

Anmat Technology for Trading Company
(A Saudi Joint Stock Company)
Riyadh - Kingdom of Saudi Arabia

Financial statements and independent auditor's report
For the year ended December 31, 2025

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(A Saudi Joint Stock Company)

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Index	Page
Independent Auditor's Report	1 - 4
Statement of financial position	5
Statement of profit or loss and other comprehensive income	6
Statement of changes in equity	7
Statement of cash flows	8 - 9
Notes to the financial statements	10 - 37

Independent Auditor's Report

**To the shareholders of
Anmat Technology for Trading Company
(A Saudi Joint Stock Company)
Riyadh, Kingdom of Saudi Arabia**

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

Independent Auditors' Report (Continued)

**To the shareholders of
 Anmat Technology for Trading Company**
 (A Saudi Joint Stock Company)
 Riyadh, Kingdom of Saudi Arabia

Key Audit Matters (Continued)

Key Audit Matters	How our audit addressed the key audit matter
<p>Revenue Recognition</p> <p>The Company recognized total revenue amounting to SAR 295,072,723 for the year ended 31 December 2025.</p> <p>Revenue is recognized upon satisfying performance obligations, whereby revenue is recognized over time in accordance with the requirements of IFRS 15 "Revenue from Contracts with Customers."</p> <p>Revenue recognition has been considered a key audit matter due to the materiality of the revenue amount, which may have a significant impact on the Company's financial statements. In addition, the application of the standard requires judgments and estimates relating to the identification of performance obligations, the timing of revenue recognition, and the measurement of the percentage of completion when recognizing revenue over time, which may have a material impact on the financial statements.</p> <p>Refer to Note (4) of the accompanying financial statements regarding the significant accounting policy related to revenue recognition and Note (20) regarding the related disclosures.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Evaluated the appropriateness of the accounting policy for revenue recognition and assessed its compliance with IFRS 15 "Revenue from Contracts with Customers." • Obtained an understanding and evaluated the design and implementation of internal controls relevant to management's procedures over revenue recognition. • Assessed the reasonableness of management's judgments and estimates used in recognizing revenue with respect to identifying performance obligations and determining the timing of revenue recognition. • Examined a sample of contracts to identify the performance obligations under these contracts and determine whether those obligations were satisfied over time or at a point in time. • Recalculated a sample of revenue transactions and compared them with management's calculations to verify accuracy and occurrence. • Tested a sample of recognized revenue transactions and agreed them to supporting documentation to confirm occurrence, accuracy, and timing of recognition. • Evaluated the adequacy and appropriateness of the related disclosures concerning revenue in accordance with IFRS 15.

Other Information

The other information comprises the information included in the Company's annual report for the year 2025, other than the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this report. Management is responsible for the other information included in its annual report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated in any other way. When we read the annual report once it becomes available to us, if we conclude that there is a material misstatement of this other information, we are required to report that matter to those charged with governance.

Independent Auditors' Report (Continued)

**To the shareholders of
Anmat Technology for Trading Company**
(A Saudi Joint Stock Company)
Riyadh, Kingdom of Saudi Arabia

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

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

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

Those charged with governance, the board of directors, are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Independent Auditors' Report (Continued)

**To the shareholders of
Anmat Technology for Trading Company**
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Riyadh, Kingdom of Saudi Arabia

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

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

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

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

RSM Allied Accountants Professional Services



Mohamed Abdel Majeed Mohandes
License No. (564)
Riyadh, Kingdom of Saudi Arabia
7 Shawwal 1447H (26 March 2026)



Anmat Technology for Trading Company
(A Saudi Joint Stock Company)

Statement of Financial Position
As at December 31, 2025
(Saudi Riyal)

	<u>Note</u>	<u>31 December 2025</u>	<u>31 December 2024</u>
Assets			
Non-current assets			
Property, plant and equipment, net	5	18,359,186	5,184,531
Right-of-use assets, net	6-A	12,606,978	9,576,811
Advance payments for the purchase of lands, net	7	1,471,155	-
Total non-current assets		32,437,319	14,761,342
Current assets			
Investments at fair value through profit or loss	8-A	3,842,995	2,285,862
Advance payments under the investment account	8-B	-	78,372
Due from related parties	9-A	4,834,721	1,616,552
Accounts receivable, net	10-A	108,622,307	92,126,593
Contract assets	20-C	77,515,179	51,400,606
Prepaid expenses and other assets	11	41,855,626	29,526,252
Inventory, net	12	13,505,291	13,583,262
Cash and cash equivalents	13	6,394,866	25,023,644
Total current assets		256,570,985	215,641,143
Total assets		289,008,304	230,402,485
Equity and liabilities			
Equity			
Share capital	1-D	43,000,000	38,000,000
Share premium	1-E	39,075,326	-
Retained earnings		85,319,357	54,960,269
Total equity		167,394,683	92,960,269
Liabilities			
Non-current liabilities			
Lease liability - non-current portion	6-B	6,842,464	5,062,083
Defined employees' benefit plan obligations	15	5,647,207	3,968,064
Total non-current liabilities		12,489,671	9,030,147
Current liabilities			
Bank facilities	16	22,401,656	10,040,549
Lease liability - current portion	6-B	3,549,575	3,241,556
Accounts and notes payable	17	45,508,229	69,374,957
Accrued expenses and other liabilities	18	8,090,967	16,322,500
Contract liabilities	20-C	25,653,835	27,089,178
Due to related parties	9-B	18,407	18,407
Zakat provision	19-B	3,901,281	2,324,922
Total current liabilities		109,123,950	128,412,069
Total liabilities		121,613,621	137,442,216
Total equity and liabilities		289,008,304	230,402,485

The accompanying notes from (1) to (31) form an integral part of these financial statements

Anmat Technology for Trading Company
(A Saudi Joint Stock Company)

Statement of Profit or Loss and Other Comprehensive Income
For the year ended December 31, 2025
(Saudi Riyal)

	<u>Note</u>	<u>31 December 2025</u>	<u>31 December 2024</u>
Revenue	20	295,072,723	268,338,861
Cost of revenue	21	(239,573,762)	(215,485,011)
Gross profit		55,498,961	52,853,850
Selling and marketing expenses	22	(5,734,337)	(6,215,909)
General and administrative expenses	23	(8,970,130)	(8,193,402)
(Charge) / reversal of allowance for expected credit losses	10	(23,005)	351,221
Reversal / (charge) of impairment in advance payments for the purchase of lands	7-B	667,800	(333,900)
Other income	24	698,929	346,243
Net profit from operations		42,138,218	38,808,103
Unrealized (loss) / gain from revaluation of investments at fair value through profit or loss	A-8	(1,691,094)	292,542
Dividends from investments at fair value through profit or loss	A-8	233,460	27,268
Finance cost, net	25	(6,052,653)	(2,461,456)
Net profit for the year before zakat		34,627,931	36,666,457
Zakat expense	19-A	(3,901,281)	(2,324,922)
Net profit for the year		30,726,650	34,341,535
<u>Other comprehensive income</u>			
Items not to be reclassified to profit or loss in subsequent periods			
Remeasurement loss on defined employees' benefit obligations	15	(367,562)	(457,103)
Total comprehensive income for the year		30,359,088	33,884,432
<u>Earnings per share</u>			
Basic and diluted earnings per share from net profit (SAR per share)	26	0.75	0.90

The accompanying notes from (1) to (31) form an integral part of these financial statements

Anmat Technology for Trading Company
(A Saudi Joint Stock Company)

Statement of changes in equity
For the year ended December 31, 2025
(Saudi Riyal)

	<u>Note</u>	<u>Share capital</u>	<u>Share premium</u>	<u>Statutory reserve</u>	<u>Retained earnings</u>	<u>Total</u>
Balance as of January 1, 2024		38,000,000	-	50,000	21,025,837	59,075,837
Net profit for the year		-	-	-	34,341,535	34,341,535
Other comprehensive loss	15	-	-	-	(457,103)	(457,103)
Total other comprehensive income		-	-	-	33,884,432	33,884,432
Transfer from statutory reserve to retained earnings		-	-	(50,000)	50,000	-
Balance as of December 31, 2024		<u>38,000,000</u>	<u>-</u>	<u>-</u>	<u>54,960,269</u>	<u>92,960,269</u>
Balance as of January 1, 2025		38,000,000	-	-	54,960,269	92,960,269
Net profit for the year		-	-	-	30,726,650	30,726,650
Other comprehensive loss	15	-	-	-	(367,562)	(367,562)
Total other comprehensive income		-	-	-	30,359,088	30,359,088
Issue of shares	1-D,E	<u>5,000,000</u>	<u>39,075,326</u>	<u>-</u>	<u>-</u>	<u>44,075,326</u>
Balance as of December 31, 2025		<u>43,000,000</u>	<u>39,075,326</u>	<u>-</u>	<u>85,319,357</u>	<u>167,394,683</u>

The accompanying notes from (1) to (31) form an integral part of these financial statements

Statement of cash flows
For the year ended December 31, 2025
(Saudi Riyal)

