employers and job seekers. This is achieved through AI-powered recruitment technology and machine learning algorithms that expedite and streamline talent acquisition and management processes. KABI automatically ranks candidates based on meaningful matching results, saving companies and teams both time and costs.

Care Shield Holding Company



Care Shield Holding owns and operates Kingdom Hospital and Consulting Clinics. Kingdom Hospital features comprehensive clinics across various medical specialties, with a bed capacity exceeding 130 beds. A new expansion added 50 more beds, including 25 ICU beds.

Saudi Medical Systems Company



This company specializes in providing cooked catering services for hospitals, covering both patients and staff, in addition to operating food facilities within hospitals. It currently serves major government hospitals affiliated with military entities and the Ministry of Health in the Kingdom of Saudi Arabia.

Salis IT Company



Salis owns and operates the “Soror” platform, which provides electronic services in various fields, including home cleaning, hourly domestic worker rentals, car washing, and all forms of home maintenance.

Affiliate Company	Activity	Share Capital	Headquarters	Ownership Percentage
KABI Technology for Information Technology (Closed JSC)	Human Resources & Saudi Workforce Assignment.	SAR 200,000,000	Riyadh	19%
Care Shield Holding Company (Closed JSC)	Healthcare	SAR 125,000,000	Riyadh	41.36%
Saudi Medical Systems Company	Catering services for hospitals	SAR 4,000,000	Riyadh	40%
Salis IT Company	A platform for providing various household service	SAR 125,000	Riyadh	20%

Why Invest in Maharah

A Highly Competitive and Attractive Investment Environment

Maharah continues to reinforce its leadership in the Kingdom of Saudi Arabia’s human resources sector, possessing a set of genuine competitive advantages. Its proficiency in developing comprehensive and integrated solutions ensures success for its diverse clientele while safeguarding shareholders’ rights and contributing to the national comprehensive development journey. Maharah supplies foreign workforce to both public and private sectors, as well as to household, leveraging its strategic network of over 60 renowned global recruitment agencies. Additionally, its leadership team comprises top-tier professionals recognized for their efficiency and expertise—individuals who inspire the workforce with values of innovation, dedication, and excellence, enabling them to achieve the Company’s strategic objectives. Consequently, Maharah stands out as a unique investment environment with the following competitive advantages:

Efficiency and Expertise of the Board of Directors

Maharah has a select Board comprising top-tier professionals who are recognized for their efficiency and diverse expertise in business management and carrying out successful projects for both the public and private sectors. The Board represents a real and unique addition to the Company’s operational path, as they inspire all employees with the values of belonging, loyalty, passion for giving, and innovation.

Growing Client Base

Maharah has successfully built a network of strategic relationships with various client segments in the Saudi market, enabling the Company to expand its corporate services sector clients’ base to over 1,000 clients across a range of industries, including commercial activities, government, healthcare, retail, hospitality, entertainment, industry, operations, contracting, and petrochemicals, among others. Maharah supports these clients with a suite of innovative services, solutions, and programs that help them execute their operations efficiently and seamlessly, enhancing client’s satisfaction and extending contractual relationships for more than five years. Its clients include companies listed on the Saudi Stock Exchange, large enterprises, and small and medium-sized businesses. Additionally, Maharah maintains strong relationships with its continuously expanding household sector clients’ base. In both Saudi Arabia and the United Arab Emirates, Maharah continually develops and broadens its clients’ base in both corporate and household services sectors by targeting emerging work environments. This strategy is driven by the launch of massive investment projects in the Kingdom and the region, as well as a growing population and the rising demand for related services.

Comprehensive Corporate Governance

Maharah Human Resources Company is committed to implementing and activating a comprehensive corporate governance system that enhances operational and administrative efficiency across all its sectors, in accordance with the highest global quality standards. This system operates within a robust executive framework based on setting performance standards and indicators at every level of the organization—from top leadership and executive management to the smallest operational units and departments. Such an approach equips Maharah with the flexibility and capability to disclose information in accordance with the highest standards of transparency, integrity, and comprehensive professional responsibility.

Growing Financial Adequacy and Strength

Maharah maintains a robust financial position, aligning with its outstanding leadership in the human resources services market across the Kingdom of Saudi Arabia. This is evidenced by financial and operational highlights in the 2024 report: the Company’s total assets reached 1.87 billion Saudi Riyals in 2024G, and it achieved annual revenues of 2.24 billion Saudi Riyals in 2024, reflecting an increase of 18% compared to 2023G. Profits for the same year amounted to 127.5 million Saudi Riyals, marking a 27% growth over 2023G. In 2024G, Maharah distributed dividends to shareholders in the amount of 65.25 million Saudi Riyals, while the total number of contracts signed in 2024G reached More than 500 thousand. The Company’s shareholders’ equity stood at 625 million Saudi Riyals.

Legislator and Stakeholder Trust

Reinforcing its leading role in developing the human resources services sector in the Kingdom of Saudi Arabia, Maharah enjoys substantial trust from the Ministry of Human Resources and Social Development. This trust is reflected in the Ministry’s close monitoring of the Company’s operations and its success in implementing the decisions and regulations issued by the Ministry, thanks to Maharah’s robust organizational and financial capacity and operational efficiency. Moreover, the Ministry frequently involves Maharah in key events, forums, and initiatives it organizes or oversees—such as the Coordinating Council for Human Resources Companies—where Maharah has become a vital and active member. Maharah also participates effectively in the meetings, gatherings, and visits arranged by the Ministry of Investment in Saudi Arabia, particularly in the context of the Ministry’s efforts to attract and bring international investors to the local market, enriching it with the most successful global experiences.

Advanced Digital Infrastructure

Maharah continues to invest in upgrading its digital and technological infrastructure in line with the highest standards of efficiency and quality. This effort enables the Company to support its operational environment and diverse business lines with the latest global digital technology. Through a suite of advanced systems and programs, Maharah can seamlessly, efficiently, and securely meet the needs of both corporate and household services sectors’ clients, as well as those of its investors and workforce.

A Wide Spectrum of Integrated Products and Services

Reaffirming its extensive and longstanding expertise in Saudi Arabia’s human resources services market, and its methodology of continuous awareness of global market developments—alongside conducting comprehensive studies to identify evolving market trends and client needs—Maharah Human Resources Company has successfully created a broad range of advanced solutions and services. These offerings address the requirements of all clients in both the public and private sectors, following an integrated services model that leverages its subsidiaries’ and affiliates’ offerings, incorporating them into diverse packages and services. This approach provides Maharah with the efficiency and flexibility to expand its clients’ base and significantly grow its project portfolio. Maharah currently provides a wide variety of workforce services, with over 48,000 male and female workers across different professions in all corporate services sectors within the Kingdom.

Wide Geographic Presence

Maharah continues to strengthen its leading presence across the Kingdom of Saudi Arabia by operating 24 branches to support its household services sector clients with integrated, innovative services. In addition to its dedicated online platform, which meets clients’ needs according to the highest standards of quality, efficiency, and security, the Company also maintains regional offices to serve corporate services sector clients throughout the Kingdom. In cities where no branches exist, Maharah has developed an innovative solution by delivering domestic workers to these locations, simplifying the customers’ experience and fulfilling their needs in Shaqra, Sakaka, Al-Baha, Al-Majma’ah, Jubail, and Al-Dawadmi.

Sustainable Local and International Presence

Maharah Human Resources Company consistently participates in leading local and regional events, which provide significant opportunities to stay closely connected with the latest developments in advanced human resources services worldwide and to adopt key innovations that further its own progress. At the same time, Maharah shares its successful experience with regional and local markets, granting it the flexibility to attract both international and local investors by meeting directly with them. The Company also leverages its presence in these events to expand its professional network of leading global human resources service providers, enabling it to forge the strongest strategic partnerships.

Integrating the Concept of Sustainability into the Core of Company Operations

In line with preserving its presence and leadership in the advanced human resources services sector, Maharah Human Resources Company is committed to embedding the concept of sustainability into every aspect of its operational and administrative processes. This commitment enables the Company to continue and develop its business sustainably. Maharah has made significant progress in implementing its comprehensive strategy for this purpose, based on the following key pillars.

1. Comprehensive Risk Management Strategy

Maharah has developed a holistic risk management methodology as part of its integrated efforts to sustain and grow its business, in coordination with a renowned global consulting firm specializing in this field. This approach is implemented under a comprehensive governance framework that establishes performance indicators to proactively identify, monitor, and evaluate potential risks, providing the Company with both efficiency and a high capacity to address and mitigate negative impacts to a large extent.

2. Activating ESG (Environmental, Social, and Corporate Governance) Initiatives

Maharah Human Resources Company is committed to developing a fully integrated strategy for environmental, social, and corporate governance in line with the highest global standards in this field. This strategy includes launching various initiatives and implementing them extensively across all corporate services sectors and in its subsidiaries and affiliates, thereby enhancing the Company’s operational environment, preserving and developing the natural environment in which it operates, and advancing community development in the Kingdom. It also contributes to creating real and direct job opportunities for Saudi youth and new graduates, supporting government efforts to reduce unemployment, and promotes local content by prioritizing Saudi suppliers and contractors in all operations. This commitment is grounded in a professional organizational structure that employs a comprehensive corporate governance framework, based on integrated performance indicators for continuous assessment and improvement.

Investors and Shareholders' focus

In line with its unwavering commitment to placing the interests of its shareholders at the heart of its activities, Maharah is dedicated to protecting shareholders' rights, ensuring fairness, and developing innovative programs and services. This approach enables the company to continually expand its investor base and guarantee maximum profitability for all shareholders at all times. In addition, Maharah applies the highest professional standards to deliver top-quality services to its current and potential shareholders and investors, with exceptional efficiency, through the following:

Advanced Strategy for Enhancing the Shareholder and Investor Experience

Striving to apply the highest standards of quality and efficiency, Maharah Human Resources Company implements a progressive strategy aimed at improving the services it provides to shareholders and investors, elevating their experience, and delivering integrated services swiftly and effortlessly in accordance with the highest global standards. This strategy is based on the following focal points:

- Enhancing communication with investors by developing a comprehensive investor relations strategy, including regular updates and transparent engagement, to increase investor satisfaction.
- Strengthening shareholder engagement through initiatives that promote active and sustainable shareholders' participation.
- Providing support to subsidiaries and affiliates in accordance with service level agreements and the Company's strategic directions.
- Building and enhancing strategic partnerships and relationships with financial institutions to develop customized financing solutions.

Organizing Direct Meetings with Investors

Marahah Human Resources Company is keen on organizing one-to-one meetings with potential investors, as well as direct telephone conversations. This approach provides investors with more personalized attention and privacy, allowing them to gain deeper insights into the profitable investment opportunities offered by Maharah.

It also highlights the foundational pillars that enable Maharah to maintain operational efficiency and achieve further accomplishments that yield real value and profitability for both the Company and its shareholders and investors alike.

Investor Relations Electronic Application

The Investor Relations Department at Maharah has launched an "Electronic Investor Relations Application," in collaboration with Saudi Arabia's "Argaam" and "Euroland." This application enables investors to view the company's performance and key financial indicators. It also includes modern tools that help investors make optimal investment decisions, reflecting Maharah's commitment to effective communication, transparency, and enhancing the investor journey. Additional information, data, and inquiries can be found on the Investor Relations page on the company's website at www.marahah.com/investors, as well as by contacting the unified email at investors@marahah.com.

Extensive Global Network

Marahah Human Resources Company actively strengthens its strategic relationships with leading global providers of advanced human resources services. This approach aims to encourage investors to enter the Saudi market that combines further promising and successful investment projects, particularly as our wise government launches a wide range of mega-projects aligned with achieving Saudi Vision 2030. These initiatives create a pressing need for a skilled workforce in various specialized fields, in addition to general operational labor, thereby offering a competitive, attractive, and stimulating investment environment for these promising investors.



Sustainable Development Pillar

02 Strategic Report

Comprehensive Development Strategy

In 2024, Maharah focused on adhering to its future strategy, which was launched and started execution at the end of 2023. This was accomplished through the management of all executive initiatives related to this strategy, with a strong emphasis on activating them through a series of developmental initiatives. Ultimately, these efforts aimed at achieving the company's strategic objectives.

This ambitious strategy aims to enhance Maharah's position as the first choice for all beneficiaries of the services provided by the company through meeting its clients' needs through the provision of highly skilled workforce services across various fields and activities. This contributes to achieving the social and economic goals of the Kingdom and ensuring that Maharah plays a key role in realizing the objectives of Saudi Vision 2030. This will be accomplished through its three core pillars:

Strategic Pillar 1 - Build on manpower provision

Maharah has placed significant emphasis on several targeted sectors in order to enhance and expand its clients' and projects base while prioritizing the focus on the quality and diversity of the highly demanded professions and specialties to meet their client's workforce needs of these sectors. This approach ensures high value and a competitive edge for Maharah in the market.

In this context, the company has adopted a strategic performance indicator that includes increasing the percentage of professional workforce within the total labor force it recruits and assigns to clients based on their specific needs. To strengthen its efforts to attract the most efficient and distinguished workforce, Maharah has successfully established a strategic partnership with renowned global companies that possess extensive expertise in this field. These partnerships are being developed and deepened for the long term, providing greater flexibility, efficiency, and enhancing its competitive capabilities

to attract a larger share of the highly skilled workforce across various required specializations in leading and specialized sectors within the Saudi market.

On another front, Maharah continues to implement an ambitious strategy to provide Saudi workforce solutions, addressing the needs and requirements of government entities for seasonal (short-term) labor across various projects in the entertainment sector, major event management, and Hajj season. This initiative enhances the company's ability to increase the percentage of workforce services provided to these entities, thereby expanding its market share and reinforcing its leadership in the human resources sector. Additionally, it contributes to providing more direct employment opportunities for Saudi youth, aligning with government efforts to achieve the goals of Saudi Vision 2030, which aims to increase job localization and reduce the national unemployment rate, ensuring sustainable growth and activity in the future.



Investing in the Promising Major Projects in the Kingdom

In addition to successfully securing market share in traditional sectors such as construction, contracting, healthcare, hospitality, and more, Maharah is actively developing comprehensive market research and professional studies to explore new opportunities for further growth and sustainable development.

The company is closely following global and local advancements in demand for sustainable alternative energy, continuously identifying the workforce needs of major projects requiring highly specialized and skilled talent. This includes projects in environmentally friendly renewable energy sources, which are being steadily invested in as part of Saudi Vision 2030's mega-projects such as NEOM, The Red Sea Project, Qiddiya, and entertainment seasons.

Additionally, Maharah is expanding its services to meet the workforce requirements of major infrastructure projects in transportation and logistics, which are experiencing substantial growth. These sectors are expected to capture a significant share of future business investments, in line with the launch of the National Transport and Logistics Strategy and major projects like SAR (Saudi Railways), bus networks, and other key initiatives.

Strategic Pillar 2 – Differentiate our offering “Expand to new Services & markets”

As the number of competitors in Saudi Arabia’s human resources sector is increasing, Maharah is focusing on strengthening its competitive advantages to maintain its leading position and long-term sustainability as a distinctive brand in the market. This strategy aims to secure greater business continuity and strengthen the company’s overall financial strength and solvency.

Maharah actively implements strategic initiatives aimed at enhancing and developing the efficiency of services provided by its subsidiaries and affiliated companies, ensuring they integrate seamlessly with Maharah’s premium specialized services. This approach enables the company to offer a diverse, comprehensive, and high-quality portfolio of professional workforce solutions, including on-the-job training, skill enhancement, and direct supervision, ensuring greater workforce efficiency and performance.

In addition to investing in the skills and expertise of its workforce, Maharah is committed to innovating and developing specialized services that align with the existing capabilities of its workforce. The company empowers its workforce by providing them with the necessary tools and high-quality equipment, ensuring they meet growing client demands and deliver enhanced, seamless customer experience.

Through these initiatives, Maharah expands its portfolio of professional services and provided solutions and improves its ability to meet essential client needs. It also enhances the attractiveness and value of the exceptional services provided, unlocking additional opportunities to increase the company’s financial resources. In addition, this trajectory reflects positively on profitable returns, benefitting both shareholders and partners. This progress contributes to enhancing the company’s competitiveness in the local market, thereby boosting Maharah competitive strength Kingdom-wide.

Strategic Pillar 3 – Empowering Maharah

Maharah is actively developing its unique and specialized business model in the integrated human resources services sector by enhancing its organizational, technological, and digital infrastructure and successfully implementing an Enterprise Resource Planning (ERP) system to streamline operations and improve efficiency.

Maharah has implemented a comprehensive strategy focused on enhancing and developing the customer experience. The company launched several initiatives in this area, culminating in its recognition with the Gold Award in the “Best Program for Education and Development in Customer Experience” category at the Customer Experience Awards in the Kingdom of Saudi Arabia.

Maharah has successfully obtained the ISO 45001 Certification for Health and Safety Management and the ISO 9001 certification for Quality Management Systems, following the implementation of stringent requirements and standards related to safety and security and ensuring quality services and facilities

Maharah has launched a comprehensive marketing strategy for promoting its brand both internally and externally. The initiative included a detailed analysis of the company’s position in the market compared to competitors, which contributes to strengthening its position in the market.

The company has adopted an integrated sustainability strategy, which is focused on environmental, social, and corporate governance (ESG) practices, performance measurement and progress documentation in an annual report reflecting the achievements made in this area.

At the human resources level, the company has launched training programs such as “Future Competencies” in cooperation with prestigious educational institutions, and the “Leaders” program to develop leaders’ skills, which enhances employees’ capabilities and contributes to achieving strategic goals. A comprehensive risk management strategy has also been adopted, and detailed performance indicators were set to monitor strategy implementation at all administrative and operational levels.





Sustainability as an Integrated Approach and Work Ethic

Maharah is committed to integrating the concept of sustainable development, which it derives from the United Nations Sustainable Development Goals (SDGs), into all its diverse activities and business operations. The company strives to provide high-quality services to its broad customer base by investing in advanced digital technologies within its operational activities. This not only contributes to improving the efficiency of its operations but also enhances its competitive position in the market. Additionally, Maharah takes on its social responsibility by contributing to achieving comprehensive economic development, which is one of the key objectives of Saudi Arabia's Vision 2030.

Maharah is consistently committed to focusing on the human aspect, striving to improve the living conditions of its workforce, their families, and the wider community, while preserving the environment and adhering to ethical principles and international standards. The company also prioritizes environmental conservation, adheres to ethical principles, and complies with international standards, believing that this commitment is the best way to achieve sustainable development. The company has earned the GREATEST PLACE TO WORK (GPTW) certification as the best workplace in Saudi Arabia, through its continuous efforts to develop a competitive and motivating work environment. This environment provides the best conditions for its workforce and human resources, as Maharah believes that investing in human capital is the best support for achieving accomplishments and enhancing its leadership position in the market.

Ambitious Goals

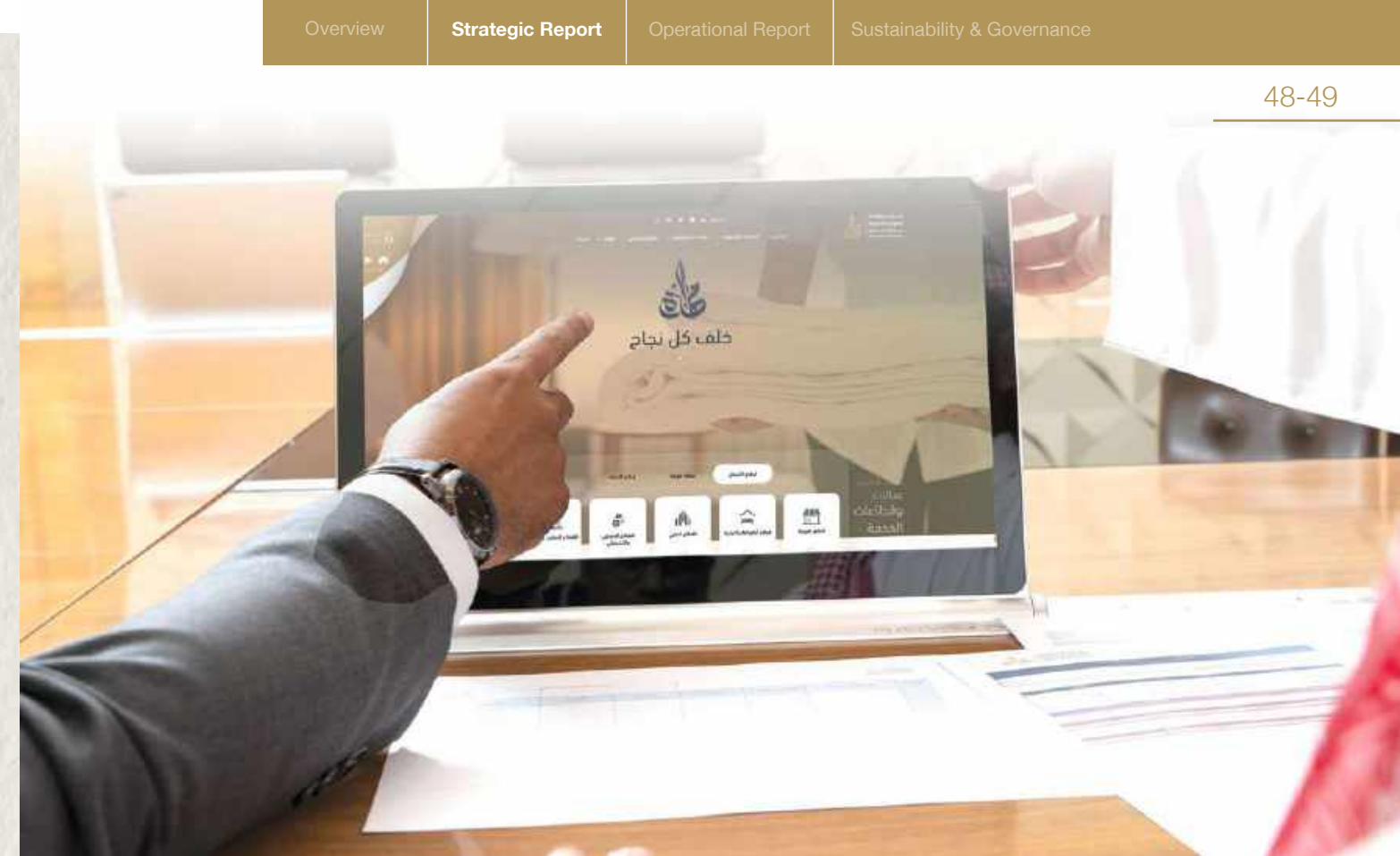
We are always committed to fulfilling our promise to provide the latest services, solutions, and integrated programs that meet the highest global standards of quality, efficiency, and safety, for all segments of our diverse clients across the Kingdom. This is achieved through the following operational objectives:



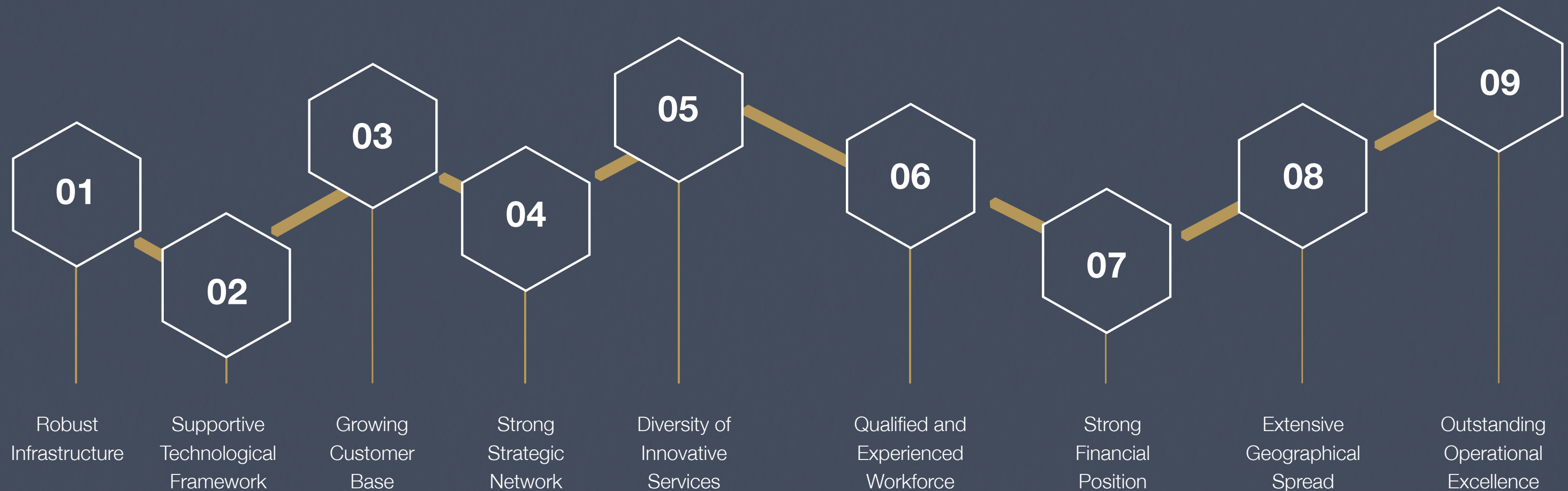
Unique and Innovative Business Model

Maharah implements a comprehensive operational model built on a robust corporate governance framework, ensuring the efficient execution of its current and future business strategies. The company stands out with a highly optimized operational environment, managed by top-tier professionals and experts, all working within an ambitious strategic framework. This strategy ensures the enhancement of its distinguished presence and leadership position, supported by a wide and diverse range of professional services and comprehensive solutions across all its corporate services sectors.

The company relies on a series of meticulously defined values in this model, to ensure the flexible, professional, and efficient application of its strategies and business plans. This enables the provision of all necessary tools and success factors to excel in its performance across all its operational channels.



Key Features of Maharah's Operating Model



Promising Strategic Partnerships

As part of its continuous efforts to enhance all areas of its operations, Maharah is actively expanding and developing a broad network of strategic partnerships both locally and internationally. These collaborations provides the company with the flexibility and additional capabilities to enhance operational efficiency through knowledge exchange and fruitful cooperation. By leveraging the best global expertise and competencies in innovation and integrating advanced modern technologies, the company is able to continuously stay updated on the latest developments in the global human resources industry. This knowledge is then transferred and integrated into all of the company's diverse operations, further cementing its competitive leadership position, enhancing its brand image, and raising awareness of it.

The following are some of the company's key initiatives in this field during 2024:



Hosting an official delegation from the People's Republic of China at the Company's headquarters in Riyadh to discuss opportunities for developing mutual cooperation across multiple fields in alignment with Maharah's future growth plans.



Hosting an official delegation from the Arab Republic of Egypt at Maharah's headquarters in Riyadh, led by the Labor Counselor of the Egyptian Embassy in the Kingdom. The meeting focused on enhancing the recruitment of both skilled and unskilled labor and improving recruitment procedures to align with the Company's development goals and future strategies.



Hosting a high-level delegation from the Islamic Republic of Pakistan, headed by H.E. Salk Hussain, Minister of Immigration and Human Resource Development, alongside H.E. Ahmed Farooq, Pakistan's Ambassador to the Kingdom, to discuss opportunities for strengthening cooperation in attracting skilled professionals and reviewing Maharah's efforts in labor market organization and rights protection, in line with its development strategies and future vision.



Performance Excellence Driven by Passion for Innovation



03 Operational Report

Message from the Deputy CEO of Sales and Operations

May the peace, blessings, and mercy of God be upon you,

Maharah Human Resources Company has experienced remarkable growth across all its diverse corporate services sectors. This coincides with the successful implementation of the first phase of its ambitious 2030 development strategy and its successful entry into new corporate services sectors within the Kingdom. This expansion is driven by the Saudi government's launch of numerous mega-projects under Vision 2030, presenting significant investment opportunities for the company. Maharah's extensive experience, preparedness, and strong financial position enable it to meet the workforce demands of these major projects, providing skilled labor, specialized professionals, and general workforce solutions. In 2024, Maharah achieved a record number of deployed workers, exceeding 48,000.

The corporate services sector achieved significant growth in 2024, with workforce growth exceeding 22% and sales surpassing SAR 1.8 billion. This growth is attributed to the substantial increase in the workforce, with over 33,000 active workers, representing a 23% increase compared to 2023. New contracts were signed for over 20,000 workers. Furthermore, Maharah maintained its market-leading position in providing Isnad services for Saudi nationals, achieving a 134% growth compared to 2023. The company also significantly expanded its presence in the government sector, with a 74% growth compared to the previous year, strengthening its participation in the electronic Spending Efficiency Platform and securing several government and semi-government projects.

The household services sector also witnessed remarkable growth in 2024, with workforce numbers increasing by over 29% and sales exceeding SAR 424 million. This strong performance is attributed to the launch of innovative services that experienced high demand, such as Tas'heel, Istidafa, Al Nokhba, and home drivers, among others. This success underscores the company's ability to focus on its core business while enhancing it with innovative products and services that cater to new segments of society. Maharah also benefited from integration with its subsidiaries, which provide complementary services, and its continued comprehensive digital transformation, streamlining administrative, operational, and financial processes, and significantly improving work efficiency.

In conclusion, we look forward to continued success and growth across all our business activities, driving increased sales, which in turn will lead to higher revenues and profitability for the company and all its shareholders and partners.

Mr. Ali Alotaibi

Deputy CEO of Sales and Operations

**Focus and
promote
innovative
products and
services that
meet community
needs**



Corporate Services Sector

+33,000
Total workforce

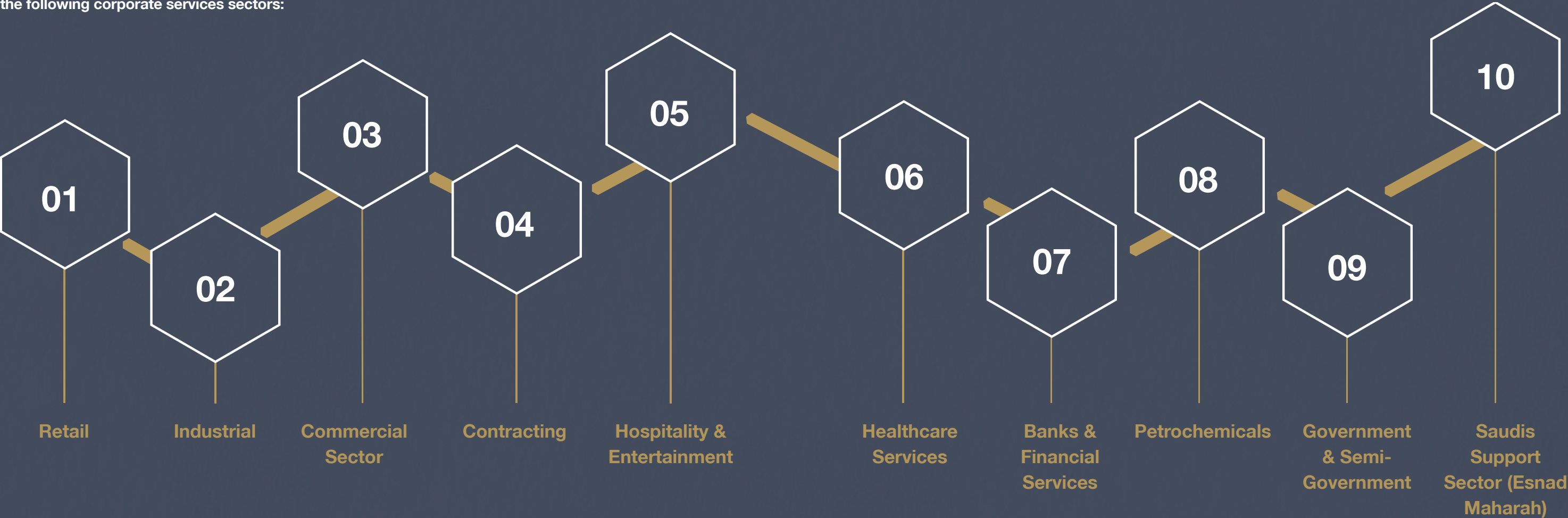
+1,400
professional staff

+1.5B
Total value of
Contracts
signed in 2024

23%
Workforce
growth rate in
2024



Maharah maintains its market leadership in delivering workforce solutions across the following corporate services sectors:



The Company continued to enhance its leadership position by expanding its activities into new sectors and strengthening its presence in key industries as follows:

1. Saudis Outsourcing Sector (Esnad Maharah)

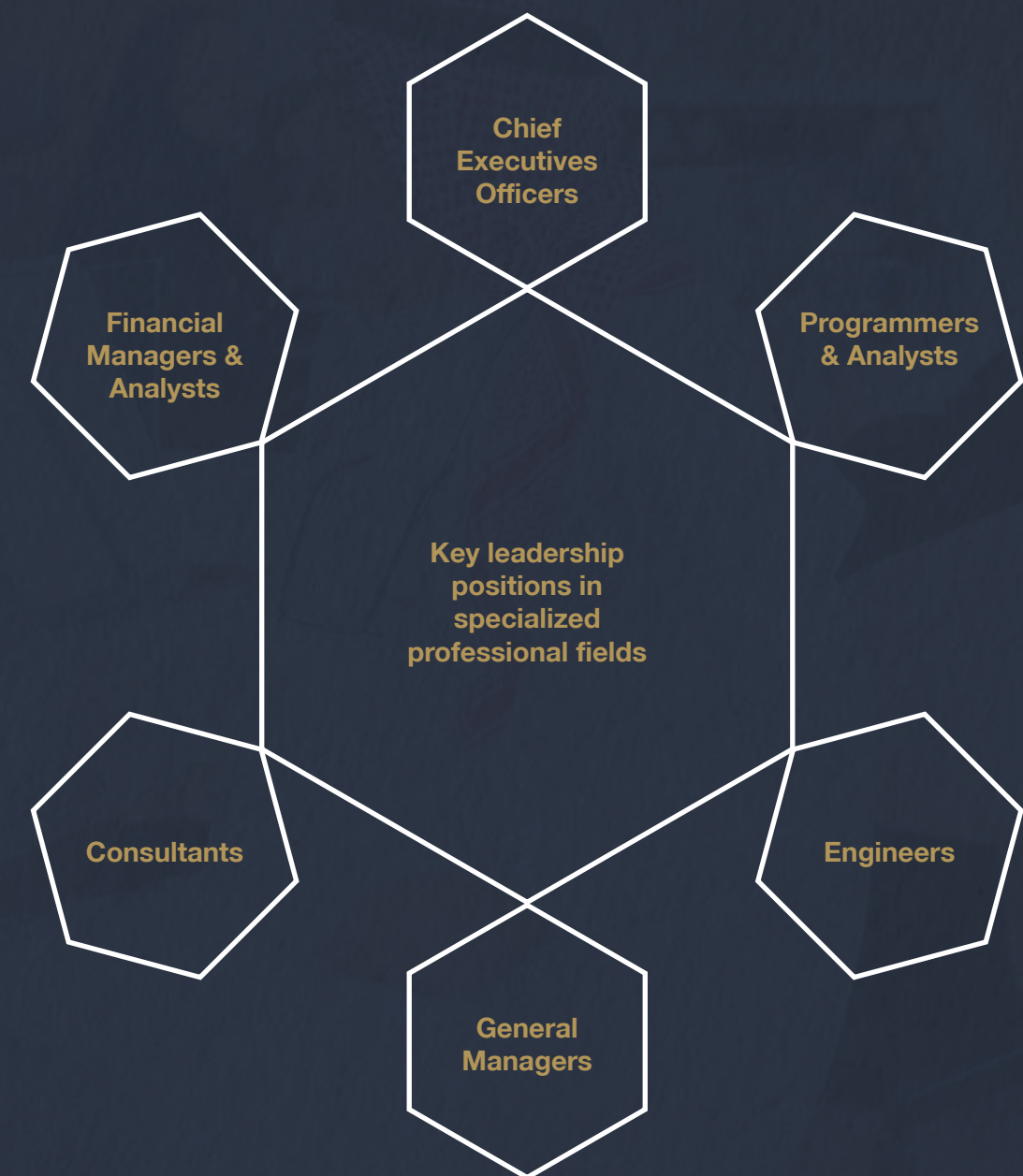
In line with the ambitious government initiatives aimed at localizing jobs across various sectors of the Saudi labor market, Maharah has leveraged its extensive expertise, strong market presence, and strategic relationships across various corporate services sectors to reinforce its leadership in this field. This positioning has enabled the Company to establish a strong competitive position in delivering advanced workforce solutions supporting the national localization policy (Saudis Support Sector) across various industries.

“Esnad Maharah” Services offer a range of workforce solutions, including:

- 1- Supplying National Talent – Providing skilled Saudi professionals to businesses across various industries while connecting them via the client’s Ajeer account, enabling companies to benefit from increasing their Saudization ratios.
- 2- Seasonal Employment – Addressing urgent workforce needs for up to 90 days.
- 3- Dedicated Relationship Manager – Assigning a project-specific relationship manager to cater to business owners and employees, handling HR services such as payroll, social security, end-of-service awards, wage protection system, employment finalization procedures, legal compliance, and workforce-related matters.
- 4- Workforce Flexibility – Offering immediate replacements in urgent cases when needed.
- 5- HR Outsourcing Solutions – Managing employee recruitment, payroll, leave entitlements, social insurance, end-of-service award, wage protection system, medical insurance, and other HR services through the Esnad Maharah Program.
- 6- Extensive Talent Database – Curated database for Saudi professionals across diverse professions, specializations, and qualifications.

Maharah has achieved remarkable success in this field, leveraging its expertise in providing highly skilled non-Saudi professionals, a solid financial position, and a proven track record in executing contracts efficiently. The Company’s management of labor relations with various stakeholders—both internally and externally—reflects its professionalism and commitment to excellence. Maharah has exceeded its 2024 target by successfully localizing over 1,000 positions.

It has also successfully enhanced its services by providing highly skilled national talent for executive and specialized roles, including, but not limited to:



2. Government & Semi-Government Sector

Maharah continued to strengthen its presence in this vital and promising sector, solidifying its position as a leading provider of workforce solutions and related services, including housing, transportation, equipment, and other resources that enhance operational efficiency.

The company serves the government sector, providing personnel for its projects and laying the foundations for continued growth in the future. Additionally, Maharah actively selects high-value government projects to expand its client base and diversify its portfolio of government and semi-government projects. This strategic approach is poised to drive further distinct achievements and successes in the sector.

3. Petrochemicals Sector

Maharah expanded its operations in the petrochemical sector starting in 2023. Despite intense competition from other human resources companies in this sector, Maharah successfully implemented innovative strategies and advanced action plans to bolster its competitiveness. The company secured contracts with leading petrochemical firms through these strategies, solidifying its position as a key provider of specialized workforce solutions. Maharah also adopted a growth-oriented approach involving collaborations with specialized Saudi petrochemical service companies, enabling it to leverage their professional expertise and integrated services for a strong market entry. Furthermore, Maharah strategically established a presence in key locations near major players in the petrochemical industry, facilitating direct and efficient communication. This led to improved activity in this sector in 2024, and these efforts are expected to yield significant positive results, further enhancing Maharah's performance in the petrochemical sector throughout 2025.

Key Achievements in 2024

Making significant progress in outstanding work-force services provided for major corporations and business groups in the Kingdom, and securing a market share through strategic contracts.



Targeting new countries for recruitments across various sectors to ensure leadership, growth, and sustainability.



Workforce contracts were signed to provide more than 20,000 employees. The financial impact of these contracts is expected to reach over 1.5 billion over 2025 and 2026.



Achieving record expansion and growth in the Saudi Talent Outsourcing sector, which increased workforce numbers and revenues across various government and private sectors and professions.

A strategic expansion plan was implemented for professional white-collar workforce services, achieving high growth levels. A significant number of highly skilled professionals were placed, representing 4% of the total workforce in the corporate services sector.



Household Services Sector

- 14

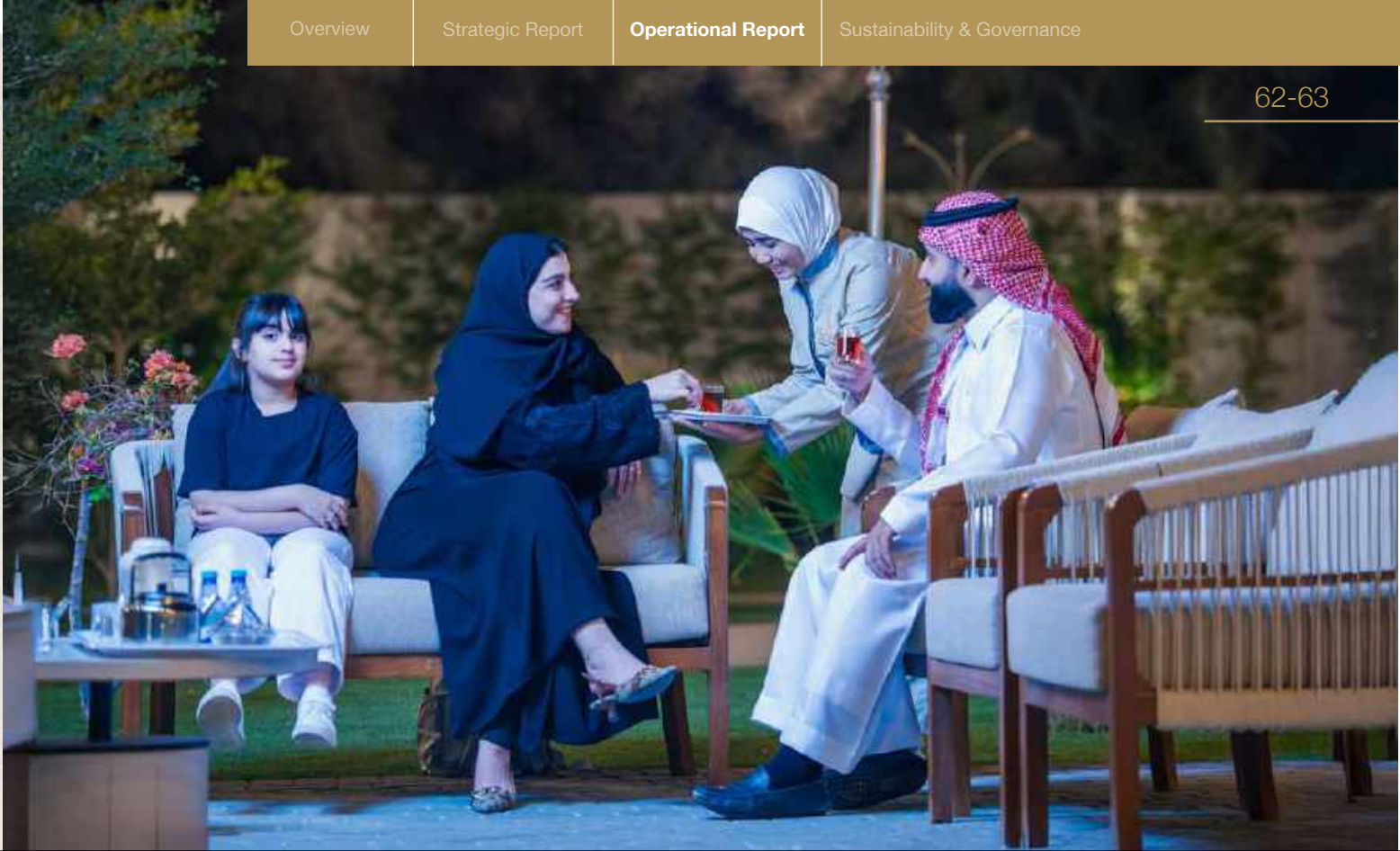
nationalities
- 9

specialized professions
- 29%

workforce growth rate compared to 2023
- 24

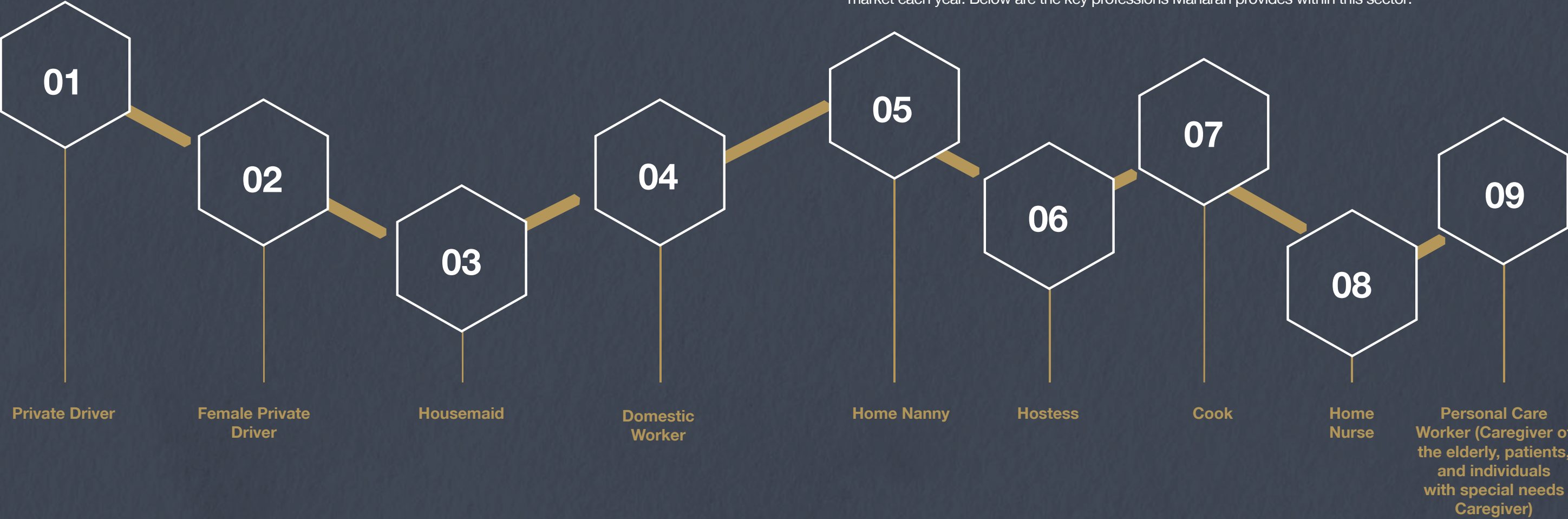
branches across the Kingdom
- 5

New services



In 2024, Maharah proactively enhanced its performance in line with its new strategy, aiming to reinforce its leadership within this vital sector, particularly within the domestic worker services segment, which faces significant challenges. These challenges stem from emerging legislation and regulatory procedures issued

by government bodies, specifically concerning domestic worker services, as part of ongoing efforts to regulate the human resources sector across its various services within the Saudi market. Additional challenges include changing laws and regulations in key labor-sending countries and entering new competitors into the Saudi market each year. Below are the key professions Maharah provides within this sector:



Despite the challenges and downturn experienced by the sector due to the extended summer holiday period, which led to a decline in sales and profits within the domestic worker services segment, Maharah demonstrated significant resilience in overcoming these difficulties. This was achieved through comprehensive performance reviews of its domestic worker services segment in previous periods, compared with available opportunities in 2024. Based on these analyses, Maharah developed a smart methodology that facilitated the creation of successful services and solutions. This resulted in a 50% increase in domestic worker placement compared to previous years, leading to higher revenues from this segment. The services Maharah offers within the domestic worker services segment are listed below:

Household - Monthly Workforce Services

Maharah offers a range of monthly human resources service packages based on full-time employment and live-in arrangements at the client's residence. The company provides various professions and diverse packages, including:



Packages range from one month to two years (1, 2, 3, 6, 12, and 24 months), in addition to Marina and Tawassut packages and elite services.

Household - Hourly Workforce Services (Khidmah)

Maharah offers domestic worker services through its hourly service program (Khidmah Program). This program caters to clients seeking domestic help on an hourly basis. Maharah provides housekeepers and personal care providers under both fixed packages defined by the company and flexible packages customized by the client based on their needs, including visit times, duration, and the number of service providers. Logistical support is provided, including housing in company-owned accommodations across various cities in Saudi Arabia and transportation via Maharah's private fleet.

As part of its new five-year development strategy, Maharah has introduced several innovative, integrated hourly workforce services, leveraging the skills and capabilities of its workforce to better serve the diverse needs of its clients. These services include:

Flexible Service (Marenah)

This service allows clients to book the required number of workers, the number of hours needed, and the attendance time required only twenty-four hours in advance.

