



**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY  
(SAUDI JOINT STOCK COMPANY)  
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2025**

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(A SAUDI JOINT STOCK COMPANY)

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

**For the year ended 31 December 2025**

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<b>INDEX</b>	<b><u>PAGE</u></b>
INDEPENDENT AUDITOR'S REPORT	1-5
STATEMENT OF FINANCIAL POSITION	6
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	7
STATEMENT OF CHANGES IN EQUITY	8
STATEMENT OF CASH FLOWS	9
NOTES TO THE FINANCIAL STATEMENTS	10-38

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of View United Real Estate Development Company  
(A Saudi Joint Stock Company)

### Opinion

We have audited the financial statements of **View United Real Estate Development Company** - as Saudi Joint Stock Company ("the Company"), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board ("IFRS Accounting Standards") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**INDEPENDENT AUDITOR’S REPORT (CONTINUED)**  
**To the Shareholders of View United Real Estate Development Company**  
**(A Saudi Joint Stock Company)**

**Key Audit Matters (continued)**

Key Audit Matter	How our audit addressed the key audit matter
<p><b>Impairment of development properties</b></p> <p>The Company holds development properties amounting to <del>SR</del> 45 million as at 31 December 2025 (2024: <del>SR</del> 58 million. Development properties are carried at the lower of cost and net realisable value (“NRV”) and principally include completed and under development residential units and free-hold land parcels. The Company estimates NRV using comparable selling price in the ordinary course of business. All development properties (held for development or sale) are initially recognized at acquisition cost and subsequently re-measured at the lower of cost and net realizable value.</p> <p>For the purpose of estimating the NRV, management engaged professionally qualified external valuers (the “Valuers”) licensed by the Saudi Authority for Accredited Valuers and performed their work in accordance with International Valuation Standards issued by the International Valuation Standards Council (IVSC) as well as the regulations issued by the Saudi Authority for Accredited Valuers (TAQEEM).</p> <p>The valuation of the Company’s development properties, for the purpose of NRV, is inherently subjective due to, among other factors, the individual nature of each property, its location and comparable selling prices.</p> <p>We considered this to be a key audit matter because the significance of the estimates and judgements involved in determining the NRV of development properties, such as the Company’s estimate of comparable sales price, warrants specific audit focus in this area as any significant change in this estimate, could have a material impact on the carrying value of the Company’s development properties.</p> <p>The Company’s accounting policy for development properties is disclosed in note 3-4, the significant accounting estimates, assumptions and judgments relating to development properties are disclosed in note 4 and related disclosures about development properties are included in note 10 of the accompanying financial statements.</p>	<p>We have performed the following procedures to address this matter:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the valuation process and tested design and implementation of key internal controls;</li> <li>• Assessed the competence, capabilities and objectivity of the Valuers engaged by management;</li> <li>• On sample basis, with the help of our independent valuation specialist, we performed the following procedures: <ul style="list-style-type: none"> <li>- Assessed the methodology applied by the Valuers to ensure the valuation approach used and methodology adopted by the Valuers is appropriate for determining the NRV of development properties for the purpose of the financial statements.</li> <li>- Tested the appropriateness of key underlying assumptions used by the Valuers and the Company in determining NRV.</li> </ul> </li> <li>• Assessed the adequacy and appropriateness of the related disclosures in the accompanying financial statements.</li> </ul>

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **To the Shareholders of View United Real Estate Development Company (A Saudi Joint Stock Company)**

#### **Other matters**

- The financial statements of the Company for the year ended 31 December 2024 were audited by another auditor, who expressed an unmodified opinion on those statements on 27 Ramadan 1446 H (corresponding 27 March 2025).
- As part of our audit of the 2025 financial statements, we also audited the adjustments described in Note (35) that were applied to amend the 2024 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2024 financial statements of the Company other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2024 financial statements taken as a whole.

#### **Other Information included in the Company's 2025 Annual Report**

Management is responsible for the other information. The other information comprises the information included in the Company's 2025 annual report but does not include in the financial statements and our auditor's report thereon. The Company's 2025 annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Company's 2025 annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**To the Shareholders of View United Real Estate Development Company**  
**(A Saudi Joint Stock Company)**

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

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**To the Shareholders of View United Real Estate Development Company**  
**(A Saudi Joint Stock Company)**

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

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

For Alluhaid & Alyahya Chartered Accountants



Turki A. Alluhaid  
Certified Public Accountant  
License No. (438)



Riyadh: 22 Ramadan 1447 H  
(11 March 2026)

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

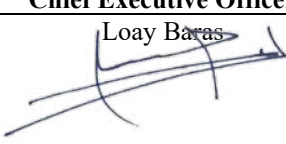
**STATEMENT OF FINANCIAL POSITION**

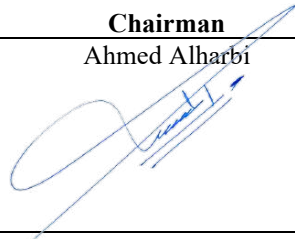
**As of 31 December 2025**

**(ALL AMOUNTS IN  $\text{R.S.}$  UNLESS OTHERWISE STATED)**

	<u>Notes</u>	<u>31 December 2025</u>	<u>31 December 2024</u> (Restated note 35)	<u>1 January 2024</u> (Restated note 35)
<b>Assets</b>				
<b>Non-current assets</b>				
Property and equipment	(5)	588,908	693,615	880,172
Right-of-use assets	(6)	654,466	414,077	591,545
Investment properties	(7)	13,534,289	-	-
Intangible assets	(8)	3,429	11,999	20,601
Financial assets at FVTPL	(9)	870,894	1,287,300	1,166,014
Properties under development – non-current portion	(10)	23,278,319	-	-
<b>Total non-current assets</b>		<b>38,930,305</b>	<b>2,406,991</b>	<b>2,658,332</b>
<b>Current assets</b>				
Properties under development – current portion	(10)	21,900,713	58,021,759	8,167,821
Constructing works under construction		-	-	764,407
Contract assets	(11)	41,929,465	45,251,398	-
Trade receivables	(12)	6,104,140	3,923,700	8,633,308
Prepayments and other current assets	(13)	4,175,073	3,116,231	3,807,163
Cash at banks	(14)	25,717,759	20,707,048	33,943,632
Due from related parties	(15)	-	7,906,510	23,670,280
<b>Total current assets</b>		<b>99,827,150</b>	<b>138,926,646</b>	<b>78,986,611</b>
<b>Total assets</b>		<b>138,757,455</b>	<b>141,333,637</b>	<b>81,644,943</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital	(16)	33,000,000	33,000,000	33,000,000
Share premium		18,000,000	18,000,000	18,000,000
Statutory reserve		50,000	50,000	50,000
Actuarial reserve		(334,125)	(343,585)	(300,378)
Retained earnings		38,261,382	26,592,361	15,287,396
<b>Total equity</b>		<b>88,977,257</b>	<b>77,298,776</b>	<b>66,037,018</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Lease liabilities – non-current portion	(6)	465,553	221,814	432,832
Credit facilities – non-current portion	(17)	13,957,254	44,139,129	-
Employee end-of-service liabilities	(18)	1,653,167	1,411,737	1,180,762
<b>Total Non-Current Liabilities</b>		<b>16,075,974</b>	<b>45,772,680</b>	<b>1,613,594</b>
<b>Current liabilities</b>				
Lease liabilities – current portion	(6)	203,279	211,018	200,748
Credit facilities – current portion	(17)	25,758,750	8,290,000	-
Trade payables	(19)	426,943	474,694	1,626,209
Contract liabilities	(20)	1,880,752	1,573,317	8,114,524
Accruals and other current liabilities	(21)	3,832,128	6,606,407	2,819,898
Due to related parties	(15)	133,584	-	-
Zakat provision	(22)	1,468,788	1,106,745	1,232,952
<b>Total current liabilities</b>		<b>33,704,224</b>	<b>18,262,181</b>	<b>13,994,331</b>
<b>Total Liabilities</b>		<b>49,780,198</b>	<b>64,034,861</b>	<b>15,607,925</b>
<b>Total Equity and Liabilities</b>		<b>138,757,455</b>	<b>141,333,637</b>	<b>81,644,943</b>

  
**Chief Financial Officer**  
 Awad Albaz

  
**Chief Executive Officer**  
 Loay Baras

  
**Chairman**  
 Ahmed Alharbi

The accompanying notes 1 to 37 form an integral part of these financial statements.

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

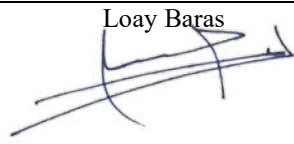
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

**For the year ended 31 December 2025**

**(ALL AMOUNTS IN  $\text{SAR}$  UNLESS OTHERWISE STATED)**

	<u>Notes</u>	<u>31 December 2025</u>	<u>31 December 2024</u>
Revenue	(23)	<b>95,308,092</b>	92,491,677
Cost of revenue	(24)	<b>(71,046,049)</b>	(63,110,387)
<b>Gross profit</b>		<b>24,262,043</b>	29,381,290
Valuation gains from investment properties	(7)	<b>6,110,497</b>	-
General and administration expenses	(25)	<b>(6,767,783)</b>	(7,468,716)
Selling and marketing expenses	(26)	<b>(880,843)</b>	(866,023)
<b>Operating income</b>		<b>22,723,914</b>	21,046,551
Finance charges	(27)	<b>(124,526)</b>	(76,710)
(Losses) / income from change on financial assets at FVTPL	(9)	<b>(189,791)</b>	121,286
Dividend from financial assets at FVTPL	(9)	<b>35,743</b>	31,258
Other income	(28)	<b>592,463</b>	1,189,325
<b>Profit for the year before zakat</b>		<b>23,037,803</b>	22,311,710
Zakat expense	(22)	<b>(1,468,782)</b>	(1,106,745)
<b>Profit for the year</b>		<b>21,569,021</b>	21,204,965
<b>Other comprehensive income / (loss):</b>			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Remeasurement gain / (loss) on employee end-of-service liabilities	(18)	<b>9,460</b>	(43,207)
<b>Total other comprehensive income / (loss) for the year</b>		<b>9,460</b>	(43,207)
<b>Total comprehensive income for the year</b>		<b>21,578,481</b>	21,161,758
<b>Earnings per share</b>	(29)	<b>0.33</b>	0.32

  
**Chief Financial Officer**  
 Awad Albaz

  
**Chief Executive Officer**  
 Loay Baras

  
**Chairman**  
 Ahmed Alharbi

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**STATEMENT OF CHANGE IN EQUITY**

