

Building Sustainable Futures

Retal Urban Development
Annual Report 2024



RETAL



Theme of the Year

Building Sustainable Futures

Retal is transforming Saudi Arabia's future by realising many of the critical goals laid out in Vision 2030 through sustainable development.

As a leader across the entire development value chain, Retal integrates next-generation smart technologies and strategic partnerships to create thriving communities that serve the people who live and work there.

These dynamics are what make it possible for Retal to accelerate project delivery and embed sustainability into every stage – from design to execution.

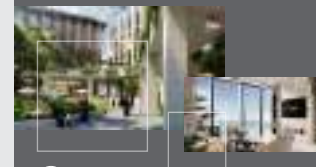
This approach provides the bandwidth for Retal to ensure lasting environmental, social, and economic impact at every stage. Furthermore, by being strategically and operationally committed to excellence and innovation, Retal is proud to play such an integral role in building a sustainable future for the Kingdom.

Expansion



→ Page 20

Collaboration



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Integration



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Innovation



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With a proven track record of excellence spanning more than a decade, Retal leads urban transformation right across Saudi Arabia.

From the Central, Eastern, and Western regions, the company works with key industry leaders who rely on its integrated approach to real estate development. It is an approach that delivers truly creative, vibrant communities and lifestyle destinations that set new standards for modern living. Retal's developments thoughtfully address the evolving needs of residents while contributing to the Kingdom's ambitious vision for urban growth.

 [View Our Online
Annual Report 2023](#)

 [View Our
Sustainability Report 2023](#)

 [View Our Investor
Relations Website](#)

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About Retal



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At A Glance

Unlocking Quality to Meet Demand Through an Agile, Low-Risk Value Proposition.

“Our strategic partnerships and fully integrated development platform position Retal as a leader in the real estate sector, driving sustainable growth and innovation in line with Vision 2030.”

Retal Urban Development Company is a pioneering real estate developer in Saudi Arabia, renowned for its fully integrated business model that spans the entire project development value chain. From pre-development project management and design consultancy to post-development facility and property management, Retal ensures quality and efficiency at every stage.

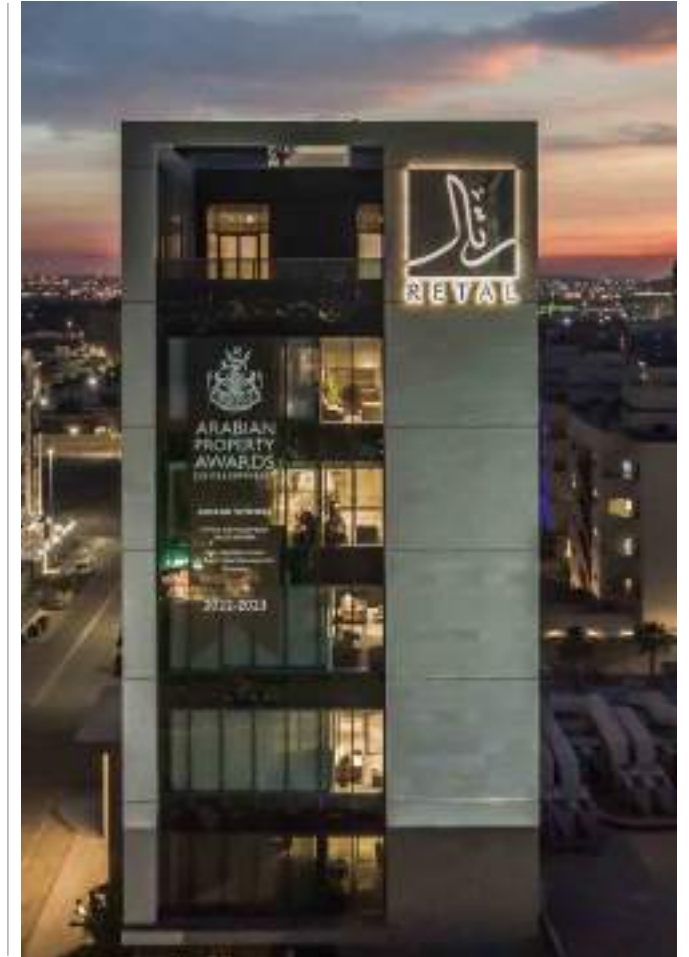
The company has established itself as a leader

in off-plan sales, leveraging a de-risked business model that minimises market and construction risks. This approach has enabled Retal to achieve rapid sales closures, with 1,977 sold units in 2024, helping the company to meet the growing demand for high-quality housing in Saudi Arabia.

Retal’s strategic partnerships with key government entities, financiers, and design and engineering firms further enhance its ability to deliver unique and sustainable real estate solutions.

The company’s commitment to innovation and excellence is evident in its diverse portfolio, which includes 31 ongoing and upcoming projects across the Central, Eastern, and Western regions of Saudi Arabia. With a strong focus on customer-centric solutions and digital transformation, Retal is well-positioned to capitalise on the opportunities presented by Saudi Arabia’s Vision 2030 and the country’s dynamic real estate reforms.

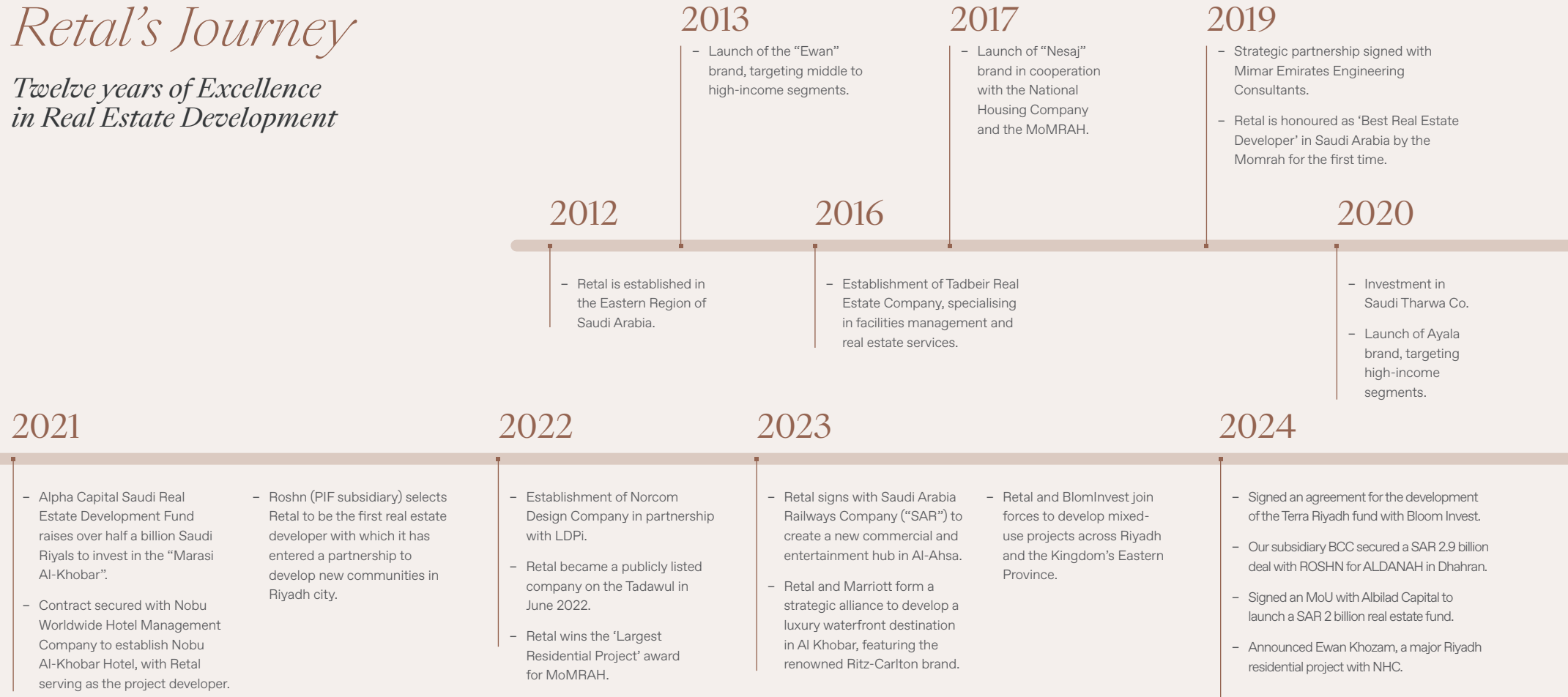
The successful execution of our strategy, underpinned by a unique integrated business model and critical partnerships, has resulted in an exceptional volume of sales and record financial metrics. By nearly every measure, Retal has generated historic highs and, with its largest-ever backlog, is set for continued growth into the future.





Retal's Journey

Twelve years of Excellence in Real Estate Development



Chairman's Message

Abdullah Abdullatif Al Fozan



Chairman's Message

Redefining Modern Living Standards

“Our growth is intrinsically tied to the societal needs of the Kingdom”

Dear Stakeholders,

On behalf of the Board of Directors, I proudly present Retal's annual report for 2024, which showcases a year of exceptional growth and development and our impact on the realisation of many of the objectives laid out in Saudi Arabia's Vision 2030.

Retal's strategic partnerships with leading national entities continued to position us as a key enabler of Saudi Arabia's housing transformation in 2024, as evidenced by the number of ongoing and upcoming projects, which reached 22 by the end of the year. I am proud that our developments are redefining community living standards in the Kingdom and how – with a record-breaking backlog – we have solidified our position as a frontrunner in real estate excellence. This is exemplified across our growing and increasingly diversified portfolio, including landmark developments such as the Ritz Carlton and Nobu Residences.

Upholding Core Values, Strengthening Communities

Our work in 2024 has also prioritised sustainable urban planning, the evolution of new digital customer journeys, and a prudent approach to financial management. The exceptional strategic, financial, and operational results posted in 2024 – many of which are historic firsts for the business – reflect the effective execution of our strategy and the outstanding talents of colleagues from across the company. Our results also reflect the deep trust that our customers and partners place in us.

Gratitude and Forward Momentum

I extend my sincere appreciation to our Board of Directors, Executive Management, and dedicated employees, whose unwavering commitment has been pivotal to our success. To our shareholders, thank you for your continued trust and partnership. As we look ahead, Retal remains steadfast in its mission to lead Saudi Arabia's real estate evolution. We will continue to shape a sustainable, dynamic future of urban living, leaving a lasting impact on generations to come.

Abdullah Abdullatif Al Fozan
Chairman



2024 Performance Highlights

A Year Like No Other

Financial Highlights

2024 was a remarkable year for Retal, the company secured its highest-ever profits, revenues and backlog. The metrics laid out on this page represent the fruits of a highly disciplined approach.

to capital allocation and a sharp focus on creating long-term value. This is further evidenced by the signing of a series of major new projects – including a total of SAR 14 billion at Cityscape Global 2024.

Highest revenue since inception
(SAR)

2 Bn

Record development contract revenues
(SAR)

1.979 Bn

All-time high gross profit
(SAR)

500 Mn

Peak operating profit
(SAR)

340 Mn

Highest net profit on record
(SAR)

283 Mn

Most units sold in a single year

1,977 units

Record contracted sales
(SAR)

3 Bn

Largest backlog value in company history
(SAR)

17.7 Bn

Highest gross profit from
development contracts
(SAR)

485 Mn

Highest total assets to date
(SAR)

4.2 Bn

Strongest net working capital position
(SAR)

675 Mn



2024 Performance Highlights (continued)

Development Highlights

Retal has built a substantial project pipeline, successfully launching signature developments with significant capital committed to strategic investments.

This has allowed the company to continue to deliver measured growth, advance its development programme, and strengthen its position as a key player in the Kingdom's real estate sector. Our disciplined approach to project selection and execution underpins our ability to create enduring value while meeting evolving market needs.

From formation to fulfilment: Projects to date

Total number of projects

52

Total number of units

16_{k+}

Total project value (SAR)

32_{Bn+}

Total BUA since the company's inception (SQM)

6_{M+}

2024 Performance Highlights

Number of newly awarded projects

6

Number of launched projects in 2024

11

Number of completed projects in 2024

3

Number of ongoing and upcoming projects

22

Number of total units from ongoing and upcoming projects including fund and SPV (units)

12_{k+}

Project Value from ongoing and upcoming projects including fund and SPV (SAR)

28_{Bn+}

Total BUA (SQM)

5.6_{M+}



2024 Performance Highlights (continued)

Sustainability Highlights

Through significant progress in 2024, Retal continued to integrate environmental stewardship, community engagement, and governance practices into its business operations. Through strategic partnerships and the development of comprehensive sustainability policies and KPIs, Retal has enriched its impact-led materiality approach to environment, social and governance programs. With great progress in energy and natural resources, compliance, and diversity and inclusion, we have created sustainable futures for all our stakeholders.

* Energy consumption data is being finalised to ensure accurate reporting in alignment with reduction goals.



Environmental

90%

of materials are sourced locally

30%

of materials used were recycled*



Social

31%

female employees, showcasing progress toward gender diversity

67%

Saudisation, exceeding national targets for local workforce integration

2,970

hours of training for 136 employees

2,300

employees



Governance

95.1%

Compliance with CMA regulations

0

Non-compliance incidents related to governance in 2024

77%

Shareholder Participation in the Annual General Meeting (AGM)

0.27

2024 per share declared dividends (SAR)

8.09_{Bn}

Market Capitalisation (SAR)

4

Earnings Calls with Investors and analysts in 2024

6

Investors Events Participation

2024 Performance Highlights (continued)

Certifications and Awards



King Abdulaziz Quality Award

Retal obtained the King Abdulaziz Quality Award in its seventh cycle, which is a confirmation of our ongoing commitment to achieving the highest standards of quality and excellence for our clients and partners.

Labor Award for Localization

Retal won the Labor Award in its fourth edition under Localisation Track under the patronage of His Excellency, the Minister of Human Resources and Social Development, Eng. Ahmed Al-Rajhi.



Corporate Social Responsibility Award

Retal received the Silver Category in the Corporate Social Responsibility Award in its first edition for 2024, reaffirming its deep commitment to supporting the community and promoting sustainable development.

Best Project Award in the Heritage and Culture category

LDPI – a member of the Retal Group, has previously received the Best Project Award in the Heritage and Culture category for the Oman Through Time Museum project at the 10th Lighting Projects Awards.

First for Excellence and Transparency

Retal has been recognised for Excellence & Transparency at the ROSHN Forum for Supply Chains (BCC).



Architecture Leaders Award

The Architecture Leaders Award for the Ritz-Carlton Khobar.

ISO Certification

Retal's Digital Transformation Department earned the ISO/IEC 27001:2022 certification in 2024, reflecting its commitment to top-tier cybersecurity and data protection standards.

Great Place to Work – Best Work Environment

Retal received a Great Place to Work certification and has been recognised among the leading workplace environments in the Kingdom.



Chief Executive Officer's Statement

Retal's Record Year

“The year 2024 witnessed exceptional achievements across all sectors of the company, reinforcing its leading role in the urban development sector and highlighting its contribution to driving economic growth and enhancing quality of life.”

Eng. Abdullah Faisal
AlBraikan
Chief Executive Officer

Strengthening Market Leadership

The exceptional results produced by Retal in 2024 – which include its highest ever net profit – are indicative of the company's unique characteristics as a trusted partner to key national urban development agencies and the company's integrated business model. The latter – which gives Retal full visibility and control of the entire development lifecycle – has allowed it to become Saudi Arabia's fastest-growing urban developer.

Retal has come to the fore as a business capable of creating communities that set new benchmarks in quality, innovation and sustainability. It is a testament to the creativity of our strategy and those who

participate across our ecosystem that we are delivering such high living standards for residents and citizens across multiple socioeconomic demographics.

In terms of sheer volume, 2024 marked a significant milestone in Retal's journey, solidifying its position as a leading urban developer in Saudi Arabia. At CityScape 2024 we launched 11 major projects with a total value of SAR 14 billion while acquiring over 5,000 new leads and selling 1,977 units with a combined value of over SAR 2 billion.

Our Largest Backlog

The company also delivered its highest ever backlog in 2024, which increased by 93% year-on-year, to reach 17.7 billion SAR – up from an already significant 9.16 billion SAR in 2023. In a milestone achievement that underscores the maturity and strength of Retal's urban development strategy—and affirms the importance of diversity and the intrinsic value offered by our business model—we successfully added around 10,000 residential units to our real estate portfolio. We are currently developing 22 diverse projects, a step that reflects our commitment to realizing an integrated and sustainable urban vision that supports national development goals.

Our strategic geographic expansion and the growing diversification of our project portfolio have been key drivers in achieving this record number of contracted projects, reinforcing our position as a leading real estate developer and paving the way for sustained growth and success. The Riyadh Region leads with a 53% contribution, followed by the Eastern Region at 37% and the Western Region at 10%, reflecting our

strategic expansion capabilities and ability to meet the increasing demand across key regions in the Kingdom.

This distribution reflects our commitment to serving communities across the country – delivering high quality, mixed-use developments on time and on budget to a diverse demographic spread. The early handover of Nesaj Al Forsan is just one example of our ability to do so – delivered a full year ahead of schedule, the completion of the project is a direct reflection of Retal's highly efficient integrated business model.

A Vision for the Future

Looking ahead, we remain sharply focused on sustaining growth through strategic investments, innovation, and customer-centric development. Our plans include continued investments through partnerships and collaborations – in addition to our highly valued relationships with government agencies such as NHC and ROSHN. Our focus on completing developments of the very highest quality, on portfolio diversification and visibility across our entire ecosystem will help us to secure continued growth and value creation for all of our stakeholders. This approach also supports our ability to deliver regular dividends to our shareholders, whose trust and loyalty is deeply valued.

Acknowledgements

I extend my gratitude to our dedicated team for their hard work, our shareholders for their trust, and our customers for choosing Retal as their partner in building vibrant communities. Together, we are shaping the future of urban living in Saudi Arabia.

Year in Review

“Our collaboration reflects our dedication to delivering high-quality housing solutions that align with the Kingdom’s vision for urban development.”



Year in Review (continued)

Milestones that Defined 2024



Q1 Strengthening Strategic Partnerships

- Signed an agreement with ROSHN to develop 363 single-family villas in Riyadh's SEDRA community.
- His Excellency, Minister of Municipal and Housing, Mr. Majid bin Abdullah Al-Hoqail, visited and praised the Nessaj Town project in Khozam Suburb, Riyadh, highlighting its rapid completion and quality amenities.
- Retal Urban Development Co. signed a development management agreement with Business Oasis Fund, managed by BlomInvest Saudi Arabia, with a total value of SAR 25 million, excluding taxes and fees.
- Participated in the MIPIM International Real Estate Exhibition in Cannes, France, where 17 agreements were signed.
- Retal and NHC launched its latest urban community, Nesaj Al-Sadan, in Jeddah.
- Honoured by the visit of His Excellency Minister of Municipal and Housing, Mr. Majid Al-Hoqail, to the Nessaj Al-Fursan project in Riyadh.



Year in Review (continued)

Q2 Expanding Geographic Reach

- Launched a tree-planting initiative in the Nesaj Al-Fursan community in partnership with the NHC.
- The company participated in the Over-Aramco Exhibition.
- Unveiled plans for the development of Ewan Khozam in Riyadh, a large-scale residential project comprising 947 units in collaboration with the National Housing Company (NHC).
- Strengthened its operational efficiency by adopting advanced project management tools and integrating smart home technologies into its developments.
- Within the Forum on Social Responsibility in the Housing Sector 2024, Retal participated in the forum and the accompanying exhibition, addressing opportunities and challenges in urban development.
- BCC a subsidiary of Retal, signed collaboration agreements aimed at establishing a joint framework in the construction and contracting sector in the Supply Chain Forum.

“Our focus on Riyadh and other dynamic cities ensures that we meet our customers’ evolving needs while driving sustainable urban growth.”



Q3 Accelerating Urban Development

- Retal Rise Phase 2 and 3 and Ayala Mohamadyah Project were all launched in 2024.
- Retal Mosque was shortlisted for the King Salman Urban Charter Awards, showcasing our commitment to excellence in architectural design.
- We are proud to be honoured by His Royal Highness Prince Saud bin Bandar for Retal’s strategic partnership with the Tamreem Association.
- In Strategic Partnership with the NHC, our clients participated in the tree-planting initiative at our Nessaj Al-Fursan community.
- Tharwa Saudi Arabia celebrates a successful milestone with Al-Khobar Land Auction.



Year in Review (continued)

Q4 Landmark Achievements at Cityscape Global

- Two agreements were signed with NHC to purchase developed land plots within Al Khuzam District, Riyadh, for the construction of 947 residential units. The total project value amounts to SAR 2.7 billion.
- Retal also launched Ewan Tharwa Phase 2 in 2024, which consists of 386 villas of multiple sizes and different models, and the project area extends to more than 142,400 square metres.
- Retal's signed two agreements with ROSHN to purchase and develop residential land plots for 644 housing units along with infrastructure works in the Sedra residential neighbourhood of Riyadh. The total value of the contracts amounted to SAR 792.02 million.

“Our achievements in Q4 reflect our strategic focus on delivering modern living spaces while leveraging technology to enhance the customer experience.”

- BCC signed a SAR 2.9 billion deal with ROSHN for the ALDANAH development in Dhahran.
- Partnered with BLOMINVEST to establish the Terra Fund for the development of the luxurious “Terra Riyadh” office complex and showroom.
- Retal was honoured by HRH Prince Saud bin Nayef, Governor of the Eastern Province, as a key partner in Alsharqiya Gets Creative 2024.
- Signed an MoU with Albilad Capital to launch a SAR 2 billion real estate fund.

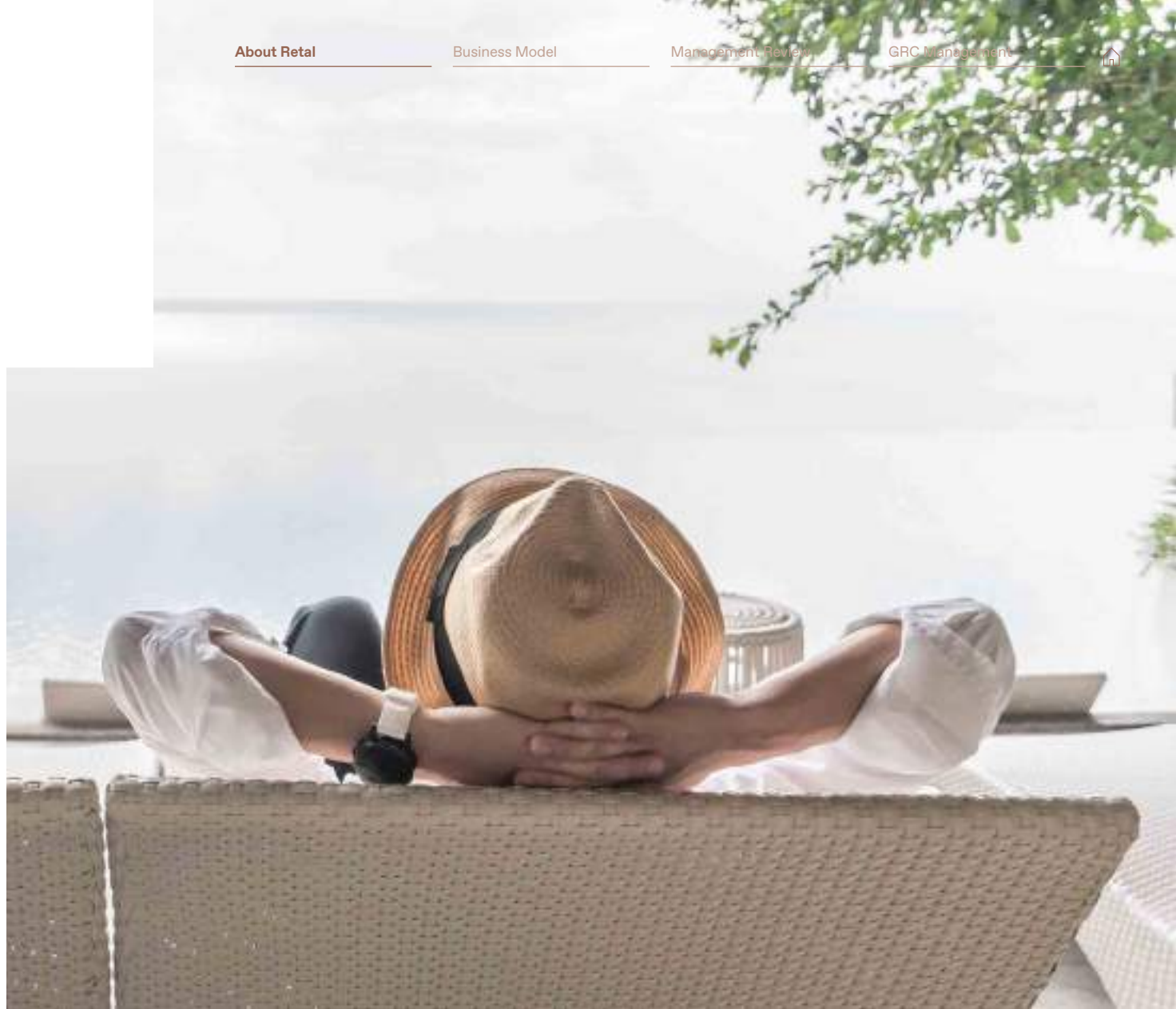


“Cityscape Global was a testament to our innovative approach and our ability to attract significant investments that drive regional development.”



Investment Overview

Retal stands as a champion in the Saudi Arabian real estate sector, distinguished by our innovative approach and outstanding achievements. With our pioneering off-plan sales strategy, strategic diversification, and robust operational structure, Retal presents a compelling opportunity to align with a visionary company that has redefined the real estate landscape in Saudi Arabia, allowing it to deliver sustained value.



Investment Overview

Our Portfolio and Our People: Delivering Long-term Performance

Thriving Real Estate Sector

The real estate sector in Saudi Arabia is thriving, supported by favourable demographic trends and government initiatives. These dynamics provide Retal with a powerful platform for growth.

Off-Plan Sales and Financial Health

Driving industry advancement through off-plan sales, enabling Retal to minimise risk by securing confirmed revenues and enhancing efficiencies in project delivery. This approach delivers consistent revenue growth and profitability underpinned by a strategic approach that balances risk management with expansion opportunities.

Diversified Portfolio and Geographic Reach

Skilful portfolio expansion that encompasses mixed-use developments, including offices, business parks, hotels, and retail outlets in a growing number of locations in multiple regions.

Strategic Partnerships

Enduring partnerships with key government bodies and international firms that enhance value creation and drive mutual growth, collaborations.

Technological & Operational Leadership

Seamless integration of cutting-edge technology, enhancing operational efficiency and elevating the homebuyer's experience – all guided by a management team of industry experts with unparalleled credentials and experience.

Brand Reputation and Market Leadership

Since its establishment in 2012, Retal has developed a strong brand reputation in the Saudi real estate market. Acknowledged through multiple awards, Retal is celebrated for its market-leading off-plan sales, commitment to quality, and customer service excellence.

Integrated Development Platform

Retal's integration across the entire real estate development value chain—from infrastructure to property management—ensures optimal efficiency and quality control. Through its affiliates, associated companies, and owned subsidiaries, Retal excels in every phase of development, offering seamless solutions from pre-development planning to post-development services.

Investment Overview (continued)

Shareholder Information

Throughout 2024, Retal's share price demonstrated significant growth, reaching a high of SAR 17.98 and the low price SAR 8.18. The year closed with a share price of SAR 16.18, reflecting an approximate 89.9% increase from the previous year's share price as of 31 Dec 2023.

Share information

Listing Date

27th June 2022

ISIN Code

SA15J1S23H17

Exchange

*Saudi Stock
Exchange (Tadawul)*

Number of Shares Issued

500 Mn

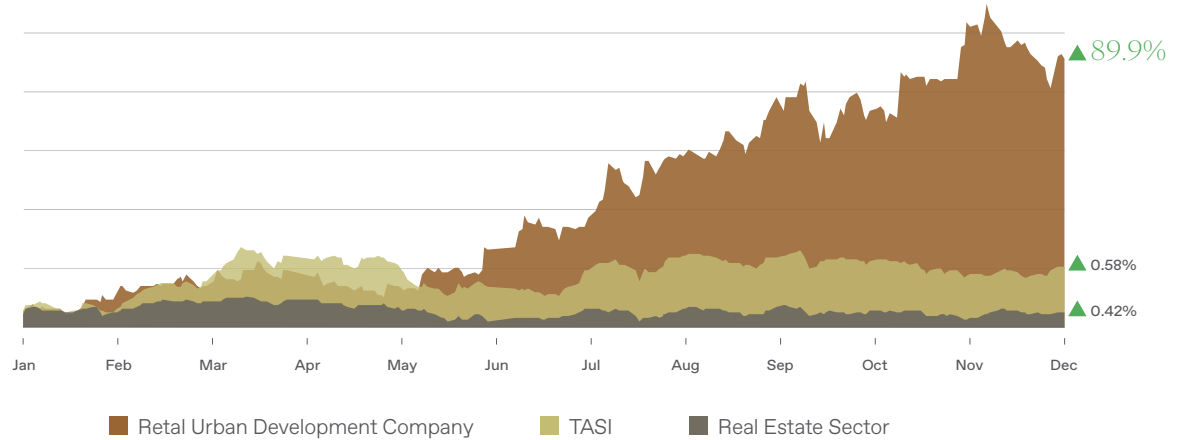
Symbol

4322

Market Cap as of
31 December 2024

*SAR 8.09 Bn
USD 2.15 Bn*

Share Price Performance during 2024



Investment Overview (continued)

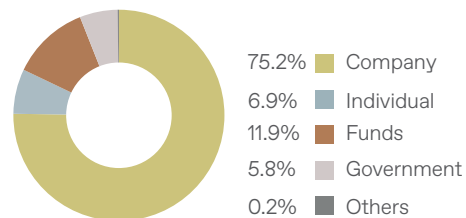
Retal remains committed to transparency, robust financial performance, and long-term shareholder value creation. The company's consistent growth and strong governance principles continue to attract strategic investors, ensuring sustainable market positioning and future expansion.

According to Article 68 of the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority (CMA), Retal did not receive any notifications of new ownership exceeding 5% of the issued shares during 2024.

Shareholders by nationality

- 90.33% Saudi Investors
- 9.67% Non-Saudi Investors

Shareholding Type



Ownership by percentage (5%>)

Al Fozan Holding Company

Beginning of 24 shares numbers

264,881,250



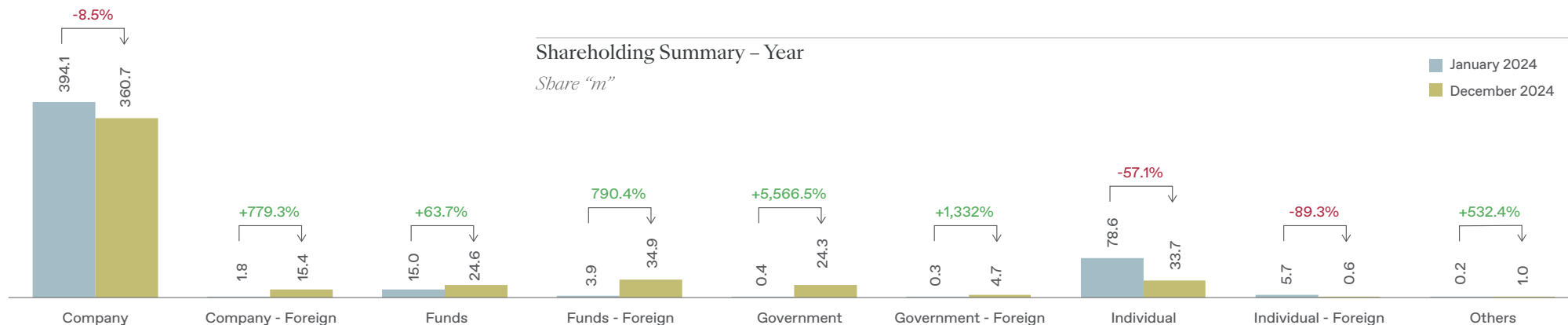
End of 24 shares numbers

264,881,250



Shareholding Summary – Year

Share “m”





Expansion

Retal's growing project backlog offers strong revenue visibility and projected top-line growth for the coming years.



Backlog Composition

There are 22 projects, of which 17 are in development and 5 are upcoming projects. By year-end, approximately 6,213 units were sold.

- This represents a significant increase from the 1,977 units sold by the end of 2024.
- The backlog includes 5,223 Central Region, 3,640 units in the Eastern Region, and 962 units in the western region.
- Retal's total units increased by 38%, from 7,139 in 2023 to 9,831 in 2024, while the total project value surged by 93% to reach SAR 17,686 billion.
- The Company has achieved its highest-ever contracted sales since its inception.

Backlog Value

Total Anticipated Revenues are SAR 17.7 billion until the completion of the final project in the current portfolio in 2027. SAR 2.8 billion of the backlog revenue recognised (16%).

Collaboration

Retal's strategic partnerships with government entities, private sector leaders and global brands drive impactful projects that resonate with diverse market needs.

Leveraging Global, Regional, and Local Partnerships

Retal enriches the Saudi real estate market by leveraging a diverse network of global, regional and local partnerships including well-known brands such as The Ritz-Carlton Khobar and NOBU Hotels.

Successful Government Collaborations

Retal has a successful track record with Ministry of Municipalities and Housing and the National Housing Company "NHC", enhancing its project execution capabilities.

Strong Financial Network

Retal benefits from a solid network of financiers and real estate funds, which facilitates efficient project financing and execution.

Innovative Design and Engineering

Retal collaborates with leading design and engineering partners to develop unique, sustainable buildings and ensure high-quality project outcomes.



Integration

Retal's fully integrated business model ensures quality across the entire development lifecycle while delivering high-value solutions tailored to market demands.



Seamless Integration Across Value Spectrum

Retal's fully integrated platform serves across the complete value spectrum through key subsidiaries, ensuring seamless project development and quality control.

Comprehensive Project Development

Retal integrates pre-development, project management, design, engineering consultancy, development contracting, and infrastructure development, ensuring high-quality and efficient project execution.

Post-Development Excellence

Retal excels in post-development services, including facility and property management, delivering superior customer experience throughout the development cycle.

Strategic Network and Off-Plan Sales

Retal leverages a strategic network and off-plan sales model, minimising risks and enhancing flexibility to capitalise on growth opportunities.

Innovation

Retal sets new benchmarks in real estate by integrating advanced technologies, sustainable practices, and customer-centric solutions to redefine living standards.

Real-Time Project Updates and Customer Support

Retal's app offers real-time project updates and instant customer support, live view, payment tracking and financial transaction management.

Tailored Customisation Options

The app provides tailored customisation options, enabling customers to personalise their homes according to their preferences. Options include location, type, home layout and design.

Evolution into a Comprehensive Marketplace

The app will evolve into a comprehensive marketplace, offering home maintenance, interior design consultations, and community engagement, making it a one-stop shop for real estate needs.

Seamless Virtual Tours and Online Sales

Retal's app offers seamless virtual tours and online sales, allowing customers to explore / purchase properties from home.





Business Model

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A New Generation Real Estate Developer

Retal is a pioneering force in the real estate sector, redefining the landscape with our fully integrated, off-plan strategic network.

Our robust investment proposition is built on a comprehensive platform that spans the entire value spectrum, ensuring excellence from pre-development to post-development stages.

Fully Integrated Platform

Our platform seamlessly integrates various facets of real estate development through our key subsidiaries, enabling us to maintain stringent quality control and deliver superior projects. The project development value chain includes the following:

- Pre-development: Project Management, Design & Engineering Consultancy
- Development: Contracting, Infrastructure Development
- Post-development: Facility Management, Property Management

A Pioneer in KSA Off-Plan Sales

Retal has established itself as a leader in off-plan sales in Saudi Arabia, offering a de-risked business model that ensures sustainable growth. By transferring collection risk to specialised financing institutions and holding 100% of purchase funds in escrow, we minimise market and construction risks. This model allows us to close sales rapidly, with an average of 35 days in 2024, providing the flexibility to capitalise on growth opportunities.

Value Creation Through Strategic Partnerships

We leverage a unique set of global, regional, and local partnerships to enrich the Saudi real estate market. Our collaborations with government entities, financiers, and design & engineering partners enable us to develop innovative, sustainable buildings and secure project financing efficiently, with an average of 35 days in 2024, providing the flexibility to capitalise on growth opportunities.

“Retal’s commitment to innovation, quality, and strategic growth has solidified our position as a new generation real estate developer.”



A New Generation Real Estate Developer (continued)

“As we continue to navigate the evolving landscape, our fully integrated platform, strategic partnerships, and alignment with Vision 2030 will drive our success and contribute to the flourishing Saudi economy.”



Vision 2030 Alignment

Aligned with Saudi Arabia's Vision 2030, Retal is committed to contributing to the nation's ambitious giga-projects and urban development initiatives. Our strategic focus on Riyadh, Dammam, and Jeddah, which house 65% of the KSA population, positions us to play a significant role in the country's growth story.

Strategic Priorities

Our strategic priorities are designed to deliver sustainable growth and include:

- **Strategic Partnerships:** Leverage alliances to expand our footprint and reach.
- **Diversification:** Expand our real estate portfolio to offer diverse brands and products tailored to various income groups and market needs.
- **Customer Experience:** We prioritise exceeding customer expectations through exceptional service, innovation, and comprehensive after-sales support.
- **Sustainability:** Embedded in our mission, sustainability drives our operations, ensuring long-term environmental and social impact.



Turning Risk into Value

Retal's strategic planning includes extensive risk mitigation measures, ensuring resilience and adaptability in a dynamic market. Our expertise in off-plan sales, strategic partnerships, and market leader advantage in the Eastern region position us to turn potential risks into value levers.



Fully Integrated Value Chain

A fully integrated value chain enables Retal to deliver value by streamlining the entire end-to-end development process—from site acquisition to project completion—delivering quality assurance, timeliness, and exceptional service.

Seamless Synergies Through a Vertically Integrated Value Chain

Our vertical integration through subsidiaries and associate companies ensures seamless operations, superior quality, and greater control throughout the real estate cycle. With seven subsidiaries and associate companies under Retal’s umbrella, we collaborate with dedicated firms specialising in infrastructure, construction, architectural design, lighting design, and facility management, among others.