Lavender Touch Service

A specialized service offering massage and spa services to clients.

Instant Service (Fawri)

Ensures same-day worker delivery in the shortest possible time, ensuring service provision during various periods of time-based on client's needs.

Hospitality Service

Maharah provides specialized hospitality staff for all types of occasions, celebrations and social events, as per clients' requirements.

Babysitter Service

This service includes the provision of experienced childcare professionals in the absence of parents due to work, travel, or studies. Maharah is working on rolling out this service through Maharah's application and branches to make it available for all clients' segments across the Kingdom.

Madar Service

Maharah uniquely offers this service, which provides clients with a female domestic worker for specific periods (8 hours or 12 hours), with the flexibility for clients to choose the worker's day(s) off according to their needs. The worker returns to her designated accommodation in company housing after completing her shift.

Maharah continues to support and enhance the workforce services for the individuals' sector through its Labor Welfare Department, ensuring workers perform their duties efficiently and successfully. The Company has established individual accounts for each worker, enabling direct communication with Maharah via phone calls or WhatsApp on the My Maharah platform. Workers can connect with their assigned representative or relevant department, ensuring that their requests and concerns are addressed quickly and effectively.

Maharah Services Application

Striving to be closer to all clients' segments and delivering fast and integrated solutions, Maharah has developed its smartphone application, offering a wide range of services to facilitate the hiring of trained domestic workers from multiple nationalities and professions. Fully supported by a trained work team, the application allows users to submit workforce requests, select their preferred worker, make payments, sign contracts digitally, and schedule worker delivery to the client's home. Maharah also provides customized services based on the needs and various requirements of its clients through its (24) branches across the Kingdom.

Workforce Housing

Maharah is committed to providing a safe working environment and well-equipped housing facilities for its workforce, including the workforce under the Hourly Service Program and those assigned to corporate clients. The Company operates 47 housing facilities across various regions in the Kingdom. The entire housing facilities are fully furnished, with some offering catering services, while other facilities have kitchens with internet access and training halls equipped with all necessary facilities.

Transportation Services

Maharah has established a modern fleet of vehicles dedicated to transporting its hourly workforce. The Company also operates vehicles for transporting its monthly workforce. All vehicles are equipped with an advanced tracking system, providing the Company with real-time data. This system enables the Company to automatically calculate travel distances and identify the optimal traffic routes based on client locations, allowing Maharah to efficiently manage its fleet, drivers, and costs. In addition, the Company has a fleet of emergency vehicles to respond swiftly in case of traffic accidents or in the event of any other unforeseen circumstances that may disrupt services, ensuring continuous and reliable service delivery that satisfies clients' expectations.

International Recruitment

Maharah provides a comprehensive suite of services to attract the international workforce and facilitate their integration into the Saudi labor market. The Company offers end-to-end recruitment solutions across various industries, including healthcare, engineering, education, hospitality, and restaurants, among other corporate services sectors in the Kingdom. Our services include:

- 1- Recruitment and completion of hiring procedures.
- 2- Work visa issuance and visit visa processing.
- 3- Attestation of all types of certificates from the embassies and cultural attachés.
- 4- Iris scan appointment booking (Tasaheel service).

In an ambitious and promising step, Maharah has signed a Memorandum of Understanding with one of the world's leading international workforce recruitment firms, making Maharah its representative in the Kingdom. This partnership enhances Maharah's competitive advantage in the human resources sector, aligning with its strategic vision to expand its client base and maximize its achievements and successes in the sector.



Message from the Deputy CEO of Shared Services

Peace and blessings be upon you,

The Shared Services Sector is considered one of the main sectors at Maharah Company, as it aims to support all company sectors in achieving their objectives through vital areas such as Human Resources, Information Technology, Digital Transformation, Cybersecurity, Government Relations, Administrative Services, Marketing, and Customer Experience. The sector also focuses on enhancing the company's practices in these areas to ensure workflow aligns with the highest standards of governance and the implementation of effective control measures.

In line with its ongoing efforts to implement its development strategy, Maharah continues to improve the work environment and support it with all necessary means to sustain it as a competitive top workplace. The company attracts top talent, expertise, and outstanding graduates—both male and female—from Saudi universities, while ensuring their retention and job stability. It also provides them with developmental, professional, and behavioral training programs aimed at enhancing their skills and refining their experiences, enabling them to perform their tasks efficiently.

As part of its digital transformation journey, Maharah has made significant progress by developing its internal systems and enhancing its digital platforms and linking them with relevant government platforms, contributing to improved operational processes and streamlined procedures. This aims to ensure a secure and sustainable digital work environment.

In terms of cybersecurity, and with the increasing reliance on advanced digital solutions, Maharah has successfully increased its investments in enhancing cybersecurity systems. The company has also trained and empowered its workforce on the global best practices in this field, which has contributed to improving the efficiency of its digital systems and ensuring the security and reliability of services provided—fostering stakeholder confidence in the company.

Regarding customer experience, Maharah places special importance on delivering a distinguished customer experience. It strives to improve and develop all aspects of interaction with its clients, from providing innovative solutions to ensuring professional, efficient, and timely service delivery. Maharah proudly received the Gold Award for Best Customer Experience in the Training and Development sector, reflecting its ongoing commitment to providing the highest levels of quality and service to its clients.

As part of strengthening its market position, Maharah places great importance on developing its brand and expanding its customer base. The company implements innovative and effective marketing strategies aimed at enhancing brand awareness and expanding its reach in both local and international markets. These efforts include marketing services through various channels, including digital campaigns, interactive advertisements, and strategic partnerships with different companies and organizations. The company also works on enhancing the customer experience at every stage of interaction, contributing to attracting new clients and maintaining loyalty among existing ones—reflecting sustainable growth in its customer base.

Naif Al-Boqami

**Deputy CEO of Shared Services
- Advisor to the CEO**

**Support and
improve
operational
processes and
practices with
high efficiency**



Human Resources

Our Employees: the Partners of Our Sustainable Excellence

68%

Saudization rate falling within the Platinum category

30%

female employees

+600

total employees



Won the Best Work Environment Award

Ongoing Support and Empowerment

In line with its ambitious development strategy, Maharah focuses on attracting young Saudi talents and enhancing their skills and expertise through a wide range of advanced training programs. The Company strives to create a supportive and inspiring work environment that fosters creativity and innovation, ensuring continuous professional development for its workforce. Additionally, Maharah is committed to implementing comprehensive Saudization strategies that enrich the local labor market with qualified national talents, thereby boosting its competitiveness in the human resources sector and contributing to achieving the goals of Saudi Vision 2030.

Maharah is also keen to i organize various developmental and preparatory initiatives, such as workshops and specialized training courses for new employees, aiming to enhance their professional capabilities, refining their talents, and motivating them to excel and innovate. These efforts are aimed at further elevating performance and achieving the Company's strategic objectives.

Saudization Program

Maharah implements a comprehensive strategy for localizing new positions across its departments and divisions, while maintaining a precise plan for employing Saudi employees, both male and female. As a result, Maharah continues to be classified under the Platinum category of the "Nitaqat" program, as it has achieved a (68%) Saudization rate.

+300

beneficiaries

+6000

training hours for employees

+36

training courses for employees



Additional Benefits and Incentives



Maharah is committed to implementing special programs that grant employees various extra benefits and incentives. In 2024G, the Company approved a program for covering employees' children's educational expenses. Additionally, it launched its second long-term incentive program (Treasury Shares).

Reaffirming its strategy to invest in, support, and empower national talent and expertise, Maharah is preparing several

additional developmental and training programs, notably the following:

1. Launching the leadership mentorship program.
2. Launching a dedicated training platform for employees and their children.
3. Providing training and qualification support for employees to obtain professional certifications.

A Holistic Developmental Corporate Culture

Maharah continues to develop a competitive and motivating work environment that ensures all aspects of job stability are in place and fosters a strong team spirit. The Company actively involves employees at all levels in its various activities and events throughout the year, celebrating social, national, and cultural occasions. This approach guarantees high levels of employee satisfaction with the services and programs

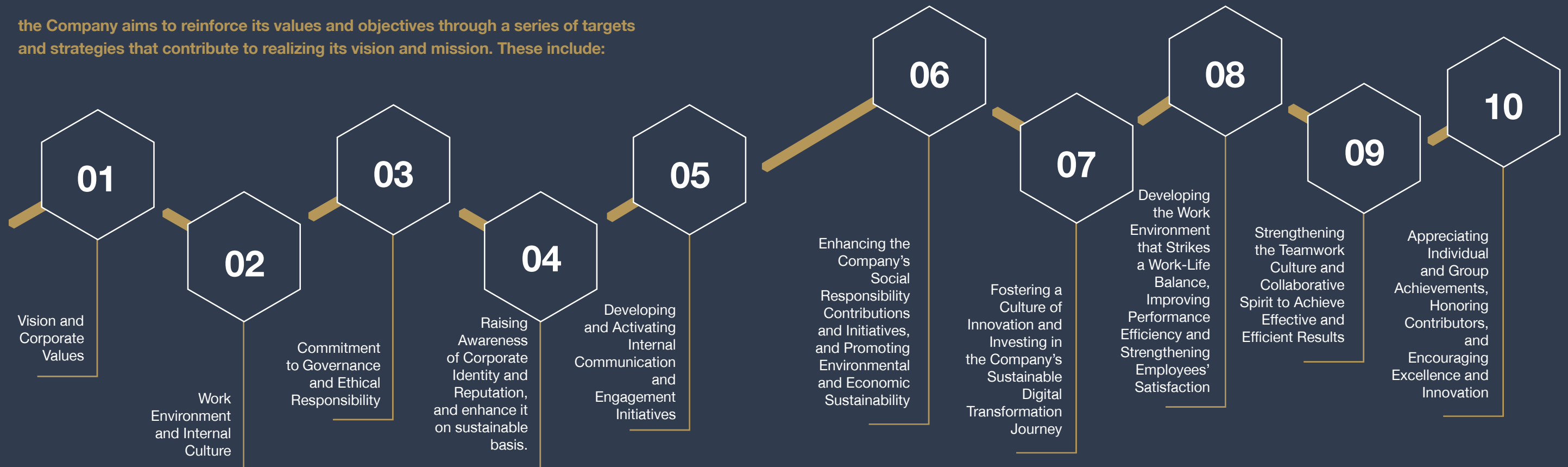
provided. Notably, Maharah participated in the "Best Work Environment Competition" and Won the Great Place To Work Award.

Maharah Human Resources believes that corporate culture is the cornerstone reflecting its identity and spirit, and it serves as the primary driver of its human resources strategies and goals. In this regard,

100
training hours

70
beneficiaries

the Company aims to reinforce its values and objectives through a series of targets and strategies that contribute to realizing its vision and mission. These include:



Initiatives and Events Aimed at Strengthening Maharah's Corporate Culture

1. Recognition and Rewards Programs

Launching a system to reward employees who demonstrate remarkable commitment to corporate values, whether through outstanding performance or innovation in their work.

2. Internal Communication Platforms

Developing internal communication platforms that promote exchange of knowledge and idea exchange across all functional levels, fostering a collaborative and inspiring environment.

3. Ethical Leadership Training

Organizing workshops and training programs that are focused on developing value and ethics based leadership, thereby enhancing trust and effective communication within the organization.

4. Volunteer and Community Initiatives

Encouraging employees to participate in community-driven initiatives that reflect Maharah's values, contributing to reinforcing team spirit and social responsibility.

Maharah's Objectives for Implementing the Competency Development Programs

1. Closing Gaps and Empowering Skills

These programs target bridging the gaps in skills and knowledge, which may hinder outstanding performance.

2. Keeping Pace with Technological and Market Changes

Given the rapid shifts in business and technology, there is a pressing need to equip employees with future-ready skills.

3. Building a Progressive Leadership Generation

To ensure continued effective leadership, Maharah invests in developing leadership and managerial capabilities among highly-skilled employees.

4. Driving Innovation

Competencies form the foundation for unleashing creativity and providing innovative solutions that align with the company's vision and strategy.

Investing in Talent

Maharah Human Resources Company is committed to implementing an advanced strategic approach to talent investment. This methodology aims to equip employees with the skills and capabilities needed to meet future challenges and successfully achieve the company's objectives.

Beneficiaries of the Competency Development Programs

- Managers and Leaders
- Executives
- New Employees
- Highly-Competent Employees.



Competency Development Programs

1. “Future Competencies” Program

Program Objective

Enhancing technical, digital, and innovative skills to tackle the challenges of digital and technological transformation.

Program Duration

The program extends over two continuous years, and covers a total of 100 training hours, including interactive sessions, practical workshops, and lectures delivered by experts from external specialized institutions.

- Competencies – Self-Management
- Competencies – Teamwork

39
Training beneficiaries in 2024G



100
Training hours

2. “Leaders” Program

Program Objective

Enhancing the leadership skills of managers in a professional and exceptional manner, thereby improving departmental outcomes at Maharah Human Resources and ensuring optimal and effective quality of outputs.

Program Duration

The program extends over two continuous years, featuring training workshops that include interactive sessions and lectures delivered by international specialized experts.

- Effective Communication & Leadership Skills
- Leadership with Purpose

31
Training beneficiaries in 2024G



Extends over

24 Months

Workstream	Modules	Accomplishment (for Reporting Period)	Next Actions (for next Reporting Period)	Start & Finish Date	Weight	Status & Progress	Risk
1 Job Architecture	<ul style="list-style-type: none"> Project Kick Off and Business Understanding Organizational Structure Analysis and Design Job Design Job Descriptions Job Evaluation Review and Approval 	<ul style="list-style-type: none"> Maharah suggested options for K-5 structure & additional analysis were discussed and Maharah suggested option was agreed on by the Steering Committee. Job Description template & 15 unique roles identified for IT module kick-off. 	<ul style="list-style-type: none"> Consolidated list of structure of several functions to be reviewed and discussed prior to sign-off on the NRC Meeting for next reporting period. Additional analysis of the structure to be completed by the end of the reporting period. 	27 July 2024	31.2%	25.1%	Low
2 Rewards	<ul style="list-style-type: none"> Compensation Review Performance Review Review and Approval 	<ul style="list-style-type: none"> STP/IT second workshop held; design parameters agreed initially. Awaiting stakeholder meetings & steering committee. 	<ul style="list-style-type: none"> Finalize the design parameters for the STP/IT second workshop. Awaiting stakeholder meetings & steering committee. 	27 July 2024	31.2%	25.1%	Low
3 Talent	<ul style="list-style-type: none"> Talent Review Review and Approval 	<ul style="list-style-type: none"> First draft has been prepared and is ready for review. 	<ul style="list-style-type: none"> Finalize the first draft of the talent review. Awaiting stakeholder meetings & steering committee. 	27 July 2024	31.2%	25.1%	Low



Additional Initiatives to Enhance Talent Investment

Maharah seeks to enhance its investment in talents by implementing a set of effective initiatives. These initiatives include:

1. Periodic Competency Evaluation System

Maharah work in accordance a comprehensive evaluation mechanism to track employees' competency progress and identify the areas which need further support. This approach helps directing future training programs.

2. Mentorship and Coaching Programs

The program aims to connect highly-skilled employees with mentors from senior leadership, enabling continuous exchange of experiences and leadership skills development.

3. E-Learning and Remote Training

Maharah is working to expand its training platform to include interactive online courses, thereby allowing employees to access training content anytime and anywhere.

4. Joint Workshops with International and Local Entities

By forging partnerships with global training institutions, Maharah provides training content that meets international standards, thereby enhancing both technical and managerial competencies of its employees.

Developing Maharah's Talents

Maharah believes that investing in the development of its human capital is the key to success and excellence. Every individual plays a vital role in the achieving Company's success and strategic goals. Accordingly, Maharah focuses on enhancing employees' skills through training programs and developmental courses that boost their competencies and enable them to stay abreast of the latest industry practices.

The Company's strategies include implementing a range of developmental initiatives—such as training sessions, workshops, seminars, and specialized courses that focus on the practical application of acquired knowledge—alongside annual general courses, supportive internal programs, and collaborations with external institutions. These initiatives include:

1. Joint Workshops

Maharah organizes workshops in collaboration with accredited training and consulting firms to introduce the latest expertise and techniques in leadership, change management, innovation, and skill development.

2. Specialized Courses

The training programs cover topics such as digital transformation, project management, and soft skills. Offered in partnership with specialized global and local universities and institutes, the courses ensure alignment with international standards.

3. Implementing an Internal Knowledge Transfer Policy

Maharah prepares and delivers in-house courses and lectures led by its own experts, reinforcing a deeper understanding of the values and practices that support the Company's corporate culture.

4. Mentorship and Training Guidance Programs

Internal mentorship programs provide a setting for knowledge exchange between leaders and employees, fostering the transfer of practical experience and reinforcing corporate values.

5. Internal Engagement and Communication Events

Cultural days and internal events are organized to bolster team spirit and underscore the importance of adhering to the corporate culture, featuring both recreational and educational activities.



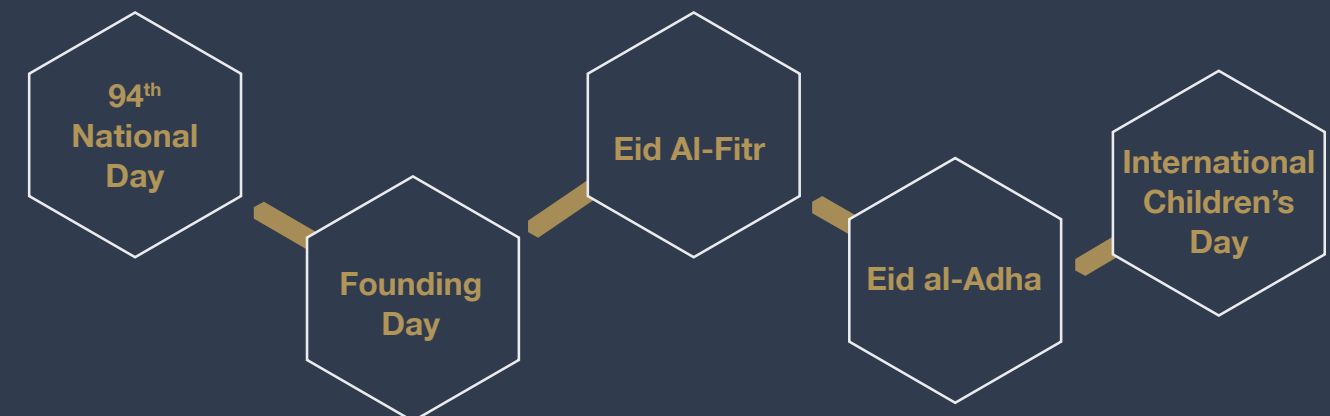


Enhancing the Internal Work Environment

Maharah is committed to fostering a supportive and inclusive family-like workplace that promotes employees' well-being and engagement. This commitment is reflected in various initiatives, including:

- Implementing remote work options and flexible working hours.
- Celebrating national days of the countries of its workforce to promote communication and foster loyalty.
- Recognizing and participating in employees' personal milestones and significant life events.
- Actively celebrating national occasions and social events. In 2024, the Company hosted the following activities and events.

National events and activities celebrating in 2024



A Sustainable Digital Transformation Journey

In line with its commitment to adopting the latest global best practices for implementing its forward-looking 2023 development strategy, Maharah is increasing its investment in advanced digital technologies to enhance its comprehensive digital transformation journey. This stems from the company's belief in the importance of developing its business model and providing diverse services to customers using digital technologies that serve employees, customers, and the community. Digital transformation is a cornerstone of achieving Saudi Vision 2030, especially given the accelerating pace of digital transformation worldwide. This has driven companies to increase investment in digital technologies and continuously adapt their business models to meet evolving customer expectations.

The company has achieved remarkable success in digital transformation across all its administrative and operational systems through an ambitious strategy based on several key pillars:

1

Developing IT and infrastructure.

2

Elevating governance and cybersecurity standards.

3

Focusing on enhancing customer experience and services across all communication channels.



These efforts aim to achieve the following strategic objectives:



Strengthening and enhancing the work environment.



Developing the company's business model and offering diverse services.



Achieving revenue and profit growth, bolstering the company's financial strength, and increasing market share.



Enriching customer experience.

Investing in Advanced Future Technologies

Maharah has continued to strengthen its investments in digital infrastructure, employing the best and latest advanced global equipment, tools, and applications. This aims to enhance the efficiency of its services and solutions, support them with advanced technical programs, bolster various internal workflows, and facilitate the customer journey to achieve the highest levels of satisfaction at all times.

Below are the key achievements Maharah has accomplished in alignment with its comprehensive development strategy in 2024:

- Enhanced operational efficiency by upgrading the company's cloud computing environment from General Purpose to Business Critical, resulting in improved system performance, efficiency, stability, flexibility, and rapid scalability, contributing to increased sales.
- Continuing to develop a dedicated Microsoft environment for big data storage and processing, migrating data from the legacy Data Warehouse to this new, highly efficient environment. This enables the application of artificial intelligence and data analytics for more accurate service package design, improved decision-making, and enhanced business development.
- Developed Internet of Things (IoT) applications for efficient workforce tracking and monitoring, ensuring safety and ease of movement between accommodations and work locations, resulting in significant cost savings.
- Adapted digital systems to comply with emerging government regulations and procedures efficiently and cost-effectively.
- Upgraded the contact center system to the advanced Genesis platform, integrating it with the company's social media accounts. This achievement was recognized with an award from Genesis.
- Implemented electronic contract documentation, archiving, and automation, integrating it with the Social Security platform and enabling customer data verification through the National Unified Access Platform.
- Enhanced security by implementing various security measures and policies and preparing the infrastructure for improved cybersecurity performance in collaboration with a leading consulting firm.
- Enhanced the performance of digital platforms offering company services, packages, and applications to improve and sustainably develop the customer experience.
- Continued preparations for the launch of new services, contributing to a more diversified offering for all customer segments.
- Invested in Robotic Process Automation (RPA) to automate repetitive routine procedures and processes, improving work efficiency, reducing human error, and saving time and costs.

In line with its diligent efforts to achieve its forward-looking 2030 development strategy, Maharah continues to increase its investment in the latest cutting-edge global digital and technical technologies. This aims to elevate performance standards, productivity levels, and work quality, while contributing to reduced operating costs and enforcing stringent quality and security standards. The company allocates an annual budget for digital technologies, encompassing cloud hosting costs, subscriptions and licenses for advanced digital applications and software, and digital support, development, and transformation projects.



Corporate Communication & Marketing

Enhancing Service Quality for Clients

In line with its commitment to strengthening its leadership in the human resources sector in the Kingdom, Maharah adopts advanced communication strategies to enhance brand awareness and showcase its innovative services and solutions to diverse client segments. The Company actively participates in key industry events and forums, fostering direct engagement with public and private sector clients, as well as business leaders and investors, to showcase its success and industry expertise.

Additionally, Maharah executes comprehensive marketing programs across social media, digital platforms, and mainstream media channels, utilizing the following strategic pillars:

Strengthening Corporate Identity

Awareness

through developing a strong brand image that reinforces Maharah's leadership in the human resources sector.

Digital Expansion

via enhancing the Company's presence across digital platforms, including social media and industry-specific websites.

Strategic Partnerships

Collaborating with local and regional organizations to expand market reach and attract new client segments.

Events & Exhibitions

Participating in conferences and specialized exhibitions to showcase Maharah's role as a key industry player.



Maharah has continued its efforts to improving service quality across all clients' segments by enhancing their experience and streamlining operations. The Company continuously applies its policies and procedures to optimize efficiency, speed, and ease of use, adhering to the highest international standards.

As part of these efforts, Maharah won the Gold Award at the national level within the Education and Development Initiative for training over 1,000 employees. This recognition highlights the Client's Experience Department's success in developing an innovative strategies and implementing global best practices, leveraging data analytics to enhance performance, and improving operational efficiency to strengthen customer satisfaction.

As part of its ongoing efforts to enhance clients' experience, Maharah's Client's Experience Department launched a comprehensive five-year development program consisting of 19 foundational, operational, and excellence initiatives. In 2024, the Company successfully implemented seven foundational initiatives across all sectors, reinforcing its commitment to operational excellence and continuous improvement.

These initiatives enhance operational efficiency by streamlining daily procedures across the various departments, thus reducing time spent on routine tasks, and improving responsiveness to challenges, ultimately boosting overall productivity. Additionally, these initiatives support operational excellence by fostering innovation and adopting global best practices, ensuring Maharah maintains a strong competitive edge and delivers high-quality services.

In addition, these initiatives leverage advanced analytical techniques to monitor performance across all operational sectors, enabling data-driven decision-making to optimize operational performance. The initiatives also focus on upskilling employees through continuous training, enhancing both individual and team performance while strengthening their ability to deliver optimal solutions and services to clients.

Moreover, the initiatives reinforce a culture of continuous improvement, a critical factor in maintaining operational efficiency and excellence. This approach ensures Maharah remains agile in a rapidly evolving market while continuously enhancing its operations. As a result, these initiatives drive sustainable operational excellence, improve the clients' experience, and further enhance their satisfaction—ultimately strengthening the Company's ability to achieve its strategic objectives.

As part of its foundational initiatives to improve clients' experience, Maharah's Clients' Experience Department conducted over 15 mystery shopper assessments to evaluate service quality across the corporate and household services sectors, as well as time management in branches and the application. Based on these insights, Maharah launched a comprehensive review of current and future clients' journeys, leading to the development of a strategic improvement plan. This plan focuses on enhancing client's interactions across branches, housing, and the application, ensuring the delivery of innovative and advanced services that align with client's needs and expectations.

The client's voice played a vital role in enhancing client's journeys at Maharah. The Company integrated the voice of the client into every stage of analysis and development to ensure a seamless and high-quality experience. In this context, Maharah developed customized real-time reports to measure clients' satisfaction across all services and sectors, including the CSAT Score and NPS Score. These reports provide accurate and direct insights on clients' experiences, enabling continuous improvements and service enhancements.

The client's voice was vital in bolstering the clients' journeys, ensuring accurate and reliable measurement of satisfaction at all levels. Through this integration, Maharah incorporated valuable insights that led to tangible improvements in both service delivery and the overall clients' experience.

Additionally, the Company continuously analyzed clients' feedback to identify trends and patterns in clients' behavior, unfolding improvement opportunities that might not have been immediately apparent. By combining the mystery shopper insights with the

client's feedback, Maharah gained a comprehensive view of its service strengths and areas for enhancement, reinforcing its commitment to continuous improvement and client-centric innovation.

Based on these integrated analytics, improvement opportunities were identified across all sectors and services, including branches, applications, and housing. This allowed Maharah to focus on areas where clients expressed dissatisfaction, enhancing the overall clients' experience and achieving higher satisfaction levels that better align with their needs and expectations.

Marahah places a strong emphasis on improving the quality and efficiency of clients' service, recognizing it as a key factor in strengthening its relationship with clients.

In 2024, the Company served over 450,000 clients through its available service channels, achieving a 94% employee-related satisfaction rate, reflecting its continuous efforts to enhance service quality.

In this context, Maharah conducted a client's satisfaction survey in 2024 covering household services sector, corporate services sector, and the time management. The results showed satisfaction levels of

72%

Corporate services sector

62%

Household services sector

91%

Time Management



Growing Financial Performance at Maharah

As we reflect on the past year, we are pleased to report that 2024 was a remarkable year for Maharah. Most of our business segments experienced significant growth in revenues and profitability, despite the challenges and obstacles we encountered throughout the year. We successfully transformed these challenges into promising market opportunities, leveraging our extensive expertise and deep industry knowledge while continuously monitoring global trends in the human resources sector.

The company revenues reached SAR 2.24 billion Saudi Riyals, including 81% from the business and corporate services sector and 19% from the household services sector. Net profit has grown by 27% to reach SAR 127.5, representing a 6% of total consolidated revenues. In accordance with its development strategy, which it began to implement in 2024, Maharah aims to grow its annual revenues by CAGR of Not less than 13% through investments in expanding its project portfolio and client base, leveraging the increasing demand for human resources services, particularly for highly qualified and specialized professionals. This is in line with the Saudi government's launch of major projects under vision 2030 as well as major projects organized by the Kingdom such as Expo 2034 and the 2030 FIFA World Cup, among others.

We launched many strategic initiatives built on well-defined and studied pillars. These initiatives involved in restructuring and revitalizing our brand positioning in the market, identifying new business channels for successful expansion, and redefining our targeted client segments by thoroughly analysing their needs, priorities, and expectations. We developed highly effective strategies and action plans to reach these segments efficiently and swiftly.

At the same time, we remained focused on enhancing service quality and expanding our development prospects, paving the way for further achievements, growth, and innovation. Our efforts are supported by our subsidiaries and affiliates, alongside restructured governance frameworks and refined business relationships that maximize the effectiveness of our service and solution offerings.

By being closer to our client and improving our market approach, we successfully reshaped our solutions into comprehensive packages that address the current and future needs of clients across various industries and segments in the Saudi market. Additionally, we are investing in the expertise and capabilities of our professional workforce, enabling us to introduce new service options, expand our financial returns, and unlock additional revenue streams. We have also prioritized cost management and operational expense optimization to ensure sustainable growth and profitability.

Mr. Mussab Alwohabe

Deputy CEO for Financial Affairs



Our Consolidation Revenue reached

ﷲ 2.24 billion

achieving Net profits of

ﷲ 127.5 million

significant growth of

18% and 27%

respectively.

Key Financial Performance Highlights for 2024

Maharah achieved remarkable success across all its business segments in 2024, both operationally and financially, in line with the implementation of the first phase of its comprehensive 2030 strategy. This is reflected in the following figures:



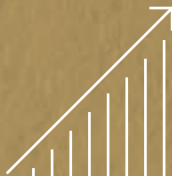
ﷲ 1.87 billion

Total company assets with a return on assets of 7%



ﷲ 625 million

Total equity with a return on equity of 20%



18%

Revenue growth compared to 2023



27%

Growth in net profits compared to 2023



ﷲ 0.28%

Earning Per Share



ﷲ 65.25 million

Total Dividends distributed in 2024



ﷲ 209 million

Total profits before financing costs, depreciation, and amortization with a margin of 7%



ﷲ 171 million

Profit from the company's core activities increased by 14% compared to the previous year

The Key Financial Indicators

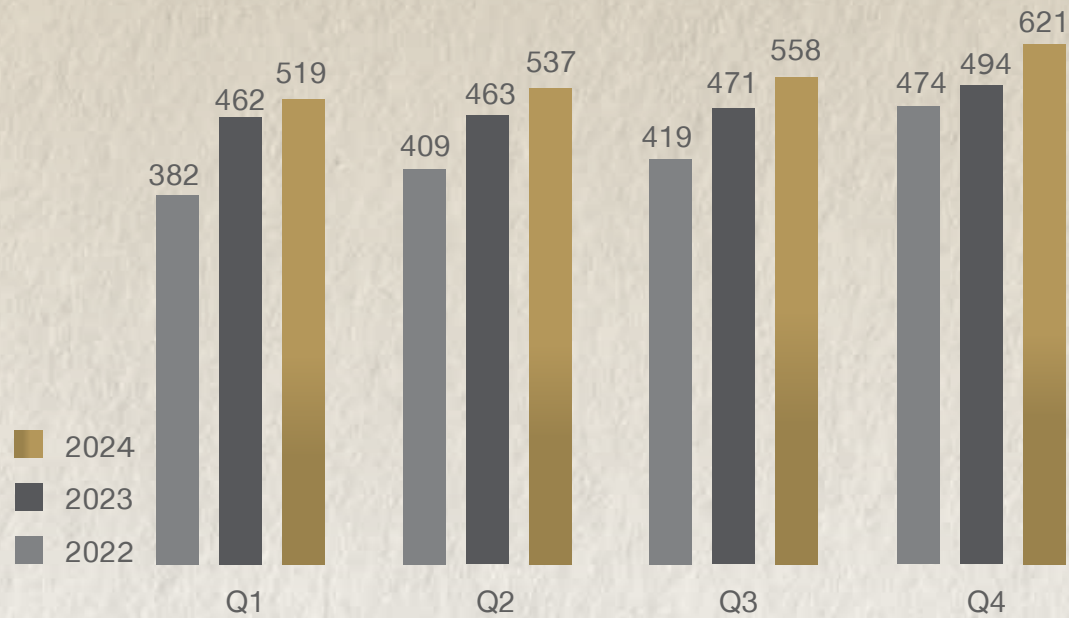
Over the Past Five Years

Amounts in SAR Millions	2020	2021	2022	2023	2024
Results of Operations					
Revenue	1,416	1,319	1,684	1,890	2,235
Cost of Revenue	(1,154)	(1,099)	(1,454)	(1,647)	(1,977)
Gross Profit	263	220	229	244	259
Net Income attributable to owners of the parent	177	145	113	100	127
Statement of Financial Position					
Current Assets	769	669	666	693	848
Current Liabilities	389	376	458	491	501
Net Working Capital	380	293	208	202	347
Non-Current Assets	257	367	1,039	1,054	1,023
Non-Current Liabilities	81	89	692	690	744
Equity	556	571	555	566	625
Cash Flow					
Cash Flow from Operating Activities	247	28	194	193	36
Cash Flow from (Used in) Investment Activities	(163)	158	(623)	(59)	9
Cash Flow from (Used in) Financing Activities	(214)	(155)	423	(139)	(90)
Cash and Cash Equivalents	318	139	84	78	33
Key Ratios					
Earnings before Zakat to Sales	13%	12%	7%	6%	6%
Operating Income to Sales	13%	11%	6%	6%	7%
Return on Assets	17%	14%	7%	6%	7%
Return on Equity	46%	32%	20%	18%	20%
Net Debt to Equity Ratio	85%	81%	206%	208%	199%
Basic Earnings per Share	4.73	3.86	2.52	0.22	0.28

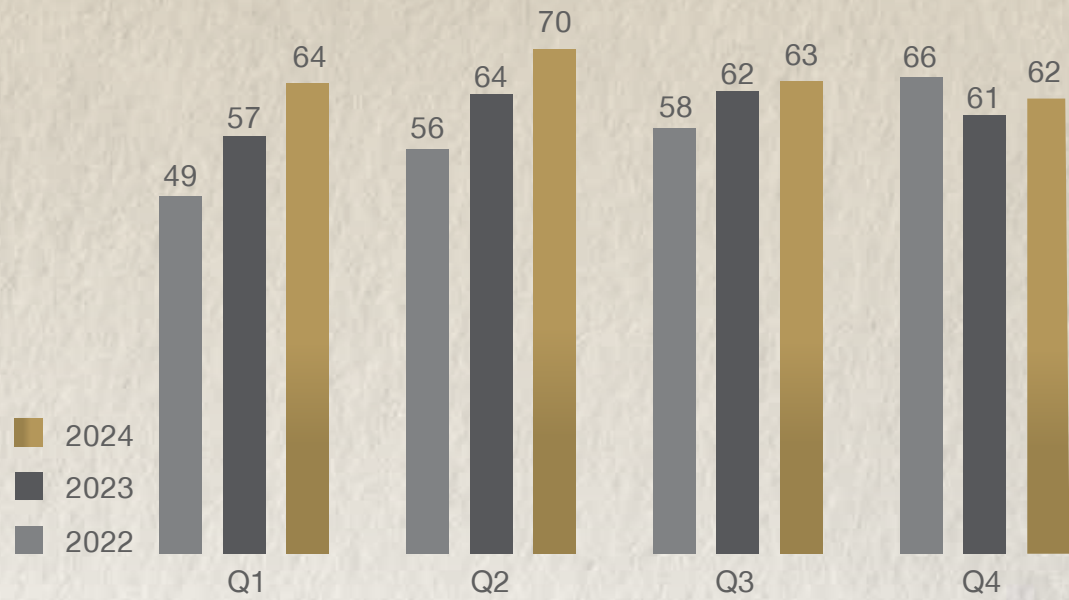
Quarterly Financial Results

2023-2024 (SAR Millions)

Revenues



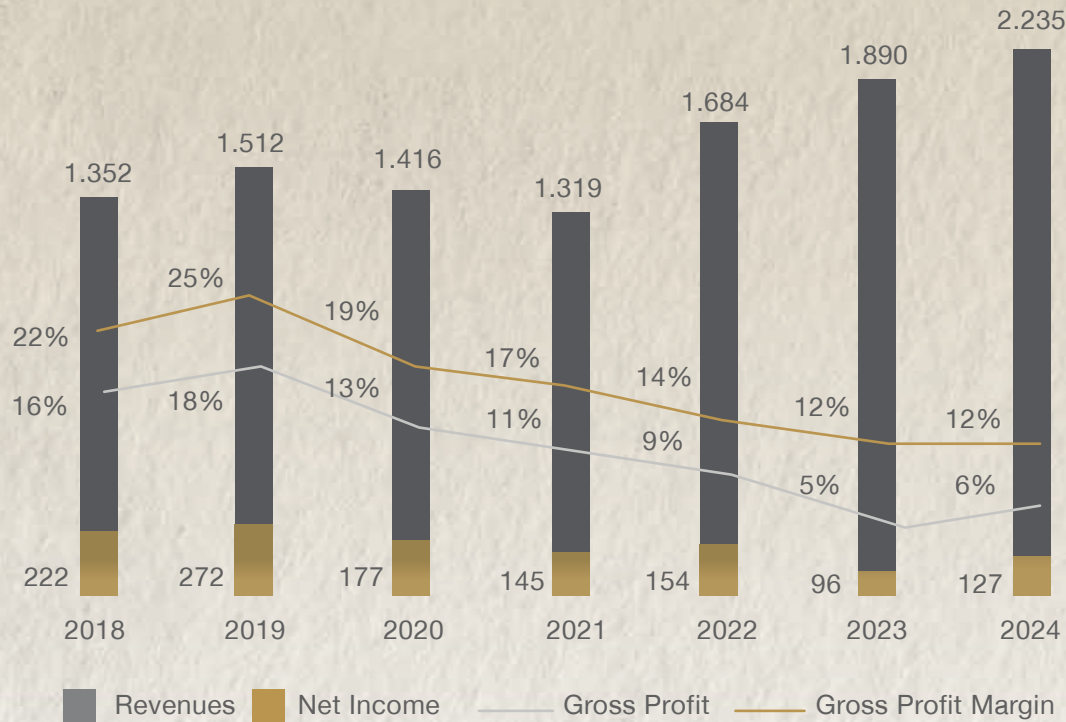
Gross Profit



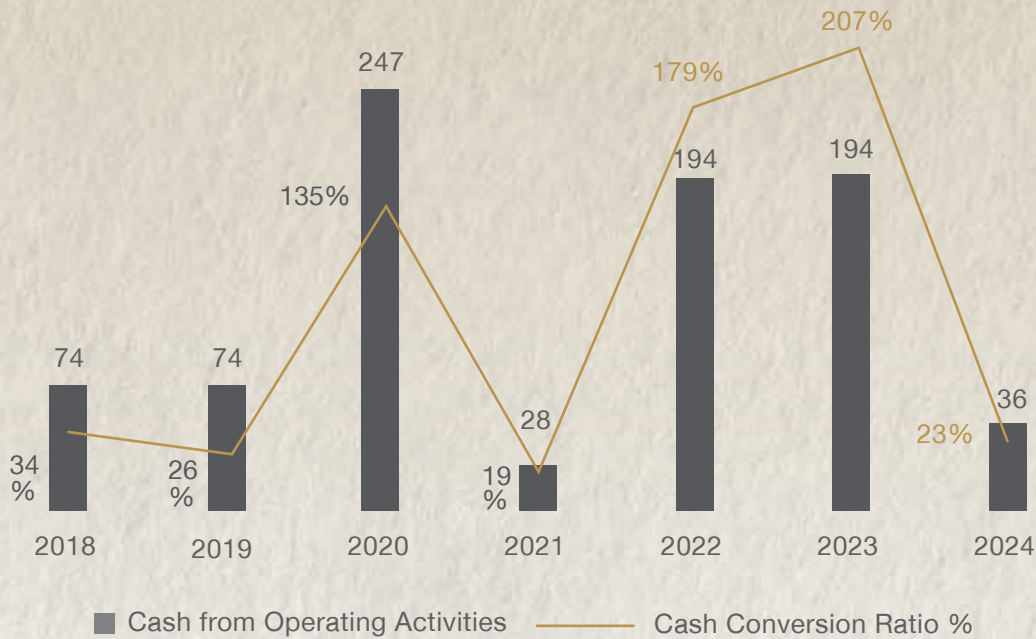
Revenue Growth and Profitability Rates

(SAR Millions)

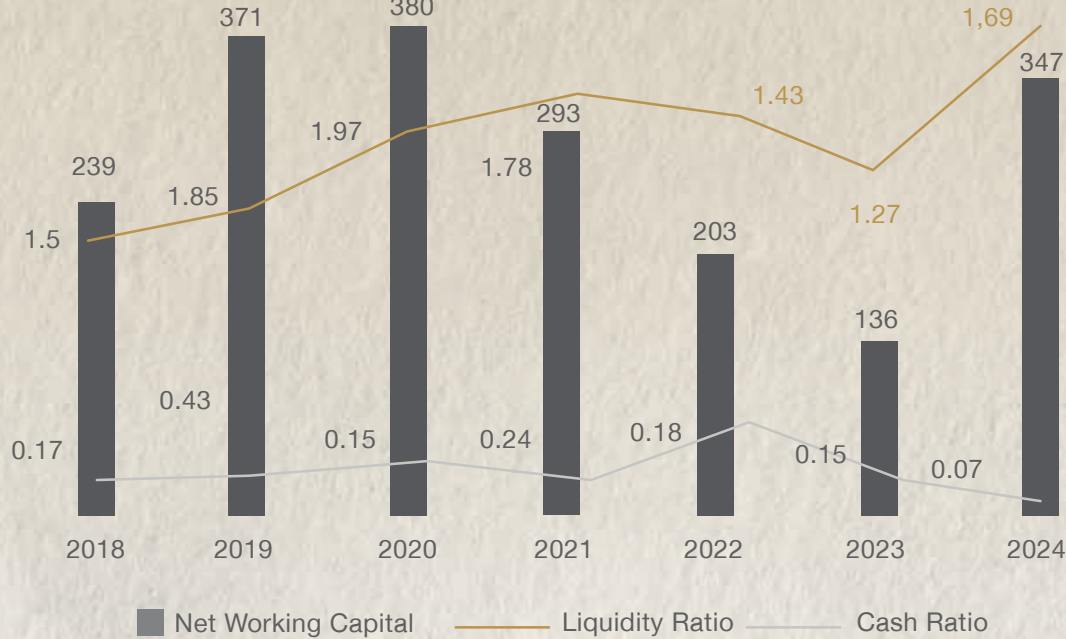
Revenue and profitability rates



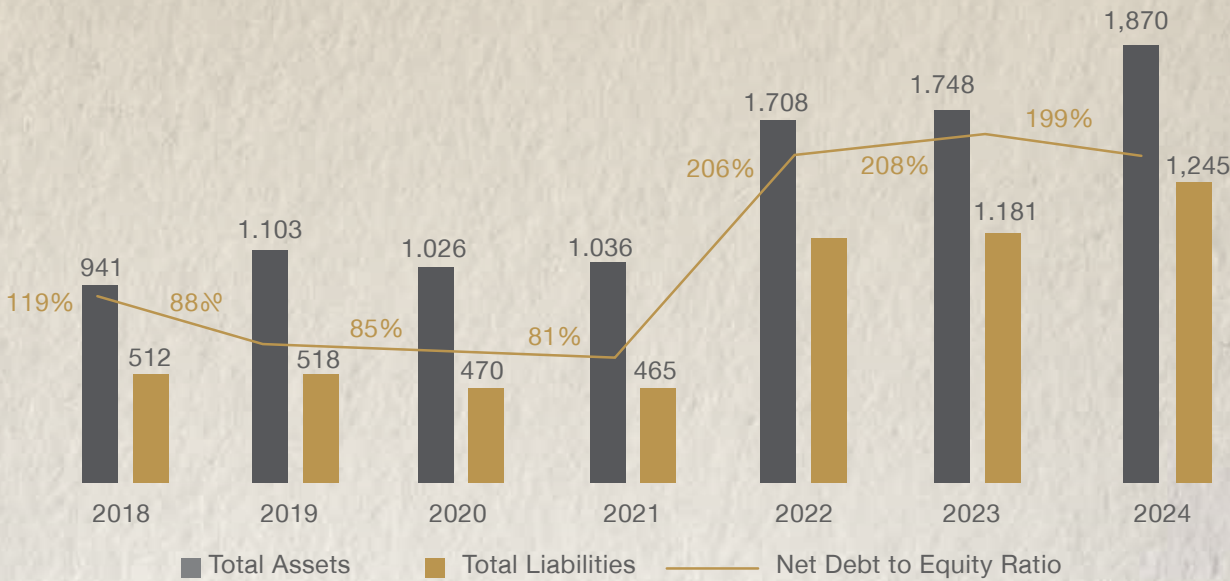
Cash and operating conversion ratio



Cash and liquidity rates



Total liabilities and assets



<

Comprehensive Corporate Governance

04 Sustainability and Governance



Sustainability at Maharah

Sustainability and Social Responsibility

Maharah is committed to integrating sustainability practices across its strategies, operations, and corporate culture. This approach enhances awareness among employees, partners, and stakeholders of the importance of sustainability, aligning their efforts toward achieving shared goals. As a leader in its sector, the Company actively contributes to Saudi Arabia's Vision 2030 by creating a positive impact that supports sustainable development and reinforces its commitment to corporate social responsibility. In this context, Maharah has finalized its Environmental, Social, and Governance (ESG) Strategy, ensuring that integrated sustainability efforts align with its strategic objectives and drive long-term growth.

The Company Approach to Sustainability

In 2024, Maharah made significant progress in adopting and developing Environmental, Social, and Governance (ESG) practices, reinforcing its commitment to sustainability, social responsibility, and strong governance. As a leading company in the human resources sector in the Kingdom, Maharah has embedded sustainability standards into its operations, enhancing corporate performance and creating greater value for shareholders and clients.



Vision

To contribute to sustainability and community service by creating a positive impact that supports building a vibrant and dynamic community.



Mission

The Company believes that social responsibility and achieving solidarity in the community are both religious and moral obligations.



Pillars

Supporting the services sector and community members in shifting from charitable efforts to sustainable development initiatives

Ensuring the long-term sustainability of essential resources—such as the environment, human capital, and energy—by minimizing harmful practices that could affect future generations.

Maharah's Approach to Sustainability

Enhancing
the Internal
Work
Environment

Empowering
Human
Capital

Engaging
Stakeholders

Enhancing
Service
Quality for
Clients

Enhancing
Shareholders
Trust

Activating
Social
Responsibility



Effective Communication with Stakeholders:

At Maharah, we are committed to engaging all our stakeholders to maximize mutual benefits and maintain continuous communication channels. Building and preserving positive relationships with stakeholders is an integral part of our corporate values. We consider our interaction with them not just a good practice but a necessity for institutional success. Our stakeholder relationship management relies on a diverse range of mechanisms that we continuously develop to ensure sustainable engagement.

Stakeholder	Method of communication
Regulatory Authorities	Annual Reports, Compliance with the Laws & Regulations, Corporate Communication, Support for National Initiatives
Investors	Website, Social Media, Annual Reports, Investor Relations Website & Application, General Assembly of Shareholders, Announcements on "Tadawul"
Employees	Regular Meetings, Events, Periodic Surveys, Email
Clients	Company Branches, Website, Maharah Mobile Application, Social Media Platforms, Advertising & Promotional Campaigns, Surveys, Clients' Happiness Center
Workforce	My Maharah Application, Manpower Happiness Center
Community	Website, Social Media Platforms, Community Initiatives

Activating Social Responsibility:

Based on a proposal from the Board of Directors, the Ordinary General Assembly has established a policy that ensures balance between the Company's objectives and societal goals, aiming to enhance the community's social and economic conditions.