**For the year ended 31 December 2025**

**(ALL AMOUNTS IN ₪ UNLESS OTHERWISE STATED)**

	<u>Notes</u>	<u>Share capital</u>	<u>Share premium</u>	<u>Additional capital contribution</u>	<u>Statutory reserve</u>	<u>Actuarial reserve</u>	<u>Retained earnings</u>	<u>Total</u>
<b>Balance at 1 January 2024</b>		33,000,000	18,000,000	880,455	50,000	(300,378)	14,406,941	66,037,018
Adjustment on correction of error	(35)	-	-	(880,455)	-	-	880,455	-
<b>Balance at 1 January 2024 (restated)</b>	(35)	33,000,000	18,000,000	-	50,000	(300,378)	15,287,396	66,037,018
Profit for the year		-	-	-	-	-	21,204,965	21,204,965
Other comprehensive loss		-	-	-	-	(43,207)	-	(43,207)
<b>Total comprehensive income</b>		-	-	-	-	(43,207)	21,204,965	21,161,758
Dividends	(30-2)	-	-	-	-	-	(9,900,000)	(9,900,000)
<b>Balance at 31 December 2024 (restated)</b>	(35)	33,000,000	18,000,000	-	50,000	(343,585)	26,592,361	77,298,776
<b>Balance at 1 January 2025 (restated)</b>	(35)	33,000,000	18,000,000	-	50,000	(343,585)	26,592,361	77,298,776
Profit for the year		-	-	-	-	-	21,569,021	21,569,021
Other comprehensive income		-	-	-	-	9,460	-	9,460
<b>Total other comprehensive income</b>		-	-	-	-	9,460	21,569,021	21,578,481
Dividends	(30-1)	-	-	-	-	-	(9,900,000)	(9,900,000)
<b>Balance at 31 December 2025</b>		33,000,000	18,000,000	-	50,000	(334,125)	38,261,382	88,977,257

**Chief Financial Officer**  
Awad Albaz

**Chief Executive Officer**  
Loay Baras

**Chairman**  
Ahmed Alharbi

The accompanying notes 1 to 37 form an integral part of these financial statements

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**STATEMENT OF CASH FLOWS**

**For the year ended 31 December 2025**

**(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)**

	<u>Notes</u>	<u>31 December 2025</u>	<u>31 December 2024</u>
<b>Cash flow from operating activities</b>			
Profit for the year before zakat		23,037,803	22,311,710
<b>Adjustments to:</b>			
Depreciation of property and equipment	(5)	169,852	177,969
Amortization of intangible assets	(8)	8,570	8,602
Depreciation of right-of-use assets	(6)	195,398	177,468
Valuation gains from investment properties	(7)	(6,110,497)	-
Loss / (income) on financial assets at FVTPL	(9)	189,791	(121,286)
Provision for employee end-of-service liabilities	(18)	281,737	274,458
Loss from the sale of properties and equipment		-	19,942
Finance costs	(27)	124,526	76,710
		<u>17,897,180</u>	<u>22,925,573</u>
<b>Change in operating assets and liabilities:</b>			
Trade receivables		(2,180,440)	4,709,608
Related parties balance		8,040,094	15,763,770
Prepayments and other current asset		(1,058,842)	690,932
Trade payables		(47,751)	(1,151,515)
Properties under development		9,759,205	(46,749,120)
Contracting works under construction		-	764,407
Contract assets		3,321,933	(45,251,398)
Contract liabilities		307,435	(6,541,207)
Accruals and other current liabilities		(2,774,279)	3,786,509
<b>Cash flows from (used in) operations</b>		<u>33,264,535</u>	<u>(51,052,441)</u>
Zakat paid	(22)	(1,106,739)	(1,232,952)
Employees end-of-service liabilities paid	(18)	(98,960)	(136,747)
<b>Net cash flows generated from (used in) operating activities</b>		<u>32,058,836</u>	<u>(52,422,140)</u>
<b>Cash flows from investing activities</b>			
Additions to property and equipment	(5)	(65,145)	(20,854)
Proceeds from disposal of property and equipment		-	9,500
Disposal of financial assets at FVTPL	(9)	226,615	-
<b>Net cash flows generated from (used in) investing activities</b>		<u>161,470</u>	<u>(11,354)</u>
<b>Cash flows from financing activities</b>			
Finance costs paid on lease liabilities	(6)	(56,413)	(26,653)
Proceeds from credit facilities	(17)	13,500,000	50,991,478
Repayments of credit facilities	(17)	(26,121,478)	-
Finance cost paid on credit facilities	(17)	(4,431,917)	(1,667,167)
Payments of lease liabilities	(6-2)	(199,787)	(200,748)
Dividends paid	(30)	(9,900,000)	(9,900,000)
<b>Net cash flows (used in) generated from financing activities</b>		<u>(27,209,595)</u>	<u>39,196,910</u>
<b>Net increase / (decrease) in cash at banks</b>		<u>5,010,711</u>	<u>(13,236,584)</u>
Cash at banks at beginning of the year		<u>20,707,048</u>	<u>33,943,632</u>
<b>Cash at banks at the end of the year</b>	(14)	<u>25,717,759</u>	<u>20,707,048</u>
<b>Non-cash transactions</b>			
Right of use assets, and lease liabilities	(6)	435,787	-
Transferred from properties under development to investment properties	(10)	7,423,792	-
Remeasurement of employee end-of-service liabilities	(18)	(9,460)	43,207
Financing cost capitalized	(10)	4,340,270	3,104,818

**Chief Financial Officer**

Awad Albaz

**Chief Executive Officer**

Loay Baras

**Chairman**

Ahmed Alharbi

The accompanying notes 1 to 37 form an integral part of these financial statements

# VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)

### 1- CORPORATE INFORMATION

View United Real Estate Development Company ("the Company") is a Saudi Joint Stock Company registered under Regulations for the Companies in the Kingdom of Saudi Arabia operate under Commercial Registration Number (1010310830) issued on 13 Rajab 1432 AH, corresponding to 15 June 2011.

On 22 June 2022, an amendment was made to Article Two regarding the name of the Company from "Bena and Sakan" to " View United Real Estate Development Company". Therefore, the shareholders agreed to amend the Company's Articles of Association on 11 Ramadan 1444 AH, corresponding to 2 April 2023, and the shareholders agreed to restructure the Company from a Limited Liability Company to a Closed Joint Stock Company with all its rights, obligations, employees, licenses, and all its financial, technical, and administrative resources .

On 20 Shawwal 1444 AH, corresponding to 10 May 2023, the shareholders agreed to restructure the Company from a Closed Joint Stock Company to a Public Joint Stock Company with all its rights, obligations, employees, licenses, and all its financial, technical, and administrative resources .

As stated in the Commercial Registration, the Company's activities include general construction of residential buildings; general construction of non-residential buildings such as schools, hospitals, and hotels; purchase and sale of land and real estate and subdivision thereof; off-plan sales activities; management and leasing of owned or leased residential properties; and management and leasing of owned or leased non-residential properties. The Company's current actual activity consists of developing residential units and villas for the Company and for third parties, as well as leasing residential and commercial properties.

As stated in the Company's Articles of Association, its objectives include agriculture and fishing; mining and petroleum and their branches; manufacturing industries and their branches in accordance with industrial licenses; electricity, gas and water and their branches; construction and building; trade; transport, storage and refrigeration; financial, business and other services; social, community and personal services; information purification; security and safety; purchasing land for the purpose of constructing buildings thereon and investing in such buildings through sale or lease for the benefit of the Company; management, maintenance and development of real estate; acquisition and ownership of property for the benefit of the Company; and the purchase, sale and exploitation of real estate and land for the benefit of the Company..

The financial statements comprise the financial statements of the Company and its subsidiaries.

#### Subsidiaries' Documentation:

<u>CR No.</u>	<u>Description</u>	<u>City</u>	<u>Activity</u>
1010341436	Aktal Real Estate Company Branch	Riyadh	The Company's activities include the purchase, sale, and subdivision of land and real estate, off-plan sales activities, and the management and leasing of owned or leased residential and non-residential properties. In addition, the Company provides real estate brokerage services and commission-based property management services.
1010806308	Branch of Blocks Company	Riyadh	The Company's activities include the general construction of residential buildings and the general construction of non-residential buildings, such as schools, hospitals, hotels, airports and related facilities, and government buildings. The Company also undertakes the construction of prefabricated buildings on-site, renovation and refurbishment of residential and non-residential buildings, and the installation, maintenance, and repair of heating systems powered by electricity, gas, or oil. In addition, the Company installs, maintains, and repairs solar energy systems, cooling and air conditioning systems, and fire-fighting pipeline networks.

The Company's registered head office address is: Ans Bin Malik, Al Yasmin District, P.O. Box 3839 – 6577, Riyadh 13325, Kingdom of Saudi Arabia.

### 2- BASIS OF PREPARATION

#### 2-1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

# VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)

### 2- BASIS OF PREPARATION (CONTINUED)

#### 2-2 Basis of Measurement

The financial statements have been prepared on the accrual basis of accounting and on a going concern basis, using the historical cost convention, except for:

- Certain financial assets are measured at fair value through profit or loss.
- Investment properties are measured at fair value through profit or loss.
- Employee end-of-service benefits liabilities are recognized at the present value of future obligations using the projected unit credit method.

#### 2-3 Functional and Presentation currency

These financial statements are presented in ﷲ which is the Company's functional and presentation currency.

#### 2-4 New standards, amendments to standards and interpretation

##### 2-4-1 New and revised International Financial Reporting Standards issued and effective in 2025

A number of new amendments to the standards, listed below, are effective from 1 January 2025, but do not have a material impact on the Company's financial statements.

Amendments to standard	Description	Effective for annual years beginning on or after	Summary of the amendment
IAS 21	Lack of Exchangeability	1 January 2025	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments include new disclosures to help users of financial statements assess the impact of using the estimated exchange rate.

##### 2-4-2 New standards, amendments to IFRS revised, issued but are not yet effective:

The company has not applied the following amendments to IFRSs that have been issued but are not yet effective.

Amendments to standard	Description	Effective for annual years beginning on or after	Summary of the amendment
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026	These amendments clarify financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception. The new exception permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date. They also provide guidelines to assess contractual cash flow characteristics of financial assets, which apply to all contingent cash flows, including those arising from environmental, social, and governance (ESG)-linked features. Additionally, these amendments introduce new disclosure requirements and update others.
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027	IFRS 18 replaces IAS 1, which sets out presentation and base disclosure requirements for financial statements. The changes, which mostly affect the income statement, include the requirement to classify income and expenses into three new categories – operating, investing and financing – and present subtotals for operating profit or loss and profit or loss before financing and income taxes. Further, operating expenses are presented directly on the face of the income statement – classified either by nature (e.g. employee compensation), by function (e.g. cost of sales) or using a mixed presentation. Expenses presented by function require more detailed disclosures about their nature. IFRS 18 also provides enhanced guidance for aggregation and disaggregation of information in the financial statements, introduces new disclosure requirements for management-defined performance measures (MPMs)* and eliminates classification options for interest and dividends in the statement of cash flows.
IFRS 19	Subsidiaries without Public Accountability	1 January 2027	IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. A subsidiary is eligible when the ultimate parent company prepares consolidated financial statements for public use in accordance with International Financial Reporting Standards.

## VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN ~~SR~~ UNLESS OTHERWISE STATED)

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## 2- BASIS OF PREPARATION (CONTINUED)

### 2-4 New standards, amendments to standards and interpretation (CONTINUED)

#### 2-4-2 New standards, amendments to IFRS revised, issued but are not yet effective (CONTINUED)

Management anticipates that these new standards interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of these interpretations and the Company has not early adopted them in preparing these Financial Statements. The Company is currently evaluating the impact of the adoption of these standards on the Financial Statements.

## 3- MATERIAL ACCOUNTING POLICIES

### 3-1 Property and Equipment

The property and equipment are presented at cost less accumulated depreciation and accumulated impairment losses, if any. This cost includes the cost of replacing parts of the assets and equipment and borrowing costs related to long-term construction projects if the recognition criteria are met. If it is necessary to replace significant parts of the assets and equipment over time, the company depreciates these parts independently over their useful lives. Conversely, in a major inspection, the cost of the assets and equipment is recognized in the book value as a replacement cost, if the recognition criteria are met. All costs of repairs and other maintenance are expenses in the statement of income as incurred. The present value of the expected cost of dismantling an asset after its use is included in the cost of the relevant asset if the recognition criteria related to recognizing the provision are met.