Pre-development



Nesaj
Project Management
Subsidiary



Nesaj’s approach to project management is characterised by meticulous planning, efficient execution, and a commitment to punctuality and fiscal prudence. Through robust methodologies, Nesaj ensures that each project follows a well-coordinated journey from conceptualisation to realisation.

Established in 2012, Acquired by Retal in 2017

No. of Projects:

+40



MIMAR Saudi
Design & Engineering Consultancy
Associate



A prestigious Architecture and Engineering company with a significant presence across the Middle East & North Africa. With 11 branches spanning across five countries in the region – UAE, Qatar, Saudi Arabia, Egypt, and Iraq – MIMAR has firmly established itself as a leading force in innovative architectural design.

Established in 1997, Retal’s Associate since 2019

No. of Projects:

+900

International Awards:

7



LDPi
Lighting Architect Consultancy
Affiliate



LDPi

LDPi stands as one of the foremost firms of Lighting Architects globally. With a two-decade legacy, the company’s team predominantly comprises Architects and Interior Designers, with an emphasis on the seamless integration of light across projects of all sizes.

Established in 2000, Retal’s Affiliate since 2022

No. of Projects:

+23

Global Rank Among Peers:

Top 3

Our Fully Integrated Value Chain (continued)

Development



Saudi Tharwa

Infrastructure Development

Associate

شركة السعدية
Saudi Tharwa



Saudi Tharwa is a prominent real estate development company in Saudi Arabia. It specialises in advanced urban infrastructure, offering services such as real estate acquisition operations, project supervision and management, infrastructure development of plots, and launches marketing campaigns for real estate products. The company operates in compliance with applicable laws and regulations in the Kingdom of Saudi Arabia.

Established in 2007, Retal's Associate since 2020

Total Auction Sales
(Value SAR):

7.8 bn

Total Auction Sales
(Land area sqm):

+7.5 mn

Total Developed Area sqm:

+14 mn



Building Construction Co.

Contracting

Subsidiary



BCC is a leading construction company with more than 24 years of experience in the construction of residential, commercial, governmental, towers and multipurpose buildings. BCC is dedicated to precision and quality and leverages a network of skilled professionals to ensure that its construction processes adhere to the highest industry standards.

Established in 1996, Acquired by Retal in 2017

No. of Projects:

+73

Total Construction
Area sqm:

2.9 mn

Value of Projects (SAR):

+7.1 bn

Post-development



Tadbeir Co.

Facility Management

Subsidiary



Tadbeir (formerly Tadbeir Real Estate Services) embraces cutting-edge practices to guarantee the seamless and efficient operation of its properties. This includes a spectrum of activities from regular maintenance to sustainability initiatives, underpinned by a proactive approach to addressing the evolving needs of the communities they serve.

Established in 2014, Acquired by Retal in 2016

No. of Units:

+5,000

No. of Customers:

+330



Adara Co.

Property Management

Subsidiary



Adara blends global expertise with local insights to serve Saudi Arabia's property market. It caters to diverse commercial and residential projects, building strong client relations with renowned companies and global brands.

Established under Retal in 2014

No. of Projects:

+45

Strategic Partnerships and Alliances

Retal has formed strategic partnership agreements and joint ventures with prominent private and public entities across various verticals in the real estate sector.

These collaborations with Government-Related Entities have been vital for executing large-scale national projects, driving up market share, enhancing shared resources, and reinforcing our reputation as a trusted and preferred partner.

“Strong focus on establishing robust, enduring partnerships that generate substantial value.”

“Our partnerships with key entities like ROSHN and NHC are central to our success. They enable us to leverage shared expertise and resources for efficient project execution and sustainable growth.”

Partnerships



National Housing Co.

Since 2018, Retal has emerged as a pivotal partner in Saudi Arabia's affordable housing sector through its collaboration with the National Housing Company (NHC). Since then, Retal's partnership with NHC has seen the development of thousands of projects under the Nesaj Town brand.

Retal's impressive track record reflects its outstanding success in executing National Housing Company projects, marked by record-breaking sales in a short period and early unit deliveries ahead of schedule.



مجموعة روشن
ROSHN GROUP

Roshn

Since 2021, Retal has maintained a strong strategic partnership with ROSHN Group, a subsidiary of the Public Investment Fund, making it the first real estate company to develop a project in collaboration with ROSHN. Working across both the Ewan and Roya brands, this relationship marks PIF's first collaboration with a private real-estate company and, as such, aligns with the national objectives of Vision 2030.

Number of projects

12

Total value of projects

8.8 Bn+

Number of projects

7

Total value of projects

8.9 Bn+



Read More:

NHC – Business Model Page 38



Read More:

ROSHN – Business Model Page 39



Our Strategic Partnerships & Alliances (continued)

“Our long-standing strategic alliances with renowned premium brands underscore Retal’s commitment to diversifying the tourism and mixed-use landscape, further supporting Vision 2030.”

Alliances



Blominvest KSA

Retal partnered with BLOMINVEST in 2021, developing funds for mixed-use projects including but not limited to Remal Business Court & Residence and The Ritz-Carlton Al Khobar. This partnership diversifies Retal’s revenue and expands its presence across the Kingdom’s growing cities.



Al Bilad Capital

Retal launched a closed-end real estate investment fund with Al Bilad Capital in 2024, showcasing Retal’s commitment to value creation through financial innovation.



Bin Jumah Group

Established in 2023, Retal formed its strategic alliance with the Bin Jumah Group with a specific remit to develop the Ritz Carlton Al Khobar, with Retal appointed as the sole developer.



Assayel Real Estate

Retal and Assayel Arabia Real Estate Company formed a strategic partnership with Remal Al Khobar in 2022, with the objective to undertake premium real estate ventures.

Number of projects

5

Total value of projects

5.7 Bn+

Number of projects

1

Total value of projects

887 Mn

Number of projects

2

Total value of projects

1.5 Bn+

Number of projects

1

Total value of projects

1.5 Bn+



Off-Plan Sales

A Unique Value Proposition

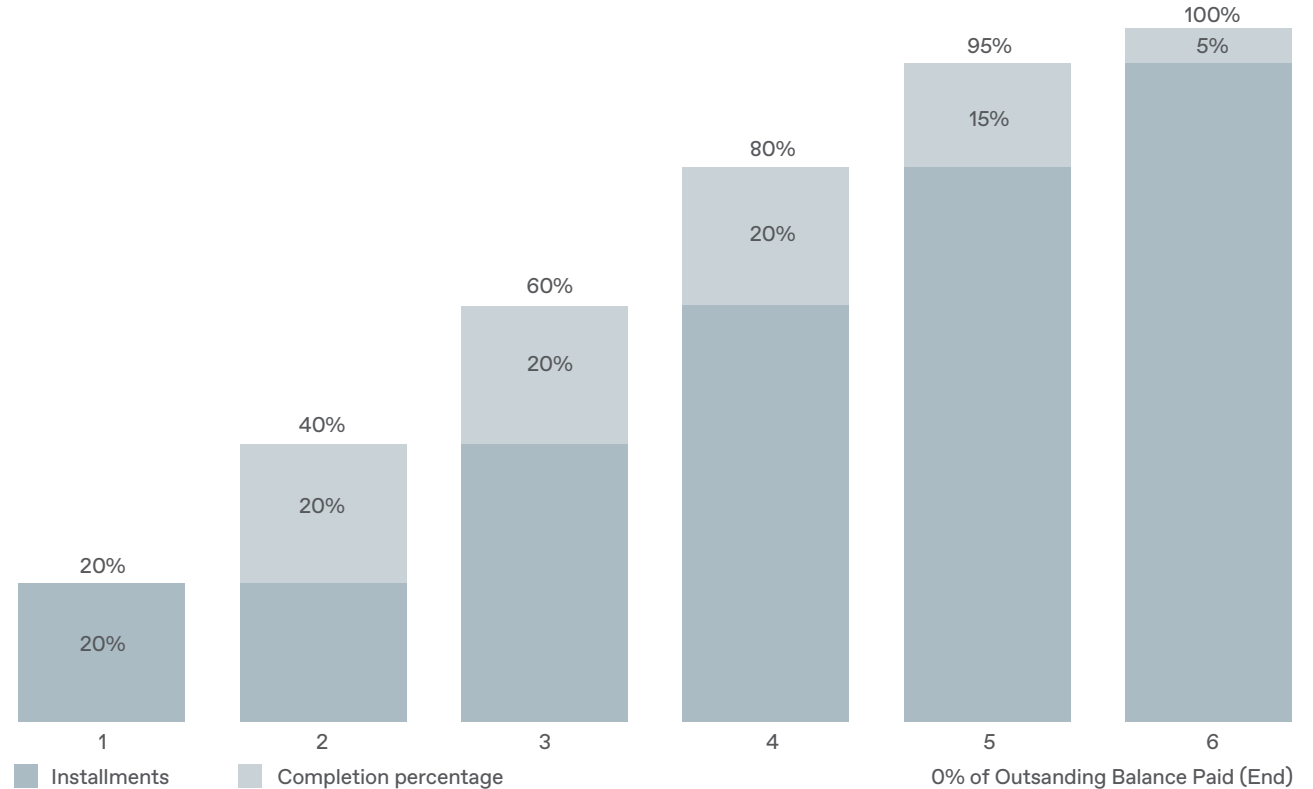
Innovative Off-Plan Sales Model

Retal's pioneering off-plan sales approach enables high-return projects with minimal capital investment, reducing market and construction risks while maintaining design flexibility. This model allows Retal to secure funding quickly, transfer collection risks to financing institutions, and complete construction in phases with an enhanced focus on quality and customisation.

Retal's transition into the off-plan project development model reflects structural changes in the overall operating environment with the introduction of regulatory bodies, including Wafi, to regulate offplan sales licenses.

- The off-plan sales model facilitates the company to undertake high-return projects with limited capital.
- 80% Of retal's customers use bank mortgages to finance Their purchases, while 20% typically pay cash upfront.

Off-Plan Payment Schedule



Lower Risk

Minimal Investment

Increasing Demand

Greater Agility

Unlocking Quality



Projects Lifecycle

Our de-risked business model, with funds held in escrow and phased construction, ensures sustainable growth and minimises market and construction risks.

Total timespan: 1 to 3 years

Direct Project Lifecycle



Project Awarded

Upon signing the contract, a public announcement is made, and the project is added to Retal's backlog



Off-Plan Sales

Retal engages in sales activities to future residents, collecting the down payments for units sold



Location Handover

Retal receives the project land location, except for those projects where the land isn't controlled by Retal (i.e. Roshn & NHC)



Development

Development occurs in phases until completion



Services

Development of the project's required utilities, including electricity, water and sewage etc

Funds Lifecycle



Opportunity Sourcing

Retal identifies potential opportunities based on strategic direction as well as exposure criteria and comprehensive risk assessments



Partnership Engagement

Retal selects the CMA-licensed fund manager based on specific criteria, such as a successful track record in managing similar projects



Fund Establishment

The development agreement is signed, both debt and equity are raised, and the assets are acquired through an SPV



Development

The project is developed by Retal, in addition to the company occasionally engaging in marketing and sales activities



Exit

Exit from the project based on timeline set in the initial plan

Geographical Presence

Retal's Footprint Across the Kingdom

Retal maintains a strong presence across key regions of the Kingdom, with rapid growth in the Riyadh region. At the same time, it continues to lead in both the Eastern and Western regions, leveraging significant growth potential in alignment with Saudi Vision 2030 goals for sustainable urban development.

Regional Portfolio Distribution



2024

- 53% Central Region
- 37% Eastern Region
- 10% Western Region

Project status

- Ongoing
- Upcoming

Central Region Projects

11

644 units
12%

5,223
total units

1,021 units
28%

3,640
total units

2,619 units
72%

Eastern Region Projects

8

4,579 units
88%

Western Region Projects

3

962
total units

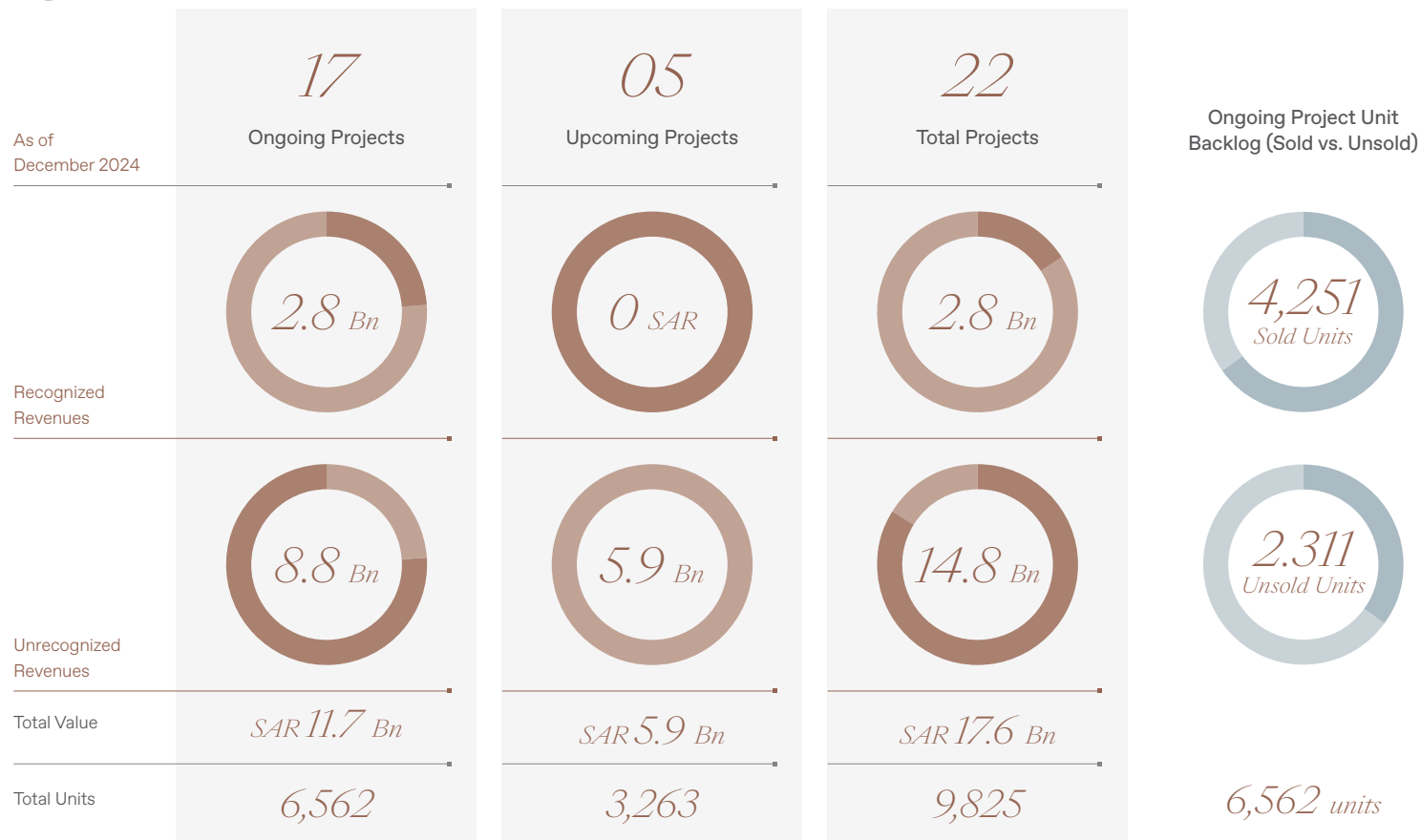
962 units
100%



Portfolio | Ongoing and Upcoming Projects

Retal boasts a total portfolio of 22 ongoing and upcoming projects spread across different cities around the Kingdom, with a total value of SAR 17.6 bn and only 16% of backlog revenues recognized to date.

Recognized Revenues Ongoing and Upcoming Projects



Revenue Streams














Retal's revenue model is built on achieving sustainable growth and strong returns through income diversification.

This diverse revenue model ensures robust financial performance, adaptability to market trends, resilience, and consistent delivery of high-quality projects, fostering long-term growth and profitability.





Revenue Streams

| | <i>Self-owned Projects</i> | <i>Partnership with NHC</i> | <i>Partnership with ROSHN</i> | <i>Offtake Agreements</i> | <i>JVs and Real Estate Funds</i> |
|---|---|--|---|--|---|
| Main Sources of Income | We generate income from the Sale of off-plan villas situated on Our proprietary lands. | Our role as sub-developer in collaboration with National Housing Company "NHC". | We act as sub-developers for a number of projects under PIF-owned giga-project, ROSHN. | We engage in offtake agreements which guarantee the development fees for the full project. | We have assumed the role of developer for five recently Established real estate funds. |
| Participation Rate from Our Total Real Estate | 7% | 27% | 28% | 4% | 34% |
| Total Value of Projects/Funds | 2.2 Bn | 8.8 Bn | 8.9 Bn | 1.2 Bn | +11.1 Bn |
| Key Brands |     |   |   |  |   |
| Key Partners | |  |  |  |  |







Revenue Streams (continued)

Self-owned Projects

Our self-owned projects focus on maximising potential and redefining exclusivity through the sale of off-plan villas on proprietary lands.

These projects primarily cater to the mid-luxury segment, showcasing our distinctive style, commitment to quality, and unparalleled craftsmanship. By responding swiftly to market trends and leveraging successful launches of high-quality real estate projects, we enhance our brand recognition and deliver unique, premium living experiences.

| Key Brands | | | |
|--|---|---|---|
|  |  |  |  |
| Number of Projects | Completed Projects | Ongoing Projects | |
| 16 | 11 | 5 | |
| Total Value of Projects (SAR) | Total Project Units | Total BUA of Projects (SQM) | Units Delivered until 2024 |
| 2.2 Bn | 1,344 | 581 k+ | 801 |

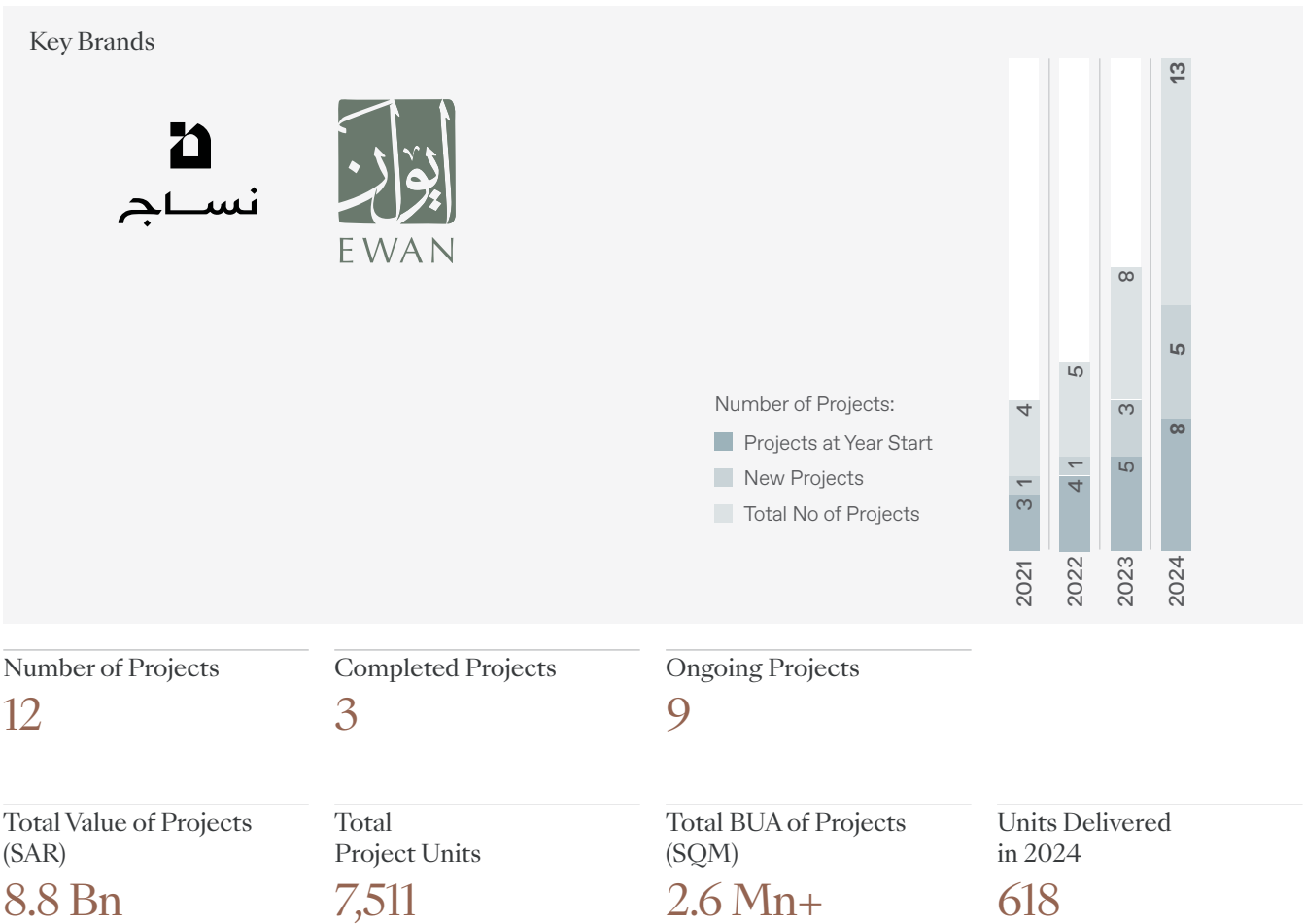


Revenue Streams (continued)

Partnership with NHC

Our partnership with the National Housing Company (NHC) aims to provide accessible and refined residences under the Nesaj brand.

This collaboration supports Saudi nationals in their journey to homeownership, aligning with government initiatives. Recognised for our successful track record, Nesaj projects are in high demand and typically fully reserved within days of launch. This partnership has significantly contributed to our portfolio, with numerous projects across various provinces.





Revenue Streams (continued)

Partnership with ROSHN

Our collaboration with ROSHN, a PIF-owned real estate company, focuses on developing residential communities that enhance access to quality housing.

This partnership has resulted in multiple projects in Riyadh, including the mega project SEDRA. By combining our expertise, we accelerate project timelines and contribute to ROSHN's vision for the future of Saudi Arabia's real estate sector, with plans to roll out 400,000 units by 2030.





Revenue Streams (continued)

Offtake Agreements with Jabeen

Our strategic offtake agreement with Jabeen, the investment arm of the Royal Commission for Jubail and Yanbu, involves the development of Ewan Al Jubail in Jubail Industrial City.

This project includes 897 residential units and provides a stable revenue stream through structured agreements, minimising market uncertainties and financial risks. The agreement ensures predictable cash flow and enhances project financing eligibility, supporting our developmental goals.





Revenue Streams (continued)

JVs and Real Estate Funds

We engage in joint ventures (JVs) and real estate funds to diversify risk and ensure sustained growth.

By participating in various funds with equity stakes, we develop a range of residential, hospitality, and mixed-use projects across the Kingdom. These initiatives strengthen our financial resilience and adaptability, fostering long-term relationships with partners and attracting investments. Our innovative capital structures and portfolio diversification enhance our position in the dynamic real estate market.



Number of Projects

11

Ongoing Projects

11

Total Value of Projects (SAR)

+11.1 Bn

Total Project Units

2,262

Total BUA of Projects (SQM)

691 k+



Management Review

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Market Trends

The real estate market in Saudi Arabia is poised for significant growth.

Thanks to the inherent strength of its integrated business model, high-quality offering and ability to adapt to the ever-changing needs of the Saudi market, Retal has continued to grow its market share year-on-year (YoY).

Despite challenges such as rising interest rates, the company has fortified its strong presence in key regions such as Riyadh, Dammam and Jeddah – while expanding its capabilities in new geographies and asset classes.

Looking across key socio-economic trends and dynamics, the real estate market in Saudi Arabia is set for strong growth, fueled by Vision 2030 reforms, rising urban demand, and increased foreign investment.

The sector's future will be defined by an increasingly diverse range of housing options for a wide range of demographics, and the growth of mixed-use developments.

A Resilient and Fast-Growing Economy

Saudi Arabia's urban population is expected to double by 2030. Government initiatives target increasing homeownership from 63.7% to 70%, creating strong opportunities for developers.

Saudi Arabia's economy remains resilient, continuing to grow despite global challenges. The country's GDP growth is supported by diversification efforts focusing on expanding non-oil sectors such as real estate, tourism, and manufacturing. Employment rates are improving, with unemployment expected to fall to indicating a steady increase in household disposable income, bolstering consumer spending and housing affordability.

Legislative Developments Enhancing Investment and Ownership for Non-Saudis

Key regulatory and pro-business reforms have supported the evolution of the real estate sector in Saudi Arabia over many years, including foreign ownership and residency programs, which have boosted real estate investment and housing affordability in Saudi Arabia.



*Market Trends (continued)***Saudi Real Estate Prices**

The most recent data available in the Real Estate Price Index from the Saudi General Authority for Statistics (GASTAT) showed that Saudi Arabia's real estate market continues to flourish, closing 2024 with a 3.6% year-on-year increase in property prices during the fourth quarter.

Real GDP of 2024 ¹

1.3% ↑

¹ Non-Oil Activities and Government Activities grew by 4.3% and 2.6%, respectively, while Oil Activities saw a decline of 4.5%.

Residential

GASTAT reports that by the close of 2024, residential property prices had risen by 3.1% year-on-year, reflecting growing levels of activity in suburban developments around Riyadh and Jeddah. These areas are increasingly common target destinations for young families and professionals, and middle-income buyers – thanks in part to new infrastructure projects, modern amenities, and competitive pricing.

Hospitality

Saudi Arabia's hospitality sector thrived in 2024, with higher tourism and business travel boosting hotel occupancy and RevPAR, aligning with Vision 2030 goals. Data shows that Average Daily Rates (ADR) across Saudi Arabia increased by about 6.7% year-on-year to June 2024. Specifically, Riyadh's ADR grew by 25.5% and Madinah's ADR grew by 16.1%. Revenue Per Available Room (RevPAR) also increased by 8.2% nationwide, with an exceptional increase in Riyadh, where RevPAR grew by 22.4%. Dammam's RevPAR rose by 14.5%. These trends provide significant opportunities for hospitality real estate development in the Kingdom.

Retail

Saudi Arabia's retail sector is shifting toward mixed-use developments that blend shopping, leisure, and entertainment to meet evolving consumer preferences.

Commercial

Final year data from GASTAT shows that Saudi Arabia's commercial real estate market performed well in 2024, with a 5% rise in Q4 alone in commercial land and office developments in cities such as Riyadh, Jeddah and Dammam. Compared to other real estate segments, the commercial property sector was the standout segment – indicative of the Kingdom's positive economic position and its role as a growing hub for investment and development.

Market Trends (continued)

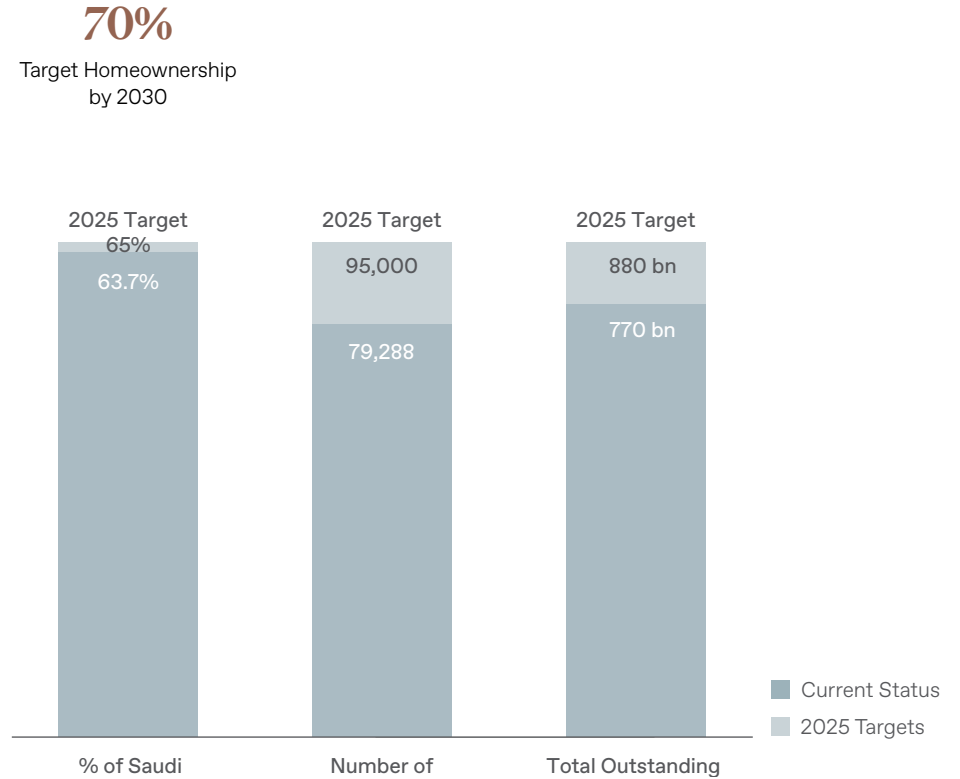
Empowering Homeownership in the Kingdom

Launched in 2018 by Ministry of Municipal, Rural Affairs, and Housing, the Housing Program is a key component of Saudi Vision 2030 that aims to transform the housing sector in Saudi Arabia, making homeownership accessible to more families.



Housing Program Key Objectives

- Increase homeownership among Saudi citizens.
- Provide support to low-income families
- Achieve efficiency in the housing market
- Improving housing affordability.





Market Trends (continued)

Vision 2030

Vision 2030 presents a transformative opportunity for Retal, aligning with its mission to provide sustainable living solutions. The vision's emphasis on economic diversification and urban development resonates with Retal's commitment to delivering modern and sustainable real estate projects. Retal can capitalise on the growing demand for affordable housing, contributing to a more equitable and sustainable living environment – while delivering on many of the objectives of Vision 2030.

“Expo 2030 and the 2034 FIFA World Cup will elevate Saudi Arabia’s global standing, drive infrastructure growth, and expand opportunities in real estate and hospitality.”



Market Trends (continued)



2030 Mega Events

Expo 2030 in Riyadh will boost Saudi Arabia's global standing, attracting visitors and investments. It also aligns with Vision 2030's goals of innovation and sustainability, offering Retal opportunities in infrastructure development and sustainable real estate projects. This event will help to enhance Retal's offerings and appeal to both local and international clients.

The 2034 FIFA World Cup is poised to significantly impact Saudi Arabia's economy, particularly in the hospitality and real estate sectors, while aligning with the Kingdom's Vision 2030

initiative for economic diversification and global prominence. This prestigious event is expected to boost Saudi Arabia's non-oil GDP by 1-2% during the tournament year. Consumer spending in tourism, entertainment, and hospitality sectors could increase by over 10%, contributing to the creation of 150,000 to 200,000 jobs during preparations and beyond.

In addition to critical World Cup infrastructure like transport networks, Saudi Arabia plans to develop over 230,000 hotel units across major cities, including Riyadh, Jeddah, and NEOM. This expansion is anticipated to generate substantial revenue

growth – ticketing and accommodation revenues could exceed FIFA's baseline projections by over 32%, potentially adding \$240 million in additional revenue. Host cities are expected to experience substantial growth in real estate values.

Market Trends (continued)

“Off-plan projects offer affordability and flexibility, making them an attractive option for buyers seeking customised living spaces.

Residential Developments

The demand for mixed-use residential developments, combining living, working, and leisure spaces, is rising in urban centres like Riyadh and Jeddah, driven by growing populations and evolving demographics. Municipalities have reclaimed over 50 million sqm of land for development, supporting the growth of luxury and mixed-use projects. The luxury residential market in Saudi Arabia is also thriving, driven by increasing demand from both local high-net-worth individuals and international buyers attracted by the Kingdom's evolving lifestyle offerings.

Growth in Foreign Property Investment

Foreign property investment in Saudi Arabia is increasing as the government continues to relax ownership restrictions. This trend reflects the Kingdom's commitment to harnessing its residential sector potential by attracting international investors. Amendments to foreign investment laws have made it easier for non-Saudis to own property, enhancing Saudi Arabia's appeal as an investment destination.

How is Retal Capitalising on these Trends?

Retal Urban Development plays a significant role in meeting

the demands of the many dynamics that are reshaping Saudi Arabia's real estate market.

Retal's commitment to quality and innovation also ensures that its developments meet the highest standards of design and construction, appealing to discerning buyers from around the world and across Saudi Arabia's diverse demographics. This focus enhances Retal's brand reputation and contributes to its revenue growth as demand for upscale living environments continues to rise.



[About Retal](#)

[Business Model](#)

[Management Review](#)

[GRC Management](#)



Eng. Mohammed Khaled
Al-Mohammedi
Chief Strategic Officer

Chief Strategy Officer's Statement

Retal's Strategy for Creating Sustainable Value

“Retal believes that leadership in the real estate sector goes beyond project execution — it is about shaping a sustainable urban future. To achieve this, the company relies on strategic partnerships, a diversified investment portfolio, enhanced customer experience, and a strong commitment to sustainability.”

The year 2024 marks a pivotal milestone in Retal's journey toward this vision, as the company continued to strengthen its position as a leading real estate developer in Saudi Arabia, leveraging the opportunities presented by Saudi Vision 2030 to drive urban transformation and expand housing and integrated community projects.

A Flexible Strategy Aligned with Transformation

The strategy team continuously analyzes market dynamics and aligns future plans to strengthen Retal's market share in major cities and those hosting key national and international events. Building on these efforts, the company has updated its business strategy — to be launched soon — with a focus on reinforcing leadership in the residential sector, exploring opportunities in mixed-use developments and the hospitality industry, in line with Saudi Vision 2030 and upcoming global events such as Expo 2030 and the 2034 World Cup. The strategy also includes assessing geographic expansion and identifying residential properties that align with the interests of potential foreign investors, should regulations allow non-resident ownership — positioning Retal as a frontrunner in capitalizing on future investment opportunities.

Strategic Partnerships and Sustainable Growth

As part of its strategy to build impactful partnerships, Retal expanded its local and international alliances in 2024, enabling the execution of major projects and strengthening its presence in key regions across the Kingdom. The company signed over 30 memorandums of understanding, including an agreement with Albilad Capital to launch a SAR 2 billion real estate fund. This comes in continuation

of its partnerships with the National Housing Company (NHC), ROSHN, and BLOMINVEST, through which Retal has delivered high-quality developments — including over 8,847 residential units with NHC valued at SAR 15.15 billion, and more than 2,000 units with ROSHN worth SAR 5.8 billion. These milestones highlight Retal's ability to meet market demand and enhance quality of life in line with Saudi Vision 2030.

Additionally, the company signed a number of strategic partnerships and MoUs during its participation in global exhibitions such as MIPIM and Cityscape, covering areas including design, construction, and development. These agreements further strengthen Retal's competitive position and open new horizons for growth in the real estate sector.

Sustainability: A Firm Commitment to a Sustainable Future

Sustainability is a core pillar of Retal's strategy, with ESG (Environmental, Social, and Governance) principles embedded across all its projects — reinforcing the company's commitment to sustainable development and quality of life. Among its key environmental achievements: 90% of materials were sourced locally to reduce emissions, and 30% of materials used were recycled. Retal is also working toward obtaining global LEED certification for its “Rimal Al Khobar” project, affirming its dedication to sustainable construction. The company's efforts were recognized with a prestigious third-place award at the 2023 Saudi Capital Market Forum for its ESG report, further solidifying its leadership in this area.

On the social front, Retal is dedicated to empowering individuals and serving the community through an integrated approach that combines social responsibility with a fair and motivating work environment. Women now

represent 31% of the workforce, and the company delivered 2,970 hours of training to 136 employees to support talent development. Additionally, Retal surpassed its Saudization targets, reaching a 67% nationalization rate — a clear sign of its commitment to nurturing local talent.

Retal's social responsibility arm, Retal Al Khair, plays a central role in promoting social solidarity, providing affordable housing, and supporting urban innovation. The initiative also focuses on empowering creativity and local talent through initiatives in art and design, celebrating engineers and architects, and engaging communities in awareness-raising activities that support sustainable development.

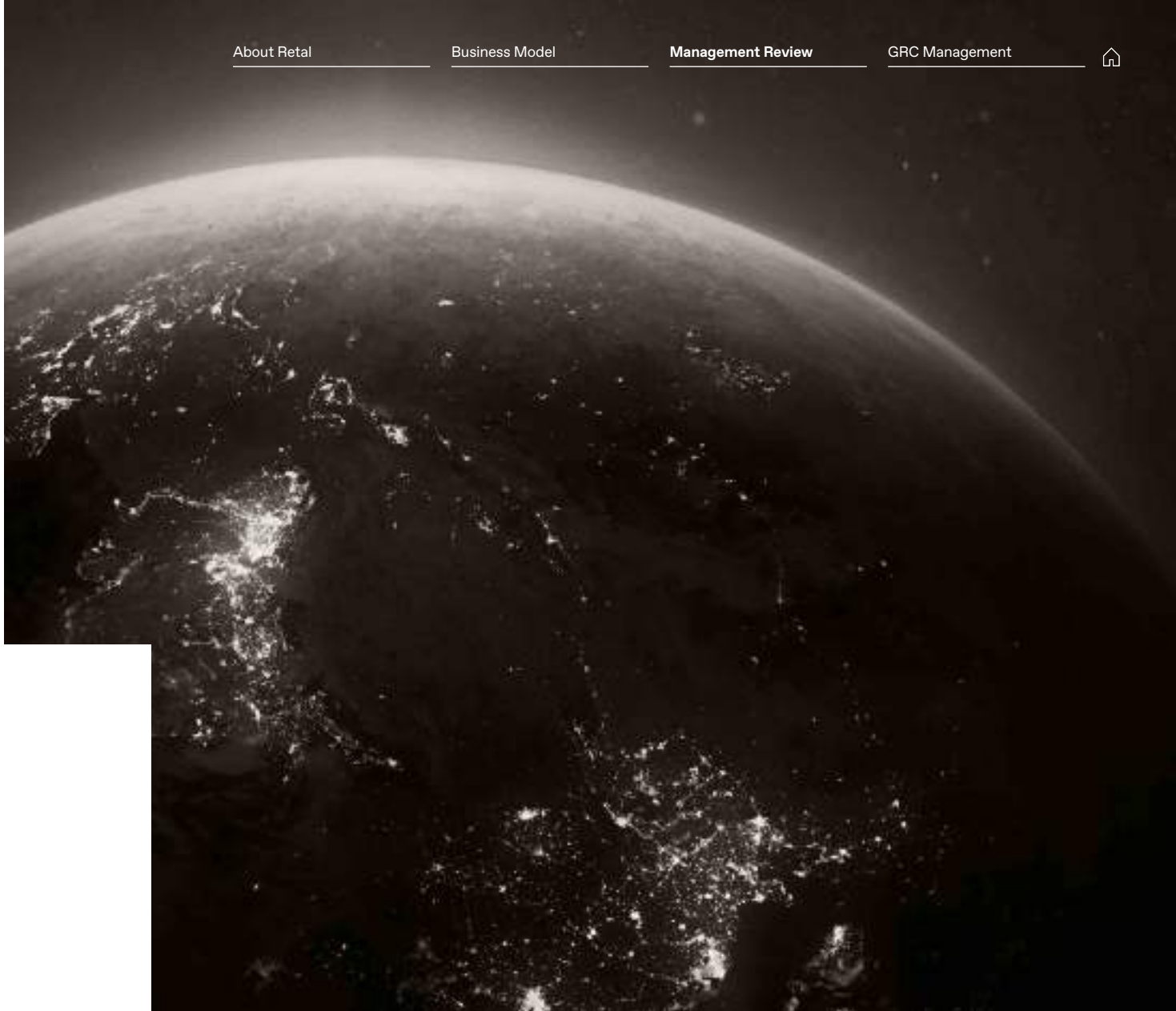
In terms of governance, Retal adheres to leading corporate governance practices through a robust framework that promotes transparency, accountability, and full compliance with regulatory requirements, including those of the Capital Market Authority (CMA). The company is committed to protecting shareholder rights and fostering continuous engagement. In 2024, Retal reported earnings per share of SAR 0.27, a market capitalization of SAR 8.09 billion, and asset growth of 15.6% reaching SAR 4.2 billion. Retal also recorded a high compliance rate of 95.1%, reflecting its integrity, sound governance, and commitment to building investor trust.

