



شركة صالح عبد العزيز الراشد وأولاده
Saleh Abdulaziz Al Rashed & Sons Co.

ANNUAL REPORT

2025

1447 - 1446 H



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ





شركة صالح عبد العزيز الراشد وأولاده
Saleh Abdulaziz Al Rashed & Sons Co.



Custodian of the Two Holy Mosques

*King Salman
bin Abdulaziz Al Saud*





His Royal Highness Prince

*Prince Mohammed Bin Salman
bin Abdulaziz Al Saud*





Introduction	8
Chairman's Statement	10
CEO's Statement	11
Corporate Overview	12
Corporate Timeline	15
Vision, Mission, Objectives, and Values	16
The Company's Investment Narrative	20
The Company's Investment Narrative	22
Corporate Strategic Pillars	24
Activities of the Company and its Subsidiaries	28
The Company's General Strategy	31
International Partnerships and Agencies	35
Group Competitive Advantages	36
Group Competitive Advantages	38
Market Opportunities and Challenge	43
Key Achievements	44
Key Achievements of 2025	46
Key Indicators for 2025	48
Sustainability	49
Human Resources	52
Financial Performance	54
Risk Management	63
Governance	69
The Company's Administrative Structure, Workforce, and Functional Committees	71
Board of Directors	72
Audit Committee	79
Nomination and Remuneration Committee	83
Remuneration Policy	91
Board of Directors' Declarations	105
Concluding Statement	108

INTRODUCTION

A Strategic Overview of Corporate Performance and Future Prospects

ANNUAL REPORT FOREWORD

The Board of Directors of Saleh Abdulaziz Al Rashed & Sons (SAR) is pleased to present to its esteemed shareholders the Annual Report for the financial year ended 31 December 2025. This report reviews the key highlights of the Company's financial and operational performance throughout the year, incorporating the audited financial statements—comprising the statement of financial position, the income statement, and the statement of cash flows—alongside the Independent Auditor's Report.

Furthermore, the report details significant business developments and the strategic directives adopted by the Board and Executive Management to consolidate the Company's standing across the mining, construction materials, asphalt production, and spare parts trading sectors. It also outlines the Company's future vision and its plans for growth and expansion, aimed at delivering sustainable value to shareholders.

BUSINESS ENVIRONMENT AND MARKET OPPORTUNITIES

The Kingdom of Saudi Arabia continues the implementation of its ambitious development programmes under the framework of Saudi Vision 2030. These initiatives have bolstered economic activity and accelerated the pace of investment in infrastructure and urban development projects. This progress has positively impacted the mining, construction materials, and contracting sectors, which remain vital pillars supporting the trajectory of national economic development.

These sectors are currently experiencing an advanced stage of operational maturity following years of sustained growth and the acquisition of expertise in executing large-scale projects. This provides a foundation for a new phase of qualitative growth driven by operational efficiency and investment expansion. Estimates indicate that the volume of giga-projects and infrastructure works currently undertaken by the State exceeds SAR 1.2 trillion, which reinforces future demand for construction materials and related services

CORPORATE STRATEGY ALIGNED WITH VISION 2030 OBJECTIVES

In light of the Kingdom's economic direction, the State aims to increase the mining sector's contribution to the Gross Domestic Product (GDP) to approximately SAR 240 billion by 2030. Accordingly, the Company has sought to evolve its strategy in alignment with these targets, capitalising on the burgeoning investment opportunities within the sector.

The Saudi market is anticipated to witness further growth and expansion over the coming years, propelled by several major national events and initiatives. These include the 2027 AFC Asian Cup, the 2029 Asian Winter Games, Riyadh Expo 2030, and various government initiatives designed to stimulate the private sector. Additionally, continued infrastructure and road development projects, alongside expansion in the tourism, entertainment, and housing sectors, will collectively enhance economic activity and create promising growth opportunities for companies operating within these industries.

CORPORATE STANDING AND STRATEGIC DIRECTION

Saleh Abdulaziz Al Rashed & Sons (SAR) continues to consolidate its position as a leading entity within the mining, construction materials, asphalt production, and spare parts trading sectors. This standing is underpinned by extensive experience and a distinguished reputation for project execution and the delivery of products and services associated with these industries.

Over recent years, the Company has dedicated itself to advancing and diversifying its expertise in the mining of construction materials—such as aggregates, silica sand, and manufactured sand—alongside bolstering its activities in crusher spare parts trading, manufacturing, excavation and backfilling works, and the production of asphalt and Precast.

Furthermore, the Company places particular emphasis on developing institutional and operational capabilities by investing in human capital and adopting best operational and administrative practices. Such initiatives serve to enhance performance efficiency and strengthen the Company's competitive edge within the market.

COMMITMENT TO SUSTAINABLE GROWTH

Guided by its strategic vision, the Company remains committed to expanding its business scope and diversifying revenue streams. The primary focus remains on achieving sustainable growth and maximising shareholder value by investing in promising opportunities within the mining and construction materials sectors, enhancing operational efficiency, and developing governance and corporate management frameworks in alignment with best practices for publicly listed companies.

The Company reaffirms its commitment to its trajectory of development and growth, capitalising on the significant opportunities presented by the Saudi economy. By leveraging its established market position and accumulated expertise across its operating sectors, the Company continues to strengthen its capacity to achieve its strategic objectives in the coming years.

CHAIRMAN'S STATEMENT

Dear SAR Shareholders,

On my own behalf and on behalf of my colleagues in the Company's management, I am pleased to present to you the Annual Report of Saleh Abdulaziz Al Rashed & Sons for the year 2025. This report reflects another year of progress and achievement in the Company's journey, which spans more than four decades within the mining and construction materials sector in the Kingdom of Saudi Arabia.

Since its inception, the Company has remained steadfast in its commitment to delivering high-quality products and services that support infrastructure and urban development projects across the Kingdom. These dedicated efforts have been instrumental in cementing the Company's position as a prominent national player in the construction materials and mining industry.

The year 2025 witnessed continued growth in the Company's performance, with revenues reaching approximately SAR 740 million, while net income amounted to approximately SAR 92 million. These results reflect the robustness of the business model adopted by the Company and the efficiency of its operational processes, in addition to its capacity to capitalise on burgeoning market opportunities.

Furthermore, the Company has proceeded with the implementation of its expansion strategy

within the mining sector. This has been achieved through the development of existing quarries and the establishment of subsidiaries specialised in mining activities and industrial investment, thereby enhancing our ability to diversify revenue streams and secure sustainable growth.

These endeavours align with the major economic transformations currently unfolding in the Kingdom under Saudi Vision 2030, which aims to develop the mining sector into the third pillar of national industry.

Recognising these opportunities, the Company continues to invest in upgrading its operational infrastructure, bolstering operational efficiency, and developing its human capital to ensure the attainment of strategic objectives and the enhancement of shareholder value.

In conclusion, I would like to extend my sincere thanks and appreciation to the members of the Board of Directors, the Executive Management, and all the Company's employees for their dedicated efforts. I also thank our clients and partners for their continued trust and confidence.



Chairman of the Board of Directors

Abdulaziz Saleh Abdulaziz Al Rashed



CEO'S STATEMENT

Greetings,

The year 2025 marked the continued progression of the Company's efforts in executing its ambitious strategy for growth and expansion. During this period, Executive Management focused on enhancing the diversification of the business portfolio, developing operational capabilities, and investing in promising growth opportunities within the mining and construction materials sectors.

Through the grace of Allah, followed by the dedication of our team and the steadfast support of the Board of Directors, the Company has achieved distinguished financial and operational results. We recorded significant growth in both revenue and net profit, alongside the expansion of our asset base and the strengthening of our operational capacities.

Furthermore, the Company proceeded with its expansionary plans by establishing several subsidiaries specialised in mining and industrial investment, as well as securing new mining licences across various domains, including silica sand and construction materials.

On the front of institutional development, the Company continued to bolster its administrative and digital frameworks. This was achieved through the advancement of our Enterprise Resource Planning systems and the improvement of operational and supply chain efficiencies, thereby supporting informed decision-making and enhancing overall productivity.

The year also witnessed substantial progress in the Company's listing project on the Saudi Exchange. All regulatory and technical requirements were successfully completed in collaboration with our financial advisor, Al Arabi Capital, and a cohort of specialised consultants, culminating in the Company's listing on the Main Market in early 2026.

We reaffirm our commitment to pursuing the Company's strategic objectives and consolidating its position as a leading national partner in the mining and construction materials sectors. In doing so, we remain dedicated to supporting the national economy and contributing to the realisation of the goals set out in Saudi Vision 2030.

Chief Executive Officer

Saud Abdulaziz Saleh Al Rashed



CORPORATE OVERVIEW



01

CORPORATE OVERVIEW

Saleh Abdulaziz Al Rashed & Sons (SAR) is regarded as one of the leading national enterprises within the mining and construction materials sector in the Kingdom of Saudi Arabia. Established in 1981 and registered under Commercial Registration No. (7001683254) in Riyadh, dated to 12/07/1395H, the Company has since cultivated extensive expertise in the extraction and production of construction materials, supplying vital infrastructure and construction projects.

Throughout a journey spanning more than four decades, the Company has successfully developed an integrated business model that synergises mining operations, production, transport, and distribution. This model is supported by a substantial fleet of heavy machinery and trucks, alongside a network of quarries and operational sites situated across various regions of the Kingdom.

In recent years, the Company has broadened its business scope by establishing several subsidiaries specialised in mining activities and industrial investment. This expansion has significantly enhanced its capacity to capitalise on the promising opportunities within the mining sector, which is currently experiencing rapid growth in the Kingdom.

The Company operates through a comprehensive integrated business model encompassing:



Extraction of construction materials



Trading in crusher equipment



Production of aggregates and asphalt



Supply of industrial spare parts



Ready-Mix Concrete

CORPORATE TIMELINE

A History of Distinction



- 1981** Establishment of Saleh Abdulaziz Al Rashed & Sons.
- 2011** Conversion of the Company into a Limited Liability Company (LLC)..
- 2022** Establishment of several mining subsidiaries.
- 2023** Conversion of the Company into a Saudi Closed Joint Stock Company.
- 2024** Expansion of mining operations and the acquisition of new companies.
- 2025** Preparation of the Company for listing on the Main Market of the Saudi Exchange (Tadawul).

Net profit of approximately

92

SAR million

Revenues reaching approximately

740

SAR million

Establishment of new companies within the mining and industrial investment sectors.



VISION, MISSION, OBJECTIVES, AND VALUES



VISION

In alignment with the objectives of Saudi Vision 2030, our vision is:

To be the pre-eminent national strategic partner in providing integrated solutions for the mining and construction sectors within the Kingdom of Saudi Arabia.



MISSION

We strive to:

Build sustainable strategic partnerships with our clients by delivering comprehensive solutions in the fields of mining and construction materials. This is achieved by relying on qualified national cadres operating within a sustainable environment that meets shareholder aspirations and contributes to the support of the national economy.

STRATEGIC OBJECTIVES

The Company is dedicated to achieving a suite of strategic objectives that bolster its role in developing the mining and construction materials sectors, while supporting its contribution to Saudi Vision 2030. Key objectives include:

Effective Contribution to the National Economy

The Company seeks to be a primary partner in achieving economic development by supporting the growth of the mining sector and providing innovative solutions that contribute to the evolution of this vital industry.

Empowering National Cadres

A commitment to attracting and developing creative young Saudi talent, providing training and qualification opportunities that enable them to integrate into and lead the future of the mining sector.

Innovation in Growth Strategies

Developing ambitious strategic plans and flexible operational frameworks focused on sustainable expansion into new and advanced fields, thereby enhancing growth and increasing the Company's market share.

Continuous Improvement in Corporate Performance

Adopting a highly efficient, low-cost operating model aimed at refining administrative and operational performance while enhancing the value delivered to clients.



Commitment to the Highest Governance Standards

Implementing best practices in corporate, environmental, and social governance, with strict adherence to occupational health and safety standards to ensure business sustainability.

Energy Sustainability in Mining and Construction Materials

Developing innovative solutions to utilise clean energy sources and environmentally friendly technologies in step with global shifts towards sustainability.

Expansion into Diverse Mining Domains

Strengthening the Company's presence in the mining sector by expanding into multiple fields and developing operational and technical capabilities.

Expansion of Mining Licences

Working to secure additional mining licences across various categories and related activities, alongside expanding into areas such as silica sand mining and asphalt production to support corporate growth.

Achieving Excellence in After-Sales Services

Developing an integrated system for after-sales services, including installation, maintenance, and warranties, to ensure customer satisfaction and provide comprehensive solutions that meet their needs.



CORPORATE VALUES

The Company’s culture is rooted in a set of values that guide its operations and reflect its commitment to excellence and sustainability, including:



Sustainability and Environmental & Social Responsibility

We believe that business success must be accompanied by environmental preservation and contribution to community development; we are therefore committed to mitigating the environmental impact of our operations and promoting the occupational health and safety of our employees.



Quality

We are dedicated to providing high-quality products and services that reflect our commitment to excellence and reliability, while ensuring client needs are met punctually.



Performance Excellence

We constantly strive to achieve the highest levels of performance by adopting best operational practices and fostering a culture of innovation and continuous improvement.



Customer Satisfaction

We place our clients at the forefront of our priorities, working to build long-term relationships by delivering products and services that exceed their expectations.

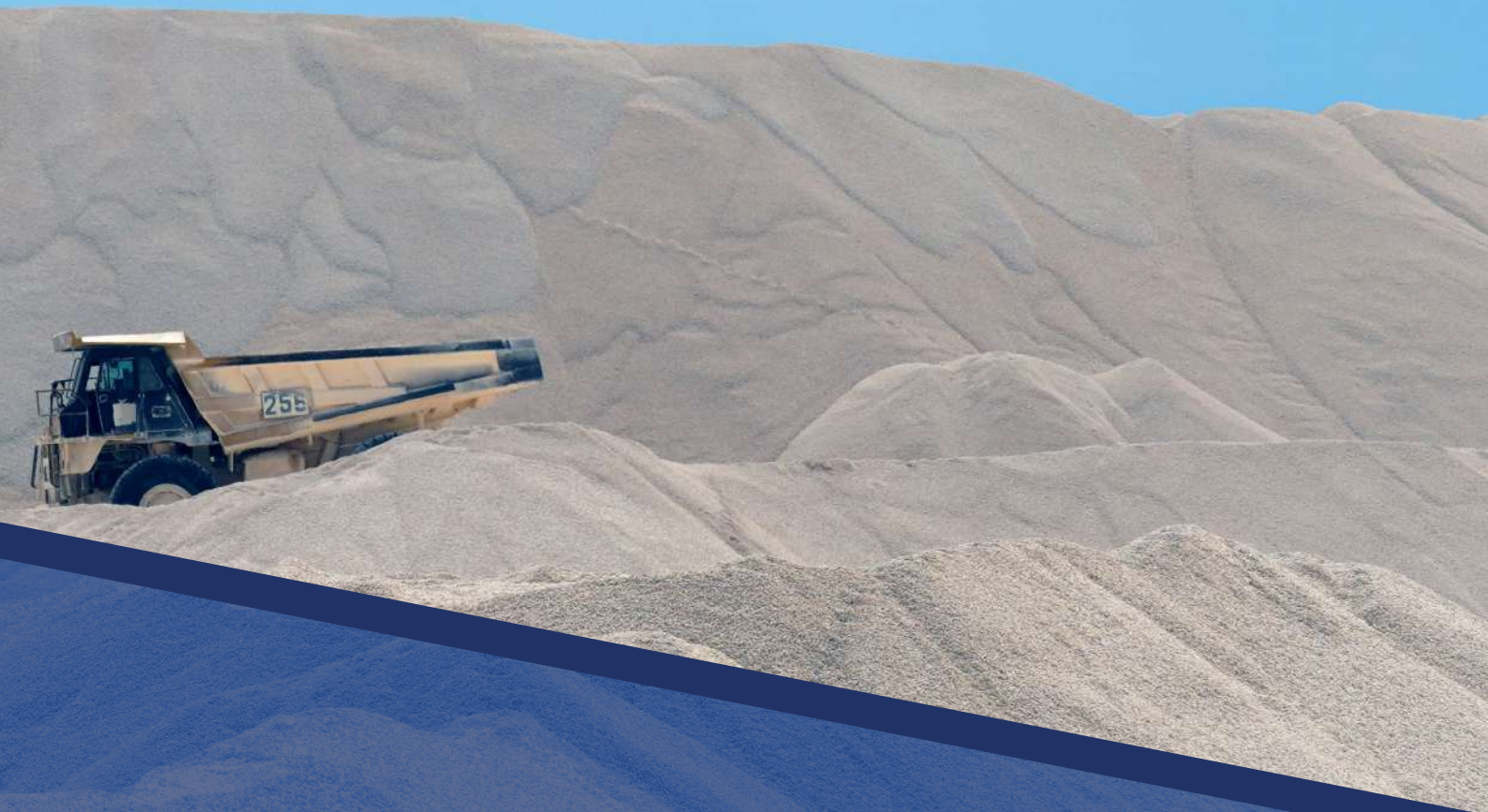


Team Spirit

We believe that collective action, cooperation, and mutual support among team members are the foundations of achieving sustainable success, and we are keen to provide a stimulating work environment that encourages participation and creativity.



THE COMPANY'S INVESTMENT NARRATIVE



02

THE COMPANY'S INVESTMENT NARRATIVE

Growing Today to Lead Tomorrow

Saleh Abdulaziz Al Rashed & Sons (SAR) represents a sustained narrative of growth and success within the mining and construction materials sector in the Kingdom of Saudi Arabia. The Company was established over four decades ago by the late Sheikh Saleh Abdulaziz Al Rashed—may God have mercy upon him—commencing its activities by providing construction materials and crushing services, capitalising on the increasing demand generated by infrastructure and urban development projects across the Kingdom.

Since its inception, the Company has adopted an approach rooted in incremental expansion and the development of operational capabilities. It has worked diligently to evolve its processes in the extraction and production of construction materials, while bolstering its logistical capacity through investment in a burgeoning fleet of heavy machinery and transport trucks. This strategy has enabled the Company to execute large-scale projects and broaden the scope of its operations across various regions of the Kingdom.

In subsequent years, the Company successfully constructed an integrated business model that synergises the extraction, production, and distribution of construction materials, alongside trading in crusher spare parts and industrial equipment. This integration has contributed to the diversification of revenue streams and the enhancement of its competitive standing within the market.

With the acceleration of economic development in the Kingdom and the heightened demand for raw materials for industry and infrastructure, the Company adopted an expansionary strategy aimed at entering advanced mining fields and industrial minerals. Most notable amongst these was the expansion into silica sand mining, alongside the development of construction material extraction operations.

Recent years have witnessed a qualitative transformation in the Company's trajectory through:

- | Expanding the acquisition of mining licences across various regions of the Kingdom.
- | Establishing specialised subsidiaries to support the expansion of mining activities and industrial investment.
- | Bolstering operational infrastructure and investing in machinery and productive assets.
- | Developing corporate and digital frameworks, primarily Enterprise Resource Planning (ERP) systems (SAP).

