

**Arriyadh Development Company  
(A Saudi Joint Stock Company)**

**INTERIM CONDENSED FINANCIAL STATEMENTS**

**For the three-month period ended 31 March 2025  
and Independent Auditor's Review Report (unaudited)**

Arriyadh Development Company  
(A Saudi Joint Stock Company)

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INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

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

### **Introduction**

We have reviewed the accompanying interim condensed statement of financial position of Arriyadh Development Company – Saudi Joint Stock Company – (“the Company”) as at 31 March 2025, and the related interim condensed statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed 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 financial statements based on our review.

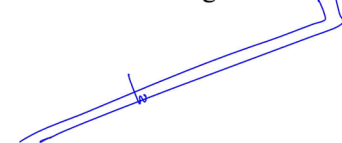
### **Scope of Review**

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 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. Al-Toaimi  
Certified Public Accountant  
License No. (354)



Riyadh: 13 Thul-Qi'dah 1446H  
(corresponding to 11 May 2025)

Arriyadh Development Company  
(Saudi Joint Stock Company)

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

(All Amounts in Saudi Riyals unless otherwise stated)

	Note	31 March 2025 (Unaudited)	31 December 2024 (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		19,275,162	18,695,462
Investment properties	3	2,210,114,993	813,676,420
Investment properties under development		1,531,950	1,501,380
Right of use Assets	4	48,955,986	50,323,255
Investments designated at FVPL	5	182,481,748	-
Advance payments for subscribing to a real estate fund	5	-	182,481,748
Investment in associates	6	784,125,605	756,399,865
Murabaha investment deposits – long term	9	630,000,000	630,000,000
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,876,485,444</b>	<b>2,453,078,130</b>
<b>CURRENT ASSETS</b>			
Accounts receivable, prepayments and other receivables	7	54,284,192	46,760,117
Due from related parties	8	467,854	46,299,775
Murabaha investment deposits – short term	9	350,000,000	300,000,000
Cash at banks		44,836,812	40,915,578
		449,588,858	433,975,470
Assets held for sale	10	22,475,649	22,475,649
<b>TOTAL CURRENT ASSETS</b>		<b>472,064,507</b>	<b>456,451,119</b>
<b>TOTAL ASSETS</b>		<b>4,348,549,951</b>	<b>2,909,529,249</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	11	2,339,308,180	1,777,777,770
Additional share capital	11	842,295,615	-
Statutory reserve	12	184,701,083	184,701,083
Retained earnings		623,430,864	581,365,746
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>3,989,735,742</b>	<b>2,543,844,599</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	4	47,025,399	46,390,001
Employee's defined benefit obligations		14,036,808	13,754,456
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>61,062,207</b>	<b>60,144,457</b>
<b>CURRENT LIABILITIES</b>			
Accounts payable, accrued expenses and other payables	14	168,619,962	172,189,001
Due to related parties	8	11,659,194	12,535,173
Lease liabilities - current portion	4	7,889,776	7,794,706
Dividends payable	13	76,377,109	76,387,682
Zakat provision	15	33,205,961	36,633,631
<b>TOTAL CURRENT LIABILITIES</b>		<b>297,752,002</b>	<b>305,540,193</b>
<b>TOTAL LIABILITIES</b>		<b>358,814,209</b>	<b>365,684,650</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>4,348,549,951</b>	<b>2,909,529,249</b>



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 financial statements.


Arriyadh Development Company  
(Saudi Joint Stock Company)

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME

For the three-month period ended 31 March 2025

(All Amounts in Saudi Riyals unless otherwise stated)

	Note	For the three-month period Ended 31 March	
		2025 (Unaudited)	2024 (Unaudited)
Revenue		69,538,299	78,430,878
Costs of revenue		(26,910,737)	(27,339,544)
<b>Gross profit</b>		<b>42,627,562</b>	<b>51,091,334</b>
General and administrative expenses	16	(16,918,049)	(16,906,499)
<b>Profit for the period from main operations</b>		<b>25,709,513</b>	<b>34,184,835</b>
Finance costs on lease liabilities	4	(730,468)	(646,187)
Murabaha Investment deposits' income	9	13,526,500	14,344,882
Company's share of profit of associates	6	7,462,299	36,867,846
Other income		181,023	388,289
<b>Net profit for the period before zakat</b>		<b>46,148,867</b>	<b>85,139,665</b>
Zakat	15	(4,083,749)	(14,652,220)
<b>Net profit for the period</b>		<b>42,065,118</b>	<b>70,487,445</b>
<b>Other comprehensive income for the period</b>		-	-
<b>Total comprehensive income for the period</b>		<b>42,065,118</b>	<b>70,487,445</b>
<b>Earnings per share</b>			
Basic and diluted earnings per share from profit for the period from main operations	17	0.12	0.19
Basic and diluted earnings per share from net profit for the period	17	0.20	0.40