	<u>Note</u>	<u>31 December 2025</u>	<u>31 December 2024</u>
Cash flows from operating activities			
Net profit for the year before zakat		34,627,931	36,666,457
Adjustments to reconcile net profit before zakat to net cash (used in) provided by operating activities			
Depreciation of property, plant and equipment	5	1,051,468	765,286
Depreciation of right of use assets	6	2,716,608	1,726,627
Gain from disposal of right of use assets	24	(75,093)	(58,101)
Unrealized profits from investments at fair value through profit or loss	8	1,691,094	(292,542)
Dividends on investments at fair value through profit or loss	8	(233,460)	(27,268)
Provision for obsolete and slow-moving inventory	12	-	167,223
Impairment of advance payments for the purchase of lands	7-B	(667,800)	333,900
Expected credit losses no longer required	10	23,005	(351,221)
Finance costs		6,200,825	2,662,079
Defined employees' benefit obligations charged	15	1,362,456	941,429
		<u>46,697,034</u>	<u>42,533,869</u>
Changes in operating assets and liabilities			
Related parties		(3,218,169)	(1,251,689)
Account receivables		(16,518,719)	(28,359,610)
Contract assets		(26,114,573)	(24,731,962)
Prepaid expenses and other assets		(12,329,374)	(18,540,433)
Inventory		77,971	(1,751,951)
Accounts payable		(23,866,728)	39,563,137
Accrued expenses and other liabilities		(8,622,107)	7,532,903
Contract liabilities		(1,435,343)	17,341,150
		<u>(45,330,008)</u>	<u>32,335,414</u>
Zakat paid	19	(2,324,922)	(1,648,913)
Defined employees' benefit obligations paid	15	(50,875)	(170,445)
Net cash (used in) provided by operating activities		<u>(47,705,805)</u>	<u>30,516,056</u>
Cash flows from investing activities			
Additions to property, plant and equipment	5	(14,226,123)	(4,057,482)
Advance Payments for Lands	7	(803,355)	-
Additions to right of use assets		(301,135)	(564,998)
Additions to investments at fair value through profit or loss	8	(3,169,855)	(1,435,435)
Dividends received from investments at fair value through profit or loss	8	233,460	27,268
Advance payments under the investment account		-	(78,372)
Net cash used in investing activities		<u>(18,267,008)</u>	<u>(6,109,019)</u>

The accompanying notes from (1) to (31) form an integral part of these financial statements

Anmat Technology for Trading Company
(A Saudi Joint Stock Company)

Statement of cash flows (continued)
For the year ended December 31, 2025
(Saudi Riyal)

	<u>Note</u>	<u>31 December 2025</u>	31 December 2024
Cash flows from financing activities			
Net proceeds from issuance of new shares		44,075,326	-
Lease payments		(2,891,573)	(2,714,585)
Finance cost paid		(6,200,825)	(1,854,913)
Proceeds from bank facilities		50,475,014	26,658,324
Paid from bank facilities		(38,113,907)	(23,223,726)
Net cash provided by (used in) financing activities		<u>47,344,035</u>	<u>(1,134,900)</u>
Net change in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year	13	<u>25,023,644</u>	<u>1,751,507</u>
Cash and cash equivalents at the ending of the year	13	<u>6,394,866</u>	<u>25,023,644</u>

The accompanying notes from (1) to (31) form an integral part of these financial statements

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements

For the year ended December 31, 2025

1 - Organization and Activities

A- Anmat Technology for Trading Company is a Saudi joint stock company listed on the Parallel Market (Nomu), under unified number 7001689293 and commercial registration number 1010256498, dated 17 Ramadan 1429H (corresponding to 16 September 2008), issued in Riyadh and valid until 11 Ramadan 1448H (corresponding to 18 February 2027).

B- The Company's activity – (Head Office) is as follows:

Renovations of residential and non-residential buildings, repair and maintenance of roads, streets, sidewalks and road accessories Extension of pipes of all kinds for electricity, communications and others Repair and maintenance of telecommunications and radar stations and towers Construction and construction of telecommunications and radar stations and towers Extension of electrical wires Extension of communication wires Network extensions Installation and extension of television and satellite networks Installation and extension of computer and communication networks Installation of lighting systems Deployment of ready-made programs Operating Systems Wholesale of computers and its accessories Includes the sale of printers and inks Wholesale of equipment spare parts and electronic parts for communications, including electronic pipes and integrated and printed electrical circuits Wholesale of radio and television equipment Wholesale of generators and electrical transformers Sale of software not prepared on demand Retail sale of audio and audio equipment Systems Analysis Design and programming of special software Operation of an audio and visual studio Installation and maintenance of fire alarm devices and equipment Installation and maintenance of security devices Retail sale of security services Providing management and monitoring of telecommunications and information networks Providing digital certification services Registration for the provision of cloud computing services Provision of fixed broadband fixed communications services Provision of wired Internet services Provision of mobile communication services Provision of wireless data services Telecom cabins Provision of infrastructure wholesale services Provision of virtual network operator services for the Internet of Things.

C- The Company has obtained the following subsidiary commercial registrations:

<u>Registration number</u>	<u>Commercial name</u>	<u>Date of issue</u>	<u>Place of issue</u>	<u>Activity</u>
1010369482	Anmat of industry	24 Jumada I 1434 H	Riyadh	Iron and steel casting products (finished made) Non-ferrous metal casting (finished products), includes (.aluminum, zinc ... etc)
1010259143	Anmat Technology Contracting	30 Thu al-Qa'dah 1429 H	Riyadh	General construction of residential and non-residential buildings such as schools, hospitals, hotels, and government facilities; renovation of both residential and non-residential buildings; installation of various types of pipelines for electricity, telecommunications, and others; electrical wiring installation; installation, maintenance, and repair of sanitary ware; building finishing; and furniture installation.

The attached financial statements represent the assets, liabilities and results of the main commercial register and the subsidiary commercial registers referred to above only.

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements (continued)

For the year ended December 31, 2025

1- Organization and Activities (continued)

D- Changes in Capital

On 25 Rajab 1445H (corresponding to 6 February 2024), the Extraordinary General Assembly of the Company's shareholders convened and approved the Board of Directors' recommendation dated 22 Jumada Al-Thani 1445H (corresponding to 4 January 2024) to increase the Company's share capital from 38,000,000 shares to 43,000,000 shares by issuing 5,000,000 new shares through registration, offering, and listing in the Parallel Market after obtaining the necessary approvals from the Capital Market Authority (CMA), Saudi Tadawul Group, and any other relevant authority.

On 12 Rabi' Al-Awwal 1446H (corresponding to 15 September 2024), the Company obtained the approval of Saudi Tadawul Group for the offering and listing of its shares in the Parallel Market, conditional upon obtaining the Capital Market Authority (CMA) approval, which was subsequently received on 15 Jumada Al-Thani 1446H (corresponding to 16 December 2024).

Anmat Technology Trading Company issued 5,000,000 new shares in the Parallel Market, representing 11.63% of the Company's total shares and share capital after the offering, which amounted to 43,000,000 shares with a total value of SAR 43,000,000. The offering period ended on 27 May 2025, and the Company was listed on 11 June 2025 under the trading number 9639.

The following table shows the share capital ownership structure before the offering:

	Percentage of ownership	Number of Shares	Share Value (SAR)	Total (SAR)
Mrs. Deemah Ayman Ahmed Oqilan	% 55	20,900,000	1	20,900,000
Mrs. Sawsan Mohammed Ahmed Oqila	% 45	17,100,000	1	17,100,000
		<u>38,000,000</u>		<u>38,000,000</u>

The following table shows the share capital ownership structure after the offering:

	Percentage of ownership	Number of Shares	Share Value (SAR)	Total (SAR)
Mrs. Deemah Ayman Ahmed Oqilan	% 48.605	20,900,000	1	20,900,000
Mrs. Sawsan Mohammed Ahmed Oqila	% 39.767	17,100,000	1	17,100,000
Public	% 11.628	5,000,000	1	5,000,000
		<u>43,000,000</u>		<u>43,000,000</u>

E- Share premium

On 15 Dhu Al-Hijjah 1445H (corresponding to 11 June 2025), the Company was listed in the Parallel Market through the issuing of 5,000,000 new shares at an issuance price of SAR 9.5 per share. The Company received total proceeds of SAR 47,500,000 from the issuance of the new shares, of which SAR 5,000,000 was allocated to increase the share capital, an amount of SAR 3,424,674 was allocated to cover all transaction costs related to the offering and listing process. Accordingly, the net proceeds from the offering amounted to SAR 39,075,326, which was recorded as a share premium.

F- The Company's head office is located at the following address:
Riyadh – P.O. Box 6141, King Fahd Road – Al-Wurud District
Postal Code: 12215
Kingdom of Saudi Arabia

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements (continued)

For the year ended December 31, 2025

2- Basis of preparing financial statements

Statement of Compliance

These financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards endorsed in Kingdom of Saudi Arabia and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional and Accountants.