As a result of this strategy, the Company achieved remarkable growth in its financial and operational performance, with its revenues rising to approximately SAR 740 million in 2025, compared to SAR 600 million in 2024. Furthermore, net income reached approximately SAR 92 million in 2025, whilst total assets increased to nearly SAR 630 million.

Furthermore, the Company continued to bolster its operational capabilities, currently possessing nearly 700 units of heavy equipment and more than 637 transport trucks. This is complemented by an extensive network of operational sites and distribution centres across various regions of the Kingdom, supported by a workforce exceeding 2,126 employees, comprising both technical and administrative talent.

Within the framework of its commitment to enhancing corporate governance, transparency, and attracting investment, the Company worked to complete all regulatory requirements for its Initial Public Offering (IPO). Having secured approval from the Capital Market Authority (CMA) and finalised listing procedures, the Company is set to enter a new phase of growth with its listing on the Main Market of the Saudi Exchange (Tadawul) at the beginning of 2026

The Company's investment narrative rests upon a group of core pillars, most notably:

- | Extensive experience in the mining and construction materials sector spanning over 50 years.
- | A vertically integrated business model covering the value chain from extraction to distribution.
- | A diverse portfolio of activities encompassing mining, construction materials, and industrial trade.
- | A robust operational asset base, including a substantial fleet of machinery and transport vehicles.
- | Promising growth opportunities underpinned by giga-infrastructure projects in the Kingdom.
- | Alignment with the objectives of Saudi Vision 2030 in developing the mining sector.

By virtue of these pillars, the Company continues its journey towards achieving sustainable growth and consolidating its position as a prominent national player in the mining and construction materials sector, with a steadfast focus on creating long-term value for shareholders and contributing to the support of economic development in the Kingdom of Saudi Arabia.



CORPORATE STRATEGIC PILLARS

The Vision for the Future Lies in Planning

1 | SALES EXPANSION AND MARKET SHARE ENHANCEMENT

The Group seeks to achieve sustainable revenue growth by expanding its client base and strengthening its presence across diverse markets. This is realised through the cultivation of long-term relationships with infrastructure project developers and industrial contractors, thereby securing strategic long-term contracts. Furthermore, the Company is working to expand into new geographical markets both within the Kingdom and abroad, while enhancing brand visibility through digital marketing, participation in trade exhibitions, and the establishment of strategic partnerships.

2 | BROADENING THE SCOPE OF MINING LICENCES AND ASSOCIATED ACTIVITIES

The Group places significant emphasis on expanding its mining operations and bolstering its production capacities, whilst maintaining full compliance with regulatory and environmental standards. These efforts include seeking additional Class (B & C) mining licences for aggregates and other industrial/mining minerals, as well as for asphalt production and other industrial minerals. This is complemented by increasing productive capacity through the exploration of new quarry sites and the development of current operations to ensure efficiency and sustainability.

3 | PRODUCT DIVERSIFICATION AND ENTRY INTO NEW SECTORS

The Group is actively developing its product portfolio in alignment with market developments and the requirements of various industrial sectors. A primary strategic direction involves planning for entry into the silica sand mining sector to support high-growth industries, alongside the development of innovative construction materials and specialised industrial spare parts through research and development (R&D).

Moreover, the Group aims to expand its asphalt production lines—including polymer-modified bitumen and hot-mix asphalt—to meet sustainability and innovation requirements within the infrastructure sector. It is also evaluating investment opportunities in complementary industries, such as renewable energy and smart infrastructure technologies.

4 | DEVELOPMENT OF DISTRIBUTION CAPABILITIES AND LOGISTICS

The Group focuses on strengthening its logistical capabilities and supply chains to ensure efficiency and reliability in transport and supply operations. This encompasses investment in developing the transport fleet and modernising heavy machinery used in quarrying operations. Additionally, supply chain management is being refined through the implementation of demand forecasting techniques and real-time inventory management, utilised via Enterprise Resource Planning (ERP) systems such as SAP.

The Group is also working to expand its warehouse infrastructure and establish new regional distribution centres, thereby enhancing delivery speed, reducing logistical costs, and supporting the expansion of mining operations and spare parts distribution across various regions.

5 | OPERATIONAL EFFICIENCY AND PERFORMANCE OPTIMISATION

The Group strives to attain high levels of operational efficiency by optimising production processes, logistics, and supply chains. This includes developing initiatives aimed at cost rationalisation, resource management improvement, and the enhanced utilisation of advanced digital systems to support sustainable growth.

In this context, the Company is developing periodic maintenance and asset management systems to minimise equipment downtime, while leveraging data analytics to bolster operational efficiency and improve productivity.

Furthermore, the Group is increasingly investing in digital transformation and automation by advancing ERP systems, Customer Relationship Management (CRM), and advanced digital analytics. These measures contribute to improved operational visibility and enhanced decision-making. Additionally, quarrying techniques are being updated with advanced equipment that supports real-time monitoring and refines operational performance.

6 | HUMAN CAPITAL DEVELOPMENT AND WORKPLACE ENHANCEMENT

The Group attaches great importance to the development of human capital as a fundamental factor for success and sustainability. Consequently, it works to attract qualified national talent and develop their skills through specialised training programmes, including technical certifications and professional leadership initiatives, in harmony with the Saudization goals of Saudi Vision 2030.

The Group also seeks to enhance workforce productivity through the application of performance-based incentive systems and the provision of clear career development pathways, thereby creating a stimulating and attractive work environment.

Moreover, the Group is keen to foster a corporate culture rooted in safety and inclusivity by implementing initiatives that support the occupational and psychological health of employees, while encouraging diversity and the exchange of ideas. Advanced digital tools are also employed in human resource management to improve workforce planning and enhance talent retention.

7 | SUSTAINABILITY, GOVERNANCE, AND SOCIAL RESPONSIBILITY

The Group is committed to integrating the principles of sustainability and Environmental, Social, and Governance (ESG) criteria across all its operations, ensuring a strategic balance between economic growth and environmental and societal responsibility.

Sustainability initiatives include expanding the use of renewable energy within quarrying operations, implementing advanced water management and recycling systems, and conducting land reclamation following extraction to restore ecosystems in affected sites. Furthermore, the Group is dedicated to reducing industrial waste, promoting recycling, and deploying energy-efficient equipment, including electric vehicles, alongside supporting the use of recycled materials within the construction sector.

The Company is also keen to protect biodiversity and bolster community engagement by supporting local employment, local procurement, and community initiatives in the fields of education, health, and infrastructure development.

Regarding corporate governance, the Group remains committed to strengthening corporate governance frameworks and implementing best practices in risk management and regulatory compliance, in addition to developing cybersecurity systems, anti-corruption measures, and enhancing transparency in sustainability-related disclosures.

8 | STRENGTHS AND COMPETITIVE ADVANTAGES

The Group derives its competitive strength from its extensive industry experience, its integrated business model, product diversification, and strategic client relationships. This integration has enhanced its capacity to participate across various stages of the value chain within the mining and construction materials sector, thereby supporting its ability to deliver high added value to clients.

Moreover, the Group enjoys a well-established reputation in the market owing to its excellence in structural construction materials, mining operations, and trade, in addition to being a leading supplier of crushing equipment and crusher spare parts. Its accumulated expertise, strategic expansion, and reliance on technical innovation have consolidated its position as a prominent pioneer in this sector within the Kingdom, providing a robust foundation for achieving sustainable growth and enhancing its future competitiveness.

SIGNIFICANT CORPORATE PLANS

AND DECISIONS

Expansion of Sales and Market Share by Broadening the Scope of Mining Licences and Related Activities:

- | The Group is working to strengthen its relationships with infrastructure developers and industrial contractors to secure long-term contracts and establish sustainable strategic partnerships.
- | The Group seeks to bolster its presence in new markets with the aim of diversifying and expanding its revenue base.
- | The Group aims to expand its portfolio of Class (C) and Class (B) licences.
- | The Group further intends to increase its aggregate production capacity by exploring new quarry sites and improving the efficiency of mining operations.



Product Diversification and Entry into New Sectors:

- | The Group seeks to expand into silica sand mining to support high-growth industrial sectors.
- | The Group also endeavours to introduce new construction materials and spare parts specifically designed to meet the requirements of emerging markets.
- | The Group is working to expand its asphalt production lines in alignment with market demands and sustainability objectives

Enhancing Distribution Capabilities and Logistics:

- | The Group continues to expand its fleet to ensure reliable and efficient transport.
- | The Group is increasing its investments in heavy machinery to bolster the production capacity of its quarries.
- | The Group is maintaining its efforts to improve supply chain efficiency through the continued utilisation of the SAP system.
- | The Group is working to expand its warehouse infrastructure and establish additional regional centres to support mining operations, accelerate delivery timelines, and reduce logistical costs

ACTIVITIES OF THE COMPANY AND ITS SUBSIDIARIES

Towards the Future of Mining and Infrastructure in the Kingdom

OVERVIEW OF CORPORATE ACTIVITIES

Saleh Abdulaziz Al Rashed & Sons (SAR) operates across several key sectors, including:

- | Mining and the extraction of construction materials.
- | Production and supply of aggregates and asphalt.
- | Trading in industrial spare parts.
- | Heavy equipment operation and logistical services.
- | Development of mining projects and industrial investment.
- | production of silica sand.
- | ready-mix concrete plants.

The Company's business model is characterised by vertical integration across the construction materials and mining value chain, granting it a robust competitive advantage in terms of operational efficiency and cost control.



SUBSIDIARIES

Saleh Abdulaziz Al Rashed & Sons Company owns a group of subsidiaries that fall under its umbrella and contribute to supporting its operations within the mining sector, as follows:

1 | JOUDAT AL-SOKHOUR MINING COMPANY

Joudat Al-Sokhour Mining Company is a single-member company (a single-member limited liability company) registered in the city of Jeddah, and recorded in the Commercial Register under Unified Number 7031169332, dated 10/03/1444H (corresponding to 06/10/2022G). Its headquarters is located in Al-Thaghr District, Old Makkah Road, P.O. Box 6106, Jeddah 22338, Kingdom of Saudi Arabia. As of the date of this Report, its current share capital is one hundred thousand (100,000) Saudi Riyals, divided into one hundred (100) cash shares with a value of one thousand (1,000) Saudi Riyals per share. According to its Articles of Association, its activity consists of land transport of goods, the operation of quarries for the extraction of stone, sand, and clay, and other business support activities for mining and quarrying. Ownership of Joudat Al-Sokhour Mining Company was transferred to the Company on 02/09/1444H (corresponding to 03/04/2023G).

2 | DURRAT AL-MABANI MINING COMPANY

Durrat Al-Mabani Mining Company is a single-member company (a single-member limited liability company) registered in the city of Riyadh, and recorded in the Commercial Register under Unified Number 7030158591, dated 07/01/1444H (corresponding to 05/08/2022G). Its headquarters is located on King Fahd Road, Al-Olaya District, P.O. Box 12333, Riyadh 3817, Kingdom of Saudi Arabia. As of the date of this Report, its current share capital is one hundred thousand (100,000) Saudi Riyals, divided into one (1) cash share with a value of one hundred thousand (100,000) Saudi Riyals per share. According to its Articles of Association, its activities consist of the operation of quarries for the extraction of stone, sand, and clay; the manufacture of refined petroleum products; the construction of roads and railways; site preparation; and the wholesale of solid, liquid, and gaseous fuels and related products. Ownership of Durrat Al-Mabani Mining Company was transferred to the Company on 30/03/1446 H (corresponding to 03/10/2024G).

3 | AL-RIMAL AL-HAMRA MINING COMPANY

Al-Rimal Al-Hamra Mining Company is a single-member company (a single-member limited liability company) registered in the city of Riyadh, and recorded in the Commercial Register under Unified Number 7032432408, dated 09/06/1444H (corresponding to 03/12/2022G). Its headquarters is located in Bahr Al-Arab, Al-Khaleej District, P.O. Box 13224, Riyadh 3400, Kingdom of Saudi Arabia. As of the date of this Report, its current share capital is one hundred thousand (100,000) Saudi Riyals, divided into two (2) cash shares with a value of fifty thousand (50,000) Saudi Riyals per share. According to its Articles of Association, its activity consists of the operation of quarries for the extraction of stone, sand, and clay. Ownership of Al-Rimal Al-Hamra Mining Company was transferred to the Company on 01/04/1446H (corresponding to 04/10/2024G).

4 | NATIONAL SHIELD MINING COMPANY

National Shield Mining Company is a limited liability company registered in the city of Riyadh, as recorded in the Commercial Register under Unified Number 7042613542, dated 18/05/1446H (corresponding to 20/11/2024H). Its headquarters is located at Road 19 Ibn Qasim, Al-Aziziyah District, P.O. Box 14511, Riyadh 7941, Kingdom of Saudi Arabia. As of the date of this Report, its current share capital is one hundred thousand (100,000) Saudi Riyals, divided into one hundred (100) cash shares with a value of one thousand (1,000) Saudi Riyals per share. According to its Articles of Association, its activities consist of mining of other non-ferrous metal ores; the operation of quarries for the extraction of stone, sand, and clay; other mining and quarrying activities not elsewhere classified; other business support activities for mining and quarrying; and the manufacture of cement, lime, plaster, and articles of concrete, cement, and plaster.

5 | AKM INDUSTRIES FOR INDUSTRIAL DEVELOPMENT AND INVESTMENT COMPANY

AKM Industries for Industrial Development and Investment Company is a single-member company (a limited liability company) registered in the city of Riyadh, and recorded under Unified National Number 7052552747, dated 22/05/1447H (corresponding to 13/11/2025H). Its headquarters is located in Al-Nakheel District, P.O. Box 12381, Riyadh 5317, Kingdom of Saudi Arabia. As of the date of this Report, its current share capital is thirty-five million (35,000,000) Saudi Riyals, divided into thirty-five million (35,000,000) cash shares with a value of one (1) Saudi Riyal per share. According to its Articles of Association, its activity consists of the operation of quarries for the exploitation of stone, sand, and clay.

6 | NEOMONT MINING COMPANY

Neomont Mining Company is a limited liability company registered in the city of Jeddah, and recorded under National Number 7017201836, dated 22/09/1441H (corresponding to 15/05/2020H). Its headquarters is located in Al-Hamra District, Jeddah, Kingdom of Saudi Arabia. As of the date of this Report, the Company's share capital is one million (1,000,000) Saudi Riyals, divided into one million (1,000,000) cash shares with a value of one (1) Saudi Riyal per share. According to its Articles of Association, its activity consists of the operation of quarries for the extraction of stone, sand, and clay.

7 | SAR NEOMONT J V MINING COMPANY

SAR Neomont GV Mining Company is a limited liability company registered in the city of Riyadh, and recorded under Unified National Number 7052006199, dated 17/04/1447H (corresponding to 09/10/2025H). Its headquarters is located in Al-Aziziyah District, P.O. Box 14512, Riyadh 7731, Kingdom of Saudi Arabia. As of the date of this Report, its current share capital is (100,000) Saudi Riyals, divided into one hundred thousand (100,000) cash shares with a value of one (1) Saudi Riyal per share. According to its Articles of Association, its activity consists of the operation of quarries for the extraction of stone, sand, and clay.

8 | TAMOOH AL-QIMMAH MINING COMPANY

Tamooh Al-Qimma Mining Company is a limited liability company registered in the city of Riyadh, and recorded under Unified National Number 7048842665, dated 07/08/1446H (corresponding to 06/02/2025H). Its headquarters is located in King Fahd District, Riyadh, Kingdom of Saudi Arabia. As of the date of this Report, the Company's share capital is (100,000) Saudi Riyals, divided into one hundred thousand (100,000) cash shares with a value of one (1) Saudi Riyal per share. According to its Articles of Association, its activity consists of the operation of quarries for the extraction of stone, sand, and clay.

THE COMPANY'S GENERAL STRATEGY

Confident Strides Towards Leadership

STRATEGIC DIRECTIONS

Saleh Abdulaziz Al Rashed & Sons (SAR) adopts a comprehensive strategic framework aimed at achieving sustainable growth, enhancing operational efficiency, and consolidating its leadership across the mining, construction materials, and industrial trade sectors. This framework is predicated on a long-term vision centred on innovation, continuous development, and adaptation to economic and regulatory shifts.

The primary pillars of the strategy are as follows:

- UPDATING AND DEVELOPING STRATEGIC PLANS**

The Company is committed to the periodic review and refinement of its strategic plan to ensure continued alignment with:

- | Economic and regulatory transformations.
- | Market developments and competitive dynamics.
- | Future industrial trends.

- ENHANCING TECHNICAL INTEGRATION AND DATA-DRIVEN DECISION-MAKING**

The Company leverages modern technologies and advanced information systems to support investment and operational decision-making, contributing to:

- | Improved accuracy in financial and operational analysis.
- | Enhanced efficiency in resource allocation.
- | Support for long-term planning.

- DEVELOPING PERFORMANCE MONITORING MECHANISMS**

The Company has established a corporate system to oversee the execution of the strategy, comprising:

- | Clear Key Performance Indicators (KPIs).
- | Periodic progress measurement reports.
- | Regular strategic reviews to ensure the attainment of objectives.

- OPTIMISING OPERATIONAL PROCESSES**

The Company strives for operational excellence by:

- | Implementing industrial best practices.
- | Improving the efficiency of production and logistical operations.
- | Developing performance monitoring systems.

• EFFICIENT RESOURCE MANAGEMENT

The Company adopts advanced methodologies for resource management through:

- | Investing in recycling technologies.
- | Developing more efficient extraction methods.
- | Optimising the use of energy and natural resources.

• HUMAN CAPITAL DEVELOPMENT

The Company attaches great importance to the development of human capital through:

- | Advanced training programmes.
- | Developing technical and administrative skills.
- | Supporting innovation and a corporate work culture.

Through these strategic initiatives, the Company maintains its competitive standing and capitalises on burgeoning growth opportunities within the contracting, infrastructure, mining, and construction materials sectors in the Kingdom of Saudi Arabia, in alignment with the objectives of Saudi Vision 2030.

EXPANSION AND GROWTH PLAN

The Company adopts an ambitious expansion strategy aimed at bolstering its market presence and increasing its market share, leveraging the substantial growth in government expenditure on infrastructure projects in the Kingdom, which is anticipated to exceed SAR 3.8 trillion in the coming years.

The expansion plan encompasses several key axes:

• EXPANSION OF SALES AND MARKET SHARE

The Company focuses on revenue growth through:

- | Strengthening strategic relationships with infrastructure project developers and industrial contractors to secure long-term contracts.
- | Expanding into geographical markets both within and outside the Kingdom.
- | Utilising digital marketing, specialised exhibitions, and strategic partnerships to enhance brand presence and drive sales.

• EXPANSION OF MINING ACTIVITIES AND LICENCES

The Company is working to broaden the scope of its mining operations in compliance with regulatory and environmental requirements by:

- | Securing additional Class (C) mining licences for aggregates.
- | Expanding the production of asphalt and other industrial minerals.
- | Exploring new quarry sites to increase production capacity.
- | Adhering to environmental and sustainability standards in extraction processes.

