



Creating Strategic Impact

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INNOVATION

For Retal, innovation during the year extended across products, processes, and ways of working, with a clear focus on *execution quality, customer outcomes, and long-term performance*.

LEVERS OF INNOVATION

**Product and Design Level**

At Retal, innovation translated into residential-led formats that respond to evolving lifestyle and affordability needs. Flexible unit typologies, phased development models, and selectively integrated mixed-use components supported stronger absorption, capital efficiency, and long-term value creation. Design innovation was embedded early, using digital design tools and extensive market studies and benchmarking to optimize layouts, enhance liveability, and reduce delivery cycles.

**Construction and Development**

We advanced modern construction methods, value engineering, and data-enabled project management to strengthen cost control, quality, and on-time delivery. Digital monitoring and contractor performance tracking reduced execution risk and improved predictability.

**Enterprise Digital Ecosystem**

AI-enabled analytics, automation, unified data platforms, and digital twins strengthened forecasting, decision-making, and sustainability performance, while integrated customer platforms simplified the property journey and supported long-term community engagement.

**Collaboration and Operational Model**

Through PropTech and ConTech exploration — including accelerator programs and innovation challenges — we engaged startups and partners to test new ideas, pilot proof-of-concepts, and embed differentiated solutions across our value chain.

Together, these levers of innovation reinforced Retal's evolution — from a project-led developer to a resilient, future-ready urban development enterprise.





Capitalizing on the Growth Triggers

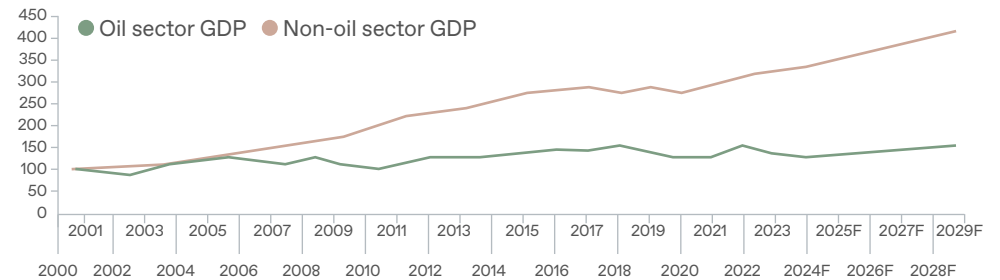
Saudi Arabia’s economy continues to strengthen, driven by robust non-oil activity and major transformation programs. Real GDP grew ~4.4% in 2025, supported by 5.0% non-oil sector growth, while Vision 2030 remains a key catalyst for investment, infrastructure expansion and long-term real estate development across the Kingdom.

A NATION TRANSFORMED: THE VISION 2030 IMPACT

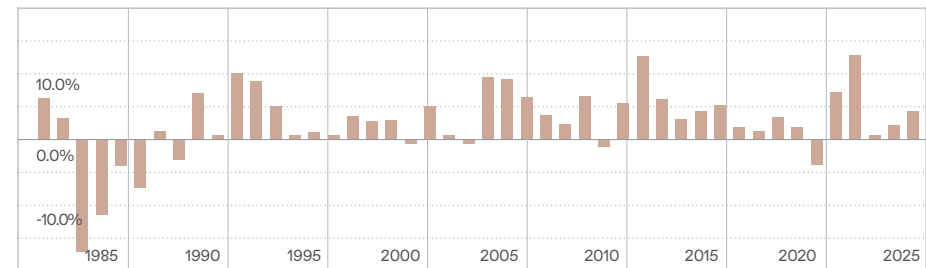
Vision 2030 is reshaping Saudi Arabia’s economic landscape by reducing oil dependence and accelerating growth across housing, services, tourism and culture, supported by macroeconomic stability. Inflation remained contained at an estimated 2.3% in 2025, creating a stable platform for long-term capital deployment. Large-scale national developments, including the Red Sea Project and Diriyah Gate, alongside selectively phased giga-projects and major infrastructure investments, are supporting job creation, regional development, and longer-term investor confidence. Real estate and tourism best reflect this momentum: homeownership is fast rising towards the 70% national target, and Saudi Arabia welcomed around 116 million domestic and inbound tourists in 2024. The Kingdom now targets 150 million visitors by 2030, supported by a fast-growing leisure, cultural and events ecosystem.

Oil Vs. Non-oil GDP Growth¹

USD Bn



GDP Change (%)²



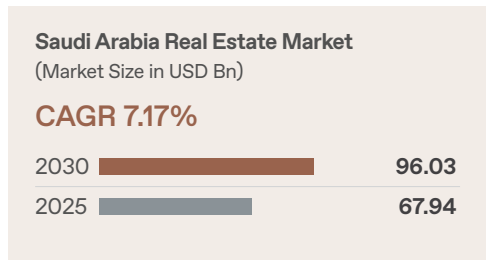
¹ Source: <https://content.knightfrank.com/research/2631/documents/en/the-saudi-report-2025-11978.pdf>

² Source: <https://www.worldometers.info/gdp/saudi-arabia-gdp/>



SAUDI ARABIA REAL ESTATE MARKET OVERVIEW

Saudi Arabia’s real estate market is evolving into a more institutional and investable asset class under Vision 2030, supported by regulatory reforms, improved transparency, and broader participation. Residential activity remains the primary growth engine, while demand is increasingly shifting toward integrated, master-planned, and mixed-use communities that combine housing with retail, schools, green spaces, hospitality, and lifestyle amenities. Both family-oriented residential neighborhoods and higher-density, destination-led mixed-use developments are becoming core drivers of urban demand. Together, these dynamics underpin a sustained multiyear growth outlook for real estate across the Kingdom.



MARKET SNAPSHOT



Residential

~93,700 housing deals worth SAR 77.5 billion in H1 2025; resilient price growth in Riyadh, Jeddah, and other major cities; strong demand for master-planned, integrated communities.



Hospitality and Leisure

Hotels report rising occupancy and revenue; domestic and international visitor numbers exceed projections; aligned with the 2030 target of 150 million visitors.

A total of 362,000 keys have been announced, planned or under construction and due to be delivered by 2030.



Retail & F&B

+3.4 million sqm of new retail space by 2028; occupancy high in primary markets; growth driven by SAR 1.41 trillion consumer spending in 2024 and lifestyle-led, experience-focused destinations.



Entertainment and Cultural Real Estate

Rapid growth in theme parks, festivals, and cultural hubs is driving mixed-use and leisure-oriented real estate demand, underpinned by an entertainment market valued at SAR 9.6 billion in 2024 and projected to grow to SAR 15.8 billion by 2029.

What This Means for Retail

This market evolution favors developers with scale, governance strength, and execution capabilities across multiple asset classes. Retail’s evolution from pure residential into integrated, mixed-use formats — anchored by housing and complemented by carefully calibrated retail, hospitality, and community uses — positions it to participate in long-term demand. Its portfolio spans family-oriented, master-planned residential communities under brands such as Nesaj and Ewan, as well as lifestyle-led mixed-use developments such as Nobu Al Khobar, Retail Rise with hospitality components, and entertainment/retail hubs like The Strip. This breadth enables Retail to address evolving urban preferences and align closely with Vision 2030’s quality-of-life and place-making objectives.



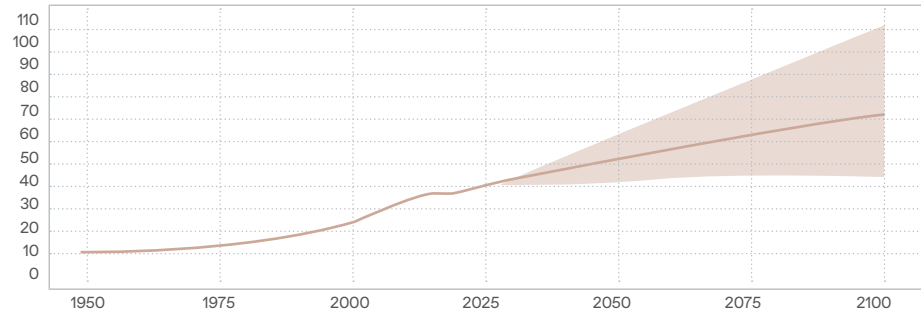
A MARKET UNDERPINNED BY STRONG DEMOGRAPHIC MOMENTUM

Saudi Arabia’s rapid urbanization and youthful demographic are key drivers of housing demand. With 85% of the population already in cities — primarily Riyadh, Jeddah, and Dammam — urbanization is set to reach 97% by 2030, fueled by migration and expanding economic opportunities. A largely under-35, economically active population is boosting demand for modern, connected residential communities and lifestyle-driven retail spaces. Government housing initiatives have raised the national homeownership rate to 65.4% in 2024, supporting strong demand across both ownership and rental segments.

What This Means for Retal

Saudi Arabia’s young, urban, and growing population is locking in multiyear demand for housing and integrated urban environments. Retal’s diversified residential portfolio —spanning villas, townhouses, apartments, and high-rise formats — allows it to serve different life stages, income bands, and household profiles, while its mixed-use developments respond to the parallel need for employment, services, and lifestyle infrastructure. This alignment ensures that Retal’s product mix remains closely matched to underlying demographic demand rather than short-term market cycles.