Basis of measurement

These financial statements have been prepared according to historical cost principle, going concern basis and the accrual basis of accounting Except for employee benefits obligations, where the present value of future obligations is recognized using the projected unit credit method. Other basis will be used if International Financial Reporting Standards as endorsed in the kingdom of Saudi Arabia and other standards and publications endorsed by Saudi Organization for Chartered and Professional and Accountants require that, as stated in applied accounting policies (Note 4).

Accounting records

The Company maintains its accounting records by computer and in Arabic.

Presentation and disclosure currency

The financial statements are presented in Saudi Riyals which is the functional currency of the Company, and it is rounded to the nearest Saudi Riyals.

Significant accounting judgment, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, costs, assets, and liabilities, as well as the disclosure of contingent liabilities at the reporting date. However, uncertainty surrounding these assumptions and estimates may result in outcomes that could require material adjustments to the carrying amounts of assets and liabilities in future periods.

These estimates and assumptions are based on historical experience and various other factors, including expectations of future events that are believed to be reasonable under the circumstances. They are used to determine the carrying amounts of assets and liabilities that are not readily apparent from other sources. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Areas with a higher degree of judgment or estimation or areas of relative importance where estimates and assumptions have significant implications for the financial statements are as follows:

Revenue Recognition

The Company recognizes revenue arising from construction and development contracts and information technology services using the input method, whereby revenue is recognized based on the proportion of costs incurred to date relative to the total estimated costs of the contract.

The application of this method requires the use of significant estimates by management regarding the total expected costs to complete the contracts. These costs include materials, labor, technical costs, and operating expenses related to project execution. Such estimates are subject to periodic review to reflect technical and commercial developments related to each contract.

Due to the nature of the Company's activities in the fields of information technology and contracting, these estimates may be affected by several factors such as changes in the scope of work, technical difficulties, or implementation delays, which may impact the timing and amount of revenue recognized. Management makes every effort to ensure that these estimates reflect the best information available at the time the financial statements are prepared.

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements (continued)

For the year ended December 31, 2025

3- New standards, interpretations and amendments applied by the Company

The following are the important new standards and amendments to standards which are effective for annual periods beginning on or after 1 January 2026 and earlier application is permitted; however, the Company has not early adopted them in preparing these financial statements.

New standards, interpretation, amendments	Description	Effective date
Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	These amendments: - Clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; - Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; - Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and 4. make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).	Annual periods beginning on or after 01 January 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to: 1. the structure of the statement of profit or loss; 2. required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity’s financial statements (that is, management-defined performance measures).	Annual periods beginning on or after 01 January 2027

Notes to the financial statements (continued)
For the year ended December 31, 2025

4- Summary of material accounting policies

The following is a summary of the material accounting policies followed by the Company:

Current versus non-current classification

The Company presents its assets and liabilities in the statement of financial position based on a current / non-current basis. The assets are considered as a current when its:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for purpose of trading.
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalents, unless restricted from paying exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

All liabilities are considered as a current, when its:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer liability in a transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reevaluating the classification (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Notes to the financial statements (continued)
For the year ended December 31, 2025

4 - Summary of material accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are measured at cost minus any depreciation pool and any impairment loss complex. Land is not depreciated. Property, plant and equipment are depreciated minus their remaining values over their estimated useful life, using the straight-line method.

The estimated useful lives of the main items of property, plant and equipment are as follows:

Description	Estimated useful life
Warehouse	10
Vehicles	4-7
Furniture & Furnishings	5
Electrical & Computer Appliances	4
Machinery and equipment	4
Leasehold Improvements	5 years or contract duration whichever is less

If there is an indication of a significant change in the depreciation rate, useful life or residual value of property, plant and equipment, the future decline of such property, plant and equipment is adjusted to reflect the new expectations. Upon sale, the difference between the net proceeds from the sale and the carrying value of the item sold is recognized in the profit or loss statement and included in other income or operating expenses.

Capital Work in Progress

Capital work in progress is recognized at the costs incurred until the completion of the project for the purpose for which it was established. Upon completion, these costs are capitalized to the related assets.

The capital work in progress account includes costs of supervision, design, contractors, materials, services, and all direct costs, as well as indirect costs allocated on a systematic basis. These assets are not depreciated until they are completed and put into use.

Impairment of non-current assets

At the date of each report, the Company conducts an assessment to ensure that there is evidence of an asset impairment. In the event of such evidence, or when an annual test is necessary to confirm impairment, the Company estimates the recoverable value of the asset, which represents the highest value between the fair value of the asset or the cash-generating unit less the selling costs and the present value, and is determined for the assets individually unless the assets result in cash inflows that are significantly independent of other assets or groups of assets. If the carrying amount of the asset or cash-producing unit exceeds the recoverable value, the cash-producing asset or unit is considered to be depreciated and reduced to its recoverable value.

When estimating the recoverable value, estimated future cash flows are discounted to the recoverable value using the after-tax discount rate, which reflects current market estimates of the time value of money and the inherent risk of assets.

Impairment losses for going concerns, including impairment of working capital, if applicable, are recognized in the statement of profit or loss within expenses and in line with the function of the impairment asset.

For assets other than goodwill, at the date of each statement of financial statements, an assessment is performed to ascertain that there is evidence that the previously recognized impairment losses no longer exist or have decreased. If such evidence exists, the Company estimates the recoverable value of the cash-generating asset or unit.

If the impairment loss is reversed for non-financial assets other than goodwill, the carrying amount of the assets (or related group of assets) is increased to the adjusted estimate of the recoverable amount, but not more than the amount that would have been determined had the impairment loss not been recorded for the assets (or related group of assets) in previous years. The reversal of impairment loss is recognized directly in the statement of profit or loss.

Notes to the financial statements (continued)
For the year ended December 31, 2025

4 - Summary of material accounting policies (continued)

Right of use assets and leases obligations

The Company has recognized new assets and liabilities for its operating leases for various types of contracts including office lands and leases. Each rental payment is apportioned between the liability and the finance cost. The finance cost is charged to the statement of profit or loss and other comprehensive income over the lease term so that a constant periodic rate of interest is achieved on the remaining balance of the liability for each period. The right to use the asset is amortized over the useful life of the asset or the lease term, whichever is shorter, on a straight-line basis.

The assets and liabilities arising under the lease are initially measured based on the present value of the unpaid lease payments at the date of the commencement of the lease, and the Company's incremental borrowing rate is used.

Right-of-use assets are initially measured at:

- The initial measurement amount of the lease obligation is the present value of future lease payments;
- Any lease payments made on or before the starting date of the lease contract, minus any lease incentives received.
- Any initial direct costs incurred by the Company as a lessee.
- An estimate of the costs that the company as a lessee will incur for renewal costs, dismantling and removing the leased asset, and restoring the site where the asset is located to its original condition.

A right-of-use asset is subsequently measured at cost less any accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability.

The company depreciates the right-of-use asset over the shorter of the estimated lease term or the useful life using the straight-line method.

<u>Description</u>	<u>Depreciation rate</u>
Buildings	%20
Vehicles	%20

The lease liability is initially recognized at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, If that rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease liability is subsequently measured as follows:

- Increase the carrying amount to reflect the interest rate on the lease liabilities;
- Reduce the carrying amount to reflect the lease payments made; and
- Remeasuring the carrying amount to reflect any reassessment or lease modifications.

The Company separates the amounts paid into the principal portion (presented under financing activities) and the interest (presented under operating activities) in the statement of cash flows.

In accordance with IFRS 16, the 'Right-of-Use assets' are tested for impairment in accordance with IAS 36 'Impairment of Assets'.

Lease Term

The Company determines the lease term as the non-cancellable period of the lease, together with:

- Periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option.
- Periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

For short-term lease contracts (with a lease term of 12 months or less) and low-value leases, the Company recognizes lease expenses on a straight-line basis, as permitted under International Financial Reporting Standard IFRS 16.

Notes to the financial statements (continued)
For the year ended December 31, 2025

4 - Summary of material accounting policies (continued)

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or an equity instrument of another entity. A financial asset represents cash or a contractual right to receive cash or another financial asset, while a financial liability represents a contractual obligation to deliver cash or another financial asset. Financial instruments are recognized, measured, and classified in accordance with the requirements of International Financial Reporting Standard IFRS 9 “Financial Instruments.”

Recognition and de-recognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset have expired, or when the financial asset and all the risks and rewards have been materially transferred.

A financial liability is derecognized when it is extinguished, excluded, canceled or extinguished.

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset have expired, or when the financial asset and all the risks and rewards have been materially transferred.

Classification and Initial measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs (if any).

Financial assets - other than those designated and effective as hedging instruments - are classified into the following categories:

- Amortized cost.
- Fair value through profit or loss.
- Fair value through other comprehensive income.

The classification category is determined by:

- The Company's business model for managing financial assets.
- Characteristics of the contractual cash flow of financial assets.

All income and expenses related to financial assets recognized in profit or loss are presented in finance income, finance cost, or other financial items.

Financial assets at the amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions (and are not designated as FVTPL):

- They are maintained within a business model that aims to maintain financial assets and collect their contractual cash flows.
- The contractual terms of the financial assets result in cash flows limited to payments of principal and interest due to the amount of principal outstanding.

