

Arriyadh Development Company (A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the three and nine months periods ended 30 September 2025 and Independent Auditor's Review Report (unaudited)



Arriyadh Development Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months periods ended 30 September 2025

And Independent Auditor's Review Report (unaudited)

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ERNST & YOUNG PROFESSIONAL SERVICES (PROFESSIONAL LLC)
Paid-Up Capital: ٥,500,000 (Five Million Five Hundred Thousand Saudi Riyals)

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF ARRIYADH DEVELOPMENT COMPANY (A SAUDI JOINT STOCK COMPANY)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Arriyadh Development Company - A Saudi Joint Stock Company - ("the Company") and its subsidiary (collectively referred to as "the Group") as at 30 September 2025, and the related interim condensed consolidated statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2025, and the related interim condensed consolidated statements of Changes in Shareholders' Equity and cash flows for the nine-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

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

Conclusion

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

For Ernst & Young Professional Services

Fahad M. Altoaimi
Certified Public Accountant
License No. (354)



Riyadh: 7 Jumada al-Ula 1447H
(29 October 2025)

Arriyadh Development Company
(Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

(All Amounts in Saudi Riyals Unless Otherwise Stated)

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		18,204,898	18,695,462
Investment properties	3	2,219,252,801	813,676,420
Investment properties under development		5,717,259	1,501,380
Right-of-use assets	4	46,221,448	50,323,255
Investments designated at FVTPL	5	197,324,813	-
Advance payment for subscription to a real estate Fund	5	-	182,481,748
Equity accounted investees	6	821,049,220	756,399,865
Murabaha investment deposits – long-term	10	-	630,000,000
TOTAL NON-CURRENT ASSETS		3,307,770,439	2,453,078,130
CURRENT ASSETS			
Accounts receivable, prepayments and other receivables	8	57,024,381	46,760,117
Due from related parties	9	6,773,912	46,299,775
Murabaha investment deposits – short-term	10	1,065,000,000	300,000,000
Cash at banks		40,988,878	40,915,578
		1,169,787,171	433,975,470
Assets held for sale	11	2,002,840	22,475,649
TOTAL CURRENT ASSETS		1,171,790,011	456,451,119
TOTAL ASSETS		4,479,560,450	2,909,529,249
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	12	2,339,308,180	1,777,777,770
Additional share capital	12	842,295,615	-
Statutory reserve	13	-	184,701,083
Retained earnings		900,580,935	581,365,746
TOTAL SHAREHOLDERS' EQUITY		4,082,184,730	2,543,844,599
NON-CURRENT LIABILITIES			
Lease liabilities	4	41,814,136	46,390,001
Employees' defined benefit obligations		15,602,485	13,754,456
TOTAL NON-CURRENT LIABILITIES		57,416,621	60,144,457
CURRENT LIABILITIES			
Accounts payable, accrued expenses and other payables	15	176,410,377	172,189,001
Due to related parties	9	-	12,535,173
Lease liabilities - current portion	4	8,346,266	7,794,706
Accrued dividends payable	14	135,564,319	76,387,682
Zakat provision	16	19,638,137	36,633,631
TOTAL CURRENT LIABILITIES		339,959,099	305,540,193
TOTAL LIABILITIES		397,375,720	365,684,650
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		4,479,560,450	2,909,529,249

Chief Financial Officer
Mr. Mohammed bin Ahmed Al-
Kulaib

Member of the Board of Directors
and Chairman of the Audit Committee
Mr. Suleiman bin Nasser Al Hatlan Al-
Qahtani

Chief Executive Officer
Mr. Jehad bin Abdulrahman Al-Kadi

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

Arriyadh Development Company
(Saudi Joint Stock Company)

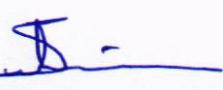
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

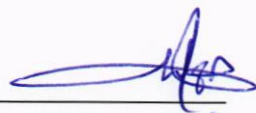
For the three and nine months periods ended 30 September 2025

(All Amounts in Saudi Riyals Unless Otherwise Stated)

	Notes	For the three month period ended 30 September		For the nine month period ended 30 September	
		2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
Revenue	17	167,857,310	79,621,690	310,288,757	235,091,268
Cost of revenue		(40,545,760)	(33,279,001)	(88,549,292)	(88,762,850)
Gross profit		127,311,550	46,342,689	221,739,465	146,328,418
General and administrative expenses	18	(16,329,299)	(26,170,047)	(50,099,235)	(58,232,978)
Profit for the period from main operations		110,982,251	20,172,642	171,640,230	88,095,440
Finance costs	4	(696,246)	(615,288)	(2,175,695)	(1,916,346)
Murabaha investment deposits' income		14,218,338	14,863,186	41,810,894	43,365,660
Group's share of profit of equity accounted investees	6	28,435,872	16,918,485	43,278,937	77,954,277
Unrealized gains from investments designated at FVTPL	5	(268,976)	-	14,843,065	-
Other income		227,063	291,774	530,541	27,786,315
Net profit for the period before zakat		152,898,302	51,630,799	269,927,972	235,285,346
Zakat	16	(9,116,377)	(7,402,266)	(18,448,457)	(28,654,125)
Net profit for the period		143,781,925	44,228,533	251,479,515	206,631,221
Other comprehensive income:					
<i>Item that will not be reclassified subsequently to the statement of profit or loss</i>					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		143,781,925	44,228,533	251,479,515	206,631,221
Earnings per share:					
Basic and diluted earnings per share from profit for the period from main operations	19	0.49	0.11	0.76	0.50
Basic and diluted earnings per share from net profit for the period	19	0.64	0.25	1.12	1.16


Chief Financial Officer
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Member of the Board of Directors
and Chairman of the Audit Committee
Mr. Suleiman bin Nasser Al Hatlan Al-Qahtani


Chief Executive Officer
Mr. Jehad bin Abdulrahman Al-Kadi

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

Arriyadh Development Company
(Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the nine month period ended 30 September 2025

(All Amounts in Saudi Riyals Unless Otherwise Stated)

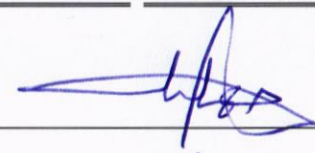
	<i>Share capital</i>	<i>Additional share capital</i>	<i>Statutory reserve</i>	<i>Retained earnings</i>	<i>Revaluation reserve of investments designated at FVOCI</i>	<i>Total shareholders' equity</i>
Balance as at 31 December 2023 (Audited)	1,777,777,770	-	155,081,438	450,786,058	(2,813,070)	2,380,832,196
Net profit for the period	-	-	-	206,631,221	-	206,631,221
Other comprehensive income for the period	-	-	-	-	13,754	13,754
Total comprehensive income for the period	-	-	-	206,631,221	13,754	206,644,975
Dividends (Note 14)	-	-	-	(133,333,333)	-	(133,333,333)
Balance as at 30 September 2024 (Unaudited)	1,777,777,770	-	155,081,438	524,083,946	(2,799,316)	2,454,143,838
Balance as at 31 December 2024 (Audited)	1,777,777,770	-	184,701,083	581,365,746	-	2,543,844,599
Net profit for the period	-	-	-	251,479,515	-	251,479,515
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	251,479,515	-	251,479,515
Transferred from statutory reserve	-	-	(184,701,083)	184,701,083	-	-
Increase in share capital and additional share capital (Note 12)	561,530,410	842,295,615	-	-	-	1,403,826,025
Dividends (Note 14)	-	-	-	(116,965,409)	-	(116,965,409)
Balance as at 30 September 2025 (Unaudited)	2,339,308,180	842,295,615	-	900,580,935	-	4,082,184,730