Depreciation is charged on a straight-line basis over the estimated useful lives of the assets as follows:

<u>Item</u>	<u>Rate</u>
Leasehold improvements	The shorter of 10% or the lease term
Supplies & Electrical Equipment	25%
Vehicles	25%
Furniture & Fixtures	10%
Computers	25%

Gains or losses arising from the sale or disposal of an asset are determined as the difference between the sale proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss and other comprehensive income.

At each financial reporting date, the Company reviews the carrying amount of its intangible assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit or loss and other comprehensive income..

### 3-2 Investment Property

Investment properties mainly comprise completed projects, including properties and developed land held for long-term capital appreciation. Investment properties are held to earn rental income and/or for capital appreciation, or both, and are not held for sale in the ordinary course of business nor for use in production or administrative purposes.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value, reflecting market conditions at the reporting date. Gains or losses arising from changes in the fair value of investment properties are recognized in the statement of profit or loss and other comprehensive income in the period in which they arise, including the related tax effect. Fair values are determined based on annual valuations performed by independent external valuers accredited by the Saudi Authority for Accredited Valuers.

An investment property is derecognized upon disposal or when it is transferred or reclassified to properties under development. Any gain or loss arising on derecognition of an investment property is recognized immediately in the statement of profit or loss and other comprehensive income.

Gains or losses arising from the sale or disposal of investment properties, representing the difference between the net disposal proceeds and the carrying amount, are recognized in the statement of profit or loss and other comprehensive income in the period of sale or disposal.

### 3-3 Intangible Assets

Intangible assets are presented at costless accumulated amortization and impairment losses, if any. Intangible assets are amortized over their estimated useful lives of (4) years on a straight-line basis.

## VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)

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### 3- MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 3-4 Development Property

All development properties are initially measured at acquisition cost and are subsequently measured and accounted for at the lower of cost or net realizable value. This item mainly consists of projects under implementation and plots of land under development for sale during the normal course of business, rather than holding them for the purpose of generating rental income or capital appreciation. The cost includes all costs directly attributable to the properties under development, including the direct cost of materials, direct labor costs, loan costs and indirect expenses incurred in bringing the properties under development to its current site and condition. Impairment is tested by comparing the net realizable value, representing the estimated selling price less all estimated costs to complete and sell, as incurred.

The operating cycle for development properties represents those where all development properties are substantially held for a longer period and will not be realized within 12 months. If there is a change in management's intention and any development properties are identified for immediate sale, they are classified between the long-term and short-term development properties, which represent the non-current portion and the current portion of the properties under development, respectively.

At each financial reporting date, management classifies development property projects as either long-term or short-term based on their expected completion and sale dates. If the project is expected to be completed and sold within one year from the date of the statement of financial position, the project is classified as short-term development property.

#### 3-5 Impairment of tangible Assets

At each reporting date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication of impairment. When the recoverable amount of an individual asset cannot be estimated, the asset is tested for impairment at the level of the cash-generating unit (CGU) to which it belongs. Assets are allocated to CGUs based on the smallest identifiable group of assets that generates cash inflows independently, or using another method when a reasonable and consistent allocation basis exists.

The recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is determined by discounting the estimated future cash flows to their present value using a discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset, for which the cash flow estimates have not been adjusted. If the recoverable amount of an asset (or CGU) is less than its carrying amount, the carrying amount is reduced to the recoverable amount. Impairment losses are recognized in the statement of profit or loss.

#### 3-6 Contract Assets and Contract Liabilities

Under IFRS 15, when either party to a contract performs a contract, the entity shall present the contract in the statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity's performance and the billing arrangements. A contract asset represents the entity's right to consideration for services transferred from the entity to the customer. A contract liability represents the entity's obligation to transfer services to a customer in exchange for the entity receiving consideration or being entitled to consideration from the customer. The value of work performed in excess of the amounts invoiced is classified as "contract assets" within current assets, while the amounts invoiced in excess of the value of work completed at the statement of financial position date are classified as contract liabilities within current liabilities. When the total estimated costs to complete the contract exceed its value at the end of the accounting period, the total expected loss on the contract is charged to the income statement in the same period.

#### 3-7 Cost of Borrowing

Borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset, which is one that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of the cost of that asset. Borrowing costs include commissions and other expenses incurred by the entity in obtaining loans.

#### 3-8 Financial Instruments

Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Initial measurement: Financial assets and liabilities are initially measured at fair value.

Transaction costs: All transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (except for those measured at fair value through profit or loss – FVTPL) are added to or deducted from the fair value of the financial asset or liability at initial recognition. Transaction costs incurred on financial assets or liabilities measured at FVTPL are recognized immediately in profit or loss.

## VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN ~~SR~~ UNLESS OTHERWISE STATED)

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### 3- MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 3-9 Classification and Measurement - Financial Assets

The classification and measurement of financial assets depends on the company's business model for managing its financial assets and the contractual cash flow characteristics of the financial assets. Any derivatives embedded in the contracts are not separated and are considered as a whole in the classification. Financial assets are primarily classified into categories measured as follows:

- Amortized cost
- FVOCI
- FVTPL

Financial assets initially recognized at fair value are subsequently measured at amortized cost based on expected credit losses, as follows:

- 12-month expected credit losses - Expected credit losses resulting from default events on the financial instrument that are possible within 12 months after the reporting date.
- Lifetime expected credit losses - expected credit losses that result from all possible default events over the expected life of the financial instrument.

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

Specifically, IFRS 9 requires the Company to recognize a loss allowance for expected credit losses on:

- Debt instruments measured subsequently at amortized cost or at FVTOCI;
- Lease receivables, trade receivables and contract assets; and
- Financial guarantee contracts to which the impairment requirements of IFRS 9 apply.

A loss allowance for lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has increased significantly since initial recognition, as well as to contract assets or trade receivables that do not constitute a financing transaction in accordance with IFRS 15.

#### 3-10 Trade receivables

Trade receivables are classified as financial assets and are initially recognized at the amount of consideration/ transaction price unless they contain significant financing components, when they are recognized at fair value. The Company do not charge interest on trade receivable and holds the principal outstanding of the trade receivables with the objective to collect the contractual cash flows therefore measures them subsequently at amortized cost using the effective interest method less any provision for impairment for expected credit loss. The Company assesses receivables that are individually significant and receivables included in a group of financial assets with similar credit risk characteristics for impairment. This assessment of impairment requires judgment. In making this judgment, the Company evaluates credit risk characteristics that consider past default experience of the customer and analyze the general economic conditions of the industry in which the customers operate and current financial position specific to the customers and an assessment of both the current as well as the forecast direction of past-due status and other loss event factors being indicative of the ability to pay all amounts due as per contractual terms at the reporting date. A provision for credit loss is made where there is an objective evidence, including customers with financial difficulties or in default on payments, that amounts will not be recovered in accordance with original terms of the agreement and the carrying value of the receivable exceeds the present value of the future cash flow discounted using the original effective interest rate. The carrying value of the receivable is reduced with the provision for expected credit loss and any impairment loss is recognized in the consolidated profit or loss.

Management applies the simplified approach in calculating ECLs. Therefore, management does not track changes in credit risk, but instead recognized a loss allowance base on lifetime ECL's at each reporting date. Management has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

#### 3-11 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, current banks accounts, deposits with banks, and other short-term, highly liquid investments with original maturities of 3 months or less from the acquisition date (if any) that are readily convertible into a specified amount of cash, are subject to an insignificant risk of change in value, and are available for the Company's use.

## VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)

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### 3- MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 3-12 Investments carried out at FVTPL

Investments carried at FVTPL are initially recognized at fair value, and transaction costs are transferred directly to the statement of profit or loss and other comprehensive income, after which they are presented at fair value by reference to quoted market prices at the close of business on the date of the statement of financial position. Realized and unrealized gains or losses on disposal of investments carried at FVTPL are recognized in the statement of profit or loss and other comprehensive income.

#### 3-13 Financial Liabilities

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, or loans and borrowings, or trade payables, as appropriate.

All financial liabilities are initially recognized at fair value, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, credit facilities, and lease contract liabilities. As of 31 December 2025, all of the Company's financial liabilities have been classified at amortized cost.

#### Subsequent Measurement

After initial recognition, credit facilities that bear commission are subsequently measured at amortized cost using the effective commission rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, as well as through the effective commission rate amortization process.

Amortized cost is calculated by taking into account any premium or discount on acquisition and fees or costs that are an integral part of the effective commission rate.

The amortization of the effective commission rate is included as finance costs in the statement of profit or loss and other comprehensive income.

This category generally applies to credit facilities that bear commission.

#### Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or when the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the respective carrying amounts is recognized in the statement of profit or loss and other comprehensive income within general and administrative expenses.

#### Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and presented net in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

#### 3-14 Trade and other payables

Trade payables are initially recognized at fair value and subsequently measured at amortized cost using the effective commission rate method.

#### 3-15 Amounts due to related parties

Amounts due to related parties are measured at amortized cost and are settled within 30 to 45 days.

#### 3-16 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that any asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated. Recoverable amount is the higher of the fair value of an asset or cash-generating unit, less cost to sell or value in use. An asset's recoverable amount is determined unless the asset generates cash flows that are largely independent of other assets or groups of assets. If the carrying value of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and reduced to its recoverable amount. When estimating present value, the estimated future cash flows are discounted to their present value using a pre-Zakat discount rate that reflects market estimates of the time value of money and asset-specific risks. When determining the fair value of less cost to sell, the last transactions that took place in the market are considered. If it is not possible to determine such transactions, appropriate evaluation methods are used.

Impaired losses from continuing operations are expensed in the statement of profit or loss and other comprehensive income in line with the function of the impaired asset.

#### 3-17 Revenue

The Company applies the "Revenue from Contracts with Customers" standard, which provides a comprehensive single model for accounting for revenue arising from contracts with customers. The standard outlines a five-step model that is applied to revenue arising from contracts with customers:

**Step 1:** Identify the Contract with the Customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and specifies the terms that relate to those rights and obligations.

**Step 2:** Identify the Performance Obligations in the Contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

**Step 3:** Determine the Transaction Price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties.

## VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN ~~SR~~ UNLESS OTHERWISE STATED)

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### 3- MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 3-17 Revenue (continued)

**Step 4:** Allocate the Transaction Price to the Performance Obligations in the Contract: For contracts with more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that reflects the consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognize revenue when the entity satisfies a performance obligation.

The Company recognizes revenue over time if any of the following criteria are met:

- The customer receives and benefits from the company's performance simultaneously, while the Company delivers on the performance.
- The Company's performance creates an asset that is controlled by the customer or enhances an asset when that asset is created or improved.
- The company's performance does not create an asset with an alternative use to the Company, and the Company has an enforceable right to payment for performance completed to date.

for performance obligations that do not meet any of the conditions mentioned above, revenue is recognized when the performance obligation is fulfilled.

When the Company fulfills a performance obligation by delivering goods or services as agreed upon, it creates a contract based on the consideration received for the performance.

If the consideration received from the customer exceeds the recognized revenue amount, it results in contract liability.