This category includes non-derivative financial assets such as loans and receivables with fixed or determinable payments that are not quoted in an active market. After initial recognition, they are measured at amortized cost using the effective interest rate method. A discount is eliminated when the effect of the discount is not significant. Balances at banks and debtors that fall into this category of financial instruments fall into this category of financial instruments.

Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than “hold for collection” or “hold for collection and sale” and financial assets whose contractual cash flows are not limited to principal payments and accrued interest are measured at FVTPL.

The fair value of financial assets in this category is determined by reference to an active market transaction or by using a valuation technique when there is no active market.

Notes to the financial statements (continued)
For the year ended December 31, 2025

4 - Summary of material accounting policies (continued)

Financial assets at fair value through other comprehensive income

The Company calculates financial assets at fair value through other comprehensive income if the assets fulfill the following conditions:

- It is held within a business model that aims to conserve in order to collect and sell associated cash flows.
- That the contractual terms of the financial assets result in cash flows limited to payments of principal and interest due on the amount of principal non-outstanding debt.

Gains or losses recognized in other comprehensive income will be transferred when the asset is derecognized.

Derecognition of financial assets

The Company derecognize the financial assets only when the contractual rights to cash flows from the assets expire or it transfers the financial assets and the risks and rewards of ownership to another party. If the Company does not transfer or retain substantially all the risks and rewards of ownership of the assets, then the Company continues to recognize its share in the assets and liabilities associated with the financial assets to the amounts that it may have to pay.

Impairment

International Financial Reporting Standard IFRS 9 “Financial Instruments” requires the Company to recognize a provision for expected credit losses on financial assets not measured at fair value through profit or loss For trade receivables, the Company applies the simplified approach permitted by the standard, which requires recognizing the lifetime expected credit losses from the initial recognition of the receivables.

Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements.

A) person or a close member of that person’s family is related to a reporting entity if that person:

- Has control or joint control of the reporting entity; or
- Has significant influence over the reporting entity; or
- Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

B) An entity is related to a reporting entity if any of the following conditions apply:

- The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- Both entities are joint ventures of the same third party.
- One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- The entity is controlled or jointly controlled by a person identified in (a).
- A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Notes to the financial statements (continued)
For the year ended December 31, 2025

4- Summary of material accounting policies (continued)

Inventory

Inventories are measured at the lower of cost or net realizable value. Cost is determined using the weighted average method. Cost includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location. Net realizable value comprises estimated selling price in the ordinary course of business, less selling and distribution costs. Provision is made, where necessary, for obsolete, slow moving, and defective stocks inventory.

Cash and cash equivalents

Cash and cash equivalents include cash on hand bank balances, cheques in hand and running deposits under profit accounts. It also includes bank overdrafts as per the Company's cash management strategy and they are likely to fluctuate from overdrawn to positive balances

Defined employees' benefit obligations

- End of service benefits

The liability in respect of defined benefit plans is determined using the projected unit credit method, based on actuarial valuations performed at the end of each annual reporting period. The valuation involves making assumptions regarding discount rates, future salary increases, and mortality rates. Due to the long-term nature of these plans, such estimates are subject to uncertainty. Actuarial gains and losses arising from these assumptions are recognized in other comprehensive income.

- Retirement benefits

The Company pays retirement contributions for its Saudi Arabian employees to the General Organization for Social Insurance. This represents a defined contribution plan. The payments made are expensed as incurred.

- Short-term employee's benefits

Provisions related to annual leave and air tickets are classified as current liabilities, while the end-of-service benefits provision is classified as a non-current liability.

Accounts payables and accruals

Liabilities are recognized against amounts to be paid in the future for the goods or services received, whether or not they are provided with invoices by suppliers.

Provisions

Provisions must be recognized when the Company has a present obligation (legal or implicit) as a result of a past event, and it is probable that it will require an outflow of resources with economic benefits to settle this obligation, and that an estimate of the amount of the obligation can be made in a reliable manner.

Zakat provision

- Zakat provision is recognized at the end of each financial year in accordance with the regulations of the General Authority for Zakat, Tax, and Customs in the Kingdom of Saudi Arabia ("the Authority"),
- Zakat is charged at the end of each financial year in the statement of profit or loss, Zakat liabilities and income tax, (if any), related to zakat assessments over previous years are recognized by the Authority in the period in which the final assessments become final.

Withholding tax

The Company collects taxes on transactions with non-resident parties in the Kingdom of Saudi Arabia and on dividends paid to non-resident shareholders in accordance with the regulations of the Zakat, Tax, and Customs Authority in the Kingdom of Saudi Arabia.

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements (continued)

For the year ended December 31, 2025

4- Summary of material accounting policies (continued)

Value added Tax

Value-added tax has been applied in the Kingdom of Saudi Arabia, starting from January 1, 2018 (Rabi` al-Thani 14, 1439 AH). It is a tax on the supply of goods and services that the final consumer ultimately bears but is collected at every stage of the production and distribution chain as a general principle, therefore; the value-added tax treatment in the Company's accounts must reflect its role as a tax collector, and VAT should not be included in income or expenditures, whether of a capital or revenue nature. However, there will be circumstances in which the Company will bear VAT, and in such cases where the VAT is not refundable, it must be included in the cost of the product or service.

Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Subsequently, they are measured at amortized cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss over the term of the borrowings using the effective interest rate method.

Borrowings are derecognized from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expires.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset—being an asset that necessarily takes a substantial period of time, generally more than one year, to get ready for its intended use—are capitalized as part of the cost of that asset until it is ready for its intended use.

Capitalization of borrowing costs is suspended during extended periods in which active development is interrupted.

Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in the statement of profit or loss in the period in which they are incurred.

Revenue recognition

The Company recognizes revenue when it transfers control over a product or service to a customer. The principles in IFRS 15 are applied using the following five steps:

- 1- Defining the contract with the customer: A contract is defined as an agreement between two or more parties that creates enforceable rights or obligations and defines the criteria that must be met.
- 2- Defining performance obligations in the contract: A performance obligation is a promise with a customer to transfer a good or provide a service.
- 3- Determining the transaction price: the transaction price is the amount of consideration that the Company expects to receive in return for transferring the promised goods or services to the customer, excluding the amounts collected
- 4- Allocate transaction price to performance obligations in the contract: For a contract that contains more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that specifies the amount of consideration that the Company makes, specifying the amount of consideration that the Company expects to receive in exchange for fulfillment with all commitment.
- 5- Recognize revenue when (as) the entity satisfies the performance obligation.

Revenue from providing services

Revenue is recognized when the performance obligations are fulfilled and that is when the service is provided to the customer. Performance commitment is a promise to provide service to the customer. Upon fulfillment of performance obligations, revenue is recorded at the fair value of the benefit provided, and any amounts collected on behalf of any external parties and any price discounts are excluded from the service price.

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements (continued)

For the year ended December 31, 2025

4- Summary of material accounting policies (continued)

Revenue recognition (continued)

If a customer's service invoice includes certain different services, the invoice price is distributed proportionally. The Company provides its goods directly and is not considered an agent for any other parties.

Other incomes are recognized when it is realized.

Contract assets

Contract assets are recognized for work performed under contracts with customers when the Company's right to consideration is conditional upon something other than the passage of time. Contract assets are measured at the amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services transferred to the customer. This is determined based on the measurement of progress towards complete satisfaction of the performance obligation using the input method, where such method appropriately reflects the transfer of control to the customer.

Contract liabilities

Contract liabilities are recognized when consideration is received from the customer or when amounts are billed in advance before the Company has satisfied the related performance obligations. Contract liabilities represent the Company's obligation to transfer goods or services to a customer in the future for which consideration has been received. Contract liabilities are recognized as revenue when the performance obligation is satisfied by transferring control of the goods or services to the customer, and the balance of contract liabilities is reduced by the amount recognized as revenue during the period.

Expenses

All direct expenses related to activity revenues consist of salaries, wages and costs of indirect revenues that are charged to the cost of revenue, the rest of the expenses are classified within the general and administrative expenses, and the common expenses are distributed between the cost of revenues and general and administrative expenses, the joint expenses are distributed according to consistent basis.

Earnings per share

Basic and diluted earnings per share are calculated by dividing the net profit for the year by the weighted average number of outstanding shares at the end of the year.

Offsetting

The financial assets and liabilities are offset and recorded on the net in the statement of financial position when there is a legally binding right to apply the clearing process between these amounts and the Company intends to settle on the basis of these net amounts, or recognize the assets and settle the liabilities simultaneously.

Contingent liabilities

Contingent liabilities are disclosed when the Company has a contingent obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly under the Company's control or the Company's present legal or constructive obligation arises from past events, but it is not probable that an outflow of resources embodying an economic benefit will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

Foreign currency transactions

Transactions in foreign currencies are carried out into Saudi Riyals at the exchange rates prevailing at the time of the transaction. Monetary assets and liabilities in foreign currencies as of the date of the statement of financial position are converted into Saudi riyals at the rates prevailing at the end of the year. Gains and losses arising from repayments or foreign currency exchange are included in the statement of profit or loss.