• PRODUCT DIVERSIFICATION AND ENTRY INTO NEW SECTORS

The Company seeks to diversify its product portfolio to keep pace with evolving market needs through:

- | Expanding silica sand production to support manufacturing industries.
- | Developing new construction material products and industrial spare parts.
- | Investing in research and development (R&D) to improve aggregate and asphalt formulations.
- | Expanding the production of polymer-modified bitumen and advanced asphalt mixes.
- | Evaluating investment opportunities in complementary sectors, such as renewable energy and smart infrastructure materials.

• ENHANCING LOGISTICAL CAPABILITIES AND THE SUPPLY CHAIN

The Company is developing its logistical infrastructure to enhance operational efficiency by:

- | Expanding the transport fleet to ensure the efficient delivery of materials.
- | Investing in heavy machinery to support quarrying operations.
- | Improving supply chain management through the utilisation of the SAP system.
- | Developing real-time demand forecasting and inventory management systems.
- | Expanding warehouse infrastructure and distribution centres.
- | Through these efforts, the Company strengthens its ability to meet growing market demands with high efficiency.

• OPERATIONAL EFFICIENCY AND PERFORMANCE OPTIMISATION

The Company continuously strives to enhance the efficiency of its operational processes across all production and logistical activities by implementing industrial best practices and modern technologies.

• COST OPTIMISATION AND PROCESS DEVELOPMENT

Performance improvement initiatives include:

- | Implementing advanced preventive maintenance systems.
- | Improving the management of operational assets.
- | Minimising equipment downtime.
- | Utilising data analytics to optimise productivity.

• DIGITAL TRANSFORMATION AND AUTOMATION

The Company invests in digital technologies to bolster operational efficiency. Key initiatives include:

- | Advancing Enterprise Resource Planning (ERP) systems.
- | Utilising Customer Relationship Management (CRM) systems.
- | Leveraging digital analytics to support decision-making.
- | Modernising quarry equipment with advanced monitoring and operating technologies.

• HUMAN CAPITAL DEVELOPMENT

Human resources constitute a fundamental pillar of the Company's success; it remains dedicated to fostering a stimulating work environment that supports innovation and skill development.

Attracting National Talent

The Company is dedicated to:

- | Attracting qualified Saudi talent.
- | Supporting Saudization programmes in alignment with Saudi Vision 2030.
- | Providing advanced vocational training and professional development programmes.
- | Supporting leadership and administrative development initiatives.

Fostering a Corporate Work Culture

The Company implements various initiatives to enhance the work environment, including:

- | Promoting a "Safety First" culture across all operational sites.
- | Executing occupational health and employee wellbeing programmes.
- | Promoting diversity and inclusion within the workplace.
- | Implementing digital human resource management systems.

INTERNATIONAL PARTNERSHIPS AND AGENCIES

The Company is committed to establishing strategic relationships with a number of leading global entities in the fields of industrial equipment and mining. These alliances aim to bolster the Company's technical capabilities and enhance the quality of its products and services.

Amongst its most prominent partners are:



Industrial materials and adhesives



Asphalt production plants



Crushing and screening solutions






These partnerships facilitate the transfer of international technical expertise to the local market, while supporting the Company's capacity to deliver integrated solutions to its clients within the mining, construction, and infrastructure sectors.



GROUP COMPETITIVE ADVANTAGES



03

GROUP COMPETITIVE ADVANTAGES

Our Key Differentiating Factors

Saleh Abdulaziz Al Rashed & Sons Group derives its competitive advantages from profound expertise within the construction materials and mining sector, as well as from an integrated business model that synthesises production, supply, trade, and support services. This model has facilitated the establishment of an interconnected operational ecosystem, enabling the Group to participate across various stages of the value chain—from raw material extraction to distribution and technical services.

Throughout a journey spanning more than five decades, the Group has successfully consolidated a robust reputation within the Saudi market, predicated on product quality, high operational capacity, and long-standing relationships with clients and suppliers. Furthermore, the diversification of its products, the strength of its infrastructure, and its commitment to regulatory and environmental standards have bolstered its competitive standing and supported its capacity to achieve sustainable growth in the mining and construction materials sectors.



1 | **INDUSTRIAL EXPERTISE AND ESTABLISHED MARKET PRESENCE**

The Group enjoys a long history within the construction materials and mining sector in the Kingdom of Saudi Arabia, which has enabled the building of an extensive knowledge base and accumulated operational expertise. This sustained presence has been instrumental in cementing the Group's position as a primary supplier of aggregates and construction materials, in addition to being a significant provider of crushing equipment and crusher spare parts.

Over its years of operation, the Group has continued to evolve its activities through strategic expansion of production sites, investment in modern technologies, and the strengthening of relationships with clients and partners. This has resulted in the creation of a trusted brand associated with quality and the capacity to meet the requirements of major infrastructure projects across various regions of the Kingdom.

Furthermore, the Group seeks to maintain this leading position by continuing to invest in innovation, enhancing the efficiency of operational processes, and responding to market shifts and regulatory requirements.

2 | **INTEGRATED BUSINESS MODEL**

The Group adopts an integrated business model that combines vertical and horizontal integration, providing greater control over operations and achieving higher efficiency in resource and supply chain management.

On a vertical level, the Group's operations encompass multiple stages, including the extraction of materials from quarries, aggregate production, and asphalt manufacturing. This allows for stability in product quality and reduces reliance on external suppliers. Moreover, this integration contributes to improved cost efficiency and ensures continuity of supply for major projects.

On a horizontal level, the Group operates in additional fields, including industrial spare parts trading, mineral processing, and the distribution of construction materials. This contributes to the diversification of revenue streams and enhances business resilience against demand fluctuations in certain sectors.

Additionally, the exclusive distribution agreements concluded by the Group with several international companies bolster its ability to secure high-quality equipment and materials at competitive prices, whilst also enhancing supply chain stability and improving procurement efficiency.

3 | **DIVERSIFICATION OF PRODUCTS AND REVENUE STREAMS**

The Group offers a wide range of products and services that meet the needs of the construction, infrastructure, and various industrial sectors. These products include aggregates of various types and sizes, asphalt products, and mineral materials, in addition to crusher spare parts and industrial equipment.

This diversity supports the Group's market share and mitigates risks associated with reliance on a single product or sector. It also enables the Group to serve a broad client base, including contracting companies, Ready-Mix Concrete plants, road construction firms, and major industrial projects.

In addition, the spare parts division provides technical support and after-sales services, including the supply

of essential components for industrial equipment and the provision of technical consultations. This creates additional revenue streams and strengthens long-term client relationships.

The Group is also working to expand the production of high-demand materials, such as silica sand and polymer-modified bitumen, while evaluating investment opportunities in fields such as silica mining and calcium carbonate production to support the Group's future growth strategy.

4 | **FINANCIAL STRENGTH AND ASSET OWNERSHIP**

The Group enjoys a strong financial position supported by stable revenues and effective financial management, enabling it to continue investing in the development of its operations and the expansion of its production capacities. This financial strength also allows the Group to secure favourable contractual terms with suppliers and access the funding necessary for expansion projects.

The Group's ownership of substantial operational assets enhances its ability to execute projects with high efficiency. As of 31 December 2025, the Group owns a transport fleet comprising approximately 637 trucks, in addition to nearly 700 units of heavy equipment utilised in mining, quarrying, and production operations.

Furthermore, the Group employs more than 2,126 staff and workers distributed across various operational and administrative sites, which bolsters its capacity to manage its operations efficiently across different regions of the Kingdom.

5 | **QUALITY AND REGULATORY COMPLIANCE**

The Group attaches paramount importance to the implementation of the highest standards of quality and regulatory compliance across all its operations. This commitment has been instrumental in consolidating its reputation as a reliable provider of construction material products and industrial services.

The Group is dedicated to implementing quality, environmental, and occupational health and safety management systems in accordance with international standards, having secured the following certifications:

ISO 9001:2015 | ISO 14001:2015 | ISO 45001:2018 | ISO/IEC 21001:2022

These systems entail the application of rigorous quality control procedures at every stage of production, in addition to strict adherence to the environmental regulations and regulatory frameworks in force within the Kingdom.

Furthermore, the Group adopts a customer-centric approach by providing solutions tailored to the specific requirements of various projects, offering effective technical support and after-sales services, and utilising digital systems to enhance transparency and the efficiency of supply operations.

6 | DISTRIBUTION NETWORK AND MARKET COVERAGE

The Group possesses an extensive distribution network that supports its capacity to meet client requirements across various regions of the Kingdom. As of 31 December 2025, the number of construction material sales stations affiliated with the Group exceeded 14 stations, complemented by 6 retail branches for spare parts.

This integrated logistical network supports transport and distribution operations through a substantial fleet of vehicles and equipment, contributing to reduced delivery lead times and ensuring the continuity of supply for client projects.

Moreover, the Group seeks to gradually expand the scope of its operations within the Gulf Cooperation Council (GCC) markets, capitalising on its operational expertise and commercial relationships within the sector.

7 | OPERATIONAL EFFICIENCY AND COMPETITIVE PRICING

The Group relies on an efficient cost structure predicated on economies of scale and vertical integration of operations, alongside bulk procurement strategies and efficient supply chain management.

The ownership of quarries, asphalt plants, and technical workshops has contributed to achieving significant operational savings. Furthermore, predictive maintenance programmes and flexible operational processes have assisted in stabilising costs and bolstering price competitiveness.

Enterprise Resource Planning (ERP) systems based on SAP further support financial planning, inventory management, and demand forecasting, thereby enhancing procurement efficiency and optimising supply chain management.

8 | DIGITAL AND TECHNICAL TRANSFORMATION

The Group continues to invest in modern technologies to enhance the efficiency of its operational and administrative processes. This includes the implementation of SAP ERP systems and Customer Relationship Management (CRM) systems, in addition to the development of real-time financial reporting tools and digital analytics.

These systems contribute to the automation of operational processes, improve data accuracy, and support informed strategic decision-making.

9 | SUSTAINABILITY AND ENVIRONMENTAL & SOCIAL RESPONSIBILITY

The Group incorporates the principles of Environmental, Social, and Governance (ESG) criteria within its operational strategy, in alignment with the objectives of Saudi Vision 2030.

Within the framework of its environmental commitment, the Group executes several initiatives aimed at mitigating the environmental impact of its operations, including afforestation programmes, dust filtration, water recycling, and the use of energy-efficient equipment. It is also evaluating the integration of solar energy solutions into certain operational processes.

The Group also places a high priority on social responsibility and personnel safety, implementing strict occupational safety protocols; notably, no fatalities have been recorded at operational sites. Furthermore, Saudization programmes focus on the employment and development of national cadres, thereby contributing to the support of economic and social development.

10 | GOVERNANCE AND RISK MANAGEMENT

The Group adopts an integrated corporate governance framework aimed at promoting transparency, regulatory compliance, and enterprise risk management. These frameworks include clear policies for financial oversight, operational risk management, cybersecurity, and supply chain integrity.

The Group complies with all systems and regulations in force within the mining, environment, transport, and safety sectors. As of 31 December 2025, the Group held 17 licences for construction material quarries, in addition to 6 licences for rock-blasting operations using explosives.

The digital systems implemented by the Group, primarily SAP, support financial control, resource management, and the enhancement of data security across all business units.

11 | LEADERSHIP AND WORKFORCE

The Group's success is anchored in a leadership team possessing extensive experience in the construction materials and mining sector, supported by a qualified workforce with advanced technical and operational skills.

The Executive Management team works to develop operational strategies, foster innovation, and improve process efficiency, contributing to the Group's ability to adapt to market variables.

The Group continually invests in technical training and professional skill development for its employees, alongside the implementation of Saudization programmes designed to increase the participation of national talent at various functional levels.

By virtue of its integrated business model, financial strength, and commitment to sustainability and governance standards, the Group enjoys a robust position that qualifies it to achieve long-term growth and support infrastructure projects and economic development in the Kingdom of Saudi Arabia

MARKET OPPORTUNITIES AND CHALLENGE

Promising Opportunities and Execution Challenges

FIRST: MARKET OPPORTUNITIES

Saleh Abdulaziz Al Rashed & Sons enjoys a range of strategic opportunities that bolster its capacity to achieve sustainable growth and expansion both within and outside the Kingdom of Saudi Arabia. Chief among these opportunities is the significant momentum the Kingdom is witnessing in the execution of giga-infrastructure projects, which constitute a primary driver for the increased demand for the Company's products, such as aggregates, asphalt, and various construction materials.

Furthermore, the national drive towards enhancing local content and developing national industries within the objectives of Saudi Vision 2030 creates a stimulating investment environment for the mining sector and its associated industries. This provides the Company with additional opportunities to expand its extraction and production operations.

On the other hand, promising opportunities are emerging in the expansion of production for high-demand industrial materials, such as silica sand and calcium carbonate. These materials serve as essential inputs for numerous modern manufacturing industries, such as glass, solar energy, and plastics.

The Company also possesses significant opportunities in:

- | Geographical expansion into new regions within the Kingdom.
- | Developing innovative products compliant with environmental sustainability standards.
- | Producing eco-friendly construction materials, such as low-emission asphalt.

It is anticipated that these opportunities will contribute to enhancing the Company's competitiveness in both the near and long term.

SECOND: CHALLENGES

Despite the available opportunities, the Company faces a set of operational and economic challenges that may impact the efficiency of its operations.

Among the most prominent of these challenges are:

1 | RISING OPERATIONAL COSTS

Operational costs are witnessing a marked increase as a result of:

- | The continuous rise in diesel prices.
- | The high cost of primary materials used in production, such as bitumen used in asphalt manufacturing.

The rise in fuel prices directly affects transport and distribution costs, given the Company's heavy reliance on its land transport fleet to supply products to various project sites.

2 | REGULATORY RESTRICTIONS ON TRANSPORT

Regulatory authorities impose restrictions on maximum truck loads, which has led to:

- | A reduction in the quantities transported per trip.
- | An increase in the number of trips required to transport the same volumes.
- | Higher logistical and operational costs for the Company.

This represents an additional challenge that necessitates improving the efficiency of logistical operations and fleet management.



KEY ACHIEVEMENTS



04

KEY ACHIEVEMENTS OF 2025

2025 Panorama

A Record of Success and Contribution

The year 2025 witnessed the attainment of numerous financial and operational achievements, reflecting the success of the Company’s growth and expansion strategy.

Financial Growth

Indicator	2024	2025	Growth Rate
Revenue	SAR 600 million	SAR 740 million	23.3%
Net Income	SAR 60 million	SAR 92 million	53.3%
Total Assets	SAR 507 million	SAR 630 million	24.6%

Expansion and Acquisitions

The year 2025 witnessed the establishment of several strategic companies:

Company	Ownership Stake	Activity
SAR Neomont GV Mining Company	total ownership: %84.7 Direct ownership %70 indirect ownership %14.7 through Neomont Mining Company	Mining and quarrying
Neomont Mining Company	49.0%	Mining and silica extraction
Tamooh Al-Qimmah Mining Company	Total ownership: 100% (99% direct, 1% indirect through Joudat Al-Sokhour Mining Company)	Mining and quarrying
AKM Industries for Industrial Development and Investment Company	51.0%	Construction materials (Ready-Mix Concrete)

The Company also secured several new mining licences in the fields of construction materials and silica sand.

PREPARATION AND LISTING ON THE FINANCIAL MARKET

The year 2025 witnessed the completion of the Initial Public Offering (IPO) phases:

- | Obtaining approval from the Capital Market Authority (CMA) for listing on the Main Market.
- | Completing all legal, financial, and technical due diligence reports.
- | Collaborating with the financial advisor, Al-Arabi Financial Company, and the legal advisor, STAT Law Firm, to finalise the offering procedures.
- | Listing the Company on the Main Market (Tadawul) in March 2026.

Development of Assets and Operational Capabilities

Indicator	Value
Value of assets added during 2025	Over SAR 139 million
Number of heavy equipment units	Approximately 700 units
Transport fleet	637 trucks
Number of employees	Approximately 2,126 employees

OPERATIONAL SECTORS

• MINING AND CONSTRUCTION MATERIALS SECTOR

- | Expanding quarry sites and increasing production.
- | Securing new sites and mining licences

• TRADE AND SPARE PARTS SECTOR

- | Developing the sales network.
- | Expanding international commercial agencies.
- | Enhancing after-sales services

KEY INDICATORS FOR 2025

The year 2025 witnessed robust financial and operational performance for the Company, as it continued to achieve sustainable growth across its various activities.

FINANCIAL INDICATORS

Net Income: Approximately

92

SAR million

Revenue: Approximately

740

SAR million

Share Capital

186

SAR million

Total Assets

630

SAR million

OPERATIONAL INDICATORS

Number of Heavy Equipment
Units

700

units

Number of Employees

2,126

employees

Number of Quarries

7

quarries

Number of Trucks

637

trucks

Number of Asphalt Plants

4

plants

Number of Crushers

14

crushers

SUSTAINABILITY

Sustainability and Social Responsibility

THE COMPANY'S PRIMARY SUSTAINABILITY MEASURES AND CORE FOCUS

AREAS:

In light of rapid global developments and the increasing shift towards adopting Environmental, Social, and Governance (ESG) standards, the integration of these principles into business strategies has become a decisive factor in achieving sustainable growth and enhancing value for all stakeholders. By virtue of our approach, predicated on the integrated management of environmental and social performance alongside governance practices, we have successfully navigated major challenges—such as the Coronavirus pandemic in 2020 and the subsequent economic disruptions—emerging stronger and more adaptable to change. We maintain a steadfast commitment to the three fundamental pillars underpinning our 2028 Sustainability Strategy, which is focused on enhancing environmental and social performance, implementing best practices in governance, and ensuring the wellbeing of our clients and employees. Furthermore, we are dedicated to delivering genuine value to the community, the environment, and the markets in which we operate. We remain committed to adopting a robust and sustainable ESG framework, drawing inspiration from the directives of Saudi Vision 2030, which seeks to bolster transparency, efficiency, and economic sustainability. Within this framework, we continue to develop internal control mechanisms, enhance regulatory compliance, and embed sound governance practices across all our operational processes. Through these endeavours, we seek to achieve a lasting positive impact that benefits our environment, communities, and partners, whilst ensuring operational and financial excellence and consolidating our position as a responsible corporation committed to the highest global standards of ESG.

ENVIRONMENTAL PROTECTION AND RESOURCE MANAGEMENT

Driven by our pioneering vision to achieve sustainable and environmentally responsible development, we are keen to integrate environmental sustainability into the fabric of all our operational processes, thereby ensuring the protection of the environment and improving the quality of life for future generations. Our attainment of official certification from the Ministry of Environment reflects our rigorous commitment to applying the highest standards of environmental oversight and promoting sustainability across all our activities.

- **INSTALLATION OF DUST FILTERS TO IMPROVE AIR QUALITY:**

The Company is committed to protecting the environment from atmospheric pollutants by installing high-efficiency filters on all equipment at operational sites. This aims to reduce dust emissions and improve ambient air quality.