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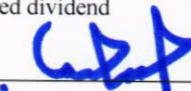
Arriyadh Development Company
(Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

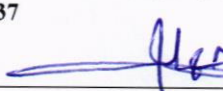
For the nine month period ended 30 September 2025

(All Amounts in Saudi Riyals Unless Otherwise Stated)

	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
OPERATING ACTIVITIES		
Net profit for the period	251,479,515	206,631,221
<i>Adjustments:</i>		
Depreciation of property, plant and equipment, investments properties and right of use assets	32,186,949	33,437,446
Finance costs	2,175,695	1,916,346
Settled of a provision for prior years for Al-Shorouk land contribution	-	(26,771,963)
Unrealized gains from investments designated at FVTPL	(14,843,065)	-
Murabaha investment deposits' income	(41,810,894)	(43,365,660)
(Reversal) expected credit loss allowance	(1,111,449)	7,267,267
Group's share of profit of equity accounted investees	(43,278,937)	(77,954,277)
Gain on disposal of property, plant and equipment	(795,800)	-
Profits excluding property, machinery and equipment	(5,718)	-
Zakat provision	18,448,457	28,654,125
Employees' defined benefit obligations	2,334,619	2,444,727
	204,779,372	132,259,232
<i>Changes in working capital:</i>		
Accounts receivable, prepayments and other receivables	17,151,549	(45,511,877)
Accounts payable, accrued expenses and other payables	3,527,444	(40,324,763)
Net change in related parties' balances	32,589,935	-
Employees' defined benefit obligations paid	(486,590)	(329,894)
Paid from Zakat provision	(35,443,951)	(20,392,176)
Net cash flows generated from operating activities	222,117,759	25,700,522
INVESTING ACTIVITIES		
Change in Murabaha investment deposits, net	(119,757,695)	(18,209,135)
Additions to investment properties under development	(7,346,792)	(47,884,060)
Purchase of property, plant and equipment	(3,998,059)	(6,329,181)
Sold of property, plant and equipment	16,522	-
Proceeds from liquidation of investment designated at FVOCI	-	1,000,683
Purchase of shares in equity accounted investees	(25,000)	-
Proceeds from the disposal of investment in Tanal	89,778	-
Additional contribution in equity accounted investees	(48,278,449)	-
Dividends received from equity accounted investees	26,843,253	265,031,600
Net cash flows (used in) / generated from investing activities	(152,456,442)	193,609,907
FINANCING ACTIVITIES		
Dividend paid	(57,788,772)	(130,889,620)
Finance provided to related parties	(5,599,245)	-
Lease liabilities paid	(6,200,000)	(6,200,000)
Net cash flows used in financing activities	(69,588,017)	(137,089,620)
Change in cash and cash equivalents	73,300	82,220,809
Cash and cash equivalents at the beginning of the period (note 20)	40,915,578	44,981,796
Cash and cash equivalents at the end of the period (note 20)	40,988,878	127,202,605
NON-CASH TRANSACTIONS:		
Purchase of investment properties against equity shares	1,403,826,025	-
Reclassification of advance payments for subscription to a real estate Fund to investments designated at FVTPL	182,481,748	-
Transfer from properties under development to property, plant and equipment	6,124,808	2,837,117
Additions in investment properties against liabilities	8,431,090	-
Reclassification from investment properties under development to property, plant and equipment	973,380	-
Transfer from investment properties under development to investment properties	2,157,533	32,268,949
Accrued dividend	59,176,637	-


Chief Financial Officer
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Member of the Board of Directors
and Chairman of the Audit Committee
Mr. Suleiman bin Nasser Al Hatlan Al-Qahtani


Chief Executive Officer
Mr. Jihad bin Abdulrahman Al-Kadi

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

1 CORPORATE INFORMATION

Arriyadh Development Company (A Saudi Joint Stock Company) (hereinafter referred to as the “Company” or “Group”) was established by Royal Decree No. M/2 dated 9 Safar 1414H (corresponding to 28 July 1993). The Company is registered in the Kingdom of Saudi Arabia under the Unified National No. 7001367601 and under CR No. 1010124500, issued in the city of Riyadh on 29 Thul-Qi’dah 1414H (corresponding to 10 May 1994). The Company is listed on the Saudi Stock Exchange (Tadawul). The Company’s Head Office is located in Riyadh, King Fahad Road, Aldera District, P.O. Box 94542, Riyadh 11614, Kingdom of Saudi Arabia.

The principal activities of the Company are the purchase and sale of lands and real estate, its division, off-plan sales activities, management and leasing of owned or leased out residential and non-residential properties, in addition to real estate development of residential and commercial buildings using modern construction methods, as well as the wholesale and retail sale of new and used private cars, including ambulances, minibuses and four-wheel drive vehicles.

On 3 February 2025, the Company’s General Assembly approved amending the Company’s By-laws to comply with the new Companies’ Law issued on 1 Thul-Hijjah 1443H (corresponding to 30 June 2022). The legal procedures for amending the By-laws were completed and published on the Tadawul platform.

2 MATERIAL ACCOUNTING POLICIES

2.1 Basis of Preparing Financial Statements

These interim condensed consolidated financial statements for the Group have been prepared in accordance with IAS (34) “Interim Financial Reporting” that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements as at 31 December 2024.

The interim financial results for the period may not be an accurate indication of the financial results for the full year.

2.2 Basis of consolidation

The consolidated financial statements of the Group comprise the financial information of the Company and its subsidiaries (Note 7).

Subsidiaries are companies controlled by the Group. Control is achieved when the Group has:

- Power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).
- Exposure to risk, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

In general, there is a presumption that a majority of voting rights result in control. In support of this assumption, when the Group has less than a majority of the voting rights or similar rights in the investee, the Group takes into consideration all relevant facts and circumstances when determining whether it exercises control over the investee, including:

- Arrangement(s) with other voting rights holders in the investee company.
- Rights arising from other contractual arrangements.
- Group’s voting rights and potential voting rights.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control mentioned above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired (or disposed) of during the year are included (or derecognized) in the consolidated financial statements from the date the Group gains control until the date when the Group ceases to control the subsidiary.