KSA Population Growth over the Years¹



¹ Source: United Nations (<https://population.un.org/wpp/graphs?loc=682&type=Demographic%20Profiles&category=Line%20Charts>)

² Source: GASTAT (<https://www.stats.gov.sa/documents/20117/2435267/RPI+Q4+2025-EN.pdf/2767f301-2653-0087-5f84-89a9c9ec46bf?t=1768821927781>)

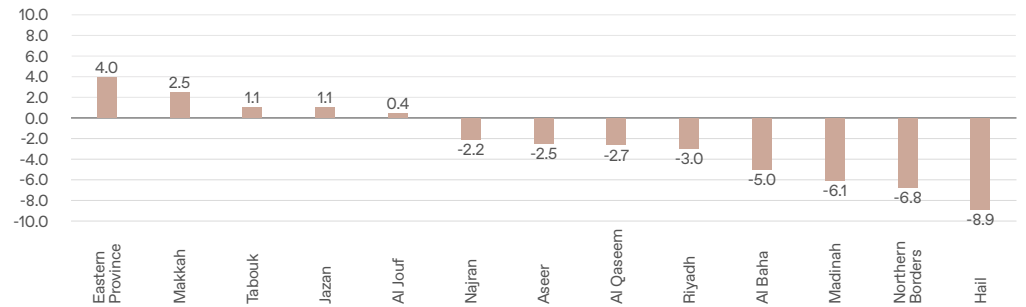
DEMAND-SUPPLY DYNAMICS ACROSS KEY CITIES

Saudi Arabia’s key urban markets continue to show a demand-supply imbalance, with residential prices rising even as supply expands. In Riyadh, average apartment prices climbed 10.6% YoY in early 2025, underscoring strong underlying demand that has outpaced new delivery in core districts. While tens of thousands of new homes are slated for completion in cities such as Makkah and Madinah by 2028, existing stock in these cities is being absorbed rapidly, reflecting persistent pressure on available housing. Across Saudi Arabia, sustained price resilience alongside ongoing expansion of supply pipelines suggests that delivery timelines are lagging structural demand, particularly for well-connected, affordable and mid-market residential segments.

What This Means for Retal

Developers with phased execution capability and broad geographic exposure are better positioned to respond to varying demand dynamics across Saudi Arabia’s major cities in alignment with city development plans, populations inflows, the growth of employment hubs and other factors. Retal’s city-by-city approach — calibrating product mix, price points, and amenity intensity to local affordability, maturity, and absorption patterns — allows it to deploy capital selectively across corridors where residential demand is structurally stronger than supply. Its multi-phase delivery model supports disciplined sequencing of supply in line with local market depth, strengthening execution certainty across diverse urban contexts.

Annual Change in Real Estate Prices (%) in Q4 of 2025 by Administrative Regions²





POLICIES POWERING AN OPEN, INCLUSIVE HOUSING MARKET

Saudi Arabia’s real estate market is increasingly shaped by government reforms that expand participation and strengthen financing access. Recent regulatory reforms now allow non-Saudi individuals and entities to acquire property rights more broadly across Saudi cities under a clarified framework, while clearly defined geographic criteria and special provisions for areas like Makkah and Madinah further support foreign participation. These changes, together with strong demand for second homes, are widening

the buyer base and enhancing market liquidity. In parallel, mortgage and capital market reforms — including the expansion of housing finance and the launch of residential mortgage-backed securities (RMBS) by the Saudi Real Estate Refinance Company — are improving funding availability and enabling sustained residential demand. Together with streamlined approvals and improved transparency, these measures are reinforcing real estate’s position as an investible asset class across residential, mixed-use and commercial segments.

What This Means for Retail

Vision 2030 reforms have materially professionalized the housing ecosystem, improving transparency, financing access, and investment visibility. As a listed developer with an integrated delivery model and a strong governance framework, Retal serves as an effective institutional bridge between national policy and on-the-ground execution. Our ability to originate, structure, and deliver projects at scale enables investors to access Saudi Arabia’s housing and mixed-use growth through investible opportunities that are directly anchored in policy-led demand and delivery certainty.

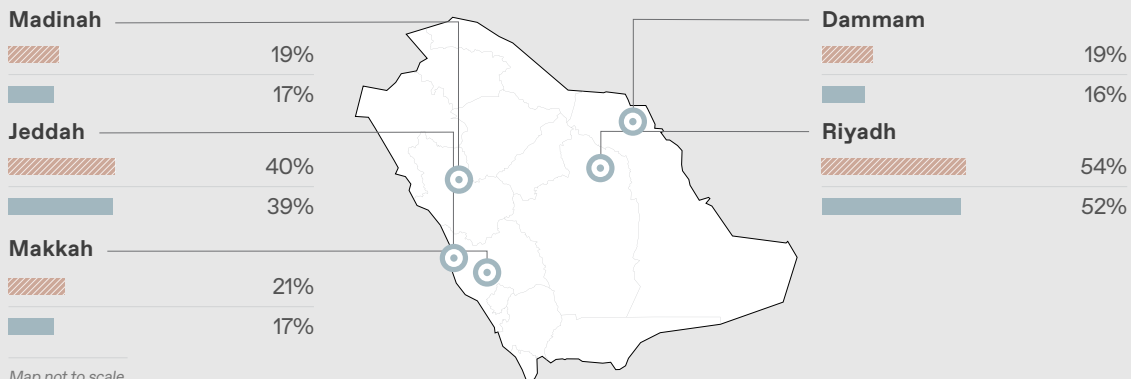
OFF-PLAN SALES — RETAL’S DISTINCT VALUE PROPOSITION

Retal’s off-plan sales model is a core competitive advantage, enabling the Company to unlock high-return developments with limited upfront capital. By securing early buyer commitments, Retal accelerates funding, reduces market exposure, and transfers collection risk to financing institutions — strengthening cash flow visibility. Phased construction allows us to monitor build quality more closely and incorporate buyer preferences. Fully aligned with Wafi regulations, the model reflects operational maturity and buyer confidence. Today, around 80% of customers finance purchases through bank mortgages, with the balance through upfront cash payments.

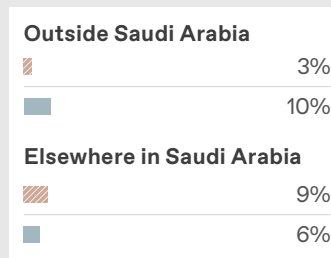
Most Popular City for a Home Purchase³

Riyadh leads as the top homebuying destination for both nationals and expats, driven by economic growth, jobs and lifestyle appeal, with strongest demand from higher-income groups. Jeddah follows with high interest and strong resident retention, while Makkah, DMA and Madinah see steady demand, supported by cultural significance and emerging opportunities.

● Saudi nationals ● Saudi-based expats



Map not to scale.



³ Source: <https://content.knightfrank.com/research/2631/documents/en/the-saudi-report-2025-11978.pdf>





Integrating People, Purpose, and Capability



**Eng. Mohammed Khaled
Al-Mohammedi**

Chief Strategy Officer

At Retal, strategy starts from a simple belief: long-term leadership comes from responsible scale, disciplined execution, and developments that create lasting value for cities and communities. In 2025, we consolidated around this belief, expanding capacity while reinforcing the institutional foundations needed to grow in a more competitive, execution-driven market.

Partnerships to Drive Community Scale

Partnerships remain at the core of our model. In 2025, Retal strengthened its role as a preferred partner to national housing and urban transformation platforms, deepening programmatic relationships with NHC and ROSHN to improve pipeline visibility, capital efficiency, and delivery scale. These core partnerships now represent approximately 50.5% of the total project portfolio, valued at around SAR 21.52 billion. Providing efficient access to some of the Kingdom's largest housing pools through

an off-plan development model. Through NHC, we advanced a SAR 5.2 billion master-planned community in Al-Fursan, Riyadh (4,839 units with infrastructure) and a 1,064 unit sub-development in Al Khobar, reinforcing multi-year backlog, (including Deera). With ROSHN, we extended collaboration into subsidiary-led delivery, with BCC executing design-and-build works across ROSHN communities.

Beyond government platforms, partnerships with Jabeen and Watheeq Capital supported new residential fund structures and tower developments in Makkah. During the year, Retal witnessed the launch of projects valued at SAR 11.5 billion at the Cityscape Global exhibition, reflecting an acceleration in the pace of growth and the expansion of the project portfolio.

Diversification and Portfolio Resilience

Diversification continued to strengthen portfolio resilience. In 2025, we broadened across markets,

customer segments, and asset classes—entering Makkah and Jubail alongside our established presence in Riyadh, Jeddah, and the Eastern Province, and serving essential, mid-market, and premium demand. We accelerated the shift from a predominantly residential developer to a multi-asset platform, scaling mixed-use and hospitality alongside core housing communities. Non-residential and mixed-use assets now represent a growing share of the active pipeline and project value, with flagship hospitality-anchored developments and branded residences driving margin expansion in premium segments and mixed-use formats, enhancing recurring income visibility.

Redefining Customer Experience

Customer experience is now managed as a full lifecycle, not a set of transactions. In 2025, we strengthened our customer-first model through consolidated commercial oversight



and a dedicated community management function, integrating care, service standards, and engagement from initial awareness to post handover living. This institutional approach is designed to enhance consistency, trust, and long-term community value.

Embedding Sustainability across the Development Lifecycle

Sustainability is embedded in how we plan, build, and govern. In 2025, we scaled sustainability-led practices across the portfolio, implementing an Environmental Stewardship Framework, advancing LEED and Mostadam pathways, deploying smart energy systems and Level 2 audits, and progressing a five-year decarbonization roadmap aligned with Net Zero 2060. Socially, Saudi nationals now represent over 64% of our workforce and women around 34.32%, supported by structured training, succession, and capability development. Through Retal Al-Khair, we delivered

42 social initiatives reaching more than 355,000 direct and indirect beneficiaries and investing over SAR 32.2 million cumulatively over five years, and were honored by HRH Prince Saud bin Nayef for housing renovation support during Ramadan. We also delivered the 'Unity of the Nation' monument in Al Khobar, commemorating the Kingdom's unification under the founding King Abdulaziz Al Saud and reflecting our pride in the nation's history and heritage.

Looking ahead, Retal's strategy remains anchored in partnership-led scale, disciplined diversification, customer-centric execution, and ESG-driven sustainability, positioning the Company to convert current momentum into durable, community-centered value for the Kingdom and all stakeholders.