In conclusion, Retal continues its steady journey toward sustainable growth with a clear and ambitious vision — one that goes beyond project development to shaping a fully integrated urban future in the Kingdom. By combining innovation, sustainability, and strategic partnerships, the company is committed to creating long-term value for all stakeholders and supporting the goals of Saudi Vision 2030 in urban development and quality of life.

Strategy

Sustainable Growth and Value Creation

Retal's strategic approach is built on a foundation of sustainable growth and value creation, carefully designed to capitalise on Saudi Arabia's dynamic real estate sector with a focus on resilience and long-term success.





Strategic Framework

Sustainable Growth and Value Creation

Retal strives for leadership by offering modern and sustainable communities, driven by a vision aimed at developing innovative real estate products through an integrated business model that supports environmental sustainability and enhances quality of life. Its strategy is centered on building strong partnerships, diversifying its real estate portfolio, prioritizing the customer experience, and embedding sustainability principles across all aspects of its operations.

Vision

To become Saudi Arabia's real estate champion by delivering sustainable urban communities and destinations.

Mission

To develop real estate products through an integrated business model that ensures superiority and sustainability of the built environment, and innovative solutions that contribute to the improvement of the real estate industry and quality of life for all.

Our Core Values

Transparency - Collaboration - Integrity - Innovation - Sustainability

Strategic Pillars



Strategic Partnerships

We collaborate with leading industry players to execute large-scale projects, strengthening our market presence and reputation.

[→ Read More: Page 52](#)



Diversification

Expanding beyond residential real estate, we offer diverse brands and products tailored to various income groups and market needs.

[→ Read More: Page 53](#)



Customer Experience

We prioritise exceeding customer expectations through exceptional service, innovation, and comprehensive after-sales support.

[→ Read More: Page 54](#)



Sustainability

Embedded in our mission, sustainability drives our operations, ensuring long-term environmental and social impact.

[→ Read More: Page 55](#)

Strategy (continued)



Strategic Pillar:

Strategic Partnerships

We have established numerous strategic partnerships and joint ventures with prominent entities in the real estate industry.

These alliances are crucial for executing large-scale national projects, reinforcing our reputation as a reliable strategic partner. These collaborations have significantly expanded our market presence and resources, highlighting our dedication to driving growth and success.

The Company's partnership approach is characterised by:

Collaborations with Government Entities:

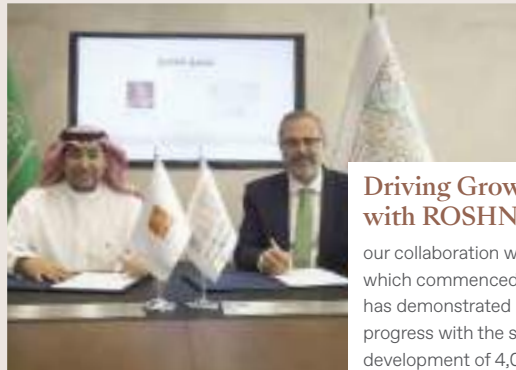
Retal has strengthened its position in the real estate development sector by forging well-planned strategic partnerships with government entities responsible for housing, in alignment with the objectives of the "Housing" and "Quality of Life" programs under the Kingdom's ambitious Vision 2030. These partnerships enable Retal to access exclusive development opportunities and actively contribute to the transformational shift in Saudi Arabia's housing sector.

Strategic Alliances with Private Sector:

Through targeted partnerships with investment and financial entities, as well as consulting and specialized firms, Retal leverages the integration of technological expertise, market analytics, and operational capabilities. These alliances enhance knowledge exchange, reduce risk, and accelerate the development and execution of projects across various real estate segments.

Successful Collaborations with NHC

Our partnership with NHC, initiated in 2018, has yielded significant achievements, including the successful delivery of 7,511 units valued at 8.8 billion SAR.



Driving Growth with ROSHN

our collaboration with Roshn, which commenced in 2021, has demonstrated remarkable progress with the successful development of 4,058 units valued at 8.9 billion SAR.



Strategy (continued)



Strategic Pillar:

Diversification

Retal's diversification strategy represents a sophisticated approach to mitigating risk and expanding market opportunities across the Saudi Arabian real estate landscape.

In 2024, the company demonstrated remarkable agility in broadening its portfolio beyond traditional residential developments, securing a growing number of mixed-use development projects and landmark developments right across the Kingdom. Diversification in terms of project type, demographic spread and geography remain key objectives.

The Company's diversification journey is anchored in a multi-pronged approach:

Geographic Expansion:

Deliberately expanding from its Eastern Region stronghold to create a balanced portfolio across Central, Western, and Eastern regions, with Riyadh as a key growth hub and currently representing the largest area within future expansion plans.

Segment Diversification:

Moving beyond residential units to include mixed-use projects, commercial spaces, and strategic real estate SPVs and Funds.

Diversity of Partnerships:

Leveraging strategic partnerships with the National Housing Company (NHC), ROSHN, BLOMINVEST, and Bank Albilad to access diverse project opportunities.

Case Study

Retal has focused on diversifying its real estate projects and expanding its geographical presence. In 2022, residential projects accounted for 100% of its portfolio. Today, the company has successfully restructured its investment portfolio, with residential projects now comprising 66%, while 34% is allocated to mixed-use developments. This strategic shift enhances its business model's flexibility and resilience against market fluctuations.

Additionally, Retal has actively built strategic partnerships that support its growth plans and open new avenues for developing innovative projects. This strengthens its ability to seize promising investment opportunities and achieve sustainable geographical expansion across the Kingdom's three key regions.





Strategy (continued)



Strategic Pillar:

Customer Experience

Retal has placed the digital transformation and customer-centricity at the heart of its operational strategy, recognising that exceptional customer experiences are a key differentiator in a competitive real estate market.

This commitment is exemplified through advanced technologies that enhance customer interaction, including sophisticated project management software, real-time communication platforms, and data analytics tools that deliver personalised insights. By leveraging these innovative digital solutions, Retal is transforming the traditional real estate experience, enabling more transparent, engaging, and tailored interactions for its customers throughout the various stages of their journey toward owning a home.

The company's customer experience approach is characterised by:

Technology Enablement:

Retal's smart home technologies transform residential spaces into intelligent, responsive environments. By integrating advanced digital systems, homeowners can control lighting, temperature, and security settings remotely, creating personalised and convenient living experiences.

Digital Accessibility:

Retal's digital platforms leverage virtual reality (VR) and augmented reality (AR) technologies to provide its customers with an immersive property exploration. Potential buyers can now conduct comprehensive virtual tours, visualise customisations, and access detailed project information instantly.

Seamless Engagement:

Retal's mobile application offers end-to-end transparency through intuitive interfaces. Clients can track construction progress, manage financial transactions, raise support tickets, and receive real-time updates, ensuring a seamless and engaging customer journey.

Customer Experience and Technology Solutions Achievements

35%

improvement in property sales

50%

enhanced client engagement

70%

of clients use digital customisation options

80%

of buyers accessing virtual tours

Smart Home Technology Integration*

Retal's commitment to customer experience is epitomised by the integration of smart home technologies into its residential developments. As such, the company is redefining living spaces beyond traditional architectural boundaries.

The company's smart home systems offer residents unprecedented control and convenience, featuring intelligent home management platforms that enable seamless environmental control, enhanced security features, and personalised living conditions. These technologies are not merely add-ons but fundamental design considerations that reflect Retal's understanding of modern homeowners' expectations. By prioritising technological integration, Retal is positioning itself as a forward-thinking developer that understands and anticipates customer needs through the prism of digital technology.

* Smart home technologies are available upon customer request and are considered an optional feature subject to additional costs. Systems and specifications may vary depending on the project.

*Strategy (continued)***Strategic Pillar:***Sustainability*

Retal's approach to sustainability transcends traditional environmental considerations, representing a holistic framework that integrates ecological responsibility, social consciousness, governance and long-term value creation.

By embedding sustainability into its fundamental business model, Retal is pioneering a transformative approach to urban development that simultaneously addresses environmental challenges, social needs, and economic opportunities. This comprehensive strategy represents a systemic approach that considers the intricate relationships between built environments, human communities, and natural ecosystems.

The company's sustainability strategy is built around three core pillars:

Environmental design:

A rigorous commitment to creating built environments that minimise ecological impact while maximising resource efficiency. This pillar involves comprehensive strategies for reducing carbon emissions, utilising sustainable materials, implementing energy-efficient technologies, and designing spaces that harmonise with natural landscapes.

Social responsibility:

Prioritising human-centric development that considers the holistic well-being of communities. This approach encompasses creating inclusive spaces, supporting local economic development, promoting social equity, and designing environments that foster community connections and individual growth.

Governance excellence:

Establishing robust, transparent, and ethical frameworks that guide decision-making processes, ensure accountability, and align corporate practices with sustainable development principles. This includes implementing comprehensive environmental, social, and governance (ESG) standards and maintaining the highest levels of corporate integrity.

Remal Business Court (RBC) – Sustainable Design

The RBC Khobar stands as a testament to the company's sustainability commitment. Designed to meet rigorous environmental standards, the project is targeting LEED gold certification, focusing on environmental quality, economic development, and an environmentally-friendly footprint. The centre incorporates advanced mechanical and architectural sustainability measures, minimising HVAC system loads and aligning with ASHRAE (American Society of Heating, Refrigerating, and Air-Conditioning Engineers) requirements. By prioritising sustainable design, Retal demonstrates its dedication to creating buildings that not only serve functional purposes but also contribute positively to environmental conservation.

ESG-Driven Community Development

Retal's sustainability strategy extends beyond individual buildings to comprehensive community development. The company has integrated the United Nations Sustainable Development Goals (UNSDGs) into its operational framework, addressing critical areas like employee development, water management, responsible resource utilisation, and climate risk management.

By establishing systematic approaches to resource efficiency, waste management, and employee training, Retal is creating a holistic sustainability model. The company's commitment is evident in its targeted initiatives, such as aiming for 32-36 training hours per employee annually and implementing water resource management systems across operations. This approach transforms sustainability from a compliance requirement to a core organisational philosophy.



Alignment with Vision 2030

Enhancing Quality of Life Through Sustainable Urban Development

As Saudi Arabia progresses towards the ambitious goals of Vision 2030, Retal Urban Development continues to play a vital role in shaping vibrant, sustainable, and integrated communities.

Our commitment to innovation, sustainability, and excellence in urban development closely aligns with the Kingdom's strategic programmes, particularly the Quality-of-Life Programme and the Housing Programme, both of which are key enablers of Vision 2030's objectives.



Housing Programme

Driving Homeownership & Sustainable Growth

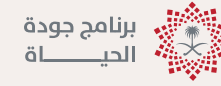
The Housing Programme, a cornerstone of Vision 2030, aims to raise the homeownership rate to 70% by 2030 while promoting high-quality, sustainable housing solutions. Retal directly supports this initiative through the following:

Expanding Premium and High-End Housing Options:

Our residential projects offer a diverse range of solutions, from upscale developments such as the Ayala and Retal Rise brands, to large-scale residential communities like Iwan and Roya. These efforts contribute to increasing homeownership opportunities for various segments of society.

Accelerating Urban Development:

By streamlining project execution and delivery, Retal is actively expanding Saudi Arabia's real estate sector, creating more housing opportunities while ensuring long-term sustainability.



Quality of Life Programme

Creating Vibrant, Liveable Communities

The Quality-of-Life Programme seeks to enhance the well-being of Saudi citizens and residents by improving urban infrastructure, expanding green spaces, and fostering dynamic lifestyle environments. Retal contributes to these aims through:

Smart and Sustainable Urban Planning:

Our developments prioritise modern, integrated designs that incorporate green spaces, pedestrian-friendly environments, and family-centric amenities, nurturing a sense of belonging and well-being.

Enhancing Public Spaces and Well-Being:

By integrating parks, sports facilities, and leisure areas, our projects actively promote healthy lifestyles, aligning with the programme's goals of increasing community engagement and enhancing public health.

Architectural and Cultural Identity:

Retal's developments merge contemporary design with Saudi Arabia's rich architectural heritage, preserving cultural identity while introducing world-class urban solutions.

Alignment with Vision 2030 (continued)



Quality of Life Initiatives

Enhancing the quality of life for residents is a key objective for Retal. Initiatives and quality-of-life programmes are woven into every aspect of every development, ensuring that communities are not only functional but also vibrant and sustainable.

Green Spaces and Pedestrian-Friendly Designs:

Retal integrates expansive green spaces and pedestrian-friendly layouts across all projects, fostering a sense of community while promoting healthier lifestyles. Developments like Nesaj Town and Ewan Sedra feature parks, walkways, and shaded areas designed to encourage outdoor activities and social interaction.

Energy Efficiency and Sustainability:

All projects employ advanced energy management systems and eco-friendly materials. For example, Retal Rise incorporates smart building technologies that optimise energy consumption, reducing environmental impact while enhancing resident comfort.

Community-Focused Amenities:

Retal's developments prioritise inclusivity by offering diverse amenities such as parks, recreational areas, wellness centers, and community hubs. Projects like Marasi exemplify this approach with thoughtfully designed spaces that encourage social engagement.

Sustainable Transportation Options:

Infrastructure for cycling, walking, and green parking is integrated into developments to reduce reliance on vehicles. This approach supports eco-friendly living while enhancing connectivity within neighborhoods.



Stakeholders

Retal is committed to creating sustainable value for all stakeholders. It delivers rewarding investment returns to shareholders, builds partnerships based on trust and transparency, and provides integrated real estate solutions that enhance quality of life. Additionally, it supports government institutions in achieving sustainable development goals while fostering an innovative and growth-oriented work environment for its team. At the same time, it contributes to building more sustainable and prosperous communities, reinforcing its positive impact on various levels.





Stakeholders (continued)

Shareholders

Our financial strategy focuses on delivering consistent value to shareholders by navigating market fluctuations with a strong project pipeline.

Retal's financial performance in 2024 reflects its strategic focus on delivering consistent value to shareholders. The company's robust financial strategy is designed to navigate market fluctuations while ensuring steady income through a well-defined project pipeline. By aligning its dividend policy with growth opportunities in the Saudi market, Retal maximises shareholder value while maintaining financial stability.

Strategic partnerships and innovative project financing models further enhance revenue visibility and economic strength. These initiatives provide stable revenue streams that mitigate market risks, ensuring long-term sustainability for shareholders. In addition, Retal's commitment to transparency and accountability fosters trust among investors, reinforcing confidence in its ability to deliver on promises.

Retal's approach to shareholder value creation involves not only financial returns but also strategic growth initiatives that position the company for future success. By leveraging its strong market position and exploring new opportunities for expansion, Retal continues to build a sustainable future that aligns with shareholder interests.

“Strategic partnerships and innovative project financing models further enhance revenue visibility.”





Stakeholders (continued)

Customers

Retal is dedicated to enhancing customer experiences by offering personalised and high-quality residential solutions.

In 2024, the company achieved an exceptional customer satisfaction rate of 71%*, reflecting its dedication to continuously enhancing and elevating the customer experience.

These ratings have been achieved through innovative strategies such as digital interfaces that allow for property customisation and immersive virtual tours. Customer feedback has also been fundamental in the company's ability to create sustainable futures for its customers.

These initiatives demonstrate Retal's commitment to building sustainable futures for its customers by continuously improving service delivery and engagement.

“Our innovative projects and customer-centric strategies ensure that we not only meet but exceed expectations, creating lasting value.”

Customer satisfaction rate

71%*

*Our adoption of the “CSAT” methodology in 2024 has significantly impacted customer satisfaction. This holistic framework, which evaluates every customer touchpoint including maintenance, handover, and tele-sales, provides a more nuanced understanding of client needs and allows us to identify areas for improvement.



Stakeholders (continued)

Partners

Retal's strategic partnerships are a cornerstone of its success, significantly contributing to its expansion and revenue growth.

In 2024, Retal's strategic partnerships expanded significantly in 2024, highlighted by the signing of 11 strategic agreements at Cityscape Global 2024. These partnerships include innovative financing solutions with banks and collaborations supporting architectural design innovation. These new alliances strengthen Retal's position across both residential and commercial real estate sectors in the Kingdom.

In line with its commitment to supporting the goals of Saudi Vision 2030, Retal has strengthened its partnership with the National Housing Company to focus on developing residential properties targeting the middle-income segment—contributing to increasing homeownership among Saudi citizens. This partnership has resulted in the development of more than 12 projects across the Kingdom's

three main regions, valued at over SAR 8.8 billion, and the construction of 7,511 residential units that offer modern, integrated living experiences tailored to the needs of Saudi families.

Retal's strategic partnerships with leading financial institutions—including BLOMINVEST, Bin Jumah Group, Bank Albilad, and Marriott International—have driven significant growth across 11 managed funds, with a total value of SAR 11.1 billion. These partnerships include standout real estate projects such as Rimal Business Court, the Ritz-Carlton Al Khobar, and Terra Riyadh, located in the capital. Through these collaborations, Retal has leveraged external capital while minimizing risk exposure, accelerating project timelines, and enabling fund investors to realize faster returns.

“Our partnerships with public and private sector organisations are central to our success. They enable us to leverage shared expertise and resources for efficient project execution and sustainable growth.”



Stakeholders (continued)

Communities

Retal is deeply committed to fostering community development through its innovative mixed-use and community-based projects, which have a lasting positive impact on local communities.

For the third consecutive year, Retal Al Khair has continued its support for the “Hal Center” affordable housing initiative, allocating SAR 1 million as part of a broader SAR 10 million program aimed at supporting underprivileged families through sustainable housing solutions. This initiative goes beyond simply providing shelter—it contributes to improving the quality of life for beneficiaries and aligns with the Kingdom’s vision to promote social housing and ensure access to housing solutions for the most vulnerable groups.

Believing in the role of urban creativity in enhancing the cityscape, Retal Al Khair launched the Retal Urban Creativity Competition in 2024 in the cities of Khobar and Jeddah, in partnership with the King Abdulaziz Center for World Culture (Ithra) and the Architecture and Design Commission. This initiative stands as a leading example of community engagement in designing innovative urban spaces that reflect the architectural identity of Saudi cities. It also

Commitment to providing affordable housing with a total value of up to

10 Mn

provides designers and creatives the opportunity to contribute to building sustainable urban environments that align with residents’ aspirations and future needs.

As part of its commitment to improving quality of life, Retal Al Khair strengthened its partnership with the Tarmeen Association to support the rehabilitation of homes for low-income families. The partnership focuses on enhancing housing efficiency, upgrading infrastructure, and promoting sustainability through resource reuse and waste reduction. Retal is proud to have been honored by His Royal Highness Prince Saud bin Bandar bin Abdulaziz, Deputy Governor of the Eastern Province, in recognition of its leadership in social responsibility and strategic partnership with the Tetamman Association. This recognition reflects the company’s unwavering commitment to community development, sustainability, and quality of life through

Royal Highness Prince Saud bin Bandar bin Abdulaziz, Deputy Governor of the Eastern Province, in recognition of its leadership in social responsibility and strategic partnership with the Tetamman Association. This recognition reflects the company’s unwavering commitment to community development, sustainability, and quality of life through impactful and lasting initiatives. Retal has always been keen to establish a meaningful presence in the communities it serves, making its projects valuable additions to local areas. This impact not only enhances the lives of current residents but also attracts new ones, supporting the long-term sustainability and growth of these communities. By prioritizing community engagement and sustainable development, Retal is laying the foundation for a fully integrated urban future that aligns with both local needs and national goals.



Stakeholders (continued)

People

Our talented workforce is the cornerstone of our success; we invest in their growth through training programmes that foster innovation and excellence.

The company employs over 2,300 experts who contribute to its dynamic growth and success. In 2024, Retal placed a strong emphasis on attracting and nurturing national talent by offering professional growth opportunities within a supportive work environment. This focus on talent development is reflected in comprehensive training programmes designed to enhance employee skills and foster a results-oriented culture that aligns with international standards.

Retal's commitment to employee welfare and engagement is evident through its implementation of policies aimed at protecting employee interests and ensuring ethical practices throughout its operations.

These policies not only promote a positive work environment but also ensure that employees feel valued and motivated to contribute their best efforts. By investing in its people, Retal ensures that it remains an employer of choice while supporting sustainable business growth.



The company's dedication to fostering a culture of continuous learning and development helps employees acquire new skills and adapt to changing industry demands. This approach not only benefits employees but also enhances Retal's ability to deliver innovative solutions to its clients.

“By prioritising people development, Retal is building a sustainable future that benefits both its workforce and the broader community.”



Stakeholders (continued)

Government

Retal collaborates closely with government bodies to support national development goals outlined in Saudi Arabia's Vision 2030.

In 2024, the company signed agreements with entities like Jabeen to develop residential units in Jubail Industrial City. These projects contribute significantly by providing quality housing solutions while stimulating economic growth.

Through these partnerships, Retal plays a crucial role in shaping the future of urban living in Saudi Arabia. By aligning its projects with government objectives, such as increasing homeownership rates and enhancing infrastructure development, Retal demonstrates its commitment to building sustainable futures for government stakeholders.

Retal's proactive engagement with government initiatives ensures that its projects are aligned with national priorities and contribute positively to broader societal goals. This approach reinforces Retal's position as a trusted partner in achieving Vision 2030 objectives while fostering sustainable urban development across the Kingdom.

“Through steadfast commitment to national objectives, we can deliver comprehensive value for our government partners and the wider community.”



Sustainability Summary

Building Sustainable Futures

Our ESG Strategy

At Retal, we are guided by the goal of connection: between people and place; people and community; people and planet.

We're driven by a profound belief that thriving nations are built on a deep understanding of what truly matters to families, neighbourhoods, and the natural environment. That's why, for over a decade, we have been pioneering sustainable, human-centred solutions through our comprehensive research-driven ESG framework.

In a rapidly evolving world – where the Kingdom is advancing at an unprecedented speed – we balance innovation with responsibility. Every project we undertake is a promise to our nation: to build environments where Saudi families can flourish, transform neighbourhoods into vibrant communities, and shape sustainable urban designs that meet the needs of generations to come.

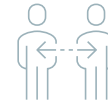
Our ESG strategy is built on three pillars:



Environmental

We redefine the possibilities of sustainable development through innovative construction methodologies, intelligent energy solutions, and strategic resource management that respects natural systems while creating exceptional built environments.

➔ *See page 69*



Social Responsibility

We cultivate thriving communities through inclusive workplace practices, strategic capability development, and meaningful community engagement that enhances well-being and creates lasting positive impact.

➔ *See page 72*



Governance and Accountability

We uphold the highest standards of integrity and accountability through transparent business practices, ethical decision-making frameworks, and clear stakeholder communications that build enduring trust.

➔ *See page 76*

See an overview of our sustainability highlights on page 68

Sustainability Summary (continued)

Building Sustainable Futures

Our ESG Strategy continued



Strategic Alignment with Vision 2030 and SDGs

Retal's sustainability strategy is precisely aligned with Saudi Arabia's transformative Vision 2030 agenda while also advancing the global objectives of the United Nations Sustainable Development Goals.

Vision 2030 Alignment:

- Contributing to the goal of increasing home ownership.
- Supporting the development of sustainable cities and communities.
- Promoting energy efficiency and environmental sustainability in line with national targets.
- Advancing the objectives of the Saudi Green Initiative, which aims to improve quality of life by increasing green spaces and reducing carbon emissions.

SDG Alignment:

Retal's sustainability initiatives deliver measurable contributions across six strategic United Nations Sustainable Development Goals:

| Initiative | SDG | Retal's Contribution in 2024 |
|--|-----|---|
| Quality Education | | <ul style="list-style-type: none"> • Providing 2,940 hours of specialized company-wide training. • Established partnerships with academic institutions for sustainability-focused curriculum. |
| Clean Water & Sanitation | | <ul style="list-style-type: none"> • Implemented advanced water conservation technologies to reduce consumption across operations. • Embedded water efficiency monitoring within the Environmental Management System. |
| Decent Work & Economic Growth | | <ul style="list-style-type: none"> • Achieved a 67% Saudisation rate, surpassing national localisation targets. • Established a structured mentorship program to accelerate professional growth for Saudi employees. • Strengthened regional supply chains through a 90% local sourcing initiative. |
| Reduced Inequalities | | <ul style="list-style-type: none"> • Developed a Diversity & Inclusion framework aligned with International Labour Organisation standards. • Created executive pathway opportunities and leadership programs for women. • Implemented flexible work policies to enhance work-life balance and support diverse talent. |
| Responsible Consumption and Production | | <ul style="list-style-type: none"> • Integrated circular economy principles by sourcing 30% recycled materials. • Developed sustainable procurement policies prioritising local suppliers and ethical labour standards. |
| Climate Action | | <ul style="list-style-type: none"> • Committed to emissions reduction through a Carbon Management Policy. • Pursued LEED Gold certification for Retal Business Center, setting benchmarks in sustainable commercial architecture. • Expanded data analytics capabilities to provide deeper risk insights into climate-related disruptions. |

Sustainability Summary (continued)

Global Leadership And Advocacy

Retal is driving industry transformation through strategic participation in premier global forums. By sharing valuable insights on key international platforms, we shaped critical conversations while showcasing innovative approaches that align with our sustainability commitments and Saudi Vision 2030 objectives.



COP 16 – Combating Desertification

Retal showcased its environmental leadership at the 16th Conference of Parties (COP 16) to the United Nations Convention to Combat Desertification (UNCCD). This prestigious global assembly addressed critical challenges in land stewardship particularly significant for Saudi Arabia and regional ecosystems. Our strategic participation centred on:

- Sharing innovative approaches to sustainable urban development in arid regions.
- Presenting Retal's strategies for water conservation and efficient land use in our projects.
- Engaging with global experts to explore solutions for climate-resilient urban planning.
- By actively contributing to this international dialogue, Retal reinforced its position as a thought leader in sustainable development and demonstrated our commitment to addressing global environmental challenges.



Ministry of Culture Sustainability in Design Conference

Retal strengthened the integration of cultural preservation and environmental innovation at the Sustainability in Design Conference, convened by the Saudi Ministry of Culture. This premier gathering brought together visionary architects, master planners, and sustainability authorities to explore next-generation design approaches that balance heritage with ecological responsibility. During this influential platform, Retal showcased its approach to integrating traditional Saudi architectural elements with modern, sustainable building practices by presenting:

- Case studies of our projects that exemplify the balance between cultural preservation and environmental sustainability.
- Insights on how sustainable design can enhance the quality of life in urban communities.

Our participation in this conference underscores Retal's commitment to promoting sustainable design practices that respect and celebrate Saudi Arabia's rich cultural heritage while embracing innovation and environmental stewardship.

Sustainability Summary (continued)

Advancing our approach

A key milestone this year was the establishment of a comprehensive ESG Implementation Plan and KPI measurement framework with targeted metrics across environmental stewardship, social impact, and governance excellence. This robust performance measurement system now drives our ESG strategy, ensuring clear direction across all operational units.

Key elements include:

Environmental KPIs: Focused on reducing waste generation, improving water efficiency, increasing the use of sustainable materials, and reducing greenhouse gas emissions intensity



Social KPIs: Centred on diversity and inclusion, Saudisation, employee training hours, and community engagement



Governance KPIs: Emphasised ethical practices, risk management, and transparent reporting



Strategic Spotlight: Transforming Data Transparency Through Digital Innovation

Retal has elevated its data governance capabilities by implementing a digital data management system. This strategic technology implementation has revolutionised our ESG performance management via:

- Centralised data collection ensuring secure storage of environmental, social, and governance metrics.
- Real-time monitoring enabling swift responses to emerging trends or issues.
- Automated processes improving accuracy while reducing human error.
- Advanced analytics providing tailored reporting for diverse stakeholder needs.
- Increased transparency allowing for open sharing of ESG performance with investors, regulators, and the public.

The digital data management integration serves as a cornerstone of Retal's Strategic Implementation Plan, empowering teams with real time performance visibility against established sustainability metrics. This investment in advanced analytics capabilities underscores our forward-thinking approach to accountability while reinforcing our position as an industry innovator in responsible urban development practices.



*Sustainability Summary (continued)*

Environment



Environmental stewardship is at the core of our sustainability strategy. We are committed to pioneering sustainable development by integrating resource efficiency, circular economy principles, and climate conscious design. Through innovative construction methodologies, emissions reduction initiatives, and responsible water and waste management, we create resilient, future-ready urban environments that balance progress with ecological responsibility.

Materials sourced locally

90%

Recycled materials

30%

Sustainable Buildings and LEED Certifications

We continue to elevate industry standards through our commitment to developing high-performance buildings aligned with global sustainability benchmarks. Our strategic portfolio transformation prioritises ecological efficiency and occupant well-being across all developments.

A notable example is the Remal Business Center in Khobar, which is pursuing LEED Gold certification under the rigorous LEED BD+C (Core & Shell) v4.0 guidelines. This signature development features advanced climate-responsive design elements that optimises HVAC performance while meeting stringent ASHRAE requirements.

Our integrated sustainable development initiatives balance superior environmental quality with economic performance creating spaces that minimise ecological impact while maximising long-term value for stakeholders and communities.

Sustainable Materials and Regional Economic Integration

Retal has achieved exceptional results through its strategic materials procurement approach. In 2024, our 90% local sourcing initiative strengthened regional supply chains while significantly reducing transportation emissions. We've also advanced our circular economy commitment by integrating 30% recycled materials across our developments – a notable improvement from 2023's benchmarks of 95% local sourcing and 25% recyclable materials utilisation.

Our Implementation Plan:

| Focus area | Targets | How we plan to achieve |
|------------------------------|--|---|
| Sustainable buildings | <ul style="list-style-type: none"> 40% of Retal's buildings are sustainable buildings by 2030. | <ul style="list-style-type: none"> Align with best practice sustainable building certifications, e.g. LEED. Training and awareness of employees to increase skills around sustainable buildings – design and implementation. Implement an effective Building Management System (BMS). Conduct regular compliance assessments. |
| Sustainable materials | <ul style="list-style-type: none"> 25% of sustainable building materials as per LEED v4 or Mostadam requirements. | <ul style="list-style-type: none"> Establish criteria for selecting sustainable materials. Incorporate recycled material requirements in project planning. Engage suppliers with sourcing of sustainable materials. |





Sustainability Summary (continued)

Greenhouse Gas (GHG) Emissions

Retal demonstrates its environmental leadership through a comprehensive approach to carbon management designed to drive measurable emissions reductions:

- Advanced Carbon Management Policy that guides strategic decision-making across all operational activities.
- Comprehensive carbon footprint assessment methodology that incorporates complete Scope 1 and 2 emissions tracking in full alignment with GHG Protocol requirements.
- Rigorous environmental performance measurement with science-based inspired reduction pathways established against clearly defined baselines.
- Strategic KPIs focused on emissions intensity reduction, ensuring efficiency improvements across all development activities.

This strategic approach supports Saudi Arabia’s ambitious net-zero commitment targeted for 2060, positioning Retal as a leader in the national climate response.

Our Energy Consumption

RBC building

| | |
|------|-----------|
| 2022 | 937,238 |
| 2023 | 1,187,720 |
| 2024 | 1,164,730 |



Our Implementation Plan:

| Focus area | Targets | How we plan to achieve |
|------------|---|---|
| Energy | <ul style="list-style-type: none"> • 5% reduction in electricity consumption from 2023 baseline. • Align with KSA's commitment to Net Zero emissions by 2060. | <ul style="list-style-type: none"> • Implement retrofit measures such as upgrading insulation, replacing inefficient equipment, and installing smart building technologies. • Use renewable energy sources, like solar, to generate cleaner energy. • Incorporate energy-efficient planning and design principles into new projects. |



| Emissions Scope | Activity Category | Emissions |
|--------------------------|-----------------------------------|---|
| Scope 1 | Stationary fuel combustion | 507.76 ICO ₂ eq |
| Scope 2 – Location Based | Mobile fuel combustion | 140.95 ICO ₂ eq |
| | Purchased electricity | 653.24 CO ₂ eq |
| Scope 3 | Category 1: Construction material | 578.58 kg of CO ₂ per m ² |
| | Category 5: Waste generated | 221.69 KO ₂ eq |

Sustainability Summary (continued)

Integrated Waste Reduction Strategy

Retal's comprehensive waste diversion program demonstrates our leadership in responsible resource management. Our sophisticated waste segregation system precisely categorises materials into specialised streams – recyclables, hazardous, organic, and general waste – maximising recovery potential. This system supports our targeted recycling initiatives, strategically aligned with Saudi Arabia's evolving recycling infrastructure and capabilities.

Water Stewardship in Arid Environments

Recognising water as a precious resource in Saudi Arabia, Retal has implemented advanced water conservation measures across all operations. Our commitment to reducing consumption is embedded in our Environmental Management System through precise monitoring protocols. Regular environmental performance audits ensure compliance while identifying opportunities that continually optimise our water efficiency standards.



Our Implementation Plan:

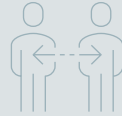


| Focus area | Targets | How we plan to achieve |
|-------------------------|--|--|
| Water management | <ul style="list-style-type: none">5% reduction in water consumption from the baseline by 2027. | <ul style="list-style-type: none">Identify relevant technologies, processes, and policies that need to be introduced for efficient water management in the construction phase and after properties are operational. |
| Waste management | <ul style="list-style-type: none">10% reduced waste and 10% recycled waste50% waste diverted from landfill. | <ul style="list-style-type: none">Establish a waste segregation system that categorises waste into different streams, such as recyclables, hazardous, organic, and general waste.Implement recycling programs for various waste streams based on local recycling capabilities in KSA. |



Sustainability Summary (continued)

Social Responsibility



Social responsibility is embedded in our commitment to fostering inclusive, thriving communities. Through strategic workforce development, diversity and inclusion initiatives, and community engagement programs, we create meaningful opportunities that drive positive social impact. By prioritizing employee well-being, advancing Saudization, and supporting local economies, we ensure our developments not only enhance urban landscapes but also enrich the lives of the people who call them home.

Diversity, Equity & Inclusion (DE&I)

We demonstrate leadership in talent enrichment through our advanced Diversity and Inclusion framework, developed in alignment with International Labour Organisation standards. Our strategic DE&I initiatives drive measurable impact through targeted programs, including executive pathway opportunities for women leaders, and specialised professional development experiences designed to accelerate women's career advancement across all organisational levels.

Saudisation

In 2024, Retal achieved an 67% Saudisation rate, significantly surpassing national workforce localisation requirements. Our bespoke mentorship ecosystem strategically connects Saudi talent with seasoned industry experts, accelerating professional growth through structured knowledge transfer. Our sophisticated performance evaluation framework provides Saudi team members with targeted insights and development pathways, ensuring continuous progression while strengthening our organisational capabilities through local expertise.

Learning and Development

In 2024, we reinforced our commitment to talent advancement through significant learning investments, delivering 2,940 hours of education across our organisation. Our comprehensive learning and development programs integrate diverse instructional methodologies tailored to maximise knowledge retention and practical application.

By fostering a dynamic learning culture centred on continuous improvement and collaborative knowledge exchange, we ensure our teams remain at the forefront of sustainable development practices while driving innovation across all operational areas.

Our Implementation Plan

| Focus area | Targets | How we plan to achieve |
|--|---|---|
| Saudization | 75% of the workforce is Saudi | <ul style="list-style-type: none"> Establish mentorship programs that pair Saudi employees with experienced professionals within the organisation. |
| | 50% of Saudi employees are promoted | <ul style="list-style-type: none"> Implement regular performance assessment mechanisms to provide Saudi employees with constructive feedback and help them progress. |
| Diversity, Equity and Inclusion (DEI) | 40% of employees are women | <ul style="list-style-type: none"> Set targets and timelines for increasing the representation of women in leadership and develop implementation plans. |
| | 10% of top management are women | <ul style="list-style-type: none"> Implement flexible work policies to support work-life balance. Offer leadership development programmes for women employees. Establish employee resource groups and networking forums that support the advancement of women employees. |
| Learning and development | 32 – 36 average training hours per employee | <ul style="list-style-type: none"> Develop learning and development programmes that offer a variety of training methods. Adopt a learning culture by promoting continuous learning solutions and knowledge-sharing programmes. |





Sustainability Summary (continued)

Talent Engagement and Organisational Vitality

In 2024, Retal elevated its employee experience through strategic initiatives designed to strengthen organisational culture. Our comprehensive approach created meaningful connections between individual contributions and our broader corporate mission, fostering an environment where talent thrives through purpose-driven engagement. By implementing advanced feedback mechanisms and targeted recognition programs, we've built a dynamic workplace ecosystem that attracts and retains top professionals while driving sustainable performance across all business dimensions. Achievements include:

- Launched the “Your Voice” program to promote open communication and collaboration among all employees.
- Conducted regular employee satisfaction surveys to gather feedback and identify areas for improvement.
- Implemented flexible work policies to support work-life balance.
- Organised team-building activities and social events to strengthen relationships across departments.