2 MATERIAL ACCOUNTING POLICIES (continued)

2.2 Basis of consolidation (continued)

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the equity holders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3 New standards, interpretations and amendments adopted by the Group

The following are standards and amendments that became effective on or after 1 January 2025 (unless otherwise stated) and did not have a material impact on the Group Consolidated statements. The Group has not early adopted any other standard, interpretation, or amendment that has been issued but is not yet effective.

Amendment to IAS 21: Lack of exchangeability

In August 2023, IASB issued amendments to IAS 21, "The Effects of Changes in Foreign Exchange Rates," to specify how an entity should assess whether a currency can be exchanged and how it should determine the spot exchange rate when it cannot. The amendments also require disclosure of information that enables users of its financial statements to understand how the non-convertibility of a currency into another currency affects, or is expected to affect, the entity's financial performance, financial position, and cash flows.

These amendments had no impact on the interim condensed consolidated financial statements of the Group.

2 MATERIAL ACCOUNTING POLICIES (continued)

2.4 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The accounting policies used in preparing these interim condensed consolidated financial statements are consistent with those used in preparing the Group's annual financial statements for the year ended 31 December 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

During the period, the Group applied for the first time the policy of classifying its investment in a real estate Fund as a financial asset at fair value through profit or loss ("FVTPL") (Note 5) in accordance with International Financial Reporting Standard (9) as a financial instrument.

Financial instruments

Classification

- Financial Asset at FVTPL

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income. However, an entity may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

The Group reclassifies financial assets only when its business model for managing those financial assets changes.

Initial Measurement

Except for trade receivables, at initial recognition, an entity shall measure a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

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 statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay them in full without delay to another party under a "pass-through arrangement" and if:
 - 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.

3. INVESTMENT PROPERTIES

	<i>Lands</i>	<i>Lands on which buildings are constructed</i>	<i>Buildings</i>	<i>Total</i>
Cost:				
As at 31 December 2024 (Audited)	112,964,524	189,456,830	823,384,593	1,125,805,947
Additions (note 12)	1,432,485,071	-	-	1,432,485,071
Sale of lands	(5,636,480)	-	-	(5,636,480)
Transferred from investment properties under development	1,222,103	-	935,430	2,157,533
As at 30 September 2025 (Unaudited)	1,541,035,218	189,456,830	824,320,023	2,554,812,071
Depreciation:				
At 31 December 2024 (Audited)	-	-	312,129,527	312,129,527
Depreciation for the period	-	-	23,429,743	23,429,743
At 30 September 2025 (Unaudited)	-	-	335,559,270	335,559,270
Net book value:				
At 30 September 2025 (Unaudited)	1,541,035,218	189,456,830	488,760,753	2,219,252,801
At 31 December 2024 (Audited)	112,964,524	189,456,830	511,255,066	813,676,420

Investment properties are stated at cost less accumulated depreciation.

As at 31 December 2024, the fair value of investment properties amounted to SAR 2,522,854,054, based on a valuation performed by real estate appraisers, namely Esnad and its Partner for Real Estate Appraisal, a Saudi closed joint-stock professional company, holding license number 1210000934 (an independent appraiser accredited by the Saudi Authority for Accredited Valuers). The fair value of investment properties does not include additions made during the period.

Investment properties include buildings constructed on land leased from the Riyadh Municipality (Otaïqa Market) under a 23-year lease contract starting from 30 March 2011, which will be transferred to the Municipality at the end of the lease. Their net book value as at 30 September 2025, was SAR 147.1 million (31 December 2024: SAR 160 million).

The investment properties include lands totaling an amount of SAR 28,872,546 not yet registered in the name of the Company as it was expropriated in favor of the Company under Royal Decree No. 4 / B / 2732 dated 8 Rabi Al Awal 1412H. However, the previous owners of the lands have not submitted their claims and have not transferred the land ownership to the Group until 30 September 2025 (Note 15).

All investment properties are located in the Kingdom of Saudi Arabia.

4. RIGHT OF USE ASSETS AND LEASE LIABILITIES

The carrying amount of recognized right-of-use assets and changes during the period / year are as follows:

	<i>30 September 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
At the beginning of the period / year	50,323,255	45,113,224
Additions during the period / year	-	9,783,538
Charge for the period / year	(4,101,807)	(4,573,507)
At the end of the period / year	46,221,448	50,323,255

Below is a statement of the lease liabilities:

	<i>30 September 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Non-current lease liabilities	41,814,136	46,390,001
Current lease liabilities	8,346,266	7,794,706
Total lease liabilities	50,160,402	54,184,707

The finance costs from the recognized lease liabilities during the period ended 30 September 2025 amounted to SAR 2,175,695 (30 September 2024: SAR 1,916,346)

5. INVESTMENT DESIGNATED AT FVTPL

The Group decided to participate in the "Riyadh Real Estate Development ANB Capital Fund" (the "Fund"), which is a private closed real estate investment Fund compliant with Islamic Sharia principles. The Fund was incorporated in the Kingdom of Saudi Arabia in accordance with the Investment Funds Regulation and applicable laws, and its management is entrusted to ANB Capital. The objectives of the Fund are to invest in three raw plots of lands located in Al-Rimal and Al-Qadisiyah districts in Riyadh. This will be done through the development of infrastructure for these lands, subdividing them into residential and commercial plots, and then selling them as developed land. The Group entered into an agreement on 10 October 2024 to develop the infrastructure for the Fund's purposes. The Fund's term is four years, with extension possibility for two additional periods, each lasting one calendar year.

During December 2024, the Group paid its share in the Fund, amounting to 8.7%, through a cash contribution of SAR 182,481,748. On 9 January 2025, the Fund's operations commenced after the specified offering amount both (in-kind and cash) was completed.

During the first quarter of 2025, the Group classified this investment as a financial instrument at FVTPL upon initial recognition, in accordance with IFRS (9), as management believed that this classification better reflects the investment strategy and leads to the provision of more relevant information to users.