Eng. Mohammed Khaled Al-Mohammedi
Chief Strategy Officer



Shaping Spaces, Driving Growth

Our strategy focuses on sustainable growth and unlocking long-term value creation, positioning us to advance Saudi Arabia’s dynamic real estate sector with resilience and foresight. We deliver modern, sustainable communities and innovative real estate products through an integrated business model that enhances quality of life. Our approach emphasizes strong partnerships, portfolio diversification, customer experience, and the integration of sustainability across all our operations.



Strategic Partnerships

We work closely with leading industry partners to deliver large-scale developments, strengthening our market presence and enhancing our reputation.

[Read more on p.45 →](#)



Diversification

By expanding beyond residential real estate, we offer a broad range of brands and products designed to meet different income levels and evolving market needs.

[Read more on p.47 →](#)



Customer Experience

We focus on exceeding customer expectations through high-quality service, innovation, and comprehensive after-sales support.

[Read more on p.49 →](#)



Sustainability

Sustainability is embedded in our mission and operations, guiding our approach to long-term environmental responsibility and social impact.

[Read more on p.51 →](#)

Strategic Partnerships

Retal's growth strategy is fundamentally partnership-driven, harnessing public-private collaboration to match the scale, sophistication, and vision of Saudi Arabia's urban evolution.



Retal's partnerships with the public sector unlock strategic opportunities to deliver large-scale development projects of significance across the central, eastern, and western regions. These partnerships enhance project scope visibility, support infrastructure integration, accelerate approval processes, and improve capital efficiency—advantages that are difficult to achieve through standalone developments.

DEVELOPMENTS IN 2025

- Increased participation in mega-projects through strategic alliances, enabling the delivery of integrated, zoning-based developments across major cities in line with national giga-project priorities
- Positioned integrated developments as engines of sustainable growth by combining recurring revenue assets, real estate value appreciation, and partnerships with renowned operators
- Established structured partnership frameworks for co-developments, SPVs, and operating partners across residential and mixed-use assets, enabling programmatic capital deployment



↗ GEO-EXPANSION RISK

↘ MARKET RISK

☐ REGULATORY AND COMPLIANCE RISK

Strategic Partnerships

- Deepened the partnership ecosystem through active engagement with PropTech and ConTech platforms through NeoCity and Cityscape Innovation Challenge participation
- Expanded partnerships beyond development into capital, technology, and operations across the real estate value chain

PRIORITIES FOR 2026

- Position partnerships as a primary driver of expansion and resilience
- Expand branded and mixed-use developments through operator alliances
- Scale repeatable partnership models across new cities
- Increase the share of recurring, institutional-grade revenues generated through partnerships



Strengthening the Kingdom's Real Estate Ecosystem

In 2025, Retal reinforced its role as a strategic partner within the Cityscape Global platform as a Diamond Sponsor and exclusive sponsor of the Cityscape Innovation Challenge, reinforcing its position at the center of Saudi Arabia's real estate ecosystem. Through this platform, Retal engaged with over 60 international PropTech and ConTech startups, advancing proof-of-concept pilots across planning, construction, sales, and community management. The partnership also strengthened Retal's commercial momentum, supporting the announcement of SAR 11.5 billion in new project value, 6 active projects, SAR +3 billion in sales, and over 11,200 registered expressions of interest during 2025.

4,839 units

Development agreement signed with NHC, alongside new land agreements including Deera

5

Active strategic partners

₹ 6,689 Mn

Value of new agreements signed with NHC and ROSHN in 2025

6,647

Units through partnerships with NHC and ROSHN (development ongoing)

Diversification

Diversification is a strategic lever for Retal to enhance resilience, optimize capital deployment, and sustain growth across market cycles. It enables the Company to expand selectively while remaining anchored in residential-led, demand-driven development.



📍 GEO-EXPANSION RISK

📉 MARKET RISK

🏠 FINANCIAL RISK

📈 COST OF BORROWING RISK



Retal's diversification strategy is disciplined and intentional. It is not about moving away from residential development, but about expanding *where* and *how* the Company delivers—across geographies, customer segments, asset classes, and business lines—while maintaining execution control and financial prudence.

This approach is guided by market intelligence and Saudi Vision 2030 priorities, focusing on growth corridors with structural housing undersupply, calibrated price bands, and mixed-use formats where non-residential components are introduced selectively and anchored by residential demand.

DEVELOPMENTS IN 2025

- Entered Makkah through a SAR 638 million fund-based residential development with Watheeq Capital, marking strategic geographic diversification into a high-demand religious and lifestyle destination
- Expanded into Jubail City for the first time, executing 901 residential units under a SAR 1.21 billion contract, extending Retal's platform into an industrial-city housing segment

Diversification

- Advanced residential-led mixed-use developments such as Deera integrating housing with infrastructure, community retail, and selective commercial uses aligned with local absorption dynamics
- Strengthened hospitality and branded residential exposure, including developments under the Nobu and Ritz-Carlton brands, supported by tourism growth and mega-event-driven demand
- Diversified revenue streams through BCC, which secured external design-and-build contracts beyond Retal-led projects, including new engagements with ROSHN
- Increased use of fund, JV, and SPV structures to support diversification while reducing capital intensity and improving risk-adjusted returns

PRIORITIES FOR 2026

- Continue geographic expansion across priority cities aligned with Vision 2030 growth corridors
- Scale residential-led mixed-use formats with selectively integrated hospitality, office, and community retail components
- Expand hospitality and branded living offerings linked to Expo 2030 and the 2034 World Cup
- Deepen fund-based and institutional capital structures to support capital-efficient growth
- Further grow subsidiary-led business lines, particularly BCC, to unlock additional revenue streams
- Maintain a data-driven investment discipline focused on demand visibility and long-term absorption

12

Total funds and SPVs

16,041

Total Number of Ongoing and Upcoming Units

25

Ongoing and upcoming projects across cities



Broadening the Asset Base through Hospitality-led Mixed-use

In March 2025, Retal advanced its diversification strategy through its 50%-owned joint venture, Remal Al Khobar, which secured a SAR 450 million construction contract for a mixed-use development comprising Nobu Hotel, Nobu Restaurant, and the Retal Rise branded residential tower in Al Khobar. Delivered in partnership with Nobu Hospitality, the project marks Retal’s expansion into hospitality-anchored mixed-use assets, combining premium residential and lifestyle components. The joint venture structure enables capital-efficient growth while diversifying asset exposure and strengthening long-term value creation in the Eastern Province.

Customer Experience

Retal positions customer-centricity and digital evolution at the core of its strategy. The ‘customer-first’ focus guides decisions across the business, so every interaction — whether in sales, service, delivery, or after-sales — is designed to meet customer needs and reinforce Retal’s reputation as a leading developer.



With the Saudi real estate market becoming more sophisticated and choice-led, customers now expect clarity, responsiveness, and continuity across the ownership journey. Retal has responded by elevating experience through product quality, technology, process discipline, and service transparency. Digital platforms, smart home integration, and end-to-end visibility enable consistent engagement, trust, and convenience.

Portfolio expansion has also shifted focus toward integrating insight, design, and service delivery across the full lifecycle — from discovery and customization to handover, warranty, and community living. This evolution moves Retal beyond transactional interactions toward intuitive, consistent experiences that strengthen trust, reduce disputes, and build long-term advocacy.

DEVELOPMENTS IN 2025

- Strengthened customer-centric decision-making by establishing a Business Intelligence and Research function that informs design, pricing, and service decisions across the customer journey
- Consolidated ownership of the customer journey through the appointment of a Chief Commercial Officer, integrating marketing, sales, customer care, and handover under



↗ MARKET RISK

📄 OPERATIONAL RISK



Customer Experience

a single commercial structure to improve accountability and customer satisfaction

- Instituted a 'Customer Care' function under the Commercial Division to manage client relationship through a unified focus on experience, service quality, and proactive resolution
- Scaled Retal App V2 to deliver end-to-end visibility from contract signing through warranty, including real-time updates, digital snagging, service tracking, and e-signatures
- Digitized customer engagement and service delivery via interactive unit booking platforms, integrated WhatsApp communication, automated workflows, and full cash collection automation through SADAD
- Established a dedicated Community Management function, embedded from planning through operations to integrate services, activate shared spaces, coordinate stakeholders, and protect long-term

livability and asset value across mixed-use developments

- Continued to elevate quality-of-life outcomes by embedding human-centered design principles — walkable layouts, green spaces, and live-work-play environments — across development standards

[Read more on p.143 →](#)

PRIORITIES FOR 2026

- Further enhance the Retal App and digital marketplace to support customization, services, and community engagement
- Expand AI-enabled analytics and automation across customer care and service workflows
- Strengthen community management and post-handover service models for large-scale developments
- Deepen use of customer feedback and insights to inform design, delivery, and policy decisions

76.4%

Overall CSAT score measuring service quality (2025)

65.4%

Retal app adoption rate (2025)

SEARCH CASE STUDY



Retal Verse: A New Dimension for Aspiring Homeowners

In 2025, Retal enhanced the early stages of the customer journey with Retal Verse, an immersive, live-interaction feature on Retal app designed to transform how prospective homeowners explore projects. By shifting property search from static listings to an interactive experience, Retal Verse enables customers to make more informed, confident decisions from the outset.

Through interactive maps, customers can visualize Retal's national footprint, assess regional project concentration, and explore surrounding community ecosystems, including schools, healthcare, mosques, landmarks, and green spaces, supporting insight-led decision-making from the outset.



Sustainability

Retal prioritizes sustainability and long-term value creation through a comprehensive ESG strategy, which is an implementation-led, performance-driven framework, integrated into the core business model.



Instead of being treated as a standalone program, sustainability is directly linked to asset quality, operational efficiency, workforce capability, and long-term value creation.

The ESG framework is governed through a formal ESG Strategy Implementation Plan with defined targets, timelines, and accountability. Designed as a living framework, it enables Retal to respond to regulatory change, stakeholder expectations, and operational insights while maintaining a consistent sustainability trajectory.