Non-monetary items are not retranslated at the end of each year, but are measured at historical cost (converted using the exchange rates at the date of the transaction), with the exception of non-monetary items measured at fair value, which are converted using the exchange rates at the date on which the fair value was determined.

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements (continued)

For the year ended December 31, 2025

(Saudi Riyal)

5- Property, plant and equipment, net

A- This item consists of the following:

31 December 2025	Lands*	Warehouse	Vehicles	Furniture and fixtures	Electrical Appliances and Computers	Machinery and equipment	Leasehold improvements	Capital Work in Progress	Total
Cost									
Balance, beginning of	2,848,750	-	1,668,259	776,560	2,177,625	2,647,897	682,010	-	10,801,101
Additions during the	9,391,200	-	2,599,348	18,398	396,881	1,098,573	221,723	500,000	14,226,123
Transfers during the	-	500,000	-	-	-	-	-	(500,000)	-
Balance, ending of	12,239,950	500,000	4,267,607	794,958	2,574,506	3,746,470	903,733	-	25,027,224
Accumulated									
Balance, beginning of	-	-	1,278,915	611,447	1,016,155	2,401,333	308,720	-	5,616,570
Charged for the year	-	25,000	179,762	85,151	443,277	201,308	116,970	-	1,051,468
Balance, ending of	-	25,000	1,458,677	696,598	1,459,432	2,602,641	425,690	-	6,668,038
Net book value	12,239,950	475,000	2,808,930	98,360	1,115,074	1,143,829	478,043	-	18,359,186
31 December 2024									
Cost									
Balance, beginning of	-	-	1,584,759	766,607	1,374,761	2,477,657	396,810	143,025	6,743,619
Additions during the	2,848,750	-	83,500	9,953	802,864	170,240	70,315	71,860	4,057,482
Transfers during the	-	-	-	-	-	-	214,885	(214,885)	-
Balance, ending of	2,848,750	-	1,668,259	776,560	2,177,625	2,647,897	682,010	-	10,801,101
Accumulated									
Balance, beginning of	-	-	1,076,846	526,581	740,363	2,286,453	221,041	-	4,851,284
Charged for the year	-	-	202,069	84,866	275,792	114,880	87,679	-	765,286
Balance, ending of	-	-	1,278,915	611,447	1,016,155	2,401,333	308,720	-	5,616,570
Net book value	2,848,750	-	389,344	165,113	1,161,470	246,564	373,290	-	5,184,531

* During the year, the Company purchased a plot of land in Al-Sulay district for SAR 9,391,200, with the purpose of using it for the construction of a warehouse.

B- Fully depreciated assets that are still in use amounted to SAR 4,654,374 as at 31 December 2025 (31 December 2024: SAR 4,153,323).

C- The depreciation of property, plant and equipment was distributed as follows

	Note	31 December 2025	31 December 2024
Cost of revenue	21	846,772	593,047
General and administrative expenses	23	135,949	114,393
Sales and marketing expenses	22	68,747	57,846
		1,051,468	765,286

Anmat Technology for Trading Company
(A Saudi Joint Stock Company)

Notes to the financial statements (continued)
For the year ended December 31, 2025
(Saudi Riyal)

6- Right of use assets, net and lease obligations

A- This item consists of the following:

31 December 2025	Buildings	Vehicles	Total
Cost			
Balance, beginning of the year	4,962,253	7,652,276	12,614,529
Additions during the year	4,301,405	3,463,020	7,764,425
Disposals during the year	(3,576,678)	-	(3,576,678)
Balance, ending of the year	5,686,980	11,115,296	16,802,276
Accumulated depreciation			
Balance, beginning of the year	1,835,376	1,202,342	3,037,718
Charged for the year	912,438	1,804,170	2,716,608
Disposals during the year	(1,559,028)	-	(1,559,028)
Balance, ending of the year	1,188,786	3,006,512	4,195,298
Net book value	4,498,194	8,108,784	12,606,978
31 December 2024			
Cost			
Balance, beginning of the year	3,480,080	1,344,639	4,824,719
Additions during the year	2,438,456	6,307,637	8,746,093
Disposals during the year	(956,283)	-	(956,283)
Balance, ending of the year	4,962,253	7,652,276	12,614,529
Accumulated depreciation			
Balance, beginning of the year	1,934,751	134,464	2,069,215
Charged for the year	658,749	1,067,878	1,726,627
Disposals during the year	(758,124)	-	(758,124)
Balance, ending of the year	1,835,376	1,202,342	3,037,718
Net book value	3,126,877	6,449,934	9,576,811

Right-of-use assets represent the Company's warehouses located in Al-Sulay, administrative offices in Riyadh, and certain vehicles acquired under lease contracts from Al Amthal Finance Company, J.P. Finance Company, and Banque Saudi Fransi.

- Depreciation of right-of-use assets is allocated as follows:

	Note	31 December 2025	31 December 2024
Cost of sales	21	1,804,137	1,146,677
General and administrative expenses	23	912,471	579,950
		2,716,608	1,726,627

Anmat Technology for Trading Company
(A Saudi Joint Stock Company)

Notes to the financial statements (continued)
For the year ended December 31, 2025
(Saudi Riyal)

6- Right of use assets, net and lease obligations (continued)

B- The movement on lease obligations during the year was as follows:

	31 December 2025	31 December 2024
Balance as of 1 January	8,303,639	2,562,096
Additions during the year	7,463,290	8,181,095
Finance cost (Note- 25)	1,042,775	687,069
Paid from lease obligations during the year	(3,934,348)	(2,714,585)
Transferred to accrued expenses	(390,574)	(155,776)
Disposals during the year	(2,092,743)	(256,260)
Balance as of 31 December	10,392,039	8,303,639
Lease liabilities are classified as follows:		
Current portion	3,549,575	3,241,556
Non-current portion	6,842,464	5,062,083

7- Advance payments for the purchase of lands, net

This balance represents advance payments for the purchase of two plots of land, Nos. (139) and (141), located in Al-Malqa district, Riyadh, within plan No. 81/M (Shams Al-Riyadh Project), owned by Dar Al Arkan Real Estate Development Company, with a total value of SAR 1,590,000. An amount of SAR 667,800 has been paid in respect of these plots. The legal procedures for transferring ownership have not been completed to date due to delays in delivery resulting from official decisions issued by the relevant authorities.

Accordingly, the Company recognized an impairment provision amounting to SAR 667,800 as at 31 December 2024 in respect of these advances. During the year ended 31 December 2025, the full impairment provision was reversed following the lifting of restrictions and the resumption of the project.

This balance also includes advances paid for the purchase of an off-plan residential unit (villa) located in King Khalid International Airport district, Riyadh, owned by Ajdan Real Estate Development Company, with a total value of SAR 2,677,803, excluding real estate transaction tax. An amount of SAR 803,355 has been paid upon signing the contract.

A- The following is the movement on the advance payments for the purchase of lands:

	31 December 2025	31 December 2024
Balance, beginning of the year	667,800	667,800
Additions during the year	803,355	-
Total	1,471,155	667,800
Less: Impairment in advance payments for the purchase of lands	-	(667,800)
Balance, end of the year	1,471,155	-

B- The decrease in the value of advance payments for the purchase of land is as follows:

	31 December 2025	31 December 2024
Balance, beginning of the year	667,800	333,900
Charged for the year	-	333,900
Reversal of provision	(667,800)	-
Balance, ending of the year	-	667,800

Anmat Technology for Trading Company
(A Saudi Joint Stock Company)

Notes to the financial statements (continued)
For the year ended December 31, 2025
(Saudi Riyal)

8- Investments at fair value through profit or loss

A- This item consists of the following:

Stock Portfolios	31 December 2025	31 December 2024
Riyad Capital	2,363,205	729,942
Saudi Fransi Capital	1,390,452	1,457,293
Saudi National Capital	89,338	98,627
Total	3,842,995	2,285,862

- The following is the movement made on investments at fair value through profit or loss:

31 December 2025	Riyad Capital	Saudi Fransi Capital	Saudi National Capital	Total
Balance, beginning of the	729,942	1,457,293	98,627	2,285,862
Additions during the year	3,067,630	176,119	4,478	3,248,227
Unrealized gains (losses)	(1,434,367)	(242,960)	(13,767)	(1,691,094)
Balance, ending of the	2,363,205	1,390,452	89,338	3,842,995

31 December 2024	Riyad Capital	Saudi Fransi Capital	Saudi National Capital	Total
Balance, beginning of the	557,885	-	-	557,885
Additions during the year	4,858	1,328,814	101,763	1,435,435
Unrealized gains (losses)	167,199	128,479	(3,136)	292,542
Balance, ending of the	729,942	1,457,293	98,627	2,285,862

- The fair value of investments is measured based on the quoted prices in active markets.

- Dividends received from investments at fair value through profit or loss as at 31 December 2025 amounted to SAR 233,460 (31 December 2024: SAR 27,268).

- The value of investments at fair value through profit or loss at Riyad Capital, pledged to Riyad National Bank under the bank facilities and Murabaha agreement granted to the Company, as at 31 December 2025 amounted to SAR 400,040 (31 December 2024: SAR 725,209) (Note 16).