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

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
At the beginning of the period/year	-	-
Transferred from advance payments for subscription to a real estate Fund	182,481,748	-
Unrealized gains from investment revaluation	14,843,065	-
At the end of the period/year	197,324,813	-

6. EQUITY ACCOUNTED INVESTESSES

The summarized details of equity accounted investees are as follows:

Company's name	Nature of Relationship	% of Ownership		Balance	
		30 September 2025 (Unaudited)	31 December 2024 (Audited)	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Dira Development Company for Real Estate Development and Investment (a)	Associate company	46,34%	46,34%	699,650,239	692,634,122
Abraj Al-Tilal Real Estate Development Company (b)	Associate company	50%	50%	121,373,981	50,734,712
Abraj Al-Ghadir Real Estate Development company (c)	Joint venture	50%	-	25,000	-
Tanal Investment and Real Estate Development Company (d)	Associate company	-	69,38%	-	13,031,031
Balance at the end of the period / year				821,049,220	756,399,865

a) Dira Development Company for Real Estate Development and Investment:

In 2024, the Group reached an agreement with Riyadh Holding Company to establish a joint venture (Dira Development Company for Real Estate Development and Investment) ("Dira") – a simplified/closed joint-stock company with a cash capital of SAR 1,000,000, with 46.34% ownership for Arriyadh Development Company and 53.66% ownership for Riyadh Holding Company. Additionally, in-kind contributions were made by Arriyadh Development Company in Ta'meer market properties, with total value at SAR 705,209,071, while Riyadh Holding Company contributed in Al-Muqayliah Market and Dira Markets, with total value at SAR 816,605,929 in exchange of new shares

issuance through a capital increase for each partner in accordance with their respective share in Dira Development Company for Real Estate Development and Investment. This was done in accordance with the asset transfer agreement signed on 1 December 2024, and during the period the necessary legal procedures for issuing the new shares are completed

6. EQUITY ACCOUNTED INVESTESSES (continued)

The summarized details of equity accounted investees are as follows: (continued)

a) Dira Development Company for Real Estate Development and Investment: (continued)

The financial statements of Dira Development Company for Real Estate Development and Investment have not been consolidated due to the lack of control by the Group. Currently, the Group does not have majority voting rights on operational and administrative decisions. According to the agreement between the parties, the management of the Company is managed by a Board of Directors consisting of three members, where Riyadh Holding Company appoints two members, and Arriyadh Development Company appoints the third member. All administrative and operational decisions are made in accordance with the legal quorum. As a result, Arriyadh Development Company is considered to have significant influence over Dira Development Company for Real Estate Development and Investment, and the investment is accounted for using the equity method.

The financial statements for this associate are prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountant (SOCPA). The accounting policies used in preparing the financial statements of the associate are consistent with those used by Arriyadh Development Company.

The registered office of Dira Development Company for Real Estate Development and Investment is located in Riyadh. The company's activities include general construction of residential buildings, general construction of non-residential buildings, renovation of both residential and non-residential buildings, purchase and sale of land and real estate, land subdivision, off-plan sales activities, management and leasing of owned or leased residential properties, management and leasing of owned or leased non-residential properties, real estate development of residential buildings using modern construction methods, real estate development of commercial buildings using modern construction methods, real estate brokerage, property management, building maintenance services, and management of maintenance and operations in buildings and their associated facilities.

b) Abraj Al-Tilal Real Estate Development Company:

In 2024, the Group reached an agreement with Riyadh Holding Company and the Saudi Real Estate Company to incorporate Abraj Al-Tilal Real Estate Development Company ("Abraj Al-Tilal") (A Limited Liability Company) with a capital of SAR 100,000, where Arriyadh Development Company's shareholding was by 50%, Riyadh Holding Company's shareholding by 25%, and the Saudi Real Estate Company's shareholding by 25%. This shareholding structure is in line with their respective shares in the shared property, which includes Educational Plot No. 751 of Scheme No. 3175 (with an area of 10,875.24 m²) and Educational Plot No. 752 of Scheme No. 3175 (with an area of 10,296.33 m²) located in Al-Malqa district in Riyadh. The construction of the educational complexes (a boys' complex and a girls' complex) has begun, and a lease agreement has been signed for these complexes with the Mohammed bin Salman Foundation (Misk Foundation) for a period of 25 years, starting from 1 August 2025.

During 2025, the partners of Abraj Al-Tilal Real Estate Development Company decided to consider all amounts injected by the partners to finance schools and educational complexes as additional contribution, each according to their share of the capital. The share of Arriyadh Development Company in the additional capital as at 30 September 2025, is SAR 100,2 million (31 December 2024: SAR 51.8 million).

The financial statements of Abraj Al-Tilal Real Estate Development Company have not been consolidated due to the lack of control by the Group. The Group does not have majority voting rights on operational and administrative decisions. According to the Company's articles of association, the management of Abraj Al-Tilal Real Estate Development Company is managed by a Board of Directors consisting of four members representing the partners, with Arriyadh Development Company appointing two directors, one of whom is either a member of Misk Foundation or an independent member; Riyadh Holding Company appointing one director; and the Saudi Real Estate Company appointing one director. For the Board of Directors meeting to be valid, three members must be present, including the Chairman of the Board, with at least one member from the Saudi Real Estate Company and one member from Riyadh Holding Company.

Decisions of the Board of Directors are issued with the approval of the majority of the board members present, either in person or by proxy. The articles of association can only be amended with the approval of 75% of the partners. As a result, Arriyadh Development Company is considered to have significant influence over Abraj Al-Tilal Real Estate Development Company, and the investment is accounted for using the equity method.

6. EQUITY ACCOUNTED INVESTESSES (continued)

The summarized details of equity accounted investees are as follows: (continued)

b) Abraj Al-Tilal Real Estate Development Company: (continued)

The financial statements for this associate are prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia, as well as other standards and pronouncements as endorsed by the Saudi Organization for Chartered and Professional Accountant (SOCPA). The accounting policies used in preparing the financial statements of the associate are consistent with those used by Arriyadh Development Company.

The registered office of Abraj Al-Tilal Real Estate Development Company is located in Riyadh. The Company's activities include the construction of buildings, various types of retail sales in non-specialized stores, real estate activities on owned or leased properties, as well as administrative services and support services.

c) Abraj Al-Ghadir Real Estate Development Company

By the end of 2024, the Group agreed with FTG Development Limited Company to establish Abraj Al-Ghadir Real Estate Development Company (a limited liability company) with a capital of SAR 50,000, 50% owned by Arriyadh Development Company and 50% owned by FTG Development Limited Company. The purpose is to cooperate and work together to develop, implement, and manage joint ventures between the parties.

The financial statements of Abraj Al-Ghadir Real Estate Development Company have not been consolidated due to the lack of control by the Group. Currently, the Group does not have majority voting rights on operational and administrative decisions. The agreement between the two parties stipulates that the Company shall be managed by a board of directors consisting of four members, with Arriyadh Development Company appointing two members and FTG Development Limited Company appointing two members. The chairman of the board shall be a representative of Arriyadh Development Company. However, the agreement and articles of association stipulate that all substantive administrative and operational decisions shall be made with the approval of partners who own at least 51% of the Company's shares. Since each party owns 50% of the shares, neither party has sole control. Therefore, the financial statements of Abraj Al-Ghadir Real Estate Development Company have not been consolidated within the Group's financial statements, and the investment is accounted for using the equity method.

The financial statements of this joint venture are prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements as endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA). The accounting policies used in preparing the joint venture's financial statements are consistent with the financial statements of Arriyadh Development Company.