Environment: We prioritize sustainable design, responsible materials, and resource efficiency, guided by green building certifications, energy modeling, lifecycle assessments, and structured decarbonization pathways.

Social: We are building a capable, nationally aligned workforce while fostering positive outcomes across our communities through inclusive practices, capability development, and strong health and safety standards.

Governance: Governance builds stakeholder trust through consistent, transparent delivery of ESG commitments, supported by ESG Committee oversight and responsible decision-making across the Group.



MARKET RISK

OPERATIONAL RISK

REGULATORY AND COMPLIANCE RISK



Sustainability

DEVELOPMENTS IN 2025

- Operationalized ESG execution through a performance-led framework with clear targets, accountability, and portfolio-wide benchmarks aligned with LEED and Mostadam
- Advanced environmental performance and climate readiness via energy audits, smart systems, sustainable materials, and Scope 1-3 emissions baselining aligned with Net Zero 2060
- Strengthened social sustainability by advancing Saudization, workforce capability development, and zero-harm health and safety standards across multi-region operations
- Expanded community impact and livability through CSR initiatives supporting housing access, public green spaces, education, and urban well-being in line with Saudi Vision 2030

- Reinforced governance and ESG oversight through ESG Committee supervision, standardized policies, supplier accountability, and improved ESG data quality and disclosure

PRIORITIES FOR 2026

- Deepen integration of ESG metrics into development approvals, capital allocation, and performance monitoring
- Expand green urbanism initiatives, including public green spaces, pedestrian-first layouts, and climate-resilient design
- Advance portfolio-level decarbonization through energy-efficient building standards and responsible material use
- Strengthen alignment with the Saudi Green Initiative by scaling biodiversity-supportive and low-impact development practices
- Enhance ESG disclosure, governance rigor, and stakeholder engagement to support institutional trust and long-term value creation

42

CSR initiatives

93.1%

Local procurement

+220 hrs

Employee volunteering

100%

Of new sanitary fixtures use low-flow technology to reduce water intensity



Advancing Green Public Spaces in Al-Ahsa

In July 2025, Retal signed a Memorandum of Understanding with Al-Ahsa Municipality to develop two public parks in Al-Badriyah district in Hofuf, as part of its commitment to social responsibility. The signing ceremony was held under the patronage of His Royal Highness Prince Saud bin Talal bin Badr Al Saud, Governor of Al-Ahsa, and in the presence of His Excellency the Minister of Municipal and Rural Affairs and Housing.

This project reflects Retal’s firm commitment to enhancing quality of life through the provision of public green spaces. It also highlights the initiative’s role in advancing environmental sustainability and community well-being, in alignment with the objectives of the Quality of Life Program and the Saudi Green Initiative.

The project stands as a practical example of translating Retal’s sustainability commitments into tangible value that serves the public interest and contributes to enhancing the urban landscape of the city.



Advancing National Development Priorities

Retal's alignment with the Kingdom's Vision 2030 is rooted in its role as a developer of high-quality residential communities that respond to national housing and urban priorities. Building on our contribution to the Housing Program and the Quality of Life Program, we strengthened our role in planning and implementing large-scale residential communities across the Kingdom in 2025. This reflected Retal's expanding role as a private-sector partner, bringing together housing, infrastructure, and essential services to support long-term urban development goals.

ADVANCEMENT OF LOCAL AND INTERNATIONAL SUSTAINABLE DEVELOPMENT GOALS



QUALITY OF LIFE PROGRAM

National Objective

Urban livability and mixed-use development
(Livable, integrated cities)

Contribution (2025)

Launched 11 mixed-use developments worth SAR 15.86 billion, comprising 5,717 residential units, 350 hotel rooms and 178.5 thousand sqm of leasable commercial space, with total built-up area reaching 1.94 million sqm. The portfolio is supported by schools, healthcare facilities and green spaces, creating well-rounded communities.

Regulatory Support

Saudi Vision 2030 livable cities objectives and municipal zoning reforms supporting integrated community development



HUMAN CAPABILITY DEVELOPMENT PROGRAM

National Objective

Employment creation
(Non-oil economic diversification)

Contribution (2025)

5,000-7,000 direct jobs created (construction, design, operations, retail management); supplier localization reached 92.6%, reinforcing the strength of local supply chains

Regulatory Support

Saudization targets and private sector employment incentives aligned with hiring and supplier development practices



National Objective

Women's economic participation
(Female workforce participation)

Contribution (2025)

34.3% of Retal's employees are women; community designs prioritize women's safety and economic access (retail, healthcare, education)

Regulatory Support

Saudi Vision 2030 women's empowerment agenda and female labor force participation targets





برنامج تطوير الصناعة الوطنية والخدمات اللوجستية



NATIONAL INDUSTRIAL DEVELOPMENT AND LOGISTICS PROGRAM

National Objective

Non-oil GDP contribution
(Diversified economy)

Contribution (2025)

SAR 6.5 Billion total development costs over the last 5 years and set to more than double over the next three years; sector growth at 7-8% CAGR partly driven by private developer expansion

Regulatory Support

National diversification agenda and real estate sector expansion policies enabling private developer growth



برنامج جودة الحياة



HOUSING PROGRAM

National Objective

Housing supply and homeownership
(70% homeownership target)

Contribution (2025)

Homes were delivered to more than 7,500 families, while the Company continues to execute 8,278 units under development, in addition to 7,763 units within upcoming projects

Regulatory Support

Saudi Vision 2030 housing targets, mortgage expansion, and foreign ownership liberalization (January 2026) creating a favorable policy environment for private supply-led growth



برنامج التخصيص



PRIVATIZATION PROGRAM

National Objective

Private sector-led housing delivery
(Public-private balance)

Contribution (2025)

Partnership-led projects represent 61.2% of pipeline; 12 projects (32.3%) co-investment vehicles active

Regulatory Support

Government housing platforms (NHC, ROSHN), and institutional investor incentives supporting collaborative models



برنامج تطوير القطاع المالي



FINANCIAL SECTOR DEVELOPMENT PROGRAM

National Objective

Foreign ownership and international capital
(Globalized real estate market)

Contribution (2025)

2.7% of buyers in flagship projects from expat/foreign segment; early partnerships with international operators

Regulatory Support

Foreign ownership liberalization (January 2026) supporting premium and branded residential positioning



ADVANCING NATIONAL SUSTAINABILITY GOALS

Sustainability is a key pillar of Saudi Arabia's Vision 2030 focused on reducing emissions and protecting the Kingdom's natural environment. We bridge national goals with urban reality by integrating sustainable principles into every stage of our project lifecycle.

Carbon Reduction: Minimizing environmental impact through energy-efficient building designs and sustainable construction practices, reducing GHG emissions

Green Urbanism: Developing walkable communities and expansive public green spaces

Biodiversity & Resilience: Utilizing responsible land-use strategies to reclaim degraded land and foster environmental health

Liveable Cities: Advancing Saudi Vision 2030 by creating eco-friendly, resilient urban centers for a growing population

POSITIONING FOR 2026 AND BEYOND

As 2025 draws to a close, Retal has strengthened its position as a trusted and preferred partner, and a national enabler of the housing sector in line with the objectives of Saudi Vision 2030—supported by the expansion of its business scope, the depth of its execution capabilities, and its strong strategic partnerships.

As 2026 begins, and Vision programs advance into more mature stages of implementation, Retal continues its firm commitment to developing communities characterized by economic resilience, social vitality, and environmental responsibility.

The Company is well positioned to translate its growth momentum and business expansion into sustainable outcomes that contribute to the development of integrated communities and support the Kingdom's ongoing national transformation.

Advancing the Momentum

Pre-Development

Nesaj

Project Management Company

Nesaj, a Retal subsidiary, delivers professional, high-quality project management services in alignment with Saudi Vision 2030 and the National Transformation Program. The Company has a cohesive and skilled team that manages projects on time, to specification, and with innovative solutions, aiming to lead and excel in the sector.

KEY PROJECTS

Nesaj brand	4,510 units
Ewan brand	2,161 units
Roya brand	434 units
Ayala brand	118 units
The Strip	7,200 sqm





Pre-Development

KEY PARTNERS AND CLIENTS



AWARDS

- Local Content Certificate
- ISO 45001:2018 – Quality Management System
- ISO 9001:2015 - Quality Management Systems
- Consultancy License

PERFORMANCE IN 2025

In 2025, Nesaj strengthened governance across its PMC portfolio through disciplined oversight

of scope, cost, planning, and contractual compliance, supported by structured monitoring and reporting. Delivery remained stable, with 16 of 21 active projects on approved schedules, and early cost and schedule forecasts closely matching outcomes—demonstrating improved estimation accuracy and technical validation. Centralized reporting, structured reviews, and disciplined cost control enhanced transparency, stakeholder trust, delivery consistency, and portfolio stability.

Early engagement was reinforced by embedding lessons learned into planning and mobilization. Standardized scope validation and pre-mobilization reviews improved execution readiness and alignment from project inception. This governance-led model supported multiple high-profile RFP invitations in 2025, 71% from external entities, reflecting strong market confidence and reinforcing Nesaj’s position as a trusted Project Management Consultancy (PMC) partner in the Kingdom’s evolving development landscape.

Digital integration advanced through BIM, Procore, Power BI dashboards, and KPI-driven frameworks, enhancing coordination, reporting accuracy, and data-based decision-making. Real-time visibility across cost, schedule, and quality reduced manual effort, while formalized KPIs at project and departmental levels aligned operations with strategy and strengthened governance oversight.

Organizational capability continued to grow through enhanced integration, reducing design conflicts and optimizing sequencing. With 76% of engineers holding recognized professional

certifications and supported by structured development initiatives, alongside a New Joiners Program aligned to governance, digital platforms, and performance expectations, Nesaj remains positioned for sustainable growth and delivery excellence.