#### Revenue Recognition Methods:

- **Point-in-time recognition:** Revenue is recognized when the goods are delivered or the services are provided to the customer.
- **Over-time recognition:** Revenue is recognized progressively over a period of time, such as in long-term construction contracts or subscription services.
- **Percentage of completion method:** Revenue is recognized when a significant portion of the work has been completed, even if the product or service has not been fully delivered.

#### Sale of completed properties – recognized at the point of sale

Real estate properties which are sold as completed properties are immediately recognized as revenue at the point of sale. The revenue for these categories of assets are only recognized when the control with significant risks and rewards of ownership has been transferred to the buyer and the Company had enforceable right to payment for the performance completed. The transfer of ownership and the controls are assessed at the time of legal completion of the sale or transfer of assets. Revenue is measured at the fair value of consideration entitled in a contract.

#### Properties constructed/developed under contract with customer– recognized over the time

The Company develop and sale properties under long term construction/development contract or agreement. Usually such contracts are entered before the start of the construction and the terms of the contracts restrict the transfer of asset to another customer and has no other alternative use and the Company had enforceable right to payment for the performance completed where the objective and the outcome of such contracts can be estimated reliably, the revenue and cost of such developments are recognized in proportion to the performed/measured stages of completion against the total contractual obligations/miles stones including variation, claims and incentives at the end of each reporting period, except where the performed work are not a representative of the stage of completion.

Where the outcome of the contract cannot be estimated reliably, the contract revenue is recognized to the extent of cost incurred and probability recoverable against such contract.

The Company recognizes all the incremental costs of obtaining or performing a contract as assets if it expects to recover those costs from the transaction price. The incremental costs are those costs that the Company would not have incurred if the contract had not been obtained. All costs to fulfil its obligations under an existing contract, or an anticipated contract, are capitalized in accordance with IFRS 15 if the costs:

- directly relates to such specific contract.
- are expected to be recovered.
- Create, enhance or generate the resources of the company which will be used in performing the current or future performance obligations

All assets recognized in relation to contract costs are systematically amortized on a basis consistent with the pattern or proportion of transfer of the obligation under the contract to which the asset relates.

If the overall amortization period of such expenses is one year or less the Company may expense such cost when incurred. All advance payments and the milestone payment which received more than the revenue recognized to date are recognized as contract liability.

## VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)

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### 3- MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 3-17 Revenue (continued)

##### Properties constructed/developed under contract with customer– recognized over the time (continued)

Considering the short period between the milestone payment and revenue recognition under the cost-to-cost method, these are not considered to be a significant financing component in the construction contracts with customers.

The Company assesses the carrying value of such assets and when it is probable that the total contract cost will exceed total contract revenue, the estimated loss is recognized as expenses immediately

##### Rental Income

The Company, regarding rental income, recognizes income on a straight-line basis over the lease term

##### Commission Income

Commission income is recognized when earned, that is, when the performance obligations are satisfied and the Company is entitled to the income.

#### 3-18 Expenses

All direct expenses related to generating activity revenues consist of salaries, wages, and indirect costs charged to the cost of revenues. Other expenses are classified as selling and marketing expenses, general and administrative expenses. The common expenses are allocated between cost of revenue and general and administrative expenses on a consistent basis.

#### 3-19 Zakat

In the statement of profit or loss, zakat is calculated in accordance with the rules and regulations of the Zakat, Tax and Customs Authority "ZATCA" in the Kingdom of Saudi Arabia, and it is recorded each year and provided based on the estimated zakat, which is adjusted during the financial period in which the final zakat assessment is issued by ZATCA. Any changes resulting from the final assessment during that period are also recognized upon receipt of the final assessments.

#### 3-20 Value Added Tax

Expenses and assets are recognized after deducting the value-added tax (VAT), except in the following cases:

- If the value-added tax incurred on the purchase of assets or services is non-refundable from the tax authority, in which case VAT is recognized as part of the asset's acquisition cost or as part of the expenses item, as applicable, and
- When presenting accounts receivable and payable, including VAT amount

The net amount refundable or payable of VAT to tax authorities is included as part of the accounts receivable or payable in the statement of financial position.

#### 3-21 Dividends

The Company determines the obligations related to paying cash dividends to the shareholders upon the approval of the distribution. According to the regulations for Saudi Companies, dividends are approved by the shareholders. The amount payable is recognized in equity immediately.

#### 3-22 Foreign Currency

Transactions in currencies other than ﷲ, the presentational and functional currency of each subsidiary within the Company, are recorded at the exchange rate ruling on the date of the transactions. At the reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates ruling at that date. Non-monetary assets and liabilities carried at fair value, that are denominated in foreign currencies, are translated at the rates ruling at the date when the fair value was determined. Non-monetary items that are measured on a historical cost basis in a foreign currency are not retranslated. The resulting exchange gains or losses are recognized in the statement of profit or loss and comprehensive income.

#### 3-23 Statutory Reserve

In accordance with the Company's Articles of Association, the ordinary general assembly may decide, when determining the shareholders' share of net profits, to appropriately allocate amounts to reserves to:

Protect the interests of the Company, or

Ensure, as far as possible, a stable dividend distribution to shareholders.

The assembly may also deduct amounts from net profits to achieve social purposes for the Company's employees.

## VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN  $\text{SAR}$  UNLESS OTHERWISE STATED)

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### 3- MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 3-24 End-of-Service Benefits

The Company has a qualified end-of-service reward program, identified as a defined benefit plan.

The defined benefit obligation is periodically remeasured by independent actuaries using the projected credit unit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rates on high-quality corporate bonds denominated in the currency in which the benefits will be paid, with terms that match the obligations' terms. In countries where there is no deep market for such bonds, market rates on government bonds are used instead. The net cost of interest is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss and other comprehensive income.

The costs of defined benefit obligations are calculated on an annual basis using the actuarial cost rate for the defined program at the end of the prior year. The rate reflects significant market fluctuations and any one-time significant events, such as program amendments, curtailments, or settlements. If no significant market fluctuations or one-time events occur, the actuarial obligations are rolled forward based on assumptions at the beginning of the year. If significant changes in assumptions or arrangements occur during the period, those obligations are remeasured accordingly.

Current and past service costs related to post-employment benefits are recognized immediately in the statement of profit or loss and other comprehensive income, while the increase in the obligation at the discount rates used is recorded as a finance cost. Any changes in the net obligations resulting from actuarial valuations and changes in assumptions are included as remeasurements in other comprehensive income.

Regarding the employee end-of-service benefit obligations in the Kingdom of Saudi Arabia, the actuarial valuation process takes into consideration the provisions of the Saudi Labor Law as well as the Company's Policy.

#### 3-25 Provisions

Provisions are recognized whenever there is present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### 3-26 Contingencies

Contingent liabilities are not recognized in the financial statements but are disclosed unless the likelihood of an outflow of economic resources embodying benefits is low. Contingencies are disclosed in the financial statements within the accruals and other payables. Contingent assets are not recognized in the financial statements but are disclosed when it is probable that economic benefits will flow from them.

#### 3-27 Leases

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

##### Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases.

Lease income under operating leases is recognized in the statement of profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized as income over the lease term on the same basis as lease income.

##### Company as a lessee

At the inception of non-cancellable leases an asset identified as "right-of-use assets" measured at cost with appropriate discounting applied on relevant components of lease term and payment obligations including initial direct cost, lease escalations and lease incentives mentioned in the underlying lease agreement. Subsequent to the initial measurement and recognition, the "right-of-use assets" are periodically measured by using cost model which comprises initially measured cost and any impairment adjustments less accumulated depreciation.

Corresponding to this commencement date a "lease liability" is measured at the net present value of all the unpaid lease payments as on that date discounted by using the rate implicit in the lease, if this rate cannot be readily determined, the Company uses its incremental borrowing rate. Subsequent to the initial measurements "lease liability" are periodically measured by increasing the carrying cost to reflect the interest charge on unpaid future lease liability and any re-measurement adjustment less lease payments made up to that date.

The depreciation cost for "right- of-use assets" and the interest cost for "lease liability" is charged to the statement of profit or loss as depreciation expenses and finance cost.

## VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN ~~SR~~ UNLESS OTHERWISE STATED)

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### 3- MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 3-27 Leases (continued)

##### Company as a lessee

In case of short-term, small-value leases, the entity continues to charge the periodic lease payments to the statement of profit or loss as an expense on straight-line basis over the related lease term.

##### **Critical Accounting Judgments and Estimates**

The preparation of the Company's financial statements requires management to make judgments, estimates, and assumptions that affect the recorded amounts of revenues, expenses, assets, liabilities, and related disclosures, including contingent liabilities.

Uncertainty in these estimates may result in adjustments to the carrying amounts of assets or liabilities in future periods.

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingencies. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### 3-28 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using other valuation technique.

While estimating the fair value of an asset or a liability the Company takes into consideration the assumptions that market participants would use when pricing the asset or liability for their best economic interest.

Fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits from the best use or by selling it to another market participant for the best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

For the financial reporting purpose, The Company uses the following hierarchy for determining and disclosing the fair value of assets and liabilities:

**Level 1:** Quoted prices in active markets for the same instrument (i.e., without modification or repacking).

**Level 2:** Quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data.

**Level 3:** Valuation techniques for which any significant input is not based on observable market data.

As of the reporting date, management believes that the carrying amounts of the Company's financial assets and financial liabilities approximate their fair values, and they are measured at amortized cost. To determine the fair value of investment properties, the Company engages independent external real estate valuation experts who use recognized valuation methods to value the investment properties whenever possible and practicable. The fair value determined for measuring the investment properties using these methodologies is disclosed in note 7.

### 4- SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS, AND JUDGMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

##### **Revenue recognition**

The Company recognises revenue (refer note 3.17) when the control with significant risks and rewards of ownership is transferred to the buyer. The Company measures the revenue based on the consideration entitled in a contract with a customer excluding amounts, if any, collected for and on behalf of third parties.

With respect to land properties/projects, the Company receives an initial non-refundable deposit upon signing the sale contract with the balance being paid on a deferred basis, which typically does not exceed three months. The Company recognises the full amount of the consideration as revenue at the point in time when the control of the property is transferred to the buyer through a legally enforceable sale contract which is signed between the buyer and the Company.

## VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN  $\text{SAR}$  UNLESS OTHERWISE STATED)

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#### 3- 4- SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS, AND JUDGMENTS (CONTINUED)

##### Revenue recognition (continued)

With respect to residential and commercial projects sold under a construction contract, usually such contracts are entered before the start of the construction and the terms of the contracts restrict the transfer of asset to another customer and has no other alternative use and the Company had enforceable right to payment for the performance completed to date where the objective and the outcome of such contract or agreement can be estimated reliably, the revenue and cost of such developments are recognised when the control is passed with significant risks and rewards of ownership to the buyer. The revenue against these customer contracts is recognised over the time as per under IFRS 15 in proportion to the performed/measured stages of completion against the total contractual obligations/milestones including variation, claims and incentives at the end of each reporting period, except where the performed work are not a representative of the stage of completion.

A performance obligation is considered satisfied over the time when at least one of the following criteria is met:

- The customer receives and consumes the benefits of the Companies' performance as it performs.
- The performance creates and enhances the value of the customer-controlled asset.
- The Company has no alternative use to the asset being created and has the legally enforceable right to payment for all obligations performed or completed to date.

With respect to project management, cost management and construction management revenue recognition and profit is dependent upon a number of factors, including the accuracy of a variety of estimates made at the balance sheet date, such as material quantities, the achievement of milestones, penalty provisions if any, labour productivity and cost estimates. Variable consideration is included in the estimate of transaction price only to the extent that a significant reversal would not be probable. We continuously monitor factors that may affect the quality of our estimates, and material changes in estimates are disclosed accordingly.