- The value of investments at fair value through profit or loss at Saudi Fransi Capital, fully pledged to Banque Saudi Fransi under the bank facilities and Murabaha agreement granted to the Company, as at 31 December 2025 amounted to SAR 1,390,452 (31 December 2024: SAR 1,457,293) (Note 16).

B- Advance payments under the investment account

The advance payments under the investment account, amounting to nil as at 31 December 2025 (31 December 2024: SAR 78,372), represent the subscription amount for shares in companies during their initial public offering period, until the completion of the offering period and the allocation of shares to investors.

Anmat Technology for Trading Company
(A Saudi Joint Stock Company)

Notes to the financial statements (continued)
For the year ended December 31, 2025
(Saudi Riyal)

9- Related parties' transactions

There are transactions incurred during the year with related parties within the normal business of the Company and with the approval of the management, and the management believes that the conditions of those transactions do not differ materially from any other transactions that the management made with any third party.

A- Due from related parties' balances as at December 31 are as follows:

Related party	31 December 2025	31 December 2024
Business Gate Company	3,986,815	1,389,706
Professionals for Advanced Solutions	725,102	14,067
E- Search & Marketing Trading Establishment	122,804	157,890
Sweet Corner Company	-	54,889
	4,834,721	1,616,552

B- Due to related parties' balances as at December 31 are as follows:

Related party	31 December 2025	31 December 2024
Sawsan Aqelan	18,407	18,407
	18,407	18,407

C- The following are the most important material transactions made with related parties:

Related party	Nature of relationship	Type transactions	31 December 2025	31 December 2024
E-search & Marketing Trading Establishment	Affiliate entity*	Sales	-	74,120
		Collections	35,086	99,120
Sweets Corner Company	Affiliate entity*	Sales	-	70,000
		Collections	54,890	-
Business Gate Company	Affiliate entity*	Financing	-	1,389,706
		Procurement	8,189,591	-
		Financing	10,786,717	-
Professionals for Advanced Solutions	Affiliate entity*	Procurement	1,606,462	1,163,354
		Financing	2,316,711	1,177,421

* Affiliated entity refers to related parties in which the shareholders of the Company, or any of them, hold an interest in its capital, or those related parties where the Company has representation in their management. The nature of transactions here involves business dealings.

D- Key Management Personnel Compensation

	31 December 2025	31 December 2024
Key management personnel remunerations	3,720,073	2,443,571
Key management personnel salaries	1,260,000	1,260,000
Defined benefit obligations for key management personnel	105,000	105,000
Board of directors' remunerations and related expenses	40,000	40,000

Anmat Technology for Trading Company
(A Saudi Joint Stock Company)

Notes to the financial statements (continued)
For the year ended December 31, 2025
(Saudi Riyal)

10- Accounts Receivable

A- This item consists of the following:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Account Receivables	109,410,032	92,896,295
Note Receivables	4,982	-
Expected credit loss - B	(792,707)	(769,702)
	<u>108,622,307</u>	<u>92,126,593</u>

B- The movement in expected credit losses is as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance, beginning of the year	769,702	1,120,923
Charge during the year	23,005	-
Expected credit losses no longer required	-	(351,221)
Balance, ending of the year	<u>792,707</u>	<u>769,702</u>

C- The following is the aging schedule of receivables as of :

<u>31 December 2025</u>	<u>Expected Loss Rate</u>	<u>Gross carrying amount</u>	<u>Expected credit losses</u>
Less than 30 Days	%0.41	99,767,959	407,601
30 – 90 days	%2.33	4,649,258	108,477
91 – 180 days	%1.21	1,608,469	19,481
181 – 360 days	%2.57	2,580,629	66,378
More than 360 days	%23.59	808,699	190,770
		<u>109,415,014</u>	<u>792,707</u>

<u>31 December 2024</u>	<u>Expected Loss Rate</u>	<u>Gross carrying amount</u>	<u>Expected credit losses</u>
Less than 30 Days	0.35%	65,661,809	231,444
30 – 90 days	0.74%	14,516,774	107,187
91 – 180 days	0.87%	11,249,569	97,903
181 – 360 days	15.53%	692,799	107,612
More than 360 days	29.10%	775,344	225,556
		<u>92,896,295</u>	<u>769,702</u>

11- Prepaid expenses and other assets

	<u>31 December 2025</u>	<u>31 December 2024</u>
Letters of Guarantee	21,613,164	4,236,901
Advances to supplier	13,874,492	5,135,598
Work under progress *	3,458,388	10,521,691
Letters of Credit	1,449,955	8,561,346
Employees receivable	1,046,000	459,888
Prepaid expenses	401,431	598,632
Deposits with others	12,196	12,196
	<u>41,855,626</u>	<u>29,526,252</u>

* The work under progress is the work carried out for customers, but it has not reached specific completion stages according to contracts with customers and no revenue was recognized related to these projects.

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements (continued)

For the year ended December 31, 2025

(Saudi Riyal)

12- Inventory, net

A- This item consists of the following:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Finished goods	14,725,149	14,803,120
Provision for obsolete and slow-moving inventory	<u>(1,219,858)</u>	<u>(1,219,858)</u>
	<u>13,505,291</u>	<u>13,583,262</u>

B- The movement in slow moving items provision is as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance, beginning of the year	1,219,858	1,052,635
Charge during the year (Note 21)	-	167,223
Balance, ending of the year	<u>1,219,858</u>	<u>1,219,858</u>

13- Cash and cash equivalents

A- This item consists of the following:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Cash at banks	6,337,054	24,988,775
Cash on hand	57,812	34,869
	<u>6,394,866</u>	<u>25,023,644</u>

B- Cash Flow Information

For the purpose of preparing the statement of cash flows, the Company has included non-cash transactions that were not presented in the statement of cash flows as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
<u>Non-cash transactions</u>		
Additions to the right to use the assets and obligations of lease contracts	7,463,290	8,181,095
Transferred from capital works under construction to property and equipment	500,000	214,885
Transferred from lease obligations to payables, accrued expenses and other liabilities	390,574	155,776
Loss from remeasurement of defined employee benefit) plan liabilities	367,562	457,103
Advances for Investment	78,372	-
Transferred from statutory reserve to retained earnings	-	50,000
Accrued financing costs	-	161,582

14- Statutory reserve

- In line with the requirements of the Companies Law and the Company's bylaws, the Ordinary General Assembly may decide to establish a statutory reserve or any other reserves to the extent that serves the Company's interest or ensures the distribution of steady profits to the shareholders as much as possible. The Ordinary General Assembly may also deduct amounts from the net profits to achieve social purposes for the Company's employees.
- On 8 Safar 1446H (corresponding to: 12 August 2024), the Ordinary General Assembly of the Company met and decided to transfer SAR 50,000 from the statutory reserve to the retained earnings.

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements (continued)**For the year ended December 31, 2025**

(Saudi Riyal)

15- Defined employees' benefits obligations

A- The Company determines the present value of employees defined benefit plan obligations through an independent actuarial valuation using the projected credit unit method, after taking in consideration the following set of assumptions:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Discount rate	%5.3	%5.7
Salary increase rate	%5	%5

B- The following is the movement of defined employees' benefits:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance, beginning of the year	3,968,064	2,739,977
<u>Recognized in the statement of profit or loss</u>		
Current service cost	1,154,742	818,364
Interest cost	207,714	123,065
<u>Recognized in the statement of other comprehensive income</u>		
Remeasurement of defined employees' benefit plan obligations	367,562	457,103
Paid during the year	(50,875)	(170,445)
Balance, ending of the year	<u>5,647,207</u>	<u>3,968,064</u>

C- Sensitivity analysis

The sensitivity analysis is based on a change in any one assumption while holding all other assumptions constant. In practice, this is unlikely to occur, as changes in certain assumptions may be correlated. In calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (the present value of the defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied in measuring employee benefit obligations, as presented below:

	<u>31 December 2025</u>		<u>31 December 2024</u>	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	5,156,342	6,230,472	3,636,762	4,361,047
Salary increase rate	6,254,725	5,127,257	4,379,655	3,615,351

D- The following table presents the undiscounted cash flows as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Year One	847,445	647,902
Year Two	500,042	379,667
Year Three	403,401	314,272
Year Four	362,049	258,940
Year Five	321,193	234,631
Year Six and Thereafter	8,028,939	5,770,204
	<u>10,463,069</u>	<u>7,605,616</u>

16- Bank facilities

A- This item consists of the following:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Riyadh Bank *	21,661,324	9,878,967
Accrued Finance Cost	740,332	161,582
	<u>22,401,656</u>	<u>10,040,549</u>

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements (continued)**For the year ended December 31, 2025**

(Saudi Riyal)

16- Bank facilities (continued)

* The Company has obtained Islamic facilities and Murabaha arrangements from Riyadh Bank under an agreement to finance the Company's operational activities. The facility limit from Riyadh Bank amounted to SAR 63,250,000, guaranteed against a promissory note provided by the shareholders, a real estate mortgage from the shareholders, and a pledge over the Company's share portfolio held with Riyadh Bank. The profit margin on the facilities granted to the Company is SIBOR + 3.6% per annum. All utilized facilities from Riyadh Bank are repayable within a period not exceeding 6 to 9 months.