STRATEGY AND OUTLOOK

- Form strategic alliances to drive new business growth while aligning with Saudi Vision 2030 initiatives
- Expand client portfolio to new sectors, particularly in education and healthcare
- Integrate advanced Project Management software and AI-enabled risk assessment tools
- Implement VR/AR for virtual walkthroughs and enhanced stakeholder engagement
- Offer site supervision and PMO setup services to diversify service lines

Pre-Development

MIMAR Saudi

Architecture Design and Engineering Consultants

MIMAR Saudi, Retal's Associate, provides integrated architectural and engineering consultancy services, delivering multidisciplinary design solutions across residential, commercial, hospitality, mixed-use, and large-scale developments. Adopting a client-centric, outcome-driven approach, the firm ensures projects respond to functional, cultural, environmental, and economic requirements while adhering to international best practices, strengthening its role as a trusted design partner on complex projects.

KEY PROJECTS

Dhahran Expo	Commercial/Hospitality/Entertainment – Dammam – KSA 300,000 sqm
College of Engineering at Qatar University	Educational – Qatar 73,000 sqm
Sparkle Towers	Residential – Dubai, UAE 64,250 sqm
Retal Rise & NOBU Hotel	Commercial/Hospitality, Khobar, KSA 75,000 sqm
Ardara Al Wadi Phase1-Cluster (Contract with International Consultant)	Commercial/Hospitality/Entertainment – Abha, KSA 91,000 sqm





Pre-Development

KEY PARTNERS AND CLIENTS



AWARDS

International and Regional Recognition

- Arabian Property Award – Nobu Hotel & Retail Rise, Khobar (Residential High-rise Development/Best New Hotel Construction & Design), 2022-2023
- Arabian Property Award – Retail Residence Clubhouse, Khobar (Residential & Recreation Hospitality Project Design of the Year), 2022-2023

- Property Award Architecture – Dhahran Expo, Dammam (Best Mixed-use Architecture), 2025-2026

Innovation and Global Recognition

- Design Middle East Award – Innovation in Design Award, Dhahran Expo Convention Center, 2025
- Ranked #166 in ENR Top 225 International Design Firms, 2025

PERFORMANCE IN 2025

MIMAR showcased outstanding performance, marked by significant industry recognition and strategic advancements. The firm earned the Property Award Architecture – Best Mixed-Use Architecture, 2025-2026 for its project Dhahran Expo in Dammam, KSA and climbed to #166 in ENR's Top 225 International Design Firms, reflecting its growing international standing.

During the year, MIMAR signed 9 contracts with the NHC, including 5 engineering projects and 4 site supervision projects. It also secured a contract with an international consultant for one of PIF's key developments, 'Ardara Al Wadi Phase 1 – Cluster 1' in Abha.

Further reinforcing its innovation credentials, MIMAR was shortlisted for the Construction Technology Award in the BIM Projects of the Year category, highlighting its advanced use of digital tools and commitment to excellence across major GCC projects. Collectively, these achievements strengthened MIMAR's reputation for design excellence and its contribution to Saudi Arabia's Vision 2030 real estate and construction sectors.

STRATEGY AND OUTLOOK

- Expand integrated design and engineering services across priority markets in the Middle East and North Africa
- Strengthen multidisciplinary coordination and digital capabilities while enhancing technical expertise and project delivery efficiency
- Invest in advanced design technologies to improve quality control and overall performance
- Deepen strategic partnerships with specialist consultants to enhance competitiveness
- Respond proactively to market trends emphasizing sustainability, efficiency, and resilient design across commercial, educational, hospitality, and master planning sectors
- Capture growth opportunities in mixed-use and large-scale developments



Pre-Development

Noorkom

Lighting Design; Architectural Consultancy

Lighting Design Partnership International (LDPI) is a RIBA-registered practice with over 25 years' experience and offices across the UK, Middle East, and Europe. The firm delivers specialist architectural lighting design services across aviation, hospitality, cultural, and mixed-use developments, working closely with architects and consultants to ensure lighting strategies align with architectural intent and functional requirements. LDPI continues to contribute to integrated, multidisciplinary project environments through coordinated and technically driven design solutions.

KEY PROJECTS

The Mukaab	Riyadh, KSA +2 million sqm
Muscat International Airport	Muscat, Oman 2,200 hectares
World Expo	Astana, Kazakhstan 1,740,000 sqm
NEOM Oxagon Village	Red Sea, KSA 1.5 million sq km





Pre-Development

KEY PARTNERS AND CLIENTS



AWARDS

Muscat International Airport – Oman

- The World's Leading New Airport (2018)
- Middle East's Leading Airport (2019)

Oman Across Ages Museum – Oman

- Cultural Project of the Year – Middle East Lighting Awards (2023)
- Shortlisted – World Architecture Festival (WAF) Awards (2024)

- Recognition for being one of the world's seven most beautiful museums – Prix Versailles

Shangri-La Barr Al Jissah Resort – Oman

- MELDA Lighting Design Awards – Hospitality & Leisure Category Winner; Overall Winner – Middle East Project of the Year

PERFORMANCE IN 2025

LDPI further strengthened its Architainment division, advancing the integration of architectural lighting, media, and intelligent control systems within immersive project environments. The division continued to refine its multidisciplinary model, bringing together architects, media specialists, and control professionals to deliver technology-enabled, user-centric design solutions across mixed-use and urban developments.

In parallel, the Futurescape Collective was further developed as a coordinated multidisciplinary framework, consolidating expertise across lighting design, architecture, engineering, technology, research, media, and project management. This strengthened cross-functional collaboration and supported the delivery of immersive, future-ready concepts that combine architectural intent with emerging technologies.

By advancing these integrated capabilities under a unified brand structure, LDPI reinforced its positioning as a design practice capable of delivering immersive, technology-driven environments within complex project ecosystems.

STRATEGY AND OUTLOOK

- Expand architectural lighting consultancy services across priority regional markets, supporting complex and large-scale developments
- Strengthen integration of lighting strategies within master planning, mixed-use, hospitality, and cultural projects to enhance design coherence and spatial quality
- Advance user-focused and experience-driven lighting solutions that balance aesthetics, functionality, and environmental performance
- Increase adoption of emerging lighting technologies, smart control systems, and energy-efficient solutions to support sustainability objectives
- Enhance collaboration with architects, engineers, and specialist consultants to ensure coordinated project delivery

Development

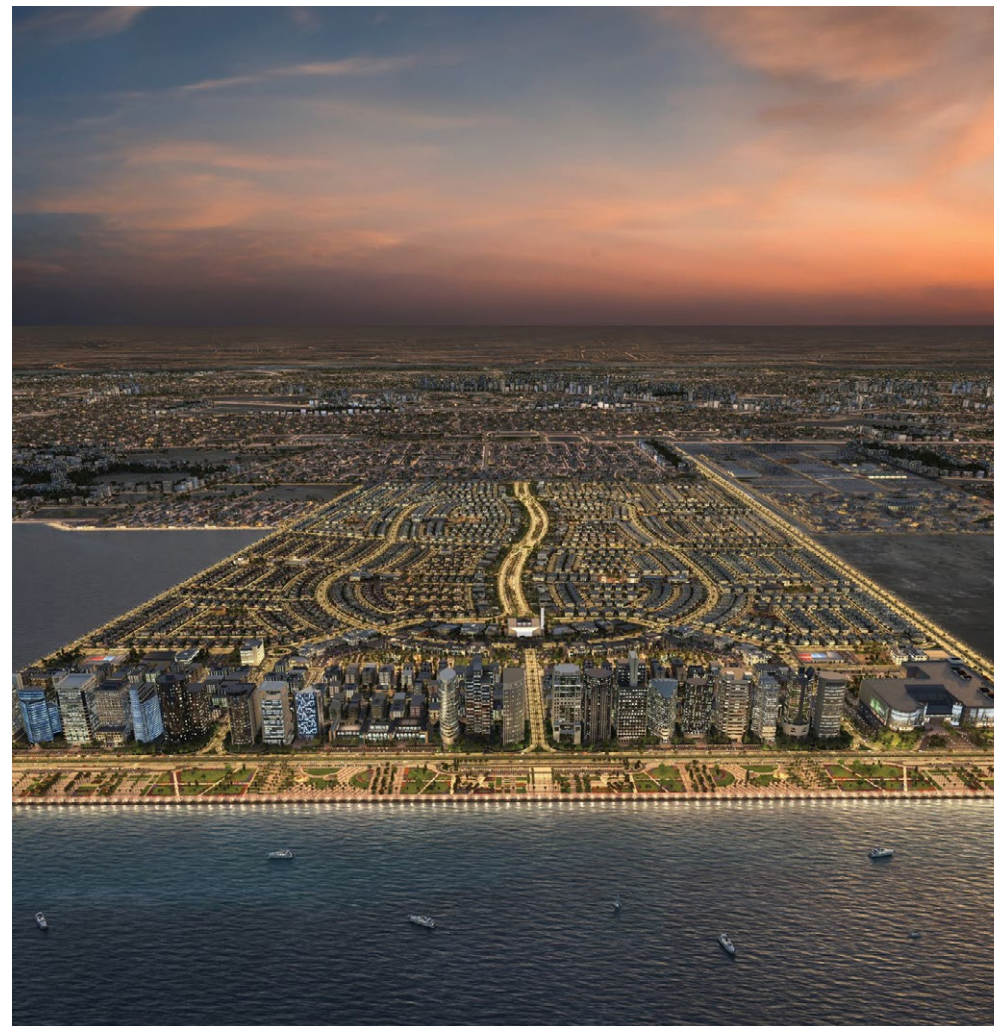
Saudi Tharwa

Infrastructure Development; Land Development; Project Supervision & Management

Saudi Tharwa focuses on the planning, development, and delivery of integrated, construction-ready land in line with high standards of quality and efficiency. The Company supports superstructure developers by enabling seamless project execution through fully serviced land solutions that consider end-user needs and promote the development of modern, sustainable communities.