Strategic Spotlight: “Your Voice” Initiative

Retal's Your Voice program exemplifies our commitment to dynamic workplace dialogue and collaborative excellence. This strategic platform enhances organisational transparency through sophisticated feedback mechanisms including targeted satisfaction diagnostics that generate actionable insights for continuous workplace enhancement.

The initiative extends beyond traditional feedback channels by

incorporating cross-functional engagement experiences designed to break down departmental boundaries. These structured team-building interactions strengthen organisational cohesion while fostering collaboration – key to driving innovation and maintaining exceptional employee satisfaction across our organisation.

Talent Acquisition

Retal has established a sophisticated talent attraction ecosystem designed to secure exceptional professionals in the dynamic real estate sector. Our multidimensional recruitment approach combines advanced candidate identification methodologies with compelling value propositions that showcase Retal's industry leadership and development opportunities. This strategic framework ensures we consistently attract high-caliber professionals who drive our continued market leadership while advancing our sustainability and innovation objectives.

- Partnered with leading universities to offer internship programs and recruit promising graduates.
- Enhanced our employer brand through an active presence on professional networking platforms.
- Implemented a referral program to leverage our employees' networks.

- Offered competitive compensation packages and career development opportunities.

Strategic Spotlight: Integrated Diversity and Talent Development

Our talent acquisition framework has been engineered around building and nurturing diverse, high-performing teams. Through strategic partnerships with premier academic institutions, we've established targeted internship pathways that identify exceptional emerging talent while expanding our diversity profile.

Our dynamic digital presence across professional networks reinforces our employer value proposition, complemented by our strategic employee ambassador program that leverages internal networks for candidate identification. This comprehensive approach is supported by industry-leading compensation structures and clearly defined professional advancement pathways designed to attract accomplished professionals motivated by meaningful contributions to sustainable urban development.

Our Implementation Plan

| Focus area | Targets | How we plan to achieve |
|--|--|--|
| Talent Attraction and Retention | • Less than 10% turnover rate. | • Foster open communication and a positive community. |
| | • 30% of employees remain employed for 4+ years. | • Implement a system for conducting employee satisfaction, engagement, and feedback, including surveys, focus groups, and other feedback mechanisms. |



Sustainability Summary (continued)

Leadership Continuity and Organisational Resilience

Retal's forward-thinking approach to leadership development ensures organisational resilience through a sophisticated succession management strategy. In 2024, we established robust talent pipelines across critical positions, supporting sustainable growth while maintaining operational excellence. By identifying high-potential employees, developing individualised career paths, implementing executive mentorship programs, and conducting regular leadership assessments, we have strengthened leadership readiness and future-proofed our organisation.



Strategic Spotlight: Our Mentorship Programme

Leadership continuity serves as a cornerstone of Retal's long-term success. Our 2024 talent strategy leveraged advanced assessment methodologies to identify high-potential professionals across organisational levels, creating precision development roadmaps for emerging leaders. Our executive mentorship ecosystem facilitates strategic knowledge transfer between senior leadership and rising talent, accelerating professional development through structured guidance and experiential learning.

Complementing these initiatives, our comprehensive leadership capability assessments provide data-driven insights into development priorities, ensuring our leadership pipeline remains robust and future-ready. This integrated approach strengthens our organisational resilience while preparing the next generation of leaders to advance Retal's vision with confidence and capability.

Strategic Community Partnership and Social Integration

In 2024, Retal implemented a multidimensional stakeholder engagement framework featuring structured community consultations designed to incorporate local perspectives into development planning while proactively addressing community priorities. Our strategic participation in community initiatives and targeted sponsorship investments strengthened

our social integration while delivering meaningful impact across our operational geographies.

Complementing these efforts, our educational outreach partnership with local academic institutions delivered a specialised sustainability curriculum to young learners, cultivating environmental awareness while inspiring the next generation of sustainable development advocates.

Corporate Social Responsibility

Retal continues to demonstrate leadership in corporate responsibility through targeted initiatives that align business objectives with community needs. Our comprehensive approach delivered measurable social impact while strengthening our position as a responsible corporate citizen. Key initiatives in 2024 included:

- Launched a volunteer program enabling employees to contribute their time and skills to local charitable organisations.
- Implemented a sustainable procurement policy to support local businesses and promote economic development.
- Invested in green spaces and public amenities within our development projects to enhance community well-being.
- Partnered with non-profit organisations to address pressing social issues such as affordable housing and environmental conservation.



Sustainability Summary (continued)

Strategic Spotlight: Responsible Supply Chain Management

Retal's corporate responsibility approach creates lasting stakeholder value while addressing critical social challenges. In 2024, our employee volunteer initiative empowered team members to apply their professional expertise in support of community organisations. Our advanced procurement framework prioritises regional supplier relationships, strengthening local economies while ensuring ethical labour standards across our entire value chain. These efforts complement our strategic investments in community green spaces and public infrastructure, enhancing neighbourhood vitality while promoting collective wellbeing within our development communities.



Occupational Health and Safety

Retal demonstrates its commitment to human capital through industry-leading health, safety, and well-being practices. In 2024, we strengthened our safety culture while enhancing physical and psychological well-being of our workforce, contractor network, and broader stakeholder community. Our comprehensive approach delivered measurable improvements through:

- Aligning with global health, safety, and environmental management certifications, such as ISO 45001.
- Conducting regular audits to assess compliance with international HSE protocols and internal policies.
- Establishing a Health and Safety committee with representatives from all departments.
- Implementing a comprehensive incident reporting and investigation system.
- Providing regular safety training sessions for all employees and contractors.

Strategic Spotlight: Integrated Health and Safety

In 2024, Retal strengthened its safety governance framework by aligning with global best practices and pursuing the prestigious ISO 45001 certification. Our robust compliance verification system introduced regular performance audits against international health, safety and environmental standards, ensuring operational excellence across all activities.

The establishment of our cross-functional Health and Safety Committee created a sophisticated governance structure with representation spanning all operational units. This was complemented by our comprehensive capability development program delivering specialised safety training across employee and contractor networks, fostering a unified safety culture built on shared understanding and consistent application of critical protocols.

Our Implementation Plan

| Focus area | Targets | How we plan to achieve |
|-------------------------------------|--|---|
| Health, Safety and Wellbeing | <ul style="list-style-type: none"> • Below 2.7 average incident rate. • Zero injuries. • Zero fatalities. | <ul style="list-style-type: none"> • Align with global health, safety, and environmental management certifications, such as ISO 45001. • Conduct regular audits to assess compliance with the international HSE protocols and internal policies. • Monitor progress through the Health and Safety Committee, consisting of representatives from all departments. |



Sustainability Summary (continued)

Governance and Accountability



Retal's governance framework is built upon a foundation of integrity, transparency, and accountability. By implementing robust policies, ethical business practices, and strategic risk management, we embed ESG principles into our decision-making processes. This commitment ensures regulatory compliance, fosters responsible leadership, and drives sustainable growth, thereby building trust with our stakeholders.

Organisational Transformation Through ESG Integration

This year, Retal implemented a comprehensive governance evolution, embedding sustainability principles within our organisational architecture. Central to this transformation was the establishment of our ESG Committee with direct Board accountability. This strategic governance enhancement ensures executive-level stewardship of our sustainability agenda while providing oversight of emissions reduction initiatives, environmental performance metrics, and strategic alignment.

The Committee serves as the cornerstone of our sustainability governance framework, strategically defining accountability pathways across all operational units. This structural advancement has proven instrumental in accelerating our ambitious sustainability objectives while ensuring disciplined execution against our long-term environmental commitments.

ESG Committee

The ESG Committee maintains strategic oversight of sustainability investment planning, financial performance forecasting, and stakeholder communications strategy. This integrated approach embeds sustainability considerations within core business decision-making processes, ensuring environmental and social priorities receive appropriate executive attention.

The Committee's governance framework is enhanced through strategic collaboration with our specialised ESG Taskforce – the operational engine responsible for sophisticated data management methodologies supporting our disclosure commitments. Our targeted capability development program equips taskforce members with advanced knowledge of evolving regulatory requirements, ensuring compliance excellence across all reporting obligations.



Strategic Spotlight: Cultivating Excellence through Strategic Sustainability Mindset Development

To optimise our governance enhancements, Retal implemented comprehensive capability building programs across all organisational levels. These advanced learning experiences address critical competencies, including data analytics methodologies, resource optimisation strategies, environmental stewardship principles, and climate impact assessment frameworks.

By strategically nurturing an organisational culture centred on environmental leadership, Retal has activated employee engagement as a powerful catalyst for sustainability outcomes. This targeted investment in human capital development has transformed high-level sustainability directives into measurable operational achievements, driving consistent performance improvements across all business functions.



Sustainability Summary (continued)

Building Sustainability Excellence Through Policy Leadership

In 2024, Retal laid the foundation for enduring sustainability performance by developing comprehensive governance instruments aligned with our integrated ESG strategy. This policy ecosystem encompasses our Sustainable Procurement framework, Diversity and Inclusion standards, Waste Management protocols, Energy and Water efficiency guidelines, and Carbon Management system.

This strategic policy architecture creates a cohesive operational framework that embeds sustainability principles throughout our organisation. By establishing these foundational elements, Retal has positioned itself to deliver consistent sustainability outcomes while aligning with stakeholder expectations and global best practices in responsible development.

To complement these governance advancements, we established precise performance metrics with targeted improvement pathways in emissions intensity, energy efficiency, water conservation, and sustainable building certification. These calibrated objectives support Saudi Arabia's national climate commitment to achieve net zero emissions by 2060 while providing a structured implementation roadmap that drives accountability and continuous improvement across our sustainability initiatives.

Ethics Leadership

At Retal, ethical excellence forms the foundation of our governance approach. We have reinforced this commitment by implementing comprehensive policies that set clear expectations

for transparency, accountability, and human rights across all business activities.

Our commitment to ethical leadership is further demonstrated through our robust whistleblower protection program, providing secure reporting channels that encourage transparency while ensuring comprehensive protection for individuals raising ethical concerns.

Risk Management

Retal has embedded rigorous risk management protocols within its ESG governance framework, creating an integrated approach to addressing environmental and social challenges. In 2024, we enhanced our risk assessment architecture through comprehensive policy refinements incorporating advanced environmental and social risk considerations. This evolution aligns our risk management practices with global sustainability frameworks while strengthening operational resilience.

Our strategic approach applies rigorous analytical methodologies to assess potential impacts from climate-related disruptions, resource constraints, and community engagement factors. The 2024 expansion of our data analytics capabilities now provides deeper risk insights across these domains, enabling evidence-based decision-making and proactive response planning.

Retal's collaborative risk management model actively engages key stakeholders including employees and contractors through specialised capability development programs. This participatory approach enhances risk identification capabilities while fostering shared responsibility for mitigation strategies across our value chain.

By integrating risk within our sustainability framework, we ensure operational continuity while driving positive community impact. This forward-looking strategy strengthens our ability to navigate emerging challenges while maintaining alignment with Saudi Vision 2030 objectives and international sustainability commitments.

Our Implementation Plan

| Focus area | Targets | How we plan to achieve |
|----------------------------|---|--|
| Human Rights | <ul style="list-style-type: none">100% of agreement and contracts include human rights clauses. | <ul style="list-style-type: none">Establish comprehensive human rights principles that reflect the organisation's commitment to the UN Universal Declaration on Human Rights.Add human rights clauses in all partner and vendor agreements.Implement human rights audits to identify potential risks, within the supply chain. |
| ESG Risk Management | <ul style="list-style-type: none">100% of Retal's operations are assessed for social and environmental risks. | <ul style="list-style-type: none">Enhance the Risk Assessment Policy and Procedures to include social and environmental risks.Enhance data collection efforts to gather information on social and environmental risks. |





Mr. Ammar AlGhoul
Chief Financial Officer

Chief Financial Officer's Statement

Historic Outcomes

“The year 2024 marks a historic chapter in Retal’s journey, achieving exceptional financial performance with record-high revenues surpassing SAR 2 billion. This remarkable achievement was driven by development contract revenues reaching an all-time high, alongside historic residential unit sales exceeding 1,900 units, propelling contractual sales beyond SAR 3 billion for the first time.”

These developments culminated in a record net profit of roughly SAR 266 million, despite challenges in the real estate market following rising interest rates, which have impacted housing demand.

Looking into details, development contract revenues serve as the core component of the company’s revenue structure, accounting for over 90% of total revenue. In this context, management’s focus on enhancing this activity led to an impressive increase in development contract revenues, exceeding 70% in 2024. This growth was fueled by an increase in active projects from 12 to 17 and heightened revenues from real estate funds and joint venture developments. Overall, the company acts as the developer for 11 funds and joint ventures in 2024. This revenue growth resulted in a record-high gross profit of nearly SAR 500 million, with a gross profit margin of around 24%, comfortably within the company’s target range.

Examining the expense structure, general and administrative expenses increased by up to 25% due to the continued implementation of the strategic expansion plan, which led to a rise in the number of ongoing projects and revenues. Meanwhile, the increase in lending rates both globally and locally resulted in a 22% increase in financing expenses. In this context, the company continued to reposition its debt portfolio and strengthen relationships with financing partners, which positively maintained balanced financing costs despite a 22% annual increase in debt.

From investment funds and joint venture side, the year witnessed the closing of a real estate investment

fund, resulting in returns of around 45 million during the year 2024. This success underscores the effectiveness of the company’s expansion strategy via investment funds and joint ventures. Furthermore, the company enhanced its real estate fund and joint venture portfolio, partnering with BLOMINVEST to launch a fund for the development of a luxury office and showroom complex in Al Narjes district of Riyadh. Additionally, a memorandum of understanding was signed with Al Bilad Capital to develop an integrated real estate destination featuring mixed-use spaces designed in the Salmani style, in alignment with the Riyadh Sports Boulevard code.

From balance sheet perspective, the company enhanced its position by an 18% increase in cash balances in 2024, reaching SAR 833 million. In addition to a rise in return on equity to approximately 34%, up from 27.4% in 2023.

Due to the company’s accelerated growth, debt increased by 20% to SAR 1.7 billion—well within planned levels—with net debt reaching SAR 1.4 billion.

The company recommended distributing a cash dividend of 11% of its capital (equivalent to SAR 0.11 per share) for the second half of 2024. The total cash dividends distributed for the same year amounted to SAR 135 million, equivalent to SAR 0.27 per share. The positive cash flow and solid financial position played a key role in continuing the generous cash dividend policy.



Financial Review

Consolidated Statement of Profits or Loss

| Numbers in thousands | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|----------------|----------------|----------------|----------------|----------------|
| Revenues | 587,451 | 1,085,321 | 1,106,830 | 1,367,125 | 2,063,211 |
| Cost of revenues | (463,142) | (839,860) | (803,598) | (987,839) | (1,563,554) |
| Gross profit | 124,309 | 245,461 | 303,232 | 379,286 | 499,656 |
| General and administrative expenses | (26,184) | (42,699) | (59,174) | (80,609) | (107,528) |
| Selling and marketing expenses | (7,702) | (21,230) | (19,750) | (47,158) | (49,323) |
| Allowance for expected credit losses | - | - | - | (6,451) | (2,580) |
| Operating profit | 90,423 | 181,532 | 224,308 | 245,068 | 340,226 |
| Finance cost | (2,171) | (3,173) | (21,190) | (99,851) | (122,526) |
| Share of results of equity accounted investments | 12,827 | 1,820 | 34,641 | 64,806 | 71,109 |
| Gain from investments at fair value through profit or loss, net | 374 | 3,688 | 10,833 | 4,911 | 3,652 |
| Other income, net | 1,892 | 3,995 | 8,050 | 3,210 | 3,001 |
| Profit before zakat | 103,345 | 187,862 | 256,642 | 218,144 | 295,462 |
| Zakat | (4,711) | (8,463) | (10,899) | (10,204) | (12,530) |
| Profit from continuing operations | 98,634 | 179,399 | 245,743 | 207,941 | 282,933 |
| Gain on disposal of a subsidiary, net of zakat | - | 13,936 | - | - | - |
| Net Profits | 98,634 | 193,335 | 245,743 | 207,941 | 282,933 |
| Net profit for the year attributable to: | | | | | |
| Shareholders of the Group | 98,634 | 193,719 | 245,743 | 202,350 | 266,126 |
| Non-controlling interest | - | (385) | - | 5,591 | 16,807 |



Consolidated Statement of Financial Position

| Numbers in thousands | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|------------------|------------------|------------------|------------------|------------------|
| Non-current assets | | | | | |
| Property and equipment | 90,212 | 90,793 | 124,032 | 159,729 | 186,752 |
| Right-of-use assets | 14,916 | 6,659 | 2,850 | 35,009 | 34,793 |
| Intangible assets | 3,499 | 4,166 | 10,279 | 13,217 | 10,604 |
| Investment Properties | 329,198 | 201,583 | 122,310 | 309,993 | 302,224 |
| Investment from Associate and Joint Venture | 121,250 | 306,398 | 330,437 | 394,929 | 329,187 |
| Development Properties | - | 63,438 | 464,668 | 559,311 | 410,116 |
| Prepayment and other receivables | 1,067 | 2,202 | 2,382 | 3,205 | 3,294 |
| Total non-current assets | 560,142 | 675,238 | 1,056,958 | 1,475,393 | 1,276,971 |
| Current assets | | | | | |
| Inventories | 22,254 | 12,509 | 15,963 | 23,813 | 32,228 |
| Accounts receivable | 82,737 | 269,446 | 242,911 | 237,850 | 456,801 |
| Contract asset | 203,751 | 69,844 | 91,185 | 200,951 | 300,026 |
| Development properties | 139,488 | 245,368 | 353,232 | 705,477 | 1,038,669 |
| Investments at fair value through profit or loss | - | 656 | 23,754 | 101 | 2,304 |
| Investments at fair value through other comprehensive income | - | - | - | - | 6,000 |
| Prepayment and other receivables | 95,265 | 162,927 | 114,155 | 282,647 | 177,169 |
| Investments in associates and joint ventures | - | - | - | - | 76,835 |
| Cash on hand and at banks | 64,981 | 407,977 | 522,975 | 705,883 | 833,106 |
| Total current assets | 608,476 | 1,168,727 | 1,364,175 | 2,156,722 | 2,923,139 |
| Total Assets | 1,168,618 | 1,843,965 | 2,421,133 | 3,632,115 | 4,200,110 |

| Numbers in thousands | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------------------------------|----------------|----------------|----------------|------------------|------------------|
| Equity | | | | | |
| Share capital | 375,000 | 400,000 | 400,000 | 500,000 | 500,000 |
| Statutory reserve | 18,833 | 38,205 | 62,779 | 83,014 | 83,014 |
| Other reserves | (2,509) | (3,358) | (3,213) | 2,546 | (166) |
| Retained earnings | 127,462 | 134,060 | 274,844 | 156,958 | 263,085 |
| Treasury shares | - | - | - | - | (11,959) |
| | 518,786 | 568,906 | 734,410 | 742,518 | 833,973 |
| Non-controlling interests | - | (135) | - | 7,333 | 8,510 |
| Total Equity | 518,786 | 568,770 | 734,410 | 749,851 | 842,484 |
| Non-current liabilities | | | | | |
| Term loans | 64,667 | 211,459 | 461,499 | 1,028,721 | 1,051,565 |
| Lease liabilities | 3,073 | - | 2,407 | 33,542 | 32,314 |
| Employees' end of service benefits | 9,481 | 11,078 | 12,585 | 17,829 | 26,098 |
| Accounts payable | - | 13,658 | 17,453 | 23,450 | - |
| Total non-current liabilities | 77,221 | 236,194 | 493,944 | 1,103,542 | 1,109,977 |

*Financial Review (continued)***Consolidated Statement of Financial Position** *continued*

| Numbers in thousands | 2020 | 2021 | 2022 | 2023 | 2024 |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Current liabilities | | | | | |
| Term loans | 83,733 | 389,517 | 189,811 | 136,136 | 193,578 |
| Short term loans | 50,000 | 100,352 | 165,070 | 286,929 | 489,793 |
| Lease liabilities | 8,693 | 2,995 | 236 | 3,254 | 4,662 |
| Accounts payable | 224,110 | 65,310 | 273,461 | 450,132 | 308,343 |
| Accrued expenses and other payables | 13,010 | 88,184 | 193,328 | 336,098 | 533,903 |
| Payable to National Housing Company | 35,132 | 272,521 | 254,662 | 437,429 | 595,372 |
| Contract liabilities | 36,939 | 109,675 | 100,220 | 109,232 | 100,835 |
| Refundable incentives | 115,019 | - | - | - | - |
| Zakat payable | 5,975 | 10,447 | 15,991 | 19,512 | 21,164 |
| Total current liabilities | 572,611 | 1,039,001 | 1,192,779 | 1,778,722 | 2,247,649 |
| Total liabilities | 649,832 | 1,275,195 | 1,686,723 | 2,882,264 | 3,357,626 |
| Total Equity and Liabilities | 1,168,618 | 1,843,966 | 2,421,133 | 3,632,115 | 4,200,110 |

Cash Flow Statement

| Numbers in thousands | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|-----------|-----------|-----------|-----------|-----------|
| Net cash flow generated from operating activities | 14,002 | 234,634 | 460 | (148,310) | 3,905 |
| Net cash flow generated from investing activities | (153,586) | (12,592) | 82,889 | (86,732) | 39,042 |
| Net cash flow generated from financing activities | 194,927 | 120,954 | 31,648 | 417,950 | 84,276 |
| Net change in cash and cash equivalents | 55,343 | 342,996 | 114,997 | 182,908 | 127,223 |
| Cash and cash equivalent at the beginning of the year | 4,112 | 9,975 | 32,414 | 24,137 | 54,733 |
| Restricted Cash | (49,481) | (320,557) | (123,275) | (152,312) | (147,844) |
| Cash and cash equivalent at the end of the year | 9,974 | 32,414 | 24,136 | 54,733 | 34,112 |

*Financial Review (continued)***Disaggregated Revenue Information****A) Revenues Segments**

| (Number in SR000) | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|----------------|------------------|------------------|------------------|------------------|
| Development contracts revenues | 404,983 | 915,841 | 693,213 | 1,270,706 | 1,979,090 |
| Revenue from sales of real estate units / lands | 146,270 | 129,922 | 366,726 | 59,424 | 48,983 |
| Revenue from property and facility management | 28,744 | 32,187 | 37,740 | 30,886 | 28,955 |
| Rent contracts revenue | 5,834 | 7,371 | 9,151 | 6,109 | 6,184 |
| Other revenues | 1,620 | - | - | - | - |
| Total revenues | 587,451 | 1,085,321 | 1,106,830 | 1,367,125 | 2,063,211 |

B) Total revenues Segments wise as % from revenues

| (Number in SR000) | 2023 | 2024 | Diff 2024 Vs 2023 | 2023 as % | 2024 as % |
|---|------------------|------------------|-------------------|-------------|-------------|
| Development contracts revenues | 1,270,706 | 1,979,090 | 708,384 | 93% | 96% |
| Revenue from sales of real estate units / lands | 59,424 | 48,983 | (10,441) | 4% | 2% |
| Revenue from property and facility management | 30,886 | 28,955 | (1,931) | 2% | 1% |
| Rent contracts revenue | 6,109 | 6,184 | 75 | 0% | 0% |
| Total revenues | 1,367,125 | 2,063,211 | 696,086 | 100% | 100% |

C) Revenues Location Wise

| (Number in SR000) | 2020 | 2021 | 2022 | 2023 | 2024 | 2024 as % |
|-----------------------|----------------|------------------|------------------|------------------|------------------|-------------|
| Eastern province | 574,193 | 943,774 | 650,866 | 280,792 | 488,549 | 24% |
| Western province | 7,638 | 349 | 6,458 | 27,470 | 164,846 | 8% |
| Central province | 5,620 | 139,502 | 445,287 | 1,049,961 | 1,409,816 | 68% |
| Northern province | - | 1,696 | 4,219 | 8,902 | - | - |
| Total revenues | 587,451 | 1,085,321 | 1,106,830 | 1,367,125 | 2,063,211 | 100% |

D) Revenues Location Wise (company wise)

| (Number in SR000) | Eastern province | Western province | Central province | Northern province | Total | % from total revenues |
|---------------------------|------------------|------------------|------------------|-------------------|------------------|-----------------------|
| Retail | 414,169 | 153,310 | 1,385,050 | - | 1,952,529 | 94.6% |
| BCC | 55,498 | - | 17,227 | - | 72,724 | 3.5% |
| NESAJ | 8,316 | - | - | - | 8,316 | 0.4% |
| TLC | 9,879 | 11,536 | 3,881 | - | 25,297 | 1.2% |
| TEC | - | - | 479 | - | 479 | 0.0% |
| Adara Real Estate Company | 687 | - | 3,179 | - | 3,866 | 0.2% |
| Total | 488,549 | 164,846 | 1,409,816 | - | 2,063,211 | 100.0% |

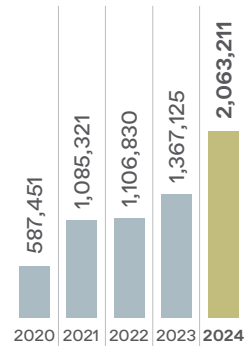
*Financial Review (continued)***Key financial highlights:**

| Numbers in thousands | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---------|---------|---------|-----------|-----------|
| Gross profit margin | 21.2% | 22.6% | 27.4% | 27.7% | 24.2% |
| Operating profit margin | 15.4% | 16.7% | 20.3% | 17.9% | 16.5% |
| EBITDA Margin | 20.1% | 20.8% | 26.4% | 24.2% | 21.4% |
| Net profit margin | 16.8% | 17.8% | 22.2% | 15.2% | 13.7% |
| EPS | 3.9 | 4.52 | 0.49 | 0.4 | 0.53 |
| ROE (TTM) | 22.8% | 35.6% | 37.7% | 27.4% | 33.8% |
| ROA (TTM) | 10.7% | 12.9% | 11.5% | 6.7% | 6.8% |
| Current ratio | 1.06 | 1.12 | 1.14 | 1.21 | 1.30 |
| Net working capital (SR000) | 35,865 | 129,726 | 171,396 | 378,000 | 675,490 |
| Leverage Ratio | 1.25 | 2.24 | 2.30 | 3.84 | 3.99 |
| Adjusted Leverage Ratio | 1.18 | 1.76 | 1.95 | 3.26 | 3.28 |
| Gearing ratio (Total Debt / Total Equity) | 0.38 | 1.23 | 1.11 | 1.94 | 2.06 |
| Total Liabilities to total assets | 0.56 | 0.69 | 0.70 | 0.79 | 0.80 |
| Total Debt (SR000) | 198,400 | 701,328 | 816,380 | 1,451,786 | 1,734,936 |
| Net Debt (SR000) | 168,551 | 565,872 | 548,067 | 1,183,332 | 1,497,202 |
| Net Debt to Equity | 0.32 | 0.99 | 0.75 | 1.58 | 1.78 |

*Financial Review (continued)*

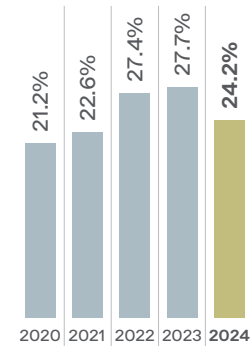
Revenues

SR(000)



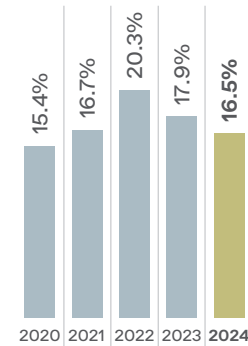
Gross profit margin

(%)



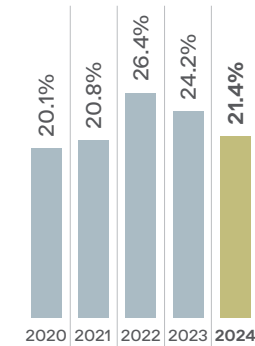
Operating Profit Margin

(%)



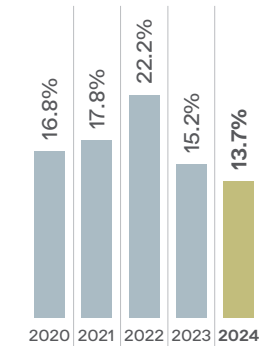
EBITDA Margin

(%)



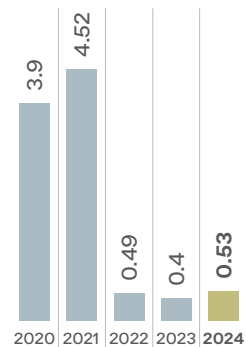
Net Profit Margin

(%)



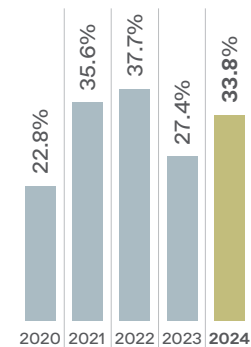
EPS

SAR



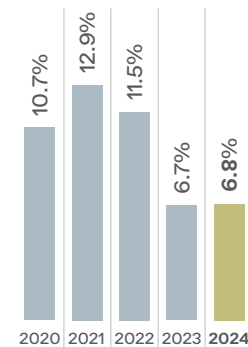
ROE (TTM)

(%)



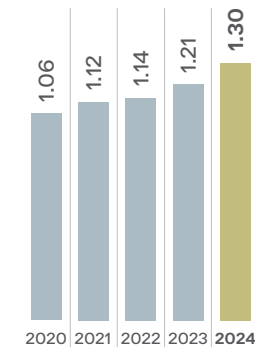
ROA (TTM)

(%)



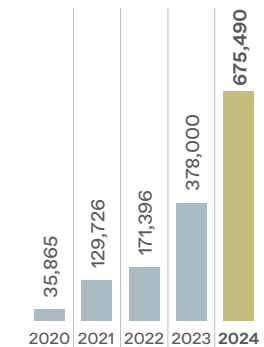
Current Ratio

(x)



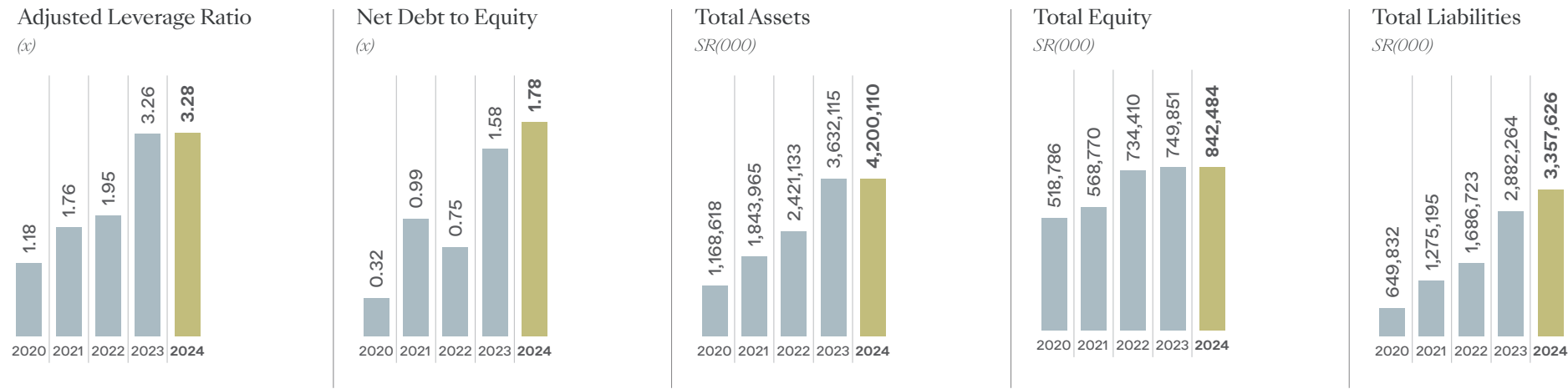
Net Working Capital

(SR000)





Financial Review (continued)





Eng. Mostafa Tawfik
Chief Development Officer

Chief Development Officer's Statement

A Year of Exceptional Growth

“In 2024, the value of Retal’s project portfolio grew by 93% year-on-year to reach 17.7 billion SAR – up from an already significant 9.16 billion SAR in 2023.”

This remarkable performance has been made possible by the successful execution of our strategy and further fuelled by the addition of multiple new projects, including Ewan Roshan, Nasaj Al Khuzam, and Ewan Rejan.

At the unit level, the number of real estate units under development rose by 38%, reaching 9,825 units compared to 7,139 units at the end of 2023. This increase aligns with our ambitious strategy to address the rising demand for residential and mixed-use commercial projects in Saudi Arabia, emphasising

diversity and agility in innovation, design, and implementation.

These accomplishments underscore Retal’s commitment to developing high-quality projects that enhance the urban landscape in the Kingdom and reinforce our role as a key partner in achieving the housing and urban development goals of Saudi Vision 2030.

Diversified Investment Portfolio

In alignment with its strategic vision, Retal has continued to diversify its project portfolio, ensuring a well-balanced approach between residential developments and mixed-use projects. This carefully curated strategy underscores the company’s commitment to sustainable growth and market equilibrium, reinforcing its position as a forward-thinking urban developer.

Retal’s expansion strategy also reflects its dedication to broadening its geographic footprint, with a strong presence across the central, western, and eastern regions of Saudi Arabia. Notably, Riyadh has been identified as a key growth hub. Retal’s current portfolio boasts 17 ongoing projects and 5 upcoming developments, totaling 9,825 residential units. The central region leads with 5,223 units (53%), followed by the eastern region with 3,640 units (37%), and the western region with 962 units (10%).

Standout Accomplishments and Recognition

A standout accomplishment that demonstrates Retal’s operational prowess was the delivery of the Nesaj Al Fursan project – completed a full year ahead of schedule – an achievement that showcases the company’s exceptional project management capabilities and unwavering commitment to exceeding customer expectations. These recognitions validate Retal’s innovative approach to urban development and its ability to create sustainable, architecturally distinguished projects that transform Saudi Arabia’s urban landscape.

Retal’s commitment to excellence earned significant recognition in 2024, marked by prestigious accolades across multiple developments. The Ritz-Carlton Khobar project achieved notable distinction at the Architecture Leaders Awards 2024.

By maintaining a balance between innovation and sustainability, Retal aims to solidify its position as a leader in Saudi Arabia’s real estate sector while shaping urban environments that resonate with the needs of future generations.



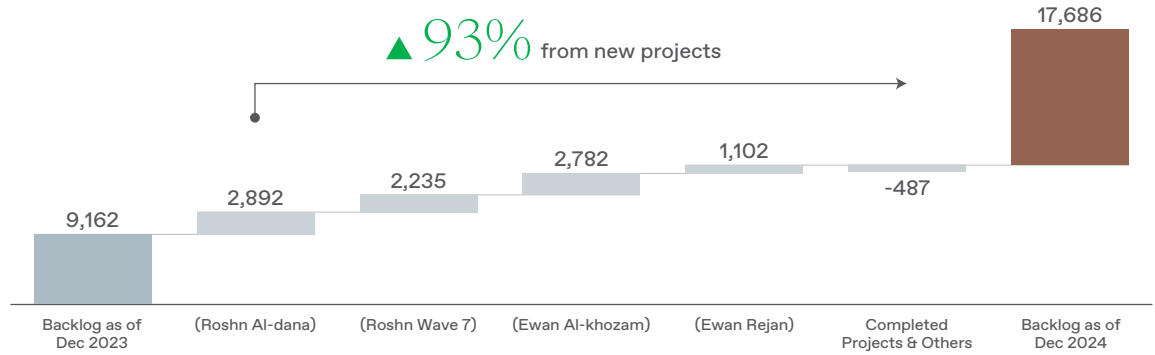
Development Review

Backlog Records a Significant Leap in 2024

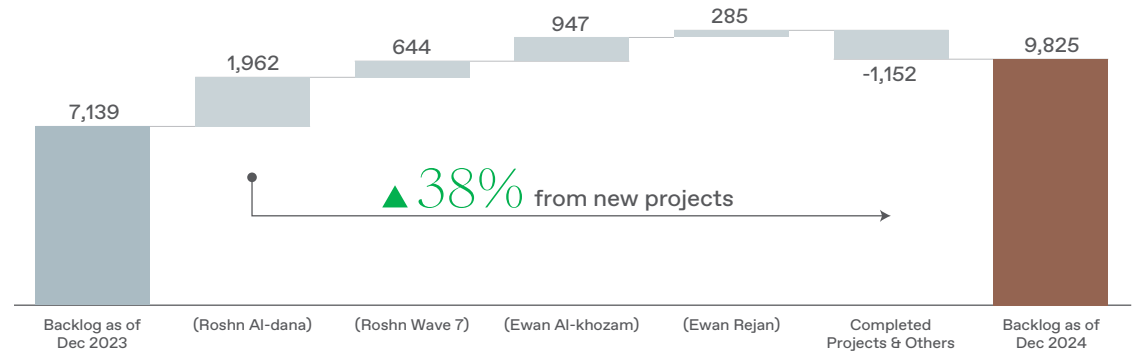
Sustained Growth & Future Readiness
Retal Urban Development demonstrated strong growth across its backlog metrics between 2023 and 2024. The total number of units increased from 7,139 in 2023 to 9,831 in 2024, reflecting a growth rate of 38%.

The total project value from SAR 9,162 million in 2023 to SAR 17,686 million in 2024, representing a significant increase of 93%. This growth highlights Retal's ability to secure high-value projects, expand its portfolio across key regions, and capitalize on market demand for residential and mixed-use properties.