The Board of Directors defines and determines the necessary means to launch the Company's social responsibility initiatives, encompassing the following:

- Disclosing social responsibility objectives in the periodic reports related to the Company's activities.
- Developing community awareness programs to promote the social responsibility initiatives of the Company and cultivating a corresponding understanding of these initiatives among its employees. Concurrently, the Compliance and Governance Department actively establishes methodologies for managing the Company's sustainability and governance responsibilities, serving as a second line of defines within the overall internal control framework. Given the risks associated with non-compliance with Environmental, Social, and Governance (ESG) practices, the Internal Audit Executive Management, due to its independence, plays a crucial role in supporting the Compliance Department by providing assurance and advisory services, insights, and recommendations on ESG practices. Internal Audit Executive Management also assesses the control environment, evaluates gaps in governance activities for Maharah and its subsidiaries (Boards of Directors and their committees), and submits detailed reports on its findings to the CEO, the Audit Committee, and the Board of Directors.
- The Corporate Communication Department plays a vital role in activating Maharah’s social responsibility efforts by establishing agreements with the non-profit sector through financial contributions and collaborative initiatives on social issues. The department also coordinates with other divisions on community partnerships and ensures media coverage for initiatives and events supported by the Company.
- In 2024, nine cities benefited from Maharah’s social responsibility programs and initiatives, including: Riyadh, Dammam, Jeddah, Abha, Medina, Taif, Qassim, Kharj, and Hail.

Commitment to the Kingdom's Vision 2030 and the United Nations Sustainable Development Goals:

Maharah supports the Sustainable Development Goals (SDGs), adopted by all United Nations member states in 2015, as a universal call to end poverty, protect the planet, and promote peace and prosperity for all by 2030. The company aims to align with the goals of Saudi Arabia’s Vision 2030, which places sustainability at the heart of planning, infrastructure development, and policy-making, as well as investment.

Through its social responsibility programs and initiatives, Maharah actively contributes to the National Transformation Program by promoting sustainability of national economy, encouraging the private sector to adopt sustainability principles, and enhancing work mechanisms to align with sustainable development goals.

ESG Governance at Maharah and the Sustainable Development Goals

Triple Pillars of Governance

Sustainable Development Goal	ESG Pillars	Company Contribution
Goal 13: Climate Action	Environmental Practices	Environmental initiatives
Goal 1: No Poverty Goal 2: Zero Hunger Goal 3: Good Health and Well-being Goal 5: achieving gender equality in employment opportunities Goal 10: Reduced Inequalities	Social Practices	<ul style="list-style-type: none">Social responsibility initiativesHuman Capital Transformation ProgramHealth and Safety StandardsEmergency PlanWorkforce ManagementStakeholder AlignmentCustomer Outreach
Goal 8: Decent Work and Economic Growth	Corporate Governance	<ul style="list-style-type: none">Corporate GovernanceRisk ManagementSustainable Financial Performance

Environmental Practices

Maharah is committed to reducing practices harmful to people, the environment, and energy through the following measures:

1.

Utilizing smart building management systems that automatically turn off lights, air conditioners, and computers when not needed to conserve energy.
2.

Working towards complete elimination of paper and relying on technology for all Company operations and reporting (paperless).
3.

The automation project for 2024 has been implemented in accordance with the requirements.
4.

Participating in Earth Hour to conserve energy.
5.

Public landfill management initiative.
6.

Office greening initiative.

Social Practices

(Social Responsibility Initiatives)

Date	Activity
March 2024	<ul style="list-style-type: none">SAR 289,000 donated to the Disabled Children's Association to support the Primary Clinic Project.SAR 211,000 donated to the Saudi Cancer Society to support the Patient Treatment and Transportation Project.SAR 189,000 donated to the Integration Association for Persons with Disabilities to support the Home Care and Medical Rehabilitation Project.SAR 189,000 donated to the Mobility Disability Association for Adults (Harakiya) to support the Therapeutic Rehabilitation Program.SAR 122,000 donated to the Humanitarian Services Association in Najkh Al-Janoubi to support the Spring of Life Project.
April 2024	<ul style="list-style-type: none">World Health Day activation
May 2024	<ul style="list-style-type: none">Celiac disease awareness booth
July 2024	<ul style="list-style-type: none">Umrah trip for Company employeesInternational Day of Charity activation
October 2024	<ul style="list-style-type: none">World Mental Health Day activationParticipation in the World Health Summit ExhibitionBlood donation campaign

Governance

Governance at Maharah

The Board of Directors of Maharah Human Resources Company is committed to establishing an effective governance framework that regulates the company's administrative and financial operations. The annual report serves as a key tool for communication with shareholders and other stakeholders. Accordingly, Maharah's commitment to applying the highest governance standards reinforces its values of credibility and transparency in disclosures. It also reflects its adherence to the regulatory set by the Capital Market Authority. This commitment provides a clear and fair representation of the company's financial position and operational results, playing a vital role in sustaining its success.

- Maharah has developed its corporate governance regulations in alignment with the Corporate Governance Regulations issued by the Capital Market Authority.
- The company's administrative structure consists of the Board of Directors, three board committees, and a team of executive officers ("Executive Management").
- The Board of Directors holds overall responsibility for establishing, overseeing, and reviewing governance principles and policies to ensure full compliance with relevant regulations, thereby enhancing the company's growth and sustainability.
- The Board has formed three committees to enhance its functions: the Audit Committee, the Nomination and Remuneration Committee, and the Executive Committee. The performance of these committees is subject to periodic review by the Board in accordance with regulatory requirements and the Board's need for recommendations from these committees.
- The company's governance framework is based on continuous communication with its shareholders. An effective communication channel has been established between the Board of Directors and shareholders to listen to their suggestions and recommendations regarding the company and its performance. Additionally, the company has created an Investor Relations department to strengthen its relationship with shareholders and promptly respond to their inquiries.

Governance and Compliance

Maharah is committed to implementing the highest standards and best professional practices in corporate governance. The company integrates the principles of disclosure and transparency across all its activities, fostering a culture of compliance that upholds the highest levels of integrity and honesty in its professional practices and operational environments, including its subsidiaries and affiliated companies. Maharah consistently adheres to all relevant laws, regulations, and directives issued by official authorities governing its industry. This commitment safeguards the company's reputation and credibility while strengthening shareholder and partner confidence in its successful approach, guided by efficiency, quality, and excellence.

Governance Practices Framework

Maharah's governance framework is built on strict compliance with all relevant laws and regulations to ensure the implementation of best corporate governance practices. This is achieved through a set of policies and procedures, alongside fostering a culture of continuous communication with shareholders. An effective communication channel has been established between the Board of Directors and shareholders to listen to their suggestions and recommendations regarding the company and its performance, and to respond to any inquiries they may have. This approach supports the company's objectives and ensures the sustainability of its operations.

The company applies governance principles within a comprehensive and professional framework. The General Assembly of Shareholders approved the company's Corporate Governance Regulations in November 2018, with the most recent update in December 2023. These regulations have been developed in alignment with the Corporate Governance Regulations issued by the Capital Market Authority while incorporating best practices adopted by publicly listed companies. This ensures that Maharah conducts its business ethically and transparently under the effective supervision and oversight of the Board of Directors.

General Governance Framework at Maharah

1. Protecting the rights of the company's shareholders.
2. Protecting the rights of all stakeholders.
3. Ensuring accurate and comprehensive disclosures.
4. Managing conflicts of interest effectively.
5. Empowering employees.
6. Regulating transactions with related parties.
7. Maintaining continuous communication with investors.
8. Aligning the company's values and strategy with social and economic needs.

Pillars of Governance at Maharah

Transparency

The Board of Directors must clearly communicate to shareholders the rationale behind key decisions.

Responsibility

Each Board member is accountable for performing their duties with the highest level of professionalism and competence.

Accountability

Board members must be held accountable to shareholders for any mistakes or mismanagement, should they occur.

Fairness

All shareholders are treated equally by the Board of Directors and executive management.

Regulations and Compliance Level

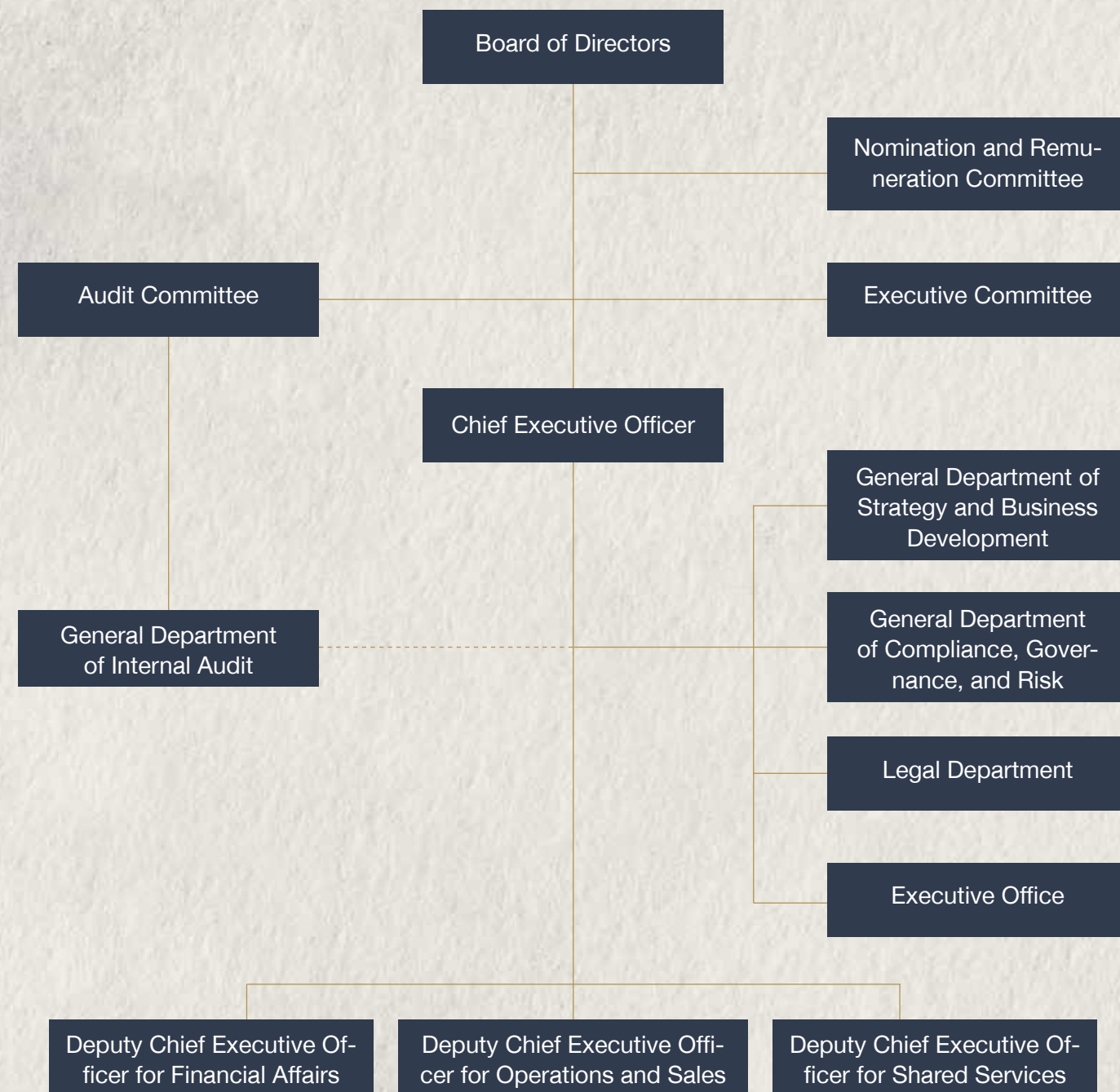
In accordance with the Corporate Governance Regulations issued by the Capital Market Authority, Maharah is required to disclose in its Board of Directors’ report the extent of compliance with these regulations, including any provisions not implemented along with the reasons for non-compliance. The company has adhered to and implemented all provisions of these regulations, with the exception of the following articles:

Article/ Clause Number	Title	Provision	Level of Compliance	Reason for Non-Compli- ance
67	Formation of the Risk Management Committee	A Risk Management Committee shall be formed by a resolution of the Board of Directors. The committee's chairman and the majority of its members shall be non-executive board members. The committee members must possess an appropriate level of knowledge in risk management and financial affairs.	Significantly Applied	Guiding Article
68	Responsibilities of the Risk Management Committee	The Risk Management Committee shall: <div><div>1.</div><div>Develop a comprehensive risk management strategy and policies that align with the nature and scale of the company's activities, ensuring their implementation, review, and update in response to internal and external changes.</div><div>2.</div><div>ZDetermine an acceptable level of risk the company may be exposed to, ensure its maintenance, and verify that the company does not exceed it.</div><div>3.</div><div>Ensure the company's viability and its ability to continue operations successfully, while identifying risks that may threaten its continuity over the next twelve months.</div><div>4.</div><div>Oversee the company's risk management system and evaluate the effectiveness of risk identification, measurement, and monitoring mechanisms to detect any deficiencies.</div><div>5.</div><div>Periodically reassess the company's risk tolerance and exposure by conducting stress testing, among other methods.</div><div>6.</div><div>Prepare detailed reports on risk exposure and propose mitigation measures, and submit them to the Board of Directors.</div><div>7.</div><div>Provide recommendations to the Board on risk-related matters.</div><div>8.</div><div>Ensure sufficient resources and systems are available for risk management.</div><div>9.</div><div>Review the organizational structure of the Risk Management Department and make recommendations before Board approval.</div><div>10.</div><div>Ensure risk management employees operate independently of risk-generating activities.</div><div>11.</div><div>Ensure employees understand the risks surrounding the company and promote a risk-aware culture.</div><div>12.</div><div>Review risk-related concerns raised by the Audit Committee.</div></div>	Significantly Applied	Guiding Article

Article/ Clause Number	Title	Provision	Level of Compliance	Reason for Non-Compli- ance
69	Meetings of the Risk Management Committee	The Risk Management Committee shall meet periodically at least once every six months or whenever necessary.	Not Applied	Guiding Article
85	Corporate Social Responsibility Initiatives	The Board of Directors shall develop programs and identify the necessary means for launching corporate social responsibility initiatives, including: <div><div>1.</div><div>Developing performance indicators linking the company's activities to its social responsibility initiatives and benchmarking them against similar companies.</div><div>2.</div><div>Disclosing the company's social responsibility objectives to employees and raising awareness about them.</div><div>3.</div><div>Disclosing plans for achieving social responsibility in periodic reports related to the company's activities.</div><div>4.</div><div>Developing community awareness programs to promote the company's social responsibility efforts.</div></div>	Significantly Applied	Guiding Article
92	Formation of the Corporate Governance Committee	If the Board of Directors forms a dedicated Corporate Governance Committee, the Board shall delegate to this Committee the responsibilities outlined in Article 94 of these regulations. This committee shall oversee all matters related to governance practices and provide the Board with reports and recommendations at least annually.	Not Applied	Guiding Article

Organizational Structure

Organizational Structure for Senior Management



Shareholders' Rights

Rights Related to Shares:

Shareholders enjoy all rights associated with their shares, including:

- Receiving a share of the net profits distributed as cash dividends.
- Receiving a share of the company's assets upon liquidation.
- Attending general and special shareholder meetings, participating in discussions, and voting on resolutions.
- Disposing of their shares in accordance with corporate and financial market regulations.
- Inquiring about and accessing the company's records and documents, including information related to the company's operations and strategy.
- Monitoring the company's performance and the activities of the Board of Directors.
- Holding Board members accountable, filing liability lawsuits against them, and contesting shareholder meeting resolutions.
- Having priority subscription rights in newly issued shares against cash contributions unless waived by an extraordinary general assembly.
- Registering their shares in the company's shareholder records.
- Requesting a copy of the company's Articles of Association and bylaws if they are not published electronically by the company.
- Nominating or electing Board members.
- Exercising voting rights and participating in decisions affecting a specific category of shareholders in the event of general assembly resolutions amendments.
- Discussing topics listed on the general assembly meeting agenda.

Communication with Shareholders:

- The Board of Directors ensures effective communication with shareholders based on a mutual understanding of the company's objectives.
- The Chairman of the Board and the CEO relay shareholder opinions to the rest of the Board members for discussion.
- No shareholder shall interfere in the activities of the Board of Directors or executive management only through the ordinary general assembly.

Shareholders' Right to Information:

- The Board of Directors is committed to providing accurate, clear, and non-misleading information to enable shareholders to exercise their rights.
- The means used to provide information to shareholders must be transparent, comprehensive, and non-discriminatory.

Shareholders' Right to Nominate Board Members:

- The nomination announcement for Board membership is published on the company's website and the financial market's website, with a minimum nomination period of one month.
- Shareholders have the right to nominate themselves or others for Board membership in accordance with corporate governance regulations.

Shareholders' Right to Receive Dividends:

- The general assembly shall determine the portion of profits to be distributed to shareholders after deducting reserves.
- Shareholders are entitled to their share of the profits based on the general assembly or Board resolution for interim dividends, provided that the entitlement and distribution dates shall be specified.

Procedures Taken by the Board to Inform Its Members of Shareholders' Suggestions and Observations:

- The board is dedicated to ensuring that shareholders can exercise their rights and share their feedback and inquiries during general assembly meetings, which are recorded in the meeting minutes. Additionally, communication channels are provided for shareholders to submit any questions or comments, if any.

Shareholder Satisfaction Rate:

- The average satisfaction level of investors, measured through quarterly surveys sent to shareholders, reached 93%.

Shareholders' Suggestions and Observations on the Company and Its Performance

1. Attendance of Board Members and Committee Chairs at General Assembly meetings to directly review shareholders' comments and proposals.
2. Establishing an investor relations unit headed by the Vice President of Finance to keep Board Members informed of shareholders' observations and suggestions.
3. Holding quarterly and annual meetings with investors and financial analysts to discuss the company's financial results.
4. Disclosures, investor presentations, and meetings with investors.
5. Launching an Investor Relations website and application in both Arabic and English.
6. Receiving shareholders'/investors' proposals, requests, and inquiries through communication channels, including inquiries about financial performance and requests for meetings with local or international investment entities.
7. Arabic-speaking presenters were added to shareholder/investor meetings to present the quarterly financial results in response to a specific request.

Maharah Strengthens Its Relationship with Shareholders Through Conferences:

Conference Name	Date	Location
10 th Edition of EFG Hermes Conference	9 th - 10 th September, 2024	United Kingdom
Saudi Financial Market Forum 2023	19 th - 20 th February, 2024	Kingdom of Saudi Arabia
Middle East Investor Relations Association (MEIRA) Conference	10 th - 11 th December, 2024	United Arab Emirates

Disclosure Policy

Disclosures:

- The company is committed to the principles of accuracy and transparency when disclosing information, ensuring that all relevant details are easily accessible and provided in a timely manner. It also strives to maintain a proper balance between transparency and protecting the company’s interests. The company also fully complies with all applicable laws and regulations in this regard.
- The company adheres to disclosure requirements as mandated by regulatory frameworks. However, if the company determines that disclosing specific information could cause harm to its interests without misleading investors regarding essential facts necessary for evaluating relevant securities, it may request an exemption or delay disclosure. In such cases, the company must provide the regulatory authority with a comprehensive statement detailing the relevant information and the reasons for withholding disclosure at that time. The authority has the right to approve, delay, or reject the request.
- The company is committed to disclosing all material and impactful information, whether positive or negative, that may affect shareholders and the public.
- The company assumes full responsibility for all disclosures it makes.

Disclosure Methods

1. The Company’s Official Website
2. Reports Issued by the Board of Directors
3. Other Disclosures via the Tadawul Platform
The company must comply with any time-frames or additional disclosure methods as specified by relevant regulatory authorities.

Clarity and Accuracy of Disclosures

- All disclosed information must be complete, accurate, clear, and provided in a timely manner, with regular updates as needed.
- Utilizing appropriate disclosure methods that enable shareholders and stakeholders to comprehensively access financial information related to the company, including its performance and share ownership.

Company Disclosures on Tadawul:

No.	Date	Announcement Title
1	10/01/2024	The Board of Directors of Maharah Human Resources Company invites shareholders to attend the Extraordinary General Assembly Meeting (First Meeting).
2	14/01/2024	Supplementary announcement from Maharah Human Resources Company regarding the invitation to its shareholders to attend the Extraordinary General Assembly Meeting (First Meeting).
3	28/01/2024	Maharah Human Resources Company announces the commencement of electronic voting on the items of the Extraordinary General Assembly Meeting (First Meeting).
4	04/02/2024	Maharah Human Resources Company announces the results of the Extraordinary General Assembly Meeting (Second Meeting).
5	31/03/2024	Maharah Human Resources Company announces the annual financial results for the period ending on 31-12-2023.
6	31/03/2024	Maharah Human Resources Company announces the Board of Directors' decision to distribute cash dividends to shareholders for the second half of 2023.
7	25/04/2024	The Board of Directors of Maharah Human Resources Company invites shareholders to attend the Extraordinary General Assembly Meeting (First Meeting).
8	12/05/2024	Maharah Human Resources Company announces the commencement of electronic voting on the items of the Extraordinary General Assembly Meeting (First Meeting) via modern technology.
9	15/05/2024	Maharah Human Resources Company announces the preliminary financial results for the period ending on 31-03-2024 (Three Months).
10	19/05/2024	Maharah Human Resources Company announces the results of the Extraordinary General Assembly Meeting (Second Meeting).
11	23/05/2024	Maharah Human Resources Company announces the resignation of a Board Member.
12	23/05/2024	Maharah Human Resources Company announces the appointment of the Chairman, Vice Chairman, the formation of committees, appointment of company representatives, and the appointment of the Secretary of the Board and Committees.
13	11/08/2024	Maharah Human Resources Company announces the preliminary financial results for the period ending on 30-06-2024 (Six Months).
14	11/08/2024	Maharah Human Resources Company announces the Board of Directors' decision to distribute cash dividends to shareholders for the first half of 2024.
15	10/11/2024	Maharah Human Resources Company announces the preliminary financial results for the period ending on 30-09-2024 (Nine Months).
16	10/11/2024	Maharah Human Resources Company announces the appointment of a member to fill the vacant seat on the Board of Directors.
17	08/12/2024	Maharah Human Resources Company announces that one of its subsidiaries has obtained the City Service Providers Classification Certificate from the Ministry of Municipalities and Housing, with a first-degree classification in operation, maintenance, and services.

Dividend Distribution Policy

The Dividend Distribution Policy has been formulated in accordance with the requirements of Article 9 of the Corporate Governance Regulations issued by the Capital Market Authority. This policy defines the procedures for dividend distribution, announcement, and payment date.

01.

Dividends are distributed from the company's net profits and are allocated to shareholders based on the number and class of shares they own.
02.

The amount of dividends or ordinary shares to be distributed is determined based on the recommendations of the Board of Directors.
03.

The company's annual net profits are distributed after deducting all general expenses, other costs, allowances, including Zakat, and other allocations.
04.

The General Assembly may decide to create additional reserves to the extent that serves the company's interests or ensures the most stable possible dividend distribution to shareholders. The Assembly may also allocate
- amounts from net profits to establish social institutions for the company's employees or support existing ones.
05.

The General Assembly determines the proportion of profits to be distributed to shareholders after deducting all amounts allocated to reserves formed by the Assembly for specific purposes, retained earnings, and distributable reserves accumulated from profits (if any).
06.

The amount of dividends on preference shares, if applicable, is determined in accordance with the Companies Law and the company's Articles of Association.
07.

The annual dividend payment date must commence no later than fifteen (15) days from the date of the decision to distribute dividends.

Dividends Distribution

Dividends Distributed During the Fiscal Year 2024

Announce-ment Date	Entitlement Date	Distribution Date	Total Cash Distribu-tions (Million SAR)	Cash Distribution* (SAR/Share)	Distribution Per-centage to Nomi-nal Share Value (%)	Period
11/08/2024	15/08/2024	25/08/2024	31.5	0.07	7%	First Half of Fis-cal Year 2024
31/03/2024	02/04/2024	22/04/2024	33.75	0.075	7.5%	Second Half of Fiscal Year 2024
Total Annual Distributions (Million SAR)			65.25			

* Historical cash dividends per share, adjusted for the impact of capital changes and bonus shares, if any.

Dividends Distribution Over the Last 5 Years

Announcement Date	Entitlement Date	Distribution Date	Total Cash Distribu-tions (Million SAR)	Cash Distribution* (SAR/Share)
11/08/2024	15/08/2024	25/08/2024	31.5	0.07
31/03/2024	02/04/2024	22/04/2024	33.75	0.075
28/08/2023	31/08/2023	10/09/2023	45	1
07/03/2023	12/03/2023	22/03/2023	37.5	0.08
30/08/2022	04/09/2022	14/09/2022	46.88	0.1
13/03/2022	17/03/2022	29/03/2022	75	0.16
17/08/2021	22/08/2021	02/09/2021	65.63	0.14
17/03/2021	21/03/2021	05/04/2021	75	0.16
02/09/2020	06/09/2020	22/09/2020	84.38	0.18
18/03/2020	23/03/2020	06/04/2020	120	0.25
* Historical cash dividends per share, adjusted for the effects of capital changes and bonus shares, if any.				

Planned Dividend Distribution for the Second Half of 2024

It will be announced on Tadawul if the decision of the Board of Directors of Mahara Company is issued.

Unclaimed Dividends

Maharah is committed to preserving the rights of its shareholders, adhering to the principle of trust. The company provides a service for inquiring about unclaimed dividends and ensures that these amounts are delivered to their rightful owners. Shareholders can retrieve their unclaimed dividends by sending their name and ID number via the dedicated shareholder service email: Investors@Maharah.com.

Conflict of Interest Policy

In December 2023, the Board of Directors updated the company's Conflict of Interest Policy to strengthen the regulatory framework for handling conflicts that may affect the performance of board members, committee members, executive management, or employees. The update aims to ensure the continuity of integrity and transparency in all company dealings, reaffirming the commitment of all parties to governance principles and avoiding conflicts that could impact company interests or decision-making.

1. Avoiding Conflicts of Interest:

Ensuring that board members, committee members, senior executives, and shareholders avoid conflicts of interest with the company. All members must adhere to the provisions of the Companies Law and Capital Market Authority regulations.

2. Disclosure:

Any potential conflicts must be disclosed, along with obtaining the necessary authorization or approval when required. Members are required to continuously disclose any conflicts as they arise.

3. Abstention from Voting:

If a conflict exists, the concerned member must abstain from voting or participating in the decision-making process.

4. Contracts with Related Parties:

If the company enters into agreements with related parties, it must notify the authority and the public without delay if the contract value equals 1% of the company's total revenue, based on the latest financial statements.

5. Board Actions in Case of Breach:

The policy outlines the procedures the Board will take if a breach of the conflict of interest policy is detected.

6. Duties of a Board Member:

Members must perform their duties with honesty and integrity, prioritizing the company's interests over personal gains. The same shall avoid leveraging their position for personal benefits and report any conflicts affecting their impartiality. If a conflict arises, the member must abstain from voting on related matters.

7. Prohibition on Using Company Assets:

Board members are prohibited from using or benefiting from company assets, information, or investment opportunities, either directly or indirectly. This prohibition extends to members who resign intending to leverage opportunities they became aware of during their tenure.



General Assembly of Shareholders

No.	Member Name	Membership Nature / Position	Member-ship Classi-fication	First Meeting (General Assembly)	Second Meeting (Gen-eral Assembly)
				02/01/2024	05/15/2024
1	Sheikh Sulaiman bin Abdulaziz Al-Majed	Chairman of the Board	Non - Executive	Attended	Attended
2	Dr. Abdullah bin Sulaiman Al-Amro	Vice Chairman	Non - Executive	Attended	Attended
3	Dr. Saud bin Nasser Al-Shathri	Board Member	Non - Executive	Did not attend	Attended
4	His Excellency Mr. Ahmed bin Saleh Al-Humaidan	Board Member	Independent	Attended	Attended
5	Mr. Sulaiman bin Nasser Al-Hatlan	Board Member	Non - Executive	Attended	Attended
6	Mr. Abdulaziz bin Ibrahim Al-Nowaiser	Board Member	Independent	Attended	Attended
7	Mr. Saleh bin Abdul-lah Al-Hanaki	Board Member	Independent	Attended	Attended
8	Mr. Khalid bin Abdul-rahman Al-Khudairi	Board Member	Independent	Attended	Attended
9	Mr. Ali Faqih Mo-hammed Damati	Board Member	Independent	Attended	Attended
10	Mr. Abdullah bin Ab-dulrahman Al-Rabdi	Board Member	Independent	Did not attend	Did not attend
11	Mr. Abdullah bin Abdulaziz Al-Majed	Board Member	Non - Executive	Attended	Attended

Company Requests for Shareholders Register

Date of Request	Reasons for Request
06/10/2024	Company Measures
12/05/2024	General Assembly
29/04/2024	Profit File
23/04/2024	Company Measures
23/04/2024	Profit File
14/04/2024	Profit File
03/04/2024	Profit File
18/01/2024	General Assembly
02/01/2024	Company Measures
Total	9

Key Structural and Organizational Changes in 2024

Key Decisions Made in 2024	
Date	Key Changes in 2024
16/05/2024	Commencement of the new Board of Directors term, which will last for four years.
22/05/2024	Appointment of Dr. Abdullah bin Sulaiman Al-Amro as Chairman of the Board. Appointment of H.E. Mr. Ahmed bin Saleh Al-Humaidan as Vice Chairman of the Board.
22/05/2024	Resignation of Board Member Aziz Al-Qahtani.
22/05/2024	Approval of the formation of the following committees and appointment of their members: 1. Audit Committee 2. Nomination and Remuneration Committee 3. Executive Committee
22/05/2024	Appointment of Mr. Abdullah bin Faisal Mandili as Board Secretary.
09/11/2024	Appointment of Mr. Sulaiman bin Nasser Al-Hatlan as an Independent Board Member of Maharah.

Board of Directors

The Board of Directors is appointed by the company's shareholders and is primarily responsible for strategically managing the company's operations while ensuring long-term shareholder value.

Maharah's Board of Directors consists of nine members elected by the General Assembly based on the recommendation of the Nomination and Remuneration Committee. The Board comprises five independent members and four non-executive members. Additionally, three committees operate under the Board's oversight: (Audit Committee, Nomination and Remuneration Committee, and Executive Committee)

In case of a vacant seat on the Board, the Board may appoint a temporary member, subject to approval by the General Assembly at its next meeting.

The Board of Directors was re-elected during the Ordinary General Assembly held on 16/05/2024, through cumulative voting for a four-year term starting from 16/05/2024 and ending on 15/05/2028.

The tables below outline the names, positions, and classification of Board members for the year 2024, as follows:

First: Previous Term:

No.	Member Name	Position	Membership status		
			Independent	Executive	Non-Executive
1	Sheikh Sulaiman bin Abdulaziz Nasser Al-Majid	Chairman of the Board			✓
2	Dr. Abdullah bin Sulaiman Al-Amro	Vice Chairman of the Board			✓
3	Mr. Sulaiman bin Nasser Al-Hatlan	Board Member			✓
4	Dr. Saud bin Nasser Al-Shathri	Board Member			✓
5	Mr. Abdullah bin Abdulaziz Al-Majid	Board Member			✓
6	Mr. Abdulaziz bin Ibrahim Al-Nowaiser	Board Member	✓		
7	His Excellency Mr. Ahmed bin Saleh Al-Humaidan	Board Member	✓		
8	Mr. Khalid bin Abdulrahman Al-Khudeiri	Board Member	✓		
9	Mr. Saleh bin Abdullah Al-Henaki	Board Member	✓		
10	Mr. Ali Faqihi Damati	Board Member	✓		
11	Mr. Abdullah bin Abdulrahman Al Rabdi	Board Member	✓		



Second: The New Term:

No.	Member Name	Position	Membership status		
			Independent	Executive	Non-Executive
1	Dr. Abdullah bin Sulaiman Al-Amro	Chairman of the Board			✓
2	His Excellency Mr. Ahmed bin Saleh Al-Humaidan	Vice Chairman of the Board	✓		
3	Mr. Ahmed bin Mohammed Al-Faleh	Board Member	✓		
4	Dr. Saud bin Nasser Al-Shathri	Board Member			✓
5	Mr. Sulaiman bin Nasser Al-Hatlan	Board Member			✓
6	Mr. Sulaiman bin Abdulaziz Al-Zabin	Board Member			✓
7	Mr. Abdulaziz bin Ibrahim Al-Nowaiser	Board Member			✓
8	Mr. Fawaz bin Abdullah Al-Omran	Board Member	✓		
9	Mr. Khalid bin Abdulrahman Al-Khudairi	Board Member	✓		

Maharah Held 8 Board Meetings in 2024
Below is a statement of the meeting dates and the attendance record of the members:

First – Previous Board Term: Two meetings were held with the attendance of the members as follows:

No.	Member Name	Position/Nature of Membership	Member-ship Clas-sification	First Meeting	Second Meet-ing
				2024/03/30	2024/05/15
1	Sheikh Sulaiman bin Abdulaziz Al-Majed	Chairman of the Board	Non-Exec-utive	Did not attend	Attended
2	Dr. Abdullah bin Sulaiman Al-Amro	Vice Chairman of the Board	Non-Exec-utive	Attended	Attended
3	Dr. Saud bin Nasser Al-Shathri	Board Member	Non-Exec-utive	Attended	Attended
4	His Excellency Mr.Ahmed bin Saleh Al-Humaidan	Board Member	Indepen-dent	Attended	Attended
5	Mr. Sulaiman bin Nasser Al-Hatlan	Board Member	Non-Exec-utive	Attended	Attended
6	Mr. Abdulaziz bin Ibrahim Al-Nowaiser	Board Member	Indepen-dent	Attended	Attended
7	Mr. Saleh bin Abdullah Al-Henaki	Board Member	Indepen-dent	Attended	Attended
8	Mr. Khalid bin Abdulrahman Al-Khudairi	Board Member	Non-Exec-utive	Attended	Attended
9	Mr. Ali Faqihi Mohammed Damati	Board Member	Indepen-dent	Attended	Attended
10	Mr. Abdullah bin Abdulrahman Al-Rabdi	Board Member	Indepen-dent	Attended	Attended
11	Mr. Abdullah bin Abdulaziz Al-Majed	Board Member	Non-Exec-utive	Did not attend	Did not attend

Second – Current Board Term: Six meetings were held with the attendance of the members as follows:

No.	Member Name	Position / Role	Member-ship Clas-sification	Third Meeting	Fourth Meeting	Fifth Meeting	Sixth Meeting	Seventh Meeting	Eighth Meeting
				2024/05/22	2024/08/10	2024/08/31	2024/10/15	2024/11/09	2024/12/10
1	Dr. / Abdullah bin Sulaiman Al-Amro	Chairman of the Board	Non-Exec-utive	Did not attend	Attended	Attended	Attended	Attended	Attended
2	His Excel-lency Mr. / Ahmed bin Saleh Al-Hu-maidan	Vice Chairman of the Board	Indepen-dent	Attended	Attended	Attended	Attended	Attended	Attended
3	Dr. / Saud bin Nasser Al-Shethri	Board Member	Non-Exec-utive	Attended	Attended	Attended	Attended	Attended	Attended
4	Mr. / Ab-dulaziz bin Ibrahim Al-Nowaiser	Board Member	Non-Exec-utivedent	Attended	Attended	Attended	Attended	Attended	Attended
5	Mr. / Khalid bin Abdulrah-man Al-Khu-dairi	Board Member	Indepen-Non-Exec-utive	Attended	Attended	Attended	Attended	Attended	Attended
6	Mr. / Sulaiman bin Abdulaziz Al-Zabin	Board Member	Non-Exec-utive	Attended	Attended	Attended	Attended	Attended	Attended
7	Mr. / Fawaz bin Abdullah Al-Omran	Board Member	Indepen-dent	Attended	Attended	Attended	Attended	Attended	Attended
8	Mr. / Ahmed bin Moham-med Al-Faleh	Board Member	Indepen-dent	Attended	Attended	Attended	Attended	Attended	Attended
9	Mr. / Sulaiman bin Nasser Al-Hatlan	Board Member	Non-Exec-utive	-	-	-	-	-	Attended

Board of Directors Responsibilities

Company Management and Shareholder Interests Protection: <p>The Board represents all shareholders, oversees the company’s affairs, enhances its interests, and increases its value while ensuring the proper organization of its roles and responsibilities.</p>	Strategy Development and Policy Guidance: <p>The Board is responsible for setting strategic plans, policies, and key objectives, supervising their implementation, and ensuring the availability of necessary resources to achieve them.</p>	Supervision of Expenses and Assets: <p>The Board oversees capital expenditures, determines the optimal capital structure, and approves budget estimates.</p>
Risk Management and Internal Control: <p>The Board establishes risk management policies and supervises internal control systems, while ensuring financial systems comply with approved standards.</p>	Performance Review and Compliance Assurance: <p>The Board monitors the evaluation of the organizational structure, ensures compliance with internal policies and procedures, and guarantees the effectiveness of control systems.</p>	Policies and Procedures for Stakeholder Relations: <p>The Board develops policies to regulate relationships with stakeholders and ensures disclosure of material information in accordance with corporate governance regulations.</p>
Financial Distribution and Social Responsibility: <p>The Board defines the dividend distribution policy for shareholders and establishes corporate social responsibility policies based on ethical standards.</p>	Report Preparation and Review: <p>The Board is responsible for preparing and approving interim and annual financial statements as well as drafting the Board of Directors’ report for approval by the General Assembly.</p>	Formation of Specialized Committees: <p>The Board forms specialized committees, oversees their performance evaluations, and establishes governance standards for company operations.</p>
Supervision of Business Execution and Procedures: <p>The Board oversees the execution of operations and procedures by the executive management and ensures full compliance with laws and regulations.</p>	Commitment to Sound Governance: <p>The Board ensures that all decisions and activities align with the company’s and shareholders’ best interests while maintaining transparency and disclosure.</p>	

Board of Directors' Authorities

Disposition of Assets and Properties: <p>The Board has the authority to dispose of the company's assets and properties, including selling, accepting, mortgaging, transferring ownership, collecting, and making payments, provided that the same shall be documented in an official Board resolution.</p>	Execution of Banking Agreements: <p>The Board is authorized to enter into all banking agreements and loan-related transactions, determining the loan’s utilization and repayment method. Loan terms and guarantees must be reviewed to ensure alignment with the company's interests.</p>	Collection of the Company's Rights: <p>The Board has the authority to collect the company's receivables from debtors and execute contracts on its behalf. In the case of debt forgiveness, an official resolution must be passed, and authorization granted to the CEO or a designated executive for collection or debt settlement.</p>
Carrying Out Necessary Actions to Achieve the Company’s Objectives: <p>The Board is empowered to undertake all necessary actions and decisions to achieve the company's objectives, in accordance with established governance regulations.</p>	Opening Bank Accounts: <p>The Board of Directors appoints the CEO of the company and defines his powers, responsibilities, and financial duties. The Board also appoints one or more Deputy CEO's and specifies, in the appointment decision, their powers, responsibilities, and financial rights.</p> <p>The Board of Directors may, within the scope of its authority, delegate or assign certain tasks or specific duties to one of its members or to an external person outside the Board.</p>	Formation of Specialized Committees: <p>The Board of Directors has the right to form specialized committees, define their tasks, authorities, and duration, while ensuring periodic evaluation of their performance to achieve their objectives.</p>

Board Secretary

The Board of Directors appoints a Secretary from among its members or from other individuals who hold a relevant university degree and have at least three years of practical experience in board secretarial work. The Secretary may not be dismissed except by a decision of the Board of Directors. The Board determines the Secretary's responsibilities and remuneration, which include the following:

Preparing the Annual Agenda: Preparing a list of proposed agenda items for Board meetings along with their expected dates, and presenting it to the Chairman for approval in coordination with Board members at the beginning of the fiscal year.

Documenting Board Meetings: Documenting the meetings of the Board of Directors and preparing minutes that include discussions and deliberations held, documenting board decisions and voting results, in addition to maintaining the minutes in a dedicated and organized record.

Maintaining Reports: Maintaining reports submitted to the Board of Directors as well as reports prepared by the Board itself.

Providing Documents to Board Members: Ensuring all Board members receive the agenda, supporting documents, and any additional information related to agenda items, as well as any requested documents.

Ensuring Compliance with Procedures: Verifying that all board members adhere to the procedures approved by the board.

Notifying Members of Meeting Schedules: Informing Board members of upcoming meetings well in advance.

Reviewing Draft Minutes: Presenting draft minutes to Board members for their input before finalizing and signing them.

Providing Meeting Minutes and Information: Ensuring that Board members receive complete and timely copies of meeting minutes and relevant company documents.

Coordination Among Board Members: Facilitating communication and coordination among board members regarding meetings and all matters that support decision-making.

Managing Disclosure Records: Organizing disclosure records of Board members and executive management in accordance with Article 89 of the amended Corporate Governance Regulations issued by the Capital Market Authority.

Providing Support and Advice: Assisting and advising Board members to ensure the efficient functioning of the Board in compliance with approved regulations.

Evaluation of the Board of Directors' Performance

Maharah adopted a policy for evaluating the suitability and performance of its Board of Directors and its committees on November 20, 2019. This policy aims to ensure that members meet the defined criteria and conditions for membership and comply with all regulations and rules issued by the Ministry of Commerce and the Capital Market Authority (CMA).

In 2024, this policy was updated to align with current developments, and the new updates were approved by the Board of Directors. The Nomina-

tion and Remuneration Committee conducted the performance evaluation for the Board members and its committees, as well as the overall performance of the Board, utilizing the evaluation forms approved under this policy.

The Board members' performance for 2024 was assessed by a specialized external evaluator.



Board of Directors Declarations

The Board of Directors of Maharah Human Resources Company hereby declares the following:

1. The accounting records have been properly prepared.
2. The internal control system has been established on sound foundations and has been effectively implemented.
3. There is no significant doubt regarding the company's ability to continue its operations.
4. There was no conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors.
5. The Board of Directors did not make any decision during the 2024 fiscal year regarding the replacement of the statutory auditor.
6. The consolidated financial statements for the fiscal year ending December 31, 2024, were prepared in accordance with the International Financial Reporting Standards (IFRS) adopted in the Kingdom of Saudi Arabia and other standards and releases approved by the Saudi Organization for Certified Public Accountants.
7. There are no significant events affecting the company's financial position after the end of the 2024 fiscal year that require disclosure, other than the information already available and publicly disclosed.
8. The Board of Directors did not receive any request from the auditors to call for a General Assembly meeting during 2024.
9. The Board of Directors did not receive any request from shareholders owning 5% or more of the company's capital to call for a General Assembly meeting during 2024.
10. There are no actions that could hinder the shareholders' right to vote.
11. There are no debt instruments convertible into shares, options, subscription rights, or similar rights issued or granted by the company during 2024.
12. There are no shares or debt instruments owned by subsidiaries.
13. The company did not repurchase, buy back, or cancel any redeemable debt instruments during 2024.
14. There are no arrangements or agreements under which any Board member or senior executive of the company waived any salary or compensation.
15. There are no arrangements or agreements under which any shareholder of Maharah Company waived any rights to profits.
16. There are no contracts in which Maharah Company is a party and in which any Board member, CEO, CFO, or related person had or has a substantial interest, except those disclosed in the General Assembly meeting.
17. The company did not provide any cash loans of any kind to its Board members nor guarantee any loan taken by any of them from others.
18. The company has not provided any type of cash loan to its board members, nor has it guaranteed any loan made by board members with external parties.
19. There are no competing businesses operated by the company or any of its business branches that are, or were, operated by any Board member.
20. Based on the review of the financial statements for the year ended 31/12/2024 by the external auditor of Maharah Human Resources Company and its subsidiaries, it was found that the financial statements present fairly, in all material respects, except for a reservation on one of Maharah's investments, which is not addressed through equity, related to the investment in the Saudi Health Systems Company.

Biographies of Board Members:

First: Biographies of the Members of the Board of Directors (New Board Term)

Number of members: 9 members

Dr. Abdullah bin Sulaiman Al-Amro

Chairman of the Board



Previous Positions:

- Executive General Manager of King Fahad Medical City.

Current Board Memberships:

- Chairman of the Board, Maharah Human Resources Company
- Chairman of the Board of Managers, Arab Company for Medical Products Manufacturing "Inayah"
- Partner and Manager, Medical Beauty Kingdom Company
- Partner and Manager, Medical Health Kingdom Company
- Board Member, Sehhaty Information Services Company
- Board Member, Modern Prescriptions for Information Technology – Single Shareholder Company
- Board Member, Health Development Company Ltd.
- Chairman of the Trustees Board – Abdullah bin Sulaiman Al-Amro Endowments

- Vice Chairman, Dera' Al-Reayah Holding Company
- Board of Trustees Member, Saudi Commission for Health Specialties
- Board Member, Zawaya Investment Company
- Board of Trustees Member, Saudi Commission for Health Specialties
- Vice Chairman, Founding Council of the Central Health Cluster – Health Holding Company

Previous Board Memberships:

- Advisory Council Member – King Khalid University, Asir Region
- Chairman of the Board, Shifaa Arabia Medical Company
- Board Member, Middle East Investment Company
- CEO – King Fahad Medical City
- Board Member, Spectra Support Services Company

Professional Experience:

- Founder, CEO, and Managing Director of Maharah Human Resources Company (2013).
- Consultant in Radiation Oncology at King Fahad Medical City (2005 - 2015).
- Board Member at King Fahad Medical City (2005 - 2013).
- Executive General Manager of King Fahad Medical City (2004 - 2013).
- Head of the Oncology Center at King Faisal Specialist Hospital & Research Center (2004).
- Chairman of the Board of the Saudi Cancer Society (2004 - 2016).
- Executive Director of Joint Cooperation and Project Development at King Faisal Specialist Hospital & Research Center (1999 - 2004).
- Head of the Cooperation Program with Hospitals in Saudi Arabia at King Faisal Specialist Hospital & Research Center (1997 - 1999).
- Head of the Radiation Therapy Department at King Faisal Specialist Hospital & Research Center (1997 - 1998).

- Consultant in Radiation Oncology at King Faisal Specialist Hospital & Research Center (1996 - 2008).
- President of the Saudi Student Club in Ottawa, Canada (1993 - 1994).

Educational Qualifications:

- Fellowship in Radiation Surgery, McGill University, Canada (1995).
- Fellowship in Brachytherapy, University of Ottawa, Canada (1995).
- American Board Certification in Radiation Oncology, American Board, USA (1995).
- Canadian Fellowship, Royal College of Physicians and Surgeons of Canada (1995).
- Bachelor's degree in medical sciences, King Faisal University, Saudi Arabia (1988).

His Excellency Mr. Ahmed bin Saleh Al-Humaidan

Vice Chairman of the Board (Independent)



Current Positions:

- Board Member of Maharah Human Resources Company.

- Deputy Minister of Labor, Ministry of Human Resources and Social Development.

Current Board Memberships:

- Advisory Board Member of the Supreme Council of the Gulf Cooperation Council.
- Board Member of Maharah Human Resources Company.

Previous Positions:

- Assistant Director General of Training Programs, Institute of Public Administration.
- Director General of Trainee Affairs, Institute of Public Administration.
- Director General of Administrative Programs and Systems, Saudi Medical Care Company - Private Sector (seconded from the Institute of Public Administration).
- Director General of Consulting, Ministry of Labor.
- Assistant Deputy Minister for Inspection, Ministry of Labor.
- Assistant Deputy Minister for Employment, Ministry of Labor.
- Deputy Minister for Labor Policies, Ministry of Labor.

Previous Board Memberships:

- Board Member of the Technical and Vocational Training Corporation.
- Board Member of Saudi Arabian Airlines.
- Board Member of the General Authority for Investment.
- Board Member of Takamol Holding Company for Business Services.
- Board Member of Medical Cities and Specialized Hospitals, Ministry of Health.
- Board Member of the Cooperative Health Insurance Council.

- Board Member of Hassana Investment Company.

- Member of the Economic Offset Committee.

- Member of the Committee for Nationalization of Operation and Maintenance Contracts.

- Board Member of the Saudi Skills Standards Company (Hadafe).

- Board Member of Colleges of Excellence (Hadafe).

- Supervisory Committee Member of the National Handicrafts and Industries Program.

- Seconded from the Institute of Public Administration to the Armed Forces Medical Services - Saudi Medical Care Company (1997 - 1999).

- Executive Chairman of the Nitaqat Program.