KEY PROJECTS

Tharwa Town	Mixed-Use – Dammam City 4,047,427 sqm	Khazm Gate	Residential – Al Riyadh 436,500 sqm
Rawabi Maad	Mixed-Use – Mecca 438,124 sqm	Khobar Land	One Land – Al Khobar 37,470 sqm
Rimal Gate	Mixed-Use – Al Riyadh 290,000 sqm	Corniche View	Mixed-Use – Al Khobar 2,180,220 sqm
Al Sharqiya Oasis	Mixed-Use – Al Dammam 2,000,000 sqm	Ritan	Mixed-Use – Al Khobar 834,707 sqm
Maali Alkhubar	Mixed-Use – Al Khobar 423,689 sqm	Al Sharaq Land	Mixed-Use – Riyadh 4,273,439 sqm
Tharwa One	Mixed-Use – Al Dammam 104,387 sqm	Al Qanadel	Mixed-Use – Mecca 2,161,247 sqm





Development

KEY PARTNERS AND CLIENTS

Partners



Clients



PERFORMANCE IN 2025

Saudi Tharwa continued strengthening its position as a specialist integrated infrastructure developer through the delivery of construction-ready land parcels that supported superstructure developers across key markets. The Company maintained focus on quality-driven execution, operational efficiency, and timely infrastructure delivery.

The year also saw continued emphasis on digital enablement in urban planning and infrastructure network management, enhancing project coordination, risk mitigation, and decision-making accuracy. Strategic collaboration with public and private sector stakeholders further reinforced the Company's role in enabling sustainable residential and mixed-use developments.

STRATEGY AND OUTLOOK

- Scale the delivery of fully serviced, construction-ready land as a primary growth driver
- Expand the integrated infrastructure portfolio into new and high-growth regions within Saudi Arabia
- Accelerate digital transformation across urban planning, infrastructure management, and data analytics to enhance execution efficiency and risk control
- Strengthen operational and institutional capabilities through talent development and optimized project delivery standards
- Deepen strategic partnerships across government, financial, and real estate sectors to support sustainable and value-driven urban development



Development

Building Construction Co.

Contracting; Construction

Building Construction Co. (BCC) serves as Retal’s construction subsidiary, delivering contracting services across residential, commercial, institutional, and infrastructure developments. The Company executes projects within the Group’s development portfolio as well as for external clients, ensuring quality construction, timely delivery, and compliance with industry standards.

KEY PROJECTS

Nesaj Mega Project	Riyadh/Khobar/Al-Ahsa/Dammam 1,000,000 sqm
Al Khobar Lakes Development	Dammam 66,500 sqm
ROSHN Aldanah	Dammam 1,800,000 sqm

KEY PARTNERS AND CLIENTS



PERFORMANCE IN 2025

BCC delivered a strong financial and operational performance in 2025. Annual revenue exceeded SAR 1.5 billion for the first time, while net profit surpassed SAR 170 million, reflecting improved project execution efficiency and scale.

The Company also expanded its workforce to over 2,000 employees, strengthening its execution capacity to support ongoing and pipeline developments. Continued collaboration with ROSHN and Retal reinforced BCC’s role as a key contracting partner within large-scale residential projects.

STRATEGY AND OUTLOOK

- Secure additional mega-scale projects, particularly with ROSHN
- Expand execution capacity to support growing project pipelines
- Strengthen cost control and operational efficiency across construction sites
- Enhance workforce capability and technical specialization to support complex developments



Post-Development

ADARA

Property Management; Brokerage; Sales & Marketing

Adara provides property brokerage, sales, and marketing services across residential and commercial assets. It supports transaction management, client advisory, and market engagement activities, contributing to the effective commercialization of real estate projects within the Group's broader portfolio.

KEY PROJECTS

Retal Tower	Commercial Center, Khobar City 8,251 sqm rental space, 7 units
Al-Quraishi Business Center	Commercial Center, Khobar City 3,500 sqm rental space, 26 units
Corniche Park	Commercial Center, Khobar City 9,954 sqm rental space, 34 units
The Valley	Commercial Center, Hafouf City 6,201 sqm rental space, 36 units
Tharwa Residential	Residential lands, Khobar City 142,400 sqm rental space, 386 land
Alluwlu Residential	Residential units, Dammam 66,641 sqm rental space, 82 land
Alrimal Villas	Residential units, Khobar City 455 sqm rental space, 53 units
Al-Badriya Residential	Residential lands, Al-Ahsa 512,178.05 sqm rental space, 776 land



Post-Development

KEY PARTNERS AND CLIENTS



PERFORMANCE IN 2025

Adara continued expanding its brokerage and sales activities, supporting property transactions across residential and commercial segments. The Company strengthened client acquisition and engagement through targeted marketing strategies and digital tools that improved lead management and sales efficiency.

Adara maintained focus on regulatory compliance and professional standards, reinforcing its positioning as a reliable brokerage partner within Retal's integrated value chain and the broader real estate ecosystem.

STRATEGY AND OUTLOOK

- Expand brokerage and advisory services across high-demand real estate segments
- Strengthen institutional partnerships to broaden market reach and client base
- Advance digital enablement to improve operational efficiency and client experience
- Pursue disciplined expansion in priority regional markets aligned with Saudi Vision 2030 and evolving regulatory standards

Post-Development

Tadbeir

Facility Management

Tadbeir is Retal's facility management subsidiary, delivering integrated hard and soft FM services across residential, commercial, and mixed-use developments. The Company supports asset owners and developers through structured maintenance programs and operational oversight to ensure asset performance and service continuity.

KEY PROJECTS

Madina Municipality	Integrated Facility Management, Al Madinah 16,700,000 total value
Thiqah Business Services Co.	Integrated Facility Management, Riyadh 15,800,000 total value
KAFD Façade Cleaning	IFaçade Cleaning, Riyadh 1,700,000 total value
Retal Urban Development	Integrated Facility Management, multiple locations 9,400,000 total value

KEY PARTNERS AND CLIENTS

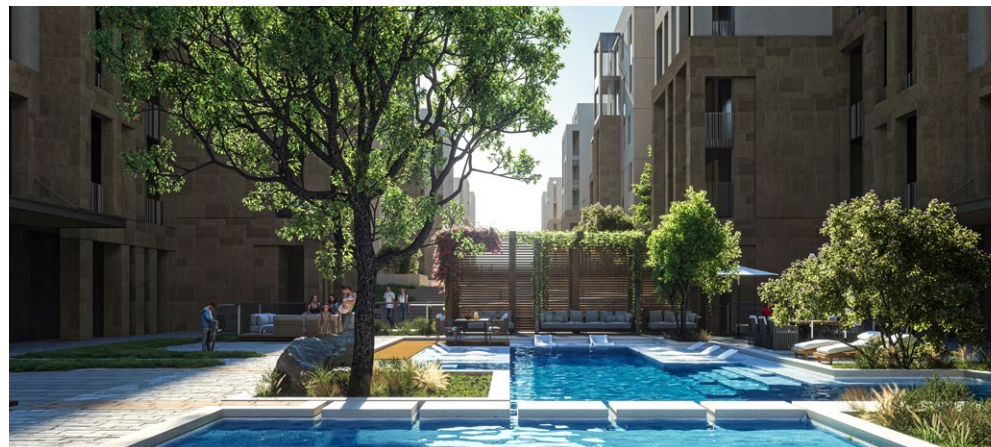


LUCID



INTERNATIONAL CERTIFICATION

- ISO 9001
- ISO 14001
- ISO 41001
- ISO 45001
- MEFMA
- BICS



PERFORMANCE IN 2025

Tadbeir strengthened its facility management portfolio across commercial and mixed-use assets, maintaining service quality across hard and soft FM operations. The Company enhanced operational efficiency through improved preventive maintenance planning, digital work-order management, and performance-based KPIs.

A continued focus on contract optimization and client retention supported stable operational performance and reinforced Tadbeir's role within major developments and institutional portfolios.

STRATEGY AND OUTLOOK

- Strengthen the core facility management portfolio while selectively expanding into high-value specialized service lines
- Build a leading position in facade cleaning and high-rise access services through investment in advanced equipment, certified teams, and enhanced safety standards
- Improve contract profitability through service standardization, preventive maintenance planning, and digital performance management systems
- Expand selectively across high-growth developments aligned with Saudi Vision 2030 urban transformation initiatives



Listening, Engaging, and Acting Responsibly

We understand that long-term value creation is inseparable from strong, trust-based relationships. Our stakeholders shape how we deliver, manage risk, and uphold our responsibilities as a listed entity. Throughout 2025, Retal maintained structured and consistent engagement across stakeholder groups through a combination of formal and informal channels, while strengthening feedback mechanisms and data tracking to enhance decision-making, accountability, and alignment with project execution and long-term value creation.

Shareholders and investors

provide the capital and oversight essential for Retal's growth, financial stability, and governance standards. Their expectations drive Retal's commitment to transparency, ESG integration, and operational excellence, directly influencing capital allocation and risk management discipline.

Modes of Engagement

- Annual general meetings
- Quarterly earnings calls and disclosures
- Investor presentations, roadshows, and conferences
- Regulatory filings
- Direct investor interactions

Frequency of Engagement

- Quarterly: Financial results and earnings calls
- Annually: General meetings and annual reports
- Ad-hoc: Real-time disclosure of material developments and project milestones in addition to announcements

Topics of Discussion

Financial performance, growth strategy, governance practices, risk management, capital deployment, and long-term value creation.