- **AFFORESTATION AND THE EXPANSION OF GREEN SPACES:**

Believing in the importance of the environmental sector in improving air quality and mitigating negative environmental impacts, we have launched initiatives to plant trees across all Company sites and administrative offices. This reflects our support for afforestation and environmental sustainability initiatives within Saudi Vision 2030.

- **EXPANSION IN THE USE OF GREEN ENERGY:**

We are working towards adopting renewable energy within our operational activities and are expanding its use to support the Saudi Green Initiative. This contributes to reducing reliance on conventional energy sources and enhancing environmental efficiency.

- **REDUCTION OF CARBON GAS EMISSIONS:**

We continue our progress in reducing our carbon footprint by implementing effective strategies aimed at diminishing emissions resulting from our operational processes. This is in alignment with global environmental trends and Saudi Vision 2030, which aims to achieve Net Zero carbon emissions.

- **WASTE MANAGEMENT:**

Al Rashed Company manages the disposal of waste, scrap, and used oils in accordance with the requirements of the Ministry of Environment. This is complemented by periodic inspections of sites by the Company's Occupational Health and Safety Department to ensure full compliance with Company policy and state laws.

- **WATER QUALITY MONITORING:**

We are dedicated to conducting periodic water testing at all our sites to verify its quality and safety. This ensures compliance with environmental and health standards and contributes to the conservation and sustainability of water resources.

- **PRACTICES IN MATERIAL SUPPLY:**

Al Rashed Company consistently adheres to all laws regarding vehicle load capacities and permitted operational hours, in accordance with the regulatory laws of the Kingdom of Saudi Arabia.

- **SOIL PROTECTION:**

We are committed to protecting the soil from pollution resulting from the mining process by conducting comprehensive environmental impact assessments (EIA) prior to the commencement of any mining project. We manage waste generated from mining operations in a manner that minimises its impact on soil and water, whilst performing periodic monitoring of the soil and water surrounding mining areas to ensure they remain uncontaminated. We employ modern and sustainable mining techniques that reduce soil degradation and implement rehabilitation programmes for affected areas following the conclusion of mining operations.

Details of the Company's Social Contributions.

The Group maintains its steadfast commitment to the three fundamental pillars underpinning its 2028 Sustainability Strategy, which focuses on enhancing environmental and social performance, implementing optimal social contributions, and ensuring the wellbeing of our clients and employees. Furthermore, we are dedicated to delivering genuine value to the community, the environment, and the markets in which we operate.

Environmental Responsibility	Social Responsibility	Health and Safety
Installation of dust filters across all Company sites	Commitment to enhancing Saudization rates	50 years with an exceptional safety record
Planting and afforestation of all Company sites and offices	Strengthening partnerships with Small and Medium Enterprises (SMEs)	Monitoring and addressing injury frequency rates
Expansion of renewable energy use across various sites	Hazardous materials monitoring system	Continuous safety awareness training programmes
Reduction of carbon gas emissions		Daily inspections of work sites
Waste management		Personal Protective Equipment (PPE) at all sites
Water quality monitoring		
Material supply practices		
Soil protection		

GLOBAL STANDARDS AND OPERATIONAL EXCELLENCE

At our Company, we believe that quality, sustainability, and safety are the foundations of our success and continuity; we are therefore keen to apply the highest international standards across all our operations. Driven by our enduring commitment to continuous improvement, we have secured several international certifications that reflect our level of excellence and our dedication to achieving the highest tiers of performance and quality.

- | **Environmental Licence from the National Centre for Environmental Compliance:** Reflects our increasing focus on environmental preservation.
- | **ISO 9001:2015 Certification:** Reflects the Company's commitment to Quality Management System standards.
- | **ISO 14001:2015 Certification:** Relates to Environmental Management Systems to ensure environmental compliance and the mitigation of negative environmental impacts.
- | **ISO 45001:2018 Certification:** Focuses on Occupational Health and Safety Management Systems to ensure a safe working environment.
- | **Local Content Certificate:** Indicates a commitment to enhancing local added value within products and services.

HUMAN RESOURCES

Workforce Overview

The Group recognises that its workforce is a fundamental element of operational excellence, innovation, and sustained business success. Comprising over 2,100 male and female employees, this workforce serves as the cornerstone in achieving the Group's operational and strategic objectives, with their presence spanning all sectors of the Group across the fields of construction materials and spare parts.

The Group implements structured workforce management strategies to ensure effective recruitment, the provision of comprehensive training, employee retention, and compliance with labour laws and professional best practices. The Group's workforce policies aim to foster a productive and motivated personnel base by focusing on employee wellbeing, skill development, occupational safety, and diversity, thereby enhancing the Group's capacity to support its operations with efficiency and sustainability.

TRAINING AND DEVELOPMENT

- **TRAINING ON MONITORING AND ADDRESSING INJURY FREQUENCY RATES:**

We apply a rigorous system for monitoring and analysing injury frequency rates to identify root causes and take proactive measures to address them and mitigate their recurrence, thereby ensuring the continuous improvement of the work environment.

- **CONTINUOUS SAFETY AWARENESS TRAINING PROGRAMMES:**

We provide integrated training programmes for all employees, encompassing continuous awareness of safety and health procedures. This includes comprehensive induction courses upon joining the Company to ensure that all personnel are well-versed in approved safety protocols.

- **DAILY WORKSITE INSPECTIONS:**

We carry out regular daily inspections across all worksites to ensure full compliance with safety procedures and the application of best practices, thereby bolstering prevention and risk mitigation.

- **PERSONAL PROTECTIVE EQUIPMENT (PPE) AT ALL SITES:**

We provide Personal Protective Equipment (PPE) at all worksites to ensure employee safety and reduce operational risks, with a steadfast emphasis on proper usage and adherence to safety protocols.

- **HAZARDOUS MATERIALS MONITORING SYSTEM:**

In application of environmental and industrial safety standards, we maintain a strict monitoring system for hazardous materials. This includes secure storage, responsible handling, and continuous surveillance to ensure the protection of the environment and the safety of the workforce.

SAUDIZATION AND EMPOWERMENT

- **COMMITMENT TO ENHANCING SAUDIZATION RATES:**

We believe that investing in national cadres is a core component of our social responsibility. Consequently, we continue to work on enhancing Saudization rates across all Company sectors, contributing to the empowerment of Saudi youth and supporting Saudi Vision 2030.

- **STRENGTHENING PARTNERSHIPS WITH SMES:**

We seek to empower local businesses by fostering collaboration with Small and Medium Enterprises (SMEs), thereby contributing to the support of the local economy and the creation of sustainable growth opportunities.

WORK ENVIRONMENT AND OCCUPATIONAL HEALTH AND SAFETY

In our Company, we believe that the safety and health of our employees and partners are a paramount priority. We work continuously to provide a safe and healthy work environment by implementing the highest standards of occupational safety and public health practices. Our extended record of over 50 years without a single fatality reflects our unwavering commitment to promoting a culture of safety and risk prevention across all our operations.

- **AN EXCEPTIONAL 50-YEAR RECORD:**

We are proud to have achieved an exceptional safety record over four decades, reflecting our commitment to implementing rigorous safety procedures and ensuring a safe working environment for all.

We utilise the concept of “family” to create a secure community, fostering retention and sustainability. Before we commence the operation of our machinery—before we excavate, load, or crush, and even before we sit at a computer to organise our day—we consider safety. Our culture consistently emphasises safety.

At Saleh Abdulaziz Al Rashed & Sons Co., we do not say “Everything begins with safety” merely to leave a pleasant first impression; rather, safety is intrinsic to the way we operate. We diligently strive to ensure that safety remains a fundamental priority on both professional and personal levels.

With a view to fostering a positive work environment, we emphasise responsibility, planning, and communication so that our team can efficiently manage the daily risks associated with the work, while ensuring our employees return home safely.

Saleh Abdulaziz Al Rashed & Sons Co. is committed to complying with environmental requirements in all aspects of its operations.

We recognise the importance of managing environmental emissions from our plants and strive to mitigate any negative impacts on the environment. Through the implementation of strict policies and practices, we ensure compliance with relevant environmental legislation and standards. This includes responsible waste management, the conservation of energy and resources, the reduction of emissions, and the promotion of sustainability across all facets of our operations.

Our dedication to environmental compliance not only demonstrates our commitment to society but also assists us in building trust and maintaining a positive reputation among stakeholders, employees, and within the realm of social responsibility.



FINANCIAL PERFORMANCE



05

FINANCIAL PERFORMANCE

Key Financial Indicators for 2025

During the year 2025, the Company witnessed a financial performance that reflects the stability of its operational activities and the diversification of its revenue streams. The Company's various sectors contributed to bolstering financial results and achieving balanced growth that supports its long-term strategy. This performance was underpinned by sustained demand for the Company's products and services within the infrastructure and construction sectors, alongside the efficient management of operational and logistical processes.

The Company is committed to the periodic monitoring and analysis of financial performance indicators to ensure the attainment of the best possible return for shareholders, while maintaining the robustness of its financial position and its capacity to fund future expansion plans.

REVENUE ANALYSIS BY SECTOR

The Company's revenue structure relies on several key operational sectors, each playing a vital role in supporting total revenue and enhancing the Company's financial sustainability. These sectors primarily include:

- | **Aggregates Sector:** Represents one of the most significant revenue sources, given the high demand for its products in infrastructure and construction projects.
- | **Asphalt Sector:** Contributes to supporting revenues through the supply of asphalt mixes for road projects, airport runways, and urban developments.
- | **Spare Parts and Equipment Sector:** Provides products and support services for the mining and construction sectors, contributing to the diversification of income sources and the strengthening of relationships with industrial clients.

This sectoral diversity assists in mitigating operational risks and achieving a revenue balance that enhances the Company's financial stability.

COSTS AND CAPITAL EXPENDITURE

The Company's operational costs comprise a set of primary elements linked to the nature of its industrial and mining activities, such as:

- | Costs of raw material extraction and processing.
- | Transport and logistical services costs.
- | Fuel and energy costs.
- | Maintenance and operational costs for equipment and machinery.

As for capital expenditure, it is primarily represented by investments directed towards:

- | Developing quarries and production sites.
- | Modernising equipment and crushers.
- | Expanding asphalt plants.
- | Developing logistical infrastructure.

These investments aim to elevate operational efficiency, increase production capacity, and enhance the Company's competitiveness.

INVESTMENTS AND EXPANSIONS

The Company continues to execute its investment plans aimed at supporting future growth and bolstering its market presence. These plans include:

- | Expanding mining operations and raw material extraction.
- | Developing existing production sites and increasing their operational efficiency.
- | Investing in modern technologies to raise product quality and improve process efficiency.
- | Geographical expansion to meet growing demand across various regions of the Kingdom.

These expansions are part of the Company's strategy to consolidate its position as a key partner in infrastructure and urban development projects.

DIVIDEND POLICY

Pursuant to Article (41) of the Company's Bylaws, the Ordinary General Assembly may resolve to form reserves from net profits to the extent that serves the Company's interests or ensures the distribution of stable dividends to shareholders as far as possible.

The General Assembly may also deduct a portion of the net profits to establish social institutions for the Company's employees or to support existing institutions providing social services to the workforce. Furthermore, the General Assembly determines the percentage of profits to be distributed to shareholders from the net profits after deducting reserves, if any.

FACTORS INFLUENCING DIVIDEND DISTRIBUTION

The decision to distribute dividends depends on several fundamental factors, most notably:

- | The Company's financial position and the results of its operational activities.
- | Short-term and long-term cash flow requirements.
- | The Company's investment plans and future expansion projects.
- | Regulatory or contractual obligations and restrictions that may affect the ability to distribute dividends.
- | Addressing any losses the Company may have incurred in previous years.

Dividend distribution decisions are made based on the recommendations of the Board of Directors and its comprehensive assessment of the Company's financial and operational status.

CONDITIONS FOR INTERIM DIVIDEND DISTRIBUTION

The Company may distribute interim dividends during the financial year subject to the following conditions:

- | The General Assembly must authorise the Board of Directors to distribute interim dividends pursuant to a resolution issued annually.
- | Availability of distributable profits according to the latest audited financial statements, after deducting any portions of those profits already distributed or capitalised.
- | The Company enjoying a good and stable level of profitability.
- | Availability of sufficient financial liquidity with the ability to forecast future profit levels to a reasonable degree.

CONDITIONS FOR ANNUAL DIVIDEND DISTRIBUTION

Annual dividends are distributed based on a recommendation from the Board of Directors, which is then presented to the General Assembly of shareholders for a vote.

Upon deciding to recommend an annual dividend distribution, the Company is committed to presenting the resolution to the General Assembly for approval in accordance with the applicable laws and regulations.

DIVIDEND DISTRIBUTION RESOLUTION REQUIREMENTS

The dividend distribution resolution must include the following information:

- | Date of the Board of Directors' resolution.
- | Distribution period (annual or interim – semi-annual or quarterly).
- | Total value of the distributed dividends.
- | Number of shares eligible for dividends.
- | Dividend per share.

It should be noted that all of the Company's shares are equal in their entitlement to dividends as of the date of this Report, given the absence of treasury shares or preference shares.

Statement of Dividends Distributed to Shareholders for Various Financial Periods

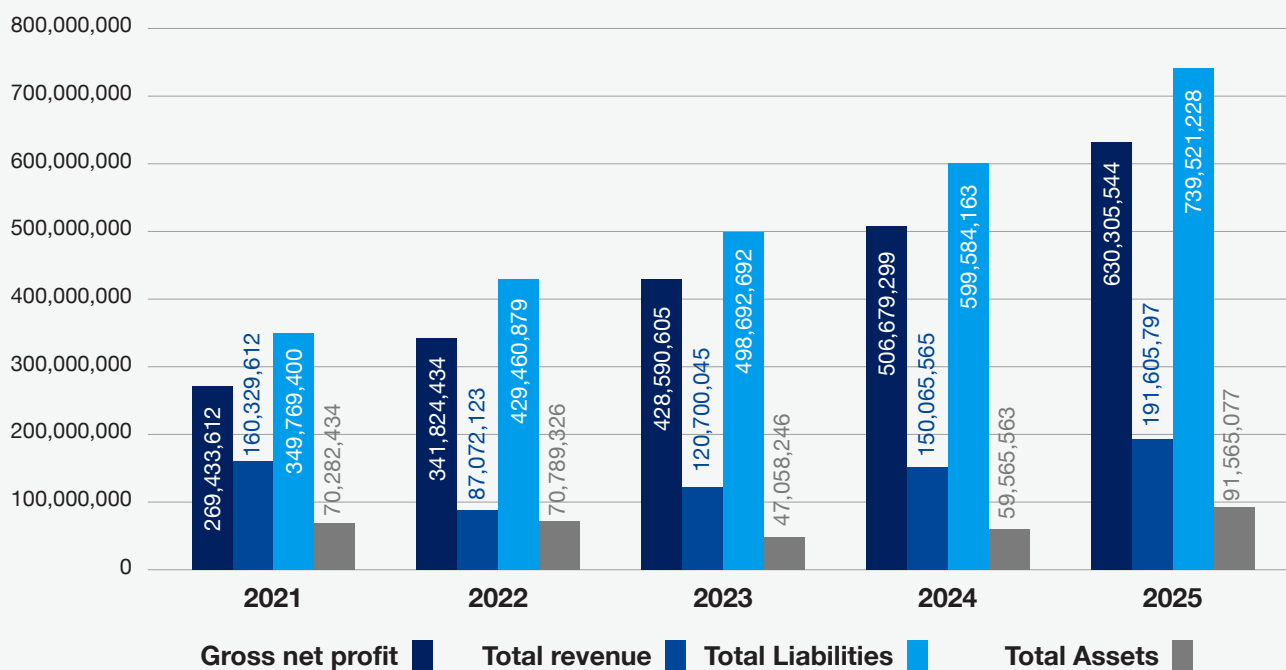
Item	Dividends for 2022	Dividends for 2023	Dividends for 2024 (Interim Dividends)	Proposed Dividends for 2025
Dividend per Share (SAR)	50 Halalas per share (Half a Riyal)	50 Halalas per share (Half a Riyal)	80 Halalas per share	SAR 2.00 per share
Total Distributed Amount (SAR)	9,300,000	9,300,000	14,880,000	37,200,000

Performance of the Primary Activities of the Company and its Subsidiaries.

Sector / Activity	2022		2023		2024		2025	
	Total Sales	% of Total	Total Sales	% of Total	Total Sales	% of Total	Total Sales	% of Total
Commercial Sector	96,940,352	22.6%	115,093,086	23.1%	107,960,530	18.0%	102,335,456	13.8%
Construction Materials Sector	332,520,527	77.4%	383,599,606	76.9%	491,623,633	82.0%	637,185,772	86.2%
Total (SAR)	429,460,879		498,692,692		599,584,163		739,521,228	

Summary of the Company's Assets, Liabilities, and Results of Operations for the Last Five Financial Years

Statement	2021	2022	2023	2024	2025
Total Assets	269,433,612	341,824,434	428,590,605	506,679,299	630,305,544
Total Liabilities	160,329,612	87,072,123	120,700,045	150,065,565	191,605,797
Total Revenue	349,769,400	429,460,879	498,692,692	599,584,163	739,521,228
Total Net Profit	70,282,434	70,789,326	47,058,246	59,687,563	91,565,077

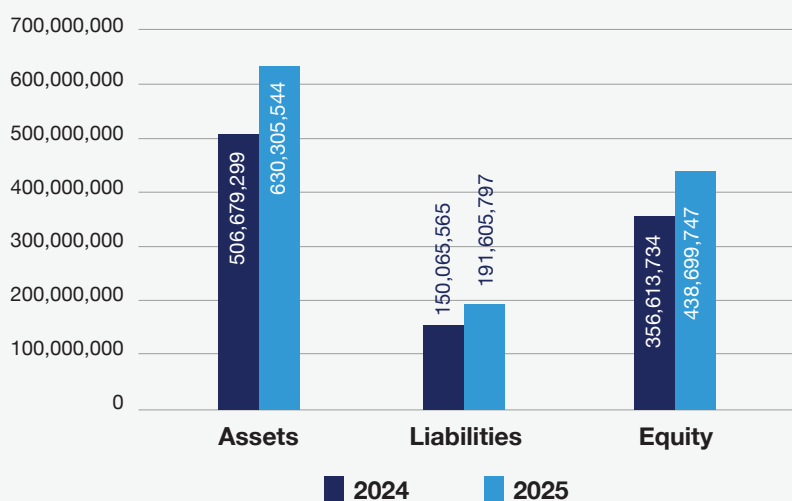
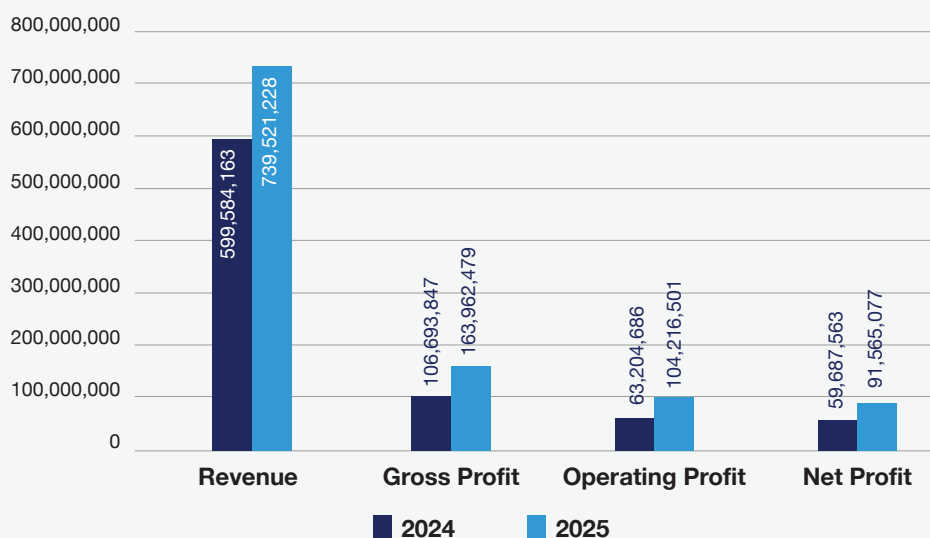


Geographical Analysis of the Total Revenues of the Company and its Subsidiaries

	2024	2025
Within the Kingdom	599,091,517	738,408,718
Outside the Kingdom	492,646	1,112,510

Key Differences Between 2025 and 2024 Results (Saudi Riyal)

	2024	2025	Change	Change %
Revenue	599,584,163	739,521,228	139,937,065	23%
Gross Profit	106,693,847	163,962,479	57,268,632	54%
Operating Profit	63,204,686	104,216,501	41,011,815	65%
Net Profit	59,687,563	91,565,077	31,877,514	53%
Assets	506,679,299	630,305,544	123,626,245	24%
Liabilities	150,065,565	191,605,797	41,540,232	28%
Equity	356,613,734	438,699,747	82,086,013	23%





RISK MANAGEMENT



06

RISK MANAGEMENT

The Risk Management Department at the Company is a function operating under the Governance Department, tasked with studying the risks facing the Company and subsequently reporting them to the Audit Committee. This ensures the monitoring of strategic, operational, and financial risks, as well as all other risks encountered by the Company.