Educational Qualifications:

- Master's degree in public administration, University of Pittsburgh, USA (1982).
- Bachelor's degree in economics, King Saud University, Saudi Arabia (1979).

Professional Experience:

- Assistant Deputy Minister for Inspection and Employment, and Deputy Minister of Labor, Ministry of Labor (2009 - 2018).
- Assistant Director General of Training Programs, Director of Trainee Affairs, Director General of Administrative Programs and Systems, and Director General of Consulting at the Institute of Public Administration (1978 - 2009).

Mr. Fawaz Abdullah Al-Omran

Board Member (independent)



Current Positions:

- Private Works

Professional Experience:

- Executive Vice President of Shared Services at the Social Development Bank (2019 - 2024)
- Head of Human Resources at KPMG (2018 – 2019)
- CEO of Rawafed (a subsidiary of Takaamul) and Head of Human Resources at Takaamul Holding (2015 – 2018)
- Associate Consultant at Mercer Consulting (2014 – 2015)
- Diverse banking experience (2003 - 2010)

Educational Qualifications:

- Master of Business Administration (MBA) | University of Wisconsin, USA (2013)
- Bachelor of Arts in Business Administration | Arab Open University (2009)
- Diploma in Banking Operations | Institute of Public Administration (2002)
- Executive Certificate in Organizational Transformation | London Business school (2023)
- Executive Certificate in Public Administration (Professional Services) | Harvard Business School (2018)
- Certified Compliance Officer | American Academy of Financial Management (2010)

Current Board Memberships:

- Board Member – Maharah Human Resources Company
- Board Member – Eastern Cement Company
- Board Member – Arabian Cement Company Limited

Previous memberships in government committees and teams:

- Member of the Coordination Committee for Transformation Efforts – National Development Fund
- Member of the Executive Committee for Human Resources Transformation Programs – Ministry of Human Resources and Social Development
- Member of the Expert Committee for the Human Resources Transformation Project – Institute of Public Administration
- Member of the Executive Committee for the Human Capital Transformation Project – Human Resources Development Fund (Hadaq)

Mr. Khalid bin Abdulrahman Al-Khudairi

Board Member (Non-Executive)



Current Positions:

- Board Member, Chairman of the Nominations & Remuneration Committee, and Executive Committee Member at Maharah Human Resources Company (2021 – Present)
- Managing Partner & CEO, Meven Insights Gulf Business Services (Sep 2022 – Present)
- Managing Partner & CEO, Nokhbat AlKhaleej Business Services & Consulting (2009 – Present)
- Board Member, Audit Committee Member, and Chair of the Nomination Committee at Naqwa for Information Technology (2025 – Present)
- Chairman, Professional Services Companies Committee, Riyadh Chamber of Commerce (Feb 2025 – Present)
- Chairman, Nominations and Remuneration Committee, ARASCO (Aug 2024 – Present)
- Member, Sector Skills Council for Professional Services & Consulting, Ministry of HR & Social Development (Apr 2024 – Present)
- Partner, CCP Investment Company (Jan 2024 – Present)
- CEO, Karwa Investment Company (Jan 2024 – Present)
- Member, Nominations and Remuneration Committee, Amana Cooperative Insurance Company (Oct 2024 – Present)
- Member, Governance, Nominations & Remuneration Committee, Kingdom Hospital & Consulting Clinics (Oct 2024 – Present)
- Member, Nominations and Remuneration Committee, Mawten Real Estate Company (Oct 2021 – Present)
- Member, Opportunities Committee, Oqal Angel Investors Network (2020 – Present)

Previous Positions:

- Board Member and Chairman of the Nomination and Remuneration Committee at Etihad Atheeb Telecommunications Company (2020 - 2022).
- Executive Vice President of Shared Services at the National Center for Privatization (2019 - 2022).

- Chairman of the Nomination and Remuneration Committee at GlobeMed (January 2020 - December 2021).
- Board Member at Tabuk Agricultural Development Company (2020 - 2021).
- General Manager of Human Resources at the National Housing Company.
- General Manager, Human Resources and Support Services Department, and Advisor to the Chairman of the Board, Volkswagen Group Saudi Arabia
- Manager of Talent Development and Organizational Development at Al Safi Danone (a subsidiary of Al Faisaliah Group).
- Human Resources Manager at Modern Electronics Company - Sony (a subsidiary of Al Faisaliah Group) (2011 - 2014).
- Member of the Saudi Business Group Committee at the Saudi Electronics and Home Appliances Institute (SEHAI), representing Sony – Al Faisaliah Group.
- Non-Executive Partner at Tahaluf Al-Ofiq Limited (Business Incubator).
- Member, Nominations and Remuneration Committee, Water & Technology Transport Company (Mar 2023 – Jan 2025)

Educational Qualifications:

- Master's degree in public administration, IF University, Madrid, Spain.
- Bachelor's degree in business administration, King Abdulaziz University, Saudi Arabia.
- Diploma in Human Resources Development, Chartered Institute of Personnel and Development (CIPD), UK.
- Completion of the Executive Program in Human Resources, Stephen M. Ross School of Business, USA (2019).

Mr. Sulaiman bin Nasser Al-Hatlan

Board Member (Non-Executive)



Current Positions:

- Board Member & Chief Operating Officer, Al-Hilal Club Company

Previous Positions:

- CEO, Growth Avenue Investment (Investment Arm of Maharah Human Resources)
- Managing Director, Maharah Human Resources Company
- CEO, National Consulting House
- Faculty Member, Financial Programs Sector, Institute of Public Administration

Current Board Memberships:

- Board Member & Chairman of Audit Committee, Riyadh Development Company (Listed Saudi Joint Stock Co.) (2022 – Present)
- Board Member & Chairman of Audit Committee, Lumi Rental Company (Listed Co.) (2023 – Present)

- Board Member, Chairman of Audit Committee & Chairman of Nominations & Remuneration Committee, Saudi Vitrified Clay Pipes Co. (Listed Co.) (2020 – Present)
- Vice Chairman, Board of Trustees – Al-Hilal Club Foundation (2023 – Present)
- Board Member, Al-Hilal Club Company (2023 – Present)
- Chairman, Enmaa Al-Tharwa Investment Company (Closed Joint Stock) (2024 – Present)
- Board Member, Saudi Health Systems Company (Closed Joint Stock) (2022 – Present)
- Board Member, Care Sheild Holding Company (Kingdom Hospital) (2022 – Present)
- Board Member & Chairman of Audit Committee, University Higher Education Fund (Government Fund) (2022 – Present)

Previous Board Memberships:

- Board Member, Arabian Shield Insurance Co Company (Listed Co.) (2014–2017)

- Board Member, Member of Nominations & Remuneration Committee and Risk Committee, Arabian Shield Insurance Co. (2016–2017)
- Chairman of the Board of Managers, Spectra Support Services Company (LLC) (2021–2022)
- Vice Chairman of the Board of Managers, Arabian Shifaa Medical Company (LLC) (2022–2023)
- Vice Chairman, Board of Directors, Al-Hilal Saudi Club (2019–2023)
- Vice Chairman, Al-Hilal Investment Company (Closed Joint Stock) (2019–2023)

Professional Experience:

- Over 20 years of experience in investment banking, focusing on mergers and acquisitions, business valuation, business planning, economic feasibility, accounting, internal control, and governance, holding the following positions:

- COO, Al-Hilal Club Company (2023 – Present)
- CEO, Growth Avenue Investment (2022–2023)
- Managing Director, Maharah Human Resources Company (2021–2022)
- Managing Partner and CEO of National Consulting House (2007–2020), a financial firm licensed by the Capital Market Authority.
- Faculty Member, Financial Programs Department, Institute of Public Administration (1994–2006).

Educational Qualifications:

- Master's degree in professional accounting, California State University, USA (1998).
- Bachelor's degree in accounting, King Saud University, Saudi Arabia (1994).

Mr. Abdulaziz bin Ibrahim Al-Nowaiser

Board Member and Chairman of the Audit Committee (Non-Executive)



Current Positions:

- CEO of Emaar Economic City.

Previous Positions:

- CEO and Board Member at Tahakom Investment Company
- Executive Vice President of Finance at STC Solutions (Arab Internet and Communications Services Company)
- Executive Vice President of Finance at Al Othaim Investment & Real Estate Development Company
- Executive Partner, later CEO, at National Consulting House
- Teaching Assistant and Lecturer in the Accounting Department at King Saud University, Riyadh
- Chief Financial Officer at Elm Information Security Company

Current Board Memberships:

- Board Member and Chairman of Audit Committee at Maharah Human Resources Company
- Chairman and Head of Executive Committee, Tawuniya Insurance Company
- Chairman and Head of Executive Committee, United Insurance Company, Kingdom of Bahrain
- Board Member and Audit Committee Member, Osool Integrated Real Estate Company
- Audit Committee Member, National Water Company
- Audit Committee Member, Saudia Airlines
- Audit Committee Member, flyadeal

Previous Board Memberships:

- Board Member at Tahakom Investment Company
- Board Member and Chairman of the Audit Committee at Saudi Entertainment Ventures Company (SEVEN)

- Chairman of the Audit Committee, Etihad Etisalat (Mobily)
- Chairman of the Board, Saudi Tourism Development Company
- Audit Committee Member, Umm Al-Qura Cement Company
- Audit Committee Member, Alissa Communications Company
- Audit Committee Member, Abdullah Al-Othaim Markets Company
- Member then Chairman of the Audit Committee, Tawuniya Insurance Company
- Audit Committee Member, Elm Information Security Company
- Audit Committee Member, Saudi Fisheries Company

Professional Experience:

- Current and previous positions and memberships in boards and committees reflect his professional experience.

Educational Qualifications:

- Master's in Accounting, Case Western Reserve University, USA (2002)
- Bachelor's in Accounting, King Saud University, Saudi Arabia (1995)
- Passed the Certified Public Accountant (CPA) exam – AICPA, USA (2002)
- Passed the Certified Management Accountant (CMA) exam – IMA, USA (2006)
- Passed the Certified Financial Manager (CFM) exam – IMA, USA (2007)
- Certified Internal Auditor (CIA), Institute of Internal Auditors, USA (2014)
- Diploma in International Financial Reporting (DiplFR), ACCA, UK (2018)
- Certificate in Real Estate Economics and Finance, London School of Economics, UK (2024)

Mr. Ahmed Mohammed Al-Faleh

Board Member (independent)



Current Positions:

- CEO – AlTamtheel AlRaedah Trading Company
- Part-time Professional Partner at Mohammed Al-Sultan Professional Consulting
- Arbitration, and Board Memberships in companies since 2017 – Present
- Board Member and Member Executive Committee and Chairman Nomination and Remuneration Committee, AlJouf Cement Company
- Board Member and Executive Committee Member, Herfy Food Services
- Board Member and Partner, AlTamtheel Company

Current Board Memberships:

- Board Member and Member of the Nomination and Remuneration Committee, Maharah Company
- Member of the Nomination and Remuneration Committee, Riyadh Bank
- Board Member and Partner, Mohammed AlSultan Professional Consulting Company
- Board Member, United Business Company
- Board Member and Member of the Nomination and Remuneration Committee, Binladin international Holding Company
- Board Member, Abdulaziz Al-mousa Group
- Appointed Member and Executive Committee Member, Saudi Binladin Group
- Board Member, Tashealt Marketing company and its Subsidiaries

Previous Board Memberships:

Professional Experience:

- Managing Director – Saudi Binladin Group (2022–2024)
- CEO – AlTamtheel AlRaedah Trading Company (2013–Present)
- Consultant at Al-Tasheelat Marketing Company (2015–2016)
- General Manager, Al-Tasheelat Marketing Company (2010–2015)
- Chairman, Al Mashreq Contracting Group (2006–2010)
- General Manager, Al Mashreq Contracting Company (2009–2010)
- GM, Al-Olayan Food Services Company (1999–2001)
- Vice President – Riyadh International Company – McDonald's – (1992–1997)
- Chairman, Teenie International (French construction firm) (1997–1999)
- VP of Finance & Administration, Saudi O&M Co. (1989–1993)
- Project Engineer, Ministry of Health (1987–1989)
- Project Engineer, Chemical Fertilizer Plant, Owner's Rep with Toyo Japan and Ibn Al-Bitar Co. (SABIC) (1986–1987)

Educational Qualifications:

- B.Sc. in Applied Civil Engineering, King Fahd University of Petroleum and Minerals, Dhahran (1986)

Mr. Sulaiman Abdulaziz Abdulrahman Al-Zabin

Board Member (Non-Executive) and Member of the Executive Committee



Current Positions:

- CEO, King Abdullah International Foundation for Humanitarian Activities

- Board Member, Saqaya Charitable Foundation – Ministry of Agriculture & Water
- Chairman, Investment Committee, Mosque Architecture Association (Present)

Previous Positions:

- Deputy Minister for Social Development
- CEO, Al Rajhi Bank

Current Board Memberships:

- Chairman and Head of Nominations Committee, Mawhiba Foundation
- Board Member, Fund Financing Company – Al-Khazana Financial Company
- Board Member, Investment Fund – Etqan Financial
- Board Member, FAW Real Estate Development Company
- Chairman, Retirees Association – Savings Association

Professional Experience:

- Deputy Minister for Social Development (2018–2020)
- CEO, Deutsche Gulf Finance (2015–2018)
- CEO, Al Rajhi Bank (2012–2015)
- General Manager, International Banking, Al Rajhi Bank (2007–2012)
- Risk Management Director, SABIC (1995–2007)

Educational Qualifications:

- Master's in Risk Management, University of Southampton, England (2004)
- Bachelor's in Accounting, King Saud University, Saudi Arabia (1995)

Dr. Saud bin Nasser Al-Shathri

Board Member (Non-Executive)



Current Positions:

- Board Member of Maharah Human Resources Company.

Previous Positions:

- Notary at the Ministry of Justice (1414 - 1426H).

Current Board Memberships:

- Board Member of Maharah Human Resources Company (2013 - present).

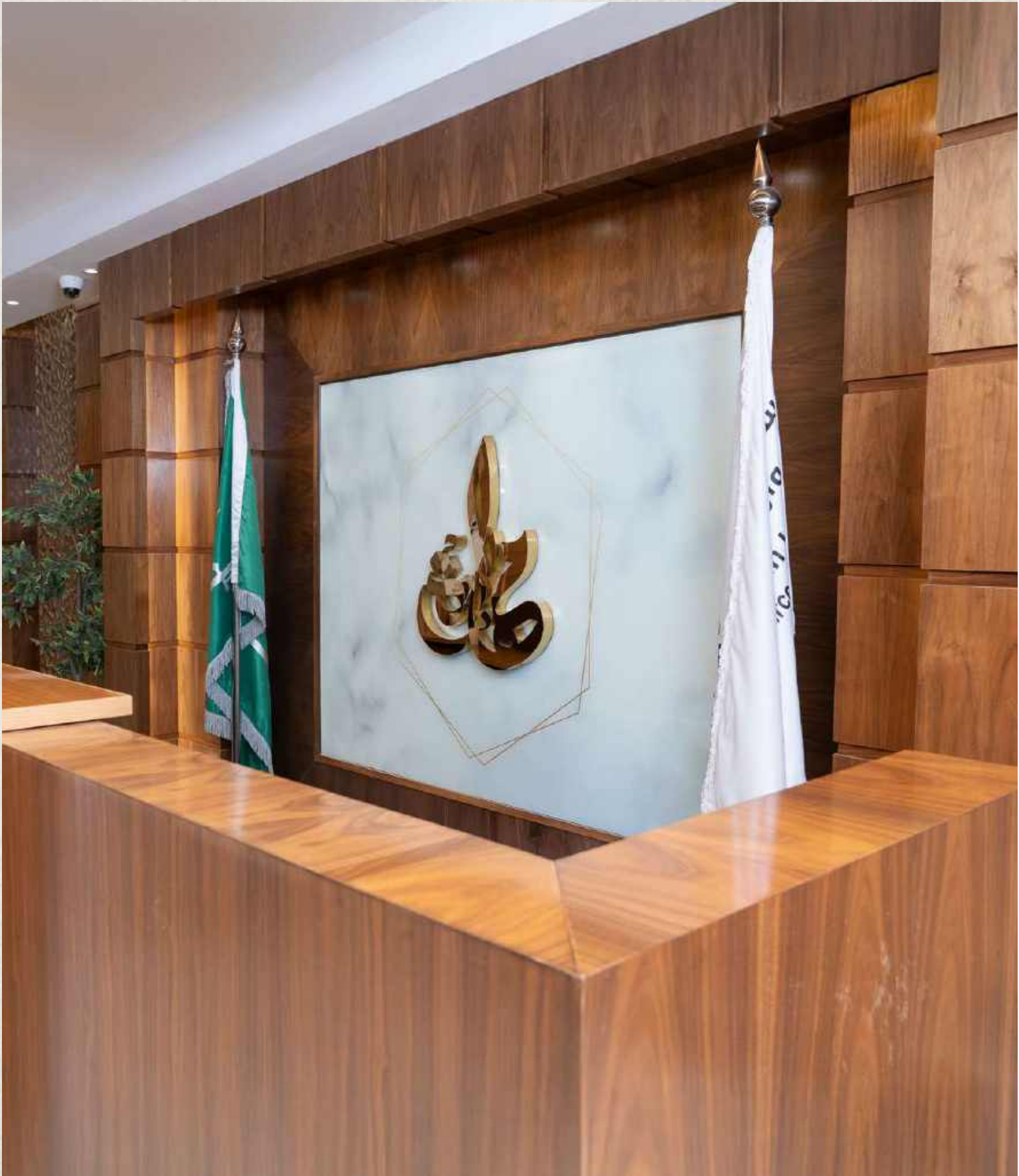
Educational Qualifications:

- PhD in Law, Higher Institute of Judiciary, Saudi Arabia (1430H).
- Master's Degree in Sharia Policy, Higher Institute of Judiciary, Saudi Arabia (1421H).
- Bachelor's Degree in Sharia, Imam Muhammad bin Saud Islamic University, Saudi Arabia (1414H).

Second: Biographies of the Board of Directors (Previous Term)

Number of outgoing Board members: 11 members

Dr. Abdullah bin Sulaiman Al-Amro – (vice chairman of the Board) (Non-Executive)	His biography has been mentioned on page number (136)
His Excellency Mr. Ahmed bin Saleh Al-Humaidan – (Vice Chairman of the Board) (Non-Executive)	His biography has been mentioned on page number (138)
Mr. Khalid bin Abdulrahman Al-Khudairi – (Board Member) (Non-Executive)	His biography has been mentioned on page number (142)
Mr. Sulaiman bin Nasser Al-Hatlan – (Board Member) (Non-Executive)	His biography has been mentioned on page number (144)
Mr. Abdulaziz bin Ibrahim Al-Nowaiser – (Board Member) (Non-Executive)	His biography has been mentioned on page number (146)
Dr. Saud bin Nasser Al-Shethri – (Board Member) (Non-Executive)	His biography has been mentioned on page number (151)



Sheikh Sulaiman bin Abdulaziz Al-Majed

Chairman of the Board (Non-Executive)



Current Positions:

- Partner and General Manager of Al-Ahlia International Real Estate Investment Company.
- Chairman of the Board of Maharah Human Resources Company.

- Board Member of Al-Ahlia International Real Estate Investment Company, a Saudi limited liability company (2007).
- Board Member of Tanmiyat Real Estate Investment Company (2006).

Previous Positions:

- General Manager of Tanmiyat Real Estate.

Previous Board Memberships:

- Board Member of Tanmiyat Real Estate Investment Company (2006).
- Chairman of the Board of Ad Engineering Company, a Saudi professional firm (2004).

Current Board Memberships:

- Board Member of the Saudi Center for Commercial Arbitration (2021).
- Chairman of Rassanah Capital.
- Chairman of Maharah Human Resources Company (2015-2024).
- Board Member of Mazaya Holding Company, a Saudi limited liability company (2012).

Professional Experience:

- Director of Tanmiyat Clothing Trade Establishment (1992 - 2004).
- General Manager of Tanmiyat Real Estate (1993 - 2004).
- Chairman of Tanmiyat Commercial Investment Company, a closed joint-stock Saudi company operating in real estate and trade (2004 - 2015).
- Board Member of Tanmiyat Commercial Investment Company, a closed joint-stock Saudi company operating in real estate and trade (2015 - present).
- Chairman of the Board of Maharah Human Resources Company, a Saudi joint-stock company specializing in human resources and recruitment (2015 - present).

Educational Qualifications:

- Bachelor's Degree in Islamic Economics, Imam Muhammad bin Saud Islamic University, Saudi Arabia (1986).

Mr. Saleh bin Abdullah Al-Henaki

Board Member (Independent)



Current Positions:

- CEO of Nitaq Capital.

Current Board Memberships:

- Board Member of Jazl Arabia Company.
- Board Member and Audit Committee Member of Rua Al-Haram.
- Chairman of the Board, Member of the Investment Committee, and Member of the Executive Committee at the Saudi Egyptian Construction Company.
- Board Member and Audit Committee Member of Mohammed Al-Habib Holding Company.
- Chairman of the Board of the National Finance Services Company.
- Board Member and Audit Committee Member of Flynas.
- Board Member and Managing Director of Rafal Real Estate Development Company.

Previous Board Memberships:

- Board Member, Maharah Human Resources Company
- Audit and Investment Committee Member, Simaco Pharmaceutical Company (Present)
- Executive and Audit Committee Member, National Housing Company (Present)
- Executive Committee Member, Jazl Real Estate Development Company (Present)

Professional Experience:

- CEO, Mask Company (2020–2019)
- CEO, Alinma Investment (2014–2019)
- Asset Management Director, Falcom Financial Services (2007–2014)
- Fund Manager, Al Rajhi Bank (2006–2007)
- Bank Examiner, Saudi Arabian Monetary Agency (SAMA) (1995–2006)

Educational Qualifications:

- Master's degree in financial mathematics, University of Michigan, USA (2002).
- Master's degree in economics, University of Colorado, USA (1998).
- Bachelor's degree in economics, King Saud University, Saudi Arabia (1995).

Mr. Ali Faqihi Mohammed Damati

Member of the Board (Independent)



Current Positions:

- Managing Director, Mazaya Investment Company.
- Chairman of the Board of Directors, Mayar Al Aseel.
- Member of the Board of Directors, Maharah Human Resources Company.
- Member of the Board of Directors, Tazej Food Company, a Saudi Limited Liability Company (2018-Present).
- Member of the Executive Committee, Zawaya Capital
- Member of the Executive Committee, Sehati for Information Technology Company (2021-Present).

Current Board Memberships:

- Member of the Board of Directors, Maharah Human Resources Company (2016-2024).
- Member of the Board of Directors, CHI iHub, Riyadh, Saudi Arabia (2022-Present).
- Member of the Board of Directors, NeoRx, Riyadh, Saudi Arabia (2021-Present).
- Chairman of the Board of Directors, Mayar Al Aseel, a UAE Joint Stock Company (2020-Present).
- Member of the Board of Directors, Sehati for Information Technology Company (2018-Present).
- Chairman of the Board of Directors, Philips Healthcare Saudi Arabia, a Saudi Limited Liability Company (2013-2015).
- Member of the Board of Directors, TPH, Dubai, UAE (2017-2021).
- Member of the Board of Directors, Spectra Support Services, Riyadh, Saudi Arabia (2016-2020).
- Managing Director, Zawaya Capital, Riyadh, Saudi Arabia (2018-2020).

Previous Board Memberships:

Professional Experience

- Managing Director, Mazaya Investment Company (2018-Present).
- Member of the Executive Committee, Zawaya Capital (2018-Present).
- Member of the Board of Directors, Mayar Company (2018-Present).
- Chief Strategy and Projects Officer, Dr. Sulaiman Al-Habib Medical Group (2016-2018).
- Chief Investment and Healthcare Projects Officer, Al Faisaliah Group (2015-2016).
- Chief Executive Officer, Al Faisaliah Medical Systems (2005-2015).
- Regional Director, Middle East and Africa, Philips, Dubai and Geneva (2001-2005).
- Regional Director, Middle East and North Africa, HP, Geneva (1998-2001).
- Business Development Manager, Kodak Near East, Dubai (1995-1997).

Educational Qualifications:

- Master's Degree in Electrical Engineering, King Fahd University of Petroleum and Minerals (KFUPM), Saudi Arabia (1988).
- Bachelor's Degree in Electrical Engineering, King Fahd University of Petroleum and Minerals (KFUPM), Saudi Arabia (1986).

Mr. Abdullah bin Abdulrahman Al-Rabdi

Member of the Board (Independent)



Current Positions:

- Founder, Chief Executive Officer, and Managing Director, Rasana Financial Company.

Previous Positions:

- Board Member, Maharah Company
- Chief Executive Officer, Al Othaim Holding.
- Chief Executive Officer, Care International Limited.
- General Manager, Saudi Paper Manufacturing Company.
- Vice President, Financial Advisory, Saudi Scope Consulting.
- Head of Investment Funds, MEFIC Capital.
- Fund Manager, Al Arabi Investment Company.

Current Board Memberships:

- Member of the Board of Directors, Rasana Financial Company, a closed Joint Stock Company (licensed by the Capital Market Authority).
- Member of the Board of Directors, Bunat Ventures, a financial company licensed by the Abu Dhabi Global Market (ADGM).
- Member of the Board of Directors, Awaed Financial Company, a Fintech company licensed by the Capital Market Authority.
- Member of the Board of Directors, Solaiman Bin Saleh Al-Mohideb & Sons Holding Company, a closed Joint Stock Company.
- Member of the Board of Directors, Naqi Water Company (listed company).
- Chairman of the Audit Committee, Solaiman Bin Saleh Al-Mohideb & Sons Holding Company.
- Chairman of the Audit Committee, Naqi Water Company.

- Member of the Investment Committee, Maharah Human Resources Company (listed company).
- Founding Member of the Board of Directors, Saudi Financial Association (SAFA).

Professional Experience

- Chief Executive Officer, Al Othaim Holding (2018-2021)
- Chief Executive Officer, Care International Limited (2017-2018)
- Vice President, Scope and Saudi Paper Manufacturing Company (2015-2017)
- Head of Fund Management, MEFIC Capital (2006-2012)
- Research Analyst and Senior Fund Manager, Al Arabi National Investment (2010-2006)

Educational Qualifications:

- Master's Degree in International Management, University of Salford, UK (2019).
- Postgraduate Diploma in Management Studies, University of Cumbria, UK (2017).
- Diploma in Electronic Engineering, Technical College, Kingdom of Saudi Arabia (1996).

Mr. Abdullah bin Abdulaziz Al-Majed

Member of the Board (Non-Executive)



Current Positions:

- Chief Executive Officer, Tanmiyat Investment Company.
- Member of the Board of Directors, Maharah Human Resources Company.

- Member of the Board of Directors, Mazaya Holding Company for Commercial Investment, a Saudi Limited Liability Company (2012-Present).
- Member of the Board of Directors, Delta International Company, a UAE Limited Liability Company (2016-Present).

Previous Positions:

- Managing Director, Global Real Estate Company.

Current Board Memberships:

- Chairman of the Board of Directors, Four Winds International Trading Company, a Saudi Limited Liability Company (2015-Present).
- Member of the Board of Directors, Al Ahlia International Real Estate Investment Company, a Saudi Limited Liability Company (2016-Present).

Previous Board Memberships:

- Member of the Board of Directors, Maharah Human Resources Company (2018-2024).
- Member of the Audit Committee, Bank Albilad, a Saudi Joint Stock Company (2011-2019).
- Member of the Board of Directors, Osus Entertainment Company, a Saudi Limited Liability Company (2004-2012).

Professional Experience

- Managing Director, Delta International Company (2016-Present).
- Chief Executive Officer, Tanmiyat Investment Company (2009-Present).
- Managing Director, Global Real Estate Company (2007-2012).
- Deputy Chief Executive Officer, Tanmiyat Investment Group (2007-2009).
- Marketing and Sales Manager, Tanmiyat Investment Group (2004-2006).

Educational Qualifications:

- Master of Business Administration (MBA), London Business School, UK (2015).
- Bachelor's Degree in Computer Science, King Saud University, Kingdom of Saudi Arabia (1977).

Current and Previous Positions of Board Members in Companies Inside and Outside the Kingdom

The following table shows the names of companies, both inside and outside the Kingdom, in which members of the Maharah Board of Directors hold membership or management positions:

(1) Sulaiman bin Abdulaziz Nasser Al Majed					
Company Name	Company Location		Member Position	Type of Membership	
	Inside the Kingdom	Outside the Kingdom		Current	Previous
Maharah Human Resources Company	✓		Chairman of the Board	✓	
Saudi Centre for Commercial Arbitration	✓		Board Member	✓	
Rassanah Capital Company	✓		Chairman of the Board of Directors	✓	
Mazaya Gulf Commercial Investment Holding	✓		Board Member	✓	
Al Ahlia International Real Estate Investment Company	✓		Board Member	✓	
Tanmiyat Real Estate Company	✓		Board Member		✓
Tanmiyat Commercial Investment Company	✓		Board Member		✓

(2) Dr. Abdullah Bin Sulaiman Al-Amro					
Company Name	Company Location		Member Position	Type of Membership	
	Inside the Kingdom	Outside the Kingdom		Current	Previous
Maharah Human Resources Company	✓		Chairman of the Board	✓	
Arabian Medical Products (ENAYAH)	✓		Chairman of the Board of Directors	✓	
Medical Beauty Kingdom Company	✓		Partner and Department Manager	✓	
Medical Health Kingdom Company	✓		Board Member	✓	
Sehati for Information Technology Services	✓		Board Member	✓	
Modern Recipes for Information Technology (Single Person Company)	✓		Chairman of the Board	✓	
Health Development Limited Company	✓		Board Member	✓	
Abdullah Bin Sulaiman Al-Amro Endowments	✓		Chairman of the Board of Supervisors	✓	
King Khalid University in Asir Region	✓		Member of the Advisory Council		✓
Care Shield Holding Company	✓		Vice-Chairman of the Board	✓	
Arabian Shifa Medical Company	✓		Chairman of the Board		✓
Middle East Investment Company	✓		Board Member		✓
Saudi Commission for Health Specialties	✓		Board Member of Trust	✓	
King Fahd Medical City	✓		Executive Director		✓
Zawaya Investment Company	✓		Board Member	✓	
Atyaf Support Services Company	✓		Board Member		✓
Health Range Medical	✓		Vice President of the Constituent Assembly	✓	

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(4) Mr. Khaled Bin Abdulrahman Al-Khudairi					
Company Name	Company Location		Member Position	Type of Membership	
	Inside the Kingdom	Outside the Kingdom		Current	Previous
Maharah Human Resources Company	✓		Board Member	✓	
Maven Insights Gulf Business Services	✓		Partner - Executive	✓	
Care Shield Holding Company	✓		Member of Nomination and Remuneration Committee	✓	
Mawten Real Estate Company	✓		Member of Nomination and Remuneration Committee	✓	
Gulf Elite Business Services and Consulting	✓		Partner – Executive	✓	
Naqawa Information Technology	✓		Board Member	✓	
Amana Cooperative Insurance Co.	✓		Member of Nomination and Remuneration Committee	✓	
CCP investments Company		✓	Partner	✓	
Karwah Investment Company	✓		CEO	✓	
ARASCO	✓		Chairman of Nomination and Remuneration Committee	✓	
Water Technology and Transport Company	✓		Member of Nomination and Remuneration Committee		✓
Etihad Atheeb Telecom Company	✓		Board Member		✓
National Center for Privatization & PPP (NCP)	✓		Deputy CEO, Shared Services		✓
GlobeMed	✓		Chairman of Nominations and Remuneration Committee		✓
Tabuk Agricultural Development Company	✓		Board Member		✓
National Housing Company	✓		General Manager, Human Resources Department		✓
Volkswagen Group Saudi Arabia	✓		Advisor to the Chairman of the Board		✓
Al Safi Danone (Al Faisaliah Group)	✓		Talent Management, Development, and Organization Development Manager		✓
Modern Electronics Company - Sony (Al Faisaliah Group)	✓		HR Manager		✓

(5) Mr. Abdulaziz Bin Ibrahim Al-Nowaiser					
Company Name	Company Location		Member Position	Type of Membership	
	Inside the Kingdom	Outside the Kingdom		Current	Previous
Maharah Human Resources Company	✓		Board Member, Chairman of Audit Committee	✓	
Emaar, The Economic City (EEC)	✓		CEO	✓	
The Cooperative Insurance Company (Tawuniya)	✓		Chairman of the Board, Chairman of Executive Committee	✓	
United Insurance Company		✓	Chairman of the Board, Chairman of Executive Committee	✓	
Osool Real Estate	✓		Chairman of the Board, Member of Audit Committee	✓	
National Water Company (NWC)	✓		Member of Audit Committee	✓	
Flyadeal	✓		Member of Audit Committee	✓	
Tahakom investment company	✓		CEO, Board Member	✓	
Saudi Entertainment Ventures (SEVEN)	✓		Board Member, Chairman of Audit Committee		✓
Mobily	✓		Chairman of Audit Committee		✓
Solutions by STC	✓		Vice President, Finance		✓
Abdullah Al Othaim Investment and Real Estate Development Company	✓		Vice President, Finance		✓
National Consulting House	✓		CEO		✓
Elm Company	✓		Finance Manger		✓
Elm Company	✓		Member of Audit Committee		✓
Umm Al-Qura Cement Company	✓		Member of Audit Committee		✓

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(5) Mr. Abdulaziz Bin Ibrahim Al-Nowaiser

Company Name	Company Location		Member Position	Type of Membership	
	Inside the Kingdom	Outside the Kingdom		Current	Previous
Abdullah AlOthaim Company	✓		Member of Audit Committee		✓
Tawuniya insurance company	✓		Chairman of Audit Committee		✓
Saudi Fisheries Company	✓		Member of Audit Committee		✓
AlEssa Industries Company	✓		Member of Audit Committee		✓
Saudi Tourism Development Company	✓		Chairman of the Board		✓

(6) Dr. Saud Bin Nasser Al-Shathri

Company Name	Company Location		Member Position	Type of Membership	
	Inside the Kingdom	Outside the Kingdom		Current	Previous
Maharah Human Resources Company	✓		Board Member	✓	
Ministry of Justice	✓		Notary Public		✓
Mazaya Gulf Company	✓		Board Member	✓	
Tanmiyat Medical	✓		Chairman of the Board		✓
Al-Ahlia Finance	✓		Partner		✓
Tanmiyat Commercial Investment Company	✓		Chairman of the Board		✓

(7) Mr. Fawaz Bin Abdullah Al-Omran

Company Name	Company Location		Member Position	Type of Membership	
	Inside the Kingdom	Outside the Kingdom		Current	Previous
Maharah Human Resources Company	✓		Board Member	✓	
Madad Smart Information Technology Company	✓		Partner	✓	
Al-Yanabee Aladhbah Industrial Company	✓		Partner	✓	
Human Powers Business Services Company	✓		Partner	✓	
Darb Technology for Communications and Information Technology	✓		Partner	✓	
Advanced Real Estate Company	✓		Executive	✓	
Al-Ahillah Limited Company	✓		Board Member	✓	
Precision Tools Trading (Single person company)	✓		Executive	✓	
Eastern Province Cement Company (Public)	✓		Board Member	✓	
Ministry of Tourism	✓		Undersecretary of the Ministry for Shared Services	✓	
Social Development Bank	✓		Deputy CEO, Support Services		✓
KPMG Professional Consulting	✓		Head of Human Resources For Shared Services		✓
Takamol Holding	✓		Senior Director of Human Resources, CEO of Takamol Business Services		✓
Mercer Consulting Saudi Arabia	✓		Consultant		✓
Al Rajhi Bank	✓		Awareness and Communication Manager, Compliance Group		✓
Alinma Bank	✓		HR Manager		✓

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(12) Mr. Sulaiman Bin Abdulaziz Al-Zabin					
Company Name	Company Location		Member Position	Type of Membership	
	Inside the Kingdom	Outside the Kingdom		Current	Previous
Maharah Human Resources Company	✓		Board Member	✓	
SPC Company	✓		Member of Audit Committee	✓	
Faw Company	✓		Board Member	✓	
Ouswah Fund – Etqan Capital	✓		Board Member	✓	
Mutlaq Al-Ghowairi Contracting Company	✓		Board Member	✓	
Al-Khazina Fund 2	✓		Board Member	✓	
Creative Capital Management Consulting Office	✓		Owner	✓	
King Abdullah Humanitarian foundation	✓		CEO	✓	
Mawhiba	✓		Chairman of Board Member	✓	
SABIC	✓		Executive		✓
Al Rajhi Bank	✓		CEO		✓
Deutsche Bank (Real Estate Finance)	✓		Executive		✓
Ministry of Social Development	✓		Deputy Minister		✓

(13) Mr. Abdullah Bin Abdulaziz AlMajed					
Company Name	Company Location		Member Position	Type of Membership	
	Inside the King-dom	Outside the King-dom		Current	Previous
Maharah Human Resources Company	✓		Board Member	✓	
Tanmiyat investment company	✓		Chief Executive Officer	✓	
Four Winds Saudi Arabia Company	✓		Chairman of the Board	✓	
Al Ahlia International Real Estate Investment Company	✓		Board Member	✓	
Mazaya Gulf Commercial Investment Holding			Board Member		
Delta International Company (UAE)		✓	Board Member	✓	
Global Real Estate Company		✓	Managing Director		✓
Bank Albilad	✓		Audit Committee Member		✓
Osus Entertainment Company	✓		Board Member		✓

(14) Mr. Ali Faqihi Damati					
Company Name	Company Location		Member Position	Type of Membership	
	Inside the Kingdom	Outside the Kingdom		Current	Previous
Maharah Human Resources Company	✓		Board Member	✓	
Mazaya Investment Company		✓	Managing Director	✓	
iHub CHI – Riyadh	✓		Board Member	✓	
NeoRx – Riyadh	✓		Board Member	✓	
Mayar Al-Aseel (UAE)		✓	Chairman of the Board	✓	
Tazaj Food Company	✓		Board Member	✓	
Sehati for Information Technology Services	✓		Board Member	✓	
Zawaya Capital	✓		Member of Executive Committee	✓	
Philips Healthcare Saudi Arabia	✓		Chairman of the Board		✓
TPH, Dubai, UAE		✓	Board Member		✓
Spectra Support Services – Riyadh	✓		Board Member		✓
Zawaya Capital – Riyadh	✓		Managing Director		✓
Dr. Sulaiman Al-Habib Medical Group	✓		CEO, Strategy & Projects		✓
Al Faisaliah Group	✓		Chief Investment Officer & Healthcare Projects		✓
Al Faisaliah Medical Systems	✓		CEO		✓
Philips (Dubai & Geneva)		✓	Regional Director, Middle East & North Africa		✓
HP – Geneva		✓	Regional Director, Middle East & North Africa		✓
Kodak Near East (Dubai)		✓	Business Development Manager		✓

Board Committees

The Maharah Human Resources Company Board of Directors has established three main committees: the Audit Committee, the Nomination and Remuneration Committee, and the Executive Committee. Specific by-laws have been adopted for each committee, outlining their duties, responsibilities, authorities, and member powers, as well as the mechanism for delegating authority and organizing committee meetings. This ensures that each committee can perform its duties and responsibilities efficiently and effectively.

The following are some of the general principles and rules related to the Board committees:

- Specializations:**
The committee is established based on general procedures set by the board, which include defining the role of each committee, its duration, the authority granted to it during this period, and how the board will oversee its activities. Each committee is required to report to the board on the outcomes it achieves or any organizational decisions it makes.
 - Formation Procedures:**
The Board of Directors defines the procedures for forming committees, including specifying each committee's tasks, term, delegated powers, and oversight mechanisms.
- Reports and Transparency:**
Each committee must submit a transparent report to the Board of Directors regarding its results and decisions. The Board is required to monitor the committees' work regularly.
 - Responsibility:**
Each committee is responsible for its actions to the Board of Directors, without prejudice to the Board's responsibility for the powers granted to the committees.
 - Number of Members:**
The number of committee members ranges from three (3) to five (5).
- Notification to the Authority:**
The company must notify the CMA of the names and memberships of committee members within five (5) business days of their appointment and any changes within five (5) days of their occurrence.
 - Merging Committees:**
The Remuneration and Nomination Committees may be merged into one committee called the "Nomination and Remuneration Committee," while adhering to the legal requirements of each committee. The committee must meet periodically at least every six months.

Audit Committee

The new Audit Committee was formed by the Board of Directors in its third meeting of 2024, held on May 22, 2024, and its term will last until the end of the Board's term.

Committee Formation:

- The Audit Committee is formed by a resolution of the Board of Directors and must include at least one independent Board member who does not meet the independence impediments criteria.
- The committee consists of three (3) to five (5) members, including a member specialized in financial and accounting affairs.
- The Chairman of the Board and executive Board members are not eligible for Audit Committee membership.
- Anyone who works or has worked in the executive management or with the external auditor within the previous two years is not eligible for committee membership.
- The committee's term is four (4) years, starting from the beginning of the Board's term or from the Board's resolution approving the committee's formation, and ending with the end of the Board's term. The committee may be re-nominated for one or more similar periods.

Responsibilities:

- Monitoring internal control systems, financial reports, internal and external audit of financial reports, and ensuring the company's compliance with applicable laws and regulations.
- Studying and reviewing the company's financial statements and disclosures related to its financial performance before presenting them to the Board of Directors, to ensure their integrity, fairness, and transparency, and expressing its opinion on these statements and data.
- Recommending to the Board of Directors the appointment and dismissal of external auditors, determining their fees, and evaluating and supervising their performance, after verifying their independence, reviewing the scope of their work, and the terms of their contracts.
- Appointing the internal auditor and supervising the internal audit department in the company to verify the availability of necessary resources and its effectiveness in performing the assigned duties and tasks.
- Ensuring that the internal auditor maintains the required independence.
- Verifying that the company takes the necessary actions regarding reports from regulatory bodies.
- Reviewing proposed contracts and transactions between the company and related parties and submitting its recommendations to the Board of Directors.
- Overseeing the risk management function and evaluating the effectiveness of risk identification and monitoring systems and mechanisms.

Committee Members:

#	Member Name	Position	Previous Term	The New	Membership Type		
					Independent	Executive	Non - Executive
1	Mr. Abdulaziz bin Ibrahim Al-Nowaiser	Chairman	✓	✓			✓
2	Mr. Abdulaziz bin Abdullah Al-Haidari	Member	✓	✓			✓
3	Mr. Jasser bin Abdulkarim Al-Jasser	Member	✓	✓			✓

The new Audit Committee was formed by the Board of Directors in its third meeting of 2024, held on May 22, 2024, and its term will last until the end of the Board's term.

Meetings and Attendance Record:

The committee meets at least quarterly, with additional meetings held as needed. The committee held ten (10) meetings during 2024.

The table shows the names of the Audit Committee members, their membership classification, and their meeting attendance:

#	Name	Position / Membership Type (Chair - Member)	Membership Classification	Audit Committee Meetings and Attendance Record										Attendance Rate
				Meet- ing 1	Meet- ing 2	Meet- ing 3	Meet- ing 4	Meet- ing 5	Meet- ing 6	Meet- ing 7	Meet- ing 8	Meet- ing 9	Meet- ing 10	
				01/28 2024	03/19 2024	03/27 2024	03/30 2024	05/14 2024	08/08 2024	08/13 2024	10/09 2024	11/05 2024	11/07 2024	
1	Mr. Abdulaziz bin Ibrahim Al-Nowaiser	Chairman	Non-Executive	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
2	Mr. Abdulaziz bin Abdullah Al-Haidari	Member	Non-Executive	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%
3	Mr. Jasser bin Abdulkarim Al-Jasser	Member	Non-Executive	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	100%

Summary of Committee Meetings

During its meetings, the committee reviews the following:

- The Group's quarterly and annual financial results and statements.
- The content of the Board of Directors' annual report, to ensure that it accurately reflects the results of the company's activities in an understandable manner and provides the necessary information for shareholders to assess the company's performance, business model, and strategy.
- The audit methodology adopted with the external auditors and management, included in the independent auditor's year-end report.
- Audit reports, findings of the internal audit department and external auditors, and management's response to their recommendations.
- Reports on legal and regulatory compliance matters, including anti-bribery and corruption and reporting of such cases.
- The adequacy and effectiveness of the company's internal control systems.
- The independence of the external auditors and work related to providing non-audit services.
- External auditor fees for 2024 and engagement letters for the audit process, and recommending approval to the Board of Directors.



Biographies of the Audit Committee Members

Abdulaziz bin Ibrahim Al-Nowaiser - Chairman of the Audit Committee

His biography has been mentioned on page number (146)

Mr. Jasser Abdulkarim Al-Jasser

Audit Committee Member



Mr. Abdulaziz bin Abdullah Mohammed Al-Haidari

Audit Committee Member



Current Positions

- Chief Officer of Governance, Risk & Compliance, NEOM (2023 – Present)

Professional Experience

- Director General, Governance, Risk & Compliance, Ministry of Finance (2018–2023)
- Chief Audit Executive, NCB / Saudi National Bank (2015–2018)
- Chief Audit Executive, Tadawul (2010–2015)
- Assistant VP, Riyadh Bank (2002–2010)

Educational Qualifications:

- MBA, Colorado Technical University, USA (2001)
- Bachelor's in business administration, King Saud University, Saudi Arabia (1999)
- CIA Certification, Institute of Internal Auditors (IIA), USA (2006)
- Certified Risk Analyst (CRA), American Academy of Financial Management USA (2005)

Current Positions

- Head of Internal Audit Department at Elm Company (2012–Present)

Professional Experience

- Master's in Information Technology - Internal Audit Manager at Elm Company (2012–2017)
- Internal Auditor at Elm Company (2008–2012)

Educational Qualifications:

- Master's in Information Technology - Master's in Information Technology Management, California State University, USA (2016)
- Master's in Professional Accounting, King Saud University (2012)
- Certified Risk Management Assurance (CRMA) Professional Certification, The Institute of Internal Auditors (2011)
- Certified Internal Auditor (CIA) Professional Fellowship, The Institute of Internal Auditors (2010)
- Saudi Organization for Certified Public Accountants (SOCPA) Professional Fellowship, Saudi Organization for Certified Public Accountants (2007)
- Bachelor's in Accounting, King Saud University (2002)

Annual Review Outcomes of Internal Control Effectiveness

Internal Audit Framework:

The executive management of internal audit provides a range of assurance services, including internal audit activities. These audits are conducted independently and objectively in accordance with the requirements of the International Professional Practices Framework (IPPF) for internal auditing. This framework includes the core principles for professional practice, standards, and the definition of internal auditing issued by the Institute of Internal Auditors (IIA).

The internal audit methodology is based on the following:

1. The internal audit process begins with a company-wide risk assessment and the preparation of a risk register. This register is used to assess the level of all identified inherent risks, in addition to evaluating the control measures implemented by management to mitigate their impact. This process aims to evaluate the remaining risks, based on which the audit plan for the next three years is developed, and it is updated annually, at a minimum.
2. Based on the evaluation of the remaining risks, an audit plan for the next three years is developed, along with a timeline for its implementation. This audit plan is referred to as the "risk-based audit plan," meaning that its foundation is the level of risk for each department/activity within the company or its subsidiaries. The plan is then presented to the Audit Committee for discussion and approval.

It is important to note that the committee reserves the right to amend the audit plan by incorporating additional departments or activities whenever it deems necessary.