Projects Value (SAR Mn) – Backlog Progression



Number of Units – Backlog Progression





Development Review (continued)

Ongoing Project Developments

The chart provides a detailed breakdown of ongoing projects:

| Project | Percentage of Completion | Sales Progress |
|-----------------------|--------------------------|----------------|
| Nesaj Town Al Narjis | 94% | 455 |
| Nesaj Town Al Ahsa | 83.7% | 130 |
| Ewan Sedra 2 | 80.3% | 370 |
| Nesaj Al Fursan | 76% | |
| Nesaj Town Safwa | 56% | 356 |
| Roya Al Nakheel | 63% | 64 |
| Nesaj Sadayem | 50.1% | 278 |
| Ewan Sedra 3 | 64.2% | 240 |
| Nesaj Al Asala | 21.2% | 263 |
| Nesaj Sadan | 5.1% | 340 |
| Roya Sedra | 42.1% | 180 |
| Ewan Sedra 4 - Wave 6 | 6.5% | 84 |
| Ewan Khuzam | | 112 |
| Ewan Rejan | 2% | 20 |
| Nesaj Al Fursan 2 | 7.1% | 348 |
| Ayala Al Muhammadiyah | 3% | 2 |

Development Review (continued)

Newly Awarded Projects

In 2024, Retal was awarded six new projects, showcasing its continued growth and strategic partnerships.

Retal continued to expand its real estate portfolio in collaboration with its strategic partners, the National Housing Company (NHC) and ROSHN, as well as its allies, Bloom Invest and Bank Albilad.

These developments underscore Retal's commitment to diversifying its investments and enhancing its presence in key regions across Saudi Arabia.



Ewan Sedra 5, Riyadh

Land Area (1,000 sqm) 368

Total Units 644

Duration 3 years



Ewan Rejan, Riyadh

Land Area (1,000 sqm) 93

Total Units 285

Duration 3 years



Ewan Khuzam, Riyadh

Land Area (1,000 sqm) 296

Total Units 947

Duration 3 years



Development Review (continued)



Qurtooba, Riyadh

| | |
|------------------------------|---------|
| <i>Land Area (1,000 sqm)</i> | 192 |
| <i>Residential Units</i> | 522 |
| <i>Offices Spaces</i> | TBD |
| <i>Retail</i> | TBD |
| <i>Duration</i> | 4 years |



Terra, Riyadh

| | |
|------------------------------|---------|
| <i>Land Area (1,000 sqm)</i> | 40 |
| <i>Total Units</i> | 96 |
| <i>Duration</i> | 3 years |



Roshn, Dhahran

| | |
|------------------------------|---------|
| <i>Land Area (1,000 sqm)</i> | 93 |
| <i>Total Units</i> | 1,962 |
| <i>Duration</i> | 4 years |



Development Review (continued)

Launched Projects

In 2024, Retal reinforced its position as a leading real estate developer by launching 11 strategic projects, adding 2,363 residential units to its portfolio. This expansion reflects the company’s proactive approach in meeting the growing demand for high-quality housing in Saudi Arabia.

The project portfolio is carefully balanced, ensuring flexibility in addressing market needs and consumer preferences. Among the key projects are Nesaj Al Sadan, Ewan Rejan, and Ayala Al-Muhammadiyah, where Retal continues to reshape the urban landscape through integrated, community-focused developments that blend modernity with tradition.

This milestone underscores Retal’s commitment to excellence, innovation, and sustainable urban development, further solidifying its position as a preferred partner in the Kingdom’s real estate transformation.

| Project | #of Units | |
|------------------------|-----------|--|
| Nesaj Al Fursan 2 PH.1 | 403 | |
| Nesaj Asala PH. 1&2 | 263 | |
| Nesaj Sadan PH. 1&2 | 442 | |
| Retal Rise PH. 2&3 | 53 | |
| Roya Sedra PH.1&2 | 282 | |
| Ayala Muhammadiyah | 30 | |
| Ewan Rejan PH.1 | 161 | |
| Ewan Khuzam PH.1 | 253 | |
| Ewan Sedra 3 | 242 | |
| Ewan Sedra 4 PH.1 | 158 | |
| Ewan Tharwa PH.2 | 76 | |



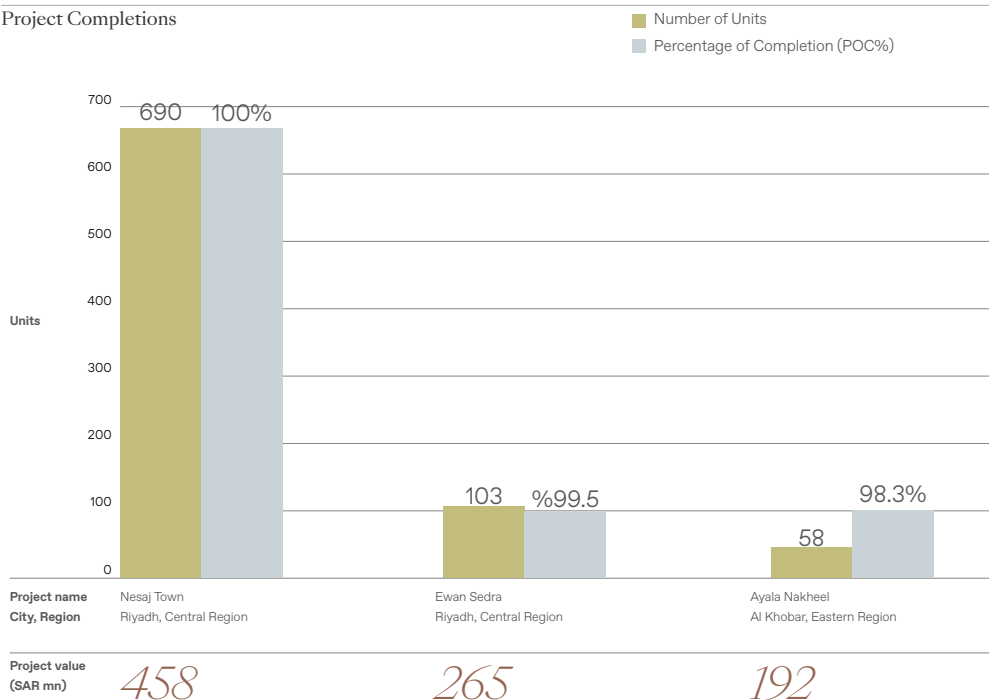


Development Review (continued)

Project Completions

In 2024, Retal Urban Development achieved significant milestones in project completion, delivering several high-profile developments across key regions. These projects reflect Retal’s commitment to quality, timely delivery, and alignment with Saudi Arabia’s Vision 2030 objectives. Below is a detailed account of the completed projects:

- **Nesaj Town, Riyadh:** Located in the Central Region, this residential development features 690 villas and has a project value of SAR 458 million.
- **Ewan Sedra:** Another significant project in Riyadh, Ewan Sedra comprises 103 villas valued at SAR 265 million. It was completed in 2024.
- **Ayala Nakheel:** Situated in Al Khobar in the Eastern Region, this luxury development includes 58 villas valued at SAR 192 million.



Development Review (continued)

Handover Milestones

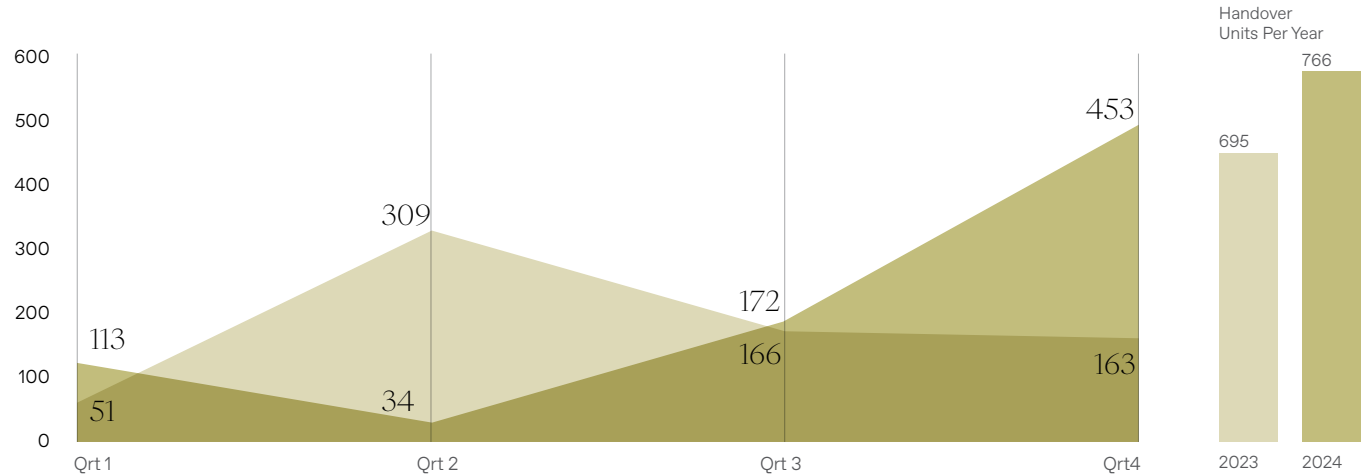
The First Developer to Deliver Residential Units in Al-Fursan Destination

As the first developer to hand over residential units in Al-Fursan Destination, Retal takes pride in achieving a new milestone, reaffirming its commitment by delivering the Nesaj Al-Fursan project one year ahead of schedule.

In 2024, Retal successfully delivered 766 residential units, marking an increase of 71 units compared to 2023, when 695 units were handed over. This reflects a clear growth in the company's project execution capacity.

- **Riyadh:** 645 units were handed over in Nesaj Town Riyadh in 2024, with an additional 45 units from the same project delivered at the beginning of 2025. Additionally, 27 units were handed over in Nesaj Al-Fursan during the same period.
- **Al-Khobar:** 20 units were delivered in Remal, 15 units in Nesaj Al-Khobar, 10 units in Ayala Al-Nakheel, and 5 units in Nesaj Town 1.

This remarkable achievement underscores Retal's commitment to delivering projects with the highest quality standards, aligning with its vision for developing integrated residential communities that contribute to Saudi Arabia's dynamic housing sector.



Development Review (continued)

Landmark Projects

Redefining Urban Excellence

We remain committed to expanding our portfolio across a diverse range of development sectors, strategically covering Saudi Arabia's rapidly growing cities. Our focus is on aligning with evolving market dynamics and continuously meeting the shifting demands of our communities.

Real Estate Portfolio



“Retal takes pride in delivering and developing over 50 completed, ongoing, and upcoming projects in the residential and mixed-use sectors, spread across the Kingdom's three main regions. These projects fall under five distinctive brands, each reflecting the quality and trust that define Retal.”



Development Review (continued)

Residential

Our residential portfolio delivers innovative living spaces that set new standards in community development.

Our residential development strategy aligns perfectly with Saudi Vision 2030’s housing objectives, delivering high-quality homes across diverse market segments. Through our flagship brands Ayala, Ewan, Nesaj, and Roya, we’ve successfully created sustainable communities that blend traditional values with modern living standards. Our portfolio expansion demonstrates our commitment to addressing the Kingdom’s housing needs while maintaining premium quality and innovative design principles.



Residential Highlights

Total number of projects

43

Ongoing projects

17

Upcoming projects

5

Total project value

23.5Bn

Total project units

14.6k+

Total built-up area of projects (SQM)

5.2Mn



Development Review (continued)

Landmark Projects of 2024

Ayala Brand

Luxury Villas

Ayala is dedicated to creating spaces that reflect the individuality of our esteemed clients, offering a harmonious blend of contemporary style and authentic materials.

Our brand blends unparalleled adaptability with uncompromising quality, offering over 300 customization options, a first in Saudi Arabia. Each home is tailored to meet the unique needs of its future owners, ensuring a perfect fit for their lifestyle.

Ayala celebrates togetherness while honouring one's need for tranquillity; Our meticulously planned communities provide the perfect balance of shared spaces for connection and private havens for quiet retreats, redefining the concept of luxury urban living in the Kingdom.

| | |
|----------------------------------|--------------------------|
| <i>Projects</i> | <i>2</i> |
| <i>Project Value (SAR)</i> | <i>577 Mn</i> |
| <i>Land Area (1,000 sqm)</i> | <i>62.2</i> |
| <i>Built-Up Area (1,000 sqm)</i> | <i>62.8</i> |
| <i>Locations</i> | <i>Jeddah, Al Khobar</i> |

*“Draw your
Elegance.”*





Landmark Projects of 2024

Ewan Brand

Premium Villas

Ewan embodies refined living, with a signature collection of chic residential villas designed for distinguished clients.

Our signature collection of villas exudes a sense of refined luxury, offering spacious indoor areas and private landscapes for residents to unwind and embrace serenity. Designed with medium-sized families in mind, Ewan's villas are the epitome of comfort and style, providing the perfect sanctuary for creating cherished memories.

Its strategically located projects boast expansive open spaces and convenient access to essential services and facilities, ensuring a seamless blend of convenience and exclusivity. Ewan is a testament to our commitment to cutting-edge urban concepts and timeless design, blending elegance with functionality to create exceptional living spaces.

| | |
|----------------------------------|---|
| <i>Projects</i> | <i>11</i> |
| <i>Project Value (SAR)</i> | <i>10.7 Bn</i> |
| <i>Land Area (1,000 sqm)</i> | <i>2,541.3</i> |
| <i>Built-Up Area (1,000 sqm)</i> | <i>2,138.1</i> |
| <i>Locations</i> | <i>Riyadh, Khobar, Jubail, and Dammam</i> |

*“A story
we tell.”*

Development Review (continued)

Landmark Projects:

Nesaj Brand

Essential Villas

Our Nesaj brand is a testament to the fusion of modernity and cultural heritage in the Kingdom of Saudi Arabia, encapsulating the essence of contemporary urban living while honouring the Kingdom's rich traditions.

Nesaj is part of a key initiative aimed at providing high-quality villas for young couples and newlyweds, promoting homeownership for Saudi citizens.

Located in prime areas like Riyadh, Dammam, and Khobar, each Nesaj project reflects a meticulous blend of cutting-edge design and eco-friendly practices, creating vibrant and liveable environments for residents and businesses. Driven by a commitment to excellence, Nesaj is at the frontline of shaping the future of urban living in the KSA, setting new benchmarks for sustainable development and community empowerment.

| | |
|----------------------------------|--|
| <i>Projects</i> | <i>12</i> |
| <i>Project Value (SAR)</i> | <i>5.4 Bn</i> |
| <i>Land Area (1,000 sqm)</i> | <i>2.9 Mn+</i> |
| <i>Built-Up Area (1,000 sqm)</i> | <i>2.5 Mn+</i> |
| <i>Locations</i> | <i>Riyadh, Dammam, Khobar, Jeddah, Al Absa, and Al Qatif</i> |



“We weave the details of the dream.”



Landmark Projects of 2024

Roya Brand Premium Apartments

Showcasing the pinnacle of innovative architecture in the Kingdom, Roya is Retal’s own premium residential apartment brand.

Our two flagship developments under this brand feature a collection of exquisite apartments that exemplify vertical elegance and meticulous spatial planning. Roya presents a captivating fusion of modernity, exceptional quality, and warmth, elevating the urban living experience to unprecedented heights.

Its project boasts thoughtfully designed landscapes, recreational spaces, and top-tier amenities, with a focus on expansive open areas incorporating indigenous flora for an authentic lifestyle experience, a hallmark of the brand. Located in proximity to key urban areas, Roya provides its residents with vibrant, sophisticated, and well-rounded lifestyles.

| | |
|----------------------------------|--------------------------|
| <u>Projects</u> | <u>2</u> |
| <u>Projects Value (SAR)</u> | <u>680 Mn</u> |
| <u>Land Area (1,000 sqm)</u> | <u>32.9</u> |
| <u>Built-Up Area (1,000 sqm)</u> | <u>99.2</u> |
| <u>Locations</u> | <u>Riyadh, Al Khobar</u> |

“Life in a Place.”

Development Review (continued)

Landmark Projects of 2024

Retal Rise

Luxury Apartments

It consists of two residential towers with a combination of hotel apartments and luxury hotel suites, with the second tower featuring the renowned Nobu hotel chain. The project is strategically located under Al-Khobar skies, offering a unique experience and a haven from the city's busy streets, enabling residents to enjoy the captivating views of the Arabian Gulf. Retal Rise provides a diverse range of options in size and design to meet diverse tastes and aspirations, all while combining strategic locations with world-class amenities.

| | |
|----------------------------------|------------------|
| <i>Project Value (SAR)</i> | <i>349 Mn</i> |
| <i>Land Area (1,000 sqm)</i> | <i>5.6</i> |
| <i>Built-Up Area (1,000 sqm)</i> | <i>40</i> |
| <i>Location</i> | <i>Al Khobar</i> |

*“Where Elegance
Meets Innovation.”*





Development Review (continued)

Mixed-use

Elevating Tourism & Business Experiences

Our mixed-use developments represent the future of integrated urban living, combining premium hospitality, retail, and commercial spaces in strategic locations.

Our mixed-use portfolio exemplifies our vision for creating integrated urban environments that enhance quality of life while delivering strong returns. We create vibrant destinations serving multiple community needs by combining hospitality, retail, and commercial elements. Our projects demonstrate our ability to execute complex developments while focusing on sustainability and innovation.



Mixed-use Highlights

Total number of projects

8

Ongoing projects

8

Total project value

10.5Bn

Total project units

2k+

Total built-up area of projects (SQM)

686k+

Development Review (continued)

Landmark Projects of 2024

Nobu Al Khobar

Hospitality

Nobu Al Khobar represents a new benchmark in luxurious residences and mixed-use developments in Saudi Arabia. Home to the signature NOBU restaurant, premium wellness facilities, exclusive resident services, and an enviable waterfront location, the project exemplifies Retal's commitment to creating integrated lifestyle destinations for investors and residents seeking a refined lifestyle. Furthermore, it is being developed using sustainable design and smart technologies, the project delivers a sophisticated mixed-use project that also aligns with Saudi Vision 2030's goals for enhanced urban living.

| | |
|----------------------------------|------------------|
| <i>Project Value (SAR)</i> | <i>957 Mn</i> |
| <i>Land Area (1,000 sqm)</i> | <i>5.3+</i> |
| <i>Built-Up Area (1,000 sqm)</i> | <i>43+</i> |
| <i>Location</i> | <i>Al Khobar</i> |

*“Exceptional
Residencies for
Refined Lifestyles.”*





Landmark Projects of 2024

Ritz-Carlton

Hospitality

The Ritz-Carlton branded residences, developed in collaboration with Marriott International, will offer an exceptional blend of high-quality villas and luxurious hotel rooms.

This premier development provides a comprehensive array of services, including top-notch entertainment and recreational activities. Set in a location that combines the excitement of unexpected adventures with the indulgence of luxurious living, it offers both guests and residents exclusive access to its stunning private beach along the Arabian Gulf. Our integrated approach guarantees that our esteemed clients fully immerse themselves in the authentic essence of the hotel's renowned culture.

| | |
|----------------------------------|------------------|
| <i>Project Value (SAR)</i> | <i>1.27 Bn</i> |
| <i>Land Area (1,000 sqm)</i> | <i>110</i> |
| <i>Built-Up Area (1,000 sqm)</i> | <i>60</i> |
| <i>Location</i> | <i>Al Khobar</i> |

*“Sophisticated
Mixed-Use
Elegance.”*

Development Review (continued)

Landmark Projects of 2024

Terra Riyadh

Mixed-use

Terra Riyadh is a unique landmark destination that caters to the growing demands of the Riyadh office and retail market. Offering luxurious office, retail, and dining spaces, Terra Riyadh invites local and multinational corporations to meet in a culturally inspired modern space.

The project utilises modern elements that are deeply rooted in a strong Salmani architectural identity, creating an elegant outlook that links cutting-edge businesses with traditional values.

| | |
|----------------------------------|----------------|
| <i>Project Value (SAR)</i> | <i>1.07 Bn</i> |
| <i>Land Area (1,000 sqm)</i> | <i>40</i> |
| <i>Built-Up Area (1,000 sqm)</i> | <i>60</i> |
| <i>Location</i> | <i>Riyadh</i> |

*“A Unique
Landmark
Destination.”*



* The project is currently in the design phase.



Landmark Projects

Qurtoba

Mixed-use

Qurtoba is a fully integrated community offering modern living and investment opportunities designed to meet the aspirations of families and the needs of business professionals.

Strategically located in North Riyadh, “Qurtoba” offers an upscale lifestyle in a private residential community featuring luxurious villas, townhouses, and apartments alongside world-class amenities and a premium retail promenade. It also provides a flexible workspace environment tailored to modern living needs.

Project Value (SAR) 3.2 Bn

Land Area (1,000 sqm) 192

Location Riyadh

“The Future of
Living Starts
Here.”





Eng. Yousif AlHamoudi
Chief Operations Officer

Chief Operations Officer's Statement

Sustainable Leadership and Continuous Growth

I am immensely proud of what we've achieved and even more excited about what lies ahead. Our success is a testament to the dedication of our people, the power of our technology, and the strength of our customer relationships. Together, we're not just adapting to the future of real estate – we are actively shaping it.

Pillars of Success

As Chief Operations Officer of Retal, I am proud to reflect on our transformative journey through 2024, a year marked by significant operational milestones that have positioned us at the forefront of our industry. Our success has been built on three fundamental pillars: our people, embrace of digital innovation, and unwavering commitment to customer-centric commercial strategies.

Strengthening People & Culture

Throughout the year we made great progress in strengthening our organisational culture, launching initiatives that have not only enhanced the employee experience but also fostered leadership development and talent retention. This focus on our people has been instrumental in reinforcing our high-performance, innovation-driven environment. Such talent-based dynamics are integral to our ability to drive our company forward.

Advancing Digital Transformation

Our digital transformation efforts have been equally impactful. By implementing AI-driven customer insights, enhancing our CRM capabilities, and automating key processes, we have streamlined our operations, optimised sales performance, and significantly improved our decision-making processes. This technological leap has allowed us to elevate our customer care and engagement to new heights, introducing data-driven personalisation and innovative service solutions that have markedly increased customer satisfaction and brand loyalty.

Strategic Commercial Growth

On the commercial front we achieved contracted sales of 1,979 billion SAR, which is our highest ever level and 38% more than 2023. We also handed over 766 units. Our refined marketing, sales, and corporate communication strategies have helped us to strengthen our brand positioning and market share while optimising our sales funnel conversions. The synergy between our operational improvements and commercial strategy has also been a key driver of our success, enabling us to navigate external challenges with agility and resilience.

Future Outlook

Looking ahead to 2025, I see both exciting opportunities and challenges on the horizon. We will continue to invest in our people and will further expand our use of AI and data-driven innovation across all aspects of our business. We remain committed to enhancing our customer-centric strategies, elevating the brand experience “and awareness” through strategic communication, while optimising our operational efficiencies through continued digitalisation. Of course, we will need to remain adaptable in the face of evolving market dynamics, balancing our drive for innovation with flawless strategic execution. Talent retention and upskilling are part of that latter dynamic – and will be crucial as we navigate a competitive job market and changing industry demands. As we move forward, I'm particularly excited about our focus on people-first leadership, our use of AI to drive exceptional customer experiences, and our data-backed approach to commercial excellence. These, combined with our strong corporate reputation and clear vision for the future, position Retal to lead with a culture-driven, digital-first approach. I am confident that this will enhance our commercial growth and operational efficiency well beyond 2025.

By maintaining a balance between innovation and sustainability, Retal aims to solidify its position as a leader in Saudi Arabia's real estate sector while shaping urban environments that resonate with the needs of future generations.

Operational Review

Our People and Culture

People are the foundation of our success and the driving force behind our ability to achieve sustainable growth. In alignment with Saudi Vision 2030, we are committed to fostering a highly skilled, motivated, and diverse workforce that not only supports the company's strategic goals but also contributes to the Kingdom's broader ambitions of economic diversification and social development.





Operational Review (continued)

Our People and Culture

Talent Retention: A Strategic Priority

In 2024, talent retention remained a top priority as we navigated the challenges of a competitive labour market within the booming real estate sector. Recognising that retaining top talent is essential to maintaining operational excellence and driving innovation, we implemented comprehensive initiatives designed to enhance employee satisfaction and loyalty.

These included:

- **Recognition Programmes:** Monthly Best Performer Awards celebrate individual achievements across departments, fostering a culture of appreciation and motivation.
- **Tailored Support:** Leadership development programmes for directors and tailored benefits such as school fee support ensure employees feel valued at every stage of their career journey.
- **Long-Term Incentive Plans (LTI):** With the introduction of stock option schemes tied to individual and company performance, employees are empowered to see their contributions directly linked to Retal's success.





Operational Review (continued)

Building a Highly Skilled Workforce

Investing in training and development is central to Retal's commitment to creating a future-ready workforce that aligns with Vision 2030's emphasis on skill enhancement and workforce nationalisation. In 2024, we expanded our organisational development efforts with initiatives such as:

- **Fast-Track Programme:** This initiative accelerates career development for high-potential employees through targeted skills training, ensuring that talent is nurtured for leadership roles.
- **Career Path:** A structured approach that provides employees with clear pathways for growth within their areas of expertise, supported by necessary training and development opportunities.
- **Graduate Development Programme:** Launched in collaboration with two of the Kingdom's most prestigious universities – the Imam Abdulrahman bin Faisal University, and the King Fahd University of Petroleum and Minerals, this three-year programme equips fresh graduates with industry-specific skills, preparing them for impactful careers in real estate development.

These initiatives build on the successes of 2023, where 136 Retal employees collectively accumulated over 2,970 training hours, reflecting our ongoing commitment to learning and development as a cornerstone of employee engagement and satisfaction.

Commitment to Vision 2030

As part of our alignment with Vision 2030, Retal has made significant strides in advancing Saudisation and promoting diversity within the workforce. By the end of 2024, the proportion of Saudi cadres reached a significant increase, supported by proactive recruitment strategies and partnerships with training centres. Female participation a key focus area as we strive to meet national goals for gender inclusion in the workplace.

Moreover, Retal's human capital strategy supports Vision 2030's emphasis on aligning education with market needs by fostering collaboration between academia and industry. Through initiatives like our graduate programme and vocational training partnerships, we are equipping Saudi nationals with the skills needed to thrive in high-demand fields.

Employee Engagement: A Culture of Collaboration

Retal's approach to employee engagement is rooted in open communication and continuous improvement. In 2024, we enhanced existing frameworks with new initiatives such as:

- A biannual performance management system, providing employees with actionable feedback to help them achieve their KPIs.
- The Your Voice Initiative, offers employees a confidential platform to share concerns or ideas.

In coordination with the Corporate Communications Department, management implemented a variety of communication activities. These included publishing monthly newsletters and sending weekly informative, educational, and recreational emails. Regular meetings were held to discuss employee opinions and stay updated on their latest developments. Additionally, recreational activities were organised to enhance team spirit, such as celebrating National Day, Founding Day, and the blessed Eid al-Fitr and Eid al-Adha. These efforts also included organising an annual gathering dedicated to honouring group employees and appreciating their contributions.

Looking Ahead: Opportunities in 2025

As we look forward to 2025, Retal aims to harness emerging technologies such as AI to enhance talent acquisition processes, workforce planning and employee relations. This forward-thinking approach enables us to continue building a resilient workforce capable of driving innovation and excellence.

By prioritising talent retention, skills development, diversity, and employee engagement, Retal is not only shaping the future of real estate but also contributing meaningfully to the evolution of a highly skilled workforce.

Operational Review (continued)

Innovation in Technology

Revolutionary Customer Digital Ecosystem

Retal's digital transformation strategy in 2024 has been pivotal in reshaping the real estate experience in Saudi Arabia. By embedding advanced technologies into every aspect of its operations, Retal has created a seamless, customer-focused digital ecosystem that prioritises efficiency, transparency, and personalisation. This strategy is not merely about adopting new tools but about reimagining how technology can empower customers, optimise operations, and align with Saudi Arabia's Vision 2030. At its core, Retal's approach is driven by the belief that digital innovation must translate into tangible improvements for customers and stakeholders.





Operational Review (continued)

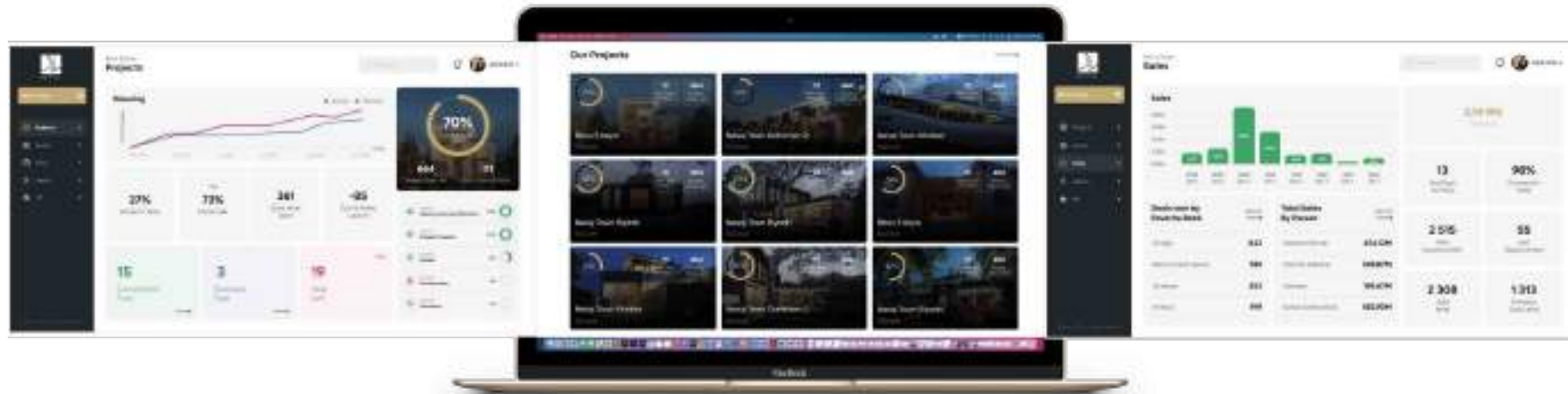
Innovation in Technology

End-to-end Digital Development

The cornerstone of Retal's digital transformation lies in its end-to-end digital ecosystem, which now spans the entire lifecycle of property development and ownership. From opportunity identification to unit handover, every stage of the process has been digitised to enhance customer convenience and operational efficiency. In 2024, Retal achieved a significant milestone by completing the rollout of a raft of customer-facing digital solutions and completed 25 fully digital initiatives. These initiatives streamlined processes across the

board, ensuring that every interaction with Retal was intuitive, efficient, and satisfying.

By year-end, a total of 1,977 units were handed over and completed digitally in 2024, demonstrating the company's ability to deliver on its promise of convenience and transparency. The culmination of this effort is most evident in the enhanced customer journey. Retal has prioritised simplifying property transactions while maintaining high levels of engagement and satisfaction. The company's focus on creating a seamless experience underscores its commitment to redefining how customers interact with real estate services.



Operational Review (continued)

Enhancing the Customer Experience Through Technology

Central to this transformation has been the evolution of the Retal App, which underwent significant enhancements in 2024 to better address customer needs – including the integration of reporting snagging issues during the handover process and the ability to track quality concerns directly through the app. It is also now possible for customers to gain real-time project updates and facilitates seamless communication. Digital tools such as immersive virtual tours and online customisation platforms also empower homeowners to design their ideal properties easily.

In addition to refining existing platforms, Retal introduced an innovative marketplace ecosystem in 2024 to further enrich the homeowner experience. This platform offers exclusive access to services such as smart home technologies, home improvement solutions, and maintenance requests through partnerships with leading providers. Currently in its beta phase, the marketplace has already shown promise as a value-added service for homeowners. Testing will continue into early 2025 as Retal fine-tunes this offering to ensure it meets customer expectations.

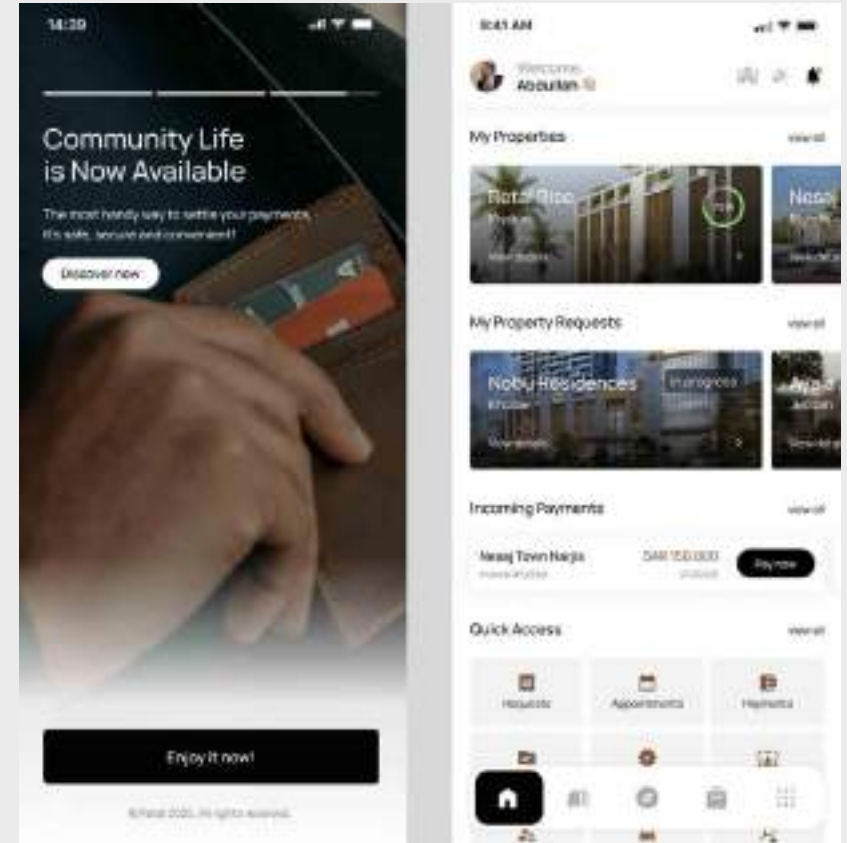
Harnessing Artificial Intelligence for Operational Excellence

Artificial intelligence (AI) has emerged as a transformative force within Retal's operations in 2024. By integrating AI into critical processes, the company has significantly enhanced efficiency and decision-making across multiple domains. One notable application has been in lead qualification.

During Cityscape 2024, Retal utilised AI to analyse over 5,000 leads efficiently, identifying high-potential customers and enabling sales teams to focus on meaningful engagements.

This automation not only streamlined operations but also freed up human resources to concentrate on strategic tasks. AI has also played a crucial role in talent management at Retal. Through Oracle AI solutions, the company has automated skills assessments and career development planning for employees. This technology identifies training needs and growth opportunities without requiring manual intervention, allowing human resource teams to focus on fostering talent rather than administrative tasks.

Another groundbreaking development this year was the initiation of Retal's first digital twin project for a mixed-use commercial development. Digital twins are dynamic virtual models that enable predictive analytics and scenario testing during pre-construction phases. By simulating various scenarios early in the project lifecycle, Retal can optimise financial planning, operational work-flows, and risk management with great-er precision. This adoption of digital twin technology underscores Retal's commitment to leveraging advanced tools for smarter decision-making.



Operational Review (continued)

Sustainability Through Digital Innovation

Aligned with its sustainability goals, Retal has harnessed technology to enhance environmental performance across its projects. A key initiative in 2024 was the implementation of a unified data platform that consolidates social, environmental, and regulatory metrics into a single source of truth. This streamlined approach improves decision-making by providing comprehensive insights into sustainability performance while eliminating inefficiencies associated with fragmented data sources.

Additionally, sustainability objectives have been supported through predictive analytics, with digital twins helping to optimise resource usage and minimise waste during project planning stages. These innovations reflect Retal's broader vision of integrating sustainability into its core operations through technology.

Balancing Automation with Human Interaction

While automation and AI have transformed many aspects of Retal's business processes, the company remains steadfast in its commitment to preserving human interaction where it matters most – customer-facing roles.

Automation supports back-end efficiency but does not replace personalised service that defines the Retal brand. This balance ensures that while technological advancements drive operational excellence, customers continue to receive attentive and tailored support throughout their journey with Retal.

Recognition for Digital Excellence

Retal's achievements in digital transformation have garnered widespread recognition through several prestigious awards that highlight its leadership in innovation:

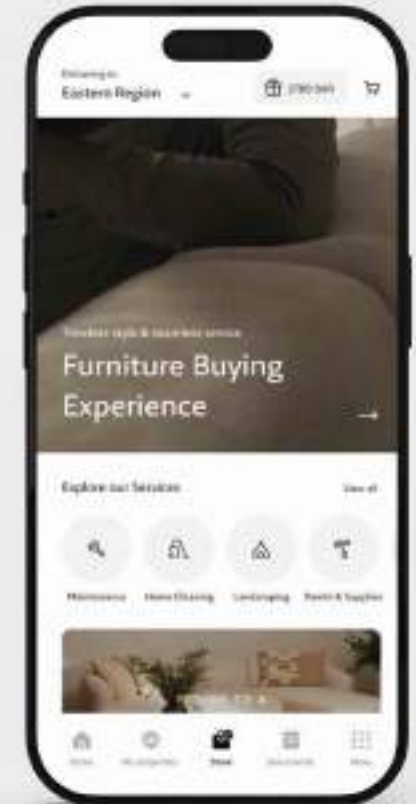
- The Big 5 Global Impact Award celebrated Retal's excellence in digital transformation initiatives.
- At the Saudi Building Infrastructure Summit, Retal was honoured for executing one of the best digital transformation projects through its proprietary Retech platform.
- The MENA Digital Awards recognised Retal for its outstanding use of technology in real estate.
- The Middle East Technology Excellence Awards highlighted analytics innovations that enhanced supply chain management within real estate projects.

These accolades underscore Retal's ability to set new benchmarks for customer experience while driving operational excellence through technology.

Looking Ahead: Expanding Innovation

As 2025 approaches, Retal is poised to build on these successes by expanding its marketplace ecosystem following its beta testing phase and advancing its digital twin capabilities for broader applications across projects. With an unwavering focus on innovation and sustainability, Retal continues to lead Saudi Arabia's real estate sector into a future defined by technological excellence and customer-centricity.

By seamlessly integrating advanced technologies into every aspect of its business model while preserving human interaction where it matters most, Retal remains committed to delivering transformative experiences for both customers and stakeholders alike.



GRC Management





Governance, Risk, and Compliance

Introduction

Sustainability is a fundamental pillar of urban development, ensuring sustainable growth that promotes long-term success. In this context, governance, risk, and compliance (GRC) management is key in enhancing operational efficiency and building trust among shareholders and stakeholders.

This GRC Report outlines our firm commitment to high standards across all aspects of our operations. It highlights our dedication to implementing effective governance policies that ensure compliance with local and international laws and regulations.