Value Created

- **SAR 24.5 Bn** backlog providing multi-year earnings visibility
- **83.4%** shareholder participation at the Extraordinary General Assembly (2025)
- **SAR +42.6 Bn** project value from ongoing and upcoming projects, including fund and SPV, except the completed projects

Customers

are central to Retal's revenue generation, market positioning, and long-term growth. Customer trust and satisfaction directly influence brand reputation, demand sustainability, and the credibility of Retal's developments. A consistent and reliable customer experience is therefore critical to protecting long-term value and supporting scalable growth.

Modes of Engagement

Retal engages customers through a structured set of channels designed to ensure consistency, transparency, and accountability, including:

- Direct customer interactions and site visits
- Customer care and official service channels
- Digital platforms, including the Retal App and digital communication channels
- Customer surveys and structured feedback mechanisms
- Formal issue-resolution and escalation forums
- These channels are governed through defined processes to ensure disciplined and effective engagement across the customer lifecycle

Frequency of Engagement

Customer engagement is maintained continuously across key stages of the customer journey, including pre-handover, handover, post-handover, and ongoing relationship management. Engagement frequency varies based on customer needs, service requests, and critical milestones, supported by periodic surveys and regular feedback reviews.

Topics of Discussion

Engagement with customers focuses on areas most critical to experience, trust, and value, including:

- Product quality and readiness
- Service delivery and post-sale support
- Transparency of timelines, updates, and commitments
- Issue resolution and escalation handling
- Overall customer experience and evolving customer expectations



Value Created

- **76.4%** overall CSAT score measuring service quality 2025
- **96.4%** call Center CSAT 2025
- **92.3%** handover CSAT 2025
- **5,524** total respondents to the customer satisfaction survey 2025
- **4 days** average time to close customer issues



Suppliers and business partners

play a critical role in maintaining construction quality, cost efficiency, supply chain resilience, and responsible sourcing practices. Strong partnerships support timely project delivery and operational excellence.

Modes of Engagement

Performance review meetings, audits, site supervision, tendering and procurement processes, value engineering sessions, contract negotiations, sustainability discussions, and project coordination sessions.

Frequency of Engagement

Regular engagements aligned with project timelines, contract cycles, and performance reviews.

Topics of Discussion

Quality standards, delivery timelines, cost management, compliance, health, safety, and environmental compliance, sustainability expectations, value engineering, and risk mitigation.



Value Created

- **SAR 3.1 Bn** in supplier agreements with **9.8% cost savings**
- **93.1% local content** achieved across procurement spend
- **97.9 supplier prequalification coverage** under strategic supplier program

Communities

lie at the heart of Retal’s developments, which are designed to function as living environments rather than standalone assets. Effective community management ensures resident satisfaction, operational efficiency, and social cohesion, while protecting asset performance and supporting the sustained success and reputation of Retal’s developments over their full lifecycle.

Modes of Engagement

Engagement is conducted through integrated community initiatives, stakeholder partnerships, structured grievance and feedback channels, and periodic engagement sessions, enabling continuous communication, timely issue resolution, and alignment with Community Management objectives.

Frequency of Engagement

Engagement remains continuous across development, handover, and operational phases, ensuring proactive management and sustained community alignment.

Topics of Discussion

Discussions focus on community needs and expectations, quality-of-life enhancements, social and lifestyle initiatives, and operational matters that support well-managed, sustainable, and resident-centric communities.



Value Created

- **SAR 3.1 Mn** invested in community and CSR initiatives
- **+355K beneficiaries** reached through social impact programs

Employees

are a key driver of operational excellence, innovation, health and safety performance, and service quality. Their engagement and capabilities directly influence business outcomes and customers.

Modes of Engagement

Leadership briefings, employee surveys, training programs, safety meetings, MPH halls, and internal communication platforms & events.

Frequency of Engagement

Regular engagement focused on talent attraction, corporate culture, and career progression, supported through structured performance cycles, training programs, and continuous communication.

Topics of Discussion

Professional development, workplace culture, health and safety, performance expectations, well-being, and organizational priorities.



Value Created

- **+200 total cooperative training participants**
- **+220 employee volunteer hours** delivered across community programs
- **64% Saudization rate** achieved in 2025

Government and regulatory bodies

are key enablers of Retal’s development activities, influencing planning approvals, licensing, and compliance with environmental and safety standards. Proactive engagement supports regulatory certainty, timely project execution, and alignment with national housing, urban development, and sustainability objectives.

Modes of Engagement

Engagement as required, aligned with regulatory cycles, with ongoing engagement aligned to project development milestones.

Frequency of Engagement

Ongoing collaboration throughout project development phases and periodic consultations aligned with regulatory cycles.

Topics of Discussion

Regulatory compliance, urban development standards, environmental and safety requirements, licensing, and alignment with national priorities.



Value Created

- **Zero regulatory violations** reported in 2025
- **100%** on-time execution of CMA-required disclosures



Informed Decision-making

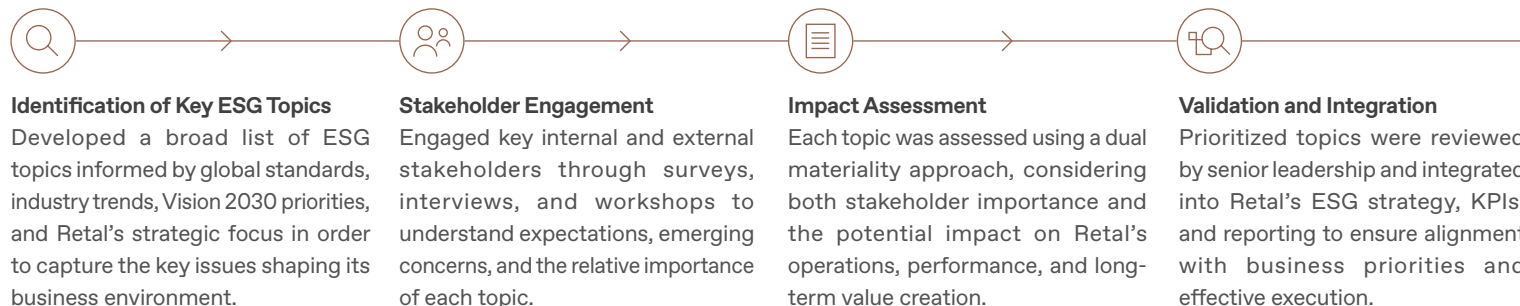
Retal’s materiality assessment provides a strategic lens through which sustainability priorities are directly linked to business performance, risk management, and long-term resilience. It informs capital allocation, asset value creation, and competitive positioning by focusing on issues that affect profitability, efficiency, compliance, and trust.

The framework guides strategic decisions in response to evolving market expectations, regulations, and national development priorities, positioning material topics as value drivers rather than compliance requirements.

MATERIALITY ASSESSMENT PROCESS

Retal’s approach to materiality reflects a rigorous, structured process designed to identify the ESG topics that most significantly influence its ability to create value. In 2025, the Company reviewed the material topics identified in 2024 and confirmed their continued relevance to Retal’s business, operating environment, and stakeholder expectations.

Retal’s materiality assessment is conducted through the following steps:



Identification of Key ESG Topics

Developed a broad list of ESG topics informed by global standards, industry trends, Vision 2030 priorities, and Retal’s strategic focus in order to capture the key issues shaping its business environment.

Stakeholder Engagement

Engaged key internal and external stakeholders through surveys, interviews, and workshops to understand expectations, emerging concerns, and the relative importance of each topic.

Impact Assessment

Each topic was assessed using a dual materiality approach, considering both stakeholder importance and the potential impact on Retal’s operations, performance, and long-term value creation.

Validation and Integration

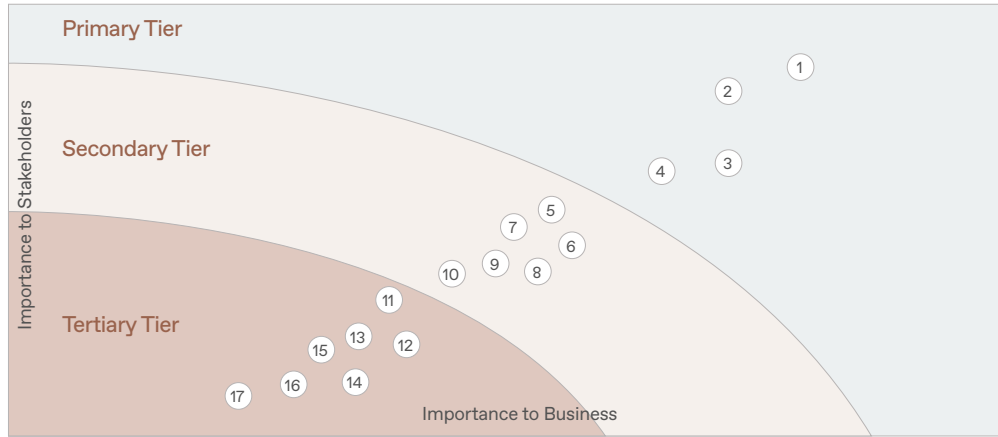
Prioritized topics were reviewed by senior leadership and integrated into Retal’s ESG strategy, KPIs, and reporting to ensure alignment with business priorities and effective execution.

LIST OF FINAL MATERIAL TOPICS

Environment	Social	Governance
Investing in Sustainable Buildings	Human Rights across our Operations and Supply Chain	Governance, Ethics and Integrity
Water Management	Employee Learning and Development	Reporting and Disclosure
Sustainable Materials	Diversity and Inclusion	Health, Safety and Well-being
Waste Management	Talent Attraction and Retention	Business Continuity
Managing Energy and Greenhouse Gas Emissions	Saudization	Risk Management
Managing Climate Risk		Stakeholder Engagement



Materiality Matrix



MANAGEMENT OF MATERIAL TOPICS

Primary Material Topics

1. Human Rights across our Operations and Supply Chain

Strong human rights practices reduce legal, reputational, and supply chain disruption risks, supporting stable project execution, workforce reliability, and uninterrupted asset development.