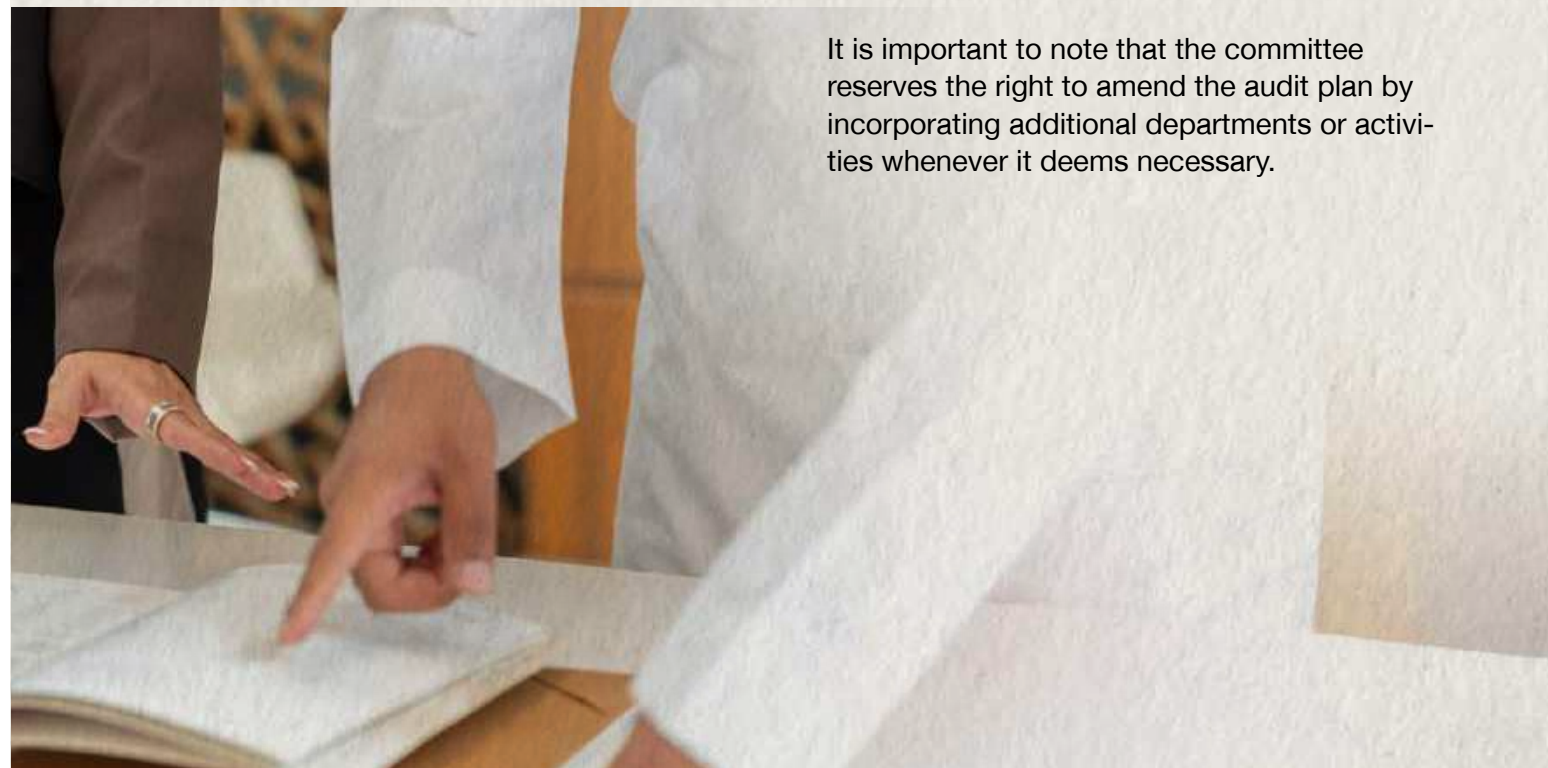
3. The audit plan (assurance services) shall be executed according to the agreed-upon timeline. The process begins with notifying each department before the commencement of the internal audit, followed by the submission of an initial list of requirements. A fieldwork phase is then conducted, during which control procedures are assessed, and sample-based testing is performed. Subsequently, a draft internal audit report is prepared and discussed with the relevant department. Management is required to provide a response to each identified observation, outlining the corrective action plan, the expected timeline for implementation, the responsible individual, and the anticipated completion date.

Finally, the final report is issued and discussed with the CEO, incorporating any necessary amendments, if applicable. The report is then submitted to the Audit Committee, where both the executive management and the relevant department are invited to discuss the findings.. The Audit Committee supervises the executive management of internal audit to ensure its independence. Following this, a follow-up process shall be conducted to monitor the implementation of the agreed-upon corrective plans. A follow-up report is then prepared and submitted to both the executive management and the Audit Committee to ensure that all departments have implemented the corrective actions outlined in the internal audit reports.

4. Based on the results of the follow-up processes, the risk register is updated, which serves as the foundation for preparing the audit plan for the coming years. Additionally, the executive management of internal audit supervises reports of non-compliant practices, due to its independence. A reporting policy for non-compliant practices was developed in collaboration with the Compliance and Governance Department, in accordance with Article 81 of the Corporate Governance Regulation issued by the Capital Market Authority. This policy, which has been approved by the Board of Directors, aims to promote ethical values and foster a culture of integrity and accountability within the company.

The management methodology entails the acting General Manager of Internal Audit submitting quarterly reports to the Audit Committee regarding the non-compliant reports received and the recommendations issued concerning them. The Audit Committee, in turn, submits an annual report on these matters.

It is worth noting that an agreement has been reached with the executive management of Information Technology to automate the process of submitting, receiving, and following up with reports in accordance with the best practices. We emphasize that the confidentiality of whistleblowers' identities is fully maintained. Additionally, any recommendations submitted to the Chief Executive Officer are issued through a committee chaired by the Acting General Manager of Internal Audit, with the Executive Director of Human Resources and the Head of the Legal Department serving as members.



Internal Audit Report

Results of the Annual Review of the Effectiveness of Internal Control Procedures in the Company during 2024, and the Committee's Opinion on the Adequacy of the Company's Internal and Financial Control and Risk Management Systems.

The scope of work of the Internal Audit Department includes examining and evaluating the adequacy and effectiveness of the company's internal control systems, verifying the company's and its employees' compliance with the regulations and rules issued by relevant authorities, in addition to the company's internal policies. The Audit Committee also assists the Board of Directors in fulfilling its responsibilities with regard to verifying the existence of an effective internal control system within the company. Therefore, the Audit Committee helps verify the adequacy and effective implementation of the internal control system and submits recommendations to the Board of Directors that would activate and develop the system to achieve the company's objectives and protect the interests of shareholders and investors.

During 2024, the company's Internal Audit Department supervised the internal audit work within the group, which was assigned to an external consulting firm from the Big Four specializing in this field. The Internal Audit Department was requested to assess risks, update the group's risk register based on developments, develop the internal audit work plan for the next three years, and set a dedicated budget for this with the approval of the company's Board of Directors.

The Internal Audit Department submitted the main risk report to the company's Audit Committee, where it was discussed with the company's executive management. A corrective action plan was prepared for all the observations contained therein. The Internal Audit Department also submitted the annual internal audit work plan based on the updated risk register.

The Internal Audit Department also carried out detailed follow-up work on the corrective plans for all the departments that were audited, and then submitted the final reports to the Audit Committee for discussion, approval, and recommendation of appropriate measures to address any observations regarding them.

The Audit Committee also reviewed the reports submitted by the external auditor, including the management report, which includes some observations on the internal control system related to the preparation of financial statements and the corrective plan developed by management to address them.

The Chairman of the Audit Committee, during Board of Directors meetings, provides Board members with the necessary reports on the Audit Committee's work and the results of its work, including the results of its follow-up on the work of the Internal Audit Department and its recommendations in this regard.

The Committee's Opinion on the Adequacy of the Company's Internal and Financial Control and Risk Management Systems.

The Audit Committee is of the opinion that the company's internal and financial control and risk management systems are adequate and effective in several aspects, but need further development and improvement in other aspects to keep pace with the size and nature of the company's business. The company's executive management was consulted regarding the observations reached through internal and external audit processes, and the executive management presented a corrective plan. The Audit Committee will follow up on the implementation of the corrective plan during 2025. It is noted that these observations entail residual risks related to strategic, operational, financial, and compliance aspects, which necessitates strengthening control measures and taking proactive measures to mitigate these risks.

The Need to Appoint an Internal Auditor for the Company :

The Audit Committee did not recommend appointing an internal auditor because the company has an Internal Audit Department.

Conflict between the Audit Committee's Recommendations and the Board of Directors' Decisions :

There are no recommendations issued by the Audit Committee that conflict with the Board of Directors' decisions or that the Board refused to adopt regarding the appointment, dismissal, fee determination, performance evaluation of the company's external auditor, or the appointment of an internal auditor.

Independent Auditor:

The General Assembly of Maharah Company, held on May 16, 2024, approved the appointment of KPMG as the company's external auditor from among the candidates based on the Audit Committee's recommendation. This appointment is for examining, reviewing, and auditing the financial statements for the second and third quarters and the annual financial statements for the fiscal year 2024 and the first quarter of the fiscal year 2025. The external auditor's fees for reviewing and auditing the financial statements were set at SAR 1,030,000, excluding VAT.

Nomination and Remuneration Committee

The new Nomination and Remuneration Committee was formed by the Board of Directors in its third meeting of 2024, held on May 22, 2024, and its term will last until the end of the Board's term.

Committee Formation:

- Executive Board members are not eligible for committee membership.
- Membership in the Nomination and Remuneration Committee lasts for four years, starting from the beginning of the Board's term until the end of the Board's term, and may be extended for an additional period, provided that the members continue to meet the committee membership criteria.
- The committee is formed by the Board of Directors.
- The committee consists of no fewer than three and no more than five members, excluding executive Board members, with at least one independent Board member.
- The committee chair must be one of the independent Board members.

Responsibilities

- Propose clear policies and criteria for membership on the Board of Directors and within executive management.
- Recommend to the Board of Directors nominees for Board membership and renominations, in accordance with established policies and criteria, ensuring that no individual previously convicted of a crime involving a breach of trust is nominated.
- Develop a description of the required skills and qualifications for Board membership and executive management positions.
- Determine the time commitment expected of Board members for Board affairs.
- Conduct an annual review of the necessary skills and experience required for Board membership and executive management positions.
- Review the structure of the Board of Directors and executive management, providing recommendations for potential changes.
- Annually verify the independence of independent directors and ensure the absence of any conflicts of interest, particularly if a director serves on the board of another company.
- Develop job descriptions for executive directors, non-executive directors, independent directors, and senior executives.
- Establish procedures for filling vacancies in Board or senior executive positions.
- Identify the strengths and weaknesses of the Board of Directors and propose solutions to address them, acting in the best interests of the company.
- Develop a clear remuneration policy for Board members, committee members, and executive management. This policy should be presented to the Board of Directors for review and subsequently submitted to the General Assembly for approval. The policy must incorporate performance-linked criteria, include disclosure provisions, and mechanisms for verifying its implementation.
- Clarify the relationship between remuneration granted and the established remuneration policy, highlighting any material deviations from the policy.
- Conduct periodic reviews of the remuneration policy, evaluating its effectiveness in achieving its objectives.
- Recommend to the Board of Directors the remuneration for Board members, committee members, and senior executives, in line with the approved policy.



Committee members:

No.	Member Name	Position	Previous Term	The New Term	Membership Type		
					Independ-ent	Executive	Non-Ex-ecutive
1	Mr. Khalid bin Abdulrahman Al-Khudairi	Committee Chairman	✓	✓			✓
2	Mr. Ahmed bin Mohammed Al-Faleh	Member		✓	✓		
3	Mr. Fawaz bin Abdullah Al-Omran	Member		✓	✓		
4	His Excellency Mr. Ahmed bin Saleh Al-Humaidan	Member	✓		✓		
5	Mr. Ali Faqihi Damati	Member	✓		✓		

The new Nomination and Remuneration Committee was formed by the Board of Directors in its third meeting of 2024, held on May 22, 2024, and its term will last until the end of the Board's term.

Meetings and Attendance Record:

The committee meets at least quarterly or as needed.

The Nomination and Remuneration Committee held six (6) meetings during 2024. The following table details these meetings:

No.	Member Name	Position / Role	Mem-ber-ship Type	Meeting 1	Meeting 2	Meeting 3	Meeting 4	Meeting 5	Meeting 6
				01/03 2024	03/30 2024	07/16 2024	08/28 2024	11/06 2024	12/11 2024
1	Khalid bin Abdulrah-man Al-Khudairi	Committee Chairman and Independent Mem-ber from the Board	Non-Ex-ecutive	Attended	Attended	Did not Attend	Attended	Attended	Attended
2	His Excellency Mr. Ahmed bin Saleh Al-Humaidan	Board Member	Indepen-dent	Attended	Attended				
3	Ali Faqihi Damati	Board Member	Indepen-dent	Attended	Attended				
4	Ahmed bin Moham-med Al-Faleh	Board Member	Indepen-dent			Attended	Attended	Attended	Attended
5	Fawaz bin Abdullah Al-Omran	Board Member	Indepen-dent			Attended	Attended	Attended	Attended

Biographies of Nomination and Remuneration Committee Members

Fawaz bin Abdullah Al-Omran (Independent) Committee Member	His biography has been mentioned on page (140)
Mr. Khalid bin Abdulrahman Al-Khudairi – Executive Committee Member (Non-Executive)	His biography has been mentioned on page (142)
Ahmed bin Mohammed Al-Faleh (Independent) Committee Member	His biography has been mentioned on page (148)



Executive Committee

The current term of the Executive Committee was formed by the Board of Directors during its third meeting of 2024, held on May 22, 2024. The committee's term will continue until the end of the current Board term.

The committee is formed by the Board of Directors.

- The committee consists of at least three to five members.

Responsibilities:

- Exercise all powers vested in it according to the company's matrix of powers and responsibilities.
- Review the Executive Committee's working procedures, assess their adequacy, and recommend amendments to the Board of Directors.
- Review and recommend to the Board of Directors the company's overall strategy, key objectives, mission, vision, annual business plans, and oversee their implementation, proposing any necessary amendments to the Board.
- Oversee the budget plan and monitor the company's performance.
- Provide recommendations and monitor the implementation of the company's strategies, future plans, internal policies and regulations, projects, and operational and investment objectives.
- Review the Board of Directors' report and Form (8) and recommend approval to the Board.
- Review the company's matrix of authorities and recommend approval to the Board of Directors.
- Review the company's annual budgets and any subsequent amendments and submit recommendations to the Board of Directors.
- Review internal policies and regulatory provisions prepared by executive management before submitting them to the Board of Directors and recommending approval to the Board.
- Review key performance indicators (KPIs) and recommend approval to the Board of Directors.
- Advise the Board of Directors on determining dividend distributions, taking into account any recommendations submitted by the Audit Committee in this regard.
- Study any matters referred to the committee by the Board of Directors and make appropriate recommendations.
- Conduct regular communication and meetings with executive management to monitor its work.
- Carry out any other tasks assigned by the Board of Directors.

Committee Members:

No.	Member Name	Position	Previous Term	The New Term	Membership Type		
					Independent	Executive	Non-Exec-utive
1	Dr. Abdullah Sulaiman Al-Amro	Committee Chairman	✓	✓			✓
2	Mr. Sulaiman bin Nasser Al-Hatlan	Member	✓	✓			✓
3	Mr. Sulaiman bin Abdulaziz Al-Zabin	Member	✓	✓			✓
4	Mr. Khalid Abdulrahman Al-Khudairi	Member	✓	✓			✓
5	Mr. Abdulaziz bin Eidha Al-Kathiri	Member	✓	✓		✓	

The current term of the Executive Committee was formed by the Board of Directors during its third meeting of 2024, held on May 22, 2024. The committee's term will continue until the end of the current Board term.

Meetings and Attendance Record:

The Executive Committee held thirteen (13) meetings during 2024. The following table details these meetings :

[illegible]

Biographies of Executive Committee Members

Dr. Abdullah bin Sulaiman Al-Amro – Chairman of the Executive Committee (Non-Executive)	His biography has been mentioned on page number (136)
Mr. Khalid bin Abdulrahman Al-Khudairi – Executive Committee Member (Non-Executive)	His biography has been mentioned on page number (142)
Mr. Sulaiman bin Nasser Al-Hatlan – Vice Chairman of the Executive Committee (Non-Executive)	His biography has been mentioned on page number (144)
Dr. Sulaiman Abdulaziz Al-Zabin – Executive Committee Member (Non-Executive)	His biography has been mentioned on page number (150)



Mr. Abdulaziz bin Eidha Al-Kathiri

(Executive Committee Member (Executive))

Current Positions

- CEO, Maharah since December 2021 – Present
- General Manager, Growth Avenues Investment Company (2024 – Present)
- Chairman of the Board, Spectra Support Services Company (2024 – Present)
- Chairman of the Board, Arabian Shifaa Medical Company (2024 – Present)
- Chairman of the Board, Nabdh Logistics Company (2024 – Present)
- Chairman of the Board, TPB Company (2024 – Present)
- Chairman of the Board, Ayadi Training Academy (2024 – Present)

- Chairman of the Board, Tazaj Food Company (2022 – Present)
- Executive Committee Member, Maharah (2021 – Present)
- Member, National Committee for HR Companies (2021 – Present)
- Member, Coordination Council & Executive Committee for HR Companies (2021 – Present)

Previous Positions

- Executive Vice President of Sales and Operations at Maharah (2018 - November 2021)

Professional Experience

- Business Development Director, Maharah (2013–2015)
- Executive Director – Human Capital (2015–2016)
- Executive Director – Business Sector (2016–2018)
- Member of the Board of Directors, TPB (2017–2023)
- Chairman, TPB Executive Committee (2017–2020)
- Admin Director – Medical Affairs, KFMC (2011–2013)
- Assistant Secretary-General – Medical Cities Board, MOH (2011–2012)

- Executive Office Manager to CEO, KFMC (2009–2011)
- Board Secretary – KFMC (2005–2011)
- Executive Secretary to CEO, KFMC (2004–2008)

Educational Qualifications:

- Bachelor's degree in business administration, King Faisal University.
- Diploma in Hospital Administration, Institute of Public Administration, Saudi Arabia.

Executive Management

The company's executive management comprises a team with the necessary experience and skills to manage the company under the supervision of the Board of Directors. The Chief Executive Officer (CEO) manages the company's daily operations in accordance with the guidance and policies set by the Board of Directors to ensure the achievement of the company's objectives as defined by the Board.

Biographies of the Executive Management Members

Mr. Abdulaziz bin Eidha Al-Kathiri - Executive Committee Member

His biography has been mentioned on page number (194)

Mr. Naif Al-Boqami

Deputy CEO, Shared Services – Advisor to the CEO



Current Positions

- Advisor to the CEO and Executive VP of Shared Services at Maharah Company
- Board Member, Spectra Support Services Company
- Board Member, TPH Manpower Services – Dubai
- Member of the Board of Directors Nabdh Logistics Services Company
- Member of the Board of Directors , Arabian Shifaa Medical Company
- Member of the Board of Directors Professional Development Training Company

Previous Positions

- Former CEO of several companies in the HR sector.
- Former Expert at Airbus Global.
- Former Director of Operations and Maintenance at National Gas and Industrialization Company.

Educational Qualifications:

- Master of Business, King Abdulaziz University.
- Bachelor's degree in engineering from King Saud University.
- 17 years of experience in various Engineering and Administrative fields.

Mussab bin Abdulmajid Al- Wohabe

Deputy CEO, Financial affairs



Current Positions

- Deputy CEO, Finance, Maharah
- Member of the Audit Committee, Care Shield Holding (Kingdom Hospital) [2022 – Present]

Previous Positions

- Board Member, East Gas Company (Closed Joint Stock Company) [2008 – 2017]
- Member of the Executive Committee, Arabian Shifa Medical Company [2022 – 2024]
- Member of the Board of Directors and Executive Committee, TPH (Subsidiary) [2020 – 2023]
- Chairman of the Executive Committee, Spectra(Subsidiary) [2022 – 2023]
- Member of the Board of Directors and Executive Committee, Bloovo (Associate Company) [2020 – 2022]

- Chief Financial Officer (CFO), Arab Paper Manufacturing Company [2017 – 2020]
- Treasury Management, Saudi Arabian Amiantit Group [2007 – 2017]
- Credit Advisor, Saudi Industrial Development Fund (SIDF) [2005 – 2007]
- Senior Credit Analyst, SIDF [2000 – 2005]

Educational Qualifications:

- Certified in Strategy and Competitive Analysis (CSCA) - 2021
- Certified Management Accountant (CMA) - 2019
- Bachelor of Systems Engineering/Industrial Engineering, King Fahd University of Petroleum and Minerals, Saudi Arabia [2000]

Mr. Ali Al-Otaibi

Deputy CEO, Sales and Operations



Current Positions

- Deputy CEO, Sales and Operations, Maharah

Previous Positions

- Executive Director, Business Sector, Maharah [2019 – 2022]
- Director of the Medical Sector, Maharah [2017 – 2019]
- Marketing Manager, Maharah [2014 – 2017]
- Executive Assistant, King Faisal Specialist Hospital and Research Centre, Oncology Center [2010 – 2014]
- Head of Admissions and Inpatient Services, Case Management Supervisor, and Autism Program Coordinator [2006 – 2010]

- Case Manager, Case Management Department, King Faisal Specialist Hospital and Research Centre [2001 – 2006]
- Housing Supervisor, Housing Services Department, King Faisal Specialist Hospital and Research Centre [1998 – 2001].
- Translator, King Khaled Eye Specialist Hospital [1994 – 1998].

Educational Qualifications:

- Bachelor of Business Administration, Imam Muhammad Ibn Saud Islamic University.

Board Members, Committee Members, and Senior Executives' Compensation

Compensation and Allowances Policy for Board Members, Committees, and Executive Management

The compensation policy for board members, committee members, and executive management has been updated in accordance with the executive regulations. The amendments were approved by the Extraordinary General Assembly on 16/05/2024.

Board Members and Committee Members' Compensation

- Each board member is entitled to an annual remuneration of SAR 250,000.
- The Chairman of the Board is entitled to an annual remuneration of SAR 350,000.
- Each chairman of a board committee is entitled to an annual remuneration of SAR 300,000.
- Each board member is entitled to an annual remuneration of SAR 250,000 for membership in any committee.
- Executive Management Compensation: The Board of Directors shall, based on the recommendation of the Nomination and Remuneration Committee, determine the types of compensation granted to senior executives, including fixed compensation and performance-based bonuses.

Objectives of the Compensation and Allowances Policy

- Establish clear and defined standards and procedures that inform the company's shareholders about the criteria and processes followed when determining compensation for board members, committee members, and senior executives.
- Define a high-level mechanism to attract individuals with the necessary competence, capability, experience, and knowledge for board membership, committees, and executive management by adopting incentive compensation plans linked to performance. This contributes to enhancing company performance and achieving its goals and interests in accordance with applicable regulations in the Kingdom.
- Maintain a balance between experienced and competent members and the standard compensation levels practiced in the Kingdom.



Previous Term

No.	Name	Fixed Remuneration							Variable Remuneration					End of Service Award	Grand Total	Expense Allowance	Waiver Arrangements or Agreements for Any Rewards
		Specific Amount	Board Meeting Attendance Allow- ance	Total Committee Attendance Allow- ances	In-Kind Benefits	Technical and Administrative Staff Remuneration	Chairman / Managing Director / Secretary Remuneration (if a member)	Total	Profit Share	Periodic Remunerations	Short-Term Incentive Plans	Long-Term Incentive Plans	Granted Shares (enter value)				
First: Independent Members																	
1	His Excellency Mr. Ahmed bin Saleh Al-Hu- maidan	250,000	12,000	-	-	-	-	262,000	-	-	-	-	-	-	-	-	-
2	Ali Faqihi Damaty	250,000	12,000	-	-	-	-	262,000	-	-	-	-	-	-	-	-	-
3	Abdullah Al-Rabdi	136,968	6,000	-	-	-	-	142,968	-	-	-	-	-	-	-	-	-
4	Saleh bin Abdullah Al-Henaki	250,000	12,000	-	-	-	-	262,000	-	-	-	-	-	-	-	-	-
Total		1,386,968	66,000	-	-	-	-	1,452,968	-	-	-	-	-	-	-	-	-
Second: Non-Executive Members																	
5	Sulaiman bin Abdulaziz Al-Majed	250,000	12,000	-	-	-	-	262,000	-	-	-	-	-	-	-	-	-
6	Abdullah bin Su-laiman Al-Amro	250,000	12,000	-	-	-	-	262,000	-	-	-	-	-	-	-	-	-
7	Sulaiman bin Nasser Al-Hat-lan	250,000	12,000	-	-	-	-	262,000	-	-	-	-	-	-	-	-	-
8	Saud bin Nasser Al-Shathri	250,000	9,000	-	-	-	-	259,000	-	-	-	-	-	-	-	-	-
9	Abdullah bin Ab-dulaziz Al-Majed	250,000	12,000	-	-	-	-	262,000	-	-	-	-	-	-	-	-	-
10	Khalid bin Abdulrahman Al-Khudairi	250,000	12,000	-	-	-	-	262,000	-	-	-	-	-	-	-	-	-
11	Abdulaziz bin Ibrahim Al-Nowaiser	250,000	12,000	-	-	-	-	262,000	-	-	-	-	-	-	-	-	-
Total		1,250,000	57,000	-	-	-	-	1,307,000	-	-	-	-	-	-	-	-	-
Grand Total		2,636,968	123,000	-	-	-	-	2,759,968	-	-	-	-	-	-	-	-	-

* It is worth noting that the board members’ rewards are paid after approval by the General Assembly, based on the approved policy for board members’ rewards.

Top Five Executives' Remunerations

Executive Positions		Total
Fixed Remuneration	Salaries	5,724,426.13
	Allowances	1,534,752.13
	In-Kind Benefits	0
	Total	7,259,178.26
Variable Remuneration	Periodic Remunerations	3,342,256.62
	Profits	0
	Short-Term Incentive Plans	0
	Long-Term Incentive Plans	534,873.22
	Periodic Remunerations	0
	Granted Shares (enter value)	0
Total		3,877,129.84
End of Service Award		634,551.36
Total Board Remunerations for Executives, if any		0
Grand Total		11,770,859.46
Waiver Arrangements or Agreements for Any Rewards		0

Committee Members’ Remunerations

No.	Name	Fixed Remuner- ation (excluding session atten- dance, previous term)	Session Atten- dance Allow- ance	Total	Waiver Ar- rangements or Agreements for Any Re- wards
Investment Committee Members					
1	Saleh Bin Abdullah Al-Hinaki	150,000	6000	156,000	-
2	Abdulrahman Aba Al-Khail	150,000	6000	156,000	-
3	Abdullah Al-Rabdi	150,000	6000	156,000	-
4	Bassam Nour	150,000	6000	156,000	-
Total		600,000	24,000	624,000	-
Audit Committee Members					
1	Abdulaziz bin Ibrahim Al-Nowaiser	150,000	30,000	180,000	-
2	Jasser Al-Jasser	150,000	30,000	180,000	-
3	Abdulaziz Al-Haidari	150,000	30,000	180,000	-
Total		450,000	90,000	540,00	-

No.	Name	Fixed Remuner- ation (excluding session atten- dance, previous term)	Session Atten- dance Allow- ance	Total	Waiver Ar- rangements or Agreements for Any Re- wards
Nomination & Remuneration Committee Members					
1	Khalid bin Abdulrahman Al-Khudairi	150,000	18,000	168,00	-
2	Ahmed Saleh Al-Humaidan	150,000	18,000	168,000	-
3	Ali bin Faqihi Damaty	150,000	12,000	162,000	-
Total		450,000	48,000	498,000	-
Executive Committee Members					
1	Abdullah bin Sulaiman Al-Amro	150,000	24,000	174,000	-
2	Sulaiman bin Nasser Al-Hatlan	150,000	24,000	174,000	-
3	Khalid Abdulrahman Al-Khudairi	150,000	24,000	174,000	-
4	Abdulaziz bin Eidah Al-Kathiri	150,000	24,000	174,000	-
Total		600,000	96,000	696,000	-
Grand Total		100,000	258,000	2,358,400	-

* The remuneration for the members of the board of directors and committees for their membership in 2023 was paid in 2024.

Enterprise Risk Management

Maharah adopts a comprehensive Enterprise Risk Management approach to safeguard its assets and enhance stakeholders' benefits, ensure business continuity, and enhance organizational resilience. This involves identifying and assessing potential risks, developing effective response plans, and adhering to global best practices and standards to achieve the company's strategic objectives and vision. This year, the company developed a risk management framework aligned with leading international standards (ISO 31000 and COSO). This framework emphasizes the crucial role of integrating risk management directly into strategic decision-making, objective setting, and overall organizational performance and culture. It also underscores the importance of a comprehensive and integrated risk management framework. Integrating risk management principles and practices into the company's daily strategy, objectives, and operations is essential for achieving goals, unifying efforts, defining roles and responsibilities, and standardizing procedures across all relevant departments. This, in turn, promotes efficient resource utilization, flexibility in strategic planning, informed risk-based decision-making, and the ability to address challenges effectively and resiliently.

Framework and Governance of Enterprise Risk Management

- Maharah's comprehensive and effective risk management framework enables the company to achieve its objectives by:
- Ensuring effective risk management throughout the Company.
- Regularly monitoring and assessing risks to ensure company objectives are met within acceptable risk tolerance limits.
- Implementing risk management policies and procedures in accordance with established standards and principles.
- Implementing a unified and comprehensive system for managing all risks, encompassing identification, assessment, monitoring, mitigation, and reporting.
- Defining risk categories and the risk universe.
- Defining the roles and responsibilities of all parties involved in risk.
- Continuously monitoring operational processes and key risks facing the company.
- Providing the Audit Committee, Board of Directors, and relevant stakeholders with accurate and objective comprehensive reports on key risks.
- Ensuring compliance with relevant regulations and laws.
- Fostering a risk-aware culture among employees.

A risk tolerance framework has also been developed to set boundaries for acceptable risks in pursuit of strategic objectives. This comprehensive approach includes policies, processes, and controls for establishing, communicating, and monitoring risk tolerance limits. Furthermore, operational risk and key risk indicator policies have been developed.



The risk management framework and its policies are regularly updated and reviewed to ensure the effectiveness and integration of risk management processes. The CEO oversees the implementation of the risk management policy and framework, while the Board of Directors, through the Audit Committee, monitors its implementation and assesses key risks facing the Company. The company’s risks are categorized as follows:

1- Strategic Risks

The risks that may affect the company's ability to achieve its strategic objectives.

01. Substantial changes in regulations and legislation: These can impact the company's operations, potentially leading to strategy misalignment, directly or indirectly affecting the human resources sector, and resulting in increased operating costs or a decrease in recruited workforce numbers

Risk Mitigation Strategy

Maharah has a flexible business model that enables it to respond to such changes by adapting to new labor regulations and the Contractual Relationship Improvement initiative. This involves amending contracts with clients and its workforce, reinforcing its role as a leading human resources company attracting local and international talent, and expanding its operations in deploying this workforce within the Saudi labor market.

Maharah has also begun implementing the new requirements for collective labor housing, as stipulated by the Ministry of Municipal and Rural Affairs. The company has started securing the necessary licenses under the new legislation and is documenting all lease agreements electronically.

Furthermore, the company continuously reviews and adapts its strategy to address such risks by implementing global best practices within a comprehensive corporate governance framework.

02. Impact of general economic conditions: Economic conditions in the Kingdom and other countries where Maharah operates can affect the company's business, financial position, operating results, and future outlook. Demand for workforce services is significantly influenced by the overall level of business activity and general economic conditions.

Risk Mitigation Strategy

Maharah possesses the flexibility and adaptability to navigate economic fluctuations. This enables the company to explore alternative options, recruit from various countries, activate internal recruitment processes, and optimize the utilization of its properties and accommodations to mitigate these risks.

2- Governance Risks

These risks arise from the company's governance framework and may relate to the effectiveness of the Board of Directors and its committees, clarity of objectives and responsibilities, conflicts of interest, and other related matters. Governance risks also encompass those within invested companies. The Governance Department manages governance risks by periodically reviewing governance frameworks and ensuring that policies are in place according to the requirements of regulatory bodies and reviewing them on a regular basis. This includes the company’s governance policy, the authority matrix, the policies for the Board of Directors and committees within the company, the conflict-of-interest policy, as well as the governance policy for the investee subsidiaries.

3- Regulatory and Non-Compliance Risks

The company's operations are overseen by the Ministry of Human Resources and Social Development (MHRSD) and its regulations, including rules governing recruitment and labor service provision. The company must also comply with other regulations, rules, procedures, and circulars issued by the MHRSD from time to time.

Under recruitment regulations, all companies engaged in workforce recruitment, public and private sector labor services, and domestic worker services must obtain a license from the MHRSD. Maharah holds a license from the MHRSD (Number 9/Sh) valid for 10 Hijri years, expiring on 02/04/1454H (10/07/2032G). Failure to renew this license or a suspension by the Ministry would negatively impact the company's operations, financial position, results of operations, and future prospects.

Furthermore, non-compliance with the stipulated conditions in the recruitment regulations or any circulars issued by the MHRSD, including the Wage Protection System (which measures employer compliance with timely wage payments), could expose the company to violations resulting in fines and penalties, including suspension of operations or services. This would adversely affect the company's business, financial position, operating results, and outlook.

Risk Mitigation Methodology

The Compliance Department regularly monitors Maharah’s adherence to all regulations and instructions, ensuring compliance with MHRSD laws and regulations.

4- Financial Risks

Risks of financial losses arising from a range of factors related to the market and the economic environment and include:

Foreign Currency Risk

This represents the risk arising from fluctuations in the value of a financial instrument due to changes in foreign exchange rates.

Interest Rate Risk

Changes in interest rates on bank financing can lead to financial losses. Interest rate risk affects the value of financial instruments due to market fluctuations. These fluctuations may result from factors related to the financial instrument itself, its issuer, or factors affecting all traded financial instruments. However, the company is not exposed to significant interest rate risks that materially impact its performance

Risk Mitigation Methodology

The group has flexible plans aimed at managing these risks within acceptable levels to maximize returns.

Credit Risks

This represents the risk of a party failing to meet its obligations, resulting in a financial loss for the other party.

Risk Mitigation Strategy

Company policy stipulates that all clients seeking credit terms undergo credit checks. Financial instruments subject to credit risk concentration primarily consist of customer receivables.

The company deposits cash with several reputable financial institutions and has a policy of setting limits for deposits with each institution.

Trade Receivables

Clients are evaluated according to company standards before service contracts are concluded. The company does not believe there are significant risks related to the insolvency of these institutions. The company does not consider itself exposed to significant credit risk concentrations related to debtors due to its diversified client base operating in various sectors and locations.

Liquidity Risks

This represents the difficulties a company faces in securing funds to meet its obligations related to financial instruments. Liquidity risk can arise from the inability to sell a financial asset quickly at a price close to its fair value.

Risk Mitigation Methodology

The company's sales terms stipulate that payments are made in cash upon delivery of goods or on credit terms. The treasury unit within the finance department monitors cash flows and prepares an annual cash flow forecast. It also issues a monthly cash position report.

5- Operational Risks

01. Difficulties in recruiting or training necessary workforce, or contract termination due to refusal to work, lack of professional competence, absconding, or death.
02. Inability to maintain relationships with external recruitment offices and risks related to workforce attrition.

Risk Mitigation Methodology

The company manages operational risks by regularly monitoring these situations to mitigate or avoid their impact. Provisions are also made to address these situations should they occur during the year.

6- Information Technology Risks

Like other companies, Maharah is exposed to various IT risks, such as data loss or theft, cyberattacks, system failures, and technological obsolescence. The unavailability, breach of confidentiality, or manipulation of critical IT applications and systems can lead to uncontrolled data flow, directly impacting the company's operations and financial position.

Risk Mitigation Methodology

Maharah maintains updated versions and backups of its IT systems and utilizes advanced tools and systems to protect against cyberattacks and detect potential security vulnerabilities. The company continuously strives to maintain a secure data network infrastructure to prevent the loss of critical data and ensure operational integrity and continuity.

7- Reputation Risks

Reputation risks arise when a company's reputation is negatively affected, potentially leading to a loss of trust from customers, partners, and investors.

Like any other company, Maharah may face reputation risks related to the circulation of negative news, such as rumors or misinformation about the company, which could harm its reputation and interests. Additionally, reputation risks may be associated with service quality, as the company's reputation could be impacted by deficiencies in the quality of services provided to customers.

Risk Mitigation Strategy

Maharah maintains updated versions and backups of its IT systems and utilizes advanced tools and systems to protect against cyberattacks and detect potential security vulnerabilities. The company continuously strives to maintain a secure data network infrastructure to prevent the loss of critical data and ensure operational integrity and continuity.

Capital

The following table presents the capital and shares of Maharah Human Resources Company as of December 31, 2024:

Description	Value (SAR)
Authorized Capital	475,000,000
Issued Shares	475,000,000
Paid-up Capital	475,000,000
Nominal Value per Share	1 SAR

Major Shareholders as of the End of 2024

Shares Owned on Last Trading Day	Shareholder
5.263%	Maharah Human Resources Company 2024-12-31
11.63%	Abdullah Sulaiman Mazeed Al-Amro 2024-12-31

Foreign Ownership at the End of 2024

Maximum Limit	Actual Ownership
49%	4.04%

Monthly Evolution of Foreign Ownership in 2024

Month	Average Ownership Percentage
January	6.243
February	6.291
March	6.029
April	5.790
May	5.767
June	5.758
July	5.720
August	6.171
September	5.859
October	4.076
November	3.868
December	4.014

Ownership Percentages of Board Members and senior executives in the company's shares by the end of 2024

Shareholder	Position	Shares Owned on Last Trading Day
Abdullah Sulaiman Mazeed Al-Amro	Chairman of the Board	11.6295789%
His Excellency Mr. Ahmed Saleh Abdullah Al-Humaidan	Board Member	0.0010526%
Sulaiman Abdulaziz Abdulrahman Al-Zabin	Board Member	0.0002105%
Ahmed bin Mohammed bin Abdulrahman Al-Faleh	Board Member	0.0002105%
Abdulaziz Ibrahim Sulaiman Al-Nowaiser	Board Member	0.0002105%
Khaled Abdulrahman Ali Al-Khudairi	Board Member	0.0001053%
Abdulaziz Eidah Muftah Al-Amer Al-Kathiri	Senior Executive	0.0525474%

Related Party Transactions

Details of contracts entered into with related parties in 2024, including the interests of Board members and senior executives:

Company Name	Type of Interest Direct / Indirect	Transaction Value "Saudi Riyals"	Type of Transaction Example: (Lease Contract, Manpower Services, etc.)	Name of Board Member, Committee Member, or CEO "If applicable"	Contract Duration
Saudi Health Systems Company	Indirect	10,668,395.50	Provision of manpower services	Sulaiman bin Nasser bin Jibran Al-Hatlan / Sulaiman Bin Abdulaziz AlZibn	Two years
Care Shield Holding Company	Indirect	11,817,242	Provision of manpower services	Abdullah bin Sulaiman bin Mazid Al-Amro / Sulaiman bin Nasser bin Jibran Al-Hatlan	Two years, automatically renewable
Osool Integrated Real Estate Company	Indirect	5,380,535.60	Provision of manpower services	Abdulaziz bin Ibrahim bin Sulaiman Al-Nowaiser	Three years
Gulf Elite Business Services and Consulting	Direct	138,000.00	Provision of manpower services	Khalid bin Abdulrahman Ali Al-Khudairi	One year
Abdulaziz Aida Al-Kathiri Auto Spare Parts Est.	Direct	82,680.79	Provision of manpower services	Abdulaziz Ayedh Maftah Al-Kathiri	Two years

Penalties, Cases, and Violations

The following table provides a detailed statement of the penalties, sanctions, and fines imposed by the Capital Market Authority or any supervisory, regulatory, or judicial authority on the company during the year 2024:

No.	Violation Type	Authority Issuing the Violation	Financial Impact in 2024 (SAR)	Reason for the Violation	Method of Resolution
1	Failure to receive and accommodate recruited workers upon arrival	Ministry of Human Resources & Social Development	SAR 5,000	Non-compliance with the obligation to receive workers upon their arrival	Emphasizing to the external office responsible for the violation the necessity of sending five workers while ensuring that the international recruitment officers are informed in case of any changes in flight schedules under any circumstances.
2	Operating under direct sunlight	Ministry of Human Resources & Social Development	SAR 3,000	Engaging workers in tasks under direct sunlight during restricted hours	The operating company responsible for the violation was notified regarding the employment of three workers under direct sunlight, with an emphasis on ensuring that such a violation does not recur in the future.
3	Non-compliance with housing standards	Ministry of Municipal & Rural Affairs	SAR 30,500	Failure to meet the stipulated collective housing requirements	The requirements for collective housing have been duly implemented at the accommodation in question. It is noted that the accommodation is contracted with a company operating lodging facilities, and they have been notified to rectify the violations.
4	Use of public sidewalks for business	Ministry of Municipal & Rural Affairs	SAR 2,000	Unauthorized use of public premises for business purposes	The operating company responsible for the violation has been notified to remove the violation and to ensure that it is not repeated in the future.

Statement of Treasury Stock Held by the Company:

No. of Treasury Stock Held by the Company	Stock Value per SAR	Hold Date	Details of Use
2,500,000	25,000,000	June 13, 2023	Employee Stock Ownership Program (long-term)

The statement of the value of the statutory payments paid and due as of December 31, 2024

Description	2024		Brief Description
	Paid	Due until the end of the Annual Fiscal Period and not yet paid	
Zakat	10,363,208	12,205,425	Zakat due for the year 2023G
Tax	215,124,582	18,049,235	Payment of Value Added Tax due for 2024G
General Organization for Social Insurance	34,591,436	4,596,891	Payment of insurance due for 2024G
Visa and Passport Costs	58,738,000	-	Payment of Recruitment fees and visas for expats due for 2024G
Labor Office Fees	291,336,895	-	Payment of work permit fees and financial consideration due for 2024G

Statement of the Company’s Loan Balances to Banks as of December 31, 2024

Name of Lending Entity	Loan Principal Amount	Loan Duration	Additions During the Year	Interest Paid During the Year	Current Portion of Long-Term Loans During 2024	Loan Maturity Date	Financing Amount by End of 2024
Al Rajhi (Islamic Banking Facilities)	381,558,751	2- 8 years	24,500,000	30,970,864	4,837,500	2029	405,746,251
SABB (Islamic Banking Facilities)	181,050,000	2- 8 years	-	12,256,301	-	2029	181,050,000

Statement of the value of any investments or reserves established for the benefit of the company's employees.

The Extraordinary General Assembly approved, on June 8, 2023, the Employee Share Program and authorized the Board of Directors to set the conditions for this program, including the allocation price per share offered to employees if it is against consideration, and to allocate 2.5 million shares for the purpose of establishing the Employee Share Program (Long-Term Incentive Plan).

Waiver of Any Rights to Profits by a Shareholder

There are no arrangements or agreements under which any shareholder has waived their rights to dividends.

Shares in Voting-Entitled Stock Categories

There are no ownership interests in any category of voting shares held by individuals (except for board members, senior executives, and their relatives) who have reported their shareholdings to the company.

Financial Interests and Subscription Rights of Board Members and Senior Executives, and Their Relatives in the Company's Shares and Debt Instruments

There are no financial interests, contractual securities, or subscription rights held by board members, senior executives, or their relatives in the company's shares or debt instruments, nor any changes in such interests or rights during the last fiscal year.

Debt Instruments and Contractual Securities

- There are no convertible debt instruments, contractual securities, priority purchase rights, or similar rights issued or granted by the company during the fiscal year 2024.
- There are no conversion or subscription rights under any convertible debt instruments, contractual securities, subscription rights memoranda, or similar instruments issued or granted by the company.
- There has been no redemption, repurchase, or cancellation of any redeemable debt instruments by the company, nor any remaining securities, with a distinction made between listed securities purchased by the company and those acquired by its subsidiaries.

Description of any interests, contractual securities, and subscription rights belonging to board members, senior executives, and their relatives in the company’s shares or debt instruments or any of its subsidiaries, including any changes in such interests or rights during 2024:

None



شركة مهارة
للموارد البشرية
Maharah Human
Resources Company

MAHARAH HUMAN RESOURCES COMPANY
A SAUDI JOINT STOCK COMPANY

**CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

MAHARAH HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
CONSOLIDATED FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2024
AND INDEPENDENT AUDITOR'S REPORT

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KPMG Professional Services Company

Roshn Front, Airport Road
P.O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية

واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent Auditor's Report

To the Shareholders of Maharah Human Resources Company (A Saudi Joint Stock Company)

Qualified opinion

We have audited the consolidated financial statements of **Maharah Human Resources Company (the "Company") and its subsidiaries (the "Group")**, which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, comprising material accounting policies and other explanatory information.

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion" section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its financial performance and its consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Basis for qualified opinion

During the year ended 31 December 2024, the Group has not performed equity accounting for its investment in 'Saudi Medical Systems Company', stated at SR 415,452,471 as at 31 December 2024. This is a departure from the requirements of the IAS 28 'Investment in associate and joint ventures'.

We were not provided with access to the financial information, management, and the auditor of Saudi Medical Systems Company. Accordingly, it was impracticable for us to quantify the effects of this departure on equity accounted investments as at 31 December 2024 and share in results of equity accounted investees for the year ended 31 December 2024, as well as on relevant elements making up the consolidated statement of changes in equity and the consolidated statement of cash flows.

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

Independent Auditor's Report (continued)

To the Shareholders of Maharah Human Resources Company (A Saudi Joint Stock Company)

Key Audit Matters (KAM)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters - Revenue from contracts with customers

Refer to note (4) of the accounting policy related to revenue from contracts with customers and note (31) of the related disclosures in the accompanying consolidated financial statements.

Key Audit Matter	How the matter was addressed in our audit
<p>The Group's consolidated revenue for the year ended 31 December 2024 amounted to SR 2,235 million.</p> <p>As required under IFRS 15 'Revenue from Contracts with Customers', for contracts with customers the management determines the performance obligations that exist under the contract and the transaction price. The revenue is then allocated to the performance obligations under the contract.</p> <p>Revenue is considered one of the key indicators for measuring the Group's performance. It also involves risks related to fraud, leading to significant inherent risks related to the possibility of revenue recognition that may not meet the recognition criteria for revenue and the recording of revenue during the correct accounting period, which could have a material impact on the Group's consolidated financial statements. Therefore, revenue recognition has been considered a key audit matter.</p>	<p>Our audit procedures included among other the following:</p> <ul style="list-style-type: none"> • Evaluated the Group's accounting policies related to revenue recognition in light of the applicable financial reporting framework. • Assessed the design and implementation of relevant controls in relation to revenue recognition including relevant anti-fraud controls • Assessed, on a sample basis, the relevant terms of sales contracts. • Performed test of detail on sample of recorded revenue transactions and compared them with supporting documents to verify the occurrence of recorded revenue. • Tested a sample of revenue transactions that occurred before and after year-end, as well as testing a sample of credit notes for revenue transactions that occurred after year-end, to assess whether the revenue was recognized in the correct accounting period. • Assessed the adequacy of the relevant disclosures included in the Group's consolidated financial statements.

Independent Auditor's Report (continued)

To the Shareholders of Maharah Human Resources Company (A Saudi Joint Stock Company)

Key audit matters (continued) Provision for expected credit losses

Refer to note (4) of the accounting policy related to trade receivables and contract assets and note (13 and 14) of the related disclosures in the accompanying consolidated financial statements.

Key Audit Matter	How the matter was addressed in our audit
<p>As at 31 December 2024, The total balance of the provision for expected credit losses on trade receivables and contract assets amounted to SR 44 million.</p> <p>The Group follows the simplified approach in calculating expected credit losses on trade receivables and contract assets. The ECL model involves the use of various assumptions and study of historical trends relating to the Group's experience in collecting trade receivables as required by IFRS 9 "Financial Assets". All of which involves a significant degree of judgment and complexities.</p> <p>Given the high degree of judgment and estimates in the calculation of expected credit losses, we considered this a key audit matter. Furthermore, such provision is inherently subjective and requires significant management judgment, which increases the risk of error or potential management bias.</p>	<p>Our audit procedures included among other the following:</p> <ul style="list-style-type: none"> • Evaluated the Group's accounting policies related to trade receivables and contract assets in light of the applicable financial reporting framework. • Obtained an understanding of the management process for determining the impairment of trade receivables, contract assets. • Assessed, on a sample basis, whether items in the trade receivables and contract assets ageing report were classified within the appropriate ageing bracket in the report with underlying documentation, which included revenue invoices and services delivery notices. • Involved our internal specialist to assist in assessing the judgments and estimates used by the Group in the expected credit loss model as required by IFRS 9 "Financial Instruments", testing the key assumptions used by the Group and assessing the reasonableness of the estimates used to recognize the provision for impairment of trade receivables and contract assets. • Inspected, on a sample basis, proceeds received from customers subsequent to the financial year end relating to trade receivables balances as at 31 December 2024, with bank statements and relevant remittance documentation, and • Assessed the adequacy of related disclosures included in the consolidated financial statements of the Group.