Furthermore, the Risk Management Department develops and activates policies and procedures, and measures and assesses the Company's risk appetite. Its mandate includes developing and implementing procedures related to operational risks and preparing a corresponding plan to execute risk assessment processes. This encompasses managing risks and identifying opportunities that impact the organisational strategies employed to achieve the Company's objectives.

The Risk Management Department is also responsible for submitting periodic risk reports to the members of the Audit Committee and the Board of Directors. These reports include an analysis of the risks facing the Company to mitigate future exposures.

Risk management at the Company is carried out by the Board of Directors and the Executive Management, who bear direct responsibility for identifying, studying, and analyzing the risks that the Company may face, and subsequently taking appropriate measures to address them. This includes monitoring strategic, operational, financial, and other risks related to the Company's activities.

The Executive Management, in coordination with the Board of Directors, develops and enhances policies and procedures related to risk management, works on assessing the Company's risk tolerance level, and conducts periodic assessments of the risks and opportunities that may impact the achievement of strategic objectives.

RISK FACTORS

The business and results of operations of Saleh Abdulaziz Al Rashed & Sons ("the Group") may be affected by a number of operational, financial, and regulatory risks associated with the nature of its activities in the mining, construction materials, and related industrial sectors. While the Group works to manage these risks through the application of appropriate control and administrative policies and procedures, there can be no guarantee that any of these risks will not materialise or that they will not impact the Group's performance or financial position. The following are the most prominent risk factors that could have a material impact on the Group's business:

1 | RISKS RELATED TO THE AVAILABILITY OF MINERAL RESERVES AND LICENCES

The Group's operations rely heavily on the availability of sufficient reserves of construction materials—particularly aggregates and silica sand—in strategic locations that allow for economically viable extraction. Any decrease in the volume of extractable reserves, or an inability to obtain or renew the necessary licences or regulatory approvals, could adversely affect the Group's ability to continue its operations or expand its activities.

2 | RISKS RELATED TO COMPETITIVENESS AND PRICING PRESSURES

The Group operates in a market characterised by a degree of price competition among companies within the mining and construction materials sector, which may lead to pressure on prices and profit margins. Furthermore, the Group's profitability may be affected by fluctuations in the prices of raw materials, energy, and fuel, or by an increase in operational costs, which could negatively reflect on its results of operations.

3 | RISKS RELATED TO CONCENTRATION OF CUSTOMERS AND SUPPLIERS

The Group may rely on a limited number of key customers or suppliers for a portion of its revenues or operational activities. In the event of the loss of one of these customers or suppliers, or the occurrence of disruptions in supply relationships, this may impact revenues or the continuity of operational processes and supply chains.

4 | OPERATIONAL RISKS RELATED TO EQUIPMENT AND PROCESSES

The Group's activities depend on heavy equipment and production facilities, such as crushers and asphalt and concrete production lines. Unforeseen technical failures, operational accidents, emergency maintenance, or sudden disasters may lead to a temporary cessation of operations or a decrease in production levels, which could affect the Group's ability to meet its contractual obligations.

5 | RISKS RELATED TO SUPPLY CHAINS AND TRANSPORT

The Group's operations rely on the transport of raw materials from extraction sites to production sites, as well as the delivery of finished products to customers. Logistical disruptions, transport delays, or rising fuel and energy costs may lead to increased operational costs or delays in product delivery.

6 | RISKS RELATED TO HUMAN RESOURCES AND EXECUTIVE MANAGEMENT

The Group relies on the expertise of senior executives and specialised technical cadres to manage its operations and develop its business. The loss of key talent or the inability to attract or retain qualified employees—particularly in technical and operational roles—could impact the Group's operational performance.

7 | RISKS RELATED TO GOVERNANCE AND REGULATORY COMPLIANCE

The Group is subject to a number of laws and regulations, including mining, environmental, and labour laws, in addition to governance requirements and International Accounting Standards. Any failure to comply with these requirements, or in the application of governance policies or the performance of Board committees, may lead to the imposition of regulatory fines or a negative impact on the Group's reputation.

8 | FINANCIAL RISKS

The Group faces several financial risks that may affect its financial position and results of operations, most notably:

- | Funding and liquidity risks.

- | Interest rate fluctuations.
- | Accounts receivable and collection risks.
- | Reliance on accounting estimates and assumptions in the preparation of financial statements.

9 | TECHNICAL RISKS AND INFORMATION SECURITY

The Group relies on information technology systems to manage its operational and financial processes. Any technical malfunction, system interruption, security breach, or loss of data could disrupt business, affect operational efficiency, or damage the Group's reputation.

10 | LEGAL AND REGULATORY RISKS

The Group's business may be affected by changes in government regulations and legislation, including those related to mining, the environment, taxation, Zakat, and labour. Additionally, the Group may be exposed to legal claims or disputes related to operational processes or commercial contracts.

11 | RISKS RELATED TO THE MACROECONOMY AND THE SECTOR

Demand for the Group's products is closely linked to the construction and infrastructure sector in the Kingdom of Saudi Arabia. Consequently, any slowdown in economic activity or a decrease in spending on construction projects may lead to a decline in demand for the Group's products.

12 | RISKS RELATED TO FORCE MAJEURE AND EXCEPTIONAL CIRCUMSTANCES

The Group's operations may be affected by events beyond its control, such as natural disasters, pandemics, geopolitical unrest, or instances of force majeure, which could lead to the disruption of operations, increased operational costs, or delays in project execution.

Operational and Financial Risks Facing the Company

Risk Category	Number of Risks
Risks related to the Group's activities and operations	40
Risks related to the market, sector, and regulatory environment	12
Risks related to the offer shares	6
Total	58

All risks are monitored by the relevant authorities for each respective risk, and the Company maintains a specific policy for risk management and mitigation.



RISK MANAGEMENT AND SUPERVISORY CONTROLS

Saleh Abdulaziz Al Rashed & Sons Group adopts an integrated risk management framework aimed at identifying, assessing, and periodically monitoring potential risks. This ensures the mitigation of their impact on the Group's business and the continuity of its operations and financial performance. This framework is based on a set of supervisory policies and procedures that bolster the efficiency of the internal control system and ensure compliance with relevant laws and regulations, in addition to supporting corporate governance practices in accordance with the highest professional standards.

In this context, the Board of Directors approved a number of policies and procedures regulating risk management and governance on 30 December 2024. Most prominent among these are the Risk Management Policy, the Stakeholder Protection Policy, and the Whistleblowing Policy, all aimed at enhancing transparency and consolidating the principles of integrity and accountability within the Group.

Furthermore, the Company strengthened its corporate governance and oversight framework by establishing the Governance, Risk, and Compliance (GRC) Department in 2023, which is tasked with the responsibility of developing and implementing governance and risk management policies and monitoring regulatory compliance. As part of enhancing the internal control system, the Internal Audit Department was restructured at the beginning of 2024 and reinforced with specialised expertise to ensure the effectiveness of oversight across operational and financial processes.

Regarding Board governance, the Company established the Audit Committee and the Nomination and Remuneration Committee in 2024 to support effective supervision of the Company's business and enhance the independence of oversight. Additionally, on 26 March 2025, the General Assembly approved the Audit Committee Charter, which regulates its activities, powers, and responsibilities in alignment with approved best governance practices.

Through this integrated system of policies, committees, and supervisory controls, the Group seeks to enhance risk management efficiency and embed a culture of compliance and corporate governance, thereby supporting the achievement of its strategic objectives and bolstering the long-term sustainability of its business.





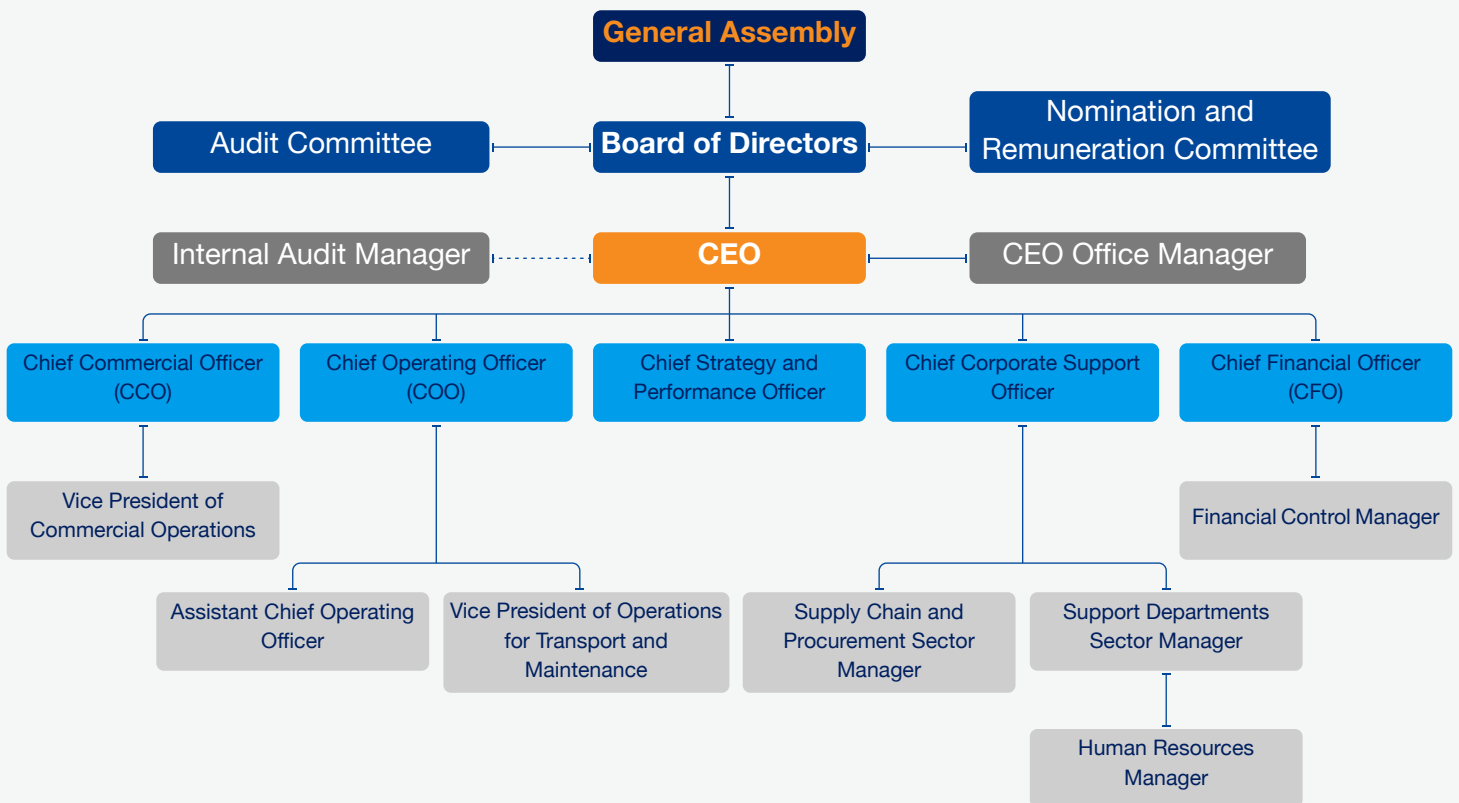
GOVERNANCE



07

THE COMPANY'S ADMINISTRATIVE STRUCTURE, WORKFORCE, AND FUNCTIONAL COMMITTEES

SOUND MANAGEMENT: THE COMPASS OF SUCCESS



BOARD OF DIRECTORS

Members of the Board of Directors:

Name	Title	Capacity
Mr. Abdulaziz Saleh Abdulaziz Al Rashed	Chairman of the Board	Non-Executive
Mr. Salah Khalid Abdullah Al Tuwajri	Vice Chairman of the Board	Non-Executive
Mr. Khalid Abdulrahman Mohammed Al Mousa	Board Member	Independent
Mr. Abdulaziz Abdulrahman Abdulaziz Al Rashed	Board Member	Independent
Mr. Abdullah Mohammed Abdullah Al Rashed	Board Member	Non-Executive
Mr. Saud Abdulaziz Saleh Al Rashed	Board Member and Chief Executive Officer	Executive

BIOGRAPHIES OF THE BOARD MEMBERS

Mr. Abdulaziz Saleh Abdulaziz Al Rashed

Current Position	Chairman of the Board – Non-Executive
Qualifications	Bachelor of Marketing, City University of Seattle, Washington, USA, 1985.
Previous Experience	<ul style="list-style-type: none"> Over 50 years of experience in the fields of mining, commerce, and crusher manufacturing, as well as the management and operation of quarries and crushers. Chairman of the Board of the Company from 2023 to date. Board Member of the Mining Partnership Council—an entity affiliated with the Ministry of Industry and Mineral Resources focused on the institutional development of the private and public sectors—from 2024 to date. Member of the Mining Committee at the Riyadh Chamber—an entity affiliated with the Ministry of Commerce—from 2022 to date. General Manager of the Company from 1998 to 2023. Credit Officer at Arab National Bank, a public joint-stock company operating in the banking sector, from 1985 to 1998.

Mr. Salah Khalid Abdullah Al Tuwajri

Current Position	Vice Chairman of the Board – Non-Executive
Qualifications	Bachelor of Business Administration, specialising in International Trade, Schiller International University, London, United Kingdom, 1984.
Previous Experience	<ul style="list-style-type: none"> Over 38 years of experience in contracting, project management, maintenance, and operations. Vice Chairman of the Board of the Company from 2023 to date. Chief Executive Officer of Tarshid Arab Energy (Tarshid), a sole proprietorship operating in the renewable energy sector, from 2017 to date. Partner and Board Member of Mezat Development Company, a closed joint-stock company operating in real estate development, from 2008 to 2013. Executive Director and Board Member of National Concrete Products Company, a limited liability company manufacturing construction material, from 1996 to 2005. General Manager of Saad Architectural Contracting, a sole proprietorship operating in construction, from 1995 to 1996. Executive Director of Technical Affairs at Saad Architectural Contracting, from 1990 to 1995. Manager of Local and International Procurement at Saad Architectural Contracting, from 1987 to 1990. Manager of International Procurement at Saad Architectural Contracting, from 1986 to 1987.

Mr. Khalid Abdulrahman Mohammed Al Mousa

Current Position	Board Member and Chairman of the Nomination and Remuneration Committee – Independent
Qualifications	Bachelor of Business Administration, City University of Seattle, Washington, USA, 1986.
Previous Experience	<ul style="list-style-type: none"> Over 39 years of experience in finance, financial advisory, acquisitions, and corporate finance. Board Member of the Company from 2023 to date. Board Member of Knowledge Net, a public joint-stock company operating in technology and alternative solutions for asset and project management, from 2022 to date. Board Member of Advanced Operation Company, a limited liability company operating in information technology, from 2022 to date. Board Member of Amwal Tech, a limited liability company operating in investigation, cybersecurity, and seamless payment solutions, from 2021 to date. Chairman of the Board of Kesib Limited, a limited liability company operating in building and construction, from 2008 to date. Board Member of Osool & Bakheet Investment Company, a public joint-stock company operating in financial services and investments, from 2005 to date. Advisor to the General Manager at Osool Capital, a closed joint-stock company operating in investment, from 2004 to 2008. Head of Corporate Banking Group at Bank AlJazira, a public joint-stock company operating in banking and financial services, from 2003 to 2004. Central Regional Manager at Banque Saudi Fransi, a public joint-stock company operating in banking and financial services, from 1999 to 2001.

Mr. Abdulaziz Abdulrahman Abdulaziz Al Rashed

Current Position	Board Member, Member of the Nomination and Remuneration Committee, and Member of the Audit Committee – Independent
Qualifications	Bachelor of Business Administration, King Faisal University, 1996.
Previous Experience	<ul style="list-style-type: none"> Over 29 years of experience in real estate development, property management, and the development of numerous real estate projects. Board Member of the Company from 2023 to date. Chief Executive Officer of Dana Real Estate Company, a single-member company operating in the real estate sector, from 2020 to date. Deputy General Manager of the Real Estate Sector at Al Rashed Trading and Contracting Company, a closed joint-stock company operating in real estate and investment, from 2015 to 2020. Investment Manager at Al Rashed Trading and Contracting Company, from 2000 to 2003.

Mr. Abdullah Mohammed Abdullah Al Rashed

Current Position	Board Member and Chairman of the Audit Committee – Non-Executive
Qualifications	Bachelor of Finance, Suffolk University, Boston, USA, 2016.
Previous Experience	<ul style="list-style-type: none"> Over 7 years of experience in project finance, structured finance, and corporate finance. Board Member of the Company from 2023 to date. Chairman of the Company's Audit Committee from 2024 to date. Finance Manager at NEOM, a closed joint-stock company operating in development and investment, from 2023 to date. Associate – Project and Export Finance, HSBC Saudi Arabia, a closed joint-stock company operating in financial services and investments, from 2021 to 2023. Associate – Project Finance and Structured Loans, Banque Saudi Fransi, a public joint-stock company operating in banking and financial services, from 2017 to 2021.