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Al-Kadi

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

Arriyadh Development Company  
(Saudi Joint Stock Company)

CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the three-month period ended 31 March 2025

(All Amounts in Saudi Riyals unless otherwise stated)

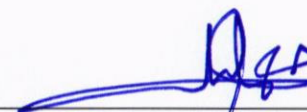
	<i>Share capital</i>	<i>Additional share capital</i>	<i>Statutory reserve</i>	<i>Retained earnings</i>	<i>Revaluation reserve of investments designated at FVOCI</i>	<i>Total shareholders' equity</i>
<b>Balance as at 31 December 2023 (Audited)</b>	1,777,777,770	-	155,081,438	450,786,058	(2,813,070)	2,380,832,196
Net profit for the period	-	-	-	70,487,445	-	70,487,445
Other comprehensive income for the period	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	-	70,487,445	-	70,487,445
<b>Balance as at 31 March 2024 (Unaudited)</b>	1,777,777,770	-	155,081,438	521,273,503	(2,813,070)	2,451,319,641
<b>Balance as at 31 December 2024 (Audited)</b>	1,777,777,770	-	184,701,083	581,365,746	-	2,543,844,599
Net profit for the period	-	-	-	42,065,118	-	42,065,118
Other comprehensive income for the period	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	-	42,065,118	-	42,065,118
Increase in share capital and additional share capital (Note 11)	561,530,410	842,295,615	-	-	-	1,403,826,025
<b>Balance as at 31 March 2025 (Unaudited)</b>	2,339,308,180	842,295,615	184,701,083	623,430,864	-	3,989,735,742



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

Arriyadh Development Company  
(Saudi Joint Stock Company)

CONDENSED INTERIM STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2025

(All Amounts in Saudi Riyals unless otherwise stated)

	<i>31 March 2025 (Unaudited)</i>	<i>31 March 2024 (Unaudited)</i>
<b>OPERATING ACTIVITIES</b>		
Net profit for the period	42,065,118	70,487,445
<b>Adjustment:</b>		
Depreciation of property, plant and equipment, investments properties and right of use assets	10,153,150	10,933,374
Finance costs on lease liabilities	730,468	646,187
Murabaha Investment deposits' income	(13,526,500)	(11,690,659)
Provided for expected credit loss allowance	626,350	1,021,512
Company's share of profit of associates	(7,462,299)	(36,867,846)
Provided for Zakat	4,083,749	14,652,220
Provided for employees' defined benefits obligations	554,637	480,278
	<u>37,224,673</u>	<u>49,662,511</u>
<b>Changes in working capital:</b>		
Accounts receivable, prepayments and other receivables	1,945,325	(12,798,746)
Accounts payable, accrued expenses and other payables	(3,569,039)	(43,516,519)
Net change in related parties' balances	44,955,942	-
Paid from employees' defined benefit obligations plan	(272,285)	(231,651)
Paid from Zakat provision	(7,511,419)	-
<b>Net cash flows from / (used in) operating activities</b>	<u>72,773,197</u>	<u>(6,884,405)</u>
<b>INVESTING ACTIVITIES</b>		
Additions to murabaha investment deposits	(46,569,250)	(50,000,000)
Additions to investment properties under development	(526,650)	(10,684,454)
Purchase of property, plant and equipment	(1,482,049)	(1,096,062)
Purchase of shares in associates	(25,000)	-
Additional contribution in associates	(33,179,694)	-
Dividends received from associates	12,941,253	91,581,600
<b>Net cash flows (used in) / from investing activities</b>	<u>(68,841,390)</u>	<u>29,801,084</u>
<b>FINANCING ACTIVITIES</b>		
Dividends	(10,573)	(13,213)
<b>Net cash flows used in financing activities</b>	<u>(10,573)</u>	<u>(13,213)</u>
Increase in cash and cash equivalents	3,921,234	22,903,466
Cash and cash equivalents at the beginning of the period (note 18)	40,915,578	314,981,796
<b>Cash and cash equivalents at the end of the period (note 18)</b>	<u>44,836,812</u>	<u>337,885,262</u>
<b>NON-CASH TRANSACTIONS</b>		
Purchase of investment properties in exchange for equity shares	1,403,826,025	-
Reclassification of advance payments for subscription to a real estate fund to investments designated at FVPL	182,481,748	-
Transferred from investment properties under development to investment properties	-	5,269,975