The Company has obtained short-term Islamic facilities and Murabaha arrangements from Banque Saudi Fransi under agreements to cover the Company's operational activities. The facility limit amounted to SAR 32,500,000, guaranteed against a financing guarantee, a promissory note provided by the shareholders, and a pledge over the Company's share portfolio held with Banque Saudi Fransi. In addition, the Company has assigned in favor of the bank the receivables from government projects executed by the Company, which cover the full facility limits. The profit margin on the facilities granted to the Company is SIBOR + 3.5% per annum. All utilized facilities from Banque Saudi Fransi are repayable within a period not exceeding 12 months.

B- The movement in bank facilities is as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance, beginning of the year	10,040,549	6,444,369
Proceeds during the year	50,475,014	26,658,324
Finance costs charged during the year (Note 25)	1,622,626	1,161,484
Paid during the year	<u>(39,736,533)</u>	<u>(24,223,628)</u>
Balance, ending of the year	<u>22,401,656</u>	<u>10,040,549</u>

- Accrued finance costs as at 31 December 2025 amounted to SAR 740,332 (31 December 2024: SAR 161,582).

17- Accounts payable and note payables

A- This item consists of the following:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Accounts payable	41,698,092	57,676,770
Note payables	<u>3,810,137</u>	<u>11,698,187</u>
	<u>45,508,229</u>	<u>69,374,957</u>

18- Accrued expenses and other liabilities

A- This item consists of the following:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Value-added tax	5,273,173	9,866,994
Commissions accrued	1,525,304	4,565,290
Accrued Expenses	821,450	460,595
Employee receivables	415,403	59,711
Advances from customer	55,637	992,984
Other	-	376,926
	<u>8,090,967</u>	<u>16,322,500</u>

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements (continued)**For the year ended December 31, 2025**

(Saudi Riyal)

19- Zakat provision

A- The following are main components of the zakat base:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Adjusted net profit	34,627,931	34,666,457
Positive zakat base items	183,785,635	104,692,264
Negative zakat base items	<u>(32,437,319)</u>	<u>(14,761,342)</u>
Zakat base	151,348,316	89,930,922
Zakat	<u>3,901,281</u>	<u>2,324,486</u>

B- The following movement of the zakat provision:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance, beginning of the year	2,324,922	1,648,913
Formed during the year	3,901,281	2,324,922
Paid during the year	<u>(2,324,922)</u>	<u>(1,648,913)</u>
Balance, ending of the year	<u>3,901,281</u>	<u>2,324,922</u>

C- Zakat Status

- The Company submitted Zakat returns to the Zakat, Taxes and Customs Authority for all previous years since its inception until the year ending on December 31, 2024, and paid the dues under those declarations, and obtained the required certificates.
- The Company finalized its Zakat status until 2021, and no zakat assessments have been received for subsequent years.

20- Revenue

A- This item consists of the following:

	<u>31 December 2025</u>	<u>31 December 2024</u>
IT Projects revenue	225,144,653	238,145,297
Construction and development revenue	64,688,328	24,195,583
Industrial revenue	<u>5,239,742</u>	<u>5,997,981</u>
	<u>295,072,723</u>	<u>268,338,861</u>

B- Below is the timing of revenue recognition:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Over a period of time	289,832,981	262,340,880
At a point in time	<u>5,239,742</u>	<u>5,997,981</u>
	<u>295,072,723</u>	<u>268,338,861</u>

C- Assets and liabilities arising from contracts with customers

- The Company recognized the following assets and liabilities related to contracts with customers:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Current contract assets from contracts with customers (C-1)	77,515,179	51,400,606
Total current contract assets	<u>77,515,179</u>	<u>51,400,606</u>
Contract liabilities (C-2)	25,653,835	27,089,178
Total liabilities of current contracts	<u>25,653,835</u>	<u>27,089,178</u>

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements (continued)**For the year ended December 31, 2025**

(Saudi Riyal)

20- Revenue (continued)

C-1 The movement on contract assets is as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance, beginning of the year	51,400,606	26,668,644
Add: Revenue recognized during the year	289,832,981	262,340,880
(Less): Invoices issued during the year	<u>(263,718,408)</u>	<u>(237,608,918)</u>
Balance, ending of the year	<u>77,515,179</u>	<u>51,400,606</u>

C-2 The movement on contract Liabilities is as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Balance, beginning of the year	27,089,178	9,748,028
(less): Revenue recognized during the year linked to opening balance of contractual liabilities	<u>(27,089,178)</u>	<u>(9,748,028)</u>
Add: Invoices issued in excess of the revenue recognized during the year	25,653,835	27,089,178
Balance, ending of the year	<u>25,653,835</u>	<u>27,089,178</u>

21- Cost of revenues

	<u>31 December 2025</u>	<u>31 December 2024</u>
Cost of materials	202,654,918	194,446,314
Salaries and employee benefits	28,433,558	16,148,183
Depreciation of the right to use assets (Note - 6)	1,804,137	1,146,677
Vehicle expenses	1,525,605	635,885
Medical insurance	1,044,273	716,112
Rent*	1,003,623	838,773
Depreciation of property, plant and equipment (Note -5)	846,772	593,047
Electricity and water	438,757	361,938
Hospitality	205,921	134,068
Repairs and maintenance	114,586	87,017
Other	1,501,612	209,774
Provision for obsolete and slow-moving inventory (Note - 12) inventories, net (Note- 12)	-	167,223
	<u>239,573,762</u>	<u>215,485,011</u>

* The value of rent expenses for the year paid in respect of short-term and low-value leases.

22- Selling and marketing expenses

	<u>31 December 2025</u>	<u>31 December 2024</u>
Salaries and employee benefits	4,385,631	3,094,557
Sale commissions	687,500	2,756,006
Marketing expenses	420,863	109,741
Insurance	131,092	118,003
Depreciation on property, plant and equipment (Note -5)	68,747	57,846
Hospitality	18,902	19,495
Other	21,602	60,261
	<u>5,734,337</u>	<u>6,215,909</u>

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements (continued)**For the year ended December 31, 2025**

(Saudi Riyal)

23- General and administrative expenses

	<u>31 December 2025</u>	<u>31 December 2024</u>
Employees' benefits and salaries	4,220,084	4,182,770
Professional fees and consulting	2,206,377	1,454,377
Amortization of the right to use assets (Note - 6)	912,471	579,950
Commentary expenses and government fees	150,899	493,053
Banks charges	144,004	458,673
Postage, telephone and electricity	248,831	364,462
Hospitality	203,600	97,366
Insurance	172,720	278,258
Depreciation on property, plant and equipment (Note -5)	135,949	114,393
Other	575,195	170,100
	<u>8,970,130</u>	<u>8,193,402</u>

24- Other income

	<u>31 December 2025</u>	<u>31 December 2024</u>
Social security development fund profits	574,314	250,383
Gain on disposal of right of use assets	75,093	58,101
Other	49,522	37,759
	<u>698,929</u>	<u>346,243</u>

25- Finance cost, net

	<u>31 December 2025</u>	<u>31 December 2024</u>
Finance cost on bank facilities	1,622,626	1,161,484
Finance cost from lease liabilities (Note - 6)	1,042,775	687,069
Costs of issuing letters of credit	3,535,424	813,526
Credit interest	(148,172)	(200,623)
	<u>6,052,653</u>	<u>2,461,456</u>

26- Basic and diluted Earnings per share

The basic and diluted earnings per share were calculated from the year's net profit by dividing the year's net profit by the weighted average number of shares outstanding at the end of the year, amounting to 40,794,521 shares (December 31, 2024: 38,000,000 shares).

	<u>31 December 2025</u>	<u>31 December 2024</u>
Net profit for the year	30,726,650	34,341,535
Weighted average number of shares	40,794,521	38,000,000
Earning per-share from net profit of the year (SAR per share)	<u>0.75</u>	<u>0.90</u>

27- Contingent liabilities and capital commitments

The contingent liabilities and capital commitments as of the date of the statement of financial position were as follows:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Liabilities related to the issuance of letters of guarantee	29,710,292	16,916,724
Liabilities related to the issuance of letters of credit	25,002,200	6,120,470
Capital commitments relating to the acquisition of fixed assets	2,796,648	922,200
	<u>57,509,140</u>	<u>23,959,394</u>

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to financial statements (continued)

For the year ended December 31, 2025

(Saudi Riyals)

28- Financial Instruments, risk management, and fair value

Financial instruments included in the statement of financial position mainly include cash at banks, accounts receivable, notes receivable, investments at fair value through profit or loss, other assets, bank facilities, accounts payable, notes payable, lease liabilities, and other liabilities.