This report aims to provide a comprehensive overview of the measures taken by Retal in the areas of governance, risk management, and compliance and how these efforts

contribute to achieving our strategic goals and strengthening the trust between us and our partners in success.

In line with our commitment to best governance practices, we ensure the application of the highest standards of transparency and accountability to make informed decisions that balance economic, social, and environmental dimensions. We are also developing a proactive approach to risk management based on a comprehensive analysis of potential challenges and the formulation of innovative strategies to address changes, ensuring the stability and sustainability of our operations. Compliance management reflects our strong dedication to implementing systems and regulations and reinforcing corporate values that protect shareholder rights and establish principles of credibility and transparency.

We believe that integrating governance, effective risk management, and compliance with regulatory standards is the pathway to achieving a comprehensive developmental vision that leaves a positive and lasting impact on the cities and communities we serve.

Regarding ownership structure, the Company features a clear and balanced distribution of shares. Al Fozan Holding holds a closed shareholding of 52.98%, while foreign investors own a stake of 9.39%. In terms of investor structure, institutional investors hold 86.37% of the total shares, while individuals own 13.63% of the shares.

These figures demonstrate our actual efforts toward transparency and serve as clear evidence of our commitment to applying the highest standards of transparency and disclosure. They also help establish an attractive investment environment based on clarity and trust, ensuring sustainable growth and enhanced value for shareholders and stakeholders alike.





Governance, Risk, and Compliance Insights

Governance Excellence: A Commitment to Long-Term Value Creation

Retal Urban Development’s GRC framework is designed to fulfill regulatory expectations, uphold ethical standards, and drive sustainable growth. By integrating risk management, corporate governance best practices, and proactive investor engagement, we continue to strengthen our market position and deliver enduring value to stakeholders.

Compliance & Ethics

Retal is committed to maintaining the highest compliance and ethical standards, in alignment with Saudi Capital Market Authority (CMA) regulations and global governance principles.

Compliance with
CMA regulations

95.1%

Non-compliance
incidents related to
governance in 2024

Zero

Board Structure & Leadership

Retal Urban Development’s governance framework is built on a foundation of transparency, integrity, and accountability, ensuring strategic oversight and value creation for all stakeholders.

Board members with
expertise spanning real
estate, finance, and
strategic planning to drive
sustainable growth

9

Independent board members
ensuring unbiased governance
and decision-making

33%

Board meeting attendance

100%

Shareholder Rights & Engagement

Retal upholds strong shareholder rights, ensuring transparency and direct engagement with investors.

Year-to-date total assets
grew

15.6%

Total assets (SAR)

4.2Bn

Market capitalisation (SAR)

8.09 Bn

Per share declared
dividends in 2024 (SAR)

0.27



Governance, Risk, and Compliance (continued)

Corporate Governance

Retal's Board is structured upon strong foundations of transparency, integrity, and accountability, cementing principles of robust governance, enhancing strategic oversight, and ensuring sustainable value for all stakeholders.

The Board consists of nine members, each recognised for their proficiency and extensive experience in the real estate and financial sectors, as well as strategic planning, guiding the Company towards balanced and sustainable growth. With 33% independent members, the Board guarantees impartial decision-making, reinforces governance independence, and eliminates conflicts of interest, fully aligned with the highest corporate standards.



The Board's effective performance highlights its deep commitment to sound governance, demonstrated by high attendance rates at regular meetings and numerous specialised committee meetings, strengthening strategic oversight frameworks. The balance between executive and non-executive members reinforces the separation of executive management and strategic control, enhancing corporate independence and ensuring informed decisions that benefit the Company's sustainable growth. Regarding compliance, Retal maintains its rigorous adherence to the highest ethical and regulatory standards, in line with Capital Market Authority regulations and global best practices in governance, achieving a 95.1% compliance rate in 2024, with no governance-related breaches recorded.

Retal places significant emphasis on safeguarding shareholder rights and promoting the highest levels of transparency and effective engagement, fostering mutual trust and supporting a robust and sustainable investment framework. In 2024, Retal's market capitalisation was valued at 8 billion SAR. The company also declared dividend distributions of 0.27 riyals per share, and the Annual General Meeting witnessed a participation rate of 77%, reflecting positive shareholder engagement. Furthermore, Retal strengthened its investor relations by conducting four earnings calls with analysts and investors, and participating in 6 investment events, underscoring its commitment to transparency and continuous disclosure of its financial performance.

Governance, Risk, and Compliance (continued)

Board of Directors Formation

The Company's Board of Directors consists of nine members, including five non-executive members and three independent members, as defined by the corporate governance regulations. Each member brings extensive experience and high-level skills, amplifying The Board's ability to perform its duties efficiently and effectively. The Board members possess diverse expertise, solidifying their position as leaders with strategic vision and in-depth knowledge that supports the achievement of the Company's objectives and the development of its performance.

Last date: May 25 2025



Abdullah Abdullatif Al Fozan
Chairman
(Non-executive)
Joining date: July 19, 2020



Ali Abdullatif Al Fozan
Vice Chairman
(Non-executive)
Joining date: July 19, 2020



Majed Al Nefaie
Board Member
(Independent)
Joining date: November 28, 2020



Hani Othman Saeed BaOthman
Board Member
(Independent)
Joining date: August 1, 2021



Abdulrahman Abdullah Al Wabel
Board Member
(Independent)
Joining date: August 1, 2021



Fozan Mohamed Al Fozan
Board Member
(Non-executive)
Joining date: July 19, 2020



Fahad Abdulrahman Al Mojil
Board Member
(Non-executive)
Joining date: July 19, 2020



Eng. Abdullah Faisal AlBraikan
Board member
(Executive)
Joining date: July 19, 2020



Abdulrahman Ibrahim Al Jalal
Board Member
(Non-executive)
Joining date: July 19, 2020



Husam Mohammed Al Kaf
Secretary of the Board and Committees
Joining date: September 6, 2020



Responsibilities and Functions of the Board of Directors

1. Board Responsibility

The Board of Directors represents all shareholders. It is required to exercise due diligence and loyalty in managing the Company, ensuring its interests are safeguarded, its development is supported, and its value is maximised.

The responsibility for the Company's operations lies with the Board of Directors. Even if it delegates tasks to committees, entities, or individuals, in all cases, the Board may not issue a general or indefinite delegation of authority.

2. Board Functions

Following the powers granted to the General Assembly under the Companies Law, its executive regulations, and the Company's bylaws, the Board of Directors has the widest authority in managing the Company and directing its operations to achieve its objectives. The responsibilities and tasks of the Board include the following:

Firstly, Setting the Company's plans, policies, strategies, and key objectives, overseeing their implementation and reviewing them periodically, and ensuring the availability of the necessary human and financial resources to achieve them, including:

- Developing the Company's overall strategy, key work plans, risk management policies, and procedures, reviewing and guiding them.
- Determining the Company's optimal capital structure, its financial strategies and objectives, and approving the various types of budgets.

- Overseeing the Company's major capital expenditures, asset acquisitions, and disposals.
- Setting performance goals, monitoring their implementation, and assessing overall company performance.
- Periodically reviewing and approving the organisational and functional structures of the Company.
- Ensuring the availability of the necessary human and financial resources to achieve the Company's goals and main plans.

Secondly, Establishing internal control systems and overseeing them, including:

- Developing a written policy to address actual and potential conflicts of interest for both the Board members, the executive management, and shareholders, including misuse of company assets and facilities and misconduct related to transactions with related parties.
- Ensuring the integrity of financial and accounting systems, including systems related to financial reporting.
- Ensuring the application of suitable control systems to measure and manage risks, creating a comprehensive view of potential risks facing the Company, and fostering a company-wide risk management culture, sharing it transparently with stakeholders and related parties.
- Annually reviewing the effectiveness of the Company's internal control procedures.



Responsibilities and Functions of the Board of Directors (continued)

- Developing clear and defined policies, standards, and procedures for membership on the Board of Directors – consistent with the mandatory provisions of this regulation – and implementing them after being approved by the General Assembly.
- Developing a written policy to regulate the relationship with stakeholders according to the provisions of this regulation.
- Developing policies and procedures that ensure the Company's compliance with regulations and its commitment to disclose material information to shareholders and stakeholders, as well as ensuring executive management's adherence to them.
- Overseeing the Company's financial management, cash flows, and its financial and credit relationships with third parties.

Thirdly, Proposing to the Extraordinary General Assembly the following:

- Increasing or decreasing the Company's capital.
- Proposing the dissolution of the Company before the date specified in the Company's bylaws or deciding on its continuation.

Lastly, Proposing to the Ordinary General Assembly the following:

- Using the Company's reserves if they have not been allocated for a specific purpose in the Company's bylaws.
- Forming additional financial reserves or provisions for the Company.
- The method of distributing the Company's net profits.
- Preparing the Company's interim and annual financial statements and approving them before publishing.
- Preparing the Board of Directors' report and approving it before publication.
- Ensuring the accuracy and integrity of the data and information to be disclosed by the applicable disclosure and transparency policies and work systems.
- Establishing effective communication channels that allow shareholders to continuously and periodically access information on the Company's activities and any significant developments.
- Forming specialised committees derived from the Board with decisions that specify the duration of the committee, its powers, responsibilities, and how the Board will monitor them. The decision on formation should include naming the members and defining their tasks, rights, and duties, along with evaluating the performance and activities of these committees and their members.

- Defining the types of rewards granted to employees of the Company, such as fixed bonuses, performance-related bonuses, and share-based bonuses, by the executive regulations of the Saudi Joint Stock Companies Law.
- Informing the Ordinary General Assembly upon its convening of any business or contracts in which any Board member has a direct or indirect interest. This notification should include the information provided by the member to the Board by paragraph (14) of Article 28 of the Corporate Governance Regulations, accompanied by a special report from the Company's external auditor.
- Establishing the values and standards that govern operations within the Company.



Board of Directors Meetings

Four meetings of the Board of Directors were held. The table below shows attendance details:

| Member Name | First meeting 24 April | Second meeting 7 July | Third meeting 6 October | Fourth meeting 19 December |
|---|---------------------------|--------------------------|----------------------------|-------------------------------|
| Abdullah Abdul Latif Ahmed Al Fozan | ✓ | ✓ | ✓ | ✓ |
| Ali Abdul Latif Ahmed Al Fozan | ✓ | ✓ | ✓ | ✓ |
| Majed Aedh Ajlan Al Nefaie | ✓ | ✓ | ✓ | ✓ |
| Hani Othman Saeed BaOthman | ✓ | ✓ | ✓ | ✓ |
| Abdulahman Abdullah Saleh Al Wabel | ✓ | ✓ | ✓ | ✓ |
| Fozan Mohammed Ahmed Al Fozan | ✓ | ✓ | ✓ | ✓ |
| Fahad Abdulrahman Mohammed Al Mojil | ✓ | ✓ | ✓ | ✓ |
| Abdullah Faisal Abdulaziz Al Braikan | ✓ | ✓ | ✓ | ✓ |
| Abdulahman Ibrahim Abdulrahman Al Jalal | ✓ | ✓ | ✓ | ✓ |

Skills and Expertise of Board Members



Mr. Abdullah Abdullatif Al Fozan
Chairman of the Board of Directors
(Non-executive)
Chairman of Executive Committee

Qualifications

Bachelor Of Business Administration - Accounting Department From King Saud University In Riyadh, 1989.

Experience

Brings More Than 30 Years Of Experience In Economics And Business Administration.

Current Executive Positions

- Manager Of Khobar Lakes Real Estate Development Company (Limited Liability Company).
- Manager Of Shomoul Commercial Complex Company (Limited Liability Company).
- Manager Of Azdan Al Sharq Trading Company Limited (Limited Liability Company).
- Manager Of Atheel Holding Company (Limited Liability Company).
- Manager Of Atheel Arabia Services Company (Limited Liability Company).
- Manager Of Ittila'a Al Arabiya Trading Company (Limited Liability Company).
- Manager Of Safinat Arabia Contracting Company (Limited Liability Company).
- Manager Of Abdul Latif Al Fozan Mosque Architecture Award Company Manager Of Autism Educational Endowment Services Company (Limited Liability Company).
- Manager Of Gulf Elixir Contracting Company (Limited Liability Company).
- Manager Of Al Fozan Investment Company Limited (Limited Liability Company).
- Manager Of Masarat Investment Company (Limited Liability Company).
- Manager Of Sumou Arabia Trading Company (Limited Liability Company)

Previous Executive Positions

- Manager Of Arabian View Trading Company Limited (Limited Liability Company).
- Manager Of Ascend Advanced Healthcare Solutions Company (Limited Liability Company).

Current Memberships

- Chairman Of The Board - Retal Urban Development Company (Listed Joint Stock Company).
- Chairman Of The Executive Committee - Retal Urban Development Company (Listed Joint Stock Company).
- Board Member of Jeddah Central Development Company (Closed Joint Stock Company).
- Chairman Of The Board - Bawan Holding Company (Listed Joint Stock Company).
- Chairman Of The Board - Al Fozan Holding Company (Closed Joint Stock Company).
- Chairman Of The Board - Dhahran International Exhibitions Company (Closed Joint Stock Company).
- Vice Chairman Of The Board - Saudi Tharwa Company (Closed Joint Stock Company).
- Managing Director - Abdullatif And Mohammed Al Fozan Holding Company (Closed Joint Stock Company).
- Managing Director - Maali Holding Company (Closed Joint Stock Company).
- Managing Director - Ajwad Holding Company (Closed Joint Stock Company).
- Managing Director - Al Maali Holding Company (Closed Joint Stock Company).
- Managing Director - Zawaya Holding Company (Closed Joint Stock Company).

- Chairman Of The Board Of Directors - Gulf Welfare Company Limited (Limited Liability Company).
- Chairman Of The Board Of Directors - Maali Gulf Trading Company (Limited Liability Company).
- Chairman Of The Board Of Directors - Ajdan Real Estate Development Company (Limited Liability Company).
- Chairman Of The Board Of Directors - Remal Al Khobar Real Estate Company (Limited Liability Company).
- Chairman Of The Board Of Directors - Midad Holding Company (Limited Liability Company).
- Vice Chairman Of The Board Of Directors - Shomoul Holding Company (Limited Liability Company).
- Board Member - Saudi Projects And Supplies Company (Limited Liability Company).
- Board Member - Gulf Riyadh Company Limited (Limited Liability Company).
- Board Member - Amjal Real Estate Development Company (Limited Liability Company).
- Board Member - Madar Building Materials Company Limited (Limited Liability Company).
- Board Member - Gulf Funds For Commercial Investment Company (Limited Liability Company).
- Board Member - National Center For Family Enterprises (Affiliated With The Ministry Of Commerce).

Previous Memberships

- Chairman of United Electronics Company "Extra" (Listed Joint Stock Company).
- Vice Chairman of Aloula Real Estate Development Company (Closed Joint Stock Company).
- Board Member of Arab Paper Manufacturing Company (Closed Joint Stock Company).
- Chairman of United Household Supplies Company (Limited Liability Company).
- Chairman of Arnon Plastics Industries Company Limited (Limited Liability Company).
- Board Member of Madar Hardware Company (Limited Liability Company).
- Board Member of Enjaz Projects Company Limited (Limited Liability Company).
- Board Member of Madar Electrical Materials Company (Limited Liability Company).
- Board Member of United Transformers Electric Company (Limited Liability Company).
- Board Member of United Company for Electrical Stations and Circuit Breakers Technology (Limited Liability Company).
- Board Member of Digital and Electronic Solutions Development Company (Limited Liability Company).
- Board Member of Nesaj Residential Compound Real Estate Company (Limited liability Company).

Skills and Expertise of Board Members (continued)



Mr. Ali Abdullatif Al Fozan
Vice Chairman of the Board
(Non-executive)

Qualifications

Diploma from the Department of Financial Studies at the Institute of Public Administration in 1986.

Experience

Brings more than 30 years of experience in economics and business administration.

Current Executive Positions

Manager of Al Fozan Holding Company (Limited Liability Company).

Current Memberships

- Vice Chairman of the Board – Retal Urban Development Company (Listed Joint Stock Company).
- Board Member – Abdullatif and Mohammed Al Fozan Holding Company (Closed Joint Stock Company).
- Board Member – Al Fozan Holding Company (Closed Joint Stock Company).
- Board Member – Maali Holding Company (Closed Joint Stock Company).
- Board Member – Ajwad Holding Company (Closed Joint Stock Company).
- Board Member – Zawaya Holding Company (Closed Joint Stock Company).
- Chairman of the Board of Managers – Madar Hardware Company (Limited Liability Company).
- Chairman of the Board of Managers – Madar Electrical Materials Company (Limited Liability Company).
- Chairman of the Board of Managers – Gulf Riyadh Company (Limited Liability Company).
- Board Member – Madar Building Materials Company (Limited Liability Company).
- Board Member – Saudi Projects and Supplies Company (Limited Liability Company).



Mr. Majed Aedh Al Nefaie
Board Member (Independent)

Qualifications

Bachelor of Accounting from Umm Al-Qura University in Mecca, Saudi Arabia, in 1998.

Experience

Brings more than 22 years of experience in travel and tourism.

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint

Previous Executive Positions

- CEO - Seera Holding Group (Listed Joint Stock Company).
- CEO - Seera Holidays Company (Limited Liability Company).
- CEO - Seera Hospitality Company (Limited Liability Company).
- CEO - Seera Hotels Company (Limited Liability Company).
- CEO - Mothmera Real Estate Development and Investment Company (Limited Liability Company).
- CEO - Discover Saudi Company (Limited Liability Company).
- CEO - Riyadh Front Company (Limited Liability Company).
- CEO - Mawasem for Umrah Services Company (Limited Liability Company).
- CEO - Sheraton Makkah Company (Limited Liability Company).

Previous Memberships

- Chairman of Mawasem Investment Company (Limited Liability Company).
- Chairman of Lumi Rental Company (Listed Joint Stock Company).
- Chairman of Almosafer Travel and Tourism Company (Closed Joint Stock Company).
- Board Member of Seera Holding Group (Listed Joint Stock Company).

Skills and Expertise of Board Members (continued)



Mr Hani Othman BaOthman
Board Member (Independent)
Chairman of Nominations and
Remunerations Committee NRC

Qualifications

- Bachelor in mechanical engineering from the University of Reading in the UK, 1995.
- Master in business administration from the University of London in the UK, 2001.

Experience

Brings more than 20 years of experience in the field of investments.

Previous Executive Positions

- Managing Director and CEO of Sidra Capital (Closed Joint Stock Company).
- CEO of Aayan Arabia Holding Company (Holding Company).
- Investment Manager of SEDCO Holding Company (Holding Company).
- Investments Manager of Islamic Corporation for the Development of the Private Sector (A development financial institution affiliated with the Islamic Development Bank Group).

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint Stock Company).
- Chairman of Nominations and Remunerations Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Chairman of Sidra Capital Company (Closed Joint Stock Company).
- Chairman of Inox Financials (Closed Joint Stock Company) of Geneva.

Previous Memberships

- Board Member of Emaar Company, King Abdullah Economic City (Closed Joint Stock Company).
- Board Member of Al Khozama Management Company (Closed Joint Stock Company).



Mr. Abdulrahman Abdullah Al Wabel
Board Member (Independent)
Chairman of Audit Committee

Qualifications

Bachelor's degree in law from King Saud University in Riyadh, 1989.

Experience

Brings more than 30 years of experience in economics and business administration.

Current Executive Positions

Secretary General of Asharqia Chamber (non-profit authority).

Previous Executive Positions

- Assistant Secretary-General for Subscriber Services of Asharqia Chamber (non-profit Authority).
- Director of the Legal Department of Asharqia Chamber (non-profit Authority).
- Legal advisor of Asharqia Chamber (non-profit Authority).
- Legal advisor of National Commercial Bank SNB (Listed Joint Stock Company).

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint Stock Company).
- Chairman of the Audit Committee for Retal Urban Development Company (Listed Joint Stock Company).
- Board Member of Dhahran International Exhibitions Company (Closed Joint Stock Company).



Skills and Expertise of Board Members (continued)



Mr. Fozan Mohammed Al Fozan
Board Member (Non-executive)

Qualifications

Bachelor's degree in Accounting from King Saud University in Riyadh, 1993.

Experience

Brings more than 25 years of experience in economics and business administration.

Current Executive Positions

Managing Director of Bawan Holding Company (Listed Joint Stock Company).

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint Stock Company).
- Board Member of United Electronics Company "Extra" (Listed Joint Stock Company).
- Chairman of BLOM INVEST Company (Closed Joint Stock Company).
- Chairman of United Financial Services Company (Closed Joint Stock Company).
- Board Member of Al Fozan Holding Company (Closed Joint Stock Company).
- Board Member of Abdullatif and Mohammed Al Fozan Holding Company (Closed Joint Stock Company).
- Board Member of Al Yamamah Steel Industries Company Limited (Closed Joint Stock Company).
- CEO of Al Mada Holding Company (Limited Liability Company).
- CEO of Amjal Real Estate Development Company (Limited Liability Company).
- Board Member of Madar Building Materials Company Limited (Limited Liability Company).



Mr. Fahad Abdulrahman Al Mojl
Board Member (Non-executive)
Vice Chairman of the Nominations and Remunerations Committee

Qualifications

- Bachelor's in Industrial Management from King Fahd University of Petroleum and Minerals in Dhahran, 1991.
- Certification in Financial Analysis and Risk Management from Saudi Monetary Agency, 1994.
- Certification in Islamic Banking from Bahrain Institute for Banking and Financial Studies, 1997.

Experience

Brings more than 30 years of experience in the fields of real estate development, investments and business management.

Previous Executive Positions

- Operations Manager of National Metal Manufacturing & Casting Company (Listed Joint Stock Company).
- Credit and Risk Management Officer of Arab National Bank (Listed Joint Stock Company).
- Executive Vice President of Shamil Bank of Bahrain (Listed Joint Stock Company).
- General Manager of Gulf Real Estate Development Company (Closed Joint Stock Company).

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint Stock Company).
- Vice Chairman of Nominations and Remunerations Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Vice Chairman of Saudi Real Estate Company (Listed Joint Stock Company).
- Board Member of Al Khumasia Company for Feed and Animal Production (Closed Joint Stock Company).
- Board Member of Bloom Investment Company (Closed Joint Stock Company).
- Board Member of RUA Al Madinah Holding (Closed Joint Stock Company).
- Board Member of Saudi Tharwa Company (Closed Joint Stock Company).

Previous Memberships

- Board Member - Al Etihad Cooperative Insurance Company (Listed Company).
- Board Member - Amlak Investment Company (Closed Joint Stock Company).
- Board Member - Al Widyah Saudi Real Estate Company (Closed Joint Stock Company).

Skills and Expertise of Board Members (continued)



Mr. Abdullah Faisal AlBraikan
Board Member (Executive)
Member of Executive Committee

Qualifications

Bachelor's degree in Architectural Engineering from King Faisal University in Dammam, 2006.

Experience

Brings more than 15 years of experience in real estate development and business management.

Current Executive Positions

CEO of Retal Urban Development Company (Listed Joint Stock Company).

Previous Executive Positions

Projects Manager - Abdullatif and Mohammed Al Fozan Company

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint Stock Company).
- Board Member of Jeddah Central Development Company (Closed Joint Stock Company).
- Chairman of the Investment & Finance Committee – Jeddah Central Development Company (Closed Joint Stock Company).
- Executive Committee – Jeddah Central Development Company (Closed Joint Stock Company).
- Board Member of Saudi Tharwa Company (Closed Joint Stock Company).
- Board Member of Tadbeir Company Limited (Limited Liability Company).
- Chairman of the Board of Directors of Adara Real Estate Company (Limited Liability Company).
- Chairman of Nesaj Urban Development Company (Limited Liability Company).
- Chairman of the Board of Directors of Building Construction Company Limited (Limited Liability Company).
- Chairman of the Board of Directors of Nesaj Urban Development Company (Limited Liability Company).
- Chairman of the Board of Directors of United Wasm Real Estate Valuation Company (Limited Liability Company).
- Chairman of the Board of Directors of Mimar Emirates and ARAC Engineering Consultants Company (Limited Liability Company).
- Chairman of the Board of Directors of ARAC Engineering Consultancy Company (Limited Liability Company).
- Board Member of Remal Al Khobar Real Estate Company (Limited Liability Company).
- Board Member of The Saudi Charitable Association for Promoting Organ Donations “Ethar” (Charitable organisation).
- Al Fozan Community Service Initiatives (Charitable organisation).
- Development Housing Committee (Emirate of Eastern Province).

Previous Memberships

- Executive Council for Young Businessmen in the Eastern Region (government organisation).
- Housing and Urban Development Committee of Asharqia Chamber (non-profit Authority).

Skills and Expertise of Board Members (continued)



Mr. Abdul Rahman Ibrahim Al Jalal
Board Member (Non-executive)
Member of Nominations and
Remunerations Committee NRC
Member of Audit Committee
Vice Chairman of Executive Committee

Qualifications

- Bachelor's degree in accounting from King Saud University in 1996.
- Master's degree in Business Administration from the University of Bahrain College in 2016.

Experience

Brings more than 20 years of practical experience in the energy, petrochemicals and services sectors in private and semi-governmental companies and civil society institutions.

Current Executive Positions

CEO of Dhahran International Exhibitions Company (Closed Joint Stock Company).

Previous Memberships

Board Member - Nab' Al-Sihha Company (Closed Joint Stock Company).

Previous Executive Positions

- Executive Vice President for Financial Affairs and Shared Services of National Gas and Industrialization Company (listed Joint Stock Company).
- Assistant Secretary-General for Subscribers and Business Development Sector of Asharqia Chamber (non-profit Authority).
- Assistant Secretary - General for Subscriber Services of Asharqia Chamber (non-profit Authority).
- Assistant Secretary - General for Administrative Services of Asharqia Chamber (non-profit Authority).
- Head of Finance, Budget and Reports Department of Advanced Petrochemical Company (Listed Joint Stock Company).
- Head of Fixed Assets Department of Advanced Petrochemical Company (Listed Joint Stock Company).
- Senior Accountant of Saudi Electricity Company (Listed Joint Stock Company).
- Accountant of King Fahd University of Petroleum and Minerals (Governmental).(Closed Joint Stock Company).

Current Memberships

- Board Member of Retal Urban Development Company (Listed Joint Stock Company).
- Member of Nominations and Remunerations Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Member of the Audit Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Member of the Executive Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Member of the Board of Directors – Saudi Reinsurance Company “Saudi Re” (Listed Joint Stock Company).
- Chairman of the Nomination and Remuneration Committee – Saudi Reinsurance Company “Saudi Re” (Listed Joint Stock Company).
- Member of the Executive Committee – Saudi Reinsurance Company “Saudi Re” (Publicly Listed).
- Member of the Board of Managers – Nesaj Residential Compound Real Estate Company (Limited Liability Company).
- Chairman of the Board of Managers – Tadbeer Company Ltd. (Limited Liability Company).
- Member of the Board of Managers – Al-Tameer & Construction Company Ltd. (Limited Liability Company).
- Chairman of the Board of Managers – Tadbeer Environmental Services Company Ltd. (Limited Liability Company).
- Member of the Board of Managers – Creative Experiences Company Ltd. (Limited Liability Company).
- Member of the Board of Directors – Ritz-Carlton Residences Al Khobar Fund.
- Partner and Co-founder – Hajiz Investment Company Ltd. (Limited Liability Company).
- Partner and Co-founder – Construction Projects Holding Company (Holding Company).
- Partner and Co-founder – Estifa' Al-Turba Environmental Services Company Ltd. (Limited Liability Company).



Skills and Expertise of Board Members (continued)



Husam Mohammed Al Kaf
Secretary of the Board and Committees

Qualifications

- Bachelor of Marketing and Production Management from the University of Science and Technology in Yemen, 2010.
- Certificate of Compliance Professional (CCP) from the International Compliance and Anti-Money Laundering Institute (UK), in 2018.
- Accredited Certificate in Corporate Governance from Business Intelligence Training Center, 2023.

Experience

Brings more than 15 years of experience in the secretariat of boards and committees.

Current Executive Positions

- Board Secretary of Retal Urban Development Company (Listed Joint Stock Company).
- Executive Committee Secretary of Retal Urban Development Company (Listed Joint Stock Company).
- Nominations and Remunerations Committee Secretary of Retal Urban Development Company (Listed Joint Stock Company).
- Board Secretary of Building Construction Company Limited (Limited Liability Company).
- Board Secretary of Nesaj Urban Development Company (Limited Liability Company).
- Board Secretary of Tadbeir Company Limited (Limited Liability Company).
- Board Secretary of Adara Real Estate Company (Limited Liability Company).
- Board Secretary of Mimar Emirates and ARAC Engineering Consultants Company (Limited Liability Company).

Previous Executive Positions

- Board & Committees Secretary of Baitek Real Estate Company (Limited Liability Company).
- Executive Secretary of Professional Eye Establishment.



Board and Committee Governance

Board and committee governance at Retal Urban Development Company is a cornerstone of its commitment to transparency, efficiency, and adherence to best practices in corporate governance. The Board of Directors is committed to applying sound governance principles to ensure the achievement of the Company's objectives and protect the rights of shareholders and all stakeholders, as follows:

- The Board comprises several specialised committees, including the Audit Committee, the Nominations and Remuneration Committee, and the Executive Committee. Each committee operates under approved charters that ensure its independence and effectiveness.
- The performance of the Board and its committees is evaluated periodically, and internal strategies and policies are reviewed to ensure their alignment with market developments and regulatory requirements. The Board verifies the independence of independent directors annually, per regulatory criteria and recognised best practices.

- The committees and the Board rely on clear governance systems and mechanisms that ensure the accuracy of decisions and their effective implementation in the best interests of the Company.
- Policies and regulations are reviewed and updated regularly to ensure their consistency with the Company's strategic objectives and the latest corporate governance requirements.

Board of Directors' Responsibilities

The Board of Directors of Retal Urban Development Company is responsible for overseeing the achievement of the Company's strategic objectives, ensuring adherence to best practices in governance, and protecting the interests of shareholders and stakeholders. The Board operates within a framework that promotes sustainability and transparency in all operational and administrative processes, as follows:

- Developing and approving the Company's strategic vision and operational plans and ensuring their implementation to promote growth and sustainability.
- Monitoring the Company's overall performance, ensuring the implementation of approved policies and regulations, and continuously evaluating compliance with applicable regulations and legislation.
- Applying best practices in corporate governance to ensure transparency and accountability in decision-making and risk management.

- Identifying and assessing potential risks and adopting effective mechanisms to manage them and mitigate their impact on the Company's operations.
- Approving and updating internal policies related to human resources, investments, operations, and internal audits.
- Monitoring the performance of specialised committees, such as the Audit Committee, the Nominations and Remuneration Committee, and the Executive Committee, to ensure their effective performance.
- Conducting periodic reviews of the performance of the Board and the executive management and take corrective measures to improve operational and administrative efficiency.

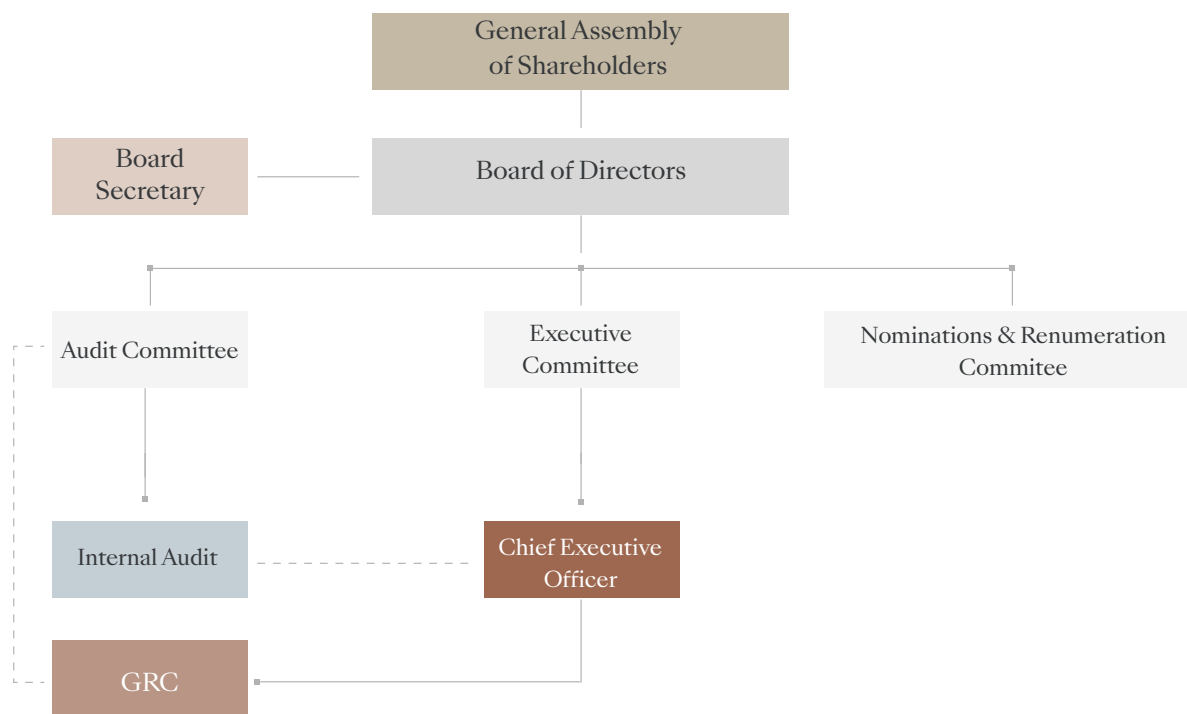
The corporate governance application rate for 2024

95.1%



Company Governance Structure

The Company's governance structure forms the basic framework through which the Company is managed. It defines how decisions are made and how management is overseen to ensure the achievement of objectives and protect the interests of shareholders and other stakeholders. This structure includes the following:



General Assemblies

During the fiscal year ended on 31 December 2024, the shareholders were invited to two general assembly meetings attended by members of the Board, as shown and detailed below:

| Names of Present Members | April 18 2024 | 27 June 2024 |
|----------------------------------|---------------|--------------|
| Abdullah bin Abdullatif Al Fozan | ✓ | ✓ |
| Ali Abdul Latif Al Fozan | ✓ | ✓ |
| Majed Aedh Al Nefaie | ✓ | ✓ |
| Hani Othman BaOthman | ✓ | ✓ |
| Abdulrahman Abdullah Al Wabel | ✓ | ✓ |
| Fozan Mohammed Al Fozan | ✓ | ✓ |
| Fahad Abdulrahman Al Mojil | ✓ | ✓ |
| Abdulrahman Ibrahim Al Jalal | ✓ | ✓ |
| Abdullah Faisal Al Braikan | ✓ | ✓ |



Board Committees

| Committee | Member Name | Position | Appointment Date | End of Term |
|--|--------------------------------------|---|-------------------|--------------|
| Audit Committee | Abdulrahman Abdullah Al Wabel | Committee Chair – Independent | August 1, 2021 | May 25, 2025 |
| | Dr. Jassim Shaheen Al Rumaihi | Vice Chair – External Independent | May 31, 2021 | May 25, 2025 |
| | Abdulrahman Ibrahim Al Jalal | Committee Member – Non-Independent | May 31, 2021 | May 25, 2025 |
| | Muhammad Irfan Khokhar Abd Alghafoor | Committee Member – External Non-Independent | July 19, 2020 | May 25, 2025 |
| Nominations and Remuneration Committee | Hani Othman BaOthman | Committee Chair – Independent | August 29, 2021 | May 25, 2025 |
| | Fahed Abdulrahman Al Mojil | Vice Chair – Non-Independent | December 3, 2020 | May 25, 2025 |
| | Abdul Rahman Ibrahim Al Jalal | Member – non-independent | December 3, 2020 | May 25, 2025 |
| | Mohammed Abdulaziz Al Aqeel | Committee Member – External Non-Independent | December 3, 2020 | May 25, 2025 |
| Executive Committee | Abdullah Abdullatif Al Fozan | Committee Chair – Non-Independent | December 3, 2020 | May 25, 2025 |
| | Abdulrahman Ibrahim Al Jalal | Vice Chair – Non-Independent | December 3, 2020 | May 25, 2025 |
| | Abdullah Faisal Al Braikan | Committee Member – Executive | December 3, 2020 | May 25, 2025 |
| | Mohammed Abdulaziz Al Aqeel | Committee Member – External Non-Independent | August 15, 2021 | May 25, 2025 |
| | Abdullatif Ali Al Fozan | Committee Member – External Non-Independent | February 20, 2022 | May 25, 2025 |

Committee Members' Files (Members from Outside the Board)



Dr. / Jassim Shaheen Hamad Al Rumaihi
Vice Chairman of Audit Committee

Qualifications

- Bachelor's in Accounting – King Saud University, Riyadh, 1984.
- Master's in Accounting – University of Missouri, Kansas City (USA), 1989.
- Doctorate in Accounting – University of Dundee, United Kingdom, 1997.
- Certified Project Management Trainer – International Project Management Association, London, 2017.
- Certified Strategic Planning Trainer – Simplified Strategic Planning Center, USA, 2017.
- Fundamentals of Risk Management Certification – Risk Management Institute, London, 2018.
- Certificate in Enterprise Risk Management Fundamentals – North Carolina State University, USA, 2018.
- Certified Corporate Governance (CCGO) – London School of Business and Finance, UK, 2018.
- Certificate in Board Member Program – International Finance Corporation (World Bank Group), 2018.

Experience

Brings over 30 years of academic and practical experience in accounting, leadership, corporate governance, organisational development, and business excellence.

Current Executive Positions

Financial and Administrative Consultant, self-employed since 20.

Previous Executive Positions

- Regional Manager, Arab Open University Branch (Private University).
- CEO, Razan Knowledge Company (Holding Company).
- Head of Organisational Development and Administrative Affairs, Razan Knowledge Company (Holding Company).
- CEO, Saudi Contractors Union Company (Closed Joint stock Company).
- Head of Financial and Administrative Affairs, Faisal Al Qahtani & Sons Trading and Contracting Company (Limited Liability Company).
- Head of Accounting and Management Information Systems Department, King Fahd University of Petroleum & Minerals (Public University).