With respect to lease rental income, the Company recognises revenue on a straight-line basis over the lease term.

##### Recognition of Cost of Sales

The Company has development properties which typically contain a number of individual projects within each development. To determine the cost of sales related to properties or units sold during the period the management estimates the average costs of the entire development, including infrastructure costs and overall construction and other directly attributable costs to arrive at the total estimated cost of the project. These estimated costs are allocated to each project within the development and each unit within a project. These estimates are reviewed regularly on a profit per project basis and revised as necessary. Any significant change in these estimates may result in additional costs being recorded in future periods related to revenue recognized in a prior year.

##### Measurement of expected credit losses on contract assets and trade receivables

The Company management makes significant assumptions on the estimation of expected credit loss (ECL) in connection with trade receivables, which is assessed based on the contract terms of. The Company assesses receivables that are individually significant, and receivables included in a Company of financial assets with similar credit risk characteristics for impairment. This assessment of impairment requires judgment. In making this judgment, the Company evaluates credit risk characteristics giving considerations for past default experience of the customer, analyze the general economic conditions of the industry in which the customers operate, current financial position specific to the customers and an assessment of both the current as well as the forecast direction of default event and other loss event factors being indicative of the ability to pay all amounts due as per contractual terms at the reporting date.

A provision for expected credit loss is made where there is objective evidence, including customers with insolvency or in default on payments, that amounts will not be recovered in accordance with the original terms of the agreement and the carrying value of the receivable exceeds the present value of the future cash flow discounted using the original effective interest rate.

Based on such periodic assessment the Company recognizes all lifetime expected losses for all contract assets and/or all trade receivables with or without significant financing transaction using provision matrix and for lease receivables. For all other financial instruments, expected credit losses are measured at an amount equal to the 12-month expected credit losses.

##### Subsequent transfer of investment properties

Investment properties are the interests in land and/or buildings that are held for earning rentals or investment potential and not for sale in the ordinary course of business. Management assesses the intended use of its real estate properties on continuous basis and summarises the portfolio at every reporting year. When the periodic management assessment identifies any change in the use of a property previously classified as investment properties, their carrying cost is transferred to development properties for further development and final transfer under ordinary course of business. While re-assessing the intended use, management considers the holding period, possibility of further appreciations, related economic activities around such properties and need for further development to make the property ready for sale.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner occupation or commencement of an operating lease. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner occupation or commencement of development with the intent to sale.

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2025**

**(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)**

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**4- SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS, AND JUDGMENTS (CONTINUED)**

**Carrying value of development properties**

The Company's principal activity is currently the development and sale of land, residential and commercial property. Due to the nature of this activity, much of the development is speculative in nature. Accordingly, the consolidated statement of financial position at 31 December 2025 reflects assets that are not covered by forward sales contracts.

The development properties are stated at the lower of cost and net realisable value. The Company assesses the net realisable value of its development properties at each reporting date, which includes an assessment of profit per project basis and compares the carrying and estimated future costs to complete with the expected selling price per unit based on historical activities and available comparable in the surrounding location.

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**  
(Saudi Joint Stock Company)  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2025  
(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)

**5- PROPERTY AND EQUIPMENT**

	<u>Leasehold improvement</u>	<u>Tools and Equipment</u>	<u>Vehicles</u>	<u>Furniture and office equipment</u>	<u>Computers</u>	<u>Total</u>
<b><u>Cost</u></b>						
As of 1 January 2025	750,098	345,641	32,000	527,220	170,613	1,825,572
Addition	27,953	8,488	-	16,568	12,136	65,145
As of 31 December 2025	<u>778,051</u>	<u>354,129</u>	<u>32,000</u>	<u>543,788</u>	<u>182,749</u>	<u>1,890,717</u>
<b><u>Accumulated Depreciation</u></b>						
As of 1 January 2025	381,840	312,519	31,999	270,962	134,637	1,131,957
Depreciation for the year	78,020	18,849	-	55,995	16,988	169,852
As of 31 December 2025	<u>459,860</u>	<u>331,368</u>	<u>31,999</u>	<u>326,957</u>	<u>151,625</u>	<u>1,301,809</u>
<b><u>Net Carrying Value</u></b>						
As of 31 December 2025	<u>318,191</u>	<u>22,761</u>	<u>1</u>	<u>216,831</u>	<u>31,124</u>	<u>588,908</u>

**The depreciation charged for the year was allocated as follows:**

	<u>31 December 2025</u>	<u>31 December 2024</u>
General and administrative expenses (note 25)	169,852	177,969
	<u>169,852</u>	<u>177,969</u>

As of 31 December 2025, the carrying value of fully depreciated property and equipment which are still in operation amounted to ﷲ 521,410.

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**  
(Saudi Joint Stock Company)  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2025  
(ALL AMOUNTS IN ~~ﷲ~~ UNLESS OTHERWISE STATED)

**5- PROPERTY AND EQUIPMENT (CONTINUED)**

	<u>Leasehold improvement</u>	<u>Tools and Equipment</u>	<u>Vehicles</u>	<u>Furniture and office equipment</u>	<u>Computers</u>	<u>Total</u>
<b><u>Cost</u></b>						
<b>As of 1 January 2024</b>	814,266	347,815	32,000	559,212	175,394	1,928,687
Addition	-	9,878	-	-	10,976	20,854
Disposal	(64,168)	(12,052)	-	(31,992)	(15,757)	(123,969)
<b>As of 31 December 2024</b>	<u>750,098</u>	<u>345,641</u>	<u>32,000</u>	<u>527,220</u>	<u>170,613</u>	<u>1,825,572</u>
<b><u>Accumulated Depreciation</u></b>						
<b>As of 1 January 2024</b>	337,078	303,783	31,999	243,891	131,764	1,048,515
Depreciation for the year	82,419	20,517	-	56,409	18,624	177,969
Disposal	(37,657)	(11,781)	-	(29,338)	(15,751)	(94,527)
<b>As of 31 December 2024</b>	<u>381,840</u>	<u>312,519</u>	<u>31,999</u>	<u>270,962</u>	<u>134,637</u>	<u>1,131,957</u>
<b><u>Net Carrying Value</u></b>						
<b>As of 31 December 2024</b>	<u>368,258</u>	<u>33,122</u>	<u>1</u>	<u>256,258</u>	<u>35,976</u>	<u>693,615</u>

As of 31 December 2024, the book value of fully depreciated property and equipment that is still in operation is ~~ﷲ~~ 519,444.

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2025****(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)****6- RIGHT-OF-USE ASSETS**

The movements in right-of-use assets and lease liabilities for the year are set out in the table below, as follows:

**6-1 The movement in right-of-use assets:**

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance as at January 1	1,348,627	1,348,627
Contract lease modification	435,787	-
Write off	(757,079)	-
Balance as at 31 December	<u>1,027,335</u>	<u>1,348,627</u>
<b>Accumulated depreciation</b>		
Balance as at 1 January	(934,550)	(757,082)
Depreciation (note 25)	(195,398)	(177,468)
Write off	757,079	-
Balance as at 31 December	<u>(372,869)</u>	<u>(934,550)</u>
<b>Net carrying value</b>	<u>654,466</u>	<u>414,077</u>

**6-2 The movement in lease liabilities:**

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance at the beginning of the year	432,832	633,580
Lease modification	435,787	-
Finance cost (note 27)	56,413	26,653
Payment during the year	(256,200)	(227,401)
Balance at the end of the year	<u>668,832</u>	<u>432,832</u>
Lease liabilities – current portion	203,279	211,018
Lease liabilities – non-current portion	465,553	221,814
	<u>668,832</u>	<u>432,832</u>

The amounts recognized in the statement of profit or loss are as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Finance cost for lease liabilities	56,413	26,653
Depreciation charge	195,398	177,468

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2025****(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)****7- INVESTMENT PROPERTIES**

	As at 31 December 2025		As at 31 December 2024	
	Cost	Fair value	Cost	Fair value
Investment properties (residential units)	7,423,792	13,534,289	-	-
	<u>7,423,792</u>	<u>13,534,289</u>	<u>-</u>	<u>-</u>

The movement of investment properties during the year is as follow:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Transfer from properties under development (note 10)	7,423,792	-
Gain on fair value remeasurement	6,110,497	-
	<u>13,534,289</u>	<u>-</u>

**Measurement of the fair value of the Company's investment properties:**

The fair value of the Company's investment properties as of 31 December 2025, was determined based on a valuation process conducted by two independent and professionally qualified appraisers with recognized professional qualifications and recent experience in determining the fair value of real estate. These appraisers are Val REIT Consulting and Valuation Company (License No. 130322) and Olat Real Estate Appraisal Company (License No. 13066), both accredited by the Saudi Authority for Accredited Valuers (Taqeem).

The following is the valuation methodology, inputs, and relevant key assumptions used by the appraisers in measuring the fair value of the investment properties as of 31 December 2025:

<u>Investment property</u>	<u>Evaluation Approach</u>	<u>Valuation methodology, significant inputs, and relevant assumptions</u>
Investment properties (Residential units)	Market approach	<p>Under this methodology, the valuers have conducted an assessment based on the analysis of appropriate comparable transactions along with demand evidence within the vicinity of the subject property. Differences in the Company's property specifications are subsequently adjusted, taking into account size, location, and other material factors. These values are based on significant unobservable inputs; therefore, the fair value measurement has been classified within Level 3.</p> <p>The key significant unobservable input used by the valuers in determining the valuation of investment properties was rate per sqm in the range of ﷲ 9,207 to ﷲ 9,975.</p> <p>Significant increases (decreases) in estimated price per sqm in isolation would result in a significantly higher (lower) fair value on a linear basis.</p>

The following shows the valuation as per each valuer. The company has used the lower of the two fair values to remeasure the investment properties:

<u>Investment Property</u>	<u>First Valuer</u>	<u>Second Valuer</u>	<u>Fair Value</u>	
			<u>31 December 2025</u>	<u>31 December 2024</u>
Residential units	13,534,289	13,602,300	13,534,289	-
	<u>13,534,289</u>	<u>13,602,300</u>	<u>13,534,289</u>	<u>-</u>

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2025****(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)****8- INTANGIBLE ASSETS**

	<u>31 December 2025</u>	<u>31 December 2024</u>
<b><u>Cost</u></b>		
Balance at 1 January	53,206	53,206
	<u>53,206</u>	<u>53,206</u>
<b><u>Accumulated amortization</u></b>		
Balance at 1 January	(41,207)	(32,605)
Amortization for the year (note 25)	(8,570)	(8,602)
	<u>(49,777)</u>	<u>(41,207)</u>
<b>Net carrying value</b>	<u>3,429</u>	<u>11,999</u>

**9- FINANCIAL ASSETS AT FVTPL**

	<u>As at</u> <u>31 December 2025</u>		<u>As at</u> <u>31 December 2024</u>	
	<u>Cost</u>	<u>Fair value</u>	<u>Cost</u>	<u>Fair value</u>
Investments in quoted securities	1,060,685	870,894	1,166,014	1,287,300
	<u>1,060,685</u>	<u>870,894</u>	<u>1,166,014</u>	<u>1,287,300</u>

The fair value is determined based on quoted market prices and is classified within Level 1 of the fair value hierarchy.