Mr. Saud Abdulaziz Saleh Al Rashed

Current Position	Board Member and Chief Executive Officer – Executive
Qualifications	Bachelor of Business Administration, Chapman University, California, USA, 2016.
Previous Experience	<ul style="list-style-type: none"> Over 9 years of experience in banking and the management of mining, trading, contracting, construction, and infrastructure companies. Board Member of the Company from 2023 to date. Chief Executive Officer of the Company from 2023 to date. Deputy General Manager of the Company from 2017 to 2023. Board Member of the Saudi Sambo Committee, Ministry of Sport and the Olympic and Paralympic Committee—an entity affiliated with the Ministry of Sport operating in the sports sector—from 2021 to 2023.



Names of Companies Within or Outside the Kingdom in which a Member of the Company's Board of Directors or Audit Committee is a Member of its Current or Previous Boards or one of its managers.

Member Name	Current Board Memberships	Previous Board Memberships
Abdulaziz Saleh Abdulaziz Al Rashed	<ul style="list-style-type: none"> Chairman of the Board of Saleh Abdulaziz Al Rashed & Sons Company Member of the Mining Partnership Council Member of the Mining Committee at the Riyadh Chamber 	
Salah Khalid Abdullah Al Tuwaijri	<ul style="list-style-type: none"> Board Member of Saleh Abdulaziz Al Rashed & Sons Company 	
Khalid Abdulrahman Mohammed Al Mousa	<ul style="list-style-type: none"> Board Member of Saleh Abdulaziz Al Rashed & Sons Company Chairman of the Board of Kesib Limited since 2008 Board Member of Osool & Bakheet Capital Board Member of Knowledge Net Board Member of Advanced Operation Company Board Member of Amwal Tech 	
Abdulaziz Abdulrahman Abdulaziz Al Rashed	<ul style="list-style-type: none"> - Board Member of Saleh Abdulaziz Al Rashed & Sons Company 	
Abdullah Mohammed Abdullah Al Rashed	<ul style="list-style-type: none"> Board Member of Saleh Abdulaziz Al Rashed & Sons Company 	
Saud Abdulaziz Saleh Al Rashed	<ul style="list-style-type: none"> Board Member of Saleh Abdulaziz Al Rashed & Sons Company Member and Founder of FAS Trading Company 	<ul style="list-style-type: none"> Board Member of the Saudi Sambo Federation from 2021 to 2023
Salahuddin Jamil Al-Mohammad	<ul style="list-style-type: none"> Board Member of Food Gate Company since 2021 	<ul style="list-style-type: none"> Board Member of Adzily from 2019 to 2020 Board Member of Eva Garden from 2019 to 2020 Board Member of IMA from 2017 to 2020 Board Member of Steel Products Company from 2010 to 2014

Board of Directors' Meetings in 2025

Names	17 March	07 May	16 Sept.	26 Oct.	03 Dec.	Attendance Percentage
Abdulaziz Saleh Abdulaziz Al Rashed	√	√	√	√	√	100%
Salah Khalid Abdullah Al Tuwaijri	√	√	√	√	√	100%
Khalid Abdulrahman Mohammed Al Mousa	√	√	√	√	√	100%
Abdulaziz Abdulrahman Abdulaziz Al Rashed	√	√	√	√	√	100%
Abdullah Mohammed Abdullah Al Rashed	√	√	√	√	√	100%
Saud Abdulaziz Saleh Al Rashed	√	√	√	√	√	100%

Procedures taken by the Board of Directors to inform its members – particularly non-executives – of shareholder proposals and observations regarding the Company and its performance.

In accordance with the Company's policies approved by the Board of Directors on 31 December 2024 concerning internal relationship governance, the Company conducts periodic monitoring of all enquiries, ideas, and proposals submitted by shareholders. These are subsequently discussed with the Board members, and feasible proposals are integrated into the Company's strategic plan

Means relied upon by the Board of Directors to evaluate its performance and the performance of its committees

A comprehensive evaluation was conducted by the Board of Directors regarding its own performance and the performance of its primary committees. This was aimed at enhancing the effectiveness of governance and internal control, improving decision-making mechanisms, and ensuring alignment with approved best practices and standards. The evaluation was facilitated by the Company's Internal Audit Department via a questionnaire distributed to the members of the Board of Directors.

AUDIT COMMITTEE

The Audit Committee is composed of four members, chaired by Mr Abdullah Mohammed Abdullah Al Rashed.

According to the Audit Committee Charter, its primary responsibilities include:

- 1 | Overseeing the Company's Internal Audit Department to verify its effectiveness in executing the activities and tasks assigned by the Board of Directors.
- 2 | Reviewing the internal control system and preparing a written report outlining its opinion and recommendations in this regard.
- 3 | Reviewing internal audit reports and following up on the implementation of corrective measures for the observations contained therein.
- 4 | Recommending to the Board of Directors the appointment or dismissal of external auditors and determining their fees, while ensuring their independence during the recommendation process.
- 5 | Monitoring the work of the external auditors and approving any non-audit services assigned to them during the course of their audit work.
- 6 | Reviewing the Company's interim and annual financial statements before presenting them to the Board of Directors, and providing its opinion and recommendations thereon, to ensure their integrity, fairness, and transparency.

Audit Committee Members

Name	Title	Capacity
Mr. Abdullah Mohammed Abdullah Al Rashed	Chairman of the Audit Committee	Non-Executive
Mr. Sulaiman bin Dhafer Al Hussein	Member of the Audit Committee	Independent – External Member
Mr. Salahuddin Jamil Al-Mohammad	Member of the Audit Committee	Independent – External Member
Mr. Abdulaziz Abdulrahman Abdulaziz Al Rashed	Member of the Audit Committee	Independent

BIOGRAPHIES OF THE AUDIT COMMITTEE MEMBERS

Mr. Abdullah Mohammed Abdullah Al Rashed

His biography was previously detailed within the Board of Directors section

Mr. Sulaiman bin Dhafer Al Hussein

Current Position	Member of the Audit Committee – Independent – External Member
Qualifications	<ul style="list-style-type: none"> Master of Private Law, Arab East Colleges, Riyadh. Bachelor of Finance, University of Dammam, 2023.
Previous Experience	<ul style="list-style-type: none"> Member of the Company’s Audit Committee from 2024 to date. Member of the Audit Committee at Me’mar Development and Investment Company, a joint-stock company operating in real estate development and investment, from 2022 to date. Chartered Accountant and Partner at PKF Al-Bassam & Co., a general partnership operating in auditing and advisory services, from 2017 to date. Financial Advisor at the Ministry of Sport, a government entity, from 2019 to 2020. Financial Advisor for the Saudi Pro League, an entity affiliated with the Saudi Arabian Football Federation, from 2018 to 2020. Financial Advisor for the Real Estate Contributions Committee (Tasfiya), Ministry of Commerce and Investment, a government entity, from 2017 to 2020. External Auditor at KPMG Professional Services, a closed joint-stock company operating in auditing and financial advisory, from 2016 to 2017. External Auditor at Grant Thornton, a limited joint-stock company operating in auditing, from 2015 to 2016.

Mr. Salahuddin Jamil Al-Mohammad

Current Position	Member of the Audit Committee – Independent – External Member
Qualifications	<ul style="list-style-type: none"> Bachelor of Finance and Accounting, Al-Balqa Applied University, Amman, Jordan, 2006. Holder of several professional certifications: FMVA, CMA, and CRM.
Previous Experience	<ul style="list-style-type: none"> Member of the Company’s Audit Committee from 2024 to date. Board Member of Ithra Private Equity Fund, a closed joint-stock company operating in diversified investments, from 2024 to date. Board Member of Ithra Multi-Opportunities Fund (Real Estate Fund), a single-member limited liability company operating in real estate development, from 2024 to date. Board Member of Areeb Pioneer Real Estate Fund, a single-member limited liability company operating in real estate development, from 2024 to date. Chief Financial and Investment Officer at the National Company for Construction and Marketing, a public joint-stock company operating in the trade of building materials and basic commodities, from 2021 to date. Member of the Audit Committee at Food Gate Company, a public joint-stock company operating in the food and beverage sector, from 2021 to date. Member of the Nomination and Remuneration Committee at Food Gate Company, from 2021 to date. Chief Financial and Investment Officer at Ithra Holding, a closed joint-stock company operating in multi-investments, mining, diversified industries, information technology, contracting, and real estate development, from 2018 to date. Finance Director at Nomad Holding Group, a closed joint-stock company operating in telecommunications and information technology, from 2015 to 2018. Head of Financial Projects at Osool & Bakheet Investment Company, a joint-stock company operating in financial services and investments, in 2015. Advisory Supervisor at KPMG Professional Services, a closed joint-stock company operating in auditing and financial advisory, from 2014 to 2015. Finance and Accounts Manager at Steel Products Company (STEPCO), a closed joint-stock company operating in the steel and derivatives industry, from 2010 to 2014.

Mr. Abdulaziz Abdulrahman Abdulaziz Al Rashed

His biography was previously detailed within the Board of Directors section

Audit Committee Meetings Schedule

Member Name	Position	30 January	30 April	30 July	29 October	23 December	Attendance Percentage
Abdullah Mohammed Abdullah Al Rashed	Chairman of the Audit Committee	√	√	√	√	√	100%
Sulaiman bin Dhafer Al Hussein	Member of the Audit Committee	√	√	√	√	√	100%
Abdulaziz Abdulrahman Abdulaziz Al Rashed	Member of the Audit Committee	-	-	-	√	√	40%
Salahuddin Jamil Al- Mohammad	Member of the Audit Committee	√	√	√	√	√	100%
Mohammed Salah	Secretary of the Audit Committee	√	√	√	√	√	100%



NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is composed of three members, chaired by Mr Khalid Abdulrahman Mohammed Al Mousa.

In accordance with the Nomination and Remuneration Committee Charter, its primary responsibilities include:

- 1 | Developing clear policies for the recommendations and remuneration of Board members, committee members, and senior executives, ensuring that such policies incorporate performance-related criteria.
- 2 | Reviewing the structure and remuneration of the Board of Directors, candidates for Board and committee membership, and senior executives.
- 3 | Reviewing the salary scales, job descriptions, and manpower budgets for senior managers and executives.
- 4 | Recommending to the Board the policies for allowances and remuneration for the Board and its committees for approval by the General Assembly. As of this date, the remuneration and allowance policy stipulates the following:
 - » Board Members (excluding the Chairman): An annual remuneration of SAR 200,000 per member, and an attendance fee of SAR 5,000 per meeting.
 - » Chairman of the Board: An annual remuneration of SAR 350,000 and an attendance fee of SAR 5,000 per meeting.
 - » Secretary of the Board: An annual remuneration of SAR 25,000 and an attendance fee of SAR 2,000 per meeting.
 - » Committee Members (from within the Board): No annual remuneration; an attendance fee of SAR 5,000 per meeting.
 - » Committee Members (from outside the Board): No annual remuneration; an attendance fee of SAR 7,000 per meeting.
 - » Committee Secretary or Coordinator: No annual remuneration; an attendance fee of SAR 2,000 per meeting.

The Committee comprises the following members

Name	Title	Capacity
Mr. Khalid Abdulrahman Mohammed Al Mousa	Chairman of the Nomination and Remuneration Committee	Independent
Mr. Abdulaziz Abdulrahman Abdulaziz Al Rashed	Member of the Nomination and Remuneration Committee	Independent
Mr. Abdullah Ibrahim Al-Bahkali	Member of the Nomination and Remuneration Committee	Independent – External Member

BIOGRAPHIES OF THE NOMINATION AND REMUNERATION COMMITTEE

MEMBERS

Mr Khalid Abdulrahman Mohammed Al Mousa

His biography was previously detailed within the Board of Directors section.

Mr Abdulaziz Abdulrahman Abdulaziz Al Rashed

His biography was previously detailed within the Board of Directors section.

Mr. Abdullah Ibrahim Al-Bahkali

Current Position	Member of the Nomination and Remuneration Committee – Independent – External Member
Qualifications	Bachelor of Business Administration, Imam Mohammad Ibn Saud Islamic University.
Previous Experience	<ul style="list-style-type: none"> Member of the Company's Nomination and Remuneration Committee from 2024 to date. Shared Services Director at National Gas and Industrialization Company (GASCO), a public joint-stock company operating in the gas and petroleum sector, from 2021 to date. Head of Human Resources and Administrative Affairs at National Gas and Industrialization Company (GASCO), from 2015 to 2016. Head of Training and Development Department at National Gas and Industrialization Company (GASCO), from 2011 to 2015.

Nomination and Remuneration Committee Meetings Schedule

Member Name	Position	5 March	20 October	Attendance Percentage
Khalid Abdulrahman Mohammed Al Mousa	Chairman of the Nomination and Remuneration Committee	√	√	100%
Abdulaziz Abdulrahman Abdulaziz Al Rashed	Member of the Nomination and Remuneration Committee	√	√	100%
Abdullah Ibrahim Al-Bahkali	Member of the Nomination and Remuneration Committee	√	√	100%

Executive Management

Name	Current Position	Qualifications	Key Experience
Saud Abdulaziz Saleh Al Rashed	Board Member and Chief Executive Officer; Member of the IPO Steering Committee (Temporary) – Non-Independent	Bachelor of Business Administration, Chapman University, California, United States of America, 2016.	<ul style="list-style-type: none"> Over 9 years of experience in the banking sector and the management of mining, trading, contracting, construction, and infrastructure companies. Board Member of the Company from 2023 to date. Chief Executive Officer of the Company from 2023 to date. Deputy General Manager of the Company from 2017 to 2023. Board Member of the Saudi Sambo Committee, Ministry of Sport and the Olympic and Paralympic Committee—an entity affiliated with the Ministry of Sport operating in the sports sector—from 2021 to 2023.
Faisal Abdulaziz Saleh Al Rashed	Chief Commercial Officer	<ul style="list-style-type: none"> Bachelor of Financial Management, Concordia University, California, United States of America. Recipient of technical training for agents in South Africa from Astec International. 	<ul style="list-style-type: none"> Chief Commercial Officer of the Company from 2023 to date. Assistant General Manager for the Commercial Sector at the Company from 2019 to 2023.
Mohammed Abdulaziz Al Rashed	Chief Operating Officer	Bachelor of Business Administration, San Bernardino University, California, USA.	<ul style="list-style-type: none"> Chief Operating Officer of the Company from 2023 to date. Assistant Deputy General Manager of the Company from 2022 to 2023.
Abdulaziz Saad Al Rashed	Assistant Chief Operating Officer	Bachelor of Industrial Engineering, Alfaisal University, Kingdom of Saudi Arabia.	Over 5 years of experience in mining, contracting, and the management and operation of quarry sites.

Name	Current Position	Qualifications	Key Experience
Mohamed El-Shahat Ayad	Chief Financial Officer	<ul style="list-style-type: none"> <li data-bbox="655 297 1059 360"> Bachelor of Accounting (English Section), Sohag University, Egypt. <li data-bbox="655 387 1059 409"> Financial Risk Manager (FRM) course. <li data-bbox="655 436 1059 499"> International Financial Reporting Standards (IFRS) course, 2017. <li data-bbox="655 526 1059 589"> Certified Financial Manager (CFM) – Part Two, February 2016. <li data-bbox="655 616 1059 678"> Saudi Tax System and New Zakat System course, 2015. <li data-bbox="655 705 1059 768"> Financial Planning, Forecasting, and Budgeting course, 2013. <li data-bbox="655 795 1059 857"> Certified Management Accountant (CMA) – Part One, 2011/2012. <li data-bbox="655 884 1059 947"> Certified Financial Consultant (CFC), 2011/2012. 	<ul style="list-style-type: none"> <li data-bbox="1059 297 1444 360"> Chief Financial Officer of the Company from 2022 to date. <li data-bbox="1059 387 1444 539"> Chief Financial Officer at Al-Matruk Contracting Company, a closed joint-stock company operating in the field of contracting and investments, from 2018 to 2022. <li data-bbox="1059 566 1444 719"> Finance Manager at Al Rashed Technology and Power Company, a closed joint-stock company operating in the field of contracting and infrastructure, from 2015 to 2018. <li data-bbox="1059 745 1444 943"> Financial Controller at Abdul Rahman Saad Al Rashed Company, a closed joint-stock company operating in the fields of investment, contracting, real estate development, and mining, from 2013 to 2015. <li data-bbox="1059 969 1444 1171"> Over 19 years of experience in accounting, finance, and leading the financial sector for several companies across various industries in Saudi Arabia CPA- Part (FAR-Audit)

Name	Current Position	Qualifications	Key Experience
Ahmed Magdy Hamdy	Chief Strategy and Performance Officer	<ul style="list-style-type: none"> Doctorate in Business Administration (DBA), Helwan University, Egypt. Master of Business Administration (MBA), Faculty of Business Administration, Helwan University. Master's Degree in Financial Market Analysis, Faculty of Economics and Political Science, Cairo University, Egypt. Bachelor of Business Administration, Cairo University, Egypt. Project Management Professional (PMP) Certification. Saudi Capital Market Rules and Regulations Certificate (General Phase) – (CME-B1) and (Compliance) – (CME-B2). Saudi Capital Market Rules and Regulations Certificate (Asset Managers) – (CME-B4) and (Corporate Finance) – (CME-B5). Securities and Investment Certificate (International Curriculum) – (CME-A1). Certificate, IFSAH Professional Exam – Saudi Stock Exchange (Second Edition), The Financial Academy, 2025. International Financial Compliance Certificate – (CME-A2). International Certificate in Wealth and Investment Management – (CME-A4) (ICWIM). Total Quality Management Professional (TQMP) Certification. Certified Balanced Scorecard Professional (CBSCP). Certified Management Accountant (CMA) – Completion of Part Three of the previous edition. Certificate in Compliance, Anti-Money Laundering, and Counter-Terrorism Financing in the Kingdom of Saudi Arabia. DBA, MBA, MSFA, PMP, TQM, BSC, CMA, CME-1, CME-2, CME-4 (ICWIM), CME-5. 	<ul style="list-style-type: none"> Secretary of the Company's Board of Directors from 2024 to date. Secretary of the Company's General Assembly from 2024 to date. Secretary of the Company's Nomination and Remuneration Committee from 2024 to date. Chief Strategy and Performance Officer of the Company from 2022 to date. Director of the Strategic Planning and Performance Division at Mawtoun Real Estate Company, a closed joint-stock company operating in real estate development and investment, from 2017 to 2022. Manager of the Strategic Planning and Performance Department at Samnan Holding Company, a closed joint-stock company operating in water solutions, real estate development and investment, industry, and trade, from 2014 to 2017. Project Manager at First Squad Consulting, a closed joint-stock company operating in financial and administrative consultancy, from 2007 to 2014.