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# Arriyadh Development Company (Saudi Joint Stock Company)

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## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the three-month period ended 31 March 2025

(All Amounts in Saudi Riyals Unless Otherwise Stated)

### 1 CORPORATE INFORMATION

Arriyadh Development Company (A Saudi Joint Stock Company) (hereinafter referred to as the “Company”) 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 financial statements for the Company 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 financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company’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 New standards, interpretations and amendments adopted by the Company

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 Company's financial statements. The Company 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 financial statements of the Company.

## 2 MATERIAL ACCOUNTING POLICIES (continued)

### 2.3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

During the period, the Company 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 Company 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 Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company 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 Company has transferred substantially all the risks and rewards of the asset, or
  - b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Arriyadh Development Company  
(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

For the three-month period ended 31 March 2025

(All Amounts in Saudi Riyals Unless Otherwise Stated)

**3. INVESTMENT PROPERTIES**

	<i>Lands on which buildings are constructed</i>			<i>Buildings</i>	<i>Total</i>
	<i>Lands</i>				
<b>Cost</b>					
As at 31 December 2024 (Audited)	112,964,524	189,456,830	823,384,593		1,125,805,947
Additions	1,403,826,025	-	-		1,403,826,025
<b>As at 31 March 2025 (Unaudited)</b>	<b>1,516,790,549</b>	<b>189,456,830</b>	<b>823,384,593</b>		<b>2,529,631,972</b>
<b>Depreciation:</b>					
As at 31 December 2024 (Audited)	-	-	312,129,527		312,129,527
Depreciation for the period	-	-	7,387,452		7,387,452
<b>At 31 March 2025 (Unaudited)</b>	<b>-</b>	<b>-</b>	<b>319,516,979</b>		<b>319,516,979</b>
<b>Net book value:</b>					
<b>At 31 March 2025 (Unaudited)</b>	<b>1,516,790,549</b>	<b>189,456,830</b>	<b>503,867,614</b>		<b>2,210,114,993</b>
As 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 SR 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).

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 31 March 2025, was SR 155.9 million (31 December 2024: SR 160 million).

The investment properties include lands totaling an amount of SR 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 Company until 31 March 2025 (Note 14).

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 year are as follows:

	<i>31 March 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	(1,367,269)	(4,573,507)
At the end of the period / year	<b>48,955,986</b>	50,323,255

Below is a statement of the lease liabilities:

	<i>31 March 2025 (Unaudited)</i>	<i>31 December 2024 (Audited)</i>
Non-current lease liabilities	47,025,399	46,390,001
Current lease liabilities	7,889,776	7,794,706
Total lease liabilities	<b>54,915,175</b>	54,184,707

The finance costs from the recognized lease liabilities during the period ended 31 March 2025 amounted to SR 730,468 (31 March 2024: SR 646,187).

Arriyadh Development Company  
(Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

For the three-month period ended 31 March 2025

(All Amounts in Saudi Riyals Unless Otherwise Stated)

**5. INVESTMENT DESIGNATED AT FVTPL**

The Company 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 Company 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 Company paid its share in the Fund, amounting to 8.7%, through a cash contribution of SR 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 Company 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:

	<b>31 March 2025 (Unaudited)</b>	31 December 2024 (Audited)
At the beginning of the period/year	-	-
Transferred from advance payments for subscription to a real estate Fund	<b>182,481,748</b>	-
Unrealized gains/(losses) from investment revaluation	-	-
At the end of the period/year	<b>182,481,748</b>	-

**6. INVESTMENT IN ASSOCIATES**

The summarized details of investments in associates are as follows:

<b>Company's name</b>	<b>% of Ownership</b>		<b>Balance</b>	
	<b>31 March 2025 (Unaudited)</b>	31 December 2024 (Audited)	<b>31 March 2025 (Unaudited)</b>	31 December 2024 (Audited)
Dira Development Company for Real Estate Development and Investment (a)	<b>46,34%</b>	46,34%	<b>700,096,421</b>	692,634,122
Abraj Al-Tilal Real Estate Development Company (b)	<b>50%</b>	50%	<b>83,914,406</b>	50,734,712
Tanal Investment and Real Estate Development Company (c)	<b>69,38%</b>	69,38%	<b>89,778</b>	13,031,031
Abraj Al-Ghadir Real Estate Development company (d)	<b>50%</b>	-	<b>25,000</b>	-
Balance at the end of the year			<b>784,125,605</b>	756,399,865

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

In 2024, the Company 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 SR 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 SR 705,209,071, while Riyadh Holding Company contributed in Al-Muqayliyah Market and Dira Markets, with total value at SR 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 the necessary legal procedures for issuing the new shares are currently being completed.

# Arriyadh Development Company (Saudi Joint Stock Company)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

For the three-month period ended 31 March 2025

(All Amounts in Saudi Riyals Unless Otherwise Stated)

### 6. INVESTMENT IN ASSOCIATES (continued)

The summarized details of investments in associates 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 Company. Currently, the Company 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, and its financial statements are prepared in accordance with the IFRS adopted in the Kingdom of Saudi Arabia, along with other standards and pronouncements endorsed by SOCPA. The accounting policies used in preparing the financial statements of the associate are consistent with those used by Arriyadh Development Company.

#### b) Abraj Al-Tilal Real Estate Development Company:

In 2024, the Company 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 SR 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 m<sup>2</sup>) and Educational Plot No. 752 of Scheme No. 3175 (with an area of 10,296.33 m<sup>2</sup>) 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 the academic year 2025/2026, as per the agreement signed with Misk Foundation by Arriyadh Development Company.

The financial statements of Abraj Al-Tilal Real Estate Development Company have not been consolidated due to the lack of control by the Company. The Company 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.

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.

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**6. INVESTMENT IN ASSOCIATES (continued)**

The summarized details of investments in associates are as follows: (continued)

c) Tanal Investment and Real Estate Development Company:

During 2019, the Company, agreed with Sumou Holding Company, to incorporate Tanal Real Estate Investment and Development Company (“Tanal”) (a Limited Liability Company) with a capital of SR 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 Company’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 company’s share to Sumou Holding Company on 30 Shawwal 1446H (corresponding to 28 April 2025). According to the agreement, the Company will obtain its share in the capital of Tanal amounting to SR 69,380, in addition to its share in the statutory reserve amounting to SR 20,814, according to the financial statements of Tanal for the year ended 31 December 2024. Subsequently, on 11 May 2025, the Company received its share in the capital and statutory reserve in Tanal.

d) Abraj Al-Ghadir Real Estate Development Company

By the end of 2024, the Company agreed with FTG Development Limited Company to establish Abraj Al-Ghadir Real Estate Development Company (a limited liability company) with a capital of SR 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 Company. Currently, the Company 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 Company's financial statements.

The financial statements of this associate 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 associate'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.

The following is the movement of investments in associates:

	<b>31 March 2025 (Unaudited)</b>	31 December 2024 (Audited)
At the beginning of the period / year	<b>756,399,865</b>	237,264,477
Share of profits	<b>7,462,299</b>	125,859,069
Investments made during the period / year	<b>33,204,694</b>	741,563,919
Dividend received	<b>(12,941,253)</b>	(348,287,600)
At the end of the period / year	<b>784,125,605</b>	756,399,865

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**6. INVESTMENT IN ASSOCIATES (continued)**

Below is the Statement of Financial Position of the associates:

**As at 31 March 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	77,997,510	30,825,714	198,464	50,000	<b>109,071,688</b>
Non-current assets	1,516,010,343	154,787,914	-	488,450	<b>1,671,286,707</b>
Current liabilities	(42,016,331)	(17,784,816)	(228,930)	(488,450)	<b>(60,518,527)</b>
Non-current liabilities	(9,178,219)	-	-	-	<b>(9,178,219)</b>
<b>Equity</b>	<b>1,542,813,303</b>	<b>167,828,812</b>	<b>(30,466)</b>	<b>50,000</b>	<b>1,710,661,649</b>
Company's share in equity %	46.34%	50%	69.38%	50%	-
Company's share in equity	714,939,685	83,914,406	89,778	25,000	<b>798,968,869</b>
Elimination of unrealized gains	(14,843,264)	-	-	-	<b>(14,843,264)</b>
<b>The carrying amount of the investment in associates</b>	<b>700,096,421</b>	<b>83,914,406</b>	<b>89,778</b>	<b>25,000</b>	<b>784,125,605</b>