Below is a breakdown of the movement in financial investments at fair value through profit or loss during the year.

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance at the beginning of the year	1,287,300	1,166,014
Disposal during the year	(226,615)	-
(Losses) / gains on fair value measurement	(189,791)	121,286
	<u>870,894</u>	<u>1,287,300</u>

During the year ended 31 December 2025, the Company received dividends of ﷲ 35,743 (31 December 2024: ﷲ 31,258).

**10-PROPERTIES UNDER DEVELOPMENT**

These represent completed and ongoing real estate projects that are being developed for the purpose of sale as residential units, which management has determined are intended for sale in the ordinary course of the Company's business.

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance at the beginning of the year	58,021,759	8,167,821
Additions	44,289,765	83,200,022
Disposal (recognized in cost of revenue) (note 24)	(54,048,970)	(36,450,902)
Transfer to investment properties (note 7)	(7,423,792)	-
Finance cost capitalised (note 17)	4,340,270	3,104,818
Balance at the end of the year	<u>45,179,032</u>	<u>58,021,759</u>
Current portion of properties under development	21,900,713	58,021,759
Non-current portion of properties under development	23,278,319	-
	<u>45,179,032</u>	<u>58,021,759</u>

The properties under development comprised of :

	<u>31 December 2025</u>	<u>31 December 2024</u>
Freehold land	35,820,511	56,909,415
Development costs	9,358,521	1,112,344

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2025**

**(ALL AMOUNTS IN ₪ UNLESS OTHERWISE STATED)**

<b>45,179,032</b>	<b>58,021,759</b>
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**10- PROPERTIES UNDER DEVELOPMENT (CONTINUED)**

Properties held for development are shown at the lower of cost or net realizable value and are classified as current if they are completed or expected to be completed/sold within 12 months; otherwise, they are classified as non-current.

During the year ended 31 December 2025, the Company capitalized financing costs from credit facility costs to eligible assets in the amounting to ₪ 4.3 million (31 December 2024: ₪ 3.1 million).

**Determining Net Realizable Value:**

The management engaged independent appraisers to determine net realizable value of the properties under development in order to arrive at an estimated selling price. The appraisers used a comparative approach.

The following describes the valuation methodology, significant inputs, and relevant assumptions used by the valuers in determining the net realizable value of properties under development as of 31 December 2025:

<b>Properties under development</b>	<b>Evaluation Approach</b>	<b>Valuation methodology, significant inputs, and relevant assumptions</b>
Residential units	Market approach	<p>Under this methodology, the valuers performed an assessment based on the aggregation and analysis of appropriate comparable transactions along with demand evidence within the vicinity of the subject property. Differences in the Company's property specifications are subsequently adjusted, taking into account size, location, frontage, and other material factors. These values are based on significant unobservable inputs;</p> <p>The key significant unobservable input used by the valuer in determining the valuation of properties under development was rate per sqm in the range of ₪ 9,207 to ₪ 9,975.</p> <p>Significant increases (decreases) in estimated price per square meter in isolation would result in a significantly higher (lower) net realizable value on a linear basis.</p>

**11-CONTRACT ASSETS**

	<b>31 December 2025</b>	31 December 2024
Balance at the beginning of the year	<b>45,251,398</b>	-
Revenue recognises during the year (note 23)	<b>34,521,562</b>	54,928,398
Progress billings of work executed during the year	<b>(37,843,495)</b>	(9,677,000)
	<b>41,929,465</b>	45,251,398

**12-TRADE RECEIVABLE**

	<b>31 December 2025</b>	31 December 2024
Trade receivables – private	<b>6,104,140</b>	3,923,700
	<b>6,104,140</b>	3,923,700

No commissions or penalties are charged on overdue payments by customers.

**A) Aging of Trade receivables**

	<b>31 December 2025</b>	31 December 2024
1-90 Days	<b>3,992,140</b>	3,923,700
91-180 Days	<b>764,000</b>	-
181-270 Days	<b>1,348,000</b>	-
	<b>6,104,140</b>	3,923,700

Ageing are from the date of invoice and the trade receivables against project sales which are fully secured against such project parcels.

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2025****(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)****12- TRADE RECEIVABLE (CONTINUED)****B) Assessment of Expected Credit Losses for Trade Receivables**

For trade receivables and contract assets, the Company uses a simplified model for calculating expected credit losses. Accordingly, the Company does not track changes in credit risk but instead recognizes a allowance for loss based on expected credit losses over the lifetime. The Company has established a provision matrix based on past credit loss experience, which is adjusted for future factors related to the debtors and the economic environment. The Company has not made any allowance for expected credit losses for trade receivables considered receivable as fully secured by underlying properties.

**13-PREPAYMENTS AND OTHER CURRENT ASSETS**

	<b>31 December 2025</b>	31 December 2024
Real estate developer refund tax	<b>2,448,582</b>	1,661,887
Prepayments	<b>746,680</b>	645,220
Advance payments to suppliers and subcontractors	<b>257,309</b>	468,971
Others	<b>722,502</b>	340,153
	<b>4,175,073</b>	3,116,231

**14-CASH AT BANKS**

	<b>31 December 2025</b>	31 December 2024
Cash at banks - bank current accounts	<b>25,717,759</b>	20,707,048
	<b>25,717,759</b>	20,707,048

As at 31 December 2025, these balances represent amounts related to the sale of real estate under development (off-plan) amounting to ﷲ 1.6 million (31 December 2024: ﷲ 9.7 million).

**15-RELATED-PARTY TRANSACTIONS AND BALANCES****A) Related-Party Transactions**

Below are the significant transactions conducted by the Company with related parties during the year:

<b>Related Party</b>	<b>Nature of Relationship</b>	<b>Nature of Transaction</b>	<b>Amount of Transaction For the year ended</b>	
			<b>31 December 2025</b>	31 December 2024
Wafaz Real Estate Development Company	Affiliate	Development / operating contracts	-	5,193,056
		Proceeds from Development Contracts	<b>(5,193,056)</b>	-
Anyar Real Estate Development Company	Affiliate	Development/operating contracts	<b>2,404,416</b>	2,713,454
		Proceeds from Development Contracts	<b>(5,213,454)</b>	-
Audit Committee Members	Audit committee members	Allowances and remunerations	<b>120,000</b>	105,000
Board of Directors	Board of directors	Remuneration	<b>900,000</b>	1,800,000
Al-Zoman, Al-Fahad and Al-Hajjaj for Professional Consulting	Board of directors member	Payment of professional services	<b>354,200</b>	-
		Professional fees	<b>(392,200)</b>	(119,000)

Annual salaries, remunerations and allowances to key management personnel and executives are set out on the table below:

	<b>31 December 2025</b>	31 December 2024
Salaries and benefits	<b>1,039,535</b>	970,200
Remunerations and commissions	<b>1,108,525</b>	1,800,000
Long-term benefits	<b>122,202</b>	104,585
	<b>2,270,262</b>	2,874,785

## VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)

#### 15- RELATED-PARTY TRANSACTIONS AND BALANCES (CONTINUED)

##### B) Due from Related Parties

	<u>31 December 2025</u>	<u>31 December 2024</u>
Wafaz Real Estate Development Company	-	5,193,056
Anyar Real Estate Development Company	-	2,713,454
	-	7,906,510

##### C) Due to Related Parties

	<u>31 December 2025</u>	<u>31 December 2024</u>
Anyar Real Estate Development Company	95,584	-
Al-Zoman, Al-Fahad and Al-Hajjaj for Professional Consulting	38,000	-
	133,584	-

#### 16-SHARE CAPITAL

The Company's share capital amounted to ﷲ 33 million, divided into 33 million shares with a par value of ﷲ 1 per share.

On 18 Rabi' al-Awwal 1447H, corresponding to 10 September 2025, the Board of Directors recommended increasing the Company's share capital from ﷲ 33,000,000 to ﷲ 66,000,000 by issuing one bonus share for every existing share. The capital increase was effected by transferring ﷲ 18,000,000 from the "Share Premium" account and ﷲ 15,000,000 from retained earnings. On 18 Jumada al-Akhirah 1447H, corresponding to 9 December 2025, the Extraordinary General Assembly approved the Board's recommendation regarding the share capital increase.

On 28 Rabi' al-Thani 1447H (corresponding to 29 October 2025), the Capital Market Authority approved the capital increase. The legal procedures to amend By-laws and Commercial registration certificate were in process at 31 December 2025.

The extraordinary general assembly in its meeting, held on 16 Jumada al-Alkhirah 1446H (corresponding to 17 December 2024), approved split the Company's shares from 3,300,000 million ordinary shares to 33,000,000 million ordinary shares at a nominal value of SR 10 for each to SR 1 each share, this has not resulted in a change in the value of Company's capital.

#### 17-CREDIT FACILITIES

17-1 On 14 February 2024, (corresponding to 4 Sha'ban 1445 H), the Company concluded a credit facilities agreement (compliant with Islamic Sharia) with Albilad Bank for an amount of ﷲ 33,160,000 with a commission of SIBOR + a fixed commission, as the maturity, commissions and loans are made according to the successive Murabaha system, and the facility limit is ﷲ 33,160,000 . The company provided the following guarantees:

- The property financed by our bank is mortgaged with a coverage ratio of 125% of the facilities at most (note 10).
- The guarantee provided by Mr. Ahmed Bajad Al-Harbi and Mr. Mohammad Ibrahim Al-Dawood is a joint payment and performance guarantee for all facilities.

During the year, the Company paid the installment due as at 31 December 2025: ﷲ 8,290,000 (31 December 2024: ﷲ 1,667,167).

17-2 On 20 October 2024, (corresponding to 17 Rabi' al-Thani 1446 H), the company concluded a credit facilities agreement (compliant with Islamic Sharia) with Al Rajhi Bank for an amount of ﷲ 17,831,478 with a commission of ﷲ 3,229,639 and a facility limit of ﷲ 40,000,000 .

On 20 April 2025, (corresponding to 22 Shawwal 1446 H) the company repaid the financing to Al Rajhi Bank in the amount of ﷲ 17,831,478, which included the principal amount, accrued interest of ﷲ 1,116,910 and early repayment interest of ﷲ 86,461 for a total amount of ﷲ 19,034,850.

17-3 On 17 August 2025 (corresponding to 23 Safar 1447 H), the company entered into a Sharia-compliant credit facility agreement with Al Rajhi Bank for ﷲ 13,500,000, with a commission of ﷲ 2,452,102 and a facility limit of ﷲ 40,000,000.

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2025****(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)****17-CREDIT FACILITIES (CONTINUED)**

The table below shows the movement of long-term credit facilities:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance at the beginning of the year	52,429,129	-
Proceeds received during the year	13,500,000	50,991,478
Finance cost during the year (note 10)	4,340,270	3,104,818
Repayment during the year	<u>(30,553,395)</u>	<u>(1,667,167)</u>
Balance at the end of the year	39,716,004	52,429,129
Less: current portion of long-term credit facilities	<u>25,758,750</u>	<u>8,290,000</u>
Non-current portion of long-term credit facilities	<u>13,957,254</u>	<u>44,139,129</u>

The above facilities include bank covenants, the breach of which may lead to renegotiation with the lenders. These covenants are monitored periodically by the management, and in the event of an actual or potential breach, appropriate actions are taken by the management to ensure compliance. The facility agreements contain covenants that require, among other things, limiting future capital expenditures for maintaining certain financial ratios. There were no breaches of these covenants during the current year and the prior year.