Name	Current Position	Qualifications	Key Experience
Mohammed Mustafa Al-Attas	Chief Corporate Support Officer	<ul style="list-style-type: none"> <li data-bbox="655 297 1059 360"> Bachelor of Finance, Prince Sultan University, Riyadh, Kingdom of Saudi Arabia. <li data-bbox="655 389 1059 517"> Certified International Procurement Professional (CIPP), issued by the International Purchasing and Supply Chain Management Institute (IPSCMI). <li data-bbox="655 546 1059 674"> Certified International Procurement Manager (CIPM), issued by the International Purchasing and Supply Chain Management Institute (IPSCMI). <li data-bbox="655 703 1059 766"> Key Performance Indicator Professional (KPI-C), issued by The KPI Institute. <li data-bbox="655 795 1059 898"> Governance, Risk, and Compliance Professional (GRCP), issued by the Open Compliance and Ethics Group (OCEG). 	<ul style="list-style-type: none"> <li data-bbox="1059 297 1441 360"> Chief Corporate Support Officer of the Company from 2024 to date. <li data-bbox="1059 389 1441 452"> Secretary of the Company's Board of Directors from 2023 until April 2024. <li data-bbox="1059 481 1441 544"> Secretary of the Company's General Assembly from 2023 until April 2024. <li data-bbox="1059 573 1441 636"> Assistant to the Chief Executive Officer at the Company from 2023 to 2024. <li data-bbox="1059 665 1441 768"> Director of the Supporting Departments Division at the Company from 2020 to 2023. <li data-bbox="1059 797 1441 898"> Assistant to the Chief Executive Officer for Administrative Affairs, Procurement, and Information Technology at the Company from 2020 to 2023.
Vinesh Surajlal	Vice President of Commercial Operations	<ul style="list-style-type: none"> <li data-bbox="655 954 1059 976"> Bachelor of Commerce. <li data-bbox="655 1005 1059 1108"> Master of Business Administration, Management College of Southern Africa (MANCOSA), South Africa, 2012. <li data-bbox="655 1137 1059 1200"> Six Sigma Orange Belt – Management Excellence, Barloworld Management. <li data-bbox="655 1229 1059 1292"> Key Account Management Course, Mercuri International. <li data-bbox="655 1321 1059 1384"> Strategic Account Management Course, ICM. <li data-bbox="655 1413 1059 1435"> Technical Sales Training, Caterpillar, USA. <li data-bbox="655 1464 1059 1525"> Executive Leadership Development Programme. 	<ul style="list-style-type: none"> <li data-bbox="1059 954 1441 1016"> Vice President of Commercial Operations of the Company from 2023 to date. <li data-bbox="1059 1046 1441 1200"> Executive Director for Africa, the Middle East, and Central Asia at Astec International, a public joint-stock company operating in the field of crusher spare parts, from 2018 to 2023. <li data-bbox="1059 1229 1441 1435"> Executive Director for Africa, the Middle East, and Asia at Energyst Global, a closed joint-stock company operating in power and utility rental solutions, oil and gas (onshore and offshore), and various other sectors, from 2011 to 2018.

Name	Current Position	Qualifications	Key Experience
Joao Tiago	Vice President of Operations	<ul style="list-style-type: none"> Master of Business Administration, Institute of Business Management, Portugal, 2016. Master's Degree in Mechanical Engineering, Higher Institute of Engineering, Coimbra, Portugal, 2005. Superior Health, Safety, and Environment (HSE) Certificate. 	<ul style="list-style-type: none"> Vice President of Operations for Transport and Maintenance at the Company from 2024 to date. General Manager at Ahmed Mansour Al-Ali Company, a closed joint-stock company operating in the field of building materials and contracting, from 2021 to 2024. Executive Director at Eastern Trading and Contracting Company (ETE), a limited liability company operating in Precast, building materials, transport, contracting, and other industries, from 2020 to 2021. Regional Manager for the Central Region at Eastern Trading and Contracting Company (ETE), a limited liability company operating in Precast, building materials, transport, contracting, and other industries, from 2016 to 2020. Regional Manager for the Western and Northern Regions at Eastern Trading and Contracting Company (ETE), a limited liability company operating in Precast, building materials, transport, contracting, and other industries, from 2014 to 2015.
Nabil Mohamed El-Maghraby	Financial Control Manager	<ul style="list-style-type: none"> Bachelor of Commerce and Accounting, Arab Republic of Egypt, 2010. International Financial Reporting Standards (IFRS) Certificate, 2020. Certified Management Accountant (CMA), 2019. Certified Public Accountant (CPA) – Parts (FAR-Audit), 2024. Financial Modelling & Valuation Analyst (FMVA), 2023. 	<ul style="list-style-type: none"> Over 14 years of experience in the fields of financial control, financial management, and financial audit. Financial Control Manager at the Company from 2022 to date. Chief Accountant at Al Rashed Technology and Power Company, a closed joint-stock company operating in the fields of contracting, real estate development, and investment management, from 2018 to 2022. Accounting Supervisor at ARTAR Group, a closed joint-stock company operating in the field of contracting and infrastructure, from 2014 to 2018.

Name	Current Position	Qualifications	Key Experience
Mohammed Salah	Internal Audit Manager	<p>Bachelor of Commerce and Accounting, Helwan University, Arab Republic of Egypt, 2005.</p> <p>Holder of CISA and CIA certifications.</p> <p>Possesses extensive knowledge of auditing frameworks, including SOX, EAAS, US GAAP, IFRSs, COSO, and ERM.</p>	<p>Chief Internal Audit Officer of the Company from 2024 to date.</p> <p>Secretary of the Company’s Audit Committee from 2024 to date.</p> <p>Head of the Audit Division at Nile University, operating in the education sector, from 2021 to 2023.</p> <p>Internal Audit Manager at Raya Holding, a public joint-stock company registered in the Arab Republic of Egypt, operating in the fields of outsourcing and investments, from 2018 to 2021.</p> <p>Internal Audit Manager at the American University in Cairo (AUC), a private educational entity registered in the Arab Republic of Egypt, operating in the education sector, from 2015 to 2018.</p>

REMUNERATION POLICY

The remuneration of the Board of Directors is determined in accordance with the Company's Articles of Association and the Remuneration Policy. Sitting fees and transport allowances are determined by the Board of Directors in compliance with the laws, resolutions, and instructions in force within the Kingdom, as specified by the competent authorities.

In accordance with the Company's Remuneration Policies, which were approved by a resolution of the General Assembly on 26/09/1446H (corresponding to 26/03/2025G), and the subsequent amendment of the regulations approved by a General Assembly resolution dated 05/05/1447H (corresponding to 27/10/2025G), the policy is as follows :-

POLICY OBJECTIVES AND PRINCIPLES

1 | THE REMUNERATION FOR MEMBERS OF THE BOARD OF DIRECTORS, COMMITTEE MEMBERS, AND SENIOR EXECUTIVES IS DETERMINED TO ACHIEVE THE FOLLOWING OBJECTIVES:

- a . To enable the Company to retain Board members, committee members, and senior executives who possess the requisite level of experience and qualifications.
- b . To ensure the Company's long-term success and growth in the interest of its shareholders, whilst attracting, retaining, and motivating the talent necessary for the Company to achieve its commercial objectives.
- c . To support the Company's adaptation to the competitive pressures of the sectors in which it operates.

2 | THE REMUNERATION FOR MEMBERS OF THE BOARD OF DIRECTORS, COMMITTEE MEMBERS, AND SENIOR EXECUTIVES IS DETERMINED ACCORDING TO THE FOLLOWING PRINCIPLES:

- a . Remuneration must be consistent and aligned with the Company's objectives, strategy, and the size, nature, and degree of risks within the Company.
- b . When determining remuneration for members of the Board, committees, and senior executives, consideration must be given to the job level, assigned tasks and responsibilities, academic qualifications, practical experience, skills, efforts, scope of work, and performance level.
- c . Consideration must be given to the sectors in which the Company operates, the Company's size, and the degree of risk exposure, as well as—to an appropriate extent—the remuneration practices of similar companies.
- d . Remuneration must be fair, proportionate, and reasonably sufficient to attract, retain, and motivate Board members, committee members, and senior executives who possess the appropriate level of experience and qualifications.
- e . Remuneration shall be based on the recommendation of the Nomination and Remuneration Committee.

REMUNERATION OF BOARD MEMBERS

1 | RULES FOR DETERMINING REMUNERATION

- 1-1 . The Nomination and Remuneration Committee submits its recommendations to the Board of Directors regarding the remuneration offered to all Board members for approval on an annual basis. The recommendations of the Nomination and Remuneration Committee and the Board of Directors must comply with applicable regulations (including this Policy).
- 1-2 . Board members' remuneration may consist of a specified amount, benefits in kind, sitting fees, or a certain percentage of the Company's annual net profits. Two or more of these benefits may be combined.
- 1-3 . The Board's report to the Ordinary General Assembly at its annual meeting must include a comprehensive statement of all remuneration, sitting fees, expense allowances, and other benefits received or entitled to be received by each Board member during the financial year. It must also include a statement of amounts received by Board members in their capacity as employees or executives, or in consideration for technical, administrative, or consultancy work, as well as the number of Board meetings held and the number of meetings attended by each member.
- 1-4 . Board members may not vote on the Board remuneration item during the General Assembly meeting.
- 1-5 . Remuneration for independent Board members must not be a percentage of the profits achieved by the Company, nor shall it be based, directly or indirectly, on the Company's profitability.
- 1-6 . Board members' remuneration may vary in amount to reflect a member's experience, competencies, assigned tasks, independence, the number of meetings attended, and other considerations.
- 1-7 . If the Audit Committee or the Capital Market Authority finds that remuneration paid to any Board member was based on incorrect or misleading information, the Board member must return such amounts to the Company, and the Company has the right to demand their recovery.
- 1-8 . Remuneration and allowances for members of the Board and committees are as follows:
 - Board Members (excluding the Chairman): An annual remuneration of SAR 200,000 per member, and a sitting fee of SAR 5,000 per meeting.
 - Chairman of the Board: An annual remuneration of SAR 350,000, and a sitting fee of SAR 5,000 per meeting.
 - Secretary of the Board: An annual remuneration of SAR 25,000 (unadjusted), and a sitting fee of SAR 2,000 per meeting.
 - Committee Members from within the Board: No annual remuneration; a sitting fee of SAR 5,000 per meeting.

- Committee Members from outside the Board: No annual remuneration; a sitting fee of SAR 7,000 per meeting.
- Committee Secretary or Coordinator: No annual remuneration; a sitting fee of SAR 2,000 per meeting.

2 | ADDITIONAL REMUNERATION

- 2-9 . Board members may receive additional remuneration for their positions as senior executives, distinct from the remuneration they are entitled to as members of the Board of Directors. Such additional remuneration (if any) shall be determined in accordance with Part 5 of this Policy.
- 2-10 . If the Secretary of the Board is a Board member, they may receive additional remuneration in addition to the remuneration entitled to them as a member of the Board of Directors. The Board of Directors shall determine such additional remuneration (if any) on an annual basis upon the recommendation of the Nomination and Remuneration Committee. The sitting fee for the Secretary of the Board and the General Assembly shall be SAR 2,000 per meeting; this fee applies to all secretaries and secretariats of Board committees.

3 | RESTRICTED BENEFITS

- 3-1 . The Company may not grant a loan of any kind to any member of its Board of Directors, nor may it guarantee any loan entered into by any member with a third party. This excludes loans and guarantees granted by the Company in accordance with employee incentive programmes approved under the provisions of the Articles of Association or by a resolution of the Ordinary General Assembly.

4 | TERMINATION COMPENSATION

- 4-2 . In the event that a Board member's membership is terminated due to gross misconduct, a material breach of the terms of appointment, or any act involving fraud, dishonesty, or wilful neglect of responsibilities, such member shall not be entitled to any remuneration for the period between the beginning of the financial year in which the membership was terminated and the date of termination.
- 4-3 . In the event that a Board member's membership is terminated due to failure to attend three consecutive meetings or five non-consecutive Board meetings without a legitimate excuse, such member shall not be entitled to any remuneration for the period following the last meeting attended.
- 4-4 . In the event that a Board member's membership is terminated for any other reason, the Board member shall be entitled to remuneration proportionate to the period between the beginning of the financial year in which the membership was terminated and the date of termination.

REMUNERATION OF COMMITTEE MEMBERS

1 | RULES FOR DETERMINING REMUNERATION

- 1-1 . Committee members shall be remunerated in accordance with the respective committee's charter.
- 1-2 . Subject to paragraph (1-1) of Part 4 above, the Nomination and Remuneration Committee shall review the remuneration of committee members and submit its recommendations thereon to the Board of Directors.

REMUNERATION OF SENIOR EXECUTIVES

1 | RULES FOR DETERMINING REMUNERATION

- 1-1 . The Board of Directors shall—based on the recommendations of the Nomination and Remuneration Committee—determine the remuneration of all senior executives in accordance with employment contracts, policies, and relevant internal remuneration and compensation plans.
- 1-2 . The Nomination and Remuneration Committee shall review and approve employment contracts with senior executives, including contracts intended to be concluded with new appointees. It must also review and approve any contract concluded with an employee for a salary or remuneration equivalent to those of senior executives.

2 | BENEFITS AND INCENTIVE PLANS

- 2-1 . Senior executives are entitled to certain benefits provided by the Company. In addition to pensions, benefits primarily consist of medical services, use of the Company's recreational facilities, housing-related allowances (or their equivalent), and transport-related allowances (or their equivalent). The nature and levels of benefits provided to senior executives are subject to periodic review by the Nomination and Remuneration Committee and are further subject to the approval of the Board of Directors.
- 2-2 . The Company may offer variable remuneration to senior executives, determined according to market conditions and subject to the achievement of pre-defined performance objectives, whether short-term or long-term. Variable remuneration plans are subject to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors.
- 2-3 . The Company may offer senior executives and other employees share ownership opportunities through an Employee Share Ownership Plan (ESOP) or similar programmes. Such plans and programmes are subject to the recommendation of the Nomination and Remuneration Committee, the approval of the Board of Directors and the General Assembly, and must be in accordance with applicable regulations.

REMUNERATION OF BOARD MEMBERS, COMMITTEE MEMBERS, AND EXECUTIVE MANAGEMENT

The Nomination and Remuneration Committee's regulations and the remuneration policy stipulated that Board members' remuneration shall be paid in the form of a fixed amount, session attendance allowance, in-kind benefits, or a certain percentage of net profits, with the possibility of combining two or more of the above. The remuneration and allowances for Board members, including the Chairman, were as follows: (1) a session attendance allowance of SAR 3,000 per session, (2) an additional travel allowance of SAR 2,000, and (3) an annual remuneration of SAR 50,000. The Chairman of the Board, in addition to the above, was allocated 10% of net profits and an additional annual remuneration of SAR 2,400,000.

On 05/05/1447H (corresponding to 27/10/2025), the Nomination and Remuneration Committee's regulations and the remuneration policy were amended in accordance with the policy outlined in the annual report.

The following table illustrates the remuneration of Board members and the top five senior executives (including the CEO and the Finance Director) provided by the Company for the fiscal year ended 31 December 2025. No committee members received any remuneration or in-kind benefits. It should be noted that all remuneration was calculated in accordance with the previous policy up to 30 September 2025, and as of 1 October 2025, the newly approved policy was implemented..

Name	Fixed Remuneration							Variable Remuneration					End-of-Service Benefits	Grand Total*	Expenses (Transport - Accommodation)
	Specified Amount (Annual Remuneration)	Board Meeting Attendance Fees	Total Attendance Fees for Board Subcommittees	Remuneration for Membership in Subsidiaries and Committees	Attendance Fees for Subsidiaries and Committees	Chairman's Remuneration	Total	Percentage of Profits	Periodic Remuneration	Short-Term Incentive Plans	Long-Term Incentive Plans	Value of Shares Granted			
First: Independent Members:															
Abdulaziz Abdulrahman Abdulaziz Al Rashed	87,500	19,000	18,000	-	-	-	124,500	-	-	-	-	-	-	124,500	-
Khalid Abdulrahman Mohammed Al Mousa	87,500	19,000	8,000	-	-	-	114,500	-	-	-	-	-	-	114,500	-
Total	175,000	38,000	26,000	-	-	-	239,000	-	-	-	-	-	-	239,000	-
Second: Non-Executive Members:															
Abdulaziz Saleh Abdulaziz Al Rashed	125,000	19,000	-	-	-	-	144,000	7,704,371**	1800000**	-	-	-	9,504,371**	9,648,371	-
Salah Khalid Abdullah Al Tuwaijri	87,500	19,000	-	-	-	-	106,500	-	-	-	-	-	-	106,500	-
Abdullah Abdullah Al Rashed	87,500	19,000	19,000	-	-	-	125,500	-	-	-	-	-	-	125,500	-
Total	300,000	57,000	19,000	-	-	-	376,000	-	-	-	-	-	-	9,880,371	-
Third: Executive Members:															
Saud Abdulaziz Saleh Al Rashed	87,500	19,000	-	-	-	-	106,500	-	-	-	-	-	698,935	805,435	-
Total	87,500	19,000	-	-	-	-	106,500	-	-	-	-	-	-	106,500	-
Grand Total	562,500	114,000	45,000	-	-	-	721,500	7,704,371	1,800,000	-	-	-	9,504,371	698,935	10,924,806

* All amounts were calculated according to the previous policy up to September 30, 2025. The new policy came into effect on October 1, 2025.

** These amounts were paid in accordance with the previous policy for the period up to 30 September 2025. Starting from 1 October 2025, the remuneration policy was amended and no longer includes periodic remuneration for the Chairman of the Board.

Remuneration of Audit Committee Members

Name	Fixed Remuneration (Excluding Sitting Fees)	Sitting Fees	Total
Abdullah Mohammed Abdullah Al Rashed	—	19,000	19,000
Suleiman bin Zafir Al Hussein	—	29,000	29,000
Abdulaziz Abdulrahman Abdulaziz Al Rashed	—	10,000	10,000
Salahuddin Jamil Al Mohammed	—	29,000	29,000

Remuneration of Nomination and Remuneration Committee Members

Name	Fixed Remuneration (Excluding Attendance Fees)	Attendance Fees	Total
Khalid Abdulrahman Mohammed Al Mousa	—	8,000	8,000
Abdulaziz Abdulrahman Abdulaziz Al Rashed	—	8,000	8,000
Abdullah Ibrahim Al Bahkali	—	12,000	12,000

Senior Executives' Remuneration (Saudi Riyal)

	Fixed Remuneration				Variable Remuneration					End-of-Service Benefits	Total Executive Remuneration from the Board, if any	Grand Total	
	Salaries	Allowances	In-Kind Benefits	Total	Periodic Bonuses	Profits	Short-Term Incentive Plans	Long-Term Incentive Plans	Granted Shares				Total
Remuneration Paid to the Top Five Senior Executives, Including the CEO and the Chief Financial Officer	4,095,000	723,633	-	4,818,633	1,400,000	-	-	-	-	1,400,000	1,232,226	87,500	7,538,359

Applicable and non-applicable Corporate Governance Regulations:

Article No.	Paragraph	Type of Article	Article	Reasons for Non-Application
37	2	Guiding Article	developing the necessary mechanisms for Board members, committee members, and the Executive Management	No training programmes have been approved by the Company to date
39	E	Guiding Article	The Board shall carry out the necessary arrangements to obtain an assessment of its performance from a competent third party	Guiding Article
51	C	Guiding Article	The chairman of the audit committee shall be an Independent Director	Guiding Article
67		Guiding Article	Composition of the Risk Management Committee	Guiding Article
82		Guiding Article	The Company shall establish programmes for developing and encouraging the participation and performance of the Company's employees	Guiding Article
85	A	Guiding Article	establishing indicators that link the Company's performance with its social initiatives and comparing it with other companies that engage in similar activities	Guiding Article
86	3	Guiding Article	the Company's website shall include all information required to be disclosed and any details or other information that may be published through other disclosure methods	Guiding Article
92		Guiding Article	Board forms a corporate governance committee	Guiding Article

Results of the Annual Audit of the Effectiveness of the Company's Internal Control Procedures, and the Audit Committee's Opinion on the Adequacy of the Internal Control System.