Independent Auditor's Report (continued)

To the Shareholders of Maharah Human Resources Company (A Saudi Joint Stock Company)

Emphasis of Matter

We draw attention to note (45) of the consolidated financial statements, which indicates that the comparative information presented as at 31 December 2023 and as at 1 January 2023 has been restated. Our opinion is not modified in respect of this matter.

Other matter

The consolidated financial statements of the Group as at and for the year ended 31 December 2023 and the consolidated statement of financial position as at 1 January 2023, excluding the adjustments described in Note (45) to the consolidated financial statements were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 25 Ramadan 1445H (Corresponding to 4 April 2024).

As part of our audit of the consolidated financial statements as at and for the year ended 31 December 2024, we audited the adjustments described in Note (45) that were applied to restate the comparative information presented at and for the year ended 31 December 2023 and the statement of financial position as at 1 January 2023. We were not engaged to audit, review, or apply any procedures to the consolidated financial statements for the year ended 31 December 2023 and the statement of financial position as at 1 January 2023, other than with respect to the adjustments described in Note (45) to the consolidated financial statements. Accordingly, we do not express an opinion or any other form of assurance on those respective consolidated financial statements taken as a whole. However, in our opinion, the adjustments described in Note (45) are appropriate and have been properly applied.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, when made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS that endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, the applicable requirements of the Regulations for Companies, Company's bylaws and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, i.e. the Board of Directors, is responsible for overseeing the Group's financial reporting process.

Independent Auditor's Report (continued)

To the Shareholders of Maharah Human Resources Company (A Saudi Joint Stock Company)

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

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of **Maharah Human Resources Company ("the Company") and its subsidiaries ("the Group")**.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable actions taken to eliminate threats or safeguards applied.

Independent Auditor's Report (continued)

To the Shareholders of Maharah Human Resources Company (A Saudi Joint Stock Company)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefit of such communication.

KPMG Professional Services Company



Hani Bin Hamzah Bin Ahmed Bedairi
License No.: 460



Riyadh, 15 Shawwal1446H
Corresponding to: 13 April 2025

MAHARAH HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024
(All amounts are in Saudi Riyal unless otherwise stated)

	Note	31 December 2024	31 December 2023 (Restated Note 45)	1 January 2023 (Restated Note 45)
Assets				
Non-current assets				
Property and equipment	5	152,177,792	124,789,310	121,995,257
Right-of-use assets	6.A	41,181,594	48,977,522	43,024,421
Intangible assets and Goodwill	7	5,417,743	6,085,345	7,872,996
Investment properties	8	36,792,042	37,295,810	37,799,578
Equity accounted investees	9	750,614,145	787,425,954	753,064,575
Investments at fair value through other comprehensive income	10	4,747,200	11,496,186	13,985,656
Contract assets – noncurrent portion	13	6,137,434	16,627,652	11,402,465
Recruitment costs and visas in use – noncurrent portion	15	25,907,882	12,858,898	26,070,772
Total Non-Current Assets		1,022,975,832	1,045,556,677	1,015,215,720
Current assets				
Available visas	12	27,348,000	33,064,000	24,856,000
Investments at fair value through profit or loss	11	36,467,600	70,283,710	25,099,306
Contract assets – current portion	13	140,839,121	80,075,305	93,098,961
Trade receivable	14	326,876,766	269,280,216	243,976,861
Prepayments and other current assets	15	247,060,481	159,740,300	219,240,988
Murabaha time deposits	16	35,000,000	10,000,000	--
Cash and cash equivalents	17	33,717,769	78,978,507	83,573,675
Total Current Assets		847,309,737	701,422,038	689,845,791
Total assets		1,870,285,569	1,746,978,715	1,705,061,511
Equity and liabilities				
Equity				
Share capital	19	475,000,000	475,000,000	375,000,000
Statutory reserve	20	103,056,265	103,056,265	93,351,472
Other reserves	21	(21,718,519)	(20,619,811)	(16,540,248)
Treasury Shares		(25,000,000)	(25,000,000)	--
Retained earnings		93,780,281	36,512,439	103,491,296
Equity attributable to the Shareholders of the Company		625,118,027	568,948,893	555,302,520
Non-controlling interests	46	--	(2,706,976)	(745,861)
Total Equity		625,118,027	566,241,917	554,556,659
Liabilities				
Non-current liabilities				
Long-term loans – noncurrent portion	24	581,957,710	544,477,273	562,607,710
lease liabilities non-current portion	6.B	21,167,854	29,725,167	31,219,113
Employees' defined benefits liabilities	26	103,238,136	95,227,910	83,877,102
Retained deposits– noncurrent portion	29	41,222,587	22,794,346	17,487,811
Total non-current liabilities		747,586,287	692,224,696	695,191,736
Current liabilities				
Long-term loans - Current portion	24	4,837,500	18,130,437	--
Short-term loans	25	20,173,000	--	--
Accounts payable and other current liabilities	27	289,561,832	283,422,412	225,882,268
Contract liabilities	28	109,427,291	99,873,720	132,032,491
Retained deposits – Current portion	29	62,050,764	72,739,845	81,653,327
Zakat provision	30	11,530,868	14,345,688	15,745,030
Total Current liabilities		497,581,255	488,512,102	455,313,116
Total liabilities		1,245,167,542	1,180,736,798	1,150,504,852
Total Equity and liabilities		1,870,285,569	1,746,978,715	1,705,061,511

The accompanying notes form an integral part of these consolidated financial statements, which were approved for issuance by the Board of Directors on behalf of the shareholders and signed on their behalf by:

Mr. Mohammad Mosleh Alkhatib
GM-Financial Controller

Mr. Mussab Al-Wohabe
VP-Finance & Investment

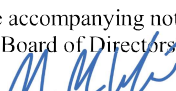
Mr. Abdulaziz Al-Kahtani
CEO

Dr. Abdullah Al Amro
Chairman

MAHARAH HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts are in Saudi Riyal unless otherwise stated)

	Note	For the year ended	
		31 December 2024	31 December 2023 (Restated Note 45)
Revenues	31	2,235,430,580	1,890,018,520
Cost of revenues	32	(1,976,806,926)	(1,645,743,207)
Gross profit		258,623,654	244,275,313
General and administrative expenses	33	(99,268,625)	(95,767,750)
Marketing and selling expenses	34	(24,929,626)	(24,083,740)
Expected credit losses on accounts receivable, contract assets and related parties	13,14	(4,274,490)	(24,345,178)
Impairment loss on advances to suppliers	15c	(2,508,391)	(3,377,890)
Other income	35	27,247,703	16,261,498
Operating profit		154,890,225	112,962,253
Finance costs	36	(48,006,216)	(44,181,690)
Impairment of goodwill	7	--	(1,956,071)
Share in results of equity accounted investees	9	28,314,302	40,517,640
Change in fair value of investments at FVTPL	11	1,436,666	840,895
Profit before zakat		136,634,977	108,183,027
Zakat	30	(9,809,283)	(9,945,941)
Profit for the year		126,825,694	98,237,086
Profit attributable to:			
Shareholders of the Company		127,482,444	100,225,936
Non-controlling interests		(656,750)	(1,988,850)
		126,825,694	98,237,086
Other comprehensive loss:			
Item that will be reclassified to consolidated statement of profit or loss:			
Foreign currency translation differences – Foreign operations		(2,775)	--
Item that will not be reclassified to consolidated statement of profit or loss:			
Change in fair value of investments at FVTOCI	10	(6,748,986)	(2,489,470)
Share in other comprehensive income of equity accounted investees	9	1,486,104	1,599,294
Re-measurements employees' defined benefits liabilities	26	2,950,906	(3,161,652)
Other comprehensive loss for the year		(2,314,751)	(4,051,828)
Total comprehensive income for the year		124,510,943	94,185,258
Total comprehensive income attributable to:			
Shareholders of the Company		125,167,693	96,146,373
Non-controlling interests		(656,750)	(1,961,115)
		124,510,943	94,185,258
Earnings per share attributable to shareholders of the parent Company			
Basic Earnings per share	37	0.28	0.22
Diluted Earnings per share	37	0.28	0.22

The accompanying notes form an integral part of these consolidated financial statements, which were approved for issuance by the Board of Directors on behalf of the shareholders and signed on their behalf by


Mr. Mohammad Mosleh Alkhatib
GM-Financial Controller


Mr. Mussab Al-Wohabe
VP-Finance & Investment






Mr. Abdulaziz Al-Fadhly
CEO


Dr. Abdullah Al Amro
Chairman

MAHARAH HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts are in Saudi Riyal unless otherwise stated)

	Capital	Statutory reserve	Other reserves	Treasury Shares	Retained Earnings	Total	Non-controlling interests	Total Equity
For the year ended 31 December 2023								
Balance on 1 January 2023, As previously presented	375,000,000	93,351,472	(16,540,248)	--	107,031,800	558,843,024	(745,861)	558,097,163
Restatement (Note 45)	--	--	--	--	(3,540,504)	(3,540,504)	--	(3,540,504)
Balance on 1 Jan 2023, (Restated)	375,000,000	93,351,472	(16,540,248)	--	103,491,296	555,302,520	(745,861)	554,556,659
Profit for the year	--	--	--	--	100,225,936	100,225,936	(1,988,850)	98,237,086
Other comprehensive loss for the year	--	--	(4,079,563)	--	--	(4,079,563)	27,735	(4,051,828)
Total comprehensive income for the year	--	--	(4,079,563)	--	100,225,936	96,146,373	(1,961,115)	94,185,258
Transferred to statutory reserve	--	9,704,793	--	--	(9,704,793)	--	--	--
Increase in share (Note 19)	100,000,000	--	--	(25,000,000)	(75,000,000)	--	--	--
Dividends (Note 23)	--	--	--	--	(82,500,000)	(82,500,000)	--	(82,500,000)
Balance on 31 December 2023	475,000,000	103,056,265	(20,619,811)	(25,000,000)	36,512,439	568,948,893	(2,706,976)	566,241,917
Balance on 1 January 2024	475,000,000	103,056,265	(20,619,811)	(25,000,000)	36,512,439	568,948,893	(2,706,976)	566,241,917
Profit for the year	--	--	--	--	127,482,444	127,482,444	(656,750)	126,825,694
Other comprehensive loss for the year	--	--	(2,314,751)	--	--	(2,314,751)	--	(2,314,751)
Total comprehensive income for the year	--	--	(2,314,751)	--	127,482,444	125,167,693	(656,750)	124,510,943
Purchase additional shares in subsidiaries	--	--	5,694	--	(4,964,602)	(4,958,908)	3,363,726	(1,595,182)
Share-based payment (Note 22)	--	--	1,210,349	--	--	1,210,349	--	1,210,349
Dividends (Note 23)	--	--	--	--	(65,250,000)	(65,250,000)	--	(65,250,000)
Balance on 31 December 2024	475,000,000	103,056,265	(21,718,519)	(25,000,000)	93,780,281	625,118,027	--	625,118,027

The accompanying notes form an integral part of these consolidated financial statements, which were approved for issuance by the Board of Directors on behalf of the shareholders and signed on their behalf by:

			
Mr. Mohammad Mosleh Alkhatib GM-Financial Controller	Mr. Mussab Al-Wohabe VP-Finance & Investment	Mr. Abdulaziz Al-Kathiry CEO	Dr. Abdullah Al Amro Chairman

MAHARAH HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts are in Saudi Riyal unless otherwise stated)

		For the year ended 31 December
	Note	2024
		2023 (Restated Note 45)
<u>Cash flows from operating activities</u>		
Profit before zakat		136,634,977
Adjustments for non-cash items		108,183,027
Employees' defined benefits liabilities charged	26	27,800,177
Expected credit losses expense on accounts receivable and contract assets and related parties	13,14	4,274,490
Impairment losses on advances to suppliers	15C	2,508,391
Depreciation and amortization	5,6,7,8	33,010,001
Share in results of equity accounted investees	9	(28,314,302)
Change of fair value of investments at FVTPL	11	(1,436,666)
Finance costs	36	48,006,216
Profits from Murabaha term deposits		(888,722)
Share based payment expenses	22	1,210,349
Impairment of goodwill	7	--
Gain on sale of property and equipment		(1,098,101)
Disposal of lease liabilities		(1,645,408)
		<u>220,061,402</u>
Changes in working capital		195,507,633
Accounts receivable		(60,025,690)
Contract assets		(52,118,948)
Prepayments and other assets		(71,628,606)
Available visas		5,716,000
Retained deposits		7,739,160
Accounts payable, accruals and other current liabilities		10,303,687
Contract liabilities		9,553,571
Change in investments at FVTPL		35,252,776
Cash generated from operating activities		<u>104,853,352</u>
Zakat Paid	30	(12,624,103)
Employees defined benefit Liabilities Paid	26	(21,119,941)
Net cash flows generated from operating activities		<u>71,109,308</u>
<u>Cash flows from investing activities</u>		148,782,049
Dividends Received		35,182,915
Purchase of Murabaha time deposits		(75,100,000)
Proceeds from Murabaha time deposits		51,169,072
Purchase of property and equipment	5	(38,917,144)
Proceeds from disposal of property and equipment		1,678,766
Additions to intangible assets	7	(8,934)
Net cash flows used in investing activities		<u>(25,995,325)</u>

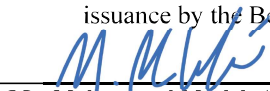
MAHARAH HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts are in Saudi Riyal unless otherwise stated)

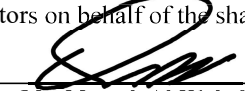
		For the year ended 31 December	
	Note	2024	2023 (Restated Note 45)
<u>Cash flows from financing activities</u>			
Proceeds from Long term loans	24	24,187,500	--
Proceeds from short term loans	25	122,938,534	--
Finance costs paid		(44,062,350)	(35,432,962)
Repayments of Loans	25	(102,765,534)	--
Dividends Paid	23	(65,250,000)	(82,500,000)
Acquisition of NCI	1	(1,595,182)	--
Payment of interest on lease liabilities	6	(2,895,175)	(2,668,656)
Payments of lease liabilities	6	(20,932,514)	(18,558,205)
Net cash from used in financing activities		(90,374,721)	(139,159,823)
Net change in cash and cash equivalents		(45,260,738)	(4,595,168)
Cash and cash equivalents at the beginning of the year		78,978,507	83,573,675
Cash and cash equivalents at the end of the year on the Statement of Consolidated Financial Position	17	33,717,769	78,978,507
Deduct: Restricted Cash by Banks	17	(587,688)	(587,707)
Cash and cash equivalents at the end of the year on the Statement of Consolidated cashflows		33,130,081	78,390,800

Non-cash transactions

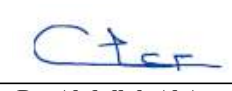
Additions to right-of-use assets and lease liabilities	15,374,521	38,232,579
Uncollected dividend distributions under prepaid expenses and other current assets	31,429,300	--
Change in the fair value of investments at FVOCI	(6,748,986)	2,489,470
Share of other comprehensive income in equity accounted investees	1,486,104	1,599,294
Re-measurements employees' defined benefits liabilities	2,950,906	(3,161,652)
Increase in share capital through retained earnings.	--	100,000,000
Unpaid finance cost on long term loans	3,232,205	3,098,001
Uncollected Murabaha time deposits	180,350	225,516
Statutory reserve	--	9,704,793

The accompanying notes form an integral part of these consolidated financial statements, which were approved for issuance by the Board of Directors on behalf of the shareholders and signed on their behalf by


Mr. Mohammad Mosleh Alkhatib
GM-Financial Controller


Mr. Mussab Al-Wohabe
VP-Finance & Investment


Mr. Abdulaziz Al-Kathiry
CEO


Dr. Abdullah Al Amro
Chairman

MAHARAH HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts are in Saudi Riyal unless otherwise stated)

1- GROUP ACTIVITIES AND INFORMATION

Maharah Human Resources Company (the “Company” or “Parent Company”) is a Saudi Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia (“KSA”) under commercial registration numbered 1010364538 and dated 7 Rabi Thani 1434H (corresponding to 17 February 2013). The registered office is located at Al Olaya Road, Al Yasmeen District, Riyadh, KSA.

The Company and its subsidiaries (collectively, with the Company referred to as the “Group”) are engaged in providing recruitment services, Labor services, financial services, logistics services and support for public and private sectors.

The company's financial year starts on the first of January and ending on 31 December of each calendar year.

MAHARAH HUMAN RESOURCES COMPANY is referred to as the ("Company") or, together with its subsidiaries listed below as the ("Group").

The following are the subsidiaries of the Company included in these consolidated financial statements:

Name of subsidiary	Commercial Registration	Country of incorporation	Legal Structure	Direct ownership (%)	
				31 December 2024	31 December 2023
Growth Avenue Investment Company (“GAC”) – One Person	1010722193	KSA	LLC	100%	100%
Yalla Fix IT One Person Company – One Person*	1341927.	UAE	LLC	100%	96%

*On 28 Dhul-Hijjah 1445H (corresponding to 4 July 2024), the Group restructured the ownership of TPH Manpower Services Company by transferring 100% ownership to one of its wholly owned subsidiaries, YallaFixit – Single Person Company, in order to restructure the company’s ownership so that it becomes fully owned by Maharah Company, thereby eliminating non-controlling interests.

Growth Avenue investment company

On 14 Dhu al-Qi'dah 1442 AH (corresponding to 24 June 2021), the group established Growth Avenue Investment Company with 100% ownership. Growth Avenue Investment Company is a limited liability company registered in the Kingdom of Saudi Arabia under commercial registration number 1010722193 on 14 Dhu al-Qi'dah 1442 AH (corresponding to 24 June 2021). Growth Avenue Investment Company is licensed to provide financial services.

Subsidiaries owned by Growth Avenue Investment Company

Name of subsidiary	Commercial Registration	Country of incorporation	Legal Structure	Direct ownership (%)	
				31 December 2024	31 December 2023
Spectra Support Services Company (“Spectra”) *	1010393045	KSA	LLC	100%	90%
Arabian Shifa Medical company*	1010928711	KSA	LLC	100%	85%
NABD for Logistics Services (“NABD”)	1010733797	KSA	LLC	100%	100%
Professional Development Training Company	1010753744	KSA	LLC	100%	100%
Operations Sustainability Company	1010849985	KSA	LLC	100%	100%

-Spectra Support Services Company (“Spectra”) is a limited liability company registered in Riyadh, Saudi Arabia, under Commercial Registration No. 1010393045, dated 1 Muharram 1435H (corresponding to 4 November 2013). it is licensed to provide maintenance and operation services for buildings and facilities under its management.

-Arabian Shifa Medical company is a limited liability company registered in Riyadh, Saudi Arabia, under Commercial Registration No. 1010928711, dated 23 Rabi' Al-Awwal 1439H (corresponding to 11 December 2017). it is licensed to operate hospital medical services, provide home healthcare services, mobile medical clinics, pain management centers, remote care centers, and telemedicine services.

-Nabd Logistics Services Company is a limited liability company registered in Riyadh, Saudi Arabia, under Commercial Registration No. 1010733797 dated 4 Muharram 1443H (corresponding to 12 August 2021). it is licensed to engage in the provision of logistics services

MAHARAH HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts are in Saudi Riyal unless otherwise stated)

1- GROUP ACTIVITIES AND INFORMATION (continued)

Subsidiaries owned by Growth Avenue Investment Company (continued)

-Professional Development Training Company is a limited liability company registered in Riyadh, Saudi Arabia, under Commercial Registration No. 1010753744 dated 26 Rabi Al-Awwal 1443H (corresponding to 1 November 2021). The company is licensed by the Technical and Vocational Training Corporation (TVTC) to provide private technical and vocational secondary education, including training in barbering, cooking, and restaurant and hotel services.

-Operations Sustainability Company is a limited liability company registered in Riyadh, Kingdom of Saudi Arabia, under Commercial Registration No. 1010849985 dated 2 Jumada Al-Thani 1444H (corresponding to 26 December 2022). The company is licensed to engage in activities including the renovation of residential and non-residential buildings, general construction of residential buildings, on-site construction of prefabricated buildings, and general construction of non-residential buildings such as schools, hospitals, and hotels.

*During the year, Growth Avenue Investment Company acquired the non-controlling interests in Spectra Support Services Company and Arabian Shifa Medical company. Accordingly, there are no non-controlling interests within the Group.

Yalla Fix IT One Person Company L.L.C (formerly TPH Manpower Services Center)

Subsidiary company name	Commercial registration	Country of incorporation	Legal Structure	Direct ownership (%)	
				31 December 2024	31 December 2023
T P H CENTER FOR DOMESTIC WORKERS SERVICES	1160036	The United Arab Emirates	LLC	%100	%100
The Perfect Help LLC	1466632	The United Arab Emirates	LLC	%100	%100
TPH Public Health Pest One Control Services – LLC Person Co	1338526	The United Arab Emirates	LLC	%100	%100
Musanid Cleaning Services LLC	1754962	The United Arab Emirates	LLC	%100	%100

- Yalla Fix it is a limited liability company registered in the United Arab Emirates under Commercial Registration No. 1341927 dated 7 Sha'ban 1439H (corresponding to 23 April 2018). The company is licensed to provide services in the installation, maintenance, and servicing of air conditioning, ventilation, and air purification systems, as well as the installation and maintenance of electromechanical equipment, plumbing and sewage contracting, solar energy systems installation, tiling of floors and walls, painting contracting, carpentry and flooring works, wallpaper installation, gypsum works, and cladding services.

-The Perfect Help is a limited liability company registered in the United Arab Emirates under Commercial Registration No. 729497 dated 24 Jumada Al-Awwal 1436H (corresponding to 15 March 2015). The company is licensed to provide support manpower services.

-TPH Public Health Pest Control Services is a limited liability company registered in the United Arab Emirates under Commercial Registration No. 1338526 dated 6 Dhul-Qi'dah 1432H (corresponding to 4 October 2011). The company is licensed to provide building cleaning services and public health pest control services.

-Musaned is a limited liability company registered in the United Arab Emirates under Commercial Registration No. 1304819 dated 26 Dhul-Hijjah 1438H (corresponding to 17 September 2017). Musaned is licensed to provide building cleaning services.

MAHARAH HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts are in Saudi Riyal unless otherwise stated)

1- GROUP ACTIVITIES AND INFORMATION (continued)

The following are subsidiaries that have non-controlling interest in relation to the parent company who prepare the consolidated financial statements:

Name of Subsidiary	Country of Incorporation	Proportion of ownership interests held by NCI		Proportion of voting rights by NCI	
		31 December 2024	2023	31 December 2024	2023
Spectra Support Services Company (Spectra)	KSA	--	10%	--	10%
TPH Center for Domestic Workers	UAE	--	4%	--	4%
Arabian Shifa Medical company	KSA	--	15%	--	15%

2- BASIS OF PREPARATIONS

2-1 Statement of compliance

These Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA") (here and after referring to as "IFRS as endorsed in Saudi Arabia")

2-2 Basis of Measurement

These consolidated financial statements have been prepared on a historical cost convention, except where International Financial Reporting Standards (IFRS) require the use of a different measurement basis, as outlined in the accounting policies applied in Note (4) "Material accounting policies".

These consolidated financial statements are prepared under the historical cost convention, except for the following:

- Financial assets at fair value through profit or loss ("FVTPL") are measured at fair value.
- Financial assets at fair value through other comprehensive income ("FVOCI") are measured at fair value.
- Employees' defined benefits liabilities, which are measured at present value of future liabilities using the projected unit credit method.

On 31 December 2019, the Capital Market Authority (CMA) conducted a study to assess the appropriateness of continuing to apply the cost model or allowing the use of the fair value model or the revaluation model. The following decisions were made:

- Listed companies were required to continue using the cost model for measuring property, plant and equipment (IAS 16) and investment properties (IAS 40) in financial statements prepared for reporting periods within financial years beginning before the calendar year 2022; and
- Listed companies were permitted to adopt either the fair value model for investment properties after initial recognition or the revaluation model for property, plant and equipment (IAS 16) after initial recognition in financial statements for periods within the financial year 2022 or thereafter.
- The Company did not elect to apply the fair value model for investment properties and continued to use the cost model.

2-3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control is achieved when the Group is exposed to risk or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through practicing its control over the investee. Specifically, the Group controls an investee only when the Group has:

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

MAHARAH HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts are in Saudi Riyal unless otherwise stated)

2- BASIS OF PREPARATIONS (continued)

2-3 Basis of consolidation (continued)

Consolidation of the subsidiary begins from the date of the Group's control over the subsidiary and continues until the control of the subsidiary ceases to exist. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Net income and each component of other comprehensive income are allocated between the equity holders of the Parent Company and the non-controlling interests, even if such distribution results in a deficit in the balance of non-controlling interests. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to intra-group transactions are eliminated in full on consolidation. A change in the interest of equity of a subsidiary, without a loss of control, is accounted for as equity transactions. If the Group loses control over a subsidiary, then it:

- Derecognizes the assets and liabilities of the subsidiary.
- Derecognizes the carrying amount of any non-controlling interest.
- Derecognizes the cumulative translation differences, recorded in equity.
- Recognizes the fair value of the consideration received.
- Recognizes the fair value of any investment retained; and
- Recognizes any surplus or deficit in consolidated statement of profit or loss.
- Reclassify the shareholders' share of previously recognized items in other comprehensive income to the consolidated

Statement of profit or loss or retained earnings, as appropriate, and as required when the group disposes of the related assets or liabilities directly.

The details of the subsidiaries are presented in Note (1), which also shows the country of incorporation and the ownership percentages. The company and its subsidiaries apply the same financial reporting period.

2-4 Functional and presentation currency

The consolidated financial statements are presented in Saudi Riyals, which is the functional currency of the parent company and the presentation currency of the group. All amounts presented in these financial statements are rounded to the nearest Saudi Riyal, unless otherwise stated.

3 MATERIAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the date of the financial statements. However, the actual results may differ from these estimates and assumptions, which could lead to significant adjustments to the carrying amounts of assets and liabilities in the future. These estimates and assumptions are based on experience and various other factors believed to be reasonable according to the circumstances and are used to measure the carrying values of assets and liabilities that are difficult to obtain from other sources. The estimates and assumptions involved are reviewed on an ongoing basis. Changes to accounting estimates are recognized in the period in which the estimates are revised or in future periods if the changes affect both the current and future periods.

3.1 Estimates and assumptions

The following are the key assumptions related to the future and other main sources of uncertainty in the estimates as of the date of the consolidated financial statements, which may result in significant differences in the carrying amounts of assets and liabilities during the next financial period. The group used these assumptions and estimates when preparing the consolidated financial statements. However, changes in market conditions or factors beyond the group's control may lead to modifications in these assumptions. Any such changes will be reflected when they occur.

MAHARAH HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts are in Saudi Riyal unless otherwise stated)

3 MATERIAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

3-1 Estimates and assumptions (Continued)

3.1.1 Long-term assumptions regarding employee benefits

End-of-service benefits for employees represent liabilities that will be settled in the future, and assumptions regarding these liabilities are made and determined using actuarial valuations. Actuarial valuation involves making several assumptions that may differ from actual developments in the future. Management must make more assumptions regarding variables such as discount rates, salary increase rate, mortality rates, and employee turnover rate. Given the complex and long-term nature of the valuation, the defined benefit obligation is significantly impacted by changes in these assumptions. All assumptions are reviewed at the date of preparation of each financial statement. Periodically, Group management consults with external actuaries regarding these assumptions. Changes in key assumptions can have a significant impact on expected benefit liabilities and/or periodic specific employee benefit costs incurred.

The discount rate is one of the most sensitive factors. When determining the appropriate discount rate, management considers bond rates for government bonds denominated in currencies consistent with the benefits to be paid, aligning it with the expected duration of the defined benefit obligation.

3.1.2 Provisions

Provisions are based on estimates and evaluations to determine whether the recognition criteria are met, including estimating the amounts likely to be paid. Provisions for legal claims are based on estimated costs after considering legal advice and other available information. Similarly, provisions for end-of-service benefits and departure costs, where applicable, require judgment in estimating the expected cash flows for paying end-of-service benefits, closure of sites or other departure costs. Provisions related to uncertain liabilities represent management's best estimate of the likelihood of future outflows.

3.1.3 Impairment of non-financial assets

Impairment occurs when the carrying amount of an asset or cash-generating unit exceeds the recoverable value, which represents the fair value less the disposal costs or value in use, whichever is higher. The fair value less disposal costs is calculated on the basis of available data for binding sales transactions, made on fair treatment terms, for similar assets or observable market prices less additional costs of asset disposal. The value in use is calculated using discounted future cash flows, based on the group's projections for the next four to six years, excluding restructuring activities that have not yet been committed or future investments intended to improve the performance of the cash-generating unit being tested for impairment. The recoverable amount is sensitive to the discount rate used and the expected future cash flows, as well as the growth rate used for extrapolation.

3.1.4 Estimating the incremental borrowing rate

The group is unable to easily determine the implicit interest rate in lease contracts and thus uses the incremental borrowing rate to measure lease liabilities. This rate reflects the interest rate the group would need to pay to borrow funds necessary to acquire an asset of similar value to the leased right-of-use asset, in a similar economic environment, over a similar period, and with a similar collateral. Therefore, the incremental borrowing rate which represent SIBOR plus interest reflects what the group would have to pay and requires estimation when observable rates are not available (such as for subsidiaries that do not engage in financing transactions) or when adjustments are necessary to reflect the terms and conditions of the lease agreement. The group estimates this rate using observable market inputs (such as prevailing market rates) where available, and management makes assumptions regarding the company's credit rating.

3.1.5 Provision for expected credit losses on Trade Receivables and contract assets

The group uses a provision matrix to calculate expected credit losses for trade receivables and contract assets. The provision percentages are based on aging days for different customer groups that have similar loss patterns (i.e., customer types). The provision matrix is initially based on historical default rates observed by the group. The group calibrates the matrix to adjust the historical credit losses for future information. For instance, if economic conditions (e.g., GDP growth) are expected to worsen in the coming year, leading to more defaults, the default rates will be adjusted. The group updates the observed default rates and analyzes changes in future estimates at the time each set of financial statements is prepared.

The expected credit loss amount is influenced by changes in economic conditions. Past credit losses and expected economic conditions may not necessarily predict future customer defaults.

MAHARAH HUMAN RESOURCES COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
(All amounts are in Saudi Riyal unless otherwise stated)

3 MATERIAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

3.1.6 Annual Impairment Testing of Goodwill

The group at least conducts an annual impairment test for goodwill, at a minimum, to assess whether it has been impaired. This requires estimating the recoverable amount of the cash-generating unit to which goodwill has been allocated. The recoverable amount is sensitive to the discount rate used in the discounted cash flow method and the projected future cash flows, as well as the growth rate used for extrapolation. The key assumptions applied in determining the present value are disclosed in Note (7) to the consolidated financial statements.

3.1.7 Measurement of Fair Value of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model. The inputs for these models are taken from observable markets whenever possible. However, when this is not feasible, a certain degree of judgment is required to determine fair values. Such judgments include considerations of inputs such as liquidity risk, credit risk, and volatility. Changes in assumptions related to these factors can impact the fair value of financial instruments.

3.2 Judgments Applied When Implementing Accounting Standards

The following judgments have a significant impact on the amounts recognized in the consolidated financial statements:

3.2.1 Determining Control and Significant Influence

Management's Judgments in Assessing Control over Subsidiaries:

Subsidiaries are all companies in which the group has control. The management of the group considers that it controls an entity when it is exposed to risks or has rights to variable returns from its involvement with the investee, and when it has the ability to use its power over the investee to affect the amount of those returns by directing the relevant activities of the investee.

Generally, it is presumed that holding the majority of voting rights results in control. To support this presumption, when the Group holds voting rights equal to or less than the majority in an investee, it considers all relevant facts and circumstances in assessing whether it has control over the investee. This includes contractual and other arrangements that affect the relevant activities which significantly influence the investee's returns.

Determining the group's control depends on the relevant activities, the decision-making process regarding those activities, and the group's rights in the investee.

Management's Judgments in Assessing Significant Influence over Investee Companies:

Judgment is required when the group holds 20% or more of the voting rights in an investee but believes it does not exercise "control" or "joint control" over the investee. In such cases, the group has concluded that it exercises "significant influence" over the investee, in accordance with the International Financial Reporting Standards (IFRS) applied in the Kingdom of Saudi Arabia.

Significant influence is defined as the ability to participate in the financial and operational decision-making of the investee without exercising "control" or "joint control." IFRS provides indicators of significant influence, including representation on the board of directors and participation in policy-making processes.

The group accounts for these investments using the **equity method** in the financial statements.

3.2.2 Determining the lease term of contracts with renewal and termination options – Group as lessee

When determining the lease term, management considers all relevant facts and circumstances that provide an economic incentive to exercise renewal options or not to exercise termination options. The group assesses at the inception of the lease, whether it is reasonably certain that renewal options will be exercised, or termination options will not be exercised. This judgment is reassessed if a significant event or change in circumstances occurs that is within the group's control.

3.2.3 Property lease classification – Group as lessor

The Group entered into an operating lease agreement for its investment properties. Based on the evaluation of the terms and conditions of the lease—such as the lease term not constituting a major part of the economic life of the commercial property, and the present value of the minimum lease payments not being substantially equal to the fair value of the commercial property—the Group concluded that it retains all the significant risks and rewards of ownership of these properties and, accordingly, accounts for the lease as an operating lease.

3.2.4 Useful Lives of Property and Equipment, and Investment Properties

Management determines the estimated useful lives of property, plant, equipment, and investment properties for depreciation purposes. This estimate is based on the expected asset's lifetime or its normal consumption pattern. The group periodically reviews these estimates to ensure the depreciation method and estimated useful life are consistent with the expected pattern of economic benefits to be derived from the assets.

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4 MATERIAL ACCOUNTING POLICIES

The following are the material accounting policies applied by the group in preparing these consolidated financial statements:

4.1 Current versus non-current classification

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

- Expected to be realized or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period; or
- Cash and cash equivalents unless restricted from being exchanged or used to settle any liabilities for at least twelve months after the reporting period. All other assets are classified as “non-current.”

All liabilities are determined to be current when:

- Expected to be settled in the normal operating cycle.
- Held primarily for the purpose of trading.
- Due to be settled within twelve months after the reporting period.
- The group doesn't have the right to defer the settlement of the liability for at least twelve months after the reporting period.
- the Group classifies all other liabilities as “non-current”.
-

4.2 Property and equipment

Property and equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical costs include expenditure that is directly attributable to the acquisition of the asset. Repair and maintenance costs are expensed in the consolidated income statement during the period in which they are incurred. Improvements that significantly increase the value or extend the useful life of the assets are capitalized. Leasehold improvements are amortized on a straight-line basis over the useful life of the improvements or the lease term, whichever is shorter.

Depreciation of property and equipment items is calculated using the straight-line method to allocate their cost over their estimated useful lives, net of their residual values as follows:

Item	Number of years
Buildings	20-40
Leasehold improvements	10 years or the lease term, whichever is shorter
Furniture and fixtures	10
Office equipment	4-10
Vehicles	6

Gains and losses resulting from disposals are determined by comparing the proceeds with the carrying amount and are included in the consolidated statement of profit or loss. The residual values, useful lives, and depreciation methods of property and equipment are reviewed annually and adjusted prospectively, if appropriate, at each consolidated statement of financial position date.

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

An item of property and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the consolidated statement of profit or loss in the period the asset is derecognized.

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4- MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.3 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

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

Right-of-use assets

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

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

Short-term lease contracts and low-value asset leases

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

Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Group as lessor

Leases under which the Group does not transfer all the significant risks and benefits associated with asset ownership are classified as operating leases.

Rental income is accounted for according to the straight-line method over the lease period and is included in the consolidated statement of comprehensive income. The initial direct costs incurred during the negotiation and arrangement of any operating lease are added to the book value of the leased asset and are recognized over the lease period on the same basis as rental income. Conditional rents are recognized as revenue in the period in which they are realized.

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4- MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.4 Business Combination and Goodwill

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

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

Any contingent consideration, if any, to be transferred by the acquirer will be recognized at fair value as at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument, is measured at fair value with changes in fair value recognized in the consolidated statement of profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized as non-controlling interests), and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gains are recognized in the consolidated statement of profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs that are expected to benefit from the business combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the unit when determining the gain or loss on disposal of the operation. Goodwill disposed in these circumstances is measured based on the value related to the disposed operation and the retained portion of the CGU.

4.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are classified as "definite" or "indefinite" duration. Intangible assets with a definite lifespan are amortized over their estimated useful lives and audited for impairment when there is evidence of such impairment. The period and method of amortization of intangible assets with a definite lifespan shall be reviewed at least once at the end of each financial period. Changes in the expected useful life or method of depletion of future economic benefits guaranteed by the asset are accounted for by adjusting the period or method of amortization, as appropriate, and are considered as changes in accounting estimates. The amortization expense for intangible assets that have a specific useful life is recognized in the consolidated profit or loss statement.

Subsequent expenses are capitalized only when they increase the economic benefits contained in the specific asset to which they relate. All other expenses, including expenses on goodwill and internally constituent trademarks, are recognized in the consolidated profit or loss when incurred.

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4- MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.5 Intangible assets (continued)

Amortization commences from the date the intangible assets are available for use and is calculated using the straight-line method over the estimated useful lives of the assets as follows:

Item	Number of years
Tadbeer licenses	10
Customer relationships	2
Trademarks	10
Customer contracts	10-5
Other intangible assets	4

Intangible assets that do not have a definite lifespan are not amortized but are tested annually to ensure that there is no impairment in their value alone or at the level of the cash-generating unit.

The useful life of intangible assets that do not have an indefinite useful life is reviewed annually to ascertain whether the valuation made for the useful life is still supported, otherwise change from "indefinite life" to "definite lifespan" on a future basis. Intangible assets cease to be recognized upon disposal (i.e., on the date of transfer of control to the recipient), or when there are no expected future economic benefits from use or disposal. Any gains or losses resulting from the cessation of recognition of any asset (which is calculated as a difference between net disposal proceeds and the carrying amount of the asset) are included in the consolidated statement of profit or loss.

4.6 Investment properties

Investment properties consist of properties held to earn rental income or for capital appreciation or both. Properties held under operating leases are classified as investment properties when they are held to earn rental income or for capital appreciation or both, and not for sale in the ordinary course of business or for administrative purposes.

Investment properties are originally measured at cost, including transaction costs. Transaction costs include conversion fees, professional fees for legal services and initial rental commissions for the property to be operational. Book value also includes costs related to the replacement of a portion of existing investment properties when those costs are incurred if the evidentiary standards are met.

After initial recognition, i.e. after completion, investment properties appear at cost less accumulated depreciation and impairment. Land and projects under construction are not depreciated. Depreciation is calculated from the date of availability of the depreciable investment property item for the purpose for which it was established. It is calculated in a straight-line manner over the estimated useful life of the assets and the repair and maintenance expenses are borne on the consolidated statement of profit or loss when incurred. Improvements that substantially increase the value or life of the asset in question are capitalized.

Transfers to/from investment properties are made only when there is a change in use. For transfers from investment properties to owner-occupied properties, the assumed cost of subsequent accounting is considered as the fair value on the date of the change in use. When properties occupied by the owner become investment properties, the Group will account for such properties in accordance with the property and equipment policies up to the date of the change in use.

Proof of investment real estate is discontinued either when it is permanently excluded or withdrawn from use and no future economic benefits are expected from its exclusion. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the profit or loss statement during the period of cessation of recognition.

Depreciation is charged to the consolidated statement of profit or loss on a straight-line basis over the estimated useful lives of investment properties as follows:

Item	Number of years
Buildings	40

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4- MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.7 Investments in Associates

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

The Group's investment in its associates is accounted for in accordance with the equity method. Under the equity method, the investment in the associate is originally recognized at cost. The book value of the investment is adjusted to reflect changes in the Group's share in the net assets of the associate since the date of acquisition. The goodwill related to the associate is included in the book value of the investment and is not independently tested for impairment.

The equity method is discontinued if the carrying amount of the investment becomes zero due to continued losses in the associate (unless the group has guaranteed the liabilities of the investee or is committed to providing additional financial support). The equity method is resumed when the investee subsequently records net profits equal to the net losses during the period when the equity method was not applied.

The group assesses whether it is necessary to recognize any impairment loss in its investment in associates. At each reporting date, the group determines whether there is any objective evidence of impairment in the investment in associates. When such evidence exists, the group calculates the impairment amount as the difference between the recoverable amount of the associate and its carrying value and recognizes the impairment loss in the consolidated income statement. When the group loses significant influence over an associate, it measures and recognizes any retained investment at fair value, and any difference between the carrying amount of the associate at the loss of significant influence and the fair value of the retained investment and the proceeds from disposal is recognized in the consolidated statement of profit or loss.

4.8 Impairment of non-financial assets

At the reporting date of the consolidated financial statements, the Group estimates whether there is an indication of an asset impairment. If there is any indication of this, or when an annual impairment test is required, the Group estimates the recoverable value of the asset.

The recoverable value of an asset is the fair value of the asset or cash generating unit less the selling cost or the value in use of the asset, whichever is higher.

It is determined for a single asset unless the asset generates cash flows that are not substantially independent of flows generated from other assets or groups of assets. When the carrying amount of an asset or cash generating unit exceeds its recoverable value, the asset must be reduced to its recoverable value.

When determining the value in use, future cash flows are discounted to the present value using the pre-tax discount rate to reflect market estimates of the time value of money and the risk associated with the asset. When determining fair value minus selling costs, recent market transactions are considered, when available, or an appropriate valuation model is used. These values are verified by comparing them against the valuation multiples and listed share prices of publicly traded subsidiaries or through any other fair value indices.

In calculating the impairment in value, the group relies on detailed budgets and estimated calculations that are prepared separately for each cash generating unit in the group to which the individual assets are distributed. These detailed budgets and estimated calculations usually cover five years. To cover longer periods, a long-term growth rate is calculated and applied to the project's future cash flows after the fifth year.

Impairment losses for continuing operations are recognized in the consolidated statement of profit or loss within the expenses appropriate to the function of impairment assets.

An assessment is made at the date of each report to determine whether there is any indication that pre-established impairment losses for non-financial assets, other than goodwill, no longer exist or have decreased. The reversal of the impairment loss is included in the consolidated profit or loss statement.

The previously recognized impairment loss, with the exception of goodwill, is reversed only if there is a change in the assumptions used to determine the recoverable amount of an asset since the last impairment loss was recognized. This reversal is limited so that the recoverable amount does not exceed what the book amount would have been, after depreciation, had the impairment loss of the asset not been recognized in previous years. This reflection is recognized in the consolidated statement of profit or loss.

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4- MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.9 Financial instruments

Recognition and initial measurement

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. A financial instrument is recognized in the consolidated statement of financial position when the Group becomes party to the contractual provisions of the financial instrument. A financial instrument is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Financial assets

Classification of financial assets

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

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

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

Upon initial recognition of equity investments not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not a FVTPL, transaction costs that are directly attributable to its acquisition.

The Group has classified its investments in units of an investment fund as FVTPL as these contractual cash flows are not limited to principal and interest only.

Subsequent Measurement

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in consolidated statement of income. Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest rate ("EIR") method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognized in consolidated statement of income. Any gain or loss on derecognition is recognized in the consolidated statement of income. Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the EIR method, foreign exchange gains and losses and impairment are recognized in the consolidated statement of income. Other net gains and losses are recognized in the consolidated statement of comprehensive income. On derecognition, gains and losses accumulated in OCI are reclassified to the consolidated statement of income. Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in the consolidated statement of income unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in the consolidated statement of comprehensive income and are never reclassified to profit or loss.

Reclassifications

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

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4- MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.9 Financial instruments(continued)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statement of financial position) when: the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Expected credit loss ("ECL") assessment for accounts receivables

The Group applies IFRS 9 simplified approach for measuring ECL, which uses a lifetime expected loss allowance. The method is applied for assessing an allowance against:

- financial assets measured at amortized cost; and
- contract assets

The expected loss rates are based on the payment profiles of receivables over a period of 12 months before each reported period and corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified Gross Domestic Product ("GDP") of KSA (the country in which it renders the services) to be the most relevant factor and accordingly adjusts the historical loss rates based on expected changes in these factors.

The expected loss approach breaks the total loss amount modeling into following parts: probability of default ("PD"), loss given default ("LGD"), exposure at default ("EAD"). These are briefly described below:

- LGD: This is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from any collateral. It is usually expressed as a percentage of the EAD
- PD: the likelihood of a default over a particular time horizon
- EAD: This is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities.

ECL Model

The Group uses a point-in-time ("PIT") probability of default model to measure its impairment on financial assets. PIT PD models incorporate information from a current credit cycle and assess risk at a PIT. The PIT PD term structure can be used to measure credit deterioration and starting PD when performing the allowance calculations. Also, when calculating lifetime expected credit losses, after the inputs are correctly converted, you can project the cash flows and calculate the gross carrying amount, loss allowance, and amortized cost for the financial instrument.

The Group assesses its financial assets based on credit risk characteristics using segmentations such as geographical region, type of customer, customer rating, etc. The different segments reflect differences in PDs and in recovery rates in the event of default.

Specific provision

Specific provision is recognized on customer-to-customer basis at every respective reporting date. The Group recognizes specific provision against receivables from certain customers. Provisions are reversed only when the outstanding amounts are recovered from the customers.

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4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.9 Financial instruments (continued)

Write-off

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

Financial liabilities

Initial recognition and measurement

The Group classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition.

Subsequent measurement

The subsequent measurement of financial liabilities is based on their classification as follows:

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the consolidated statement of income. Other financial liabilities are subsequently measured at amortized cost using the EIR method. Interest expense and foreign exchange gains and losses are recognized in the consolidated statement of income. Any gain or loss on derecognition is also recognized in the consolidated statement of income.

Derecognition

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

Offsetting

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4.10 Purchased, available, used visas and recruitment costs

Purchased visas

Purchased visas represent the amounts paid to the government authorities against issuing manpower visas and are recorded at cost as available visa. Cost comprises all the purchase cost paid to the government authorities for securing the manpower visas.

Available, used visas and recruitment costs

Available visas represent the unused balance of visas from the government. As per Saudi Labor Law, the Group, upon its wish, may get a full refund of the cost paid to acquire the purchased visas. Available visas are classified under current assets.

Visas are transferred from 'available visas' to 'used visas' and are amortized in the consolidated statement of income on a straight-line basis over two years, in line with the employment contract period.

Recruitment costs represent the amount paid to recruitment agencies in connection with services obtained. These costs are amortized at the time of visa activation in the consolidated statement of income over two years in line with the employment contract period.

The amount of unamortized balance of used visas and recruitment costs are written off directly in the consolidated statement of income in case of termination of the contract or occurrence of anything that prevents the continuation of the service.

Used visas and recruitment costs are classified as current assets if they are expected to be used within one year from the date of the consolidated statement of financial position. Otherwise, these are presented as non-current assets.

Residential and work permits

Residential fees and work permits are amortized in the consolidated statement of income over one year in line with the validity of such permits.

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4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.11 Contract assets and liabilities

When one party to the contract performs, the entity must present the contract in the unified financial statements as contract assets or contract liabilities based on the relationship between the entity's performance and the customer's payment. Contract assets represent the entity's right to consideration for services transferred to the customer. Contract liabilities represent the entity's obligation to transfer services to the customer, for which the entity has received consideration (or the consideration is due) from the customer

4.12 Trade receivables

Trade receivables represent the group's right to an unconditional amount (meaning that the receivable depends on the passage of time). Refer to the accounting policy for financial assets

4.13 Prepaid expenses and other current assets

Prepaid expenses and other current assets are recognized at the amounts paid to service providers for services to be received in the future, or at the amounts paid to external parties to be refunded in the future

4.14 Murabaha time deposits

Murabaha time deposits represents deposits with local commercial banks having a maturity of more than three months from the date of acquisition and expected to be realized within one year from the date of the reporting period.

4.15 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less which are not subject to a significant risk of change in value.