**18- EMPLOYEE END-OF-SERVICE LIABILITIES**

The Company operates an unfunded defined benefit plan in line with the labor law requirement in the Kingdom of Saudi Arabia. The end of service benefit payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment, as defined by the conditions stated in the labor laws of the Kingdom of Saudi Arabia. The benefit payments are due upon termination of or resignation from employment. An independent actuary carried out latest valuation of employee benefit obligations under the projected unit credit method as at 31 December 2025 for the Company:

**18-1 Main actuarial assumptions**

	<u>31 December 2025</u>	<u>31 December 2024</u>
Discount rate	5.25%	%5
Salary increments rate	5.25%	%5

**18-2 The movement in the end-of-service liabilities is as follows:**

	<u>31 December 2025</u>	<u>31 December 2024</u>
Present value at the beginning of the year	1,411,737	1,180,762
<b>Included in the statement of profit or loss</b>		
Current service cost	281,737	274,458
Finance cost (note 27)	68,113	50,057
<b>Included in the statement of other comprehensive income</b>		
Remeasurement (gains) / losses of defined benefit plan obligations	(9,460)	43,207
Paid during the year	<u>(98,960)</u>	<u>(136,747)</u>
<b>Present value at the end of the year</b>	<u>1,653,167</u>	<u>1,411,737</u>

**18-3 The sensitivity of the end-of-service liabilities to changes in the weighted average of the key assumptions is:**

<b>Description</b>	<u>31 December 2025</u>	<u>31 December 2024</u>
+ 1% Discount rate	1,534,259	1,307,805
- 1% Discount rate	1,789,400	1,531,046
+ 1% salary increment rate	1,796,359	1,537,009
- 1% salary increment rate	1,526,035	1,300,732

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2025****(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)****18- EMPLOYEE END-OF-SERVICE LIABILITIES (CONTINUED)****18-4 The end-of-service liabilities charged to the statement of profit or loss were distributed as follows:**

	<u>31 December 2025</u>	<u>31 December 2024</u>
Cost of revenue	226,669	100,271
General and administrative expenses (note 25)	46,572	148,642
Selling and marketing expenses (note 26)	8,496	25,545
	<u>281,737</u>	<u>274,458</u>

**19- TRADE PAYABLES**

	<u>31 December 2025</u>	<u>31 December 2024</u>
Trade Payable	426,943	474,694
	<u>426,943</u>	<u>474,694</u>

**20- CONTRACT LIABILITIES**

Contract liabilities represent the advance collected towards a duly enforceable customer contracts against which the agreed performance obligations are not fully satisfied.

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance at the beginning of the year	1,573,317	8,114,524
Revenues recognized during the year	(13,866,129)	(11,856,859)
Advance collected during the year	14,173,564	5,315,652
Balance at the end of the year	<u>1,880,752</u>	<u>1,573,317</u>

**21- ACCRUALS AND OTHER CURRENT LIABILITIES**

	<u>31 December 2025</u>	<u>31 December 2024</u>
Retention payables	1,956,558	2,248,771
Board of directors and committee members' remuneration payable	1,020,000	1,005,000
Value added tax	292,784	1,467,250
Deposit held to others	255,000	535,000
Accrued professional fees	166,250	100,000
Accrued commission	104,733	1,221,006
Social insurance payable	36,803	29,380
	<u>3,832,128</u>	<u>6,606,407</u>

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2025****(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)****22- ZAKAT PROVISION****a) Zakat Position**

The Company has filed its zakat return for the year ended 31 December 2024, and received a certificate from the Zakat, Tax and Customs Authority (“ZATCA”) valid until 30 April 2026.

**b) The Movement in Zakat Provision**

	<b>31 December 2025</b>	31 December 2024
Balance at the beginning of the year	<b>1,106,745</b>	1,232,952
Charged during the year	<b>1,468,782</b>	1,106,745
Provision resulting from the acquisition of the branch during the year	-	(5,537)
Zakat adjustments during the year	-	63,299
Payment during the year	<b>(1,106,739)</b>	(1,290,714)
Balance at the end of the year	<b>1,468,788</b>	1,106,745

**c) Zakat Assessments**

The ZATCA conducted zakat assessments for the years ended 31 December 2015 to 31 December 2020, and final zakat assessments were issued for the aforementioned years. The zakat liabilities for all previous years were settled.

On 5 December 2023, the Authority conducted a zakat assessment for the year ended 31 December 2021, and a final zakat assessment amounting to ﷲ 63,299 was issued and settled on 16 May 2024.

The Authority also conducted a zakat assessment for the year ended 31 December 2023, which did not result in any zakat liabilities.

On 21 July 2025, the ZATCA commenced the zakat assessment procedures for the year ended 31 December 2024, and the assessment process is still ongoing as of the date of these financial statements.

**23- REVENUE**

	<b>Basis of Recognition</b>	<b>31 December 2025</b>	31 December 2024
Revenue from sale of parcel of land	At a point in time	<b>35,910,000</b>	-
Revenue from sale of units	Over the time	<b>34,521,562</b>	54,567,148
Revenue from development contracts	Over the time	<b>13,866,129</b>	24,571,471
Revenue from development contracts	At a point in time	<b>5,431,979</b>	5,167,697
Commission income	At a point in time	<b>5,578,422</b>	8,185,361
		<b>95,308,092</b>	92,491,677

**24- COST OF REVENUE**

	<b>31 December 2025</b>	31 December 2024
Development properties	<b>14,204,572</b>	23,149,206
Residential properties (note 10)	<b>23,423,669</b>	36,450,902
Cost of sale of parcel of land (note 10)	<b>30,625,301</b>	-
Others	<b>2,792,507</b>	3,510,279
	<b>71,046,049</b>	63,110,387

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2025****(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)****25-GENERAL AND ADMINISTRATIVE EXPENSES**

	<u>31 December 2025</u>	<u>31 December 2024</u>
Salaries and related benefits	1,493,588	1,810,445
Professional fees	1,665,638	1,331,683
Board of directors' remuneration	900,000	1,800,000
Bonuses and commissions	881,479	417,312
Government fees and subscriptions	386,465	459,372
Social insurance	205,917	116,234
Right of use amortization (note 6)	195,398	177,468
Depreciation of property and equipment (note 5)	169,852	177,969
Audit committee remuneration	120,000	105,000
Rent	107,974	89,155
Medical and treatment insurance	56,156	169,034
Employee end-of-service cost (note 18)	46,572	148,642
Amortization of intangible assets (note 8)	8,570	8,602
Losses on disposal of property and equipment	-	19,942
Others	530,174	637,858
	<u>6,767,783</u>	<u>7,468,716</u>

**26- SELLING AND MARKETING EXPENSES**

	<u>31 December 2025</u>	<u>31 December 2024</u>
Advertising	626,045	248,439
Salaries and related benefits	144,783	115,030
Government fees and subscriptions	47,322	43,166
Social insurance	31,007	19,430
Employee end-of-service cost (note 18)	8,496	25,545
Incentive bonuses and commissions	8,000	389,422
Medical insurance and treatment	6,135	11,730
Others	9,055	13,261
	<u>880,843</u>	<u>866,023</u>

**27- FINANCE COST**

	<u>31 December 2025</u>	<u>31 December 2024</u>
Finance costs on employee end-of-service liabilities (note 18)	68,113	50,057
Finance costs on lease liabilities (note 6)	56,413	26,653
	<u>124,526</u>	<u>76,710</u>

**28- OTHER INCOME**

	<u>31 December 2025</u>	<u>31 December 2024</u>
Government support	-	800,000
Special commission income	580,405	388,065
Others	12,058	1,260
	<u>592,463</u>	<u>1,189,325</u>

## VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)

#### 29- EARNINGS PER SHARE

Basic earnings per share has been calculated by dividing the net profit for the year by the weighted average number of ordinary shares outstanding at the end of the year. Diluted earnings per share is the same as basic earnings per share, as the Company has no dilutive instruments.

The weighted average number of shares has been adjusted retrospectively to reflect the effect of the approval of the bonus share issuance subsequent to the reporting period (note 16).

	31 December 2025	31 December 2024
Net profit for the year	21,569,021	21,204,965
Weighted average number of ordinary shares during the year	66,000,000	66,000,000
Earnings per share (ﷲ)	0.33	0.32

#### 30- DIVIDENDS

30-1 On 14 April 2025, based on the recommendation of the Board of Directors, the Extraordinary General Assembly, during its meeting held on 3 June 2025, approved the distribution of cash dividends to shareholders for a total amount of ﷲ 9,900,000. The number of shares eligible for distribution amounted to 33,000,000 shares, with a dividend of 0.30 Halalah per share, which is equivalent to 30% of the nominal value of the share. The dividends were distributed to eligible shareholders on 17 June 2025.

30-2 On 25 April 2024, the Company announced the Board of Directors' recommendation to distribute cash dividends to the shareholders for the fiscal year 2023 at a value of ﷲ 3 per share, which represents 30% of the nominal value of the share at the time of distribution, with a total amount of (ﷲ 9,900,000). The Extraordinary General Assembly approved the Board of Directors' recommendation in its meeting held on 25 June 2024, and the dividends were distributed to eligible shareholders on 4 July 2024.

#### 31- SEGMENT REPORTING

For management purposes, the Company is organized into two segments. Management develops its strategic planning, allocates resources, and manages the business model based on these segments. The Chief Operating Decision Maker monitors the results of these segments to make decisions regarding resource allocation and performance assessment. Accordingly, the Company's reportable segments under IFRS 8 are as follows:

- Real Estate Development – In this segment, the Company classifies all its properties under development that are acquired, developed, and sold. This includes residential properties, whether completed or under development (“Residential Projects”).
- Sales and Marketing – Through this segment, the Company manages, markets, and sells its own real estate projects or those developed for third parties, including residential units whether completed or under development. This also includes promotional and advertising activities.

Substantially all operating segment activities (including revenues and costs) for the years ended 31 December 2025 and 31 December 2024 were generated from the Real Estate Development segment. The Company has presented an analysis of revenues, profits, assets, and liabilities by operating segments.

The Company operates primarily in the Kingdom of Saudi Arabia, and all its revenues are generated from the portfolio of properties under development that it undertakes.