During 2025, the Audit Committee performed its duties in accordance with the competencies approved by the Board of Directors and in compliance with the relevant laws, regulations, and best governance practices. The Committee focused on enhancing the integrity of financial reporting and improving the efficiency of internal control and risk management systems.

Throughout the year, the Audit Committee held eleven (11) meetings, comprising five (5) in-person meetings and six (6) meetings by circulation during 2025. It is noted that no attendance fees are paid for meetings held by circulation. During these meetings, several material matters were discussed and approved, the most prominent of which were as follows:

- | Reviewing and approving the quarterly and annual financial statements for 2025, following discussions with Executive Management and the External Auditor, and ensuring the completeness and accuracy of financial disclosures.
- | Approving the annual internal audit plan for the years 2025 and 2026.
- | Reviewing and approving the audit reports, memoranda, and gap analyses issued by the Internal Audit Department during 2025, as detailed below:

Description	Number
Audit Reports	7
Memoranda	6
Gap Analysis	1
Total	14

- | Monitoring the implementation of recommendations contained in the audit reports within the specified timeframes, for which the expected closure dates were determined by Executive Management. These totalled 64 observations, detailed as follows:

Status of Observations	Number	Percentage
Implemented	31	48.4%
In Progress	15	23.4%
Not Implemented	14	21.9%
Risk Accepted by Executive Management	4	6.3%
Total	64	100%

- | Supervising the evaluation of the efficiency and effectiveness of the internal control and risk management systems, and following up on the remediation of material observations, with no material unresolved observations recorded by the end of the year.
- | Reviewing the performance and independence of the External Auditor, discussing the results of the audit work, and submitting a recommendation to the Board of Directors regarding their appointment and the determination of their fees.
- | Monitoring the Company’s level of compliance with relevant laws, instructions, and governance policies, with no cases of material non-compliance identified during the year.

In light of the above, the Audit Committee affirms that it conducted its activities during 2025 with efficiency and independence, contributing to the protection of the Group’s and its shareholders’ interests and enhancing the reliability of financial reporting.

RECOMMENDATION OF THE AUDIT COMMITTEE TO APPOINT AN EXTERNAL AUDITOR

The Audit Committee recommends the appointment of Maham Financial Consulting Company as the Company's internal auditor and the determination of its fees for the duration of its engagement.

- GENERAL ASSEMBLIES OF SHAREHOLDERS**

General Assemblies of shareholders held during the last financial year and the names of the Board of Directors' members in attendance.

Names	26 March	19 May	Attendance Percentage
Abdulaziz Saleh Abdulaziz Al Rashed	√	√	100%
Salah Khalid Abdullah Al Tuwajiri	√	√	100%
Khalid Abdulrahman Mohammed Al Mousa	√	√	100%
Abdulaziz Abdulrahman Abdulaziz Al Rashed	√	√	100%
Abdullah Mohammed Abdullah Al Rashed	√	√	100%
Saud Abdulaziz Saleh Al Rashed	√	√	100%

Company Requests for the Shareholders' Register.

Date	Reason for Request
19/05/2025	Filing with Tadawul
15/04/2025	Filing with the Capital Market Authority (CMA) and Tadawul
15/04/2025	Filing with the Capital Market Authority (CMA) and Tadawul

Subsidiaries: Names, Capital, Ownership Percentage, Primary Activity, and Jurisdictions of Operation and Incorporation.

Subsidiary	Capital	Ownership Percentage	Primary Activity	Status	Country of Operation	Country of Incorporation
Gawdet Quality Mining Company	100,000	100.0%	Mining	Active	Saudi Arabia	Saudi Arabia
Dorrat Al Mabani Mining Company	100,000	100.0%	Mining	Active	Saudi Arabia	Saudi Arabia
Red Sands Mining Company	100,000	100.0%	Mining	Active	Saudi Arabia	Saudi Arabia
National Shield Mining Company	100,000	80.0%	Mining	Active	Saudi Arabia	Saudi Arabia
AKM Industries for Industrial Development and Investment	35,000,000	51.0%	Manufacturing	Active	Saudi Arabia	Saudi Arabia
SAR Newmount J ,v Mining Company	100,000	70.0%	Mining	Active	Saudi Arabia	Saudi Arabia
Newmont Mining Company	100,000	49.0%	Mining	Active	Saudi Arabia	Saudi Arabia
Tomouh Al Qemma Mining Company	100,000	100.0%	Mining	Active	Saudi Arabia	Saudi Arabia
Sand Resources for Industrial Development and Investment	100,000	100.0% indirect ownership via Rock Quality Mining Co.	Mining	Dissolved on 18/02/2026	Saudi Arabia	Saudi Arabia
Rawasekh Tuwaiq for Industrial Development and Investment	100,000	100.0% indirect ownership via Dorrat Al Mabani Mining Co.	Mining	Dissolved on 18/02/2026	Saudi Arabia	Saudi Arabia
Red Sands Quality for Industrial Development and Investment	100,000	100.0% indirect ownership via Red Sands Mining Co.	Mining	Dissolved on 18/02/2026	Saudi Arabia	Saudi Arabia
SAR Mining for Industrial Development and Investment	100,000	100.0%	Mining	Dissolved on 18/02/2026	Saudi Arabia	Saudi Arabia

Subsidiary	Capital	Ownership Percentage	Primary Activity	Status	Country of Operation	Country of Incorporation
Rawasekh Al Himmah for Industrial Development and Investment	100,000	100.0% indirect ownership via SAR Mining for Industrial Development and Investment	Mining	Dissolved on 18/02/2026	Saudi Arabia	Saudi Arabia

Changes in the Interests of Board Members, Senior Executives, and Their Relatives in the Company's Shares.

Name	Position	Shares Held at the Beginning of the Year	Shares Held at the End of the Year	Net Change in Shares During the Year
Abdulaziz Saleh Abdulaziz Al Rashed	Chairman of the Board	6,664,380	6,664,380	0
Abdulaziz Saad Saleh Al Rashed	Assistant Vice President of Operations	1,395,000	1,395,000	0

Loans and Banking Facilities

No.	Lending Entity	Principal Loan Amount	Loan Term	Amounts Paid During the Year	Remaining Loan Balance	Total Indebtedness of the Company and its Subsidiaries
1	Arab National Bank	6,000,000	12 Months	—	6,000,000	6,000,000
2	Arab National Bank	10,000,000	12 Months	—	10,000,000	10,000,000
3	Arab National Bank	4,200,000	3 Months	—	4,200,000	4,200,000
4	Arab National Bank	10,000,000	3 Months	—	10,000,000	10,000,000
5	Banque Saudi Fransi	5,000,000	6 Months	—	5,000,000	5,000,000
6	Banque Saudi Fransi	3,500,000	6 Months	—	3,500,000	3,500,000

No.	Lending Entity	Principal Loan Amount	Loan Term	Amounts Paid During the Year	Remaining Loan Balance	Total Indebtedness of the Company and its Subsidiaries
7	SAB (Alawwal Bank)	1,555,375	3 Months	—	1,555,375	1,555,375
8	SAB (Alawwal Bank)	1,296,326	3 Months	—	1,296,326	1,296,326
9	Riyad Bank	16,000,000	24 Months	5,333,333.32	10,666,666.68	10,666,666.68

Financial Transactions with Related Parties

Related Party	Nature of Relationship	Nature and Description of Transaction	Contract Term	Value of Business in 2025
Najd Roads Contracting Co.	Related party (indirect ownership via Abdulaziz Saleh Al Rashed & Sons Co.)	Customer	Annual, automatically renewable	SAR 120,943,930
Najd Roads Contracting Co. (as Supplier)	Indirectly related party	Supplier	Annual, automatically renewable	SAR 35,006,067
Najd Roads Contracting Co. (as Supplier)	Indirectly related party	payment on behalf of	Annual, automatically renewable	SAR 35,537,794
Masarat Mining Co. (as Supplier)	Indirectly related party	Supplier	one time supply	SAR 2,702,500
Mohammed Othman Al-Abdulkarim Co. (as Supplier)	Indirectly related party	Supplier	one time supply	SAR 33,231,884
Mohammed Othman Al-Abdulkarim Co. (as Customer)	Indirectly related party	Customer	Annual	SAR 1,840,045

Business and Contracts in which Board Members or Senior Executives have an Interest

Parties	Nature of Contract or Transaction	Total Value of Contract / Transaction for the Financial Year Ended 31 December 2025 (SAR)	Name of the member/executive management or any person related to any of them
Najd Roads Contracting Co.	Supply agreement for the purchase of asphalt and aggregate products	120,943,930	Abdulaziz Saleh Abdulaziz Al Rashed (Indirect)
Najd Roads Contracting Co.	Supply agreement for petroleum derivatives	35,006,067	Abdulaziz Saleh Abdulaziz Al Rashed (Indirect)
Najd Roads Contracting Co.	Payment on behalf agreement	35,537,794	Abdulaziz Saleh Abdulaziz Al Rashed (Indirect)
Masarat Mining Co.	Purchases (Mining services)	2,702,500	Noura Nasser Faisal Al Thubaity: Interest held as a shareholder in a subsidiary (National Shield Mining Co.)
Mohammed Othman Al-Abdulkarim Co.	Purchases (Equipment)	33,231,884	Mohammed Othman Barjas Al-Abdulkarim: Direct interest held as a shareholder in a subsidiary (AKM Industries for Industrial Development and Investment)
Mohammed Othman Al-Abdulkarim Co.	Sales (ready-mix concrete)	1,840,045	Mohammed Othman Barjas Al-Abdulkarim: Direct interest held as a shareholder in a subsidiary (AKM Industries for Industrial Development and Investment)

Statutory Payments Paid and Accrued to the End of 2025

Description	Paid	Accrued and Unpaid	Brief Description	Reasons
Zakat	4,133,329	4,479,134	Value of Zakat due for the year 2025	—
Tax	50,253,750	4,097,670	Value Added Tax (VAT)	Paid
General Organization for Social Insurance (GOSI)	4,258,495	459,388	Social insurance contributions	Paid
Visas and Labour Office Fees	18,254,701	0	Labour office and visa fees	—

Statement of Statutory Payments Paid and Accrued for Zakat, Taxes, Fees, or Any Other Dues Remaining Unpaid until the End of the Annual Financial Period, with a Brief Description and Statement of Reasons Therefor

SHAREHOLDER EQUITY AND COMMUNICATION MECHANISMS

In line with the Company's commitment to safeguarding and promoting the rights of its shareholders and stakeholders, these rights have been duly incorporated into the Corporate Governance Manual. The Company ensures that its shareholders and investors are kept informed of all significant developments by publishing financial reports, announcements, and material information via the Saudi Exchange (Tadawul) website, the Company's official website, and through General Assemblies. Furthermore, the Company attaches the utmost importance to maintaining communication with its shareholders and addressing their enquiries via the following email address: IR@Salrashed.com.sa

BOARD OF DIRECTORS' DECLARATIONS

In accordance with the commitment of **Saleh Abdulaziz Al Rashed & Sons Co.** to the highest standards of transparency, corporate governance, and disclosure, the Board of Directors hereby declares and affirms the following regarding the ended financial year, in support of shareholder and stakeholder confidence and to enhance the credibility of the Company's financial and operational reporting:

FIRST: INTEGRITY OF FINANCIAL REPORTING AND COMPLIANCE WITH

ACCOUNTING STANDARDS

The Board of Directors confirms that the annual consolidated financial statements of the Company and the standalone financial statements of its subsidiaries have been prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia, as well as other standards and pronouncements issued by the Saudi Organisation for Chartered and Professional Accountants (SOCPA). Furthermore, the accounting records and financial data have been correctly maintained to reflect a true and fair view of the Company's financial position and the results of its operations.

SECOND: AUDITOR'S REPORT

The Company confirms that the Independent Auditor's Report on the annual financial statements contains no qualifications, reflecting the integrity of the financial statements and their compliance with approved accounting standards. The Board also affirms that no recommendation was issued to change the auditor before the expiry of their appointment period, and the contractual relationship has continued as approved by the competent authorities.

THIRD: EFFECTIVENESS OF THE INTERNAL CONTROL SYSTEM

The Board of Directors declares that the Company's internal control system has been established on sound foundations and effectively implemented to support the integrity of financial and operational processes and to enhance risk management and compliance with relevant laws and regulations.

FOURTH: REGULATORY COMPLIANCE

The Company confirms that no penalties, sanctions, or precautionary measures have been imposed upon it by the Capital Market Authority (CMA) or any other supervisory, regulatory, or judicial body, with the exception of certain routine operational violations inherent to the nature of the Company's business.

Penalty / Sanction / Precautionary Measure / Provisional Restriction	Violation Reasons	Authority Imposing the Violation	Remedial Measures and Prevention of Future Recurrence
Financial Penalty	Violations of the Air Quality Executive Regulation / Executive Regulation for Prevention and Remediation of Soil Contamination / Environmental Permits Regulation / Inspection Regulation	National Center for Environmental Compliance Monitoring	Strengthening compliance with the Ministry of Environment regulations
Financial Penalty	violations / Public parking violations / Violation classification schedule issued under the Waste Management System	Riyadh Region Municipality	Strengthening compliance with municipal regulations
Financial Penalty	Exceeding prescribed regulatory dimensions / Regulatory loads and weights / Prescribed regulatory dimensions / Regulatory loads and weights / Truck weight and dimension violations	Ministry of Transport and Logistics Services	Strengthening compliance with the Ministry of Transport and Logistics Services regulations
Financial Penalty	Municipal violations	Ministry of Municipalities and Housing – Municipal Sector	Strengthening compliance with the Ministry of Municipalities and Housing – Municipal Sector regulations

FIFTH: AUDIT COMMITTEE RECOMMENDATIONS

The Board of Directors confirms that no recommendations issued by the Audit Committee conflicted with Board resolutions, nor were any rejected, regarding the appointment, dismissal, or remuneration of the auditor, the evaluation of their performance, or the appointment of the internal auditor.

SIXTH: GOING CONCERN

The Board of Directors affirms that there is no material uncertainty that may affect the Company's ability to continue as a going concern, and that the Company possesses the financial and operational foundations to support the continuity of its business and future growth.

SEVENTH: CONFLICTS OF INTEREST AND COMPETING BUSINESS

The Company confirms that the members of the Board of Directors and senior executives of the Company and its subsidiaries do not engage in any activities that compete with the Company's business or any of its sectors, in compliance with the laws and regulations governing corporate conduct.

EIGHTH: DISCLOSURE OF SHARE INTERESTS

- | The Company clarifies that there are no interests in the class of shares with voting rights belonging to persons (other than Board members, senior executives, and their relatives) that have been disclosed in accordance with Article 85 of the Rules on the Offer of Securities and Continuing Obligations. No changes to such rights occurred during the fiscal year.
- | There are no contracts, other than those disclosed in this report, to which the Company is a party and in which any Board member, senior executive, or any person related to any of them has or had a direct or indirect material interest..

NINTH: WAIVER OF REMUNERATION OR DIVIDENDS

- | There are no arrangements or agreements under which a member of the Board of Directors or a senior executive has waived any remuneration.
- | There are no arrangements or agreements under which a shareholder has waived their rights to dividends, with the exception of shareholder Sara Saleh Abdulaziz Al Rashed, who waived one (1) share of her holdings in favour of the public.

TENTH: SHARES, DEBT INSTRUMENTS, AND SECURITIES

The Company confirms the following:

- | Neither the Company nor any of its subsidiaries has issued any shares or debt instruments up to the date of this report.
- | No convertible debt instruments, contractual securities, warrants, or similar rights were issued during the financial year; accordingly, no consideration was received in respect thereof.
- | There are no outstanding conversion or subscription rights associated with such financial instruments.
- | Neither the Company nor any of its subsidiaries has redeemed, purchased, or cancelled any redeemable debt instruments, whether listed or unlisted.

ELEVENTH: EMPLOYEE INVESTMENTS AND BENEFITS

The Company clarifies that no investments or financial reserves were specifically established for the benefit of the Company's employees during the financial year.

The Board of Directors affirms that these declarations reflect the Company's commitment to the principles of governance, transparency, and disclosure, and its dedication to providing accurate and reliable information to shareholders and stakeholders, thereby fostering confidence in the integrity of the Company's operations and the sustainability of its performance.



CONCLUDING STATEMENT

In concluding this report, the Board of Directors of Saleh Abdulaziz Al Rashed & Sons Co. extends its sincere thanks and appreciation to the Company's esteemed shareholders for their continued trust and support, which has had a significant impact on supporting the Company's journey and achieving positive results during the financial year ended 31 December 2025.

The Board also values the outstanding efforts exerted by the Executive Management and all the Company's employees, which contributed to achieving growth in financial and operational performance and enhancing the Company's position in the mining, building materials, asphalt production, and spare parts trading sectors, despite the economic and competitive challenges witnessed in the markets.

The Company affirms its commitment to continuing the implementation of its strategy aimed at fostering sustainable growth and developing its business through the expansion of mining activities, the development of investments, and the enhancement of operational efficiency. This is in addition to evolving the corporate governance framework and digital transformation in line with best professional practices and the requirements of the forthcoming phase.

Furthermore, the Company looks forward to capitalising on the significant opportunities witnessed by the economy of the Kingdom of Saudi Arabia under Saudi Vision 2030 and major developmental projects, thereby strengthening its ability to achieve sustainable added value for shareholders and support the journey of economic development.

In this context, the Board of Directors and the Executive Management continue to work on completing the necessary steps for the transition into a public joint-stock company and preparing for the listing phase on the Saudi Exchange, which will bolster the Company's standing and provide broader horizons for future growth and expansion.

In closing, the Board of Directors prays to Allah for success and guidance to continue fulfilling the aspirations of the Company and its shareholders, and to contribute to supporting economic development in the Kingdom.

Board of Directors

Saleh Abdulaziz Al Rashed & Sons Co.



شركة صالح عبد العزيز الراشد وأولاده
Saleh Abdulaziz Al Rashed & Sons Co.