The head office of Abraj Al-Ghadir Real Estate Development Company is located in Riyadh. The Company's activities include the purchase, sale, management, and leasing of land and real estate, as well as the development of residential and commercial buildings using modern construction methods.

d) Tanal Investment and Real Estate Development Company:

During 2019, the Group, agreed with Sumou Holding Company, to incorporate Tanal Real Estate Investment and Development Company ("Tanal") (a Limited Liability Company) with a capital of SAR 100,000 with shareholding 69.38% for Arriyadh Development Company and 30.62% for Sumou Holding Company - which is the same proportions of ownership of companies in the First Riyadh Al-Tameer Real Estate Fund - for the purpose of transferring the assets and liabilities of the First Riyadh Al-Tameer Real Estate Fund, which was closed and its assets were transferred in 2019 to Tanal and its subsidiary (Ruba Real Estate Building Company), which is 100% owned.

During 2025, the Group's Board of Directors decided to exit Tanal as a result of the sale of all the planned lands by the end of the year 2024. An assignment agreement was signed to transfer the group's share to Sumou Holding Company on 30 Shawwal 1446H (corresponding to 28 April 2025). According to the agreement, the Group will obtain its share in the capital of Tanal amounting to SAR 69,380, in addition to its share in the statutory reserve amounting to SAR 20,814, according to the financial statements of Tanal for the year ended 31 December 2024. Subsequently, on 11 May 2025, the Group received its share in the capital and statutory reserve in Tanal.

Arriyadh Development Company
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6. EQUITY ACCOUNTED INVESTESSES (continued)

The following is the movement of equity accounted investees:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
At the beginning of the period / year	756,399,865	237,264,477
Share of profits	43,278,937	125,859,069
Investments made during the period / year	48,303,449	741,563,919
Proceeds from the disposal of investment in Tanal	(89,778)	-
Dividend received	(26,843,253)	(348,287,600)
At the end of the period / year	821,049,220	756,399,865

Below is the Statement of Financial Position of the equity accounted investees:

As at 30 September 2025 (Unaudited)

	<i>Dira Development Company for Real Estate Development and Investment</i>	<i>Abraj Al-Tilal Real Estate Development Company</i>	<i>Tanal Investment and Real Estate Development Company</i>	<i>Abraj Al- Ghadir Real Estate Development Company</i>	<i>Total</i>
Current assets	91,059,821	39,558,905	-	533,160	131,151,886
Non-current assets	1,517,029,598	228,379,076	-	3,891,578	1,749,300,252
Current liabilities	(57,239,640)	(25,190,019)	-	(4,374,738)	(86,804,397)
Non-current liabilities	(8,999,319)	-	-	-	(8,999,319)
Equity	1,541,850,460	242,747,962	-	50,000	1,784,648,422
Group's share in equity %	46,34%	50%	-	50%	-
Group's share in equity	714,493,503	121,373,981	-	25,000	835,892,484
Elimination of unrealized gains	(14,843,264)	-	-	-	(14,843,264)
The carrying amount of the investment	699,650,239	121,373,981	-	25,000	821,049,220

As at 31 December 2024 (Audited)

	<i>Dira Development Company for Real Estate Development and Investment</i>	<i>Abraj Al-Tilal Real Estate Development Company</i>	<i>Tanal Investment and Real Estate Development Company</i>	<i>Abraj Al-Ghadir Real Estate Development Company</i>	<i>Total</i>
Current assets	49,211,612	44,941,229	20,868,597	-	115,021,438
Non-current assets	1,520,219,233	107,039,425	-	-	1,627,258,658
Current liabilities	(33,720,679)	(50,511,229)	(2,086,483)	-	(86,318,391)
Non-current liabilities	(9,000,226)	-	-	-	(9,000,226)
Equity	1,526,709,940	101,469,425	18,782,114	-	1,646,961,479
Group's share in equity %	46,34%	50%	69,38%	-	-
Group's share in equity	707,477,386	50,734,712	13,031,031	-	771,243,129
Elimination of unrealized gains	(14,843,264)	-	-	-	(14,843,264)
The carrying amount of the Investment	692,634,122	50,734,712	13,031,031	-	756,399,865

Arriyadh Development Company
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6. EQUITY ACCOUNTED INVESTESSES (continued)

The following is the statement of profit or loss and other comprehensive income of the equity accounted investees:

For the nine month period ended 30 September 2025 (Unaudited)

	<i>Dira Development Company for Real Estate Development and Investment</i>	<i>Abraj Al-Tilal Real Estate Development Company</i>	<i>Tanal Investment and Real Estate Development Company</i>	<i>Abraj Al- Ghadir Real Estate Development Company</i>	<i>Total</i>
Revenue	98,960,793	45,917,018	-	-	144,877,811
Net profit	45,140,520	44,721,640	-	-	89,862,160
Group's % share in net profit	46,34%	50%	-	50%	-
Group's share in net profit	20,918,117	22,360,820	-	-	43,278,937

For the nine month period ended 30 September 2024 (Unaudited)

	<i>Dira Development Company for Real Estate Development and Investment</i>	<i>Abraj Al-Tilal Real Estate Development Company</i>	<i>Tanal Investment and Real Estate Development Company</i>	<i>Abraj Al-Ghadir Real Estate Development Company</i>	<i>Total</i>
Revenue	-	-	269,807,853	-	269,807,853
Net profit	-	-	112,358,428	-	112,358,428
Group's % share in net profit	-	-	69,38%	-	-
Group's share in net profit	-	-	77,954,277	-	77,954,277

7. INVESTMENTS IN SUBSIDIARIES

The following is the details of the subsidiary directly owned by the Company:

<i>Group Name</i>	<i>Country of Establishment</i>	<i>Ownership</i>	
		<i>30 September 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Alrmal logistics park Company	Saudi Arabia	100%	-

a) Alrmal logistics park Company

On 22 September 2025, Al-Rimal Logistics Park Company was established as a limited liability company (one-person company) wholly owned by Arriyadh Development Company with a cash capital of SAR (10,000), divided into (10,000) shares, and approximately 98 thousand square meters of technical services land were transferred to Al-Rimal Logistics Park Company.

The head office of Alrmal logistics park Company is located in Riyadh. The Company's activities include the purchase, sale, management, and leasing of land and real estate, as well as the development of residential and commercial buildings using modern construction methods.