2. Governance, Ethics and Integrity

Effective governance and ethical controls strengthen investor confidence, protect enterprise value, reduce compliance exposure, and support disciplined capital allocation across Retail’s development portfolio.

3. Employee Learning and Development

Continuous learning enhances productivity, technical capability, and innovation, creating opportunities for higher-quality execution, operational efficiency, and sustained performance across projects.

4. Diversity and Inclusion

Inclusive practices broaden access to talent, strengthen leadership capability, and enhance innovation, supporting organizational agility and competitive positioning.

Secondary Material Topics

5. Reporting and Disclosure

High-quality disclosures enhance market credibility, support access to capital, improve risk transparency, and strengthen confidence among investors and regulators.

6. Health, Safety and Well-being

An ISO 45001-aligned HSE system implemented at BCC, supported by a dedicated committee, training programs, and incident monitoring, contributes to reducing accidents, delays, and liability exposure across construction operations.

7. Business Continuity

Integrated continuity planning limits financial disruption, protects revenue streams, and ensures operational stability across construction, development, and asset management activities.

8. Investing in Sustainable Buildings

Sustainable, LEED-certified developments strengthen asset performance by improving operational efficiency, elevating tenant demand, and enhancing rental competitiveness, while increasing long-term portfolio value through measurable building performance and clear market differentiation.

9. Risk Management

Embedding ESG considerations into enterprise risk management strengthens decision-making, safeguards asset value, and improves preparedness for regulatory, market, and environmental shifts.

10. Stakeholder Engagement

Annual surveys, interviews, and workshops support proactive dialogue, reduce execution risk, and create collaboration opportunities that enhance project delivery and asset acceptance.

Tertiary Material Topics

11. Water Management

Efficient water use lowers operating costs, improves asset efficiency, and reduces exposure to scarcity and regulatory pressures.

12. Talent Attraction and Retention

Strong talent strategies create opportunities to retain critical skills, reduce turnover costs, and ensure consistent service quality and project delivery.

13. Sustainable Materials

Retal prioritizes low-impact materials, using 30% recycled content and sourcing 93.1% locally, reinforcing responsible procurement and reduced environmental footprint across developments.

14. Waste Management

Effective waste practices reduce disposal costs, improve site efficiency, and support compliance with environmental standards.

15. Saudization

Developing national talent strengthens workforce continuity, enhances cultural alignment, and creates opportunities for stable, future-ready operations within the Kingdom.

16. Managing Energy and Greenhouse Gas Emissions

A Carbon Management Policy guiding Scope 1, 2, and 3 emissions tracking, supported by smart technologies, lowers operating expenses and improves energy and carbon efficiency.

17. Managing Climate Risk

Climate-responsive design, including passive cooling, shading, and optimized HVAC systems, protects assets from physical climate impacts and reduces future maintenance exposure.

Designing Smart Communities

Digital innovation at Retal is a strategic enabler of growth, efficiency, and trust. In 2025, the focus shifted from isolated system improvements to building a fully integrated, end-to-end digital ecosystem that simplifies the property journey, strengthens operational control, and preserves Retal’s people-first, customer-centric culture.

7 | RETAL INTEGRATED ANNUAL REPORT 2025

2025 HIGHLIGHTS

98%

Process compliance level

94%

First-time-right solutions (live after the first round of User Acceptance Testing with zero comments)

73%

On-time completion for digital projects (2024: 52%)

12

New automated services launched via mobile

66 hrs/month

Time saved per employee through SADAD-enabled automation

38

Fully automated operational processes

8%

Technical support tickets for newly implemented solution* (2024: 23%)

Zero

Data breaches

**(Reduction demonstrates improved usability and solution durability)*

DIGITAL EXCELLENCE MILESTONES – 2025

Full Governance Coverage:

Policies, procedures, project standards, and tracking mechanisms updated for consistent execution

Digital Payment Integration (SADAD & Go-Pay):

Seamless automated transactions improved efficiency and customer convenience

Title Deed Transfer and Handover Optimization:

Streamlined processes reduced lead time by 50%, provided real-time customer tracking, and clarified departmental accountability

Automated Sales Commission and Performance Management:

Salesforce-based automation delivers real-time visibility, eliminates manual errors, and aligns incentives with strategic priorities

END-TO-END DIGITAL SUPPORT

We scaled our end-to-end digital ecosystem beyond unit selection and handover into a digitally-enabled ownership model.

- A controlled digital marketplace, starting with standardized maintenance services, offers homeowners clearer scopes, transparent pricing, and seamless digital booking and payments
- Anchored by the Retal App, the ecosystem now enables consistent customer engagement while adding a governed platform for recurring post-handover revenue value



SEARCH CASE STUDY

AI-assisted Sales and Booking

Our fully integrated digital booking platform provides customer full unit visibility, virtual tours, and digital decision-making, reducing reliance on physical site visits. Designed for scale, this AI-assisted sales ecosystem lays the foundation for future integration with retail and design partners, enabling customization of layouts, finishes, and furnishings while opening new partnership and monetization avenues.

DIGITALLY-ENABLED CUSTOMER ENGAGEMENT

Retal is scaling a digitally-enabled customer and community engagement model that extends value beyond project delivery and across the full homeowner lifecycle.

- Upgraded mobile app now provides customers with end-to-end visibility of their data, from contract signing through warranty, within a single integrated environment
- Digitalized ownership interactions, including handover, integrated service ticketing, and new omni-channel communication (including WhatsApp fully integrated with CRM)
- Expanded digital services and automation, including marketplace-enabled services, digital transactions, AI-enabled customer interactions, and community management as drivers of recurring engagement



MAJOR UPGRADES OF RETAL APP V2 INCLUDE:

- Real-time unit and contract visibility
- Maintenance and warranty tracking
- Payment and service request management

23

New service requests added to our digital ticketing

100%

Customer cash collection automation via SADAD

SEARCH CASE STUDY

Fully Automated Unit Handover

The traditional manual handover process is now fully digital. Customers book handovers online, submit snags with visual evidence, and track real-time resolution through integrated workflows linking internal teams and contractors. This accelerates handovers, improves transparency, and drives data-driven quality improvements, positioning Retal as a pioneer in digital property handover in Saudi Arabia.

AI-DRIVEN AUTOMATION FOR OPERATIONAL EXCELLENCE

- Retail is scaling AI-driven automation and integrated digital platforms to compress cycle times and strengthen governance across Hire-to-Fire, Procure-to-Pay, and Sales-to-Cash cycles, enabling structured data capture, standardized workflows, real-time monitoring
- AI-driven analytics now support sales forecasting, lead qualification, workforce productivity, and automated performance reporting
- AI-assisted development tools are embedded across digital solution delivery to accelerate build cycles

INTELLIGENT AUTOMATION AND CAPABILITY ENABLEMENT

Retail applies intelligent automation to streamline transactional and data-intensive activities while preserving human oversight for judgment-led decisions.

- ERP-CRM integration to improve accuracy and efficiency across Finance, collections, HR, and reporting
- Centralized data across the value chain, enabling on-demand KPI tracking, faster reporting, and consistent performance management
- Digital upskilling and selective AI adoption in recruitment and performance management free teams to focus on higher-value work



+8,600

Paid hours saved

(Process automation rate – workflows automated through systems)

25%

Cycle time reduction

(Unit handover efficiency improvement)

100%

Infrastructure uptime

(Zero downtime – digital infrastructure reliability)

~80%

Reduction in manual processing for cash-customer collections enabled by SADAD-enabled automation

~70%

Reduced human intervention and operational errors due to ERP-CRM integration

500 hrs

Training hours achieved
(Employee digital skills adoption and completion)

98%

Digital maturity score

(Process governance – internal digital transformation progress)

20

New digital services launched

TECHNOLOGY-ENABLED SUSTAINABILITY

We are leveraging unified data platforms, digital twins, and predictive analytics to improve planning accuracy, optimize resource use, and enhance lifecycle performance across developments. These capabilities strengthen capital and schedule control while enabling early-stage, data-driven design decisions that support energy efficiency, responsible water management, and reduced environmental impact where applicable.

CYBERSECURITY AND DATA GOVERNANCE

The Group adopts a robust framework for data governance and cybersecurity at the organizational level, overseen by the IT Operations Department and supported by an external cybersecurity partner operating 24/7. This framework covers threat monitoring, preventive controls, incident response, business continuity, and role-based access management, with clearly defined escalation paths and responsibilities. Reporting is submitted to the Chief Operating Officer and senior management.

The Group also follows an integrated approach to enhancing cybersecurity awareness among employees through periodic training programs, specialized courses, and continuous awareness campaigns, in addition to regular guidance emails. These efforts aim to increase employees'



awareness of cyber risks, promote secure practices, and reduce behaviors that may expose the company's systems or data to cyber breaches.

Retal classifies its data into four security levels (public, internal, confidential, and restricted) to ensure access is aligned with job responsibilities, while exceptional access requests are subject to strict approval matrices. This classification, supported by automated controls and audit logs, strengthens compliance, operational integrity, and customer trust.

Effectiveness is evaluated through a structured assurance and audit framework that includes annual ISO certification reviews, internal audits, and external audits conducted by independent parties to ensure ongoing compliance with regulatory, contractual, and industry requirements.

0%

Cybersecurity incident rate (Zero penetration cases)

100%

Regulatory compliance (Zero system comments - ISO 27001 Certified)

Zero hrs

System downtime (No cyber or technology failures)

OUTLOOK

SCALING THE DIGITAL ADVANTAGE

Over the next two years, Retal will advance its digital capabilities by integrating with banking platforms for automated payments and reconciliation and expanding Oracle invoice scanning to reduce manual handling by around 80%. The digital booking platform will be enhanced to enable fully end-to-end booking, while implementation of Oracle PPM is underway to strengthen project control, cost visibility, and budget management. Together, these initiatives will drive efficiency, transparency, scalability, and an improved customer experience across the business.