4.16 Treasury Shares

Treasury stocks are own equity instruments that are recognized at cost and presented as a deduction from equity and are adjusted for any transaction costs, dividends and gains or losses on sale of such shares. No profit or loss of profit or loss is recognized when buying, selling, issuing or cancelling the Group's own equity instruments. Any difference between book value and consideration, if reissued, is recognized as a premium to the shares or discount offered in equity. These treasury shares are allocated for the purpose of establishing the company's shares Employee Share Program (Long-Term Incentive Plan)

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4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.17 Share-Based Payment Transactions

Some Group employees receive remuneration in the form of payments based on equity-settled shares under the Employee Options Program to subscribe to the Company's shares, whereby employees provide services in consideration for equity instruments (options or shares) granted under the Employee Options Program to subscribe to the Company's shares as described in (Note 22).

The fair value of employee services received against the granting of options or shares is recognized as an expense in the consolidated profit or loss statement, together with the corresponding increase in other reserves within equity during the period during which the eligibility conditions are met. Other reserves (represented by the cumulative expense resulting from the program) are converted into retained earnings at the end of the program term. That's whether employees acquire those options or not.

Accrued expense recognized at the date of preparation of each financial report, up to the end date of the program reflects the extent to which the program period ended and the best Group estimates of the number of options to be acquired at the end of the program.

4.18 Short-term liabilities

Obligations relating to wages and salaries, including non-cash benefits, accrued leave, airfare and allowances, expected to be paid in full within twelve months after the end of the period in which staff members provide the relevant services, are recognized for staff services up to the end of the financial period and are measured by the amounts expected to be paid upon settlement of liabilities. Liabilities are displayed under Creditors, payables, and other current liabilities in the consolidated statement of financial position.

4.19 Employees' end-of-service benefits

The Group's primary defined benefit plan is an end of service lump sum benefits plan.

The benefit liability recognized in the consolidated statement of financial position is the present value of the Defined Benefit Obligation ("DBO") at the reporting date. The plan is unfunded, which means the Group pays benefits as they fall due when employees leave service.

The DBO is re-measured on a periodic basis by independent actuaries using the projected unit credit method. The present value of the DBO is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. Where there is no deep market for high-quality corporate bonds, the market rates on government bonds are used.

The DBO also depends on the assumptions for future salary increases and the rate at which employees and workers are expected to leave. the Group updates this assumption from year to year in line with the development of new expertise.

The net interest cost is calculated by applying the discount rate to the net balance of the DBO. This cost is included in employees' salaries and other benefits expense in the consolidated statement of income. Re-measurement gains and losses arising from changes in actuarial assumptions are recognized in the period in which they occur in OCI. Changes in the present value of the DBO resulting from plan amendments or curtailments are recognized immediately in the consolidated statement of income as past service costs.

Current and past service costs related to specific benefit liabilities for employees as well as the increase in adherence to discount rates used directly in the profit or loss statement are recognized. Any changes in net liabilities as a result of actuarial valuations and changes in assumptions are included as a remeasurement in the statement of other comprehensive income. The actuarial valuation process takes into account the provisions of the Saudi Labor Law as well as the Group's policy.

4.20 Dividends

The Group recognizes a liability to make dividend distribution to the shareholders of the Parent Company when the distribution is authorized, and the distribution is no longer at the discretion of the Company. In accordance with the provisions of the Companies' Law and company's Articles of Association, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity. Interim dividends are recorded as and when declared and approved by the Board of Directors.

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4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.21 Provisions

Provisions are recognized when there is current or expected legal obligations on the group resulting from past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the group expects that some or all of the provisions will be reimbursed, for example under an insurance contract, the amounts reimbursable are recognized as a separate asset only when it is virtually certain that reimbursement will be received. The expense relating to the provision is presented in the consolidated statement of profit or loss net of any amounts reimbursable.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-zakat rate that reflects current market assessments of the time value of money and the risks specific to liability. The increase in the provision due to the passage of time is recognized as finance costs.

4.22 Retained Deposits

Retained deposits represents amounts equal to two months' salary collected from customers as insurance and held with the Group until the completion/termination of manpower contracts. Upon termination of the contract or the occurrence of anything that prevents the continuation of the service, the Group will recover or use the balance against outstanding amounts due from customers..

4.23 Zakat and tax

Zakat

The Company and its subsidiaries in KSA are subject to zakat in accordance with the regulation issued by the Zakat, Tax and Customs Authority (ZATCA). Zakat provision is calculated according to the consolidated zakat base of the Company and its directly or indirectly wholly owned subsidiaries. Zakat is levied at a fixed rate of 2.5% on the higher of adjusted zakat profit or zakat base. The management establishes provisions where appropriate based on amounts expected to be paid to the ZATCA and periodically evaluates positions taken in zakat returns in case of any differences. Additional zakat liability, if any, related to prior years' assessments arising from ZATCA are accounted for in the period in which the assessments are finalized. Subsidiaries outside KSA calculate income tax in accordance with the relevant income tax regulations in those countries. The provision for zakat and income tax is charged to the consolidated statement of profit or loss.

Value Added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, except:

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

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

Withholding tax

The Group makes a provision for withholding tax on payments to non-resident parties in KSA in accordance with the Income Tax Law applicable in KSA.

4.24 Segment information

An operating segment is a component of the Group :

- that engages in business activities from which it may earn revenues and incur expenses.
- results of its operations are continuously analyzed by management in order to make decisions related to resource allocation and performance assessment; and
- for which discrete financial information is available.

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4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.24 Segment information (continued)

The Group's operating business are organized and managed separately according to the nature of the services provided, with each segment representing a strategic business unit that offers different products to its respective market.

- Corporate Sector: The group supplies manpower to companies, which constitute a part of the revenues generated from its corporate sector
- Individual Sector: The group supplies manpower to individuals based on their needs (such as nurses, maids, etc.), which constitute a part of the revenues generated from the individual sector
- Facility Management Sector: The group supplies supply of manpower to companies for cleaning and building maintenance, which constitute a part of the revenues generated from the facility management sector

A geographical segment is a group of assets, operations or entities engaged in revenue producing activities within a particular economic environment that are subject to risks and returns different from those operating in other economic environments. The Group's operations are conducted in both Saudi Arabia and the United Arab Emirates.

4.25 Revenue Recognition

The Group recognizes revenue as and when customer receives and consumes the services provided by the Group over a period of time i.e. number of days services are provided, which is in line with the requirements of IFRS 15.

Revenue is measured based on consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognizes revenue when the services are rendered to customers. Contract revenues are recognized based on manpower services provided to the customers (the services represent the performance obligation of the contract) over the terms of these agreements.

Variable Consideration

If the consideration promised in a contract includes a variable amount, the Group estimates the amount of consideration to which the Group is entitled in exchange for transferring the promised services to a customer.

Significant Financing Component

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

Measurement of Progress towards Complete Satisfaction of Performance Obligation

The performance obligation (rendering of services) is satisfied over time. The Group applies a single method of measuring progress toward satisfaction of the obligation. The Group uses input method as a basis to measure performance completed to date.

Contract costs

Contract costs are recognized as an expense unless the Group has a reasonable expectation to recover these costs from its customers and in cases where these costs are recoverable from the customers. The Group amortize these costs, if any, on a systematic basis, consistent with the transfer to the customer of the services. The Group recognizes contract costs if:

- The costs relate directly to a contract or to an anticipated contract that the Group can specifically identify.
- The costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.
- The incremental costs of obtaining a contract with a customer is expected to be recovered.
- Those costs would not have incurred if the contract had not been obtained or if an anticipated contract has not been identified by the Group.

The costs that directly relates to a contract (or a specific anticipated contract) includes:

- a) direct labor.
- b) direct materials.
- c) allocation costs that directly relate to the contract or to contract activities.
- d) costs that are explicitly chargeable to the customer under the contract; and
- e) other costs that are incurred only because the entity entered into the contract.

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4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.25 Revenue Recognition (continued)

Principal vs. Agent considerations

The Group has evaluated its arrangements to determine whether it is a principal, and report revenues on a gross basis, or an agent, and report revenues on a net basis. In this assessment, the Group has considered if it has obtained control of the specified services before they are transferred to the customer, as well as other indicators such as the party primarily responsible for fulfilment, inventory risk and discretion in establishing price. The Group has concluded that they are principal in all revenue arrangements.

Presentation and disclosure requirements

The Group disaggregated revenue recognized from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

Important Payment Terms

The group is committed to disclosing the significant payment terms associated with customer contracts, including payment schedules, grace periods, and any conditions that may affect the timing of revenue recognition. This disclosure aims to provide a clear understanding of how future cash flows may be impacted by these terms.

Obligations Related to Returns, Refunds, and Similar Liabilities

The performance obligations in customer contracts include the company's policies related to product returns or service cancellations, as well as mechanisms for refunding amounts paid. These policies are disclosed to ensure transparency in the accounting treatment of these transactions and their impact on revenue recognition and any related provisions.

Other operating income

Other operating income includes revenue streams not derived from core business activities but contributing to the entity's overall financial performance. Rental income is recognized on an accrual basis in line with lease agreements, recorded when earned, and presented net of any lease incentives. Profit from Term Murabaha Deposits is recognized based on agreed profit-sharing terms using the effective profit rate method when economic benefits are probable. Profits from the sale of properties and equipment are recorded as the difference between the sale proceeds and the carrying amount at the time of disposal. Employment subsidy income is recognized when there is reasonable assurance that the entity will comply with conditions attached to the subsidy and that the income will be received.

4.26 Government subsidies

Government subsidies are recognized when there is reasonable assurance that the subsidy will be received and that all associated conditions will be complied with. When the subsidy relates to an expense item, it is recognized as income on a regular basis over the periods that the Group intends to offset the costs being expensed .

When the subsidy is related to an asset, it is recognized as income in equal amounts over the expected useful life of the underlying asset. When the Group receives non-cash subsidies, the asset and the subsidy are recorded at nominal value and transferred to the consolidated statement of profit or loss over the expected useful life of the asset based on the depreciation pattern of the asset's benefits in equal annual amounts. When borrowings or similar finance are granted by government or related institutions at an interest rate lower than the prevailing interest rate, the effect of these differential interest rates is considered a government subsidy and recorded under non-current liabilities in the financial position as deferred government subsidies.

4.27 Costs and Expenses

Costs which are directly related to services provided are classified as cost of revenue. Expenses which are attributable to marketing and promotional activities are classified as marketing expenses. All other indirect expenses are classified as general and administration expenses.

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4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.28 Earnings per share

Basic earnings per share

Basic EPS is calculated by dividing the net income or loss attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held, if any.

Diluted earnings per share

Diluted EPS, if any, is determined by adjusting the net income or loss attributable to common equity holders of the Parent Company and the weighted average number of common shares outstanding, adjusted for own shares held, for the effects of all dilutive potential common shares. The Group has not issued any potential ordinary shares; therefore, the basic and diluted earnings per share are the same.

4.29 Contingent liabilities

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is unlikely to occur. Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

4.30 Foreign Currency Translation

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency defined for the Group's companies at the exchange rates at the dates of those transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in the consolidated statement of profit or loss.

Foreign operations

As part of the financial statement consolidation process, the assets and liabilities of foreign operations are translated into SR at the prevailing exchange rate at the date of preparing the consolidated financial statements, and their profit or loss statements are translated into the average exchange rates on the date of the transactions. Exchange differences arising from the translation of currencies for consolidation purposes are recognized in other comprehensive income. On disposal of any foreign operation, other comprehensive income related to that foreign operation is recognized in the consolidated statement of profit or loss.

4.31 New Standards and Amendments to Standards and Interpretations

4.31.1 Amendments to IFRS 16 - Lease Liabilities in Sale and Leaseback Transactions

These amendments include requirements for sale and leaseback transactions under IFRS 16 to clarify how a company should account for such transactions after the transaction date. Sale and leaseback transactions where some or all of the lease payments are considered variable lease payments dependent on an index or rate, which is highly likely to be affected, are addressed by these amendments.

4.31.2 Amendments to IAS 1 - Non-Current Liabilities with Covenants and Classification of Liabilities as Current or Non-Current

These amendments clarify how the company's compliance with conditions that must be met within twelve months after the reporting period affects the classification of liabilities.

4.31.3 Amendments to IAS 7 and IFRS 7 - Supplier Financing Arrangements

These amendments require disclosures to enhance transparency regarding supplier financing arrangements and their impact on the company's liabilities, cash flows, and exposure to liquidity risks. Adoption of the above amendments does not have a material impact on the consolidated financial statements for the year. These amendments also aim to improve the information provided by the company regarding liabilities subject to these conditions.

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4- MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.32 New Standards Issued but Not Yet Adopted

Below is a summary of the new standards and amendments to existing standards effective for years beginning on or after January 1, 2025, with early application permitted but not yet adopted by the group when preparing these consolidated financial statements. The group is currently assessing the impact of adopting these standards on the consolidated financial statements.

4.32.1 Amendments to IAS 27 – Non-Transferable Currency

The entity will be affected by the amendments when it has a transaction or process involving a foreign currency that is non-transferable to another currency at the measurement date for a specific purpose.

4.32.2 Amendments to IFRS 9 and IAS 7 – Classification and Measurement of Financial Instruments

Clarification of the timing requirements for the recognition of certain financial assets and liabilities and their derecognition, with a new exception for some financial liabilities settled through an electronic cash transfer system.

Additional guidance on evaluating whether a financial asset meets the criterion of payments of principal and interest only. New disclosures for certain instruments with contractual features that may alter cash flows (such as some instruments with features linked to achieving environmental, social, and governance goals).

Updates to disclosures regarding equity instruments classified at fair value through other comprehensive income.

4.32.3 IFRS 18 - "Presentation and Disclosure in Financial Statements"

The new standard for presentation and disclosure in financial statements, with a focus on updates to the income statement. The key new concepts introduced in IFRS 18 include the following:

Structure of the Income Statement: The standard outlines the required structure for presenting the income statement, ensuring consistency and clarity in financial reporting.

Disclosures Required for Certain Performance Metrics: Disclosures related to certain performance measures of profit or loss reported outside the entity's financial statements (i.e., performance metrics defined by management) are now required.

Enhancement of Aggregation and Classification Principles: The standard strengthens the aggregation and classification principles that apply to primary financial statements and accompanying notes, ensuring better clarity and transparency in the presentation of financial data.

4.33 Subsequent Events

The consolidated financial statements are affected by subsequent events that require the amendment of the consolidated financial statements while subsequent events that do not require the amendment of the consolidated financial statements are disclosed.

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5- PROPERTIES AND EQUIPMENT

	Lands	Buildings	Leasehold improvements	Furniture and fixtures	Office equipment	Vehicles	Total
Cost							
Balance as of 1 January 2023	33,098,514	69,764,890	23,245,066	9,062,185	35,698,280	35,507,302	206,376,237
Additions	--	2,108,657	1,053,402	664,020	3,354,699	7,659,058	14,839,836
Disposals	--	--	--	(134,722)	(402,089)	(2,041,918)	(2,578,729)
Balance as of 31 December 2023	33,098,514	71,873,547	24,298,468	9,591,483	38,650,890	41,124,442	218,637,344
Additions	5,845,136	19,202,059	81,965	1,434,584	3,316,488	9,036,912	38,917,144
Disposals	--	--	(353,633)	(687,628)	(935,579)	(3,573,969)	(5,550,809)
Balance as of 31 December 2024	38,943,650	91,075,606	24,026,800	10,338,439	41,031,799	46,587,385	252,003,679
Accumulated depreciation							
Balance as of 1 January 2023, as previously reported	--	9,322,283	16,494,973	4,898,508	21,436,589	28,688,123	80,840,476
Restatements (Note 45)	--	--	3,540,504	--	--	--	3,540,504
Balance as of 1 Jan 2023, Restated	--	9,322,283	20,035,477	4,898,508	21,436,589	28,688,123	84,380,980
Depreciation Charge for the years	--	1,843,384	740,567	764,581	4,173,020	4,103,620	11,625,172
Disposals	--	--	--	(103,124)	(151,370)	(1,903,624)	(2,158,118)
Balance as of 31 December 2023	--	11,165,667	20,776,044	5,559,965	25,458,239	30,888,119	93,848,034
Depreciation Charge for the years	--	1,899,299	916,881	1,328,834	4,372,496	2,430,487	10,947,997
Disposals	--	--	(251,751)	(498,297)	(899,825)	(3,320,271)	(4,970,144)
Balance as of 31 December 2024	--	13,064,966	21,441,174	6,390,502	28,930,910	29,998,335	99,825,887
Net book value							
As of 1 January 2023, Restated (Note 45)	33,098,514	60,442,607	3,209,589	4,163,677	14,261,691	6,819,179	121,995,257
As of 31 December 2023, Restated (Note 45)	33,098,514	60,707,880	3,522,424	4,031,518	13,192,651	10,236,323	124,789,310
As at 31 December 2024	38,943,650	78,010,640	2,585,626	3,947,937	12,100,889	16,589,050	152,177,792

The land and buildings include a property with a carrying value 24 million Saudi Riyals, which is mortgaged to a local bank as collateral for the loan obtained by the group, as detailed in note (24).

Change in estimates

The Group reviewed the estimated useful lives of cars for the purpose of calculating depreciation, where their expected useful life was increased from 4 years to 6 years and their estimated residual value was increased. The new depreciation rates have been adjusted as of January 1, 2024, according to the board of directors the change in the method of depreciation has been accounted for as a change in an accounting estimate and the remaining book value of the cars will be depreciated according to the new depreciation rates. The effect of these changes on actual and expected depreciation expense, included in 'cost of sales, was as follows:

	2024	2025	2026	2027	2028
(Decrease) increase in depreciation expense	(1,162,451)	(1,147,328)	(1,043,254)	(283,635)	1,261,991
Property and equipment as at 31 December 2024, includes fully depreciated assets that are still in use, with a cost of SAR 34.3 million (31 December 2023: SAR 29.7 million).					

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6- LEASE

A. Right-of-use assets

	As of 31 December	
	2024	2023
Cost		
Balance at the beginning of the year	104,455,223	87,753,128
Additions during the year	15,374,521	38,232,579
Disposal during the year	(10,259,042)	(21,530,484)
Balance at the end of the year	109,570,702	104,455,223
Accumulated depreciation		
Balance at the beginning of the year	55,477,701	44,728,707
Depreciation expense during the year	20,881,700	19,754,487
Disposal during the year	(7,970,293)	(9,005,493)
Balance at the end of the year	68,389,108	55,477,701
Net Book Value As of 31 December	41,181,594	48,977,522

B. Lease liabilities

	As of 31 December	
	2024	2023
Balance at the beginning of the year	49,919,303	42,245,641
Additions	15,374,521	38,232,579
Interest expenses (Note 36)	2,895,175	2,668,656
Disposal during the year	(3,934,157)	(12,000,712)
Less: Payments during the year	(23,827,689)	(21,226,861)
Balance at the end of the year	40,427,153	49,919,303

The following table sets out a maturity analysis of future lease payments, along with the present value of the future lease payments as of 31 December 2024:

Minimum Future lease payment installment

	Future Lease Payments	Interest	Present Value of future Lease Payments
Within one year (Note 27)	21,542,713	2,283,414	19,259,299
From two to five years	22,561,136	1,393,282	21,167,854
Total	44,103,849	3,676,696	40,427,153

Lease liabilities has been reclassified in the consolidated statement of financial position as follows:

	As of 31 December	
	2024	2023
Current portion of lease liabilities (Note 27)	19,259,299	20,194,136
Non-current portion of lease liabilities	21,167,854	29,725,167
Balance at the end of the year	40,427,153	49,919,303

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7- INTANGIBLE ASSETS AND GOODWILL

	As of 31 December	
	2024	2023
Goodwill (A)	3,310,639	3,310,639
Intangible Assets – Other (B)	2,107,104	2,774,706
	5,417,743	6,085,345

A- Goodwill

	As of 31 December,	
	2024	2023
TPH Labor Services Center (*)	3,001,536	3,001,536
MBL Building Maintenance Company LLC (**)	309,103	309,103
	3,310,639	3,310,639

The movement in the goodwill during the year was as follows

	As of 31 December	
	2024	2023
Balance As of 1 January	3,310,639	5,269,787
Goodwill impairment during the year	--	(1,956,071)
Translation differences	--	(3,077)
Balance As of 31 December,	3,310,639	3,310,639

(*) On 1 January 2018, Musanid cleaning services has acquired a 70% stake in TPH Labor Services Center. The total consideration amounted to SAR 10.2 million. The acquisition was accounted for using the accounting acquisition method. The fair value of the net assets acquired was SAR 7.2 million, resulting in a goodwill of SAR 3 million. TPH Labor Services Center is licensed to provide cleaning services for buildings and basic services for residential properties.

(**) On 1 January 2018, TPH Labor Services fully acquired MBL Building Maintenance for a total consideration of SAR 1.5 million. The fair value of the net assets acquired was SAR 305,074, resulting in goodwill of SAR 1.2 million. MBL Building Maintenance Company is licensed to provide building maintenance services. The Group conducted a goodwill impairment test during the year ended 31 December 2023 resulting in a goodwill impairment of SAR 866,418.

Impairment Test

Management conducts an annual goodwill impairment test to ensure its carrying value is not higher than its recoverable amount. For the year ended 31 December 2024, management determined that the carrying value of goodwill was less than its recoverable amount. Recoverable amounts were determined on the basis of value-in-use calculations. These calculations use cash flow projections for five years based on financial budgets approved by management. Cash flows beyond the budgets are extrapolated using the estimated growth rate for the company. Management believes that these growth rate assumptions do not exceed the long-term average growth rates for the business in which the companies operate.

Key assumptions for the value-in-use calculation are set out below:

	As of 31 December	
	2024	2023
Discount Rate	16.5% - 17.5%	16.6% - 15.1%
Average Annual Sales Growth Rate	8.7%	5.6%
Terminal Growth Rate	2%	1.1%

The discount rates used are pre-zakat and reflect specific risks relating to the subsidiaries. Management has determined the budgeted gross margins based on past performance and its expectations for the market development.

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7- INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

Sensitivity to changes in assumptions.

With regard to the assessment of value-in-use for the subsidiaries, any adverse changes in a key assumption would result in an impairment loss. The key assumptions, where reasonably possible changes could result in impairment, are the terminal growth rates and the discount rates used.

	As of 31 December		
	2024		2023
<u>Intangible Assets - Other</u>			
Tadbeer licenses	1,109,313		1,476,567
Other intangible assets	997,791		1,298,139
	2,107,104		2,774,706
	Tadbeer licenses	Other intangible assets	Total
<u>Cost</u>			
Balance as of 1 January 2023	3,672,537	2,012,895	5,685,432
Additions	--	710,501	710,501
Balance as of 31 December 2023	3,672,537	2,723,396	6,395,933
Additions	--	8,934	8,934
Balance as of 31 December 2024	3,672,537	2,732,330	6,404,867
<u>Accumulated Amortization</u>			
Balance as of 1 January 2023	1,828,716	1,253,507	3,082,223
Amortization (Note 33)	367,254	171,750	539,004
Balance as of 31 December 2023	2,195,970	1,425,257	3,621,227
Amortization (Note 33)	367,254	309,282	676,536
Balance as of 31 December 2024	2,563,224	1,734,539	4,297,763
Net book value:			
Balance As of 31 December 2023	1,476,567	1,298,139	2,774,706
Balance As of 31 December 2024	1,109,313	997,791	2,107,104

Tadbeer licenses and other intangible assets are intangible assets acquired through business combinations. The Tadbeer licenses have been granted by the Ministry of Human Resources and Emiratization of UAE to provide specific services related to domestic worker recruitment and welfare.

8- INVESTMENT PROPERTIES

	Land	Building	Total
<u>Cost</u>			
Balance as of 1 January 2023	18,148,500	20,150,691	38,299,191
Additions	--	--	--
Balance as of 31 December 2023	18,148,500	20,150,691	38,299,191
Additions	--	--	--
Balance as of 31 December 2023	18,148,500	20,150,691	38,299,191
<u>Accumulated depreciation</u>			
Balance as of 1 January 2023	--	499,613	499,613
Amortization charge during the year	--	503,768	503,768
Balance as of 31 December 2023	--	1,003,381	1,003,381
Amortization charge during the year	--	503,768	503,768
Balance as of 31 December 2024	--	1,507,149	1,507,149
Net book value:			
As at 31 December 2023	18,148,500	19,147,310	37,295,810
As at 31 December 2024	18,148,500	18,643,542	36,792,042

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8- INVESTMENT PROPERTIES (CONTINUED)

The fair values of investment properties have been determined by an independent external evaluator. Investment properties have been evaluated by "Ibrahim Bin Al-Saedan Company" under license number (1210001340). The appraisal firm has a recognized professional qualifications and recent experience in the location and category of properties being appraised. The fair value was set at SAR 37.3 million as of 31 December 2024 (31 December 2023: SAR 37.3 million). The above investment properties are measured at fair value using the income method, which is a valuation method that estimates the fair value of a property by calculating the present value of future cash flows that an entity or asset expects to achieve over a lifetime.

Type of property	Valuation Method	Level	Purpose of valuation	Main Assumptions	Assumptions 2024	Assumptions 2023	Fair value	
Investment property	Income Approach	Level 3	determine fair value for land and building	Capitalization Rate	7%	7%	2024	2023
				Gross Income	2,900,000	2,900,000	37,335,714	37,285,714

9- EQUITY ACCOUNTED INVESTEEES

The following table summarizes the group's investments in equity accounted investees:

	Country of incorporation	Ownership percentage		As of 31 December	
		2024	2023	2024	2023 (Restated Note 45)
Saudi Medical Systems Company	KSA	40%	40%	415,452,471	454,139,499
Care Shield Holding Limited Company	KSA	41,36%	41,36%	335,161,674	330,113,464
Silias Trading & Marketing Company	KSA	20%	20%	--	3,172,991
				750,614,145	787,425,954

The movement in the investments in equity accounted investees is as follows:

	As of 31 December	
	2024	2023 Restated (Note 45)
As at the beginning of the year	787,425,954	753,064,575
The Group's Share of:		
Share of profit of equity accounted investees	48,134,493	57,425,107
Amortization of the fair value of acquired intangible assets	(16,801,713)	(16,907,467)
Impairment of investment in associates	(3,018,478)	--
Amounts included in the consolidated statement of profit or loss	28,314,302	40,517,640
Share in other comprehensive income of equity accounted investees	1,486,104	1,599,294
Dividends	(66,612,215)	(7,755,555)
Balance at the end of the year	750,614,145	787,425,954

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9- EQUITY ACCOUNTED INVESTEEES(CONTINUED)

The following table summarized financial information of the Group's investment in key equity accounted investees companies:

<u>Saudi Medical Systems Company</u>	<u>As of 31 December</u>	
	2024*	2023*** (Restated Note 45)
Total current assets	503,021,014	503,021,014
Total non-current assets	44,463,604	44,463,604
Total current liabilities	(213,986,153)	(213,986,153)
Total non-current liabilities	(62,998,312)	(62,998,312)
Net assets	270,500,153	270,500,153
Group's share in net assets 40%	108,200,061	108,200,061
Fair value of intangible assets after amortization	43,021,514	55,851,023
Goodwill	290,088,415	290,088,415
Dividends**	(60,407,771)	--
Group's share in results 40%	34,550,252	--
Total Investment	415,452,471	454,139,499

(*) No financial position is available for Saudi Medical Systems Company as of 31 December 2024, and we presented the last data available as of 31 Dec 2023.

(**) During the year, the Board of Directors of the Saudi Systems Company, based on the recommendation granted by the General Assembly, approved the distribution of cash dividends amounting to SAR 151.02 million, with the group's share amounting to SAR 60.4 million. An amount of SAR 28.9 million from the declared dividends was received on October 7, 2024. The remaining dividend balance of SAR 31.4 million is still receivable from the associate company and is classified under other current assets (Note 15). This amount had not been received as of the date of issuance of the financial statements.

	<u>For the year ended 31 December</u>	
	2024**	2023*** (Restated Note 45)
Revenues	532,889,000	504,613,175
Cost of revenues	(412,972,000)	(376,395,473)
Total profit	119,917,000	128,217,702
General and administrative expenses	(14,138,000)	(38,653,487)
expected credit losses expenses	(25,555,000)	(2,908,715)
Financing costs	(3,305,000)	(1,896,904)
Other income	9,456,631	737,158
Zakat	--	(5,000,000)
Profit for the year	86,375,631	80,495,754
Group's share in results 40%	34,550,252	32,198,302
Total other comprehensive income for the year	--	(119,262)
Group's share in other comprehensive loss for the year 40%	--	(47,705)

(**) The preliminary financial results of the company for the financial period ended 30 June 2024, as the group has not received any financial results for the second half as of 31 December 2024 from the Saudi Medical Systems Company.

(***) The comparative figures for the year ended 31 December 2023, have been restated to align with the audited financial statements of the associate company (Note 45)

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9. EQUITY ACCOUNTED INVESTEEES (CONTINUED)

	As of 31 December	
	2024	2023
Care shield Holding Company Limited		
Total current assets	348,373,462	300,417,030
Total non-current assets	298,989,403	296,037,030
Total current liabilities	(191,811,505)	(148,620,769)
Total non-current liabilities	(96,725,006)	(110,752,530)
Net assets	358,826,354	337,080,761
Group's share in net assets 41.36%	148,420,113	139,426,138
Fair value of intangible assets after amortization	131,578,526	135,524,291
Goodwill	55,163,035	55,163,035
Group's carrying amount of the investment	335,161,674	330,113,464

	For the year ended 31 December	
	2024	2023
Revenues	428,891,222	431,896,155
Cost of revenues	(312,751,105)	(294,056,329)
Total profit	116,140,117	137,839,826
General and administrative expenses	(49,860,983)	(50,537,809)
Impairment of inventory	(650,000)	--
Expected credit losses expenses	(26,552,165)	(23,627,916)
Other income	6,023,933	8,637,590
Financing costs	(8,841,122)	(5,095,720)
Zakat	(3,106,212)	(5,147,256)
Profit for the year	33,153,568	62,068,715
Group's share in results 41.36%	13,712,316	25,671,621
Total other comprehensive income for the year	3,593,095	3,982,106
Group's share in other comprehensive income for the year 41.36%	1,486,104	1,646,999

	As of 31 December	
	2024	2023*
		Restated
Salas Trading & Marketing Company		
Total current assets	121,679	215,017
Total non-current assets	512,805	639,480
Total current liabilities	(1,221,774)	(1,317,429)
Total non-current liabilities	(4,689,556)	(4,173,538)
Net assets	(5,276,846)	(4,636,470)
Group's share in net assets 20%	(1,055,369)	(927,295)
Fair value of intangible assets after amortization	105,756	132,195
Goodwill	3,968,091	3,968,091
Impairment of investment in associates	(3,018,478)	--
Group's carrying amount of the investment	--	3,172,991

*The comparative figures for the year ended 31 December 2023, have been adjusted to align with the financial statements prepared by the management of the company.

	For the year ended 31 December	
	2024	2023
Revenues	516,701	1,221,015
Cost of revenues	(608,497)	(1,551,892)
Total loss	(91,796)	(330,877)
General and administrative expenses	(563,426)	(1,919,331)
Other income	14,850	26,135
loss for the year	(640,372)	(2,224,073)
Group's share in results 20%	(128,074)	(444,816)
Total other comprehensive income for the year	--	--
Group's share in other comprehensive income for the year 20%	--	--

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10-INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The investments at fair value through other comprehensive income comprises of the following:

	As of 31 December	
	2024	2023
KABI Technology Company (A)	4,747,200	11,496,186
	4,747,200	11,496,186

The movement in investments at fair value through other comprehensive income for the year is as follows:

	As of 31 December	
	2024	2023
Balance at the beginning of the year	11,496,186	13,985,656
Change in fair value	(6,748,986)	(2,489,470)
Balance at the end of the year	4,747,200	11,496,186

- A. During 2022, the Group acquired a 19.78% in KABI Technology Company, with a capital of SAR 200 million through swap shares representing the total shares in Bloovo Company Limited. The Group doesn't have a "significant influence" either through percentage ownership (less than 20%) or through other methods indicating that the Group has a "significant influence" on the financial and operating policies of KABI Technology company. The purpose of this investment is to hold it for medium to long term strategic purposes. As a result, the Group decided to account for at fair value through other comprehensive income method, because short-term fluctuations in the fair value of these investments in net income wouldn't be in line with the Group's strategy of holding the investment for long-term purposes.

11- FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss consist of the following:

	As of		
	31 December 2024	31 December 2023 (Restated Note 45)	1 January 2023 (Restated Note 45)
Investment funds – Jadwa investment (A)	36,467,600	60,212,877	--
Investment funds - Sukuk (B)	--	10,070,833	25,099,306
	36,467,600	70,283,710	25,099,306

- A. This item represents investments in the Jadwa Islamic Sharia-compliant Investment Fund, Class (A), managed by Jadwa Investment. The fund aims to achieve short-term Sharia-compliant returns through investments in Murabaha transactions and bank deposits. (The fund may also invest in Sukuk when suitable investment opportunities arise.) As of 31 December 2024, the number of units purchased in the fund was 314,723.96, with a fair value of 36,467,600 Saudi Riyals. (As of 31 December 2023, the number of units was 548,567.71, with a fair value of 60,212,877 Saudi Riyals.)
- B. This item represents investments in certain Sukuk within an investment portfolio managed by Alinma Capital, which were purchased for 25 million Saudi Riyals and 14 million Saudi Riyals from the Rawabi (4) and (7) Sukuk series and the first tranche of Alinma Bank Sukuk for 2021, respectively. The Group considered its investments to be of a strategic nature and Sharia-compliant, with contractual cash flows not limited to the principal amount and commission only. During 2024, the group fully recovered its entire investment amount from the investment portfolio.

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11- FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

The following is a movement in the financial assets at fair value through profit or loss:

	As of		
	31 December 2024	31 December 2023 (Restated Note 45)	1 January 2023 (Restated Note 45)
<u>Cost</u>			
Balance at the beginning of the year	70,000,000	25,000,000	98,571,697
Additions	95,000,000	60,000,000	940,856
Redemption	(128,784,692)	(15,000,000)	(74,512,553)
Balance at the end of the year	36,215,308	70,000,000	25,000,000
<u>Revaluation adjustments</u>			
Balance at the beginning of the year	283,710	99,306	1,002,962
Net profit during the year	1,436,666	840,895	3,160,719
Redemption	(1,468,084)	(656,491)	(4,064,375)
Balance at the end of the year	252,292	283,710	99,306
Net book value at the end of the year	36,467,600	70,283,710	25,099,306

12- AVAILABLE VISAS

The available visas represent the value of visas paid to the Ministry of Human Resources and Social Development that have not been utilized as of the date of the consolidated financial statements. The amounts of available visas are transferred to used visas upon the issuance of visas to the recruited workforce. Below is a statement of the movement in available visas:

	As of 31 December	
	2024	2023
Balance at the beginning of the year	33,064,000	24,856,000
Purchased visas	58,000,000	49,334,000
Refunded visas	(23,716,000)	(15,032,000)
Transferred to used visas (note 15 B)	(40,000,000)	(26,094,000)
Balance at the end of the year	27,348,000	33,064,000

13- CONTRACT ASSETS

Contract assets relate primarily to the Group's right to compensation for services provided but not billed at the date of preparing the consolidated financial statements. Contract assets are converted to receivables when the rights thereto become unconditional. This usually happens when the group issues the invoice to the customer.

The following is a statement of contract assets:

	As of		
	31 December 2024	31 December 2023 (Restated Note 45)	1 January 2023 (Restated Note 45)
Contract assets	157,307,168	105,188,220	104,506,419
Deduct: Expected credit Provision for contract assets	(10,330,613)	(8,485,263)	(4,993)
Balance At the end of the year	146,976,555	96,702,957	104,501,426

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13- CONTRACT ASSETS (CONTINUED)

The balance of contract assets has been classified in the consolidated statement of financial position as follows:

	As of	
	31 December 2024	31 December 2023 (Restated Note 45)
Current portion	140,839,121	80,075,305
Non-current portion	6,137,434	11,402,465
	146,976,555	96,702,957

The movement in expected credit losses is as follows:

	As of	
	31 December 2024	31 December 2023 (Restated Note 45)
Balance At the beginning of the year	8,485,263	4,993
Charged during the Year – Contract Assets	1,845,350	(52,714)
Balance At the end of the year	10,330,613	4,993

14- TRADE RECEIVABLE

	As of December 31	
	2024	2023
Trade receivables	356,478,120	313,765,535
Amounts due from related parties (Note 18.b)	3,678,452	3,583,568
	360,156,572	317,349,103
Expected credit Provision for account receivable	(33,279,806)	(48,068,887)
	326,876,766	269,280,216

Trade receivables include net amounts due without commission from customers without a credit rating. Based on past experience, it is expected to collect all trade receivables that have not been impaired. It is not the Group's policy to obtain guarantees for trade receivables, and therefore most of them are unsecured the movement in expected credit losses is as follows:

	As of December 31	
	2024	2023
At the beginning of the year	48,068,887	35,649,063
Allowance Expected credit losses expense for Account Receivable	2,429,140	15,864,908
Amounts written off	(17,218,221)	(3,445,084)
At the end of the year	33,279,806	48,068,887

The following is an analysis of the aging of trade receivables and credit risks:

	Total	Less than 90 days	90 - 180 days	360-180 days	More-than 360 days
31 December 2023	269,280,216	217,712,540	8,439,837	3,119,318	40,008,521
31 December 2024	326,876,766	261,017,006	19,637,485	13,128,245	33,094,030

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15- PREPAYMENTS AND OTHER CURRENT ASSETS

	As of 31 December	
	2024	2023
Residence permits and work permits	61,176,288	47,275,595
Recruitment costs (**)	37,142,026	25,202,466
Used visas (**)	24,398,216	19,209,320
Medical insurance	34,454,191	26,401,311
Advances to suppliers (15 - C)	19,402,642	15,151,444
letter of guarantee (*)	14,260,429	--
Accrued Dividends	31,429,300	--
Prepaid subscriptions	6,326,528	4,200,239
Other prepaid expenses	18,470,861	22,299,925
	247,060,481	159,740,300

(*) The company has issued a bank guarantee in favor of the Ministry of Human Resources and Social Development amounting to SAR 10,000,000 as a requirement for obtaining a business license in accordance with sector regulations. The guarantee is renewed annually until all license-related requirements are and remains valid until February 24, 2034. Additionally, the comparative figure for the year 2023 has been classified under Note (16), linking the amount to Murabaha time deposits.

(**) The following is an analysis of recruitment and visa costs presented as current and non-current assets

	As of 31 December	
	2024	2023
Recruitment costs(15 - A)	54,444,146	31,362,640
Used visas(15 - B)	33,003,978	25,908,044
	87,448,124	57,270,684
Less: Current portion of recruitment costs	37,142,026	25,202,466
Less: Current portion of used visas	24,398,216	19,209,320
Non-current portion of recruitment and used visa costs	25,907,882	12,858,898

15-A The movement in recruitment costs during the year was as follows:

	As of 31 December	
	2024	2023
Balance At the beginning of the year	31,362,640	89,314,833
Additions during the year	85,914,011	35,910,883
Amortization during the year	(62,832,505)	(93,863,076)
Balance At the end of the year	54,444,146	31,362,640

15-B The movement in used visas during the year was as follows:

	As of 31 December	
	2024	2023
Balance At the beginning of the year	25,908,044	30,875,780
Transferred from available visas (Note 12)	40,000,000	26,094,000
Amortization during the year	(32,904,066)	(31,061,736)
Balance At the end of the year	33,003,978	25,908,044

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15- PREPAYMENTS AND OTHER CURRENT ASSETS (Continued)

15- C The analysis of advances to suppliers is as follows:

	As of 31 December	
	2024	2023
Advances to suppliers	27,721,374	20,961,785
Less: Provision for Advance to Suppliers	(8,318,732)	(5,810,341)
Total	19,402,642	15,151,444

The movement in provision for advance to suppliers is as follow:

	As of 31 December	
	2024	2023
Balance At the beginning of the year	5,810,341	2,432,451
Charge during the year	2,508,391	3,377,890
Balance At the end of the year	8,318,732	5,810,341

16- MURABAHA TIME DEPOSITS

Murabaha Time Deposits represent deposits with local commercial banks with a maturity period of more than three months from the date of purchase and are expected to mature within one year from the date of preparation of the consolidated financial statements. Variable commission rates on Murabaha Time Deposits as of 31 December 2024 and 2023 are determined based on the prevailing market rate. The revenues from Murabaha deposits for the year ended 31 December 2024 amounted to SAR 888,722 (31 December 2023: SAR 1,780,757) (Note 35) and the movement is as follows:

	As of 31 December,	
	2024	2023
Balance at the beginning of the year	10,000,000	--
Addition through the year	75,100,000	73,000,000
Redemption	(50,100,000)	(63,000,000)
Balance at the end of the year	35,000,000	10,000,000

17- CASH AND CASH EQUIVALENTS

	As of 31 December,	As of 1
	2024	January, 2023
Cash at Banks	33,153,567	77,341,968
Murabaha Time Deposits	--	59,321,528
Cash on hand	564,202	20,729,369
Cash and Cash equivalent on the consolidated Statement of the Financial Position	33,717,769	1,636,539
Deduct: Restricted Cash at the banks for shareholder's dividends*	(587,688)	83,573,675
Cash and Cash equivalent on the consolidated Statement of the Cashflows	33,130,081	(587,707)
		83,081,596

* Cash and cash equivalents balances include restricted amounts, as disclosed above, relating to unclaimed dividend distributions for shareholders that are being held by banks.

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18- RELATED PARTIES

The related parties consist of senior management employees, board members, and entities. The group engages in various transactions with related parties during its normal course of business. Transactions with related parties are conducted in accordance with the terms and conditions approved by the group's management or board of directors during the normal course of business.

18-A The following is a statement of transactions with related parties:

Name of the related party	Nature of the relationship	Nature of the transaction	For the year ended 31 December	
			2024	2023
Board members and Committees	Board of Directors and Committees	Remuneration	5,290,144	6,035,481
		Payments	5,297,968	6,710,163
Saudi Medical Systems Company	Associate company	Manpower services	10,670,374	4,227,026
		Collection	10,811,568	3,227,844
Care shield Holding Company Limited	Associate company	Manpower services	11,817,242	8,176,874
		Collection	11,722,326	8,200,658
Other	Related Parties to a member of the Board of Directors	Manpower services	215,681	39,911
		Collection	74,518	39,911

18-B The amounts due from related parties

	As of December 31	
	2024	2023
KABI Technology Company for Information Technology	1,648,460	1,648,460
Care shield Holding Company Limited	1,027,766	932,850
Saudi Medical Systems Company	857,987	999,181
Other (*)	144,239	3,077
	3,678,452	3,583,568
Less: Provision for expected credit losses on related party	(1,648,460)	--
	2,029,992	3,583,568

18-C The amounts due to a related party

	As of December 31	
	2024	2023
Board and committee members (Note 27)	5,286,176	5,294,000
	5,286,176	5,294,000

(*) Other parties include Abdul Aziz Aidah Muftah Al Kathiri Establishment for Car Spare Parts, and Gulf elite Company.

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18- RELATED PARTIES (continued)

18.D The following statement shows the benefits of board members and committees and senior management executives:

	As of December 31	
	2024	2023
Short-term salaries and benefits	10,333,738	8,503,877
Remuneration of board members & Committees	5,290,144	6,035,481
Defined benefits Liabilities	589,156	580,777
Total transactions	16,213,038	15,120,135

19- SHARE CAPITAL

The authorized, issued, and fully paid capital consists of 475 million shares of SAR 1 each (31 December 2023: 47.5 million shares of SAR 10 each).

On 20 Rajab 1445H (corresponding to 1 February 2024G), the Extraordinary General Assembly approved the recommendation of the Board of Directors on 22 Dhu al-Hijjah 1444H (corresponding to 10 July 2023G), to split the nominal value of the share from (10) Saudi riyals per share to (1) Saudi riyals per share, As a result, the number of shares in the company after the split became 475 million shares, instead of 47.5 million shares, while keeping the company's capital unchanged.

On 19 Dhu al-Qi'dah 1444H (corresponding to 8 June 2023), the Extraordinary General Assembly approved the recommendation of the Board of Directors on 14 Shaaban 1444H (corresponding to 6 March 2023) to increase the Company's capital to support its financial position, and to finance it through the capitalization of SAR 100 million from the Company's retained earnings account. The company's capital was increased by granting bonus shares, one share for every five shares, the pre-split bonus shares resulted in 7.5 million shares in addition to allocating another 2.5 million shares of the capital increase representing 5.3% of the total new capital as treasury shares for the purpose of establishing the employee share plan (long-term incentive plan).

20- STATUTORY RESERVE

The statutory reserve listed in the consolidated financial statements as of 31 December 2024, and 31 December 2023, was required under the company's previous bylaws. However, after the amendments made to the company's bylaws during the year ended 31 December 2024, the requirement to allocate the statutory reserve was no longer applicable. The Statutory Reserve Balance is as follows:

	As of December 31	
	2024	2023
Statutory reserve	103,056,265	103,056,265

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21- OTHER RESERVES

The movement in other reserves is as follows:

	Currency Translation Reserve- Foreign Operation	Accumulated actuarial losses	Employee share plan Reserve	Change in fair value of financial assets at fair value through other comprehensive income	Deducts non- controlling share of other reserves	Total
Balance as at 1 January 2023	(2,161)	(16,560,128)	--	--	22,041	(16,540,248)
Remeasurement of end of service benefits for employees (Note 26)	--	(3,161,652)	--	--	(27,735)	(3,189,387)
Unrealized losses on investments in other comprehensive income (Note 10)	--	--	--	(2,489,470)	--	(2,489,470)
Share in other comprehensive income of equity investees (Note 9)	--	1,599,294	--	--	--	1,599,294
Balance As of 31 December 2023	(2,161)	(18,122,486)	--	(2,489,470)	(5,694)	(20,619,811)
Balance as at 1 January 2024	(2,161)	(18,122,486)	--	(2,489,470)	(5,694)	(20,619,811)
Foreign Currency Translation Differences- Foreign operation	(2,775)	--	--	--	--	(2,775)
Remeasurement of end of service benefits for employees (Note 26)	--	2,950,906	--	--	--	2,950,906
Share-based payment transactions (Note 22)	--	--	1,210,349	--	--	1,210,349
Unrealized losses on investments in other comprehensive income (Note 10)	--	--	--	(6,748,986)	--	(6,748,986)
Purchase of non-controlling interest	--	--	--	--	5,694	5,694
Share in other comprehensive income of equity investees (Note 9)	--	1,486,104	--	--	--	1,486,104
Balance As of December 31, 2024	(4,936)	(13,685,476)	1,210,349	(9,238,456)	--	(21,718,519)

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22- EMPLOYEES SHARE PLAN

The Group has granted certain eligible employees the right to own the Company's shares "Treasury Shares" in accordance with the long-term incentive program approved by the Board of Directors. The granting of shares is subject to vesting conditions, which require the eligible employee to remain employed until the grant's vesting date on 31 Dec 2025. On October 31, 2024, the Company granted 1,131,167 shares to its eligible employees under the Employee Share Ownership Plan.

The table below shows the number of shares under the Employee Share Ownership Plan that are expected to vest as of 31 December 2025, as follows:.

	As of 31 December (shares)	
	2024	2023
Balance At the beginning of the year	--	--
Addition during the year	1,131,167	--
Balance At the end of the year	1,131,167	--

	As of 31 December (SAR)	
	2024	2023
Balance At the beginning of the year	--	--
charge during the year	1,210,349	--
Balance At the end of the year	1,210,349	--

23- DIVIDENDS

The Board of Directors, pursuant to the authorization granted to it, decided in its meeting held on 20 Ramadan 1445H (corresponding to 30 March 2024) to announce an interim dividend for the second half of 2023 in the amount of SAR 33.75 million (7.5 halalas per share), and these distributions were paid on 13 Shawwal 1445H corresponding to 22 April 2024. The Board of Directors, pursuant to the authorization granted to it, decided in its meeting held on 6 Safar 1446H (corresponding to 10 August 2024), to announce an interim dividend for the first half of 2024 in the amount of SAR 31.5 million (7 halalas per share), and these distributions were paid on 21 Safar 1446H corresponding to August 25, 2024. The total dividend during the year amounted to SAR 65,250,000. (31 December 2023: SAR 82,500,000).