**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	-	<b>115,021,438</b>
Non-current assets	1,520,219,233	107,039,425	-	-	<b>1,627,258,658</b>
Current liabilities	(33,720,679)	(50,511,229)	(2,086,483)	-	<b>(86,318,391)</b>
Non-current liabilities	(9,000,226)	-	-	-	<b>(9,000,226)</b>
<b>Equity</b>	<b>1,526,709,940</b>	<b>101,469,425</b>	<b>18,782,114</b>	<b>-</b>	<b>1,646,961,479</b>
Company's share in equity %	46.34%	50%	69.38%	-	-
Company's share in equity	707,477,386	50,734,712	13,031,031	-	<b>771,243,129</b>
Elimination of unrealized gains	(14,843,264)	-	-	-	<b>(14,843,264)</b>
<b>The carrying amount of the Investment in associates</b>	<b>692,634,122</b>	<b>50,734,712</b>	<b>13,031,031</b>	<b>-</b>	<b>756,399,865</b>

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**6. INVESTMENT IN ASSOCIATES (continued)**

The following is the statement of profit or loss and other comprehensive income of the associates:

**As at 31 March 2025 (Unaudited)**

	<i>Dira</i>		<i>Tanal</i>		
	<i>Development</i>		<i>Investment and</i>	<i>Abraj Al-Ghadir</i>	
	<i>Company for</i>	<i>Abraj Al-Tilal</i>	<i>Real Estate</i>	<i>Real Estate</i>	
	<i>Real Estate</i>	<i>Real Estate</i>	<i>Real Estate</i>	<i>Real Estate</i>	
	<i>Development</i>	<i>Development</i>	<i>Development</i>	<i>Development</i>	
	<i>and Investment</i>	<i>Company</i>	<i>Company</i>	<i>Company</i>	<i>Total</i>
Revenue	32,703,166	-	-	-	<b>32,703,166</b>
Net profit	16,103,364	-	-	-	<b>16,103,364</b>
Company's % share in net profit	46.34%	50%	69.38%	50%	-
<b>Company's share in net profit</b>	<b>7,462,299</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,462,299</b>

**As at 31 March 2024 (Unaudited)**

	<i>Dira</i>		<i>Tanal</i>		
	<i>Development</i>		<i>Investment and</i>	<i>Abraj Al-Ghadir</i>	
	<i>Company for</i>	<i>Abraj Al-Tilal</i>	<i>Real Estate</i>	<i>Real Estate</i>	
	<i>Real Estate</i>	<i>Real Estate</i>	<i>Real Estate</i>	<i>Real Estate</i>	
	<i>Development</i>	<i>Development</i>	<i>Development</i>	<i>Development</i>	
	<i>and Investment</i>	<i>Company</i>	<i>Company</i>	<i>Company</i>	<i>Total</i>
Revenue	-	-	133,992,285	-	<b>133,992,285</b>
Net profit	-	-	53,139,011	-	<b>53,139,011</b>
Company's % share in net profit	-	-	69.38%	-	-
<b>Company's share in net profit</b>	<b>-</b>	<b>-</b>	<b>36,867,846</b>	<b>-</b>	<b>36,867,846</b>

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**7 ACCOUNTS RECEIVABLE, PREPAYMENTS AND OTHER RECEIVABLES**

	<b>31 March 2025</b> <b>(Unaudited)</b>	31 December 2024 (Audited)
Accounts receivable	<b>89,409,645</b>	88,114,015
Less: Provision for expected credit losses *	<b>(50,858,758)</b>	(52,197,860)
<b>Net accounts receivable</b>	<b>38,550,887</b>	35,916,155
Accrued revenue on Murabaha investment deposits	<b>10,095,750</b>	2,149,250
Prepaid expenses	<b>3,482,631</b>	2,605,214
Advances to suppliers and contractors	<b>1,363,514</b>	802,594
Employees' advances	<b>456,220</b>	1,519,631
Others	<b>335,190</b>	3,767,273
	<b>54,284,192</b>	46,760,117