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8 ACCOUNTS RECEIVABLE, PREPAYMENTS AND OTHER RECEIVABLES

	<i>30 September 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Accounts receivable	71,877,908	88,114,015
Less: Provision for expected credit losses *	(49,120,955)	(52,197,860)
Net accounts receivable	22,756,953	35,916,155
Accrued revenue on Murabaha investment deposits	28,717,839	2,149,250
Prepaid expenses	2,491,446	2,605,214
Employees' advances	1,867,030	802,594
Advances to suppliers and contractors	855,921	1,519,631
Others	335,192	3,767,273
	57,024,381	46,760,117

* The movement of the provision for expected credit losses during the period / year was as follows:

	<i>30 September 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Balance at the beginning of the period / year	52,197,860	48,376,304
(Reversed) / addition during the period / year (Note 18)	(1,111,449)	7,908,539
Written off during the period / year	(1,965,456)	(4,086,983)
Balance as at the end of the period / year	49,120,955	52,197,860

The following is an analysis of the aging of receivables and the provision for expected credit losses as at:

	<i>Total</i>	<i>1- 90 Days</i>	<i>91- 180 Days</i>	<i>181- 270 Days</i>	<i>271- 365 Days</i>	<i>More than one year</i>
Accounts Receivable:						
30 September 2025	71,877,908	17,245,648	2,738,750	4,741,103	2,185,052	44,967,355
31 December 2024	88,114,015	22,718,689	10,540,524	4,749,801	5,089,061	45,015,940
Provision for expected credit losses:						
30 September 2025	49,120,955	643,877	420,618	1,092,275	1,996,830	44,967,355
31 December 2024	52,197,860	1,196,431	1,679,945	1,106,903	3,198,641	45,015,940

9. RELATED PARTIES' TRANSACTIONS AND BALANCES

Related party transactions and balances include transactions with associates, members of the Board of Directors (and its sub-committees), and the Group's senior management personnel. Senior management employees are those who have authority and responsibility in planning, directing, and controlling the activities of the Group, either directly or indirectly, including the directors.

During the normal course of its business, the Group had the following significant transactions with major related parties during the period ended 30 September 2025 and 2024, as follows:

<i>Description</i>	<i>Nature of Relationship</i>	<i>Nature of transaction</i>	<i>30 September 2025 (Unaudited)</i>	<i>30 September 2024 (Unaudited)</i>
Abraj Al-Tilal Real Estate Development Company	Associate company	Additional Capital contribution to associate	48,278,449	-
Abraj Al-Tilal Real Estate Development Company	Associate company	Amounts collected from associate	46,299,775	-
Abraj Al-Tilal Real Estate Development Company	Associate company	Settlement of amounts due to the associate company	4,211,454	-
Abraj Al-Tilal Real Estate Development Company	Associate company	Financing provided to associate	3,799,245	-
Dira Development Company for Real Estate Development and Investment	Associate company	Settlement – rent collection on behalf of associate	12,840,234	-
Dira Development Company for Real Estate Development and Investment	Associate company	Dividends	13,902,000	-
Tanal Investment and Real Estate Development Company	Associate company	Dividends	12,941,253	265,031,600
Tanal Investment and Real Estate Development Company	Associate company	Collection of disposed carrying value of Tanal investment	89,778	-
Abraj Al-Ghadir Real Estate Development Company	Joint venture	Financing provided to joint venture	1,800,000	-
Abraj Al-Ghadir Real Estate Development Company	Joint venture	Expenses paid on behalf of joint venture	674,667	-
Hulul Salasil Imdad Almontajat Altazija Company	Subsidiary	Payment of share capital	500,000	-
Board of Directors members (Note 18)	Board of Directors members	Bonuses and allowances	2,361,000	2,436,000
Senior management personnel	Key Management Personnel	Salaries, allowances, and incentives	17,637,808	12,747,332

9. RELATED PARTIES' TRANSACTIONS AND BALANCES (continued)

9.1 RELATED PARTIES' BALANCES

Due from related parties:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Abraj Al-Tilal Real Estate Development Company	3,799,245	46,299,775
Abraj Al-Ghadir Real Estate Development Company	2,474,667	-
Hulul Salasil Imdad Almontajat Altazija Company	500,000	-
	6,773,912	46,299,775

Due to related parties:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Abraj Al-Tilal Real Estate Development Company	-	4,211,454
Dira Development Company for Real Estate Development and Investment	-	8,323,719
	-	12,535,173

9.2 RIGHT OF USE ASSETS AND LEASE LIABILITIES WITH RELATED PARTIES

In December 2024, the Group entered into a lease agreement for the office building of the General Administration from Dira Development Group for Real Estate Development and Investment ("Dira"). The lease term is 10 years, starting from 1 December 2024, with a total value of SAR 13,060,605.

The carrying amount of recognized right-of-use assets with related parties and changes during the period / year are as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
At the beginning of the period / year	9,700,753	-
Additions during the period / year	-	9,783,538
Charge for the period / year	(3,368,041)	(82,785)
At the end of the period / year	6,332,712	9,700,753

The following are the lease liabilities - related parties as at:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Non-current lease liabilities	7,814,897	8,010,968
Current lease liabilities	2,398,374	1,775,722
	10,213,271	9,786,690

The finance costs from the recognized lease liabilities with related parties during the period ended 30 September 2025 amounted to SAR 426,581 (30 September 2024: SAR nil)

10. MURABAHA INVESTMENT DEPOSITS

As at 30 September 2025, total investment Murabaha deposit contracts amounted to SAR 1.065 billion (31 December 2024: SAR 930 million), which were placed with many of the local financial institutions. The Murabaha agreements' rates ranged from 5% to 6% during the period (2024: from 5.6% to 6.3%).

11. ASSETS HELD FOR SALE

On 26 October 2023, the Board of Directors of the Company adopted a resolution in which a decision was taken to sell its share in Telal Arriyadh plots land with total area of 4,861 m². The sale of Telal Arriyadh plots is expected to be completed in 2025, following the completion of all legal procedures.

During the period, the group signed a contract to sell "Telal Arriyadh lands", where payment terms were agreed upon. On 2 June 2025, the group received the first payment representing 10% of the value of the land. The group is scheduled to receive the remaining 90% of the value of the land in the coming period.

On 17 September 2025, the Board of Directors of Arriyadh Development Company decided to establish Al-Rimal Logistics Park, a limited liability company (a one-person company) wholly owned by it, and transfer approximately 98 thousand square meters of technical services land to Alrimal logistics park Company. On 22 September 2025, the company was established with a cash capital of SAR 10,000, divided into 10,000 shares wholly owned by Arriyadh Development Company.

	<i>30 September 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Telal Arriyadh lands	2,002,840	2,247,695
Technical services land	-	20,227,954
	<u>2,002,840</u>	<u>22,475,649</u>

12. SHARE CAPITAL AND ADDITIONAL SHARE CAPITAL

As at 31 December 2024, the fully paid share capital amounted to SAR 1,777,777,770, divided into 177,777,777 shares, each valued at SAR 10. On 3 February 2025, the Company's Extraordinary General Assembly approved increasing the Company's capital to SAR 2,339,308,180 through the issuance of 56,153,041 new ordinary shares, with a total nominal value of SAR 561,530,410, and additional capital amounting to SAR 842,295,615. This was in exchange for the acquisition of two real estate assets owned by Remat Al-Riyadh Development Company for a total value of SAR 1,403,826,025, bringing the total number of new shares to (233,930,818 shares), with a nominal value of SAR 10 each. During February 2025, ownership of the purchased properties was transferred to the Company, and shares were issued to Remat Al-Riyadh Development Company.