Fair Value

They are the amounts against which assets are exchanged or liabilities settled between parties who have knowledge and desire to do so and are carried out under the same conditions of dealing with other parties. The financial assets of the Company consist of investments at fair value through profit or loss, Account receivables, other assets and cash at banks, and financial liabilities consist of bank facilities, payables, accrued expenses and other liabilities. Financial assets and financial liabilities are not measured at fair value when their carrying amount is reasonably close to fair values. Management believes that the fair values of the Company's financial assets and financial liabilities do not differ materially from their carrying amounts, except for investments at fair value through profit or loss.

31 December 2025	Carrying amount			Fair value		
	Fair value	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets						
Investments at fair value through profit or loss	3,842,995	-	3,842,995	3,842,995	-	-
Account receivables and Note receivable	-	108,622,307	108,622,307	-	-	-
Prepaid expenses and other assets *	-	24,121,315	24,121,315	-	-	-
Due from related parties	-	4,834,721	4,834,721	-	-	-
Cash and cash equivalents except cash on hand	-	6,337,054	6,337,054	-	-	-
	<u>3,842,995</u>	<u>143,915,397</u>	<u>147,758,392</u>	<u>3,842,995</u>	<u>-</u>	<u>-</u>
Financial liabilities						
Bank facilities	-	22,401,656	22,401,656	-	-	-
Accounts payable	-	45,508,229	45,508,229	-	-	-
Accruals and other liabilities*	-	2,762,157	2,762,157	-	-	-
Due to the related party	-	18,407	18,407	-	-	-
Lease obligations	-	10,392,039	10,392,039	-	-	-
	<u>-</u>	<u>81,082,488</u>	<u>81,082,488</u>	<u>-</u>	<u>-</u>	<u>-</u>
31 December 2024	Carrying amount			Fair value		
	Fair value	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets						
Investments at fair value through profit or loss	2,285,862	-	2,285,862	2,285,862	-	-
Advance payments under the investment account	-	78,372	78,372	-	-	-
Account receivables and Note receivable	-	92,126,593	92,126,593	-	-	-
Prepaid expenses and other assets *	-	13,270,331	13,270,331	-	-	-
Due from related parties	-	1,616,552	1,616,552	-	-	-
Cash and cash equivalents except cash on hand	-	24,988,775	24,988,775	-	-	-
	<u>2,285,862</u>	<u>132,080,623</u>	<u>134,366,485</u>	<u>2,285,862</u>	<u>-</u>	<u>-</u>
Financial liabilities						
Bank facilities	-	10,040,549	10,040,549	-	-	-
Accounts payable	-	69,374,957	69,374,957	-	-	-
Accruals and other liabilities*	-	5,462,522	5,462,522	-	-	-
Due to the related party	-	18,407	18,407	-	-	-
Lease obligations	-	8,303,639	8,303,639	-	-	-
	<u>-</u>	<u>93,200,074</u>	<u>93,200,074</u>	<u>-</u>	<u>-</u>	<u>-</u>

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to financial statements (continued)

For the year ended December 31, 2025

(Saudi Riyals)

28- Financial Instruments, risk management, and fair value (continued)

Fair Value (continued)

* Prepaid expenses and other assets do not include advances to suppliers and prepaid expenses of a non-financial nature, nor do they include accrued expenses. Similarly, other liabilities do not include customer advances, as these represent non-financial items.

Interest rate risk

Interest rate risk is the risk of fluctuations in the fair value or future cash flows of financial instruments due to changes in market interest rates. The Company is exposed to interest rate risk on its interest-bearing assets, which carry variable interest rates (such as bank facilities). The Company manages interest rate risk by maintaining an appropriate mix of variable-rate bank facilities.

The following table presents a sensitivity analysis of reasonably possible changes in interest rates, with all other variables held constant, and the resulting impact on the statement of profit or loss. The sensitivity impact on the statement of profit or loss represents the effect of assumed changes in interest rates on the Company's results for one year, based on its interest-bearing financial assets and liabilities held as at:

	<u>Increase / decrease</u>	<u>Impact</u>
31 December 2025	+/- 1%	216,613
31 December 2024	+/- 1%	98,790

Capital risk

The primary objective of the Company's capital management is to ensure that it maintains a strong capital base to support its business and to sustain the future development of the Company. Management monitors the capital structure and adjusts it in light of economic conditions. The Company is not subject to any externally imposed capital requirements. The Company monitors capital using a gearing ratio, which is calculated as net debt divided by total capital. Debt is calculated as the total bank facilities and lease obligations as shown in the statement of financial position less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

	<u>31 December 2025</u>	<u>31 December 2024</u>
Bank facilities	22,401,656	10,040,549
Lease obligations	10,392,039	8,303,639
Deduct: Cash and cash equivalents	<u>(6,394,866)</u>	<u>(25,023,644)</u>
Net	26,398,829	(6,679,456)
Total Equity	167,394,683	92,960,269
Total Capital	<u>193,793,512</u>	<u>86,280,813</u>
Gearing ratio %	<u>%13.62</u>	<u>-</u>

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to financial statements (continued)**For the year ended December 31, 2025**

(Saudi Riyals)

28- Financial Instruments, risk management, and fair value (continued)**Liquidity Risk**

It represents the difficulties that the Company faces in providing funds to meet the commitments related to the financial instruments. Liquidity risk results from the inability to sell a financial asset quickly at an amount equal to its fair value. The Company manages liquidity risk by regularly forecasting future cash flows to ensure sufficient cash is available to meet the company's obligations.

The following is a statement of the remaining contractual maturities of the financial liabilities at the reporting date. The amounts are gross and undiscounted:

31 December 2025	Carrying amount	From 1 to 12 months	From 1 to 5 years	More than 5 years	Total
Accounts and notes payable	45,508,229	45,508,229	-	-	45,508,229
Accrued expenses and other liabilities*	8,035,330	8,035,330	-	-	8,035,330
Bank facilities	22,401,656	22,401,656	-	-	22,401,656
Lease liability - current portion	10,392,039	4,872,606	7,423,337	-	12,295,943
Defined employees' benefit obligations	5,647,207	847,445	1,586,685	8,028,939	10,463,069
Total	91,984,461	81,665,266	9,010,022	8,028,939	98,704,227
31 December 2024	Carrying amount	From 1 to 12 months	From 1 to 5 years	More than 5 years	Total
Accounts and notes payable	69,374,957	69,374,957	-	-	69,374,957
Accrued expenses and other liabilities*	15,329,516	15,329,516	-	-	15,329,516
Bank facilities	10,040,549	10,303,718	-	-	10,303,718
Lease liability - current portion	8,303,639	3,678,740	5,983,845	-	9,662,585
Defined employees' benefit obligations	3,968,064	647,902	1,187,510	5,770,204	7,605,616
Total	107,016,725	99,334,833	7,171,355	5,770,204	112,276,392

* Accrued expenses and other liabilities do not include advance from customers.

Credit risk

Credit risk is when one party is unable to meet its obligations resulting in the other party incurring financial loss. The Company manages credit risk related to amounts due from clients by monitoring specific policies and procedures. The Company reduces credit risk related to clients by setting credit limits for each client and monitoring existing receivables on an ongoing basis.

The Company is mainly subject to credit risk as shown in the following table:

	31 December 2025	31 December 2024
Accounts receivable and note receivables	109,415,014	92,896,295
Cash at banks	6,337,054	24,988,775
Due from related parties	4,834,721	1,616,552
	120,586,789	119,501,622

Anmat Technology for Trading Company

(A Saudi Joint Stock Company)

Notes to the financial statements (continued)

For the year ended December 31, 2025

(Saudi Riyal)

29- Operating Segments

The management has evaluated the Company's operating activities in accordance with International Financial Reporting Standard 8 "Operating Segments" and concluded that there is no requirement to present separate activities as distinct operating segments. This assessment was based on the similarity of economic characteristics between information technology and construction and development projects, as these activities rely on executing contracts with customers and recognizing revenue based on the percentage of completion in line with the requirements of International Financial Reporting Standard 15. These activities are also affected by the same economic factors, target a similar customer base, and operate within a comparable operating environment.

The nature of the services provided is also similar in terms of core operational processes, as these activities rely on executing contracts with customers and monitoring the progress of work according to the terms of those contracts until contractual obligations are satisfied. Revenue is recognized as work progresses in fulfilling these obligations in accordance with IFRS 15 requirements.

Based on the above, management concluded that the Company's information technology projects and construction and development activities share similar economic characteristics, operational processes, and revenue streams. Accordingly, these activities are considered a single operating segment in accordance with IFRS 8 "Operating Segments". Relevant financial information has been disclosed in the accompanying notes to the financial statements.

30- Subsequent events

In March 2026, geopolitical instability in the Middle East Region increased, which may have an impact on all the regional countries. The Company's management is closely monitoring the geopolitical developments and has determined that these developments are non-adjusting events and no adjustments to the financial statements are required. While the Company's financial position remains unaffected at present, management continues to assess the potential for future impacts on its business.

Other than the above, the management believes that there are no significant subsequent events after the date of the financial statements and before issuing these statements that require their amendment or disclosure.

31- Approval of the financial statements

The financial statements were approved by the board of directors on 7 Shawwal 1447H (26 March 2026).