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

	<b>31 March 2025</b> <b>(Unaudited)</b>	31 December 2024 (Audited)
Balance at the beginning of the period / year	<b>52,197,860</b>	48,376,304
Provided during the period / year (Note 16)	<b>626,350</b>	7,908,539
Debt written off during the period / year	<b>(1,965,452)</b>	(4,086,983)
Balance as at the end of the period / year	<b>50,858,758</b>	52,197,860

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

	<b>Total</b>	<b>1- 90 Days</b>	<b>91- 180 Days</b>	<b>181- 270 Days</b>	<b>271- 365 Days</b>	<b>More than one year</b>
<b>Accounts Receivable</b>						
<b>31 March 2025</b>	<b>89,409,645</b>	<b>30,155,839</b>	<b>6,284,314</b>	<b>5,990,682</b>	<b>3,086,765</b>	<b>43,892,045</b>
31 December 2024	88,114,015	22,718,689	10,540,524	4,749,801	5,089,061	45,015,940
<b>Provision for expected credit losses</b>						
<b>31 March 2025</b>	<b>50,858,758</b>	<b>1,447,225</b>	<b>1,163,668</b>	<b>1,985,774</b>	<b>2,370,046</b>	<b>43,892,045</b>
31 December 2024	52,197,860	1,196,431	1,679,945	1,106,903	3,198,641	45,015,940

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**8. 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 Company's senior management personnel. Senior management employees are those who have authority and responsibility in planning, directing, and controlling the activities of the Company, either directly or indirectly, including the directors.

During the normal course of its business, the Company had the following significant transactions with major related parties during the period ended 31 March 2025 and 2024, as follows:

Description	Nature of Relationship	Nature of transaction	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Abraj Al-Tilal Real Estate Development Company	Associate	Additional capital contribution	30,429,127	-
Tanal Investment and Real Estate Development Company	Associate	Dividends	12,941,253	91,581,600
Abraj Al-Ghadir Real Estate Development Company	Associate	Expenses paid on behalf	467,854	-
Dira Development Company for Real Estate Development and Investment	Associate	Transfer the due balances to the associate	8,323,719	-
Board of Directors (Note 16)	Board of Directors	Bonuses and allowances	788,000	813,000
Senior management personnel	Key Management Personnel	Salaries, allowances, and incentives	4,891,384	3,274,651

**8.1 RELATED PARTIES' BALANCES**

Due from related parties:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Abraj Al-Ghadir Real Estate Development Company	467,854	-
Abraj Al-Tilal Real Estate Development Company	-	46,299,775
	<u>467,854</u>	<u>46,299,775</u>

Due to related parties:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Abraj Al-Tilal Real Estate Development Company	11,659,194	4,211,454
Dira Development Company for Real Estate Development and Investment	-	8,323,719
	<u>11,659,194</u>	<u>12,535,173</u>

**8.2 LEASE LIABILITIES WITH RELATED PARTIES**

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

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

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Non-current lease liabilities	8,136,333	8,010,968
Current lease liabilities	1,790,803	1,775,722
	<u>9,927,136</u>	<u>9,786,690</u>

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**9. MURABAHA INVESTMENT DEPOSITS**

As at 31 March 2025, total investment Murabaha deposit contracts amounted to SR 980 million (31 December 2024: SR 930 million), which were placed with many of the local financial institutions. The Murabaha agreements' rates ranged from 5.5% to 5.9% during the period (2024: from 5.6% to 6.3%).

**10. 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 m<sup>2</sup>. The sale of Telal Arriyadh plots is expected to be completed in 2025, following the completion of all legal procedures.

On 24 October 2024, the Board of Directors adopted a resolution to approve an in-kind contribution of 98,000 m<sup>2</sup> of land from the Technical Services land for a special purpose company in partnership with Afaq Modern Holding Company ("Agility"). The purpose of this partnership is to develop a logistics project. The transfer of the land's ownership and the completion of the incorporation procedures of the special purpose company are expected to be finalized within a year from the date of issuance of the 2024 financial statements. Therefore, the aforementioned land was reclassified under assets held for sale.