13. STATUTORY RESERVE

On 3 February 2025, the Company's General Assembly approved an amendment to the Company's by-laws to align with the new Companies' Law issued on 1 Thul-Hijjah 1443H (corresponding to 30 June 2022), which no longer requires the formation of a statutory reserve, as the paragraph regarding setting aside a percentage of the Company's net profits to form a statutory reserve for the company has been deleted. The Board of Directors also recommended on 25 February 2025, transferring the balance of the statutory reserve amounting to SAR 184,701,083 as shown in the financial statements for the year ended 31 December 2024, to retained earnings. On 8 May 2025, the General Assembly approved transferring the balance of the statutory reserve as at 31 December 2024 to retained earnings. As at 30 September 2025 the statutory reserve has been transferred fully to retained earnings.

14. DIVIDENDS

The balance shown in the financial statements represents the remaining of the amounts approved by the Company's Ordinary General Assembly for previous years, and the shareholders have not yet come to receive it as at 30 September 2025, the amount is SAR 77,081,614 (31 December 2024: SAR 76,387,682).

On 25 Rabi' al-Awwal 1447H (corresponding to 17 September 2025), Board of Directors' decided to distribute dividends for the first half of 2025 at 25 halalas per share (233,930,818 common shares) for a total amount of SAR 58,482,704.50.

On 10 Thul-Qi'dah 1446H (corresponding to 8 May 2025), the Company's general assembly approved the Board of Directors' decision to distribute dividends for the second half of 2024 at 25 halalas per share (233,930,818 common shares) for a total amount of SAR 58,482,704.50.

On 3 Rabi' al-Awwal 1446H (corresponding to 1 September 2024), the Company's general assembly approved the board of directors' decision to distribute dividends for the first half of 2024 at 25 halalas per share, totaling SAR 44,444,444.

On 14 Shawwal 1445H (corresponding to 23 April 2024), the Company's general assembly approved the board of directors' decision to distribute dividends for the second half of 2023 at 50 halalas per share, totaling SAR 88,888,888.

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15. ACCOUNTS PAYABLE, ACCRUED EXPENSES AND OTHER PAYABLES

	<i>30 September 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Advance revenue	43,251,013	42,020,112
Amounts due to expropriated real estate (A)	28,872,546	28,872,546
Accrued expenses	20,408,942	17,337,165
Accrued wages and employees' benefits	18,211,831	25,139,357
Insurance for others	18,150,828	15,569,046
Provisions (B)	14,142,172	14,142,172
Accruals for Car Auction's customers	9,533,369	9,941,741
Provision for cases	9,095,860	9,912,134
Securing reservation of rental units	8,386,464	2,073,827
Bonuses and allowances for Board of Directors members	2,603,500	3,366,000
Others	3,753,852	3,814,901
	176,410,377	172,189,001

- a) The amount represents the payable amounts to the owners of the properties that were expropriated under Royal Decree No. 4 / B / 2732 dated 8 Rabi' al-Awwal 1412H. The owners have not claimed their dues until 30 September 2025 (Note 3).
- b) The amount of the provisions represents commitments for construction works for the implementation of a canal for draining flood and rain in Al-Shorouk lands in Al-Remal district, according to the request of the regulatory authorities in the region.

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16. ZAKAT PROVISION

The movement in the Zakat provision was as follows:

	<i>30 September 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Balance at the beginning of the period/year	36,633,631	26,880,429
Provided during the period/year	18,448,457	29,122,212
Additional provision	-	1,081,222
Balance with the Zakat, Tax, and Customs Authority from the liquidation procedures of the Saudi Hospitality Heritage Company ("Nuzul")	-	(58,056)
Paid during the period/year	(35,443,951)	(20,392,176)
Balance at the end of the period/year	19,638,137	36,633,631

The group has submitted Zakat declarations and received the final Zakat bond for all previous years, until 2024.

17. REVENUE

	<i>For the period ended 30 September 2025 (Unaudited)</i>	<i>2024 (Unaudited)</i>
Rental income	144,131,951	169,487,857
Revenue from the sale of land	96,548,715	-
Operating income	67,088,091	65,603,411
Revenue from real estate development	2,520,000	-
	310,288,757	235,091,268

18. GENERAL AND ADMINISTRATIVE EXPENSES

	<i>For the period ended 30 September 2025 (Unaudited)</i>	<i>2024 (Unaudited)</i>
Employee salaries, wages, and other benefits	34,530,792	30,003,108
Professional and consultation fees	7,507,652	10,582,403
Board of Directors members allowances and compensation (Note 9)	2,361,000	2,436,000
Compensation expense based on a court ruling	2,534,508	4,865,047
Maintenance and operation	1,069,839	1,315,722
(Reversal) / provided expected credit loss allowance (Note 8)	(1,111,449)	7,267,267
Others	3,206,893	1,763,431
	50,099,235	58,232,978

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
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19. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net profit from the main business and net profit for the period by the weighted average number of shares outstanding during the period. Since there is no obligation to convert equity instruments, diluted earnings per share is the same as basic earnings per share.

The basic and diluted earnings per share calculation for the period is as follows:

	<i>30 September 2025 (Unaudited)</i>	<i>30 September 2024 (Unaudited)</i>
Profit for the period from main operations	171,640,230	88,095,440
Net profit for the period	251,479,515	206,631,221
Weighted average number of ordinary shares held for calculating basic and diluted earnings per share	224,880,511	177,777,777
Basic and diluted earnings per share in profit for the period from main operations	<u>0.76</u>	<u>0.50</u>
Basic and diluted earnings per share in net profit for the period	<u>1.12</u>	<u>1.16</u>

20. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows include:

	<i>30 September 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Cash at banks	40,988,878	40,915,578
	<u>40,988,878</u>	<u>40,915,578</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
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21. SEGMENT INFORMATION

The segment information is attributable to the Group's activities and business on the bases of which the Group's management used to prepare its financial information in line with financial reporting process.

The assets, liabilities and operating activities of the segments include items that are directly related to a specific segment and items that can be allocated to the different segments on a reasonable basis. Items that cannot be allocated between the segments are classified under common assets and liabilities; The performance of the segment is evaluated on a profit or loss basis and is measured in a manner consistent with the profit or loss recognized in the Interim Condensed consolidated Financial Statements.