Current Memberships

- Vice Chairman of the Audit Committee, Rital Urban Development Company (Listed Joint Stock Company).
- Audit Committee Member - Safola Group (Listed Joint Stock Company).
- Board Member, Musharaka REIT Fund (Closed Joint Stock Company).
- Board Member, Musharaka For Saudi Arabian Stocks (Closed Joint Stock Company).
- Audit Committee Member, Basic Chemical Industries Company (Listed Joint Stock Company).
- Audit Committee Member, Alujain Holding Company (Listed Joint Stock Company).
- Member of the Nominations and Remuneration Committee - Saudi Real Estate Infrastructure Company (Closed Joint Stock Company).
- Audit Committee Member, Al Rajhi Brothers (Closed Joint Stock Company).
- Audit Committee Member, Panda Company (Closed Joint Stock Company).
- Audit Committee Member - Gulf Contractors Union Company (Limited Liability).

Previous Memberships

Board Member - Nab' Al-Sihha Company (Closed Joint Stock Company).



Committee Members' Files (Members from Outside the Board)



Mr. Muhammad Irfan Khokhar
Abd Alghafoor
Member of Audit Committee

Qualifications

- Certified Financial Advisor at the Institute of Financial Advisors in 2005.
- Certified Internal Auditor at the Institute of Internal Auditors in America in 2006.
- Fellow of Chartered and Certified Accountant from the Association of Chartered Certified Accountants in the UK in 2010.
- Master's in Business Administration from Oxford Brookes University in the United Kingdom in 2020.
- Fellow of Chartered and Certified Accountant from the Association of Chartered Certified Accountants in the UK in 2010.
- Master's in Business Administration from Oxford Brookes University in the United Kingdom in

Experience

Brings more than 20 years of practical experience in auditing, accounting, and managing subsidiaries.

Current Executive Positions

Chief Financial Officer of Al Fozan Holding Group (Closed Joint Stock Company).

Current Memberships

- Member of the Audit Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Member of the Audit Committee of First Real Estate Development Company (Closed Joint Stock Company)
- Member of the Audit Committee of Khobar Lakes Real Estate Development Company (Limited Liability Company)
- Member of the Audit Committee of Ajdan Real Estate Development Company (Limited Liability Company)
- Member of the Audit Committee of Tarabot Investment and Development Company (Closed Joint Stock Company)

Previous Executive Positions

Audit Officer of Deloitte & Touche (Limited Liability Company).



Committee Members' Files (Members from Outside the Board)



Mr. Mohammed Abdulaziz Ibrahim Al Aqeel

Member of the Nominations and Remunerations Committee (NRC) and Executive Committee Member

Qualifications

Bachelor's degree in industrial engineering and Operations Research – King Fahd University of Petroleum and Minerals, 1992.

Experience

He has over 25 years of professional experience in general management and strategy.

Previous Executive Positions

- Chief Operations Officer of Al Fozan Holding Company (Closed Joint Stock Company).
- Credit Advisor of Saudi Industrial Development Fund (Government Entity). Stock Company).

Current Memberships

- Member of the Nominations and Remuneration Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Member of the Executive Committee of Retal Urban Development Company (Listed Joint Stock Company).
- Chairman of the Board of Aloula Real Estate Development Company (Closed Joint Stock Company).
- Board Member of Ertiqa Association (Charitable Organisation).
- Board Member of Midad Holding Company (Limited Liability Company).

Previous Memberships

- Board Member of Farabi Petrochemical Company (Closed Joint Stock Company).
- Member of the Audit Committee of Farabi Petrochemical Company (Closed Joint Stock Company).
- Board Member of Al Badia Cement Company (Listed Joint Stock Company) – Syrian Arab Republic.
- Chairman of the Audit Committee of Al Badia Cement Company (Listed Joint Stock Company) – Syrian Arab Republic.



Committee Members' Files (Members from Outside the Board)



Mr Abdullatif Ali Abdullatif Al Fozan
Executive Committee Member

Qualifications

Bachelor of Arts in Economics and Industrial Relations – University of Toronto, Canada, 2012.

Experience

Over 10 years of experience in investment management and corporate finance.

Current Executive Positions

Chief Operating Officer – Al Fozan Holding Company (Closed Joint Stock Company).

Previous Executive Positions

- Corporate Investment Director – Al Fozan Holding Company (Closed Joint Stock Company).
- Business Development Manager – Al Fozan Holding Company (Closed Joint Stock Company).
- Consultant of Manager & Acquisition, Transaction Advisory Services – Ernst & Young (Closed Joint Stock Company), Dubai.
- Corporate Relations Manager – Banque Saudi Fransi (Listed Joint Stock Company).
- Credit Analyst – Banque Saudi Fransi (Listed Joint Stock Company). (Closed Joint Stock Company).

Current Memberships

- Member of the Executive Committee – Retal Urban Development Company (Listed Joint Stock Company).
- Member of the Board of Directors – Al Fozan Holding Company (Closed Joint Stock Company).
- Member of the Investment Committee – Al Fozan Holding Company (Closed Joint Stock Company).
- Member of the Board of Directors – United Company for Financial Services “Tasheel” (Closed Joint Stock Company).
- Member of the Executive Committee – United Company for Financial Services “Tasheel” (Closed Joint Stock Company).
- Member of the Board of Directors – Ascend Advanced Solutions for Healthcare (Limited Liability Company).
- Member of the Board of Directors – Alpha Capital (Closed Joint Stock Company).
- Member of the Board of Directors – National Glass Industries Company (Listed Joint Stock Company).
- Chairman of the Remuneration and Nominations Committee – National Glass Industries Company (Listed Joint Stock Company).
- Member of the Board of Directors – United Home Appliances Company “Nice” (Limited Liability Company).
- Chairman of the Audit Committee – United Home Appliances Company “Nice” (Limited Liability Company).
- Member of the Board of Directors – Ajdan Real Estate Development Company (Limited Liability Company).
- Member of the Executive Committee – Ajdan Real Estate Development Company (Limited Liability Company).
- Member of the Board of Directors – Nesaj Urban Development Company (Limited Liability Company).
- Member of the Board of Directors – Averroes Capital (Closed Joint Stock Company) – London.
- Member of the Board of Directors – Saudi Reinsurance Company of Saudi Re (Listed Joint Stock Company).
- Member of the Executive Committee – Saudi Reinsurance Company of Saudi Re (Listed Joint Stock Company).

*Board Committees (Continued)*

Audit Committee

The Audit Committee continued its ongoing efforts throughout 2024, playing an active role in strengthening the Company's governance.

This was achieved by fulfilling its duties and responsibilities per the work regulations approved by the General Assembly. This underscores the committee's commitment to ensuring transparency and accountability within the Company, as well as verifying the robust and effective implementation of the internal control framework.

These regulations include a set of key tasks that enhance the effectiveness of internal control and contribute to maintaining the integrity of financial reports. Here's a look at these tasks through the specialisations and responsibilities of the Audit Committee:

Remit and Responsibilities:

The committee has diligently carried out all assigned tasks, regularly reporting to the Board while maintaining open lines of communication. Following relevant regulations and bylaws, the committee's duties include:

- Overseeing the Company's activities and ensuring policies and procedures are in place to guarantee the accuracy and transparency of financial reports and internal control systems.
- Reviewing and evaluating the financial management's performance indicators.
- Verifying compliance across all departments with policies approved by the Board, facilitated through reviews conducted by the internal audit department as per the approved annual plan.
- Reviewing policies and procedures approved by the Board whenever necessary.
- Reviewing matters submitted by the Chief Executive Officer within its remit and provide recommendations to the Board.
- Studying topics referred by the Board or the General Assembly to the committee or those delegated to the committee.
- Regularly submitting committee reports and recommendations to the Board, both verbally and in writing.
- Any other specialisations delegated by the Board.

Financial Reports:

- Reviewing and discussing the initial and annual financial statements before presenting

them to the Board, providing feedback and recommendations to ensure their integrity, fairness, and transparency.

- Providing technical input on whether the financial statements, board reports, and disclosures are clear and balanced and allow investors to assess the Company's financial position and performance.
- Investigating any unusual or significant issues related to the financial statements.
- Thoroughly investigating any matters raised by the finance director, compliance officer, or auditor.
- Verifying the accounting estimates used in the Company and providing recommendations to the Board.
- Studying the accounting policies and providing feedback and appropriate recommendations to the Board.

Internal Audit:

- Studying and reviewing the Company's internal control, financial control, and risk management systems.
- Reviewing internal audit reports and monitoring the implementation of corrective actions for the observations included in those reports.
- Continuously overseeing the performance of the internal audit department and ensuring the necessary resources are available for its effective operation.
- Recommending to the Board the appointment of

a director for the internal audit department and proposing their remuneration while ensuring the independence of the internal audit.

Auditor:

- Recommending to the Board the nomination or dismissal of the auditor, determining their fees, and evaluating their performance after confirming their independence and objectivity.
- Reviewing the auditor's scope of work and the timeline for their activities, ensuring they don't provide services beyond the scope of auditing.
- Answering the auditor's inquiries.
- Studying the auditor's report and observations and monitoring the actions taken in response.

Ensuring Compliance:

- Reviewing regulatory reports and ensuring the Company takes necessary actions regarding them.
- Ensuring the Company's compliance with relevant regulations, policies, and instructions.
- Reviewing proposed contracts and transactions with related parties and providing feedback to the Board.
- Raising any matters requiring action to the Board and providing necessary recommendations.

*Audit Committee (continued)***Meetings**

In line with the governance regulations approved by the General Assembly, the Audit Committee holds its meetings at the invitation of its chairman. The committee held five sessions during the year, as detailed below.

| Board Member | Membership Status | 27 February | 8 May | 30 July | 29 October | 15 December |
|--------------------------------------|-------------------|-------------|-------|---------|------------|-------------|
| Abdul Rahman Abdullah Saleh Al Wabel | Chairman | ✓ | ✓ | ✓ | ✓ | ✓ |
| Dr. Jassim Shaheen Hamad Al Rumaihi | Vice Chairman | ✓ | ✓ | ✓ | ✓ | ✓ |
| Abdul Rahman Ibrahim Al Jalal | Member | ✓ | ✓ | ✓ | ✓ | ✓ |
| Muhammad Irfan Khokhar Abd Alghafoor | Member | ✓ | ✓ | ✓ | ✓ | ✓ |

Annual Review of Internal Control for 2024

- The Board of Directors of Retal Urban Development Company is deeply committed to applying best practices in sound corporate governance in line with the regulations and bylaws governing the Company's operations. This is to safeguard the interests of shareholders, customers, suppliers, employees, and all other stakeholders. The Board is diligent in implementing policies, procedures, and control mechanisms that bolster governance practices, as well as ensuring adherence to the standards applied in Saudi Arabia for the preparation of financial and accounting reports, with the principles of integrity, fairness, and transparency. The Board also strives to establish a comprehensive internal control environment covering all company operations, with continuous monitoring of its efficiency and effectiveness in response to business developments, the Company's size, and changes related to operational and strategic risks. This aims to support the achievement of the Company's strategic objectives and boost its revenues, which will have a positive impact on the Company's profitability and share value.
- To further strengthen governance, the Board has adopted regulatory policies for all company departments and functions, emphasising their implementation through effective procedures. They have also approved a schedule of authorities that ensures the smooth running of operations within a clear organisational structure defining approval powers. The overall organisational structure for the Company and its subsidiaries has also been approved, ensuring the appropriate formation of Board-level committees such as the Audit Committee, the Nominations and Remuneration Committee, and the Executive Committee. This structure is designed to guarantee effective governance and strategic decision-making in line with best practices.



Audit Committee (continued)

- The approved policies are subject to ongoing periodic review, where they are evaluated, and any necessary updates or amendments are recommended by the relevant committees. These recommendations are then submitted to the Board of Directors for approval, followed by implementation by the executive management. This process ensures that the policies remain aligned with current business developments and relevant legislation.
- According to the tasks and responsibilities carried out by the Audit Committee during the year 2024, and its review of the internal audit reports and executive management, as well as its discussions with the external auditor on a quarterly and annual basis, the Committee has found no significant deficiencies or weaknesses in the internal control environment. Additionally, the Committee has not observed any issues for which corrective actions were not taken and followed up on in a timely and appropriate manner. Based on this, the Committee believes that there is reasonable assurance regarding the adequacy and effectiveness of the company's internal control systems and procedures for the fiscal year ending on December 31, 2024. However, it should be noted that no control system can provide absolute assurance regarding the adequacy and effectiveness of internal control measures. The Committee emphasizes the need for management to continue ensuring the appropriateness of the company's policies and procedures for its business cycles, and to update them in line with any developments in its strategy, work plan, and operations, as well as emerging and changing risks based on internal or external factors relevant to the company's sector and activities.

Recommendations Regarding the Internal Auditor

The Audit Committee did not issue any recommendations regarding the internal auditor, as there is a Director of the Internal Audit Department within the Company's structure. This ensures effective oversight of internal audit activities per approved professional standards.

Conflict of Recommendations

No conflict or rejection was observed between the Audit Committee's recommendations and the Board of Directors' decisions. Additionally, no instances were recorded of the Board disregarding recommendations related to the appointment, dismissal, performance evaluation, or compensation of the internal auditor. This confirms full commitment to sound governance practices and a focus on the independence and competence of internal audit in supporting the Company's control and supervisory process.

Appointment of the External Auditor

The external auditor was appointed by the General Assembly of Shareholders following a recommendation from the Audit Committee, which proposed candidates to be voted on during the assembly. The external auditor, Ibrahim Ahmed Al-Bassam & Partners, Certified Public Accountants, won the vote with 95.67% of the attendees' approval on June 27, 2024. The appointment is for the review, examination, and audit of the financial statements for the second and third quarters, as well as the annual financial statements for 2024, and the first quarter of 2025 and setting his remuneration at SAR 700,000.





Board Committee (continued)

Nominations & Remuneration Committee

The Board of Directors established the Nominations and Remuneration Committee on 29 August 2021 for a three-year term. The committee's charter was approved by the General Assembly of Shareholders, ensuring compliance with best governance practices and enhancing the effectiveness of the Board and the executive management.

Duties and Responsibilities:

Nominations:

1. Proposing clear policies and criteria for membership on the Board of Directors, its sub-committees, and the executive management.
2. Recommending to the Board candidates for membership and re-election in accordance with approved policies and criteria.
3. Developing a description of the skills and qualifications required for Board membership and executive management positions.
4. Conducting an annual review of the skills and experience needed for Board membership and executive management positions.
5. Reviewing the structure of the Board and executive management and providing recommendations for any potential changes.
6. Verifying the independence of independent directors annually.
7. Identifying the Board's strengths and weaknesses and proposing solutions that will benefit the Company.

Remuneration:

1. Developing a clear policy for the remuneration of Board members, members of Board subcommittees, and executive management and submitting it to the Board of Directors for consideration and subsequent approval by the General Assembly.
2. Periodically reviewing the remuneration policy and evaluating its effectiveness.

Governance:

1. Providing general oversight of the Company's governance system as it relates to Board members and monitoring its effectiveness, making adjustments as needed.

2. Ensuring the Company's compliance with these rules and reviewing and updating them as necessary, following regulatory requirements and best practices.
3. Reviewing and developing a code of professional conduct that represents the Company's values, along with other internal policies and procedures that meet the Company's needs and are consistent with best practices.
4. Keeping committee members informed of developments in corporate governance and best practices.

Meetings

As stipulated in the Retal Urban Development Company's governance regulations approved by the General Assembly of Shareholders, the Nominations and Remuneration Committee holds its meetings at the invitation of its chairman. The committee held two meetings during 2024, as follows:

| Board Member | Membership Status | 27 June | 26 December |
|--|-------------------|---------|-------------|
| Hani Othman Saeed BaOthman | Chairman | ✓ | ✓ |
| Fahad Abdulrahman Mohammed Al Mojal | Vice Chairman | ✓ | ✓ |
| Abdulrahman Ibrahim Abdulrahman Al Jalal | Member | ✓ | ✓ |
| Mohammed Abdulaziz Al Aqeel | Member | ✓ | ✓ |



Board Committee (continued)

Executive Committee

The Board of Directors formed the Executive Committee of Retal Urban Development Company on 14 August 2021 for a term equivalent to the Board's membership term. The Executive Committee's charter was approved by the General Assembly of Shareholders.

Duties and Responsibilities:

Strategy:

1. Participating in and overseeing the development of the Company's strategic plan and reviewing proposals from relevant departments regarding the Company's vision, mission, strategic themes, objectives, and initiatives.
2. Reviewing the implementation of the Company's overall strategy and its effectiveness in achieving the desired goals.
3. Monitoring progress and addressing any obstacles or challenges related to strategy implementation.
4. Studying strategic and important topics and projects with significant financial impact and holding regular meetings with the executive management to discuss them.
5. Establishing performance criteria for the executive management that are consistent with the Company's investment objectives and strategy.

Meetings

By the Retal Urban Development Company's governance regulations approved by the General Assembly of Shareholders, the Executive Committee holds its meetings at the invitation of its chairman. The committee held five meetings during 2024, as follows:

| Board Member | Membership Status | 10 March | 2 July | 29 July | 1 October | 10 December |
|--|-------------------|----------|--------|---------|-----------|-------------|
| Abdullah Abdul Latif Ahmed Al Fozan | Chairman | ✓ | ✓ | ✓ | ✓ | ✓ |
| Abdulrahman Ibrahim Abdulrahman Al Jalal | Vice Chairman | ✓ | ✓ | ✓ | ✓ | ✓ |
| Abdullah Faisal Abdulaziz Al Braikan | Member | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mohammed Abdulaziz Al Aqeel | Member | ✓ | ✓ | ✓ | ✓ | ✓ |
| Abdul Latif Ali Al Fozan | Member | ✓ | ✓ | ✓ | ✓ | ✓ |

Governance:

1. Regularly reviewing and evaluating the executive management's performance indicators.
2. Ensuring that the executive management operates by the policies approved by the Board.
3. Reviewing the policies and procedures established by the executive management.
4. Reviewing current achievements against established targets.
5. Recommending the formation of the Company's and executive management's organisational structure.

Social Responsibility:

1. Reviewing the social responsibility policy and media plan.
2. Reviewing social impact programmes and initiatives.

Remuneration

The remuneration for members of the Board of Directors and its sub-committees includes the following:

- A fixed annual fee for Board and committee members (excluding executive directors) in accordance with the approved remuneration policy.
- Attendance allowances for each Board or sub-committee meeting attended (excluding executive directors), in addition to travel and accommodation allowances if the member's permanent residence is outside the city where Board meetings are held, guided by the approved remuneration policy.



Remunerations

Remunerations Policy

The remuneration of Board Members and Board Committee Members comprises two components:

- Fixed annual remuneration for all Board Members and Board Committee Members, excluding members of Executive Management
- Allowance for attending each session of Board or Board Committee meetings (excluding members of Executive Management), along with travel and accommodation allowance if the member's permanent residence is outside the city where the meeting is held

Relationship Between Awarded Remuneration and Remuneration Policy

There is no material deviation between the awarded remuneration and the applicable remuneration policy.

Waiver of Remuneration

No member of the Board, members of Board committees, or members of the executive management waived any remuneration during the fiscal year ended 31 December 2024.

Board of Directors Remuneration

SAR (in thousands)

| Names of Members | Fixed Remunerations | | | | | | | Variable Remunerations | | | | | | End-Of-Service Award | Total Compensation/Total Remuneration | Expense Allowance/ Expenses Reimbursement |
|--|--------------------------|---------------------------------------|--|------------------|---|---------------------|-------|---------------------------|------------------------|----------------------------|---------------------------|------------------------------------|-------------|----------------------|---------------------------------------|---|
| | Specific Amount (Yearly) | Allowance For Attending Board Meeting | Total Allowance For Attending Committee Meetings | In-Kind Benefits | Remunerations For Technical, Managerial And Consultative Work | Other Remunerations | Total | Percentage Of The Profits | Periodic Remunerations | Short-Term Incentive Plans | Long-Term Incentive Plans | Granted Shares (Insert The Values) | Grand Total | | | |
| First: Independent Members | | | | | | | | | | | | | | | | |
| Majed Aedh Ajlan Al Nefaie | 200 | 12 | – | – | – | – | 212 | – | – | – | – | – | – | – | 212 | – |
| Hani Othman Saeed Baothman | 260 | 12 | 6 | – | – | – | 278 | – | – | – | – | – | – | – | 287 | – |
| Abdulrahman Abdullah Saleh Al Wabel | 260 | 12 | 15 | – | – | – | 287 | – | – | – | – | – | – | – | 287 | – |
| Subtotal | 720 | 48 | 21 | – | – | – | 777 | – | – | – | – | – | – | – | 777 | – |
| Second: Non-Executive Members | | | | | | | | | | | | | | | | |
| Abdullah Abdul Latif Ahmed Al Fozan | 260 | 12 | 15 | – | – | – | 287 | – | – | – | – | – | – | – | 287 | – |
| Ali Abdul Latif Ahmed Al Fozan | 200 | 12 | – | – | – | – | 212 | – | – | – | – | – | – | – | 212 | – |
| Fozan Mohammed Ahmed Al Fozan | 200 | 12 | – | – | – | – | 212 | – | – | – | – | – | – | – | 212 | – |
| Fahad Abdulrahman Mohammed Al Mojil | 260 | 12 | 6 | – | – | – | 278 | – | – | – | – | – | – | – | 278 | – |
| Abdulrahman Ibrahim Abdulrahman Al Jalal | 380 | 12 | 36 | – | – | – | 428 | – | – | – | – | – | – | – | 428 | – |
| Subtotal | 1300 | 60 | 51 | | – | – | – | – | – | – | – | – | – | – | 1417 | – |
| Third: Executive Members | | | | | | | | | | | | | | | | |
| Abdullah Faisal Abdulaziz Al Braikan | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |
| Subtotal | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – | – |



Senior Executives Remuneration

| All Figures Are In Thousands | Fixed Remunerations | | | | Variable Remunerations | | | | | | Total Executive | Total |
|------------------------------|---------------------|----------------|------------------|------------------|------------------------|----------------|---------------------------|----------------------------|----------------|------------------|-----------------|------------------|
| | Total | Cash benefits | Allowances | Salaries | Total | Granted Shares | Long-Term Incentive Plans | Short-Term Incentive Plans | Profit Sharing | Periodic Bonuses | | |
| Five Senior Executives | 7,176,228 | 344,100 | 2,286,528 | 4,545,600 | 2,000,000 | 0 | 0 | 0 | 0 | 2,000,000 | 0 | 9,176,228 |
| Total | 7,176,228 | 344,100 | 2,286,528 | 4,545,600 | 2,000,000 | 0 | 0 | 0 | 0 | 2,000,000 | 0 | 9,176,228 |

Committee Members' Remunerations

| Committee | Member Names | Fixed Remuneration | Allowances for attending meetings | Total |
|---------------------------------------|--------------------------------------|--------------------|-----------------------------------|------------|
| Audit Committee | Abdulrahman Abdullah Al Wabel | 60 | 15 | 75 |
| | Jassim Shaheen Al Rumaihi | 80 | 15 | 95 |
| | Abdulrahman Ibrahim Al Jalal | 60 | 15 | 75 |
| | Muhammad Irfan Khokhar Abd Alghafoor | 80 | 15 | 95 |
| | Total | 280 | 60 | 340 |
| Nomination and Remuneration Committee | Hani Othman BaOthman | 60 | 6 | 66 |
| | Fahad Abdulrahman Al Mojil | 60 | 6 | 66 |
| | Abdulrahman Ibrahim Al Jalal | 60 | 6 | 66 |
| | Mohammed Abdulaziz Al Aqeel | 80 | 6 | 86 |
| | Total | 280 | 24 | 284 |
| Executive Committee | Abdullah Abdul Latif Al Fozan | 60 | 15 | 75 |
| | Abdulrahman Ibrahim Al Jalal | 60 | 15 | 75 |
| | Mohammed Abdulaziz Al Aqeel | 80 | 15 | 95 |
| | Abdullatif Ali Al Fozan | 80 | 15 | 95 |
| | Abdullah Faisal Al Braikan | 0 | 0 | 0 |
| | Total | 280 | 60 | 340 |



Related Party Transactions

| Related Party | Transaction Type | Transaction value | Related Parties |
|---|------------------|-------------------|---|
| United Homeware Company (Nice) | Revenues | 3,850,000 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/ Abdullatif Ali Al Fozan |
| Taste of Coffee Food Company | Revenues | 135,573 | Abdullah Faisal AlBraikan/Abdullatif Ali Al Fozan |
| ARAC Engineering Consultants Company | Revenues | 107,690 | Abdullah Faisal AlBraikan/Ammar Mohammed AlGhoul/Mohammed Khalid AlMohammadi/Omar Ibrahim AlJallal |
| The Abdullah Al Fozan Foundation for Education | Revenues | 150,000 | Abdullah Abdullatif Al Fozan |
| Alpha Capital Saudi Real Estate Development (Ewan Tharwa) | Revenues | 22,834,922 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/ Abdullatif Ali Al Fozan/Ammar Mohammed Al Ghoul |
| RC Beach Real Estate Fund | Revenues | 24,066,843 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/Fahad Abdulrahman Al Mojil/Mustafa Mohammed Tawfik |
| Al Fozan Holding Company | Revenues | 38,889,618 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan |
| Khalid Abdullateef Ahmed AlFozan | Revenues | 180,000 | Khalid Abdullateef Ali AlFozan |
| Mr. Abdullah bin Faisal bin Abdulaziz AlBraikan | Revenues | 94,262 | Abdullah Faisal AlBraikan |
| Remal Al Khobar Real Estate Company | Revenues | 7,571,086 | Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan |
| Business Complex Fund | Revenues | 17,500,789 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/Fahad Abdulrahman Al Mojil/Abdullah Faisal AlBraikan |
| Mimar Emirate and ARAC Engineering Consultants | Revenues | 132,300 | Abdullah Faisal AlBraikan/Mohammed Khalid AlMohammadi |

| Related Party | Transaction Type | Transaction value | Related Parties |
|--|---|-------------------|---|
| Remal Park Fund | Revenues | 13,131,745 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/ Abdullah Faisal Al Braikan/Mustafa Mohamed Tawfiq |
| Alpha Capital Saudi Real Estate Development Fund 1 | Revenues | 23,110,820 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/ Abdullatif Ali Al Fozan/Ammar Mohammed Al Ghoul |
| Saudi Tharwa Co | Contract costs and services/ expenses charged | 943,633 | Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan/Fahad Abdulrahman Al Mojil |
| Norkoom Designing Company | Contract costs and services/ expenses charged | 1,163,263 | Youssef Ibrahim Al Hamoudi/Ammar Mohammed Al Ghoul |
| Mimar Emirate and ARAC Engineering Consultants | Contract costs and services/ expenses charged | 2,625,650 | Abdullah Faisal AlBraikan/Mohammed Khalid AlMohammadi |
| Bawan Metal Industries Company | Contract costs and services/ expenses charged | 6,307,827 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/ Mohammad Abdulaziz Al Aqeel |
| Madar Building Materials Company Limited | Contract costs and services/ expenses charged | 52,726,601 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan |
| Madar Building Materials Company Limited | Contract costs and services/ expenses charged | 11,704,701 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan |



Related Party Transactions

| Related Party | Transaction Type | Transaction value | Related Parties |
|--|--|-------------------|---|
| The United Company for Glass Manufacturing | Contract costs and services/ expenses charged | 3,688,774 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan |
| Madar Hardware Company | Contract costs and services/ expenses charged | 4,352,272 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan |
| Mimar Emirate and ARAC Engineering Consultants | Contract costs and services/ expenses charged | 1,634,557 | Abdullah Faisal AlBraikan/Mohammed Khalid AlMohammadi |
| United Steel Industries Company | Contract costs and services/ expenses charged | 1,616,759 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan |
| Bina Factory for Advanced Cement Products | Contract costs and services/ expenses charged | 23,951 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/ Mohammad Abdulaziz Al Aqeel |
| ARAC Engineering Consultancy Company | Contract costs and services/ expenses charged | 2,290,000 | Abdullah Faisal AlBraikan/Ammar Mohammed Al Ghoul/Mohammed Khalid AlMohammadi/Omar Ibrahim Al Jalal |
| Remal Al Khobar Real Estate Company | Additions to investments accounted for using the equity method | 28,791,836 | Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan |
| Remal Al Khobar Real Estate Company | Cash contribution to investments accounted for using the equity method | 5,220,092 | Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan |

| Related Party | Transaction Type | Transaction value | Related Parties |
|--|--|-------------------|---|
| Masal Real Estate Development Company | Additions to investments accounted for using the equity method | 50,000 | Mohammed Khalid AlMohammadi |
| BCC | Dividends paid to non-controlling interests | 15,500,000 | Abdullah Faisal AlBraikan/Abdulrahman Ibrahim Al Jalal/Omar Ibrahim Al Jalal/ Ammar Mohammed Al Ghoul |
| Nesaj Residential Compound | Purchase of shares in a subsidiary | 70,000 | Abdullah Faisal AlBraikan |
| Remal Al Khobar Real Estate Company | Gain on transfer of land as an in-kind contribution | 199,843 | Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan |
| Saudi Tharwa Co | Dividends received from an associate company | 13,825,000 | Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan/Fahad Abdulrahman Al Mojil |
| Al Ahsa Real Estate Fund | Dividends received from an associate company | 39,419,994 | Abdullah Abdullatif Al Fozan/Ali Abdullatif Al Fozan/Fozan Mohammed Al Fozan/Fahad Abdulrahman Al Mojil |
| Saudi Tharwa Co | Dividends payable | 23,700,000 | Abdullah Abdullatif Al Fozan/Abdullah Faisal AlBraikan/Fahad Abdulrahman Al Mojil |
| Mimar Emirate and ARAC Engineering Consultants | End-of-service transfer | 5,444 | Abdullah Faisal AlBraikan/Mohammed Khalid AlMohammadi |



Board Members' Affiliation with Competitive Entities

Member – Abdullah Abdul Latif Al Fozan

| Name of Company | Description of Competing Activity | Nature of Relationship |
|---------------------------------------|---|------------------------|
| Ajdan Real Estate Development Company | Land acquisition, construction, real estate development, and management | BOD Member |
| Shomoul Holding Company | Land acquisition, construction, real estate development, and management | BOD Member |
| Madar Al-Aseel Company Limited | Commission-based real estate management | 13% Ownership |
| Gulf Elixir Contracting Company | General construction of residential and nonresidential buildings | Manager |
| Shomoul Commercial Complex Company | Management and leasing of owned and leased real estate | Manager |
| Rafa Gulf Company Limited | General construction of residential and nonresidential buildings | Manager |
| Khobar Lakes Real Estate Development | General construction of residential and nonresidential buildings | Manager |
| Central Jeddah Development Company | Comprehensive real estate activities | BOD Member |

Member – Ali Abdul Latif Al Fozan

| Name of Company | Description of Competing Activity | Nature of Relationship |
|--------------------------------|---|------------------------|
| Madar Al-Aseel Company Limited | Commission-based real estate management | 13% Ownership |

Member – Fozan Mohammed Al Fozan

| Name of Company | Description of Competing Activity | Nature of Relationship |
|---|---|------------------------|
| Madar Al-Aseel Company Limited | Commission-based real estate management | 10% Ownership |
| Amjal Property Development Company | Buying land and real estate with the purpose of developing it | Manager |
| Durrat Al Wusta Real Estate Development Company | Residential real estate development utilising modern building methods | Manager |

Member – Abdullah Faisal AlBraikan

| Name of Company | Description of Competing Activity | Nature of Relationship |
|---|--------------------------------------|------------------------|
| Saudi Tharwa Real Estate Co. | Comprehensive real estate activities | BOD Member |
| Nesaj Residential Complex Real Estate Company | Comprehensive real estate activities | BOD Member |

Member – Abdulrahman Ibrahim Al Jalal

| Name of Company | Description of Competing Activity | Nature of Relationship |
|---|--------------------------------------|------------------------|
| Nesaj Residential Complex Real Estate Company | Real estate, construction | BOD Member |
| Central Jeddah Development Company | Comprehensive real estate activities | BOD Member |

Member – Fahad Abdulrahman Al Mojil

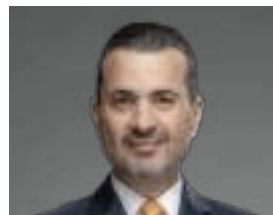
| Name of Company | Description of Competing Activity | Nature of Relationship |
|--------------------------------|-----------------------------------|----------------------------|
| Saudi Tharwa Company | Real estate development | 7% Ownership BOD Member |
| Saudi Real Estate Company | Real estate development | BOD Member |
| Roaa Al Madina Holding Company | Real estate development | BOD Member |



Executive Management



Abdullah Faisal
Al Braikan
Chief Executive Officer



Ammar Mohammed
Al Ghoul
Chief Financial Officer



Mostafa Mohammed
Tawfik
Chief Development Officer



Yousif Ibrahim
Al Hamoudi
Chief Operations Officer



Mohammed Khalid
Al Mohammadi
Chief Strategy Officer



Mohammed Ibrahim Assiri
General Manager,
Western Region



Ahmed Sami Al Askar
General Manager,
Central Region



Mahmoud Abdullah
Shams El-Din
Internal Audit Director



Asim Saleh Baras
Governance, Risk, and
Compliance Director



Mohammed Hamad
Al Dossary
Head of Investor
Relations



Subsidiaries



Omar Ibrahim Al Jalal
Chief Executive Officer,
BCC



Ibrahim Mohammed Khairat
General Manager,
Tadbeir Limited
Company
General Manager,
Tadbeir Environmental
Services Company



Maan Sabah Al Badran
Acting General Manager,
Adara Real Estate
Company



Khalid Taleb Aldossary
Chief Executive Officer,
Nesaj Urban Development
Company



Ammar Habib Mohammed
Chief Executive Officer,
LDPi Design



Ammar Afif Ghonaim
General Manager of
Mimar Al Emarat and Arak
Engineering Consultancy



Retal, its Subsidiaries, and Affiliates

Main Business Scope of the Company and its Subsidiaries and Affiliates

The Main Company

| Company Name | Capital | Main Activity | Country of Incorporation and Operation |
|-----------------------------|-------------|-------------------------------------|--|
| Retal Urban Development Co. | 500,000,000 | Construction/Real Estate Activities | Saudi Arabia, Al Khobar |

Subsidiary Companies

| Company Name | Capital | Retal Ownership Percentage | Main Activity | Country of Incorporation and Operation |
|--|------------|----------------------------|--|--|
| Nesaj Urban Development Co. | 10,000,000 | 100% | Construction/Real Estate Activities | Saudi Arabia, Al Khobar |
| Tadbeir Co. Ltd. | 5,000,000 | 100% | Facilities Management | Saudi Arabia, Al Khobar |
| Building and Construction Co. Ltd. | 5,000,000 | 80% | Construction | Saudi Arabia, Al Khobar |
| Adara Real Estate Co | 250,000 | 100% | Facilities Management/ Real Estate Activities | Saudi Arabia, Al Khobar |
| Tadbeir Environmental Services Company | 50,000 | 100% | Water, Sanitation, Waste Management and Treatment Activities | Saudi Arabia, Al Khobar |

Associate Companies

| Company Name | Capital | Retal Ownership Percentage | Main Activity | Country of Incorporation and Operation |
|---|------------|----------------------------|--|--|
| Saudi Tharwa Co. | 50,000,000 | 39% | Real Estate Development | Saudi Arabia, Al Khobar |
| Retal Almasaya General Construction Company | 610,760 | 50% | General Construction of Residential Buildings | Kuwait |
| Noorkom Design Co. | 562,500 | 50% | Installation of Lighting Systems | Saudi Arabia, Al Khobar |
| Remal Al Khobar Real Estate Co | 500,000 | 50% | General Construction of Residential Buildings | Saudi Arabia, Al Khobar |
| AlInsha AlTukhasya Co (SINSA) | 500,000 | 40% | Building Construction | Saudi Arabia, Al Khobar |
| Mimar Emirates and Arac Engineering Consultants | 150,000 | 25% | Engineering and Architectural Consultancy Activities | Saudi Arabia, Al Khobar |
| Remal Park Fund | 20,000 | 33% | Construction and real estate | Saudi Arabia, Al Khobar |
| Nesaj Construction Company | 1,000,000 | 30% | Project Management | Saudi Arabia, Al Khobar |



Company and Subsidiary Revenue by Geographic Location

| (Amounts in thousands of SARs) | Eastern Province | Western Province | Central Province | Northern Province | Total Revenue | Percentage of Total |
|---|------------------|------------------|------------------|-------------------|------------------|---------------------|
| Retal Urban Development Company | 414,169 | 153,310 | 1,385,050 | 0 | 1,952,529 | 94.6% |
| Building and Construction Company Limited | 55,498 | 0 | 17,227 | 0 | 72,724 | 3.5% |
| Nesaj Urban Development Company | 8,316 | 0 | 0 | 0 | 8,316 | 0.4% |
| Tadbeir Limited Company | 9,879 | 11,536 | 3,881 | 0 | 25,297 | 1.2% |
| Tadbeir Environmental Services Company | 0 | 0 | 479 | 0 | 479 | 0.0% |
| Adara Real Estate Company | 687 | 0 | 3,179 | 0 | 3,866 | 0.2% |
| Total | 488,549 | 164,846 | 1,409,816 | 0 | 2,063,211 | 100.0% |



Disclosure of Ownership

Benefits or Contractual Securities and Subscription Rights for Company Board Members and their Relatives in the Company's Shares or Debt Instruments

| Name of the Beneficiary or Holder of Contractual Securities or Subscription Rights | Beginning of Year 2024 | | End of Year 2024 | | Net Change | Change (%) |
|--|---------------------------------------|------------------|---------------------------------|------------------|------------|------------|
| | Number of Shares at Beginning of Year | Debt Instruments | Number of Shares at End of Year | Debt Instruments | | |
| Al Fozan Holding Company | 264,881,250 | – | 264,881,250 | – | 0 | 0 |
| Mr. Abdullah bin Faisal Al Braikan | 17,850,000 | – | 17,850,000 | – | 0 | 0 |
| Saham Holding Company | 16,625,000 | – | 11,500,000 | – | 5,125,000 | 30,8% |
| Athman Holding Company | 24,950,000 | – | 24,950,000 | – | 0 | 0 |
| Gheras Holding Company | 24,950,000 | – | 20,140,106 | – | 4,809,894 | –19,2% |
| Maali Al Khaleej Trading Company | 1,093,750 | – | 0 | – | 1,093,750 | –100% |
| Ms. Noura Ali Abdul Latif Al Fozan | 20,912 | – | 20,912 | – | 0 | 0 |
| Mr. Meshal Abdulrahman Al Jalal | 1,395 | – | 0 | – | 1,395 | –100% |
| Retal Urban Development Company | 0 | – | 755,678 | – | 755,678 | 100% |

Ownership Notification of a Subsidiary Company – Building and Construction Company LTD

| # | Name of the Beneficiary or Holder of Contractual Securities or Subscription Rights | Beginning of Year | End of Year | Net Change | Change (%) |
|---|--|-------------------|------------------|------------|------------|
| | | Number of Shares | Number of Shares | | |
| 1 | Abdulrahman Ibrahim Al Jalal (Member of the Board of Directors, Retal Urban Development Company) | 500 | 500 | 0 | 0% |
| 2 | Omar Ibrahim Al Jalal (Chief Executive Officer) | 500 | 500 | 0 | 0% |

* According to the Articles of Association, the total shares of Building and Construction Company are five thousand shares

Governance, Risk, and Compliance continued

Employee Investments or Reserves

The Extraordinary General Assembly held on 27 June 2024 approved the Long-Term Employee Incentive Program and authorised the Board of Directors to determine the terms of this programme, including the allocation price per share offered to employees, if applicable.