	<b>31 March 2025 (Unaudited)</b>	31 December 2024 (Audited)
Technical services land	<b>20,227,954</b>	20,227,954
Telal Arriyadh lands	<b>2,247,695</b>	2,247,695
	<b><u>22,475,649</u></b>	<u>22,475,649</u>

**11. SHARE CAPITAL AND ADDITIONAL SHARE CAPITAL**

As at 31 December 2024, the fully paid share capital amounted to SR 1,777,777,770, divided into 177,777,777 shares, each valued at SR 10. On 3 February 2025, the Company's Extraordinary General Assembly approved increasing the Company's capital to SR 2,339,308,180 through the issuance of 56,153,041 new ordinary shares, with a total nominal value of SR 561,530,410, and additional capital amounting to SR 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 SR 1,403,826,025, bringing the total number of new shares to (233,930,818 shares), with a nominal value of SR 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.

**12. 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 SR 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.

According to the Company's By-laws before the amendment, the Company must transfer 10% of its net income each year until this reserve totals 30% of the capital.

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**13. 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 31 March 2025, at the amount of SR 76,377,109 (31 December 2024: SR 76,387,682).

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 SR 58,482,704.50.

On 3 Rabi' al-Awwal1446H (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 SR 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 SR 88,888,888.

**14. ACCOUNTS PAYABLE, ACCRUED EXPENSES AND OTHER PAYABLES**

	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Advance revenue	53,774,617	42,020,112
Amounts due to expropriated real estate (A)	28,872,546	28,872,546
Accrued expenses	18,992,010	17,337,165
Insurance for others	15,547,663	15,569,046
Provisions (B)	14,142,172	14,142,172
Provision for cases	9,792,352	9,912,134
Accrued wages and employees' benefits	8,698,573	25,139,357
Accruals for Car Auction's customers	8,355,626	9,941,741
Bonuses and allowances for board and committee members	2,641,500	3,366,000
Securing reservation of rental units	2,559,035	2,073,827
Others	5,243,868	3,814,901
	<b>168,619,962</b>	<b>172,189,001</b>

- 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 31 March 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.

**15. ZAKAT PROVISION**

The movement in the Zakat provision was as follows:

	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Balance at the beginning of the period/year	36,633,631	26,880,429
Provided during the period/year	4,083,749	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	(7,511,419)	(20,392,176)
Balance at the end of the period/year	<b>33,205,961</b>	<b>36,633,631</b>

The Company has submitted its zakat returns and obtained the final zakat assessments for all previous years up to 2023. During the month of April 2025, the company submitted its zakat return for the year 2024 and paid the zakat due.

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**16. GENERAL AND ADMINISTRATIVE EXPENSES**

	<b>For the period ending 31 March</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Employee salaries, wages, and other benefits	<b>11,111,908</b>	9,579,927
Professional and consultation fees	<b>2,592,392</b>	1,248,520
Board of directors' allowances and compensation (Note 8)	<b>788,000</b>	813,000
Expense of expected credit losses (Note 7)	<b>626,350</b>	1,021,512
Maintenance and operation	<b>309,926</b>	319,951
Compensation expense based on a court ruling	<b>-</b>	3,054,000
Others	<b>1,489,473</b>	869,589
	<b><u>16,918,049</u></b>	<u>16,906,499</u>

**17. 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:

	<b>31 March</b>	<b>31 March</b>
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Profit for the period from main operations	<b>25,709,513</b>	34,184,835
Net profit for the period	<b>42,065,118</b>	70,487,445
Weighted average number of ordinary shares held for calculating basic and diluted earnings per share	<b>206,478,220</b>	177,777,777
Basic and diluted earnings per share in profit for the period from main operations	<b>0.12</b>	0.19
Basic and diluted earnings per share in net profit for the period	<b>0.20</b>	0.40

**18. CASH AND CASH EQUIVALENTS**

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

	<b>31 March</b>	<b>31 March</b>
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Cash at banks	<b>44,836,812</b>	60,885,262
Deposits maturing within three months from the placement date	<b>-</b>	277,000,000
	<b><u>44,836,812</u></b>	<u>337,885,262</u>

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**19. SEGMENT INFORMATION**

The segment information is attributable to the Company's activities and business on the bases of which the Company'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 following summary of segmental financial information in Saudi Riyal according to the nature of the activity:

	Commercial centers segment	Public benefit segment	Lands, contributions, and property development segment	Common assets and liabilities segment	Total
<b>31 March 2025 (Unaudited):</b>					
Total assets	682,656,324	117,687,485	1,516,790,552	2,031,415,590	4,348,549,951
Total liabilities	111,186,623	38,041,193	14,142,174	195,444,219	358,814,209
<b>31 December 2024 (Audited):</b>					
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
<b>31 March 2025 (Unaudited):</b>					
Revenue	31,408,145	38,130,154	-	-	69,538,299
Costs of revenue	(18,407,459)	(7,502,894)	(1,000,384)	-	(26,910,737)
General and administrative expenses	-	-	-	(16,918,049)	(16,918,049)
Finance costs on lease liabilities	(586,870)	-	-	(143,598)	(730,468)
Investment Murabaha deposits	-	-	-	-	-
Income	-	-	-	13,526,500	13,526,500
Company's share in profits from associates	-	-	-	7,462,299	7,462,299
Other income	-	-	-	181,023	181,023
Net profit for the period before zakat	12,413,816	30,627,260	(1,000,384)	4,108,175	46,148,867
Zakat	-	-	-	(4,083,749)	(4,083,749)
Net profit for the period	12,413,816	30,627,260	(1,000,384)	24,426	42,065,118
<b>31 March 2024 (Unaudited):</b>					
Revenue	40,479,703	37,951,175	-	-	78,430,878
Costs of revenue	(20,649,811)	(6,689,733)	-	-	(27,339,544)
General and administrative expenses	-	-	-	(16,906,499)	(16,906,499)
Finance costs on lease liabilities	(646,187)	-	-	-	(646,187)
Investment Murabaha deposits	-	-	-	-	-
Income	-	-	-	14,344,882	14,344,882
Company's share in profits from associates	-	-	-	36,867,846	36,867,846
Other income	-	-	-	388,289	388,289
Net profit for the period before zakat	19,183,705	31,261,442	-	34,694,518	85,139,665
Zakat	-	-	-	(14,652,220)	(14,652,220)
Net profit for the period	19,183,705	31,261,442	-	20,042,298	70,487,445

The commercial centers segment represents the public transportation market, Ta'meer International Car Auction, Ta'meer market, Atiqa 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 and property development segment represent the Company'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.

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**20. FAIR VALUE MEASUREMENT**

The following table shows the fair value measurement hierarchy of the Company's financial assets and financial liabilities as at 31 March 2025 and 31 December 2024.

**As at 31 March 2025 (Unaudited)**

	<b>Book value</b>	<b>First level</b>	<b>Second level</b>	<b>Third level</b>	<b>fair value</b>
Investments designated at FVTPL	<b>182,481,748</b>	-	-	<b>182,481,748</b>	<b>182,481,748</b>
	<b>182,481,748</b>	-	-	<b>182,481,748</b>	<b>182,481,748</b>

**As at 31 December 2024 (Audited)**

	<b>Book value</b>	<b>First level</b>	<b>Second level</b>	<b>Third level</b>	<b>fair value</b>
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.

**21. RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's principal financial liabilities consist of lease liabilities, trade payables, accruals, amounts due from related parties, and other liabilities. The Company'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 Company may be exposed to the following risks arising from financial instruments:

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

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

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**21. RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

**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 Company'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 Company 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 Company 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.

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

	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Murabaha investment deposits *	<b>980,000,000</b>	930,000,000
Cash at banks	<b>44,836,812</b>	40,915,578
Accounts receivables, net	<b>38,550,887</b>	35,916,155
Due from related parties	<b>467,854</b>	46,299,775
	<b><u>1,063,855,553</u></b>	<u>1,053,131,508</u>

\* The Company has investment Murabaha deposits amounting to SR 980 million with a number of local financial institutions, which represent approximately 23% of the value of the Company's assets as of 31 March 2025.

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

**22. COMMITMENTS AND CONTINGENCIES**

The Company 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.

**23. SUBSEQUENT EVENTS**

Except for what was indicated in Notes (6, 12, 13 and 15), in the opinion of management, there were no significant subsequent events after 31 March 2025 and until the date of the approval of the interim condensed financial statements by the Board of Directors that may have a material impact on the interim condensed financial statements as at 31 March 2025.

**24. APPROVAL OF INTERIM CONDENSED FINANCIAL STATEMENTS**

The interim condensed financial statements were approved by the Board of Directors on 13 Thul-Qi'dah 1446H (11 May 2025).