24- LONG TERM LOANS

	As of 31 December	
	2024	2023
Islamic long term loans (Murabaha)	586,795,210	562,607,710
	586,795,210	562,607,710

Below is the movement in long-term loans during the year:

	As of 31 December	
	2024	2023
Balance At the beginning of the year	562,607,710	562,607,710
proceeds during the year	24,187,500	--
Payments during the year	--	--
Balance At the end of the year	586,795,210	562,607,710

The balance of long-term loans in the consolidated statement of financial position has been classified as follows:

	As of 31 December	
	2024	2023
Current portion	4,837,500	18,130,437
Non-Current portion	581,957,710	544,477,273
Balance At the end of the year	586,795,210	562,607,710

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24- LOG TERM LOANS (CONTINUED)

The Group entered into Shariah-compliant credit facility agreements with local banks to finance capital expenditures, business expansion, acquisitions, and operating expenses, amounting to SAR 922 million (2023: SAR 900 million).

24-1 The total utilized portion of these facilities amounted to SAR 586.8 million as of 31 December 2024 (31 December 2023: SAR 562.6 million). The agreements include grace periods ranging from two to four years, depending on the type of facility utilized, with a profit margin ranging between 0.90% and 3% over SAIBOR. The repayment period ranges from three to five years after the end of the grace period. During 2024, the Company concluded rescheduling agreements with local banks for bank facilities totaling SAR 362.6 million, under which the grace periods of these facilities were extended by an additional 18 months.

Covenant

These facilities include covenants mainly related to maintaining certain leverage ratios, total debt to equity ratios, and other commitments. As of 31 December 2024 and 31 December 2023, the Group was in full compliance with all such covenants.

Guarantees

Under these facilities, the Group has provided several guarantees covering the full value of the financing, which consist of the following:

- Promissory notes amounting to the total available credit facilities.
- A mortgage on land and property with a carrying value of SAR 24 million (Note 5).

25- SHORT TERM LOAN

Spectra Support Services Company "Subsidiary" has entered into Islamic Sharia-compliant credit facility agreement with a local bank consisting of loans, credit facilities, letters of credit and fixed-term deferred sale, with a maximum limit of SAR 35 million for the purpose of financing the company's working capital requirements. these facilities are subject to specified financing costs, consisting of a profit margin plus SAIBOR. The outstanding balance for these facilities as of 31 December 2024, amounted to SAR 20.2 million (31 December 2023: Nil).

The following is the movement of short-term loans during the year:

	Purpose	Guarantee	Start Date	Due Date	Loan Celling	31 December 2024	31 December 2023
Local Bank 1	Working Capital	Commercial Paper SR 62 million	14 March 2024	The period between 6-12 months	35,000,000	20,173,000	--
						As of 31 December	
						2024	2023
Balance At the beginning of the year						--	--
Proceeds during the year						122,938,534	--
Repayment during the year						(102,765,534)	--
Balance At the end of the year						20,173,000	--

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26- EMPLOYEE ' DEFINED BENEFITS LIABILITIES

The following table shows the movement in the employee ' defined benefits liabilities for the year:

	As of 31 December	
	2024	2023
Opening balance	95,227,910	83,877,102
Current service cost	27,800,177	24,806,863
Finance cost (Note 36)	4,280,896	2,982,071
Amounts recognized in consolidated statement of profit or loss	32,081,073	27,788,934
(Gains) losses on remeasurement of employee benefit obligations	(2,950,906)	3,161,652
Amounts recognized in consolidated statement of comprehensive income	(2,950,906)	3,161,652
Benefits paid during the year	(21,119,941)	(19,599,778)
Closing balance	103,238,136	95,227,910

Key actuarial assumptions

The following are the key actuarial assumptions used in calculating the defined benefit obligation:

		2024	2023
Discount rate		%5	4.5%
Salary increase rate	Employees	%5	%10
	Labor	%0	%0
	Domestic workers	%0	%0
Employee turnover rate		%40	%40
Employee turnover rate before contract completion	Employees	%20	%20
	Labor	%40	%40
Retirement age		60	60-55

Sensitivity analysis

The results are affected by the assumptions used, particularly the assumption of employee turnover due to the short period of the program's liabilities. The table below shows the change in employee ' defined benefits liabilities based on the increase or decrease in the value of the underlying assumptions as follows:

	Change in assumptions	Carrying value	Impact on employee' defined benefits liabilities	
			Increase in assumptions	Decrease in assumptions
31 December 2024				
Discount Rate	%0.50	103,238,136	101,034,979	107,651,043
Salary increase rate	%0.50	103,238,136	104,637,389	102,749,619
Turnover rate	%10	103,238,136	101,806,150	104,769,134
31 December 2023				
Discount Rate	%0.25	95,227,910	87,819,000	88,721,000
Salary increase rate	%0.25	95,227,910	88,721,000	88,140,000
Turnover rate	%10	95,227,910	85,990,000	91,459,000

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27- ACCOUNTS PAYABLE, AND OTHER CURRENT LIABILITIES

	31 December 2024	As of	
		31 December 2023 (Restated Note 45)	1 January 2023 (Restated Note 45)
Accrued tickets and vacations	131,775,900	101,553,448	96,785,567
Accrued Salaries and Other Employee Costs	43,630,792	75,847,491	37,557,991
Trade Payable	41,087,342	33,583,051	27,810,645
Value Added Tax	18,180,417	21,981,470	15,630,486
Accrued Bonuses and Incentives	12,769,567	11,645,894	10,809,252
Current Portion of Lease Liabilities (Note 6B)	19,259,299	20,194,136	11,026,528
Due to related party (Note 18C)	5,286,176	5,294,000	4,539,519
Advance Payment from tenants	2,305,795	2,134,690	1,980,744
Others	15,266,544	11,188,232	19,741,536
	289,561,832	283,422,412	225,882,268

28- CONTRACT LIABILITIES

Contract liabilities primarily relate to consideration received in advance, amounts billed to customers, and unearned revenue, for which revenue is recognized upon satisfying the performance obligations. the revenues related to these contracts are expected to be recognized within a period of less than one year.

Contract liabilities consist of the following:

	31 December 2024	As of	
		31 December 2023 (Restated Note 45)	1 January 2023 (Restated Note 45)
Advances from customers	30,691,580	15,525,582	32,848,888
Deferred revenues from customer contracts	71,322,541	77,408,929	95,510,348
Deferred revenues from the loyalty program - Neqat	7,413,170	6,939,209	3,673,255
Total	109,427,291	99,873,720	132,032,491

29- RETAINED DEPOSITS

	31 December 2024	As of	
		31 December 2023 (Restated Note 45)	1 January 2023 (Restated Note 45)
Balance At the beginning of the year	95,534,191	99,141,138	93,361,120
Additions	23,578,697	20,785,730	28,185,482
Refundable	(15,839,537)	(24,392,677)	(22,405,464)
Total	103,273,351	95,534,191	99,141,138

The balance of retained insurance deposits has been classified in the consolidated statement of financial position as follows:

	31 December 2024	As of	
		31 December 2023 (Restated Note 45)	1 January 2023 (Restated Note 45)
Current	62,050,764	72,739,845	81,653,327
Non-Current	41,222,587	22,794,346	17,487,811
Total	103,273,351	95,534,191	99,141,138

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30- ZAKAT

The Zakat calculation for the year consists of the following:

	As of 31 December	
	2024	2023
Balance At the beginning of the year	14,345,688	15,745,030
Provision for the year	9,809,283	9,945,941
Paid during the year	(12,624,103)	(11,345,283)
Balance At the end of the year	11,530,868	14,345,688

The Zakat provision was calculated based on the following

	As of 31 December	
	2024	2023
Shareholders' equity	647,560,004	683,354,899
Non-current liabilities	724,156,089	801,967,990
Non-current assets	(992,544,888)	(1,056,590,319)
Zakat base	379,171,205	428,732,570

Some of the amounts mentioned above have been adjusted to arrive at the zakat charge for the year.

Zakat Assessments

Parent company

The Company has submitted its Zakat declarations for all prior years up to the year ended 31 December 2023. All Zakat assessments issued by the Zakat, Tax and Customs Authority (the 'Authority') have been finalized and agreed upon without any Zakat differences up to the year ended 31 December 2022, except for the years 2018, 2019, and 2020, which resulted in Zakat differences amounting to SAR 1,879,265, SAR 1,218,510, and SAR 574,996, respectively. These amounts have been fully settled. The Zakat assessment for the year 2023 is still under review by the Authority.

Subsidiaries

Spectra Support Services Company has submitted its Zakat declarations for all prior years up to the year ended 31 December 2023. The Zakat, Tax and Customs Authority assessed the Company for the years 2015 and 2016 with an amount of SAR 124,487, which has been fully settled. As of the date of preparation of the consolidated financial statements, there are no other Zakat assessments.

Growth Avenue investment company has submitted its Zakat declarations for all prior years up to the year ended 31 December 2023. As of the date of preparation of the consolidated financial statements, there are no Zakat assessments.

Arabian Shifa Medical company has submitted its Zakat declarations for all prior years up to the year ended 31 December 2023. As of the date of preparation of the consolidated financial statements, there are no Zakat assessments.

NABD for Logistics Services company has submitted its Zakat declarations for all prior years up to the year ended 31 December 2023. As of the date of preparation of the consolidated financial statements, there are no Zakat assessments.

Professional Development Training has submitted its Zakat declarations for all prior years up to the year ended 31 December 2023. As of the date of preparation of the consolidated financial statements, there are no Zakat assessments.

TPH Company has submitted its tax declarations for all prior years up to the year ended 31 December 2023. As of the date of preparation of the consolidated financial statements, there are no tax assessments.

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31- REVENUES

The revenue is detailed by service, sector, customer, and contracts, as well as the contract durations (timing of revenue recognition). Intercompany revenues within the group are eliminated upon consolidation of the financial statements.

Important Payment Terms

The company is committed to collecting receivables according to the agreed payment terms in the signed contracts. There are no variable payment terms or extended maturity periods affecting the timing of revenue recognition, unless otherwise agreed upon within the contract terms.

Guarantees and Related Obligations

The company is committed to receiving promissory notes or advance payments from customers as financial guarantees. These guarantees are held as retained collateral until the contract's completion to ensure the fulfillment of all agreed-upon obligations.

Service type

	For the year ended on 31 December	
	2024	2023
Manpower Services	2,090,664,437	1,778,728,164
Facility Management Services	116,686,560	86,785,487
Logistics Services	18,000,045	18,132,384
Others	10,079,538	6,372,485
	2,235,430,580	1,890,018,520

Sector type

	For the year ended on 31 December	
	2024	2023
Industrial and operational	702,296,524	463,311,911
Individuals	424,275,513	447,300,118
Hospitality and Healthcare	421,502,123	407,112,378
Retail and Commercial	382,278,083	412,320,772
Esnad and Government Services sector	160,312,193	57,955,960
Facility management	116,686,560	86,785,487
Others	28,079,584	15,231,894
	2,235,430,580	1,890,018,520

Client type

	For the year ended on 31 December	
	2024	2023
Private companies	1,768,953,662	1,490,268,194
Individuals	424,275,513	390,078,322
Governmental	42,201,405	9,672,004
	2,235,430,580	1,890,018,520

Type of contracts

	For the year ended on 31 December	
	2024	2023
Corporate sector	1,811,155,067	1,442,718,406
Household	311,713,021	344,915,492
Hourly service "Khidma"	112,562,492	102,384,622
	2,235,430,580	1,890,018,520

Duration of contracts

	For the year ended on 31 December	
	2024	2023
More than a year	1,811,155,067	1,442,718,406
Less than a year	424,275,513	447,300,114
	2,235,430,580	1,890,018,520

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32- COST OF REVENUES

	For the year ended on 31 December	
	2024	2023 (Restated Note 45)
Salaries and Employee Benefits	1,331,066,057	1,080,368,615
Residence permits and work permits	312,043,544	259,694,316
Recruitment and Visa Costs	95,736,571	124,924,812
Vacation and tickets	81,055,971	61,418,706
Other employees' costs	68,646,153	43,440,285
Depreciation	24,133,171	24,621,887
Other	64,125,459	51,274,586
	1,976,806,926	1,645,743,207

33- GENERAL AND ADMINISTRATIVE EXPENSES

	For the year ended on 31 December	
	2024	2023
Salaries and Employee Benefits	61,665,658	65,657,477
Professional fees	10,841,184	6,266,161
Depreciation	8,176,180	7,583,608
Board of Directors and Committees' Remunerations (Note 18-A)	5,290,144	6,035,481
Utilities and subscriptions	4,361,455	2,846,454
Repair and maintenance	1,309,093	838,099
Bank fees	1,151,898	630,568
Amortization (Note 7)	676,536	539,004
Rent	360,463	99,791
Other	5,436,014	5,271,107
	99,268,625	95,767,750

34- MARKETING AND SELLING EXPENSES

	For the year ended on 31 December	
	2024	2023 (Restated Note 45)
Marketing commission	9,730,033	13,159,581
Advertising and promotion	8,083,570	6,539,657
Salaries and Employee Benefits	6,358,164	3,820,581
Depreciation	24,114	36,259
Other	733,745	527,662
	24,929,626	24,083,740

35- OTHER INCOME

	For the year ended on 31 December	
	2024	2023
Employment subsidy income	17,124,914	7,641,061
Rental income	4,882,668	4,457,385
Profits from sale of properties and equipment	1,098,101	1,150,504
Profit from Murabaha Deposits	888,722	1,780,757
Other	3,253,298	1,231,791
	27,247,703	16,261,498

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36- FINANCE COSTS

	For the year ended on 31 December	
	2024	2023
Finance costs related to loans	40,830,145	38,530,963
Finance costs related to employees' defined benefits liabilities (Note 26)	4,280,896	2,982,071
Finance costs related to lease liabilities (Note 6B)	2,895,175	2,668,656
	48,006,216	44,181,690

37- EARNINGS PER SHARE

The basic earnings per share attributable to the company's shareholders have been calculated based on the weighted average number of shares outstanding during the year.

	For the year ended on 31 December	
	2024	2023 (Restated Note 45)
Profit for the year attributable to shareholders of the parent company	127,482,444	100,225,936
Number of Shares		
Weighted average number of ordinary shares for basic earnings per share	450,000,000	450,000,000
Weighted average number of ordinary shares for diluted earnings per share	450,161,975	450,000,000
Earnings per share based on the profit for the year attributable to the parent company's shareholders		
Basic	0.28	0.22
Diluted	0.28	0.22

The weighted average number of shares has been retrospectively adjusted to reflect the impact of the bonus shares and their adjustments, and the effect of treasury stock on these bonus shares has been excluded.

The diluted earnings per share is the same as the basic earnings per share, as the company does not have any dilutive instruments that affect the earnings per share.

	For the year ended on 31 December	
	2024	2023 (Restated Note 45)
Ordinary shares		
Outstanding ordinary shares	475,000,000	475,000,000
Treasury shares	(25,000,000)	(25,000,000)
Weighted average number of ordinary shares for basic earnings per share	450,000,000	450,000,000
Diluted shares		
Weighted average number of ordinary shares	450,000,000	450,000,000
Impact of the company's employee share option plan	161,975	--
Diluted	450,161,975	450,000,000

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38- SEGMENT INFORMATION

The operating segment is a component of the group that:

- Engages in activities from which it may earn revenues and incur expenses,
- Whose operating results are regularly reviewed by management to make decisions about resource allocation and performance evaluation, and
- For which financial information is available.

The accounting policies used by the group in preparing internal segment reporting are the same as those disclosed in note (4) of these consolidated financial statements.

The group consists of the following main business segments:

Corporate Segment: This segment relates to services provided to companies with contract durations of two years.

Individual Segment: This segment relates to services provided, ranging from labor rental to "Khidmah" services, for individual customers with contract durations ranging from one hour to one year.

Facility Management Segment: This segment relates to services provided for facility management and maintenance, encompassing a range of activities aimed at maintaining operational efficiency and enhancing performance. These services include operations and maintenance, asset management, technical support, cleaning, and security services.

The segment reporting is consistent across all periods presented, as there have been no changes in the internal organizational structure of the group that would affect the composition of the segments being reported.

Transfer prices between operating segments are set based on fair dealing terms and in a manner similar to transactions with third parties.

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38- SEGMENT INFORMATION (CONTINUED)

The following tables present revenue and profit information for the Group's operating segments as follows:

For the year ended on December 31, 2024					
	Corporate sector	Individuals sector	Facilities management	Other	Total
Revenues	1,794,078,807	426,706,886	116,686,560	28,079,584	2,365,551,837
Cost of revenues	(1,561,354,133)	(395,067,393)	(111,006,681)	(39,499,976)	(2,106,928,183)
Gross Profit / (Losses)	232,724,674	31,639,493	5,679,879	(11,420,392)	258,623,654
General and administrative expenses	(59,424,509)	(22,030,306)	(10,748,836)	(7,064,974)	(99,268,625)
Marketing and selling expenses	(13,054,209)	(9,957,700)	(1,006,711)	(911,006)	(24,929,626)
Expected credit losses on accounts receivable, contract assets and related parties	(4,739,572)	(55,483)	520,565	--	(4,274,490)
Impairment losses on advances to suppliers	(2,508,391)	--	--	--	(2,508,391)
Other operating income	13,434,454	944,089	3,822,736	9,046,424	27,247,703
Operating profit/(Losses)	166,432,447	540,093	(1,732,367)	(10,349,948)	154,890,225
For the year ended December 31, 2023 (Restated Note 45)					
	Corporate sector	Individuals sector	Facilities management	Other	Total
Revenues	1,338,256,390	449,744,752	127,747,818	46,921,612	1,962,670,572
Cost of revenues	(1,136,395,391)	(396,686,646)	(123,706,752)	(61,606,470)	(1,718,395,259)
Gross Profit / (Losses)	201,860,999	53,058,106	4,041,066	(14,684,858)	244,275,313
General and administrative expenses	(50,564,032)	(21,913,557)	(12,573,513)	(10,716,648)	(95,767,750)
Marketing and selling expenses	(10,358,394)	(13,028,691)	--	(696,655)	(24,083,740)
Expected credit losses on accounts receivable, contract assets and related parties	(13,574,150)	(9,505,146)	(1,265,882)	--	(24,345,178)
Impairment losses on advances to suppliers	(2,438,420)	(939,470)	--	--	(3,377,890)
Other operating income	7,641,061	608,255	573,980	7,438,202	16,261,498
Operating profit/(Losses)	132,567,064	8,279,497	(9,224,349)	(18,659,959)	112,962,253

*These eliminations represent intercompany revenue transactions between Mahara and other members of the group during the year.

** Given that the group's operations depend on labor recruitment services, and due to the lack of a direct relationship with the group's assets and liabilities, the group's management considers it impractical to disclose information related to the total assets and liabilities pertaining to the business segments.

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38- SEGMENT INFORMATION (CONTINUED)

The main markets for the group's products are located in Saudi Arabia and the United Arab Emirates. The following is an analysis of the group's geographical sectors:

	For the year ended 31 December 2024		
	Kingdom of Saudi Arabia	The United Arab Emirates	Total
Revenues	2,191,075,178	44,355,402	2,235,430,580
Cost of revenues	(1,940,650,768)	(36,156,158)	(1,976,806,926)
Gross Profit	250,424,410	8,199,244	258,623,654
General and administrative expenses	(91,141,078)	(8,127,547)	(99,268,625)
Marketing and selling expenses	(17,970,619)	(6,959,007)	(24,929,626)
Expected credit losses on accounts receivable, contract assets and related parties	(4,219,007)	(55,483)	(4,274,490)
Impairment losses on advances to suppliers	(2,508,391)	--	(2,508,391)
Other operating income	27,271,168	(23,465)	27,247,703
Operating profit/(Losses)	161,856,483	(6,966,258)	154,890,225

	For the year ended 31 December 2023 (Restated Note 45)		
	Kingdom of Saudi Arabia	The United Arab Emirates	Total
Revenues	1,834,071,245	55,947,275	1,890,018,520
Cost of revenues	(1,601,291,223)	(44,451,984)	(1,645,743,207)
Total profit	232,780,022	11,495,291	244,275,313
General and administrative expenses	(88,869,354)	(6,898,396)	(95,767,750)
Marketing and selling expenses	(14,101,321)	(9,982,419)	(24,083,740)
Expected credit losses on accounts receivable, contract assets and related parties	(19,536,666)	(4,808,512)	(24,345,178)
Impairment losses on advances to suppliers	(2,438,420)	(939,470)	(3,377,890)
Other operating income	16,240,583	20,915	16,261,498
Operating profit/(Losses)	124,074,844	(11,112,591)	112,962,253

	As of 31 December 2024		
	Kingdom of Saudi Arabia	The United Arab Emirates	Total
Net book value of Property and equipment	151,446,858	730,934	152,177,792
Total assets	1,849,865,917	20,419,652	1,870,285,569
Total liabilities	1,212,084,857	33,082,685	1,245,167,542

	As of 31 December 2023 (Restated Note 45)		
	Kingdom of Saudi Arabia	The United Arab Emirates	Total
Net book value of Property and equipment	123,338,037	1,451,273	124,789,310
Total assets	1,717,290,404	29,688,311	1,746,978,715
Total liabilities	1,145,417,114	35,319,684	1,180,736,798

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39- FINACIAL INSTRUMENTS

Financial instruments by category

Financial instruments are classified as follows:

	As of 31 December	
	2024	2023 (Restated Note 45)
<u>Financial assets</u>		
Cash and cash equivalents	33,717,769	78,978,507
Murabaha Term deposits	35,000,000	10,000,000
Trade receivables	326,876,766	269,280,216
Contract assets	146,976,555	96,702,957
Investment at fair value through profit or loss	36,467,600	70,283,710
Investment at fair value through other comprehensive income	4,747,200	11,496,186
Total financial assets	583,785,890	536,741,576

	As of 31 December	
	2024	2023 (Restated Note 45)
<u>Financial liabilities</u>		
Retained deposits	103,273,351	95,534,191
Loans and Murabaha	606,968,210	562,607,710
Contract liabilities	109,427,291	99,873,720
Lease liabilities	40,427,153	49,919,303
Accounts payable, and other current liabilities	270,302,535	263,228,274
Total financial liabilities	1,130,398,540	1,071,163,198

Fair value estimation of financial instruments

The following table shows the financial instruments of the group measured at fair value:

	Level 1	Level 2	Level 3	Total
<u>As of December 31, 2024</u>				
Financial assets at fair value through profit or loss	36,467,600	--	--	36,467,600
Financial assets at fair value through other comprehensive income	--	--	4,747,200	4,747,200
<u>As of December 31, 2023 (Restated Note 45)</u>				
Investment at fair value through profit or loss	60,212,877	10,070,833	--	70,283,710
Investment at fair value through other comprehensive income	--	--	11,496,186	11,496,186

Management believes that the fair value of all financial assets and liabilities classified at amortized cost, and as of the financial statements date, their carrying amount approximates their fair value due to their short-term nature and ability to be liquidated immediately, except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. All of these are classified within levels 1, 2, and 3 of the fair value hierarchy. There were no transfers between different levels of the fair value hierarchy during the current or prior year.

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39- FINANCIAL RISK MANAGEMENT

The group is exposed to the following risks due to its use of financial instruments

- Credit risks
- Liquidity risks
- Market risks
- Commission price risks
- Foreign currency risks
- Price risks
- Operational risks

This disclosure provides information on the group's exposure to each of the above risks, the group's objectives, policies, and methods for measuring and managing risks

General framework for risk management

The full responsibility for preparing and monitoring risk management lies with the group management. The group's risk management policies are designed to identify and analyze the risks facing the group establish appropriate controls and limits for the extent of exposure to those risks, and then monitor them to ensure that the set limits are not exceeded. Risk management policies and systems are audited periodically to reflect changes in market conditions and group activities. The group aims, through training, standards, and procedures set by management, to develop a constructive and organized control environment in which each employee understands their role and responsibilities.

Credit risks

Credit risks represent the inability of a party to meet its obligations, resulting in the other party incurring financial losses. The group's policy states that all customers wishing to transact on credit terms are subject to credit verification. Financial instruments subject to credit risks mainly consist of customer receivables. The group deposits cash with several financially sound institutions and has a policy that sets limits on its deposits with each financial institution.

Contract Assets

Contract Assets 2024

	Weighted average loss rate	Gross Carrying Amount	Expected Credit Loss
Less than 90 Days	%1.24	148,821,905	1,845,350
91 to 360 Days	%100	8,485,263	8,485,263
	0.07	157,307,168	10,330,613

Contract Assets 2023

	Weighted average loss rate	Gross Carrying Amount	Expected Credit Loss
Less than 90 Days	--	96,702,957	--
91 to 360 Days	%100	8,485,263	8,485,263
	0.08	105,188,220	8,485,263

Trade receivables

Customers are evaluated according to the group's standards before entering service contracts. The group does not believe there are significant risks regarding the inefficiency of these institutions and does not consider itself exposed to credit risk concentrations concerning debtors, due to the diversification of its customer base, which operates in various activities and is in multiple regions.

Trade Receivable 2024

	Weighted average loss rate	Gross Carrying Amount	Expected Credit Loss
Less than 90 Days	0.8%	263,012,106	1,995,100
90 – 180 Days	6%	20,898,830	1,261,345
181 – 360 Days	4.6%	13,758,013	629,768
More than 360 Days	47%	62,487,623	29,393,593
	9.2%	360,156,572	33,279,806

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39- FINANCIAL RISK MANAGEMENT (CONTINUED)

<u>Trade Receivable 2023</u>	Weighted average loss rate	Gross Carrying Amount	Expected Credit Loss
Less than 90 Days	0.7%	219,353,819	1,641,279
90 – 180 Days	12.9%	9,690,243	1,250,406
181 – 360 Days	3.9%	3,246,208	126,890
More than 360 Days	53%	85,058,833	45,050,312
	15%	317,349,103	48,068,887

Amounts due from related parties

An impairment analysis is conducted at the date of preparing each financial statement, on an individual basis for related parties. The maximum credit risk exposure, at the date of preparing the financial statements, is represented by the carrying value of amounts due from related parties (Note 18). The group does not hold any collateral for these amounts. This assessment is conducted annually by reviewing the financial position of the related parties and analyzing the market in which these related parties operate. The group has assessed the risks associated with amounts due from related parties as low.

Credit risks related to term deposits and bank deposits

Credit risks related to balances are managed by banks and financial institutions in accordance with the Group's policy. Cash is primarily deposited with local banks with good credit ratings. The Group does not consider itself exposed to credit concentration risks related to banks with credit ratings above BBB

Evaluation of expected credit losses on trade receivables

The Group applies the simplified approach outlined in International Financial Reporting Standard (9) to measure expected credit losses, using expected credit losses over the lifetime for all financial assets measured at amortized cost and contract assets.

The key inputs for measuring expected credit losses are the following variables

- Probability of default
- Total Gross Domestic Product of the Kingdom of Saudi Arabia as a variable for the overall economy to adjust the previous loss rate

The maximum credit risk to which the group is exposed is represented by the carrying amounts of financial assets presented in the consolidated statement of financial position as follows:

	As of 31 December	
	2024	2023 (Restated Note 45)
Trade receivables	326,876,766	269,280,216
Contract assets	146,976,555	96,702,957
Cash at banks	33,717,769	78,978,507
Murabaha time deposits	35,000,000	10,000,000
	542,571,090	454,961,680

Liquidity risks

Liquidity risks are the difficulties the company faces in providing funds to meet financial instrument obligations. Liquidity risks can arise from the inability to quickly sell any financial asset at or near its fair value. The company's sales terms require cash payment upon delivery of goods or on credit terms

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39- FINANCIAL RISK MANAGEMENT (CONTINUED)

The contractual maturities of non-derivative financial liabilities are as follows:

<u>As of December 31, 2024</u>	Book value	Contractual cash flows	Less than a year	More than a year
Short termloans	20,173,000	20,298,596	20,298,596	--
Long term loans	586,795,210	706,183,685	38,911,334	667,272,351
Accounts payable and other current liabilities	270,302,535	270,302,535	270,302,535	--
Retained Deposit	103,273,351	103,273,351	62,050,764	41,222,587
Lease liabilities	40,427,153	44,103,849	22,207,406	21,896,443
Total	1,020,971,249	1,144,162,016	413,770,635	730,391,381

The contractual maturities of non-derivative financial liabilities are as follows:

<u>As of 31 December 2023 (Restated Note 45)</u>	Book value	Contractual cash flows	Less than a year	More than a year
long term loans	562,607,710	697,273,666	40,578,344	656,695,322
Accounts payable, accruals, and other current liabilities	263,228,274	263,228,274	263,228,274	--
Retained Deposit	95,534,191	95,534,191	72,739,845	22,794,346
Lease liabilities	49,919,302	52,734,799	18,804,671	33,930,128
Total	971,289,477	1,108,770,930	395,351,134	713,419,796

Market risks

Market risks are risks of fluctuations in the value of financial instruments due to market price changes. Market risks include three types of risks: commission price risks, foreign currency risks, and other price risks such as stock price risks and commodity price risks.

Commission price risks

Commission price risks are risks arising from fluctuations in the value of financial instruments due to changes in prevailing commission rates in the market. The Group is subject to commission rate risk on short- and long-term commission bearing banking facilities. The table below reflects the commission rate risk to income as a result of reasonably possible changes in commission rates while all other changes remain constant.

	As of 31 December	
	2024	2023
<u>Increase (decrease) in base points</u>		
50+	3,034,841	2,813,038
50-	(3,034,841)	(2,813,038)
100+	6,069,682	5,626,077
100-	(6,069,682)	(5,626,077)

Foreign currency risks

The risks of foreign currencies represent the risks resulting from the fluctuation of the value of a financial instrument due to changes in foreign exchange rates. Management monitors fluctuations in foreign exchange rates and believes that the company is not exposed to significant currency risks.

Price risks

Price risks are risks of fluctuating the value of a financial instrument due to market price changes, whether these changes are due to factors specific to the financial instrument or its source, or factors affecting all financial instruments traded in the market. The company is not exposed to fundamental price risks.

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39- FINANCIAL RISK MANAGEMENT (CONTINUED)

Operational risks

Operational risks represent the difficulties the group faces in providing the necessary workforce or failing to complete the contract due to refusal of work, lack of proficiency in the profession, escape, death, or changes in related regulations and laws. The group manages operational risks by regularly monitoring these situations to avoid or mitigate their impact. The group also sets aside provisions to address these situations when they occur. During the year, the Group was able to calculate the net exposure/impact by considering prepaid expenses and outstanding balances related to inactive employees.

40- CAPITAL MANAGEMENT

Capital represents the equity attributable to the shareholders. The main objectives of the group for managing its capital are as follows:

- to maintain the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to maintain an optimal capital structure to minimize the cost of capital.

The management's policy is to maintain a strong capital base, ensuring the confidence of investors and creditors in the market, and supporting the future growth of the business. The group manages its capital structure and makes adjustments in response to changes in economic conditions. The management monitors the return on capital, which is defined by the group as the result of operational activities divided by total equity. The management also monitors the level of dividend distributions to shareholders. There were no changes in the group's capital management approach during the year. Additionally, the group was not subject to any externally imposed capital requirements.

	As of 31 December	
	2024	2023
		(Restated Note 45)
Total Liabilities	1,245,167,542	1,180,736,798
Less:	-	-
Cash and Cash Equivalents	33,717,769	78,978,507
Net Debt	1,211,449,773	1,101,758,291
Equity	625,118,027	568,948,893
Debt-to-Equity Ratio	1.9	1.9

41- CONTINGENT LIABILITIES

The banks that the group deals with have issued guarantees on its behalf amounting to SAR 36.6 million as of 31 December 2024 (31 December 2023 Restated: SAR 42.4 million) regarding the execution of contracts, within the ordinary course of business.

42- CAPITAL COMMITMENTS

The group has capital commitments for the purchase of property and equipment amounting to SAR 7.5 million as of 31 December 2024 (Nil as of 31 December 2023). The details are as follows:

	Contractual Value as of 31 December 2024	Executed as of 31 December 2024	Not Executed as of 31 December 2024
Capital Commitments	13,470,000	(5,926,800)	7,543,200
	13,470,000	(5,926,800)	7,543,200

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43- GROUP OPERATIONS

The following are details of the group's branches as of 31 December 2024:

Name	Commercial Registration Number	Commercial Registration Date
Main Center (Al-Ulya)	1010364538	7 Rabi' al-Thani 1434H
Individuals	1010370755	5 Jumada al-Akhira 1434H
Businesses	1010370758	5 Jumada al-Akhira 1434H
Al-Tawen	1010427484	9 Muharram 1435H
Al-Suwaidi	1010427485	9 Muharram 1435H
Al-Murouj	1010436553	28 Shawwal 1436H
Khurais	1010436554	28 Shawwal 1436H
Al-Yasmine	1010465207	2 Safar 1438H
Esnad	1010709299	22 Ramadan 1442H
Al-Kharj	1011139356	25 Rabi' al-Awwal 1440H
Unaizah	1128019121	15 Rabi' al-Awwal 1436H
Buraidah 1	1131056729	29 Jumada al-Awwal 1437H
Al-Qassim - Buraidah 2	1131291194	3 Jumada al-Akhira 1439H
Al-Rass	1132010275	7 Dhul-Qi'dah 1435H
Dammam	2050111011	29 Safar 1438H
Al-Jubail	2055140504	19 Jumada al-Akhira 1445H
Hail	3350043316	27 Rabi' al-Thani 1436H
Tabuk	3550156371	19 Jumada al-Akhira 1445H
Jeddah – Al-Nuaim	4030278496	9 Muharram 1435H
Jeddah – Al-Marwah	4030296922	20 Muharram 1439H
Jeddah – Al-Nuzha	4030379270	16 Rajab 1441H
Jeddah - Al-Fayhaa	4030379272	16 Rajab 1441H
Ta'if	4032241081	1 Rajab 1441H
Medina	4650074415	7 Dhul-Qi'dah 1435H
Yanbu	4700120284	18 Safar 1445H
Abha	5850071792	23 Rabi' al-Thani 1439H
Abha	5850145977	2 Rabi' al-Thani 1445H

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44- SUBSEQUENT EVENTS

The Board of Directors, in its meeting held on 2 Shawwal 1446 AH (corresponding to 31 March 2025), decided to announce a dividend distribution for the second half of 2024 amounting to 36 million Saudi Riyals (8 halalas per share).

In the management's opinion, there are no other significant subsequent events after the year ended 31 December 2024, that could have a material impact on the group's consolidated financial position or its results, other than what has been disclosed.

45- RESTATEMENT OF COMPARATIVE FIGURES AND PRIOR YEARS ERRORS

The Group has adjusted certain amounts and balances included in the consolidated financial statements of previous years, as transactions related to these balances were not presented in accordance with the International Financial Reporting Standards (IFRS). Accordingly, the adjustments were made in compliance with the requirements of International Accounting Standard (IAS) No. 8, "Accounting Policies, Changes in Accounting Estimates and Errors." The details of each of these adjustments are summarized below:

- a) In line with the Group's accounting policy for depreciating leasehold improvements over 10 years or the lease term, whichever is shorter, the property and equipment balance has been adjusted to correct prior periods in accordance with the requirements of International Accounting Standard (IAS) No. 8, "Accounting Policies, Changes in Accounting Estimates and Errors." As a result, the property and equipment balance was reduced by SAR 3,540,504 as of January 1, 2023, and by SAR 2,202,580 as of 31 December 2023. Accordingly, retained earnings were reduced by the same amounts to reflect the impact of the accounting correction on prior periods. Additionally, the cost of revenue decreased by SAR 1,337,924 for the year ended 31 December 2023.
- b) The Group's share of the profits of the Saudi Medical Systems Company for the fiscal year ended 31 December 2023, has not been recognized. As a result, the equity-accounted investments balance increased by SAR 1,840,086 as of 31 December 2023, and the Group's share of profits from equity-accounted investments increased by the same amount for the year ended 31 December 2023.
- c) The balance of financial investments at fair value through profit or loss amounting to SAR 70,283,710 as of 31 December 2023, and SAR 25,099,306 as of 1 January 2023 has been reclassified from non-current assets to current assets.
- d) The impact of reclassifying contract assets related to contracts extending beyond one year amounting to SAR 16,627,652 and SAR 11,402,465 as of 31 December 2023 and January 1, 2023, respectively, from current assets to non-current assets.
- e) The impact of reclassifying retained deposits related to long-term contracts amounting to SAR 22,794,346 and SAR 17,487,811 as of 31 December 2023 and 1 January 2023, respectively, from current liabilities to non-current liabilities.
- f) The reclassification of tenant advance payments amounting to SAR 2,134,690 and SAR 1,980,744 as of 31 December 2023, and January 1, 2023, respectively, from contract liabilities to other payables.
- g) The Impairment losses on accounts receivable and contract assets amounting to SAR 3,377,890 was reclassified to impairment losses on advances to suppliers.
- h) Reclassification of sales commissions included in the cost of revenues for the year ended 31 December 2023 to marketing and selling expenses amounting to SAR 7,228,706.
- i) The impact of applying the weighted average number of shares retrospectively for comparative periods following the stock split from SAR 10 to SAR 1 per share and the increase in share capital through the issuance of bonus shares to shareholders. Treasury shares were excluded from the calculation of the bonus shares.
- j) An amount of 16,261,498 Saudi Riyals has been reclassified from non-operating to other operating income.

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45- RESTATEMENT OF COMPARATIVE FIGURES AND PRIOR YEARS ERRORS (CONTINUED)

Consolidated statement of financial position as of 31 December 2023:

		31 December 2023 (As Previously Reported)	Adjustments/ Reclassifications	31 December 2023 (Restated)
	Note			
Assets				
Non-current assets				
Property and equipment	a	126,991,890	(2,202,580)	124,789,310
Right-of-use assets		48,977,522	--	48,977,522
Intangible assets and Goodwill		6,085,345	--	6,085,345
Investment properties		37,295,810	--	37,295,810
Equity accounted investees	b	785,585,868	1,840,086	787,425,954
Investments at fair value through other comprehensive income		11,496,186	--	11,496,186
Investments at fair value through profit or loss	c	70,283,710	(70,283,710)	--
Contract assets – noncurrent portion	d	--	16,627,652	16,627,652
Recruitment costs and used visas – noncurrent portion		12,858,898	--	12,858,898
Total Non-Current Assets		<u>1,099,575,229</u>	<u>(54,018,552)</u>	<u>1,045,556,677</u>
Current assets				
Available visas		33,064,000	--	33,064,000
Investments at fair value through profit or loss	c	--	70,283,710	70,283,710
Contract assets – current portion	d	96,702,957	(16,627,652)	80,075,305
Trade receivable		269,280,216	--	269,280,216
Prepayments and other current assets		159,740,300	--	159,740,300
Murabaha time deposits		10,000,000	--	10,000,000
Cash and cash equivalents		78,978,507	--	78,978,507
Total Current Assets		<u>647,765,980</u>	<u>53,656,058</u>	<u>701,422,038</u>
Total assets		<u>1,747,341,209</u>	<u>(362,494)</u>	<u>1,746,978,715</u>
Equity and liabilities				
Equity				
Share capital		475,000,000	--	475,000,000
Statutory reserve		103,056,265	--	103,056,265
Other reserves		(20,619,811)	--	(20,619,811)
Treasury Shares		(25,000,000)	--	(25,000,000)
Retained earnings		36,874,933	(362,494)	36,512,439
Equity attributable to the Shareholders of the Company		<u>569,311,387</u>	<u>(362,494)</u>	<u>568,948,893</u>
Non-controlling interests		(2,706,976)	--	(2,706,976)
Total Equity		<u>566,604,411</u>	<u>(362,494)</u>	<u>566,241,917</u>
Liabilities				
Non-current liabilities				
Long-term loans – noncurrent portion		544,477,273	--	544,477,273
lease liabilities non-current portion		29,725,167	--	29,725,167
Employees' defined benefits liabilities		95,227,910	--	95,227,910
Retained deposits– noncurrent portion	e	--	22,794,346	22,794,346
Total non-current liabilities		<u>669,430,350</u>	<u>22,794,346</u>	<u>692,224,696</u>
Current liabilities				
Long-term loans - Current portion		18,130,437	--	18,130,437
Accounts payable and other current liabilities	f	281,287,722	2,134,690	283,422,412
Contract liabilities	f	102,008,410	(2,134,690)	99,873,720
Retained deposits – Current portion	e	95,534,191	(22,794,346)	72,739,845
Zakat provision		14,345,688	--	14,345,688
Total Current liabilities		<u>511,306,448</u>	<u>(22,794,346)</u>	<u>488,512,102</u>
Total liabilities		<u>1,180,736,798</u>	<u>--</u>	<u>1,180,736,798</u>
Total equity and liabilities		<u>1,747,341,209</u>	<u>(362,494)</u>	<u>1,746,978,715</u>

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45- RESTATEMENT OF COMPARATIVE FIGURES AND PRIOR YEARS ERRORS (CONTINUED)

Consolidated statement of profit or loss and other comprehensive income as at 31 December 2023:

		31 December 2023		31 December
	Note	(As Previously Reported)	Adjustments/ Reclassifications	2023 (Restated)
Revenues		1,890,018,520		1,890,018,520
Cost of revenues	a,h	(1,654,309,837)	8,566,630	(1,645,743,207)
Gross profit		235,708,683	8,566,630	244,275,313
General and administrative expenses		(95,767,750)	--	(95,767,750)
Marketing and selling expenses	h	(16,855,034)	(7,228,706)	(24,083,740)
Expected credit losses on accounts receivable, contract assets and related parties	g	(27,723,068)	3,377,890	(24,345,178)
Impairment losses on advances to suppliers	g	--	(3,377,890)	(3,377,890)
Other income	j	--	16,261,498	16,261,498
Operating profit		95,362,831	17,599,422	112,962,253
Finance costs		(44,181,690)	--	(44,181,690)
Other income	j	16,261,498	(16,261,498)	--
Impairment of goodwill		(1,956,071)	--	(1,956,071)
Share in results of equity accounted investees	b	38,677,554	1,840,086	40,517,640
Change in fair value of investments at FVTPL		840,895	--	840,895
Profit before zakat		105,005,017	3,178,010	108,183,027
Zakat		(9,945,941)	--	(9,945,941)
Profit for the year		95,059,076	3,178,010	98,237,086
Profit attributable to:				
Shareholders of the Company		97,047,926	3,178,010	100,225,936
Non-controlling interests		(1,988,850)	--	(1,988,850)
		95,059,076	3,178,010	98,237,086
Other comprehensive loss:				
Item that will be reclassified to consolidated statement of profit or loss:				
Foreign currency translation differences – Foreign operations		--	--	--
Item that will not be reclassified to consolidated statement of profit or loss:				
Change in fair value of investments at FVTOCI		(2,489,470)	--	(2,489,470)
Share in other comprehensive income of equity accounted investees		1,599,294	--	1,599,294
Re-measurements employees' defined benefits liabilities		(3,161,652)	--	(3,161,652)
Other comprehensive loss for the year		(4,051,828)	--	(4,051,828)
Total comprehensive income for the year		91,007,248	3,178,010	94,185,258
Total comprehensive income attributable to:				
Shareholders of the Company		92,968,363	3,178,010	96,146,373
Non-controlling interests		(1,961,115)	--	(1,961,115)
		91,007,248	3,178,010	94,185,258

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45- RESTATEMENT OF COMPARATIVE FIGURES AND PRIOR YEARS ERRORS (CONTINUED)

Consolidated statement of cash flows as at 31 December 2023:

	31 December 2023 (As Previously Reported)	Adjustments/ Reclassifications	31 December 2023 (Restated)
Net cash flows generated from operating activities	201,197,182	(52,415,133)	148,782,049
Net cash flows used in investing activities	(66,541,974)	52,324,580	(14,217,394)
Net cash from used in financing activities	(139,250,376)	90,553	(139,159,823)
Net change in cash and cash equivalents	(4,595,168)	--	(4,595,168)

Basic and diluted Earnings per share

	Note	31-Dec-23 Before Adjustment	Restated	31-Dec-23 Restated
Net income for the year attributable to shareholders of the Parent Company	_____	97,047,926	3,178,010	100,225,936
Weighted average number of shares		45,000,000		450,000,000
Basic earnings per share	i	2.16		0.22

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45- RESTATEMENT OF COMPARATIVE FIGURES AND PRIOR YEARS ERRORS (CONTINUED)

Consolidated statement of financial position as of 1 January 2023

		1 January 2023 (As Previously	Adjustments/	1 January 2023
	Note	Reported)	Reclassifications	(Restated)
Assets				
Non-current assets				
Property and equipment	a	125,535,761	(3,540,504)	121,995,257
Right-of-use assets		43,024,421	--	43,024,421
Intangible assets and Goodwill		7,872,996	--	7,872,996
Investment properties		37,799,578	--	37,799,578
Equity accounted investees		753,064,575	--	753,064,575
Investments at fair value through other comprehensive income		13,985,656	--	13,985,656
Investments at fair value through profit or loss	c	25,099,306	(25,099,306)	--
Contract assets – noncurrent portion	d	--	11,402,465	11,402,465
Recruitment costs and used visas – noncurrent portion		26,070,772	--	26,070,772
Total Non-Current Assets		1,032,453,065	(17,237,345)	1,015,215,720
Current assets				
Available visas		24,856,000	--	24,856,000
Investments at fair value through profit or loss	c	----	25,099,306	25,099,306
Contract assets – current portion	d	104,501,426	(11,402,465)	93,098,961
Trade receivable		243,976,861	--	243,976,861
Prepayments and other current assets		219,240,988	--	219,240,988
Murabaha time deposits		----	--	--
Cash and cash equivalents		83,573,675	--	83,573,675
Total Current Assets		676,148,950	13,696,841	689,845,791
Total assets		1,708,602,015	(3,540,504)	1,705,061,511
Equity and liabilities				
Equity				
Share capital		375,000,000	--	375,000,000
Statutory reserve		93,351,472	--	93,351,472
Other reserves		(16,540,248)	--	(16,540,248)
Treasury Shares		--	--	--
Retained earnings		107,031,800	(3,540,504)	103,491,296
Equity attributable to the Shareholders of the Company	a	558,843,024	(3,540,504)	555,302,520
Non-controlling interests		(745,861)	--	(745,861)
Total Equity		558,097,163	(3,540,504)	554,556,659
Non-current liabilities				
Long-term loans – noncurrent portion		562,607,710	--	562,607,710
lease liabilities non-current portion		31,219,113	--	31,219,113
Employees' defined benefits liabilities		83,877,102	--	83,877,102
Retained deposits– noncurrent portion	e	--	17,487,811	17,487,811
Total non-current liabilities		677,703,925	17,487,811	695,191,736
Current liabilities				
Accounts payable and other current liabilities	f	223,901,524	1,980,744	225,882,268
Contract liabilities	f	134,013,235	(1,980,744)	132,032,491
Retained deposits – Current portion	e	99,141,138	(17,487,811)	81,653,327
Zakat provision		15,745,030	--	15,745,030
Total Current liabilities		472,800,927	(17,487,811)	455,313,116
Total liabilities		1,150,504,852	--	1,150,504,852
Total equity and liabilities		1,708,602,015	(3,540,504)	1,705,061,511

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46- NCI

Below is a list of the subsidiary companies with non-controlling interests in the parent company and their balances:

Name of Subsidiary	Legal Structure	Country of Incorporation	Comprehensive loss allocated to NCI		Accumulated NCI	
			31 December 2024	2023	31 December 2024	2023
Spectra Support Services Company (Spectra)	LLC	KSA	(611,416)	(996,965)	--	253,301
Yalla Fix IT One Person Company L.L.C	LLC	UAE	(45,334)	(506,968)	--	(1,623,609)
Arabian Shifa Medical company	LLC	KSA	--	(457,182)	--	(1,336,668)
			(656,750)	(1,961,115)	--	(2,706,976)

47- BOARD OF DIRECTORS' APPROVAL

The consolidated financial statements were approved by the Group's Board of Directors on 2 Shawwal 1446 AH (corresponding to 31 March 2025).



شركة مهارة
للموارد البشرية
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