The following summary of segmental financial information in Saudi Riyal according to the nature of the activity:

	<i>Commercial centers segment</i>	<i>Public benefit segment</i>	<i>Lands, contributions segment</i>	<i>Common assets and liabilities segment</i>	<i>Total</i>
30 September 2025 (Unaudited):					
Total assets	667,559,988	104,117,233	1,511,154,069	2,196,729,160	4,479,560,450
Total liabilities	101,534,552	30,515,488	14,142,172	251,183,508	397,375,720
31 December 2024 (Audited):					
Total assets	682,121,169	113,727,438	112,964,523	2,000,716,119	2,909,529,249
Total liabilities	102,908,888	28,422,438	14,142,172	220,211,152	365,684,650
30 September 2025 (Unaudited):					
Revenue	95,902,402	117,837,640	96,548,715	-	310,288,757
Costs of revenue	(64,707,536)	(18,205,282)	(5,636,474)	-	(88,549,292)
General and administrative expenses	-	-	-	(50,099,235)	(50,099,235)
Finance costs	(1,749,114)	-	-	(426,581)	(2,175,695)
Murabaha investment deposits' income	-	-	-	41,810,894	41,810,894
Group's share of profit of equity accounted investees	-	-	-	43,278,937	43,278,937
Other income	-	-	-	15,373,606	15,373,606
Net profit for the period before zakat	29,445,752	99,632,358	90,912,241	49,937,621	269,927,972
Zakat	-	-	-	(18,448,457)	(18,448,457)
Net profit for the period	29,445,752	99,632,358	90,912,241	31,489,164	251,479,515
30 September 2024 (Unaudited):					
Revenue	122,443,073	112,648,195	-	-	235,091,268
Costs of revenue	(67,725,512)	(21,037,338)	-	-	(88,762,850)
General and administrative expenses	-	-	-	(58,232,978)	(58,232,978)
Finance costs	(1,916,346)	-	-	-	(1,916,346)
Murabaha investment deposits' income	-	-	-	43,365,660	43,365,660
Group's share of profit of equity accounted investees	-	-	-	77,954,277	77,954,277
Other income	-	-	-	27,786,315	27,786,315
Net profit for the period before zakat	52,801,215	91,610,857	-	90,873,274	235,285,346
Zakat	-	-	-	(28,654,125)	(28,654,125)
Net profit for the period	52,801,215	91,610,857	-	62,219,149	206,631,221

The commercial centers segment represents the public transportation market, Ta'meer International Car Auction, Atiqah market, Riyadh market, the office tower, and the leased land of Al-Aziziyah. The public benefit segment represents the wholesale center for vegetables and fruits. The lands, contributions segment represent the Group's projects represented by the sale of developed lands and real estate development. The common assets and liabilities segments represent all items that do not fall under any of the specific segments.

22. FAIR VALUE MEASUREMENT

The fair value of Investments designated at FVTPL is obtained through net asset value reports received from fund managers, who use various techniques to evaluate the underlying financial instruments classified under Level 3 of the fair value hierarchy of the funds. The group has investments in the "Riyadh Real Estate Development ANB Capital Fund" with a book value of 197,324,805 Saudi Riyals. Significant unobservable inputs are an integral part of the models used by the fund manager.

And below is a reconciliation of the balances of Investments designated at FVTPL that fall within Level 3 of the fair value hierarchy as of:

	<i>30 September 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
At the beginning of the period/year	-	-
Transferred from advance payments for subscription to a real estate Fund	182,481,748	-
Unrealized gains from Investments designated at FVTPL	14,843,065	-
At the end of the period/year	197,324,813	-

The following table shows the fair value measurement hierarchy of the Group's financial assets and financial liabilities as at:

30 September 2025 (Unaudited)

	<i>Book value</i>	<i>First level</i>	<i>Second level</i>	<i>Third level</i>	<i>fair value</i>
Investments designated at FVTPL	197,324,813	-	-	197,324,813	197,324,813
	197,324,813	-	-	197,324,813	197,324,813

31 December 2024 (Audited)

	<i>Book value</i>	<i>First level</i>	<i>Second level</i>	<i>Third level</i>	<i>fair value</i>
Investments designated at FVTPL	-	-	-	-	-
	-	-	-	-	-

The management concluded that the fair value of cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their book value due to the short maturity of these instruments.

23. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities consist of lease liabilities, trade payables, accruals, amounts due from related parties, and other liabilities. The Group's principal financial assets include trade and other receivables, cash and cash equivalents, and amounts due from related parties arising directly from its operations.

The Group may be exposed to the following risks arising from financial instruments:

- Market risk
- Commission rate risk
- Foreign currency risk
- Credit risk
- Liquidity risk

The Group's overall risk management program focuses on liquidity management in addition to monitoring various market related changes, thus constantly seeks to reduce potential negative impacts on the Group's financial performance. The Board of Directors reviews and approves policies for managing each of these risks, which are summarized below:

Market risk

Market risk is the risk of the potential impact of changes in market prices such as foreign exchange rates, profit rates and stock prices on the Group's revenue or the value of its financial instruments. Market risk management aims at managing and controlling risk exposure within acceptable limits while achieving best returns.

Commission rate risk

Commission rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market commission rates. The Management believes that the financial instruments on the statement of financial position are not subject to commission rate risk.

Foreign currency risk

The Group is not exposed to significant foreign exchange risk and therefore there is no need for effective management of this risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from the inability to realize financial assets quickly at an amount close to its fair value.

Liquidity risk is managed through monitoring such risks on a regular basis to assure sufficient funds are available to meet the Group's future obligations.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group is exposed to credit risks from its operating activities (primarily trade receivables) and its financing activities, including deposits with banks, financial institutions, and other financial instruments.

To reduce exposure to credit risk, the Group has approval procedures through which credit limits are applied to its customers. The management also constantly monitors exposure to credit risks related to customers and sets aside a provision for expected credit losses, based on the customer's status and payment history. Outstanding customer receivables are also monitored on a regular basis.

23. RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

The carrying amount of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Murabaha investment deposits *	1,065,000,000	930,000,000
Cash at banks	40,988,878	40,915,578
Accounts receivables, net	22,756,953	35,916,155
Due from related parties	6,773,912	46,299,775
	1,135,519,743	1,053,131,508

* The Group has investment Murabaha deposits amounting to SAR 1.065 billion with a number of local financial institutions, which represent approximately 24% of the value of the Group's assets as of 30 September 2025.

Cash at banks, Murabaha investment deposits, and accounts receivable are accounted for at amortized cost.

24. COMMITMENTS AND CONTINGENCIES

The Group has contingent liabilities from time to time relating to certain disputed matters, including claims from and against contractors, litigation and arbitration proceedings involving a variety of cases. These contingencies arise in the ordinary course of business. No significant additional liabilities are expected to be incurred from these potential claims.

There is an ongoing legal case against the group filed by one of the tenants for an amount of SAR 74 million. Based on the case details, the company's management does not expect any current obligations to arise for the company.

25. SUBSEQUENT EVENTS

On 5 October 2025, Hulul Salasil Imdad Almontajat Altazija Company was established with a cash capital of SAR 500,000, divided into (500,000) shares wholly owned by Arriyadh Development Company.

Other than the subsequent events disclosed above, there were no other significant subsequent events after 30 September 2025 and until the date of approval of the interim condensed consolidated financial statements by the Board of Directors that may have a material impact on the interim condensed consolidated financial statements as of 30 September 2025.

26. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved by the Board of Directors on 7 Jumada al-Ula 1447H (Corresponding to 29 October 2025).