Approval was also granted for the Company to purchase a maximum of 2,000,000 of its shares to allocate them to company employees under the Long-Term Employee Incentive Program. The purchase will be financed internally from the Company's resources. The Board of Directors is authorised to complete the purchase within a maximum period of 12 months from the date of the Extraordinary General Assembly's resolution. The purchased shares will be held for a period not exceeding three years from the date of the Extraordinary General Assembly's approval. After this period, the Company will follow the procedures and controls stipulated in the relevant regulations and bylaws.

| Beginning of 2024 | | End of 2024 | | Net Change | % Change |
|---|------------------|---|------------------|------------|----------|
| Number of Shares at the Beginning of the Year | Debt Instruments | Number of Shares at the End of the Year | Debt Instruments | | |
| 0 | - | 755,678 | - | 755,678 | 100% |



Compliance with Governance Regulations

The Company applies and implements all the provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority (CMA), with the following exceptions:

| # | Article text/ Paragraph | Paragraph Number | Article Number | Reasons for non-application |
|---|---|---------------------|-------------------|---|
| 1 | Formation of a Risk Management Committee | All Paragraphs | 67 | Guiding Article A risk management committee was not established as it is not mandatory under the Capital Market Authority (CMA) regulations. Its key responsibilities have been assigned to the Audit Committee. |
| 2 | Responsibilities of the Risk Management Committee | All Paragraphs | 68 | Guiding Article A risk management committee was not established as it is not mandatory under the Capital Market Authority (CMA) regulations. Its key responsibilities have been assigned to the Audit Committee. |
| 3 | Meetings of the Risk Management Committee | All Paragraphs | 69 | Guiding Article A risk management committee was not established as it is not mandatory under the Capital Market Authority (CMA) regulations. Its key responsibilities have been assigned to the Audit Committee. |
| 4 | Employee Motivation | Paragraphs 1 and 3 | 82 | Guiding Article Paragraph 2 was implemented through the employee stock ownership plan (ESOP) |
| 5 | Formation of a Corporate Governance Committee | All Paragraphs | 92 | Guiding Article A governance committee was not established as it is not mandatory under the Capital Market Authority (CMA) regulations. However, oversight of governance has been added to the responsibilities of the Audit Committee. |



Investor and Shareholder Relations Management

Retal continues to be deeply committed to enhancing investor confidence and meeting shareholder expectations by fostering transparent and effective communication. Through a strategic focus on building strong relationships with investors and stakeholders, the company continuously strives to ensure that its financial performance and business developments are clearly understood. Retal's dedication to maintaining a high level of trust and engagement reflects its ongoing efforts to create long-term value for the company's shareholders.





Investor and Shareholder Relations Management (continued)

Investor Relations

The Company's governance charter upholds investor rights and promotes effective communication and dialogue with them, in line with the rules and regulations set by legislative and regulatory authorities.

Activities

As part of its ongoing commitment to enhancing investor confidence and meeting shareholder expectations, Retal successfully introduced new methods of effective communication in 2024. These include improving investor relations management, holding virtual meetings using modern technology to discuss business results during the second quarter, and issuing a press release clarifying the financial statements for the third quarter. Retal also launched an email service providing a summary of the Company's financial and operational performance, along with access to the complete financial statements on the Company website.

These initiatives are part of Retal's efforts to strengthen continuous communication with financial analysts and key investors by providing them with updates on the Company's performance, news, and latest projects, and participating in several forums held in Riyadh, Dubai, and London. Additionally, the Company conducted media interviews with both the Chief Executive Officer and the Chief Financial Officer to discuss the latest developments in the Company's business and activities.

Plans

In 2025, the Company aims to implement a set of strategic plans to further develop investor relations management by enhancing the department's performance in meeting shareholder needs, conducting comprehensive surveys to identify areas for improvement and performance development, and increasing reliance on technological systems and solutions. The Company also aims to continue strengthening existing communication channels with financial analysts, investors, and shareholders, as well as establishing new channels, and holding meetings and introductory presentations. It will also be taking new measures to enhance the disclosure system which will contribute to strengthening transparency and accountability standards, including:

1. Conduct investor surveys to assess the efficiency of the IR department.
2. Enhance engagement with shareholders and investors by integrating financial analyses and indicators into quarterly emails.
3. Meetings with key investors after the

announcement of quarterly financial statements.

4. Conduct media interviews with executive management to discuss financial activities and programmes.
5. Hold regular meetings between executive management and financial analysts.
6. Participate in international investment conferences and events.
7. Investors visits to ongoing project sites.

*Investor and Shareholder Relations Management (continued)***Shareholder and Key Stakeholder Composition**

Retal Urban Development Company was established in 2012 and entered the real estate sector with significant capabilities, supported by a team of experienced and qualified professionals. Retal is distinguished by its pioneering role in developing residential and commercial projects across the Kingdom of Saudi Arabia, offering innovative real estate projects that meet the growing needs of the Saudi market. The Company is committed to the highest standards of quality and innovation in the execution of its projects, reflecting its commitment to achieving the objectives of Vision 2030 and enhancing the quality of life for citizens and residents alike.

Shareholder Register as of 31 December 2024:

| Category | Shares | % | Quantity |
|--------------|--------------------|------------|--------------|
| Institutions | 431,869,170 | 86.37 | 200 |
| Individuals | 68,130,830 | 13.63 | 34032 |
| Total | 500,000,000 | 100 | 34232 |

Shareholder Registry Requests:

| # | Nature and Reason for Request | Request Date |
|----|-------------------------------|--------------|
| 1 | Corporate Procedures | 02/01/2024 |
| 2 | Corporate Procedures | 04/02/2024 |
| 3 | Corporate Procedures | 04/03/2024 |
| 4 | Corporate Procedures | 02/04/2024 |
| 5 | General Assembly | 18/04/2024 |
| 6 | Corporate Procedures | 30/05/2024 |
| 7 | General Assembly | 27/06/2024 |
| 8 | Corporate Procedures | 31/07/2024 |
| 9 | Corporate Procedures | 29/08/2024 |
| 10 | Corporate Procedures | 13/08/2024 |
| 11 | Corporate Procedures | 15/08/2024 |
| 12 | Corporate Procedures | 02/10/2024 |
| 13 | Corporate Procedures | 31/10/2024 |
| 14 | Corporate Procedures | 03/12/2024 |

*Investor and Shareholder Relations Management (continued)*

Dividend Policy

Introduction

This regulation aims to establish a clear regulatory framework for the dividend distribution policy of Retal Urban Development Company and to define the procedures associated with declaring dividends and their payment timing. This policy also seeks to strike a balance between meeting shareholder expectations and enhancing the Company's financial sustainability, thereby ensuring sustainable growth and maximising added value for all stakeholders.

1. Statutory Reserve

Following applicable regulations and legislation, a percentage (10%) of the Company's net profits is deducted annually to create a statutory reserve, to strengthen the Company's financial position and ensure its sustainability. The Ordinary General Meeting may suspend this deduction when the statutory reserve reaches (30%) of the paid-up capital. This reserve is used to cover potential losses that the Company may face, or to increase capital to enhance expansion plans and strategic growth.

2. Other Reserves

The Ordinary General Meeting may, based on a proposal from the Board of Directors, deduct a percentage not exceeding (10%) of the net profits to create a voluntary reserve, and this reserve may only be used by a resolution from the Extraordinary General Meeting.

If this reserve is not allocated for a specific purpose, the Ordinary General Meeting may, based on the recommendation of the Board of Directors, allocate it for the benefit of the Company or the shareholders, in a way that achieves the maximum benefit for both parties. The Ordinary General Meeting may also use retained earnings and distributable voluntary reserves to repay the remaining value of shares or part thereof, while ensuring equality among all shareholders and without prejudice to their rights.

3. Distribution and payment of profits

Retal Urban Development Company ensures distributing dividends to shareholders in proportion to the Company's financial performance, cash flows, market conditions, and the general economic climate, in a manner that achieves a balance between meeting shareholder expectations and supporting the Company's expansion and investment plans.

The percentage and method of dividend distribution are determined based on a proposal from the Board of Directors, and are approved by the Shareholders' General Meeting, taking into account the Company's cash needs and the requirements for growth and financial sustainability.

4. Procedures for Distribution of the Company's Annual Net Profits

- (10%) of the net profits are deducted annually to create a statutory reserve, and the Ordinary General Meeting may suspend this deduction when the reserve reaches (30%) of the paid-up capital.
- The Extraordinary General Meeting may, based on a proposal from the Board of Directors, set aside a percentage not exceeding (10%) of the net profits to create a voluntary reserve, and allocate it for specific purposes that support the Company's strategic growth.
- After deducting the necessary reserves, an initial payment is distributed to shareholders of no less than (5%) of the paid-up capital from the remaining profits.

*Dividend Policy continued*

4. The General Meeting has the authority to determine the frequency of dividend distribution, whether annually, semi-annually, or quarterly, and may delegate the Board of Directors to make the decision regarding the distribution mechanism and timing following the interests of the Company and shareholders.
5. The Company may provide an annual lump-sum bonus to members of the Board of Directors, per the applicable regulations and without prejudice to the Companies Law.

Dividend Date

Dividend distribution data for the fiscal year.

| Announcement Date | Eligibility Date | Distribution Date | Distribution Method | Dividend Earnings per Share |
|-------------------|------------------|-------------------|---------------------|-----------------------------|
| 01/03/2025 | 04/05/2025 | 15/5/2025 | Account Transfer | 0.11 |
| 31/07/2024 | 29/09/2024 | 10/10/2024 | Account Transfer | 0.16 |
| 28/02/2024 | 05/05/2024 | 16/05/2024 | Account Transfer | 0.16 |
| 01/08/2023 | 28/09/2023 | 10/10/2023 | Account Transfer | 0.16 |
| 09/08/2022 | 29/09/2022 | 12/10/2022 | Account Transfer | 2.00 |
| 01/03/2023 | 02/05/2023 | 11/05/2023 | Account Transfer | 3.00 |

Debt Instruments, Contractual Securities, Subscription Rights and Compensation

During the fiscal year 2024, Retal Urban Development Company did not issue any convertible debt instruments, contractual securities, subscription warrants, or any similar rights, nor did the Company receive any financial compensation or compensation related to these instruments.

Dividend Waiver

There are no arrangements or agreements in place under which any shareholder in the Company waives their rights to dividend distributions during the fiscal year ending 31 December 2024.

Conversion and Subscription Rights

No conversion rights or subscription rights were issued or granted during the aforementioned fiscal year, and no transactions related to these rights were executed.



Disclosures and Announcements

The company regularly publishes announcements and disclosures through the Saudi Stock Exchange (Tadawul) regarding significant events, material developments, and financial statements, in accordance with disclosure and transparency regulations. These updates are also made easily accessible to shareholders, investors, and other relevant stakeholders. A total of 25 announcements were published in 2024.



Click to go to the Company
Disclosures Page

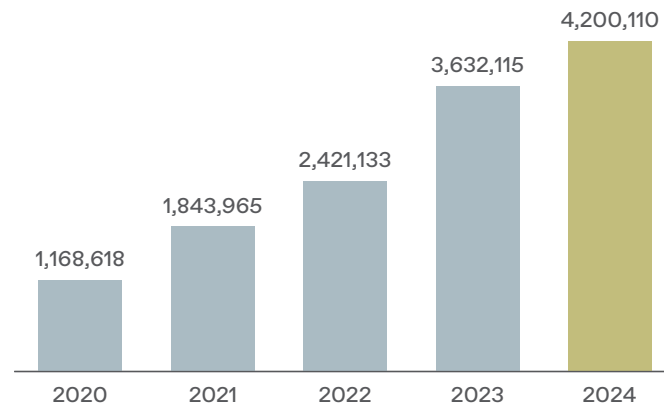




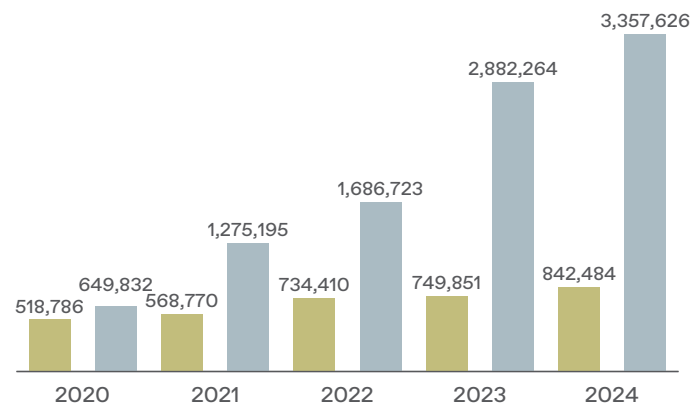
Financial Data

The following chart illustrates the Company's assets, liabilities, and results for the past five fiscal years.

Total Assets (SAR thousand)



Total Equity and Liabilities (SAR thousand)



Business Results

Comparison of business results (SAR thousand)

| Statement | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------------------------------------|-----------|-----------|-----------|-----------|-------------|
| Revenues | 587,451 | 1,085,321 | 1,106,830 | 1,367,125 | 2,063,211 |
| Cost of Revenues | (463,142) | (839,860) | (803,598) | (987,839) | (1,563,554) |
| Gross Profit | 124,309 | 245,461 | 303,232 | 379,286 | 499,656 |
| Net Profit for the Period | 98,634 | 179,399 | 245,743 | 207,941 | 282,933 |
| Net Profit Attributed to Shareholders | 98,634 | 193,719 | 245,743 | 202,350 | 266,126 |



Assets and Liabilities

Comparison of Assets and Liabilities in 2024: (Amounts in thousands of SARs)

| Statement | 2020 | 2021 | 2022 | 2023 | 2024 |
|-------------------------|-----------|-----------|-----------|-----------|-----------|
| Current Assets | 608,476 | 1,168,727 | 1,364,175 | 2,156,722 | 2,923,139 |
| Non-current Assets | 560,142 | 675,238 | 1,056,958 | 1,475,393 | 1,276,971 |
| Total Assets | 1,168,618 | 1,843,965 | 2,421,133 | 3,632,115 | 4,200,110 |
| Current Liabilities | 572,611 | 1,039,001 | 1,192,779 | 1,778,722 | 2,247,649 |
| Non-current Liabilities | 77,221 | 236,194 | 493,944 | 1,103,542 | 1,109,977 |
| Total Liabilities | 649,832 | 1,275,195 | 1,686,723 | 2,882,264 | 3,357,626 |
| Total Equity | 518,786 | 568,770 | 734,410 | 749,851 | 842,484 |

Operational Results

The following table shows any material differences in operating results compared to the previous year's results (amounts in thousands of SARs)

| Statement | 2023 | 2024 | Changes (+ or -) | Change (%) |
|----------------------------|-----------|-------------|------------------|------------|
| Sales/Revenue | 1,367,125 | 2,063,211 | + | 50.9% |
| Sales/Revenues Costs | (987,839) | (1,563,554) | + | 58.3% |
| Gross Profit | 379,286 | 499,656 | + | 31.7% |
| Other Operational Expenses | (134,218) | (159,430) | + | 18.8% |
| Operational Profit | 245,068 | 340,226 | + | 38.8% |

*Financial Data (continued)***Bank Facilities and Statement of Legal Payments**

Statement of Bank Facilities Position and Movements During the FY 2024

| Bank Name (Amounts in thousands of Riyals) | Total Loan Amount | Starting Balance | Amount Utilised During the Year | Amount Repaid During the Year | Ending Balance* |
|--|-------------------|------------------|---------------------------------|-------------------------------|------------------|
| Al Bilad Bank | 780,004 | 219,394 | 0 | (18,750) | 200,644 |
| Arab National Bank | 945,159 | 318,810 | 458,540 | (189,490) | 587,860 |
| First Abu Dhabi Bank | 100,000 | 96,726 | 88,160 | (144,765) | 40,121 |
| SAB Bank | 565,000 | 0 | 43,820 | (43,820) | 0 |
| Gulf International Bank | 673,400 | 55,777 | 179,064 | (135,113) | 99,728 |
| National Commercial Bank | 500,000 | 0 | 49,000 | 0 | 49,000 |
| Alinma Bank | 694,500 | 0 | 35,500 | 0 | 35,500 |
| Emirates NBD | 150,000 | 0 | 49,100 | 0 | 49,100 |
| Al-Jazira Bank | 250,000 | 0 | 130,240 | (130,240) | 0 |
| Al Rajhi Bank | 421,551 | 554,688 | 76,275 | (216,506) | 414,456 |
| Riyadh Bank | 262,000 | 128,392 | 316,938 | (225,803) | 219,527 |
| Al Oula Financing Company | 39,000 | 78,000 | 0 | (39,000) | 39,000 |
| Total | 5,380,615 | 1,451,786 | 1,426,637 | (1,143,487) | 1,734,936 |

* Balance at the end of the period include accrued interest Aloula finance company loan inculdes facilities utilized by two subsidiariy owned by Retal

*Financial Data (continued)***Statement of Legal Payments**

Information on fees paid and outstanding, under the regulatory provisions of the Saudi Zakat, Tax and Customs Authority (ZATCA), all amounts in SARs.

| Statement | 2024 Paid | Due | Brief Description |
|--------------------|------------|------------|--|
| Zakat | 10,877,585 | 14,707,332 | The amount due is an estimated Zakat for the year, payable before 30/04/2025 |
| VAT | 81,062,235 | 4,717,544 | The amount due relates to December 2024 declarations and is payable before 31/1/2025 |
| Withholding Tax | 2,121,921 | 193,844 | The amount due relates to December 2024 declarations and is payable before 10/2/2025 |
| REIT | 10,865,418 | 0 | Paid and due amounts for real estate transaction tax |
| GOSI | 9,088,509 | 1,262,933 | Paid and due amounts for social insurance |
| Statutory Payments | 17,534,660 | 234,757 | Amounts paid to the labour office, visa issuance fees, and others |

Revenues by Geography – The Company and Subsidiaries

| (Number in SR000) | Eastern Province | Western Province | Central Province | Northern Province | Total | % from total revenues |
|---------------------------|------------------|------------------|------------------|-------------------|------------------|-----------------------|
| Retal | 414,169 | 153,310 | 1,385,050 | 0 | 1,952,529 | 94.6% |
| BCC | 55,498 | 0 | 17,227 | 0 | 72,724 | 3.5% |
| NESAJ | 8,316 | 0 | 0 | 0 | 8,316 | 0.4% |
| TLC | 9,879 | 11,536 | 3,881 | 0 | 25,297 | 1.2% |
| TEC | 0 | 0 | 479 | 0 | 479 | 0.0% |
| Adara Real Estate Company | 687 | 0 | 3,179 | 0 | 3,866 | 0.2% |
| Total | 0 | 0 | 0 | 0 | 1,367,125 | 100% |

Compliance Management

Retal's Compliance Department plays a pivotal role in cultivating a culture of integrity and adherence to regulations across all aspects of its operations. By ensuring ongoing guidance, monitoring, and oversight, the department proactively mitigates risks associated with non-compliance, safeguarding both the company's interests and shareholder rights. Through the establishment of clear, binding policies and procedures, Retal fosters transparency, accountability, and ethical conduct, emphasizing the importance of compliance for all personnel and stakeholders.





Compliance Management

Retal's Compliance Department works diligently to foster a culture of compliance and implement its policies across all company activities, operations, and tasks. This safeguards Retal's interests and enhances its ability to mitigate risks associated with non-compliance with rules and regulations. This is achieved through ongoing guidance, direction, monitoring, and effective oversight, ensuring a proactive approach to addressing regulatory challenges.

Retal places the utmost importance on upholding and protecting shareholder rights with integrity and transparency, while strictly adhering to all applicable regulations. Compliance risks are periodically identified and assessed to ensure mitigation through the issuance of clear, binding internal policies and procedures that all company personnel must follow. Retal firmly rejects any form of violation or non-compliance with its policies. The Company is committed to implementing principles of professional conduct and work ethics for all personnel and stakeholders, fostering a work environment founded on transparency and accountability.

Code of Professional Conduct and Ethical Values

Ethical values are a cornerstone of Retal Urban Development Company. We take pride in our commitment to operating with the highest standards of integrity and professionalism, strengthening our reputation and market position. Our Code of Professional Conduct and Ethical Values serves as a guiding reference for all

team members, senior management, and stakeholders, ensuring adherence to professional conduct aligned with Retal's principles.

This code is based on the premise that all Retal personnel are responsible for managing company affairs ethically. It emphasises that compromising the values of integrity or acting contrary to them is unacceptable under any circumstances. The commitment of all employees to these ethical standards reflects the Company's dedication to fostering a work environment built on transparency, responsibility, and credibility. This contributes to achieving strategic objectives and maintaining the trust of partners and shareholders.

Policy on Acceptance or Offering of Gifts and Benefits

Retal Urban Development Company is committed to upholding the highest standards of integrity and transparency in all its dealings. Therefore, it has a clear policy prohibiting accepting or offering gifts and personal benefits to any relevant individuals within the Company. No Retal employee may accept any gifts or personal benefits, regardless of their value, from suppliers, vendors, contractors, or customers if doing so could influence their professional decisions or create a conflict of interest. This policy aims to prevent any unethical practices and foster a work environment built on fairness, integrity, and accountability, ensuring the Company's best interests are served and maintaining the trust of all stakeholders.

Conflict of Interest Policy

Retal Urban Development Company recognises the importance of transparency and integrity in all its dealings and is committed to acting in the best interests of its customers and shareholders, while diligently avoiding any conflicts of interest. In the event of

any potential conflict, the Company is committed to disclosing it transparently and taking the necessary steps to address it following its established Conflict of Interest Policy. This ensures that decisions are made objectively and impartially, fostering trust in the Company's operations and upholding the highest standards of corporate governance.

Whistleblowing Policy

Retal Urban Development Company is committed to the highest standards of professional conduct and best practices in all its operations. We strive to provide a professional working environment that fosters a culture of transparency and accountability. In line with this commitment, the Company has adopted a whistleblowing policy that enables all employees, at all levels of management, as well as stakeholders, to report any practices that may involve non-compliance, unprofessional conduct, or unethical behaviour.

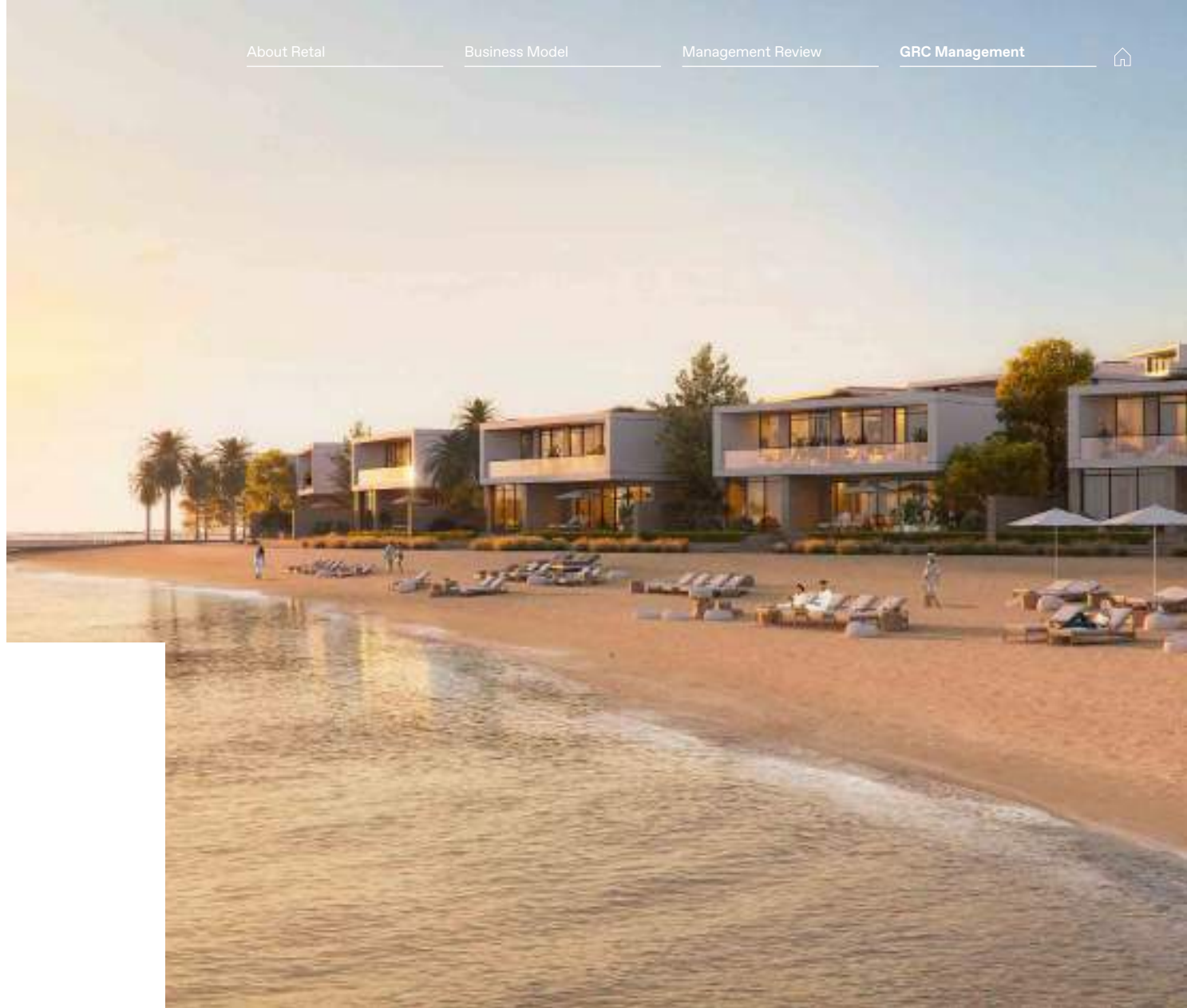
Reporting Mechanisms and Confidentiality

- The Company provides safe and confidential reporting channels, allowing whistleblowers to submit their reports easily and securely.
- The policy grants whistleblowers the right to anonymity. If they choose to disclose their identity, the Company guarantees them full protection against any retaliation, threats, or intimidation.
- Retal ensures that all reports are treated seriously and with complete confidentiality, with the necessary investigations conducted and appropriate corrective actions taken when required.
- You can submit a report by contacting the following email address: whistleblowing@retal.com.sa.

Risk Management

Retal employs a dynamic and adaptive approach to risk management, focused on continuous improvement and proactive strategies to safeguard the company's value and long-term sustainability. By developing a comprehensive and flexible risk management framework, Retal enhances its ability to swiftly respond to business environment changes and effectively address future challenges.

As the Kingdom of Saudi Arabia undergoes an ambitious economic transformation, the urban development sector emerges as a key driver of this sustainable growth. Within this context, Retal plays an active role in supporting this development momentum through valuable contributions that enrich the sector. Our strategic commitment is to protect the interests of our stakeholders. This commitment is demonstrated through well-considered decisions that contribute to asset growth, enhance profitability, and establish long-term sustainable growth, all while aligning with market expectations and dynamic changes.





Risk Management (continued)

Risk Management

Risk Management Framework

Retal's Risk Management Department strives to achieve the best possible results for business plans by:

- Controlling negative risks (threats) within acceptable tolerance levels, thereby limiting their potential impact.
- Capitalising on positive risks (opportunities) by studying and seizing them to enhance performance and growth.

In 2024, the Company launched its second annual risk analysis cycle, with a focus on developing analytical methods and expanding coverage to encompass both internal and external aspects within the risk management framework.



2024 Risk Analysis

1. Liquidity Risk is the potential for insufficient financial resources to meet obligations as they fall due, or to secure them at an exorbitant cost. One liquidity risk that Retal may face is a reduction in cash flow due to delays in activating escrow accounts, leading to an increase in the Company's financial liabilities, alongside a decline in the liquidity ratio.

2. Operational Risks are the potential for +/- impacts on the Company's internal operations and daily procedures. Risks faced by Retal include: delays in project timelines due to multiple factors, such as design changes based on customer requests in off-plan sales, supply chain disruptions, human error, and the potential for budget reductions. Other risks

fall within operational risks but carry a low assessment.

3. Third-Party Risks are those associated with dealing with external entities such as vendors, suppliers, partners, contractors, or service providers. Risks that Retal may face include: delays in project and land infrastructure, impacting timelines, financial and reputational effects, and increased maintenance costs; loss of strategic partnerships and alliances, leading to reputational effects and, in some cases, financial impacts; and supplier quality issues and delivery delays.

4. Interest Rate Risks are the potential impact on the Company's financial statements due to changes in interest rates. Retal may face this risk due to the potential rise in interest rates and

SAIBOR rates in 2025. An increase in interest rates can lead to a significant rise in borrowing costs, resulting in higher financing expenses. Furthermore, rising interest rates may affect unit sales, orders, and operational cash flow.

5. Market Risks are the potential for financial losses or gains resulting from external changes in market conditions, including prices, competition, and economic fluctuations. Risks faced by Retal include: increased market competition, leading to loss of market share and competitive advantage, and economic downturns impacting the real estate market, resulting in decreased property demand and reduced profitability for companies operating in the sector.



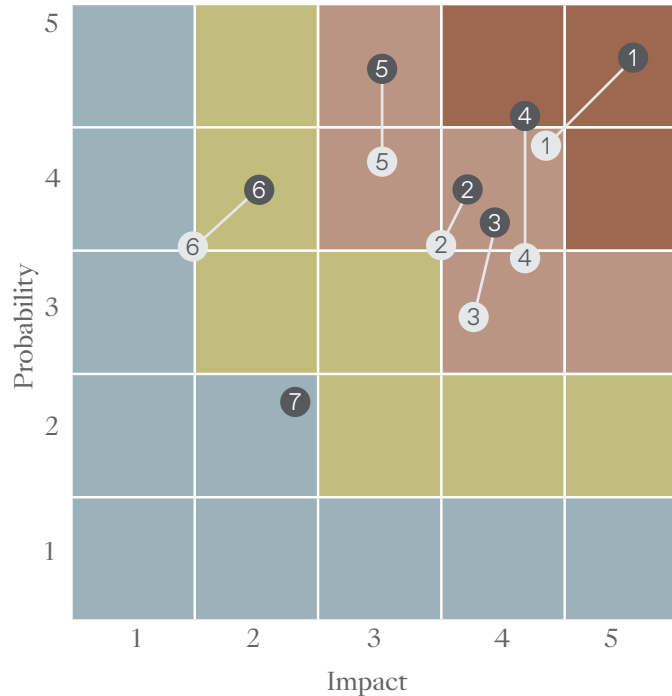
Risk Management (continued)

6. Digital and Cyber Security Risks are the potential for changes in the Company's digital operations and data security. Risks faced by Retal include: malicious cyber attacks resulting from unauthorised access, leading to data breaches and thus compromising sensitive information and data within the Company's systems. Other risks include communication disruptions due to network or system issues, and opportunities for core system integration, particularly with artificial intelligence.

7. Regulatory and Compliance Risks are the potential for failure to adhere to laws, regulations, and legislation within the Kingdom of Saudi Arabia. Such risks can lead to financial and legal repercussions in the form of fines and penalties.

Risk Matrix

Retal utilises a risk assessment matrix that display the likelihood of a risk occurring and its potential impact, using a scale ranging from 1 to 5 for each axis in the matrix.



Risk Level



1. Liquidity Risk
2. Operational Risk
3. Third-Party Risk
4. Interest Rate Risk
5. Market Risk
6. Digital and Cyber Security Risk
7. Compliance and Governance Risk/
Regulatory and Risks

- Current Risk Level
- Target Risk Level



Risk Management (continued)

Risk Mitigation Strategies

Retal is committed to implementing risk management strategies to ensure business sustainability and achieve balanced growth. Our approach is proactive, enabling us to adapt to challenges and changes while strengthening our position in Saudi Arabia's urban development sector.

1. Liquidity Risk: Retal utilizes monitoring mechanisms and controls to manage liquidity risk, ensuring liquidity to support operational activities business continuity through a robust financial approach. Its strategy in this regard is based on a series of effective measures, primarily meticulous planning between the financial and development sectors to ensure optimal management, and drawing lessons from past cases. The Company also adopts a proactive approach in the monitoring of liquidity ratios, enabling it to make informed decisions that enhance its financial flexibility. In addition, Retal adopts dynamic and adaptable contingency plans, including budget adjustments and reserve account management, reinforcing its ability to adapt to changes and ensure its long-term financial stability.

2. Operational Risk: Companies face a multitude of operational risks, and each

department within Retal has its own strategies to ensure efficiency and effectiveness in daily operations. These strategies include effective planning and supplier localisation, and strengthening local partnerships that contribute to accelerated production and reduced logistical complexities. Additionally, utilizing digital transformation of operations and automation are implemented to minimise human error and enhance efficiency through intelligent systems integration. Retal also focus on providing internal initiatives for human capital development, which boosts employee retention rates and stimulates productivity. Furthermore, Retal adopt environmental, social, and governance (ESG) standards, integrating and embedding the role of business excellence management in improving internal processes and fostering accountability and transparency, thus contributing to the creation of a stable and sustainable working environment.

3. Third-Party Risk: Third party risks arises beyond management control are often beyond direct management control, the Company efficiently implements effective strategies to mitigate these risks. These strategies include enhancing the focus on the value chain of Retal's operations and its subsidiaries, ensuring optimal and oversight of external activities that

may impact the Company. Retal also utilises insurance as a means to protect company sites and assets, providing an additional layer of security against potential financial risks. Furthermore, the Company develops and automates supplier governance practices to ensure compliance with ethical and legal standards, strengthening transparency and accountability across all stages of the supply chain. Finally, Retal strengthens strategic partnerships and alliances to reinforce business relationships and build a robust support network that contributes to mitigating third-party risks, and supports the Company's stability and sustained growth.

4. Interest Rate Risk: Given that the entire market is exposed to interest rate risks, Retal strives to establish and strengthen effective relationships with financial institutions to mitigate these risks should they materialise. The Company adopts several additional controls, including meticulous monitoring of interest rates and assessment of their financial impact within Saudi Arabia. It also engages in strategic planning for debt management and business cycles to ensure long-term financial stability. Furthermore, Retal employs hedging strategies to safeguard itself against potential interest rate fluctuations, utilising various

financial instruments to stabilise debt costs or minimise exposure to adverse financial risks resulting from negative interest rate movements. These efforts aim to enhance the Company's financial efficiency and protect it from unexpected economic volatilities.

5. Market Risk: by looking at Retal's rapid growth, the Company places significant emphasis on managing market risks by implementing effective strategies aimed at mitigation. These strategies rely on an enabled business model that incorporates multiple revenue streams, providing diversification that contributes to revenue stability and reduces exposure to any disruptions that may occur. Furthermore, Retal leverages strategic alliances that enhance its ability to expand and access new markets, while also bolstering resilience in the face of economic challenges. The Company also maintains a diversified investment portfolio that contributes to risk distribution and achieves long-term financial stability. Finally, meticulous financial planning is a core component of Retal's risk management strategies, as the Company strives to maintain a healthy balance between growth and sustainability, ensuring its continued success and expansion in a dynamic business environment.



Risk Management (continued)



6. Digital and Cyber Security Risk:

Digital transformation is a cornerstone of Retal's strategy to enhance its competitive capabilities and improve operational efficiency. In this context, the Company takes several proactive measures to manage digital and cyber security risks, forming an integral part of its comprehensive digital transformation strategy. Firstly, Retal is committed to implementing continuous and advanced cyber security measures to protect its data and systems from potential threats or attacks. This includes constant monitoring and updating security protocols to ensure a high level of protection. Secondly, Retal leverages advanced technology, such as artificial intelligence, to enhance operational excellence. This enables more efficient and accurate data analysis, improves the speed and performance of operations, and reduces human error, allowing for quicker responses to operational and security requirements. Finally, Retal's achievement of ISO/IEC 27001 certification for information security demonstrates its commitment to international standards in data protection and digital security management. This certification is an indicator of the quality and effectiveness of the Company's digital security management, enhancing customer and investor confidence in Retal's ability to protect their digital interests.

7. Compliance and Governance Risk:

The Governance, Risk, and Compliance (GRC) department at Retal plays a crucial role in ensuring effective adherence to applicable legislation and regulations. Non-compliance risk is managed through the use of detailed compliance registers and the implementation of robust compliance process procedures, significantly reducing non-compliance incidents. As part of its responsibilities, the GRC department issues periodic reports documenting compliance statuses and addressing any violations that may occur. This process ensures the continuous updating of systems and regulations in accordance with changes in the regulatory and market environment, thereby maintaining sound governance standards and efficient company operations. In this way, the GRC department contributes to enhancing trust among shareholders and investors, and preserves Retal's reputation as a company committed to the highest standards of transparency and accountability.

Retal adopts a risk management approach across all areas of its business model, effectively managing risk across all sectors of the Company. We strive for comprehensiveness in identifying risks and for flexibility and adaptability in our risk management strategies, aiming to achieve maximum returns for the Company.

A modern architectural rendering of a rooftop pool and lounge area. On the left, a tall building with large glass windows and balconies is visible. In the foreground, there's a swimming pool with a glass railing. To the right, a long, low wall with rectangular openings runs along the pool. The sky is blue with some clouds. The overall style is clean and contemporary.

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