The following is a summary of total assets, total liabilities, revenues, gross profit, operating expenses, and operating profit for the Real Estate Development segment and the Sales and Marketing segment, by segment:

Financial Position	Real Estate Development Segment	Sales & Marketing Segment	Total
<b>As at 31 December 2025</b>			
Current assets	92,959,061	6,868,089	99,827,150
Non-current assets	38,615,605	314,700	38,930,305
<b>Total Assets</b>	<b>131,574,666</b>	<b>7,182,789</b>	<b>138,757,455</b>
Current liabilities	33,163,770	540,454	33,704,224
Non-current liabilities	15,823,609	252,365	16,075,974
<b>Total Liabilities</b>	<b>48,987,379</b>	<b>792,819</b>	<b>49,780,198</b>

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 December 2025

(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)

**31- SEGMENT REPORTING (CONTINUED)**

<b>Financial Position</b>	<b>Real Estate Development Segment</b>	<b>Sales &amp; Marketing Segment</b>	<b>Total</b>
As at 31 December 2024			
Current assets	132,682,872	6,243,774	138,926,646
Non-current assets	2,287,867	119,124	2,406,991
<b>Total Assets</b>	<b>134,970,739</b>	<b>6,362,898</b>	<b>141,333,637</b>
Current liabilities	16,821,182	1,440,999	18,262,181
Non-current liabilities	45,607,232	165,448	45,772,680
<b>Total Liabilities</b>	<b>62,428,414</b>	<b>1,606,447</b>	<b>64,034,861</b>
<b>Segment profit or loss</b>	<b>Real Estate Development Segment</b>	<b>Sales &amp; Marketing Segment</b>	<b>Total</b>
<b>For the year ending 31 December 2025</b>			
Revenue	89,729,672	5,578,420	95,308,092
Cost of revenue	(68,253,542)	(2,792,507)	(71,046,049)
<b>Gross Profit</b>	<b>21,476,130</b>	<b>2,785,913</b>	<b>24,262,043</b>
Valuation gains from investment properties	6,110,497	-	6,110,497
General and administrative expenses	(5,715,650)	(1,052,133)	(6,767,783)
Sales and marketing expenses	(880,843)	-	(880,843)
Losses from financial assets at FVTPL	(160,608)	(29,183)	(189,791)
Dividends on financial assets at FVTPL	28,405	7,338	35,743
Finance charges	(124,526)	-	(124,526)
Other income	592,463	-	592,463
Zakat expense	(1,301,360)	(167,422)	(1,468,782)
<b>Net profit of the year</b>	<b>20,024,508</b>	<b>1,544,513</b>	<b>21,569,021</b>
<b>Segment profit or loss</b>	<b>Real Estate Development Segment</b>	<b>Sales &amp; Marketing Segment</b>	<b>Total</b>
For the year ending 31 December 2024			
Revenue	84,306,316	8,185,361	92,491,677
Cost of revenue	(59,600,108)	(3,510,279)	(63,110,387)
Gross Profit	24,706,208	4,675,082	29,381,290
General and administrative expenses	(6,336,582)	(1,132,134)	(7,468,716)
Sales and marketing expenses	(866,023)	-	(866,023)
Gain from financial assets at FVTPL	112,178	9,108	121,286
Dividends on financial assets at FVTPL	23,070	8,188	31,258
Finance charges	(76,710)	-	(76,710)
Other income	1,189,325	-	1,189,325
Zakat expense	(1,017,739)	(89,006)	(1,106,745)
<b>Net profit of the year</b>	<b>17,733,727</b>	<b>3,471,238</b>	<b>21,204,965</b>

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2025****(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)****32- CAPITAL RISK MANAGEMENT**

It is the policy of the Company to maintain a sufficient and strong capital base to maintain the confidence of investors, creditors and the market and to sustain the future development of the business. The Board of Directors monitors the return on capital used to maintain the Company's ability to continue operating as a going concern so that it can provide returns to shareholders and benefits to other stakeholders.

	<u>31 December 2025</u>	31 December 2024
Credit facilities	<b>39,716,004</b>	52,429,129
Lease liabilities	<b>668,832</b>	432,832
Cash at banks	<b>(25,717,759)</b>	(20,707,048)
	<b>14,667,077</b>	32,154,913
Total Equity	<b>88,977,257</b>	77,298,776
	<b>16.5 %</b>	41.6 %

**33- FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Company's principal financial liabilities consist of credit facilities, trade payables, other liabilities, and amounts due to related parties. The primary objectives of these financial instruments are to expand the financing base for various projects and to meet the Company's working capital requirements.

The Company also holds financial assets in the form of cash at banks and trade receivables, which are considered an integral part of its ordinary business operations and arise directly from them.

The main financial risks arising from the Company's financial instruments are market risks (including interest rate risk and foreign currency risk), credit risk, and liquidity risk. Management regularly reviews and aligns policies to manage these risks effectively.

**Market Risk**

The market risk is the risk that the fair value or the future cash flow of a financial instrument may fluctuate due to changes in market prices. The Company is exposed to two types of market risks: interest rate risk and price risk.

**Interest Rate Risk**

The interest rate risk is the exposure to various risks associated with the effect of fluctuations in the market interest rates on fair value or the future cash flows of a financial instrument. The Company is primarily exposed to interest rate risk on its long-term floating rate debt instruments. The Company limits interest rate risk by monitoring changes in commission rates of its interest-bearing financial instruments on a regular basis. The Company's interest-bearing liabilities, which primarily consist of bank borrowings, are floating rate liabilities subject to rate fluctuations and renewal. Management monitors the changes in interest rates and believes that fair value and interest rate risks to cash flow of the Company are not material.

The following table shows the sensitivity of income to reasonably possible changes in commission rates of the floating rate borrowings, with other variables held constant, on the statement of income and equity of the Company.

**Below is a breakdown of the Company's interest-bearing financial instruments disclosed to the management:**

	<u>31 December 2025</u>	31 December 2024
Long-term credit facilities	<b>39,716,004</b>	52,429,129

**Sensitivity Analysis**

The following table shows the sensitivity of income to plausible possible changes in interest rates. With other variables constant, there is no direct effect on the equity of the company.

	<u>Statement of profit or loss</u>			
	<u>31 December 2025</u>		31 December 2024	
	<b>Increase of 100 points</b>	<b>Discount of 100 point</b>	Increase of 100 points	Discount of 100 point
Facilities with variable interest rates	<b>39,716</b>	<b>(39,716)</b>	52,429	(52,429)

The company's net profit for the year may be affected by the above amount as a result of these changes that may occur in market commission rates, in the event that there is capitalization of borrowing costs that are directly related to the properties under development, the differences in the period in which they occur are carried on the statement of profit or loss and other comprehensive income.

## VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY

(Saudi Joint Stock Company)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2025

(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)

### 33- FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

#### Market Risk (continued)

##### Foreign Exchange Risk

Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign currency exchange rates. Foreign currency risk arises when future commercial transactions, assets and liabilities are recognized in a currency other than the ﷲ. The Company's management believes that it is not exposed to foreign currency risks because the bulk of the Company's transactions are in ﷲ. The Company believes that its exposure to foreign currency risks is limited, as the ﷲ is linked to the US dollar. Management monitors the risks of fluctuations in exchange rates closely and ongoing, and based on its experience and market reactions, management does not believe that it is necessary to cover against foreign currency risks, as most foreign exchange risks are relatively limited in the medium term..

##### Price Risk

Price risk is the risk that fair value or the future cash flow of a financial instrument may fluctuate due to changes in market prices caused by factors other than the special commission rate and currency risk, (whether those changes are caused by factors specific to the individual instruments or its issuer or factors affecting all identical instruments traded in the market). The Company is exposed to price risk on its holdings of investments classified at FVTPL in the statement of financial position. The Company limits the price risk on equity investments by closely monitoring the prices.

##### Credit Risk

The Credit Risk can be defined as a loss of value of an asset as a result of a failure by a customer or a counter party to such commercially valid and legally enforceable contract to comply with its obligations.

The general sales policy of the Company is "No Credit" terms, but in some cases there are enhanced payment schedules or staggered payment request by selected customers which have been accommodated. In such cases the Company has an exposure of credit risk with respect to the amount due from those customers. However, in such cases the Company holds back the final delivery or possession of the property to mitigate the risk until the full amount due is paid to the satisfaction of the contract. The monitoring and follow up of balances is completed regularly and as a result the Company's exposure to losses is limited.

With respect to the credit risk exposure of other financial assets, namely, cash at banks, trade receivables, other financial assets, and amounts due from related parties, the maximum credit risk of the Company is limited to their carrying values, in case there is a failure of the other party to meet its obligation.

The following is the credit rating of the banks that the Company deals with and their balances as at 31 December 2025:

<u>Credit rating</u>	<u>31 December 2025</u>	<u>31 December 2024</u>
A-	25,717,759	20,707,048
	<u>25,717,759</u>	<u>20,707,048</u>

The following is a summary of other financial assets with respect to credit risk:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Trade receivables	6,104,140	3,923,700
Due from related parties	-	7,906,510
	<u>6,104,140</u>	<u>11,830,210</u>

##### Liquidity Risk

It is a risk that the Company will encounter difficulty in obtaining the financing necessary to meet commitments associated with financial instruments. Liquidity risk may result from the inability to sell a financial asset quickly at a value close to its fair value. Liquidity risk is managed by regularly monitoring the adequacy of liquidity available to meet the Company's financial obligations. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when it falls due, under both normal and established conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

**VIEW UNITED REAL ESTATE DEVELOPMENT COMPANY**

(Saudi Joint Stock Company)

**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2025****(ALL AMOUNTS IN ﷲ UNLESS OTHERWISE STATED)****33- FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)****Liquidity Risk (continued)**

The following table summarizes the Company's financial liabilities in relation to the relevant maturity profile based on the remaining period from the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows:

<b>31 December 2025</b>	<b>Carrying Amount</b>	<b>Less than 1 year</b>	<b>1-5 years</b>
Credit facilities	<b>38,370,000</b>	<b>24,870,000</b>	<b>13,500,000</b>
Trade payables	<b>426,943</b>	<b>426,943</b>	-
Lease liabilities	<b>768,600</b>	<b>256,200</b>	<b>512,400</b>
Due to related parties	<b>133,584</b>	<b>133,584</b>	-
	<b>39,699,127</b>	<b>25,686,727</b>	<b>14,012,400</b>

<b>31 December 2024</b>	<b>Carrying Amount</b>	<b>Less than 1 year</b>	<b>1-5 years</b>
Credit facilities	50,991,478	8,290,000	42,701,478
Trade payables	474,694	474,694	-
Lease liabilities	454,800	227,400	227,400
	<b>51,920,972</b>	<b>8,992,094</b>	<b>42,928,878</b>

**34- CAPITAL COMMITMENTS AND CONTINGENCIES**

The capital commitments for properties under development as of 31 December 2025 amount to ﷲ 15.9 million (31 December 2024: ﷲ 24.3 million). There are no contingent liabilities as of 31 December 2025.

**35- Restatements**

During the year ended 31 December 2023, the Company acquired a branch namely Aktal Real Estate Company (the Aktal Branch") with a commercial registration number 1010341436 from a related party having a net book value of ﷲ 880,455 without any consideration. Considering the acquisition was a common control transaction, ﷲ 880,455 was recognized as equity transaction and classified as other contributed capital in the prior years. However, the classification of treating this as other contributed capital was not in accordance with in accordance with IFRS Accounting Standards as issued by International Accounting Standard Board ("IFRS Accounting Standards") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Accordingly, the management has corrected the error by restating each of the affected financial statement line items for the prior periods whereby the amount of ﷲ 880,455 has been recorded in the retained earnings instead of other contributed capital. The details of each of such restatements have been summarized below:

<b>1 January 2024</b>	<b>As previously stated</b>	<b>Adjustment</b>	<b>As restated</b>
<b>Statement of financial position</b>			
Additional capital contribution	880,455	(880,455)	-
Retained earnings	14,406,941	880,455	15,287,396

<b>31 December 2024</b>	<b>As previously stated</b>	<b>Adjustment</b>	<b>As restated</b>
<b>Statement of financial position</b>			
Additional capital contribution	880,455	(880,455)	-
Retained earnings	25,711,906	880,455	26,592,361

**36- Comparison Information**

Apart from the adjustments described in note 35, certain comparative figures have been reclassified to conform to the presentation of the current period's accounts. This reclassification has had no effect on previously reported operating results or equity.

**37- APPROVAL OF THE FINANCIAL STATEMENT**

These financial statements were approved by the Company's Board of Directors for the year ended 31 December 2025 on 21 Ramadan 1447 H (corresponding to 10 March 2026).